

Shahjalal Islami Bank Limited and its Subsidiary
Consolidated Balance Sheet
As at 31 March 2017

Property and Assets	31.03.2017	31.12.2016
	Taka	Taka
Cash		
Cash in hand (Including Foreign Currencies)	1,479,524,649	1,179,754,405
Balance with Bangladesh Bank & Sonali Bank Ltd (Including Foreign Currencies)	9,254,199,530	8,398,144,743
	10,733,724,178	9,577,899,148
Balance with other Banks and Financial Institutions		
Inside Bangladesh	2,192,705,584	1,948,192,572
Outside Bangladesh	123,857,841	472,970,179
	2,316,563,426	2,421,162,751
Placement with other Banks & Financial Institutions	7,381,712,341	7,861,781,566
Investments in Shares & Securities		
Government	5,500,000,000	5,500,000,000
Others	3,994,496,078	3,964,312,892
	9,494,496,078	9,464,312,892
Investments		
General Investment etc.	122,438,476,972	115,618,153,110
Bills Purchased and Discounted	9,882,199,962	10,478,684,675
	132,320,676,934	126,096,837,785
Fixed Assets Including Premises	3,648,911,297	3,474,011,723
Other Assets	12,058,274,686	12,005,895,988
Non Banking Assets	51,078,968	51,078,968
Total Property and Assets	178,005,437,908	170,952,980,821
Liabilities and Capital		
Liabilities		
Placement from other Banks & Financial Institutions	15,340,509,818	17,239,879,460
Deposits and Other Accounts		
Mudaraba Savings Deposits	20,540,461,596	18,510,981,952
Mudaraba Term Deposits	47,481,762,748	44,923,686,220
Other Mudaraba Deposits	45,298,978,829	44,393,859,970
Al-Wadeeah Current & Other Deposit Accounts	17,003,615,581	14,492,841,209
Bills Payable	1,627,032,449	1,712,398,926
	131,951,851,203	124,033,768,277
Other Liabilities	16,993,109,094	16,340,159,954
Deferred Tax Liabilities	91,308,574	95,464,963
Total Liabilities	164,376,778,688	157,709,272,654
Capital/Shareholders' Equity		
Paid-up Capital	7,346,881,330	7,346,881,330
Statutory Reserve	4,516,312,791	4,403,561,679
Retained Earnings	1,518,740,072	1,253,792,811
Total Shareholders' Equity	13,381,934,194	13,004,235,820
Non-controlling Interest	246,725,027	239,472,347
Total Liabilities & Shareholders' Equity	178,005,437,908	170,952,980,821

Shahjalal Islami Bank Limited and its Subsidiary
Consolidated Off-balance Sheet Items
As at 31 March 2017

	31.03.2017 Taka	31.12.2016 Taka
Contingent Liabilities		
Acceptances & endorsements	22,037,914,091	23,719,133,589
Letters of guarantee	15,288,770,991	11,956,867,945
Irrevocable letters of credit	21,373,934,922	18,421,361,635
Bills for collection	10,789,736,004	9,228,367,132
Other contingent liabilities	-	-
Total	<u>69,490,356,007</u>	<u>63,325,730,301</u>
Other Commitments		
Documentary credits, short term and trade related transactions	-	-
Forward assets purchased and forward deposits placed	-	-
Undrawn note issuance, revolving and underwriting facilities	-	-
Undrawn formal standby facilities, credit lines and other commitments	-	-
Total	<u>-</u>	<u>-</u>
Total off-balance sheet items including contingent liabilities	<u>69,490,356,007</u>	<u>63,325,730,301</u>



