

# ANNUAL REPORT 2 0 2 2

**Concerted Effort  
Towards  
Excellence**







**CONCERTED EFFORT  
TOWARDS EXCELLENCE**

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সুদ, Interest বা Usury ইসলাম ধর্মে নিষিদ্ধ (হারাম)।

সুদ, Interest বা Usur সবই সমার্থক শব্দ।

এই মর্মে পবিত্র কুরআনে যে শব্দ ব্যবহার করা হয়েছে তা হচ্ছে রিবা।  
রিবা আরবী ভাষার শব্দ। এর অর্থ হলো বৃদ্ধি, আধিক্য, অতিরিক্ত, ক্ষীতি,  
সম্প্রসারণ ইত্যাদি। টাকা বা অর্থের বিপরীতে সময়ের সাথে যে কোন বৃদ্ধিই  
হচ্ছে 'রিবা'। কুরআন মজীদে এ অর্থেই 'রিবা' শব্দটি ব্যবহার করা হয়েছে।  
এর পারিভাষিক অর্থ হচ্ছে সুদ।

ইবনুল আরাবী 'আহকামুল কুরআন'- এর প্রথম খণ্ডে বলেছেন:  
**“রিবা হচ্ছে সে বাড়তির দাম, যা কোন মালের বিনিময়ে নয়।”**

সুদ-ভিত্তিক ব্যাংকের মূল কাজ টাকার কেনা বেচা করা। সুদ-ভিত্তিক ব্যাংক জনগণের কাছ থেকে  
পূর্ব নির্ধারিত সুদের ভিত্তিতে কম দামে টাকা কিনে অর্থাৎ টাকা জমা গ্রহণ করে পুনরায়  
পূর্বনির্ধারিত সুদের ভিত্তিতে সেই টাকা ঋণগ্রহীতাদের কাছে বেশী দামে লগ্নি (বিক্রয়) করে।

অন্যদিকে ইসলামী ব্যাংকিং-এ টাকাকে কেনা বেচার পণ্য গণ্য করে না। টাকা নিজে কোন পণ্য  
নয়। টাকার ভূমিকা হলো বিনিময়ের মাধ্যম। ইসলামী ব্যাংকিং জনগণের কাছ থেকে প্রধানত:  
অংশীদারীত্বের নীতির ভিত্তিতে মুদারাবা পদ্ধতিতে জমা গ্রহণ করে। ইসলামী ব্যাংকিং এ মুনাফার  
সম্পর্ক ক্রয়-বিক্রয়ের সাথে।

ইসলামী ব্যাংক টাকা জমাদানকারীদের পক্ষে ব্যবস্থাপক বা মুদারিব হিসেবে কাজ করে। একদিকে  
ইসলামী ব্যাংকিং এ ব্যাংক মুদারিব বা ব্যবস্থাপক হিসেবে সাহিব আল মাল (টাকা জমাদানকারী)  
হতে ব্যাংকের বিভিন্ন জমা হিসাবে অর্থ জমা গ্রহণ করে এবং সে অর্থ নিজে আবার সাহিব আল  
মাল (অর্থের যোগান দাতা) হিসেবে ব্যাংকের বিনিয়োগ গ্রহীতাদের কাছে বিভিন্ন পণ্য বা সেবা  
ক্রয়/বিক্রয় করে। পণ্য বা সেবা ক্রয়-বিক্রয় হতে যে লাভ হয় তা থেকে ব্যাংকের ব্যবস্থাপনা খরচ  
(Management Fee) বাদ দিয়ে ব্যাংকের বিভিন্ন জমা/সঞ্চয় হিসাবে জমাকারীদের লাভ প্রদান করে।  
জমার উপর লাভ বা মুনাফার যে হার ঘোষণা করা হয় তা প্রাক্কলিত, অর্থাৎ চূড়ান্ত হিসাবে তা  
লাভ/ ক্ষতির অনুপাতে সমন্বয় করা হয়।

ইসলামী ব্যাংকিং এ জমা গ্রহণ বা বিনিয়োগ প্রদান উভয় ক্ষেত্রেই পণ্য বা সেবা ক্রয়-বিক্রয়ের  
সঙ্গে সম্পর্কযুক্ত। অর্থাৎ ইসলামী ব্যাংকিং এ টাকাকে কখনো পণ্য হিসেবে বিবেচনা করা হয় না।  
ফলে ইসলামী ব্যাংকিং মূলত: ক্রয়-বিক্রয় ভিত্তিক লেনদেনের মাধ্যমে ব্যাংকিং  
কার্যক্রম পরিচালনা করে।

**কুরআন মজীদে আল্লাহ তা'আলা বলেন:**

“যারা সুদ খায়, তারা সেই ব্যক্তির মত (কিয়ামতের দিন) দাঁড়াবে যাকে শয়তান তার স্পর্শ দ্বারা  
পাগল করে দিয়েছে। এটা এ জন্য যে, তারা বলে: ক্রয়-বিক্রয় তো সুদের মতোই। অথচ আল্লাহ  
ক্রয়-বিক্রয়কে হালাল ও রিবা বা সুদকে হারাম করেছেন। যার কাছে তার রবের এ নির্দেশ এসেছে  
এবং সে বিরত হয়েছে, তবে অতীতে যা হয়েছে তা তারই; এবং তার ব্যাপার আল্লাহর  
এখতিয়ারে। আর যারা আবার আরম্ভ করবে, তারাই জাহান্নামী। সেখানে তারা স্থায়ী হবে।”  
সূরা আল বাকারা ২৭৫

“হে মুমিনগণ, তোমরা আল্লাহকে ভয় কর এবং সুদের যা বকেয়া আছে, তা ছেড়ে দাও,  
যদি তোমরা মুমিন হও।”

সূরা আল বাকারা-২৭৮

## VERSES FROM THE HOLY QURAN AND HADITH

### IN THE NAME OF ALLAH, MOST GRACIOUS, MOST MERCIFUL

“..... That is because they say Trade is just like usury whereas, Allah permitteth trading and forbideth usury.....”

**-Surah Al-Baqarah,verse : 275**

“.....Allah will destroy Riba (usury) and will give increase for Sadaqaat and Allah likes not the disbelievers, sinners.....”

**-Surah Al-Baqarah,verse : 276**

“..... O you who believe! Be afraid of Allah and give up what remains from Riba, if you are really believers.....”

**-Surah Al-Baqarah,verse : 278**

“..... If you do not do it, then take a notice of war from Allah and his messenger; but if repent, you shall have your capital sums. Deal not unjustly (by asking more than your capital sums), and you shall not be dealt with unjustly (by receiving less than your capital sums).....”

**-Surah Al-Baqarah,verse : 278**

“..... Verily never will Allah change the condition of a people until they change it themselves (with their own souls).....”

**-Surah Ar-ra'ad, verse : 11**

“A man's work ends upon his death except for three things (a) contribution to knowledge (b) on-going charity and (c) faithful child”

**- Al Hadith Muslim**

# Standard Disclosure Checklist

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# Letter of Transmittal

All Shareholders of Social Islami Bank Limited  
Bangladesh Bank  
Registrar of Joint Stock Companies and Firms  
Bangladesh Securities and Exchange Commission  
Dhaka Stock Exchange Ltd.  
Chittagong Stock Exchange Ltd.

**Subject: Annual Report 2022 of Social Islami Bank Limited.**

Muhtaram,  
As-salamu Alikum Wa Rahmatullah,

Reference to the above, we enclose herewith the copy of Annual Report 2022 of Social Islami Bank Limited along with the audited consolidated and solo Financial Statements as at 31st December 2022. This report includes Income Statements, Balance Sheet, Cash Flow Statements, Liquidity Statements, Statements of Changes in Equity and Notes to the Accounts thereon of Social Islami Bank Limited as well as its subsidiaries namely SIBL Securities Limited and SIBL Investment Limited.

This is for your kind information and record, please



**Md. Nazmul Ahsan, FCS**  
Company Secretary



# Notice of the 28<sup>th</sup> Annual General Meeting

Notice is hereby given that the **28<sup>th</sup> ANNUAL GENERAL MEETING (AGM)** of the Shareholders of **SOCIAL ISLAMI BANK LIMITED** will be held on Monday, the **10<sup>th</sup> July, 2023** at 11:00 a.m. virtually by using digital platform through the link <https://sibl.bdvirtualagm.com> (in pursuant to the Bangladesh Securities and Exchange Commission's Order No. BSEC/CMRRCD/2009-193/08 dated 10 March 2021 and further letter no. SEC/SRMIC/94-231/91 dated 31 March, 2021) to transact the following business and adopt necessary resolutions:

## AGENDA

### Ordinary Business:

1. To receive, consider and adopt the Audited Financial Statements of the Bank for the year ended December 31, 2022 together with the Reports of the Directors and the Auditors thereon.
2. To declare dividend for the year ended December 31, 2022 as recommended by the Board of Directors.
3. To elect/re-elect Directors as per applicable regulatory requirements and provisions of the Articles of Association of the Bank.
4. To appoint Auditors for the year ended December 31, 2023 and fix their remuneration.
5. To appoint Compliance Auditors as per Corporate Governance Code (CGC) for the year ended December 31, 2023 and fix their remuneration.

### Special Business:

To change the registered name of the Bank to '**Social Islami Bank PLC**' from '**Social Islami Bank Limited**,' the following special resolution is proposed to be passed with or without modification in accordance with the Companies Act 1994 (up to 2<sup>nd</sup> Amendment 2020) and to amend the relevant Clauses of the Memorandum and Articles of Association of the Bank:

**“Resolved that the proposal for changing the name of the Bank to “Social Islami Bank PLC” from “Social Islami Bank Limited” in compliance with the Provisions of the Companies Act, 1994 (up to 2<sup>nd</sup> Amendment 2020) and amendment the related Clauses and Articles of the Memorandum and Articles of Association of the Bank subject to approval of the shareholders and regulatory bodies is hereby approved?”**

Date: 30<sup>th</sup> May, 2023



QR Code for AGM Link

For Social Islami Bank Limited

  
(Md. Nazmul Ahsan, FCS)  
Company Secretary

### Notes:

- (a) The '**Record Date**' fixed on Monday, the 5th June, 2023. Shareholders whose names would appear in the Members Register of the Company or in the Depository Register on the '**Record Date**' will be eligible to attend, vote in the 28th AGM and receive entitled dividend;
- (b) A Member who is entitled to attend and Vote at the Annual General Meeting (AGM) can appoint a Proxy to attend and vote on his/her behalf. Forms of Proxy, duly stamped of Tk. 20/- (Taka twenty) only must be submitted at the Registered Office of the Company at least 72 hours before the AGM time fixed for the meeting;
- (c) Link for joining in the AGM will be notified to the Respective Members through E-mail and SMS. Details login process for the meeting will be available in the Bank's Website at [www.siblbld.com](http://www.siblbld.com). The registration/Virtual link for attending the AGM shall be opened before 24 hours of AGM;
- (d) The Shareholders are requested to update their respective BO Account (Mailing Address, E-Mail, Bank's Account details, Taxpayer's Identification Number (e-TIN), Contact Number etc.) through Depository Participants (DP) latest by before Record Date. As per section 54 of Income Tax Ordinance-1984 without having e-TIN, Income Tax will be deducted @15% instead of 10% from payable cash dividend;
- (e) Depository Participant (DP)/Stock Brokers are requested to send the list of margin loan holders having details information of the Shareholders as per record date within 25<sup>th</sup> June, 2023;
- (f) The cash dividend will be paid through account transfer/BEFTN or any other mode as may be deemed appropriate by the Bank as per Rules and Regulations; and
- (g) Annual Report along with Audited Financial Statements, Attendance Slip and Proxy Forms will be forwarded to all the Shareholders at their respective email address available with us as per CDBL record and also be available in the Company's website ([www.siblbld.com](http://www.siblbld.com)).

**(N.B: No gift or benefit in cash or kind other than in the form of Cash or Stock dividend shall be paid /offered to the holders of equity securities at the time of AGM as per BSEC Circular No. SEC/CMMRCD/2009-193/154 dated 24.10.2013).**



## OVERVIEW

# Vision & Mission Statement



## Our Vision

Working together for a caring society.

## Mission

- Establishing three sector banking model.
- Transformation to a service oriented technology driven profit-earning bank.
- Fast, accurate and satisfactory customer service.
- Balanced & sustainable growth strategy.
- Optimum return on shareholders' equity.
- Introducing innovation islamic banking products.
- Attract and retain high quality human resources.
- Empowering real poor families and creating local income opportunities.
- Providing support for social benefit organizations by way of mobilizing funds and social services.



# Our Strategic Objectives

		Transformation into a service-oriented technology-driven profit earning bank.
Providing support for social benefit organizations-by way of mobilizing funds and social services		
		Ensure fast, accurate and best-in-class customer services with customers' satisfaction.
To achieve global standards in Islamic Banking		
		Balanced and sustainable growth strategy. Optimum return on shareholders' equity.
To invest in the priority sector for the overall economic development		
		Introducing innovative Islamic Banking Products.
Ensure best CSR (Corporate Social Responsibilities practices		
		Attract, motivate and retain high quality human resources.
Ensure Green Banking		
		Empowering real poor families and create local income opportunities.



## Our Commitments

- To the shariah
- To the regulators
- To the shareholders
- To the nation
- To the customers
- To the employees
- To the other stakeholders
- To the environment

# SIBL Core Values



## Honesty

Honest to its customers, employees, regulators, shareholders and others.



## Efficiency

Gaining efficiency through best use of man and machine.



## Accountability

Accountable to the stakeholders and to the society at large.



## Transparency

Transparent in each and every banking transaction.



## Innovation

Continuous innovative idea generations and designing of banking products and services.



## Security

Protecting assets and services



## Flexibility

Service flexibility is one of the most important features.



## Religiousness

SIBL enhances economic well being with the bliss of religious ethics.



## Technology

Providing of upgraded technological banking services.



# Code of Conduct & Ethical Principles

## Ethical Principles of SIBL

**Objectivity** – the bank shall possess strict principle of objectivity in its day to day banking operations in relation to its customers, employees, shareholders, other banks, other organizations by maintaining and protecting the stability and trust in the banking sector.

**Just and Equitable** – the bank shall have no discrimination and avoid all forms of bias in its attitudes towards employees as well as to its customers.

**Honesty** – the bank during its operations shall stick to the honesty principle in relation to customers, employees, shareholders, other banks, regulators and the stakeholders.

**Impartiality** – the bank is impartial towards its customers irrespective of their nationality, religion, financial and social standing, and gender during banking service.

**Reliability** – the bank shall offer clear, comprehensible and correct information to its customers within the principle of reciprocal trust during services and transactions; and provide the customer services in a timely and complete manner.

**Transparency** – the bank shall inform its customers in an open, easily understandable and clear way regarding the underlying rights and responsibilities, benefits and risks attached to the products and services offered to them.

**Observing Social Benefit and Respect to Environment** – the bank shall show due diligence to support all kinds of social and cultural activities in the light of the principle of observing, aside from the profitability, the social benefit and respect to the environment.

**Fighting against money laundering** – the bank has a policy to fight against corruption and money laundering etc. as a significant principle as stipulated by international norms and the provisions of national laws and regulations. The bank shall take appropriate measures to discharge duties by the employees with

utmost due care and caution to fight against accumulation of crime originated assets.

**Insider Trading** – the bank has a clear policy and takes all measures in order to prevent the use of insider information for the trading purposes.

**Relations with public organizations, regulators and other institutions** – the bank, during its relations with the public organizations, regulators and other institutions, should act in observance of the principles of honesty, accountability and transparency, and should show the utmost care for the correct, complete and timely communication of the information, documents and records in accordance with the laws and regulations of the country.

**Personnel Behaviors** – the bank shall avoid all kinds of practices and applications that may cause unfair competition on the employment of the personnel.

**Competition** – the bank shall take appropriate measures to take the challenges of industrial competition in compliance with the laws and regulations. During the SIBL's actions to defeat the competitive forces- all of its activities within the free market economy shall avoid any unfair means which may cause indiscipline in the economy or industry or may be termed as immoral or unjustified behavior or is against the principles of integrity. All actions against competition shall rather aim to (i) overall development of the financial sectors (ii) develop public trust on overall banking operations (iii) observe the common interest of banks.

**Advertisements and Announcements**– SIBL shall act honestly, realistically, and in compliance with legal regulations and with the general moral principles during its announcements, advertisements and notices under the publicity and advertising activities regarding products and services as well as its financial structures. The bank shall avoid all acts and behaviours that may damage the

reputation of the banking as a profession. The bank shall also ensure that the announcements, advertisements and notices do not contain any statements or expressions degrading or humiliating other banks, or the products and services of other banks.

**Customer Complaints** – SIBL shall establish a system in order to respond all and any kinds of questions of their customers stemming from the services offered and shall accordingly inform to customers about this system.

**Security** – SIBL shall recognize the concept of “Security” that includes all measures towards the protection of all and any service mediums of the bank in banking sector including technical hazards in the services offered to the customers.

**General Employee Qualities** – the bank shall be aware that it shows due diligence in order to ensure that the employees of the bank possess knowledge, background and a sense of responsibility required by jobs.

**Employment and Career Development**– the bank shall in line with the principle of managing the human resources in the best possible way, offer trainings, courses, seminars and similar opportunities to their employees in order to ensure that they reach to the level necessitated by the time and by the banking profession.

**Working Environment** – The bank shall introduce internal regulations requiring that its employees look neat and clean in conformity with the reputation of the banking profession and are also provided with a good congenial working environment.

**Job Descriptions** – The bank shall maintain and update a detailed job description to distribute its jobs among the employees so that the bank can show due diligence for the employment of sufficient number of personnel required by the workload, organize the employees in a way that they yield maximum productivity during the working hours, and show utmost efforts for preventing overtime work and that the employees use their annual leaves regularly.

## Code of Conduct for the Employees

- Adhere to the shariah principles.
- Adhere to the disciplinary measures of the bank.
- Adhere to applicable laws and regulations during performance of duties, Inform the customers about the benefits and risks of the products and services offered to them,
- Offer unbiased and fair service to the customers receiving the same services,
- Not to disclose the secrets of their customers and the banks which they come to learn by virtue of their positions and titles to anyone other than those persons and authorities who are explicitly authorized under laws,
- Not to cause any loss of reputation of the bank during works and attitudes,
- Not to be engaged in any activity that can be classified as personal business.
- Not to behave in contradiction to the principles of justice, integrity, honesty, reliability and social responsibility,
- To cooperate with other employees for common purposes through building a courteous and diligent communication during their fulfilment of duties,
- Not to use the bank's assets and resources unproductively and outside the designated purpose,
- Not to derive any personal benefits both from their own job potentials and from potentials of their customers by using their positions and titles,
- To refuse all such benefit offers immediately and to inform such offers to the competent authorities and to their superiors,
- Not to be involved in relations with the customers such as borrowing-lending, being guarantor and opening common accounts with the customers which do not correspond with ethical principles,
- Not to accept presents from the current or potential customers, other than those presents accepted by the bank personnel under the established practices in the bank,
- To be aware of one's accountability regarding the duties assumed during the performance of the services,
- Not to assume any position in any private and public organization other than associations, foundations, cooperatives, and similar organizations without the approval of the bank.



## Corporate Profile

Social Islami Bank Limited (SIBL) was established in the year 1995 as a public limited company which is engaged in Shariah based commercial banking in the country and its modus-operandi are substantially different from other conventional banks. This is the second-generation pioneer Islamic Bank in this country to introduce online banking facilities to its customers.

<ul style="list-style-type: none"> <li>● <b>Name of the Company</b> Social Islami Bank Limited</li> <li>● <b>Registered Office</b> City Center, Level 19 -22, 28 &amp; 29 90/1 Motijheel C/A, Dhaka-1000 Phone : +88-09612001122 (PABX) FAX : 88-02-9568098 Email : info@sibl-bd.com Website : www.siblbld.com SWIFT : SOIVBDDH</li> <li>● <b>Chairman</b> Belal Ahmed</li> <li>● <b>Managing Director &amp; CEO</b> Zafar Alam</li> <li>● <b>Chief Financial Officer</b> Mohammad Shoeb, FCA</li> <li>● <b>Chief Compliance Officer</b> Abul Ahsan Muhammad Habibur Rahman</li> <li>● <b>Chief Risk Officer</b> Md. Shafiqul Islam</li> <li>● <b>Company Secretary</b> Md. Nazmul Ahsan, FCS</li> <li>● <b>Auditors</b> <b>Kazi Zahir Khan &amp; Co.</b> Chartered Accountants HomeTown Apartments (Level-15), 87 New Eskaton Road,Dhaka-1000 <b>Khan Wahab Shafique Rahman &amp; Co.</b> Chartered Accountants Rupali Bima Bhaban,7,Rajuk Avenue(5th &amp; 6th Floor Motijheel,Dhaka-1000</li> </ul>	<ul style="list-style-type: none"> <li>● <b>Credit Rating Agency</b> Alpha Credit Rating Ltd.</li> <li>● <b>Company Registration No.</b> C-28763(44)/95</li> <li>● <b>Bank's License No.</b> DBOD(D):200/60-943/95</li> <li>● <b>Tax Payer Identification No.</b> 144050147394</li> <li>● <b>Business Identification No.</b> 000302065</li> <li>● <b>Authorized Capital</b> Taka 30,000,000,000/-</li> <li>● <b>Paid up Capital</b> Taka 10,341,542,860/-</li> <li>● <b>Number of Shares</b> 1,034,154,286</li> <li>● <b>Investors' Inquiry</b> Share Department City Center, Mezzanine-2 90/1 Motijheel C/A, Dhaka-1000 PABX: 88 02 09612001122 (50431) Phone: +88-02-23351852 +88- 0961 2001122 (Ext: 50431)</li> <li>● <b>Number of Employees</b> 4039 (Four thousand Thirty nine)</li> <li>● <b>Number of Branches</b> 179 (one hundred seventy nine)</li> <li>● <b>For Off-Shore Banking</b> Off-Shore Banking Department City Center, Level-23, 90/1 Motijheel C/A, Dhaka-1000</li> </ul>	<ul style="list-style-type: none"> <li>● <b>For SIBL Securities Limited (a subsidiary of SIBL)</b> Chief Executive Officer 3rd floor, 15 Dilkusha C/A, Dhaka-1000</li> <li>● <b>For SIBL Investment Limited (a subsidiary of SIBL)</b> City Center, 90/1 Motijheel C/A, Dhaka-1000</li> <li>● <b>Listing Status</b> <b>DSE (Dhaka Stock Exchange)</b> Symbol: SIBL   Listing Date: 18.11.2000 <b>CSE (Chittagong Stock Exchange)</b> Symbol: SIBL   Listing Date: 04.10.2005 <b>Market Price as on 31.12.2022</b> DSE: Taka 12.30, Category A CSE: Taka 12.30, Category A</li> </ul>
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**ALL IN  
ONE**

ATM/Branch Location

Cheque Management

Mini Statement

Balance Enquiry

Mobile Recharge

Utility Bill Payment

Fund Transfer to bKash & Nagad

Credit Card Bill Payment

e Account Opening

Cash Withdrawal through QR Code

**ANYTIME  
ANYWHERE**



ডাউনলোড করতে ভিজিট করুন:



# Milestones

## 1995

- Incorporation Date
- Certificate of Commencement of Business
- Formal Inauguration
- Starting of 1st Branch

## 2000

- Listing with Dhaka Stock Exchange Ltd.
- Initial Public Offering (IPO)

## 2004-2005

### 2004

- Online Banking Facilities Introduced

### 2005

- Listing with Chittagong Stock Exchange Ltd.

## 2007-2009

### 2007

- 1<sup>st</sup> Rights Share Offer

### 2008

- Launching of remittance service

### 2009

- 2<sup>nd</sup> Rights Share Offer

## 2015

- Issuance of Mudaraba Subordinated Bond
- Introduction of Agent Banking

## 2016

- Opening of 125<sup>th</sup> Branch (Corporate Branch)

## 2017

- Opening of 138<sup>th</sup> Branch

## 2018

- Launching Internet Banking (SIBL Now)
- International Rating from Moodys
- Opening of 155<sup>th</sup> Branch



## 2010

- Opening of 50th Branch
- Formation of Subsidiary Companies
  - a) SIBL Securities Ltd
  - b) SIBL Investment Ltd
- Agreement with VISA
- Introducing Core Banking Software

## 2011

- Introducing Concurrent Audit System
- Introducing Green Banking
- Window Introduction of School Banking
- 3rd Rights Share Offer
- Opening of 75th branch (Bashundhara)

## 2012

- Own Corporate Head Office at City Centre
- Launching of Offshore Banking Unit
- Launching of Internet Banking

## 2014

- 6,25,000 nos. of Deposit Accounts
- 49,000 nos. of Investment Accounts
- Opening of 100<sup>th</sup> Branch (Kankirhat)

## 2019

- Introduction of Sub Branches
- Opening of 161st Branch

## 2020

- Launching Call Center
- Introducing e-account service
- Opening of 168th Branch

## 2021

- Opening of 172nd Branch
- Opening of 104th Sub Branch
- Approval of 200th Agent Outlet
- Launching of QR Code for Money Withdrawal

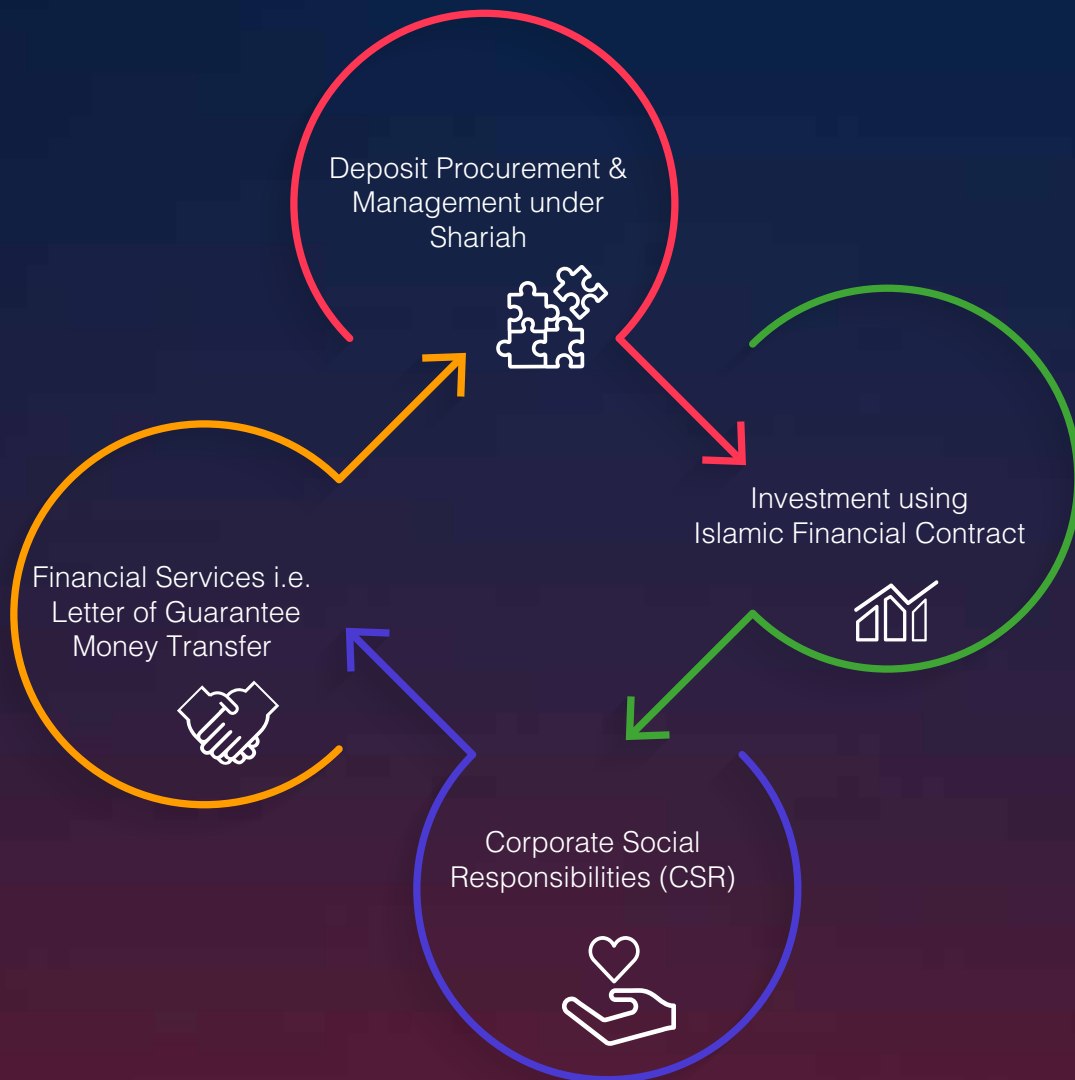
## 2022

- 20 lac number of account
- Opening of 179th Branch
- Opening of 156th Sub Branch
- Approval of 322nd Agent Outlet

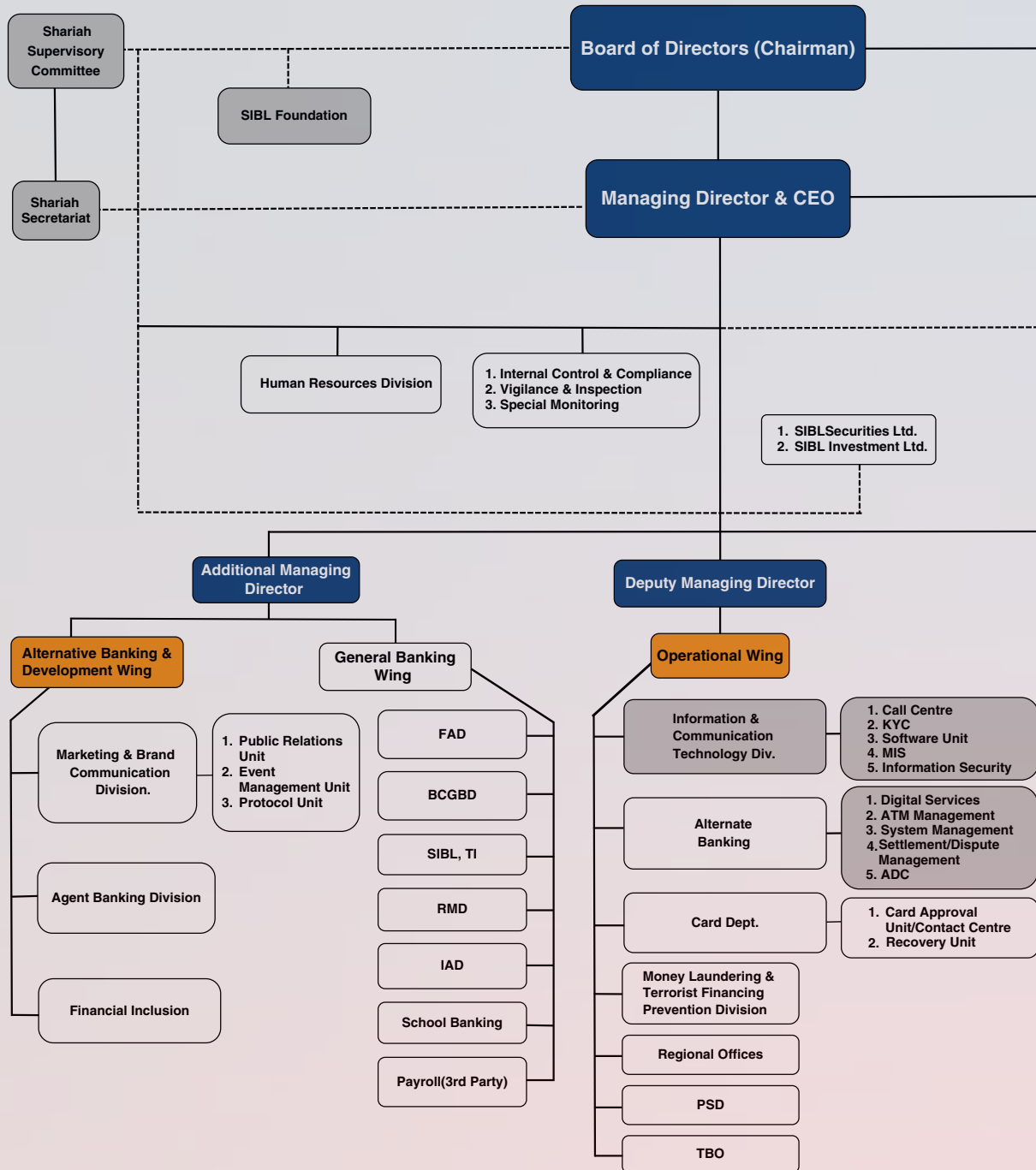
## Sponsors of SIBL

1.	Prof. Dr. M. A. Mannan
2.	Major Dr. Md. Rezaul Haque (Retd.)
3.	Dr. Md. Jahangir Hossain
4.	Mohammad Ibrahim Miyan
5.	Md. Abdul Malek
6.	Fountain (Pvt.)Ltd.
7.	Bangladesh Social Peace Foundation
8.	Dr. J. H. Gazi.
9.	M. Nurul Amin
10.	Md. Shah Alam
11.	Alhaj Sultan Mahmood Chowdhury
12.	Alhaj Mohammad Nesaruddin.
13.	Abdul Awal Patwary
14.	Md. Anisul Hoque, Representing Hamdard Laboratories (Waqf) Bangladesh
15.	Nargis Mannan
16.	Fatema Begum
17.	Shamsunnahar Begum
18.	Zohra Alam
19.	Islam Import & Export Associate Ltd.
20.	Al-Haj Nasiruddin
21.	Kamal Uddin Ahmed
22.	Ahmed Akbar Sobhan
23.	Hasina Iqbal
24.	Al-Haj Sk. Mohammad Rabban Ali
25.	Alhaj Mohammad Aynul Haque
26.	Mohammad Azam
27.	Md. Aminuddin
28.	Dr. Reshmi Mannan Siddique
29.	Dr. Ghalib Mannan
30.	Sadat Sobhan
31.	Alhaj S.N. Haque

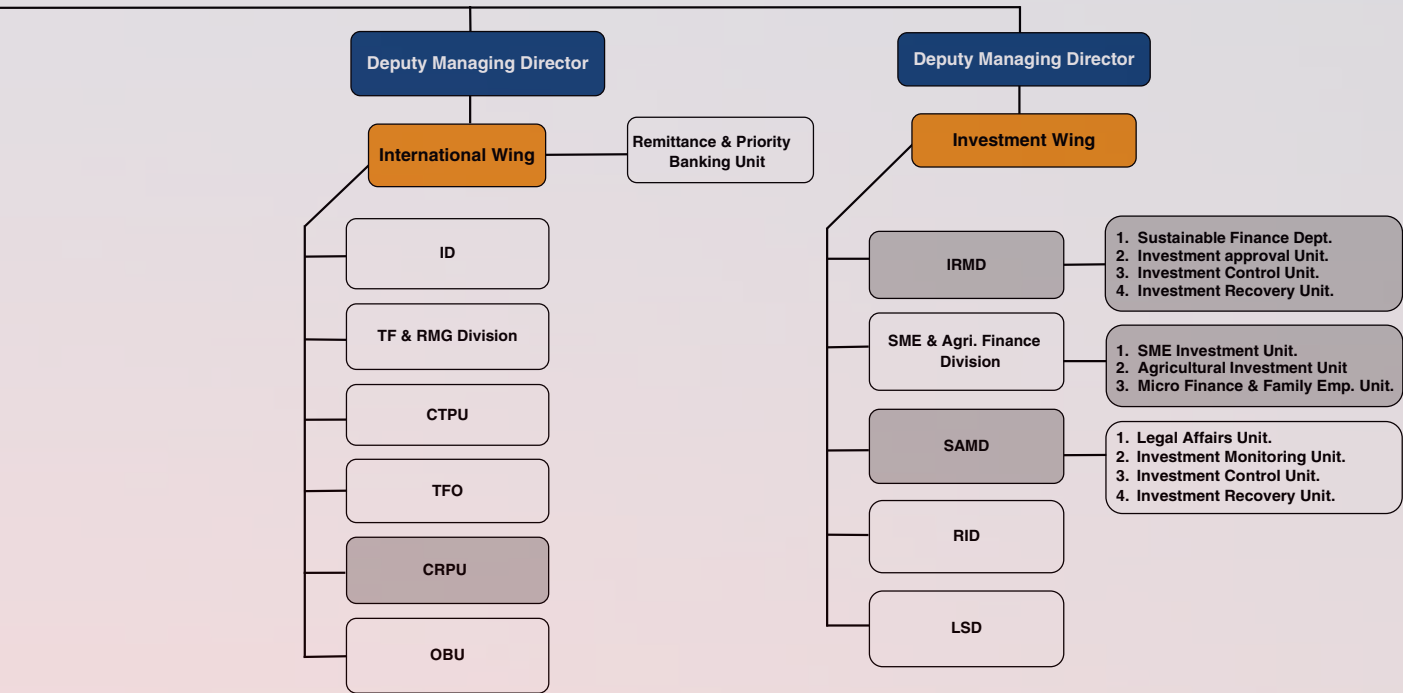
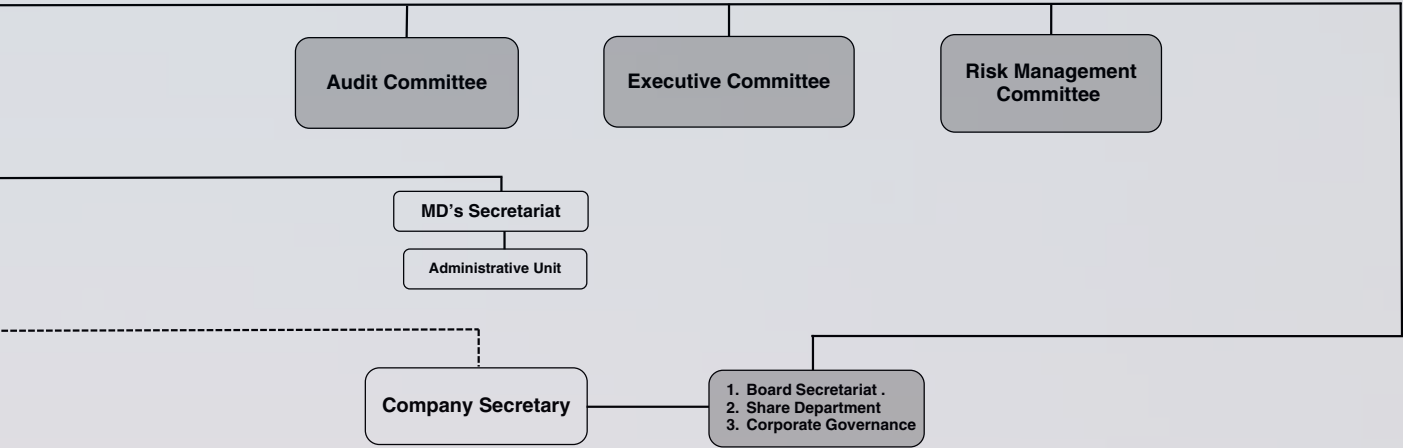
# Functions of Social Islami Bank Limited



# Organization Structure



Note:  
 Direct Reporting: ———  
 Indirect Reporting: - - - - -



The Additional Managing Director will oversee all the activities of other wings as and when necessary as desired by the Appropriate Authority



# Products & Services

- **AI-Wadeeah Current Deposit (Awcd) Account**
- **Mudaraba Savings Deposit Account**
- **Mudaraba Super Savings Account**
- **Mudaraba. Notice Deposit Account**
- **Mudaraba Term Deposit Account**

- » 1 Month      » 6 Month
- » 2 Month      » 200 Days
- » 3 Month      » 12 Month
- » 100 Days    » 2 Years
- » 4 Month      » 3 Years

- **Mudaraba Monthly Profit Deposit Scheme**

- » Mudaraba Monthly Profit Deposit Scheme (3 year)
- » Shachanda Protidin
- » Shuborno Lata
- » Shobuj Chaya
- » Mudaraba Monthly Profit Deposit Scheme (1 year)
- » SIBL Astha (one year)
- » SIBL Astha (two year)

- **Mudaraba Deposit Pension Scheme**

- » Mudaraba Special Deposit Pension Scheme
- » Sonali Din
- » Shukher Thikana
- » Suborno Rekha
- » Shobuj Shayanho
- » SIBL Super DPS

- **Mudaraba Hajj Scheme**

- » Kafela

- **Mudaraba Lakhpoti, Millionaire & Kotipoti Scheme**

- » Shopner Shiri (Lakhpoti)
- » Suborno Digonto (Millionaire)
- » Shorno Shikhor (Kotipoti)

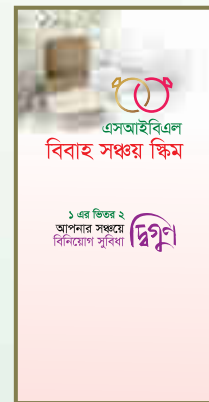
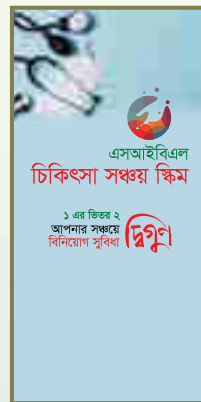


- **Other Schemes**

- » Mudaraba Zakat Savings Scheme
- » SIBL Youngster Account
- » Shanchita Special Deposit Scheme
- » Mudaraba Marriage Savings Scheme
- » Mudaraba Mohorana Savings Scheme
- » Mudaraba Education Deposit Scheme
- » Mudaraba Bashsthan Savings Scheme

- **New Mudaraba Deposit Products**

- » SIBL Education Savings Scheme
- » SIBL Medical Savings Scheme
- » SIBL Marriage Savings Scheme
- » SIBL Probashi Deposit Scheme
- » Retired Citizen Monthly Benefit Scheme
- » Hawkers Deposit & Business Development Scheme
- » Drivers Deposit Scheme





**Cash Waqf**

- » Cash Waqf Deposit Scheme
- » Cash Waqf Savings Scheme
- » Al-Wasiah Bill Waqf
- » Cash Waqf Mudaraba Monthly Profit Deposit Scheme

- SME & Agricultural Finance
- Women Enterprise Finance
- Retail Finance
- Family Empowerment Islamic Micro Finance

**OTHER SERVICES**

- Online Banking
- ATM 24/7
- Automated Clearing
- Electronic Fund Transfer
- Internet Banking (SIBL Now)
- Offshore Banking
- Centralized Trade Processing Services
- Remittance
- Locker
- Students File
- SWIFT
- Capital Market Services Through SIBL Subsidiaries
- ADC (Alternate Delivery Channel)
- School Banking
- Agent Banking
- RTGS (Real Time Gross Settlement)

**INVESTMENT PRODUCTS**

- Bai- Murabaha
- Bai-Muajjal
- Hire Purchase Under Shirkatul Melk (Hpsm)
- Musharaka
- Bai- Salam
- Documentary Bill Purchase
- Guard
- SIBL Employees' House Building Investment Scheme

**CARD PRODUCTS**

- **Visa Islami Credit Card:**
  - » Domestic Classic
  - » Dual Classic
  - » Domestic Gold
  - » Dual Gold
  - » Dual Platinum
- **Visa Islami Prepaid Card:**
  - » Hajj Card
  - » Travel Card
  - » Student Card
  - » Gift Card
- **Visa Islami Debit Card:**
  - » Visa Islami Zameel Classic Debit Card

এসআইবিএল  
রিটেইল ইনভেস্টমেন্ট  
ফর স্কলার্শিপ

ডিজিটাল ডিভাইস কিনতে  
শিক্ষার্থীদের জন্য বিনিয়োগ সুবিধা

সোশ্যাল ইসলামী ব্যাংক- এর মাধ্যমে  
বিশ্বের যেকোনো দিকে থেকে  
আপনার ছিয়রজনের পর্যায়ে

রেমিট্যান্স গ্রহণ করুন  
দ্রুত ও নিরাপদে

- » বিনিয়োগ গ্রহণে ১% মুনাফা হ্রাস
- » পুনর্বাসন অর্থায়ন
- » রেমিট্যান্স দিয়ে সম্বন্ধী হিসাব খুললে  
অতিরিক্ত মুনাফা প্রদান
- » বিমান টিকেট প্রদান

বাজার ছাড়ে  
শহুরে বাগান

বাজার ছাড়ে শহুরে বাগান করতে এসএমই ও  
কৃষি বিনিয়োগের আওতাধীন বিনা জামানতে  
বিনিয়োগ গ্রহণের সুবিধা।

এসআইবিএল  
স্যালারী অ্যাডভান্স

মুদ্রাধারক ব্যক্তি  
প্রতিট মাসে একটি দিন

প্রতিমাসে স্যালারী অ্যাডভান্সের জন্য  
ক্রিডিট লিমিটের উপর ভিত্তি করে  
প্রতি মাসে অকম্পনীয় মুদ্রাধার  
উজ্জ্বলনের মাধ্যমে নিশ্চিত জীবন যাপন করুন।

এসআইবিএল  
শিক্ষা সহায়ক ঋণ

১ এর ভিতর ২  
আপনার সহায়কে  
বিনিয়োগ সুবিধা

সোশ্যাল ইসলামী ব্যাংক লিমিটেড -এর  
তিনটি অনন্য  
সহায়ক ঋণ

১ এর ভিতর ২  
আপনার সহায়কে  
বিনিয়োগ সুবিধা

এসআইবিএল  
শিক্ষা  
সহায়ক ঋণ

এসআইবিএল  
চিকিৎসা  
সহায়ক ঋণ

এসআইবিএল  
বিবাহ  
সহায়ক ঋণ

এসআইবিএল  
সুপার ডিপিএস  
বিশেষ সহায়ক ঋণ

ALL IN ONE  
ANYTIME ANYWHERE

ATM/Branch Location  
Cheque Management  
Mini Statement  
Balance Enquiry  
Mobile Recharge  
Utility Bill Payment  
Fund Transfer to bKash  
Credit Card Bill Payment  
e-Account Opening  
Fund Transfer

এসআইবিএল  
স্যালারী অ্যাডভান্স

মুদ্রাধারক ব্যক্তি  
সর্বোচ্চ ৩০ দিনের জন্য

স্বাক্ষরিত আদায় সহায়কের ও নিশ্চিতকরণের লক্ষ্যে  
এসআইবিএল সুপারসার স্যালারী অ্যাডভান্স (সেপার্ট)  
চলু করেছে। একটি স্বাক্ষরিত সাক্ষাৎ হিসাব খুলুন  
বহরবাসী কিছু কিছু টাকা সঞ্চয় করলে বহরভায়ে  
স্বাক্ষরিত আদায় করা সহজসাধ্য হয়।

এসআইবিএল  
হজ কার্ড

সম্মানিত হজযাত্রীদের  
অত্যধুনিক সেবা প্রদানে  
সোশ্যাল ইসলামী ব্যাংক  
নিম্নে এলো  
এসআইবিএল হজ কার্ড।



# BOARD & COMMITTEES

## Board of Directors

Social Islami Bank Limited's Board consists of 11 (eleven) Directors including 2 (two) Independent Directors. As per Corporate Governance Code of BSEC and Bank Companies Act, 1991, Independent Directors were appointed in the Board and their tenure is fixed thereon. The devoted Board Members are highly committed towards achievement of the bank's goal. Moreover, the board is engaged in other major activities such as formulating major/strategic policies, regulatory and compliance issues, providing proper guidelines, monitoring financial performance, monitoring operations of internal control, approval of annual budget, major capital expenditure, evaluation of financial performance, approval of audit report and increase of awareness to maintain Shariah Principals. The board of directors also plays a good part in the process of appointment and evaluation of Managing Director & CEO and Senior Management team (key decisions makers). In addition, the board of directors is responsible to make timely reporting to stakeholders about the affairs and performance of the Bank. The Board is also responsible to comply with various types of Rules, Regulations, Notifications and Orders issued by the Regulatory Authorities in time to time. They ensure the implementation of good Corporate Governance in the Bank. During the year 2022 total 17 numbers of Board meetings were held compared to 15 meetings in the year 2021.

01.	Belal Ahmed	Chairman
02.	Md. Sayedur Rahman	Vice Chairman
03.	Md. Kamal Uddin	Vice Chairman
04.	Dr. Md. Jahangir Hossain	Director
05.	Jebunnesa Akbar	Director
06.	Ali Hasan Md. Mahmud Ribon	Director
07.	Arshadul Alam	Director
08.	Mahmudul Alam	Director
09.	Mohammad Abul Kalam	Director
10.	Professor A J M Shafiul Alam Bhuiyan, Ph.D	Independent Director
11.	Professor Mohammed Mizanur Rahman, Ph.D	Independent Director
12.	Zafar Alam	Managing Director & CEO
13.	Md. Nazmul Ahsan, FCS	Company Secretary



**Belal Ahmed**

Chairman

Mr. Belal Ahmed is the Chairman of the Board of Directors of Social Islami Bank Limited and he is also the Chairman of the Executive Committee (EC) of SIBL. Mr. Belal Ahmed started business in Bangladesh with renowned Unitex Group after completion of his higher education from University of Toronto, Canada.

He is the Managing Director of Unitex Spinning Limited, Unitex Composite Mills Limited, Unitex LP Gas Limited, Unitex Petroleum Limited, Unitex Cement Limited, Unitex Steel Mills Limited. Mr. Belal Ahmed was one of the Directors of Chittagong Chamber of Commerce and Industries during the period from 2013 to 2015.

He has been representing Social Islami Bank Limited to Bangladesh Association of Banks (BAB) since long. He is also the Director of SIBL Securities Ltd. and SIBL Investment Ltd.



**Md. Sayedur Rahman**

Vice Chairman

Mr. Md. Sayedur Rahman is the Vice Chairman of Social Islami Bank Limited and one of the renowned and successful industrialists and businessmen of high stature of the country. He is a prominent figure in Garments industry. He is the Chairman of Rans Real Estate Ltd. He is also the Managing Director of eminent M/S. Lodestar Fashion Ltd., M/S. Mid-Asia Fashions

Ltd. He is also a Philanthropist engaged in various social activities in the Country. He is also discharging his responsibilities as a member of Risk Management Committee of the Bank.



**Md. Kamal Uddin**  
Vice Chairman

Mr. Md. Kamal Uddin is Vice Chairman of the Bank and one of the renowned and successful Industrialists and well experienced international Businessman of the country. As a multitalented businessman, he engaged himself with various types of National and International business along with well reputed organizations which makes him a forward looking and progressive businessman which already reached him an enviable height.

Currently, he is the Managing Director of Chittagong Builders & Machinery Ltd., Merchant Securities Limited, Sifang Machine House Ltd., Merchant Auto Ltd., CBM Housing Ltd. and South Green Ltd., Proprietor of CBM Parts House and CBM Consortium, Director of ASM Chemical Industries Ltd., Central Hospital (PVT) Ltd., Sifang Securities Ltd., Hurdco International

School and Universal Health Services & Research Ltd and Advisor of Mercantile Insurance Company Ltd. & Mercantile Islami Life Insurance Ltd.

He is a well-known Social Organizer and a man of Islamic Personality. Mr. Uddin has widely traveled in several countries in connection with business and participated in different trade fairs. He is the Chairman of Risk Management Committee and Member of the Audit Committee of the Bank. He is also the Chairman of SIBL Securities Ltd. and SIBL Investment Ltd.



**Dr. Md. Jahangir Hossain**  
Director

Dr. Md. Jahangir Hossain is a Sponsor and Director of Social Islami Bank Limited. He completed his M.B.B.S from Sylhet MAG Osmani Medical College, Bangladesh. He also completed “Advanced Diploma in Ultrasound” from Institute of Ultrasound Techniques, Toronto, Ontario, Canada in 2008 and “Diploma in Medical Ultrasound” from Shristy Institute for Health Sciences, Dhaka in the year 2007. He has more than 45 years of professional experience in his medical career. He started his career in the year 1975 as Lecturer of Sir Salimullah Medical College & Hospital, Dhaka. After that he left for

Kingdom of Saudi Arabia and served Ministry of Health of KSA for 25 years and voluntarily retired in the year 2003 as Senior Medical Officer.

He is discharging his responsibilities competently in the affairs of the Board of Directors of the Bank. Mr. Jahangir is also the member of Audit Committee of the Bank.





**Jebunnesa Akbar**  
Director

Mrs. Jebunnesa Akbar is a Director of Social Islami Bank Limited. She completed her Graduation from Chattogram College. She also completed a professional course on “Fashions and Jewelry Designing” from the Institute of Fashions and Jewelry Designing, New Delhi, India. Mrs. Akbar achieved a Diploma in Computer Science from APTECH. Uttara, Dhaka. She bears 28 years of experience in different field of welfare organization.

She was a Director of BIFC from June 2016 to December 2017. She was the president of National Defense College (NDC) Ladies Club (Welfare Organization of Ladies and Children of NDC's Officers, Course Members & Employees) from June 2011 to February 2015 and DGFI (Directorate General of Forces Intelligence) Ladies Club (Welfare Organization of DGFI's Civil and Military Officers and Military and Civil Employees's wives and Children) from February

2009 to June 2011.

She was the Vice President of Sena Paribar Kalyan Samity Central Committee, Dhaka (Welfare Organization of Soldiers Wives and Children all over the Bangladesh Army) from Feb-2001 to Dec 2002 and the Secretary of Ladies Club, Bangladesh High Commission, New Delhi (Welfare Organization of Wives and Children of Diplomate & Employees posted at New Delhi High Commission) from Dec 1995 to Oct 1999.

She is discharging her responsibilities competently in the affairs of the Board of Directors and Executive Committee (EC) of the Bank.





**Ali Hasan Md. Mahmud Ribon**

Director

Mr. Ali Hasan Md. Mahmud Ribon appointed as a Director of Social Islami Bank Limited on 13th November, 2017. He bears almost 42 years of business Experience in different fields. He is holding the degree of Bachelor of Arts from University of Rajshahi. He is a knowledgeable individual in field of fish export. He also bears a vast knowledge as Contractor.

He is the Chairman of M/S. Mahmud Ribon. He is discharging his responsibilities competently in

the affairs of the Board of Directors of the Bank. He is also discharging his responsibilities as a member of the Risk Management Committee of the Bank.



**Arshadul Alam**

Director

Mr. Arshadul Alam is an industrialist of the Country and also a Director of Social Islami Bank Limited. He completed his MBA from American International University- Bangladesh (AIUB), Dhaka, Bangladesh. He started his business after completion of his under graduation in Business Communication from University of Queensland, Brisbane, Australia. He bears more than 16 years of experience in different fields of business. He is the Chairman of Jaba and Brothers C&F (Pvt.) Ltd. Jesco Bangladesh Ltd and Managing Director of Jesco Capital

Management Ltd. He is also the Proprietor of Uni-Trade International & Nishat Traders. He is discharging his responsibilities competently in the affairs of the Board of Directors of the Bank. He is also discharging his responsibilities as a member of the Executive Committee (EC) of the Bank.



### **Mahmudul Alam**

Director

Mr. Mahmudul Alam, a young emerging entrepreneur of Bangladesh is a member of the Board of Directors of Social Islami Bank Limited. He is from a renowned business family of Chittagong. Mr. Mahmudul Alam strives for personal and business excellence. Therefore, he attained MA with Honors in Economics and Accounting from The University of Edinburgh and achieved success in the business sector by establishing several trading firms. He has

experience in managing large companies with dynamic leadership, transparency, honesty and outmost dedication. He is one of the promising young emerging businesspersons of our country. He is well travelled around the world.



## Mohammad Abul Kalam

Director

Mr. Mohammad Abul Kalam, is a nominated Director of SIBL. He is a seasoned and accomplished bureaucrat, tirelessly focused on delivering outstanding quality and service with 32 years of progressive career track in a public management setting with colorful history of recognition and written appreciation for performances. He is a solution-focused leader with detailed understanding of foreign affairs and government representation and has solid expertise in negotiation and strategic thinking with hands-on experience managing projects of varying tone and tenor. To his credit is a history of influencing high-level decision-making using objective judgement, financial acumen, and highest-order integrity. Emotionally intelligent yet capable of meeting deadlines and benchmarks, Mr. Kalam also possesses high-level motivational skills and out of the box leadership attributes.

Mr. Mohammad Abul Kalam served in various capacities in many different vital government positions. Before his retirement from government service in late 2022, he was the Additional Secretary of Ministry of Textiles and Jute, Govt. of Bangladesh. Before that he served as the Commissioner of Refugee Relief and Repatriation Commission (RRRC) dealing with one of the most intense humanitarian crises of the time.

He also served as the Director (Joint Secretary) of Bangladesh Land Port Authority. He performed as the Deputy Secretary at the Ministry of Primary and Mass Education and Ministry of Commerce. He started his glorious civil service career as an Assistant Secretary at the Local Government Division way back in 90's.

Mr. Kalam's efforts as Refugee Relief Repatriation Commissioner has earned him wide recognition and appreciation nationally and internationally. He received written appreciation and acknowledgement from Administrator-USAID, State Minister of Foreign Affairs of Japan, Foreign Minister of Australia, IOM, UNHCR, UNWFP for exceptional leadership saving lives through outstanding crisis management.

Mr. Mohammad Abul Kalam is a Commerce graduate in Accounting with Bachelor and Masters degrees from University of Chittagong. He also has a PGD in government financial management from the University of Ulster, UK.. Mr. Kalam is a proud alumni of the University of Birmingham, UK with MSc in development economics. He has extensively traveled around the world.



**Professor A J M Shafiul Alam  
Bhuiyan, Ph.D**

Independent Director

Professor A J M Shafiul Alam Bhuiyan, Ph.D has been associated as an Independent Director of Social Islami Bank Limited since long. He is an well-known Professor of the University of Dhaka having an immense knowledge and experience in Mass Media Communication and Journalism, Dr. Bhuiyan was ranked First Class First both in B A (Hons.) and M.A. in the said discipline. He did Ph. D. in Media and Communication from a renowned North American University.

He also bears a vast professional experience as Professor and Chairman of Department of Television, Film and Photography, University of Dhaka. He is also the advisor of the Department of Media and Mass Communication, American International University, Bangladesh.

Dr. Bhuiyan worked as researcher and team leader of different projects of Bangladesh and other international organizations like UNESCO and UNDP Bangladesh. Mr. Bhuiyan is also prominent media personnel. Mr. Bhuiyan is also the Chairman of Board Audit Committee of the Bank. He is also an Independent Director of SIBL Investment Ltd. (a subsidiary company of the bank).



**Professor Mohammed Mizanur Rahman, Ph.D**

Independent Director

Professor Mohammed Mizanur Rahman, Ph.D has been associated as an Independent Director of Social Islami Bank Limited since long. He completed his BSE & MSE in Applied Chemistry and Chemical Engineering from the University of Dhaka in the year-1995 and 1996 respectively. Having an immense knowledge and experience in diversified fields, he discharged his responsibilities as a Member and CEO (from July 2015 to date) of different Institutions under Ministry of Textile and Jute. He is serving as standing committee and project implementation of the Skill for Employment investment project (SEIP-BTMA) from July 2015 to continue financed by ADB and Ministry of Finance Govt. Dr. Rahman is a member of the National Science and Technology fellowship Committee since January 2014 under the Ministry of Science and Technology GoB. He also augmented his qualifications from the different International Universities of Japan and Germany.

He is vastly known Professor of Department of Applied Chemistry and Chemical Engineering, University of Dhaka. He is also discharging his

duty as a Syndicate Member and Academic Council Member of the University of Dhaka, Member of the Governing body of the Enam Medical College, Savar, Dhaka and Shymoli Textile Engineering College.

Dr. Rahman is a Gold Medalist Recipient in Physical Science awarded by the Bangladesh Academy of Science in the year of 2009 and Young Scientist Award Winner of Third World Academy of Science (TWAS), Trieste, Italy. He is also awarded with, Primary Scholarship Award of Ministry of Education, Bangladesh, Younger Researcher Award-2005, Kumamoto University Japan. He is also awarded with fellowships of Society for the promotion of Science (JSPS), Japan and Alexander von Humboldt (Germany), these are the two prestigious fellowships in the World. He is also discharging his responsibilities as a member of the Executive Committee (EC) of the Bank. He is also an Independent Director of SIBL Securities Ltd. (a subsidiary company of the bank).





### **Zafar Alam**

Managing Director & CEO

Mr. Zafar Alam, a seasoned banker, has a glorious professional banking career spanning over three decades at Bank Limited (SIBL) as the Managing Director & CEO on December 21, 2021. Prior to joining SIBL, Mr. Zafar served Bangladesh Commerce Bank Limited as the Additional Managing Director. There he also played the role of Managing Director (Current Charge) for 14 months. He started his banking career at Islami Bank Bangladesh Limited (IBBL) as a Probationary Officer in 1992. He served IBBL for long 26 years in various leadership capacities. During his tenure there, he was Head of Branch at 06 (six) large Branches of Dhaka city and Manager Operation at 02 (two) Branches. At IBBL lastly, he was promoted to the position of the Senior Executive Vice President in recognition of his sincerity, dedication and performance and played the roles of Head of Human Resources Wing and 1st of Bank's Chief Human Resources Officer. In 2017 he joined SIBL as the Deputy Managing Director.

During his long and colorful 32 years of banking career, he gained extensive banking experience and developed a wide range of expertise as

he worked in different capacities in almost all the areas of banking viz. Strategic Planning, Managing Investment Portfolio, Foreign Trade, Treasury Operation, General Banking, Asset Liability Oversight, Leadership Development, Risk Mitigation, Regulatory Compliance, Customer Engagement, Branch Management etc.

Mr. Zafar attended numerous seminars, workshops and training programs both at home and abroad. A widely travelled person, Mr. Zafar visited many countries including Nepal, Malaysia, Singapore, Thailand, the United Arab Emirates (UAE), The Kingdom of Saudi Arabia (KSA) to enrich his professional knowledge.

Mr. Zafar obtained his BSS (Hons) and MSS in Public Administration from the University of Chittagong. He obtained Diploma in Islamic Banking (DIB) in 2002 from Islami Bank Training and Research Academy, Bangladesh.

## Executive Committee

Name of the Members	Designation
Belal Ahmed	Chairman
Jebunnesa Akbar	Member
Arshadul Alam	Member
Professor Mohammed Mizanur Rahman, Ph.D	Member

Social Islami Bank Ltd. has constituted a four member Executive Committee of the board as per Bangladesh Bank guidelines to ensure good corporate governance in the business. This is the subordinate committee of the Board of Directors of the Bank. The Committee is responsible for developing policy and strategy for smooth operation of the business. Moreover, the committee is also responsible for business development of the bank to ensure maximization of shareholders' wealth protecting other stakeholders' interest too in the company. During the year 2022, total 15 Executive Committee Meetings were held against 13 nos of meeting in the year 2021.

- The executive committee can decide or can act in those cases as instructed by the Board of directors that are not specifically assigned on full board through the Bank Company Act, 1991 (amendment up to 2020) and other laws and regulations.
- The executive committee can take all necessary decision or can approve cases within power delegated by the board of directors.
- All decisions taken in the executive committee shall be ratified in the next board meeting.
- The executive committee can sit any time as it may deem fit.
- The committee may invite Chief Executive Officer, Head of internal audit or any other Officer to its meetings, if it deems necessary;

## Audit Committee

Name of the Members	Designation
Professor A J M Shafiul Alam Bhuiyan, Ph.D	Chairman
Md. Kamal Uddin	Member
Dr. Md. Jahangir Hossain	Member

In order to establish a good corporate governance and a culture of adequate internal control system inside the bank and to evaluate the activities of the Bank as per guidelines of the Bangladesh Bank and Corporate Governance Code (CCG) of Bangladesh Securities and Exchange Commission (BSEC), SIBL has constituted an Audit Committee that plays an effective role in devising an efficient and secured banking system. The Audit Committee has been formed comprising three members of the Board of Directors. Professor A J M Shafiul Alam Bhuiyan, Ph.D, Independent Director of the bank acted as the Chairman of the Audit Committee who possesses sound knowledge of different field in the industry. He is a prominent media personnel having a vast professional experience as a renowned Professor of University of Dhaka. The internal audit is supervised under Internal Control & Compliance Division (ICCD). The committee reviews the financial reporting process, the system of Internal Control, Management Information System, Management of Risks, the Bangladesh Bank and Internal Audit reports, Audit process and Compliance with laws and regulations and banks' own code of conduct. During the year 2022, total 6 nos. of Board Audit Committee Meetings were held against 6 nos. of meetings of 2021. Audit Committee also plays the following role in the bank-

- Oversee the financial reporting process;
- monitor choice of accounting policies and principles;
- monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal



- Audit and Compliance Plan and review of the Internal Audit and Compliance Report;
- d. oversee hiring and performance of external auditors;
  - e. hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;
  - f. review along with the management, the annual financial statements before submission to the Board for approval;
  - g. review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval;
  - h. review the adequacy of internal audit function;
  - i. review the Management's Discussion and Analysis before disclosing in the Annual Report;
  - j. review statement of all related party transactions submitted by the management;
  - k. review Management Letters or Letter of Internal Control weakness issued by statutory auditors;
  - l. oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors;
  - m. The Audit Committee report its activities to the Board.

shall comprise an effort to ensure proper risk management in bank. The BRMC reviewed stress testing, comprehensive risk management reports, Internal Capital Adequacy Assessment Reports and other reports as per Bangladesh Bank guideline for examining the bank's capacity of managing future shocks as well as deals with all potential risks that might occur in future. During the year 2022, total 4 Risk Management Committee Meetings were held against 4 meetings in 2021. A brief on the function of the members of the Risk Management Committee may be given as under-

- to acquire clear understanding of the type of risk inherent in Business line and to take appropriate steps to ensure different risk management issue of the bank.
- to define the risk appetite. (Risk appetite is generally expressed through both quantitative and qualitative means and should consider extreme conditions, events and outcomes. It should be stated in terms the potential impact on profitability, capital and liquidity)
- to design the organization structure to manage risk within the bank.
- reviewing and approving risk management policies and re- viewing at least annually to limit the risks, consistent with the bank's risk appetite.
- to ensure adequate record keeping and proper reporting system.
- to review and approve risk limits and re- reviewing at least annually.
- to ensure monitoring and compliance with overall risk management policies.
- to be knowledgeable about the methods available to measure risks for various activities.
- Supervising day to day activities of senior managers and head of business line.
- establishing committee and sub-committee to be in charge of ongoing risk management.
- to carefully evaluate all the risks associated with new activities and ensure that proper infrastructure and internal control are in place.

## Risk Management Committee

Name of the Members	Designation
Md. Kamal Uddin	Chairman
Md. Sayedur Rahman	Member
Ali Hasan Md. Mahmud Ribon	Member

Under the stipulated instructions of Bangladesh Bank, the bank has formed a separate Risk Management Committee (BRMC) consisting of 3 (three) members of the Board of Directors. In view of BRPD Circular no 11, revised Risk Management Guidelines 2012 and subsequent DOS Circular No.4 dated 8<sup>th</sup> October, 2018, functions of the Risk Management Committee

- to provide adequate staffing for activity and designated staff with appropriate credentials to supervise the activity.
- to ensure that all Senior Management including line managers have sufficient knowledge on risk management.

## Shariah Supervisory Committee

Name of the Members	Designation
Mawlana Obaid Ullah Hamzah	Chairman
Dr. Mohammad Monzur E Elahi	Member Secretary
Mufti Sayeed Ahmed Muzaddedi	Member
Shah Mohammad Wali Ullah	Member
Professor Dr. Mohammad Abdus Samad	Member
Dr. Hasan Mohammed Moinuddin	Member
Prof. Dr. Ahmad Ali	Member
Prof. Dr. Md. Nasir Uddin Mizy	Member
Muhammad Afeef Furqan	Member

Article 104 of the Articles of Association of the Bank provides, on the licensing of the Social Islami Bank Limited, an Islamic Shari'ah Supervisory Committee shall be constituted with members from Fakihs/Islamic Scholars, Economists, Banker and Lawyers to advise the company on the operation of its business in order to ensure that they do not involve in any element which is not approved by Shari'ah. The Shari'ah Supervisory Committee consists of 09 (nine) members nominated by the BOD of the Bank. Shariah Supervisory Committee of the Bank plays a vital role in framing and exerting policy for strict adherence of Shari'ah principles in all activities of the Bank since its very inception. The Shari'ah Supervisory Committee, which enjoys a high status in the structure of the Bank. Members of the Shariah Supervisory Committee meet frequently and deliberately on different issues confronting the Bank on Shariah matters. They give opinion and supervise to implement and comply Shari'ah principles in all activities of the Bank. During the year 2022, total 3 (three) Shariah Supervisory Committee (SSC) Meetings (03 full & 02 sub- committee) were held-

### Functions of the Committee

- The function of the Shari'ah Supervisory Committee is to offer views on matters related to the Bank from time to time. The Shari'ah Supervisory Committee may require any papers from the Bank and examine the same in order to ensure that all activities of the Bank are being carried out in accordance with the Islamic principles.
- To devote time and effort to devise more Shariah compliant transactional procedures, templates and banking products that enable the Bank to adapt to market trends while maintaining a highly competitive edge in deposit procedures, investments and banking services
- The SSC assists the BOD by way of giving advice on matters relating to Shari'ah. The BOD must respect their recommendations on Shari'ah principles as it is committed to run the Bank strictly in accordance with Shari'ah.
- Analysing contracts and agreements concerning the Bank's transactions, as submitted by the Chairman of the Board of Directors or any department/branch within the bank or requested by the Board itself so that Shariah compliance can be evaluated and maintained.
- Ensuring Shariah compliance in the implementation of all banking transactions and correcting any breaches.
- The SSC have a Secretariat with a Member-Secretary, who oversee whether the functions of the Bank are being carried out in accordance with the principles of Islamic Shari'ah. The Member-Secretary shall remain responsible to the Shari'ah Supervisory Committee.
- The status of the SSC shall be advisory to the BOD and Supervisory in respect of operational activities of the Bank.
- The Committee submits a complete annual report for the Board of Director, summarizing all the issues referred to the Board, as well as its opinion on the Bank's transactional procedures.
- The Shariah Supervisory Committee certifies the Annual report of the bank.



# MANAGEMENT & COMMITTEES

# SENIOR MANAGEMENT TEAM



**Zafar Alam**  
Managing Director & CEO



**Mohammad Forkanullah**  
Deputy Managing Director



**Abdul Hannan Khan**  
Deputy Managing Director



**Kazi Obaidul Al-Faruk**  
SEVP & Head , HRD



**Joynal Abedin**  
SEVP & Head, BC & GBD



**Abul Ahsan Muhammad  
Habibur Rahman**  
SEVP & Head, ICCD



**Md. Akmal Hossain**  
SEVP & Head, ID



**Mohammad Shoeb, FCA**  
EVP & Chief Financial Officer



**Abu Rushd Iftekharul Haque**  
EVP & Head, TF& RMGD



**Md. Towhid Hossain**  
EVP & Head, IRMD-1



**Muhammed Mizanul Kabir**  
EVP & Head, SAMD



**Md. Aminul Islam**  
EVP & Head, IRMD-2

## Mancom (Management Committee)



Name	Designation and Division	Position
Zafar Alam,	Managing Director & CEO	Chairman
Mohammad Forkanullah	Deputy Managing Director	Member
Abdul Hannan Khan	Deputy Managing Director	Member
Kazi Obaidul Al-Faruk	SEVP & Head of Human Resources Division	Member Secretary
Joynal Abedin	SEVP & Head of Branches Control & General Banking Division	Member
Md. Akmal Hossain	SEVP & Head of International Division	Member
Abul Ahsan Muhammad Habibur Rahman	SEVP & Head of Internal Control & Compliance Division	Member
Mohammad Shoeb, FCA	EVP & Chief Financial Officer	Member
Abu Rushd Iftekharul Haque	EVP & Head of Trade Finance & RMG Division	Member
Md. Towhid Hossain	EVP & Head of Investment Risk Management Division-1	Member
Md. Aminul Islam	EVP & Head of Investment Risk Management Division-2	Member
Muhammed Mizanul Kabir	EVP & Head of Special Asset Management Division	Member
Mahbub Hossain	SVP & Head of Money Laundering & Terrorist Financing Prevention Division	Member
Shawket-UI-Amin	SVP & Head of Investment Administration Division	Member
Shyam Sundar Roy	SVP & Head of Retail Investment Division	Member
Md. Shafiqul Islam	SVP & Head of Risk Management Division	Member
Sadat Ahmad Khan	SVP & Head of SME & Agricultural Finance Division	Member
Md. Moniruzzaman	SVP & Head of Marketing & Brand Communication Division	Member
Mohammad Wahiduzzaman	VP & Head of Card Department	Member
Md. Mashiur Rahman	VP & Head of Agent Banking Division	Member
Syed Joynul Abedin	VP & Head of Shariah Supervisory Committee Secretariat	Member
Hossain Mohammed Faisal	SVP & Head of Information & Communication Technology Division	Member



# Management Team

The strategic management activities and overall business operations of SIBL are supervised and directed by the core management team of the bank. The Managing Director & CEO Mr. Zafar Alam leads the core management team as well as the whole Bank. The core management team of the Bank consists of one Additional Managing Director and three Deputy Managing Directors and all of whom have vast experience in banking. The members of the team have also attended numerous training and development programs both at home and abroad which enabled them to build enormous knowledge base in banking.

## Managing Director & CEO

Zafar Alam

## Deputy Managing Director

Mohammad Forkanullah

Abdul Hannan Khan

## Senior Executive Vice President

Kazi Obaidul Al-Faruk

Joynal Abedin

Md. Akmal Hossain

Abul Ahsan Muhammad Habibur Rahman

## Executive Vice President

Mohammad Shoeb, FCA

Abu Rushd Iftekharul Haque

Md. Abdul Hamid

Md. Shahriar Khan

Md. Abdul Mottaleb

Md. Towhid Hossain

Md. Aminul Islam

Md. Nasir Uddin Chowdhury

A.m. Saleh Uddin Kutubi

Muhammed Mizanul Kabir

Sayed Mohammed Sohel

Muhammed Zubair

## Senior Vice President

Md. Khorsed Alam

Mahbub Hossain

Mohammad Mosle Uddin

Md. Wali Ullah

Shamima Nargis

Shawket-UI-Amin

Md. Mozharul Haque

Md. Aminur Rahman

Shyam Sundar Roy

Mohammad Eleash Khan

Md. Shafiqul Islam

Md. Nurul Alam

Md. Mohibul Kadir

Sadat Ahmad Khan

Md. Moniruzzaman

Md. Dabir Hussain Choudhury

A.T.M. Zahurul Haque

Muhammad Mahmudul Hassan

Mohammed Tanvir Khan

Mohammad Mizanur Rahman Talukder

Wahidul Islam Chowdhury

Md. Fazlur Rahman

Md. Moinuddin Hossain

Mohammed Ahsan Habib

Saif-UI-Alam Md. Al-Amin

Mohammad Towfiqul Islam

Md. Azharul Islam

Mozammel Haque

Mohammad Shamsul Kabir

Hossain Mohammed Faisal



## Vice President

Mohammad Abdul Karim  
 Md. Enayet Rabbi  
 A. M. Belaluzzaman  
 Mohammad Mahfuz Amin  
 Md. Rezaur Rahman  
 A.B.M. Abdullahil Baqui  
 Uttam Kumar Shil  
 Md. Sadekul Islam  
 Md. Shakhawat Hossain Khan  
 Md. Maniruzzaman Ashraf  
 Mohammad Monirul Islam  
 Mohammad Nazrul Islam  
 Khandaker Md. Shariful Alam  
 Md. Golam Mawla Chowdhury  
 Md. Mahfuzur Rahman  
 Md. Arif Shah Nawaz  
 Nizam Uddin Ahmed  
 Md. Abul Kalam Azad  
 Mohammad Salim Ullah  
 Bilkis Soheli  
 Md. Abdul Kader  
 A.S.M. Zia Haider  
 Muhammad Mahfuzur Rahman Bhuiyan  
 Md. Mazbaur Rahman  
 Mirza Qudrat-E-Khuda Beg  
 Jafrin Khandker  
 Md. Soeb Ul Islam  
 Mohammad Harun-Or-Rashid  
 Borhan Uddin  
 Mohammad Nazrul Islam  
 Md. Matiur Rahman  
 Ataur Rahman  
 Md. Shakil Anwar  
 Shakil Ahmed  
 Mohammad Murshed Alam  
 Md. Hasanul Hasan  
 Mohammad Wahiduzzaman

Masum Iqbal  
 Mahmudul Hoque Siddique  
 Mohammed Farman  
 Md. Mashiur Rahman  
 A. K. M. Sazzad Hossain  
 Muhammad Asaduzzaman Miah  
 A. S. M. Nasir Uddin  
 Mohammed Moktar Hossain  
 Md. Jashim Uddin  
 Syed Joynul Abedin  
 Md. Shahin Hossain  
 A.T.M. Shakhawat Hossain  
 Mohammad Shofiullah  
 Monsur-Bin-Shahjahan  
 Shahnila Sharmin  
 Mohammad Ashraful Habib  
 Md. Shamsul Alam  
 Mohammad Abdullah Al-Mamun  
 Mohammed Majbhauddin Serker  
 Md. Abdul Quader  
 Gazi Md. Nazmul Alam  
 Bulbul Ahmed  
 Md. Mukter Ahmed Gazi  
 Syed Ershad Hossain  
 Mohammad Belal Hossain Chowdhury  
 Md. Aminul Haque  
 Mohammad Shazzad Jahid Khan  
 Tofazzal Hossain  
 G. M. Nuruzzaman  
 Md. Mohi Uddin  
 Md. Feroz Ahammad  
 K. M. Barkatul Haque Sarker  
 A. S. M. Waqer Uddin  
 Syed Kutubuddin Alam  
 Md Mazharul Islam  
 Kamal Hossain, FCA  
 Abul Bashar Mohammad Maruf

## Asset Liability Committee (ALCO)

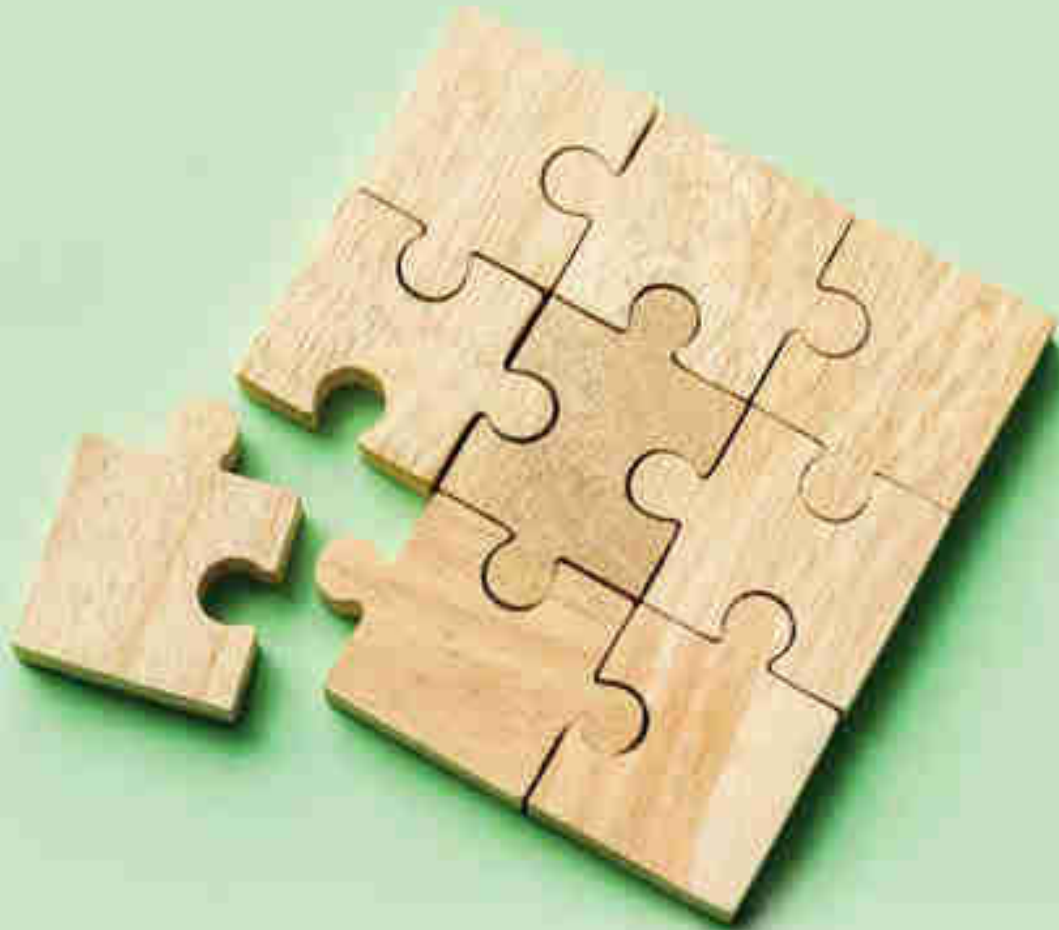
Name	Designation	Position
Zafar Alam	Managing Director & CEO	Chairman
Mohammad Forkanullah	Deputy Managing Director	Member
Abdul Hannan Khan	Deputy Managing Director	Member
Md. Akmal Hossain	SEVP & Head of ID	Member
Mohammad Shoeb FCA	EVP & Chief Financial Officer	Member Secretary
Md. Towhid Hossain	EVP & Head of IRMD-01	Member
Sadat Ahmad Khan	SVP & Head of SME & AFD	Member
Mohammed Ahsan Habib	SVP & Head of TFO	Member
Md. Shafiqul Islam	SVP & CRO, Head of RMD	Member

## Investment Committee

Name	Designation	Position
Mohammad Forkanullah	Deputy Managing Director	Chairman
Abdul Hannan Khan	Deputy Managing Director	Member
Md. Akmal Hossain	Senior Executive Vice President, ID	Member
Abu Rushd Iftekharul Haque	Executive Vice President, TF & RMG	Member
Md. Towhid Hossain	Executive Vice President, IRMD	Member Secretary
Md. Aminul Islam	Executive Vice President, IRMD-II	Member
Muhammed Mizanul Kabir	Senior Vice President, SAMD	Member
Md. Shafiqul Islam	Senior Vice President, RMD	Member
Shyam Sundar Roy	Senior Vice President, RID	Member
Sadat Ahmad Khan	Senior Vice President, SME & Agri Finance	Member
Mohammad Ahsan Habib	Senior Vice President, TFO	Member

## SIBL Integrity Committee

Name	Designation	Position
Mohammad Forkanullah	Deputy Managing Director	Chairman
Kazi Obaidul Al-Faruk	SEVP & Head of Human Resources Division	Member
Mohammad Shoeb, FCA	EVP & Chief Financial Officer	Member
Md. Shafiqul Islam	SVP & Head of Risk Management Division	Member Secretary and Focal Point
Hossain Mohammed Faisal	SVP & Head of Information & Communication Technology Division	Member
Syed Joynul Abedin	VP & Head of Shariah Supervisory Committee Secretariat	Member



# SHAREHOLDERS' WEALTH

## Capital (Paid-up) Pattern of SIBL:

Year	Declaration	No. of Shares	Face Value per Share (Taka)	Cumulative no. of Shares	Value of issued Capital for the year (Taka)	Cumulative value of Capital (Taka)
1995	Initial Capital	118,380	1,000	118,380	118,380,000	118,380,000
1996		-	-	118,380	-	118,380,000
1997	6.43% Bonus issue for the year 1996	7,620	1,000	126,000	7,620,000	126,000,000
1998	-	-	-	126,000	-	126,000,000
1999	Right Share Issued	74,000	1,000	200,000	74,000,000	200,000,000
2000	Placement	50,000	1,000	250,000	50,000,000	250,000,000
	Initial Public Offer	10,000	1,000	260,000	10,000,000	260,000,000
2001	20% Bonus Issue (Declared in the year 2004)	-	-	260,000	-	260,000,000
2002	25% Bonus Issue (Declared in the year 2004)	-	-	260,000	-	260,000,000
2003	50% Bonus Issue (Declared in the year 2004)	-	-	260,000	-	260,000,000
2004	Bonus Issue (For the years 2001, 2002, 2003)	325,000	1,000	585,000	325,000,000	585,000,000
2005	-	-	-	585,000	-	585,000,000
2006	-	-	-	585,000	-	585,000,000
2007	1:1 Right Share	5,345,550	100	11,195,550	534,555,000	1,119,555,000
2008	17% Bonus Issue for the year 2007	1,903,243	100	13,098,793	190,324,300	1,309,879,300
2009	10% Bonus Issue for the year 2008	1,309,879	100	14,408,672	130,987,900	1,440,867,200
	1:1 Right Share	12,508,587	100	26,917,259	1,250,858,700	2,691,725,900
2010	1:1% Bonus Issue for the year 2009	2,960,899	100	29,878,158	296,089,850	2,987,815,750
2011	14% Bonus Issue for the year 2010	41,829,420	10	340,610,995	418,294,200	3,406,109,950
	1:1 Right Share	298,781,575	10	39,392,570	2,987,815,750	6,393,925,700
2012	10.50% Cash Dividend for the year 2011	-	10	-	-	6,393,925,700
2013	10% Bonus Issue and 5% Cash for the year 2012	63,748,994	10		637,489,940	7,031,415,640
2014	12% Cash Dividend for the year 2013	-	10		-	7,031,415,640
2015	18% Cash Dividend for the year 2014	703,141,564	10		-	7,031,415,640
2016	15% Cash Dividend & 5% Stock Dividend for the Year 2015	35,157,078	10	738,298,642	351,570,780	7,382,986,420
2017	20% Cash Dividend for the year-2016	738,298,642	10	738,298,642	-	7,382,986,420
2018	10% Stock Dividend for the year-2017	73,829,864	10	812,128,506	738,298,640	8,121,285,060
2019	10% Stock Dividend for the year-2018	81,212,850	10	893,341,356	812,128,500	8,933,413,560
2020	5% Stock Dividend & 5% Cash Dividend for the year-2019	44,667,067	10	938,008,423	446,670,670	9,380,084,230
2021	5% Stock Dividend & 5% Cash Dividend for the year-2020	46,900,421	10	984,908,844	469,004,210	9,849,088,440
2022	5% Stock Dividend & 5% Cash Dividend for the year-2021	49,245,442	10	1,034,154,286	492,454,420	10,341,542,860

## Pattern of Shareholdings

(Investors Group Wise)

Sl no	Investor Group	No. of Shareholders as on	No. of Shares as on	Percentage as on	No. of Shareholders as on	No. of Shares as on	Percentage as on
		31.12.2022	31.12.2022	31.12.2022	31.12.2021	31.12.2021	31.12.2021
1.	Sponsors & Directors (Individual)	21	98,445,496	9.52	21	93,757,627	9.52
2.	Sponsor & Directors (Company)	11	233,154,225	22.54	11	222,051,647	22.54
3.	Foreign Investors	10	12,222,609	1.18	11	13,027,770	1.32
4.	General Public	24,914	192,869,774	18.65	26,129	187,526,644	19.04
5.	Institutions (Bank & Insurance)	42	35,367,189	3.42	47	35,050,498	3.57
6.	Institutions (Others)	422	434,823,756	42.05	489	409,753,003	41.60
7.	ICB Accounts Holders	22	61,308	0.01	23	82,624	0.01
8.	ICB	1	13,285,046	1.28	1	12,196,154	1.24
9.	ICB Unit Fund	1	11,182,555	1.08	1	9,067,631	0.92
10.	Employee	3	2,542,045	0.25	2	2,190,758	0.22
11.	Non-Resident Bangladeshi	7	200,283	0.02	8	204,488	0.02
	<b>Total</b>	<b>25,454</b>	<b>1,034,154,286</b>	<b>100.00</b>	<b>26,743</b>	<b>98,49,08,844</b>	<b>100.00</b>

## Shares held by the Directors

As on 31.12. 2022

Sl No.	Name of the Directors	Position held in the Bank as on 31.12.2022	Number of Shares held on 31.12.2022	Percentage of total holding	Total number of Shares as on 31.12.2022
01	Dr. Md. Mahbub UI Alam [Representative of Hasan Abasan (Pvt.) Ltd]	Chairman	42,109,398	4.0719	212,462,868
02	Belal Ahmed [Representative of Unitex Steel Mills Ltd.]	Vice- Chairman	21,305,046	2.0601	
03	Md. Sayedur Rahman [Representative of Prasad Paradise Resorts Ltd.]	Vice- Chairman	21,312,048	2.0608	
04	Md. Kamal Uddin [Representative of Lion Securities & Investment Ltd.]	Director	21,303,588	2.0600	
05	Dr. Md. Jahangir Hossain [Representative of Reliable Entrepreneurs Ltd.]	Director	21,304,041	2.0600	
06	Jebunnesa Akbar [Representative of Unitex Cement Ltd.]	Director	21,305,046	2.0601	
07	Ali Hasan Md. Mahmud Ribon [Representative of Dynamic Ventures Ltd.]	Director	21,310,648	2.0607	
08	Arshadul Alam [Representative of Leader Business Enterprise Ltd.]	Director	21,312,048	2.0608	
09	Mahmudul Alam [Representative of Global Trading Corporation Ltd.]	Director	21,201,005	2.0501	
10	Professor A J M Shafiul Alam Bhuiyan, Ph.D	Independent Director	-	-	
11	Professor Mohammed Mizanur Rahman, Ph.D	Independent Director	-	-	

## Holdings in 2022

Share holding range	No. of Shareholders as on	No. of Shares as on	Percentage as on	No. of Shareholders as on	No. of Shares as on	Percentage as on
	31.12.2022	31.12.2022	31.12.2022	31.12.2021	31.12.2021	31.12.2021
Less than 500 shares	10,918	1,775,299	0.17	11,566	1,884,625	0.19
501-5000	11,261	20,911,396	2.02	11,957	21,959,127	2.23
5001-10000	1,635	11,376,164	1.10	1,629	1,19,36,915	1.21
10001-20000	823	11,390,396	1.10	772	1,11,44,462	1.13
20001-50000	418	12,907,166	1.25	441	1,40,38,776	1.43
50001-above	399	975,793,865	94.36	378	92,39,44,939	93.81
<b>Total</b>	<b>25,454</b>	<b>1,034,154,286</b>	<b>100.00</b>	<b>26,743</b>	<b>98,49,08,844</b>	<b>100.00</b>

## Financial Calendar

### For the Year 2022

Un-audited Consolidated results for the 1st Quarter announced on:	28.04.2022
Un-audited Consolidated results for the 2nd Quarter announced on:	28.07.2022
Un-audited Consolidated results for the 3rd Quarter announced on:	26.10.2022
Audited Consolidated Financial Statements for the year ended 31st December 2022 approved on:	26.04.2023
Dividend for the year 2022 declared on:	26.04.2023
Declaration of 'Record Date' for holding of 28th Annual General Meeting:	05.06.2023
Notice of 28th Annual General Meeting expected to be served on:	11.06.2023
28th Annual General Meeting scheduled to be held on:	10.07.2023
Dividend for the year 2022 expected to be paid on:	25.07.2023

### For the Year 2023

Un-audited Consolidated results for the 1st Quarter announced on:	10.05.2023
Un-audited Consolidated results for the 2nd Quarter expected to be announced on:	26.07.2023
Un-audited Consolidated results for the 3rd Quarter expected to be announced on:	26.10.2023
Audited Consolidated Financial Statements for the year ended 31st December 2023 expected to be approved on:	28.04.2024
Dividend for the year 2023 expected to be declared on:	28.04.2024
Expected Date of declaration of 'Record Date' for holding of 29th Annual General Meeting:	26.05.2024
Notice of 29th Annual General Meeting expected to be served on:	31.05.2024
29th Annual General Meeting Expected to be held on:	06.07.2024



**ANALYSIS &  
VALUE ADDED STATEMENTS**



# Performance of the Bank

SIBL believes that the efforts of the year 2022 will inspire & stimulate the employees of the bank to accept the challenge of the year 2023 and accordingly the bank is in the process to explore every potentiality of each individual employee to deploy their sincere endeavor in the days ahead. In the year 2022, the bank has focused specially on the concepts of;

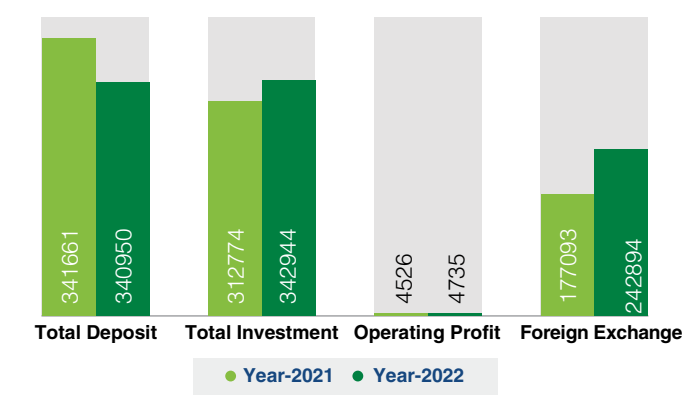
- i. Service Excellence
- ii. Quality & Secured Investment
- iii. Emphasize Non Funded Business
- iv. Recovery from both regular and non-performing Investment
- v. Exploration of Low Cost & no Cost deposits, Retail & Stable deposits particularly Scheme based deposit &
- vi. Maintenance of an Ideal Deposit Mix with a view to constraining the cost on one side and to establish a safe & stable deposit management system on the other.

During the year 2022, the bank has been able to project positive growth in all the business segments. The performance of the bank in 2022 has been given below;

fig. in million

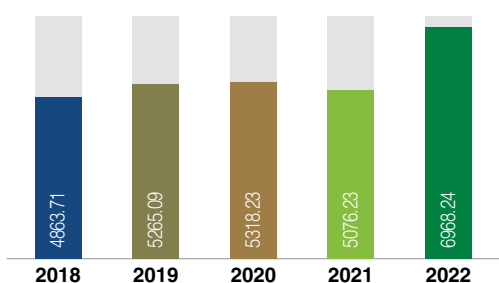
SL	Particulars	As on		Increase/ Decrease	
		Dec-21	Dec-22	Amount	Growth%
<b>1</b>	<b>Total Deposit</b>	<b>341661</b>	<b>340950</b>	<b>-711</b>	<b>-0.21%</b>
	i. No Cost Deposit	47315	52304	4989	10.54%
	ii. Low Cost Deposit	57279	59145	1866	3.26%
	iii. High Cost Deposit	237067	229502	-7565	-3.19%
<b>2</b>	<b>Total Investment</b>	<b>312774</b>	<b>342944</b>	<b>30170</b>	<b>9.65%</b>
<b>3</b>	<b>Operating Profit</b>	<b>4526</b>	<b>4735</b>	<b>209</b>	<b>4.61%</b>
	i. Import	93546	118210	24664	26.37%
	ii. Export	67347	83213	15866	23.56%
	iii. Remittance	16200	41471	25270	155.99%
<b>4</b>	<b>Foreign Exchange</b>	<b>177093</b>	<b>242894</b>	<b>65801</b>	<b>37.16%</b>

**Year to Year Performance Comparison (Fig in. million)**

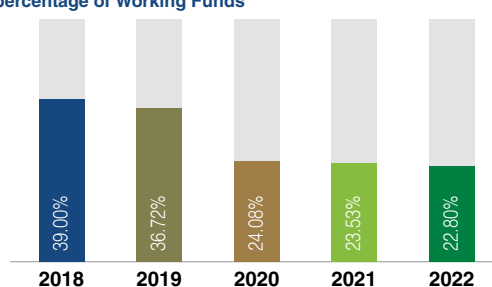


# Graphical presentation of SIBL

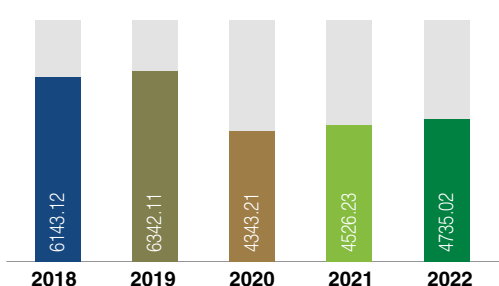
**Net Current Assets** (Taka in million)



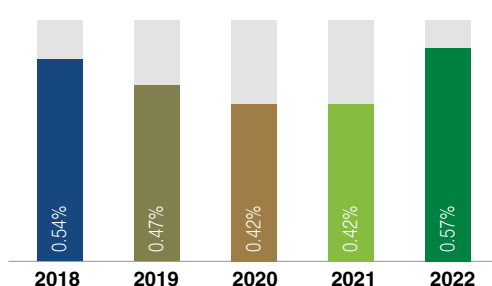
**Operating Profit** as a percentage of Working Funds (%)



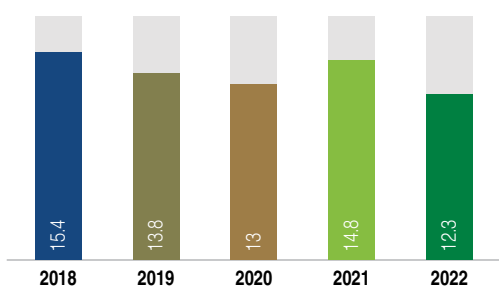
**Operating Profit** (Taka in million)



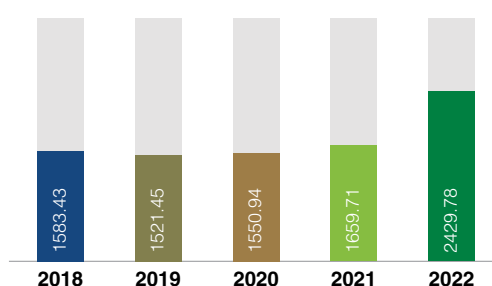
**Return On Assets** (%)



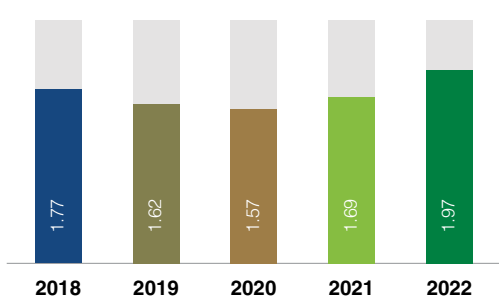
**Stock Performance (Stock Price)**



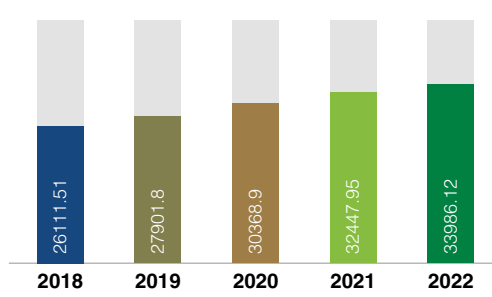
**Profit After Tax** (Taka in million)



**Earning per Share** (Taka)

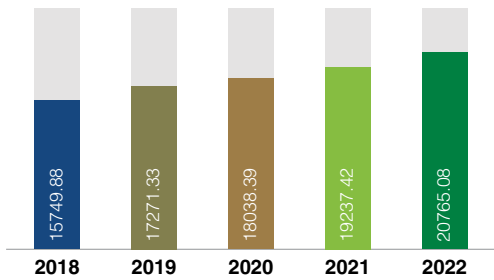


**Total Eligible Capital** (Taka in million)

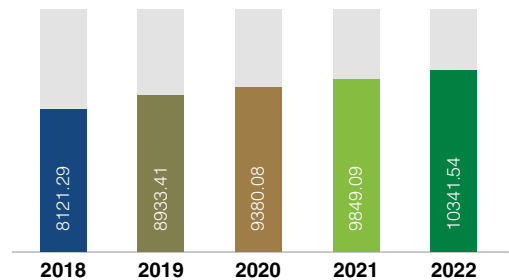


# Graphical presentation of SIBL

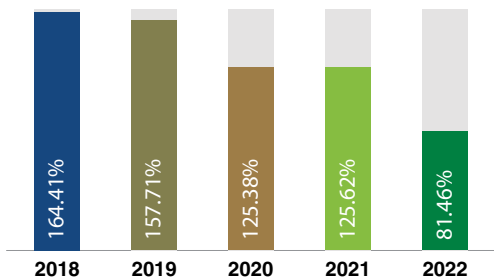
**Net Asset (Worth)** (Taka in million)



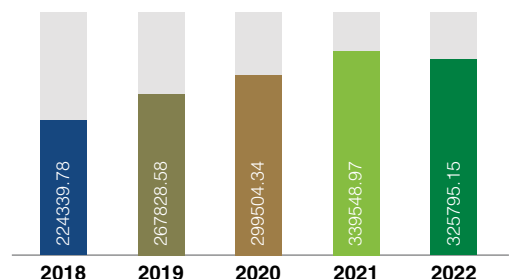
**Total Paid-up Capital** (Taka in million)



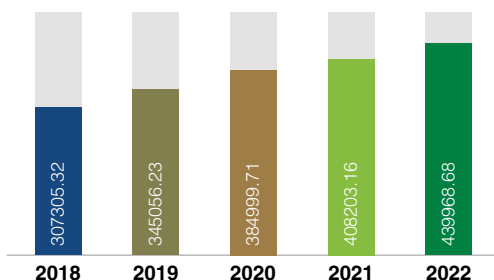
**Net Investment Income as a percentage of Operating Cost** (%)



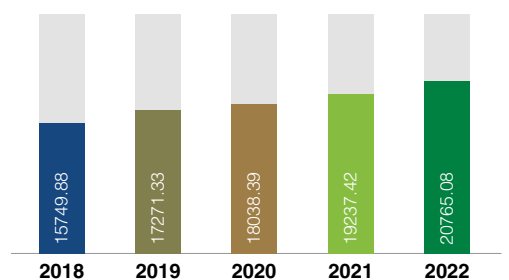
**Client Deposit** (Taka in million)



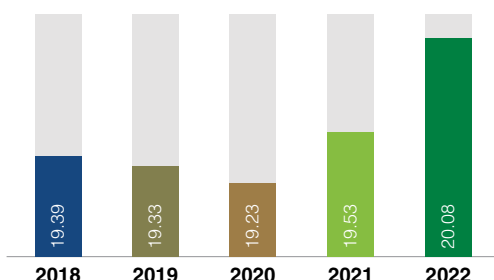
**Total Assets** (Taka in million)



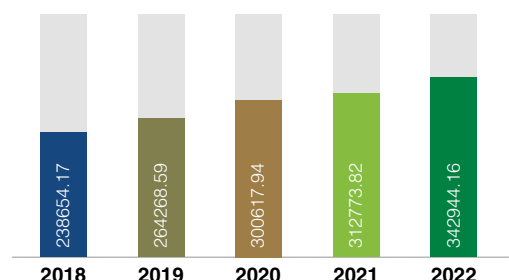
**Total Share Holders' Equity** (Taka in million)



**Net Asset Value Per Share** (Fig in. Taka)

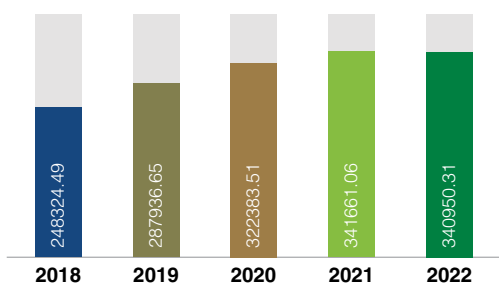


**General Investment** (Taka in million)

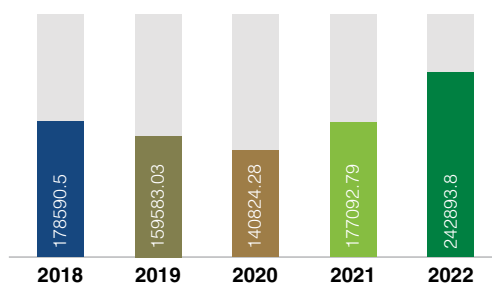


# Graphical presentation of SIBL

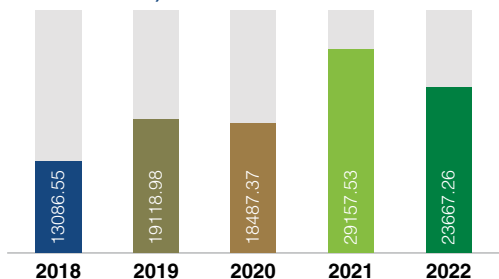
**Total Deposit** (Taka in million)



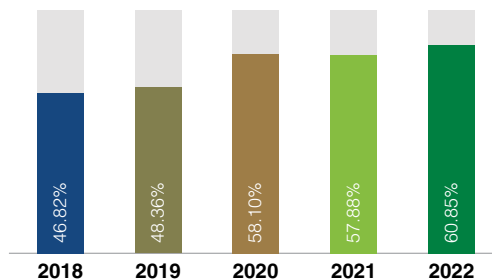
**Foreign Exchange Business** (Taka in million)



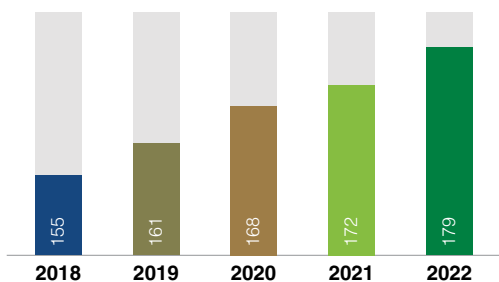
**Investments** (Taka in million)  
(Shares & Securities)



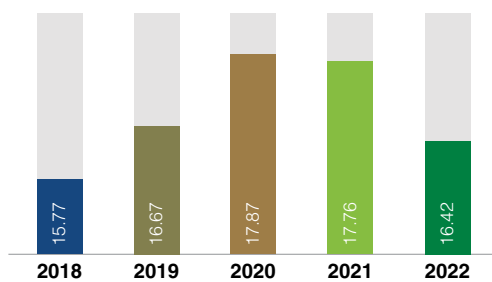
**Cost-income Ratio** (%)



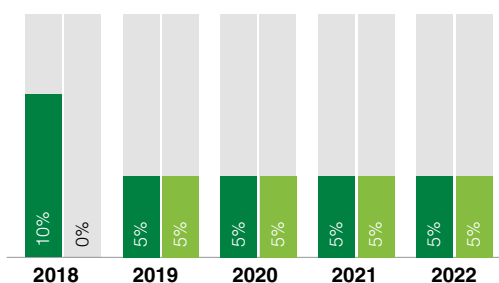
**Branch Network** (Number)



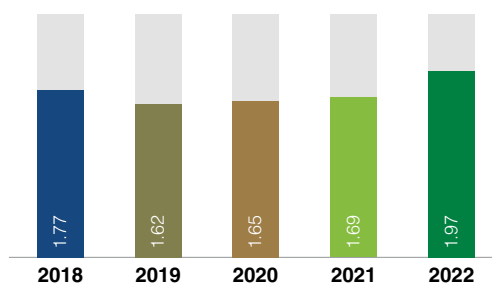
**Debt Equity Ratio** (Times)



**Dividend Payout History** ■ Stock ■ Cash

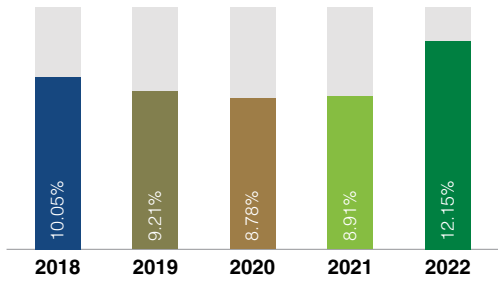


**Dividend Cover Ratio**

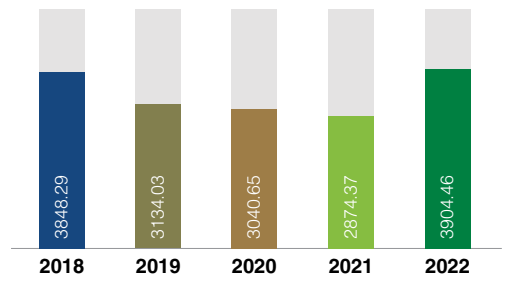


# Graphical presentation of SIBL

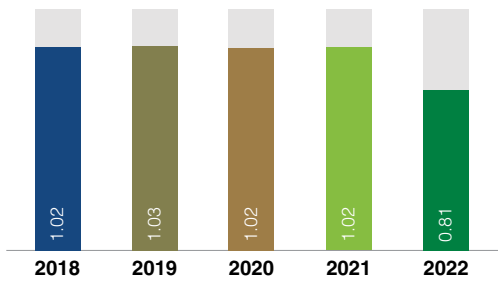
**Return On Equity (%)**



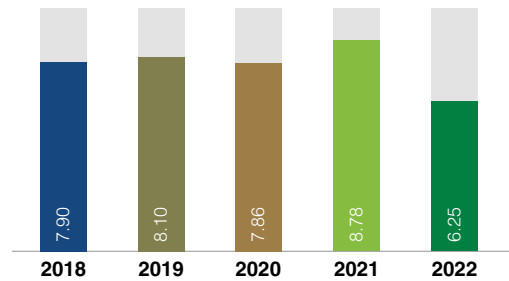
**Profit Before Tax (Taka In Million)**



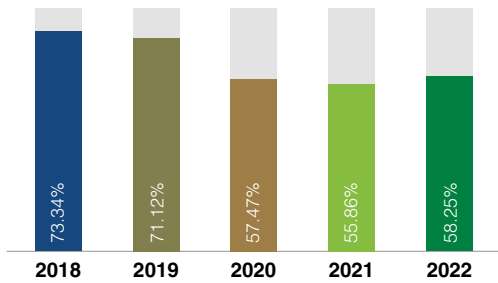
**Current Ratio (Times)**



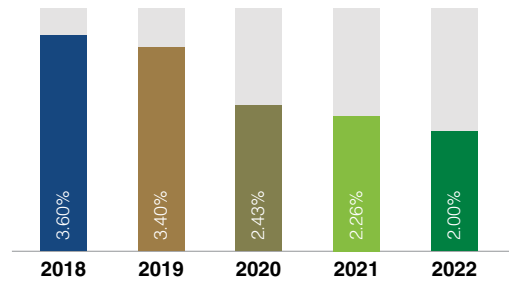
**PE Ratio**



**Gross Profit Ratio (%)**



**NIM (%)**



## Statements of Value Addition and its distributions

### Value Added Statement

Value Added Report indicates exactly how a company accumulates total value from its area of operation during a particular period and accordingly shows how the added value has been distributed to the society in the backdrop of the general economy of a country.

Now days the most complex and modern business environment does not earn profit for itself only rather it cares to the society and thus is committed to contribute to the economic growth. Such value is being added due to spill over economic impact due to operation of the business houses.

SIBL as a commercial bank has a large scale of spill over economic impact side by side its financial impact through creating values for distributions to the society year to year.

Value addition is a measure of wealth as created by the bank through its banking activities. The Statement shows how the total wealth has been created and distributed among the stakeholders of the Bank in the year.

### For the Year Ended 31 December 2022

Figure in Million Tk.

Particulars	Year 2022	Year 2021
Investment Income	21,643.79	23,960.77
Income from Investment in Shares and Securities	1,407.93	793.24
Commission, Exchange and Brokerage	3,803.73	1,461.12
Other Operating Income	888.12	677.99
<b>Sub-Total (A)</b>	<b>27,743.57</b>	<b>26,893.20</b>
<b>Less Cost of Services &amp; Supplies</b>		
Profit paid on Deposits	15,648.81	16,146.37
Rent, Taxes, Insurances, Electricity etc.	584.99	504.87
Legal Expenses	9.20	7.49
Postage, Stamps, Telecommunication etc.	6.00	6.77
Stationery, Printings, Advertisements etc.	120.09	104.70
Directors' Fees & Expenses	3.78	2.45
Shariah Supervisory Committee's Fees & Expenses	0.44	0.14
Auditors' Fees	0.92	0.92
Repair of Bank's Assets	118.09	113.73
Other Expenses	1,260.26	1,041.59
<b>Sub-Total (B)</b>	<b>17,752.58</b>	<b>17,929.03</b>
<b>Value added by Banking Services (A-B) = C</b>	<b>9,990.99</b>	<b>8,964.17</b>
<b>Less Provisions related to Investment</b>		
Specific provisions for Investment	640.47	1,111.44
General Provisions for Investment	(139.70)	472.34
General Provisions for off-Balance Sheet exposure	170.74	51.49
Provision for other assets	159.05	16.60
Provision for diminution in value of shares	-	-
<b>Sub-Total (D)</b>	<b>830.56</b>	<b>1,651.87</b>
<b>Total Value Addition (C-D)</b>	<b>9,160.43</b>	<b>7,312.30</b>

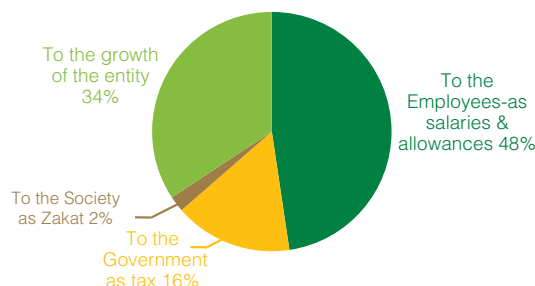
# Distributions of Value Addition

For The Year Ended 31st December 2022

Figure in Million Tk.

Distribution of Value Addition	Year 2022	Percentage	Year 2021	Percentage
To the Employees- as salaries & allowances	4,364.90	47.65%	3,602.94	49.27%
To the Government- as tax	1,460.00	15.94%	1,179.11	16.13%
To the Society- as Zakat	196.22	2.14%	181.38	2.48%
<b>To the growth of the entity</b>	<b>3,139.31</b>	<b>34.27%</b>	<b>2,348.87</b>	<b>32.12%</b>
as Statutory Reserve	780.89	8.52%	574.87	7.86%
as Start up Fund	24.30	0.27%	-	-
as Coupon on perpetual bond	393.50	4.30%	-	-
as Retained Earnings	1,231.09	13.44%	1,084.83	14.84%
as Deferred Tax	14.68	0.16%	35.56	0.49%
as Depreciation	513.33	5.60%	519.70	7.11%
as Gratuity Fund	181.52	1.98%	133.91	1.83%
<b>Total Distribution of Value Addition</b>	<b>9,160.43</b>	<b>100.00%</b>	<b>7,312.30</b>	<b>100.00%</b>

Distributions Of Value Addition



## Distribution of dividend and retained by the entity

Figure in Million Tk.

Particulars	Year 2022	Year 2021
Retained earnings (Balance Sheet) for payment as dividend and retain by the entity	1494.12	1226.05
Paid as dividend to the share holders	-	-
Dividend to be paid to the share holders	1034.15	984.91
<b>Retained by the entity</b>	<b>459.97</b>	<b>241.14</b>



## Economic Value Added (EVA) Statement

**For the year ended 31 December 2022**

EVA indicates the true economic profit of a company. EVA is an estimate of the amount by which earnings exceed or fall short of required minimum return for shareholders at comparable risk. Shareholders are always conscious about their return on capital invested. As a commercial banking company, SIBL is deeply concern for distribution of value to all of its Shareholders.

Fig in million Taka

Particulars	Year-2022	Year-2021
Total Revenue from Banking Services	27,743.56	26,893.20
Less Total expenses related to revenue	23,008.54	22,366.96
Operating profit	4,735.02	4,526.24
Less Corporate Tax	(1,474.68)	(1,214.67)
Net operating profit after tax	3,260.34	3,311.57
Shareholders' Equity	20,765.08	19,237.42
Add Accumulated provision for investment (Inclg. Off B/S items)	13,621.29	13,564.16
Sub Total	34,386.37	32,801.58
Average Shareholders' Equity	20,001.25	18,637.91
Return of Equity	12.15%	8.91%
Capital Charges	2,430.15	1,660.64
Economic Value Added	830.19	1,650.93

## Market Value Added (MVA) Statement

**For The Year Ended 31 December 2022**

Market Value Added (MVA) is the difference between the equity market value of a company and the book value of equity invested in the company. A high MVA indicates that the company has created substantial wealth for the shareholders. MVA is equivalent to the present value of all future expected economic value (EVA).

Fig in million Taka

Particulars	Year-2022	Year-2021
Market Value of Total Equity	12,720.10	14,576.65
Less: Book Value of Total equity	(10,341.54)	(9,849.09)
Market Value Addition	2,378.56	4727.56
Total number of Share outstanding	1,034,154,286	984,908,844
Book Value per share	10.00	10.00
Market value per share	12.30	14.80



## Chairman's Foreword

### **Bismillahir Rahmanir Rahim**

Dear shareholders,  
Assalamu Alaikum Wa Rahmatullah Wa Barakatuhu.

It is an honor and privilege to welcome you all to the 28th Annual General Meeting of Social Islami Bank Limited. On behalf of the Board of Directors and myself, I express my heartiest gratitude and appreciation for your continuous trust in the bank, even in times of great difficulty. It has been indeed an eventful year and I would like to thank all the stakeholders for the steadfast support and unwavering confidence reposed in the Bank through the thick and thin. On behalf of the board of directors, it is my privilege to present the Annual Report of Social Islami Bank Limited for the year 2022.

Bangladesh as a country did splendidly under the charismatic leadership of our Hon'ble Prime Minister Sheikh Hasina during this year 2022 marked a significant year in the calendar of Bangladesh. Bangladesh launches its first metro rail service and also Unveils Padma River Bridge -country's longest bridge. The country has come a long way from being an 'Economic Basket

Case' to become one of the fastest growing economies of the world. I, as an entrepreneur, couldn't be more proud and at the same time thankful to Almighty for being able to play a part in this journey of development.

### **Honorable Shareholders, respected members of the Board and my beloved Team SIBL,**

In its 28 years of existence of the Bank, our guiding philosophy has been set to be "A Committed Journey towards Confidence" with emphasis on strictly following Islamic principles and ensuring sharia compliance in every aspect of banking activities. SIBL sealed the year 2022 relatively strongly, with a clear focus on our customers, shareholders and the future through important and ongoing investments in technology and with the introduction of new capabilities, we further strengthened the Bank's ability to serve customers' changing needs. We have been able to successfully deliver a consistent dividend to shareholders and further strengthen our financial and capital proposition.

## World Economy- Inflation Peaking Amid Low Growth

Global growth will fall to 2.9 percent in 2023 but rise to 3.1 percent in 2024. The 2023 forecast is 0.2 percentage point higher than predicted in the October 2022 but below the historical average of 3.8 percent. Rising interest rates and the war in Ukraine continue to weigh on economic activity. China's recent reopening has paved the way for a faster-than-expected recovery. Global inflation is expected to fall to 6.6 percent in 2023 and 4.3 percent in 2024, still above pre-pandemic levels.

## National Economy- Banking Perspective

Bangladesh's economy has shown outstanding resilience in recent years while the world was still recovering from the coronavirus pandemic. Despite multifaceted challenges, the economy successfully navigated the outgoing fiscal year 2021-22 with a growth rate of 7.10%. We believe operating environment is becoming more congenial for conducting business due to the following issues:

- Economic stability with stable GDP Growth
- Massive infrastructural development will further help to the improvement of business environment.
- Enactment of banking business friendly Act, i.e. Bank Company Amendment Act, 2023 to boost up recovery of general Investments.
- Business friendly prudential regulation by government and central bank.
- Moderately stable foreign exchange market specially positive flow of foreign currency remittance.
- Export friendly government policies & Bank Company (Amendment) Act 2023, will bring a positive impact to reduce NPL and to enhance good governance in Banking industry.

## Domestic Growth And Inflation Outlook

Bangladesh economy witnessed impressive growth performances during the previous two consecutive fiscal years, reflected by 6.94 percent and 7.25 percent real GDP growth rates in FY21 and FY22 respectively. The Bangladesh economy has shown strong resilience against the Covid-19 shocks and rebounded sharply, supported by higher growth in industrial and service sectors resulting from improved

Covid-19 situation and robust internal and external demand. We believe BB's monetary policy remains cautiously restrictive in order to appropriately manage the inflation challenges & stop the unanchored inflation expectations. Additionally, supply-side measures and other government open market initiatives would assist cushion the low-income group from the high inflation toll. As the price of commodities declines globally, inflationary pressure is projected to ease in the upcoming months. BB recently made some significant policy rate changes with the goal of improving deposit rates. Along with the total removal of the deposit floor rate, the lending cap for consumer credit has been loosened to vary up to 3 % points.

## Financial Performance of the Bank

The excellent financial performance of SIBL was built on the back of this resilient economy, which has coped with COVID far better than expected. All the key financial ratios have improved significantly compared to last year indicating that the Bank after a slight hiccup in the year 2021, is back on track again. The ROA and ROE of the Bank at the end of the year 2022 improved as well. With that, due to registering a competitive profit SIBL has been able to make sure it posts a strong EPS i.e. 2.00. This is a continuation of the trend set in the earlier years. The Net asset Value (NAV) is also very competitive i.e. 20.20. As a result of these, we have been able to propose a competitive dividend of 10.00% (5% cash and 5% stock) for the year 2022. However, the excellent performance that SIBL has been able to generate would not have been possible without a strong base. SIBL has established this over the years. The bank boasts of a solid base which comprises of a strong capital base, prudent risk management techniques along with maintaining a diverse portfolio of investments. This diversity in investments coupled with a strong monitoring has ensured that Non-performing Investments (NPI) stays within limit. If we have a look at the following then the statements above will make more sense.

- Size of Balance sheet has been consistently growing while making sure that the sustainability aspect never gets overlooked.
- Our NPL ratio is 4.80 %, which is quite low considering the industry standards.

## Balance Between Digitalization And Personal Touch

We continue to invest significantly in modernizing and improving our digital capabilities. There's no doubt that the power of digital technology has already transformed the nature of banking and will keep doing so at an exponential rate. We have to keep improving these digital services to stay relevant. Digital technologies are also revolutionizing back office operations as well. Modern core banking platforms can carry out tasks that were not even thought possible a few short of years ago. As a result, we can deliver the services our members will demand in future. It is the reason why investing in technology will always remain a prime focus of SIBL. But, that does not mean the Bank will lose its' personal touch. That's why we will continue to invest in our branch, Sub-Branch and Agent Banking networks as these provide a more personal touch to our customers. We firmly believe that branches will continue to play an important role in delivering services to our customers, alongside our digital channels. The way people do their banking has changed in recent times and will continue to change in future.

We need to adapt to those changes and provide multiple channels, including branches and digital. For us, it's not one or the other – we intend providing both cutting edge digital banking options as well as a strong branch network for our customers

## On the way to Sustainability

Sustainable Banking refers to adopt environmentally responsible financing, weighing up environmental risks of projects before making financial decisions, financing spontaneously to various social development activities and supporting & fostering growth of upcoming green initiatives & projects. Sustainable Banking can also promote environmental friendly in-house practices within the Bank to reduce carbon footprint from its banking activities which is an ethical approach in banking practice as well. Research studies shows that sustainable banking is inherent in shariah banking and islami banking is more sustainable then conventional banking.

Bangladesh Bank has recognized Social Islami Bank Limited as one of the best Private Commercial Banks for their contribution to Green

Banking activities across the country. We have unified our sustainable operations under the "Green Banking Unit" equipped with permanent employees. The Audit Committee of the Board is selected as the High Powered Committee of our Green Banking Unit for reviewing the Green Banking activities. Our Green Banking Policy Guidelines and Green Office guidelines have been circulated to all our employees for creating awareness on Green Banking activities & providing instructions about conserving energy, water, saving paper, etc. Our Green Strategic Plan is enhanced to define our strategy in the coming years. SIBL developed its own Environmental Policies, which proves our commitment to the Environment for a sustainable future. As a Bank we play an intermediary role between economic development and conservation of the environment. Our Green Banking activities are on multidimensional areas which include both in-house Green activities and external green activities towards supporting Green Economy.

Green Banking initiatives are multi-stake holder approach and are never ending process, the implementation is possible only when collective efforts of all are being made. Social Islami Bank Ltd is firmly committed to our society. We believe that together we will achieve our goals to build a brighter and better future for us. We need your support in this regard. We believe that you will be by our side in the years to come.

## Our Social Obligations

As a Shariah Based Bank, Social Islami Bank Limited is quite conscious of its social responsibility and always trying to participate in social wellbeing of the country. The bank has a dedicated CSR Desk with the aim to serve humanity through different philanthropic activities giving emphasis on health, education, disaster management, rehabilitation, poverty eradication and so on. The bank believes that any kinds of social & philanthropic activities would improve the quality of the lives of the under privileged of the country.

Social Islami Bank Limited has been quite involved in the CSR activities from its inception. This year ended 2022 has been no exception to that. The bank spent a total amount of BDT 208.28 million in CSR. As mentioned earlier, the Bank emphasizes on the fields of Health,

Education, Disaster management etc. SIBL has spent a total of BDT 33.36 million in health and BDT 38.46 million on Education. The most has been spent on disaster management and others as the bank on 2021 has spent a total of BDT 136.46 million. The country needs much spending on this sector presently to guard against any possible disaster. Our bank realizes that and thus emphasized this sector the most.

### **Advancing Our Framework for A Well-Governed and Sustainable Future**

I am pleased to note that there were no departures in business conduct and ethics and our governance practices, as advocated by the regulators. I also affirm our commitment to uphold the bank's organizational policies, where emphasis is placed on ethical and legal dealings and zero tolerance to corruption, bribery and any form of harassment or discrimination in the workplace and in any work-related situations. We strictly enforce our standards and have appropriate mechanisms in place, such as a whistle-blower policy, to bring to notice such incidents.

During the year, several initiatives were implemented to further strengthen the bank's technology governance framework and controls. Along with remote working arrangements, the bank strengthened its cyber security infrastructure to ensure data protection and integrity. We also placed cyber security as a key area of focus across our broader tech infrastructure and have robust systems and processes in place to thwart any untoward incidents. Furthermore, considering the sheer volume of data we process, we are also cognizant of data privacy and have systems in place that stave-off any attempts to breach our networks, being aligned with industry standards.

Further details on governance initiatives and compliance can be found in the Corporate Governance section of this report. Strengthening bank-wide sustainability is an ongoing endeavor at SIBL Bank. Going green and being socially responsible are among our strategic priorities;

### **Taking the Next Step Together**

We have taken the year 2023 as a challenge. We believe that our customer service with existing and new products and the support

of our IT investment, branch, sub-branch, agent banking, ATM, CRM, efficient and productive management of resources, better risk management and corporate governance will bring sustainable growth with improved asset quality that will maximize value for all the stakeholders in the coming years. Social Islami Bank Limited emphasizes on employment generation and environment friendly green banking for equitable distribution of resources over geographical territory for sustainable growth of macro economy of the country. At the same time, the bank's mission of achieving the economic wellbeing of, all through greater financial inclusion imbued with the spirit of shariah will remain the first priority for "A Committed Journey Towards Confidence".

At the end, I would like to thank you all for your relentless support, guidance, cooperation which helped us and encouraged us to remain on track during the year 2022. I would further recall and express my deep sense of gratitude on behalf of the Board to the Government, Bangladesh Bank, Bangladesh Securities and Exchange Commission, National Board of Revenue, other regulators, Shariah Supervisory Committee, external auditors, Stakeholders and Well-wishers for their sincere support, cooperation and guidance in our quest for excellence. I would also like to express my thanks to all valued clients, patrons, well-wishers, shareholders and all employees for their unending support and cooperation in the corona pandemic situation, without which the Bank would not be able to achieve the successes in 2022.

May Allah Subhanahu wa ta'ala bless us all with peace, progress and prosperity here and salvation in the hereafter.

Aameen.



**Belal Ahmed**  
Chairman  
Board of the Directors





**Statement from**  
**Managing Director & CEO**

**In the name of Almighty Allah, the most gracious and merciful.**

Respected Shareholders, Honorable Members of the Board of Directors & Stakeholders Assalamu-alaikum and very good day.

I have the honor and privilege of extending a warm greeting to all of you at the Social Islami Bank Limited's 28th Annual General Meeting. Alhamdulillah, Social Islami Bank Limited (SIBL) has just finished the year 2022, which was another prosperous year. Despite the effects of COVID-19, the war in Russia and Ukraine, the dollar crisis, and other challenging circumstances throughout the year, we are pleased to report that SIBL managed to weather the storm due to its overall sound business performance. Due to the bank's active and strong support from our respected policymakers

and employees' excellent contributions throughout the year, this performance has been made possible.

We at SIBL, are passionate about making a measurable impact on everything we do. In addition to the strength of our workforce, distinctive culture, and creative strategy, the Board of Directors' steadfast policy support also contributes to our ability to produce long-lasting outcomes. By introducing new seminal banking, our enthusiastic adventure continues as usual, setting trends in several domains of technology-driven innovative banking.

The premise under which we had to work hard for the success is enumerated in the following manners:

## Global economy and operating environment:

International Monetary Fund and the World Bank have painted a gloomy scenario for the global economy for 2023 as uncertainty persists amid the protracting Russia-Ukraine war, the volatility in the international energy market and higher inflation.

However the economy recovered at 6% in 2021 after the recurrent shocks of COVID-19 and the global output growth is slowed down in 2022 and it further slowed down in 2023 due to the war in Russia-Ukraine. Due to increased food and energy costs as well as persistent supply chain disruption, it is now expected that global inflation will increase further from 8.8 percent in 2022. The Russia- Ukraine war has been the main factor for driving worldwide food price inflation, especially for grain products like wheat.

## Macro Economy of the Country:

The COVID-19 outbreak and the Russia-Ukraine war both have affected Bangladesh's economy since 2020. Even with the negative effects of the COVID-19 pandemic and the Russia-Ukraine war, the economy had moderate growth from January to December 2022.

Due to the government's proactive observations and ongoing strategic assistance, the GDP growth rate in FY 2022 increased from 5.5% in FY 2021 to 7.25 percent. The COVID-19 pandemic panic, the Russia-Ukraine war, and the dollar crisis caused Bangladesh's inflation rate to soar from 6.17 percent in February 2022 to 8.78 percent in February 2023.

In FY 2023 (July 2022–June 2023), the economy seems to have worsened thus far. The primary issue was the weakening of the world economy (merchandise exports increased by 10% between July and January compared to 34% in FY 2022). Remittances remained rather strong during this time, increasing 4% year over year (FY 2022: down 15%), primarily as a result of Covid-19's global reopening. A rise in fuel costs in August is likely to have harmed individual consumption while increased energy price have further hampered economic growth.

## Sustainable Growth: Prudent assets-liabilities management:

Sustainable growth is a cornerstone for the long-term survival of a bank. SIBL is very conscious in understanding its stakeholders' needs, hopes, aspirations, and desired services and returning that by providing priority solutions that fulfill their thirst.

We have grown our market share and customer base by ensuring slow and steady growth in investments and deposits. Our consistent focus on improving the deposit mix, along with proper liquidity management, has enabled us to maintain sound liquidity throughout the year. Our underlying business, sound balance sheet and liquidity management, brand promise, provisioning, and risk profile have made our business stronger for the future. Our progressive Shariah banking model combines financial strength, trust, and innovation to pave the way for sustainable growth.

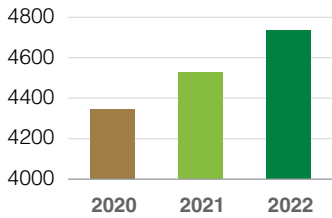
## Financial performance:

This year was very crucial for the Banks and Financial Institutions of Bangladesh on many counts. The Corona virus outbreak along with the single digit rate of return impacted the profitability of the Bank. However, some of the key financial achievements of our bank are:

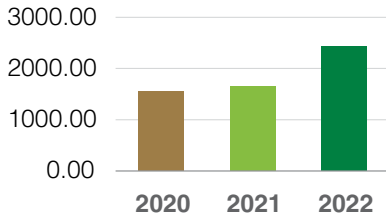
- **Assets:** We have been maintaining formidable position to serve our valued customers through wide network of 179 branches, 156 sub-branches and 322 agent banking outlets across the country. Consolidated assets of the bank stood at BDT 43,996.87 crore in 2022 against BDT 40,820.32 crore in 2021, registering a growth of 7.78% where total earning assets stood at BDT 37,918.34 crore in 2022 against BDT 36,116.53 crore in 2021 and increased by 4.99%.



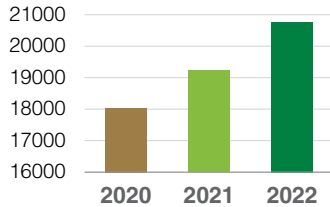
**Operating Profit** (Taka in million)



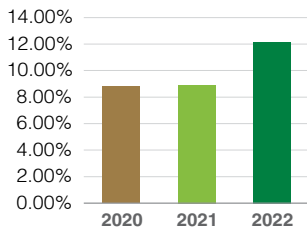
**Profit after Tax** (Taka in million)



**Net Asset (worth)** (Taka)



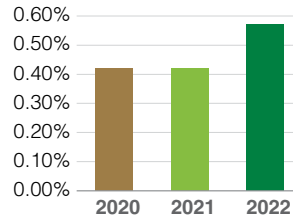
**Return on Equity**



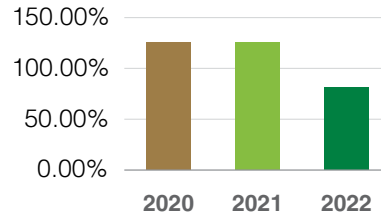
- **Deposit and Investment:** Despite various external challenges, Deposit of the bank stood at 34,095.03 crore at the end of 2022. Investment of the bank increased by 9.65% and stood at 34,294.42 crore at the end of 2022.
- **Non Performing Investment (NPI):** Non Performing Investment of the bank stood at 4.80% in 2022 against 5.18% in 2021 which is an excellent achievement with decreasing of 0.38%.

- **Operating Result:** Due to complying with all measurers for Covid-19 announced by Govt. and Bangladesh Bank, Bank's operating profit for the year 2022 is increased by 4.61% and stood at BDT 473.50 crore against BDT 452.62 crore in 2021. Earnings Per Share (EPS) (Prior year restated) is BDT 1.97 per share at the end of 2022 which was BDT 1.60 per share at the end of 2021.

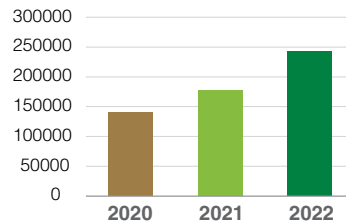
**Return on Assets**



**Net Investment Income as a percentage of Operating Cost**



**Foreign Exchange Business** (Taka in million)



- **Foreign Exchange Business:** The year 2022 was very remarkable for the SIBL's Foreign exchange business with the growth of 37.16%. We have achieved growth of 156% in the remittance compared to earlier year. Besides, our import (26.37%) and export (23.56%) growth was also noteworthy.

• **Recovery & Liquidity Management:**

Genuine recovery from rescheduled and stay order investment and recovery of written off investment was also noteworthy. We emphasize on regular monitoring of investment accounts to restrain deterioration to overdue and SMA. Emphasis was also given to increase CMSME (Cottage, Micro, Small and Medium Enterprise), Agri. and Retail investment portfolios to ensure efficient distribution of capital.

Liquidity management was the most critical priorities for the year 2022. We have mobilized low cost and no cost deposits throughout the year. We have been promoting financial inclusion for the unbanked people and remain pioneer in inclusion of grassroot level people through Agent Banking networks. Efficient Capital Planning under the preview of risk return trade-off for smooth expansion of business has also been an important factor.

**Strategic Objectives:**

The Bank continued to put trust on strengthening its suitable position in the Retail and SME segments while sustaining its competitive edge in the corporate segment. This strategy will allow the Bank to optimize its risk-return balance while diversifying its portfolio. The Retail and SME Banking segment recorded sound growth, supported by strategic focus on new client acquisition and offering client with compliment or supplement for the services they have already taken. The bank has given emphasis on low cost deposit mobilization by initiating some speedy drives. The bank has undertaken vigorous move to enhance non-funded business as well. For capacity building proper manpower planning has been initiated. A good number of banking product and services have been introduced tailored by popular customer needs to attract new customers and also as a tool to penetrate in the untouched market of the industry.

**What we have done in 2022**

- All the Branches and Sub-Branches located across the country have been divided into seven zones with a view to monitoring them meticulously.

