

Social Islami Bank PLC.

**Audit Report and Audited Financial Statements
For the year ended 31 December 2023**





কাজী জহির খান এন্ড কোং
KAZI ZAHIR KHAN & CO.
Chartered Accountants
In Practice Since 1983

Associated firm of
ENK Consulting
Always looking out for you

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Rupali Bima Bhaban (5th & 6th Floor), 07, Rajuk Avenue, Motijheel, Dhaka - 1000.

**Independent Auditor's Report
To the Shareholders of Social Islami Bank PLC
Report on the Audit of the consolidated and separate Financial Statements**

Opinion

We have audited the consolidated financial statements of Social Islami Bank PLC and its subsidiaries (the "Group") as well as the separate financial statements of Social Islami Bank PLC (the "Bank"), which comprise the consolidated and separate balance sheets as at 31 December 2023 and the consolidated and separate profit and loss accounts, consolidated and separate statements of changes in equity and consolidated and separate cash flow statements for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements of the Group and separate financial statements of the Bank give a true and fair view of the consolidated financial position of the Group and the separate financial position of the Bank as at 31 December 2023 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.

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 2023. 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.

Description of key audit matters	Our response to key audit matters
<p>Measurement of provision for Investments</p> <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"> • Future business performance of the borrower; • Key assumptions relating to further business performance of the borrower; • Market value of the collateral; • Ability to repossess collateral; and • Recovery rates etc. <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 Taka 360,816 million (2022: Taka 342,944 million) and total provision for Investments excluding off</p>	<p>We tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> • Credit monitoring and provisioning process; • Identification of loss events, including early warning and default warning indicators; and • Review of quarterly Classification of Investment; • Follow Bangladesh Bank’s circular and guidelines. <p>Our substantive procedures in relation to the provision for Investments portfolio comprised the following:</p> <ul style="list-style-type: none"> • Reviewed general and specific provisions kept by the bank; • 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 • Assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines. • Finally, compared the amount of provision requirement as determined by Bangladesh Bank to the actual amount of provision maintained.



<p>balance sheet item Taka 12,814 million (2022: Taka 12,929 million). We have focused on the following significant judgments and estimates which could give rise to material misstatement or management bias:</p> <ul style="list-style-type: none"> • Completeness and timing of recognition of loss events in accordance with criteria set out in BRPD circular no.-14, dated-23 September 2012, BRPD circular no.-03, dated-21 April 2019, BRPD circular no.-17, dated-28 September 2020, BRPD circular no.-56, dated-10 December 2020, BRPD Circulars no.-3, dated-31 January 2021, BRPD Circulars no.-5, dated-24 March 2021 BRPD circular no.-51, dated-29 December 2021 and BRPD Circular letter No.-53, dated-30 December 2021 and BRPD Circular no.-51 dated 18 December 2022 and BRPD Circular No.-14, dated-22 June 2022. 	
<p>See note no 7 and 14.1 to the financial statements</p>	
<p>Recognition of investment income</p>	
<p>Recognition of investment income has significant and wide influence on financial statements. Recognition and measurement of investment income has involvement of complex IT 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>The bank has reported investment income of Taka 25,244 million which is 16.63% higher than the previous year (2022: Taka 21,644 million). As such, EPS has been increased 5.32% as compared to last year.</p> <p>The Bank has reported Taka 2,797 million as commission, exchange and brokerage</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 asses reasonableness of investment income recognized during the year with reference to the product wise outstanding investment balances.</p>



<p>which is 26.45% lower than previous year (2022: Taka 3,803 million).</p> <p>Accordingly, this has been considered as key audit matter.</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 & 24 to the financial statements</p>	
<p>Liquidity concern and significant Increase in Borrowing from Bangladesh Bank</p>	
<p>At several point of time in the reporting year, the bank encountered multiple instances of liquidity challenges and non-maintenance of CRR and SLR.</p> <p>It resulted the bank to seek external financing as borrowing from Bangladesh Bank. The year ended balance has come to Taka 43,280 million (2022: Taka 30,000 million) which includes Taka 2,750 million as Bangladesh Government Islamic Bond, Taka 12,430 million as Islami Bank liquidity facility, Taka 27,000 million as special liquidity facility fund and Taka 1,100 million as Borrowing from other bank FC. 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"> • 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. • Assessed whether the borrowing has been appropriately disclosed in the financial statements. • Checked ledger and other documents provided by regulator on sample basis as part of audit procedure.
<p>See note no 10 to the financial statements</p>	
<p>Significant Foreign Exchange Income</p>	
<p>During the year under audit, the bank has recorded a significant foreign exchange Income i.e., Taka 2,165 million (2022: Taka 3,051 million).</p> <p>In the case of the bank, this is largely due to external market forces, mostly the rise in the exchange rate of the USD has resulted in such exchange gains.</p> <p>Since, this exchange gains is a significant financial matter that has an impact on the bank's profitability and earnings per share</p>	<p>Our audit procedures in connection of this are as follows:</p> <ul style="list-style-type: none"> • 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.



<p>(EPS), we considered the matter as key audit matter.</p>	<ul style="list-style-type: none"> • Conducted substantive procedure to assess whether the exchange gains are properly disclosed and explained. • Evaluated the materiality and sustainability of the exchange gain, particularly in relation to the bank's overall financial performance and earnings per share (EPS).
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See note no 24 to the financial statements

Impairment assessment of unquoted investment

<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 2023 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>
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See note no 7 to the financial statements

Investments

<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 including SME of Taka 17,289 million, 4.93% higher than the previous year (2022: Taka 16,477 million), which is 4.79% 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>
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See note no 7.7 to the financial statements	
Implementation of IFRS 16 Leases	
<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	
Measurement of deferred tax liabilities (DTL)	
<p>At the year end of 31 December 2023, the Bank reported total deferred tax liabilities of Taka 468 million (31 December 2022: Taka 472 million) and deferred tax expenses of Taka 4 million (31 December 2022 Taka 15 million) 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 to the financial statements	



IT Systems and controls	
<p>Our audit procedures have a focus on IT systems and controls due to the pervasive nature and complexity of the IT environment, the large volume of transactions processed in numerous locations daily and the reliance on automated and IT dependent manual controls.</p> <p>Our areas of audit focus included user access management, developer access to the production environment and changes to the IT environment. These are key to ensuring IT dependent and application-based controls are operating effectively.</p>	<p>We tested the design and operating effectiveness of the Bank's IT access controls over the information systems that are critical to financial reporting.</p> <p>We tested IT general controls (logical access, changes management and aspects of IT operational controls). This included testing that requests for access to systems were appropriately reviewed and authorized.</p> <p>We tested the Bank's periodic review of access rights and reviewed requests of changes to systems for appropriate approval and authorization.</p> <p>We considered the control environment relating to various interfaces, configuration and other application layer controls identified as key to our audit.</p>

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.

Auditor's Responsibilities for the Audit of the consolidated and separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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, 2020, 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 PLC and SIBL Investment PLC 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 2023 which are in our opinion, doubtful of recovery as per Bangladesh Bank approval given vide letter no "DBI-7/4(2)/2024-334", dated-08 April 2024, and letter no "DOS (CAMS) 1157 / 41 (DIVIDEND) / 2024-1691", dated-24 April 2024.
- (x) the information and explanations required by us have been received and found satisfactory.



(xi) we have reviewed over 80% of the Risk Weighted Assets (RWA) of the Bank and spent over 9,650 person hours; and

(xii) Capital to Risk Weighted Assets Ratio (CRAR) as required by Bangladesh Bank has been maintained at the year end.


Md. Nurul Hossain Khan FCA

Enrolment no. 0240

Managing Partner

Kazi Zahir Khan & Co.

Chartered Accountants

DVC No. 2404240240AS614749

Place of Issue: Dhaka, Bangladesh

Date of Issue: 24 APR 2024


Mohammad Shaheed FCA, FCMA

Enrolment no. 1016

Senior Partner

Khan Wahab Shafique Rahman & Co.

Chartered Accountants

DVC No. 2404241016AS398593



SOCIAL ISLAMI BANK PLC. AND ITS SUBSIDIARIES
CONSOLIDATED BALANCE SHEET
As at 31 December 2023





Particulars	Note(s)	31.12.2023 Taka	31.12.2022 Taka
PROPERTY AND ASSETS			
Cash in hand			
Cash in hand (including foreign currencies)	3(a)	4,897,780,861	4,836,155,932
Balance with Bangladesh Bank & its Agent Banks (including foreign currencies)	3.1	29,260,845,550	22,086,752,023
		34,158,626,411	26,922,907,955
Balance with other Banks and Financial Institutions			
In Bangladesh	4(a)	4,347,783,482	3,226,099,234
Outside Bangladesh	4.2	1,997,889,368	2,520,897,414
		6,345,672,850	5,746,996,648
Placement with Banks and other Financial Institutions	5	9,961,293,194	6,822,973,794
Investments in shares and securities			
Government	6(a)	14,789,330,000	14,789,330,000
Others		11,046,866,560	9,306,243,627
		25,836,196,560	24,095,573,627
Investments			
General investment etc.	7 (a)	348,533,276,028	325,968,535,809
Bills purchased and discounted		11,463,702,243	16,185,621,694
		359,996,978,271	342,154,157,503
Fixed assets including premises	8(a)	4,342,947,247	4,413,627,223
Other assets	9(a)	35,800,144,916	30,200,499,189
Non Banking assets		-	-
Total assets		476,441,859,449	440,356,735,939
LIABILITIES AND CAPITAL			
Liabilities			
Placement from Banks & other Financial Institutions	10	43,280,000,000	30,000,000,000
Deposits and other accounts			
Mudaraba savings deposits	11	41,914,376,057	40,084,046,928
Mudaraba term deposits		147,554,326,209	168,510,358,684
Other mudaraba deposits		85,178,611,324	79,636,478,408
Al-wadeeah current and other deposit accounts	11.2(a)	70,827,070,860	45,280,664,632
Bills payable	11.3	10,920,649,729	6,327,507,930
Cash waqf fund		455,010,127	415,930,983
		356,850,044,306	340,254,987,565
Bond			
SIBL mudaraba subordinated bond	12	8,000,000,000	4,800,000,000
SIBL mudaraba perpetual bond	13	5,000,000,000	5,000,000,000
		13,000,000,000	9,800,000,000
Other liabilities	14(a)	40,362,003,460	38,942,445,231
Deferred tax liabilities/ (assets)	15 (a)	468,219,260	472,091,718
Total liabilities		453,960,267,026	419,469,524,515
Capital/shareholders' equity			
Paid-up capital	16.2	10,858,620,000	10,341,542,860
Statutory reserve	17	9,420,732,990	8,386,157,907
General Reserve	17(a)	13,938,397	13,938,397
Others Reserve		19,267,783	16,149,999
Revaluation reserve on fixed assets	18	529,838,298	543,259,152
Retained earnings	19(a)	1,639,193,057	1,586,161,206
Total shareholders' equity of parent Company, SIBPLC		22,481,590,525	20,887,209,521
Non controlling interest	19(b)	1,898	1,903
Total shareholders' equity of parent Company, SIBPLC with non controlling interest		22,481,592,423	20,887,211,424
Total liabilities and shareholders' equity of the group		476,441,859,449	440,356,735,939



<u>Particulars</u>	<u>Note(s)</u>	<u>31.12.2023</u> <u>Taka</u>	<u>31.12.2022</u> <u>Taka</u>
CONTINGENT LIABILITIES			
Acceptances and endorsements	20.1	40,231,161,067	43,467,019,251
Irrevocable letters of credit (including back to back bills)	20.2	18,212,895,400	16,835,039,038
Letters of guarantee	20.3	9,657,579,979	8,965,901,893
Bills for collection	20.4	8,756,058,669	8,492,000,669
Other contingent liabilities	20.5	-	-
Total		76,857,695,115	77,759,960,851
OTHER COMMITMENTS			
Documentary credits and short term trade related transactions		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
Total		-	-
Total off balance sheet items including Contingent liabilities		76,857,695,115	77,759,960,851

Consolidated Net Asset Value per share (CNAV/share) (Prior year restated)	39(i)	20.70	19.24
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Annexed notes (1 to 51) form an integral part of these financial statements

 Director	 Director	 Director	 Managing Director & CEO
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Signed as per our report of same date

Md. Nurul Hossain Khan FCA

Enrollment no. 0240

Managing Partner

Kazi Zahir Khan & Co.

Chartered Accountants

DVC No.

Dhaka, Bangladesh

Date: **24 APR 2024**

2404240240AS614749



Mohammad Shaheed FCA, FCMA

Enrollment no. 1016

Senior Partner

Khan Wahab Shafique Rahman & Co.

Chartered Accountants

DVC No.

2404241016AS398593



SOCIAL ISLAMI BANK PLC. AND ITS SUBSIDIARIES
CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2023

<u>Particulars</u>	<u>Note(s)</u>	31.12.2023	31.12.2022
		<u>Taka</u>	<u>Taka</u>
Investment income	21(a)	25,370,034,072	21,760,902,836
Profit paid on deposits	22(a)	17,750,531,058	15,720,427,535
Net investment income		7,619,503,014	6,040,475,301
Income from investment in shares/securities	23(a)	1,464,020,425	1,360,253,823
Commission, exchange and brokerage	24(a)	2,856,750,666	3,909,875,163
Other operating income	25(a)	826,708,624	889,273,628
		5,147,479,715	6,159,402,614
Total operating income		12,766,982,729	12,199,877,915
Salaries and allowances	26(a)	4,765,703,734	4,392,570,297
Rent, taxes, insurances, electricity etc.	27(a)	709,906,879	585,047,123
Legal expenses	28	13,491,107	9,203,342
Postage, stamps, telecommunication etc.	29(a)	9,121,889	7,878,063
Stationery, printings, advertisements etc.	30(a)	161,651,809	120,297,660
Managing Director's salary and allowances	31	18,839,996	17,121,670
Directors' fees & expenses	32(a)	4,437,188	4,113,162
Shariah supervisory committee's fees & expenses	33	867,376	444,666
Auditors' fees		1,207,500	977,500
Charges on investment losses		-	-
Depreciation & repair of Bank's assets	34(a)	634,887,580	639,036,460
Zakat expenses		216,362,874	196,215,836
Other expenses	35(a)	1,416,474,836	1,459,047,243
Total operating expenses		7,952,952,768	7,431,953,022
Profit/(Loss) before provision		4,814,029,961	4,767,924,893
Provision for investments		736,036,727	671,509,077
Other provisions	36(a)	125,189,356	216,691,867
Total provision	37(a)	861,226,083	888,200,944
Total profit/(loss) before income taxes		3,952,803,878	3,879,723,949
Provision for taxation	38(a)	1,415,771,467	1,495,107,426
Current tax		1,411,720,114	1,480,430,446
Deferred tax		4,051,353	14,676,980
Net profit/(loss) after taxation		2,537,032,411	2,384,616,523
Appropriations			
Statutory reserve		1,034,575,083	780,892,933
Start up Fund		25,641,301	24,297,828
Coupon/dividend on perpetual bond		410,974,515	393,500,011
		1,471,190,899	1,198,690,772
Attributable to:			
Equity holders' of the Bank		1,065,841,469	1,185,925,725
Non controlling interest		43	26
		2,537,032,411	2,384,616,523
Consolidated Earning Per Share (CEPS) (Prior year restated)	39(a)	1.96	1.90

Annexed notes (1 to 51) form an integral part of these financial statements

Director

Director

Director

Managing Director & CEO

Signed as per our report of same date

Md. Nurul Hossain Khan FCA

Enrollment no. 0240

Managing Partner

Kazi Zahir Khan & Co.

Chartered Accountants

DVC No.

Dhaka, Bangladesh

Date:

24 APR 2024



Mohammad Shaheed FCA, FCMA

Enrollment no. 1016

Senior Partner

Khan Wahab Shafique Rahman & Co.

Chartered Accountants

DVC No.

2404241016AS398593

SOCIAL ISLAMI BANK PLC. AND ITS SUBSIDIARIES
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2023

<u>Particulars</u>	<u>Note(s)</u>	<u>31.12.2023</u> <u>Taka</u>	<u>31.12.2022</u> <u>Taka</u>
Cash Flow from operating activities			
Investment Income receipt	40(a)	25,150,538,778	21,516,207,626
Profit paid on deposits		(16,564,579,648)	(14,527,851,384)
Income /dividend receipt from Investments in Shares and Securities		1,464,020,425	1,360,253,823
Fees & commission receipt		691,546,810	859,266,218
Cash payment to employees		(4,784,543,730)	(4,409,691,967)
Cash payment to suppliers		(170,773,698)	(128,175,723)
Income tax paid		(1,604,235,459)	(1,325,246,974)
Receipts from other operating activities	41(a)	2,861,876,624	3,731,510,739
Payments for other operating activities	42(a)	(2,486,721,665)	(2,374,018,734)
Operating profit before changes in operating assets and liabilities	43(a)	4,557,128,436	4,702,253,623
Increase/Decrease in operating assets and liabilities			
Statutory deposits		-	-
Net trading securities		(1,740,622,933)	5,293,382,220
Investments to other Banks		-	-
Investment to customers		(17,842,820,767)	(30,170,336,975)
Other assets	44(a)	(3,775,914,975)	(8,397,725,571)
Placement from banks & other financial institutions		13,280,000,000	30,000,000,000
Deposits from other Banks		(3,722,253,752)	13,043,068,092
Deposits received from customers		19,131,359,083	(14,379,469,859)
Other liabilities on account of customers		-	-
Trading liabilities		-	-
Other liabilities	45(a)	(875,911,532)	(1,174,620,334)
Sub Total		4,453,835,124	(5,785,702,427)
A. Net Cash flow from operating activities		9,010,963,560	(1,083,448,804)
Cash flows from investing activities			
Proceeds from sale of securities		-	-
Payment for purchases of securities		-	-
Proceeds from sale of fixed assets		-	-
Purchases of property, plant & equipment's		(440,233,700)	(672,336,750)
Purchase/Sale of subsidiaries		-	-
B. Net Cash flows from investing activities		(440,233,700)	(672,336,750)
Cash flows from financing activities			
Receipts from issue of debt instruments		-	-
SIBL Mudaraba Subordinated Bond		3,200,000,000	(800,000,000)
SIBL mudaraba perpetual bond		-	-
Receipts from issue of right shares/ordinary share		-	-
Coupon/ dividend on perpetual bond		(410,974,515)	(393,500,011)
Dividend paid in cash		(517,077,143)	(492,454,422)
C. Net Cash flow from financing activities		2,271,948,342	(1,685,954,433)
D. Net increase/(decrease) in cash & cash equivalents (A+B+C)		10,842,678,202	(3,441,739,987)
E. Effects of exchange rate changes on cash & cash equivalents		130,035,856	208,371,834
F. Cash and cash equivalents at the beginning of the year		39,492,878,397	42,726,246,549
G. Cash and cash equivalents at the end of the year (D+E+F)	46(a)	50,465,592,455	39,492,878,397
Consolidated Net Operating Cash Flow Per Share (NOCFPS) (prior year restated)	39(ii)	8.30	(1.00)

Annexed notes (1 to 51) form an integral part of these financial statements


Director


Director


Director


Managing Director & CEO

Dhaka, Bangladesh

Date: 24 APR 2024



SOCIAL ISLAMI BANK PLC AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2023

(Amount in Taka)

Particulars	1	2	3	4	5	6	7	8	9	10=(2 to 9)
		Paid-up Capital	Share Premium Account	Statutory Reserve	General Reserves	Other Reserves	Asset Revaluation Reserve	Retained Earnings	Non Controlling Interest	Total
I										
Balance as at 01 January 2023		10,341,542,860	-	8,386,157,907	13,938,397	16,149,999	543,259,152	1,586,161,206	1,903	20,887,211,424
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		-	-	-	-	-	-	2,537,032,368	43	2,537,032,411
Start-up fund for the year		-	-	-	-	-	-	(25,641,301)	-	(25,641,301)
Coupon/dividend on perpetual bond		-	-	-	-	-	-	(410,974,515)	-	(410,974,515)
Appropriation made during the year		-	-	1,034,575,083	-	3,117,784	-	(1,034,575,083)	-	3,117,784
Dividend:										
Cash Dividend		-	-	-	-	-	-	(517,077,143)	(48)	(517,077,191)
Bonus shares		517,077,140	-	-	-	-	-	(517,077,140)	-	-
Transferred to retained earnings		-	-	-	-	-	(13,420,854)	13,420,854	-	-
Transferred from deferred Tax		-	-	-	-	-	-	7,923,811	-	7,923,811
Total group shareholders' equity as on 31 December 2023		10,858,620,000	-	9,420,732,990	13,938,397	19,267,783	529,838,298	1,639,193,057	1,898	22,481,592,423
CET I Capital Under Basel III:		10,858,620,000	-	9,420,732,990	13,938,397	-	-	1,639,193,057	1,898	21,932,486,342
Less: Adjustment in CET-1 Capital		-	-	-	-	-	-	-	-	213,113,729
Add: SIBL Mudaraba Perpetual bond (AT-1 Capital)		-	-	-	-	-	-	-	-	4,683,049,567
Total Eligible Tier I Capital		-	-	-	-	-	-	-	-	26,402,422,180
Add: General provision for unclassified investment		-	-	-	-	-	-	-	-	5,522,573,351
Add: SIBL Mudaraba Subordinated Bond		-	-	-	-	-	-	-	-	7,000,000,000
Add: Others (As per RBCA Guideline of BB)		-	-	-	-	-	-	-	-	316,950,433
Total Tier II Capital		-	-	-	-	-	-	-	-	12,839,523,784
Total Eligible Tier II Capital (as per RBCA guideline)		-	-	-	-	-	-	-	-	12,488,156,460
Total eligible capital as on 31 December 2023		-	-	-	-	-	-	-	-	38,890,578,639

Annexed notes (1 to 51) form an integral part of these financial statements


Director


Director


Managing Director & CEO



Dhaka, Bangladesh
Date: **24 APR 2024**

SOCIAL ISLAMI BANK LIMITED AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022

Particulars	(Amount in Taka)									
	1	2	3	4	5	6	7	8	9	10=(2 to 9)
Balance as at 01 January 2022	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	-	-	-	-	-	-	-	2,384,616,497	26	2,384,616,523
Start-up fund for the year	-	-	-	-	-	-	-	(24,297,828)	-	(24,297,828)
Coupon/dividend on perpetual bond	-	-	-	780,892,933	-	7,649,999	-	(393,500,011)	-	(393,500,011)
Appropriation made during the year	-	-	-	-	-	-	-	(780,892,933)	-	(780,892,933)
Dividend:										
Cash Dividend	-	492,454,420	-	-	-	-	-	(492,454,422)	(60)	(492,454,482)
Bonus shares	-	-	-	-	-	-	-	(492,454,420)	-	-
Transferred to retained earnings	-	-	-	-	-	-	(13,764,977)	13,764,977	-	-
Transferred from deferred Tax	-	-	-	-	-	-	-	8,126,987	-	8,126,987
Total group shareholders' equity as on 31 December 2022	10,341,542,860	-	-	8,386,157,907	13,938,397	16,149,999	543,259,152	1,586,161,205	1,903	20,887,211,424
CET I Capital Under Basel III:	10,341,542,860	-	-	8,386,157,907	13,938,397	-	-	1,586,161,205	1,903	20,327,802,272
Less: Adjustment in CET-I Capital	-	-	-	-	-	-	-	-	-	219,437,677
Add: SIBL Mudaraba Perpetual bond (AT-I Capital)	-	-	-	-	-	-	-	-	-	4,312,791,595
Total Eligible Tier I Capital	-	-	-	-	-	-	-	-	-	24,421,156,189
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
Total Tier II Capital	-	-	-	-	-	-	-	-	-	9,669,943,341
Total Eligible Tier II Capital (as per RBCA guideline)	-	-	-	-	-	-	-	-	-	9,669,943,341
Total eligible capital as on 31 December 2022	-	-	-	-	-	-	-	-	-	34,091,099,530

