

**Auditor's Report and
Consolidated Financial Statements
of
Social Islami Bank Limited (SIBL)
for the year ended 31 December 2018**

SOCIAL ISLAMI BANK LIMITED
CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2018

<u>Particulars</u>	<u>Note(s)</u>	31.12.2018 Taka	31.12.2017 Taka
PROPERTY AND ASSETS			
Cash in Hand			
Cash in hand (Including Foreign Currencies)	3(a)	2,344,325,541	2,369,319,898
Balance with Bangladesh Bank & its Agent Banks (Including Foreign Currencies)	3.1	23,735,810,359	21,457,534,554
		26,080,135,900	23,826,854,451
Balance with other Banks and Financial Institutions			
In Bangladesh	4(a)	1,159,076,554	532,102,415
Outside Bangladesh	4.2	323,695,854	366,064,370
		1,482,772,408	898,166,785
Placement with Banks & other Financial Institutions	5	5,911,619,899	10,736,619,899
Investments in Shares & Securities			
Government	6(a)	9,200,000,000	9,100,000,000
Others		2,406,552,439	2,502,525,517
		11,606,552,439	11,602,525,517
Investments			
General Investment etc.	7 (a)	229,634,994,597	201,932,884,191
Bills Purchased and Discounted		8,219,176,356	7,362,624,894
		237,854,170,953	209,295,509,085
Fixed Assets including Premises	8(a)	3,572,253,103	3,491,020,793
Other Assets	9(a)	20,895,350,611	16,439,780,117
Non Banking Assets		-	-
Total Assets		307,402,855,311	276,290,476,647
LIABILITIES AND CAPITAL			
Liabilities			
Placement from Banks & other Financial Institutions	10	8,000,000,000	5,000,000,000
Deposits and Other Accounts			
Mudaraba Savings Deposits		19,621,561,549	16,876,607,874
Mudaraba Term Deposits		156,095,697,702	138,266,642,919
Other Mudaraba Deposits		43,569,089,182	42,123,348,876
Al-Wadeeah Current & Other Deposit Accounts	11.2(a)	23,962,556,672	25,629,690,923
Bills Payable	11.3	4,384,822,493	5,233,509,848
Cash Waqf Fund		317,048,976	277,925,332
		247,950,776,574	228,407,725,773
SIBL Mudaraba Subordinated Bond	12	10,800,000,000	6,400,000,000
Other Liabilities	13(a)	24,789,270,399	22,260,690,365
Deferred Tax Liabilities/ (Assets)	14 (a)	75,437,019	38,392,503
Total Liabilities		291,615,483,993	262,106,808,640
Capital/Shareholders' Equity			
Paid-up Capital	15.2	8,121,285,060	7,382,986,420
Statutory Reserve	16	5,795,455,397	5,025,796,447
General reserve	16(a)	10,764,250	8,570,541
Revaluation reserve on Fixed Assets	17	954,998,771	979,221,345
Retained Earnings	18(a)	904,866,027	787,091,456
Total Shareholders' Equity of Parent Company, SIBL		15,787,369,506	14,183,666,209
Non controlling Interest	18(b)	1,812	1,797
Total Shareholders' Equity of Parent Company, SIBL with Non controlling Interest		15,787,371,318	14,183,668,006
Total Liabilities & Shareholders' Equity of the Group		307,402,855,311	276,290,476,647



<u>Particulars</u>	<u>Note(s)</u>	<u>31.12.2018</u> <u>Taka</u>	<u>31.12.2017</u> <u>Taka</u>
CONTINGENT LIABILITIES			
Acceptances and Endorsements	19.1	20,129,420,463	28,726,126,414
Irrevocable Letters of Credit (including Back to Back Bills)	19.2	15,834,150,200	20,910,040,289
Letters of Guarantee	19.3	10,532,813,165	14,094,167,946
Bills for Collection	19.4	4,189,581,976	4,239,277,561
Other Contingent Liabilities	19.5	-	-
Total		50,685,965,804	67,969,612,210
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		50,685,965,804	67,969,612,210
 Net Asset Value per share (NAV/share)		19.44	17.46

Annexed notes (1 to 49) form an integral part of these financial statements


Chairman

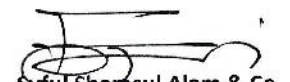

Director


Director


Managing Director & CEO

Signed as per our report of same date

Dhaka, Bangladesh
Date:


Syful Shamsul Alam & Co.
Chartered Accountants

SOCIAL ISLAMI BANK LIMITED
CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2018

<u>Particulars</u>	<u>Note(s)</u>	31.12.2018	31.12.2017
		<u>Taka</u>	<u>Taka</u>
Investment Income	20(a)	25,073,045,000	18,608,909,537
Profit paid on Deposits	21(a)	16,137,704,994	10,624,952,149
Net Investment Income		8,935,340,006	7,983,957,388
Income from Investment in Shares/securities	22(a)	477,908,519	379,028,131
Commission, Exchange and Brokerage	23(a)	1,687,365,606	2,016,766,460
Other Operating Income	24(a)	597,139,413	604,729,535
		2,762,413,539	3,000,524,127
Total Operating Income		11,697,753,545	10,984,481,515
Salaries and Allowances	25(a)	3,167,969,465	2,916,733,521
Rent, Taxes, Insurances, Electricity etc.	26(a)	530,631,708	468,880,311
Legal Expenses	27	10,586,493	15,502,135
Postage, Stamps, Telecommunication etc.	28(a)	10,088,853	11,551,800
Stationery, Printings, Advertisements etc.	29(a)	132,965,876	129,645,475
Managing Director's Salary and Allowances	30	11,920,000	10,849,355
Directors' Fees & Expenses	31(a)	4,872,901	11,120,844
Shariah Supervisory Committee's Fees & Expenses	32	245,903	711,064
Auditors' Fees		621,000	621,000
Charges on Investment Losses		-	-
Depreciation & Repair of Bank's Assets	33(a)	323,083,166	300,094,580
Zakat Expenses		129,665,548	111,424,295
Other Expenses	34(a)	1,147,959,281	780,491,293
Total Operating Expenses		5,470,610,193	4,757,625,673
Profit/(Loss) before Provision		6,227,143,351	6,226,855,842
Provision for Investments		2,261,500,825	2,569,199,969
Other Provisions	35(a)	82,035,292	95,854,352
Total Provision	36(a)	2,343,536,116	2,665,054,321
Total Profit/(Loss) before Income Taxes		3,883,607,235	3,561,801,520
Provision for Taxation	37(a)	2,282,097,630	2,097,282,797
Net Profit/(Loss) after Taxation		1,601,509,604	1,464,518,723
Appropriations			
Statutory Reserve		769,658,950	707,025,310
Retained surplus		831,850,655	757,493,413
Attributable to:			
Equity holders' of the Bank		831,850,640	757,493,325
Non controlling Interest		15	87
		831,850,655	757,493,413
Earning Per Share (EPS) (Prior year restated)	38(a)	1.97	1.80

Annexed notes (1 to 49) form an integral part of these financial statements


Chairman

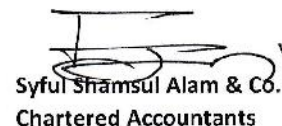

Director


Director


Managing Director & CEO

Signed as per our report of same date

Dhaka, Bangladesh
Date:


Syful Shamsul Alam & Co.
Chartered Accountants

SOCIAL ISLAMI BANK LIMITED
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2018

Particulars	Note(s)	31.12.2018 Taka	31.12.2017 Taka
Cash Flow from operating activities			
Investment Income receipt	39(a)	24,945,765,635	18,505,811,786
Profit paid on deposits		(14,559,686,156)	(9,159,242,171)
Dividend receipts		477,908,519	379,028,131
Fees & commission receipt		766,440,458	993,792,501
Cash payments to employees		(3,179,889,465)	(2,927,582,876)
Cash payments to suppliers		(143,054,728)	(141,197,275)
Income tax paid		(1,285,952,527)	(1,432,091,325)
Receipts from other operating activities	40(a)	1,518,064,561	1,627,703,494
Payments for other operating activities	41(a)	(1,861,615,882)	(1,424,746,664)
Operating profit before changes in operating assets and liabilities		6,677,980,414	6,421,475,602
Increase/Decrease in operating assets and liabilities			
Statutory deposits		-	-
Net trading securities		(4,026,922)	(771,943,598)
Investments to other banks		-	-
Investment to customers		(28,558,661,868)	(35,519,375,711)
Other assets	42(a)	(3,042,338,602)	(1,375,297,990)
Deposits from other banks		(1,687,502,441)	13,953,833,871
Deposits received from customers		19,652,534,404	22,694,848,619
Other liabilities on account of customers		-	-
Trading liabilities		-	-
Other liabilities	43(a)	(2,057,815,487)	210,522,856
Sub Total		(15,697,810,915)	(807,411,953)
A. Net Cash flow from operating activities		(9,019,830,501)	5,614,063,649
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		(367,282,428)	(486,792,982)
Purchase/Sale of subsidiaries		-	-
B. Net Cash flows from investing activities		(367,282,428)	(486,792,982)
Cash flows from financing activities			
Receipts from issue of debt instruments		3,000,000,000	2,000,000,000
SIBL Mudaraba Subordinated Bond		4,400,000,000	3,400,000,000
Receipts from issue of right shares/ordinary share		-	-
Dividend paid in cash		-	(1,476,597,364)
C. Net Cash flow from financing activities		7,400,000,000	3,923,402,636
D. Net increase/(decrease) in cash & cash equivalents (A+B+C)		(1,987,112,929)	9,050,673,303
E. Cash and cash equivalents at the beginning of the year		35,461,641,135	26,410,967,833
F. Cash and cash equivalents at the end of the year (D+E)	44(a)	33,474,528,207	35,461,641,135
Consolidated Net Operating Cash Flow Per Share (NOCFPS)		(11.11)	6.91

Annexed notes (1 to 49) form an integral part of these financial statements


Chairman


Director


Director


Managing Director & CEO

Dhaka, Bangladesh

Date:



SOCIAL ISLAMIC BANK LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2018

(Amount in Taka)

Particulars	1	2	3	4	5	6	7	8	9=(2 to 8)
Balance as at 01 January 2018		7,382,986,420	-	5,025,796,447	8,570,541	979,221,345	787,091,456	1,797	14,183,668,006
Changes in Accounting Policy		-	-	-	-	-	-	-	-
Restated Balance		-	-	-	-	-	-	-	-
Surplus / (Deficit) on account of Revaluation of Properties		-	-	-	-	-	-	-	-
Surplus / (Deficit) on account of Revaluation of Investment		-	-	-	-	-	-	-	-
Currency translation difference		-	-	-	-	-	-	-	-
Net gain and losses not recognized in the Income Statement		-	-	-	-	-	-	-	-
Net profit for the year		-	-	-	-	-	1,601,509,590	-	1,601,509,590
Appropriation made during the year		-	-	769,658,950	2,193,709	-	(769,658,950)	-	2,193,709
Dividend:									
Cash Dividend									
Bonus shares		738,298,640	-	-	-	-	(738,298,640)	-	-
Transferred to retained earnings		-	-	-	-	(24,222,574)	24,222,574	-	-
Non-controlling Interest		-	-	-	-	-	-	15	15
Total group shareholders' equity as on 31 December 2018		8,121,285,060	-	5,795,455,397	10,764,250	954,998,771	904,866,028	1,812	15,787,371,318
Eligible Capital Under Basel III:		8,121,285,060	-	5,795,455,397	10,764,250	105,567,973	904,866,028	1,812	14,937,938,708
Add: General provision for unclassified investment		-	-	-	-	-	-	-	2,291,063,372
Add: SIBL Mudaraba Subordinated Bond		-	-	-	-	-	-	-	8,920,000,000
Total eligible capital as on 31 December 2018									26,149,002,080

Annexed notes (1 to 49) form an integral part of these financial statements


Chairman


Director


Director


Managing Director & CEO



Dhaka, Bangladesh
Date:

SOCIAL ISLAMI BANK LIMITED
BALANCE SHEET
AS AT 31 DECEMBER 2018

<u>Particulars</u>	<u>Note(s)</u>	<u>31.12.2018</u> <u>Taka</u>	<u>31.12.2017</u> <u>Taka</u>
PROPERTY AND ASSETS			
Cash in Hand			
Cash in hand (Including Foreign Currencies)	3	2,344,258,315	2,369,126,018
Balance with Bangladesh Bank & its Agent Banks (Including Foreign Currencies)	3.1	23,735,810,359	21,457,534,554
		26,080,068,674	23,826,660,571
Balance with other Banks and Financial Institutions			
In Bangladesh	4	1,159,022,085	531,828,698
Outside Bangladesh		323,695,854	366,064,370
		1,482,717,939	897,893,068
Placement with Banks & other Financial Institutions	5	5,911,619,899	10,736,619,899
Investments in Shares & Securities			
Government	6	9,200,000,000	9,100,000,000
Others		3,886,550,839	3,982,523,917
		13,086,550,839	13,082,523,917
Investments			
General Investments etc.	7	230,434,994,597	202,682,884,191
Bills Purchased and Discounted		8,219,176,356	7,362,624,894
		238,654,170,953	210,045,509,085
Fixed Assets including Premises	8	3,563,534,717	3,480,818,155
Other Assets	9	18,526,658,424	14,278,930,250
Non Banking Assets		-	-
Total Assets		307,305,321,444	276,348,954,946
LIABILITIES AND CAPITAL			
Liabilities			
Placement from Banks & other Financial Institutions	10	8,000,000,000	5,000,000,000
Deposits and Other Accounts			
Mudaraba Savings Deposits	11	19,621,561,549	16,876,607,874
Mudaraba Term Deposits		156,095,697,702	138,266,642,919
Other Mudaraba Deposits		43,569,089,182	42,123,348,876
Al-Wadeeah Current & Other Deposit Accounts	11.2	24,336,269,747	26,020,865,331
Bills Payable	11.3	4,384,822,493	5,233,509,848
Cash Waqf Fund		317,048,976	277,925,332
		248,324,489,649	228,798,900,180
SIBL Mudaraba Subordinated Bond	12	10,800,000,000	6,400,000,000
Other Liabilities	13	24,356,621,156	21,946,394,909
Deferred Tax Liabilities/ (Assets)	14	74,330,843	37,210,816
Total Liabilities		291,555,441,649	262,182,505,906
Capital/Shareholders' Equity			
Paid-up Capital	15.2	8,121,285,060	7,382,986,420
Statutory Reserve	16	5,795,455,397	5,025,796,447
Revaluation reserve on Fixed Assets	17	954,998,771	979,221,345
Retained Earnings	18	878,140,568	778,444,828
Total Shareholders' Equity		15,749,879,796	14,166,449,040
Total Liabilities & Shareholders' Equity		307,305,321,444	276,348,954,946



<u>Particulars</u>	<u>Note(s)</u>	<u>31.12.2018</u> <u>Taka</u>	<u>31.12.2017</u> <u>Taka</u>
CONTINGENT LIABILITIES			
Acceptances and Endorsements	19.1	20,129,420,463	28,726,126,414
Irrevocable Letters of Credit (including Back to Back Bills)	19.2	15,834,150,200	20,910,040,289
Letters of Guarantee	19.3	10,532,813,165	14,094,167,946
Bills for Collection	19.4	4,189,581,976	4,239,277,561
Other Contingent Liabilities	19.5	-	-
Total		50,685,965,804	67,969,612,210
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		50,685,965,804	67,969,612,210

Net Asset Value per share (NAV/share)

19.39

17.44

Annexed notes (1 to 49) form an integral part of these financial statements


Chairman

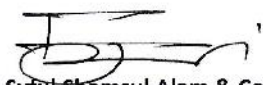

Director


Director


Managing Director & CEO

Signed as per our report of same date

Dhaka, Bangladesh
Date:


Syful Shamsul Alam & Co.
Chartered Accountants

SOCIAL ISLAMI BANK LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2018

<u>Particulars</u>	<u>Note(s)</u>	<u>31.12.2018</u> <u>Taka</u>	<u>31.12.2017</u> <u>Taka</u>
Investment Income	20	24,955,867,159	18,497,613,423
Profit paid on Deposits	21	16,063,978,530	10,561,959,067
Net Investment Income		8,891,888,629	7,935,654,356
Income from Investment in Shares and Securities	22	462,796,394	443,104,547
Commission, Exchange and Brokerage	23	1,600,655,718	1,871,303,027
Other Operating Income	24	596,194,180	602,379,425
		2,659,646,292	2,916,786,999
Total Operating Income		11,551,534,921	10,852,441,355
Operating Expenses			
Salaries and Allowances	25	3,133,934,129	2,888,745,407
Rent, Taxes, Insurances, Electricity etc.	26	524,589,668	463,165,082
Legal Expenses	27	10,586,493	15,502,135
Postage, Stamps, Telecommunication etc.	28	8,472,436	9,726,431
Stationery, Printings, Advertisements etc.	29	132,578,322	129,147,384
Managing Director's Salary and Allowances	30	11,920,000	10,849,355
Directors' Fees & Expenses	31	4,539,401	10,465,344
Shariah Supervisory Committee's Fees & Expenses	32	245,903	711,064
Auditors' Fees		575,000	575,000
Charges on Investment Losses		-	-
Depreciation & Repair to Bank's Assets	33	320,667,613	297,722,218
Zakat Expenses		129,665,548	111,424,295
Other Expenses	34	1,130,642,835	748,196,121
Total Operating Expenses		5,408,417,348	4,686,229,835
Profit/(Loss) before Provision		6,143,117,574	6,166,211,520
Provision for Investments		2,261,500,825	2,569,199,969
Other Provisions	35	33,322,000	61,885,000
Total Provision	36	2,294,822,825	2,631,084,969
Total Profit/(Loss) before Income Taxes		3,848,294,749	3,535,126,551
Provision for Taxation	37	2,264,863,993	2,079,876,855
Net Profit/(Loss) after Taxation		1,583,430,756	1,455,249,695
Appropriations:			
Statutory Reserve		769,658,950	707,025,310
Retained surplus		813,771,806	748,224,385
		1,583,430,756	1,455,249,695
Earning Per Share (EPS) (Prior year restated)		1.95	1.79

Annexed notes (1 to 49) form an integral part of these financial statements


Chairman

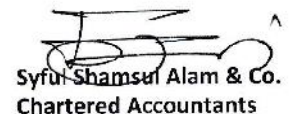

Director


Director


Managing Director & CEO

Signed as per our report of same date

Dhaka, Bangladesh
Date:


Syful Shamsul Alam & Co.
Chartered Accountants

SOCIAL ISLAMI BANK LIMITED
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2018

<u>Particulars</u>	<u>Note(s)</u>	<u>31.12.2018</u> <u>Taka</u>	<u>31.12.2017</u> <u>Taka</u>
Cash Flow from operating activities			
Investment Income receipt	39	24,828,587,795	18,394,515,672
Profit paid on deposits		(14,485,959,692)	(9,096,249,089)
Dividend receipts		462,796,394	443,104,547
Fees & commission receipt		679,730,570	848,329,068
Cash payments to employees		(3,145,854,129)	(2,899,594,762)
Cash payments to suppliers		(141,050,757)	(138,873,815)
Income tax paid		(1,268,621,662)	(1,407,386,534)
Receipts from other operating activities	40	1,517,119,328	1,625,353,384
Payments for other operating activities	41	(1,837,038,555)	(1,385,374,138)
Operating profit before changes in operating assets and liabilities		6,609,709,291	6,383,824,334
Increase/Decrease in operating assets and liabilities			
Statutory deposits		-	-
Net trading securities		(4,026,921)	(771,943,598)
Investments to other banks		-	-
Investment to customers		(28,608,661,868)	(35,849,375,711)
Other assets	42	(2,851,827,148)	(1,071,742,352)
Deposits from other banks		(1,687,502,441)	13,953,833,871
Deposits received from customers		19,635,073,071	22,814,840,998
Other liabilities on account of customers		-	-
Trading liabilities		-	-
Other liabilities	43	(2,112,340,545)	320,777,289
Sub Total		(15,629,285,851)	(603,609,502)
A. Net Cash flow from operating activities		(9,019,576,559)	5,780,214,832
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		(367,190,468)	(485,684,274)
Purchase/Sale of subsidiaries		-	-
B. Net Cash flows from investing activities		(367,190,468)	(485,684,274)
Cash flows from financing activities			
Receipts from issue of debt instruments		3,000,000,000	2,000,000,000
SIBL Mudaraba Subordinated Bond		4,400,000,000	3,400,000,000
Receipts from issue of right shares/ordinary share		-	-
Dividend paid in cash		-	(1,176,597,284)
C. Net Cash flow from financing activities		7,400,000,000	3,923,402,716
D. Net increase/(decrease) in cash & cash equivalents (A+B+C)		(1,986,767,027)	9,217,933,274
E. Cash and cash equivalents at the beginning of the year		35,461,173,538	26,243,240,264
F. Cash and cash equivalents at the end of the year (D+E)	44	33,474,406,512	35,461,173,538
Net Operating Cash Flow Per Share (NOCFPS)		(11.11)	7.12

Annexed notes (1 to 49) form an integral part of these financial statements


Chairman


Director


Director


Managing Director & CEO



Dhaka, Bangladesh
Date:

SOCIAL ISLAMI BANK LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2018

(Amount in Taka)

Particulars								Total
	1	2	3	4	5	6	7	
Balance as at 01 January 2018		7,382,986,420	-	5,025,796,447	-	979,221,345	778,444,828	8-(2+3+4+5+6+7) 14,166,449,040
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		-	-	769,658,950	-	-	1,583,430,756	1,583,430,756
Appropriation made during the year		-	-	-	-	-	(769,658,950)	-
Dividend:		-	-	-	-	-	-	-
Cash dividend		-	-	-	-	-	-	-
Bonus Shares		738,298,640	-	-	-	-	(738,298,640)	-
Transferred to retained earnings		-	-	-	-	(24,222,574)	24,222,574	-
Total shareholders' equity as on 31 December 2018		8,121,285,060	-	5,795,455,397	-	954,998,773	878,140,568	15,749,879,796
Eligible Capital Under Basel III:		8,121,285,060	-	5,795,455,397	-	105,567,973	878,140,568	14,900,448,997
Add: General provision for unclassified investment		-	-	-	-	-	-	2,291,063,372
Add: SIBL Mudaraba Subordinated Bond		-	-	-	-	-	-	8,920,000,000
Total eligible capital as on 31 December 2018		-	-	-	-	-	-	26,111,512,369

Annexed notes (1 to 49) form an integral part of these financial statements


Chairman


Director


Director


Managing Director & CEO

Dhaka, Bangladesh
Date:



SOCIAL ISLAMI BANK LIMITED
LIQUIDITY STATEMENT
ASSETS AND LIABILITIES ANALYSIS
AS AT 31 DECEMBER 2018

Particulars	(amount in Taka)						Total Current Year 7(2+3+4+5+6)	Total Previous Year 8
	1	2	3	4	5	6		
Assets								
Cash in hand		14,220,135,674	-	-	-	11,859,933,000	26,080,068,674	23,826,660,571
Balance with other Banks and Financial Institutions		914,011,805	568,706,134	-	-	-	1,482,717,939	897,893,068
Placement with Banks & other Financial Institutions		3,120,000,000	1,750,000,000	1,041,619,899	-	-	5,911,619,899	10,736,619,899
Investment (in Shares & Securities)		4,144,037,331	3,050,000,000	2,600,000,000	-	2,009,998,400	13,086,550,839	13,082,523,917
Investments		29,139,622,930	48,896,931,116	109,233,682,907	1,282,515,107	5,709,328,000	238,654,170,953	210,045,509,085
Fixed Assets including premises, furniture & fixtures etc.		-	-	-	45,674,626,000	1,781,767,358	3,563,534,717	3,480,818,155
Other Assets		-	-	-	1,781,767,358	1,781,767,358	3,563,534,717	3,480,818,155
Non-Banking Assets		-	-	-	9,263,329,212	9,263,329,212	18,526,658,424	14,278,930,250
Total Assets		51,537,807,740	54,265,637,251	112,875,282,806	58,002,237,678	30,624,355,970	307,305,321,445	276,348,954,945
Liabilities								
Placement from Banks & other financial institutions		3,000,000,000	2,000,000,000	3,000,000,000	-	-	8,000,000,000	5,000,000,000
Deposits and other accounts		47,297,551,026	50,939,023,364	107,578,437,224	27,833,137,109	14,676,340,925	248,324,489,649	228,798,900,180
Provision and other liabilities		-	-	-	24,141,917,232	11,014,703,924	35,156,621,156	28,346,394,909
Deferred tax liability		-	-	-	74,330,843	-	74,330,843	37,210,816
Total Liabilities		50,297,551,026	52,939,023,364	110,578,437,224	52,049,385,184	25,691,044,849	291,555,441,648	262,182,505,905
Net Liquidity Gap		1,240,256,713	1,326,613,886	2,296,845,582	5,952,852,493	4,933,311,121	15,749,879,796	14,166,449,040


Chairman


Director


Director


Managing Director & CEO

Dhaka, Bangladesh
Date:



SOCIAL ISLAMI BANK LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2018

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 banks in the country and its modus- operandi are substantially different from other conventional Banks. The Bank within the stipulations laid down by Bank Companies Act, 1991 (as amended in 2013) and directives as received from time to time from Bangladesh Bank, provides all types of commercial Banking services. Besides as a matter of policy the Bank conducts its business on the principles of Mudaraba, Musharaka, Murabaha, Bai-Muazzal & 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 fifty five (155) 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 Enlistment with the Stock Exchanges

The bank subscribed for IPO (Initial Public Offer) in the year 2000 and initially listed with Dhaka Stock Exchange (DSE) Ltd. and later on in the year 2005 with Chittagong Stock Exchange (CSE) Ltd.