- In order to allocate responsibilities appropriately among the divisions of Head Office and Zonal office Organogram of the bank has been rearranged.
- Promotion policy and Salary scale of the bank have been updated.
- Significant number of Probationary officers and Experienced bankers have been recruited.
- The total number of Branches of the bank reached at 179 through opening 7 branches during the year 2022. For the first time we have been able to open branch at hill district (khagrachari).
- During the year 2022, we have opened 52 Sub-Branches as they contributed in collecting deposits and keeping cost of deposit at optimum level. Moreover, 124 number of Agent outlets have been opened out of which 20 outlets were owned by women entrepreneur.
- In the end of the year 2022, the number of CASA (Current Account, Savings Account, MSND Account) accounts and Scheme accounts have stood at 14,66,155 (growth 21.95%) and 4,88,023 (growth 18.55%) respectively.
- In the year 2022, total 63,268 accounts were opened through Agent Banking channel from which the deposit has been procured of more than Tk 174 crore and Tk 411 crore foreign of remittance earned through agent outlets.
- In 2022 our Bank successfully opened more than 15000 Young Star accounts, 9000 Student accounts, 3000 accounts for farmers and 9000 no-frill accounts.
- We are glad to inform that at the end of 2022 the number of Debit Card and Credit Card of our Bank reached at 1,67,670 and 22,329 respectively where 49,404 Debit Cards and 5,349 Credit Cards were newly issued.
- e-account facility has been introduced in 2022 where one can open his/her account from home or abroad through “SIBL Now” apps without physical presence at bank. 5718 number of e-accounts have been opened till 31-12-2022 where 331 number of e-accounts were opened from abroad.

- We have been able to increase customer number, recovery from non performing investment and raise Remittance inflow of the bank through arranging different campaigns and programs such as Asset Development Campaign, Deposit and Remittance Campaign etc.
- Different Trainings and workshops have been arranged along with regular training program of the bank.
- Significant amount recovered from Written-off investment in the year 2022 which was Taka 8.30 crore compared to 0.87 crore in 2021.
- In order to increase remittance inflow of the bank, SIBL made remittance arrangement with TML Malaysia, Speed Remit, SG Quick pay etc. Moreover, SIBL became Principal agent of MoneyGram.
- SIBL won Bangladesh Innovation Award-2022 for introducing Western Union Outbound Remittance. Besides, we have introduced SWIFT Go service as well.
- In 2022 we launched 6(six) exclusive deposit products with investment facilities. These important and life oriented products got positive response from the customers. Which are:
  1. SIBL Education Savings Scheme
  2. SIBL Medical Savings Scheme
  3. SIBL Marriage Savings Scheme
  4. SIBL Probashi Deposit Scheme
  5. Retired Citizen Monthly Benefit Scheme
  6. Hawkers Deposit & Business Development Scheme
- During the year 2022 we have arranged Agri investment. Disbursement program at Shuborno Chor (Nokhali) & at ranirbandar (Dinajpur).
- Our bank introduced two new investment facilities as investment against Chhad Krishi and Second hand car.
- In collaboration with Western Union, we have proudly launched the service of Outward Remittance Service. This represents a milestone in Bangladesh

as the first-ever outward international money transfer, for remittance of Medical, Education and Family expenses. This service will definitely enable the residents and foreigners to create a borderless world through easy global money movement. Earlier it was not that easy to send money abroad from our country. With this service launched, the entire Remittance scenario will be more transparent and unfair means of outward Remittance will be minimized.

### **Pro-active System & Automation:**

Digital innovations are transforming systems all over the world to a great extent. Customers are demanding banking that is simple, functional, reliable, and with seamless system. New opportunities for business growth associates new risks that require security and safety among others. In the ever evolving market scenario strengthening digital capabilities is our key priority. We have been continuously trying to increase operational efficiency by automating and digitalizing internal operational processes. Introducing new service features in existing banking products and services that have become integral part of our day to day life. By enhancing transaction security we are committed to give our customers utmost comfort. To safeguard the Bank from ransomware / malware attacks, we have taken all necessary measures to protect data so that it can be retrieved in the event of any unwanted incident. We are also working on upgrading the current core banking solution to facilitate better customer service and to make processing job fully automated & easier. We have the plan & policy to protect data from any cyber attack upgrading cyber security measures in the way of right form as and when required.

### **Customized Services and Mobilization of Resources:**

We work towards achieving excellence in customer services consistently through all our banking channels. It is our objective to facilitate mass people to do banking. Considering the fact we are planning to make operation process much more easier, time

saving and feel them very comfortable when they do banking with us. It is our goal to earn customer satisfaction by providing better customized services.

For productive resource mobilization and cost rationalization, we have reduced controllable expenses to some extent and initiative has been taken to reduce to our cost to income ratio in 2022. In the coming days, we will focus more on cost rationalization to ensure eco-friendly operational environment, minimum wastages, committed human resources with positive mindset with adequate skill that will reap up the benefits for the Bank in future. We have taken initiative to develop skill and proper placement accordingly so that right man right place should be ensured for higher productivity.

#### **Human Resources Development:**

We help our people shape their career from inspiring them to work with us to create a real learning environment to provide required training to build up skills to develop them through modern performance management system and finally to show them a sustainable career path. We have always focused on growth for our employees both in terms of their rewards and honing the skills they need to deliver top performance. SIBL has its own Training Institute, which rendered useful training to the employees in 2022. Eminent Bankers, scholars, and other resource persons were invited to deliver lectures. During the year under review, Social Islami Bank Training Institute itself had conducted 54 Training Courses, Workshops on different contemporary issues related to banking industries, Conference/Symposium and training for Agent and their Officer. We take care of our people by actively listening to their issues, and we respect our employees by treating them fairly. Our emphasis is on developing more and more home grown people in the coming days. We install in them a culture of high ethical standard and norms and empower them to lead the Bank responsibly in future.

#### **Compliance and Good Governance:**

Our utmost priority is to safeguard the interest of our depositors and shareholders. We

continue to work closely with the regulators to ensure compliance in every aspect of risks associated with managing a bank. Our focus during 2022 was to conduct businesses prudently keeping ourselves within regulatory framework. We complied with all key the regulatory requirement like CRAR, capital market exposure, which clearly shows our commitment to key stakeholders.

#### **A responsible bank with innovation:**

We believe that every small 'GREEN' step taken today would go a long way in building a greener future. Through proper planning and management, we are trying to ensure minimal wastage of our resources. We suggest our employees switch their lights off after office hours, use daylight instead of electric lights, turn off all air-conditioners immediately after office hour, moving towards paperless work as much as possible, managing water consumption, planting trees and encouraging green practices, all these have been mainstay of our development banking activities. We will continue to drive initiatives to embed the principles of sustainable socio-economic, development to our business strategy and process for attaining excellence in the coming days.

#### **Outlook-2023:**

SIBL sets its priority to continue implementation of its growth strategy with particular emphasis on reducing cost of fund, diversifying its investment portfolio and strengthening overall risk management process. These initiatives will help the Bank to improve its business performances in all areas, bolster profits and ultimately create value for shareholders who are the main driving force behind all of our many efforts.

- Shari'ah is the core essence of Islamic Banking. Adherence to Shari'ah along with corporate culture is our strength. We believe we will continue our commitment towards 100% Shari'ah compliance in all areas of operations.
- Improvement of deposit mix to be more cost effective.

- More innovative deposit Products to be launched with attractive feature as part of financial inclusion.
- Widening our areas of Business outside the country will be one of our priorities this year e.g opening Branches in UAE, Saudi Arabia etc.
- Reduction of NPI at an acceptable level by which we can improve Bank's spread to a reasonable level.
- Prevention of further new Classification through effective monitoring system by the concerned divisions.
- Plan to open new sub-branches/Agent outlets at potential locations to extend its network across the country.
- Effective measures to be taken for top 100 defaulters for recovery of significant amount of bad investment.
- Bonding relationship with other Islamic Banks for sharing foreign trade business which will eventually boosted up our business.
- Workshop for all employees has been planned for skill development.
- Introducing VISA Card for the convergence with global standard, automated customer service in order to attain Cashless Society.
- Designed new dimensional banking services as internet banking with mobile Apps which will give us new opportunities to attract the valued clients.
- Emphasis on Foreign exchange business to boost up non-funded income.
- Special drive will be provided to attain remarkable remittance inflow.
- Investment will be provided focusing Agri, SME and under privileged segments.
- To promote SIBL's branding, we will setup a lounge at the third terminal of Hazrat Shahjalal International Airport.
- To strengthen our Human Capital base, we are in a process to recruit Experienced bankers & Probationary officers at Head Office and Different branches.

#### Gratitude:

I would like to extend my sincere thanks to the Chairman of the Board for his stewardship and prudent guidance, the members of the Board of Directors for their advice, direction and patronage and to the Governor and officials of Bangladesh Bank and other regulatory bodies for their continued support and direction. A special word of thanks to the employees at all levels for their dedication and commitment in driving the Bank move forward. Finally, I would like to thank our valued shareholders, customers, business partners and other stakeholders for their faith on us and for being a continuous inspiration to deliver excellence.



Zafar Alam  
Managing Director & CEO

# সোশ্যাল ইসলামী ব্যাংক লিমিটেড -এর তিনটি অনন্য সঞ্চয় স্কিম

১ এর ভিতর ২

আপনার সঞ্চয়ে  
বিনিয়োগ সুবিধা

দ্বিগুণ

শিক্ষা, চিকিৎসা ও বিবাহের বাড়তি ব্যয়ের  
চাপ কমাতে সোশ্যাল ইসলামী ব্যাংক  
নিয়ে এসেছে দ্বিগুণ বিনিয়োগ সুবিধাসহ  
তিনটি অনন্য সঞ্চয় স্কিম। আপনি যা সঞ্চয়  
করবেন তার দ্বিগুণ বিনিয়োগ সুবিধা  
নিতে পারবেন।



এসআইবিএল  
শিক্ষা  
সঞ্চয় স্কিম



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চিকিৎসা  
সঞ্চয় স্কিম

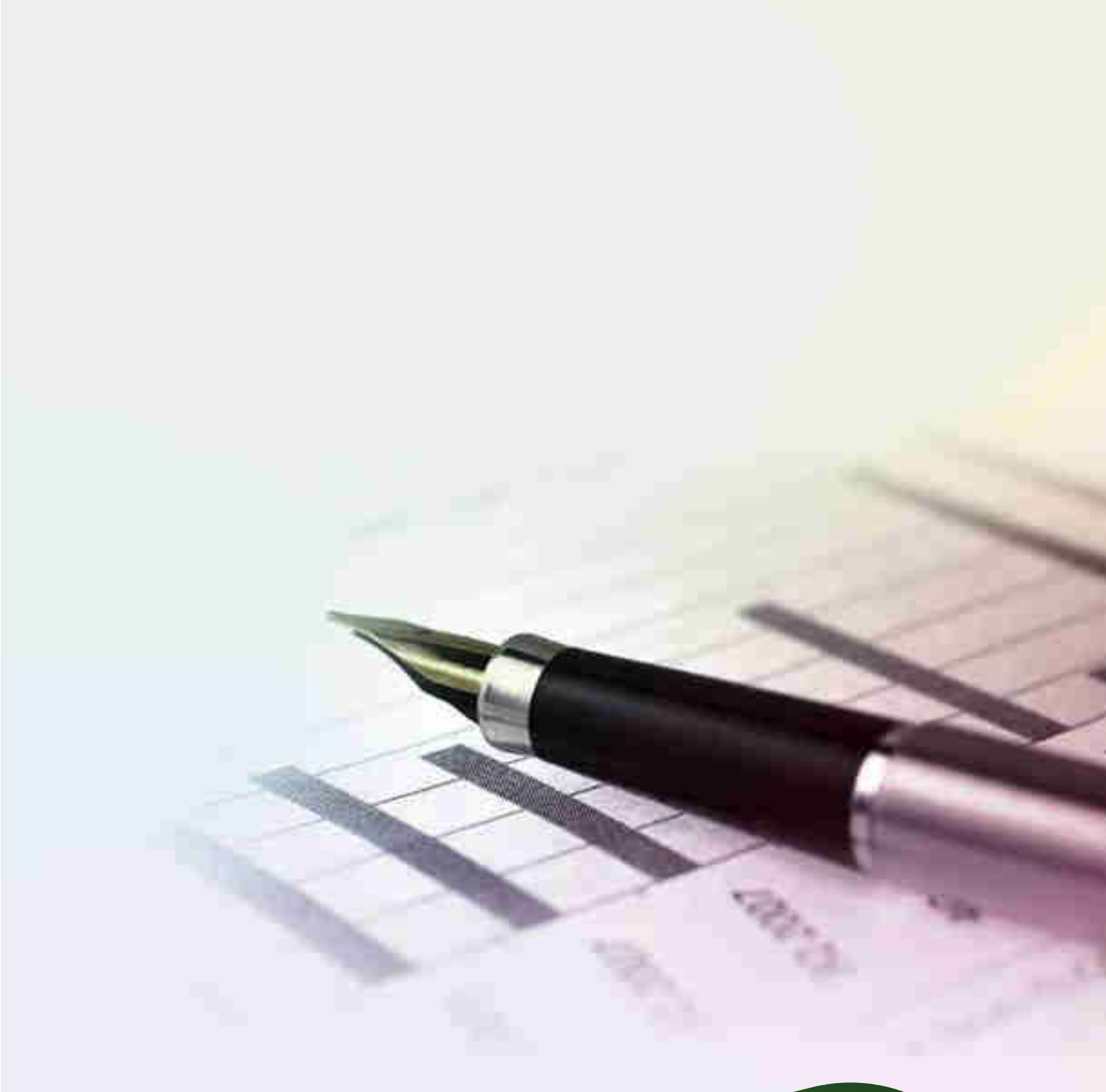


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# MANAGEMENT REPORT & ANALYSIS



# Performance Analysis

## Management Discussion

SIBL has been playing a significant role to develop Islami banking industries in Bangladesh since 1995. The bank continues to deliver superior and viable financial performance with a vision to minimize the poverty level in Bangladesh. In this regard, the inherent concept and credence of “Working Together for a Caring Society” is always held high. To carry forward this commitment, the personnel of SIBL are imbued with the highest degree of enthusiasm, zeal and vigor to serve the society. SIBL kept growth consistency in different financial parameter. In the end of the year 2022, SIBL holds 7.80% Deposit markets share and 8.11% Investment market share in Islami Banking industries of the country.

SIBL is undoubtedly gaining momentum in its day-to-day activities to implement the slogan “Journey towards continuous excellence” by strengthening the Bank’s financial capability to an international standard, increasing the brand image, and by practicing high degree of planned corporate good governance. SIBL believes in developing strong interpersonal relationship. As such, the Bank is morally bound to provide high quality banking services supported by the latest technology to obtain optimum return on shareholders’ equity ensuring safety of depositors’ money and making all out efforts to introduce innovative Islamic Banking products to the existing and prospective customers.

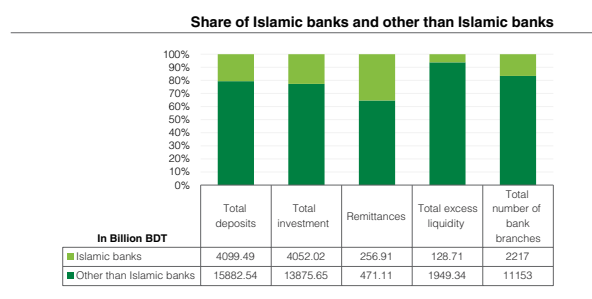
The Bangladesh economy was negatively impacted by global supply chain disruptions, a hike in raw material prices, currency devaluation, and a commodity price spiral after the Russia-Ukraine war. Bangladesh is dependent on imports for many of its raw materials- 1) Cotton, 2) Fuel, 3) Chemicals 4) Steel and volatility in international market hampers us greatly. This volatility drives inflation in our country as we face a foreign currency crunch. Import costs have already risen due to the Taka's depreciation against the US dollar. Many people withdrew their deposits and held cash in their hands amid inflationary pressure. Rising living costs forced many low-income people to keep additional cash in hands, which eventually reduced liquidity in banks. As a result, the amount of cash outside the country's banks reached a record Tk 2.68 lakh crore in December 2022 from Tk 2.52 lakh crore in November 2022.

We are confident that Bangladesh will continue to thrive because our country has significantly enhanced our country's overall infrastructural

development and have invested heavily in modernizing our existing RMG industry. Thanks to local entrepreneurs' investments in environmentally friendly manufacturing facilities Bangladesh has recently become the country that accommodates half of the world's top 100 LEED certified green industrial units. Currently, Bangladesh has 187 LEED certified green factories, all but four of which are in the garment industry.

## Market Share of Islamic Banks

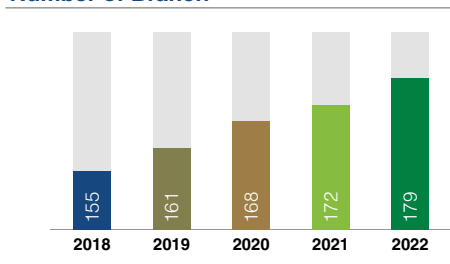
The market share of Islamic banks is successively increasing over the time. At the end of December, 2022 Islamic banks represents 25.81 percent share in terms of deposits and 29.20 percent share in terms of investments in the total banking industry.



SIBL is looking forward to expand its area of operation from urban to rural by introducing new customized products and services that are tailored to different economic class of people of the society in order to bring the un-banked people into banking channels. Presently the bank providing its full fledged service through 179 branches across the country. In addition to the branches, the bank has established 198 sub branches so far with a view

to reaching the unbanked people living at remote corner of the country and bringing them under banking service. It will also help to reduce deposit cost through collecting no cost and low cost deposit.

### Number of Branch

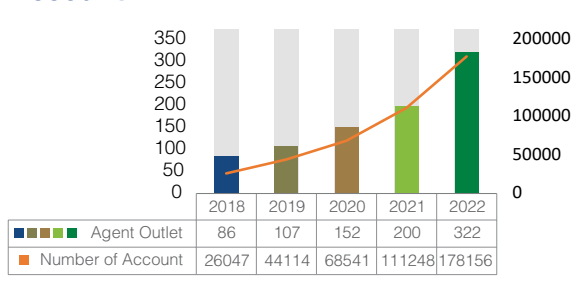


In order to strengthen monitoring activities SIBL allocates all the branches in to 07 (Seven) zones as under;

Sl. No.	Zone	Number of Branches
1	Chattogram	37
2	Cumilla	23
3	Khulna	26
4	Dhaka North	30
5	Rajshahi	16
6	Dhaka South	32
7	Sylhet	15

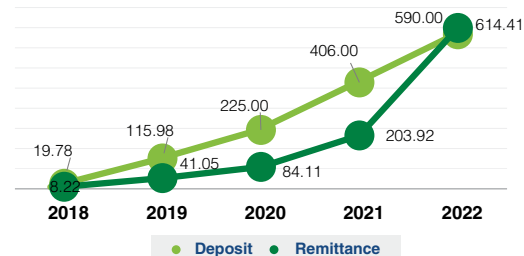
SIBL runs Agent Banking operation providing banking and financial services to the underserved population through engaging agents under a valid agency agreement, rather than a teller/ cashier. Agent banking is a new concept in Banking Industry of Bangladesh though Agent banking is very popular in many countries for extending formal financial services into poor and rural areas. The main object of Agent Banking is to create more protected financial inclusion by offering technology driven banking solutions to the unbanked people living in rural and dispersed people of Bangladesh.

### Agent Outlet vs Number of Deposit Account



### Deposit and Remittance Growth

fig. in crore



SIBL believes that the efforts of the year 2022 will inspire & stimulate the employees of the bank to accept the challenge of the year 2023 and accordingly the bank is in the process to explore every potentiality of each individual employee to deploy their sincere endeavor in the days ahead. In the year 2022, the bank has focused specially on the concepts of;

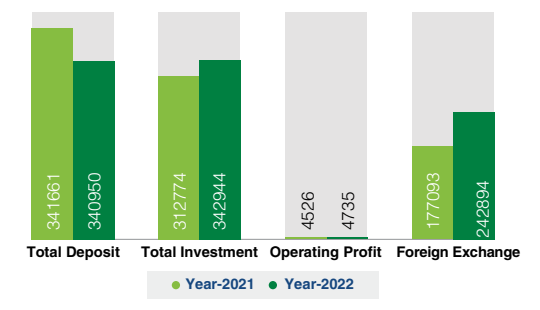
- Service Excellence
- Quality & Secured Investment
- Emphasize Non Funded Business
- Recovery from both regular and non-performing Investment
- Exploration of Low Cost & no Cost deposits, Retail & Stable deposits particularly Scheme based deposit &
- Maintenance of an Ideal Deposit Mix with a view to constraining the cost on one side and to establish a safe & stable deposit management system on the other.

During the year 2022, the bank has been able to project positive growth in all the business segments. The performance of the bank in 2022 has been given below;

Fig. in million

SL	Particulars	As on		Increase/ Decrease	
		Dec-21	Dec-22	Amount	Growth%
<b>1</b>	<b>Total Deposit</b>	<b>341661</b>	<b>340950</b>	<b>-711</b>	<b>-0.21%</b>
a	No Cost Deposit	47315	52304	4989	10.54%
b	Low Cost Deposit	57279	59145	1866	3.26%
c	High Cost Deposit	237067	229502	-7565	-3.19%
<b>2</b>	<b>Total Investment</b>	<b>312774</b>	<b>342944</b>	<b>30170</b>	<b>9.65%</b>
<b>3</b>	<b>Operating Profit</b>	<b>4526</b>	<b>4735</b>	<b>209</b>	<b>4.61%</b>
a	Import	93546	118210	24664	26.37%
b	Export	67347	83213	15866	23.56%
c	Remittance	16200	41471	25270	155.99%
<b>4</b>	<b>Foreign Exchange</b>	<b>177093</b>	<b>242894</b>	<b>65801</b>	<b>37.16%</b>

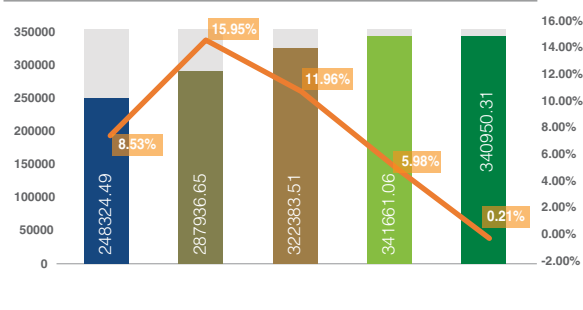
**Year to Year Performance Comparison** (Fig in. million)



## Deposit Management

Money market witnessed some liquidity contraction in the late 2022, originated from a large net sell of foreign currency by Bangladesh Bank in the face of balance of payment deficit, a sudden rise in currency holding by public, and a low growth of bank deposits. The banking sector's deposit growth fell to 5.6 percent at the end of 2022 from 7.8 percent at the end of September 2022, reflecting weaker saving owing from high inflationary pressure. However, the central bank completely removed the deposit floor rate as stated in their latest Monetary Policy Statement in order to grow the overall deposit rate in the country. During the year 2022 the bank has experienced a strong competition in deposit mobilization.

**Total Deposit Growth** (Fig in. million)

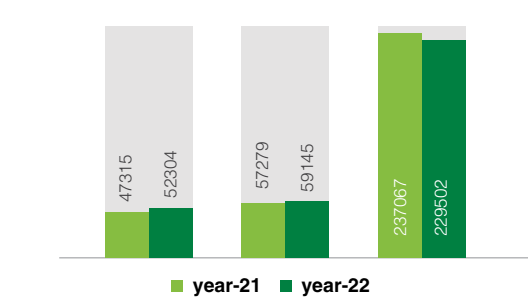


## Growth of Cost free deposits

The cost free deposits of the bank includes Al-Wadiah Current deposit, other no cost deposits and Bills payable account. The cost free deposit keeps significant contribution in earning healthy spread. The management of the bank launch different campaign to boost up no cost deposit volume of the bank. Moreover, establishing sub

branches and agent outlet at the remote corner of the country accelerate deposit collection activities. Growth of cost free deposits of the bank for the last five years has been shown below;

**Growth of Cost free deposits** (Fig in. million)



## Investment

Risk is an integral part of banking business and Social Islami Bank Ltd. (SIBL) aims at satisfying shareholders' value by achieving an appropriate trade-off between risks and returns. Investment risk arises from the probability that a bank's investment client will fail to meet its obligations in accordance with agreed terms, resulting in a negative effect on the profitability and capital of the bank.

Investment risk can arise from default risk, concentration of counterparties, industry sectors and geographical regions. Generally, investments are the largest and most obvious source of investment risk. However, investment risk could stem from both on-balance sheet and off-balance sheet activities such as Guarantees, Documentary Credits etc.

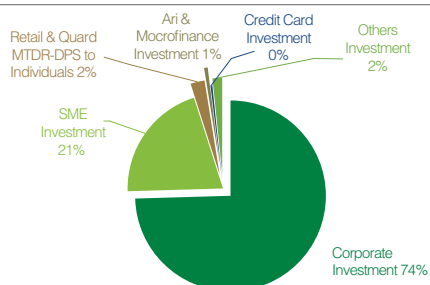
It may arise from either an inability or an unwillingness to perform in the pre-committed/contracted manner. Investment risk comes from a bank's dealing with households, small or medium-sized enterprises (SMEs), corporate clients, other banks and financial institutions, or a sovereign. In the end of the year The investment (loan) volume reached at 342,944.16 million with a 9.65% growth over the year 2021.

## Investment Concentration on Major Sectors

Sl. No	Sector	Amount in million	Composition
1	RMG	21,854.40	6.37%
2	Textile	23,454.13	6.84%
3	Food and allied industries	18,744.31	5.47%
4	Pharmaceutical Industries	1,489.01	0.43%
5	Chemical, Fertilizer, etc.	5,257.53	1.53%
6	Cement and Ceramic Industries	5,555.87	1.62%
7	Ship building industries	559.63	0.16%
8	Ship breaking industries	1,653.00	0.48%
9	Power and Gas	11,104.21	3.24%
10	Other manufacturing or extractive industries	42,026.22	12.25%
11	Service Industries	26,514.79	7.73%
12	Other Agro-based industries	4,877.18	1.42%
13	Investment to Trade & Commerce	108,243.33	31.56%
14	Investment to Consumer Finance	4,188.17	1.22%
15	Other Investment	67,422.36	19.66%
	<b>Total</b>	<b>342,944.16</b>	<b>100.00%</b>

## Business Segment Wise Investment

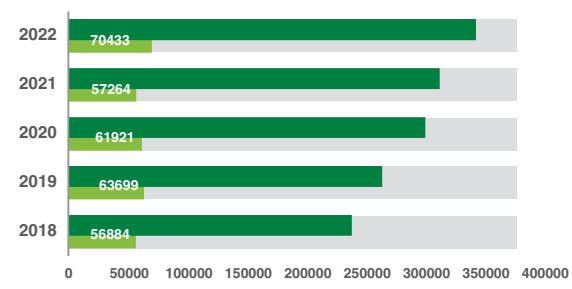
### Business Segment Wise Investment



## SME Investment

SIBL has been achieving a continuous and upward growth in SME portfolio over the last several years. As of 31<sup>st</sup> December 2022, SME portfolio holds 21% share of the global investment portfolio of the Bank amounting to Tk. 7043.29 which was only Tk. 51.54 crore in 2009. Such tremendous growth has been possible due to proper and timely guidance of prudent members of the Board of Directors of SIBL and initiatives of the Management along with team effort.

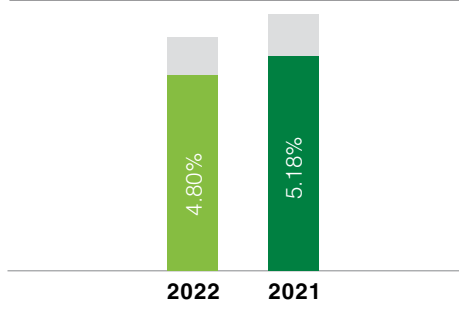
## SME investment vs Total Investment (In million)



## Non performing Investment

SIBL is always committed to give safety and security of the fund collected from the depositors. Hence, the management always careful while disbursing investment and ensure its safe return. The continuous efforts of the bank successfully reduced the non performing investment during the year 2022.

### Non Performing Investment



The bank has exerted its best efforts towards implementation of Core Risk Management Guidelines in Investment Risk Management. Investment Risk Management Division(s), Trade Finance & RMG Division, SME & Agricultural Finance Division are also very much aware of the upcoming risk factors involved in banking industry. As a result, we are now more cautious on implementing various risk mitigating factors in line with the directives of Bangladesh Bank and GoB. We are following BASEL-III guidelines and subsequent developments in this regard and other regulatory guidelines meticulously. Our strong persuasion and initiatives are going to rate the unrated investment clients. Meanwhile, a notable amount of our ratable investment clients have been rated by the leading rating agencies and the rest are in process. We, therefore,

hope that in the coming days, we would be more successful in mitigating risk factors and presenting quality assets.

### Investment Plan for 2023:

Keeping consistency with the previous year investment plan, SIBL has set investment target to Tk. 369000.00 million starting from Tk. 342944.16 million with the focus of minimizing concentration risk and emphasizing on diversifying investment portfolio as well.

SIBL is looking forward to enhancing financing in CMSMEs with a vision to minimize concentration risk. SIBL is also looking for opportunity to finance investment clients in rural areas. SIBL wants to encourage new entrepreneurs to start their own business and thereby creating employment & reducing poverty rate.

With high quality resources equipped with both operational and product expertise under a competent management team, Investment Risk Management Division(s) (IRMD), Trade Finance & RMG Division (TF&RMG), SME & Agricultural Finance Division(SME&AFD), Retail Investment Department (RID) and Investment Administration Division (IAD) are always ready to accept the challenges of expected growth of the investment portfolio ensuring the quality of the asset. However, under any circumstances, quality of the investment portfolio or related risks like market risk, liquidity risk and operational risk will be analyzed and subsequently mitigated before investment approval.

In order to achieve the target, we plan to diversify our portfolio to cover the marginal and peripheral enterprise. In doing so, the effect of the investment will be multiplied in development of the economy of the country. We set priorities to labor intensive industries and medium & small enterprises to create employment opportunities so that the national GDP growth will be accompanied with the growth of UN Human Development Index. Furthermore, SIBL always welcome investment in construction sector to ensure continuous infrastructural development in the country.

Moreover, to boost up the present economic condition due to Covid-19, our plan is to achieve target of disbursement against different stimulus packages set by the Bangladesh Bank, declared by the Government.

We also have plan to make investment as alternative investment fund and also in start-up business to diversify our investment portfolio and improve the present new normal situation.

### Green Banking

Bangladesh Bank has recognized SIBL as one of the Top Ten Private Commercial Banks for their contribution to Green Banking activities across the country. We have unified our sustainable operations under the “Green Banking Unit” equipped with permanent employees. Our Green Banking Policy Guidelines and Green Office Guide have been circulated to all our employees for creating awareness on Green Banking activities & providing instructions about conserving energy, water, saving paper, etc. Our Green Strategic Plan is enhanced to define our strategy in the coming years. SIBL developed its own Environmental Policies, which proves our commitment to the Environment for a sustainable future. As a Bank we play an intermediary role between economic development and conservation of the environment. Our Green Banking activities are on multidimensional areas which include both in-house Green activities and external green activities towards supporting Green Economy.

Green Banking initiatives are multi-stake holder approach and are never ending process, the implementation is possible only when collective efforts of all are being made.

Green Banking Initiatives	Yr-2021	Yr-2022
ATM (Number)	166	196
No. of Own ATM	166	196
No. of Shared ATM	Under NPSB	Under NPSB
<b>Online Banking</b>		
No. of Total Branches	172	179
No. of Branches with online coverage	172	179
<b>Internet Banking</b>		
No. of Accounts facilitated with Internet Banking	12880	120078
% of Accounts facilitated with Internet Banking	3.48%	90%
No. of Accounts facilitated with Mobile Banking/SMS Alert Banking	129795	108070
% of Accounts facilitated with Mobile Banking/SMS Alert Banking	35.03%	95%
No. of Training Programs/Seminars/ Workshops/Awareness Programs Exclusively conducted for Green Banking	28	30
Employees	3192	4039



SIBL is highly committed to conduct its foreign exchange business by ensuring compliance in the foreign exchange regime. In order to facilitate the Foreign Exchange (FX), Foreign Trade and Other Foreign Currency (FCY) Business and Transactions, SIBL is operating two CTPUs, one in Dhaka and another in Chattogram in addition to 22 AD branches under the supervision of **International Division** of the bank. These two CTPUs comprising of experienced foreign trade officers are providing trade services in an efficient manner, which enables the bank to ensure discipline and enhance monitoring in the foreign trade regime of the bank.

### Journey of International Division in 2022

**Best Innovation Award-2022:** Being the first ever Bangladeshi Bank to introduce outward remittance services through Western Union under direct supervision of International and subsequently designing products under the service scope, SIBL has been awarded Best Innovation Award–in Banks” awarded by Bangladesh Innovation Conclave.

**Digital e-marketplace champion:** SIBL has been awarded the Digital e-marketplace Champion award by Trade Assets one of the biggest digital trade finance platform operating globally. This award has been given to SIBL for excellence in digital adoption in trade finance solution.

**Financing from IsDB Group:** Successfully landed USD 30 million fund from Islamic Corporation for Development of the Private Sector, Islamic Development Bank

**SWIFT Go’ for retail remittances:** We have implemented SWIFT Go system in our Bank as the first Bangladeshi Bank to facilitate retail remittances at cheaper cost by using the authenticated network of SWIFT. We are the first bank to receive EURO 100,000 from SWIFT as incentive for adoption of this system.

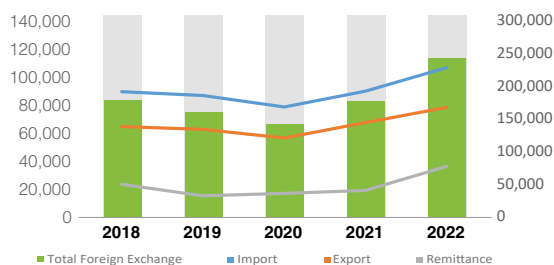
**Trade Finance Solution by Accuity:** We have successfully integrated Trade Finance Solution by Accuity for performing due diligence as per TBML guideline which will provide a comprehensive solution for trade finance sanction screening, adverse media report, screening against local and global enforcement list, dual use good and vessel tracking.

**e-account for NRBs:** Under the purview of e-KYC guidelines, SIBL has launched app based e-account facility for Non-Resident Bangladeshis living abroad with valid Bangladesh Government issued IDs for boosting inward remittances and increase sustainable deposit base.

**New RMA:** Established RMA with 04 new correspondent banks

**EDF Facilitation:** Arranged about USD 145 million from EDF in 2022

Foreign Exchange Business of SIBL



### Alternative Delivery Channel (ADC)

Social Islami Bank Limited (SIBL) believes in keeping abreast with latest technology in order to provide our customers with convenient and time saving solutions which ensure banking transactions anytime from anywhere. We have expanded ATM Network by 20% in various potential points around the country from previous fiscal year and own ATM Number reach to 198 at the end of the year 2022. Also, as a member bank of Q-Cash consortium, SIBL cardholders have access to 3200+ Q-cash Shared ATMs. In addition to Own and Q-cash ATM Network, cardholders can access to 10000+ ATM which are under NPSB & VISA Network. Along with ATM channel, SIBL highly focusing on Digital Financial Services like real time bank to bank fund transfer, transfer to MFS account and vice versa, Utility Bill Payment, Credit Card Payment etc. using I-banking/Mobile App which facilitating our valued clients to do banking transactions with ease from home & abroad. To promote digital services, shortly we will offer data free access (without internet data of user) to SIBL Mobile App. Also, in coming time, ADC have plan to introduce CRM (Cash Recycling Machine), Bangla QR Payment and Uniform school payment platform linked with Payment gateway for our valued clients.

SIBL participated in BACH successfully with the cooperation of Bangladesh Bank. All the 179 branches, 198 Sub-Branches and 364 Agent Banking outlets are under BACPS, BEFTN & RTGS network. **Payment Systems Department (PSD)** supports the Exchange and the settlement of payment between Participating Banks and Bangladesh Bank, which endeavors for promoting modern & efficient clearing and settlement system to ease financial transactions ensuring circulation of money in the economy.

### Bangladesh Automated Cheque Processing Systems (Bacps).

There are two clearings session operating each day at the Bangladesh Bank's end under BACPS which is High Value and another is Regular Value as per prescribe scheduled and the instruments cleared through the clearing houses are cheques, Bank drafts, Payment orders, Dividend warrants etc. drawn on commercial banks and Bangladesh Bank.

Table: 01 presented the volume and value of cheques cleared and settled during 2018-2022. The figures include both the High value and Regular value clearing.

Table: 01 Volume and value of cheque cleared through BACPS				
Year	Number of outward Instruments	Amount (Taka in crore)	Number of inward Instruments	Amount (Taka in crore)
2018	364,110	37,336.44	402,987	37,013.92
2019	360,822	32,629.49	436,007	32,067.16
2020	311,454	30,357.53	363,027	30,417.27
2021	356,474	37,447.23	372,574	34,088.57
2022	414,524	36,726.09	421,803	38,621.43
<b>Total:</b>	<b>1,807,384</b>	<b>174,496.78</b>	<b>1,996,398</b>	<b>172,208.35</b>

### Bangladesh Electronic Funds Transfer Network (BEFTN)

A BEFTN transaction is a monetary item that is routed through the BEFTN network for settlement on a specified date & session. In a BEFTN transaction, Originator and Receiver refer to the participants that initiate and receive the BEFTN

entries rather than the funds. A BEFTN entry may either be a credit or a debit entry. All commercial Banks are the member of this network which is also controlled and supervised by Bangladesh Bank. It provides the access in every banked and non-banked to facilitate electronic fund transfer from one account to another account. It is also the only payment system that handles a wide variety of credit transfer applications such as payroll, foreign and domestic remittances, social security, dividends, bill payments government tax payments, government license and account to account payment, loan installment payments, insurance premium payments etc.

Table: 02 presented the volume and value of BEFTN transactions settled during 2018-2022. The figures include both the Debit and Credit value.

Table: 02 Volume and value of BEFTN transaction				
Year	Number of Inward Transactions	Amount (in crore Taka)	Number of Outward Transactions	Amount (in crore Taka)
2018	22,250	128.22	4,745	16.92
2019	465,938	2,250.61	322,420	1,181.34
2020	664,833	3,639.13	535,505	4,247.18
2021	960,548	15,154.08	564,718	4,475.64
2022	1,217,138	8,012.29	1,059,924	5,052.10
<b>Total:</b>	<b>3,210,852</b>	<b>28,593.94</b>	<b>2,346,093</b>	<b>14,290.64</b>

### Real time Gross Settlement (RTGS)

RTGS is real time electronic fund transfer mechanism for domestic transactions worth BDT Tk 100,000 and above & any amount for Custom Duty payment. Through RTGS customers are able to make real time interbank fund transfer on gross basis. It is a real time interbank large value electronic fund transfer mechanism for both local and foreign currency. Settlement in real time means transactions is not subjected to any waiting period.

Table: 03 presented the volume and value of BD-RTGS transactions settled during 2018-2022. The figures includes both Inward and Outward of BD-RTGS transactions.



Table: 03 Volume and value of BD-RTGS transaction		
Year	Number of Transactions	Amount (in crore Taka)
2018	31221	3,068
2019	58277	6,530
2020	67946	8,825
2021	133466	27,505
2022	237822	91,159.56
<b>Total:</b>	<b>528732</b>	<b>1,37,087.56</b>

## Establish efficient interbank payment and settlement

Currently we have a set of sincere and dedicated officials are working efficiently to uphold the better service and establish quick-witted interbank payment and settlement system. PSD is always working to enhance service quality of all concern involved with us. Thus, several training workshop were regularly organized to develop awareness of all concern and constant efforts are continuing by the PSD, SIBL to boost up all the financial transactions under BACH.

## Information, Communication and Technology Division

Since the breaking out of COVID-19 forced to restrict physical contact that created high demand for digital banking as well as digital business activities, the Bank has given supreme emphasis on the continuous development of Information Technology (IT). In this regard, some young and experienced professionals are working in **Information, Communication and Technology Division** to explore the ideas of the cutting-edge, new IT products and services so that our IT-based banking service can reach the “banked and un-banked” people around the country. SIBL has developed secured core network system protected with multi layered firewall solutions like NG Firewall, Core Firewall, web-application firewall. Barracuda email security gateway has been implemented for protecting the email system against inbound malware, spam, phishing, and denial-of-service attacks. For ensuring business continuation and services resiliency in any emergency, the Bank has established three layer Data Center with modern technology. The Near DC has been established at 21 km away from Primary DC and the Far DC has

been established in a different seismic zone and 132 km away from the primary DC as per guideline of the central bank of Bangladesh. Oracle Real Application Cluster (RAC) and Active Data Guard solution has been implemented to ensure high availability, data protection, and disaster recovery of enterprise database.

## Key Focus Areas and How We Performed in 2022

Expand our digital footprint	
Online customer on-boarding (E-Account) about 5750 accounts	
Internet Banking/SIBL NOW user registration about 25576	
New Payment Card customer on-boarding about 37794	
<b>Growth of customer adoption of digital and online banking services</b>	<ul style="list-style-type: none"> <li>» 185 % increase SIBL NOW user registration.</li> <li>» 25.4% growth of Debit Card customer</li> <li>» 18% growth of Credit Card customer</li> <li>» 3,379,732 hits in SIBL website</li> <li>» Relation with 35 Remittance partners</li> </ul>
<b>Expand ATM, Branches, Sub-Branch, Agent Banking, other strategic locations</b>	<ul style="list-style-type: none"> <li>» 32 new ATMs across the network</li> <li>» 7 new Branches</li> <li>» 52 Sub Branches</li> <li>» 73 Agent Banking outlets</li> <li>» CRM will be introduced very soon</li> </ul>
<b>Introduce open API banking functions</b>	Development of ecosystems through integration with different partners (remittance house/utility service/institution) for collecting foreign remittance, bill/fees etc..

## Aspiration of 2023 and beyond

SIBL has a continuous effort for enhancement of digital services as per industry demand. We have dream to introducing new system in near future as below –

- i. Introducing Corporate Banking Service through SIBL NOW
- ii. Full-fledged Integration of SWIFT with CBS
- iii. Credit Card repayment module in CBS
- iv. Bangla QR Code implementation
- v. Green PIN service for payment card
- vi. Digital Chatbot service
- vii. Management Information System (MIS) for decision making
- viii. Enterprise Resource Planning (ERP) system

- ix. Enhancement of Cyber Security Posture
- x. RTGS transaction through Agent Banking
- xi. CBS Database archival system
- xii. Dual currency Debit Card
- xiii. API integration with Palli Bidyut for bill collection through Agent banking
- xiv. Procurement Management System
- xv. Setting up 50 new ATM/CRM

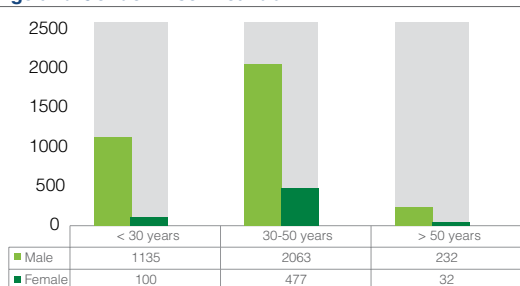
### Engineers of ICT Division is working for implementing business oriented platform in 2023

- » Unified Tuition Fees Collection Platform
- » Introducing Partner Echo-System for attracting Collection Accounts
- » Generic platform to incorporate more remittance partners

### Human Resources Development

We put utmost emphasis on recruitment and development of human resources. SIBL believes that skilled and well educated manpower is the best capital of the institution. Human Resources Division of the bank has been trying to ensure maximum output with minimum resources. So quality manpower with good academic background is being recruited in all levels of the Bank every year for rendering quality services to its customers. SIBL has its own Training Institute, which rendered useful training to the employees in 2022. Eminent Bankers, scholars, and other resource persons were invited to deliver lectures. Subsequently, it is observed that the employees who were trained, render good performance. Besides that, during the year under review, Social Islami Bank Training Institute itself had conducted 57 Training Courses and Workshops on different contemporary issues related to banking industries.

Age and Gender wise Breakdown



SIBL is always aware and maintain austerity in all types of banking expenditure in order to increase profit of the bank. Financial Administration Division of the bank is carrying out the responsibilities of developing and implementing strategies to support the bank's commitment to its stakeholders through financial accountability. The division also makes budgetary planning and execution, cost management and ensures finance control across the bank. The division consisting of several departments; a) Accounts department, b) VAT and Tax department, c) ALM, MIS & ISS department, d) Bills and Voucher department, e) Regulatory reporting department and f) Reconciliation, Employee benefit, Trustee Fund management etc.

### Asset-liability management - Liquidity management

Managing Assets and Liabilities to foster a sustainable growth is one of the key issues of banking industry. With the deregulation and globalization of financial markets, banks and financial institutions including large and reputed banks across the globe have been exposed to various types of market risk. In particular, the protracted financial crisis was triggered by deep-rooted weaknesses in Asset Liability Management. As a result, Bangladesh Bank modified its ALM guidelines that call for a sharp increase in liquid assets, stable funds and core capital for banks. The emerging challenges in ALM under greater volatility and regulatory focus require much better skills in market risk measurement and management. Banks need to estimate and appreciate the impact of the recent ALM guidelines, under Basel III, on business mix net Profit margins and profitability.

As per Bangladesh Bank Instruction/ circular SIBL has implemented core risk management system and started to comply with the same since 2005. It is the management structure of balance sheet (assets and liabilities) where the net earnings from profit are maximized within the overall risk-preference (present and future) of the institutions. The ALM functions extend to the management of liquidity risk, market risk, exchange risk, operations risks and profit planning and growth projections, etc.

## Risk Management

In the global risk management literature, Risk Management Division is considered as the second line of defense against risk. Some experienced officials headed by the Chief Risk Officer (CRO) work with the capital management issues and risk management activities of the bank as per the guideline of Bangladesh Bank, Executive Risk Management Committee and Board Risk Management Committee. As per Risk Management Guideline for Banks of Bangladesh Bank, 6 desks/units have been formed within Risk Management Division as follows -

- Credit Risk Related Desk
- Market Risk Related Desk
- Liquidity Risk Related Desk
- Operational Risk Related Desk
- Risk Research and policy development Desk and
- Basel Implementation Unit

The Risk Management Division manages and measure risks on the basis of the bank's approved risk parameters independently in line with regulatory requirements.

Revised Risk Based Capital Adequacy (RBCA) guideline in line with Basel III implementation phase was started in 2015. During the year under review, Management of the Bank was even more cautious in proper risk management of the Bank. The Bank has maintained the Capital to Risk Weighted Asset Ratio (CRAR) of 11.89%.

Minimum capital requirement is calculated considering credit risk, market risk and operational risk on which the bank is exposed to. The required and maintained capital of SIBL against these risks for the year 2022 is summarized below:

Figure in Million Tk

Risk Weighted Assets (RWA) for	RWA	Capital Requirement
A. Credit Risk	2,58,800.06	25,880.01
B. Market Risk	5,671.46	567.15
C. Operational Risk	21,382.32	2,138.23
<b>Total: RWA (A+B+C)</b>	<b>2,85,853.84</b>	<b>28,585.39</b>
<b>Capital Maintained</b>		<b>33,986.12</b>
<b>Capital Surplus</b>		<b>5,400.73</b>

Adequate capital is needed to be maintained considering the risk profile of the bank under Pillar II of Basel III. In case of Bangladesh, generally the following risks are considered for maintaining additional capital requirement under supervisory review process (SRP):

- Residual Risk
- Concentration Risk
- Liquidity Risk
- Reputation Risk
- Strategic Risk
- Settlement Risk
- Evaluation of Core Risk Management
- Environmental & Climate Change Risk
- Other material risks.

To assess the capital charge for the above risks Bangladesh Bank has given a guideline and instructs the banks to develop and Internal Capital Adequacy Assessment Process (ICAAP). Adequate capital has been maintained considering overall risk profile of the bank.

## Five-Step Dupont Analysis

DuPont analysis is a useful technique used to decompose the different drivers of return on equity (ROE): net profit margin, total asset turnover and financial leverage that will help us to avoid misleading conclusions regarding a company's profitability. In order to isolate operations and financial impacts on ROE, Net Profit margin is further broken down to Operating profit margin, Effect of Non-operating items and Tax effect.



Particulars	2022	2021
<b>Return On Equity</b>	<b>12.15%</b>	<b>08.91%</b>
Net Profit Margin	9%	6%
Contribution on Net Profit Margin:		
a) Operating Profit Margin	17%	17%
b) Effect of Non-operating Items	3%	6%
c) Tax effect	5%	5%
Total Asset Turnover (times)	0.1	0.1
Financial Leverage (times)	21.20	21.28

Profit margin is a measure of profitability. It is an indicator of a company's pricing strategies and how well the company controls its cost structure. Due to less provision requirement during the year 2022 Effect of Non-operating Items has been reduced to 3% from 6%. Net Profit Margin increased by 3% which resulted 12.15% RoE in the end of the year 2022.

## Business Analysis

Cost of Deposit of the Bank for the year 2022 was 4.41% while total overhead cost was 1.88%. Earning Yield was 6.50%.

### Horizontal/ Vartical Analysis

#### Operating Performance (Income Statement) Analysis

Sl. No.	Particulars	Year 2022		Year 2021	
		Amount	% of total	Amount	% of total
<b>1</b>	<b>Total Revenue / Operating Income:</b>				
i)	Investment Income	21068.80	75.94%	23439.2	87.16%
iii)	Profit from Bank Deposit	574.99	2.07%	521.58	1.94%
ii)	Investment Income shares & securities	1407.93	5.07%	793.24	2.95%
<b>a)</b>	<b>Sub-total : Funded Income (i+ii)</b>	<b>23051.72</b>	<b>83.09%</b>	<b>24754.02</b>	<b>92.05%</b>
iii)	Commission	753.12	2.71%	683.99	2.54%
iv)	Exchange Gain	3050.61	11.00%	777.2	2.89%
v)	Other Income	888.12	3.20%	677.99	2.52%
<b>b)</b>	<b>Sub-total: Non-Funded Income (iii+iv+v)</b>	<b>4691.85</b>	<b>16.91%</b>	<b>2139.18</b>	<b>7.95%</b>
<b>c)</b>	<b>Total: Operating Income {1(a) + 1(b)}/ Total Revenue</b>	<b>27743.57</b>	<b>100.00%</b>	<b>26893.2</b>	<b>100.00%</b>
<b>2</b>	<b>Operating Expenditure:</b>				
i)	Exp. against Customers' Deposit	15037.69	65.36%	15852.36	70.87%
ii)	Exp. for Bank Deposit	611.12	2.66%	294.01	1.31%
<b>a)</b>	<b>Sub-total: Profit Expenses (i+ii)</b>	<b>15648.81</b>	<b>68.01%</b>	<b>16146.37</b>	<b>72.19%</b>
iii)	Salary & Allowances	4364.9	18.97%	3602.94	16.11%
iv)	Other Operating Expenses	2994.83	13.02%	2617.65	11.70%
<b>b)</b>	<b>Sub-total: Administrative Expenses (iii+iv)</b>	<b>7359.73</b>	<b>31.99%</b>	<b>6220.59</b>	<b>27.81%</b>
<b>c)</b>	<b>Total: Operating Expenditure {2(a) + 2(b)}</b>	<b>23008.54</b>	<b>100.00%</b>	<b>22366.96</b>	<b>100.00%</b>
<b>3</b>	<b>Operating Profit/ (Loss) {1(c) - 2(c)}</b>	<b>4735.03</b>	<b>-</b>	<b>4526.23</b>	
<b>4</b>	<b>Profit before tax</b>	<b>3904.46</b>		<b>2874.37</b>	
<b>5</b>	<b>Profit after tax</b>	<b>2429.78</b>		<b>1659.71</b>	
<b>6</b>	<b>EPS (Taka) Restated</b>	<b>1.97</b>		<b>1.60</b>	

### Balance Sheet Analysis

Sl. No.	Particulars	Year 2022	Year 2021	Year 2020	Year 2019	Year 2018
<b>1</b>	Shareholders Fund	20,765.08	19,237.42	18,038.39	17,271.33	15,749.88
<b>2</b>	Property, Plant & Equipment	4,400.29	4,247.80	4,431.01	3,606.05	3,563.53
<b>3</b>	Net Current assets	6,968.24	5,076.23	5,318.23	5,265.09	4,863.71
<b>4</b>	Long Term Liabilities/Current Liabilities	0.366	0.398	0.375	0.394	0.364

## Some important Ratio Analysis

To understand the bank's trend, some important ratio analyses are tabulated below:

Sl. No.	Analysis	1st Quarterly (%)	Half-yearly (%)	3rd Quarterly (%)	Yearly (%)
		Mar-22	Jun-22	Sep-22	Dec-22
<b>A</b>	<b>Profitability Ratios:</b>				
	Return on Average Assets	0.11%	0.31%	0.37%	0.57%
	Return on Average Equity	2.38%	6.67%	7.96%	12.15%
	Earning per share ( EPS) (Taka)	0.12	0.45	0.84	1.97
<b>B</b>	<b>Efficiency/Activity Ratios: (Rate of Return Risk)</b>				
	Net Investment Income	101.93	253.46	367.91	599.50
	Net Investment Margin (NIM)	1.44%	1.73%	1.65%	2.00%
	Earning Assets/Total Asset	88.70%	86.01%	88.32%	86.18%
	Efficiency Ratio	83.15%	67.42%	62.89%	60.85%
	Overhead Ratio	1.65%	1.76%	1.82%	1.88%
	Effective Average Cost of Deposit	4.46%	4.52%	4.59%	4.41%
	Cost of Fund	6.11%	6.28%	6.41%	6.29%
	Effective Average Earning Yield	5.96%	7.31%	6.30%	6.50%
<b>C</b>	<b>Liquidity Ratios: (Liquidity Risk)</b>				
	Investment Deposit(client) Ratio	91.44%	90.63%	93.81%	93.70%
	Liquid Assets Ratio	15.32%	14.17%	12.15%	12.34%
	Net Stable Funding Ratio	127.54%	117.50%	114.71%	117.57%
	Stable Fund Ratio	11.32%	12.14%	13.01%	12.30%
	Dependency Ratio	2.47%	4.49%	6.48%	12.17%
	Snap Liquidity Ratio	16.07%	14.84%	12.73%	12.95%
	Liquid Assets/ Short term liabilities	48.66%	43.73%	38.50%	34.36%
	Liquid Assets/ Total Deposit	18.28%	16.81%	14.49%	15.92%
	Volatile Deposits/ Total Assets	5.00%	5.39%	5.34%	5.15%
	Wholesale Borrowing Ratio	6.05%	39.98%	67.56%	53.62%
<b>D</b>	<b>Capital Adequacy Ratios:</b>				
	CET 1	6.35%	6.41%	6.40%	7.00%
	Tire I Ratio	7.85%	7.91%	7.90%	8.50%
	Tire II Ratio	3.37%	3.42%	3.37%	3.39%
	Risk Weighted Capital Adequacy Ratio (RWCAR)	11.21%	11.32%	11.27%	11.89%
	Shareholders Equity to Total Deposit & Borrowings	5.58%	5.37%	5.41%	5.60%
	Internal Capital Generation Ratio	2.37%	6.68%	7.89%	11.70%
	Leverage Ratio	5.25%	5.19%	5.15%	5.44%
<b>E</b>	<b>Asset Quality Ratio:</b>				
	Ratio of Classified Investment	4.90%	4.99%	4.89%	4.80%
	Ratio of SMA Investment	4.25%	3.97%	3.82%	3.95%
	Gross NPI Ratio	3.80%	3.96%	3.86%	3.83%
	Net NPI Ratio	1.44%	1.52%	1.49%	1.53%
	Gross NPI Coverage Ratio	62.74%	62.10%	61.87%	60.48%
<b>F</b>	<b>Investment (Shares &amp; Securities) Risk:</b>				
	Market Value Vs Cost Price of quoted Investment	105.34%	107.42%	100.77%	96.35%
	Investment Portfolio/Total Equity Capital	128.31%	124.39%	122.49%	113.98%

## Liquidity position analysis

During the year under review, net cash inflow as stated in the Cash Flow Statements as on 31st December, 2022 which is noted below:

Particulars	Year 2022	Year 2021	Year 2020	Year 2019	Year 2018
Net Cash flow from Operating activities	(1,089.53)	(1,702.15)	3,612.83	18,322.04	(9085.34)
Net Cash flow from Investing activities	(665.82)	(336.48)	(1,325.46)	(353.73)	(367.19)
Net Cash flow from Financing activities	(1,685.95)	631.00	(346.67)	(9,400.00)	7,400.00
Net Increase / decrease in Cash & Cash equivalents	(3,232.93)	(1,349.90)	1,977.95	8,622.76	(1,986.77)
Opening Cash & Cash Equivalents	42,725.21	44,075.11	42,097.16	33,474.41	35,461.18
Closing Cash & Cash Equivalents	39,492.28	42,725.21	44,075.11	42,097.16	33,474.41

## Profitability / Dividends/Performance and Liquidity Ratios

Particulars	Year 2022	Year 2021
Gross Profit Ratio (%)	58.25	55.86
Price earnings Ratio (%)	6.25	8.78
Current Ratios (%)	0.81	1.02
Return on Capital Employed (%)	12.15	8.91
Debt Equity Ratio (%)	16.42	17.76

## Outlook 2023

Considering our standing and commitments towards stakeholders, the management of the Bank has designed the annual Business and Development plan for the year 2023. Moreover, last year performance of the Bank, the changes of national economy as well as global economy have been taken in to consideration while finalizing the target of 2023. SIBL is ready to accept the challenges of 2023 with new visionary zeal to achieve the common objectives of the Bank and hence the year 2023 will definitely be a challenge for every individual of SIBL. Considering the stands and commitments towards stakeholders, SIBL has prepared financial budget for the year 2023, which is realistic and challenging.

The Business Target for the year 2023 is featured by setting of-

- Client Deposit Tk. 450,000.00 million
- Investment Taka 369,000.00 million
- Foreign Exchange Business Taka 300,000.00 million
- Operating Profit Taka 5,750.00 million.

To achieve success in the year 2023, SIBL has undertaken the following short-term strategies side by side mid-term and long-term strategies:



## Strategy for achieving Target-2023

### 01. Know your customer

The Branch Manager should know customer background with his business thoroughly. By ascertaining clients need (depositors / investment) and appropriate actions should be taken. The Branch should explore new area for deposit / investment and address the expectations of new class of depositors through Digital / Green banking service.

### 02. Maintaining Ideal Deposit MIX

Ideal Deposit mix of the branch is to be ensured to achieve branch target. A more favorable deposit mix and with low cost deposit & to bring down the high cost bearing deposit to replace the same by cost-free and low cost bearing deposit will increase profitability of the branch. In this regard, strategies should be taken at the beginning of the year for bringing new deposit. Branch incumbent should calculate the weighted average profit rate on deposit and investment at regular interval preferably on monthly basis for exploring the spread of the Branch.

### 03. Achieve the target with quality investment

Branch should use prudence in selecting the investment client for maximization of investment income. Quality investment not only increases the regular income but also decrease provision requirement also.

### 04. Reduction of Overdue Investment:

Strategy should be taken to monitor overdue investment & reduce the same to ensure regular investment income. Investment to be recovered within due time so that no compensation is charged.

### 05. Management of Non Performing Investment (NPI)

Now all banks paying more attention to the supervision and management of the risk with a view to deducting the amount of NPI. As its NPI increases hence it pressure on banks profitability. Returns on Assets (RoA) and Returns of Equity (RoE) tend to fall down Higher NPI would also

compel the banks to extending its efforts in recovering the investment from those 'Bad' borrowers.

## Operating Profit Maximization

We all know the importance of operating profit of bank. We have accelerate income by exploring new avenues and minimizing operating expenses is the key technique in maximizing operating profit of the Bank.

### 01. Increasing Non Funded Income:

We should find new area of non-funded business income and ensure proper realization of various charges and fees as per Schedule of Charges of the Bank. All charges like L/C commission, Bank guarantee, Account maintenance charges, CIB service charge and so on.

### 02. Maintaining Spread:

Branch manager should review the Spread on regular basis. i.e difference between weighted average profit on investment & weighted average profit on deposit. In addition, branch incumbent should give concentration to reduce cost of fund, administrative expenses of the branch. Higher cost of fund not only put pressure on branch profitability but also on overall performance of the Bank.

### 03. Hunting Low cost Deposit:

From the beginning of the year every branch have to set focus on low cost or cost free deposit hunting. Branch can set a team and special drive to collect low cost deposit from different sources by opening more AWCA, payment order, bills payable services and low cost bearing savings accounts. Increasing cost free deposit is one of the tools to maximize operating profit. Branches must give emphasis on mobilizing funds for cut down costs and push up profits.

### 04. Recovery of Default Investment:

Extra efforts should be given to recover default investment for maximizing profit margin from the beginning of the year. By way of rescheduling and restructuring can reduce default or band investment substantially. Legal actions, Money Loan Courts, fair pricing of collaterals through competent Accounting Firms can recover default investments.

### **05. Recovery of Written-off investment:**

Recovered amount of written off investment goes directly to Income. More recovery of written off investment increases income contrary it will decrease the provision requirement thereof.

### **06. Expansion of Trade Finance:**

Expansion of trade-based financing by the Bank will maximize the operating profit. Increasing import, Export business and remittance volume also maximize operating profit of the Bank

### **07. Controlling expenditure:**

Branch should carefully monitor its expenses & will try to reduce it. Different expenditure like 'Up keep of Office Premises, entertainment, Lighting & Electricity, Repairs & Maintenance, Rent, Rates, Taxes & insurance should be monitored regularly & justified. Ensure effective utilization of all branch assets like generator, Air Conditions, Electricity which will reduce expenses. Expenditure ceiling of different heads given from Head office strictly followed.

Some factors may cause actual results to differ and some may significantly deviate from the outlook 2023.

- Due to further break out of COVID-19 virus
- The length and intensity of the Russia-Ukraine war
- The spree of Interest hikes by the Fed
- Changes in the general economic condition resulting from natural calamities and political disturbances
- Changes in government policy issues
- Increase in corporate tax rate
- Volatility in profit rate
- Volatility in capital market arising from speculations
- Compliance issues raised by the international forums which are likely to affect the export growth
- Rise in international prices of essentials which may result to volatility in Foreign Exchange Market
- Adverse media reporting.

Nevertheless, the success of SIBL in 2022 clearly affirms that this Bank is ready to accept challenges of the future. Insha Allah, SIBL's momentum of growth of business and profitability will be maintained definitely in 2023 and the years to come.

Ameen



**Zafar Alam**

Managing Director & CEO



# DIRECTORS' REPORT



Firm  
Erection

With a versatile array of expertise, our directors have enriched the board and have been leading our organization from the front in the ever-changing financial market of Bangladesh. They have created a firm base of the organization which has its roots gone far beyond.

***“Act good and do good to serve better being the motto, SIBL and those in the operation always strive for their best with the rules of Shariah to achieve as much security and benefit for esteemed Customers”***

## Directors' Report of SIBL for the year 2022

### Dear Respected Shareholders,

It is my great pleasure to welcome you all on behalf of the Board of Directors to the 28th Annual General Meeting of Social Islami Bank Limited and to present before you the Directors' Report along with the audited financial statements as on 31st December 2022 for your kind consideration. I put on record my thanks and gratitude to you for your presence on this big shareholders' day. It is worthwhile to place before you the financial position of the bank on the backdrop of global economic scenario—the changes that taken place around the world and how Bangladesh experienced the same and various functional and administrative aspects during the year 2022 including Bangladesh economy.

### World Economy

A series of severe and mutually reinforcing shocks struck the world economy in 2022 as it approached the midpoint for achieving the 2030 Sustainable Development Goals (SDGs). With the impacts of the COVID-19 pandemic still reverberating worldwide, the war in Ukraine ignited a new crisis, disrupting food and energy markets, and worsening food insecurity and malnutrition in many developing countries. High inflation unleashed an erosion of real incomes and a global cost-of-living crisis that has pushed millions into poverty and economic hardship.

At the same time, the climate crisis continued to impose a heavy toll, with heat waves, wildfires, floods and hurricanes inflicting massive economic damages and generating humanitarian crises in many countries. All these shocks will weigh heavily on the world economy in 2023. Persistently high inflation, which averaged about 9 per cent in 2022, has prompted aggressive monetary tightening in many developed and developing countries. Rapid interest rate hikes, particularly by the Federal Reserve in the United States of America, have had global spillover effects, triggering capital outflows and currency depreciations in developing countries, increasing balance of payment pressures and exacerbating debt sustainability risks.

Against this backdrop, according to the IMF World Economic Outlook January 2023, global economic growth is projected to slow to only 1.9 per cent in 2023, sharply lower than the 3

percent in 2022. Global growth is forecast to moderately pick up to 2.7 per cent in 2024. For advanced economies, growth is projected to decline sharply from 2.7 percent in 2022 to 1.2 percent in 2023 before rising to 1.4 percent in 2024, with a downward revision of 0.2 percentage point for 2024. About 90 percent of advanced economies are projected to see a decline in growth in 2023. Whereas For emerging market and developing economies, growth is projected to rise modestly, from 3.9 percent in 2022 to 4.0 percent in 2023 and 4.2 percent in 2024, with an upward revision of 0.3 percentage point or 2023 and a downward revision of 0.1 percentage point for 2024. About half of emerging market and developing economies have lower growth in 2023 than in 2022.

These forecasts are based on a number of assumptions, including on fuel and non fuel commodity prices, which have generally been revised down since October, and on interest rates, which have been revised up. In 2023, oil prices are projected to fall by about 16 percent, while non fuel commodity prices are expected to fall by, on average, 6.3 percent. Global interest rate assumptions are revised up, reflecting intensified actual and signaled policy tightening by major central banks since October.

After a long period of price stability, high inflation has returned in many countries, disproportionately affecting low-income households. Average global inflation in 2022 reached the highest level in two decades. In

2022, central banks worldwide raised interest rates in quick succession to bring inflation under control and anchor inflation expectations. As inflation is likely to have peaked in late 2022, central banks, especially in the developed countries, are expected to slow the pace of interest rate hikes in 2023, particularly if inflation approaches respective national target rates. According to the IMF report January 2023, about 84 percent of countries are expected to have lower headline (consumer price index) inflation in 2023 than in 2022. Global inflation is set to fall from 8.8 percent in 2022 (annual average) to 6.6 percent in 2023 and 4.3 percent in 2024—above pre-pandemic (2017–19) levels of about 3.5 percent.

In many developed economies, labour markets became exceptionally tight as evidenced by record-low unemployment and record-high employment and job vacancy rates. Sectors such as construction, information and communication, and food and accommodation continued to suffer from severe labour shortages. Slower growth, elevated inflation and mounting debt vulnerabilities threaten to further set back hard-won SDG achievements, deepening the already negative effects of the COVID-19 pandemic. An Overview of the World Economic Outlook Projections is given below;

## Overview of the World Economic Outlook Projections

Particulars	2022 (%)	2023p (%)	2024p (%)
World Output	3.4	2.9	3.1
Advanced Economies	2.7	1.2	1.4
USA	2.0	1.4	1.0
Euro Area	3.5	0.7	1.6
Other Advanced Economies	2.8	2.0	2.4
Emerging Market and Developing Economies	3.9	4.0	4.2
China	3.0	5.2	4.5
India	6.8	6.1	6.8
Emerging and Developing Europe	0.7	1.5	2.6
Russia	-2.2	0.3	2.1
Latin America and the Caribbean	3.9	1.8	2.1
Middle East and Central Asia	5.3	3.2	3.7
Sub-Saharan Africa	3.8	3.8	4.1

Source: IMF World Economic Outlook Update (January 2023)

## Bangladesh Economy

### Domestic Growth

The remarkable performance of the agriculture and service sectors, supported by supportive monetary policy and government initiatives, appears to have maintained during the second half of the year 2022, maintaining a broad-based growth momentum across the economy. Similarly, the industry sector showed a strong

performance during the year 2022. According to the final estimates of the Bangladesh Bureau of Statistics (BBS) the real GDP growth rate was revised downward slightly from 7.25 to 7.10 percent in FY22, which was still higher than the 6.94 percent rate in FY21. This also indicates that the economy was resilient in FY22 in the midst of the combined risks posed by challenges to the post-pandemic recovery and the Russia-Ukraine war-induced global uncertainties. According to the Bangladesh Bank Quarterly



report the per capita GNI grew moderately at 7.80 percent in FY22 compared to the growth rate of 11.39 percent in FY21. However, the government recently lowered the GDP growth target for FY23, which was earlier set at 7.50 percent, and placed it at 6.50 percent, taking into account recent macroeconomic developments.

### **Agriculture, Industry and Service Sectors**

Due to the agricultural sector's strong performance during the pandemic and post-pandemic years, the Department of Agricultural Extension (DAE) has set healthy growth targets for the major crops in FY23. Increasing crop cultivation area, rising market prices, favorable weather conditions, and improved crop management practices are all projected to contribute to a rise in agricultural output during the current fiscal year.

Final estimates from BBS indicate that the industry sector's growth slowed during FY22, growing by 9.86 percent as opposed to 10.29 percent in FY21. The decline in growth was mostly caused by the sub-sectors of mining and quarrying, which saw negative growth of 1.12%, and electricity and gas, which experienced negative growth of 6.15 percent. The fourth quarter of 2022 saw a moderate increase in the service sector as well, with credit to trade and commerce and consumer financing growing by 18.29 and 26.55 percent respectively.

With continuous growth-supportive fiscal and monetary policies, expanding robust domestic and international demand, improving external conditions, and rising business confidence, the growth momentum is anticipated to be stronger in the remaining period of the current fiscal year. With improving global financial conditions, falling oil and food prices, and China's economic recovery, the economic headwinds, which are primarily experienced by Asian and Pacific countries, are also anticipated to ease shortly.

### **Savings and Investment**

As per Monetary Policy Statement FY22-23, Investment as a percent of GDP increased gradually from 28.81 percent in FY15 to 32.21 percent in FY19. Following the COVID-19 period, the investment-GDP ratio decreased slightly to 31.31 percent in FY20 and 31.02 percent in FY21. As the economy revived from the pandemic severity, the ratio rebounded, reaching closer to the pre-pandemic level at 31.68 percent in FY22.

Including the COVID-19 eras, public investment as a percentage of GDP has seen an upward trend in recent years, primarily due to the completion of government mega projects. On the other hand, private investment as a percent of GDP declined in the last two years of the COVID-19 period though it started to recover in FY22. It is anticipated that the completion of the government's current megaprojects, notably the recent inauguration of the Padma Bridge, will increase private investment, employment, and the GDP of the nation.

### **Price Developments**

By the end of the year, the headline CPI inflation began to decline, partially due to decreased global commodity prices. Even though it still above the intended objective of 7.5 percent for FY23, point-to-point headline inflation decreased from a decade high of 9.52 percent in August 2022 to 8.71 percent in December 2022. As a result of the pass-through effect of falling global commodity prices, the food component of headline inflation decreased from 9.08 percent in September 2022 to 7.91 percent in December 2022. However, non-food inflation kept rising gradually and reached 9.96 percent in December 2022 from 9.13 percent in September 2022, indicating rising import costs influenced by significant depreciation of BDT against USD to some extent. Nevertheless, inflation momentum remained favorable in the last quarter of 2022 revealing the recent downturn in inflation.



Inflationary pressure is projected to ease in the upcoming months as global commodity prices slow down. Also, it is anticipated that the pressure on the exchange rate would lessen, which will benefit the cost of imported goods and contribute to local inflation. The continuing supply disruption and rising commodity costs, however, pose major risks to the inflation outlook.

### **Development of Policy Rates and Rate of Return**

Bangladesh Bank raised its repo rate by another 25 basis points to 5.75 percent at the end of December 2022 in response to rising inflationary pressure. The weighted-average interest rate in the inter-bank call money markets and inter-bank repo market remained elevated and increased to 5.8 percent and 7.6 percent in December 2022 from 5.5 percent and 6.3 percent in September 2022, respectively on the back of upward revision of the repo rate from 5.5 percent of September 2022 to 5.75 percent in December 2022. Meanwhile, the weighted-average interest rate on lending rose to 7.22 percent in December 2022 from 7.12 percent in September 2022, and the weighted-average interest rate on deposit climbed to 4.23 percent from 4.09 percent during the same period.

### **Fiscal Sector**

Slow income mobilization and lower government spending than in December quarter 2021 were indicators of the overall fiscal position in December quarter 2022. The government's decision to cut spending in the face of COVID-19 and the world economic crisis brought on by the Russia-Ukraine war was a major factor in the budget deficit's reduction in this quarter compared to the same quarter last year. The government prefers to use international rather than domestic sources to finance the deficit. A large share of domestic financing came from the banking sector. Bangladesh Bank reported that in the second quarter of FY23, the total revenue, expenditure and deficit financing, as a percentage of GDP, stood at 1.9 percent, 2.35 percent and 0.46 percent, respectively.

In the first six months of the current fiscal year, overall revenue collection stood at 37.4 percent of the revenue target of BDT 4330.0 billion, which was slightly lower than 37.8 percent in the first six months of FY22. Government spending on fiscal initiatives was constrained by the restrictive import policy in the midst of supply disruption caused by the worldwide conflict. Due mostly to a fall in current spending, total government spending fell by 1.4 percent in the second quarter of FY23 to BDT 1043.7 billion from BDT 1058.1 billion in the second quarter of FY22. Due to a quicker growth in revenue collection than spending, the fiscal deficit decreased in last quarter of 2022 compared to the same period of previous year.

### **Development of External Sector**

#### **Balance of Payments (BOP)**

Despite a notable improvement in the current account balance, an unexpected deficit in the financial account caused the overall balance of payments deficit to increase to USD 3.72 billion at the end of the year. During the second half of the year 2022, the deficit in the overall balance stood at USD 7.17 billion. The deficit in the overall balance continued exerting depreciation pressure on BDT. To limit excessive volatility in the exchange rates, Bangladesh Bank injected (net) USD 4.24 billion in the foreign exchange market during December quarter 2022. As a result, the gross official foreign exchange reserve declined to USD 33.75 billion at the end of December 2022.

#### **Export**

Export growth slowed during the last two quarter of the year 2022, amid rising global prices and growing global growth uncertainties brought on by the conflict in Ukraine. The growth momentum of total export was overwhelmingly concentrated in the performance of ready-made garment (RMG), while the export of other products witnessed negative growth. Total RMG exports registered 17.35 percent growth in last quarter compared with 13.41 percent growth in September quarter, while

the exports of leather and leather related goods, frozen fish, and jute and jute products posted negative growth in December quarter 2022.

### Import

Import payment declined in December quarter compared to previous quarter was mostly caused by BB's different restrictive policy measures for controlling import growth, currency rate depreciation, and worldwide price hike. The reduction of import payment was centered in import of intermediate goods, capital machinery, and capital goods, while import of food items and consumer goods registered positive growth during this period.

### Remittance

The inward remittances declined at the end of the year 2022 due to negative growth in remittance inflow from Saudi Arabia. To elevate the volume of inward remittances to the required level, BB has taken some actions. These include, among other things, allowing the BDT to depreciate significantly to lessen the exchange rate differential, simplifying the process of remittance repatriation and cash incentive distribution, waiving the fees charged by local banks for money transfers made by expatriate remitters, and allowing the use of mobile financial services in the collection and distribution of remittances. The inbound remittances growth is anticipated to accelerate soon with the help of these legislative initiatives, improving economic and employment conditions in the source countries and record-high abroad employment in 2022.

### Exchange Rate Movement

Depreciating pressure on BDT against the USD was brought on by the growing balance of payments imbalance, the US Fed's tightening of monetary policy, and geopolitical unrest. Moreover, allowing for greater exchange rate freedom resulted in a dramatic decline in BDT exchange rates. By the end of December 2022, the BDT/USD exchange rate depreciated to 99, a 13.13 percent decline since January 2022.

## Capital Market Developments

The current unfavorable macroeconomic environment in both the local and global economies contributed to the stock market's erratic performances during the past several quarters. As evidenced by changes in price indices, market capitalization, price-earnings ratio, and turnover, the capital market performed poorly during the last quarter compared to the September quarter. All capital market indicators except issued capital decreased during the quarter December 2022. However, to regain investor trust in Bangladesh's capital market, the Bangladesh Bank (BB) and Bangladesh Securities and Exchange Commission (BSEC) undertaken a number of actions. To diversify investors' portfolios through risk-free investment in government securities, the BSEC started trial trading on 10 October 2022 in both stock exchanges. Moreover, to increase the attainment of international investors, the memorandum of understanding (MoU) was signed between the BSEC and the Securities and Commodities Authority (SCA) of the United Arab Emirates to explore opportunities for dual listing, bond issue, joint subscription, and commodities exchange in both countries. Also, BB provided additional time to banks to adjust their investment from the capital market exposure limit.

## The Performance of the Banking sector of Bangladesh

A decline in the ratio of non-performing loans (NPLs) to total loans, a trend toward slower growth in bank advances and deposits, a decline in maintaining provision, and a slowdown in the amount of excess liquidity in the banking system are all indicators of the overall banking sector's mixed performance in 2022. The Non-Performing Loan (NPL) in the banking sector observed an improvement in Q2FY23, mostly due to favorable loan repayment policies confronting the ongoing macroeconomic stress. The ratio of gross NPLs to total loans declined and reached 8.16 percent at the end of Q2FY23 from 9.36 percent at the end of Q1FY23.

During the last quarter, the aggregate capitalization of the banking industry remained above the statutory requirement of 10% of risk-weighted assets, demonstrating appropriate capital buffers to absorb uncertainties and risks. The banking industry's profitability increased in September 2022 compared to September-2021, as evidenced by an increase in both return on asset (ROA) and return on equity (ROE). This improvement was primarily attributable to a considerable increase in non-interest income derived from exchange gain. Moreover, the net profit of the banking industry increased to BDT 92.91 billion in Q1FY23 from BDT 72.29 billion in Q1FY22.

The gap of growths between bank's deposits and bank's advances widened significantly at the end of December 2022. Although, bank's advances maintained a moderate growth of 14.1 percent at the end of December 2022, bank's deposit growth further deteriorated. The bank's deposit growth fell to 5.6 percent at the end of December 2022 from 7.8 percent at the end of September 2022, reflecting weaker saving owing from high inflationary pressure. Consequently, the overall advance-deposit ratio (ADR) rose to 79.00 percent in end-December 2022 from 76.23 percent in end-September 2022 and remained broadly stable.

## Industry outlook

Due to a variety of factors, including the Bangladesh Bank's ongoing dollar sales, the trend of diminishing remittances, and rising inflationary pressure, the liquidity situation in the banking system remained getting worse. BB recently made some significant policy rate changes with the goal of improving deposit rates. Along with the total removal of the deposit floor rate, the lending cap for consumer credit has been loosened to vary up to 3 percentage points. Therefore, it is expected to raise in deposit rate as well as lending rate in the coming months during the year.

## Overview of Islamic Banking sector in Bangladesh

In terms of assets like Islamic banks, Islamic bonds, Islamic mutual funds, and Islamic insurance, etc., the Islamic financial sector is currently regarded as a global financial business. Based on its risk-sharing optimism, inclusivity, and real asset-backed transaction features, the sector is expanding globally. Due to high public demand and Bangladesh Bank policy backing, Islamic banking in Bangladesh has also been expanding rapidly in step with worldwide trends.

At the end of December, 2022 there were 10 full-fledged Islamic banks in Bangladesh operating with 1659 branches while there were total of 11153 branches of the whole banking system. In addition, 23 Islamic banking branches of 11 conventional commercial banks and 535 Islamic banking windows of 13 conventional commercial banks were also providing Islamic financial services in Bangladesh. Total employment in the Islamic banks stood at 49851 at the end of December 2022 which was 49433 at the end of September 2022 and 44223 at the end of December 2021.

Total deposits in Islamic banking stood at BDT 4099.49 billion at the end of December 2022 which was BDT 114.26 billion or 2.71 percent than that of September 2022 but BDT 168.38 billion or 4.28 percent higher than that of the same quarter of the last year.

Total investment (loans & advances in conventional banking ) of Islamic banking stood at BDT 4052.02 billion at the end of December 2022 which went up by BDT 189.81 billion or 4.91 percent and BDT 517.54 billion or 14.64 percent as compared to the end of September 2022 and the end of same quarter of the last year respectively.

Investment-Deposit ratio (IDR) (Advance-Deposit ratio in conventional sense) stood at 0.92 which was same at the end of September 2022 but higher than 0.90 of end December 2021.

Excess liquidity of Islamic banking stood at BDT 128.71 billion at the end of December 2022 which was lower by BDT 46.54 billion 26.55% and by BDT 207.54 billion 61.72% than that of the end of September 2022 and the same period of the last year respectively.

Total exports earned by the Islamic banks stood at BDT 340.98 billion during October-December 2022, which was lower by BDT 108.72 billion or 24.18 percent and BDT 157.59 billion or 31.61 percent than that of the previous quarter and the same quarter of 2021 respectively.

Total Imports payments by the Islamic banking stood at BDT 378.25 billion during October-December 2022, which was lower by BDT 280.38 billion or 42.57 percent and BDT 484.80 billion or 56.17 percent than that of the previous quarter and the same quarter of 2021 respectively.

Total remittances mobilized by the Islamic banking stood at BDT 256.91 billion during October-December 2022, which was higher by BDT 54.68 billion or 27.04 percent and BDT 53.23 billion or 26.13 percent than that of the previous quarter and the same quarter of 2021 respectively.

### **The market share of Islamic banks in Bangladesh**

Islamic banks' market share has steadily increased over time. By the end of December 2022, Islamic banks had a 25.81 percent share of deposits and a 29.20 percent share of investments in the overall banking sector, up from 28.43 percent and 28.47 percent, respectively, at the end of September 2022.

### **Corporate Social Responsibility of Islamic Banking Sector**

Islamic banks engage in and carry out a variety of social projects as part of their Corporate Social Responsibility (CSR) initiatives. Zakat, compensating charges (penal charges from defaulting investment clients), and Shariah-allowed additional sources of income are among the funding streams Islamic banks can

use for CSR initiatives. In Bangladesh, these contributions are distributed among various charities, training, health, and educational institutions. Islamic banks help the poor and underprivileged, who are unable to access traditional financial services because of their great poverty. To lessen the prevalence of poverty, Islamic banks always strive to conduct financial transactions based on human needs and engage in productivity-oriented programs or activities. Expenditure on CSR activities during October-December 2022 stood at BDT 2.20 billion which was BDT 0.23 billion in July-September 2022 and BDT 1.28 billion in October-December 2021.

### **Islamic Securities: Sovereign Investment Sukuk**

Bangladesh Bank on behalf of the Government has issued maiden sovereign investment sukuk on December 28, 2020 to raise BDT 80.00 billion for the implementation of the safe water supply project across the nation estimating overall costing of the project at BDT 88.51 billion of which BDT 8.51 billion will be provided by the Government. The Ministry of Finance and Bangladesh Bank are playing the role of originator and the special purpose vehicle (SPV) respectively for the Sukuk. In first phase, the Government collected BDT 40.00 billion for the projects through the auction held on December 28, 2020. Investors submitted bids worth BDT 151.53 billion during the auction. The issue has been oversubscribed about four times. The second auction was held in June 9, 2021 to raise remaining amount of fund worth BDT 40.00 billion which was also oversubscribed by 8 times.

For implementation of the "Need Based Infrastructure Development of Government Primary Schools Project (1st Phase)" the third auction of sukuk was held in December 29, 2021 to raise BDT 50.00 billion. It was oversubscribed by 5 times. The fourth auction of sukuk was held in April 19, 2022 to raise BDT 50.00 billion for "Important Rural Infrastructure Development Project on Priority Basis (IRIDP-3)". It was

oversubscribed almost 3 times. The huge oversubscription indicates vivid prospect of sukuk market in Bangladesh. Bangladesh Bank reported that the total amount of sukuk issued stood at BDT 180.00 billion till end of December 2022.

### **Islamic Securities: Bangladesh Government Islamic Investment Bond (BGIIB)**

Bangladesh Government Islamic Investment Bond (BGIIB) introduced in 2004. It was the only approved Shariah compliant security other than the newly issued sukuk to maintain the SLR by the Islamic banks. However, the limitation of the BGIIB is that Government cannot borrow from BGIIB fund due to absence of Shariah compliant projects. Given this, only Islamic banks can borrow from this fund in case of liquidity shortage which is mobilized through selling of the BGIIB securities based on mudarabah principle. Islamic banks avail this fund at a provisional rate of profit based on its mudarabah short notice deposit accounts which are adjusted after finalization of accounts and rate of profit of the concerned Islamic banks.

**Table: Bangladesh Government Islamic Investment Bond**

(In Billion BDT)

Year	Sale	Financing	Net Balance
FY22	86.64	33.49	53.14
FY21	170.21	12.74	157.47
FY20	131.88	67.82	64.06

### **Major Initiatives Taken by Bangladesh Bank for Development of Islamic Banks**

- Bangladesh Bank has introduced an agricultural fund named “Bangladesh Bank Agriculture Development Common Fund (BBADCF)” with the undisbursed amount of bank’s yearly agricultural loan disbursement target to promote the agricultural production by investing the fund. All scheduled banks including Shariah based Islamic banks may avail the fund by following the terms and conditions (ACD circular No. 08,

Dated-19/12/2022).

- To facilitate import transactions, it has been decided to allow import of edible oil, chickpea, pulse, pea, onion, spices, sugar and date on usance terms on up to 90 days under supplier’s/buyer’s credit. This facility will remain applicable for initiation of imports till March 31, 2023 (FEPD circular No. 36, dated-13/12/2022).
- BB has established a fund titled Green Transformation Fund (GTF) of BDT 50 billion with its own fund to establish a green economy in the country to fast-track the sustainable growth in export and manufacturing oriented industries. All Scheduled banks including Islamic banks may avail this fund as per (SFD Circular No. 07, Dated- 07/12/2022).
- BB has introduced a 14 days term liquidity facility for Islamic Banks named “Islamic Banks liquidity facility (IBLF)” in order to strengthen the Islamic financial system and proper liquidity management of Islamic Shariah based banks (DMD circular No. 03, Dated-05/12/2022).
- It has been decided that Profit rate on Export Development Fund (EDF) loans to Authorized Dealers (ADs) will be charged by Bangladesh Bank at 2.50%, while ADs will charge profit to manufacturer-exporters at 4.00% with effective for disbursements from 13 November 2022 (FEPD circular no.30, dated-8/11/2022).
- New directions have been issued to simplify the loan/investment policy of BDT 250.00 billion refinance scheme on CMSME sector in order to provide the loan/investment to the entrepreneurs at a low interest and easier terms. All scheduled banks including Shariah based Islamic banks will follow the directions (SMESPD Circular Letter No. 07, Dated-08/11/2022).
- Instead of refinance system shariah based pre-financing system has been introduced



for Islamic shariah based banks/financial institutions to provide the working capital to the large industries and service sectors which affected by Covid-19 (BRPD Circular Letter No. 42, Dated 26/10/2022)

## Forward Looking Statement

Since 2020, Bangladesh's economy has faced numerous difficulties on the internal and international levels, beginning with the deadly Covid-19 pandemic and continuing with the crisis in Russia and Ukraine, which increased pressure on inflation and the value of the currency. However, the overall growth momentum of Bangladesh economy is expected to continue in the face of prompt policy initiatives of BB and the government. Bangladesh's inflationary situation is expected to ease up once again as a result of the key trading partners' countries' improving inflation outlook. The forecast for the economy in the short term appears to be rather positive, but it heavily depends on three outside factors:

- i. the length and severity of the Russia-Ukraine conflict,
- ii. the Fed's rate rise binge, and
- iii. the recurrence of the Covid-19 scenario and its severity in China. Future economic growth in Bangladesh will be accelerated by solutions to these problems.

## An Overview of the Bank

Founded in 1995, Social Islami Bank Ltd is the country's leading value-added financial institution based on Shariah' Principles. SIBL comprises of SIBL Securities Ltd, SIBL Investment Ltd, SIBL Foundation Hospital. Working closely with our valued clients and stakeholders to provide them one-stop services, access to the very latest products using technology. Our unrivaled customer services has made us unparalleled in the industry. We have built a long term business partnerships with our client helping them grow profitable.

We are always ready to serve Our customers with 4039 employees in 179 branches and 198 sub branches across the country. It has also 364 Agent Banking outlets to cater financial services to the remotest parts of the Land.

The strong conviction to create a caring society is the cornerstone of SIBL's all activities. We feel a strong affinity to the emotions of people. We believe that only banking activities can't usher our society to a just and equitable stage. Thus we are extensively engaged in CSR activities on humanitarian grounds. We work in the fields such as from poverty eradication to family empowerment. Unlike others, the Bank's criteria for success are not only the key objective to make profit but also landmarks to become the country's most humanitarian and complete Bank.

### Financial performance of SIBL

During 2022 the overall banking sector of the country showed a mixed performances in different aspects. Under the sluggish growth in banking industry SIBL has been able to keep positive growth in some important balance sheet components.

### A summary of operating result of the Bank is shown below

( Taka in Million)

Particulars	2022	2021
Income on Investment	21,643.79	23,960.78
Profit paid to the Depositors	15,648.81	16,146.37
Net Investment Income	5,994.98	7,814.41
Commission, Exchange, Shares & Securities and Other Income	6,099.77	2,932.42
Total Operating Income	12,094.75	10,746.83
Operating Expenses	7,359.73	6,220.60
Profit before Provision	4,735.02	4,526.23
Provision against Investment & Others	830.56	1,651.86
Profit before Tax	3,904.46	2,874.37
Profit After Tax	2,429.78	1,659.71

During 2022, SIBL registered a healthy income under Commission, Exchange, Shares & Securities and Other Income with a 108.01% growth over the year 2021. Total operating income were also increased by 12.54% in 2022. Total Operating Income of the Bank as on 31st December 2022 stood at Tk. 12,094.75 million against Tk. 10,746.83 million of the preceding year. The Bank made an operating profit of Tk. 4735.02 million in 2022 against Tk. 4,526.23 million of 2021. The bank ended the year 2022 with a significant growth in Profit before tax and profit after tax by 35.84% and 46.40% respectively.

### Profitability Ratio

Net Profit after tax of the bank was 2,429.78 million with a growth of 46.40% which was the key driver in improving Return on Assets (ROA) and Return on Equity (ROE) of the bank. The ROA of the bank was recorded 0.57% whereas Return on Equity was recorded 12.15%



Particulars	2022	2021
Net Investment Margin (NIM)	2.00%	2.26%
Return on Assets (ROA)	0.57%	0.42%
Return on Equity (ROE)	12.15%	8.91%
Earnings per Share (Restated)	Tk. 1.97	Tk. 1.60

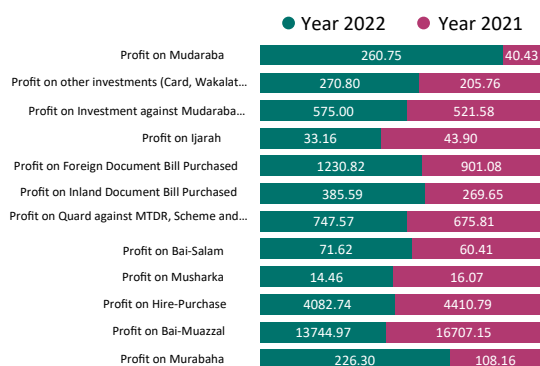
Comparing the current year to the previous one, a modest decline in the bank's net investment income margin has been seen. By stepping up monitoring efforts, management is paying additional focus to recovering troubled assets in an effort to streamline the banking process. The management has implemented a different plan of action for this reason in order to safeguard bank investments and assets from any potential pitfalls.

### Income from Different Mode of Investment

The bank has registered an investment income of Taka 21,643.79 million under different mode of investment accounts in the end of the year 2022 as against Taka 23,960.78 million in 2021. A comparative position on income received from different mode of investment in the year 2022 and 2021 is given below-

#### INCOME FROM DIFFERENT MODE OF INVESTMENT

Fig. in Million Taka



### Income from Investment in Shares & Securities

SIBL had an Investment outstanding of Taka 23,667.26 million in Bond, Government security, Quoted & Unquoted Shares, Preference Share, Bond & Government Security as against Taka 29,157.53 million in 2021. This year earnings from this segment has been recorded Taka 1,407.93 million against Taka 793.24 million in 2021 with a growth of 77.49%.

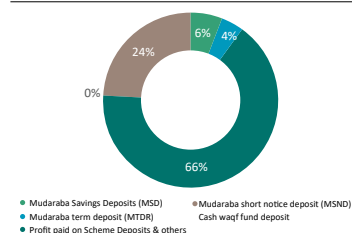
### Distributed Profit among Depositors

Since existence of a highly competitive deposit market, the bank had gone through a tough challenge during the year 2022. The bank has distributed Tk.15,648.81 million among the Mudaraba Depositors as profit in 2022 as against Tk.16,146.37 million in 2021. The cost of deposit of the bank was 4.41% in 2022 which was 4.72% in 2021. Profit paid in 2022 among the various types of mudaraba depositors shown below:

### Non Funded Investment Income

The year under review, the bank had a collective effort in non-funded business from the first day of 2022. The Bank set a target for the year 2022 of Taka 241,000.00 million in its foreign currency operations and reached 242,893.70 million as a result. In contrast to Tk. 1,461.19 million in 2021, the bank was able to successfully generate commission and exchange income of Tk. 3,803.73 million in 2022. Despite the fluctuation of foreign exchange over the entire year 2022, the bank realized an exchange gain of Taka 3050.61 million compared to Taka 777.20 million in 2021.

#### Profit paid to deposit



### Operating Expenditure

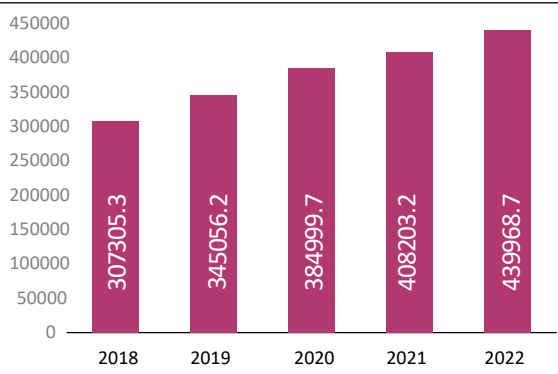
The bank has registered its Operating expenditure for Taka.7,359.73 during the year 2022 with 18.31% growth over the year 2021. In

2022, Salary and allowances was 59.31% of total Operating Expenditure. The management of the bank provides ceiling of controllable expenditure at the beginning of the year and monitors regularly to keep the cost under control.

## Total Assets

Total Assets of the bank was reached at Taka.439,968.68 million in end of the year 2022 as against Taka. 408,203.16 in 2021. The growth of total assets of the bank has shown below;

### Growth of Total Assets



During the year 2022 Investment and Other assets grew by 9.65% and 52.68% respectively which led a positive growth in Total Assets of the bank by 7.78%.

## Investment

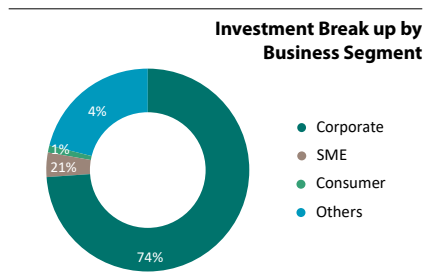
Investment of SIBL in the year 2022 showed a favorable growth. The total investments of the Bank

stood at Tk. 342,944.16 million in various sectors as on 31st December 2022 against Tk. 312,773.82 million as on 31st December 2021 registering a growth 9.65% (Net increase by Tk. 30,170.34 million as compared to 2021); that is the sign of the confidence of the clients on the Bank. We are now concentrating our efforts to increase quality investments to facilitate the investment earnings. The Bank has extended financial support towards some of the largest business conglomerates of the country. We also integrated our collaborative efforts vigorously and successfully during this time for helping various small and medium enterprises for supplying their capitals through our different micro-investment tools.

Retail Investment Department and Card Department of our bank is focusing more on retail and card investment respectively with a view to diversifying investment portfolio to meet investment need for procuring consumable items of a developing society and to take a significant market share of retail and card investment in the industry.

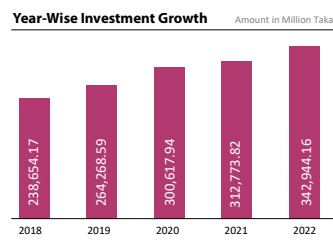
To contribute in the society, serve the nation and to grab the market share, SIBL has re-introduced Islamic micro-financing under SIBL Microfinance Program (SMP) in the year 2015. At present, 104 (One hundred and four) Branches and sub-branches of SIBL are in operation under this program and gradually this service will be available in all branches of SIBL based on the demand.

### The following chart depicts the year wise position of investment since year 2017:



During the year 2022 the management made 74% of total investment in to corporate segment. Consumer sector has the lowest amount of

investment. The SME segment was the second largest among the investment portfolio of the bank. The below chart depict investment breakup of the bank by Business Segment in 2022



**Provision composition against funded investment for the year 2022 and 2021 is furnished hereunder:**

(Figure in million Tk.)

Status	Provision Rate	2022		2021	
		Amount	Composition in %	Amount	Composition in %
Unclassified investment	0.25%, 1%, 2%, & General Provision against RSDL under BRPD Circular No. 05, dt. 16.05.2019 & Special Provision for Covid-19	4,376.39	32.13%	4,347.86	32.05%
Special Mention Account (SMA)		1,606.34	11.79%	1,617.62	11.93%
Su-Standard investment (SS)	5%, 20%	105.36	0.77%	93.16	0.68%
Doubtful Investment (DF)	20%, 50%	92.38	0.68%	16.96	0.13%
Bad /Loss Investment (BL)	100%	7,440.81	54.63%	7,488.56	55.21%
<b>Total</b>		<b>13,621.28</b>	<b>100.00%</b>	<b>13,564.30</b>	<b>100.00%</b>

### Recovery Performance

Special Asset Management Division (SAMD) of SIBL has been performing to recover the overdue, classified and written-off investments of the Bank throughout all of its Branches since inception. This Division also undertakes different initiatives for recovery of overdue, classified and written-off investments in various ways such as settlement of CL & written-off investments under the existing legal framework of the country as well as settles the matter outside the court if and when required. Special Asset Management Division (SAMD) is also engaged in handling all other legal matters of the Bank. On-site, Off-site, legal affairs, reporting and execution of decision desks are continuously working for recovery and regularization of Bad Assets. SAMD also process settlement proposals of classified investment and rescheduling/ restructuring of the proposals only in accordance with Bangladesh Bank directives from time to time.

For strengthen the investment portfolio of the Bank, different high-powered committees/ teams have also been formed to implement the recovery policies of the bank as well as to monitor the recovery of investment. These committees/ teams are being engaged with achievement of branch-wise recovery target from

overdue, classified and written-off investments which has been set by the Head office yearly. For maintaining the strong monitoring particulars assignments have also been given to Head Office executives/ officials to see the progress of recovery on off-site basis.

SAMD use to arrange meeting with clients both at Head Office and at branch frequently as and when required. In these meetings, overall progress are being evaluated regarding recovery from the bad/ written-off investments on the basis of previous commitments given by clients. Besides, assigned executive/ officials have been brought under accountability to get progress towards the recovery.

On regular interval Special Task Force meeting have been conducted with concern branches to strengthen the recovery from the overdue and classified accounts. Respective Branch Manager & recovery related officers of classified based Branches has submitted all the particulars of the overdue, classified and written off (if any) investments clients through different statements before the committee. The committee discuss the same and advise the Branches how to recover their overdue, classified and written off investments. In some cases, appropriate legal action have also been taken against the default

investment clients to realize Bank's dues as early as possible.

In 2022 recovery from written-off investment was Taka 83.10 million whereas Taka 8.7 million and Taka 9.10 million recovered in the year 2021 and 2020 respectively for the same. On the other hand, in 2022 total amount of Taka 466.70 million has been recovered cash from classified investment whereas Taka 408.00 million and Taka 367.00 million has been recovered cash from classified investments during the year 2021 and 2020 respectively.

## Deposits

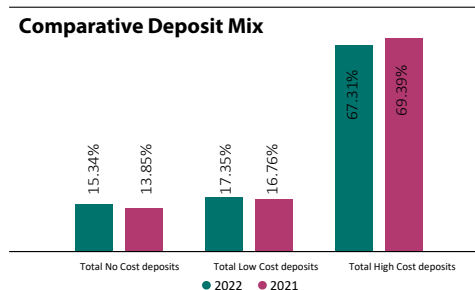
Deposit is the life blood of any bank. The management fixed deposit target at BDT450,000.00 million for the year 2022 and set action plan to achieve the goal. The bank drew-up a series of action plan both short term and long term to raise the deposit base of the Bank in line with the Directives of the Bangladesh Bank. Throughout the year the bank launched a number of campaign programs along with introducing new deposit products to raise deposit volume. In the end of the year 2022, total Deposit of the bank stood at Taka. 340,950.31 million grew by -0.21% over the year 2021.

**The following graph shows the mode-wise and cost-wise comparative deposit mix of the bank:**

Fig in million Taka

Particulars	as on 31-December-2022		as on 31-December-2021		Growth (%)
	Amount in crore	weight (%)	Amount in crore	weight (%)	
Al- Waddeeah Current Deposit (AWCD) and other accounts	45,976	13.48%	42,251	12.37%	8.82%
Bills payable	6,328	1.86%	5,064	1.48%	24.94%
<b>Total No Cost deposits</b>	<b>52303.50</b>	<b>15.34%</b>	<b>47315.22</b>	<b>13.85%</b>	<b>10.54%</b>
Mudaraba Savings Deposits	40,084	11.76%	37,308	10.92%	7.44%
Mudaraba Notice Deposits	19,061	5.59%	19,971	5.85%	-4.55%
<b>Total Low Cost deposits</b>	<b>59145.29</b>	<b>17.35%</b>	<b>57278.88</b>	<b>16.76%</b>	<b>3.26%</b>
Mudaraba Term Deposits	168,510	49.42%	176,256	51.59%	-4.39%
Mudaraba Scheme Deposits	60,575	17.77%	60,428	17.69%	0.24%
Mudaraba Cash Waqf	416	0.12%	382	0.11%	8.78%
<b>Total High Cost deposits</b>	<b>229501.53</b>	<b>67.31%</b>	<b>237066.96</b>	<b>69.39%</b>	<b>-3.19%</b>
<b>Total Deposit</b>	<b>340950.31</b>	<b>100.00%</b>	<b>341661.06</b>	<b>100.00%</b>	<b>-0.21%</b>

The management give supreme priority to Deposit collection activities within declared profit rate. With a view to keep balance in deposit mix, a number of sub branches and agent outlets have been established for collecting low and no cost deposits from across the country.



During the year 2022 total no cost and low cost deposit have been increased compared to the previous year. While the involvement of high cost deposit has been reduced.

### Balance with other Banks and Financial Institutions

Placement and Funding decision is very much important to maintain liquidity ratios in compliance with Bangladesh Bank Guidelines. Shariah compliant banks are practicing placement & funding mechanism which is quite different from conventional/non shariah banking style. Since the funding of Shariah banks are restricted to some extent, the bank always keep room in its ID ratios as per BB instruction time to time and the surplus funds keep with other Islami Banks or with the Islami banking branch / windows of conventional banks. Usually, Savings & Notice deposits accounts with other banks are used to manage the temporary or short term surplus for income generation purpose in one side and to withdraw money instantly to support the total liquidity system of the bank on the other side.

SIBL maintains different types of accounts with other banks and Non-Bank Financial Institutions as fund management strategy. In the end of the year 2022 Balance and Placement of SIBL with other banks and Non-Bank Financial Institutions was Taka. 12,569.94 million which was Taka. 19,233.97 million in 2021.

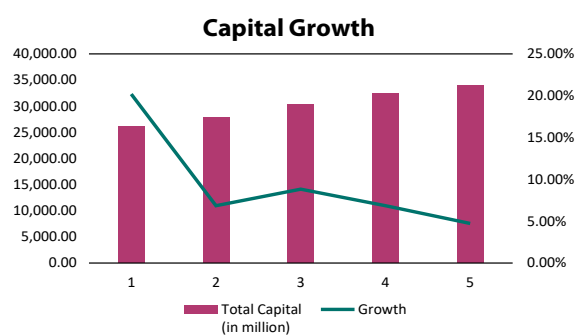
### Shareholders Equity

Total Shareholders' Equity of the bank in 2022 stood at Taka. 20,765.08 million as against Taka. 19,237.42 in 2021. The Shareholders' Equity of the bank consist of Paid up capital Taka. 10,341.54 million, Statutory reserve Taka. 8,386.16 million, Revaluation reserve on fixed assets Taka. 543.26 million, Retained earnings Taka. 1,494.12 million.

### Capital Management of the Bank

Capital management is an integral part of bank management. Capital is used as the cushion for risks. Keeping pace with the world, Bangladesh Bank introduced Risk Based Capital Adequacy

in line with Basel III in the year 2014. Presently banks in Bangladesh are maintaining their capital adequacy in accordance with the Basel III framework. In the year 1995 the bank started its journey with a paid up capital of Taka 118.36 million and thereafter as on 31st December 2022, reached at Taka 10,341.54 million. Total Capital of the bank has been accounted for Taka 33,986.12 million with a growth of 4.74% using the external and internal sources. Last 6 years history of SIBL towards its capital journey efforts is presented below:



### Capital adequacy position under Basel III

Presently Basel III capital framework is used to determine the capital adequacy position of the bank operating in Bangladesh. Social Islami Bank Limited is maintaining its capital adequacy as per risk based capital adequacy guideline in line with Basel III issued by Bangladesh Bank. From the year 2020 all bank operating in Bangladesh are required to maintain the minimum capital to risk weighted assets ratio (CRAR) @ 12.50% including conservation buffer. The definition of capital has been changed in Basel III guideline to order to maintain higher quantity and quality of capital. Going concern capital which is also known as Tier-I capital consisting i) Common Equity Tier I (CET-1) and ii) Additional Tier I (AT-1) capital. At SIBL, CET-1 are composed of (a) paid up capital (b) statutory reserves (c) retained earnings and Additional Tier I composed of SIBL Mudaraba Perpetual Bond. Gone concern capital which is known as Tier-II capital consisting of (a) general provision on unclassified Investments (b) Subordinated Bond.

**The Comparative position of Capital Base of the year 2022 and 2021 is given as under:**

Fig in million Taka

Particulars	2022	2021
<b>Tier-I Capital (Going Concern Capital)</b>		
CET-1 Capital		
1. Paid up Capital	10,341.54	9,849.09
2. Statutory Reserve	8,386.16	7,605.26
3. Retained Earnings	1,494.12	1,226.05
Sub-total	20,221.82	18,680.40
Adjustment in CET-1 (Intangible Assets i.e Software)	218.44	194.56
CET-1 After Adjustment	20,003.38	18,485.84
AT-1	4,287.81	4,196.62
<b>Total Tier I Capital</b>	<b>24,291.19</b>	<b>22,682.46</b>
<b>Tier-II Capital (Gone Concern Capital)</b>		
1. General Provision	5,982.74	5,965.48
2. SIBL Mudaraba Subordinated Bond	3,000.00	3,800.00
3. Others (As per RBCA Guideline of BB)	712.19	0
Sub-total	9,694.93	9,765.48
<b>Total</b>	<b>33,986.12</b>	<b>32,447.95</b>
<b>Capital Adequacy Ratios</b>		
i. Tier- I Capital Adequacy Ratio	8.50%	8.11%
ii. Tier –II Capital Adequacy Ratio	3.39%	3.49%
iii. Capital to Risk Weighted Asset Ratio (CRAR)	11.89%	11.60%

## Stress Testing

Stress testing simply provide information on strength of a bank to absorb the level of shocks against all the risk factors. To analyze the capital's shock resilience capacity of the bank 5 major shocks are given in hypothetically stressed economic condition; i.e credit shock, foreign exchange shock, equity price shock, liquidity shock and profit rate shock in minor, moderate and major levels.

The stress test results for the year 2022 shows that the capital structure of the bank is well defined and also indicative that the bank will be able to maintain the capital adequacy ratio at the standard level as set by the regulator. The bank has a continuous plan on its capital structure to defeat any unforeseen minor or moderate shocks at any time.

## SIBL Mudaraba Perpetual Bond related Information

Social Islami Bank Limited issued SIBL Mudaraba Perpetual Bond for a total sum of Taka 500.00 Crore (Taka five hundred Crore). This bond is being treated as Additional Tier I capital strengthened the capital base of the Bank in compliance with the capital adequacy requirements as per BASEL-III Capital accord. The subscription of the bond closed on 13/10/2021 with full subscription.

## SIBL Mudaraba Subordinated Bond related Information

To strengthen the capital base of the bank, Social Islami Bank Limited issued four subordinated bond. The details of SIBL Mudaraba Subordinated Bonds are presented below:

Figure in Million Taka

Name of the Bond	Issue Date	Issued Amount	Outstanding Amount as on 31.12.2022
SIBL Mudaraba Subordinated Bond	31/03/2015	3,000	-
SIBL 2 <sup>nd</sup> Mudaraba Subordinated Bond	20/06/2016	4,000	800
SIBL 3 <sup>rd</sup> Mudaraba Subordinated Bond	27/12/2018	5,000	3,000
SIBL 4 <sup>th</sup> Mudaraba Subordinated Bond	29/12/2022	6,000	1,000
<b>Total</b>		<b>18,000</b>	<b>4,800</b>



## Foreign Exchange Business

The year 2023 started on the ashes of COVID pandemic and Russia-Ukraine War. These two still continue to affect the global economy. The economic fallout from Russia's invasion of Ukraine is another massive setback to the global economy. The toll on Ukraine is immense, but the impact stretches far beyond Ukraine's borders. The severity of disruptions in commodity markets and to supply chains will weigh heavily on macro-financial stability and growth, adding to an already-complicated policy environment for countries still recovering from the COVID-19 pandemic. Financial conditions have also tightened significantly, putting pressure on a wide range of emerging market and developing economies—through higher borrowing costs and the risk of capital outflows. These in turn have been affecting the lending policies of our fellow correspondents Banks. Despite facing such challenge, Global trade volume stands USD 32 trillion in 2022 with a 14% growth over 2021. The sharp increase in global trade volume is the result of strong demand for goods which was facilitated by more liberalized trade practices by countries, surge in stimulus packages by

governments and mostly with increased price in raw materials at the backdrop of the pandemic and Russia-Ukraine war. In 2022, trade flows has been higher for developing countries compared to the developed countries which is resulted in the higher growth for developing countries including Bangladesh.

In December, 2022 month alone, the Bangladesh recorded a USD 4.67 billion export earnings while recording approximately USD 27 billion in exports during first half of the current 2022-2023 fiscal year. During the year 2021-2022, the country for the first time hit the USD 50 billion landmark in export achieving a total of USD 52 billion for the first time in its history. This year's projected export is expected to surpass even that. Import has also seen a strong growth in 2022, as the business operations returned to full swing. Apart from that, 2022-2023 fiscal year up to February has seen the wage earner's remittance inflow of USD 14,013.39 million.

In line with the Country, Foreign Exchange Business of SIBL stood at Tk. 242,893.70 million in 2022 or US\$ 2,401 million against Tk. 177,092.79 million or USD 2,084 million in 2021 with an overall growth of 15%.

### Comparison of Foreign Trade Business of Country and SIBL (FY 2020-21 and FY 2021-22):

Figures mill. USD

Particulars	2020-2021		2021-2022		Country Growth	SIBL Growth
	Country	SIBL	Country	SIBL		
Import	60,681	1,101	92,230	1,183	37.59%	7%
Export	37,882	792	52,080	832	34.38%	5%
Remittance	24,778	191	21,031	383	-15.12%	103%
<b>Total Foreign Exchange</b>	<b>123,341</b>	<b>2,084</b>	<b>165,341</b>	<b>2,401</b>	<b>34.05%</b>	<b>15%</b>

### The Trend of Last Five Years in Foreign Exchange Business of SIBL

Figures mill. BDT

Particulars	2018	2019	2020	2021	2022
Import	93,002.80	88,911.60	76,966.50	93,545.80	118,210.00
Export	63,065.90	60,079.50	51,144.70	67,346.80	83,213.20
Remittance	22,521.80	10,591.90	13,175.88	16,200.19	41,470.60
<b>Total</b>	<b>178,590.50</b>	<b>159,583.03</b>	<b>141,287.08</b>	<b>177,092.79</b>	<b>242,893.80</b>



Apart from the increase in overall foreign exchange business in 2022, the bank has achieved FEX surplus and strategically concentrating on achieving more surplus by careful selection of import business and stimulation of diversified export businesses and putting more emphasis on remittance business.

SIBL is highly committed to conduct its foreign exchange business by ensuring compliance in the foreign exchange regime. Therefore compliance of guidelines, policies, procedures and other instructions of the Central Bank have been ensured in conducting foreign exchange businesses. Besides, continuous relationship with regulatory bodies have been maintained for obtaining earliest disposal for special kind of foreign exchange transactions, so that the bank can address special kind of foreign exchange business requirement of the clients.

### **Import Business:**

Import business of the bank has grown by 26% with an amount of BDT 1,18,210 million in 2022 compared to that of 2021 which was BDT 93,546 million. The growth can be attributed to the increased demand for industrial raw materials as the business operation of industries got back to their full scale after successful handling of the first wave of the pandemic with timely policy supports from the government. With the expected growth in import business our branches have been able to altogether achieve 88% of the total target set in 2022. However, SIBL still holds only 1% of the total import business of the banking industry.

### **Export Business:**

Export business of the bank has grown by 24% with an amount of BDT 83,213 million in 2022 compared to that of 2021 which was BDT 67,347 million. The growth of export business of SIBL has been in line with that of country which has recorded and outstanding performance in 2022. Bangladesh has returned back to the second position in RMG export in 2022. Given a sluggish year 2021 which has seen worldwide decline in trade, 2022 revived the trade growth which has

been resulted in export growth Bangladesh as well as SIBL. Altogether our AD branches and CTPIUs achieved 92% of the total export target of 2022. SIBL is maintaining a constant market share of 1.6% over the past three years.

### **Remittance Business:**

In the year 2022, SIBL procured Wage Earner Foreign Remittances worth 4147 Crore BDT, achieving 138% of its target for the year. The growth from the previous year is 101%. Bangladesh recorded an all-time high inflow of wage earner's remittance in 2022. However, with new cash incentive plan of 2.5%, remittance through legal channel is likely to again flourish in 2022.

### **Foreign Correspondence**

In order to facilitate the Foreign Exchange (FX), Foreign Trade and Other Foreign Currency (FCY) Business and Transactions, International Division of the bank maintains proper and adequate corresponding channel with banks all over the world. International Division comes forward to play its role and not only felicitates foreign trade but also works for the development and enhancement of foreign correspondence relationship.

Arranging credit line including: in order to support the import business which requires UPAS arrangement and confirmation from a third bank, International Division in in continuous endeavor to arrange credit line will global major banks. Currently we have credit line arrangement with 31 banks for USD 420 million. The division is currently in communication with 4 more banks for credit line.

## New Nostro Accounts opened in 2022

SL No.	Name of the Bank	Currency	Country	SWIFT
01	Zhejiang Chouzhou Comm Bank Ltd	CNY	China	CZCBCN2X
02	Zhejiang Chouzhou Comm Bank Ltd	USD	China	CZCBCN2X

Opening Nostro Accounts: The division has established Standard Settlement Instructions (SSI) including arrangements in all major currencies in the locations of international business concentration. So far SIBL has 31 Nostro accounts in major countries and with reputed international banks for the settlement of all foreign currency transactions of our customers. In 2022, Two (02) new nostro accounts have been opened with diversified location and currencies.

**Channeling of foreign fund from DFIs:** The bank has concluded an arrangement and draw down of USD 30 million funds from Islamic Corporation for the Development of the Private Sector (ICD), a concern of Islamic Development Bank (IsDB) Group. Besides the bank is also in communication

with International Islamic Trade Finance Corporation (ITFC), IsDB Group.

**Establishing RMA:** As a part of its growth, International Division has been constantly developing and improving the affiliation with foreign correspondent banks on reciprocal basis. The bank maintains ample and justified number of SWIFT RMA while conducting a full and extensive due diligence on the counter-bank. While establishing RMA, the correspondent unit special take cares that no shell bank being on-boarded.

RMA Established in 2022	RMAs as of 2022 Year-End	Countries with RMA including BD
04	374	72

## Off Shore Banking

The Offshore Banking Unit (OBU) of Social Islami Bank Limited operates as a separate business unit as stipulated by the offshore banking policy of Bangladesh Bank. It is expected that the Bank will be able to steer its OBU operations through the prevailing financial sector realities and continue offering crucial international banking services to its valued customers. In 2022, OBU

managed to optimize the potentials emanated from the policy evolution of Bangladesh Bank and attracted foreign trade lenders which facilitated OBU's offering of vital buyer's and seller's credit products despite difficulties in the global FC market. As a direct result of these progresses, OBU managed to annually disburse a sprawling USD 218.30 million in 2022 which marked a growth of 55.46% from 2021.

## Expatriate Remittance Development:

The Centralized Remittance Processing Unit (CRPU) has remittance drawing arrangements with renowned exchange houses and money transfer companies all over the world in an ongoing attempt to encourage expatriate Bangladeshis living overseas to remit money through banking channels. For this service, the bank now has remittance drawing agreements with 35 internationally renowned exchange houses located all over the world.

The recent worldwide unrest, including the COVID-19 epidemic and the war between Russia and Ukraine, has also affected Bangladesh because of the global economic crisis. Being a country heavily dependent on import, Bangladesh has come to short of Foreign Exchange reserve of the country. The flow of remittance through legal channel has dropped, and the illegal hundi channel has strengthened. For the first time after the birth of Bangladesh, we have seen the increase of the rate of USD to about 25% more than previous

year. Here in Bangladesh we also faced increase in the price of fuel which consequently led to increase of price of everything. As the statistics shows, Bangladesh had earned remittance of USD 22,072.49 Million on 2021, which has dropped to 21,285.41 million in 2022, which is 4% lesser than previous year. But, SIBL has something else to show, in 2021 – SIBL's total remittance was USD 192.46 million, whereas, in 2022, SIBL has acquired USD 387.58 million, an 155.99% boost in remittance business, comparing to the previous year.

The unit is constantly working to expand its remittance network and connect new locations where Bangladeshis living abroad are concentrated. Centralized Remittance Processing Unit, equipped with skilled and experienced work team along with modern and sophisticated software, has been working relentlessly to improvise and monitor the remittance service. SIBL has created an investment product with lenient requirements and at a lower cost to aid in the rehabilitation of returning expatriates. Additionally, SIBL announced a generous reward program for Wage earner remitters. SIBL is offering a 2.5% government incentive, 1% extra profit on savings accounts, and 0.50% extra profit on term deposits made with remittances in order to encourage expats to send money home legally. In contrast, the bank will charge 1% less profit for each investment facility used by expatriates. To motivate the expatriates toward savings of their hard-earned money, SIBL is awarding the

## Credit Rating of SIBL

### Rating Conducted by Alpha Credit Rating Limited (ACRL)

Alpha Credit Rating Limited (ACRL) has assigned AA+ (Pronounced as double A plus) long term credit rating and ST- 2 short term credit rating to the Social Islami Bank Limited based on audited financials of 2021 and other available information up to the date of rating declaration. The outlook on the rating is stable. The ratings are consistent with ACRL's methodology for this type of company. ACRL considered financial performance, capital base,

expatriates with return air ticket for visiting the country and providing transportation facility to any destination within the city from the airport if a minimum balance is kept in the savings account.

## Internal Control and Compliance

Internal control system robust internal control system helps SIBL to ensure achieving goals and aspirations sustainably. 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 corporate 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.

asset quality, liquidity position, management experience and prospect of the industry while assigning the rating. The assigned rating reflects the strengths of the Bank which is backed by significant growth in earnings, deposits and investments, adequate capital coverage with high tier 1 capital, improved asset quality and well controlled liquidity position. Year wise credit rating of SIBL conducted by different rating agency is presented below;

Date of Declaration	Valid till	Rating Action	Long Term Rating	Short Term Rating	Outlook	Rating Agency
08-Mar-18	07-Mar-19	Surveillance	AA-	ST-2	Stable	Emerging Credit Rating Limited
08-Mar-19	07-Mar-20	Surveillance	AA	ST-2	Stable	Emerging Credit Rating Limited
08-Mar-2020	07-Mar-2021	Surveillance	AA	ST-2	developing	Emerging Credit Rating Limited
29-Mar-2021	28-Mar-2022	Initial	AA+	ST-2	Stable	Alpha Credit Rating Limited
16-May-2022	15-June-23	Surveillance	AA+	ST-2	Stable	Alpha Credit Rating Limited

### Disclosure of ratings given by various rating agencies for instruments issued by the bank:

SIBL issued the following subordinated bond to support and strengthen Tier-II capital base of the bank under Basel-III capital regulation of Bangladesh Bank. The present credit rating of the Bank and the Instruments issued by the Bank are as follows:

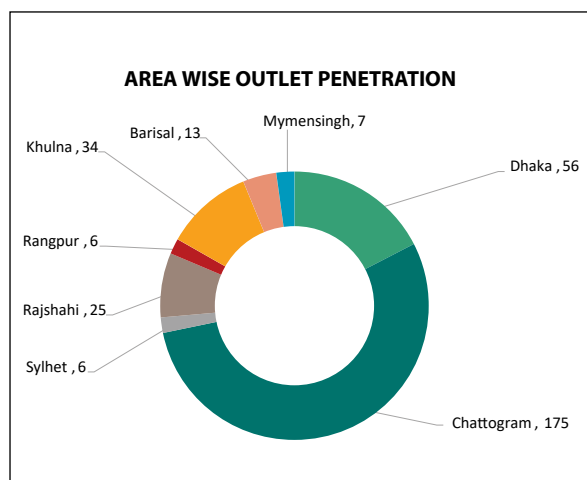
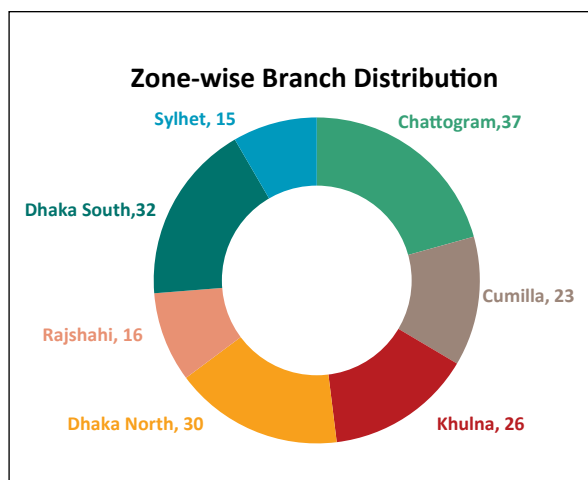
Rating of	Date of Declaration	Valid till	Rating Action	Long Term Rating	Short Term Rating	Outlook	Rating Agency
Entity	16-May-2022	15-May-2023	Surveillance	AA+	ST-2	developing	Alpha Credit Rating Limited
SIBL 2nd Mudaraba Subordinated Bond	06-Sep-2021	05-Sep-2022	Surveillance	AA	N/A	developing	Emerging Credit Rating Limited
SIBL 3rd Mudaraba Subordinated Bond	30-Apr-2022	29-Apr-2023	Surveillance	AA	N/A	developing	Emerging Credit Rating Limited
SIBL Mudaraba Perpetual Bond	10-Nov-2022	11-Nov-2023	Surveillance	AA	N/A	Stable	Alpha Credit Rating Limited

### Branch and Sub-Branch Network

Presently the bank has 179 branches across the country with 198 sub branches. During the year 2022 the bank opened 7 new branches and 52 new Sub-branches. The bank expanded its branch network with a view to providing banking service to the remote corner of the country and bring the unbanked people under banking service.

### Agent Banking

SIBL provides Agent Banking service in remote areas to facilitate banking service to unbanked people. Social Islami Bank Limited has launched Agent Banking services on 25th October, 2015 at Rangpur inaugurated by the honorable Governor of Bangladesh Bank. Up to Dec-2022 there were 322 agent banking outlets at several corner of the country and the number of outlets are increasing day by day.



## Sustainable Finance And Green Banking Activities

Sustainable Banking refers to adopting environmentally responsible financing, weighing up environmental risks of projects before making financial decisions, financing spontaneously to various social development activities and supporting & fostering growth of upcoming green initiatives & projects. Sustainable Banking can

also promote environmental friendly in-house practices within the Bank to reduce carbon footprint from its banking activities which is an ethical approach in banking practice as well. As per para 5 (iii) of corporate governance code 2018, **Sustainable reporting and environmental issues have been described in Annexure-I**

## Variance Analysis

While analyzing the operating results by month to month and quarter to quarter, no significant deviation was found. The operating results for the 4 quarter of the year 2022 are given below:

(Figure in Million Tk.)

SI	Accounting Head	(Un-audited & published)			Audited
		31.03.22	30.06.22	30.09.22	31.12.22
1	Investment Income	4963.03	10419.84	15770.98	21643.79
2	Profit Paid on deposits	3943.65	7885.23	12091.91	15648.81
3	Net Investment Income	1019.38	2534.61	3679.07	5994.98
4	Income from Investment in Shares & Securities	290.62	605.10	924.35	1407.93
5	Commission, Exchange & Brokerage	424.40	1427.91	3239.68	3803.73
6	Other Operating Income	97.46	414.84	551.27	888.12
7	Total Operating Income	1831.86	4982.46	8394.37	12094.76
8	Salaries & Allowances	896.77	1958.53	3144.11	4364.90
9	Operating Expenses	626.43	1400.89	2135.21	2994.83
10	Total Operating Expenses	1523.20	3359.42	5279.32	7359.73
11	Operating Profit before provisions & taxes	308.66	1623.04	3115.05	4735.02

## SIBL Subsidiaries

### a) SIBL Securities Limited:

SIBL Securities Limited, a wholly owned subsidiary of SIBL, was incorporated as a Public Limited Company under the Companies Act, 1994 vide certification of incorporation no. C - 85876/10 dated 20 July 2010 and obtained its certificate of commencement of business on the same day. SIBL Securities Ltd. is corporate TREC holder of Dhaka & Chittagong Stock Exchange Ltd. The company started its commercial operation in the month of January 2012. The principal place of business is the Registered Office at 15 Dilkusha C/A, Dhaka-1000. The principal objectives of the company for which it was established are to carry on the business as stockbroker and stock dealer in relation to shares and securities transactions, other services related to the Capital Market and other activities as mentioned in the Memorandum and Articles of Association of the company.

As on 31st December 2022, the company has made a profit after tax 31.18 million Taka as against Taka 76.50 million in 2021. Total paid up capital of this company is Taka 1537.50 million.

### b) SIBL Investment Limited:

SIBL Investment Limited, a wholly owned subsidiary of SIBL, was incorporated as a Public Limited Company under the Companies Act, 1994 vide certification of incorporation no. C - 86726/10 dated 30 August 2010 and obtained its certificate of commencement of business on the same day. The principal place of business is the Registered Office at City Center, 90/1 Motijheel C/A, Dhaka-1000. The principal objectives of the company for which it was established are to carry on the business in relation to shares and securities transactions, to underwrite, manage and distribute the issue of stocks etc. and other services as mentioned in the Memorandum and Articles of Association of the company. Total paid up capital of this company is Taka 250 million.

**The Bank holds the major shares of the these two subsidiary companies as mentioned below;**

Sl. No.	Name of Subsidiary Companies	% of holding of shares by the Bank
1.	SIBL Securities Ltd.	99.99%
2.	SIBL Investment Ltd.	99.99%

## Segment Analysis - Business Segment

(Figure in Million Tk.)

Particulars	SIBL	Off-shore Banking Unit	SIBL Securities Ltd.	SIBL Investment Ltd.	Total
Income	11,790.31	304.45	179.91	2.08	12,276.75
Less: Inter-segmental Income	-	-	-	-	-
Total Income	11,790.31	304.45	179.91	2.08	12,276.75
Operating profit (Profit before Unallocated expenses and tax)	11,790.31	304.45	179.91	2.08	12,276.75
Allocated expenses	7,355.08	4.65	72.13	0.09	7,431.95
Provision against loans and	830.56	-	56.45	1.19	888.20
Profit / (loss) before tax	3,604.67	299.80	51.33	0.80	3,956.60
Income tax including deferred tax	1,474.69	-	20.15	0.27	1,495.11
Net profit	2,129.98	299.80	31.18	0.53	2,461.49
Segment assets	421,544.37	14,930.86	3,604.92	276.58	440,356.73
Segment liabilities	421,544.37	14,930.86	3,604.92	276.58	440,356.73



## Contribution to the National Exchequer

During the year under report, an amount of Taka 5,160.40 million was contributed to the national exchequer against Taka 4,460.16 million in the year 2021.(Figure in Million Tk.)

Particulars	Year 2022	Year 2021
Corporate Income Tax	1,460.00	1,179.11
VAT Collection at Sources	375.64	291.77
Tax Collection at Source	2,883.88	2,622.63
Excise Duty	440.88	366.65
<b>Total</b>	<b>5,160.40</b>	<b>4,460.16</b>

## Payment Systems

Payment Systems is the overall system and facility that supports the exchange and settlement of payment between participating Banks & Bangladesh Bank. Over the past few years, Bangladesh Bank has been actively working on the development of modern payment systems in Bangladesh. Payment Systems Department established in 2012 with the mandate of Bangladesh Bank Order 1972, which endeavors for promoting modern & efficient clearing and settlement system to ease financial transactions ensuring circulation of money in the economy. Bangladesh Bank operating more than a few payment and settlement systems which belongs to all scheduled bank of Bangladesh, they are: (a) Bangladesh Automated Cheque Processing System (BACPS) (b) Bangladesh Electronic Fund Transfer Network (BEFTN) (c) Real Time Gross Settlement (RTGS).

BACH is the first ever electronic clearing house which has started live operation in Dhaka from 7th October, 2010 for Bangladesh Automated Cheque Processing Systems (BACPS). Later Bangladesh Electronic Funds Transfer Network (BEFTN) is introduced in order to ensure charge free quick remittance in the whole country on 28th February, 2011. Gradually Bangladesh Bank introduced Real time Gross Settlement (RTGS) on 29th October, 2015 & FC Clearing through RTGS introduced on 04th September, 2022 for transferring FC funds from one account of a bank to other bank on real-time basis.

At present, all the 179 branches, 198 Sub-Branches and 364 Agent banking outlets of SIBL under BACPS, BEFTN & RTGS network and SIBL is rapidly expanding its Banking network all over the country to serve the unbanked in the remote part of the country. At the moment, PSD dealing with enormous volume of operations and all the works of department has to be completed within the given time frame and in accordance with the guideline of Bangladesh Bank.

## Human Resource Management

Human Resource is the corner stone for accelerated and sustained development of any organization. Skilled and well educated manpower is the best capital of an organization particularly in banking institution. We put utmost emphasis on recruitment and development of human resources. In recruiting process, we put importance on attracting talented young stars and skilled human resources for overall growth of the Bank. The Bank has been trying to ensure maximum output with minimum resources. So quality manpower with good academic background is being recruited in all levels of the Bank every year for rendering quality services to its customers. **A separate report on Human Resources Management is given in the Annexure-II.**



## Risk Management

To ensure sustainable and consistent growth, SIBL has developed sound risk management policies and framework as per Bangladesh Bank guidelines. The risk management guideline of the Bank covers a wide spectrum of risk issues and the 6 (six) core risk areas of banking i.e. investment risk, foreign exchange risk, internal control & compliance risk, money laundering risk, ICT risk and asset liability management risks. The Board of Directors of SIBL reviewed all the risk management policies and frameworks regularly. Board's Risk Management Committee (BRMC) and Executive Risk Management Committee (ERMC) is monitoring the risk management activities of the bank through monthly risk management report, comprehensive risk management report, stress testing etc. The ERMC submits decisions and recommendations to the Board's Risk Management Committee (BRMC) and Board on quarterly basis for further reviews and guidance in the interest of the stakeholders.

### Business Risk Analysis

Business risk is the exposure a company or organization has to factor(s) that will lower its profits or lead it to fail. Anything that threatens a company's ability to achieve its financial goals is considered a business risk. So, the prime responsibility of every financial institution is to manage its risk so that its return from business can be maximized. As a prudent and responsible financial institution, the bank attaches top priority to ensuring safety and security of the finances that are being extended. Risk Management for SIBL is performed at various levels of the bank. By formulating policy regarding profit rate, market, liquidity, currency, operational as well as investment risk, SIBL manages its business risks and aims to mitigate them.

### Credit/Investment Risk

Credit risk is the possibility of a loss resulting from a borrower's failure to repay a loan or meet contractual obligations. Traditionally, it refers to

the risk that a bank may not receive the owed principal and profit. Investment risk is one of the major risks faced by the bank. The factors involved here may be the unwillingness of the counterparty as well as adverse economic condition. To address the risks, SIBL follows a guideline on Investment Risk Management, which has been prepared in the light of broad guidelines provided by Bangladesh Bank for the banking industry. The bank's formulated investment policies in compliance with regulatory requirement covers investment assessment, collateral requirements, risk grading and reporting, documentation and legal formalities and procedures along with up to date clean CIB report of the client.

The bank has incorporated a segregation of duty among the officers/ executives who are involved in investment activities to mitigate the risk to an acceptable level. A separate Corporate Division has been formed at Head Office, which is entrusted with the duties of maintaining effective relationship with the customer, marketing of investment products, exploring new business opportunities etc. Moreover, investment approval, administration, monitoring and recovery function has been segregated. For this three separate units have been formed within the credit division namely Investment Risk Management Division (IRMD), Investment Administration Division (IAD) and Special Asset Management Division (SAMD).

### Operational Risk

Operational risk can also arise from unexpected losses due to physical catastrophe, technical failure and human error in the operation of a bank, including fraud, failure of management, internal process errors and unforeseeable external events. As per guideline of Bangladesh Bank, operational risk as the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. This operational risk also includes legal risks but not strategic and reputational risks. Operational risk is measured and reviewed on quarterly basis and proper capital is

maintained against the operation risk faced by the bank. Moreover operational risk issues are incorporated in the Monthly Risk Management Report and Comprehensive Risk Management Report to discuss in ERM and BRMC meeting for proper management.

### **Internal Control and Compliance**

Internal control facilitates systematic and orderly flow of various operational activities within the organization. To confront operational risk, SIBL follows “Internal Control and Compliance guidelines” which is approved by Bangladesh Bank. To ensure that sound monitoring system is placed inside the organization, Audit committee has been formed. Moreover, SIBL has introduced the “Internal Control and Compliance Division (ICCD)” at Head Office staffed with some experienced senior Bankers rest with the power and duties to train the employees of the bank, give direction, minor, audit and establish control on day to day operational procedures and statutory and non-statutory compliances.

### **Money Laundering**

Money laundering refers to a financial transaction scheme that aims to conceal the identity, source, and destination of illicitly obtained money. To fight with money laundering SIBL has framed an appropriate Money Laundering Prevention Policy Guideline so that it could be sufficient to protect the bank from tribulations of money laundering. Besides that, a central compliance unit has been formed at Head Office in SIBL and a designated person has been nominated to supply any information if required as per Money Laundering Prevention Act 2002 and Money Laundering Prevention circulars. Chief Anti Money Laundering Compliance Officer (CAMALCO) has been designated at Head Office and Branch Anti Money Laundering Compliance Officers (BAMALCO) has been nominated at branches. The second man of the ninety four branches of SIBL have been complying the responsibility for their respective branches as Branch Anti Money Laundering Compliance Officers (BAMALCO) as per the direction of Bangladesh Bank.

### **Market Risk**

Market risk is the possibility that an individual or other entity will experience losses due to factors that affect the overall performance of investments in the financial markets. It also risk refers to the risk of losses in on and off-balance sheet positions arising from fluctuations in market prices. It arises due to change in different market variables like profit (interest) rate, exchange rate, availability of liquidity with the lenders/ depositors, prices of securities in the stock exchange. Market risk is measured as per Basel III guideline of Bangladesh Bank. Market risk is measured and reviewed on quarterly basis and proper capital is maintained against the operation risk faced by the bank.