Annexed notes (1 to 51) form an integral part of these financial statements

Abulhasan
 Director

[Signature]
 Managing Director & CEO



Director
 Dhaka, Bangladesh
 Date: **24 APR 2024**



SOCIAL ISLAMI BANK PLC
BALANCE SHEET
As at 31 December 2023


<u>Particulars</u>	<u>Note(s)</u>	31.12.2023 <u>Taka</u>	31.12.2022 <u>Taka</u>
PROPERTY AND ASSETS			
Cash in hand			
Cash in hand (Including foreign currencies)	3	4,897,399,344	4,835,583,834
Balance with Bangladesh Bank & its Agent Banks (Including foreign currencies)	3.1	29,260,845,550	22,086,752,023
		34,158,244,894	26,922,335,857
Balance with other Banks and Financial Institutions			
	4		
In Bangladesh		4,347,758,950	3,226,074,618
Outside Bangladesh		1,997,889,368	2,520,897,414
		6,345,648,318	5,746,972,032
Placement with Banks & other Financial Institutions			
	5	9,961,293,194	6,822,973,794
Investments in shares & securities			
	6		
Government		14,789,330,000	14,789,330,000
Others		10,554,390,324	8,877,927,163
		25,343,720,324	23,667,257,163
Investments			
	7		
General investments etc.		349,353,276,028	326,758,535,809
Bills purchased and discounted		11,463,702,243	16,185,621,694
		360,816,978,271	342,944,157,503
Fixed assets including premises			
	8	4,332,920,158	4,400,288,555
Other assets			
	9	35,093,057,013	29,464,700,031
Non Banking assets			
		-	-
Total assets		476,051,862,172	439,968,684,936
LIABILITIES AND CAPITAL			
Liabilities			
Placement from Banks & other Financial Institutions			
	10	43,280,000,000	30,000,000,000
Deposits and other accounts			
	11		
Mudaraba savings deposits		41,914,376,057	40,084,046,928
Mudaraba term deposits		147,554,326,209	168,510,358,684
Other mudaraba deposits		85,178,611,324	79,636,478,408
Al-wadeeah current & other deposit accounts	11.2	71,365,873,685	45,975,991,996
Bills payable	11.3	10,920,649,729	6,327,507,930
Cash waqf fund		455,010,127	415,930,983
		357,388,847,131	340,950,314,928
Bond			
SIBL mudaraba subordinated bond	12	8,000,000,000	4,800,000,000
SIBL mudaraba perpetual bond	13	5,000,000,000	5,000,000,000
		13,000,000,000	9,800,000,000
Other liabilities			
	14	39,531,465,218	37,981,308,615
Deferred tax liabilities/ (assets)			
	15	468,107,529	471,979,987
Total liabilities		453,668,419,878	419,203,603,530
Capital/Shareholders' equity			
Paid-up capital	16.2	10,858,620,000	10,341,542,860
Statutory reserve	17	9,420,732,990	8,386,157,907
Revaluation reserve on fixed assets	18	529,838,298	543,259,152
Retained earnings	19	1,574,251,006	1,494,121,487
Total shareholders' equity		22,383,442,294	20,765,081,406
Total liabilities & shareholders' equity		476,051,862,172	439,968,684,936



<u>Particulars</u>	<u>Note(s)</u>	31.12.2023 <u>Taka</u>	31.12.2022 <u>Taka</u>
CONTINGENT LIABILITIES			
Acceptances and Endorsements	20.1	40,231,161,067	43,467,019,251
Irrevocable Letters of Credit (including Back to Back Bills)	20.2	18,212,895,400	16,835,039,038
Letters of Guarantee	20.3	9,657,579,979	8,965,901,893
Bills for Collection	20.4	8,756,058,669	8,492,000,669
Other Contingent Liabilities	20.5	-	-
Total		76,857,695,115	77,759,960,851
OTHER COMMITMENTS			
Documentary credits and short term trade related transactions		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
Total		-	-
Total Off Balance Sheet Items including Contingent Liabilities		76,857,695,115	77,759,960,851

	39 (i)	20.61	19.12
Net Asset Value per share (NAV/share) (Prior year restated)			

Annexed notes (1 to 51) form an integral part of these financial statements

 Director	 Director	 Director	 Managing Director & CEO
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Signed as per our report of same date

Md. Nurul Hossain Khan FCA
Enrollment no. 0240
Managing Partner
Kazi Zahir Khan & Co.
Chartered Accountants
DVC No. 2404240240AS614749
Dhaka, Bangladesh
Date: 24 APR 2024



Mohammad Shaheed FCA, FCMA
Enrollment no. 1016
Senior Partner
Khan Wahab Shafique Rahman & Co.
Chartered Accountants
DVC No. 2404241016AS398593

2404241016AS398593



SOCIAL ISLAMI BANK PLC
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2023

<u>Particulars</u>	<u>Note(s)</u>	<u>31.12.2023</u> <u>Taka</u>	<u>31.12.2022</u> <u>Taka</u>
Cash Flow from operating activities			
Investment Income receipt	40	25,024,523,952	21,399,098,015
Profit paid on deposits		(16,491,171,797)	(14,456,234,500)
Income /dividend receipt from Investments in Shares and Securities		1,481,632,839	1,407,929,007
Fees & commission receipt		632,290,327	753,116,234
Cash payment to employees		(4,736,365,088)	(4,364,898,347)
Cash payment to suppliers		(168,481,466)	(126,089,593)
Income tax paid		(1,587,781,351)	(1,300,415,312)
Receipts from other operating activities	41	2,861,296,694	3,730,355,577
Payments for other operating activities	42	(2,466,441,946)	(2,355,418,054)
Operating profit before changes in operating assets and liabilities	43	4,549,502,163	4,687,443,026
Increase/Decrease in operating assets and liabilities			
Statutory deposits		-	-
Net trading securities		(1,676,463,160)	5,490,277,042
Investments to other Banks		-	-
Investment to customers		(17,872,820,767)	(30,170,336,975)
Other assets	44	(3,821,080,338)	(8,620,796,506)
Placement from banks & other financial institutions		13,280,000,000	30,000,000,000
Deposits from other Banks		(3,722,253,752)	13,043,068,092
Deposits received from customers		18,974,834,546	(14,946,393,567)
Other liabilities on account of customers		-	-
Trading liabilities		-	-
Other liabilities	45	(701,800,816)	(572,790,316)
Sub Total		4,460,415,712	(5,776,972,230)
A. Net Cash flow from operating activities		9,009,917,876	(1,089,529,203)
Cash flows from investing activities			
Proceeds from sale of securities		-	-
Payment for purchases of securities		-	-
Proceeds from sale of fixed assets		-	-
Purchases of property, plant & equipment's		(438,997,351)	(665,816,715)
Purchase/Sale of subsidiaries		-	-
B. Net Cash flows from investing activities		(438,997,351)	(665,816,715)
Cash flows from financing activities			
Receipts from issue of debt instruments		3,200,000,000	(800,000,000)
SIBL Mudaraba Subordinated Bond		-	-
SIBL mudaraba perpetual bond		-	-
Receipts from issue of right shares/ordinary share		-	-
Coupon/ dividend on perpetual bond		(410,974,515)	(393,500,011)
Dividend paid in cash		(517,077,143)	(492,454,422)
C. Net Cash flow from financing activities		2,271,948,342	(1,685,954,433)
D. Net increase/(decrease) in cash & cash equivalents (A+B+C)		10,842,868,867	(3,441,300,352)
E. Effects of exchange rate changes on cash & cash equivalents		130,035,856	208,371,834
F. Cash and cash equivalents at the beginning of the year		39,492,281,683	42,725,210,201
G. Cash and cash equivalents at the end of the year (D+E+F)	46	50,465,186,406	39,492,281,683

Net Operating Cash Flow Per Share (NOCFPS) (prior year restated) 39(ii) 8.30 (1.00)

Annexed notes (1 to 51) form an integral part of these financial statements

 Director
 Director

 Director

 Managing Director & CEO

Dhaka, Bangladesh

Date: 24 APR 2024



SOCIAL ISLAMI BANK PLC.
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2023

(Amount in Taka)

Particulars	1	2	3	4	5	6	7	8-(2+3+4+5+6+7)
	Paid-up Capital	Share Premium Account	Statutory Reserve	General / Other Reserves	Asset Revaluation Reserve	Retained Earnings	Total	
Balance as at 01 January 2023	10,341,542,860	-	8,386,157,907	-	543,259,152	1,494,121,487	20,765,081,406	
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	-	-	-	-	-	2,564,130,096	2,564,130,096	
Start-up fund for the year	-	-	-	-	-	(25,641,301)	(25,641,301)	
Coupon/dividend on perpetual bond	-	-	-	-	-	(410,974,515)	(410,974,515)	
Appropriation made during the year	-	-	1,034,575,083	-	-	(1,034,575,083)	-	
Dividend:								
Cash dividend	-	-	-	-	-	(517,077,143)	(517,077,143)	
Bonus Shares	517,077,140	-	-	-	-	(517,077,140)	-	
Transferred to retained earnings	-	-	-	-	(13,420,854)	13,420,854	-	
Transferred from: deferred Tax	-	-	-	-	-	7,923,811	7,923,811	
Prior year dividend income adjustment	-	-	-	-	-	(60)	(60)	
Total shareholders' equity as on 31 December 2023	10,858,620,000	-	9,420,732,990	-	529,838,298	1,574,251,006	22,383,442,295	
CET I Capital Under Basel III:	10,858,620,000	-	9,420,732,990	-	-	1,574,251,006	21,853,603,996	
Less: Adjustment in CET-1 Capital	-	-	-	-	-	-	-	
Add: SIBL Mudaraba Perpetual bond (AT-1 Capital)	-	-	-	-	-	-	-	
Total Eligible Tier I Capital	-	-	-	-	-	-	-	
Add: General provision for unclassified investment	-	-	-	-	-	-	-	
Add: SIBL Mudaraba Subordinated Bond	-	-	-	-	-	-	-	
Add: Others (As per RBCA Guideline of BB)	-	-	-	-	-	-	-	
Total Tier II Capital	-	-	-	-	-	-	-	
Total Eligible Tier II Capital (as per RBCA guideline)	-	-	-	-	-	-	-	
Total eligible capital as on 31 December 2023	-	-	-	-	-	-	-	


Managing Director & CEO


Director


Director


Director


Director
 Dhaka, Bangladesh



Annexed notes (1 to 51) form an integral part of these financial statements

SOCIAL ISLAMI BANK PLC
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2023

<u>Particulars</u>	<u>Note(s)</u>	31.12.2023 <u>Taka</u>	31.12.2022 <u>Taka</u>
Investment income	21	25,244,019,245	21,643,793,225
Profit paid on deposits	22	17,677,123,207	15,648,810,651
Net investment income		7,566,896,038	5,994,982,574
Income from investment in shares and securities	23	1,481,632,839	1,407,929,007
Commission, Exchange and Brokerage	24	2,797,494,183	3,803,725,179
Other operating income	25	826,128,694	888,118,466
		5,105,255,716	6,099,772,652
Total operating income		12,672,151,754	12,094,755,226
Operating expenses			
Salaries and allowances	26	4,717,525,092	4,347,776,677
Rent, taxes, insurances, electricity etc.	27	702,426,069	584,985,073
Legal expenses	28	13,491,107	9,203,342
Postage, stamps, telecommunication etc.	29	7,167,555	5,996,488
Stationery, printings, advertisements etc.	30	161,313,911	120,093,105
Managing Director's salary and allowances	31	18,839,996	17,121,670
Directors' fees & expenses	32	4,149,188	3,780,162
Shariah supervisory committee's fees & expenses	33	867,376	444,666
Auditors' fees		1,150,000	920,000
Depreciation & repair to Bank's assets	34	629,454,178	631,420,596
Zakat expenses		216,362,874	196,215,836
Other expenses	35	1,404,906,901	1,441,774,366
Total operating expenses		7,877,654,247	7,359,731,980
Profit/(loss) before provision		4,794,497,507	4,735,023,246
Provision for investments		736,036,727	671,509,077
Other provisions	36	94,571,573	159,049,505
Total provision	37	830,608,300	830,558,582
Total profit/(loss) before income taxes		3,963,889,207	3,904,464,664
Provision for taxation	38	1,399,759,111	1,474,681,819
Current tax		1,395,707,758	1,460,004,839
Deferred tax		4,051,353	14,676,980
Net profit/(loss) after taxation		2,564,130,096	2,429,782,845
Appropriations:			
Statutory reserve		1,034,575,083	780,892,933
Start up Fund		25,641,301	24,297,828
Coupon/dividend on perpetual bond		410,974,515	393,500,011
		1,471,190,899	1,198,690,772
Retained earnings for the year		1,092,939,197	1,231,092,073
		2,564,130,096	2,429,782,845
Earning per share (EPS) (prior year restated)	39	1.98	1.88

Annexed notes (1 to 51) form an integral part of these financial statements

Director

Director

Director

Managing Director & CEO

Signed as per our report of same date

Md. Nurul Hossain Khan FCA
Enrollment no. 0240
Managing Partner

Kazi Zahir Khan & Co.

Chartered Accountants

DVC No. 2404240240AS614749

Dhaka, Bangladesh

Date: 24 APR 2024



Mohammad Shaheed FCA, FCMA
Enrollment no. 1016
Senior Partner

Khan Wahab Shafique Rahman & Co.

Chartered Accountants

DVC No.

2404241016AS398593



Date:

SOCIAL ISLAMI BANK LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022

(Amount in Taka)

Particulars	2	3	4	5	6	7	Total
I							8=(2+3+4+5+6+7)
Balance as at 01 January 2022	9,849,088,440	-	7,605,264,974	-	557,024,130	1,226,046,292	19,237,423,835
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	-	-	-	-	-	2,429,782,845	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)	-
Dividend:							
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
Total shareholders' equity as on 31 December 2022	10,341,542,860	-	8,386,157,907	-	543,259,152	1,494,121,487	20,765,081,406
CET I Capital Under Basel III:	10,341,542,860	-	8,386,157,907	-	-	1,494,121,487	20,221,822,254
Less: Adjustment in CET-1 Capital	-	-	-	-	-	-	218,436,829
Add: SIBL Mudaraba Perpetual bond (AT-1 Capital)	-	-	-	-	-	-	4,287,807,544
Total Eligible Tier I Capital	-	-	-	-	-	-	24,291,192,969
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
Total Tier II Capital	-	-	-	-	-	-	9,694,927,392
Total Eligible Tier II Capital (as per RBCA guideline)	-	-	-	-	-	-	9,694,927,392
Total eligible capital as on 31 December 2022	-	-	-	-	-	-	33,986,120,361

[Signature]
 Director

Annexed notes (1 to 51) form an integral part of these financial statements

[Signature]
 Director

[Signature]
 Managing Director & CEO




Dhaka, Bangladesh

Date: 24 APR 2024

SOCIAL ISLAMI BANK PLC.
LIQUIDITY STATEMENT
ASSETS AND LIABILITIES ANALYSIS
AS AT 31 DECEMBER 2023

(amount in Taka)

Particulars	1	2	3	4	5	6	7	8
	Upto 01 Month	01-03 Months	03-12 Months	01-05 Years	More than 05 years	Total Current Year	Total Previous Year	
Assets								
Cash in hand	20,366,514,894	-	-	-	-	34,158,244,894	26,922,335,857	
Balance with other Banks and Financial Institutions	2,030,466,220	4,315,182,099	-	-	-	6,345,648,318	5,746,972,032	
Placement with Banks & other Financial Institutions	4,695,000,000	4,155,000,000	925,000,000	186,293,194	-	9,961,293,194	6,822,973,794	
Investment (in Shares & Securities)	1,773,662,573	1,250,000,000	400,000,000	14,439,357,751	7,480,700,000	25,343,720,324	23,667,257,163	
Investments	49,231,313,785	83,510,820,785	167,317,047,701	52,904,624,000	7,853,172,000	360,816,978,271	342,944,157,503	
Fixed Assets including premises, furniture & fixtures etc.	-	-	-	2,166,460,079	2,166,460,079	4,332,920,158	4,400,288,555	
Other Assets	83,136,192	213,551,595	3,559,983,855	16,851,541,025	14,384,844,346	35,093,057,013	29,464,700,031	
Non-Banking Assets	-	-	-	-	-	-	-	
Total Assets	78,180,093,663	93,444,554,479	172,202,031,556	86,548,276,048	45,676,906,425	476,051,862,172	439,968,684,936	
Liabilities								
Placement from Banks & other financial institutions	40,530,000,000	2,750,000,000	-	-	-	43,280,000,000	30,000,000,000	
Deposits and other accounts	45,910,371,648	82,131,184,813	164,332,141,494	52,963,085,565	12,052,063,611	357,388,847,131	340,950,314,928	
Provision and other liabilities	139,858,497	8,252,538	2,099,210,516	23,055,669,922	27,228,473,744	52,531,465,218	47,781,307,615	
Deferred tax liability	-	-	-	468,107,529	-	468,107,529	471,979,987	
Total Liabilities	86,580,230,145	84,889,437,351	166,431,352,010	76,486,863,016	39,280,537,355	453,668,419,878	419,203,602,530	
Net Liquidity Gap	(8,400,136,482)	8,555,117,127	5,770,679,546	10,061,413,032	6,396,369,070	22,383,442,294	20,765,082,406	


Director


Director


Managing Director & CEO

Dhaka, Bangladesh

Date: **24 APR 2024**



SOCIAL ISLAMI BANK PLC. AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2023

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

SIBPLC has been providing anytime anywhere Banking service (24/7/365) through internet Banking since 2013. Recently, SIBPLC 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. SIBPLC has introduced "SIBPLC NOW" mobile app to facilitate i-Banking services in the palm of hand. "SIBPLC 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 SIBPLC:

1.5 SIBL Securities Limited

SIBL Securities Limited, a wholly owned subsidiary of SIBPLC, 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 SIBPLC, 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.

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

As per BRPD circular no. 14 dated 25 June 2003 and DOS circular No.4 dated 24 November 2011, investments in quoted and unquoted shares are revalued at the year-end at market price and at Book Value of last audited balance sheet respectively. As such, provision is made against the diminution in value of investments considering netting 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 postSIBPLCe 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.

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 Act (ITA) 2023**

As per section 23 of the Income Tax Act 2023, 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.

SIBPLC 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

IFRSs: 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 31.12.2023 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 International Accounting Standard (IAS)-39, investment in shares falls either under "at fair value through profit or 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, SIBPLC 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, SIBPLC 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), BRPD circular No. 56 (10 December 2020) and BRPD circular No. 03 (02 February 2023) 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 SIBPLC 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 PLC. 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 2023.

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 2023 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 2023 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 PLC. 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 PLC. 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 SIBPLC 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 2023 as on its 510th Board meeting held on 24 April 2024 and authorized the financial statements on 24 April 2024.

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:

<u>Particulars</u>	<u>Rate (%)</u>	<u>Estimated life(Years)</u>
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 2023, was passed on 21.06.2023) until such reserve equal to its paid up capital together with

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 Act, 2023 as amended by the Finance Act 2023 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.



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 2023 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 PLC. (SIBPLC) 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 of 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 2023.

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 forward 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 PLC. (SIBPLC) 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 SIBPLC 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 SIBPLC 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 SIBPLC 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 form 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. SIBPLC is successful at managing operational risk with a view to safeguarding client assets and preserving shareholder value.



SIBPLC 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 SIBPLC, legal risks are covered by recognizing potential losses from litigation or post-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 SIBPLC 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 SIBPLC.

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 SIBPLC is aware of any changes in market perceptions as soon as possible. Accordingly, all business policies and transactions are subjected to careful consideration. SIBPLC 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 SIBPLC 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 SIBPLC. 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 SIBPLC 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 responds, 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 post-litigation 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 Ababil 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 PLC. (SIBPLC) 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. SIBPLC 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 numbe 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 protion 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 2023 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 - 50.

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
- (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 2023, 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 2023, was passed on 21 June 2023
- 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 Act, 2023 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, 2023.

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.



				31.12.2023	31.12.2022
				Taka	Taka
3	Cash				
	In hand:				
	In local currency			4,242,799,553	4,403,419,591
	In foreign currencies			28,012,570	19,915,993
	ATM balance			626,587,220	412,248,250
				4,897,399,344	4,835,583,834
	In Foreign Currencies				
		Foreign Currency	Amount in FC	Exchange Rate	
		USD	138,223	110.0000	15,204,530
		EURO	76,665	122.2320	9,370,916
		GBP	23,950	140.8550	3,373,477
		S. Riyal	2,170	29.3302	63,647
				28,012,570	19,915,993
3(a)	Consolidated balance of cash in hand				
	Social Islami Bank PLC.			4,897,399,344	4,835,583,834
	Cash in hand of Subsidiary companies			381,517	572,098
	SIBL Securities Limited			34,538	127,146
	SIBL Investment Limited			346,979	444,952
				4,897,780,861	4,836,155,932
3.1	Balance with Bangladesh Bank and its agent Bank (Sonali Bank)				
	Balance with Bangladesh Bank (Note-3.1.1)			29,007,127,569	21,710,736,536
	Balance with Sonali Bank (as an agent of BB) (Note-3.1.2)			253,717,981	376,015,487
				29,260,845,550	22,086,752,023
3.1.1	Balance with Bangladesh Bank (Including foreign currencies)				
	In local currency			28,620,130,192	19,283,301,315
	In foreign currencies			386,997,377	2,427,435,221
				29,007,127,569	21,710,736,536
3.1.2	Balance with Sonali Bank (as an agent of Bangladesh Bank)				
	In local currency			253,717,981	376,015,487
3.2	Cash Reserve Requirement (CRR) and Statutory Liquidity Ratio (SLR)				
	Cash Reserve Requirement (CRR) and Statutory Liquidity Ratio (SLR) have been calculated and maintained in accordance with the 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:				
3.3	Cash Reserve Requirement (CRR): 4.00% for DBO and 2.00% for OBO (on daily basis) of average Demand and Time Liabilities (As per Circular Ref. No: DOS(SR)1153/120(P)/2023-2638, Dated:07-06-2023)				
	Required Reserve			13,791,730,000	13,235,108,000
	Actual Reserve held as per GL balance (in local currency)			28,620,130,192	19,283,301,315
	Excess Reserve			14,828,400,192	6,048,193,315
3.4	Statutory Liquidity Ratio (SLR)				
	Required Reserve			19,010,344,000	18,424,316,000
	Actual Reserve held as per GL balance (Note- 3.5)			34,768,847,517	26,049,122,636
	Surplus			15,758,503,517	7,624,806,636
3.5	Held for Statutory Liquidity Ratio				
	Cash in hand (Note- 3)			4,897,399,344	4,835,583,834
	Balance with Bangladesh Bank and its Agent Banks (Note-3.1)			-	-
	Balance with Sonali Bank (as an agent of BB) (Note-3.1.2)			253,717,981	376,015,487
	Excess reserve of CRR (Note-3.4)			14,828,400,192	6,048,193,315
	Balance with Islamic Refinance Fund (Note-6)			250,000,000	250,000,000
	Bangladesh Govt. Islamic Bond (Note- 6)			14,539,330,000	14,539,330,000
				34,768,847,517	26,049,122,636
4	Balance with Other Banks and Financial Institutions				
	(Other than Mudaraba Term Deposit)				
	In Bangladesh (Note - 4.1)			4,347,758,950	3,226,074,618
	Outside Bangladesh (Note- 4.2)			1,997,889,368	2,520,897,414
				6,345,648,318	5,746,972,032



	31.12.2023	31.12.2022
	<u>Taka</u>	<u>Taka</u>
4(a) Consolidated balance of other Banks and Financial Institutions		
In Bangladesh		
Social Islami Bank Limited	4,347,758,950	3,226,074,618
<i>Add: Account Balance of subsidiaries of SIBL with SIBL Principal Branch</i>	<i>538,802,827</i>	<i>695,327,365</i>
SIBL Securities Limited (Current account and MTDR)	479,216,741	589,734,614
SIBL Investment Limited (Current account and SND)	59,586,086	105,592,751
	<u>4,886,561,778</u>	<u>3,921,401,983</u>
<i>Less: Inter Company balance eliminated</i>	<i>538,802,827</i>	<i>695,327,365</i>
SIBL Securities Limited (Current account and MTDR)	479,216,741	589,734,614
SIBL Investment Limited (Current account and SND)	59,586,086	105,592,751
<i>Add: Account Balance of subsidiaries of SIBL with other Banks and financial institutions</i>	<i>24,532</i>	<i>24,616</i>
SIBL Securities Limited	24,532	24,616
SIBL Investment Limited	-	-
Consolidated balance with Banks and Financial Institutions	4,347,783,482	3,226,099,234

The balances are held with the 'Principal Branch' of SIBPLC bearing current account no: 0002-13300056882 and 0002-13300057058 respectively.

