

SOCIAL ISLAMI BANK LIMITED
CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2015

	<u>Note(s)</u>	2015 Taka	2014 Taka
PROPERTY AND ASSETS			
Cash			
Cash in hand (Including Foreign Currencies)	3(a)	1,145,970,455	976,302,191
Balance with Bangladesh Bank & its Agent Banks (Including Foreign Currencies)	3.1	13,535,893,678	11,145,075,318
		14,681,864,133	12,121,377,509
Balance with other Banks and Financial Institutions			
In Bangladesh	4(a)	3,504,739,496	2,577,414,418
Outside Bangladesh		355,321,944	332,880,245
		3,860,061,440	2,910,294,663
Placement with Banks & other Financial Institutions			
	5	6,586,715,074	9,474,249,214
Investments in Shares & Securities			
Government	6(a)	6,040,000,000	5,116,000,000
Others		1,702,395,236	1,227,727,286
		7,742,395,236	6,343,727,286
Investments			
General Investment etc.	7 (a)	123,370,222,992	98,511,135,398
Bills Purchased and Discounted		10,486,626,911	9,288,823,913
		133,856,849,903	107,799,959,311
Fixed Assets including Premises, Furnitures and Fixtures			
	8(a)	3,082,507,826	2,683,691,549
Other Assets			
	9(a)	10,198,251,397	12,252,008,976
Non Banking Assets			
		-	-
Total Assets		180,008,645,008	153,585,308,507
LIABILITIES AND CAPITAL			
Liabilities			
Placement from Banks & other Financial Institutions			
	10	1,000,000,000	6,150,000,000
Deposits and Other Accounts			
	11		
Mudaraba Savings Deposits		14,273,504,098	9,818,279,970
Mudaraba Term Deposits		88,616,744,207	75,356,410,289
Other Mudaraba Deposits		29,983,914,560	23,923,887,375
Al-Wadeeah Current & Other Deposit Accounts	11.2(a)	15,206,974,110	12,789,580,088
Bills Payable	11.3	1,251,915,364	2,277,639,901
Cash Waqf Fund		178,828,552	99,275,350
		149,511,880,891	124,265,072,973
SIBL Mudaraba Subordinated Bond			
	12	3,000,000,000	-
Other Liabilities			
	13(a)	13,531,999,349	10,991,253,286
Deffered Tax Liabilities/ (Assets)			
	14 (a)	9,648,241	5,995,379
Total Liabilities		167,053,528,481	141,412,321,638
Shareholders' Equity			
Paid-up Capital	15.2	7,031,415,640	7,031,415,640
Statutory Reserve	16	3,480,332,295	2,784,497,917
General reserve	16(a)	4,275,913	2,790,193
Revaluation reserve on Fixed Assets	17	1,029,545,693	1,055,679,727
Retained Earnings	18(a)	1,409,545,341	1,298,601,774
Total Shareholders' Equity of Parent Company, SIBL		12,955,114,882	12,172,985,252
Non controlling Interest			
	18(b)	1,645	1,617
Total Liabilities & Shareholders' Equity of the Group		180,008,645,008	153,585,308,507

	<u>Note(s)</u>	<u>2015</u> <u>Taka</u>	<u>2014</u> <u>Taka</u>
CONTINGENT LIABILITIES			
Acceptances and Endorsements	19.1	18,431,674,020	15,302,832,788
Irrevocable Letters of Credit (including Back to Back Bills)	19.2	14,467,256,620	11,017,261,193
Letters of Guarantee	19.3	7,379,609,632	3,936,013,964
Bills for Collection	19.4	2,818,276,011	1,905,746,855
Other Contingent Liabilities	19.5	-	-
Total		<u>43,096,816,283</u>	<u>32,161,854,799</u>
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		<u>43,096,816,283</u>	<u>32,161,854,799</u>

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

Chairman

Director

Director

Managing Director & CEO

report of same date

Dhaka, Bangladesh
Date: 09 April 2016

Kazi Zahir Khan & Co.
Chartered Accountants

SOCIAL ISLAMI BANK LIMITED
CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2015

	<u>Note(s)</u>	<u>2015</u> <u>Taka</u>	<u>2014</u> <u>Taka</u>
Investment Income	20(a)	15,346,595,154	13,984,234,867
Less: Profit paid on Deposits	21	9,055,715,100	9,007,200,466
Net Investment Income		6,290,880,054	4,977,034,401
Income from Investment in Shares/securities	22(a)	301,153,885	300,045,705
Commission, Exchange and Brokerage	23(a)	1,300,540,402	1,224,944,942
Other Operating Income	24(a)	399,346,519	296,406,605
		2,001,040,807	1,821,397,252
Total Operating Income		8,291,920,861	6,798,431,653
Salaries and Allowances	25(a)	2,218,639,509	1,665,696,112
Rent, Taxes, Insurances, Electricity etc.	26(a)	297,293,202	255,524,408
Legal Expenses	27(a)	8,210,584	8,142,318
Postage, Stamps, Telecommunication etc.	28(a)	9,603,440	8,661,250
Stationery, Printings, Advertisements etc.	29(a)	101,872,850	81,490,846
Managing Director's Salary and Allowances	30	9,320,000	8,900,000
Directors' Fees & Expenses	31(a)	7,380,684	6,984,357
Shariah Supervisory Committee's Fees & Expenses	32	549,512	342,050
Auditors' Fees		494,500	753,250
Depreciation & Repair of Bank's Assets	33(a)	230,838,765	209,582,383
Other Expenses	34(a)	563,093,711	529,193,081
Total Operating Expenses		3,447,296,758	2,775,270,056
Profit/(Loss) before Provision		4,844,624,103	4,023,161,597
Provisions for Investments		1,350,649,113	651,756,813
Other Provisions	35(a)	34,815,046	18,879,283
Total Provision	36(a)	1,385,464,159	670,636,096
Total Profit/(Loss) before Tax		3,459,159,944	3,352,525,501
Provision for Income Tax	37(a)	1,412,861,138	1,424,140,084
Net Profit/(Loss) after Tax attributable to equity holders of the group		2,046,298,805	1,928,385,416
Non-controlling Interest		28	20
Net Profit/(Loss) after Tax attributable to equity holders of the parent		2,046,298,777	1,928,385,396
Appropriation			
Statutory Reserve		695,834,378	661,503,573
Retained Earnings		1,350,464,399	1,266,881,823
		2,046,298,777	1,928,385,396
Earning Per Share (CEPS)	38(a)	2.91	2.74
Net Asset Value Per Share (NAV/Share)		18.42	17.31
Net Operating Cash Flow Per Share (NOCFPS)		6.59	4.36

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: 09 April 2016

Kazi Zahir Khan & Co.

Chartered Accountants

SOCIAL ISLAMI BANK LIMITED
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2015

	<u>Note(s)</u>	<u>2015</u> <u>Taka</u>	<u>2014</u> <u>Taka</u>
Cash Flow from operating activities			
Investment Income receipt	39(a)	15,346,595,154	13,984,234,867
Profit paid on deposits		(7,398,708,019)	(7,712,225,604)
Dividend receipts		301,153,885	300,045,705
Fees & commission receipt		705,299,642	604,112,217
Cash payments to employees		(2,227,959,509)	(1,674,596,112)
Cash payments to suppliers		(111,476,289)	(90,152,096)
Income tax paid		(1,170,469,382)	(801,113,468)
Receipts from other operating activities	40(a)	994,587,279	917,239,330
Payments for other operating activities	41(a)	(913,362,103)	(827,938,243)
Operating profit before changes in operating assets and liabilities		5,525,660,657	4,699,606,596
Changes in operating assets and liabilities			
Statutory deposits		-	-
Net trading securities		(1,398,667,950)	714,457,784
Investments to other banks		-	-
Investment to customers		(26,056,890,592)	(21,927,627,385)
Other assets	42(a)	3,224,226,961	(1,680,333,868)
Deposits from other banks		(4,258,078,568)	9,374,714,973
Deposits received from customers		27,847,879,405	11,753,208,538
Other liabilities on account of customers		-	-
Trading liabilities		-	-
Other liabilities	43(a)	(252,440,657)	131,624,502
Sub Total		(893,971,401)	(1,633,955,456)
A. Net Cash flow from operating activities		4,631,689,256	3,065,651,140
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 & equipments		(593,315,131)	(203,614,810)
Purchase/Sale of subsidiaries		-	-
B. Net Cash flows from investing activities		(593,315,131)	(203,614,810)
Cash flows from financing activities			
Receipts from issue of debt instruments		(5,150,000,000)	1,450,000,000
SIBL Mudaraba Subordinated Bond		3,000,000,000	-
Receipts from issue of right shares/ordinary share		-	-
Dividend paid in cash		(1,265,654,865)	(843,769,877)
C. Net Cash flow from financing activities		(3,415,654,865)	606,230,123
D. Net increase/(decrease) in cash & cash equivalents (A+B+C)		622,719,260	3,468,266,454
E. Cash and cash equivalents at the beginning of the year		24,505,921,387	21,037,654,933
F. Cash and cash equivalents at the end of the year (D+E)	44(a)	25,128,640,647	24,505,921,387

66,798,053

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

Chairman

Director

Director

Managing Director & CEO

Dhaka, Bangladesh
Date: 09 April 2016

SOCIAL ISLAMI BANK LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2015

(amount in Taka)

Particulars	Paid-up Capital	Share Premium Account	Statutory Reserve	General / Other Reserves	Asset Revaluation Reserve	Retained Earnings	Non-Controlling Interest	Total
1	2	3	4	5	6	7	8	9=(2 to 8)
Balance as at 01 January 2015	7,031,415,640	-	2,784,497,917	2,790,193	1,055,679,727	1,298,601,774	1,617	12,172,986,869
Changes in Accounting Policy	-	-	-	-	-	-	-	-
Resatated Balance	-	-	-	-	-	-	-	-
Surplus / (Deficit) on account of Revaluation of Properties	-	-	-	-	-	-	-	-
Surplus / (Deficit) on account of Revaluation of Investment	-	-	-	-	-	-	-	-
Currency translation difference	-	-	-	-	-	-	-	-
Net gain and losses not recognized in the Income Statement	-	-	-	-	-	-	-	-
Net profit for the year	-	-	-	-	-	2,046,298,777	-	2,046,298,777
Appropriation made during the year	-	-	695,834,378	1,485,719	-	(695,834,378)	-	1,485,719
Issue of Cash Dividend	-	-	-	-	-	(1,265,654,866)	-	(1,265,654,866)
Issue of Share Capital	-	-	-	-	-	-	-	-
Transferred to retained earnings	-	-	-	-	(26,134,034)	26,134,034	-	-
Non-controlling interest	-	-	-	-	-	-	28	28
Total group shareholders' equity as on 31 December 2015	7,031,415,640	-	3,480,332,295	4,275,913	1,029,545,693	1,409,545,341	1,645	12,955,116,527

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

Chairman

Director

Director

Managing Director & CEO

Dhaka, Bangladesh
Date: 09 April 2016

SOCIAL ISLAMI BANK LIMITED
BALANCE SHEET
AS AT 31 DECEMBER 2015

	<u>Note(s)</u>	2015 <u>Taka</u>	2014 <u>Taka</u>
PROPERTY AND ASSETS			
Cash			
Cash in hand (Including Foreign Currencies)	3	1,145,358,436	975,608,716
Balance with Bangladesh Bank & its Agent Banks (Including Foreign Currencies)	3.1	13,535,893,678	11,145,075,318
		14,681,252,114	12,120,684,034
Balance with other Banks and Financial Institutions			
	4		
In Bangladesh		3,423,599,612	2,511,309,841
Outside Bangladesh		355,321,944	332,880,245
		3,778,921,556	2,844,190,086
Placement with Banks & other Financial Institutions			
	5	6,586,715,074	9,474,249,214
Investments in Shares & Securities			
	6		
Government		6,040,000,000	5,116,000,000
Others		3,182,393,636	2,707,725,686
		9,222,393,636	7,823,725,686
Investments			
	7		
General Investment etc.		123,630,222,992	98,611,135,398
Bills Purchased and Discounted		10,486,626,911	9,288,823,913
		134,116,849,903	107,899,959,311
Fixed Assets including Premises, Furnitures and Fixtures			
	8	3,072,036,083	2,675,858,796
Other Assets			
	9	8,653,940,498	10,898,800,197
Non Banking Assets			
		-	-
Total Assets		180,112,108,864	153,737,467,324
LIABILITIES AND CAPITAL			
Liabilities			
Placement from Banks & other Financial Institutions			
	10	1,000,000,000	6,150,000,000
Deposits and Other Accounts			
	11		
Mudaraba Savings Deposits		14,273,504,098	9,818,279,970
Mudaraba Term Deposits		88,616,744,207	75,356,410,289
Other Mudaraba Deposits		29,983,914,560	23,923,887,375
Al-Wadeeah Current & Other Deposit Accounts	11.2	15,468,710,445	13,059,516,630
Bills Payable	11.3	1,251,915,364	2,277,639,901
Cash Waqf Fund		178,828,552	99,275,350
		149,773,617,225	124,535,009,515
SIBL Mudaraba Subordinated Bond			
	12	3,000,000,000	-
Other Liabilities			
	13	13,379,727,523	10,904,150,387
Deffered Tax Liabilities/ (Assets)			
	14	8,442,137	4,924,028
Total Liabilities		167,161,786,885	141,594,083,930
Capital/Shareholders' Equity			
Paid-up Capital			
	15.2	7,031,415,640	7,031,415,640
Statutory Reserve			
	16	3,480,332,295	2,784,497,917
Revaluation reserve on Fixed Assets			
	17	1,029,545,693	1,055,679,727
Retained Earnings			
	18	1,409,028,351	1,271,790,110
Total Shareholders' Equity		12,950,321,979	12,143,383,394
Total Liabilities & Shareholders' Equity		180,112,108,864	153,737,467,324

	<u>Note(s)</u>	<u>2015</u> <u>Taka</u>	<u>2014</u> <u>Taka</u>
CONTINGENT LIABILITIES			
Acceptances and Endorsements	19.1	18,431,674,020	15,302,832,788
Irrevocable Letters of Credit (including Back to Back Bills)	19.2	14,467,256,620	11,017,261,193
Letters of Guarantee	19.3	7,379,609,632	3,936,013,964
Bills for Collection	19.4	2,818,276,011	1,905,746,855
Other Contingent Liabilities	19.5	-	-
Total		43,096,816,283	32,161,854,799
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		43,096,816,283	32,161,854,799

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: 09 April 2016

Kazi Zahir Khan & Co.
Chartered Accountants

SOCIAL ISLAMI BANK LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2015

	<u>Note(s)</u>	<u>2015</u> <u>Taka</u>	<u>2014</u> <u>Taka</u>
Investment Income	20	15,288,872,420	13,943,265,660
Less: Profit paid on Deposits	21	9,055,715,100	9,007,200,466
Net Investment Income		6,233,157,320	4,936,065,194
Income from Investment in Shares and Securities	22	362,240,663	296,946,697
Commission, Exchange and Brokerage	23	1,255,969,372	1,188,376,725
Other Operating Income	24	398,528,816	289,487,335
		2,016,738,850	1,774,810,756
Total Operating Income		8,249,896,170	6,710,875,950
Salaries and Allowances	25	2,202,912,214	1,656,268,663
Rent, Taxes, Insurances, Electricity etc.	26	293,890,908	253,253,969
Legal Expenses	27	8,210,584	8,142,318
Postage, Stamps, Telecommunication etc.	28	8,458,440	7,995,021
Stationery, Printings, Advertisements etc.	29	101,021,087	80,825,871
Managing Director's Salary and Allowances	30	9,320,000	8,900,000
Directors' Fees & Expenses	31	6,828,684	6,397,857
Shariah Supervisory Committee's Fees & Expenses	32	549,512	342,050
Auditors' Fees		460,000	718,750
Depreciation & Repair of Bank's Assets	33	228,709,953	207,810,388
Other Expenses	34	539,713,784	515,946,384
Total Operating Expenses		3,400,075,166	2,746,601,272
Profit/(Loss) before Provision		4,849,821,004	3,964,274,679
Provisions for Investments		1,350,649,113	651,756,813
Other Provisions	35	20,000,000	5,000,000
Total Provision	36	1,370,649,113	656,756,813
Total Profit/(Loss) before Tax		3,479,171,891	3,307,517,865
Provision for Income Tax	37	1,406,578,491	1,403,792,939
Net Profit/(Loss) after Tax		2,072,593,400	1,903,724,927
Appropriation			
Statutory Reserve		695,834,378	661,503,573
Retained Earnings		1,376,759,022	1,242,221,354
		2,072,593,400	1,903,724,927
Earning Per Share (EPS)	38	2.95	2.71
Net Asset Value Per Share (NAV/Share)		18.42	17.27
Net Operating Cash Flow Per Share (NOCFPS)		6.56	4.31

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: 09 April 2016

Kazi Zahir Khan & Co.
Chartered Accountants

SOCIAL ISLAMI BANK LIMITED
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2015

	<u>Note(s)</u>	<u>2015</u> <u>Taka</u>	<u>2014</u> <u>Taka</u>
Cash Flow from operating activities			
Investment Income receipt	39	15,288,872,420	13,943,265,660
Profit paid on deposits		(7,398,708,019)	(7,712,225,604)
Dividend receipts		362,240,663	296,946,697
Fees & commission receipt		660,728,611	567,544,000
Cash payments to employees		(2,212,232,214)	(1,665,168,663)
Cash payments to suppliers		(109,479,526)	(88,820,892)
Income tax paid		(1,162,412,143)	(796,019,502)
Receipts from other operating activities	40	993,769,576	910,320,059
Payments for other operating activities	41	(885,993,382)	(811,800,108)
Operating profit before changes in operating assets and liabilities		5,536,785,986	4,644,041,647
Changes in operating assets and liabilities			
Statutory deposits		-	-
Net trading securities		(1,398,667,950)	714,457,784
Investments to other banks		-	-
Investment to customers		(26,216,890,592)	(21,977,627,385)
Other assets	42	3,407,271,842	(1,608,887,290)
Deposits from other banks		(4,258,078,568)	9,374,714,973
Deposits received from customers		27,839,679,198	11,760,840,098
Other liabilities on account of customers		-	-
Trading liabilities		-	-
Other liabilities	43	(298,132,360)	119,867,846
Sub Total		(924,818,431)	(1,616,633,974)
A. Net Cash flow from operating activities		4,611,967,555	3,027,407,672
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 & equipments		(588,547,329)	(202,788,023)
Purchase/Sale of subsidiaries		-	-
B. Net Cash flows from investing activities		(588,547,329)	(202,788,023)
Cash flows from financing activities			
Receipts from issue of debt instruments		(5,150,000,000)	1,450,000,000
SIBL Mudaraba Subordinated Bond		3,000,000,000	-
Receipts from issue of right shares/ordinary share		-	-
Dividend paid in cash		(1,265,654,815)	(843,769,877)
C. Net Cash flow from financing activities		(3,415,654,815)	606,230,123
D. Net increase/(decrease) in cash & cash equivalents (A+B+C)		607,765,411	3,430,849,772
E. Cash and cash equivalents at the beginning of the year		24,439,123,334	21,008,273,562
F. Cash and cash equivalents at the end of the year (D+E)	44	25,046,888,745	24,439,123,334

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

Chairman

Director

Director

Managing Director & CEO

Dhaka, Bangladesh
Date: 09 April 2016

SOCIAL ISLAMI BANK LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2015

(amount in Taka)

Particulars	Paid-up Capital	Share Premium Account	Statutory Reserve	General / Other Reserves	Asset Revaluation Reserve	Retained Earnings	Total
1	2	3	4	5	6	7	8=(2 to 7)
Balance as at 01 January 2015	7,031,415,640	-	2,784,497,917	-	1,055,679,727	1,271,790,110	12,143,383,394
Changes in Accounting Policy	-	-	-	-	-	-	-
Resatated Balance	-	-	-	-	-	-	-
Surplus / (Deficit) on account of Revaluation of Properties	-	-	-	-	-	-	-
Surplus / (Deficit) on account of Revaluation of Investment	-	-	-	-	-	-	-
Currency translation Difference	-	-	-	-	-	-	-
Net gain and losses not recognized in the Income Statement	-	-	-	-	-	-	-
Net profit for the year	-	-	-	-	-	2,072,593,400	2,072,593,400
Appropriation made during the year	-	-	695,834,378	-	-	(695,834,378)	-
Issue of cash dividend	-	-	-	-	-	(1,265,654,815)	(1,265,654,815)
Issue of Share Capital (Bonus Dividend)	-	-	-	-	-	-	-
Transferred to retained earnings	-	-	-	-	(26,134,034)	26,134,034	-
Total shareholders' equity as on 31 December 2015	7,031,415,640	-	3,480,332,295	-	1,029,545,693	1,409,028,351	12,950,321,979

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

Chairman

Director

Director

Managing Director & CEO

Dhaka, Bangladesh
Date: 09 April 2016

SOCIAL ISLAMI BANK LIMITED
LIQUIDITY STATEMENT
ASSETS AND LIABILITIES ANALYSIS
AS AT 31 DECEMBER 2015

(amount in Taka)

Particulars	Upto 01 Month	01-03 Months	03-12 Months	01-05 Years	More than 05 years	Total
Assets						
Cash in hand	6,959,626,084	-	-	-	7,721,626,030	14,681,252,114
Balance with other Banks and Financial Institutions	1,192,311,342	1,293,305,107	1,293,305,107	-	-	3,778,921,557
Placement with Banks & other Financial Institutions	1,200,000,000	3,650,000,000	1,520,000,000	216,715,074	-	6,586,715,074
Investment (in Shares & Securities)	2,438,749,074	2,140,000,000	2,150,000,000	893,646,162	1,599,998,400	9,222,393,636
Investments	17,036,716,747	25,610,279,934	71,138,983,242	18,678,334,180	1,652,535,800	134,116,849,902
Fixed Assets including premises, furniture & fixtures etc.	-	-	-	1,536,018,041	1,536,018,041	3,072,036,083
Other Assets	-	-	-	4,326,970,249	4,326,970,249	8,653,940,498
Non-Banking Assets	-	-	-	-	-	-
Total Assets	28,827,403,246	32,693,585,041	76,102,288,349	25,651,683,707	16,837,148,521	180,112,108,864
Liabilities						
Placement from Banks & other financial institutions	1,000,000,000	-	-	-	-	1,000,000,000
Deposits and other accounts	26,353,120,730	31,631,510,279	73,790,321,675	10,664,112,039	7,334,552,501	149,773,617,226
Provision and other liabilities	-	-	-	10,081,522,517	6,298,205,005	16,379,727,522
Deferred tax liability	-	-	-	8,442,137	-	8,442,137
Total Liabilities	27,353,120,730	31,631,510,279	73,790,321,675	20,754,076,693	13,632,757,507	167,161,786,885
Net Liquidity Gap	1,474,282,516	1,062,074,762	2,311,966,674	4,897,607,014	3,204,391,014	12,950,321,979

SOCIAL ISLAMI BANK LIMITED
NOTES TO THE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2015

1 The Bank and its activities

1.1 Status of the Bank

The Bank was incorporated as a Public Limited Company in Bangladesh in the year 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 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 eleven (111) 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 - 86726/10 dated 30 August 2010 and obtained its certificate of commencement of business on the same day.

