

**RATIO ANALYSIS  
OF  
FIRST SECURITY ISLAMI BANK LIMITED**

**Internship Report**  
**On**  
**“Ratio Analysis of First Security Islami Bank Limited”**

**Prepared For**  
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**BRAC University**

**February 17, 2014**

**February 17, 2014**

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Lecturer  
BRAC University  
Mohakhali, Dhaka

**Subject: Submission of Internship Report**

Dear Madam,

With due respect, I would like to notify you that I have completed my Internship Report on **“Ratio Analysis of First Security Islami Bank Limited (FSIBL).”**

This particular report enables me to get an insight of the performance of First Security Islami Bank Limited and how they create value for their stake holders. I have analyzed many ratios and data to judge the performance of FSIBL. I have formed graphs to analyze the performance better.

Finally, I would like to express my gratitude for your supportive thoughts and kind consideration in making this report. At each stage, I have given my best efforts in preparing this report. Without any doubt, this experience enriches my knowledge in a greater degree. If you have any query over any aspect of my report, I would gladly answer them.

Regards

Maliha Ehsan

ID-09204042

**Acknowledgement:**

In the beginning, I would express my gratitude to Almighty Allah for whose Mercy I am mentally and physically sound in order to prepare this report. Other than that, I am thankful to many people who have provided me with incentive and support during the whole time I was working with this report. I am very grateful to Ms. Sohana Wadud Ahmad, my respective faculty and advisor of my internship report who assigned me with this topic and assisted me the whole time. She guided me to finish this task successfully. Without her assistance, I would not have been able to complete my report successfully. I would also like to thank my Office Supervisor, Mr. Masud Hossain, FAVP & Second Manager, FSIBL Mohakhali Branch; Mr. Ishtiak Al Anis, Assistant Officer; Ms. Tasnuva Hassan, Assistant Officer, Mr. Rubel Miah, Assistant Officer and Mr. Mamun Ahmed, Assistant Officer; who have cordially helped me and provided me with the information that I needed to prepare this report. Also, I am extremely thankful for all the websites, journals, research papers, books and literature that provided me information on this issue, as without that, the project would go nowhere. I would also like to thank my peers and friends who assisted me during its preparation. Without their support, suggestion and co-operation, this project would have remained a dream.

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## Executive Summary

First Security Islami Bank Limited (FSIBL) formed in Bangladesh on August 29, 1999 as a banking company under Companies Act 1994. On September 22, 1999, FSIBL got permission from Bangladesh Bank to start its business. From then on it started its journey from a conventional bank and gradually headed on their goals and then converted to a modern bank in January 1, 2009, following the Islamic Shariah rules and regulations. The Bank offers a wide range of banking services through its 117 branches in the country, including accepting deposits, discounting bills, conducting money transfer and foreign exchange transactions, and performing other related services such as safe keeping, collections and issuing guarantees, acceptances and letter of credit.

**I was appointed in the General Banking Division, Accounting Division, Clearing Division and Foreign Trade Division supervised by Masud Hossain, FAVP & Second Manager of the Mohakhali Branch. Being an intern, I gained knowledge on the products offered by FSIBL and had assisted in dealing with the customers constantly. I am doing my internship report on “Ratio Analysis of First Security Islami Bank Limited.”**

This report is designed in a few chapters. The first is “The Organization.” The next segment, “Operational Network Organogram of FSIBL” contains the functions and objectives of different departments of FSIBL. The third chapter is on ‘The Vision for Future,’ then “Job Responsibility in FSIBL,” then “Description of the Project.” The last chapter, “Financial Performance” includes analysis of different ratios of FSIBL. At the end, I have found out some interpretations of the findings.



# CHAPTER 1 | THE ORGANIZATION

## **Introduction**

This report is a requirement of my internship course in the BBA program of BRAC University. My supervisor, Ms. Sohana Wadud Ahmad, Lecturer of BRAC Business School, BRAC University, assigned me the topic for my report. I have tried my level best to make it an excellent one and used all the latest data and information available. I was assigned in the Mohakhali Branch of First Security Islami Bank Limited for my practical orientation. I have been serving this company as an intern under different Departments for three months. My job responsibility is to serve customers with their needs of the different banking products available in the bank, to write pay orders and forms for customers and preparing spreadsheets etc. I got the opportunity to be very close to the corporate customers. At the end of the program, the interns are required to place the accomplishments and findings of the report through the writing of the internship report covering the relevant topics.

## **History of First Security Islami Bank Limited**

First Security Islami Bank Limited (FSIBL) was formed in Bangladesh on 29 August 1999 under Companies Act 1994 to start banking business. It obtained permission from Bangladesh Bank on 22 September 1999 to begin its business. The Bank carries banking activities through its 117 branches in the country. Their commercial banking activities include a wide range of services including accepting deposits, discounting bills, conducting money transfer and foreign exchange transactions, and performing other related services such as safe keeping, collections and issuing guarantees, acceptances and letter of credit. FSIBL started their business with traditional commercial banking services as First Security Bank Ltd. However, from January 01, 2009 they converted their business to Islamic Banking with Islamic Shariah Act and the bank changed its name and mode of business and incorporated as First Security Islami Bank Ltd. It started with 14 branches in 1999 but now has 117 branches in Bangladesh which shows the impact they have had in the economy. The bank maintains a friendly relationship with the top ranking banks. They have online, SMS and ATM banking facilities for their clients.

The company philosophy “A step ahead in time” has been exactly the spirit for Asian success; the bank has been operating with talented and brilliant personnel, equipment with modern technology so as to make it most efficient to meet the challenges of 21<sup>st</sup> century and to fulfill the needs and wants of its customers.

## Corporate Information

<b>Chairman</b>	<b>Mr. Mohammad Saiful Alam</b>
<b>Vice Chairman</b>	<b>Mr. Alhaj Mohammad Abdul Maleque</b>
<b>Managing Director</b>	<b>Mr. A.A.M. Zakaria</b>
<b>Company Secretary</b>	<b>Mr. S. M. Nazrul Islam</b>
<b>Legal Status</b>	<b>Public Limited Company</b>
<b>Date of Incorporation</b>	<b>August 29, 1999</b>
<b>Date of Commencement of Business</b>	<b>August 29, 1999</b>
<b>Date of getting license from Bangladesh Bank</b>	<b>September 22, 1999</b>
<b>Date of Opening of First Branch</b>	<b>October 25, 1999</b>
<b>Corporate Head Office</b>	<b>House- SW (I) 1/A, Road-8, Gulshan-1, Dhaka-1212, Bangladesh.</b>
<b>Registered Office</b>	<b>23, Dilkusha, Dhaka-1000, Bangladesh</b>
<b>Authorized Capital</b>	<b>Tk.1,000 Million</b>
<b>Paid up Capital</b>	<b>Tk.3,400.32 Million</b>
<b>Phone</b>	<b>88-02-9888446 (Hunting), 8402613-8402625 (ICT Division).</b>
<b>Fax</b>	<b>880-02-9891915</b>
<b>E-mail</b>	<b><a href="mailto:bcs@fsiblb.com">bcs@fsiblb.com</a></b>

<p style="text-align: center;"><b>Auditors</b></p>	<p style="text-align: center;">Hoda Vasi Chowdhury &amp; CO, Chartered Accountants, BTMC Bhaban (Level-8), 7-9 Karwan Bazar, Dhaka-1215, Bangladesh. Phone: 9120090, 8189323, 8189324, E-mail: <a href="mailto:hvc@hodavasi.com">hvc@hodavasi.com</a>.</p>
<p style="text-align: center;"><b>Legal Advisor</b></p>	<p style="text-align: center;">The Law Counsel, Barrister &amp; Advocates, City Heart (7th Floor), Suit No. 8/8, 67, Naya Paltan, Dhaka-1000. Phone: 9349647-8, Fax: 9349866, 9567029, E-mail: <a href="mailto:l.counsel@bdonline.com">l.counsel@bdonline.com</a>.</p>
<p style="text-align: center;"><b>Tax Consultant</b></p>	<p style="text-align: center;">K.M. Hasan FCA, K.M. Hasan &amp; Co. Chartered Accountants, Dhaka Office Home Tower Apartment (8<sup>th</sup> &amp; 9<sup>th</sup> Floor), 87, New Eskaton Road, Dhaka - 1000, Phone: 9351457, 9351564, Fax: 9345792-112.</p>

## Shariah Council of FSIBL

Name	Position	Address
<b>Sheikh (Moulana) Mohammad Qutubuddin</b>	Chairman	Baitush Sharaf Complex, Shah Abdul Jabbar Road, Dhanialapara, Chittagong 4100
<b>Mufti Sayeed Ahmed</b>	Vice Chairman	Markaze Eshaete Islam Darus Salam, Mirpur, Dhaka
<b>Moulana M. Shamaun Ali</b>	Member Secretary	491, Wireless Railgate Moghbazar, Dhaka-1217
<b>Moulana Abdus Shaheed Naseem</b>	Member	493, Wireless Railgate, Bara Moghbazar, Dhaka-1217
<b>Mr. Mohammad Azharul Islam</b>	Member	Lecturer University of Dhaka, Dhaka-1000
<b>Alhaj Md. Abdul Maleque</b>	Vice Chairman, Board of Directors	8/A, OR Nizam Road Panchlaish R/A Chittagong
<b>Prof. Md. Sharif Hussain</b>	Board of Directors	57, East Hajipara (5 th Floor) Rampura, Dhaka-1219
<b>Mr. Shahidul Islam</b>	Board of Directors	House# 7, Road# 1, Nasirabad Housing Society, Chittagong
<b>Mr. A. A. M. Zakaria</b>	Managing Director	House SW(l)1/A, Road - 8, Gulshan - 1, Dhaka-1212