4.1 In Bangladesh		
a) Current Account		
Islami Bank Bangladesh PLC.	5,065,118	6,083,326
Sonali Bank PLC.	8,777,080	40,786,634
Agrani Bank PLC.	21,957	28,625
Pubali Bank PLC.	6,952	86,452
Rupali Bank PLC.	8,072,614	32,724,418
Trust Bank PLC. (ATM settlement Account)	2,028,371	139,747,259
Standard Chartered Bank (ATM settlement Account)	8,604,760	46,045,979
	<u>32,576,851</u>	<u>265,502,691</u>
b) Mudaraba Short Notice Deposits		
Al- Arafah Islami Bank PLC.	78,380,988	8,557,312
ICB Islami Bank PLC.	8,460	8,575
Shahjalal Islami Bank PLC.	8,309,866	20,561,472
Prime Bank PLC. (Islami Banking Branch)	1,282,887	1,262,141
Bank Asia PLC. (Islami Banking Branch)	601,789	598,743
Islami Bank Bangladesh PLC.	515,315,866	170,606,605
Jamuna Bank PLC. (Islami Banking Branch)	568,215	565,376
Pubali Bank PLC. (Islami Banking Branch)	192,432,263	123,976,102
Exim Bank PLC.	9,739,923	9,117,940
Janata Bank PLC.	17,326	18,050
Southeast Bank PLC.	3,407,267	3,385,622
AB Bank PLC.	988,509	1,018,128
The City Bank PLC.	9,795	10,808
Agrani Bank PLC.	2,794,922	108,920,375
Rupali Bank PLC.	2,099,655	-
First Security Islami Bank PLC.	1,375,421,523	504,213,841
Global Islami Bank PLC.	746,961,377	703,300,040
Union Bank PLC.	1,376,841,469	1,304,450,796
	<u>4,315,182,099</u>	<u>2,960,571,927</u>
c) Mudaraba Savings Deposits		
Total	<u>4,347,758,950</u>	<u>3,226,074,618</u>

31.12.2023					
4.2 Outside Bangladesh (NOSTRO Account)	<u>Current Account with</u>	<u>Currency</u>	<u>F.C. Amount</u>	<u>Rate</u>	<u>Taka</u>
1	SCB, MUMBAI	ACUD	273,520.88	110.0000	30,087,297
2	SUMMIT Bank, KARACHI	ACUD	23,784.82	110.0000	2,616,330
3	SONALI Bank, KOLKATA	ACUD	252,777.60	110.0000	27,805,536
4	MASHREQ Bank, MUMBAI	ACUD	481,853.83	110.0000	53,003,921
5	NEPAL BANGLADESH Bank	ACUD	284,883.36	110.0000	31,337,170
6	Bank OF BHUTAN, PHUENTSHOLING	ACUD	259,211.82	110.0000	28,513,300
7	UNITED Bank OF INDIA	ACUD	414,146.06	110.0000	45,556,067
8	AB Bank, MUMBAI	ACUD	474,005.98	110.0000	52,140,658
9	MEEZAN Bank LIMITED	ACUD	87,084.71	110.0000	9,579,318
10	MCB Bank, KARACHI, PAKISTAN	ACUD	394.50	110.0000	43,395
11	AXIS Bank LIMITED	ACUD	93,419.18	110.0000	10,276,110
12	HDFC Bank LTD., MUMBAI	ACUD	1,094,606.73	110.0000	120,406,740
13	ICIC Bank, Mumbai, India	ACUD	326,629.00	110.0000	35,929,190
14	MASHREQ Bank, NEW YORK, (OBU)	USD	925,580.83	110.0000	101,813,891
15	MASHREQ Bank PSC, NEW YORK, USA	USD	233,253.97	110.0000	25,657,937
	SCB, NY, USA	USD	10,708,807.98	110.0000	1,177,968,878
			balance carried forward		<u>1,752,735,738</u>



<u>Current Account with</u>	<u>Currency</u>	<u>F.C. Amount</u>	<u>Rate</u>	<u>Taka</u>
		balance brought forward		1,752,735,738
17 KOREA EXCH. Bank, KOREA	USD	22,221.97	110.0000	2,444,417
18 HABIB AMERICAN Bank	USD	497,674.71	110.0000	54,744,218
19 COMMERZ Bank AG, FRANKFURT	USD	51,184.33	110.0000	5,630,276
20 Zhejiang Commercial Bank, China	USD	413,349.60	110.0000	45,468,456
21 COMMERZ Bank AG, CHF	CHF	1,831.87	130.8589	239,716
22 ABU DHABI ISLAMI BANK, UAE	AED	450,801.00	29.9458	13,499,597
23 Zhejiang Commercial Bank, China	CNY	3,437,066.14	15.4503	53,103,703
24 MASHREQ Bank, PSC MUMBAI	ACU EURO	497.92	122.2320	60,862
25 SCB, FRANKFURT	EURO	138,994.83	122.2320	16,989,616
26 COMMERZ Bank AG, FRANKFURT	EURO	39,632.36	122.2320	4,844,343
27 SCB, LONDON, UK	GBP	111,777.68	140.8550	15,744,445
28 SCB, TOKYO	JPY	10,294,511.00	0.7785	8,014,277
29 RIYAD BANK	RIYAL	829,121.65	29.3302	24,318,304
30 Bank AL JAZIRA	RIYAL	1,752.50	29.3302	51,401
			Total	1,997,889,368

Currency wise Distribution:**Foreign Currency**

	<u>31.12.2023</u>	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2022</u>
	<u>Composition</u>	<u>Composition</u>	<u>Taka</u>	<u>Taka</u>
USD/ACU	93.15%	80.04%	1,861,023,105	2,017,843,224
CHF	0.01%	0.12%	239,716	2,909,784
AED	0.68%	0.64%	13,499,597	16,069,246
CNY	2.66%	3.99%	53,103,703	100,654,380
GBP	0.79%	0.33%	15,744,445	8,292,899
EUR	1.10%	12.55%	21,894,820	316,471,021
YEN	0.40%	0.16%	8,014,277	4,114,088
RIYAL	1.22%	2.16%	24,369,705	54,542,772
	100%	100%	1,997,889,368	2,520,897,414

Please see 'Annexure-C' for details comparative statement of 31.12.2023 & 31.12.2022 of foreign currency amount and rate.

4.3 Maturity-wise groupings of balance with other**Banks and Financial Institutions (Both in Bangladesh and outside Bangladesh)**

On Demand	2,030,466,220	2,786,400,106
Not more than 3 months	4,315,182,099	2,960,571,927
Over 3 months but not more than 1 year	-	-
Over 1 year but not more than 5 years	-	-
More than 5 years	-	-
	6,345,648,318	5,746,972,032

5 Placement with Banks & other Financial Institutions

Placement with Banks (Note-5.1)

Placement with other Financial Institutions (Note-5.2 & 5.3)

4,636,293,194	2,436,293,194
5,325,000,000	4,386,680,600
9,961,293,194	6,822,973,794

5.1 Mudaraba Term Deposits with Banks

ICB Islamic Bank PLC.

Union Bank PLC.

Bangladesh Commerce Bank Limited

First Security Islami Bank PLC.

Global Islami Bank PLC.

186,293,194	186,293,194
3,250,000,000	1,800,000,000
-	450,000,000
1,000,000,000	-
200,000,000	-
4,636,293,194	2,436,293,194

5.2 Mudaraba Term Deposits with Other Financial Institutions

IPDC Finance Limited.

International Leasing & Financial Services Ltd.

Union Capital Limited

Bay Leasing & Investment Ltd.

Fas Finance and Investment Limited

First Finance Limited

Islamic Finance & Investment Ltd.

AVIVA Finance Limited/Realiance

Investment Corporation of BD Ltd. (ICB)

300,000,000	300,000,000
355,000,000	355,000,000
200,000,000	200,000,000
10,000,000	15,000,000
300,000,000	300,000,000
100,000,000	100,000,000
400,000,000	400,000,000
1,780,000,000	1,680,000,000
780,000,000	830,000,000
4,225,000,000	4,180,000,000

5.3 FC Placement with Banks & other Financial Institutions

Islami Bank PLC.

Union Bank PLC.

-	206,680,600
1,100,000,000	-
1,100,000,000	206,680,600



	31.12.2023 Taka	31.12.2022 Taka
5.4 Maturity-wise groupings of placement with Banks and other Financial Institutions		
On Demand	4,695,000,000	3,650,000,000
Not more than 3 months	4,155,000,000	2,761,680,600
More than 3 months but less than 1 year	925,000,000	225,000,000
More than 1 year but less than 5 years	186,293,194	186,293,194
More than 5 years	-	-
	9,961,293,194	6,822,973,794
6 Investment in Shares & Securities		
Government		
Government Bond (Islamic Investment Bond) (Note 6.1)	1,000,000,000	1,000,000,000
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	13,097,030,000
	14,539,330,000	14,539,330,000
BD Government Islamic Refinance Fund	250,000,000	250,000,000
	14,789,330,000	14,789,330,000
Others		
Investment in Shares, Quoted (Note 6.2 & 6.3)	1,773,662,573	1,597,199,412
Investment in Shares, Unquoted/bond (Note 6.4 & 6.5)	8,780,727,751	7,280,727,751
	10,554,390,324	8,877,927,163
Fair value adjustment through profit or loss (FVTPL)	-	-
Value of Investment in Shares and securities, Others	10,554,390,324	8,877,927,163
Grand Total	25,343,720,324	23,667,257,163
Maturity-wise Grouping of Investment in Securities:		
Upto one month	1,773,662,573	1,597,199,412
Not more than 3 months	1,250,000,000	1,250,000,000
Over 3 months but not more than 1 year	400,000,000	790,000,000
Over 1 year but not more than 5 years	14,439,357,751	15,430,057,751
More than 5 years	7,480,700,000	4,600,000,000
	25,343,720,324	23,667,257,163
6(a) Consolidated Investment in Shares and Securities		
Social Islami Bank PLC.		
Government		
Investment in Government Islamic Bond	1,000,000,000	1,000,000,000
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	13,097,030,000
	14,789,330,000	14,789,330,000
Others sectors	10,554,390,324	8,877,927,163
Add: Investment in Shares and Securities by subsidiary companies	492,476,237	428,316,464
SIBL Securities Limited	280,792,935	266,205,648
SIBL Investment Limited	211,683,302	162,110,816
	11,046,866,560	9,306,243,627
Total consolidated balance of Investment in shares and securities	25,836,196,560	24,095,573,627
6.1		
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.		
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.		
6.2 Investment (Cost) in Shares (Quoted)		
MBL 1st Mutual Fund	3,728,491	2,539,407
IFIC 1ST Mutual Fund	4,447,000	4,447,000
Trust Bank 1ST Mutual Fund	1,617,033	1,102,750
IFIL Islami Mutual Fund	2,032,000	2,032,000
AB 1st Mutual Fund	3,836,731	3,836,731
ICB Agrani Mutual Fund	2,529,900	2,529,900
Exim 1st Mutual Fund	8,843,463	8,843,463
Green Delta Mutual Fund	7,375,126	7,375,126
balance carried forward	34,409,744	32,706,377



	31.12.2023	31.12.2022
	Taka	Taka
balance brought forward	34,409,744	32,706,377
PHP Mutual Fund	4,296,093	4,296,093
Vanguard Mutual Fund	1,688,141	1,688,141
National Bank PLC.	91,529,844	91,529,844
Shahjalal Islami Bank PLC.	16,623,683	11,455,555
Standard Bank PLC.	19,971,770	19,971,770
Global Islami Bank PLC.	13,173,670	13,173,670
Titas Gas PLC.	7,260,000	7,260,000
Jamuna Oil	29,068,819	22,327,446
ACME Laboratories	12,781,875	-
ICICL	-	87,980
BSRM PLC.	7,226,477	4,585,642
Beximco Sukuk Al Isti	10,000,000	10,000,000
SS Steel	8,816,104	8,816,104
ACI Formulations PLC.	30,791,250	10,194,629
JMI Hospital Requisite	8,018,759	-
Shasha Denim PLC.	2,907,256	2,907,256
Summit Alliance Port	12,468,215	5,365,258
BBS Cables	2,775,306	2,775,233
United Power Generation	6,002,993	2,488,729
Lub-ref Bd.	-	75,400,000
Square Pharmaceuticals	76,751,389	32,191,490
IFADAUTO PLC.	4,968,636	4,968,636
Meghna Petroleum	63,466,071	19,680,000
Bangladesh Shipping Corporation	44,431,189	-
Aamra Networks PLC.	21,246,834	-
Genex Infosys PLC.	8,207,199	-
Grameen Phone	26,225,400	-
Silco Pharmaceuticals	2,406,010	-
Bashundhara Paper Mills	6,213,041	-
Padma Oil Co.	6,225,525	-
Lafarge PLC.	6,757,511	-
Summit Power	12,093,290	-
AOPLC	36,950	-
	598,839,044	383,869,853

6.3 Capital Market (special fund)

ACI	28,492,661	28,492,664
Baraka Power	6,505,837	6,505,825
BSRM LTD	13,061,508	13,061,513
BSRM Steel	-	5,238,409
Confident Cement	33,106,767	33,106,777
Desco	-	7,657,460
GPH Ispat	10,205,197	10,205,205
ACI Formula	-	3,107,750
Exim Bank PLC.	12,245,860	12,245,900
Shahjalal Islami Bank PLC.	36,610,601	36,610,560
Al- Arafah Islami Bank PLC.	7,716,080	7,716,090
IFADAUTO PLC.	20,261,777	20,261,766
Jamuna Oil	16,338,052	16,805,922
Padma Oil	-	6,192,519
MJLBD	9,279,206	9,279,210
ICB Agrani 1st Mutual Fund	3,007,635	3,007,640
EHL	-	7,194,750
BSRM Steel	5,238,410	-
Meghna Petroleum	-	18,294,198
ACMELAB	-	13,972,890
Renata	21,273,369	7,820,817
Singerbd	8,515,528	8,515,530
Square Pharmaceuticals	31,909,991	31,909,890
Summit Power PLC.	40,594,325	40,594,300
BFXGSUKUK	800,000,000	800,000,000
BXPHERMA	18,731,693	18,731,784
MARICO	-	1,213,471
OLYMPIC	-	16,185,429
POWERGRID	11,792,610	11,792,620
SILCO PHARMA	10,681,664	10,681,680
SQUARE Textile	6,926,992	6,926,990
Desco	7,657,469	-
Northrn Insurance	14,670,296	-
	1,174,823,529	1,213,329,559



	31.12.2023	31.12.2022
	Taka	Taka
6.4 Investment (Cost) in Shares (Unquoted)		
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
	880,727,751	880,727,751
6.5 Subordinated Bond		
FSIBL Mudaraba Subordinate Bond (2nd & 3rd Bond)	700,000,000	1,000,000,000
UBL Mudaraba Subordinate Bond	600,000,000	800,000,000
EXIM 5th Mudaraba Subordinate Bond	2,000,000,000	-
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
	7,900,000,000	6,400,000,000
	8,780,727,751	7,280,727,751

Total Investment (Cost) in Shares (Unquoted)/Bond

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- 2023	31.12.2023	
				Cost price as on 31-12-2023	Fair value adjustment
Quoted Shares					
MBL 1st Mutual Fund	500,000	6.70	3,350,000	3,728,491	(378,491)
IFIC 1ST Mutual Fund	800,000	5.10	4,080,000	4,447,000	(367,000)
Trust Bank 1ST Mutual Fund	290,000	5.60	1,624,000	1,617,033	6,967
IFIL Islami Mutual Fund	317,500	7.00	2,222,500	2,032,000	190,500
AB 1st Mutual Fund	704,846	5.20	3,665,199	3,836,731	(171,532)
ICB Agrani Mutual Fund	281,100	9.40	2,642,340	2,529,900	112,440
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	7.60	1,636,599	1,688,141	(51,542)
National Bank PLC.	11,000,000	8.30	91,300,000	91,529,844	(229,844)
Shahjalal Islami Bank PLC.	900,000	18.30	16,470,000	16,623,683	(153,683)
Standard Bank PLC.	2,050,000	8.60	17,630,000	19,971,770	(2,341,770)
Global Islami Bank PLC.	1,383,235	8.60	11,895,821	13,173,670	(1,277,849)
Titas Gas PLC.	200,000	40.90	8,180,000	7,260,000	920,000
Jamuna Oil	167,571	168.50	28,235,714	29,068,819	(833,106)
ACME Laboratories	150,000	85.00	12,750,000	12,781,875	(31,875)
BSRM PLC.	82,500	90.00	7,425,000	7,226,477	198,523
Beximco Sukuk Al Isti	100,000	85.00	8,500,000	10,000,000	(1,500,000)
SS Steel	500,000	16.60	8,300,000	8,816,104	(516,104)
ACI Formulations PLC.	190,000	155.00	29,450,000	30,791,250	(1,341,250)
JMI Hospital Requisite	100,000	70.30	7,030,000	8,018,759	(988,759)
Shasha Denim PLC.	100,000	27.00	2,700,000	2,907,256	(207,256)
Summit Alliance Port	400,000	27.20	10,880,000	12,468,215	(1,588,215)
BBS Cables	52,500	49.90	2,619,750	2,775,306	(155,556)
United Power Generation	25,000	233.70	5,842,500	6,002,993	(160,493)
Square Pharmaceuticals	360,000	210.30	75,708,000	76,751,389	(1,043,389)
IFADAUTO PLC.	105,000	44.10	4,630,500	4,968,636	(338,136)
Meghna Petroleum	315,009	198.60	62,560,787	63,466,071	(905,284)
Bangladesh Shipping Corporation	350,000	107.00	37,450,000	44,431,189	(6,981,189)
Aamra Networks PLC.	300,000	51.30	15,390,000	21,246,834	(5,856,834)
Genex Infosys PLC.	104,000	65.40	6,801,600	8,207,199	(1,405,599)
Grameen Phone	100,000	286.60	28,660,000	26,225,400	2,434,600
Silco Pharmaceuticals	100,000	23.40	2,340,000	2,406,010	(66,010)
Bashundhara Paper Mills	80,000	61.00	4,880,000	6,213,041	(1,333,041)
balance carried forward			546,030,310	573,725,768	(27,695,457)



	No. of Shares/ Securities	Market price per Shares	Fair value/ Market value as on 31-12- 2023	Cost price as on 31-12-2023	Fair value adjustment
		balance brought forward	546,030,310	573,725,768	(27,695,457)
Padma Oil Co.	30,000	209.20	6,276,000	6,225,525	50,475
Lafarge PLC.	100,000	69.30	6,930,000	6,757,511	172,489
Summit Power	394,220	34.00	13,403,480	12,093,290	1,310,190
AOPLC	3,695	17.60	65,032	36,950	28,082
			572,704,822	598,839,044	(26,134,221)
Preference Shares					
Orion Infrastructure Ltd. (Cumulative)	50,000,000	-	500,000,000	500,000,000	-
Orion Infrastructure Ltd. (Redeemable)			169,900,000	169,900,000	-
			669,900,000	669,900,000	-
Unquoted Shares/ Bond					
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)			700,000,000	700,000,000	-
UBL Mudaraba Subordinate Bond			600,000,000	600,000,000	-
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	-
			6,110,827,751	6,110,827,751	-
Grand Total			8,528,256,103	8,554,390,324	(26,134,221)

6.7 Industry wise classification of shares

Quoted shares

Banks	141,298,967	136,130,839
Mutual Funds	40,393,978	38,690,611
Others	417,146,099	209,048,403
	598,839,044	383,869,853

6.8 Cost of shares and securities of quoted and unquoted, other than investment in subsidiaries

Fair value adjustment (Profit/(Loss)) to be made through profit and loss account	-	-
Value of shares and securities, Quoted and Unquoted other than investment in subsidiaries	8,554,390,324	8,877,927,163

To test the total value of the portfolios as shown above as on 31.12.2023, 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 2023, 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. 57.27 crore as against purchase price Tk. 59.88 crore and provision for an amount of Tk. 2.61 crore is made in the financial statements as on 31 December 2023 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)	349,353,276,028	326,758,535,809
Bills purchased and discounted-net (Note- 7.2)	3,468,034,357	4,508,910,753

Outside Bangladesh

Bills purchased and discounted-net (Note- 7.2)	7,995,667,886	11,676,710,941
	360,816,978,271	342,944,157,502

7 (a) Consolidated Investment

General Investments etc.	349,353,276,028	326,758,535,809
Less: InterCompany balance eliminated		
SIBL Securities Limited Quard Investment with SIBL- Principal branch	820,000,000	790,000,000
SIBL Investment Limited	-	-
Total consolidated general investment	348,533,276,028	325,968,535,809
Bills purchased and discounted-net	11,463,702,243	16,185,621,694
Grand total	359,996,978,271	342,154,157,503

Maturity wise Classification of Investments:

With a residual maturity of

Re-payable on Demand	49,231,313,785	52,225,581,427
Not more than 3 months	83,510,820,785	77,570,992,239
Over 3 months but not more than 1 year	167,317,047,701	151,117,156,837
Over 1 year but not more than 5 years	52,904,624,000	48,331,578,000
Over 5 years	7,853,172,000	13,698,849,000
	360,816,978,271	342,944,157,503



	31.12.2023	31.12.2022
	Taka	Taka
7.1 Mode-Wise Investment (General)		
a) In Bangladesh		
Musharaka	92,639,285	173,858,656
Murabaha	11,235,450,770	9,734,443,463
Mudaraba	20,119,363,535	14,521,541,191
Bai-Muazzal	231,593,621,203	219,134,720,518
Hire-Purchase Sirkatul Meeik	62,491,807,134	61,528,389,120
Quard	19,133,069,883	17,045,124,824
Bai-Salam	1,204,869,233	1,110,964,831
Staff Loan	1,903,825,155	2,086,774,124
Ijarah	339,406,371	362,427,485
Visa Card	1,239,223,459	1,060,291,598
	349,353,276,028	326,758,535,809
Mode-Wise Investment (General)		
b) Outside Bangladesh		
Musharaka	-	-
Murabaha	-	-
Bai-Muazzal	-	-
Hire-Purchase Sirkatul Meeik	-	-
Installment Investment Scheme	-	-
Quard	-	-
Bai-Salam	-	-
Others	-	-
7.2 Bills Purchased and discounted		
In land Bill Purchase	3,468,034,357	4,508,910,753
Outside Bangladesh		
Foreign Bill Purchased	57,374,742	47,252,448
Murabaha Bill of Exchange	1,189,539,017	1,318,436,039
Baim-Wes bills	6,748,754,127	10,311,022,453
	7,995,667,886	11,676,710,941
Grand total of net Bills Purchased and Discounted	11,463,702,243	16,185,621,694
	-	-
7.2.1 Bills Purchased and Discounted		
Payable in Bangladesh	4,732,838,909	5,899,422,176
Payable outside Bangladesh	6,885,408,212	10,488,387,740
Gross Bills Purchased and Discounted	11,618,247,121	16,387,809,916
Less: Profit receivable on Bills Purchased and Discounted	154,544,877	202,188,223
Net Bills Purchased and Discounted	11,463,702,244	16,185,621,694
Maturity wise Classification of Bills Purchased and Discounted:		
On demand	2,292,740,449	3,237,124,339
Over 1 month but less than 3 months	5,731,851,122	8,092,810,847
Over 3 months but less than 1 year	3,439,110,673	4,855,686,508
1 year or more	-	-
	11,463,702,245	16,185,621,694
7.3 Investments on the basis of significant concentration	31.12.2023	31.12.2022
Investments to allied concern of Directors	0.00%	0.00%
Investments to Executives & Staffs	0.56%	0.64%
Investments to Industries	48.05%	47.56%
Industrial to Trade & Commerce	29.86%	31.56%
Others	21.53%	20.24%
	100.00%	100.00%
	360,816,978,271	342,944,157,503

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. 3,874.46 Crore as on 31.12.2023 and was used as base figure to calculate the single party exposure limit-funded liability; and such limit was fixed at Tk. 581.17 crore (3,874.46 crore x 15%) till 31.12.2023. 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-funded 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-968.62 crore as on 31.12.2023.



