Independent Auditor's Report to the Shareholders of Shahjalal Islami Bank Limited
Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated financial statements of Shahjalal Islami Bank Limited and its subsidiary (the "Group") as well as the separate financial statements of Shahjalal Islami Bank Limited (the "Bank"), which comprise the consolidated and separate balance sheets as at 31 December 2022 and the consolidated and separate profit and loss accounts, consolidated and separate statements of changes in equity and consolidated and separate cash flow statements for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements of the Group and separate financial statements of the Bank give a true and fair view of the consolidated financial position of the Group and the separate financial position of the Bank as at 31 December 2022, and of its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as explained in note 2 and other applicable laws and regulations.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Group and the Bank in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), Bangladesh Securities and Exchange Commission (BSEC) and Bangladesh Bank, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matters

The financial statements of the year ended 31 December 2021, were audited by another auditor who expressed an unmodified opinion on those statement on 16 March 2022.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below our description of how our audit addressed the matter is provided in that context.

National Office : BTMC Bhaban (6th & 7th Floor), 7-9 Karwan Bazar Commercial Area, Dhaka- 1215, Bangladesh
Chattogram Office : Delwar Bhaban (4th Floor), 104 Agrabad Commercial Area, Chattogram-4100, Bangladesh

Description of key audit matters	Our response to key audit matters
Measurement of provision for investment	
The process for estimating the provision for investment portfolio associated with credit risk is significant and complex. For the individual analysis for large exposure, provision calculation considers the estimates of future business performance and the market value of collateral provided for credit transactions. For the collective analysis of exposure on portfolio basis, provision calculation and reporting are manually processed that deals with voluminous databases, assumptions and estimates of complex design and implementation. At year end the Group reported total gross investments of BDT 239,862 million (2021: BDT 219,200 million) and provision for investments of BDT 6,589 million (2021: BDT 5,494 million). We have focused on the following significant judgements and estimates which could give rise to material misstatement or management bias: • Completeness and timing of recognition of loss events in accordance with criteria set out in BRPD circular no 14, dated 23 September 2012 and BRPD circular no 03, dated 21 April 2019; and • For individually assessed provisions, the measurement of the provision may be dependent on the valuation of collateral,	We tested the design and operating effectiveness of key controls focusing on the following: • Credit appraisal, investment disbursement procedures, monitoring and provisioning process; • Completeness of appropriate documentation before disbursement of investments as well as recording of investment balance; • Alternate procedures applied by management to assess new investment/renewal of existing investments where latest audited financial statements of the borrower is not available; • Identification of loss events, including early warning and default warning indicators; • Review of quarterly Classification of Loans (CL); Our substantive procedures in relation to the provision for investments portfolio comprised the following: • Reviewed the adequacy of the general and specific provisions in line with related Bangladesh Bank guidelines; • Assessed the methodologies on which the provision amounts are based, recalculated the provisions and tested the completeness and accuracy of the underlying information; • Evaluated the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines. • Finally, compared the amount of provision requirement as determined by Bangladesh Bank inspection team to the actual amount of provision maintained Due to long-term impact of COVID 19, flood situation in north-eastern areas of Bangladesh and prolonged conflict/war outside the country, many borrowers were adversely impacted during the

estimates of exit values and the timing of cash flows; Provision measurement is primarily dependent upon key assumptions relating to probability of default, ability to repossess collateral and recovery rates.	year. Accordingly, Bangladesh Bank has given certain flexibility from classification requirement for investments vide issuing various circulars such as BRPD 14 dated 22 June 2022, and BRPD 51 dated 18 December 2022 whereby Banks are allowed to keep an investment/customer as unclassified subject to the payment of certain percent of quarterly instalment due by 31 December 2022. For the year ended 31 December 2022, the Bank has maintained required provision as per Bangladesh Bank letter DBI-7/4(5)/2023-377 dated 2 April 2023 and also agreed to ensure regularization of certain investments to avoid future classification.
See note # 8a and 15a to the financial statements	

Risk	**Our response to the risk**
Investment income recognition	
Recognition and measurement of investment income involve complex IT environment as well as require critical estimates and judgment. Since investment income from investments is one of the key performance indicators of the Bank there is an inherent risk of fraud and error in recognition of investment income. Moreover, as per Bangladesh Bank BRPD circular no. 53 dated 22 December 2022, considering future risk banks were allowed to recognize outstanding/ arrear investment income where deferral facilities were given upon considering potential risk of future recovery and receiving certain percent of quarterly instalment due by 31 December 2022. Accordingly, this has been considered as key audit matter.	We tested the design and operating effectiveness of key controls including automated control over recognition and measurement of income on investment. For selected customers and investment files on sample basis we have also performed substantive test of details including recalculation and cut-of testing to check accuracy of investment income. Finally, we also conducted substantive analytical procedures to assess reasonableness of income recognised during the year with reference to the product wise outstanding investment balances. However, due to the current uncertainty of the overall economic situation, and in particular impacts from major global events such as continuation of COVID 19 related disruptions, Russia-Ukraine conflict, volatility in fuel and

	commodity price, strengthening of USD, etc., there is inherent risk that the actual recovery of accrued investment income especially from those clients receiving deferral facility could be materially different than the actual situation in future and a portion of investment accrued during the year ended 31 December 2022.
See note # 23a to the financial statements	

Valuation of bonds, sukuk and other investments	
The Bank has made significant investments in fixed term financial instruments such as Bangladesh Government Islamic Investment Bond and Sukuk, Mudaraba Perpetual Bond and Sukuk Al Istisna as well as Mudaraba Subordinated Bond, classification and measurement of these require judgment and complex estimates. In the absence of a quoted price in an active market, the fair value of these Bonds and Sukuk are determined using complex valuation techniques which may take into consideration direct or indirect unobservable market data and complex pricing models and require an elevated level of judgment.	We assessed the processes and controls put in place by the Bank to identify and confirm the existence of these Bonds and Sukuks. We obtained an understanding, evaluated the design and tested the operating effectiveness of the key controls over the Bonds and Sukuks valuation processes, including controls over market data inputs into valuation models, model governance, and valuation adjustments. We tested a sample of the valuation models and the inputs used in those models, using a variety of techniques, including comparing inputs to available market data. Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.
See note # 7 to the financial statements	

IT systems and controls	
Our audit procedures have a focus on IT systems and controls due to the pervasive nature and complexity of the IT environment, the large volume of transactions processed in numerous locations daily and the reliance on automated and IT dependent manual controls.	We tested the design and operating effectiveness of the Bank's IT access controls over the information systems that are critical to financial reporting. We tested IT general controls (logical access, changes management and aspects of IT operational controls). This included testing

Our areas of audit focus included user access management, developer access to the production environment and changes to the IT environment. These are key to ensuring IT dependent and application based controls are operating effectively	that requests for access to systems were appropriately reviewed and authorized. We tested the Bank's periodic review of access rights and reviewed requests of changes to systems for appropriate approval and authorization. We considered the control environment relating to various interfaces, configuration and other application layer controls identified as key to our audit.

Legal and regulatory matters	
We focused on this area because the Bank and its subsidiary (the "Group") operates in a legal and regulatory environment that is exposed to significant litigation and similar risks arising from disputes and regulatory proceedings. Such matters are subject to many uncertainties and the outcome may be difficult to predict. These uncertainties inherently affect the amount and timing of potential outflows with respect to the provisions which have been established and other contingent liabilities. Pursuant to BRPD Circular Letter No. 28 dated 26 July 2022 and BRPD Circular Letter No. 30 dated 27 July 2022, all schedule banks of Bangladesh are instructed to reduce certain expenses at specific percentage from the allocated amount.	We obtained an understanding, evaluated the design and tested the operational effectiveness of the Bank's key controls over the legal provision and contingencies process. We enquired to those charged with governance to obtain their view on the status of all significant litigation and regulatory matters. We enquired of the Bank's internal legal counsel for all significant litigation and regulatory matters and inspected internal notes and reports. We are informed that the Bank has taken several initiatives such as rationalizing the usage of office space to reduce electricity cost, restricting entertainment expenses and travelling, reducing and deferring the expenses on computer and accessories which are not urgently required etc.

Carrying value of investments in subsidiary by the Bank	
The Bank has invested in equity shares of its subsidiary namely Shahjalal Islami Bank Securities Limited. As at 31 December 2022 the carrying value of these investments in	We have reviewed Management's analysis of impairment assessment and recoverable value calculation of subsidiary in accordance with IAS 36.

BDT 2,515 million (2021: BDT 2,515 million). At the time of conducting our audit of the separate financial statements of the Bank we have considered the recoverable value of the Bank's investments in all the above subsidiary stated at cost. Management has conducted impairment assessment and calculated recoverable value of its individual subsidiary in accordance with IAS 36.	In particular, our discussions with the Management were focused on the continued appropriateness of the value in use model, the key assumptions used in the model, the reasonably possible alternative assumptions, particularly where they had the most impact on the value in use calculation. We also checked mathematical accuracy of the model, recalculated discount rate used within the model, inputs used in the determination of assumptions within the model were challenged and corroborating information was obtained with reference to external market information, third-party sources. We further observed that pursuant to the BSEC notification the subsidiary of the Bank has made partial provision against diminution in the value of investment and client margin loan as per BSEC notification.

Reporting on other information

Management is responsible for the other information. The other information comprises all of the information in the Annual Report other than the consolidated and separate financial statements and our auditors' report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, on the other information obtained prior to the date of this audit report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements and Internal Controls

Management is responsible for the preparation and fair presentation of the consolidated financial statements of the Group and also separate financial statements of the Bank in accordance with IFRSs as explained in note 2, and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error. The Bank Company Act, 1991 and the Bangladesh Bank Regulations require the Management to ensure effective internal audit, internal control and risk management functions of the Bank. The Management is also required to make a self-assessment on the effectiveness of anti-fraud internal controls and report to Bangladesh Bank on instances of fraud and forgeries.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and the Bank or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's and the Bank's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Bank to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994, the Securities and Exchange Rules 2020, the Bank Company Act, 1991 and the rules and regulations issued by Bangladesh Bank, we also report that:

(i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;

(ii) to the extent noted during the course of our audit work performed on the basis stated under the Auditor's Responsibility section in forming the above opinion on the consolidated financial statements and considering the reports of the Management to Bangladesh Bank on anti-fraud internal controls and instances of fraud and forgeries as stated under the Management's Responsibility for the financial statements and internal control:

(a) internal audit, internal control and risk management arrangements of the Group as disclosed in the financial statements appeared to be materially adequate;

(b) nothing has come to our attention regarding material instances of forgery or irregularity or administrative error and exception or anything detrimental committed by employees of the Group and its related entities {other than matters disclosed in these financial statements};

(iii) financial statements for the year ended 31 December 2022 of subsidiary namely Shahjalal Islami Bank Securities Limited have been audited by M/s. K. M. Hasan & Co., Chartered Accountants and who has expressed unqualified audit opinion. The results of the subsidiary has been properly reflected in the Group's consolidated financial statements;

(iv) in our opinion, proper books of account as required by law have been kept by the Group and the Bank so far as it appeared from our examination of those books;

(v) the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements;

(vi) the consolidated balance sheet and consolidated profit and loss account together with the annexed notes dealt with by the report are in agreement with the books of account and returns;

(vii) the consolidated financial statements have been drawn up in conformity with prevailing rules, regulations and accounting standards as well as related guidance issued by Bangladesh Bank;

(viii) adequate provisions have been made for advance and other assets which are in our opinion, doubtful of recovery;

(ix) the information and explanations required by us have been received and found satisfactory;

(x) we have reviewed over 80% of the risk weighted assets of the Bank and spent over 7,050 person hours; and

(xi) Capital to Risk-weighted Asset Ratio (CRAR) as required by Bangladesh Bank has been maintained adequately during the year.

Sabbir Ahmed FCA, Partner
ICAB Enrolment number: 770
Hoda Vasi Chowdhury & Co
Chartered Accountants

Dhaka, 05 April 2023
DVC No: 2304050770AS553378

Shahjalal Islami Bank Limited and its Subsidiary
Consolidated Balance Sheet
As at 31 December 2022

	Note	31.12.2022 Taka	31.12.2021 Taka
Property and Assets			
Cash			
Cash in Hand (including Foreign Currencies)	3	2,399,102,842	1,943,331,636
Balance with Bangladesh Bank & Sonali Bank Ltd. (including Foreign Currencies)	4	14,924,287,024	12,087,735,744
		17,323,389,865	**14,031,067,380**
Balance with Other Banks and Financial Institutions			
Inside Bangladesh		2,216,396,689	2,067,998,849
Outside Bangladesh		1,103,127,014	1,029,495,149
	5	**3,319,523,703**	**3,097,493,998**
Placement with Other Banks & Financial Institutions	6	**21,276,957,716**	**18,514,593,291**
Investments in Shares & Securities			
Government		25,639,910,000	28,047,670,000
Others		9,986,112,719	10,290,056,403
	7	**35,626,022,719**	**38,337,726,403**
Investments			
General Investments etc.		222,960,716,113	201,220,993,015
Bills Purchased and Discounted		16,901,718,515	17,979,284,002
	8	**239,862,434,627**	**219,200,277,017**
Fixed Assets including Premises, Furniture and Fixtures	9	**5,413,945,799**	**5,226,775,920**
Other Assets	10	**19,816,448,541**	**18,061,545,248**
Non-Banking Assets	11	**88,909,355**	**88,909,355**
Total Property and Assets		**342,727,632,326**	**316,558,388,612**
Liabilities and Capital			
Liabilities			
Placement from Other Banks & Financial Institutions	12	**42,299,588,342**	**32,701,012,974**
Deposits and Other Accounts			
Mudaraba Savings Deposits		36,934,732,886	36,326,434,041
Mudaraba Term Deposits		86,817,226,090	74,469,380,080
Other Mudaraba Deposits		49,745,216,186	62,818,504,170
Al-Wadeeah Current & Other Deposit Accounts		48,292,958,243	39,179,649,922
Bills Payable		5,872,217,849	4,016,969,162
	13	**227,662,351,255**	**216,810,937,375**
Mudaraba Bonds	14	**10,200,000,000**	**12,200,000,000**
Other Liabilities	15	**40,144,704,369**	**34,553,169,294**
Deferred Tax Liabilities	16	**235,884,914**	**235,550,642**
Total Liabilities		**320,542,528,880**	**296,500,670,285**
Capital/Shareholders' Equity			
Paid-up Capital	17.2	10,805,517,980	10,290,969,510
Statutory Reserve	18	9,372,461,107	7,927,205,795
Capital Reserve		28,796,597	3,449,994
Retained Earnings	19	1,745,940,328	1,608,652,106
Total Shareholders' Equity		**21,952,716,012**	**19,830,277,405**
Non-controlling Interest	17.7	232,387,434	227,440,923
Total Liabilities & Shareholders' Equity		**342,727,632,326**	**316,558,388,612**

HOQUE VASI CHOWDHURY & CO. DHAKA

Shahjalal Islami Bank Limited and its Subsidiary
Consolidated Off-balance Sheet Items
As at 31 December 2022

	Note	31.12.2022 Taka	31.12.2021 Taka
Contingent Liabilities			
Acceptances & endorsements		51,712,319,611	52,969,323,781
Letters of guarantee	20	31,316,699,877	31,904,128,585
Irrevocable letters of credit	21	44,418,370,950	64,074,742,941
Bills for collection		26,824,787,053	22,275,433,922
Other contingent liabilities		-	-
Total		**154,272,177,491**	**171,223,629,229**
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		**154,272,177,491**	**171,223,629,229**
Consolidated Net Asset Value per Share [previous year's figure restated]	42(i)	**20.32**	**18.35**

The annexed notes from 1 to 54 form an integral part of these consolidated financial statements.

Chairman **Director** **Director** **Managing Director & CEO**

This is the consolidated balance sheet referred to in our separate report of even date.

Dhaka,
05 April 2023
DVC No: 2304050770AS553378

Sabbir Ahmed FCA, Partner
Enrolment No: 770
Hoda Vasi Chowdhury & Co
Chartered Accountants

Shahjalal Islami Bank Limited and its Subsidiary
Consolidated Profit and Loss Account
For the year ended 31 December 2022

	Note	2022 Taka	2021 Taka
Operating Income			
Investment Income	23	15,965,123,028	13,792,776,608
Less: Profit paid on Deposits	24	8,365,858,043	7,397,902,913
Net Investment Income		**7,599,264,985**	**6,394,873,695**
Income from Investments in Shares & Securities	25	1,888,301,443	1,218,245,276
Commission, Exchange and Brokerage	26	3,634,722,397	2,518,174,907
Other Operating Income	27	1,357,676,035	1,056,361,211
		6,880,699,875	**4,792,781,394**
Total Operating Income		**14,479,964,860**	**11,187,655,089**
Operating Expenses			
Salaries and Allowances	28	3,615,281,013	3,033,864,435
Rent, Taxes, Insurances, Electricity etc.	29	401,946,759	340,726,959
Legal Expenses	30	1,440,072	1,039,886
Postage, Stamps, Telecommunication etc.	31	56,275,795	42,604,155
Stationery, Printings, Advertisements etc.	32	136,341,225	99,662,329
Chief Executive's Salary & Fees	33	22,399,944	22,929,970
Directors' Fees & Expenses	34	6,596,383	6,398,484
Sharia'h Supervisory Committee's Fees & Expenses	35	619,587	743,851
Auditors' Fees	36	626,500	617,242
Depreciation & Repairs of Assets	37	581,205,428	557,103,457
Zakat Expenses	38	205,584,162	179,870,407
Other Expenses	39	908,262,056	787,867,429
Total Operating Expenses		**5,936,578,924**	**5,073,428,603**
Profit before Provision	22	**8,543,385,936**	**6,114,226,487**
Specific Provision for Classified Investments		876,503,877	541,490,000
General Provision for Unclassified Investments		210,885,441	196,038,000
General Provision for Off-balance Sheet Items		-	421,000,000
Provision for diminution in value of Investments in Shares		12,400,000	16,000,000
Provision for Other Assets		112,000,000	10,000,000
Total Provision	40	**1,211,789,318**	**1,184,528,000**
Total Profit before Taxes		**7,331,596,618**	**4,929,698,487**
Provision for Taxation			
Deferred Tax	41	334,272	(21,127,098)
Current Tax	41b	3,745,966,752	2,338,472,612
		3,746,301,024	**2,317,345,515**
Net Profit after Taxes		**3,585,295,593**	**2,612,352,972**
Net Profit after Taxes attributable to:			
Equity holders of SJIBL		3,580,349,082	2,591,539,155
Non-controlling Interest		4,946,511	20,813,816
		3,585,295,593	**2,612,352,972**
Retained Earnings from previous year		1,608,652,106	1,206,062,264
Add: Net Profit after Taxes (attributable to equity holders of SJIBL)		3,580,349,082	2,591,539,155
Profit available for Appropriation		**5,189,001,188**	**3,797,601,419**
Appropriation:			
Statutory Reserve	18	1,445,255,312	967,333,131
Start-up Fund	15a.3	35,250,581	44,934,355
Dividend		1,543,645,421	1,176,110,795
Capital Reserve		25,346,603	571,033
Profit against Mudaraba Perpetual Bond		393,562,943	-
Retained Earnings	19	1,745,940,329	1,608,652,106
		5,189,001,188	**3,797,601,419**
Consolidated Earnings per Share [previous year's figure restated]	42	**3.31**	**2.40**

The annexed notes from 1 to 54 form an integral part of these consolidated financial statements.

Chairman **Director** **Director** **Managing Director & CEO**

This is the consolidated profit and loss account referred to in our separate report of even date.

Dhaka,
05 April 2023
DVC No: 2304050770AS553378

Sabbir Ahmed FCA, Partner
Enrolment No: 770
Hoda Vasi Chowdhury & Co
Chartered Accountants

Shahjalal Islami Bank Limited and its Subsidiary
Consolidated Cash Flow Statement
For the year ended 31 December 2022

	Note	2022 Taka	2021 Taka
Cash flows from operating activities			
Investment income receipt in cash	43	17,477,056,520	14,774,368,653
Profit paid on deposits and borrowings	44	(7,992,472,282)	(8,273,077,584)
Dividend receipts		179,480,905	68,927,342
Fees & commission receipt in cash		3,464,997,530	2,506,847,975
Recoveries on investment previously written-off		66,934,374	31,809,277
Cash payments to employees		(3,637,680,957)	(3,056,794,405)
Cash payments to suppliers		(136,341,225)	(99,662,329)
Income tax paid		(2,231,001,404)	(1,855,006,719)
Receipts from other operating activities	45	1,352,760,404	1,057,282,006
Payments for other operating activities	46	(1,616,393,539)	(1,377,027,302)
(i) Operating profit before changes in operating assets and liabilities		**6,927,340,328**	**3,777,666,914**
Changes in operating assets and liabilities			
(Increase)/decrease in investment to customers		(20,662,157,610)	(21,001,399,797)
(Increase)/decrease in other assets	47	(600,543,150)	64,438,242
(Increase)/decrease of placement with other banks & financial institutions		(2,762,364,425)	5,132,076,725
Increase/(decrease) in deposits from other banks		(7,046,926,871)	5,154,203,653
Increase/(decrease) of placement from other banks & financial institutions		9,593,984,094	12,832,443,887
Increase/(decrease) in deposits received from customers		17,342,079,211	(5,697,828,226)
Increase/(decrease) in other liabilities on account of customers		1,228,145,025	697,070,407
Increase/(decrease) in other liabilities	48	(104,835,524)	85,859,272
(ii) Cash flows from operating assets and liabilities		**(3,012,619,250)**	**(2,733,135,839)**
Net cash flows from operating activities (A)=(i+ii)		**3,914,721,079**	**1,044,531,076**
Cash flows from investing activities			
Proceeds from sale of securities		4,679,057,930	2,461,433,041
Payments for purchases of securities		(1,967,354,246)	(11,402,745,143)
Proceeds from sale of fixed assets		11,682,989	2,865,702
Payments for purchases of fixed assets		(218,322,332)	(191,167,040)
Net cash flows from/(used in) investing activities (B)		**2,505,064,341**	**(9,129,613,440)**
Cash flows from financing activities			
Receipts from issuance of debt instruments		-	5,000,000,000
Payments for redemption of debt instruments		(2,000,000,000)	(2,000,000,000)
Receipts from issue of ordinary shares		-	-
Profit against mudaraba perpetual bond		(46,061,145)	-
Dividend paid to ordinary shareholders		(1,029,096,951)	(706,314,635)
Net cash flows from/(used in) financing activities (C)		**(3,075,158,096)**	**2,293,685,366**
Net (decrease)/increase in cash and cash equivalents (A+B+C)		**3,344,627,324**	**(5,791,396,999)**
Add: Effect of exchange rate changes on cash and cash equivalents		169,724,866	11,326,932
Add: Cash and cash equivalents at the beginning of the year		17,128,561,378	22,908,631,445
Cash and cash equivalents at the end of the year	49	**20,642,913,568**	**17,128,561,378**
Consolidated Net Operating Cash Flows per Share (NOCFPS) [previous year's figure restated]	42(ii)	**3.62**	**0.97**

The annexed notes from 1 to 54 form an integral part of these consolidated financial statements.

Dhaka,
05 April 2023

Chairman **Director** **Director** **Managing Director & CEO**

HOQ WASI CHOWDHURY & CO DHAKA

Shahjalal Islami Bank Limited and its Subsidiary
Consolidated Statement of Changes in Equity

For the year ended 31 December 2022 **(Amount in Taka)**

Particulars	Paid-up Capital	Statutory Reserve	Capital Reserve	Retained Earnings	Non-controlling Interest	Total Capital/ Shareholders' Equity
Balance as at 01 January 2022	10,290,969,510	7,927,205,795	3,449,994	1,608,652,106	227,440,923	20,057,718,328
Dividend for the year 2021:						
Stock Dividend (5%)	514,548,470	-	-	(514,548,470)	-	-
Cash Dividend Paid (10%)	-	-	-	(1,029,096,951)	-	(1,029,096,951)
Profit against Mudaraba Perpetual Bond				(393,562,943)	-	(393,562,943)
Net profit during the year	-	-	-	3,580,349,082	4,946,511	3,585,295,593
Statutory Reserve	-	1,445,255,312	-	(1,445,255,312)	-	-
Start-up Fund	-	-	-	(35,250,581)	-	(35,250,581)
Capital Reserve	-	-	25,346,603	(25,346,603)	-	-
Total Shareholders' Equity as at 31 December 2022	**10,805,517,980**	**9,372,461,107**	**28,796,597**	**1,745,940,328**	**232,387,434**	**22,185,103,446**
Add: Mudaraba Perpetual Bond						5,000,000,000
Add: General Provision for Unclassified Investments & Off-balance Sheet Items						4,067,405,831
Add: Mudaraba Subordinated Bond						3,200,000,000
Less: Adjustment for Intangible Assets						23,942,748
Total Eligible Regulatory Capital as at 31 December 2022						**34,428,566,530**

For the year ended 31 December 2021 **(Amount in Taka)**

Particulars	Paid-up Capital	Statutory Reserve	Capital Reserve	Retained Earnings	Non-controlling Interest	Total Capital/ Shareholders' Equity
Balance as at 01 January 2021	9,800,923,350	6,959,872,664	2,878,961	1,206,062,264	226,877,106	18,196,614,346
Dividend:						
Stock Dividend	490,046,160	-		(490,046,160)	-	-
Cash Dividend Paid	-	-	-	(686,064,635)	(20,250,000)	(706,314,635)
Net profit during the year	-	-	-	2,591,539,155	20,813,816	2,612,352,972
Statutory Reserve	-	967,333,131	-	(967,333,131)	-	-
Start-up Fund				(44,934,355)		(44,934,355)
Capital Reserve			571,033	(571,033)		-
Total Shareholders' Equity as at 31 December 2021	**10,290,969,510**	**7,927,205,795**	**3,449,994**	**1,608,652,106**	**227,440,923**	**20,057,718,328**
Add: Mudaraba Perpetual Bond						5,000,000,000
Add: General Provision for Unclassified Investments & Off-balance Sheet Items						3,824,503,735
Add: Mudaraba Subordinated Bond						5,200,000,000
Total Eligible Regulatory Capital as at 31 December 2021						**34,082,222,063**

The annexed notes from 1 to 54 form an integral part of these consolidated financial statements.

Dhaka,
05 April 2023

Chairman **Director** **Director** **Managing Director & CEO**

Shahjalal Islami Bank Limited
Balance Sheet
As at 31 December 2022

	Note	31.12.2022 Taka	31.12.2021 Taka
Property and Assets			
Cash			
Cash in Hand (including Foreign Currencies)	3a	2,399,102,842	1,943,331,636
Balance with Bangladesh Bank & Sonali Bank Ltd. (including Foreign Currencies)	4a	14,924,287,024	12,087,735,744
		17,323,389,865	**14,031,067,380**
Balance with Other Banks and Financial Institutions			
Inside Bangladesh		2,192,462,827	1,993,712,408
Outside Bangladesh		1,103,127,014	1,029,495,149
	5a	**3,295,589,841**	**3,023,207,557**
Placement with Other Banks & Financial Institutions	6a	**21,276,957,716**	**18,514,593,291**
Investments in Shares & Securities			
Government		25,639,910,000	28,047,670,000
Others		7,846,594,135	8,219,932,088
	7a	**33,486,504,135**	**36,267,602,088**
Investments			
General Investment etc.		220,328,259,077	198,607,299,997
Bills Purchased and Discounted		16,901,718,515	17,979,284,002
	8a	**237,229,977,592**	**216,586,583,999**
Fixed Assets including Premises, Furniture and Fixtures	9a	**5,272,662,474**	**5,077,326,059**
Other Assets	10a	**21,844,875,177**	**20,141,811,136**
Non-Banking Assets	11	**88,909,355**	**88,909,355**
Total Property and Assets		**339,818,866,156**	**313,731,100,865**
Liabilities and Capital			
Liabilities			
Placement from Other Banks & Financial Institutions	12a	**42,036,645,204**	**32,436,452,822**
Deposits and Other Accounts			
Mudaraba Savings Deposits		36,934,789,424	36,326,437,165
Mudaraba Term Deposits		86,817,226,090	74,469,380,080
Other Mudaraba Deposits		50,064,730,403	63,296,520,951
Al-Wadeeah Current & Other Deposit Accounts		48,293,094,847	39,179,680,779
Bills Payable		5,872,217,849	4,016,969,162
	13a	**227,982,058,614**	**217,288,988,137**
Mudaraba Bonds	14	**10,200,000,000**	**12,200,000,000**
Other Liabilities	15a	**37,492,869,557**	**31,765,514,727**
Deferred Tax Liabilities	16a	**237,151,866**	**237,151,866**
Total Liabilities		**317,948,725,240**	**293,928,107,552**
Capital/Shareholders' Equity			
Paid-up Capital	17.2	10,805,517,980	10,290,969,510
Statutory Reserve	18	9,372,461,107	7,927,205,795
Retained Earnings	19a	1,692,161,829	1,584,818,008
Total Shareholders' Equity		**21,870,140,916**	**19,802,993,313**
Total Liabilities & Shareholders' Equity		**339,818,866,156**	**313,731,100,865**

HODA VASI CHOWDHURY & CO. DHAKA

Shahjalal Islami Bank Limited
Off-balance Sheet Items
As at 31 December 2022

	Note	31.12.2022 Taka	31.12.2021 Taka
Contingent Liabilities			
Acceptances & endorsements		51,712,319,611	52,969,323,781
Letters of guarantee	20	31,316,699,877	31,904,128,585
Irrevocable letters of credit	21	44,418,370,950	64,074,742,941
Bills for collection		26,824,787,053	22,275,433,922
Other contingent liabilities		-	-
Total		**154,272,177,491**	**171,223,629,229**
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		**154,272,177,491**	**171,223,629,229**
Net Asset Value per Share [previous year's figure restated]	42(i)	**20.24**	**18.33**

The annexed notes from 1 to 54 form an integral part of these financial statements.

Chairman **Director** **Director** **Managing Director & CEO**

This is the balance sheet referred to in our separate report of even date.

Dhaka,
05 April 2023
DVC No: 2304050770AS553378

Sabbir Ahmed FCA, Partner
Enrolment No: 770
Hoda Vasi Chowdhury & Co
Chartered Accountants

Shahjalal Islami Bank Limited
Profit and Loss Account
For the year ended 31 December 2022

	Note	2022 Taka	2021 Taka
Operating Income			
Investment Income	23a	15,885,443,131	13,805,194,923
Less: Profit paid on Deposits	24a	8,335,129,184	7,381,645,027
Net Investment Income		**7,550,313,947**	**6,423,549,896**
Income from Investments in Shares & Securities	25a	1,732,562,841	1,192,319,713
Commission, Exchange and Brokerage	26a	3,486,719,333	2,239,187,234
Other Operating Income	27a	1,351,229,343	1,045,664,738
		6,570,511,517	**4,477,171,685**
Total Operating Income		**14,120,825,464**	**10,900,721,581**
Operating Expenses			
Salaries and Allowances	28a	3,541,190,780	2,981,217,178
Rent, Taxes, Insurances, Electricity etc.	29a	395,349,782	334,690,238
Legal Expenses	30a	1,362,822	1,011,136
Postage, Stamps, Telecommunication etc.	31a	53,233,194	40,178,463
Stationery, Printings, Advertisements etc.	32a	134,894,501	98,375,319
Chief Executive's Salary & Fees	33	22,399,944	22,929,970
Directors' Fees & Expenses	34	6,596,383	6,398,484
Sharia'h Supervisory Committee's Fees & Expenses	35	619,587	743,851
Auditor's Fees	36a	550,000	550,000
Depreciation & Repairs of Bank's Assets	37a	558,210,217	535,869,372
Zakat Expenses	38	205,584,162	179,870,407
Other Expenses	39a	866,192,092	695,193,509
Total Operating Expenses		**5,786,183,465**	**4,897,027,926**
Profit before Provision	22a	**8,334,641,999**	**6,003,693,656**
Specific Provision for Classified Investments		785,480,000	541,490,000
General Provision for Unclassified Investments		210,885,441	194,538,000
General Provision for Off-balance Sheet Items		-	421,000,000
Provision for diminution in value of Investments in Shares		-	-
Provision for Other Assets		112,000,000	10,000,000
Total Provision	40a	**1,108,365,441**	**1,167,028,000**
Total Profit before Taxes		**7,226,276,558**	**4,836,665,656**
Provision for Taxation			
Deferred Tax	41a	-	(22,097,080)
Current Tax	41c	3,701,218,481	2,273,525,795
		3,701,218,481	**2,251,428,716**
Net Profit after Taxes		**3,525,058,077**	**2,585,236,940**
Retained Earnings from previous year		1,584,818,008	1,187,959,349
Add: Net Profit after Taxes		3,525,058,077	2,585,236,940
Profit available for Appropriation		**5,109,876,085**	**3,773,196,289**
Appropriation:			
Statutory Reserve	18	1,445,255,312	967,333,131
Start-up Fund	15a.3	35,250,581	44,934,355
Dividend		1,543,645,421	1,176,110,795
Profit against Mudaraba Perpetual Bond		393,562,943	-
Retained Earnings	19a	1,692,161,829	1,584,818,008
		5,109,876,085	**3,773,196,289**
Earnings per Share (EPS) [previous year's figure restated]	42a	**3.26**	**2.39**

The annexed notes from 1 to 54 form an integral part of these financial statements.

Chairman **Director** **Director** **Managing Director & CEO**

This is the profit and loss account referred to in our separate report of even date.