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

Name of the Company	Paid up Capital (Taka)	Percentage of Share Holding	
		SIBL	Others
1 SIBL Securities Limited	1,230,000,000	99.9999187%	0.0000813%
2 SIBL Investment Limited	250,000,000	99.9997600%	0.0002400%
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 Banani Branch, 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 Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting standards (BFRS):

In compliance with	BAS 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	Applied
Employee Benefits	19	Applied
Accounting for Government Grants and Disclosure of Government	20	N/A
The Effects of Changes in Foreign Exchange Rates	21	Applied
Borrowing Costs	23	Applied
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: 05.06.2006 and BRPD circular no. 14, Dated: 14.09.2012.
Intangible Assets	38	Applied
Financial Instruments: Recognition and Measurement	39	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.
Investment Property	40	N/A
Agriculture	41	N/A
In compliance with	BFRS No.	Status
First-time Adoption of International Financial Reporting Standards	1	N/A
Share-based Payment	2	N/A
Business Combinations	3	Applied
Insurance Contracts	4	N/A
Non-current Assets Held for Sale and Discontinued Operations	5	N/A
Exploration for and Evaluation of Mineral Assets	6	N/A
Financial Instruments: Disclosures	7	Applied to the extent of compliance with core risk management guideline of Bangladesh Bank.
Operating Segments	8	N/A
Consolidated Financial Statements	10	Applied

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 Bangladesh Financial Reporting Standards (BFRS), and the requirements of Bank Companies Act 1991(as ammended upto year 2014), BRPD circular no: 15 dated 09.11.2009 along with other rules and regulations issued by Bangladesh Bank, the Companies Act 1994, the Securities and Exchange Rules 1987. In case any requirement of the Bank Companies Act 1991, and provisions and circulars issued by Bangladesh Bank differ with those of BFRS, the requirement of the Bank Companies Act 1991, and provisions and circulars issued by Bangladesh Bank shall prevail. Material and partial departures from the requirements of BFRS 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 31.12.2015 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 Bangladesh Accounting Standard (BAS)- 39, investment in shares falls either under “at fair value through profit and loss account” or under “available for sale” where any change in the fair value at the year-end is taken to profit and loss account or revaluation reserve respectively. SIBL recognises its 'Investment in Shares and Securities' as per BAS-39 and accounted for the required profit/(loss) after adjustment of the value of shares and securities through profit and loss account.

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

As per BAS-39 impairment assessment should be done by considering whether any objective evidence of impairment exists for financial assets that are individually significant. For financial assets that are not individually significant, the assessment can be performed on an individual or collective (portfolio) basis.

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 BCD Circular No.34 dated 16 November 1989, BCD Circular No.20 (27 December 1994), BCD Circular No. 12 (04 September 1995), BRPD Circular No. 16 (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) 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	2%
General Provision on Investment for Consumer Financing	5%
General Provision on Investment for Short term Agri/ Micro credit	5%
General Provision on Special Mention Account	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 Bangladesh Accounting Standard (BAS)-39.

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 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 BAS-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

Financial instruments-presentation and disclosures are made in several cases as per guidelines and instructions of Bangladesh Bank in particular and respective cases. Requirements of BAS-32 and BFRS-7 can not be followed due to the presentation and disclosure obligations of Bangladesh Bank.

vii) Financial guarantees

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 BAS 39, 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 BAS 39. 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 BAS 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 BAS 7.

ix) Non-banking asset

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

x) Cash Flow Statement

Bangladesh Accounting Standard (BAS)-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

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)

BAS 7 requires balance with Bangladesh Bank to be treated as other assets. However, as per BRPD circular 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 BAS 38, intangible assets are accounted for and amortized. Related necessary disclosures for the intangible asset; i.e computer software 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

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 results in the recognition of income which may never be realised. However, the amount of cash margin is recognised as liability.

As per BRPD circular 15, contingent liabilities are recognised as off balance sheet items in absence of any recommendation in BFRS.

xiv) Investments net off provisions

Investments are presented at its actual value without netting off as per BRPD circular 15 though it is to be presented at net off value as per related BFRS.

2.2 Consolidation Procedures (BAS-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 Bangladesh Accounting Standard (BAS) 27: Consolidated and Separate Financial Statements, Bangladesh Financial Reporting Standards (BFRS):3- Business Combinations and Bangladesh Financial Reporting Standards (BFRS):10- Consolidated Financial Statements. The consolidated financial statements are prepared to a common financial period ended 31 December 2015.

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.

2.5 Use of estimates and judgements

The preparation of the consolidated financial statements in conformity with BFRSs 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 2015 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 2015 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 2015.

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 (BAS-16)

Assets have been shown at cost less depreciation as per paragraph 43 of Bangladesh Accounting Standard (BAS)-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:

<u>Particulars</u>	<u>Rate (%)</u>	<u>Estimated life(Years)</u>
Building	2.5	40
Furniture & Fixtures	15	6.67
Office Equipment	20	5
Software	10	10
Vehicles	20	5
Books	10	10

Revaluation

Land and building are revalued as per Bangladesh Accounting Standard (BAS)-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 (BAS-17)

No assets of Social Islami Bank Ltd. Has been identified/classified as Operating or Finance lease as per BAS-17.

2.11 Impairment of Assets (BAS-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.

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 upto 2015) until such reserve equal to its paid up capital together with the share premium.

2.13 Revenue Recognition (BAS-18)

(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. In the year 2015, SIBL paid 78.72% of investment income earned through deployment of Mudaraba fund. 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 (BAS-12)

(a) Current Tax

Provision for income tax has been calculated as per Income Tax Ordinance, 1984 as amended by the Finance Act 2015 considering all applicable allowances and disallowances.

(b) Deferred Tax

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

2.15 Zakat Fund

The Bank has created a Zakat Fund @ 2.58% for the period ended 31 December 2015 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 (BAS-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 Bangladesh Accounting Standard (BAS) -19, "Employee Benefits" and necessary provision i.e @ 12.7% 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 2015.

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 forwarded to establish a general framework to defeat the risk factors considering the laws of the land. Bangladesh Bank has also undertaken an overall core-risk management project under which every bank shall be bounded to the authoritative covenants to install risk management system. Social Islami Bank Ltd. has established approved policies covering major areas such as (a) Investment Risk Management, (b) Foreign Exchange Risk Management, (c) Asset Liability Management Risk (d) Money Laundering Risk (e) Internal Control & Compliance Risk and (f) Information & Communication Technology Security Risk (g) Internal Audit (h) Fraud and Forgeries 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 futur 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 co-ordinates the total IT matter with other departments and branches so that man and machine could effectively co-opt on timely fashion. The ICT department ensures necessary guidelines / instructions to the Departments / Branches and monitors status of implementation strictly.

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.

2.19 Earnings Per Share (BAS-33)

Basic Earnings Per Share has been calculated in accordance with Bangladesh Accounting Standard (BAS)-33: Earnings Per Share (EPS), which has been shown on the face of profit and loss account. This has been calculated by dividing the basic earnings by the weighted average number of ordinary shares outstanding during the period. Prior year EPS has been restated as and when required.

				2015	2014
				<u>Taka</u>	<u>Taka</u>
3	Cash				
	<i>In hand:</i>				
	In local currency			1,098,051,421	941,968,710
	In foreign currencies			6,613,015	8,325,106
	ATM balance			40,694,000	25,314,900
				1,145,358,436	975,608,716
	In Foreign Currencies				
		<u>Foreign</u>	<u>Amount in FC</u>	<u>Exchange Rate</u>	
		<u>Currency</u>			
		USD	83,718	78.50	6,571,888
		S. Rial	1,940	21.20	41,128
				6,613,015	8,325,106
3(a)	Consolidated balance of cash in hand				
	Social Islami Bank Limited			1,145,358,436	975,608,716
	<i>Cash in hand of Subsidiary companies</i>			612,019	693,475
	SIBL Securities Limited			606,818	672,502
	SIBL Investment Limited			5,201	20,973
				1,145,970,455	976,302,191
3.1	Balance with Bangladesh Bank and its agent bank (Sonali Bank)				
	Balance with Bangladesh Bank (Note-3.1.1)			13,384,301,943	11,033,671,883
	Balance with Sonali Bank (as agent of BB) (Note-3.1.2)			151,591,735	111,403,434
				13,535,893,678	11,145,075,318
3.1.1	Balance with Bangladesh Bank (Including foreign currencies)				
	In local currency			13,091,917,706	10,612,711,221
	In foreign currencies			292,384,237	420,960,662
				13,384,301,943	11,033,671,883
3.1.2	Balance with Sonali Bank (as agent of Bangladesh Bank)				
	In local currency			151,591,735	111,403,434
3.2	Cash Reserve Requirement (CRR) and Statutory Liquidity Ratio (SLR)				
	Cash Reserve Requirement (CRR) and Statutory Liquidity Ratio (SLR) have been calculated and maintained in accordance with the clause (1) of Article 36 of Bangladesh Bank Order, 1972 (as amended upto 2003) and clause (1) of Section 33 of the Bank Companies Act, 1991 (as amended upto 2013) respectively and subsequent DOS circular no: 05/2008, DOS circular letter no.05/2009, DOS circular letter no.21/2009 and DOS circular letter no.01/2014.				
	According to latest DOS circular no.01/2014, dated:19/01/2014, i.e from 01 February 2014, the statutory cash reserve requirement (CRR) on bank's time and demand liabilities @6.00% on daily basis and @6.50% on Bi-weekly 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 vault and transit, 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): 6.00% of average Demand and Time Liabilities				
	Required Reserve			7,721,626,030	6,917,446,970
	Actual Reserve held (in local currency)			13,091,917,706	10,612,711,221
	Surplus			5,370,291,676	3,695,264,251
3.4	Statutory Liquidity Ratio (SLR)				
	Required Reserve			7,078,157,200	5,853,224,360
	Actual Reserve held (Note- 3.5)			12,707,241,847	10,148,276,401
	Surplus			5,629,084,647	4,295,052,041
3.5	Held for Statutory Liquidity Ratio				
	Cash in hand (Note- 3)			1,145,358,436	975,608,716
	Balance with Bangladesh Bank and its agent banks (Note-3.1)			-	-
	Balance with Sonali Bank as agent of BB (Note-3.1)			151,591,735	111,403,434
	Excess reserve of CRR (Note-3.3)			5,370,291,676	3,695,264,251
	Balance with Islamic Refinance Fund (Note-6)			250,000,000	250,000,000
	Bangladesh Govt. Islamic Bond (Note- 6.4)			5,790,000,000	4,866,000,000
				12,707,241,847	9,898,276,401
4	Balance with Other Banks and Financial Institutions (Other than Mudaraba Term Deposit)				
	In Bangladesh (Note - 4.1)			3,423,599,612	2,511,309,841

Outside Bangladesh (Note- 4.2)	355,321,944	332,880,245
	3,778,921,556	2,844,190,086
	2015	2014
	Taka	Taka

4(a) Consolidated balance of other Banks and Financial Institutions

In Bangladesh

Social Islami Bank Limited	3,423,599,612	2,511,309,841
<i>Add: Account Balance of subsidiaries of SIBL with SIBL Principal Branch</i>	261,736,335	269,936,542
SIBL Securities Limited (Current account and MTDR)	11,818,947	20,003,005
SIBL Investment Limited	249,917,387	249,933,537
	3,685,335,947	2,781,246,383
<i>Less: Inter company balance eliminated</i>	261,736,335	269,936,542
SIBL Securities Limited (Current account and MTDR)	11,818,947	20,003,005
SIBL Investment Limited	249,917,387	249,933,537
<i>Add: Account Balance of subsidiaries of SIBL with other banks and financial institutions</i>	81,139,884	66,104,578
SIBL Securities Limited	81,139,884	66,104,578
SIBL Investment Limited	-	-
Consolidated balance with Banks and Financial Institutions	3,504,739,496	2,577,414,418

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

4.1 Inside Bangladesh

Current Account

Islami Bank Bangladesh Limited	1,508,324	577,644
Sonali Bank Limited	52,305,461	63,940,311
Agrani Bank Limited	9,004,425	-
Pubali Bank Limited	3,611	-
Brac Bank Limited (Remittance settlement Account)	5,716,690	14,796,987
Trust Bank Limited (ATM settlement Account)	8,519,805	4,576,982
Standard Chartered Bank (ATM settlement Account)	4,390,142	5,501,112
	81,448,457	89,393,035

4.2 Mudaraba Short Notice Deposits

Al- Arafah Islami Bank Limited	593,417	816,664
ICB Islami Bank Limited	10,912	11,372
Shahjalal Islami Bank Limited	3,786,779	73,715,077
Prime Bank Limited (Islami Banking Branch)	6,659	6,659
Bank Asia Limited (Islami Banking Branch)	528,779	516,462
Islami Bank Bangladesh Limited	85,577,342	23,605,070
Jamuna Bank Limited (Islami Banking Branch)	5,390,362	111,159,831
Pubali Bank Limited (Islami Banking Branch)	96,547,609	42,942,754
Exim Bank Ltd.	270,626,625	10,000,000
Janata Bank Limited	5,071,320	8,790
	468,139,805	262,782,678

4.3 Mudaraba Saving Deposit

Al- Arafah Islami Bank Limited	1,907,078,154	1,498,543,486
ICB Islami Bank Limited	80,039	80,849
Dhaka Bank Limited (Islami Banking Branch)	713,978,656	302,552,621
Dhaka Bank Limited (Local Office)	-	106,163
AB Bank Limited (Islami Banking Branch)	614,553	202,449,146
Exim Bank Limited	3,072,321	16,276,783
Prime Bank Limited (Islami Banking Branch)	10,054	2,386,826
Shahjalal Islami Bank Limited	10,402,507	123,576,243
The City Bank Limited (Islami Banking Branch)	5,494	2,995,255
Southeast Bank Limited (Islami Banking Branch)	238,752,198	1,689,584
First Security Islami Bank Limited	17,375	8,477,172
	2,874,011,350	2,159,134,128
Total	3,423,599,612	2,511,309,841

4.4 Outside Bangladesh (NOSTRO Account)

<u>Current Account with</u>	<u>Currency</u>	<u>F.C. Amount</u>	<u>Rate</u>	<u>Taka</u>
1 SCB, MUMBAI	ACUD	6,726.66	78.50	528,045
2 SUMMIT BANK, KARACHI	ACUD	1,448.77	78.50	113,729
3 SONALI BANK, KOLKATA	ACUD	640.68	78.50	50,294
4 MASHREQ BANK, MUMBAI	ACUD	4,305.09	78.50	337,951
5 NEPAL BANGLADESH BANK	ACUD	10,741.36	78.50	843,200
6 BANK OF BHUTAN, PHUENTSHOLING	ACUD	486.05	78.50	38,155
7 UNITED BANK OF INDIA	ACUD	740.28	78.50	58,112
8 AB BANK, MUMBAI	ACUD	122,127.41	78.50	9,587,038
9 HABIB BANK LIMITED, KARACHI	ACUD	829.18	78.50	65,091
10 SCB, NEW YORK, USA	USD	765,050.50	78.50	60,056,698
11 MASHREQ BANK PSC, NEW YORK, USA	USD	3,543,873.99	78.50	278,195,171
12 SONALI BANK (UK) LTD. UK	USD	34,920.17	78.50	2,741,244
13 KOREA EXCH. BANK, KOREA	USD	13,099.67	78.50	1,028,328
14 COMMERZ BANK AG, FRANKFURT	EURO	7,685.52	85.79	659,364
15 MASHREQ BANK, PSC MUMBAI	ACU EURO	62.92	85.79	5,398
16 SCB, FRANKFURT	EURO	1,103.09	85.79	94,637
17 SONALI BANK (UK) LTD. UK	EURO	440.33	85.79	37,777
18 SCB, LONDON, UK	GBP	943.37	116.38	109,786
19 UNITED NATIONAL BANK, LONDON, UK	GBP	2,623.16	116.38	305,275
20 SONALI BANK (UK) LTD. UK	GBP	101.48	116.38	11,810
21 SCB, TOKYO	JPY	377,470.00	0.65	246,109
22 SAUDI HOLLANDI BANK RIYADH SA	RIYAL	10,000.00	20.87	208,732
		Sub total		355,321,944

Currency wise Distribution:

<u>Foreign Currency</u>	<u>2015</u> <u>Composition</u>	<u>2014</u> <u>Composition</u>	<u>2015</u> <u>Taka</u>	<u>2014</u> <u>Taka</u>
USD/ACU	99.53%	99.78%	353,643,056	332,160,199
GBP	0.12%	0.07%	426,871	224,352
EUR	0.22%	0.07%	797,176	237,986
YEN	0.07%	0.01%	246,109	49,846
SAR	0.06%	0.06%	208,732	207,861
	100%	100%	355,321,944	332,880,245

Please see 'Annexure-C' for details comparative statement of 2015 & 2014 of foreign currency amount and rate.