Subsidiaries of SIBL:

1.3 SIBL Securities Limited

SIBL Securities Limited, a wholly owned subsidiary of SIBL, was incorporated as a Public Limited Company under the Companies Act, 1994 vide certification of incorporation no. C - 85876/10 dated 20 July 2010 and obtained its certificate of commencement of business on the same day. The company has already got its license for trading with Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE). The company started its commercial operation in the month of January 2012.

The principal place of business is the Registered Office at 3rd floor, 15 Dilkusha C/A, Dhaka-1000.

The principal objectives of the company for which it was established are to carry on the business of stock brokers, dealers in relation to shares and securities dealings and other services as mentioned in the Memorandum and Articles of Association of the company.

1.4 SIBL Investment Limited

SIBL Investment Limited, a wholly owned subsidiary of SIBL, was incorporated as a Public Limited Company under the Companies Act, 1994 vide certification of incorporation no. C - 85726/10 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
SIBL Securities Limited	1,230,000,000	99.999902%	0.000098%
SIBL Investment Limited	250,000,000	99.99968%	0.0003200%
Total Capital	1,480,000,000		

1.5 Off-Shore Banking Unit (OBU)

Bangladesh Bank approved operation of Off-Shore Banking Unit (OBU) of Social Islami Bank Limited located at Head Office, through their letter no. BRPD(P-3)744(119)/2010-4652, Dated: 11.11.2010. The bank has commenced the operation of its Off-Shore Banking Unit (OBU) from 02.05.2012.



1.6 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
Construction Contracts	11	N/A
Income Taxes	12	Applied
Property, Plant and Equipment	16	Applied
Leases	17	Applied
Revenue	18	Supersedes by IFRS-15
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
Investments in Associates	28	N/A
Interests in Joint Ventures	31	N/A
Financial Instruments: Presentation	32	Applied to the context of compliance with BRPD circular no. 15, Dated: 09.11.2009, DOS circular no. 5, Dated: 28.01.2009.
Earnings Per Share	33	Applied
Interim Financial Reporting*	34	Applied
Impairment of Assets	36	Applied
Provisions, Contingent Liabilities and Contingent Assets	37	Applied to the context of compliance with BRPD circular no. 5, Dated: 05.05.2006 and BRPD circular no. 14, Dated: 14.09.2012.
Intangible Assets	38	Applied
Financial Instruments: Recognition and Measurement	39	Supersedes by IFRS-09
Investment Property	40	N/A
Agriculture	41	N/A

In compliance with	IFRS No.	Status
First-time Adoption of International Financial Reporting	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 2018 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. 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



In compliance with	IFRS No.	Status
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

(*) 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 Basis of Preparation of the Financial Statements

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.

2.1.1 Statement of Compliance

The financial statements of the bank have been prepared in accordance with International Financial Reporting Standards (IFRSs), and the requirements of Bank Companies Act 1991 (as amended in 2013), BRPD Circular No: 15 dated 09.11.2009 along with other rules and regulations issued by Bangladesh Bank from time to time, the Companies Act 1994, the Securities and Exchange Rules 1987, Bangladesh Securities and Exchange Ordinance 1969, Bangladesh securities and Exchange Act 1993, Bangladesh Securities and Exchange Commission (Public Issue) Rules 2015, the Income Tax Ordinance, 1984 and amendments thereon, the Value Added Tax Act- 1991, Dhaka Stock Exchange Limited (DSE), Chittagong Stock Exchange Limited (CSE), & Central Depository Bangladesh Limited (CDBL) rules and regulations and Financial Reporting Act 2015. In case any requirement of the Bank Companies Act 1991, and provisions and circulars issued by Bangladesh Bank differ with those of IFRSs, the requirement of the Bank Companies Act 1991 (as amended in 2013), and provisions and circulars issued by Bangladesh Bank shall prevail. Material and partial departures from the requirements of IFRSs as well as the compliance with the Bangladesh Bank circulars are as follows:

i) Investment in Shares and Securities

The Bank investment in different securities has been valued on 31.12.2018 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	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 should be 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. However as per requirements of **International Financial reporting Standards (IFRS)- 9**, classification and measurement of investment in equity investments (shares and securities) depends on how these are managed (the entity's business model) and their contractual cash flow characteristics. Based on these factors, it would it would generally fall either under 'at fair value through profit and loss account (FVTPL)' or under 'at fair value through other comprehensive income (FVTOCI)' (as measured in accordance with IFRS 13) at the year-end is taken to profit and loss account or other comprehensive income respectively. SIBL recognises its 'Investment in Shares and Securities' as per IFRS-9 and accounted for the required profit/(loss) after adjustment of the value of shares and securities through profit and loss account.

Derivatives

A derivative is an investment instrument that consists of a contract between parties whose value derives from and depends on the value of an underlying financial asset. In short, these are the instruments whose value depends on underlying asset. The underlying asset can be equity, index, commodity, bond or currency. Some of the examples of Derivatives are Forwards, futures, Options and Swaps. As a shariah based Islami bank, SIBL can not take part in issuing or purchasing any derivatives. Typical examples of derivatives are futures and forward, swap and option contracts. As a shariah based Islami bank, SIBL can not take part in issuing or purchasing any derivatives.



ii) Revaluation gains/losses on Government securities

SIBL is a bank running on Islamic Shariah principle. Hence, we do not participate in buying interest bearing Government securities.

iii) 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 DCD Circular No.34 dated 15 November 1989, BCD Circular No.20 (27 December 1994), BCD Circular No. 12 (04 September 1995), BRPD Circular No. 15 (06 December 1998), BRPD Circular No. 9 (14 May 2001), BRPD Circular Letter No. 10 (20 August 2005), BRPD Circular Letter No. 10 (18 September 2007), BRPD Circular No. 5 (29 April 2008), BRPD circular Letter no: 32 (10 October 2010), BRPD Circular no: 14 (23 September 2012), BRPD circular no:19 (27 December 2012), and BRPD circular no: 05 (29 May 2013) 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 House Financing	1%
General Provision on Investment for Consumer Financing	5%
General Provision on Investment for Short term Agri/ Micro credit	1%
General Provision on Special Mention Account	0.25%-5%
Specific Provision on Substandard Investment	20%
Specific Provision on Doubtful Investment	50%
Specific Provision on Bad / Loss Investment	100%

As per BRPD Circular No.: 14 (23 September 2012), BRPD Circular No.: 19 (27 December 2012), and BRPD Circular No.: 05 (29 May 2013) a general provision at 0.25% to 5% under different categories of unclassified investments (good/standard investments) has to be maintained regardless of objective evidence of impairment.

As per same circulars mentioned above SIBL has to maintain provision @ 20%, 50% and 100% for investments classified as sub-standard, doubtful and bad & loss category respectively depending on the duration of overdue.

As per BRPD Circular No.: 10 (18 September 2007) and BRPD Circular No.: 14 (23 September 2012), a general provision at 1% is required to be provided for all off-balance sheet risk exposures.

However, such general provision on general investment & off-balance sheet exposures and specific provisions on classified investments cannot satisfy the conditions of provision as per relevant IFRS or IAS.

iv) Recognition of profit in suspense

Profit / Rent / Compensation Suspense account and Doubtful Income

Profit / Rent / compensation accrued on classified investments are suspended and accounted for as per BRPD Circular No.: 15 (09 November 2009) issued by the Bangladesh Bank. Moreover, incomes that are irregular (doubtful) as per Shariah are also not included in the distributable income of the Bank.

Income on unclassified overdue investment of Murabaha and Bai-Muazzal is charged under compensation account (13.4) instead of showing as income of the Bank.

Interest received from NOSTRO accounts are not credited to the income as per Islamic Shariah.



v) Other comprehensive income

As per IAS-1 (Presentation of Financial Statements), other comprehensive income (OCI) or components of OCI, as a part of financial statements are to be included in a single Other Comprehensive Income Statement.

However, as per BRPD circular no. 15 (09 November 2009), there are no statement of OCI and we follow the template for reporting as per the circular. If there is any component of OCI, it is shown in Statement of Changes in Equity.

vi) Financial instruments-presentation and disclosure

In several cases Bangladesh Bank guidelines categories, recognize, measure and present financial instruments differently from those prescribed in IFRS 9 Financial Instruments. Hence some disclosures and presentation requirements of IAS-32 and IFRS-7 can not be followed due to the presentation and disclosure obligations of Bangladesh Bank.

vii) Financial guarantees

As per IFRS 9 Financial Instruments, financial guarantees are contract that require an entity to make specified payments to reimburse the holder for a loss it incurs because a debtor fails to make payment when due in accordance with the terms of debit instruments. Financial guarantee liabilities are recognized initially at their fair value, and the initial fair value is amortized over the life of the financial guarantee. The financial guarantee liability is subsequently carried at the higher of this amortized amount and loss allowance determined as expected credit (investment) loss under IFRS 9. Financial Guarantees are prescribed to be included within other liabilities.

Financial guarantees such as letter of credit, letter of guarantee etc. are treated as off-balance sheet items as per relevant Bangladesh Bank Circular, BRPD 15 (09 November 2009) whereas as per IFRS 9, these should be treated as 'Other Liability'. No liability is recognised for the guarantee except the cash margin.

SIBL accounts for the financial guarantees as per BRPD 15 (09 November 2009) and liability for financial guarantees are not recognised initially at their fair value and the fair value amortisation of the same liability is not done either as per IFRS 9. So that the financial guarantees are not also carried at the higher of this amortised amount and the present value of any expected payment when a payment under the guarantee has become probable.

viii) Cash and cash equivalent

As per BRPD circular no 15 (09 November 2009), cash and cash equivalents include notes and coins in hand, balances lying with ATM, unrestricted balances held with Bangladesh Bank and its agent Bank, balance with other Banks and financial institutions, placement with Banks and other financial institutions.

As per IAS 7, cash and cash and cash equivalents should be reported as cash item and reconciliation of the amounts of the items in its cash flow statement should be presented also. However, presentation and reconciliation is done in line with BRPD circular 15 and IAS 7.

ix) Non-banking asset

There is no particular guideline about non-banking assets in IFRS.

In accordance with BRPD 15, non-banking asset should be presented in the face of Balance sheet if there is any. But, no IFRS indicates for accounting of non-banking assets. However, there is no non-banking assets of SIBL.

x) Cash Flow Statement

International Accounting Standard (IAS)-7 " Cash Flow Statement" requires SIBL to prepare cash flow statement under direct method. However, Cash Flow Statement has been prepared under a adopted method of direct and indirect in accordance with the BRPD Circular No. 15, (09 November 2009) issued by the Banking Regulation and Policy Department of Bangladesh Bank.

xi) Balance with Bangladesh Bank (Cash Reserve Requirement, CRR)

IAS 7 requires balance with Bangladesh Bank to be treated as other assets. However, as per BRPD Circular No.: 15, SIBL treats balance with Bangladesh Bank as cash and cash equivalent though the amount is restricted for CRR purpose and can not be used in our day to day operation requirement.

xii) Presentation of intangible asset

As per IAS 38, intangible assets are accounted for and amortized. Related necessary disclosures for the intangible asset; i.e Core Banking software of SIBL is given in note 8.1.

There is no restriction or recommendation for accounting for the intangible assets as per any Bangladesh Bank circular.



xiii) 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.

xiv) Investments net off provisions

Investments are presented at its actual value without netting off as per BRPD circular No.: 15, though it is to be presented at net off value as per related IFRS.

2.2 Consolidation Procedures (IAS-27)

The consolidated financial statements include the financial statements of Social Islami Bank Limited and its two (2) subsidiaries SIBL Securities Limited and SIBL Investment Limited, made up to the end of the financial year.

The consolidated financial statements have been prepared in accordance with **International Accounting Standard (IAS) 27: Separate Financial Statements**, International Financial Reporting Standards (IFRS):3- Business Combinations and International Financial Reporting Standards (IFRS):10- Consolidated Financial Statements. The consolidated financial statements are prepared to a common financial period ended 31 December 2018.

2.3 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.

2.4 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.

2.5 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.

2.6 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 2018 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 2018 have been adjusted by debiting or crediting to the Profit and Loss Account.

2.7 Reporting Period

These financial statements cover twelve months from 01 January to 31 December 2018.

2.8 Statement of Changes in Equity

The statement of changes in equity reflects information about the increase or decrease in net assets or wealth.

2.9 Liquidity Statement

The liquidity statement of assets and liabilities as on the reporting date has been prepared on residual maturity term which has been given in the statement.

2.10 Fixed Assets, Depreciation and Revaluation (IAS-16)

Assets have been shown at cost less depreciation as per paragraph 43 of **International Accounting Standard (IAS)-16 "Property, Plant & Equipments"**. Depreciation has been charged on reducing balance method except motor vehicle; which has been charged on straight-line method. Depreciation on addition of assets has been charged from the date of purchase. Rate of depreciation are as under:

Particulars	Rate (%)	Estimated life(Years)
Building	2.5	40
Furniture & Fixtures	10	10
Office Equipment	20	5
Software	10	10
Vehicles	20	5
Books	10	10

Revaluation

Land and building are revalued as per International Accounting Standard (IAS)-16, 'Property, Plant and Equipment' as well as Bangladesh Bank BCD circular letter no. 12 & 18, dated: 20 April 1993 & 15 June 1993, respectively and BRPD circular no. 10 and 09, Dated: 25 November 2002 and 31 December 2008.

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.

Reserve is created by the sum of revaluation surplus and depreciation is charged on the revalued assets except land as per the respective rate of depreciation.

Leases (IAS-17)

A lease is an agreement whereby the lessor conveys to the lessee in return for a payment or series of payments the right to use an asset for an agreed period of time. There are two types of lease (1) Financial lease (2) Operational lease. A Financial Lease is a lease that transfers substantially all the risks and rewards incidental to ownership of an asset, where, title may or may not be eventually be transferred. A operating lease is a lease other than a financial lease. However, no assets of Social Islami Bank Ltd. has been identified/classified as Operating or Finance lease as per IAS-17.

2.11 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.



2.12 Capital/Shareholders' Equity

Authorised capital

Authorised capital is the maximum amount of share capital that the Bank is authorised by its Memorandum and Articles of Association.

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-15.2.**

Statutory Reserve

Statutory reserve has been maintained @ 20% of profit before tax in accordance with provisions of section 24 of the Bank Companies Act, 1991 (as amended 2013) until such reserve equal to its paid up capital together with the share premium.

2.13 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 75% 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.

2.14 Provision for Taxation (IAS-12)

(a) Current Tax

Provision for income tax has been calculated as per Income Tax Ordinance, 1984 as amended by the Finance Act 2018 considering all applicable allowances and disallowances.

(b) Deferred Tax

Recognition of deferred tax liabilities

The general principle in IAS 12 is that a deferred tax liability is recognised for all taxable temporary differences. There are three exceptions to the requirement to recognise a deferred tax liability, as follows:

liabilities arising from initial recognition of goodwill, liabilities arising from the initial recognition of an asset/liability other than in a business combination which, at the time of the transaction, does not affect either the accounting or the taxable profit, liabilities arising from temporary differences associated with investments in subsidiaries, branches, and associates, and interests in joint arrangements, but only to the extent that the entity is able to control the timing of the reversal of the differences and it is probable that the reversal will not occur in the foreseeable future.



Recognition of Deferred Tax Asset

A deferred tax asset is recognised for deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised, unless the deferred tax asset arises from:

the initial recognition of an asset or liability other than in a business combination which, at the time of the transaction, does not affect accounting profit or taxable profit.

Deferred tax assets for deductible temporary differences arising from investments in subsidiaries, branches and associates, and interests in joint arrangements, are only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and that taxable profit will be available against which the temporary difference will be utilised.

The carrying amount of deferred tax assets are reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilised. Any such reduction is subsequently reversed to the extent that it becomes probable that sufficient taxable profit will be available.

A deferred tax asset is recognised for an unused tax loss carryforward or unused tax credit if, and only if, it is considered probable that there will be sufficient future taxable profit against which the loss or credit carryforward can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates/laws that have been enacted or substantively enacted by the end of the reporting period

The Bank has accounted for deferred tax as per **International Accounting Standard (IAS)-12, "Income Taxes"**.

2.15 Zakat Fund

The Bank has created a Zakat Fund @ 2.58% for the period ended 31 December 2018 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.

2.16 Retirement Benefits (IAS-19)

Defined contribution plans:

(a) Provident Fund

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.

b) Superannuation fund

The fund under the caption "Social Islami Bank Limited (SIBL) Employees' Superannuation Fund" came into force from 01 July 1999. It was established to benefit the employees in several ways which includes death benefit, scholarship etc. All employees contribute @1% of basic salary every month along with the same amount contribution by the bank.

Defined benefit plans:

(a) Gratuity

As per service rules of the Bank, employee who has completed five years regular service, are eligible for yearly gratuity @ 1 (one) month basic salary for every full year of regular service and employee who has completed seven years regular service are eligible for yearly gratuity @ 2 months basic salary for full year regular service. The Bank has complied with **International Accounting Standard (IAS) -19, "Employee Benefits"** and necessary provision i.e @ 9.5% of basic salary of the regular employees have been made as per actuary valuation of Z. Halim & Associates, Actuarial & Pension Consultants for the period ended 31 December 2018.

Workers' Profit Participation Fund (WPPF)

Consistent with the industry practice and in accordance with The Bank Company Act, 1991, no provision has been made for WPPF.

2.17 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.



2.18 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 to the DOS circular no: 02 (15 February 2012) regarding 'Risk Management Guidelines' for Banks, Bank Companies Act 1991 (as amended upto 2013) 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 Unit (RMU) as per DOS circular no:02 (15 February 2012). The RMU conducts stress testing as per DOS circular no: 01 (23 February 2011), for examining the Bank's capacity of handling future shocks, as well as deals with all potential risks that might occur in future.

The prime objective of the risk management is that the bank takes well calculative business risks while safeguarding the bank's capital, its financial resources and profitability from various risks. In this context, the bank took steps to implement the guidelines of Bangladesh Bank as under:

(a) Investment Risk Management

Investment risk is one of the major risks faced by the bank. This can be described as potential loss arising from the failure of a counter party to perform as per contractual agreement with the bank. The failure may results from unwillingness of the counter party or decline of financial condition. Therefore, the Bank's investment risk management activities have been designed to address all these issues.

The Bank has segregated duties of the Officers / Executives involved in investment related activities. A separate Corporate Division has been formed at Head Office, which is entrusted with the duties of maintaining effective relationship with the customer, marketing of credit products, exploring new business opportunities etc. Moreover, investment approval, administration, monitoring and recovery functions have been segregated. For this purpose, three separate units have been formed within the Credit Division. These are (a) Investment Risk Management Unit, (b) Investment Administration Unit and (c) Investment Monitoring & Recovery Unit. Investment Risk Management Unit is entrusted with the duties of maintaining asset quality, assessing risk in lending to a particular customer, sanctioning credit, formulating policy / strategy for lending operation etc.

A thorough assessment is done before sanctioning of investment facility at Investment Risk Management Unit. The risk assessment includes borrower risk analysis, financial analysis, industry analysis, historical performance of the customer, security of the proposed credit facility etc. The assessment process starts at Corporate Division by the Relationship Manager/ Officer and ends at Investment Risk Management Unit when individual executives. Proposal beyond their delegation are approved / declined by the Executive Committee and / or the Management.

In determining single borrower / large investment limit, the Bangladesh Bank instructions are strictly followed. Internal audit is conducted on periodical interval to ensure compliance of Bank's and regulatory policies. Investments are classified as per Bangladesh Bank's guidelines.

(b) Foreign Exchange Risk Management

Foreign Exchange risk is defined as the potential change in earnings arising due to change in market prices. The foreign exchange risk of the bank is minimal as all the transactions are carried out on behalf of the customers against underlying L/C commitments and other remittance of single borrower limit shown in note.

International Department independently conducts the transactions relating to foreign exchange and is responsible for verification of the deals and passing of their entries in the books of account. All foreign exchange transactions are revalued at Mark-to-market rate as determined by Bangladesh Bank at the month end. All NOSTRO Accounts are reconciled on monthly basis and the management for its settlement reviews outstanding entry beyond 30 days.



(c) Asset Liability Management Risk

Asset Liability Management (ALM) has been defined as a planned, structured and systematic process of managing the asset and liability with a view to lead the Bank to a balanced and sustainable growth through minimizing various business risk factors - market risk and liquidity risk. According to the Bangladesh Bank guidelines and considering the most practical aspects of the Bank, an approved policy manual on ALM has been prepared so that it could be followed consistently every sphere of the management. To support the ALM process, the Bank has established a committee called "Asset Liability Committee (ALCO)" headed by the Managing Director and holds meeting at least one in every month. ALM Desk, an exclusive functional and operational desk for the asset liability management, is embodied herewith the ALCO to function under the direct control of Financial Administration Division (FAD).

ALCO reviews the liquidity requirement of the Bank, the maturity of assets and liabilities, deposit and lending, pricing strategy and the liquidity contingency plan at the threshold of stress liquidity situation. Besides that monitoring and analyzing of significant volatility in net investment income, investment value and exchange earnings etc. are the common and regular job of the ALM desk.

(d) Money Laundering Risk

Social Islami Bank Limited (SIBL) has framed an approved Money Laundering Prevention Policy Guideline so that it could be sufficient enough to protect the bank from tribulations of money laundering.

As per Money Laundering Prevention Act, 2002 and Money Laundering Prevention circular, a Central Compliance Unit (CCU) has been formed at Head Office in SIBL and a designated person has been nominated to supply any information if required and report any abnormal and suspicious transactions to Bangladesh Bank through CCU. Chief Anti Money Laundering Compliance Officer (CAMALCO) has been designated at head office and Branch Anti Money Laundering Compliance Officers (BAMALCO) has been nominated at branches. The second man of the sixty-four branches of SIBL has been complying the responsibility for their respective branches as Branch Anti Money Laundering Compliance Officers (BAMALCO) as per the direction of Bangladesh Bank.