7.4 Business Segment Wise Investment

(Amount in Taka)

Sector	2023		2022	
	Amount	Composition	Amount	Composition
Corporate Investment	277,733,872,799	76.97%	255,620,757,130	74.54%
SME Investment	64,309,012,875	17.82%	70,432,840,675	20.54%
Retail & Quard MTDR-DPS to Individuals	10,430,559,729	2.89%	8,179,088,739	2.38%
Agri & Microfinance Investment	2,126,463,073	0.59%	2,078,759,146	0.61%
Credit Card Investment	1,239,223,459	0.34%	1,060,291,598	0.31%
Others Investment	4,977,846,336	1.38%	5,572,420,215	1.62%
Total	360,816,978,271	100.00%	342,944,157,503	100.00%

7.5 Investment Concentration on Major Sectors

(Amount in Taka)

Sector	2023		2022	
	Amount	Composition	Amount	Composition
RMG	21,926,815,307	6.08%	21,854,395,976	6.37%
Textile	22,449,245,382	6.22%	23,454,130,344	6.84%
Food and allied industries	22,633,721,379	6.27%	18,744,312,583	5.47%
Pharmaceutical Industries	1,576,209,909	0.44%	1,489,012,956	0.43%
Chemical, Fertilizer, etc.	6,464,340,966	1.79%	5,257,533,755	1.53%
Cement and Ceramic Industries	6,506,626,105	1.80%	5,555,868,687	1.62%
Ship building industries	505,214,386	0.14%	559,630,774	0.16%
Ship breaking industries	1,696,781,098	0.47%	1,652,999,391	0.48%
Power and Gas	11,473,111,477	3.18%	11,104,212,179	3.24%
Other manufacturing or extractive industries	44,576,570,578	12.35%	42,026,222,733	12.25%
Service Industries	28,358,224,636	7.86%	26,514,794,266	7.73%
Other Agro-based industries	5,202,355,621	1.44%	4,877,182,262	1.42%
Investment to Trade & Commerce	107,735,237,455	29.86%	108,243,332,400	31.56%
Investment to Consumer Finance	3,736,432,848	1.04%	4,188,171,402	1.22%
Other Investment	75,976,091,123	21.06%	67,422,357,795	19.66%
Total	360,816,978,271	100.00%	342,944,157,503	100.00%

7.5 Geographical Location-wise Classification of Investments

(Amount in Taka)

Sector	2023		2022	
	Amount	Composition	Amount	Composition
i) Within Bangladesh				
a) In Rural Areas	30,602,872,252	8.48%	30,095,633,846	8.78%
b) In Urban Areas	330,214,106,019	91.52%	312,848,523,656	91.22%
Sub-total (a+b)	360,816,978,271	100.00%	342,944,157,503	100.00%
ii) Outside Bangladesh	-	-	-	-
Total (i+ii)	360,816,978,271	100.00%	342,944,157,503	100.00%

7.6 Division-wise Investments

(Amount in Taka)

Division	As at 31 December 2023		As at 31 December 2022	
	Amount	Composition	Amount	Composition
Dhaka	267,678,759,507	74.19%	254,009,383,933	74.07%
Chattoogram	72,611,074,775	20.12%	69,266,638,635	20.20%
Sylhet	1,478,424,918	0.41%	790,794,787	0.23%
Rajshahi	6,317,894,895	1.75%	6,560,741,567	1.91%
Khulna	6,906,705,509	1.91%	7,009,059,035	2.04%
Rangpur	1,985,460,307	0.55%	2,060,156,874	0.60%
Barisal	1,500,748,571	0.42%	1,290,198,009	0.38%
Mymensingh	2,337,909,789	0.65%	1,957,184,661	0.57%
Total	360,816,978,271	100.00%	342,944,157,503	100.00%

31.12.2023 31.12.2022
Taka Taka

7.7 Investments (Classification wise)

Unclassified

Standard

Special Mentioned Account

Classified

Substandard

Doubtful

Bad or Loss

Standard (short term agri / micro inv.)

Special Mentioned Account (short term agri/ micro inv.)

Substandard (short term agri / micro inv.)

Doubtful (short term agri / micro inv.)

Bad or Loss (short term agri/micro inv.)

Staff Investment

327,721,902,664	308,721,059,389
11,772,583,026	13,545,465,932
826,410,417	873,577,145
333,842,525	393,260,819
16,003,472,026	15,124,417,090
356,658,210,658	338,657,780,374
2,001,591,475	1,993,449,678
-	-
6,851,583	1,003,680
901,146	16,889,474
117,118,869	67,416,314
2,126,463,073	2,078,759,146
2,032,304,540	2,207,617,983
360,816,978,271	342,944,157,503



	31.12.2023 Taka	31.12.2022 Taka
7.8 Particulars of provision required for general investment		
Unclassified (Excluding Off-balance sheet exposures)	4,887,497,767	5,290,055,334
Classified	7,926,217,063	7,638,552,062
Unclassified- Off-balance sheet exposures	635,075,584	692,679,602
	13,448,790,414	13,621,286,997

7.8.1 Detail Particulars of Provision for Investment	Rate	Base for Provision	Provision Required	
Unclassified				
Standard	1%	266,717,982,048	2,679,465,136	2,418,885,808
Special General Provision-COVID-19 (As per BRPD Circular letter No.56 dt. 10.12.2020)	1%	-	341,607,332	468,241,949
Special General Provision-COVID-19 (As per BRPD Circular letter No.52 dt 29.12.2021.)	1.5% & 2%	-	287,521,150	445,788,215
Special General Provision-COVID-19 (As per BRPD Circular letter No.53 dt 3 .12.2022.)	1% & 2%	-	68,252,856	72,626,772
Staff Investment	0%	-	-	-
Consumer Finance (Other than HIF and LP)	2%	1,329,202,433	26,584,049	24,218,297
Small and Medium Enterprise	0.25%	56,208,230,820	140,520,577	152,700,184
Housing Finance (HF)	1%	1,947,672,127	19,476,721	19,563,429
Loan for Professionals (LP)	2%	1,167,069	23,341	13,349,913
Share	2%	1,178,480,424	23,569,608	48,409,632
SMA Investment (Same as UC i.e 0.25%, 1%, 2%)	2%	11,579,350,223	1,280,461,081	1,606,336,638
Unclassified Off Balance Sheet Items	1%	63,507,558,400	635,075,584	692,679,602
Classified				
Substandard	20%	484,363,092	96,872,618	103,176,739
Substandard (CMSME)	5%	21,267,326	1,063,366	-
Doubtful (CMSME)	20%	26,168,910	5,233,782	8,446,041
Doubtful	50%	129,380,465	64,690,233	83,388,643
Bad or Loss	100%	7,718,545,748	7,718,545,748	7,426,904,538
			13,388,963,183	13,584,716,400

Provision Required (Short term Agricultural & Micro Credit)

	Rate	Base for Provision	Provision Required	
Unclassified				
Standard (short term agri /micro credit)	1%	2,001,591,475	20,015,915	19,934,497
Classified				
Substandard (short term agri ,micro credit)	5%	1,392,540	69,627	2,175,917
Doubtful (short term agri /micro credit)	5%	135,172	6,759	548,334
Bad or Loss (Short term agri /micro credit)	100%	39,734,930	39,734,930	13,911,850
			59,827,230	36,570,598

Required provision for Investments (Grand Total)

	13,448,790,414	13,621,286,997
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Total provision maintained

	13,448,790,414	13,621,286,997
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Provision Surplus/(Shortfall)

	-	-
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Provision Made: (Other than Short term Agricultural & Micro Credit)

Unclassified				
Standard			4,222,096,355	4,356,463,801
SMA			1,280,461,081	1,606,336,638
Classified				
Substandard			97,935,985	103,176,739
Doubtful			69,924,015	91,834,684
Bad or Loss			7,718,545,748	7,426,904,538
			13,388,963,183	13,584,716,400

Provision Made: (Short term Agricultural & Micro Credit)

Standard (short term agri credit)			20,015,915	19,934,497
Substandard (short term agri credit)			69,627	2,175,917
Doubtful (short term agri credit)			6,759	548,334
Bad or Loss (Short term agri credit)			39,734,930	13,911,850
			59,827,230	36,570,598

Grand Total

	13,448,790,414	13,621,286,997
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Required provision - Provision made = Surplus/ (Shortfall)

	-	-
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7.8.2 Particulars of provision for Off-Balance Sheet items

Status	Rate	Basis for Provision		
Off-Balance Sheet Items	1%	76,857,695,115	635,075,584	692,679,602
Required provision for Investments			635,075,584	692,679,602
Provision maintained {note # 14.1(c)}			635,075,584	692,679,602
Surplus Provision			-	-

7.9 Particulars of Investments:

(i) Investment considered good in respect of which the Banking Company is fully secured			131,232,645,560	165,413,924,047
(ii) Investment considered good for which the Banking Company holds no other security other than the debtor's personal security			220,692,586,155	169,372,667,809
(iii) Investment considered good and secured by personal security of one or more parties in addition to the personal security of the debtors			8,891,746,556	8,157,565,648
Investment considered bad or doubtful not provided for			-	-
Total			360,816,978,271	342,944,157,503



	31.12.2023 Taka	31.12.2022 Taka
(v) Investment due by directors or officers of the Banking Company or any of them either severally or jointly with any other person	2,032,301,540	2,207,617,983
(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.	9,623,799	8,742,050
(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
(ix) Investment due from other Banks	Nil	Nil
(x) Classified Investment on which profit has not been charged	16,120,590,895	15,191,833,404
(xi) Particulars of written off investments		
a) Cumulative amount of written off/Waiver of Investments since inception to 31 December last year	8,038,225,758	7,347,136,886
b) Amount of written off/ waiver of Investment during the year	966,968,592	691,088,872
Total amount of written off (a+b)	9,005,194,351	8,038,225,758
c) Amount recovered against debts which are previously written off (cumulative balance)	605,870,050	547,434,768
d) Amount of Investments written off/waiver against which cases have been filed for recovery	9,005,194,351	8,038,225,758
xii) e) Amount of compensation suspense as at year end.	4,198,421,032	3,932,091,419

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 2023 amounts to Taka- 17.88 crore.

8 Fixed Assets including Premises (Including Intangible Assets)

A. Cost

Land	12,330,000	12,330,000
Building	2,320,220,714	2,320,220,714
Furniture & Fixtures	1,981,399,403	1,771,331,954
Office Equipment	2,460,604,273	2,248,023,968
Software	365,635,877	349,352,199
Vehicles	150,656,690	150,656,690
Right of use Assets as per IFRS-16 *	1,076,018,197	1,076,018,197
Books	1,853,571	1,787,652
	8,368,718,726	7,929,721,375

B. Accumulated Depreciation

Land	-	-
Building	587,404,355	543,565,690
Furniture & Fixtures	846,391,388	732,203,865
Office Equipment	1,590,782,468	1,403,254,185
Software	153,557,911	130,915,370
Vehicles	147,799,113	146,057,222
Right of use Assets as per IFRS-16	708,561,678	572,196,012
Books	1,301,655	1,240,476
	4,035,798,568	3,529,432,820

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.

	4,332,920,158	4,400,288,555
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8.1 Intangible assets

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-365,635,877.00 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 31.12.2023 is Taka -212,077,965.00

For details please refer to Annexure-A

8(a) Consolidated written down value of Fixed Assets including intangible assets

Social Islami Bank Ltd.	4,332,920,158	4,400,288,555
Fixed assets of subsidiaries	10,027,089	13,338,668
SIBL Securities Ltd.	10,027,089	13,338,668
SIBL Investment Ltd.	-	-
Carrying value of Fixed assets of the Group	4,342,947,247	4,413,627,223



	31.12.2023	31.12.2022																																							
	Taka	Taka																																							
9 Others Assets																																									
Stock of stationery, stamps and printing materials etc. (valued at cost)	69,506,198	39,368,382																																							
Advance rent	89,507,077	102,048,769																																							
Security Deposit	3,459,517	3,401,359																																							
Branch Adjustments (SIBG) (Note: 9.1)	12,101,459,879	8,750,090,444																																							
Suspense Accounts (Note: 9.2)	657,036,331	425,166,833																																							
Other Prepayments	129,134,000	59,241,494																																							
Share Trading A/C Receivable from SIBL Securities Ltd.	213,551,595	308,278,647																																							
Advance Income Tax	16,796,461,261	15,208,679,910																																							
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	353,520,234	218,722,842																																							
Receivable from SIBL Investment Limited	1,903,690	1,903,690																																							
Protested Bills against Investment	325,014,370	325,014,570																																							
Profit Receivable from Banks, NBF and BD Govt.	718,278,812	498,783,519																																							
Investment with Off-shore Banking Unit	20,111,491,082	8,663,735,120																																							
Receivable from Off-shore Banking Unit	-	300,912,435																																							
Dividend Receivable Account	868,312,619	785,424,619																																							
Profit Receivable from Mudaraba Subordinated Bond	61,182,603	40,898,630																																							
Profit Receivable for SME Stimulous fund	-	79,411,985																																							
Profit Receivable from Mudaraba Perpetual Bond	361,909,310	356,627,411																																							
Profit Receivable from Beximco Green Sukuk	36,295,888	38,268,491																																							
Others (Note: 9.3)	519,025,228	134,957,602																																							
	55,204,548,095	38,128,435,151																																							
Less: Balance with OBU for elimination																																									
Investment with Off-shore Banking Unit	20,111,491,082	8,663,735,120																																							
Grand total after elimination of balance with OBU	35,093,057,013	29,464,700,031																																							
9(a) Consolidated other Assets																																									
Social Islami Bank PLC.	35,093,057,013	29,464,700,031																																							
Add: Other assets of subsidiary companies																																									
SIBL Securities Limited	2,836,812,625	2,735,487,352																																							
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	185,359,061	170,035,198																																							
Advance to Vendor	521,500	30,000																																							
Advance Office Rent	1,672,967	-																																							
Receivable from Regulators	9,362,776	4,761,192																																							
Receivable from client	1,437,460,661	1,432,614,881																																							
Receivable from DSE, CSE ,Bai-Muajjal & Dividend Income	212,444,976	138,055,398																																							
Security Deposit to CDBL, DSE	200,000	200,000																																							
Security Deposit to BTCL & Duncan Products	20,000	20,000																																							
	13,197,601	8,436,737																																							
SIBL Investment Limited																																									
Advance Income Tax	4,825,348	3,695,103																																							
Accounts receivable	8,372,253	4,741,634																																							
	1,787,498,400	1,787,498,400																																							
Less: InterCompany balance eliminated Investments in Subsidiaries																																									
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																																							
	355,423,924	220,626,532																																							
Less: Inter Company transactions eliminated:																																									
Receivable from SIBL Securities Limited	353,520,234	218,722,842																																							
Receivable from SIBL Investment Limited	1,903,690	1,903,690																																							
	35,800,144,916	30,200,499,189																																							
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 22 April 2024 were Taka 8,919,511,137.89/- Details of which are as follows:																																								
	<table border="1"> <thead> <tr> <th rowspan="2"></th> <th colspan="2">Number of</th> <th colspan="2">Amount (in Tk) of</th> </tr> <tr> <th colspan="2">Unrespondent entries</th> <th colspan="2">Unrespondent entries</th> </tr> <tr> <th></th> <th style="text-align: center;">31.12.2023</th> <th style="text-align: center;">31.12.2022</th> <th style="text-align: center;">31.12.2023</th> <th style="text-align: center;">31.12.2022</th> </tr> </thead> <tbody> <tr> <td>Upto 3 months</td> <td style="text-align: center;">109</td> <td style="text-align: center;">-</td> <td style="text-align: right;">4,679,887,997</td> <td style="text-align: center;">-</td> </tr> <tr> <td>Over 3 months but within 6 months</td> <td style="text-align: center;">43</td> <td style="text-align: center;">-</td> <td style="text-align: right;">1,229,257,256</td> <td style="text-align: center;">-</td> </tr> <tr> <td>Over 6 months but within 9 months</td> <td style="text-align: center;">8</td> <td style="text-align: center;">-</td> <td style="text-align: right;">496,542,743</td> <td style="text-align: center;">-</td> </tr> <tr> <td>Over 9 months</td> <td style="text-align: center;">10</td> <td style="text-align: center;">-</td> <td style="text-align: right;">2,513,823,141</td> <td style="text-align: center;">-</td> </tr> <tr> <td></td> <td style="text-align: center;">170</td> <td style="text-align: center;">-</td> <td style="text-align: right;">8,919,511,137</td> <td style="text-align: center;">-</td> </tr> </tbody> </table>		Number of		Amount (in Tk) of		Unrespondent entries		Unrespondent entries			31.12.2023	31.12.2022	31.12.2023	31.12.2022	Upto 3 months	109	-	4,679,887,997	-	Over 3 months but within 6 months	43	-	1,229,257,256	-	Over 6 months but within 9 months	8	-	496,542,743	-	Over 9 months	10	-	2,513,823,141	-		170	-	8,919,511,137	-	
	Number of		Amount (in Tk) of																																						
	Unrespondent entries		Unrespondent entries																																						
	31.12.2023	31.12.2022	31.12.2023	31.12.2022																																					
Upto 3 months	109	-	4,679,887,997	-																																					
Over 3 months but within 6 months	43	-	1,229,257,256	-																																					
Over 6 months but within 9 months	8	-	496,542,743	-																																					
Over 9 months	10	-	2,513,823,141	-																																					
	170	-	8,919,511,137	-																																					
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	10,000,000	28,800,000																																							
D.D. Paid without advice	650	650																																							
Capitalized Expenditure	50,000	-																																							
Adjusting A/c debit balance	44,770,481	6,157,616																																							
balance carried forward	54,821,131	34,958,266																																							



	31.12.2023	31.12.2022
	Taka	Taka
balance brought forward	54,821,131	34,958,266
Advance VAT paid	3,850,865	3,843,402
BEFTN adjustment A/c	(471,717,418)	(10,338,402)
Parking Assets	9,374,407	-
Cards Accrued Income	1,035,192	536,036
Incentive disbursement Fund	903,755,589	105,958,299
Profit Receivable from IBDA	12,787,498	-
Other Receivable	5,117,965	-
	519,025,228	134,957,602
10 Placement from Banks & Other Financial Institutions		
Borrowing from Bangladesh Bank	43,280,000,000	30,000,000,000
The Bank has an outstanding balance of borrowing Tk. 4328.00 crore as on 31.12.2023 taken from Tk. 275.00 crore Bangladesh Govt. Islamic Bond, Tk. 1243.00 crore Islami Bank liquidity facility (IBLF), 2700.00 crore Special liquidity facility fund having different maturity dates and Tk. 110 crore Borrowing from other bank FC. 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	40,530,000,000	28,000,000,000.00
More than 1 month but less than 3 months	2,750,000,000	2,000,000,000.00
More than 3 month but less than 6 months	-	-
6 months and above	-	-
	43,280,000,000	30,000,000,000
11 Deposits and Other Accounts		
Mudaraba Savings Deposits (MSD)	41,914,376,057	40,084,046,928
Mudaraba Term Deposits (MTDR)	147,554,326,209	168,510,358,684
Other Mudaraba Deposit	85,178,611,324	79,636,478,408
Mudaraba Short Notice Deposits (MSND)	22,820,563,556	19,061,241,571
Mudaraba Scheme Deposits (Note-11.1)	62,358,047,768	60,575,236,837
Al- Wadeeah Current Deposit and other accounts (AWCD) (Note- 11.2)	71,365,873,685	45,975,991,996
Bills payable (Note-11.3)	10,920,649,729	6,327,507,930
Cash Waqf Fund	455,010,127	415,930,983
	357,388,847,131	340,950,314,928
11.1 Mudaraba Scheme Deposits		
Mud. Hajj/ Umrah Savings Scheme	229,260,262	173,547,415
Mud. Pension Savings Scheme	754,568,581	969,073,238
Mud. Education Savings Scheme	31,651,974	34,354,161
Mud. Monthly Sav. Deposit Sche	69,632,881	62,132,829
Mud. Monthly Profit Deposit	1,123,267,319	1,589,021,178
Mud. Bashstan Savings Scheme	216,310,660	330,533,820
Mud. Millionaire Scheme	536,811,190	719,770,419
M. Lakhopotri Deposit Scheme	11,441,733	13,508,052
M. Double Benefit Deposit Scheme	141,117,094	255,765,584
M. Marriage Savings Scheme	68,983,649	78,546,549
M. Mohorana Savings Scheme	32,277,874	21,322,428
Subamalata Special Scheme(Women)	11,128,390	12,375,596
Subarna Rekha Special Deposit(Women)	857,879,978	1,154,364,475
Shabug Chya Special Deposit	13,469,601	20,256,862
Shabuj Shayanna Special Deposit	196,902,637	245,551,003
Sanchita Special Deposit scheme	142,864,947	206,438,790
Sonali Din Pension Deposit Scheme	9,766,850,026	12,602,908,347
Sukher Thikana Savings Scheme	23,210,815	20,975,124
Sacchandey Protidin Monthly Profit Deposit	562,076,702	851,134,742
Samriddir Sopan Scheme Deposit	38,255,107	62,267,319
Sopner Siri Deposit Scheme	29,581,014	69,863,192
Sharna Shikhar (Mudaraba Billinior Deposit S	1,255,611,142	1,301,143,546
Proshanti (Mudaraba Zakat Savings Deposit S	33,384,853	19,315,793
SIBL Astha (Mudaraba Monthly Pension scheme)	23,445,638,362	30,513,018,918
SIBL Super DPS (Mudaraba Pension scheme)	7,974,615,288	6,578,660,881
SIBL Digun Prottasha (Double Benefits Scheme)	1,957,392,659	1,895,921,007
Al-Wasiah bill Waqf	27,779,294	11,017,277
SIBL Education Savings Scheme	548,035,713	185,927,626
SIBL Medical Savings Scheme	1,457,159,378	452,600,875
SIBL Marriage Savings Scheme	192,339,151	66,215,638
Internet Banking Deposit Scheme (IB DPS)	17,765,317	1,840,161
SIBL Probashi Deposit Scheme	200,086,848	2,627,415
Retired Citizen Monthly Benefits	8,446,364,219	50,000,000
Hawkers Deposit & Business Development	131,057,151	3,236,579
Driver Deposit Scheme	38,976,610	-
Mudaraba Sorbochcho Munafa	1,738,165,816	-
Mudaraba Oichik Sanchoy	36,133,533	-
	62,358,047,768	60,575,236,837

Amount of Mudaraba Scheme Deposit mentioned above are inclusive of Profit payable on the scheme deposits.