The risk arising from market risk factors such as profit rates, foreign exchange rates, and equity prices have been discussed below:

#### **Risk on Rate of Return**

Investment profit rate risk is the potential impact on the bank’s earnings and net asset values due to changes in market interest rates. This can arise due to mismatches between maturities of investment and funds, imbalance between supply and demand of fund for investment etc. Besides that, increase in profit rate results in subsequent adjustment on the deposit rates whereas the pricing of investments cannot be done instantaneously giving rise to such risk. Early repayment of investment, early deposit encashment/withdrawals are additional factors of such risk. The Asset Liability Committee (ALCO) of SIBL is the primary body which looks after and monitors investment profit rate structure. The committee also evaluates any market risk that arises from the regulatory pressure thus reducing the profit rate. Moreover, ALCO committee is always watchful to adverse movement of the different market variables.

#### **Equity Financing Risk**

Equity financing risk is defined as loss due to change in market price of equity held by the bank. SIBL has significant amount of investment

in equity portfolio. To measure, identify and reduce this kind of risk, the bank practicing mark to market valuation of the share investment portfolios which was reflected through the bank's balance sheet as provisions for diminution in value of investment in shares.

### **Foreign Exchange Risk**

Foreign-exchange risk refers to the potential for loss from exposure to foreign exchange rate fluctuations. This can be the current or prospective risk to earnings and capital resulting from adverse movements in currency exchange rates. Managing foreign exchange risk involves prudently managing foreign currency positions in order to control, within set parameters, the impact of changes in exchange rates on the financial position of the bank. Introduction of market based exchange rate of Taka has resulted in both trading opportunities and associated foreign exchange volatility risk. SIBL adopted foreign exchange risk manual and investment guideline of Bangladesh Bank to identify and combat the foreign exchange risk. International department of the bank independently conducts the transactions relating to foreign exchange and responsible for verification of deals and passing entries. Besides that, the bank's Internal Control and Compliance Division performs internal audit to supervise the activities of the foreign exchange departments which measures the effectiveness and efficiency of the division.

### **Liquidity Risk**

Liquidity risk is the probability of loss arising from a situation where there will not be enough cash and/or cash equivalents to meet the needs of depositors and borrowers, thus sale of illiquid assets will yield less than their fair value. This also arises when the cushion provided by the liquid assets are not sufficient enough to meet maturing obligations. Liquidity risk is often triggered by the consequences of other financial risks such as credit risk, interest rate risk, foreign exchange risk, etc. For instance, a large loan default or changes in interest rate can adversely impact a bank's liquidity position. SIBL's Asset

Liability Committee (ALCO) is entrusted with the responsibility of managing short-term and long-term liquidity and ensuring adequate liquidity at optimal funding cost. ALCO also reviews liquidity requirement of the bank, the maturity of assets and liabilities, deposit and lending pricing strategy and the liquidity contingency plan.

### **Reputation Risk**

Reputation risk may arise from the possibility that negative publicity regarding the bank and its business practices, in the territory or elsewhere through related entities, whether accurate or not, will adversely impact the operations and position of the bank. Reputation risk may also arise from an institution, or an affiliate, being domiciled in a jurisdiction where the legal and organizational framework for the regulation and supervision of financial institutions is generally viewed as failing to meet international standards for the protection of consumers of financial services and for the prevention of sheltering the proceeds of organized crime. Reputation risks are very difficult to measure but significantly important to manage since many new banks have created the market more competitive ever before.

### **Various Risks and their Mitigation Approaches**

Risk Management has become the most challenging job for any Bank operating now a day. SIBL has broadened its risk management coverage and enhanced its risk management function. The bank wide-ranging risk management expertise enables it to delegate responsibility regularly. Moreover, the bank can delegate authority to suitably handle all aspects of risk. The matters in relation to risks associated with banking business are placed to before the Board of Risk Management on a regular basis.

**A comprehensive Risk Management Report along with Market Discipline is given in this Annual Report.**

## Safety Measures

Social Islami Bank Limited provides world class office environment to its employees. Every branch of SIBL is homogeneously decorated with the provisions of air condition, most modern safety office equipment and machines and well-structured office building facilitated by sewerage and electricity connection and security measures like 24/7 close circuit TV camera, well trained security and gunmen, fire extinguishers etc. Design of Office / Branch is considered on the basis of sufficient free space, safe sewerage gas and electricity connections etc. SIBL has the finest corporate Head Office at its own Office premises of 90/1 Motijheel Commercial Area, Dhaka, City Center level 19, 20, 21, 22, 28 & 29 featured by most modern equipment and facilities. Fire drill programs are organized by the bank at different location time to time.

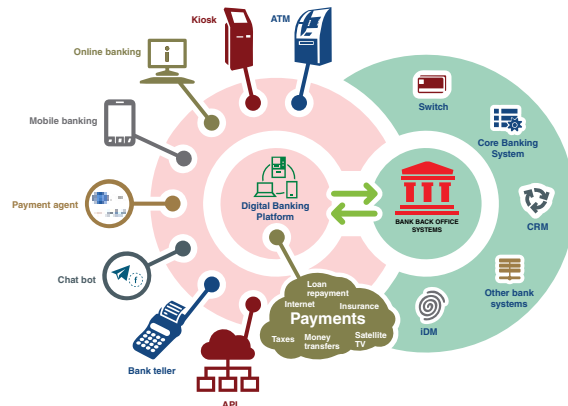
SIBL is sincere to address its employee's health problem. The bank has appointed one full time doctor for the employees of Head Office and Dhaka city branches. SIBL placed First Aid Box in its premises to provide instant medical facility for all employees as and when needed. Moreover, SIBL has corporate agreement with United Hospital Limited to allow facilities to the employees of the bank. The Board of Directors has already approved an Insurance policy including hospitalization benefit for the general employees of the bank. We have help desk, who are always besides to their ailing colleagues and their family members for proving all kinds of supports including pecuniary facility under SIBL Employees' Superannuation Fund and CSR.

## ICT Related Services

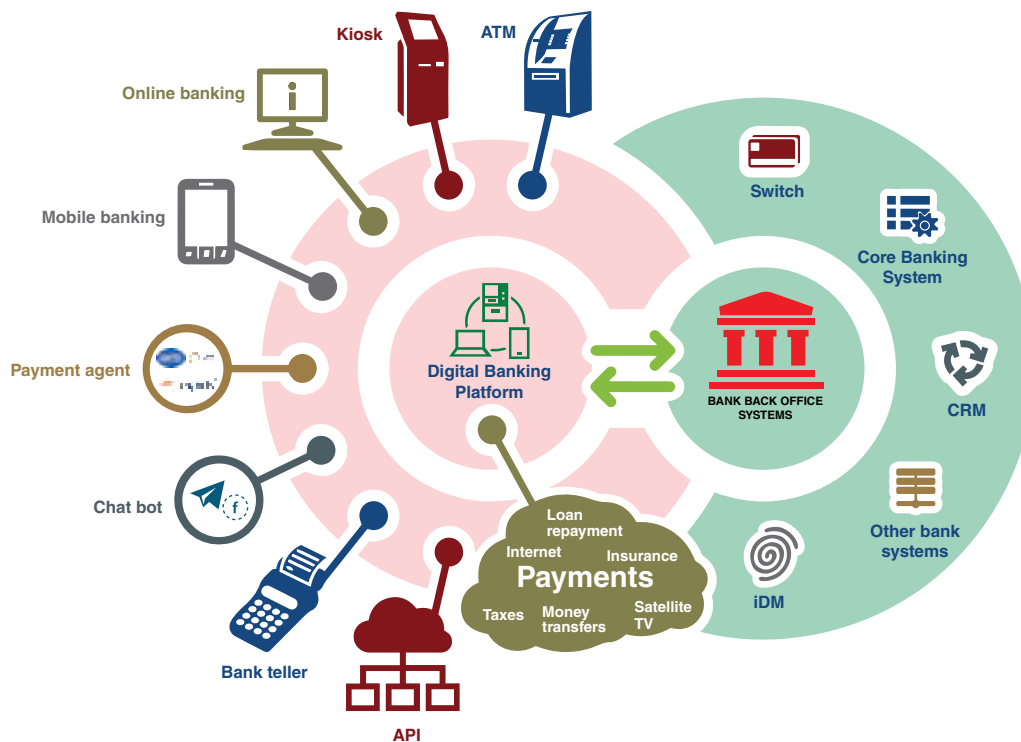
At Social Islami Bank, embracing technology to enhance the efficacy of business operations has been a priority inculcated into our everyday operations. As we become more tech savvy and transformative in terms of digitalization of our offerings, our improved digital channels, systems and processes support in harnessing our digital future. We strive towards aligning our technology adoption and digitalization efforts with the Central Bank of Bangladesh Digital Road Map, while complying with all applicable digitalization and technology regulations as relevant for Islamic banking operations.

Adopting technology is an integral part of our corporate strategy, allowing us to differentiate and develop a sustainable competitive advantage. We understand that in today's fast-paced world, our products and services must reflect changing consumer trends and consider the importance of technology in our customer journey. The future of the Bank's success lies in digitalization and we will continue to expand our digital footprint through strategic investments towards fulfilling many diverse requirements of all our stakeholders, while moving towards a virtual environment and continuing to improve our services and operations. Thus, we consider

digitalization and technology adoption as a facilitator to fulfil customer needs, empower employees, streamline processes and systems and better manage stakeholder expectations.



*Harnessing the benefits of digitalization for sustainable banking operations*



*Harnessing the benefits of digitalization for sustainable banking operations*

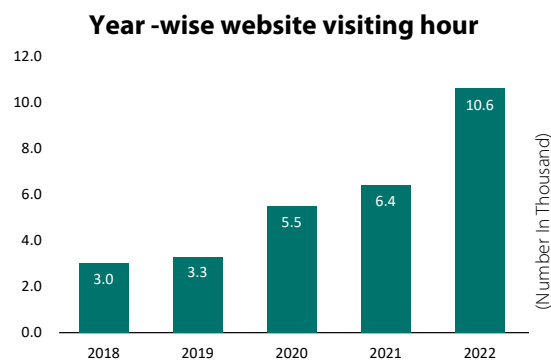
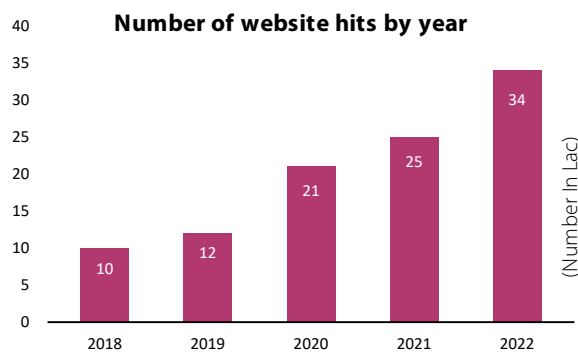
### Connecting Stakeholders

A key element of the Bank’s digitalization strategy is the correlation between digitalization activities and the value creation for every stakeholder group of the Bank. Our planned technology-related investments will enable us to streamline operations, improve efficiencies and reduce costs, while allowing the Bank to better meet our stakeholders’ digitalization aspirations and achieve our financial goals for a more sustainable future.



## Communicating with Stakeholders / Investors

The Bank's digitalization efforts over the past years have made it easier for stakeholders to communicate with each other. Using online and digital modes of communication has enhanced customer service levels and response times, shared knowledge and essential information with employees, simplified supplier communications and optimized information transmission to shareholders and regulatory agencies. Using our corporate website, social media platforms and other digital communication methods such as emails, online contact forms, 24x7x365 online chat services, automated digital messages, e-statements and SMS have improved the ease of access and reliability of the information, while providing greater convenience to stakeholders to obtain timely and relevant information.



## Value Creation through Digitalization

Technology adoption and our increasing digital footprint have brought a synergistic value to the Bank's operations, a value which is carried forward into the future of banking. As technology adoption does not end with the Bank's implementation but continues with technology adoption by our stakeholders, Social Islami Bank takes a more comprehensive approach to integrate both internal and external technology adaptation for synergistic benefits. This will support today's tech-savvy customers who are highly dependent on technology to manage their daily financing activities. While we continued to battle the negative impacts of the COVID-19 pandemic, the combination of working from home and the importance of continuing business activities remotely has been a challenge that was successfully overcome by the Bank. Our extended digitized services supported our customers to continue to fulfil their financial obligations without interruptions during this difficult period. Similarly, our continued future success as an organization working in an ever-changing technology-driven environment

is secured by the adaptation of technology within our operations and our upgraded service channels. This, we believe will become a steppingstone in our evolving fintech journey.

## Managing IT Security and Data Privacy

While promoting digitalization and technology adoption in all aspects of our banking operations, a key focus of the Bank is to ensure IT security and information security. As part of our continued efforts to remain relevant with changing IT security requirements, we have developed and implemented IT security architecture which guides the Bank's IT security & Information Security Management. As part of our efforts to protect our customers and ensure security, we have implemented global best practices and state-of-the-art security systems, while obtaining several national and international IT security and data protection accreditations.

In the year under review, the Bank focused on improving and optimizing the IT security measures in place as part of our continued efforts to mitigate emerging risks. We were also one of the first to simultaneously execute



Security Operation Center (SOC) and Threat prevention center; further assuring our stakeholders' greater security while using our online banking channels. The newly implemented centralized bank wide data center incorporates up-to-date IT security and data protection protocols to enable us to protect confidential information received by customers.

### Sustaining Compliance

Requirements in the digitalization Sphere While digitalization remains a critical strategy to enable competitive advantage, the Bank is also required

to meet several compliance requirements on different aspects of technology usage as per the Central Bank of Bangladesh (Bangladesh Bank) As the Bank continues to adopt new technology and technology advancements within operations, the need for ensuring higher levels of security compliance is eminent. Accordingly, the Bank is engaged in enhancing the security compliance requirements by focusing on improving Anti Money Laundering (GOAML) and Information Security Guidelines, SWIFT CSP, PCIDSS, ISO 27001 and always working towards 100% compliance.

### Cards Facilities of SIBL

In today's modern world, Credit Card is a very extensively used mode of financial transaction and it is widely known as "Plastic Money". It has created an immense impact in the life of the people all over the world. The same trend is being followed in Bangladesh too. Nowadays the popularity of Islamic Credit Cards in Bangladesh is growing by leaps and bounds as domestic and foreign banks are earning substantial profit through this product. An increased use of booth

Local and Dual Currency Islamic Credit Card is taking place side by side with the expansion of personal banking service. Cross-border business and travels are also helping the expansion.

SIBL is always willing to offer new and Islami Shariah compliant financial products to its clients. Though SIBL is making late entrance in the card market, still we are the market leader for issuance of Islami Credit Card in the Islami banking arena.

### Achievement in the year 2022

SL	Details	Achievement
1.	Credit Card issued in 2022	5,350 Cards
2.	Number of issued Credit Card as on 31.12.2022	22,329 Cards
3.	Debit Card issued in 2022	49,404 Cards
4.	Number of issued Debit Card as on 31.12.2022	1,69,670 Cards
5.	Number of Prepaid Card issued as on 31.12.2022	3,541 Cards
6.	Profit from Jan'22 to Dec'22	9.10 crore
7.	Sanction Credit limit as on 31.12.2022	Tk.282 crore
8.	Outstanding as on 31.12.2022	Tk.113.80 crore
09.	Total Discount Partners as on 31.12.2022	212 Merchants
10.	Total EMI Partners as on 31.12.2022	119 Merchants



## Year wise summary

Particulars	2017	2018	2019	2020	2021	2022	Growth between the year 2021 & 2022	Growth in %
Number of Debit Card	50151	74090	97515	1,20,910	1,35,284	1,69,670	34,386	25.418
Number of Credit Card	14236	14567	16327	17,293	18,921	22,329	3,408	18.012
Sanction Limit (crore)	195.95	199.65	212.18	220.15	232.00	280.30	48.3	20.819
Outstanding (crore)	70.99	93.95	72.00	75.86	89.43	113.80	24.37	27.25
Income (crore)	15.91	18.94	17.03	17.95	19.26	24.91	5.65	29.335
Expenditure (crore)	10.85	10.93	12.63	11.85	11.24	15.8	4.56	40.57
Net Profit (crore)	5.06	8.01	4.40	6.09	8.02	9.10	1.08	13.47

## SME Program

SME FINANCING PROGRAM Investment in Cottage, Micro, Small and Medium enterprises (CMSMEs), agriculture and rural sectors are among the priority sectors of the Bangladesh government. CMSMEs are now termed as engines of development. Since less provision has to be kept in the CMSME sector, the importance of the CMSME sector is immense in terms of increasing the bank's profit. The development and growth of a country's industry largely depends on the development of the CMSME sector of that country. Women entrepreneurship sector is also an important sector included in the SME sector which is being repeatedly encouraged by Bangladesh Bank to increase investment distribution in the sector. On the other hand, agriculture is one of the driving forces of the country's economy. About 40 percent of the working people of this country are directly and 85 percent of the public are directly and indirectly involved in agriculture for livelihood and employment. Social Islami Bank Limited (SIBL) has been operating its investment portfolio in Cottage, Micro, Small and Medium Enterprise (CMSME) with utmost priority. CMSME plays a vital role for the development of industrial growth, resource generation, poverty alleviation, employment generation and value addition of the country. CMSME & the Nation are now growing together. CMSME is considered as one of the

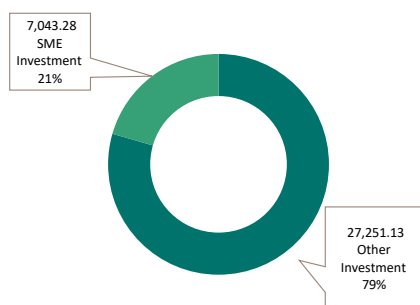
focus areas of operation in SIBL. CMSME clients are being served in all of SIBL branches situated both in rural and urban areas. Total investment portfolio of the bank has been segregated into 3 major aspects e.g. Corporate, SME & Retail. Such segregation has been made in line with the definition and guidelines of Bangladesh Bank. SME operation of the Bank is in progress in a structured manner. SME & Agricultural Finance Division has been functioning in multiple units as follows: In line with the Prudential Guidelines on CMSME Financing of Bangladesh Bank, SIBL has designed an array of SME products for both small and medium segments. SIBL offers both revolving and term investment facilities to the SME clients. Small entrepreneurs, agricultural clients and women entrepreneurs are properly addressed by SIBL with the diversified products designed for this purpose. SIBL has been achieving a continuous and upward growth in its SME portfolio. As of December 2022, SME portfolio holds 20.54% (BDT. 7043.28 crore) share of the total investment portfolio of the Bank amounting to BDT 34,294.42 crore whereas the outstanding balance in the year 2009 was only BDT.51.54 crore. Such tremendous growth has been possible due to proper and timely guidance of prudent members of the Board of Directors of SIBL and initiatives of the Management along with team effort. Since the year 2009, SME portfolio of the Bank has increased significantly up to the year 2019 which is shown in

the following graphs. Mentionable that due to the effect of COVID-19 in the economy of the country during the year 2020 & 2021, the growth of SME portfolio was slow-downed. But In 2022 the growth has been boosted up. Fig. in BDT. Crore The present CMSME investment outstanding is BDT. 7043.28 crore (20.54%) in comparison with total investment outstanding of the Bank which is BDT. 34,294.42 crore as on December, 2022.

SIBL has been achieving a continuous and upward growth in SME portfolio over the last several years. As of 31<sup>st</sup> December 2022, SME portfolio holds 21% share of the global investment portfolio of the Bank amounting to Tk. 7043.29 which was only Tk. 51.54 crore in 2009. Such tremendous growth has been possible due to proper and timely guidance of prudent members of the Board of Directors of SIBL and initiatives of the Management along with team effort.

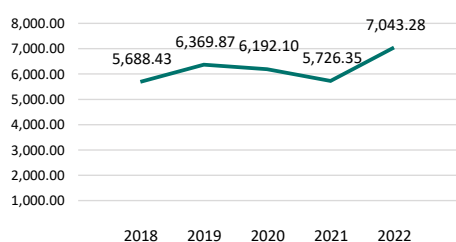
### Percentage of SME Operations in the Bank's Total Portfolio in 2022

(Figure in crore)



### Trend in SME Portfolio of the Bank (2017-2022)

Amount (Figure in crore)



SIBL has been able to create job opportunities among the significant Micro and SME borrowers. Many of them have been able to establish

themselves as successful entrepreneurs. Graduate of Micro-Enterprise program and successful SME graduates have the opportunity to get investment facilities from formal sector as corporate clients. The Bank will keep continuing its efforts of diversification of SME portfolio focusing on clients need while giving emphasize on green initiatives and sustainable development within a framework of Bangladesh Banks guidelines.

### Business plan for sme financing during the year 2023:

Bangladesh Bank vide its SMESPD circular number 02, dated 05.09.2019 has mentioned that each bank has to attain minimum 1% growth of its total SME investment outstanding each year. The circular has also mentioned that by the year 2024 each bank has to maintain a 25% of SME investment outstanding of a bank's total investment portfolio. Total SME investment outstanding of SIBL for last 05 consecutive years is as follows:

(Fig in Crore)

Year	Amount
2018	5,688.43
2019	6,369.87
2020	6,192.10
2021	5,726.35
2022	7,043.28

### Agricultural Investment

Agriculture plays a dominant role in the growth and stability of the economy of Bangladesh and more than three quarters of the total population in rural areas derive their livelihood from the agricultural sector. Social Islami Bank Limited is also actively working for development of this sector as a whole and aims to improve the livelihood of farmers in line with Bangladesh Bank guidelines.

SIBL has been continuously financing various agricultural businesses & projects in addition to provide financing to the farmers through its entire branch network spread throughout the country. Earlier, the Bank had received 'Letter of Appreciation' from Bangladesh Bank for achieving agricultural Investment disbursement target of FY

2011-12 & FY 2014-15. In the FY 2021-2022, SIBL has disbursed BDT.182.32 crore Agri investments outstanding of which is BDT.237.15 crore. In 2022-2023, we have a target to disburse BDT.612.00 crore Agri investments set by Bangladesh Bank. We have already disbursed Tk.98.29 crore and outstanding is Tk. 229.36 crore as on 31.12.2022.

## Non-Formal Sector

Social Islami Bank Limited has launched its Social Islami Bank Microfinance Program (SMP) in 1995 providing financial inclusive banking

services with the commitment of “Working Together for a Caring Society”. SIBL again resume the program initially at 04 designated Branches in 2015 on pilot basis. At present, the program is being implemented in 104 branches of the bank as on December 2022. Under Non-Formal Banking Division, Social Islami Bank Microfinance Program (SMP) unit undertakes policy formulation, planning, investment approval, monitoring etc. under the guidance of the Management of SIBL.

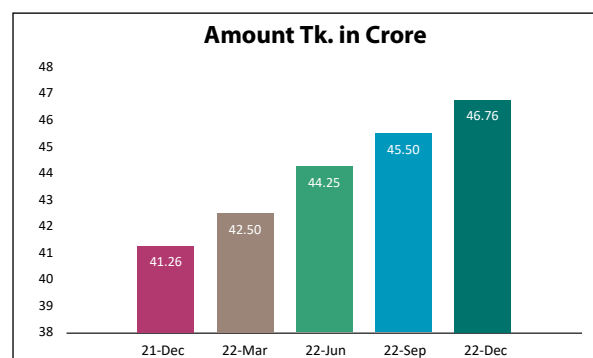
## Performance of Islamic Microfinance Program at a glance as on 31.12.2022:

(Fig in Crore)

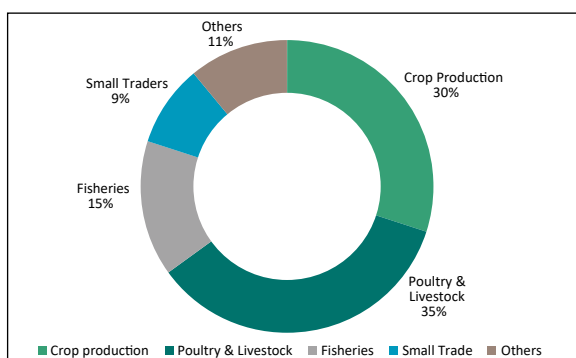
Sl. No.	Particulars	Figure for the year 2021 &2022		
		Year-2021	Year-2022	Growth rate
01	No. of branches having the program	74	104	41%
02	No. of Social Officers	93	86	-8%
03	No. of Members	35,875	39,636	10%
04	Savings deposited (BDT)	41.26	46.76	13%
05	No. of disbursement (yearly)	6,362	--	--
06	Disbursed amount (BDT) yearly	52.51	66.09	26%
07	No. of disbursement (cumulative)	41,940	--	--
08	Disbursed amount (BDT) cumulative	249.94	318.31	27%
09	No. of borrowers	9,997	9839	-2%
10	Amount of outstanding (BDT)	55.68	60.25	8%
11	% of Savings on outstanding Inv.	74.10%	77.60%	5%
12	Amount of Overdue (BDT)	7.47	6.51	-13%
13	Amount Classified	--	--	--
14	Amount of risk fund (BDT)	6.28	7.47	19%

Client's savings, number of borrowers, Investment outstanding and sector wise disbursement are presented below in Graph 1 & 2 respectively:

**Graph-1: Savings mobilization of Microfinance Clients as on December 2022**



**Graph 2: Sector wise disbursement amount in the year-2022 (Figure Tk. in 'Crore')**



## SIBL Chhad Krishi (ছাদ কৃষি) Investment

Roof Top Gardening can play a vital role to supply nutrient, vitamin & fresh vegetables to the building owners' through establishing a Roof Top garden. Mainly, the City Dwellers has no scope to create garden due to lack of space. So, they can create Roof Top Garden

in the roof of the buildings. In this connection, the Management of the Bank introduce a new Scheme named SIBL Chhad Krishi (ছাদ কৃষি) Investment Scheme from March 2022 for House/ Apartments owners & Tenants of the country.

### Performance of SIBL Chhad Krishi (ছাদ কৃষি) Investment at a glance as on 31.12.2022:

(Fig in Crore)

Particulars	June	July	August	September	October	November	December	Total
No. of Client	13	23	29	19	11	7	10	112
Investment Amount	26.50	31.50	36.50	26.50	15.50	10.20	12.00	158.87

## National Integrity Strategy

The National Integrity Strategy (NIS) is a dynamic document created by the Bangladesh Government, aimed at contributing to the realization of a self-reliant and prosperous "Shonar Bangla" (Golden Bengal). In October 2012, the Bangladesh government officially approved the NIS and initiated various programs under its framework to foster a governance system that instills trust among its citizens. The strategy encompasses a wide range of stakeholders, including government entities and non-governmental organizations, all working towards the common vision of building a "Shonar Bangla." The mission of the NIS is to establish effective governance within state institutions and society, with the ultimate goal of promoting good governance throughout the country. **A report on National Integrity Strategy has been given in the Annexure-III**

## Centralized Remittance Processing Unit (CRPU)

Foreign Remittance services of Social Islami Bank Limited caters the customer needs for fast, secure & easy money transfers to an extensive range of destinations. Standing by our commitment, we go

all the lengths to remit your hard earned money safely to your loved ones. Social Islami Bank Limited established its Centralized Remittance Processing unit on March 2008. The main purpose to establish this specialized unit was to encourage wage earner's remittance through banking channel and to facilitate the distribution of such remittance to the ultimate beneficiary throughout the country within shortest possible time. SIBL is committed to provide best and hassle free service in this regard. We are able to reach remittance receivers residing in the deep corners of the country through the extensive Agent Banking network. We are now able to send remittances to any MFS (ie. bKash) accounts all around Bangladesh. Consequences upon different initiatives taken by last one year, the Remittance business volume has increased by 155.99%, comparing with the year 2021. SIBL has procured foreign currency worth USD 387.58 million, against disbursed BDT of Tk. 4147.06 crore, whilst, the growth in remittance of Bangladesh was -4% comparing to the year of 2021. CRPU humbly expects the help from all the Branches & Sub-BrancheS of SIBL, to exceed the business target for the year of 2023.

## Financial Inclusion Report

The Financial Inclusion & Financial Literacy Unit (FI&FLU) was formed in August, 2015 as per instruction of Bangladesh Bank (BB). Since its inception, this Unit is functioning under supervision of BC&GBD, Head Office.

The FI&FLU has been supporting the Branches and Sub Branches in different activities related to School Banking & Student Banking programmes, opening Tk. 10.00/50.00/100.00 accounts of Small/ Marginal/Landless/Natural Disaster Affected Farmers, Micro/Small Traders & street urchins, arranging School Banking Campaigns & Conferences, etc. These activities are crucial in promoting as well as expediting the financial inclusion programmes of SIBL which is also a

regulatory requirement. These type of activities provides us the opportunity to create a brand image of our Bank among the students of the educational institutions (i.e. schools, colleges and madrasas), teachers, parents and other people of the locality.

As per instruction of BB, the FI&FLU is renamed as Financial Literacy Wing (FLW). The FLW under BC&GBD, Head Office will continue all the tasks of the FI&FLU. Moreover, the FLW will spearhead implementation of the “Financial Literacy Guidelines for Banks and Financial Institutions” issued by BB and support the Branches/Sub Branches in this respect.

## Activities under Financial Literacy Wing up to 2022:

**Procurement of A/cs and deposit through the financial inclusion activities of SIBL in the last 4 years is as follows:**

(Balance in crore Tk.)

Name of Account	Prefix	As on 31.12.2022		As on 31.12.2021		As on 31.12.2020		As on 31.12.2019	
		No. of A/c	Balance	No. of A/c	Balance	No. of A/c	Balance	No. of A/c	Balance
Farmers' Account	114	10,244	7.43	6,770	5.04	4,152	2.50	2,929	1.83
National Service Prog. Beneficiary A/c	115	1,675	1.25	1,606	1.82	1,562	2.08	1,527	7.68
RMG Workers' Account	116	2,769	1.45	2,264	1.56	1,890	0.88	460	0.26
Freedom Fighters' Account	117	559	1.83	520	2.52	508	1.68	490	1.77
Pothoshishu Account	118	1,207	0.20	1,188	0.14	1,170	0.13	1,158	0.11
Other (No Frill) Account	119	36,151	32.70	24,716	25.22	18,846	18.06	14,075	11.57
Youngster Account	131	66,266	36.33	50,587	32.40	41,216	27.90	21,927	21.56
Student Banking Account	141	23,526	13.48	13,666	9.78	10,018	5.80	5,388	2.75
<b>Total =</b>		<b>142,397</b>	<b>94.66</b>	<b>101,317</b>	<b>78.48</b>	<b>79,362</b>	<b>59.03</b>	<b>47,954</b>	<b>47.53</b>

### Future plan of the Financial Literacy Wing:

Bangladesh Bank has issued “Financial Literacy Guidelines for Banks and Financial Institutions” on 27.03.2022. These Financial Literacy Guidelines (FLGs) shall be implemented within 7 years from its inception to reach the target groups. These FLGs are expected to be beneficial for all Financial Literacy Providers (FLPs) i.e. Scheduled Banks & Financial Institutions (FIs) since implementation of this action plan will enable them to identify the untapped business opportunities countrywide.

As per the said BB FLGs, the plan of Financial Literacy Wing for the year 2023 is as given below:

- As per the BB FLGs a bank, having 240 or more no. of Branch, Sub Branch and Unit Office, has to conduct at least 24 programmes in the piloting year, i.e. in the year 2023. As, in total, we have more than 240 Branches, Sub Branches and Unit Offices, we will in sha Allah conduct 25 (twenty-five) nos. Financial Literacy programmes throughout the year 2023 in 8 Districts by selected 17 Branches and 8 Sub Branches.
- The target group will be Tier – 1 as defined in the BB FLGs. The Tier – 1 includes farmers and low income marginalized/ underprivileged people (eligible for Tk. 10.00 account such as day laborers, disaster affected people, social safety net beneficiaries, low wage earners, physically challenged people, third gender, itinerant community, working teens, etc.), students, cottage & micro entrepreneurs/micro merchants/retailers, women (individual & entrepreneur) and migrant workers.
- Type of the programme will be face-to-face training/workshop/conference/seminar with the aim to improve knowledge on financial services and bring immediate changes in

behavior of the individual towards personal financial management.

- A precise tab by the name of “Financial Literacy” will be added to the website of our Bank where financial literacy contents shall be stored for citizens to explore.
- A dedicated notice board/corner, containing financial literacy materials, will be placed at every Branch, Sub Branch and Agent Banking Outlet.
- Workshop to develop trainer(s)/resource person(s) at each Branch/Sub Branch level (who shall conduct the financial literacy sessions/programs) has already been completed on 27 & 28 December, 2022 with participation of officials and executives of Branches, Sub Branches, Head Office and Zonal Offices. Another extensive workshop will be arranged in January 2023 for the Branches and Sub Branches which are selected for conducting 25 programmes in 2023.

### Cash WAQF Program

In the Voluntary Sector, SIBL has introduced Cash Waqf Program, a new product for the first time in the history of Banking. This scheme has been well received by the public in general for its unique features. SIBL as a pioneer of this innovative financial product has received both Local & International accreditation. As a result of successful replication, many people are being benefited by the beauty of Cash Waqf Program. By opening a Cash Waqf Deposit A/C someone can get an opportunity to do welfare to the mankind through Sadakah-E-Jariah. SIBL urges to all religious & affluent persons of the society to come forward to mobilize Cash Waqf Deposit so that the profit may be utilized for the well being of mankind.

### Modus Operandi of Cash Waqfs program are given below-

Cash waqfs shall be accepted as endowment in conformity with the Shari’ah. Bank will manage



the waqf on behalf of the waqif. Waqf's are done in perpetuity and the account shall be opened in the title given by the waqif. Purposes of Cash Waqfs program can be break under some major fields like –

- (1) Family Rehabilitation
- (2) Education & Culture
- (3) Health & Sanitation
- (4) Social Utility
- (5) Others

Waqif may choose distribution of the profit to any specific individual(s)/ institution(s). Those A/Cs will be treated as Specific Cash Waqf, the profit of those A/Cs will be sent to the beneficiary(s) as specified by the Waqif. The amount deposited in the Cash Waqf A/Cs will be invested as per Bank's own decision in conformity with the Shariah and the Cash Waqf amount will earn profit at the highest rate offered by the Bank from time to time. The waqf amount will remain intact and only the profit amount will be spent for the purpose(s) specified by the Waqif. Unspent profit amount will automatically be added to waqf amount and earn profit to be grown over the time. No cheque book will be issued in this account. Waqif may also instruct the Bank to spend the entire profit for the purpose of Cash Waqf. Waqif has the opportunity to create cash waqf at a time. Otherwise he/she may declare the amount he/she intends to build up and may start with a minimum deposit of Tk. 1,000/= (one thousand) only (or equivalent foreign currency). The subsequent deposits shall also be made in hundred or in multiple of hundred Taka. However, General Cash Waqf A/Cs (where name of beneficiary whether Individual(s) or Institution(s) are not mentioned) may be opened by depositing a minimum sum of Tk. 1,000/= (one thousand) only. Specific Cash Waqf A/Cs (where name of beneficiary whether Individual(s) or Institution(s) are mentioned by the Waqif) by depositing a minimum sum of Tk. 1,00,000/= (One Lac) only & above.

Waqif shall also have the right to give standing instruction to the bank for regular realization of cash waqf at a rate specified by him/her from

any other A/C maintained with SIBL. Cash waqf shall be accepted in specified endowment Receipt Voucher and a Certificate for the entire amount shall be issued as and when the declared amount is built. Accounts of Cash Waqfs are maintained in a separate ledger and necessary charges as per rules may be deducted therefrom.

In case of any change of address of the Waqif or beneficiary, must be informed by the Waqif to the Bank immediately. Bank however reserves the right to regret to open any Cash Waqf Account. The rules of Cash Waqf Account are subject to amendment in conformity with the Shariah at any time by the Bank.

### **Al-Wasiyah Bil Waqf (Cash) Account:**

Very recent, Social Islami Bank Ltd. (SIBL) introduced Al-Wasiyah Bil Waqf (Cash) Account for the first time in the country. This is a special type of Cash Waqf account. The account has been designed for the wellbeing of the Waqif both in here & hereafter in conformity with the Shari'ah.

Any solvent person aged 40 years or above can open "Al-Wasiyah Bil Waqf (Cash) Account" by depositing Tk.1.00 Lac (Taka: One Lac) and above. The account holder will enjoy the profit of the account either full or partial in his life time for his livelihood and after his death the earned profit will be spent for the wellbeing (social, religious, educational) of earthly and heavenly purposes according to the waqif's wish (instruction).

This is also a perpetual endowment like cash waqf. But for unavoidable or emergency reasons, the Waqif can encash the whole amount or part of it. Waqif (account holder) can make one-third of his asset as cash waqf but if he wants to make more than one-third of his asset, he has to take written consent from his descendants.

### **Corporate Social Responsibility**

SIBL has been responding spontaneously to its social commitment. As part of Corporate Social Responsibility (CSR), welfare activities of Social Islami Bank Limited (SIBL) are being carried out mainly from (1) Profit of Cash Waqf



Fund (2) Compensation Fund (3) Doubtful Income (4) Zakat Fund and (5) Others

SIBL is a pioneer of Cash Waqf Program which has meanwhile achieved both local & international accreditation for its unique welfare approach. Cash Waqf Program of the Bank paved the way of doing welfare of mankind in various sectors such as (i) Family Rehabilitation (ii) Education & Culture (iii) Health & Sanitation and (iv) Social Utility and others in conformity with Shariah. Cash Waqf is broadly categorized as a) General Cash Waqf & b) Specific Cash Waqf. Where the Waqif (Donor) doesn't mention the name of beneficiary (may be individual or organization) for receiving the profit of Cash Waqf fund, we call those General Cash Waqf. In case of Specific Cash Waqf, the Waqif (Donor) specify the name of specific beneficiary (may be individual or organization). Profit of General Cash Waqf A/C are being sent to FAD, HO annually & profit of Specific Cash Waqf A/C are being sent to the specific beneficiary as per instruction of the Waqif once annually.

Social Islami Bank Ltd. is extending financial help to different orphanages, schools, madrasahs, social organizations & individuals who are suffering from fatal diseases like cancer, kidney failure, heart diseases etc. from the fund which are being accumulated from the profit of

Cash Waqf Fund, Compensation Fund, Doubtful Income and Zakat Fund.

Bangladesh Bank vide SFD Circular No. 01 dated 10 April, 2022 titled "Corporate Social Responsibility (CSR) in banks and financial institutions" gave a comprehensive guideline on CSR. We have been submitting quarterly CSR report to Bangladesh Bank as per format provided by them. The format has following dimensions:

(i)	Financial Inclusion	(In the form of Agriculture, SME, Women Entrepreneur, Renewable Energy Finance, Solar Irrigation, Bio-Flock Fish Cultivation etc.)
(ii)	Donation to the individuals, covering	Education, Health, Disaster Management (Family Rehabilitation), Environment (Social Utility), Sports, Art & Culture, Others etc.
(iii)	Donation to NGO's	For supporting such welfare activities

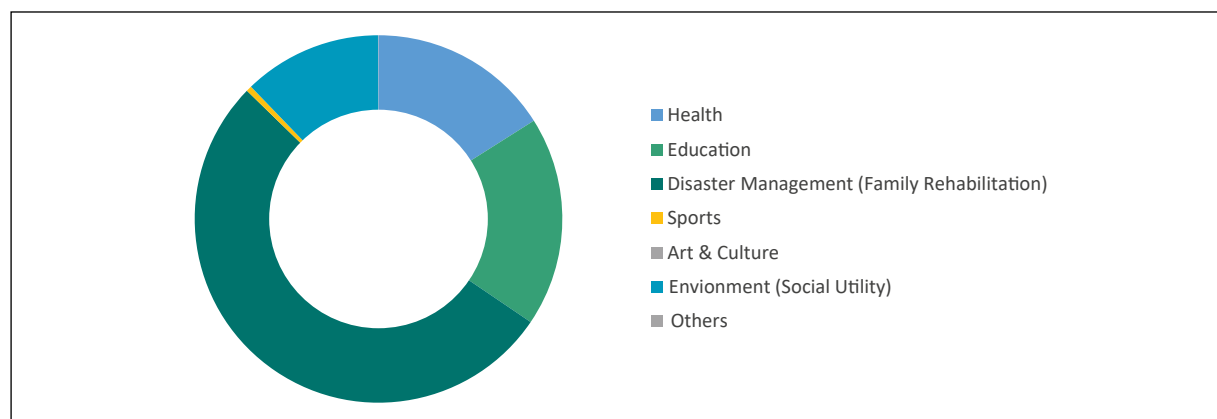
### CSR activities under-taken during 2022

SIBL has contributed a sum of total Tk. 208.27 million in the field of Health, Education, Disaster Management, Sports, Art & Culture, Environment (Social Utility) & Others during year 2022, which are furnished hereunder:

(Fig in Taka)

CSR Activities of SIBL	Sectors	(Jan – Jun' 22)	(July – Dec'22)	Total Contribution
	Health	12,40,000	3,21,20,000	3,33,60,000
	Education	51,00,000	3,33,58,000	3,84,58,000
	Disaster Management (Family Rehabilitation)	5,00,00,000	6,00,00,000	11,00,00,000
	Sports	0	10,35,000	10,35,000
	Art & Culture	0	0	0
	Environment (Social Utility)	2,50,98,825	2,27,000	2,53,25,825
	Others	0	1,00,000	1,00,000
	Total	8,14,38,825	12,68,40,000	20,82,78,825

## Sector-wise CSR Contribution (Year 2022)



## CSR Activities of the Bank during 2022 at a glance :

Sl. No.	Events	Particulars
1.	Donation to poor, helpless & distressed people	: 01. During the period the Board of Directors of the Bank approved Tk. 2,06,25,000/- as donation for distribution blankets to poor, helpless & distressed people in the country.
2.	Donation to 'Madrassa-E-Uloom and Pakundia Poursava Karjaloy.	: 02. During the period the Board of Directors of the Bank approved Tk. 1,10,000/- as donation 400 Pcs blankets to 'Madrassa-E-Uloom and Pakundia Poursava Karjaloy.
3.	Donation to 'Prime Ministers Education Assistance Trust.	: 03. During the period the Board of Directors of the Bank approved Tk. 1,00,00,000/- as donation to " among the poor talented, & helpless students of the country".
4.	Donation to Prime Minister's Tran O kollyan Tohobil	: 04. During the period the Board of Directors of the Bank approved Tk. 10,00,00,000/= as donation to Prime Minister's Tran O kollyan Tohobil for " Flood affected peoples of our Country".
5.	Financial assistance to Cancer Patient.	: 05. During the period, our Bank approved Tk. 5,00,000/- as donation for a Cancer Patient to meet up the treatment Expenses.
6.	Donation to 'Satkania Lohagara Samity' Chattogram.	: 06. During the period the Board of Directors of our Bank approved Tk. 2,00,000/- as donation to "Satkania Lohagara Samity' Chattogram." for Rehabilitation of the poor & distressed people.
7.	Donation to Bangladesh Kabaddi Federation.	: 07. During the period the Board of Directors of the Bank approved Tk. 10,00,000/- as donation to "Bangladesh Kabaddi Federation". for arranging Bangabandhu Cup-2022 International Kabaddi Tournament.
8.	Blanket distribution during the winter season.	: 08. During the period the Board of Directors of the Bank approved Tk. 7,50,00,000/- for procuring Blanket for distribution among the poor and helpless people, orphan students of Madrasha and different institutions across the country during the winter season.
9.	Donation to participation to the Krishi Utshab-2022 arranging by 'Neostar Innovation"	: 09. During the period our Bank approved Tk. 1,00,000/= for KrishiUtshab-2022 arranging by "Neostar Innovation"for farmers development in Gopalganj area.
10.	Donation to Al-Haj Faham Uddin Mollah Yatim Khana.	: 10. During the period the Board of Directors of the Bank approved Tk. 3,00,000/- as donation to Al-Haj Faham Uddin Mollah Yatim Khana. for Financial help of the poor and helpless Student.

## Ongoing CSR activities of the Bank

Sl. No.	Events	Particulars
1	Educational Materials (Khata, Pen, Pencil, School Bag, Tiffin box, Note book etc)	SIBI is distribute 15000 package educational materials to the poor, helpless and orphan students of School & Madrasa in different area of the country. .
2	Stipend to poor & meritorious student	SIBL is sponsoring financial support to the poor & meritorious student. In the year 2022, we have donated Tk. 384.58 lac favoring 953 (Nine hundred fifty three) students of different college & university around the country.

### Keeping Proper Books of accounts

While execute financial transactions during the year 2022 the bank ensured proper books of account and duly reviewed by the two individual external auditors, Khan Wahab Shafique Rahman & co. and Kazi Zahir Khan & Co., Chartered Accountants. They agreed on the proper maintenance of the books of account as required by the law.

### Preparing the Annual Financial Statements

SIBL emphasizes mostly on the integrity and quality while preparing its financial statements. Suitable accounting policies have been consistently followed for all financial statements, while the accounting estimates are founded upon reasonable and prudent assessment. International financial reporting standards (IFRSs) applicable in Bangladesh are adhered to in the preparation of financial statements, unless otherwise stated.

### Going Concern Estimation

The preparation of financial statements has been undertaken on the understanding that the bank operates on a going concern basis. Looking at the bank's financial performance, business portfolio and operational process, the bank can clearly be considered a going concern.

### Related Party Transaction

Related party refers to the controlling entity (either directly or commonly) or controlling individual or close group/family members of

such entity or individuals who have substantial influencing power in management of a particular organization. Whereas related party transaction refers to those transaction with the entity/person as stated by way of transfer of resources, services, or obligations between related parties, regardless of whether a price is charged.

IAS 24 Related Party Disclosures requires disclosures about transactions and outstanding balances with an entity's related parties. The standard defines various classes of entities and people as related parties and sets out the disclosures required in respect of those parties, including the compensation of key management personnel.

### Relationships between Parents & Subsidiaries

Disclosure between the transaction between SIBL and subsidiaries is mention in note 49.3 of audited accounts whereas it is mentioned that Tk. 790.00 million was related to SIBL subsidiary company called SIBL Securities Ltd and of Tk. 1098.06 million was related to SIBL Foundation Hospital and Diagnostic center.

### Management Compensation

Key management personnel are those persons having authority and responsibility for planning, directing, and controlling the activities of the entity, directly or indirectly, including any directors (whether executive or otherwise) of the entity. [IAS 24.9] For this purpose relevant disclosures are given in note 31 and 32 of financial statements and controlling the activities of the entity, directly or indirectly, including any directors (whether

executive or otherwise) of the entity. [IAS 24.9] For this purpose relevant disclosures are given in note 31 and 32 of financial statements.

## Corporate Governance

Corporate governance is the structure for transparent, fair, timely and decisive decision making by the bank with due attention to the needs and perspectives of shareholders as well as stakeholders. It is considered to be a set of internal rules and procedures that ensure the accountability of the directors and top management towards the stakeholders. SIBL gives much emphasis on the corporate governance in promoting a sound management. The objective of the bank is to comply with all regulatory requirements, ensure equitable treatment of all stakeholders. It confirms full and fair disclosure of financial and other material information and show respect for norms of business ethics and social responsibility. The board of directors, executive committee, audit committee, risk management committee, MANCOM and other committees of the management perform their respective duties with accountability and transparency. SIBL has been complied all corporate issues as per guidelines of all regulators from time to time. Furthermore, Bangladesh Securities and Exchange Commission (BSEC) has revised the corporate governance guideline and established 'corporate governance code' vide its notification dated June 03, 2018. To comply with the said

code SIBL maintained the board size consisting of 11 (eleven) members including 2 (two) independent directors. The qualification and experience of the independent directors are sophisticated who is able to ensure compliance with financial, regulatory and corporate laws and can make meaningful contribution to business. Besides, to support and enhance the practice of corporate governance, the audit committee of the bank was duly constituted by the board of directors with a view to evaluating the activities of the bank. The said committee is headed by an independent director as per the guideline of the said corporate governance code. **Status of Compliance of Bangladesh Bank's guidelines for Corporate Governance as per BRPD Circular no. 11 dated 27.10.2013 is given in the Annexure-IV**

Moreover, to support the good corporate governance system, SIBL has also adopted a timeliness Whistle Blowing Policy. **The Whistle blowing policy of SIBL is given in the Annexure-V.**

Compliance status of corporate governance code issued by Bangladesh Securities and Exchange Commission (BSEC) vide its notification no: BSEC/cmrrcd/2006-158/207/admin/80 dated 3rd June, 2018 under condition no: 1.5 (xxii) and (xxiii):

Compliance of another conditions of 1.5 are summarized in the preface of this report.

## Compliance of condition 1.5 (xxii)

Board Meeting Held During the Year 2022 and Attended by Each Director:

Sl. No.	Name of Director	Board Meetings in 2022		Remarks
		Held	Attended	
01.	Dr. Md. Mahbub UI Alam, Chairman (Representative of Hasan Abasan (Pvt.) Ltd.)	17	17	
02.	Mr. Belal Ahmed, Vice Chairman (Representative of Unitex Steel Mills Ltd.)	17	17	
03.	Mr. Md. Sayedur Rahman, Vice Chairman (Representative of Prasad Paradise Resorts Ltd.)	17	17	

Sl. No.	Name of Director	Board Meetings in 2022		Remarks
		Held	Attended	
04.	Md. Kamal Uddin, Director (Representative of Lion Securities and Investment Ltd.)	17	17	
05.	Dr. Md. Jahangir Hossain, Director (Representative of Reliable Entrepreneurs Limited)	17	17	
06.	Jebunnesa Akbar, Director (Representative of Unitex Cement Limited)	17	17	
07.	Ali Hasan Md. Mahmud Ribon, Director (Representative of Dynamic Ventures Ltd.)	17	17	
08.	Arshadul Alam, Director (Representative of Leader Business Enterprise Ltd.)	17	17	
09.	Mahmudul Alam (Representative of Global Trading Corporation Ltd.)	17	15	
10.	Professor A J M Shafiul Alam Bhuiyan, Ph.D Independent Director	17	16	
11.	Professor Mohammed Mizanur Rahman, Ph.D Independent Director	17	17	

### Compliance of condition 1.5 (xxiii): Pattern of shareholding

Statement in compliance with condition 1.5 (xxiii a): Parent / Subsidiary/Associated Companies and other related parties: NIL

### Statement in compliance with Condition 1.5(xxiii b)

#### b (i): Shareholding Position of Directors of SIBL with their Spouse and Minor Children as on 31.12.2022

Sl.	Name of Directors	Position & Relationship	No. of Shares	Total Shares with Spouse	Percentage of Shares
1	Dr. Md. Mahub UI Alam Representative of Hasan Abasan (Pvt.) Limited	Chairman	42,109,398	42,109,398	4.0719
2	Belal Ahmed ( Representative of Unitex Steel Mills Ltd.)	Vice Chairman	21,305,046	21,305,046	2.0601
3	Md. Sayedur Rahman (Representative of Prasad Paradise Resorts Ltd.)	Vice Chairman	21,312,048	42,002,076	4.0615
	Md. Sayedur Rahman	(Own)	20,690,028		
4	Md. Kamal Uddin (Representative of Lion Securities Limited)	Director	21,303,588	21,307,999	2.0604
	Md. Kamal Uddin	(Own)	4,411		
5	Md. Jahangir Hossain (Representative of Reliable Entrepreneurs Limited)	Director	21,304,041	21,577,150	2.0865
	Dr. Md. Jahangir Hossain	(Own)	273,109		
6	Jebunnesa Akbar (Representative of Unitex Cement Ltd.)	Director	21,305,046	21,305,046	2.0601
7	Ali Hasan Md. Mahmud Ribon (Representative of Dynamic Ventures Limited)	Director	21,310,648	21,310,648	2.0607
8	Arshadul Alam (Representative of Leader Business Enterprise Limited)	Director	21,312,048	21,321,754	2.0618
	Arshadul Alam, Own	(Own)	9706		

Sl.	Name of Directors	Position & Relationship	No. of Shares	Total Shares with Spouse	Percentage of Shares
9	Mahmudul Alam (Representative of Global Trading Corporation Ltd.)	Director	21.201.005	21.201.005	2.0501

**1.5 (xxiii b) (ii) Shares held by the Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit & Compliance and other top Executives of the Bank and their spouse and minor children (Name wise Details)**

Sl. No.	Name	Nos. of Share(s) held
01.	Zafar Alam Managing Director and CEO	NIL
02.	Md. Nazmul Ahsan, FCS Company Secretary	NIL
03.	Mohammad Shoeb, FCA Chief Financial Officer	NIL
04.	A. A. M. Habibur Rahman Head of Internal Audit & Compliance	NIL

**1.5 (xxiii c) Shares held by top five salaried Executives of the Bank:**

Sl. No.	Name	Nos. of Share(s) held
01.	Abu Reza Md. Yeahia Additional Managing Director	NIL
02.	Md. Shamsul Hoque Deputy Managing Director	NIL
03.	Mohammad Forkanullah Deputy Managing Director	NIL
04.	Abdul Hannan Khan Deputy Managing Director	NIL
05.	Kazi Obaidul Al-Faruk Senior Executive Vice President	NIL

**1.5 (xxiii d) Shareholders holding ten percent or more voting interest in the Company: NIL**

**Retirement of Directors**

The Article 83 of the Articles of Association of the Bank provides a provision of Retirement by Rotation of the Directors in accordance with the provision of Section 91(2) of the Companies Act, 1994. In accordance with the said provision of the Companies Act, 1994 and Articles of Association of the Bank the following Director shall retire from the office in the next 28<sup>th</sup> Annual General meeting as they have been holding the office for the longest period.

01.	Hasan Md. Mahmud Ribon, (Representative of Dynamic Ventures Ltd.)
02.	Jebunnesa Akbar, (Representative of Unitex Cement Ltd.)
03.	Arshadul Alam, (Representative of Leader Business Enterprise Ltd.)

As per compliance of Corporate Governance Code-2018 and Notification No. BSEC/CMMCD/2009-193/09/Admin/117 dated 22th March, 2021 of BSEC, the engagement of the above mentioned Directors with other companies as Directors other than Social Islami Bank Limited are given below:



SI No.	Name of the Retiring Directors	Employment	First Appointment date	Last Re-appointment date	Engagement other than Social Islami Bank Limited including Directorship
01.	Hasan Md. Mahmud Ribon, (Representative of Dynamic Ventures Ltd.)	Business	13.11.2017	06.07.2021	<u>Chairman:</u> *M/s Mahmud Ribon
02.	Jebunnesa Akbar, (Representative of Unitex Cement Ltd.)	Business	09.04.2018	15.09.2020	<u>Nil</u>
03.	Arshadul Alam, (Representative of Leader Business Enterprise Ltd.)	Business	13.11.2017	15.09.2020	<u>Chairman:</u> * Jaba and Brothers C&F (Pvt.) Ltd. *Jesco Bangladesh Ltd. <u>Managing Director:</u> *Jesco Capital Management Ltd.  <u>Proprietor:</u> *Uni-Trade International * Nishat Traders

As per provision of Article 84 of the Articles of Association of the Bank the retiring (three) Directors as mentioned above are eligible for re-election in the same meeting they retire.

It is also mentioned here that in the last Annual General Meeting (27<sup>th</sup> AGM held on 06.07.2022), the following 4 (four) Directors were retired by rotation as per Section 91(2) of the Companies Act 1994. They were also re-elected as per provision of the Companies Act 1994 and Articles of Association of the Bank.

01.	Dr. Md. Mahbub Ul Alam, (Representative of Hasan Abasan Pvt. Ltd.)
02.	Belal Ahmed, (Representative of Unitex Steel Mills Ltd.);
03.	Jahangir Hossain, (Representative of Reliable Entrepreneurs Ltd.)
04.	Mahmudul Alam, (Representative of Global Trading Corporation Ltd.)

## Independent Director

Pursuant to condition # 1.2 (i) of the corporate governance code issued by Bangladesh Securities and Exchange Commission (BSEC) vide its notification no. BSEC/ cmrrcd /2006-158/207/admin/80 dated 03 June, 2018 and as per section 15(9) of the bank companies act, 1991 (amendment upto-2020) social Islami bank limited appointed required numbers of independent directors to the board of directors of the bank. The board of directors of the bank appointed 2 (two) independent directors namely: professor A J M Shafiul Alam Bhuiyan, Ph.D

and professor mohammed mizanur rahman, phd who are professor at Dhaka university. As per compliance of condition 5.3(a) of the said Notification Professor A J M Shafiul Alam Bhuiyan, Ph.D discharging his responsibilities as the Chairman of the Audit Committee of the Bank. He is also a Director of SIBL Investment Ltd (a subsidiary company of SIBL) Professor Mohammed Mizanur Rahman, Ph.D also nominated as an Independent Director of the SIBL Securities Limited (a subsidiary company of social Islami Bank Limited) as per compliance of the condition 2 (b) of the said Notification. The Independent Directors in the Board exerts

independent views on the policy decisions and ensures that all decisions are unbiased and for the best interest of the bank. As per above corporate governance Code, no independent director of Social Islami Bank Limited

- holds more than one percent shares of the total paid- up capital.
- is not a sponsor of SIBL and is connected with the Bank's any sponsor or director or shareholder who holds one percent (1%) or more share of the total paid- up capital on the basis of family relationship.
- does not have any other relationship, whether pecuniary or otherwise, with the Bank or its Subsidiaries namely SIBL Securities Limited and SIBL Investment Limited.
- is not a member, director or officer of any stock exchange.
- is not a shareholder, director or officer of any member of stock exchange or an intermediary of the capital market.
- is not a partner or an executive or was not a partner or an executive during preceding 3 (three) years of the SIBL's statutory audit firm.
- is not an Independent Director more than 3(three) listed companies.
- has not been convicted by a court of competent jurisdiction as defaulter in payment of any loan to a Bank or Non-Bank Financial Institute.
- has not been convicted for a criminal offence involving moral turpitude.

### Appointment of Compliance Auditors

Suraiya Parveen & Associates, a Practicing Chartered Secretaries Firm was appointed as Compliance Auditor of the Bank for the year-2022 as per condition 9(2) of the Notification No.BSEC/CMRRCD/2006-158/207/ Admin/80

dated 03 June, 2018 of Bangladesh Securities and Exchange Commission. They are also eligible for re-appointing for the year- 2023.

### Appointment of Auditors

M/s Kazi Zahir Khan & Co. Chartered Accountants and M/s Khan Wahab Shafique Rahman & Co. Chartered Accountants both were jointly appointed as External Auditors of the Bank for the year 2022 by the shareholders in its 27th Meeting held on 06.07.2022 as per Section 210 of the Companies Act, 1994. As per provision of Companies Act, 1994, Notification/ Directive of BSEC and regulations of Dhaka and Chittagong Stock Exchange (Listing) Regulations-2015 they are also eligible for re-appointing by the Shareholders in the upcoming AGM for the year-2023.

### This Report also States

The financial statements prepared as on 31.12.2022 by the Bank, presented fairly its state of affairs, the results of its operation, cash flows and changes in equity;

- a) The financial statements prepared as on 31.12.2022 by the Bank, presented fairly its state of affairs, the results of its operation, cash flows and changes in equity;
- b) There is no significant variance occurred between quarterly financial performances and Annual Financial Performances of 2022; 5 Years key financial data is summarized in the **Annexure-VI**;
- c) Director's remuneration including Independent Director of Social Islami Bank Limited during the year 2022;
- d) Appropriate accounting policies have been consistently applied in preparation and presentation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;
- e) International Accounting Standards (IAS) Bangladesh Accounting Standards (BAS)/ International Financial Reporting Standards (IFRS)/Bangladesh Financial Reporting Standards (BFRS), as applicable in Bangladesh, have been followed in

- preparation of the financial statements and any departure there-from has been adequately disclosed;
- f) The system of internal control is sound in design and has been effectively implemented and monitored. A report on Internal Control System of Social Islami Bank is given in the **Annexure-VII**;
- g) Management has reasonable ground to believe that there are no significant doubts upon the Bank's ability to continue as a going concern. A report on Going Concern is given in the **Annexure-VIII**;
- h) No Changes in Accounting policies and estimates have been applied for preparation of financial statements.
- i) The appointment or reappointment of Directors including their resume and expertise has been described in separate sections of this Annual Report.
- j) Status of compliance regarding appointment of chief financial officer & chief information technology officer in relation to BRPD circular letter no-03, dated: 25 march 2018 is given in the **Annexure-IX**
- k) Information related to Board, Directors and the Managing Director & CEO, Terms of Reference (Tor) for the Company Secretary, The Chief Financial Officer and the Head of Internal Control and Compliance is given in the **Annexure-X**;
- l) A report on the activities carried out by the Board Audit Committee duly signed by the Chairman of the Board Audit Committee under condition No. 5(6)(a)(ii) of the Corporate Governance Code for the year 2022 is given in this Annual Report in **Annexure- XI** to meet the requirements of Paragraph 5(7) of the said Corporate Governance Code 2018;
- m) To meet the requirements of paragraph 5 of XXVI of Corporate Governance Code 2018, statutory declaration is given by the CEO and CFO of Social Islami Bank Limited as per **Annexure-XII**;
- n) Status of Compliance with the conditions imposed by the Bangladesh Securities and Exchange Commission's Notification No. SEC/CMRRCD/2006-158/207/Admin/80 dated 3 June, 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969 is given in the **Annexure-XIII**;
- o) To meet the requirements of paragraph 5 of XXVII of Corporate Governance Code 2018, Certificate on Corporate Governance is given in the **Annexure-XIV**;
- p) As per provision of Companies Act and guidelines of other Regulatory Authorities, the Bank holds its Annual General Meeting every year wherein shareholders can express their opinion and also approve the decisions taken for the interest of the shareholders by the controlling shareholders (Board of Directors). On the other hand, all sorts of information is been disclosed in the Annual Report of the Bank published in every year which is also available in the website of the Bank. The minutes of decision taken by the controlling shareholders in the Board Meeting are being communicated with the Bangladesh Bank within seven days of holding the meeting. As such, there is no scope for the controlling shareholders to take abusive actions against the interest of the minority shareholders.
- q) In exercise of the power conferred by Section 20A of the Securities and Exchange Ordinance, 1969 (XVII of 1969), Bangladesh Securities and Exchange Commission directs to formulate a Dividend Distribution Policy through Directive no. BSEC/CMRRCD/2021-386/03 dated 14 January 2021 which is given in the **Annexure-XV**;
- r) The Board has not declared any interim dividend for its shareholders in the form of stock dividend and there is no scope to declare such dividend in future as per guidelines of Regulatory bodies.

### Information Availability on Website

The full text of the Annual Report 2022 including other financial reports are available in the company's website [www.siblbld.com](http://www.siblbld.com)

## Investors' Complain Desk

The bank has an Investors' Complain Desk to investigate any matters related to the Investors. Any aggrieved investor may submit his complain or query to the following address

## Company Secretary & Head of Investors' Complain Desk

City Center, Level-20  
90/1 Motijheel C/A,  
Dhaka-1000  
Phone: 8802 09612001122 (50430)  
Email: [share@sibl-bd.com](mailto:share@sibl-bd.com)

## Gratitude

The member of the Board of Directors of Social Islami Bank Ltd. would like to place on record their gratitude to all the valued Shareholders, Clients, Patrons and Well- Wishers for their

continued support and cooperation. We are also indebted to the Government of Bangladesh, Bangladesh Bank, Bangladesh Securities & Exchange Commission (BSEC), Stock Exchanges, Central Depository Bangladesh Ltd. (CDBL), Other Banks & Financial institutions, Office of the Registrar of Joint Stock Companies & Firms and all other concerned for their continued and kind support. Finally, the Board would like to place on record their deepest appreciation for the dedicated services rendered by all the employees of the Bank.

Ma-assalam

On behalf of the Board of Directors



**Belal Ahmed**  
Chairman

## Sustainable Report and Green Banking Initiatives

(This Annexure shall be forming the integral part of the Directors' Report)

Sustainable Banking refers to adopting environmentally responsible financing, weighing up environmental risks of projects before making financial decisions, financing spontaneously to various social development activities and supporting & fostering growth of upcoming green initiatives & projects. Sustainable Banking can also promote environmental friendly in-house practices within the Bank to reduce carbon footprint from its banking activities which is an ethical approach in banking practice as well. As per para 5 (iii) of corporate governance code 2018, Sustainable reporting and environmental issues have been described in Annexure-I

Bangladesh Bank has recognized SIBL as one of the Top Ten Private Commercial Banks for their contribution to Green Banking activities across the country. We have unified our sustainable operations under the "Green Banking Unit" equipped with permanent employees. The Audit Committee of the Board is selected as the High Powered Committee of our Green Banking Unit for reviewing the Green Banking activities. Our Green Banking Policy Guidelines and Green Office

Guide have been circulated to all our employees for creating awareness on Green Banking activities & providing instructions about conserving energy, water, saving paper, etc. Our Green Strategic Plan is enhanced to define our strategy in the coming years. SIBL developed its own Environmental Policies, which proves our commitment to the Environment for a sustainable future. As a Bank we play an intermediary role between economic development and conservation of the environment. Our Green Banking activities are on multidimensional areas which include both in-house Green activities and external green activities towards supporting Green Economy. In 2022, as part of our Green Banking initiative SIBL has spent significant amount for Green establishment, installation of solar panels, environment friendly brick plant based on HHK (Hybrid Hoffman Kiln) technology etc.

Green Banking initiatives are multi-stake holder approach and are never ending process, the implementation is possible only when collective efforts of all are being made.

### Performance In Sectorwise Green Finance & Sustainable Finance

(Figure in Million)

SL NO.	Particulars	Year-2021		Year-2022	
		Disbursement	Outstanding	Disbursement	Outstanding
1	Renewable Energy			2.00	1.98
2	Energy & Resource Efficiency	1295.85	952.16	463.75	498.83
3	Alternative Energy	-	-	0.00	0.00
4	Liquid Waste Management	-	5,231.24	135.45	4711.06
5	Solid Waste Management	-	-	0.00	0.00
6	Recycling & Manufacturing of Recyclable Goods	17.95	-	91.87	131.20
7	Environment Friendly Brick Production	382.45	1,786.95	312.12	1119.85
8	Green/ Environment Friendly Establishments	-	-	0.00	0.00
9	Green Agriculture	18.81	-	65.86	62.06
10	Green CMSME	-	-	16.50	2.50
11	Green SRF	-	-	0.00	14.16
	<b>A. Green Finance</b>	<b>1715.06</b>	<b>7,970.35</b>	<b>1087.55</b>	<b>6541.63</b>
12	Finance to Sustainable Finance Agriculture	-	-	2729.23	9645.85
13	Finance to Sustainable Finance CMSME	-	-	106.38	1725.763

SL NO.	Particulars	Year-2021		Year-2022	
		Disbursement	Outstanding	Disbursement	Outstanding
14	Socially Responsible Finance (SRF)	-	-	2.00	200.731
15	Working Capital & Demand Loan of Green Products/Projects/Initiatives	-	-	472.00	1611.095
16	Priority Green /Eco-Friendly Products for Trading Sectors	-	-	19015.40	465.39
	<b>B. Sustainable Link Finance</b>	-	-	<b>22325.01</b>	<b>13648.834</b>
	<b>Total Sustainable Finance (A+B)</b>	<b>1715.06</b>	<b>7,970.35</b>	<b>23412.56</b>	<b>20190.46</b>

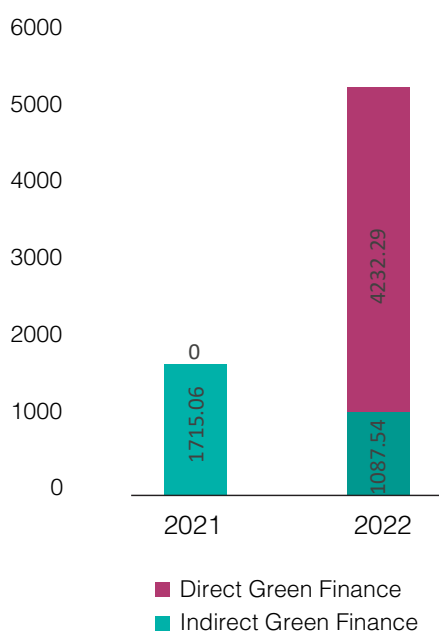
## Green Transformation Fund (GTF)

Green Transformation Fund is a foreign currency fund provided to export oriented/ Manufacturing industries in the country, SIBL obtained Green Transformation Fund (GTF) for USD 25.06 million & Euro 4.73 million for three valued clients up to the year 2022.

### Progress of Green Finance:

(Figure in Million)

	Year-2020	Year-2021
Total Loan/Term Loan Disbursed (Funded)	50,784.72	71,103.10
Direct Green Finance (Disbursed)	1,087.54	1,715.06
Indirect Green Finance (Disbursed)	4,232.29	0.00
Total Green Finance (Disbursed)	5,319.85	1,715.06
Direct Green Finance as % of Total Loan Disbursement	10.48%	2.41%



## Energy

### Energy Savings

Our new Corporate Office, where we have moved during the year 2011 has been designed to utilize maximum usage of natural lights, which reduces energy consumption substantially compared to other conventional building. Around a third of the bulbs being used in this office are of energy savings type. We are saving around 40% electricity (used for lighting purpose) by using the day light in our Corporate Office. Our electronic mail system has been operational since 2005, which is being extensively used for internal as well as external communication. Electronic communication substantially reduces paper consumption thereby reduce deforestation.

### Energy Consumption

Energy Type	Million Taka
Electricity	74.68
Gas/v	-
Fuel	28.89

## Financing Renewable Energy and Carbon Offset Projects

We have installed Solar panels in our 17 branches located at Patherhat, Patkelghata, Akhaura, Dewanhat, Bibirhat, Shahzadpur, Gobindagonj, Naogaon, Dhamrai, Fenchugonj, Atorar Dipo, Hajigonj, Chowgacha, Chandaikona, Fakirhat, Shayedpur and Dupchachia branches. In the year 2019 we have disbursed Tk. 481.86 million to 17 business entities, which helps sequestration of Carbon.

## Reducing Energy & Resource Consumption

Instruments of Green Banking offered by Cards Division include E-Statement, SMS Banking, SMS Alert, Net Banking, E Fund Transfer and Digital Attendance and Paperless Board of

Directors meeting, E Mail corresponding, Video Conference, Tele Conference, which help reducing printing paper.

### Sl. No. Instruments

- 1 E-Statement
- 2 SMS Banking
- 3 SMS Alert
- 4 Net Banking
- 5 E Fund Transfer
- 6 Digital Attendance
- 7 E Mail corresponding
- 8 Video Conference
- 9 Tele Conference
- 10 Paperless Board of Directors Meeting
- 11 SIBL NOW Instant Banking

## Reducing Carbon Footprint & Water Usage

As part of our commitment for our Green Economy we have refinance in Solar Energy, Bio- Gas, LED and Effluent Treatment Plant, Hybrid Hoffman Kiln (HHK), Bio-Flock Fish Cultivation & Energy Efficient Machineries.

During 2022, SIBL provided Tk. 382.45 million to Bricks which envisages of setting of a modern, environment friendly & energy efficient Brick Manufacturing project utilizing Hybrid Hoffmann Kiln/ Zigzag & Improvement Technology.

## Online Banking

SIBL has been one of the pioneers in introducing Online Banking. SIBL is the 1st Islami Bank, who introduced Online Banking Service to our clients and it covers all our 179 branches, 196 own ATMs. Clients can also have access to their accounts through Internet & Mobile Banking. Online banking system is a great way to reduce wastage of paper.

## Our future plan:

SIBL has the plan to focus on the following areas of operation for promoting Green Initiatives:

- To popularize Online Banking,
- To increase Internet, SMS & Mobile Banking
- To introduce Video Conferencing
- To increase Efforts towards near paperless banking
- To promote Tree Plantation Campaign
- To promote green initiatives through advertisement in print/electronic media
- To rationalize use of consumption of paper, water, electricity and utilities
- To reduce Emission of Carbon
- To conserve environment
- To protect air/water pollution.
- To establish green building/ project.
- To enhance the export oriented project by re-financing scheme under Green Transformation Fund.



## Human Resource Management

(This Annexure shall be forming the integral part of the Directors' Report)

Human Resource is the corner stone for accelerated and sustained development of any organization. Skilled and well educated manpower is the best capital of an organization particularly in banking institution. Now, SIBL has become a Bank of 179 Branches & 195 Sub-branches. For this reason, a good time was spent upon the recruitment of experienced bankers and entry level employees like Probationary Officers, Trainee Officers & Junior Level Officers.

Initiatives have been taken to implement employee job rotation in time. All Divisions and Branches have been instructed for meticulous follow-up of the instructions of HRD. Monitoring of the same is being continued by HRD of the Bank.

SIBL is an employee welfare-oriented organization. For this reason, the management of the Bank always tries to sort out all possible ways it deems beneficial to promote its employees' professional skill and efficiency. We nominated a good number of employees in outhouse training course viz. BIBM, BBTA, BAB etc. in 2022 and they have accomplished the course successfully. We motivate and facilitate our deserving employees to complete international standard professional degrees like JAIBB, AIBB, CDCS. SIBL has its own Training Institute, which rendered useful training to the employees in 2022. Eminent Bankers, scholars, and other resource persons were invited to deliver lectures. Subsequently, it is observed that the employees who were trained, render good performance. Besides that, during the year under review, Social Islami Bank Training

Institute itself had conducted 54 Training Courses, Workshops on different contemporary issues related to banking industries, Conference/Symposium and training for Agent and their Officer.

### Training performance of the year 2022

Particulars	Number of Training	Number of Participant
Total No. of Training conducted by TI	10	778
Total No. of Workshop conducted by TI	36	10886
Number of Conference/ Symposium	01	172
Number of training for Agent and their Officer	7	378
<b>Total =</b>	<b>54</b>	<b>12214</b>

Management of the bank has emphasized and specially focused on the development of employees and to bring out the persons' insider instinct into light, SIBL Training Institute (SIBL TI) has restructured aiming to create leaders.

In order to evaluate the level of efficiency, improve the healthy competition among the employees and in a way to generate motivation for the employees, Employees' Performance Evaluation and Key Performance Indicator (KPI) have been introduced from time to time. Upon the evaluation, the employees are motivated and awarded with promotion, accelerated promotion and other benefits. In addition to that, various types of drives are taken to keep and upgrade the standard of the Bank.

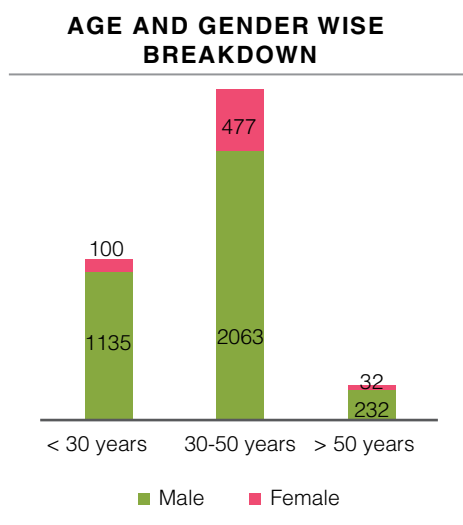
## Demographic Distribution of Manpower of SIBL:

### Breakdown by age group for permanent employees

Age range	Gender	2022	2021	2020	2019	2018
< 30 years	Male	1135	554	567	502	502
	Female	100	79	138	169	163
30-50 years	Male	2063	1861	1787	1734	1687
	Female	477	455	415	394	363
> 50 years	Male	232	214	174	137	119
	Female	32	29	15	11	10
<b>Total</b>		<b>4039</b>	<b>3192</b>	<b>3096</b>	<b>2947</b>	<b>2844</b>

### Gender diversity among permanent employees

Employee Category	Gender	2022	2021	2020	2019	2018
Entry level	Male	2270	1645	1545	1374	1352
	Female	418	390	393	396	363
Mid-level	Male	1109	946	942	961	921
	Female	190	173	174	176	171
Senior Management	Male	51	37	41	38	35
	Female	1	1	01	02	02
<b>Total</b>		<b>4039</b>	<b>3192</b>	<b>3096</b>	<b>2947</b>	<b>2844</b>



## Human Resource Accounting

The 21st Century has been referred to as the Century of the Service Sector. For any Company operating in the Manufacturing Sector, its core

assets are its Machinery and Fixed Assets but for a Company operating in the Service Sector, its core assets are its employees which are Intangible Assets. For a Service Sector Company, the value of employees gains importance as earnings are based on the per-employee per hour and profitability is linked to the value added by the workforce. HR Accounting helps the company ascertain how much Investment it has made on its Employees and how much return it can expect from this Investment.

Social Islami Bank Limited formally does not practice Human Resources Accounting but regularly works out and looks into some important areas for mathematical and co-relational understanding on the main business factors. Given below is the considerable index to the management on which human related decisions are taken:

Description	Yr-2022	Yr-2021	Yr-2020	Yr-2019	Yr-2018
Total number of employees	4039	3192	3100	2947	2844
Total number of Branches	179	172	168	161	155
Employee Per Branch (nos)	23	19	18	18	18
Deposit per employee (million Tk)	84.41	107.04	103.99	97.37	87.22
Investment per employee ( millionTk)	84.91	97.99	96.97	89.37	83.83
Operating profit per employee (million Tk)	1.17	1.42	1.40	2.14	2.16
Salaries & Allowances per employee( millionTk)	1.08	1.13	1.15	1.15	1.10
Salaries & Allowances as percentage of Operating profit	92.18%	79.60%	82.14%	53.54%	51.21%

### Employee Remuneration

Social Islami Bank Limited is very keen to establish and retain a very congenial working atmosphere. The bank has a competitive & unique pay structure for its employees and always keep track on the necessity of revision on the passage of time that matches with the living standards of the employees in one hand and competitive with other banks on the other hand. At present, SIBL offering three types of long term employee benefits of which Provident Fund and Gratuity Fund are approved by the Revenue Board and are funded liability for the bank. Sufficient provisions have been provided in the financial statements of the bank for these two employee benefit funds

as per International Accounting Standard 19 Accounting for Employee Benefit. Apart from these two, another welfare fund called "SIBL Employees' Superannuation Fund' has been maintaining solely for the purpose of welfare of the employees of the bank and also approved by NBR. All these funds are governed and maintained by separate trustee board and funds are investing in very safe mode. The nature of the Provident fund is 10% contributory from the both side of the employee and employer. The eligibility of such Provident fund is 5 years whereas the eligibility of the gratuity fund to the employee is equivalent to 1 basic pay for 7 years services & equivalent to 1.5 basic pay for 12 years services and equivalent to 2 basic pay for 20 years services.

## Report on National Integrity Strategy

(This Annexure shall be forming the integral part of the Directors' Report)

### National Integrity Strategy

The National Integrity Strategy (NIS) is a dynamic document created by the Bangladesh Government, aimed at contributing to the realization of a self-reliant and prosperous "Shonar Bangla" (Golden Bengal). In October 2012, the Bangladesh government officially approved the NIS and initiated various programs under its framework to foster a governance system that instills trust among its citizens. The strategy encompasses a wide range of stakeholders, including government entities and non-governmental organizations, all working towards the common vision of building a "Shonar Bangla." The mission of the NIS is to establish effective governance within state institutions and society, with the ultimate goal of promoting good governance throughout the country.

The National Integrity Strategy (NIS) serves as a tool to strengthen ethical standards and combat corruption at both institutional and national levels. By promoting enhanced integrity and ethical behavior among individuals, policies, and procedures, it aims to address and rectify the current integrity crisis within institutions. Integrity refers to the highest standards of conduct influenced by moral principles, honesty, and adherence to well-established norms, values, customs, and principles within a society. At the individual level, integrity entails the fulfillment of duties and responsibilities with unwavering honesty and a strong sense of accountability.

#### National Integrity Strategies encounter various challenges, which include:

- Enacting the Civil Service Act to regulate the civil service and ensure its integrity.
- Granting increased functional autonomy to the public service while reinforcing accountability measures.
- Improving the efficiency and effectiveness of administrative activities.
- Establishing connections between

promotions, transfers, salaries, and benefits based on performance evaluations.

- Introducing a competitive compensation and incentive framework.
- Undertaking comprehensive reforms to ensure equal opportunities for different cadre services.
- Fostering positive relationships between citizens and law enforcement agencies.
- Cultivating a fair, unbiased, and transparent decision-making capacity within public administration.

The strategy encompasses a wide range of institutions, both governmental and non-governmental. In order to effectively implement the National Integrity Strategy (NIS), the government aims to involve various state institutions such as the executive branch, public administration, parliament, judiciary, election commission, attorney-general's office, public service commission, comptroller and auditor-general's office, ombudsman, anti-corruption commission, and local government organizations. Additionally, non-government institutions, including financial institutions, political parties, private sector industrial and commercial organizations, NGOs, civil society, families, educational institutions, and the media, are also crucial targets for engagement. Moreover, government and non-governmental educational and religious institutions are key stakeholders in the successful implementation of the NIS.

### National Integrity Strategy in the Private Sectors

The private sector plays an increasingly vital role in socioeconomic development by contributing to wealth generation and value addition to meet the needs of the population. Ensuring integrity within this sector is of utmost importance. It is imperative to eradicate the culture of investment defaults and effectively implement the "Protection of Consumer Rights Act." The main challenges in

this regard include:

- Addressing the issue of investment defaults and loan defaults.
- Promoting corporate governance practices.
- Establishing a system for fair performance-based compensation for employees.
- Enforcing consumer rights laws effectively.
- Preventing collusive practices in business by upholding the rule of law.
- Encouraging self-regulation and responsible behavior among other industry associations.

By addressing these challenges, the private sector can uphold integrity, foster trust, and contribute to sustainable development.

### **Integrity Strategy in Social Islami Bank Ltd**

Social Islami Bank Ltd (SIBL), a private sector bank established on 22 November 1995, operates based on Shariah principles. It has two subsidiary companies, namely SIBL Securities Ltd. and SIBL Investment Ltd. SIBL places great importance on safeguarding employee rights, ensuring equal opportunities, and promoting economic and social justice. The bank is committed to the welfare of its employees.

In line with supporting the Government of Bangladesh's efforts to establish the National Integrity Strategy (NIS), SIBL has formed an "SIBL Integrity Committee" as per the BRPD Circular of Bangladesh Bank. The committee is headed by the Additional Managing Director of the bank and assisted by a Focal Point Officer. Its primary responsibility is to implement NIS activities throughout the bank, aiming to prevent corruption and establish integrity across all aspects of the institution and society.

At SIBL, we believe that integrity should not be limited to the top level of institutions. Instead, every institution should find ways to implement institutional strategies at various levels in alignment with the National Integrity Strategy. In 2022, four SIBL Integrity Committee meetings were held, and several measures were taken to promote integrity within the institution, including:

- Providing fair opportunities to all employees.
- Conducting regular audits and promoting ethical practices.
- Ensuring employees' rights and freedom in accordance with the bank's rules
- Respecting self-dignity and fostering commitment to the institution.
- Working towards the creation of an egalitarian society free from exploitation.
- Rewarding individuals based on their abilities and contributions.
- Establishing branch-level integrity committees for moral exercises
- Providing integrity training
- Presenting the SIBL Integrity Award 2020-2021
- Ensuring the participation of women in all areas of the institution.

Integrity is characterized by strong moral and ethical principles, where individuals do the right thing without hesitation. It forms the foundation for building relationships and trust among colleagues and is a fundamental value sought by employers in their employees. Having integrity means being self-aware, accountable, responsible, and truthful. By fostering integrity at the individual level, our bank aims to cultivate a tree of ethical greatness, enhancing the institution's reputation and fulfilling its social responsibilities.

## Status of Compliance of Bangladesh Bank's Guidelines for Corporate Governance

(This Annexure shall be forming the integral part of the Directors' Report)

SI No.	Particulars	Compliance
	<b>FORMATION OF BOARD OF DIRECTORS:</b>	
01.	The newly amended Section 15 of the Bank Company Act, 1991 (Amended up-to 2020) includes provisions for prior approval of Bangladesh Bank before the appointment of new bank directors, as well as dismissal, termination or removal of any director from the post; director's fit & proper criteria; maximum number of directors; appointment of independent directors; appointment of maximum 4(four) members from a family as director; etc.	Complied
	<b>Appointment of New directors:</b>	
1.1	Under section 15(4) of the Bank Company Act, 1991 (amended up-to 2020), every banking company, other than specialized banks, at the time of taking prior approval from Bangladesh Bank for appointing/reappointing directors should furnish the following documents along with the application: a) Personal information of the nominated person (Appendix-ka); b) Nominated person's declaration(Appendix-kha); c) 'Declaration for confidentiality' by the nominated person(Appendix-ga); d) In case of Independent director, the approval letter from Security and Exchange commission; e) In case of Independent director, a declaration of the directors concern as Appendix-gha (he will also submit declaration under Appendix-ka, kha & ga); f) CIB report of the nominated person; g) Updated list of the directors	Complied
	<b>Vacation of office of Director:</b>	
1.2	<p>a) The office of director shall be vacated according to the instructions specified in section 108(1) of the Companies Act, 1994. Besides, when a bank director becomes defaulter and does not repay the loan within two months after getting a notice under the section 17 of the Bank Company Act, 1991; provides false statement at the time of appointment; or fails to fulfil the minimum eligibility criteria, the office of the director will be vacated.</p> <p>b) If the office of a director is vacated by a notice under the section 17 of BCA, the person will not be eligible to become a director of the bank or any other bank or any financial institution for one year from the date of repayment of the total amount due to the bank. It is mentionable here that the dues can be adjusted with the shares held by the director in that bank. When a director receives a notice under section 17 of BCA, 1991, he/ she can't transfer his/her shares of that bank until he/she repays all the liabilities of the noticed bank or financial institution.</p> <p>c) Besides, Bangladesh Bank can remove a director or chairman of a bank, except state owned banks, for conducting any kind of activities that is detrimental to the interest of the banks depositors or against the public interest under Section 46 and can supersede the board of a banking company under Section 47 of BCA, 1991</p>	Complied

SI No.	Particulars	Compliance
1.3	<p><b>Removal of Directors from office:</b></p> <p>According to section 108(2) of the Companies Act, 1994, with the prior approval of Bangladesh Bank, a bank director other than specialized banks can be removed from his office for the reason specified in its Articles of Association. For this purpose, the reason and grounds of the dismissal/ removal and copy of the decision of the board and list of directors should be submitted to Bangladesh Bank. In this case, the removal will be effective from the date of Bangladesh Bank's approval.</p>	N/A
1.4	<p><b>Appointment of Alternate Director:</b></p> <p>Subject to compliance of section 101 of the Companies Act, 1994, an alternate director can be appointed to act for a director during his absence for a continuous period of not less than three months from Bangladesh. In this context, the following instructions should be followed:</p> <p>a) Bank has to collect and properly maintain the documentary evidences relating to departure and arrival of the original director. If there is any exception, the chief executive officer should immediately inform it to Bangladesh Bank.</p> <p>b) The copy of the decision of the board regarding appointment of alternate director, with original director's probable returning date from abroad should be sent to Bangladesh Bank within 7 days of taking the decision and the director's arrival date must be intimated to Bangladesh Bank immediately after his return.</p> <p>c) Any loan defaulter or any person who is not eligible to become a director as per any rules &amp; regulation will not be appointed as an alternate director. d) As appointment of alternate director is a temporary measure; therefore, he/she will not be included in any kind of committee constituted by the board.</p> <p>e) While in the office, an alternate director or his/her affiliated organization will not get any kind of loan facilities from his bank. In case of previous loan, enhancement of limit or extension of time period or any kind of exemption or interest waiver will not be allowed. Moreover, all restrictions applicable to directors according to rules &amp; regulations will also be applicable to the alternate director.</p>	N/A
2.	<p><b>DEPOSITOR DIRECTOR:</b></p> <p>As the previous provisions regarding appointment of Depositor Directors of the Bank Company Act, 1991 has been amended; appointment of director from depositors is no longer required. But, after complying regulation under sec 15(9) of the Bank Company Act, 1991 (amended up-to 2020) bank can consider the tenure of existing depositor director or may appoint them as independent director</p>	N/A
3.	<p><b>INFORMATION REGARDING DIRECTORS:</b></p> <p>Banks are advised to take the following steps regarding director information: Every bank should keep an updated list of bank directors, a) Banks should send a directors' list to other banks or financial institutions immediately after the appointment or release of director. b) Banks should display a list of directors in the website and update it on a regular basis</p>	Complied



SI No.	Particulars	Compliance
4.	<b>RESPONSIBILITIES OF THE BOARD OF DIRECTOR:</b>	
4.1	<b>Responsibilities and authorities of the board of directors:</b>	
	<p><b>(a) Work-planning and strategic Management:</b></p> <p>i) shall determine the objectives and goals and to this end shall chalk out strategies and work-plans on annual basis. It shall specially engage itself in the affairs of making strategies consistent with the determined objectives and goals and in the issues relating to structural change and reorganization for enhancement of institutional efficiency and other relevant policy matters. It shall analyze/monitor at quarterly rests the development of implementation of the work-plans.</p> <p>ii) The board shall have its analytical review incorporated in the Annual Report as regard the success/failure in achieving the business and other targets as set out in its annual work-plan and shall apprise the shareholders of its opinions/recommendations on future plans and strategies. It shall set the Key Performance Indicators (KPIs) for the CEO and other senior executives and have it evaluated at times</p>	Complied
	<p><b>(b) Credit and risk management</b></p> <p>i) The policies, strategies, procedures etc. in respect of appraisal of loan/ investment proposal, sanction, disbursement, recovery, reschedule and write-off thereof shall be made with the board's approval under the purview of the existing laws, rules and regulations. The board shall specifically distribute the power of sanction of loan/investment and such distribution should desirably be made among the CEO and his subordinate executives as much as possible. No director, however, shall interfere, direct or indirect, into the process of loan approval.</p> <p>ii) The board shall frame policies for risk management and get them complied with and shall monitor the compliance at quarterly rests and review the concerned report of the risk management team and shall compile in the minutes of the board meeting. The board shall monitor the compliance of the guidelines of Bangladesh Bank regarding key risk management.</p>	Complied
	<p><b>(c) Internal control management:</b></p> <p>The board shall be vigilant on the internal control system of the bank in order to attain and maintain satisfactory qualitative standard of its loan/ investment portfolio. The board will establish such an internal control system so that the internal audit process can be conducted independently from the management. It shall review the reports submitted by its audit committee at quarterly rests regarding compliance of recommendations made in internal and external audit reports and the Bangladesh Bank inspection reports.</p>	Complied

SI No.	Particulars	Compliance
	<p><b>(d) Human resources management and development</b></p> <p>i) Policies relating to recruitment, promotion, transfer, disciplinary and punitive measures, human resources development etc. and service rules shall be framed and approved by the board. The chairman or the directors shall in no way involve themselves or interfere into or influence over any administrative affairs including recruitment, promotion, transfer and disciplinary measures as executed under the set service rules. No member of the board of directors shall be included in the selection committees for recruitment and promotion to different levels. Recruitment, promotion, transfer &amp; punishment of the officers immediate two tiers below the CEO shall, however, rest upon the board. Such recruitment and promotion shall have to be carried out complying with the service rules i.e., policies for recruitment and promotion.</p> <p>ii) The board shall focus its special attention to the development of skills of bank's staff in different fields of its business activities including prudent appraisal of loan/investment proposals, and to the adoption of modern electronic and information technologies and the introduction of effective Management Information System (MIS). The board shall get these programs incorporated in its annual work plan.</p> <p>iii) The board will compose Code of Ethics for every tier and they will follow it properly. The board will promote healthy code of conducts for developing a compliance culture.</p>	Complied
	<p><b>(e) Financial management:</b></p> <p>i) The annual budget and the statutory financial statements shall be finalized with the approval of the board. It shall at quarterly rests review/monitor the positions in respect of bank's income, expenditure, liquidity, non-performing asset, capital base and adequacy, maintenance of loan loss provision and steps taken for recovery of defaulted loans including legal measures.</p> <p>ii) The board shall frame the policies and procedures for bank's purchase and procurement activities and shall accordingly approve the distribution of power for making such expenditures. The maximum possible delegation of such power of expenditures shall rest on the CEO and his subordinates. The decision on matters relating to infrastructure development and purchase of land, building, vehicles etc. for the purpose of bank's business shall, however, be adopted with the approval of the board.</p> <p>iii) The board will review whether an Asset-Liability Committee (ALCO) has been formed and it is working according to Bangladesh Bank guidelines</p>	Complied
	<p><b>(f) Appointment of Chief Executive Officer (CEO):</b></p> <p>In order to strengthen the financial base of the bank and obtain confidence of the depositors, one of the major responsibilities of the board of directors is to appoint an honest, efficient, experienced and suitable CEO or Managing Director. The Board of directors will appoint a suitable CEO with the approval of the Bangladesh Bank.</p>	Complied

SI No.	Particulars	Compliance
	<p><b>(g) Other responsibilities of the Board:</b></p> <p>The board should follow and comply with the responsibilities assigned by Bangladesh Bank.</p>	Complied
4.2	<p><b>Meeting of Board Directors:</b></p> <p>Board of directors may meet once or more than once in a month if necessary. But Board of directors shall meet at least once in every three months. Excessive meetings are discouraged.</p>	Complied
4.3	<p><b>Responsibilities of the chairman of the board of directors:</b></p> <p>a) As the chairman of the board of directors or chairman of any committee formed by the board or any director does not personally possess the jurisdiction to apply policy making or executive authority, he/she shall not participate in or interfere into the administrative or operational and routine affairs of the bank.</p> <p>b) The chairman may conduct on-site inspection of any bank-branch or financing activities under the purview of the oversight responsibilities of the board. He may call for any information relating to bank's operation or ask for investigation into any such affairs; he may submit such information or investigation report to the meeting of the board or the executive committee and if deemed necessary, with the approval of the board, he shall effect necessary action thereon in accordance with the set rules through the CEO. However, any complaint against the CEO shall have to be apprised to Bangladesh Bank through the board along with the statement of the CEO.</p> <p>c) The chairman may be offered an office-room, a personal secretary/assistant, one peon/MLSS, one telephone at the office, one mobile phone to use inside the country and a vehicle in the business-interest of the bank subject to the approval of the board.</p>	Complied
5.	<p><b>FORMATION OF COMMITTEES FROM THE BOARD OF DIRECTORS:</b></p> <p>The adviser, whatever name called, shall advise the board of directors or the CEO on such issues only for which he is engaged in terms of the conditions of his appointment. He shall neither have access to the process of decision making nor shall have the scope of effecting executive authority in any matters of the bank including financial, administrative or operational affairs.</p>	Complied
5.1	<p><b>Executive committee:</b></p> <p>Executive committee should be formed with the members of the board to continue the urgent and daily or routine works between the intervals of two board meetings. Executive committee will perform according to their terms of reference determined by the board of directors</p>	Complied

SI No.	Particulars	Compliance
	<p><b>a) Organizational structure:</b></p> <p>i) Members of the committee will be nominated by the board of directors from themselves;</p> <p>ii) The executive committee will comprise of maximum 07 (seven) members;</p> <p>iii) Members may be appointed for a 03 (three)-year term of office;</p> <p>iv) Chairman of the Board of Directors can be the chairman of executive committee; v) Company secretary of the bank will be the secretary of the executive committee.</p>	Complied
	<p><b>b) Qualifications of the Members:</b></p> <p>i) Integrity, dedication, and opportunity to spare time in the functions of committee will have to be considered while nominating a director to the committee;</p> <p>ii) Each member should be capable of making valuable and effective contributions in the functioning of the committee;</p> <p>iii) 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</p>	Complied
	<p><b>c) Roles and Responsibilities of the Executive Committee:</b></p> <p>i) The executive committee can decide or can act in those cases as instructed by the Board of directors that are not specifically assigned on full board through the Bank Company Act, 1991 and other laws and regulations. ii) The executive committee can take all necessary decision or can approve cases within power delegated by the board of directors. iii) All decisions taken in the executive committee should be ratified in the next board meeting.</p>	Complied
	<p><b>d) Meetings:</b></p> <p>i) The executive committee can sit any time as it may deem fit.</p> <p>ii) The committee may invite Chief Executive Officer, Head of internal audit or any other Officer to its meetings, if it deems necessary;</p> <p>iii) To ensure active participation and contribution by the members, a detailed memorandum should be distributed to committee members well in advance before each meeting;</p> <p>iv) All decisions/observations of the committee should be noted in minutes</p>	Complied
5.2	<p><b>Audit Committee:</b></p> <p>The board will approve the objectives, strategies and overall business plans of the bank and the audit committee will assist the board in fulfilling its oversight responsibilities. The committee will review the financial reporting process, the system of internal control and management of financial risks, the audit process, and the bank's process for monitoring compliance with laws and regulations and its own code of business conduct.</p>	Complied

SI No.	Particulars	Compliance
	<p><b>a) Organizational structure:</b></p> <ul style="list-style-type: none"> <li>i) Members of the committee will be nominated by the board of directors from the directors;</li> <li>ii) The audit committee will comprise of maximum 05 (five) members, with minimum 2 (two) independent director;</li> <li>iii) Audit committee will comprise with directors who are not executive committee members;</li> <li>iv) Members may be appointed for a 03 (three) year term of office;</li> <li>v) Company secretary of the bank will be the secretary of the audit committee</li> </ul>	Complied
	<p><b>b) Qualifications of the Members:</b></p> <ul style="list-style-type: none"> <li>i) Integrity, dedication, and opportunity to spare time in the functions of committee will have to be considered while nominating a director to the committee ;</li> <li>ii) Each member should be capable of making valuable and effective contributions in the functioning of the committee;</li> <li>iii) 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.</li> <li>iv) Professionally Experienced persons in banking/financial institutions specially having educational qualification in Finance, Banking, Management, Economics, Accounting will get preference in forming the committee.</li> </ul>	Complied
	<p><b>c) Roles and Responsibilities of the Audit Committee:</b></p>	
	<p><b>(i) Internal Control:</b></p> <ol style="list-style-type: none"> <li>1. Evaluate whether management is setting the appropriate compliance culture by communicating the importance of internal control and the management of risk and ensuring that all employees have clear understanding of their roles and responsibilities;</li> <li>2. Review management's actions in building computerization of the bank and its applications and bank's Management Information System (MIS);</li> <li>3. Consider whether internal control strategies recommended by internal and external auditors have been implemented by the management;</li> <li>4. Consider reports relating to fraud, forgery, deficiencies in internal control or other similar issues detected by internal and external auditors and inspectors of the regulatory authority and place it before the board after reviewing whether necessary corrective measures have been taken by the management.</li> </ol>	Complied
	<p><b>(ii) Financial Reporting:</b></p> <ol style="list-style-type: none"> <li>1. Audit committee will check whether the financial statements reflect the complete and concrete information and determine whether the statements are prepared according to existing rules &amp; regulations and standards enforced in the country and as per relevant prescribed accounting standards set by Bangladesh Bank;</li> <li>2. Discuss with management and the external auditors to review the financial statements before its finalization</li> </ol>	Complied

SI No.	Particulars	Compliance
	<p><b>(iii) Internal Audit:</b></p> <ol style="list-style-type: none"> <li>1. Audit committee will monitor whether internal audit working independently from the management.</li> <li>2. Review the activities of the internal audit and the organizational structure and ensure that no unjustified restriction or limitation hinders the internal audit process;</li> <li>3. Examine the efficiency and effectiveness of internal audit function;</li> <li>4. Examine whether the findings and recommendations made by the internal auditors are duly considered by the management or not</li> </ol>	Complied
	<p><b>(iv) External Audit:</b></p> <ol style="list-style-type: none"> <li>1. Review the performance of the external auditors and their audit reports;</li> <li>2. Examine whether the findings and recommendations made by the external auditors are duly considered by the management or not.</li> <li>3. Make recommendations to the board regarding the appointment of the external auditors.</li> </ol>	Complied
	<p><b>(v) Compliance with existing laws and Regulations:</b></p> <p>Review whether the laws and regulations framed by the regulatory authorities (central bank and other bodies) and internal regulations approved by the board are being complied with</p>	
	<p><b>(vi) Other Responsibilities:</b></p> <ol style="list-style-type: none"> <li>1. Submit compliance report to the board on quarterly basis on regularization of the omission, fraud and forgeries and other irregularities detected by the internal and external auditors and inspectors of regulatory authorities;</li> <li>2. External and internal auditors will submit their related assessment report, if the committee solicit;</li> <li>3. Perform other oversight functions as desired by the Board of Directors and evaluate the committee's own performance on a regular basis</li> </ol>	Complied
	<p><b>d) Meetings</b></p> <ol style="list-style-type: none"> <li>1. The audit committee should hold at least 4 meetings in a year and it can sit any time as it may deems fit;</li> <li>2. The committee may invite Chief Executive Officer, Head of internal audit or any other Officer to its meetings, if it deems necessary;</li> <li>3. To ensure active participation and contribution by the members, a detailed memorandum should be distributed to committee members well in advance before each meeting;</li> <li>4. All decisions/observations of the committee should be noted in minutes</li> </ol>	Complied

SI No.	Particulars	Compliance
5.3	<p><b>Risk Management Committee:</b></p> <p>To play an effective role in mitigating impending risks arising out from strategies and policies formulated by the Board and to carry out the responsibilities efficiently, a risk management committee will be formed. After identifying and assessing several risk factors like credit risks, foreign exchange risks, internal control and compliance risks, money laundering risks, information and communication 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 and whether adequate capital and provision is being maintained against the risks identified</p>	Complied
	<p><b>a) Organizational Structure:</b></p> <ol style="list-style-type: none"> <li>1. Members of the committee will be nominated by the board of directors from themselves;</li> <li>2. The Risk Management Committee will comprise of maximum 05 (five) members;</li> <li>3. Members may be appointed for a 03 (three) year term of office;</li> <li>4. Company secretary of the bank will be the secretary of the Risk Management Committee.</li> </ol>	Complied
	<p><b>b) Qualifications of the Members:</b></p> <ol style="list-style-type: none"> <li>1. Integrity, dedication, and opportunity to spare time in the functions of committee will have to be considered while nominating a director to the committee;</li> <li>2. Each member should be capable of making valuable and effective contributions in the functioning of the committee;</li> <li>3. 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. Complied</li> </ol>	Complied
	<p><b>c) Roles and Responsibilities of the Risk Management Committee</b></p>	
	<p><b>i) Risk identification &amp; control policy :</b></p> <p>Formulation and implementation of appropriate strategies for risk assessment and its control is the responsibility of Risk Management Committee. Risk Management Committee will monitor risk management policies &amp; methods and amend it if necessary. The committee will review the risk management process to ensure effective prevention and control measures</p>	Complied
	<p><b>ii) Construction of organizational structure:</b></p> <p>The responsibility of Risk Management Committee 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 lending risk, foreign exchange transaction risk, internal control &amp; compliance risk, money laundering risk, information &amp; communication risk including other risk related guidelines</p>	Complied



SI No.	Particulars	Compliance
	<p><b>iii) Analysis and approval of Risk Management policy:</b></p> <p>Risk management policies &amp; 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.</p>	Complied
	<p><b>v) Storage of data &amp; Reporting system:</b></p> <p>Adequate record keeping &amp; reporting system developed by the bank management will be approved by the risk management committee. The committee will ensure proper use of the system. The committee will minute its proposal, suggestions &amp; summary in a specific format &amp; inform the Board of Directors</p>	Complied
	<p><b>v) Monitoring the implementation of overall Risk Management Policy:</b></p> <p>Risk Management Committee will monitor proper implementation of overall risk management policies. They will monitor whether proper steps have</p>	Complied
	<p><b>vi) Other responsibilities:</b></p> <ol style="list-style-type: none"> <li>1. Committee's decision and suggestions should be submitted to the Board of Directors quarterly in short form;</li> <li>2. Comply instructions issued time to time by the controlling body;</li> <li>3. Internal &amp; external auditor will submit respective evaluation report whenever required by the committee</li> </ol>	Complied
	<p><b>d) Meetings :</b></p> <ol style="list-style-type: none"> <li>1. The risk management committee should hold at least 4 meetings in a year and it can sit any time as it may deems fit;</li> <li>2. The committee may invite Chief Executive Officer, Chief Risk Officer and any other Officer to its meetings, if it deems necessary;</li> <li>3. To ensure active participation and contribution by the members, a detailed memorandum should be distributed to committee members well in advance before each meeting;</li> <li>4. All decisions/observations of the committee should be noted in minutes.</li> </ol>	Complied
6.	<p><b>TRAINING FOR THE DIRECTORS:</b></p> <p>The directors shall make themselves fully aware of the banking laws and other related rules and regulations for performing his duties properly</p>	Complied
<p><b>Status of Compliance of Bangladesh Bank's guidelines for Corporate Governance (BRPD circular no. 18 dated 27.10.2013)</b></p>		
<p><b>A Rules and regulations for appointing CEO</b></p>		
1.	<p><b>Moral Integrity:</b></p> <p>In case of appointment to the post of Chief Executive, satisfaction in respect of the concerned person should be ensured to the effects that,</p> <ol style="list-style-type: none"> <li>- a) He has not been convicted by any Criminal Court of Law;</li> <li>b) He has not been punished for violating any rules, regulations or procedures/norms set by any Controlling Authority;</li> <li>c) He was not associated with any such company/organization, registration or license of which has been canceled.</li> </ol>	Complied

SI No.	Particulars	Compliance
2.	<p><b>Experience and Suitability:</b></p> <p>a) For appointment as chief executive, the concerned person must have experience in banking profession for at least 15 (fifteen) years as an active officer and at least 02 (two) years experience in a post immediate below the chief executive of a bank.</p> <p>b) He must at least have a Masters degree from any recognized university. Higher academic education in the field of Economics, Banking and Finance or Business Administration will be treated as additional qualification for the concerned person.</p> <p>c) In respect of service, the concerned person should have excellent record of performance.</p> <p>d) Satisfaction should be ensured that the concerned person was not dismissed from service when he was chairman/director/official of any company;</p> <p>e) Any director of any bank or financial institution or any person who has business interest in the bank concerned will not be eligible for appointment to the post of chief executive.</p>	Complied
3.	<p><b>Transparency and Financial Integrity:</b></p> <p>Before appointment as chief executive, satisfaction should be ensured to the effects that:</p> <p>a) The concerned person was not involved in any illegal activity while performing duties in his own or banking profession;</p> <p>b) He has not suspended payment to creditors or has not compromised with his creditors to be relieved from debt or he is not a loan defaulter;</p> <p>c) He is not a tax defaulter;</p> <p>d) He has never been adjudicated an insolvent.</p>	Complied
4.	<p><b>Age limit:</b></p> <p>No person crossing the age of 65 years shall hold the post of CEO of a bank.</p>	Complied
5.	<p><b>Tenure:</b></p> <p>The tenure of the chief executive shall be for at least 03 (three) years, which is renewable. If the candidate has less than 3 years left to attain 65 years, he/she can be appointed for that period</p>	Complied

SI No.	Particulars	Compliance
6.	<p><b>Guidelines in fixing the salary and allowances:</b></p> <p>Banks are required to follow the guidelines stated below while determining the salary and allowances of the CEO and submitting such proposal to Bangladesh Bank:-</p> <p>a) In fixing the salary and allowances of the chief executive, financial condition, scope of operation, business volume and earning capacity of the bank; qualifications, achievement of the candidate in the past, age and experience and the remuneration paid to the persons occupying same position in the peer banks shall have to be taken into consideration.</p> <p>b) Total salary shall be comprised of direct salary covering 'Basic Pay' and 'House Rent' and allowances as 'Others'. The allowances (e.g., provident fund, utility bill, leave-fare assistance) in 'Others' head should be specified in amount/ceiling. Besides, other facilities (e.g., car, fuel, driver etc.), as far as possible, shall have to be monetized and thus determining monthly total salary, it shall have to be mentioned in the proposal to be submitted to Bangladesh Bank. In the proposal, Basic Pay, House Rent, Festival Allowance, other allowances and other facilities shall have to be specified in Taka amount.</p> <p>c) Without improving the bank's major economic indicator like- CAMELS annual salary increment will not be payable.</p> <p>d) Terms of salary-allowances and other facilities as specified in the terms and conditions of appointment cannot be changed during the tenure. In case of renewal, proposal may be made for re-fixation of the salary considering the job performance of the incumbent chief executive.</p> <p>e) The Chief Executive so appointed shall not get any other direct or indirect facilities (e.g., dividend, commission, club expense, etc.) other than the salary-allowances and other facilities as enumerated in clause (b) above.</p> <p>f) The bank shall not pay any income tax for the chief executive, i.e., the chief executive so appointed shall have to pay it.</p>	Complied
7.	Incentive Bonus: Subject to the payment of incentive bonuses to all stuffs/ employees, the CEO will be eligible to get such bonus. However, the amount of CEO's incentive bonus will not cross Taka 10.00 (ten) lacs per year	Complied
8.	Honorarium for Board Meeting: As CEO is a salaried official of the bank, he will not get any honorarium for attending the Board meeting or the meeting of any Committee formed by the Board.	Complied
9.	Evaluation Report: While reappointing CEO, an evaluation report approved by the board of directors should be submitted to Bangladesh Bank by the chairman of the Board.	
10.	<p><b>Prior approval from Bangladesh Bank:</b></p> <p>Prior approval from Bangladesh Bank is mandatory before appointing CEO as per section 15(4) &amp; (5) of the Bank Company Act 1991 (Amended upto 2013). For processing such approval, along with the proposal signed by the chairman of the board, the selected person's complete resume, offer letter (mentioning the direct &amp; indirect remuneration and facilities) and copy of board's approval must be submitted to Bangladesh Bank. The selected person must also submit declarations as per Annexure-ka &amp; Annexure-kha to Bangladesh Bank</p>	Complied

SI No.	Particulars	Compliance
11.	Decision of Bangladesh Bank regarding appointment of CEO will be treated as final and such appointed CEO cannot be dismissed, released and removed from his office without prior approval from Bangladesh Bank	Complied
B.	<p><b>Responsibilities and authorities of the CEO:</b></p> <p>The CEO of the bank, whatever name called, shall discharge the responsibilities and affect the authorities as follows:</p> <p>a) In terms of the financial, business and administrative authorities vested upon him by the board, the CEO shall discharge his own responsibilities. He shall remain accountable for achievement of financial and other business targets by means of business plan, efficient implementation thereof and prudent administrative and financial management.</p> <p>b) The CEO shall ensure compliance of the Bank Company Act, 1991 and other relevant laws and regulations in discharging routine functions of the bank.</p> <p>c) At the time of presenting any memorandum in the Board Meeting or Board Committee Meeting, the CEO must point out if there is any deviation from the Bank Company Act, 1991 and other relevant laws and regulations.</p> <p>d) The CEO shall report to Bangladesh Bank any violation of the Bank Company Act, 1991 or of other laws/ regulations.</p> <p>e) The recruitment and promotion of all staff of the bank except those in the two tiers below him shall rest on the CEO. He shall act in such cases in accordance with the approved service rules on the basis of the human resources policy and sanctioned strength of employees as approved by the board.</p> <p>f) The authority relating to transfer of and disciplinary measures against the staff, except those at two tiers below the CEO, shall rest on him, which he shall apply in accordance with the approved service rules. Besides, under the purview of the human resources policy as approved by the board, he shall nominate officers for training etc</p>	Complied
<b>Status of Compliance of Bangladesh Bank's guidelines for Corporate Governance (BRPD circular no. 19 dated 27.10.2013)</b>		
<b>A</b>	<b>Appointment of Advisor</b>	
1	<p><b>Experience and Suitability:</b></p> <p>For appointment as advisor, the concerned person will have to fulfill the following requirements with regard to experience and qualifications:</p> <p>a) Experience in Banking or Administration for at least 15 (fifteen) years or have a long experience in social activities;</p> <p>b) Higher academic education in the field of Economics, Banking and Finance or Business Administration will be treated as additional qualification for the concerned person;</p> <p>c) Satisfaction should be ensured that the concerned person was not dismissed from his service when he was Chairman/Director/Official of any company;</p> <p>d) A person who is working in any bank or financial institution or who has business interest in that bank will not be considered eligible for appointment to the post of advisor;</p> <p>e) Satisfaction should be ensured that the concerned person is not a loan defaulter or tax defaulter and has never been adjudicated an insolvent by the court.</p>	N/A

SI No.	Particulars	Compliance
2.	<p><b>Responsibilities:</b></p> <p>The responsibilities or terms of reference of advisor should be specified. The Advisor can advise the Board of Directors or the Chief Executive only on those matters that are specified in the appointment letter. Routine works or general works will not be included in his term of reference. He can't exercise any kind of power or can't participate in the decision making process of financial, administrative, operational or any other activities of the bank</p>	N/A
3.	<p><b>Prior approval from Bangladesh Bank:</b></p> <p>Prior approval from Bangladesh Bank is mandatory before appointing advisor. For such appointment, the justifications of the post of advisor, responsibilities or terms of reference, complete resume of the concerned person, terms of appointment (mentioning remuneration and facilities) and copy of board's approval must be submitted to Bangladesh Bank. The nominated person has to make a declaration as per Annexure ka. This declaration must be also submitted to Bangladesh Bank.</p>	N/A
4.	<p><b>Remuneration and other facilities:</b></p> <p>The post of advisor is not a fixed or substantive post in the bank's organization structure. Advisor will not be entitled to salaries and allowances as regular employee except gross amount of remuneration, transport and telephone facilities. Remunerations inconsistent with terms of reference of the advisor will not be considered as acceptable by Bangladesh Bank</p>	N/A
5.	<p><b>Tenure:</b></p> <p>The tenure of the advisor shall be maximum 1(one) year, which is renewable. An evaluation report (by the chairman that is approved by the board of directors) of previous tenure should be submitted to Bangladesh Bank along with the re-appointment proposal.</p>	N/A
6.	<p><b>Appointment of Ex-officials:</b></p> <p>For good governance any former director, chief executive or any official will not be eligible to become an advisor in the same bank immediately after his/her retirement or resignation. But, after 1 year from such retirement or resignation he/she will be eligible for appointment as advisor</p>	N/A
B.	<b>Appointment of Consultant</b>	
1.	<p><b>Terms of Reference:</b></p> <p>Consultant can be appointed for specialized tasks like tax, law &amp; legal procedures, engineering &amp; technical works, information technology, etc. Consultants' appointment should be avoided as much as possible for those works that could be done by regular employees of the bank</p>	N/A
2.	<p><b>Responsibilities:</b></p> <p>The responsibilities or term of reference of consultant should be specified. He/she shouldn't be involved beyond his/her terms of references and he/she cannot exercise any kind of power in bank operation or cannot participate in the decision making process.</p>	N/A

SI No.	Particulars	Compliance
3.	<p><b>Appointment: Consultant:</b></p> <p>can be appointed with the approval of Board of Directors. After such appointment the bank shall send the consultant's complete resume, terms of reference and details of remuneration to Bangladesh Bank immediately</p>	N/A
4.	<p><b>Tenure:</b></p> <p>The tenure of consultant should be consistent with the terms of reference, but would not exceed 2 (two) years. Generally, consultant's appointment will not be renewable, but to complete unfinished tasks, the contract can be extended up to maximum 1 year with the approval of Bangladesh Bank. An evaluation report (by the chairman that is approved by the board of directors) of previous period should be submitted to Bangladesh Bank</p>	N/A
5.	<p><b>Remuneration/honorarium:</b></p> <p>The consultant's remuneration should be in the form of monthly or single lump-sum payment, he is not entitled to any other facilities</p>	N/A
6.	<p><b>Appointment of Ex-officials:</b></p> <p>For ensuring good governance any former director, chief executive or any official will not be eligible to become a consultant in the same bank immediately after his/her retirement or resignation. But, after 1 year from such retirement or resignation he/she will be eligible for appointment as consultant</p>	N/A

## Report on Whistle-Blowing Policy

(This Annexure shall be forming the integral part of the Directors' Report)

Whistle-blowing is, when an employee raises a concern about malpractice or wrongdoing within an organization. Typically the concerns are about violation of company policy, rules, law, regulation, or threat to the interest of stakeholders, financial mismanagement, environmental matters, unethical or criminal activities as well as fraud and corruption.

Like other countries, The Government of the People's Republic of Bangladesh has also enacted legislation related to whistle blowing in 2011 which has given an introduction to the issues involved. Whistle blowers are protected, in certain circumstances, under the law of the country, with in Whistle blowers Protection Act 2011 which came into force in June 2011.

The Board of Directors of SIBL has adopted a comprehensive Whistle Blower's Protection Policy in its 453<sup>rd</sup> BoD meeting held on 26 July 2020. This policy is intended to enable the employees of SIBL to be aware of wrongdoing in the Bank affecting some other person or service, to report their concerns at the earliest opportunity so that they can be properly investigated and proper action can be taken and also ensure safety of the employees to ensure free flow of information within the organization without fear and favor.

### This Policy aims to:

- establish good governance;
- establish a robust internal control environment within the bank;
- act as an early warning system and to encourage internal disclosure;
- help ensuring that all employees understand the rights of those who blow the whistle;
- prevent any attempt for violation of any law, rule or regulation or mismanagement, a gross waste of public organization's funds, an abuse of authority or a substantial or specific threat to organization's safety;
- develop a system for combating against the practices that might damage activities and reputation of the Bank;
- ensure the whistle blower to feel supported in speaking up in confidence and reporting matters he/she suspects may involve anything,

- improper, unethical or inappropriate;
- encourage all improper, unethical or inappropriate behavior to be identified and challenged at all levels of the organization;
- provide clear procedures for the reporting of such matters;
- manage all disclosures in a timely, consistent and professional manner;
- provide assurance that all disclosures will be taken seriously, treated as confidential; and
- reassure that the whistle blower will be protected from possible reprisals or victimization if he/she has made any disclosure in good faith.

Whistle-blowing is a contentious, difficult area, both practically and legally, to manage and oversee. The Board and Management will ensure job security and protection for whistle blower against intentional retaliation. Otherwise, no one will feel free to provide information. This policy makes it unlawful for the Bank to dismiss anyone or allow the whistle blower to be victimized on the basis that he/she has made an appropriate lawful disclosure in accordance with the policy. During transfer and promotion of a whistle blower, Human Resources Division will meticulously examine and ensure that the decision regarding his transfer or promotion is not affected by his previous whistle-blowing. All concerns will be treated as confidential and every effort will be made not to reveal the identity of the whistle blower if that is his/her wish. Throughout this process:

- the whistle blower will be given full support from the Senior Management
- whistle blower's concerns will be taken seriously; and
- Bank will do all it can to help whistle blower throughout the investigation.

Every employee must bring under the proper training and rewarded for whistle-blowing with a view to establishing a strong compliance culture. However, disciplinary action may be taken if there is specific ground to believe that a whistle blower gave the statement believing the fact to be untrue or makes an allegation frivolously, maliciously or for personal gain.



## 5 Years Key Financial Data

(This Annexure shall be forming the integral part of the Directors' Report)

SL	Particulars	2018	2019	2020	2021	2022
1	Authorized Capital (Taka in million)	10,000.00	10,000.00	30,000.00	30,000.00	30,000.00
2	Paid-up Capital (Taka in million)	8,121.29	8,933.41	9,380.08	9,849.09	10,341.54
3	Total Shareholders Equity (Taka in million)	15,749.88	17,271.33	18,038.39	19,237.42	20,765.08
4	Capital Base (Tier I & II) (Taka in million)	26,111.51	27,901.80	30,368.90	32,447.95	33,986.12
5	Total Deposits (Taka in million)	248,324.49	287,936.65	322,383.51	341,661.06	340,950.31
6	Client Deposits (Taka in million)	224,339.78	267,828.58	299,504.34	339,548.97	325,795.15
7	Investments (General) (Taka in million)	238,654.17	264,268.59	300,617.94	312,773.82	342,944.16
8	Investments (Shares & Securities) (Taka in million)	13,086.55	19,118.98	18,487.37	29,157.53	23,667.26
9	Foreign Exchange Business (Taka in million)	178,590.50	159,583.03	140,824.28	177,092.79	242,893.70
10	Operating Profit (Taka in million)	6,143.12	6,342.11	4,343.21	4,526.23	4,735.02
11	Profit before Tax (Taka in million)	3,848.29	3,134.03	3,040.65	2,874.37	3,904.46
12	Fixed Assets (Taka in million)	3,563.53	3,606.05	4,431.01	4,247.80	4,400.29
13	Total Assets (Taka in million)	307,305.32	345,056.23	384,999.71	408,203.16	439,968.68
14	Stock Dividend (%)	10%	5%	5%	5%	5%
	Cash Dividend (%)	-	5%	5%	5%	5%
15	Investments as a % of Client deposits (%)	91.54%	89.47%	90.65%	90.19%	93.70%
16	Capital to Risk Weighted Asset Ratio (%)	14.27%	13.78%	13.50%	11.60%	11.89%
17	Ratio of Classified Investments to Total Investments (%)	7.69%	6.63%	6.05%	5.18%	4.80%
18	No. of Foreign Correspondents (Nos.)	411	420	399	388	374
19	Number of Employees (Nos.)	2847	2957	3100	3192	4039
20	Number of Branches (Nos.)	155	161	168	172	179
21	Number of Sub Branches (Nos.)	-	20	63	104	156
22	Book Value per Share (Nos.)	10	10	10	10	10
23	Earnings per Share (Restated) (Taka)	1.77	1.62	1.57	1.60	1.97
24	Credit Rating by	ECRL	ECRL	ECRL	ACRL	ACRL
	Long Term	AA-	AA	AA	AA+	AA+
	Short Term	ST-2	ST-2	ST-2	ST-2	ST-2

## Report on Internal Control System

(This Annexure shall be forming the integral part of the Directors' Report)

The Board of Directors of Social Islami Bank Limited is very keen to establish and maintain a sound and effective Internal Control System and good governance in every sphere of the Bank. Accordingly they have established broad business strategies, adopted significant policies for internal control and risk management and implemented risk based internal audit as per section 15 kha of Bank Companies Act-1991 for ensuring that the Bank is appropriately and effectively managed and control.

Effective internal controls are the foundation of safe and sound banking. A properly designed and consistently enforced system of operational and financial internal control helps the bank management to safeguard the bank's resources, produce reliable financial and managerial report, and comply with laws and regulations.

Internal Control and Compliance Division (IC&CD) of the bank continuously inspects the operational aspect of the Bank and report deviations and all such findings to the Management. Audit findings along with the compliance status were also placed before the Board Audit Committee of the Board on a timely basis.

The Board Audit Committee has ensured that all the conditions of the Bank Company Act, Bangladesh Bank guidelines, Corporate Governance Code issued by Bangladesh Security and Exchange Commission (BSEC) have been properly addressed. Internal control system, managing of core risks and Bank's process for monitoring compliance with laws and regulations and codes of business conduct were adequate.

The Board of Directors of SIBL also monitors the adequacy and effectiveness of Internal Control systems through establishment of Audit Committee and the committee has regularly reviewed and assessed the arrangement adequacy made by the management and corrective measures taken relating to fraud-forgery and deficiencies in internal controls of SIBL. Besides, the Board of Directors ensured i) Safeguard the Bank's assets, ii) Prevention and detection of fraud and error iii) Adequacy and completeness of accounting records iv) Timely preparation of financial information and v) the efficient management of core risk.

The Board of Directors of the Bank declares that they have actively and diligently discharged their duties and responsibilities to establish a sound Internal Control System and to ensure good corporate governance.

## Report on Going Concern

(This Annexure shall be forming the integral part of the Directors' Report)

The Board of Directors of the bank has made an annual assessment whether there exists a material uncertainty which may be an indicative of significant doubt about SIBL's ability to continue as going concern. In this regard, Board of Directors of the bank has made appropriate inquiries, analysis, review and estimation in the backdrop of existing and future financial and operational strength of the bank. The Board of Directors are convinced and provide a reasonable assurance to the stakeholders as to SIBL's continuity as a going concern for the foreseeable future and accordingly the bank has been adopting the 'going concern' basis for preparing financial statements.

The financial performance of the bank was good and improving steadily over the years. While analyzing the 5 years comparative financial position of the bank, we find that all the basic indicators of the bank is positive and the bank is moving towards its way of 'Journey towards continuous excellence' leaving a growth curve.

Gaining public confidence day by day. Both deposits and investment are maintaining upward trend over the previous years.

- Built an excellent regulatory compliance culture.
- Practicing best Corporate Governance.
- Introducing state-of-the-art Information & Technology.
- Invented IT-based diversified products and services that are tailored to different economic class of people of the society in order to bring the un-banked people into banking channels.
- Motivated employees, excellent working work force
- Team spirit, competitive pay scale & long term benefits.
- Outstanding Assets Liability Management for proper liquidity planning & management.
- Expanded area of operation from urban to rural.
- Effective Risk management system.
- Outstanding asset quality.
- Outstanding Credit rating both in short term and long term.

- Excellent public communication, branding and media image.
- Paying dividend consistently.
- Positive key financial indicators.

Banking business involves a high degree of risk and SIBL is operating in an industry involving both external and internal risk factors having direct as well as indirect effects on the financial position. Here, the Board of Directors of the Bank has carefully analyzed the financial position of the bank and estimated the issue of continuity of the bank as going concern considering some risk factors that may seriously affect. If any of the following risks actually occur, business, results of operations and financial condition could suffer.

### Profit Rate & Foreign Currency Risks

Volatility in money market both in local and foreign, increase in Investment demand, Increase Import and decrease exports, slow remittance etc. may raise the rate of profit on deposit & borrowings including foreign currency. The Bank's financing in different sectors is currently structured at fixed rates as per regulator's policy. A change in the Government's monetary policy also tends to increase the rates. Increase in profit rates or non- availability of Foreign Currency could adversely affect the bank's operations.

### Perception

At present the deposit and borrowing rate is fixed by the regulator, though the consequences of unusual and abrupt increase in the deposit

and borrowing rate cannot be avoided. Social Islami Bank Ltd. (SIBL) takes all the appropriate measures to minimize the negative consequences. Moreover, SIBL foreign exchange risk remains at minimum level as all of its foreign trade & remittance transactions are carried out on behalf of the customers and there is no direct selling or buying of foreign currency i.e. dealing room operation. The demand of foreign currency payment is mostly backed by Exports earnings and remittance. Treasury continuously monitors price movements of foreign exchange and uses various hedging techniques to manage its open position in such a way that minimizes risk and maximizes return.

### **Non-Payment Risk**

Non-payment risk can arise if the Bank becomes unable to repay to its depositors over the counter or on time due to the impacts of (i) global financial crisis (ii) pre-matures encashment (iii) economic recession (iv) natural calamity (v) international sanctions (vi) adverse classification of investments (vii) serious liquidity crunch (viii) assets liability mismatch (ix) limit less ID ratio etc. may have a direct negative impact on cash flow and profitability of the bank. The situation would fell the bank into serious trouble.

### **Perception**

The management of SIBL is always concerned about the prevailing and upcoming future changes in the global financial policies and shall response appropriately and timely to safeguard its interest. The Bank has a very strong financial background as well as cash flow along with diversified business package, that's why the risk is very negligible. Structured liquidity profile of the bank shows that all assets and liabilities are being well managed and shaped. The bank has specific policy guidelines on 'stress liquidity management'. Besides that, ALCO (Asset Liability Committee) of the bank is a powerful committee entrusted with the overall liquidity management. So the bank believe that if for some unwanted situation excessive premature encashment occurs over the counter, capable to shape up things. In the history of operation, SIBL has not recorded a single case of 'Non- Payment'.

### **Managements Risk**

There may arise Management Risk in the Bank, which associates ineffectiveness, conflict of interest, destructive, or under- performing management that may hamper the smooth operation of the Bank and fell the organization in a question of going concern.

### **Perception**

Social Islami Bank Limited (SIBL) has a very effective and competent management, which consistently makes effective policy decision. Since inception up-to 31.12.2022, the Board of Directors of the Bank has discharged their duties and responsibilities through 491 number of board meeting. The Board of Detectors has formulated code of conducts including role and responsibilities for its Chairman, Board Member, Managing Director, Company Secretary, Chief Financial Officer & Head of Internal Control & Compliance Division of the Bank. The bank is a compliant of corporate governance system imposed by Bangladesh Securities and Exchange Commission (BSEC) and there is no such evidence recorded so far which amounts to- management risk.

### **Operational Risk**

Operational risk is the risk of potential losses from a breakdown in internal processes and systems, deficiencies in people and management or operational failure arising from external events which may seriously shake the entity towards its continuation as going concern.

### **Perception**

The internal control and compliance division of the bank controls the operational procedure of the Bank. Internal Control and compliance division undertakes periodical and special audit of the Branches and departments at the Head Office to review the operation and compliance of statutory requirements. The Audit Committee of the Board subsequently reviews the reports of the internal control and compliance division. So, the bank is aware about its operational risk and accordingly policies and procedures are regularly been reviewed by the Board of Directors of the bank to ensure risk free operation.

## Business Risk

The bank may face business risk while doing their banking business. Business risk implies uncertainty in profit or danger of loss and the events that could pose a risk due to some unforeseen events in future, which causes business of SIBL to fail. Moreover, strong competitor in the industry may compel SIBL to squeeze its operations or may invite hard competitions.

## Perception

SIBL has a very good profitability record and the management is well aware about business risk. The Bank is operating in a highly competitive market as modern banking industry has brought greater business diversification. The Bank has a dedicated team to find new scope to expand its business. The risk management team is working to identify and manage different types of risk including business risk. SIBL Securities Limited and SIBL Investment Limited are the subsidiaries of SIBL incorporated with the objective to carry on the business of stock brokers, dealers in relation to shares and securities dealings, to underwrite, manage and distribute the issue of stocks etc. Thus, SIBL also reduces the industry risk by making versatile opportunity of business in the financial sector. Moreover, to make the operation competitive, the bank has implemented one of the best world class Information Technology platform in the bank to ensure faster and safer delivery of services to the customers on 24/7 basis. The bank has built up its alternative delivery channel infrastructure to offer the full suite of ATMs, POS, Internet Banking, and SMS banking for its customers. In order to support its growth strategies in future, the bank has made a strategic decision to change its core banking software to a more robust and internationally tested system. As its unique contribution to a truly broad-based and participatory electronic banking system in Bangladesh, SIBL currently has a wide coverage of 179 Branches, as on December 31, 2022 along with 156 Sub branches. So, the board of directors estimated that there is no sign that the bank fall in trouble on the ground of business risk and hard competitions.

## Potential or Existing Government Regulations

The Bank operates under the specific guidelines laid down by Bangladesh Bank, Bangladesh Securities and Exchange Commission (BSEC) and other regulatory authorities. The Bank also operates under Companies Act 1994 and other related regulations, Bank Companies Act 1991, Income Tax Ordinance 1984, Value Added Tax (VAT) Act 1991 and Value Added Tax (VAT) Rules 1991. Any abrupt change of the policies made by the regulatory authorities may adversely affect the business of the Company.

## Perception

Unless any policy change negatively and materially affects the industry as a whole, the business of the Bank is expected not to be affected significantly. Like all Scheduled Banks in Bangladesh, SIBL's asset growth and cost of CRR and SLR are adjustable as per requirement.

## Potential Changes In Global/National Policies

A financial institution's ability to operate a profitable business is directly related to the monetary and fiscal policy of the country at any given time. Imposition of restrictive monetary and/or fiscal policy by the government at any time may affect a company's profitability. Again, change in the existing global or national policies can have either positive or negative impacts for the Bank.

## Perception

The management of SIBL is always concerned about the prevailing and upcoming future changes in the global or national policy and responds appropriately and timely to safeguard its interest.

## History of Non-Operation

Is there any history for the Bank to become non-operative from its commercial operation?

## Perception

The Social Islami Bank Limited (SIBL), a

second-generation bank, was incorporated on November 05, 1995. SIBL started its commercial operation on November 22, 1995 and completed 27 (Twenty Seven) year successful banking operation based on Shariah Principles without having any history of non-operation. SIBL has 179 branches along with 156 sub branches as on 31-December 2022 all over the Country with two subsidiary companies - SIBL Securities Ltd. & SIBL Investment Ltd. Targeting poverty, The Social Islami Bank Limited is indeed a concept of 21st century participatory three sector banking model in one. In the formal sector, it works as an Islamic participatory Commercial Bank with human face approach to credit and banking on the profit and loss sharing. The Bank is an independent body that is operated by its Memorandum & Articles of Association and other applicable laws implemented by the Government of Bangladesh. Besides, the Bank's financial strength is satisfactory. It has highly experienced Directors and Management team which makes the Bank more efficient and stronger for any commercial operations. So, the chance of becoming non-operative for the risk Bank is minimum.

## **Portfolio Management Risk**

Poor quality of project appraisal, slack monitoring of outstanding debts, inadequate/inappropriate documentation and other forms of management inefficiencies may affect the quality of SIBL portfolio.

## **Perception**

Under the close supervision of SIBL's prudent shareholders and the Board of Directors, the management of SIBL has developed skills and ability to appraise a project efficiently, ascertain the risk factors, address them and monitor performance closely.

## **Investment/Credit Risk**

Some of the customers or obligators may fail to meet the terms of any contract or otherwise fail to perform as agreed which will in turn reduce the profit of the Bank, decreasing shareholders' earning.

## **Management Perception**

Considering the key elements of investment/credit risk, the Bank has segregated duties of the officers/ executives involved in credit related activities. Separate division for Corporate, SME and retail has been formed which are entrusted with the duties of maintaining effective relationship with the customers, marketing of investment/credit products, exploring new business opportunities etc. for transparency in the operation during the entire investment/credit period–

- i) Investment Approval Committee,
- ii) Investment Administration Department,
- iii) Recovery Unit and iv) Impaired Asset management have been set up.

Based on the above discussion, Board of Directors of the bank anticipated that it is appropriate to adopt going concern assumptions and there is no material uncertainty in preparing financial statements.

## Status of Compliance Regarding Appointment of Chief Financial Officer & Chief Information Technology Officer in Relation to BRPD Circular Letter No-03, Dated: 25 March 2018

(This Annexure shall be forming the integral part of the Directors' Report)

### A) Chief Financial Officer (CFO)

Mr. Mohammad Shoeb is the Executive Vice President and Chief Financial Officer of Social Islami Bank Limited. He is the Fellow Member of the Institute of Chartered Accountants of Bangladesh. Mr. Shoeb has been serving in the Bank and Finance sector since 2002 in the various capacity of policy and decision making position. Mr. Shoeb Started his career with Marico Bangladesh Limited thereafter joined in Bangladesh Finance and Investment Company Limited (Bangladesh Finance) and then joined in Social Islami Bank Limited in 17 May 2005. During the tenure of his Bank, he has served Financial Administration Division, Risk Management Division as Head, Internal Control and Compliance Division as Head and deputed as Chief Executive Officer of SIBL Securities Limited -a 100% wholly owned subsidiary public limited company of SIBL.

### B) Chief Information Technology Officer (CITO)

Mr. Hossain Mohammed Faisal was appointed as Chief Information Technology Officer (CITO) of SIBL from September 2022. Faisal counts over 16 years of experience in the field of Banking IT and related domains. Prior joining to SIBL, he hold the position of Deputy General Manager at Pubali Bank Limited since 2015 and preceding that position, worked for Jamuna Bank and BRAC Bank in the years 2006-2015. His success of the entire career journey was helping Bank forwards introducing Digital Financial Services by taking scalable technological roadmap with cyber resilient.

Mr. Faisal completed his MSc in Computer Science and Engineering from Jaganath University and BSc in Computer Science from Independent University, Bangladesh. He has numbers of accreditation from ISACA, IRCA, ISC2, PMI, MILE2, EC-Council, CISCO, VMWARE, Red Hat, Microsoft, IBM, etc. He attended numerous seminars, trainings and workshops in the country and abroad.