**Board of Directors:**

<b>Chairman</b>	Mohammad Saiful Alam.
<b>Vice Chairman</b>	Alhaj Mohammed Abdul Maleque
<b>Directors:</b>	Ms. Farzana Parveen
	Ms. Rahima Khatun
	Mr. Ahsanul Alam
	Ms. Atiqun Nesa
	Mr. Md. Sharif Hussain
	Mr. Mohammad Ishaque
	Mr. Md. Wahidul Alam Seth
	Mr. Shahidul Islam
	Mr. Mohammed Oheidul Alam
	Mohammad Kutub Uddowllah
	Ms. Khurshid Jahan
<b>Managing Director</b>	Mr. A. A. M. Zakaria
<b>Board &amp; Company Secretary</b>	Mr. S. M. Nazrul Islam

## Products and Services:

### Loan Schemes:

1. Term Loan: This loan from the bank is for a specific amount and a specified time with a floating interest rate and they mature between one to ten years.
2. Loan (General): This is an agreement between a broker and the bank to borrow funds for the purchase of securities. This agreement is open-ended and brokers can continuously borrow funds for day to day business transactions.
3. Secured Overdraft (SOD): This is an extension of credit from the bank when an account reaches zero. An overdraft allows an individual to continue withdrawing money even if the account has no funds in it. This facility is provided to known customers who are trusted.
4. Transport Loan: The transportation loan provides financial assistance to foreign nationals, refugees and members of the Humanitarian protected person abroad classes to cover the costs of transportation for themselves or their family.
5. Cash Credit (C.C): This account with the bank by which a person or house, having given security for repayment, draws at pleasure from the bank to the degree of an amount agreed upon.
6. House Building Loan: Loan which is meant to cover the cost of land development and building construction, and is paid off as needed as each stage is completed according to a prearranged schedule.
7. Payment Against Document (PAD): This is an arrangement under which a buyer can get the delivery (shipping) documents only upon full payment of the invoice or bill of exchange.
8. Loan against Imported Merchandise (LIM): This type of finance is offered to the importer to finance their needs for meeting the cost including freight, insurance, and customs and excise duty payable on the imported merchandise. The lending bank, FSIBL mostly pledges the imported goods. The merchandise is released for the use of the importer (borrower) upon repayment of the bank's finance and charges either fully or



partially, on production of the Delivery Order issued by the banker in favor of the borrower.

9. Loan against Trust Receipts (LATR): This is a loan against a Trust Receipt provided to the client when the documents covering an import shipment are given without payment. Under this system, the client will hold the goods of their sale proceeds in trust for the bank, until the loan allowed against the Trust Receipt is fully paid.
10. Consumer Finance Scheme: Options provided to investors for acquiring consumer durables where an individual initially pays a fraction of the cash on purchase while promising to pay the balance with interest over a specified time period. Consumer finance is available for a large number of durables like televisions, refrigerators, washing machines, cars, two-wheelers, personal computers etc.
11. Hire-Purchase Scheme: This is a method of buying goods through making installment payments over time under a contract that the buyer is leasing the goods and does not obtain ownership until the full amount of the contract is paid.

## **Financial Products:**

### **Deposit Accounts:**

1. Al-Wadiah Current Account: This account can be opened with a minimum of Tk.1000. The bank can invest this account holder's money into their businesses but the account holder won't bear profit or loss incurred from that investment. Thus, no profit rate for this deposit account.
2. Al-Wadiah Current Plus Account (MORJADDA): This account can be opened with a minimum of Tk.15000. The account holder must have also at least Tk.15000 in the account. The bank can invest this account holder's money into their businesses but the account holder won't bear profit or loss incurred from that investment. The account holder will receive a free Cheque Book of 100 pages and a free ATM Card as well as avail life insurance policy of Tk.100, 000.
3. Al-Wadiah Premium Account (SHOMMAN): This account can be opened with a minimum of Tk.25000. The account holder must have also at least Tk.25000 in the account. The

bank can invest this account holder's money into their businesses but the account holder won't bear profit or loss incurred from that investment. The account holder will receive a free Cheque Book of 100 pages and a free ATM Card as well as avail life insurance policy of Tk.100, 000.

4. Mudarabah Savings Deposit Account: This account can be opened with a minimum of Tk.500 with a reserve balance of Tk.500 as well. Per month's profit or loss incurred from investments are added in the accounts twice a year i.e. in June and December. Current profit rate is 5%.
5. Mudarabah Salary Savings Account (PRAPTI): This account can be opened with a minimum of Tk.500 with a reserve balance of Tk.500 as well. Per month's profit or loss incurred from investments are added in the accounts twice a year i.e. in June and December. Current profit rate is 5%. The account holder will receive a free Cheque Book of 10 pages and a free ATM Card for the 1<sup>st</sup> year.
6. Mudarabah Student Savings Account (School Banking-ONKUR): This account can be opened with a minimum of Tk.100 with no reserve balance required. Per month's profit or loss incurred from investments are added in the accounts twice a year i.e. in June and December. Current profit rate is 8%. The account holder will receive a free Cheque Book of 10 pages and a free ATM Card for the 1<sup>st</sup> year. No service charge required for this account.
7. Mudarabah Student Savings Account (University/College-PROJONMO): This account can be opened with a minimum of Tk.200 with a reserve balance of Tk.100. Per month's profit or loss incurred from investments are added in the accounts twice a year i.e. in June and December. Current profit rate is 8%. The account holder will receive a free Cheque Book of 10 pages and a free ATM Card for the 1<sup>st</sup> year. No service charge required for this account.
8. Mudarabah Senior Citizen Savings Account (PROBIN): This account can be opened with a minimum of Tk.5000 with a reserve balance of Tk.5000 as well. Per month's profit or loss incurred from investments are added in the accounts twice a year i.e. in June and

December. Current profit rate is 8%. The account holder will receive a free Cheque Book of 20 pages and a free ATM Card for the 1<sup>st</sup> year.

### **Short Term Deposit Account:**

1. Short Notice Deposit Account (SND): Profit or loss incurred by the account holder on the basis of monthly average of the deposited amount. The profit rate is 5% up to deposit amount of Tk.50, 000, 000 and profit rate is 6% for above deposit amount of Tk.50, 000, 000.

### **Schemes:**

1. Mudarabah Monthly Deposit Scheme (MMDS): The period for this scheme is 5 years, 8 years and 10 years. The monthly installment for this scheme is minimum Tk.500 to maximum Tk.25, 000. The profit or loss incurred is fixated with daily rate calculation. Account holder can avail life insurance policy of Tk.100, 000. Minors can also open this account.
2. Mudarabah Medical Deposit Scheme (NIRAMOY): The period for this scheme is 3 years, 5 years, 8 years and 10 years. The profit or loss incurred is fixated with daily rate calculation. Account holder can avail life insurance policy of Tk.100, 000. Minors can also open this account.
3. Mudarabah Marriage Deposit Scheme (BONDHON): The period for this scheme is 5 years, 8 years, 10 years, 12 years, 15 years and 20 years. The profit or loss incurred is fixated with daily rate calculation. Account holder can avail life insurance policy of Tk.100, 000.
4. Mudarabah Education Deposit Scheme (ALO): The period for this scheme is 5 years, 8 years, 10 years, 12 years and 15 years. The profit or loss incurred is fixated with daily rate calculation. Account holder can avail life insurance policy of Tk.100, 000.
5. Mudarabah Monthly Profit Scheme (MMPS): Deposit amount has to be Tk.25, 000 or its multiplied amount i.e. Tk.50, 000, Tk.75, 000 etc. The period for this scheme is 3 years. 10% profit rate for every month. If money is taken out before a complete 1 year, then no profit will be provided. But if kept for over a year, profit will be provided accordingly on the deposited amount. Account holder can avail life insurance policy of Tk.100, 000.