Md. Jafar Sadeq FCA
Chief Financial Officer



Md. Abul Bashar
Company Secretary



Farman R. Chowdhury
Managing Director



Mostafar Hossain Chowdhury
Director



Engr. Md. Towhidur Rahman
Chairman

Shahjalal Islami Bank Limited and its Subsidiary

Consolidated Profit and Loss Account

For the period ended 31 March 2017

	Jan'17 to Mar'17 Taka	Jan'16 to Mar'16 Taka
Operating Income		
Investment Income	2,907,621,221	2,696,801,483
Less: Profit paid on Deposits	1,928,468,837	1,728,486,899
Net Investment Income	979,152,384	968,314,584
Income from Investment in Shares/Securities	75,827,707	21,739,292
Commission, Exchange and Brokerage	419,519,010	305,751,672
Other Operating Income	97,152,274	79,075,615
Total Operating Income	1,571,651,375	1,374,881,163
Operating Expenses		
Salaries and Allowances	426,724,197	378,849,496
Rent, Taxes, Insurances, Electricity etc.	92,703,630	82,392,704
Legal Expenses	249,830	552,020
Postage, Stamps, Telecommunication etc.	8,031,979	8,193,671
Stationery, Printings, Advertisements etc.	15,361,758	12,383,751
Chief Executive's Salary & Fees	2,971,500	2,790,000
Directors' Fees & Expenses	1,882,821	1,068,230
Shariah Supervisory Committee's Fees & Expenses	216,309	146,014
Auditors' Fees	-	-
Depreciation & Repairs of Bank's Assets	35,991,050	33,670,384
Zakat Expenses	-	-
Other Expenses	93,195,181	74,342,208
Total Operating Expenses	677,328,255	594,388,478
Profit / (Loss) before Provision	894,323,120	780,492,685
Specific provision for Classified Investment	94,600,000	100,000,000
General Provision for Unclassified Investment	55,000,000	24,000,000
General Provision for Off-Balance Sheet Items	62,000,000	66,000,000
Provision for deminution in value of Investments in Shares	-	21,000,000
Provision for Other Assets	690,000	-
Total Provision	212,290,000	211,000,000
Total Profit / (Loss) before taxes	682,033,120	569,492,685
Provision for taxation		
Deferred tax	(4,156,389)	(1,783,724)
Current tax	301,238,454	288,245,097
	297,082,066	286,461,373
Net Profit / (Loss) after Tax	384,951,054	283,031,312
Net profit after tax attributable to:		
Equity holders of SJIBL	377,698,374	281,176,531
Non-controlling interest	7,252,680	1,854,780
	384,951,054	283,031,312
Retained earnings from previous year	1,253,792,811	1,010,103,443
Add: Net profit after tax (attributable to equity holders of SJIBL)	377,698,374	281,176,531
Profit available for appropriation	1,631,491,185	1,291,279,975
Appropriation:		
Statutory reserve	112,751,113	109,486,293
Dividend	-	-
Retained earnings	1,518,740,072	1,181,793,682
	1,631,491,185	1,291,279,975
Consolidated earnings per share	0.51	0.38



Md. Jafar Sadeq FCA
Chief Financial Officer



Md. Abul Bashar
Company Secretary



Farman R. Chowdhury
Managing Director



Mosharraf Hossain Chowdhury
Director




Engr. Md. Towhidur Rahman
Chairman

Shahjalal Islami Bank Limited and its Subsidiary

Consolidated Cash Flow Statement For the period ended 31 March 2017

	Jan'17 to Mar'17 Taka	Jan'16 to Mar'16 Taka
Cash flows from operating activities		
Investment income receipt in cash	3,015,223,002	2,785,765,999
Profit paid on deposits	(1,967,059,632)	(1,737,521,685)
Dividend receipts	5,292,273	762,538
Fees & commission receipt in cash	419,519,010	305,751,672
Recoveries on investment previously written off	600,000	-
Cash payments to employees	(429,695,697)	(381,639,496)
Cash payments to suppliers	(15,361,758)	(12,383,751)
Income tax paid	(235,778,816)	(156,946,498)
Receipts from other operating activities	97,152,344	114,812,632
Payment for other operating activities	(200,145,156)	(170,194,314)
(i) Operating profit before changes in operating assets & liabilities	689,745,569	748,407,098
Changes in operating assets and liabilities		
(Increase)/decrease in investment to customers	(6,280,507,863)	(3,123,240,171)
(Increase)/decrease in other assets	209,515,021	(120,649,546)
(Increase)/decrease of placement with other banks & financial institutions	480,069,225	(2,344,930,775)
Increase/(decrease) in deposits from other banks	(201,748,961)	(1,218,017,383)
Increase/(decrease) of placement from other banks & financial institutions	(1,899,369,643)	4,619,999,062
Increase/(decrease) in deposits received from customers	8,119,831,887	4,131,670,676
Increase/(decrease) in other liabilities on account of customers	9,304,323	166,756,986
Increase/(decrease) in other liabilities	161,594,551	26,410,612
(ii) Cash flows from operating assets and liabilities	598,688,540	2,137,999,461
Net cash flows from operating activities (A)=(i+ii)	1,288,434,109	2,886,406,559
Cash flows from investing activities		
Proceeds from sale of securities	707,699,718	631,482,389
Payment for purchases of securities	(737,882,904)	(367,747,761)
Proceeds from sale of fixed assets	732,943	634,022
Purchases of property, plant & equipments	(207,758,160)	(82,126,713)
Purchase/sale of subsidiaries	-	-
Net cash used in investing activities (B)	(237,208,403)	182,241,936
Cash flows from financing activities		
Receipts from issue of debt instruments	-	-
Payments for redemption of debt instruments	-	-
Receipts from issue of ordinary shares	-	-
Dividend paid to ordinary share holder	-	-
Net cash used in financing activities (C)	-	-
Net increase/(decrease) in cash & cash equivalents (A+B+C)	1,051,225,705	3,068,648,495
Add: Effect of exchange rate changes on cash & cash equivalents	-	-
Add: Cash and cash equivalents at the beginning of the period	11,999,061,899	10,756,764,587
Cash & cash equivalents at the end of the period	13,050,287,604	13,825,413,082