	31.12.2023	31.12.2022
	Taka	Taka
11.2 Al-Wadeeah Current Deposit & other A/c		
Al Wadeeah current deposit	13,779,425,099	13,370,940,500
Un-claimed dividend (Note: 11.2.1)	115,951,023	82,465,322
Sundry deposit	15,544,832,973	12,628,688,645
Social fund deposit	17,075	17,075
Supervision charge	828,292	841,161
Risk fund deposit	12,471,930	10,930,736
FC deposit	18,627,021,868	11,610,297,610
Convertible Taka A/c*	2,501,351,267	165,125,281
F. C. held against B.B. L/C	4,335,567,283	4,286,699,567
Bangladesh Bank Fund for COVID	3,337,849,568	1,921,257,661
Bangladesh Bank Pre-Finance Fund	11,570,375,610	-
Profit payable A/c	1,516,368,917	1,875,535,819
Compensation Realized	23,812,780	23,192,621
	71,365,873,685	45,975,991,996
11.2.1 Unclaimed Dividend		
Dividend remained unclaimed which were declared for the year:-		
SIBL dividend Payable A/C	479,723	480,068
SIBL Fraction dividend (Bonus share)	76,775	77,120
Initially primary offer (IPO)	2,800,805	2,801,380
Cash dividend 2001	297,089	297,434
Fraction dividend & Rights share issue 2008	342,836	343,986
SIBL rights Issue 2010	1,373,627	1,374,202
SIBL cash dividend 2011	5,759,284	5,759,284
SIBL cash dividend 2012	4,492,486	4,492,486
SIBL cash dividend 2013	11,430,514	11,432,333
SIBL cash dividend 2014	11,387,725	11,390,302
SIBL cash dividend 2015	7,205,960	7,206,661
SIBL cash dividend 2016	12,454,253	12,457,258
SIBL cash dividend 2019	7,667,337	7,731,338
SIBL cash dividend 2020	8,477,221	8,534,544
SIBL cash dividend 2021	7,164,949	8,086,926
SIBL cash dividend 2022	34,540,439	-
	115,951,023	82,465,322
	*Balance of Convertible Taka A/c represents the portion of unsettled balance.	
11.2(a) Consolidated balance of Al-Wadeeah Current Deposit & Other A/c		
Social Islami Bank PLC.	71,365,873,685	45,975,991,996
<i>Less: InterCompany balance eliminated</i>	538,802,827	695,327,365
SIBL Securities Limited	479,216,741	589,734,614
SIBL Investment Limited	59,586,086	105,592,751
Consolidated balance of Current deposit and other accounts	70,827,070,860	45,280,664,632
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.		
11.3 Bills Payable		
Payment Order (PO)	10,258,443,623	5,223,801,288
Demand Draft (DD)	1,724,011	1,724,011
B/P awaiting remittance	660,482,095	1,101,982,631
	10,920,649,729	6,327,507,930
11.4 Maturity wise classification of Deposits		
Payable on demand	20,674,842,565	27,804,166,931
Up to 1 month	25,235,529,082	35,567,193,630
More than 1 month but up to 6 months	138,206,097,628	120,955,966,633
More than 6 months but up to 1 year	108,257,228,679	90,551,373,230
More than 1 year but up to 5 years	52,963,085,565	46,747,021,870
More than 5 years but up to 10 years	12,052,063,611	19,324,592,634
	357,388,847,131	340,950,314,928
11.5 Segregation of deposits & other accounts		
i) Client Deposit		
Al-Wadeeah Current deposit & other accounts	71,365,721,235	45,975,187,763
Bills Payable	10,920,649,729	6,327,507,930
Mudaraba Savings Deposits	41,814,517,989	40,021,293,657
Mudaraba Short Notice Deposits	17,787,661,535	14,114,732,782
Mudaraba Term Deposit	141,254,326,209	158,365,258,684
Mudaraba Scheme Deposits	62,358,047,768	60,575,236,837
Cash Waqf Fund	455,010,127	415,930,983
	345,955,934,590	325,795,148,635



	31.12.2023	31.12.2022
	Taka	Taka
ii) Bank Deposit		
Mudaraba Term Deposit Receipt (MTDR)	6,300,000,000	10,145,100,000
Mudaraba Short Notice Deposit (MSND)	5,032,902,022	4,946,508,789
Al-Wadeeah Current deposit (AWCD)	152,451	804,233
Mudaraba Savings Deposit (MSD)	99,858,068	62,753,271
	11,432,912,541	15,155,166,293
Grand Total of deposits and other accounts	357,388,847,131	340,950,314,928
	8,000,000,000	4,800,000,000

12

SIBL Mudaraba Subordinated Bond

SIBPLC 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 PLC. 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 PLC. 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. As on 31.12.2023 the bond has been fully redeemed.

SIBL 3rd Mudaraba Subordinated Bond of Tk.500

Social Islami Bank PLC. 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:

Investors of SIBL 3rd Mudaraba Subordinated Bond

Agrani Bank PLC.	1,000,000,000	1,500,000,000
EXIM Bank PLC.	200,000,000	300,000,000
Islami Bank Bangladesh PLC.	800,000,000	1,200,000,000
	2,000,000,000	3,000,000,000

SIBL 4th Mudaraba Subordinated Bond of Tk.600 Crore

Social Islami Bank PLC. 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. The list of investor with present outstanding balance is as follows:

Investors of SIBL 4th Mudaraba Subordinated Bond

Al-Arafah Islami Bank PLC.	2,000,000,000	1,000,000,000
Islami Bank Bangladesh PLC.	1,000,000,000	-
FSIBL Employees Provident Fund	1,000,000,000	-
GIBL Employee's Gratuity Fund	200,000,000	-
Union Bank PLC. Employees' Provident Fund	300,000,000	-
Union Bank PLC. Employees' Gratuity Fund	200,000,000	-
Golam Rabbani	100,000,000	-
Best Golden Flour Mills Limited	300,000,000	-
M/s Mosharaf & Brothers	250,000,000	-
Mr. Hicky Diaz	150,000,000	-
Northern Gold Holding Company Ltd	100,000,000	-
NSK Global Imports	400,000,000	-
	6,000,000,000	1,000,000,000

13

SIBL Mudaraba Perpetual Bond of Tk.500 Crore

Social Islami Bank PLC. 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 PLC.	1,500,000,000	1,500,000,000
Exim Bank PLC.	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 PLC.	1,000,000,000	1,000,000,000
	5,000,000,000	5,000,000,000



	31.12.2023	31.12.2022
	<u>Taka</u>	<u>Taka</u>
14 Other Liabilities		
FC Charge	2,050,976	2,000
Adjusting A/C (Cr.) Balance	16,551,890	11,555,186
Other Payable	2,750,230	1,863,613
BEFTN Adjustment Account	20,800,092	30,778,270
Parking Account	117,007,430	53,065
ATM & Other Settlement for Q-Cash	(11,049,582)	(10,546,910)
Provision for Investments (note: 14.1)	13,448,790,414	13,621,286,997
Provision for other Assets (note: 14.2)	469,860,570	560,127,557
Compensation and Profit Suspense (note: 14.3)	4,198,421,032	3,932,091,419
Provision for Taxation (note: 14.4)	20,628,473,744	19,151,629,907
Zakat Fund (note: 14.5)	135,226,796	122,634,898
Lease liabilities as per IFRS-16 *	339,401,866	449,478,868
Mudaraba Profit Distribution (note: 14.6)	20,000,000	10,000,000
Provision for good borrower (note: 14.7)	10,000,000	10,000,000
Provision for Climate Risk Fund (note: 14.8)	25,000,000	20,000,000
Provision for Start-Up Fund (note: 14.9)	82,045,540	56,404,239
Provision for diminution of shares & securities	26,134,221	13,949,505
	39,531,465,218	37,981,308,615

* 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%.

	39,531,465,218	37,981,308,615
14(a) Consolidated Other Liabilities		
Social Islami Bank PLC.	39,531,465,218	37,981,308,615
<i>Add: Other Liabilities of subsidiaries</i>		
SIBL Securities Limited	1,645,118,846	1,746,132,183
Payable to SIBL-Term loan	820,000,000	790,000,000
Payable to regulators	4,852,604	2,202,621
Payable to clients	361,323,334	512,380,206
Profit Payable on CCA to Client	9,491,085	25,959,700
Liabilities for payment to the issuer & Others	4,306,048	6,000
Other provisions	269,809,050	255,161,588
Lease Liability - Current Portion	-	613,734
Provision for Income Tax	175,336,726	159,808,334
SIBL Investment Limited	5,419,397	5,004,433
Accrued Expenses	23,000	92,000
Provision for diminution in value of investment	1,188,942	1,188,942
Provision for Income Tax	4,207,455	3,723,491
	41,182,003,460	39,732,445,231
Less: InterCompany balance eliminated		
SIBL Securities Limited		
Payable to SIBL-Term loan	820,000,000	790,000,000
Grand total	40,362,003,460	38,942,445,231

	7,638,552,062	7,598,676,652
14.1 Provision for Investment		
(a) Specific Provision on Investment		
Provision held at the beginning of the year	7,638,552,062	7,598,676,652
Fully provided Investment written off /Waiver	(966,968,592)	(677,304,432)
Transferred from doubtful income/compensation realized/recovery	58,435,282	76,711,327
Provision made during this year	1,196,198,312	640,468,515
Balance at the end of the year	7,926,217,063	7,638,552,062
(b1) General Provision on Investment		
Provision held at the beginning of the year	4,303,398,397	4,456,886,600
Fully provided Investment written off /Waiver	-	(13,784,440)
Addition/Adjustment during the year	(113,281,968)	(139,703,763)
	4,190,116,429	4,303,398,397
(b2) General Provision COVID-19		
Provision held at the beginning of the year	986,656,936	1,366,319,373
Addition/Adjustment during the year	(289,275,598)	(379,662,437)
	697,381,338	986,656,936
Special General Provision-COVID-19 (As per BRPD Circular letter No.56 dt. 10.12.2020)	341,607,332	468,241,949
Special General Provision-COVID-19 (As per BRPD Circular letter No.52 dt. 29.12.2021)	287,521,150	445,788,215
Special General Provision-COVID-19 (As per BRPD Circular letter No.53 dt. 22.12.2022)	68,252,856	72,626,772
Balance at the end of the year	4,887,497,767	5,290,055,333
Total Provision on Investments	12,813,714,830	12,928,607,395
(c) General Provision on Off-Balance Sheet items		
Provision held at the beginning of the year	692,679,602	521,935,277
Addition/Adjustment during the year	(57,604,018)	170,744,325
Balance at the end of the year	635,075,584	692,679,602
Total Provision for Investments & Off-Balance Sheet items (a+b+c)	13,448,790,414	13,621,286,997



	31.12.2023 Taka	31.12.2022 Taka
14.2 Provision for other Assets		
Provision held at the beginning of the year	560,127,557	425,027,557
Provision adjustment during the year	147,653,844	-
Addition during the year	57,386,856	135,100,000
Balance at the end of the year	469,860,570	560,127,557
14.2.1 Provision for protested bills		
Provision held at the beginning of the year	325,014,570	325,014,570
Provision during the year	-	-
	325,014,570	325,014,570
14.2.2 Provision for suspense account		
Provision held at the beginning of the year	115,012,987	100,012,987
Provision adjustment during the year	27,559,389	-
Addition during the year	57,386,856	15,000,000
	144,840,454	115,012,987
14.2.3 Provision for contingent liability		
Provision held at the beginning of the year	120,100,000	-
Provision adjustment during the year	120,094,454	-
Addition during the year (To be transferred to	-	120,100,000
	5,546	120,100,000
Bangladesh Bank has instructed us to keep provision regarding Cash reserve & other Statutory liquidity as contingent liability.		
14.3 Compensation & Profit Suspense A/C		
Compensation Receivable A/C		
Murabaha (General)	105,766,445	126,333,063
Murabaha (Post Import)	45,331,740	45,248,469
Musharaka (Preshipment)	32,998,809	26,457,297
Bai-Muazzal	1,027,735,724	311,972,319
Bai-Muazzal Trust Receipt	314,974,150	276,665,852
Baim Wes bills	115,209	261,702
Bai-Muazzal (ME)	526,373,693	465,746,859
	2,053,295,769	1,252,685,561
Compensation Suspense A/C		
Murabaha (General)	9,271,172	9,933,462
Murabaha (Post Import)	16,368,295	16,105,918
Bai-Muazzal	576,515,415	508,575,189
Bai-Muazzal- House hold	7,856	7,856
Bai-Muazzal Trust Receipt	29,461,997	31,116,279
Musharaka (Preshipment)	-	2,988,289
Others	109,706,777	211,479,223
	741,331,513	780,206,216
Profit Suspense A/C	1,403,793,749	1,899,199,642
Total Compensation & Profit Suspense	4,198,421,032	3,932,091,419
14.3.1 Movement of Compensation and Profit Suspense A/C		
Balance at the beginning of the year	3,932,091,419	3,762,471,567
Add: Amount transferred to suspense account during the year	199,368,179	192,812,473
Less: Amount recovered from suspense account during the year	(23,812,780)	(23,192,621)
Balance at the end of the year	4,107,646,818	3,932,091,419
14.4 Provision for Taxation		
Provision for Current tax		
Balance at the beginning of the year	19,151,629,907	17,618,044,129
Add: Provision made during the year (Zakat Fund) (Note:14.5)	81,136,078	73,580,939
Add: Provision made during the year (Note:14.4.1)	1,395,707,758	1,460,004,839
	20,628,473,744	19,151,629,907
Advance tax		
Balance at the beginning of the year	15,208,679,911	13,908,264,599
Paid during the year	1,587,781,351	1,300,415,312
	16,796,461,262	15,208,679,911
Balance at the end of the year	3,832,012,482	3,942,949,997
14.4.1 Provision made during the year		
Operating Profit before provision & tax	4,794,497,507	4,735,023,246
Accounting Depreciation	370,000,083	338,020,352
Fair value adjustment of shares & securities	-	-
Excess perquisites	65,000,000	55,000,000
Add: Inadmissible expense	435,000,083	393,020,352
Less: Items to be deducted		
Dividend Income receipt	554,411,436	551,827,426
Capital Gain from Shares & Securities	12,556,589	40,622,402
Written off Bad Investment as per BRPD Circular	966,968,592	691,088,872
Depreciation under 3rd Schedule as per ITO 1984 and amendment	272,708,140	256,299,262
Less: Inadmissible expense and for separate consideration	1,806,644,757	1,539,837,962
Total Taxable Income	3,422,852,833	3,588,205,635



	31.12.2023 Taka	31.12.2022 Taka
Total Tax liability for current year		
Business Tax @ 37.50% for year 2023 and @37.50% for year 2022	1,283,569,812	1,345,577,113
Dividend Tax @ 20%	110,882,287	110,365,485
Tax on gain on shares & securities @ 10%	1,255,659	4,062,240
Provision required	1,395,707,758	1,460,004,839
Provision made	1,395,707,758	1,460,004,839
14.4.2 Reconciliation of effective tax rate of the Bank		
Particulars	Effective Rate	
Profit before income tax as per profit and loss account		4,794,497,507
Income tax as per applicable tax rate	37.50	1,797,936,565
Factors affecting the tax charge for current year:		
Inadmissible	3.40	163,125,031
Abmissible Expenses in the current year (i.e.write-off etc.)	(9.70)	(464,878,774)
Tax savings from reduced tax rates for dividend	(2.02)	(97,022,001)
Tax loss/(savings) from reduced tax rates for capital gain	(0.07)	(3,453,062)
Total income Tax Expenses	29.11	1,395,707,758
		1,460,004,839
14.5 Zakat fund		
Opening Balance	196,215,838	181,384,083
Addition this year	216,362,875	196,215,836
To sadaka fund	135,226,796	122,634,898
To provision for tax	81,136,078	73,580,939
Less: Paid during the year	-	-
Less: Transferred to Provision for Taxation	(73,580,939)	(68,019,031)
Less: Transferred to Sadaka fund (Balance of Zakat Fund)	(122,634,898)	(113,365,052)
Closing Balance at the end of the year	216,362,875	196,215,838
14.6 Mudaraba Profit Distribution		
Opening Balance	-	-
Addition the year	20,000,000	10,000,000
Less: Paid during the year	-	-
Closing Balance at the end of the year	20,000,000	10,000,000
14.7 Provision for good borrower		
Opening balance	10,000,000	10,000,000
Addition during the year	-	-
Paid during the year	-	-
Closing Balance at the end of the year	10,000,000	10,000,000
14.8 Provision for Climate Risk Fund		
Opening balance	20,000,000	20,000,000
Addition during the year	5,000,000	-
Paid during the year	-	-
Closing Balance at the end of the year	25,000,000	20,000,000
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.		
14.9 Provision for Start-Up Fund		
Opening balance	56,404,239	32,106,411
Addition during the year	25,641,301	24,297,828
Paid during the year	-	-
Closing Balance at the end of the year	82,045,540	56,404,239
Provision for Start-Up Fund has been maintained in accordance with Bangladesh bank SMESPD circular no: 05, dated: 26 April 2021.		
14.10 Provision for diminution of shares & securities		
Opening balance	13,949,505	-
Addition during the year	12,184,717	13,949,505
Paid during the year	-	-
Closing Balance at the end of the year	26,134,221	13,949,505
15 Deferred Tax Liability/(Asset)		
Balance at the beginning of the year	151,234,162	136,557,182
Add: Provision made during the year	4,051,353	14,676,980
Deferred Tax Liability/(Asset)	155,285,514	151,234,162
Revaluation reserve beginning of the year	320,745,825	328,872,812
Less: Transferred to Retained earnings	7,923,811	8,126,987
Closing balance at the end of the year	468,107,529	471,979,987
Deferred tax detailed calculation disclosed in annexure-G		



	31.12.2023 Taka	31.12.2022 Taka
15 (a) Consolidated Deferred Tax Liability/(Asset) Social Islami Bank Limited	468,107,529	471,979,987
SIBL Securities Limited		
Balance at the beginning of the year	111,731	111,731
Add: Provision made during the year	-	-
Closing balance at the end of the year	111,731	111,731
Grand total	468,219,260	472,091,718
16 Capital		
16.1 Authorized Capital		
3,000,000,000 ordinary shares of Tk. 10 each	30,000,000,000	30,000,000,000
16.2 Issued, Subscribed and Paid up Capital		
The Paid-up Capital of the Bank is currently Tk. 10,858,620,000 divided into 1,085,862,000 Ordinary Shares of Tk 10 each	10,858,620,000	10,341,542,860
Break up of paid up capital is as follows		
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
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
49,245,442 no.ordinary shares of Tk 10 each issued as bonus shares	492,454,420	492,454,420
51,707,714 no.ordinary shares of Tk 10 each issued as bonus shares	517,077,140	-
	10,858,620,000	10,341,542,860
Sponsor and Directors	3,702,411,280	3,315,997,210
General Shareholders	7,156,208,720	7,025,545,650
	10,858,620,000	10,341,542,860

16.3 Classification of Shareholders by holding

Year 2023

Shareholding range	No. of Shareholders	No. of shares	Percentage of holding of shares
Less than 500 shares	10,886	1,806,340	0.17%
501 to 5,000 shares	11,233	21,137,447	1.95%
5,001 to 10,000 shares	1,709	11,814,593	1.09%
10,001 to 20,000 shares	900	12,365,848	1.14%
20,001 to 50,000 shares	446	13,625,166	1.25%
50,001 to 99,999 shares	404	1,025,112,606	94.41%
Total	25,578	1,085,862,000	100.00%

Year 2022

Shareholding range	No. of Shareholders	No. of shares	Percentage of holding of shares
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%
Total	25,454	1,034,154,286	100.00%

16.4 Particulars of shareholding and Percentage Analysis

Particulars of shareholding:

Year 2023

	Number of Share holders	Number of Shares		
Sponsors & Placement	22	103,367,759	1,033,677,590	984,454,960
Foreign Investors	10	12,721,275	127,212,750	122,226,090
Sponsors & Placement Company	12	266,873,369	2,668,733,690	2,331,542,250
General Public	25,042	198,278,401	1,982,784,010	1,928,697,740
Institutions (Bank & Insurance)	31	35,915,757	359,157,570	353,671,890
Institution (Others)	427	440,096,340	4,400,963,400	4,348,237,560
ICB Account Holders	22	64,217	642,170	613,080
ICB	1	13,949,298	139,492,980	132,850,460
ICB Unit Fund	1	11,741,682	117,416,820	111,825,550
Employee	3	2,669,147	26,691,470	25,420,450
Non-Resident Bangladeshi	7	184,755	1,847,550	2,002,830
	25,578	1,085,862,000	10,858,620,000	10,341,542,860



	31.12.2023	31.12.2022
	Taka	Taka
	Percentage	Percentage
Percentage of shareholding Analysis:		
Sponsors & Placement	9.52%	9.52%
Foreign Investors	1.17%	1.18%
Sponsors & Placement Company	24.58%	22.55%
General Public	18.26%	18.65%
Institutions (Bank & Insurance)	3.30%	3.42%
Institution (Others)	40.53%	42.05%
ICB Account Holders	0.01%	0.01%
ICB	1.28%	1.28%
ICB Unit Fund	1.08%	1.08%
Employee	0.25%	0.25%
Non-Resident Bangladeshi	0.02%	0.02%
	100%	100%

16.5 Capital Adequacy (Solo Basis)

Position of capital adequacy are given below:-

a) Going Concern Capital (Tier-I)

Common Equity Tier I (CET-I) Capital

i) Paid-up Capital	10,858,620,000	10,341,542,860
ii) Statutory Reserve (Note: 17)	9,420,732,990	8,386,157,907
iii) Retained Earnings (Note: 19)	1,574,251,006	1,494,121,487
	21,853,603,996	20,221,822,254
Adjustment in CET-I (Intangible Assets i.e Software)	212,077,965	218,436,829
Eligible Common Equity Tier I Capital	21,641,526,031	20,003,385,425

Additional Tier I (AT-I) Capital

i) SIBLMudaraba Perpetual Bonds	5,000,000,000	5,000,000,000
Available Additional Tier I Capital	5,000,000,000	5,000,000,000
Limit for Additional Tier I Capital	4,664,476,470	4,287,807,544
Total Eligible Tier I Capital	26,306,002,501	24,291,192,969

b) Gone Concern Capital (Tier-II)

i) General Provision (Note 14.1(b-c))	5,522,573,351	5,982,734,936
ii) SIBLMudaraba Subordinated Bonds	7,000,000,000	3,000,000,000
iii) Others (As per RBCA Guideline of BB)	335,523,530	712,192,456
Available Tier II Capital	12,858,096,881	9,694,927,392
Limit for Tier II Capital	12,438,626,612	11,434,153,451
Total Eligible Tier II Capital	12,438,626,612	9,694,927,392
c) Total eligible capital (a +b)	38,744,629,113	33,986,120,360
d) Total Risk Weighted Assets	305,922,957,152	285,853,836,276
e) Minimum Required Capital (10% of Risk Weighted Assets)	30,592,295,715	28,585,383,628
f) Minimum Required Capital including conservation buffer (12.5% of Risk weighted assets)	38,240,369,644	35,731,729,535
g) Total Capital Surplus (c-e)	8,152,333,398	5,400,736,733