Dhaka,
05 April 2023
DVC No: 2304050770AS553378

Sabbir Ahmed FCA, Partner
Enrolment No: 770
Hoda Vasi Chowdhury & Co
Chartered Accountants

Shahjalal Islami Bank Limited
Cash Flow Statement
For the year ended 31 December 2022

	Note	2022 Taka	2021 Taka
Cash flows from operating activities			
Investment income receipt in cash	43a	17,054,304,197	14,348,482,625
Profit paid on deposits and borrowings	44a	(7,778,867,646)	(8,081,893,596)
Dividend receipts		179,480,905	295,277,342
Fees & commission receipt in cash		3,316,994,466	2,227,860,302
Recoveries on investment previously written-off		66,934,374	31,809,277
Cash payments to employees		(3,563,590,724)	(3,004,147,148)
Cash payments to suppliers		(134,894,501)	(98,375,319)
Income tax paid		(2,188,624,194)	(1,799,500,546)
Receipts from other operating activities	45a	1,346,180,485	1,045,558,852
Payments for other operating activities	46a	(1,563,784,406)	(1,279,206,916)
(i) Operating profit before changes in operating assets and liabilities		**6,734,132,958**	**3,685,864,873**
Changes in operating assets and liabilities			
(Increase)/decrease in investment to customers		(20,643,393,593)	(21,012,174,597)
(Increase)/decrease in other assets	47a	(591,081,108)	29,494,436
(Increase)/decrease of placement with other banks & financial institutions		(2,762,364,425)	5,132,076,725
Increase/(decrease) in deposits from other banks		(7,046,926,871)	5,154,203,653
Increase/(decrease) of placement from other banks & financial institutions		9,600,192,382	12,705,490,356
Increase/(decrease) in deposits received from customers		17,183,735,808	(5,607,916,661)
Increase/(decrease) in other liabilities on account of customers		1,228,145,025	697,070,407
Increase/(decrease) in other liabilities	48a	179,156,379	(152,048,146)
(ii) Cash flows from operating assets and liabilities		**(2,852,536,403)**	**(3,053,803,828)**
Net cash flows from operating activities (A)=(i+ii)		**3,881,596,555**	**632,061,045**
Cash flows from investing activities			
Proceeds from sale of securities		4,331,449,932	1,486,453,576
Payments for purchases of securities		(1,550,351,980)	(10,144,296,320)
Proceeds from sale of fixed assets		11,682,989	2,418,502
Payments for purchases of fixed assets		(204,239,498)	(148,785,781)
Purchase/sale of subsidiaries		-	-
Net cash flows from/(used in) investing activities (B)		**2,588,541,444**	**(8,804,210,024)**
Cash flows from financing activities			
Receipts from issuance of debt instruments		-	5,000,000,000
Payments for redemption of debt instruments		(2,000,000,000)	(2,000,000,000)
Receipts from issue of ordinary shares		-	-
Profit against mudaraba perpetual bond		(46,061,145)	-
Dividend paid to ordinary shareholders		(1,029,096,951)	(686,064,635)
Net cash flows from/(used in) financing activities (C)		**(3,075,158,096)**	**2,313,935,366**
Net (decrease)/increase in cash and cash equivalents (A+B+C)		**3,394,979,903**	**(5,858,213,613)**
Add: Effect of exchange rate changes on cash and cash equivalents		169,724,866	11,326,932
Add: Cash and cash equivalents at the beginning of the year		17,054,274,937	22,901,161,618
Cash and cash equivalents at the end of the year	49a	**20,618,979,706**	**17,054,274,937**
Net Operating Cash Flows per Share (NOCFPS)	42(ii)	**3.59**	**0.58**
[previous year's figure restated]			

The annexed notes from 1 to 54 form an integral part of these financial statements.

Dhaka,
05 April 2023

Chairman **Director** **Director** **Managing Director & CEO**

Shahjalal Islami Bank Limited
Statement of Changes in Equity

For the year ended 31 December 2022 **(Amount in Taka)**

Particulars	Paid-up Capital	Statutory Reserve	Retained Earnings	Total Capital/ Shareholders' Equity
Balance as at 01 January 2022	10,290,969,510	7,927,205,795	1,584,818,008	19,802,993,313
Dividend for the year 2021:				
Stock Dividend (5%)	514,548,470	-	(514,548,470)	-
Cash Dividend Paid (10%)	-	-	(1,029,096,951)	(1,029,096,951)
Profit against Mudaraba Perpetual Bond	-	-	(393,562,943)	(393,562,943)
Net profit during the year	-	-	3,525,058,077	3,525,058,077
Statutory Reserve	-	1,445,255,312	(1,445,255,312)	-
Start-up Fund	-	-	(35,250,581)	(35,250,581)
Total Shareholders' Equity as at 31 December 2022	**10,805,517,980**	**9,372,461,107**	**1,692,161,829**	**21,870,140,916**

Total Equity for the purpose of Capital Adequacy

Equity as per above	**21,870,140,916**
Add: Mudaraba Perpetual Bond	5,000,000,000
Add: General Provision for Unclassified Investments & Off-Balance Sheet Items	4,017,940,096
Add: Mudaraba Subordinated Bond	3,200,000,000
Less: Adjustment for Intangible Assets	23,598,634
Total Eligible Regulatory Capital as at 31 December 2022	**34,064,482,378**

For the year ended 31 December 2021 **(Amount in Taka)**

Particulars	Paid-up Capital	Statutory Reserve	Retained Earnings	Total Capital/ Shareholders' Equity
Balance as at 01 January 2021	9,800,923,350	6,959,872,664	1,187,959,349	17,948,755,363
Dividend for the year 2020:				
Stock Dividend (5%)	490,046,160	-	(490,046,160)	-
Cash Dividend Paid (7%)	-	-	(686,064,635)	(686,064,635)
Net profit during the year	-	-	2,585,236,940	2,585,236,940
Statutory Reserve	-	967,333,131	(967,333,131)	-
Start-up Fund	-	-	(44,934,355)	(44,934,355)
Total Shareholders' Equity as at 31 December 2021	**10,290,969,510**	**7,927,205,795**	**1,584,818,008**	**19,802,993,313**

Total Equity for the purpose of Capital Adequacy

Equity as per above	**19,802,993,313**
Add: Mudaraba Perpetual Bond	5,000,000,000
Add: General Provision for Unclassified Investments & Off-Balance Sheet Items	3,775,038,000
Add: Mudaraba Subordinated Bond	5,200,000,000
Total Eligible Regulatory Capital as at 31 December 2021	**33,778,031,313**

The annexed notes from 1 to 54 form an integral part of these financial statements.

Dhaka,
05 April 2023

Chairman **Director** **Director** **Managing Director & CEO**

Shahjalal Islami Bank Limited
Liquidity Statement (Assets & Liabilities Maturity Analysis)
As at 31 December 2022

(Amount in Taka)

Particulars	Up to 01 Month	01-03 Months	03-12 Months	01-05 Years	More than 05 years	Total
Assets						
Cash in Hand	2,399,102,842	-	-	-	-	2,399,102,842
Balance with Other Banks and Financial Institutions	6,744,011,676	1,734,533,188	-	-	9,741,332,000	18,219,876,864
Placement with Other Banks & Financial Institutions	11,015,940,000	9,950,000,000	-	311,017,716	-	21,276,957,716
Investments in Shares & Securities	500,000,000	500,000,000	5,366,594,135	27,119,910,000	-	33,486,504,135
Investments	54,562,894,846	49,818,295,294	54,562,894,846	26,095,297,535	52,190,595,070	237,229,977,592
Fixed Assets including Premises, Furniture and Fixtures	1,212,712,369	1,107,259,119	1,212,712,369	579,992,872	1,159,985,744	5,272,662,474
Other Assets	228,048,528	1,600,485,694	2,206,015,063	15,295,325,892	2,515,000,000	21,844,875,177
Non-Banking Assets	-	-	88,909,355	-	-	88,909,355
Total Assets (i)	**76,662,710,261**	**64,710,573,296**	**63,437,125,768**	**69,401,544,016**	**65,606,912,815**	**339,818,866,156**
Liabilities						
Placement from Other Banks & Financial Institutions	9,482,134,326	15,555,467,652	13,290,946,064	3,708,097,163	-	42,036,645,204
Deposits and Other Accounts	56,603,651,017	42,041,233,043	44,500,003,655	37,888,951,616	46,948,219,283	227,982,058,614
Mudaraba Subordinated Bond	-	-	2,000,000,000	3,200,000,000	5,000,000,000	10,200,000,000
Other Liabilities	7,123,645,216	2,999,429,565	1,874,643,478	21,745,864,343	3,749,286,956	37,492,869,557
Deferred Tax Liabilities	-	-	-	-	237,151,866	237,151,866
Total Liabilities (ii)	**73,209,430,558**	**60,596,130,259**	**61,665,593,196**	**66,542,913,122**	**55,934,658,104**	**317,948,725,240**
Net Liquidity Gap (i-ii)	**3,453,279,702**	**4,114,443,037**	**1,771,532,572**	**2,858,630,894**	**9,672,254,711**	**21,870,140,916**

The annexed notes from 1 to 54 form an integral part of these financial statements.

Dhaka,
05 April 2023

Chairman **Director** **Director** **Managing Director & CEO**

HOQUE VASI CHOWDHURY & CO. DHAKA

Shahjalal Islami Bank Limited and its Subsidiary
Notes to the Consolidated and Separate Financial Statements
As at and for the year ended 31 December 2022

1. Status of the Bank

1.1. Legal Form of the Bank

Shahjalal Islami Bank Limited (hereinafter called the 'Bank' or 'SJIBL') was established as a public limited company (Banking Company) on 01 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. Currently, the Bank is operating its business through head office having 140 (one hundred forty) branches, 129 (one hundred twenty nine) ATM booths, 111 (one hundred eleven) agent banking outlets and 2,835 employees all over Bangladesh. The Bank also has a subsidiary Company named 'Shahjalal Islami Bank Securities Limited' and an Offshore 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 Shahjalal Islami Bank Tower, Plot-04, Block-CWN(C), Gulshan Avenue, Gulshan, Dhaka-1212.

1.2. Nature of Business

The Bank offers all kinds of Islamic Shari'ah based commercial Banking services to its customers through its branches following the provisions of the Banking Companies Act, 1991 (as amended up to date), Bangladesh Bank's Directives and directives of other regulatory authorities and the principles of the Islamic Shari'ah.

1.3. Offshore Banking Unit

Offshore Banking Unit (OBU) is a separate business unit of Shahjalal Islami Bank Limited, governed under the rules and guidelines of Bangladesh Bank. The Bank commenced the operation of its Offshore Banking Unit on 21 December 2008 with the permission from Bangladesh Bank vide letter no. BRPD(P-3)744(99)/2008-2800 dated 24 July 2008. The unit is located at Shahjalal Islami Bank Tower, Plot-04, Block-CWN(C), Gulshan Avenue, Gulshan, Dhaka-1212. Separate Financial Statements of Offshore Banking Unit are also presented.

1.4. Agent Banking

Shahjalal Islami Bank Limited obtained permission from Bangladesh Bank on 16 October 2019 vide reference no. BRPD(P-3)745(54)/2019-8354 to commence Agent Banking services and subsequently started commercial operations on 02 January 2020. Till 31 December 2022 there were 111 Agent Banking Outlets in 42 districts and 92 upazillas across the country. Services that are currently being dispensed include account opening i.e., Al-Wadeeah Current A/C, Mudaraba Savings A/C, Mudaraba Scheme Deposit A/C, Mudaraba Term Deposit A/C, cash deposit and withdrawal from agent banking outlets and SJIBL branches, fund transfer (P2P), inward/outward cheque payment, remittance disbursement, balance inquiry, SMS banking, EFTN & RTGS etc.

1.5. 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 Certificate of Incorporation No. C-86917/10 dated 06 September 2010 and commenced its operation on 25 May 2011. The main objective of the company is to carry on 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. It has corporate membership of Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited. Shahjalal Islami Bank Limited holds 91.79% shares of Shahjalal Islami Bank Securities Limited.

2. Significant Accounting Policies

The accounting policies set out below have been applied consistently to all the periods presented in these financial statements and have been applied consistently by the Bank:

2.1. Basis of Preparation of the Financial Statements

The Bank and its subsidiary (the "Group") are being operated in strict compliance with the rules of Islamic Shari'ah. The consolidated financial statements of the Group and separate financial statements of the Bank have been prepared under the historical cost convention in accordance with International Financial Reporting Standards (IFRSs).

As Financial Reporting Standards are yet to be issued by FRC, as per the provisions of FRA (Section-69), consolidated and separate financial statements of the Group and the Bank, respectively, have been prepared in accordance with the International Financial Reporting Standards (IFRSs) and International Accounting Standards (IASs) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) and, in addition to this, the Bank also complied with the requirements of the following laws and regulations from various Government bodies:

i) The Banking Companies Act, 1991 (as amended up to date);
ii) The Companies Act, 1994;
iii) Circulars, Rules and Regulations issued by Bangladesh Bank (BB) time to time;
iv) Bangladesh Securities and Exchange Ordinance, 1969; Bangladesh Securities and Exchange Rules, 1987; Bangladesh Securities and Exchange Act, 1993 and Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015 and amendments thereon;
v) The Income Tax Ordinance, 1984, and amendments thereon;
vi) The Value Added Tax and Supplementary Duty Act, 2012, The Value Added Tax Rules, 2016 and amendments thereon;
vii) Dhaka Stock Exchange Limited (DSE), Chittagong Stock Exchange Limited (CSE) and Central Depository Bangladesh Limited (CDBL) rules and regulations;
viii) Financial Reporting Act, 2015; and
ix) Other applicable laws and regulations.

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

As such the Group and the Bank have departed from those which are the requirements of IFRSs and IASs in order to comply with the rules and regulations of Bangladesh Bank are disclosed below:

i) Presentation of Financial Statements

IFRS/IAS: As per IAS 1: *Presentation of Financial Statements*, a complete set of financial statements comprises a statement of financial position, a statement of profit or loss and other comprehensive income, a statement of changes in equity, a statement of cash flows, notes comprising a summary of significant accounting policies and other explanatory information and comparative information. IAS 1 has also stated the entity to disclose assets and liabilities under current and non-current classification separately in its statement of financial position.

Bangladesh Bank: A format of financial statements (i.e., balance sheet, profit and loss account, cash flow statement, statement of changes in equity, liquidity statement) is prescribed in the "First Schedule" of Section 38 of the Banking Companies Act, 1991 (as amended up to date) and BRPD circular no. 15 dated 09 November 2009 of Bangladesh Bank. Assets and liabilities are not classified under current and non-current heading in the prescribed format of financial statements.

ii) Name of the Financial Statements

IFRS/IAS: As per IAS 1, complete set of financial statements consists statement of financial position, statement of profit or loss and other comprehensive income, statement of changes in

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equity, statement of cash flows and notes comprising a summary of significant accounting policies and other explanatory information.

Bangladesh Bank: The forms of financial statements and directives for preparation thereof of the Islamic banking companies in Bangladesh are guided by BRPD circular no. 15 dated 09 November 2009 Bangladesh Bank. BRPD circular no. 15 states the statement of financial position as balance sheet and statement of profit or loss and other comprehensive income as profit and loss account.

iii) Investments in Shares and Securities

IFRS/IAS: As per requirements of IFRS 9: *Financial Instruments*, classification and measurement of investments in shares and securities will depend on how these are managed (the entity's business model) and their contractual cash flow characteristics. Based on these factors it would generally fall either under "at fair value through profit or loss account" or under "at fair value through other comprehensive income" where any change in the fair value (as measured in accordance with IFRS 13) at the year-end is taken to profit and loss account or other comprehensive income respectively.

Bangladesh Bank: As per BRPD circular no. 15 dated 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 investments; otherwise, investments are recognised at cost.

iv) Revaluation Gains/Losses on Government Securities

IFRS/IAS: As per requirement of IFRS 9, where securities will fall under the category of fair value through profit or loss account and any change in fair value of the asset is recognised through profit or loss account. Held for Trading (HFT), any change in the fair value of held for trading assets is recognised through profit and loss account. Securities designated as amortised cost are measured at effective interest rate method and interest income is recognised through the profit and loss account.

Bangladesh Bank: HFT securities are revalued on the basis of mark to market and at year end any gains on revaluation of securities which have not matured as at the balance sheet date are recognised in other reserves as a part of equity and any losses on revaluation of securities which have not matured as at the balance sheet date are charged in the profit and loss account. HTM securities which have not matured as at the balance sheet date are amortised at the year end and gains or losses on amortisation are recognised in other reserve as a part of equity.

v) Provision on Investments and Off-balance Sheet Items

IFRS/IAS: As per IFRS 9, an entity shall recognise an impairment allowance on investments (loans) based on expected credit losses. At each reporting date, an entity shall measure the impairment allowance for investments (loans) at an amount equal to the lifetime expected credit losses if the credit risk on these investments has increased significantly since initial recognition whether assessed on an individual or collective basis considering all reasonable information, including that which is forward-looking. For those investments (loans) for which the credit risk has not increased significantly since initial recognition, at each reporting date, an entity shall measure the impairment allowance at an amount equal to 12 months' expected credit losses that may result from default events on investments that are possible within 12 months after reporting date.

Bangladesh Bank: As per BRPD circular no. 14 (23 September 2012), BRPD circular no. 19 (27 December 2012), BRPD circular no. 05 (29 May 2013), BRPD circular no. 16 (18 November 2014), BRPD circular no. 15 (27 September 2017), BRPD circular no. 01 (20 February 2018), BRPD circular no. 03 (21 April 2019), BRPD circular no. 07 (19 March 2020), BRPD circular no. 16 (21 July 2020), BRPD circular no. 17 dated 28 September 2020, BRPD circular letter no. 52 dated 20 October 2020, BRPD circular letter no. 56 dated 10 December 2020, BRPD circular letter no. 3 dated 31 January 2021, BRPD circular letter no. 5 dated 24 March 2021, BRPD circular no. 13

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dated 27 June 2021, BRPD circular no. 19 dated 26 August 2021, BRPD circular letter no. 45 dated 04 October 2021, BRPD circular letter no. 50 dated 14 December 2021, BRPD circular letter no. 51 & 52 dated 29 December 2021, BRPD circular letter no. 53 dated 30 December 2021, BRPD circular no. 14 dated 22 June 2022, BRPD circular no. 51 dated 18 December 2022 and BRPD circular no. 53 dated 22 December 2022, a general provision at 0.25% to 2% under different categories of unclassified loans (good/standard loans) has to be maintained regardless of objective evidence of impairment. Also, provision for sub-standard loans, doubtful loans and bad losses has to be provided at 20%, 50% and 100% respectively except (a) short-term agricultural and micro-credits where 5% for sub-standard and doubtful loans and 100% for bad & loss loans; and (b) cottage micro and small credits where 5% for sub-standard, 20% for doubtful and 100% for bad & loss loans depending on the duration of overdue. Again, as per BRPD circular no. 14 dated 23 September 2012 and BRPD circular no. 13 dated 18 October 2018, a general provision at 0.50% to 1% is required to be provided for all off-balance sheet exposures except LC issued against Fast Track Electricity Project & Bills for Collection according to BRPD circular letter no. 01 dated 03 January 2018 & BRPD circular no. 07 dated 21 June 2018 respectively. Such provision policies are not specifically in line with those prescribed by IFRS 9.

vi) Recognition of Investment Income in Suspense

IFRS/IAS: Investments (loans) to customers are generally classified at amortised cost as per IFRS 9 and interest income is recognised by using the effective interest rate method to the gross carrying amount over the term of the loan. Once a loan subsequently becomes credit-impaired, the entity shall apply the effective interest rate to the amortised cost of the investment (loan).

Bangladesh Bank: As per BRPD circular no. 14 dated 23 September 2012, once an investment (loan) is classified, investment income on such investment is not allowed to be recognised as income, rather the corresponding amount needs to be credited to an investment income in suspense account, which is presented as liability in the balance sheet.

vii) Other Comprehensive Income

IFRS/IAS: As per IAS 1, Other Comprehensive Income (OCI) is a component of financial statements or the elements of OCI are to be included in a single other comprehensive income statement.

Bangladesh Bank: Bangladesh Bank issued templates for financial statements which will strictly be followed by all Banks. The templates of financial statements issued by Bangladesh Bank do not include Other Comprehensive Income nor are the elements of Other Comprehensive Income allowed to be included in a single Other Comprehensive Income (OCI) Statement. As such the Bank does not prepare the other comprehensive income statement. However, elements of OCI, if any, are shown in the statements of changes in equity.

viii) Financial Instruments - Presentation and Disclosure

In several cases, Bangladesh Bank guidelines categorise, recognise, measure and present financial instruments differently from those prescribed in IFRS 9. As such full disclosure and presentation requirements of IFRS 7 cannot be made in the financial statements.

ix) Financial Guarantees

IFRS/IAS: As per IFRS 9, financial guarantees are contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument. Financial guarantee liabilities are recognised initially at their fair value plus transaction costs that are directly attributable to the issue of the financial liabilities. The financial guarantee liability is subsequently measured at the higher of the amount of loss allowance for expected credit losses as per impairment requirement and the amount initially recognised less, income recognised in accordance with the principles of IFRS 15. Financial guarantees are included within other liabilities.

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Bangladesh Bank: As per BRPD circular no. 15 dated 09 November 2009, financial guarantees such as letter of credit, letter of guarantee will be treated as off-balance sheet item. No liability is recognised for the guarantee except the cash margin.

x) Cash and Cash Equivalents

IFRS/IAS: Cash and cash equivalent items should be reported as cash items as per IAS 7: *Statement of Cash Flows.*

Bangladesh Bank: Some cash and cash equivalent items such as 'money at call on short notice', treasury bills, Bangladesh Bank bills and prize bond are not shown as cash and cash equivalents. Money at call on short notice is presented on the balance sheet, and treasury bills, prize bonds are shown in investments.

xi) Non-Banking Assets

IFRS/IAS: No indication of non-banking assets is found in any IFRSs.

Bangladesh Bank: As per BRPD circular no. 15 dated 09 November 2009, there must exist a face item named Non-Banking Asset.

xii) Cash Flow Statement

IFRS/IAS: The cash flow statement can be prepared using either the direct method or the indirect method. The presentation is selected to present these cash flows in a manner that is most appropriate for the business or industry. The method selected is applied consistently.

Bangladesh Bank: As per BRPD circular no. 14 dated 25 June 2003 and BRPD circular no. 15 dated 09 November 2009, cash flow is the mixture of direct and indirect methods.

xiii) Balance with Bangladesh Bank (Cash Reserve Requirement)

IFRS/IAS: Balance with Bangladesh Bank should be treated as other asset as it is not available for use in day to day operations as per IAS 7.

Bangladesh Bank: Balance with Bangladesh Bank is treated as cash and cash equivalents.

xiv) Presentation of Intangible Asset

IFRS/IAS: An intangible asset must be identified and recognised, and the disclosure must be given as per IAS 38: *Intangible Assets.*

Bangladesh Bank: There is no regulation for intangible assets in BRPD circular no. 15 dated 09 November 2009.

xv) Off-balance Sheet Items

IFRS/IAS: There is no concept of off-balance sheet items in any IFRS; hence, there is no requirement for disclosure of off-balance sheet items on the face of the balance sheet.

Bangladesh Bank: As per BRPD circular no. 15 dated 09 November 2009, off-balance sheet items (e.g., letter of credit, letter of guarantee, etc.) must be disclosed separately on the face of the balance sheet.

xvi) Disclosure of Appropriation of Profit

IFRS/IAS: There is no requirement to show appropriation of profit in the face of statement of comprehensive income.

Bangladesh Bank: As per BRPD circular no. 15 dated 09 November 2009, an appropriation of profit should be disclosed in the face of profit and loss account.

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xvii) Investments Net off Provision

IFRS/IAS: Investments/loans and advances should be presented net off provision.

Bangladesh Bank: As per BRPD circular no. 15 dated 09 November 2009, provisions on investments/loans and advances are presented separately as liability and cannot be net off against investments/loans and advances.

xviii) Recovery of Written off Investments/Loans

IFRS/IAS: As per IAS 1, an entity shall not offset assets and liabilities or income and expenses, unless required or permitted by any IFRSs. Again, recovery of written off investments/loans should be charged to profit and loss account as per IFRS 15: *Revenue from Contracts with Customers.*

Bangladesh Bank: As per BRPD circular no. 15 dated 09 November 2009, recoveries of amount previously written off should be adjusted with the specific provision for investments/loans and advances.

xix) Revenue

As per IFRS 15, revenue should be recognised on accrual basis, but due to the unique nature of Islamic Banks, income from investment under Murabaha, Bi-Muazzal, HPSM, Ijarah, Bi-Salam, Quard, IDBP and FDBP modes is accounted for on realization basis as per AAOIFI and Bangladesh Bank guidelines.

Departure from BSEC Directive to comply with the rules and regulations of Bangladesh Bank:

As per BSEC Directive No. BSEC/CMRRCD/2021-386/03 dated 14 January 2021, unclaimed dividend is required to be presented as a separate line item in the statement of financial position but the financial statements of the Bank are prepared as per the "First Schedule" and Section 38 of the Banking Companies Act, 1991 (as amended up to date) and BRPD Circular No. 15 dated 09 November 2009. Therefore, the unclaimed dividend has been presented in the separate note no. 13a.5 under the head of Unclaimed Dividend Account of the financial statements.

2.2. Basis of Consolidation

The consolidated Financial Statements include the Financial Statements of Shahjalal Islami Bank Limited including Offshore Banking Unit and the Financial Statements of its subsidiary named Shahjalal Islami Bank Securities Limited made up to the end of the financial year.

The consolidated Financial Statements have been prepared in accordance with IFRS 10: *Consolidated Financial Statements.* The consolidated Financial Statements are prepared to a common financial year ending 31 December 2022.

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 to obtain benefits from its activities 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 the control effectively ceases.

2.4. Transactions Eliminated on Consolidation

All intra-group transactions, balances, income and expenses are eliminated on consolidation. Profit and Loss resulting from transaction between groups are also eliminated on consolidation.

2.5. Going Concern

The Financial Statements have been prepared on a going concern principle which is the assumption that an entity will remain in business for the foreseeable future. Conversely, the Bank has neither any intention nor any legal or regulatory compulsion to halt operations and liquidate its assets in the near

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term at what may be very low fire-sale prices. Key financial parameters (including liquidity, profitability, asset quality, provision sufficiency, capital adequacy and credit rating) of the Bank continued to demonstrate a healthy trend for a couple of years. The management is not aware of any material uncertainties that may cause to believe that significant doubt upon the Bank's ability to continue as a going concern.

2.6. Significant Accounting Estimates, Judgments and Assumptions

The preparation of Financial Statements requires the Bank to make certain estimates and to form judgments about the application of accounting policies which may affect the reported amounts of assets, liabilities, income and expenses; due to that actual results may differ to reasonable extent.

Estimates and underlying assumptions are reviewed on an ongoing basis and recognised its effects on present and future financial positions. The most significant areas where estimates and judgments have been made are on:

- provision for investments;
- provision for income taxes (current & deferred);
- gratuity fund;
- lease liabilities;
- liquidity statement;
- estimation of useful life of fixed assets and its depreciation; and
- going concern assumption.

2.7. Assets and Basis of their Valuation

2.7.1 Cash and Cash Equivalents

Cash and cash equivalents include cash in hand and balance with Bangladesh Bank and its agent bank and balances with other banks and financial institutions.

2.7.2 Investments in Shares and Securities

Islamic Investment Bond

Investment in Bangladesh Government Islamic Investment Bond (BGIIB) is reported at cost price.

Bangladesh Government Investment Sukuk

Investment in Bangladesh Government Investment Sukuk is reported at cost price.

Mudaraba Perpetual Bond

Investment in Mudaraba Perpetual Bond is reported at cost price. Provision for diminution in value of investment in Mudaraba Perpetual Bond was made as per Bangladesh Bank DOS circular no. 04 dated 24 November 2011.

Mudaraba Subordinated Bond

Investment in Mudaraba Subordinated Bond is reported at cost price.

Investment in Quoted Securities

These shares and securities are brought and held primarily for the purpose of selling them in future or held for dividend income. These are reported at cost. As per Bangladesh Bank DOS circular no. 04 dated 24 November 2011, provision for diminution in value of investments was made by netting off unrealised gain/loss of shares from market price less cost price.

Investment in Unquoted Securities

Investment in unlisted securities is reported at cost under cost method. Adjustment is given for any shortage of book value over cost for determining the carrying amount of investment in unlisted securities.

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Derivative Investments

Derivative is a financial security whose value is derived from the value and characteristics of an underlying security. Option contract, future and swaps are types of derivative.

The Bank has no investments in any derivative investments.

Investment in Subsidiary

Investment in subsidiary is accounted for under the cost method of accounting in the Bank's financial statements in accordance with the IAS 27: *Separate Financial Statements*, IFRS 3: *Business Combinations*, IAS 36: *Impairment of Assets* and IFRS 10: *Consolidated Financial Statements*.

2.7.2.1 Held to Maturity

Held to Maturity Securities are the securities that a firm has intention to hold until maturity. These are reported at amortised cost therefore; they are not affected by swings in the financial markets.

2.7.2.2 Held for Trading

Held for trading securities are those which are held with the intention of selling in order to generate profits. Held for trading securities are revalued at market price.

2.7.2.3 Investment - Initial Recognition and Subsequent Measurement

Investment Class	Initial Recognition	Measurement after Initial Recognition	Recording of Changes
Govt. Treasury Securities - BGIIB	Cost	Cost	None
Debenture/Bond	Cost	Cost	None
Shares (Quoted)	Cost	Lower of cost or market value (overall portfolio)	Loss (net off gain) to profit and loss account but no unrealised gain booking
Shares (Un-quoted)	Cost	Lower of cost or Net Asset Value (NAV) of last audited financial statements	Loss to profit and loss account but no unrealised gain booking
Mutual Fund (Open-end)	Cost	If average cost price (CP) > NAVCMP * 0.95, then required provision per unit will be (RP) = CP - NAVCMP * 0.95	Loss (net) to profit and loss account but no unrealised gain booking
Mutual Fund (Closed-end)	Cost	If CP > Market Value (MV) or CP > NAVCMP * 0.85, then required provision (RP) per unit will be: (i) in case of MV ≥ NAVCMP *0.85, then RP = CP - MV or (ii) in case of MV < NAVCMP * 0.85, then RP = CP - NAVCMP * 0.85	Loss (net) to profit and loss account but no unrealised gain booking

2.7.3 General Investments

Investments are recognised at gross amount on the date on which they are originated. After initial recognition, investments are stated in the Balance Sheet net off profit receivables and unearned income. However, provisions for investments are not net off with investments.

Investments are written off as per guidelines of Bangladesh Bank. These write off however will not undermine/affect the claim amount against the client. Detailed memorandum records for all such write off accounts are meticulously maintained and followed up.

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Provisions

Investments are stated in the Balance Sheet net off unearned income. Provision on Investments (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, BRPD circular no. 5 dated 29 May 2013, BRPD circular no. 15 dated 27 September 2017, BRPD circular no. 01 dated 20 February 2018, BRPD circular no. 03 dated 21 April 2019, BRPD circular no. 07 dated 19 March 2020, BRPD circular no. 16 dated 21 July 2020, BRPD circular no. 17 dated 28 September 2020,BRPD circular letter no. 52 dated 20 October 2020, BRPD circular letter no. 56 dated 10 December 2020, BRPD circular letter no. 3 dated 31 January 2021, BRPD circular letter no. 5 dated 24 March 2021, BRPD circular no. 13 dated 27 June 2021, BRPD circular no. 19 dated 26 August 2021, BRPD circular letter no. 45 dated 04 October 2021, BRPD circular letter no. 50 dated 14 December 2021, BRPD circular letter no. 51 & 52 dated 29 December 2021, BRPD circular letter no. 53 dated 30 December 2021, BRPD circular no. 14 dated 22 June 2022, BRPD circular no. 51 dated 18 December 2022 and BRPD circular no. 53 dated 22 December 2022.

The rates of provision are given below:

Particulars		Percentage (%) of Provision Requirement				
		Un-classified		Classified		
		Standard	SMA	SS	DF	BL
Cottage, Micro & Small Investments Under CMSME		0.25%	0.25%	5%	20%	100%
Medium Enterprise Financing under SMEF		0.25%	0.25%	20%	50%	100%
Consumer	Investment to Professional	2%	2%	20%	50%	100%
	Investment for House Building	1%	1%	20%	50%	100%
	Other than House Building & Professional	2%	2%	20%	50%	100%
Short-term Agricultural and Micro-Credits		1%	1%	5%	5%	100%
Investment to Stock Dealers & Stock Broker		2%	2%	20%	50%	100%
Credit Card		2%	2%	20%	50%	100%
All Other Investments		1%	1%	20%	50%	100%
Staff Investment		0%	0%	20%	50%	100%
Off-balance Sheet Exposures		1%	N/A	N/A	N/A	N/A
Special General Provision for COVID-19 (CMSME)		1%	BRPD circular letter no. 53; Date: 22 December 2022			
Special General Provision for COVID-19		2%	BRPD circular letter no. 53; Date: 22 December 2022			

2.7.4 Impairment of Financial Assets

An asset is impaired when its carrying value exceeds its recoverable amount as per IAS 36: *Impairment of Assets*. At each balance sheet date, Shahjalal Islami Bank Limited assesses whether there is objective evidence that a financial asset or a group of financial assets, i.e., general investments, off-balance sheet items and investments in shares and securities are impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred if-

- there is objective evidence of impairment as a result of a loss event that occurred after the initial recognition of the asset up to the balance sheet date;
- the loss event had an impact on the estimated future cash flows of the financial asset or the group of financial assets; and
- a reliable estimate of the loss amount can be made.

In the event of impairment loss, the Bank reviews whether a further allowance for impairment should be provided in the profit and loss statement in addition to the provision made based on Bangladesh Bank guidelines or other regulatory requirements.

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2.7.5 Fixed Assets including Premises, Furniture and Fixtures

Recognition and Measurement

All fixed assets including premises, furniture and fixtures are stated at cost less accumulated depreciation as per IAS 16: *Property, Plant and Equipment.* Land is measured at cost.

The cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire an asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the specific requirements of the IAS.

The cost of an item of fixed assets including premises, furniture and fixtures is recognised as an asset if-

- it is probable that future economic benefits associated with the item will flow to the entity; and the cost of the item can be measured reliably.

The cost of an item of fixed assets including premises, furniture and fixtures comprises:

(a) Its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates;

(b) Any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management;

(c) The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purpose other than to produce inventories during that period.

Subsequent Costs

The cost of replacing part of an item of fixed assets is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day to day servicing of fixed assets are recognised in profit or loss as incurred.

Depreciation

No depreciation is charged on land. Depreciation is charged on straight-line method. Charging depreciation against fixed assets commences from the date of acquisition and ceases at the date when the assets are disposed. Asset category-wise depreciation rates are as follows:

Name of the Assets	Rates of Dep. (%)	Method of Dep.
Building	2.50	Straight line
Furniture & Fixtures other than residence	10	Straight line
Furniture & Fixtures - residence	20	Straight line
Office Equipment	20	Straight line
Computer & Network Equipment	20	Straight line
Vehicles	20	Straight line
Books	20	Straight line

Gain or loss on sale of fixed assets is recognised in profit and loss statement as per provision of IAS 16.

Construction Work in Progress/Building under Construction

Building under construction is recognised and reported under Fixed Assets as per IAS 16 as Construction work in progress until the construction work is completed and the asset is ready for intended use. This asset is stated at cost and depreciation of the asset will be charged from the date of its intended use.

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Intangible Assets

a. Goodwill

Goodwill that arises upon the acquisition of subsidiaries is included in intangible assets. Acquisitions of minority interest (non-controlling interest) are accounted as transactions with equity holders in their capacity as equity holders and therefore no goodwill is recognised as a result of such transactions. Subsequently goodwill is measured at cost less accumulated impairment losses.

b. Software

Software acquired by the Bank is stated at cost less accumulated amortisation and accumulated impairment losses.

c. License

Value of license is recognised at cost and since it has an indefinite useful life it is not amortised. The value of the license is not measured at fair value.

2.7.6 IFRS 16: Leases

Shahjalal Islami Bank Limited applied IFRS 16: *Leases* where the Bank measure the lease liability at the present value of the remaining lease payments and recognised a right-of-use asset at the date of the initial application on a lease by lease basis.