Md. Jafar Sadeq FCA
Chief Financial Officer


Md. Abul Bashar
Company Secretary


Farman R. Chowdhury
Managing Director



Mosharraf Hossain Chowdhury
Director


Engr. Md. Towhidur Rahman
Chairman

Shahjalal Islami Bank Limited and its Subsidiary
Consolidated Statement of Changes in Equity
For the period ended 31 March 2017

Particulars	Paid-up Capital	Statutory Reserve	Non-controlling Interest	Retained Earnings	(Amount in taka)	
					Total	Total
Balance as at 01 January 2017	7,346,881,330	4,403,561,679	-	1,253,792,811	13,004,235,820	13,004,235,820
Net profit during the period	-	112,751,113	-	264,947,261	377,698,374	377,698,374
Total Shareholders' Equity as at 31 March 2017	7,346,881,330	4,516,312,792	-	1,518,740,072	13,381,934,194	13,381,934,194
Non-controlling interest	-	-	246,725,027	-	246,725,027	246,725,027
Add: General Provision for Unclassified Investment & Off-Balance Sheet Items					2,070,120,900	2,070,120,900
Total Eligible Regulatory Capital as at 31 March 2017					15,698,780,121	15,698,780,121

Particulars	Paid-up Capital	Statutory Reserve	Non-controlling Interest	Retained Earnings	(Amount in taka)	
					Total	Total
Balance as at 01 January 2016	7,346,881,330	3,942,345,431	-	1,010,103,443	12,299,330,205	12,299,330,205
Net profit during the period	-	109,486,293	-	171,690,238	281,176,531	281,176,531
Total Shareholders' Equity as at 31 March 2016	7,346,881,330	4,051,831,724	-	1,181,793,682	12,580,506,736	12,580,506,736
Non-controlling interest	-	-	232,145,494	-	232,145,494	232,145,494
Add: General Provision for Unclassified Investment & Off-Balance Sheet Items					1,170,869,824	1,170,869,824
Less: Shortfall in provisions of investment in shares (subsidiary)					274,400,000	274,400,000
Total Eligible Regulatory Capital as at 31 March 2016					13,709,122,054	13,709,122,054