# Information Related to Board, Directors and the Managing Director & CEO, Terms of Reference (TOR) for the Company Secretary, the Chief Financial Officer and the Head of Internal Control and Compliance

(This Annexure shall be forming the integral part of the Directors' Report)

## Board of Directors:

Several initiatives have been taken by the Board of Directors of the Bank for institutionalizing Corporate Governance in the Bank for safeguarding the interests of the Stakeholders. As a listed Banking Company Social Islami Bank Limited have been complied all types of Orders/ Directives/ Circulars/ Notifications/ Rules issued by the Bangladesh Bank and Bangladesh Securities and Exchange Commission (BSEC) from time to time. Social Islami bank Limited does not have its own policy on appointment of Directors rather it follows the provision of Companies Act, 1994 and Bank Companies Act, 1991(Amendment up to- 2018). All Directors except Independent Directors of the Board are non-executive directors holding more than 2% Shares of the Paid-up Capital of the Bank. At the time of appointment of new directors, the existing Board of Directors frequently assess the size and structure of the Board, evaluate the knowledge, skills, experience and perceptions that may be necessary to allow the Board to perform its functions. The directors are appointed by the shareholders in the Annual General Meeting. Casual vacancy, if any, is filled up by the Board in accordance with the provisions of the Companies Act and Articles of Association of the Company. Total number of Directors of Social Islami Bank Limited is 11 (eleven) including 2 (two) Independent Directors which is within the compliance limit of the provision of Bank Companies Act, 1991 (amended up to 2018) and all the Directors have their sufficient shareholdings i.e. minimum 2% of the total paid-up capital of the Bank as per Bangladesh Securities and Exchange Commission's (BSEC's) Notification Dated 22.11.2011 published in the Bangladesh Gazette on December 14, 2011. The Board members of SIBL are highly competent and professional in the arena of Banking, Business and Industry. The board approves and reviews different policies and business plans in line with

six core risk management guidelines with the ultimate objective to achieve the goals whereas the administrative and execution powers lie with the management team of the bank which is headed by the Managing Director & CEO. Managing Director & CEO of the Bank is paid salaries and allowances as per approval of the Board of Directors of the Bank subject to approval of Bangladesh Bank.

The bank provides only the following facilities/ benefits to the members of the Board:

- Chairman of the Board of Directors is provided with a car, telephone, office and private secretary.
- Directors are entitled and paid Meeting Attendance fees including actual travelling, fooding and lodging expenses for attending the Board of Directors Meeting, Executive Committee Meeting, Audit Committee Meeting, Risk Management Committee Meeting and Shariah Supervisory Committee Meeting.

As per BRPD Circular No. 11 dated 4th October 2015, the highest slab of Honorarium for the Board member to attend the Board meeting of any bank operating in Bangladesh has been limited to Taka 8,000/- per attendance and accordingly Social Islami Bank Limited has been paying Honorarium to the Hon'ble Director for attending Board Meeting including attending to the Executive Committee Meeting, Audit Committee Meeting and Risk Management Committee Meeting @ Taka 8,000/- per attendance.

## Board Meetings & Minutes

During the year-2022, 17 Board of Directors Meeting were held through digital platform/ Physically. Minimum one or more Board of Directors meeting may be held in every month where to discuss and review business strategy, financial performance, compliance and

governance, risk management issues etc. as well as reports on matters deliberated by the respective committees. Meetings of the Board are scheduled in advance for the Directors to plan their schedules. In addition, Special Board meetings are held when necessary, to deliberate on major transactions and ad-hoc matters that require the Board's urgent attention and decisions. Meeting papers on the proposals and reports are delivered to the Directors prior to the meetings, giving them sufficient time to evaluate the proposals and if necessary, request additional information. This enables the Board to function and discharge their responsibilities effectively. The minimum information required for the Board to make an informed and effective decision includes background, objective, key issues, rationale, financial and non-financial impact of the proposal. Directors who are unable to attend a meeting due to unavoidable circumstances are encouraged to provide feedback to the Chairman on matters to be deliberated for their views to be given due consideration at the meetings. Proceedings and resolutions are taken by the board are recorded as minutes of the meeting signed by the Chairman of the meeting and send to Bangladesh Bank. The decisions taken by the board are disseminated by the Company Secretary to whom such decision relates. Upon request of any member of the Board of Directors, copy of minutes of AGM is provided by the Company Secretary upon receipts of fees as per Articles of Association of the Bank. As per Companies Act 1994, every company is required to hold minimum 4 (four) Board of Directors meeting in a year. Since inception total 474 numbers of Board meetings were held all such meeting related papers, documents, memo, attendance & honorarium registers, minutes etc. are being maintained in good condition by the Board Secretariat of the Bank.

### **Directors' Responsibility Statements**

The major responsibilities of the Directors of the board are-

- Developing and implementing corporate strategies.
- Exercising of business judgment in good faith using general prudence for the best interest of the bank in line with bank's

Articles of Association and complying with the prevailing applicable laws and regulations.

- To set the direction, vision and policies of the bank and to determine objective and strategies to ensure the effective discharge of the bank's functions.
- Most efficient use of the bank's resources.
- Monitoring and reviewing corporate governance framework of BSEC.
- Monitoring and reviewing risk management process of the bank.
- Fixation of Business targets, reviewing business results and monitoring budgetary control.
- To evaluate the key performance indicators of the Top Executives of the bank.
- To establish and maintain effective communication system with the different regulatory bodies.
- Setting up standards and monitoring compliances with the bank's social responsibility policies and practices.
- Recommendation of appointment and re-appointment of statutory auditors of the bank along with their fees.
- To prepare and submit Directors' Report before the shareholders' in Annual General Meeting in accordance with the BSEC notification and Listing Regulations of DSE & CSE.
- Recommending shareholders to approve Financial Statements, dividend and appointment of external auditors.

### **Code of Conduct for The Board of Directors**

Social Islami Bank Limited has adopted a Code of Conducts for the all members of the Board of Directors of the Bank who shall individually be liable to sign and follow this Code of Conduct including any new members who may assume office as from this date. The Code of conduct includes all instructions /circulars/ guidelines issued by Bangladesh Bank related to the Directors and their interested group/ organization. However, followings are the general code of

conducts approved and adopted by the Board of Directors.

### **Fiduciary Duties:**

The duties imposed on Board Members are fiduciary duties, similar to those that the law imposes on those in similar positions of trust, agents and trustees;

### **Powers vs Duties:**

The duties apply to each Board Member separately, while the powers apply to the Board jointly;

### **Contribution in Meetings/Debates:**

The Board Members are expected to contribute to the debates in the Board without any personal biases or other prejudices with the conviction and belief that the outcome of every debate would be towards the advancement of the company.

### **Unfettered discretion:**

Board Members cannot without the consent of the company, fetter their discretion in relation to the exercise of their powers, and cannot bind themselves to vote in a particular way at future Board Meeting.

### **Use of corporate property, opportunity or information**

A Board Member must not, without the consent of the company, use company's assets, opportunities, or information for his/her own profit.

### **Confidentiality:**

Each Board Member must use utmost care and discretion in the handling of confidential information and other information not normally available to the public, generally coming to them by reason of their directorship, office or employment. Such information shall, subject to certain limited circumstances, not be disclosed to third parties and shall not be used for personal benefit or for the benefit of family, friends, or associates.

### **Transactions with the company:**

A Board Member shall not enter into a transaction where there is a conflict between his interest and duty without the knowledge of the Board; and it is a statutory duty of the director(s) to declare interests in relation to any

transactions, and to make proper disclosure thereof.

### **Competing with the company:**

A Board Member must not compete directly with the company without arising a conflict of interest.

A Board Member should not act as a director of any competing companies, as his/her duties to each company would conflict with each other.

### **Conflict of duty and interest**

As fiduciaries, the Board Members must not put themselves in a position where their interests and duties conflict with the duties that owe to the company;

Each and every Board Member has an obligation of loyalty to the company and should subordinate his/her personal interest when they conflict with or threaten to conflict with the best interests of the company;

Each and every Board Member shall declare all actual or potential material conflicts that may arise between their duty to (i) the company and (ii) their personal obligations, other fiduciary duties or financial interests (direct or indirect) and these conflicts shall be reported to the Chair;

A Board Member should not engage directly or indirectly, as a director, officer, employee, consultant, partner, agent or major shareholder in any business or undertaking that competes with, does business with or seeks to do business with the company;

With respect to restricted party transactions, full disclosure of material transactions shall be recorded in the board's minutes and will be transacted in accordance with legislated restrictions; and

To avoid conflicts of interest, the Board Members must do more than merely act within the law. They must conduct their affairs in such a manner that their performance will at all times bear public scrutiny. The appearance of conflict of interest as well as the conflict itself must be avoided.

### **Accepting Gifts**

No Board Member shall accept any gift, hospitality or favour offered or tendered by virtue of the position with the company;

When dealing with public officials whose responsibilities include the business of the company, acts of hospitality should be of such a scale and nature so as to avoid compromising the integrity or reputation of either the public official or the company. Such acts of hospitality should be undertaken in the expectation that they could well become a matter of general knowledge and public record.

### **Affirmation & Compliance of The Code**

- All Board Members shall read this Code at least annually, and shall certify in writing that they have done so and that they understand the Code;
- Annual compliance of the code by all Board Members shall be recorded in a meeting of the Board of Directors;
- This document is applicable with immediate effect;
- The Board shall have the authority to make amendment to this document at any time; and
- The Company Secretary of the bank has submitted a declaration before the Board of Directors and affirmed that all the member of the Board of Directors have complied with the code of conducts as were determined by the Board.
- The following Terms of Reference (TOR) (defining the roles, responsibilities and duties) for the Chairman may be framed in line with the provisions of the Articles of Association of the Bank, BRPD Circular No.11 dated 27.10.2013 and other usual practices:

### **Terms of Reference (TOR) of The Chairman**

The following Terms of Reference (TOR) (defining the roles, responsibilities and duties) for the Chairman may be framed in line with the provisions of the Articles of Association of the Bank, BRPD Circular No.11 dated 27.10.2013 and other usual practices:

### **The Chairman as per the Articles of Association**

- The Directors shall select a Chairman from amongst themselves;
- If at any meeting of the Board, the Chairman be not present at the time appointed for holding the same, such meeting shall be presided over by Vice-Chairman, if any, and if none be present the Directors present shall elect Chairman to preside over that meeting;
- All meetings of the Board and Shareholders shall be presided over by the Chairman;
- The Chairman may call a meeting of the Board of Directors of the Company;
- The Chairman may call a meeting of the Board of Directors on shorter notice than seven clear days as he may deem fit;
- In case of equality of votes in a Meeting of the Board of Directors, the Chairman shall have a second or casting vote;
- The minutes of a Meeting of the Board of Directors or of the Shareholders shall be signed by the Chairman of the meeting to which it relate or by the Chairman of the succeeding meeting.

### **Roles & Responsibilities of The Chairman**

As per BRPD Circular No.11 dated 27.10.2013

1. As the Chairman of the Board of Directors (or Chairman of any Committee formed by the Board of Directors) does not personally possess the jurisdiction to apply policy making or executive authority, he shall not participate in or interfere into the administration or operational and routine affairs of the bank.
2. The Chairman may conduct on-site inspection of any branch or financing activities under the purview of the oversight responsibilities of the Board. He may call for any information relating to bank's operation or ask for investigation into any such affairs; he may submit such information or investigation report to the meeting of the Board or the Executive Committee and if deemed necessary, with the approval of

the Board, he shall take necessary action thereon in accordance with the set rules through the CEO. However, any complaint against the CEO shall have to be apprised by the Bangladesh Bank through the Board along with the statement of the CEO.

3. Chairman of the Board of Directors may be provided with a car, telephone, office and private secretary.

### **Roles & Responsibilities of The Chairman As Per Usual Practices**

The duties of the Chairman, which is a non-executive role, arise from his senior most position in the Company and his responsibility for presiding over the official business of the Company and the Board.

#### **A. While Working with The Board, The Chairman Shall**

- i. ensure that the Board has full governance of the Company's business and affairs and that the Board is alert to its obligations to the Company, shareholders, Management and other stakeholders under the law;
- ii. set the agenda for discussion at Board Meetings and General Meetings and ensure that adequate time is available for discussion of agenda items;
- iii. set the frequency of the Board meetings and review such frequency from time to time as considered appropriate or as requested by the Board;
- iv. chair all Board meetings and manage the business of the Board ensuring that the Board adopts a prompt and constructive approach to make decisions;
- v. provide strong leadership of the Board and assist it in reviewing and monitoring the aims, strategy, policy and directions of the Company;
- vi. communicate with the Board to keep it up-to-date on all major developments, including avoiding surprises through timely discussion of potential developments and ensuring the Board has sufficient knowledge to permit

it to comfortably and properly make major decisions when such decisions are required;

- vii. recommend the committees of the Board and their composition, review the need for and the performance and suitability of those committees, and make such adjustments as are deemed necessary from time to time;
- viii. ensure that Board and committee meetings are conducted in an efficient, effective and focused manner;
- ix. ensure that the corporate governance of the company is maintained in line with appropriate practice policies agreed by the Board;
- x. annually review Board Governance and performance of the Board (leading the process for the Board's annual performance evaluation and the evaluation of its committees and individual directors and acting on the results of such evaluation by recognizing the strengths and weaknesses of the Board);
- xi. be the contact person for the expression of individual director concerns;
- xii. foster a culture of openness and engagement by facilitating the effective contribution of all directors, in particular non-executive directors and ensuring constructive relations between executive and non-executive directors;
- xiii. ensure that new directors participate in a full, formal and tailored induction program and that the development needs of the directors and the Board as a whole are identified and are met to enhance the effectiveness of the Board; and
- xiv. be available to assist committee chairs in carrying out their responsibilities and in addressing their concerns.

#### **B. While Working with The Management, The Chairman Shall**

- i. (act as the principal of the board and counsellor for the MD/CEO, including helping to define problems, review strategy, maintain accountability, build



relationships, and ensure the MD/CEO is aware of concerns of the Board, shareholders and other stakeholders;

- ii. keep under review with the Board the general progress and long-term development of the company and ensuring that effective strategic planning for the company is undertaken by the MD/CEO and endorsed by the Board after discussion, consistent with creating shareholder value and promoting the long term success of the company for the benefit of its members as a whole;
- iii. ensure the submission to the Board by the MD/CEO of objectives, policies and strategies for the company, including the company business plan and the annual budget;
- iv. monitor progress towards timely and effective achievement and implementation of the objectives, policies and strategies set by the Board and ensure that appropriate decisions are taken promptly by or on behalf of the Board;
- v. lead the Board in
  - a. formally appraising, monitoring and evaluating the performance of the MD/CEO and make appropriate recommendations to the Remuneration Committee;
  - b. ensuring accountability of the MD/CEO;
  - c. ensuring the implementation of the succession and development plans by the MD/CEO; and
  - d. as appropriate, review with the MD/CEO his recommendations on performance and remuneration of senior executives;
- viii. work with the MD/CEO and Company Secretary to co-ordinate the agenda, information packages and related events for Board meetings.
- ix. ensure that there is appropriate delegation of authority from the Board to Executive Management;
- x. provide advice to the MD/CEO on the allocation of duties to individual directors and assignment

of adhoc responsibilities or special tasks to directors or groups of directors;

### **C. Recognizing The MD/CEO As The Primary Spokesperson, The Chairman Shall**

1. chair all meetings of shareholders;
  2. undertake public service as agreed with the MD/CEO in connection with the Company's charitable, educational and cultural activities;
  3. participate with MD/CEO, as appropriate, in corporate relations, including relations with the shareholders, customers, government, other companies, the media and stakeholders generally; and hold meetings with the non-executive directors.
- This document is applicable with immediate effect.
  - The Board shall have the authority to make amendment to this document at any time.

### **Role of The Chairman And Managing Director & CEO Are Independent**

The Chairman of the Board is not the Managing Director & CEO of the Company. The role of Chairman and the Managing Director & CEO are independent and detached from each other.

### **Role, Responsibilities & Power of The Managing Director & CEO**

Roles, responsibilities and powers conferred of the Managing Director & CEO of Social Islami Bank Limited has been conferred by the BRPD Circular No. 18 dated

27.10.2013. Apart from that, Managing Director & CEO of SIBL shall discharge the following roles, responsibilities and duties as per Articles of Association of the Social Islmai Bank Limited and usual practices-

### **The MD/CEO as per the Articles of The Association**

- The Managing Director & CEO of the company appointed by the Board and

approved by Bangladesh Bank;

- The Managing Director & CEO of the Company shall be accountable to the Board and shall discharge his functions and duties subject to supervision of the Board of Directors; and
- The MD will be an Ex-officio Member of the Board without having any voting power and he shall not need to have any qualification share.

### **General Roles & Responsibilities**

- The General Roles and Responsibilities of the Managing Director & CEO shall be-
- To act as the Chief Executive Officer reporting to the Board of Directors;
- To remain accountable to the Board for the overall performance of the company and for the day-to-day operation and management of the company's business, under the authority delegated by the Board from time to time;
- To develop and present strategic and annual business plans, rules, regulations and systems for legal functioning of the organization to the Board for approval;
- To implement the Board's policies and strategies and deliver the strategic plan in the most effective and efficient manner;
- To report to the Board on progress against the strategic and annual business plans on a regular basis. Typically, reporting against the annual plan will be monthly, while reporting against the strategic plan will be less frequent, although it should be at least two or three times a year;
- To coordinate the overall management, administration, corporate planning and business development;
- To ensure the compliances of Laws, Rules and Regulations and for Good Corporate Governance;
- To supervise all technical, financial and welfare aspects of the organization, negotiations with sources of credit/fund, and listing in the stock exchange(s);

- To manage the day-to-day operations of the company Manage, motivate, develop and lead members of the Management Team;
- To manage resources efficiently and effectively to achieve the company's

### **Objectives**

- To lead the Local Management Team of the Company and chair Management Team meetings;
- To take a leadership role in establishing the company's culture and values;
- To ensure that there is a fit between strategy and culture, and the company's processes and structure;
- To ensure that appropriate internal audit and internal control processes and procedures are in place (in liaison with Head of Internal Audit, External Auditors and Board Audit Committee);
- To develop and implement a risk management plan; and
- To ensure that there is a succession plan in place.

The Board has the authority to make amendment to the above rules, responsibilities and document at any time.

### **Other Committee of The Board**

Along with the board, SIBL has some other committees to assist the board in taking proper decision to run the bank efficiently. The committees are mentioned below

1. Executive Committee
2. Audit Committee
3. Risk Management Committee
4. Nomination and Remuneration Committee (NRC) is yet to form as Bangladesh Bank has not issued any guidelines regarding this.

Policy for the employees remuneration and fringe benefits are proposed by a committee comprised with the top management of the bank. Then the proposal is reviewed and finalized by the board.



## Terms of reference (TOR) for the Company Secretary, the Chief Financial Officer and the Head of Internal Control and Compliance

### Terms of Reference (TOR) for The Company Secretary

#### 1. Appointment, reporting relationships and accountability

- The Company Secretary is an employee of the Company who;
- reports administratively to the Managing Director & CEO and operationally to the Chairman of the Board;
- is also accountable to the Board of Directors;
- acts in the capacity of Secretary to the Board and its Committees;
- is responsible for providing strategic and operational support to the Board by providing resources and information links among the Board, Management and the Shareholder, with particular emphasis on facilitating the flow of information;
- is also responsible for maintaining effective working relationships with the Board Chairman, Committee Chairs, individual Directors and Management;
- must have a broad understanding of the organization and its operations to effectively carry out his/her responsibilities.

#### 2. Duties and responsibilities

##### Regarding Management of Board and Committee Meetings

##### The Company Secretary shall –

- Initiate the development of agenda for Board and Committee Meetings in consultation with the Board Chair, Committee Chairs and Management;
- Facilitate in consultation with Chairman,

Committee Chairs or MD/CEO, Notification of meetings, preparation and distribution of agenda items etc. and ensure that;

- Facilitate the practical arrangements for a Board meeting or Committee meeting, such as meeting room, transports, lunch/dinner/tea etc. as required;
- Attend Board and Committee meetings, and provide advice to the Chairman to support effective functioning of the Board or Committee and adherence to proper meeting procedure;
- Prepare accurate, complete minutes of meetings;
- Where required, prepare and submit to the Directors accurate and complete proposal for written resolutions;
- Arrange for signatures of minutes and written resolutions;
- In conjunction with management, clearly communicate directives from the Board and Committees to the person responsible for carrying out the directives;
- Retain and safeguard the official Minute books and Corporate documents;
- Verify and Authorize Director's expenses for performance of Board-related duties;
- Review all minutes for consistency, appropriateness of recorded decisions and issues with broader implications;
- Ensure that the record of minutes is at all times up to date;
- Act as a Secretary for all Board and Committee meetings.

## Corporate Governance Services

### The Company Secretary shall –

- Provide expertise and work with the Board Chairman to implement best practices in corporate governance by the Board and its Committees;
- Provide advice and guidance to Directors and management regarding policies, directives and processes regarding corporate governance and tax issues related to the Board and Directors;
- Be responsible for promoting strong corporate governance practices within the organization;
- Draft and maintain all governance documentation including the Governance Manual in collaboration with the Board Chair;
- Work with the Board Chair to ensure continuous improvement of the Board of Directors;
- Keep up to date on evolving corporate governance practices and trends;
- Promote the role and responsibility of the Company Secretary both within the organization and externally, building networks to share ideas, discussing new trends in corporate governance and best practice;
- Refer issues for legal review and opinions as required and may be directed to obtain advice on behalf of the Board;
- Act as custodian for Company's corporate and historical records, meeting minutes and related Board information;
- Maintain a record of consolidated Board motions.

### Board Evaluation & Succession Planning Processes

The Company Secretary shall assist the Board and/or Committees-

- In evaluating and reporting on corporate governance commitments and the mandates

of the various Committees;

- In implementing and reporting on the annual processes to assess the performance of the Board, Committees, Chairs and individual Directors;
- In implementing and reporting on the annual performance evaluation of the CEO;
- Facilitating Board appointment and renewal processes, and addressing Committee structures, composition and mandates;
- In identifying and communicating any skill requirements for making recommendations to fill Board vacancies;
- Identifying and communicating the professional development needs of Directors.

### Policy Framework

The Company Secretary is responsible for-

- Overseeing the organization's Policy Framework as approved by the Board;
- Providing advice and guidance to the Board, the MD/CEO and management on compliance with that framework.

### Duties and Responsibilities: Board Budget

The Company Secretary shall manage the Board budget and review and ensure the effective administration of Board expenditures including compliance with entitlements.

### Transparency

The Company Secretary supports the Board's commitment to transparency by-

- Ensuring continuous disclosure of the governance framework;
- Ensuring all external reporting requirements are met including in relation to the disclosure of Board meeting attendance, Board remuneration and expenses;
- Ensuring that the appropriate controls are in place in relation to access to board information;

- Ensuring the preparation of governance related materials for the Service Plan and Annual Service Plan Report in collaboration with the Board Chair.

## Communication

### The Company Secretary shall –

- Be the liaison between the Board and the MD/CEO and Management and is the main contact for Directors;
- Promote a strong and effective working relationship between the Board and management;
- At the direction of the Board Chair, provide Directors with timely information between Board Meetings;
- Ensure that all Directors have all the necessary information to discharge their responsibilities;
- Ensure that all Directors receive the same information to support the cohesive working relationship of the Board;
- Develop templates and guidelines to support the

### Preparation of appropriate briefing material;

- Ensure that the appropriate tools and mechanisms are in place to manage Board information and communication to ensure that Directors are able to properly discharge their responsibilities;
- Ensure that the appropriate technical support is available to the Board in relation to any online or paperless communication platforms;
- Support the MD/CEO in ensuring that all decisions made by the Board, or the Board Chair, are clearly communicated to management in a timely manner and that all consequential actions are taken by the organization;
- Additionally ensure the confidentiality of Board materials, records and deliberations as appropriate, or as directed by the Board Chair.

## Code of Conduct & Conflict of Interest

- The Company Secretary shall administer the Code of Conduct of the Board Members and advise the Board Chair in respect of any matters where conflict, potential or real, may occur between the Board and its Members;
- If there is a conflict of interest, actual or potential, on any particular matter, between the Company Secretary's administrative or managerial responsibilities within the Company and his/her responsibilities as a secretary to the Board, it is his responsibility to draw it to the attention of the Board.

## Statutory & Legal Matters

### The Company Secretary shall -

- Keep under close review all legislative, regulatory and corporate governance developments that might affect the Company's operations, and ensure the Board is fully briefed on these and that it has regard to them when taking decisions;
- Ensure proper and timely documentary filings and fulfilment of disclosure requirements to statutory authorities under applicable legislation and policy;
- Ensure that the standards and disclosures required by the different statutes are observed and, where required, reflected in the annual report of the directors;
- Make arrangements for and manage the process of the General Meetings;
- Maintain the Company's books and records and ensure the security and application of the Company's Common Seal;
- Perform such other duties which usually pertain to the Company Secretary or which may be from time to time be prescribed by the Board or be required by law.

## Special Projects

As directed and approved by the Board and its committees, the Company Secretary will undertake special projects ensure that the Board have sufficient information on the resources

required to complete any proposed special projects.

## **Terms of Reference (TOR) for The Chief Financial Officer (CFO)**

### **1. Appointment, Reporting Relationships and Accountability**

The CFO is a Senior Executive of the Company who

- Reports to the Chief Executive Officer (CEO);
- Is also accountable to the Audit Committee;
- Must have a broad understanding of the organization and its operations to effectively carry out his/her responsibilities.

### **2. Roles, Responsibilities and Duties of the CFO**

The CFO, on behalf of the Board of Directors, is responsible for

- Following applicable Accounting Standards and Financial Reporting Standards like IAS, BAS, IFRS and BFRS, and adequate disclosure for any departure there-from, if any;
- Compliance with application of appropriate accounting policies, and ensuring that accounting estimates are reasonable and prudent;
- Providing close cooperation in establishing effective internal financial control environment.
- As a Senior Executive, the CFO is responsible for leadership and management of the Company's finance and accounting functions and is responsible for
  - i. The Company's business planning, budgeting and forecasting processes, including coordination and integration of strategic and business plans for business segments, departmental cost centers and capital budgets;
  - ii. The integrity of the Company's

accounting systems, sub-systems, internal controls, fund management, and managing the relationship with the external auditors;

- iii. The Company's financial and business reporting, tax planning, estimating and reporting, and regulatory reporting (corporate and securities);
- iv. Management relationships with the Company's bankers and investors, and leasing companies. Responsibility for capital planning and structure and the raising of equity or debt to fund the Company's operations, investment analysis/ presentations, and tracking of the Company's market valuation;
- v. The financial analysis function which addresses product contribution and pricing/ margins, the vetting of business cases and post reviews of completed/implemented initiatives, business analysis, operational efficiency and organizational and system capacity modelling/utilization;

### **3. As a member of the senior management of the Company, the CFO shall**

#### **i. Assist the CEO**

- a. Representing the Company in dealings with government and regulatory bodies;
  - b. Maintaining relationships with outside agencies and strategic partners;
  - c. Maintaining a policy of on-going communication with investors and representatives of the investment community.
- ii. Meet regularly and as required with the CEO to review material issues and to take reasonable steps to ensure that the CEO is provided in a timely manner with all the information he/she requires to fulfill his/her statutory and other obligations;
  - iii. Carry out analysis of assets and liability and submit recommendations to the management on a quarterly basis;

- iv. Recommend to the Management on how to match assets and liabilities according to short term and long term plan.
- The CFO shall have the following Responsibilities towards the Board of Directors
  - i. To attend the board meetings and be part of the discussion having financial implication on relevant issues
  - ii. To present to the board of directors information on the following in order to strengthen and formalize corporate decision- making process
    - a. Annual business plans, cash flow projection, forecasts and long term plans
    - b. Budget including capital, manpower and overhead budgets along with variance analysis
    - c. Quarterly operating results of the Company as a whole and in terms of its business segments

#### **4. The CFO shall have Responsibilities towards**

Shareholders to provide all the necessary data to be presented in the "Director's Report" and for this purpose CFO must ensure the following

- a. The financial statement, prepared by the management of Company, present fairly its states of affairs, the result of its operations, cash flows and changes in equities
- b. Proper books of accounts of the Company have be en maintained by the relevant units and that operation & computer controls are in place
- c. Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment
- d. International accounting standards, as applicable in the country, have been followed in preparation of financial

statements and any departure there from has been adequately disclosed

- e. There has been no material departure from the best practice of corporate governance as detailed in the listing regulations or applicable guidelines
- f. Internal and External Reporting

#### **5.As a part of routine work, the CFO shall responsible for overseeing**

- vi. Coordination with the internal auditors for statutory auditing
- vii. Asset Liability Management
- viii. Treasury division
- ix. Monitoring Cash Flows
- x. Consulting with other departments, businesses units and or affiliated companies to improve financial performance
- xi. Strategic financial planning/ capital budgeting
- xii. Cash forecasting
- xiii. Financial risk management
- xiv. Cash Management
- xv. Short term investing
- xvi. Short term borrowing
- xvii. Budgeting and Accounting
- xviii. Designing a proper financial Model for the Business Plan
- xix. Based on data received from respective departments, carrying out analysis on
- xx. Cost of fund
- xxi. Interest rates (both for deposits and lending)
- xxii. Identifying major profit and cost centers
- xxiii. Maintenance of Investment in shares and securities
- xxiv. Preparation of Financial Statements

## **6. The CFO has extensive responsibilities for internal and external reporting, particularly**

- g. All the financial information required for decision-making by the Board of Directors and Chief Executive Officer is processed and furnished by the CFO.
- h. External reporting requirement is fulfilled by CFO, the accounts and financial statements are signed by the CFO before they are sent to concerned authorities.

## **Terms of Reference (TOR) for The Head of Internal control and Compliance**

### **1. Appointment, Reporting Relationships and Accountability**

The HOIA is an employee of the Bank who-

- Reports administratively to the Chief Executive Officer (CEO) and operationally to the Chairman of the Audit Committee;
- Is also accountable to the Audit Committee;
- Is responsible primarily for giving assurance on the internal control arrangements in the Company and playing a key role in promoting good corporate governance;
- Must have a broad understanding of the organization and its operations to effectively carry out his/her responsibilities.

### **2. Roles, Duties and Responsibilities**

Roles, Duties and Responsibilities of the HOIA shall include-

#### **i. Audit Planning/Design**

- To develop an annual audit plan using input from the team and stakeholders to identify priorities and resource requirements for the year to cover audit of all the activities of the Company;
- To meet with Directors and Managers to discuss needs and propose audits, to build stakeholder

requirements into department plans;

- To ensure plan is developed to meet the Audit Committee's expectations;
- To schedule and assign audits to team members ensuring effective and efficient use of resources;
- To ensure quality control of the team's audit plans on an ongoing basis by reviewing and approving plans as they are developed and communicated to clients;
- To ensure annual audit plans have contingency built in, to provide unexpected audits to clients as they may surface;
- To report to the Audit Committee at the required intervals on Internal Audit assignments including planned reviews, investigations, risk advisory work and any other ad-hoc activity as required.

#### **ii. Conducting Audits**

- To oversee and provide quality control for the internal audits, to ensure departmental mandate and business goals are met and that professional standards are maintained at all times.
- To ensure completion of audit assignments to provide independent, objective assurance to the Audit Committee.
- To develop the team's engagement with and support of major business change programs thus ensuring that appropriate consideration of risk and control is given to all change.

#### **iii. Reporting**

- To ensure that internal audit reports are prepared and finalized in a timely manner and the same are submitted before the Audit Committee;
- To ensure that internal audit reports are issued with all recommendations agreed and accepted by the audited individual/unit.

#### **iv. People Management & Development**

- To manage and oversee team performance through performance



planning, coaching and performance appraisals;

- To hold direct reports accountable for managing and developing their assignments to ensure the department's goals are achieved;
- To provide ongoing feedback to the team to ensure they develop the skills and competencies required for effective planning and individual professional and personal career growth;
- To motivate and inspire the team by providing them with the information and tools they need to do their jobs well and meet customer expectations;
- To deal with performance issues, discipline as necessary and address poor standards, ensuring department targets and customer satisfaction is not compromised;
- To manage the head count, recruiting and deploying resources as required, to ensure the department budget is balanced and the right mix of skills and strengths are being leveraged as effectively as possible.

**v. Improving the Practice of Audits/  
Championing Risk Management**

- To build relationships with leaders across the organization to understand issues and identify areas for improvement for the organization as a whole;
- To support and encourage team members to be proactive in identifying opportunities

to share best practice with Directors and Managers to improve the control environment;

- To develop new methodologies to improve the audit process, making it easier for the organization to request audits and implement recommendations;
- To provide assistance to the business in meeting regulatory requirements;
- To keep abreast of developments in Corporate Governance practices and advise the business accordingly.

**vi. General**

- To perform any other duties as are within the scope, spirit and purpose of the job, the title of the post and its grading as requested by the line manager or Head of Unit/ Section/ Department/ Division.



## Report of the Audit Committee

(This Annexure shall be forming the integral part of the Directors' Report)

The Audit Committee of the Board was duly constituted by the Board of Directors of the Bank and reconstituted in the 412th Board of Directors Meeting held on 21.03.2018 in compliance with the Bangladesh Bank and Bangladesh Securities Exchange Commission Guidelines (Now, Corporate Governance Code). The Audit Committee assists the Board

in fulfilling its oversight responsibilities where accountability stands for financial reporting process, Internal Control System, Internal and External audit process, management of the risks of the Bank. The Committee review, monitor and assess the activities & performance of the Bank and establish the policies and procedures which comply with the existing laws & regulations.

### Following Directors are the members of the Audit Committee for the Year 2022:

Sl. No.	Name	Status in the Bank	Status in the Committee
01	Professor A J M Shafiul Alam Bhuiyan, Ph.D	Independent Director	Chairman
02	Mr. Md. Kamal Uddin	Director	Member
03	Dr. Md. Jahangir Hossain	Director	Member

### Meetings of the Audit Committee:

The Audit Committee had 155 nos. (One hundred fifty five) Meetings in the previous years since inception in the year 2003, out of which 06 Meetings were conducted in the Year 2022 and the attendance of the members was as follows:

Sl. No.	Name	No. of Meetings Held	No. of Meetings Attended
01	Professor A J M Shafiul Alam Bhuiyan, Ph.D	06	06
02	Mr. Md. Kamal Uddin	06	06
03	Dr. Md. Jahangir Hossain	06	06

### Disclosure by Audit Committee:

- The Committee reviewed annual financial statement of the Bank for the year ended 2021 as certified by the External Auditors before submission to the Board for consideration.
- Reviewed un-audited quarterly (Q1, Q2 and Q3) financial statements of the Bank for the year 2022 before submission to the Board for consideration.
- The Committee reviewed the integrity of the financial statements of the Bank to ensure that these reflect a true and fair view of the Bank's statement of affairs.
- The Committee while reviewing the financial statements ensured that proper disclosure required under International Accounting Standards as adopted in Bangladesh have been made and also complied with the Companies Act and various other rules and regulations applicable for business.
- The Committee discussed with the statutory auditors about the nature and scope of audit as well as had post-audit discussions to address areas of concern.
- The Committee discussed and reviewed compliance position of inspection report on "Core Risk Management" conducted by Bangladesh Bank based on 30 June 2021

and the "Management Letter on financial statements for the year ended 31 December 2021" of SIBL submitted by the external auditors for onward submission to the Board.

- The Committee also reviewed the financial statements/investments of the subsidiaries: SIBL Securities Limited and SIBL Investment Limited.
- Pursuant to Condition No. 5(6).a (i) of the Corporate Governance Code issued by BSEC, the Committee reviewed the Internal Control System and Financial Statements. The Committee observed that there was no conflict of interest or material defect in the internal control system of the Bank.
- The Committee reviewed the Integrated Annual Health Report for the year 2021 and recommended to the Board for consideration and approval.
- The Committee approved the internal audit plan and gave direction to the internal auditors where appropriate for carrying out in depth audit to ensure that the company or its assets are not exposed to undue risk.
- The Committee reviewed the Internal Auditors Reports and suggested appropriate actions where needed. The Internal Auditors were advised to carryout audit of all the branches of the Bank.
- The Committee reviewed ICCD Manual for the year 2022 and suggested appropriate actions where needed. The Internal Auditors were advised to carry out the instruction of

the ICCD Manual.

- The Committee recognized the observations of the Internal Audit Division regarding internal control, activities and suggestions made to improve operational systems and procedures and their implementation.
- The Committee reviewed the compliance position, policies, regulations and applicable law in general.
- The Committee observed that risk management associated with the banking business was adequately controlled.

On behalf of the Board Audit Committee



**Professor A J M Shafiul Alam Bhuiyan, Ph.D.**  
Chairman

# Declaration by the Chief Executive Officer & Chief Financial Officer to the Board

(This Annexure shall be forming the integral part of the Directors' Report)

April 26, 2023

The Board of Directors  
Social Islami Bank Limited  
City Center, 90/1 Motijheel C/A Dhaka-1000

## **Sub: Certification by Managing Director & CEO and Chief Financial Officer (CFO) regarding Financial Statements for the year ended on 31st December, 2022**

Pursuant to Condition # 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 Social Islami Bank Limited for the year ended on December 31, 2022 have been prepared in compliance with International Accounting Standards (ISA) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there has been adequately disclosed;
2. The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order to the financial statements to reveal a true and fair view;
3. The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
4. To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
5. Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the company were consistently followed; and
6. The management's use of the going concerns basis of accounting in preparing the financial statements is appropriate and there exists no materials uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regards, we also certify that:

- i. We have reviewed the financial statements for the year ended on 31st December, 2022 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 a 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 violation of the code of conduct for the company's Board of Directors or its members



**(Zafar Alam)**  
Managing Director & CEO



**(Mohammad Shoeb, FCA)**  
Chief Financial Officer

## Compliance Report under Condition No 9.00 Of BSEC

### Compliance Report on BSEC'S Notification

(This Annexure shall be forming the integral part of the Directors' Report)

Status of Compliance with the conditions imposed by the Bangladesh Securities and Exchange Commission's Notification No. SEC/CMRRCD/2006-158/207/Admin/80 dated 3 June, 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
<b>1.00</b>	<b>Board of Directors</b>			
1.1	Size of the Board of Directors: The total number of members of a company's Board of Directors (herein after referred to as "Board") shall not be less than 5 (five) and more than 20 (twenty)	✓		
<b>1.2</b>	<b>Independent Director</b>			
1.2(a)	At least one-fifth (1/5) of the total number of directors in the company's Board shall be independent directors	✓		
1.2(b)(i)	Do not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company	✓		
1.2(b)(ii)	Do not a sponsor of the company or is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the company	✓		
1.2(b)(iii)	Who has not been an executive of the company in immediately preceding 2 (two) financial years	✓		
1.2(b)(iv)	Does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies	✓		
1.2(b)(v)	Independent directors are not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange	✓		
1.2(b)(vi)	Independent director is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1.2(b)(vii)	Independent director is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code	✓		
1.2(b)(viii)	They are not the Independent directors in more than 5 (five) listed companies	✓		
1.2(b)(ix)	Who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or a Non-Bank Financial Institution (NBFI)			
1.2(b)(x)	Who has not been convicted for a criminal offence involving moral turpitude;	✓		
1.2(c)	The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM)	✓		
1.2(d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days			
1.2(e)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) tenure only. A former independent director may be considered for re appointment for tenure after a time gap of one tenure. The independent director shall not be subject to retirement by rotation as the Companies Act, 1994.	✓		
<b>1.3</b>	<b>Qualification of Independent Director (ID)</b>			
1.3(a)	Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to the business.	✓		
1.3(b)	Independent director shall have following qualifications:	✓		
1.3(b)(i)	Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or business association	✓		
1.3(b)(ii)	Corporate leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid-up capital of Tk.100.00 million or of a listed company	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1.3(b)(iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or Law	✓		
1.3(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law	✓		
1.3(b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification	✓		
1.3(c)	The independent director have at least 10 (ten) years of experiences in any field mentioned in clause (b)	✓		
1.3(d)	In special cases, above qualifications or experiences may be relaxed subject to prior approval of the Commission.	✓		
<b>1.4</b>	<b>Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer</b>			
1.4 (a)	The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals	✓		
1.4 (b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company	✓		
1.4 (c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company	✓		
1.4 (d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer	✓		
1.4 (e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non executive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	✓		
<b>1.5</b>	<b>Directors report to shareholders</b>			
1.5(i)	Industry outlook and possible future developments in the industry	✓		
1.5(ii)	Segment-wise or product-wise performance	✓		
1.5(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1.5(iv)	Discussion on cost of goods sold, gross profit margin and net profit margin	✓		
1.5(v)	Discussion on continuity of any Extra-Ordinary gain or loss			No such event arose
1.5(vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions	✓		
1.5(vii)	Utilization of proceeds from public issues, right issues and/ or through any others instruments	✓		
1.5(viii)	An explanation if the financial results deteriorate after the company goes for IPO, RPO, Rights Offer, Direct Listing etc.			No such event arose
1.5(ix)	Explanation on significant variance occurs between Quarterly Financial performance and Annual Financial Statements	✓		
1.5(x)	Remuneration to directors including independent directors	✓		
1.5(xi)	The financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity	✓		
1.5(xii)	Proper books of account of the issuer company have been maintained	✓		
1.5(xiii)	Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment	✓		
1.5(xiv)	International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed	✓		
1.5(xv)	The system of internal control is sound in design and has been effectively implemented and monitored	✓		
1.5(xvi)	Minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress	✓		
1.5(xvii)	There is no significant doubt upon the issuer company's ability to continue as a going concern, if the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed	✓		



Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1.5(xviii)	Significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained	√		
1.5(xix)	Key operating and financial data of at least preceding 5 (five) years shall be summarized	√		
1.5(xx)	If the issuer company has not declared dividend (cash or stock) for the year	√		
1.5(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend	√		
1.5(xxii)	The total number of Board meetings held during the year and attendance by each director	√		
<b>1.5 (xxiii)</b>	<b>Report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:</b>			
1.5(xxiii)(a)	Parent or Subsidiary or Associated Companies and other related parties (name-wise details)	√		
1.5(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name-wise details)	√		
1.5(xxiii)(c)	Executives	√		
1.5(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details)	√		
<b>1.5(xxiv)</b>	<b>In case of the appointment or reappointment of a director, a disclosure on the following information to the shareholders:</b>			
1.5(xxiv)(a)	A brief resume of the director	√		
1.5(xxiv)(b)	Nature of his or her expertise in specific functional areas	√		
1.5(xxiv)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the Board	√		
<b>1.5(xxv)</b>	<b>A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on</b>			
1.5(xxv)(a)	Accounting policies and estimation for preparation of financial statements	√		
1.5(xxv)(b)	Changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes	√		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1.5(xxv)(c)	Comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof	√		
1.5(xxv)(d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario	√		
1.5(xxv)(e)	Briefly explain the financial and economic scenario of the country and the globe;	√		
1.5(xxv)(f)	Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company	√		
1.5(xxv)(g)	Future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explain to the shareholders in the next AGM	√		
1.5(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A	√		
1.5(xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C	√		
<b>1.6</b>	<b>Meetings of the Board of Directors</b>			
1.6	The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.	√		
<b>1.7</b>	<b>Code of Conduct for the Chairperson, other Board members and Chief Executive Officer</b>			
1.7(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the chairperson of the Board, other board members and Chief Executive Officer of the company;	√		
1.7(b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency.	√		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
<b>2.00</b>	<b>Governance of Board of Directors of Subsidiary Company</b>			
2 (a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company	✓		
2 (b)	At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company	✓		
2 (c)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company	✓		
2 (d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also	✓		
2 (e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	✓		
<b>3.00</b>	<b>Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance(HIAC) and Company Secretary (CS)</b>			
<b>3.1</b>	<b>Appointment</b>			
3.1 (a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC);	✓		
3.1 (b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals	✓		
3.1 (c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time	✓		
3.1 (d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS	✓		
3.1 (e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s)	✓		
<b>3.2</b>	<b>Requirement to attend Board of Directors' Meetings</b>			
3.2	The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board:	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
<b>3.3</b>	<b>Duties of Managing Director (MD) or Chief Executive Officer(CEO) and Chief Financial Officer (CFO)</b>			
3.3(a)	The MD or CEO and CFO shall certify to the board that they have reviewed financial statements for the year and that to the best of their knowledge and belief			
3.3(a)(i)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading	✓		
3.3(a)(ii)	These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;	✓		
3.3(b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members	✓		
3.3(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	✓		
<b>4</b>	<b>Board of Directors' Committee: For ensuring good governance in the company, the Board shall have at least following sub-committees:</b>			
4 (i)	Audit Committee	✓		
4 (ii)	Nomination and Remuneration Committee.			Unresolved Issue
<b>5</b>	<b>Audit Committee</b>			
5.1	Responsibility to the Board of Directors	✓		
5.1 (a)	The company shall have an Audit Committee as a subcommittee of the Board	✓		
5.1 (b)	The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business	✓		
5.1 (c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing	✓		
<b>5.2</b>	<b>Constitution of the Audit Committee</b>			
5.2 (a)	The Audit Committee shall be composed of at least 3 (three)members;	✓		
5.2 (b)	The Board shall appoint members of the Audit committee who shall be non-executive directors of the company excepting Chairperson of the Board and shall include at least1 (one) independent director;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
5.2 (c)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience;	✓		
5.2 (d)	When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee	✓		
5.2 (e)	The company secretary shall act as the secretary of the Committee	✓		
5.2 (f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	✓		
<b>5.3</b>	<b>Chairperson of the Audit Committee</b>			
5.3 (a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director;	✓		
5.3 (b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b). And the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	✓		
5.3 (c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM): Provided that in absence of Chairperson of the Audit Committee, any other member from the Audit Committee shall be selected to be present in the annual general meeting (AGM) and reason for absence of the Chairperson of the Audit Committee shall be recorded in the minutes of the AGM.	✓		
<b>5.4</b>	<b>Meeting of the Audit Committee</b>			
5.4 (a)	The Audit Committee shall conduct at least its four meetings in a financial year.	✓		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
5.4 (b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two-third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.	√		
<b>5.5</b>	<b>Role of Audit Committee</b>			
5.5 (a)	Oversee the financial reporting process;	√		
5.5 (b)	Monitor choice of accounting policies and principles	√		
5.5 (c)	Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report	√		
5.5 (d)	Oversee hiring and performance of external auditors;	√		
5.5 (e)	Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption	√		
5.5 (f)	Review along with the management, the annual financial statements before submission to the Board for approval	√		
5.5 (g)	Review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval	√		
5.5 (h)	Review the adequacy of internal audit function	√		
5.5 (i)	Review the Management's Discussion and Analysis before disclosing in the Annual Report	√		
5.5 (j)	Review statement of all related party transactions submitted by the management	√		
5.5 (k)	Review Management Letters or Letter of Internal Control weakness issued by statutory auditors;	√		
5.5 (l)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors	√		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
5.5 (m)	Oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission			N/A
<b>5.6</b>	<b>Reporting of the Audit Committee</b>			
<b>5.6(a)</b>	<b>Reporting of the Board of Directors</b>			
5.6 (a)(i)	The Audit Committee shall report on its activities to the Board.	✓		
5.6 (a)(ii)(a)	The Audit Committee shall immediately report to the Board on the following findings report on conflicts of interests			
5.6 (a)(ii)(b)	Suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements;			No Such incident arose
5.6 (a)(ii)(c)	Suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations			No Such incident arose
5.6 (a)(ii)(d)	Any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately			No Such incident arose
5.6 (b)	Reporting to the Authorities: If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier			No Such incident arose
5.7	Reporting to the shareholders and General Investors: Report on activities carried out by the Audit Committee, including any report made to the Board under condition No. 5(6)(a) (ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company			No Such incident arose



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
<b>6</b>	<b>Nomination and Remuneration Committee (NRC)</b>			
6.1 (a)	The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board			Unresolved Issue
6.1 (b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;			
6.1 (c)	The Terms of Reference (TOR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No.6(5)(b).			
<b>6.2</b>	<b>Constitution of the NRC</b>			
6.2 (a)	The Committee shall comprise of at least three members including an independent director;			
6.2 (b)	All members of the Committee shall be non-executive directors;			
6.2 (c)	Members of the Committee shall be nominated and appointed by the Board;			
6.2 (d)	The Board shall have authority to remove and appoint any member of the Committee;			
6.2 (e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;			
6.2 (f)	The Chairperson of the Committee may appoint or co-opt any external expert and/ or member(s) of staff to the Committee as advisor who shall be non- voting member, if the Chairperson feels that advice or suggestion from such external expert and/ or member(s) of staff shall be required or valuable for the Committee;			
6.2 (g)	The company secretary shall act as the secretary of the Committee;			
6.2 (h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;			
6.2 (i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company			

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
<b>6.3</b>	<b>Chairperson of the NRC</b>			
6.3 (a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director			
6.3 (b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;			
6.3 (c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders: in absence of chairperson of the NRC, any other member from the NRC shall be selected to be present in the annual general meeting (AGM) for answering the shareholders queries and reason for absence of the chairperson of the NRC shall be recorded in the minutes of the AGM			
<b>6.4</b>	<b>Meeting of the NRC</b>			
6.4 (a)	The NRC shall conduct at least one meeting in a financial year;			
6.4 (b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;			
6.4 (c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);			
6.4 (d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.			
<b>6.5</b>	<b>Role of the NRC</b>			
6.5(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;			
<b>6.5 (b)</b>	<b>NRC shall oversee, among others, the following matters and make report with recommendation to the Board:</b>			
<b>6.5(b)(i)</b>	<b>formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:</b>			

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
6.5(b)(i)(a)	The level and composition of remuneration is reasonable and sufficient to attract retain and motivate suitable directors to run the company successfully			
6.5(b)(i)(b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks			
6.5(b)(i)(c)	Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals			
6.5(b)(ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality			
6.5(b)(iii)	Identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board			
6.5(b)(iv)	Formulating the criteria for evaluation of performance of independent directors and the Board			
6.5(b)(v)	Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria			
6.5(b)(vi)	Developing, recommending and reviewing annually the company's human resources and training policies;			
6.5(c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.			
<b>7.</b>	<b>External or Statutory Auditors</b>			
<b>7.1</b>	<b>The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely:-</b>			
7.1 (i)	Appraisal or valuation services or fairness opinions;	√		
7.1 (ii)	Financial information systems design and implementation;	√		
7.1 (iii)	Book-keeping or other services related to the accounting records or financial statements;	√		
7.1 (iv)	Broker-dealer services;	√		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
7.1 (v)	Actuarial services;	✓		
7.1 (vi)	Internal audit services or special audit services;	✓		
7.1 (vii)	Any service that the Audit Committee determines;	✓		
7.1 (viii)	Audit or certification services on compliance of corporate governance as required under condition No. 9(1)	✓		
7.1 (ix)	Any other service that creates conflict of interest.	✓		
<b>7.2</b>	<b>No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company;</b>			
7.3	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	✓		
<b>8</b>	<b>Maintaining a website by the Company.</b>			
8.1	The company shall have an official website linked with the website of the stock exchange	✓		
8.2	The company shall keep the website functional from the date of listing	✓		
8.3	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	✓		
<b>9</b>	<b>Reporting and Compliance of Corporate Governance.</b>			
9.1	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report	✓		
9.2	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting	✓		
9.3	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not.	✓		

# Certificate on Compliance of Corporate Governance [Certificate as per condition No.1 (5) (XXVII)]

(This Annexure shall be forming the integral part of the Directors' Report)

## Report to the Shareholders of Social Islami Bank Limited on compliance on the Corporate Governance Code

We have examined the compliance status to the Corporate Governance Code by Social Islami Bank Limited for the year ended on December 31 2022. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June, 2018 of the Bangladesh Securities and Exchange Commission.

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

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

We state that we have obtained all the information and explanations, which we have required, and after due scrutiny and verification thereof, we report that, in our opinion:

- (a) The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above mentioned Corporate Governance Code issued by the Commission;
- (b) The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;
- (c) Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws and other relevant laws; and
- (d) The Governance of the company is satisfactory.

Dhaka, Dated  
June 11, 2023

**For Suraiya Parveen & Associates  
Chartered Secretaries**



**Suraiya Parveen, FCS  
Chief Executive Officer**

## Dividend Distribution Policy

(This Annexure shall be forming the integral part of the Directors' Report)

### Introduction:

In compliance with the Directives No. BSEC/ CMRRCD/2021-386/03 of Bangladesh Securities and Exchange Commission (BSEC) dated January 14, 2021; Social Islami Bank Limited formulated a policy known as "Dividend Distribution Policy". The highlights of the said policy are given below:

### Purpose:

The purpose of the policy is to comply with the Directives of Bangladesh Securities and Exchange Commission (BSEC). The parameters set out in the policy are applicable for distribution of dividend.

### Dividend Recommendation and Approval Process:

Dividend to be recommended and approved as per applicable Acts and regulatory directives issued from time to time.

### Entitlement of Dividend:

Shareholders whose names shall appear in the Members Register of the Company or in the Depository Register of CDBL on the 'Record Date' of the respective year's AGM will receive entitled dividend.

### Process of Distribution of Cash Dividend:

Cash dividend shall be paid directly to the bank account within 30 (thirty) days from the date of approval by the Shareholders in the AGM subject to comply of circulars/ directives of BSEC or Bangladesh Bank or other regulatory authority from time to time.

- i. Through Bangladesh Electronic Funds Transfer Network (BEFTN);
- ii. Through bank transfer or any electronic payment system as recognized by the Bangladesh Bank (if not possible through BEFTIN);

- iii. In case of margin loan and claim by loan provider, through the Consolidated Customer's Bank Account (CCBA);
- iv. To the separate bank account of the merchant Banker or portfolio manager through BEFTN;
- v. Through the security custodian following Foreign Exchange Regulation for non-resident sponsor, director, shareholder, unit holder or foreign portfolio investor (FPI);
- vi. Through issuance of Cash Dividend warrant and send it through post in case of non-availability of information of the shareholder or unit holder.
- vii. Amount of declared cash dividend payable for the concerned year/period shall be kept in a separate bank account as per circular of BSEC or Bangladesh Bank or other regulatory authority from time to time.

### Manner And Procedure Of Stock Dividend Distribution:

The stock dividend shall be credited within 30 (thirty) days of approval subject to the clearance of the regulatory requirement [if any from Bangladesh Bank, exchange(s) and the Central Depository Bangladesh Limited (CDBL)]:

- i. To the BO account;
- ii. To the suspense BO Account for undistributed or unclaimed stock dividend/ bonus shares. A new Suspense BO Account has been opened in every year for the

respective year's suspense shares;

- iii. The bonus dividend shall be transferred to the suspense BO account if BO account is not available or BO account is inactive;
- iv. The sale proceeds of fractional bonus dividend shall be paid off as per circular of BSEC or Bangladesh Bank or other regulatory authority from time to time,

### **Unpaid or Unclaimed of Unsettled Cash Dividend:**

Unpaid or unclaimed of unsettled cash dividends shall be settled as per instructions of BSEC or Bangladesh Bank or other regulatory authority from time to time.

### **Unpaid or Unclaimed of Unsettled Stock Dividend:**

Unpaid or unclaimed of unsettled stock dividends shall be settled as per instructions of BSEC or Bangladesh Bank or other regulatory authority from time to time.

### **Tax Matters:**

Tax will be deducted at source as per applicable tax laws.

### **Submission of Dividend Distribution Compliance Report:**

In-compliance with the Dhaka Stock Exchange (Listing) Regulation-2015 and Chittagong Stock Exchange (Listing) Regulation-2015 and other regulatory requirement Social Islami Bank Limited has been submitted a Dividend Distribution Compliance Report to BSEC, DSE and CSE within 7 days from the date of completion of dividend distribution of the concerned year's. This report shall submit to BSEC, DSE and CSE in a specified format issued by the regulator (s) within stipulated time.

### **Amendments / Modifications:**

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

### **Disclosure Policy:**

The Dividend Distribution Policy has available on the Bank's website and annexed in the Bank's Annual Report-2022.

### **Summary of Unclaimed Dividend:**

As of 31.12.2022 total amount of unclaimed dividend is Tk. 82,465,321.99 laying with respective year's Bank Accounts.



LIQUIDITY RISK

ASSET LIABILITY

TERRORIST FINANCE

INVESTMENT

INVESTMENT

FOREIGN TRADE

FINANCIAL SCAM



# REPORT ON RISK MANAGEMENT

# Risk Management Report

Risk management is a discipline at the core of every banking company and encompasses all activities that affect its risk profile. The bank should attach considerable importance for improving the ability to identify, measure, monitor, and control the overall risks assumed.

In the SIBL perspective Risk management is a process, carried out by the Board of Directors, Risk Management Committee of the Board, Management, and Chief Risk Officer with his team, applied in strategy setting and across the organization, designed to identify potential risk, assessing, evaluating and mitigation of risks i.e. taking precautionary measures to reduce the risk, and manage risk to be within the risk appetite, to provide reasonable assurance regarding the achievement of organizational objectives. Through board approved policies, governance structures and clearly defined tools and techniques, the Bank's risk management framework sets the context for setting standards and establishing appropriate risk practices across the Bank.

Risk management framework, risk mitigation methodology and disclosure on risk reporting of Social Islami Bank Limited practiced internally and for regulatory purpose will be summarized in this section.

## Risk Management Framework

SIBL has developed a Risk Management Framework (RMF) as a standardized approach to effectively manage its risks and opportunities. The Bank's Risk Management Framework provides its Board and Management with tools to anticipate and manage both the existing and potential risks, taking into consideration changing risk profiles as dictated by changes in business strategies, the external environment and/or the regulatory environment.

Ensuring the outcomes of risk-taking activities that are consistent with the Bank's strategies & risk appetite and appropriate balancing between risk & reward in order to maximize shareholders' return is the primary goals of risk management. The Bank's enterprise-wide 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 market in which the Bank operates, including regulatory standards and industry best practices. Although the actual execution of their programs may be different, the risk management programs of the Bank's subsidiaries conform in all material respects to the Bank's risk management framework.

## 1. Organizational Structure:

### 1.1 Board of Directors

The board of directors of the bank gives utmost importance on sound risk management practices for establishing a sound risk culture. To keep various risks within the limit set in the risk appetite statements, initiatives are being taken by the board of directors. The board plays the following role for this persistence:-

- Create a structure for managing risks within the bank, and ensure that both top management and risk management staff have the necessary expertise and knowledge to perform their roles effectively.
- Delegate appropriate authority and responsibility to officials responsible for managing risks.
- Ensure that the flow of information to the Risk Management Department (RMD) is continuous to facilitate effective risk management.
- Monitor the bank's overall performance and risk profile through regular review of various reports.
- Develop, review (at least annually), and implement appropriate policies, plans, and

procedures for managing risks.

- Define and review risk appetite, risk tolerance, limits, etc. in accordance with strategic planning.
- Ensure that the bank has sufficient capital and reserves to absorb losses resulting from risk.
- Ensure that the internal audit function reviews credit operations, foreign exchange operations, securities portfolio management, etc. to assess the effectiveness of the internal control system.
- Monitor the function of Board Risk Management Committee.

### 1.2 Board Risk Management Committee (BRMC)

Social Islami Bank Limited has a Board Risk Management Committee consisting of three directors, which is responsible for overseeing the bank's risk management activities. The committee's Terms of Reference (ToR) are determined in accordance with BRPD Circular No. 11 dated 27 October 2013 and the Risk Management Guideline for Banks issued by the Department of Offsite Supervision of Bangladesh Bank. In 2021, the committee held four meetings as per the ToR.

#### Role of Board Risk Management Committee is as follows:

- a) Develop and review risk management policies and strategies on an annual basis to ensure sound risk management.
- b) Monitor the implementation of risk management policies and processes to ensure effective prevention and control measures.
- c) Establish an adequate organizational structure for managing risks within the bank.
- d) Supervise the activities of the Executive Risk Management Committee (ERMC).
- e) Ensure compliance with Bangladesh Bank instructions regarding the implementation of core risk management.
- f) Develop and review risk appetite and limits, and recommend them to the Board of Directors for review and approval.

- g) Approve an adequate record-keeping and reporting system, and ensure its proper use.
- h) Hold a minimum of four meetings per year (preferably one per quarter) and additional meetings as necessary.
- i) Analyze all existing and potential risk issues in meetings, make appropriate decisions for risk mitigation, document them in meeting minutes, and ensure follow-up for proper implementation.
- j) Submit proposals, suggestions, and summaries of BRMC meetings to the Board of Directors at least quarterly.
- k) Comply with instructions issued by the regulatory body from time to time.
- l) Ensure that lower-level managers and staff involved in risk management possess appropriate knowledge, experience, and expertise.
- m) Ensure sufficient and efficient staff resources for the Risk Management Department (RMD).
- n) Establish standards of ethics and integrity for staff, and enforce these standards.
- o) Assess the overall effectiveness of risk management functions on a yearly basis.

### 1.3 Executive Risk Management Committee (ERMC):

An executive risk management committee is working in the bank for better risk management that comprised of 18 members including senior executives and divisional heads.

The top management (CEO, AMD or senior-most executives) are invited by the ERMC to attend the meetings so that they are well aware of the risk management process. The CRO acts as the chairman of the committee. It arranges a monthly meeting on regular basis to discuss the identified risk issues and risk management status of the Bank as per guidelines of Bangladesh Bank. Under the supervision of CRO, The Risk Management Division (RMD) coordinate different risk management activities of the Bank and provides guidelines to concerned divisions in this respect. The activities, observations and recommendations of the Executive Risk Management

Committee (ERMC) are being regularly reported to the Board Risk Management Committee, Board of Directors and Bangladesh Bank

**Functions of the committee are as under:**

- a) Conducting comprehensive risk analysis to identify, measure and manage current and potential risks of the bank;
- b) Holding monthly meetings based on risk reports findings and making appropriate decisions to minimize and control risks;
- c) Ensuring accurate recording of all decisions and distributing responsibilities to relevant departments/divisions;
- d) Ensuring proper implementation of decisions to minimize/control risks;
- e) Evaluating and reviewing risks associated with new products and activities and ensuring effective monitoring and control of such risks;
- f) Providing regular reports, proposals, and suggestions to the CEO and BRMC regarding risk management activities;
- g) Implementing decisions taken by the BRMC and board meetings relating to risk management;
- h) Assessing the bank's capital requirements in line with risk exposure and advocating for adequate capital maintenance to senior management and the board;
- i) Facilitating detailed discussions among members to establish risk appetite and limits aligned with strategic planning;
- j) Contributing to the development of risk policies for business units;
- k) Managing and reporting on "critical risks" that require further follow-up;
- l) Keeping abreast of regulatory reviews and reports and reporting any issues affecting bank operations to BRMC;
- m) Organizing an Annual Risk Conference within the bank.

**1.4 Risk Management Division:**

Risk management division is considered as the second line of defense against risk in the global risk management literature. Activities of the division display the ability of the division to act as the second line of defense against risk. In Social Islami Bank Limited the division has been staffed with some experienced officials headed by the Chief Risk Officer (CRO). As per the guideline of Bangladesh Bank, Executive Risk Management Committee and Board Risk Management Committee, the division works with the capital management issues and risk management activities of the bank. As per Risk Management Guideline for Banks of Bangladesh Bank, 6 desks/units have been formed within Risk Management Division as follows -

- 1) Credit Risk Related Desk
- 2) Market Risk Related Desk
- 3) Liquidity Risk Related Desk
- 4) Operational Risk Related Desk
- 5) Risk Research and policy development Desk and
- 6) Basel Implementation Unit

The Risk Management Division manages and measure risks on the basis of the bank's approved risk parameters independently in line with regulatory requirements. The role of RMD is described as follows:

- Analyzing data and information to identify risks and provide recommendations for mitigating them;
- Creating risk management reports, organizing monthly ERMC meetings, recording meeting minutes, and ensuring dissemination of decisions to relevant departments for implementation;
- Ensuring timely submission of risk management reports, compliance reports, and other relevant documents to BB;
- Assisting BRMC/ERMC by providing necessary information on risk issues;
- Developing the overall risk management strategy for the bank;

- Establishing a robust risk management infrastructure, including a comprehensive database, data architecture, and information technology;
- Conducting stress testing and scenario analysis to better understand potential risk exposures under adverse conditions;
- Designing and testing various models, such as VaR, HHI index, Collection scoring, Vintage curve, etc., to measure and monitor risks;
- Assisting senior management in formulating strategic plans that consider the bank's risk exposures and industry trends;
- Supporting the board, BRMC, and ERMC in developing, reviewing, and approving the enterprise-wide risk governance framework, which includes the bank's risk culture, risk appetite, risk limits, and MAT;
- Monitoring the bank's risk-taking activities and exposures in line with the approved risk appetite, limits, and corresponding capital or liquidity needs;
- Conducting interim reviews of risk appetites at the request of related departments and informing the board of directors and BRMC about risk exposure status;
- Establishing an early warning or trigger system for breaches of the bank's risk appetite or limits;
- Communicating the views of the board and senior management throughout the bank;
- Developing enterprise-wide risk management policies and procedures with the approval of the board;
- Monitoring concerned departments in formulating and reviewing related risk management policies and procedures;
- Ensuring compliance with irregularities found in BB's core risk inspection reports;
- Implementing financial protection measures through risk transfer, risk avoidance, and risk retention programs;
- Taking appropriate steps to control or mitigate risk exposures and reporting the same to senior management and BRMC.

## 2. Risk Management Process:

Risk Management is an iterative process that, with each cycle, can contribute progressively to organizational improvement by providing management with a greater insight into risks and impact. It is the systematic application of management policies, procedures and practices to the assessment, treatment, controlling and monitoring of risk. Risk assessment is the process of risk identification, analysis and evaluation. It is a series of multi-steps that, when undertaken in sequence, enable continual improvement in decision-making. Social Islami Bank Limited adopts the following steps of the Risk Management Process:

- **Communication and Consultation:** This initial step is aimed at identifying the individuals responsible for risk assessment and those involved in risk treatment, monitoring, and review.
- **Establishing Context:** This stage involves closing the gap between the preparatory stages and initiating the formal risk management process.
- **Risk Identification:** The next step involves identifying potential risks that could impact the objectives of the business or the activity under analysis, either positively or negatively.
- **Risk Analysis:** The risk analysis phase assists in determining the severity and likelihood of identified risks and their potential impact.
- **Risk Evaluation:** During this stage, the identified risks are compared against previously established criteria to determine if they require treatment or not.
- **Risk Treatment:** Risk treatment involves considering options for managing identified risks, evaluating those options, developing risk treatment plans, and executing them to achieve the desired outcome.
- **Risk Monitoring:** Risks need to be periodically monitored to ensure that the risk management process remains effective in the face of changing circumstances. The risk management process needs to be



periodically repeated to capture new risks and manage them effectively.

Social Islami Bank Limited also follows the Three (3) Lines of Defense (LoD) approach of modern risk management for the Bank-wide comprehensive risk management. Three (3) LoD of SIBL is as under:

**First Line of defense** – Business and Operational Segment/Units:

The first line of defense refers to the functional divisions, branches, units, or segments that are responsible for managing the risks associated with their operational area or portfolio. They are primarily accountable for ensuring compliance with regulatory directives and for managing risks related to day-to-day operations or business activities of the banks. Adequate managerial and supervisory controls are put in place to ensure compliance and to highlight control breakdowns, inadequate processes, and unexpected events.

**Second Line of defense**–Risk Management division and other Back-Offices:

The second line of defense includes the risk management division and other back-office units that are responsible for managing risks and ensuring compliance functions to help build and/or monitor the first line-of-defense controls. Among all functional divisions/units, the Risk Management Division (RMD) is entrusted with playing a pivotal role in bank-wide risk management in coordination with all concerned parties of the bank.

**Third Line of defense** – Internal Control & Compliance:

The third line of defense comprises internal control and compliance. Internal auditors provide the Board/Senior Management with comprehensive assurance based on the highest level of independence and objectivity within the organization. The internal audit function provides assurance on the effectiveness of governance, risk management, and internal controls, including the manner in which the first and second lines of defense achieve risk management and control objectives.

### 3. Risk Mitigation Methodology

SIBL develops and implements its own guidelines and different types of risk management tools inconsistent with the complexity, size and nature of business, risk strategy and Bangladesh Bank guidelines for sound risk management and risk mitigation. The bank considers capital adequacy, expected level of profitability, market reputation, experienced personnel, logistic support, macro and microeconomic scenarios, risk management practices, etc. to determine its risk strategy. The bank's reputation and its ability to achieve depend on the ability to identify, assess and mitigate risks at all levels. The risk management strategy is therefore fundamentally based on maintaining adequate capital, liquidity, and operational control at all times in order to safeguard the interests of depositors, borrowers, shareholders and other stakeholders.

The Bank has adopted a Sound Risk Mitigation Approach to ensure risk exposures within the Bank. Risk Mitigation is the process by which an organization introduces specific measures to minimize or eliminate unacceptable risks associated with its operations. Risks of the Bank are mitigated consistently in line with the Board-approved risk appetite that supports the Bank's strategy. The Risk Management Approach sets standardized practices to promote accountability and necessary oversight for the effective management of all these risk types.

Risk mitigation measures can be directed towards reducing the severity of risk consequences, reducing the probability of the risk materializing, or reducing the organizations exposure to the risk. The risk mitigation step involves development of mitigation plans designed to manage, eliminate, or reduce risk to an acceptable level. Once a plan is implemented, it is continually monitored to assess its efficacy with the intent of revising the course-of-action if needed.

These options are based on the assessed combination of the probability of occurrence and severity of the consequence for an identified risk. These guidelines are appropriate for many, but not all, projects and programs.

## Risk Wise Mitigation Methodology Is Described As Under:

### 1. Credit Risk:

Credit risk pertains to the likelihood of a bank's borrower failing to fulfill its obligations according to the agreed-upon terms, and is responsible for the risk of adverse financial consequences and depletion of capital for the bank due to the borrower's inability to repay its debts or a decline in the borrower's credit rating.

#### Mitigation measures of credit risk:

- » The bank adheres to specific policies and standards for assessing creditworthiness of borrowers.
- » The bank has designated separate teams to ensure transparency in credit appraisal process, including Credit Approval, Credit Administration Department, and Recovery Unit and Special Asset Management.
- » Internal and external credit rating assessments are conducted to evaluate creditworthiness of borrowers.
- » Five key financial indicators are analyzed while reviewing financial statements of borrowers, which include Balance Sheet, Income Statement, Net worth and Fixed Assets reconciliation, Key ratios, and Cash flows statements.
- » Credit facilities are granted only after thorough due diligence.
- » Risks associated with credit proposals are identified and mitigated.
- » Collateral is properly valued and verified periodically.
- » Risk grading is carried out in accordance with the Bangladesh Bank guideline and the bank's own policy.
- » Credit delegations are specified for different types of loans, such as new/fresh limit, renewal or enhancement of limit, consumer/retail loan, and personal loan.
- » Adequate provision against investment and capital is maintained to manage credit risk under the Basel III framework.

### 2. Market Risk:

Market risk refers to the possibility of losses in a bank's positions caused by changes in market prices. This type of risk arises from unfavorable movements in market rates or prices, including but not limited to interest rates, foreign exchange rates, equity prices, credit spreads, and commodity prices, which may affect both on-balance sheet and off-balance sheet positions of the bank.

**2.1 Foreign Exchange Risk** is a financial risk that exists when a financial transaction is denominated in a currency other than that of the base currency of the company.

**2.2 Equity Price Risk is the risk** that arises from security price volatility – the risk of a decline in the value of a security or a portfolio. Equity price risk can be either systematic or unsystematic risk.

**2.3 Profit Rate Risk** is the probability of a decline in the value of an asset resulting from unexpected fluctuations in interest rates.

#### Mitigation measures of market risk:

- Foreign exchange dealing is conducted by the CEO or Head of Treasury within the limits approved by the Board. These limits are determined based on the bank's needs, market conditions, and the counterparty. The Head of Treasury is responsible for assigning individual dealing limits to the bank's dealers.
- To prevent intuition-driven trades, every dealer is assigned a stop-loss limit, which is aligned with the organization's portfolio and risk tolerance. Limits are also set for individual deals and dealer portfolio positions. The Board sets stop-loss limits for the Head of Business or CEO and the Head of Treasury, who then allocate individual limits to the dealers.
- After-hours and off-premises dealings are strictly prohibited, except in rare cases when the Head of Treasury, with the approval of the Head of Business or CEO, may engage in such dealings to take or cover positions.
- The Treasury back-office assesses the



market value of all outstanding positions daily by evaluating them at current market rates (mark-to-market). To avoid any conflict of interest with reporting to the line manager, the back-office obtains market rates from independent sources. This exercise helps to determine the profitability or loss of outstanding contracts.

- The bank analyzes the market trend of profit rates to determine the appropriate profit rate for various deposits and investment products. This analysis is carried out monthly in the ALCO meeting.
- The bank maintains adequate capital against market risk in accordance with the RBCA guideline of Bangladesh Bank.
- To assess profit rate risk, the bank conducts scenario analysis using simple gap analysis and duration gap analysis.
- The bank defines its risk appetite based on various indicators of market risk.

### 3. Operational Risk:

The risk of loss resulting from inadequate or failed internal process, people and system or from external events is referred as Operational Risk. This definition includes legal risk but excludes strategic and reputational risk. Unlike other risk as faced by the bank, the operational risk is inherent in most of the process and operations of the bank and cannot be separated from other risks.

#### Mitigation measures of operational risk:

- Standard operating procedure is followed to conduct day to day activities of the bank. Bank has well articulated operation manual, internal control and compliance manual, anti money laundering and terrorist financing manual, accounting manual and ICT manual etc. to describe the standard operating procedure.
- Internal audit is conducted on different business and non-business on periodic basis. Risk based audit has been established.

- Adequate capital is maintained against operational risk under RBCA guideline of Bangladesh Bank.
- Risk appetite is outlined on different indicator of operation risk.
- External auditors regularly provide unbiased recommendations on the strengths or weaknesses of the bank's internal control system. They examine records and transactions and evaluate the accounting policy, disclosure policy and methods of financial estimation. This allows the Board and the management to independently view the bank's overall control system. Along with the periodic Bangladesh Bank audit, other external auditors conduct regular audits to ascertain control lapses within the system.

### 4. Liquidity Risk:

Liquidity risk is the potential for loss to an institution arising from either its inability to meet its obligations as they fall due or to fund increases in assets without incurring unacceptable cost or losses. The bank's approach to managing liquidity (cash and cash equivalents) is to ensure, as far as possible, that it will always have sufficient liquid assets to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or taking risk of damage to the bank's reputation. Liquidity risk may be categorized as follows:

- a) Funding liquidity risk: risk generates when bank will be unable to meet its current and future cash flow and collateral needs without affecting its daily operations or its financial condition.
- b) Market liquidity risk: risk generate when bank cannot easily offset or sell a position without incurring a loss because of inadequate

#### Mitigation measures of liquidity risk:

- Bank's have following liquidity monitoring tools
  - Wholesale Borrowing and Funding Guidelines

- Liquidity Contingency Plan
- Management Action Trigger
- Bank follows Bangladesh Bank’s guideline on CRR, SLR, LCR and NSF
- Risk appetite is outlined on different indicator of liquidity risk.
- Liquidity position is reviewed in the monthly ALCO and ERMC meeting and appropriate decision is taken based on the market trend. Following liquidity indicators are used:
  - Advance-deposit ratio
  - Wholesale borrowing limit utilization
  - Maximum cumulative outflow (MCO)
  - Liquidity coverage ratio (LCR)
  - Net stable funding ratio (NSFR)
  - Structural liquidity gap analysis
  - Liquid asset to short-term deposit
  - Liquid asset to short-term liability
  - Cash Reserve Ration
  - Statutory Liquidity Ration

its own strategies to manage particular risks, i.e., investment risk, market risk, operational risk, liquidity risk, etc., and prepares risk management reports on a monthly, quarterly, half-yearly, and yearly basis.

The public disclosure of prudential information is an important component of Basel Committee on Banking Supervision’s framework of capital measurement and capital adequacy, known as Basel III. The Bank is required to set out the public disclosure upon its capital requirements, level of risks and risk management system in order to facilitate and enhance greater insight information for the outsiders and market participants to assess and analyze all risks and capital adequacy of the Bank. This disclosure shall be deemed as the essential market mechanism in escorting the Bank to achieve effective risks management system beyond simply the internal control of the Bank and the supervision of Bangladesh Bank.

In previous section of Risk Management Framework, we have depicted Communication as the integral part of risk management process. Communication part is facilitated by the reporting system. Social Islami Bank Limited established a strong risk reporting in line with regulatory requirement and for internal analysis.

### Disclosure Of Risk Reporting

In the banking business, risk is inherent and needs to be minimized to achieve the organizational goal. Risk management has a significant impact on financials. Bangladesh Bank has identified six key risks for banks and issued policy guidelines for sound management of these core risks that are central to the functioning of risk management activities in the banking industry. As per Bangladesh Bank’s directive, SIBL formulates

The Risk Management Reports of SIBL include disclosure requirements under Basel-III and reporting regulations adhering to risk management guidelines. Risk reporting aids the bank considerably by increasing the quality of the decisions made, and by ensuring the timely implementation thereof.

SL	Name of the reporting	Description of the Reporting	Frequency of the Report	Compliance Status
1	Risk Appetite, Risk Limit and Risk Tolerance Statement	Risk appetite is the level and type of risk a bank is able and willing to assume in its exposures and business activities, given its business objectives and obligations to stakeholders (depositors, creditors, shareholders, borrowers, regulators). Risk appetite is generally expressed through both quantitative and qualitative means and should consider extreme conditions, events, and outcomes. It is stated in terms of the potential impact on profitability, capital and liquidity.	Yearly	Complied

SL	Name of the reporting	Description of the Reporting	Frequency of the Report	Compliance Status
2	Monthly Risk Management Report	<p>Monthly Risk Management Report (MRMR) is prepared on monthly basis for Bangladesh Bank and internal management. Following issues are included in the monthly risk management report:</p> <ul style="list-style-type: none"> <li>A. Capital adequacy</li> <li>B. Credit risk</li> <li>C. Off-shore banking operations</li> <li>D. Market risk</li> <li>E. Information about profitability</li> <li>F. Liquidity risk</li> <li>G. Operational risk</li> <li>H. Audit compliance</li> <li>I. Reputational risk</li> <li>J. Money laundering risk</li> <li>K. Compliance of risk management</li> <li>L. Performance of Board of Directors</li> </ul>	Monthly	Complied
3	Comprehensive Risk Management Report	<ul style="list-style-type: none"> <li>• Comprehensive Risk Management Report (CRMR) is prepared on half yearly basis for Bangladesh Bank and internal management. In comprehensive risk management report, a large amount of data is captured for identification and analysis of risks. Following issues are included in the half yearly comprehensive risk management report</li> <li>• Global Economic Outlook</li> <li>• Bangladesh Economy</li> <li>• Summary of the activities of Risk Management Committee at the board level</li> <li>• Credit Risks Analysis</li> <li>• Market Risk</li> <li>• Liquidity Risk</li> <li>• Operational Risk</li> <li>• Reputational Risk</li> <li>• Core Risk Management</li> <li>• Compliance Risk</li> <li>• Environmental Risk Management and Other information</li> <li>• Money Laundering Risk</li> </ul>	Half Yearly	Complied

SL	Name of the reporting	Description of the Reporting	Frequency of the Report	Compliance Status
4	Capital to Risk-Weighted Asset Ratio	<p>This metric represents an assessment to measure the adequacy of the bank's capital against its risk exposure. This ratio is calculated and reported in accordance with the risk based capital adequacy guidelines of Bangladesh Bank. For calculating risk weighted asset following risks are considered:</p> <ul style="list-style-type: none"> <li>a. Credit risk: Standardized method is used to measure credit risk</li> <li>b. Market risk: Standardized method is used to measure credit risk</li> <li>c. Operational risk: Basic indicator method is used to measure operational risk.</li> </ul>	Quarterly	Complied
5	ICAAP reporting	<p>Internal Capital Adequacy Assessment Process (ICAAP) reporting provides a measure of the bank's adequate capital requirement against its entire risk profile. Apart from credit risk, market risk and operational risk additional 10 risk is considered for calculating adequate capital:</p> <ul style="list-style-type: none"> <li>a. Residual risk</li> <li>b. Concentration risk</li> <li>c. Profit Risk Rate in Banking Book</li> <li>d. Liquidity risk</li> <li>e. Reputation risk</li> <li>f. Strategic risk</li> <li>g. Settlement risk</li> <li>h. Appraisal of core risk management</li> <li>i. Environment and climate change risk</li> <li>j. Other material risks.</li> </ul>	Yearly	Complied

SL	Name of the reporting	Description of the Reporting	Frequency of the Report	Compliance Status
6	Market Discipline (Disclosure requirement under Pillar III of Basel III)	<p>The aim of introducing Market discipline is to establish more transparent and more disciplined financial market so that stakeholders can assess the position of a bank regarding holding of assets and to identify the risks relating to the assets and capital adequacy to meet probable loss of assets.</p> <p>For this purpose, banks disclose a set of information both quantitative and qualitative form on its assets, risk exposures, risk assessment processes. Following issues are disclosed both qualitative and quantitative form in the report:</p> <ul style="list-style-type: none"> <li>• Scope of application</li> <li>• Capital structure</li> <li>• Capital adequacy</li> <li>• Credit Risk</li> <li>• Equities: disclosures for banking book positions</li> <li>• Interest rate risk in the banking book (IRRBB)</li> <li>• Market risk</li> <li>• Operational risk</li> <li>• Leverage Ratio</li> <li>• Liquidity Ratio</li> <li>• Remuneration</li> </ul>	Yearly	Complied
7	Stress testing	<p>Stress testing presents the effects of several assumptions applied to measure the capital base level in stressed scenarios. SIBL carries out stress testing on a regular basis in order to judge the sensitivity and stability of its capital base. Following issues are considered for minor, moderate and major level shock while conducting stress testing:</p> <ul style="list-style-type: none"> <li>• Increase in NPLs in two particular sectors</li> <li>• Negative shift in NPL categories</li> <li>• Increase in NPLs due to default of a large borrower</li> <li>• Increase in NPLs</li> <li>• Equity price fluctuation</li> <li>• Foreign exchange rate fluctuation</li> <li>• Decrease in FSV in collateral</li> <li>• Changes in interest rates</li> </ul>	Quarterly	Complied

## Market Discipline

### Disclosure on Risk Based Capital Adequacy under Pillar-III of Basel III for the year 2022

#### Background:

In December 2014, the Bangladesh Bank released the “Guidelines on Risk Based Capital Adequacy (Revised Regulatory Capital Framework for banks in line with Basel-III)” in order to align with international best practices and strengthen the bank’s ability to absorb financial shocks. The Basel III capital framework is comprised of three pillars: Pillar I, which establishes minimum capital requirements; Pillar II, which sets out additional capital requirements; and Pillar III, which focuses on market discipline through the disclosure of risk-based capital adequacy data to stakeholders. The Market Discipline (Pillar III) aspect of Basel III compliance aims to promote greater transparency and discipline in financial markets, allowing stakeholders to assess a bank’s asset holdings and identify risks related to those assets, as well as to evaluate the bank’s capital adequacy in the event of asset losses.

#### Disclosure Framework:

Social Islami Bank Limited has implemented the disclosure framework outlined in the “Guidelines on Risk Based Capital Adequacy (Revised Regulatory Capital Framework for banks in line with Basel-III)” by the Bangladesh Bank. This framework includes the following components:

a) Scope of application	e) Equities: disclosures for banking book positions	h) Operational risk
b) Capital structure	f) Interest rate risk in the banking book (IRRBB)	i) Leverage Ratio
c) Capital adequacy	g) Market risk	j) Liquidity Ratio
d) Credit Risk		k) Remuneration

This report presents information on Social Islami Bank Limited both on a solo basis and a consolidated (conso) basis. All amounts in the disclosure provided under Pillar III are in Bangladesh Taka, unless otherwise specified. It should be noted that some figures in this document have been rounded.

## A) Scope of Application

Qualitative Disclosure	
(a) The name of the top corporate entity in the group to which this guidelines applies	Social Islami Bank Limited
(b) An outline of difference in the basis of consolidation for accounting and regulatory purposes, with a brief description of the entities within the group (i) that are fully consolidated; (ii) that are given a deduction treatment; and (iii) that are neither consolidated nor deducted (e.g. where the investment is risk-weighted).	Quantitative disclosures are presented on both a solo and consolidated basis. Social Islami Bank Limited (SIBL) has two subsidiaries, SIBL Securities Ltd and SIBL Investment Ltd, as well as an offshore banking unit. Both the solo and consolidated financial statements have been prepared in accordance with applicable financial reporting standards and related instructions/circulars issued by the Bangladesh Bank. The assets, liabilities, revenues, and expenses of the subsidiaries are aggregated with those of the parent company (SIBL) for consolidation purposes. Therefore, the assets of the subsidiaries and offshore banking unit are risk-weighted, and the equities of the subsidiaries are netted off against SIBL's investment during the consolidation process.
(c) Any restrictions, or other major impediment, on transfer of funds or regulatory capital within the group.	Not applicable

Quantitative Disclosures	
(d) The aggregate amount of capital deficiencies in all subsidiaries not included in the consolidation that are deducted and name(s) of such subsidiaries.	Not applicable

## B) Capital Structure

Qualitative Disclosures	
a) Summary information on the terms and conditions of the main features of all capital instruments, especially in the case of capital instruments eligible for inclusion in Tier I (CET-1, AT-1) and Tier 2.	<p>As per Bangladesh Bank BASEL-III guidelines; Tier I capital is divided into:</p> <ul style="list-style-type: none"> <li>a) Common Equity Tier I (CET-1) Capital</li> <li>b) Additional Tier I (AT-1) Capital</li> </ul> <p><b>a) Common Equity Tier-I capital of the Bank consist of - Paid up capital:</b> Issued, subscribed and fully paid up share capital of the Bank.</p> <p><b>Statutory reserve:</b> As per Section 24 of the Bank Company Act, 1991, an amount equivalent to 20% of the profit before taxes for each year of the Bank has been transferred to the Statutory Reserve Fund.</p> <p><b>Retained earnings:</b> Amount of profit retained with the banking company after meeting up all expenses, provisions and appropriations.</p> <p><b>b) Additional Tier-I capital:</b></p> <p><b>Instruments issued by the banks that meet the qualifying criteria for AT1:</b> Issued, subscribed and fully paid perpetual subordinated debt/ bond, or other instrument if any which meet the qualifying criteria for AT1 as stipulated in guidelines on Risk Based Capital Adequacy.</p> <p><b>Tier-II capital consists of –</b></p> <p><b>General Provisions:</b> As per Bangladesh Bank directive, amount of provision maintained against unclassified loans and off-balance sheet exposures as of the reporting date has been considered.</p> <p><b>Subordinated debt / Instruments issued by the banks that meet the qualifying criteria for Tier 2 capital:</b> Outstanding amount of subordinated debt as of the reporting date.</p> <p><b>Assets revaluation reserves:</b> As per Bangladesh Bank's instruction, until 31 December 2014, 50% of incremental value of Bank's assets has been considered. Revaluation Reserve (RR) based on the position as of 31 December 2014 had been deducted @ 20% on yearly basis from 2015 to 2019 under Basel III guideline.</p>



<b>Quantitative Disclosures</b>		
	<b>As on December 31, 2022 (in million taka)</b>	
	<b>Solo</b>	<b>Consolidated</b>
<b>Tier-1 Capital (Going Concern Capital) :</b>		
Common Equity Tier-1 (CET-1)		
Fully Paid-up Capital	10,341.54	10,341.54
Statutory Reserve	8,386.16	8,386.16
General Reserve	0.00	13.94
Retained Earnings	1,494.12	1,586.16
Adjustment in CET-1 (Intangible Assets i.e Software)	(218.44)	(219.44)
<b>Total CET-1</b>	<b>20,003.38</b>	<b>20,108.36</b>
Additional Tier-1 Capital (AT-1)	4,287.81	4,312.79
<b>Total Admissible Tier-1 Capital</b>	<b>24,291.19</b>	<b>24,421.15</b>
<b>Tier-2 Capital (Gone Concern Capital) :</b>		
General Provision	5,982.74	5,982.73
Subordinated debt	3,000.00	3,000.00
Revaluation Reserves	0.00	0.00
Others(As per RBCA Guideline of BB)	712.19	687.21
<b>Total Tier-2 Capital</b>	<b>9,694.92</b>	<b>9,669.94</b>
<b>Total Admissible Tier-2 Capital</b>	<b>9,694.92</b>	<b>9,669.94</b>
<b>Total Capital</b>	<b>33,986.12</b>	<b>34,091.09</b>
Regulatory Adjustments:	0.00	0.00
<b>Total Eligible Capital</b>	<b>33,986.12</b>	<b>34,091.09</b>

### C) Capital Adequacy

#### Qualitative Disclosures

(a) A summary discussion of the bank's approach to assess the adequacy of its capital to support current and future activities.	Social Islami Bank Limited (SIBL) uses the standardized approach to calculate the capital charge for investment (credit) risk and market risk, and the basic indicator approach for operational risk. The bank assesses its capital adequacy in accordance with the guidelines and regulations issued by the Bangladesh Bank periodically. Evaluating the regulatory capital in relation to the bank's overall risk exposure is a comprehensive and integrated process. SIBL's SRP team is responsible for identifying, measuring, managing, and monitoring all the risks to which the bank is exposed. The assessment of regulatory capital will be consistent with the outcomes of these risk management exercises.
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#### Quantitative Disclosures

<b>Particulars</b>		<b>As on December 31, 2022 (in million taka)</b>	
		<b>Solo</b>	<b>Consolidated</b>
b)	Capital requirements for Investment (Credit) Risk	25,880.01	25,859.29
c)	Capital requirements for Market Risk	567.15	653.21
d)	Capital requirements for Operational Risk	2,138.23	2,167.45
	<b>Total capital requirement</b>	<b>28,585.39</b>	<b>28,679.95</b>

e)	Capital to Risk Weighted Asset Ratio	11.89%	11.89%	
	CET-1 Capital Ratio	7.00%	7.01%	
	Tier-I Capital Ratio	8.50%	8.52%	
	Tier-II Capital Ratio	3.39%	3.37%	
f)	Capital Conservation Buffer	As per BB roadmap for implementation of Basel III, creation of Capital Conservation Buffer (CCB) has been made effective from January, 2016. As on 31.12.2022 SIBL maintained the capital conservation buffer as presented below:		
		<b>Particulars</b>	<b>Solo</b>	<b>Consolidated</b>
		Required CCB	2.50%	2.50%
		Maintained CCB	1.89%	1.89%
		Required CET-1 Ratio including CCB	7.00%	7.00%
		Maintained CET-1 Ratio	7.00%	7.01%
		Required CRAR Ratio including CCB	12.50%	12.50%
Maintained CRAR Ratio	11.89%	11.89%		
g)	Available Capital under Pillar 2 Requirement	<b>Solo</b>	<b>Consolidated</b>	
	Total Eligible Regulatory Capital <b>[A]</b>	<b>33,986.12</b>	<b>34,091.10</b>	
	Minimum Capital Requirement under Pillar 1 <b>[B]</b>	28,585.38	28,679.95	
	Available Capital for Pillar 2 <b>[C=A-B]</b>	5,400.74	5,411.15	

#### D) Investment Risk

##### Qualitative Disclosures

a) The General Qualitative disclosures requirement with respect to investment (credit) Risk, including:	<p>As per Bangladesh Bank guidelines, any investment if not paid within the fixed expiry date will be treated as Past due/ Overdue. Bangladesh Bank issued circulars from time to time for strengthening Investment discipline. All Investments are categorized into four for the purpose of classification namely (i) Continuous Investment (ii) Demand Investment (iii) Fixed Term Investment and (iv) Short-term Agriculture &amp; Micro Investment.</p> <p>Any Continuous Loan if not repaid/renewed within the fixed expiry date for repayment or after the demand by the bank will be treated as past due/overdue from the following day of the expiry date. Any Demand Loan if not repaid within the fixed expiry date for repayment or after the demand by the bank will be treated as past due/overdue from the following day of the expiry date. Whereas, In case of any installment(s) or part of installment(s) of a Fixed Term Loan is not repaid within the fixed expiry date, the amount of unpaid installment(s) will be treated as past due/overdue after six months of the expiry date.</p> <p>A Continuous Loan, Demand Loan, Fixed Term Loan or any installment(s)/part of installment(s) of a Fixed Term Loan which will remain past due/overdue for a period of 03 (three) months or beyond but less than 09 (nine) months, the entire loan will be put into the "Sub-standard (SS)".</p> <p>A Continuous Loan, Demand Loan, Fixed Term Loan or any installment(s)/part of installment(s) of a Fixed Term Loan which will remain past due/overdue for a period of 09 (nine) months or beyond but less than 12 (twelve) months, the entire loan will be put into the "Doubtful (DF)".</p>
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	<p>A Continuous loan, Demand loan, Fixed Term Loan or any installment(s)/part of installment(s) of a Fixed Term Loan which will remain past due/overdue for a period of 12 (twelve) months or beyond, the entire loan will be put into the “Bad/ Loss (B/L)”.</p> <p>Continuous Investment, Demand Investment or Term Investment which will remain overdue for a period of 2(two) months or beyond but less than 3 (three) months will be put into ‘Special Mention Account’.</p> <p>Loan Classification of Cottage, Micro and Small credits under CMSME:</p> <p>If a Continuous Loan, Demand Loan, Fixed Term Loan or any installment(s)/part of installment(s) of a Fixed Term Loan remain(s) past due/overdue for a period of 06 (six) months or beyond but less than 18 (eighteen) months, the entire loan will be classified as “Sub-standard (SS)”.</p> <p>If a Continuous Loan, Demand Loan, Fixed Term Loan or any installment(s)/part of installment(s) of a Fixed Term Loan remain(s) past due/overdue for a period of 18 (eighteen) months or beyond but less than 30 (thirty) months, the entire loan will be classified as “Doubtful (DF)”.</p> <p>If a Continuous loan, Demand loan, Fixed Term Loan or any installment(s)/part of installment(s) of a Fixed Term Loan remain(s) past due/overdue for a period of 30 (thirty) months or beyond, the entire loan will be classified as “Bad/Loss (B/L)”.</p>																																																																	
<p>The rates of provisions will be maintained:</p>	<table border="1"> <thead> <tr> <th rowspan="2">Particulars</th> <th rowspan="2">Short term Agri.Credit/ Microcredit</th> <th colspan="3">Consumer Financing</th> <th rowspan="2">SMEF</th> <th rowspan="2">CMSME</th> <th rowspan="2">Loan to BHs/ MBs/SDs against Shares etc.</th> <th rowspan="2">Credit Card</th> <th rowspan="2">All Others Credit</th> </tr> <tr> <th>Other than HF &amp; LP</th> <th>HF</th> <th>LP</th> </tr> </thead> <tbody> <tr> <td rowspan="2">UC</td> <td>Standard</td> <td>1%</td> <td>2%</td> <td>1%</td> <td>2%</td> <td>0.25%</td> <td>0.25%</td> <td>2%</td> <td>2%</td> <td>1%</td> </tr> <tr> <td>SMA</td> <td></td> <td>2%</td> <td>1%</td> <td>2%</td> <td>0.25%</td> <td>0.25%</td> <td>2%</td> <td>2%</td> <td>1%</td> </tr> <tr> <td rowspan="3">Classified</td> <td>SS</td> <td>5%</td> <td>20%</td> <td>20%</td> <td>20%</td> <td>20%</td> <td>5%</td> <td>20%</td> <td>20%</td> <td>20%</td> </tr> <tr> <td>DF</td> <td>5%</td> <td>50%</td> <td>50%</td> <td>50%</td> <td>50%</td> <td>20%</td> <td>50%</td> <td>50%</td> <td>50%</td> </tr> <tr> <td>B/L</td> <td>100%</td> <td>100%</td> <td>100%</td> <td>100%</td> <td>100%</td> <td>100%</td> <td>100%</td> <td>100%</td> <td>100%</td> </tr> </tbody> </table>	Particulars	Short term Agri.Credit/ Microcredit	Consumer Financing			SMEF	CMSME	Loan to BHs/ MBs/SDs against Shares etc.	Credit Card	All Others Credit	Other than HF & LP	HF	LP	UC	Standard	1%	2%	1%	2%	0.25%	0.25%	2%	2%	1%	SMA		2%	1%	2%	0.25%	0.25%	2%	2%	1%	Classified	SS	5%	20%	20%	20%	20%	5%	20%	20%	20%	DF	5%	50%	50%	50%	50%	20%	50%	50%	50%	B/L	100%	100%	100%	100%	100%	100%	100%	100%	100%
Particulars	Short term Agri.Credit/ Microcredit			Consumer Financing								SMEF	CMSME	Loan to BHs/ MBs/SDs against Shares etc.		Credit Card	All Others Credit																																																	
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UC	Standard	1%	2%	1%	2%	0.25%	0.25%	2%	2%	1%																																																								
	SMA		2%	1%	2%	0.25%	0.25%	2%	2%	1%																																																								
Classified	SS	5%	20%	20%	20%	20%	5%	20%	20%	20%																																																								
	DF	5%	50%	50%	50%	50%	20%	50%	50%	50%																																																								
	B/L	100%	100%	100%	100%	100%	100%	100%	100%	100%																																																								
<p>Description of approaches followed for specific and general allowances and statistical method;</p>	<p>Social Islami Bank Limited has a well defined Investment Risk Management Manual duly approved its Board of Directors which is reviewed annually. Investment risk is one of the major risks faced by the bank and such investment risk management of the bank has been designed to address all risks associated with investments.</p> <p>The bank has implemented a segregation of duties for officers and executives involved in investment-related activities. To this end, a separate Corporate Division has been established at the Head Office, which is responsible for maintaining strong relationships with customers, marketing investment products, exploring new business opportunities, and other related duties. Furthermore, investment approval, administration, monitoring, and recovery functions have been segregated, resulting in the formation of two separate units: (a) Investment Risk Management Division, and (b) Investment Administration Division. The latter includes an investment monitoring unit. The Investment Risk Management Unit is responsible for maintaining asset quality, evaluating risk in lending to a specific customer, approving investments (credit), and formulating policies/strategies for lending operations, among other tasks.</p> <p>Before approving any investment facility, the Investment Risk Management Unit conducts a comprehensive assessment that encompasses borrower risk analysis, financial analysis, industry analysis, evaluation of the customer’s historical performance, and security of the proposed investment facility, among other factors. This assessment process commences at the Corporate Division, where the Relationship Manager/Officer is responsible for initiating it, and concludes at the Investment Risk Management Unit. Proposals that fall outside their delegation are reviewed by the Executive Committee and/or the Management for approval or rejection. The bank adheres strictly to the Bangladesh Bank’s instructions when determining single borrower/large investment limits. Additionally, internal audits are conducted periodically to ensure compliance with both the bank’s policies and regulatory guidelines. Investments are classified in accordance with the Bangladesh Bank’s guidelines.</p>																																																																	

<b>Quantitative Disclosures</b>		
b) Total gross Investment/ Credit Risk exposures broken down by major types of Investment exposures.	In million Tk.	
	<b>Type of Investment</b>	<b>As on 31.12.2022</b>
	Musharaka	173.86
	Murabaha	9,734.44
	Mudaraba	14,521.54
	Bai-Muazzal	2,19,134.72
	Hire-Purchase Sirkatul Meelk	61,528.39
	Quard	17,045.13
	Bai-Salam	1,110.96
	Staff Loan	2,086.77
	Ijarah	362.43
	Visa Card	1,060.29
	In land Bill Purchase	4,508.91
	Foreign Bill Purchased	47.25
	Murabaha Bill of Exchange	1,318.44
Baim-Wes bills	10,311.02	
<b>Total</b>	<b>3,42,944.16</b>	
c) Geographical Distribution of exposures, broken down in significant areas by major types of investment (credit) exposure.	In million Tk.	
	<b>Name of the Division</b>	<b>As on 31.12.2022</b>
	Dhaka	2,54,009.38
	Chittagong	69,266.64
	Sylhet	790.80
	Rajshahi	6,560.74
	Khulna	7,009.06
	Rangpur	2,060.16
	Barisal	1,290.20
	Mymensingh	1,957.18
	<b>Total</b>	<b>3,42,944.16</b>
d) Industry or counterparty type distribution of exposures, broken down by major types of Investment/credit exposure.	In million Tk.	
	<b>Mode of Investment</b>	<b>As on 31.12.2022</b>
	RMG	21,854.40
	Textile	23,454.13
	Food and allied industries	18,744.31
	Pharmaceutical Industries	1,489.01
	Chemical, Fertilizer, etc.	5,257.54
	Cement and Ceramic Industries	5,555.87
	Ship building industries	559.63
	Ship breaking industries	1,653.00
	Power and Gas	11,104.21
	Other manufacturing or extractive industries	42,026.22
	Service Industries	26,514.80
	Other Agro-based industries	4,877.18
	Investment to Trade & Commerce	1,08,243.33
	Investment to Consumer Finance	4,188.17
	Other Investment	67,422.36
	<b>Total</b>	<b>3,42,944.16</b>

e) Residual contractual maturity break down of the whole portfolio, broken down by major types of investment/credit exposure.	In million Tk.		
	Particulars	As on 31.12.2022	
	Re-payable on Demand	52,225.58	
	Not more than 3 months	77,570.99	
	Over 3 months but not more than 1 year	1,51,117.16	
	Over 1 year but not more than 5 years	48,331.58	
	Over 5 years	13,698.85	
	<b>Total</b>	<b>3,42,944.16</b>	
f) By major industry or counterparty type	Particulars	As on 31.12.2022	
	Past Due	-	
	Special Mentioned Account	13,545.47	
	Substandard	874.58	
	Doubtful	410.15	
	Bad or Loss	15,191.84	
	<b>Total</b>	<b>30,107.35</b>	
	<b>Specific and general provisions:</b>		
	Specific Provisions	7,638.56	
	General Provision	5,982.73	
	<b>Total</b>	<b>13,621.29</b>	
	<b>Charges for specific allowances and charge-offs during the period</b>		
	Provision on classified investment	640.47	
	Provision on unclassified investment	(1,126.36)	
	Special General Provision-COVID-19	986.65	
Provision on Off-Balance Sheet items	170.74		
Other provisions (note: 36)	159.05		
<b>Total</b>	<b>830.55</b>		
g) Gross Non Performing Assets (NPAs)	Gross Non Performing Assets of the bank is 16,476.57 Million		
Non Performing assets to outstanding investment	Non Performing assets to outstanding investment is 4.80%		
Movement of non performing assets	Opening balance	16,194.08	
	Addition	282.49	
	Reduction		
	<b>Closing Balance</b>	<b>16,476.57</b>	
Movement of Specific provisions for Non performing assets	Opening Balance	7,598.68	
	Add: Provision made during the year	640.47	
	Less: Write-off	(677.30)	
	Add: Transferred from doubtful income/compensation realized/recovery	76.71	
	<b>Closing balance</b>	<b>7,638.56</b>	

## E. Equities: Disclosures for Banking Book Positions

### Qualitative Disclosures

a) The general Qualitative Disclosures requirement with respect to equity risk, including:

<p>a) Differences between holdings on which capital gains are expected and those taken under other objectives including for relationship and strategic reasons ;and</p>	<p>Social Islami Bank limited has two categories of equity investments namely (i) Quoted Shares- traded in the secondary market of DSE &amp; CSE like common stock, mutual fund, bond etc. and (ii) Unquoted Shares- currently not tradable in the secondary market.</p> <p>The category of unquoted shares comprises shares and securities that fall under the following classifications: (i) held to maturity, (ii) long-term investments, meaning that the Bank has no intention of selling the securities either immediately or in the near future, and (iii) securities acquired through private placement that can only be traded in the secondary market after fulfilling the necessary legal formalities with the Bangladesh Securities &amp; Exchange Commission (BSEC), DSE, CSE, and other applicable laws.</p>
<p>Discussion of important policies covering the valuation and accounting of equity holdings in the banking book, This includes the accounting techniques and valuation methodologies used, including key assumptions and practices affecting valuation as well as significant changes in these practices.</p>	<p>The Bank invests in shares and securities with the objective of earning dividend income or capital gains. Dividend income is recognized in the Bank's financial statements either when it is received or when the right to receive it is established.</p> <p>Both quoted and unquoted shares are recorded at their cost, and provisions are created if the market price falls below the cost. When calculating the unrealized gains or losses of quoted shares, provisions are made for shares and securities in the financial statements after netting off the values of the portfolios. However, unrealized gains are not recognized. As per Bangladesh Bank guidelines, held-for-trading securities are marked to market once a week, and all such securities are revalued once a year in accordance with the Bangladesh Bank guidelines.</p>

### Quantitative Disclosures

As on December 31,2022 (In million taka)

	Particulars	Solo	Consolidated
b)	Value disclosed in the balance sheet of investments, as well as the fair value of those investments, for quoted securities a comparison to publicly quoted share values where the share price is materially different from fair value.	373.87	803.98
c)	The cumulative realized gains (losses) arising from sales & liquidations in the reporting period.	-	-
d)	Total unrealized gains (losses)	(10.00)	(10.00)
	Total latent revaluation gains (losses)	-	-
	Any amounts of the above included in tier-2 capital	-	-
e)	Capital requirements broken down by appropriate equity groupings, consistent with the bank's methodology, as well as the aggregate amounts and the type of equity investments subject to any supervisory provisions regarding regulatory capital requirements.		
	Specific Market Risk	37.38	80.39
	General Market Risk	37.38	80.39

F. Profit Rate Risk in the Banking Book	
<b>Qualitative Discloser</b>	
a) The general qualitative discloser requirement including the nature of Profit Rate Risk in the Banking Book (PRRBB) and key assumptions, including assumptions regarding Investment prepayments and behavior of non-maturity deposits, and frequency of PRRBB measurement	Profit rate risk is a significant risk factor in the banking book. The sources and types of profit rate risks in the banking book include gap or mismatch risk, basic risk, net position risk, and embedded option risk. The financial matters of a bank such as current earnings, net investment income, and net worth may be negatively impacted by changes in profit rates in the market. This impact can be seen in the long run, and it can lead to an asset liability mismatch, affecting the cash flows of the earning assets.
<b>Quantitative Discloser</b>	
(b) The increase (decline) in earnings or economic value (or relevant measure used by management) for upward and downward rate shocks according to management’s method for measuring IRRBB, broken down by currency (as relevant)	

Figure in Million

Particulars	1-90 Days	Over 3 Month-Up to 6 Months	Over 6 Months - Up to 1 Year
RSA	1,27,489.80	33,777.90	38,104.10
RSL	1,44,574.30	38,718.20	46,196.60
Gap	-17,084.50	-4,940.30	-8,092.50
Cumulative Gap	-17,084.50	-22,024.80	-13,032.80
Adjusted Profit Rate Change (PRC)	1.00%	1.00%	1.00%
Earnings Impact (Cum. Gap*PRC)	-170.85	-220.25	-130.33
Accumulated Earnings Impact to Date	-170.85	-391.09	-521.42

G. Market Risk	
<b>Qualitative Discloser</b>	
a) i) Views of BOD on trading / investment activities	The board of Directors of Social Islami bank Limited approves policies related to market risks by setting up limits and reviews of compliance status regularly.
ii) Method used to measure market risk	Standardized approach is being used to measure the market risk. The total capital requirement in respect of market risk is the aggregate capital requirement calculated for each of the risk sub-categories. For each risk category minimum capital requirement is measured in terms of two separately calculated capital charges for “specific risk” and “general market risk”.
iii) Market risk management system	The Treasury Division manages market risk covering liquidity, profit rate and foreign exchange risks with oversight from asset-liability Management Committee (ALCO) comprising senior executives of the Bank. ALCO is chaired by the Managing Director. ALCO meets at least once a month.
iv) Policies and processes for mitigating market risk	There are approved limits for Investment deposit ratio, liquid assets to total assets ratio, maturity mismatch, commitments for both on-balance sheet and off-balance sheet items and borrowing from money market and foreign exchange position. The limits are monitored and enforced regularly to protect the market risks. The exchange rate of the Bank is monitored regularly and the prevailing market condition, exchange rate, foreign exchange position and transactions are reviewed to mitigate foreign exchange risks.



## Qualitative Discloser

Figure in Million

	As on December 31, 2022	
	Solo	Consolidated
<b>b) The capital requirements for</b>		
Profit rate risk	-	-
Equity position risk	74.80	160.80
Foreign exchange risk	492.30	492.30
Commodity risk	-	-
<b>Total Capital Requirement</b>	<b>567.10</b>	<b>653.10</b>

## H. Operational Risk

### Qualitative Disclosures

a)i) Views of BOD on system to reduce operational risk	Operational risk implies the risk of loss of harm resulting from inadequate or failure of internal processes, people and systems or from external events. Capability to carry out a large number of transactions effectively and accurately while complying with applicable laws and rules constitutes operational risk management activities of the bank.  The policy for operational risks including internal control & compliance risk is approved by the board taking into account relevant guidelines of Bangladesh Bank. Audit Committee of the Board directly oversees the activities of internal control & Compliance to protect against all operational risk.
ii) Performance gap of executive and staffs	SIBL has a policy to provide competitive package and best working environment to attract and retain the most talented people available in the industry. SIBL's strong brand image plays an important role in employee motivation. As a result, there is no significant performance gap.
iii) Potential external events	No potential external events are expected to expose the Bank to significant operational risk.
iv) Policies and process for mitigating operational risk	The policy for operational risks including internal control & compliance risk is approved by the Board taking into account relevant guidelines of Bangladesh Bank. Policy guidelines on Risk Based Internal Audit (RBIA) system is in operation. As per RBIA branches are rated according to their risk grading/ scoring audit procedure and required frequent audit to the Branches are operated by the Audit Division. In addition, there is a Vigilance Cell established in the Bank to reinforce operational risk management of the Bank and to minimize the same. Bank's anti-money laundering activities are headed by (Chief Anti Money Laundering Compliance Officer) CAMLCO and their activities are devoted to protect against all money laundering and terrorist finance related activities. Apart from that, there is adequate check & balance at every stage of operation, authorities are properly segregated and there is at least dual control on every transaction to protect against operational risk.
v) Approach to calculating capital charges for operational risk	Basic indicator Approach is used for calculating capital charge for operational risk as of the reporting date.

### Quantitative Disclosures

b) As per risk based capital adequacy guidelines, capital charge for operational risk is equivalent to 15% of average annual gross income of three previous years where negative figures are excluded.  
As per risk based capital adequacy guidelines Social Islami bank Limited follows the Basic Indicator Approach for computing capital charge for operational risk.

Figure in Million

	As on 31.12.2022	
	Solo	Consolidated
Capital Requirement for		
Operational Risk	2,138.23	2,167.45

I. Liquidity ratio		
<p>In line with the provisions of liquidity risk management under Basel III, Bangladesh Bank on the basis of the relevant guideline of Bank for International Settlements (BIS) has identified the (i) Liquidity Coverage Ratio (LCR); (ii) Net Stable Funding Ratio (NSFR); and (iii) Leverage under the purview of 'Liquidity' ratio vide BRPD Circular No. 18 dated 21 December 2014 and DOS Circular No. 1 dated 1 January 2015.</p>		
<b>Qualitative Disclosures</b>		
a)	i) Views of Board of Directors (BOD) on system to reduce Liquidity Risk	<p>The Board of Directors reviews the liquidity risk of the Bank on quarterly rest while reviewing the Quarterly Financial Statements, Stress Testing Report etc. Besides, the EC of the Board also reviews the liquidity position while reviewing the management information system (MIS) report on monthly basis.</p> <p>Upon reviewing the overall liquidity position along with the outlook of SIBL funding need, investment opportunity, market/industry trend, the Board takes its strategic decision regarding deposits, funding, investments, loans as well as interest rates polices etc.</p> <p>The Board of SIBL always strives to maintain adequate liquidity to meet up Bank's overall funding need for the huge retail depositors, borrowers' requirements as well as maintain regulatory requirements comfortably.</p>
	ii) Methods used to measure Liquidity Risk	<p>The maintenance of Cash Reserve Requirement (CRR) and Statutory Liquidity Ratio (SLR) are considered as the fundamental methods/tools to measure the liquidity position/risk of SIBL.</p> <p>However, under Basel III, the following methods and tools are mandated for measuring the liquidity risk.</p> <p>a) Liquidity coverage ratio (LCR): Liquidity Coverage Ratio ensures to maintain an adequate level of stock of high quality liquid assets that can be converted into cash to meet its liquidity needs (i.e. total net cash outflows) over the next 30 calendar days.</p> <p>b) Net Stable Funding ratio (NSFR): Net Stable Funding Ratio aims to limit over-reliance on short-term wholesale funding during times of abundant market liquidity and encourage better assessment of liquidity risk across all on- and off-balance sheet items. The minimum acceptable value of this ratio is 100 percent, indicating that, available stable funding (ASF) should be at least equal to required stable funding (RSF).</p> <p>ASF consists of various kinds of liabilities and capital with percentage weights attached given their perceived stability.</p> <p>RSF consists of assets and off-balance sheet items, also with percentage weights attached given the degree to which they are illiquid or "long-term" and therefore requires stable funding.</p> <p>In addition to the above, the following measures have been put in place to monitor the liquidity risk management position of the Bank on a continued manner:</p> <p>a) Asset-Liability Maturity Analysis (Liquidity profile);</p> <p>b) Whole sale borrowing capacity;</p> <p>c) Maximum Cumulative Outflow (MCO);</p> <p>Besides the above, the following tools are also used for measuring liquidity risk:</p> <p>a) Stress Testing (Liquidity Stress);</p> <p>b) Net open position limit - to monitor the FX funding liquidity risk;</p>

	iii) Liquidity risk management system	<p>In SIBL, at the management level, the liquidity risk is primarily managed by the Treasury Division (Front Office) under oversight of ALCO which is headed by the Managing Director &amp; CEO along with other senior management.</p> <p>Treasury Division (Front Office) upon reviewing the overall funding requirements on daily basis sets their strategy to maintain a comfortable/adequate liquidity position taking into consideration of Bank's approved investment (credit) deposit ratio, liquid assets to total assets ratio, asset-liability maturity profile, Bank's earning/profitability as well as overall market behavior and sentiment etc.</p> <p>Apart from the above, Risk Management Division also monitors &amp; measures the liquidity risk in line with the Basel III liquidity measurement tools, namely, LCR, NSFR, Leverage Ratio. RMD addresses the key issues and strategies to maintain the Basel III liquidity ratios to the respective division (s) on regular interval.</p>								
	iv) Policies and processes for mitigating Liquidity Risk	<p>The Asset-Liability (ALCO) policy leads the process &amp; procedures for mitigation of liquidity risk of SIBL.</p> <p>ALCO works under specific Terms of References (functions) approved by the Board.</p> <p>Treasury Division (Front Office) and ALM desk under regular supervision of Top Management reviews the overall liquidity position of SIBL and takes appropriate strategy, process in line with the industry position for managing liquidity risk of the Bank.</p>								
<b>Quantitative Disclosures</b>										
b)	i) Liquidity Coverage Ratio (LCR)	<p>The Liquidity Coverage Ratio (LCR) under Liquidity Ratios of Basel III of Social Islami Bank Limited as of 31 December 2022 was as under:</p> <p>Liquidity Coverage Ratio (LCR) = Stock of High quality liquid assets / Net cash outflows over the next 30 calendar days</p> <table border="1" data-bbox="635 1136 1394 1251"> <thead> <tr> <th rowspan="2">particulars</th> <th colspan="2">Ratio (%)</th> </tr> <tr> <th>BB requirement</th> <th>SIBL's position</th> </tr> </thead> <tbody> <tr> <td>Liquidity Coverage Ratio (LCR)</td> <td>≥ 100%</td> <td>61.78%</td> </tr> </tbody> </table>	particulars	Ratio (%)		BB requirement	SIBL's position	Liquidity Coverage Ratio (LCR)	≥ 100%	61.78%
particulars	Ratio (%)									
	BB requirement	SIBL's position								
Liquidity Coverage Ratio (LCR)	≥ 100%	61.78%								
	ii) Net Stable Funding Ratio (NSFR)	<p>The Net Stable Funding Ratio (NSFR) under Liquidity Ratios of Basel III of Social Islami Bank Limited as of 31 December 2022 was as under:</p> <p>Net Stable Funding Ratio (NSFR) = Available amount of stable funding (ASF) / Required amount of stable funding (RSF)</p> <table border="1" data-bbox="635 1409 1394 1524"> <thead> <tr> <th rowspan="2">particulars</th> <th colspan="2">Ratio (%)</th> </tr> <tr> <th>BB requirement</th> <th>SIBL's position</th> </tr> </thead> <tbody> <tr> <td>Net Stable Funding Ratio (NSFR)</td> <td>≥ 100%</td> <td>117.57%</td> </tr> </tbody> </table>	particulars	Ratio (%)		BB requirement	SIBL's position	Net Stable Funding Ratio (NSFR)	≥ 100%	117.57%
particulars	Ratio (%)									
	BB requirement	SIBL's position								
Net Stable Funding Ratio (NSFR)	≥ 100%	117.57%								
	iii) Stock of High Quality Liquid Assets (SHQLA)	As stipulated by BB vide DOS Circular Letter No. 1 dated 1 January 2015, the Stock of High Quality Liquid Assets (SHQLA) of Social Islami Bank Limited as of 31 December 2022 is Tk. 29,064.62 million.								
	iv) Total net cash outflows over the next 30 calendar days	As stipulated by BB vide DOS Circular Letter No. 1 dated 1 January 2015, total net cash outflows over the next 30 calendar days of Social Islami Bank Limited based on the position as of 31 December 2022 is Tk. 47,042.27 million.								

	v) Available amount of stable funding	<p>As stipulated by BB vide DOS Circular Letter No. 1 dated 1 January 2015, the available amount of stable funding (ASF) of Social Islami Bank Limited as of 31 December 2022 was as under:</p> <table border="1" data-bbox="635 296 1401 415"> <thead> <tr> <th data-bbox="635 296 1187 331">Particulars</th> <th data-bbox="1187 296 1401 331">Amount (in million)</th> </tr> </thead> <tbody> <tr> <td data-bbox="635 331 1187 367">Available amount of Stable Funding (ASF)</td> <td data-bbox="1187 331 1401 367">3,78,872.25</td> </tr> <tr> <td data-bbox="635 367 1187 415">Total</td> <td data-bbox="1187 367 1401 415">3,78,872.25</td> </tr> </tbody> </table>	Particulars	Amount (in million)	Available amount of Stable Funding (ASF)	3,78,872.25	Total	3,78,872.25
Particulars	Amount (in million)							
Available amount of Stable Funding (ASF)	3,78,872.25							
Total	3,78,872.25							
	vi) Required amount of stable funding	<p>As stipulated by BB vide DOS Circular Letter No. 1 dated 1 January 2015, the required amount of stable funding (RSF) of Social Islami Bank Limited as of 31 December 2022 was as under:</p> <table border="1" data-bbox="635 527 1401 642"> <thead> <tr> <th data-bbox="635 527 1187 562">Particulars</th> <th data-bbox="1187 527 1401 562">Amount (in million)</th> </tr> </thead> <tbody> <tr> <td data-bbox="635 562 1187 598">Required amount of Stable Funding (RSF)</td> <td data-bbox="1187 562 1401 598">3,22,262.79</td> </tr> <tr> <td data-bbox="635 598 1187 642">Total</td> <td data-bbox="1187 598 1401 642">3,22,262.79</td> </tr> </tbody> </table>	Particulars	Amount (in million)	Required amount of Stable Funding (RSF)	3,22,262.79	Total	3,22,262.79
Particulars	Amount (in million)							
Required amount of Stable Funding (RSF)	3,22,262.79							
Total	3,22,262.79							

### J. Leverage Ratio

#### Qualitative Disclosures

a)	i) Views of BOD on system to reduce excessive leverage	<p>The Board of Directors of SIBL primarily views on the growth of On and Off balance sheet exposures commensurate with its expected capital growth so that the excessive leverage is reduced. Within the On-balance components, again, the Board emphasizes on the growth of the prime component i.e. the loans and advances and maintaining good asset quality so as to maximize the revenue as well as the capacity to generate capital internally (in the form of retained earnings) to trade-off the excessive leverage supposed to be caused by asset growth.</p> <p>At the outset of asset growth, the Board also views the growth of its sources of fund i.e. deposit growth taking into consideration of projected business growth so that the investment (credit)-deposit ratio is maintained at a sustainable basis as well as to reduce the mismatches of asset- liability gap within the tolerable limit to manage the liquidity risk.</p>
	ii) Policies and processes for managing excessive on and off- balance sheet leverage	<p>First and foremost, Bank's policy is to maintain the Leverage Ratio (Tier 1 capital as proportion to total adjusted On and Off balance sheet asset) well above the regulatory requirement. To this end, the striking components of balance sheet, namely, the deposits &amp; borrowing, loans &amp; advances, other liquid assets (treasury bills, bonds, fund placements) are analyzed on monthly basis.</p> <p>Measures are taken to contain the growth of overall size of balance sheet (On and Off balance sheet exposures aggregately) considering short term outlook of the industry indicators as well as possible growth of equity (Tier 1 capital) of the Bank on quarterly rest.</p> <p>With regard to managing the excessive leverage, the regulatory stance through the monetary policy initiatives i.e. the scope of expected business potential (growth), estimated money supply, inflation, resulting the estimated overall liquidity of the industry as well as the Bank in particular is also considered.</p>
	iii) Approach for calculating exposure/Leverage	<p>The exposures of balance sheet representing the overall position of the Bank as of the reporting date are calculated and presented in terms of applicable relevant accounting standards, i.e., IASs (BASs), IFRSs (BFRSs), etc.</p> <p>The accounting values of assets and liabilities are also presented and measured at gross. Netting of assets and liabilities are also made where permitted in compliance with the respective accounting standards and the regulatory instruction.</p> <p>For calculating "leverage", SIBL follows the 'Leverage Ratio' approach/ method as suggested by Bangladesh Bank</p>

Quantitative Disclosures										
b)	i) Leverage Ratio	<p>Leverage Ratio (LR) under Basel III of Social Islami Bank Limited as of 31 December 2022 was as under:</p> <p><b>Leverage Ratio (LR)</b> = Tier 1 Capital (after related adjustment)/Total Exposure (after related deductions)</p> <table border="1"> <thead> <tr> <th rowspan="2">particulars</th> <th colspan="2">Ratio (%)</th> </tr> <tr> <th>BB requirement</th> <th>SIBL's position</th> </tr> </thead> <tbody> <tr> <td>Leverage Ratio (LR)</td> <td>&gt; 3%</td> <td>5.49%</td> </tr> </tbody> </table>	particulars	Ratio (%)		BB requirement	SIBL's position	Leverage Ratio (LR)	> 3%	5.49%
particulars	Ratio (%)									
	BB requirement	SIBL's position								
Leverage Ratio (LR)	> 3%	5.49%								
	ii) On balance sheet exposure	Total On-balance Sheet exposure for calculating Leverage Ratio under Basel III of Social Islami Bank Limited as of 31 December 2022 is Tk. 4,31,277.56 million.								
	iii) Off balance sheet exposure	Total Off-balance Sheet exposure for calculating Leverage Ratio under Basel III of Social Islami Bank Limited as of 31 December 2022 is Tk 15,684.19 million.								
	iv) Total exposure	Total Exposures for calculating Leverage Ratio under Basel III of Social Islami Bank Limited as of 31 December 2022 is Tk. 4,46,743.30 million.								

K. Remuneration		
Qualitative Disclosures		
a	<b>Information relating to the bodies that oversee remuneration</b>	
	i) Name of the bodies that oversee remuneration	Board of Directors of the Bank is actually the main body to oversee the remuneration. The Board, however, generally suggest the management to place proposal for revision of remuneration from time to time. At the management level, primarily the Human Resources Division oversees the 'remuneration' in line with its HR management strategy/ policy under direct supervision and guidance of the Board of Directors.
	ii) Composition of the main body overseeing remuneration	Board of Directors of the Bank form a special committee consisting of competent directors for reviewing the proposal of the MANCOM regarding remuneration. The MANCOM is headed and chaired by the Managing Director & CEO of the Bank; along with other members of top executives and the Heads of different functional divisions of Head Office.
	iii) Mandate of the main body overseeing remuneration	The mandate of MANCOM as the main body for overseeing the Bank's remuneration is to review the position of remuneration and associated matters and recommend to the Board of Directors for approval of its restructuring, rearrangement and modification commensurate with the industry best practices as per requirement.
	iv) External consultants whose advice has been sought, the body by which they were commissioned, and in what areas of the remuneration process.	The Bank has no External Consultant permanently regarding 'remuneration' and its process. However, experts' opinion may have been sought in case to case basis regarding income tax matter, lawyers' opinion for settlement of employees' dues in case of death, penalty etc. if required, by the management.
	v) A description of the scope of the bank's remuneration policy (eg by regions, business lines), including the extent to which it is applicable to foreign subsidiaries and branches.	The Bank does not differentiate the 'Pay Structure' and 'employee benefits' by regions.
	vi) A description of the types of employees considered as material risk takers and as senior managers, including the number of employees in each group.	The Bank has not categorized any group or grade of employees as material risk taker. The risks in different operational events of the Bank are borne by the concerned employees of those particular areas as a team. However, the members of senior management, senior most branch managers and Head of the functional division at Head Office are considered as senior managers.

b	Information relating to the design and structure of remuneration processes.	
	i) An overview of the key features and objectives of remuneration policy.	Remuneration and other associated matters are guided by the Bank's Service Rule as well as instruction, guidance from the Board from time to time in line with the industry practice with the objectives of retention/hiring of experienced, talented workforce focusing on sustainable growth of the Bank.
	ii) Whether the remuneration committee reviewed the bank's remuneration policy during the past year, and if so, an overview of any changes that were made.	Yes. A committee was formed to review the bank's remuneration policy under supervision of board of directors to revise the pay scale in line with the industry practice and accordingly bank allowed a revised pay scale to the employee of SIBL with effect from 01.03.2022.
	iii) A discussion of how the bank ensures that risk and compliance employees are remunerated independently of the businesses they oversee.	<p>The risk and compliance employees are carrying out the activities independently as per specific terms of references, job allocated to them.</p> <p>Regarding remuneration of the risk and compliance employees, Human Resources Division does not make any difference with other mainstream/regular employees and sets the remuneration as per the prevailing rule of the Bank primarily governed by the employees' service rule of the Bank.</p>
c	Description of the ways in which current and future risks are taken into account in the remuneration processes.	
	i) An overview of the key risks that the bank takes into account when implementing remuneration measures.	The business risk including investment (credit)/default risk, compliance & reputational risk are mostly considered when implementing the remuneration measures for each employee/group of employee. Financial and liquidity risk are also considered.
	ii) An overview of the nature and type of the key measures used to take account of these risks, including risks difficult to measure.	<p>Different set of measures are in practice based on the nature &amp; type of business lines/segments etc. These measures are primarily focused on the business target/goals set for each area of operation, branch vis-à-vis the actual results achieved as of the reporting date. The most vital tools &amp; indicators used for measuring the risks are the asset quality (NPL ratio), Net Interest Margin (NIM), provision coverage ratio, credit-deposit ratio, cost-income ratio, growth of net profit, as well the non-financial indicators, namely, the compliance status with the regulatory norms, instructions has been brought to all concerned of the Bank from time to time.</p> <p>While evaluating the performance of each employee annually, all the financial and non-financial indicators as per pre-determined set criteria are considered; and accordingly the result of the performance varies from one to another and thus affect the remuneration as well.</p>
	iii) A discussion of the ways in which these measures affect remuneration.	While evaluating the performance of each employee annually, all the financial and non-financial indicators as per pre-determined set criteria are considered; and accordingly the result of the performance varies from one to another and thus affect the remuneration as well.
	iv) A discussion of how the nature and type of these measures has changed over the past year and reasons for the change, as well as the impact of changes on remuneration	Considering industry practice and competitiveness the Board of Directors of the bank revised pay scale to the employee of SIBL with effect from 01.03.2022.
d	Description of the ways in which the bank seeks to link performance during a performance measurement period with levels of remuneration.	

	i) An overview of main performance metrics for bank, top-level business lines and individuals.	The Board sets the Key Performance Indicators (KPIs) while approving the business target/budget for each year for the Bank and business lines/segments. The management sets the appropriate tools, techniques and strategic planning (with due concurrence/approval of the Board) towards achieving those targets. The most common KPIs are the achievement of loan, deposit and profit target with the threshold of NPL ratio, cost-income ratio, cost of fund, yield on loans, provision coverage ratio, capital to risk weighted asset ratio (CRAR), ROE, ROA, liquidity position (maintenance of CRR and SLR) etc.
	ii) A discussion of how amounts of individual remuneration are linked to bank-wide and individual performance.	The remuneration of each employee is paid based on her/his individual performance evaluated as per set criteria. And, accordingly, the aggregate amount of remuneration of the Bank as a whole is linked/ impacted to the same extent.
	iii) A discussion of the measures the bank will in general implement to adjust remuneration in the event that performance metrics are weak. This should include the bank's criteria for determining "weak" performance metrics.	The Bank follows remuneration process as per set criteria with no in general adjustment in the event of weak performance metrics/ scorecard.
e	Description of the ways in which the bank seek to adjust remuneration to take account of longer-term performance.	
	i) A discussion of the bank's policy on deferral and vesting of variable remuneration and, if the fraction of variable remuneration that is deferred differs across employees or groups of employees, a description of the factors that determine the fraction and their relative importance.	The Bank pays variable remuneration i.e. annual increment based on the yearly performance rating on cash basis with the monthly pay. While the value of longer term variable part of remuneration i.e. the amount of provident fund, gratuity fund are made provision on aggregate/individual employee basis; actual payment is made upon retirement, resignation etc. as the case may be, as per rule.
	ii) A discussion of the bank's policy and criteria for adjusting deferred remuneration before vesting and (if permitted by national law) after vesting through claw back arrangements.	Not Applicable
f	Description of the different forms of variable remuneration that the bank utilizes and the rationale for using these different forms.	
	i) An overview of the forms of variable remuneration offered (i.e. cash, shares and share-linked instruments and other forms. A description of the elements corresponding to other forms of variable remuneration (if any) should be provided.	The Bank pays variable remuneration on cash basis (i.e. direct credit to the employee Bank account and/or Payment Order/ Cheque), as the case may be, as per rule/practice.
	ii) A discussion of the use of the different forms of variable remuneration and, if the mix of different forms of variable remuneration differs across employees or groups of employees, a description the factors that determine the mix and their relative importance.	The following variable remuneration has been offered by SIBL to its employees: Annual Increment Bank provides annual increments based on performance to the employees with the view of medium to long term strategy and adherence to SIBL values.



**Quantitative Disclosures**

g	Number of meetings held by the main body overseeing remuneration during the financial year and remuneration paid to its member.	There were 12 (Twelve) meetings of the MANCOM held during the year 2022. All the members of MANCOM are from the core banking area/operation of the Bank. No additional remuneration was paid to the members of the MANCOM for attending the meeting except their regular remuneration.	
h	i) Number of employees having received a variable remuneration award during the financial year.	The following Number of Employees were received a variable remuneration during the year 2022:	
		<b>Particulars</b>	<b>Number</b>
		Number of employees having received a variable remuneration award during the year 2022	Not Applicable
	ii) Number and total amount of guaranteed bonuses awarded during the financial year.	The following number and total amount of Guaranteed bonuses awarded during the year 2022: All employee of SIBL get two festival bonuses.	
	iii) Number and total amount of sign-on awards made during the financial year.	There was no sign-on awards made in 2022.	
	iv) Number and total amount of severance payments made during the financial year.	There was no severance payment made during the year 2022.	
i	i) Total amount of outstanding deferred remuneration, split into cash, shares and share-linked instruments and other forms.	Not Applicable	
	ii) Total amount of deferred remuneration paid out in the financial year.	Not Applicable	
J	Breakdown of amount of remuneration awards for the financial year to show:	i) Fixed and variable remuneration paid in 2022 are as follows: <b>Amount in Million Taka</b>	
		Fixed pay	4,364.90
		Variable pay	-
		Total fixed and variable pay	4,364.90
		ii) Deferred and non-deferred (paid during the year). Not Applicable	
		iii) Different forms used (cash, shares and share linked instruments, other forms).Remuneration is paid on cash basis (i.e. direct credit to the employee Bank account and/or Payment Order/ Cheque), as the case may be, as per rule/practice.	
k	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:		
	i) Total amount of outstanding deferred remuneration and retained remuneration exposed to ex post explicit and/or implicit adjustments.	Not Applicable	
	ii) Total amount of reductions during the financial year due to ex post explicit adjustments.	Not Applicable	
	iii) Total amount of reductions during the financial year due to ex post implicit adjustments.	Not Applicable	

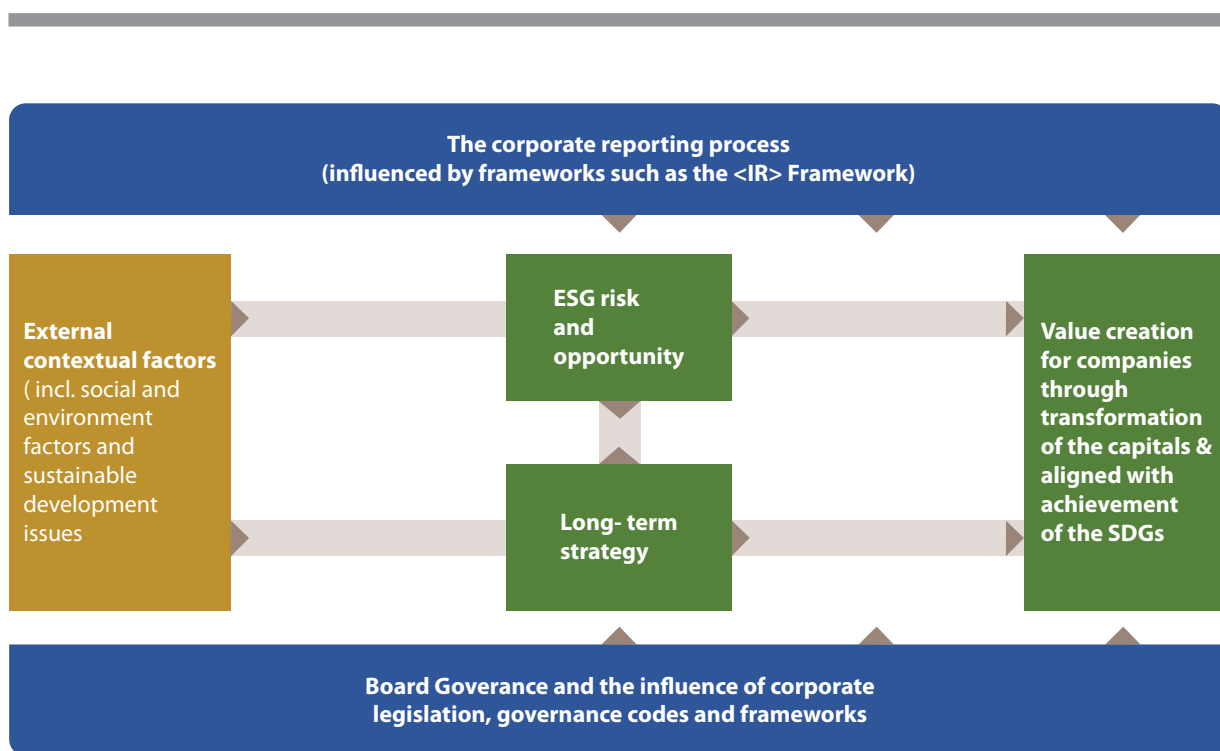


# INTEGRATED REPORT

# Integrated Reporting

## Our approach to integrated report

The primary purpose of an integrated report is to explain to providers of financial capital how an organisation creates, preserves or erodes value over time. It therefore contains relevant information, both financial and other. An integrated report benefits all stakeholders interested in an organisation's ability to create value over time, including employees, customers, suppliers, business partners, local communities, legislators, regulators and policy-makers. Here we have depicted the ultimate purpose and how value delivered to stakeholders through following diagram-



## Background of Integrated report framework

After a consultation process, the International Framework of the International Integrated Reporting Council (IIRC) published the first version of its 'International Integrated Reporting Framework' in December 2013. In February 2020, the IIRC launched a revision process and identified three key themes of the revision:

- a) business model considerations,
- b) responsibility for an integrated report and
- c) charting a path forward

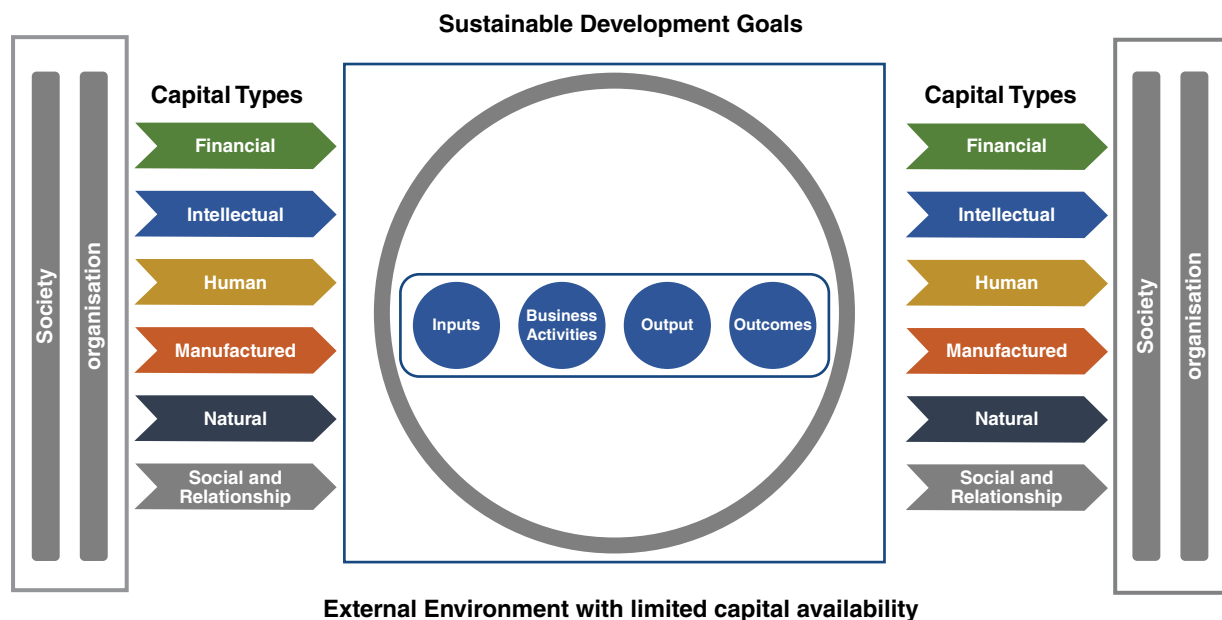
The third theme was not directly related to the revision but focused on future of corporate reporting, including extended assurance and the role of technology, and was intended to inform the IIRC's

longer-term strategy. In January 2021, the IIRC published revisions of the Framework that focused on a simplification of the required statement of responsibility for the integrated report, improved insight into the quality and integrity of the underlying reporting process, a clearer distinction between outputs and outcomes, and a greater emphasis on the balanced reporting of outcomes and value preservation and erosion scenarios.