According to IFRS 16, a contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Control is conveyed where the customer has both the right to direct the identified asset's use and to obtain substantially all the economic benefits from that use.

An asset is typically identified by being explicitly specified in a contract, but an asset can also be identified by being implicitly specified at the time it is made available for use by the customer.

Upon lease commencement, the Bank recognizes a right-of-use asset and a lease liability. The right-of-use asset is initially measured at the amount of the lease liability plus any initial direct costs incurred by the Bank. Adjustments may also be required for lease incentives, payments at or prior to commencement and restoration obligations or similar. After lease commencement, the Bank measures the right-of-use asset using a cost model. Under the cost model, a right-of-use asset is measured at cost less accumulated depreciation and accumulated impairment.

The lease liability is initially measured at present value of the future lease payments discounted using the discount rate implicit in the lease. Subsequently, the lease liability is adjusted for interest and lease payments as well as the impact of lease modifications, amongst others.

The Bank has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit and loss account on a straight-line basis over the lease term.

On the balance sheet, right-of-use assets have been included in fixed assets including premises, furniture and fixtures and lease liabilities have been included in other liabilities.

2.7.7 Fair Value of Assets and Liabilities

IFRS 13 refers fair value measurement assumes that the asset or liability is exchanged in an orderly transaction between market participants to sell the asset or transfer the liability at the measurement date under current market conditions.

2.7.8 Impairment of Fixed Assets

At each balance sheet date, the Bank assesses whether there is any indication that the carrying amount of an asset exceeds its recoverable amount. An asset is carried at more than its recoverable amount if its

carrying amount exceeds the amount to be recovered through use or sale of the asset. If this is the case, the asset is described as impaired and an impairment loss is recognised as an expense in the profit and loss account unless the asset is carried at revalued amount in accordance with IAS 16 in which case any impairment loss of a revalued asset should be treated as a revaluation decrease under that accounting standard. No impairment loss was recognised up to the reporting period as there were no such indications existed as at balance sheet date.

2.7.9 Investment Properties

a) Investment property is held to earn rentals or for capital appreciation or both and the future economic benefits that are associated with the investment property but not held for sale in the ordinary course of business.

b) Investment property is accounted for under cost model in the financial statements. Accordingly, after recognition as an asset, the property is carried at its cost less accumulated depreciation and accumulated impairment loss.

2.7.10 Other Assets

Other assets include all other financial assets and include fees and other unrealised income receivable, advance for operating and capital expenditure and stocks of stationery and stamps.

2.7.11 Inventories

Inventory is the accounting of items, component parts and raw materials that a company either uses in production or sells. Inventories are measured at the lower of cost and net realisable value.

2.7.12 Trade & Other Receivables

Trade receivables are amounts accrued by an organization when it delivers goods or renders services to its customers in the ordinary course of business.

2.8. Liabilities and Provisions

2.8.1 Placement from other Banks and Financial Institutions

Placement from other Banks and Financial Institutions include profit bearing placements and Bangladesh Bank refinance. These items are brought to the financial statements at the gross value of the outstanding balance.

2.8.2 Deposits and Other Accounts

Deposits and other accounts include non-profit bearing Al-Wadeeah current deposits redeemable at call, bills payable, profit bearing on demand and special notice deposits, Mudaraba savings deposits, Mudaraba term deposits and Mudaraba scheme deposits. These items are brought to the financial statements at the gross value of the outstanding balance.

2.8.3 Mudaraba Perpetual Bond

With due approval from competent authority, Shahjalal Islami Bank Limited raised Additional Tier-1 Capital through issuance of "SJIBL Mudaraba Perpetual Bond" for BDT 500 crore of which BDT 450 crore raised through private placement and BDT 50 crore raised through public offer in order to strengthen the capital base of the Bank. The average of latest available yearly deposit rate (1 year but < 2 year) of scheduled Islamic banks published in Bangladesh Bank website plus a predetermined additional margin @ 2.50%. The range of return/profit is fixed from 6% to 10% and the payment of profit is made annually after the end of calendar year.

2.8.4 Mudaraba Subordinated Bond

The Bank issued floating rate non-convertible Mudaraba Subordinated Bond of BDT 400 crore and BDT 600 crore after obtaining approval from Bangladesh Securities and Exchange Commission (BSEC) and

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Bangladesh Bank. Mudaraba Subordinated Bonds were mainly issued to support and strengthen the capital base of the Bank under Tier-II, supplementary capital of Basel-III.

2.8.5 Trade Payables

Trade payables are any expenses incurred from vendors, suppliers or other third parties for goods or services provided in bringing the products to the customer.

2.8.6 Other Liabilities

Other liabilities comprise items such as provision for general investments, provision for investments in shares and securities, provision for taxation, profit payable, profit suspense, accrued expenses, obligation under finance lease, etc. Other liabilities are recognised in the balance sheet according to the guidelines of Bangladesh Bank, income tax laws and internal policy of the Bank.

As per IAS 37: *Provisions, Contingent Liabilities and Contingent Assets*, the Bank recognises provisions only when it has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

2.8.7 Taxation

Current Tax

Provision for current income tax has been made at 37.50% as prescribed in the Finance Act, 2022 on the accounting profit made by the Bank after considering some of the add backs to income and disallowances of expenditure and provisions as per Income Tax Ordinance, 1984 in compliance with IAS 12: *Income Taxes.*

Deferred Tax

Principle of Recognition

Deferred tax is recognised as income or an expense amount within the tax charge, and included in the net profit and loss account for the period. Deferred tax relating to items dealt with directly in equity is recognised directly in equity.

Recognition of Taxable Temporary Difference

A deferred tax liability is recognised for all taxable differences, except to the extent that the deferred tax liability arises from the initial recognition of goodwill; or the initial recognition of an asset or liability in a transaction which is not a business combination; and at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

Recognition of Deductible Temporary Difference

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised, unless the deferred tax asset arises from the initial recognition of an asset or liability in a transaction that is not a business combination; and at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

Measurement

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

2.9. 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 share 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 winding-up of the Bank, ordinary shareholders rank after all other shareholders and creditors and are fully entitled to receive any residual proceeds of liquidation.

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 (amended up to 2018) until such reserve equals to its paid-up capital together with the share premium. Statutory reserve is transferred in yearly basis.

Non-controlling (minority) Interest

Non-controlling (minority) interest in business is an accounting concept that refers to the portion of a subsidiary company's stock that is not owned by the parent company. The magnitude of the minority interest in Shahjalal Islami Bank Securities Limited, a majority owned subsidiary (91.79%) of Shahjalal Islami Bank Limited is very insignificant. Also, minority interest is reported on the consolidated profit and loss account as a share of profit belonging to the minority shareholders.

2.10. Contingencies and commitments

Any possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Bank; or any present obligation that arises from past events but is not recognised because:

- It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- The amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognised but disclosed in the financial statements unless the possibility of an outflow of resources embodying economic benefits is reliably estimated.

Contingent assets are not recognised in the financial statements as this may result in the recognition of income which may never be realised.

2.11. Operating Segment

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

(a) that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity)

(b) whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performances, and

(c) for which discrete financial information is available.

2.12. Revenue Recognition

In line with IFRS 15: *Revenue from Contract with Customers*, income of the Bank has been recognised in the financial statements as follows:

Investment Income

Income from general investments is accounted for on accrual basis except for investments under Musharaka, Mudaraba, Bai-Salam, Ujarah (Khidmah & Wakalah for Islamic Credit Card) modes where the investment income is accounted for on realisation basis. The Bank does not charge any rent during the gestation period of investment against Hire Purchase under Shirkatul Melk (HPSM) mode of investment but it fixes the sale price of the asset at a higher level in such a way to cover its expected rate of return. Such income is recognised on realisation basis.

Profit/rent/compensation accrued on classified investments are suspended and accounted for as per circulars issued by Bangladesh Bank in this regard from time to time. At the time of recovery or regularisation of those investments the related income which was suspended and shown as a liability is taken as investment income (except compensation) as per circulars issued by Bangladesh Bank. As a result, the entire transferred amount to investment income from suspense during the year has already been included in the investment income of the Bank.

Profit on placement with other Banks & Financial Institutions is accounted for on accrual basis.

Income on Investments in Securities

Income on investments in securities is recognised on accrual basis. This income includes profit on Bangladesh Government Islamic Investment Bond (BGIIB), Bangladesh Government Investment Sukuk (BGIS), Mudaraba Perpetual Bond, Mudaraba Subordinated Bond, capital gain on investments in shares and dividend on investments in shares are also included in investment income.

Dividend Income on Shares

Dividend income from investments in shares is recognised when the Bank's right to receive dividend is established. It is recognised when-

a. It is probable that the economic benefits associated with the transaction will flow to the entity; and

b. The amount of the revenue can be measured reliably.

Fees, Commission and Exchange Income

Fees, commission and exchange income on services provided by the Bank are recognised as and when the related services are rendered. Commission charged to customers on letter of credit and letter of guarantee are credited to Income at the time of effecting the transactions.

Other Operating Income

Other operating income includes revenue from all other operating activities which are not related to the principal activities of the company, such as service charges, processing charge, maintenance charge and disposals income, etc.

Finance Income and Costs

Finance income comprises profit earned on outstanding financial assets and finance costs comprises profit expense arises on outstanding financial liabilities.

Profit Paid on Deposits

As per agreement between the Mudaraba depositors and the Bank in line with Mudaraba Principle, the Mudaraba depositors are entitled to get minimum 65% of the investment income earned through deployment of Mudaraba Fund as per weightage assigned to each type of Mudaraba deposit. In the year 2022, the Bank paid 84.73% of Investment Income earned through deployment of Mudaraba Fund. Mudaraba Depositors do not share any income derived from various banking services where their 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 to Mudaraba Deposit accounts at provisional rate throughout the year. Final rates of profit of any accounting year are declared after

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finalization of Shari'ah Inspection report and certifying the Investment Income of the Bank by the statutory auditor.

Other Operating Expenses

All other operating expenses are provided for in the books of the accounts on accrual basis according to the IAS 1.

Zakat

Zakat is paid by the Bank at the rate of 2.58% (instead of 2.50% as the Bank maintains its Accounts following Gregorian Year) on the closing balances of Statutory Reserve, General Reserve (Retained Earnings).

Zakat is chargeable in the profit and loss account of the Bank as per "Guidelines for Conducting Islamic Banking" issued by Bangladesh Bank through BRPD circular no. 15 dated 09 November 2009.

2.13. Dividend Payments

Final dividend is recognised when it is approved by the shareholders in Annual General Meeting (AGM). The proposed dividend for the year 2022, therefore, has not been recognised as a liability however disclosed in the notes to the financial statements in accordance with IAS 10: *Events after the Reporting Period.* Dividend payable to the Bank's shareholders is recognised as a liability and deducted from the shareholders' equity in the period in which the shareholders' right to receive the dividend is established.

2.14. Profit Suspense/Compensation Account & Shari'ah Non-Compliance Income

Profit/compensation accrued on classified investments is suspended and accounted for as per circulars issued by the Bangladesh Bank.

Moreover, income which is irregular (doubtful) as per Shari'ah is also not included in the distributable income of the Bank. The Bank charges compensation on unclassified overdue investments. Such compensation is not permissible as regular income of the Bank as per Shari'ah.

Interest received from the balances held with Foreign Banks abroad and from Foreign Currency Clearing Account with the Bangladesh Bank and also other interest based Banks are also not credited to regular income since it is not permissible as per Shari'ah. Such doubtful income is being appropriated for charitable purpose through Shahjalal Islami Bank Foundation (a separate organisation).

2.15. Provision for Nostro Accounts

According to Banking Regulatory and Policy Department of Bangladesh Bank vide the circular letter no. 04 dated 12 April 2022, the Bank is not required to make provision regarding the unreconciled debit balance of Nostro accounts as on the reporting date in these financials as there are no unreconciled outstanding entries for 06 (six) months or more.

2.16. Foreign Currency Transactions

Functional and Presentation Currency

Functional currency: The currency of the primary economic environment in which the entity operates.

Presentation currency: The currency in which the financial statements are presented.

The Financial Statements have been presented based on the Bank's functional currency, Bangladesh Taka (BDT/Taka/Tk.). Functional currency of Offshore Banking Unit (OBU) is United States Dollar (USD/US$).

Foreign Currency Translation

The transactions in foreign currencies are converted into equivalent Taka currency using the ruling exchange rates on the dates of such transactions as per IAS 21: *The Effects of Changes in Foreign*

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Exchange Rates. At the Balance Sheet date, related assets and liabilities are converted to Taka using exchange rates prevailing on that date.

Commitment

Contingent liabilities/commitments for letter of credit, letter of guarantee and acceptance denominated in foreign currencies have been expressed in Taka currency at revaluation rate.

2.17. 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 year, as there exists no dilution possibilities during the year.

2.18. Statement of Liquidity

The liquidity statement of assets and liabilities as on the reporting date has been prepared on residual maturity term as per following basis:

a) Balance and Placement with other Banks and Financial Institutions are on the basis of their maturity term.
b) Investments in shares and securities are on the basis of their residual maturity term.
c) Investments are on the basis of their repayment/maturity schedule.
d) Fixed assets are on the basis of their useful life.
e) Other assets are on the basis of their adjustment.
f) Placement from other Banks & Financial Institutions are as per their maturity/repayment term.
g) Deposit and Other Accounts are on the basis of their maturity term, demand & time liability related guidelines of Bangladesh Bank and behavioral trend of encashment.
h) Other long-term liabilities are on the basis of their maturity term. Provisions and other liabilities are on the basis of their expected settlement.

2.19. Cash Flow Statement

Cash flow statement is prepared principally in accordance with IAS 7: *Statement of Cash Flows*; and as prescribed by BRPD circular no. 14 dated 25 June 2003 & Guidelines for Conducting Islamic Banking issued by Bangladesh Bank vide BRPD circular no. 15 dated 09 November 2009. The Cash Flow Statement shows the structure of and changes in cash and cash equivalents during the year. Cash flows during the year have been classified as Operating Activities, Investing Activities and Financing Activities.

2.20. Statement of Changes in Equity

Statement of Changes in Equity has been prepared in accordance with IAS 1 and by following the guidelines of BRPD circular no. 14 dated 25 June 2003 and BRPD circular no. 15 dated 09 November 2009.

2.21. 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.

2.22. Changes in Accounting Policies and Estimates

Accounting Policies, Changes in Accounting Estimates is applied in selecting and applying accounting policies, accounting for changes in estimates. Effect of changes of accounting estimates is included in Profit and Loss account. Shahjalal Islami Bank Limited did not change the accounting policies and accounting estimates during the year 2022.

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2.23. Offsetting

Financial assets and financial liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

2.24. Employee Benefits

Provident Fund (Defined Contribution Plan)

A "Defined Contribution Plan" is a post-employment benefit plan under which an entity pays fixed contribution into a separate entity and will have no legal constructive obligation to pay further amounts. Provident fund benefit is given to the eligible staffs of the Bank in accordance with the rules of the provident fund duly recognised by the National Board of Revenue of Bangladesh. The Fund is administered by the Board of Trustees and is funded by fixed contributions equally from the employees and the Bank. The fund is managed separately from the Bank's assets, as per rules of the fund & Section 399 of the Companies Act, 1994.

Gratuity Fund (Defined Benefit Plan)

Gratuity benefits are given to the staff of the Bank in accordance with the approved Gratuity Fund Rules. The National Board of Revenue has approved the gratuity fund as a recognised gratuity fund and the fund is operated by a separate Board of Trustees. Employees are entitled to get the benefit after the completion of minimum 05 (five) years of service in the Bank. The gratuity is calculated on the basis of last basic pay of every employee in service as per IAS 19: *Employee Benefits*. Gratuity fund is a "Defined Benefit Plan" and payable as per the modalities of the rules. Gratuity so calculated is transferred to the fund and charged to expenses of the Bank.

Other Employee Benefits

Superannuation Fund

"Shahjalal Islami Bank Limited Employees' Social Security - Superannuation Fund" commenced with effect from 01 January 2008. The purpose of the fund is to provide medical and death cum survival benefit in lieu of group insurance (death cum endowment). The fund shall be subscribed by the employees on monthly basis and with the contribution of the Bank.

Benevolent Fund

The Benevolent Fund for the regular and confirmed employees of Shahjalal Islami Bank Limited was established in the year 2007. This fund is mainly used for payment of scholarship to the meritorious students among the children of SJIBL's officers and sub-staff, to allow short-term quard/grant for the unexpected and certain needs of the staff of SJIBL and their family like accident, clinical treatment, marriage ceremony, etc.

Incentive Bonus

The Bank usually paid incentive bonus among its employees. This bonus amount is distributed among the employees on annual basis considering specific terms & policies of the Bank.

Hospitalisation Insurance

The Bank operates a health insurance scheme to its confirmed employees and their respective spouses and children at rates provided in health insurance coverage policy.

Workers Profit Participation Fund

In consistent with widely accepted industry practice and in line with Section 11(1) of the Banking Companies Act, 1991 (as amended up to date) and subsequent clarification given by Bank & Financial Institutions Division (BFID), Ministry of Finance, no provision has been made by the Bank in the reporting period against Workers Profit Participation Fund (WPPF).

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2.25. Reconciliation:

i) Reconciliation of Books of Accounts

Books of accounts in regard to inter-Bank are reconciled and un-reconciled entries in case of inter-Branch transactions on the reporting date are not mentionable, which are, due to the time-gap before finalizing the same. Inter-Branch outstanding entries are less than 03 (three) months, details of which are disclosed in note no. 10a.5.

ii) Reconciliation of inter-bank accounts

Accounts with regard to interbank are reconciled regularly and there are no material differences which may affect the financial statements significantly.

2.26. Related Party Disclosures

A party is related to the company, if:

i) directly or indirectly through one or more intermediaries, the party controls, is controlled by, or is under common control with the company; has an interest in the company that gives it significant influence over the company; or has joint control over the company;
ii) the party is an associate;
iii) the party is a joint venture;
iv) the party is a member of the key management personnel of the Company or its parent;
v) the party is a close member of the family of any individual referred to in (i) or (iv);
vi) the party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v); or
vii) the party is a post-employment benefit plan for the benefit of employees of the company, or of any entity that is a related party of the company.

Related Party Transactions

The Bank in its ordinary course of business undertook financial transactions with some entities or persons that fall within the definition of 'Related Party' as contained in IAS 24: *Related Party Disclosures* and relevant provisions of the Banking Companies Act, 1991 (as amended up to date) and Bangladesh Bank BRPD circular no. 14 dated 25 June 2003. As on the reporting date, the Bank had funded and non-funded exposures with its subsidiary and exposures to some related concerns of its Directors. Please refer to note no. 53 of financial statements for details of related party transactions.

2.27. Corporate Governance

The Bank has given the priority to the compliance of the rules, regulations and guidelines of Bangladesh Bank, National Board of Revenue and Bangladesh Securities & Exchange Commission (BSEC). The Bank has also complied with all related International Financial Reporting Standards (IFRSs).

2.28. The Bank's Compliance with Related Pronouncement of Bangladesh Bank

i. Risk Management

Department of Off-site Supervision (DOS) of Bangladesh Bank issued circular no. 02 dated 15 February 2012 under Section 45 of the Bank Companies Act, 1991 on Risk Management Guidelines for Banks and instructed all scheduled Banks operating in Bangladesh to follow this Guidelines for managing various risks which have been compiled by the Bank. In addition, the Bank is also following relevant Bangladesh Bank guidelines on risk based capital adequacy, supervisory review process, stress testing and managing the Banking risks in other core risk areas.

The risk of a Bank is defined as the possibility of losses, financial or otherwise. The Risk Management of the Bank covers 6 (six) Core Risk Areas of Banking industry i.e., i) Internal Control and Compliance Risk; ii) Foreign Exchange Risk; iii) Investment (Credit) Risk; iv) Asset Liability Management Risk; v) Money Laundering Risk; and vi) Information & Communication Technology Security Risk. The risk management procedures in the core risk areas have been devised in line

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with the core risk management guidelines of Bangladesh Bank. Core Risk Management Guidelines are periodically reviewed by the Bank, and Bangladesh Bank periodically inspects the implementation status of these guidelines and as per the reports of Bangladesh Bank, and Shahjalal Islami Bank Limited is well compliant in Core Risk Management activities.

In line with instruction of Bangladesh Bank, SJIBL formed a Risk Management Division (RMD) to formulate risk assessment and management policies, methodologies, guidelines and procedures for risk identification, risk measurement, risk monitoring, deciding acceptable level of risk and risk controlling by taking mitigating steps, Comprehensive Risk Management Report (CRMR), conducting monthly risk management meeting, stress testing and reporting the competent authority from time to time. It also reports to Bangladesh Bank on quarterly basis along with the CRMR, minutes of the monthly meeting and all other required supporting papers. Moreover, in compliance with the Banking Companies Act, 1991 (as amended up to date), Section 15 (Kha) and BRPD circular no. 11 dated 27 October 2013 of Bangladesh Bank, the Bank has constituted a Risk Management Committee comprising of 7 (seven) directors from the Board to formulate risk management policies, procedures and oversee the risk management activities of the Bank.

The prime objective of the Risk Management Committee is that the Bank takes well calculative Business Risk Policy for safeguarding the Bank's capital, its financial resources and profitability from various risks. In this context, the Bank implemented all the guidelines of Bangladesh Bank as under:

a) Investment (Credit) Risk Management

The management of specific investment risk is developed according to associated risk with individual business units. The investment risk management function ensures that appropriate policies are established and ensures compliance with the related sanction, monitoring procedures and controls at the business unit level. Investment exposures are aggregated from individual business units and are monitored on a regular basis.
Investment risks may be summarized as under:

- Difficulty in choosing core business.
- Failure in business of the customer.
- Encompassing a blend of Banking and non-Banking service.
- Investment either too liquid or of questionable quality.
- Competition from other commercial Banks.
- Security Control Risk.
- Market volatility both local and global.

Portfolio monitoring is carried out by asset quality, background of the customer, soundness and viability of his/her business and cash flow, etc., sector of the economy, cost of long-term financing to match with the return on long-term investment.

The Bank pays adequate emphasis on business risk than analysis of security risk because the security reduces the risk but does not always improve the quality of investment. Besides, the Bank addresses the Investment (Credit) risk guideline cited by the Bangladesh Bank.

As regards to other parts of the Banking business, the control staffs follow a pragmatic program of regular monitoring and follow-up.

b) Foreign Exchange Risk Management

The Financial Institutions' performance is directly related to Foreign Exchange Market. To ensure effective Foreign Exchange Risk Management, the Bank has wide scope in establishing organisational structure and formulating Manual as per Guidelines of Bangladesh Bank. However, the Bank has already formulated a comprehensive manual. The Bank maintains various Nostro accounts in order to conduct operations in different currencies including BDT. The senior management of the Bank set limits for handling Nostro accounts' transactions that include time

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and amount limits. As per guidelines of Bangladesh Bank, the Foreign Exchange business should be audited internally to review the key control issues such as various limits, compliance requirements and statutory management.

c) Asset Liability Risk Management

The Asset Liability Management Committee (ALCO) that is formed with the senior executives headed by Managing Director conducted 12 (twelve) meetings during the year 2022. The key agenda of the meetings were liquidity position, pricing, risk related to the Balance Sheet, maintaining CRR & SLR, Economic Outlook & Market Status and Rate of Profit (Interest). For managing Balance Sheet risk properly, the Bank has already prepared a Manual of the Asset Liability Management according to the guidelines of Bangladesh Bank.

d) Money Laundering Risk Management

Shahjalal Islami Bank Limited is taking preventive measures against money laundering and terrorist financing and proliferation financing in line with the Money Laundering Prevention Act, 2012 (amended 2015), Anti-Terrorism Act, 2009 (amended 2012 & 2013) and guidelines issued by the Bangladesh Financial Intelligence Unit (BFIU) from time to time. Shahjalal Islami Bank Limited applies risk sensitive customer due diligence measures, monitors business relationship and keeps records in line with regulations. The Bank regularly collects the accurate and complete documentation of Know Your Customer (KYC) which enables the prudential prevention of money laundering. The Bank has formed Central Compliance Committee (CCC) headed by the Additional Managing Director as Chief Anti-Money Laundering Compliance Officer (CAMLCO) and the committee regularly monitors and ensures the compliance of issues relating to money laundering and terrorist financing and proliferation financing through the trained personnel of Head Office and Branches. The Bank has already subscribed 'Seasearcher' service from Lloyd's List Intelligence for vessel tracking and container tracking in order to appetite trade based money laundering risk.

e) Internal Control & Compliance Risk Management

Internal control is a process that ensures operational efficiency, reliability of financial reporting and compliance with applicable laws, regulations, policies for attainment of organizational objectives. The primary objective of Internal Control and Compliance of Shahjalal Islami Bank Limited (SJIBL) is enabling the Bank to perform better, establish governance across the bank and add value by proper use of infrastructure and blending of available resources.

The Internal Control & Compliance Division (IC&CD) of SJIBL has been set up with the objective to provide independent advice & counselling and value added service to the management & authority of the bank for sustainable business growth by constant improvement of operational efficiency in all segment of performance. In order to carry out the mission, IC&CD of SJIBL is consisted of 03 (three) independent units namely Internal Audit & Inspection Unit, Compliance Unit and Monitoring Unit.

As a guideline in performing the responsibilities, SJIBL has drawn up its own 'Internal Control & Compliance Manual' in conformity to the "Guidelines on Internal Control & Compliance in Banks" provided by Bangladesh Bank. SJIBL has also introduced a separate "Compliance Policy" as per directives of Bangladesh Bank. Both the manual and policy are being reviewed & updated from time to time for betterment & best practices in the industry.

f) Information and Communication Technology Security Risk Management

According to BRPD circular no. 14 dated 23 October 2005 regarding "Guideline on ICT Security for Banks and Non-Bank Financial Institutions", BRPD circular no. 21 dated 20 May 2010 and BRPD circular no. 09 dated 17 September 2015, the Bank has followed IT Security Policy which deals operational risk, physical security control, potential for wide area disaster, data center disaster, recovery plan and backup/restore plan. The customers of SJIBL are enjoying 24 hours Banking facilities through using Internet Banking and Mobile Application with different services like other bank fund transfer, utility bill payment, transfer to Mobile Financial Services (MFSs), etc. In

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addition, SWIFT, REUTERS, SJIBL Visa Debit Card, SMS Notification Services, Instabalance Call Service etc. facilities are also available. The Bank joined Q-Cash consortium under which ATM and POS services are being offered to its customers to meet the demand of time. Moreover, the Bank is running on technology-based total Banking solution module, i.e., core banking software. The Bank has introduced Agent Banking Services around all over the country targeting unbanked rural people to bring under formal banking services. The Bank formed a separate department named ICT Security Department to deal dedicatedly with ICT and Cyber Threats. In addition to this, up-to-date security solutions have been implemented to ensure confidentiality, integrity and availability of critical business data.

ii. Internal Audit & Inspection

The Internal Audit & Inspection independently and objectively evaluates and report on the effectiveness of the Bank's risk management, control and governance processes. The Head of Audit & Inspection Unit, although being a part of IC&CD administratively, is reporting directly to the Audit Committee of the Board and is responsible to the Audit Committee of the Board. Internal Audit & Inspection of SJIBL is being conducted based on Annual Audit Plan structured on a risk based approach and approved by the Audit Committee of the Board of Directors to provide vital information about risks and controls to assist the management in the following ways:

a. Identification of gap in policy and procedures with the Business and its Operation.
b. Identification of breach in policy and procedures against internal and regulatory policies & procedures.
c. Assessment of qualitative and quantitative risk of the Business.
d. Recommending remedial course of actions, where necessary.

Irregularities detected in the Bank's internal audit & inspection reports as well as external auditor's reports of the previous year have so far been rectified/regularized properly.

iii. Fraud and Forgeries

The Bank is operating its business by dealing with the public money. As a custodian of such money, the Bank have to set up strong internal control structure, introduce corporate governance, practice ethical standards in the Bank for safeguard & interest of the Stakeholders. Public confidence has been shaken when different types of malpractice, fraud and forgeries occurred in the Bank. Shahjalal Islami Bank Limited is fully aware of its responsibility towards stakeholders specially depositors.

Shahjalal Islami Bank Limited follows a stringent screening process while recruiting officers and staff. The prospective employees' family background/employment history/association are checked/cross checked in terms of integrity, attitude and behavioral pattern. The Bank has started to collect Police Clearance to know if the candidate had ever been engaged in anti-social or anti-state or detrimental/subversive activities. Check with Bangladesh Bank's Corporate Memory Management Systems for background check of experienced Bankers, Financial Institution's employees and verify National ID on-line. As a result, the Bank since its inception has seen comparatively very few cases of fraud and forgeries. Moreover, the Internal Control and Compliance Division (IC&CD) have been strengthened to remain ever vigilant. These have reduced the chances of fraudulent activities in Shahjalal Islami Bank Limited.

2.29. Audit Committee

According to BRPD circular no. 11 dated 27 October 2013, all banks are instructed to constitute an audit committee comprising of maximum 05 (five) members of the Board. The audit committee will assist the board in fulfilling its oversight responsibilities including implementation of the objectives, strategies and overall business plan set by board for the effective functioning of the Bank. The committee will review the financial reporting process, the system of internal control and management of the financial risk, the audit process and the Bank's process for monitoring compliance with laws and regulations and its own

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code of business conduct. The Board of Directors of the Bank formed an audit committee consisting of five members including three independent directors.

2.30. Compliance with Financial Reporting Standards as applicable in Bangladesh

The Financial Reporting Act (FRA), 2015 was enacted in 2015. Under the FRA of the Financial Reporting Council (FRC), it is to issue financial reporting standards for public interest entities such as Banks. The Banking Companies Act, 1991 (as amended up to date) has been amended to require Banks to prepare their financial statements under such financial reporting standards. The FRC has been formed but yet to issue any financial reporting standards as per the provisions of the FRA and hence International Financial Reporting Standards (IFRSs) as issued by the Institute of Chartered Accountants of Bangladesh (ICAB) are still applicable.

Accordingly, the financial statements of the Bank continue to be prepared in accordance with International Financial Reporting Standards (IFRSs) and the requirements of the Banking Companies Act, 1991 (as amended up to date), the rules and regulations issued by Bangladesh Bank, the Companies Act, 1994. In case any requirement of the Banking Companies Act, 1991 (as amended up to date), and provisions and circulars issued by Bangladesh Bank differ with those of IFRSs, the requirements of the Banking Companies Act, 1991 (as amended up to date), and provisions and circulars issued by Bangladesh Bank shall prevail. Material deviations from the requirements of IFRSs are mentioned above under note no. 2.1.

Sl. No.	IAS No.	IAS Title	Compliance Status
1	1	Presentation of Financial Statements	Complied *
2	2	Inventories	Not Applicable
3	7	Statement of Cash Flows	Complied *
4	8	Accounting Policies, Changes in Accounting Estimates and Errors	Complied
5	10	Events after the Reporting Period	Complied
6	12	Income Taxes	Complied
7	16	Property, Plant & Equipment	Complied
8	19	Employee Benefits	Complied
9	20	Accounting for Government Grants and Discloser of Government Assistance	Not Applicable
10	21	The Effects of Changes in Foreign Exchanges Rates	Complied
11	23	Borrowing Costs	Not Applicable
12	24	Related Party Disclosures	Complied
13	26	Accounting and Reporting by Retirement Benefit Plans	Not Applicable
14	27	Consolidated and Separate Financial Statements	Complied
15	28	Investment in Associates	Not Applicable
16	33	Earnings per Share	Complied
17	34	Interim Financial Reporting	Complied
18	36	Impairment of Assets	Complied
19	37	Provisions, Contingent Liabilities and Contingent Assets	Complied *
20	38	Intangible Assets	Complied
21	40	Investment Property	Not Applicable
22	41	Agriculture	Not Applicable

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Sl. No.	IFRS No.	IFRS Title	Compliance Status
1	1	First-time Adoption of International Financial Reporting Standards	Not Applicable
2	2	Share-based Payment	Not Applicable
3	3	Business Combinations	Complied
4	5	Non-current Assets Held for Sale and Discontinued Operations	Complied
5	6	Exploration for and Evaluation of Mineral	Not Applicable
6	7	Financial Instruments: Disclosures	Complied *
7	8	Operating Segments	Complied
8	9	Financial Instruments	Complied *
9	10	Consolidated Financial Statements	Complied
10	11	Joint Arrangements	Not Applicable
11	12	Disclosure of Interests in Other Entities	Not Applicable
12	13	Fair Value Measurement	Complied
13	14	Regulatory Deferral Accounts	Not Applicable
14	15	Revenue from Contracts with Customers	Complied
15	16	Leases	Complied
16	17	Insurance Contracts	Not Applicable

*Subject to departure disclosed in note no. 2.1.

Standard issued but not yet effective

The following new standards and amendments to standards are effective for annual periods beginning after 1 January 2022 and earlier application is permitted, but the Bank has not early adopted. However, none of these new and amended standards are expected to have a significant impact on the Bank's financial statements.

- IFRS 17 Insurance Contracts and amendments to IFRS 17 Insurance Contracts.
- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2).
- Definition of Accounting Estimates (Amendments to IAS 8).
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)
- Lease liability in a Sale and Leaseback (Amendments to IFRS 16).
- Classification of Liabilities as Current or Non-current (Amendments to IAS 1).

2.31. Director's Responsibilities on Financial Statement

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with International Financial Reporting Standards (IFRS), International Accounting Standards (IASs), The Banking Companies Act, 1991, The Companies Act, 1994, Financial reporting Act, 2015 and other related laws and regulations pertaining to the financial statement.

The Board of Directors accept their responsibility for the preparation and fair presentation of these financial statements.

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2.32. Reporting Period

The Financial Statements cover one calendar year from 01 January to 31 December 2022.

2.33. Auditor of the Subsidiary

Name of the Subsidiary	Relationship	Name of the Auditor
Shahjalal Islami Bank Securities Limited	Subsidiary	M/s. K. M. Hasan & Co., Chartered Accountants

2.34. Events after the Reporting Period

Events after the Reporting Period are those events, favorable and unfavorable, that occur between the end of the reporting period and the date when the financial statements are authorized for issue. The adjusting events are those that provide evidence of conditions that existed at the end of the reporting period and non-adjusting events are those that are indicative of conditions that arose after the reporting period. The non-adjusting events require disclosure in the notes to the Financial Statements considering their materiality. The detail of Events after the Reporting Period is given in Note No. 54 of these financial Statements.

2.35. Operating Environment

The Bank's operating environment during the year ended 2022 were impacted by a number of major global events such as continuation of COVID 19 related disruptions, ongoing Russia-Ukraine conflict, increase in fuel and commodity prices, strengthening of US Dollars, etc. Most of these events also had significant impact on the local economic environment affecting the Bank's operations. From time to time, the Government of Bangladesh and the local Central Bank (Bangladesh Bank) has issued various directives to manage impacts from these events which the Bank has followed. Management on regular basis review and monitor the global and country specific macro-economic situation and consider these issues into the decision making process.