Capital Adequacy (Consolidated basis)

Position of capital adequacy are given below:-

a) Going Concern Capital (Tier-I)

Common Equity Tier I (CET-I) Capital

i) Paid-up Capital	10,858,620,000	10,341,542,860
ii) Statutory Reserve (Note: 17)	9,420,732,990	8,386,157,907
iii) General Reserve	13,938,397	13,938,397
iv) Retained Earnings (Note: 19(a))	1,639,193,057	1,586,161,206
v) Minority Interest in Subsidiaries	1,898	1,903
	21,932,486,342	20,327,802,273
Adjustment in CET-I (Intangible Assets i.e Software)	213,113,729	219,437,677
Eligible Common Equity Tier I Capital	21,719,372,613	20,108,364,595

Additional Tier I (AT-I) Capital

i) SIBLMudaraba Perpetual Bonds	5,000,000,000	5,000,000,000
Available Additional Tier I (AT-I) Capital	5,000,000,000	5,000,000,000
Limit for Additional Tier I Capital	4,683,049,567	4,312,791,595
Total Eligible Tier I Capital	26,402,422,180	24,421,156,190



	31.12.2023 Taka	31.12.2022 Taka
b) Gone Concern Capital (Tier-II)		
i) General Provision (Note 14.1(b-c))	5,522,573,351	5,982,734,936
ii) SIBLMudaraba Subordinated Bonds	7,000,000,000	3,000,000,000
iii) Others (As per RBCA Guideline of BB)	316,950,433	687,208,405
Available Tier II Capital	12,839,523,784	9,669,943,341
Limit for Eligible Tier II Capital	12,488,156,460	11,500,780,826
Total Eligible Tier II Capital	12,488,156,460	9,669,943,341
c) Total eligible capital (a +b)	38,890,578,639	34,091,099,531
d) Total Risk Weighted Assets	306,807,985,224	286,799,462,864
e) Minimum Required Capital (10% of Risk Weighted Assets)	30,680,798,522	28,679,946,286
f) Minimum Required Capital including conservation buffer (12.5% of Risk Weighted Assets)	38,350,998,153	35,849,932,858
g) Total Capital Surplus (c-e)	8,209,780,117	5,411,153,245

Capital to Risk Weighted Asset Ratio (Solo basis)

Particulars	31.12.2023		31.12.2022	
	Requirement	Capital Maintained	Requirement	Capital Maintained
Going Concern Capital: (Tier-I)	6.00%	8.60%	6.00%	8.50%
Common Equity Tier I Capital: (CET-I)	4.50%	7.07%	4.50%	7.00%
CET-I Plus Conservation Buffer	7.00%	7.07%	7.00%	7.00%
Gone Concern Capital: (Tier-II)	0.00%	4.07%	0.00%	3.39%
Minimum CRAR	10.00%	12.66%	10.00%	11.89%
Minimum CRAR Plus Conservation Buffer	12.50%	12.66%	12.50%	11.89%

Capital Adequacy Ratio (Consolidated basis)

Particulars	31.12.2023		31.12.2022	
	Requirement	Capital Maintained	Requirement	Capital Maintained
Going Concern Capital: (Tier-I)	6.00%	8.61%	6.00%	8.52%
Common Equity Tier I Capital: (CET-I)	4.50%	7.08%	4.50%	7.01%
CET-I Plus Conservation Buffer	7.00%	7.08%	7.00%	7.01%
Gone Concern Capital: (Tier-II)	0.00%	4.07%	0.00%	3.37%
Minimum CRAR	10.00%	12.68%	10.00%	11.89%
Minimum CRAR Plus Conservation Buffer	12.50%	12.68%	12.50%	11.89%

17	Statutory Reserve		
	Opening balance	8,386,157,907	7,605,264,974
	Add: Addition during the year	1,034,575,083	780,892,933
		9,420,732,990	8,386,157,907
17(a)	General Reserve		
	Opening balance	13,938,397	13,938,397
	Add: Addition during the year	-	-
	Less: Adjustment during the year	-	-
		13,938,397	13,938,397
18	Revaluation Reserve on fixed assets		
	Carrying (Revalued) amount of fixed assets (Land and Building)	543,259,152	557,024,130
	Less: Adjustment made based on difference amount of depreciation	13,420,854	13,764,977
	Remaining balance of revaluation reserve	529,838,298	543,259,152

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 31.12.2023	Depreciation on revalued amount	Depreciation on cost	Amount of adjustment for the year 2023
City Center, Head Office	Building	296,853,825	708,943,306	25,144,928	7,421,346	17,723,583
Chandaikona Branch	Land	2,111,623	10,218,377	-	-	-
	Building	874,383	976,613	46,275	21,860	24,415
Savar Branch	Building	23,834,049	21,611,197	1,136,131	595,851	540,280
Panthapath Branch	Building	19,830,577	40,045,729	1,496,908	495,764	1,001,143
Rampura Branch	Building	29,517,236	28,086,356	1,440,090	737,931	702,159
Khulna Branch	Building	13,906,683	10,957,383	621,602	347,667	273,935
Nawabpur Road Branch	Building	48,537,188	43,166,017	2,292,580	1,213,430	1,079,150
		435,465,564	864,004,979	32,178,514	10,833,849	21,344,665

	31.12.2023 Taka	31.12.2022 Taka
19 Retained Earnings		
Opening balance	1,494,121,487	1,226,046,292
Less: Issue of cash dividend 5%	(517,077,143)	(492,454,422)
Less: Issue of Stock dividend 5%	(517,077,140)	(492,454,420)
Add: Transferred from Profit & Loss Account	1,092,939,197	1,231,092,073
Add: Transferred from Revaluation Reserve for Fixed Assets	21,344,665	21,891,964
Less: Prior year dividend income adjustment	(60)	-
	1,574,251,006	1,494,121,487
19(a) Consolidated retained earnings		
Opening Balance	1,586,161,206	1,363,252,358
Less: Issue of cash dividend for SIBL shareholders 5%	(517,077,143)	(492,454,422)
Less: Issue of Stock dividend 5%	(517,077,140)	(492,454,420)
Add: Transferred from current year retained earnings of SIBL & its subsidiaries (note 19.1(a))	1,065,841,469	1,185,925,725
Add: Transferred from Revaluation Reserve for Fixed Assets of SIBPLC	21,344,665	21,891,964
	1,639,193,057	1,586,161,206

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%	-
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%
		15,375,000	2,500,000	1,537,500,000	250,000,000	100.00%	100.00%

19.1 Current year retained earnings		
Social Islami Bank Limited		
Profit after tax	2,564,130,096	2,429,782,845
Less: Statutory Reserve	1,034,575,083	780,892,933
Less: Start up Fund	25,641,301	24,297,828
Less: Coupon/dividend on perpetual bond	410,974,515	393,500,011
	1,092,939,197	1,231,092,073



	31.12.2023 Taka	31.12.2022 Taka
19.1.(a) Consolidated Current year retained earnings		
Profit after tax of SIBL	2,537,032,411	2,384,616,523
Less :Statutory Reserve	1,034,575,083	780,892,933
Less : Start up Fund	25,641,301	24,297,828
Less : Coupon/dividend on perpetual bond	410,974,515	393,500,011
Profit/(Loss) attributable to Group	1,065,841,512	1,185,925,751
Add: Profit/(loss) of subsidiaries		
<i>Add: Current year profit/(loss) of subsidiaries</i>		
SIBL Securities Limited	26,588,517	31,177,838
SIBL Investment Limited	7,813,749	530,781
	34,402,265	31,708,619
<i>Less: Non controlling interests of profit/(loss) attributable for current year</i>		
SIBL Securities Limited	19	24
SIBL Investment Limited	24	2
	43	26
<i>Less: Common income (Dividend) for elimination</i>		
SIBL Securities Limited	61,499,952	76,874,940
Profit/(Loss) attributable to parent	1,065,841,468	1,185,925,726
19(b) Non-controlling interest		
SIBL Securities Limited		
Paid up capital	1,537,500,000	1,537,500,000
Retained earnings	72,362,892	72,362,892
Net Assets	1,609,862,892	1,609,862,892
SIBL Investment Limited		
Paid up capital	250,000,000	250,000,000
Retained earnings	27,490,882	19,677,133
Net Assets	277,490,882	269,677,133
Non-controlling interests		
SIBL Securities Limited, @ 0.000078% of net assets	1,272	1,311
SIBL Investment Limited, @0.00032% of net assets	674	652
Total non-controlling interest	1,946	1,963
<i>Less: Dividend paid to other shareholders</i>		
SIBL Securities Limited	48	60
	1,898	1,903
20 Contingent liabilities		
20.1 Acceptances and Endorsements		
Bill Bankers' liabilities (DP)	33,101,950,400	35,214,068,400
Bill Bankers' liabilities (BB/FO)	926,391,000	1,153,003,000
Bill Bankers' liabilities (BB/LO)	5,511,600,667	6,107,786,000
Bill Bankers' liabilities (EPZ)	328,085,000	677,541,000
Bill Bankers' liabilities Others	363,134,000	314,620,851
	40,231,161,067	43,467,019,251
20.2 Letter of Credit		
L/C Bankers' liabilities (DP)	1,737,807,000	2,650,787,000
L/C Bankers' liabilities (BB/FO)	1,033,545,000	996,426,000
L/C Bankers' liabilities (BB/LO)	3,127,205,000	2,427,391,100
L/C Bankers' liabilities (Cash)	11,087,442,400	8,931,263,438
L/C Bankers' liabilities (EPZ)	883,630,000	1,745,474,000
L/C Bankers' liabilities (Others)	343,266,000	83,697,500
	18,212,895,400	16,835,039,038
20.3 Letters of guarantees		
Letters of guarantee	9,657,579,979	8,965,901,893
20.4 Bills for collection		
In-ward bills for collection	-	-
Out-ward Bills for Collection	8,756,058,669	8,492,000,669
	8,756,058,669	8,492,000,669
20.5 Other Contingent Liabilities		
	-	-
20.6 Other Commitments		
	-	-
Total Off-balance sheet items	76,857,695,115	77,759,960,851
Income Statement (Note-21 to Note-39)		
<i>Income:</i>		
Income from Investment (Note-21)	25,244,019,245	21,643,793,225
Income from Investment in Shares & Securities (Note-23)	1,481,632,839	1,407,929,007
Commission, Exchange and Brokerage Income (Note-24)	2,797,494,183	3,803,725,179
Other operating income (Note-25)	826,128,694	888,118,466
	30,349,274,961	27,743,565,877
<i>Expenses:</i>		
Profit paid on Deposits (Note-22)	17,677,123,207	15,648,810,651
Administrative expenses	4,736,365,088	4,364,898,347
Other operating expenses	2,511,834,981	2,363,413,037
Depreciation on Banking assets	629,454,178	631,420,596
	25,554,777,455	23,008,542,631
Income over expenditure	4,794,497,507	4,735,023,246



	31.12.2023 Taka	31.12.2022 Taka
21	Income from Investment	
	260,023,094	226,301,142
	16,406,375,336	13,744,973,302
	4,646,762,421	4,082,743,327
	9,790,373	14,460,206
	105,205,800	71,620,656
	792,957,878	747,573,310
	388,913,776	385,594,401
	1,110,875,877	1,230,823,088
	29,911,326	33,155,926
	837,733,069	574,995,157
	442,380,680	270,801,357
	213,089,616	260,751,352
	25,244,019,245	21,643,793,225
21(a)	Consolidated income from investment	
	Social Islami Bank Ltd.	25,244,019,245
	<i>Add: Income from investment of subsidiaries of SIBL</i>	126,014,827
	SIBL Securities Ltd.	124,171,097
	SIBL Investment Ltd.	1,843,730
	Grand total of consolidated investment income	21,760,902,836
22	Profit paid on Deposits	
	<i>Profit paid on deposits</i>	
	971,448,626	932,782,616
	884,503,681	555,661,121
	10,350,488,194	9,942,619,163
	35,149,612	26,789,358
	3,820,882,189	3,598,095,035
	16,062,472,302	15,055,947,292
	<i>Profit paid on borrowings</i>	
	1,170,824,707	187,293,830
	443,826,198	405,569,529
	17,677,123,207	15,648,810,651
22(a)	Consolidated Profit paid on Deposits	
	Social Islami Bank Ltd.	17,677,123,207
	<i>Add: Income from investment of subsidiaries of SIBL</i>	73,407,851
	SIBL Securities Ltd.	73,407,851
	SIBL Investment Ltd.	-
	Grand total of consolidated Profit paid on Deposits	15,720,427,535
23	Income from Investment in Shares & Securities	
	678,581,946	583,023,697
	12,556,589	40,622,402
	147,255,471	150,371,826
	378,376,968	364,809,684
	88,827,397	82,083,656
	176,034,468	187,017,742
	1,481,632,839	1,407,929,007
	Social Islami Bank PLC. has investment of Tk. 100.00 crore in Bangladesh Govt. Islamic Investment Bond for which 4.91% average rate of income has been provided for January-December 2023. The nature of the Fund is to generate profit according to Mudaraba Principle.	
23(a)	Consolidated income from Investment in Shares & Securities	
	Social Islami Bank PLC.	1,481,632,839
	<i>Add: Income from Investment in Shares & Securities of subsidiaries of SIBPLC</i>	43,887,538
	SIBL Securities Ltd.	37,311,025
	SIBL Investment Ltd.	6,576,513
	Less: Common income for elimination	61,499,952
	SIBL Securities Ltd.	76,874,940
	Grand total of consolidated income from Investment in Shares & Securities	1,360,253,823
24	Commission, Exchange & Brokerage	
	632,290,327	753,116,234
	2,165,203,856	3,050,608,945
	2,797,494,183	3,803,725,179
24(a)	Consolidated income from commission, exchange & brokerage	
	Social Islami Bank Ltd.	2,797,494,183
	<i>Add: Income from commission, exchange & brokerage of subsidiaries of SIBL.</i>	59,256,483
	SIBL Securities Ltd.	59,256,483
	SIBL Investment Ltd.	-
	Grand total of consolidated income from commission, exchange & brokerage	3,909,875,163



	31.12.2023 Taka	31.12.2022 Taka
25 Other Operating Income		
P & T charge recovered	-	472,396
Courier Charges Recovery & Others	6,479,063	10,137,574
Services & charges	495,976,606	429,126,749
SWIFT/ Return charge recovered	46,605,543	54,469,130
Other charges (Note: 25.1)	277,067,482	393,912,618
	826,128,694	888,118,466
25(a) Consolidated other operating income		
Social Islami Bank Ltd.	826,128,694	888,118,466
<i>Add: Other operating Income of subsidiaries of SIBL</i>	579,930	1,155,163
SIBL Securities Ltd.	579,930	1,155,163
SIBL Investment Ltd.	-	-
Grand total of consolidated income from other operating income	826,708,624	889,273,628
25.1 Other Charges		
Rent receipts	4,409,850	4,008,002
Income from sale of forms	120,750	159,365
Service charge on SIBL Cards	189,544,624	165,165,880
Notice pay earnings	6,672,858	9,012,349
Miscellaneous income	76,319,400	215,567,022
	277,067,482	393,912,618
26 Salary & Allowances		
Basic Salary	1,851,044,411	1,779,595,867
Allowances	1,994,374,830	1,748,452,777
Bonus	618,131,334	519,563,762
L/E Salary & Allowances	43,538,840	120,029,982
Bank's Contribution to Provident fund	182,172,039	159,598,897
Bank's Contribution to Social Insurance fund	18,225,616	15,986,710
SIBL Group life Insurance Premium	10,038,022	4,548,682
	4,717,525,092	4,347,776,677
26(a) Consolidated expenses for Salary and Allowance		
Social Islami Bank Ltd.	4,717,525,092	4,347,776,677
<i>Add: Salary and Allowance for subsidiaries</i>	48,178,642	44,793,620
SIBL Securities Ltd.	48,178,642	44,793,620
SIBL Investment Ltd.	-	-
	4,765,703,734	4,392,570,297
27 Rent, Taxes, Insurance & Electricity etc.		
Rent, Rates & Taxes (note: 27.1)	376,897,534	259,824,228
Insurance (note: 27.2)	189,173,658	210,672,082
Electricity, Lighting & Water (note: 27.3)	136,354,878	114,488,763
	702,426,069	584,985,073
27.1 Rent, Rates & Taxes		
Rent, Rates & Taxes (note: 27.1.1)	516,414,191	464,315,156
Less: rent expenses under IFRS-16 *	139,516,658	204,490,929
	376,897,534	259,824,228
*While implementing IFRS 16 (leases), the bank recorded interest expenses on lease liability and depreciation on right of use assets (ROU) instead of charging rental expenses of Taka 139,516,658 (excluding VAT) in 2023 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.		
27(a) Consolidated expenses for rent, taxes, insurance & electricity		
Social Islami Bank Ltd.	702,426,069	584,985,073
<i>Add: Rent, Taxes, Insurance & Electricity etc. of subsidiaries</i>	7,480,810	62,050
SIBL Securities Ltd.	7,480,810	62,050
SIBL Investment Ltd.	-	-
	709,906,879	585,047,123
Rent, Rates & Taxes		
Office rent	7,480,810	62,050
Less: Adjustment due to execution of IFRS 16 for the first time	-	-
	7,480,810	62,050
VAT on office rent	-	-
Total Rent, Rates & Taxes	7,480,810	62,050
27.1.1 Rents, Rates, Taxes, Insurance & Lighting etc.		
Rents		
Rent (Office)	497,183,029	446,500,832
Rent (Garage)	371,680	344,480
Rent (Godown & others)	11,897,682	10,492,389
	509,452,391	457,337,701
Rates and Taxes	6,961,801	6,977,455
Total Rents, Rates & Taxes	516,414,191	464,315,156



	31.12.2023	31.12.2022
	<u>Taka</u>	<u>Taka</u>
27.2 Insurances		
Insurance Premium in Counter	1,621,991	1,342,045
Insurance Premium in Transit	5,905,681	6,035,474
Insurance Premium Safe/Vault	9,803,079	8,413,508
Insurance Premium on deposit	169,060,902	192,370,691
Insurance Premium on Vehicle	997,351	905,849
Other Insurance	1,784,654	1,604,515
	<u>189,173,658</u>	<u>210,672,082</u>
27.3 Lighting & Electricity		
Lighting & Electricity Bill (Office)	124,870,164	105,310,679
Lighting & Electricity Charges (Office)	7,178,432	5,213,231
Sub Total	<u>132,048,595</u>	<u>110,523,910</u>
Water & Sewerage	<u>4,306,282</u>	<u>3,964,853</u>
	<u>136,354,878</u>	<u>114,488,763</u>
28 Legal Expenses		
Legal Fees & Charge	6,174,118	4,512,593
Stamp Duties	105,874	68,114
Other Legal Expenses	7,211,115	4,622,635
	<u>13,491,107</u>	<u>9,203,342</u>
29 Postage, Stamps, Telecommunication etc.		
Cable Network rent	225,093	229,127
Postage	1,175,989	-
Telephone charges	1,384,033	1,487,948
Mobile phone charges	4,382,440	4,279,414
	<u>7,167,555</u>	<u>5,996,488</u>
29(a) Consolidated expenses for Postage, Stamps, Telecommunication etc.		
Social Islami Bank Limited	<u>7,167,555</u>	<u>5,996,488</u>
Add: Postage, Stamps, Telecommunication etc. expenses for subsidiaries	<u>1,954,335</u>	<u>1,881,575</u>
SIBL Securities Ltd.	1,954,335	1,881,575
SIBL Investment Ltd.	-	-
	<u>9,121,889</u>	<u>7,878,063</u>
30 Stationery, Printing, Advertisements etc.		
Table Stationery	18,771,819	20,247,773
Printing & Stationery	90,211,130	44,434,005
News Paper & Magazine	14,758,597	8,700,210
Television & Radio	22,885,000	33,999,750
Neon Sign, Banner etc.	1,450,352	864,942
Other Publicity	13,237,013	11,846,425
	<u>161,313,911</u>	<u>120,093,105</u>
30(a) Consolidated expense of Stationery, Printing, Advertisement etc.		
Social Islami Bank Ltd.	<u>161,313,911</u>	<u>120,093,105</u>
Stationery, Printing, Advertisement expense of Subsidiaries of SIBL	<u>337,898</u>	<u>204,555</u>
SIBL Securities Limited.	337,898	204,555
SIBL Investment Limited.	-	-
	<u>161,651,809</u>	<u>120,297,660</u>
31 Managing Director's salary and allowances		
Basic Salary	8,400,000	7,800,000
Allowances	7,899,996	7,141,670
Festival & other Bonus	2,540,000	2,180,000
	<u>18,839,996</u>	<u>17,121,670</u>
32 Directors' Fees & Meeting Expenses		
Directors Fee	2,270,200	1,999,335
Meeting Expenses	1,878,988	1,780,826
	<u>4,149,188</u>	<u>3,780,162</u>
32(a) Consolidated Directors' fees & Meeting Expenses:		
Social Islami Bank Limited	<u>4,149,188</u>	<u>3,780,162</u>
Directors' Fees & Meeting Expenses of Subsidiaries of SIBL	<u>288,000</u>	<u>333,000</u>
SIBL Securities Limited	288,000	333,000
SIBL Investment Limited	-	-
	<u>4,437,188</u>	<u>4,113,162</u>



	31.12.2023 Taka	31.12.2022 Taka
33	Shariah Supervisory Committee's Fees & Expenses	
	867,376	444,666
	867,376	444,666
34	Depreciation and Repair of Bank's Assets	
	a) Depreciation of Bank's Assets (Annexure A)	
	-	-
	43,838,665	45,555,065
	114,187,523	101,343,499
	187,528,283	168,543,506
	22,642,541	19,518,099
	1,741,891	2,991,952
	136,365,666	175,305,635
	61,179	68,230
	506,365,748	513,325,986
	b) Repair on Bank's Assets	
	29,310	148,519
	22,910,195	17,210,616
	3,242,687	4,272,335
	22,326,744	18,773,846
	16,273	4,294
	9,070	5,980
	74,554,150	77,679,019
	123,088,430	118,094,609
	629,454,178	631,420,596
34(a)	Consolidated balance of Depreciation	
	629,454,178	631,420,596
	Add: Depreciation on assets of subsidiaries	
	4,547,928	6,740,610
	4,547,928	6,740,610
	-	-
	885,474	875,254
	885,474	875,254
	-	-
	634,887,580	639,036,460
35	Other Expenses	
	19,598,020	18,581,955
	29,059,301	23,743,260
	58,380,117	50,938,985
	17,680,712	22,154,095
	13,298,505	1,745,834
	14,322,426	11,801,043
	2,260,770	2,451,251
	8,926,055	15,315,981
	54,998	3,005,548
	1,402,290	1,651,810
	6,150,934	5,781,669
	241,550	201,181
	1,593,244	1,298,256
	1,000	5,500
	1,175,240	773,100
	120,123,698	90,651,806
	9,820	130,060
	8,276,745	7,463,000
	1,723,513	2,233,000
	15,806,012	13,731,986
	329,125,469	275,326,093
	8,331,250	8,076,499
	268,331,122	268,096,067
	599,253	644,297
	170,751	166,575
	8,623,875	8,025,340
	5,649,281	6,339,800
	43,761,027	39,081,872
	11,858,355	6,750,140
	18,029,430	11,665,205
	44,269,390	45,561,164
	1,058,834,154	943,392,373
	balance carried forward	



	31.12.2023	31.12.2022
	Taka	Taka
<i>balance brought forward</i>	1,058,834,154	943,392,373
Bond issue related Expense	8,708,250	10,968,250
Donation to Government	5,037,000	100,329,000
Donation to Others	487,335	303,137
CSR Related Expenditure	4,633	99,481,961
Business Development Exp	50,181,093	18,894,972
Fees Form @ Renewal	10,253,044	6,932,926
Network sharing fees (Visa)	23,589,682	11,078,870
Service Charges	10,706,729	10,749,798
Gratuity expense	188,806,530	181,518,778
Finance cost on lease liabilities as per IFRS-16	29,439,656	38,141,108
Miscellaneous expenses	18,858,795	19,983,193
	1,404,906,901	1,441,774,366
35(a) Consolidated Other Expenses		
Social Islami Bank Limited	1,404,906,901	1,441,774,366
<i>Add: Other Expenses for SIBL Securities Limited</i>	11,468,405	17,205,347
License, fees, renewals and incorporation expenses	8,674,562	14,734,625
Entertainment	841,000	1,099,851
Others	1,952,843	1,370,872
<i>Other Expenses for SIBL Investment Limited</i>	99,530	67,530
Bank charge and Excise duty	67,530	67,530
Others	32,000	-
	1,416,474,836	1,459,047,243
36 Other Provision		
Provision for other assets (note: 14.2.2)	57,386,856	15,000,000
Provision for others (note: 14.2.3)	-	120,100,000
Mudaraba Profit Distribution (note: 14.6)	20,000,000	10,000,000
Provision for Climate Risk Fund (note:13.8)	5,000,000	-
Provision for diminution in value of shares and securities (note:14.10)	12,184,716.60	13,949,505
	94,571,573	159,049,505
36(a) Consolidated other provision		
Social Islami Bank Ltd.	94,571,573	159,049,505
<i>Add: Provision for subsidiaries</i>		
SIBL Securities Ltd.		
Provision for general reserve	-	-
Provision for impairment of margin loan	22,500,000	45,000,000
Provision for capital reserve	3,117,784	7,649,999
Provision for diminution in value of investment	5,000,000	3,803,421
	30,617,784	56,453,420
SIBL Investment Ltd. (Provision for diminution in value of investment)	-	1,188,942
	125,189,356	216,691,867
37 Provision against Investment, Off-Balance Sheet items & Others		
Provision on classified investment	1,196,198,312	640,468,515
Provision on unclassified investment	(113,281,968)	(139,703,763)
Provision on Off-Balance Sheet items	(57,604,018)	170,744,325
Other provisions (note: 36)	94,571,573	159,049,505
	1,119,883,898	830,558,582
37(a) Consolidated Provision against Investment, Off-Balance Sheet items & Others		
Social Islami Bank Ltd.	1,119,883,898	830,558,582
<i>Add: Provision for subsidiaries</i>	30,617,784	57,642,363
SIBL Securities Ltd.	30,617,784	56,453,420
SIBL Investment Ltd.	-	1,188,942
	1,150,501,682	888,200,945
38 Provision for Income Tax		
Current year provision (Note: 38.1)	1,395,707,758	1,460,004,839
Deferred Tax expense/(income) (Note: 38.2)	4,051,353	14,676,980
	1,399,759,111	1,474,681,819
38(a) Consolidated Provision for Income Tax		
Social Islami Bank Limited	1,399,759,111	1,474,681,819
SIBL Securities Limited	15,528,391	20,155,402
Current year provision	15,528,391	20,155,402
Deferred Tax expense/(income)	-	-
SIBL Investment Limited	483,964	270,205
	1,415,771,467	1,495,107,426
38.1 Current Year Tax Provision		

Provision on tax has been calculated based on Income Tax Ordinance, 1984 as amended upto 2023 by the Finance Act, considering the allowances and disallowances.