Md. Jafar Sadeq FCA
 Chief Financial Officer


Mosharraf Hossain Chowdhury
 Director


Md. Abul Bashar
 Company Secretary


Farman R. Chowdhury
 Managing Director


Engr. Md. Fowhidur Rahman
 Chairman

Shahjalal Islami Bank Limited

Balance Sheet

As at 31 March 2017

	31.03.2017 Taka	31.12.2016 Taka
Property and Assets		
Cash		
Cash in hand (Including Foreign Currencies)	1,479,524,649	1,179,754,405
Balance with Bangladesh Bank & Sonali Bank Ltd (Including Foreign Currencies)	9,254,199,530	8,398,144,743
	10,733,724,178	9,577,899,148
Balance with other Banks and Financial Institutions		
Inside Bangladesh	2,160,465,810	1,943,033,831
Outside Bangladesh	123,857,841	472,970,179
	2,284,323,652	2,416,004,010
Placement with other Banks & Financial Institutions	7,381,712,341	7,861,781,566
Investments in Shares & Securities		
Government	5,500,000,000	5,500,000,000
Others	2,061,204,565	2,093,131,998
	7,561,204,565	7,593,131,998
Investments		
General Investment etc.	119,427,638,179	112,519,695,669
Bills Purchased and Discounted	9,882,199,962	10,478,684,675
	129,309,838,141	122,998,380,344
Fixed Assets Including Premises	3,609,255,099	3,433,039,043
Other Assets	13,437,066,155	13,313,448,521
Non Banking Assets	51,078,968	51,078,968
Total Property and Assets	174,368,203,099	167,244,763,598
Liabilities and Capital		
Liabilities		
Placement from other Banks & Financial Institutions	14,510,509,818	16,235,542,799
Deposits and Other Accounts		
Mudaraba Savings Deposits	20,540,461,596	18,510,981,952
Mudaraba Term Deposits	47,481,762,748	44,923,686,220
Other Mudaraba Deposits	45,779,033,591	44,769,922,395
Al-Wadeeah Current & Other Deposit Accounts	17,003,615,581	14,492,841,209
Bills Payable	1,627,032,449	1,712,398,926
	132,431,905,965	124,409,830,702
Other Liabilities	14,181,273,075	13,647,349,223
Deferred Tax Liabilities	91,308,574	95,464,963
Total Liabilities	161,214,997,431	154,388,187,687
Capital/Shareholders' Equity		
Paid-up Capital	7,346,881,330	7,346,881,330
Statutory Reserve	4,516,312,791	4,403,561,679
Retained Earnings	1,290,011,547	1,106,132,902
	13,153,205,668	12,856,575,911
Total Shareholders' Equity	13,153,205,668	12,856,575,911
Total Liabilities & Shareholders' Equity	174,368,203,099	167,244,763,598

Shahjalal Islami Bank Limited
Off-balance Sheet Items
As at 31 March 2017

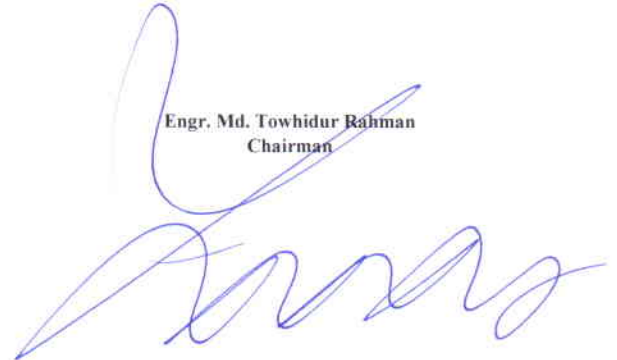
	31.03.2017 Taka	31.12.2016 Taka
Contingent Liabilities		
Acceptances & endorsements	22,037,914,091	23,719,133,589
Letters of guarantee	15,288,770,991	11,956,867,945
Irrevocable letters of credit	21,373,934,922	18,421,361,635
Bills for collection	10,789,736,004	9,228,367,132
Other contingent liabilities	-	-
Total	69,490,356,007	63,325,730,301
Other Commitments		
Documentary credits, short term and trade related transactions	-	-
Forward assets purchased and forward deposits placed	-	-
Undrawn note issuance, revolving and underwriting facilities	-	-
Undrawn formal standby facilities, credit lines and other commitments	-	-
Total	-	-
Total off-balance sheet items including contingent liabilities	69,490,356,007	63,325,730,301


Md. Jafar Sadeq FCA
Chief Financial Officer


Mosharraf Hossain Chowdhury
Director


Md. Abul Bashar
Company Secretary


Farman R. Chowdhury
Managing Director


Engr. Md. Towhidur Rahman
Chairman

Shahjalal Islami Bank Limited
Profit and Loss Account
For the period ended 31 March 2017