2.36. Date of Authorization

The financial statements were authorized by the Board of Directors on 05 April 2023.

2.37. General Information

i. Figures appearing in these financial statements have been rounded off to the nearest Taka.
ii. Figures of previous year have been rearranged wherever necessary to conform to current year's presentation.

		31.12.2022 Taka	31.12.2021 Taka
3. Consolidated Cash in Hand (including Foreign Currencies)			
Shahjalal Islami Bank Ltd.	(Note-3a)	2,399,102,842	1,943,331,636
Shahjalal Islami Bank Securities Ltd.		-	-
		2,399,102,842	**1,943,331,636**
3a Cash in Hand of the Bank (including Foreign Currencies)			
In Local Currencies		2,382,419,040	1,933,919,419
In Foreign Currencies	(Note-3a.1)	16,683,802	9,412,217
		2,399,102,842	**1,943,331,636**

3a.1 In Foreign Currencies

Foreign Currency	Amount in FC	Exchange Rate (Mid Rate)		
USD	156,710.11	103.2970	16,187,684	8,573,032
GBP	-	124.1630	-	400,681
Euro	4,524.99	109.6394	496,118	438,504
			16,683,802	**9,412,217**

4. Consolidated Balance with Bangladesh Bank and its agent bank(s)			
Shahjalal Islami Bank Ltd.	(Note-4a)	14,924,287,024	12,087,735,744
Shahjalal Islami Bank Securities Ltd.		-	-
		14,924,287,024	**12,087,735,744**
4a Balance with Bangladesh Bank and its agent bank(s) (including Foreign Currencies)			
Balance with Bangladesh Bank			
In Local Currencies		12,073,949,882	10,015,206,320
In Foreign Currencies		2,634,723,609	1,859,608,174
		14,708,673,491	**11,874,814,494**
Balance with Sonali Bank Ltd. as agent of Bangladesh Bank			
In Local Currencies		215,613,533	212,921,250
In Foreign Currencies		-	-
		215,613,533	**212,921,250**
		14,924,287,024	**12,087,735,744**

4a.1 Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR) Requirements

Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR) have been calculated and maintained in accordance with Section 33 of the Banking Companies Act, 1991 (as amended up to date) and subsequent Circular No. 02 dated 10 December 2013 and MPD Circular No. 03 dated 09 April 2020.

4a.2 Cash Reserve Ratio (CRR): 4.00% of Average Demand and Time Liabilities

Required Reserve	9,741,332,000	8,684,501,000
Actual Reserve held with Bangladesh Bank (in Local Currencies)*	12,158,133,622	9,952,254,666
CRR Surplus	**2,416,801,622**	**1,267,753,666**
Maintained (%)	4.99%	4.58%

*Actual Reserve held with Bangladesh Bank (in Local Currencies) reported as per the statement of Bangladesh Bank.
Minimum requirement of Daily Cash Reserve Ratio (CRR) has been maintained throughout the year.

4a.3 Statutory Liquidity Ratio (SLR): 5.50% of Average Demand and Time Liabilities

Required Reserve		13,452,567,000	11,941,222,000
Actual Reserve held	(Note-4a.4)	31,171,427,996	31,971,676,551
SLR Surplus		**17,718,860,996**	**20,030,454,551**
Maintained (%)		12.74%	14.73%

4a.4 Components of Statutory Liquidity Ratio

Cash in Hand	(Note-3a)	2,399,102,842	1,943,331,636
Balance with Sonali Bank Ltd. as agent of Bangladesh Bank	(Note-4a)	215,613,533	212,921,250
Excess CRR	(Note-4a.2)	2,416,801,622	1,267,753,666
Bangladesh Government Islamic Investment Bond	(Note-7a)	1,000,000,000	13,250,000,000
Bangladesh Government Investment Sukuk (BGIS)	(Note-7a)	24,639,910,000	14,797,670,000
Refinance Fund (with Bangladesh Bank)	(Note-6a.1)	500,000,000	500,000,000
		31,171,427,996	**31,971,676,551**

5. Consolidated Balance with Other Banks and Financial Institutions			
Inside Bangladesh			
Shahjalal Islami Bank Ltd.	(Note-5a.1)	2,192,462,827	1,993,712,408
Shahjalal Islami Bank Securities Ltd.		343,641,221	552,337,203
		2,536,104,048	2,546,049,611
Less: Inter Company Transaction		319,707,359	478,050,762
		2,216,396,689	**2,067,998,849**

		31.12.2022 Taka	31.12.2021 Taka
Outside Bangladesh			
Shahjalal Islami Bank Ltd.	(Note-5a.2)	1,103,127,014	1,029,495,149
Shahjalal Islami Bank Securities Ltd.		-	-
		1,103,127,014	**1,029,495,149**
		3,319,523,703	**3,097,493,998**

5a Balance with Other Banks and Financial Institutions of the Bank

Inside Bangladesh	(Note-5a.1)	2,192,462,827	1,993,712,408
Outside Bangladesh	(Note-5a.2)	1,103,127,014	1,029,495,149
		3,295,589,841	**3,023,207,557**

5a.1 Inside Bangladesh

Current Account		
Sonali Bank Ltd. (other than as agent of Bangladesh Bank)	232,891,294	45,149,933
National Bank Limited (Narayangonj Branch)	2,834	3,524
Standard Chartered Bank (Uttara Branch)	20,346,415	16,663,153
Agrani Bank Limited (Islami Banking Wing)	11,963,186	11,651,576
Janata Bank Limited (Dinajpur Branch)	-	612
Offshore Banking Unit	60,249,402	45,646,242
	325,453,131	119,115,040
Less: Offshore Banking Unit	60,249,402	45,646,242
	265,203,729	**73,468,799**
Mudaraba Special Notice Deposit		
Export Import Bank of Bangladesh Limited	23,423,460	78,543,733
Trust Bank Limited (Dilkusha Corporate Branch)	14,921,577	23,369,632
Prime Bank Limited (Islami Banking Branch)	1,001,041,150	733,870
Social Islami Bank Limited	12,838,172	5,577,298
Agrani Bank Limited (Islami Banking Wing)	249,774,582	578,894,705
AB Bank Limited (Islami Banking Branch)	25,594	25,745
Jamuna Bank Limited (Naya Bazar Islami Banking Branch)	544,871	478,367
Bank Alfalah (Islami Banking Branch)	2,759,330	2,760,961
Al-Arafah Islami Bank Limited	14,901,571	887,919,086
Southeast Bank Limited (Islami Banking Branch)	18,126,028	7,561,690
The City Bank Limited (Islamic Banking Branch)	5,759,614	1,224,050
Islami Bank Bangladesh Limited	6,127,902	83,017,951
Mercantile Bank Limited (Islami Wing Main Branch)	96,845	98,725
Premier Bank Limited (Mohakhali Branch-Islami Banking Wing)	57,619	250,000,000
Dhaka Bank Limited (Islami Banking Branch)	509,143,194	-
Midland Bank Limited (Gulshan Branch)	8,515,175	-
United Commercial Bank Limited (Islami Banking Branch)	50,251,507	-
Mutual Trust Bank Limited (Gulshan Branch)	8,908,800	-
	1,927,216,989	**1,920,205,814**
Mudaraba Savings Deposit		
Social Islami Bank Limited	13,052	8,771
Al-Arafah Islami Bank Limited	14,903	14,871
Islami Bank Bangladesh Limited	14,154	14,154
	42,109	**37,795**
	2,192,462,827	**1,993,712,408**

5a.2 Outside Bangladesh (Nostro Accounts) [as at 31 December 2022]

Current Account	Currency	F.C. Amount	Rate	Amount in Taka
Standard Chartered Bank, NY	USD	417,823.14	103.2970	43,159,877
Mashreq Bank PSC, NY	USD	258,990.42	103.2970	26,752,933
Standard Chartered Bank, Mumbai	USD	222,198.53	103.2970	22,952,442
Habib American Bank, USA	USD	595,701.28	103.2970	61,534,155
ICICI Bank, Hong Kong	USD	30,864.31	103.2970	3,188,191
WACHOVIA BANK, NY, USA	USD	2,915,672.46	103.2970	301,180,218
Commerzbank AG Frankfurt	USD	214,960.23	103.2970	22,204,747
Bank Aljazira	USD	770.80	103.2970	79,621
JPMorgan Chase Bank N.A., NY, USA	USD	49,629.90	103.2970	5,126,620
Citibank N.A., NY, USA	USD	48,038.63	103.2970	4,962,246
AB Bank Ltd. Mumbai	ACUD	45,804.14	103.2970	4,731,430
Standard Chartered Bank, Mumbai	ACUD	1,800,343.02	103.2970	185,970,033
Standard Chartered Bank, Colombo	ACUD	33,640.75	103.2970	3,474,989
ICICI Bank, Mumbai	ACUD	319,155.01	103.2970	32,967,755
Habib Metropoliton Bank Ltd.	ACUD	55,410.28	103.2970	5,723,716
United Bank of India, Kolkata	ACUD	6,309.20	103.2970	651,721
Sonali Bank Ltd. ACU, Kolkata	ACUD	104,684.31	103.2970	10,813,575
Bank of Bhutan Ltd. Main Branch	ACUD	22,144.86	103.2970	2,287,498
AXIS Bank Ltd. India	ACUD	39,090.21	103.2970	4,037,901
MCB Bank Limited	ACUD	48,895.46	103.2970	5,050,754
HDFC Bank Ltd., Mumbai	ACUD	41,620.00	103.2970	4,299,221
Nabil Bank Limited, Kathmandu, Nepal	ACUD	4,578.19	103.2970	472,913
Standard Chartered Bank, Frankfurt	EURO	1,015,780.50	109.6394	111,369,565

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Current Account	Currency	F.C. Amount	Rate	Amount in Taka
Commerzbank AG	EURO	418,178.23	109.6394	45,848,810
Wells Fargo Bank, N. A. London, UK	EURO	1,153,631.55	109.6394	126,483,471
JPMorgan Chase AG, Frankfurt	EURO	497,812.98	109.6394	54,579,916
Standard Chartered Bank,Tokyo	YEN	351,766.00	0.7683	270,262
Habib Bank AG Zurich	CHF	2,688.88	111.2509	299,140
ICICI Bank, Canada	CAD	24,019.23	75.9369	1,823,946
Bank Aljazira, KSA	SAR	39,468.23	27.5019	1,085,451
Riyad Bank, KSA	SAR	41,966.28	27.5019	1,154,152
Standard Chartered Bank, London	GBP	17,770.12	124.1630	2,206,391
JPMorgan Chase Bank N.A., London	GBP	2,793.79	124.1630	346,885
Mashreq Bank PSC, UAE	AED	135,082.24	28.1279	3,799,580
Emirates Islamic Bank PJSC, Dubai	AED	37,000.00	28.1279	1,040,732
Standard Chartered Bank, China	CNY	80,797.74	14.8043	1,196,154
				1,103,127,014

Currency-wise Distribution:

Foreign Currency	Amount in Taka	Composition
USD	491,141,050	44.52%
ACUD	260,481,507	23.61%
EURO	338,281,762	30.67%
YEN	270,262	0.02%
CHF	299,140	0.03%
CAD	1,823,946	0.17%
SAR	2,239,604	0.20%
GBP	2,553,277	0.23%
AED	4,840,312	0.44%
CNY	1,196,154	0.11%
	1,103,127,014	**100%**

Please see **Annexure-C** for detailed comparative statement of 2022 & 2021 of foreign currency amount and rate thereof.

5a.3 In accordance with Bangladesh Bank Foreign Exchange Policy Department, Circular Letter No. FEPD (FEMO)/01/2005-677 dated 13 September 2005, the quarterly review of Nostro Accounts for the quarter ended 31 December 2022 reflect the true state of the Nostro Account entries recorded correctly and after review a separate audit certificate has also been given by the Auditor. The status of all outstanding unmatched entries is given below:

As at 31 December 2022

Amount in US$

	As per Bank's Book				As per Correspondents' Book			
	Debit Entries		Credit Entries		Debit Entries		Credit Entries	
	No.	Amount	No.	Amount	No.	Amount	No.	Amount
Up to 3 months	9	1,359,364	279	8,787,742	18	1,203,402	391	22,184,753
More than 03 months but less than 06 months		-		-		-		-
More than 06 months but less than 09 months		-		-		-		-
More than 09 months but less than 12 months		-		-		-		-
More than 12 months		-		-		-		-
	9	**1,359,364**	**279**	**8,787,742**	**18**	**1,203,402**	**391**	**22,184,753**

As at 31 December 2021

Amount in US$

	As per Bank's Book				As per Correspondents' Book			
	Debit Entries		Credit Entries		Debit Entries		Credit Entries	
	No.	Amount	No.	Amount	No.	Amount	No.	Amount
Up to 3 months	6	1,032,654	382	23,493,531	20	290,593	395	19,413,789
More than 03 months but less than 06 months		-		-		-		-
More than 06 months but less than 09 months		-		-		-		-
More than 09 months but less than 12 months		-		-		-		-
More than 12 months		-		-		-		-
	6	**1,032,654**	**382**	**23,493,531**	**20**	**290,593**	**395**	**19,413,789**

	31.12.2022 Taka	31.12.2021 Taka
5a.4 Maturity-wise groupings of Balance with Other Banks and Financial Institutions		
On Demand	265,207,518.68	73,472,200
Not more than 03 months	3,030,382,322	2,949,735,357
More than 03 months but less than 01 year	-	-
More than 01 year but less than 05 years	-	-
More than 05 years	-	-
	3,295,589,841	**3,023,207,557**

6. Consolidated Placement with Other Banks & Financial Institutions

Shahjalal Islami Bank Ltd.	(Note-6a)	21,276,957,716	18,514,593,291
Shahjalal Islami Bank Securities Ltd.		-	-
		21,276,957,716	**18,514,593,291**

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		31.12.2022 Taka	31.12.2021 Taka
6a	**Placement with Other Banks & Financial Institutions of the Bank**		
Placement with Other Banks	(Note-6a.1)	19,221,957,716	11,094,593,291
Placement with Financial Institutions	(Note-6a.2)	2,055,000,000	7,420,000,000
		21,276,957,716	**18,514,593,291**
6a.1	**Placement with other Banks**		
Mudaraba Term Deposits-Other Banks			
ICB Islamic Bank Limited		311,017,716	311,193,291
Export Import Bank of Bangladesh Limited		3,750,000,000	3,200,000,000
Bangladesh Bank (Refinance Fund)		500,000,000	500,000,000
Al-Arafah Islami Bank Limited		5,965,940,000	1,272,750,000
Social Islami Bank Limited		2,695,000,000	1,000,000,000
Agrani Bank Limited (Islami Banking Wing)		1,800,000,000	1,100,000,000
Jamuna Bank Ltd (Islami Banking Branch)		1,500,000,000	-
Midland Bank Ltd. (Islami Banking Window)		300,000,000	-
Pubali Bank Ltd (Islami Banking Wing)		1,400,000,000	-
ONE Bank Ltd (Islami Banking Branch)		500,000,000	-
Standard Bank Limited		500,000,000	424,250,000
Dhaka Bank Limited (Islami Banking Wing)		-	2,098,500,000
South East Bank Limited (Islami Banking Branch)		-	339,400,000
Mercantile Bank Limited (Islami Banking Branch)		-	848,500,000
		19,221,957,716	**11,094,593,291**
6a.2	**Placement with Financial Institutions**		
Mudaraba Term Deposits-Financial Institutions			
Lanka Bangla Finance Limited		500,000,000	1,050,000,000
Industrial and Infrastructure Development Finance Company Limited		135,000,000	650,000,000
Union Capital Limited		250,000,000	250,000,000
Phoenix Finance & Investments Limited		370,000,000	370,000,000
Premier Leasing International Limited		300,000,000	300,000,000
IDLC Finance Limited		500,000,000	500,000,000
IPDC Finance Limited		-	1,500,000,000
Delta Brac Housing Finance Corporation Limited		-	2,500,000,000
National Housing & Finance Limited		-	300,000,000
		2,055,000,000	**7,420,000,000**
		21,276,957,716	**18,514,593,291**
6a.3	**Maturity-wise groupings of Placement with Other Banks and Financial Institutions**		
On Demand		-	-
Not more than 03 months		20,965,940,000	17,653,400,000
More than 03 months but not more than 01 year		-	-
More than 01 year but not more than 05 years		311,017,716	861,193,291
More than 05 years		-	-
		21,276,957,716	**18,514,593,291**
7.	**Consolidated Investments in Shares & Securities**		
Government			
Shahjalal Islami Bank Ltd.	(Note-7a.i)	25,639,910,000	28,047,670,000
Shahjalal Islami Bank Securities Ltd.		-	-
		25,639,910,000	**28,047,670,000**
Others			
Shahjalal Islami Bank Ltd.	(Note-7a.ii)	7,846,594,135	8,219,932,088
Shahjalal Islami Bank Securities Ltd.		2,139,518,584	2,070,124,315
		9,986,112,719	**10,290,056,403**
		35,626,022,719	**38,337,726,403**
7a	**Investments in Shares & Securities of the Bank**		
i) Government			
Bangladesh Government Islamic Investment Bond (BGIIB)	(Note-7a.2)	1,000,000,000	13,250,000,000
Bangladesh Government Investment Sukuk (BGIS)	(Note-7a.3)	24,639,910,000	14,797,670,000
		25,639,910,000	**28,047,670,000**
ii) Others			
Mudaraba Perpetual Bond	(Note-7a.4)	1,527,284,492	1,527,483,542
Mudaraba Subordinated Bond	(Note-7a.5)	2,980,000,000	3,400,000,000
Beximco Green Sukuk Al Istisna'a		903,029,100	1,000,000,000
Investments in Shares & Securities	(Note-7a.6)	2,436,280,544	2,292,448,546
		7,846,594,135	**8,219,932,088**
		33,486,504,135	**36,267,602,088**

	31.12.2022 Taka	31.12.2021 Taka
7a.1 Maturity-wise groupings of Investments in Shares & Securities		
On Demand	-	-
Not more than 03 months	1,000,000,000	9,250,000,000
More than 03 months but less than 01 year	5,366,594,135	9,239,932,088
More than 01 year but less than 05 years	27,119,910,000	17,377,670,000
More than 05 years	-	400,000,000
	33,486,504,135	**36,267,602,088**

7a.2 Bangladesh Bank introduced Mudaraba Bond named "Bangladesh Government Islamic Investment Bond (Islamic Bond)" in September 2004 on behalf of the Government to facilitate Islamic Banks and Financial Institutions. Investment in this fund is considered as a component of Statutory Liquidity Ratio (SLR).

The mobilized fund from Islamic Bond is invested by Bangladesh Bank and a portion of realized profit is distributed among the bondholders as per mudaraba principle of Islamic Shariah on the basis of the tenor of the bond. So the rate of return from Islamic Bond is dependent on fund deployment of Bangladesh Bank which is not prefixed.

7a.3 Sukuk is an Islamic financial certificate, similar to a conventional bond, and structured to generate returns in compliance with Islamic finance principles. The government raised the fund through issuing the Bangladesh Government Investment Sukuk (BGIS) in December 2020 & June 2021 for Tk. 80 billion for implementation of a water-supply project titled "Safe Water Supply for the Whole Country" @4.69% for 5 years' tenure and in December 2021 for Tk. 50 billion for a project titled "Need Based Infrastructure Development of Government Primary School Project (1st Phase)" @4.65% for 5 years' tenure. SJIBL, in view of diversifying its investment portfolio, maintaining Statutory Liquidity Ratio (SLR) requirement as well as pile up Stock of High Quality Liquidity Assets, participated in all 03 (three) auctions and received an allocation for investment of (i) in December 2020 Tk. 369.56 crore (Taka three hundred sixty-nine crore and fifty-six lac only) fixed rental rate @4.69% per annum (ii) in June 2021 Tk. 496.20 crore (Taka four hundred ninety-six crore and twenty lac only) fixed rental rate @4.69% per annum and (iii) in December 2021 Tk. 614.01 crore (Taka six hundred fourteen crore and one lac only) fixed rental rate @4.65% per annum (iv) in April 2022 Tk. 984.22 crore (Taka nine hundred eighty four crore and twenty two lac only) fixed rental rate @4.75% per annum.

7a.4 Mudaraba Perpetual Bond		
Islami Bank Bangladesh Ltd.	1,077,284,492	1,077,483,542
Al-Arafah Islami Bank Ltd.	450,000,000	450,000,000
	1,527,284,492	**1,527,483,542**
7a.5 Mudaraba Subordinated Bond		
SIBL Mudaraba Subordinated Bond	100,000,000	200,000,000
IBBL Mudaraba Subordinated Bond	400,000,000	600,000,000
IBBL 3rd Mudaraba Subordinated Bond	1,480,000,000	1,600,000,000
AIBL 3rd Mudaraba Subordinated Bond	1,000,000,000	1,000,000,000
	2,980,000,000	**3,400,000,000**
7a.6 Investments in Shares & Securities (at cost)		
Quoted		
The ACME Laboratories Limited	29,077,594	22,850,371
Active Fine Chemicals Ltd.	60,709,192	50,768,200
Aftab Automobiles Limited	72,694,437	72,694,438
AIBL 1st Islamic Mutual Fund	72,762,501	72,760,670
Dhaka Electric Supply Company Ltd.	125,754,826	125,911,056
Export Import Bank of Bangladesh Limited	158,148,898	132,329,640
Generation Next Fashions Limited	25,741,813	25,741,814
Meghna Petroleum Limited	133,872,759	101,861,109
RAK Ceramics (Bangladesh) Limited	49,814,878	52,821,755
Square Textile Ltd.	82,481,825	42,041,896
The Dacca Dyeing & Mfg. Co. Limited	102,948,339	110,968,750
Titas Gas Transmission and Distribution Co. Ltd.	240,881,514	193,241,054
Prime Islami Life Insurance Ltd.	55,501,667	13,936,568
Singer Bangladesh Limited	88,910,881	72,735,184
Olympic Industries Ltd.	37,182,109	5,627,022
Square Pharmaceuticals Ltd.	157,304,920	128,941,716
The IBN SINA Pharmaceutical Industry Ltd.	31,346,168	38,087,484
MJL Bangladesh Limited	86,720,740	86,720,740
Silva Pharmaceuticals Limited	48,788,156	31,768,758
Robi Axiata Limited	142,756,117	142,756,117
Linde Bangladesh Ltd.	75,143,517	19,981,907
Power Grid Company of Bangladesh Ltd.	123,322,659	30,831,580
Lub-rref (Bangladesh) Limited	69,212,179	42,281,896
Mir Akhter Hossain Limited	76,305,125	55,081,388
ACI Limited	44,635,402	59,835,403
ACI Formulations Limited	51,172,892	-
Agni Systems Ltd.	23,470,246	-
Grameenphone Ltd.	9,177,813	-
Apex Tannery Limited	13,619,478	-
BSRM Steels Limited	6,666,609	-
Crown Cement PLC.	33,424,707	-
Energypac Power Generation Limited	29,171,775	-
Global Islami Bank Limited	13,173,670	-
Islami Commercial Insurance Company Limited	87,980	-
IFAD Autos Limited	24,142,177	-
Union Bank Limited	25,711,347	-
Apex Footwear Limited	-	18,699,764
Bangladesh Steel Re-Rolling Mills Limited	-	25,845,335
Eastern Housing Limited	-	205,738,580
Fareast Islami Life Insurance Co. Ltd.	-	65,297,782

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M.I. Cement Factory Ltd.	-	31,871,607
Metro Spinning Mills Limited	-	54,315,162
Unique Hotel and Resorts Ltd.	-	20,091,892
Bashundhara Paper Mills Limited	-	26,119,683
Krishibid Feed Limited	-	865,260
Al-Arafah Islami Bank Ltd.	-	29,602,959
Islami Bank Bangladesh Limited	-	44,936,869
i) Total	**2,421,836,907**	**2,255,961,410**
Un-Quoted		
Lanka Bangla Securities Ltd.	5,000,000	5,000,000
Investment A/C - SWIFT Membership Share	9,443,636	9,443,636
Union Bank Limited	-	21,403,000
BD Thai Food & Beverage Limited	-	640,500
ii) Total	**14,443,636**	**36,487,136**
Grand Total	**2,436,280,543**	**2,292,448,546**

Please see **Annexure-A** for details regarding unrealised gain/(loss).

8. Consolidated Investments

Shahjalal Islami Bank Ltd.	(Note-8a)	220,328,259,077	198,607,299,997
Shahjalal Islami Bank Securities Ltd.		4,892,987,792	4,855,652,531
		225,221,246,870	203,462,952,528
Less: Inter Company Transaction		2,260,530,757	2,241,959,513
		222,960,716,113	**201,220,993,015**
Bills Purchased and Discounted			
Shahjalal Islami Bank Ltd.	(Note-8a)	16,901,718,515	17,979,284,002
Shahjalal Islami Bank Securities Ltd.		-	-
		16,901,718,515	**17,979,284,002**
		239,862,434,627	**219,200,277,017**

8a Investments of the Bank

Country-wise Classification of Investments:

Inside Bangladesh			
Gross Murabaha, Bai-Muajjal etc.		227,474,272,633	206,187,088,993
Less: Profit receivable on Murabaha, Bai-Muajjal etc. (Mark-up profit or unearned income)		7,146,013,556	7,579,788,996
Net Murabaha, Bai-Muajjal etc.		**220,328,259,077**	**198,607,299,997**
Net Bills Purchased and Discounted	(Note-8a.2)	16,901,718,515	17,979,284,002
Outside Bangladesh		-	-
		237,229,977,592	**216,586,583,999**

As per letter # 178/FRC/APR/2021/27(45) dated 09 December 2021 issued by the Financial Reporting Council (FRC) regarding the compliance of BRPD Circular Letter # 04 dated 04 January 2021 and BRPD Circular Letter # 35 dated 06 July 2021, the current status of the Bank is as follows:

Particulars	Compliance of BRPD Circular Letter # 04*		Compliance of BRPD Circular Letter # 35**	
	No. of Files	% of Compliance	No. of Files	% of Compliance
Complied Files	297	78%	297	100%
Total Files	381		297	

* BRPD Circular Letter # 04: Regarding the collection of audited financial statements and statutory audit report for sanctioned/renewed investments.

** BRPD Circular Letter # 35: Regarding the verification of audited financial statements through Document Verification System (DVS) developed by ICAB.

8a.1 Maturity-wise Classification of Investments

With a residual maturity of:		
Re-payable on Demand	54,562,894,846	44,341,512,186
Not more than 03 months	49,818,295,294	61,797,340,036
Over 03 months but not more than 01 year	54,562,894,846	89,905,880,569
Over 01 year but not more than 05 years	26,095,297,535	17,142,115,468
Over 05 years	52,190,595,070	3,399,735,740
	237,229,977,592	**216,586,583,999**

8a.2 Bills Purchased and Discounted

Payable inside Bangladesh	4,555,763,536	4,279,558,652
Payable outside Bangladesh	12,657,424,310	14,001,667,445
Gross Bills Purchased and Discounted	**17,213,187,847**	**18,281,226,097**
Less: Profit receivable on Bills Purchased and Discounted	311,469,332	301,942,095
Net Bills Purchased and Discounted	**16,901,718,515**	**17,979,284,002**

8a.3 Maturity-wise Classification of Bills Purchased and Discounted

Re-payable:		
Within 01 month	3,459,781,780	3,680,359,435
Over 01 month but less than 03 months	4,822,060,292	5,129,489,726
Over 03 months but less than 06 months	3,508,796,764	3,732,499,359
06 months or more	5,111,079,679	5,436,935,482
	16,901,718,515	**17,979,284,002**

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8a.4 Investments on the basis of significant concentration

Investments to allied concern of Directors	(Note-53.5)	2,712,444,495	2,684,321,800
Investments to Executives/Officers		2,224,379,061	2,013,480,269
Investments to Customer Groups		83,125,746,944	84,154,894,572
Industrial Investments		149,167,149,386	127,733,630,426
Others		257,706	256,931
		237,229,977,592	**216,586,583,999**

Investments allowed to single person/counterparty or a group which is equal to or greater than 10% of Bank's total capital:

Total outstanding amount to such customers at end of the year	:	107,761.41 million	98,065.51 million
Number of such types of customers	:	23	20
Amount of Classified Investments thereon	:	Nil	Nil
Measures taken for recovery	:	Not applicable	Not applicable

The amount represents the sum of total investments (both Funded and Non-Funded) to single person/counterparty or a group equal to or greater than Tk. 3,406.45 million which is computed @ 10% and above of total capital of the bank, i.e. Tk. 34,064.48 million (Note-17.5.c) as at 31 December 2022.

For details, please refer to **Annexure-D**.

8a.5 Sector-wise Classification of Investments

Sector	As at 31 December 2022		As at 31 December 2021	
	Amount	Composition	Amount	Composition
Agriculture & Fishing	3,750,070,867	1.58%	3,745,300,000	1.73%
Cotton & Textile	19,698,236,300	8.30%	15,986,252,326	7.38%
Garments	53,779,166,142	22.67%	48,795,252,329	22.53%
Cement	1,973,238,650	0.83%	1,377,204,327	0.64%
Pharmaceuticals & Chemicals	7,198,057,346	3.03%	5,765,427,211	2.66%
Real Estate	8,303,793,964	3.50%	7,861,742,082	3.63%
Transport	3,064,912,499	1.29%	3,612,697,161	1.67%
Information Technology	700,689,623	0.30%	785,682,273	0.36%
Non Banking Financial Institutions	1,439,455,629	0.61%	1,049,270,234	0.48%
Steel & Engineering	8,403,069,265	3.54%	7,861,742,082	3.63%
Food Processing & Beverage	17,157,443,728	7.23%	13,394,922,486	6.18%
Power & Energy	7,780,171,632	3.28%	5,718,061,127	2.64%
Paper & Paper Products	1,743,874,720	0.74%	2,128,663,687	0.98%
Plastic & Plastic Product	7,206,031,728	3.04%	6,299,677,023	2.91%
Electronics	9,527,940,996	4.02%	6,650,416,932	3.07%
Services Industries	7,935,089,101	3.34%	7,314,961,280	3.38%
Trading	32,884,014,916	13.86%	30,870,690,066	14.25%
Construction incl. Work Order Financing	19,053,683,321	8.03%	21,190,235,269	9.78%
Share business	2,369,005,756	1.00%	2,388,413,151	1.10%
Staff Investment	2,224,379,061	0.94%	2,013,480,269	0.93%
Others	21,037,652,348	8.87%	21,776,492,686	10.05%
Total	**237,229,977,592**	**100.00%**	**216,586,583,999**	**100.00%**

Incompliance with Bangladesh Bank SMESPD circular No.-05 dated 14 August 2022; CMSME Cluster Financing position are as follow:

Cluster's Category	Outstanding as on 31.12.2022
Agro/Food processing and Agri Machinery Manufacturing Clusters	176,858,000
Ready Made Garments (RMG), Knitwear, Designe & Personal Wear Clusters	987,035,000
ICT Clusters	-
Leather & Leather goods Clusters	8,500,000
Light Engineering Clusters	152,251,000
Jute & Jute products Cluster	6,500,000
Total	**1,331,144,000**

8a.6 Geographical Location-wise Investments

Area	As at 31 December 2022		As at 31 December 2021	
	Amount in Taka	Composition	Amount in Taka	Composition
i) Inside Bangladesh				
a. In Urban Areas				
Dhaka	180,721,421,428	78.00%	160,485,479,863	77.92%
Chattogram	33,181,120,652	14.32%	29,601,629,063	14.37%
Sylhet	1,860,252,031	0.80%	2,168,082,454	1.05%
Rajshahi	4,972,513,864	2.15%	4,939,003,409	2.40%
Rangpur	2,313,755,717	1.00%	1,443,032,912	0.70%
Khulna	6,483,350,950	2.80%	5,357,801,659	2.60%
Barishal	858,564,534	0.37%	555,135,633	0.27%
Mymensingh	1,316,819,936	0.57%	1,418,508,441	0.69%
Sub-total	**231,707,799,111**	**100%**	**205,968,673,434**	**100%**

Area	As at 31 December 2022		As at 31 December 2021	
	Amount in Taka	Composition	Amount in Taka	Composition
b. In Rural Areas				
Dhaka	4,041,266,489	73.18%	7,011,138,447	66.03%
Chattogram	794,078,281	14.38%	1,444,088,800	13.60%
Sylhet	178,493,944	3.23%	241,928,581	2.28%
Rajshahi	100,589,164	1.82%	559,804,389	5.27%
Khulna	94,992,096	1.72%	786,973,605	7.41%
Barishal	96,574,816	1.75%	376,641,467	3.55%
Mymensingh	216,183,692	3.91%	197,335,275	1.86%
Sub-total	**5,522,178,481**	**100%**	**10,617,910,565**	**100%**
ii) Outside Bangladesh	-	-	-	-
Total	**237,229,977,592**	**100%**	**216,586,583,999**	**100%**

	31.12.2022 Taka	31.12.2021 Taka

8a.7 Mode-wise Investments

Mode of Investment	Amount in Taka	Amount in Taka
Bai-Murabaha	12,959,610,066	9,336,514,649
Bai-Muajjal	101,324,554,561	100,091,286,727
Hire Purchase Under Shirkatul Melk	61,879,107,507	51,205,439,045
Ijara	1,539,262,884	1,779,525,158
Bai-Salam	6,675,877,286	5,190,002,694
Mudaraba Import Bills	12,596,679,940	13,582,710,813
EDF/Murabaha Foreign Currency Investment	34,623,526,812	28,182,486,663
Quard	843,569,533	2,481,970,929
IDBP	3,966,116,176	4,003,734,897
FDBP	338,922,398	392,838,293
Islamic Credit Card Investment	482,750,428	340,074,133
Total	**237,229,977,592**	**216,586,583,999**

8a.8 Grouping of Investments as per Classification Rules of Bangladesh Bank

Status	As at 31 December 2022		As at 31 December 2021	
	Amount in Taka	Composition	Amount in Taka	Composition
Unclassified:				
Standard (including Staff Investment)	222,746,444,156	93.89%	203,649,935,063	94.03%
Special Mention Account (SMA)	3,150,706,866	1.33%	3,367,804,586	1.55%
Sub-total	**225,897,151,022**		**207,017,739,650**	
Classified				
Substandard	1,661,805,535	0.70%	96,297,819	0.04%
Doubtful	85,784,354	0.04%	36,771,435	0.02%
Bad or Loss	9,585,236,681	4.04%	9,435,775,095	4.36%
Sub-total	**11,332,826,570**		**9,568,844,349**	
Grand Total	**237,229,977,592**	**100.00%**	**216,586,583,999**	**100.00%**

8a.9 Particulars of Provision for Investments

Status	Basis for Provision	Rate	31.12.2022 Taka	31.12.2021 Taka
Standard:				
Unclassified (excluding Staff Investments)	153,402,800,873	1% (ex. RSDL BB NOC)	1,534,028,008.73	1,313,217,504
Staff Investments	2,224,379,061	0%	-	-
Consumer Financing (other than HF & LP)	943,536,471	2%	18,870,729	20,191,714
Small & Medium Enterprise	60,476,151,205	0.25%	151,190,378	160,330,101
Housing Finance (HF)	3,032,913,368	1%	30,329,134	26,726,781
Loan for Professionals (LP)	2,743,856	2%	54,877	43,237
Share Business	2,260,530,756	2%	45,210,615	44,838,490
Short Term Agri Credit	20,244,333	1%	202,443	1,032
Islamic Credit Card	396,564,191	2%	7,931,284	5,249,709
SMA	3,150,706,866		13,876,999	18,985,432
Special General Provision for "COVID-19"			459,101,622	504,014,799
Special Reschedule & One Time Exit			308,837,303	324,518,201
			2,569,633,394	**2,418,117,000**
Sub-standard	875,215,851	20% & 5% (Agri, Cottage & Micro Credit)	170,554,544	2,262,714
Doubtful	24,228,374	50%; 20% (Cottage & Micro Credit) & 5% (Agri)	10,950,452	2,037,034
Bad or Loss	2,608,594,351	100%	2,608,594,351	2,316,867,808
Reschedule (BB NOC)			760,037,104	753,949,444
3rd and above time Reschedule			251,774,055	-
			3,801,910,507	**3,075,117,000**
Required Provision for Investments			**6,371,543,901**	**5,493,234,000**
Total Provision Maintained {note-15a.1(a) & (b)}			6,589,273,726	5,493,957,256
Surplus/(Shortfall) Provision			**217,729,826**	**723,256**

The Bank has maintained provision on unclassified investments amounting to Tk. 2,661,740,096 (note-15a.1.b) and for classified investments amounting to Tk. 3,927,533,630 (note-15a.1.a), totaling Tk. 6,589,273,726. These exist surplus of Tk. 217,729,826 against the required provision.