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

On Demand	1,192,311,342	900,969,371
Not more than 3 months	1,293,305,107	971,610,357
Over 3 months but not more than 1 year	1,293,305,107	971,610,357
Over 1 year but not more than 5 years	-	-
More than 5 years	-	-
	3,778,921,557	2,844,190,086

5 Placement with Banks & other Financial Institutions

Placement with Banks (Note-5.1)	216,715,074	6,974,249,214
Placement with other Financial Institutions (Note-5.2)	6,370,000,000	2,500,000,000
	6,586,715,074	9,474,249,214

5.1 Mudaraba Term Deposits with Banks

ICB Islamic Bank Limited	216,715,074	224,249,214
Al-Arafah Islami Bank Limited	-	4,350,000,000
Dhaka Bank Limited (Islami Banking Branch)	-	300,000,000
Shahjalal Islami Bank Limited	-	200,000,000
Exim Bank Limited	-	500,000,000
Premier Bank ltd.	-	1,400,000,000
	216,715,074	6,974,249,214

5.2 Mudaraba Term Deposits with Other Financial Institutions

IIDFC	820,000,000	150,000,000
International Leasing Finance & Services Limited	-	400,000,000
Prime Finance & Investment Limited	900,000,000	650,000,000
IDLC Finance Limited	1,200,000,000	500,000,000
Union Capital Limited	600,000,000	600,000,000
Lanka Bangla Finance Limited	650,000,000	-
Fareast Finance and Investment Limited	150,000,000	150,000,000

Hajj Finance Company Limited	200,000,000	50,000,000
Fas Finance and Investment Limited	300,000,000	-
First Finance Limited	500,000,000	-
Premier Leasing & Finance Limited	300,000,000	-
United Finance Limited	750,000,000	-
	<u>6,370,000,000</u>	<u>2,500,000,000</u>

	2015	2014
	<u>Taka</u>	<u>Taka</u>
5.3 Maturity-wise groupings of placement with Banks and other Financial Institutions		
On Demand	1,200,000,000	1,400,000,000
Not more than 3 months	3,650,000,000	3,600,000,000
More than 3 months but less than 1 year	1,520,000,000	4,250,000,000
More than 1 year but less than 5 years	216,715,074	224,249,214
More than 5 years	-	-
	<u>6,586,715,074</u>	<u>9,474,249,214</u>
6 Investment in Shares & Securities		
Government		
Government Bond (Islamic Investment Bond) (Note 6.1)	5,790,000,000	4,866,000,000
BD Government Islamic Refinance Fund	250,000,000	250,000,000
	<u>6,040,000,000</u>	<u>5,116,000,000</u>
Others		
Investment in Shares, Quoted (Note 6.2)	710,453,712	661,798,937
Investment in Shares, Unquoted (Note 6.3)	2,493,644,562	2,131,567,850
	<u>3,204,098,274</u>	<u>2,793,366,787</u>
Fair value adjustment through profit or loss (FVTPL) (note: 6.5)	<u>(21,704,638)</u>	<u>(85,641,101)</u>
Value of Investment in Shares and securities, Others	<u>3,182,393,636</u>	<u>2,707,725,686</u>
Grand Total	<u>9,222,393,636</u>	<u>7,823,725,686</u>
Maturity-wise Grouping of Investment in Securities:		
Upto one month	2,438,749,074	576,157,836
Not more than 3 months	2,140,000,000	783,000,000
Over 3 months but not more than 1 year	2,150,000,000	4,333,000,000
Over 1 year but not more than 5 years	893,646,162	501,569,450
More than 5 years	1,599,998,400	1,629,998,400
	<u>9,222,393,636</u>	<u>7,823,725,686</u>
6(a) Consolidated Investment in Shares and Securities		
Social Islami Bank Limited		
Government		
Investment in Government Islamic Bond	5,790,000,000	4,866,000,000
BD Government Islamic	250,000,000	250,000,000
	<u>6,040,000,000</u>	<u>5,116,000,000</u>
Others sectors	<u>3,182,393,636</u>	<u>2,707,725,686</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>1,702,395,236</u>	<u>1,227,727,286</u>
Total consolidated balance of Investment in shares and securities	<u>7,742,395,236</u>	<u>6,343,727,286</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/S-03/2004/262 dated September 2, 2004.	
	The mobilized fund from Islamic Bond is invested by Bangladesh Bank and a portion of realized profit is distributed amongst the bond holders as per mudaraba principle of Islamic Shariah on the basis of the tenure of the bond. So, the rate of return from Islamic Bond is not prefixed rather dependent on fund deployment by Bangladesh Bank.	
6.2 Investment (Cost) in Shares (Quoted)		
ICB 1st Mutual Fund	4,285,291	8,982,800
ICB 2nd Mutual Fund	-	2,676,866
ICB 3rd Mutual Fund	5,562,371	12,112,045
ICB 4th Mutual Fund	11,371,726	8,556,380
ICB 5th Mutual Fund	5,040,979	3,665,577
ICB 7th Mutual Fund	9,083,340	15,847,615
ICB 8th Mutual Fund	21,082,281	17,735,692
National Life Insurance Ist Mutual Fund	12,103,284	5,060,000
Popular Ist Mutual Fund	3,250,000	3,530,388
ICB Sonali Mutual Fund	1,379,200	1,871,346
MB Ist Mutual Fund	-	6,740,208
AIBL Ist Mutual Fund	-	5,820,925
AIMS Ist Mutual Fund	-	8,596,939
SEBL 1st Mutual Fund	7,823,059	-
IFIL Islamic Mutual Fund	3,460,093	-
AB 1st Mutual Fund	5,023,187	2,411,309
KPCL	5,157,418	-

Al-Arafah Islami Bank Limited
AB Bank Limited

	43,947,029	49,432,524
	29,911,571	24,614,467
<i>balace carried forward</i>	<u>168,480,827</u>	<u>177,655,081</u>

	2015	2014
	<u>Taka</u>	<u>Taka</u>
<i>balance brought forward</i>	168,480,827	177,655,081
Exim Bank Limited	20,524,544	21,471,162
Bank Asia Limited	14,441,759	18,081,680
Dhaka Bank Limited	20,571,359	20,127,073
Titas Gas Limited	81,053,986	11,901,714
City Bank Limited	4,360,000	3,364,480
Beximco Limited	-	3,629,204
GSP Finance	8,443,521	-
MJ Bangladesh Limited	-	1,502
Desco	11,106,264	-
Lafarge Surma Cement	3,313,833	-
BSRM Steel	9,698,520	-
Appollo Ispat	9,171,896	-
Jamuna Oil	13,566,925	-
Shahjalal Islami Bank Limited	25,942,850	33,465,098
Orion Pharma Limited (Book Building)	273,000,000	352,200,000
Square Pharmaceuticals	11,530,946	16,358,104
BEDL	-	3,543,839
Square Textile	4,485,014	-
Orion Pharma Limited	30,761,467	-
	710,453,712	661,798,937

6.3 Investment (Cost) in Shares (Unquoted)

CDBL Share	1,569,450	1,569,450
Belhasha Accom JV Limited	500,000,000	500,000,000
Orion Infrastructure Ltd.	392,076,712	-
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
FSIBL Mudaraba Subordinate Bond	120,000,000	150,000,000
	2,493,644,562	2,131,567,850

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.

6.4 Government Bond (BD Govt. Islamic Bond)	5,790,000,000	4,866,000,000
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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- 2015	2015	
				<u>Taka</u>	Fair value adjustment
				Cost price as on 12-2015	31- 12-2015
Quoted Shares					
ICB 1st Mutual Fund	2,974	1,492.50	4,438,695	4,285,291	153,404
ICB 3rd Mutual Fund	23,558	321.70	7,578,609	5,562,371	2,016,237
ICB 4th Mutual Fund	51,452	239.30	12,312,464	11,371,726	940,738
ICB 5th Mutual Fund	25,715	212.80	5,472,152	5,040,979	431,173
ICB 7th Mutual Fund	97,213	115.00	11,179,495	9,083,340	2,096,155
ICB 8th Mutual Fund	320,075	70.70	22,629,303	21,082,281	1,547,021
National Life Insurance Ist Mutual Fund	1,350,000	9.70	13,095,000	12,103,284	991,716
Popular Ist Mutual Fund	715,326	4.20	3,004,369	3,250,000	(245,631)
ICB Sonali Mutual Fund	215,500	5.70	1,228,350	1,379,200	(150,850)
SEBL 1st Mutual Fund	864,200	9.20	7,950,640	7,823,059	127,581
IFIL Islamic Mutual Fund	500,000	6.30	3,150,000	3,460,093	(310,093)
AB 1st Mutual Fund	955,034	4.50	4,297,653	5,023,187	(725,534)
KPCL	70,000	74.90	5,243,000	5,157,418	85,582
Al-Arafah Islami Bank Limited	2,949,465	14.70	43,357,136	43,947,029	(589,893)
AB Bank Limited	1,125,435	20.90	23,521,592	29,911,571	(6,389,980)
Exim Bank Limited	2,033,963	8.60	17,492,082	20,524,544	(3,032,462)
Bank Asia Limited	951,253	16.50	15,695,675	14,441,759	1,253,916
Dhaka Bank Limited	1,236,529	19.70	24,359,621	20,571,359	3,788,262
Titas Gas Limited	1,250,000	47.40	59,250,000	81,053,986	(21,803,986)
City Bank Limited	210,000	20.40	4,284,000	4,360,000	(76,000)
GSP Finance	500,000	15.00	7,500,000	8,443,521	(943,521)
Desco	167,500	51.80	8,676,500	11,106,264	(2,429,764)
Lafarge Surma Cement	40,000	74.60	2,984,000	3,313,833	(329,833)
BSRM Steel	100,000	96.30	9,630,000	9,698,520	(68,520)
Appollo Ispat	500,000	17.40	8,700,000	9,171,896	(471,896)
Jamuna Oil	65,000	157.10	10,211,500	13,566,925	(3,355,425)
Shahjalal Islami Bank Limited	2,255,900	13.50	30,454,650	25,942,850	4,511,800
Orion Pharma Limited (Book Building)	6,000,000	45.50	273,000,000	273,000,000	-
Square Pharmaceuticals	50,000	253.70	12,685,000	11,530,946	1,154,054

Square Textile	60,000	75.50	4,530,000	4,485,014	44,986
Orion Pharma Limited	837,978	36.80	30,837,590	30,761,467	76,123
			462,743,240	486,435,222	(21,704,638)

<u>Particulars</u>	<u>No. of Shares/ Securities</u>	<u>Market price per Shares</u>	<u>Fair value/ Market value as on 31-12-2015</u>	<u>2015</u>	
				<u>Cost price as on 12-2015</u>	<u>31- Fair value adjustment</u>
				<u>Taka</u>	
<u>Preference Shares</u>					
Belhasha Accom JV Limited	50,000,000	-	500,000,000	500,000,000	-
Orion Infrastructure Ltd.			392,076,712	392,076,712	
			892,076,712	892,076,712.33	-
<u>Unquoted Shares/ Bond</u>					
CDBL Share	456,945	-	1,569,450	1,569,450	-
FSIBL Mudaraba Subordinate Bond	240	-	120,000,000	120,000,000	-
			121,569,450	121,569,450	-
Grand Total			1,476,389,403	1,500,081,385	(21,704,638)
				2015	2014
				<u>Taka</u>	<u>Taka</u>
6.6 Industry wise classification of shares at market price					
<u>Quoted shares</u>					
Banks				159,164,755	159,699,112
Mutual Funds				96,336,729	109,118,422
Others				433,247,590	307,340,302
				688,749,074	576,157,836
6.7 Cost of shares and securities under the head quoted and unquoted other than investment in subsidiaries					
Fair value adjustment {Profit/(Loss)} to be made through profit and loss account				(21,704,638)	(85,641,101)
Value of shares and securities, Quoted and Unquoted other than investment in subsidiaries				1,478,376,747	1,227,727,286
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 Bangladesh Accounting Standard (BAS)-39, Financial Instruments: Recognition and Measurement.					
7 Investments					
<u>In Bangladesh</u>					
General Investments etc. (Note-7.1)				123,630,222,992	98,611,135,398
Bills purchased and discounted-net (Note- 7.2)				2,301,419,620	2,319,330,402
<u>Outside Bangladesh</u>					
Bills purchased and discounted-net (Note- 7.2)				8,185,207,291	6,969,493,511
				134,116,849,903	107,899,959,311
7 (a) Consolidated Investment					
General Investments etc.				123,630,222,992	98,611,135,398
Less: Intercompany balance eliminated					
SIBL Securities Limited					
Quard Investment with SIBL- Principal branch				260,000,000	100,000,000
SIBL Investment Limited					
				-	-
Total consolidated general investment				123,370,222,992	98,511,135,398
Bills purchased and discounted-net				10,486,626,911	9,288,823,913
Grand total				133,856,849,903	107,799,959,311
Maturity wise Classification of Investments:					
With a residual maturity of					
Re-payable on Demand				17,036,716,747	16,424,997,367
Not more than 3 months				25,610,279,934	21,338,185,570
Over 3 months but not more than 1 year				71,138,983,242	49,631,419,174
Over 1 year but not more than 5 years				18,678,334,180	19,089,270,600
Over 5 years				1,652,535,800	1,416,086,600
				134,116,849,902	107,899,959,311
7.1 Mode-Wise Investment (General)					
a) In Bangladesh					
Musharaka				493,698,920	555,784,979
Murabaha				3,929,937,139	4,325,876,989
Mudaraba				4,525,723,316	4,205,360,326
Bai-Muazzal				77,429,002,878	63,555,624,941
Hire-Purchase Sirkatul Meelk				28,685,850,999	17,143,936,768
Installment Investment Scheme				94,841	120,522
Quard				6,044,230,063	7,216,017,663
Bai-Salam				340,927,788	60,327,179
Staff Loan				1,758,314,744	1,248,944,173

Ijarah	146,666,764	118,070,066
Visa Card	275,775,541	181,071,793
	123,630,222,992	98,611,135,398
	2015	2014
	Taka	Taka

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
Inside Bangladesh**

In land Bill Purchase	2,301,419,620	2,319,330,402
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**Bills Purchased and discounted
Outside Bangladesh**

Foreign Bill Purchased	104,750,392	137,048,093
Murabaha Bill of Exchange	1,431,888,015	1,000,953,457
Murabaha Wes Bills L/C	1,898,604,644	1,659,498,781
Baim-Wes bills	4,749,964,240	4,171,993,181
	8,185,207,291	6,969,493,511

Grand total of net Bills Purchased and Discounted

	10,486,626,911	9,288,823,913
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7.2.1 Bills Purchased and Discounted

Payable inside Bangladesh	2,301,419,620	2,319,330,402
Payable outside Bangladesh	8,609,612,877	7,445,084,353
Gross Bills Purchased and Discounted	10,911,032,497	9,764,414,755
Less: Profit receivable on Bills Purchased and Discounted	424,405,586	475,590,842
Net Bills Purchased and Discounted	10,486,626,911	9,288,823,913

Maturity wise Classification of Bills Purchased and Discounted:

On demand	2,307,057,920	2,043,541,261
Over 1 month but less than 3 months	5,033,580,917	4,458,635,478
Over 3 months but less than 1 year	3,145,988,073	2,786,647,174
1 year or more	-	-
	10,486,626,911	9,288,823,913

7.3 Investments on the basis of significant concentration

	2015	2014		
Investments to allied concern of Directors	0.10%	0.170%	133,602,553	183,691,088
Investments to Executives & Staffs	1.47%	1.32%	1,976,804,627	1,423,802,620
Investments to Customer Groups	49.66%	59.21%	66,608,242,724	63,885,165,603
Industrial Investment	48.76%	39.30%	65,398,200,000	42,407,300,000
Others	0.00%	0.00%	-	-
	100.00%	100.00%	134,116,849,903	107,899,959,311

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. 1,691.61 Crore as on 31.12.2015 and was used as base figure to calculate the single party exposure limit-funded liability; and such limit was fixed at Tk. 253.74 crore (1,691.61 crore x 15%) till 31.12.2015. It is mentioned here that as per Bank Companies Act, 1991, single party exposure limit has been fixed at 15% for funded and 20% non-funded investment based on capital maintained for non export oriented clients whereas 15% funded and 35% non-fundend limit for 100% export oriented clients.

Total outstanding amount to such customers at end of the year (Funded)	Nil	Nil
Number of such types of customers	Nil	Nil
Amount of Classified Investments thereon	Nil	Nil
Measures taken for recovery	Not applicable	Not applicable

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

(Figure in Crore Taka)

SI no.	Name of client	Outstanding as on 31 December 2015	Outstanding as on 31 December 2014
		Total (Funded and Non funded)	Total (Funded and Non funded)
1	M/s. Nuruzzaman Khan, NZ Fabrics Ltd. & NZ. Ltd.	203.47	-
2	Dong Bang Textile Limited	241.75	267.42
3	Mars Textile Limited	-	227.39
4	Cross Line Factory Ltd. & Cross Line Knit Fabrics	142.44	-
5	Dong Bang Dyeing Limited	277.17	216.17
6	Badsha Textile	125.16	222.28

7	Nitol Motors	117.24	127.64
8	Rabiul Islam, M/s Rhythm Trading, AR Center	209.31	131.23
9	Bashundhara Group	300.13	176.33
10	M/s. Western Dresses Ltd. MNC Apparels Ltd.	217.39	0.00
11	M/s Abdul Monem Ltd.	-	160.90
12	M/s. Partex Denim Mills Ltd. & Partex Denim Limited.	199.54	-

7.4 Customer group and industry wise classification of Investment

(Figure in Crore Taka)

Sector	2015		2014	
	Amount	Composition	Amount	Composition
Commercial lending	27,708,185,927	20.66%	23,018,210,611	21.33%
Export Financing	3,516,624,793	2.62%	771,531,436	0.72%
House Building Investment	948,563,905	0.71%	3,765,382,536	3.49%
Consumer Investment Scheme	514,686,476	0.38%	3,206,915,598	2.97%
Small and Medium Enterprises	27,193,887,455	20.28%	19,401,951,177	17.98%
Micro Investment	14,044,166	0.01%	20,962,221	0.02%
Other Investments	2,186,526,686	1.63%	9,494,851,697	8.80%
Off-shore Banking Unit	4,525,723,316	3.37%	4,205,360,326	3.90%
Allied concern of Directors of SIBL	133,602,553	0.10%	183,691,088	0.17%
Executives & Staffs of SIBL	1,976,804,627	1.47%	1,423,802,620	1.32%
Agricultural Industries	3,053,500,000	2.28%	1,538,345,714	1.43%
Textile Industries	20,840,623,176	15.54%	15,047,898,150	13.95%
Food & Allied Industries	2,324,406,566	1.73%	1,936,332,708	1.79%
Pharmaceutical Industries	617,533,527	0.46%	533,024,978	0.49%
Leather, Chemical, Cosmetic etc.	755,402,745	0.56%	761,265,347	0.71%
Construction Industries	4,380,308,097	3.27%	3,018,310,795	2.80%
Cement and Ceramic Industries	2,531,782,388	1.89%	1,166,464,306	1.08%
Service Industries	4,265,627,203	3.18%	1,675,842,414	1.55%
Transport and Communication Industries	2,036,271,404	1.52%	1,668,068,288	1.55%
Other Industries	24,592,744,894	18.34%	15,061,747,301	13.96%
Total	134,116,849,903	100.00%	107,899,959,311	100.00%

7.5 Geographical Location-wise Investments

(Figure in Crore Taka)

Division	As at 31 December 2015		As at 31 December 2014	
	Amount	Composition	Amount	Composition
Dhaka	98,746,174,100	73.63%	77,635,272,931	71.95%
Chittagong	23,476,912,735	17.50%	21,487,165,173	19.91%
Sylhet	891,940,422	0.67%	367,948,779	0.34%
Rajshahi	4,891,145,996	3.65%	3,987,097,139	3.70%
Khulna	4,286,886,661	3.20%	3,341,097,621	3.10%
Rangpur	1,437,498,461	1.07%	834,834,230	0.77%
Barisal	386,291,528	0.29%	246,543,438	0.23%
Total	134,116,849,903	100.00%	107,899,959,311	100.00%

7.6 Investments (Classification wise)

Unclassified

Standard

Special Mentioned Account

Classified

Substandard

Doubtful

Bad or Loss

Standard (short term agri / micro inv.)

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

Substandard (short term agri / micro inv.)

Doubtful (short term agri / micro inv.)