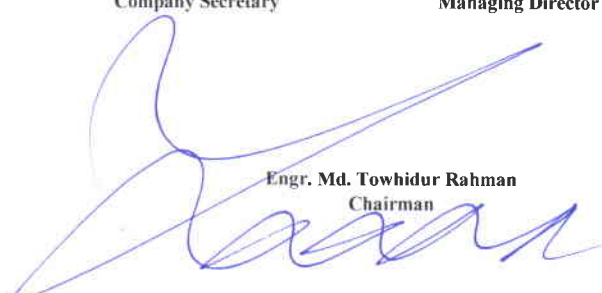
	Jan'17 to Mar'17 Taka	Jan'16 to Mar'16 Taka
Operating income		
Investment Income	2,880,242,875	2,662,832,924
Less: Profit paid on Deposits	1,912,352,153	1,695,064,398
Net Investment Income	967,890,722	967,768,526
Income from Investment in Shares/securities	21,391,186	7,931,516
Commission, Exchange and Brokerage	338,511,409	278,636,081
Other Operating Income	96,799,802	78,780,929
	456,702,397	365,348,526
Total Operating Income	1,424,593,119	1,333,117,052
Operating expenses		
Salaries and Allowances	416,101,406	370,169,850
Rent, Taxes, Insurances, Electricity etc.	89,074,719	78,692,639
Legal Expenses	244,080	155,020
Postage, Stamps, Telecommunication etc.	7,398,922	7,551,955
Stationery, Printings, Advertisements etc.	14,843,044	12,204,079
Chief Executive's Salary & Fees	2,971,500	2,790,000
Directors' Fees & Expenses	1,882,821	1,068,230
Shariah Supervisory Committee's Fees & Expenses	216,309	146,014
Auditors' Fees	-	-
Depreciation & Repairs of Bank's Assets	34,318,119	32,148,197
Zakat Expenses	-	-
Other Expenses	81,496,635	69,759,603
Total Operating Expenses	648,547,555	574,685,587
Profit / (Loss) before Provision	776,045,564	758,431,465
Specific provision for Classified Investment	94,600,000	100,000,000
General Provision for Unclassified Investment	55,000,000	24,000,000
General Provision for Off-Balance Sheet Items	62,000,000	66,000,000
Provision for deminution in value of Investments in Shares	-	21,000,000
Provision for Other Assets	690,000	-
Total Provision	212,290,000	211,000,000
Total Profit / (Loss) before taxes	563,755,564	547,431,465
Provision for taxation		
Deferred tax	(4,156,389)	(1,783,724)
Current tax	271,282,195	283,824,930
	267,125,806	282,041,206
Net Profit after Taxation	296,629,757	265,390,259
Retained Earnings from previous year	1,106,132,902	965,073,507
Add: Net Profit after Tax	296,629,757	265,390,259
Profit available for appropriation	1,402,762,659	1,230,463,766
Appropriation		
Statutory Reserve	112,751,112	109,486,293
Dividend	-	-
Retained Earnings	1,290,011,547	1,120,977,473
	1,402,762,659	1,230,463,766
Earnings Per Share (EPS)	0.40	0.36


Md. Jafar Sadeq FCA
Chief Financial Officer


Md. Abul Bashar
Company Secretary


Farman R. Chowdhury
Managing Director


Mosharraf Hossain Chowdhury
Director


Engr. Md. Towhidur Rahman
Chairman

Shahjalal Islami Bank Limited
Cash Flow Statement
For the period ended 31 March 2017