6. Mudarabah Pension Deposit Scheme (OBASHOR): The period for this scheme is 5 years, 10 years, 15 years and 20 years. Account holder can avail life insurance policy of Tk.100,000.
7. Mudarabah Immigrant Deposit Scheme (SHODESH): The period for this scheme is 5 years, 8 years, 10 years, 12 years, 15 years and 20 years. Immigrants can run this account from abroad and also anyone they appoint can also run on their behalf. The monthly installment for this scheme is minimum Tk.2000 to maximum Tk.30,000.
8. Mudarabah Double Deposit Scheme (MDDS): The period for this scheme is 5 years and 5 months. Deposit amount has to be Tk.10,000 or its multiplied amount i.e. Tk.20,000, Tk.30,000 etc. If money is taken out before a complete 1 year, then no profit will be provided. But if kept for over a year, profit will be provided accordingly on the deposited amount.
9. Mudarabah Triple Deposit Scheme (Triple Benefit): The period for this scheme is 8 years and 6 months. Deposit amount has to be Tk.10,000 or its multiplied amount i.e. Tk.20,000, Tk.30,000 etc. If money is taken out before a complete 1 year, then no profit will be provided. But if kept for over a year, profit will be provided accordingly on the deposited amount. Account holder can avail life insurance policy of Tk.100,000.
10. Mudarabah Quadruple Deposit Scheme (ARBA): The period for this scheme is 10 years and 8 months. Deposit amount has to be Tk.10,000 or its multiplied amount i.e. Tk.20,000, Tk.30,000 etc. If money is taken out before a complete 1 year, then no profit will be provided. But if kept for over a year, profit will be provided accordingly on the deposited amount. Account holder can avail life insurance policy of Tk.100,000.
11. Mudarabah Millionaire Deposit Scheme (AGROSHOR): The period for this scheme is 3 years, 5 years, 8 years, 10 years, 12 years, 15 years, 18 years and 20 years. For a specific period, a specific amount has to be deposited every month. The scheme holder is expected to get Tk.1,000,000 plus profit amount, excluding Tax. Account holder can avail life insurance policy of Tk.100,000.
12. Mudarabah One Crore Deposit Scheme (UNNATI): The period for this scheme is 5 years, 8 years, 10 years, 12 years, 15 years, 18 years, 20 years, 22 years and 25 years.

For a specific period, a specific amount has to be deposited every month. The scheme holder is expected to get Tk.10, 000, 000 plus profit amount, excluding Tax. Account holder can avail life insurance policy of Tk.100, 000.

13. Mudarabah Home Maker Deposit Scheme (GHORONI): The period for this scheme is 3 years, 5 years, 8 years and 10 years. The monthly installment for this scheme is minimum Tk.500 to maximum Tk.25, 000 and can be paid more than once in a month. The profit or loss incurred is fixated with daily rate calculation. Account holder can avail life insurance policy of Tk.100, 000.
14. UDDIPON: This is a special scheme for college and university students with monthly installments of minimum Tk.200 to maximum Tk.20, 000 and can be paid more than once in a month. The period for this scheme is 1 year, 2 years, 3 years, 4 years, 5 years, 6 years, 7 years and 8 years. Account holder can avail life insurance policy of Tk.100, 000.
15. Mudarabah Hajj Deposit Scheme: This is for those who want to save money for Hajj. The period for this scheme is 5 years, 8 years, 10 years, 12 years, 15 years, 18 years, 20 years, 22 years and 25 years. Account holder can avail life insurance policy of Tk.100, 000.
16. Mudarabah Money Plant Deposit Scheme (PROYASH): This scheme can be opened by a certain specific amount deposited and is for a period of 10 years, 12 years and 15 years. Profit rate is 12% on the amount deposited. Account holder cannot avail profit if the account is closed before 6 months. And if the account is closed within 3 years, then profit rate will be 7% to 8%. Account holder can avail life insurance policy of Tk.100, 000.

#### Others:

1. Zakaat Fund: This is a special service provided for account holders who give Zakaat by sending their money in the account: 010 1111 000 2636-1. The money collected for the Zakaat Fund is then distributed among different charities under the supervision of the Shariah Board.

2. Mudarabah Gift Cheque: The cheque is valued of Tk.500, Tk. 1000, Tk. 2000 and Tk.5000. This can be availed form any of the branches.
3. Mudarabah Waqf Cash Account: This account can be opened by Tk.1000 but the amount has to be increased to Tk.5000. This account cannot be closed and the payment goes to the poor, the needy and the physically and mentally impaired.

### **ATM Banking:**

First Security Islami Bank Ltd. has implemented successfully Automated Teller Machine (ATM) card transaction from June 25, 2008. Through Automated Teller Machine (ATM) /Debit card, customer can avail the facilities like withdrawal money, balance inquiry and purchase goods from Point of sale (POS).

### **Services:**

#### **Online any Branch Banking:**

FSIBL have set up Wide Area Network through Radio Fiber-Optics and other available communication media systems to provide any branch banking to their customers. Customer of one branch is now able to deposit and withdraw money at any of other branches. All Branches are included in the Wide Area Network.

#### **SMS Banking:**

First Security Islami Bank Ltd. has officially launched SMS banking service from December 17, 2007.

#### **Locker Service:**

For safekeeping of customer's valuables like important documents and goods like jewelries and gold ornaments, FSIBL Locker Service is available in most of the Branches in urban areas.

## Utility Bills:

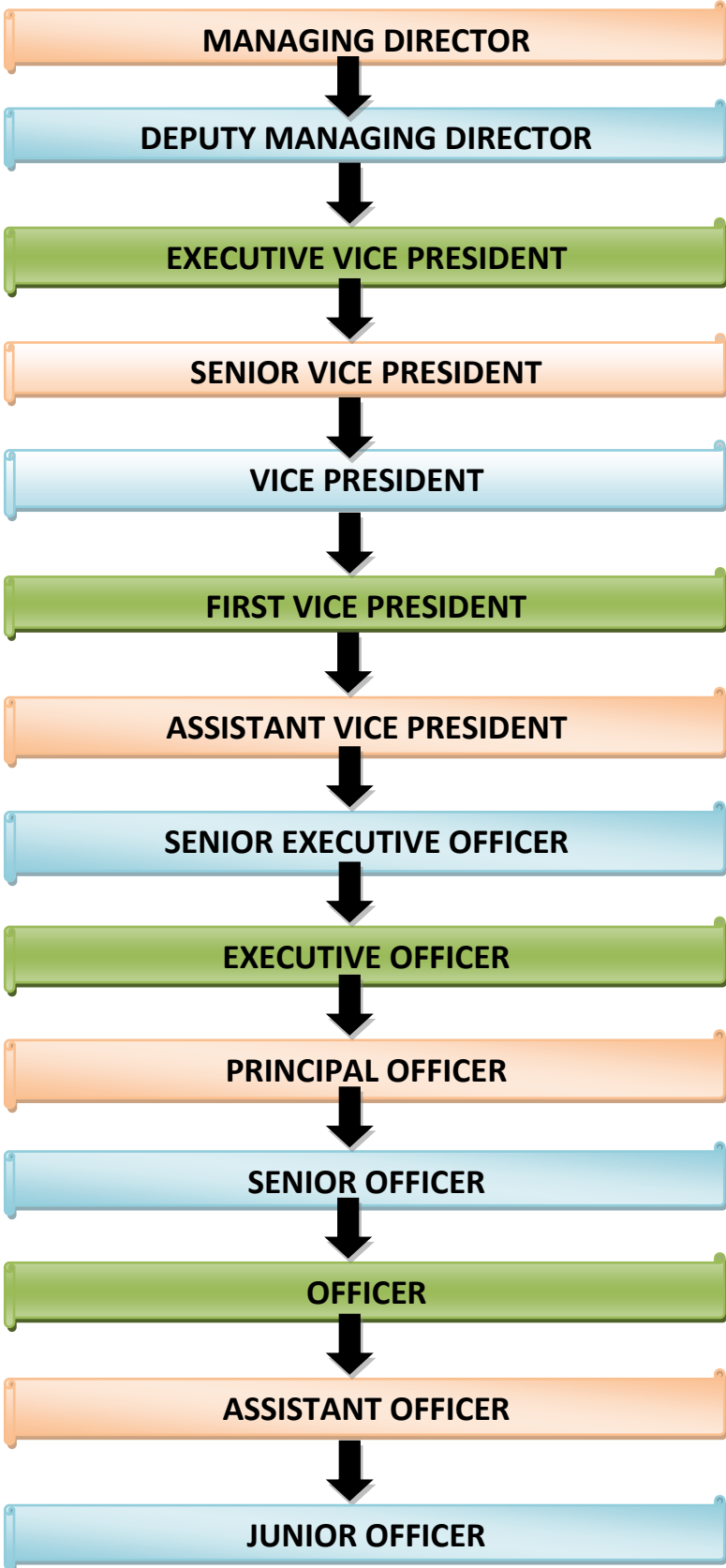
The utility bill's received following Branches

<u>Branch Name</u>	<u>Bill's Type</u>
Mohakhali, Dhaka	DESCO
Topkhana, Dhaka	Under process (Electric bill)
Gulshan, Dhaka	Titas Gas
Shafipur, Gazipur	Dhaka Pally Biddut Shomitty
Keranihat, Chittagong	Pally Biddut Shomitty

**CHAPTER 2** | **OPERATIONAL NETWORK  
ORGANOGRAM OF FSIBL**



**Organogram:**



## **Senior Management**

The professional management team of FSIBL is functioning being headed by the Managing Director, Mr. A. A. M. Zakaria.

### **Managing Director**

Mr. A. A. M. Zakaria, Managing Director of the bank is a renowned banking personality having more than 3 decades of experience in the banking industry. He successfully completed his BBA and did his Masters in Economics from Dhaka University. He started his career in Rupali Bank as a Senior Officer in 1977. He was the Deputy Managing Director in Dutch-Bangla Bank Limited before this. He trained in many programs and workshops on banking at home and abroad. Since 7<sup>th</sup> August 2005, Mr. A. A. M. Zakaria joined FSIBL as the Managing Director.