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

Staff Investment

2015

Taka

2014

Taka

125,789,167,319

1,040,979,789

640,782,370

92,800,278

4,415,162,975

131,978,892,732

160,285,580

35,166

-

-

831,798

161,152,544

1,976,804,627

134,116,849,903

101,498,910,401

35,460,659

308,577,000

1,793,860,000

2,818,386,409

106,455,194,469

20,216,630

-

-

-

745,591

20,962,221

1,423,802,621

107,899,959,311

7.7 Particulars of provision required for general investment

Unclassified (Excluding Off-balance sheet exposures)

Classified

Unclassified- Off-balance sheet exposures

1,390,018,709

1,673,417,498

430,968,163

3,494,404,370

1,139,100,364

1,578,585,257

321,618,591

3,039,304,212

7.7.1 Detail Particulars of Provision for Investment

Rate

Base for Provision

Provision Required

2015

Taka

2014

Taka

Unclassified

Standard

1%

97,792,329,557

1,253,440,066

1,067,992,219

Staff Investment	0%	-	-	-
Consumer Finance (Other than HF and LP)	5%	506,610,075	25,330,504	10,954,953
Small and Medium Enterprise	0.25%	26,399,064,668	65,997,662	47,883,157
Housing Finance (HF)	2%	944,572,856	18,891,457	11,494,080
Loan for Professionals (LP)	2%	505,164	10,103	-
Share	2%	260,000,000	5,200,000	2,000,000
SMA Investment	5%	342,835,547	17,141,777	270,540
Unclassified Off Balance Sheet Items	1%	43,096,816,283	430,968,163	321,618,591
sub-total			1,816,979,732	1,462,213,540

Detail Particulars of Provision for Investment

	<u>Rate</u>	<u>Base for Provision</u>	<u>Provision Required</u>	
			<u>2015</u>	<u>2014</u>
			<u>Taka</u>	<u>Taka</u>
<u>Classified</u>				
Substandard	20%	345,051,542	69,010,308	25,176,783
Doubtful	50%	51,425,238	25,712,619	567,146,273
Bad or Loss	100%	1,578,694,571	1,578,694,571	986,262,200
			3,490,397,231	4,503,014,350

Provision Required (Short term Agricultural & Micro Credit)

<u>Unclassified</u>				
Standard (short term agri /micro credit)	2.5%	160,285,580	4,007,139	505,416
<u>Classified</u>				
Substandard (short term agri /micro credit)	5%		-	-
Doubtful (short term agri /micro credit)	5%		-	-
Bad or Loss (Short term agri /micro credit)	100%		-	-
			4,007,139	505,416

Required provision for Investments (Grand Total)

Total provision maintained			3,494,404,370	3,041,304,212
Provision Surplus/(Shortfall)			-	-

Provision Made for funded exposures only: (Other than Short term Agricultural & Micro Credit)

<u>Unclassified</u>				
Standard			1,799,837,955	1,461,942,999
SMA			17,141,777	270,540
<u>Classified</u>				
Substandard			69,010,308	25,176,783
Doubtful			25,712,619	567,146,273
Bad or Loss			1,578,694,571	986,262,200
			3,490,397,231	3,040,798,796

Provision Made: (Short term Agricultural & Micro Credit)

Standard (short term agri credit)			4,007,139	505,416
Substandard (short term agri credit)			-	-
Doubtful (short term agri credit)			-	-
Bad or Loss (Short term agri credit)			-	-
			4,007,139	505,416

Grand Total

			3,494,404,370	3,041,304,212
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Required provision - Provision made = Surplus/ (Shortfall)

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

	<u>Status</u>	<u>Rate</u>	<u>Basis for Provision</u>	
Off-Balance Sheet Items		1%	43,096,816,283	430,968,163
Required provision for Investments				321,618,548
Provision maintained {note # 13.1(c)}				430,968,163
Surplus Provision				-

7.8 Particulars of Investments:

(i)	Investment considered good in respect of which the banking company is fully secured		118,299,118,218	92,152,825,666
(ii)	Investment considered good for which the banking company holds no other security other than the debtor's personal security		10,318,442,848	12,048,477,522
(iii)	Investment considered good and secured by personal security of one or more parties in addition to the personal security of the debtors		5,499,288,836	3,698,656,123
(iv)	Investment considered bad or doubtful not provided for		-	-
	Total		134,116,849,903	107,899,959,311
(v)	Investment due by directors or officers of the banking company or any of them either severally or jointly with any other person		2,110,407,180	1,607,493,708
(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.		134,789,553	184,878,088
(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.		13,291,825	12,453,451
(viii)	Maximum total amount of Investments including temporary Investment granted during the period to			

	the companies or firms in which the directors of the banking company are interested as directors, partners or managing agents or in the case of private companies as members	Nil	Nil
(ix)	Investment due from other Banks	Nil	Nil
(x)	Classified Investment on which profit has not been charged	5,149,577,421	4,921,569,000
(xi)	Particulars of written off investments		
	a) Cumulative amount of written off Investments since inception to 31 December last year	2,940,386,182	2,338,208,027
	b) Amount of written off / waiver of Investment during the year	1,190,987,200	602,178,155
	Total amount of written off (a+b)	4,131,373,382	2,940,386,182
	c) Amount recovered against debts which are previously written off (cumulative balance)	273,993,000	174,297,533
	d) Amount of Investments written off against which cases have been filed for recovery	4,131,373,382	2,940,386,182
xii)	e) Amount of compensation suspense as at year end.	1,036,673,381	751,102,267

7.9 Large Investment Restructuring

Large Investment Restructuring is made as per BRPD Circular no: 04, Dated: 29 January 2015, of the investments having minimum outstanding amount of Taka-500 crore and above in aggregate. The Eligibility criteria as per the circular are:

- Investments of a particular borrower or group in a bank, singly or in clubbed together form, shall be eligible for restructuring. Borrower having exposure in multiple banks may also approach by forming a consortium.
- Minimum outstanding investment amount for restructuring shall be Taka-500.00 crore or above in aggregate.
- Restructuring facility will be provided to a particular investment only once.

Total amount of such restructured investment for the year 2015 amounts to Taka- 73.64 crore.

	2015	2014
	<u>Taka</u>	<u>Taka</u>
8 Fixed Assets including Premises, Furnitures and Fixtures (Including Intangible Assets)		
A. Cost		
Land	12,330,000	12,330,000
Building	2,320,220,714	1,965,245,776
Furniture & Fixtures	629,266,434	557,746,161
Office Equipment	814,572,284	690,457,603
Software	112,685,685	84,878,493
Vehicles	94,031,299	83,919,160
Books	1,164,395	1,146,288
	3,984,270,810	3,395,723,481
B. Accumulated Depreciation		
Land	-	-
Building	199,897,128	148,371,149
Furniture & Fixtures	213,542,305	172,072,114
Office Equipment	421,655,297	342,402,310
Software	14,330,136	5,105,621
Vehicles	62,050,371	51,198,868
Books	759,491	714,622
	912,234,727	719,864,685
Carrying value	3,072,036,083	2,675,858,796

8.1 Intangible assets

Core banking solution 'ABABIL' is used in SIBL which was incorporated in the year 2010. The value of all the softwares under the head 'Intangible Assets' is Taka-112,685,685.00 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 31.12.2015 is Taka -98,355,549.00.

For details please refer to Annexure-A

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

Social Islami Bank Ltd.	3,072,036,083	2,675,858,796
<i>Fixed assets of subsidiaries</i>	10,471,743	7,832,753
SIBL Securities Ltd.	10,471,743	7,832,753
SIBL Investment Ltd.	-	-
Carrying value of Fixed assets of the Group	3,082,507,826	2,683,691,549

9 Others Assets

Stock of stationery, stamps and printing materials etc. (valued at cost)	16,951,714	16,079,558
Advance rent and advertisement	173,045,137	138,546,785
Security Deposit	2,979,571	2,764,052
Branch Adjustments (SIBG) (Note: 9.1)	355,465,788	3,700,341,995
Suspense Accounts (Note: 9.2)	243,428,671	316,415,620
Other Repayments	256,280	314,840

Receivable from M/S. Stock & Bond and SIBL Securities Ltd.	12,245,968	19,171,583		
Advance Income Tax	5,702,313,738	4,539,901,596		
Receivable from SIBL Securities Limited	1,377,245	5,516,584		
Receivable from SIBL Investment Limited	1,689,510	1,622,805		
Protested Bills against Investment	357,148,000	357,148,000		
Profit Receivable from Banks, NBFI and BD Govt.	273,429,060	354,627,390		
Investment with Off-shore Banking Unit	3,899,276,819	4,205,358,767		
Due from Off-shore Banking Unit	54,791,819	111,952,594		
Others (Note: 9.3)	1,386,827,019	1,334,396,796		
	12,481,226,340	15,104,158,964		
Less: Balance with OBU for elimination				
Investment with Off-shore Banking Unit	3,827,285,842	4,205,358,767		
Grand total after elimination of balance with OBU	8,653,940,498	10,898,800,197		
	2015	2014		
	Taka	Taka		
9(a) Consolidated other Assets				
Social Islami Bank Limited	8,653,940,498	10,898,800,197		
<i>Add: Other assets of subsidiary companies</i>				
SIBL Securities Limited	1,547,377,654	1,360,348,168		
Membership of Chittagong Stock Exchange	307,000,000	307,000,000		
Membership of Dhaka Stock Exchange	720,650,000	720,650,000		
Advance Income Tax	20,157,498	12,100,258		
Advance Office Rent	268,279	-		
Advance to interior decorator	1,700,000	-		
Advance for floor space at nikunjo, DSE Tower	850,000	850,000		
Investment in stock dealer activities	28,523,108	15,547,286		
Receivable from Regulators	2,174,023	252,362		
Receivable from client	428,311,409	279,019,390		
Receivable from others	37,538,337	20,585,533		
Security Deposit to CDBL, DSE	200,000	200,000		
Security Deposit to BTCL	5,000	4,000		
Others	-	4,139,339		
Less: Inter Company transactions eliminated:	3,066,755	7,139,389		
Receivable from SIBL Securities Limited	1,377,245	5,516,584		
Receivable from SIBL Investment Limited	1,689,510	1,622,805		
	10,198,251,397	12,252,008,976		
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 07 April 2016 were Taka-34,210,425.00 Details of which are as follows:			
	Number of	Amount (in Tk) of		
	Unrespondent entries	Unrespondent entries		
	2015	2014		
	2015	2014		
Upto 3 months	20	73	30,000,129	660,956,886
Over 3 months but within 6 months	-	22	-	189,960,808
Over 6 months but within 9 months	1	1	16,000	11,793,511
Over 9 months	1	-	4,194,296	-
	22	96	34,210,425	862,711,205
9.2	Suspense Account represents advance against TA/DA, Entertainment Expenses, Advertisement Expenses, Branch Decoration Expenses, Legal Charges and suspense -others. Necessary provision on others assets has been made in the accounts according to the BRPD Circular no: 14 dated June 25, 2001 para Kha (1) & (2).			
9.3	Others			
Clearing Adjustment (Note: 9.3.1)	(60)	-		
Wes fund purchased	1,089	1,089		
Adjusting A/c debit balance (Note: 9.3.2)	125,013,088	341,831,875		
Advance VAT paid	3,815,178	3,815,178		
BEFTN adjustment A/c	64,255	(298,400)		
Balance with Principal Branch (PF)	819,174,479	646,881,387		
Balance with Principal Branch (SIBL Employees` Superannuation Fund)	74,188,442	60,588,442		
Balance with Principal Branch (SIBL/ Gratuity Fund)	364,570,548	281,577,225		
	1,386,827,019	1,334,396,796		
9.3.1	Clearing Adjustment			
	Return clearing advices on 31.12.2015 from the Clearing House Representing Branch (Principal Branch) were sent to different branches, lying un-adjusted on the same date.			
9.3.2	125,013,088	341,831,875		
	Adjusting account debit balance represents Income Receivable from Bangladesh Govt. Islamic Bond on Tk. 100.00 crore, MTDR's with Other Banks as on 31.12.2015 and profit from preference shares etc.			
10	Placement from Banks & Other Financial Institutions			
	1,000,000,000	6,150,000,000		
	The Bank has an outstanding balance of borrowing Tk. 100.00 crore as on 31.12.2015 taken from Bangladesh Govt. Islamic Bond Fund having different maturity dates. Profit rate of such borrowings is determined under Mudaraba Principle. Term Deposit Receipts allowed favouring different			

Banks and Financial Institutions for Tk 100.00 crore have been pledged as security to Bangladesh Bank against the borrowings.

Maturity Grouping of Borrowings

Up to 1 month	1,000,000,000	1,150,000,000
More than 1 month but less than 3 months	-	2,300,000,000
More than 3 months but less than 6 months	-	2,700,000,000
6 months and above	-	-
	1,000,000,000	6,150,000,000

11 Deposits and Other Accounts

Mudaraba Savings Deposits (MSD)	14,273,504,098	9,818,279,970
Mudaraba Term Deposits (MTDR)	88,616,744,207	75,356,410,289
Other Mudaraba Deposit	29,983,914,560	23,923,887,375
Mudaraba Short Notice Deposits (MSND)	6,337,768,745	4,349,230,575
Mudaraba Scheme Deposits (Note-11.1)	23,646,145,815	19,574,656,800
Al- Waddeeah Current Deposit and other accounts (AWCD) (Note- 11.2)	15,468,710,445	13,059,516,630
Bills payable (Note-11.3)	1,251,915,364	2,277,639,901
Cash Waqf Fund	178,828,552	99,275,350
	149,773,617,226	124,535,009,515

2015 **2014**
Taka **Taka**

11.1 Mudaraba Scheme Deposits

Mudaraba Hajj Savings Deposit	40,811,767	34,448,453
Mudaraba Pension Savings Deposit	3,130,604,190	3,184,278,278
Mudaraba Education Deposit	39,995,965	41,925,172
Mudaraba Monthly Savings Deposit	119,500,713	135,863,264
Mudaraba Monthly Profit Deposit	2,053,902,196	1,664,329,961
Mudaraba Bashansthana Savings Deposit	565,048,531	497,795,735
Mudaraba Millionaire Savings Deposit	694,210,270	517,555,826
Mudaraba Lakhpoti Deposit Scheme	341,727,595	318,398,550
Mudaraba Double Benefit Deposit	2,536,313,806	2,235,392,969
Mudaraba Marriage Savings Deposit	149,339,900	146,856,004
Mudaraba Moharana Savings Deposit	27,939,635	23,481,943
Subarnalata Special Deposit (Women)	49,108,857	51,243,063
Subarnalata Rekha Special Deposit (Women)	1,005,473,880	741,600,378
Sabuj Chayanna Special Deposit	507,140,533	420,538,408
Sabuj Chaya Pension Deposit	200,173,820	199,398,105
Sanchita Special Deposit	153,683,608	151,722,117
Shonali Din Pension Deposit	4,798,004,240	2,821,681,493
Shukher Thikana Savings Deposit	6,893,993	5,072,288
Sachchandey Protidin Monthly Profit Deposit	2,054,364,343	1,768,890,759
Shamriddhir Shopan Deposit	4,605,545,840	4,255,473,640
Shopner Shiri Deposit	156,201,494	134,296,894
Sharner Shikhar	409,440,645	224,367,157
Proshanti (Mudaraba Zakat savings scheme)	719,996	46,343
	23,646,145,815	19,574,656,800

11.2 Al-Waddeeah Current Deposit & other A/c

Al Waddeeah current deposit	7,287,961,620	5,190,359,075
Sundry deposit	2,800,452,441	2,077,926,397
Social fund deposit	23,575	23,575
Supervision charge	987,753	940,113
Risk fund deposit	474,084	586,667
FC deposit	2,783,520,490	2,687,071,901
Convertible Taka A/c	65,377,921	23,346,591
F. C. held against B.B. L/C	1,424,004,345	1,626,511,057
Profit payable A/c	1,065,862,476	1,427,811,861
Compensation Realized	40,045,738	24,939,392
	15,468,710,445	13,059,516,630

*Balance of Convertible Taka A/c represents the portion of unsettled balance.

11.2(a) Consolidated balance of Al-Waddeeah Current Deposit & Other A/c

Social Islami Bank Limited	15,468,710,445	13,059,516,630
<i>Less: Intercompany balance eliminated</i>	261,736,335	269,936,542
SIBL Securities Limited	11,818,947	20,003,005
SIBL Investment Limited	249,917,387	249,933,537
Consolidated balance of Current deposit and other accounts	15,206,974,110	12,789,580,088

The balances are held with the 'Principal Branch' of SIBL bearing current account no: 0002-13300056882 and 0002-13300057058 respectively. For consolidation purpose the balances have been eliminated.

11.3 Bills Payable

Payment Order (PO)	1,178,972,580	889,177,839
Demand Draft (DD)	3,498,391	4,465,970
B/P awaiting remittance	69,444,394	1,383,996,092

	1,251,915,364	2,277,639,901
11.4 Maturity wise classification of Deposits		
Payable on demand	9,560,536,025	3,741,062,897
Up to 1 month	16,792,584,705	16,294,555,395
More than 1 month but up to 6 months	44,239,874,517	36,784,908,405
More than 6 months but up to 1 year	61,181,957,438	41,086,497,688
More than 1 year but up to 5 years	10,664,112,039	19,541,970,826
More than 5 years but up to 10 years	7,334,552,501	7,086,014,305
	149,773,617,226	124,535,009,515
11.5 Segregation of deposits & other accounts		
i) Client Deposit		
Al-Wadeeah Current deposit & other accounts	15,468,710,445	13,059,516,630
Bills Payable	1,251,915,364	2,277,639,901
Mudaraba Savings Deposits	9,898,009,163	7,229,629,752
Mudaraba Short Notice Deposits	6,326,967,726	4,343,506,270
Mudaraba Term Deposit	81,766,744,207	62,456,410,289
Mudaraba Scheme Deposits	23,646,145,815	19,574,656,800
Cash Waqf Fund	178,828,552	99,275,350
	138,537,321,272	109,040,634,993
	2015	2014
	Taka	Taka
ii) Bank Deposit		
Mudaraba Term Deposit Receipt (MTDR)	6,850,000,000	12,900,000,000
Mudaraba Short Notice Deposit (MSND)	10,801,019	5,724,304
Mudaraba Savings Deposit (MSD)	4,375,494,935	2,588,650,217
	11,236,295,954	15,494,374,522
Grand Total of deposits and other accounts	149,773,617,226	124,535,009,515
12 SIBL Mudaraba Subordinated Bond	3,000,000,000	-

SIBL issued Taka-300.00 crore sub-ordinated bond under the caption "SIBL Mudaraba Sub-ordinated Bond". The bond was mainly issued to support and strengthen the capital base of the bank under Tier-II, supplementary capital of Basel-3. 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 gave consent to issue the said bond. The features of the bond is enumerated below:

Name of the Instrument	SIBL Mudaraba Sub-Ordinated Bond			
Issuer	Social Islami Bank Limited (SIBL)			
Issue Manager	AAA Finance & Investment Limited			
Trustee	Shandhani Life Insurance Co. Ltd (SLICL)			
Issued on	March 31, 2015			
Purpose	To Consider as Supplementary Capital (Tier II)			
Amount of Issue	BDT. 3000,000,000 (Three Hundred Crore)			
Subscription Status	Fully Subscribed by 14 No. of Corporate Parties.			
Nature of the Debt Instrument	Mudaraba Sub-Ordinated Debt			
Tenure of Bond	6 (Six) Years			
Value Per Unit	BDT. 500,000 (Five Lac)			
Number of Issuing Unit	6,000 (Six Thousand) Units			
Market Lot	20 (Twenty) Units			
Minimum Application	BDT.10,000,000 (One Crore)			
Rate of Return/Profit Rate	120% of 1 (One) year of Mudaraba Term Deposit Profit Rate for the Preceding 180 Days			
Calculation of Profit	Total Profit is calculated in two stages. First is the Basic Profit which is further enhanced to determine Total Profit considering the contribution from the Bank's "Profit before tax"			
Profit Payment Schedule	Semi Annually not later than 60 Days from Expiry of 6 (Six) Months and 12 (Twelve) Months of each year from Issuance			
Repayment Schedule / Redemption Policy	20% of the Total Bond Value to be Redeemed at the end of each year Starting from year 2 (Two) at Face Value. Repayment Schedule of the Mudaraba Sub-Ordinated Bond is as under:			
	Issue Size (BDT)	3,000,000,000		
		Repayment (BDT)	Balance (BDT)	
	Repayment	End of 2nd Year	600,000,000	2,400,000,000
		End of 3rd Year	600,000,000	1,800,000,000
		End of 4th Year	600,000,000	1,200,000,000
		End of 5th Year	600,000,000	600,000,000
		End of 6th Year	600,000,000	-
Redeemable Option	Redeemable on Maturity of Face Value			
Late Redemption	2% more than existing rate			
Offering Style	Private Placement			
Principal Payment	Bullet Payment on Maturity			
Transferability	Easily Transferable			
Listing Status	Non-Listed			
Convertibility	Non-Convertible			

Prepayment, Call of Refunding	The option of Prepayment, Call of Refunding may be at Discretion of the Issuer	
Rating Agency	Emerging Credit Rating Limited (ECRL)	
Rating Status of the Issue	Entity Rating	: AA-
	Issue Rating	: A+

List of Investors

	2015	2014
	<u>Taka</u>	<u>Taka</u>
Al-Arafah Islami Bank Limited	500,000,000	-
Bank Asia Limited	200,000,000	-
Bank Asia Limited Employees' Gratuity Fund	70,000,000	-
Islami Bank Bangladesh Limited	500,000,000	-
Padma Islami Life Insurance Limited	50,000,000	-
Prime Islami Life Insurance Limited	50,000,000	-
Pubali Bank Limited	200,000,000	-
Reliance Insurance Limited	50,000,000	-
Rupali Bank Limited	500,000,000	-
Shahjalal Islami Bank Limited	100,000,000	-
Sonali Bank Limited	500,000,000	-
Fund	50,000,000	-
United Finance Limited	130,000,000	-
Uttara Bank Limited	100,000,000	-
	3,000,000,000	-
	<u>2015</u>	<u>2014</u>
	<u>Taka</u>	<u>Taka</u>
13 Other Liabilities		
Adjusting A/C (Cr.) Balance	11,095,197	8,259,359
Other Payable	2,496,220	888,004
SIBL Employees' PF	819,174,479	646,881,387
SIBL Employees' Gratuity fund (note: 13.1)	467,946,041	364,291,832
SIBL Employees' Superannuation Fund	74,188,442	60,588,442
BEFTN Adjustment Account	13,707,722	9,160,769
ATM Settlement for Q-Cash	25,778,386	14,890,811
Provision for Investments (note: 13.2)	3,494,404,370	3,041,304,212
Provision for other Assets (note: 13.3)	405,818,292	386,655,792
Compensation and Rent Suspense (note: 13.4)	1,036,673,381	751,102,267
Provision for Taxation (note: 13.5)	6,949,604,945	5,546,544,564
Zakat Fund (note: 13.6)	71,840,046	63,582,948
Mudaraba Profit Distribution (note: 13.7)	7,000,000	10,000,000
	13,379,727,523	10,904,150,387
13(a) Consolidated Other Liabilities		
Social Islami Bank Limited	13,379,727,523	10,904,150,387
<i>Add: Other Liabilities of subsidiaries</i>		
<i>SIBL Securities Limited</i>	412,254,576	187,067,148
Payable to SIBL-Term loan	260,000,000	100,000,000
Payable to regulators	23,216,037	4,816,476
Payable to clients	54,579,276	41,178,013
Other provisions	46,508,604	19,269,896
Provision for Income Tax	27,950,660	21,802,764
<i>SIBL Investment Limited</i>	17,250	35,750
Accrued Expenses	17,250	30,750
Provision for Income Tax	-	5,000
	13,791,999,349	11,091,253,286
Less: Intercompany balance eliminated		
<i>SIBL Securities Limited</i>		
Payable to SIBL-Term loan	260,000,000	100,000,000
Grand total	13,531,999,349	10,991,253,286
13.1 SIBL Employees' Gratuity fund	364,570,548	281,577,225
Add: Provision for Gratuity		
Opening balance	82,714,607	78,101,099
Current year required expenditure for gratuity fund	103,167,570	82,483,635
Add: Profit charged and other transfers made during the year	-	-
	185,882,178	160,584,734
Less: Paid during the year to the employees	(10,823,049)	(12,453,633)
Add: Transferred from gratuity fund account to provision, during the year	10,800,000	10,500,000
Less: Transferred to gratuity fund during the year	(82,483,635)	(75,916,493)