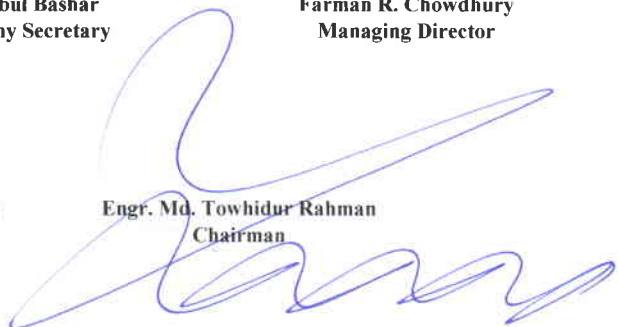
	Jan'17 to Mar'17 Taka	Jan'16 to Mar'16 Taka
Cash flows from operating activities		
Investment income receipt	2,920,226,885	2,696,340,075
Profit paid on deposits	(1,843,186,212)	(1,696,093,966)
Dividend receipts	5,292,273	762,538
Fees & commission receipt	338,511,409	278,636,081
Recoveries on investment previously written off	600,000	-
Cash payments to employees	(419,072,906)	(372,959,850)
Cash payments to suppliers	(14,843,044)	(12,204,079)
Income tax paid	(220,463,264)	(124,832,840)
Receipts from other operating activities	96,799,802	78,782,158
Payments for other operating activities	(183,956,568)	(160,859,128)
(i) Operating Profit before changes in operating assets & liabilities	679,908,374	687,570,990
Changes in operating assets and liabilities		
(Increase)/decrease in investment to customers	(6,368,126,511)	(3,461,789,641)
(Increase)/decrease of other assets	72,960,533	(50,092,836)
(Increase)/decrease of Placement with other Banks & Financial Institutions	480,069,225	(2,344,930,775)
Increase/(decrease) of deposits from other banks	(201,748,961)	(1,218,017,383)
Increase/(decrease) of Placement from other Banks & Financial Institutions	(1,725,032,982)	4,803,094,831
Increase/(decrease) of deposits received from customers	8,223,824,224	4,179,287,140
Increase/(decrease) of other liabilities on account of customers	9,304,323	166,756,986
Increase/(decrease) of other liabilities	27,950,107	(17,847,500)
(ii) Cash flows from operating assets and liabilities	519,199,958	2,056,460,822
Net cash flows from operating activities (A)=(+ii)	1,199,108,332	2,744,031,812
Cash flows from investing activities		
Proceeds from sale of securities	466,338,218	569,760,649
Payment for purchases of securities	(434,410,785)	(91,523,333)
Proceeds from sale of fixed assets	732,943	634,022
Purchases of property, plant & equipments	(207,624,035)	(77,617,963)
Purchase/sale of subsidiaries	-	-
Net cash used in investing activities (B)	(174,963,659)	401,253,375
Cash flows from financing activities		
Receipts from issue of debt instruments	-	-
Payments for redemption of debt instruments	-	-
Receipts from issue of ordinary shares	-	-
Dividend paid to ordinary shareholders	-	-
Net cash used in financing activities (C)	-	-
Net Increase/(decrease) in cash & cash equivalents (A+B+C)	1,024,144,672	3,145,285,187
Add: Effect of exchange rate changes on cash & cash equivalents	-	-
Cash and cash equivalents at the beginning of the period	11,993,903,158	10,739,727,356
Cash and cash equivalents at the end of the period	13,018,047,830	13,885,012,543


Md. Jafar Sadeq FCA
Chief Financial Officer


Md. Abul Bashar
Company Secretary


Farman R. Chowdhury
Managing Director


Mosharrat Hossain Chowdhury
Director


Engr. Md. Towhidur Rahman
Chairman

Shahjalal Islami Bank Limited
Statement of Changes in Equity
For the period ended 31 March 2017

For the period ended 31 March 2017

(Amount in taka)

Particulars	Paid-up Capital	Statutory Reserve	Retained Earnings	Total
Balance as at 01 January 2017	7,346,881,330	4,403,561,679	1,106,132,902	12,856,575,911
Net profit for the period ended 31 March 2017	-	112,751,113	183,878,645	296,629,757
Total Shareholders' Equity as at 31 March 2017	7,346,881,330	4,516,312,791	1,290,011,547	13,153,205,668

Total Equity for the purpose of Capital Adequacy

Equity as per above	13,153,205,668
Add: General Provision for Unclassified Investment & Off-Balance Sheet items	1,646,500,000
Total Eligible Regulatory Capital as at 31 March 2017	14,799,705,668

For the period ended 31 March 2016

(Amount in taka)

Particulars	Paid-up Capital	Statutory Reserve	Retained Earnings	Total
Balance as at 01 January 2016	7,346,881,330	3,942,345,431	965,073,508	12,254,300,269
Net profit for the period ended 31 March 2016	-	109,486,293	155,903,966	265,390,259
Total Shareholders' Equity as at 31 March 2016	7,346,881,330	4,051,831,724	1,120,977,474	12,519,690,528

Total Equity for the purpose of Capital Adequacy

Equity as per above	12,519,690,528
Add: General Provision for Unclassified Investment & Off-Balance Sheet items	1,147,214,761
Total Eligible Regulatory Capital as at 31 March 2016	13,666,905,289


Md. Jafar Sadeq FCA
Chief Financial Officer


Mosharraf Hossain Chowdhury
Director


Md. Abul Bashar
Company Secretary


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Engr. Md. Towhidur Rahman
Chairman

Shahjalal Islami Bank Limited and its Subsidiaries
Notes to the Consolidated and Separate Financial Statements
For the period ended March 31, 2017