## Fundamental concepts

There are three fundamental concepts underpinning, mainly-

- Value creation, preservation or erosion for the organisation and for others.
- The capitals, which are identified in the Framework as financial, manufactured, intellectual, human, social and relationship, and natural capital. (Depicted below)



- Process through which value is created, preserved or eroded

As a responsible organization, we must effectively manage our resources and relationships to ensure attractive returns on our investment over the long term. We have also tried to keep this report succinct, consistent and complete, including all material matters, both positive and negative in a fair way and without material inaccuracy. Since inception, PBL has been directed with the vision of making a poverty free Bangladesh. Our mission, goals are set based on the vision and we are continuously pursuing the well-being of the people. Keeping this in mind, we are expanding the base of our sustainability business framework through contributing in building the society, strengthening governance issues, creating value for our shareholders and complying with environmental issues.

However Our integrated report gives a clear indication of our business model, strategic focus, resource allocation and future outlook to help the stakeholders to evaluate the Bank's intrinsic value creation capability. In our Integrated Report, we also focused the key factors that are material to its present and future value creation.

## Competitive intensity and Banks response

### What is Competitive Intensity?

In strategy, competitive intensity is defined as the extent to which companies within a specific industry exert pressure on one another. Some level of competition is healthy because it acts as an impetus for innovation within organizations. Competition, whether in an industry or another setting, drives teams and individuals to give their best. In fact, such rivalry is what keeps a majority of firms on their toes, propelling them to do better than their competitors.

### What Determines the Level of Competitive Intensity?

According to Porter, there are several factors that influence competitive intensity between firms, which include the following:



#### 1. Costs

Porter pointed out that there are specific costs that affect how intense the competition in an industry gets. Costs that could increase rivalry include high fixed costs, high storage expenses, and low switching costs. High fixed costs will encourage firms to lower their prices. However, once the prices decrease, the competition will intensify.



#### 2. Concentration in the Industry

If a particular industry has a very high number of firms offering identical goods or services, this will lead to more competitive intensity. However, in a monopoly or oligopoly market structure that is dominated by just one or a few firms, there will be less rivalry. As such, the extent of concentration in an industry plays a huge role in competition intensity.



#### 3. Rate of Market Growth

The rate at which the overall industry is growing is another aspect that influences competitive intensity. For instance, if the market is growing rapidly, the rivalry between firms will be less intense.

A slow growth rate, however, increases competitive intensity. With slow growth, the industry is very close to saturation – there aren't many new customers to attract. But if the market is strong, there's room for new entrants and new clients. There could even be untapped opportunities that firms can take advantage of.



#### 4. Differentiation

The degree of differentiation also determines how intense the competition will be. With competing goods, such as food products and clothing, there's very little room for differentiating the items offered by a particular company. This means that companies will be competing for the same consumers, and this increases rivalry. However, if a firm is offering highly differentiated products that other organizations cannot easily imitate or copy, then it will face relatively less competition.



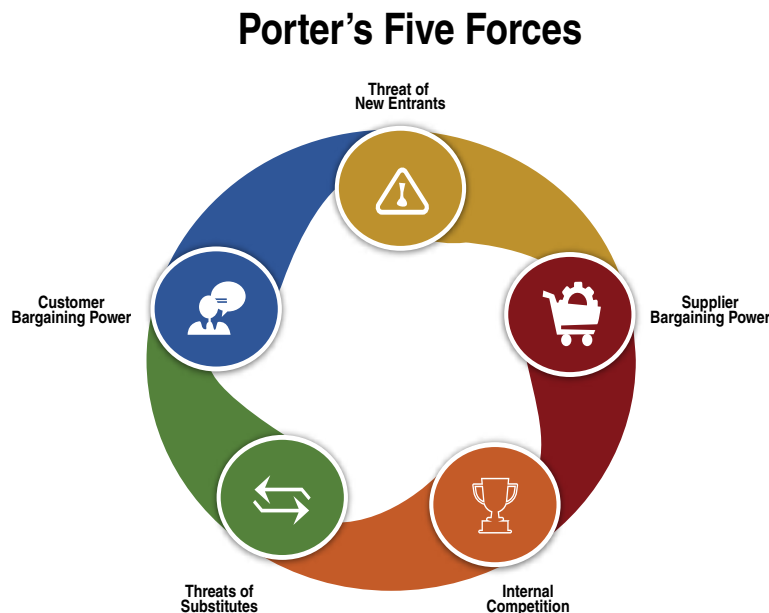
#### 5. Switching Costs

Apart from fixed costs, switching costs also influence the extent of rivalry between companies. If an organization decides to go for a different supplier from the one it has been using, it will incur switching costs. High switching costs lead to a decrease in competition. The switching costs arise from the fact that customers have invested a lot of their resources in learning how to use a particular product.

However, if there aren't any switching costs involved, then industry competition will be pretty intense. Markets that deal with common consumer goods are often the ones that have low switching costs.

## Competitive response

Competitive response is a type of competitive action carried out by a firm in direct or indirect reaction to an initial to an initial action from a rival firm. The measure of this competitive response depends on the perspective from which you are approaching competitive response. PBL here enumerates below the competitive intensity with linked to Porters Five Forces Model and responses related to in our real competitive surroundings.



## Threat of new entrants

The government faces continuous pressure to approve new banks and financial institutions by reputed political actors. Besides, a number of foreign institutions are now providing funding facilities to local companies at lower rates of interest and with easier terms and conditions.

### Our response

To counter the threats from new entrants, we are doing the following activities:

- Investing substantially in digital banking with a view to boost customer convenience and also our ability to service their growing and sophisticated requirements
- Continually launching new products and solutions that cater to diverse customer needs and Requirements
- Adhering with all regulatory guidelines with a view to ensure the highest levels of compliance
- We have already strengthened our position in the retail and SME segments and are focused in further strengthening the existing customer base. We are targeting new customers by offering new diversified products

## Bargaining power of customers

It is reasonably easy for the customers to switch to other banks fully, or even avail part of their service requirements from other banks, thereby shrinking the size of the engagement. Investment Clients possess stronger bargaining power in today's age of aggressive marketing. This is because of the relatively low switching cost due to the high number of banks present in the industry.

### Our response

One of the measures we undertake with a view to attract and retain our customers include the following:

- Providing market-leading deposit rates
- Offering world-class service standards
- Offering the convenience of digital banking,

enabling them to conduct a number of banking transactions on-the-go

- Providing value-based lending rates, with flexibility in foreclosure, processing fees, etc.

## Bargaining power of suppliers

Depositors are the main supplier of funds for the banking industry, whose bargaining power is now strong in Bangladesh than any other time. Most banks are facing a liquidity crisis. As a result, depositors are now in a position of power as different banks approach them with high interest rates. Sources of funds, comprising customer deposits and borrowings from other financial institutions are largely based on the market which often fluctuate.

### Our responses

We embrace the following strategies with a view to derive an edge over our supplier relationships.

- We offer our depositors relatively better rates and assure them of best-in-class service levels
- We provide a high degree of safety of capital for our investors/banking partners, with assurance of meeting our obligations and their expectations
- Our employees are our major suppliers of their time, commitment and knowledge with a view to enable us to achieve our goals and aspirations, for which we provide them adequate compensation and robust career development plans

## Threat of substitute product

The threat of substitute products has increased in the banking industry, as companies outside the industry have begun to offer specialized financial services that were traditionally only available from banks. Examples of such substitute products include transfer fund through bKash, Nagad, etc.

### Our response

We are searching for new opportunities due to changes in technology and regulatory policies so that early mover's advantages can be achieved. As such, we are thinking of introducing digital wallet.



## Competitive rivalry

In the country, the banking industry has 61 scheduled banks, 5 non-scheduled banks and 34 NBFIs. This makes switching relatively easy on account of the high concentration of service providers. Further, banks are also developing new products and services, thereby reinforcing their customer acquisition strategies and also eating into the share of existing service providers. Besides, there are many large local banks providing a range of both asset and liability products at competitive rates.

## Our response

We have initiated the following measures with a view to protect our market and also grow our market share.

**Investments in technology:** We provide innovative financial products and services through

our ability to invest in state-of-the-art technologies, which builds customer trust and also adds to the overall quality of engagement with them.

## Difference through service quality:

We understand that while products can be commoditized and replicated, what cannot is service. Thus, we provide superlative service standards and experiences that enable our customers to naturally gravitate to us, thereby ensuring business repeatability.

**Customer loyalty:** Historically, we have a strong and loyal base of customers. This represents a major advantage in a competitive industry, even as we strive to focus on the retention of this base, while focusing on expanding it too.

## Social Responsibility Initiatives

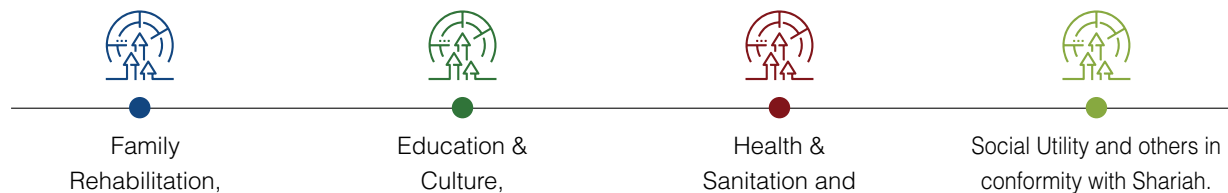
Corporate Social Responsibility is an integral part of Social Islami Bank. Through different projects we hope to contribute to the community, but our main focus is to help the underprivileged community in Bangladesh. SIBL has always been active in social responsibility projects since the beginning. SIBL always prioritizes the Bangladesh Bank CSR Guideline and focus on long-term programs rather than the short-term ones that have sustainable impact on the people and society of the country.”

### Corporate Social Responsibility of SIBL

As part of Corporate Social Responsibility (CSR), welfare activities of Social Islami Bank Limited (SIBL) are being carried out mainly from-



SIBL is a pioneer of Cash Waqf Program which has meanwhile achieved both local & international accreditation for its unique welfare approach. Cash Waqf Program of the Bank paved the way of doing welfare of mankind in various sectors such as-



### Cash Waqf is broadly categorized as-

**General Cash Waqf:** Where the Waqif (Donor) doesn't mention the name of beneficiary (may be individual or organization) for receiving the profit of Cash Waqf fund, we call those General Cash Waqf.

**Specific Cash Waqf:** In case of Specific Cash Waqf, the Waqif (Donor) specify the name of specific beneficiary (may be individual or organization). Profit of General Cash Waqf A/C are being sent to FAD, HO annually & profit of Specific Cash Waqf A/C are being sent to the specific beneficiary as per instruction of the Waqif once annually.

Social Islami Bank Ltd. is extending financial help to different orphanages, schools, madrasahs, social organizations & individuals who are suffering from fatal diseases like cancer, kidney failure, and

heart diseases etc. from the fund which are being accumulated from the profit of Cash Waqf Fund, Compensation Fund, Doubtful Income and Zakat Fund.

Bangladesh Bank vide DOS Circular No. 01 dated 10 April, 2022 titled “Mainstreaming Corporate Social Responsibility (CSR) in banks and financial institutions” gave a comprehensive guideline on CSR.

We have been submitting quarterly CSR report to Bangladesh Bank as per format provided by them. The format has following dimensions:

**Financial Inclusion:** In the form of financing to Agriculture, SME, Women Entrepreneur, Renewable Energy, Solar Irrigation etc.

**Donation to the individuals, covering:** Education, Health, Disaster Management (Family Rehabilitation), Environment (Social Utility), Sports, Art & Culture, Others etc.

**Donation to NGO’s:** For supporting such welfare activities

### CSR activities under-taken during the year

SIBL has contributed a sum of total Tk. 208.27 million in the field of Health, Education, Disaster Management (Family Rehabilitation), Sports, Environment (Social Utility) & Others during year 2022, which are furnished hereunder: (Figure in Tk.)

Sectors	Contribution	
	in 2021	in 2022
Health	5,23,01,033.00	3,33,60,000.00
Education	41,89,000.00	3,84,58,000.00
Disaster Management(Family Rehabilitation)	97,76,250.00	11,00,00,000.00
Sports	5,00,000.00	10,35,000.00
Art & Culture	0.00	0.00
Environment (Social Utility)	5,37,67,137.00	2,53,25,825.00
Others	0.00	1,00,000.00
<b>Total</b>	<b>12,05,33,420.00</b>	<b>20,82,78,825.00</b>

# Environmental Performance



## Green Banking

Bangladesh Bank has recognized SIBL as one of the Top Ten Private Commercial Banks for their contribution to Green Banking activities across the country. We have unified our sustainable operations under the “Green Banking Unit” equipped with permanent employees. The Audit Committee of the Board is selected as the High Powered Committee of our Green Banking Unit for reviewing the Green Banking activities. Our Green Banking Policy Guidelines and Green Office Guide have been circulated to all our employees for creating awareness on Green Banking activities & providing instructions about conserving energy, water, saving paper, etc. Our Green Strategic Plan is enhanced to define our strategy in the coming years. SIBL developed its own Environmental Policies, which proves our commitment to the Environment for a sustainable future. As a Bank we play an intermediary role between economic development and conservation of the environment. Our Green Banking activities are on multidimensional areas which include both in-house Green activities and external green activities towards supporting Green Economy.



## Green Transformation Fund (GTF)

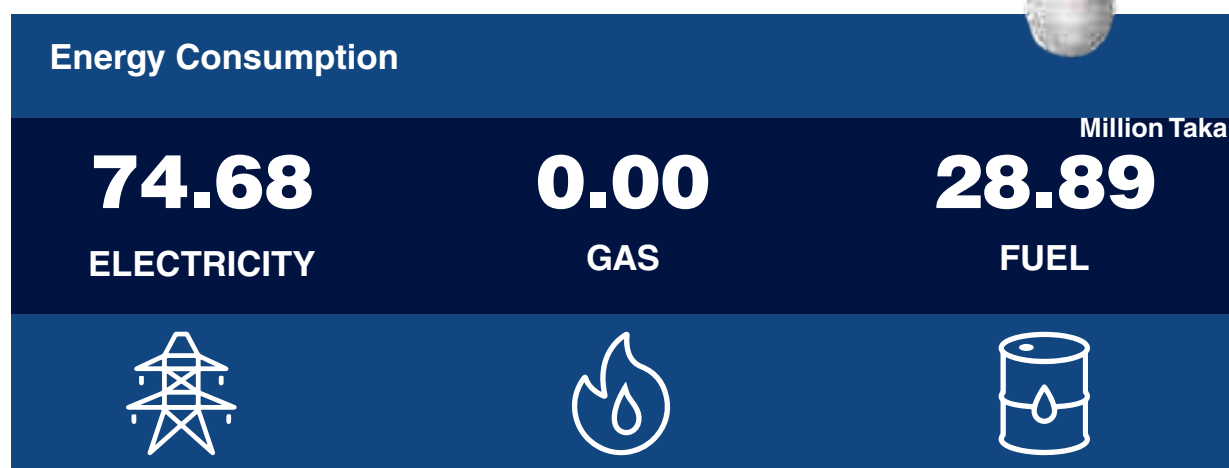
Green Transformation Fund is a foreign currency fund provided to export oriented/ Manufacturing industries in the country, SIBL obtained Green Transformation Fund (GTF) for USD 25.06 million & Euro 4.73 million for three valued clients up to the year 2022.



# Energy

## Energy Savings

Our new Corporate Office, where we have moved during the year 2011 has been designed to utilize maximum usage of natural lights, which reduces energy consumption substantially compared to other conventional building. Around a third of the bulbs being used in this office are of energy savings type. We are saving around 40% electricity (used for lighting purpose) by using the day light in our Corporate Office. Our electronic mail system has been operational since 2005, which is being extensively used for internal as well as external communication. Electronic communication substantially reduces paper consumption thereby reduce deforestation.



### Financing Renewable Energy and Carbon Offset Projects

We have installed Solar panels in our 17 branches located at Patherhat, Patkelghata, Akhaura, Dewanhat, Bibirhat, Shahzadpur, Gobindagonj, Naogaon, Dhamrai, Fenchugonj, Atorar Dipo, Hajigonj, Chowgacha, Chandaikona, Fakirhat, Shayedpur and Dupchachia branches. In the year 2019 we have disbursed Tk. 481.86 million to 17 business entities, which helps sequestration of Carbon.

### Reducing Energy & Resource Consumption

Instruments of Green Banking offered by Cards Division include E-Statement, SMS Banking, SMS Alert, Net Banking, E Fund Transfer and Digital Attendance and Paperless Board of Directors meeting, E Mail corresponding, Video Conference, Tele Conference, which help reducing printing paper.

Sl. No.	Instruments
1	E-Statement
2	SMS Banking
3	SMS Alert
4	Net Banking
5	E Fund Transfer
6	Digital Attendance
7	E Mail corresponding
8	Video Conference
9	Tele Conference
10	Paperless Board of Directors Meeting
11	SIBL NOW Instant Banking



# Water



## Reducing Carbon Footprint & Water Usage

As part of our commitment for our Green Economy we have refinance in Solar Energy, Bio- Gas, LED and Effluent Treatment Plant, Hybrid Hoffman Kiln (HHK), Bio-Flock Fish Cultivation & Energy Efficient Machineries.

During 2022, SIBL provided Tk. 382.45 million to Bricks which envisages of setting of a modern, environment friendly & energy efficient Brick Manufacturing project utilizing Hybrid Hoffmann Kiln/ Zigzag & Improvement Technology.



## Online Banking

SIBL has been one of the pioneers in introducing Online Banking. SIBL is the 1st Islami Bank, who introduced Online Banking Service to our clients and it covers all our 179 branches, 196 own ATMs. Clients can also have access to their accounts through Internet & Mobile Banking. Online banking system is a great way to reduce wastage of paper.



## Our future plan:

SIBL has the plan to focus on the following areas of operation for promoting Green Initiatives:

- To popularize Online Banking,
- To increase Internet, SMS & Mobile Banking
- To introduce Video Conferencing
- To increase Efforts towards near paperless banking
- To promote Tree Plantation Campaign
- To promote green initiatives through advertisement in print/ electronic media
- To rationalize use of consumption of paper, water, electricity and utilities
- To reduce Emission of Carbon
- To conserve environment
- To protect air/water pollution.
- To establish green building/ project.
- To enhance the export oriented project by re-financing scheme under Green Transformation Fund.

Saving our 'Mother Planet' has become the crucial issue now-a-days. To save our beloved abode (the earth) from all types of erosion and pollution we, as global citizens, have some obvious responsibilities to keep our mother planet green remaining in our individual position we belong to.

# Environment Related Initiatives

Social Islami Bank Limited believes it is important to promote environment–friendliness in society as a whole through the financial products and services it offers as part of its core business based on the knowledge and insight of a global financial group. From this perspective, SIBL is developing businesses that contribute to the environment according to the nature of their own operations.

## Green Banking

Bangladesh Bank has recognized SIBL as one of the Top Ten Private Commercial Banks for their contribution to Green Banking activities across the country. We have unified our sustainable operations under the “Green Banking Unit” equipped with permanent employees. The Audit Committee of the Board is selected as the High Powered Committee of our Green Banking Unit for reviewing the Green Banking activities. Our Green Banking Policy Guidelines and Green Office Guide have been circulated to all our employees for creating awareness on Green Banking activities & providing instructions about conserving energy, water, saving paper, etc. Our Green Strategic Plan is enhanced to define our strategy in the coming years. SIBL developed its own Environmental Policies, which proves our commitment to the Environment for a sustainable future. As a Bank we play an intermediary role between economic development and conservation of the environment. Our Green Banking activities are on multidimensional areas which include both in-house Green activities and external green activities towards supporting Green Economy. In 2021, as part of our Green Banking initiative SIBL has spent significant amount for Green establishment, installation of solar panels, environment friendly brick plant based on HHK (Hybrid Hoffman Klin) technology etc.

## Green Transformation Fund (Gtf)

We have provided USD 3129321.00 & Euro 4727233.00 to export oriented garments industries by BB Re-Financing Scheme under Green Transformation Fund (GTF) for the year 2021.

## Online Banking

SIBL has been one of the pioneers in introducing Online Banking. SIBL is the 1st Islami Bank,

who introduced Online Banking Service to our clients and it covers all our 172 branches, 166 own ATMs, 2852 shared ATMs. Clients can also have access to their accounts through Internet & Mobile Banking. Online banking system is a great way to reduce wastage of paper.

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## Environmental & Social Obligations

We are well aware of the social and environmental obligations we have to our customers, our staff and our planet. We take these responsibilities seriously and have implemented a program of ongoing assessment of working practices, adapting our operations to meet the following commitments.

### Social Obligations

SIBL actively participate in Corporate Social Responsibility (CSR) activities of the Bank. SIBL has contributed a sum of total Tk. 120.53 million in the field of Health, Education, Disaster Management (Family Rehabilitation), Sports, Art & Culture, Environment (Social Utility) & Others during year 2021. This is a reaffirmation of the commitment of SIBL towards the society.

### Environmental Obligations

#### Environmental Performance Energy

#### Energy Savings

Our new Corporate Office, where we have moved during the year 2011 has been designed to utilize maximum usage of natural lights, which reduces energy consumption substantially compared to other conventional building. Around a third of the bulbs being used in this office are of energy savings type. We are saving around 40% electricity (used for lighting purpose) by using the day light in our Corporate Office. Our electronic mail system has been operational since 2005, which is being extensively used for internal as well as external communication. Electronic communication substantially reduces paper consumption thereby reduce deforestation.

#### Energy Consumption

Energy Type	Million Taka
Electricity	97.76
Gas	-
Fuel	27.18

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Bibirhat, Shahzadpur, Gobindagonj, Naogaon, Dhamrai, Fenchugonj, Atorar Dipo, Hajigonj, Chowgacha, Chandaikona, Fakirhat, Shayedpur and Dupchachia branches. During 2019 we have disbursed Tk. 481.86 million to 17 business entities, which helps sequestration of Carbon.

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### Water

#### Reducing Carbon Footprint & Water Usage

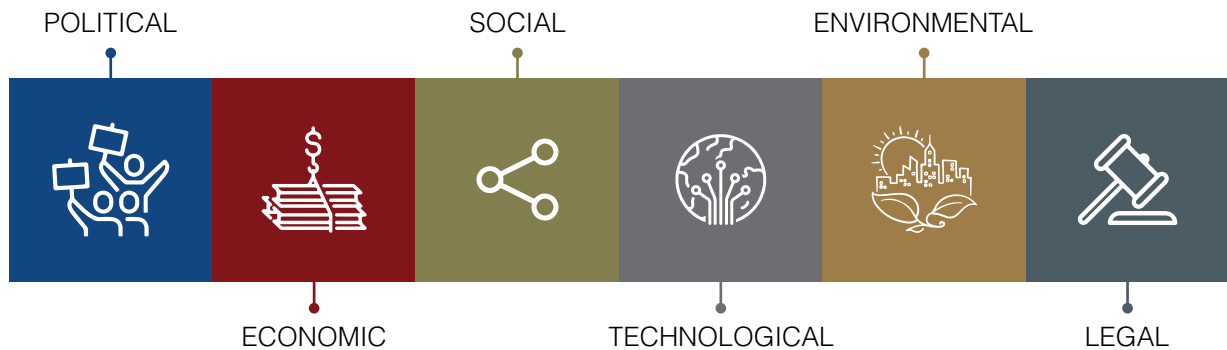
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# PESTEL Analysis

PESTEL analysis is crucial from the point of view of shareholders or investors, as it informs them how some of the key external factors and the sub-factors within each of these core external factors can impact or influence an organization's performance or ability to create value over the long-term.

## The letters of PESTEL stand for:



At SIBL Bank, we believe that our focus on PESTEL evaluation enables us to successfully monitor and respond to changes in the macro-environment, thereby enabling us to differentiate from the competition and create a robust and unassailable competitive advantage.

## Impact of PESTEL analysis is enumerated below:



### Political Impact regarding the industry

The Banking Industry may boost up due to political stability and private sector credit growth as well as implementing the stimulus packages announced by the government. On the other hand, the Industry may face challenges to collect deposit as well as they may have to maintain more provision than earlier time because of global political unrest effect and government's stand against corruption and loan defaulters.

### Specific impact to SIBL

SIBL management is continuously scanning the political environment and formulating its strategy by assessing the current and future environment. No investment is given under political consideration. SIBL goes for litigation against any defaulter irrespective of political and social identity. Besides, SIBL report promptly to Election Commission on demand regarding bank defaulters.



### **Economic Impact regarding the industry**

The government is borrowing fund from banking sector as well as general people to facilitate the mega projects like Padma Bridge, Four Lane Highways and Metro Rail, etc. As a result, the banking sector is facing challenges to collect deposit and funding private sector. Moreover, the challenges that the sector encountered during the year was dealing with the pressure of non-performing loans.

For FY 2022, we expect country's economic growth to be more than the target set in the budget. Some mega projects undertaken by the government may take more years to be completed as well as the government will take new mega projects for further development of infrastructure of the country.

### **Specific impact to SIBL**

Due to negative economic index Bangladesh Bank has already taken some rigorous decision to turn the negative economic index to positive e.g. monetary policies as follows:

#### **Key monetary policies adopted by Bangladesh Bank (January-June 2023).**

- **General policies:**

1. Raising the policy interest rate amid quantitative tightening through the selling of a huge amount of dollars in the market;
2. Continuing the repo and liquidity support facilities for banks and NBFIs;
3. Extending the refinance facilities to neutralize the tight liquidity condition;
4. Discouraging imports of luxury and non-essential commodities;
5. Enhancing the facilities to improve the export receipts and inward remittances;
6. Engaging with commercial banks and NBFIs to deal with NPLs and good governance issues.

- **Monetary Policies:**

1. BB has decided to increase its policy rates by 25 basis points, the repo rate to 6.00% from 5.75%, and reverse repo rate to 4.25% from 4.00%.
2. The lending cap for consumer's credit has been relaxed to vary up to 3.00% point's e.g.12% along with the complete removal of the deposit floor rate.
3. There is no cap for credit card loans.
4. In presence of suitable economic condition, the removal of the remaining lending rate cap will be considered.
5. Unified exchange rate regime (within 2.00% variation) by the end of the fiscal year.

Where SIBL has already complied. Besides, SIBL has been disbursing refinance scheme under Bangladesh Bank instruction to COVID affected industries including RMGs.



### **Social Impact regarding the industry**

Changing technology, internet and social networking have all impacted the banking business. Social factors influence customer needs, tastes and preferences. Business cannot be run ignoring society. Banking industry has to consider the lives and culture as well as societal norms where banks are running. Banking business is highly influenced by social surroundings of bankers.

#### **Specific impact to SIBL**

We believe social factors will tend to further fragment customer needs, tastes and preferences. Hence, banks will need to rethink their customer segmentation strategies and offer products and services accordingly. Corporate Social Responsibility (CSR) is given for social welfare and employment generation. Mentionable that SIBL has donated to PMs COVID fund/Zakat fund to help Covid affected people of the country.

SIBL SME products cover the growing demand of middle class and lower middle class people. SIBL promote business through SME investment. Though not profitable, SIBL runs school Banking campaign to open SIBL Young star savings accounts. Financial literacy program is run in different educational institutions at banks own cost. Many women entrepreneurs are given finance to ensure more female participation in the society. SIBL has many deposit product e.g. Suborno Lata, Shobuj Chaya, Suborno Rekha, Shobuj Shayanho etc. for women to facilitate them in various way.



### **Technological Impact regarding the industry**

The problems that we see in the Banking sector in the upcoming days are meeting customer expectation through introducing the latest technology. Cyber security might be another barrier to get benefit from this online banking era.

#### **Specific impact to SIBL**

To remain competitive in introducing new technology and providing our customer high quality services, we are investing heavily to introduce world's latest technology. Moreover, keeping in mind the cyber security issue utmost importance has been given to ensure cyber security. We are completely running internet banking experimentally and we have also plan to launch wallet banking, a latest technology in banking sector of Bangladesh.



### **Environmental Impact regarding the industry**

In Bangladesh, there is a growing focus on embracing 'green' finance or, more broadly speaking, sustainable finance. The country is especially vulnerable to climate-change impacts. For instance, floods are a recurrent feature that cause losses of tens of millions of dollars every year, while creating humanitarian crisis too. Moreover Bangladesh Bank has instructed the banks for sustainable banking such as Green Banking, Corporate Social Responsibility, etc.

#### **Specific impact to SIBL**

In response, SIBL has already developed Green Banking Policy, Environmental & Social Risk Management Guideline, Green Office Guide and CSR Policy with instruction

to all employees for meticulous compliance. All branches and Head Office have been complying the above guides, wherever applicable in order to reduce carbon emission of the bank. Moreover we have a robust green finance book, and our team helps us to actively source green business that we believe is good for the environment and good for Bangladesh.



### **Legal Impact regarding the industry**

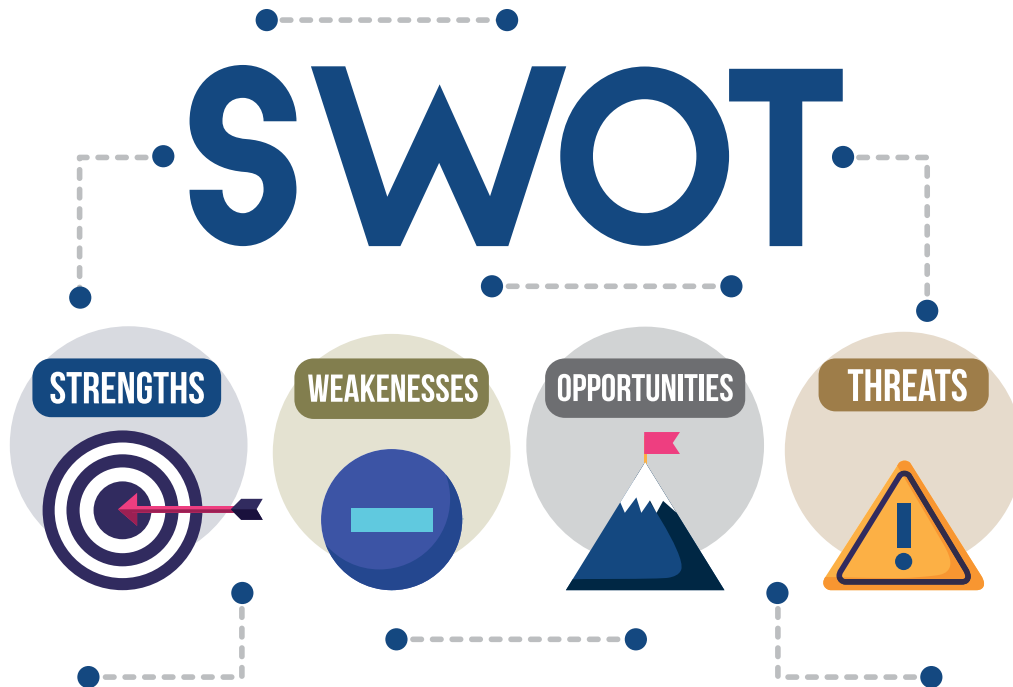
Bangladesh's banking industry is regulated under the Bank Companies Act 1991, as amended in 2013, Bangladesh Bank circulars and guidelines, listing regulations and securities laws. This apart, banks are also required to comply with Companies Act 1994, Income Tax Ordinance and Rules 1984, Value Added Tax Act and Rules 2012, etc.

### **Specific impact to SIBL**

SIBL Bank aligns its operations based on its values and principles as a self-regulatory, morally responsible and publicly-obliged corporate citizen in Bangladesh. We always value rules and regulations and engage in compliance with sustainability factors too. This is amply evident in the fact that we are the only banking institution in Bangladesh to be awarded as retail Islamic banking category.

# SWOT Analysis

SWOT analysis illustrates internal factors (Strength, Weakness) relevant to our industry which are within our control/ability and external factors (Opportunity, Threat) exist in our business surroundings within which we face continuing our day to day operation.



In perspective from SIBL, following crucial elements are relevant to SWOT analysis, which are enumerated below-



## STRENGTH (INTERNAL FACTOR)

### Good Corporate Governance

The board of the bank ensures that high ethical standards are established across the Bank and regularly reviews the Bank's compliance with Central Bank. The board recognizes good corporate governance practice a vital ingredient in the creation of substantial shareholders value and protecting the interests of all stakeholders.

### Enriched Human Capital

We have enriched human resource and excellent environment for delivering best value to the organization.

### Diversified products and services

SIBL presents various dynamic corporate, retail, SME product along with prudential service to our valued customer.

## Stronger branch networks

For us 'Service First' is not just an abstraction; we do mean it. It holds a prime and central focus in our operation through 179 branches, 156 sub-branches, 198 ATM and 322 agent banking outlet over cities and rural areas.

## Performer of regulatory compliance

SIBL has been complying all regulations under Bangladesh bank and all tax and VAT laws prescribed by National Board of revenue.



### WEAKNESS (INTERNAL FACTOR)

#### Dependence on core banking line up

Due to curtailed 6-9 deposit-loan percentage, Bank interest revenue income diminished and total income accordingly due to no other significant revenue stream in SIBL.

#### Bad loan

Though overall loan recovery is satisfactory, its ultimate bad loan stands at crore which represents wrong selection for loan disbursement.

#### Absence of advanced technology

SIBL's investment in the IT sector to develop physical infrastructure is not enough and software upgradation is limited. It is already developing cybersecurity measures but more has to be done in this field.



### OPPORTUNITIES (EXTERNAL FACTOR)

#### Government initiatives towards development

Nowadays Bangladesh govt is investing infrastructure development like Padma bridge, Metro rail, Big port, Four lane Highways along with several development projects. SIBL is ready to take the challenges with relevant stakeholder for such development.

#### Woman Entrepreneurship is rising

Due to the increased literacy rate and educational development, Woman Entrepreneurship is awakening over recent years. SIBL offers specialized services to Women Entrepreneurs through dedicated service desks. Our dedicated proficient Relationship Managers with highly tailored made products are always by the side of women entrepreneurs to fulfill all their banking needs.

#### GDP growth along with other business development

Due to continuous high GDP growth over past years (except COVID-19 period) and out of low developing countries, Bangladesh is rising in new era in business and trade world. Consequently new opportunities are also emerging for banking industry due to increased GDP (except pandemic time) and Per capital income of residents in Bangladesh.



## Islamic Banking

Due to living above 90% muslim people, majority people belief in Islamic shariah based economy. Nowadays banking industry is increasing awareness towards about Islamic financial services and demand for Shariah-compliant products and services. Accordingly SIBL is a part of that shariah based banking. However, SIBL brings a unique solution for your financial needs through 'Hajj' schemes.



### THREATS (EXTERNAL FACTOR)

#### Recent pandemic/ natural disaster/ Global war effects

Due to long time lockdown during pandemic period, Natural disaster like Flood and global war like Russia Ukrain war, According to the provisional estimates of BBS, the GDP growth stood at 7.25 percent in FY 2021-22, 0.05 percentage point higher than the target rate and 0.31 percentage point higher than the previous fiscal year. Business industry is effected badly for which bank loan disbursement along with loan recovery was so lower that interest income has been reduced sharply.

#### Non-cooperation from bad customer

Due to covid-19 effects, Bangladesh bank implemented to waive interest for disbursed loan for particular period. Some customer intended to take the opportunities for not paying interest after being capable to pay interest duly. Moreover some customer misuse the loan taken for which it applied showing misleded documents.

#### Unanticipated event

Nowadays hacker or cyber criminals are seeking to hack through Sophisticated IT tools and technology. Due to abrupt cyber-crime, customer might erode reliance on the banking security.

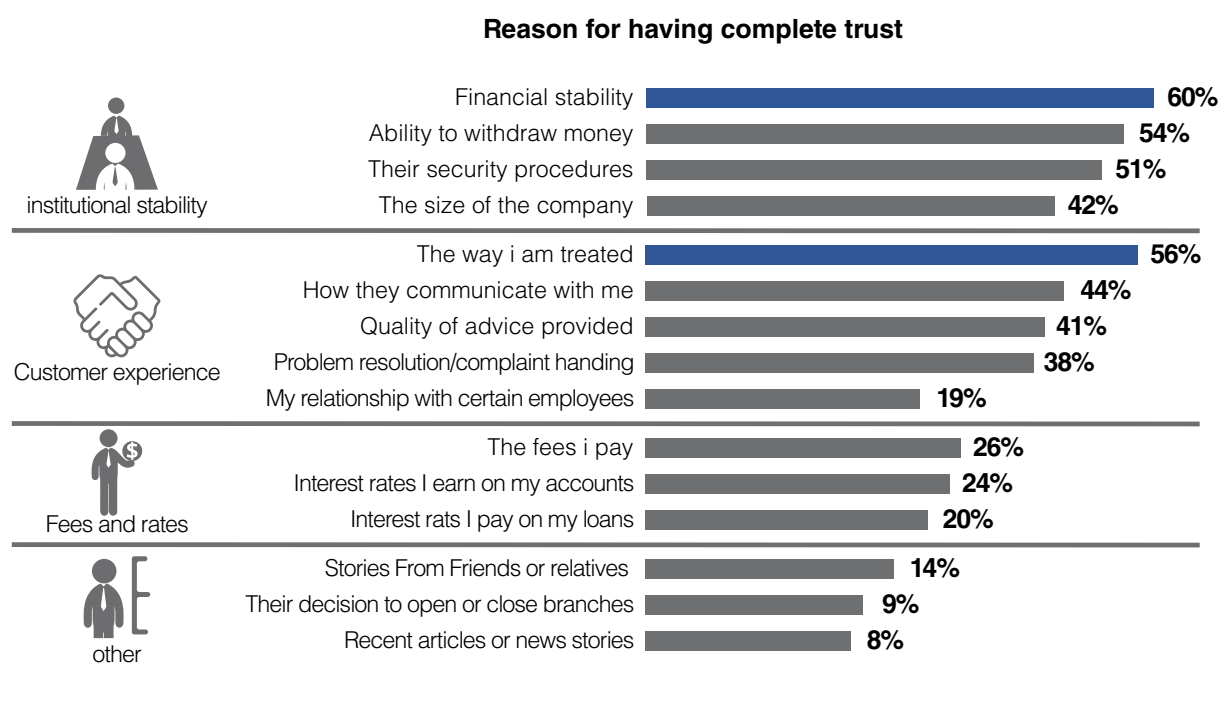
#### Lower interest rate

Government imposed for loan interest rate limit up to 9% other than credit card. Consequently it impacted badly sustainability in foreseeable future.

## Strategy and resource allocation

The banking industry is trending up. With greater accountability and transparency in our institutions, customers are finally coming around to their banks. Confidence is being restored and their trust is growing. But competition is also on the rise. Customer loyalty can't be taken for granted. Things like security and convenience, once tokens of a great and stable bank, are now merely assumed. New expectations include fewer fees, more personal insight and better online banking features. Bank customers want more, and they are putting a greater burden on financial service providers to step up their game.

How can financial institutions earn complete trust from their customers? According to Ernst & Young (chart below), it means providing stability as well as an excellent customer experience.



Source: [www.ey.com/globalconsumerbankingsurvey](http://www.ey.com/globalconsumerbankingsurvey)

With this in mind, how can banks look to improve their digital strategies as they plan ahead? key strategies appear to be of the most immediate concern. The strategy we follow after pandemic COVID-19 are-

### Begin with the end in mind

Our every action corresponds to our goal. We

set our goal from what lies behind and beyond us and what lies within us. We begin in earnest to finish in time to pursue that goal.

### Care and share alike for the society

We care for the feelings, needs and experience of the society and share our interests equally. We try hard to provide for the less privileged and

have-nots to ensure a better society and a more prosperous Bangladesh. It is an honor, our duty and privilege, to be able to serve the nation in more ways than just providing banking services.

### **Devotion to Customer**

PBL intends to bring the full value of the bank to meet their stated and unstated needs and to maintain honesty, ethics and integrity in all dealings through providing repricing benefits on a proactive basis.

### **Synergy effects**

The effect of a combined whole is always greater than the sum of individual part. The relationship which the parts have to each other is a part in itself. We believe, every part is important and each can contribute. We work together with others to build a team work that results in a better success

### **Shareholder value**

Continually focus on reinforcing our RoE and ROA along with Focus on our targeted dividend distribution policy. However PBL is running towards new value drivers through diversified operation.

### **Seek first to understand and then be understood**

We prize our ability to communicate over all other values. Most of the time, we patiently hear people more than we are heard. We seek first to understand how we are expected then we position ourselves as befittingly as we can.

The above core valued strategies will be achieved by means of resource allocation in following ways:

- Crafting excellent customer service by understanding customers and offering the products, services and solutions on the basis of customers need analysis.
- Continuing the investment in latest IT infrastructure to meet up the requirements of customers.
- Creating state-of-the-art workstation to ensure productivity of each employee.
- Increasing research and development to deliver innovative products and services to differentiate products and service quality from others.
- Ensure effective risk management practice in all core risk areas of this bank.
- Ensure sound corporate governance mainly in terms of Bangladesh Bank and BSEC Guidelines.
- Emphasis more on branding through TV commercials, print media and public relation.
- Emphasis upon Green finance, SME finance, Retail & Agriculture finance, financial inclusion, CSR and employment generation initiatives, etc. that will ensure growth resilience both of the bank and of the country.
- Building strength from its growing customer base, skilled workforce, sound technological & operational platform and a company-wide corporate culture that binds all together.

## Our noteworthy Business model

The business model refers to a company plan to for making profit through satisfying customer. It illustrates how customers are satisfied throughout the business insights. For us 'Service first' is not just an abstraction; we do mean it. It holds a prime and central focus in our operation. We believe, discharge of quick & quality service is the hallmark for banking standard. Here we have depicted, how we create our value to help our customer.



# Contribution to sustainable development goal

The Sustainable Development Goals (SDGs) or Global Goals are a collection of 17 interlinked global goals designed to be a “blueprint to achieve a better and more sustainable future for all”. The SDGs were set in 2015 by the United Nations General Assembly and are intended to be achieved by the year 2030. They are included in a UN Resolution called the 2030 Agenda or what is colloquially known as Agenda 2030. The 17 components set by UN is given in form of following diagram-



Though the goals are broad and interdependent, two years later (6 July 2017) the SDGs were made more "actionable" by a UN Resolution adopted by the General Assembly. The resolution identifies specific targets for each goal, along with indicators that are being used to measure progress toward each target. The year by which the target is meant to be achieved is usually between 2020 and 2030. For some of the targets, no end date is given.

To facilitate monitoring, a variety of tools exist to track and visualize progress towards the goals. All intend to make data more available and more easily understood. For example, the online

publication SDG-Tracker, launched in June 2018, presents available data across all indicators. The SDGs pay attention to multiple cross-cutting issues, like gender equity, education, and culture cut across all of the SDGs. There were serious impacts and implications of the COVID-19 pandemic on all 17 SDGs in the year 2020.

## Sustainable development goal in perspective to our Bangladesh

Bangladesh, as an active participant in the global process of preparing the Agenda 2030, started its implementation from the very beginning through the integration of SDGs into the national development agenda. The SDGs were integrated

with the country's 7th Five Year Plan (7FYP, 2016-2020) and these were given emphasis while setting the priority areas of the 7FYP such that the achievement of Plan objectives and targets also can contribute towards the achievement of the SDGs. All the 17 goals were integrated into the 7FYP. A Development Results Framework (DRF)- a robust and rigorous result based monitoring and evaluation framework-- was also embedded in the Plan for monitoring the 7FYP. The outcomes and targets in the DRF were aligned with the SDGs focus on macroeconomic development, poverty reduction, employment, education, health, water and sanitation, transport and communication, power, energy and mineral resources, gender and inequality, environment, climate change and disaster management, ICT, urban development, governance, and international cooperation and partnership.

## Our approach to Sustainable development goal

Inspired by our learned management, our sustainability approach is premised on our commitment to our home country, Bangladesh. This remains strong motivation for us to create shared prosperity, benefitting our clients, our people and all our stakeholders.

Social Islami Bank as a legal corporate entity is fully aware of its responsibility about how its operational activities impact on its stakeholders, the economy, the society, its staff and the environment. The Bank is sincere to create and sustain a mechanism that will propagate sustainable livelihoods and contribute back to the society across various segments. We endeavor to promote education, community health, disaster management, clean environment, sports, art and culture linked to SDG.

UN SDG Goals	Our approach to Sustainable development goal
Goal No-3: Good Health And Well Being	SIBL efforts always health concern for employees and its valued customers. In COVID-19, employees (who were in more risk) were allowed to work from home. Moreover SIBL ensured social distance in COVID-19 period for its valued customer. SIBL employed a doctor in head office for its employees. However, SIBL maintains separate fund (PF, Gratuity) for its employee wellbeing.
Goal No 4: Quality Education	SIBL has long been practicing CSR in education e.g. awarding scholarship to meritorious students in need of financial aid, helping development of educational infrastructural facilities, providing essential educational equipment, etc.
Goal No 5: Gender Equality	SIBL provides equal opportunities for employment, learning & development and career advancement for both genders. Out of the total Number of 4,002 employees, 610 employees are female and rest 3,392 employees are male.
Goal No 6: Clean Wate And Sanitaion	SIBL arrange for its employees clean water and well decorated washrooms for sanitation.
Goal No 7: Affordable And Clean Energy	For the purpose of creating opportunities for modern, sustainable energy services and promoting investment in clean energy technology and energy infrastructure, the Bank financed in the projects of Renewable and Solar Energy
Goal No 8: Decent Work And Economic Growth	The Bank is contributing govt treasury 432.30 Million from its profit portion. Apart from this it is contributing also in government's initiatives for economic development.
Goal No 9: Industry, Innovation And Infrastructure	The Bank is consistently promoting the industry, innovation and infrastructure in order to strengthening the country's economy by extending financial support through its Islamic banking.
Goal No 12: Responsible Consumption And Production	SIBL maintains e-communication over paper-based Correspondence and discourage use of plastic materials. It also Enhances awareness creation around electricity, paper and water use.
Goal No 13. Climate Action	SIBL considers prioritised lending to businesses associated with clean and green energy. Moreover Credit disbursement preference to businesses establishing environmental protection asset.

# Stakeholders' Relationship and Engagement

Stakeholder relations is the practice of forging mutually beneficial connections with third party groups and individuals that have a 'stake' in common interest. These relationships build networks that develop credible, united voices about issues, products and services that are important to our organization. We believe in the proper stakeholders' engagement in every aspect of its banking activities. The following table shows various aspects of stakeholders, their engagement process and our priorities.

Stakeholders	Mode of Engagement	Their priorities	Our priorities
Customers	<ul style="list-style-type: none"> <li>Customer satisfaction Survey</li> <li>Relationship managers' engagement with corporate customers</li> <li>Media advertisements</li> <li>Corporate website</li> </ul>	<ul style="list-style-type: none"> <li>Innovation in products/ services</li> <li>Pricing of products/ services</li> <li>Branches/ATM</li> <li>Service Quality</li> <li>Competitive pricing</li> <li>Flexibility in offerings</li> </ul>	<ul style="list-style-type: none"> <li>All networks are running by online CBS (Core Banking System)</li> <li>Enhanced monitoring and due diligence</li> <li>Vibrant ALCO Team to decide on pricing</li> <li>E-Banking: (Internet Banking, SMS Banking, BEFTN)</li> </ul>
Employees	<ul style="list-style-type: none"> <li>Manager's Conference, video conference etc. Training, workshop and Orientation program, internal meeting, group emails, Safe and clean working environment</li> <li>Internal Circulation</li> <li>Intranet Portal</li> </ul>	<ul style="list-style-type: none"> <li>Regular training &amp; workshop programs</li> <li>Remuneration based on performance</li> <li>Periodical salary review</li> <li>Performance driven career progression</li> <li>Healthy working environment</li> </ul>	<ul style="list-style-type: none"> <li>Salary packages revised and adjusted considering industry averages</li> <li>Well set KPI for performance measurement</li> <li>Comprehensive Training facility and other pertinent training program</li> <li>Health &amp; safety standards are maintained including medical facilities</li> </ul>
Society & Environment	<ul style="list-style-type: none"> <li>Promoting financial inclusion both for banked &amp; unbanked people</li> <li>CSR activities Call center</li> </ul>	<ul style="list-style-type: none"> <li>Compensation for adverse direct or indirect impact for Bank's activates</li> <li>Provide Banking facilities to geographically dispersed poor segment of society through online Banking &amp; Agent Banking operation</li> <li>Benefit to the economy by poverty reduction through augment in Banking services to poor by our product Hawkers, Deposit &amp; business development, SIBL Probashi deposit scheme etc.</li> </ul>	<ul style="list-style-type: none"> <li>Strongly consider environmental and social impact and restrain from adverse impact upon society.</li> <li>Target segment is under developed and under privileged people.</li> <li>Financial inclusion through Agent Banking</li> <li>Significant contribution to education and health, disaster management, art, culture environment &amp; sports sectors.</li> </ul>



Stakeholders	Mode of Engagement	Their priorities	Our priorities
Shareholders/ Investors	<ul style="list-style-type: none"> <li>Annual General meeting (AGM)</li> <li>Extraordinary General Meeting (EGM)</li> <li>Annual report</li> <li>Publishing quarterly financials, Credit Rating and Price Sensitive Information (PSI) in newspapers</li> <li>Conference Press/Media</li> </ul>	<ul style="list-style-type: none"> <li>Healthy return on investments and stable dividend policy</li> <li>Business plan</li> <li>Growing earnings</li> <li>Sustainable growth</li> <li>Sound governance and risk management, ratings of the Bank based on overall financial performance</li> </ul>	<ul style="list-style-type: none"> <li>Maintained attractive plow back ratio.</li> <li>Timely repayment of debt with stated return.</li> <li>Established superior risk management culture.</li> <li>Transparency and integrity in financial reporting.</li> <li>Maintained consistent rating through financial commitments.</li> </ul>
Board & Management	<ul style="list-style-type: none"> <li>Decisions are taken based on financial and business delegation of different levels.</li> <li>Any major decisions must be placed to EC/ Board for approval</li> </ul>	<ul style="list-style-type: none"> <li>Governance principles, policies &amp; Procedure formulation.</li> <li>Strategic focus &amp; value creation.</li> <li>Strategic business planning.</li> </ul>	<ul style="list-style-type: none"> <li>At least one board meeting in every month, Frequent Executive Committee Meeting, Audit Committee Meeting &amp; Risk Management Committee Meeting</li> <li>Board Members meet management on various occasions like Annual, Half yearly business conferences, Banks Anniversary celebration</li> </ul>
Government & Regulatory Authority	Strict ethics & compliance with applicable law, rules and regulation	<ul style="list-style-type: none"> <li>Proper compliance with laws &amp; regulation</li> <li>Timely reporting as per requirement.</li> <li>Timely payment of all regulatory dues</li> </ul>	<ul style="list-style-type: none"> <li>We ensure proper compliance and timely reporting to government bodies &amp; regulators</li> <li>Focus on compliance culture Contributed Tk. 5,160.40 million to national exchequer</li> </ul>



## NEWS & EVENTS

# NEWS & VIEWS

## যুগান্তর



**কোম্পানীর ব্যবস্থাপনা পরিষদে ১০ সদস্যের উপদেষ্টা সমন্বয় পরিষদের গঠনের ঘোষণা**

কোম্পানীর ব্যবস্থাপনা পরিষদে ১০ সদস্যের উপদেষ্টা সমন্বয় পরিষদের গঠনের ঘোষণা করা হয়েছে। এই পরিষদের কার্যক্রম পরিচালনা করা হবে।

## Financial Express



কোম্পানীর ব্যবস্থাপনা পরিষদে ১০ সদস্যের উপদেষ্টা সমন্বয় পরিষদের গঠনের ঘোষণা করা হয়েছে। এই পরিষদের কার্যক্রম পরিচালনা করা হবে।

## প্রথমপ্রাণো

### এসআইবিএলের নতুন চেয়ারম্যান

বেঙ্গল ইন্ডাস্ট্রী বোর্ডে (এসআইবিএল) নতুন চেয়ারম্যান নির্বাচিত হয়েছেন।

নতুন চেয়ারম্যান হিসেবে বেঙ্গল ইন্ডাস্ট্রী বোর্ডে (এসআইবিএল) নতুন চেয়ারম্যান নির্বাচিত হয়েছেন।



২০২৩ সাল থেকে বেঙ্গল ইন্ডাস্ট্রী বোর্ডের পরিচালনা পরিষদে 'ভাইস চেয়ারম্যান' ও 'সিনিয়র সচিব' পদে পরিবর্তন আনা হবে।

২০২৩ সাল থেকে বেঙ্গল ইন্ডাস্ট্রী বোর্ডের পরিচালনা পরিষদে 'ভাইস চেয়ারম্যান' ও 'সিনিয়র সচিব' পদে পরিবর্তন আনা হবে।



নবনির্বাচিত চেয়ারম্যান জনাব বেলাল আহমেদকে ফুলেল শুভেচ্ছা জানাচ্ছেন পরিচালনা পর্যদের সদস্যবৃন্দ



নবনির্বাচিত ভাইস চেয়ারম্যান জনাব মোঃ কামাল উদ্দিনকে ফুলেল শুভেচ্ছা জানাচ্ছেন পরিচালনা পর্যদের সদস্যবৃন্দ

## যুগান্তর



**সোশ্যাল ইসলামী ব্যাংকের ১০% লভ্যাংশ অনুমোদন**

বেঙ্গল ইন্ডাস্ট্রী বোর্ডে (এসআইবিএল) ১০% লভ্যাংশ অনুমোদন করা হয়েছে।

## কোনো ব্যাংক এখন তারল্যসংকটে নেই

কোনো ব্যাংক এখন তারল্যসংকটে নেই।

কোনো ব্যাংক এখন তারল্যসংকটে নেই।



## কালের কণ্ঠ



## সমন্বয় প্রাণো





# NEWS & VIEWS



## CORPORATE FINANCE



**Project Name:**  
Infinia Chemicals Limited  
**Financed By:**  
Jublee Road Branch



**Project Name:**  
Afia Knitwear  
**Financed By:**  
Uttara Branch



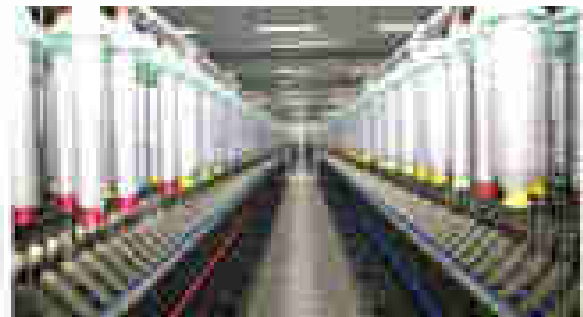
**Project Name:**  
Trust Knitwear  
**Financed By:**  
Principal Branch



**Project Name:**  
Star Porcelin  
**Financed By:**  
Mohakhali Branch



**Project Name:**  
GEO Steel  
**Financed By:**  
Foreign Exchange Branch



**Project Name:**  
Thurmax Textile Mill Ltd.  
**Financed By:**  
Principal Branch

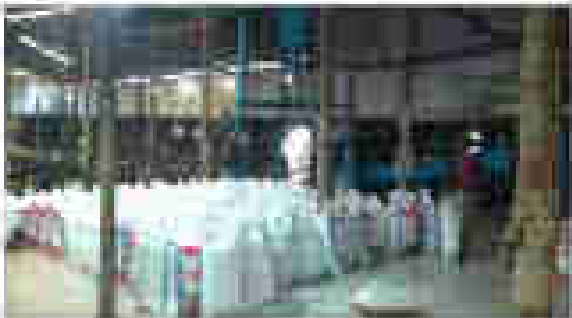
# SME AND AGRI FINANCE



**Project Name:**  
Maize Cultivation, Ranirbandar, Dinajpur  
**Financed By:**  
Ranirbandar Branch



**Project Name:**  
Best Golden Floor Mills Ltd.  
**Financed By:**  
New Eskaton Branch



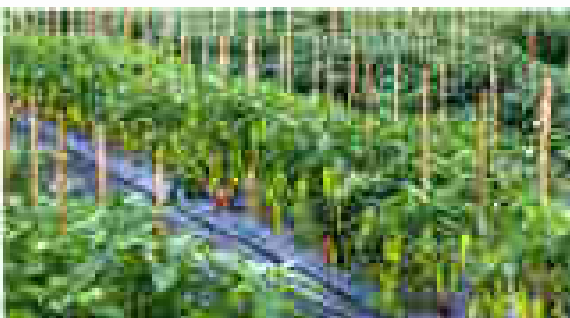
**Project Name:**  
Purabi Salt Industries Ltd  
**Financed By:**  
Khulna Branch



**Project Name:**  
Dragon Project  
**Financed By:**  
Jashore Branch



**Project Name:**  
IFAD Multiproducts  
**Financed By:**  
Panthapath Branch



**Project Name:**  
Green Chilly  
**Financed By:**  
Maizdee Branch

## SIBL MICROFINANCE PROGRAM (SMP)



**Client Name:** Mr. Md Abdul Khalek  
**Financed By:** Shahjadpur Branch



**Client Name:** Mrs. Adori  
**Financed By:** Chandaikona Branch



**Client Name:** Mr. Asraf  
**Financed By:** Gobindagonj Branch



**Client Name:** Rabia Aktar  
**Financed By:** Galimpur Branch



**Project Name:** Corn Cultivation  
**Financed By:** Dhamrai Branch



**Project Name:** Paddy Cultivation  
**Financed By:** Gobindogonj Branch



# “শরী’আহ সুপারভাইজরী কমিটির বার্ষিক প্রতিবেদন-২০২২ইং”

الْحَمْدُ لِلَّهِ وَالصَّلَاةُ وَالسَّلَامُ عَلَى رَسُولِ اللَّهِ وَعَلَى آلِهِ وَأَصْحَابِهِ وَمَنْ وَالَاهُ، أَمَّا بَعْدُ :

সোশ্যাল ইসলামী ব্যাংক লিমিটেড-এর শরী’আহ সুপারভাইজরী কমিটি ২০২২ইং সালে ০৪টি পূর্ণাঙ্গ কমিটি ও ০২টি সাব কমিটি সভায় মিলিত হয়ে পরিচালনা পর্ষদ ও ব্যবস্থাপনা কর্তৃপক্ষের প্রেরিত বিষয়াদি ও ব্যাংকের সার্বিক কার্যক্রম পর্যালোচনাপূর্বক শরী’আহ বিষয়ক মতামত ও সিদ্ধান্ত প্রদান করেছে। ২০২২ইং সালের শরী’আহ সেক্রেটারিয়েটের বার্ষিক পরিকল্পনার আলোকে সেক্রেটারিয়েটে কর্মরত মুরাকীবদের মাধ্যমে ব্যাংকের ১৭২টি শাখা, প্রধান কার্যালয়ের ০৩টি বিভাগ এবং ০৩টি শাখায় সারপ্রাইজ (আকস্মিক) শরী’আহ অডিট এন্ড ইন্সপেকশন সম্পন্ন করা হয়েছে, আলহামদুলিল্লাহ। ইসলামী ব্যাংকিংয়ে শরী’আহ বিধিমালা সর্বতোভাবে প্রয়োগের লক্ষ্যে শরী’আহ সুপারভাইজরী কমিটির পক্ষ হতে বিভিন্ন ইস্যুতে ব্যাংকের ব্যবস্থাপনা কর্তৃপক্ষকে প্রয়োজনীয় দিক নির্দেশনা প্রদান করা হয়েছে। শরী’আহ সুপারভাইজরী কমিটির পরামর্শের প্রেক্ষিতে ব্যবস্থাপনা কর্তৃপক্ষ ব্যাংকে কর্মরত কর্মকর্তাদের শরী’আহ পরিপালনের কমিটমেন্ট ও আন্তরিকতা বৃদ্ধির লক্ষ্যে ২০২২ইং সালে ০৫টি স্পেশাল শরী’আহ সচেতনতামূলক ওয়ার্কশপ সম্পন্ন করেছে এবং বছরব্যাপী এরূপ ওয়ার্কশপ/ট্রেনিং প্রদান চলমান রেখেছে। উল্লেখ্য, শরী’আহ সুপারভাইজরী কমিটির দায়িত্ব হলো ব্যাংকের সামগ্রিক কার্যাবলী পর্যবেক্ষণ ও মূল্যায়ন করে তার ভিত্তিতে শরী’আহ মতামত এবং প্রয়োজনীয় দিক নির্দেশনা প্রদান করা; অপরদিকে ব্যাংকের দৈনন্দিন যাবতীয় কার্যক্রমে ইসলামী শরী’আহ পরিপালন নিশ্চিত করা ব্যাংক ব্যবস্থাপনা কর্তৃপক্ষের দায়িত্ব।

ব্যাংকের ২০২২ইং সালের শরী’আহ অডিট এন্ড ইন্সপেকশন রিপোর্ট এবং আর্থিক প্রতিবেদন তথা ব্যালান্স শীট, লাভ-ক্ষতি হিসাব ও অন্যান্য আয়-ব্যয় হিসাব (নিরীক্ষিত) পর্যালোচনাপূর্বক শরী’আহ সুপারভাইজরী কমিটি নিম্নরূপ অভিমত, ও পরামর্শ প্রদান করেছে:

## অভিমতঃ

- ব্যবস্থাপনা কর্তৃপক্ষ কর্তৃক উপস্থাপিত রিপোর্ট অনুযায়ী সোশ্যাল ইসলামী ব্যাংক লিমিটেডের আলোচ্য বছরে সম্পাদিত চুক্তিপত্র ও লেনদেনসমূহ যথাসাধ্য ইসলামী শরী’আহের নীতিমালা অনুযায়ী সম্পন্ন হয়েছে।
- মুদারাবা ডিপোজিট একাউন্টসমূহে মুনাফা বন্টন ইসলামী শরী’আহের মুদারাবা নীতিমালা ও সাহিবুল মাল তথা ডিপোজিটরদের সাথে মুদারিবের চুক্তি মোতাবেক সম্পন্ন হয়েছে।
- ডিপোজিটর ও শেয়ার হোল্ডারদের হিসাব থেকে ব্যাংক যাকাত বাবদ কোন অর্থ কর্তন করে না; কেননা ডিপোজিট ও শেয়ারের বিপরীতে যাকাত প্রদান করা যথাক্রমে ডিপোজিটর ও শেয়ার হোল্ডারদের স্ব-স্ব দায়িত্ব।
- ইসলামী শরী’আহের নীতিমালা ও বিধিবিধান অনুযায়ী ব্যাংকের শরী’আহ অডিট এন্ড ইন্সপেকশন রিপোর্টে চিহ্নিত অননুমোদিত ও সংশয়পূর্ণ আয় পৃথক করা হয়েছে অর্থাৎ এগুলোকে বন্টনযোগ্য আয়ের মধ্যে অন্তর্ভুক্ত করা হয়নি।
- নিম্ন আয়ের মানুষের জীবনযাত্রার মান উন্নয়নে নন-ফরমাল ও ভলান্টারি ব্যাংকিং সেবার আওতায় গ্রামাঞ্চলের শাখা, উপশাখা ও এজেন্ট ব্যাংকিং আউটলেটে চালুকৃত “এসআইবিএল মাইক্রো-

ফিনান্স প্রোগ্রাম” নিঃসন্দেহে একটি প্রসংশনীয় উদ্যোগ বলে কমিটি মনে করে, যা দেশের আর্থ-সামাজিক উন্নয়নে ইতিবাচক ভূমিকা রাখছে।

## পরামর্শঃ

- বাই বা ক্রয়-বিক্রয় পদ্ধতির বিনিয়োগের ক্ষেত্রে ব্যাংক কর্তৃক সরাসরি পণ্য ক্রয়পূর্বক পণ্যের ওপর ব্যাংকের মালিকানা ও দখল নিশ্চিত করে গ্রাহকের নিকট হস্তান্তর আরো সতর্কতা অবলম্বন করতে হবে। সরাসরি পণ্য ক্রয়ে একান্ত অপারগতার ক্ষেত্রে ব্যাংক কর্তৃক তৃতীয়পক্ষ বা বিনিয়োগ গ্রাহককে ক্রয় প্রতিনিধি নিয়োগ করা যেতে পারে, সেক্ষেত্রে ক্রয় প্রতিনিধি কর্তৃক ক্রয়কৃত পণ্যের ওপর ব্যাংকের মালিকানা ও দখল নিশ্চিতকরণে অধিকতর সতর্ক হওয়া প্রয়োজন।
- ‘মাকাসিদুশ শরী’আহ’ বা শরী’আহের উদ্দেশ্য ও লক্ষ্য বাস্তবায়নের লক্ষ্যে ব্যাংকের বিনিয়োগ খাতকে এমনভাবে বিন্যাস করতে হবে যাতে সমাজের মৌলিক চাহিদাগুলো অগ্রাধিকার ভিত্তিতে পূরণ হতে পারে।
- ব্যাংকে কর্মরত সর্বস্তরের জনশক্তিকে ইসলামী ব্যাংকিং বিষয়ক জ্ঞানে সমৃদ্ধ করা, দক্ষ জনশক্তি তৈরী এবং সকলের মধ্যে তাক্বওয়া ও জবাবদিহিতার অনুভূতি বৃদ্ধির লক্ষ্যে ইসলামী ব্যাংকিং ও শরী’আহ বিষয়ে নিয়মিত প্রশিক্ষণ আরো বৃদ্ধি করা দরকার।
- ইসলামী ব্যাংক ব্যবস্থার শ্রেষ্ঠত্ব ও উপকারিতা সম্পর্কে সর্বসাধারণকে অবহিত করা, বিশেষ করে ব্যাংকের সম্মানিত গ্রাহকদের মধ্যে শরী’আহ বিষয়ে সচেতনতা বৃদ্ধি ও আন্তরিকতা সৃষ্টি করার লক্ষ্যে প্রধান কার্যালয়, জোন, শাখা ও উপশাখা পর্যায়ে অধিক হারে গ্রাহক সমাবেশ, সেমিনার ও সিম্পোজিয়ামের আয়োজন করা জরুরী।
- নিম্ন আয়ের মানুষের জীবনযাত্রার মান উন্নয়নে ব্যাংকের বিনিয়োগ খাতকে বহুমুখীকরণের লক্ষ্যে এসএমই ও কৃষি বিনিয়োগ এর পাশাপাশি বিদ্যমান “এসআইবিএল মাইক্রো-ফিনান্স প্রোগ্রাম” সকল শাখা ও উপশাখায় চালু করা এবং সতর্কতার সাথে শরী’আহ পরিপালন নিশ্চিত করা।
- ব্যাংক ও গ্রাহকদের সামগ্রিক কল্যাণ ও যুগোপযোগী চাহিদা পূরণের লক্ষ্যে লাভ-লোকসানের অংশীদারিত্বমূলক মুদারাবা ও মুশারাকা বিনিয়োগ চালু করার কার্যকরী পদক্ষেপ গ্রহণ করা দরকার।
- সিএসআর কার্যক্রমের আওতায় সোশ্যাল ইসলামী ব্যাংক ফাউন্ডেশন এর অধীনে স্কুল, কলেজ, মাদ্রাসা ও মেডিকেল কলেজ প্রতিষ্ঠার মাধ্যমে অপেক্ষাকৃত গরীব, মেধাবী, দুঃস্থ ও রোগগ্রস্থদের বিনামূল্যে বা কম খরচে শিক্ষা ও চিকিৎসা সেবা প্রদান এবং অসহায় ও বেকারদের কর্মসংস্থান সৃষ্টি করার কর্মসূচি প্রণয়ন ও বাস্তবায়ন করা প্রয়োজন বলে শরী’আহ সুপারভাইজরী কমিটি মনে করে।

আল্লাহ রাব্বুল আলামীন আমাদের জীবনের সর্বক্ষেত্রে ইসলামী শরী’আহ পরিপালনের মাধ্যমে তাঁর সন্তুষ্টি অর্জনে সচেষ্ট হওয়ার তাওফীক দান করুন। আমীন।”

(ড. মোহাম্মদ মানজুর ইলাহী)  
সদস্য-সচিব  
শরী’আহ সুপারভাইজরী কমিটি  
সোশ্যাল ইসলামী ব্যাংক লিমিটেড।

(মাওলানা ওবায়দুল্লাহ হামযাহ)  
চেয়ারম্যান  
শরী’আহ সুপারভাইজরী কমিটি  
সোশ্যাল ইসলামী ব্যাংক লিমিটেড।



# Independent Auditors' Report

## To the Shareholders of Social Islami Bank Limited

### Report on the Audit of the consolidated and separate Financial Statements

#### Opinion

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

In our opinion, the accompanying consolidated financial statements of the Group and separate financial statements of the Bank give a true and fair view of the consolidated financial position of the Group and the separate financial position of the Bank as at 31 December 2022 and of its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as explained in note 2 and comply with the Bank Company 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.

#### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the consolidated and separate Financial Statements section of our report. We are independent of the Group and the Bank in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), Bangladesh Securities and Exchange Commission (BSEC) and Bangladesh Bank, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Emphasis of Matter

We draw attention note 16.5 of notes to the financial statements, which describes that the Bank is required to maintain minimum capital to risk weighted assets (CRAR) as 10% and 12.5% with conservation buffer as per Basel III guidelines where the Bank has maintained CRAR of 11.89%. Our opinion is not modified in respect of this matter.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the consolidated and separate financial statements for the year ended 31 December 2022. These matters were addressed in the context of the audit of the consolidated and separate financial statements, and in forming the Auditors' opinion thereon, and we do not provide a separate opinion on these matters. For each matter below our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditors' responsibilities for the audit of the consolidated and separate financial statements section of our report, including in relation to these matters.

Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatements of the consolidated and separate financial statements. These results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated and separate financial statements.

Description of key audit matters	Our response to key audit matters
<b>Measurement of provision for Investments</b>	
<p>The process for estimating the provision for Investments portfolio associated with credit risk is significant, judgmental and complex. While estimating such provision certain judgmental factors need to be considered including:</p> <ul style="list-style-type: none"> <li>• Future business performance of the borrower;</li> <li>• Key assumptions relating to further business performance of the borrower;</li> <li>• Market value of the collateral;</li> <li>• Ability to repossess collateral; and</li> <li>• Recovery rates etc.</li> </ul> <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 Investments, we considered this to be a key audit matter.</p> <p>For individually assessed provisions, the measurement of the provision may be dependent on the valuation of collateral, estimates of exit values and the timing of cash flows.</p> <p>Provision measurement is primarily dependent upon key assumptions relating to probability of default, ability to repossess collateral and recovery rates.</p> <p>At the year end the Bank reported total gross Investments of BDT 342,944,157,503 (2021: BDT 312,773,820,529) and total provision for Investments BDT 12,928,607,395 (2021: BDT 13,042,220,188). 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"> <li>• 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, BRPD circular no. 56 dated 10 December 2020 and BRPD Circular no. 51 dated 18 December 2022, 50% instead of 75% for the quarter October-December 2022.</li> </ul>	<p>We tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> <li>• Credit monitoring and provisioning process;</li> <li>• Identification of loss events, including early warning and default warning indicators; and</li> <li>• Review of quarterly Classification of Investment.</li> <li>• Follow Bangladesh Bank’s circular and guidelines;</li> </ul> <p>Our substantive procedures in relation to the provision for Investments portfolio comprised the following:</p> <ul style="list-style-type: none"> <li>• Reviewed general and specific provisions kept by the bank;</li> <li>• Assessed the methodologies on which the provision amounts based, checked the calculations of the provisions and tested the completeness and accuracy of the underlying information</li> <li>• Assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.</li> <li>• Finally, compared the amount of provision requirement as determined by Bangladesh Bank to the actual amount of provision maintained.</li> </ul>

Description of key audit matters	Our response to key audit matters
<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 and BRPD Circular No. 14 dated 22 June 2022 respectively through which the Banks are allowed to continue moratorium on further downgrading of the classification of Investments 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 instalment due for the quarter April-June 2022 and 60% of the total instalment due for the quarter July-September 2022 and further circular no. 51 dated: 18 December 2022, 50% instead of 75% for the quarter October-December 2022.</p>	
<p>See note no 7 and 14.1 to the financial statements</p>	
<p><b>Recognition of investment income</b></p>	
<p>Recognition of investment income has significant and wide influence on financial statements. Recognition and measurement of investment income has involvement of complex IT environment. We identify recognition of investment income from Investments 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 investment income by management to meet specific targets or expectations.</p> <p>Moreover, as per Bangladesh Bank BRPD circular no 53 dated 30 December 2021 and circular no 14 dated 22 June 2022, considering future risk banks were allowed to recognize outstanding arrear investment income on investment where deferral facilities were given upon receiving at least 15% of the total receivable amount of 31 December 2021 and 50% of the total instalment due for the quarter April-June 2022 and 60% of the total instalment due for the quarter July-September 2022 and further circular no. 51 dated: 18 December 2022, 50% instead of 75% for the quarter October-December 2022.</p> <p>The bank has reported investment income of BDT 21,643,793,225 which is 9.67% lower than the previous year (2021: BDT 23,960,778,190).</p> <p>The Bank has reported BDT 3,803,725,179 as commission, exchange and brokerage which is 160.32% higher than previous year (2021: 1,461,194,791). Basically, due to this increment the total operating income has been increased.</p> <p>As such EPS has been increased 23.125% as compared to last year.</p> <p>Accordingly, this has been considered as key audit matter.</p>	<p>We tested the design and operating effectiveness of key controls over recognition and measurement of investment income on Investments. We performed test of operating effectiveness on automated control in place to measure and recognise investment income. We have also performed substantive procedure to check whether investment income is recognised completely and accurately. We assessed the appropriateness and presentation of disclosure against relevant accounting standards and Bangladesh Bank guidelines.</p> <p>Finally, we also conducted substantive analytical procedures to assess reasonableness of investment income recognized during the year with reference to the product wise outstanding investment balances.</p> <p>We performed several analytical and substantive procedures to check whether the calculations relating to the investment income, profit paid on deposits and borrowings etc. and the EPS are accurate or not.</p>
<p>See note no 21 to the financial statements</p>	



Description of key audit matters	Our response to key audit matters
<b>Liquidity shortage and significant Increase in Borrowing from Bangladesh Bank</b>	
<p>At several point of time in the reporting year, the bank encountered multiple instances of liquidity challenges.</p> <p>It resulted the bank to seek external financing as borrowing from Bangladesh Bank. The year ended balance has come to BDT 3,000 crore (2021: nil) which includes BDT 275 crore as Bangladesh Government Islamic Bond, BDT 1,225 crore as Islami Bank liquidity facility and BDT 1,500 crore as special liquidity facility. The profit rate of all of the borrowings is determined under Mudaraba Principle.</p> <p>The consequence of the liquidity challenge and increase in the borrowing from the central bank and the associated risk with it have made us determine it as key audit matter.</p>	<p>Our audit procedures in connection of the borrowing are as follows:</p> <ul style="list-style-type: none"> <li>Assessed the effectiveness of the bank's management of liquidity risk in light of the current economic conditions and market volatility, as well as any changes in the bank's liquidity profile, such as changes in funding sources etc.</li> <li>Assessed whether the borrowing has been appropriately disclosed in the financial statements and whether it has been valued correctly.</li> <li>Assessed the terms of the borrowing agreement with the Bangladesh Bank, including any covenants or conditions attached to the borrowing.</li> <li>Checked that any non-compliance with these terms has been appropriately disclosed in the financial statements.</li> <li>Assessed the adequacy of the borrower's internal controls over the borrowing process, including the management of the borrowing agreement and the monitoring of any associated risks.</li> </ul>
See note no 10 to the financial statements	
<b>Significant increase in Exchange Income</b>	
<p>During the year under audit, the bank has recorded a major increase in exchange Income i.e., BDT 3,050,608,945 (2021: 777,200,029), which indicates 292% rise in comparison to the previous year.</p> <p>In the case of the bank, the increase is largely due to external market forces, mostly the rise in the exchange rate of the USD has resulted in such increase in its exchange gains.</p> <p>Since, this increase in exchange gains is a significant financial matter that has an impact on the bank's profitability and earnings per share (EPS), we considered the matter as key audit matter.</p>	<p>Our audit procedures in connection of this are as follows:</p> <ul style="list-style-type: none"> <li>Assessed the adequacy of the bank's accounting policies and procedures for recognizing and measuring exchange gains and losses, to evaluate whether the bank's accounting policies and procedures comply with applicable accounting standards and industry best practices.</li> <li>Conducted substantive procedure to assess whether the exchange gains are properly disclosed and explained.</li> <li>Evaluated the materiality and sustainability of the exchange gain, particularly in relation to the bank's overall financial performance and earnings per share (EPS).</li> </ul>
See note no 24 to the financial statements	
<b>Impairment assessment of unquoted investment</b>	
<p>In the absence of a quoted price in an active market, the fair value of unquoted shares and bonds, especially any impairment is calculated using valuation techniques which may take into consideration direct or indirect unobservable market data and hence require an elevated level of judgment.</p>	<p>We have assessed the process and controls put in place by the company to ensure all major investment decisions are undertaken through a proper due diligence process.</p> <p>We tested a sample of investment valuation as at 31 December 2022 and compared our results to the recorded value.</p> <p>Finally, we assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.</p>
See note no 7 to the financial statements	

Description of key audit matters	Our response to key audit matters
<b>Investments</b>	
<p>Investments are the main element of financial statements of the Bank. Income of the Bank is mainly dependent on the portfolio of Investments. Management performance is highly dependent on the target achievement of Investments. Investment disbursement requires robust documentation followed by approval from appropriate level of authority. We have identified Investments as key audit matter because there is an inherent risk of fraud in disbursement of Investments by management to meet specific targets or expectations.</p> <p>In addition, the bank reported non-performing investment of BDT 16,476,564,521, 1.74% lower than the previous year (2021: BDT 16,194,076,632), which is 4.80% of the total Investments.</p>	<p>We tested the design and operating effectiveness of key controls focusing on credit appraisal, investment disbursement procedures and monitoring process as well as the percentage of non-performing Investments. We have performed procedure to check whether the Bank has ensured appropriate documentation as per Bangladesh Bank regulations and the Bank's policy before disbursement of Investments. In addition, we have performed procedure to check whether the Investments is recorded completely and accurately and that are existed at the reporting date. Furthermore, we have assessed the appropriateness of disclosure against Bangladesh Bank guidelines.</p>
See note no 7.7 to the financial statements	
<b>Implementation of IFRS 16 Leases</b>	
<p>IFRS 16 modifies the accounting treatment of operating lease at inception, with the recognition of a right of use (ROU) on the list 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 complete 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 Assessed whether the disclosures within the financial statements are appropriate in light of the requirements of IFRS.</p>
See note no 14 to the financial statements	
<b>Measurement of deferred tax liabilities (DTL)</b>	
<p>At the year end of 31 December 2022, the Bank reported total deferred tax liabilities of BDT 471,979,987 (31 December 2021: BDT 465,429,994) and deferred tax expenses of BDT 14,676,980 (31 December 2021 BDT 35,558,510) of deferred tax expense.</p> <p>Significant judgment is required in relation to deferred tax assets, as their recoverability is dependent on forecasts of future profitability over a number of years.</p> <p>Accordingly, this area has been considered as key audit matter.</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 DTLs and the assumptions used.</p> <p>We also assessed the completeness and accuracy of the data used. We involved tax specialists to assess key assumptions, controls, recognition and measurement of DTL's. Finally assessed the appropriateness and presentation of disclosures against IAS 12 Income Tax.</p>
See note no 15, 38(a) to the financial statements	



Description of key audit matters	Our response to key audit matters
<b>IT Systems and controls</b>	
<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>

### 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 other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate 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 consolidated financial statements of the group and also separate financial statements of the Bank in accordance with IFRSs as explained in note 2, and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error. The Bank Company Act, 1991 (as amended up to date), and the Bangladesh Bank regulations require the management to ensure effective internal audit, internal control and risk management functions of the Bank. The Management is also required to make a self-assessment on the effectiveness of anti-fraud internal controls and report to Bangladesh Bank on instances of fraud and forgeries.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and the Bank or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's and the Bank's financial reporting process.

## **Auditors' Responsibilities for the Audit of the consolidated and separate Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group and the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the bank 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 year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.


## Report on other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994 (as amended up to date), the Securities and Exchange Rules, 1987, the Bank Companies Act, 1991 (as amended up to date) 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 do verification thereof;
- II. To the extent noted during the course of our audit work performed on the basis stated under the Auditor's Responsibilities for the Audit of the consolidated and separate Financial Statements 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 Management's Responsibility for the financial statements and internal control:
  - a. internal audit, internal control and risk management arrangements of the Group and the Bank 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 Group and its related entities (other than matters disclosed in these financial statements);
- III. Consolidated financial statements of the Bank's subsidiaries namely, SIBL Securities Limited and SIBL Investment Limited was audited by Kazi Zahir Khan & Co. and given Unmodified Opinion and has been consolidated in the consolidated financial statements of the group.
- IV. In our opinion, proper books of account as required by law have been kept by the Group and 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 Investment and other based on the financial statements for the year ended on 31 December 2022 which are in our opinion, doubtful of recovery as per Bangladesh Bank approval given vide letter no DBI-7/4(2)/2023-427, dated-16 April 2023, and letter no DOS (CAMS) 1157/41 (Dividend)/2023-2114, dated 25 April 2023.
- X. The information and explanations required by us have been received and found satisfactory.
- XI. We have reviewed over 80% of the risk weighted assets of the Bank and spent over 9,650 person hours; and
- XII. The Bank is required to maintain minimum Capital to Risk-weighted Asset Ratio (CRAR) 10% and 12.5% with conservation buffer, where the bank has maintained CRAR 11.89%.



**Md. Nurul Hossain Khan FCA**  
Enrolment no. : 0240  
Managing Partner  
**Kazi Zahir Khan & Co.**  
Chartered Accountants  
DVC No. 2304260240AS927315



**Mohammad Shaheed FCA, FCMA**  
Enrolment no. 1016  
Senior Partner  
**Khan Wahab Shafique Rahman & Co.**  
Chartered Accountants  
DVC No. 2304261016AS804131

Place of Issue: Dhaka  
Date of Issue: 26 April 2023

# Social Islami Bank Limited and its Subsidiaries

## Consolidated Balance Sheet

As at 31 December 2022

Particulars	Note(s)	31.12.2022 Taka	31.12.2021 Taka
<b>PROPERTY AND ASSETS</b>			
<b>Cash in hand</b>			
Cash in hand (including foreign currencies)	3(a)	4,836,155,932	3,416,614,856
Balance with Bangladesh Bank & its Agent Banks (including foreign currencies)	3.1	22,086,752,023	20,075,647,654
		<b>26,922,907,955</b>	<b>23,492,262,510</b>
<b>Balance with other Banks and Financial Institutions</b>			
In Bangladesh	4(a)	3,226,099,234	7,030,447,503
Outside Bangladesh	4.2	2,520,897,414	2,540,793,342
		<b>5,746,996,648</b>	<b>9,571,240,845</b>
<b>Placement with Banks and other Financial Institutions</b>			
	5	<b>6,822,973,794</b>	<b>9,662,743,194</b>
<b>Investments in shares and securities</b>			
Government	6(a)	14,789,330,000	20,165,050,000
Others		9,306,243,627	9,223,905,847
		<b>24,095,573,627</b>	<b>29,388,955,847</b>
<b>Investments</b>			
General investment etc.	7 (a)	325,968,535,809	296,821,586,727
Bills purchased and discounted		16,185,621,694	15,162,233,802
		<b>342,154,157,503</b>	<b>311,983,820,529</b>
<b>Fixed assets including premises</b>			
Other assets	8(a)	4,413,627,223	4,261,357,069
<b>Non Banking assets</b>	9(a)	30,200,499,189	20,232,831,433
		-	-
<b>Total assets</b>		<b>440,356,735,940</b>	<b>408,593,211,428</b>
<b>LIABILITIES AND CAPITAL</b>			
<b>Liabilities</b>			
<b>Placement from Banks &amp; other Financial Institutions</b>			
	10	<b>30,000,000,000</b>	-
<b>Deposits and other accounts</b>			
	11		
Mudaraba savings deposits		40,084,046,928	37,308,169,943
Mudaraba term deposits		168,510,358,684	176,256,112,820
Other mudaraba deposits		79,636,478,408	80,399,200,511
Al-wadeeah current and other deposit accounts	11.2(a)	45,280,664,632	40,988,703,603
Bills payable	11.3	6,327,507,930	5,064,269,305
Cash waqf fund		415,930,983	382,356,998
		<b>340,254,987,565</b>	<b>340,398,813,180</b>
<b>Bond</b>			
SIBL mudaraba subordinated bond	12	4,800,000,000	5,600,000,000
SIBL mudaraba perpetual bond	13	5,000,000,000	5,000,000,000
		<b>9,800,000,000</b>	<b>10,600,000,000</b>
<b>Other liabilities</b>			
Deferred tax liabilities/ (assets)	14(a)	<b>38,942,445,231</b>	<b>37,731,786,286</b>
	15 (a)	<b>472,091,718</b>	<b>465,541,725</b>
<b>Total liabilities</b>		<b>419,469,524,515</b>	<b>389,196,141,192</b>
<b>Capital/shareholders' equity</b>			
Paid-up capital	16.2	10,341,542,860	9,849,088,440
Statutory reserve	17	8,386,157,907	7,605,264,974
General Reserve	17(a)	13,938,397	13,938,397
Others Reserve		16,149,999	8,500,000
Revaluation reserve on fixed assets	18	543,259,152	557,024,130
Retained earnings	19(a)	1,586,161,147	1,363,252,358
<b>Total shareholders' equity of parent Company, SIBL</b>		<b>20,887,209,462</b>	<b>19,397,068,299</b>
<b>Non controlling interest</b>	19(b)	<b>1,963</b>	<b>1,937</b>
<b>Total shareholders' equity of parent Company, SIBL with non controlling interest</b>		<b>20,887,211,425</b>	<b>19,397,070,236</b>
<b>Total liabilities and shareholders' equity of the group</b>		<b>440,356,735,940</b>	<b>408,593,211,428</b>

Particulars	Note(s)	31.12.2022 Taka	31.12.2021 Taka
<b>CONTINGENT LIABILITIES</b>			
Acceptances and endorsements	20.1	43,467,019,251	21,739,997,400
Irrevocable letters of credit (including back to back bills)	20.2	16,835,039,038	21,109,424,352
Letters of guarantee	20.3	8,965,901,893	9,340,583,965
Bills for collection	20.4	8,492,000,669	7,273,898,617
Other contingent liabilities	20.5	-	-
<b>Total</b>		<b>77,759,960,851</b>	<b>59,463,904,333</b>
<b>OTHER COMMITMENTS</b>			
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		-	-
<b>Total</b>		<b>-</b>	<b>-</b>
<b>Total off balance sheet items including Contingent liabilities</b>		<b>77,759,960,851</b>	<b>59,463,904,333</b>
<b>Consolidated Net Asset Value per share (CNAV/share) (Prior year restated)</b>	<b>39(i)</b>	<b>20.20</b>	<b>18.76</b>

Annexed notes (1 to 51) form an integral part of these financial statements



**Chairman**



**Director**



**Director**




**Managing Director & CEO**

Signed as per our report of same date



**Md. Nurul Hossain Khan FCA**  
Enrolment no. : 0240  
Managing Partner  
**Kazi Zahir Khan & Co.**  
Chartered Accountants  
DVC No. 2304260240AS927315

Place of Issue: Dhaka  
Date of Issue: 26 April 2023



**Mohammad Shaheed FCA, FCMA**  
Enrolment no. 1016  
Senior Partner  
**Khan Wahab Shafique Rahman & Co.**  
Chartered Accountants  
DVC No. 2304261016AS804131

**Social Islami Bank Limited and its Subsidiaries**  
**Consolidated Profit and Loss Account**  
**For the Year Ended 31 December 2022**

Particulars	Note(s)	31.12.2022 Taka	31.12.2021 Taka
Investment income	21(a)	21,760,902,836	24,102,157,455
Profit paid on deposits	22(a)	15,720,427,535	16,217,759,192
<b>Net investment income</b>		<b>6,040,475,301</b>	<b>7,884,398,263</b>
Income from investment in shares/securities	23(a)	1,437,128,763	825,534,629
Commission, exchange and brokerage	24(a)	3,909,875,163	1,635,295,855
Other operating income	25(a)	889,273,628	683,375,632
		<b>6,236,277,555</b>	<b>3,144,206,117</b>
<b>Total operating income</b>		<b>12,276,752,857</b>	<b>11,028,604,380</b>
Salaries and allowances	26(a)	4,392,570,297	3,623,403,593
Rent, taxes, insurances, electricity etc.	27(a)	585,047,123	505,610,267
Legal expenses	28	9,203,342	7,483,586
Postage, stamps, telecommunication etc.	29(a)	7,878,063	8,665,023
Stationery, printings, advertisements etc.	30(a)	120,297,660	105,278,351
Managing Director's salary and allowances	31	17,121,670	14,254,517
Directors' fees & expenses	32(a)	4,113,162	2,800,818
Shariah supervisory committee's fees & expenses	33	444,666	144,284
Auditors' fees		977,500	985,750
Charges on investment losses		-	-
Depreciation & repair of Bank's assets	34(a)	639,036,460	640,211,037
Zakat expenses		196,215,836	181,384,083
Other expenses	35(a)	1,459,047,243	1,202,686,945
<b>Total operating expenses</b>		<b>7,431,953,021</b>	<b>6,292,908,253</b>
<b>Profit/(Loss) before provision</b>		<b>4,844,799,835</b>	<b>4,735,696,127</b>
Provision for investments		671,509,077	1,635,265,599
Other provisions	36(a)	216,691,867	99,855,498
<b>Total provision</b>	37(a)	<b>888,200,945</b>	<b>1,735,121,097</b>
<b>Total profit/(loss) before income taxes</b>		<b>3,956,598,891</b>	<b>3,000,575,030</b>
<b>Provision for taxation</b>	38(a)	<b>1,495,107,426</b>	<b>1,250,391,364</b>
Current tax		1,480,430,446	1,215,533,867
Deferred tax		14,676,980	34,857,498
<b>Net profit/(loss) after taxation</b>		<b>2,461,491,465</b>	<b>1,750,183,666</b>
<b>Appropriations</b>			
Statutory reserve		780,892,933	574,874,153
Start up Fund		24,297,828	-
Coupon/dividend on perpetual bond		393,500,011	-
		<b>1,198,690,772</b>	<b>574,874,153</b>
<b>Attributable to:</b>			
Equity holders' of the Bank		1,262,800,666	1,175,309,416
Non controlling interest		26	97
		<b>2,461,491,465</b>	<b>1,750,183,666</b>
<b>Consolidated Earning Per Share (CEPS) (Prior year restated)</b>	39(a)	<b>2.00</b>	<b>1.69</b>

Annexed notes (1 to 51) form an integral part of these financial statements

  
Chairman

  
Director

  
Director

  
Managing Director & CEO

Signed as per our report of same date

  
Md. Nurul Hossain Khan FCA  
Enrolment no. : 0240  
Managing Partner  
Kazi Zahir Khan & Co.  
Chartered Accountants  
DVC No. 2304260240AS927315

  
Mohammad Shaheed FCA, FCMA  
Enrolment no. 1016  
Senior Partner  
Khan Wahab Shafique Rahman & Co.  
Chartered Accountants  
DVC No. 2304261016AS804131

Place of Issue: Dhaka  
Date of Issue: 26 April 2023

## Social Islami Bank Limited and its Subsidiaries

### Consolidated Cash Flow Statement

For the Year Ended 31 December 2022

Particulars	Note(s)	31.12.2022 Taka	31.12.2021 Taka
<b>Cash Flow from operating activities</b>			
Investment Income receipt	40(a)	21,516,207,626	24,376,879,413
Profit paid on deposits		(14,527,851,384)	(15,098,234,761)
Income /dividend receipt from Investments in Shares and Securities		1,437,128,763	825,534,629
Fees & commission receipt		859,266,218	858,095,827
Cash payments to employees		(4,409,691,967)	(3,637,658,110)
Cash payments to suppliers		(128,175,723)	(113,943,374)
Income tax paid		(1,325,246,974)	(1,970,235,272)
Receipts from other operating activities	41(a)	3,731,510,739	1,402,834,855
Payments for other operating activities	42(a)	(2,374,018,735)	(2,016,047,028)
<b>Operating profit before changes in operating assets and liabilities</b>	43(a)	<b>4,779,128,563</b>	<b>4,627,226,179</b>
<b>Increase/Decrease in operating assets and liabilities</b>			
Statutory deposits		-	-
Net trading securities		5,293,382,220	(10,651,221,574)
Investments to other Banks		-	-
Investment to customers		(30,170,336,975)	(12,265,876,963)
Other assets	44(a)	(8,397,725,571)	(305,703,222)
Placement from banks & other financial institutions		30,000,000,000	-
Deposits from other Banks		13,043,068,092	(20,767,172,886)
Deposits received from customers		(14,379,469,859)	38,164,011,076
Other liabilities on account of customers		-	-
Trading liabilities		-	-
Other liabilities	45(a)	(1,251,495,274)	(499,799,837)
<b>Sub Total</b>		<b>(5,862,577,366)</b>	<b>(6,325,763,406)</b>
<b>A. Net Cash flow from operating activities</b>		<b>(1,083,448,803)</b>	<b>(1,698,537,228)</b>
<b>Cash flows from investing activities</b>			
Proceeds from sale of securities		-	-
Payment for purchases of securities		-	-
Proceeds from sale of fixed assets		-	-
Purchases of property, plant & equipment's		(672,336,750)	(339,633,776)
Purchase/Sale of subsidiaries		-	-
<b>B. Net Cash flows from investing activities</b>		<b>(672,336,750)</b>	<b>(339,633,776)</b>
<b>Cash flows from financing activities</b>			
Receipts from issue of debt instruments		-	-
SIBL Mudaraba Subordinated Bond		(800,000,000)	(2,400,000,000)
SIBL mudaraba perpetual bond		-	3,500,000,000
Receipts from issue of right shares/ordinary share		-	-
Coupon/ dividend on perpetual bond		(393,500,011)	-
Dividend paid in cash		(492,454,422)	(469,004,212)
<b>C. Net Cash flow from financing activities</b>		<b>(1,685,954,433)</b>	<b>630,995,788</b>
<b>D. Net increase/(decrease) in cash &amp; cash equivalents (A+B+C)</b>		<b>(3,441,739,986)</b>	<b>(1,407,175,217)</b>
<b>E. Effects of exchange rate changes on cash &amp; cash equivalents</b>		<b>208,371,834</b>	<b>57,740,805</b>
<b>F. Cash and cash equivalents at the beginning of the year</b>		<b>42,726,246,549</b>	<b>44,075,680,961</b>
<b>G. Cash and cash equivalents at the end of the year (D+E+F)</b>	46(a)	<b>39,492,878,397</b>	<b>42,726,246,549</b>
<b>Consolidated Net Operating Cash Flow Per Share (NOCFPS) (prior year restated)</b>	39(ii)	<b>(1.05)</b>	<b>(1.64)</b>

Annexed notes (1 to 51) form an integral part of these financial statements

  
Chairman

  
Director

  
Director

  
Managing Director & CEO

Place of Issue: Dhaka  
Date of Issue: 26 April 2023



**Social Islami Bank Limited and its Subsidiaries**  
**Consolidated Statement of Changes in Equity**  
**For the Year Ended 31 December 2022**

(Amount in Taka)

Particulars	1	2	3	4	5	6	7	8	9	10-(2 to 9)
Particulars	Share Premium Account	Statutory Reserve	General Reserves	Other Reserves	Asset Revaluation Reserve	Retained Earnings	Non Controlling Interest	Total		
<b>Balance as at 01 January 2022</b>	9,849,088,440	7,605,264,974	13,938,397	8,500,000	557,024,130	1,363,252,358	1,937	19,397,070,236		
Changes in Accounting Policy	-	-	-	-	-	-	-	-		
Restated Balance	-	-	-	-	-	-	-	-		
Surplus / (Deficit) on account of Revaluation of Properties	-	-	-	-	-	-	-	-		
Surplus / (Deficit) on account of Revaluation of Investment	-	-	-	-	-	-	-	-		
Currency translation Difference	-	-	-	-	-	-	-	-		
Net gain and losses not recognized in the Income Statement	-	-	-	-	-	-	-	-		
Net profit for the year	-	-	-	-	-	2,461,491,439	26	2,461,491,465		
Start-up fund for the year	-	-	-	-	-	(24,297,828)	-	(24,297,828)		
Coupon/dividend on perpetual bond	-	-	-	-	-	(393,500,011)	-	(393,500,011)		
Appropriation made during the year	-	780,892,933	-	7,649,999	-	(780,892,933)	-	7,649,999		
<b>Dividend:</b>										
Cash Dividend	-	-	-	-	-	(492,454,422)	-	(492,454,422)		
Bonus shares	492,454,420	-	-	-	(13,764,977)	13,764,977	-	-		
Transferred to retained earnings	-	-	-	-	-	8,126,987	-	8,126,987		
Transferred from deferred Tax	-	-	-	-	-	-	-	-		
<b>Total group shareholders' equity as on 31 December 2022</b>	<b>10,341,542,860</b>	<b>8,386,157,907</b>	<b>13,938,397</b>	<b>16,149,999</b>	<b>543,259,152</b>	<b>1,586,161,147</b>	<b>1,963</b>	<b>20,887,211,425</b>		
<b>CET 1 Capital Under Basel III:</b>	<b>10,341,542,860</b>	<b>8,386,157,907</b>	<b>13,938,397</b>	<b>-</b>	<b>-</b>	<b>1,586,161,147</b>	<b>1,963</b>	<b>20,327,802,274</b>		
Less: Adjustment in CET-1 Capital	-	-	-	-	-	-	-	219,437,677		
Add: SIBL Mudaraba Perpetual bond (AT-1 Capital)	-	-	-	-	-	-	-	4,312,791,595		
<b>Total Eligible Tier I Capital</b>								<b>24,421,156,191</b>		
Add: General provision for unclassified investment	-	-	-	-	-	-	-	5,982,734,936		
Add: SIBL Mudaraba Subordinated Bond	-	-	-	-	-	-	-	3,000,000,000		
Add: Others (As per RBCA Guideline of BB)	-	-	-	-	-	-	-	687,208,405		
<b>Total Tier II Capital</b>								<b>9,669,943,341</b>		
<b>Total Eligible Tier II Capital (as per RBCA guideline)</b>								<b>9,669,943,341</b>		
<b>Total eligible capital as on 31 December 2022</b>								<b>34,091,099,532</b>		

Annexed notes ( 1 to 51) form an integral part of these financial statements

  
Chairman

  
Director

  
Director

  
Managing Director & CEO

Place of Issue: Dhaka  
Date of Issue: 26 April 2023

Social Islami Bank Limited and its Subsidiaries

Consolidated Statement of Changes in Equity

For the Year Ended 31 December 2021

(Amount in Taka)

Particulars	1	2	3	4	5	6	7	8	9	10-(2 to 9)
	Particulars	Paid-up Capital	Share Premium Account	Statutory Reserve	General Reserves	Other Reserves	Asset Revaluation Reserve	Retained Earnings	Non Controlling Interest	Total
<b>Balance as at 01 January 2021</b>		9,380,084,230	-	7,030,390,821	11,314,058	-	571,142,055	1,103,498,067	1,840	18,096,431,071
Changes in Accounting Policy		-	-	-	-	-	-	-	-	-
Restated Balance		-	-	-	-	-	-	-	-	-
Surplus / (Deficit) on account of Revaluation of Properties		-	-	-	-	-	-	-	-	-
Surplus / (Deficit) on account of Revaluation of Investment		-	-	-	-	-	-	-	-	-
Currency translation difference		-	-	-	-	-	-	-	-	-
Net gain and losses not recognized in the Income Statement		-	-	-	-	-	-	-	-	-
Net profit for the year		-	-	-	-	-	-	1,750,183,569	-	1,750,183,569
Appropriation made during the year		-	-	574,874,153	2,624,339	8,500,000	-	(574,874,153)	-	11,124,339
Dividend:		-	-	-	-	-	-	-	-	-
Cash Dividend		-	-	-	-	-	-	(469,004,212)	-	(469,004,212)
Bonus shares		469,004,210	-	-	-	-	-	(469,004,210)	-	-
Transferred to retained earnings		-	-	-	-	-	(14,117,926)	14,117,926	-	-
Transferred from deferred Tax		-	-	-	-	-	-	8,335,371	-	8,335,371
Non-controlling interest		-	-	-	-	-	-	-	97	97
<b>Total group shareholders' equity as on 31 December 2021</b>		9,849,088,440	-	7,605,264,974	13,938,397	8,500,000	557,024,130	1,363,252,358	1,937	19,397,070,236
<b>CET 1 Capital Under Basel III:</b>		9,849,088,440	-	7,605,264,974	13,938,397	-	-	1,363,252,358	1,937	18,831,546,106
Less: Adjustment in CET-1 Capital		-	-	-	-	-	-	-	-	194,557,589
Add: SIBL Mudaraba Perpetual bond (AT-1 Capital)		-	-	-	-	-	4,201,942,382	-	-	4,201,942,382
<b>Total Eligible Tier I Capital</b>		-	-	-	-	-	-	-	-	22,838,930,899
Add: General provision for unclassified investment		-	-	-	-	-	-	-	-	5,965,478,813
Add: SIBL Mudaraba Subordinated Bond		-	-	-	-	-	-	-	-	3,800,000,000
<b>Total Tier II Capital</b>		-	-	-	-	-	-	-	-	9,765,478,813
<b>Total Eligible Tier II Capital (as per RBCA guideline)</b>		-	-	-	-	-	-	-	-	9,765,478,813
<b>Total eligible capital as on 31 December 2021</b>		-	-	-	-	-	-	-	-	32,604,409,712

Annexed notes ( 1 to 51) form an integral part of these financial statements



Chairman



Director



Managing Director & CEO

Place of Issue: Dhaka  
Date of Issue: 26 April 2023

# Social Islami Bank Limited

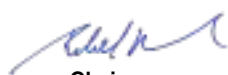
## Balance Sheet

As at 31 December 2022

Particulars	Note(s)	31.12.2022 Taka	31.12.2021 Taka
<b>PROPERTY AND ASSETS</b>			
<b>Cash in hand</b>			
Cash in hand (Including foreign currencies)	3	4,835,583,834	3,415,594,063
Balance with Bangladesh Bank & its Agent Banks (Including foreign currencies)	3.1	22,086,752,023	20,075,647,654
		<b>26,922,335,857</b>	<b>23,491,241,717</b>
<b>Balance with other Banks and Financial Institutions</b>			
	4		
In Bangladesh		3,226,074,618	7,030,431,948
Outside Bangladesh		2,520,897,414	2,540,793,342
		<b>5,746,972,032</b>	<b>9,571,225,290</b>
<b>Placement with Banks and other Financial Institutions</b>			
	5	<b>6,822,973,794</b>	<b>9,662,743,194</b>
<b>Investments in shares &amp; securities</b>			
	6		
Government		14,789,330,000	20,165,050,000
Others		8,877,927,163	8,992,484,206
		<b>23,667,257,163</b>	<b>29,157,534,206</b>
<b>Investments</b>			
	7		
General investments etc.		326,758,535,809	297,611,586,727
Bills purchased and discounted		16,185,621,694	15,162,233,802
		<b>342,944,157,503</b>	<b>312,773,820,529</b>
<b>Fixed assets including premises</b>			
	8	4,400,288,555	4,247,797,726
<b>Other assets</b>			
	9	29,464,700,031	19,298,793,002
<b>Non Banking assets</b>			
		-	-
<b>Total assets</b>		<b>439,968,684,936</b>	<b>408,203,155,663</b>
<b>LIABILITIES AND CAPITAL</b>			
<b>Liabilities</b>			
<b>Placement from Banks &amp; other Financial Institutions</b>			
	10	<b>30,000,000,000</b>	-
<b>Deposits and other accounts</b>			
	11		
Mudaraba savings deposits		40,084,046,928	37,308,169,943
Mudaraba term deposits		168,510,358,684	176,256,112,820
Other mudaraba deposits		79,636,478,408	80,399,200,511
Al-wadeeah current & other deposit accounts	11.2	45,975,991,996	42,250,954,675
Bills payable	11.3	6,327,507,930	5,064,269,305
Cash waqf fund		415,930,983	382,356,998
		<b>340,950,314,928</b>	<b>341,661,064,252</b>
<b>Bond</b>			
	12	4,800,000,000	5,600,000,000
SIBL mudaraba subordinated bond	13	5,000,000,000	5,000,000,000
SIBL mudaraba perpetual bond		<b>9,800,000,000</b>	<b>10,600,000,000</b>
<b>Other liabilities</b>			
	14	<b>37,981,308,615</b>	<b>36,239,237,582</b>
<b>Deferred tax liabilities/ (assets)</b>			
	15	<b>471,979,987</b>	<b>465,429,994</b>
<b>Total liabilities</b>		<b>419,203,603,530</b>	<b>388,965,731,828</b>
<b>Capital/Shareholders' equity</b>			
Paid-up capital	16.2	10,341,542,860	9,849,088,440
Statutory reserve	17	8,386,157,907	7,605,264,974
Revaluation reserve on fixed assets	18	543,259,152	557,024,130
Retained earnings	19	1,494,121,487	1,226,046,292
<b>Total shareholders' equity</b>		<b>20,765,081,406</b>	<b>19,237,423,835</b>
<b>Total liabilities &amp; shareholders' equity</b>		<b>439,968,684,936</b>	<b>408,203,155,663</b>

Particulars	Note(s)	31.12.2022 Taka	31.12.2021 Taka
<b>CONTINGENT LIABILITIES</b>			
Acceptances and Endorsements	20.1	43,467,019,251	21,739,997,400
Irrevocable Letters of Credit (including Back to Back Bills)	20.2	16,835,039,038	21,109,424,352
Letters of Guarantee	20.3	8,965,901,893	9,340,583,965
Bills for Collection	20.4	8,492,000,669	7,273,898,617
Other Contingent Liabilities	20.5	-	-
<b>Total</b>		<b>77,759,960,851</b>	<b>59,463,904,333</b>
<b>Documentary credits and short term trade related transactions</b>			
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
Total		-	-
<b>Total Off Balance Sheet Items including Contingent Liabilities</b>		<b>77,759,960,851</b>	<b>59,463,904,333</b>
<b>Net Asset Value per share (NAV/share) (Prior year restated)</b>	<b>39 (i)</b>	<b>20.08</b>	<b>18.60</b>

Annexed notes (1 to 51) form an integral part of these financial statements



Chairman



Director




Director



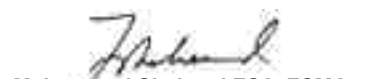
Managing Director & CEO

Signed as per our report of same date



**Md. Nurul Hossain Khan FCA**  
Enrolment no. : 0240  
Managing Partner  
**Kazi Zahir Khan & Co.**  
Chartered Accountants  
DVC No. 2304260240AS927315

Place of Issue: Dhaka  
Date of Issue: 26 April 2023



**Mohammad Shaheed FCA, FCMA**  
Enrolment no. 1016  
Senior Partner  
**Khan Wahab Shafique Rahman & Co.**  
Chartered Accountants  
DVC No. 2304261016AS804131

**Social Islami Bank Limited**  
**Profit and Loss Account**  
**For the Year Ended 31 December 2022**

Particulars	Note(s)	31.12.2022 Taka	31.12.2021 Taka
Investment income	21	21,643,793,225	23,960,778,190
Profit paid on deposits	22	15,648,810,651	16,146,371,912
<b>Net investment income</b>		<b>5,994,982,574</b>	<b>7,814,406,278</b>
Income from investment in shares and securities	23	1,407,929,007	793,239,363
Commission, Exchange and Brokerage	24	3,803,725,179	1,461,194,791
Other operating income	25	888,118,466	677,986,092
		<b>6,099,772,652</b>	<b>2,932,420,246</b>
<b>Total operating income</b>		<b>12,094,755,226</b>	<b>10,746,826,524</b>
<b>Operating expenses</b>			
Salaries and allowances	26	4,347,776,677	3,588,686,773
Rent, taxes, insurances, electricity etc.	27	584,985,073	504,872,866
Legal expenses	28	9,203,342	7,483,586
Postage, stamps, telecommunication etc.	29	5,996,488	6,765,111
Stationery, printings, advertisements etc.	30	120,093,105	104,704,930
Managing Director's salary and allowances	31	17,121,670	14,254,517
Directors' fees & expenses	32	3,780,162	2,447,818
Shariah supervisory committee's fees & expenses	33	444,666	144,284
Auditors' fees		920,000	920,000
Charges on investment losses		-	-
Depreciation & repair to Bank's assets	34	631,420,596	633,423,051
Zakat expenses		196,215,836	181,384,083
Other expenses	35	1,441,774,366	1,175,506,087
<b>Total operating expenses</b>		<b>7,359,731,980</b>	<b>6,220,593,106</b>
<b>Profit/(loss) before provision</b>		<b>4,735,023,246</b>	<b>4,526,233,418</b>
Provision for investments		671,509,077	1,635,265,599
Other provisions	36	159,049,505	16,597,056
<b>Total provision</b>	37	<b>830,558,582</b>	<b>1,651,862,655</b>
<b>Total profit/(loss) before income taxes</b>		<b>3,904,464,664</b>	<b>2,874,370,763</b>
<b>Provision for taxation</b>	38	<b>1,474,681,819</b>	<b>1,214,665,183</b>
Current tax		1,460,004,839	1,179,106,673
Deferred tax		14,676,980	35,558,510
<b>Net profit/(loss) after taxation</b>		<b>2,429,782,845</b>	<b>1,659,705,580</b>
<b>Appropriations:</b>			
Statutory reserve		780,892,933	574,874,153
Start up Fund		24,297,828	-
Coupon/dividend on perpetual bond		393,500,011	-
		<b>1,198,690,772</b>	<b>574,874,153</b>
Retained earnings for the year		1,231,092,073	1,084,831,428
		<b>2,429,782,845</b>	<b>1,659,705,580</b>
<b>Earning per share (EPS) (prior year restated)</b>	39	<b>1.97</b>	<b>1.60</b>

Annexed notes (1 to 51) form an integral part of these financial statements

  
**Chairman**

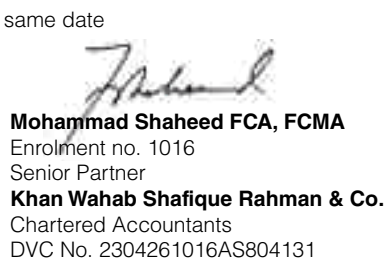
  
**Director**

  
**Director**

  
**Managing Director & CEO**

Signed as per our report of same date

  
**Md. Nurul Hossain Khan FCA**  
 Enrolment no. : 0240  
 Managing Partner  
**Kazi Zahir Khan & Co.**  
 Chartered Accountants  
 DVC No. 2304260240AS927315

  
**Mohammad Shaheed FCA, FCMA**  
 Enrolment no. 1016  
 Senior Partner  
**Khan Wahab Shafique Rahman & Co.**  
 Chartered Accountants  
 DVC No. 2304261016AS804131

Place of Issue: Dhaka  
 Date of Issue: 26 April 2023

## Social Islami Bank Limited

# Cash Flow Statement

For the Year Ended 31 December 2022

Particulars	Note(s)	31.12.2022 Taka	31.12.2021 Taka
<b>Cash Flow from operating activities</b>			
Investment Income receipt	40	21,399,098,015	24,235,500,147
Profit paid on deposits		(14,456,234,500)	(15,026,847,480)
Income /dividend receipt from Investments in Shares and Securities		1,407,929,007	793,239,363
Fees & commission receipt		753,116,234	683,994,762
Cash payments to employees		(4,364,898,347)	(3,602,941,290)
Cash payments to suppliers		(126,089,593)	(111,470,041)
Income tax paid		(1,300,415,312)	(1,926,928,903)
Receipts from other operating activities	41	3,730,355,577	1,397,445,315
Payments for other operating activities	42	(2,355,418,054)	(1,986,485,306)
<b>Operating profit before changes in operating assets and liabilities</b>	43	<b>4,687,443,026</b>	<b>4,455,506,568</b>
<b>Increase/Decrease in operating assets and liabilities</b>			
Statutory deposits		-	-
Net trading securities		5,490,277,042	(10,670,166,544)
Investments to other Banks		-	-
Investment to customers		(30,170,336,975)	(12,155,876,963)
Other assets	44	(8,620,796,506)	(258,308,204)
Placement from banks & other financial institutions		30,000,000,000	-
Deposits from other Banks		13,043,068,092	(20,767,172,886)
Deposits received from customers		(14,946,393,567)	38,925,202,141
Other liabilities on account of customers		-	-
Trading liabilities		-	-
Other liabilities	45	(572,790,315)	(1,231,338,091)
<b>Sub Total</b>		<b>(5,776,972,229)</b>	<b>(6,157,660,547)</b>
<b>A. Net Cash flow from operating activities</b>		<b>(1,089,529,203)</b>	<b>(1,702,153,979)</b>
<b>Cash flows from investing activities</b>			
Proceeds from sale of securities		-	-
Payment for purchases of securities		-	-
Proceeds from sale of fixed assets		-	-
Purchases of property, plant & equipment's		(665,816,715)	(336,484,018)
Purchase/Sale of subsidiaries		-	-
<b>B. Net Cash flows from investing activities</b>		<b>(665,816,715)</b>	<b>(336,484,018)</b>
<b>Cash flows from financing activities</b>			
Receipts from issue of debt instruments		-	-
SIBL Mudaraba Subordinated Bond		(800,000,000)	(2,400,000,000)
SIBL mudaraba perpetual bond		-	3,500,000,000
Receipts from issue of right shares/ordinary share		-	-
Coupon/ dividend on perpetual bond		(393,500,011)	-
Dividend paid in cash		(492,454,422)	(469,004,212)
<b>C. Net Cash flow from financing activities</b>		<b>(1,685,954,433)</b>	<b>630,995,788</b>
<b>D. Net increase/(decrease) in cash &amp; cash equivalents (A+B+C)</b>		<b>(3,441,300,352)</b>	<b>(1,407,642,209)</b>
<b>E. Effects of exchange rate changes on cash &amp; cash equivalents</b>		<b>208,371,834</b>	<b>57,740,805</b>
<b>F. Cash and cash equivalents at the beginning of the year</b>		<b>42,725,210,201</b>	<b>44,075,111,603</b>
<b>G. Cash and cash equivalents at the end of the year (D+E+F)</b>	46	<b>39,492,281,683</b>	<b>42,725,210,201</b>
<b>Net Operating Cash Flow Per Share (NOCFPS) (prior year restated)</b>	39(ii)	<b>(1.05)</b>	<b>(1.65)</b>

Annexed notes (1 to 51) form an integral part of these financial statements

  
Chairman

  
Director

  
Director

  
Managing Director & CEO

Place of Issue: Dhaka  
Date of Issue: 26 April 2023

**Social Islami Bank Limited**  
**Statement of Changes in Equity**  
**For the Year Ended 31 December 2022**

(Amount in Taka)

Particulars	1	2	3	4	5	6	7	8=(2+3+4+5+6+7)
	Balance as at 01 January 2022	Paid-up Capital	Share Premium Account	Statutory Reserve	General/Other Reserves	Asset Revaluation Reserve	Retained Earnings	Total
Changes in Accounting Policy		9,849,088,440	-	7,605,264,974	-	557,024,130	1,226,046,292	19,237,423,835
Restated Balance		-	-	-	-	-	-	-
Surplus / (Deficit) on account of Revaluation of Properties		-	-	-	-	-	-	-
Surplus / (Deficit) on account of Revaluation of Investment		-	-	-	-	-	-	-
Currency translation Difference		-	-	-	-	-	-	-
Net gain and losses not recognized in the Income Statement		-	-	-	-	-	-	-
Net profit for the year		-	-	-	-	-	2,429,782,845	2,429,782,845
Start-up fund for the year		-	-	-	-	-	(24,297,828)	(24,297,828)
Coupon/dividend on perpetual bond		-	-	-	-	-	(393,500,011)	(393,500,011)
Appropriation made during the year		-	-	780,892,933	-	-	(780,892,933)	-
<b>Dividend:</b>								
Cash dividend		-	-	-	-	-	(492,454,422)	(492,454,422)
Bonus Shares		492,454,420	-	-	-	-	(492,454,420)	-
Transferred to retained earnings		-	-	-	-	(13,764,977)	13,764,977	-
Transferred from deferred Tax		-	-	-	-	-	8,126,987	8,126,987
<b>Total shareholders' equity as on 31 December 2022</b>		<b>10,341,542,860</b>	<b>-</b>	<b>8,386,157,907</b>	<b>-</b>	<b>543,259,152</b>	<b>1,494,121,487</b>	<b>20,765,081,406</b>
<b>CET 1 Capital Under Basel III:</b>		<b>10,341,542,860</b>		<b>8,386,157,907</b>			<b>1,494,121,487</b>	<b>20,221,822,254</b>
Less: Adjustment in CET-1 Capital								218,436,829
Add: SIBL Mudaraba Perpetual bond (AT-1 Capital)								4,287,807,544
<b>Total Eligible Tier I Capital</b>								<b>24,291,192,969</b>
Add: General provision for unclassified investment								5,982,734,936
Add: SIBL Mudaraba Subordinated Bond								3,000,000,000
Add: Others (As per RBCA Guideline of BB)								712,192,456
<b>Total Tier II Capital</b>								<b>9,694,927,392</b>
<b>Total Eligible Tier II Capital (as per RBCA guideline)</b>								<b>9,694,927,392</b>
<b>Total eligible capital as on 31 December 2022</b>								<b>33,986,120,360</b>

Annexed notes ( 1 to 51) form an integral part of these financial statements

  
**Chairman**

  
**Director**

  
**Director**

  
**Managing Director & CEO**

Place of Issue: Dhaka  
Date of Issue: 26 April 2023



**Social Islami Bank Limited**  
**Statement Of Changes In Equity**  
**For the Year Ended 31 December 2021**

(Amount in Taka)

Particulars	1	2	3	4	5	6	7	Total
	Share Premium Account	Statutory Reserve	General/Other Reserves	Asset Revaluation Reserve	Retained Earnings	8=(2+3+4+5+6+7)		
<b>Balance as at 01 January 2021</b>	<b>9,380,084,230</b>	<b>7,030,390,821</b>	-	<b>571,142,055</b>	<b>1,056,769,989</b>	<b>18,038,387,095</b>		
Changes in Accounting Policy	-	-	-	-	-	-	-	-
Restated Balance	-	-	-	-	-	-	-	-
Surplus / (Deficit) on account of Revaluation of Properties	-	-	-	-	-	-	-	-
Surplus / (Deficit) on account of Revaluation of Investment	-	-	-	-	-	-	-	-
Currency translation Difference	-	-	-	-	-	-	-	-
Net gain and losses not recognized in the Income Statement	-	-	-	-	-	-	-	-
Net profit for the year	-	-	-	-	-	-	1,659,705,580	1,659,705,580
Appropriation made during the year	-	574,874,153	-	-	-	-	(574,874,153)	
<b>Dividend:</b>								
Cash dividend	-	-	-	-	-	-	(469,004,212)	(469,004,212)
Bonus Shares	469,004,210	-	-	-	-	-	(469,004,210)	-
Transferred to retained earnings	-	-	-	-	-	-	14,117,926	
Transferred from deferred Tax	-	-	-	(14,117,926)	-	-	8,335,371	8,335,371
<b>Total shareholders' equity as on 31 December 2021</b>	<b>9,849,088,440</b>	<b>7,605,264,974</b>	-	<b>557,024,130</b>	<b>1,226,046,292</b>	<b>19,237,423,835</b>		
<b>CET 1 Capital Under Basel III:</b>	<b>9,849,088,440</b>	<b>7,605,264,974</b>	-	-	-	<b>18,680,399,705</b>		
Less: Adjustment in CET-1 Capital	-	-	-	-	-	-	194,557,589	194,557,589
Add: SIBL Mudaraba Perpetual bond (AT-1 Capital)	-	-	-	-	-	-	4,196,627,222	4,196,627,222
<b>Total Eligible Tier I Capital</b>							<b>22,682,469,338</b>	<b>22,682,469,338</b>
Add: General provision for unclassified investment	-	-	-	-	-	-	5,965,478,813	5,965,478,813
Add: SIBL Mudaraba Subordinated Bond	-	-	-	-	-	-	3,800,000,000	3,800,000,000
<b>Total Tier II Capital</b>							<b>9,765,478,813</b>	<b>9,765,478,813</b>
<b>Total Eligible Tier II Capital (as per RBCA guideline)</b>							<b>9,765,478,813</b>	<b>9,765,478,813</b>
<b>Total eligible capital as on 31 December 2021</b>							<b>32,447,948,152</b>	<b>32,447,948,152</b>

Annexed notes ( 1 to 51) form an integral part of these financial statements

  
**Chairman**

  
**Director**

  
**Director**

  
**Managing Director & CEO**

Place of Issue: Dhaka  
 Date of Issue: 26 April 2023

## Social Islami Bank Limited

# Liquidity Statement Assets and Liabilities Analysis

As at 31 December 2022

(Amount in Taka)

Particulars	Upto 01 Month	01-03 Months	03-12 Months	01-05 Years	More than 05 years	Total Current Year	Total Previous Year
1	2	3	4	5	6	7(2+3+4+5+6)	8
<b>Assets</b>							
Cash in hand	13,687,227,857	-	-	-	13,235,108,000	26,922,335,857	23,491,241,717
Balance with other Banks and Financial Institutions	2,786,400,106	2,960,571,927	-	-	-	5,746,972,032	9,571,225,290
Placement with Banks & other Financial Institutions	3,650,000,000	2,761,680,600	225,000,000	186,293,194	-	6,822,973,794	9,662,743,194
Investment (in Shares & Securities)	1,597,199,412	1,250,000,000	790,000,000	15,430,057,751	4,600,000,000	23,667,257,163	29,157,534,206
Investments	52,225,581,427	77,570,992,239	151,117,156,837	48,331,578,000	13,698,849,000	342,944,157,503	312,773,820,529
Fixed Assets including premises, furniture & fixtures etc.	-	-	-	2,200,144,277	2,200,144,277	4,400,288,555	4,247,797,726
Other Assets	25,155,899	308,278,647	2,891,447,136	13,045,810,015	13,194,008,334	29,464,700,031	19,298,783,002
Non-Banking Assets	-	-	-	-	-	-	-
<b>Total Assets</b>	<b>73,971,564,701</b>	<b>84,851,523,413</b>	<b>155,023,603,973</b>	<b>79,193,883,238</b>	<b>46,928,109,611</b>	<b>439,968,684,936</b>	<b>408,203,155,663</b>
<b>Liabilities</b>							
Placement from Banks & other financial institutions	28,000,000,000	2,000,000,000	-	-	-	30,000,000,000	-
Deposits and other accounts	63,371,360,561	64,622,660,469	146,884,679,394	46,747,021,870	19,324,592,634	340,950,314,928	341,661,064,252
Provision and other liabilities	30,833,335	2,871,889	1,966,045,709	20,669,927,774	25,111,629,907	47,781,308,615	46,839,237,582
Deferred tax liability	-	-	-	471,979,987	-	471,979,987	465,429,994
<b>Total Liabilities</b>	<b>91,402,193,896</b>	<b>66,625,532,358</b>	<b>148,850,725,104</b>	<b>67,888,929,631</b>	<b>44,436,222,541</b>	<b>419,203,603,530</b>	<b>388,965,731,827</b>
<b>Net Liquidity Gap</b>	<b>(17,430,629,195)</b>	<b>18,225,991,054</b>	<b>6,172,878,869</b>	<b>11,304,953,607</b>	<b>2,491,887,070</b>	<b>20,765,081,406</b>	<b>19,237,423,835</b>

Chairman

Director

Director

Managing Director & CEO

Place of Issue: Dhaka.  
Date of Issue: 26 April 2023

## Social Islami Bank Limited and its Subsidiaries

### Notes to the Financial Statements

As at and for the Year Ended 31 December 2022

#### 1 The Bank and its activities

##### 1.1 Status of the Bank

The Bank was incorporated as a Public Limited Company in Bangladesh on 22nd November 1995 under Companies Act, 1994. The Bank is one of the interest-free Shariah based Bank in the country and its modus- operandi are substantially different from other conventional Banks. The Bank within the stipulations laid down by Bank Company Act, 1991 (as amended in upto) and directives as received from time to time from Bangladesh Bank. Besides as a matter of policy the Bank conducts its business on the principles of Mudaraba, Musharaka, Murabaha, Bai-Muazzal and Hire Purchase transaction approved by Bangladesh Bank. The Bank is listed with Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited as a publicly traded Company. The Bank carries its Banking activities through one hundred seventy nine (179) branches operating as per Islamic Shariah prevailing in the country. The Registered Office of the Bank is located at its own premises at 'City Center', 90/1 Motijheel Commercial Area, Dhaka-1000.

##### 1.2 Internet Banking services

SIBL has been providing anytime anywhere Banking service (24/7/365) through internet Banking since 2013. Recently, SIBL reshaped its internet Banking service with user friendly features like with a wide range of features as balance inquiry, fund transfer, credit card bill payment, bill payment, and statement view options. SIBL has introduced "SIBL NOW" mobile app to facilitate i-Banking services in the palm of hand. "SIBL NOW" internet Banking and mobile app comes up with various features including fund transfer (same Bank, other Bank, bKash), utility bill payment, mobile recharge, credit card bill payment, viewing transaction history, location view of branches/booths etc over the internet.

##### 1.3 Agent Banking services

The Bank started operation of Agent Banking Services in 2015.

The principal activities of the Agent Banking Services are to provide Banking services to the Bank customers through engagement of agents who conducts Banking Transaction on behalf of the Bank under a valid agency agreements rather than Bank's own Tellers/Cashiers to deliver the services within the applicable rules & regulations and guidelines of Bangladesh Bank.

##### 1.4 Enlistment with the stock exchanges

The Bank subscribed for IPO (Initial Public Offering) in the year 2000 and initially listed with Dhaka Stock Exchange (DSE) Ltd. and later on in the year 2005 with Chittagong Stock Exchange (CSE) Ltd.

#### Subsidiaries of SIBL:

##### 1.5 SIBL Securities Limited

SIBL Securities Limited, a wholly owned subsidiary of SIBL, was incorporated as a Public Limited Company under the Companies Act, 1994 vide certification of incorporation no. C - 85876/10 dated 20 July 2010 and obtained its certificate of commencement of business on the same day. The Company has already got its license for trading with Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE). The Company started its commercial operation in the month of January 2012.

The principal place of business is the Registered Office at 3rd floor, 15 Dilkusha C/A, Dhaka-1000.

The principal objectives of the Company for which it was established are to carry on the business of stock brokers, dealers in relation to shares and securities dealings and other services as mentioned in the Memorandum and Articles of Association of the Company.

## 1.6 SIBL Investment Limited

SIBL Investment Limited, a wholly owned subsidiary of SIBL, was incorporated as a Public Limited Company under the Companies Act, 1994 vide certification of incorporation no. C - 86726/10 dated 30 August 2010 and obtained its certificate of commencement of business on the same day.

The principal objectives of the Company for which it was established are to carry on the business of stock brokers, dealers in relation to shares and securities dealings, to underwrite, manage and distribute the issue of stocks etc. and other services as mentioned in the Memorandum and Articles of Association of the Company.

Sl.	Name of the Company	Paid up Capital (Taka)	Percentage of Share Holding SIBL	Others
1	SIBL Securities Limited	1,537,500,000	99.999922%	0.000078%
2	SIBL Investment Limited	250,000,000	99.99968%	0.000320%

**Total capital** **1,787,500,000**

## 1.7 Off-shore Banking unit (OBU)

Bangladesh Bank approved operation of Off-Shore Banking Unit (OBU) of Social Islami Bank Limited located at head office, through their letter no. BRPD(P-3)744(119)/2010-4652, Dated: 11.11.2010. The Bank has commenced the operation of its Off-Shore Banking Unit (OBU) from 02.05.2012.

The principal activities of the OBUs are to provide commercial banking services through its Units within the rules & regulations and guidelines of Bangladesh Bank applicable for the Off-shore Banking Units.

## 1.8 Compliance of International Accounting Standards (IAS) and International Financial Reporting standards (IFRS):

In compliance with	IAS No.	Status
Presentation of Financial Statements	1	Applied
Inventories	2	N/A
Statement of Cash Flows	7	Applied
Accounting Policies, Changes in Accounting Estimates and Errors	8	Applied
Events After the Reporting Period	10	Applied
Income Taxes	12	Applied
Property, Plant and Equipment	16	Applied
Employee Benefits	19	Applied
Accounting for Government Grants and Disclosure of Government Assistance	20	N/A
The Effects of Changes in Foreign Exchange Rates	21	Applied
Borrowing Costs	23	N/A
Related Party Disclosures	24	Applied
Accounting and Reporting by Retirement Benefit Plans	26	N/A
Consolidated and Separate Financial Statements	27	Applied with in compliance with related BRPD Circular
Investments in Associates	28	N/A
Financial Instruments: Presentation	32	Applied with in compliance with related BRPD Circular
Earnings Per Share	33	Applied
Interim Financial Reporting*	34	Applied
Impairment of Assets	36	Applied
Provisions, Contingent Liabilities and Contingent Assets	37	Applied
Intangible Assets	38	Applied
Investment Property	40	N/A
Agriculture	41	N/A

In compliance with	IFRS No.	Status
First-time Adoption of International Financial Reporting Standards	1	N/A
Share-based Payment	2	N/A
Business Combinations	3	Applied
Insurance Contracts	4	N/A
Non-current Assets Held for Sale and Discontinued Operations	5	N/A
Exploration for and Evaluation of Mineral Assets	6	N/A
Financial Instruments: Disclosures	7	Applied to the extent of compliance with core risk management guideline of Bangladesh Bank.
Operating Segments	8	N/A
Financial Instruments	9	Applied to the extent of compliance with (Financial Instruments) which is mandatorily effective for periods beginning on or after 1 January 2019 with early adoption permitted (subject to local endorsement requirements. Applied to the context of compliance with BRPD circular no. 15, Dated: 09.11.2009, DOS circular no. 5, Dated: 26.05.2008 and DOS circular no. 5, Dated:28.01.2009.
Consolidated Financial Statements	10	Applied
Joint Arrangements	11	N/A
Disclosure of Interests in other Entities	12	Applied
Fair Value Measurement	13	Applied
Regulatory Deferral Accounts	14	N/A
Revenue from Contracts with customers	15	Applied
Leases IFRS -16	16	Applied

(\*) Complied while the quarterly and half-yearly interim financial reports were prepared during the year as per regulations of Bangladesh Securities and Exchange Commission (BSEC).

## 2 Basis of presentation of financial statements and significant accounting policies

### 2.1 Changes in significant accounting policies

Except for the changes below, the Bank has consistently applied the accounting policies to all periods presented in these financial statements.

IFRS 16 is effective for annual periods beginning on or after 1 January 2019. The Bank has initially adopted IFRS 16 Leases from 1 January 2020. IFRS 16 introduced a single, on-balance sheet accounting model for lessees. As a result, the Bank as a lessee, has recognised right-of-use assets representing its' rights to use the underlying assets and lease liabilities representing its obligation to make lease payments. Lessor accounting remains similar to previous accounting policies. The Bank has applied IFRS 16 using the modified retrospective approach, under which the cumulative effect of initial application is recognised at 1 January 2020.

### 2.2 Basis of preparation of the financial statements

#### 2.2.1 Basis of accounting

The financial statements of the Bank have been prepared under historical cost convention except investments which are measured at present value and in accordance with "First Schedule" of the Bank Company Act, 1991 as amended under sub-section 38(4) of the Act, relevant Bangladesh Bank Circulars and International Financial Reporting Standards (IFRSs) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) & Bangladesh Financial Reporting Council, the Companies Act, 1994, the Securities and Exchange Rules, 1987 and other rules and regulations applicable for Banks in Bangladesh.

In cases, any requirement of provisions and circulars issued by Bangladesh Bank differs with those of other regulatory authorities, the provisions & circulars issued by Bangladesh Bank prevailed.

## 2.2.2 Going concern estimation

The Financial Statements, namely, Balance Sheet, Profit and Loss Account, Cash Flow Statements, Statement of Changes in Equity, Statement of Liquidity Analysis and relevant notes to the financial statements and disclosures thereto, of the Bank are prepared under historical cost convention on a going concern basis. Management of the Bank has made an estimation that there are no possibility to liquidate the entity or to cease trading, or has no realistic alternative but to do so.

## 2.2.3 Statement of compliance

The Financial Reporting Act 2015 (FRA) was enacted in 2015. Under the FRA, the Financial Reporting Council (FRC) is formed and it is yet to issue financial reporting standards for public interest entities such as Banks. The Bank Company Act 1991 obliges Banks to prepare their financial statements under such financial reporting standards. Due to unavailability of any financial reporting standards by FRC, International Financial Reporting Standards (IFRS) as approved by the Institute of Chartered Accountants of Bangladesh (ICAB) are still applicable.

Accordingly, the financial statements of the Bank continue to be prepared in accordance with International Financial Reporting Standards (IFRS) and the requirements of the Bank Company Act 1991, the rules and regulations issued by Bangladesh Bank (BB), the Companies Act 1994, Securities and Exchange Rules 1987. In case any requirement of the Bank Company Act 1991, and provisions and circulars issued by Bangladesh Bank differ with those of IFRS, the requirements of the Bank Company Act 1991, and provisions and circulars issued by Bangladesh Bank shall prevail.

According to BRPD circular no 2 dated 25 February 2019 financial statements for the Bank is prepared on a solo basis from 2019 where OBU information is included in equivalent BDT denomination. However key financial informations of OBU is provided as "Annexure H" the solo financial statements of the Bank. Material deviations from the requirements of IFRS in preparing the financial statemets are as follows:

### i Presentation of financial statements

**IFRS:** As per IAS 1, a complete set of financial statements comprises a statement of financial position, a statement of profit or loss and other comprehensive income, a statement of changes in equity, a statement of cash flows, notes comprising a summary of significant accounting policies and other explanatory information and comparative information. IAS 1 has also stated the entity to disclose assets and liabilities under current and non-current classification separately in its statement of financial position.