38.2 Deferred Tax Expenses/(Income)

Deferred tax expense/(income) for liability/(asset) has been calculated as per Bangladesh Accounting Standard 12.

39 Earning Per Share (EPS)

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, 2021 and 2022. Now the total paid up capital after right issue and issue of bonus shares amounts to Taka- 10,858,620,000 with a total no. of 1,085,862,000 shares having face value @ Taka- 10/share.

	31.12.2023 Taka	31.12.2022 Taka
Net Profit after Tax	2,564,130,096	2,429,782,845
Less: Coupon/dividend on perpetual bond	410,974,515	393,500,011
Attributable profit for the year	2,153,155,581	2,036,282,834
Number of ordinary shares outstanding	1,085,862,000	1,085,862,000
Earning Per Share (EPS) (Prior year Restated)	1.98	1.88
39(a) Consolidated Earning Per Share (CEPS)		
Net Profit after Tax	2,537,032,368	2,461,491,439
Less: Coupon/dividend on	410,974,515	393,500,011
Attributable profit for the year	2,126,057,853	2,067,991,428
Number of ordinary shares outstanding	1,085,862,000	1,085,862,000
Consolidated Earning Per Share (CEPS) (Prior year Restated)	1.96	1.90
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.		
39 (i) Net Asset Value (NAV) Per Share:		
Net Asset Value (Consolidated)	22,481,590,525	20,887,209,462
Net Asset Value (Solo)	22,383,442,294	20,765,081,406
Number of ordinary shares outstanding	1,085,862,000	1,085,862,000
Net Asset Value (NAV) Per Share (Consolidated) (Prior year Restated)	20.70	19.24
Net Asset Value (NAV) Per Share (Solo) (Prior year Restated)	20.61	19.12
39 (ii) Net Operating Cash Flows per share (NOCFPS):		
Net Cash flow from operating activities (Consolidated)	9,010,963,560	(1,083,448,803)
Net Cash flow from operating activities (Solo)	9,009,917,876	(1,089,529,203)
Number of ordinary shares outstanding	1,085,862,000	1,085,862,000
Net Operating Cash Flow Per Share (NOCFPS)(Consolidated) (prior year restated)	8.30	(1.00)
Net Operating Cash Flow Per Share (NOCFPS)(Solo) (prior year restated)	8.30	(1.00)
Net Operating Cash Flow per share has improved mainly due to cash inflow in respect of deposit compare to the previous year.		
Notes for Cash Flow Statement (Note-40 to Note-45)		
40 Income from Investment		
Investment profit receipt	25,244,019,245	21,643,793,225
Add: Opening profit receivable	498,783,519	254,088,308
Less: Closing profit receivable	(718,278,812)	(498,783,519)
	25,024,523,952	21,399,098,015
40(a) Consolidated income from investment		
Income from investment of SIBL	25,024,523,952	21,399,098,015
Income from investment of Subsidiaries of SIBL	126,014,827	117,109,611
SIBL Securities Ltd.	124,171,097	117,109,611
SIBL Investment Ltd.	1,843,730	-
Grand total	25,150,538,778	21,516,207,626
41 Receipts from Other Operating Activities (Other than profit on sale of fixed assets)		
Exchange income	2,035,168,000	2,842,237,111
Rent receipts	4,409,850	4,008,002
P & T charge recovered	-	472,396
Courier Charges Recovery & Others	6,479,063	10,137,574
Notice pay earnings	6,672,858	9,012,349
Miscellaneous income	76,319,400	215,567,022
Services & charges	495,976,606	429,126,749
SWIFT/ Return charge recovered	46,605,543	54,469,130
Service charge on SIBL Cards	189,544,624	165,165,880
Income from sale of forms	120,750	159,365
	2,861,296,694	3,730,355,577
41(a) Consolidated receipts from Other Operating Activities (Other than profit on sale of fixed assets)		
Receipts from Other Operating Activities of SIBL	2,861,296,694	3,730,355,577
Receipts from other operating activities of Subsidiaries of SIBL	579,930	1,155,163
SIBL Securities Ltd.	579,930	1,155,163
SIBL Investment Ltd.	-	-
	2,861,876,624	3,731,510,739



	31.12.2023 Taka	31.12.2022 Taka
42 Payment to others		
Rent (Office)	357,666,371	242,009,904
Rent (Garage)	371,680	344,480
Rent (Godown)	11,897,682	10,492,389
Rates and Taxes	6,961,801	6,977,455
Insurance Premium for cash in counter	1,621,991	1,342,045
Insurance Premium for cash in transit	5,905,681	6,035,474
Insurance Premium for cash in safe/ vault	9,803,079	8,413,508
Insurance Premium on deposit	169,060,902	192,370,691
Insurance Premium for vehicle	997,351	905,849
Other Insurance	1,784,654	1,604,515
Lighting and Electricity Bill (Office)	124,870,164	105,310,679
Lighting and Electricity Charges (Office)	7,178,432	5,213,231
Water and Sewerage	4,306,282	3,964,853
Legal Expenses	13,491,107	9,203,342
Directors Fees and Meeting Expenses	4,149,188	3,780,162
Shariah Supervisory Fees & Expenses	867,376	444,666
Audit Fees	1,150,000	920,000
Repairs and Maintenance	123,088,430	118,094,609
Zakat expenses	216,362,874	196,215,836
Other Expenses (note: 35)	1,404,906,901	1,441,774,366
	2,466,441,946	2,355,418,054
42(a) Consolidated payment to others		
Social Islami Bank Limited	2,466,441,946	2,355,418,054
Payment to others- Subsidiaries	20,279,719	18,600,681
SIBL Securities Limited	20,157,189	18,510,151
SIBL Investment Limited	122,530	90,530
	2,486,721,665	2,374,018,735
43 Reconciliation of Net Profit after Taxation & Operating Profit before changes in operating assets & liabilities		
Cash flows from operating activities		
Net Profit after Taxation	2,564,130,096	2,429,782,845
(Increase)/Decrease Profit Receivable	(219,495,294)	(244,695,211)
(Increase)/Decrease Profit Payable on Deposit	1,185,951,409	1,192,576,151
Effects of exchange rate changes on cash & cash equivalents	(130,035,856)	(208,371,834)
Provision for Tax	1,399,759,111	1,474,681,819
Provision for Investment, Contingent Liability & Others	830,608,300	830,558,582
Depreciation & Amortization of Fixed Assets	506,365,748	513,325,986
Income tax paid	(1,587,781,351)	(1,300,415,312)
Operating Profit before changes in operating assets & liabilities	4,549,502,164	4,687,443,026
43(a) Consolidated Cash flows from operating activities		
Net Profit after Taxation	2,537,032,411	2,461,491,465
(Increase)/Decrease Profit Receivable	(219,495,294)	(244,695,211)
(Increase)/Decrease Profit Payable on Deposit	1,185,951,409	1,192,576,151
Effects of exchange rate changes on cash & cash equivalents	(130,035,856)	(208,371,834)
Provision for Tax	1,415,771,467	1,495,107,426
Provision for Investment, Contingent Liability & Others	861,226,083	888,200,945
Depreciation & Amortization of Fixed Assets	510,913,676	520,066,596
Income tax paid	(1,604,235,459)	(1,325,246,974)
Operating Profit before changes in operating assets & liabilities	4,557,128,436	4,779,128,563
44 Cash Increase/ Decrease in Other Assets		
Stock of stationery, stamps and printing materials etc. (valued at cost)	69,506,198	39,368,382
Advance rent	89,507,077	102,048,769
Security Deposit	3,459,517	3,401,359
Branch Adjustments (SIBG) (Note: 9.1)	12,101,459,879	8,750,090,444
Suspense Accounts (Note: 9.2)	657,036,331	425,166,833
Other Prepayments	129,134,000	59,241,494
Share Trading A/C Receivable from SIBL Securities Ltd.	213,551,595	308,278,647
Advance Income Tax	16,796,461,261	15,208,679,910
Profit Receivable from SIBL Securities Limited	353,520,234	218,722,842
Receivable from SIBL Investment Limited	1,903,690	1,903,690
Protested Bills against Investment	325,014,370	325,014,570
<i>balance carried forward</i>	30,740,554,152	25,441,916,940



	31.12.2023 Taka	31.12.2022 Taka
<i>balance brought forward</i>	30,740,554,152	25,441,916,940
Receivable from Off-shore Banking Unit	-	300,912,435
Dividend Receivable Account	868,312,619	785,424,619
Profit Receivable from Mudaraba Subordinated Bond	61,182,603	40,898,630
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
Profit Receivable from Mudaraba Perpetual Bond	361,909,310	356,627,411
Profit Receivable from Beximco Green Sukuk	36,295,888	38,268,491
Others (Note: 9.3)	519,025,228	134,957,602
	34,374,778,201	28,965,916,511
Difference between (2022, 2021)	(5,408,861,689)	(9,921,211,818)
Advance Income Tax	1,587,781,351	1,300,415,312
Net change in Other Assets	(3,821,080,338)	(8,620,796,506)
44(a) Consolidated cash increase/decrease in other assets		
Social Islami Bank Limited	34,374,778,201	28,965,916,511
Cash Increase/ Decrease in Other Assets of subsidiaries	707,087,903	735,799,158
	35,081,866,104	29,701,715,669
Difference between (2022, 2021)	(5,380,150,435)	(9,722,972,545)
Advance Income Tax	1,604,235,459	1,325,246,974
Consolidated net change in Other Assets	(3,775,914,975)	(8,397,725,571)
45 Cash Increase/ Decrease in Other Liabilities		
FC Charge	2,050,976	2,000
Adjusting A/C (Cr.) Balance	16,551,890	11,555,186
Other Payable	2,750,230	1,863,613
Compensation and Profit Suspense (note: 14.3)	4,198,421,032	3,932,091,419
BEFTN Adjustment Account	20,800,092	30,778,270
Parking Account	117,007,430	53,065
Lease liabilities as per IFRS-16 *	339,401,866	449,478,868
ATM & Other Settlement for Q-Cash	(11,049,582)	(10,546,910)
	4,685,933,933	4,415,275,511
Cash Increase/ (Decrease) in Other Liabilities	270,658,422	(16,763,556)
Difference between (2023 & 2022)	270,658,422	(16,763,556)
Add: Transfer to Provision for Investment from Write-off (In Yr. 2023)	58,435,282	76,711,327
Add: Zakat expense transferred to Sadaka Fund	216,362,875	196,215,837
Less: Zakat distributed during the year	122,634,898	113,365,052
Less: Mudaraba Profit distribution transferred during the year	10,000,000	24,500,000
Less: Adjustment of other provision during the year	120,094,454	-
Less: Adjustment of provision for Suspense A/C made during the year	27,559,389	-
Less: Prior year dividend income adjustment	60	-
Less: Written off/ Waiver of investment during the year	966,968,592	691,088,872
	(701,800,816)	(572,790,316)
45(a) Consolidated cash increase/decrease in other liabilities		
Cash Increase/ Decrease in other liabilities of Social Islami Bank PLC.	4,685,933,933	4,415,275,511
Cash Increase/ Decrease in Other Liabilities of subsidiaries	270,169,495	488,737,428
	4,956,103,428	4,904,012,939
Difference between (2023, 2022)	52,090,488	(668,122,546)
Other changes in other liabilities of Social Islami Bank PLC.	(928,002,020)	(506,497,788)
Net change in Other Liabilities-Social Islami Bank PLC.	(875,911,532)	(1,174,620,334)
46 Cash and Cash Equivalent		
Cash in Hand	4,897,399,344	4,835,583,834
Balance with Bangladesh Bank & Sonali Bank Limited (as agent of Bangladesh Bank)	29,260,845,550	22,086,752,023
Balance with Other Banks & Financial Institutions-in Bangladesh	14,309,052,144	10,049,048,412
Balance with Other Banks & Financial Institutions-outside Bangladesh	1,997,889,368	2,520,897,414
	50,465,186,406	39,492,281,683
46(a) Consolidated Cash and Cash Equivalent		
Social Islami Bank Limited	50,465,186,406	39,492,281,683
Cash and Cash Equivalent of subsidiaries	406,049	596,714
SIBL Securities Limited.	59,070	151,762
SIBL Investment Limited.	346,979	444,952
	50,465,592,455	39,492,878,397



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 3995.

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 Shafiu Alam Bhuiyan Ph.D	Independent Director	Chairman up to 13.11.23
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 160 nos. (One hundred sixty) Meetings in the previous years since inception in the year 2003, out of which 05 Meetings were conducted in the Year 2023 and the attendance of the members was as follows:

Sl. No.	Vice Chairman	Tenure of Membership	No. of Meetings Held	No. of Meetings Attended
1	Professor A J M Shafiu Alam Bhuiyan Ph.D	21.03.2018 to 13.11.23	5	5
2	Mr. Md. Kamal Uddin	21.03.2018 to till date	5	5
3	Dr. Md. Jahangir Hossain	21.03.2018 to till date	5	5

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 2022 and the "Management Letter on financial statements" for the year ended 31 December 2022" 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-2022 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 carryout 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 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.



49.1 Name of the Firms / Business Organizations where the Directors of the Social Islami Bank Limited have got interest as on 31 December 2023:

SL No	Name	Name of Firms/ Business Organizations Where the Directors of SIBL have got interest
1	Mr. Belal Ahmed Chairman (Representative of Unitex Steel Mills Limited)	Managing Director Unitex Spinning Limited Unitex Composite Mills Limited Unitex LP Gas Limited Unitex Petroleum Limited Unitex Cement Limited Unitex Steel Mills Limited Padma Wears Limited
2	Md. Sayedur Rahman Vice Chairman (Representative of Prasad Paradise Resorts Limited)	Chairman Rans Real Estate Ltd. Managing Director Lodestar Fashions Limited Mid Asia Fashions Limited
3	Md. Kamal Uddin Vice Chairman (Representative of Lion Securities and Investment Limited)	Managing Director Chittagong Builders & Machinery Ltd. Merchant Securities Limited Sifang Machine House Limited Merchant Auto Limited CBM Housing Limited South Green Limited Director ASM Chemical Industries Ltd. Central Hospital (Pvt.) Ltd. Sifang Securities Limited Hurdco International School. Universal Health Services & Research Ltd. Advisor Mercantile Insurance Company Ltd. Mercantile Islami Life Insurance Ltd. Proprietor CBM Parts House CBM Consortium
4	Dr. Md. Jahangir Hossain Director (Representative of Reliable Entrepreneurs Limited)	Nil
5	Mr. Arshadul Alam Director (Representative of Leader Business Enterprise Limited)	Chairman Jaba and Brothers C&F (Pvt.) Ltd. Jesco Bangladesh Ltd. Managing Director Jesco Capital Management Ltd. Director Uni-Trade International Ltd. Nishat Traders Ltd.
6	Mr. Ali Hasan Md. Mahmud Ribon Director (Representative of Dynamic Venture Limited)	Chairman M/S. Mahmud Ribon
7	Mrs. Jebunnesa Akbar Director (Representative of Unitex Cement Limited)	Nil
8	Mr. Mahmudul Alam Director (Representative of Global Trading Corporation Limited)	Proprietor Paragon Transport
9	Mr. Mohammad Abul Kalam Director (Representative of Hasan Abasan (Pvt.) Limited)	Nil
10	Mrs. Badrun Nessa Alam Director (Representative of Percepta Endeavours Limited)	Proprietor M/S. Moni Traders

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
Funded Liability					
SIBL Securities Ltd.	N/A	Subsidiary	Quard	8200.00 lac	UC
SIBL Foundation Hospital & Diagnostic Center	N/A	A concern of SIBL Foundation	Quard- E- Hasana	10981.07 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 2023.

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	441	52%
Total Files	848	100%



SOCIAL ISLAMI BANK PLC
FOR THE YEAR ENDED 31 DECEMBER 2023
SCHEDULE OF FIXED ASSETS INCLUDING PREMISES

Particulars	C O S T / R E V A L U E D *				Rate of Depreciation	D E P R E C I A T I O N				Written down value as at December 2023
	Balance as on 01 January 2023	Additions during the year	Disposal/ Transfer during the year	Balance at 31 December 2023		Balance as on 01 January 2023	Transfer/ Adjustment during the year	Charged during the year	Balance at 31 December 2023	
Land	12,330,000	-	-	12,330,000		-	-	-	-	12,330,000
Building	2,320,220,714	-	-	2,320,220,714	2.50%	543,565,690	43,838,665	587,404,355	1,732,816,360	
Furniture & Fixtures	1,771,331,954	210,067,449	-	1,981,399,403	10%	732,203,865	114,187,523	846,391,388	1,135,008,015	
Office Equipment	2,248,023,968	212,580,305	-	2,460,604,273	20%	1,403,254,185	187,528,283	1,590,782,468	869,821,805	
Software	349,352,199	16,283,678	-	365,635,877	10%	130,915,370	22,642,541	153,557,911	212,077,965	
Vehicles	150,656,690	-	-	150,656,690	20%	146,057,222	1,741,891	147,799,113	2,857,577	
Right of use Assets (RoU)	1,076,018,197	-	-	1,076,018,197		572,196,012	136,365,666	708,561,678	367,456,519	
Books	1,787,652	65,919	-	1,853,571	10%	1,240,476	61,179	1,301,655	551,916	
31 December 2023	7,929,721,374	438,997,351	-	8,368,718,726		3,529,432,820	506,365,748	4,035,798,568	4,332,920,158	
31 December 2022	7,263,904,658	665,816,715	-	7,929,721,374		3,016,106,833	513,325,986	3,529,432,820	4,400,288,555	

* Details of revaluation of Fixed assets is shown in note:18.