Know Your Customer (KYC) profile, Risk Rating and Assessment (RRA) profile and Transaction Profile (TP) have been introduced as per the direction of Bangladesh Bank. These profiles facilitate and ease the KYC procedures, risk categorization, transaction monitoring process, suspicious activity reporting process, self-assessment process, independent procedures testing system etc. Proper record keeping procedure has been established also.

The action plan regarding the KYC procedures of those accounts, which opened before 30-04-2002 already has been sent to the Bangladesh Bank. The branches, which are liable to act in accordance with this action plan, has been complying it properly and vigorously.

Various types of statements such as Quarterly STR, Quarterly KYC statement for legacy accounts, Bi-monthly statements etc has been sent to the Bangladesh Bank properly. " FIU Reporting System " Version-1.0.3 Software has been installed all of the branches as per the direction of central bank. As a result, the soft copy of Cash Transaction Report (CTR) and Suspicious Transaction Report (STR) has been sent to Bangladesh Bank properly in due time.

The training procedure has been conforming as per the action plan, which was given to Bangladesh Bank. It provides significant role to develop and to aware the staffs of SIBL about Anti Money Laundering. The management of the Bank is committed to train all of its workforces regarding anti money laundering.

(e) Internal Control and Compliance Risk

Internal controls ensure systematic and orderly flow of various operational activities within the organization. Now a day in the biggest and complex business environment, compliance becomes one of the major concern to the corporate being major risk involved in non-compliance of statutory requirements and operational procedures. To protect and safeguard the Bank from any means of fraud and error as well as loss - Social Islami Bank has introduced the "Internal control and Compliance guideline and also established a separate department called "Internal Control and Compliance Department (ICCD)" at Head Office staffed with some experienced senior Banker rest with the power and duties to train the employees of the bank, give direction, monitor, audit and establish control on day to day operational procedures and statutory and non-statutory compliances.

ICCD collects different periodical reports, departmental control function check list etc. for documentation and also undertakes periodical and special audit of the branches and departments at Head Office for review of the operation and compliance of statutory requirements and the Board Audit Committee reviews the reports.

(f) Information and Communication Technology Security Risk

According to the latest requirement of the Bangladesh Bank on Core Risk Management, ICT policy guideline has been newly introduced at Social Islami Bank. The prime objective of such guideline is to protect data properties of the Banks from any means of loss, unauthorized use, forgery and destruction as well as documentation of all ICT related tasks to reduce man dependency and increase process dependency. According to this guideline, ICT department responses, monitors, trains and coordinates 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.



g) 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.

h) Fraud and Forgeries

Fraud and Forgeries are a critical dimension, the banking industry is facing now a days. In order to safeguard the bank from all probable fraud and forgeries that may occur in any respect, the bank has taken all possible safety security measures that are undertaken under direct supervision of ICCD. Concurrent audit, internal audit, Board audit etc. are done periodically along with surprise audit from time to time. Moreover, there are a lot of safety measures initiated at the branch level also. The core banking solution Ababil is designed to prevent IT related fraud and forgeries.

Additional risks required to be addressed under new regulatory requirements

Environmental & Social Risk

As one of the shariah based banks of Bangladesh, Social Islami Bank Limited (SIBL) have adopted Environmental & Social Risk Management (ESRM) System as one of its integral parts of Investment Risk Assessment to compute environmental & social risks from our financial footprints. SIBL is one of the banks operating in Bangladesh to add "Environmental & Social Management System (ESMS)" within its framework, a global standard to minimize environmental & social risks from the organisational activities. Risks associated with E&S Risk in Credit/Investment Management includes 1. Credit Risk, 2. Legal Risk, 3. Operational Risk, 4. Liquidity Risk, 5. Reputational Risk etc. Applicability of the guideline includes for investments disbursed to the sectors Agriculture, SME, Corporate Finance, Project Finance and Trade, Retail & Microfinance. All national regulations pertaining to E&S governance is applicable while carrying out E&S due diligence of a particular transaction. This means all relevant E&S permits, consents, licenses, and monitoring of E&S parameters as per the national regulations are to be considered as mandatory compliance requirements for evaluation of a investment application. If clients have management systems in place as per international frameworks such as ISO 14001 for environmental management, OHSAS 18001 for occupational health and safety, SA8000 for socially acceptable practices in the workplace then it is considered as good practices. Adherence to IFC Performance Standards is considered in case of large project financing as a good practice and optional requirement.

2.19 Earnings Per Share (IAS-33)

Earning Per Share (EPS) has been computed by dividing the basic earning by the weighted average number of ordinary shares outstanding at the end of the year as per IAS 33 Earning Per Share

Basic earnings

This represents earnings for the year attributable to ordinary shareholders. Net profit after tax less preference dividend has been considered as fully attributable to the ordinary shareholders.

Weighted average number of ordinary shares outstanding during the year

This represents the number of ordinary shares outstanding at the beginning of the year plus the number of ordinary shares issued during the year multiplied by a time weighted factor. The time weighting factor is the number of days the specific shares are outstanding as a proportion of the total number of days in the year.

The basis of computation of number of shares is in line with the provision of IAS 33 Earning Per Share. The logic behind this basis is that the bonus shares are issued to the existing shareholders without any consideration, and therefore, the number of shares outstanding is increased without an increase in resources generating new earnings. In contrast, other shares were issued against consideration in cash or in kind, and accordingly there is an increase in resource generating new earnings. Therefore, the total number of shares issued in 2018 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.

2.20 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 - 48.



2.21 Segment reporting

As per IFRS 8 "Operating Segments", an operating segment is a component of an entity:

- (i) That engages in business activities from which it may earn revenues and incur expenses (include revenues and expenses relating to transactions with other components of the same entity);
- (ii) Whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performances, and
- (iii) For which discrete financial information is available.

The Bank identifies segment based on its business segment as well as its subsidiaries. Business segment comprises SME, Retail, Corporate and Treasury under Islamic banking.

The Bank reviews the segments at the end of each reporting period to identify which of its segments are reportable and disclose the related information for those reportable segments accordingly.



				2018	2017
				Taka	Taka
3	Cash				
	<i>in hand:</i>				
	In local currency			2,154,793,722	2,218,218,090
	In foreign currencies			25,833,892	17,520,927
	ATM balance			163,630,700	133,387,000
				2,344,258,315	2,369,126,018
	In Foreign Currencies				
		Foreign Currency	Amount in FC	Exchange Rate	
		USD	228,317	83.90	19,155,795
		EURO	69,865	95.55	6,675,860
		S. Riyal	100	22.36	2,236
				25,833,892	17,520,927
3(a)	Consolidated balance of cash in hand			2,344,258,315	2,369,126,018
	Social Islami Bank Limited				
	<i>Cash in hand of Subsidiary companies</i>			67,226	193,880
	SIBL Securities Limited			62,025	188,679
	SIBL Investment Limited			5,201	5,201
				2,344,325,541	2,369,319,898
3.1	Balance with Bangladesh Bank and its agent bank (Sonali Bank)				
	Balance with Bangladesh Bank (Note-3.1.1)			23,400,872,133	21,126,573,256
	Balance with Sonali Bank (as an agent of BB) (Note-3.1.2)			334,938,226	330,961,297
				23,735,810,359	21,457,534,554
3.1.1	Balance with Bangladesh Bank (Including foreign currencies)				
	In local currency			22,980,763,770	20,699,996,265
	In foreign currencies			420,108,363	426,576,991
				23,400,872,133	21,126,573,256
3.1.2	Balance with Sonali Bank (as an agent of Bangladesh Bank)				
	In local currency			334,938,226	330,961,297
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, DCS circular letter no.05/2009, DOS circular letter no.21/2009 DOS circular letter no.01, dated: 19/01/2014, MPD Circular no. C1, dated 23/06/2014 and MPD Circular no. 01, dated 03/04/2018.				
	According to latest DOS circular no.01/2014, dated:19/01/2014 and MPD Circular no. 01, dated 03/04/2014 i.e from 03 April 2018, the statutory cash reserve requirement (CRR) on bank's time and demand liabilities @5.00% on daily basis and @5.50% 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): 5.00% (on daily basis) of average Demand and Time Liabilities				
	Required Reserve			10,781,757,000	12,497,853,900
	Actual Reserve held as per GL balance (in local currency)			22,980,763,770	20,699,996,265
	Excess Reserve			12,199,006,770	8,202,142,365
3.4	Cash Reserve Requirement (CRR): 5.50% (on bi-weekly average basis) of average Demand and Time Liabilities				
	Required Reserve			11,859,933,000	13,539,341,730
	Actual Reserve held as per GL balance (in local currency)			22,980,763,770	20,699,996,265
	Excess Reserve			11,120,830,770	7,160,654,535
3.5	Statutory Liquidity Ratio (SLR)				
	Required Reserve			11,859,933,000	11,456,356,080
	Actual Reserve held as per GL balance			23,000,027,311	18,960,741,850
	Surplus			11,140,094,311	7,504,375,770
3.6	Held for Statutory Liquidity Ratio				
	Cash in hand (Note- 3)			2,344,258,315	2,369,126,018
	Balance with Bangladesh Bank and its agent banks (Note-3.1)				
	Balance with Sonali Bank (as an agent of BB) (Note-3.1.2)			334,938,226	330,961,297
	Excess reserve of CRR (Note-3.4)			11,120,830,770	7,160,654,535
	Balance with Islamic Refinance Fund (Note-6)			250,000,000	250,000,000
	Bangladesh Govt. Islamic Bond (Note- 6.4)			8,950,000,000	8,850,000,000
				23,000,027,311	18,960,741,850
4	Balance with Other Banks and Financial Institutions (Other than Mudaraba Term Deposit)				
	In Bangladesh (Note - 4.1)			1,159,022,085	531,828,698
	Outside Bangladesh (Note- 4.2)			323,695,854	365,064,370
				1,482,717,939	897,893,068



	2018 Taka	2017 Taka
4(a) Consolidated balance of other Banks and Financial Institutions		
In Bangladesh		
Social Islami Bank Limited	1,159,022,085	531,828,698
<i>Add: Account Balance of subsidiaries of SIBL with SIBL Principal Branch</i>	373,713,075	391,174,408
SIBL Securities Limited (Current account and MTDR)	123,854,138	141,299,321
SIBL Investment Limited	249,848,937	249,875,087
	1,532,735,160	923,003,107
<i>Less: Inter company balance eliminated</i>	373,713,075	391,174,408
SIBL Securities Limited (Current account and MTDR)	123,854,138	141,299,321
SIBL Investment Limited	249,848,937	249,875,087
<i>Add: Account Balance of subsidiaries of SIBL with other banks and financial institutions</i>	54,469	273,717
SIBL Securities Limited	54,469	273,717
SIBL Investment Limited	-	-
Consolidated balance with Banks and Financial Institutions	1,159,076,554	532,102,415

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

4.1 Inside Bangladesh

a) Current Account

Islami Bank Bangladesh Limited	4,026,312	7,059,342
Sonali Bank Limited	62,993,496	44,216,797
Agrani Bank Limited	3,004,425	4,310
Pubali Bank Limited	2,261	2,261
NRB Global Bank Limited	502,092,500	-
Trust Bank Limited (ATM settlement Account)	13,281,579	234,604,915
Standard Chartered Bank (ATM settlement Account)	4,915,378	1,027,475
	590,315,951	286,915,099

b) Mudaraba Short Notice Deposits

Al- Arafah Islami Bank Limited	29,825,538	25,022,669
ICB Islami Bank Limited	9,992	10,337
Shahjalal Islami Bank Limited	8,465,917	6,827,559
Prime Bank Limited (Islami Banking Branch)	7,129	6,905
Bank Asia Limited (Islami Banking Branch)	560,633	549,615
Islami Bank Bangladesh Limited	74,084,064	178,420,560
Jamuna Bank Limited (Islami Banking Branch)	535,697	483,905
Pubali Bank Limited (Islami Banking Branch)	7,144,105	1,711,320
Exim Bank Ltd.	12,116,484	11,109,611
Janata Bank Limited	10,986	18,024,946
Southeast Bank Ltd.	326,258	278,055
AB Bank Ltd.	3,450,804	2,456,088
The City Bank Ltd.	11,955	12,031
Agrani Bank Ltd.	15,342,671	-
First Security Islami Bank Ltd.	15,813,902	-
Union Bank Ltd.	400,000,000	-
	568,706,134	244,913,599

c) Mudaraba Savings Deposits

Total	1,159,022,085	531,828,698
--------------	----------------------	--------------------

31.12.2018

4.2 Outside Bangladesh (NOSTRO Account)

Current Account with	Currency	F.C. Amount	Rate	Taka
1 SCB, MUMBAI	ACUD	(69,342.45)	83.90	(5,818,832)
2 SUMMIT BANK, KARACHI	ACUD	5,241.77	83.90	439,785
3 SONALI BANK, KOLKATA	ACUD	15,422.59	83.90	1,293,955
4 MASHREQ BANK, MUMBAI	ACUD	319,558.74	83.90	26,810,978
5 NEPAL BANGLADESH BANK	ACUD	3,778.36	83.90	317,004
6 BANK OF BHUTAN, PHUENTSHOLING	ACUD	29,972.63	83.90	2,514,704
7 UNITED BANK OF INDIA	ACUD	21,374.87	83.90	1,793,352
8 AB BANK, MUMBAI	ACUD	89,336.06	83.90	7,495,295
9 MEEZAN BANK LIMITED	ACUD	3,325.00	83.90	278,968
10 MCB BANK, KARACHI, PAKISTAN	ACUD	5,244.48	83.90	440,012
11 AXIS BANK LIMITED	ACUD	40,451.41	83.90	3,394,712
12 MASHREQ BANK, NEW YORK, (OBU)	USD	173,718.15	83.90	14,574,953
13 MASHREQ BANK PSC, NEW YORK, USA	USD	(28,046.6C)	83.90	(2,353,110)
14 SCB, NY, USA	USD	2,842,050.9C	83.90	238,448,071
		balance carried forward		289,629,847



31.12.2018

Current Account with		Currency	F.C. Amount	Rate	Taka
		<i>balance brought forward</i>			289,629,847
15	KOREA EXCH. BANK, KOREA	USD	642.38	83.90	53,896
16	HARIB AMERICAN BANK	USD	357,479.89	83.90	29,992,563
17	COMMERZ BANK AG, FRANKFURT	EURO	16,429.91	95.55	1,569,939
18	MASHREQ BANK, PSC MUMBAI	ACU EURO	427.92	95.55	40,889
19	SCB, FRANKFURT	EURO	23,926.50	95.55	2,286,266
20	SCB, LONDON, UK	GBP	90.81	106.25	9,549
21	SCB, TOKYO	JPY	33,158.00	0.76	25,081
22	ALAWWAL BANK RIYADH SA	RYAL	3,923.43	22.36	87,725
Total					323,695,854

Currency wise Distribution:

Foreign Currency	31.12.2018	2017	31.12.2018	31.12.2017
	Composition	Composition	Taka	Taka
USD/ACU	98.76%	97.00%	319,676,305	355,076,621
GBP	0.00%	0.55%	9,649	2,028,301
EUR	1.20%	1.17%	3,897,094	4,272,438
YEN	0.01%	0.14%	25,081	524,474
RIYAL	0.03%	1.14%	87,725	4,162,478
	100%	100%	323,695,854	366,064,370

Please see 'Annexure-C' for details comparative statement of 31.12.2018 & 31.12.2017 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	914,011,805	652,979,469
Not more than 3 months	558,706,134	244,913,599
Over 3 months but not more than 1 year	-	-
Over 1 year but not more than 5 years	-	-
More than 5 years	-	-
	1,482,717,939	897,893,068

5 Placement with Banks & other Financial Institutions

Placement with Banks (Note-5.1)	485,619,899	186,619,899
Placement with other Financial Institutions (Note-5.2)	5,425,000,000	10,550,000,000
	5,911,619,899	10,736,619,899

5.1 Mudaraba Term Deposits with Banks

ICB Islamic Bank Limited	186,619,899	186,619,899
Union Bank Limited	300,000,000	-
	486,619,899	186,619,899

5.2 Mudaraba Term Deposits with Other Financial Institutions

IIDFC	-	800,000,000
IPDC Finance Ltd.	250,000,000	600,000,000
International Leasing & Financial Services Ltd.	355,000,000	-
Prime Finance & Investment Limited	200,000,000	200,000,000
IDLC Finance Limited	500,000,000	2,850,000,000
Union Capital Limited	900,000,000	900,000,000
Lanka Bangla Finance Limited	-	1,300,000,000
Hajj Finance Company Limited	200,000,000	300,000,000
Fas Finance and Investment Limited	300,000,000	300,000,000
First Finance Limited	100,000,000	-
Phoenix Finance & Investment Ltd.	-	200,000,000
Reliance Finance Limited	1,620,000,000	100,000,000
Investment Corporation of BD Ltd. (ICB)	1,000,000,000	3,000,000,000
	5,425,000,000	10,550,000,000

5.3 Maturity-wise groupings of placement with Banks and other Financial Institutions

On Demand	3,120,000,000	2,600,000,000
Not more than 3 months	1,750,000,000	3,350,000,000
More than 3 months but less than 1 year	855,000,000	4,600,000,000
More than 1 year but less than 5 years	186,619,899	186,619,899
More than 5 years	-	-
	5,911,619,899	10,736,619,899



	31.12.2018	31.12.2017
	Taka	Taka
6 Investment in Shares & Securities		
Government		
Government Bond (Islamic Investment Bond) (Note 6.1)	8,950,000,000	8,850,000,000
BD Government Islamic Refinance Fund	250,000,000	250,000,000
	<u>9,200,000,000</u>	<u>9,100,000,000</u>
Others		
Investment in Shares, Quoted (Note 6.2)	706,935,936	823,570,481
Investment in Shares, Unquoted (Note 6.3)	3,292,513,507	3,159,002,642
	<u>3,999,449,443</u>	<u>3,982,573,123</u>
Fair value adjustment through profit or loss (FVTPL) (note: 6.5)	<u>(112,898,604)</u>	<u>(49,205)</u>
Value of Investment in Shares and securities, Others	<u>3,886,550,839</u>	<u>3,982,523,917</u>
Grand Total	<u>13,086,550,839</u>	<u>13,082,523,917</u>
Maturity-wise Grouping of Investment in Securities:		
Upto one month	4,144,037,331	3,973,521,275
Not more than 3 months	3,050,000,000	3,050,000,000
Over 3 months but not more than 1 year	2,600,000,000	2,903,458,080
Over 1 year but not more than 5 years	1,282,515,107	1,115,546,162
More than 5 years	7,009,998,400	2,039,998,400
	<u>13,086,550,839</u>	<u>13,082,523,917</u>
6(a) Consolidated Investment in Shares and Securities		
Social Islami Bank Limited		
Government		
Investment in Government Islamic Bond	8,950,000,000	8,850,000,000
BD Government Islamic	250,000,000	250,000,000
	<u>9,200,000,000</u>	<u>9,100,000,000</u>
Others sectors	<u>3,886,550,839</u>	<u>3,982,523,917</u>
Less: Intercompany balance eliminated		
<i>Investments in Subsidiaries</i>	<u>1,479,998,400</u>	<u>1,479,998,400</u>
Investment in SIBL Securities Limited	1,229,999,000	1,229,999,000
Investment in SIBL Investment Limited	249,999,400	249,999,400
Consolidated Investment in others sectors	<u>2,406,552,439</u>	<u>2,502,525,517</u>
Total consolidated balance of Investment in shares and securities	<u>11,606,552,439</u>	<u>11,602,525,517</u>
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/5-03/2004/262 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)		
ICB 1st Mutual Fund	-	4,438,695
ICB 3rd Mutual Fund	-	6,159,588
ICB 4th Mutual Fund	-	16,657,062
ICB 5th Mutual Fund	-	5,472,152
ICB 7th Mutual Fund	-	9,898,510
ICB 8th Mutual Fund	-	4,837,839
National Life Insurance 1st Mutual Fund	3,103,399	5,335,000
BD Com	3,756,097	-
ICB Sonali Mutual Fund	1,765,607	1,765,607
Aamra Net	10,663,324	-
ICB AMCL 2nd Mutual Fund	881,150	881,150
Aamra Tech	20,106,190	-
SEBL 1st Mutual Fund	1,393,658	2,909,385
Grameen One Scheme	-	3,142,558
IFIC 1ST Mutual Fund	10,985,834	10,985,836
Trust Bank 1ST Mutual Fund	10,537,366	10,537,367
1ST Janata Mutual Fund	3,408,500	3,408,500
AB 1st Mutual Fund	6,927,168	6,927,169
Al-Arafah Islami Bank Limited	2,039,011	16,867,207
Exim Bank Limited	24,354,909	-
Islami Asia Limited	-	3,516,067
Islami Bank Limited	13,885,373	-
Titas Gas Limited	78,823,655	48,260,904
balance carried forward	<u>192,631,249</u>	<u>162,000,596</u>



	31.12.2018	31.12.2017
	Taka	Taka
<i>balance brought forward</i>	192,631,249	162,000,596
MJL Bangladesh	13,356,873	13,356,873
Beximco Limited	-	17,179,237
GPH Ispat Limited	-	4,528,640
Desco	7,867,490	7,853,046
Padma Oil	12,846,915	12,846,915
BSRM Steel	10,589,363	20,009,563
Bashundhara Paper Mills Ltd.	864,560	-
Jamuna Oil	44,165,292	44,165,292
Grameen Phone	3,776,488	-
Orion Pharma Limited	210,976,327	295,513,194
Square Pharmaceuticals	21,943,252	-
Linde Bangladesh Ltd.	9,045,421	27,730,477
RAK Ceramics Limited	11,574,347	22,280,618
Heidelberg Cement Ltd.	-	34,059,299
BSRM Ltd.	20,568,475	30,176,492
Beximco Pharmaceutical	21,541,687	19,547,551
Apex Foot Wear Limited	10,989,811	24,880,713
Active Fine Limited	-	20,405,010
National Tea Co.	-	23,635,393
Summit Power Limited	65,956,243	12,513,194
Doreen Power Limited	-	7,756,640
Powergrid Company Limited	18,244,575	8,242,421
Style Craft	-	14,889,319
Intraco Refucling Station Ltd.	5,951,645	-
KPCL	11,152,648	-
M Petroleum	2,893,275	-
	706,935,936	823,570,481

6.3 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)	561,976,712	561,976,712
Lub-RREF (BD) Limited, Pre-IPO	52,000,000	52,000,000
Bashundhara Paper Mills Ltd.	-	3,458,080
Investment in subsidiary: SIBL Securities Limited	1,229,999,000	1,229,999,000
Investment in subsidiary: SIBL Investment Limited	249,999,400	249,999,400
Awqaf Properties Investment fund (APIF)	166,968,945	-
FSIBL Mudaraba Subordinate Bond (1st & 2nd Bond)	530,000,000	560,000,000
	3,292,513,507	3,159,002,642

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.