**Bangladesh Bank:** The financial statements and certain disclosures therein are presented in a prescribed format (i.e. balance sheet, profit and loss account, cash flows statement, statement of changes in equity, liquidity statement) in accordance with the guidelines of the 'First Schedule' (section 38) of the Bank Companies Act 1991 as amended and BRPD circular no. 15 dated 09 November, 2009 and other subsequent guidelines of BB. In the prescribed format of BB there is no component of other comprehensive income and accordingly the elements of other comprehensive income and the tax thereon (if any) is recognized directly in the statement of changes in equity. The assets and liabilities are presented in accordance with the prescribed format of BB and accordingly not classified as current and non-current classification as required by IAS-1.

### ii Investment in shares and securities

**IFRS:** As per requirements of IFRS-9 "Financial Instruments", investment in shares and securities are generally classified either at fair value through profit or loss or at fair value through other comprehensive income and measured initially at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. However in the case of financial assets classified and measured at fair value through profit or loss, transactions costs are immediately recognised in profit or loss. Change in the fair value of shares and securities measured at fair value through profit or loss is recognised in the statement of profit or loss and changes in the fair value of shares (as measured in accordance with IFRS-13) and securities measured at fair value through other comprehensive income is recognised in the other comprehensive income and are never reclassified to profit or loss.

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

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

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

### iii Provision on investments and off balance sheet

**IFRS:** As per IFRS 9 an entity shall recognise an impairment allowance on advances based on expected credit losses. At each reporting date, an entity shall measure the impairment allowance for advances at an amount equal to the lifetime expected credit losses if the credit risk on these 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 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 advances that are possible within 12 months after reporting date.

**Bangladesh Bank:** As per BRPD circular No.24 (17 November 2019), BRPD circular No.6 (19 May 2019), BRPD circular No.4 (16 May 2019), BRPD circular No.3 (21 April 2019), BRPD circular No.15 (27 September 2017), BRPD circular No.16 (18 November 2014), BRPD circular No.14 (23 September 2012), BRPD circular No. 19 (27 December 2012), BRPD circular No. 05 (29 May 2013) and BRPD circular No.1 (20 February 2018) a general provision at 0.25% to 5% under different categories of unclassified advances (good/standard) has to be maintained regardless of objective evidence of impairment. Also specific provision for sub-standard advances, doubtful advances and bad losses has to be provided at 5%, 20%, 50% and 100% respectively for advances depending on time past due. 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 all off-balance sheet exposures. Such provision policies are not specifically in line with those prescribed by IFRS 9.

### iv Recognition of profit in suspense and compensation

**IFRS:** Advances to customers are generally classified at amortised cost as per IFRS 9 and profit on advance is calculated by using the effective profit rate method to the gross carrying amount over the term of the advance. Once an advance subsequently become credit-impaired, the entity shall apply the effective profit rate to the amortised cost of these advances.

**Bangladesh Bank:** As per BRPD circular no. 15 dated 09 November 2009, once an advance is classified as impaired, profit on such advance are not allowed to be recognised as income, rather the corresponding amount needs to be credited to an profit in suspense account, which is presented as a liability in the balance sheet.

### v 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 will strictly be followed by all Banks. The templates of financial statements issued by Bangladesh Bank neither include Other Comprehensive Income nor are the elements of Other Comprehensive Income allowed to be included in a single other Comprehensive Income (OCI) Statement. As such the Bank does not prepare the other comprehensive income statement. However, elements of OCI, if any, are shown in the statement of changes in equity.

### vi Financial instruments – presentation and disclosure

In several cases Bangladesh Bank guidelines categorise, recognise, measure and present financial instruments differently from those prescribed in IFRS 9. As such full disclosure and presentation requirements of IFRS 7 and IAS 32 cannot be made in the financial statements.



**vii Financial guarantees**

**IFRS:** As per IFRS 9, financial guarantees are contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtors fails to make payment when due in accordance with the original or modified terms of a debt instrument. Financial guarantee liabilities are recognised initially at their fair value plus transaction costs 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 recognised less, income recognised in accordance with the principles of IFRS 15. Financial guarantees are included within other liabilities.

**Bangladesh Bank:** As per BRPD 15 dated 09 November 2009, financial guarantees such as letter of credit and letter of guarantee will be treated as off-balance sheet items. No liability is recognised for the guarantee except the cash margin. As per BRPD Circular No.01 dated 03 January 2018 and BRPD Circular No.14 dated 23 September 2012, the Bank is required to maintain provision at 1% against gross off-balance sheet exposures (which includes undrawn investment commitments).

**viii 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 on short notice, treasury bills with maturity of more than three months and prize bond are not shown as cash and cash equivalents. Money at call on short notice is shown separately in the balance sheet. Treasury bills with maturity of more than three months and prize bond are shown under investment in the balance sheet.

**ix Non-Banking assets**

**IFRS:** No indication of Non-Banking assets is found in any IFRS.

**Bangladesh Bank:** As per BRPD 15 dated 09 November 2009, there is a separate balance sheet item named Non-Banking assets existed in the standard format.

**x Cash flow statement**

**IFRS:** The cash flow statement can be prepared using either the direct method or the indirect method as per IAS 7. The presentation is selected to present these cash flows in a manner that is most appropriate for the business or industry. The method selected is applied consistently.

**Bangladesh Bank:** As per BRPD 15 dated 09 November 2009, the cash flow statement is a mixture of both the direct and the indirect methods.

**xi Balance with Bangladesh Bank: (Cash Reserve Ratio - CRR)**

**IFRS:** CRR maintained 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 including CRR is treated as cash and cash equivalents.

**xii Presentation of intangible assets**

**IFRS:** Intangible assets must be identified and recognised, and the disclosure must be given as per IAS 38.

**Bangladesh Bank:** There is no regulation for intangible assets in BRPD 15 dated 09 November 2009.

**xiii Off-balance sheet items**

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

**Bangladesh Bank:** As per BRPD circular no. 15 dated 09 November 2009, off balance sheet items (e.g. Letter of credit, Letter of guarantee etc.) must be disclosed separately on the face of the balance sheet.

**xiv As per IFRS 9 Investments net off provision**

**IFRS:** Investments should be presented net of provision.

**Bangladesh Bank:** As per BRPD 15 dated 09 November 2009, provision on investments are presented separately as a liability and cannot be netted off against investments.

**xv Charges on tax on retained earnings, reserve & surplus as per income tax ordinance (ITO) 1984**

As per section 16(G) of the income tax ordinance 1984, proposed dividend of Listed companies should be disclosed in the Balance sheet as "amount to be distributed as dividend." However there is no such provision in BRPD 14 dated 25 June 2003 and BRPD 15 dated 09 November 2009 and IFRS restrict such presentation in the balance sheet.

**xvi Comparative information of changes in equity**

**IFRS :** As per IAS 1, Comparative information in to be provided with the financial statements.

**Bangladesh Bank:** As per BRPD 15 dated 09 November 2009, no comparative is suggested for statements changes in equity.

**xvii Revaluation gains/losses on government securities**

As per requirement of IFRS 9 "Financial Instruments: where securities will fall under the category of fair value through profit or loss account and any change in fair value of the asset is recognized through profit or loss account.

SIBL is a Bank running on Islamic Shariah principle. Hence, we do not participate in buying interest bearing Government securities.

**xviii Disclosure of appropriation of profit**

**IFRS:** There is no requirement to show appropriation of profit in the face of statement of comprehensive income.

**Bangladesh Bank:** As per BRPD circular no. 15 dated 09 November 2009 an appropriation of profit should be disclosed in the face of profit and loss account.

**xix Recognition of Profit in Suspense**

**IFRS:** Investment to customers are generally classified as "Loans and receivables" as per IFRS 9 and profit income is recognised through effective profit rate method over the term of the Investment. Once an investment is impaired, investment income is recognised in profit and loss account on the same basis based on revised carrying amount.

**Bangladesh Bank:** As per BRPD Circular No. 15 dated 09 November 2009, once an investment is classified , profit on such investment are not allowed to be recognised as income, rather the corresponding amount needs to be credited to an profit in suspense account, which is presented as liability in balance sheet.

**2.2.4 Investment in shares and securities**

The Bank investment in different securities has been valued on 31.12.2022 as under:

Quoted Bond & Shares	At cost or Market Value whichever is lower
Unquoted Shares	At cost
Bangladesh Govt. Islamic Bond	At cost
CDBL Share, Preference Share & Others	At cost
Mudaraba Subordinated Bond	At cost
Mudaraba Perpetual Bond	At cost
Bangladesh Govt. Islamic sukuk	At cost

All investment in securities are initially recognized at cost, including acquisition charges associated with the investment. Premiums are amortised and discounts are accredited.

As per BRPD circular no. 15 (09 November 2009), investments in quoted shares and unquoted shares are revalued at the year end at market price and as per book value of last audited balance sheet respectively. Provision has been made for any loss arising from diminution in value of investment. As such the Company measures and recognizes investment in quoted and unquoted shares at cost if the year-end market value (for quoted shares) and book value (for unquoted shares) are higher than the cost. At the year-end the company's market value and book value of quoted and unquoted shares was lower than cost price by Taka 13.95 million. Required provision have been ascertained as per DOS circular no: 04, dated-15 June 2010 and 24 November 2011 respectively. However as per requirements of Bangladesh Accounting Standard (BAS)-39, investment in shares falls either under "at fair value through profit and loss account" or under "available for sale" where any change in the fair value at the year-end is taken to profit and loss account or revaluation reserve respectively.

## Derivatives

A derivative is an investment instrument that consists of a contract between parties whose value derives from and depends on the value of an underlying financial asset. In short, these are the instruments whose value depends on underlying asset. The underlying asset can be equity, index, commodity, bond or currency. Some of the examples of Derivatives are Forwards, Futures, Options and Swaps. As a shariah based Islami Bank, SIBL can not take part in issuing or purchasing any derivatives. Typical examples of derivatives are futures and forward, swap and option contracts. As a shariah based Islami Bank, SIBL can not take part in issuing or purchasing any derivatives.

### 2.2.5. Investments and provisions

In accordance with IFRS 9, Financial Instruments, with the exception of purchased or originated credit (investment) impaired financial assets, expected credit (investment) losses are required to be measured through a loss allowance at an amount equal to the 12-month expected credit (investment) losses (expected credit (investment) losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date; or full lifetime expected credit (investment) losses (expected credit /investment losses that result from all possible default events over the life of the financial instrument).

A loss allowance for full lifetime expected credit (investment) losses is required for a financial instrument if the credit (investment) risk of that financial instrument has increased significantly since initial recognition, as well as to contract assets or trade receivables that do not constitute a financing transaction in accordance with IFRS 15. Additionally, entities can elect an accounting policy to recognise full lifetime expected losses for all contract assets and/or all trade receivables that do constitute a financing transaction in accordance with IFRS 15. The same election is also separately permitted for lease receivables. For all other financial instruments, expected credit (investment) losses are measured at an amount equal to the 12-month expected credit (investment) losses.

However, Provision for classified and unclassified investment is made on the basis of year end review by the management and of instructions contained in Bangladesh Bank BRPD circular No. 24 (17 November 2019), BRPD circular No.6 (19 May 2019), BRPD circular No. 4 (16 May 2019), BRPD circular No.3 (21 April 2019), BRPD circular No.1 (20 February 2018), BRPD circular No.15 (27 September 2017), BRPD circular No.16 (18 November 2014), BRPD circular No.14 (23 September 2012), BRPD circular No. 19 (27 December 2012), BRPD circular No. 05 (29 May 2013), BRPD circular No.16 (21 July 2020), BRPD circular No. 52 (20 October 2020) and BRPD circular No. 56 (10 December 2020) is specified at the following rates:

Particulars	Rate
General Provision on Contingent Liability/ Non Funded Business	1%
General Provision on Unclassified Investment	1%
General Provision on Investment for Small and Medium Enterprise	0.25%
General Provision on Investment for Professionals	2%
General Provision on Investment for Share	2%
General Provision on Investment for House Financing	1%
General Provision on Investment for Consumer Financing	2%
General Provision on Investment for Short term Agri/ Micro credit	1%
General Provision on Special Mention Account	0.25%-2%
Specific Provision on Substandard Investment	5%, 20%
Specific Provision on Doubtful Investment	20%, 50%
Specific Provision on Bad or Loss Investment	100%
Specific Provision on Substandard Investment for Short term Agri/ Micro credit	5%
Specific Provision on Doubtful Investment for Short term Agri/ Micro credit	5%
Specific Provision on Bad or loss Investment for Short term Agri/ Micro credit	100%
Special General Provision-Covid 19 for all deferred facility investments	1%-2%

As per same circulars mentioned above SIBL has to maintain provision @ 20%, 50% and 100% for investments classified as sub-standard, doubtful and bad & loss category respectively depending on the duration of overdue.

As per BRPD Circular No.: 10 (18 September 2007) and BRPD Circular No.: 14 (23 September 2012), a general provision at 1% is required to be provided for all off-balance sheet risk exposures.

However, such general provision on general investment & off-balance sheet exposures and specific provisions on classified investments cannot satisfy the conditions of provision as per relevant IFRS or IAS.

### 2.2.6. Off-balance sheet items

#### Contingent liabilities

In accordance with IFRS, there is no requirement to disclose off-balance sheet items on the face of the balance sheet.

Any possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Bank; or

Any present obligation that arises from past events but is not recognised because:

- \* it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- \* the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognised but disclosed in the financial statements unless the possibility of an outflow of resources embodying economic benefits is reliably estimated. Contingent assets are not recognised in the financial statements as this may result in the recognition of income which may never be realised. However, the amount of cash margin is recognised as liability.

As per BRPD Circular No.: 15, contingent liabilities are recognised as off balance sheet items in absence of any recommendation in IFRS.

### 2.3 Consolidation procedures (IAS-27)

The consolidated financial statements include the financial statements of Social Islami Bank Limited and its two (2) subsidiaries SIBL Securities Limited and SIBL Investment Limited, made up to the end of the financial year.

The consolidated financial statements have been prepared in accordance with International Accounting Standard (IAS) 27: Separate Financial Statements, International Financial Reporting Standards (IFRS):3- Business Combinations and International Financial Reporting Standards (IFRS):10- Consolidated Financial Statements. The consolidated financial statements are prepared to a common financial period ended 31 December 2022.

### 2.4 Measurement of elements in the financial statements

Measurement is the process of determining the monetary amounts at which the elements of the financial statements are to be recognized and carried in the financial statements. The measurement basis adopted by the Bank is historical cost except for land, building and few of the financial assets which are stated in accordance with the policies mentioned in the respective notes.

### 2.5 Subsidiary

Subsidiary is that enterprise which is controlled by the Bank. Control exists when the Bank has the power, directly or indirectly, to govern the financial and operating policies of an enterprise from the date that control commences until the date that control ceases. The financial statements of subsidiary are included in the consolidated financial statements from the date that control effectively commences until the date that the control effectively ceases. Subsidiary Company is consolidated using the purchase method of accounting.

#### 2.5.1 Investment in subsidiaries in the Bank separate financial statements

When the Bank prepares separate financial statements, it accounts for investments in subsidiaries at cost.

### 2.6 Functional and presentation currency

These financial statements are presented in Bangladesh Taka (Tk) which is the Bank's functional currency. Except as indicated, figures have been rounded off to the nearest Taka. The functional currency of Off-shore Banking Unit (OBU) is United States Dollar and its financial statements have been translated to the presentation currency, i.e Bangladesh Taka following the guidelines of IAS 21, Changes in foreign Exchange Rates.

### 2.7 Accounting policies, changes in accounting estimates and errors: (IAS-8)

The preparation of the consolidated financial statements in conformity with IFRSs requires management to make judgements, 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. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

### 2.8 Foreign currency transactions /translation

Foreign currency transactions are converted into equivalent Taka currency using the ruling exchange rates on the dates of such transaction(s).

Assets and liabilities in foreign currencies as on 31 December 2022 have been converted into Taka currency at the weighted average of the prevailing buying and selling rate of inter-Bank market as determined by Bangladesh Bank on the closing date of every month. Balances held in foreign currencies other than US dollar are translated into equivalent US dollar at buying rates of New York closing of the previous day. Differences arising through buying and selling transactions of foreign currencies on different dates during the period from January to December 2022 have been adjusted by debiting or crediting to the Profit and Loss Account.

## 2.9 Comparative information and rearrangement thereof

Comparative figures have been re-arranged wherever considered necessary to ensure better comparability with the current period without causing any impact on the profit and value of assets and liabilities as reported in the financial statements.

## 2.10 Adoption of new accounting standards

The Bank has consistently applied the accounting policies as set out above to all periods presented in these financial statements. The various amendments to standards, including any consequential amendments to other standards, with the date of initial application of 1 January 2019 have been considered. A number of standards and amendments to standards are effective for annual periods beginning after 1 January 2019 and earlier application is permitted. However, the Bank has not early applied these new standards and yet assess potential impact on its financial statements.

### 2.10.1 IFRS 16: Leases

In January 2016, the International Accounting Standards Board (IASB) issued IFRS-16. IFRS-16 replaces IAS-17, IFRIC 4, SIC 15 and SIC 27 which sets out the principles for recognition, measurement, presentation and disclosure of leases which is effective from annual reporting periods beginning on or after 01 January 2019. Social Islami Bank Limited has applied IFRS 16: "lease" for the first time with the date of initial application of 01 January 2020 using modified retrospective approach where the bank measured the lease liability at the present value of the remaining lease payments and recognized a right-of-use asset at the date of the initial application on a lease by lease basis. As IFRS-16 supersedes IAS-17 Lease, the bank has made recognition, measurement and disclosure in the financial statements-2020 both as Lessee and Lessor as per IFRS-16.

#### Bank as lessee:

"The bank assesses at initiation of a contract whether the contract is, or contains a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange of consideration, then the bank consider the contract as a lease contract. The bank as a lessee applies a single recognition and measurement approach for all leases, except for short-term leases, or, and lease of low value of assets. The bank recognizes lease liabilities to make lease payment and right-of-use assets representing the right to use the underlying assets. If tenor of a lease contract does not exceed twelve months from the date of initiation/application, the bank considers the lease period as short term in line with the recognition threshold of ROU assets as per FA policy of the bank. The Bank determine incremental borrowing rate to calculate the ROU assets and depreciate the asset over the useful life by straight line method. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Bank, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is premeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. The Bank has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognizing a right-of-use asset and lease liability, the payments in relation to these are recognized as an expense in profit or loss on a straight-line basis over the lease term. On the statement of Balance sheet, right-of-use assets have been included in property, plant and equipment and lease liabilities have been included other liabilities.

#### Right-of-use assets (ROU):

The bank recognises the right-of-use (ROU) assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). The Right of use (ROU) are initially measured at the present value of unavoidable lease payments. The depreciation of the lease asset (ROU) is recognized in the profit or loss account over the lease term.

The bank assessed all lease contracts live in 2020 and recognised as ROU of assets of all leases, except short term and low value of assets as guided by Banks' own policy set as per IAS-16 and IFRS-16. The ROU assets are presented in the Note 8.00 of these financial statements. "

#### Lease Liabilities (Bank as a lessee):

"At the commencement of the lease, the bank recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed and variable lease payment (less any adjustment for initial payment), and amount is expected to be paid under residual value of guarantees. The lease liabilities are presented in the Note 14.00 of these financial statements.

Social Islami Bank Limited has applied IFRS 16 in 01 January 2020 using modified retrospective approach where the bank measured the lease liability at the present value of the remaining lease payments and recognized a right-of-use asset at the date of the initial application on a lease by lease basis. But among 179 branches and sub-branches SIBL has applied IFRS-16 on only 144 branches.

### 2.10.2. IFRS 17: Insurance contracts

IFRS 17 was issued in May 2017 and applies to annual reporting periods beginning on or after 1 January 2023. IFRS 17 establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the standard. The objective of IFRS 17 is to ensure that an entity provides relevant information that faithfully represents those contracts. The Bank has not yet assessed in potential impact of IFRS 17 on its financial statements.

### 2.10.3 Approval of the financial statements

The Board of Directors of the Bank adopted the financial statements for the year ended 31 December 2022 as on its 495th board meeting held on 26 April 2023 and authorized the financial statements on 26 April 2023.

### 2.10.4 Statement of changes in equity

The statement of changes in equity reflects information about the increase or decrease in net assets or wealth.

### 2.11 Liquidity statement

Liquidity Statement has been prepared based on the residual/remaining maturity of assets and liabilities as on 31 December 2022 as per the guidelines for Islamic banking issued by Bangladesh Bank through BRPD Circular No. 15 dated 09.11.2009 and BRPD Circular No.14 dated 25.06.2003 as follows:

- i) Balance with other banks and financial institutions, etc. are on the basis of their respective maturity term;
- ii) Investments in shares & securities are on the basis of their respective maturity;
- iii) General investments are on the basis of their recovery/repayment schedule;
- iv) Fixed assets [property, plant & equipment] are on the basis of their useful lives;
- v) Other assets are on the basis of their realization/amortization;
- vi) Deposits and other accounts are on the basis of their maturity and payments;
- vii) Provisions and other liabilities are on the basis of their adjustment/settlement;
- viii) Due to perpetual in nature/maturity, Mudaraba Perpetual Bond (MPB) is reported under maturity more than 5 (five) years.
- ix) Mudaraba Redeemable Subordinated Bond is reported under maturity 1 (one) to 5 (five) years and more than 5 (five) years.

### 2.12 Measurement of property, plant & equipment after recognition

#### Cost model

After recognition as an asset, an item of property, plant and equipment shall be carried at its cost less any accumulated depreciation and any accumulated impairment losses.

#### Revaluation model

The revaluation model requires an asset, after initial recognition, to be measured at a revalued amount, which is its fair value less subsequent accumulated depreciation and impairment accumulated losses.

Where an asset's carrying amount is increased as a result of a revaluation, the increase is recognized in equity under the heading of revaluation surplus. However, the increase is recognized in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognized in profit or loss.

Where an asset's carrying amount is decreased as a result of a revaluation, the decrease is recognized in profit or loss. However, the decrease is recognized in equity to the extent of any credit balance existing in the revaluation surplus in respect of that asset. The decrease recognized in equity reduces the amount accumulated under the heading of revaluation surplus.

The revaluation surplus included in equity in respect of an item of property, plant and equipment is transferred directly to retained earnings when the asset is derecognized. However, some of the surplus is transferred as the asset is used by the Bank. In such a case, the amount of the surplus transferred would be the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost.

The Bank revalued its fixed assets on 20.03.2011 by two separate valuers, namely- 'Commodity Inspection Services (BD) Ltd.' and 'Royal Inspection International Ltd.' But the effects on assets have been accounted for as on 30.03.2011.

#### Derecognition of property, plant and equipment

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of property, plant and equipment is included as other income in profit or loss when the item is derecognized.

## Depreciation

The depreciation charge for each period is recognized in profit or loss unless it is included in the carrying amount of another asset. Depreciation of an asset begins when it is installed and available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale and the date that the asset is derecognized. The residual value and the useful life of an asset is reviewed at least at each financial year-end and, if expectations differ from previous estimates, the change(s) shall be accounted for as a change in an accounting estimate.

Depreciation is calculated based on the cost/revalued amount of items of fixed assets [property, plant & equipment] less their estimated residual values using either of straight-line method (SLM) or reducing balance method (RBM) over their estimated useful lives and recognized in profit and loss. Land is not depreciated. Rates of depreciation considering the useful life of respective assets are as follows:

Particulars	Rate (%)	Estimated life(Years)
Building	2.5	40
Furniture & Fixtures	10	10
Office Equipment	20	5
Software	10	10
Vehicles	20	5
Books	10	10

### 2.13 Off-balance sheet exposures

In compliance with the instruction contained in BRPD Circular No. 10 dated 18 September 2007 issued by Bangladesh Bank, provision against the off-balance sheet exposures of the Bank as at reporting date has been made as under:

Category / status of Off-balance sheet exposures	Rates	
	Bangladesh Bank's requirement	Maintained by the Bank
General provision for Off-balance sheet exposures		
All types of Off-balance sheet exposures	1.00%	1.00%

### 2.14 Impairment of assets (IAS-36)

The policy for all assets or cash-generating units for the purpose of assessing such assets for impairment is as follows: The Bank assesses at the end of each reporting period or more frequently if events or changes in circumstances indicate that the carrying value of an asset may be impaired, whether there is any indication that an asset may be impaired. If any such indication exists, or when an annual impairment testing for an asset is required, the Bank makes an estimate of the assets recoverable amount. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount by debiting to profit & loss account. Fixed assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may be impaired. However no changes have arisen during the year against impairment.

### 2.15 Capital/shareholders' equity

#### 2.15.1 Authorised capital

Authorised capital is the maximum amount of share capital that the Bank is authorised by its Memorandum and Articles of Association.

#### 2.15.2 Paid up capital

Paid up capital represents total amount of shareholder capital that has been paid in full by the ordinary shareholders. Holders of ordinary shares are entitled 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 Bank, ordinary shareholders rank after all other shareholders and creditors and are fully entitled to any residual proceeds of liquidation. Details are shown in Note-16.2.

#### 2.15.3 Statutory reserve

Statutory reserve has been maintained @ 20% of profit before tax in accordance with provisions of section 24 of the Bank Company Act, 1991 (as amended 2018) until such reserve equal to its paid up capital together with the share premium.



#### 2.15.4 Non-controlling interest

Non-controlling interest is the equity in the subsidiaries that is not attributable, directly or indirectly to the parent. The Bank attributes the profit or loss and each component of equity to the owners of the parent and to the non-controlling interests. When the proportion of the equity held by non-controlling interests changes, the Bank adjusts the carrying amounts of the controlling and non-controlling interests to reflect the changes in their relative interests in the subsidiaries.

#### 2.15.5 Regulatory capital in line with Basel-III

Till December 2014, as per Revised Regulatory Capital Framework in line with Basel III, full amount of general provision for unclassified investments and off-balance sheet items & Mudaraba Subordinated Bond as capital gone-concern. However, as per Guidelines on Risk Based Capital Adequacy (Revised Regulatory Capital Framework for Banks in line with Basel-III), BRPD No.18, dated 21 December 2014, Assets Revaluation Reserve and Revaluation Reserve of Securities has gradually been deducted in a transitional arrangement starting from January 2015 to December 2019 (20% each year). Accordingly regulatory capital for the period has been calculated complying with all of these changes as per Revised Regulatory Capital Framework for Banks in line with Basel-III.

#### 2.16 Revenue recognition (IFRS-15)

##### (i) Investment income & revenue recognition

Profit on investments and deposits are recognized against the investment of fund under Mudaraba, Musharaka, Murabaha, Bai-Muazzal and Hire Purchase etc. in line with related approved policy of the Board. Profit on investment ceases to be taken into income when such investment accounts are classified. It is then kept in compensation/rent suspense account and the same is accounted for on cash basis as and when recovered or de-classified as per related BRPD circular.

##### **Fees and commission income are recognized when it is earned.**

Income from investment in shares and securities is recognized on actual basis except Bangladesh Govt. Mudaraba Bond income which is recognized on accrual basis.

##### **Sharing of investment income**

In case of Investment, Mudaraba fund gets preference over cost free fund. The investment income earned through deployment of Mudaraba Fund is shared by Bank and the Mudaraba Depositors at the predetermined ratio fixed by the Bank.

##### (ii) Profit paid on deposits and other expenses

Profit paid on deposits and other expenses are recognized on accrual basis.

As per Mudaraba principle of Islamic Shari'ah, the Mudaraba Depositors are entitled to get minimum 65% of the investment income earned through deployment of Mudaraba Fund as per weightage assigned to each type of Mudaraba Deposit. Moreover, in some Mudaraba deposits, additional rate was allowed over the rate as per weightage. Mudaraba Depositors do not share any income derived from various Banking services where the use of fund is not involved and any income derived from Investing Bank's Equity and other Cost Free Fund. Al-Wadeeah Depositors do not share any income of the Bank.

Profit is paid/provided to Mudaraba Deposit accounts at provisional rate on half yearly/anniversary basis considering overall growth, performance, and profitability of the Bank during the year. Final rates of profit of any accounting year are declared after finalization of Shari'ah Inspection Report and certifying the Investment Income of the Bank by the Statutory Auditors.

#### 2.17 Provision for taxation (IAS-12)

##### (a) Current tax

Provision for income tax has been calculated as per Income Tax Ordinance, 1984 as amended by the Finance Act 2022 considering all applicable allowances and disallowances.

##### (b) Deferred tax

##### **Recognition of deferred tax liabilities**

The general principle in IAS 12 is that a deferred tax liability is recognised for all taxable temporary differences. There are three exceptions to the requirement to recognise a deferred tax liability, as follows:

liabilities arising from initial recognition of goodwill, liabilities arising from the initial recognition of an asset/liability other than in a business combination which, at the time of the transaction, does not affect either the accounting or the taxable profit, liabilities arising from temporary differences associated with investments in subsidiaries, branches, and associates, and interests in joint arrangements, but only to the extent that the entity is able to control the timing of the reversal of the differences and it is probable that the reversal will not occur in the foreseeable future.

### **Recognition of deferred tax asset**

A deferred tax asset is recognised for deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised, unless the deferred tax asset arises from: the initial recognition of an asset or liability other than in a business combination which, at the time of the transaction, does not affect accounting profit or taxable profit.

Deferred tax assets for deductible temporary differences arising from investments in subsidiaries, branches and associates, and interests in joint arrangements, are only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and that taxable profit will be available against which the temporary difference will be utilised.

The carrying amount of deferred tax assets are reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilised. Any such reduction is subsequently reversed to the extent that it becomes probable that sufficient taxable profit will be available.

A deferred tax asset is recognised for an unused tax loss carryforward or unused tax credit if, and only if, it is considered probable that there will be sufficient future taxable profit against which the loss or credit carryforward can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates/laws that have been enacted or substantively enacted by the end of the reporting period

The Bank has accounted for deferred tax as per International Accounting Standard (IAS)-12, "Income Taxes".

### **2.18 Zakat fund**

The Bank has created a Zakat Fund @ 2.58% for the period ended 31 December 2022 on reserve retained through out the year. Hizri Calendar has been considered to calculate 2.5% of Zakat Fund. Since Hizri Calendar counts 11 days less than the English Calendar, the percentage 2.5% represents equivalent to 2.58% of English Calendar. It is to be noted here that shareholders should pay their individual Zakat based on face value (Taka- 10.00 per share) of their individual shareholding along with their other zakatable assets.

### **2.19 Retirement benefits (IAS-19)**

#### **Defined contribution plans:**

#### **(a) Provident fund**

A "Defined Contribution Plan" is a post-employment benefit plan under which an entity pays fixed contribution into a separate entity and will have no legal constructive obligation to pay further amounts. Provident fund benefit is given to the eligible staffs of the Bank in accordance with the rules of the provident fund duly recognized by the National Board of Revenue of Bangladesh. The Bank operates a contributory provident fund duly approved by the Income Tax Authority. Both the employer and all eligible employees contribute @ 10% of basic salary to this fund. Trustee board administers this fund. The fund is managed separately from the Bank's assets, as per rules of the fund & section 399 of the Companies Act 1994.

#### **b) Superannuation fund**

The fund under the caption "Social Islami Bank Limited (SIBL) Employees' Superannuation Fund" came into force from 01 July 1999. It was established to benefit the employees in several ways which includes death benefit, scholarship etc. All employees contribute @1% of basic salary every month along with the same amount contribution by the Bank.

#### **Defined benefit plans:**

#### **(a) Gratuity**

As per service rules of the Bank, Every employee is entitled to get gratuity (i) 1 (one) month's last basic salary if he/she completes seven years & above continuous service but below twelve years of service (ii) 1.5 month's last basic salaries if he/she completes twelve years & above but below 20 years of service (iii) 2 months last basic salaries if he/she completes twenty years & above service (iv) 2 month's last basic salaries in case of premature death during the tenure as active service multiplied by the number of years completed in service. The Bank has complied with International Accounting Standard (IAS) -19, "Employee Benefits" and necessary provision i.e @ 10.20% of basic salary of the regular employees have been made as per actuary valuation of Actuary Bangladesh, Actuarial & Pension Consultants for the period ended 31 December 2022.

### **2.20 Reconciliation of inter Bank / branch transactions**

Books of accounts with regard to inter Bank/branch transactions (In Bangladesh and outside Bangladesh) are reconciled and there are no material differences that may affect the financial statements significantly.

## 2.21 Risk management

Today's most risky nature of Banking business has caused the Central Banks of every country much concerned about the risk factors affecting the financial position of the Banks. In this connection every Central Banks have come forwarded to establish a general framework to defeat the risk factors considering the laws of the land. Bangladesh Bank has also undertaken an overall core-risk management project under which every Bank shall be bounded to the authoritative covenants to install risk management system. Social Islami Bank Ltd. has established approved policies covering major areas such as (a) Investment Risk Management, (b) Foreign Exchange Risk Management, (c) Asset Liability Management Risk (d) Money Laundering Risk (e) Internal Control & Compliance Risk and (f) Information & Communication Technology Security Risk (g) Internal Audit (h) Fraud and Forgeries according to the DOS circular no: 04 (08 October 2018) regarding 'Risk Management Guidelines' for Banks, Bank Companies Act 1991 and other guidelines. of Bangladesh Bank.

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

The Bank has established an independent Risk Management Division (RMD) as per DOS circular no:04 (08 October 2018). RMD consists of five desk i.e i) Investment Risk Related Desk; ii) Market Risk Related Desk; iii) Operational Risk Related Desk; iv) Liquidity Risk Related Desk; v) Risk Research and Policy Desk and vi) Capital Adequacy Reporting Desk. Risk Management Division also conducts stress testing as per DOS circular no: 01 (23 February 2011), for examining the Bank's capacity of handling future shocks, as well as deals with all potential risks that might occur in future.

The prime objective of the risk management is that the Bank takes well calculative business risks while safeguarding the Bank's capital, its financial resources and profitability from various risks. In this context, the Bank took steps to implement the guidelines of Bangladesh Bank as under:

### (a) Investment risk management

Investment risk is one of the major risks faced by the Bank. This can be described as potential loss arising from the failure of a counter party to perform as per contractual agreement with the Bank. The failure may results from unwillingness of the counter party or decline of financial condition. Therefore, the Bank's investment risk management activities have been designed to address all these issues.

The Bank has segregated duties of the Officers / Executives involved in investment related activities. A separate Corporate Division has been formed at Head Office, which is entrusted with the duties of maintaining effective relationship with the customer, marketing of credit products, exploring new business opportunities etc. Moreover, investment approval, administration, monitoring and recovery functions have been segregated. For this purpose, three separate units have been formed within the Credit Division. These are (a) Investment Risk Management Unit, (b) Investment Administration Unit and (c) Investment Monitoring & Recovery Unit. Investment Risk Management Unit is entrusted with the duties of maintaining asset quality, assessing risk in lending to a particular customer, sanctioning credit, formulating policy / strategy for lending operation etc.

A thorough assessment is done before sanctioning of investment facility at Investment Risk Management Unit. The risk assessment includes borrower risk analysis, financial analysis, industry analysis, historical performance of the customer, security of the proposed credit facility etc. The assessment process starts at Corporate Division by the Relationship Manager/ Officer and ends at Investment Risk Management Unit when individual executives. Proposal beyond their delegation are approved / declined by the Executive Committee and / or the Management.

In determining single borrower / large investment limit, the Bangladesh Bank instructions are strictly followed. Internal audit is conducted on periodical interval to ensure compliance of Bank's and regulatory policies. Investments are classified as per Bangladesh Bank's guidelines.

### (b) Foreign exchange risk management

Foreign Exchange risk is defined as the potential change in earnings arising due to change in market prices. The foreign exchange risk of the Bank is minimal as all the transactions are carried out on behalf of the customers against underlying L/C commitments and other remittance of single borrower limit shown in note.

International Department independently conducts the transactions relating to foreign exchange and is responsible for verification of the deals and passing of their entries in the books of account. All foreign exchange transactions are revalued at Mark-to-market rate as determined by Bangladesh Bank at the month end. All NOSTRO Accounts are reconciled on monthly basis and the management for its settlement reviews outstanding entry beyond 30 days.

**(c) Asset liability management risk**

Asset Liability Management (ALM) has been defined as a planned, structured and systematic process of managing the asset and liability with a view to lead the Bank to a balanced and sustainable growth through minimizing various business risk factors - market risk and liquidity risk. According to the Bangladesh Bank guidelines and considering the most practical aspects of the Bank, an approved policy manual on ALM has been prepared so that it could be followed consistently every sphere of the management. To support the ALM process, the Bank has established a committee called "Asset Liability Committee (ALCO)" headed by the Managing Director and holds meeting at least one in every month. ALM Desk, an exclusive functional and operational desk for the asset liability management, is embodied herewith the ALCO to function under the direct control of Financial Administration Division (FAD).

ALCO reviews the liquidity requirement of the Bank, the maturity of assets and liabilities, deposit and lending, pricing strategy and the liquidity contingency plan at the threshold of stress liquidity situation. Besides that monitoring and analyzing of significant volatility in net investment income, investment value and exchange earnings etc. are the common and regular job of the ALM desk.

**(d) Money laundering risk**

Social Islami Bank Limited (SIBL) has framed an approved Money Laundering Prevention Policy Guideline so that it could be sufficient enough to protect the Bank from tribulations of money laundering.

As per Money Laundering Prevention Act, 2012 and Money Laundering Prevention circular, a Central Compliance Unit (CCU) has been formed at Head Office in SIBL and a designated person has been nominated to supply any information if required and report any abnormal and suspicious transactions to Bangladesh Bank through CCU. Chief Anti Money Laundering Compliance Officer (CAMALCO) has been designated at head office and Branch Anti Money Laundering Compliance Officers (BAMALCO) has been nominated at branches. The second man of the sixty-four branches of SIBL has been complying the responsibility for their respective branches as Branch Anti Money Laundering Compliance Officers (BAMALCO) as per the direction of Bangladesh Bank.

Know Your Customer (KYC) profile, Risk Rating and Assessment (RRA) profile and Transaction Profile (TP) have been introduced as per the direction of Bangladesh Bank. These profiles facilitate and ease the KYC procedures, risk categorization, transaction monitoring process, suspicious activity reporting process, self-assessment process, independent procedures testing system etc. Proper record keeping procedure has been established also.

The action plan regarding the KYC procedures of those accounts, which opened before 30-04-2002 already has been sent to the Bangladesh Bank. The branches, which are liable to act in accordance with this action plan, has been complying it properly and vigorously.

Various types of statements such as Quarterly STR, Quarterly KYC statement for legacy accounts, Bi-monthly statements etc has been sent to the Bangladesh Bank properly. " FIU Reporting System " Version-1.0.3 Software has been installed all of the branches as per the direction of central Bank. As a result, the soft copy of Cash Transaction Report (CTR) and Suspicious Transaction Report (STR) has been sent to Bangladesh Bank properly in due time.

The training procedure has been conforming as per the action plan, which was given to Bangladesh Bank. It provides significant role to develop and to aware the staffs of SIBL about Anti Money Laundering. The management of the Bank is committed to train all of its workforces regarding anti money laundering.

**(e) Internal control and compliance risk**

Internal controls ensure systematic and orderly flow of various operational activities within the organization. Now a day in the biggest and complex business environment, compliance becomes one of the major concern to the corporate being major risk involved in non-compliance of statutory requirements and operational procedures. To protect and safeguard the Bank from any means of fraud and error as well as loss - Social Islami Bank has introduced the "Internal control and Compliance guideline and also established a separate department called "Internal Control and Compliance Department (ICCD)" at Head Office staffed with some experienced senior Banker rest with the power and duties to train the employees of the Bank, give direction, monitor, audit and establish control on day to day operational procedures and statutory and non-statutory compliances.

ICCD collects different periodical reports, departmental control function check list etc. for documentation and also undertakes periodical and special audit of the branches and departments at Head Office for review of the operation and compliance of statutory requirements and the Board Audit Committee reviews the reports.

**(f) Operational risk**

Operational risk can be defined as the possibilities of losses resulting from inadequacy or failed internal processes, systems and people or from external events.

Operational risk includes legal and regulatory risk, business process and change risk, fiduciary or disclosure breaches, technology failure, financial crime and environmental risk. It exists in some form in every Bank business and function. Operational risk can not only result in financial loss, but also regulatory sanctions and damage to the Bank's reputation. SIBL is successful at managing operational risk with a view to safeguarding client assets and preserving shareholder value.

**SIBL manages operational risks in the following manner:**

- I. Risks are identified with reference to the relevant policy manuals, processes, and practices;
- II. Departmental Control Function Check List (DCFCL) is in place for evaluation of control;
- III. Review of safety and control measures of premises and equipments;
- IV. Management of technological and information security risks; and
- V. Ensuring the maintenance of the Bank's business continuity plan (BCP) and crisis management policy.

**(g) Legal risks**

In SIBL, legal risks are covered by recognizing potential losses from litigation or possible litigation at an early stage and by formulating solutions for reducing, restricting and avoiding such risks and creating adequate provision there- against.

**(h) Business risk**

Business risk covers the risk of losses arising from lower non-interest income and higher expenses from the budgeted amount. The business risk is resulted from the market condition, greater customer expectation and or technological development that may change compared to the assumptions made at the time of planning.

Business risk in SIBL is managed by setting clear targets for specific business units, in terms of business volume, income, cost, cost-income ratio, quality of assets etc. with an ongoing process of continuous improvement.

**(i) Reputational risk**

Reputational risk is defined as the risk of losses, falling business volume or income as well as reduced value of the Company arising from business events that may reduce the confidence of the customers & clients, shareholders, investors, counterparties, business partners, credit rating agencies, regulators and general public in SIBL.

The branches and operational divisions are directly responsible for reputational risks arising from their business operations. Reputational risks may also arise from a deficiency in managing other risks. All risk must therefore be managed effectively in order to uphold the Bank's reputation. The management ensures that SIBL is aware of any changes in market perceptions as soon as possible. Accordingly, all business policies and transactions are subjected to careful consideration. SIBL takes necessary precautions to avoid business policies and transactions that may result in significant tax, legal or environmental risks. Reputational risk is also factored into major credit decisions that may lead to credit proposal being declined.

**(j) Compliance risk**

The success of SIBL is largely dependent on the trust and confidence of our existing and potential customers, our shareholders, our staff, our regulators and the general public in our integrity and ethical standard. The confidence largely depends on meticulous compliance with applicable legal and regulatory requirements and internal policies of SIBL. The confidence also depends on conformity with generally accepted market norms and standards in our business operations. The Board of Directors is primarily responsible for compliance with all applicable norms and regulations. The Board discharges its responsibilities itself and through delegation of authorities to Executive Committee, Audit Committee and Risk Management Committee of the Board. The objective is to identify any compliance risks at an early stage that may undermine the integrity and the success of SIBL and to mitigate the risks in most appropriate way.

**(k) Information and communication technology security risk**

According to the latest requirement of the Bangladesh Bank on Core Risk Management, ICT policy guideline has been newly introduced at Social Islami Bank. The prime objective of such guideline is to protect data properties of the Banks from any means of loss, unauthorized use, forgery and destruction as well as documentation of all ICT related tasks to reduce man dependency and increase process dependency. According to this guideline, ICT department responses, monitors, trains and co-ordinates the total IT matter with other departments and branches so that man and machine could effectively co-opt on timely fashion. The ICT department ensures necessary guidelines / instructions to the Departments / Branches and monitors status of implementation strictly.

**(l) Internal audit**

The Bank initiates internal audit of the branches and head office divisions on a periodical basis, concurrent basis and surprise inspection is also done to check the compliance status of the cost centers of the Bank. The internal audit is supervised under ICCD and a separate division named 'Board Audit Cell (BAC)' also conducts internal audit under supervision and direct authority of Board Audit Committee. This BAC directly reports to the Chairman of Board Audit Committee. This way a strong internal audit of the cost centers as well as of Head Office Divisions are conducted to ensure all related compliance.

**(m) Fraud and forgeries**

Fraud and Forgeries are a critical dimension, the Banking industry is facing now a days. In order to safeguard the Bank from all probable fraud and forgeries that may occur in any respect, the Bank has taken all possible safety security measures that are undertaken under direct supervision of ICCD. Concurrent audit, internal audit, Board audit etc. are done periodically along with surprise audit from time to time. Moreover, there are a lot of safety measures initiated at the branch level also. The core Banking solution Aabil is designed to prevent IT related fraud and forgeries. Few instances of fraud and forgeries have been identified over the period which has been duly reported.

**Additional risks required to be addressed under new regulatory requirements**

**(n) Environmental & social risk**

As one of the shariah based Banks of Bangladesh, Social Islami Bank Limited (SIBL) have adopted Environmental & Social Risk Management (ESRM) System as one of its integral parts of Investment Risk Assessment to compute environmental & social risks from our financial footprints. SIBL is one of the Banks operating in Bangladesh to add "Environmental & Social Management System (ESMS)" within its framework, a global standard to minimize environmental & social risks from the organisational activities. Risks associated with E&S Risk in Credit/Investment Management includes 1. Credit Risk, 2. Legal Risk, 3. Operational Risk, 4. Liquidity Risk, 5. Reputational Risk etc. Applicability of the guideline includes for investments disbursed to the sectors Agriculture, SME, Corporate Finance, Project Finance and Trade, Retail & Microfinance. All national regulations pertaining to E&S governance is applicable while carrying out E&S due diligence of a particular transaction. This means all relevant E&S permits, consents, licenses, and monitoring of E&S parameters as per the national regulations are to be considered as mandatory compliance requirements for evaluation of a investment application. If clients have management systems in place as per international frameworks such as ISO 14001 for environmental management, OHSAS 18001 for occupational health and safety, SA8000 for socially acceptable practices in the workplace then it is considered as good practices. Adherence to IFC Performance Standards is considered in case of large project financing as a good practice and optional requirement.

**2.22 Earnings per share (IAS-33)**

Earning Per Share (EPS) has been computed by dividing the basic earning by the weighted average number of ordinary shares outstanding at the end of the year as per IAS 33 Earning Per Share

**Basic earnings**

This represents earnings for the year attributable to ordinary shareholders. Net profit after tax less preference dividend has been considered as fully attributable to the ordinary shareholders.

**Weighted average number of ordinary shares outstanding during the year**

This represents the number of ordinary shares outstanding at the beginning of the year plus the number of ordinary shares issued during the year multiplied by a time weighted factor. The time weighting factor is the number of days the specific shares are outstanding as a proportion of the total number of days in the year.

The basis of computation of number of shares is in line with the provision of IAS 33 Earning Per Share. The logic behind this basis is that the bonus shares are issued to the existing shareholders without any consideration, and therefore, the number of shares outstanding is increased without an increase in resources generating new earnings. In contrast, other shares were issued against consideration in cash or in kind, and accordingly there is an increase in resource generating new earnings. Therefore, the total number of shares issued in 2022 has been multiplied by a time weighting factor which is the number of days the specific shares were outstanding as a proportion of total number of days in the period.

**2.23 Events after reporting period**

As per IAS - 10 "Events after the Reporting Period" events after the reporting period are those events, favorable and unfavorable, that occur between the end of the reporting period and the date when the financial statements are authorized for issue. Two types of event can be identified:

(a) Adjusting events after the reporting period which provide evidence of conditions which existed at the end of the reporting period; and

(b) Non adjusting events after the reporting period, are those that are indicative of conditions that arose after the reporting period.

The details about the events after reporting period is shown at note - 51.

#### **2.24 Segment reporting**

As per IFRS 8 "Operating Segments", an operating segment is a component of an entity:

(i) That engages in business activities from which it may earn revenues and incur expenses (include revenues and expenses relating to transactions with other components of the same entity);

(ii) Whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performances, and

(iii) For which discrete financial information is available.

The Bank identifies segment based on its business segment as well as its subsidiaries. Business segment comprises SME, Retail, Corporate and Treasury under Islamic Banking.

The Bank reviews the segments at the end of each reporting period to identify which of its segments are reportable and disclose the related information for those reportable segments accordingly.

#### **2.25 Asset retirement obligations (ARO)**

Asset retirement obligations (ARO) are recognized when there is a legal or constructive obligation as a result of past event for dismantling and removing an item of property, plant and equipment and restoring the site on which the item is located and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount of obligation can be made. A corresponding amount equivalent to the provision is also recognized as part of the cost of the related property, plant and equipment. The amount recognized is the estimated cost of decommissioning, discounted to its present value. Changes in the estimated timing of decommissioning or decommissioning cost estimates are dealt with prospectively by recording an adjustment to the provision, and a corresponding adjustment to property, plant and equipment. The periodic unwinding of the discount is recognized in the statement of profit or loss as a finance cost as it occurs.

#### **2.26 Off-shore Banking Units (OBU)**

The Off-shore Banking Units maintain its accounting records in USD from which accounts are prepared according to the Bank Company Act, 1991 as amended, International Financial Reporting Standards (IFRSs) and other applicable directives issued by Bangladesh Bank. All the financial statements relating to the OBU has already been accounted for in the separate financial statements of the Bank (considering necessary adjustments relating to intra-units transactions and balances). Along with that, this financial statements relating to OBU only is prepared and disclosed in compliance with the requirements of Bangladesh Bank.

#### **2.27 Dividend payments**

Final dividend is recognized when it is approved by the shareholders in Annual General Meeting (AGM). The proposed dividend for the year 2022, therefore, has not been recognized as a liability however disclosed in the balance sheet in accordance with IAS-10 "Events after the Reporting Period". Dividend payable to the Bank's shareholders is recognized as a liability and deducted from the shareholders' equity in the period in which the shareholders' right to receive the dividend is established.

#### **2.28 Other earnings**

Profit received from the balances held with foreign banks and from foreign currency clearing account with Bangladesh Bank are not credited to income, since it is not permissible as per Shari'ah. These are expended for charitable purposes after payment of corporate income tax thereon.

#### **2.29 Inter-branch transactions**

Transactions with regard to inter-branches and units are reconciled regularly and efforts are taken to minimize the unreconciled entries at the end of the year.

#### **2.30 Regulatory and legal compliance**

Among others, the Bank complied with the requirements of the following circular, rules and regulations:

- a) The Bank Companies Act, 1991 as amended
- b) The Companies Act, 1994



- c) BRPD Circular No. 14 dated 25.06.2003 and “Guidelines for Islamic Banking” issued by Bangladesh Bank through BRPD Circular No. 15 dated 09.11.2009
- d) Other circulars, rules and regulations issued by Bangladesh Bank from time to time
- e) The Securities and Exchange Rules, 2020 as amended
- f) The Securities and Exchange Ordinance, 1969
- g) The Securities and Exchange Commission Act, 1993
- h) Income Tax Ordinance, 1984 as amended
- j) Value Added Tax and Supplementary Duty Act, 2012, Value Added Tax Rules, 2016 as amended
- j) Standards issued by AAOIFI
- k) The Stamp Act-1899
- l) The Customs Act-1969
- m) Dhaka Stock Exchange Limited (DSE), Chittagong Stock Exchange (CSE) and Central Depository Bangladesh Limited (CDBL) rules and regulations
- n) The Money Laundering Prevention Act, 2012
- o) The Anti Terrorism (Amendment) Act, 2012 etc.

The Bank identifies segment based on its business segment as well as its subsidiaries. Business segment comprises SME, Retail, Corporate and Treasury under Islamic Banking.

The Bank reviews the segments at the end of each reporting period to identify which of its segments are reportable and disclose the related information for those reportable segments accordingly.

### **2.31 Workers profit participation fund and welfare fund**

SRO-336-AIN/2010 dated 5-10-2010 issued by the 'Ministry of Labour and Employment' declares the status of business of certain institutions and companies along with Bank & insurance companies as “Industrial Undertakings” for the purposes of Chapter-XV of the Bangladesh Labour Act, 2006 (as amended up to 2013) which deals with the workers' participation in Company's profit by way of 'Workers Participation Fund' and 'Welfare Fund'. This Act requires the “Industrial Undertakings” to maintain provision for workers' profit participation fund @ 5% on net profit. Since this requirement contradicts with the 'Section 11' of the 'Bank Company Act 1991 (as amended up to 2018)', Banks in Bangladesh took up the issue collectively and sought opinion from 'Association of Bankers Bangladesh Limited (ABB)' on the same. ABB wrote a letter to the 'Ministry of Finance' of Government of People's Republic of Bangladesh on 09.03.2016 to draw attention of the honorable Finance Minister regarding relevance and applicability of Chapter XV of the Bangladesh Labour Act, 2006 (as amended up to 2013) for Bank Companies and to obtain a direction on the issue. The 'Ministry of Finance' revealed their opinion that WPPF should not be relevant for Bank Companies and therefore, it should not be applied there. They also sought for an opinion on this issue from Bangladesh Bank. Subsequently, Bangladesh Bank agreed on all the logics and legal opinion collected by the ABB and expressed their consensus with them on 29.11.2016. In this backdrop, the 'Ministry of Finance' has given their instruction, vide letter no. 53.00.0000.311.22.002.17.130 dated 14.02.2017, for not applying Chapter XV of the Bangladesh Labour Act, 2006 (as amended up to 2013) in Bank Companies. Therefore, no provision in this regard has been made in the financial statements for the year ended on December 31, 2022.

### **2.32 Use of estimates and judgments**

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses, and disclosure requirements for contingent assets and liabilities during and at the date of the financial statements.

Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions of accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected .

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements include depreciation, amortization, impairment, post employment benefits liabilities, accruals, taxation and provision.

### **2.33 Related party transactions**

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related party transaction is a transfer of resources, services or obligations between related parties, regardless of whether a price is charged as per IAS 24 "Related Party Disclosures", Bangladesh Bank & BSEC guidelines. Details of the related party transactions have been disclosed in Note - 49.

	<b>31.12.2022</b>	<b>31.12.2021</b>
	<b>Taka</b>	<b>Taka</b>
<b>3 Cash</b>		
<b>In hand:</b>		
In local currency	4,403,419,591	2,689,606,676
In foreign currencies	19,915,993	36,952,461
ATM balance	412,248,250	689,034,927
	<b>4,835,583,834</b>	<b>3,415,594,063</b>
<b>In Foreign Currencies</b>		
	<b>Foreign Currency</b>	<b>Amount in FC</b>
	<b>Exchange Rate</b>	
	USD	82,240
	103.2970	8,495,145
	EURO	90,565
	109.6808	9,933,242
	GBP	11,950
	124.2560	1,484,859
	S. Riyal	100
	27.4653	2,747
	<b>19,915,993</b>	<b>36,952,461</b>
<b>3(a) Consolidated balance of cash in hand</b>		
<b>Social Islami Bank Limited</b>	<b>4,835,583,834</b>	<b>3,415,594,063</b>
<b>Cash in hand of Subsidiary companies</b>	<b>572,098</b>	<b>1,020,793</b>
SIBL Securities Limited	127,146	734,863
SIBL Investment Limited	444,952	285,930
	<b>4,836,155,932</b>	<b>3,416,614,856</b>
<b>3.1 Balance with Bangladesh Bank and its agent Bank (Sonal Bank)</b>		
Balance with Bangladesh Bank (Note-3.1.1)	21,710,736,536	19,784,191,100
Balance with Sonali Bank (as an agent of BB) (Note-3.1.2)	376,015,487	291,456,554
	<b>22,086,752,023</b>	<b>20,075,647,654</b>
<b>3.1.1 Balance with Bangladesh Bank (Including foreign currencies)</b>		
In local currency	19,283,301,315	17,916,790,090
In foreign currencies	2,427,435,221	1,867,401,010
	<b>21,710,736,536</b>	<b>19,784,191,100</b>
<b>3.1.2 Balance with Sonali Bank (as an agent of Bangladesh Bank)</b>		
In local currency	<b>376,015,487</b>	<b>291,456,554</b>
<b>3.2 Cash Reserve Requirement (CRR) and Statutory Liquidity Ratio (SLR)</b>		
Cash Reserve Requirement (CRR) and Statutory Liquidity Ratio (SLR) have been calculated and maintained in accordance with the clause (1) of Article 36 of Bangladesh Bank Order, 1972 (as amended upto 2003) and clause (1) of Section 33 of the Bank Companies Act, 1991 (as amended upto 2013) respectively and subsequent DOS circular no: 05/2008, DOS circular letter no.05/2009, DOS circular letter no.21/2009 DOS circular letter no.01, dated: 19/01/2014, MPD Circular no. 01, dated 23/06/2014 and MPD Circular no. 01, dated 03/04/2018.		
According to latest MPD Circular no. 03, dated 09/04/2020, the statutory cash reserve requirement (CRR) on Bank's time and demand liabilities @3.50% on daily basis and @4.00% on Bi-weekly average basis has been calculated and maintained with Bangladesh Bank (BB) in current account and @5.5% statutory liquidity ratio (SLR) on the same liabilities has also been maintained in the form of BD Govt. Islamic Bond including FC (Foreign Currency) balances with Bangladesh Bank used in BDT, Cash in hand, balance with Sonali Bank as agent of BB, balance with Islamic Refinance Fund A/C and daily excess reserve of CRR maintained on a Bi-weekly average requirement. Both the reserves are maintained by the Bank in excess of the statutory requirements, as shown below:		
<b>3.3 Cash Reserve Requirement (CRR): 3.50% for DBO and 1.5% for OBO (on daily basis) of average Demand and Time Liabilities</b>		
Required Reserve	11,560,171,000	11,639,111,000
Actual Reserve held as per GL balance (in local currency)	19,283,301,315	17,916,790,090
<b>Excess Reserve</b>	<b>7,723,130,315</b>	<b>6,277,679,090</b>

	31.12.2022 Taka	31.12.2021 Taka
<b>3.4 Cash Reserve Requirement (CRR): 4.00% for DBO and 2.00% for OBO (on bi-weekly average basis) of average Demand and Time Liabilities</b>		
Required Reserve	13,235,108,000	13,314,424,000
Actual Reserve held as per GL balance (in local currency)	19,283,301,315	17,916,790,090
<b>Excess Reserve</b>	<b>6,048,193,315</b>	<b>4,602,366,090</b>
<b>3.5 Statutory Liquidity Ratio (SLR)</b>		
Required Reserve	18,424,316,000	18,428,438,000
Actual Reserve held as per GL balance (Note- 3.6)	26,049,122,636	28,474,466,708
<b>Surplus</b>	<b>7,624,806,636</b>	<b>10,046,028,708</b>
<b>3.6 Held for Statutory Liquidity Ratio</b>		
Cash in hand (Note- 3)	4,835,583,834	3,415,594,063
Balance with Bangladesh Bank and its Agent Banks (Note-3.1)	-	-
Balance with Sonali Bank (as an agent of BB) (Note-3.1.2)	376,015,487	291,456,554
Excess reserve of CRR (Note-3.4)	6,048,193,315	4,602,366,090
Balance with Islamic Refinance Fund (Note-6)	250,000,000	250,000,000
Bangladesh Govt. Islamic Bond (Note- 6)	14,539,330,000	19,915,050,000
	<b>26,049,122,636</b>	<b>28,474,466,708</b>
<b>4 Balance with Other Banks and Financial Institutions (Other than Mudaraba Term Deposit)</b>		
In Bangladesh (Note - 4.1)	3,226,074,618	7,030,431,948
Outside Bangladesh (Note- 4.2)	2,520,897,414	2,540,793,342
	<b>5,746,972,032</b>	<b>9,571,225,290</b>
<b>4(a) Consolidated balance of other Banks and Financial Institutions</b>		
<b>In Bangladesh</b>		
<b>Social Islami Bank Limited</b>	<b>3,226,074,618</b>	<b>7,030,431,948</b>
<b>Add: Account Balance of subsidiaries of SIBL with SIBL Principal Branch</b>	<b>695,327,365</b>	<b>1,262,251,073</b>
SIBL Securities Limited (Current account and MTDR)	589,734,614	1,155,890,554
SIBL Investment Limited (Current account and SND)	105,592,751	106,360,519
	<b>3,921,401,983</b>	<b>8,292,683,022</b>
<b>Less: Inter Company balance eliminated</b>	<b>695,327,365</b>	<b>1,262,251,073</b>
SIBL Securities Limited (Current account and MTDR)	589,734,614	1,155,890,554
SIBL Investment Limited (Current account and SND)	105,592,751	106,360,519
<b>Add: Account Balance of subsidiaries of SIBL with other Banks and financial institutions</b>	<b>24,616</b>	<b>15,555</b>
SIBL Securities Limited	24,616	15,555
SIBL Investment Limited	-	-
<b>Consolidated balance with Banks and Financial Institutions</b>	<b>3,226,099,234</b>	<b>7,030,447,503</b>

The balances are held with the 'Principal Branch' of SIBL bearing current account no: 0002-13300056882 and 0002-13300057058 respectively.

#### 4.1 In Bangladesh

##### a) Current Account

Islami Bank Bangladesh Limited	6,083,326	53,654
Sonali Bank Limited	40,786,634	44,940,487
Agrani Bank Limited	28,625	1,425,930

	31.12.2022 Taka	31.12.2021 Taka
Pubali Bank Limited	86,452	2,261
Rupali Bank Limited	32,724,418	70,658,115
Trust Bank Limited (ATM settlement Account)	139,747,259	37,643,899
Standard Chartered Bank (ATM settlement Account)	46,045,979	21,239,152
	<b>265,502,691</b>	<b>175,963,498</b>
<b>b) Mudaraba Short Notice Deposits</b>		
Al- Arafah Islami Bank Limited	8,557,312	806,212,944
ICB Islami Bank Limited	8,575	8,805
Shahjalal Islami Bank Limited	20,561,472	515,504,860
Prime Bank Limited (Islami Banking Branch)	1,262,141	7,539
Bank Asia Limited (Islami Banking Branch)	598,743	591,058
Islami Bank Bangladesh Limited	170,606,605	292,756,041
Jamuna Bank Limited (Islami Banking Branch)	565,376	561,966
Pubali Bank Limited (Islami Banking Branch)	123,976,102	1,749,386,613
Exim Bank Ltd.	9,117,940	38,257,175
Janata Bank Limited	18,050	18,713
Southeast Bank Ltd.	3,385,622	3,359,067
AB Bank Ltd.	1,018,128	23,569,964
The City Bank Ltd.	10,808	11,316
Agrani Bank Ltd.	108,920,375	702,751,461
First Security Islami Bank Ltd.	504,213,841	30,907,601
NRB Global Banl Ltd.	703,300,040	748,373,127
Union Bank Ltd.	1,304,450,796	1,942,190,201
	<b>2,960,571,927</b>	<b>6,854,468,450</b>
<b>c) Mudaraba Savings Deposits</b>		
	-	-
<b>Total</b>	<b>3,226,074,618</b>	<b>7,030,431,948</b>

4.2 Outside Bangladesh (NOSTRO Account)

Current Account with	31.12.2022			
	Currency	F.C. Amount	Rate	Taka
1 SCB, MUMBAI	ACUD	406,153.34	103.2970	41,954,422
2 SUMMIT Bank, KARACHI	ACUD	23,784.82	103.2970	2,456,901
3 SONALI Bank, KOLKATA	ACUD	81,988.60	103.2970	8,469,176
4 MASHREQ Bank, MUMBAI	ACUD	239,730.22	103.2970	24,763,413
5 NEPAL BANGLADESH Bank	ACUD	276,510.36	103.2970	28,562,691
6 Bank OF BHUTAN, PHUENTSHOLING	ACUD	32,764.44	103.2970	3,384,468
7 UNITED Bank OF INDIA	ACUD	257,227.16	103.2970	26,570,794
8 AB Bank, MUMBAI	ACUD	1,451,039.83	103.2970	149,888,061
9 MEEZAN Bank LIMITED	ACUD	348,774.27	103.2970	36,027,336
10 MCB Bank, KARACHI, PAKISTAN	ACUD	394.50	103.2970	40,751
11 AXIS Bank LIMITED	ACUD	20,463.16	103.2970	2,113,783
12 HDFC Bank LTD., MUMBAI	ACUD	510,270.44	103.2970	52,709,406
13 MASHREQ Bank , NEW YORK, (OBU)	USD	1,015,149.56	103.2970	104,861,904
14 MASHREQ Bank PSC, NEW YORK, USA	USD	5,760,478.95	103.2970	595,040,194
15 SCB, NY, USA	USD	8,010,009.62	103.2970	827,409,964
		<b>balance carried forward</b>		<b>1,904,253,262</b>

Current Account with	31.12.2022			
	Currency	F.C. Amount	Rate	Taka
		<b>balance brought forward</b>		<b>1,904,253,262</b>
16 KOREA EXCH. Bank,KOREA	USD	13,061.06	103.2970	1,349,168
17 HABIB AMERICAN Bank	USD	526,776.76	103.2970	54,414,459
18 COMMERZ Bank AG, FRANKFURT	USD	147,554.07	103.2970	15,241,893
19 Zhejiang Commercial Bank, China	USD	412,252.45	103.2970	42,584,441
20 COMMERZ Bank AG, CHF	CHF	26,132.48	111.3474	2,909,784
21 ABU DHABI ISLAMI BANK, UAE	AED	571,416.00	28.1218	16,069,246
22 Zhejiang Commercial Bank, China	CNY	6,795,874.74	14.8111	100,654,380
23 MASHREQ Bank, PSC MUMBAI	ACU EURO	497.92	109.6808	54,612
24 SCB, FRANKFURT	EURO	2,852,283.09	109.6808	312,840,691
25 COMMERZ Bank AG, FRANKFURT	EURO	32,601.13	109.6808	3,575,718
26 SCB, LONDON, UK	GBP	66,740.43	124.2560	8,292,899
27 SCB, TOKYO	JPY	5,329,820.00	0.7719	4,114,088
28 RIYAD BANK	RIYAL	1,984,176.83	27.4653	54,496,012
29 Bank AL JAZIRA	RIYAL	1,702.50	27.4653	46,760
		<b>Total</b>		<b>2,520,897,414</b>

Currency wise Distribution:	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Foreign Currency	Composition	Composition	Taka	Taka
USD/ACU	80.04%	97.75%	2,017,843,224	2,483,499,381
CHF	0.12%	0.03%	2,909,784	781,282
AED	0.64%	-	16,069,246	-
CNY	3.99%	-	100,654,380	-
GBP	0.33%	0.07%	8,292,899	1,881,905
EUR	12.55%	1.90%	316,471,021	48,228,046
YEN	0.16%	0.09%	4,114,088	2,379,524
RIYAL	2.16%	0.16%	54,542,772	4,023,206
	<b>100%</b>	<b>100%</b>	<b>2,520,897,414</b>	<b>2,540,793,342</b>

Please see 'Annexure-C' for details comparative statement of 31.12.2022 & 31.12.2021 of foreign currency amount and rate.

	31.12.2022	31.12.2021
	Taka	Taka
<b>4.3 Maturity-wise groupings of balance with other</b>		
<b>Banks and Financial Institutions (Both in Bangladesh and outside Bangladesh)</b>		
On Demand	2,786,400,106	2,716,756,840
Not more than 3 months	2,960,571,927	6,854,468,450
Over 3 months but not more than 1 year	-	-
Over 1 year but not more than 5 years	-	-
More than 5 years	-	-
	<b>5,746,972,032</b>	<b>9,571,225,290</b>
<b>5 Placement with Banks &amp; other Financial Institutions</b>		
Placement with Banks (Note-5.1)	2,436,293,194	3,636,293,194
Placement with other Financial Institutions (Note-5.2 & 5.3)	4,386,680,600	6,026,450,000
	<b>6,822,973,794</b>	<b>9,662,743,194</b>
<b>5.1 Mudaraba Term Deposits with Banks</b>		
ICB Islamic Bank Limited	186,293,194	186,293,194
Union Bank Limited	1,800,000,000	1,800,000,000
Bangladesh Commerce Bank Limited	450,000,000	-
Al-Arafah Islami Bank Limitd	-	150,000,000
EXIM Bank Limited	-	1,500,000,000
	<b>2,436,293,194</b>	<b>3,636,293,194</b>

	31.12.2022 Taka	31.12.2021 Taka
<b>5.2 Mudaraba Term Deposits with Other Financial Institutions</b>		
IPDC Finance Ltd.	300,000,000	-
International Leasing & Financial Services Ltd.	355,000,000	355,000,000
Union Capital Limited	200,000,000	200,000,000
Bay Leasing & Investment Ltd.	15,000,000	50,000,000
Fas Finance and Investment Limited	300,000,000	300,000,000
First Finance Limited	100,000,000	100,000,000
Islamic Finance & Investment Ltd.	400,000,000	25,000,000
AVIVA Finance Limited/Realiance	1,680,000,000	1,680,000,000
Investment Corporation of BD Ltd. (ICB)	830,000,000	1,000,000,000
	<b>4,180,000,000</b>	<b>3,710,000,000</b>
<b>5.3 FC Placement with Banks &amp; other Financial Institutions</b>		
Islami Bank Ltd.	206,680,600	1,287,000,000
Al-Arafah Islami Bank Ltd.	-	343,200,000
First Security Islami Bank Ltd.	-	257,250,000
Shahjalal Islami Bank Ltd.	-	429,000,000
	<b>206,680,600</b>	<b>2,316,450,000</b>
<b>5.4 Maturity-wise groupings of placement with Banks and other Financial Institutions</b>		
On Demand	3,650,000,000	3,455,000,000
Not more than 3 months	2,761,680,600	4,316,450,000
More than 3 months but less than 1 year	225,000,000	1,705,000,000
More than 1 year but less than 5 years	186,293,194	186,293,194
More than 5 years	<b>6,822,973,794</b>	<b>9,662,743,194</b>
<b>6 Investment in Shares &amp; Securities</b>		
Government		
Government Bond (Islamic Investment Bond) (Note 6.1)	1,000,000,000	11,100,000,000
7 Years Treasury BOND (5%)	319,300,000	319,300,000
7 Years Treasury BOND (0%)	123,000,000	123,000,000
Investment in BD GOVT. Investment Sukuk	13,097,030,000	8,372,750,000
	<b>14,539,330,000</b>	<b>19,915,050,000</b>
BD Government Islamic Refinance Fund	250,000,000	250,000,000
	<b>14,789,330,000</b>	<b>20,165,050,000</b>
<b>Others</b>		
Investment in Shares, Quoted (Note 6.3 & 6.6)	1,597,199,412	428,947,081
Investment in Shares, Unquoted/bond (Note 6.4 & 6.5)	7,280,727,751	8,580,727,751
	<b>8,877,927,163</b>	<b>9,009,674,832</b>
<b>Fair value adjustment through profit or loss (FVTPL) (note: 6.6)</b>	-	<b>(17,190,627)</b>
<b>Value of Investment in Shares and securities, Others</b>	<b>8,877,927,163</b>	<b>8,992,484,206</b>
<b>Grand Total</b>	<b>23,667,257,163</b>	<b>29,157,534,206</b>
<b>Maturity-wise Grouping of Investment in Securities:</b>		
Upto one month	1,597,199,412	4,066,434,215
Not more than 3 months	1,250,000,000	1,750,000,000
Over 3 months but not more than 1 year	790,000,000	5,700,000,000
Over 1 year but not more than 5 years	15,430,057,751	12,394,331,045
More than 5 years	4,600,000,000	5,246,768,945
	<b>23,667,257,163</b>	<b>29,157,534,206</b>

	31.12.2022 Taka	31.12.2021 Taka
<b>6(a) Consolidated Investment in Shares and Securities</b>		
<b>Social Islami Bank Limited</b>		
<b>Government</b>		
Investment in Government Islamic Bond	1,000,000,000	11,100,000,000
BD Government Islamic Refinance Fund	250,000,000	250,000,000
7 Years Treasury BOND (5%)	319,300,000	319,300,000
7 Years Treasury BOND (0%)	123,000,000	123,000,000
Investment in BD GOVT. Investment Sukuk	13,097,030,000	8,372,750,000
	<b>14,789,330,000</b>	<b>20,165,050,000</b>
<b>Others sectors</b>	<b>8,877,927,163</b>	<b>8,992,484,206</b>
<b>Add: Investment in Shares and Securities by subsidiary companies</b>	<b>428,316,464</b>	<b>231,421,642</b>
SIBL Securities Limited	266,205,648	191,318,687
SIBL Investment Limited	162,110,816	40,102,955
	<b>9,306,243,627</b>	<b>9,223,905,847</b>
<b>Total consolidated balance of Investment in shares and securities</b>	<b>24,095,573,627</b>	<b>29,388,955,847</b>
<b>6.1</b>	<p>Bangladesh Bank introduced a new type of investment opportunity solely for the purpose of Shariah Banks in the year 2005 being inherent limitation on the part of Shariah Compliant Banks to take part in buying and selling of treasury bill etc as a very common form of treasury management. The fund has been operated under Mudaraba Principle and are being used as a part of SLR (Statutory Liquidity Requirement) vide Bangladesh Bank Circular Letter ref. no: AMA/AUSOBI/SANCHAY/S-03/2004/262 dated September 2, 2004.</p> <p>The mobilized fund from Islamic Bond is invested by Bangladesh Bank and a portion of realized profit is distributed amongst the bond holders as per mudaraba principle of Islamic Shariah on the basis of the tenure of the bond. So, the rate of return from Islamic Bond is not prefixed rather dependent on fund deployment by Bangladesh Bank.</p>	
<b>6.2 Investment (Cost) in Shares (Quoted)</b>		
Aamra Tech	-	10,624,861
MBL 1st Mutual Fund	2,539,407	2,219,993
IFIC 1ST Mutual Fund	4,447,000	2,010,000
Trust Bank 1ST Mutual Fund	1,102,750	-
1FIL Islami Mutual Fund	2,032,000	2,159,000
AB 1st Mutual Fund	3,836,731	-
ICB Agrani Mutual Fund	2,529,900	2,529,900
Exim 1st Mutual Fund	8,843,463	-
Green Delta Mutual Fund	7,375,126	-
PHP Mutual Fund	4,296,093	-
Vanguard Mutual Fund	1,688,141	-
National Bank Limited	91,529,844	-
Shahjalal Islami Bank Limited	11,455,555	-
Standard Bank Limited	19,971,770	6,246,346
Global Islami Bank Limited	13,173,670	-
Titas Gas Limited	7,260,000	8,950,000
Jamuna Oil	22,327,446	16,240,000
ACME Pesticide	-	133,800
ICICL	87,980	-
BSRM Ltd.	4,585,642	-
Beximco Sukuk Al Isti	10,000,000	10,000,000
SS Steel	8,816,104	-
ACI Formulations Ltd.	10,194,629	-
Walton Ltd.	-	1,416,566
Shasha Denim Ltd.	2,907,256	-
Summit Alliance Port	5,365,258	-
BBS Cables	2,775,233	-
United Power Generation	2,488,729	-



	<b>31.12.2022</b> <b>Taka</b>	<b>31.12.2021</b> <b>Taka</b>
Lub-rrref Bd.	75,400,000	96,400,000
Square Pharmaceuticals	32,191,490	6,465,000
IFADAuto Ltd.	4,968,636	-
Meghna Petroleum	19,680,000	18,260,000
	<b>383,869,853</b>	<b>183,655,466</b>
<b>6.3 Capital Market (special fund)</b>		
Aamra Tech	-	18,290,060
ACI	28,492,664	9,687,174
Baraka Power	6,505,825	2,776,508
BSRM LTD	13,061,513	15,916,274
BSRM Steel	5,238,409	7,152,058
Confident Cement	33,106,777	28,425,590
Desco	7,657,460	5,754,553
GPH Ispat	10,205,205	-
ACI Formula	3,107,750	-
Exim Bank Limited	12,245,900	12,245,860
Shahjalal Islami Bank Limited	36,610,560	23,545,598
Al- Arafa Islami Bank Limited	7,716,090	-
IFADAuto Ltd.	20,261,766	8,971,082
Jamuna Oil	16,805,922	15,993,867
Padma Oil	6,192,519	6,192,520
MJLBD	9,279,210	3,993,960
ICB Agrani 1st Mutual Fund	3,007,640	3,007,635
EHBL	7,194,750	-
Linde BD.	-	2,636,374
Meghna Petroleum	18,294,198	17,971,399
ACMELAB	13,972,890	-
Renata	7,820,817	2,131,062
Singerbd	8,515,530	8,515,528
Square Pharmaceuticals	31,909,890	16,871,930
Summit Power Limited	40,594,300	17,246,549
Titas Gas Limited	-	17,966,034
BEXGSUKUK	800,000,000	-
BXPHERMA	18,731,784	-
MARICO	1,213,471	-
OLYMPIC	16,185,429	-
POWERGRID	11,792,620	-
SILCO PHARMA	10,681,680	-
SQUARE PHARMA	6,926,990	-
	<b>1,213,329,559</b>	<b>245,291,615</b>
<b>6.4 Investment (Cost) in Shares (Unquoted)</b>		
CDBL Share	1,569,450	1,569,450
Orion Infrastructure Ltd. (Cumulative)	500,000,000	500,000,000
Orion Infrastructure Ltd. (Redeemable)	169,900,000	169,900,000
Awqaf Properties Investment fund (APIF)	166,968,945	166,968,945
Central Counterparty Bangladesh Ltd.(CCBL)	37,500,000	37,500,000
Investment in SWIFT (Foreign Share)	4,789,356	4,789,356
Invest. in Beximco Green Sukuk (Special)	-	800,000,000
	<b>880,727,751</b>	<b>1,680,727,751</b>

	31.12.2022 Taka	31.12.2021 Taka
<b>6.5 Subordinated Bond</b>		
FSIBL Mudaraba Subordinate Bond (2nd & 3rd Bond)	1,000,000,000	1,300,000,000
UBL Mudaraba Subordinate Bond	800,000,000	1,000,000,000
Investment in FSIBL Mud. Per. Bond	1,600,000,000	1,600,000,000
Investment in STBL Mud. Per. Bond	1,500,000,000	1,500,000,000
Investment in SJIBL Mud. Per. Bond	1,500,000,000	1,500,000,000
	<b>6,400,000,000</b>	<b>6,900,000,000</b>
<b>Total Investment (Cost) in Shares (Unquoted)/Bond</b>	<b>7,280,727,751</b>	<b>8,580,727,751</b>

Investment in Subsidiaries represents the amount invested in 'SIBL Securities Limited' and 'SIBL Investment Limited' that were incorporated on 20 July 2010 and 30 August 2010 respectively vide certificate of incorporation no: C-85876/10 and C-86726/10. SIBL holds 12,299,990 and 2,499,994 nos. shares of 'SIBL Securities Limited' and 'SIBL Investment Limited' respectively with a face value of Tk. 100 each and also representing holding of 99.99% shares in both the subsidiaries.

Awqaf Properties Investment fund (APIF) is operated by Islamic Development Bank (IDB). APIF provides financing for the development of Awqaf properties both in member countries and Islamic communities in non-member countries. The objective of APIF is to develop and invest in accordance with the principles of Islamic Shariah, in Awqaf real estate properties that are socially, economically, and financially viable, in member countries of IDB and Islamic communities in non-member countries. Its main activities are poverty alleviation programmes, disaster relief, free health services, imparting religious and contemporary education, heritage, culture, and environment.

#### 6.6 Details of Shares & Securities in quoted and unquoted other than in subsidiaries

Particulars	No. of Shares/ Securities	Market price per Shares	Fair value/ Market value as on 31-12- 2022	31.12.2022 Taka	
				Cost price as on 31-12-2022	Fair value adjustment
<b>Quoted Shares</b>					
MBL 1st Mutual Fund	320,286	6.60	2,113,888	2,539,407	(425,519)
IFIC 1ST Mutual Fund	800,000	5.10	4,080,000	4,447,000	(367,000)
Trust Bank 1ST Mutual Fund	200,000	5.60	1,120,000	1,102,750	17,250
1FIL Islami Mutual Fund	317,500	6.40	2,032,000	2,032,000	-
AB 1st Mutual Fund	704,846	5.20	3,665,199	3,836,731	(171,532)
ICB Agrani Mutual Fund	281,100	9.20	2,586,120	2,529,900	56,220
Exim 1st Mutual Fund	1,400,000	5.80	8,120,000	8,843,463	(723,463)
Green Delta Mutual Fund	1,000,000	6.90	6,900,000	7,375,126	(475,126)
PHP Mutual Fund	800,000	5.20	4,160,000	4,296,093	(136,093)
Vanguard Mutual Fund	215,342	7.40	1,593,531	1,688,141	(94,610)
National Bank Limited	11,000,000	8.30	91,300,000	91,529,844	(229,844)
Shahjalal Islami Bank Limited	601,055	18.80	11,299,834	11,455,555	(155,721)
Standard Bank Limited	2,000,000	8.80	17,600,000	19,971,770	(2,371,770)
Global Islami Bank Limited	1,317,367	9.00	11,856,303	13,173,670	(1,317,367)
Titans Gas Limited	200,000	40.90	8,180,000	7,260,000	920,000
Jamuna Oil	130,000	167.30	21,749,000	22,327,446	(578,446)
ICICL	8,798	28.10	247,224	87,980	159,244
BSRM Ltd.	50,000	90.00	4,500,000	4,585,642	(85,642)
Beximco Sukuk Al Isti	100,000	89.00	8,900,000	10,000,000	(1,100,000)
SS Steel	500,000	16.60	8,300,000	8,816,104	(516,104)
ACI Formulations Ltd.	60,000	155.00	9,300,000	10,194,629	(894,629)
Shasha Denim Ltd.	100,000	27.00	2,700,000	2,907,256	(207,256)
Summit Alliance Port	150,000	30.00	4,500,000	5,365,258	(865,258)
BBS Cables	52,500	49.90	2,619,750	2,775,233	(155,483)
United Power Generation	10,000	233.70	2,337,000	2,488,729	(151,729)
Lub-rref Bd.	2,000,000	36.10	72,200,000	75,400,000	(3,200,000)
Square Pharmaceuticals	150,000	209.80	31,470,000	32,191,490	(721,490)
IFADAUTO Ltd.	105,000	44.10	4,630,500	4,968,636	(338,136)
Meghna Petroleum	100,000	198.60	19,860,000	19,680,000	180,000
			<b>369,920,348</b>	<b>383,869,853</b>	<b>(13,949,505)</b>

Particulars	No. of Shares/ Securities	Market price per Shares	Fair value/ Market value as on 31-12- 2022	31.12.2022 Taka	
				Cost price as on 31-12-2022	Fair value adjustment
<b>Preference Shares</b>					
Orion Infrastructure Ltd. (Cumulative)	50,000,000	-	500,000,000	500,000,000	-
Orion Infrastructure Ltd. (Redeemable)			169,900,000	169,900,000	-
			<b>669,900,000</b>	<b>669,900,000</b>	<b>-</b>
<b>Unquoted Shares/ Bond</b>					
CDBL Share	571,181	-	1,569,450	1,569,450	-
Awqaf Properties Investment fund (APIF)			166,968,945	166,968,945	-
Central Counterparty Bangladesh Ltd.(CCBL)			37,500,000	37,500,000	-
Investment in SWIFT (Foreign Share)			4,789,356	4,789,356	-
FSIBL Mudaraba Subordinate Bond (2nd & 3rd Bond)			1,000,000,000	1,000,000,000	-
UBL Mudaraba Subordinate Bond			800,000,000	800,000,000	-
Investment in FSIBL Mud. Per. Bond			1,600,000,000	1,600,000,000	-
Investment in STBL Mud. Per. Bond			1,500,000,000	1,500,000,000	-
Investment in SJIBL Mud. Per. Bond		-	1,500,000,000	1,500,000,000	-
			<b>6,610,827,751</b>	<b>6,610,827,751</b>	<b>-</b>
<b>Grand Total</b>			<b>8,863,977,660</b>	<b>8,877,927,163</b>	<b>(13,949,505)</b>

	31.12.2022 Taka	31.12.2021 Taka
<b>6.7 Industry wise classification of shares</b>		
<b>Quoted shares</b>		
Banks	136,130,839	6,246,346
Mutual Funds	38,690,611	8,918,893
Others	209,048,403	168,490,227
	<b>383,869,853</b>	<b>183,655,466</b>
<b>6.8 Cost of shares and securities of quoted and unquoted, other than investment in subsidiaries</b>	8,877,927,163	9,009,674,832
Fair value adjustment {Profit/(Loss)} to be made through profit and loss account	-	(17,190,627)
<b>Value of shares and securities, Quoted and Unquoted other than investment in subsidiaries</b>	<b>8,877,927,163</b>	<b>8,992,484,206</b>

To test the total value of the portfolios as shown above as on 31.12.2022, management of the Bank has carefully reviewed whether it is necessary to provide any provision to cover any expected loss that may arise from decrease in market value. The monthly review: December 2022, published from Dhaka Stock Exchange Limited has been followed to test the market value and found that the total market value of the securities Tk. 36.99 crore as against purchase price Tk. 38.38 crore and provision for an amount of Tk. 1.39 crore is made in the financial statements as on 31 December 2022 in compliance with DOS Circular no: 04, Dated: 24 November 2011 and related Accounting Standards applicable in Bangladesh.

## 7 Investments

### In Bangladesh

General Investments etc. (Note-7.1)	326,758,535,809	297,611,586,727
Bills purchased and discounted-net (Note- 7.2)	4,508,910,753	3,469,088,561

### Outside Bangladesh

Bills purchased and discounted-net (Note- 7.2)	11,676,710,941	11,693,145,241
	<b>342,944,157,503</b>	<b>312,773,820,529</b>

	31.12.2022 Taka	31.12.2021 Taka
<b>7 (a) Consolidated Investment</b>		
General Investments etc.	326,758,535,809	297,611,586,727
<b>Less: InterCompany balance eliminated</b>		
SIBL Securities Limited Quard Investment with SIBL- Principal branch	790,000,000	790,000,000
SIBL Investment Limited	-	-
<b>Total consolidated general investment</b>	<b>325,968,535,809</b>	<b>296,821,586,727</b>
<b>Bills purchased and discounted-net</b>	<b>16,185,621,694</b>	<b>15,162,233,802</b>
<b>Grand total</b>	<b>342,154,157,503</b>	<b>311,983,820,529</b>
<b>Maturity wise Classification of Investments:</b>		
<b>With a residual maturity of</b>		
Re-payable on Demand	52,225,581,427	42,843,682,047
Not more than 3 months	77,570,992,239	64,254,404,260
Over 3 months but not more than 1 year	151,117,156,837	133,176,792,222
Over 1 year but not more than 5 years	48,331,578,000	60,687,949,000
Over 5 years	13,698,849,000	11,810,993,000
	<b>342,944,157,503</b>	<b>312,773,820,529</b>
<b>a) In Bangladesh</b>		
Musharaka	173,858,656	247,948,307
Murabaha	9,734,443,463	9,783,345,114
Mudaraba	14,521,541,191	5,071,054,090
Bai-Muazzal	219,134,720,518	204,476,232,728
Hire-Purchase Sirkatul Meelk	61,528,389,120	60,528,283,545
Quard	17,045,124,824	13,511,828,373
Bai-Salam	1,110,964,831	569,928,680
Staff Loan	2,086,774,124	2,156,635,896
Ijarah	362,427,485	412,031,312
Visa Card	1,060,291,598	854,298,684
	<b>326,758,535,809</b>	<b>297,611,586,727</b>
<b>Mode-Wise Investment (General)</b>		
<b>b) Outside Bangladesh</b>		
Musharaka	-	-
Murabaha	-	-
Bai-Muazzal	-	-
Hire-Purchase Sirkatul Meelk	-	-
Installment Investment Scheme	-	-
Quard	-	-
Bai-Salam	-	-
Others	-	-
<b>7.2 Bills Purchased and discounted</b>		
In land Bill Purchase	4,508,910,753	3,469,088,561
<b>Outside Bangladesh</b>		
Foreign Bill Purchased	47,252,448	79,202,046
Murabaha Bill of Exchange	1,318,436,039	1,722,350,710
Baim-Wes bills	10,311,022,453	9,891,592,484
	<b>11,676,710,941</b>	<b>11,693,145,241</b>
<b>Grand total of net Bills Purchased and Discounted</b>	<b>16,185,621,694</b>	<b>15,162,233,802</b>
<b>7.2.1 Bills Purchased and Discounted</b>		
Payable in Bangladesh	5,899,422,176	5,292,226,212
Payable outside Bangladesh	10,488,387,740	10,153,727,970
<b>Gross Bills Purchased and Discounted</b>	<b>16,387,809,916</b>	<b>15,445,954,182</b>
Less: Profit receivable on Bills Purchased and Discounted	202,188,223	283,720,381
<b>Net Bills Purchased and Discounted</b>	<b>16,185,621,694</b>	<b>15,162,233,802</b>

	31.12.2022 Taka	31.12.2021 Taka
<b>Maturity wise Classification of Bills Purchased and Discounted:</b>		
On demand	3,237,124,339	3,032,446,762
Over 1 month but less than 3 months	8,092,810,847	7,581,116,900
Over 3 months but less than 1 year	4,855,686,508	4,548,670,140
1 year or more	-	-
	<b>16,185,621,694</b>	<b>15,162,233,802</b>

7.3 Investments on the basis of significant concentration	31.12.2022	31.12.2021		
Investments to allied concern of Directors	0.00%	0.00%	-	-
Investments to Executives & Staffs	0.64%	0.69%	2,207,617,983	2,167,849,126
Investments to Industries	47.56%	52.82%	163,090,295,905	145,388,028,398
Industrial to Trade & Commerce	31.56%	46.48%	108,243,332,400	104,621,337,334
Others	20.24%	0.00%	69,402,911,214	60,596,605,670
	<b>100.00%</b>	<b>100.00%</b>	<b>342,944,157,503</b>	<b>312,773,820,529</b>

**Investments allowed to individual customer exceeding 15% of Bank's total capital:**

Number of Client with amount of outstanding Investment to whom Investments sanctioned exceeds 15% of total capital of the Bank is reported hereunder. Total capital of the Bank was Tk. 3,398.61 Crore as on 31.12.2022 and was used as base figure to calculate the single party exposure limit-funded liability; and such limit was fixed at Tk. 509.79 crore (3,398.61 crore x 15% ) till 31.12.2022. It is mentioned here that as per Bank Companies Act, 1991, single party exposure limit has been fixed at 15% for funded and 20% non-funded investment based on capital maintained for non export oriented clients whereas 15% funded and 35% non-fundend limit for 100% export oriented clients.

Total Principal outstanding amount to such customers at end of the year (Funded)	Nil	Nil
Number of such types of customers	Nil	Nil
Amount of Classified Investments thereon	Nil	Nil
Measures taken for recovery	Not applicable	Not applicable

\* As per BRPD circular no. 2, dated: 16 January 2014, single party exposure limit 15% is not applicable for the client doing business in power sector. The principal amount limit for such client is 25% of total capital, i.e Taka-849.65 crore as on 31.12.2022.

**7.4 Business Segment Wise Investment**

(Amount in Taka)

Sector	2022		2021	
	Amount	Composition	Amount	Composition
Corporate Investment	255,620,757,130	74.54%	241,834,131,112	77.32%
SME Investment	70,432,840,675	20.54%	57,263,505,578	18.31%
Retail & Quard MTDR-DPS to Individuals	8,179,088,739	2.38%	6,178,954,811	1.98%
Ari & Mrofinance Investment	2,078,759,146	0.61%	1,822,221,333	0.58%
Credit Card Investment	1,060,291,598	0.31%	854,298,683	0.27%
Others Investment	5,572,420,215	1.62%	4,820,709,011	1.54%
<b>Total</b>	<b>342,944,157,503</b>	<b>100.00%</b>	<b>312,773,820,529</b>	<b>100.00%</b>

**7.5 Investment Concentration on Major Sectors**

(Amount in Taka)

Sector	2022		2021	
	Amount	Composition	Amount	Composition
RMG	21,854,395,976	6.37%	18,831,157,242	6.02%
Textile	23,454,130,344	6.84%	25,502,206,633	8.15%
Food and allied industries	18,744,312,583	5.47%	14,171,054,554	4.53%
Pharmaceutical Industries	1,489,012,956	0.43%	1,791,887,029	0.57%
Chemical, Fertilizer, etc.	5,257,533,755	1.53%	4,194,710,889	1.34%

Cement and Ceramic Industries	5,555,868,687	1.62%	5,014,614,486	1.60%
Ship building industries	559,630,774	0.16%	469,535,287	0.15%
Ship breaking industries	1,652,999,391	0.48%	1,931,866,672	0.62%
Power and Gas	11,104,212,179	3.24%	10,603,421,125	3.39%
Other manufacturing or extractive industries	42,026,222,733	12.25%	33,582,713,429	10.74%
Service Industries	26,514,794,266	7.73%	26,043,502,948	8.33%
Other Agro-based industries	4,877,182,262	1.42%	3,251,358,104	1.04%
Investment to Trade & Commerce	108,243,332,400	31.56%	104,621,337,334	33.45%
Investment to Consumer Finance	4,188,171,402	1.22%	3,206,079,550	1.03%
Other Investment	67,422,357,795	19.66%	59,558,375,247	19.04%
<b>Total</b>	<b>342,944,157,503</b>	<b>100.00%</b>	<b>312,773,820,529</b>	<b>100.00%</b>

## 7.5 Geographical Location-wise Classification of Investments

(Amount in Taka)

Sector	2022		2021	
	Amount	Composition	Amount	Composition
<b>i) Within Bangladesh</b>				
a) In Rural Areas	30,095,633,846	8.78%	28,766,289,119	9.20%
b) In Urban Areas	312,848,523,656	91.22%	284,007,531,409	90.80%
<b>Sub-total (a+b)</b>	<b>342,944,157,503</b>	<b>100.00%</b>	<b>312,773,820,529</b>	<b>100.00%</b>
<b>ii) Outside Bangladesh</b>	-	-	-	-
<b>Total (i+ii)</b>	<b>342,944,157,503</b>	<b>100.00%</b>	<b>312,773,820,529</b>	<b>100.00%</b>

## 7.6 Division-wise Investments

(Amount in Taka)

Sector	As at 31 December 2022		As at 31 December 2021	
	Amount	Composition	Amount	Composition
Dhaka	254,009,383,933	74.07%	229,706,004,293	73.44%
Chattogram	69,266,638,635	20.20%	64,502,642,480	20.62%
Sylhet	790,794,787	0.23%	536,130,298	0.17%
Rajshahi	6,560,741,567	1.91%	6,352,500,803	2.03%
Khulna	7,009,059,035	2.04%	6,296,518,408	2.01%
Rangpur	2,060,156,874	0.60%	2,165,276,204	0.69%
Barisal	1,290,198,009	0.38%	1,346,655,415	0.43%
Mymensingh	1,957,184,661	0.57%	1,868,092,627	0.60%
<b>Total</b>	<b>342,944,157,503</b>	<b>100.00%</b>	<b>312,773,820,529</b>	<b>100.00%</b>

	31.12.2022 Taka	31.12.2021 Taka
<b>7.7 Investments (Classification wise)</b>		
<b>Unclassified</b>		
Standard	308,721,059,389	279,421,381,293
Special Mentioned Account	13,545,465,932	13,232,379,120
<b>Classified</b>		
Substandard	873,577,145	697,785,173
Doubtful	393,260,819	134,017,193
Bad or Loss	15,124,417,090	15,298,187,291
	<b>338,657,780,374</b>	<b>308,783,750,070</b>
Standard (short term agri / micro inv.)	1,993,449,678	1,758,134,358
Special Mentioned Account (short term agri/ micro inv.)	-	-
Substandard (short term agri / micro inv.)	1,003,680	958,949
Doubtful (short term agri / micro inv.)	16,889,474	11,968,211
Bad or Loss (short term agri/micro inv.)	67,416,314	51,159,815
	<b>2,078,759,146</b>	<b>1,822,221,333</b>
Staff Investment	2,207,617,983	2,167,849,126
	<b>342,944,157,503</b>	<b>312,773,820,529</b>

	31.12.2022 Taka	31.12.2021 Taka
<b>7.8 Particulars of provision required for general investment</b>		
Unclassified (Excluding Off-balance sheet exposures)	5,290,055,334	5,443,543,536
Classified	7,638,552,062	7,598,676,652
Unclassified- Off-balance sheet exposures	692,679,602	521,935,277
	<b>13,621,286,997</b>	<b>13,564,155,465</b>

	Rate	Base for Provision	Provision Required	
<b>7.8.1 Detail Particulars of Provision for Investment</b>				
<b>Unclassified</b>				
Standard	1%	241,888,580,841	2,418,885,808	2,225,335,347
Special General Provision-COVID-19 (As per BRPD Circular letter No.56dt. 10.12.2020)	1%	-	468,241,949	597,373,154
Special General Provision-COVID-19 (As per BRPD Circular letter No.52dt 29.12.2021.)	1.5% & 2%	-	445,788,215	768,946,219
Special General Provision-COVID-19 (As per BRPD Circular letter No.53dt 22.12.2022.)	1.% & 2%	-	72,626,772	-
Staff Investment	0%	-	-	-
Consumer Finance (Other than HF and LP)	2%	1,210,914,872	24,218,297	20,591,266
Small and Medium Enterprise	0.25%	61,080,073,788	152,700,184	128,988,272
Housing Finance (HF)	1%	1,956,342,862	19,563,429	18,147,712
Loan for Professionals (LP)	2%	667,495,640	13,349,913	-
Share	2%	2,420,481,583	48,409,632	48,964,067
SMA Investment (Same as UC i.e 0.25%, 1%, 2%)	2%	13,219,653,168	1,606,336,638	1,617,616,156
Unclassified Off Balance Sheet Items	1%	69,267,960,200	692,679,602	521,935,277
<b>Classified</b>				
Substandard	20%	515,883,693	103,176,739	91,695,040
Substandard (CMSME)	5%	-	-	-
Doubtful (CMSME)	20%	42,230,205	8,446,041	2,438,396
Doubtful	50%	166,777,286	83,388,643	14,366,968
Bad or Loss	100%	7,426,904,538	7,426,904,538	7,479,924,058
			<b>13,584,716,400</b>	<b>13,536,321,933</b>
<b>Provision Required (Short term Agricultural &amp; Micro Credit)</b>				
<b>Unclassified</b>				
Standard (short term agri /micro credit)	1%	1,993,449,678	19,934,497	17,581,344
<b>Classified</b>				
Substandard (short term agri ,micro credit & CMSME)	5%	43,518,344	2,175,917	1,464,513
Doubtful (short term agri /micro credit)	5%	10,966,673	548,334	151,920
Bad or Loss (Short term agri /micro credit)	100%	13,911,850	13,911,850	8,635,756
			<b>36,570,598</b>	<b>27,833,532</b>
<b>Required provision for Investments(Grand Total)</b>			<b>13,621,286,997</b>	<b>13,564,155,465</b>
<b>Total provision maintained</b>			<b>13,621,286,997</b>	<b>13,564,155,465</b>
<b>Provision Surplus/(Shortfall)</b>			<b>-</b>	<b>-</b>



	Rate	Base for Provision	Provision Required	
<b>Provision Made: (Other than Short term Agricultural &amp; Micro Credit)</b>				
<b>Unclassified</b>				
Standard			4,356,463,801	4,330,281,314
SMA			1,606,336,638	1,617,616,156
<b>Classified</b>				
Substandard			103,176,739	91,695,040
Doubtful			91,834,684	16,805,364
Bad or Loss			7,426,904,538	7,479,924,058
			<b>13,584,716,400</b>	<b>13,536,321,933</b>
<b>Provision Made: (Short term Agricultural &amp; Micro Credit)</b>				
Standard (short term agri credit)			19,934,497	17,581,344
Substandard (short term agri credit)			2,175,917	1,464,513
Doubtful (short term agri credit)			548,334	151,920
Bad or Loss (Short term agri credit)			13,911,850	8,635,756
			<b>36,570,598</b>	<b>27,833,532</b>
<b>Grand Total</b>			<b>13,621,286,997</b>	<b>13,564,155,465</b>
<b>Required provision - Provision made = Surplus/ (Shortfall)</b>			-	-

## 7.8.2 Particulars of provision for Off-Balance Sheet items

<b>Status</b>				
Off-Balance Sheet Items	1%	77,759,960,851	692,679,602	521,935,277
Required provision for Investments			692,679,602	521,935,277
<b>Provision maintained {note # 14.1(c)}</b>			<b>692,679,602</b>	<b>521,935,277</b>
<b>Surplus Provision</b>			-	-

## 7.9 Particulars of Investments:

(i)	Investment considered good in respect of which the Banking Company is fully secured		165,413,924,047	175,303,117,106
(ii)	Investment considered good for which the Banking Company holds no other security other than the debtor's personal security		169,372,667,809	129,986,698,242
(iii)	Investment considered good and secured by personal security of one or more parties in addition to the personal security of the debtors		8,157,565,648	7,484,005,182
(iv)	Investment considered bad or doubtful not provided for		-	-
	<b>Total</b>		<b>342,944,157,503</b>	<b>312,773,820,529</b>
(v)	Investment due by directors or officers of the Banking Company or any of them either severally or jointly with any other person		2,207,617,983	2,167,849,126
(vi)	Investment due by companies or firms in which the directors of the Banking Company are interested as directors, partners or managing agents or, in the case of private companies as members.		-	-
(vii)	Maximum total amount of investments, including temporary investments made at any time during the period to directors or managers or officers of the Banking Company or any of them either severally or jointly with any other persons.		8,742,050	9,153,724
(viii)	Maximum total amount of Investments including temporary Investment granted during the period to the companies or firms in which the directors of the Banking Company are interested as directors, partners or managing agents or in the case of private companies as members		Nil	Nil

	Rate	Base for Provision	Provision Required
(ix) Investment due from other Banks			Nil Nil
(x) Classified Investment on which profit has not been charged			15,191,833,404 15,349,347,106
(xi) Particulars of written off investments			
a) Cumulative amount of written off/Waiver of Investments since inception to 31 December last year			7,347,136,886 6,015,207,978
b) Amount of written off / waiver of Investment during the year			691,088,872 1,331,928,908
<b>Total amount of written off (a+b)</b>			<b>8,038,225,758 7,347,136,886</b>
c) Amount recovered against debts which are previously written off (cumulative balance)			547,434,768 470,723,441
d) Amount of Investments written off/waiver against which cases have been filed for recovery			8,038,225,758 7,347,136,886
xii) e) Amount of compensation suspense as at year end.			3,932,091,419 3,762,471,567

### 7.10 Large Investment Restructuring

Large Investment Restructuring is made as per BRPD Circular no: 04, Dated: 29 January 2015, of the investments having minimum outstanding amount of Taka-500 crore and above in aggregate. The Eligibility criteria as per the circular are:

- Investments of a particular borrower or group in a Bank, singly or in clubbed together form, shall be eligible for restructuring. Borrower having exposure in multiple Banks may also approach by forming a consortium.
- Minimum outstanding investment amount for restructuring shall be Taka-500.00 crore or above in aggregate.
- Restructuring facility will be provided to a particular investment only once.

Total outstanding amount of such restructured investment for the year 2022 amounts to Taka- 78.03 crore.

	31.12.2022 Taka	31.12.2021 Taka
<b>8 Fixed Assets including Premises (Including Intangible Assets)</b>		
<b>A. Cost</b>		
Land	12,330,000	12,330,000
Building	2,320,220,714	2,320,220,714
Furniture & Fixtures	1,771,331,954	1,452,020,200
Office Equipment	2,248,023,968	1,944,935,278
Software	349,352,199	305,954,860
Vehicles	150,656,690	150,656,690
Right of use Assets as per IFRS-16 *	1,076,018,197	1,076,018,197
Books	1,787,652	1,768,620
	<b>7,929,721,375</b>	<b>7,263,904,559</b>
<b>B. Accumulated Depreciation</b>		
Land	-	-
Building	543,565,690	498,010,625
Furniture & Fixtures	732,203,865	630,860,366
Office Equipment	1,403,254,185	1,234,710,679
Software	130,915,370	111,397,271
Vehicles	146,057,222	143,065,270
Right of use Assets as per IFRS-16	572,196,012	396,890,377
Books	1,240,476	1,172,246
	<b>3,529,432,820</b>	<b>3,016,106,833</b>
	<b>4,400,288,555</b>	<b>4,247,797,726</b>

#### Carrying value

\*The cost of the right of use assets (ROU) (lease assets) comprises lease liabilities which is present value of lease payments and the advance rent. While calculating right of use assets, the bank has not considered the present value of lease payments against its ATM booth if the agreement was made separately as considering it as low value assets and if the contract period of the rental premises did not exceed twelve months.

	31.12.2022 Taka	31.12.2021 Taka
<b>8.1 Intangible assets</b>		
Core Banking solution 'ABABIL' is used in SIBL which was incorporated in the year 2010. The value of all the softwares under the head 'Intangible Assets' is Taka-349,352,199.00 and being amortized @ 10% following the same method of reducing balancing method as applied for fixed assets. Written down value of the software as on 31.12.2022 is Taka -218,436,829.00 <b>For details please refer to Annexure-A</b>		
<b>8(a) Consolidated written down value of Fixed Assets including intangible assets</b>		
<b>Social Islami Bank Ltd.</b>	<b>4,400,288,555</b>	<b>4,247,797,726</b>
<b>Fixed assets of subsidiaries</b>	<b>13,338,668</b>	<b>13,559,344</b>
SIBL Securities Ltd.	13,338,668	13,559,344
SIBL Investment Ltd.	-	-
<b>Carrying value of Fixed assets of the Group</b>	<b>4,413,627,223</b>	<b>4,261,357,069</b>
<b>9 Other Assets</b>		
Stock of stationery, stamps and printing materials etc. (valued at cost)	39,368,382	41,842,032
Advance rent	102,048,769	82,826,821
Security Deposit	3,401,359	3,433,149
Branch Adjustments (SIBG) (Note: 9.1)	8,750,090,444	824,507,472
Suspense Accounts (Note: 9.2)	425,166,833	287,840,919
Other Prepayments	59,241,494	86,608,018
Share Trading A/C Receivable from SIBL Securities Ltd.	308,278,647	624,820,743
Advance Income Tax	15,208,679,910	13,908,264,598
Investment in subsidiary: SIBL Securities Limited	1,537,499,000	1,537,499,000
Investment in subsidiary: SIBL Investment Limited	249,999,400	249,999,400
Profit Receivable from SIBL Securities Limited	218,722,842	70,747,842
Receivable from SIBL Investment Limited	1,903,690	1,903,690
Protested Bills against Investment	325,014,570	325,014,570
Profit Receivable from Banks, NBFI and BD Govt.	498,783,519	254,088,308
Investment with Off-shore Banking Unit	8,663,735,120	551,722,606
Receivable from Off-shore Banking Unit	300,912,435	43,694,699
Dividend Receivable Account	785,424,619	702,536,619
Profit Receivable from Mudaraba Subordinated Bond	40,898,630	52,926,027
Profit Receivable for SME Stimulous fund	79,411,985	80,385,089
Profit Receivable from Mudaraba Perpetual Bond	356,627,411	94,477,398
Profit Receivable from Beximco Green Sukuk	38,268,491	3,164,835
Others (Note: 9.3)	134,957,602	22,211,772
	<b>38,128,435,151</b>	<b>19,850,515,608</b>
<b>Less: Balance with OBU for elimination</b>		
Investment with Off-shore Banking Unit	8,663,735,120	551,722,606
<b>Grand total after elimination of balance with OBU</b>	<b>29,464,700,031</b>	<b>19,298,793,002</b>
<b>9(a) Consolidated other Assets</b>		
<b>Social Islami Bank Limited</b>	<b>29,464,700,031</b>	<b>19,298,793,002</b>
<b>Add: Other assets of subsidiary companies</b>		
<b>SIBL Securities Limited</b>	<b>2,735,487,352</b>	<b>2,666,365,438</b>
Membership of Chittagong Stock Exchange	307,000,000	307,000,000
Membership of Dhaka Stock Exchange	682,770,683	682,770,683
Advance Income Tax	170,035,198	146,372,333
Advance to Vendor	30,000	-
Advance for IPO	-	34,172,500
Receivable from Regulators	4,761,192	14,016,896
Receivable from client	1,432,614,881	1,393,839,599
Receivable from DSE, CSE ,Bai-Muajjal & Dividend Income	138,055,398	87,973,426
Security Deposit to CDBL, DSE	200,000	200,000
Security Deposit to BTCL & Duncan Products	20,000	20,000

	31.12.2022 Taka	31.12.2021 Taka
<b>SIBL Investment Limited</b>	<b>8,436,737</b>	<b>127,822,925</b>
Advance Income Tax	3,695,103	2,526,305
Accounts receivable	4,741,634	125,296,619
<b>Less: InterCompany balance eliminated Investments in Subsidiaries</b>	<b>1,787,498,400</b>	<b>1,787,498,400</b>
Investment in subsidiary: SIBL Securities Limited	1,537,499,000	1,537,499,000
Investment in subsidiary: SIBL Investment Limited	249,999,400	249,999,400
<b>Less: Inter Company transactions eliminated:</b>	<b>220,626,532</b>	<b>72,651,532</b>
Receivable from SIBL Securities Limited	218,722,842	70,747,842
Receivable from SIBL Investment Limited	1,903,690	1,903,690
	<b>30,200,499,189</b>	<b>20,232,831,433</b>

- 9.1 The balance of Branch adjustment (SIBG) represents unresponded Inter branch and head office transactions at balance sheet date. The balance of Debit and Credit unrespondent entries as on 26 April 2023 were Taka 289,99,03,075/- Details of which are as follows:

	Number of Unrespondent entries		Amount (in Tk) of Unrespondent entries	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Upto 3 months	127	-	2,265,848,349	-
Over 3 months but within 6 months	14	-	566,087,058	-
Over 6 months but within 9 months	4	-	67,967,667	-
Over 9 months	-	-	-	-
	<b>145</b>	<b>-</b>	<b>2,899,903,075</b>	<b>-</b>

- 9.2 Suspense Account represents advance against TA/DA, Entertainment Expenses, Advertisement Expenses, Branch Decoration Expenses, Legal Charges and suspense -others. Necessary provision on others assets has been made in the accounts according to the BRPD Circular no: 14 dated June 25, 2001 para Kha (1) & (2).

9.3 **Others**

Clearing Adjustment	28,800,000	-
D.D. Paid without advice	650	650
Adjusting A/c debit balance	6,157,616	10,004,610
Advance VAT paid	3,843,402	3,833,285
BEFTN adjustment A/c	(10,338,402)	-
Cards Accrued Income	536,036	666,993
Incentive disbursement Fund	105,958,299	7,706,233
	<b>134,957,602</b>	<b>22,211,772</b>

10 **Placement from Banks & Other Financial Institutions**

**Borrowing from Bangladesh Bank**

**30,000,000,000** -

The Bank has an outstanding balance of borrowing Tk. 3000.00 crore as on 31.12.2022 taken from Tk. 275.00 crore Bangladesh Govt. Islamic Bond, Tk. 1225.00 crore Islami Bank liquidity facility and 1500.00 crore Special liquidity facility fund having different maturity dates. Profit rate of such borrowings is determined under Mudaraba Principle. A demand promissory note favoring Bangladesh Bank has been kept as security to Bangladesh Bank against the borrowings.

**Maturity Grouping of Borrowings**

Upto 1 month	28,000,000,000	-
More than 1 month but less than 3 months	2,000,000,000	-
More than 3 month but less than 6 months	-	-
6 months and above	-	-
	<b>30,000,000,000</b>	<b>-</b>

	31.12.2022 Taka	31.12.2021 Taka
<b>11 Deposits and Other Accounts</b>		
Mudaraba Savings Deposits (MSD)	40,084,046,928	37,308,169,943
Mudaraba Term Deposits (MTDR)	168,510,358,684	176,256,112,820
<b>Other Mudaraba Deposit</b>	<b>79,636,478,408</b>	<b>80,399,200,511</b>
Mudaraba Short Notice Deposits (MSND)	19,061,241,571	19,970,707,175
Mudaraba Scheme Deposits (Note-11.1)	60,575,236,837	60,428,493,336
Al- Wadeeah Current Deposit and other accounts (AWCD) (Note- 11.2)	45,975,991,996	42,250,954,675
Bills payable (Note-11.3)	6,327,507,930	5,064,269,305
Cash Waqf Fund	415,930,983	382,356,998
	<b>340,950,314,928</b>	<b>341,661,064,252</b>
<b>11.1 Mudaraba Scheme Deposits</b>		
Mud. Hajj/ Umrah Savings Scheme	173,547,415	159,658,362
Mud. Pension Savings Scheme	969,073,238	1,165,116,800
Mud. Education Savings Scheme	34,354,161	33,494,517
Mud. Monthly Sav. Deposit Sche	62,132,829	55,192,581
Mud. Monthly Profit Deposit	1,589,021,178	2,088,726,027
Mud. Bashstan Savings Scheme	330,533,820	428,520,446
Mud. Millionaire Scheme	719,770,419	855,154,998
M.Lakhopotri Deposit Scheme	13,508,052	15,267,899
M. Double Benefit Deposit Scheme	255,765,584	562,870,200
M.Marriage Savings Scheme	78,546,549	70,623,288
M.Mohorana Savings Scheme	21,322,428	22,143,873
Subarnalata Special Scheme(Women)	12,375,596	21,954,222
Subarna Rekha Special Deposit(Women)	1,154,364,475	1,592,916,210
Shabug Chya Special Deposit	20,256,862	23,255,492
Shabuj Shayanna Special Deposit	245,551,003	489,573,074
Sanchita Special Deposit scheme	206,438,790	279,694,378
Sonali Din Pension Deposit Scheme	12,602,908,347	14,522,654,792
Sukher Thikana Savings Scheme	20,975,124	19,673,857
Sacchandey Protidin Monthly Profit Deposit	851,134,742	1,110,359,351
Samriddir Sopan Scheme Deposit	62,267,319	111,407,856
Sopner Siri Deposit Scheme	69,863,192	71,146,047
Sharna Shikhar (Mudaraba Billinior Deposit S	1,301,143,546	1,269,931,771
Proshanti (Mudaraba Zakat Savings Deposit S	19,315,793	27,246,698
SIBL Astha (Mudaraba Monthly Pension scheme)	30,513,018,918	28,998,139,447
SIBL Super DPS (Mudaraba Pension scheme)	6,578,660,881	4,499,511,474
SIBL Digun Prottasha (Double Benefits Scheme)	1,895,921,007	1,927,222,165
Al-Wasiah bill Waqf	11,017,277	7,037,511
SIBL Education Savings Scheme	185,927,626	-
SIBL Medical Savings Scheme	452,600,875	-
SIBL Marriage Savings Scheme	66,215,638	-
Internet Banking Deposit Scheme (IB DPS)	1,840,161	-
SIBL Probashi Deposit Scheme	2,627,415	-
Retired Citizen Monthly Benefits	50,000,000	-
Hawkers Deposit & Business Development	3,236,579	-
	<b>60,575,236,837</b>	<b>60,428,493,336</b>

Amount of Mudaraba Scheme Deposit mentioned above are inclusive of Profit payable on the scheme deposits.

	31.12.2022 Taka	31.12.2021 Taka
<b>11.2 AI-Wadeeah Current Deposit &amp; other A/c</b>		
AI Wadeeah current deposit	13,370,940,500	12,102,949,908
Un-claimed dividend (Note: 11.2.1)	82,465,322	79,312,047
Sundry deposit	12,628,688,645	8,162,678,626
Social fund deposit	17,075	17,075
Supervision charge	841,161	847,161
Risk fund deposit	10,930,736	2,920,921
FC deposit	11,610,297,610	11,415,547,205
Convertible Taka A/c*	165,125,281	188,928,019
F. C. held against B.B. L/C	4,286,699,567	4,400,834,559
Bangladesh Bank Fund for COVID	1,921,257,661	3,937,061,938
Profit payable A/c	1,875,535,819	1,941,229,633
Compensation Realized	23,192,621	18,627,587
	<b>45,975,991,996</b>	<b>42,250,954,675</b>
<b>11.2.1 Unclaimed Dividend</b>		
Dividend remained unclaimed which were declared for the year:-		
SIBL dividend Payable A/C	480,068	480,068
SIBL Fraction dividend (Bonus share)	77,120	77,120
Initially primary offer (IPO)	2,801,380	2,801,380
SIBL rights Share	-	3,662,231
Cash dividend 2001	297,434	297,434
Fraction dividend & Rights share issue 2008	343,986	343,986
SIBL rights Issue 2010	1,374,202	1,374,202
SIBL cash dividend 2011	5,759,284	5,779,925
SIBL cash dividend 2012	4,492,486	4,513,061
SIBL cash dividend 2013	11,432,333	11,733,001
SIBL cash dividend 2014	11,390,302	11,455,713
SIBL cash dividend 2015	7,206,661	7,525,029
SIBL cash dividend 2016	12,457,258	12,521,562
SIBL cash dividend 2019	7,731,338	8,013,396
SIBL cash dividend 2020	8,534,544	8,733,940
SIBL cash dividend 2021	8,086,926	-
	<b>82,465,322</b>	<b>79,312,047</b>
*Balance of Convertible Taka A/c represents the portion of unsettled balance.		
<b>11.2(a) Consolidated balance of AI-Wadeeah Current Deposit &amp; Other A/c</b>		
<b>Social Islami Bank Limited</b>	<b>45,975,991,996</b>	<b>42,250,954,675</b>
<b>Less: InterCompany balance eliminated</b>	<b>695,327,365</b>	<b>1,262,251,073</b>
SIBL Securities Limited	589,734,614	1,155,890,554
SIBL Investment Limited	105,592,751	106,360,519
<b>Consolidated balance of Current deposit and other accounts</b>	<b>45,280,664,632</b>	<b>40,988,703,603</b>
The balances are held with the 'Principal Branch' of SIBL bearing current account no: 0002-13300056882 and 0002-13300057058 respectively. For consolidation purpose the balances have been eliminated.		
<b>11.3 Bills Payable</b>		
Payment Order (PO)	5,223,801,288	5,062,059,023
Demand Draft (DD)	1,724,011	1,725,611
B/P awaiting remittance	1,101,982,631	484,671
	<b>6,327,507,930</b>	<b>5,064,269,305</b>
<b>11.4 Maturity wise classification of Deposits</b>		
Payable on demand	27,804,166,931	25,930,464,283
Up to 1 month	35,567,193,630	35,920,842,126
More than 1 month but up to 6 months	120,955,966,633	125,314,505,895
More than 6 months but up to 1 year	90,551,373,230	89,115,588,937

	31.12.2022 Taka	31.12.2021 Taka
More than 1 year but up to 5 years	46,747,021,870	51,830,641,730
More than 5 years but up to 10 years	19,324,592,634	13,549,021,281
	<b>340,950,314,928</b>	<b>341,661,064,252</b>
<b>11.5 Segregation of deposits &amp; other accounts</b>		
<b>i) Client Deposit</b>		
Al-Wadeeah Current deposit & other accounts	45,975,187,763	42,250,641,808
Bills Payable	6,327,507,930	5,064,269,305
Mudaraba Savings Deposits	40,021,293,657	36,892,529,213
Mudaraba Short Notice Deposits	14,114,732,782	19,884,562,571
Mudaraba Term Deposit	158,365,258,684	174,646,112,820
Mudaraba Scheme Deposits	60,575,236,837	60,428,493,336
Cash Waqf Fund	415,930,983	382,356,998
	<b>325,795,148,635</b>	<b>339,548,966,052</b>
<b>ii) Bank Deposit</b>		
Mudaraba Term Deposit Receipt (MTDR)	10,145,100,000	1,610,000,000
Mudaraba Short Notice Deposit (MSND)	4,946,508,789	86,144,603
Al-Wadeeah Current deposit (AWCD)	804,233	312,868
Mudaraba Savings Deposit (MSD)	62,753,271	415,640,730
	<b>15,155,166,293</b>	<b>2,112,098,201</b>
<b>Grand Total of deposits and other accounts</b>	<b>340,950,314,928</b>	<b>341,661,064,252</b>
<b>12 SIBL Mudaraba Subordinated Bond</b>	<b>4,800,000,000</b>	<b>5,600,000,000</b>

SIBL has three subordinated bonds namely "SIBL Mudaraba Subordinated Bond of Tk. 300 crore", SIBL 2nd Mudaraba Subordinated Bond of Tk. 400 crore and SIBL 3rd Mudaraba Subordinated Bond of Taka-500.00 crore to support and strengthen Tier-II capital base of the Bank under Basel-III capital regulation of Bangladesh Bank.

#### **SIBL Mudaraba Subordinated Bond of Tk. 300 Crore**

Social Islami Bank Limited issued 'SIBL Mudaraba Subordinated Bond of Tk. 300 Crore' in accordance with the regulatory approval from Bangladesh Securities and Exchange Commission (BSEC) and Bangladesh Bank (BB) vide their letter ref no. BSEC/CI/DS-13/2014/598 & BRPD (BFIS) 661/14 B(P)/2014-6027, Dated: 26 August 2014 & 16 September 2014 respectively. The bond was fully subscribed by 14 nos of investors and the subscription of the bond closed on 31.03.2015. As on 31.12.2021 the bond has been fully redeemed.

#### **SIBL 2nd Mudaraba Subordinated Bond of Tk. 400 Crore**

Social Islami Bank Limited issued 'SIBL 2nd Mudaraba Subordinated Bond of Tk. 400 Crore' in accordance with the regulatory approval from Bangladesh Securities and Exchange Commission (BSEC) and Bangladesh Bank (BB) vide their letter ref no. BSEC/CI/DS-13/2014/28 & BRPD (BFIS) 661/14 B(P)/2017-1252, Dated: 17 January 2017 & 01 March 2017 respectively. The bond was fully subscribed by 12 nos of investors and the subscription of the bond closed on 20.06.2017. The list of investor with present outstanding balance is as follows:

#### **Investors of SIBL 2nd Mudaraba Subordinated Bond**

Bank Asia Limited	20,000,000	40,000,000
Central Depository Bangladesh Ltd	40,000,000	80,000,000
Dhaka Stock Exchange Limited	80,000,000	160,000,000
Eastern Bank Limited	50,000,000	100,000,000
Mercantile Bank Limited	50,000,000	100,000,000
Midland Bank Limited	40,000,000	80,000,000
National Life Insurance Co. Ltd	20,000,000	40,000,000
Pubali Bank Limited	100,000,000	200,000,000
Rupali Bank Limited	100,000,000	200,000,000
Shahjalal Islami Bank Limited	100,000,000	200,000,000
Trust Bank Limited	100,000,000	200,000,000
Uttara Bank Limited	100,000,000	200,000,000
	<b>800,000,000</b>	<b>1,600,000,000</b>



	31.12.2022 Taka	31.12.2021 Taka
<b>SIBL 3rd Mudaraba Subordinated Bond of Tk.500 Crore</b>		
Social Islami Bank Limited issued 'SIBL 3rd Mudaraba Subordinated Bond of Tk. 500 Crore in accordance with the regulatory approval from Bangladesh Securities and Exchange Commission (BSEC) and Bangladesh Bank (BB) vide their letter ref no. BSEC/CI/DS-13/2014/670 & BRPD(BFIS)661/14B(P)/2018-7647, Dated: 27 September 2018 & 11 October 2018 respectively. The list of investor with present outstanding balance is as follows:		
<b>Investors of SIBL 3rd Mudaraba Subordinated Bond</b>		
Agrani Bank Limited	1,500,000,000	2,000,000,000
EXIM Bank Limited	300,000,000	400,000,000
Islami Bank Bangladesh Limited	1,200,000,000	1,600,000,000
	<u>3,000,000,000</u>	<u>4,000,000,000</u>
<b>SIBL 4th Mudaraba Subordinated Bond of Tk.600 Crore</b>		
Social Islami Bank Limited issued 'SIBL 4th Mudaraba Subordinated Bond of Tk. 600 Crore in accordance with the regulatory approval from Bangladesh Securities and Exchange Commission (BSEC) and Bangladesh Bank (BB) vide their letter ref no. BSEC/CI/DS-192/2022/1117 & BRPD(BS)661/14B(P)/2022-8466, Dated: 29 December 2022 & 21 August 2022 respectively. An amount of Tk. 100,00,00,000/- has been subscribed on 30.12.2022 and the rest amount will be capitalized within stipulated time as per regulatory guideline. The list of investor with present outstanding balance is as follows:		
<b>Investors of SIBL 4th Mudaraba Subordinated Bond</b>		
Al-Arafah Islami Bank Limited	1,000,000,000	-
	<u>1,000,000,000</u>	<u>-</u>
<b>13</b>	<b>SIBL Mudaraba Perpetual Bond of Tk.500 Crore</b>	
Social Islami Bank Limited issued 'SIBL Mudaraba Perpetual Bond of Tk. 500 Crore in accordance with the regulatory approval from Bangladesh Securities and Exchange Commission (BSEC) and Bangladesh Bank (BB) vide their letter ref no. BSEC/CI/DS-07/2014/272 & BRPD(BFIS)661/14B(P)/2020-8946, Dated: 25 November 2020 & 22 October 2020 respectively. The bond is fully subscribed on 13/10/2021 by the following investors:		
Islami Bank Bangladesh Limited	1,500,000,000	1,500,000,000
Exim Bank Limited	1,500,000,000	1,500,000,000
AIBL Employees' Provident Fund	500,000,000	500,000,000
AIBL Employees' Gratuity Fund	500,000,000	500,000,000
Al-Arafah Islami Bank Limited	1,000,000,000	1,000,000,000
	<u>5,000,000,000</u>	<u>5,000,000,000</u>
<b>14</b>	<b>Other Liabilities</b>	
FC Charge	2,000	-
Adjusting A/C (Cr.) Balance	11,555,186	14,015,512
Other Payable	1,863,613	9,330,154
BEFTN Adjustment Account	30,778,270	20,301,508
Parking Account	53,065	3,182,591
ATM & Other Settlement for Q-Cash	(10,546,910)	6,908,947
Provision for Investments ( note: 14.1)	13,621,286,997	13,564,155,465
Provision for other Assets (note: 14.2)	560,127,557	425,027,557
Compensation and Rent Suspense (note: 14.3)	3,932,091,419	3,762,471,567
Provision for Taxation (note: 14.4)	19,151,629,907	17,618,044,129
Zakat Fund (note: 14.5)	122,634,898	113,365,052
Lease liabilities as per IFRS-16 *	449,478,868	615,828,689
Mudaraba Profit Distribution (note: 14.6)	10,000,000	24,500,000
Provision for good borrower (note: 14.7)	10,000,000	10,000,000
Provision for Climate Risk Fund (note: 14.8)	20,000,000	20,000,000
Provision for Start-Up Fund (note: 14.9)	56,404,239	32,106,411
Provision for diminution of shares & securities	13,949,505	-
	<u>37,981,308,615</u>	<u>36,239,237,582</u>

\*The bank recognised lease liability which is present value of lease payments to be made over the lease terms from the date of commencement or 01 January 2020 (initial recognition). The lease payments has been discounted @ 6.00%.