	31.12.2022 Taka	31.12.2021 Taka

8a.10 Particulars of Provision for Off-balance Sheet Items

Status	Basis for Provision	Amount of provision @ 1%	Amount of provision @ 1%
Acceptances & endorsements	39,723,122,024	397,231,220	395,700,184
Letters of Guarantee	31,316,699,877	313,166,999	319,041,286
Irrevocable Letters of Credit	44,418,370,950	444,183,710	640,747,429
Bills for collection	33,967,076	339,671	418,650
Required provision for Off-balance Sheet Items	**115,492,159,927**	**1,154,921,599**	**1,355,907,549**
Provision maintained {note-15a.1(c)}		1,356,200,000	1,356,200,000
Surplus Provision		**201,278,401**	**292,451**

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		31.12.2022 Taka	31.12.2021 Taka
8a.11	**Particulars of Investments**		
(i)	Investments considered good in respect of which the banking company is fully secured	193,773,370,642	177,822,811,122
(ii)	Investments considered good for which the banking company holds no other security than the debtor's personal security	37,861,904,424	34,567,218,806
(iii)	Investments considered good and secured by personal security of one or more parties in addition to the personal security of the debtors	5,594,702,527	4,196,554,070
(iv)	Investments considered bad or doubtful not provided for	-	-
		237,229,977,592	**216,586,583,999**
(v)	Investments due by directors or officers of the banking company or any of them either severally or jointly with any other person	**2,224,379,061**	**2,013,480,269**
(vi)	Investments 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 (Note 53.5).	**2,712,444,495**	**2,684,321,800**
(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.	**2,224,379,061**	**2,013,480,269**
(viii)	Maximum total amount of advances including temporary advances 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	**2,712,444,495**	**2,684,321,800**
(ix)	Investments due from other Banks	-	-
(x)	Classified Investment on which profit has not been charged	**11,332,826,570**	**9,568,844,349**
a.	Movement of Classified Investments:		
	Opening Balance	9,568,844,349	8,973,476,102
	Increase/(decrease) during the year	1,763,982,220	595,368,247
		11,332,826,570	**9,568,844,349**
	i) (Decrease)/increase of specific provision	**852,414,374**	**(364,942,562)**
	ii) Amount of written-off investment during the year against which fully provided	-	**1,136,704,769**
	iii) Amount recovered against the investment which was previously written-off	**66,934,374**	**31,809,277**
b.	Amount of provision kept against classified Investment as Bad or Loss on the reporting day of Balance Sheet	**3,927,533,630**	**3,075,119,256**
c.	Amount of profit charged in suspense account	**5,750,464,749**	**4,640,949,483**
(xi)	Cumulative amount of written-off Investments		
	Opening Balance	5,793,611,471	4,656,906,702
	Amount written-off during the year	-	1,136,704,769
		5,793,611,471	**5,793,611,471**
9.	**Consolidated Fixed Assets including Premises, Furniture and Fixtures**		
	Cost		
	Shahjalal Islami Bank Ltd. (Note-9a)	7,869,223,133	7,206,268,611
	Shahjalal Islami Bank Securities Ltd.	246,969,082	232,886,248
		8,116,192,215	**7,439,154,859**
	Accumulated Depreciation		
	Shahjalal Islami Bank Ltd. (Note-9a)	2,596,560,659	2,128,942,552
	Shahjalal Islami Bank Securities Ltd.	105,685,757	83,436,387
		2,702,246,416	**2,212,378,939**
	Written Down Value	**5,413,945,799**	**5,226,775,920**
9a	**Fixed Assets including Premises, Furniture and Fixtures of the Bank**		
	Tangible Assets:		
	Cost		
	Land	1,876,724,350	1,876,724,350
	Building	893,986,278	893,986,278
	Furniture & Fixtures	1,208,748,919	1,132,828,486
	Office Equipment	781,386,436	756,215,635
	Computer & Network Equipment	708,831,394	658,021,418
	Vehicles	129,909,231	136,169,606
	Right of Use Assets as per IFRS-16*	2,095,664,041	1,589,518,428
	Books	1,042,667	1,042,667
		7,696,293,315	**7,044,506,868**

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		31.12.2022 Taka	31.12.2021 Taka
Less:			
Accumulated depreciation		2,447,229,475	1,985,240,815
Written Down Value		**5,249,063,840**	**5,059,266,053**
Intangible Assets:			
Cost			
Software-Core Banking		62,615,431	62,615,431
Software-Others		110,314,387	99,146,312
		172,929,818	**161,761,743**
Less:			
Amortization		149,331,184	143,701,736
Written Down Value		**23,598,634**	**18,060,006**
Total Written Down Value		**5,272,662,474**	**5,077,326,059**

*Right of Use (RoU) Assets are measured at cost less any accumulated depreciation and adjusted for any measurement of lease liabilities (Note-2.7.6).

The details of fixed assets are given in **Annexure-B**.

10. Consolidated Other Assets

Shahjalal Islami Bank Ltd.	(Note-10a)	21,844,875,177	20,141,811,136
Shahjalal Islami Bank Securities Ltd.		486,573,364	434,734,112
		22,331,448,541	20,576,545,248
Less: Inter Company Transaction		2,515,000,000	2,515,000,000
		19,816,448,541	**18,061,545,248**

10.1 Consolidated Advance Tax

Shahjalal Islami Bank Ltd.	(Note-10a.4)	17,325,070,828	16,597,308,766
Shahjalal Islami Bank Securities Ltd.		451,921,114	409,543,904
		17,776,991,942	**17,006,852,670**

10a Other Assets of the Bank

Income Generating:			
Shahjalal Islami Bank Securities Ltd.	(Note-10a.3)	2,515,000,000	2,515,000,000
Sub-total		**2,515,000,000**	**2,515,000,000**
Non-Income Generating:			
Stock of Stationery, Stamps and printing materials etc. (valued at cost)		32,352,408	24,202,678
Advance Rent and Security Deposit		42,794,922	36,005,658
Suspense Account	(Note-10a.1)	476,794,286	139,151,408
Profit Receivable	(Note-10a.2)	1,083,252,168	699,031,297
Other Prepayments		133,509,156	100,954,213
Advance Insurance Premium		58,852	26,680
Advance for New Branches		3,600,000	-
Advance Tax Paid	(Note-10a.4)	17,325,070,828	16,597,308,766
Other Receivables		3,034,667	3,181,647
SJIBL General Account-Net	(Note-10a.5)	229,407,891	26,948,790
Balance with OBU		10,031,884,419	9,958,934,700
		29,361,759,597	27,585,745,836
Less: Offshore Banking Unit		10,031,884,419	9,958,934,700
Sub-total		**19,329,875,177**	**17,626,811,136**
Grand Total		**21,844,875,177**	**20,141,811,136**

10a.1 Suspense Account

Sundry Debtors	28,756,970	31,817,912
Excise Duty on MTDR	28,521,261	24,772,141
Advance against TA/DA	9,600	1,000
Advance against Petty Cash	530,000	479,000
Cash Remittance	92,010,000	17,825,000
Law Charges	63,089,279	58,772,710
Stamp	282,450	534,220
Others	263,594,727	4,949,425
	476,794,286	**139,151,408**

The detailed break-up of unadjusted suspense accounts is given below:

(Amount in '000)

Sl. #	Break-up	Less than 03 months	03 months to less than 06 months	06 months to less than 09 months	09 months to less than 12 months	12 months and above
1	Sundry Debtors	11,424	3,026	11,630	-	2,677
2	Advance against TA/DA	10	-	-	-	-
3	Advance against Petty Cash	530	-	-	-	-
4	Cash Remittance	92,010				
5	Legal Expenses	5,514	3,159	2,212	2,003	50,201
6	Others	280,805	3,651	1,263	2,120	4,559
	Grand Total	**390,293**	**9,836**	**15,105**	**4,123**	**57,437**

	31.12.2022 Taka	31.12.2021 Taka
10a.2 Profit Receivable		
Placement to Other Banks-MTDR	178,935,535	53,148,313
Placement to Financial Institutions-MTDR	16,638,333	40,980,972
Profit on Investment against MSD	375,878	376,118
On Investments	887,302,422	604,525,894
	1,083,252,168	**699,031,297**

10a.3 Shahjalal Islami Bank Limited invested Tk. 251.50 crore in its subsidiary company named 'Shahjalal Islami Bank Securities Limited' as per approval of competent authority. The subsidiary company commenced its operation on 25 May 2011. The total paid-up capital of the subsidiary company is Tk. 274.00 crore which is divided into 27,40,00,000 ordinary shares at Tk. 10 each and the Bank holds 91.79% of its paid-up capital.

10a.4 Advance Tax Paid		
Balance at the beginning of the year	16,597,308,766	14,797,808,219
Adjustment for final Settlement	(1,460,862,131)	-
Paid during the year	2,188,624,194	1,799,500,546
	17,325,070,828	**16,597,308,766**

10a.5 SJIBL General Account represents outstanding Inter-Branch and Head Office transactions (Net) originated but yet to be responded at the Balance Sheet date. The break-up of SJIBL General Account is given below:

	Debit		Credit	
	No. of Entry	Amount in Taka	No. of Entry	Amount in Taka
Up to 3 months	719	271,217,728	241	41,809,838
Over 3 Months but within 6 months	-	-	-	-
Over 6 Months but within 1 year	-	-	-	-
Over 1 year but within 5 years	-	-	-	-
	719	**271,217,728**	**241**	**41,809,838**
Net unreconciled amount				**229,407,891**

There are no outstanding unreconciled entries for more than 03 months. However, outstanding entries on Balance Sheet date are subsequently reconciled.

11. Non-Banking Assets

Shahjalal Islami Bank Ltd.	**88,909,355**	**88,909,355**

The Bank was awarded absolute ownership on some mortgaged properties through the verdict of Honorable Court under Section 33(7) of the Artharin Adalat Act, 2003. These were recorded as non-banking assets as per valuation report of professional surveyor. Value of these assets was recorded in equivalent to the client's adjustable outstanding. Following are the details:

Sl. #	Name of Parties	Assets Details	31.12.2022 Taka	31.12.2021 Taka
i.	Haque Steel & Re-Rolling Industries Pvt. Ltd.	**i)** 26 (twenty six) decimals land situated at Savar, Mouza: Boroboreshi **ii)** 160.50 decimals land together with building structures standing and/or existing therein and appurtenance thereto situated at Narayangonj, Mouza: Dapa Idrakpur. Carrying value of which was **BDT 1741.59 Lac (Market Value)**. Entitlement Date: 12 October 2014	47,064,331	47,064,331
ii.	M/S Noor Mohammad Iron Store	6.25 (six point two five) decimals land situated at Bashundhara River View Project at Block - A, Plot # 532, Keranigonj, Dhaka, Mouza - Naiyatola. Carrying value of which was **BDT 47.34 Lac (Market Value).** Entitlement Date: 14 May 2015	4,014,637	4,014,637

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Sl. #	Name of Parties	Assets Details	31.12.2022 Taka	31.12.2021 Taka
iii.	M/s Khizir Trading	13.83 (thirteen point eight three) decimals land situated at Khulshi, Mouza: Pahartali. Carrying value of which was **BDT 356.81 Lac (Market Value)**. Entitlement Date: 05 November 2017	31,468,345	31,468,345
iv.	Md. Mehedul Islam	**i)** 04 (four) decimals land situated at Dinajpur, Kotwali, Mouza: Majipara **ii)** 13 (thirteen) decimals land situated at Dinajpur, Fulbari, Mouza: Rashidpur. Carrying value of which was **BDT 48.50 Lac (Market Value)**. Entitlement Date: 04 April 2017	3,380,238	3,380,238
v.	Sohel Enterprise	**i)** 08 (eight) decimals land situated at Rangpur, Kotwali, Mouza: Taluk Dharmadash **ii)** 4 (four) decimals land situated at Rangpur, Kotwali, Mouza: Alamnagar **iii)** 3 (three) decimals land situated at Rangpur, Kotwali, Mouza: Taluk Dharmadash. Carrying value of which was **BDT 34.50 Lac (Market Value)**. Entitlement Date: 29 November 2017	2,981,804	2,981,804
	Total		**88,909,355**	**88,909,355**

			31.12.2022 Taka	31.12.2021 Taka
12.	**Consolidated Placement from other Banks & Financial Institutions**			
	Shahjalal Islami Bank Ltd.	(Note-12a)	42,036,645,204	32,436,452,822
	Shahjalal Islami Bank Securities Ltd.		2,523,473,895	2,506,519,665
			44,560,119,099	34,942,972,487
	Less: Inter Company Transaction		2,260,530,757	2,241,959,513
			42,299,588,342	**32,701,012,974**
12a	**Placement from other Banks & Financial Institutions of the Bank**			
	Export Development Fund - Bangladesh Bank		31,463,988,138	24,564,754,416
	Financial Stimulus Fund - Bangladesh Bank		4,703,822,926	2,360,288,256
	Foreign Currency Deposit (FSSP BB USD) - Bangladesh Bank		5,512,056	20,210,150
	Mudaraba Term Deposit from other Banks	(Note-12a.1)	4,955,673,575	5,491,200,000
	Islamic Refinance Fund - Bangladesh Bank		3,726,633	-
	Bangladesh Bank Refinance (Bai Salam)		761,665,000	-
	Bangladesh Bank Refinance (TDF)		79,456,875	-
	Bangladesh Bank Refinance (BMMFLIPSB)		2,400,000	-
	IsDB's SPRP For Covid-19		25,500,000	-
	SME Foundation Refinance Scheme		11,900,000	-
	Bangladesh Bank Refinance		23,000,000	-
	Borrowing from Offshore Banking Unit (OBU)		165,395	165,395
			42,036,810,599	32,436,618,217
	Less: Offshore Banking Unit		165,395	165,395
			42,036,645,204	**32,436,452,822**
12a.1	**Mudaraba Term Deposit from other Banks**			
	Inside Bangladesh			
	Al-Arafah Islami Bank Limited		2,065,940,000	1,287,000,000
	United Commercial Bank Limited		-	343,200,000
	Southeast Bank Limited		-	343,200,000
	Dhaka Bank Limited		-	858,000,000
	Mercantile Bank Limited		-	858,000,000
	Mutual Trust Bank Limited		-	85,800,000
	Prime Bank Limited		-	429,000,000
	Social Islami Bank Limited		-	429,000,000
	Standard Bank Limited		-	429,000,000
	Sub-total		**2,065,940,000**	**5,062,200,000**
	Outside Bangladesh			
	Bank Muscat SAOG		309,891,000	429,000,000
	National Bank of Ras Al-Khaimah (P.S.C.)		2,166,654,575	-
	United Bank Limited		413,188,000	-
	Sub-total		**2,889,733,575**	**429,000,000**
	Grand Total		**4,955,673,575**	**5,491,200,000**

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		31.12.2022 Taka	31.12.2021 Taka
13. Consolidated Deposits and Other Accounts			
Al-Wadeeah Current Deposits & Other Accounts			
Shahjalal Islami Bank Ltd.	(Note-13a)	48,293,094,847	39,179,680,779
Shahjalal Islami Bank Securities Ltd.		-	-
		48,293,094,847	39,179,680,779
Less: Inter Company Transaction		136,604	30,857
		48,292,958,243	**39,179,649,922**
Bills Payable			
Shahjalal Islami Bank Ltd.	(Note-13a)	5,872,217,849	4,016,969,162
Shahjalal Islami Bank Securities Ltd.		-	-
		5,872,217,849	**4,016,969,162**
Mudaraba Savings Deposits			
Shahjalal Islami Bank Ltd.	(Note-13a)	36,934,789,424	36,326,437,165
Shahjalal Islami Bank Securities Ltd.		-	-
		36,934,789,424	36,326,437,165
Less: Inter Company Transaction		56,538	3,124
		36,934,732,886	**36,326,434,041**
Mudaraba Term Deposits			
Shahjalal Islami Bank Ltd.	(Note-13a)	86,817,226,090	74,469,380,080
Shahjalal Islami Bank Securities Ltd.		-	-
		86,817,226,090	**74,469,380,080**
Other Mudaraba Deposits			
Shahjalal Islami Bank Ltd.	(Note-13a)	50,064,730,403	63,296,520,951
Shahjalal Islami Bank Securities Ltd.		-	-
		50,064,730,403	63,296,520,951
Less: Inter Company Transaction		319,514,217	478,016,781
		49,745,216,186	**62,818,504,170**
Total		**227,662,351,255**	**216,810,937,375**
13a Deposits and Other Accounts of the Bank			
Al-Wadeeah Current Deposits & Other Accounts			
Al-Wadeeah Current Deposits		14,523,129,877	13,898,996,579
Deposits from Other Banks		-	13,791,692
Foreign Currency Deposits		4,542,969,527	5,048,826,567
Non-Resident Taka Account		207,042,612	25,147,302
Profit Payable		1,151,802,996	595,541,458
Sundry Deposits		27,905,067,144	19,628,353,924
Unclaimed Dividend	(Note-13a.5)	23,166,697	14,504,103
		48,353,178,854	39,225,161,626
Less: Offshore Banking Unit		60,084,006	45,480,846
		48,293,094,847	**39,179,680,779**
Bills Payable			
Payable inside Bangladesh			
Payment Order Issued		5,856,338,343	4,012,866,134
Demand Draft Payable		4,012,037	4,012,437
Electronic Fund Transfer		11,867,469	90,591
		5,872,217,849	4,016,969,162
Payable outside Bangladesh		-	-
		5,872,217,849	**4,016,969,162**
Mudaraba Savings Deposits			
General Deposits		36,884,053,499	36,290,215,626
Foreign Currency Deposits		50,735,925	36,221,540
Deposits from Other Banks	(Note-13a.3)	-	-
		36,934,789,424	**36,326,437,165**
Mudaraba Term Deposits			
General Deposits		86,508,912,673	74,239,418,443
Foreign Currency Deposits		308,313,418	229,961,637
		86,817,226,090	**74,469,380,080**
Other Mudaraba Deposits			
Mudaraba Special Notice Deposits		11,453,808,080	11,833,696,784
Mudaraba Scheme Deposits	(Note-13a.1)	38,531,969,154	44,336,944,127
Deposits from Other Banks (SND)	(Note-13a.3)	78,953,170	7,125,880,040
		50,064,730,403	**63,296,520,951**
		227,982,058,614	**217,288,988,137**

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		31.12.2022 Taka	31.12.2021 Taka
13a.1 Mudaraba Scheme Deposits			
Millionaire Scheme		8,487,128,412	8,319,099,539
Multiple Benefit Scheme		5,122,748,872	6,769,500,454
Monthly Income Scheme		5,111,521,547	8,688,426,290
Monthly Deposit Scheme		19,354,068,850	20,137,349,884
Hajj Deposit Scheme		366,286,672	342,923,087
Cash Waqf		13,013,445	9,164,301
Housing Deposit Scheme		229,588	340,482
Lakhpoti Deposit Scheme		98,101	199,592
Mohor Deposit Scheme		132	132
Education Deposit Scheme		51,526,378	43,248,903
Marriage Deposit Scheme		25,347,158	26,691,464
		38,531,969,154	**44,336,944,127**
13a.2 Deposits and Other Accounts			
General Deposits		227,903,105,444	210,163,108,097
Deposits from Other Banks	(Note- 13a.3)	78,953,170	7,125,880,040
		227,982,058,614	**217,288,988,137**
13a.3 Deposits from Other Banks			
Mudaraba Special Notice Deposits			
Export Import Bank of Bangladesh Limited		18,759,295	180,193,503
AB Bank Limited		12,585	12,551
Jamuna Bank Limited		645,633	636,798
Al-Arafah Islami Bank Limited		13,443,091	1,908,054,640
Social Islami Bank Limited		20,684,011	519,634,886
National Credit and Commerce Bank Limited		659,691	649,682
ICB Islamic Bank Limited		5,723	6,936
Islami Bank Bangladesh Limited		16,371,282	4,505,547,761
Sonali Bank Limited		197,687	199,159
Mercantile Bank Limited		99,087	99,084
Bangladesh Krishi Bank BD Ltd.		8,066,023	10,845,040
United Commercial Bank PLC		1,062	-
Bank Asia Agent Bank		8,002	-
		78,953,170	**7,125,880,040**
13a.4 Maturity-wise classification of Deposits is as under			
With a residual maturity of			
Repayable on demand		11,399,102,931	10,864,449,407
Within 01 month		45,204,548,086	37,203,813,878
Over 01 month but not more than 06 months		68,394,617,584	65,186,696,441
Over 06 months but not more than 01 year		18,146,619,114	77,098,875,984
Over 01 year but not more than 05 years		37,888,951,616	23,073,926,038
Over 05 years		46,948,219,283	3,861,226,389
		227,982,058,614	**217,288,988,137**
13a.5 Unclaimed Dividend Account			
Dividend remained unclaimed which were declared for the year:			
2014		-	876
2015		-	1,095
2016		-	933
2018		-	67,536
2019		5,382,681	5,753,167
2020		8,837,886	8,680,495
2021		8,946,130	-
		23,166,697	**14,504,103**

To comply with Bangladesh Securities and Exchange Commission Directive No. BSEC/CMRRCD/2021-386/3 dated 14 January 2021 and Bangladesh Securities and Exchange Commission (Capital Market Stabilization Fund) Rules, 2021, during the year 2021 Tk. 27,549,938.59 has been transferred to Capital Market Stabilization Fund (CMSF) from unclaimed dividend.

Subsequently in response to a Letter ref. no. DOS(RMMCMS)1154/161/2022-173 dated 13 January 2022, the Bank vide its letter ref. no. SJIBL/HO/Board/2022/28 dated 17 January 2022 has informed Bangladesh Bank about the transfer of the amount to Capital Market Stabilization Fund (CMSF) of Bangladesh Securities and Exchange Commission (BSEC).

Unclaimed/Undistributed Stock

The shareholders whose Beneficiary Owner's (BO) ID were found closed at the time of crediting stock dividend i.e. bonus shares for the previous years are kept in SJIBL Dividend Suspense bearing BO ID-1204090016665712. At the closing of the accounting year 2022, total 54,208 number of shares remains undistributed/unclaimed including corporate benefit for the year 2007-2021 of which 44,254 number of shares transferred to Capital Market Stabilization Fund (CMSD) bearing BO ID 1201530074571230 on 21.06.2022 and the remaining 9,954 number of shares are kept in SJIBL Dividend Suspense bearing BO ID-1204090016665712.

14. Mudaraba Bonds			
Mudaraba Subordinated Bond	(Note- 14.1)	5,200,000,000	7,200,000,000
Mudaraba Perpetual Bond	(Note- 14.2)	5,000,000,000	5,000,000,000
		10,200,000,000	**12,200,000,000**
14.1 Mudaraba Subordinated Bond			
Mudaraba Subordinated Bond		**5,200,000,000**	**7,200,000,000**

The Bank issued floating rate non-convertible Mudaraba Subordinated Bond of Tk. 400 crore & Tk. 600 crore after obtaining approval from Bangladesh Securities and Exchange Commission (BSEC) and Bangladesh Bank. Mudaraba Subordinated Bonds were mainly issued to support and strengthen the capital base of the Bank under Tier-II, supplementary capital of Basel-III. The features of the bonds are enumerated below:

Features of SJIBL Mudaraba Subordinated Bonds

Particulars	1st Mudaraba Subordinated Bond	2nd Mudaraba Subordinated Bond
Issuer	Shahjalal Islami Bank Limited	Shahjalal Islami Bank Limited
Lead Arranger	Standard Chartered Bank	Standard Chartered Bank
Trustee	Green Delta Insurance Company Limited	Green Delta Insurance Company Limited
Tenure of Bond	7 (Seven) Years	7 (Seven) Years
Total Face Value	BDT 400 Crore (Four Hundred Crore)	BDT 600 Crore (Six Hundred Crore)
Number of Bonds	4,000 (Four Thousand)	6,000 (Six Thousand)
Profit Rate	Prevailing highest Mudaraba Term Deposit profit rate in 6-12 months tenor plus an additional profit rate of 2%	Weighted average of prevailing provisional profit rate of 6 months MTDR plus an additional profit rate of 2%
Date of Issue	15 June 2017	19 December 2018
Repayment/ Redemption	20% of the Total Bond Value to be Redeemed at the end of each year Starting from year 3 (Three) at Face Value.	20% of the Total Bond Value to be Redeemed at the end of each year Starting from year 3 (Three) at Face Value.

List of Investors

Name of the Investor	1st Mudaraba Subordinated Bond		2nd Mudaraba Subordinated Bond	
	Bond Issued (Taka)	Outstanding (as at 31 December 2022)	Bond Issued (Taka)	Outstanding (as at 31 December 2022)
EXIM Bank Limited	1,750,000,000	700,000,000	1,000,000,000	600,000,000
Pubali Bank Limited	700,000,000	280,000,000	-	-
Rupali Bank Limited	700,000,000	280,000,000	750,000,000	450,000,000
Uttara Bank Limited	500,000,000	200,000,000	-	-
Southeast Bank Limited	350,000,000	140,000,000	500,000,000	300,000,000
Agrani Bank Limited	-	-	2,500,000,000	1,500,000,000
Sonali Bank Limited	-	-	750,000,000	450,000,000
Dhaka Bank Limited	-	-	500,000,000	300,000,000
Total	**4,000,000,000**	**1,600,000,000**	**6,000,000,000**	**3,600,000,000**

	31.12.2022 Taka	31.12.2021 Taka
14.2 Mudaraba Perpetual Bond		
Mudaraba Perpetual Bond	5,000,000,000	5,000,000,000

With due approval from competent authority, Shahjalal Islami Bank Limited raised Additional Tier-1 Capital through issuance of "SJIBL Mudaraba Perpetual Bond" for Tk. 500.00 crore of which Tk. 450.00 crore raised through private placement and Tk. 50.00 crore raised through public offer in order to strengthen the capital base of the Bank.

Rate of Return/ Profit: The average of latest available yearly deposit rate (1 year but < 2 year) of scheduled Islamic banks (1st, 2nd and 3rd Generation banks only excluding foreign Islamic banks and any z-category Islamic Banks enlisted in capital market) published in Bangladesh Bank website plus a predetermined additional margin @2.50%. The range of return/profit is fixed from 6% to 10% and the payment of profit are made annually after the end of calendar year.

Contingent Convertible feature: The bond was issued with a contingent convertible feature that the bond will be converted to common share if the Banks's consolidated common equity Tier-I (CET-I) falls below Bangladesh Bank requirement (Currently of 4.50%) and stays below for 03 (Three) successive quarters. The conversion amount will be to the extent of shortfall amount for reaching CET-I @4.5%.

List of Investors

Name of the Investor	Outstanding as at 31 December 2022
Mercantile Bank Ltd.	500,000,000
Community Bank Bangladesh Ltd.	250,000,000
Bank Asia Limited	500,000,000
Trust Bank Limited	1,000,000,000
Social Islami Bank Ltd.	1,500,000,000
Standard Bank Ltd.	250,000,000
Global Islami Bank	250,000,000
The Premier Bank Limited	250,000,000
IPO-General/Investors	500,000,000
Total	**5,000,000,000**

15. Consolidated Other Liabilities

Shahjalal Islami Bank Ltd.	(Note-15a)	37,492,869,557	31,765,514,727
Shahjalal Islami Bank Securities Ltd.		2,651,834,812	2,787,654,567
		40,144,704,369	34,553,169,294
Less: Inter Company Transaction		-	-
		40,144,704,369	**34,553,169,294**

		31.12.2022 Taka	31.12.2021 Taka
15.1 Consolidated Provision for Current Tax			
Shahjalal Islami Bank Ltd.	(Note-15a.2)	19,607,591,030	17,290,140,619
Shahjalal Islami Bank Securities Ltd.		477,325,183	432,576,912
		20,084,916,213	**17,722,717,531**
15.2 Consolidated Current Tax Expenses			
Shahjalal Islami Bank Ltd.	(Note-15a.2)	3,208,335,035	2,027,880,538
Shahjalal Islami Bank Securities Ltd.		44,748,271	64,946,817
		3,253,083,306	**2,092,827,355**

15.3 Provision against Entries of Nostro Accounts

No provision is required as per BRPD Circular Letter No. 04; dated 12 April 2022 for unreconciled debit entries of Nostro Accounts as there is no outstanding entry for 06 months and over.

15a Other Liabilities of the Bank			
Profit Payable		485,746,002	134,591,473
Provision for Investment	{Note-15a.1 (a) & (b)}	6,589,273,726	5,493,957,256
Provision for Off-balance Sheet items	{Note-15a.1 (c)}	1,356,200,000	1,356,200,000
Provision for Other Assets	{Note-15a.1(d)}	203,965,000	91,965,000
Provisions for Investments in Securities	{Note-15a.1(e)}	658,560,000	658,560,000
Provision for Taxation	(Note-15a.2)	19,607,591,030	17,290,140,619
Profit Suspense Account	{Note-15(a).1 (f)}	4,948,313,858	3,732,643,784
Compensation Realisable & Suspense Account		802,150,891	908,305,698
Compensation Realised Account		554,641,235	436,011,476
Other Payables		347,801,192	218,275,240
Outstanding Expenses		263,492,306	108,996,505
Unearned Income on Quard		19,226,676	30,939,867
Lease Liabilities as per IFRS 16 Leases*	(Note-2.7.6)	1,575,722,705	1,259,993,453
Provision for Start-up Fund	(Note-15a.3)	80,184,936	44,934,355
		37,492,869,557	**31,765,514,727**

*As per note-2.7.6, in accordance with IFRS 16, the Bank has recognised the lease liabilities.

15a.1 Provision for Investment

(a) Provision on Classified Investments		
Provision held at the beginning of the year	3,075,119,256	3,440,061,818
Written-off Recovery	66,934,374	31,809,277
Net charge to Profit and Loss Account	785,480,000	541,490,000
Fully provided investment written-off during the year	-	(938,241,839)
Provision held at the end of the year	**3,927,533,630**	**3,075,119,256**
(b) General Provision on Unclassified Investments		
Provision held at the beginning of the year	2,418,838,000	2,224,300,000
Effect of exchange rate changes against provision held by offshore banking unit	32,016,655	-
Addition during the year	210,885,441	194,538,000
Balance at the end of the year	**2,661,740,096**	**2,418,838,000**
Total Provision for Investments (a+b)	**6,589,273,726**	**5,493,957,256**
(c) General Provision on Off-balance Sheet Items		
Provision held at the beginning of the year	1,356,200,000	935,200,000
Addition during the year	-	421,000,000
Balance at the end of the year	**1,356,200,000**	**1,356,200,000**
Total Provision for Investments & Off-balance Sheet Items (a+b+c)	**7,945,473,726**	**6,850,157,256**
(d) Provision for Other Assets		
Provision held at the beginning of the year	91,965,000	81,965,000
Addition during the year *	112,000,000	10,000,000
Balance at the end of the year	**203,965,000**	**91,965,000**

* To comply with BRPD circular No.4 dated:12 April 2022, Provision for other assets increased significantly.

(e) Provision for Investments in Shares & Securities		
Provision held at the beginning of the year	658,560,000	658,560,000
Addition during the year	-	-
Balance at the end of the year	**658,560,000**	**658,560,000**
(f) Profit Suspense Account		
Balance at the beginning of the year	3,732,643,784	3,218,459,970
Amount transferred to suspense account during the year	2,389,717,982	1,896,047,739
Amount recovered from suspense account during the year	(1,094,678,127)	(1,249,766,084)
Amount waived/ written-off during the year	(79,369,781)	(132,097,841)
Balance at the end of the year	**4,948,313,858**	**3,732,643,784**

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15a.2 Provision for Taxation

Provision for Current Tax		
Balance at the beginning of the year	17,290,140,619	14,949,163,422
Add: Provision for current year	3,208,335,035	2,027,880,538
Add: Provision for prior years	492,883,446	245,645,257
Add: Provision made on other during the year	77,094,061	67,451,402
Less: Adjustment for final settlement for previous years	(1,460,862,131)	-
Balance at the end of the year	**19,607,591,030**	**17,290,140,619**

The Bank has challenged some disputed income tax assessments which are pending at various appeal stages (i.e. Appellate Tribunal, High Court Division). The Bank is confident that once these appeals are finally disposed off, there should not be any additional tax demand against the Bank and hence no further provision is required.