The top management of the bank is supported by human resource strength of over 1200 executives and officers. The Bank has the following committees for smooth functioning of their operations: Management committee (MANCO) comprises of senior members of the management headed by Managing Director of the bank. Asset Liability Management Committee (ALCO) headed by the Managing Director, is responsible for balance sheet risk management. The committee participate in the monthly ALCO meeting and review the liquidity position, review rate of interest on deposit and lending, and review the ALCO papers on presentation by treasury back office on the position of profit, deposit, advance, cost analysis, maturity bucket of deposit & advance, balance sheet, profit and loss account and many other issues relating to banks business and assets-liability management.

### **Human Resource Division:**

The employees are the most valuable resource and thus bank continues to encourage its employees to receive training and participate in various seminars and workshop to enrich their professional skills. Having professional and competent employees are extremely important for the business to progress. It is important to adapt a working culture where work can be done with expertise, fun and objectivity.

### **Finance and Accounts Division:**

This division is very important because of the tasks they do. These are to maintain daily liquidity positions, treasury bills, call money, debentures, placement of funds, monthly accrued profit calculation of all profit bearing accounts, inter-branch calculation, amortization of all fixed assets and other assets, preparation of statement of accounts and profit and loss account of the bank, weekly deposit and advance analysis of the bank, cost of fund analysis and maintenance of accounts, preparation of annual report of the bank, maintenance of provident fund accounts, maintenance of income and expenditure posting, maintenance of salaries and wages of the employees etc.

### **Internal Control and Compliance Division:**

Operational loss may start from errors and fraud due to lack of internal Control and Compliance. FSIBL has separate Internal Control and Compliance division (ICCD) headed by a Vice President. This Division consists of 3 units, namely:

- a) Audit and Inspection Unit,
- b) Compliance Unit, and
- c) Monitoring Unit.

### **Information Technology Division:**

This division is responsible for providing computerized banking services to meet the needs of its customers. The bank aims to maintain, operate and strengthen the technology base of the bank in order to provide error free service to its customers and ensure efficient, effective and profitable operations.

### **International Division:**

This division is responsible for assisting the authorized branches to deal with foreign trades; imports and exports of businesses by giving approval for transactions and controlling them at various stages and deals with all the correspondents of foreign banks having arrangements with FSIBL. The larger the number of correspondents and the wider the coverage area, the richer will be the international connections of the bank and will add value to the economy.

### **Corporate Governance:**

Corporate governance is about how the corporation is running its operations to achieve its corporate objectives. Bangladesh Bank (BB) gives emphasis on implementing corporate governance among the financial institutions and to do that, BB emphasizes implementation of the guidelines issued by them for improving corporate governance in banking. Good Corporate Governance practices enhance an entity's corporate image and market credibility, which attract capital and increase its borrowing power. These can be reflected in the quality of financial reporting and disclosures; strength of internal control system and internal audit function induction of professionally competent, independent non-executive Directors on corporate Board; formation of Audit Committee; delegation of authority to executives and staff; and protection of corporate governance for strengthening organizational strength. With a view to ensure effective participation and deep interest in the affairs of the company and as per Articles of Association of the Company and as per Bangladesh Bank Circular No. 16 dated March 24, 2003 the bank has set up the following 2 committees:

### **Executive Committee:**

FSIB has constituted 9 members executive committee of the board as per Bangladesh Bank guidelines to ensure corporate governance in the business of which managing director of the Bank is Ex-officio Member. The executive committee of the board is responsible for developing policy and strategy for smooth operations of business and business development of the bank to ensure maximization of shareholders wealth's protecting other stakeholder's interest in the company Mr. Alhaj Md. Saiful Alam, Chairman of the Board of Directors is the Chairman of the

present Executive Committee of the bank. He is very dynamic person and leading the executive committee of the bank in a very admirable manner.

### **Audit Committee:**

FSIB has formulated an audit committee which can play an effective role in formulating an efficient banking system. The Audit Committee has been formed comprising three members of the Board of Directors. As per corporate governance guidelines the Chairman of the Audit Committee should have sound knowledge and expertise in finance & accounting or auditing. Mr. Hamidul Haq, who is also a Director of the Bank, is Convener of the committee. He is associated in banking field over long years.

## CHAPTER 3 | VISIONS FOR THE FUTURE

## **Vision:**

First Security Islami Bank Limited aims to become one of the leading banks in Bangladesh by excellent quality of operations in their banking sector. The bank has some missions to achieve to meet the organizational goals.

These are listed below:

- The bank believes in strong and well-capitalization.
- It maintains high standard of corporate and business ethics in the business field.
- First Security Islami Bank Limited extends highest quality of services, which attracts the customers to choose them first.
- First Security Islami Bank Limited provides products and services that encourage savings.
- First Security Islami Bank Limited's main business mission is to obtain fine position in the banking sector of Bangladesh as well as globally.
- It also emphasizes on a reasonable earnings from its investment to satisfy the shareholders.

## **Mission:**

First Security Islami Bank Limited says that their mission is to provide service to customers with sincerity and proficiency with an interactive and efficient workforce providing them with the most modern technology.

**For this mission FSIBL has the following objectives and goals:**

- Their main objective is to maximize profit and wealth.
- First Security Islami Bank Limited is always ready to maintain the highest quality of services by banking technology prudence in management and by applying high standard of business ethics through its established commitment and heritage.
- First Security Islami Bank Limited is committed to ensure its contribution to national economy by increasing its profitability through professional and disciplined growth

strategy for its customers and by creating a proper work culture in international banking area.

### **Objectives of the Bank:**

The objectives of the FSIBL are given below:

- To provide efficient and effectively computerized banking system.
- To enhance foreign exchange operations further.
- To accept deposits on profit-loss sharing basis.
- To establish a welfare-oriented banking system.
- To play a vital role in human development and employment generation.
- To contribute towards balanced growth and development of the country through investment operations particularly in the less developed areas.
- To establish participatory banking instead of banking on debtor-creditor relationship.



## CHAPTER 4 | JOB RESPONSIBILITY IN FSIBL

### **Nature of the Job:**

My internship at First Security Islami Bank Ltd. started on 15<sup>th</sup> September, 2013 and ended on 1<sup>st</sup> January, 2014. During these 3 months, I was assigned at the Mohakhali Branch and was given responsibilities of different divisions to perform and to gather some valuable knowledge and practical experience. This practical orientating is necessary for the development and preparation of an individual in the job world. The things that I have learned at First Security Islami Bank Ltd. are

- Being Responsible
- Being Committed
- Open to learning New Expertise
- Being Punctual and Regular
- Ability to Interact with Different kinds of People and Handling Customers

### **Specific Responsibilities of the Job:**

First Security Islami Bank Ltd. has a prepared internship program for internees. Although it is rarely followed, it served as a guideline. I was rotated across all the different departments in the past 3 months, mostly worked in the General Banking and Foreign Trade Department.

I was in the Accounting Department for the two three weeks and learned the following from this department:

- Attaching Vouchers with the General Ledger
- Arranging Voucher in serials
- Typing other documents given by my in charge

Then I was assigned to the Clearing Department and learned the following from this department:

- Scanning Cheque
- Error Correction

Then I was assigned to the front desk where I spent the most time. It was very arduous, but very fruitful with a wide variety of responsibilities at the front desk:

- Bringing out the Cheque books for the customers, verifying them, receiving them from the courier.
- Writing and later on printing pay orders
- Finding the Fixed Deposits (FD), Deposit Pension Scheme (DPS) and other account opening forms
- Opening account for new customers and aiding them in the process
- Inputting information into the Bank's software, Ultimus
- Making bank solvency certificates
- Keeping things in order and at arm's length

The work was really hard and extremely tedious at the front desk. I learned how to deal with the work and learning new expertise was what kept me motivated. I was highly praised by my supervisors.

The last three weeks I was posted in the foreign trade department. I did not have to deal with the customers that much but there were a few basic responsibilities that I had. Such as:

- Filling up the Letter of Credit (LC) forms
- Calculating the VAT, commission, margin etc

- Putting seals
- Taking signatures
- Numbering the LCs
- Doing the similar things for BTB (Back-to-Back) LCs and Local LCs
- Filling up the IMP forms
- Putting the LC and IMP into their following registers
- Learning to put different types of seals
- Printing cover letters, letters etc
- Taking necessary papers from customers such as taking photocopy of National ID card, Passport, Trade License etc.

## **Different Aspects of Job Performance:**

So here is what some of my supervisors had to say about me during my tenure in First Security Islami Bank Limited;

Maliha has been a very hard-working girl since the beginning of her internship. She was assigned in different departments and was trusted with responsibilities around everywhere because she had shown interest in learning. It was easy to trust her with the jobs as she learned quickly.

-Tasnuva Hassan, Assistant Officer

Maliha was shifted from department to department and every of her supervisor would want her to stick with them and not be shifted because she showed her enthusiasm while working.

-Ishtiak Al Anis, Assistant Officer

Maliha is a very soft-spoken and polite girl who needs to work a little more on her interpersonal skills. But she learns things quickly, and can be entrusted with work.