	31.12.2022 Taka	31.12.2021 Taka
<b>14(a) Consolidated Other Liabilities</b>		
<b>Social Islami Bank Limited</b>	<b>37,981,308,615</b>	<b>36,239,237,582</b>
<b>Add: Other Liabilities of subsidiaries</b>		
<b>SIBL Securities Limited</b>	<b>1,746,132,183</b>	<b>2,279,026,419</b>
Payable to SIBL-Term loan	790,000,000	790,000,000
Payable to regulators	2,202,621	2,178,424
Payable to clients	512,380,206	1,116,409,814
Profit Payable on CCA to Client	25,959,700	-
Liabilities for payment to the issuer	6,000	23,171,000
Other provisions	255,161,588	201,723,538
Lease Liability	-	2,989,151
Lease Liability_Current Portion	613,734	2,901,560
Provision for Income Tax	159,808,334	139,652,932
<b>SIBL Investment Limited</b>	<b>5,004,433</b>	<b>3,522,286</b>
Accrued Expenses	92,000	69,000
Provision for diminution in value of investment	1,188,942	-
Provision for Income Tax	3,723,491	3,453,286
	<b>39,732,445,231</b>	<b>38,521,786,286</b>
<b>Less: InterCompany balance eliminated</b>		
<b>SIBL Securities Limited</b>		
Payable to SIBL-Term loan	<b>790,000,000</b>	<b>790,000,000</b>
<b>Grand total</b>	<b>38,942,445,231</b>	<b>37,731,786,286</b>
<b>14.1 Provision for Investment</b>		
<b>(a) Specific Provision on Investment</b>		
Provision held at the beginning of the year	7,598,676,652	7,812,088,173
Fully provided Investment written off /Waiver	(677,304,432)	(1,331,928,908)
Transferred from doubtful income/compensation realized/recovery	76,711,327	7,075,700
Provision made during this year	640,468,515	1,111,441,687
<b>Provision held at the end of the year</b>	<b>7,638,552,062</b>	<b>7,598,676,652</b>
<b>(b) General Provision on Investment</b>		
Provision held at the beginning of the year	5,443,543,536	4,971,204,865
Fully provided Investment written off /Waiver	(13,784,440)	-
Addition during the year	(1,126,360,699)	(893,980,701)
Special General Provision-COVID-19 (As per BRPD Circular letter No.56 dt. 10.12.2020)	468,241,949	597,373,154
Special General Provision-COVID-19 (As per BRPD Circular letter No.52 dt. 29.12.2021 )	445,788,215	768,946,219
Special General Provision-COVID-19 (As per BRPD Circular letter No.53 dt. 22.12.2022 )	72,626,772	-
<b>Balance at the end of the year</b>	<b>5,290,055,334</b>	<b>5,443,543,536</b>
<b>Total Provision on Investments</b>	<b>12,928,607,395</b>	<b>13,042,220,188</b>
<b>(c) General Provision on Off-Balance Sheet items</b>		
Provision held at the beginning of the year	521,935,277	470,450,037
Addition during the year	170,744,325	51,485,240
<b>Balance at the end of the year</b>	<b>692,679,602</b>	<b>521,935,277</b>
<b>Total Provision for Investments &amp; Off-Balance Sheet items (a+b+c)</b>	<b>13,621,286,997</b>	<b>13,564,155,465</b>

	31.12.2022 Taka	31.12.2021 Taka
<b>14.2 Provision for other Assets</b>		
Provision held at the beginning of the year	425,027,557	449,527,557
Provision written back during the year	-	(24,500,000)
Addition during the year	135,100,000	-
<b>Balance at the end of the year</b>	<b>560,127,557</b>	<b>425,027,557</b>
<b>14.2.1 Provision for protested bills</b>		
Provision held at the beginning of the year	325,014,570	325,014,570
Provision during the year	-	-
	<b>325,014,570</b>	<b>325,014,570</b>
<b>14.2.2 Provision for suspense account</b>		
Provision held at the beginning of the year	100,012,987	124,512,987
Provision written back during the year	-	(24,500,000)
Addition during the year	15,000,000	-
	<b>115,012,987</b>	<b>100,012,987</b>
<b>14.2.3 Provision for contingent liability</b>		
Provision held at the beginning of the year	-	-
Addition during the year	120,100,000	-
	<b>120,100,000</b>	<b>-</b>
Bangladesh Bank has instructed us to keep provision regarding Cash reserve & other Statutory liquidity as contingent liability.		
<b>14.3 Compensation &amp; Rent Suspense A/C</b>		
<b>Compensation Receivable A/C</b>		
Murabaha (General)	126,333,063	126,042,112
Murabaha (Post Import)	45,248,469	46,617,848
Musharaka (Preshipment)	26,457,297	16,416,709
Bai-Muazzal	311,972,319	313,002,829
Bai-Muazzal Trust Receipt	276,665,852	276,655,599
Baim Wes bills	261,702	130,626
Bai-Muazzal (ME)	465,746,859	459,335,178
	<b>1,252,685,561</b>	<b>1,238,200,900</b>
<b>Compensation Suspense A/C</b>		
Murabaha (General)	9,933,462	10,014,098
Murabaha (Post Import)	16,105,918	16,276,035
Bai-Muazzal	508,575,189	481,808,796
Bai-Muazzal- House hold	7,856	7,856
Bai-Muazzal Trust Receipt	31,116,279	24,585,363
Musharaka (Preshipment)	2,988,289	2,988,289
Others	211,479,223	174,501,294
	<b>780,206,216</b>	<b>710,181,731</b>
<b>Rent Suspense A/C</b>	<b>1,899,199,642</b>	<b>1,814,088,935</b>
<b>Total Compensation &amp; Rent Suspense</b>	<b>3,932,091,419</b>	<b>3,762,471,567</b>
<b>14.3.1 Movement of Compensation and Rent Suspense A/C</b>		
Balance at the beginning of the year	3,762,471,567	3,579,826,001
Add: Amount transferred to suspense account during the year	192,812,473	201,273,153
Less: Amount recovered from suspense account during the year	(23,192,621)	(18,627,587)
<b>Balance at the end of the year</b>	<b>3,932,091,419</b>	<b>3,762,471,567</b>
<b>14.4 Provision for Taxation</b>		
<b>Provision for Current tax</b>		
Balance at the beginning of the year	17,618,044,129	16,370,918,424
Add: Provision made during the year (Zakat Fund) (Note:14.5)	73,580,939	68,019,031
Add: Provision made during the year (Note:14.4.1)	1,460,004,839	1,179,106,673
	<b>19,151,629,907</b>	<b>17,618,044,129</b>

	31.12.2022 Taka	31.12.2021 Taka
<b>Advance tax</b>		
Balance at the beginning of the year	13,908,264,599	11,981,335,696
Paid during the year	1,300,415,312	1,926,928,903
	<b>15,208,679,911</b>	<b>13,908,264,599</b>
<b>Balance at the end of the year</b>	<b>3,942,949,997</b>	<b>3,709,779,531</b>
<b>14.4.1 Provision made during the year</b>		
<b>Operating Profit before provision &amp; tax</b>	<b>4,735,023,246</b>	<b>4,526,233,418</b>
Accounting Depreciation	338,020,352	313,816,229
Fair value adjustment of shares & securities	-	17,190,627
Excess perquisites	55,000,000	103,000,000
<b>Add: Inadmissible expense</b>	<b>393,020,352</b>	<b>434,006,856</b>
<b>Less: Items to be deducted</b>		
Dividend Income receipt	551,827,426	285,036,178
Capital Gain from Shares & Securities	40,622,402	184,218,839
Written off Bad Investment as per BRPD Circular	691,088,872	1,331,928,908
Depreciation under 3rd Schedule as per ITO 1984 and amendment	256,299,262	215,916,205
<b>Less: Inadmissible expense and for separate consideration</b>	<b>1,539,837,962</b>	<b>2,017,100,131</b>
<b>Total Taxable Income</b>	<b>3,588,205,635</b>	<b>2,943,140,143</b>
<b>Total Tax liability for current year</b>		
Business Tax @ 37.50% for year 2022 and @37.50% for year 2021	1,345,577,113	1,103,677,554
Dividend Tax @ 20%	110,365,485	57,007,236
Tax on gain on shares & securities @ 10%	4,062,240	18,421,884
<b>Provision required</b>	<b>1,460,004,839</b>	<b>1,179,106,673</b>
<b>Provision made</b>	<b>1,460,004,839</b>	<b>1,179,106,673</b>
<b>14.4.2 Reconciliation of effective tax rate of the Bank</b>		
<b>Particulars</b>	<b>Effective Rate</b>	
Profit before income tax as per profit and loss account		4,735,023,246
Income tax as per applicable tax rate	37.50	1,775,633,717
<b>Factors affecting the tax charge for current year:</b>		
Inadmissible	3.11	147,382,632
Abmissible Expenses in the current year (i.e.write-off etc.)	(7.50)	(355,270,550)
Tax savings from reduced tax rates for dividend	(2.04)	(96,569,800)
Tax loss/(savings) from reduced tax rates for capital gain	(0.24)	(11,171,160)
<b>Total income Tax Expenses</b>	<b>30.83</b>	<b>1,460,004,839</b>
<b>14.5 Zakat fund</b>		
Opening Balance	181,384,083	165,694,341
<b>Addition this year</b>	<b>196,215,837</b>	<b>181,384,083</b>
To sadaka fund	122,634,898	113,365,052
To provision for tax	73,580,939	68,019,031
Less: Paid during the year	-	-
Less: Transferred to Provision for Taxation	(68,019,031)	(62,135,379)
Less: Transferred to Sadaka fund (Balance of Zakat Fund)	(113,365,052)	(103,558,963)
<b>Closing Balance at the end of the year</b>	<b>196,215,837</b>	<b>181,384,083</b>
<b>14.6 Mudaraba Profit Distribution</b>		
Opening Balance	-	-
Addition the year	10,000,000	24,500,000
Less: Paid during the year	-	-
<b>Closing Balance at the end of the year</b>	<b>10,000,000</b>	<b>24,500,000</b>

	31.12.2022 Taka	31.12.2021 Taka
<b>14.7 Provision for good borrower</b>		
Opening balance	10,000,000	10,000,000
Addition during the year	-	-
Paid during the year	-	-
<b>Closing Balance at the end of the year</b>	<b>10,000,000</b>	<b>10,000,000</b>
<b>14.8 Provision for Climate Risk Fund</b>		
Opening balance	20,000,000	20,000,000
Addition during the year	-	-
Paid during the year	-	-
<b>Closing Balance at the end of the year</b>	<b>20,000,000</b>	<b>20,000,000</b>
Provision for Climate Risk Fund has been maintained in accordance with GBSRD circular no: 04, dated: 09 July 2015 and SFD circular no: 01, dated: 11 May 2016.		
<b>14.9 Provision for Start-Up Fund</b>		
Opening balance	32,106,411	15,509,355
Addition during the year	24,297,828	16,597,056
Paid during the year	-	-
<b>Closing Balance at the end of the year</b>	<b>56,404,239</b>	<b>32,106,411</b>
Provision for Start-Up Fund has been maintained in accordance with Bangladesh bank SMESPD circular no: 05, dated: 26 April 2021.		
<b>15 Deferred Tax Liability/(Asset)</b>		
Balance at the beginning of the year	136,557,182	100,998,672
Add: Provision made during the year	14,676,980	35,558,510
	<b>151,234,162</b>	<b>136,557,182</b>
<b>Deferred Tax Liability/(Asset)</b>		
Revaluation reserve beginning of the year	328,872,812	337,208,183
Less: Transferred to Retained earnings	8,126,987	8,335,371
	<b>320,745,825</b>	<b>328,872,812</b>
	-	-
<b>Closing balance at the end of the year</b>	<b>471,979,987</b>	<b>465,429,994</b>
Deferred tax detailed calculation disclosed in annexure-G		
<b>15 (a) Consolidated Deferred Tax Liability/(Asset)</b>		
<b>Social Islami Bank Limited</b>	<b>471,979,987</b>	<b>465,429,994</b>
<b>SIBL Securities Limited</b>		
Balance at the beginning of the year	111,731	812,743
Add: Provision made during the year	-	(701,012)
<b>Closing balance at the end of the year</b>	<b>111,731</b>	<b>111,731</b>
<b>Grand total</b>	<b>472,091,718</b>	<b>465,541,725</b>
<b>16 Capital</b>		
<b>16.1 Authorized Capital</b>		
3,000,000,000 ordinary shares of Tk. 10 each	<b>30,000,000,000</b>	<b>30,000,000,000</b>
<b>16.2 Issued, Subscribed and Paid up Capital</b>		
The Paid-up Capital of the Bank is currently Tk. 10,341,542,860 divided into 1,034,154,286 Ordinary Shares of Tk 10 each	<b>10,341,542,860</b>	<b>9,849,088,440</b>
<b>Break up of paid up capital is as follows</b>		
26,000,000 no. Ordinary shares of Tk. 10 issued for cash	260,000,000	260,000,000
477,322,945 no. Ordinary shares of Tk. 10 each for cash as right share	4,773,229,450	4,773,229,450
234,975,697 no.ordinary shares of Tk 10 each issued as bonus shares	2,349,756,970	2,349,756,970
73,829,864 no.ordinary shares of Tk 10 each issued as bonus shares	738,298,640	738,298,640
81,212,850 no.ordinary shares of Tk 10 each issued as bonus shares	812,128,500	812,128,500

	31.12.2022 Taka	31.12.2021 Taka
44,667,067 no.ordinary shares of Tk 10 each issued as bonus shares	446,670,670	446,670,670
46,900,421 no.ordinary shares of Tk 10 each issued as bonus shares	469,004,210	469,004,210
	492,454,420	-
	<b>10,341,542,860</b>	<b>9,849,088,440</b>
Sponsor and Directors	3,315,997,210	3,158,092,740
General Shareholders	7,025,545,650	6,690,995,700
	<b>10,341,542,860</b>	<b>9,849,088,440</b>

### 16.3 Classification of Shareholders by holding

	No. of Shareholders	No. of shares	Percentage of holding of shares
<b>Year 2022</b>			
Less than 500 shares	10,918	1,775,299	0.17%
501 to 5,000 shares	11,261	20,911,396	2.02%
5,001 to 10,000 shares	1,635	11,376,164	1.10%
10,001 to 20,000 shares	823	11,390,396	1.10%
20,001 to 50,000 shares	418	12,907,166	1.25%
50,001 to 99,999 shares	399	975,793,865	94.36%
<b>Total</b>	<b>25,454</b>	<b>1,034,154,286</b>	<b>100.00%</b>
<b>Year 2021</b>			
<b>Shareholding range</b>			
Less than 500 shares	11,566	1,884,625	0.19%
501 to 5,000 shares	11,957	21,959,127	2.23%
5,001 to 10,000 shares	1,629	11,936,915	1.21%
10,001 to 20,000 shares	772	11,144,462	1.13%
20,001 to 50,000 shares	441	14,038,776	1.43%
50,001 to 99,999 shares	378	923,944,939	93.81%
<b>Total</b>	<b>26,743</b>	<b>984,908,844</b>	<b>100.00%</b>

### 16.4 Particulars of shareholding and Percentage Analysis

<b>Year 2022</b>				
<b>Particulars of shareholding:</b>	<b>Number of Share holders</b>	<b>Number of Shares</b>		
Sponsors & Placement	21	98,445,496	984,454,960	1,134,757,820
Sponsors Foreign	10	12,222,609	122,226,090	130,277,700
Sponsors & Placement Company	11	233,154,225	2,331,542,250	2,220,516,470
General Public	24,914	192,869,774	1,928,697,740	1,675,508,420
Institutions (Bank & Insurance)	42	35,367,189	353,671,890	350,504,980
Institution (Others)	422	434,823,756	4,348,237,560	4,100,106,500
ICB Account Holders	22	61,308	613,080	826,240
ICB	1	13,285,046	132,850,460	121,961,540
ICB Unit Fund	1	11,182,555	111,825,550	90,676,310
Employee	3	2,542,045	25,420,450	21,907,580
Non-Resident Bangladeshi	7	200,283	2,002,830	2,044,880
	<b>25,454</b>	<b>1,034,154,286</b>	<b>10,341,542,860</b>	<b>9,849,088,440</b>

	31.12.2022 Taka	31.12.2021 Taka
<b>Percentage of shareholding Analysis:</b>	<b>Percentage</b>	<b>Percentage</b>
Sponsors & Placement	9.52%	11.52%
Sponsors Foreign	1.18%	1.32%
Sponsors & Placement Company	22.55%	22.55%
General Public	18.65%	17.01%
Institutions (Bank & Insurance)	3.42%	3.56%
Institution (Others)	42.05%	41.63%
ICB Account Holders	0.01%	0.01%
ICB	1.28%	1.24%
ICB Unit Fund	1.08%	0.92%
Employee	0.25%	0.22%
Non-Resident Bangladeshi	0.02%	0.02%
	<b>100%</b>	<b>100%</b>
<b>16.5 Capital Adequacy (Solo Basis)</b>		
Position of capital adequacy are given below:-		
<b>a) Going Concern Capital ( Tier -I)</b>		
<b>Common Equity Tier I (CET-1) Capital</b>		
i) Paid-up Capital	10,341,542,860	9,849,088,440
ii) Statutory Reserve (Note: 17)	8,386,157,907	7,605,264,974
iii) Retained Earnings (Note: 19)	1,494,121,487	1,226,046,292
	<b>20,221,822,254</b>	<b>18,680,399,705</b>
Adjustment in CET-1 (Intangible Assets i.e Software)	218,436,829	194,557,589
<b>Eligible Common Equity Tier I Capital</b>	<b>20,003,385,425</b>	<b>18,485,842,117</b>
<b>Additional Tier I (AT-1) Capital</b>		
i) SIBLMudaraba Perpetual Bonds	5,000,000,000	5,000,000,000
<b>Available Additional Tier I Capital</b>	<b>5,000,000,000</b>	<b>5,000,000,000</b>
<b>Limit for Additional Tier I Capital</b>	<b>4,287,807,544</b>	<b>4,196,627,222</b>
<b>Total Eligible Tier I Capital</b>	<b>24,291,192,969</b>	<b>22,682,469,338</b>
<b>b) Gone Concern Capital (Tier-II)</b>		
i) General Provision {Note 14.1(b+c)}	5,982,734,936	5,965,478,813
ii) SIBLMudaraba Subordinated Bonds	3,000,000,000	3,800,000,000
iii) Others (As per RBCA Guideline of BB)	712,192,456	-
<b>Available Tier II Capital</b>	<b>9,694,927,392</b>	<b>9,765,478,813</b>
<b>Limit for Tier II Capital</b>	<b>11,434,153,451</b>	<b>11,191,005,924</b>
<b>Total Eligible Tier II Capital</b>	<b>9,694,927,392</b>	<b>9,765,478,813</b>
<b>c) Total eligible capital (a +b)</b>	<b>33,986,120,360</b>	<b>32,447,948,152</b>
<b>d) Total Risk Weighted Assets</b>	<b>285,853,836,276</b>	<b>279,775,148,100</b>
<b>e) Minimum Required Capital (10% of Risk Weighted Assets)</b>	<b>28,585,383,628</b>	<b>27,977,514,810</b>
<b>f) Minimum Required Capital including conservation buffer (12.5% of Risk weighted assets)</b>	<b>35,731,729,535</b>	<b>34,971,893,513</b>
<b>g) Total Capital Surplus (c-e)</b>	<b>5,400,736,733</b>	<b>4,470,433,342</b>



	31.12.2022 Taka	31.12.2021 Taka
<b>Capital Adequacy (Consolidated basis)</b>		
Position of capital adequacy are given below:-		
<b>a) Going Concern Capital (Tier-I)</b>		
<b>Common Equity Tier I (CET-1) Capital</b>		
i) Paid-up Capital	10,341,542,860	9,849,088,440
ii) Statutory Reserve (Note: 17)	8,386,157,907	7,605,264,974
iii) General Reserve	13,938,397	13,938,397
iv) Retained Earnings (Note: 19(a))	1,586,161,147	1,363,252,358
v) Minority Interest in Subsidiaries	1,963	1,937
	<b>20,327,802,274</b>	<b>18,831,546,106</b>
Adjustment in CET-1 (Intangible Assets i.e Software)	219,437,677	194,557,589
<b>Eligible Common Equity Tier I Capital</b>	<b>20,108,364,596</b>	<b>18,636,988,517</b>
<b>Additional Tier I (AT-1) Capital</b>		
i) SIBLMudaraba Perpetual Bonds	5,000,000,000	5,000,000,000
<b>Available Additional Tier I (AT-1) Capital</b>	<b>5,000,000,000</b>	<b>5,000,000,000</b>
Limit for Additional Tier I Capital	4,312,791,595	4,201,942,382
<b>Total Eligible Tier I Capital</b>	<b>24,421,156,191</b>	<b>22,838,930,898</b>
<b>b) Gone Concern Capital (Tier-II)</b>		
i) General Provision (Note 14.1(b+c))	5,982,734,936	5,965,478,813
ii) SIBLMudaraba Subordinated Bonds	3,000,000,000	3,800,000,000
iii) Others (As per RBCA Guideline of BB)	687,208,405	-
<b>Available Tier II Capital</b>	<b>9,669,943,341</b>	<b>9,765,478,813</b>
<b>Limit for Eligible Tier II Capital</b>	<b>11,500,780,826</b>	<b>11,205,179,684</b>
<b>Total Eligible Tier II Capital</b>	<b>9,669,943,341</b>	<b>9,765,478,813</b>
<b>c) Total eligible capital (a +b)</b>	<b>34,091,099,532</b>	<b>32,604,409,712</b>
<b>d) Total Risk Weighted Assets</b>	<b>286,799,462,864</b>	<b>280,129,492,100</b>
<b>e) Minimum Required Capital (10% of Risk Weighted Assets)</b>	<b>28,679,946,286</b>	<b>28,012,949,210</b>
<b>f) Minimum Required Capital including conservation buffer (12.5% of Risk Weighted Assets)</b>	<b>35,849,932,858</b>	<b>35,016,186,513</b>
<b>g) Total Capital Surplus (c-e)</b>	<b>5,411,153,246</b>	<b>4,591,460,502</b>

#### Capital to Risk Weighted Asset Ratio (Solo basis)

Particulars	31.12.2022		31.12.2021	
	Requirement	Capital Maintained	Requirement	Capital Maintained
Going Concern Capital: (Tier-I)	6.00%	8.50%	6.00%	8.11%
Common Equity Tier I Capital: (CET-1)	4.50%	7.00%	4.50%	6.61%
CET-1 Plus Conservation Buffer	7.00%	7.00%	7.00%	6.61%
Gone Concern Capital: (Tier-II)	0.00%	3.39%	0.00%	3.49%
Minimum CRAR	10.00%	11.89%	10.00%	11.60%
<b>Minimum CRAR Plus Conservation Buffer</b>	<b>12.50%</b>	<b>11.89%</b>	<b>12.50%</b>	<b>11.60%</b>

**Capital Adequacy Ratio (Consolidated basis)**

Particulars	31.12.2022		31.12.2021	
	Requirement	Capital Maintained	Requirement	Capital Maintained
Going Concern Capital: (Tier-I )	6.00%	8.52%	6.00%	8.15%
Common Equity Tier I Capital: (CET-1)	4.50%	7.01%	4.50%	6.65%
CET-1 Plus Conservation Buffer	7.00%	7.01%	7.00%	6.65%
Going Concern Capital: (Tier-II)	0.00%	3.37%	0.00%	3.49%
Minimum CRAR	10.00%	11.89%	10.00%	11.64%
<b>Minimum CRAR Plus Conservation Buffer</b>	<b>12.50%</b>	<b>11.89%</b>	<b>12.50%</b>	<b>11.64%</b>

**16.6 Breakdown of gross Risk-Weighted Assets (RWA) in the various categories of risk-weights**

**Solo Basis**

**a) Risk Weights for Credit Risk**

(Amount in Taka)

Risk Weights (Both B/S & Off-B/S)	31.12.2022		31.12.2021	
	Principal amount	Risk Weighted Assets	Principal amount	Risk Weighted Assets
0%	56,917,996,764	-	57,273,000,000	-
20%	57,469,311,043	11,493,862,209	47,806,397,000	9,561,279,400
40%	1,086,680,602	434,672,241	1,258,073,000	503,229,200
50%	116,727,856,887	58,363,928,444	107,553,953,000	53,776,976,500
60%	24,110,356,596	14,466,213,958	22,269,400,000	13,361,640,000
75%	18,499,079,549	13,874,309,662	30,042,621,000	22,531,965,750
80%	8,799,533,679	7,039,626,943	8,390,000,000	6,712,000,000
100%	121,182,686,985	121,182,686,985	95,831,426,000	95,831,426,000
120%	-	-	-	-
125%	34,412,570,981	22,143,371,758	45,372,561,000	46,420,801,250
150%	6,534,260,612	9,801,390,917	6,193,320,000	9,289,980,000
<b>Total</b>	<b>445,740,333,699</b>	<b>258,800,063,116</b>	<b>421,990,751,000</b>	<b>257,989,298,100</b>
<b>b) Risk Weights for Operational Risk</b>	2,138,231,378	<b>21,382,313,784</b>	2,078,595,000	<b>20,785,950,000</b>
<b>c) Risk Weights for Market Risk</b>	567,145,938	<b>5,671,459,376</b>	99,990,000	<b>999,900,000</b>
<b>Total Risk Weighted Assets</b>		<b>285,853,836,276</b>		<b>279,775,148,100</b>

**Consolidate basis**

**a) Risk Weights for Credit Risk**

(Amount in Taka)

Risk Weights (Both B/S & Off-B/S)	31.12.2022		31.12.2021	
	Principal amount	Risk Weighted Assets	Principal amount	Risk Weighted Assets
0%	56,919,218,362	-	57,423,000,000	-
20%	57,469,326,598	11,493,865,320	47,806,397,000	9,561,279,400
40%	1,086,680,602	434,672,241	1,258,073,000	503,229,200
50%	116,727,856,887	58,363,928,444	107,553,953,000	53,776,976,500
60%	24,110,356,596	14,466,213,958	22,269,400,000	13,361,640,000
75%	18,499,079,549	13,874,309,662	30,042,621,000	22,531,965,750

(Amount in Taka)

Risk Weights (Both B/S & Off-B/S)	31.12.2022		31.12.2021	
	Principal amount	Risk Weighted Assets	Principal amount	Risk Weighted Assets
80%	8,799,533,679	7,039,626,943	8,390,000,000	6,712,000,000
100%	121,842,334,559	121,842,334,559	98,190,545,000	98,190,545,000
120%	-	-	-	-
125%	33,719,101,145	21,276,534,463	43,274,661,000	43,798,426,250
150%	6,534,260,612	9,801,390,917	6,193,320,000	9,289,980,000
<b>Total</b>	<b>445,707,748,590</b>	<b>258,592,876,506</b>	<b>422,401,970,000</b>	<b>257,726,042,100</b>
<b>b) Risk Weights for Operational Risk</b>	2,167,450,507	<b>21,674,505,072</b>	2,094,675,000	<b>20,946,750,000</b>
<b>c) Risk Weights for Market Risk</b>	653,208,129	<b>6,532,081,287</b>	145,670,000	<b>1,456,700,000</b>
<b>Total Risk Weighted Assets</b>		<b>286,799,462,864</b>		<b>280,129,492,100</b>

	31.12.2022 Taka	31.12.2021 Taka
<b>17 Statutory Reserve</b>		
Opening balance	7,605,264,974	7,030,390,821
Add: Addition during the year	780,892,933	574,874,153
	<b>8,386,157,907</b>	<b>7,605,264,974</b>
<b>17(a) General Reserve</b>		
Opening balance	13,938,397	11,314,058
Add: Addition during the year	-	2,624,339
Less: Adjustment during the year	-	-
	<b>13,938,397</b>	<b>13,938,397</b>
<b>18 Revaluation Reserve on fixed assets</b>		
Carrying (Revalued) amount of fixed assets (Land and Building)	557,024,130	571,142,055
Less: Adjustment made based on difference amount of depreciation	13,764,977	14,117,926
<b>Remaining balance of revaluation reserve</b>	<b>543,259,152</b>	<b>557,024,130</b>

Property class under the head 'Land and Building' have been revalued in the year 2011, in accordance with the applicable rules and regulations as per IAS-16, 'Property, Plant and Equipment' and as per Bangladesh Bank BCD circular letter no: 12 & 18, dated: 20 April 1993 & 15 June 1993 and BRPD circular no: 10, dated: 25 November 2002. The valuation firms have used the fair value model to revalue the class of property. The valuation was not reviewed after year 2011.

**a. The effective date of revaluation:**

The revaluation was completed by the valuers on 20.03.2011. And The revaluation effect on the assets have been accounted for on 30.03.2011.

**b. Valuer:**

Two separate independent valuer firm 'Commodity Inspection Services (BD) Ltd.' and 'Royal Inspection International Ltd.' have been assigned to carry on the valuation job.

**c. Method used for determination of fair value:**

The valuer firms have used the market-based evidence to appraise the class of property 'Land and Building'. They have used current market prices as reference that has recently been observed for selling the land and buildings of same class of the same locality for appraising the fair value. Using the appraisal they have determined the amount of revaluation of the assets.

(amounts in Taka)

Location	Class of property	Cost less depreciation	Revaluation Surplus as on 31.12.2022	Depreciation on revalued amount	Depreciation on cost	Amount of adjustment for the year 2022
City Center, Head Office	Building	304,465,461	727,121,339	25,789,670	7,611,637	18,178,033
Chandaikona Branch	Land	2,111,623	10,218,377		-	-
	Building	896,803	1,001,655	47,461	22,420	25,041
Savar Branch	Building	24,445,179	22,165,330	1,165,263	611,129	554,133
Panthapath Branch	Building	20,339,053	41,072,543	1,535,290	508,476	1,026,814
Rampura Branch	Building	30,274,089	28,806,519	1,477,015	756,852	720,163
Khulna Branch	Building	14,263,265	11,238,342	637,540	356,582	280,959
Nawabpur Road Branch	Building	49,781,731	44,272,838	2,351,364	1,244,543	1,106,821
		<b>446,577,203</b>	<b>885,896,943</b>	<b>33,003,604</b>	<b>11,111,640</b>	<b>21,891,964</b>

	31.12.2022 Taka	31.12.2021 Taka
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**19 Retained Earnings**

Opening balance	1,226,046,292	1,056,769,989
Less: Issue of cash dividend 5%	(492,454,422)	(469,004,212)
Less: Issue of Stock dividend 5%	(492,454,420)	(469,004,210)
Add: Transferred from Profit & Loss Account	1,231,092,073	1,084,831,428
Add: Transferred from Revaluation Reserve for Fixed Assets	21,891,964	22,453,297
	<b>1,494,121,487</b>	<b>1,226,046,292</b>

**19(a) Consolidated retained earnings**

Opening Balance	1,363,252,358	1,103,498,067
Less: Issue of cash dividend for SIBL shareholders 5%	(492,454,422)	(469,004,212)
Less: Issue of Stock dividend 5%	(492,454,420)	(469,004,210)
Add: Transferred from current year retained earnings of SIBL & its subsidiaries (note 19.1(a))	1,262,800,666	1,175,309,416
Add: Transferred from Revaluation Reserve for Fixed Assets of SIBL	21,891,964	22,453,297
Less: Common income (Dividend) for elimination SIBL Securities Ltd.	(76,875,000)	-
	<b>1,586,161,147</b>	<b>1,363,252,358</b>

SIBL has invested amount of Taka- 1,537,498,800 and Taka- 249,999,200 in two of its subsidiaries 'SIBL Securities Ltd. (SIBL SL)' and 'SIBL Investment Ltd. (SIBL IL)' respectively. SIBL holds 99.999922% and 99.99968% of total shares of its subsidiaries 'SIBL SL.' and 'SIBL IL.' respectively while the other shareholders of the subsidiaries hold 0.000078% and 0.00032% of total shares respectively.

Details of the shareholding position is as under:

Sl no.	Shareholders	No. Shares		Value of shares		Percentage of holding of shares	
		SIBL SL	SIBL IL	SIBL SL	SIBL IL	SIBL SL	SIBL IL
1	Social Islami Bank Limited	15,374,988	2,499,992	1,537,498,800	249,999,200	99.999922%	99.99968%
2	Alhaj Nasiruddin	1	1	100	100	0.000007%	0.00004%
3	Mr. Md. Sayedur Rahman	1	-	100	-	0.000007%	-
4	Major (Retd.) Dr. Md. Rezaul Haque	1	1	100	100	0.000007%	0.00004%
5	Alhaj Sultan Mahmood Chowdhury	1	1	100	100	0.000007%	0.00004%
6	Mr. Abdul Awal Patwary	1	1	100	100	0.000007%	0.00004%
7	Hamdard Laboratories (Waqf) Bangladesh, Represented by: Mr. Anisul Hoque	1	-	100	-	0.000007%	-
8	Mrs. Nargis Mannan	1	-	100	-	0.000007%	-

SI no.	Shareholders	No. Shares		Value of shares		Percentage of holding of shares	
		SIBL SL	SIBL IL	SIBL SL	SIBL IL	SIBL SL	SIBL IL
9	Mr. Kamaluddin Ahmed	1	1	100	100	0.000007%	0.00004%
10	Alhaj Sk. Mohammad Rabban Ali	1	1	100	100	0.000007%	0.00004%
11	Mr. A. Jabbar Mollah	1	-	100	-	0.000007%	-
12	Mr. Md. Kamal Uddin	1	1	100	100	0.000007%	0.00004%
13	Mr. Belal Ahmed	1	1	100	100	0.000007%	0.00004%
		<b>15,375,000</b>	<b>2,500,000</b>	<b>1,537,500,000</b>	<b>250,000,000</b>	<b>100.00%</b>	<b>100.00%</b>

	31.12.2022 Taka	31.12.2021 Taka
<b>19.1 Current year retained earnings</b>		
<b>Social Islami Bank Limited</b>		
Profit after tax	2,429,782,845	1,659,705,580
Less : Statutory Reserve	780,892,933	574,874,153
Less : Start up Fund	24,297,828	-
Less : Coupon/dividend on perpetual bond	393,500,011	-
	<b>1,231,092,073</b>	<b>1,084,831,428</b>
<b>19.1(a) Consolidated Current year retained earnings</b>		
Profit after tax of SIBL	2,461,491,465	1,750,183,666
Less :Statutory Reserve	780,892,933	574,874,153
Less : Start up Fund	24,297,828	-
Less : Coupon/dividend on perpetual bond	393,500,011	-
<b>Profit/(Loss) attributable to Group</b>	<b>1,262,800,692</b>	<b>1,175,309,513</b>
<b>Add: Profit/(loss) of subsidiaries</b>		
<b>Add: Current year profit/(loss) of subsidiaries</b>		
SIBL Securities Limited	31,177,838	76,499,992
SIBL Investment Limited	530,781	13,978,092
	<b>31,708,619</b>	<b>90,478,084</b>
<b>Less: Non controlling interests of profit/(loss) attributable for current year</b>		
SIBL Securities Limited	24	60
SIBL Investment Limited	2	37
	<b>26</b>	<b>97</b>
<b>Less: Common income (Dividend) for elimination</b>		
SIBL Securities Limited		-
<b>Profit/(Loss) attributable to parent</b>	<b>1,262,800,666</b>	<b>1,175,309,416</b>
<b>19(b) Non-controlling interest</b>		
<b>SIBL Securities Limited</b>		
Paid up capital	1,537,500,000	1,537,500,000
Retained earnings	72,362,892	118,060,054
<b>Net Assets</b>	<b>1,609,862,892</b>	<b>1,655,560,054</b>
<b>SIBL Investment Limited</b>		
Paid up capital	250,000,000	250,000,000
Retained earnings	19,677,133	19,146,352
<b>Net Assets</b>	<b>269,677,133</b>	<b>269,146,352</b>
<b>Non-controlling interests</b>		
SIBL Securities Limited, @ 0.000078% of net assets	<b>1,311</b>	<b>1,287</b>
SIBL Investment Limited, @0.00032% of net assets	<b>652</b>	<b>650</b>
<b>Total non-controlling interest</b>	<b>1,963</b>	<b>1,937</b>

	31.12.2022 Taka	31.12.2021 Taka
<b>20 Contingent liabilities</b>		
<b>20.1 Acceptances and Endorsements</b>		
Bill Bankers' liabilities (DP)	35,214,068,400	15,754,462,900
Bill Bankers' liabilities (BB/FO)	1,153,003,000	899,343,000
Bill Bankers' liabilities (BB/LO)	6,107,786,000	4,339,580,500
Bill Bankers' liabilities (EPZ)	677,541,000	473,257,000
Bill Bankers' liabilities Others	314,620,851	273,354,000
	<b>43,467,019,251</b>	<b>21,739,997,400</b>
<b>20.2 Letter of Credit</b>		
L/C Bankers' liabilities (DP)	2,650,787,000	5,796,829,000
L/C Bankers' liabilities (BB/FO)	996,426,000	1,197,417,000
L/C Bankers' liabilities (BB/LO)	2,427,391,100	2,736,419,000
L/C Bankers' liabilities (Cash)	8,931,263,438	8,604,284,387
L/C Bankers' liabilities (EPZ)	1,745,474,000	2,523,182,965
L/C Bankers' liabilities (Others)	83,697,500	251,292,000
	<b>16,835,039,038</b>	<b>21,109,424,352</b>
<b>20.3 Letters of guarantees</b>		
Letters of guarantee	<b>8,965,901,893</b>	<b>9,340,583,965</b>
<b>20.4 Bills for collection</b>		
In-ward bills for collection	-	-
Out-ward Bills for Collection	8,492,000,669	7,273,898,617
	<b>8,492,000,669</b>	<b>7,273,898,617</b>
<b>20.5 Other Contingent Liabilities</b>	-	-
<b>20.6 Other Commitments</b>	-	-
<b>Total Off-balance sheet items</b>	<b>77,759,960,851</b>	<b>59,463,904,333</b>
<b>Income Statement (Note-21 to Note-39)</b>		
<b>Income:</b>		
Income from Investment (Note-21)	21,643,793,225	23,960,778,190
Income from Investment in Shares & Securities (Note-23)	1,407,929,007	793,239,363
Commission, Exchange and Brokerage Income (Note-24)	3,803,725,179	1,461,194,791
Other operating income (Note-25)	888,118,466	677,986,092
	<b>27,743,565,877</b>	<b>26,893,198,435</b>
<b>Expenses:</b>		
Profit paid on Deposits (Note-22)	15,648,810,651	16,146,371,912
Administrative expenses	4,364,898,347	3,602,941,290
Other operating expenses	2,363,413,037	1,984,228,765
Depreciation on Banking assets	631,420,596	633,423,051
	<b>23,008,542,631</b>	<b>22,366,965,018</b>
<b>Income over expenditure</b>	<b>4,735,023,246</b>	<b>4,526,233,418</b>
<b>21 Income from Investment</b>		
Profit on Murabaha	226,301,142	108,159,934
Profit on Bai-Muazzal	13,744,973,302	16,707,154,497
Profit on Hire-Purchase	4,082,743,327	4,410,787,567
Profit on Musharka	14,460,206	16,067,284
Profit on Bai-Salam	71,620,656	60,405,980
Profit on Quard against MTDR, Scheme and others	747,573,310	675,808,427
Profit on Inland Document Bill Purchased	385,594,401	269,652,889
Profit on Foreign Document Bill Purchased	1,230,823,088	901,076,716
Profit on Ijarah	33,155,926	43,898,002
Profit on Investment against Mudaraba Deposit with other Banks and NBFIs	574,995,157	521,577,525
Profit on other investments (Card, Wakalat fee etc.)	270,801,357	205,758,881
Profit on Mudaraba	260,751,352	40,430,486
	<b>21,643,793,225</b>	<b>23,960,778,190</b>

	31.12.2022 Taka	31.12.2021 Taka
<b>21(a) Consolidated income from investment</b>		
<b>Social Islami Bank Ltd.</b>	<b>21,643,793,225</b>	<b>23,960,778,190</b>
<b>Add: Income from investment of subsidiaries of SIBL</b>	<b>117,109,611</b>	<b>141,379,265</b>
SIBL Securities Ltd.	117,109,611	141,183,086
SIBL Investment Ltd.	-	196,179
<b>Grand total of consolidated investment income</b>	<b>21,760,902,836</b>	<b>24,102,157,455</b>
<b>22 Profit paid on Deposits</b>		
<b>Profit paid on deposits</b>		
Mudaraba Savings Deposits (MSD)	932,782,616	830,489,681
Mudaraba short notice deposit (MSND)	555,661,121	480,312,992
Mudaraba term deposit (MTDR)	9,942,619,163	10,178,731,873
Cash waqf fund deposit	26,789,358	26,997,067
Profit paid on Scheme Deposits & others	3,598,095,035	3,801,275,415
	<b>15,055,947,292</b>	<b>15,317,807,029</b>
<b>Profit paid on borrowings</b>	<b>187,293,830</b>	<b>85,322,013</b>
<b>SIBL Mudaraba Subordinate Bond</b>	<b>405,569,529</b>	<b>743,242,869</b>
<b>Total profit paid on deposits and borrowings</b>	<b>15,648,810,651</b>	<b>16,146,371,912</b>
<b>22(a) Consolidated Profit paid on Deposits</b>		
<b>Social Islami Bank Ltd.</b>	<b>15,648,810,651</b>	<b>16,146,371,912</b>
<b>Add: Income from investment of subsidiaries of SIBL</b>	<b>71,616,883</b>	<b>71,387,281</b>
SIBL Securities Ltd.	71,616,883	71,387,281
SIBL Investment Ltd.	-	-
<b>Grand total of consolidated Profit paid on Deposits</b>	<b>15,720,427,535</b>	<b>16,217,759,192</b>
<b>23 Income from Investment in Shares &amp; Securities</b>	583,023,697	141,471,857
	40,622,402	184,218,839
Income from Investment in Islamic Bond	150,371,826	179,347,654
Income from Investment in Shares	364,809,684	94,477,398
Income from Mudaraba Subordinate Bond	82,083,656	3,164,835
Income from Mudaraba Perpetual Bond	187,017,742	190,558,781
Income from Beximco Green Sukuk bond	<b>1,407,929,007</b>	<b>793,239,363</b>
Dividend Income		
Social Islami Bank Ltd. has investment of Tk. 100.00 crore in Bangladesh Govt. Islamic Investment Bond for which 1.20% average rate of income has been provided for January-December 2022. The nature of the Fund is to generate profit according to Mudaraba Principle.		
<b>23(a) Consolidated income from Investment in Shares &amp; Securities</b>		
<b>Social Islami Bank Ltd.</b>	<b>1,407,929,007</b>	<b>793,239,363</b>
<b>Add: Income from Investment in Shares &amp; Securities of subsidiaries of SIBL</b>	<b>29,199,755</b>	<b>32,295,266</b>
SIBL Securities Ltd.	27,119,297	19,023,461
SIBL Investment Ltd.	2,080,458	13,271,805
<b>Less: Common income for elimination</b>		
SIBL Securities Ltd.	-	-
<b>Grand total of consolidated income from Investment in Shares &amp; Securities</b>	<b>1,437,128,763</b>	<b>825,534,629</b>
<b>24 Commission, Exchange &amp; Brokerage</b>		
Commission	753,116,234	683,994,762
Exchange income	3,050,608,945	777,200,029
	<b>3,803,725,179</b>	<b>1,461,194,791</b>



	31.12.2022 Taka	31.12.2021 Taka
<b>24(a) Consolidated income from commission, exchange &amp; brokerage</b>		
<b>Social Islami Bank Ltd.</b>	<b>3,803,725,179</b>	<b>1,461,194,791</b>
<b>Add: Income from commission, exchange &amp; brokerage of subsidiaries of SIBL</b>	<b>106,149,985</b>	<b>174,101,064</b>
SIBL Securities Ltd.	106,149,985	174,101,064
SIBL Investment Ltd.	-	-
<b>Grand total of consolidated income from commission, exchange &amp; brokerage</b>	<b>3,909,875,163</b>	<b>1,635,295,855</b>
<b>25 Other Operating Income</b>		
P & T charge recovered	472,396	1,847,828
Courier Charges Recovery & Others	10,137,574	6,995,707
Services & charges	429,126,749	310,856,350
SWIFT/ Return charge recovered	54,469,130	45,627,920
Other charges (Note: 25.1)	393,912,618	312,658,286
	<b>888,118,466</b>	<b>677,986,092</b>
<b>25(a) Consolidated other operating income</b>		
<b>Social Islami Bank Ltd.</b>	<b>888,118,466</b>	<b>677,986,092</b>
<b>Add: Other operating income of subsidiaries of SIBL</b>	<b>1,155,163</b>	<b>5,389,540</b>
SIBL Securities Ltd.	1,155,163	3,084,874
SIBL Investment Ltd.	-	2,304,666
<b>Grand total of consolidated income from other operating income</b>	<b>889,273,628</b>	<b>683,375,632</b>
<b>25.1 Other Charges</b>		
Rent receipts	4,008,002	3,277,572
Income from sale of forms	159,365	201,600
Service charge on SIBL Cards	165,165,880	131,120,901
Notice pay earnings	9,012,349	5,240,730
Miscellaneous income	215,567,022	172,817,483
	<b>393,912,618</b>	<b>312,658,286</b>
<b>26 Salary &amp; Allowances</b>		
Basic Salary	1,779,595,867	1,471,520,386
Allowances	1,748,452,777	1,364,627,493
Bonus	519,563,762	445,987,992
L/E Salary & Allowances	120,029,982	151,683,537
Bank's Contribution to Provident fund	159,598,897	140,791,169
Bank's Contribution to Social Insurance fund	15,986,710	14,072,362
SIBL Group life Insurance Premium	4,548,682	3,833
	<b>4,347,776,677</b>	<b>3,588,686,773</b>
<b>26(a) Consolidated expenses for Salary and Allowance</b>		
<b>Social Islami Bank Ltd.</b>	<b>4,347,776,677</b>	<b>3,588,686,773</b>
<b>Add: Salary and Allowance for subsidiaries</b>	<b>44,793,620</b>	<b>34,716,820</b>
SIBL Securities Ltd.	44,793,620	34,716,820
SIBL Investment Ltd.	-	-
	<b>4,392,570,297</b>	<b>3,623,403,593</b>
<b>27 Rent, Taxes, Insurance &amp; Electricity etc.</b>		
Rent, Rates & Taxes (note: 27.1)	259,824,228	192,879,597
Insurance (note: 27.2)	210,672,082	210,378,129
Electricity, Lighting & Water (note: 27.3)	114,488,763	101,615,140
	<b>584,985,073</b>	<b>504,872,866</b>

	31.12.2022 Taka	31.12.2021 Taka
<b>27.1 Rent, Rates &amp; Taxes</b>		
Rent, Rates & Taxes (note: 27.1.1)	464,315,156	420,013,566
Less: rent expenses under IFRS-16 *	204,490,929	227,133,969
	<b>259,824,228</b>	<b>192,879,597</b>
<p>*While implementing IFRS 16 (leases), the bank recorded interested expenses on lease liability and depreciation on right of use assets (ROU) instead of charging rental expenses of Taka 204,490,929 (excluding VAT) in 2022 against those rental premises that have been treated as right of use assets (ROU) (lease assets) however VAT on those rent has been charged as rent.</p>		
<b>27(a) Consolidated expenses for rent, taxes, insurance &amp; electricity</b>		
<b>Social Islami Bank Ltd.</b>	<b>584,985,073</b>	<b>504,872,866</b>
<b>Add: Rent, Taxes, Insurance &amp; Electricity etc. of subsidiaries</b>	<b>62,050</b>	<b>737,401</b>
SIBL Securities Ltd.	62,050	737,401
SIBL Investment Ltd.	-	-
	<b>585,047,123</b>	<b>505,610,267</b>
<b>Rent, Rates &amp; Taxes</b>		
Office rent	62,050	
Less: Adjustment due to execution of IFRS 16 for the first time	-	-
	<b>62,050</b>	<b>-</b>
VAT on office rent	-	<b>737,401</b>
<b>Total Rent, Rates &amp; Taxes</b>	<b>62,050</b>	<b>737,401</b>
<b>27.1.1 Rents, Rates, Taxes, Insurance &amp; Lighting etc.</b>		
<b>Rents</b>		
Rent (Office)	446,500,832	403,791,678
Rent (Garage)	344,480	340,955
Rent (Godown & others)	10,492,389	6,756,623
	<b>457,337,701</b>	<b>410,889,256</b>
<b>Rates and Taxes</b>	<b>6,977,455</b>	<b>9,124,310</b>
<b>Total Rents, Rates &amp; Taxes</b>	<b>464,315,156</b>	<b>420,013,566</b>
<b>27.2 Insurances</b>		
Insurance Premium in Counter	1,342,045	1,110,764
Insurance Premium in Transit	6,035,474	6,220,729
Insurance Premium Safe/Vault	8,413,508	7,878,274
Insurance Premium on deposit	192,370,691	192,382,292
Insurance Premium on Vehicle	905,849	1,198,019
Other Insurance	1,604,515	1,588,052
	<b>210,672,082</b>	<b>210,378,129</b>
<b>27.3 Lighting &amp; Electricity</b>		
Lighting & Electricity Bill (Office)	105,310,679	92,436,923
Lighting & Electricity Charges (Office)	5,213,231	5,320,659
<b>Sub Total</b>	<b>110,523,910</b>	<b>97,757,582</b>
<b>Water &amp; Sewerage</b>	<b>3,964,853</b>	<b>3,857,558</b>
	<b>114,488,763</b>	<b>101,615,140</b>
<b>28 Legal Expenses</b>		
Legal Fees & Charge	4,512,593	3,804,599
Stamp Duties	68,114	51,046
Other Legal Expenses	4,622,635	3,627,941
	<b>9,203,342</b>	<b>7,483,586</b>

	31.12.2022 Taka	31.12.2021 Taka
<b>29 Postage, Stamps, Telecommunication etc.</b>		
Cable Network rent	229,127	272,649
Telephone charges	1,487,948	2,030,960
Mobile phone charges	4,279,414	4,461,503
	<b>5,996,488</b>	<b>6,765,111</b>
<b>29(a) Consolidated expenses for Postage, Stamps, Telecommunication etc.</b>		
<b>Social Islami Bank Limited</b>	<b>5,996,488</b>	<b>6,765,111</b>
<b>Add: Postage, Stamps, Telecommunication etc. expenses for subsidiaries</b>	<b>1,881,575</b>	<b>1,899,912</b>
SIBL Securities Ltd.	1,881,575	1,899,912
SIBL Investment Ltd.	-	-
	<b>7,878,063</b>	<b>8,665,023</b>
<b>30 Stationery, Printing, Advertisements etc.</b>		
Table Stationery	20,247,773	8,154,025
Printing & Stationery	44,434,005	46,032,881
News Paper & Magazine	8,700,210	11,281,083
Television & Radio	33,999,750	30,443,900
Neon Sign, Banner etc.	864,942	736,092
Other Publicity	11,846,425	8,056,949
	<b>120,093,105</b>	<b>104,704,930</b>
<b>30(a) Consolidated expense of Stationery, Printing, Advertisement etc.</b>		
<b>Social Islami Bank Ltd.</b>	<b>120,093,105</b>	<b>104,704,930</b>
<b>Stationery, Printing, Advertisement expense of Subsidiaries of SIBL</b>	<b>204,555</b>	<b>573,421</b>
SIBL Securities Limited.	204,555	573,421
SIBL Investment Limited.	-	-
	<b>120,297,660</b>	<b>105,278,351</b>
<b>31 Managing Director's salary and allowances</b>		
Basic Salary	7,800,000	8,350,645
Allowances	7,141,670	3,613,872
Festival & other Bonus	2,180,000	2,290,000
	<b>17,121,670</b>	<b>14,254,517</b>
<b>32 Directors' Fees &amp; Meeting Expenses</b>		
Directors Fee	1,999,335	2,141,936
Meeting Expenses	1,780,826	305,882
	<b>3,780,162</b>	<b>2,447,818</b>
<b>32(a) Consolidated Directors' fees &amp; Meeting Expenses:</b>		
<b>Social Islami Bank Limited</b>	<b>3,780,162</b>	<b>2,447,818</b>
<b>Directors' Fees &amp; Meeting Expenses of Subsidiaries of SIBL</b>	<b>333,000</b>	<b>353,000</b>
SIBL Securities Limited	333,000	353,000
SIBL Investment Limited	-	-
	<b>4,113,162</b>	<b>2,800,818</b>

	31.12.2022 Taka	31.12.2021 Taka
<b>33 Shariah Supervisory Committee's Fees &amp; Expenses</b>		
Shariah Council Meeting Expenses	444,666	144,284
	<b>444,666</b>	<b>144,284</b>
<b>34 Depreciation and Repair of Bank's Assets</b>		
<b>a) Depreciation of Bank's Assets (Annexure A)</b>		
Land	-	-
Building	45,555,065	46,067,345
Furniture & Fixtures	101,343,499	82,969,028
Office Appliance & Equipment	168,543,506	154,904,020
Computer Software	19,518,099	19,751,616
Vehicles	2,991,952	10,054,201
Right of use Assets (RoU)	175,305,635	205,880,240
Books	68,230	70,020
	<b>513,325,986</b>	<b>519,696,469</b>
<b>b) Repair on Bank's Assets</b>		
Building	148,519	45,300
Motor Car/ Vehicle	17,210,616	17,200,964
Furniture Fixture	4,272,335	3,321,587
Mechanical Appliances	18,773,846	23,264,904
Software Maintenance fee	4,294	7,165
Hardware Maintenance fee	5,980	620
IT Enable Service Charges	77,679,019	69,886,042
	<b>118,094,609</b>	<b>113,726,582</b>
<b>Total of Depreciation and repair of Bank's Assets</b>	<b>631,420,596</b>	<b>633,423,051</b>
<b>34(a) Consolidated balance of Depreciation</b>		
<b>Social Islami Bank Ltd.</b>	<b>631,420,596</b>	<b>633,423,051</b>
<b>Add: Depreciation on assets of subsidiaries</b>	<b>6,740,610</b>	<b>5,563,270</b>
SIBL Securities Ltd.	6,740,610	5,563,270
SIBL Investment Ltd.	-	-
<b>Add: Repairs &amp; Maintainance on assets of subsidiaries</b>	<b>875,254</b>	<b>1,224,715</b>
SIBL Securities Ltd.	875,254	1,224,715
SIBL Investment Ltd.	-	-
	<b>639,036,460</b>	<b>640,211,037</b>
<b>35 Other Expenses</b>		
Local conveyance	18,581,955	12,360,515
Petroleum, oil & lubricants	23,743,260	15,012,247
Entertainment expenses	50,938,985	42,552,612
Traveling allowances	22,154,095	8,558,039
Travelling Foreign	1,745,834	-
Bank charges	11,801,043	5,304,622
Uniform charges	2,451,251	2,236,764
Subscriptions to Institutions & Others	15,315,981	8,034,912
Banks' clearing house charges	3,005,548	6,730
CIB Charges	1,651,810	1,405,560
Transportation charges	5,781,669	6,271,605

	31.12.2022 Taka	31.12.2021 Taka
News paper, Journal & periodicals	201,181	139,596
Washing charges	1,298,256	1,010,312
Training expenses Academy/ Internal	5,500	500
Training expenses at outside Banks	773,100	724,900
Commission Paid to Agent Banking	90,651,806	58,325,725
Direct expenses on investment	130,060	58,613
Up keep of branches/office premises	7,463,000	6,261,873
Excise duty	2,233,000	1,649,000
Computer charges	13,731,986	15,047,653
Security Services	275,326,093	239,531,190
Cleaner Services	8,076,499	8,249,704
Others wages	268,096,067	244,335,828
Photocopy expenses	644,297	549,671
Photography expenses	166,575	82,240
Cash & Bank remittance charges	8,025,340	6,242,070
Honorarium	6,339,800	1,955,900
On-Line Expenses	39,081,872	37,425,563
ATM Rent Hardware	6,750,140	6,421,423
Professional & Rating Fees	11,665,205	45,953,840
Other Utility	45,561,164	35,334,219
Bond issue related Expense	10,968,250	442,500
Donation to Government	100,329,000	50,050,000
Donation to Others	303,137	160,040
CSR Related Expenditure	99,481,961	53,741,214
Business Development Exp	18,894,972	7,236,779
Fees Form @ Renewal	6,932,926	24,535,821
Network sharing fees (Visa)	11,078,870	7,864,038
Service Charges	10,749,798	9,704,731
Fair value adjustment for shares and securities	-	17,190,627
Gratuity expense	181,518,778	133,908,355
Finance cost on lease liabilities as per IFRS-16	38,141,108	47,907,376
Miscellaneous expenses	19,983,193	11,721,180
	<b>1,441,774,366</b>	<b>1,175,506,087</b>
<b>35(a) Consolidated Other Expenses</b>		
<b>Social Islami Bank Limited</b>	<b>1,441,774,366</b>	<b>1,175,506,087</b>
<b>Add: Other Expenses for SIBL Securities Limited</b>	<b>17,205,347</b>	<b>27,020,673</b>
License, fees, renewals and incorporation expenses	14,734,625	24,706,683
Entertainment	1,099,851	1,092,661
Others	1,370,872	1,221,329
Other Expenses for SIBL Investment Limited	<b>67,530</b>	<b>160,185</b>
Bank charge and Excise duty	67,530	57,185
Others	-	103,000
	<b>1,459,047,243</b>	<b>1,202,686,945</b>
<b>36 Other Provision</b>		
Provision for other assets (note: 14.2.2)	15,000,000	-
Provision for others (note: 14.2.3)	120,100,000	-
Mudaraba Profit Distribution (note: 14.6)	10,000,000	-
Provision for Start-Up Fund (note: 14.9)	-	16,597,056
Provision for diminution in value of shares and securities (note: 14.10)	13,949,505	-
	<b>159,049,505</b>	<b>16,597,056</b>

	31.12.2022 Taka	31.12.2021 Taka
<b>36(a) Consolidated other provision</b>		
<b>Social Islami Bank Ltd.</b>	<b>159,049,505</b>	<b>16,597,056</b>
<b>Add:Provision for subsidiaries</b>		
<b>SIBL Securities Ltd.</b>		
Provision for general reserve	-	2,624,339
Provision for impairment of margin loan	45,000,000	72,134,103
Provision for capital reserve	7,649,999	8,500,000
Provision for diminution in value of investment	3,803,421	-
	<b>56,453,420</b>	<b>83,258,442</b>
<b>SIBL Investment Ltd.</b> (Provision for diminution in value of investment)	1,188,942	-
	<b>216,691,867</b>	<b>99,855,498</b>
<b>37 Provision against Investment, Off-Balance Sheet items &amp; Others</b>		
Provision on classified investment	640,468,515	1,111,441,687
Provision on unclassified investment	(1,126,360,699)	(893,980,701)
Special General Provision-COVID-19 (As per BRPD Circular letter No.56 dt. 10.12.2020)	468,241,949	597,373,154
Special General Provision-COVID-19 (As per BRPD Circular letter No. 52 dt. 29.12.2021 (As per BRPD Circular letter No.52 dt. 30.12.2021)	445,788,215	768,946,219
Special General Provision-COVID-19 (As per BRPD Circular letter No. 53 dt. 22.12.2022 (As per BRPD Circular letter No.52 dt. 22.12.2022)	72,626,772	-
Provision on Off-Balance Sheet items	170,744,325	51,485,240
Other provisions (note: 36)	159,049,505	16,597,056
	<b>830,558,582</b>	<b>1,651,862,655</b>
<b>37(a) Consolidated Provision against Investment, Off-Balance Sheet items &amp; Others</b>		
<b>Social Islami Bank Ltd.</b>	<b>830,558,582</b>	<b>1,651,862,655</b>
<b>Add:Provision for subsidiaries</b>	<b>57,642,363</b>	<b>83,258,442</b>
SIBL Securities Ltd.	56,453,420	83,258,442
SIBL Investment Ltd.	1,188,942	-
	<b>888,200,945</b>	<b>1,735,121,097</b>
<b>38 Provision for Income Tax</b>		
Current year provision (Note: 38.1)	1,460,004,839	1,179,106,673
Deferred Tax expense/(income) (Note: 38.2)	14,676,980	35,558,510
	<b>1,474,681,819</b>	<b>1,214,665,183</b>
<b>38(a) Consolidated Provision for Income Tax</b>		
<b>Social Islami Bank Limited</b>	<b>1,474,681,819</b>	<b>1,214,665,183</b>
<b>SIBL Securities Limited</b>	<b>20,155,402</b>	<b>34,114,809</b>
Current year provision	20,155,402	34,815,821
Deferred Tax expense/(income)	-	(701,012)
<b>SIBL Investment Limited</b>	<b>270,205</b>	<b>1,611,373</b>
	<b>1,495,107,426</b>	<b>1,250,391,364</b>
<b>38.1 Current Year Tax Provision</b>		
Provision on tax has been calculated based on Income Tax Ordinance, 1984 as amended upto 2022 by the Finance Act, considering the allowances and disallowances.		
<b>38.2 Deferred Tax Expenses/(Income)</b>		
Defferred tax expense/(income) for liability/(asset) has been calculated as per Bangladesh Accounting Standard 12.		

	31.12.2022 Taka	31.12.2021 Taka
<b>39 Earning Per Share (EPS)</b>		
<p>SIBL has issued 1:1 right share for an amount of Taka- 2,987,815,750 as approved in its 242nd Board Meeting held on 02 March 2011 by the Directors of the Board. Before right issue SIBL had a total capital of Taka- 2,987,815,750 as on 31.12.2010. The paid up capital was further enhanced by an amount of Taka- 418,294,200, Taka-637,489,940, Taka-351,570,780, Taka-738,298,640, 812,128,500 and Taka-446,670,670 issued as bonus share for the years ended 31 December 2010, 2012, 2015, 2017, 2018, 2019, 2020 and 2021. Now the total paid up capital after right issue and issue of bonus shares amounts to Taka- 10,341,542,860 with a total no. of 1,034,154,286 shares having face value @ Taka- 10/share.</p>		
Net Profit after Tax	2,429,782,845	1,659,705,580
Less: Coupon/dividend on perpetual bond	393,500,011	-
<b>Attributable profit for the year</b>	<b>2,036,282,834</b>	<b>1,659,705,580</b>
<b>Number of ordinary shares outstanding</b>	<b>1,034,154,286</b>	<b>1,034,154,286</b>
<b>Earning Per Share (EPS) (Prior year Restated)</b>	<b>1.97</b>	<b>1.60</b>
<b>39(a) Consolidated Earning Per Share (CEPS)</b>		
Net Profit after Tax	2,461,491,439	1,750,183,569
Less: Coupon/dividend on perpetual bond	393,500,011	-
<b>Attributable profit for the year</b>	<b>2,067,991,428</b>	<b>1,750,183,569</b>
<b>Number of ordinary shares outstanding</b>	<b>1,034,154,286</b>	<b>1,034,154,286</b>
<b>Consolidated Earning Per Share (CEPS) (Prior year Restated)</b>	<b>2.00</b>	<b>1.69</b>
<p>Earnings per share has been calculated in accordance with IAS-33: "Earnings Per Share (EPS)". Earnings per share (EPS) increased compare to the last year mainly due to increase of net profit after tax.</p>		
<b>39 (i) Net Asset Value (NAV) Per Share:</b>		
Net Asset Value (Consolidated)	20,887,209,462	19,397,068,299
Net Asset Value (Solo)	20,765,081,406	19,237,423,835
<b>Number of ordinary shares outstanding</b>	<b>1,034,154,286</b>	<b>1,034,154,286</b>
<b>Net Asset Value (NAV) Per Share (Consolidated) (Prior year Restated)</b>	<b>20.20</b>	<b>18.76</b>
<b>Net Asset Value (NAV) Per Share (Solo) (Prior year Restated)</b>	<b>20.08</b>	<b>18.60</b>
<b>Net Operating Cash Flows per share (NOCFPS):</b>		
Net Cash flow from operating activities (Consolidated)	(1,083,448,803)	(1,698,537,229)
Net Cash flow from operating activities (Solo)	(1,089,529,203)	(1,702,153,979)
<b>Net Asset Value (NAV) Per Share (Consolidated) (Prior year Restated)</b>	<b>1,034,154,286</b>	<b>1,034,154,286</b>
<b>Net Operating Cash Flow Per Share (NOCFPS)(Consolidated) (prior year restated)</b>	<b>(1.05)</b>	<b>(1.64)</b>
<b>Net Operating Cash Flow Per Share (NOCFPS)(Solo) (prior year restated)</b>	<b>(1.05)</b>	<b>(1.65)</b>
<p>Net Operating Cash Flow per share has slightly improved mainly due to higher cash outflow in respect of deposit &amp; Investment compare to previous year.</p>		
<b>Notes for Cash Flow Statement (Note-40 to Note-45)</b>		
<b>40 Income from Investment</b>		
Investment profit receipt	21,643,793,225	23,960,778,190
Add: Opening profit receivable	254,088,308	528,810,265
Less: Closing profit receivable	(498,783,519)	(254,088,308)
	<b>21,399,098,015</b>	<b>24,235,500,147</b>
<b>40(a) Consolidated income from investment</b>		
<b>Income from investment of SIBL</b>	<b>21,399,098,015</b>	<b>24,235,500,147</b>
<b>Income from investment of Subsidiaries of SIBL</b>	<b>117,109,611</b>	<b>141,379,265</b>
SIBL Securities Ltd.	117,109,611	141,183,086
SIBL Investment Ltd.	-	196,179
<b>Grand total</b>	<b>21,516,207,626</b>	<b>24,376,879,413</b>



	<b>31.12.2022</b> <b>Taka</b>	<b>31.12.2021</b> <b>Taka</b>
<b>41 Receipts from Other Operating Activities (Other than profit on sale of fixed assets)</b>		
Exchange income	2,842,237,111	719,459,224
Rent receipts	4,008,002	3,277,572
P & T charge recovered	472,396	1,847,828
Courier Charges Recovery & Others	10,137,574	6,995,707
Notice pay earnings	9,012,349	5,240,730
Miscellaneous income	215,567,022	172,817,483
Services & charges	429,126,749	310,856,350
SWIFT/ Return charge recovered	54,469,130	45,627,920
Service charge on SIBL Cards	165,165,880	131,120,901
Income from sale of forms	159,365	201,600
	<b>3,730,355,577</b>	<b>1,397,445,315</b>
<b>41(a) Consolidated receipts from Other Operating Activities (Other than profit on sale of fixed assets)</b>		
<b>Receipts from Other Operating Activities of SIBL</b>	<b>3,730,355,577</b>	<b>1,397,445,315</b>
<b>Receipts from other operating activities of Subsidiaries of SIBL</b>	<b>1,155,163</b>	<b>5,389,540</b>
SIBL Securities Ltd.	1,155,163	3,084,874
SIBL Investment Ltd.	-	2,304,666
	<b>3,731,510,739</b>	<b>1,402,834,855</b>
<b>42 Payment to others</b>		
Rent (Office)	242,009,904	176,657,709
Rent (Garage)	344,480	340,955
Rent (Godown)	10,492,389	6,756,623
Rates and Taxes	6,977,455	9,124,310
Insurance Premium for cash in counter	1,342,045	1,110,764
Insurance Premium for cash in transit	6,035,474	6,220,729
Insurance Premium for cash in safe/ vault	8,413,508	7,878,274
Insurance Premium on deposit	192,370,691	192,382,292
Insurance Premium for vehicle	905,849	1,198,019
Other Insurance	1,604,515	1,588,052
Lighting and Electricity Bill (Office)	105,310,679	92,436,923
Lighting and Electricity Charges (Office)	5,213,231	5,320,659
Water and Sewerage	3,964,853	3,857,558
Legal Expenses	9,203,342	7,483,586
Directors Fees and Meeting Expenses	3,780,162	2,447,818
Shariah Supervisory Fees & Expenses	444,666	144,284
Audit Fees	920,000	920,000
Repairs and Maintenance	118,094,609	113,726,582
Zakat expenses	196,215,836	181,384,083
Other Expenses (note: 35)	1,441,774,366	1,175,506,087
	<b>2,355,418,054</b>	<b>1,986,485,306</b>
<b>42(a) Consolidated payment to others</b>		
<b>Social Islami Bank Limited</b>	<b>2,355,418,054</b>	<b>1,986,485,306</b>
<b>Payment to others- Subsidiaries</b>	<b>18,600,681</b>	<b>29,561,724</b>
SIBL Securities Limited	18,510,151	29,378,539
SIBL Investment Limited	90,530	183,185
	<b>2,374,018,735</b>	<b>2,016,047,029</b>

	31.12.2022 Taka	31.12.2021 Taka
<b>43 Reconciliation of Net Profit after Taxation &amp; Operating Profit before changes in operating assets &amp; liabilities</b>		
Cash flows from operating activities		
Net Profit after Taxation	2,429,782,845	1,659,705,580
(Increase)/Decrease Profit Receivable	(244,695,211)	77,428,098
(Increase)/Decrease Profit Payable on Deposit	1,192,576,151	1,119,524,431
Effects of exchange rate changes on cash & cash equivalents	(208,371,834)	(57,740,805)
Profit Receivable from B.Bank, NBF1 and BD Govt.	-	197,293,859
Provision for Tax	1,474,681,819	1,214,665,183
Provision for Investment, Contingent Liability & Others	830,558,582	1,651,862,655
Depreciation & Amortization of Fixed Assets	513,325,986	519,696,469
Income tax paid	(1,300,415,312)	(1,926,928,903)
<b>Operating Profit before changes in operating assets &amp; liabilities</b>	<b>4,687,443,026</b>	<b>4,455,506,568</b>
<b>43(a) Consolidated Cash flows from operating activities</b>		
Net Profit after Taxation	2,461,491,465	1,750,183,666
(Increase)/Decrease Profit Receivable	(244,695,211)	77,428,098
(Increase)/Decrease Profit Payable on Deposit	1,192,576,151	1,119,524,431
Effects of exchange rate changes on cash & cash equivalents	(208,371,834)	(57,740,805)
Profit Receivable from B.Bank, NBF1 and BD Govt.	-	197,293,859
Provision for Tax	1,495,107,426	1,250,391,364
Provision for Investment, Contingent Liability & Others	888,200,945	1,735,121,097
Depreciation & Amortization of Fixed Assets	520,066,596	525,259,739
Income tax paid	(1,325,246,974)	(1,970,235,272)
<b>Operating Profit before changes in operating assets &amp; liabilities</b>	<b>4,779,128,563</b>	<b>4,627,226,179</b>
<b>44 Cash Increase/ Decrease in Other Assets</b>		
Stock of stationery, stamps and printing materials etc. (valued at cost)	39,368,382	41,842,032
Advance rent	102,048,769	82,826,821
Security Deposit	3,401,359	3,433,149
Branch Adjustments (SIBG) (Note: 9.1)	8,750,090,444	824,507,472
Suspense Accounts (Note: 9.2)	425,166,833	287,840,919
Other Prepayments	59,241,494	86,608,018
Share Trading A/C Receivable from SIBL Securities Ltd.	308,278,647	624,820,743
Advance Income Tax	15,208,679,910	13,908,264,598
Profit Receivable from SIBL Securities Limited	218,722,842	70,747,842
Receivable from SIBL Investment Limited	1,903,690	1,903,690
Protested Bills against Investment	325,014,570	325,014,570
Receivable from Off-shore Banking Unit	300,912,435	43,694,699
Dividend Receivable Account	785,424,619	702,536,619
Profit Receivable from Mudaraba Subordinated Bond	40,898,630	52,926,027
Investment in subsidiary: SIBL Securities Limited	1,537,499,000	1,537,499,000
Investment in subsidiary: SIBL Investment Limited	249,999,400	249,999,400
Profit Receivable for SME Stimulous fund	79,411,985	80,385,089
Profit Receivable from Mudaraba Perpetual Bond	356,627,411	94,477,398
Profit Receivable from Beximco Green Sukuk	38,268,491	3,164,835
Others (Note: 9.3)	134,957,602	22,211,772
	<b>28,965,916,511</b>	<b>19,044,704,693</b>
Difference between (2022, 2021)	(9,921,211,818)	(2,185,237,106)
Advance Income Tax	1,300,415,312	1,926,928,903
<b>Net change in Other Assets</b>	<b>(8,620,796,506)</b>	<b>(258,308,204)</b>

	31.12.2022 Taka	31.12.2021 Taka
<b>44(a) Consolidated cash increase/decrease in other assets</b>		
<b>Social Islami Bank Limited</b>	28,965,916,511	19,044,704,693
<b>Cash Increase/ Decrease in Other Assets of subsidiaries</b>	735,799,158	934,038,431
	<b>29,701,715,669</b>	<b>19,978,743,124</b>
Difference between (2022, 2021)	(9,722,972,545)	(2,275,938,493)
Advance Income Tax	1,325,246,974	1,970,235,272
<b>Consolidated net change in Other Assets</b>	<b>(8,397,725,571)</b>	<b>(305,703,222)</b>
<b>45 Cash Increase/ Decrease in Other Liabilities</b>		
FC Charge	2,000	-
Adjusting A/C (Cr.) Balance	11,555,186	14,015,512
Other Payable	1,863,613	9,330,154
Compensation and Rent Suspense (note: 14.3)	3,932,091,419	3,762,471,567
BEFTN Adjustment Account	30,778,270	20,301,508
Parking Account	53,065	3,182,591
Lease liabilities as per IFRS-16 *	449,478,868	615,828,689
ATM & Other Settlement for Q-Cash	(10,546,910)	6,908,947
	<b>4,415,275,511</b>	<b>4,432,038,967</b>
<b>Cash Increase/ (Decrease) in Other Liabilities</b>	<b>(16,763,556)</b>	<b>20,689,997</b>
Difference between (2022 & 2021)	(16,763,556)	20,689,997
Add: Transfer to Provision for Investment from Write- off (In Yr. 2022)	76,711,327	7,075,700
Add: Zakat expense transferred to Sadaka Fund	196,215,837	181,384,083
Less: Zakat distributed during the year	113,365,052	103,558,963
Less: Mudaraba Profit distribution transferred during the year	24,500,000	5,000,000
Less: Written off/ Waiver of investment during the year	691,088,872	1,331,928,908
	<b>(572,790,315)</b>	<b>(1,231,338,091)</b>
<b>45(a) Consolidated cash increase/decrease in other liabilities</b>		
Cash Increase/ Decrease in other liabilities of Social Islami Bank Limited	4,415,275,511	4,432,038,967
<i>Cash Increase/ Decrease in Other Liabilities of subsidiaries</i>	488,737,428	1,140,096,519
	<b>4,904,012,939</b>	<b>5,572,135,486</b>
Difference between (2022, 2021)	(668,122,546)	752,228,251
Other changes in other liabilities of Social Islami Bank Limited	(583,372,728)	(1,252,028,088)
<b>Net change in Other Liabilities-Social Islami Bank Limited</b>	<b>(1,251,495,274)</b>	<b>(499,799,837)</b>
<b>46 Cash and Cash Equivalent</b>		
Cash in Hand	4,835,583,834	3,415,594,063
Balance with Bangladesh Bank & Sonali Bank Limited (as agent of Bangladesh Bank)	22,086,752,023	20,075,647,654
Balance with Other Banks & Financial Institutions-in Bangladesh	10,049,048,412	16,693,175,142
Balance with Other Banks & Financial Institutions-outside Bangladesh	2,520,897,414	2,540,793,342
	<b>39,492,281,683</b>	<b>42,725,210,201</b>
<b>46(a) Consolidated Cash and Cash Equivalent</b>		
<b>Social Islami Bank Limited</b>	<b>39,492,281,683</b>	<b>42,725,210,201</b>
<b>Cash and Cash Equivalent of subsidiaries</b>	<b>596,714</b>	<b>1,036,348</b>
SIBL Securities Limited.	151,762	750,418
SIBL Investment Limited.	444,952	285,930
	<b>39,492,878,397</b>	<b>42,726,246,549</b>

**47 Number of Employees**

The number of employees engaged for the whole year or part thereof who received a total remuneration of Tk. 36,000 p.a or above were 4039.

**48 Audit Committee**

The Board of Directors in its 390th meeting (Emergency) held on 30.03.2017 reconstituted the Board Audit Committee comprising with the following:

Sl. No.	Name	Status with the Bank	Status with the Committee
1	Professor A J M Shafiul Alam Bhuiyan Ph.D	Independent Director	Chairman
2	Mr. Md. Kamal Uddin	Director	Member
3	Dr. Md. Jahangir Hossain	Director	Member

The Audit Committee of the Board was duly constituted by the Board of Directors of the Bank and reconstituted in the 412th Board of Directors Meeting held on 21.03.2018 in compliance with the Bangladesh Bank and Bangladesh Securities Exchange Commission Guidelines. The Audit Committee assists the Board in fulfilling its oversight responsibilities where accountability stands for financial reporting process, Internal Control System, Internal and External audit process, management of the risks of the Bank. The Committee review, monitor and assess the activities & performance of the Bank and establish the policies and procedures which comply with the existing laws & regulations.

**Meetings of the Audit Committee:**

The Board Audit Committee had 155 nos. (One hundred fifty five) Meetings in the previous years since inception in the year 2003, out of which 06 Meetings were conducted in the Year 2022 and the attendance of the members was as follows:

Sl. No.	Name	Tenure of Membership	No. of Meetings Held	No. of Meetings Attended
1	Professor A J M Shafiul Alam Bhuiyan Ph.D	21.03.2018 to till date	6	6
2	Mr. Md. Kamal Uddin	21.03.2018 to till date	6	6
3	Dr. Md. Jahangir Hossain	21.03.2018 to till date	6	6

**Disclosure by Audit Committee:**

The Committee reviewed the Quarterly Financial Statements as well as the yearly financial statements for the year 2022 of the Bank and subsequently recommended to the Board for consideration and approval.

The Committee also reviewed the integrity of the financial statements of the Bank to ensure that these reflect a true and fair view of the Bank's statement of affairs.

The Committee while reviewing the financial statements ensured that proper disclosure required under International Accounting Standards as adopted in Bangladesh have been made and also complied with the Companies Act and various other rules and regulations applicable for business.

The Committee discussed with the statutory auditors about the nature and scope of audit as well as had post-audit discussions to address areas of concern.

The Committee discussed and reviewed compliance position of inspection report on various Branches, Division as well as Core Risk Management" conducted by Bangladesh Bank based on 30 June 2021 and the "Management Letter on financial statements" for the year ended 31 December 2021" of SIBL submitted by the external auditors for onward submission to the Board if needed.

The Committee also reviewed the financial statements/investments of the subsidiaries: SIBL Securities Limited and SIBL Investment Limited and SIBL Foundation Hospital.

Pursuant to Condition No. 5.(6).(a) of the Corporate Governance Guidelines issued by BSEC, the Committee reviewed the Internal Control System and Financial Statements. The Committee observed that there was no conflict of interest or material defect in the internal control system of the Bank.

The Committee reviewed the Integrated Annual Health Report of SIBL for the year-2021 and recommended to the Board for consideration and approval

The Committee approved the risk based yearly audit plan and gave direction to the internal auditors where appropriate for carrying out in depth audit to ensure that the company or its assets are not exposed to undue risk.

The Committee reviewed the Internal Audit Reports and suggested appropriate actions where needed. The Internal Auditors were advised to carry out audit of all the branches, sub-branches, agent banking outlet and other subsidiaries of the Bank as per risk based yearly audit plan.

The Committee reviewed IC&CD Manual for the year 2022 and suggested appropriate actions where needed. The Internal Auditors were advised to carry out the instruction of the IC&CD Manual.

The Committee recognized the observations of the Internal Audit Division regarding internal control, activities and suggestions made to improve operational systems and procedures and their implementation.

The Committee reviewed the compliance position, policies, regulations and applicable law in general.

The Committee observed that risk management associated with the Banking business was adequately controlled.

#### 49 Related Party Disclosures

##### 49.1 Name of the Firms / Business Organizations where the Directors of the Social Islami Bank Limited have got interest as on 31 December 2022:

SL No	Name	Name of Firms/ Business Organizations Where the Directors of SIBL have got interest
1	<b>Dr. Md. Mahub UI Alam</b> Chairman (Representative of Hasan Abasan (Pvt.) Ltd.)	NIL
2	<b>Mr. Belal Ahmed</b> Vice Chairman (Representative of Unitex Steel Mills Limited)	<b>Managing Director</b> Unitex Spinning Limited Unitex Composite Mills Limited Unitex LP Gas Limited Unitex Petroleum Limited Unitex Cement Limited Unitex Steel Mills Limited Padma Wears Limited
3	<b>Md. Sayedur Rahman</b> Vice Chairman (Representative of Prasad Paradise Resorts Limited)	<b>Chairman</b> Rans Real Estate Ltd. <b>Managing Director</b> Lodestar Fashions Limited Mid Asia Fashions Limited
4	<b>Md. Kamal Uddin</b> Director (Representative of Lion Securities and Investment Limited)	<b>Managing Director</b> Chittagong Builders & Machinery Ltd. Merchant Securities Limited Sifang Machine House Limited Merchant Auto Limited CBM Housing Limited South Green Limited <b>Director</b> ASM Chemical Industries Ltd. Central Hospital (Pvt.) Ltd. Sifang Securities Limited Hurdco International School. Universal Health Services & Research Ltd. <b>Advisor</b> Mercantile Insurance Company Ltd. Mercantile Islami Life Insurance Ltd. <b>Proprietor</b> CBM Parts House CBM Consortium
5	<b>Dr. Md. Jahangir Hossain</b> Director (Representative of Reliable Entrepreneurs Limited)	Nil

SL No	Name	Name of Firms/ Business Organizations Where the Directors of SIBL have got interest
6	<b>Mr. Arshadul Alam</b> Director (Representative of Leader Business Enterprise Limited)	<b>Chairman</b> Jaba and Brothers C&F (Pvt.) Ltd. Jesco Bangladesh Ltd.
		<b>Managing Director</b> Jesco Capital Management Ltd. <b>Director</b> Uni-Trade International Ltd. Nishat Traders Ltd.
7	<b>Mr. Ali Hasan Md. Mahmud Ribon</b> Director (Representative of Dynamic Venture Limited)	<b>Chairman</b> M/S. Mahmud Ribon
8	<b>Mrs. Jebunnesa Akbar</b> Director (Representative of Unitex Cement Limited)	<b>Nil</b>
9	<b>Mr. Mahmudul Alam</b> Director (Representative of Global Trading Corporation Limited)	<b>Proprietor</b> M/S. Morshedul Alam
10	<b>Professor A J M Shafiul Alam Bhuiyan</b> Independent Director	<b>Nil</b>
11	<b>Professor Mohammed Mizanur Rahman</b> Independent Director	<b>Nil</b>

49.2 Significant contracts where Bank is a party and where in Directors have interest: Nil

49.3 Lending Policies to Related Parties:

Lending to related parties is effected as per requirements of Section 27(1) of the Bank Companies Act, 1991.

**A Related Party Transaction**

Name of Party	Name of the Director	Relationship	Nature of Investment	Outstanding Amount (Taka)	Status
<b>Funded Liability</b>					
SIBL Securities Ltd.	N/A	Subsidiary	Quard	7900.00 lac	UC
SIBL Foundation Hospital & Diagnostic Center	N/A	A concern of SIBL Foundation	Quard- E- Hasana	10980.57 lac	UC

**B Investment Policies to Related Parties**

Lending to related parties is effected as per requirements of section 27 (1) of Bank Companies Act, 1991

**C** Business other than Banking business with any related concern of the Directors as per Section 18 (2) of the Bank Companies Act, 1991: **Nil**

**D** Investments in the securities of Directors and their related concern: **Nil**

**E** Shares issued to Directors and Executives without consideration or exercisable at discount: **Nil**

**50 Post Balance Sheet events (IAS-10)**

No material events occurring after balance sheet date came to our notice, which could affect the values reported in the financial statements significantly.

**1. Dividend**

The Board of Director has authorized the financial statements for issue on and recommended stock dividend @ 5% & Cash dividend @ 5% for the year ended 31 December 2022.

**51 General**

(i) Figures appearing in these financial statements have been rounded off to the nearest Taka.

(ii) The expenses, irrespective of capital or revenue nature, accrued/due but not paid have been provided for in the books of the Bank.

(iii) Figures of previous year have been rearranged wherever necessary to conform the current year's presentation.

(iv) All types of financing made to the clients have been shown under the head 'Investment' whereas investment made in different shares and securities of Government and others companies are shown as investment shares and securities.

(v) The Bank incurs expenditure in relation to its Corporate Social Responsibility (CSR) throughout the year. The budget for the CSR expenditures are met up from various source including zakat and other sources. The Climate Risk Fund is also a part of this CSR expenditures.

(vi) As per FRC letter no.178/FRC/APR/2021/27(47), dated: 09 December 2021 and BRPD Circular no-04 and 35, dated January 04,2021 and July 06, 2021. Moreover, the bank has already signed a MOU with the Institutions of Chartered Accountants of Bangladesh (ICAB) to obtain necessary access to the Document Verification System (DVS) for checking information of the Investment client financial statements. In this regard, we have collected the audited financial statements as per the FRC & Bangladesh Bank circulars in all the relevant Investment client cases and the current status of the Bank is as follows:

Particular	Number	%
Complied Files	408	54%
Total Files	759	100%



**Social Islami Bank Limited**  
**For the Year Ended 31 December 2022**  
**Schedule of Fixed Assets including Premises**

(Amounts in Taka)

Particulars	COS T/REVALUED*				Rate of Depreciation	DEPRECIATION				Written down value as at 31 December 2022
	Balance as on 01 January 2022	Additions during the year	Disposal/ Transfer during the year	Balance at 31 December 2022		Balance as on 01 January 2022	Transfer/ Adjustment during the year	Charged during the year	Balance at 31 December 2022	
Land	12,330,000	-	-	12,330,000		-	-	-	-	12,330,000
Building	2,320,220,714	-	-	2,320,220,714	2.50%	498,010,625	-	45,555,065	543,565,690	1,776,655,025
Furniture & Fixtures	1,452,020,300	319,311,654	-	1,771,331,954	10%	630,860,366	-	101,343,499	732,203,865	1,039,128,089
Office Equipment	1,944,935,278	303,088,690	-	2,248,023,968	20%	1,234,710,679	-	168,543,506	1,403,254,185	844,769,782
Software	305,954,860	43,397,339	-	349,352,199	10%	111,397,271	-	19,518,099	130,915,370	218,436,829
Vehicles	150,656,690	-	-	150,656,690	20%	143,065,270	-	2,991,952	146,057,222	4,599,468
Right of use Assets (RoU)	1,076,018,197	-	-	1,076,018,197		396,890,377	-	175,305,635	572,196,012	503,822,185
Books	1,768,620	19,032	-	1,787,652	10%	1,172,246	-	68,230	1,240,476	547,176
<b>31 December 2022</b>	<b>7,263,904,658</b>	<b>665,816,715</b>	<b>-</b>	<b>7,929,721,374</b>		<b>3,016,106,833</b>	<b>-</b>	<b>513,325,986</b>	<b>3,529,432,820</b>	<b>4,400,288,555</b>
<b>31 December 2021</b>	<b>6,927,420,540</b>	<b>336,484,018</b>	<b>-</b>	<b>7,263,904,558</b>		<b>2,496,410,364</b>	<b>-</b>	<b>519,696,469</b>	<b>3,016,106,833</b>	<b>4,247,797,726</b>

\* Details of revaluation of Fixed assets is shown in note:18.

**Social Islami Bank Limited**  
**For the Year Ended 31 December 2022**  
**Consolidated Schedule of Fixed Assets**

(Amounts in Taka)

Particulars	COS T/REVALUED *				Rate of Depreciation	DEPRECIATION				Written down value as at 31 December 2022
	Balance as on 01 January 2022	Additions during the year	Disposal/ Transfer during the year	Balance at 31 December 2022		Balance as on 01 January 2022	Transfer/ Adjustment during the year	Charged during the year	Balance at 31 December 2022	
Land	12,330,000	-	-	12,330,000		-	-	-	-	12,330,000
Building	2,320,220,714	-	-	2,320,220,714	2.50%	498,010,625	-	45,555,065	543,565,690	1,776,655,024
Furniture & Fixtures	1,459,473,711	320,057,811	-	1,779,531,522	10%	634,407,326	-	101,745,358	736,152,684	1,043,378,838
Office Equipment	1,957,716,079	307,750,514	-	2,265,466,593	20%	1,245,252,463	-	170,050,478	1,415,302,941	850,163,652
Software	309,128,500	44,509,393	-	353,637,893	10%	114,570,911	-	19,629,304	134,200,215	219,437,677
Vehicles	150,656,691	-	-	150,656,691	20%	143,065,270	-	2,991,952	146,057,222	4,599,469
Right of use Assets (RoU)	1,091,420,043	-	-	1,091,420,043		404,878,449	-	180,026,209	584,904,658	506,515,386
Books	1,768,621	19,032	-	1,787,653	10%	1,172,247	-	68,230	1,240,477	547,176
<b>31 December 2022</b>	<b>7,302,714,358</b>	<b>672,336,750</b>	<b>-</b>	<b>7,975,051,108</b>		<b>3,041,357,289</b>	<b>-</b>	<b>520,066,596</b>	<b>3,561,423,886</b>	<b>4,413,627,223</b>
<b>31 December 2021</b>	<b>6,963,080,582</b>	<b>339,633,776</b>	<b>-</b>	<b>7,302,714,358</b>		<b>2,516,097,550</b>	<b>-</b>	<b>525,259,739</b>	<b>3,041,357,289</b>	<b>4,261,357,069</b>

**Social Islami Bank Limited**  
**Balance with Other Banks in Foreign Currencies**  
**Referred to Note 4.2 of these financial statements**

SL No.	Name of the Banks	Currency Name	31.12.2022			31.12.2021		
			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	SCB, MUMBAI	ACUD	406,153.34	103.30	41,954,422	781,452.22	85.80	67,048,600
2	SUMMIT Bank, KARACHI	ACUD	23,784.82	103.30	2,456,901	23,784.82	85.80	2,040,738
3	SONALI Bank, KOLKATA	ACUD	81,988.60	103.30	8,469,176	299,250.29	85.80	25,675,675
4	MASHREQ Bank, MUMBAI	ACUD	239,730.22	103.30	24,763,413	540,085.65	85.80	46,339,349
5	NEPAL BANGLADESH Bank	ACUD	276,510.36	103.30	28,562,691	56,422.86	85.80	4,841,081
6	Bank OF BHUTAN, PHUENTSHOLING	ACUD	32,764.44	103.30	3,384,468	228,340.71	85.80	19,591,633
7	UNITED Bank OF INDIA	ACUD	257,227.16	103.30	26,570,794	125,167.03	85.80	10,739,331
8	AB Bank, MUMBAI	ACUD	1,451,039.83	103.30	149,888,061	14,907.28	85.80	1,279,045
9	MEEZAN Bank LIMITED	ACUD	348,774.27	103.30	36,027,336	213,522.39	85.80	18,320,221
10	MCB Bank,KARACHI,PAKISTAN	ACUD	394.50	103.30	40,751	395.34	85.80	33,920
11	AXIS Bank LIMITED	ACUD	20,463.16	103.30	2,113,783	140,028.93	85.80	12,014,482
12	HDFC Bank LTD., MUMBAI	ACUD	510,270.44	103.30	52,709,406	235,625.31	85.80	20,216,652
13	MASHREQ Bank, NEW YORK, (OBU)	USD	1,015,149.56	103.30	104,861,904	1,193,888.47	85.80	102,435,631
14	MASHREQ Bank PSC, NEW YORK, USA	USD	5,760,478.95	103.30	595,040,194	10,836,769.18	85.80	929,794,796
15	SCB, NY, USA	USD	8,010,009.62	103.30	827,409,964	10,814,153.56	85.80	927,854,375
16	KOREA EXCH. Bank,KOREA	USD	13,061.06	103.30	1,349,168	5,081.06	85.80	435,955
17	HABIB AMERICAN Bank	USD	526,776.76	103.30	54,414,459	3,436,339.13	85.80	294,837,897
18	COMMERZ Bank AG, FRANKFURT	USD	147,554.07	103.30	15,241,893	416,220.42	85.80	35,711,712
19	Zhejiang Commercial Bank, China	USD	412,252.45	103.30	42,584,441	-	-	-
20	COMMERZ BankAG, CHF	CHF	26,132.48	111.35	2,909,784	8,337.32	93.71	781,282
21	ABU DHABI ISLAMI BANK, UAE	AED	571,416.00	28.12	16,069,246	-	-	-
22	Zhejiang Commercial Bank, China	CNY	6,795,874.74	14.81	100,654,380	-	-	-
23	MASHREQ Bank, PSC MUMBAI	ACU EURO	497.92	109.68	54,612	497.92	97.25	48,425
24	SCB, FRANKFURT	EURO	2,852,283.09	109.68	312,840,691	101,096.20	97.25	9,832,040
25	COMMERZ Bank AG, FRANKFURT	EURO	32,601.13	109.68	3,575,718	27,102.85	97.25	2,635,869
26	SCB, LONDON, UK	GBP	66,740.43	124.26	8,292,899	16,262.78	115.72	1,881,905
27	SCB, TOKYO	JPY	5,329,820.00	0.77	4,114,088	3,191,421.00	0.75	2,379,524
28	Bank AL JAZIRA	RIYAL	1,702.50	27.47	46,760	1,702.50	22.85	38,902
29	RIYAD BANK	RIYAL	1,984,176.83	27.47	54,496,012	174,367.00	22.85	3,984,303
	<b>Total</b>				<b>2,520,897,414</b>			<b>2,540,793,342</b>

## Details Information of Investment More than 10% of Bank's Total Capital

Taka in Crore

SI no.	Name of client	Outstanding as on 31 December 2022		
		Funded	Non-funded	Total
1	1. PowerPac Mutiara Keraniganj Power Plant Limited & its sister concerns, 2. PowerPac Mutiara Jamalpur Power Plant Limited, 3. PowerPac Holdings Ltd. 4. PowerPac Mutiara Khulna Power Plant Ltd. 5. Powerpac	612.71	63.97	676.68
2	i. Nabil Naba Foods Limited and its sister concerns ii. Nabil Feed Mills Limited and iii. M/S. Shimul Enterprise	333.06	-	333.06
3	i. Bashundhara Industrial Complex Ltd. ii. East West Media Group iii. Bashundhara Infrastructure Ltd. iv. East West property Development (Pvt.) Ltd. v. Bashundhara Multi Paper Ind. Ltd. vi. Bashundhara Paper Mills Ltd.	558.52	199.93	758.45
4	Bashundhara Multi Food Products Ltd & Bashundhara Food & Beverage Industries Ltd.	427.43	360.11	787.54
5	Infinia Spinning Mills Ltd.	462.21	102.11	564.32
6	i. Western Dresses Ltd. & its sister concerns- ii. MNC Apparels Ltd. iii. Kimia Washing Industries Limited iv. NASSA BASIC WASH LTD. v. Nazrul Islam Nazumder LTD.	439.10	78.52	517.62
7	i. Orion Infrastructure Ltd. & its sister concerns ii. Orion Agro Products Ltd. iii. Orion Power Meghnaghat Ltd. iv. Belhasa Accom JV. Ltd. v. Panbo Bangla Mushroom Limited vi. Orion Power Unit-2 Dhaka Limited vii. Orion Pharma Ltd.	603.71	2.58	606.29
8	i. Amber Denim Mills Limited & its sister concerns- ii. Amber Denim LTD, iii. Amber Rotor Mills Ltd. iv. Amber Rotor Spinning Mills Ltd. v. Amber Jeans & Washing Ltd.	327.45	161.49	488.94
9	SQ Birichina Limited	274.46	206.36	480.82
10	Afser Resources Management and Consultancy Services Ltd.	390.30	-	390.30
11	Mir Akhter Hossain Limited, Mir Telecom Limited	160.32	7.50	167.82
12	M/S. Shah Amanat Agency	391.06	-	391.06
13	i. Base Paper Ltd. and its sister concerns- ii. Base Fashion Limited iii. Zyantex Limited iv. Base Technologies Limited v. Base Paper Ltd. vi. Akash CNG Filling Limited	338.12	42.63	380.75
14	i. M/S. Islam Brothers & Co. & its sister concerns- ii. Anwara Mannan Textile Mills Ltd. iii. Juvenile Construction Ltd. iv. RS & T International v. Aman Feed Ltd. vi. Aman Shipyard Ltd.	542.64	-	542.64

SI no.	Name of client	Outstanding as on 31 December 2022		
		Funded	Non-funded	Total
15	i. M/S. Sonali Traders ii. S.Alam Vegetable Oil Limited iii) Shahidul Alam	502.55	605.66	1,108.21
16	Dong Bang Dyeing Ltd.	416.54	47.56	464.10
17	i.M/S. Rabiul Islam & its sister concerns- ii.M/s. Rhythm Trading iii.A R Cement Mills Ltd. iv.Ehsan Cement Industries Ltd. V. RMR Poultry & Hatchery Ltd. vi.A.R. Specialized Auto Rice Mills Ltd.	485.23	0.00	485.23
18	i.M/S. Millennium Enterprise, & its sister concerns- ii.Panama Composite Textile Mills Ltd. iii.O.N Spinning Mills Ltd. iv. M/S. Mosharaf & Brothers and its sister Concern, M.N Enterprise, Orange Textiles Industries & M.N Filament & Twisting Industries.	305.07	760.13	1,065.20
19	i. S. Alam Brothers Ltd. & it's sister concerns ii. S. Alam Cold Rolled Steels Limited. iii. S. Alam Steels Limited iv. S. Alam Refined Sugar Industries Limited v. Alam Bag Manufacturing Mills Limited vi. Millenium Information Solution Limited	411.14	289.40	700.54
20	M/S Mars Textile Ltd.	361.11	80.36	441.47
21	Dong Bang Textile Ltd.	334.45	36.88	371.33
22	Ronghdhanu Builders (Pvt) Ltd., Mehedi Mart	407.99	-	407.99
23	i. Deshbandhu Sugar Mills Ltd. ii. Deshbandhu Food & Beverage Ltd. iii. Deshbandhu Cement Mills Limited. iv. Deshbandhu Consumer & Agro Product Limited	322.54	25.02	347.56
24	S.Alam Super Eadible Oil Ltd.	209.99	829.67	1,039.66
25	i. Thermax Textile Mills Ltd. & its sister concerns- ii. Thermax Knit Yarn Ltd. iii. Thermax Spinning Ltd. iv. Thermax Melange Spinning Mills Ltd., v.Thermax Check Fabrics Limited vi. Adury Apparels Ltd. vii.Adury knit compsite.	360.34	59.69	420.03
26	i. Infinia Composite Textiles Limited & its sister Concern ii. Infinia Chemicals Limited	210.67	141.27	351.94
27	Trust Knitwear Industries Ltd.	210.96	77.53	288.49
28	i. Nasrin Agriculture Industries Limited & its sister concerns- ii. M/s. Al-Habib Enterprise and its sister concern M/s. H R Feed iii. M/s. Nutrila Feed	588.47	-	588.47
29	TecTonics	378.02	-	378.02
30	i. Rahimafrooz Batteries Limited. & its sister Concerns- ii. Rahimafrooz Gloabatt Limited. iii. Rahinafrooz Bangladesh Ltd. iv. Rahinafrooz CIC Agroo Ltd.	339.36	6.50	345.86
	<b>Grand Total</b>	<b>11,705.52</b>	<b>4,184.87</b>	<b>15,890.39</b>

## History of Paid-Up Capital

Years	Declaration	No. of Share	Face Value per Share (Taka)	Cumulative no. of Shares	Value of issued Capital for the year (Taka)	Cumulative value of Capital (Taka)
1995	Initial Capital	118,380	1,000	118,380	118,380,000	118,380,000
1996	No Dividend	-	-	118,380	-	118,380,000
1997	6.43% Bonus issue for the year 1996	7,620	1,000	126,000	7,620,000	126,000,000
1998	No Dividend	-	-	126,000	-	126,000,000
1999	Right Share Issued	74,000	1,000	200,000	74,000,000	200,000,000
2000	Placement	50,000	1,000	250,000	50,000,000	250,000,000
	Initial Public Offer	10,000	1,000	260,000	10,000,000	260,000,000
2001	20% Bonus Issue (Declared in the year 2004)	-	-	260,000	-	260,000,000
2002	25% Bonus Issue (Declared in the year 2004)	-	-	260,000	-	260,000,000
2003	50% Bonus Issue (Declared in the year 2004)	-	-	260,000	-	260,000,000
2004	Bonus Issue (For the years 2001, 2002, 2003)	325,000	1,000	585,000	325,000,000	585,000,000
2005	No dividend	-	-	585,000	-	585,000,000
2006	No dividend	-	-	585,000	-	585,000,000
2007	1:1 Right Share	5,345,550	100	11,195,550	534,555,000	1,119,555,000
2008	17% Bonus Issue for the year 2007	1,903,243	100	13,098,793	190,324,300	1,309,879,300
2009	10% Bonus Issue for the year 2008	1,309,879	100	14,408,672	130,987,900	1,440,867,200
	1:1 Right Share	12,508,587	100	26,917,259	1,250,858,700	2,691,725,900
2010	11% Bonus Issue for the year 2009	2,960,899	100	29,878,158	296,089,850	2,987,815,750
2011	14% Bonus Issue for the year 2010	41,829,420	10	340,610,995	418,294,200	3,406,109,950
	1:1 Right Share	298,781,575	10	639,392,570	2,987,815,750	6,393,925,700
2013	10% Bonus Issue for the year 2012	63,748,994	10	703,141,564	637,489,940	7,031,415,640
2014	12% Cash dividend for the year 2013	-	10	703,141,564	-	7,031,415,640
2015	18% Cash dividend for the year 2014	-	10	703,141,564	-	7,031,415,640
2016	5% Bonus Issue for the year 2015	35,157,078	10	738,298,642	351,570,780	7,382,986,420
2017	20% Cash dividend for the year 2016	-	10	738,298,642	-	7,382,986,420
2018	10% bonus issue for the year 2017	73,829,864	10	812,128,506	738,298,640	8,121,285,060
2019	10% bonus issue for the year 2018	81,212,850	10	893,341,356	812,128,500	8,933,413,560
2020	5% Bonus & 5% cash Issue for the year 2019	44,667,067	10	938,008,423	446,670,670	9,380,084,230
2021	5% Bonus & 5% cash Issue for the year 2020	46,900,421	10	984,908,844	469,004,210	9,849,088,440
2021	5% Bonus & 5% cash Issue for the year 2021	49,245,442	10	1,034,154,286	492,454,420	10,341,542,860

**Social Islami Bank Limited**  
**Statement of Corporate income Tax Status**  
**as at 31 December 2022**

(Amount in Taka)

Accounting Year	Assessment Year	Tax Provision as per accounts	Advance Tax/TDS / Settlement fee/ Appeal fee	Tax as per assessment Order	Present Status
2004	2005-2006	68,610,851	81,410,851	139,584,498	Pending at High Court Division of Supreme Court
2005	2006-2007	24,391,126	42,284,322	42,101,314	Completed
2006	2007-2008	59,825,178	85,135,927	85,135,927	Completed
2007	2008-2009	128,000,000	134,490,189	168,503,748	Pending at High Court Division of Supreme Court
2008	2009-2010	150,300,000	157,333,015	175,548,021	Pending at High Court Division of Supreme Court
2009	2010-2011	278,914,968	283,427,344	298,644,511	Pending at High Court Division of Supreme Court
2010	2011-2012	515,149,014	523,404,506	498,853,789	Pending at High Court Division of Supreme Court
2011	2012-2013	816,364,597	820,951,354	819,889,378	Pending at High Court Division of Supreme Court
2012	2013-2014	1,301,591,387	1,344,746,694	1,455,548,339	Pending at High Court Division of Supreme Court
2013	2014-2015	802,951,284	876,386,844	1,223,045,189	Pending at High Court Division of Supreme Court
2014	2015-2016	1,400,446,160	1,160,345,616	1,397,825,207	Pending at High Court Division of Supreme Court
2015	2016-2017	1,403,060,382	1,021,914,182	1,481,927,423	Pending at High Court Division of Supreme Court
2016	2017-2018	1,887,664,569	1,433,555,743	1,934,958,507	Pending at High Court Division of Supreme Court
2017	2018-2019	2,063,450,826	1,326,968,492	1,949,246,472	Pending at High Court Division of Supreme Court
2018	2019-2020	2,227,743,967	1,506,789,158	2,533,816,521	Pending at High Court Division of Supreme Court
2019	2020-2021	1,593,092,009	1,191,224,803	2,399,450,271	Tribunal submitted
2020	2020-2021	1,482,531,120	1,491,289,509	1,596,531,337	First Appeal submitted
2021	2021-2022	1,179,106,673	1,169,568,223	-	Return Submitted
2022	2022-2023	1,460,004,839	877,176,166		Return not yet Submitted



## Calculation of Deferred Tax Liability

For the year ended 31.12.2022

### Assets:

Assets Description	Tax Base	Accounting Base	Difference	Tax Rate	D. Tax Liability / (Assets)
Building	459,394,439	922,868,423	463,473,984	37.50%	173,802,744
Furniture & Fixture	800,507,305	1,039,128,089	238,620,784	37.50%	89,482,794
Office Equipment	1,062,184,416	844,769,782	(217,414,633)	37.50%	(81,530,488)
Software Local	6,807,413	80,021,870	73,214,457	37.50%	27,455,421
Software Foreign	133,330,293	138,414,959	5,084,666	37.50%	1,906,750
Books	575,812	547,176	(28,636)	37.50%	(10,738)
Motor Vehicles	13,875,967	4,599,468	(9,276,499)	37.50%	(3,478,687)
<b>Sub-total</b>	<b>2,476,675,644</b>	<b>3,030,349,767</b>	<b>553,674,123</b>		<b>207,627,796</b>

### DTL on revaluation surplus

Land	-	10,218,377		4.00%	408,735
Building	-	853,786,602		37.50%	320,169,976
<b>Sub-total</b>					<b>320,169,976</b>

### DTL on lease liability

Right use of asset		503,822,185			
Less: lease liability		449,478,868			
<b>Sub-total</b>		<b>54,343,317</b>		<b>37.50%</b>	<b>20,378,744</b>

**548,176,516**

### Total deferred tax liability

#### Liability:

Gratuity Provision	-		(181,518,778)	37.50%	(68,069,542)
<b>Sub-total</b>	<b>-</b>	<b>-</b>	<b>(181,518,778)</b>		<b>(68,069,542)</b>

### Grand Total of deferred Tax Liability as on 31.12.2022

**480,106,974**

Deferred tax (asset)/liability as on 01.01.2022	465,429,994
Deferred tax (asset)/liability as on 31.12.2022	480,106,974
Deferred Tax Expense/(Income) during this year	14,676,980

# OFF-SHORE BANKING UNIT FINANCIAL INFORMATION



**Social Islami Bank Limited**  
**Off-Shore Banking Unit (OBU)**

Annexure-H

**Balance Sheet**

**As at 31 December 2022**

	Note(s)	31.12.2022		31.12.2021	
		USD	Taka	USD	Taka
<b>PROPERTY AND ASSETS</b>					
<b>Cash</b>					
Cash in hand (Including Foreign Currencies)		-	-	-	-
Balance with Bangladesh Bank & its Agent Banks (Including Foreign Currencies)		-	-	-	-
		-	-	-	-
<b>Balance with other Banks and Financial Institutions</b>	3				
In Bangladesh		-	-	-	-
Outside Bangladesh		1,049,358	108,395,520	2,064,819	177,161,497
		<b>1,049,358</b>	<b>108,395,520</b>	<b>2,064,819</b>	<b>177,161,497</b>
<b>Placement with Banks &amp; other Financial Institutions</b>		-	-	-	-
<b>Investments in Shares &amp; Securities</b>		-	-	-	-
Government		-	-	-	-
Others		-	-	-	-
		-	-	-	-
<b>Investments</b>					
General Investment etc.	4	140,580,474	14,521,541,191	59,103,195	5,071,054,090
Bills Purchased and Discounted		-	-	-	-
		<b>140,580,474</b>	<b>14,521,541,191</b>	<b>59,103,195</b>	<b>5,071,054,090</b>
Fixed Assets including Premises, Furnitures and Fixtures	5	117	12,082	176	15,102
<b>Other Assets</b>	6	<b>2,913,080</b>	<b>300,912,435</b>	<b>509,262</b>	<b>43,694,699</b>
<b>Non Banking Assets</b>					
<b>Total Assets</b>		<b>144,543,029</b>	<b>14,930,861,227</b>	<b>61,677,452</b>	<b>5,291,925,388</b>
<b>LIABILITIES AND CAPITAL</b>					
<b>Liabilities</b>					
<b>Borrowing from Banks &amp; other Financial Institutions</b>	7	<b>83,872,088</b>	<b>8,663,735,120</b>	<b>6,430,333</b>	<b>551,722,606</b>
<b>Deposits and Other Accounts</b>	8	<b>57,723,535</b>	<b>5,962,667,975</b>	<b>53,866,750</b>	<b>4,621,767,115</b>
Mudaraba Savings Deposits		-	-	-	-
Mudaraba Term Deposits	8.1	50,000,000	5,164,850,000	53,500,732	4,590,362,806
Other Mudaraba Deposits		-	-	-	-
Al-Wadeeah Current & Other Deposit Accounts	8.2	7,723,535	797,817,975	366,018	31,404,309
Bills Payable		-	-	-	-
		<b>2,947,405</b>	<b>304,458,133</b>	<b>1,380,369</b>	<b>118,435,667</b>
<b>Other Liabilities</b>					
<b>Deferred Tax Liabilities/ (Assets)</b>					
<b>Total Liabilities</b>		<b>144,543,029</b>	<b>14,930,861,227</b>	<b>61,677,452</b>	<b>5,291,925,388</b>
<b>Capital/Shareholders' Equity</b>					
Paid-up Capital		-	-	-	-
Statutory Reserve		-	-	-	-
Foreign currency translation gain/(Loss)		-	-	-	-
Retained Earnings		-	-	-	-
<b>Total Shareholders' Equity</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Liabilities &amp; Shareholders' Equity</b>		<b>144,543,029</b>	<b>14,930,861,227</b>	<b>61,677,452</b>	<b>5,291,925,388</b>

	Note(s)	31.12.2022		31.12.2021	
		USD	Taka	USD	Taka
<b>Off-Balance Sheet Items</b>					
<b>CONTINGENT LIABILITIES</b>					
Acceptances and Endorsements		-	-	-	-
Irrevocable Letters of Credit (including Back to Back Bills)		-	-	-	-
Letters of Guarantee		-	-	-	-
Bills for Collection		-	-	-	-
Other Contingent Liabilities		-	-	-	-
<b>Total</b>		-	-	-	-
<b>OTHER COMMITMENTS</b>					
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		-	-	-	-
<b>Total</b>		-	-	-	-
<b>Total Off Balance Sheet Items including Contingent Liabilities</b>		-	-	-	-

**Social Islami Bank Limited**  
**Off-Shore Banking Unit (OBU)**

Annexure-H

**Profit and Loss Account**  
**For The Year Ended 31 December 2022**

	Note(s)	31.12.2022		31.12.2021	
		USD	Taka	USD	Taka
Investment Income		5,657,748	584,428,421	2,923,818	250,863,599
Less: Profit paid on Deposits		(2,718,215)	(280,783,429)	(1,552,341)	(133,190,853)
<b>Net Investment Income</b>		<b>2,939,533</b>	<b>303,644,992</b>	<b>1,371,477</b>	<b>117,672,746</b>
Commission, Exchange and Brokerage		-	-	-	-
Other Operating Income		7,755	801,059	8,716	747,818
<b>Total Operating Income</b>		<b>2,947,288</b>	<b>304,446,051</b>	<b>1,380,193</b>	<b>118,420,564</b>
Salary & allowances		45,020	4,650,430	86,038	7,382,024
Rent & Utilities		-	-	-	-
Depreciation on fixed assets		29	3,020	44	3,776
Others		-	-	-	-
<b>Total Operating Expenses</b>		<b>45,049</b>	<b>4,653,450</b>	<b>86,082</b>	<b>7,385,799</b>
<b>Profit/(Loss) before Provision</b>					
Specific provisions for Investment		-	-	-	-
General Provisions for Investment		-	-	-	-
General Provisions for off-Balance Sheet exposure		-	-	-	-
<b>Total Provision</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Profit/(Loss) before Tax</b>		<b>2,902,239</b>	<b>299,792,600</b>	<b>1,294,111</b>	<b>111,034,766</b>
<b>Provision for Income Tax</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Profit/(Loss) after Tax</b>		<b>2,902,239</b>	<b>299,792,600</b>	<b>1,294,111</b>	<b>111,034,766</b>

**Social Islami Bank Limited**  
**Off-Shore Banking Unit (OBU)**

Annexure-H

**Cash Flow Statement**  
**For the Year Ended 31 December 2022**

	31.12.2022		31.12.2021
	USD	Taka	Taka
<b>Cash Flow from operating activities</b>			
Investment Income receipt	5,657,748	584,428,421	250,863,599
Profit paid on deposits	(2,718,215)	(280,783,429)	(133,190,853)
Dividend receipts	-	-	-
Fees & commission receipt	-	-	-
Cash payments to employees	(45,020)	(4,650,430)	(7,382,024)
Cash payments to suppliers	-	-	-
Income tax paid	-	-	-
Receipts from other operating activities	7,755	801,059	747,818
Payments for other operating activities	-	-	-
<b>Operating profit before changes in operating assets and liabilities</b>	<b>2,902,268</b>	<b>299,795,621</b>	<b>111,038,541</b>
<b>Changes in operating assets and liabilities</b>			
Statutory deposits	-	-	-
Net trading securities	-	-	-
Investments to other banks	-	-	-
Investment to customers	(81,477,279)	(9,450,487,101)	(762,958,449)
Other assets	(2,403,818)	(257,217,736)	(2,586,898)
Borrowing from Banks & other Financial Institutions	77,441,755	8,112,012,514	(3,501,915,275)
Deposits received from customers	3,856,785	1,340,900,860	4,333,170,294
Other liabilities on account of customers	-	-	-
Trading liabilities	-	-	-
Other liabilities	(1,335,203)	(113,773,155)	(68,785,051)
<b>Sub Total</b>	<b>(3,917,760)</b>	<b>(368,564,618)</b>	<b>(3,075,379)</b>
<b>A. Net Cash flow from operating activities</b>	<b>(1,015,491)</b>	<b>(68,768,997)</b>	<b>107,963,162</b>
<b>Cash flows from investing activities</b>			
Proceeds from sale of securities	-	-	-
Payment for purchases of securities	-	-	-
Proceeds from sale of fixed assets	-	-	-
Purchases of property, plant & equipment's	29	3,020	3,776
Purchase/Sale of subsidiaries	-	-	-
<b>B. Net Cash flows from investing activities</b>	<b>29</b>	<b>3,020</b>	<b>3,776</b>
<b>Cash flows from financing activities</b>			
Receipts from issue of debt instruments	-	-	-
Payments for redemption of debt instruments	-	-	-
Receipts from issue of right shares/ordinary share	-	-	-
Dividend paid in cash	-	-	-
<b>C. Net Cash flow from financing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>D. Net increase/(decrease) in cash &amp; cash equivalents (A+B+C)</b>	<b>(1,015,462)</b>	<b>(68,765,977)</b>	<b>107,966,938</b>
<b>E. Cash and cash equivalents at the beginning of the year</b>	<b>2,064,819</b>	<b>177,161,497</b>	<b>69,194,558</b>
<b>F. Cash and cash equivalents at the end of the year (D+E)</b>	<b>1,049,358</b>	<b>108,395,520</b>	<b>177,161,497</b>

## **Notes to the Financial Statements**

### **For the year ended 31 December 2022**

#### **1 Status of the unit**

The Bank obtained the Off-shore Banking Unit ("the Unit") permission vide letter No. BRPD(P-3)744(119)/2010-4652, dated: 11 November, 2010. The Bank commenced operation of this unit from 02 May 2012. The Off-shore Banking Unit is governed under the rules and guidelines of the Bangladesh Bank. Its office is located at SIBL Head Office, City Center 90/1, Motijheel Commercial Area, Dhaka 1000.

#### **1.1 Principal activities**

The principal activities of the unit are to provide all kinds of commercial banking services to its customers through its off-shore Banking Units in Bangladesh.

#### **2 Significant accounting policies and basis of preparation of financial statements**

##### **2.1 Basis of accounting**

The Off-shore Banking Unit maintains its accounting records in USD from which accounts are prepared according to the Bank Companies Act, 1991, International Accounting Standards (IAS), International Financial Reporting Standard (IFRS) and other applicable directives issued by The Bangladesh Bank, in particular, Banking Regulations and Policy Department (BRPD) Circular No. 15 (09 November 2009).

##### **2.2 Use of estimates and judgments**

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the 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. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

##### **2.3 Foreign currency transaction**

###### **a) 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 currency balances held in US Dollar are converted into Taka at weighted average rate of inter-bank market as determined by Bangladesh Bank on the closing date of every month. Balances held in foreign currencies other than US Dollar are converted into equivalent US Dollar at buying rates of New York closing of the previous day and converted into Taka equivalent.

###### **b) Commitments**

Commitments for outstanding forward foreign exchange contracts disclosed in these financial statements are translated at contracted rates. Contingent liabilities/commitments for letter of credit and letter of guarantee denominated in foreign currencies are expressed in Taka terms at the rates of exchange ruling on the balance date.

###### **c) Translation gains and losses**

The resulting exchange transaction gains and losses are included in the profit and loss account, except those arising on the translation of net investment in foreign subsidiary.

###### **Cash flow statement**

Cash flow statement has been prepared in accordance with the International Accounting Standard-7 "Cash Flow Statement" under direct method as recommended in the BRPD Circular No. 14, dated June 25, 2003 issued by the Banking Regulation & Policy Department of Bangladesh Bank.



## 2.4 Reporting period

These financial statements cover from January 01 to December 31, 2022.

**2.5** A provision is recognised in the balance sheet when the unit 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 obligations, in accordance with the IAS 37 "Provisions, Contingent Liabilities and Contingent Assets".

## 2.6 Profit income

In terms of the provisions of the IFRS-15 "Revenue from contract with customer", the profit income is recognized on accrual basis.

### Fees and commission income

Fees and commission income arises on services provided by the units are recognized on a cash receipt basis. Commission charged to customers on letters of credit and letters of guarantee are credited to income at the time of effecting the transactions.

## 2.7 Profit paid and other expenses

In terms of the provisions of the IAS - 1 "Presentation of Financial Statements" interest and other expenses are recognized on accrual basis.

## 2.8 Allocation of common expenses

Operating expenses in the nature of salary, rent, rates and taxes, management expenses, printing stationery, etc. are allocated as common expense rather separately accounted for in the financial statements.

## 3 Balance with other Banks and Financial Institutions

Balance with other Banks and Financial Institutions consists nostro account balance of OBU unit of SIBL which is held with Mashreq Bnak, New York.

## 4 General Investments

a) General investments of Off-shore Banking Units are stated in the balance sheet on net basis.

b) Profit is calculated on a daily product basis but charged and accounted for on accrual basis. Profit is not charged on bad and loss investments as per guidelines of the Bangladesh Bank. Records of such interest amounts are kept in separate memorandum accounts.

## 5 Fixed Assets

Fixed assets includes Furnitures and office equipments used by the employees of OBU unit.

## 6 Other Assets

Other assets include profit receivable from investment clients which are accounted for on accrual basis as per relative accounting standards.

## 7 Borrowing from Banks & other Financial Institutions

Borrowing from Banks & other Financial Institutions includes amount received from SIBL as part of fund which will be returned/adjusted in due course, balance of which is eliminated in the consolidated balance sheet of SIBL to avoid improper double reflection of fund.

## **8 Deposits and Other Accounts**

### **8.1 Mudaraba Term Deposits**

Mudaraba Term Deposits includes deposits procured from various local and foreign banks/institutions which includes:

**among the foreign banks/institutions:**

1. Ajman Bank, UAE 2. Islamic Cooperation for the Development of the Private Sector (ICD) 3. Ras Al Khaima Bank UAE (RAK)

### **8.2 Al-Wadeeah Current & Other Deposit Accounts**

Al-Wadeeah Current & Other Deposit Accounts includes profit payable account and sundry deposits.

## **9 General**

a) These financial statements are presented in BDT, which is the Bank's functional currency. Figures appearing in these financial statements have been rounded off to the nearest BDT.

b) Assets and liabilities & income and expenses have been converted into Taka currency @ US \$1 = Taka 103.2970 closing rate as at 31st December 2022.

c) Fixed assets of this unit are appearing in the books of the main operation of the bank and depreciation is also charged to Profit & loss Accounts of the main operation of the bank.

**Social Islami Bank Limited**

Annexure-I

**Highlights of Performance (Only Bank-Solo basis)**

SL no.	Particulars	31.12.2022	31.12.2021
1	Paid up Capital	10,341,542,860	9,849,088,440
2	Total Capital ( Core + Supplementary)	33,986,120,360	32,447,948,152
3	Capital Surplus/(Deficit)	5,400,736,733	4,470,433,342
4	Capital to Risk-weighted Asset Ratio (CRAR)	11.89%	11.60%
5	Total Assets	439,968,684,936	408,203,155,663
6	Total Deposit	340,950,314,928	341,661,064,252
7	General Investment	342,944,157,503	312,773,820,529
8	Total Contingent Liabilities and Commitments	77,759,960,851	59,463,904,333
9	Investment-Deposit (ID) Ratio ( % )	93.70%	90.19%
10	Percentage of classified investment against total investments	4.80%	5.18%
11	Profit before Tax and Provision	4,735,023,246	4,526,233,418
12	Profit after Tax and Provision	2,429,782,845	1,659,705,580
13	Amount of classified investment	16,476,564,521	16,194,076,632
14	Provisions kept against classified investment	7,638,552,062	7,598,676,652
15	Provisions surplus	-	-
16	Cost of Deposits	4.72%	4.72%
17	Profit Earning Assets	379,181,360,493	361,165,323,218
18	Non-Profit Earning Assets	60,787,324,443	47,037,832,445
19	Return on Investment in Securities	5.95%	2.72%
20	Return (after tax) on average Assets (ROA)	0.57%	0.42%
21	Return (after tax) on equity (ROE)	12.15%	8.91%
22	Income from Investment in Securities	1,407,929,007	793,239,363
23	Earning Per Share (EPS) (Prior year restated)	1.97	1.60
24	Consolidated Earning Per Share (CEPS) (Prior year restated)	2.00	1.69
25	Net Income Per Share	1.97	1.60
26	Price Earning Ratio (Times)	6.25	8.78



**SIBL SECURITIES LIMITED  
FINANCIAL INFORMATION**

## Independent Auditor's Report

### To The Shareholders of SIBL Securities Limited

#### Report on the Audit of the Financial Statements

##### Opinion

We have audited the accompanying Financial Statements of **SIBL Securities Limited**, which comprise the Statement of Financial Position as at December 31, 2022, Statement of Profit or Loss and Other Comprehensive Income and Statement of Cash Flows for the year then ended, December 31, 2022 and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying Financial Statements present fairly, in all material respects, the financial position of the company as at December 31, 2022, its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and other applicable laws and regulations.

##### Basis Opinion

We conduct 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) and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) By Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our unqualified opinion.

##### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters were addressed in the context of our audit of the financial statement as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

##### We have nothing to report on going concern

We are required to report if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of the financial statements. We have nothing to report in these respects.

##### Other Matter

a) Previous year financial figure was audited by Shafiq Basak & Co., Chartered Accountants;

##### Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Controls:

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, 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 entity'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 entity or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the entity's financial reporting process.

##### Auditor's Responsibilities for the Audit of the Financial Statements:

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from

fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with ISAs, we exercise professional judgments 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 auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's 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 and relevant notifications issues by, we also report that:

- a) 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;
- b) In our opinion, proper books of accounts, records and other statutory books as required by law have been kept by the Company so far as it appeared from our examinations of those books;
- c) The Financial Statements of the company together with the annexed notes dealt with by the report are in agreement with the books of account and returns.

**Md. Nurul Hossain Khan FCA**

Enrolment No: 0240

Managing Partner

**Kazi Zahir Khan & Co.**

Chartered Accountants

DVC: 2304240240AS581153

Place: Dhaka  
Dated: April 24, 2023.

## SIBL Securities Limited

# Statement of Financial Position

As at 31 December 2022

Particulars	Note(s)	Amount in Taka	
		31.12.2022 Taka	31.12.2021 Taka
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant & equipment less acc. depreciation	3.00	9,644,619	6,145,570
Right of Use Assets	4.00	2,693,200	7,413,774
Intangible assets	5.00	1,000,849	-
Investment in Equity of Strategic Company	6.00	989,770,683	989,770,683
		<b>1,003,109,350</b>	<b>1,003,330,027</b>
<b>Current Assets</b>			
Advances, deposits & pre-payments	7.00	170,285,198	180,764,833
Accounts Receivable	8.00	1,575,431,471	1,495,829,921
Investment in stock dealer activities	9.00	266,205,648	191,318,687
Cash & cash equivalents	10.00	589,886,376	1,156,640,972
		<b>2,601,808,693</b>	<b>3,024,554,413</b>
<b>Total Assets</b>		<b>3,604,918,043</b>	<b>4,027,884,439</b>
<b>Equity &amp; Liabilities</b>			
<b>Equity &amp; Reserve</b>			
Share capital	11.00	1,537,500,000	1,537,500,000
Capital Reserve	13.00	16,149,999	8,500,000
General reserve	12.00	13,938,396	13,938,396
Retained earnings	14.00	72,362,892	118,060,054
		<b>1,639,951,287</b>	<b>1,677,998,450</b>
<b>Non-current liabilities</b>			
HPSM investment loan from SIBL	15.00	790,000,000	790,000,000
Deferred Tax Liability/(Asset)	16.00	111,731	111,731
Lease Liability	17.00	-	2,989,151
		<b>790,111,731</b>	<b>793,100,883</b>
<b>Current liabilities</b>			
Accounts Payables	18.00	1,014,432,957	1,414,230,615
Provision for tax	19.00	159,808,334	139,652,932
Lease Liability_Current Portion	17.00	613,734	2,901,560
		<b>1,174,855,025</b>	<b>1,556,785,107</b>
<b>Total Equity &amp; Liabilities</b>		<b>3,604,918,043</b>	<b>4,027,884,439</b>

The annexed notes 1 to 27 form an integral part of these financial statements.

  
Chief Executive Officer

  
Director

  
Director

  
Chairman

**Md. Nurul Hossain Khan FCA**

Enrolment No: 0240

Managing Partner

**Kazi Zahir Khan & Co.**

Chartered Accountants

DVC: 2304240240AS581153

Place: Dhaka  
Date: April 24, 2023.



## SIBL Securities Limited

# Statement of Profit or Loss and other Comprehensive Income

For the year ended 31 December 2022

Particulars	Note(s)	Amount in Taka	
		31-Dec-2022	31-Dec-2021
<b>Operating Income</b>			
Brokerage commission	20.00	106,149,985	174,101,064
Profit earned on bank account:	21.00	510,703	34,819,462
Profit on margin facility		116,598,908	106,363,624
Profit / (Loss) on sale of share		12,562,973	14,011,816
Cash dividend from investment in share		12,391,793	1,244,581
Dividend Income from investment in DSE & CSE Share		2,164,531	3,767,064
Other income	22.00	1,155,163	3,084,874
<b>Total operating income</b>		<b>251,534,055</b>	<b>337,392,486</b>
<b>Expenses</b>			
Operating expenses	23.00	(72,130,511)	(72,131,962)
Financial Expenses	24.00	(71,616,883)	(71,387,281)
		<b>(143,747,395)</b>	<b>(143,519,243)</b>
<b>Operating profit/(loss) before Provisions &amp; Reserve</b>		<b>107,786,661</b>	<b>193,873,243</b>
<b>Other Provisions &amp; Reserve</b>			
Provision for impairment of margin loan	18.02.01	45,000,000	72,134,103
Provision for Investment		3,803,421	-
General Reserve	12.00	-	2,624,339
Capital Reserve	13.00	7,649,999	8,500,000
<b>Total Provisions &amp; Reserve</b>		<b>(56,453,420)</b>	<b>(83,258,442)</b>
<b>Operating profit/(loss) before tax</b>		<b>51,333,240</b>	<b>110,614,801</b>
Current tax		20,155,402	34,815,821
Deferred Tax Expenses / (Income)		-	(701,012)
		<b>(20,155,402)</b>	<b>(34,114,809)</b>
<b>Operating Profit/(loss) after tax</b>		<b>31,177,838</b>	<b>76,499,992</b>

The annexed notes 1 to 27 form an integral part of these financial statements.

  
Chief Executive Officer

  
Director

  
Director

  
Chairman

  
Md. Nurul Hossain Khan FCA

Enrolment No: 0240

Managing Partner

**Kazi Zahir Khan & Co.**

Chartered Accountants

DVC: 2304240240AS581153

Place: Dhaka  
Date: April 24, 2023.

**SIBL Securities Limited**

**Statement of Changes in Equity**

**For the year ended 31 December 2022**

Particulars	Share capital	Capital Reserve	General reserve	Retained earnings	Total
Opening balance at 01 January 2022	1,537,500,000	8,500,000	13,938,396	118,060,054	1,677,998,450
Add: Net Profit/Loss during the period	-	-	-	31,177,838	31,177,838
Add: General reserve addition	-	-	-	-	-
Add: Capital reserve addition	-	7,649,999	-	-	7,649,999
Less: Interim cash Dividend paid	-	-	-	(76,875,000)	(76,875,000)
<b>Balance as at 31 December 2022</b>	<b>1,537,500,000</b>	<b>16,149,999</b>	<b>13,938,396</b>	<b>72,362,892</b>	<b>1,639,951,287</b>

**For the year ended 31 December 2021**

Particulars	Share capital	Capital Reserve	General reserve	Retained earnings	Total
Opening balance at 01 January 2021	1,537,500,000	-	11,314,057	41,560,062	1,590,374,119
Add: Net Profit/Loss during the period	-	-	-	76,499,992	76,499,992
Add: General reserve addition	-	-	2,624,339	-	2,624,339
Add: Capital reserve addition	-	8,500,000	-	-	8,500,000
Less: Interim cash Dividend paid	-	-	-	-	-
<b>Balance as at 31 December 2021</b>	<b>1,537,500,000</b>	<b>8,500,000</b>	<b>13,938,396</b>	<b>118,060,054</b>	<b>1,677,998,450</b>

The accounting policies and other notes form an integral part of the financial statements.

  
Chief Executive Officer

  
Director

  
Director

  
Chairman

# SIBL Securities Limited

## Statement of Cash Flows

For the year ended 31 December 2022

Particulars	Amount in Taka	
	31-Dec-2022	31-Dec-2021
<b>Cash flows from operating activities</b>		
Net profit before tax	51,333,240	110,614,801
Increase/(decrease) in Advance & Prepayments	10,479,635	(75,655,564)
Increase in receivables	(79,601,550)	(239,264,641)
Increase/(decrease) in payables	(399,797,658)	805,271,175
Increase/(decrease) in other provisions	-	33,997,295
Increase/(decrease) in deferred tax liability	-	-
Depreciation	6,629,405	5,070,619
Amortization	111,205	492,651
General reserve	-	2,624,339
Capital Reserve	7,649,999	8,500,000
Current Tax	-	(34,114,809)
<b>Net cash inflow/(outflow) from operating activities (A)</b>	<b>(403,195,723)</b>	<b>617,535,866</b>
<b>Cash flows from investing activities</b>		
Decrease/(Increase) Lease Liability	(5,276,977)	(2,081,631)
Decrease/(Increase) in Lease Asset	-	(2,289,741)
Increase/(decrease) in fixed assets	(6,519,935)	(860,017)
Decrease/(Increase) Deferred Tax	-	(701,012)
Increase / Decrease in investment	(74,886,961)	(49,163,406)
<b>Net cash used in investing activities (B)</b>	<b>(86,683,874)</b>	<b>(55,095,807)</b>
<b>Cash flows from financing activities</b>		
Increase in investment borrowing-SIBL	-	(110,000,000)
Increase/ Decrease in Share Capital	-	307,500,000
Interim Dividend paid	(76,875,000)	-
<b>Net cash from financing activities (C)</b>	<b>(76,875,000)</b>	<b>197,500,000</b>
<b>Net cash inflow for the year D=(A+B+C)</b>	<b>(566,754,596)</b>	<b>759,940,059</b>
<b>Opening cash &amp; cash equivalents (E)</b>	<b>1,156,640,972</b>	<b>396,700,913</b>
<b>Closing cash &amp; cash equivalents (D+E)</b>	<b>589,886,376</b>	<b>1,156,640,972</b>

The accounting policies and other notes form an integral part of the financial statements.

  
Chief Executive Officer

  
Director

  
Director

  
Chairman

## SIBL Securities Limited

# Notes to the Financial Statements

**As at and for the year ended 31 December 2022**

### 1.00 Significant accounting policies and other material information

#### 1.01 Legal status of the company

SIBL Securities Limited was incorporated as a public limited company under the Companies Act 1994 vide certification of incorporation no. C - 85876/10 dated 20 July, 2010 and obtained its certificate of commencement of business on the same day. The company has started its operation both under DSE and CSE membership on 04 January, 2012 and 05 January, 2012 respectively.

#### 1.02 Address of registered office and principal place of business

The principal place of business is the Registered Office at 15, Dilkusha C/A, Dhaka-1000.

#### 1.03 Nature of business activities

The principal objectives of the Company for which it was established are to carry on the business of stock brokers, dealers in relation to shares and securities dealings and other services as mentioned in the Memorandum and Articles of Association of the company.

### 2.00 Significant accounting policies

#### 2.01 Basis of preparation of financial statements

The Financial Statements have been prepared on a going concern basis under historical cost convention in accordance with the International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS), Companies Act 1994 and other applicable laws and regulations.

#### 2.02 Components of financial statements

According to International Accounting Standard (IAS)-1 "Presentation of Financial Statements" the complete set of Financial Statements includes the following components;

- i) Statement of Financial Position;
- ii) Statement of Profit or Loss and other Comprehensive Income;
- iii) Statement of Cash Flows;
- iv) Statement of Changes in Equity;
- v) Notes, comprising a summary of significant accounting policies and other explanatory notes;
- vi) Comparative information.

#### 2.03 Revenue income

Revenue Income comprises of Brokerage Commission earned and others as stated in accounts.

#### 2.04 Revenue recognition

Revenues are generated and recognized upon raising invoices against services rendered as broker, commission receipts from clients at the time when services are completed.

#### 2.05 Fixed assets, depreciation and amortization

Assets have been shown at cost less depreciation as per IAS-16 "Property, Plant & Equipment". Depreciation has been charged on reducing balance method. Depreciation on addition of assets has been charged from the date of purchase. Rate of depreciation are as under:

Particulars	Rate (%)
Office Equipment	20
Office Decoration	10
Furniture & fixture	10

The company has implemented International Financial Reporting Standard 16; LEASE for the first time in 2020 and accordingly "Right of Use Asset" has been created on account of Office Rent.

Intangible assets have been shown at cost less amortization as per IAS-38 "Intangible Asset". Amortization has been charged on straight-line method and on addition of assets from the date of purchase. Amortization period is 10 years.

#### 2.06 Reporting currency

The figures in the Financial Statements represent Bangladesh Currency (Taka), which have been rounded off to the nearest BDT.

#### 2.07 General

Previous years figures have been rearranged wherever necessary to confirm to the current years presentation.

Particulars	Amount in Taka	
	31-Dec-2022	31-Dec-2021
<b>3.00 Property, plant &amp; equipment</b>		
Opening balance	20,234,312	19,374,295
Add: Addition during the year (annexure-A)	5,407,881	860,017
Less: Disposal during the year	-	-
<b>Closing balance (A)</b>	<b>25,642,193</b>	<b>20,234,312</b>
<b>Less: Accumulated depreciation:</b>		
Opening balance	14,088,742	12,552,350
Depreciation charged during the year (annexure-A)	1,908,831	1,536,392
Disposal/adjustment during the year	-	-
<b>Closing balance (B)</b>	<b>15,997,573</b>	<b>14,088,742</b>
<b>Written down value (A-B)</b>	<b>9,644,620</b>	<b>6,145,570</b>
<b>4.00 Right of Use Assets</b>	15,401,846	13,112,105
Opening Balance	-	2289741
Add: Addition during the year (annexure-A)	12,708,646	7,988,072
Less: Accumulated Depreciation	<b>2,693,200</b>	<b>7,413,774</b>
During the year under report the company has implemented IFRS 16: LEASE therefore " Right of Use Assets " has been arisen due to result of actions of the same IFRS 16		
<b>5.00 Intangible assets</b>		
Opening balance	3,173,640	3,173,640
Add: Addition during the year (annexure-A)	1,112,054	-
Less: Disposal during the year	-	-
<b>Closing balance (A)</b>	<b>4,285,694</b>	<b>3,173,640</b>
<b>Less: Accumulated depreciation:</b>		
Opening balance	3,173,640	2,680,989
Depreciation charged during the year (annexure-A)	111,205	492,651
Disposal/adjustment during the year	-	-
<b>Closing balance (B)</b>	<b>3,284,845</b>	<b>3,173,640</b>
<b>Written down value (A-B)</b>	<b>1,000,849</b>	<b>-</b>
<b>6.00 Investment in Equity of Strategic Company</b>		
Chittagong Stock Exchange Ltd. (CSE)	307,000,000	307,000,000
Dhaka Stock Exchange Ltd. (DSE)	682,770,683	682,770,683
	<b>989,770,683</b>	<b>989,770,683</b>
DSE Share sale to Strategic shareholder	-	-
	<b>989,770,683</b>	<b>989,770,683</b>

The company acquired a Membership of Chittagong Stock Exchange Ltd., Membership no: 142 dated 26 July, 2010 at a cost of Tk. 307,000,000 from Social Islami Bank Limited on 30 December, 2010 which was subscribed by Social Islami Bank Limited earlier in the name of SIBL Securities Ltd. Further, on 13-04-2011 the company purchased a membership of Dhaka Stock Exchange Ltd. (Membership No. 94) from Arafat Securities Ltd. at a cost of Tk.710,000,000. A transfer fees of Tk.10,650,000 was also paid to RJSC for the said membership. Later on, after demutualization of the both Stock Exchanges, the Company obtained TREC Certificates of DSE & CSE against their Membership and received 2,886,042 Shares out of total allotted 7,215,106 Shares of DSE @Tk.10/- each and also received 1,714,932 Shares of CSE @Tk.10/- each out of total allotted 4,287,330 Shares of CSE. During the year, DSE has sold out 25% shares out of 40% of total share, held with DSE under block account, for which the Company has received the sale proceeds of Tk. 37,879,317 for 1,803,777 shares at Tk. 21 each against cost price of Tk. 180,162,550 including the TREC value apparently with loss a of Tk. 142,283,233, But such loss has not been considered in account as the estimated value of the TREC is understood to be much higher then the overall DSE shares cost.