15a.2(a) Provision for Current Tax made during the year

Income tax @ 37.50% on estimated taxable Business Profit	3,148,765,095	1,937,381,386
Income tax @ 20% on Dividend Income	35,896,181	59,055,468
Income tax @ 10% on Capital Gain on Sale of Shares	23,673,759	31,443,684
Adjustment for previous year	492,883,446	245,645,257
Estimated Total Provision Required	**3,701,218,481**	**2,273,525,795**
Computation of Taxable Business Profit		
Profit before Taxes	7,226,276,558	4,836,665,656
Add: Inadmissible expenditures & Separate consideration	2,225,706,339	2,548,646,094
	9,451,982,897	7,385,311,750
Less: Allowable Expenditure & Separate consideration	1,055,275,977	2,218,961,388
Estimated Taxable Business Profit for the year	**8,396,706,921**	**5,166,350,362**

15a.2(b) Reconciliation of effective tax rate of the Bank

Particulars	Effective Rate		
Profit before income taxes as per profit and loss account		7,226,276,558	4,836,665,656
Income taxes as per applicable tax rate	37.5%	2,709,853,709	1,813,749,621
Factors affecting the tax charge for current year:			
Inadmissible expenses	11.55%	834,639,877	955,742,285
Admissible expenses in the current year	-3.32%	(239,646,556)	(603,467,703)
Tax savings from reduced tax rates for dividend	-0.43%	(31,409,158)	(51,673,535)
Tax loss/(savings) from reduced tax rates for capital gain	-0.90%	(65,102,837)	(86,470,130)
Adjustment for previous year	6.82%	492,883,446	245,645,257
Total Income Tax Expenses	**51.22%**	**3,701,218,481**	**2,273,525,795**

15a.3 Provision for Start-up Fund

For the year 2020	19,081,986	19,081,986
For the year 2021	25,852,369	25,852,369
For the year 2022	35,250,581	-
Balance at the end of the year	**80,184,936**	**44,934,355**

Bangladesh Bank vide its SMESPD Circular No. 04 dated 29 March 2021 as well as SMESPD Circular Letter No. 05 dated 26 April 2021 instructed all scheduled banks to build-up a Start-up Fund under Other Liabilities @1% out of net profit starting from the year 2020 in order to make disbursement to make new entrepreneurs and self-employment.

16. Consolidated Deferred Tax Liabilities

Shahjalal Islami Bank Ltd.	(Note-16a)	237,151,866	237,151,866
Shahjalal Islami Bank Securities Ltd.		(1,266,951)	(1,601,224)
		235,884,914	**235,550,642**

16a Deferred Tax Liabilities of the Bank

Balance at the beginning of the year	237,151,866	259,248,945
Add: Provision made during the year	-	(22,097,080)
	237,151,866	**237,151,866**

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17. Capital		
17.1 Authorized Capital		
1,500,000,000 ordinary shares of Tk. 10 each	**15,000,000,000**	**15,000,000,000**
17.2 Issued, Subscribed and Paid-up Capital		
1,080,551,798 ordinary shares of Tk. 10 each	**10,805,517,980**	**10,290,969,510**
20,500,000 ordinary sponsor shares of Tk. 10 each issued for cash	205,000,000	205,000,000
12.5% Stock Dividend for the year 2002	25,625,000	25,625,000
2,362,000 ordinary new shares issued	236,200,000	236,200,000
4,690,000 ordinary new shares issued	469,000,000	469,000,000
93,582,500 shares issued under Initial Public Offer (IPO)	935,825,000	935,825,000
20% Stock Dividend for the year 2007	374,330,000	374,330,000
22% Stock Dividend for the year 2008	494,115,600	494,115,600
25% Stock Dividend for the year 2009	685,023,900	685,023,900
30% Stock Dividend for the year 2010	1,027,535,850	1,027,535,850
25% Stock Dividend for the year 2011	1,113,163,830	1,113,163,830
20% Stock Dividend for the year 2012	1,113,163,840	1,113,163,840
10% Stock Dividend for the year 2013	667,898,310	667,898,310
5% Stock Dividend for the year 2016	367,344,060	367,344,060
10% Stock Dividend for the year 2017	771,422,540	771,422,540
10% Stock Dividend for the year 2018	848,564,790	848,564,790
5% Stock Dividend for the year 2019	466,710,630	466,710,630
5% Stock Dividend for the year 2020	490,046,160	490,046,160
5% Stock Dividend for the year 2021	514,548,470	-
	10,805,517,980	**10,290,969,510**

Category	Holding		
Sponsor & Director Group	In year 2022: 48.22%; 2021: 48.22%	5,210,533,770	4,962,413,260
Institutes Group	In year 2022: 14.76%; 2021: 14.24%	1,594,505,140	1,465,882,450
General Shareholders Group	In year 2022: 36.87%; 2021: 37.39%	3,983,838,770	3,846,765,890
Foreign Group	In year 2022: 0.15%; 2021: 0.15%	16,640,300	15,907,910
		10,805,517,980	**10,290,969,510**

Classification of Shareholders by number of holding:

As at 31 December 2022

Range of Share Holding	No. of Shareholders	No. of Shares	Percentage of Holding Shares
Up to 500	11,063	1,662,979	0.15%
501-5,000	10,944	22,544,654	2.09%
5,001-10,000	1,032	7,170,415	0.66%
10,001-20,000	508	7,063,153	0.65%
20,001-30,000	177	4,309,460	0.40%
30,001-40,000	81	2,766,539	0.26%
40,001-50,000	50	2,267,163	0.21%
50,001-100,000	109	7,459,133	0.69%
100,001-1,000,000	120	36,183,104	3.35%
Over 1,000,000	88	989,125,198	91.54%
Total	**24,172**	**1,080,551,798**	**100.00%**

As at 31 December 2021

Range of Share Holding	No. of Shareholders	No. of Shares	Percentage of Holding Shares
Up to 500	12,118	1,772,305	0.17%
501-5,000	11,639	23,506,989	2.28%
5,001-10,000	1,124	7,779,606	0.76%
10,001-20,000	573	8,028,045	0.78%
20,001-30,000	172	4,267,157	0.41%
30,001-40,000	78	2,622,178	0.25%
40,001-50,000	54	2,479,633	0.24%
50,001-100,000	111	7,793,885	0.76%
100,001-1,000,000	108	34,645,398	3.37%
Over 1,000,000	83	936,201,755	90.97%
Total	**26,060**	**1,029,096,951**	**100.00%**

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17.3 Consolidated Capital to Risk-Weighted Assets Ratio (CRAR) Under Basel-III

a) Going Concern Capital (Tier-I):

Common Equity Tier-I Capital (CET-I)			
i. Paid-up Capital		10,805,517,980	10,290,969,510
ii. Statutory Reserve	(Note-18)	9,372,461,107	7,927,205,795
iii. Retained Earnings	(Note-19)	1,745,940,328	1,608,652,106
iv. Capital Reserve		28,796,597	3,449,994
v. Non-controlling Interest		232,387,434	227,440,923
		22,185,103,446	**20,057,718,328**
Less: Carrying amount of intangible assets		23,942,748	-
		22,161,160,699	**20,057,718,328**
Additional Tier-I Capital (AT-I)		5,000,000,000	4,756,736,193
		27,161,160,699	**24,814,454,521**
b) Gone Concern Capital (Tier-II):			
i. General Provision		4,067,405,831	3,824,503,735
ii. Mudaraba Subordinated Bond		3,200,000,000	5,200,000,000
iii. Mudaraba Perpetual Bond (Excess over limit of AT-I)		-	243,263,807
		7,267,405,831	**9,267,767,542**
c) Total Eligible Regulatory Capital (a+b)		**34,428,566,530**	**34,082,222,063**
d) Consolidated Total Risk Weighted Assets		**243,919,410,119**	**231,484,974,887**
e) Minimum Required Capital (10% of Risk-Weighted Assets)		**24,391,941,012**	**23,148,497,489**
f) Minimum Required Capital (12.50% of Risk-Weighted Assets) including conservation buffer		**30,489,926,265**	**28,935,621,861**
g) Total Capital Surplus (c-e)		**10,036,625,518**	**10,933,724,574**
h) Total Capital Surplus considering conservation buffer (c-f)		**3,938,640,265**	**5,146,600,202**

Consolidated Capital to Risk-Weighted Assets Ratio

Particulars	2022		2021	
	Requirement	Capital Maintained	Requirement	Capital Maintained
Going Concern Capital: (Tier-I)	6.00%	11.14%	6.00%	10.72%
Common Equity Tier-I Capital: (CET-I)	4.50%	9.09%	4.50%	10.72%
Tier-I Plus Conservation Buffer	8.500%	11.14%	8.50%	10.72%
CET-I Plus Conservation Buffer	7.00%	9.09%	7.00%	8.66%
Gone Concern Capital: (Tier-II)	-	2.98%	-	4.00%
CRAR	10.00%	14.11%	10.00%	14.72%
CRAR including Conservation Buffer	**12.50%**	**14.11%**	**12.50%**	**14.72%**

17.4 Consolidated Risk-Weighted Assets (RWA) for

1. Investment (Credit) Risk		
On-balance Sheet	172,272,135,835	159,511,584,117
Off-balance Sheet	35,014,509,696	40,790,412,076
2. Market Risk	12,795,816,487	10,234,092,293
3. Operational Risk	23,836,948,102	20,948,886,400
Consolidated Total Risk Weighted Assets (1+2+3)	**243,919,410,119**	**231,484,974,887**

17.5 Capital to Risk-Weighted Assets Ratio (CRAR) Under Basel-III of the Bank

a) Going Concern Capital (Tier-I):

Common Equity Tier-I Capital (CET-I)			
i. Paid-up Capital		10,805,517,980	10,290,969,510
ii. Statutory Reserve	(Note-18)	9,372,461,107	7,927,205,795
iii. Retained Earnings	(Note-19(a))	1,692,161,829	1,584,818,008
		21,870,140,916	**19,802,993,313**
Less: Carrying amount of intangible assets		23,598,634	-
		21,846,542,282	**19,802,993,313**
Additional Tier-I Capital (AT-I)		5,000,000,000	4,728,748,992
		26,846,542,282	**24,531,742,305**
b) Gone Concern Capital (Tier-II):			
i. General Provision	(Note-15.1(b+c))	4,017,940,096	3,775,038,000
ii. Mudaraba Subordinated Bond		3,200,000,000	5,200,000,000
iii. Mudaraba Perpetual Bond (Excess over limit of AT-I)		-	271,251,008
		7,217,940,096	**9,246,289,008**
c) Total Eligible Regulatory Capital (a+b)		**34,064,482,378**	**33,778,031,313**
d) Total Risk-Weighted Assets		**236,937,492,009**	**224,653,544,549**
e) Minimum Required Capital (10% of Risk-Weighted Assets)		**23,693,749,201**	**22,465,354,455**

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f) Minimum Required Capital (12.50% of Risk-Weighted Assets) including conservation buffer	**29,617,186,501**	**28,081,693,069**
g) Total Capital Surplus (c-e)	**10,370,733,177**	**11,312,676,858**
h) Total Capital Surplus considering conservation buffer (c-f)	**4,447,295,877**	**5,696,338,244**

Capital Adequacy Ratio

Particulars	2022		2021	
	Requirement	Capital Maintained	Requirement	Capital Maintained
Going Concern Capital: (Tier-I)	6.00%	11.33%	6.00%	10.92%
Common Equity Tier-I Capital: (CET-I)	4.50%	9.22%	4.50%	8.81%
Tier-I Plus Conservation Buffer	8.50%	11.33%	8.50%	10.92%
CET-I Plus Conservation Buffer	7.00%	9.22%	7.00%	8.81%
Gone Concern Capital: (Tier-II)	-	3.05%	-	4.12%
CRAR	10.00%	14.38%	10.00%	15.04%
CRAR including Conservation Buffer	**12.50%**	**14.38%**	**12.50%**	**15.04%**

17.6 Risk-Weighted Assets (RWA) for

1. Investment (Credit) Risk		
On-balance Sheet	168,800,842,194	156,054,970,488
Off-balance Sheet	35,014,509,696	40,790,412,076
2. Market Risk	10,258,911,402	8,270,009,861
3. Operational Risk	22,863,228,718	19,538,152,125
Total Risk-Weighted Assets (1+2+3)	**236,937,492,009**	**224,653,544,549**

17.7 Non-Controlling Interest

Opening Balance	227,440,923	226,877,106
Dividend paid to non-controlling shareholders	-	(20,250,000)
Share of current year's profit	4,946,511	20,813,816
	232,387,434	**227,440,923**

18. Statutory Reserve

Opening Balance	7,927,205,795	6,959,872,664
Add: Addition during the year	1,445,255,312	967,333,131
	9,372,461,107	**7,927,205,795**

19. Consolidated Retained Earnings

Shahjalal Islami Bank Ltd.	(Note-19a)	1,692,161,829	1,584,818,008
Shahjalal Islami Bank Securities Ltd.		61,165,933	26,275,021
		1,753,327,762	1,611,093,028
Less: Non-Controlling Interest		7,387,434	2,440,923
		1,745,940,328	**1,608,652,106**

19.1 Consolidated current year's Retained Earnings

Shahjalal Islami Bank Ltd.	(Note-19a)	3,525,058,077	2,585,236,940
Shahjalal Islami Bank Securities Ltd.		60,237,516	253,466,032
		3,585,295,593	2,838,702,972
Less: Non-Controlling Interest		4,946,511	20,813,816
		3,580,349,082	**2,817,889,155**

19a Retained Earnings of the Bank

Opening Balance	1,584,818,008	1,187,959,349
Less: Payment of Dividend	1,543,645,421	1,176,110,795
Less: Profit against Mudaraba Perpetual Bond	393,562,943	-
Add: Transfer from Profit and Loss Account	3,525,058,077	2,585,236,940
Less: Trnsfer to Statutory Reserve	1,445,255,312	967,333,131
Less: Start-up Fund	35,250,581	44,934,355
	1,692,161,829	**1,584,818,008**

20. Letters of Guarantee

Letters of Guarantee (Local)	31,019,574,861	31,275,856,419
Letters of Guarantee (Foreign)	296,672,870	627,820,020
Back to Back Usance	452,146	452,146
	31,316,699,877	**31,904,128,585**

a) Claims against the Bank not acknowledged as debts

b) Money for which the Bank is contingently liable in respect of guarantees given favoring:

Directors or Officers	3,000,000	3,000,000
Government	410,238,235	223,498,750
Banks and Other Financial Institutions	-	-
Others	30,903,461,642	31,677,629,834
	31,316,699,877	**31,904,128,585**

21. Irrevocable Letters of Credit

Letters of credit	**44,418,370,950**	**64,074,742,941**

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		2022 Taka	2021 Taka
22. Consolidated Profit and Loss Account			
Income:			
Profit on Investments	(Note-23)	15,965,123,028	13,792,776,608
Income from Investments in securities	(Note-25)	1,472,082,949	608,531,097
Dividend Income	(Note-25)	179,480,905	295,277,342
Commission, Exchange and Brokerage	(Note-26)	3,634,722,397	2,518,174,907
Gains less losses arising from Investments in Securities		236,737,590	314,436,837
Other Operating Income	(Note-27)	1,357,676,035	1,056,361,211
		22,845,822,903	**18,585,558,003**
Expenses:			
Profit paid on Deposits	(Note-24)	8,365,858,043	7,397,902,913
Administrative Expenses		4,485,535,589	3,752,785,314
Other operating Expenses		908,262,056	787,867,429
Depreciation on Banking Assets		542,781,279	532,775,860
		14,302,436,968	**12,471,331,516**
Profit before Provision		**8,543,385,936**	**6,114,226,486**
22a Profit and Loss Account of the Bank			
Income:			
Profit on Investments	(Note-23a)	15,885,443,131	13,805,194,923
Income from Investments in Securities	(Note-25a)	1,316,344,347	582,605,534
Dividend Income	(Note-25a)	179,480,905	295,277,342
Commission, Exchange and Brokerage	(Note-26a)	3,486,719,333	2,239,187,234
Gains less losses arising from Investments in Securities	(Note-25a)	236,737,590	314,436,837
Other Operating Income	(Note-27a)	1,351,229,343	1,045,664,738
		22,455,954,648	**18,282,366,608**
Expenses:			
Profit paid on Deposits	(Note-24a)	8,335,129,184	7,381,645,027
Administrative Expenses		4,400,205,304	3,690,292,642
Other Operating Expenses		866,192,092	695,193,509
Depreciation on Banking Assets		519,786,068	511,541,775
		14,121,312,649	**12,278,672,953**
Profit/(Loss) before Provision		**8,334,641,999**	**6,003,693,656**
23. Consolidated Profit on Investments			
Shahjalal Islami Bank Ltd.	(Note-23a)	15,885,443,131	13,805,194,923
Shahjalal Islami Bank Securities Ltd.		267,013,721	173,610,465
		16,152,456,852	13,978,805,388
Less: Inter Company Transaction		187,333,824	186,028,780
		15,965,123,028	**13,792,776,608**
23a Profit on Investments of the Bank			
Profit on Investments*	(Note-23a.1)	14,420,589,485	12,640,778,286
Profit on Placement with Other Banks & Financial Institutions		1,464,853,647	1,164,416,637
		15,885,443,131	**13,805,194,923**

*Profit on investments increased 14.08% in 2022 over 2021 due to increase in volume of investments 9.53% in same period.

23a.1 Profit on Investments			
Profit on Murabaha		708,142,047	525,958,665
Profit on Bi-Muazzal		6,862,035,503	6,926,932,305
Profit on Hire-Purchase		2,955,082,283	2,890,839,993
Profit on Ijara		172,341,397	173,967,520
Profit on Bi-Salam		403,545,096	428,061,307
Profit on Inland Document Bill Purchased		450,304,505	294,931,743
Profit on Foreign Document Bill Purchased		37,711,991	30,117,337
Profit on Investment against Scheme Deposit		19,250	59,050
Profit on Investment against Mudaraba Savings Deposit		8,423	16,716
Profit on Investment against EDF		422,459,479	217,659,069
Profit on Mudaraba		1,003,419,404	664,135,476
Profit Received From Rescheduled Investment - Rent Mode		330,635,026	283,924,344
Profit on Murabaha Import Bill (UPAS)		1,004,514,778	162,504,294
Profit Received From HPSM		774,242	1,499,544
Income from Islamic Credit Card		68,068,136	38,979,212
Profit on Investment against Other Securities		1,527,706	1,191,712
		14,420,589,485	**12,640,778,286**
23a.2 Investment Income derived from the fund deployed			
Inside Bangladesh			
i) Mudaraba Deposits		7,586,672,128	8,136,868,983
ii) Other Deposits/Fund		6,833,917,357	4,503,909,303
		14,420,589,485	**12,640,778,286**
Outside Bangladesh		-	-
		14,420,589,485	**12,640,778,286**

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23a.3 Geographical Location-wise Profit on Investments

Area	2022		2021	
	Amount in Taka	Composition	Amount in Taka	Composition
i. Inside Bangladesh (note-22a.3.1)				
a) In Rural Areas	413,372,601	2.87%	714,439,115	5.65%
b) In Urban Areas	14,007,216,884	97.13%	11,926,339,171	94.35%
Sub-total	**14,420,589,485**	**100.00%**	**12,640,778,286**	**100.00%**
ii. Outside Bangladesh	-	-	-	-
Total	**14,420,589,485**	**100.00%**	**12,640,778,286**	**100.00%**

23a.3.1 Inside Bangladesh

Area	2022		2021	
	Amount in Taka	Composition	Amount in Taka	Composition
i. Inside Bangladesh				
a) In Rural Areas				
Dhaka	317,633,554	2.20%	498,885,862	3.95%
Chattogram	50,359,891	0.35%	62,839,327	0.50%
Sylhet	12,362,675	0.09%	17,208,593	0.14%
Rajshahi	5,908,105	0.04%	44,545,459	0.35%
Khulna	5,205,920	0.04%	54,823,186	0.43%
Barishal	5,005,890	0.03%	21,933,353	0.17%
Mymensingh	16,896,567	0.12%	14,203,335	0.11%
Sub-total	**413,372,601**	**2.87%**	**714,439,115**	**5.65%**
b) In Urban Areas				
Dhaka	10,681,087,022	74.07%	9,011,097,214	71.29%
Chattogram	2,158,901,008	14.97%	1,839,028,823	14.55%
Sylhet	112,359,054	0.78%	86,756,015	0.69%
Rajshahi	392,402,142	2.72%	361,343,187	2.86%
Rangpur	93,683,276	0.65%	90,201,243	0.71%
Khulna	415,696,635	2.88%	412,257,237	3.26%
Barishal	48,320,653	0.34%	32,556,546	0.26%
Mymensingh	104,767,094	0.73%	93,098,908	0.74%
Sub-total	**14,007,216,884**	**97.13%**	**11,926,339,171**	**94.35%**
ii) Outside Bangladesh	-	-	-	-
Total	**14,420,589,485**	**100%**	**12,640,778,286**	**100%**

24. Consolidated Profit paid on Deposits

Shahjalal Islami Bank Ltd.	(Note-24a)	8,335,129,184	7,381,645,027
Shahjalal Islami Bank Securities Ltd.		218,195,910	203,313,347
		8,553,325,094	7,584,958,374
Less: Inter Company Transaction		187,467,051	187,055,461
		8,365,858,043	**7,397,902,913**

24a Profit paid on Deposits of the Bank

Profit on Deposits*	7,548,151,915	6,792,079,305
Profit paid on Borrowings	786,977,269	589,565,722
	8,335,129,184	**7,381,645,027**

*Bangladesh Bank vide BRPD Circular no. 17 date 08 August 2021, instructed to offer profit rate on 3 months and above term deposit for specific segment in line with the country's inflation rate. Besides, volume of deposits increased 4.92% in 2022 over 2021. Thus, the profit paid on deposits increased.

24a.1 Profit paid on Borrowings

Profit paid on Borrowings	714,492,472	523,875,046
Profit Expenses of Lease Liabilities (as per IFRS 16 Leases)	72,484,797	65,690,677
	786,977,269	**589,565,722**

25. Consolidated Income from Investments in Shares & Securities

Shahjalal Islami Bank Ltd.	(Note-25a)	1,732,562,841	1,192,319,713
Shahjalal Islami Bank Securities Ltd.		155,738,602	252,275,563
		1,888,301,443	1,444,595,276
Less: Dividend from Subsidiary		-	226,350,000
		1,888,301,443	**1,218,245,276**

25a Income from Investments in Shares & Securities of the Bank

Income from Investments in Govt. Sukuk/Islamic Bond		1,032,363,144	306,248,483
Income from Investments in Shares & Securities	(Note-25a.1)	236,737,590	314,436,837
Dividend Income		179,480,905	295,277,342
Income from Investments in Corporate Sukuk/Islamic Bond		283,981,203	276,357,051
		1,732,562,841	**1,192,319,713**

25a.1 Income from investments in shares & securities arose through sale of listed shares in the Stock Exchanges.

26. Consolidated Commission, Exchange and Brokerage

Shahjalal Islami Bank Ltd.	(Note-26a)	3,486,719,333	2,239,187,234
Shahjalal Islami Bank Securities Ltd.		148,003,064	278,987,673
		3,634,722,397	**2,518,174,907**

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			2022 Taka	2021 Taka
26a	**Commission, Exchange and Brokerage of the Bank**			
	Other commission		1,490,516,657	1,309,629,988
	Exchange earnings	(Note-26a.1)	1,996,202,675	929,557,246
			3,486,719,333	**2,239,187,234**
26a.1	**Exchange Earnings**			
	Gross exchange gain		12,042,622,231	1,851,413,050
	Less: Exchange loss		10,046,419,556	921,855,804
	Net Exchange Gain		**1,996,202,675**	**929,557,246**
27.	**Consolidated Other Operating Income**			
	Shahjalal Islami Bank Ltd.	(Note-27a)	1,351,229,343	1,045,664,738
	Shahjalal Islami Bank Securities Ltd.		6,579,919	11,723,154
			1,357,809,262	1,057,387,892
	Less: Inter Company Transaction		133,227	1,026,681
			1,357,676,035	**1,056,361,211**
27a	**Other Operating Income of the Bank**			
	Postage, Telex, SWIFT & REUTERS		139,048,317	150,519,834
	Incidental Charge		915	930
	Supervision & Monitoring Charge		4,102,206	12,839,796
	Other Charges	(Note-27a.1)	1,208,077,905	882,304,178
			1,351,229,343	**1,045,664,738**
27a.1	**Other Charges**			
	Rent receipts		6,490,720	6,273,844
	Charges on A/C closing		1,089,933	625,200
	Charges on clearing returned		990,532	1,870,110
	Cheque processing charge		4,059,917	3,839,622
	Service charges on Ijara		80,000	139,700
	Service charges on scheme investment		3,980,610	4,388,245
	Service charges on Quard		81,866,256	79,165,438
	Passport endorsement charge		28,400	30,500
	PO/DD cancellation charge		68,376	145,055
	Branch banking services		30,319,526	28,952,489
	Account maintenance fee		86,060,870	63,566,179
	Recoveries from cheque issue		6,299,017	5,344,154
	Income from sale of forms		8,981,761	8,910,175
	Service charge on SJIBL VISA Card		159,921,819	126,777,172
	Other Income From Islamic Credit Card		51,043,696	14,339,177
	Management Fees		751,690	2,987,821
	Notice pay earnings		7,305,249	4,860,496
	Rebate on Trade Finance		113,391,258	93,706,413
	Discrepency Fee		444,830,250	272,682,794
	Profit on sale of Bank's Assets		5,048,857	105,886
	Provident Fund Forfeiture Balance Refund		2,293,916	809,055
	Miscellaneous income		193,175,251	162,784,656
			1,208,077,905	**882,304,178**
28.	**Consolidated Salaries & Allowances**			
	Shahjalal Islami Bank Ltd.	(Note- 28a)	3,541,190,780	2,981,217,178
	Shahjalal Islami Bank Securities Ltd.		74,090,233	52,647,257
			3,615,281,013	**3,033,864,435**
28a	**Salaries & Allowances of the Bank**			
	Basic Salary		1,420,473,004	1,279,485,607
	Allowances		1,216,287,537	1,161,185,099
	Bonus		729,367,050	387,830,382
	Bank's Contribution to Provident fund		131,828,896	126,579,003
	Leave Encashment		43,234,293	26,137,087
			3,541,190,780	**2,981,217,178**
29.	**Consolidated Rent, Taxes, Insurance, Electricity etc.**			
	Shahjalal Islami Bank Ltd.	(Note- 29a)	395,349,782	334,690,238
	Shahjalal Islami Bank Securities Ltd.		6,596,977	6,036,721
			401,946,759	**340,726,959**
29a	**Rent, Taxes, Insurance, Electricity etc. of the Bank**			
	Rent, Rates & Taxes		98,650,730	71,072,584
	Insurance		207,173,243	184,369,001
	Electricity & Lighting		89,525,809	79,248,653
			395,349,782	**334,690,238**

			2022 Taka	2021 Taka
29a.1	**Rent, Rates & Taxes**			
	Rent, Rates & Taxes		339,705,804	292,195,828
	Transfer to depreciation and profit expenses under IFRS 16*		241,055,074	221,123,244
			98,650,730	**71,072,584**

*Due to the adoption of IFRS 16 Leases, rental expense of Tk. 241,055,074 was transferred to depreciation of Right of Use (RoU) Assets and profit expense of lease liabilities.

30.	**Consolidated Legal Expenses**			
	Shahjalal Islami Bank Ltd.	(Note- 30a)	1,362,822	1,011,136
	Shahjalal Islami Bank Securities Ltd.		77,250	28,750
			1,440,072	**1,039,886**
30a	**Legal Expenses of the Bank**			
	Legal Fees & Charge		339,940	182,486
	Other Legal Expenses		1,022,882	828,650
			1,362,822	**1,011,136**
31.	**Consolidated Postage, Stamps, Telecommunication etc.**			
	Shahjalal Islami Bank Ltd.	(Note- 31a)	53,233,194	40,178,463
	Shahjalal Islami Bank Securities Ltd.		3,042,601	2,425,692
			56,275,795	**42,604,155**
31a	**Postage, Stamps, Telecommunication etc. of the Bank**			
	Postage		1,477,068	1,341,822
	Leased line		31,647,194	23,208,482
	Telegram, Fax & Telex		5,931,705	4,890,349
	Telephone charges		2,703,086	2,821,732
	Mobile phone charges		11,474,141	7,916,079
			53,233,194	**40,178,463**
32.	**Consolidated Stationery, Printing, Advertisements etc.**			
	Shahjalal Islami Bank Ltd.	(Note- 32a)	134,894,501	98,375,319
	Shahjalal Islami Bank Securities Ltd.		1,446,724	1,287,010
			136,341,225	**99,662,329**
32a	**Stationery, Printing, Advertisements etc. of the Bank**			
	Table Stationery		8,795,089	8,058,990
	Printing Stationery		12,666,445	10,448,359
	Security Stationery		6,176,398	5,846,484
	Computer Stationery		66,116,652	38,835,935
	Publicity and Advertisement		41,139,918	35,185,552
			134,894,501	**98,375,319**
33.	**Chief Executive's Salary & Fees of the Bank**			
	Basic Salary		13,129,487	13,394,700
	Allowances		4,556,967	4,800,000
	Bonus		3,635,380	3,395,800
	Bank's Contribution to Provident Fund		1,078,110	1,339,470
			22,399,944	**22,929,970**
34.	**Directors' Fees & Expenses of the Bank**			
	Directors' Fees		5,345,600	4,834,400
	Meeting Expenses		1,250,783	1,564,084
			6,596,383	**6,398,484**
35.	**Shariah Supervisory Committee's Fees & Expenses of the Bank**			
	Shariah Council Meeting Expenses		**619,587**	**743,851**
36.	**Consolidated Auditors' Fees**			
	Shahjalal Islami Bank Ltd.	(Note-36a)	550,000	550,000
	Shahjalal Islami Bank Securities Ltd.		76,500	67,242
			626,500	**617,242**
36a	**Auditor's Fees of the Bank**			
	Auditor's Fees		**550,000**	**550,000**
37.	**Consolidated Depreciation & Repairs of Assets**			
	Shahjalal Islami Bank Ltd.	(Note-37a)	558,210,217	535,869,372
	Shahjalal Islami Bank Securities Ltd.		22,995,211	21,234,085
			581,205,428	**557,103,457**

		2022 Taka	2021 Taka
37a	**Depreciation & Repairs of Bank's Assets**		
	a) Depreciation of Bank's Assets (Annexure-B)		
	Land & Building	19,660,190	19,660,190
	Furniture & Fixtures	86,516,080	80,051,311
	Office Equipment	96,856,740	92,166,981
	Computer & Network Equipment	84,608,955	90,660,734
	Vehicles	15,131,791	11,836,748
	Right of Use (ROU) Assets*	211,365,471	199,944,676
	Books	17,394	97,911
	b) Amortization of Bank's Assets (Annexure-B)		
	Software-Core Banking	-	5,150,818
	Software-Others	5,629,448	11,972,407
		519,786,068	**511,541,775**
	c) Repairs on Bank's Assets		
	Office Premises	4,483,679	2,622,888
	Office Equipment	20,078,653	9,852,816
	Office Furniture & Fixtures	1,438,233	1,340,324
	Vehicles	2,588,643	2,176,031
	Procurement of Parts, Spares & Others	9,834,940	8,335,538
		38,424,148	**24,327,597**
		558,210,217	**535,869,372**

*As per note-2.7.6, in accordance with IFRS 16 Leases, the Bank has recognized Right of Use (ROU) Assets and related depreciation as shown above.

38.	**Zakat Expenses of the Bank**			
	Zakat Expenses		205,584,162	179,870,407
			205,584,162	**179,870,407**
39.	**Consolidated Other Expenses**			
	Shahjalal Islami Bank Ltd.	(Note-39a)	866,192,092	695,193,509
	Shahjalal Islami Bank Securities Ltd.		42,069,963	92,673,920
			908,262,056	**787,867,429**
39a	**Other Expenses of the Bank**			
	Petrol, Oil and Lubricants		8,024,457	5,639,068
	Entertainment		60,096,297	23,414,815
	Subscription		6,638,710	57,719,923
	Traveling and Conveyance		26,017,405	15,292,782
	Training Expenses		7,460,010	2,126,090
	Car expenses		196,771,514	176,925,022
	Gratuity expenses		250,000,000	128,400,000
	Papers & Periodicals		163,000	129,878
	Utility		6,860,190	6,358,152
	Uniform & Liveries		4,047,511	2,352,369
	Bank Charges		2,386,376	2,581,156
	Business development & promotion		45,241,360	24,962,377
	Upkeep and cleaning of office premises		42,646,925	40,817,481
	Security Service- outsourcing		94,935,383	83,453,813
	Credit Rating fee		618,125	268,750
	SJIBL Card expenses		53,319,234	36,134,381
	Islamic Credit Card Expenses		15,319,565	7,116,480
	AGM & meeting expenses		7,491,245	1,652,652
	Capital Enhancement Fees		4,768,046	37,796,448
	Contribution to Social Security Superannuation Fund		2,000,000	2,000,000
	Laundry and Washing		404,285	244,897
	Crockeries, Kettle and others		661,854	370,213
	Photograph and Photocopy		830,133	469,358
	Loss on Disposal of Fixed Assets		4,127,765	3,756,767
	CSR Expense		500,000	19,100,000
	Agent Banking Expanse		6,747,461	3,898,398
	Miscellaneous Expenses		16,728,292	12,212,238
	Branch Opening Expenses		1,386,950	-
			866,192,092	**695,193,509**

Pursuant to BRPD Circular Letter No. 28 dated 26 July 2022 and BRPD Circular Letter No. 30 dated 27 July 2022, Management of the Bank has taken austerity measures in all respect to ensure cost savings on account of fuel, electricity, entertainment, travelling, computer & accessories, electric equipment, furniture and other stationaries. All branches and divisions are instructed citing necessary steps to follow meticulously in order to reduce expenses. On the other hand, all vehicle purchase was suspended as well as expenditures on different heads are being monitored closely in order to ensure cost savings during the period under review. Although such initiatives resulted in reduction in usage/consumption however, due to the increase in unit cost and expansion in customer reach as well as other factors the actual reduction in monetary term could be different.

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		2022 Taka	2021 Taka
40. Consolidated Provision against Investments, Off-balance Sheet Items & Others			
Shahjalal Islami Bank Ltd.	(Note-40a)	1,108,365,441	1,167,028,000
Shahjalal Islami Bank Securities Ltd.		103,423,877	17,500,000
		1,211,789,318	**1,184,528,000**
40a Provision against Investments, Off-balance Sheet Items & Others of the Bank			
Provision on Unclassified Investments		210,885,441	194,538,000
Provision on Classified Investments		785,480,000	541,490,000
Provision on Off-balance Sheet Items		-	421,000,000
Provision on Other Assets		112,000,000	10,000,000
		1,108,365,441	**1,167,028,000**
41. Consolidated Deferred Tax (Income)/Expenses			
Shahjalal Islami Bank Ltd.	(Note-41a)	-	(22,097,080)
Shahjalal Islami Bank Securities Ltd.		334,272	969,982
		334,272	**(21,127,098)**
41a Deferred Tax (Income)/Expenses of the Bank			
Closing deferred tax liability		237,151,866	237,151,866
Opening deferred tax liability		237,151,866	259,248,945
Deferred tax expenses/(Income)		-	**(22,097,080)**

According to IAS 12: "Income taxes" deferred tax benefit of Tk 4,74,82,471 has been created for the year 2022 due to temporary timing difference. However, this amount has not been recognized as deferred tax benefit in the profit and loss account and corresponding deferred tax asset/liability as per direction of Bangladesh Bank vide letter no. DBI -7/4(5)/2023-377 dated 2 April 2023.