6.4 Government Bond (BD Govt. Islamic Bond)

8,950,000,000 **8,850,000,000**

6.5 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- 2018	31.12.2018	
				Cost price as on 31-12-2018	Fair value adjustment
Taka					
Quoted Shares					
National Life Insurance 1st Mutual Fund	319,937	13.00	4,159,181	2,103,399	1,055,782
BD Com	157,828	28.70	4,529,654	2,756,097	773,566
ICB Sonali Mutual Fund	300,000	7.00	2,100,000	1,765,607	334,393
Aamra Net	150,000	58.80	8,820,000	10,663,374	(1,843,374)
ICB AMCL 2nd Mutual Fund	179,398	5.40	1,148,147	881,150	266,998
Aamra Tech	690,000	28.60	19,734,000	20,106,190	(372,190)
SEBL 1st Mutual Fund	151,575	12.20	1,850,435	1,393,658	456,777
IFIC 1ST Mutual Fund	1,690,398	4.20	7,099,672	10,985,834	(3,886,162)
		<i>balance carried forward</i>	49,441,098	52,655,259	(3,214,160)



Particulars	No. of Shares/ Securities	Market price per Shares	Fair value/ Market value as on 31-12- 2018	31.12.2018	
				Taka	
				Cost price as on 31-12-2018	Fair value adjustment
balance brought forward			49,441,098	52,655,259	(3,214,160)
Trust Bank 1ST Mutual Fund	1,600,840	4.40	7,043,696	10,537,366	(3,493,670)
1ST Janata Mutual Fund	526,246	4.40	2,315,482	3,408,500	(1,093,017)
AB 1st Mutual Fund	1,066,666	4.40	4,693,330	6,927,168	(2,233,838)
Al-Arafah Islami Bank Limited	100,000	19.90	1,990,000	2,039,011	(49,011)
Exim Bank Limited	1,689,990	11.80	19,941,882	24,354,909	(4,413,027)
Islami Bank Limited	500,000	24.20	12,100,000	13,885,373	(1,785,373)
Titas Gas Limited	1,739,886	36.40	63,331,850	78,823,565	(15,491,814)
MJL Bangladesh	115,500	99.20	11,457,600	13,356,873	(1,899,273)
Desco	150,320	40.40	6,072,928	7,867,490	(1,794,562)
Padma Oil	51,245	225.20	11,540,374	12,846,915	(1,306,541)
BSRM Steel	223,062	59.90	13,361,414	19,589,363	(6,227,949)
Bashundhara Paper Mills Ltd.	10,807	83.80	905,627	864,560	41,067
Jamuna Oil	219,671	190.50	41,847,326	44,165,292	(2,317,966)
Grameen Phone	10,000	367.30	3,673,000	3,776,488	(103,488)
Orion Pharma Limited	4,605,934	36.80	169,498,371	210,976,377	(41,477,956)
Square Pharmaceuticals	85,600	254.20	21,759,520	21,943,252	(183,732)
Linde Bangladesh Ltd.	6,500	1,198.40	7,789,600	9,045,421	(1,255,821)
RAK Ceramics Limited	200,000	39.00	7,800,000	11,574,347	(3,774,347)
BSRM Ltd.	160,000	78.20	12,512,000	20,568,475	(8,056,475)
Beximco Pharmaceutical	200,000	79.10	15,820,000	21,541,687	(5,721,687)
Apex Foot Wear Limited	30,919	295.50	9,136,565	10,989,811	(1,853,246)
Summit Power Limited	1,600,000	39.40	63,040,000	65,956,243	(2,916,243)
Powergrid Company Limited	350,000	48.00	16,800,000	18,244,575	(1,444,575)
Intraco Refueling Station Ltd.	200,060	26.80	5,361,608	6,951,645	(1,590,037)
KPCL	200,000	59.30	11,860,000	11,152,648	707,352
M Petroleum	15,610	188.60	2,944,050	2,893,275	50,785
			594,037,331	706,935,936	(112,898,604)
Preference Shares					
Orion Infrastructure Ltd. (Cumulative)	50,000,000	-	500,000,000	500,000,000	-
Orion Infrastructure Ltd. (Redeemable)			561,976,712	561,976,712	-
			1,061,976,712	1,061,976,712	-
Unquoted Shares/ Bond					
CDBL Share	456,945	-	1,569,450	1,569,450	-
Bashundhara Paper Mills Ltd.			-	-	-
Lub-RREF (BD) Limited. Pre-IPO			52,000,000	52,000,000	-
Awqaf Properties Investment fund (APIF)			166,968,945	166,968,945	-
FSIBL Mudaraba Subordinate Bond (1st & 2nd Bond)			530,000,000	530,000,000	-
			750,538,395	750,538,395	-
Grand Total			2,406,552,439	2,519,451,043	(112,898,604)
				31.12.2018	31.12.2017
				Taka	Taka
6.6 Industry wise classification of shares at market price					
Quoted shares					
Banks				40,279,292	20,383,274
Mutual Funds				39,002,681	93,356,418
Others				627,653,963	709,830,789
				706,935,936	823,570,481
6.7 Cost of shares and securities of quoted and unquoted, other than investment in subsidiaries				2,519,451,043	2,502,574,723
Fair value adjustment (Profit/(Loss)) to be made through profit and loss account				(112,898,604)	(49,206)
Value of shares and securities, Quoted and Unquoted other than investment in subsidiaries				2,406,552,439	2,502,525,517
Investments in Shares and Securities' other than investments in subsidiaries under the category 'Financial Assets at fair value through profit or loss (FVTPL)' has been recognised at fair value and the unrealized profit or loss i.e. difference between fair value and cost has been charged to profit and loss account and value of the investment has been reduced by the same amount as per requirements of International Financial reporting Standards (IFRS)-9, Financial Instruments.					
7 Investments					
In Bangladesh					
General Investments etc. (Note-7.1)				250,434,994,597	202,682,884,191
Bills purchased and discounted-net (Note- 7.2)				2,718,264,390	2,953,840,453
Outside Bangladesh					
Bills purchased and discounted-net (Note- 7.2)				5,500,911,966	4,408,784,436
				238,654,170,953	210,045,509,085



	31.12.2018	31.12.2017
	Taka	Taka
7 (a) Consolidated Investment		
General Investments etc.	230,434,994,597	202,682,884,191
Less: Intercompany balance eliminated		
SIBL Securities Limited		
Quard Investment with SIBL- Principal branch	800,000,000	750,000,000
SIBL Investment Limited	-	-
Total consolidated general investment	229,634,994,597	201,932,884,191
Bills purchased and discounted-net	8,219,176,356	7,362,624,894
Grand total	237,854,170,953	209,295,509,085
Maturity wise Classification of Investments:		
With a residual maturity of		
Re-payable on Demand	29,139,622,930	30,798,685,904
Not more than 3 months	48,896,931,116	39,833,906,713
Over 3 months but not more than 1 year	109,233,662,907	96,331,705,468
Over 1 year but not more than 5 years	45,674,626,000	38,178,776,000
Over 5 years	5,709,328,000	4,902,235,000
	238,654,170,953	210,045,509,085
7.1 Mode-Wise Investment (General)		
a) In Bangladesh		
Musharaka	347,714,917	406,944,059
Murabaha	3,889,304,111	4,453,662,291
Mudaraba	2,061,861,392	6,593,469,910
Bai-Muazzal	157,973,557,142	126,947,350,897
Hire-Purchase Sirkatul Meelk	54,779,810,323	50,888,743,949
Quard	6,850,181,947	9,213,891,287
Bai-Salam	775,577,519	596,285,547
Staff Loan	2,385,978,080	2,463,571,391
Ijarah	660,073,348	436,132,387
Visa Card	710,835,809	682,832,475
	230,434,994,597	202,682,884,191
Mode-Wise Investment (General)		
b) Outside Bangladesh		
Musharaka	-	-
Murabaha	-	-
Bai Muazzal	-	-
Hire-Purchase Sirkatul Meelk	-	-
Installment Investment Scheme	-	-
Quard	-	-
Bai-Salam	-	-
Others	-	-
	-	-
7.2 Bills Purchased and discounted		
In land Bill Purchase	2,718,264,390	2,953,840,458
Outside Bangladesh		
Foreign Bill Purchased	158,660,057	58,282,896
Murabaha Bill of Exchange	1,655,274,938	2,021,643,306
Baim-Wes bills	3,686,975,971	2,328,858,234
	5,500,911,966	4,408,784,436
Grand total of net Bills Purchased and Discounted	8,219,176,356	7,362,624,894
7.2.1 Bills Purchased and Discounted		
Payable inside Bangladesh	4,511,086,108	5,158,977,617
Payable outside Bangladesh	4,041,308,510	2,475,020,212
Gross Bills Purchased and Discounted	8,552,394,618	7,633,997,829
Less: Profit receivable on Bills Purchased and Discounted	333,218,262	271,372,935
Net Bills Purchased and Discounted	8,219,176,356	7,362,624,894
Maturity wise Classification of Bills Purchased and Discounted:		
On demand	1,643,835,271	1,619,777,477
Over 1 month but less than 3 months	4,109,588,178	3,534,059,949
Over 3 months but less than 1 year	2,465,752,907	2,208,787,468
1 year or more	-	-
	8,219,176,356	7,362,624,894



7.3	Investments on the basis of significant concentration	31.12.2018		31.12.2017	
		31.12.2018	31.12.2017	Taka	Taka
	Investments to allied concern of Directors	0.00%	0.03%	-	71,952,496
	Investments to Executives & Staffs	1.09%	1.25%	2,602,680,866	2,635,693,346
	Investments to Customer Groups	58.52%	60.67%	139,892,562,262	127,429,123,925
	Industrial Investment	40.29%	38.04%	96,158,927,825	79,908,739,318
	Others	0.00%	0.00%	-	-
		100.00%	100.00%	238,654,170,953	210,045,509,085

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. 2,611.15 Crore as on 31.12.2018 and was used as base figure to calculate the single party exposure limit-funded liability; and such limit was fixed at Tk. 391.67 crore (2,611.15 crore x 15%) till 31.12.2018. 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)	438.58 crore*	Nil
Number of such types of customers	01	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-652.79 crore as on 31.12.2018.

7.4 Customer group and industry wise classification of Investment

Sector	(Amount in Taka)			
	2018		2017	
	Amount	Composition	Amount	Composition
Commercial lending	61,034,903,616	25.57%	50,639,324,777	24.11%
Export Financing	3,976,655,381	1.67%	8,402,275,689	4.00%
House Building Investment	3,830,220,008	1.60%	2,514,863,016	1.20%
Investment against Scheme & MTDR	2,699,896,506	1.13%	1,821,579,092	0.87%
Small and Medium Enterprises	55,648,160,786	23.32%	56,884,268,292	27.08%
Micro Investment	366,423,793	0.15%	220,961,815	0.11%
Other Investments	10,274,440,780	4.31%	352,381,334	0.17%
Off-shore Banking Unit	2,061,861,392	0.86%	6,593,469,910	3.14%
Allied concern of Directors of SIBL	-	-	71,952,496	0.03%
Executives & Staffs of SIBL	2,602,680,866	1.09%	2,635,693,346	1.25%
Agricultural Industries	4,689,228,940	1.96%	6,402,369,701	3.05%
Textile Industries	33,873,073,993	14.19%	30,872,970,048	14.70%
Food & Allied Industries	9,664,899,008	4.05%	7,167,334,859	3.41%
Pharmaceutical Industries	1,606,821,774	0.67%	1,452,982,272	0.69%
Leather, Chemical, Cosmetic etc.	1,128,961,210	0.47%	749,369,712	0.36%
Construction Industries	8,743,033,841	3.66%	8,744,366,120	4.16%
Cement and Ceramic Industries	4,725,947,827	1.98%	4,609,707,974	2.19%
Service Industries	9,414,501,196	3.94%	9,842,022,771	4.69%
Transport and Communication Industries	3,179,499,691	1.33%	2,967,141,805	1.41%
Other Industries	19,132,960,345	8.02%	7,100,474,056	3.38%
Total	238,654,170,953	100.00%	210,045,509,085	100.00%

7.5 Geographical Location-wise Classification of Investments

Sector	(Amount in Taka)			
	2018		2017	
	Amount	Composition	Amount	Composition
i) Within Bangladesh				
a) In Rural Areas	23,908,519,462	10.02%	23,977,203,560	11.42%
b) In Urban Areas	214,745,651,490	89.98%	186,068,305,525	88.58%
Sub-total (a+b)	238,654,170,953	100.00%	210,045,509,085	100.00%
ii) Outside Bangladesh	-	-	-	-
Total (i+ii)	238,654,170,953	100.00%	210,045,509,085	100.00%

7.6 Division-wise Investments

Division	(Amount in Taka)			
	As at 31 December 2018		As at 31 December 2017	
	Amount	Composition	Amount	Composition
Dhaka	179,249,915,961	75.11%	157,406,435,656	74.94%
Chittagong	42,056,600,930	17.62%	34,593,469,934	16.47%
Sylhet	831,657,965	0.35%	881,768,144	0.42%
Rajshahi	6,600,817,273	2.77%	6,969,175,803	3.32%
Khulna	6,665,377,569	2.79%	5,043,037,401	3.31%
Rangpur	2,182,685,785	0.91%	2,201,347,571	1.05%
Barisal	1,067,115,469	0.45%	1,050,274,486	0.50%
Total	238,654,170,953	100.00%	210,045,509,085	100.00%



		31.12.2018	31.12.2017
		Taka	Taka
7.7 Investments (Classification wise)			
Unclassified			
Standard		215,123,635,967	187,125,765,559
Special Mentioned Account		567,950,276	1,182,079,278
Classified			
Substandard		645,937,405	1,805,139,894
Doubtful		738,768,136	1,419,485,248
Bad or Loss		16,914,420,889	13,939,599,425
		233,990,712,673	205,472,069,405
Standard (short term agri / micro inv.)		2,008,913,844	1,874,872,714
Special Mentioned Account (short term agri/ micro inv.)		-	-
Substandard (short term agri / micro inv.)		10,546,595	1,193,575
Doubtful (short term agri / micro inv.)		1,109,864	1,730,172
Bad or Loss (short term agri/micro inv.)		40,207,111	50,949,873
		2,060,777,414	1,937,746,334
Staff Investment		2,502,680,866	2,635,693,346
		238,654,170,953	210,045,509,085
7.8 Particulars of provision required for general investment			
Unclassified (Excluding Off-balance sheet exposures)		1,826,099,534	2,207,398,797
Classified		6,398,009,498	3,473,741,378
Unclassified- Off-balance sheet exposures		454,963,838	679,316,812
		8,689,072,870	6,360,456,987
7.8.1 Detail Particulars of Provision for Investment			
Unclassified	Rate	Base for Provision	Provision Required
Standard	1%	150,649,640,500	1,506,496,405
Staff Investment	0%	-	-
Consumer Finance (Other than HF and LP)	5%	1,014,973,415	50,748,671
Small and Medium Enterprise	0.25%	52,908,532,132	132,271,330
Housing Finance (HF)	1%	2,872,786,753	28,727,868
Loan for Professionals (LP)	2%	1,408,268,051	28,165,361
Share	2%	2,346,784,806	46,935,696
SMA Investment (Same as UC i.e 0.25%, 1%, 2%, to 5%)	5%	567,441,035	12,665,065
Unclassified Off Balance Sheet Items	1%	46,496,383,800	454,963,838
Classified			
Substandard	20%	411,107,885	82,221,577
Doubtful	50%	544,382,102	272,191,051
Bad or Loss	100%	6,043,499,953	6,043,499,953
			8,668,886,815
Provision Required (Short term Agricultural & Micro Credit)	Rate	Base for Provision	Provision Required
Unclassified			
Standard (short term agri /micro credit)	1.0%	2,008,913,844	20,089,138
Classified			
Substandard (short term agri /micro credit)	5%	1,771,866	88,593
Doubtful (short term agri /micro credit)	5%	166,480	8,324
Bad or Loss (Short term agri /micro credit)	100%	-	-
			20,186,056
			18,805,000
Required provision for Investments (Grand Total)			8,689,072,870
Total provision maintained			8,689,072,870
Provision Surplus/(Shortfall)			-
Bangladesh Bank vide its letter ref: DBI-4/42(2)/2019 761, dated: 29.04.2019, accorded their permission to defer provision for investment amounting to Taka-444.00 crore and provide this amount equally during next three years from year 2019 to year 2021.			
Provision Made for funded exposures only: (Other than Short term Agricultural & Micro Credit)			
Unclassified			
Standard		2,258,309,169	2,851,521,736
SMA		12,665,065	16,445,146
Classified			
Substandard		82,221,577	108,489,445
Doubtful		272,191,051	160,352,166
Bad or Loss		6,043,499,953	3,204,343,493
		8,668,886,815	6,341,651,987
Provision Made: (Short term Agricultural & Micro Credit)			
Standard (short term agri credit)		20,089,138	18,748,727
Substandard (short term agri credit)		88,593	21,767
Doubtful (short term agri credit)		8,324	34,506
Bad or Loss (Short term agri credit)		-	-
		20,186,056	18,805,000
Grand Total		8,689,072,870	6,360,456,987



			31.12.2018	31.12.2017
			Taka	Taka
7.8.2	Particulars of provision for Off-Balance Sheet Items			
	Status	Rate	Basis for Provision	
	Off-Balance Sheet Items	1%	50,685,965,804	464,963,838
	Required provision for Investments			679,316,812
	Provision maintained {note # 13.1(c)}			464,963,838
	Surplus Provision			679,316,812
				-
7.9	Particulars of Investments:			
(i)	Investment considered good in respect of which the banking company is fully secured			174,117,327,019
(ii)	Investment considered good for which the banking company holds no other security other than the debtor's personal security			58,757,818,768
(iii)	Investment considered good and secured by personal security of one or more parties in addition to the personal security of the debtors			45,065,632,208
(iv)	Investment considered bad or doubtful not provided for			5,779,025,166
	Total			238,654,170,953
(v)	Investment due by directors or officers of the banking company or any of them either severally or jointly with any other person			210,045,509,085
(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.			2,602,680,866
(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.			-
(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			71,952,496
(ix)	Investment due from other Banks			12,534,289
(x)	Classified Investment on which profit has not been charged			Nil
(xi)	Particulars of written off investments			Nil
	a) Cumulative amount of written off Investments since inception to 31 December last year			16,954,628,000
	b) Amount of written off / waiver of Investment during the year			5,875,043,788
	Total amount of written off (a+b)			5,017,253,868
	c) Amount recovered against debts which are previously written off (cumulative balance)			83,067,558
	d) Amount of Investments written off against which cases have been filed for recovery			857,789,920
	e) Amount of compensation suspense as at year end.			5,958,111,345
xii)				1,874,740,496
				1,665,037,246
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:			
	a) 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.			
	b) Minimum outstanding investment amount for restructuring shall be Taka-500.00 crore or above in aggregate.			
	c) Restructuring facility will be provided to a particular investment only once.			
	Total outstanding amount of such restructured investment for the year 2018 amounts to Taka- 36.34 crore.			
8	Fixed Assets including Premises (Including Intangible Assets)			
	A. Cost			
	Land			12,330,000
	Building			12,330,000
	Furniture & Fixtures			2,320,220,714
	Office Equipment			1,091,686,941
	Software			943,311,447
	Vehicles			1,457,031,670
	Books			223,604,251
				141,721,354
				141,721,365
				1,634,189
				1,463,659
				5,248,229,118
				4,881,038,651
	B. Accumulated Depreciation			
	Land			-
	Building			-
	Furniture & Fixtures			354,947,928
	Office Equipment			304,588,493
	Software			386,135,984
	Vehicles			321,813,786
	Books			781,526,250
				644,510,912
				54,586,568
				38,557,545
				106,546,049
				89,871,149
				951,623
				878,611
				1,684,694,401
				1,400,220,495
	Carrying value			3,563,534,717
				3,480,818,155



8.1 Intangible assets

Core banking solution 'ABABIL' is used in SIBI which was incorporated in the year 2010. The value of all the softwares under the head 'Intangible Assets' is Taka-223,604,251.00 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 31.12.2018 is Taka -169,017,683.00.

For details please refer to Annexure-A

	31.12.2018	31.12.2017
	Taka	Taka
8(a) Consolidated written down value of Fixed Assets including intangible assets		
Social Islami Bank Ltd.	3,563,534,717	3,480,818,155
Fixed assets of subsidiaries	8,718,386	10,202,638
SIBL Securities Ltd.	8,718,386	10,202,638
SIBL Investment Ltd.	-	-
Carrying value of Fixed assets of the Group	3,572,253,103	3,491,020,793
9 Others Assets		
Stock of stationery, stamps and printing materials etc. (valued at cost)	38,940,292	29,277,438
Advance rent	240,368,398	244,929,032
Security Deposit	3,156,556	2,778,156
Branch Adjustments (SIBG) (Note: 9.1)	7,101,009,106	2,158,090,350
Suspense Accounts (Note: 9.2)	219,594,442	193,694,052
Other Prepayments	54,216,511	64,279,171
Receivable from M/S. Stock & Bond and SIBL Securities Ltd.	122,074,364	37,801,642
Advance Income Tax	9,371,407,022	8,102,785,360
Receivable from SIBL Investment Limited	1,820,060	1,801,670
Protested Bills against Investment	319,377,570	313,388,000
Profit Receivable from Banks, NBFI and BD Govt.	472,885,826	345,606,462
Investment with Off-shore Banking Unit	1,734,602,875	4,504,274,029
Receivable from Off shore Banking Unit	62,481,496	140,891,063
Others (Note: 9.3)	509,326,782	2,643,607,853
	20,261,261,299	18,783,204,279
Less: Balance with OBU for elimination		
Investment with Off-shore Banking Unit	1,734,602,875	4,504,274,029
Grand total after elimination of balance with OBU	18,526,658,424	14,278,930,250
9(a) Consolidated other Assets		
Social Islami Bank Limited	18,526,658,424	14,278,930,250
Add: Other assets of subsidiary companies		
SIBL Securities Limited	2,370,512,247	2,162,651,538
Membership of Chittagong Stock Exchange	307,000,000	307,000,000
Membership of Dhaka Stock Exchange	682,770,683	720,650,000
Advance Income Tax	76,872,356	59,541,491
Advance Office Rent	848,148	2,097,240
Advance to IT Service provider	-	-
Advance for floor space at nikunjo, DSE Tower	850,000	850,000
Investment in stock dealer activities	142,469,928	142,723,563
Receivable from Regulators	1,941,390	26,306,574
Receivable from client	1,075,824,864	857,054,059
Receivable from Bai-Muajjal	81,729,877	46,223,610
Security Deposit to CDBL, DSE	200,000	200,000
Security Deposit to BTC.	5,000	5,000
Less: Inter Company transactions eliminated:	1,820,060	1,801,670
Receivable from SIBL Securities Limited	-	-
Receivable from SIBL Investment Limited:	1,820,060	1,801,670
	20,895,350,611	16,439,780,117

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 30 April 2019 were Taka-3,348,019,449.00 Details of which are as follows

	Number of Unrespondent entries		Amount (in Tk) of Unrespondent entries	
	31.12.2018	31.12.2017	31.12.2018	31.12.2017
Upto 3 months	199	1	1,534,861,265	6,157,514
Over 3 months but within 6 months	118	-	1,019,176,876	-
Over 6 months but within 9 months	45	-	548,729,770	-
Over 9 months	3	-	45,251,538	-
	365	1	3,348,019,449	6,157,514

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).



	31.12.2018	31.12.2017
	Taka	Taka
9.3 Others		
Clearing Adjustment	-	2,329,000
D.D. Paid without advice	-	97,000
Wes fund purchased	1,089	1,089
Adjusting A/c debit balance (Note: 9.3.1)	505,502,683	332,610,768
Advance VAT paid	3,815,178	3,815,178
BEFTN adjustment A/c	7,832	37,080
Balance with Principal Branch (PF)	-	1,389,983,953
Balance with Principal Branch (SIBL Employees' Superannuation Fund)	-	133,197,812
Balance with Principal Branch (SIBL Gratuity Fund)	-	781,535,973
	509,326,782	2,643,607,853
9.3.1 Adjusting A/c debit balance	505,502,683	332,610,768

Adjusting account debit balance represents Income Receivable from and profit; from preference shares, Mudaraba Sub-Ordinated Bond etc.

10 Placement from Banks & Other Financial Institutions

Bangladesh Govt. Islamic Bond.