SOCIAL ISLAMI BANK PLC
FOR THE YEAR ENDED 31 DECEMBER 2023
CONSOLIDATED SCHEDULE OF FIXED ASSETS

Particulars	C O S T / R E V A L U E D				Rate of Depreciation	D E P R E C I A T I O N				Written down value as at December 2023
	Balance as on 01 January 2023	Additions during the year	Disposal/ Transfer during the year	Balance at 31 December 2023		Balance as on 01 January 2023	Transfer/ Adjustment during the year	Charged during the year	Balance at 31 December 2023	
Land	12,330,000	-	-	12,330,000	-	-	-	-	-	12,330,000
Building	2,320,220,714	-	-	2,320,220,714	2.50%	543,565,690	43,838,665	587,404,355	1,732,816,360	
Furniture & Fixtures	1,779,531,522	210,516,226	-	1,990,047,748	10%	736,152,684	114,594,074	850,746,758	1,139,300,990	
Office Equipment	2,265,466,593	213,217,877	-	2,478,684,470	20%	1,415,302,941	188,861,374	1,604,164,315	874,520,155	
Software	353,637,893	16,433,678	-	370,071,571	10%	134,200,215	22,757,626	156,957,841	213,113,729	
Vehicles	150,656,691	-	-	150,656,691	20%	146,057,222	1,741,891	147,799,113	2,857,578	
Right of use Assets (RoU)	1,091,420,043	-	-	1,091,420,043	-	584,904,658	139,058,866	723,963,524	367,456,520	
Books	1,787,653	65,919	-	1,853,572	10%	1,240,477	61,179	1,301,656	551,916	
31 December 2023	7,975,051,108	440,233,700	-	8,415,284,809		3,561,423,886	510,913,676	4,072,337,563	4,342,947,247	
31 December 2022	7,302,714,358	672,336,750	-	7,975,051,108		3,041,357,289	520,066,596	3,561,423,886	4,413,627,223	



SOCIAL ISLAMI BANK PLC
BALANCE WITH OTHER BANKS IN FOREIGN CURRENCIES

[Referred to Note 4.2 of these financial statements]

SL No.	Name of the Banks	Currency Name	31.12.2023		31.12.2022		
			Amount in Foreign Currency	Conversion rate per unit F.C.	Amount in BDT.	Conversion rate per unit F.C.	Amount in BDT.
1	SCB, MUMBAI	ACUD	273,520.88	110.00	30,087,297	103.30	41,954,421.56
2	SUMMIT Bank, KARACHI	ACUD	23,784.82	110.00	2,616,330	103.30	2,456,900.55
3	SONALI Bank, KOLKATA	ACUD	252,777.60	110.00	27,805,536	103.30	8,469,176.41
4	MASHREQ Bank, MUMBAI	ACUD	481,853.83	110.00	53,003,921	103.30	24,763,412.54
5	NEPAL BANGLADESHI Bank	ACUD	284,883.36	110.00	31,337,170	103.30	28,562,690.66
6	Bank OF BHUTAN, PHUENTSHOLING	ACUD	259,211.82	110.00	28,513,300	103.30	3,384,468.36
7	UNITED Bank OF INDIA	ACUD	414,146.06	110.00	45,556,067	103.30	26,570,793.95
8	AB Bank, MUMBAI	ACUD	474,005.98	110.00	52,140,658	103.30	149,888,061.32
9	MEEZAN Bank LIMITED	ACUD	87,084.71	110.00	9,579,318	103.30	36,027,335.77
10	MCB Bank, KARACHI, PAKISTAN	ACUD	394.50	110.00	43,395	103.30	40,750.67
11	AXIS Bank LIMITED	ACUD	93,419.18	110.00	10,276,110	103.30	2,113,783.04
12	HDIC Bank LTD., MUMBAI	ACUD	1,094,606.73	110.00	120,406,740	103.30	52,709,405.64
13	ICIC Bank, Mumbai, India	ACUD	326,629.00	110.00	35,929,190	103.30	104,861,904.10
14	MASHREQ Bank, NEW YORK, (OBU)	USD	925,580.83	110.00	101,813,891	103.30	595,040,194.10
15	MASHREQ Bank PSC, NEW YORK, USA	USD	233,253.97	110.00	25,657,937	103.30	827,409,963.72
16	SCB, NY, USA	USD	10,708,807.98	110.00	1,177,968,878	103.30	1,349,168.31
17	KOREA EXCH. Bank, KOREA	USD	22,221.97	110.00	2,444,417	103.30	54,414,458.98
18	HABIB AMERICAN Bank	USD	497,674.71	110.00	54,744,218	103.30	15,241,892.77
19	COMMERZ Bank AG, FRANKFURT	USD	51,184.33	110.00	5,630,276	103.30	42,584,441.33
20	Zhejiang Commercial Bank, China	USD	413,349.60	110.00	45,468,456	103.30	2,909,783.70
21	COMMERZ Bank AG, CHF	CHF	1,831.87	130.86	239,716	111.35	16,069,246.47
22	ABU DHABI ISLAMI BANK, UAE	AED	450,801.00	29.95	13,499,597	28.12	100,654,380.36
23	Zhejiang Commercial Bank, China	CNY	3,437,066.14	15.45	53,103,703	14.81	54,612.26
24	MASHREQ Bank, PSC MUMBAI	ACU	497.92	122.23	60,862	109.68	312,840,691.14
25	SCB, FRANKFURT	EURO	138,994.83	122.23	16,989,616	109.68	3,575,718.02
26	COMMERZ Bank AG, FRANKFURT	EURO	39,632.36	122.23	4,844,343	109.68	8,292,898.87
27	SCB, LONDON, UK	GBP	111,777.68	140.86	15,744,445	124.26	4,114,088.06
28	SCB, TOKYO	JPY	10,294,511.00	0.78	8,014,277	0.77	46,759.67
29	Bank AL JAZIRA	RIYAL	1,752.50	29.33	51,401	27.47	54,496,012
30	RIYAD BANK	RIYAL	829,121.65	29.33	24,318,304	27.47	2,520,897,414
	Total				1,997,889,368		



SOCIAL ISLAMI BANK PLC
Details information of Investment more than 10% of Bank's total capital

Taka in Crore

Sl no.	Name of client	Outstanding as on 31 December 2023		
		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	612.54	61.97	674.51
2	i. Nabil Naba Foods Limited and its sister concerns ii. Nabil Feed Mills Limited and iii. M/S. Shimul Enterprise	453.78	-	453.78
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.	592.71	197.85	790.56
4	Bashundhara Multi Food Products Ltd & Bashundhara Food & Beverage Industries Ltd.	486.85	300.06	786.91
5	Infinia Spinning Mills Ltd.	373.58	277.16	650.74
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 NazumderLTD.	634.68	17.17	651.85
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.	642.06	0.08	642.14
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.	322.84	227.31	550.15
9	SQ Birichina Limited	291.72	76.95	368.67
10	Afser Resources Management and Consultancy Services Ltd.	425.67	-	425.67
11	i. Bashundhara Import Export Limited, ii. Bashundhara Steel & Engineering Limited iii. Bashundhara City Development Limited	352.79	0.99	353.78
12	Cristaline Refined Sugar Limited	-	-	-
13	i. Base Paper Ltd. and it's sister concerns- ii. Base Fashion Limited iii. Zayantex Limited iv. Base Technologies Limited v. Base Paper Ltd. vi. Akash CNG Filling Limited	354.18	40.81	394.99
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.	581.82	-	581.82
15	i. M/S. Sonali Traders S. Alam Vegetable Oil Limited ii. Alam iii) Shahidul	536.40	709.25	1,245.65
16	Dong Bang Dyeing Ltd.	437.15	65.05	502.20



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.	522.43	0.00	522.43
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 Filement & Twisting Industries.	293.66	538.35	832.01
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. S. Alam Bag Manufacturing Mills Limited Alam Cement Limited vi. S	352.51	588.87	941.38
20	M/S Mars Textile Ltd.	391.00	78.03	469.03
21	Dong Bang Textile Ltd.	348.34	44.50	392.84
22	Ronghdhanu Builders (Pvt) Ltd., Mehedi Mart	437.20	-	437.20
23	i. Deshbandhu Sugar Mills Ltd. ii. Deshbandhu Food & Beverage Ltd. iii. Deshbandhu Cement Mills Limited. iv. Deshbandhu Consumer & Agro Product Limited	381.36	396.77	778.13
24	S.Alam Super Eadible Oil Ltd.	245.02	768.70	1,013.72
25	i. Dada Engineering Ltd. & its sister concerns- ii. Dada Accessories Ltd. iii. Dada Zipper Ltd. iv. Dada Bag Industries Ltd.& v. V. Zumar bag industries Limited vi. Dada Bobbins Ltd. vii. Daily Jugantar Ltd. viii. Jamuna Spning Mills Ltd. & ix. Jamuna Spining Mills Ltd. Unit-2 x. Shameem Spining Mills Ltd. xi.Shameem Composite Mills Ltd. xii. Jamuna Electronics and Automobiles Ltd. xiii. Jamina Denims Ltd. xiv. Jamuna Denims Weaving Ltd. xv. Jamuna Knitting & Dyeing Ltd. xvi. Hoorain HTF Limited. xvii. Jamuna Hi-Tech Spning Mills Ltd.	69.97	130.47	200.44
26	i. Infinia Composite Textiles Limited ii. Infinia Chemicals Limited iii. Infinia Knitting & Dyeing Limited & iv. Global city HVAC	344.67	54.61	399.28
27	Globe Edible Oil Ltd.	-	-	-
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	636.87	-	636.87
29	TecTonics	405.45	-	405.45
30	i. Opal Trading House ii. Ibrahim Consortium Ltd. iii. Ibrahim Composite Textile Mills Ltd.	353.96	-	353.96
31	i. Rahimafrooz Batteries Limited. & its sister Concerns- ii. Rahimafrooz Gloabatt Limited. iii. Rahimafrooz Bangladesh Ltd. iv. Rahimafrooz CIC Agroo Ltd.	357.11	1.76	358.87
Grand Total		12,238.32	4,576.71	16,815.03



Social Islami Bank PLC
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
2001	Initial Public Offer	10,000	1,000	260,000	10,000,000	260,000,000
2002	20% Bonus Issue (Declared in the year 2004)	-	-	260,000	-	260,000,000
2003	25% Bonus Issue (Declared in the year 2004)	-	-	260,000	-	260,000,000
2004	50% Bonus Issue (Declared in the year 2004)	-	-	260,000	-	260,000,000
2005	Bonus Issue (For the years 2001, 2002, 2003)	325,000	1,000	585,000	325,000,000	585,000,000
2006	No dividend	-	-	585,000	-	585,000,000
2007	No dividend	-	-	585,000	-	585,000,000
2008	1:1 Right Share	5,345,550	100	11,195,550	534,555,000	1,119,555,000
2009	17% Bonus Issue for the year 2007	1,903,243	100	13,098,793	190,324,300	1,309,879,300
2010	10% Bonus Issue for the year 2008	1,309,879	100	14,408,672	130,987,900	1,440,867,200
2011	1:1 Right Share	12,508,587	100	26,917,259	1,250,858,700	2,691,725,900
2012	11% Bonus Issue for the year 2009	2,960,899	100	29,878,158	296,089,850	2,987,815,750
2013	14% Bonus Issue for the year 2010	41,829,420	10	340,610,995	418,294,200	3,406,109,950
2014	1:1 Right Share	298,781,575	10	639,392,570	2,987,815,750	6,393,925,700
2015	10% Bonus Issue for the year 2012	63,748,994	10	703,141,564	637,489,940	7,031,415,640
2016	12% Cash dividend for the year 2013	-	10	703,141,564	-	7,031,415,640
2017	18% Cash dividend for the year 2014	-	10	703,141,564	-	7,031,415,640
2018	5% Bonus Issue for the year 2015	35,157,078	10	738,298,642	351,570,780	7,382,986,420
2019	20% Cash dividend for the year 2016	-	10	738,298,642	-	7,382,986,420
2020	10% bonus issue for the year 2017	73,829,864	10	812,128,506	738,298,640	8,121,285,060
2021	10% bonus issue for the year 2018	81,212,850	10	893,341,356	812,128,500	8,933,413,560
2022	5% Bonus & 5% cash issue for the year 2019	44,667,067	10	938,008,423	446,670,670	9,380,084,230
2023	5% Bonus & 5% cash issue for the year 2020	46,900,421	10	984,908,844	469,004,210	9,849,088,440
2024	5% Bonus & 5% cash issue for the year 2021	49,245,442	10	1,034,154,286	492,454,420	10,341,542,860
2025		51,707,714	10	1,085,862,000	517,077,140	10,858,620,000



Annexure-F

Social Islami Bank PLC
Statement of Corporate Income Tax status
as at 31 December 2023

(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	1,406,021,482	2,398,512,772	Pending at High Court Division of Supreme Court
2020	2020-2021	1,482,531,120	1,600,728,203	1,596,531,337	Completed
2021	2021-2022	1,179,106,673	1,234,333,583	1,234,333,583	Completed
2022	2022-2023	1,460,004,839	1,459,726,246	-	Return Submitted
2023	2023-2024	1,395,707,758	825,750,188	-	Return not yet Submitted



Social Islami Bank PLC
Calculation of Deferred Tax Liability
For the year ended 31.12.2023

Assets:

Assets Description	Tax Base	Accounting Base	Difference	Tax Rate	D. Tax Liability / (Assets)
Building	436,424,717	900,374,423	463,949,706	37.50%	173,981,140
Furniture & Fixture	909,517,278	1,135,008,015	225,490,736	37.50%	84,559,026
Office Equipment	1,147,288,248	869,821,805	(277,466,443)	37.50%	(104,049,916)
Software Local	3,403,707	73,663,006	70,259,300	37.50%	26,347,237
Software Foreign	134,652,573	138,414,959	3,762,386	37.50%	1,410,895
Books	577,558	551,916	(25,642)	37.50%	(9,616)
Motor Vehicles	11,100,774	2,857,577	(8,243,197)	37.50%	(3,091,199)
Sub-total	2,642,964,855	3,120,691,701	477,726,846		179,147,567

DTL on revaluation surplus

Land	-	10,218,377		4.00%	408,735
Building	-	832,441,937		37.50%	312,165,726
Sub-total					312,165,726

DTL on lease liability

Right use of asset		367,456,519			
Less: lease liability		339,401,866			
Sub-total		28,054,653		37.50%	10,520,495

501,833,788**Total deferred tax liability****Liability:**

Gratuity Provision	-		(68,806,530)	37.50%	(25,802,449)
Sub-total	-	-	(68,806,530)		(25,802,449)

Grand Total of deferred Tax Liability as on 31.12.2023**476,031,340**

Deferred tax (asset)/liability as on 01.01.2023	471,979,987
Deferred tax (asset)/liability as on 31.12.2023	476,031,340
Deferred Tax Expense/(Income) during this year	4,051,353



SOCIAL ISLAMI BANK PLC
OFF-SHORE BANKING UNIT (OBU)
BALANCE SHEET
AS AT 31 DECEMBER 2023

	Note(s)	31.12.2023		31.12.2022	
		USD	Taka	USD	Taka
PROPERTY AND ASSETS					
Cash					
Cash in hand (Including Foreign Currencies)		-	-	-	-
Balance with Bangladesh Bank & its Agent Banks (Including Foreign Currencies)		-	-	-	-
Balance with other Banks and Financial Institutions	3				
In Bangladesh		-	-	-	-
Outside Bangladesh		7,328,956	806,185,115	1,049,358	108,395,520
		<u>7,328,956</u>	<u>806,185,115</u>	<u>1,049,358</u>	<u>108,395,520</u>
Placement with Banks & other Financial Institutions		-	-	-	-
Investments in Shares & Securities					
Government		-	-	-	-
Others		-	-	-	-
		-	-	-	-
Investments					
General Investment etc.	4	182,039,216	20,024,313,791	140,580,474	14,521,541,191
Bills Purchased and Discounted		-	-	-	-
		<u>182,039,216</u>	<u>20,024,313,791</u>	<u>140,580,474</u>	<u>14,521,541,191</u>
Fixed Assets including Premises, Furnitures and Fixtures	5	88	9,666	117	12,082
Other Assets	6	-	-	2,913,080	300,912,435
Non Banking Assets					
Total Assets		<u>189,368,260</u>	<u>20,830,508,571</u>	<u>144,543,029</u>	<u>14,930,861,227</u>
LIABILITIES AND CAPITAL					
Liabilities					
Borrowing from Banks & other Financial Institutions	7	182,831,737	20,111,491,082	83,872,088	8,663,735,120
Deposits and Other Accounts	8	133,060	14,636,600	57,723,535	5,962,667,975
Mudaraba Savings Deposits		-	-	-	-
Mudaraba Term Deposits	8.1	-	-	50,000,000	5,164,850,000
Other Mudaraba Deposits		-	-	-	-
Al-Wadecah Current & Other Deposit Accounts	8.2	133,060	14,636,600	7,723,535	797,817,975
Bills Payable		-	-	-	-
Other Liabilities		6,403,463	704,380,889	2,947,405	304,458,133
Deffered Tax Liabilities/ (Assets)					
Total Liabilities		<u>189,368,260</u>	<u>20,830,508,571</u>	<u>144,543,029</u>	<u>14,930,861,227</u>
Capital/Shareholders' Equity					
Paid-up Capital		-	-	-	-
Statutory Reserve		-	-	-	-
Foreign currency translation gain/(Loss)		-	-	-	-
Retained Earnings		-	-	-	-
Total Shareholders' Equity		-	-	-	-
Total Liabilities & Shareholders' Equity		<u>189,368,260</u>	<u>20,830,508,571</u>	<u>144,543,029</u>	<u>14,930,861,227</u>



Off-Balance Sheet Items
CONTINGENT LIABILITIES

	31.12.2023		31.12.2022	
	USD	Taka	USD	Taka
Acceptances and Endorsements	-	-	-	-
Irrevocable Letters of Credit (including Back to Back Bills)	-	-	-	-
Letters of Guarantee	-	-	-	-
Bills for Collection	-	-	-	-
Other Contingent Liabilities	-	-	-	-
Total	-	-	-	-

OTHER COMMITMENTS

Documentary credits and short term trade related transactions
 Forward assets purchased and forward deposits placed
 Undrawn note issuance and revolving underwriting
 Undrawn formal standby facilities, credit lines and other commitments

-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-

Total

Total Off Balance Sheet Items including Contingent Liabilities

-	-	-	-
-	-	-	-



SOCIAL ISLAMI BANK PLC
OFF-SHORE BANKING UNIT (OBU)
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2023

	31.12.2023		31.12.2022	
	<u>USD</u>	<u>Taka</u>	<u>USD</u>	<u>Taka</u>
Investment Income	14,473,011	1,592,031,241	5,657,748	584,428,421
Less: Profit paid on Deposits	(8,071,087)	(887,819,568)	(2,718,215)	(280,783,429)
Net Investment Income	6,401,924	704,211,673	2,939,533	303,644,992
Commission, Exchange and Brokerage	-	-	-	-
Other Operating Income	1,450	159,551	7,755	801,059
Total Operating Income	6,403,375	704,371,224	2,947,288	304,446,050
Salary & allowances	52,870	5,815,676	45,020	4,650,430
Rent & Utilities	-	-	-	-
Depreciation on fixed assets	22	2,416	29	3,020
Others	-	-	-	-
Total Operating Expenses	52,892	5,818,092	45,049	4,653,450
Profit/(Loss) before Provision	-	-	-	-
Specific provisions for Investment	-	-	-	-
General Provisions for Investment	-	-	-	-
General Provisions for off-Balance Sheet exposure	-	-	-	-
Total Provision	-	-	-	-
Total Profit/(Loss) before Tax	6,350,483	698,553,131	2,902,239	299,792,600
Provision for Income Tax	-	-	-	-
Net Profit/(Loss) after Tax	6,350,483	698,553,131	2,902,239	299,792,600



SOCIAL ISLAMI BANK PLC
OFF-SHORE BANKING UNIT (OBU)
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2023

	31.12.2023		31.12.2022
	USD	Taka	Taka
Cash Flow from operating activities			
Investment Income receipt	14,473,011	1,592,031,241	584,428,421
Profit paid on deposits	(8,071,087)	(887,819,568)	(280,783,429)
Dividend receipts	-	-	-
Fees & commission receipt	-	-	-
Cash payments to employees	(52,870)	(5,815,676)	(4,650,430)
Cash payments to suppliers	-	-	-
Income tax paid	-	-	-
Receipts from other operating activities	1,450	159,551	801,059
Payments for other operating activities	-	-	-
Operating profit before changes in operating assets and liabilities	6,350,505	698,555,548	299,795,621
Changes in operating assets and liabilities			
Statutory deposits	-	-	-
Net trading securities	-	-	-
Investments to other banks	-	-	-
Investment to customers	(41,458,743)	(5,502,772,600)	(9,450,487,101)
Other assets	2,913,080	300,912,435	(257,217,736)
Borrowing from Banks & other Financial Institutions	98,959,649	11,447,755,963	8,112,012,514
Deposits received from customers	(57,590,475)	(5,948,031,375)	1,340,900,860
Other liabilities on account of customers	-	-	-
Trading liabilities	-	-	-
Other liabilities	(2,894,426)	(298,632,791)	(113,773,155)
Sub Total	(70,914)	(768,369)	(368,564,618)
A. Net Cash flow from operating activities	6,279,591	697,787,179	(68,768,997)
Cash flows from investing activities			
Proceeds from sale of securities	-	-	-
Payment for purchases of securities	-	-	-
Proceeds from sale of fixed assets	-	-	-
Purchases of property, plant & equipment's	22	2,416	3,020
Purchase/Sale of subsidiaries	-	-	-
B. Net Cash flows from investing activities	22	2,416	3,020
Cash flows from financing activities			
Receipts from issue of debt instruments	-	-	-
Payments for redemption of debt instruments	-	-	-
Receipts from issue of right shares/ordinary share	-	-	-
Dividend paid in cash	-	-	-
C. Net Cash flow from financing activities	-	-	-
D. Net increase/(decrease) in cash & cash equivalents (A+B+C)	6,279,613	697,789,595	(68,765,977)
E. Cash and cash equivalents at the beginning of the year	1,049,358	108,395,520	177,161,497
F. Cash and cash equivalents at the end of the year (D+E)	7,328,956	806,185,115	108,395,520



Social Islami Bank PLC
Off-shore Banking Unit (OBU)
Notes to the Financial Statements
For the year ended 31 December 2023

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, 2023.

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

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

No Mudaraba Term Deposits procured from local and foreign banks during the year 2023.

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 110.00 closing rate as at 31st December 2023.

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 PLC
HIGHLIGHTS OF PERFORMANCE (Only Bank-Solo basis)

(Amount in Taka)

SL no.	Particulars	31.12.2023	31.12.2022
1	Paid up Capital	10,858,620,000	10,341,542,860
2	Total Capital (Core + Supplementary)	38,744,629,113	33,986,120,360
3	Capital Surplus/(Deficit)	8,152,333,398	5,400,736,733
4	Capital to Risk-weighted Asset Ratio (CRAR)	12.66%	11.89%
5	Total Assets	476,051,862,172	439,968,684,936
6	Total Deposit	357,388,847,131	340,950,314,928
7	General Investment	360,816,978,271	342,944,157,503
8	Total Contingent Liabilities and Commitments	76,857,695,115	77,759,960,851
9	Investment-Deposit (ID) Ratio (%)	91.14%	93.70%
10	Percentage of classified investment against total investments	4.79%	4.80%
11	Profit before Tax and Provision	4,794,497,507	4,735,023,246
12	Profit after Tax and Provision	2,564,130,096	2,429,782,845
13	Amount of classified investment	17,288,596,566	16,476,564,521
14	Provisions kept against classified investment	7,926,217,063	7,638,552,062
15	Provisions surplus	-	-
16	Cost of Deposits	4.82%	4.72%
17	Profit Earning Assets	383,334,870,515	379,181,360,493
18	Non-Profit Earning Assets	73,584,222,064	60,787,324,443
19	Return on Investment in Securities	5.85%	5.95%
20	Return (after tax) on average Assets (ROA)	0.56%	0.57%
21	Return (after tax) on equity (ROE)	11.89%	12.15%
22	Income from Investment in Securities	1,481,632,839	1,407,929,007
23	Earning Per Share (EPS) (Prior year restated)	1.98	1.88
24	Consolidated Earning Per Share (CEPS) (Prior year restated)	1.96	1.90
25	Net Income Per Share	1.98	1.88
26	Price Earning Ratio (Times)	5.90	6.25



TO WHOME IT MAY CONCERN

April 25, 2024

This is to certify that based on the Audited Financial Statements of the Bank along with the books of Accounts, related and relevant record and documents maintained by it, the paid up capital of the Bank as on 31.12.2023 was Tk. 10,858,620,000/- divided into 108,5862,000 ordinary shares of Tk. 10 each. The details of the paid up capital are given below:

Years	Declaration	No. of Share	Face Value per Share (Tk.)	Cumulative no. of Shares	Value of issued Capital year (Tk.)	Cumulative value of Capital (Tk.)
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	Rights 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	17% 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	12% Cash dividend for the year 2014	-	10	703,141,564	-	7,031,415,640
2016	15% Cash dividend for the year 2015	-	10	703,141,564	-	7,031,415,640
	5% Bonus Issue for the year 2015	351,570,78	10	351,570,78	351,570,782	7,382,986,420
2017	20% Cash Dividend for the year 2016	-	10	-	-	7,382,986,420
2018	10% Bonus Share for the year 2017	73,829,864	10	812,128,506	738,298,640	8,121,285,060
2019	10% Bonus Share for the year 2018	81,212,850	10	893,341,356	812,128,500	8,933,43,560
2020	5% Cash 5% Bonus Share for 2019	44,667,067	10	938,008,423	446,670,670	9,380,084,230
2021	5% Cash 5% Bonus Share for 2020	46,900,421	10	984,908,844	469,004,210	9,849,088,440
2022	5% Cash 5% Bonus Share for 2021	49,245,442	10	1,034,154,286	492,454,420	10,341,542,860
2023	5% Cash 5% Bonus Share for 2022	51,707,714	10	1,085,862,000	517,077,140	10,858,620,000

Mohammad Shoeb, FCA
EVP & Chief Financial Officer

Zafar Alam
Managing Director & CEO