-Rubel Miah, Assistant Officer

Maliha, we are glad to have had your presence amongst us. Work on your skills and seek more knowledge and prosper further in life. Our best wishes with you.

-Mamun Ahmed, Assistant Officer

## **Critical Observation and Recommendation:**

It was very fascinating working at First Security Islami Bank Limited. The employees are really friendly, talented and very helpful whenever I wanted to learn something new. The things that I have noticed and observed are:

- The work was never left pending for the next day unless it was absolutely necessary
- The work process could be made faster with better computers and operating systems
- A good job performance should be praised more often, so that there is no lacking motivation for the employees
- There is always a rush of customers so there is no standard on what the employees do throughout the day. The work activities of an employee are set, but what to do when varies along the day.

Each and every employee has a certain set of responsibilities divided for them. This is the way it should be and it was remarkable when I saw it first-hand. They carry out this rush of responsibilities throughout the day. Work was made enjoyable and fun by the employees.

## **CHAPTER 5 | DESCRIPTION OF THE PROJECT**

## Description of the Project

### Objectives of the Report:

The objective of the report can be summarized in two forms:

- General Objective
- Specific Objective

### General Objective:

This internship report is prepared primarily to fulfill the Bachelor of Business Administration (B.B.A) degree requirement under the Faculty of BRAC Business School, BRAC University.

### Specific Objective:

More specifically, this study entails the following aspects:

- To give an overview of First Security Islami Bank Limited.
- To focus on the products, services, work environment and facilities provided to employees of First Security Islami Bank Limited.
- To understand the functions of different departments of FSIBL.
- To identify the financial performances of FSIBL by analyzing different ratios.
- To identify the market position of FSIBL.
- To detect out the competitive environment of FSIBL.



## **Methodology:**

### **Data Collection Method**

The process of financial data collection is not hassle free for any outsiders. As I am working there, they have allowed me to collect a few data from MIS and Finance Department. Sometimes, they have provided data verbally and I took note of that.

Most of the data are secondary in nature and primary data will only include the interview with employees.

### **Primary Data Sources**

The primary sources are:

- Interview with the FSIBL employees
- Day-to-day conversation and discussion with the finance department

### **Secondary Data Sources**

The secondary sources are:

- Annual Report of FSIBL and other banks
- Various file study of FSIBL
- Discussion with officers of the Bank
- Bangladesh Bank Annual Report
- Internet Browsing

## Scope of the Study

The unit where I was assigned for my internship was General Banking. There was a lot of scope for studying, like how customers are assisted with their queries, how to finish tasks within time and as quickly as possible because it is all customer service oriented. Gaining knowledge and constantly learning new things make perfect sense when it is associated with practice. Theoretical knowledge gets its perfection with proper practical application. My education helped me to compare the knowledge gathered from the BBA program with the real world banking sector operation. I have come to know the products and procedures of banking operation and the contribution of banks in the overall economy. The report highly focuses on the performance of First Security Islami Bank Limited.

## Limitations

Few limitations were faced while writing this report. Some of these limitations are as follows:

- **Secondary Information:** There was a time constraint for which it was very difficult to collect all the required information in such a short period.
- **Confidentiality:** Due to some legal obligation and business secrecy, banks are reluctant to provide data. For this reason, the study limits only on the available published data and certain degree of formal and informal interview.
- **Experience:** There was lack of experience in collecting information, doing analysis and taking assessment of the related topics. However, as time passed, many of these limitations faded away.

## CHAPTER 6 | FINANCIAL PERFORMANCE

## **Financial Performance Measure:**

**A tool used by individuals to conduct a quantitative analysis of information in a company's financial statements. Ratios are calculated from current year numbers and are then compared to previous years, other companies, the industry, or even the economy to judge the performance of the company. Ratio analysis is predominately used by proponents of fundamental analysis. (Investopedia)**

To do an analysis, the following ratios and values have been calculated:

ROA, ROE, Net Interest Income, Net Interest Income as a % of Total Revenue Generating Assets, Net Non Interest Income as a % of Total Revenue Generating Assets, Earnings per Share, Earnings Spread, Interest Sensitive Gap, Relative Interest Sensitive Gap, Interest Sensitivity Ratio, Investment Maturity Strategy, Liquidity Indicators, GAAP, RAP Capital, Tier 1 or Core Capital, Leverage Ratio, Tier 2 or Supplementary Capital, Ratio of Tier 1 Capital to Total Risk Assets, Ratio of Tier 1 Capital + Tier 2 Capital to Total Risk Assets and Internal Capital Growth Ratio.

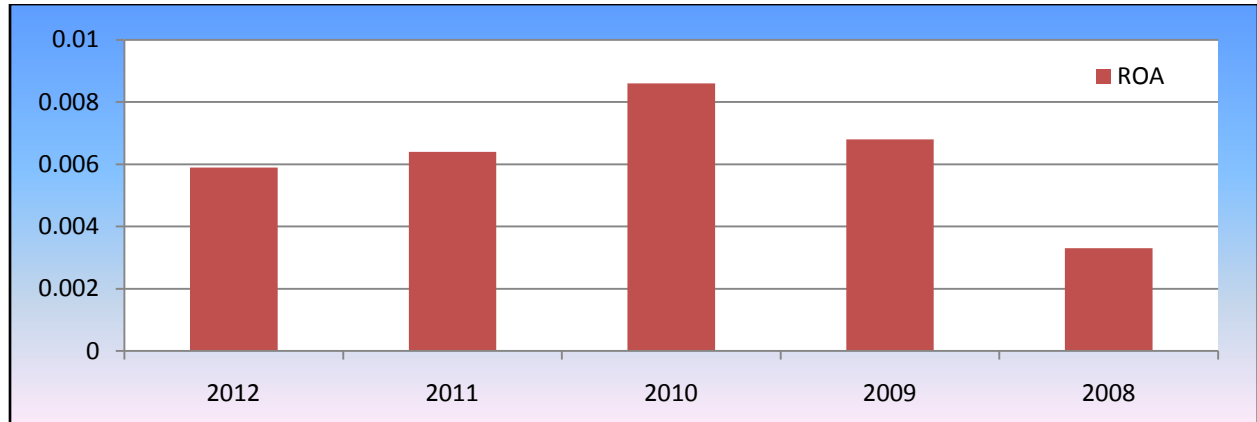
**[Please see Appendix I for the calculations]**

## Findings:

	2012	2011	2010	2009	2008
ROA	0.0059	0.0064	0.0086	0.0068	0.0033
ROE	0.1345	0.1289	0.1399	0.1141	0.0411
Net Interest Income (NII)	3,029,913,237	2,076,812,223	1,421,221,295	1,014,874,186	202,643,691
NII as % of TRGA	2.99%	2.83%	2.58%	2.50%	0.77%
NNII as % of TRGA	1.92%	2.16%	2.19%	1.85%	1.03%
EPS	2.04	1.71	2.33	1.42	7.35
Earnings Spread	0.5238	0.4608	0.3640	0.4042	0.6569
Interest Sensitive Gap	95,051,409,236	65,985,421,408	44,585,669,584	34,753,512,364	24,236,001,479
Relative IS Gap	0.7327	0.7255	0.7008	0.7244	0.7758
Interest Sensitivity Ratio	4.615	4.3802	3.8436	4.0978	5.4361
Investment Maturity Strategy:					
Not more than 1 Year	0.4786	0.4658	0.4550	0.4537	0.5518
More than 1 Year, not more than 5 Years	0.3139	0.3280	0.3383	0.3371	0.4464
In more than 5Yrs	0.1385	0.1377	0.1379	0.1401	0.0008
Liquidity Indicators:					
Cash Position Indicator	0.9283	0.9377	0.9620	0.9891	0.8723
Liquid Securities Indicator	0.4272	0.4314	0.4526	0.4428	0.0235
Capacity Ratio	0	0	0	0	0.8033
Core Deposit Ratio	0.1654	0.1618	0.1495	0.1291	0.0786
Deposit Composition Ratio	0.0576	0.0756	0.1125	0.0863	0.0597
GAAP	4,613,557,022	4,141,371,119	3,655,841,641	2,681,961,056	2,380,490,857
RAP Capital	4,613,557,022	4,141,371,119	3,655,841,641	2,681,961,056	2,380,490,857
Tier 1 or Core Capital	5,262,084,832	4,500,173,333	3,920,011,486	2,865,410,755	2,538,573,006
Leverage Ratio	0.0406	0.0495	0.0616	0.05972	0.08126
Tier 2 or Supplementary Capital	2,883,242,028	900,376,700	662,205,999	513,625,077	323,625,077
Ratio of Tier 1 Capital to Total Risk Assets	0.0996	0.1193	0.1425	0.1386	0.1916
Ratio of Tier 1+Tier 2 to Total Risk Assets	0.1541	0.1432	0.1666	0.1635	0.2161
ICGR	0.0765	0.0826	0.1020	0.0970	0.0317