8,000,000,000	5,000,000,000
---------------	---------------

The Bank has an outstanding balance of borrowing Tk. 800.00 crore as on 31.12.2018 taken from Bangladesh Govt. Islamic Bond Fund having different maturity dates. Profit rate of such borrowings is determined under Mudaraba Principle. A demand promissory note favoring Bangladesh Bank has been kept as security to Bangladesh Bank against the borrowings.

Maturity Grouping of Borrowings

Up to 1 month	3,000,000,000	5,000,000,000
More than 1 month but less than 3 months	2,000,000,000	-
More than 3 months but less than 6 months	3,000,000,000	-
6 months and above	-	-
	8,000,000,000	5,000,000,000

11 Deposits and Other Accounts

Mudaraba Savings Deposits (MSD)	19,621,561,549	16,876,607,874
Mudaraba Term Deposits (MTDR)	156,095,697,702	138,266,642,919
Other Mudaraba Deposit	43,569,089,182	42,123,348,876
Mudaraba Short Notice Deposits (MSND)	13,348,172,630	13,428,606,822
Mudaraba Scheme Deposits (Note-11.1)	30,220,916,552	28,694,742,054
Al- Waddeeah Current Deposit and other accounts (AWCD) (Note- 11.2)	24,335,269,747	26,020,865,331
Bills payable (Note-11.3)	4,384,822,493	5,233,509,848
Cash Waqf Fund	317,048,976	277,925,332
	248,324,489,649	228,798,900,180

11.1 Mudaraba Scheme Deposits

Mudaraba Hajj Savings Deposit	92,887,786	68,506,951
Mudaraba Pension Savings Deposit	2,614,730,097	2,636,028,929
Mudara Education Deposit Scheme	40,826,600	38,399,219
Mudaraba Monthly Savings Deposit	53,206,304	65,934,685
Mudaraba Monthly Profit Deposit	3,807,749,887	3,233,182,642
Mudara Bashasthan Savings Scheme	676,210,468	671,980,951
Mudara Millionaire Savings Scheme	997,704,486	958,508,766
Mudara Lakhopotri Deposit Scheme	50,266,479	75,336,410
Mudara Double Benefit Deposit Scheme	1,536,732,091	1,811,981,907
Mudara Marriage Savings Scheme	103,830,523	123,596,565
Mudara MMohorana Savings Scheme	21,329,046	24,184,270
Subarnalata Special Scheme (Wemen)	21,915,847	27,433,382
Subarna Rekha Special Deposit (Wemen)	1,526,890,662	1,291,708,213
Shabuj Shayanna Special Deposit	58,224,337	72,585,386
Shabuj Chaya P. Sch	585,316,856	509,334,415
Sanchita Special Deposit scheme	210,053,345	211,415,845
Sanali Din Pension Deposit Scheme	11,909,821,418	9,502,543,578
Sukher Thikana Saving Scheme	12,362,173	10,139,028
Sacchandey Protidin Monthly Profit Deposit	2,659,743,247	2,673,898,671
Samriddir Sopan Scheme Deposit	2,155,087,725	3,709,144,593
Sopner Siri Deposit Scheme	113,311,490	131,372,392
Sharner Shikhar (mudaraba Biliniar Deposit)	961,651,456	846,714,748
Proshanti (Mudaraba Zakat Saving Deposits)	11,064,229	610,508
	30,220,916,552	28,694,742,054

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



	31.12.2018	31.12.2017
	Taka	Taka
11.2 Al-Wadeeah Current Deposit & other A/c		
Al Wadeeah current deposit	10,154,534,562	11,780,677,724
Sundry deposit	5,592,646,354	5,290,306,917
Social fund deposit	17,075	17,075
Supervision charge	851,490	894,963
Risk fund deposit	2,410,066	7,387,787
FC deposit	3,400,548,930	4,390,443,096
Convertible Taka A/c	75,938,142	113,654,386
F. C. held against B.B. L/C	2,137,402,151	2,677,473,533
Profit payable A/c	2,902,148,436	1,690,370,596
Compensation Realized	69,662,542	69,639,153
	24,336,269,747	26,020,865,331

*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 Limited	24,336,269,747	26,020,865,331
Less: Intercompany balance eliminated	373,713,075	391,174,408
SIBL Securities Limited	123,864,138	141,299,321
SIBL Investment Limited	249,848,937	249,875,087
Consolidated balance of Current deposit and other accounts	23,962,556,672	25,629,690,923

The balances are held with the 'Principal Branch' of SIBL bearing current account no: C002-13300056882 and C002-13300057058 respectively. For consolidation purpose the balances have been eliminated.

11.3 Bills Payable		
Payment Order (PO)	3,217,864,158	4,000,971,812
Demand Draft (DD)	2,118,694	2,159,555
B/P awaiting remittance	1,164,839,640	1,230,378,481
	4,384,822,493	5,233,509,848

11.4 Maturity wise classification of Deposits		
Payable on demand	12,498,722,336	6,885,293,275
Up to 1 month	34,798,828,690	36,291,806,175
More than 1 month but up to 6 months	82,195,120,270	75,480,233,566
More than 6 months but up to 1 year	76,312,340,318	71,327,433,356
More than 1 year but up to 5 years	27,833,137,109	27,678,282,764
More than 5 years but up to 10 years	14,576,340,925	11,135,851,043
	248,314,489,649	228,798,900,180

11.5 Segregation of deposits & other accounts		
i) Client Deposit		
Al-Wadeeah Current deposit & other accounts	24,334,072,694	26,008,211,948
Bills Payable	4,384,822,493	5,233,509,848
Mudaraba Savings Deposits	19,563,597,522	16,820,567,072
Mudaraba Short Notice Deposits	13,150,624,813	11,885,089,671
Mudaraba Term Deposit	132,358,697,702	114,206,642,919
Mudaraba Scheme Deposits	30,220,916,552	28,694,742,054
Cash Waqf Fund	317,048,976	277,925,332
	224,339,780,753	203,126,688,844
ii) Bank Deposit		
Mudaraba Term Deposit Receipt (MTDR)	23,737,000,000	24,060,000,000
Mudaraba Short Notice Deposit (MSND)	187,547,817	1,543,517,152
Al-Wadeeah Current deposit (AWCD)	2,197,053	12,653,383
Mudaraba Savings Deposit (MSD)	57,964,027	56,040,802
	23,984,708,896	25,672,211,337
Grand Total of deposits and other accounts	248,324,489,649	228,798,900,180

12 SIBL Mudaraba Subordinated Bond	10,800,000,000	6,400,000,000
---	-----------------------	----------------------

SIBL has three subordinated bonds namely "SIBL Mudaraba Subordinated Bond of Tk. 300 crore", SIBL 2nd Mudaraba Subordinated Bond of Tk. 400 crore and SIBL 3rd Mudaraba Subordinated Bond of Taka-500.00 crore to support and strengthen Tier II capital base of the bank under Basel-III capital regulation of Bangladesh Bank.

SIBL Mudaraba Subordinated Bond of Tk. 300 Crore

Social Islami Bank Limited issued 'SIBL Mudaraba Subordinated Bond of Tk. 300 Crore' in accordance with the regulatory approval from Bangladesh Securities and Exchange Commission (BSEC) and Bangladesh Bank (BB) vide their letter ref no. BSEC/CI/DS-13/2014/598 & BRPD (BFIS) 661/14 B(P)/2014-6027, Dated: 26 August 2014 & 16 September 2014 respectively. The bond was fully subscribed by 14 nos of investors and the subscription of the bond closed on 31.03.2015. According to the redemption policy of the bond 20% face value of the has been redeemed on 01/04/2017. The list of investor with present outstanding balance is as follows:



	31.12.2018	31.12.2017
	Taka	Taka
Investors of SIBL Mudaraba Subordinated Bond		
Al-Arafah Islami Bank Limited	300,000,000	400,000,000
Bank Asia Limited	120,000,000	160,000,000
Bank Asia Limited Employees' Gratuity Fund	42,000,000	56,000,000
Islami Bank Bangladesh Limited	300,000,000	400,000,000
Padma Islami Life Insurance Limited	30,000,000	40,000,000
Prime Islami Life Insurance Limited	30,000,000	40,000,000
Pubali Bank Limited	120,000,000	160,000,000
Reliance Insurance Limited	30,000,000	40,000,000
Rupali Bank Limited	300,000,000	400,000,000
Shahjalal Islami Bank Limited	60,000,000	80,000,000
Sonali Bank Limited	300,000,000	400,000,000
Square Pharmaceuticals Workers Profit Participation Fund	30,000,000	40,000,000
United Finance Limited	78,000,000	104,000,000
Uttara Bank Limited	60,000,000	80,000,000
	1,800,000,000	2,400,000,000

SIBL 2nd Mudaraba Subordinated Bond of Tk. 400 Crore

Social Islami Bank Limited issued 'SIBL 2nd Mudaraba Subordinated Bond of Tk. 400 Crore' in accordance with the regulatory approval from Bangladesh Securities and Exchange Commission (BSEC) and Bangladesh Bank (BB) vide their letter ref no. BSEC/C/DS-13/2014/28 & BRPD (BFIS) 661/14 B(P)/2017-1252, Dated: 17 January 2017 & 01 March 2017 respectively. The bond was fully subscribed by 12 nos of investors and the subscription of the bond closed on 20.06.2017. The list of investor with present outstanding balance is as follows:

Investors of SIBL 2nd Mudaraba Subordinated Bond

Bank Asia Limited	100,000,000	100,000,000
Central Depository Bangladesh Ltd	200,000,000	200,000,000
Dhaka Stock Exchange Limited	400,000,000	400,000,000
Eastern Bank Limited	250,000,000	250,000,000
Mercantile Bank Limited	250,000,000	250,000,000
Midland Bank Limited	200,000,000	200,000,000
National Life Insurance Co. Ltd	100,000,000	100,000,000
Pubali Bank Limited	500,000,000	500,000,000
Rupali Bank Limited	500,000,000	500,000,000
Shahjalal Islami Bank Limited	500,000,000	500,000,000
Trust Bank Limited	500,000,000	500,000,000
Uttara Bank Limited	500,000,000	500,000,000
	4,000,000,000	4,000,000,000

SIBL 3rd Mudaraba Subordinated Bond of Tk.500

Social Islami Bank Limited issued 'SIBL 3rd Mudaraba Subordinated Bond of Tk. 500 Crore' in accordance with the regulatory approval from Bangladesh Securities and Exchange Commission (BSEC) and Bangladesh Bank (BB) vide their letter ref no. BSEC/C/DS-13/2014/670 & BRPD(BFIS)661/14B(P)/2018-7647, Dated: 27 September 2018 & 11 October 2018 respectively. The bond was fully subscribed by 3 nos of investors and the subscription of the bond closed on 27.12.2018. The list of investor with present outstanding balance is as follows:

Investors of SIBL 3rd Mudaraba Subordinated Bond

Agrani Bank Limited	2,500,000,000	-
EXIM Bank Limited	500,000,000	-
Islami Bank Bangladesh Limited	2,000,000,000	-
	5,000,000,000	-

13

Other Liabilities

Adjusting A/C (Cr.) Balance	12,030,804	9,895,336
Other Payable	3,079,086	2,728,359
SIBL Employees' PF Fund*	-	1,389,983,953
SIBL Employees' Gratuity Fund*	-	781,768,077
SIBL Employees' Superannuation Fund*	-	133,197,812
BEFTN Adjustment Account	24,672,552	64,552,918
Parking Account	51	174
ATM Settlement for Q-Cash	34,004,885	117,917,352
Provision for Investments (note: 13.1)	8,689,072,870	6,360,456,987
Provision for other Assets (note: 13.2)	450,890,557	420,790,557
Compensation and Rent Suspense (note: 13.3)	1,874,740,496	1,665,037,246
Provision for Taxation (note: 13.4)	13,128,464,305	10,900,720,339
Zakat Fund (note: 13.5)	129,665,548	92,567,800
Provision for good borrower (note: 13.6)	8,000,000	6,773,000
Provision for Climate Risk Fund (note: 13.7)	2,000,000	-
	24,356,621,156	21,946,394,909



SIBL Employees' PF Fund, SIBL Employees' Gratuity fund and SIBL Employees' Superannuation Fund are maintained separately and separate financial statements are prepared for these funds also. In the year 2018, the fund balances held with SIBL's GI has been separated completely for better maintenance and independence of the fund.

	31.12.2018	31.12.2017
	Taka	Taka
13(a) Consolidated Other Liabilities		
Social Islami Bank Limited	24,356,621,156	21,946,394,909
<i>Add: Other Liabilities of subsidiaries</i>		
SIBL Securities Limited	1,232,603,243	1,064,272,456
Payable to SIBL-Term loan	800,000,000	750,000,000
Payable to regulators	15,458,814	4,706,012
Payable to clients	203,361,043	146,830,091
Other provisions	136,934,479	103,196,593
Provision for Income Tax	76,848,906	59,539,759
SIBL Investment Limited	46,000	23,000
Accrued Expenses	46,000	23,000
Provision for Income Tax	-	-
	25,589,270,399	23,010,690,365
Less: Intercompany balance eliminated		
SIBL Securities Limited		
Payable to SIBL-Term loan	800,000,000	750,000,000
Grand total	24,789,270,399	22,260,690,365
13.1 Provision for Investment		
(a) Specific Provision on Investment		
Provision held at the beginning of the year	3,473,741,378	1,764,697,631
Fully provided Investment written off	(50,969,558)	(795,006,294)
Transferred from doubtful income/compensation realized/recovery	150,182,617	126,956,778
Transferred from provision for protested bills	-	-
Provision made during this year	2,825,055,062	2,377,093,263
Provision held at the end of the year	6,398,009,498	3,473,741,378
(b) General Provision on Investment		
Provision held at the beginning of the year	2,207,398,797	2,096,095,437
Fully provided Investment written off	(32,098,000)	-
Addition during the year	(349,201,263)	111,303,360
Balance at the end of the year	1,826,099,534	2,207,398,797
Total Provision on Investments	8,224,109,032	5,681,140,175
(c) General Provision on Off-Balance Sheet items		
Provision held at the beginning of the year	679,316,812	598,513,466
Addition during the year	(214,352,974)	80,803,316
Balance at the end of the year	464,963,838	679,316,812
Total Provision for Investments & Off-Balance Sheet items (a+b+c)	8,689,072,870	6,360,456,987
13.2 Provision for other Assets		
Provision held at the beginning of the year	420,790,557	370,077,572
Provision written back during the year (due to recovery)	-	-
Adjustment regarding payment	-	(11,172,015)
Addition during the year	30,100,000	61,885,000
Balance at the end of the year	450,890,557	420,790,557
13.2.1 Provision for protested bills		
Provision held at the beginning of the year	313,407,280	313,407,280
Provision written back during the year (due to recovery)	-	-
Provision during the year	5,970,290	-
	319,377,570	313,407,280
13.2.2 Provision for suspense account		
Provision held at the beginning of the year	107,383,277	56,570,292
Adjustment during the year	-	(11,172,015)
Addition during the year	24,129,710	61,885,000
	131,512,987	107,383,277
13.3 Compensation & Rent Suspense A/C		
Compensation Receivable A/C		
Murabaha (General)	111,340,146	90,883,291
Murabaha (Post Import)	690,559	690,559
Musharaka (Preshipment)	290,783	290,783
Bai-Muazzal	269,515,707	316,670,215
Bai-Muazzal Trust Receipt	207,589,090	174,971,248
Baim Wes bills	38,751,657	24,180,098
Bai-Muazzal (ME)	257,020,083	159,338,898
	885,196,026	767,025,093



	31.12.2018	31.12.2017
	Taka	Taka
Compensation Suspense A/C		
Murabaha (General)	8,771,511	9,552,633
Murabaha (Post Import)	18,701,747	19,250,028
Bai-Muazzal	233,484,888	203,627,650
Bai-Muazzal- House hold	7,856	14,611
Bai-Muazzal Trust Receipt	45,060,552	38,838,361
Others	69,925,099	57,420,992
	376,407,247	328,704,277
Rent Suspense A/C	613,137,223	569,307,876
Total Compensation & Rent Suspense	1,874,740,496	1,665,037,246
13.3.1 Movement of Compensation and Rent Suspense A/C		
Balance at the beginning of the year	1,665,037,246	1,254,313,910
Add: Amount transferred to suspense account during the year	269,365,792	479,970,280
Less: Amount recovered from suspense account during the year	(59,662,542)	(19,639,153)
Less: Amount written off/waived during the year	-	(59,607,791)
Balance at the end of the year	1,874,740,496	1,665,037,246
13.4 Provision for Taxation		
Provision for Current tax		
Balance at the beginning of the year	10,900,720,339	8,837,265,513
Add: Provision made during the year (Note:13.4.1)	2,227,743,967	2,063,450,826
	13,128,464,305	10,900,720,339
Advance tax		
Balance at the beginning of the year	8,102,785,360	6,695,398,826
Paid during the year	1,268,621,662	1,407,386,534
	9,371,407,022	8,102,785,360
Balance at the end of the year	3,757,057,284	2,797,934,980
13.4.1 Provision made during the year		
Operating Profit before provision & tax	6,143,117,574	6,166,211,520
Add: Inadmissible expense	467,372,510	426,950,416
Less: Inadmissible expense and for separate consideration	912,869,768	1,628,448,392
Total Taxable Income	5,697,620,315	4,964,713,544
Total Tax liability for current year		
Business Tax @ 37.5% for year 2018 and @40.00% for year 2017	2,136,607,618	1,985,885,418
Dividend Tax @ 20%	89,713,418	66,509,907
Tax on gain on shares & securities @ 10%	1,422,930	11,055,501
Provision required	2,227,743,967	2,063,450,826
Provision made	2,227,743,967	2,063,450,826
13.5 Zakat fund		
Opening Balance	92,567,800	89,792,573
Addition this year	129,665,548	111,424,295
To sadaka fund	81,040,968	111,424,295
To provision for tax	48,624,581	-
Less: Paid during the year	(90,745,822)	(122,255,910)
Less: Transferred to Sadaka fund (Balance of Zakat Fund)	(1,821,978)	13,616,841
Closing Balance at the end of the year	129,665,548	92,567,800
13.6 Provision for good borrower		
Opening balance	6,778,000	15,000,000
Addition during the year	1,222,000	-
Paid during the year	-	8,222,000
	8,000,000	6,778,000
13.7 Provision for Climate Risk Fund		
Opening balance	-	-
Addition during the year	2,000,000	-
Paid during the year	-	-
	2,000,000	-
Provision for Climate Risk Fund has been maintained in accordance with GRSRD circular no: 04, dated: 09 July 2015 and SFD circular no: 01, dated: 11 May 2016.		
14 Deferred Tax Liability/(Asset)		
Balance at the beginning of the year	37,210,816	20,784,787
Add: Provision made during the year	37,120,027	16,426,030
Closing balance at the end of the year	74,330,843	37,210,816



	31.12.2018	31.12.2017
	Taka	Taka
14 (a) Consolidated Deferred Tax Liability/(Asset)		
Social Islami Bank Limited	74,330,843	37,210,816
SIBL Securities Limited		
Balance at the beginning of the year	1,181,585	990,578
Add: Provision made during the year	(75,510)	191,108
Closing balance at the end of the year	1,106,176	1,181,686
Grand total	75,437,019	38,392,503

15 Capital

15.1 Authorized Capital

1,000,000,000 ordinary shares of Tk. 10 each

	31.12.2018	31.12.2017
	10,000,000,000	10,000,000,000

15.2 Issued, Subscribed and Paid up Capital

The Paid-up Capital of the Bank is currently Tk. 8,121,285,060 divided into 812,128,505 Ordinary Shares of Tk 10 each

	31.12.2018	31.12.2017
	8,121,285,060	7,382,986,420

Break up of paid up capital is as follows

26,000,000 no. Ordinary shares of Tk.10 issued for cash
 477,322,945 no. Ordinary shares of Tk. 10 each for cash as right share
 234,975,697 no.ordinary shares of Tk 10 each issued as bonus shares
 73,829,864 no.ordinary shares of Tk 10 each issued as bonus shares

	31.12.2018	31.12.2017
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	-
Total	8,121,285,060	7,382,986,420

Sponsor Shareholders Group
 General Shareholders Group

	31.12.2018	31.12.2017
Sponsor Shareholders Group	2,565,624,260	3,114,102,130
General Shareholders Group	5,555,660,800	4,268,884,290
Total	8,121,285,060	7,382,986,420

15.3 Classification of Shareholders by holding

Year 2018

Less than 500 shares
 501 to 5,000 shares
 5,001 to 10,000 shares
 10,001 to 20,000 shares
 20,001 to 50,000 shares
 50,001 to 99,999 shares

No. of Shareholders	No. of shares	Percentage of holding of shares
14,285	2,206,781	0.27%
14,429	24,190,887	2.98%
1,738	11,723,180	1.44%
809	11,002,187	1.35%
411	12,459,070	1.53%
363	750,546,401	92.42%
Total	32,035	100.00%

Total

Year 2017

Shareholding range
 Less than 500 shares
 501 to 5,000 shares
 5,001 to 10,000 shares
 10,001 to 20,000 shares
 20,001 to 50,000 shares
 50,001 to 99,999 shares

No. of Shareholders	No. of shares	Percentage of holding of shares
15,607	2,321,746	0.31%
14,050	24,836,841	3.36%
1,290	9,253,080	1.25%
650	9,047,790	1.23%
365	11,243,484	1.52%
306	681,595,701	92.32%
Total	33,177	100.00%

Total

15.4 Particulars of shareholding and Percentage Analysis

Particulars of shareholding:

	Year 2018			
	Number of Share holders	Number of Shares		
Sponsors & Placement	31	78,771,913	787,719,130	1,655,578,450
Sponsors Foreign	11	11,025,178	110,251,780	102,273,670
Sponsors & Placement Company	11	166,765,335	1,667,653,350	1,356,250,010
General Public	31,308	164,374,810	1,643,748,100	1,080,303,220
Institutions (Bank & Insurance)	43	22,863,461	228,634,610	212,356,790
Institution (Others)	586	356,378,072	3,563,780,720	2,944,078,240
ICB Account Holders	28	59,069	590,690	530,330
ICB	1	8,386,293	83,862,930	40
ICB Unit Fund	3	45,586	455,860	105,910
ICB Mutual Fund	-	-	-	-
Employee	2	3,191,616	31,916,160	29,014,700
Non-Resident Bangladeshi	11	267,173	2,671,730	2,495,060
Total	32,035	812,128,506	8,121,285,060	7,382,986,420



Percentage of shareholding Analysis:

	Percentage	Percentage
Sponsors & Placement	9.70%	22.42%
Sponsors Foreign	1.36%	1.39%
Sponsors & Placement Company	20.53%	18.37%
General Public	20.24%	14.63%
Institutions (Bank & Insurance)	2.82%	2.88%
Institution (Others)	43.88%	39.88%
ICB Account Holders	0.01%	0.01%
ICB	1.03%	0.00%
ICB Unit Fund	0.01%	0.00%
ICB Mutual Fund	-	0.00%
Employee	0.39%	0.39%
Non-Resident Bangladeshi	0.03%	0.03%
	100%	100%
	31.12.2018	31.12.2017
	Taka	Taka

15.5

Capital Adequacy (Solo Basis)

Position of capital adequacy are given below:-

a) Going Concern Capital (Tier-I)**Common Equity Tier I (CET-1) Capital**

i) Paid-up Capital	8,121,285,060	7,382,986,420
ii) Statutory Reserve (Note: 16)	5,795,455,397	5,025,796,447
iii) Retained Earnings (Note: 17)	878,140,568	778,444,828
	14,794,881,025	13,187,227,695