1. Status of the Bank

1.1 Legal Form of the Bank

Shahjalal Islami Bank Limited (hereinafter called 'the Bank'-‘SJIBL’) was established as a Public Limited Company (Banking Company) as on the 1 April 2001 under the Companies Act 1994 as interest free Islamic Shariah based commercial bank and commenced its operation on 10 May 2001 with the permission of Bangladesh Bank. Presently the Bank is operating its business through head office having 103 branches, 64 (Sixty Four) ATM booths and 2,332 employees all over Bangladesh. The Bank has also a subsidiary company named ‘Shahjalal Islami Bank Securities Limited’ and an Off-shore Banking Unit. The Bank is listed with both the Stock Exchanges of the country, i.e. Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited.

The registered office of the Bank is located at Uday Sanz, Plot No-SE(A), 2/B Gulshan South Avenue, Gulshan-1, Dhaka-1212.

1.2 Nature of Business

The Bank offers all kinds of commercial banking services to its customers through its branches following the provisions of the Bank Companies Act 1991, Bangladesh Bank’s Directives of other regulatory authorities and the principles of the Islamic Shariah.

1.3 Shahjalal Islami Bank Securities Limited

Shahjalal Islami Bank Securities Limited is a subsidiary company of Shahjalal Islami Bank Limited incorporated as a public limited company under the Companies Act 1994 vide certification of incorporation no. C - 86917/10 dated 06 September 2010 and commenced its operation on the 25 May 2011. The main objective of the company to carry on business of stock broker/dealers in relation to shares and securities dealings and other services as mentioned in the Memorandum and Articles of Association of the Company. It has corporate membership of Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited. Shahjalal Islami Bank Limited hold 91.79% shares of Shahjalal Islami Bank Securities Limited.

1.4 Off-shore Banking Unit

Off-shore Banking Unit (OBU) is a separate business unit of Shahjalal Islami Bank Limited, governed under the rules and Guidelines of Bangladesh Bank. The Bank obtained the Off-shore Banking Unit permission vide letter no. BRPD (P-3)744(99)/2008-2800 dated 24 July 2008. The Bank opened its Off-shore Banking Unit on 21 December 2008. The unit is located at Uday Sanz, Plot No-SE(A) 2/B Gulshan South Avenue, Gulshan-1, Dhaka-1212.

2. Significant Accounting Policies

2.1 Basis of preparation of the Financial Statements

The Bank and its subsidiary are being operated in strict compliance with the rules of Islamic Shari’ah. The consolidated and separate financial statements of the Bank have been prepared under the historical cost convention consistently with those of previous year and as per provisions of the “Guidelines for Islamic Banking” issued by Bangladesh Bank through BRPD Circular No. 15 dated 09.11.2009 with reference to the provisions of the Bank Companies Act, 1991 (as amended up to 2013), BRPD Circular No.14 dated 25.06.2003 & Bangladesh Bank’s other circulars/instructions and in accordance with International Financial Reporting Standards (IFRSs)

and International Accounting Standards (IASs) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB); the Companies Act, 1994; the Securities and Exchange Rules, 1987; Dhaka and Chittagong Stock Exchanges (Listing) Regulations, 2015, Financial Reporting Act 2015 and other laws and rules applicable in Bangladesh and Standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI), as a member of that organization.

In case any requirement of the Bank Companies Act, 1991 (as amended up to 2013) and provisions and circulars issued by Bangladesh Bank differ with those of IFRSs & IASs as adopted, the requirements of the Bank Companies Act 1991, and provisions and circulars issued by Bangladesh Bank will prevail.

2.2 Consolidation

The consolidated Financial Statements include the Financial Statements of Shahjalal Islami Bank Limited including Off-shore Banking Unit and its subsidiary named Shahjalal Islami Bank Securities Limited made up to the end of the period.

The consolidated Financial Statements have been prepared in accordance with BFRS 10.' Consolidated Financial Statements'. The consolidated Financial Statements are prepared to a common financial period ending 31 March 2017.

2.3 Investment and Provisions

Investments are stated in the Balance Sheet net-off unearned income. Provision on Investment (Loans & Advances) is made on the basis of period end review by the management and as per instructions contained in Bangladesh Bank BRPD Circular No. 14 dated 23 September 2012, BRPD Circular No. 19 dated 27 December 2012 and BRPD Circular No. 5 dated 29 May 2014. Provision against Off-Balance Sheet exposures in addition to existing provisioning arrangement is made as per BRPD Circular No.10 dated 18 September 2007.