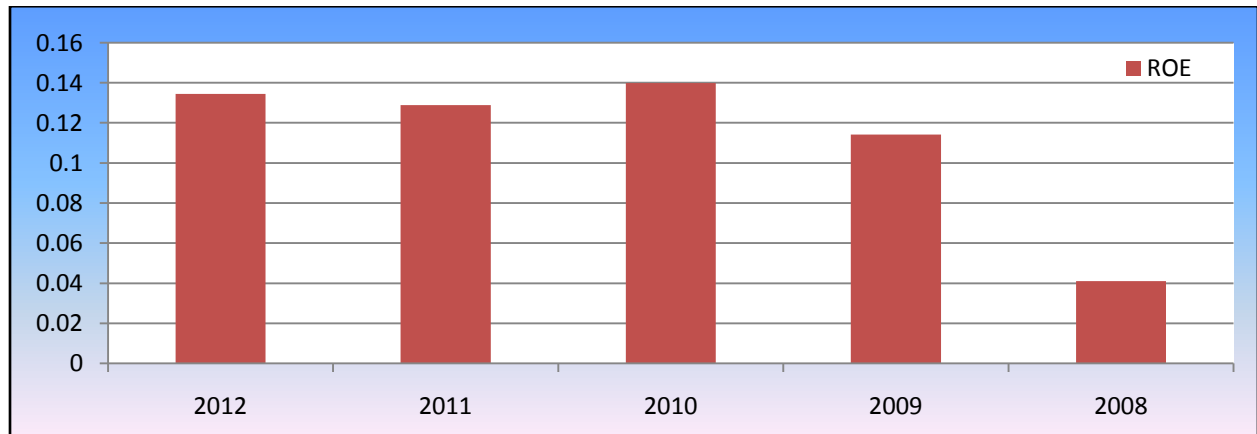
## Analysis:

### ROA



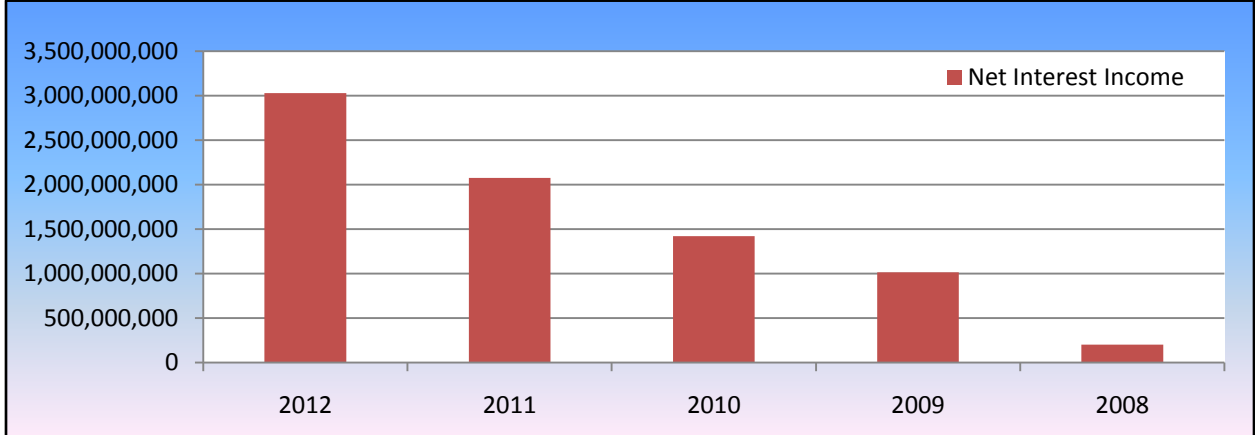
Return on Assets: It shows how capable the management of the bank has been in converting the institution's assets into net earnings, as it calculates how much a bank earns using Tk. 1 of assets. Here the return in asset has a fluctuating trend. It varies between Tk. 0.0033 to Tk. 0.0086 between 2008 and 2012 and being its highest in 2010.

### ROE



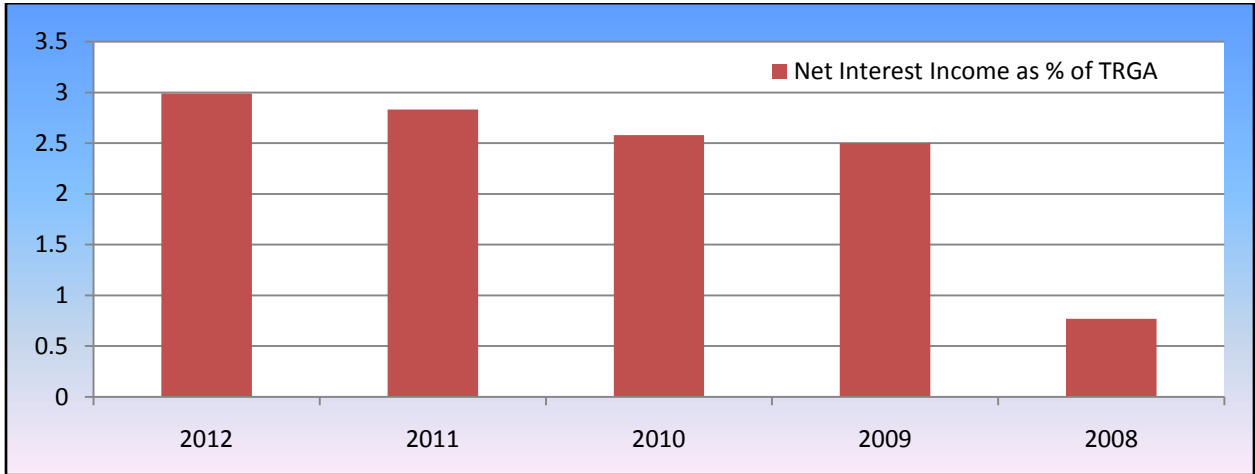
Return on Equity: Till 2010, it shows increase in the trend. But after that, there is a fluctuation in 2011 and 2012. The net income affected the ROE due to reasons like instruction of Bangladesh Bank to limit the Credit Deposit Ratio within 85%. So the banks have to take deposit in higher competitive rates.

### Net Interest Income



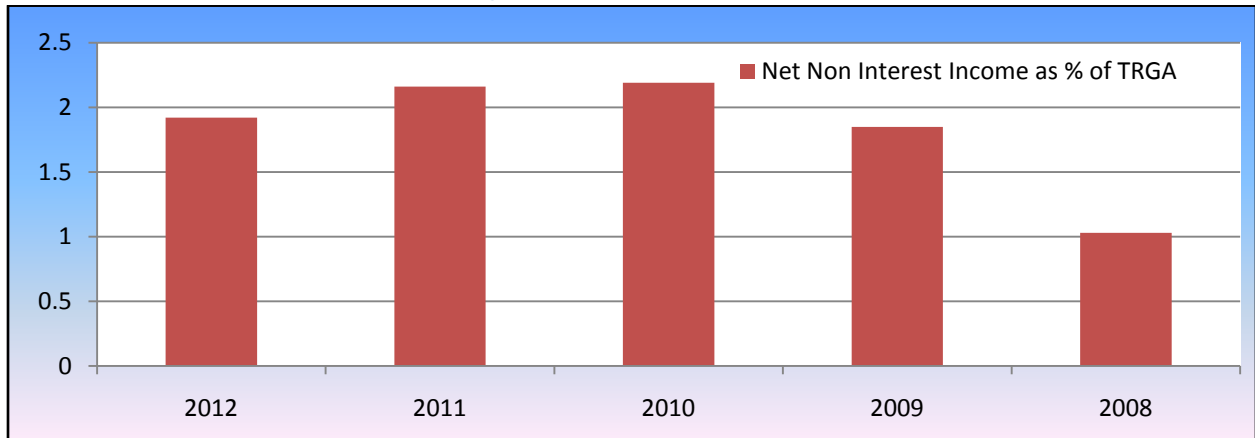
Net Interest Income: NII shows an increasing trend. The higher, the better for the company because it shows high amount of net interest income which is based on FSIBL’s smooth operation on the focused investments.

### Net Interest Income as a % of TRGA



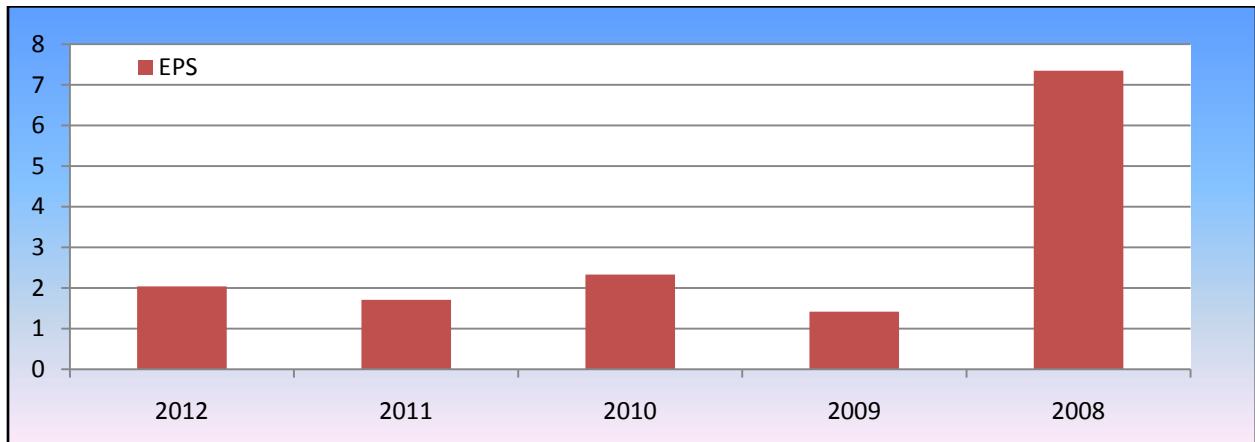
Net Interest Income as a % of TRGA: NII as % of TRGA shows how a bank’s net interest income is increasing by utilizing its revenue generating assets. This particular ratio also shows a slight fall on the 2011 rate which happened because of the slow pace in the economic growth that year.