Stock Exchange		No of Shares	
		31-Dec-22	31-Dec-21
Dhaka Stock Exchange Limited		5,411,329	5,411,329
Chittagong Stock Exchange Limited		4,287,330	4,287,330
<b>Total number of shares</b>		<b>9,698,659</b>	<b>9,698,659</b>
Book value of Shares		<b>989,770,683</b>	<b>989,770,683</b>

		Amount in Taka		
		31-Dec-2022	31-Dec-2021	
<b>7.00</b>	<b>Advances</b>			
	Advance income tax	Note - 7.01	170,035,198	146,372,333
	Advance for IPO		-	34,172,500
	Advance to Vendor		30,000	-
	Security deposit	Note - 7.02	220,000	220,000
			<b>170,285,198</b>	<b>180,764,833</b>
<b>7.01</b>	<b>Advance income tax</b>			
	Advance income tax-DSE		127,133,926	109,315,462
	Advance income tax-CSE		5,910,906	5,338,010
	Advance income tax-CSE dealer		64,129	56,748
	Advance income tax-DSE dealer		1,077,542	867,177
	Advance income tax on profit of MTDR A/c.		1,719,174	1,719,174
	Advance income tax on profit of other bank A/c.		7,846,636	7,772,013
	Advance income tax on cash dividend-dealer		12,053,283	10,581,609
	Income tax paid		14,229,603	10,722,140
			<b>170,035,198</b>	<b>146,372,333</b>
<b>7.02</b>	<b>Security deposit</b>			
	Security deposit with CDBL		200,000	200,000
	Security deposit with BTCL		5,000	5,000
	Security deposit with Duncan Products		15,000	15,000
			<b>220,000</b>	<b>220,000</b>
<b>8.00</b>	<b>Accounts Receivable</b>			
	Receivable from client	Note - 8.01	1,432,614,881	1,393,839,599
	Receivables from regulators	Note - 8.02	4,761,192	14,016,896
	Receivable dividend income		6,569,687	-
	Profit receivable Bai-Muajjel		131,485,711	87,973,426
			<b>1,575,431,471</b>	<b>1,495,829,921</b>
<b>8.01</b>	<b>Receivable from client/Margin Loan</b>			
	Margin Loan (Equity below 100)		866,654,478	708,607,586
	Margin Loan (Equity Above 100)		565,960,403	685,232,013
			<b>1,432,614,881</b>	<b>1,393,839,599</b>
<b>8.02</b>	<b>Receivables from regulators:</b>			
	Receivable from DSE (Broker)		4,634,311	14,016,896
	Receivable from CSE (Broker)		126,881	-
			<b>4,761,192</b>	<b>14,016,896</b>
<b>9.00</b>	<b>Investment in stock dealer Activities</b>			
	Investment in listed securities		266,205,648	151,065,297
	Investment in primary shares		-	40,253,390
			<b>266,205,648</b>	<b>191,318,687</b>

	Amount in Taka	
	31-Dec-2022	31-Dec-2021
<b>10.00 Cash &amp; bank balances</b>		
Cash in hand	79,908	699,388
Petty cash account	47,238	35,475
Consolidated customer A/c. with AIBL -0021220003332	17,426	8,365
SIBLSL operational Bank A/c (Exp) with SIBL-02-1330056882	2,864,165	6,634,044
SIBLSL dealer operational Bank A/c . with OBL-0013000000569	7,190	7,190
SIBLSL -Public Issue ApplicationA/c. with SIBL - 02-1360001846	654,471.41	680,867
SIBL Securities Employees PF Bank A/c. SIBL - 02-1360001993	19,494,082	16,033,070
SiblsI Consolidated Customer A/c. Sibl-0021360003049	549,937,032	1,130,127,527
SiblsI Dealer Operation A/c.-Sibl-0021360003051	16,784,864	2,415,046
	<b>589,886,376</b>	<b>1,156,640,972</b>

#### 11.00 Share capital

##### Authorized capital

25,000,000 shares of Taka 100 each

**2,500,000,000**      **2,500,000,000**

##### Issued, subscribed and paid-up capital

15,375,000 hares of Taka 100 each

**1,537,500,000**      **1,537,500,000**

#### 11.01 Shareholding position

Shareholders	% of shareholdings	No. Shares	Amount in Taka	
			31-Dec-2022	31-Dec-2021
Social Islami Bank Limited	99.999922%	15,374,988	1,537,498,800	1,537,498,800
Alhaj Nasiruddin	0.000007%	1	100	100
Mr. Md. Sayedur Rahman	0.000007%	1	100	100
Major (Retd.) Dr. Md. Rezaul Haque	0.000007%	1	100	100
Alhaj Sultan Mahmood Chowdhury	0.000007%	1	100	100
Mr. Abdul Awal Patwary	0.000007%	1	100	100
Hamdard Laboratories (Waqf) Bangladesh	0.000007%	1	100	100
Mrs. Nargis Mannan	0.000007%	1	100	100
Mr. Kamaluddin Ahmed	0.000007%	1	100	100
Alhaj Sk. Mohammad Rabban Ali	0.000007%	1	100	100
Mr. A. Jabbar Mollah	0.000007%	1	100	100
Mr. Md. Kamal Uddin	0.000007%	1	100	100
Mr. Belal Ahmed	0.000007%	1	100	100
<b>Total</b>	<b>100.00%</b>	<b>15,375,000</b>	<b>1,537,500,000</b>	<b>1,537,500,000</b>

Particulars	Amount in Taka	
	31-Dec-2022	31-Dec-2021
<b>12.00 General reserve</b>		
Opening balance	13,938,396	11,314,057
Add: Addition during the year	-	2,624,339
	<b>13,938,396</b>	<b>13,938,396</b>
Less: Adjustment during the year	-	-
	<b>13,938,396</b>	<b>13,938,396</b>
<b>13.00 Capital Reserve</b>		
Opening balance	8,500,000	-
Add: Addition during the year	7,649,999	8,500,000
	<b>16,149,999</b>	<b>8,500,000</b>

As per BSEC circular No. BSEC/CMRRCD/2017-357/221/Admin/89 Each registered entity shall maintain a mandatory provision at least @ 10% of profit after tax of last year as capital reserve and the full amount of such reserve shall be accounted for in computing total capital;



Particulars	Amount in Taka		
	31-Dec-2022	31-Dec-2021	
<b>14.00 Retained Earnings</b>			
Opening balance	118,060,054	41,560,062	
Add: Profit/(loss) during the year	31,177,838	76,499,992	
Add: Adjustment for implementation of IFRS 16	-	-	
<b>International Financial Reporting Standard 16 : Lease</b>	<b>149,237,892</b>	<b>118,060,054</b>	
Less: interim dividend	76,875,000	-	
	<b>72,362,892</b>	<b>118,060,054</b>	
<b>15.00 HPSM investment loan from SIBL</b>			
Opening balance	790,000,000	900,000,000	
Addition during the year	-	-	
Adjustment made during the year	-	(110,000,000)	
	<b>790,000,000</b>	<b>790,000,000</b>	
<b>16.00 Deferred Tax Liability / (Assets)</b>			
Opening Balance	111,731	812,743	
Add: Addition during the year	-	(701,012)	
	<b>111,731</b>	<b>111,731</b>	
<b>17.00 Lease Liability</b>			
Opening Balance	2,989,151	8,790,868	
Add: Finance Cost	612,960	492,651	
Add: Addition during the period	-	1,523,198	
Less: Adjustment (Transfer from Office Rent)	2,988,377	4,916,006	
	<b>613,734</b>	<b>5,890,711</b>	
Less: Current Portion	613,734	2,901,560	
	<b>-</b>	<b>2,989,151</b>	
During the year under report the company has implemented IFRS 16: LEASE and hence lease liability has been arisen due to result of actions of the same IFRS 16			
<b>18.00 Accounts Payables</b>			
Payable to regulators	Note - 18.01	2,202,621	2,178,424
Payable to client		512,380,206	1,116,409,814
Dividend Payable		76,875,000	-
Profit Payable on CCA to Client		25,959,700	-
Liabilities for payment to the issuer		6,000	23,171,000
Other provisions	Note - 18.02	397,009,429	272,471,377
		<b>1,014,432,957</b>	<b>1,414,230,615</b>
<b>18.01 Payable to regulators:</b>			
Payable to DSE		2,069,751	658,639
Payable to Delaer		-	837,764
Payable to CDBL		132,870	682,021
		<b>2,202,621</b>	<b>2,178,424</b>
<b>18.02 Other provisions:</b>			
Provision for impairment of margin loan	Note 18.02.01	227,000,000	182,000,000
Provision for diminution in value of investment in shares	Note 18.02.02	3,803,421	-
Provision for PF contribution by company		8,221,263	6,784,079
Provision for PF contribution by employee		8,221,263	6,784,079
Provision for employees Gratuity Fund		5,680,415	4,180,415
Accrued expenses	Note 18.02.03	432,598	468,832
Payable to service providers		93,413	93,413
Payable to suppliers		15,055	115,055
Profit payable to SIBL on Quard amount		141,847,842	70,747,839
Liabilities for unidentified cash dividend receipt		12,824	12,824
Liabilities for EMP. PF Bank A/c. profit income		1,681,335	1,284,841
		<b>397,009,429</b>	<b>272,471,377</b>

Particulars	Amount in Taka	
	31-Dec-2022	31-Dec-2021
<b>18.02.01 Provision for Impairment of Margin loan</b>		
Opening Balance	182,000,000	109,865,897
Add: Addition / (Adjustment) during the year	45,000,000	72,134,103
	<b>227,000,000</b>	<b>182,000,000</b>
<b>18.02.02 Provision for diminution in value of investment in shares</b>	3,803,421	-
Provision for diminution in value of investment in shares	<b>3,803,421</b>	-
<p>In compliance with the guidelines of the BSEC vide Circular No. SEC/CMRRCDD/2009-193/196 dated 28 December, 2016 and BSEC's Directive No. BSEC/CMRCCD/2009-193/203 dated December 28, 2017 and further letter No. BSEC/SRI/MB/Policy-5/2020/132 dated January 30, 2020 the management of the Company has decided to create provisions @100% for impairment of margin loan on negative equity balance and @ 100% for diminution in value of investment in shares through dealer account separately within next 02 (two) years. That is, end of the year 2022. In this connection, as on 31st December, 2020 the provisions have been created amount Tk.109,865,897 on Impairment of Margin Loan on negative equity balance of 31st December, 2020.</p>		
<b>18.02.03 Accrued expenses:</b>		
Audit fees	34,500	34,500
VAT payable on Directors meeting attendance fees	-	18,000
VAT payable on suppliers	39,244	31,565
VAT payable on office rent	106,288	151,270
Tax payable on office rent	23,355	38,449
Tax payable on suppliers	120,279	149,698
Tax payable on salary	78,432	30,100
VAT payable on legal & professional fees	30,500	12,750
Tax payable on Director Fee	-	2,500
	<b>432,598</b>	<b>468,832</b>
<b>19.00 Provision for tax</b>		
Opening balance	139,652,932	104,837,111
Add: Current year tax	20,155,402	34,815,821
Short / (excess) Provision of preceding years Tax	-	-
	<b>159,808,334</b>	<b>139,652,932</b>
Less: Tax Paid / Adjust of preceding years Tax	-	-
	<b>159,808,334</b>	<b>139,652,932</b>
<b>20.00 Brokerage commission:</b>		
Brokerage commission-DSE	102,606,169	164,765,031
Brokerage commission-CSE	3,543,816	9,336,034
	<b>106,149,985</b>	<b>174,101,064</b>
<b>21.00 Profit earned on bank account:</b>		
Profit on CCA A/c. 0021360003049 (SIBL)	-	34,286,468
Profit on Dealer A/c. 0021360003051 (SIBL)	510,703	398,711
Profit on A/c. 0021360001846 (SIBL)	-	134,283
	<b>510,703</b>	<b>34,819,462</b>
<b>22.00 Other income</b>		
Loan processing fees	10,500	19,500
B.O. opening charges	216,000	395,500
B.O. maintenance charges	531,450	538,350
Income from IPO application process	7,070	110,950
Profit against market value of Shares	-	603,866
Other income	390,143	1,416,708
	<b>1,155,163</b>	<b>3,084,874</b>

Particulars	Amount in Taka	
	31-Dec-2022	31-Dec-2021
<b>23.00 Operating expenses</b>		
Salary & allowances (Note 23.01)	44,793,620	34,716,820
License, fees & renewals (Note 23.02)	14,734,625	24,706,683
Directors Board meeting attendance fees (Note 23.03)	333,000	353,000
Rent, rates & taxes (Note 23.04)	62,050	737,401
Communications expenses (Note 23.05)	1,881,575	1,899,912
Printing & stationery (Note 23.06)	204,555	573,421
Entertainment & public relation	1,099,851	1,092,661
Repair & maintenances (Note 23.07)	875,254	1,224,715
Office expenses (Note 23.08)	872,785	893,716
Legal & professional fees (Note 23.09)	376,050	138,363
Business promotional expenses	156,537	230,000
Training Expenses	-	2,000
Depreciation	1,908,831	1,536,392
Depreciation: Office rent transferred for IFRS 16 execution	4,720,574	3,534,227
Amortization	111,205	492,651
	<b>72,130,511</b>	<b>72,131,962</b>
<b>23.01 Salary &amp; allowances:</b>		
Salary & allowances	38,470,991	29,591,528
Contribution to employees provident fund by Company	1,533,527	1,359,600
Festival bonus	3,289,102	2,467,227
Contribution to employees Gratuity fund	1,500,000	1,298,465
	<b>44,793,620</b>	<b>34,716,820</b>
<b>23.02 License, fees &amp; renewal</b>		
Renewal fees	200,000	230,000
TREC license renewal fees-DSE	585,280	180,834
TREC license renewal fees-CSE	-	165,000
Membership subscription to DBA	12,500	12,500
Bidding fee paid to DSE	22,000	23,000
Regulatory expenses with Non-Judicial stamp	-	3,500
Trade license fees & expenses	5,170	4,980
Authorized representative license and renewal fees	-	20,500
CDBL settlement transfer fees	-	90,400
Howla charges-CSE	4,623,962	8,917,038
Howla charges-DSE	920	-
Laga charges-DSE	17,150	1,800
Laga charges-CSE	8,824,435	14,085,241
Laga charges-CSE dealer	252,415	781,802
Laga charges-DSE dealer	1,799	3,554
Investor protection fund-CSE	100,866	134,073
Investor protection fund-DSE	1,542	2,801
	86,586	49,660
	<b>14,734,625</b>	<b>24,706,683</b>
<b>23.03 Directors Board Meeting attendance fees:</b>		
Directors Board meeting attendance fees	324,000	270,000
VAT on Directors meeting attendance fees	9,000	56,000
Tax on Directors meeting attendance fees	-	27,000
	<b>333,000</b>	<b>353,000</b>

Particulars	Amount in Taka	
	31-Dec-2022	31-Dec-2021
<b>23.04 Rent, rates &amp; taxes</b>		
Office rent	124,100	-
Office rent- Extension of HO	-	-
	<b>124,100</b>	-
Less: Adjsutment due to execution of IFRS 16	62,050	737,401
	<b>62,050</b>	<b>737,401</b>
<b>23.05 Communication expenses</b>		
Telephone & mobile bill	223,816	226,209
Courier & postage	10,112	7,460
Conveyance & travel expenses	217,619	305,144
Car and Fuel Expenses	316,500	-
Network connectivity & installation charges	1,113,528	1,361,099
	<b>1,881,575</b>	<b>1,899,912</b>
<b>23.06 Printing &amp; stationery</b>		
Printing	89,810	366,406
Tax on printing exp.		464
stationery	72,845	138,056
VAT on stationery		4,109
Toner/cartridge	41,900	64,386
	<b>204,555</b>	<b>573,421</b>
<b>23.07 Repair &amp; maintenances</b>		
Repair & maintenances	269,578	384,722
VAT on Repair & maintenances	-	1,045
Computer maintenances	-	1,850
Software maintenances	131,250	480,200
Office maintenances	474,426	356,898
	<b>875,254</b>	<b>1,224,715</b>
<b>23.08 Office expenses</b>		
Advertisement	81,218	32,200
Water & Sewerage bill	77,895	178,569
Newspaper & periodicals	16,471	10,340
Crockery's		3,400
Misc. Expenses	45,007	137,000
Securitu Guard	45,150	-
Insurance Expenses	86,095	
VAT on supplier payment	-	38,360
Ex-gratia	-	20,000
Electricity & generator bill	520,949	473,847
	<b>872,785</b>	<b>893,716</b>
<b>23.09 Legal &amp; professional fees</b>		
Advisory & Consultancy	341,550	103,863
Audit Fees	34,500	34,500
	<b>376,050</b>	<b>138,363</b>

Particulars	Amount in Taka	
	31-Dec-2022	31-Dec-2021
<b>24.00 Financial expenses</b>		
Profit paid on loan	71,100,003	70,747,839
Bank charges	110,401	149,953
Finance cost arises from execution of IFRS 16	406,480	489,489
	<b>71,616,883</b>	<b>71,387,281</b>

**25.00 Off-Balance Sheet Assets and Liabilities**

In compliance with the TREC Holder's Margin Regulations, 2013 to enhance the buy limit of the Company up to 40.00 Crore the company submitted two Bank Guarantee for the amount of Tk.30.00 Crore (BG No.002BG000117 dated 04.01.2017 for Tk.20.00 cr. and BG No. 002BG000316 dated 31.03.2016 for Tk.10.00 cr.) valid up to 31st December, 2020 to Dhaka Stock Exchange Ltd. which issued by Social Islami Bank Ltd., Principal Branch, Dhaka.

**26.00 Post balance sheet event**

The company has started its operation both under DSE and CSE membership on 04 January 2012 and 05 January 2012 respectively. No material event had occurred after the Balance Sheet date, which could substantially effect the values reported in the Financial Statements.

**27.00 Related party disclosure:**

As per IAS 24 there is no related party transaction other than those with SIBL as mentioned in note no.14.

## SIBL Securities Limited

### Schedule of Property, Plant & Equipments

As on 31 December 2022

Annexure - A

Particulars	Cost			Rate of Dep. (%)	Accumulated Depreciation				Written Down Value
	Opening Balance	Addition during the period	Disposal during the period		Closing Balance	Charged during the period	Adjustment during the period	Closing Balance	
1	2	3	4	5 = 2+3-4	7	8	9	10 = 7+8+9	11 = 5-10
<b>Property, plant &amp; equipment</b>									
Office equipment	12,780,801	4,661,824	-	17,442,625	9,907,767	1,506,972	-	11,414,739	6,027,886
Office decoration	5,748,611	658,999	-	6,407,610	3,353,731	305,388	-	3,659,118	2,748,492
Furniture & fixture	1,704,900	87,058	-	1,791,958	827,245	96,471	-	923,716	868,242
<b>Balance as on 31 December 2022</b>	<b>20,234,312</b>	<b>5,407,881</b>	<b>-</b>	<b>25,642,193</b>	<b>14,088,742</b>	<b>1,908,831</b>	<b>-</b>	<b>15,997,573</b>	<b>9,644,620</b>
<b>Right of use assets</b>	<b>15,401,846</b>	<b>-</b>	<b>-</b>	<b>15,401,846</b>	<b>7,988,072</b>	<b>4,720,574</b>	<b>-</b>	<b>12,708,646</b>	<b>2,693,200</b>
<b>Intangible assets</b>									
<b>Software</b>	<b>3,173,640</b>	<b>1,112,054</b>	<b>-</b>	<b>4,285,694</b>	<b>3,173,640</b>	<b>111,205</b>	<b>-</b>	<b>3,284,845</b>	<b>1,000,849</b>
<b>Balance as on 31 December 2022</b>	<b>18,575,486</b>	<b>1,112,054</b>	<b>-</b>	<b>19,687,540</b>	<b>11,161,712</b>	<b>4,831,779</b>	<b>-</b>	<b>15,993,491</b>	<b>3,694,049</b>

# SIBL INVESTMENT LIMITED FINANCIAL INFORMATION





# Independent Auditor's Report

## To The Shareholders of SIBL Investment Limited

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the accompanying Financial Statements of **SIBL Investment Limited**, which comprise the Statement of Financial Position as at December 31, 2022, Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, December 31, 2022 and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying Financial Statements present fairly, in all material respects, the financial position of the company as at December 31, 2022, its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and other applicable laws and regulations.

#### Basis Opinion

We conduct 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) and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) By Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our unqualified opinion.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters were addressed in the context of our audit of the financial statement as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### We have nothing to report on going concern

We are required to report if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of the financial statements. We have nothing to report in these respects.

#### Other Matter

a) Previous year financial figure was audited by Shafiq Basak & Co., Chartered Accountants;

#### Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Controls:

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, 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 entity'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 entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the entity's financial reporting process.

#### Auditor's Responsibilities for the Audit of the Financial Statements:

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the

economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with ISAs, we exercise professional judgments 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 auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's 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 and relevant notifications issues by, we also report that:

- a) 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;
- b) In our opinion, proper books of accounts, records and other statutory books as required by law have been kept by the Company so far as it appeared from our examinations of those books;
- c) The Financial Statements of the company together with the annexed notes dealt with by the report are in agreement with the books of account and returns.

**Md. Nurul Hossain Khan FCA**

Enrolment No: 0240

Managing Partner

**Kazi Zahir Khan & Co.**

Chartered Accountants

DVC: 2304240240AS276128

Place: Dhaka  
Dated: April 24, 2023.

**SIBL Investment Limited**  
**Statement of Financial Position**  
**As at December 31, 2022**

Particulars	Note	Amount in Taka	
		2022	2021
<b>ASSETS</b>			
<b>Non-current assets</b>			
		-	-
<b>Current assets</b>			
Advance Deposit & Prepayments	1	3,695,103	2,526,305
Investment in Shares	2	162,110,816	40,102,955
Accounts receivable	3	4,741,634	125,296,619
Cash & cash equivalents	4	106,037,703	106,646,449
		<b>276,585,256</b>	<b>274,572,328</b>
<b>TOTAL ASSETS</b>		<b>276,585,256</b>	<b>274,572,328</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital &amp; reserve</b>			
Share capital	5	250,000,000	250,000,000
Retained earnings		19,677,133	19,146,352
		<b>269,677,133</b>	<b>269,146,352</b>
<b>Current liabilities</b>			
Payable to Social Islami Bank Limited		1,903,690	1,903,690
Accrued expenses	6	92,000	69,000
Provision for diminution in value of investment	7	1,188,942	-
Provision for tax	8	3,723,491	3,453,286
		<b>6,908,123</b>	<b>5,425,976</b>
<b>Total equity &amp; liabilities</b>		<b>276,585,256</b>	<b>274,572,328</b>

The annexed notes 1 to 11 form an integral part of these financial statements.

  
**Director**

  
**Director**

  
**Chairman**

Signed as per our report of same date

  
**Md Nurul Hossain Khan, FCA**  
 Enrolment No: 0240  
 Managing Partner  
**Kazi Zahir Khan & Co.**  
 Chartered Accountants  
 DVC: 2304240240AS276128

Place: Dhaka  
 Date: April 24, 2023.

**SIBL Investment Limited**

**Statement of Profit or Loss and other Comprehensive Income**

**For the year ended December 31, 2022**

Particulars	Notes	Amount in Taka	
		31.12.2022	31.12.2021
<b>Operating Income</b>			
Brokerage commission less howla & laga charges		-	-
Profit received from Bank			196,179
Profit / (Loss) on Investment in share		1,458,867	10,617,320
Dividend income		621,591	2,654,485
Other income		-	2,304,666
		<b>2,080,458</b>	<b>15,772,650</b>
<b>Less: Expenses</b>	<b>9</b>	23,000	126,000
<b>Less: Financial expenses</b>	<b>10</b>	67,530	57,185
		<b>90,530</b>	<b>183,185</b>
<b>Profit/(loss) before provision &amp; reseve</b>		<b>1,989,928</b>	<b>15,589,465</b>
Provision for dimunition in value of investment		(1,188,942)	-
<b>Profit/(loss) before tax</b>		<b>800,986</b>	<b>15,589,465</b>
<b>Provision for taxation:</b>			
Provision for tax		270,205	1,611,373
Deferred tax		-	-
		(270,205)	(1,611,373)
<b>Profit/(Loss) after tax</b>		<b>530,781</b>	<b>13,978,092</b>

The annexed notes 1 to 11 form an integral part of these financial statements.

  
Director

  
Director

  
Chairman

Signed as per our report of same date

  
**Md Nurul Hossain Khan, FCA**

Enrolment No: 0240

Managing Partner

**Kazi Zahir Khan & Co.**

Chartered Accountants

DVC: 2304240240AS276128

Place: Dhaka  
Date: April 24, 2023.

## SIBL Investment Limited

# Statement of Changes In Equity

For the year ended December 31, 2022

Particulars	Share capital	Retained earnings	Total
Opening Balance at 01 January, 2022	250,000,000	19,146,352	269,146,352
Add: Net profit/(loss) during the year	-	530,781	530,781
<b>Balance as at December 31, 2022</b>	<b>250,000,000</b>	<b>19,677,133</b>	<b>269,677,133</b>

For the year ended December 31, 2021

Particulars	Share capital	Retained earnings	Total
Opening Balance at 01 January, 2021	250,000,000	5,168,260	255,168,260
Add: Net profit/(loss) during the year	-	13,978,092	13,978,092
<b>Balance as at 31 December, 2021</b>	<b>250,000,000</b>	<b>19,146,352</b>	<b>269,146,352</b>

The accounting policies and other notes form an integral part of the financial statements.



Director



Director



Chairman

Signed as per our report of same date

Place: Dhaka  
Date: April 24, 2023.



**Md Nurul Hossain Khan, FCA**

Enrolment No: 0240

Managing Partner

**Kazi Zahir Khan & Co.**

Chartered Accountants

DVC: 2304240240AS276128

**SIBL Investment Limited**  
**Statement of Cash Flows**  
**For the year ended December 31, 2022**

Particulars	Amount in Taka	
	2022	2021
<b>Cash flows from operating activities:</b>		
Net profit/(loss) after tax	530,781	13,978,092
Increase in advance	(1,168,798)	(1,823,305)
Decrease in investment	(122,007,861)	68,108,375
Increase in receivables	120,554,985	(80,156,538)
Increase in provision	270,205	1,611,373
Increase in accrued expense	23,000	-
Provision for diminution in value of investment	1,188,942	-
<b>Net cash inflow/(outflow) from operating activities (A)</b>	<b>(608,746)</b>	<b>1,717,997</b>
<b>Cash flows from investing activities:</b>		
Increase in current assets		-
<b>Net cash used in investing activities (B)</b>		-
<b>Cash flows from financing activities:</b>		
Received from Social Islami Bank Ltd.		-
Paid Investment account charges		-
<b>Net cash from financing activities (C)</b>		-
<b>Net cash inflow for the year D=(A+B+C)</b>	<b>(608,746)</b>	<b>1,717,997</b>
<b>Opening cash &amp; cash equivalents (E)</b>	<b>106,646,449</b>	<b>104,928,453</b>
<b>Closing cash &amp; cash equivalents (D+E)</b>	<b>106,037,703</b>	<b>106,646,449</b>

The accounting policies and other notes form an integral part of the financial statements.

  
**Director**

  
**Director**

  
**Chairman**

# SIBL Investment Limited

## Notes to the Financial Statements

### For the year ended December 31, 2022

#### 1 Significant accounting policies and other material information:

##### 1.1 Legal status of the company:

SIBL Investment Limited was incorporated as a public limited company under the Companies Act, 1994 vide certification of incorporation no. C-86726/10 dated 30 August, 2010 and obtained its certificate of commencement of business on the same day.

Though SIBL Investment Limited was established in 2010 to carry out Merchant Banking activities, the company is yet to received approval from the Bangladesh Securities & Exchange Commission (BSEC). In absence of the License, the primary activities could not be initiated. Management has completed the necessary formalities and have submitted its application to BSEC which is still under process. Once the approval is received, the Company will commence its full commercial operation.

##### 1.2 Address of registered office and principal place of business:

The principal place of business is the Registered Office at (7th Floor), 68 Dilkusha C/A, Dhaka-1000.

##### 1.3 Nature of business activities:

The principal objectives of the Company for which it was established are to carry on the business of stock brokers, dealers in relation to shares and securities dealings, to underwrite, manage and distribute the issue of stocks etc. and other services as mentioned in the Memorandum and Articles of Association of the Company.

##### 1.4 Basis of preparation

###### 1.4.1 Components of the financial statements

The financial statements comprise of :

- a) Statement of Financial Position as at 31 December 2022;
- b) Statement of Profit or Loss and Other Comprehensive Income for the year ended 31 December 2022;
- c) Statement of Changes in Equity for the year ended 31 December 2022;
- d) Statement of Cash Flows for the year ended 31 December 2022; and
- e) Notes to the Financial Statements.

###### 1.4.2 Basis of preparation of financial statements:

The Financial Statements have been prepared on a going concern basis under historical cost convention in accordance with the International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS), Companies Act 1994 and other applicable laws and regulations.

###### 1.4.3 Basis of accounting and measurement

The financial statements have been prepared on a going concern basis following accrual basis of accounting except for cash flow statement and financial instruments at fair value through profit or loss.

###### 1.4.4 Accounting Records/Books of Account:

The entity has been maintaining all the required books of accounts as are necessary for the accounts.

###### 1.4.5 Authorization of the financial statement for issue

The financial statements of the company has been authorised for issue by the board of directors.

###### 1.4.6 Legal Compliance:

The financial statements have been prepared and the disclosures of information were made in accordance with the requirements of the Companies Act, 1994 and IASs adopted by the ICAB. On the basis of these regulations, International Accounting Statements (IAS) & International Financial Reporting Standard (IFRS) were applied with the applicable standards at the Statement of Financial Position date.



**1.4.7 Materiality and aggregation**

Each material item as considered significant by management, has been presented separately in financial statements. No amount has been set off unless the Company 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 only when permitted by the relevant accounting standards.

**1.4.8 Consistency**

In accordance with the IFRS framework for the presentation of financial statements together with IAS 1 and IAS 8, SIBL Investments Limited applies the accounting disclosure principles consistently from one year to the next. In case of selecting and applying new accounting policies, changes in accounting policies applied and correction of errors, the amounts involved are accounted for and disclosed retrospectively in accordance with the requirement of IAS-8.

**1.4.9 Reporting period**

The financial year of the Company has been determined to be from 1 January to 31 December each year. These financial statements cover the year from 01 January 2022 to 31 December 2022.

**1.4.10 Events after the Reporting Period**

Where necessary, all the material events after the reporting year is considered and appropriate adjustments / disclosures is made in the financial statements in accordance with IAS 10 - Events After Balance Sheet Date.

**1.4.11 Comparative figures**

Comparative information has been disclosed in respect of the year ended 31 December, 2022 for all numerical data in the financial statements and also the narrative and descriptive information when it is relevant for better understanding of the current year's financial statements. Figures of the year 2021 have been rearranged whenever considered necessary to ensure comparability with the current year.

**1.4.12 Directors' responsibility statement**

The Board of Directors takes the responsibility for the preparation and presentation of these financial statements.

**1.4.13 Critical Accounting Estimates, Assumptions and Judgments:**

The preparation of the financial statements are in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies.

**1.4.14 Going Concern:**

The Company has adequate resources to continue in operation for the foreseeable future. For this reasons the directors continue to adopt going concern basis in preparing the financial statements. The current credit facilities and resources of the Company provides sufficient fund to meet the present requirements of existing business.

**1.4.15 Cash & Cash Equivalents:**

Cash and cash equivalents include cash in hand, cash at bank, term deposits which are available for use by the Company without any restrictions. There is an insignificant risk of change in value of the same.

**1.4.16 Cash Flow Statement:**

Statement of Cash Flow is prepared principally in accordance with IAS-7: Cash Flow Statements and the cash flows from operating activities have been presented under indirect method.

**1.4.17 Use of estimates and judgments**

The preparation of the financial statements in conformity with IFRS requires management to use 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. Revisions to accounting estimates are recognized in the year in which the estimate is revised.

**1.4.18 Functional and presentation currency and level of precision**

The financial statements are presented in Bangladesh currency Taka (Taka/Tk), that is the Company's functional currency. All financial information presented in Taka has been rounded to the nearest Taka.

# SIBL Investment Limited

## Notes to the Financial Statements

For the year ended December 31, 2022

Particulars	Amount in Taka	
	2022	2021
<b>1 Advance Deposit &amp; Prepayments</b>		
Advance income tax on cash dividend	1,060,941	938,156
Advance payment by PO	2,144,137	1,098,125
Advance income tax on profit of Bank A/c.	490,024	490,024
	<b>3,695,103</b>	<b>2,526,305</b>

### 2 Investment in shares

Disclosure about the investment

Particulars	Cost Value	Market Value	Unrealized gain / (Loss)
Investment in listed securities	162,110,816	158,543,989	(1,188,942)
Investment in unlisted companies	-	-	-
Investment in primary shares	-	-	-
<b>Total</b>	<b>162,110,816</b>	<b>158,543,989</b>	<b>(1,188,942)</b>

Particulars	Amount in Taka	
	2022	2021
<b>3 Accounts receivable</b>		
Balance with SIBL Securities Ltd.	Note-3.1 4,741,634	125,296,619
Receivable dividend income	Note-3.2 -	873,323
<b>Total</b>	<b>4,741,634</b>	<b>126,169,942</b>

SIBL Investment Ltd. has been maintaining a BO Account No. 1205200068012743 which trading code # 4286 and investment in capital market through the account with SIBL Securities Ltd.

<b>3.1 Balance transfer to BO Account with SIBL Securities Ltd.</b>	<b>125,296,619</b>	<b>152,478,087</b>
Add: Sale of Listed Securities	<b>54,783,364</b>	10,617,320
<b>Total investment</b>	<b>180,079,983</b>	<b>163,095,407</b>
Investment in listed securities	(175,338,849)	(37,798,289)
B.O. Opening Charge	-	-
B.O. maintenance Charge	500	(500)
	(175,338,349)	(37,798,789)
<b>Balance with SIBL Securities Ltd.</b>	<b>4,741,634</b>	<b>125,296,619</b>
<b>3.2 Receivable dividend income</b>		
Opening balance	-	-
Add: Receivable during the year	-	-
	-	-
Less: Received/ adjusted during the year	-	-
	-	-
<b>4 Cash &amp; cash equivalents:</b>		
Cash in hand	444,952	285,930
Cash at bank-A/c. 002-1330057058	11,341,907	12,058,525
Cash at bank-A/c. 002-1360003826	94,250,844	94,301,994
	<b>106,037,703</b>	<b>106,646,449</b>

SIBL Investment Limited has been maintaining 02 bank account no. 0002-1330057058 and account no. 0021360003826 with Social Islami Bank Limited, Principal Branch, Dilkusha, Dhaka.

Particulars	Amount in Taka	
	2022	2021
<b>5 Share capital:</b>		
<b>Authorized capital:</b>		
25,000,000 shares of Tk. 100 each	<b>2,500,000,000</b>	<b>2,500,000,000</b>
<b>Issued, subscribed &amp; paid-up capital:</b>		
2,500,000 shares of Tk. 100 each	<b>250,000,000</b>	<b>250,000,000</b>

**5.1 Shareholding position:**

Serial No.	Shareholders	% of shareholdings	No. Shares	Amount in Taka
1	Social Islami Bank Limited	99.9997%	2,499,992	2,499,992,00
2	Mr. Md. Kamal Uddin	0.00004%	1	1,00
3	Mr. Belal Ahmed	0.00004%	1	1,00
4	Alhaj Nasiruddin	0.00004%	1	1,00
5	Major (Retd.) Dr. Md. Rezaul Haque	0.00004%	1	1,00
6	Alhaj Sultan Mahmood Chowdhury	0.00004%	1	1,00
7	Mr. Abdul Awal Patwary	0.00004%	1	1,00
8	Mr. Kamaluddin Ahmed	0.00004%	1	1,00
9	Alhaj Sk. Mohammad Rabban Ali	0.00004%	1	1,00
		<b>100.00%</b>	<b>2,500,000</b>	<b>2,500,000,00</b>

**6 Accrued expenses:**

Audit fees	92,000	69,000
	<b>92,000</b>	<b>69,000</b>

The financial year of the Company has been determined to be from 1 January to 31 December each year. These financial statements cover the year from 01 January 2022 to 31 December 2022.

**7 Provision for diminution in value of investment**

Opening Balance		2,660,502
Add: Addition / (Adjustment) during the year	1,188,942	(2,660,502)
<b>Closing Balance</b>	<b>1,188,942</b>	<b>-</b>

**8 Provision for tax**

<b>Opening balance</b>	3,453,286	1,841,913
Less: Paid during the year	-	-
	3,453,286	1,841,913
Add: Current year tax provision	270,205	1,611,373
<b>Closing balance</b>	<b>3,723,491</b>	<b>3,453,286</b>

**9 Expenses**

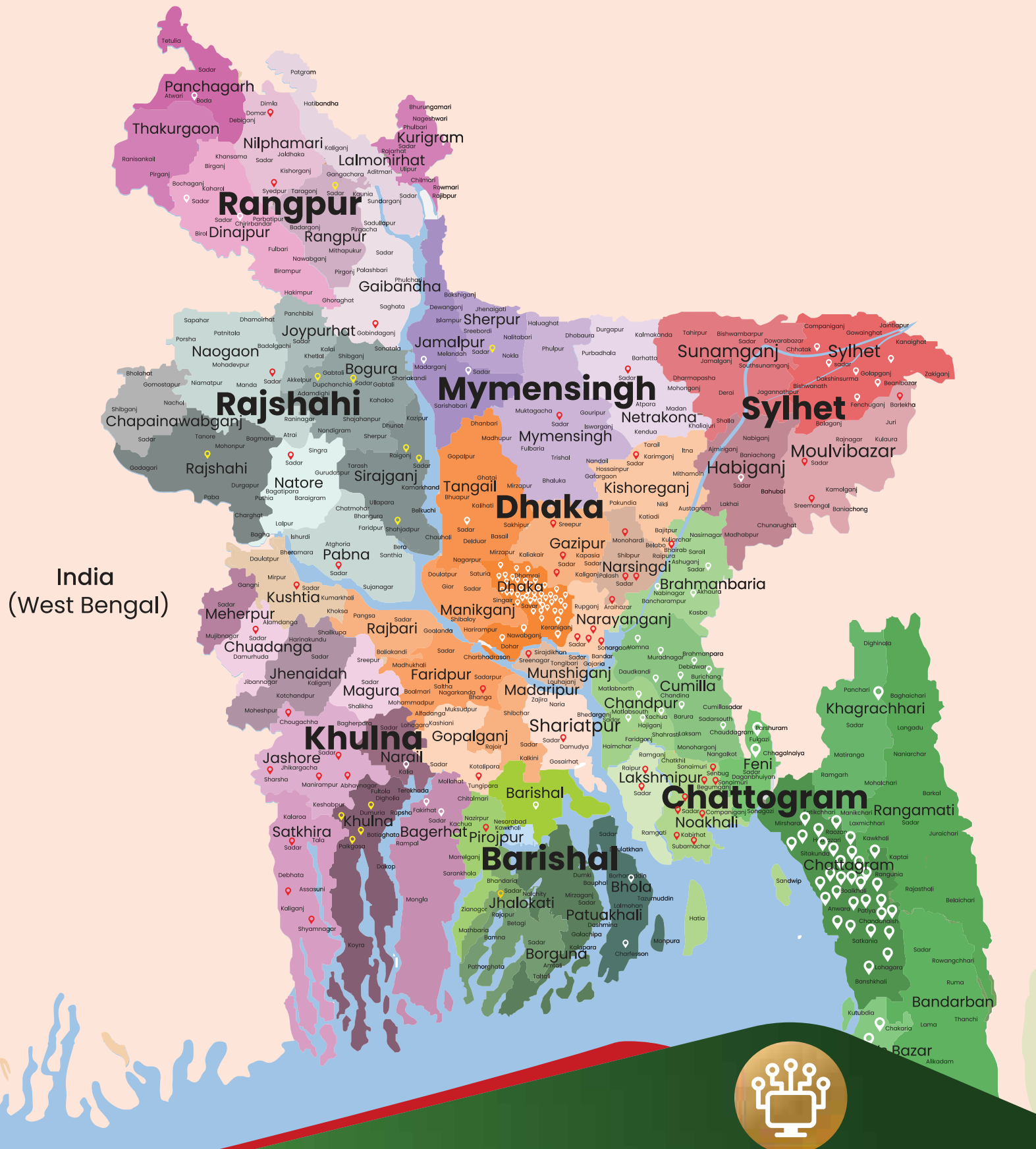
Registration & renewals	(Note 9.1)	-	-
Entertainment		-	-
Conveyance & other expenses/Attendance fees		-	90,000
BO Account opening fee		-	500
Consultancy Fees		-	12,500
Audit fees		20,000	20,000
VAT on Audit fees		3,000	3,000
		<b>23,000</b>	<b>126,000</b>

Particulars	Amount in Taka	
	2022	2021
<b>9.1 Registration &amp; renewals:</b>		
RJSC fees	-	-
Trade license fees & Exp.	-	-
VAT on license fees	-	-
Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimate is revised.	-	-
Expenses for licenses formalities	-	-
<b>10 Financial expenses</b>		
Bank Charges	2,530	2,185
Excise duty	65,000	55,000
	<b>67,530</b>	<b>57,185</b>

**11 Post balance sheet event:**

No material event had occurred after the Balance Sheet date, which could substantially effect the values reported in the Financial Statements.

India  
(West Bengal)



# BRANCH NETWORK

# Division wise Branches of Social Islami Bank Ltd

## DHAKA DIVISION

Sl. No.	Sub-Branch Name	Sl. No.	Sub-Branch Name
1	<b>Principal Branch</b> (Opening Date- 22-11-1995) 15, Dilkusha C/A, Dhaka-1000. Phone-02-9550195,9559241, 9572303, 9564764 fax-9562002, IP Phone-70201, 70202.	2	<b>Gulshan Branch</b> (Opening Date-22-04-1998) 80, Gulshan Avenue, Gulshan-1, Dhaka. Phone-02-8829137, 8813793, fax: 02-9888857 IP Phone-70801, 70802
3	<b>Babu Bazar Branch</b> (Opening Date-26-04-1998) 31, Nawab Yousuf Road Naya Bazar, Dhaka. Phone-02-57395118, 57395119 fax: 02-7395119,IP Phone-70901, 70902	4	<b>Moulvibazar Branch</b> (Opening Date-30-09-1998 & Shifted at present place on Date: 03/09/2018) Moulvibazar Trade Center Holding No.78, Moulvibazar Road, Chawkbazar, Dhaka Phone-02-7316225, 7315323, 731291 Fax: 7312911, IP Phone-71001, 71002
5	<b>Agargaon Branch</b> (Former Begum Rokeya Sarani Br.) (Opening Date-23-09-1999) Bangladesh Lions Foundation Bhaban, 3/C, West Agargaon, Begum Rokeya Sarani, Dhaka. Phone-02-8115789, 8141671, fax-02-8115789 IP Phone-71301,71302,71303	6	<b>Panthapath Branch</b> (Opening Date-07-12-2000) Level-2, Block-A, Bashundhara City 13/Ka/1, Panthapath, Dhaka. Phone-02-9136819,9135229, fax-02-9135229, IP Phone-71501,71502
7	<b>Sonargaon Branch</b> (Opening Date-09-06-2001) Haji Jalal Tower (1 <sup>st</sup> floor), Mogra Para Sonargaon, Narayangonj IP Phone-71701,71702	8	<b>Foreign Exchange Branch</b> (Opening Date-04-02-2002) 141-143, Motijheel C/A, BIWTA Bhaban, Dhaka Phone-02-9571254, 9571100, fax: 02-9571100, IP Phone-71801, 71802,
9	<b>Hasnabad Branch</b> (Opening Date-17-04-2002) Hasnabad Super Market Suvadda, South Keranigonj, Dhaka Jute Mill.1311 Dhaka. Phone-02-7761723, fax-02-7761723 IP Phone-72001, 72002,	10	<b>Dhanmondi Branch</b> (Opening Date- 14-05-2002) House # 84, (Old-176), Road # 7/A (Old-14) Satmasjid Road, Dhanmondi R/A, Dhaka. Phone-02-9144682, fax: 02-9120088 IP Phone-72101, 72102
11	<b>Nawabpur Road Branch</b> (Opening Date-26-07-03) 82, Nawabpur Road (1 <sup>st</sup> Floor) Nawabpur Road, Dhaka. fax: 02-9591193, Phone-02-9591192,02-9576948, 9576949, 9576950 IP Phone-72201, 72202.	12	<b>Uttara Branch</b> (Opening Date-07-12-2003) Latif Emporium, 27 Uttara C/A Road -7, Sector-3, Uttara, Dhaka. Phone-02-8959731, 8959732, 8959733 IP Phone-72401, 72402.
13	<b>Fatulla Branch</b> (Opening Date-23-12-2003) Fatulla Bazar,Fatulla, Narayangonj Phone-02-7602144, 7670393, fax-02-7672144, IP Phone-72501 ,72502	14	<b>Mirpur Branch</b> (Opening Date-29-12-2003) Rabeya Complex, Plot No-33, Block-Kha Main Road, (Goal Chakkar-10), Mirpur, Dhaka-1216. Phone- 02-8055323, 9013584, fax - 02-9013584 IP Phone-72601,72602

Sl. No.	Sub-Branch Name	Sl. No.	Sub-Branch Name
15	<b>Banani Branch</b> (Opening Date-16-10-2008) 48 Kamal Attaturk Avenue, (Ground & 1 <sup>st</sup> Floor) Banani, Dhaka-1213. Phone-02-89820996,9820997, 9820998, fax-02-9820995, IP Phone-72701, 72702.	16	<b>Savar Branch</b> (Opening Date-27-11-2008) Yousuf Tower (2 <sup>nd</sup> Floor), 35 Tatti, Dilkusha Bagh, Savar Bus Stand, Savar, Dhaka. Phone-02-7743707, 7745585 IP Phone-73001, 73002.
17	<b>Mohammadpur Branch</b> (Opening Date-18-05-2009) 20/15, Block-C, Tajmohol Road, Mohammadpur, Dhaka-1207. fax-02-9132253 Phone-02-8142572,02-9132398, IP Phone73101,73102	18	<b>Dania Branch</b> (Former Dania Rasulpur Br) (Opening Date-28-05-2009) 308, Dania Rasulpur (1 <sup>st</sup> floor), Jatrabari, Dhaka. Phone-02-7541659, 7541650, IP Phone-73201,73202
19	<b>Gopaldi Branch</b> (Opening Date-11-08-2009) Gopaldi Bazar, P.S- Araihasar, District-Narayangonj Phone-02-7651016,7651017 IP Phone-73601, 73602.	20	<b>Rampura Branch</b> (Opening Date-24.11.2009) Modina Tower (Opposite TV Centre) 464/1, West Rampura, DIT Road, Rampura, Dhaka Phone-02-55128353,55128640 IP Phone-74101, 74102
21	<b>Keranigonj Branch</b> (Opening Date-13.12.2009) Masjid Madrasa Complex, Shuvadda PS- Keranigonj, Keranigonj, Dhaka Phone-02-7763253, 7763765 IP Phone-74401 ,74402	22	<b>Madhabdi SME/Krishi Branch</b> (Opening Date-15-07-2010) Madhabdi Plaza, P.O & Paurasava- Madhabdi, PS & Upazilla - Narsingdi, Dist.- Narsingdi. Phone-9446883, 9446882, fax-9446884 IP Phone-74501,74502
23	<b>Islampur Branch</b> (Opening Date-26-08-2010) Lions Tower(2 <sup>nd</sup> floor) 108, Islampur Road, Dhaka. Phone-7392332, 7393208, fax-7393208 IP Phone-75401 ,75402	24	<b>New Eskaton Branch</b> (Opening Date-31-08-2010) 27, New Eskaton Road P.S & P.O- Ramna, Dhaka-1000. Phone-9359620, 8311592, fax-8311591 IP Phone-75501,75502
25	<b>Bhulta SME/Agri Branch</b> (Opening Date-05-09-2010) Salam Mansion Market (1 <sup>st</sup> Floor) Bhulta, Rupgonj, Narayangonj. IP Phone-75601, 75602	26	<b>Galimpur SME/Krishi Branch</b> (opening Date-10-10-2010) Khan Super Market (1 <sup>st</sup> Floor) Galimpur Bazar, Nababgonj, Dhaka. IP Phone-75901 ,75902
27	<b>Dhamrai SME/Krishi Branch</b> (opening Date-09-11-2010) Dhamrai Bazar, Gopnagar, Holding No-A/6, Ward-03, Paurasova- Dhamrai, Dhamrai, Dhaka Phone-02-7730908, 7730909, IP Phone-76101 ,76102	28	<b>Narayangonj Branch</b> (opening Date-27-12-2010) 3, No. S. M. Maleh Road (Rupsi Height) Tanbazar, Narayangonj Sadar, Narayangonj Phone-7641621-7641623, IP Phone-76601,76602
29	<b>Mohakhali Branch</b> (Opening date-20.09.2011) 99, Mohakhali C/A, 16 (sixteen) storied building Dhaka. Phone: 9888943 ,9888367, IP Phone-77001 ,77002	30	<b>Tongi Branch</b> (Opening date-03.10.2011) Rabeya Sarker Tower, (1 <sup>st</sup> floor North Side) 24, Anarkoli Road, Tongi, Gazipur. Phone-9817710, 981771, IP Phone-77401,77402
31	<b>Bangshal Branch</b> (Opening date-21.09.2011) Bangshal Road 70, Shahid Syed Nazrul Islam Sarani (1 <sup>st</sup> floor) North South Road, Bangshal, Dhaka 1100. Phone-57317175, 57317396, IP Phone-77101,77102	32	<b>Banasree Branch</b> (Opening date-22.09.2011) Plot No-2, Road-13, Block-L, South Bonosree, Eastern Housing Ltd., Khilgaon, Dhaka. Phone:7811611,7811612,7811613 IP Phone-77201 ,77202
33	<b>Basundhara Branch</b> (Opening date-27.12.2011) House # 16, Block-A, Basundhara Avenue. Basundhara R/A, Dhaka-1229. Phone-8432501,8432502, IP Phone-77701 ,77702	34	<b>Demra Branch</b> (Opening date-07.10.2012) Haji Hossain Plaza Staff Quarter, Demra, Dhaka Phone-7502915, 7502916, IP Phone-78101,78102



Sl. No.	Sub-Branch Name	Sl. No.	Sub-Branch Name
35	<b>Uttar Badda Branch</b> (Former Satarkul Road Br) (Opening date-16.10.2012) <u>New Address :</u> Building name : Uhud Hasan Garden,Holding no. : 231, Road name : Satarkul Road, Hazipara, Uttar Badda, Ward no. : 38, P.S. : Badda, Dhaka North City Corporation, Dhaka-1212 Phone-9858072, 9858073 IP Phone-78401,78402 <u>Old Address :</u> 287, North Badda (Alir Moor) Satarkul Road, Badda Union, Dhaka. Phone-9858072, 9858073 IP Phone-78401,78402	36	<b>Garib-E-Newaz Avenue Branch</b> (Opening date-26.11.2012) Rosewood Areebah 50, Garib-E-Newaz Avenue Road Sector-13, Uttara, Dhaka Phone-8955884, 8955886, IP Phone-78601,78602
37	<b>Kawran Bazar Branch</b> (Opening date-27.11.2012) Khan Sons Centre 37, Kawran Bazar, Dhaka, Phone- 8180206, 8180207 IP Phone-78701,78702	38	<b>Mouchak Branch</b> (Opening date-18-06-2013) Advanced Melinda Tower (1 <sup>st</sup> Floor) 72, Malibagh (opposite Fortune Shopping Mall) Mouchak Moor, Dhaka-1217 Phone- 9858072, 9858073, IP Phone-79101, 79102.
39	<b>Gausia Branch</b> (Opening date-12.11.2014) Yeakub Super Market 2-B, Elephant Road, New Market, Dhaka-1205 IP Phone-79801,79802	40	<b>Panchdona Branch</b> (Opening date-30.09.2014) Isfar Tower, Panchdona, Narsingdi Sadar, Narsingdi IP Phone-79701,79702
41	<b>Mawna Branch</b> (Opening date-24.12.2014) Razzak Plaza, Mawna Chowrasta, P.O.-Maona, P.S-Sreepur, Gazipur IP Phone-79901,79902	42	<b>Kishoregonj Branch</b> (Opening Date- 10-06-2015) 661, Mohammadi Mansion, Shahabuddin Masjid Road, Borobazar, Kishoregonj IP Phone-80701, 80702
43	<b>Kakrail Branch</b> (Opening Date-02.06.2015) Ishakha Shopping Complex 89/3, kakrail PS-Ramna, Dhaka-1000. IP Phone-80301, 80302.	44	<b>Ashulia Branch</b> (Opening Date 11-06-2015) Habib Plaza (1 <sup>st</sup> Floor) Plot no-82, 99, Bashundhara, Bogabari Bazar, Baipail, Ashulia Road, Savar, Dhaka. IP Phone-80801, 80802.
45	<b>Shariatpur Branch</b> (Opening Date -14/ 06/2015) (Shifting Date- 29/01/2017) KB Plaza, Holding no. 276, Palong Moddhobazar Road Ward no. 04, Paurasava–Shariatpur PS-Sariatpur Sadar, Dist: Shariatpur IP-80901, 80902.	46	<b>Vatara Branch</b> (Opening Date - 12-11-2015) 10/1, Madani Avenue, Natun Bazar, PS- Vatara Dhaka-1212 IP Phone-81101, 81102
47	<b>Bangabandhu Shamadhi Soudha Branch</b> (Opening Date - 15-12-2015) Layek Biswas Plaza, Holding No-159 Bangabandhu Samadhi Saudha Sarak, Tungipara, Gopalgonj IP Phone-81201, 81202	48	<b>Joydebpur Chowrasta Branch</b> (Opening Date - 26-06-2016) Rafeja Bhaban, Holding No, 23/3, Block-C, Ward No-17, Gazipur City Corporation Joydebpur Chowrasta, PS-Joydebpur, Dist- Gazipur. IP Phone-82301, 82302.
49	<b>Narsingdi Branch</b> (Opening Date: 01-12-2016) 360, Rajlaxmi Plaza, Patilbari Road, Narsingdi Bazar, Dist- Narsingdi. IP Phone-82501, 82502.	50	<b>Sreenagar Branch</b> (08/12/2016) Pilot School Market (1 <sup>st</sup> floor), Sreenagar Bazar, Munshigonj. IP Phone-82601, 82602.

Sl. No.	Sub-Branch Name	Sl. No.	Sub-Branch Name
51	<b>Corporate Branch</b> (29/12/2016) City Centre 90/1, Motijheel C/A, Dhaka 1000. IP Phone- 82701, 82702.	52	<b>Tangail Branch</b> (Opening date-26/04/2017). Shayama Tower Boro Kalibari Road, Adalotpara, Dist-Tangail. IP: 82801, 82802
53	<b>Bhairab Bazar Branch</b> (21/05/2017) Omar Faruq Tower Holding no.169, Ward no.1 Paurasava- Bhairab, PS- Bhairab, Dist.: Kishoregonj. Mob: 01819152611 IP: 83001, 83002	54	<b>Muksudpur Branch</b> (Opening Date: 21/06/2017) Khan Market Fultala Bazar, Vill+PO- Muksudpur PS- Dohar, Dist.- Dhaka Mob: 01918790029 IP: 83601, 83602
55	<b>Shyamoli Branch</b> (Opening Date: 21/06/2017) Bridge Momtaj Heights Holding no.15/2 Shyamoli, Mirpur Road , Mohammadpur, Dhaka 1207. IP: 83701, 83702	56	<b>Dakkhin Khan Branch</b> (Opening Date: 26/12/2017) Mozaffar Tower, 595, Prembagan Dakkhinkhan Model Union Parishad Dakkhinkhan Dhaka 1230. Phone: 8999279,8999280; Mobile:01861517718 IP:83801, 83802
57	<b>Darus Salam Road Branch</b> (Opening Date: 15/01/2018) Holding No. 2-A/1, (1 <sup>st</sup> floor), North East Darussalam Road, Ward -12, Dhaka North City Corporation Mirpur Model Thana, Mirpur-1, Dhaka-1216 Mobile: 01710-012709 IP: 84101, 84102	58	<b>Madaripur Branch</b> (Opening Date 30/07/2018) Hazi Abdur Razzak Super Market Holding no. 1634, Main Road, Puran Bazar, Ward no.03, Paursova- Madaripur, PO- Madaraba, PS- Madaripur Sadar Dist: Madaripur. IP: 85001; 85002.
59	<b>Kafrul Branch</b> (Opening Date: 25/10/2018) Greater Mymensingh Samity Bhaban Holding No. M/1-A, Section-14, Mirpur Road, Kafrul, Dhaka. IP: 85201; 85202	60	<b>Basila Road Branch</b> (Opening Date: 27.12.2018 ) Social Islami Bank Limited Al-Imdad Market Complex, Basila Road, Thana-Keranigonj, Dist-Dhaka IP Phone: 85701; 85702.
61	<b>Dhanmondi Model Branch</b> (Opening Date: 25/11/2019) Social Islami Bank Limited “Mir Onyx Yakub Tower” Holding No.17 (New), Road No.6, Mirpur Road Dhanmondi R/A, Thana- Dhanmondi Dist- Dhaka. IP: 86201, 86202	62	<b>Bhanga Branch</b> (opening Date: 24/11/2020) Social Islami Bank Limited Ali Market, Holding No-363, Ward No-08,Bhanga Bazar, PS/Upazilla-Bhanga, Pouroushova-Bhanga, Dist.-Faridpur. IP: 86401, 86402
63	<b>Pragati Sarani Branch</b> (opening Date: 24/12/2020) GA-25/5/1, Road Name- Pragati Sharani Road, Ward No.-18, Shahjadpur, Dhaka North City Corporation, P.S.-Gulshan, Dhaka. IP : 86801, 86802		

## CHATTROGRAM DIVISION

Sl. No.	Sub-Branch Name	Sl. No.	Sub-Branch Name
1	<b>Agrabad Branch</b> (Opening Date-10-04-1996) World Trade Centre(2 <sup>nd</sup> floor) 102/103 Agrabad C/A, Dist: Chattogram. Phone-031-728342, 713947, 714041, 714504 fax-031-710084, IP Phone-70401,70402,70403	2	<b>Khatungonj Branch</b> (Opening Date-12-12-1999) M. Rahman Chamber Holding # 276-277, Main Road, Khatungonj, PS- Kotowali, Dist.- Chattogram. Phone-031-636358, 624682, 624683, fax: 031-639014, IP Phone-71401, 71402

Sl. No.	Sub-Branch Name	Sl. No.	Sub-Branch Name
3	<b>Halishahar Branch</b> (Opening Date-09-02-2002) Holding no.-3, Port Connecting Road, Halishahar Housing Estate, Ward No.-26, Chattogram City Corporation, PS- Halishahar, Dist. - Chattogram. Phone-031-717201, 2525702, 815702, fax-031-2519284; IP Phone-71901,71902	4	<b>Jubilee Road Branch</b> (Opening Date-30-07-2003) Haque Tower(1 <sup>st</sup> Floor) 880/923, Jubilee Road, Dist: Chattogram. Phone-031-628288, 627155, 840897, fax-031-628288, IP Phone-72301 ,72302,72303
5	<b>Elliotganj Branch</b> (Opening Date-30-10-2008) Elliotganj Bazar, P.O-Elliotganj, P.S-Dawudkandi, Dist-Cumilla. IP Phone-72801,72802	6	<b>Chowmuhoni Branch</b> (Opening Date-12-11-2008) Hossain Market, 276-284 D.B. Road Begumgonj, Dist: Noakhali. Phone-0321-56122, 0321-53622, IP Phone-72901,72902
7	<b>Lohagara Branch</b> (Opening Date-18-06-2009) Ice Park (1 <sup>st</sup> Floor), Main Road (Near Lohagara Central Masjid), P.O & P.S- Lohagara, Dist.- Chattogram. Phone-0303456518, 0303456517, 01815-065948 IP Phone-73301, 73302	8	<b>Cumilla Branch</b> (Opening Date-30-07-2009) 95/96 Chalk Bazar (2 <sup>nd</sup> Floor) PO- Chawk Bazar, P.S- Kotowali, Dist.- Cumilla. Phone-081-61363, 081-61364, IP Phone-73501, 73502
9	<b>Chandpur Branch</b> (Opening Date-16-08-2009) Faisal Shopping Complex(1 <sup>st</sup> & 2 <sup>nd</sup> Floor) Bishnudi, Chandpur Bus Stand, Chandpur, Chandpur. Phone-0841-67932, 0841-67931, IP Phone-73701 ,73702	10	<b>Patherhat Branch</b> (Opening Date-19-08-2009) Khayez Ahmed Shopping Center (1 <sup>st</sup> Floor) Patherhat, PO- Noapara, PS-Raozan, Chattogram. Phone-031-2572315, 031-2572316 IP Phone-73801 ,73802
11	<b>Cox's Bazar Branch</b> (Opening Date-20.08.2009) Evan Plaza (in front of Cox's Bazar Pourasava) Thana Road, Dist: Cox's Bazar. Phone- 0341-51822, 0341-51968 IP Phone-73901 ,73902	12	<b>Nanupur Branch</b> (Opening Date-08.10.2009) Nanupur Bazar, P.O-Nanupur P.S- Fatikchari, Dist- Chattogram Phone-044-37151939, 044-37151949 IP Phone-74001 ,74002
13	<b>GEC Moor Branch</b> (Opening Date-25.11.2009) 1692,Golden Plaza, CDA Avenue(1st Floor) East Nasirabad, GEC Moor, Dist: Chattogram Phone-0312555891, 0312555892, fax-2555893 IP Phone-74201 ,74202	14	<b>Kachua Branch</b> (Opening Date-18-07-2010) Talukder Super Market Holding No-111, Ward No-08, Kachua, Dist: Chandpur. Phone- 08425-56275, IP Phone-74601 ,74602
15	<b>Hathazari Branch</b> (Opening Date-16-08-2010) Hazi M. Siddique Market, Block-B (2 <sup>nd</sup> Floor) Hathazari Bus Stand, Hathazari, Chattogram Phone- 031-2601914, 031-2601915 IP Phone-75001 ,75002	16	<b>Baryarhat Branch</b> (Opening Date-17-08-2010) Al-Amin Shopping Center (1st Floor) Holding No. 161,161/1, Paurasova- Baryarhat Upazila & P.S- Mirsharai, Dist- Chattogram IP Phone-75101 ,75102
17	<b>Hajigonj Branch</b> (opening Date-19-09-2010) Chattogram Mansion, Holding No. 0821 Chandpur-Cumilla Highway Road, Hajigonj, Chandpur Phone-08424-75129,08424-75130 IP Phone-75701,75702	18	<b>Bibirhat Branch</b> (opening Date-21-10-2010) Fatikchari College Market P.O+P.S+Upazila - Fatikchari, Dist- Chattogram. Phone-03022-56321, 03022-56318 IP Phone-76001,76002
19	<b>Chawk Bazar Branch</b> (opening Date-15-12-2010) Mannan Tower (1 <sup>st</sup> & 2 <sup>nd</sup> floor) 174/A, Chatteshari Road PO+PS- Chawkbazar, Dist.- Chattogram Phone-031-2867367, 2867368, 2867369 IP Phone-76301, 76302	20	<b>Feni Branch</b> (Opening date-18.09.2011) Grand Huq Tower (2nd & 3rd Floor) Holding No-547 & 548, Mizan Road, Ward-9, Paurasova-Feni, P.O-Feni, P.S-Kotwali, Dist- Feni Phone-0331-74104,74103, Fax-0331-74117 IP Phone-76901 ,76902

Sl. No.	Sub-Branch Name	Sl. No.	Sub-Branch Name
21	<b>Alankar Moor Branch</b> (Opening date-27.10.2011) S.M.Metro Center 796/936, D.T Road, Alankar Moor, North Pahartali Chattogram Phone-031-2773380,031-2773379, 031-2773378 IP Phone-77601,77602	22	<b>Homna Branch</b> (Opening date-29.12.2011) Faisal Plaza, Holding No. 08, Thana Road, Ward no. 04 Paurasova- Homna, PS+Upazila- Homna Dist.- Cumilla. Phone-08025-54640, 54641 IP Phone-77801, 77802
23	<b>Shah Mohsen Aowlia Branch</b> (Opening date-03.10.2012) Hajee Imam Shopping Complex Building-3, Battali, Anowara, Dist: Chattogram Phone-01849-842400, 01967-786765 IP Phone-77901,77902	24	<b>Dewanhat Branch</b> (Opening date-04.10.2012) 700/B, DT Road (1 <sup>st</sup> Floor), Dewanhat P.O.+P.S.- Double Mooring, Dist: Chattogram. Phone-031-2515260, 2515261, 2515262 IP Phone-78001, 78002.
25	<b>Roazarhat Branch</b> (Opening date-24.11.2012) A. Farida Shopping Complex Kaptai Road, Roazarhat , P.O & P.S- Rangunia Dist: Chattogram. Phone-030-2556244, 2556245; IP Phone-78501,78502	26	<b>Akhaura Branch</b> (Opening date-18-05-2013) Sarker Plaza (opposite to Akhaura Poura Bhaban) Holding No-3, Ward No-4 P.O. & P.S- Akhaura, Dist: Brahmanbaria IP Phone-78901,78902
27	<b>Muradpur Branch</b> (Former Aturar Depo Br.) (Opening date-26-06-2013 shifted on 29/10/2017) S.N. Mim City Holding No-83/86, Hathazari Road, Panchlaish, Chattogram IP- 79201, 79202	28	<b>College Road Branch</b> (Debidwar) (Opening date-04-07-2013) Haque Plaza, College Road, Debidwar New Market P.O & P.S- Debidwar , Dist: Cumilla IP Phone- 79401,79402
29	<b>Maijdee Branch</b> (Opening date-18-08-2013) Bismillah Tower, Holding No-428/B Main Road, Maijdee Bazar P.S- Sudaram (Sadar), Noakhali Phone-0321-71814, 71815 IP Phone- 79501,79502	30	<b>Laxmipur Branch</b> (Opening Date 13-12-2014 & Shifted on 30/07/2017) Adhunik Pouro Biponi Bitan (2nd Floor), Holding no. 1428, Laxmipur Bazar Main Road Laxmipur, Laxmipur Mob: 01716-224206, IP- 80001, 80002
31	<b>Kankirhat Branch</b> (Opening date- 27-12-2014) R.S.Tower,(1 <sup>st</sup> &2 <sup>nd</sup> Floor),East Namar Bazar Vill & P.O - Kankirhat , P.S-Senbag, Dist-Noakhali. IP Phone-80201,80202	32	<b>Azadi Bazar Branch</b> (Opening Date-07-06-2015) Social Islami Bank Ltd. Jameya Complex(1st Floor), Dharmapur, Azadi Bazar, Fatikchari, Dist: Chattogram IP Phone -80401, 80402.
33	<b>Laksam Road Branch</b> (Opening Date- 08.06.2015) Biswa Road, PO-Ahmed Nagar, P.S-Sadar (South) Laksam Road, Poduar Bazar Dist: Cumilla. IP Phone-80501, 80502.	34	<b>Poddar Bazar Branch</b> (Opening Date-30.05.2016) Bhai Bhai Shopping Complex (1 <sup>st</sup> Floor) Poddar Bazar, Bashikpur, Laxmipur Sadar, Laxmipur IP Phone-81901, 81902.
35	<b>Zamidarhat Branch</b> (Opening Date- 12-05-2016) Haque Mansion (1 <sup>st</sup> floor), PO- Zamiderhat, PS-Begumgonj, Dist.- Noakhali. IP Phone-81701,81702	36	<b>Burichong Branch</b> (Opening Date-31.05.2016 ) Haji Md. Joynal Market (1 <sup>st</sup> floor) Mirpur Road,Burichong Bazar, Burichong, Cumilla. IP Phone-82001, 82002.

Sl. No.	Sub-Branch Name	Sl. No.	Sub-Branch Name
37	<b>Sonapur Branch</b> (Opening Date:18/05/2017) Aziz Bhaban Holding No. 420, Sonapur Chor Jobbor Road PS/ Upazilla- Noakhali Sadar, Dist:- Noakhali Mob: 01717192968 ; IP: 82901, 82902	38	<b>Boalkhali Branch</b> (Opening date: 04-06-2017) Hamim Plaza Holding no. BA/161, Ward no.06 Paurasava- Boalkhali , PS- Boalkhali, Dist.: Chattogram. Mob: 01818976773 IP: 83201, 83202
39	<b>Nayergaon Bazar Branch</b> (Opening Date: 19/06/2017) "Mahdi Tower" Nayergaon Bazar, Matlab Dakkin, Dist: Chandpur. Mob: 01721912102, IP: 83401, 83402	40	<b>Kazirhat Branch</b> (Opening Date: 27/12/2017) "Mir A. Hossain Plaza", Kazirhat Bazar, Bhuzpur, Fatickchari, Dist- Chattogram
41	<b>Baluchara Branch</b> (Opening Date: 28/12/2017) "Noor Plaza" Holding no. 23, Hathazari Road, Kulgaon Bayezid Bostami, Chattogram	42	<b>Shantirhat Branch</b> (Opening Date: 07/06/2018) Hajee Sobhan Plaza Shantirhat, Patia, Chattogram IP Phone: 84201; 84202
43	<b>Anderkilla Branch</b> (Opening Date: 24/06/2018) Arunaloy, Holding no.06, Momin Road, Road No. 06, Ward no. 32 , Chattogram City Corporation, PS- Kotowali, Dist.-Chattogram. IP Phone: 84401; 84402	44	<b>Banskhali Branch</b> (Opening Date: 02/08/2018) RFT Saheb Miah City Center Ward No. 01, Union: 5 no. Kalipur, PS-Banskhali Dist: Chattogram. IP : 85101; 85102
45	<b>Nazu Miah Hat Branch</b> (Opening Date: 19.12.2018 ) Khaled Manson, Nazu Miah Hat Nur Ali Bari-4337, Hathazari, Chattogram IP Phone: 85301; 85302.	46	<b>Brahmanbaria Branch</b> (Opening Date: 26.12.2018) Shuveccha Square, Holding No- 1309, Sarak Bazar, Thana+ Dist- Brahmanbaria IP Phone: 85601; 85602
47	<b>Rangunia Branch</b> (Opening Date: 27/06/2019) Hafez Chowdhury Tower Gochora Bazar,Rangunia, Chattogram. Mob: 01721912102, IP: 85801;85802	48	<b>Sheikh Mujib Road Branch</b> (Opening Date: 30/06/2019) A K Tower, 225/225-A, Sheikh Mujib Road Chowmuhani Moore, Double Mooring, Chattogram. IP: 85901; 85902
49	<b>Fulgazi Branch</b> (Opening Date: 17/10/2019) Bhuiyan Tower Fulgazi Bazar, Kapor Patti Goli PS- Fulgazi, Dist.- Feni. IP: 86001; 86002.	50	<b>Eidgaon Branch</b> (opening Date: 21/11/2019) Nurul Huda Mansion Eidgaon Bus Station, Arakan Road (Highway Road) Cox's Bazar, Cox's Bazar. IP: 86101, 86102
51	<b>Patiya Branch</b> (opening Date: 27/11/2019) N. Islam Tower Komol Munshir Hat, Arakan Road, Upazilla/Thana: Patiya, Dist.- Chattogram IP: 86301, 86302	52	<b>Muradnagar Branch</b> (opening Date: 24/11/2020) Noman Ahmed Market (1st Floor), Ward No-01, Muradnagar, PS-Muradnagar, Dist-Cumilla IP: 86501, 86502
53	<b>Chayani Bazar Branch</b> (opening Date: 24/11/2020) M. Haque Plaza, Chayani Bazar, Ward no-07 Bhobani Jibon Pur, Begumgonj, Noakhali IP: 86601, 86602	54	<b>Bakalia Branch</b> (opening Date: 10-Dec-2020) Epic Noor Landmark (1st Floor), Holding No-204 Bakalia, Chattogram. IP: 86701, 86702
55	<b>Boro Darogar Hat Branch</b> (opening Date: 24/12/2020) Nobi Plaza, Boro Darogar Hat Bazar (Uttar Goli), Union-15 No. Wahedpur, Thana-Mirsharai, Chattogram. IP: 86901, 86902	56	<b>Salimgonj Branch</b> (Opening Date: 30.12.2020) Salimgonj Bazar, Sadar Road, Ward No.-07, Union- 18no.Salimgonj, Nabinagar, Dist.- Brahmanbaria. IP: 87001, 87002
57	<b>Munshirhat Branch</b> (opening Date: 21.10.2021) Building Name : Karim & Hazari Super Market, Vill/ area : Munshirhat Bazar, Union : 08 no. Munshirhat Union, Ward no.-09, P.S.-Chauddgram, Dist.- Cumilla.	58	<b>Subornochar Branch</b> (Opening Date : 12.12.2021) Building Name - Habib Jahan Palace, Haris Chowdhury Bazar, Ward no.-03, Union : 5 no. Char Jabbar, P.S: Subornochar, Dist.-Noakhali. IP : 87301, 87302

Sl. No.	Sub-Branch Name	Sl. No.	Sub-Branch Name
59	<b>Chatteshwari Moor Branch</b> (Opening Date: 09.12.2021) Skytech S. R. Empire Holding No.-80, Chatteshwari Road, Kotowali, Chattogram. IP : 87401, 87402	60	<b>Keranihat Branch</b> (Opening Date : 2-Oct-2022) Building Name : Abdul Karim Market (1st floor), Ward no.: 05, Union : 8 no. Dhemsha, Keranihat, P.S. : Satkania, Upazilla : Satkania, Dist.: Chattogram
61	<b>Chakaria Branch</b> (Opening Date : 2-Oct-2022) Building Name : Chakaria City Center (1st floor), Arakan Road, Chiringa, Ward no.: 08, Pourashava : Chakaria, P.S: Chakaria, Dist.: Cox's Bazar.	62	<b>Court Bazar Branch</b> (Opening Date : 3-Oct-2022) Building Name : Zam Zam Super Market (1st floor), Vill./Area: Court Bazar, Bus Station, Ward no.: 09, Union : 02 no. Ratna Palong, P.S.: Ukhiya, Dist.: Cox's Bazar.
63	<b>Khagrachari Branch</b> (Opening Date : 6-Nov-2022) Building Name : Shuvotara Complex (1st floor), Holding no.:30, Shahjahan Chattar, Shahid Abdul kashem Sarak, Ward no.: 04, Pourashava : Chuadanga, P.S.: Chuadanga Sadar, District : Chuadanga.		

## BARISHAL DIVISION

Sl. No.	Sub-Branch Name	Sl. No.	Sub-Branch Name
1	<b>Barishal Branch</b> (Opening date-25.09.2011) Mokka Bhaban Holding No-1, Katpatty Road, Kotwali Model Thana, Barishal, Phone:0431-61659, 0431-2177480 IP Phone-77301 ,77302	2	<b>Charfassion Branch</b> (Opening Date-02.06.2016) Al-Haj Habibur Rahman Faraji Market 952 DC Road, Sharif Para, Charfassion Paurasova, Charfassion, Dist.- Bhola. IP Phone-82101, 82102
3	<b>Safa Bandar Branch</b> (Opening Date-02.06.2016) M.A. Sayeed Bhaban Safa Bus Stand, Safa Bondar, Mothbaria, Dist- Pirojpur. IP Phone-82201, 82202.	4	<b>Bhola Branch</b> (Opening Date: 19/06/2017) B.T. Square Holding No. 899, Mahajan Patty, Sadar Road, Bhola IP: 83501, 83502
5	<b>Jhalakati Branch</b> (Opening Date: 20.12.2018) 03, Doctorpatti Road, Jhalakati Sadar, Jhalakati IP Phone: 85401; 85402		

## RAJSHAHI DIVISION

Sl. No.	Sub-Branch Name	Sl. No.	Sub-Branch Name
1	<b>Rajshahi Branch</b> (Opening Date-10-08-1996) A H Tower, Holding No-328-331,333-336 Aloker Moor, New Market Road, Dist.- Rajshahi. Phone-0721-812317, 812452, fax-0721-812317 IP Phone-70701,70702	2	<b>Bogura Branch</b> (Opening Date-25-10-1998) Vandar Monjil 776, Rangpur Raod, Borogola, Dist.- Bogura. Phone-051-65833, 63943, 61458, fax- 051-63943, IP Phone-71101,71102



Sl. No.	Sub-Branch Name	Sl. No.	Sub-Branch Name
3	<b>Sirajgonj Branch</b> (Opening Date- 26-10-1998) Zaman Complex, S.S. Road, Sirajgonj. Phone-0751-63203, 64360,63203, IP Phone-71201,71202	4	<b>Chandaikona Branch</b> (Opening Date-19-12-2000) Pabna Bazar, Raigonj, Sirajgonj. Phone-07526-56122, 01715-805435, fax-07526-56122 IP Phone-71601,71602
5	<b>Shahjadpur SME/Krishi Branch</b> (opening Date-03-10-2010) Alhaj Rajjak Plaza (1 <sup>st</sup> floor), Monirampur Bazar Ward-03, PS & P.O- Shahjadpur, Dist.- Sirajgonj Phone- 07527-64049, 07527-64050 IP Phone-75801, 75802	6	<b>Dupchanchia Branch</b> (opening Date-25-11-2010) Jobeda Shopping Center (1 <sup>st</sup> floor) C.O. Office Bus Stand, Dupchachia, Dist.- Bogura. Phone- 05024-51250, 51251 IP Phone-76201, 76202
7	<b>Naogaon Branch</b> (opening date-12.09.2011) Mahmuda Plaza, Kapor Potti, Ward No. 4, Naogaon Pourashava (Sonali Bank Road), PO + PS- Naogaon, Dist.- Naogaon. Phone-0741-81112, 81113, IP Phone-76701 ,76702	8	<b>Pabna Branch</b> (Opening date-05.10.2011) Latif Tower 37/51, Abdul Hamid Road, Pabna Phone- 0731-51980, 0731-52080 IP Phone-77501 ,77502
9	<b>Natore Branch</b> (Opening Date: 23.12.2018) Holding-288, Old Bus Stand, Kanaikhali, PS- Natore Sadar, Dist: Natore IP Phone: 85501; 85502		

## SYLHET DIVISION

Sl. No.	Sub-Branch Name	Sl. No.	Sub-Branch Name
1	<b>Sylhet Branch</b> (Opening Date-27-06-1996) 781, Karima Mansion, Dargah Gate, Sylhet-3100. Phone-0821-711282, 0821-710485, fax-0821-711282 IP Phone-70601, 70602	2	<b>South Surma Branch</b> (Opening Date-23-07-2009) Chandipool Baipass Road P.O-Sylhet Sadar, P.S- South Surma, Sylhet. Phone- 0821-2833431, 0821-2833432, IP Phone-73401 ,73402
3	<b>Moulvibazar Branch</b> (Opening date-10.10.2012) 183 Shamsheer Nagar Road Chowmohana, Dist.- Moulvibazar Phone- 0861-63906, 63907, IP Phone-78201,78202	4	<b>Fenchugonj Branch</b> (Opening date-11.10.2012) Akul Shah Shopping City General Osmani Road (Thana road point) Fenchugonj, Sylhet Mobile: 01711-040403, IP Phone-78301,78302
5	<b>Beanibazar Branch</b> (Opening Date- 24.05.2016) Azir Market(1 <sup>st</sup> Floor), Main Road BeaniBazar, Dist.- Sylhet, IP Phone-81801,818022	6	<b>Barlekha Branch</b> (Opening Date-20-11-2016) Hazi Karim Mansion, Dakkhin Bazar Baralekha Moulvibazar. IP Phone-82401, 82402.
7	<b>Industrial Park Branch</b> (Opening date: 14/06/2017) Sattar Plaza,Olipur Bazar, 7 no. Nurpur Union Parishad Shahjibazar, Sayestagonj, Habigonj IP: 83301, 83302	8	<b>Sreemongal Branch</b> (Opening Date:12/07/2018) Razzak Tower Holding no.62, Sreemangal Dist: Moulvibazar IP Phone: 84501; 84502
9	<b>Dhakadakshin Branch</b> (Opening Date: 25/07/2018) Latif Mansion Dhakadakshin Bazar, Dattarail, Ward no.03 Union- 06 no. Dhakadakshin Union Parishad Upazilla/PS- Golapgonj, Dist- Sylhet. IP:84701; 84702	10	<b>Tuker Bazar Branch</b> (Opening Date: 26/07/2018) Anwar Complex Temukhi, Adjacent of 3 <sup>rd</sup> Shahjalal Bridge Sylhet – Sonamgonj Road, Tuker Bazar, PS- Jalalabad, Dist.- Sylhet. IP: 84801; 84802



## RANGPUR DIVISION

Sl. No.	Sub-Branch Name	Sl. No.	Sub-Branch Name
1	<b>Gobindagonj SME/Krishi Branch</b> (Opening Date-22-08-2010) Goleza Super Market (Rangpur-Bogura Highway Road) Holding No-318, Gobindagonj, Gaibandha Phone-05423-75396, 05423-75397, IP Phone-75201 ,75202	2	<b>Dinajpur Branch</b> (Opening Date-23-08-2010) Holding No-1191/1150, Lilir Moor, P.O & P.S -Dinajpur, Dist.- Dinajpur. Phone-0531-63692, 0531-61588, IP Phone-75301 ,75302
3	<b>Rangpur Branch</b> (Opening date-13.09.2011) Shah Bari Tower, House-286,Station Road (Guptapara) P.O-Rangpur, P.S- Kotwali, Dist.- Rangpur. Phone-0521- 55183, 55184 (Fax) IP Phone-76801 ,76802	4	<b>Sayedpur Branch</b> (Opening Date-27-11-2014) Altaf Tower Holding No-07, Shahid Dr. Zikrul Haque Road, Sayedpur, Dist.- Nilphamari IP Phone-79901 ,79902
5	<b>Ranir Bandar Branch</b> (Opening Date-24/05/2017) Grameen Tower PO- Ranirbandar, PS-Chirirbandar. Dist: Dinajpur Mob: 01712865829 , IP: 83101, 83102	6	<b>Boda Branch</b> (Opening Date : 23-Oct-2022) Building Name : Majumder Complex (1st floor), Holding No.:229, Vill./Area : Nagar Kumari, Thanapara, Ward No.:07, P.S.: Boda, Dist.: Panchagarh.
7	<b>Domar Branch</b> (Opening Date : 24-Oct-2022) Building Name : SK Traders (1st floor), Holding no.: 580/6, Road Name : Main Road (Thana Road), Ward no.: 03, Pourashava : Domar Pourashava, P.S.: Domar, Dist.: Nilphamari.		

## KHULNA DIVISION

Sl. No.	Sub-Branch Name	Sl. No.	Sub-Branch Name
1	<b>Khulna Branch</b> (Opening Date-20-06-1996) G.M. Baksh Tower (Ground, 1 <sup>st</sup> & 2 <sup>nd</sup> floor) 22, Sir Iqbal Road, Khulna City Corporation, Khulna. Phone- & fax-041-722133, 730533 IP Phone-70501,70502	2	<b>Paikgacha Branch</b> (Opening Date-06.12.2009) Main Road, Paikgacha Khulna. Phone- 04027-56678, IP Phone-74301,74302
3	<b>Monirampur SME/Krishi Branch</b> (Opening Date-08-08-2010) Shibu Tower, Holding No-2145, Monirampur Bazar, Ward No-03, Paurasova- Monirampur, PS/Upazila- Monirampur, Dist.- Jashore. Phone-0422778400, IP Phone-74701 ,74702	4	<b>Noapara Branch</b> (Opening Date-08-08-2010) Noorbag Moor, P.O- Noapara, P.S.-Abhoynagar, Dist.-Jashore. Phone-04222-72300 IP Phone-74801 ,74802
5	<b>Fakirhat SME/Krishi Branch</b> (Opening Date-09-08- 2010) Mohammad Ali Market, Kathaltola Road, Fakirhat Bazar, PO + PS- Fakirhat, Dist.- Bagerhat. Phone-04655-56150, IP Phone-74901, 74902	6	<b>Jashore Branch</b> (opening Date-19-12-2010) Holding no.-36 (2 <sup>nd</sup> Floor), Rail Road (Chowrasta) P.O.-Jashore, P.S.- Kotwali, Dist.-Jashore. Phone-0421-64404,; IP Phone-76401 ,76402

Sl. No.	Sub-Branch Name	Sl. No.	Sub-Branch Name
7	<b>Satkhira Branch</b> (opening Date-20-12-2010) London Plaza,(1 <sup>st</sup> Floor) Boro Bazar Road P.S. & P.O- Satkhira, Dist.- Satkhira. Phone-0471-65078, 0471-65444, fax- 0471-65444, IP Phone-76501, 76502	8	<b>Bagerhat Branch</b> (Opening date-29.11.2012) 13, Khan Jahan Ali Road Ward no. 06, Bagerhat Pourashava, Dist.- Bagerhat Phone- 0468-64347, 0468-64348 IP Phone-78801, 78802
9	<b>Patkelghata Branch</b> (Opening date-22-05-2013) Mohsin Market (1st floor), Panch Raster Moore, Patkelghata Bazar, Patkelghata, Sathkhira. Manager: 01718-610385(Mob) IP Phone-79001,79002	10	<b>Chowgacha Branch</b> (Opening date-30-06-2013) Social Islami Bank Ltd. Dhoni Plaza, Chowgacha Bus Stand P.O & P.S.- Chougacha, Dist.- Jashore IP Phone- 79301,79302
11	<b>Dumuria Branch</b> (Opening Date - 15-12-2015) Zakaria Super Market Dumuria Bazar, Dumuria, Dist: Khulna IP Phone-81301, 81302.	12	<b>Kushtia Branch</b> (Opening Date - 15-06-2015) Holding no. 297/1, N.S. Road Kushtia Sadar, Kushtia IP Phone-81001; 81002
13	<b>Navaran Branch</b> (Opening Date-05-05-2016) Afzal Supper Market (1 <sup>st</sup> Floor), Navaran Rail Bazar Jashore – Benapole Highway, Zadabpur, Sharsha, Jashore. IP Phone-81601,81602	14	<b>Kalia Branch</b> (Opening Date: 10/06/2018) Gazi Super Market Kalia – Khulna Road, Kalia, Narail IP Phone: 84301; 84302
15	<b>Boyra Branch</b> (Opening Date: 29/07/2018) Khokon Shopping Complex Holding No. 98, Mujgunni Main Road, Sonadanga, Khulna IP Phone: 84901; 84902	16	<b>Shyamnagar Branch</b> (25.11.2021) Building Name-Rahim Box Super Market, Haibatpur, Shyamnagar, Nokipur, Satkhira. IP : 87201, 87202
17	<b>Chuadanga Branch</b> (Opening Date :30-Oct-2022) Building Name : Shuvotara Complex (1st floor), Holding no.:30, Shahjahan Chattar, Shahid Abdul kashem Sarak, Ward no.: 04, Pourashava : Chuadanga, P.S.: Chuadanga Sadar, District : Chuadanga.		

## MYMENSINGH DIVISION

Sl. No.	Sub-Branch Name	Sl. No.	Sub-Branch Name
1	<b>Mymensingh Branch</b> (Opening date-09-10-2013) Ali Plaza (2 <sup>nd</sup> Floor), Muktijudda Sarani Road 64, Choto Bazar, P.S- Kotwali (Sadar), Mymensingh IP Phone- 79601,79602	2	<b>Koyra Bazar Branch</b> (Opening Date- 09-06-2015) Haji Market, (1 <sup>st</sup> floor), Koyra Bazar PO-Patadaha, P.S-Madargonj, Jamalpur. IP Phone-80601, 80602
3	<b>Jamalpur Branch</b> (Opening Date -27-03-2016 ) A. K Tower, Holding no.285, Tomal Tola Moor, Medical Road, PO- Jamalpur, PS -Jamalpur Sadar, Dist.- Jamalpur IP Phone-81401, 81402	4	<b>Netrokona Branch</b> (Opening Date- 21-04-2016) Aleya Plaza, 2 <sup>nd</sup> floor, College Road, Satpai, Dist- Netrokona. IP Phone-81501, 81502
5	<b>Sherpur Branch</b> (Opening Date: 22-07-2018) Jamshed Mansion Holding No.209, Munshi Bazar, Kharampur Moor, Sherpur IP: 84601; 84602		

## List of Sub-Branches

Sl. No.	Sub-Branch Name	Sl. No.	Sub-Branch Name
<b>01</b>	<b>Gabtohi Sub Branch</b> (Under Narayanganj Branch) Gabtohi, Enayetnagar, Fatullah Opening Date: 29-May-2019 IP Phone: 76650	<b>02</b>	<b>Brindabonhat Sub Branch</b> (Under Bibirhat Branch) Haji Md. Siddikur Rahman market, Vill-South Payendong, Fatikchari Opening Date: 16-Jun-2019 IP Phone: 76050
<b>03</b>	<b>Datmara Sub Branch</b> (Under Kazirhat Branch) Kazi Market, Shantirhat Bazar, Vill-Shadinagar, Upazilla-Fatikchari Opening Date: 16-Jun-2019 IP Phone: 83950	<b>04</b>	<b>Shiachar Sub Branch</b> (Under Fatulla Branch) Shiachar, Union-Kutubpur, PS-Fatullah, Dist-Narayanganj Opening Date: 20-Jun-2019 IP Phone: 72550
<b>05</b>	<b>Chunati Sub Branch</b> (Under Lohagara Branch) Haji Shopping Complex, Main Road, Chunoti Bazar, Chunoti, Thana-Lohagara, Dist-Chattogram. Opening Date: 29-Jul-2019 IP Phone: 73350	<b>06</b>	<b>Dhamairhat Sub Branch</b> (Under Roazarhat Branch) Kazi Abdur Rahman Market (Guddu Plaza), Dhamairhat, Thana-Rangunia, Dist-Chattogram. Opening Date: 25-Aug-2019 IP Phone: 78550
<b>07</b>	<b>Kalma Sub Branch</b> (Under Savar Branch) Kalma, Ward no-07, PS-Savar, Dist - Dhaka. Opening Date: 04-Sep-2019 IP Phone: 73050	<b>08</b>	<b>College Gate Sub Branch</b> (Under Tongi Branch) Ovijan 54/A, College Road, College Gate, Tongi, Gazipur. Opening Date: 11-Sep-2019 IP Phone: 77450
<b>09</b>	<b>Uttar Kutubkhali Sub Branch</b> (Under Dania Branch) Khan Super Market at 14, Uttar Kutubkhali, Main Road, Ward no-62, Thana Jatrabari, Dist-Dhaka. Opening Date: 23-Sep-2019 IP Phone: 73250	<b>10</b>	<b>EPZ Sub Branch</b> (Under Cumilla Branch) Monowara Ali Tower, 141, EPZ & Medical Road, Ward no-21, PS-Sadar Dakshin, Dist-Cumilla. Opening Date: 16-Oct-2019 IP Phone: 73550
<b>11</b>	<b>Bakila Bazar Sub Branch</b> (Under Hajiganj Branch) Sheikh Market, Bakila Bazar, Thana-Hajigonj, Dist-Chandpur. Opening Date: 16-Oct-2019 IP Phone: 75750	<b>12</b>	<b>Goran Sub Branch</b> (Under Banasree Branch) 395, South Goran (Goran Tampoo Stand) Khilgaon, Dhaka. Opening Date: 29-Oct-2019 IP Phone: 77250
<b>13</b>	<b>S. Club Mour Sub Branch</b> (Under Haliashahar Branch) House no-01, Road no-02, Block-B, Ward no-12, Haliashahar Housing Estate, PS-Haliashahar, Chattogram. Opening Date: 19-Dec-2019 IP Phone: 71950	<b>14</b>	<b>Haliashahar Bus Stand Sub Branch</b> (Under Haliashahar Branch) Chowdhury Plaza, Holding-968/2069, Haliashahar Road, Ward no-11 South Kattali, PS-Pahartoli, Dist-Chattogram. Opening Date: 19-Dec-2019 IP Phone: 71970
<b>15</b>	<b>Mugrabazar Sub Branch</b> (Under Akhaura Branch) Master Plaza, Mugrabazar, Thana-Akhaura, Dist-Brahmanbaria. Opening Date: 22-Dec-2019 IP Phone: 78950	<b>16</b>	<b>Amirhat Sub Branch</b> (Under Azadi Bazar Branch) Didarul Alam Market, Union-Holodia, Thana-Raozan, Dist-Chattogram. Opening Date: 24-Dec-2019 IP Phone: 80450

Sl. No.	Sub-Branch Name	Sl. No.	Sub-Branch Name
17	<b>Kotbari Sub Branch</b> (Under Laksam Road Branch) Ayat Plaza, 53, 55 Kotbari Road, Ward no-24, Thana- Sadar Dakkhin, Dist-Cumilla. Opening Date: 24-Dec-2019 IP Phone: 80550	18	<b>Lamburhat Sub Branch</b> (Under Patherhat Branch) L.F. Plaza, Lamburhat, Vill-Bagowan, PS-Raozan, Dist-Chattogram. Opening Date: 26-Dec-2019 IP Phone: 73850
19	<b>Matikata Bazar Sub Branch</b> (Under Mirpur Branch) 108, Matikata Bazar, PS- Dhaka Cantonment, Dhaka Opening Date: 26-Dec-2019 IP Phone: 72650	20	<b>Maniknagar Sub Branch</b> (Under Principal Branch) Ajimunnesa Tower, 67, Uttar Maniknagar (Pukurpar), Ward no-07, PS-Mugda, Dist-Dhaka. Opening Date: 29-Dec-2019 IP Phone: 70250
21	<b>Munsirhat Sub Branch</b> (Under Chandpur Branch) 114, Master Tower, Madrasa Road, Ward No-9, Thana-Matlab (South), Dist-Chandpur. Opening Date: 21-Jan-2020 IP Phone: 73750	22	<b>Pirer bag Sub Branch</b> (Under Agargaon Branch) 276/4, Moddho Pirer Bag, Mirpur, Ward no-13, Thana-Mirpur, Dist-Dhaka. Opening Date: 22-Jan-2020 IP Phone: 71350
23	<b>D.T Road Sub Branch</b> (Under Dewanhat Branch) Abid Complex, Holding no-506, Ward no-25, D.T. Road, Thana-Halishahar, Dist-Chattogram. Opening Date: 26-Jan-2020 IP Phone: 78050	24	<b>Karnafuli Sub Branch</b> (Under Shantirhat Branch) Samiur Rahman Building, Fakirnir Hat Raster Matha, Ward no-4, Karnafuli, Dist-Chattogram. Opening Date: 26-Jan-2020 IP Phone: 84250
25	<b>Ramdoyal Sub Branch</b> (Under Sonapur Branch) Hazi Abdul Ohab Bhaban, Ramdoyal Bazar, Ramgati, Laxmipur. Opening Date: 28-Jan-2020 IP Phone: 82950	26	<b>Karimgonj Sub Branch</b> (Under Kishoregonj Branch) 679/A, Saleha Bhaban, Karimganj Pourashova, Thana- Karimganj, Dist- Kishoreganj. Opening Date: 28-Jan-2020 IP Phone: 80770
27	<b>Hossainpur Sub Branch</b> (Under Kishoregonj Branch) Bacchu Miah Super Market, Holding no-98, Hossainpur Pourosova, Ward no-08, Thana-Hossainpur, Dist-Kishoreganj. Opening Date: 28-Jan-2020 IP Phone: 80750	28	<b>Bhor Bazar Sub Branch</b> (Under Feni Branch) Madrasa Market (Unit-02), Vill- Bhor Bazar, Ward no-05, Thana-Sonagazi, Dist-Feni. Opening Date: 18-Feb-2020 IP Phone: 76950
29	<b>Balijuri Bazar Sub Branch</b> (Under Koyrabazar Branch) Talukder Market, Holding no-65, Ward no-04, Jamalpur Road, Balijuri Bazar, Thana-Madargonj, Dist-Jamalpur. Opening Date: 19-Feb-2020 IP Phone: 80650	30	<b>Kashimpur Sub Branch</b> (Under Ashulia Branch) Jitar Moor, Kashimpur Bazar, Ward no-06, Thana-Kashimpur, Dist-Gazipur Opening Date: 03-Mar-2020 IP Phone: 80850
31	<b>CEPZ Sub Branch</b> (Under Agrabad Branch) Hossain Complex, 1st floor, 1956A/2098, Airport Road, South Halishahar, Bandar, Dist- Chattogram. Opening Date: 03-Mar-2020 IP Phone: 70450	32	<b>Basila Sub Branch</b> (Under Basila Road Branch) Haji Mohiuddin Complex, 742/15, Basila Road, Mohammadpur, Dhaka. Opening Date: 04-Mar-2020 IP Phone: 85750

Sl. No.	Sub-Branch Name	Sl. No.	Sub-Branch Name
33	<b>Uposhohor Sub Branch</b> (Under Bogura Branch) R.C. Tower, Puraton Dinajpur Road, Bogura Pourosova, Ward no-01, Thana-Bogura, Dist-Bogura. Opening Date: 08-Mar-2020 IP Phone: 71150	34	<b>Badamtoli Sub Branch</b> (Under Babu Bazar Branch) Madina Plaza, Holding no-15, Iswar Chandra Ghosh Street, Badamtoli, Thana-Kotowali, Dist-Dhaka. Opening Date: 10-Mar-2020 IP Phone: 70950
35	<b>Doyagonj Sub Branch</b> (Under Islampur Branch) 47/1, Sharagupta Road, Dayagonj Natun Rasta, Ward no-40, PS-Shutrapur, Dist-Dhaka 1100. Opening Date: 16-Mar-2020 IP Phone: 75450	36	<b>Nazimuddin Road Sub Branch</b> (Under Moulvibazar Branch) S.H. Plaza, 90/91, Sir Nazimuddin Road, Dhaka-1211. Opening Date: 19-Mar-2020 IP Phone: 71050
37	<b>Tilagor Sub Branch</b> (Under Sylhet Branch) Deen Centre, 07, Batatikar, Tilagor, Sylhet. Opening Date: 22-Mar-2020 IP Phone: 70650	38	<b>Kawlipara Sub Branch</b> (Under Dhamrai Branch) Madina Market, 1st Floor, East Side, Nobogram Bazar, Nobogram, Dhamrai, Dhaka. Opening Date: 28-Jun-2020 IP Phone: 76150
39	<b>Shaheprotap Sub Branch</b> (Under Panchdona Branch) Late Haji Shafi Uddin Munshi Plaza, Shaheprotap More, Ward no-06, Union-Shilmandi, PS-Narsingdi Sadar, Dist-Narsingdi. Opening Date: 29-Jun-2020 IP Phone: 79750	40	<b>Kanchannagor Sub Branch</b> (Under Bibirhat Branch) R.K. Tower, Temohany Bazar, Manikpur, Fatickchari, Chattogram Opening Date: 18-Aug-2020 IP Phone: 76070
41	<b>Ranir Bazar Sub Branch</b> (Under Cumilla Branch) Khilzi Villa, Holding no-281(Old), 325(New), 2nd Kandirpar, Ranir Bazar, Ward no-08, Cumilla-3500 Opening Date: 26-Aug-2020 IP Phone: 73570	42	<b>Bazalia Sub Branch</b> (Under Lohagara Branch) Monsur Plaza (1st Floor), Bazalia, P.O.-Bazalia, P.S.-Satkonia, Dist-Chattogram Opening Date: 27-Aug-2020 IP Phone: 73370
43	<b>Godnail Sub Branch</b> (Under Fatulla Branch) 2 no. Dhakeshore Bus Stand, Godnail, Shiddirganj, Narayanganj Opening Date: 01-Sep-2020 IP Phone: 72570	44	<b>Bhadeshwar Sub Branch</b> (Under Dhakadakshin Branch) Mukham Bazar, Bhadeshwar, Golapgonj, Sylhet. Opening Date: 02-Sep-2020 IP Phone: 84750
45	<b>Bou Bazar Sub Branch</b> (Under Khatungonj Branch) Bou Bazar, D.C. Road, Opposite site of Sardar Bari, P.O: Chawkbazar, P.S: Bakalia, Chattogram. Opening Date: 03-Sep-2020 IP Phone: 71450	46	<b>Tala Sub Branch</b> (Under Patkhelghata Branch) Sheikh Plaza, Vill-Tala, PO+Upazilla-Tala, Ward no-08, Dist-Satkhira Opening Date: 20-Sep-2020 IP Phone: 79050
47	<b>Birasher Sub Branch</b> (Under Brahmanbaria Branch) 759-20, Bir Muktizudda R A M Obaidul Muktadir Chowdhury Road, Birashar Bus Stand (East Side), West Medda, Brahmanbaria Opening Date: 21-Sep-2020 IP Phone: 85650	48	<b>Batakandi Sub Branch</b> (Under Homna Branch) Amir Complex, Batakandi Bazar, Union- Jogotpur, Thana-Titas, Dist-Cumilla. Opening Date: 27-Sep-2020 IP Phone: 77850

Sl. No.	Sub-Branch Name	Sl. No.	Sub-Branch Name
49	<b>Raipura Bazar Sub Branch</b> (Under Narsingdi Branch) Raipura Trade Center, 234, Thana Sadar Road, Ward no-01, Thana-Raipura, Dist-Narsingdi Opening Date: 28-Sep-2020 IP Phone: 82550	50	<b>Satarkul Bazar Sub Branch</b> (Under Uttar Badda Branch) Riyaz Super Market, Ward no-41, Satarkul Uttar Para, Satarkul Bazar, Badda, Dhaka-1212 Opening Date: 29-Sep-2020 IP Phone: 78450
51	<b>Akbarshah Sub Branch</b> (Under Alankar Moor Branch) Plot no 65&66, Block-D, Grade-2H, Kobolodham, Urban Dev. Project, North Pahartoli, P.O Ferozshah-4207, P.S- Akbarshah, Dist.-Chattogram. Opening Date: 22-Oct-2020 IP Phone: 77650	52	<b>Nandina Sub Branch</b> (Under Jamalpur Branch) Nandina Moddho Bazar, Nandina, Jamalpur Opening Date: 25-Oct-2020 IP Phone: 81450
53	<b>Sebarhat Sub Branch</b> (Under Zamidarhat Branch) Barik Plaza, Sebarhat, Rajarampur, Senbagh, Noakhali. Opening Date: 28-Oct-2020 IP Phone: 81750	54	<b>Mithachara Sub Branch</b> (Under Baryarhat Branch) Mithachara Plaza (1st floor), Mithachara Bazar, Mirsharai, Chattogram. Opening Date: 28-Oct-2020 IP Phone: 75150
55	<b>Budhata Sub Branch</b> (Under Satkhira Branch) Budhata Bazar, Budhata, Assasuni, Satkhira. Opening Date: 02-Dec-2020 IP Phone: 76550	56	<b>DSE Tower Sub Branch</b> (Under Principal Branch) DSE Tower, Plot-46, Road-21, Nikunja-2, Dhaka-1229. Opening Date: 15-Dec-2020 IP Phone: 70270
57	<b>Nakla Sub Branch</b> (Under Sherpur Branch) Holding#096300, Road-Feeder Road, Ward no.-5, Nakla Pouroshova, P.S.-Nakla, Dist-Sherpur. Opening Date: 15-Dec-2020 IP Phone: 84650	58	<b>Marichcha Bazar Sub Branch</b> (Under Cox's Bazar Branch) Fazal Market, Marichcha Bazar, Ukhiya, Cox's Bazar. Opening Date: 27-Dec-2020 IP Phone: 73970
59	<b>Jhumchari Bazar</b> (Under Cox's Bazar Branch) New Hajee Market, Jhumchari Bazar, P.M. Khali, Cox's Bazar. Opening Date: 27-Dec-2020 IP Phone: 73950	60	<b>B Ed. College Road Sub Branch</b> (Chawkbazar Branch) House:1264/1983/2867, K.B. Aman Ali Road, Ward no.17, Chawkbazar, Thana: Bakalia, Dist: Chattogram. Opening Date: 29-Dec-2020 IP Phone: 76350
61	<b>Saltgola Sub Branch</b> (Under Sheikh Mujib Road Branch) Ishan Mistirir Hat, Saltgola Road, Holding-2660/4274, Ward no.-38, Halishahor, Bandor, Chattogram. Opening Date: 29-Dec-2020 IP Phone: 76450	62	<b>Churamon Kati Sub Branch</b> (Under Jashore Branch) Jamir Gazi Complex (1st floor), Vill+Post.- Churamon Kati, Jashore Sadar, Jashore. Opening Date: 29-Dec-2020 IP Phone: 85950
63	<b>Mohanganj Sub Branch</b> (Netrokona Branch) Station Road, Mohongonj, Netrokona. Opening Date: 30-Dec-2020 IP Phone: 81550	64	<b>Bazra Bazar Sub Branch</b> (Chowmuhani Branch) Harun-ur-Rashid Super Market Vill : East Chandpur Ward no. : 04 Union : 7 no. Bazra Union, P.S. : Begumganj, Dis.-Noakhali Opening Date: 01.02.2021 IP Phone: 72950

Sl. No.	Sub-Branch Name	Sl. No.	Sub-Branch Name
65	<b>Katghar Sub Branch</b> (Agrabad Branch) Saira Shiraj Complex (1st Floor), North Patenga, Katgor, Chattogram. Opening Date: 01.02.2021 IP Phone: 70460	66	<b>Nayarhat Sub Branch</b> (Baluchara Branch) Building Name : Monaf Market, Vill./Area : Nayarhat Bazar, Road name : Oxygen Kuaish Connecting Road, Ward no. : 03, City Corporation : Chattogram City Corporation, P.S. : Bayazid Bostami, Dis. : Chattogram. Opening Date: 25.02.2021 IP Phone: 84050
67	<b>Samitirhat Sub Branch</b> (Nanupur Branch) Building Name : Rahman Market, Vill : Nichintapur Ward no. : 05, Union : Samitirhat, P.S. : Fatikchari Dis. : Chattogram. Opening Date: 25.02.2021 IP Phone: 74050	68	<b>Bakhtiar Para Sub Branch</b> (Shah Mohsen Aowlia Branch) Building name : Bakhtiar Shopping Complex Vill/Area : Bakhtiar Para, Minnat Ali Hat, Ward no. : 03, P.S. : Anowara ,Dis. : Chattogram Opening Date: 25.02.2021 IP Phone: 77950
69	<b>Badda Sub Branch</b> (Rampura Branch) Holding no.-Cha-63/6, North Badda, Road name: Pragati Sarani Road, Ward no.-21, Dhaka North City Corporation, P.S.-Badda, Dis.-Dhaka-1212. Opening Date: 22.03.2021 IP Phone:74150	70	<b>Brahmanpara Sub Branch</b> (Burichang Branch) Building Name: Haji Market, Vill/Area: Brahmanpara , Ward no: 07, Union: Brahmanpara , P.S: Brahmanpara Dis.:Cumilla. Opening Date: 22.03.2021 IP Phone:82050
71	<b>Shahrasti Sub Branch</b> (Hajigonj Branch) Building Name : Mojibur Rahman Super Market (1st floor), Shahrasti Gate (Doavanga), House # 02, Road Name: Cumilla Chanpur Main Road, Ward no.-03, Pouroshova: Shahrasti, P.S.-Shahrasti, Dist.-Chandpur. Opening Date: 22.03.2021 IP Phone:75760	72	<b>Muktijoddha Complex Sub Branch</b> (Feni Branch) Building Name: Feni Zilla Muktijoddha Complex Bhaban, Road name: Trunk Road, Ward no.-09, Pourashava: Feni Pourashava, P.S.-Feni Sadar, Dist. -Feni. Opening Date: 22.03.2021 IP Phone:76960
73	<b>Bogarbil Bakalia Sub Branch</b> (Anderkilla Branch) Building Name: Jafar Mansion, Santinagor Bazar, Bogar bil, Road Name: Yunus Road, Ward. No-07, Chattogram City Corporation, P.S.: Bakalia, Dis.: Chattogram. Opening Date: 13.04.2021 IP Phone:84450	74	<b>Mugda Sub Branch</b> (Foreign Exchange Branch) Building Name: Khadiza Palace, Holding no.- 145, Road name: North Mugda Para, Modina Bag (Ground Floor), Ward no.- 71, Dhaka North City Corporation, P.S.- Mugda , Dist.- Dhaka. Opening Date: 13.04.2021 IP Phone:71850
75	<b>Narisha Bazar Sub Branch</b> (Muksudpur Branch) Building Name: Mobarok Hossain Market , Vill-Narisha Bazar, Ward no.- 07, Union no.- 06, P.S.- Dohar, Dis.-Dhaka. Opening Date: 13.04.2021 IP Phone:83650	76	<b>Amzad Hat Sub Branch</b> (Fulgazi Branch) Building Name: Hazi Nurul Islam Company Market (1st floor), Holding no-213, Vill/area: Amzad Hat, Ward no: 08, Union: 9 no. Amzad Hat Union, P.O: Amzad Hat, P.S: Fulgazi, Dist-Feni. Opening Date: 25.05.2021 IP Phone:86050



Sl. No.	Sub-Branch Name	Sl. No.	Sub-Branch Name
77	<b>Rahmania Bazar Sub Branch</b> (Nazu Miah Hat Branch) Building Name: Noor Salma Tower, Rahmania Bazar, Madari Pool, Vill- Middle Madarsha, Ward no.- 03, Union: 13 no. South Madarsha, P.O: Somitir Hat-4336, P.S.- Hat Hazari, Dist.- Chattogram. Opening Date: 25.05.2021 IP Phone:85350	78	<b>Barishal University Sub Branch</b> (Barishal Branch) Building Name: Khan Market, Vill/Area: Karnakathi, Ward no.-09, Union- 7 no. Charkawa, Barishal Sadar, P.O.- Karnakathi, P.S.-Bandar, Dist.-Barishal. Opening Date: 25.05.2021 IP Phone:77350
79	<b>Chondrer Bari Sub Branch</b> (Sreenagar Branch) Building Name: Bazlur Rahman Super Market (1st Floor), Vill/Area: Chondrer Bari, Ward no.- 06, Union- Holdia, P.S.- Lohajong, Dist.- Munshigonj Opening Date: 25.05.2021 IP Phone:82650	80	<b>Fakirapool Sub Branch</b> (Corporate Branch) Building Name: MJ Tower (1st floor), Holding No.-188, Ward No.-09, Dhaka South City Corporation, P.S.-Motijheel, Dis.-Dhaka Opening Date: 15.06.2021 IP Phone:82750
81	<b>Khilgaon Sub Branch</b> (Mouchak Branch) Holding No.-922/C (1st floor), Road Name: Shahid Baqui Road, Ward no.-01, Dhaka South City Corporation, P.S.-Khilgaon, Dist.-Dhaka Opening Date: 15.06.2021 IP Phone:79150	82	<b>Rani Mahal Sub Branch</b> (Demra Branch) Building Name: Abdul Awal Saheber Bari (1st floor) Holding No.- 81, Ward No.- 67, Poshchim Sarulia, Dhaka South City Corporation, P.S.- Demra, Dist.- Dhaka. Opening Date: 06.09.2021 IP Phone:78150
83	<b>Kadamtali Sub Branch</b> (Agrabad Branch) Holding No.- 431 D.T Road (1st floor), Road Name: D.T Road, Kadamtali, Ward No.- 29 West Madarbari, Chattogram City Corporation, P.S.- Doublemooring, Dist.- Chattogram. Opening Date: 06.09.2021 IP Phone:70470	84	<b>Barura Sub Branch</b> (Elliotganj Branch) Building Name: Elahi Mansion (1st floor), Ward No.-16, Pourashava: Baruda, Dist.- Cumilla. Opening Date: 06.09.2021 IP Phone: 72850
85	<b>Tolarbag Sub Branch</b> (Darus Salam Road Branch) Building Name: Towhid Tower-04, Holding No.- 17/4, Tolarbag, Road Name: Darus Salam Road, Ward no.-12, Dhaka North City Corporation, P.S.-Mirpur-01, Dist.- Dhaka-1216. Opening Date: 06.09.2021 IP Phone: 84150	86	<b>Baksha Nagar Sub Branch</b> (Galimpur Branch) Building Name: Haque Tower (1st floor), Chotto Baksha Nagar Bazar, Ward No.-05, Union: Baksha Nagar, P.S.- Nawabganj, Dist.-Dhaka. Opening Date: 06.09.2021 IP Phone: 75950
87	<b>Hazaribag Sub Branch</b> (Dhanmondi Branch) Holding No.-1/1 (1st floor),Road Name:Tally Office Road, Ward no: 18, Dhaka South City Corporation, P.S.- Hazaribagh, Dis.-Dhaka. Opening Date: 06.09.2021 IP Phone: 72150	88	<b>Lahini Bottola Sub Branch</b> (Kushtia Branch) Building Name-Mongol Shah New Market Holding no.-122, 1st floor, Road Name-Nur Uddin Ahmed Road, Ward no.-12, Lahini Bottola, Pourashava-Kushtia, P.S.-Kushtia, Dist.-Kushtia Opening Date: 18.10.2021 IP Phone: 81050

Sl. No.	Sub-Branch Name	Sl. No.	Sub-Branch Name
89	<b>Khoksa Sub Branch</b> (Kushtia Branch) Building Name-Aparna Market (1st floor), Road Name-Janipur Bazar, Ward no.-05, Pourashava-Khoksa, P.S.-Khoksa, Dist.-Kushtia Opening Date: 18.10.2021 IP Phone: 81060	90	<b>Mahini Bazar Sub Branch</b> (Laksam Road Branch) Building Name: Faiz Bhuiyan Tower (1st floor) Vill/Area-Mahini, Union- 03 no. Raikot Uttor, Upazill-Nangalkot, P.S.- Nangalkot, Dist.-Cumilla Opening Date: 18.10.2021 IP Phone: 80560
91	<b>Green Road Sub Branch</b> (Panthapath Branch) Building Name - R.H Home Centre, Holding no.- 74/B/1 (1st floor), Road Name - Green Road, Ward no.- 26 (Dhaka North City Corporation), P.S.- Tejgaon, Dist.- Dhaka Opening Date: 18.10.2021 IP Phone: 71550	92	<b>Kalachandpur Sub Branch</b> (Bashundhara Branch) Building Name-Nur Villa, Holding No.- Ka 19 (1st floor), North Baridhara, Road Name-Kalachandpur Main Road, Ward no-18 (Dhaka North City Corp.), P.S.-Gulshan, Dist.-Dhaka. Opening Date: 18.10.2021 IP Phone: 77750
93	<b>Gazipur Board Bazar Sub Branch</b> (Tongi Branch) Building Name : Mabilia Complex (1st floor), Holding no. : 1457, Road Name : Bot-Tola Road (kalemeshor), Ward no. : 35, P.S. : Gasa, Dist. : Gazipur. Opening Date: 18.10.2021 IP Phone: 77460	94	<b>Dasher Bazar Sub Branch</b> (Barlekha Branch) Building Name-Mitali Mansion (1st floor), Vill/ Area: Dasher Bazar, Ward no.-03, Union-Dasher Bazar, Upazilla-Barlekha, Dist.-Moulvibazar Opening Date: 11.11.2021 IP Phone: 82450
95	<b>Bashabo Sub Branch</b> (Mouchak Branch) Holding no.: 2/2, Mayakanon, Road name : Atish Dipankar Road, Ward no.:05, City Corporation : Dhaka South City Corporation, P.S.: Sabujbag, District: Dhaka. Opening Date: 14.11.2021 IP Phone: 79160	96	<b>Uttarkhan Sub Branch</b> (Dakkhinkhan Branch) Building Name : Gulshan Ara Tower (1st Floor), Holding No. : 1273/A, Road Name : Shah Kabir Mazar Road, Ward No. : 45, City Corporation : Dhaka North City Corporation, P.S.: Uttarkhan, Dist.: Dhaka. Opening Date: 16.11.2021 IP Phone:83850
97	<b>Brahmarajpur Sub Branch</b> (Satkhira Branch) Building Name : Mallick Super Market (1st Floor), Ward no.: 07, Brahmarajpur Bazar, Union : Brahmarajpur Union, P.S.: Satkhira Sadar, Dist.:Satkhira Opening Date: 25.11.2021 IP Phone: 76560	98	<b>Begumgonj Chowrasta Sub Branch</b> (Maijdee Branch) Building Name - Begumgonj Jilla Parishad Super Market, Chowmuhani Chowrasta, Road Name - Noakhali Laxmipur Road, Ward no.- 03 (Alipur), P.S.- Begumgonj, District - Noakhali. Opening Date: 29.11.2021 IP Phone: 79550
99	<b>Borhanuddin Sub Branch</b> (Bhola Branch) Building Name - Mouchak Market, Holding no.- 172, Road Name - Sadar Road, Ward no.- 05, Pouroshava - Borhanuddin, P.S.- Borhanuddin, Dist.- Bhola. Opening Date: 02.12.2021 IP Phone: 83550	100	<b>Rupsa Bazar Sub Branch</b> (Chandpur Branch) Building Name - Rabeya Plaza (1st floor), Rupsa Bazar, Vill./Area - Rupsa, Ward no.- 03, Union -15 no. Rupsa Uttor, P.S.- Faridgonj, Dist.- Chandpur. Opening Date: 02.12.2021 IP Phone: 73760

Sl. No.	Sub-Branch Name	Sl. No.	Sub-Branch Name
101	<b>Baburhat Bazar Sub Branch</b> (Chandpur Branch) Building Name - Cherag Ali Market (1st floor), Vill./Area - Baburhat Bazar, Ward no. - 14, Union - Ashekatee, District - Chandpur. Opening Date: 30.12.2021 IP Phone:73770	102	<b>Trishal Sub Branch</b> (Mymensingh Branch) Holding - 234 (1st floor), Road Name - Dr. Motahar Hossain Road, Ward no. - 04, Pourashava - Trishal, P.S. - Trishal, Dist.-Mymensingh Opening Date: 30.12.2021 IP Phone:79650
103	<b>Moilapota Sub Branch</b> (Khulna Branch) Building Name - Ashif Manson (1st Floor), Holidng no. - F-1, KDA Avenue, Road Name - Sher-e-Bangla Road, Ward no. - 24, Moilapota, Dist. - Khulna. Opening Date: 30.12.2021 IP Phone:70550	104	<b>Harina People Baria Bazar Sub Branch</b> (Sirajganj Branch) Building Name - Jewel Super Market (1st floor), Vill./Area - People Baria Bazar, Ward no. - 07, Thana - Sirajgonj Sadar, Dist. - Sirajgonj. Opening Date: 30.12.2021 IP Phone:71250
105	<b>Nakhalpara Sub Branch</b> (Kawran Bazar Branch) Holding no. : 115/A (1st floor), Vill/Area: West Nakhal Para, Ward no.- 25, Dhaka North City Corporation, P.S.- Tejgaon, Dist.- Dhaka. Opening Date: 14.02.2022 IP Phone: 78750	106	<b>Razarhat Sub Branch</b> (Roazarhat Branch) Building Name: Hazi Nur Hamza Market (1st floor), Vill./Area: Razarhat, Ward no.- 5, Union- 10 no. Padua, P.S.- Rangunia, Dist.- Chattogram. Opening Date: 14.02.2022 IP Phone: 78560
107	<b>Autapara Bazar Sub Branch</b> (Pabna Branch) Building Name: Sharif Market, Vill/Area: Autapara, Banserbada, Ward no.- 07, Union- Shahpur, P.S.- Iswardi Dist.- Pabna Opening Date: 14.02.2022 IP Phone: 77550	108	<b>Adomdighi Sub Branch</b> (Naogaon Branch) Building name - Ayesha Sattar Super Market, Vill./area - Adomdighi Bus Stand, Ward no. - 03, Union - Adomdighi, P.S.- AdomdighiDist.- Bogura Opening Date: 31.03.2022 IP Phone: 76750
109	<b>Akkelpur Sub Branch</b> (Dupchanchia Branch) Building name - Habiba Mansion, Holding no.- 357/1, Road name - Upazilla Sadar Hospital Road, Shantonagar, College Bazar, Pourashava - Akkelpur, P.S.-Akkelpur, Dist.- Joypurhat. Opening Date: 31.03.2022 IP Phone: 76250	110	<b>Eastern Housing Sub Branch</b> (Mirpur Branch) Holding no.- E-77 (1st floor, Eastern Housing, Pallabi 2nd phase, Road name - Main road, Ward no.- 06, Dhaka North City Corporation, Thana - Rupnagar, District - Dhaka Opening Date - 30.05.2022 IP Phone : 72660
111	<b>Gopalganj Sub Branch</b> (Bangabandhu Shamadhi Soudha Branch) Holidng no.- 099, Bazar Road, Ward no.- 02, Pourashava- Gopalganj, P.S. - Gopalganj, Dist. - Gopalganj Opening Date - 30.05.2022 IP no : 81250	112	<b>Tanore Sub Branch</b> (Rajshahi Branch) Holding no.- 823 Gollapara Bazar Thana Road, Ward no.- 04, Pourashava- Tanore, P.S.- Tanore, Dist.-Rajshahi. Opening Date - 30.05.2022 IP no. : 70750
113	<b>Isapur Sub Branch</b> (Hathazari Branch) 30-May-202 Building Name: Bashar Market (1st floor), Isapur, Fouzia Bazar, Vill/Area: Ruhulla Pur, Ward no.- 02, Union- Mekhol, P.S.- Hathazari, Dist.- Chattogram	114	<b>Hat Kanpara Sub Branch</b> (Rajshahi Branch) Building Name : Nabil Plaza (1st floor), Vill/ Area: Hat Kanpara, Ward no.-03, Union : 7 no. Joynagar, Upazilla : Durgapur, Dist.-Rajshahi.

Sl. No.	Sub-Branch Name	Sl. No.	Sub-Branch Name
115	<b>Kesobpur Sub Branch</b> (Monirampur Branch) Building Name : Karim Plaza (1st floor), Holding no.-625, Road name : Modhu Sarak, Ward no.-04, P.S.-Kesobpur, Dist.-Jashore.	116	<b>Sonadanga Sub Branch</b> (Khulna Branch) Building Name : Idris Plaza (1st floor), Holding no.-0031-00, Road Name : M A Bari Sarak, Ward no.-18, Khulna City Corporation, P.S.-Khulna Sadar, Dist.-Khulna.
117	<b>Lalbag Sub Branch</b> (Gausia Branch) Holidng no.-26, Road Name : Hornath Ghosh Road,Ward no.-28, Dhaka South City Corporation, P.S.-Lalbag, Dhaka -1216.	118	<b>Chuknagar Sub Branch</b> (Dumuria Branch) Vill/Area : Chuknagar Bazar Main Road, Ward no.-04, Union : Aatlia, P.S.- Dumuria, Dist.-Khulna.
119	<b>Lahiri Mohanpur Sub Branch</b> (Shahajadpur Branch) Building name : Siddique Super Market (1st floor), Vill./Area : Mohanpur Bazar, Ward no.-07, Union : Mohapur-5, Thana - Ullapara, Sirajgonj.	120	<b>Sagun Bagicha Sub Branch</b> (Corporate Branch) Building Name : Eastern side of Sky View Ocean, Holding no.-38 (Old 346) Sagun Bagicha, Ward no.-20, Dhaka South City Corporation, P.S.-Ramna, Dhaka : 1000.
121	<b>Bathuli Sub Branch</b> (Dhamrai Branch) Building Name : Mamun Plaza (1st floor), Bathuli Bus Stand, Vill/Area : Bathuli, Ward no.-03, Union : Sutipara, P.S.- Dhamrai, Dist.-Dhaka.	122	<b>Majhira Sub Branch</b> (Bogura Branch) Building Name : Shams Uddin Mondal Complex (1st floor), Vill.- Shajapur, Majhira Bazar, Ward no. 03, Union - Majhira, P.S.- Shahajahanpur, Dist.-Bogura
123	<b>Nandipara Sub Branch</b> (Banasree Branch) Building Name : Akkel Ali Market, Road Name : Nandipara Bazar Main Road, Ward no.-73, Dhaka South City Corporation, P.S.-Khilgaon, District - Dhaka.	124	<b>Kasba Sub Branch</b> (Akhaura Branch) Building Name : Shemanto Bhaban-1 (1st floor), Holding no.:616, Ward no.: 5, Kasba Pourashava, P.S.: Kasba, Dist.: Brahmanbaria.
125	<b>Sherpur Sub Branch</b> (Chandaikona Branch) Building Name : Rubi Complex, Holding no.: 5249, Dhaka-Rangpur-Bogura Highway, Pourashava : Sherpur, P.S.: Sherpur, Dist.: Bogura.	126	<b>Nandigram Sub Branch</b> (Bogura Branch) Building Name : Alhaj Mozibor Rahman Super Market, Holding no.-71, Ward no.: 07, East side of Natore Bogura Main Road, P.S.: Nandigram, Dist.: Bogura
127	<b>Fulbaria Sub Branch</b> (Mymensingh Branch) Building Name : Bhai-Bon Super Market, Holding no.: 0608-00, Fulbaria Main Road, Ward no.: 08, Pourashava : Fulbaria, P.S: Fulbaria, Dist.: Mymensingh.	128	<b>Gulistan Sub Branch</b> (Nawabpur Road Branch) 5, B.B. Avenue (1st floor), Ward no.: 20, P.S.: Ramna, Dist.:Dhaka.
129	<b>Meradia Sub Branch</b> (Rampura Branch) Holding no.:E-41, Road no.: 06, Road name : Avenue Road, Banasree, Ward no.: 22, Dhaka North City Corporation, P.S.: Rampura, Dist.: Dhaka.	130	<b>Wari Sub Branch</b> (Nawabpur Road Branch) 17/A (1st floor) Unit : B, Ranking Street, Ward no.: 41, Dhaka South City Corporation, P.S.: Wari, Dist.: Dhaka

Sl. No.	Sub-Branch Name	Sl. No.	Sub-Branch Name
131	<b>Ranavola Sub Branch</b> (Garib-E-Newaz Avenue Br.) Building Name : Matbor Villa (1st floor), Holding no.-19, Road Name : Ranavola Main Road, Ward no. : 53, Dhaka North City Corporation, P.S.- Turag, District : Dhaka.	132	<b>Shuvadda Sub Branch</b> (Keraniganj Branch) Building Name : Kazi Bari Super Market, Soap Factory Road, Ward no.: 02, Union : Suvadda, P.S.: South Keraniganj, Dist.: Dhaka-1310.
133	<b>Beraid Sub Branch</b> (Vatara Branch) Holding no.: 04 no. Tab Bazar Road, Bhuiyan Para, Beraid, Road Name : Ward Commissioner Sorok, Ward no.: 42, Dhaka North City Corporation, P.S.: Badda, Dist.: Dhaka.	134	<b>Chanchkoir Sub Branch</b> (Natore Branch) Building Name : Riaz Market, Chanchkoir Bazar Main Road, Ward no. : 06, Pourashava : Chanchkoir, P.S.: Gurudaspur, District : Natore.
135	<b>Pakerhat Sub Branch</b> (Ranirbandar Branch) Building Name : Sharif Market (1st floor), College Road, Vill : Pakerhat, Ward no.: 05, Union : 03 no. Angarpara, P.S.: Khansama, Dist.: Dinajpur.	136	<b>Salna Bazar Sub Branch</b> (Mawna Branch) Building Name : Gazi Halima Mansion (1st floor), Road name : Moisan Bari Road, Ward no.:19, Gazipur City Corporation, P.S.: Joydebpur, Dist.: Gazipur.
137	<b>Chachuri Bazar Sub Branch</b> (Kalia Branch) Building Name : Molla Market (1st floor), Vill./Area : Chachuri, Kalia, Ward no.: 08, Union : 2 no. Purulia, P.S.:Kalia, Dist.: Narail.	138	<b>Dhap Sub Branch</b> (Rangpur Branch) Building Name : Apex Bhaban, Holding no.: 0622-00, Home No.: 71/1, Road no.: 01, Road Name : Jel Road, Ward no.:16, Rangpur City Corporation, P.S.: Sadar, District : Rangpur.
139	<b>Ranigonj Bazar Sub Branch</b> (Gobindagonj SME/Krishi Branch) Building Name : Khondkar Plaza (1st floor), Vill./ Area : Raniganj Bazar, Ward No. : 01, Union : 3 no. Singra, P.S.: Ghoraghat, Dist.: Dinajpur.	140	<b>Sararchar Sub Branch</b> (Bhairab Bazar Branch) Building Name : Shurma Plaza (1st floor), Vill./ Area : Sararchar Bazar, Ward no.: 02, P.S.: Bajitpur, Dist.: Kishoreganj.
141	<b>Moloy Bazar Sub Branch</b> (Nayergaon Bazar Branch) Building Name : Haji Kabir Uddin Plaza (1st floor), Vill./Area : Moloy Bazar, Union : Bitesshor, Ward no.: 09, P.S.: Daudkandi, Dist.: Cumilla.	142	<b>Mithamoin Sub Branch</b> (Kishoregonj Branch) Building Name : Amena Bhaban, Vill./Area : Mithamoin, Road name : Janata Bank Road, Ward no.: 02, Union+P.S.: Mithamoin, Dist.: Kishoreganj.
143	<b>Bakerganj Sub Branch</b> (Barishal Branch) Building Name : Nabarun Plaza, Holding No.: 151, Ward no.: 02, P.O.: Bakerganj, P.S.: Bakerganj, Dist.: Barishal.	144	<b>Islampur Sub Branch</b> (Jamalpur Branch) Building Name : Nabarun Plaza, Holding No.: 151, Ward no.: 02, P.O.: Bakerganj, P.S.: Bakerganj, Dist.: Barishal.
145	<b>Chaturi Sub Branch</b> (Shah Mohsen Aowlia Branch) Building Name : J. S. Plaza (1st floor), Kalabibir Dighir Par, Puran Moor, Union : Chaturi, Ward no. : 06, P.S.: Anowara, Dist.: Chattogram.	146	<b>Hospital Road Sub Branch</b> (Maijdee Branch) Building Name : Hiramoon Plaza, Hol. No.:213, Road name : Hospital Road, Ward no.:01, Pourashava : Noakhali, P.S.: Sudharam (Sadar), Dist.: Noakhali.

Sl. No.	Sub-Branch Name	Sl. No.	Sub-Branch Name
147	<b>Bajitpur Sub Branch</b> (Bhairab Bazar Branch) Building Name : Hossain Plaza, College Road, Bajitpur Bazar, Ward no.: 02, Pourashava : Bajitpur Bazar, P.S.: Bajitpur, Dist.: Kishoreganj	148	<b>Mandari Bazar Sub Branch</b> (Chayani Bazar Branch) Building Name : Allahr Dhan Market (1st floor), Bank Road, Vill/Area : Ratanpur, Ward no.:01, Union : 14 no. Mandari, P.S.: Chandraganj, Dist.: Laxmipur.
149	<b>Kamalgonj Sub Branch</b> (Sreemangal Branch) Building Name : Nazrul Plaza (1st floor), Holding no.:422/31, Shomsher Nagar Road, Ward no.:07, Pourashava : Kamalganj, P.S.:Kamalgonj, Dist.: Moulvibazar.	150	<b>Uposhohor Sub Branch</b> (Sylhet Branch) Building Name : R. C. Tower, Puraton Dinajpur Road, Pouroshava : Bogura, Ward no.: 01, P.S.:Bogura, Dist.: Bogura.
151	<b>Horipur Bazar Sub Branch</b> (Sylhet Branch) Building Name : Idris Market, Road Name : Sheikh Abdullah Road, Horipur Bazar, P.S.: Jaintapur, Dist.: Sylhet.	152	<b>Chunarughat Sub Branch</b> (Industrial Park Branch) Building Name : S. K. Mansion (1st floor), Road name : Moddhobazar, Ward no.: 05, Pourshava : Chunarughat, P.S.:Chunarughat, Dist.:Habiganj.
153	<b>Salanga Sub Branch</b> (Chandaikona Branch) Building Name : Alhaj Dr. Mohammad Ali New Market, Vill : Salanga Bazar, Ward no. : 09, Union : Gurka, P.S.: Salanga, Dist. : Sirajganj.	154	<b>Bera Sub Branch</b> (Shahjadpur Branch) Building Name : Abdul Latif Super Market (1st floor), Holding no.: 1728, Road name : Madhpur Road, C&B Bus Stand, Ward no.: 08, Pourashava : Bera, Upazilla : Bera, Dist.: Pabna.
155	<b>Sarkarhat Sub Branch</b> (Bibirhat SME/Krishi Branch) Building Name : Islam Tower (1st floor), Vill/Area : Sarkarhat, Khagrachari Road, Ward no.: 01, Union : 03 no. Mirjapur, P.S.: Hathazari, Dist.: Chattogram.	156	<b>Jhankar Moor Sub Branch</b> (Bibirhat SME/Krishi Branch) Building Name : Al-Siraj Market (1st floor), Jhankar More, Road name : Chattogram-Khagrachari Road, Pourashava : Nazirhat, P.S.: Fatickchari, Dist.:Chattogram.
157	<b>Signboard Bazar Sub Branch</b> (Bagerhat Branch) Howlader Super Market (1st Floor), Signboard Bazar, Raripara, Kachua, Bagerhat.	158	<b>Mokamtola Sub Branch</b> (Bogura Branch) Rashida Market, Mokamtola, Laksmipur, Shibgonj, Bogura.
159	<b>Sompara Bazar Sub Branch</b> (Poddar Bazar Branch) Hai & Sons Plaza (1st floor), Soampara Bazar, Proshadpur, Chatkhil, Noakhali.	160	<b>Mirpur Bazar Sub Branch</b> (Sreemangal Branch) Hannan Mansion, Sreemongol Road, Mirpur Bazar, Bahubal, Hobiganj.
161	<b>Ashrafpur Bazar Sub Branch</b> (Kachua SME/Krishi Branch) Ashrafpur Bazar, Kachua, Chandpur.	162	<b>Molamgarihat Sub Branch</b> (Dupchanchia Branch) Swapna Chaya Complex (1st floor), Molamgarihat, Zindapur, Kalai, Joypurhat.
163	<b>Chatmohor Natun Bazar Sub Branch</b> (Pabna Branch) 168/4, (1st Floor), Baluchar Road, Chatmohor, Pabna.	164	<b>Adabar Sub Branch</b> (Mohammadpur Branch) Holding – 616/1 Baitul Aman Housing Society (1st floor), Road no.-06, Adabar Bazar Road, Ward no.-30, Thana – Adabor, Mohammadpur, Dhaka.

Sl. No.	Sub-Branch Name	Sl. No.	Sub-Branch Name
165	<b>Dhunat Sub Branch</b> (Chandaikona Branch) Naher Tower (1st floor), Holding – 613, Dhunat Sherpur Road, Ward no.-04, Thana – Dhunat, Bogura.	166	<b>Raigonj Sub Branch</b> (Chandaikona Branch) Sarket Market (1st floor), Holding no.-201, Dhangara Bazar Road, Ward no.-01, Dhunat, Thana-Raigonj, Sirajganj.
167	<b>Sachar Bazar Sub Branch</b> (Kachua SME/Krishi Branch) Sachar Moddho Bazar, Sachar, Ward no.-09, Thana – Kachua, Chandpur.	168	<b>Purinda Bazar Sub Branch</b> (Madhabdi Branch) Torab Ali Plaza, Purinda Bazar, Ward no.-04, Union – Satgram, Thana - Araihasar, Narayanganj.
169	<b>Dollai Nababpur Bazar Sub Branch</b> (Kachua SME/Krishi Branch) Dollai Nababpur Bazar, Union – 11 no. Dollai Nababpur, Ward no.-07, Thana – Chandina, Cumilla.	170	<b>Shyamgonj Sub Branch</b> (Netrokona Branch) Chan Market (1st floor), Jalshuka, Ward no.-01, Union – 11 no Gohalakanda, Thana – Purbadhala, Netrokona.
171	<b>Rayerbag Sub Branch</b> (Dania Branch) Sohag Villa (1st floor), Holding no.-336, Road-Mojahid Nagar, Ward no.-65, Dhaka South City Corporation, Thana- Kadomtoli, Dist.-Dhaka.	172	<b>Jamtoli Sub Branch</b> (Sirajganj Branch) Kazi Golzar Hossain Market (1st floor), LSD Godown Road, Kamarkhondo Sadar, Ward no.-04, Union-03 no. Jamtoli, Thana-Kamarkhondo, Sirajgonj.
173	<b>Daulatgonj Sub Branch</b> (Laksam Road Branch) 1573, Pioneer City New Market, Daulatgonj, Bazar, P.S.-Laksam, Dist.-Cumilla.	174	<b>Belkuchi Sub Branch</b> (Sirajganj Branch) Haji Market (1st floor), Belkuchi Bazar, Ward no.-04, Union – Belkuchi, Thana – Belkuchi, District – Sirajgonj.
175	<b>Goal Danga Bazar Sub Branch</b> (Sathkhira Branch) Toha Complex (1st floor), Goal Danga, Ward no.-03, Union-Baradal, Thana-Assasuni, Dist.-Sathkhira.	176	<b>Abader Hat Sub Branch</b> (Sathkhira Branch) Haque Shahed Plaza (1st floor), Abader Hat, Ward no.-02, Union – Agardari, Upozilla – Sathkhira Sadar, Dist.- Sathkhira.
177	<b>Achirgonj Sub Branch</b> (Beani Bazar Branch) Hazi Omar Ali Complex, Chowdhury Bazar, Daudpur, South Surma, Sylhet.	178	<b>Nur Nagar Sub Branch</b> (Shyamnagar Branch) Rahela Bhaban, Uttar Hajipur, P.O.- Nurnagar, Upazilla : Shyamnagar, Dist.- Sathkhira.
179	<b>Shamvugonj Sub Branch</b> (Mymensingh Branch) Rokeya Tower (1st floor), Holding no.-0093-00, Shamvugonj Purbo Bazar Road, Ward no.-33, Mymensingh City Corporation, Thana – Sadar, Dist.-Mymensingh.	180	<b>Gridakalindia Sub Branch</b> (Chandpur Branch) Rahamania Super Market (1st floor), Gridakalindia Bazar, Union – 16 no. Rupsha (South), Ward no. – 04, Thana – Faridgonj, Chandpur.



Sl. No.	Sub-Branch Name	Sl. No.	Sub-Branch Name
181	<b>Chandragonj Sub Branch</b> (Chayani Bazar Branch) City Shopping Complex (1st floor), Chandragonj, Union – 10 no. Chandragonj, Ward no.-05, Thana – Chandragonj, Laxmipur.	182	<b>Natun Bazar Sub Branch</b> (Nayergaon Bazar Branch) Islamia Market (1st floor), Natun Bazar, Ward no.-01, Union – Foraji Kandi, Thana – Matlab (North), Dist.- Chandpur.
183	<b>Shaherkhali Sub Branch</b> (Boro Darogar Hat Branch) Badsha Sowdagor Tower (1st floor), Vorer Bazar, Shaherkhali, Ward no.-06, Union -16 no. Shaherkhali, Thana – Mirsarai, Dist.-Chattogram.	184	<b>Shamsherganj Sub Branch</b> (Moulvibazar Branch, Moulvibazar) Alhaj M A Rahim Market, Shamsherganj Bazar, Ward no.-01, Union – Mirzapur, Thana – Sreemangal, Dist.- Moulvibazar.
185	<b>Madambibirhat Sub Branch</b> (Alankar Moor Branch) Dilruba Market (1st floor), Khadimpara, Ward no.-03, Union – Bhatary, Thana – Sitakunda, Chattogram.	186	<b>Kangshanagar Branch</b> (College Road Branch) FRCenter (1st floor), Kangshanagar, Union–8 no. Varella North, Thana – Burichong, Dist.- Cumilla.
187	<b>Asmania Bazar Sub Branch</b> (Elliotganj Branch) Hazi Abdur Rashid Super Market (1st floor), Khalilabad, Narandia, Ward no.-09, Thana – Titas, Cumilla.	188	<b>Palash Sub Branch</b> (Panchdona Branch) Al Amin Multiplus Center, 1st floor, Road no.-06, Ghorashal – Palash Old Road, Ward no.-04, Palash, Narsingdi.
189	<b>Swarupkathi Sub Branch</b> (Jhalkathi Branch) S. R. Father Shopping Center (1st floor), Holding – 445, Ward no.-06, Pouroshova – Swarupkathi, Thana – Nesarabad, Dist.- Pirozpur.	190	<b>Noapara Bazar Sub Branch</b> (Industrial Park Branch) Building name – Haji Alauddin Bhuiyan Complex, Village/area – Noapara Bazar, Ward no.-07, Union – Noapara, Thana – Madhabpur, Dist. – Haiganj.
191	<b>Chowdhury Bazar Sub Branch</b> (Fenchuganj Branch) Hazi Omar Ali Complex, Chowdhury Bazar, Daudpur, South Surma, Sylhet.	192	<b>Nilgonj Sub Branch</b> (Jashore Branch) Holding no.-0082-02, Ward no.-01, Bir Sheresta Noor Mohammad Road, Pawrashava – Jashore, Thana – Kotowali, Jashore.
193	<b>Kazipur Sub Branch</b> (Sirajgonj Branch) Nargis Bhaban (1st floor), Alampur, Ward no.-04, Kazipur Pouroshava, Thana – Kazipur, Sirajgonj.	194	<b>Birampur Sub Branch</b> (Sayedpur Branch) Jamil Motors (1st floor), Holding no.-409, Main Road, Ward no.-05, Thana - Birampur, Dist.-Dinajpur.
195	<b>Dhalibari Sub Branch</b> (Vatara Branch) Hazi Abu Sayed Plaza (1st floor), House # 538, Ward# 40, Cocacola Road (adjacent to Bashundhara Evercare Hospital Gate), Dhalibari, Thana-Vatara, Dhaka-1212.		



PROXY FORM

Corporate Office:
City Center, 90/1,
Motijheel C/A, Dhaka-1000

I/We.....

of (Address).....

being a member of SOCIAL ISLAMI BANK LIMITED entitled to vote hereby appoint Mr./Mrs./Miss .....
as my proxy to attend and vote for me and on my behalf at the 28th Annual General Meeting (AGM) of the Bank to be held on Monday,
the 10th July, 2023 at 11:00 a.m. and at any adjournment thereof.

As witness my hand this ..... day of ..... 2023.

(Signature of the Proxy)

Signature of the Member

Date : .....

Folio No : .....

Signature Verified by

BO ID No : [Grid of 12 boxes]

No. of Shares held : .....

Notes:

- 1. A Member entitled to join and vote at the General Meeting may appoint a Proxy who will also be a Member of the company to join and vote in his/her behalf through digital platform. The Proxy Form, duly stamped, must be submitted at the Registered Office of the Company not later than 72 hours before the time fixed for the meeting.
2. Signature of the Member must be in accordance with the specimen signature registered with the Company or with the Depository.



ATTENDANCE SLIP

Corporate Office:
City Center, 90/1
Motijheel C/A, Dhaka-1000

I/We hereby record my/our presence at the 28th Annual General Meeting (AGM) of Social Islami Bank Ltd. will be held virtually by using digital platform through link https://sibl.bdvirtualagm.com (in pursuant with BSEC order SEC/SRMIC/94-231/91 dated March 31, 2021) on Monday, the 10th July, 2023 at 11:00 a.m.

Name of Member/Proxy: .....

Registered Folio/BO No: .....holding of..... Ordinary Shares of Social Islami Bank Ltd.

Signature of Member/Proxy







**Social Islami Bank Limited**

Head Office: City Center, 90/1 Motijheel C/A, Dhaka-1000  
Phone: 09612001122, Call Center: 16491, [www.sibbd.com](http://www.sibbd.com)