	Balance of provision for gratuity at year end	103,375,493	82,714,607
	Grand total of gratuity fund balance	467,946,041	364,291,832
13.2	Provision for Investment		
	(a) Specific Provision on Investment		
	Provision held at the beginning of the year	1,578,585,257	1,692,052,956
	Fully provided Investment written off	(1,059,907,213)	(465,600,131)
	Transferred from doubtful income/compensation realized/recovery	162,358,258	70,387,437
	Transferred from provision for protested bills	-	11,375,250
	Provision made during this year	992,381,197	270,369,745
	Provision held at the end of the year	1,673,417,498	1,578,585,257
	(b) General Provision on Investment		
	Provision held at the beginning of the year	1,141,100,364	776,629,589
	Addition during the year	248,918,344	364,470,776
	Balance at the end of the year	1,390,018,709	1,141,100,364
	Total Provision on Investments	3,063,436,207	2,719,685,621
	(c) General Provision on Off-Balance Sheet items		
	Provision held at the beginning of the year	321,618,591	304,702,298
	Addition during the year	109,349,572	16,916,293
	Balance at the end of the year	430,968,163	321,618,591
	Total Provision for Investments & Off-Balance Sheet items (a+b+c)	3,494,404,370	3,041,304,212
		2015	2014
		Taka	Taka
13.3	Provision for other Assets		
	Provision held at the beginning of the year	386,655,792	393,102,542
	Provision written back during the year	-	(11,446,750)
	Adjustment regarding payment	(837,500)	-
	Addition during the year	20,000,000	5,000,000
	Balance at the end of the year	405,818,292	386,655,792
13.3.1	Provision for protested bills		
	Provision held at the beginning of the year	357,148,000	368,594,750
	Provision written back during the year	-	(11,375,250)
	Waiver/written off during the year	-	(71,500)
		357,148,000	357,148,000
13.3.2	Provision for suspense account		
	Provision held at the beginning of the year	29,507,792	24,507,792
	Adjustment during the year	(837,500)	-
	Addition during the year	20,000,000	5,000,000
		48,670,292	29,507,792
13.4	Compensation & Rent Suspense A/C		
	Compensation Receivable A/C		
	Murabaha (General)	32,728,215	31,949,647
	Murabaha (Post Import)	2,080,254	3,109,172
	Musharaka (Preshipment)	1,879,201	3,769,984
	Bai-Muazzal	139,730,058	91,069,420
	Bai-Muazzal Trust Receipt	54,839,158	33,809,317
	Baim Wes bills	17,879,171	18,600,131
	Bai-Muazzal (ME)	29,439,365	16,832,877
		278,575,422	199,140,549
	Compensation Suspense A/C		
	Murabaha (General)	16,229,379	21,789,470
	Murabaha (Post Import)	20,346,395	27,222,019
	Bai-Muazzal	154,424,462	141,401,157
	Bai-Muazzal- House hold	14,611	14,611
	Bai-Muazzal Trust Receipt	43,840,257	67,036,516
	Musharaka (Preshipment)	7,442,971	11,441,185
	Others	22,493,678	24,460,241
		264,791,755	293,365,199
	Rent Suspense A/C	493,306,204	258,596,519
	Total Compensation & Rent Suspense	1,036,673,381	751,102,267
13.4.1	Movement of Compensation and Rent Suspense A/C		

Balance at the beginning of the year	751,102,267	461,185,089
Add: Amount transferred to suspense account during the year	427,412,349	407,193,706
Less: Amount recovered from suspense account during the year	(10,761,248)	(12,523,709)
Less: Amount written off/waived during the year	(131,079,987)	(104,752,820)
Balance at the end of the year	1,036,673,381	751,102,267
13.5 Provision for Taxation		
<u>Provision for Current tax</u>		
Balance at the beginning of the year	5,546,544,564	4,146,098,404
Add: Provision made during the year (Note:13.5.1)	1,403,060,382	1,400,446,160
	6,949,604,945	5,546,544,564
<u>Advance tax</u>		
Balance at the beginning of the year	4,539,901,595	3,743,882,093
Paid during the year	1,162,412,143	796,019,502
	5,702,313,738	4,539,901,595
Balance at the end of the year	1,247,291,208	1,006,642,969
13.5.1 Provision made during the year		
Operating Profit before provision & tax	4,849,821,004	3,964,274,678
Less: amount to be deducted for separate consideration	1,826,158,832	1,103,309,351
Total Taxable Income	3,342,872,262	3,159,281,501
Total Tax liability for current year		
Business Tax @ 40.00% for year 2015 and @ 42.5% for year 2014	1,337,148,905	1,342,694,638
Dividend Tax @ 20%	59,374,821	56,113,704
Tax on gain on shares & securities @ 10%	6,536,656	1,637,818
Provision required	1,403,060,382	1,400,446,160
Provision made	1,403,060,382	1,400,446,160

	2015	2014	
	<u>Taka</u>	<u>Taka</u>	
13.6 Zakat fund			
Opening Balance	63,582,948	48,818,029	
Addition this year	71,840,046	63,582,948	
Less: Paid during the year	(43,883,925)	(41,842,819)	
Less: Transferred to Sadaka fund (Balance of Zakat Fund)	(19,699,023)	(6,975,210)	
Closing Balance at the end of the year	<u>71,840,046</u>	<u>63,582,948</u>	
13.7 Mudaraba Profit Distribution			
Opening Balance	10,000,000	10,000,000	
Addition the year	7,000,000	10,000,000	
Less: Paid during the year	(10,000,000)	(10,000,000)	
Closing Balance at the end of the year	<u>7,000,000</u>	<u>10,000,000</u>	
14 Deferred Tax Liability/(Asset)			
Balance at the beginning of the year	4,924,028	1,577,248	
Add: Provision made during the year	3,518,109	3,346,780	
Closing balance at the end of the year	<u>8,442,137</u>	<u>4,924,028</u>	
14 (a) Consolidated Deferred Tax Liability/(Asset)			
Social Islami Bank Limited	8,442,137	4,924,028	
SIBL Securities Limited			
Balance at the beginning of the year	1,071,351	-	
Add: Provision made during the year	134,752	1,071,351	
Closing balance at the end of the year	<u>1,206,103</u>	<u>1,071,351</u>	
Grand total	<u>9,648,241</u>	<u>5,995,379</u>	
15 Capital			
15.1 Authorized Capital			
1,000,000,000 ordinary shares of Tk. 10 each	<u>10,000,000,000</u>	<u>10,000,000,000</u>	
15.2 Issued, Subscribed and Paid up Capital			
The Paid-up Capital of the Bank is currently Tk. 7,031,415,640 divided into 703,141,564 Ordinary Shares of Tk 10 each	<u>7,031,415,640</u>	<u>7,031,415,640</u>	
Break up of paid up capital is as follows			
26,000,000 no. Ordinary shares of Tk.10 issued for cash	260,000,000	260,000,000	
477,322,945 no. Ordinary shares of Tk. 10 each for cash as right share	4,773,229,450	4,773,229,450	
199,818,619 no.ordinary shares of Tk 10 each issued as bonus shares	1,998,186,190	1,998,186,190	
	<u>7,031,415,640</u>	<u>7,031,415,640</u>	
Sponsor Shareholders Group	2,393,668,130	2,142,269,080	
General Shareholders Group	4,637,747,510	4,889,146,560	
	<u>7,031,415,640</u>	<u>7,031,415,640</u>	
15.3 Classification of Shareholders by holding			
	Year 2015		
Year 2015	No. of Shareholders	No. of shares	Percentage of holding of shares
Less than 500 shares	23,309	3,637,503	0.52%
501 to 5,000 shares	28,591	47,690,773	6.78%
5,001 to 10,000 shares	2,700	18,967,641	2.70%
10,001 to 20,000 shares	1,351	18,265,000	2.60%
20,001 to 50,000 shares	693	20,968,785	2.98%
50,001 to 99,999 shares	502	593,611,862	84.42%
Total	<u>57,146</u>	<u>703,141,564</u>	<u>100.00%</u>
	Year 2014		
Year 2014	No. of Shareholders	No. of shares	Percentage of holding of shares
Less than 500 shares	31,063	4,996,514	0.71%
501 to 5,000 shares	34,427	64,401,739	9.16%
5,001 to 10,000 shares	3,781	26,494,310	3.77%
10,001 to 20,000 shares	2,049	27,726,408	3.94%
20,001 to 50,000 shares	980	29,262,273	4.16%

50,001 to 99,999 shares	652	550,260,320	78.26%
Total	72,952	703,141,564	100.00%

15.4 Particulars of shareholding and Percentage Analysis

<u>Particulars of shareholding:</u>	<u>Year 2015</u>		<u>2015</u>	<u>2014</u>
	<u>Number of Share holders</u>	<u>Number of Shares</u>	<u>Taka</u>	<u>Taka</u>
Sponsors & Placement	29	175,090,202	1,750,902,020	1,750,598,780
Sponsors Foreign	6	879,819	8,798,190	39,399,140
Sponsors & Placement Company	6	63,396,792	633,967,920	352,271,160
General Public	55,894	308,930,106	3,089,301,060	3,349,522,960
Institutions (Bank & Insurance)	52	18,679,911	186,799,110	212,536,990
Institution (Others)	1,081	112,946,961	1,129,469,610	1,136,490,420
ICB Account Holders	47	605,080	6,050,800	4,638,840
ICB	1	13,506,852	135,068,520	127,224,370
ICB Unit Fund	2	2,735,025	27,350,250	26,150,250
ICB Mutual Fund	8	124,014	1,240,140	1,240,140
Employee	3	2,803,305	28,033,050	28,793,050
Non-Resident Bangladeshi	17	3,443,497	34,434,970	2,549,540
	57,146	703,141,564	7,031,415,640	7,031,415,640

<u>Percentage of shareholding Analysis:</u>	<u>2015</u>	<u>2014</u>
	<u>Percentage</u>	<u>Percentage</u>
Sponsors & Placement	24.90%	24.90%
Sponsors Foreign	0.13%	0.56%
Sponsors & Placement Company	9.02%	5.01%
General Public	43.94%	47.64%
Institutions (Bank & Insurance)	2.66%	3.02%
Institution (Others)	16.06%	16.16%
ICB Account Holders	0.09%	0.07%
ICB	1.92%	1.81%
ICB Unit Fund	0.39%	0.37%
ICB Mutual Fund	0.02%	0.02%
Employee	0.40%	0.41%
Non-Resident Bangladeshi	0.49%	0.04%
	100%	100%

15.5 Capital Adequacy (Solo Basis)

Position of capital adequacy are given below:-

a) Going Concern Capital (Tier -I)

i) Paid-up Capital	7,031,415,640	7,031,415,640
ii) Statutory Reserve (Note: 16)	3,480,332,295	2,784,497,917
iii) Retained Earnings (Note: 17)	1,409,028,351	1,271,790,110
	11,920,776,286	11,087,703,667

b) Gone Concern Capital (Tier-II)

i) General Provision {Note 13.2(b+c)}	1,573,036,125	1,462,718,955
ii) Assets Revaluation Reserve (eligible)	422,271,891	527,839,863
(As per Basel-III Guideline of Bangladesh Bank 20% Revaluation Reserve is Adjusted in 2015)		
iii) SIBLMudaraba Subordinated Bond	3,000,000,000	-
	4,995,308,016	1,990,558,818

c) Total eligible capital (a +b)

16,916,084,302 **13,078,262,485**

d) Total Risk Weighted Assets

137,155,240,000 **115,119,505,000**

e) Required Capital (10% of Risk Weighted Assets)

13,715,524,000 **11,511,950,500**

f) Total Capital Surplus (c-e)

3,200,560,302 **1,566,311,985**

Capital Adequacy (Consolidated basis)

Position of capital adequacy are given below:-

a) Going Concern Capital (Tier -I)

i) Paid-up Capital	7,031,415,640	7,031,415,640
ii) Statutory Reserve (Note: 16)	3,480,332,295	2,784,497,917
iii) General Reserve	4,275,913	2,790,193
iv) Retained Earnings {Note: 18(a)}	1,409,545,341	1,298,601,775
	11,925,569,189	11,117,305,525

b) Gone Concern Capital (Tier-II)

i) General Provision {Note 13.1(b+c)} & 35(a)	1,573,147,313	1,479,884,945
ii) Assets Revaluation Reserve (eligible)	422,271,891	527,839,864
(As per Basel-III Guideline of Bangladesh Bank 20% Revaluation Reserve is Adjusted in 2015)		
iii) SIBLMudaraba Subordinated Bond	3,000,000,000	-
	4,995,419,203	2,007,724,809

c) Total eligible capital (a +b)

16,920,988,392 **13,125,030,334**

d) Total Risk Weighted Assets	137,389,285,000	114,990,400,000
e) Required Capital (10% of Risk Weighted Assets)	13,738,928,500	11,499,040,000
f) Total Capital Surplus (c-e)	3,182,059,892	1,625,990,334

Capital Adequacy Ratio (Solo basis)

Particulars	2015		2014	
	Requirement	Capital	Requirement	Capital Maintained
Core Capital: (Tier-I)	5.00%	8.69%	5.00%	9.63%
Supplementary Capital: (Tier-II)	-	3.64%	-	1.73%
Total	10.00%	12.33%	10.00%	11.36%

Capital Adequacy Ratio (Consolidated basis)

Particulars	2015		2014	
	Requirement	Capital	Requirement	Capital Maintained
Core Capital: (Tier-I)	5.00%	8.68%	5.00%	9.67%
Supplementary Capital: (Tier-II)	-	3.64%	-	1.75%
Total	10.00%	12.32%	10.00%	11.41%

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)	31.12.2015		31.12.2014	
	Principal amount	Risk Weighted Assets	Principal amount	Risk Weighted Assets
0%	20,721,300,000	-	17,236,900,000	-
20%	23,547,700,000	4,709,540,000	22,310,700,000	4,462,140,000
40%	795,200,000	318,080,000	269,000,000	107,600,000
50%	36,693,400,000	18,346,700,000	31,484,200,000	15,742,100,000
60%	4,312,300,000	2,587,380,000	959,400,000	575,640,000
75%	20,181,000,000	15,135,750,000	14,400,800,000	10,800,600,000
80%	4,986,300,000	3,989,040,000	678,300,000	542,640,000
100%	61,849,000,000	61,849,000,000	64,072,900,000	64,072,900,000
120%	-	-	50,800,000	60,960,000
125%	13,903,900,000	16,759,100,000	6,995,400,000	7,427,625,000
150%	1,432,200,000	2,148,300,000	1,159,200,000	1,738,800,000
Total	188,422,300,000	125,842,890,000	159,617,600,000	105,531,005,000
b) Risk Weights for Operational Risk	942,195,000	9,421,950,000	795,450,000	7,954,500,000
c) Risk Weights for Market Risk	189,040,000	1,890,400,000	163,400,000	1,634,000,000
Total Risk Weighted Assets		137,155,240,000		115,119,505,000

Consolidate basis

a) Risk Weights for Credit Risk

(amount in Taka)

Risk Weights (Both B/S & Off-B/S)	31.12.2015		31.12.2014	
	Principal amount	Risk Weighted Assets	Principal amount	Risk Weighted Assets
0%	20,721,900,000	-	17,237,400,000	-
20%	23,628,800,000	4,725,760,000	22,376,800,000	4,475,360,000
40%	795,200,000	318,080,000	269,000,000	107,600,000
50%	36,693,400,000	18,346,700,000	31,484,200,000	15,742,100,000
60%	4,312,300,000	2,587,380,000	959,400,000	575,640,000
75%	20,181,000,000	15,135,750,000	14,400,800,000	10,800,600,000
80%	4,986,300,000	3,989,040,000	678,300,000	542,640,000
100%	61,871,800,000	61,871,800,000	64,100,700,000	64,100,700,000
120%	-	-	50,800,000	60,960,000
125%	13,879,800,000	16,728,975,000	6,822,100,000	7,211,000,000
150%	1,432,200,000	2,148,300,000	1,159,200,000	1,738,800,000
Total	188,502,700,000	125,851,785,000	159,538,700,000	105,355,400,000
b) Risk Weights for Operational Risk	964,710,000	9,647,100,000	800,100,000	8,001,000,000
c) Risk Weights for Market Risk	189,040,000	1,890,400,000	163,400,000	1,634,000,000
Total Risk Weighted Assets		137,389,285,000		114,990,400,000

31.12.2015

A) Credit Risk

1. Balance Sheet Exposure

(amounts in crore Taka)

Sl.	Exposure Type	BB's Rating	Risk Weight	Solo		Consolidated	
				Exposure	Risk Weighted Asset	Exposure	Risk Weighted Asset
1	2	3	4	5	6 = (4×5)	7	8 = (4×7)
a)	Cash and Cash Equivalents		0%	114.54	-	114.60	-

b)	Claims on Bangladesh Government (other than PSEs) and Bangladesh Bank (denominated in domestic and foreign currency)		0%	1,957.59	-	1,957.59	-
c)	Claims on other Sovereigns & Central Banks		0%	-	-	-	-

31.12.2015

Credit Risk

1. Balance Sheet Exposure

(amounts in crore Taka)

		Solo			Consolidated		
d)	Claims on Bank for International Settlements, International Monetary Fund and European Central Bank		0%	-	-	-	-
e)	Claims on Multilateral Development Banks (MDBs):						
	i) IBRD, IFC, ADB, AFDB, EBRD, IADB, EIB, EIF, NIB, CDB, IDB, CEDB		0%	-	-	-	-
	ii) Other MDBs	1	20%	-	-	-	-
		2,3	50%	-	-	-	-
		4,5	100%	-	-	-	-
		6	150%	-	-	-	-
		Unrated	50%	-	-	-	-
f)	Claims on Public Sector Entities (excluding equity exposure) in Bangladesh	1	20%	-	-	-	-
		2,3	50%	-	-	-	-
		4,5	100%	-	-	-	-
		6	150%	-	-	-	-
		Unrated	50%	-	-	-	-
g)	Claims on Banks and NBFIs:						
	i) Original maturity over 3 months	1	20%	141.36	28.27	141.36	28.27
		2,3	50%	248.21	124.11	248.21	124.11
		4,5	100%	-	-	-	-
		6	150%	-	-	-	-
		Unrated	100%	21.67	21.67	21.67	21.67
	ii) Original maturity less than 3 months		20%	1,063.55	212.71	1,071.66	214.33
h)	Claims on Corporate (excluding equity exposure)	1	20%	745.28	149.06	745.28	149.06
		2	50%	2,859.54	1,429.77	2,859.54	1,429.77
		3,4	100%	3,087.35	3,087.35	3,087.35	3,087.35
		5,6	150%	-	-	-	-
		Unrated	125%	643.52	804.40	643.52	804.40
h.1		SME-1	20%	-	-	-	-
		SME-2	40%	71.67	28.67	71.67	28.67
		SME-3	60%	402.60	241.56	402.60	241.56
		SME-4	80%	473.31	378.65	473.31	378.65
		SME-5	120%	-	-	-	-
		SME-6	150%	-	-	-	-
		Unrated (small enterprise & <BDT 3.00 m)	75%	1,167.46	875.60	1,167.46	875.60
		Unrated (small enterprise having ≥BDT 3.00 m & Medium enterprise)	100%	731.53	731.53	731.53	731.53
i)	Claims under investment risk mitigation						
	a) Corporate	Corporate	-	210.16	203.04	210.16	203.04
	b) Retail & Small	Retail and Small		14.83	16.12	14.83	16.12
j)	Claims categorized as retail portfolio		75%	200.49	150.37	200.49	150.37
k)	Consumer Loan		100%	46.60	46.60	46.60	46.60
l)	Claims fully secured by residential property		50%	183.93	91.97	183.93	91.97
m)	Claims fully secured by commercial real estate		100%	269.82	269.82	269.82	269.82
n)	1.Past Due Claims						