2.4 Earnings Per Share

This has been calculated by dividing the basic earnings by the weighted average number of ordinary shares outstanding during the period as per IAS - 33 "Earnings Per Share". Diluted Earnings per Share is not required to be calculated for the period, as there exist no dilution possibilities during the period.

2.5 Cash Flow Statement

Cash flow statement is prepared principally in accordance with IAS 7 "Cash Flow Statement"; and as prescribed by BRPD Circular No. 14 dated 25 June 2003 & guideline for Islamic Banking issued by Bangladesh Bank vide BRPD Circular No.15 dated November 2009.

2.6 Off Balance Sheet Items

Under general banking transactions, liabilities against acceptance, endorsement and other obligations and bills against which acceptances have been given and claims exist there against, have been shown as Off Balance Sheet items.

2.7 Reporting Period

The Financial Statements cover the period from 01 January 2017 to 31 March 2017.

		31.03.2017	31.12.2016
		Taka	Taka
3	Consolidated Cash in hand (Including foreign currencies)		
	Shahjalal Islami Bank Ltd	(Note-3a) 1,479,524,649	1,179,754,405
	Shahjalal Islami Bank Securities Ltd	-	-
		1,479,524,649	1,179,754,405
3a	Cash in hand of the Bank (Including foreign currencies)		
	In local currency	1,468,594,940	1,174,258,047
	In foreign currencies	(Note-3a.1) 10,929,709	5,496,358
		1,479,524,649	1,179,754,405
3a.1	In Foreign Currency		
	Foreign Currency	Amount in FC	Exchange Rate
	US Dollar	130,226.09	79.6783
	Great Britain Pound	2,803.91	99.2154
	Euro	3,195.35	86.1641
		10,376,194	4,954,768
		278,191	275,010
		275,324	266,579
		10,929,709	5,496,358
4	Consolidated Balance with Bangladesh Bank and it's agent bank(s)		
	Shahjalal Islami Bank Ltd	(Note-4a) 9,254,199,530	8,398,144,743
	Shahjalal Islami Bank Securities Ltd	-	-
		9,254,199,530	8,398,144,743
4a	Balance with Bangladesh Bank and it's agent bank(s) (Including foreign currencies)		
	In local currency	9,150,791,992	8,191,357,896
	In foreign currencies	12,745,644	24,364,878
		9,163,537,636	8,215,722,774
	Balance with Sonali Bank Ltd. as agent of Bangladesh Bank		
	In local currency	90,661,894	182,421,969
	In foreign currencies	-	-
		90,661,894	182,421,969
		9,254,199,530	8,398,144,743
5	Consolidated Balance with Other Banks and Financial Institutions		
	Inside Bangladesh		
	Shahjalal Islami Bank Ltd	(Note-5a) 2,160,465,810	1,943,033,831
	Shahjalal Islami Bank Securities Ltd	512,294,536	381,221,166
		2,672,760,346	2,324,254,997
	Less: Inter Company Transaction	480,054,762	376,062,425
		2,192,705,584	1,948,192,572
	Outside Bangladesh		
	Shahjalal Islami Bank Ltd	(Note-5a) 123,857,841	472,970,179
	Shahjalal Islami Bank Securities Ltd	-	-
		123,857,841	472,970,179
		2,316,563,426	2,421,162,751
5a	Balance with Other Banks and Financial Institutions of the Bank (Other than mudaraba Fund)		
	Inside Bangladesh	2,160,465,810	1,943,033,831
	Outside Bangladesh	123,857,841	472,970,179
		2,284,323,652	2,416,004,010
6	Consolidated Placement with other Banks & Financial Institutions		
	Shahjalal Islami Bank Ltd	(Note-6a) 7,381,712,341	7,861,781,566
	Shahjalal Islami Bank Securities Ltd	-	-
		7,381,712,341	7,861,781,566
	Less: Inter Company Transaction	-	-
		7,381,712,341	7,861,781,566
6a	Placement with other Banks & Financial Institutions of the Bank		
	Placement with other Banks	811,712,341	1,111,781,566
	Placement with Financial Institutions	6,570,000,000	6,750,000,000
		7,381,712,341	7,861,781,566