### Net Non Interest Income as a % of TRGA



Net Non Interest Income as a % of TRGA: Net non interest income shows the fluctuating trend over 5 years. The highest amount of NNII as % of TRGA is in the year of 2010 which explains that FSIBL’s main earning revenue sources are non operating income in this year, which has both positive and negative sides. As non operating income is not the main source of income of a company.

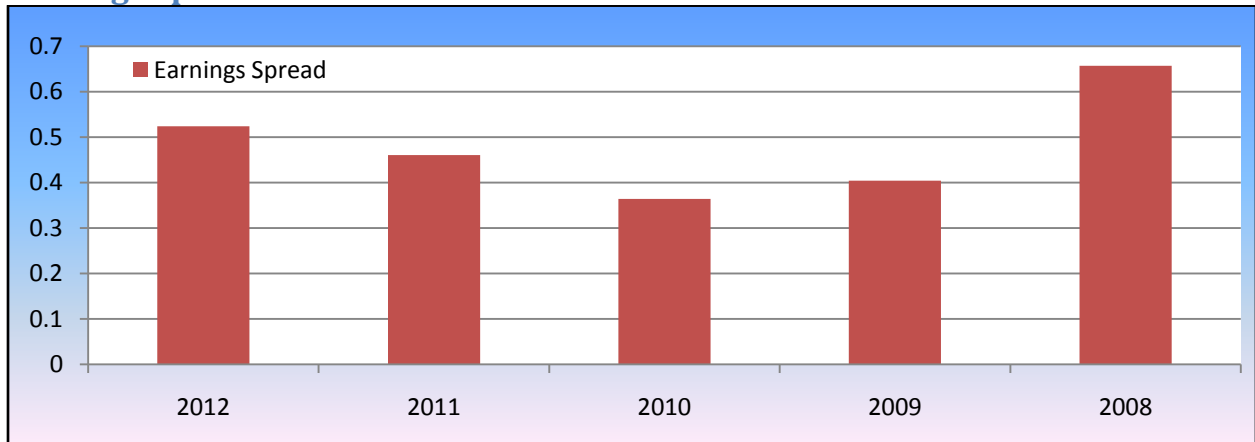
### EPS



Earnings per Share: Earnings per share show a decreasing trend in the graph. In 2008, the EPS was Tk. 7.35. But due to major changes in the business operations and a shift towards investing in an Islamic way, the EPS fell excessively. In 2012, the graph shows slight increase in the order.

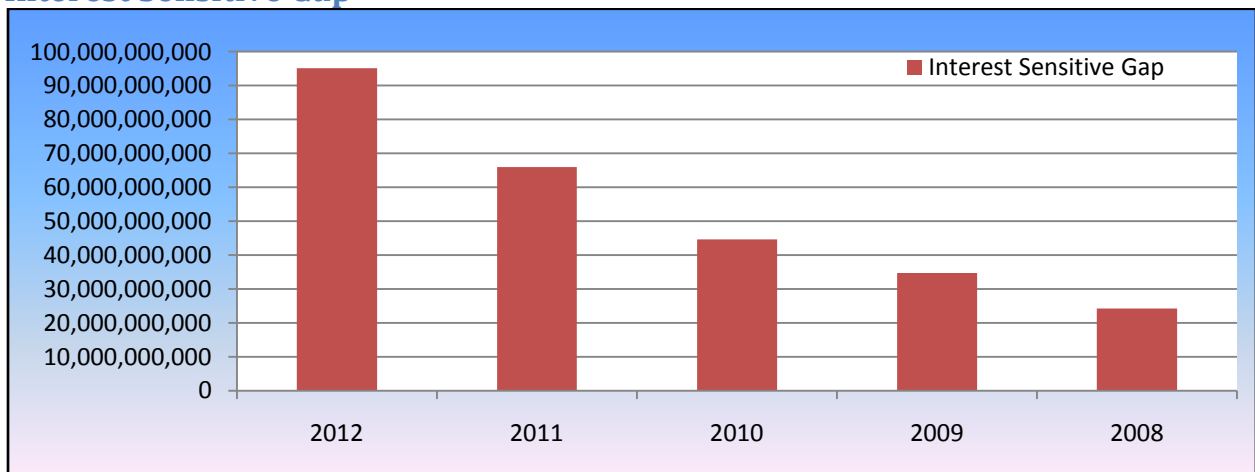


## Earnings Spread



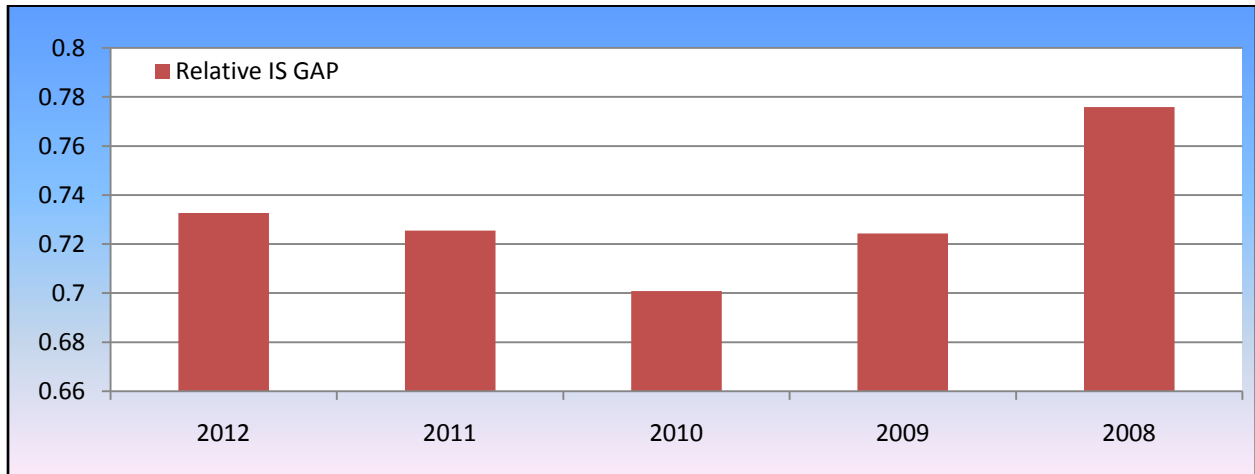
Earnings Spread: Earnings spread shows how much money the bank generates from income utilizing the assets and liabilities. In 2008, the earnings spread of the bank is high compared to the other years. The bank is efficient in their intermediary function as the graph shows that, the earning spread is not highly fluctuating from 2009-2012.

## Interest Sensitive Gap



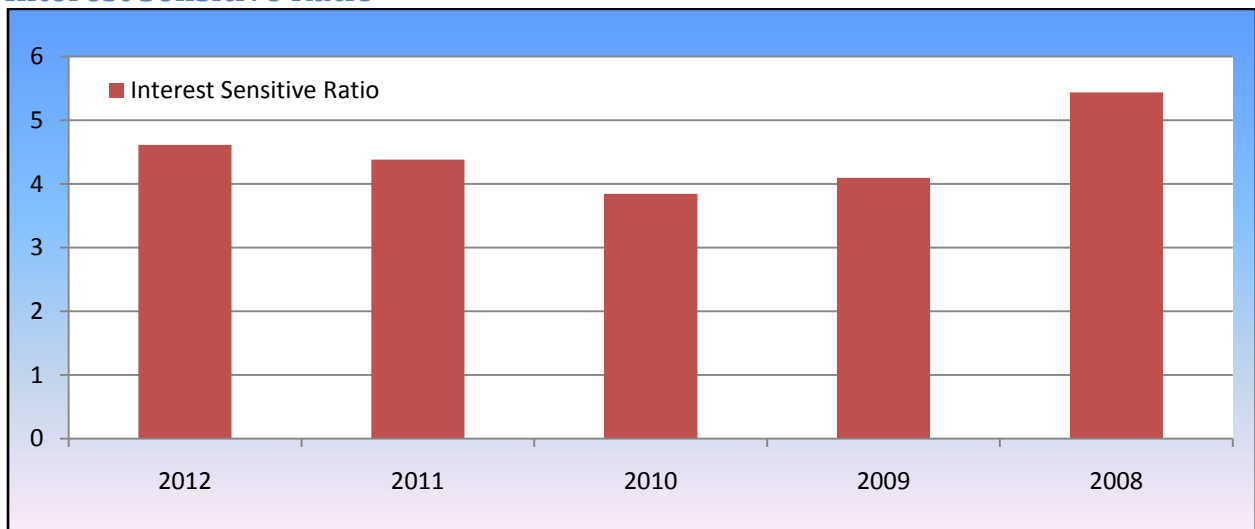
Interest Sensitive Gap: The graph shows the bank's control on the volume of interest rate sensitive assets and liabilities. The IS gap is showing an increasing value from the year 2008-2012 and the bank's IS gap is positive. Thus it means they have an asset sensitive gap. The interest/profit rate is adjusted as the asset of the bank is not compromised and the interest income is higher than interest expense.