- Where specific provisions are less than 20 per cent of the outstanding amount of the past due claim ;		150%	143.22	214.83	143.22	214.83
- Where specific provisions are no less than 20 per cent of the outstanding amount of the past due claim.		100%	105.10	105.10	105.10	105.10

31.12.2015

Credit Risk

1. Balance Sheet Exposure

(amounts in crore Taka)

				Solo		Consolidated	
- Where specific provisions are more than 50 per cent of the outstanding amount of the past due claim.		50%	1.53	0.77	1.53	0.77	
2. Claims fully secured against residential property that are past due for more than 60 days and/or impaired specific provision held there-against is less than 20% of outstanding amount		100%	53.21	53.21	53.21	53.21	
3. Loans and claims fully secured against residential property that are past due by 60 days and /or impaired and specific provision held there-against is more than 20% of outstanding amount		75%	44.56	33.42	44.56	33.42	
o) Capital Market Exposure		125%	-	-	145.59	181.99	
p) Unlisted equity investments and regulatory capital instruments issued by		125%	249.36	311.70	101.36	126.70	
q) Investments in venture capital		150%	-	-	-	-	
r) Investments in premises, plant and equipment and all other fixed assets		100%	307.20	307.20	308.25	308.25	
s) Claims on all fixed assets under operating lease		100%	-	-	-	-	
t) All other assets							
i) Claims on GOB & BB (eg. Advanced income tax, reimbursement of pratirakka/shdharon sonahay, netra, etc.)		0%	570.23	-	572.25	-	
ii) Staff		20%	197.68	39.54	197.68	39.54	
iii) Cash items in process for collection		20%	-	-	-	-	
iv) claims on Off-shore Banking Units (OBU)		100%	391.25	391.25	391.25	391.25	
iv) Other assets (net off specific provisions)		100%	0.41	0.41	1.64	1.64	
Total			16,718.76	10,348.67	16,728.82	10,349.56	

2. Off-Balance Sheet Exposure

Sl.	Exposure Type	BB's Rating	Risk Weight	Exposure	Risk Weighted Asset	Exposure	Risk Weighted Asset
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1	2	3	4	5.00	6 = (4x5)	7.00	8 = (4x7)
a)	Claims on Bangladesh Government and Bangladesh Bank		0%				
b)	Claims on other Sovereigns & Central Banks		0%				
c)	Claims on Bank for International Settlements, International Monetary Fund and European Central Bank		0%				

31.12.2015

Credit Risk

1. Balance Sheet Exposure

(amounts in crore Taka)

		Solo			Consolidated		
d)	Claims on Multilateral Development Banks (MDBs):						
	i) IBRD , IFC, ADB, AfDB, EBRD, IADB, EIB, EIF, NIB, CDB,		0%				
	ii) Other MDBs	1	20%				
		2,3	50%				
		4,5	100%				
		6	150%				
		Unrated	50%				
e)	Claims on Public Sector Entities (other than Government) in Bangladesh	1	20%				
		2,3	50%				
		4,5	100%				
		6	150%				
		Unrated	50%				
f)	Claims on Banks and FIs:						
	i) Maturity over 3 months	1	20%	-	-	-	-
		2,3	50%	-	-	-	-
		4,5	100%	-	-	-	-
		6	150%	-	-	-	-
		Unrated	100%	-	-	-	-
	ii) Maturity less than 3 months		20%	-	-	-	-
g)	Claims on Corporate (excluding equity exposure)	1	20%	206.83	41.37	206.83	41.37
		2	50%	376.13	188.07	376.13	188.07
		3,4	100%	837.69	837.69	837.69	837.69
		5,6	150%	-	-	-	-
		Unrated	125%	272.52	340.65	272.52	340.65
h)	Against retail portfolio & Small Enterprise (excluding consumer loan)		75%	314.91	236.18	314.91	236.18
h.1		SME-1	20%	0.07	0.01	0.07	0.01
		SME-2	40%	7.85	3.14	7.85	3.14
		SME-3	60%	28.63	17.18	28.63	17.18
		SME-4	80%	25.32	20.26	25.32	20.26
		SME-5	120%	-	-	-	-
		SME-6	150%	-	-	-	-
		Unrated (small enterprise & <BDT 3.00 m)	75%	290.68	218.01	290.68	218.01
		Unrated (small enterprise having ≥BDT 3.00 m & Medium enterprise)	100%	333.07	333.07	333.07	333.07
i)	Consumer Loan		100%	-	-	-	-
j)	Claims fully secured by residential property		50%	-	-	-	-
k)	Claims fully secured by commercial real estate		100%	-	-	-	-

l)	Investment in venture capital	150%	-	-	-	-
m)	All other assets	100%	-	-	-	-
			2,693.70	2,235.62	2,693.70	2,235.62

2015
(amounts in crore Taka)

B) Capital charge for Market Risk

Sl no.	Details	Capital Charge for General Market Risk	Total Capital Charge for Specific Market Risk	2015	
				Solo	Consolidated
A.	Interest Rate Related instruments	-	-	-	-
B.	Equities	6.89	6.89	13.77	13.77
C.	Foreign Exchange Position	-	5.13	5.13	5.13
	Total (A+B+C):	6.89	12.02	18.90	18.90

2015

(amounts in crore Taka)

C) Capital Charge for Operational Risk (Basic Indicator Approach)

Year	Solo		Consolidated	
	Average Gross Income	Capital Charge (15% of Average Gross Income)	Average Gross Income	Capital Charge (15% of Average Gross Income)
2014				
2013	628.13	94.22	643.14	96.47
2012				

2015

Taka

2014

Taka

16 Statutory Reserve

Opening balance	2,784,497,917	2,122,994,344
Add: Addition during the year	695,834,378	661,503,573
	3,480,332,295	2,784,497,917

16(a) General Reserve

Opening balance	2,790,194	1,864,081
Add: Addition during the year	1,485,719	926,113
	4,275,913	2,790,194

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

Revalued amount of fixed assets	1,588,438,486	1,628,850,199
Book Value of fixed assets	532,758,759	546,365,097
Balance of revaluation reserve	1,055,679,727	1,082,485,102
Less: Adjustment made based on difference amount of depreciation	26,134,034	26,805,375
Remaining balance of revaluation reserve	1,029,545,693	1,055,679,727

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 BAS-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 in the year 2015.

a. The effective date of revaluation:

The revaluation was completed by the valuers on 20.03.2011. And The revaluation effect on the assets have been accounted for on 30.03.2011.

b. Valuer:

Two separate independent valuer firm 'Commodity Inspection Services (BD) Ltd.' and 'Royal Inspection International Ltd.' have been assigned to carry on the valuation job.

c. Method used for determination of fair value:

The valuer firms have used the market-based evidence to appraise the class of property 'Land and Building'. They have used current market prices as reference that has recently been observed for selling the land and buildings of same class of the same locality for appraising the fair value. Using the appraisal they have determined the amount of revaluation of the assets.

(amounts in Taka)

Location	Class of property	Book Value	Revaluation Surplus	Depreciation on book value	Depreciation on revalued amount	Amount of adjustment
City Center, Head Office	Building	363,501,095	868,109,643	9,087,527	30,790,268	21,702,741
Chandaikona Branch	Land	2,111,623	10,218,377	-	-	-
	Building	1,070,692	1,195,875	26,767	56,664	29,897
Savar Branch	Building	29,185,081	26,452,514	729,627	1,388,440	658,813

Panthapath Branch	Building	24,282,781	49,036,479	607,070	1,832,982	1,225,912
Rampura Branch	Building	36,144,213	34,392,083	903,605	1,763,407	859,802
Khulna Branch	Building	17,028,901	13,417,448	425,723	761,159	335,436
Nawabpur Road Branch	Building	59,434,373	52,857,310	1,485,859	2,807,292	1,321,433
		532,758,759	1,055,679,727	13,266,178	39,400,212	26,134,034

18 Retained Earnings

Opening balance		1,271,790,110	846,533,259
Less: Issue of cash dividend		(1,265,654,815)	(843,769,877)
Add: Transferred from Profit & Loss Account		1,376,759,022	1,242,221,353
Add: Transferred from Revaluation Reserve for Fixed Assets		26,134,034	26,805,375
		1,409,028,351	1,271,790,110

18(a) Consolidated retained earnings

Opening Balance		1,298,601,774	848,684,454
Less: Issue of cash dividend for SIBL shareholders		(1,265,654,815)	(843,769,877)
Add: Transferred from current year retained earnings of SIBL & its subsidiaries {note 18.1(a)}		1,350,464,398	1,266,881,823
Add: Transferred from Revaluation Reserve for Fixed Assets of SIBL		26,134,034	26,805,375
		1,409,545,391	1,298,601,774

Less: Dividend paid to other shareholders

SIBL Securities Limited		50	-
		1,409,545,341	1,298,601,774

SIBL has invested amount of Taka- 1,229,999,000 and Taka- 249,999,400 in two of its subsidiaries 'SIBL Securities Ltd. (SIBL SL)' and 'SIBL Investment Ltd. (SIBL IL)' respectively. SIBL holds 99.9999187% and 99.99976% of total shares of its subsidiaries 'SIBL SL.' and 'SIBL IL.' respectively while the other shareholders of the subsidiaries hold 0.00008130081% and 0.00024% of total shares respectively.

SIBL Securities Ltd. has declared interim dividend for the year 2015 @5.00% which has been paid to SIBL, the parent company on 27.12.2015.

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	12,299,990	2,499,994	1,229,999,000	249,999,400	99.999919%	99.99976%
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%	-
		12,300,000	2,500,000	1,230,000,000	250,000,000	100.00%	100.00%

	2015 <u>Taka</u>	2014 <u>Taka</u>
18.1 Current year retained earnings		
Social Islami Bank Limited		
Profit after tax	2,072,593,400	1,903,724,926
Less : Statutory Reserve	695,834,378	661,503,573
	1,376,759,022	1,242,221,353
18.1(a) Consolidated Current year retained earnings		
Profit after tax of SIBL	2,072,593,400	1,903,724,926
Less :Statutory Reserve	695,834,378	661,503,573
Profit/(Loss) attributable to Group	1,376,759,022	1,242,221,353
Add: Profit/(loss) of subsidiaries		
Add: Current year profit/(loss) of subsidiaries		
SIBL Securities Limited	35,285,482	24,775,558
SIBL Investment Limited	(80,127)	(115,067)
	35,205,355	24,660,490
Less: Non controlling interests of profit/(loss) attributable for current year		
SIBL Securities Limited	28	20

	SIBL Investment Limited	-	-
		28	20
	<i>Less: Common income (Dividend) for elimination</i>		
	SIBL Securities Limited	61,499,950	-
	Profit/(Loss) attributable to parent	1,350,464,398	1,266,881,823
	SIBL Securities Ltd. has declared interim dividend for the year 2015 @5.00% which has been paid to SIBL, the parent company on 27.12.2015.		
18(b)	Non-controlling interest		
	SIBL Securities Limited		
	Paid up capital	1,230,000,000	1,230,000,000
	Retained earnings	2,301,210	28,515,729
	Net Assets	1,232,301,210	1,258,515,729
	SIBL Investment Limited		
	Paid up capital	250,000,000	250,000,000
	Retained earnings	(1,784,172)	(1,704,045)
	Net Assets	248,215,828	248,295,955
	Non-controlling interests		
	SIBL Securities Limited, @ 0.00008% of net assets	1,048	1,021
	SIBL Investment Limited, @0.00024% of net assets	596	596
	Total non-controlling interest	1,645	1,617
		2015	2014
		Taka	Taka
19	Contingent liabilities		
19.1	Acceptances and Endorsements		
	Bill bankers' liabilities (DP)	12,863,608,360	10,243,671,660
	Bill bankers' liabilities (BB/FO)	1,614,565,278	1,503,927,278
	Bill bankers' liabilities (BB/LO)	3,517,756,382	2,984,208,600
	Bill bankers' liabilities (EPZ)	241,914,000	187,991,000
	Bill bankers' liabilities Others	193,830,000	383,034,250
		18,431,674,020	15,302,832,788
19.2	Letter of Credit		
	L/C bankers' liabilities (DP)	4,981,899,800	3,446,603,500
	L/C bankers' liabilities (BB/FO)	939,531,000	759,939,605
	L/C bankers' liabilities (BB/LO)	1,596,159,000	1,222,442,700
	L/C bankers' liabilities (Cash)	6,069,537,146	4,905,573,731
	L/C bankers' liabilities (EPZ)	99,224,000	243,591,156
	L/C bankers' liabilities (Others)	780,905,674	439,110,501
		14,467,256,620	11,017,261,193
19.3	Letters of guarantees		
	Letters of guarantee	7,379,609,632	3,936,013,964
19.4	Bills for collection		
	In-ward bills for collection	77,961,010	84,421,589
	Out-ward Bills for Collection	2,740,315,001	1,821,325,266
		2,818,276,011	1,905,746,855
19.5	Other Contingent Liabilities	-	-
19.6	Other Commitments	-	-
	Total Off-balance sheet items	43,096,816,283	32,161,854,799
	Income Statement (Note-20 to Note-39)		
	Income:		
	Income from Investment (Note-20)	15,288,872,420	13,943,265,660
	Income from Investment in Shares & Securities (Note-22)	362,240,663	296,946,697
	Commission, Exchange and Brokerage Income (Note-23)	1,255,969,372	1,188,376,725
	Other operating income (Note-24)	398,528,816	289,487,335
		17,305,611,270	15,718,076,416
	Expenses:		
	Profit paid on Deposits (Note-21)	9,055,715,100	9,007,200,466
	Administrative expenses	2,212,232,214	1,665,168,663
	Other operating expenses	959,132,999	873,622,221
	Depreciation on Banking assets	228,709,953	207,810,388
		12,455,790,266	11,753,801,738
	Income over expenditure	4,849,821,004	3,964,274,678
20	Income from Investment		
	Profit on Murabaha	195,234,022	252,389,545
	Profit on Bai-Muazzal	8,828,927,980	7,576,055,149
	Profit on Hire-Purchase	2,692,872,981	2,211,554,626
	Profit on Musharka	51,146,151	49,031,659

	Profit on Bai-Salam	13,628,479	3,792,881
	Profit on Quard against MTDR, Scheme and others	766,351,758	886,718,883
	Profit on Inland Document Bill Purchased	288,049,240	417,370,649
	Profit on Foreign Document Bill Purchased	1,306,432,948	1,059,871,178
	Profit on Ijarah	16,338,353	18,577,731
	Profit on Investment against Mudaraba Deposit with other banks and NBFIs	737,628,173	928,125,762
	Profit on other investments (Card, Wakalat fee etc.)	153,281,291	273,314,282
	Profit on Mudaraba	238,981,045	266,463,315
		15,288,872,420	13,943,265,660
20(a)	Consolidated income from investment		
	Social Islami Bank Ltd.	15,288,872,420	13,943,265,660
	<i>Add: Income from investment of subsidiaries of SIBL</i>	57,722,734	40,969,207
	SIBL Securities Ltd.	57,722,734	40,969,207
	SIBL Investment Ltd.	-	-
	Grand total of consolidated investment income	15,346,595,154	13,984,234,867
21	Profit paid on Deposits		
	<i>Profit paid on deposits</i>		
	Mudaraba Savings Deposits (MSD)	377,469,747	258,082,442
	Mudaraba short notice deposit (MSND)	72,655,090	69,293,261
	Mudaraba term deposit (MTDR)	6,166,425,984	6,704,293,229
	Cash waqf fund deposit	14,190,968	10,215,813
	Profit paid on Scheme Deposits & others	2,058,806,201	1,762,576,009
		8,689,547,989	8,804,460,754
	<i>Profit paid on borrowings & SIBL Mudaraba Subordinate Bond</i>	366,167,111	202,739,712
	Total profit paid on deposits and borrowings	9,055,715,100	9,007,200,466
		2015	2014
		Taka	Taka
22	Income from Investment in Shares & Securities		
	Income from Investment in Islamic Bond	12,556,008	135,283,277
	Income from Investment in Shares	65,366,556	16,378,178
	Belhasha Preference share	172,836,301	70,000,000
	Dividend Income	111,481,798	75,285,242
		362,240,663	296,946,697
	Social Islami Bank Ltd. has investment of Tk. 604.00 crore in Bangladesh Govt. Islamic Investment Bond for which 3.00% average rate of income has been provided for January-December 2015. 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.	362,240,663	296,946,697
	<i>Add: Income from Investment in Shares & Securities of subsidiaries of SIBL</i>	413,172	3,099,008
	SIBL Securities Ltd.	413,172	3,099,008
	SIBL Investment Ltd.	-	-
	<i>Less: Common income for elimination</i>		
	SIBL Securities Ltd.	61,499,950	-
	Grand total of consolidated income from Investment in Shares & Securities	301,153,885	300,045,705
	SIBL Securities Ltd. has declared interim dividend for the year 2015 @ 5.00% amounting to Taka- 61,499,950 on paid-up capital of Taka- 1,229,999,000 which has been paid to SIBL, the parent company on 27.12.2015.		
23	Commission, Exchange & Brokerage		
	Commission	660,728,611	567,544,000
	Exchange income	595,240,760	620,832,724
		1,255,969,372	1,188,376,725
23(a)	Consolidated income from commission, exchange & brokerage		
	Social Islami Bank Ltd.	1,255,969,372	1,188,376,725
	<i>Add: Income from commission, exchange & brokerage of subsidiaries of SIBL</i>	44,571,031	36,568,217
	SIBL Securities Ltd.	44,571,031	36,568,217
	SIBL Investment Ltd.	-	-
	Grand total of consolidated income from commission, exchange & brokerage	1,300,540,402	1,224,944,942
24	Other Operating Income		
	Telex charge recovered	-	-
	P & T charge recovered	2,321,824	3,189,701
	Courier Charges Recovery & Others	5,430,747	5,466,248
	Services & charges	251,464,939	165,161,327
	SWIFT/ Return charge recovered	58,445,698	45,901,179
	Other charges (Note: 24.1)	80,865,608	69,768,880
		398,528,816	289,487,335
24(a)	Consolidated other operating income		
	Social Islami Bank Ltd.	398,528,816	289,487,335
	<i>Add: Other operating Income of subsidiaries of SIBL</i>	817,703	6,919,271
	SIBL Securities Ltd.	817,703	6,919,271

	SIBL Investment Ltd.	-	-
	Grand total of consolidated income from commission, exchange & brokerage	399,346,519	296,406,605
24.1	Other Charges		
	Rent receipts	1,703,750	3,009,260
	Income from sale of forms	839,357	382,475
	Service charge on SIBL Cards	22,398,048	410,469
	Notice pay earnings	920,976	2,399,713
	Miscellaneous income	55,003,477	63,566,963
		80,865,608	69,768,880
25	Salary & Allowances		
	Basic Salary	827,163,370	662,202,940
	Allowances	826,171,866	646,317,001
	Bonus	452,454,314	269,497,155
	L/E Salary & Allowances	10,351,490	11,687,707
	Bank's Contribution to Provident fund	78,538,486	59,973,075
	Bank's Contribution to Social Insurance fund	8,232,688	6,590,785
		2,202,912,214	1,656,268,663
25(a)	Consolidated expenses for Salary and Allowance		
	Social Islami Bank Ltd.	2,202,912,214	1,656,268,663
	Add: Salary and Allowance for subsidiaries	15,727,295	9,427,449
	SIBL Securities Ltd.	15,727,295	9,427,449
	SIBL Investment Ltd.	-	-
		2,218,639,509	1,665,696,112
26	Rent, Taxes, Insurance & Electricity etc.		
	Rent, Rates & Taxes (note: 26.1)	163,672,143	137,062,361
	Insurance (note: 26.2)	72,539,582	64,548,840
	Electricity, Lighting & Water (note: 26.3)	57,679,183	51,642,768
		293,890,908	253,253,969
		2015	2014
		Taka	Taka
26(a)	Consolidated expenses for rent, taxes, insurance & electricity		
	Social Islami Bank Ltd.	293,890,908	253,253,969
	Add: Rent, Taxes, Insurance & Electricity etc. of subsidiaries	3,402,294	2,270,439
	SIBL Securities Ltd.	3,402,294	2,270,439
	SIBL Investment Ltd.	-	-
		297,293,202	255,524,408
26.1	Rents, Rates, Taxes, Insurance & Lighting etc.		
	Rents		
	Rent (Office)	159,158,551	130,560,396
	Rent (Garage)	389,328	336,034
	Rent (Godown & others)	2,317,338	2,302,051
		161,865,217	133,198,481
	Rates and Taxes	1,806,926	3,863,880
	Total Rents, Rates & Taxes	163,672,143	137,062,361
26.2	Insurances		
	Insurance Premium in Counter	562,371	691,811
	Insurance Premium in Transit	4,778,597	3,613,831
	Insurance Premium Safe/Vault	3,810,544	2,660,253
	Insurance Premium on deposit	61,335,899	55,589,047
	Insurance Premium on Vehicle	1,423,753	1,376,681
	Other Insurance	628,418	617,217
		72,539,582	64,548,840
26.3	Lighting & Electricity		
	Lighting & Electricity Bill (Office)	50,400,369	45,478,956
	Lighting & Electricity Charges (Office)	4,197,495	3,518,536
	Lighting & Electricity Charges (Godown)	-	41,881
	Sub Total	54,597,865	49,039,373
	Water & Sewerage	3,081,319	2,603,395
		57,679,183	51,642,768
27	Legal Expenses		
	Legal Fees & Charge	6,709,756	7,721,015
	Stamp Duties	230	2,840
	Other Legal Expenses	1,500,598	418,463
		8,210,584	8,142,318
27(a)	Consolidated legal expenses		
	Social Islami Bank Limited	8,210,584	8,142,318
	Add: Legal expenses for subsidiaries	-	-
	SIBL Securities Ltd.	-	-
	SIBL Investment Ltd.	-	-