Additional Tier I (AT-1) Capital

-

b) Gone Concern Capital (Tier-II)

i) General Provision (Note 13.2(b+c))	2,291,063,372	2,886,715,609
ii) Assets Revaluation Reserve (eligible)	105,567,973	211,135,945
(As per Basel-III Guideline of Bangladesh Bank 60% & 80% Revaluation Reserve is Adjusted in 2017 and 2018 respectively)		
iii) SIBLMudaraba Subordinated Bonds	8,920,000,000	5,440,000,000
	11,316,631,345	8,537,851,554

c) Total eligible capital (a +b)**26,111,512,369****d) Total Risk Weighted Assets****183,000,985,000****e) Minimum Required Capital (10% of Risk Weighted Assets)****18,300,098,500****f) Minimum Required Capital including conservation buffer (11.875% of Risk weighted assets)****21,731,366,969****g) Total Capital Surplus (c-e)****7,811,413,869****h) Total Capital Surplus considering conservation buffer(c-f)****4,380,145,401****Capital Adequacy (Consolidated basis)**

Position of capital adequacy are given below:-

a) Going Concern Capital (Tier-I)**Common Equity Tier I (CET-1) Capital**

i) Paid-up Capital	8,121,285,060	7,382,986,420
ii) Statutory Reserve (Note: 16)	5,795,455,397	5,025,796,447
iii) General Reserve	10,764,250	8,570,541
iv) Retained Earnings (Note: 18(a))	904,866,028	787,091,456
	14,832,370,735	13,204,444,864

Additional Tier I (AT-1) Capital

-

b) Gone Concern Capital (Tier-II)

i) General Provision (Note 13.1(b+c))	2,291,063,372	2,886,715,609
ii) Assets Revaluation Reserve (eligible)	105,567,973	211,135,945
(As per Basel-III Guideline of Bangladesh Bank 60% & 80% Revaluation Reserve is Adjusted in 2017 and 2018 respectively)		
iii) SIBLMudaraba Subordinated Bonds	8,920,000,000	5,440,000,000
	11,316,631,345	8,537,851,554

c) Total eligible capital (a +b)**26,149,002,080****d) Total Risk Weighted Assets****181,993,065,000****e) Minimum Required Capital (10% of Risk Weighted Assets)****18,199,306,500****f) Minimum Required Capital including conservation buffer (11.875% of Risk Weighted Assets)****21,611,676,469****g) Total Capital Surplus (c-e)****7,949,695,580****h) Total Capital Surplus considering conservation buffer(c-f)****4,537,325,611**

Capital to Risk Weighted Asset Ratio (Solo basis)

Particulars	31.12.2018		31.12.2017	
	Requirement	Capital Maintained	Requirement	Capital Maintained
Going Concern Capital: (Tier-I)	6.00%	8.08%	5.00%	7.02%
Common Equity Tier I Capital: (CET-1)	4.50%	8.08%	4.50%	7.02%
CET-1 Plus Conservation Buffer	6.375%	8.08%	5.750%	7.02%
Going Concern Capital: (Tier-II)	0.00%	6.18%	0.00%	4.55%
Minimum CRAR	10.00%	14.27%	10.00%	11.57%
Minimum CRAR Plus Conservation Buffer	11.875%	14.27%	11.25%	11.57%

Capital Adequacy Ratio (Consolidated basis)

Particulars	31.12.2018		31.12.2017	
	Requirement	Capital Maintained	Requirement	Capital Maintained
Going Concern Capital: (Tier-I)	6.00%	8.15%	6.00%	7.04%
Common Equity Tier I Capital: (CET-1)	4.50%	8.15%	4.50%	7.04%
CET-1 Plus Conservation Buffer	6.375%	8.15%	5.75%	7.04%
Going Concern Capital: (Tier-II)	0.00%	5.22%	0.00%	4.55%
Minimum CRAR	10.00%	14.37%	10.00%	11.59%
Minimum CRAR Plus Conservation Buffer	11.875%	14.37%	11.25%	11.59%

Bangladesh Bank vide its letter ref: BRPD(P-1)/661/13/2019-1525, dated: 17.02.2019, has accorded their permission to calculate total capital without adjusting the deferred provision as approved by Bangladesh Bank till the year 2021.

15.6

Breakdown of gross Risk-Weighted Assets (RWA) in the various categories of risk-weights
Solo Basis
a) Risk Weights for Credit Risk

(Amount in Taka)

Risk Weights (Both B/S & Off-B/S)	31.12.2018		31.12.2017	
	Principal amount	Risk Weighted Assets	Principal amount	Risk Weighted Assets
0%	44,650,700,000	-	41,028,400,000	-
20%	25,553,500,000	5,110,700,000	25,257,600,000	5,051,520,000
40%	1,874,400,000	749,760,000	2,280,500,000	912,200,000
50%	89,391,200,000	44,695,600,000	68,301,700,000	34,150,850,000
60%	23,108,200,000	13,864,920,000	18,179,800,000	10,907,880,000
75%	24,714,800,000	18,536,100,000	20,523,200,000	15,392,400,000
80%	11,080,500,000	8,864,480,000	14,040,900,000	11,232,720,000
100%	58,130,100,000	58,130,100,000	76,196,500,000	76,196,500,000
120%	-	-	-	-
125%	14,001,300,000	13,604,275,000	8,164,600,000	8,574,025,000
150%	745,300,000	1,117,950,000	5,070,700,000	7,606,050,000
Total	293,250,100,000	164,673,885,000	279,043,900,000	170,024,145,000

b) Risk Weights for Operational Risk

1,627,410,000

16,274,100,000

1,378,685,000

13,786,850,000
c) Risk Weights for Market Risk

205,300,000

2,053,000,000

393,300,000

3,933,000,000
Total Risk Weighted Assets
183,000,985,000
187,743,995,000
Consolidate basis
a) Risk Weights for Credit Risk

(Amount in Taka)

Risk Weights (Both B/S & Off-B/S)	31.12.2018		31.12.2017	
	Principal amount	Risk Weighted Assets	Principal amount	Risk Weighted Assets
0%	44,727,600,000	-	41,088,100,000	-
20%	25,553,400,000	5,110,680,000	25,257,900,000	5,051,580,000
40%	1,874,400,000	749,750,000	2,280,500,000	912,200,000
50%	89,391,200,000	44,695,600,000	68,301,700,000	34,150,850,000
60%	23,108,200,000	13,864,920,000	18,179,800,000	10,907,880,000
75%	24,714,800,000	18,536,100,000	20,523,200,000	15,392,400,000
80%	11,080,600,000	8,864,480,000	14,040,900,000	11,232,720,000
100%	58,281,400,000	58,281,400,000	76,408,100,000	76,408,100,000
120%	-	-	-	-
125%	12,797,700,000	12,099,775,000	7,728,100,000	8,028,275,000
150%	745,300,000	1,117,950,000	5,070,700,000	7,606,050,000
Total	292,274,600,000	163,320,665,000	278,879,000,000	169,690,055,000

b) Risk Weights for Operational Risk

1,640,340,000

16,403,400,000

1,389,390,000

13,893,900,000
c) Risk Weights for Market Risk

226,900,000

2,269,000,000

393,300,000

3,933,000,000
Total Risk Weighted Assets
181,993,065,000
187,516,955,000


	31.12.2018	31.12.2017
	<u>Taka</u>	<u>Taka</u>
16 Statutory Reserve		
Opening balance	5,025,796,447	4,318,771,137
Add: Addition during the year	769,658,950	707,025,310
	<u>5,795,455,397</u>	<u>5,025,796,447</u>
16(a) General Reserve		
Opening balance	8,570,541	6,154,312
Add: Addition during the year	2,193,709	2,416,229
	<u>10,764,250</u>	<u>8,570,541</u>

The Board of SIBL Securities Ltd. has decided to create a general reserve @1% on total receivable from clients at the end of each year and add or adjustment with general reserve will depend on size of unrealized loss against outstanding margin loan and realization for the respective year. During the year, the adjustment made for creating provisions separately for impairment of margin loan and diminution in value of investment in shares.

17 Revaluation Reserve on fixed assets		
Carrying (Revalued) amount of fixed assets (Land and Building)	1,473,168,241	1,510,623,068
Cost of fixed assets (land and building) less depreciation	493,946,896	506,558,057
Balance of revaluation reserve	<u>979,221,345</u>	<u>1,004,065,011</u>
Less: Adjustment made based on difference amount of depreciation	24,222,574	24,843,666
Remaining balance of revaluation reserve	<u>954,998,771</u>	<u>979,221,345</u>

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.

Location	Class of property	Cost less depreciation	Revaluation Surplus as on 31.01.2018	Depreciation on revalued amount	(amounts in Taka)	
					Depreciation on cost	Amount of adjustment for the year 2018
City Center, Head Office	Building	336,914,397	804,615,561	28,538,249	8,422,860	20,115,389
Chandaikona Branch	Land	2,111,623	10,218,377		-	-
	Building	992,381	1,108,408	52,520	24,810	27,710
Savar Branch	Building	27,050,466	24,525,074	1,286,889	676,262	610,627
Panthapath Branch	Building	22,506,723	45,449,921	1,698,916	562,668	1,136,248
Rampura Branch	Building	33,500,602	31,876,624	1,634,431	837,515	796,916
Khulna Branch	Building	15,783,397	12,436,088	705,487	394,585	310,902
Nawabpur Road Branch	Building	55,087,306	48,991,293	2,601,965	1,377,183	1,224,782
		<u>493,946,896</u>	<u>979,221,343</u>	<u>36,518,456</u>	<u>12,295,882</u>	<u>24,222,574</u>

18 Retained Earnings		
Opening balance	778,444,828	1,481,974,061
Less: Issue of cash dividend 20%	-	(1,476,597,284)
Less: Issue of Stock dividend 10%	(738,298,640)	-
Add: Transferred from Profit & Loss Account	813,771,806	748,224,385
Add: Transferred from Revaluation Reserve for Fixed Assets	24,222,574	24,843,666
	<u>878,140,568</u>	<u>778,444,828</u>

18(a) Consolidated retained earnings		
Opening Balance	787,091,456	1,481,351,830
Less: Issue of cash dividend for SIBL shareholders	-	(1,476,597,284)
Less: Issue of Stock dividend 10%	(738,298,640)	-
Add: Transferred from current year retained earnings of SIBL & its subsidiaries (note 18.1(a))	831,850,638	757,493,324
Add: Transferred from Revaluation Reserve for Fixed Assets of SIBL	24,222,574	24,843,666
	<u>904,866,027</u>	<u>787,091,536</u>

Less: Dividend paid to other shareholders

SIBL Securities Limited

-	80
<u>904,866,027</u>	<u>787,091,456</u>



SIBL has invested amount of Taka- 1,229,998,800 and Taka- 249,999,200 in two of its subsidiaries 'SIBL Securities Ltd. (SIBL SL)' and 'SIBL Investment Ltd. (SIBL IL)' respectively. SIBL holds 99.999902% and 99.99968% of total shares of its subsidiaries 'SIBL SL' and 'SIBL IL' respectively while the other shareholders of the subsidiaries hold 0.000098% 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	12,299,988	2,499,992	1,229,998,800	249,999,200	99.999902%	99.99968%
2	Alhaj Nasiruddin	1	1	100	100	0.000008%	0.00004%
3	Mr. Md. Sayedur Rahman	1	-	100	-	0.000008%	-
4	Major (Retd.) Dr. Md. Rezaul Haque	1	1	100	100	0.000008%	0.00004%
5	Alhaj Sultan Mahmood Chowdhury	1	1	100	100	0.000008%	0.00004%
6	Mr. Abdul Awal Patwary	1	1	100	100	0.000008%	0.00004%
7	Hamdard Laboratories (Waqf) Bangladesh, Represented by: Mr. Anisul Hoque	1	-	100	-	0.000008%	-
8	Mrs. Nargis Mannan	1	-	100	-	0.000008%	-
9	Mr. Kamaluddin Ahmed	1	1	100	100	0.000008%	0.00004%
10	Alhaj Sk. Mohammad Rabban Ali	1	1	100	100	0.000008%	0.00004%
11	Mr. A. Jabbar Mollah	1	-	100	-	0.000008%	-
12	Mr. Md. Kamal Uddin	1	1	100	100	0.000008%	0.00004%
13	Mr. Belal Ahmed	1	1	100	100	0.000008%	0.00004%
		12,300,000	2,500,000	1,230,000,000	250,000,000	100.00%	100.00%

	31.12.2018	31.12.2017
	Taka	Taka
18.1 Current year retained earnings		
Social Islami Bank Limited		
Profit after tax	1,583,430,756	1,455,249,695
Less : Statutory Reserve	769,658,950	707,025,310
	813,771,806	748,224,385
18.1.(a) Consolidated Current year retained earnings		
Profit after tax of SIBL	1,583,430,756	1,455,249,695
Less :Statutory Reserve	769,658,950	707,025,310
Profit/(Loss) attributable to Group	813,771,806	748,224,385
Add: Profit/(loss) of subsidiaries		
Add: Current year profit/(loss) of subsidiaries		
SIBL Securities Limited	18,146,387	107,737,962
SIBL Investment Limited	(67,540)	(69,015)
	18,078,846	107,668,946
Less: Non controlling interests of profit/(loss) attributable for current year		
SIBL Securities Limited	15	87
SIBL Investment Limited	-	-
	15	87
Less: Common income (Dividend) for elimination		
SIBL Securities Limited	-	98,399,920
Profit/(Loss) attributable to parent	831,850,638	757,493,324
18(b) Non-controlling interest		
SIBL Securities Limited		
Paid up capital	1,230,000,000	1,230,000,000
Retained earnings	28,737,598	10,591,211
Net Assets	1,258,737,598	1,240,591,211
SIBL Investment Limited		
Paid up capital	250,000,000	250,000,000
Retained earnings	(2,011,922)	(1,944,382)
Net Assets	247,988,078	248,055,618
Non-controlling interests		
SIBL Securities Limited, @ 0.000098% of net assets	1,215	1,200
SIBL Investment Limited, @0.00032% of net assets	596	596
Total non-controlling interest	1,812	1,797



	31.12.2018	31.12.2017
	Taka	Taka
19 Contingent liabilities		
19.1 Acceptances and Endorsements		
Bill bankers' liabilities (DP)	14,272,414,226	22,997,615,491
Bill bankers' liabilities (BB/FO)	914,702,237	914,598,999
Bill bankers' liabilities (BB/LO)	4,090,617,000	4,047,487,724
Bill bankers' liabilities (FPZ)	317,571,000	257,288,000
Bill bankers' liabilities Others	534,115,000	509,136,200
	20,129,420,463	28,726,126,414
19.2 Letter of Credit		
L/C bankers' liabilities (DP)	5,284,059,000	7,323,021,802
L/C bankers' liabilities (BB/FO)	796,931,000	1,154,481,000
L/C bankers' liabilities (BB/LO)	1,954,426,000	1,660,871,000
L/C bankers' liabilities (Cash)	6,530,138,200	9,149,512,487
L/C bankers' liabilities (EPZ)	647,014,000	24,235,000
L/C bankers' liabilities (Others)	621,582,000	1,597,919,000
	15,834,150,200	20,910,040,289
19.3 Letters of guarantees		
Letters of guarantee	10,532,813,165	14,094,167,946
19.4 Bills for collection		
In-ward bills for collection	-	-
Out-ward Bills for Collection	4,189,581,976	4,239,277,561
	4,189,581,976	4,239,277,561
19.5 Other Contingent Liabilities	-	-
19.6 Other Commitments	-	-
Total Off-balance sheet items	50,685,965,804	67,969,612,210
Income Statement (Note-20 to Note-39)		
Income:		
Income from Investment (Note-20)	24,955,867,159	18,497,613,423
Income from Investment in Shares & Securities (Note-22)	462,796,394	443,104,547
Commission, Exchange and Brokerage Income (Note-23)	1,600,655,718	1,871,303,027
Other operating income (Note-24)	595,194,180	602,379,425
	27,615,513,451	21,414,400,422
Expenses:		
Profit paid on Deposits (Note-21)	16,063,978,530	10,561,959,067
Administrative expenses	3,145,854,129	2,899,594,762
Other operating expenses	1,941,895,605	1,488,912,855
Depreciation on Banking assets	320,667,613	297,722,218
	21,472,395,877	15,248,188,902
Income over expenditure	6,143,117,574	6,166,211,520
20 Income from Investment		
Profit on Murabaha	195,442,335	120,116,734
Profit on Bai-Muazzal	15,878,285,646	11,235,975,639
Profit on Hire-Purchase	6,275,719,215	4,865,038,403
Profit on Musharka	38,163,397	31,297,362
Profit on Bai-Salam	69,779,431	57,213,841
Profit on Guard against MTDR, Scheme and others	533,590,475	582,605,146
Profit on Inland Document Bill Purchased	381,907,836	343,629,376
Profit on Foreign Document Bill Purchased	442,936,981	291,942,245
Profit on Ijarah	55,324,304	42,579,353
Profit on Investment against Mudaraba Deposit with other banks and NBFIs	751,602,249	516,384,540
Profit on other investments (Card, Wakalet fee etc.)	235,655,240	250,308,304
Profit on Mudaraba	97,460,050	160,521,481
	24,955,867,159	18,497,613,423
20(a) Consolidated income from Investment		
Social Islami Bank Ltd.	24,955,867,159	18,497,613,423
Add: Income from investment of subsidiaries of SIBL	117,177,840	111,296,114
SIBL Securities Ltd.	117,177,840	111,296,114
SIBL Investment Ltd.	-	-
Grand total of consolidated investment income	25,073,045,000	18,608,909,537



	31.12.2018	31.12.2017
	Taka	Taka
21 Profit paid on Deposits		
<i>Profit paid on deposits</i>		
Mudaraba Savings Deposits (MSD)	503,706,574	368,388,910
Mudaraba short notice deposit (MSND)	347,633,513	289,094,026
Mudaraba term deposit (MTDR)	11,631,715,648	7,797,128,584
Cash waqf fund deposit	24,754,575	23,240,286
Profit paid on Scheme Deposits & others	2,423,419,118	1,668,924,599
	14,931,230,427	10,146,776,605
<i>Profit paid on borrowings & SIBL Mudaraba Subordinate Bond</i>	1,132,748,103	415,182,462
Total profit paid on deposits and borrowings	16,063,978,530	10,561,959,067
21(a) Consolidated Profit paid on Deposits		
Social Islami Bank Ltd.	16,063,978,530	10,561,959,067
<i>Add: Income from investment of subsidiaries of SIBL</i>	73,726,464	62,993,082
SIBL Securities Ltd.	73,726,464	62,993,082
SIBL Investment Ltd.	-	-
Grand total of consolidated Profit paid on Deposits	16,137,704,994	10,624,952,149
22 Income from Investment in Shares & Securities		
Income from Investment in Islamic Bond	251,076,251	94,361,352
Income from Investment in Shares	14,229,302	110,555,012
Belhasha Preference share	-	109,549,205
Dividend Income	197,490,841	128,638,968
	462,796,394	443,104,547
Social Islami Bank Ltd. has investment of Tk. 920.00 crore in Bangladesh Govt. Islamic Investment Bond for which 3.00% average rate of income has been provided for January-December 2018. The nature of the Fund is to generate profit according to Mudaraba Principle.		
22(a) Consolidated income from Investment in Shares & Securities		
Social Islami Bank Ltd.	462,796,394	443,104,547
<i>Add: Income from Investment in Shares & Securities of subsidiaries of SIBL</i>	15,112,125	34,323,504
SIBL Securities Ltd.	15,112,125	34,323,504
SIBL Investment Ltd.	-	-
<i>Less: Common income for elimination</i>	-	98,399,920
SIBL Securities Ltd.	-	98,399,920
Grand total of consolidated income from Investment in Shares & Securities	477,908,519	379,028,131
23 Commission, Exchange & Brokerage		
Commission	579,730,570	848,329,068
Exchange income	920,925,148	1,022,973,959
	1,600,655,718	1,871,303,027
23(a) Consolidated income from commission, exchange & brokerage		
Social Islami Bank Ltd.	1,600,655,718	1,871,303,027
<i>Add: Income from commission, exchange & brokerage of subsidiaries of SIBL</i>	86,709,888	145,463,433
SIBL Securities Ltd.	86,709,888	145,463,433
SIBL Investment Ltd.	-	-
Grand total of consolidated income from commission, exchange & brokerage	1,687,365,606	2,016,766,460
24 Other Operating Income		
P & T charge recovered	1,946,494	715,768
Courier Charges Recovery & Others	8,836,676	9,668,654
Services & charges	355,948,450	414,953,352
SWIFT/ Return charge recovered	47,207,878	50,015,815
Other charges (Note: 24.1)	181,254,682	127,025,836
	596,194,180	602,379,425
24(a) Consolidated other operating income		
Social Islami Bank Ltd.	596,194,180	602,379,425
<i>Add: Other operating Income of subsidiaries of SIBL</i>	945,233	2,350,110
SIBL Securities Ltd.	945,233	2,350,110
SIBL Investment Ltd.	-	-
Grand total of consolidated income from other operating income	597,139,413	604,729,535
24.1 Other Charges		
Rent receipts	2,540,779	2,194,581
Income from sale of forms	172,070	416,900
Service charge on SIBL Cards	72,274,818	58,569,545
Notice pay earnings	4,572,650	3,125,925
Miscellaneous income	101,694,364	62,518,884
	181,254,682	127,025,836



	31.12.2018	31.12.2017
	Taka	Taka
25 Salary & Allowances		
Basic Salary	1,272,868,382	1,137,047,641
Allowances	1,211,751,483	1,130,621,847
Bonus	495,617,232	473,188,676
L/E Salary & Allowances	26,608,143	29,480,924
Bank's Contribution to Provident fund	115,464,033	107,304,553
Bank's Contribution to Social Insurance fund	11,524,857	11,101,765
	3,133,934,129	2,888,745,407
25(a) Consolidated expenses for Salary and Allowance		
Social Islami Bank Ltd.	3,133,934,129	2,888,745,407
Add: Salary and Allowance for subsidiaries	34,035,336	27,988,114
SIBL Securities Ltd.	34,035,336	27,988,114
SIBL Investment Ltd.	-	-
	3,167,969,465	2,916,733,521
26 Rent, Taxes, Insurance & Electricity etc.		
Rent, Rates & Taxes (note: 26.1)	308,498,357	271,191,425
Insurance (note: 26.2)	133,030,500	115,366,296
Electricity, Lighting & Water (note: 26.3)	83,060,810	76,607,361
	524,589,668	463,165,082
26(a) Consolidated expenses for rent, taxes, insurance & electricity		
Social Islami Bank Ltd.	524,589,668	463,165,082
Add: Rent, Taxes, Insurance & Electricity etc. of subsidiaries	6,042,040	5,715,229
SIBL Securities Ltd.	6,042,040	5,715,229
SIBL Investment Ltd.	-	-
	530,631,708	468,880,311
26.1 Rents, Rates, Taxes, Insurance & Lighting etc.		
Rents		
Rent (Office)	299,682,189	266,145,767
Rent (Garage)	369,380	484,850
Rent (Godown & others)	4,544,618	3,521,514
	304,596,187	270,150,131
Rates and Taxes	3,902,170	1,041,294
Total Rents, Rates & Taxes	308,498,357	271,191,425
26.2 Insurances		
Insurance Premium in Counter	911,523	850,055
Insurance Premium in Transit	6,575,992	5,990,485
Insurance Premium Safe/Vault	7,093,585	5,930,813
Insurance Premium on deposit	114,063,326	98,372,499
Insurance Premium on Vehicle	1,662,332	1,901,822
Other Insurance	2,723,742	2,320,622
	133,030,500	115,366,296
26.3 Lighting & Electricity		
Lighting & Electricity Bill (Office)	73,956,809	67,854,214
Lighting & Electricity Charges (Office)	5,092,817	5,245,170
Sub Total	79,049,626	73,099,384
Water & Sewerage	4,011,184	3,507,977
	83,060,810	76,607,361
27 Legal Expenses		
Legal Fees & Charge	5,153,988	9,960,110
Stamp Duties	59,823	67,625
Other Legal Expenses	5,372,682	5,474,400
	10,586,493	15,502,135
28 Postage, Stamps, Telecommunication etc.		
Cable Network rent	311,041	273,362
Telegram, Fax, Telex & other charges	145,000	267,188
Telephone charges	2,940,916	2,861,411
Mobile phone charges	5,075,478	6,324,470
	8,472,436	9,726,431
28(a) Consolidated expenses for Postage, Stamps, Telecommunication etc.		
Social Islami Bank Limited	8,472,436	9,726,431
Add: Postage, Stamps, Telecommunication etc. expenses for subsidiaries	1,616,417	1,825,369
SIBL Securities Ltd.	1,616,417	1,825,369
SIBL Investment Ltd.	-	-
	10,088,853	11,551,800