41b Consolidated Tax Expenses			
Current tax		3,745,966,752	2,338,472,612
Deferred tax		334,272	(21,127,098)
		3,746,301,024	**2,317,345,515**
41c Tax Expenses of the Bank			
Current tax	(Note-15a.2)	3,701,218,481	2,273,525,795
Deferred tax	(Note-41a)	-	(22,097,080)
		3,701,218,481	**2,251,428,716**
42. Consolidated Earnings per Share (EPS)	(Note-2.19)		
Net Profit after Taxes		3,580,349,082	2,591,539,155
No. of Ordinary Shares outstanding		1,080,551,798	1,080,551,798
		3.31	**2.40**
42a Earnings per Share (EPS) of the Bank	(Note-2.19)		
Net Profit after Tax		3,525,058,077	2,585,236,940
Number of Ordinary Shares outstanding		1,080,551,798	1,080,551,798
		3.26	**2.39**

Earnings per share has been calculated in accordance with IAS 33 Earnings per Share.

Operating Income & Earnings per Share substantially increased compared to that of last year mainly due to the increase of Net Investment Income, Income from Investments in Shares & Securities, Commission, Exchange and Brokerage and Other Operating Income.

42(i) Net Asset Value (NAV) per Share:		
Net Asset Value (Consolidated)	21,952,716,012	19,830,277,405
Net Asset Value (Bank's)	21,870,140,916	19,802,993,313
No. of Outstanding Shares	1,080,551,798	1,080,551,798
Net Asset Value (NAV) per Share (Consolidated) [previous year's figure restated]	**20.32**	**18.35**
Net Asset Value (NAV) per Share (Bank's) [previous year's figure restated]	**20.24**	**18.33**

Net Asset Value per Share has increased compared to that of last year due to the increase of net profit after taxes during the period.

42(ii) Net Operating Cash Flows per Share (NOCFPS):		
Net cash flow from operating activities (Consolidated)	3,914,721,079	1,044,531,076
Net cash flow from operating activities (Bank's)	3,881,596,555	632,061,045
No. of Outstanding Shares	1,080,551,798	1,080,551,798
Net Operating Cash Flow per Share (NOCFPS) (Consolidated) [previous year's figure restated]	**3.62**	**0.97**
Net Operating Cash Flow per Share (NOCFPS) (Bank's) [previous year's figure restated]	**3.59**	**0.58**

Net Operating Cash Flow per Share (NOCFPS) has increased significantly compared to that of last year mainly due to the increase in deposits from customers on the other hand increase of investment income as well as other operating income during the year.

43. Consolidated Investment Income Receipt in Cash			
Shahjalal Islami Bank Ltd.	(Note-43a)	17,054,304,197	14,348,482,625
Shahjalal Islami Bank Securities Ltd.		422,752,323	425,886,028
		17,477,056,520	**14,774,368,653**
43a Investment Income Receipt of the Bank			
Investment income receipt (excluding Dividend Income)	(Note 23a & 25a)	17,438,525,068	14,702,237,294
Add: Opening profit receivable	(Note-10a.2)	699,031,297	345,276,627
Less: Closing profit receivable	(Note-10a.2)	1,083,252,168	699,031,297
		17,054,304,197	**14,348,482,625**

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			2022 Taka	2021 Taka
44.	**Consolidated Profit Paid on Deposits**			
	Shahjalal Islami Bank Ltd.	(Note-44a)	7,778,867,646	8,081,893,596
	Shahjalal Islami Bank Securities Ltd.		213,604,636	191,183,988
			7,992,472,282	**8,273,077,584**
44a	**Profit Paid on Deposits of the Bank**			
	Profit Paid on Deposits	(Note-24a)	8,335,129,184	7,381,645,027
	Add: Opening profit payable on deposit	(Note-13a)	595,541,458	1,295,790,027
	Less: Closing profit payable on deposit	(Note-13a)	1,151,802,996	595,541,458
			7,778,867,646	**8,081,893,596**
45.	**Consolidated Cash Receipts from Other Operating activities**			
	Shahjalal Islami Bank Ltd.	(Note-45a)	1,346,180,485	1,045,558,852
	Shahjalal Islami Bank Securities Ltd.		6,579,919	11,723,154
			1,352,760,404	**1,057,282,006**
45a	**Cash Receipts from other Operating activities of the Bank**			
	Postage & Telex Charge Recovery		139,048,317	150,519,834
	Incidental Charge		915	930
	Supervision & Monitoring Charge		4,102,206	12,839,796
	Other charges (except income from sale of fixed assets)		1,203,029,048	882,198,293
			1,346,180,485	**1,045,558,852**
46.	**Consolidated Cash Payments for Other Operating activities**			
	Shahjalal Islami Bank Ltd.	(Note-46a)	1,563,784,406	1,279,206,916
	Shahjalal Islami Bank Securities Ltd.		52,609,132	97,820,386
			1,616,393,539	**1,377,027,302**
46a	**Cash Payments for Other Operating activities of the Bank**			
	Rent, Taxes, Insurance, Lighting etc.	(Note-29a)	395,349,782	334,690,238
	Legal Expenses	(Note-30a)	1,362,822	1,011,136
	Postage, Stamp, Telegram & Telephone	(Note-31a)	53,233,194	40,178,463
	Directors' Fee & Expenses	(Note-34)	6,596,383	6,398,484
	Shariah Supervisory Committee's Fees & Expenses	(Note-35)	619,587	743,851
	Auditor's Fee	(Note-36a)	550,000	550,000
	Repairs & Maintenance of Bank's Assets	(Note-37a.c)	38,424,148	24,327,597
	Zakat Expenses	(Note-38)	205,584,162	179,870,407
	Other Expenses		862,064,327	691,436,741
			1,563,784,406	**1,279,206,916**
47.	**Cash Increase/Decrease in Consolidated Other Assets**			
	Shahjalal Islami Bank Ltd.	(Note-47a)	3,436,552,181	2,845,471,073
	Shahjalal Islami Bank Securities Ltd.		34,652,250	25,190,208
			3,471,204,431	2,870,661,281
	Less: Cash Increase/(Decrease) through Inter Company Transaction		2,515,000,000	2,515,000,000
			956,204,431	**355,661,281**
	Cash (Increase)/Decrease in Other Assets		**(600,543,150)**	**64,438,242**
47a	**Cash Increase/Decrease in Other Assets of the Bank**			
	Stock of Stationery and Stamps		32,352,408	24,202,678
	Advance deposits and rent		42,794,922	36,005,658
	Suspense Account		476,794,286	139,151,408
	Other Prepayments		133,509,156	100,954,213
	Shahjalal Islami Bank Securities Ltd.	(Note 10a.3)	2,515,000,000	2,515,000,000
	Advance Insurance premium		58,852	26,680
	Other Receivables		3,034,667	3,181,647
	SJIBL General Account-Net		229,407,891	26,948,790
	Advance for New Branches		3,600,000	-
			3,436,552,181	**2,845,471,073**
	Cash (Increase)/Decrease in Other Assets		**(591,081,108)**	**29,494,436**
48.	**Cash Increase/Decrease in Consolidated Other Liabilities**			
	Shahjalal Islami Bank Ltd.	(Note- 48a)	1,552,675,008	1,373,518,630
	Shahjalal Islami Bank Securities Ltd.		1,571,028,856	1,855,020,759
			3,123,703,864	3,228,539,388
	Less: Cash Increase/(Decrease) through Inter Company transaction		-	-
			3,123,703,864	**3,228,539,388**
	Cash Increase/(Decrease) in Other Liabilities		**(104,835,524)**	**85,859,272**

	2022 Taka	2021 Taka
48a Cash Increase/Decrease in Other Liabilities of the Bank		
Other Payables	486,045,396	352,866,713
Taxation on other income & prior years	326,223,283	326,223,283
Outstanding Expenses	263,492,306	108,996,505
Unearned Income on Quard	19,226,676	30,939,867
Leased Liabilities as per IFRS 16	457,687,347	554,492,262
	1,552,675,008	**1,373,518,630**
Cash Increase/(Decrease) in Other Liabilities	**179,156,379**	**(152,048,146)**

49. Consolidated Cash and Cash Equivalents

Shahjalal Islami Bank Ltd.	(Note-49a)	20,618,979,706	17,054,274,937
Shahjalal Islami Bank Securities Ltd.		343,641,221	552,337,203
		20,962,620,927	17,606,612,140
Less: Cash Increase/(Decrease) through Inter Company Transaction		319,707,359	478,050,762
		20,642,913,568	**17,128,561,378**

49a Cash and Cash Equivalents of the Bank		
Cash in Hand	2,399,102,842	1,943,331,636
Balance with Bangladesh Bank & Sonali Bank Ltd. (as agent of Bangladesh Bank)	14,924,287,024	12,087,735,744
Balance with Other Banks & Financial Institutions	3,295,589,841	3,023,207,557
	20,618,979,706	**17,054,274,937**

50. Reconciliation of Net Profit after Taxes and Operating Profit before changes in operating assets and liabilities of the Bank

Cash flows from operating activities		
Net profit after taxes	3,525,058,077	2,585,236,940
Provision for taxation	3,701,218,481	2,251,428,716
Provision for investments, shares & contingent liabilities	1,108,365,441	1,167,028,000
(Increase)/decrease profit receivable	(384,220,871)	(353,754,670)
Increase/(decrease) profit payable on deposits	556,261,539	(700,248,569)
Depreciation & amortization of fixed assets	519,786,068	511,541,775
Recoveries on investment previously written-off	66,934,374	31,809,277
Income tax paid	(2,188,624,194)	(1,799,500,546)
Loss/profit on the sale of Bank's assets	(921,092)	3,650,882
Effect of exchange rate changes on cash and cash equivalents	(169,724,866)	(11,326,932)
Operating profit before changes in operating assets and liabilities	**6,734,132,958**	**3,685,864,873**

51. Number of Employees of the Bank

The number of employees engaged for the whole period or part thereof who received a total remuneration of Tk. 36,000 or above was 2,835.

52. Audit Committee of the Bank

a) Particulars of Audit Committee

Pursuant to the BRPD Circular No. 11 dated 27 October 2013, the Board of Directors of the Bank formed a 05 (five) members' [including 03 (three) Independent Directors] Audit Committee called "Board Audit Committee". The Board of Directors in its Meeting No. 343 held on 27 July 2022 reconstituted the Committee by the following members:

Name	Status with the Bank	Status with the Committee	Educational Qualification
Ekramul Hoque	Independent Director	Chairman	Masters
Abdul Halim	Director	Member	BA
Md. Moshiur Rahman Chamak (Rep. of Fresh Export Import Ltd.)	Director	Member	MBA
K.A.M Majedur Rahman	Independent Director	Member	Masters
Nasir Uddin Ahmed, FCA, FCS	Independent Director	Member	Masters

All the members of the Board Audit Committee have good exposure in the Banking business. They are all playing active role in the Board Audit Committee.

b) Meeting of Audit Committee

During 01 January to 31 December 2022, the Audit Committee of the Board conducted 9 (nine) meetings in which among others, the following issues were discussed:-

i) The duties and responsibilities of the Committee as stated in BRPD circular no. 11 dated 27 October 2013.

ii) Regular review of the Internal and External (including Bangladesh Bank) Inspection & Audit Report with a view to implementing the suggestion of Internal and External Auditors in respect of Internal Control structure and techniques.

iii) Minimization of expenditure in all operational activities where possible.

iv) Reviewing the Accounting procedures with a view to ascertain that the International Financial Reporting Standards (IFRSs) have been applied in maintaining books and records of the Bank.

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53. Related Party Disclosures of the Bank

53.1 Name of the Directors and their Interest in different Entities

Name of Director	Status with the Bank	Name of the Firms/Companies in which they have Interest
Mohammed Younus	Chairman	i) Sonali Papers and Board Mills Ltd. ii) Sonali Dredger Ltd. iii) Younus Newsprint Mills Ltd. iv) Younus Offset Paper Mills Ltd. v) Younus Fine Paper Mills Ltd. vi) Younus Paper Mills Ltd. vii) Younus Fillament Ind. Ltd. viii) Younus Plastic Ind. Ltd. ix) Younus Spinning Mills Ltd. x) Younus Specialized Cold Storage Ltd. xi) Younus Cold Storage Ltd. xii) United Multi Agro Ltd. xiii) Ananta Paper Mills Ltd. xiv) Sobhan Ice & Cold Storage Ltd. xv) Sharif Cold Storage Ltd. xvi) Nowpara Cold Storage Pvt. Ltd. xvii) Garib-E-Newaj Cold Storage Pvt. Ltd. xviii) Siddheswari Cold Storage Ltd. xix) Europa Cold Storage Ltd. xx) Combined Food & Cold Storage Ltd. xxi) A. Kader & Sons Himagar Ltd. xxii) Wadud & Ayesha Cold Store Ltd. xxiii) Galaxy Flying Academy Ltd. xxiv) Quality Accessories Ltd. xxv) Laxmi Cold Storage Ltd. xxvi) Sreenagor Cold Storage Ltd. xxvii) Five Star Ice and Cold Storage Ltd. xxviii) Sonali News.Com xxix) Sonali IT xxx) Sonali Bazar Dot Com xxxi) United Traders xxxii) United Fisheries xxxiii) Sonali Abason Ltd. xxxiv) Sonali Rubber Garden xxxv) Fly Galaxy Travel and Tours xxxvi) NRB Recruiting Agency xxxvii) Wordbridge School xxxviii) Fareast International University xxxix) Shahjalal Islami Bank Securities Ltd.
Mohiuddin Ahmed	Vice Chairman	i) Rupsha Trading Corporation ii) Mohiuddin Auto House iii) Pacific Automobile iv) Shahjalal Islami Bank Securities Ltd.
Abdul Karim (Nazim) (Rep. of Shamsuddin Khan & Harun Miah Ltd.)	Vice Chairman	i) Shamsuddin Khan & Harun Miah Ltd. (UK) ii) Maharani Camden (UK) iii) Karim Enterprise Ltd. (UK) iv) Shahjalal Islami Bank Securities Ltd.
Dr. Anwer Hossain Khan	Director	i) Anwer Khan Modern Hospital Ltd. ii) Modern Diagnostic Center Ltd. iii) Anwer Khan Modern Nursing College iv) Hazi Shakhawat Anwara Eye Hospital Ltd. v) Anwer Khan Modern Medical College vi) Modern Holdings Ltd. vii) Anwer Khan Modern Dredging Corporation viii) Anwer Khan Modern Printers & Publications ix) Modern Fisheries x) Modern Bio-Technology xi) Bangladesh Journal xii) Shahjalal Islami Bank Securities Ltd. xiii Anwer Khan Modern University xiv) Prime University
Md. Sanaullah Shahid (Rep. of Electra International Ltd.)	Director	i) Electra International Ltd. ii) Electra Consumer Electronics Industries Ltd. iii) Electra Furniture iv) Electra International v) Electra Mobile Ltd. vi) Electra Holding Ltd. vii) Electra Mobile viii) Federal Securities & Invst. Ltd. ix) Jalsiri Dairy Firm and Fishery x) Kashmir Chemical Co. xi) Sazawa Brothers xii) Shahjalal Islami Bank Securities Ltd.

Name of Director	Status with the Bank	Name of the Firms/Companies in which they have Interest
Md. Abdul Barek	Director	i) Arju Electronics ii) Jony Electronics iii) Rony Electronics iv) Shahjalal Islami Bank Securities Ltd.
Abdul Halim	Director	i) Abdul Halim & Brothers ii) Excellent Ceramic Industries Ltd. iii) Excellent Tiles Industries Ltd. iv) Excellent Motors Ltd. v) Islamic Insurance Bangladesh Ltd. vi) Shahjalal Islami Bank Securities Ltd.
Akkas Uddin Mollah	Director	i) Russel Garments ii) Russel Apperals iii) Ekram Sweaters Ltd. iv) PNR Industries Ltd. v) Tania Cotton Mills Ltd. vi) Russel Washing Plant vii) Russel Spinning Mills Ltd. viii) Nurul Islam Spinning Mills Ltd. ix) Alalpur Agro & Fisheries Ltd. x) Goodman Pharmaceuticals Ltd. xi) Tofaz Dresses Ltd. xii) Akkas Uddin Mollah Ltd. xiii) Shahjalal Islami Bank Securities Ltd.
Khandaker Sakib Ahmed	Director	i) Own The World Company Ltd. ii) AQUA Consultant & Associates Ltd. iii) Intech Limited (Listed Public Limited Company) iv) Millennium Information Solution Ltd v) Al-Azhar International Grammar School vi) AIBL Capital Market Services Ltd. vii) Shahjalal Islami Bank Securities Ltd.
Engr. Md. Towhidur Rahman	Director	i) Fresh Foods Ltd. ii) Fresh Export Import Ltd. iii) Sea Fresh Ltd. iv) Libas Textiles Ltd. v) Fresh Knitwear Ltd. vi) Moshiur Infrastructure Ltd. vii) Natural Faves Ltd. viii) Shahjalal Islami Bank Securities Ltd. ix) South Asian Scolars School and College x) Prime University
A. K. Azad	Director	i) Ha-Meem Denim Mills Ltd. ii) Ha-Meem Apparels Ltd. iii) Ha-Meem Spinning Mills Ltd. iv) Ha-Meem Design Ltd. v) That's It Fashions Ltd. vi) That's It Sweater Ltd. vii) That's It Sportswear Ltd. viii) That's It Garments Ltd. ix) That's It Knit Ltd. x) Sajid Washing & Dyeing Ltd. xi) Nishat Jute Mills Ltd. xii) Refat Garments Ltd. xiii) Modern Washing & Dyeing Industries Ltd. xiv) Refat Packaging & Printing Industries Ltd. xv) Sakib Poly Industries Ltd. xvi) Apparels Galary Ltd. xvii) Artistic Design Ltd. xviii) Creative Collections Ltd. xix) Creative Wash Ltd. xx) Express Washing & Dyeing Ltd. xxi) Times Media Ltd. [Channel 24 & The Daily Samakal] xxii) That's It Packaging Ltd. xxiii) Nishat Packaging & Printing Industries Ltd. xxiv) Crecent Spinning Mills Ltd. xxv) Ha-Meem Pharmaceuticals Ltd. xxvi) Shahjalal Islami Bank Securities Ltd.
Fakir Akhtaruzzaman	Director	i) Fakir Knitwears Ltd. ii) Central Hospital Ltd. iii) Zaman Agro Fisheries Ltd. iv) Fakir Echo Knitwears Ltd. v) FKL Spinning Ltd.
Mohammed Nasir Uddin Khan (Rep. of Anwer Khan Modern Hospital Ltd.)	Director	MNK Enterprise
Md. Moshiur Rahman Chamak (Rep. of Fresh Export Import Ltd.)	Director	i) Fresh Export Import Ltd. ii) Libas Textiles Ltd. iii) Fresh Knitwear Ltd. iv) Natural Febs Ltd. v) Moshiur Infrastructure Ltd.

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Name of Director	Status with the Bank	Name of the Firms/Companies in which they have Interest
Mrs. Tahera Faruque	Director	i) F & T Property Management Company (UK) ii) Star of India Restaurant (UK)
Mrs. Jabun Nahar (Rep. of Daffodils Trading International)	Director	i) Daffodils Trading International ii) Anwer Khan Modern University
Fakir Mashrikuzzaman (Rep. of Fakir Knitwears Ltd.)	Director	i) Fakir Knitwears Ltd. ii) Zaman Agro Fisheries Ltd. iii) Fakir Echo Knitwears Ltd. iv) FKL Spinning Ltd.
Ekramul Hoque	Independent Director	-
K.A.M Majedur Rahman	Independent Director	i) Financial Excellence Ltd. ii) Faujians Enterprises Limited iii) Impetus Management Limited
Nasir Uddin Ahmed	Independent Director	i) MABS & J Partners, Chartered Accountants ii) ZN Consultants (Strategic Management & HR Consulting Firm)

53.2 Significant Contracts where Bank is a party and wherein Directors have interest: Nil

53.3 Shares issued to Directors & Executives without consideration or exercise at discount: Nil

53.4 Lending Policies to Related Parties

Lending to related parties is effected as per requirements of Section 27(1) of the Banking Companies Act, 1991 (as amended up to date).

53.5 Investments (Loans and Advances) to Directors and their related Concern (Note-8a.4):

Sl. #	Name of the Party	Related By	Nature of Investment	Amount in Tk. (Non-Funded)	Amount in Tk. (Funded)	Status
i)	M/s. Arzoo Electronics	Mrs. Taslima Begum (Spouse of Md. Abdul Barek)	L/C /MPI-TR/BMCTR	8,328,324	-	Regular
ii)	Electra International Ltd.	Sanaullah Shahid	BMCTR-Rev	-	113,152,138	Regular
iii)	Own the World Company Limited	Khandaker Sakib Ahmed	BMCTR/BG	3,000,000	1,202,274	Regular
iv)	M/s. Rupsha Trading Corporation	Md. Mohiuddin Ahmed	L/C /MPI-TR/Bai-Muajjal	-	41,405,924	Regular
v)	Abdul Hakim	Abdul Halim	HPSM-Real Estate	-	12,022,599	Regular
vi)	Shoyeb Ahmed	Abdul Halim	HPSM-Real Estate	-	12,067,394	Regular
vii)	Modern Diagnostic Center Limited	Anwer Hossain Khan	HPSM-Real Estate	-	168,525,379	Regular
viii)	Daffodilss Trading International	Mrs. Jabun Nahar	Bai-Muajjal/HPSM	-	103,538,030	Regular
ix)	Shahjalal Islami Bank Securities Ltd.	Subsidiary	Bai-Muajjal/BG	400,000,000	2,260,530,757	Regular
				411,328,324	2,712,444,495	

53.6 Business other than Banking business with any related concern of the Directors as per Section 18 (2) of the Banking Companies Act, 1991 (as amended up to date): Nil

53.7 Investments in Securities of Directors and their related concern: Nil

54. Events after Reporting Period

The Board of Directors of the Bank at its 357th meeting held on 05 April 2023 has recommended 3% stock & 12% cash dividend for the year 2022. This dividend is subject to the final approval by the shareholders at the forthcoming Annual General Meeting (AGM) of the Bank. The effect of the above stock & cash dividend will be accounted for in the period when shareholders' right to receive the payment will be established. The declared dividend is also in compliance with Section 16G of Income Tax Ordinance, 1984.

Dhaka,
05 April 2023

Chairman **Director** **Director** **Managing Director & CEO**

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Annexure-A

Shahjalal Islami Bank Limited

Investments in Shares & Securities (Listed with Stock Exchanges)

As at 31 December 2022

(Amount in Taka)

Sl. No.	Name of Company	No. of Shares/ Securities	Market Price per Share	Market Value as at 31 December 2022	Cost Price as at 31 December 2022	Unrealised Gain/(loss)
	Quoted					
1	The ACME Laboratories Limited	300,000	85.00	25,500,000	29,077,594	(3,577,594)
2	Active Fine Chemicals Ltd.	2,200,000	19.30	42,460,000	60,709,192	(18,249,192)
3	Aftab Automobiles Limited	1,223,775	24.50	29,982,488	72,694,437	(42,711,950)
4	AIBL 1st Islamic Mutual Fund	8,099,050	7.40	59,932,970	72,762,501	(12,829,531)
5	Dhaka Electric Supply Company Ltd.	2,500,000	36.60	91,500,000	125,754,826	(34,254,826)
6	Export Import Bank of Bangladesh Limited	11,500,000	10.40	119,600,000	158,148,898	(38,548,898)
7	Generation Next Fashions Limited	1,989,845	6.00	11,939,070	25,741,813	(13,802,743)
8	Meghna Petroleum Limited	655,242	198.60	130,131,061	133,872,759	(3,741,697)
9	RAK Ceramics (Bangladesh) Limited	1,000,000	42.90	42,900,000	49,814,878	(6,914,878)
10	Square Textile Ltd.	1,186,491	67.50	80,088,143	82,481,825	(2,393,683)
11	The Dacca Dyeing & Mfg. Co. Limited	2,800,000	17.40	48,720,000	102,948,339	(54,228,339)
12	Titas Gas Transmission and Distribution Co. Ltd	4,600,000	40.90	188,140,000	240,881,514	(52,741,514)
13	Prime Islami Life Insurance Ltd.	800,000	53.40	42,720,000	55,501,667	(12,781,667)
14	Singer Bangladesh Limited	500,000	151.90	75,950,000	88,910,881	(12,960,881)
15	Olympic Industries Ltd.	250,000	124.00	31,000,000	37,182,109	(6,182,109)
16	Square Pharmaceuticals Ltd.	700,000	209.80	146,860,000	157,304,920	(10,444,920)
17	The IBN SINA Pharmaceutical Industry Ltd.	100,000	286.60	28,660,000	31,346,168	(2,686,168)
18	MJL Bangladesh Limited	1,000,000	86.70	86,700,000	86,720,740	(20,740)
19	Silva Pharmaceuticals Limited	2,300,000	21.60	49,680,000	48,788,156	891,844
20	Robi Axiata Limited	3,000,000	30.00	90,000,000	142,756,117	(52,756,117)
21	Linde Bangladesh Ltd.	50,000	1,397.70	69,885,000	75,143,517	(5,258,517)
22	Power Grid Company of Bangladesh Ltd.	2,000,000	52.40	104,800,000	123,322,659	(18,522,659)
23	Lub-rref (Bangladesh) Limited	1,500,000	36.10	54,150,000	69,212,179	(15,062,179)
24	Mir Akhter Hossain Limited	986,676	50.80	50,123,141	76,305,125	(26,181,984)
25	ACI Limited	157,500	260.20	40,981,500	44,635,402	(3,653,902)
26	ACI Formulations Limited	300,000	155.00	46,500,000	51,172,892	(4,672,892)
27	Agni Systems Ltd.	1,000,000	23.00	23,000,000	23,470,246	(470,246)
28	Grameenphone Ltd.	30,000	286.60	8,598,000	9,177,813	(579,813)
29	Apex Tannery Limited	100,000	123.90	12,390,000	13,619,478	(1,229,478)
30	BSRM Steels Limited	100,000	63.90	6,390,000	6,666,609	(276,609)
31	Crown Cement PLC.	425,000	74.40	31,620,000	33,424,707	(1,804,707)
32	Energypac Power Generation Limited	750,000	34.50	25,875,000	29,171,775	(3,296,775)
33	Global Islami Bank Limited	1,317,367	9.00	11,856,303	13,173,670	(1,317,367)
34	Islami Commercial Insurance Company Limited	8,798	28.10	247,224	87,980	159,244
35	IFAD Autos Limited	525,000	44.10	23,152,500	24,142,177	(989,677)
36	Union Bank Limited	2,000,000	9.30	18,600,000	25,711,346	(7,111,346)
	Un-Quoted					
1	Lanka Bangla Securities Ltd.	-	-	5,000,000	5,000,000	-
2	Investment A/C - SWIFT Membership Share			9,443,636	9,443,636	-
	Total			**1,965,076,035**	**2,436,280,544**	**(471,204,509)**

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Annexure-B

Shahjalal Islami Bank Limited

Schedule of Fixed Assets including Premises, Furniture and Fixtures

As at 31 December 2022

(Amount in Taka)

Particulars	Cost				Depreciation & Amortization					Written Down Value as at 31.12.2022
	Balance as at 01.01.2022	Addition during the year	Adjustment during the year	Balance as at 31.12.2022	Rate	Balance as at 01.01.2022	Adjustment during the year	Charged during the year	Balance as at 31.12.2022	
Tangible Assets										
Land	1,876,724,350	-	-	1,876,724,350	-	-	-	-	-	1,876,724,350
Building	893,986,278	-	-	893,986,278	2.50%	146,291,316	-	19,660,190	165,951,506	728,034,772
Furniture & Fixtures	1,132,828,486	91,551,445	15,631,013	1,208,748,919	10% & 20%	498,391,068	10,726,583	86,516,080	574,180,566	634,568,353
Office Equipment	756,215,635	35,014,240	9,843,439	781,386,436	20%	462,797,145	9,280,282	96,856,740	550,373,603	231,012,833
Computer & Network Equipment	658,021,418	59,156,112	8,346,136	708,831,394	20%	436,756,401	8,326,962	84,608,955	513,038,393	195,793,000
Vehicles	136,169,606	7,349,625	13,610,000	129,909,231	20%	97,646,709	13,504,868	15,131,791	99,273,633	30,635,599
Right of Use Assets (ROU)	1,589,518,428	521,644,882	15,499,269	2,095,664,041	-	342,355,031	10,329,266	211,365,471	543,391,236	1,552,272,806
Books	1,042,667	-	-	1,042,667	20%	1,003,146	-	17,394	1,020,539	22,128
Sub-total	**7,044,506,868**	**714,716,304**	**62,929,857**	**7,696,293,315**		**1,985,240,815**	**52,167,961**	**514,156,621**	**2,447,229,475**	**5,249,063,840**
Intangible Assets										
Software-Core Banking	62,615,431	-	-	62,615,431	20%	62,601,317	-	-	62,601,317	14,114
Software-Others	99,146,312	11,168,076	-	110,314,387	20%	81,100,419	-	5,629,448	86,729,867	23,584,520
Sub-total	**161,761,743**	**11,168,076**	**-**	**172,929,818**		**143,701,736**	**-**	**5,629,448**	**149,331,184**	**23,598,634**
Grand Total	**7,206,268,611**	**725,884,380**	**62,929,857**	**7,869,223,133**		**2,128,942,552**	**52,167,961**	**519,786,068**	**2,596,560,659**	**5,272,662,474**

As at 31 December 2021

Particulars	Cost				Depreciation & Amortization					Written Down Value as at 31.12.2021
	Balance as at 01.01.2021	Addition during the year	Adjustment during the year	Balance as at 31.12.2021	Rate	Balance as at 01.01.2021	Adjustment during the year	Charged during the year	Balance as at 31.12.2021	
Tangible Assets										
Land	1,876,724,350	-	-	1,876,724,350	-	-	-	-	-	1,876,724,350
Building	893,986,278	-	-	893,986,278	2.50%	126,631,127	-	19,660,190	146,291,316	747,694,961
Head Office Building under construction	-	-	-	-		-	-	-	-	-
Furniture & Fixtures	1,108,875,244	42,666,735	18,713,492	1,132,828,486	10% & 20%	431,926,712	13,586,955	80,051,311	498,391,068	634,437,418
Office Equipment	748,190,288	19,600,687	11,575,340	756,215,635	20%	381,547,381	10,917,217	92,166,981	462,797,145	293,418,491
Computer & Network Equipment	609,210,291	54,256,817	5,445,690	658,021,418	20%	351,263,915	5,168,248	90,660,734	436,756,401	221,265,016
Vehicles	116,941,907	19,227,699	-	136,169,606	20%	85,809,961	-	11,836,748	97,646,709	38,522,898
Right of Use Assets (ROU)	884,017,237	705,501,191	-	1,589,518,428	-	142,410,355	-	199,944,676	342,355,031	1,247,163,398
Books	1,042,667	-	-	1,042,667	20%	905,234	-	97,911	1,003,146	39,521
Sub-total	**6,238,988,262**	**841,253,129**	**35,734,522**	**7,044,506,868**		**1,520,494,686**	**29,672,421**	**494,418,550**	**1,985,240,815**	**5,059,266,053**
Intangible Assets										
Software-Core Banking	62,615,431	-	-	62,615,431	20%	57,450,499	-	5,150,818	62,601,317	14,114
Software-Others	86,412,468	13,033,844	300,000	99,146,312	20%	69,420,730	292,718	11,972,407	81,100,419	18,045,893
Sub-total	**149,027,899**	**13,033,844**	**300,000**	**161,761,743**		**126,871,229**	**292,718**	**17,123,225**	**143,701,736**	**18,060,006**
Grand Total	**6,388,016,160**	**854,286,973**	**36,034,522**	**7,206,268,611**		**1,647,365,915**	**29,965,139**	**511,541,775**	**2,128,942,552**	**5,077,326,059**

HOQUE VASI CHOWDHURY & CO. DHAKA

Annexure-C

Shahjalal Islami Bank Limited
Statement of Foreign Currency
As at 31 December 2022

[Refer to Note-5a.2 to the financial statements]

Sl. No.	Name of the Bank	Currency Name	2022			2021		
			Amount in Foreign Currency	Conversion Rate per Unit F.C.	Amount in Taka	Amount in Foreign Currency	Conversion Rate per Unit F.C.	Amount in Taka
1	Standard Chartered Bank, NY	USD	417,823.14	103.2970	43,159,877	4,222,890.33	85.8000	362,323,990
2	Mashreq Bank PSC, NY	USD	258,990.42	103.2970	26,752,933	1,383,308.45	85.8000	118,687,865
3	Standard Chartered Bank, Mumbai	USD	222,198.53	103.2970	22,952,442	222,198.53	85.8000	19,064,634
4	Habib American Bank, USA	USD	595,701.28	103.2970	61,534,155	732,230.33	85.8000	62,825,362
5	ICICI Bank, Hong Kong	USD	30,864.31	103.2970	3,188,191	290,441.65	85.8000	24,919,894
6	WACHOVIA BANK, NY, USA	USD	2,915,672.46	103.2970	301,180,218	668,366.00	85.8000	57,345,803
7	Commerzbank AG Frankfrut	USD	214,960.23	103.2970	22,204,747	79,082.15	85.8000	6,785,248
8	Bank Aljazira	USD	770.80	103.2970	79,621	64,700.58	85.8000	5,551,310
9	JPMorgan Chase Bank N.A., NY, USA	USD	49,629.90	103.2970	5,126,620	1,083,379.99	85.8000	92,954,003
10	Citibank N.A., NY, USA	USD	48,038.63	103.2970	4,962,246	173,390.88	85.8000	14,876,938
11	AB Bank Ltd. Mumbai	ACUD	45,804.14	103.2970	4,731,430	314,047.62	85.8000	26,945,286
12	Standard Chartered Bank, Mumbai	ACUD	1,800,343.02	103.2970	185,970,033	63,156.19	85.8000	5,418,801
13	Nepal Bangladesh Bank, Nepal	ACUD	33,640.75	103.2970	3,474,989	51,424.69	85.8000	4,412,238
14	Standard Chartered Bank, Colombo	ACUD	319,155.01	103.2970	32,967,755	14,195.67	85.8000	1,217,988
15	ICICI Bank, Mumbai	ACUD	55,410.28	103.2970	5,723,716	940,221.69	85.8000	80,671,021
16	Habib Metropoliton Bank Ltd.	ACUD	6,309.20	103.2970	651,721	61,007.79	85.8000	5,234,468
17	United Bank of India, Kolkata	ACUD	104,684.31	103.2970	10,813,575	225,403.19	85.8000	19,339,594
18	Sonali Bank Ltd. ACU, Kolkata	ACUD	22,144.86	103.2970	2,287,498	67,955.25	85.8000	5,830,560
19	Bank of Bhutan Ltd. Main Branch	ACUD	39,090.21	103.2970	4,037,901	12,602.16	85.8000	1,081,265
20	AXIS Bank Ltd. India	ACUD	48,895.46	103.2970	5,050,754	272,112.23	85.8000	23,347,229
21	MCB Bank Limited	ACUD	41,620.00	103.2970	4,299,221	193,508.12	85.8000	16,602,997
22	HDFC Bank Ltd., Mumbai	ACUD	4,578.19	103.2970	472,913	207,696.40	85.8000	17,820,351
23	Standard Chartered Bank, Frankfurt	EURO	1,015,780.50	109.6394	111,369,565	17,789.23	97.3658	1,732,063
24	Commerzbank AG	EURO	418,178.23	109.6394	45,848,810	1,057.35	97.3658	102,950
25	Wells Fargo Bank, N. A. London, UK	EURO	1,153,631.55	109.6394	126,483,471	1,785.56	97.3658	173,852
26	JPMorgan Chase AG, Frankfurt	EURO	497,812.98	109.6394	54,579,916	68,840.91	97.3658	6,702,750
27	Standard Chartered Bank,Tokyo	YEN	351,766.00	0.7683	270,262	1,335,122.99	0.7467	996,936
28	Habib Bank AG Zurich	CHF	2,688.88	111.2509	299,140	8,222.91	93.8137	771,422
29	ICICI Bank, Canada	CAD	24,019.23	75.9369	1,823,946	4,976.48	67.0837	333,841
30	Bank Aljazira, KSA	SAR	39,468.23	27.5019	1,085,451	1,237,672.35	22.8660	28,300,616
31	Riyad Bank, KSA	SAR	41,966.28	27.5019	1,154,152	58,798.45	22.8660	1,344,485
32	Standard Chartered Bank, London	GBP	17,770.12	124.1630	2,206,391	3,420.31	115.7871	396,028
33	JPMorgan Chase Bank N.A., London	GBP	2,793.79	124.1630	346,885	4,989.68	115.7871	577,741
34	Mashreq Bank PSC, UAE	AED	135,082.24	28.1279	3,799,580	27,420.95	23.3622	640,614
35	Emirates Islamic Bank PJSC, Dubai	AED	37,000.00	28.1279	1,040,732	565,000.00	23.3622	13,199,643
36	Standard Chartered Bank, China	CNY	80,797.74	14.8043	1,196,154	71,648.42	13.4736	965,362
	Total				**1,103,127,014**			**1,029,495,149**