		8,210,584	8,142,318
28	Postage, Stamps, Telecommunication etc.		
	Cable Network rent	221,548	86,925
	Telegram, Fax, Telex & other charges	6,300	485
	Telephone charges	4,828,862	4,838,569
	Mobile phone charges	3,401,729	3,069,042
		8,458,440	7,995,021
28(a)	Consolidated expenses for Postage, Stamps, Telecommunication etc.		
	Social Islami Bank Limited	8,458,440	7,995,021
	Add: Postage, Stamps, Telecommunication etc. expenses for subsidiaries	1,145,000	666,229
	SIBL Securities Ltd.	1,145,000	666,229
	SIBL Investment Ltd.	-	-
		9,603,440	8,661,250
29	Stationery, Printing, Advertisements etc.		
	Table Stationery	9,818,312	8,391,492
	Printing Stationery	39,812,375	39,527,331
	News Paper & Magazine	26,387,808	13,445,800
	Television & Radio	16,943,250	15,479,650
	Neon Sign, Banner etc.	416,281	135,038
	Other Publicity	7,643,060	3,846,560
		101,021,087	80,825,871
29(a)	Consolidated expense of Stationery, Printing, Advertisement etc.		
	Social Islami Bank Ltd.	101,021,087	80,825,871
	Stationery, Printing, Advertisement expense of Subsidiaries of SIBL	851,763	664,975
	SIBL Securities Limited.	851,763	664,975
	SIBL Investment Limited.	-	-
		101,872,850	81,490,846
30	Managing Director's Salary and Allowances		
	Basic Salary	4,550,000	4,200,000
	Allowances	3,000,000	3,000,000
	Festival & other Bonus	1,770,000	1,700,000
		9,320,000	8,900,000
		2015	2014
		Taka	Taka
31	Directors' Fees & Meeting Expenses		
	Directors Fee	2,979,650	2,518,500
	Meeting Expenses	3,849,034	3,879,357
		6,828,684	6,397,857
31(a)	Consolidated Directors' fees & Meeting Expenses:		
	Social Islami Bank Limited	6,828,684	6,397,857
	Directors' Fees & Meeting Expenses of Subsidiaries of SIBL	552,000	586,500
	SIBL Securities Limited	552,000	586,500
	SIBL Investment Limited	-	-
		7,380,684	6,984,357
32	Shariah Supervisory Committee's Fees & Expenses		
	Shariah Council Meeting Expenses	409,000	305,000
	Others	140,512	37,050
		549,512	342,050
33	Depreciation and Repair of Bank's Assets		
	a) Depreciation of Bank's Assets (Annexure A)		
	Land	-	-
	Building	51,525,979	45,804,680
	Furniture & Fixtures	41,470,191	39,789,119
	Office Appliance & Equipment	79,252,987	80,047,694
	Computer Software	9,224,515	5,105,621
	Vehicles	10,851,503	10,014,224
	Books	44,869	50,271
		192,370,043	180,811,609
	b) Repair on Bank's Assets	36,339,910	26,998,779
		36,339,910	26,998,779
	Total of Depreciation and repair of Bank's Assets	228,709,953	207,810,388
33(a)	Consolidated balance of Depreciation		
	Social Islami Bank Ltd.	228,709,953	207,810,388
	Add: Depreciation on assets of subsidiaries	2,128,812	1,771,995
	SIBL Securities Ltd.	2,128,812	1,771,995
	SIBL Investment Ltd.	-	-
		230,838,765	209,582,383
34	Other Expenses		
	Local conveyance	13,461,136	12,895,834
	Petroleum, oil & lubricants	11,629,389	12,079,283

	Entertainment expenses	51,480,552	36,320,583
	Traveling allowances	11,521,724	9,480,407
	Travelling Foreign	1,000,996	3,897,065
	Bank charges	2,419,395	235,416
	Uniform charges	974,670	721,120
	Subscriptions to Institutions	5,329,743	3,863,093
	Banks' clearing house charges	119,719	99,262
	CIB Charges	1,362,074	763,967
	Transportation charges	3,155,306	3,089,526
	News paper, Journal & periodicals	331,894	416,397
	Washing charges	349,198	322,410
	Training expenses Academy/ Internal	720,499	2,317,889
	Training expenses at outside Banks	2,298,849	2,109,237
	Meeting expenses	949,333	3,902,031
	Direct expenses on investment	6,788	49,178
	Up keep of branches/office premises	5,223,439	4,440,555
	Excise duty	1,217,905	1,460,640
	Computer charges	13,138,646	11,015,968
	Security Services	96,821,447	77,208,467
	Cleaner Services	3,562,065	2,712,169
	Others wages	59,989,724	45,914,201
	Photocopy expenses	1,269,046	1,192,429
	Photography expenses	59,524	39,833
	Cash & Bank remittance charges	1,865,066	1,827,365
	Honorarium	2,412,918	1,278,667
	On-Line Expenses	21,419,809	20,233,279
	ATM Rent Hardware	1,633,238	2,023,854
	Credit Rating Fees	3,971,867	1,330,276
	Other Utility	1,953,814	1,461,448
	Right Share issue related Expense	5,481,890	3,610,000
	Fair value adjustment for shares and securities	21,704,638	85,641,101
	Gratuity expense	103,167,570	82,483,635
	Zakat Expense	71,840,046	63,582,948
	Miscellaneous expenses	15,869,866	15,926,854
		539,713,784	515,946,384
		2015	2014
		Taka	Taka
34(a)	Consolidated Other Expenses		
	Social Islami Bank Limited	539,713,784	515,946,384
	<i>Add: Other Expenses for SIBL Securities Limited</i>	23,317,051	13,148,880
	License, fees, renewals and incorporation expenses	5,827,768	3,243,790
	Entertainment	746,606	393,343
	Bank charge and Excise duty	74,914	21,075
	Others	16,667,763	9,490,672
	<i>Other Expenses for SIBL Investment Limited</i>	62,877	97,817
	Incorporation and Other Regulatory expenses	43,377	21,522
	Bank charge and Excise duty	16,000	20,800
	Others	3,500	55,495
		563,093,711	529,193,081
35	Other Provision		
	Provision for other assets	20,000,000	5,000,000
		20,000,000	5,000,000
35(a)	Consolidated other provision		
	Social Islami Bank Ltd.	20,000,000	5,000,000
	<i>Add: Provision for subsidiaries</i>		
	SIBL Securities Ltd.		
	Provision for general reserve	1,485,719	926,113
	Provision for impairment of margin loan	10,979,184	12,680,995
	Provision for diminution in value of investment	2,350,143	272,175
		14,815,046	13,879,283
	SIBL Investment Ltd.	-	-
		34,815,046	18,879,283
36	Provision against Investment, Off-Balance Sheet items & Others		
	Provision on classified investment	992,381,197	270,369,745
	Provision on unclassified investment	248,918,344	364,470,776
	Provision on Off-Balance Sheet items	109,349,572	16,916,293
	Other provisions (note: 35)	20,000,000	5,000,000
		1,370,649,113	656,756,813
36(a)	Consolidated Provision against Investment, Off-Balance Sheet items & Others		
	Social Islami Bank Ltd.	1,370,649,113	656,756,813
	<i>Add: Provision for subsidiaries</i>	14,815,046	13,879,283

	SIBL Securities Ltd.	14,815,046	13,879,283
	SIBL Investment Ltd.	-	-
37	Provision for Income Tax	1,385,464,159	670,636,096
	Current year provision (Note: 37.1)	1,403,060,382	1,400,446,160
	Deferred Tax expense/(income) (Note: 37.2)	3,518,109	3,346,780
		1,406,578,491	1,403,792,940
37(a)	Consolidated Provision for Income Tax		
	Social Islami Bank Limited	1,406,578,491	1,403,792,940
	SIBL Securities Limited	6,282,648	20,347,145
	Current year provision	6,147,896	19,275,794
	Deferred Tax expense/(income)	134,752	1,071,351
	SIBL Investment Limited	-	-
		1,412,861,138	1,424,140,085
37.1	Current Year Tax Provision		
	Provision on tax has been calculated based on Income Tax Ordinance, 1984 as amended upto 2015 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 and Taka-637,489,940, issued as bonus share for the year ended 31 December 2010 and 2012. Now the total paid up capital after right issue and issue of bonus shares amounts to Taka- 7,031,415,640 with a total no. of 703,141,564 shares having face value @ Taka- 10/share.		
	Net Profit after Tax	2,072,593,400	1,903,724,926
	Number of ordinary shares outstanding	703,141,564	703,141,564
	Earning Per Share (EPS)	2.95	2.71
38(a)	Consolidated Earning Per Share (CEPS)		
	Net Profit after Tax	2,046,298,777	1,928,385,396
	Number of ordinary shares outstanding	703,141,564	703,141,564
	Consolidated Earning Per Share (CEPS)	2.91	2.74
		2015	2014
		Taka	Taka
39	Notes for Cash Flow Statement (Note-39 to Note-44)		
	Income from Investment		
	Investment profit receipt	15,288,872,420	13,943,265,660
	Add: Opening profit receivable	-	-
	Less: Closing profit receivable	-	-
		15,288,872,420	13,943,265,660
39(a)	Consolidated income from investment		
	Income from investment of SIBL	15,288,872,420	13,943,265,660
	Income from investment of Subsidiaries of SIBL	57,722,734	40,969,207
	SIBL Securities Ltd.	57,722,734	40,969,207
	SIBL Investment Ltd.	-	-
	Grand total	15,346,595,154	13,984,234,867
40	Receipts from Other Operating Activities (Other than profit on sale of fixed assets)		
	Exchange income	595,240,760	620,832,724
	Rent receipts	1,703,750	3,009,260
	P & T charge recovered	2,321,824	3,189,701
	Courier Charges Recovery & Others	5,430,747	5,466,248
	Notice pay earnings	920,976	2,399,713
	Miscellaneous income	55,003,477	63,566,963
	Services & charges	251,464,939	165,161,327
	SWIFT/ Return charge recovered	58,445,698	45,901,179
	Service charge on SIBL Cards	22,398,048	410,469
	Income from sale of forms	839,357	382,475
		993,769,576	910,320,059
40(a)	Consolidated receipts from Other Operating Activities (Other than profit on sale of fixed assets)		
	Receipts from Other Operating Activities of SIBL	993,769,576	910,320,059
	Receipts from other operating activities of Subsidiaries of SIBL	817,703	6,919,271
	SIBL Securities Ltd.	817,703	6,919,271
	SIBL Investment Ltd.	-	-
		994,587,279	917,239,330
41	Payment to others		
	Rent (Office)	159,158,551	130,560,396
	Rent (Garage)	389,328	336,034

	Rent (Godown)	2,317,338	2,302,051
	Rates and Taxes	1,806,926	3,863,880
	Insurance Premium for cash in counter	562,371	691,811
	Insurance Premium for cash in transit	4,778,597	3,613,831
	Insurance Premium for cash in safe/ vault	3,810,544	2,660,253
	Insurance Premium on deposit	61,335,899	55,589,047
	Insurance Premium for vehicle	1,423,753	1,376,681
	Other Insurance	628,418	617,217
	Lighting and Electricity Bill (Office)	50,400,369	45,478,956
	Lighting and Electricity Charges (Office)	4,197,495	3,518,536
	Lighting and Electricity Charges (Godown)	-	41,881
	Water and Sewerage	3,081,319	2,603,395
	Legal Expenses	8,210,584	8,142,318
	Directors Fees and Meeting Expenses	6,828,684	6,397,857
	Shariah Supervisory Fees & Expenses	549,512	342,050
	Audit Fees	460,000	718,750
	Repairs and Maintenance	36,339,910	26,998,779
	Other Expenses (note: 34)	539,713,784	515,946,385
		885,993,382	811,800,108
41(a)	Consolidated payment to others		
	Social Islami Bank Limited	885,993,382	811,800,108
	<i>Payment to others- Subsidiaries</i>	27,368,721	16,138,136
	SIBL Securities Limited	27,288,594	16,023,069
	SIBL Investment Limited	80,127	115,067
		913,362,103	827,938,243
42	Cash Increase/ Decrease in Other Assets		
	Stock of stationery, stamps and printing materials etc. (valued at cost)	16,951,714	16,079,558
	Advance rent and advertisement	173,045,137	138,546,785
	Security Deposit	2,979,571	2,764,052
	Branch Adjustments (SIBG) (Note: 9.1)	355,465,788	3,700,341,995
	Suspense Accounts (Note: 9.2)	243,428,671	316,415,620
	Other Repayments	256,280	314,840
	Receivable from M/S. Stock & Bond and SIBL Securities Ltd.	12,245,968	19,171,583
	Advance Income Tax	5,702,313,738	4,539,901,596
	Receivable from SIBL Securities Limited	1,377,245	5,516,584
	Receivable from SIBL Investment Limited	1,689,510	1,622,805
	Protested Bills against Investment	357,148,000	357,148,000
	Profit Receivable from Banks, NBFIs and BD Govt.	273,429,060	354,627,390
	Due from Off-shore Banking Unit	54,791,819	111,952,594
	Others (Note: 9.3)	1,458,817,996	1,334,396,796
		8,653,940,498	10,898,800,197
		2015	2014
		Taka	Taka
	Difference between (2015, 2014)	2,244,859,699	(2,404,906,793)
	Advance Income Tax	1,162,412,143	796,019,502
	Net change in Other Assets	3,407,271,842	(1,608,887,290)
42(a)	Consolidated cash increase/decrease in other assets		
	Social Islami Bank Limited	8,653,940,498	10,898,800,197
	<i>Cash Increase/ Decrease in Other Assets of subsidiaries</i>	1,544,310,899	1,353,208,779
		10,198,251,397	12,252,008,976
	Difference between (2015, 2014)	2,053,757,579	(2,481,447,336)
	Advance Income Tax	1,170,469,382	801,113,468
	Consolidated net change in Other Assets	3,224,226,961	(1,680,333,868)
43	Cash Increase/ Decrease in Other Liabilities		
	Adjusting A/C (Cr.) Balance	11,095,197	8,259,359
	Other Payable	2,496,220	888,004
	SIBL Employees' PF	819,174,479	646,881,387
	SIBL Employees' Superannuation Fund	74,188,442	60,588,442
	Compensation and Rent Suspense (note: 13.4)	1,036,673,381	751,102,267
	Gratuity Fund Balance with SIBL Principal Br.	467,738,117	364,060,859
	BEFTN Adjustment Account	13,707,722	9,160,769
	ATM Settlement for Q-Cash	25,778,386	14,890,811
	Mudaraba Profit Distribution (note: 13.7)	7,000,000	10,000,000
		2,457,851,945	1,865,831,898
	Cash Increase/ (Decrease) in Other Liabilities	592,020,047	502,340,754
	Difference between (2015 & 2014)	592,020,047	502,340,754
	Add: Transfer to Provision for Investment from Compensation (In Yrs. 2015 & 2014)	162,358,258	70,387,437
	Add: Zakat expense transferred to Sadaka Fund	71,840,046	63,582,948
	Less: Zakat distributed during the year	63,582,948	48,818,029
	Less: Gratuity transferred & Paid during the year	23,049	1,953,633
	Less: Adjustment of other provision made during the year	837,500	71,500

	Less: Written off/ Waiver of investment during the year	1,059,907,213	465,600,131
		(298,132,360)	119,867,846
43(a)	Consolidated cash increase/decrease in other liabilities		
	Cash Increase/ Decrease in other liabilities of Social Islami Bank Limited	2,457,851,945	1,865,831,898
	<i>Cash Increase/ Decrease in Other Liabilities of subsidiaries</i>	93,231,216	47,539,510
		2,551,083,161	1,913,371,409
	Difference between (2015, 2014)	637,711,752	514,097,410
	Other changes in other liabilities of Social Islami Bank Limited	(890,152,407)	(382,472,908)
	Net change in Other Liabilities-Social Islami Bank Limited	(252,440,655)	131,624,502
44	Cash and Cash Equivalent		
	Cash in Hand	1,145,358,436	975,608,716
	Balance with Bangladesh Bank & Sonali Bank Limited (as agent of Bangladesh Bank)	13,535,893,678	11,145,075,318
	Balance with Other Banks & Financial Institutions-in Bangladesh	10,010,314,686	11,985,559,055
	Balance with Other Banks & Financial Institutions-outside Bangladesh	355,321,944	332,880,245
		25,046,888,745	24,439,123,334
44(a)	Consolidated Cash and Cash Equivalent		
	Social Islami Bank Limited.	25,046,888,745	24,439,123,334
	<i>Cash and Cash Equivalent of subsidiaries</i>	81,751,903	66,798,053
	SIBL Securities Limited.	81,746,702	66,777,080
	SIBL Investment Limited.	5,201	20,973
		25,128,640,648	24,505,921,387

45 Number of Employees

The number of employees engaged for the whole year or part thereof who received a total remuneration of Tk. 36,000 p.a or above were 2130.

46 Audit Committee

The Board of Directors in its 343rd meeting (Emergency) held on 28.06.2015 reconstituted the Board Audit Committee comprising with the following:

Sl. No.	Name	Status with the Bank	Status with the Committee
1	Mr. Md. Abdur Rahman	Independent Director	Chairman
2	Mr. Muinul Hasan	Independent Director	Co-Chairman
3	Mr. Abdul Mohit	Independent Director	Member
4	Hakim Md. Yousuf Harun Bhuiyan	Director	Member
5	Md. Abdur Razzaque	Director	Member

The Board Audit Committee conducted 107 (One hundred seven) meetings in the previous years since inception in the year 2003 out of which 12 (Twelve) meetings were held in the year ended 31 December 2015.

The Board Audit Committee evaluates the activities of the Bank as per guidelines laid down in the Bangladesh Bank BRPD Circular # 11 dated 27.10.2013. The Audit Committee reviews the internal control system, compliance of audit activities, developing adequate risk management & information technology.

The Audit Committee makes recommendation on the control, compliance and reporting aspects to achieve excellence in the areas, enhancing the effectiveness and reducing the risk of the business.

The Committee examines the Annual Financial Statements before submission in the meeting of Board of Directors. The Committee extends all necessary cooperation in implementing the decisions of the Board of Directors and initiates steps to strengthen the audit activities as per working plan set out under section 7.3.a of Internal Control & Compliance Manual.

The Audit Committee also reviews the inspection reports submitted by the officials of Board Audit Cell on the assets position of the branches considered to be risky in nature in the meeting of the Board Audit Committee and advises the management to take necessary action and adhere to compliance position with a view to the interest of the Bank.