	31.12.2018	31.12.2017
	Taka	Taka
29 Stationery, Printing, Advertisements etc.		
Table Stationery	12,974,100	13,983,112
Printing & Stationery	34,004,513	39,046,381
News Paper & Magazine	26,636,211	24,755,996
Television & Radio	42,770,403	18,075,500
Neon Sign, Banner etc.	297,855	432,624
Other Publicity	15,895,240	32,853,770
	132,578,322	129,147,384
29(a) Consolidated expense of Stationery, Printing, Advertisement etc.		
Social Islami Bank Ltd.	132,578,322	129,147,384
Stationery, Printing, Advertisement expense of Subsidiaries of SIBL	387,554	498,091
SIBL Securities Limited.	387,554	498,091
SIBL Investment Limited.	-	-
	132,965,876	129,645,475
30 Managing Director's Salary and Allowances		
Basic Salary	5,710,000	5,761,290
Allowances	3,000,000	2,658,065
Festival & other Bonus	2,210,000	2,430,000
	11,920,000	10,849,355
31 Directors' Fees & Meeting Expenses		
Directors Fee	2,238,800	6,725,200
Meeting Expenses	2,300,601	3,740,144
	4,539,401	10,465,344
31(a) Consolidated Directors' fees & Meeting Expenses:		
Social Islami Bank Limited	4,539,401	10,465,344
Directors' Fees & Meeting Expenses of Subsidiaries of SIBL	333,500	655,500
SIBL Securities Limited	333,500	555,500
SIBL Investment Limited	-	-
	4,872,901	11,120,844
32 Shariah Supervisory Committee's Fees & Expenses		
Shariah Council Meeting Expenses	245,903	711,064
	245,903	711,064
33 Depreciation and Repair of Bank's Assets		
a) Depreciation of Bank's Assets (Annexure A)		
Land	-	-
Building	50,358,435	51,646,497
Furniture & Fixtures	64,322,198	60,455,536
Office Appliance & Equipment	137,015,338	120,118,741
Computer Software	16,029,023	12,850,885
Vehicles	16,674,900	17,249,104
Books	73,012	65,358
	284,473,905	262,387,120
b) Repair on Bank's Assets		
Building	24,081	46,437
Motor Car/ Vehicle	3,757,189	4,151,405
Furniture Fixture	1,788,138	2,077,751
Mechanical Appliances	13,479,884	16,048,731
Software Maintenance fee	15,471,595	12,285,225
Hardware Maintenance fee	1,400	11,450
IT Enable Service Charges	1,671,420	713,098
	36,193,707	35,335,097
Total of Depreciation and repair of Bank's Assets	320,667,613	297,722,218
33(a) Consolidated balance of Depreciation		
Social Islami Bank Ltd.	320,667,613	297,722,218
Add: Depreciation on assets of subsidiaries	1,576,212	1,711,738
SIBL Securities Ltd.	1,576,212	1,711,738
SIBL Investment Ltd.	-	-
Add: Repairs & Maintenance on assets of subsidiaries	839,342	660,624
SIBL Securities Ltd.	839,342	660,624
SIBL Investment Ltd.	-	-
	323,083,166	300,094,580



	31.12.2018	31.12.2017
	Taka	Taka
34 Other Expenses		
Local conveyance	17,495,129	17,147,744
Petroleum, oil & lubricants	16,083,257	15,992,359
Entertainment expenses	48,535,108	36,328,698
Traveling allowances	34,740,787	32,746,545
Travelling Foreign	2,021,530	2,994,260
Bank charges	2,233,574	420,941
Uniform charges	1,342,300	1,533,047
Subscriptions to Institutions & Others	4,808,067	7,496,600
Banks' clearing house charges	41,467	79,931
CIB Charges	963,160	2,152,780
Transportation charges	5,285,938	6,254,193
News paper, Journal & periodicals	246,395	402,199
Washing charges	721,845	640,045
Training expenses Academy/ Internal	457,777	168,683
Training expenses at outside Banks	2,853,266	3,999,423
Meeting expenses	21,650	79,507
Direct expenses on investment	-	406,250
Up keep of branches/office premises	6,217,444	5,882,721
Excise duty	2,098,500	1,362,000
Computer charges	15,907,011	15,499,738
Security Services	166,229,871	152,886,408
Cleaner Services	6,088,807	5,778,073
Others wages	149,447,266	119,890,531
Photocopy expenses	1,245,383	1,483,750
Photography expenses	45,853	86,592
Cash & Bank remittance charges	4,410,800	3,909,571
Honorarium	3,214,200	3,050,300
On-Line Expenses	33,241,603	24,135,274
ATM Rent Hardware	3,419,018	1,489,096
Credit Rating Fees	4,495,789	2,895,490
Other Utility	4,501,510	3,087,190
Bond issue related Expense	6,815,500	10,780,000
Donation to Government	250,026,500	50,009,000
Donation to Others	748,695	816,420
CSR Related Expenditure	50,001,483	-
Fair value adjustment for shares and securities	112,898,604	49,206
Gratuity expense	120,922,496	127,994,500
Miscellaneous expenses	50,790,252	88,266,965
Other Provision	-	-
	1,130,642,835	748,196,121
34(a) Consolidated Other Expenses		
Social Islami Bank Limited	1,130,642,835	748,196,121
Add: Other Expenses for SIBL Securities Limited	17,271,905	32,249,158
License, fees, renewals and incorporation expenses	12,086,915	18,382,472
Entertainment	579,445	1,287,628
Bank charge and Excise duty	-	-
Others	4,605,545	12,579,058
Other Expenses for SIBL Investment Limited	44,540	46,015
Incorporation and Other Regulatory expenses	17,490	2,942
Bank charge and Excise duty	26,150	26,150
Others	900	16,923
	1,147,959,281	780,491,293
35 Other Provision		
Provision for other assets (note: 13.2)	30,100,000	61,885,000
Provision for good borrower (note: 13.6)	1,222,000	-
Provision for Climate Risk Fund (note: 13.7)	2,000,000	-
	33,322,000	61,885,000
35(a) Consolidated other provision		
Social Islami Bank Ltd.	33,322,000	61,885,000
Add: Provision for subsidiaries		
SIBL Securities Ltd.		
Provision for general reserve	2,193,709	2,416,229
Provision for impairment of margin loan	30,877,510	27,815,063
Provision for diminution in value of investment	15,642,073	3,738,060
	48,713,292	33,969,352
SIBL Investment Ltd.		
	82,035,292	95,854,352



	31.12.2018	31.12.2017
	Taka	Taka
36 Provision against Investment, Off-Balance Sheet items & Others		
Provision on classified investment	2,825,055,062	2,377,093,263
Provision on unclassified investment	(349,201,263)	111,303,360
Provision on Off-Balance Sheet items	(214,352,974)	80,803,346
Other provisions (note: 35)	33,322,000	61,885,000
	2,294,822,825	2,631,084,969
36(a) Consolidated Provision against Investment, Off-Balance Sheet items & Others		
Social Islami Bank Ltd.	2,294,822,825	2,631,084,969
Add: Provision for subsidiaries	48,713,292	33,969,352
SIBL Securities Ltd.	48,713,292	33,969,352
SIBL Investment Ltd.	-	-
	2,343,536,116	2,665,054,321
37 Provision for Income Tax		
Current year provision (Note: 37.1)	2,227,743,967	2,063,450,826
Deferred Tax expense/(income) (Note: 37.2)	37,120,027	16,426,030
	2,264,863,993	2,079,876,855
37(a) Consolidated Provision for Income Tax		
Social Islami Bank Limited	2,264,863,993	2,079,876,855
SIBL Securities Limited	17,233,637	17,405,942
Current year provision	17,309,147	17,214,834
Deferred Tax expense/(income)	(75,510)	191,108
SIBL Investment Limited	-	-
	2,282,097,630	2,097,282,797
37.1 Current Year Tax Provision		
Provision on tax has been calculated based on Income Tax Ordinance, 1984 as amended upto 2018 by the Finance Act, considering the allowances and disallowances.		
37.2 Deferred Tax Expenses/(Income)		
Deferred tax expense/(income) for liability/(asset) has been calculated as per Bangladesh Accounting Standard 12.		
38 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 and Taka 738,298,640 issued as bonus share for the years ended 31 December 2010, 2012, 2015 and 2017. Now the total paid up capital after right issue and issue of bonus shares amounts to Taka- 8,121,285,060 with a total no. of 812,128,506 shares having face value @ Taka- 10/share.		
Net Profit after Tax	1,583,430,756	1,455,249,695
Weighted average number of ordinary shares outstanding	812,128,506	812,128,506
Earning Per Share (EPS) (Prior year Restated)	1.95	1.79
38(a) Consolidated Earning Per Share (CEPS)		
Net Profit after Tax	1,601,509,590	1,464,518,636
Weighted average number of ordinary shares outstanding	812,128,506	812,128,506
Consolidated Earning Per Share (CEPS) (Prior year Restated)	1.97	1.80
Notes for Cash Flow Statement (Note-39 to Note-44)		
39 Income from Investment		
Investment profit receipt	24,955,867,159	18,497,613,423
Add: Opening profit receivable	345,606,462	242,508,711
Less: Closing profit receivable	472,885,826	345,506,462
	24,828,587,795	18,394,515,672
39(a) Consolidated income from investment		
Income from investment of SIBL	24,828,587,795	18,394,515,672
Income from investment of Subsidiaries of SIBL	117,177,840	111,296,114
SIBL Securities Ltd.	117,177,840	111,296,114
SIBL Investment Ltd.	-	-
Grand total	24,945,765,635	18,505,811,786
40 Receipts from Other Operating Activities (Other than profit on sale of fixed assets)		
Exchange Income	920,925,148	1,022,973,959
Rent receipts	2,540,779	2,194,581
P & T charge recovered	1,946,494	715,768
Courier Charges Recovery & Others	8,836,676	9,668,654
Notice pay earnings	4,572,650	3,125,925
Miscellaneous income	101,664,364	62,618,884
Services & charges	356,948,450	414,953,352
SWIFT/ Return charge recovered	47,207,878	50,015,815
Service charge on SIBL Cards	72,274,818	58,669,545
Income from sale of forms	172,070	416,900
	1,517,119,328	1,625,353,384



	31.12.2018 Taka	31.12.2017 Taka
40(a) Consolidated receipts from Other Operating Activities (Other than profit on sale of fixed assets)		
Receipts from Other Operating Activities of SIBL	1,517,119,328	1,625,353,384
Receipts from other operating activities of Subsidiaries of SIBL	945,233	2,350,110
SIBL Securities Ltd.	945,233	2,350,110
SIBL Investment Ltd.	-	-
	1,518,064,561	1,627,703,494
41 Payment to others		
Rent (Office)	299,687,189	266,143,767
Rent (Garage)	369,380	484,850
Rent (Godown)	4,544,618	3,521,514
Rates and Taxes	3,902,170	1,041,294
Insurance Premium for cash in counter	911,523	850,055
Insurance Premium for cash in transit	6,575,992	5,990,486
Insurance Premium for cash in safe/ vault	7,093,585	5,930,813
Insurance Premium on Deposit	114,063,326	98,372,499
Insurance Premium for vehicle	1,662,332	1,901,822
Other Insurance	2,723,742	2,320,622
Lighting and Electricity Bill (Office)	73,956,809	67,854,214
Lighting and Electricity Charges (Office)	5,092,817	5,245,170
Water and Sewerage	4,011,184	3,507,977
Legal Expenses	10,586,493	15,502,135
Directors Fees and Meeting Expenses	4,539,401	10,465,344
Shariah Supervisory Fees & Expenses	245,903	711,064
Audit Fees	575,000	575,000
Repairs and Maintenance	35,193,707	35,335,097
Zakat Expenses	129,665,548	111,424,295
Other Expenses (note: 34)	1,130,642,835	748,196,121
	1,837,038,555	1,385,374,138
41(a) Consolidated payment to others		
Social Islami Bank Limited	1,837,038,555	1,385,374,138
Payment to others- Subsidiaries	24,577,327	39,372,526
SIBL Securities Limited	24,509,787	39,303,511
SIBL Investment Limited	67,540	69,015
	1,861,615,882	1,424,746,664
42 Cash Increase/ Decrease in Other Assets		
Stock of stationery, stamps and printing materials etc. (valued at cost)	38,940,292	29,277,438
Advance rent	240,568,398	244,920,032
Security Deposit	3,156,556	2,778,156
Branch Adjustments (SIBG) (Note: 9.1)	7,101,009,106	2,158,090,350
Suspense Accounts (Note: 9.2)	219,594,442	193,694,052
Other Prepayments	64,216,511	64,279,171
Receivable from M/S. Stock & Bond and SIBL Securities Ltd.	122,074,364	37,801,642
Advance Income Tax	9,371,407,022	8,102,785,360
Receivable from SIBL Investment Limited	1,820,060	1,801,670
Protested Bills against Investment	319,377,570	313,388,000
Receivable from Off-shore Banking Unit	62,481,496	140,891,063
Others (Note: 9.3)	509,326,782	2,643,607,853
	18,053,772,598	13,933,323,788
Difference between (2018, 2017)	(4,120,448,810)	(2,479,128,886)
Advance Income Tax	1,268,621,662	1,407,385,534
Net change in Other Assets	(2,851,827,148)	(1,071,742,352)
42(a) Consolidated cash increase/decrease in other assets		
Social Islami Bank Limited	18,053,772,598	13,933,323,788
Cash Increase/ Decrease in Other Assets of subsidiaries	2,368,692,187	2,160,849,868
	20,422,464,785	16,094,173,656
Difference between (2018, 2017)	(4,328,291,129)	(2,807,389,315)
Advance Income Tax	1,285,952,527	1,432,091,325
Consolidated net change in Other Assets	(3,042,338,602)	(1,375,297,990)



	31.12.2018	31.12.2017
	Taka	Taka
43 Cash Increase/ Decrease in Other Liabilities		
Adjusting A/C (Cr.) Balance	12,030,804	9,895,336
Other Payable	3,079,086	2,728,359
SIBL Employees' PF Fund*	-	1,389,983,953
SIBL Employees' Superannuation Fund*	-	133,197,812
Compensation and Rent Suspense (note: 13.3)	1,874,740,496	1,665,037,246
Gratuity Fund Balance with SIBL Principal Br.	-	781,535,973
BEFTN Adjustment Account	24,572,552	64,552,918
Parking Account	51	174
ATM Settlement for Q-Cash	34,004,885	117,917,352
	1,948,527,874	4,164,849,122
Cash Increase/ (Decrease) in Other Liabilities	(2,216,321,248)	1,005,962,344
Difference between (2018 & 2017)	(2,216,321,248)	1,005,962,344
Add: Transfer to Provision for Investment from Compensation (In Yr. 2017)	150,182,617	126,956,778
Add: Zakat expense transferred to Sadaka Fund	129,665,548	111,424,295
Less: Zakat distributed during the year	92,567,800	108,649,069
Less: Gratuity transferred & Paid during the year	-	516,750
Less: Adjustment of other provision made during the year	-	11,172,015
Less: Adjustment of provision for good borrowers made during the year	-	8,222,000
Less: Written off/ Waiver of investment during the year	83,067,558	795,006,234
	(2,112,108,441)	320,777,289
43(a) Consolidated cash increase/decrease in other liabilities		
Cash Increase/ Decrease in other liabilities of Social Islami Bank Limited	1,948,527,874	4,164,849,122
<i>Cash Increase/ Decrease in Other Liabilities of subsidiaries</i>	232,007,925	177,482,867
	2,180,535,799	4,342,331,989
Difference between (2018, 2017)	(2,161,796,190)	895,707,910
Other changes in other liabilities of Social Islami Bank Limited	104,212,807	(685,185,054)
Net change in Other Liabilities-Social Islami Bank Limited	(2,057,583,383)	210,522,856
44 Cash and Cash Equivalent		
Cash in Hand	2,344,258,315	2,369,126,018
Balance with Bangladesh Bank & Sonali Bank Limited (as agent of Bangladesh Bank)	23,735,810,359	21,457,534,554
Balance with Other Banks & Financial Institutions-in Bangladesh	7,070,641,984	11,268,448,597
Balance with Other Banks & Financial Institutions-outside Bangladesh	323,695,854	366,064,370
	33,474,406,512	35,461,173,538
44(a) Consolidated Cash and Cash Equivalent		
Social Islami Bank Limited	33,474,406,512	35,461,173,538
<i>Cash and Cash Equivalent of subsidiaries</i>	121,695	467,597
SIBL Securities Limited.	116,494	462,396
SIBL Investment Limited.	5,201	5,201
	33,474,528,207	35,461,641,135

45 Number of Employees

The number of employees engaged for the whole year or part thereof who received a total remuneration of Tk. 35,000 p.a or above were 2847.

46 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 Shafiqul Alam Bhuiyan Ph.D	Director	Chairman
2	Mr. Md. Kamal Uddin	Independent Director	Member
3	Dr. Md. Jahangir Hossain	Independent 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 134 nos. (One hundred thirty four) Meetings in the previous years since inception in the year 2003, out of which 05 Meetings were conducted in the Year 2018 and the attendance of the members was as follows:

Sl. No.	Director	Tenure of Membership	No. of Meetings Held	No. of Meetings Attended
1	Professor A J M Shafiul Alam Bhuiyan Ph.D	26.08.2013 to 13.11.2017	5	5
2	Mr. Md. Karnal Uddin	29.06.2015 to 13.11.2017	5	4
3	Dr. Md. Jahangir Hossain	26.08.2013 to 13.11.2017	5	5

Disclosure by Audit Committee:

The Committee reviewed the Quarterly Financial Statements 2018 of the Bank and subsequently recommended to the Board for consideration and approval.

The Committee reviewed the integrity of the financial statements of the Bank to ensure that these reflect a true and fair view of the Bank's state 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 also reviewed the financial statements/investments of the subsidiaries: SIBL Securities Limited and SIBL Investment

Pursuant to Condition No. 3.4.1 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 report on Management Information System (MIS) and management action in building effective computerized MIS in SIBL and advised the Management to implement all instructions given by the Bangladesh Bank and other regulators for establishing a global standard MIS environment in the whole banking arena of SIBL.

The Committee reviewed the Internal Auditors Reports and suggested appropriate actions where needed. The Internal Auditors were advised to carryout audit of all the branches of the Bank.

The Committee discuss the draft copy of "Instruction Manual to Protect Fraud and Forgeries and Stealing Bank's Money" and onward submission to the Board for approval.

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.

47 Related Party Disclosures

47.1 Name of the Firms / Business Organizations where the Directors of the Social Islami Bank Limited have got Interest as on 31 December 2018:

SL No	Name	Name of Firms/ Business Organizations Where the Directors of SIBL have got Interest
1	Professor Md. Anwarul Azim Arif <i>Chairman</i> (Representative of Hasan Abasan (Pvt.) Ltd.)	NIL
2	Mr. Belal Ahmed <i>Vice Chairman</i> (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
3	Md. Sayedur Rahman <i>Director</i> (Representative of Prasad Paradise Resorts Limited)	Managing Director Iodestar Fashions Limited Mid Asia Fashions Limited
4	Md. Kamal Uddin <i>Director</i> (Representative of Lion Securities and Investment Limited)	Managing Director Chittagong Builders & Machinery Ltd. Merchant Securities Limited Sifang Securities Limited Director Human Resources Development Co., Ltd. Central Hospital (Pvt.) Ltd. ASM Chemical Industries Ltd. Universal Health Services & Research Ltd. Chairman Mercantile Insurance Company Ltd. Proprietor CBM Consortium



SL No	Name	Name of Firms/ Business Organizations Where the Directors of SIBL have got interest
5	Mrs. Nargis Mannan Director	Nil
6	Dr. Md. Jahangir Hossain Director (Representative of Reliable Entrepreneurs Limited)	Nil
7	Mr. Arshadul Alam Director (Representative of Leader Business Enterprise Limited)	Managing Director MK Electronics Ctg. (Yunusco) Jesco Capital Management Ltd. Uni-Trade International Ltd. Nishat Traders Ltd. Chairman Jaba and Brothers C&F (Pvt.) Ltd. Director Northern General Insurance Company Metro Diagnostic Center Ltd. Jesco Bangladesh Ltd. Bengal Corporation Ltd. Bengal Center (Topkhana) ABM Tower (Gulshan)
8	Mr. Ali Hasan Md. Mahmud Ribon Director (Representative of Dynamic Venture Limited)	Chairman M/S. Mahmud Ribon
9	Mrs. Jebunnesa Akbar Director (Representative of Unitex Cement Limited)	Nil
10	Mr. Md. Faysal Ahmed Patwary Director (Representative of Global Trading Corporation Limited)	Director M/S. Patwary Potato Flakes Limited M/S. Greentech Greenhouse Bangladesh Limited Northern General Insurance Company Limited
11	Professor A J M Shafiul Alam Bhuiyan Independent Director	Nil
12	Professor Mohammed Mizanur Rahman Independent Director	Nil

47.2 Significant contracts where Bank is a party and where in Directors have interest: Nil

47.3 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	8000.00 lac	UC
SIBL Foundation Hospital & Diagnostic Center	N/A	A concern of SIBL Foundation	Quard- E- Hasana	9657.85 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

48 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.

The Board of Director has authorized the financial statements for issue on and recommended stock dividend @10 % for the year ended 31 December 2018.



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.



SOCIAL ISLAMI BANK LIMITED
FOR THE YEAR ENDED 31 DECEMBER 2018
SCHEDULE OF FIXED ASSETS INCLUDING PREMISES

Annexure A

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 31 December 2018
	Balance as on 01 January 2017	Additions during the year	Disposal/ Transfer during the year	Balance at 31 December 2018		Balance as on 01 January 2017	Transfer/ Adjustment during the year	Charged during the year	Balance at 31 December 2018	
Land	12,330,000	-	-	12,330,000	-	-	-	-	12,330,000	
Building	2,320,220,714	-	-	2,320,220,714	2.50%	304,588,493	-	50,359,435	354,947,928	1,965,272,787
Furniture & Fixtures	943,311,447	148,375,494	-	1,091,686,941	10%	321,813,786	-	64,322,198	386,135,984	705,550,956
Office Equipment	1,278,947,408	178,084,262	-	1,457,031,670	20%	644,510,912	-	137,015,338	781,526,250	675,505,420
Software	183,044,057	40,560,194	-	223,604,251	10%	38,557,545	-	16,020,023	54,586,568	169,017,683
Vehicles	141,721,365	-	11	141,721,354	20%	89,871,149	-	16,674,900	106,546,049	35,175,305
Books	1,463,659	170,530	-	1,634,189	10%	878,611	-	73,012	951,623	682,566
31 December 2018	4,881,038,651	367,190,479	11	5,248,229,118		1,400,220,495	-	284,473,905	1,694,694,401	3,563,534,717
31 December 2017	4,395,354,376	485,684,274	-	4,881,038,651		1,137,833,375	-	262,387,120	1,400,220,495	3,480,818,155

* Details of revaluation of Fixed assets is shown in note:17.