HODA VASI CHOWDHURY & CO DHAKA

Annexure-D

Details of Information on Investments Exceeding 10% of
Bank's Total Regulatory Capital (Funded & Non-Funded)
As at 31 December 2022

(Taka in Lac)

Sl. No.	Name of Client	Outstanding			% of Investments to Total Capital		
		Funded	Non-funded	Total	Funded	Non-Funded	Total
1	LOGOS APPARELS LTD.	14,951	8,039	22,990			
	RAHMAT SWEATER (BD) LTD.	2,114	1,565	3,679			
	BELKUCHI SPINNING MILLS LTD.	8,701	-	8,701			
	M/S. SHAHI PRODUCTS	7,264	-	7,264			
	MOHAMMAD ALI SPINNING MILLS LTD.	-	9,698	9,698			
	Group-total	**33,029**	**19,302**	**52,331**	**9.70%**	**5.67%**	**15.36%**
2	MOONLIGHT GARMENTS LTD.	507	2,803	3,310			
	M/S.EHSAN GARMENTS LTD.	450	1,614	2,064			
	NOURISH POULTRY AND HATCHERY LTD.	8,534	23,548	32,082			
	NOURISH AGRO LTD.	3,171	16,823	19,994			
	NOURISH FEEDS LTD.	3,270	5,197	8,468			
	NOURISH FOODS LTD.	-	122	122			
	TELNET COMMUNICATION LTD.	-	7	7			
	EHSAN PACKAGING & PRINTING LTD.	-	40	40			
	AGROW FRUITS & VEGETABLES LTD.	1,404	-	1,404			
	Agrow Auto Rice Mill Limited	-	85	85			
	Group-total	**17,336**	**50,239**	**67,575**	**5.09%**	**14.75%**	**19.84%**
3	ANWAR SILK MILLS LTD.	1,196	1,624	2,820			
	A-ONE POLYMER LTD.	166	1,460	1,625			
	ANWAR CEMENT LTD	-	3,918	3,918			
	ANWAR ISPAT LTD.	4,313	4,998	9,311			
	ANWAR JUTE SPINNING MILLS LTD.	-	34	34			
	A.G. AUTOMOBILES LTD.	1,045	71	1,116			
	A.G. MOTORS LTD.	469	63	531			
	HOSSAIN DYEING & PRINTING MILLS LTD.	4,272	2,321	6,592			
	MEHMUD INDUSTRIES (PVT.) LTD.	6,432	3,953	10,385			
	ANWAR CEMENT SHEET LTD.	19,520	10,737	30,257			
	TOLEDO MOTORS LIMITED	299	49	348			
	EUTOCARS LIMITED	-	4	4			
	Group-total	**37,712**	**29,231**	**66,942**	**11.07%**	**8.58%**	**19.65%**
4	NASSA BASICS LTD.	14,803	14,825	29,628			
	NASSA SPINNING LTD.	5,291	-	5,291			
	NASSA BASIC WASH LTD.	-	-	-			
	NASSA HI TECH WASH LTD	603	993	1,596			
	NASSA TAIPEI TEXTILE MILLS LTD.	8,085	2,920	11,005			
	Group-total	**28,782**	**18,737**	**47,520**	**8.45%**	**5.50%**	**13.95%**
5	CHITTAGONG DENIM MILLS LTD	6,255	7,167	13,422			
	SMART JEANS LTD	3,177	2,644	5,821			
	SMART JACKET LTD.	661	1,685	2,347			
	SHEHAN TEXTILE LTD.	-	-	-			
	SMART BIO-INCEPTION LTD	-	91	91			
	APPAREL PROMOTERS LIMITED	1,655	1,839	3,494			
	AL-RAZI CHEMICAL COMPLEX LTD.	8,804	6,966	15,770			
	BM CONTAINER (BD)LTD.	2,473	1,421	3,894			
	BM ENERGY (BD) LTD.	1,615	18,599	20,214			
	SHOISHOB FASHION LTD.	176	-	176			
	Group-total	**24,816**	**40,414**	**65,230**	**7.29%**	**11.86%**	**19.15%**
6	KARIM SPINNING MILLS LTD.	4,487	1,404	5,891			
	PURBANI ROTOR SPINNING LTD.	5,921	269	6,189			
	SHOHAGPUR TEXTILE MILLS LTD.	8,891	565	9,456			
	PURBANI YARN DYING LTD	1,443	237	1,679			
	PURBANI FABRICS LTD	7,282	856	8,138			
	KARIM TEXTILES LTD.	2,638	1,512	4,149			
	Group-total	**30,661**	**4,842**	**35,503**	**9.00%**	**1.42%**	**10.42%**
7	ASWAD COMPOSITE MILLS LTD.	262	100	362			
	PALMAL LOGISTICS	235	-	235			
	ASWAD COMPOSITE MILLS LIMITED	8,147	25,506	33,653			
	MAGNUM TRADERS	-	2	2			
	HAMZA LOGISTICS LIMITED	786	-	786			
	HAMZA EXPORT LOGISTICS	986	-	986			
	Nafa Apparels Ltd	577	-	577			
	Group-total	**10,993**	**25,607**	**36,601**	**3.23%**	**7.52%**	**10.74%**
8	MYMENSINGH AGRO LTD	1,640	5,495	7,135			
	BANGA BUILDING MATERIALS LTD.	18,457	5,807	24,263			
	CHORKA TEXTILE LIMITED	1,093	2,017	3,110			
	Pran Dairy Ltd.	-	-	-			
	Group-total	**21,190**	**13,319**	**34,508**	**6.22%**	**3.91%**	**10.13%**

HOQUE CHOWDHURY & CO. CHITTAGONG

Sl. No.	Name of Client	Outstanding			% of Investments to Total Capital		
		Funded	Non-funded	Total	Funded	Non-Funded	Total
9	ALIM KNIT (BD) LTD.	10,560	12,155	22,715			
	MONDOL INTIMATES LTD.	3,629	3,191	6,820			
	MONDOL KNIT TEX LTD.	2,691	2,218	4,909			
	MOMDOL SPINNING MILLS LTD.	12,276	-	12,276			
	APPOLLO KNITWEAR BD LTD	893	1,118	2,010			
	APPOLLO FASHIONS LTD	700	978	1,679			
	APPOLLO PACKAGING (BD) LTD.	-	-	-			
	TROPICAL KNITEX LTD.	-	8	8			
	COTTON CLUB (BD) LTD.	2,626	109	2,735			
	COTTON CLOTHING (BD) LTD.	-	3,121	3,121			
	COTTON CLOUT (BD) LTD.	202	-	202			
	Group-total	**33,577**	**22,897**	**56,474**	**9.86%**	**6.72%**	**16.58%**
10	INCEPTA PHARMACUTICALS LTD.	7,710	11,562	19,272			
	INCEPTA VACCINE LTD.	396	1,653	2,049			
	INCEPTA HYGIENE AND HOSPICARE LTD.	277	671	948			
	INCEPTA CHEMICALS LTD.	1,379	377	1,756			
	INCEPTA HERBAL AND NUTRICARE LTD.	84	1,080	1,164			
	MAHEEN DIZAYN ETIKET (BD) UNIT-2 LIMITED	4,231	1,241	5,472			
	IMPRESS FASHION LIMITED	8,718	6,356	15,075			
	IMPRESS ACCESSORIES LIMITED	5,409	515	5,923			
	IPORT LOGISTICS LTD	215	375	590			
	IMPRESS AVIATION LIMITED	1,161	147	1,308			
	IMPRESS AVIATION LIMITED	-	-	-			
	NEXT SPACES LTD	-	2,679	2,679			
	INFRATRADE LIMITED	-	48	48			
	Group-total	**29,581**	**26,704**	**56,285**	**8.68%**	**7.84%**	**16.52%**
11	BENGAL PLASTICS LTD.	3,728	6,763	10,491			
	BENGAL POLYMER WARES LTD.	5,410	3,027	8,437			
	BENGAL POLYMER WARES LTD. (UNIT-2)	8,098	1,918	10,016			
	BENGAL CONCEPT AND HOLDINGS LTD	541	-	541			
	EUPHORIA APPARELS LTD	11,168	3,555	14,723			
	Group-total	**28,946**	**15,263**	**44,208**	**8.50%**	**4.48%**	**12.98%**
12	ABDUL MONEM LTD.	10,676	18,733	29,410			
	TEKKEN-AML-ABENIKKO-JV	-	7,838	7,838			
	Group-total	**10,676**	**26,571**	**37,248**	**3.13%**	**7.80%**	**10.93%**
13	MIR CEMENT LTD	10,942	18,032	28,975			
	MIR CONCRETE PRODUCTS LTD	1,733	6,863	8,597			
	Group-total	**12,676**	**24,896**	**37,571**	**3.72%**	**7.31%**	**11.03%**
14	DHALY CONSTRUCTION LTD.	40,736	5,732	46,467			
	RBS CONSTRUCTION LTD.	2,120	-	2,120			
	Group-total	**42,856**	**5,732**	**48,587**	**12.58%**	**1.68%**	**14.26%**
15	ENERGYPAC ENGINEERING LTD.	1,892	20,354	22,246			
	ENERGYPAC FASHIONS LIMITED	18,237	10,567	28,804			
	Group-total	**20,128**	**30,921**	**51,050**	**5.91%**	**9.08%**	**14.99%**
16	GOLDEN ISPAT LTD	11,456	23,500	34,956			
	Group-total	**11,456**	**23,500**	**34,956**	**3.36%**	**6.90%**	**10.26%**
17	HAMS GARMENTS LTD.	22,686	26,177	48,863			
	HAMS FASHION LTD.	496	608	1,103			
	DHAKA GARMENTS & WASHING LIMITED	-	183	183			
	MONOWARA INDUSTRIES LTD.	-	597	597			
	VICTORIA INTIMATE LTD.	-	143	143			
	Group-total	**23,182**	**27,708**	**50,890**	**6.81%**	**8.13%**	**14.94%**
18	TRADE INTERNATIONAL INDUSTRIES LIMITED	23,283	7,988	31,271			
	TRADE INTERNATIONAL MARKETING LTD	9,690	1,213	10,903			
	MD NURUL AMIN, MD NURUN NEWAZ, MD NURUSSAFA,MD.	54	-	54			
	BLUEBERRY CORPORATION	-	-	-			
	ORCHID CORPORATION	286	107	393			
	Group-total	**33,312**	**9,308**	**42,621**	**9.78%**	**2.73%**	**12.51%**
19	MAF SHOES LTD.	23,034	15,688	38,722			
	MAF FOOT WARE	-	-	-			
	Group-total	**23,034**	**15,688**	**38,722**	**6.76%**	**4.61%**	**11.37%**
20	ROSE SWEATERS LTD.	1,921	1,439	3,360			
	MADINAPLE FASHIONS CRAFT LTD	3,669	2,561	6,229			
	TEXEUROP (BD) LTD	136	13,060	13,196			
	SCARLET KNITWEARS LTD.	8,897	4,892	13,790			
	PANTEX DRESS LTD	1,213	4,958	6,171			
	T-SHIRT PRINTERS LTD	-	-	-			
	Group-total	**15,836**	**26,911**	**42,747**	**4.65%**	**7.90%**	**12.55%**

HOQUE VASI CHOWDHURY & CO. DHAKA

Sl. No.	Name of Client	Outstanding			% of Investments to Total Capital		
		Funded	Non-funded	Total	Funded	Non-Funded	Total
21	M. HOSSAIN SPINNING MILLS (PVT.) LTD.	8,682	1,724	10,406			
	M. HOSSAIN COTTON SPINNING MILLS (PVT.) LTD.	24,216	7,557	31,773			
	HOSSAIN TRADING CO.	-	36	36			
	EASTERN TRADING CO.	-	93	93			
	DHAKA TRADING CO.	-	-	-			
	S.A. TRADING CO.	-	-	-			
	FAYSAL TRADING CO.	-	154	154			
	UNITED PLASTIC WOOD IND. (PVT.) LTD.	1,436	296	1,732			
	UNITED LEATHER PVT. IND. LTD.	1,907	281	2,188			
	SELINA TRADING CO.	-	-	-			
	Group-total	**36,241**	**10,140**	**46,382**	**10.64%**	**2.98%**	**13.62%**
22	LIZ FASHION INDUSTRY LIMITED	6,817	3,905	10,721			
	LIDA TEXTILE & DYEING LIMITED	11,031	5,255	16,286			
	PANDA SHOES INDUSTRY LIMITED	4,571	380	4,951			
	GOOD & FAST PACKAGING CO. LTD.	4,904	475	5,379			
	LIZDA HOLDING LTD.	3,628	-	3,628			
	Group-total	**30,951**	**10,015**	**40,966**	**9.09%**	**2.94%**	**12.03%**
23	HABITUS FASHION LIMITED	23,352	8,132	31,484			
	KA DESIGN LIMITED	2,263	2,007	4,270			
	FORTIS GARMENTS LIMITED	499	276	775			
	FORTIS AGRO LIMITED	1,786	-	1,786			
	SARAH RESORT LIMITED	2,824	-	2,824			
	QUATTRO FASHION LIMITED	327	1,231	1,558			
	Group-total	**31,051**	**11,647**	**42,698**	**9.12%**	**3.42%**	**12.53%**

Total	**588,023**	**489,591**	**1,077,614**

Total Capital of the Bank as at 31 December 2022 is **Taka 340,644.82 lac.**

HOQUE VASI CHOWDHURY & CO. DHAKA

Annexure-E

Highlights of Performance of the Bank

As at and for the year ended 31 December 2022

(Amount in Taka)

Sl. No.	Particulars	2022	2021
1	Paid-up Capital	10,805,517,980	10,290,969,510
2	Total Capital (Tier-I + Tier-II)	34,064,482,378	33,778,031,313
3	Capital Surplus	10,370,733,177	11,312,676,858
4	Total Assets	339,818,866,156	313,731,100,865
5	Total Deposit	227,982,058,614	217,288,988,137
6	Total Investments (Loans & Advance)	237,229,977,592	216,586,583,999
7	Total Contingent Liabilities and Commitment	154,272,177,491	171,223,629,229
8	Investment Deposit Ratio (%)	83.64%	84.48%
9	Percentage of Classified Investments against Total Investments	4.78%	4.42%
10	Profit after Tax and Provision	3,525,058,077	2,585,236,940
11	Amount of Classified Investments	11,332,826,570	9,568,844,349
12	Provisions kept against Classified Investments	3,927,533,630	3,075,119,256
13	Provisions Surplus	217,729,826	723,256
14	Cost of Fund	5.27%	5.28%
15	Profit Earning Assets	285,102,871,972	266,235,178,638
16	Non-Profit Earning Assets	54,715,994,184	47,495,922,226
17	Return on Investments (ROI) in Securities	4.63%	3.46%
18	Return on Assets (ROA)	1.08%	0.85%
19	Income from Investment in Securities	1,732,562,841	1,192,319,713
20	Earnings per Share	3.26	2.39
21	Net Income per Share	3.26	2.39
22	Price Earning Ratio (Times)	5.76	9.11

HODA VASI CHOWDHURY & CO. DHAKA

Annexure-F

Shahjalal Islami Bank Limited (Offshore Banking Unit)
Balance Sheet
As at 31 December 2022

	Note	31.12.2022		31.12.2021	
		USD	Taka	USD	Taka
Property and Assets					
Cash					
Cash in Hand (including Foreign Currencies)		-	-	-	-
Balance with Bangladesh Bank & Sonali Bank Ltd. (including Foreign Currencies)		-	-	-	-
		-	-	-	-
Placement with Other Banks & Financial Institutions		-	-	-	-
Balance with Other Banks and Financial Institutions					
Inside Bangladesh		583,263.81	60,249,402	532,007.48	45,646,242
Outside Bangladesh		-	-	-	-
	3	**583,263.81**	**60,249,402**	**532,007.48**	**45,646,242**
Investments					
General Investment etc.		25,548,445.58	2,639,077,783	17,788,253.12	1,526,232,118
Bills Purchased and Discounted		121,946,232.13	12,596,679,940	164,355,154.06	14,101,672,218
	4	**147,494,677.71**	**15,235,757,723**	**182,143,407.18**	**15,627,904,336**
Fixed Assets including Premises, Furniture and Fixtures	5	**4,423.84**	**456,969**	**5,162.69**	**442,959**
Other Assets		-	-	-	-
Non-Banking Assets		-	-	-	-
Total Property and Assets		**148,082,365.36**	**15,296,464,095**	**182,680,577.35**	**15,673,993,537**
Liabilities and Capital					
Liabilities					
Placement from Other Banks & Financial Institutions	6	**145,091,900.00**	**14,987,557,994**	**180,071,500.00**	**15,450,134,700**
Deposits and Other Accounts					
Mudaraba Savings Deposits		34,882.24	3,603,231	700.00	60,060
Mudaraba Term Deposits		-	-	-	-
Other Mudaraba Deposits		-	-	-	-
Al-Wadeeah Current & Other Deposit Accounts		296,086.51	30,584,848	47,599.24	4,084,015
Bills Payable		-	-	-	-
	7	**330,968.75**	**34,188,079**	**48,299.24**	**4,144,075**
Other Liabilities	8	**2,659,496.61**	**274,718,021**	**2,560,778.11**	**219,714,762**
Total Liabilities		**148,082,365.36**	**15,296,464,095**	**182,680,577.35**	**15,673,993,537**
Capital/Shareholders' Equity					
Paid-up Capital		-	-	-	-
Statutory Reserve		-	-	-	-
Retained Earnings		-	-	-	-
Total Shareholders' Equity		-	-	-	-
Total Liabilities & Shareholders' Equity		**148,082,365.36**	**15,296,464,095**	**182,680,577.35**	**15,673,993,537**

Shahjalal Islami Bank Limited (Offshore Banking Unit)
Off-balance Sheet Items
As at 31 December 2022

	Note	31.12.2022		31.12.2021	
		USD	Taka	USD	Taka
Contingent Liabilities					
Acceptances & endorsements		-	-	-	-
Letters of guarantee		-	-	-	-
Irrevocable letters of credit (including back to back bills)		-	-	-	-
Bills for collection		1,558,995.05	161,039,512	715,890.40	61,423,396
Other contingent liabilities		-	-	-	-
Total		**1,558,995.05**	**161,039,512**	**715,890.40**	**61,423,396**
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		**1,558,995.05**	**161,039,512**	**715,890.40**	**61,423,396**

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Shahjalal Islami Bank Limited (Offshore Banking Unit)
Profit and Loss Account
For the year ended 31 December 2022

	Note	2022		2021	
		USD	Taka	USD	Taka
Investment Income	9	8,991,355.38	928,780,037	6,662,905.25	571,677,270
Less: Profit paid on Deposits & Borrowing	10	3,574,052.22	369,188,872	1,999,059.82	171,519,333
Net Investment Income		**5,417,303.16**	**559,591,165**	**4,663,845.43**	**400,157,938**
Commission, Exchange and Brokerage	11	27,138.49	2,803,325	7,977.86	684,500
Other Operating Income	12	136,291.31	14,078,483	130,001.05	11,154,090
		163,429.80	**16,881,808**	**137,978.91**	**11,838,590**
Total Operating Income		**5,580,732.96**	**576,472,973**	**4,801,824.34**	**411,996,528**
Salaries and Allowances	13	120,771.56	12,475,340	123,016.51	10,554,817
Rent, Taxes, Insurances, Electricity etc.	14	945.58	97,676	195.41	16,766
Legal Expenses		-	-	-	-
Postage, Stamps, Telecommunication etc.	15	157.57	16,277	331.16	28,414
Stationery, Printings, Advertisements etc.	16	491.85	50,807	656.69	56,344
Auditor's Fees		-	-	-	-
Depreciation & Repairs of Bank's Assets	17	1,463.81	151,207	1,642.06	140,889
Other Expenses	18	7,579.11	782,899	7,979.68	684,657
Total Operating Expenses		**131,409.48**	**13,574,205**	**133,821.51**	**11,481,886**
Profit before Provision		**5,449,323.48**	**562,898,768**	**4,668,002.83**	**400,514,643**
Specific provision for Classified Investments		-	-	-	-
General provision for Unclassified Investments		(339,937.84)	(35,114,559)	1,829,836.83	157,000,000
Provision for Other Assets		-	-	-	-
Total Provision		(339,937.84)	(35,114,559)	1,829,836.83	157,000,000
Total Profit before Provisions for Taxation		**5,789,261.32**	**598,013,327**	**2,838,166.00**	**243,514,643**
Deferred Tax Expenses		-	-	-	-
Current Tax Expenses		-	-	-	-
		-	-	-	-
Net Profit after Taxation		**5,789,261.32**	**598,013,327**	**2,838,166.00**	**243,514,643**
Retained Earnings from previous year		-	-	-	-
Add: Retained Earnings of current year		5,789,261.32	598,013,327	2,838,166.00	243,514,643
Retained Earnings carried forward		**5,789,261.32**	**598,013,327**	**2,838,166.00**	**243,514,643**
Less: Retained earnings transferred to central operation		5,789,261.32	598,013,327	2,838,166.00	243,514,643
		-	-	-	-

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Shahjalal Islami Bank Limited (Offshore Banking Unit)
Cash Flow Statement
For the year ended 31 December 2022

	2022		2021	
	USD	Taka	USD	Taka
Cash flows from operating activities				
Investment income receipt in cash	8,991,355.38	928,780,037	6,662,905.25	571,677,270
Profit paid on deposits & borrowings	(3,574,052.22)	(369,188,872)	(1,999,059.82)	(171,519,333)
Fees & commission receipt in cash	27,138.49	2,803,325	7,977.86	684,500
Cash payments to employees	(120,771.56)	(12,475,340)	(123,016.51)	(10,554,817)
Cash payments to suppliers	(491.85)	(50,807)	(656.69)	(56,344)
Receipts from other operating activities	136,291.31	14,078,483	130,001.05	11,154,090
Payments for other operating activities	(8,682.26)	(987,183)	(8,584.18)	(742,957)
(i) Operating profit before changes in operating assets and liabilites	**5,450,787.29**	**562,959,643**	**4,669,566.96**	**400,642,411**
Changes in operating assets and liabilities				
(Increase)/decrease of investments to customers	34,648,729.47	392,146,613	(39,496,317.13)	(3,531,431,100)
Increase/(decrease) of deposits received from customers	282,669.51	30,044,004	(93,559.58)	(7,885,553)
Increase/(decrease) of other liabilities	438,656.34	90,117,819	(9,027.51)	(34,592)
(ii) Cash flows from operating assets and liabilities	**35,370,055.32**	**512,308,435**	**(39,598,904.22)**	**(3,539,351,245)**
Net cash used in operating activities (A)=(i+ii)	**40,820,842.61**	**1,075,268,078**	**(34,929,337.26)**	**(3,138,708,834)**
Cash flows from investing activities				
Proceeds from sale of fixed assets	-	-	-	-
Purchases of fixed assets	(724.96)	(74,886)	(292.45)	(25,092)
Net cash used in investing activities (B)	**(724.96)**	**(74,886)**	**(292.45)**	**(25,092)**
Cash flows from financing activities				
Borrowings from Banks & Financial Institutions	(34,979,600.00)	(462,576,706)	38,041,500.00	3,405,990,700
Profit transferred to Shahjalal Islami Bank Ltd.	(5,789,261.32)	(598,013,327)	(2,838,166.00)	(243,514,643)
Net cash flow from financing activities (C)	**(40,768,861.32)**	**(1,060,590,032)**	**35,203,334.00**	**3,162,476,057**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**51,256.33**	**14,603,160**	**273,704.29**	**23,742,131**
Add: Cash and cash equivalents at the beginning of the year	532,007.48	45,646,242	258,303.19	21,904,111
Cash and cash equivalents at the end of the year	**583,263.81**	**60,249,402**	**532,007.48**	**45,646,242**

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Shahjalal Islami Bank Limited (Offshore Banking Unit)

Notes to the Financial Statements

As at and for the year ended 31 December 2022

1. Status of the Unit

Offshore Banking Unit (OBU) is a separate business unit of Shahjalal Islami Bank Limited, governed under the rules and guidelines of Bangladesh Bank. The Bank commenced the operation of its Offshore Banking Unit on 21 December 2008 with the permission from Bangladesh Bank vide letter no. BRPD (P-3)744(99)/2008-2800 dated 24 July 2008. The unit is located at Shahjalal Islami Bank Tower, Plot-04, Block-CWN(C), Gulshan Avenue, Gulshan, Dhaka-1212.

1.1 Nature of Business/Principal Activities

The principal activities of Offshore Banking Unit are to provide all kinds of shariah based commercial banking services to its customers complying the applicable rules & regulations.

2. Significant Accounting Policies

2.1 Basis of Accounting

The accounting records of the unit are maintained in USD form and the financial statements are prepared on a going concern basis under the historical cost convention and in accordance with First Schedule of the Banking Companies Act, 1991 (as amended up to date) by Bangladesh Bank BRPD Circular No. 15 dated 09 November 2009, other Bangladesh Bank circulars, 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 listing regulations of the Stock Exchanges, the Securities and Exchange Rule, 1987 and other laws and rules applicable in Bangladesh.

2.2 Common Expense

a. Expenditure for audit fees has not been separately accounted for in the Financial Statements of OBU.

b. Provision for taxation has not been accounted for in the separate Financial Statements of OBU. Instead, this provision has been accounted for in the Financial Statements of Shahjalal Islami Bank Limited.

2.3 General

a. These Financial Statements are presented in Taka, which is the Bank's functional currency. Figures appearing in these financial statements have been rounded off to the nearest Taka.

b. Assets, liabilities, income & expenses have been converted to BDT currency @ US$1 = Taka 103.2970 (weighted average rate declared by Bangladesh Foreign Exchange Dealers' Association (BAFEDA)) as at 29 December 2022).

		31.12.2022		31.12.2021	
		USD	Taka	USD	Taka
3. Balance with Other Banks and Financial Institutions (other than Mudaraba Term Fund)					
Inside Bangladesh	(Note-3.1)	583,263.81	60,249,402	532,007.48	45,646,242
Outside Bangladesh		-	-	-	-
		583,263.81	**60,249,402**	**532,007.48**	**45,646,242**
3.1 Inside Bangladesh					
Shahjalal Islami Bank Ltd		583,263.81	60,249,402	532,007.48	45,646,242
		583,263.81	**60,249,402**	**532,007.48**	**45,646,242**
4. Investments (Loans and Advances)					
Country-wise Classification of Investments					
Inside Bangladesh					
Gross Murabaha, Bai-Muajjal etc.		25,548,445.58	2,639,077,783	17,788,253.12	1,526,232,118
Less: Profit receivable on Murabaha, Bai-Muajjal etc.		-	-	-	-
Net Murabaha, Bai-Muajjal etc.		**25,548,445.58**	**2,639,077,783**	**17,788,253.12**	**1,526,232,118**
Net Bills Purchased and Discounted	(Note- 4.1)	121,946,232.13	12,596,679,940	164,355,154.06	14,101,672,218
Outside Bangladesh		-	-	-	-
		147,494,677.71	**15,235,757,723**	**182,143,407.18**	**15,627,904,336**
4.1 Bills Purchased and Discounted					
Payable inside Bangladesh		2,992,982.29	309,166,092	6,245,813.00	535,890,755
Payable outside Bangladesh		119,107,431.16	12,303,440,317	158,306,652.83	13,582,710,813
Gross Bills Purchased and Discounted		**122,100,413.45**	**12,612,606,408**	**164,552,465.83**	**14,118,601,568**
Less: Profit receivable on Bills Purchased and Discounted		154,181.32	15,926,468	197,311.77	16,929,350
Net Bills Purchased and Discounted		**121,946,232.13**	**12,596,679,940**	**164,355,154.06**	**14,101,672,218**
5. Fixed Assets including Premises, Furniture & Fixtures					
Furniture & Fixture		1,710.45	176,684	2,513.43	215,652
Office Equipment		2,713.39	280,285	2,649.26	227,307
Carrying Value		**4,423.84**	**456,969**	**5,162.69**	**442,959**
6. Placement from other Banks & Financial Institutions					
Mudaraba Term Deposit from other Banks		47,975,000.00	4,955,673,575	64,000,000.00	5,491,200,000
Borrowing from Shahjalal Islami Bank Ltd		97,116,900.00	10,031,884,419	116,071,500.00	9,958,934,700
		145,091,900.00	**14,987,557,994**	**180,071,500.00**	**15,450,134,700**
7. Deposits and Other Accounts					
Al-Wadeeah Current Deposit		193,520.60	19,990,097	43,719.23	3,751,110
Sundry Deposits		102,565.91	10,594,751	3,880.01	332,905
		296,086.51	**30,584,848**	**47,599.24**	**4,084,015**
Mudaraba Savings Deposit		1,237.34	127,814	700.00	60,060
Foreign Currency Deposits		33,644.90	3,475,417		
		34,882.24	**3,603,231**	**700.00**	**60,060**
Mudaraba Term Deposit		-	-	-	-
		-	-	-	-
		330,968.75	**34,188,079**	**48,299.24**	**4,144,075**
8. Other Liabilities					
Profit Payable		1,168,582.62	120,711,079	730,326.28	62,661,995
Provision for Investments		1,489,898.99	153,902,096	1,829,836.83	157,000,000
Outstanding Expenses		1,015.00	104,846	615.00	52,767
		2,659,496.61	**274,718,021**	**2,560,778.11**	**219,714,762**

	2022		2021	
	USD	Taka	USD	Taka
9. Profit on Investments				
Profit received from Mudaraba Import Bills (UPAS)	7,554,776.16	780,385,713	5,835,819.10	500,713,279
Profit received from Hire Purchase	836,306.03	86,387,904	660,786.33	56,695,467
Profit received from Ijara	200,488.37	20,709,847	-	-
Profit on Inland Document Bill Purchased	399,784.82	41,296,573	166,299.82	14,268,525
	8,991,355.38	**928,780,037**	**6,662,905.25**	**571,677,270**
10. Profit paid on Deposits & Borrowings				
Profit on Deposits	101.81	10,516.67	-	-
Profit paid on Borrowings	3,573,950.41	369,178,355.50	1,999,059.82	171,519,333
	3,574,052.22	**369,188,872**	**1,999,059.82**	**171,519,333**
11. Commission, Exchange & Brokerage				
Commission from LC	**27,138.49**	**2,803,325**	**7,977.86**	**684,500**
12. Other Operating Income				
SWIFT & REUTERS	27,928.06	2,884,885	24,378.64	2,091,687
Miscellaneous Earnings	108,348.85	11,192,111	105,535.46	9,054,942
Service & Charges Receipts	14.40	1,487	86.95	7,460
	136,291.31	**14,078,483**	**130,001.05**	**11,154,090**
13. Salary & Allowances				
Basic Salary	47,386.54	4,894,887	47,406.78	4,067,502
Allowances	42,383.74	4,378,113	47,226.08	4,051,998
Bonus	26,416.71	2,728,767	23,316.24	2,000,533
Bank's Contribution to Provident fund	4,584.57	473,572	5,067.41	434,784
	120,771.56	**12,475,340**	**123,016.51**	**10,554,817**
14. Rent, Taxes, Insurance, Electricity etc.				
Insurance	945.58	97,676	195.41	16,766
	945.58	**97,676**	**195.41**	**16,766**
15. Postage, Stamps, Telecommunication etc				
Telephone charges	157.57	16,277	331.16	28,414
	157.57	**16,277**	**331.16**	**28,414**
16. Stationery, Printing, Advertisement etc				
Computer Stationery	481.25	49,712	656.69	56,344
Publicity and Advertisement	10.60	1,095	-	-
	491.85	**50,807**	**656.69**	**56,344**
17. Depreciation and Repairs of Fixed Assets				
Depreciation of Fixed Assets				
Furniture & Fixtures	802.98	82,945	802.98	68,896
Office Appliance & Equipment	660.83	68,262	761.15	65,307
	1,463.81	**151,207**	**1,564.13**	**134,202**
Repairs & Maintainance	-	-	77.93	6,686
	1,463.81	**151,207**	**1,642.06**	**140,889**
18. Other Expenses				
Entertainment Expense	87.81	9,070.51	12.62	1,082.80
Travelling Expense	15.52	1,603.17	-	-
Business Development & Promotion	255.12	26,353.13	173.10	14,851.98
Car Expense	7,148.83	738,452.69	7,793.96	668,721.77
Miscellaneous Expenses	71.83	7,419.82	-	-
	7,579.11	**782,899**	**7,979.68**	**684,657**

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