47 Related Party Disclosures

47.1 Name of the Firms / Business Organizations where the Directors of the Social Islami Bank Limited have got interest:

SL No	Name	Name of Firms/ Business Organizations Where the Directors of SIBL have got interest
1	<i>Major (Retd.)Dr. Md. Rezaul Haque</i> Chairman	Chairman Little House Limited Active Builders Limited Sponsor Director United Hospital Limited
2	<i>Md. Sayedur Rahman</i> Vice Chairman	Managing Director M/s Lodestar Fashions Limited M/s Mid Asia Fashions Limited
3	<i>Abdul Jabbar Mollah</i> Vice Chairman	Managing Director Jahanabad Sea Foods Limited Jalalabad Frozen Foods Limited Jabbar & Co. Limited
4	<i>Abdul Awal Patwary</i> Director	Chairman Patwary Cold Storage Ltd. Patwary Potato Flakes Ltd. Greentech Greenhouse Bangladesh Ltd. Managing Director Faysal Shopping Complex Ltd. Proprietor Faysal Traders
5	<i>Md. Anisul Haque</i> Director <i>Representative of: Hamdard Laboratories (WAQF) Bangladesh. 291/1, Sonargaon Road, Dhaka</i>	Director, Finance & Accounts Hamdard Laboratories (WAQF) Bangladesh Limited
6	<i>Alhaj Sk. Mohammad Rabban Ali</i> Director	Managing Director Rabbani Trading Company Limited Shamlon Industries Limited Shama Poly Yarn Industries Limited Proprietor S.R. Impex Co.
7	<i>Md. Abdur Razzaque</i> Director	<i>Nil</i>
8	<i>Mr. Mohammad Amin Uddin</i> Director	<i>Nil</i>
	<i>Mr. Abul Bashar Bhuiyan</i> (Alternate Director of Mohammad Amin Uddin)	Managing Director: Standard Business Limited
9	<i>Md. Kamal Uddin</i> Director (Representative of Sifang Securities 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
10	<i>Hakim Md. Yousuf Harun Bhuiyan</i> Director (Representative of Hamdard Foundation Bangladesh)	Managing Director Hamdard Laboratoies (WAQF), Bangladesh Secretary General Hamdard Foundation, Bangladesh
11	<i>Mrs. Afia Begum</i> Director	<i>Nil</i>
	<i>Mrs. Lily Amin</i> (Alternate Director of Mrs. Afia Begum)	Director Active Builders Ltd.

SL No	Name	Name of Firms/ Business Organizations Where the Directors of SIBL have got interest
12	Mr. Mohammad Nabi Ullah <i>Director</i>	Managing Director United Leather Industries (Pvt.) Ltd. United Melamine Industries (Pvt.) United Plastic Wood Industries (Pvt.) Ltd. M. Hossain Spining Mills (Pvt.) Ltd. M. Hossain Cotton Spining Mills (Pvt.) Ltd. Director Mercantile Insurance Co. Ltd.
13	Mr. Md. Abdur Rahman <i>Independent Director</i>	Nil
14	Mr. Abdul Mohit <i>Independent Director</i>	Nil
15	Mr. Muinul Hasan <i>Independent Director</i>	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					
Active Builders Ltd	Md. Rezaul Haque	Chairman	WC (Bai Muazzel)	607.83 lac	UC
Hakim Golzar Ahmed Bhuiyan	Mr. Hakim Md. Yousuf Harun Bhuiyan	Director's Son	HPSM(Consumer Finance) Auto Finance	50.20 lac	UC
M/S Jalalabad Frozen Food Ltd	Md. Abdul Jabbar Mollah	Chairman & Managing Director	WC (Bai Muazzel)	678.00 lac	UC
SIBL Securities Ltd.	N/A	Subsidiary	Quard	2600.00 lac	UC
SIBL Foundation Hospital & Diagnostic Center	N/A	A concern of SIBL Foundation	Quard- E- Hasana	1906.65 lac	UC
Non-Funded Liability					
M/S Foysal Traders	Mr. Abdul Awal Patwary	Father's Firm	Bank Guarantee	11.87 lac	-

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 (BAS-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 Directors has authorized the financial statements for issue on 09.04.2016 and recommended cash dividend @15% and stock dividend @5% for the year ended 31 December 2015.

49 **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.

SOCIAL ISLAMI BANK LIMITED
FOR THE YEAR ENDED 31 DECEMBER 2015
SCHEDULE OF FIXED ASSETS

(amounts in Taka)

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 2015
	Balance as on 01 January 2015	Additions during the year	Disposal/ Transfer during the year	Balance at 31 December 2015		Balance as on 01 January 2015	Transfer/ Adjustment during the year	Charged during the year	Balance at 31 December 2015	
Land	12,330,000	-	-	12,330,000		-	-	-	-	12,330,000
Building	1,965,245,776	354,974,938	-	2,320,220,714	2.50%	148,371,149	-	51,525,979	199,897,128	2,120,323,586
Furniture & Fixtures	557,746,161	71,551,568	31,295	629,266,434	15%	172,072,114	-	41,470,191	213,542,305	415,724,129
Office Equipment	690,457,603	125,207,143	1,092,462	814,572,284	20%	342,402,310	-	79,252,987	421,655,297	392,916,987
Software	84,878,493	27,807,192	-	112,685,685	10%	5,105,621	-	9,224,515	14,330,136	98,355,549
Vehicles	83,919,160	10,335,072	222,933	94,031,299	20%	51,198,868	-	10,851,503	62,050,371	31,980,928
Books	1,146,288	18,968	861	1,164,395	10%	714,622	-	44,869	759,491	404,904
31 December 2015	3,395,723,481	589,894,880	1,347,551	3,984,270,810		719,864,684	-	192,370,043	912,234,727	3,072,036,084
31 December 2014	3,216,293,876	202,926,877	23,497,272	3,395,723,481		562,411,494	23,358,418	180,811,609	719,864,685	2,675,858,796

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

SOCIAL ISLAMI BANK LIMITED
FOR THE YEAR ENDED 31 DECEMBER 2015
CONSOLIDATED SCHEDULE OF FIXED ASSETS

(amounts in Taka)

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 at 31 December 2015
	Balance as on 01 January 2015	Additions during the year	Disposal/ Transfer during the year	Balance at 31 December 2015		Balance as on 01 January 2015	Transfer/ Adjustment during the year	Charged during the year	Balance at 31 December 2015	
Land	12,330,000	-	-	12,330,000		-	-	-	-	12,330,000
Building	1,965,245,776	354,974,938	-	2,320,220,714	2.50%	148,371,149	-	51,525,979	199,897,128	2,120,323,586
Furniture & Fixtures	560,909,385	72,224,068	31,295	633,102,158	10%	172,631,340	-	41,505,934	214,137,274	418,964,884
Office Equipment	696,463,759	128,994,189	1,092,462	824,365,486	20%	345,204,719	-	81,044,013	426,248,732	398,116,755
Software	87,698,877	28,115,448	-	115,814,325	10%	5,900,997	-	9,526,558	15,427,555	100,386,770
Vehicles	83,919,160	10,335,072	222,933	94,031,299	20%	51,198,868	-	10,851,503	62,050,371	31,980,928
Books	1,146,288	18,968	861	1,164,395	10%	714,623	-	44,869	759,492	404,903
31 December 2015	3,407,713,245	594,662,682	1,347,551	4,001,028,376		724,021,696	-	194,498,855	918,520,551	3,082,507,826
31 December 2014	3,227,456,853	203,753,664	23,497,272	3,407,713,245		564,796,510	23,358,418	182,583,604	724,021,696	2,683,691,549

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	2015			2014		
			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	6,726.66	78.50	528,045	769.95	77.95	60,018
2	MASHREQ BANK, MUMBAI	ACUE	-	-	-	682.92	94.61	64,610
3	SUMMIT BANK, KARACHI	ACUD	1,448.77	78.50	113,729	54,822.08	77.95	4,273,381
4	SONALI BANK, KOLKATA	ACUD	640.68	78.50	50,294	886.08	77.95	69,070
5	MASHREQ BANK, MUMBAI	ACUD	4,305.09	78.50	337,951	214.56	77.95	16,725
6	NEPAL BANGLADESH BANK	ACUD	10,741.36	78.50	843,200	10,741.36	77.95	837,289
7	BANK OF BHUTAN, PHUENTSHOLING	ACUD	486.05	78.50	38,155	-	-	-
8	HABIB BANK LIMITED, KARACHI	ACUD	829.18	78.50	65,091	472.79	77.95	36,854
9	UNITED BANK OF INDIA	ACUD	740.28	78.50	58,112	1,436.02	77.95	111,938
10	AB BANK, MUMBAI	ACUD	122,127.41	78.50	9,587,038	889.67	77.95	69,350
11	BANK OF BHUTAN	ACUD	-	-	-	574.05	77.95	44,747
12	SONALI BANK (UK) LTD. UK	USD	34920.17	78.50	2,741,244	121,229.20	77.95	9,449,816
13	SCB, NEW YORK, USA	USD	765,050.50	78.50	60,056,698	1,975,909.78	77.95	154,022,345
14	MASHREQ BANK PSC, NEW YORK, USA	USD	3,543,873.99	78.50	278,195,171	2,087,030.03	77.95	162,671,873
15	KOREA EXCH. BANK, KOREA	USD	13,099.67	78.50	1,028,328	6,373.24	77.95	496,794
16	COMMERZ BANK AG, FRANKFURT	EURO	7,685.52	85.79	659,364	469.76	94.61	44,443
17	MASHREQ BANK, PSC MUMBAI	ACU EURO	62.92	85.79	5,398	-	-	-
18	SCB, FRANKFURT	EURO	1,103.09	85.79	94,637	922.49	94.61	87,275
19	SONALI BANK (UK) LTD. UK	EURO	440.33	85.79	37,777	440.33	94.61	41,659
20	SCB, LONDON, UK	GBP	943.37	116.38	109,786	779.65	120.99	94,333
21	UNITED NATIONAL BANK, LONDON, UK	GBP	2,623.16	116.38	305,275	54.59	120.99	6,605
22	SONALI BANK (UK) LTD. UK	GBP	101.48	116.38	11,810	1,020.00	120.99	123,414
23	SCB, TOKYO	JPY	377,470.00	0.65	246,109	77,483.00	0.64	49,846
24	SAUDI HOLLANDI BANK RIYADH SA	ACU	10,000.00	20.87	208,732	10,000.00	20.79	207,861
	Total				355,321,944			332,880,245

SOCIAL ISLAMI BANK LIMITED

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

(Funded & Non-funded)

(amounts in crore Taka)

Sl no.	Name of client	Outstanding as on 31 December 2015			Outstanding as on 31 December 2014		
		Funded	Non-funded	Total	Funded	Non-funded	Total
1	M/s. Nuruzzaman Khan, NZ Fabrics Ltd. & NZ. Ltd.	126.46	77.01	203.47	-	-	-
2	Dong Bang Textile Limited	221.32	20.43	241.75	174.43	92.99	267.42
3	Mars Textile Limited	-	-	-	161.13	66.26	227.39
4	Cross Line Factory Ltd. & Cross Line Knit Fabrics	59.02	83.42	142.44	-	-	-
5	Dong Bang Dyeing Limited	222.89	54.28	277.17	124.87	91.30	216.17
6	Badsha Textile	40.61	84.55	125.16	56.62	165.66	222.28
7	Nitol Motors	117.24	-	117.24	121.50	6.14	127.64
8	Rabiul Islam, M/s Rhythm Trading, AR Center	165.52	43.79	209.31	110.70	20.53	131.23
9	Bashundhara Group	176.43	123.70	300.13	162.04	14.29	176.33
10	M/s. Western Dresses Ltd. MNC Apparels Ltd.	124.43	92.96	217.39	-	-	-
11	M/s Abdul Monem Ltd.	-	-	-	126.17	34.73	160.90
12	M/s. Partex Denim Mills Ltd. & Partex Denim Limited.	92.59	106.95	199.54	-	-	-
Grand Total		1,346.51	687.09	2,033.60	1,037.46	491.90	1,529.36

**Social Islami Bank Limited
History of Paid-Up Capital**

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

Annexure-F

Social Islami Bank Limited
Statement of Corporate Income Tax status
as at 31 December 2015

(amount in Taka)

Accounting Year	Assessment Year	Tax Provision as per accounts	Advance Tax/TDS /Settlement fee/Appeal fee	Tax as per assessment Order	Present Status
2004	2005-2006	68,610,851	81,410,851	139,584,498	Pending at High Court Division of Supreme Court
2005	2006-2007	24,391,126	42,284,321	42,284,321	Completed
2006	2007-2008	59,825,178	59,825,178	85,135,927	Completed
2007	2008-2009	128,000,000	134,928,481	168,503,748	Pending at LTU & High Court Division of Supreme Court
2008	2009-2010	150,300,000	157,307,514	175,548,021	Pending at Tribunal & High Court Division of Supreme Court
2009	2010-2011	278,914,968	281,454,389	315,315,060	Pending at Tribunal & High Court Division of Supreme Court
2010	2011-2012	515,149,014	523,404,506	523,109,485	Pending at Appellate Tribunal
2011	2012-2013	816,364,597	820,951,354	858,889,820	Pending at Appellate Tribunal
2012	2013-2014	1,301,591,387	1,302,723,689	1,487,341,480	Pending at First Appeal
2013	2014-2015	802,951,284	748,151,171	-	Assessment under process
2014	2015-2016	1,400,446,160	361,000,000	-	Assessment under process
2015	2016-2017	1,403,060,382	-	-	

SOCIAL ISLAMI BANK LIMITED
OFF-SHORE BANKING UNIT (OBU)
BALANCE SHEET
AS AT 31 DECEMBER 2015

	2015		2014	
	<u>USD</u>	<u>Taka</u>	<u>USD</u>	<u>Taka</u>
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				
In Bangladesh	-	-	-	-
Outside Bangladesh	3,728,679	292,702,412	2,267,902	176,782,919
	3,728,679	292,702,412	2,267,902	176,782,919
Placement with Banks & other Financial Institutions				
	-	-	-	-
Investments in Shares & Securities				
Government	-	-	-	-
Others	-	-	-	-
	-	-	-	-
Investments				
General Investment etc.	57,652,306	4,525,723,316	53,949,465	4,205,360,326
Bills Purchased and Discounted	-	-	-	-
	57,652,306	4,525,723,316	53,949,465	4,205,360,326
Fixed Assets including Premises, Furnitures and Fixtures	734	57,612	924	72,015
Other Assets	697,982	54,791,819	1,432,747	111,682,585
Non Banking Assets				
Total Assets	62,079,701	4,873,275,159	57,651,038	4,493,897,845
LIABILITIES AND CAPITAL				
Liabilities				
Borrowing from Banks & other Financial Institutions	49,672,126	3,899,276,819	53,949,445	4,205,358,767
Deposits and Other Accounts	8,897,259	698,437,474	2,267,612	176,760,314
Mudaraba Savings Deposits	-	-	-	-
Mudaraba Term Deposits	8,000,000	628,002,400	-	-
Other Mudaraba Deposits	-	-	-	-
Al-Wadeeah Current & Other Deposit Accounts	897,259	70,435,074	-	-
Bills Payable	-	-	2,267,612	176,760,314
Other Liabilities	3,510,316	275,560,866	1,433,980	111,778,764
Deffered Tax Liabilities/ (Assets)	-	-	-	-
Total Liabilities	62,079,701	4,873,275,159	57,651,038	4,493,897,845
Capital/Shareholders' Equity				
Paid-up Capital	-	-	-	-
Statutory Reserve	-	-	-	-
Foreign currency translation gain/(Loss)	-	-	-	-
Retained Earnings	-	-	-	-
Total Shareholders' Equity	-	-	-	-
Total Liabilities & Shareholders' Equity	62,079,701	4,873,275,159	57,651,038	4,493,897,845
	0.00	0	(0)	0

	<u>USD</u>	<u>Taka</u>	<u>USD</u>	<u>Taka</u>
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	-	-	-	-
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	-	-	-	-

SOCIAL ISLAMI BANK LIMITED
OFF-SHORE BANKING UNIT (OBU)
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2015

	2015		2014	
	<u>USD</u>	<u>Taka</u>	<u>USD</u>	<u>Taka</u>
Investment Income	2,887,203	226,646,272	3,193,628	248,943,254
Less: Profit paid on Deposits	(329,243)	(25,845,657)	-	-
Net Investment Income	2,557,960	200,800,615	3,193,628	248,943,254
Commission, Exchange and Brokerage	-	-	-	-
Other Operating Income	289,247	22,705,976	230,175	17,942,119
Total Operating Income	2,847,207	223,506,591	3,423,802	266,885,373
Salary & allowances	35,253	2,767,359	18,504	1,442,414
Rent & Utilities	701	55,000	609	47,500
Depreciation on fixed assets	183	14,403	239	18,641
Others	-	-	1,951	152,049
Total Operating Expenses	36,137	2,836,762	21,303	1,660,604
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	2,811,070	220,669,829	3,402,499	265,224,768
Provision for Income Tax	-	-	-	-
Net Profit/(Loss) after Tax	2,811,070	220,669,829	3,402,499	265,224,768

SOCIAL ISLAMI BANK LIMITED
OFF-SHORE BANKING UNIT (OBU)
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2015

	<u>2015</u>		<u>2014</u>
	<u>USD</u>	<u>Taka</u>	<u>Taka</u>
Cash Flow from operating activities			
Investment Income receipt	2,887,203	226,646,272	248,943,254
Profit paid on deposits	(329,243)	(25,845,657)	-
Dividend receipts	-	-	-
Fees & commission receipt	289,247	22,705,976	17,942,119
Cash payments to employees	(35,253)	(2,767,359)	(1,442,414)
Cash payments to suppliers	-	-	-
Income tax paid	-	-	-
Receipts from other operating activities	-	-	-
Payments for other operating activities	(701)	(55,000)	(199,549)
Operating profit before changes in operating assets and liabilities	2,811,253	220,684,232	265,243,409
Changes in operating assets and liabilities			
Statutory deposits	-	-	-
Net trading securities	-	-	-
Investments to other banks	-	-	-
Investment to customers	(3,702,841)	(320,362,990)	(2,058,272,172)
Other assets	(2,130,729)	(166,474,404)	(111,682,585)
Deposits from other banks	(4,277,319)	(306,081,947)	2,058,262,839
Deposits received from customers	6,629,647	521,677,160	176,760,314
Other liabilities on account of customers	-	-	-
Trading liabilities	-	-	-
Other liabilities	3,848,523	(2,379,585,310)	(100,272,723)
Sub Total	367,281	(2,650,827,492)	(35,204,328)
A. Net Cash flow from operating activities	3,178,534	(2,430,143,260)	230,039,081
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 & equipments	-	14,403	18,408
Purchase/Sale of subsidiaries	-	-	-
B. Net Cash flows from investing activities	-	14,403	18,408
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)	3,178,534	(2,430,128,857)	230,057,489
E. Cash and cash equivalents at the beginning of the year	550,145	2,722,831,269	42,773,780
F. Cash and cash equivalents at the end of the year (D+E)	3,728,679	292,702,412	2,722,831,269

Social Islami Bank Limited
Off-shore Banking Unit (OBU)
Notes to the Financial Statements
For the year ended 31 December 2015

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 Banani Branch, 48 Kemal Ataturk Avenue, Banani, Dhaka 1213.

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, Bangladesh Accounting Standards, Bangladesh Financial Reporting Standard (BFRS) 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 BAS-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 Bangladesh Accounting Standard-7 "Cash Flow Statement" under direct method as recommended in the BRPD Circular No. 14, dated June 25, 2003 issued by the

2.4 Reporting period

These financial statements cover from January 01 to December 31, 2015.

2.5 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.

2.6 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 BAS 37 "Provisions, Contingent Liabilities and Contingent Assets".

2.7 Profit income

In terms of the provisions of the BAS-18 "Revenue", 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.

2.8 Profit paid and other expenses

In terms of the provisions of the BAS - 1 "Presentation of Financial Statements" interest and other expenses are recognized on accrual basis.

2.9 Allocation of common expenses

Operating expenses in the nature of salary, rent, rates and taxes, management expenses, printing stationery, etc. are allocated as common expense rather separately accounted for in the financial statements.

2.10 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 78.5003 closing rate as at 31st December 2015.
- 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	2015	2014
1	Paid up Capital	7,031,415,640	7,031,415,640
2	Total Capital (Core + Supplementary)	16,916,084,302	13,078,262,485
3	Capital Surplus/(Deficit)	3,200,560,302	1,566,311,985
4	Capital Adequacy Ratio (CAR)	12.33%	11.36%
5	Total Assets	180,112,108,864	153,737,467,324
6	Total Deposit	149,773,617,226	124,535,009,515
7	General Investment	134,116,849,903	107,899,959,311
8	Total Contingent Liabilities and Commitments	43,096,816,283	32,161,854,799
9	Investment-Deposit (ID) Ratio (%)	88.52%	89.52%
10	Percentage of classified investment against total investments	3.84%	4.56%
11	Profit before Tax and Provision	4,849,821,004	3,964,274,678
12	Profit after Tax and Provision	2,072,593,400	1,903,724,926
13	Amount of classified investment	5,149,577,421	4,921,569,000
14	Provisions kept against classified investment	1,673,417,498	1,578,585,257
15	Provisions surplus	-	-
16	Cost of Deposits	6.42%	7.66%
17	Profit Earning Assets	153,704,880,169	128,042,124,297
18	Non-Profit Earning Assets	26,407,228,695	25,695,343,026
19	Return on Investment in Securities	3.93%	3.80%
20	Return on average Assets (ROA)	2.08%	2.36%
21	Return on equity (ROE)	16.00%	15.68%
22	Income from Investment in Securities	362,240,663	296,946,697
23	Earning Per Share (EPS)	2.95	2.71
24	Consolidated Earning Per Share (CEPS)	2.91	2.74
25	Net Income Per Share	2.95	2.71
26	Price Earning Ratio (Times)	4.89	5.02