SOCIAL ISLAMIC BANK LIMITED
FOR THE YEAR ENDED 31 DECEMBER 2018
CONSOLIDATED SCHEDULE OF FIXED ASSETS

Annexure B

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 31 December 2018
	Balance as on 01 January 2018	Additions during the year	Disposal/ Transfer during the year	Balance at 31 December 2018		Balance as on 01 January 2018	Transfer/ Adjustment during the year	Charged during the year	Balance at 31 December 2018	
Land	12,330,000	-	-	12,330,000	-	-	-	-	12,330,000	
Building	2,320,220,714	-	-	2,320,220,714	304,588,493	-	50,359,435	354,947,928	1,965,272,786	
Furniture & Fixtures	950,257,233	148,375,494	-	1,098,632,727	322,510,932	-	64,818,595	388,329,527	710,303,200	
Office Equipment	1,289,912,259	178,176,222	-	1,468,088,481	651,966,509	-	137,777,789	789,744,298	678,344,183	
Software	186,217,697	40,560,194	-	226,777,891	40,286,442	-	16,346,387	56,632,829	170,145,062	
Vehicles	141,771,366	-	11	141,721,355	89,871,149	-	16,674,900	106,546,049	35,175,306	
Books	1,463,660	170,530	-	1,634,190	878,612	-	73,012	951,624	682,566	
31 December 2018	4,902,122,928	367,282,439	11	5,269,405,357	1,411,102,136	-	286,050,117	1,697,152,254	3,572,253,103	
31 December 2017	4,415,329,946	486,792,982	-	4,902,122,928	1,147,003,277	-	264,098,859	1,411,102,136	3,491,020,793	

(Amounts in Taka)



SOCIAL ISLAMI BANK LIMITED
BALANCE WITH OTHER BANKS IN FOREIGN CURRENCIES

[Referred to: Note 4.2 of these Financial statements]

Sl No.	Name of the Banks	Currency Name	31.12.2018			31.12.2017		
			Amount in Foreign Currency	Conversion rate per unit F.C.	Amount in BDT.	Amount in Foreign Currency	Conversion rate per unit F.C.	Amount in BDT.
1	SCB, MUMBAI	ACUD	(69,342.45)	83.90	(5,818,832)	94,065.51	82.70	7,779,218
2	SUMMIT BANK, KARACHI	ACUD	5,241.77	83.90	439,785	8,116.00	82.70	671,193
3	SONALI BANK, KOLKATA	ACUD	15,422.59	83.90	1,293,955	8,394.36	82.70	694,214
5	MASHREQ BANK, MUMBAI	ACUD	319,558.74	83.90	26,810,978	24,310.50	82.70	2,010,478
4	NEPAL BANGLADESH BANK	ACUD	3,778.36	83.90	317,004	1,813.36	82.70	149,965
5	BANK OF BHUTAN, PHUENTSHOLING	ACUD	29,972.63	83.90	2,514,704	2,451.22	82.70	202,716
6	HABIB BANK LIMITED, KARACHI	ACUD	-	-	-	70,882.50	82.70	5,861,983
7	NIB BANK, KARACHI, PAKISTAN	ACUD	-	-	-	5,244.48	82.70	433,719
8	UNITED BANK OF INDIA	ACUD	21,374.87	83.90	1,793,352	90,455.47	82.70	7,480,667
9	AB BANK, MUMBAI	ACUD	89,336.06	83.90	7,495,295	54,817.67	82.70	4,533,421
10	MIFZAN BANK LIMITED	ACUD	3,325.00	83.90	278,968	-	-	-
11	MCB BANK, KARACHI, PAKISTAN	ACUD	5,244.48	83.90	440,012	-	-	-
12	AXIS BANK LIMITED	ACUD	40,461.41	83.90	3,394,712	-	-	-
13	MASHREQ BANK, NEW YORK, (ORU)	USD	173,718.15	83.90	14,574,953	565,282.44	82.70	46,748,858
14	MASHREQ BANK PSC, NEW YORK, USA	USD	(28,046.60)	83.90	(2,353,110)	2,678,833.77	82.70	221,539,553
15	SCB, NY, USA	USD	2,842,050.90	83.90	238,448,071	686,763.35	82.70	56,794,764
16	KOREA EXCH. BANK, KOREA	USD	642.38	83.90	53,896	2,126.63	82.70	175,872
17	HABIB AMERICAN BANK	USD	357,479.89	83.90	29,992,563	-	-	-
18	COMMERZ BANK AG, FRANKFURT	EURO	16,429.91	95.55	1,569,939	717.74	98.51	70,706
19	MASHREQ BANK, PSC MUMBAI	ACU EURO	427.92	95.55	40,889	427.92	98.51	42,155
20	SCB, FRANKFURT	EURO	23,926.50	95.55	2,286,266	42,224.56	98.51	4,159,636
21	SCB, LONDON, UK	GBP	90.81	106.25	9,649	18,274.35	110.99	2,028,301
22	SCB, TOKYO	JPY	33,158.00	0.76	25,081	717,457.00	0.73	524,474
23	ALAWMAL BANK RIVADH SA	RIVAL	3,923.43	22.36	87,725	188,751.00	22.05	4,162,478
	Total				323,695,854			366,064,370



SOCIAL ISLAMIC BANK LIMITED

Details information of Investment more than 10% of Bank's total capital

Sl no.	Name of client	Outstanding as on 31 December 2018		
		Funded	Non-funded	Total
1	1. PowerPac Mutiara Kerajinan Power Plant Limited 2. PowerPac	468.03	49.28	517.31
2	East West Media Group, East West Property Development (Pvt.) Ltd, Bashundhara Steel Complex Ltd Bashundhara Paper Mills Ltd, & Bashundhara Multi Paper Ind. Ltd	295.21	212.91	508.12
3	Western Dresses Ltd., MNC Apparels Ltd, Kimia Washing Industries Limited, & NASSA BASIC WASH LTD.	335.24	103.13	438.37
4	Amber Denim Limited, Amber Denim Mills Ltd, Amber Rotor Mills Ltd., Amber Jeans & Washing Ltd.	275.90	156.84	432.74
5	1. Orion Agro Products Ltd. 2. Orion Infrastructure 3. Orion Pharma Limited., 4. Orion Power Unit-2 Dhaka Ltd	392.09	3.78	395.87
6	Dong Bang Dyeing Ltd.	294.28	52.53	346.81
7	M/S. Rabul Islam & its sister concern M/s. Rhythm Trading, A R Cement Mills Ltd., Ehsan Cement Industries Ltd. & RMR Poultry & Hatchery Ltd, Semicon Pvt. Ltd., A.R. Specialized Auto Rice Mills Ltd.	320.85	18.21	339.06
8	S. Alam Brothers Ltd.	322.44	-	322.44
9	Base Textiles Ltd, Base Fashion Limited, Zyantex Limited, Base Technologies Limited, Base Paper Ltd.	253.79	57.09	310.88
10	M/S Dong Bang Textiles Ltd.	228.42	58.75	287.17
11	M/S. Islam Brothers & Co, Anwara Mannan Textile Mills Ltd., Juvenile Trade International Ltd., Aman Poultry & Hatchery Ltd.	281.58	-	281.58
12	M/S. Mars Textile Ltd.	201.38	78.95	280.33
13	M/S. Millennium Enterprise & Sister Concern : M/S. Somali Enterprise, Panama Composite Textile Mills Ltd, O.N Spinning Mills Ltd.	125.31	147.73	274.04
14	1. Opal Trading House, 2. Ibrahim Consortium Ltd, 3. Ibrahim Composite Textile Mills Ltd.	272.14	-	272.14
15	Infinia Spinning Mills Ltd.	41.47	204.05	245.51
16	Arser Resources Management And Consultant Services Ltd.	242.10	0.00	242.10
17	GLOBAL TRADING CORPORATION LTD.	233.54	0.00	233.54
18	Rahimafroz Batteries Limited, Rahimafroz Globball Limited, Rahim Afroz Bangladesh Ltd., Rahim Afroz CIC Agro Ltd.	171.47	60.40	231.87





19	Ruby Food Products Ltd. & its Allied Concern, Masud & Brothers, BSM Syndicate	110.84	118.59	229.43
20	Thermax Textile Mills Ltd., Thermax Knit Yarn Ltd., Thermax Spinning Ltd., Thermax Melange Spinning Mills Ltd., Thermax Check Fabrics Limited, Adury Apparels Ltd. Adury knit compsite	200.59	28.67	229.26
21	SQ BIRCHINA	180.00	31.45	211.45
22	Natore Agro Ltd, Sun Basic Chemicals Ltd., Advance Personal Care Ltd., Sylvan Technologies Ired. & Ger Well Ltd.	162.77	43.83	206.59
23	Crossline Knit Fabrics, Crossline Factory	136.53	69.99	206.52
24	Mahubub Brothers(Pvt.) Ltd, ARK-MBPL JV, Best Golden Flour Mills Ltd	175.77	24.77	200.54
25	Mir Akhter Hossain, Mir Holdings Limited, Mir Telecom Limited	104.10	83.06	187.16
26	Rancon Autos Ltd. Rancon Automobiles Ltd. Rangos Motors Ltd.	179.56	6.23	185.79
27	M/s. Agrani Traders & its sister concern M/s. OVI Traders, M/s. A M Trading & M/s. Md. Aynul Haque	173.56	-	173.56
28	NAHEE SS PIPES INDUSTRIES LTD, NAHEE GEO-TEXTILE INDUSTRIES LTD, NAHEE ALUMINIUM COMPOSITE PANEL LTD.	156.10	14.66	170.76
29	STAR PARTICLE BOARD MILLS LIMITED, Danish Condensed Milk Bangladesh Ltd., Partex Aeromerne Limited, Partex Laminates Limited., Partex Cables Ltd.	129.14	4.01	133.15
30	Head Autos Ltd., IFAD Motors Ltd.	109.41	17.10	126.51
31	Abdul Monem Limited	118.97	2.76	121.72
32	1. Badsha Textile 2. Kamal Yarn Ltd.	103.10	16.10	119.20
33	Nitol Motor's Ltd.	100.79	0.47	101.26
34	Mosharaf & Brothers & M/S. MN. Enterprise	98.26	-	98.26
35	M/s. Nuruzzaman Khan, N.Z Textile Ltd, N.Z Fabrics Limited	46.08	34.15	80.23
36	M/S M. A Salam & Co.	70.88		70.88
37	Flora Limited	26.11	15.73	41.83
38	Abul Khair Steel, Abul Khair Consumer, Shah Cement Industries Ltd., Abul Khair Ceramic Industries Ltd., Abul Khair Steel Melting Ltd., Abul Khair Stripa Processing Ltd.		7.24	7.24
39	M/S Farveer Oils Limited & its sister concerns	-	4.91	4.91
40	M/S. Rafiqul Islam & Shaikh Cement Mills Ltd.	1.71	0.00	1.71
41	BANGLADESH MACHINE TOOLS FACTORY LIMITED	303.42	35.95	339.38
	Grand Total	7,443.92	1,763.31	9,207.24

Social Islami Bank Limited
History of Paid-Up Capital

Annexure-E

Years	Declaration	No. of Share	Face Value per Share (Taka)	Cumulative no. of Shares	Value of issued Capital for the year (Taka)	Cumulative value of Capital (Taka)
1995	Initial Capital	118,380	1,000	118,380	118,380,000	118,380,000
1996	No Dividend	-	-	118,380	-	118,380,000
1997	6.43% Bonus issue for the year 1996	7,620	1,000	126,000	7,620,000	126,000,000
1998	No Dividend	-	-	126,000	-	126,000,000
1999	Right Share Issued	74,000	1,000	200,000	74,000,000	200,000,000
2000	Placement	50,000	1,000	250,000	50,000,000	250,000,000
	Initial Public Offer	10,000	1,000	260,000	10,000,000	260,000,000
2001	20% Bonus Issue (Declared in the year 2004)	-	-	260,000	-	260,000,000
2002	25% Bonus Issue (Declared in the year 2004)	-	-	260,000	-	260,000,000
2003	50% Bonus Issue (Declared in the year 2004)	-	-	260,000	-	260,000,000
2004	Bonus Issue (For the years 2001, 2002, 2003)	325,000	1,000	585,000	325,000,000	585,000,000
2005	No dividend	-	-	585,000	-	585,000,000
2006	No dividend	-	-	585,000	-	585,000,000
2007	1.1 Right Share	5,345,550	100	11,195,550	534,555,000	1,119,555,000
2008	17% Bonus Issue for the year 2007	1,903,243	100	13,098,793	190,324,300	1,309,879,300
2009	10% Bonus Issue for the year 2008	1,309,879	100	14,408,672	130,987,900	1,440,867,200
	1.1 Right Share	12,508,587	100	26,917,259	1,250,858,700	2,691,725,900
2010	11% Bonus Issue for the year 2009	2,960,899	100	29,878,158	296,089,850	2,987,815,750
2011	14% Bonus Issue for the year 2010	41,829,420	10	340,610,995	418,294,200	3,406,109,950
	1.1 Right Share	298,781,575	10	639,392,570	2,987,815,750	6,393,925,700
2013	10% Bonus Issue for the year 2012	63,748,994	10	703,141,564	637,489,940	7,031,415,640
2014	12% Cash dividend for the year 2013	-	10	703,141,564	-	7,031,415,640
2015	18% Cash dividend for the year 2014	-	10	703,141,564	-	7,031,415,640
2016	5% Bonus Issue for the year 2015	35,157,078	10	738,298,642	351,570,780	7,382,986,420
2017	20% Cash dividend for the year 2016	-	10	738,298,642	-	7,382,986,420
2018	10% bonus issue for the year 2017	73,829,864	10	812,128,506	-	8,121,285,060



Social Islami Bank Limited
Statement of Corporate Income Tax status
as at 31 December 2018

Annexure-F

(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	24,394,126	42,284,321	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	281,454,389	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	1,322,274,194	1,455,548,339	Pending at High Court Division of Supreme Court
2013	2014-2015	802,951,284	799,591,025	1,222,801,339	Pending at High Court Division of Supreme Court
2014	2015-2016	1,400,446,160	1,033,328,218	1,398,051,207	Submitted to 1st Appeal
2015	2016-2017	1,403,060,382	948,891,465	1,497,503,331	Submitted to 1st Appeal
2016	2017-2018	1,887,664,569	1,255,394,664	1,934,958,507	Return Submitted
2017	2018-2019	2,063,450,826	1,254,415,212	-	Return Submitted
2018	2019-2020	2,227,743,967	712,840,687	-	Return not yet Submitted



SOCIAL ISLAMI BANK LIMITED
OFF-SHORE BANKING UNIT (OBU)
BALANCE SHEET
AS AT 31 DECEMBER 2018

	Note(s)	31.12.2018		31.12.2017	
		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		3,276,718	274,916,654	1,578,446	130,537,484
		3,276,718	274,916,654	1,578,446	130,537,484
Placement with Banks & other Financial Institutions		-	-	-	-
Investments in Shares & Securities					
Government		-	-	-	-
Others		-	-	-	-
Investments					
General Investment etc.	4	24,575,225	2,061,861,392	79,727,568	6,593,469,910
Bills Purchased and Discounted		-	-	-	-
		24,575,225	2,061,861,392	79,727,568	6,593,469,910
Fixed Assets including Premises, Furnitures and Fixtures	5	352	29,498	446	36,872
Other Assets	6	744,714	62,481,496	1,703,640	140,891,063
Non Banking Assets					
Total Assets		28,597,009	2,399,289,039	83,010,101	6,864,935,329
LIABILITIES AND CAPITAL					
Liabilities					
Borrowing from Banks & other Financial Institutions	7	20,674,647	1,734,602,875	54,465,224	4,504,274,029
Deposits and Other Accounts	8	4,074,296	341,833,470	25,827,627	2,135,944,739
Mudaraba Savings Deposits		-	-	-	-
Mudaraba Term Deposits	8.1	4,058,922	340,543,563	25,645,940	2,120,919,224
Other Mudaraba Deposits		-	-	-	-
Al-Wadeeah Current & Other Deposit Accounts	8.2	15,374	1,289,906	181,687	15,025,515
Bills Payable		-	-	-	-
Other Liabilities		3,848,065	322,852,694	2,717,250	224,716,561
Deferred Tax Liabilities/ (Assets)					
Total Liabilities		28,597,009	2,399,289,039	83,010,101	6,864,935,329
Capital/Shareholders' Equity					
Paid-up Capital		-	-	-	-
Statutory Reserve		-	-	-	-
Foreign currency translation gain/(Loss)		-	-	-	-
Retained Earnings		-	-	-	-
Total Shareholders' Equity		-	-	-	-
Total Liabilities & Shareholders' Equity		28,597,009	2,399,289,039	83,010,101	6,864,935,329



Off-Balance Sheet Items
CONTINGENT LIABILITIES

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

	31.12.2018		31.12.2017	
	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
 Undrawn note issuance and revolving underwriting
 Undrawn formal standby facilities, credit lines and other commitments
Total
Total Off Balance Sheet Items Including Contingent Liabilities

Documentary credits and short term trade related transactions	-	-	-	-
Forward assets purchased and forward deposits	-	-	-	-
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 LIMITED
OFF-SHORE BANKING UNIT (OBU)
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2018

	31.12.2018		31.12.2017	
	USD	Taka	USD	Taka
Investment Income	5,024,972	421,595,155	5,185,339	427,735,779
Less: Profit paid on Deposits	(1,189,908)	(99,833,286)	(2,496,439)	(206,455,529)
Net Investment Income	3,835,064	321,761,868	2,688,900	221,280,249
Commission, Exchange and Brokerage	-	-	-	-
Other Operating Income	12,650	1,051,327	41,106	3,399,149
Total Operating Income	3,847,714	322,823,196	2,730,005	224,679,698
Salary & allowances	56,371	4,729,489	50,284	4,158,453
Rent & Utilities	-	-	-	-
Depreciation on fixed assets	88	7,374	111	9,218
Others	-	-	-	-
Total Operating Expenses	56,458	4,736,863	50,395	4,167,671
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	3,791,255	318,086,332	2,679,610	220,512,027
Provision for Income Tax	-	-	-	-
Net Profit/(Loss) after Tax	3,791,255	318,086,332	2,679,610	220,512,027



SOCIAL ISLAMI BANK LIMITED
OFF-SHORE BANKING UNIT (OBU)
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2018

	31.12.2018		31.12.2017
	USD	Taka	Taka
Cash Flow from operating activities			
Investment Income receipt	5,024,972	421,595,155	427,735,779
Profit paid on deposits	(1,189,908)	(99,833,286)	(206,455,529)
Dividend receipts	-	-	-
Fees & commission receipt	-	-	-
Cash payments to employees	(56,371)	(4,729,489)	(4,158,453)
Cash payments to suppliers	-	-	-
Income tax paid	-	-	-
Receipts from other operating activities	12,650	1,061,327	3,399,449
Payments for other operating activities	-	-	-
Operating profit before changes in operating assets and liabilities	3,791,343	318,093,707	220,521,245
Changes in operating assets and liabilities			
Statutory deposits	-	-	-
Net trading securities	-	-	-
Investments to other banks	-	-	-
Investment to customers	55,152,343	4,531,608,518	297,449,972
Other assets	958,926	78,409,567	(37,581,643)
Deposits from other banks	(33,790,577)	(2,769,671,154)	2,557,695,455
Deposits received from customers	(21,753,331)	(1,794,111,269)	(3,084,281,547)
Other liabilities on account of customers	-	-	-
Trading liabilities	-	-	-
Other liabilities	(2,660,528)	(219,957,573)	(288,196,865)
Sub Total	(2,093,167)	(173,721,912)	(544,914,628)
A. Net Cash flow from operating activities	1,698,177	144,371,795	(324,393,382)
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	88	7,374	9,218
Purchase/Sale of subsidiaries	-	-	-
B. Net Cash flows from investing activities	88	7,374	9,218
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)	1,698,273	144,379,169	(324,384,165)
E. Cash and cash equivalents at the beginning of the year	1,578,446	130,537,484	454,921,648
F. Cash and cash equivalents at the end of the year (D+E)	3,276,719	274,916,654	130,537,484



Social Islami Bank Limited
Off-shore Banking Unit (OBU)
Notes to the Financial Statements
For the year ended 31 December 2018

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, 2018.

- 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

3 Balance with other Banks and Financial Institutions

Balance with other Banks and Financial Institutions consists nostro account balance of OBU unit of SIBL which is held with Mashreq Bnak, New York.

4 General Investments

a) General investments of Off-shore Banking Units are stated in the balance sheet on net basis.

b) Profit is calculated on a daily product basis but charged and accounted for on accrual basis. Profit is not charged on bad and loss investments as per guidelines of the Bangladesh Bank. Records of such interest amounts are kept in separate memorandum accounts.

5 Fixed Assets

Fixed assets includes Furnitures and office equipments used by the employees of OBU unit.

6 Other Assets

Other assets include profit receivable from investment clients which are accounted for on accrual basis as per relative accounting standards.

7 Borrowing from Banks & other Financial Institutions

Borrowing from Banks & other Financial Institutions includes amount received from SIBL as part of fund which will be returned/adjusted in due course, balance of which is eliminated in the consolidated balance sheet of SIBL to avoid improper double reflection of fund.

8 Deposits and Other Accounts

8.1 Mudaraba Term Deposits

Mudaraba Term Deposits includes deposits procured from various local and foreign banks/institutions which includes:

among the foreign banks/institutions:

1. EBL Finance HK Ltd.



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 83.90 closing rate as at 31st December 2018.

c) Fixed assets of this unit are appearing in the books of the main operation of the bank and depreciation is also charged to Profit & loss Accounts of the main operation of the bank.



SOCIAL ISLAMI BANK LIMITED
HIGHLIGHTS OF PERFORMANCE (Only Bank-Solo basis)

(Amount in Taka)

SL no.	Particulars	31.12.2018	31.12.2017
1	Paid up Capital	8,121,285,060	7,382,986,420
2	Total Capital (Core + Supplementary)	26,111,512,369	21,725,079,250
3	Capital Surplus/(Deficit)	7,811,413,869	2,950,679,750
4	Capital to Risk-weighted Asset Ratio (CRAR)	14.27%	11.57%
5	Total Assets	307,305,321,444	276,348,954,945
6	Total Deposit	248,324,489,649	228,798,900,181
7	General Investment	238,654,170,953	210,045,509,085
8	Total Contingent Liabilities and Commitments	50,685,965,804	67,969,612,210
9	Investment-Deposit (ID) Ratio (%)	91.54%	89.30%
10	Percentage of classified investment against total investments	7.69%	8.20%
11	Profit before Tax and Provision	6,143,117,574	6,166,211,520
12	Profit after Tax and Provision	1,583,430,756	1,455,249,695
13	Amount of classified investment	18,350,990,000	17,227,098,188
14	Provisions kept against classified investment	6,398,009,498	3,473,741,378
15	Provisions surplus	-	-
16	Cost of Deposits	6.51%	4.92%
17	Profit Earning Assets	259,135,059,629	234,762,545,969
18	Non-Profit Earning Assets	48,170,261,815	41,586,408,976
19	Return on Investment in Securities	3.54%	3.39%
20	Return (after tax) on average Assets (ROA)	0.54%	1.40%
21	Return (after tax) on equity (ROE)	10.05%	10.27%
22	Income from Investment in Securities	462,796,394	443,104,547
23	Earning Per Share (EPS) (Prior year restated)	1.95	1.79
24	Consolidated Earning Per Share (CEPS) (Prior year restated)	1.97	1.80
25	Net Income Per Share	1.95	1.79
26	Price Earning Ratio (Times)	7.90	12.33