## Relative IS GAP



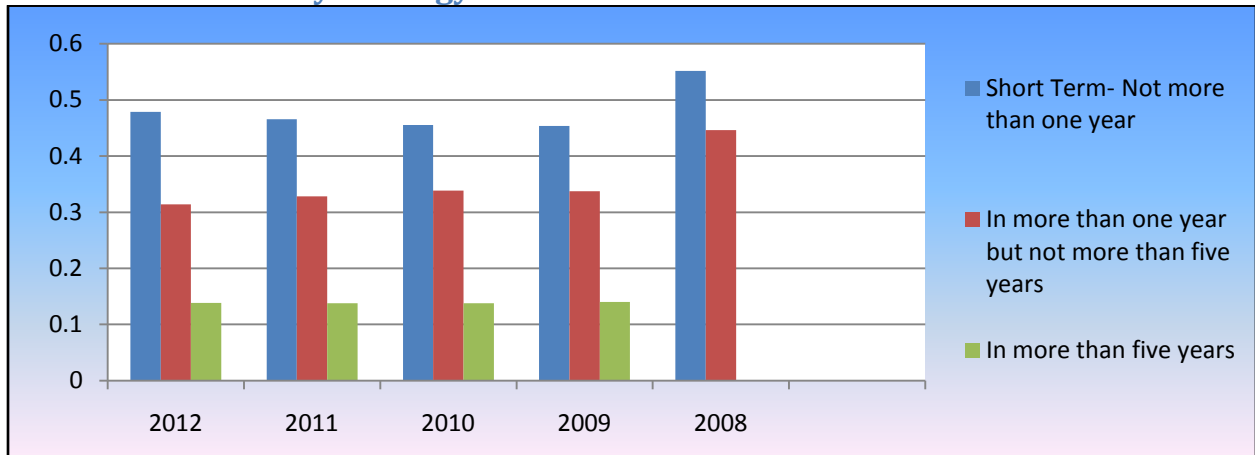
Relative IS Gap: The Relative Interest Sensitive Gap shows the relationship with Interest Sensitive Gap with its total assets. This graph shows that the bank has a fluctuating positive relative IS gap from year 2008-2012. First, it shows a fall till 2010 which means the bank had increased its asset yearly and then an increase due to its high asset sensitive gap.

## Interest Sensitive Ratio



Interest Sensitivity Ratio: This graph shows that the bank has fluctuating Interest Sensitivity Ratio from year 2008-2012 but comparatively less. The asset and liability of each year has been increased as the bank has higher interest income from 2008-2012.

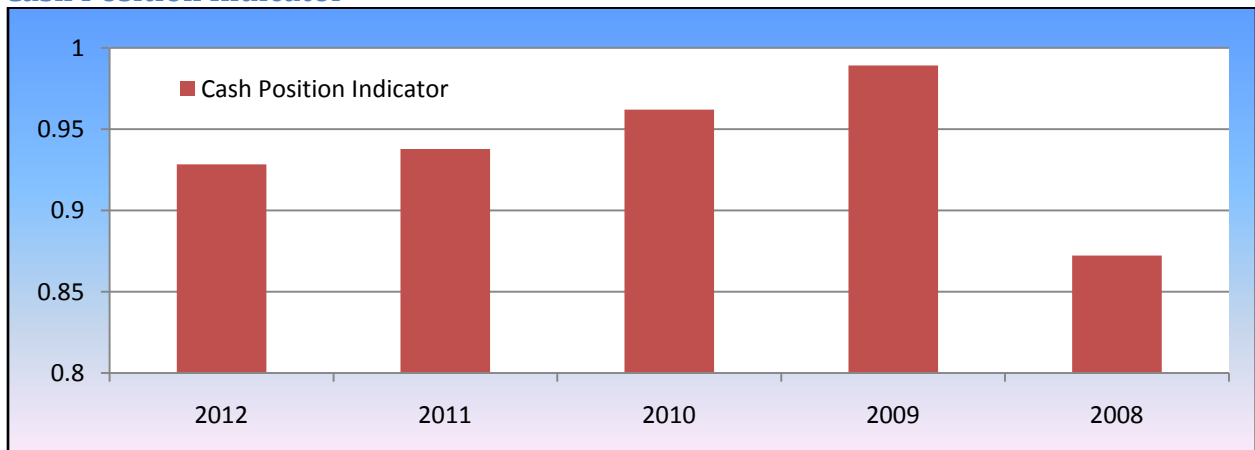
## Investment Maturity Strategy



Investment Maturity Strategy: There is no back end load maturity, ladder or barbell investment portfolio followed for FSIBL. They follow Front-end load maturity strategy where for almost each of the five years around 80% of the investments were made in the short and medium terms. For 2008, around 100% of the investments were in the short and medium term. This shows that FSIBL prefers higher liquidity to higher profitability.

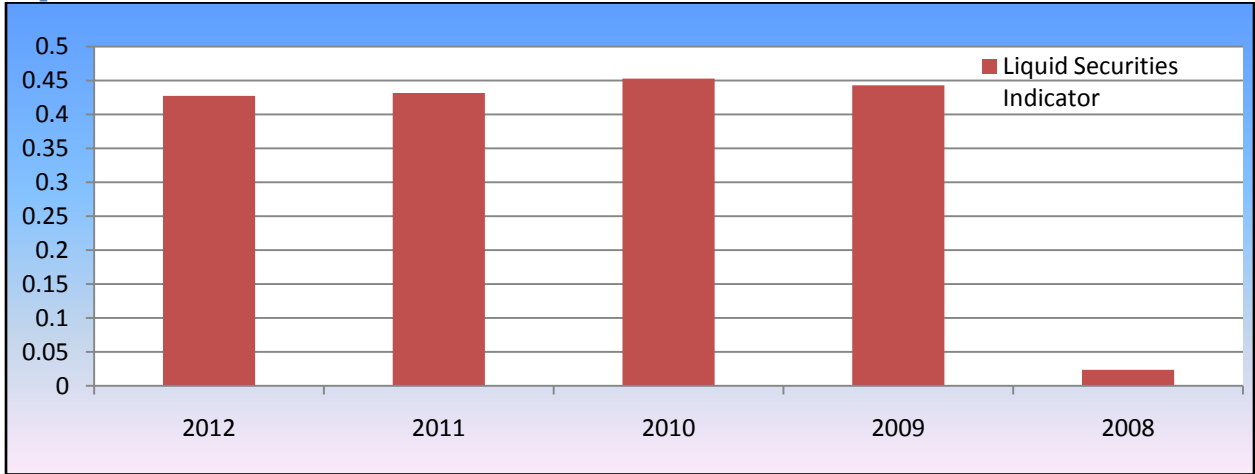
## Liquidity Indicators:

### Cash Position Indicator



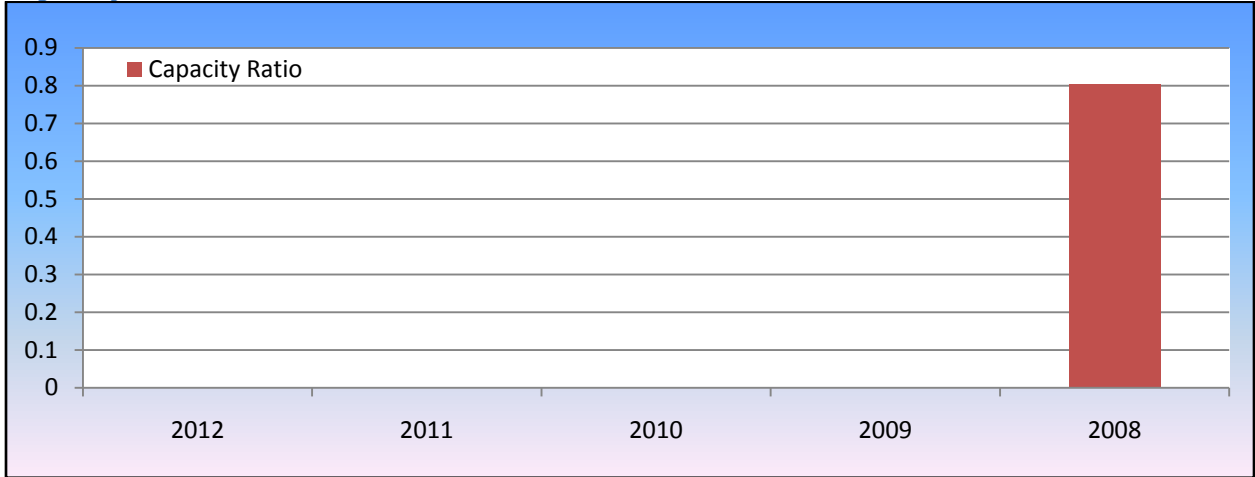
Cash Position Indicator: The graph shows that there is a fluctuating trend of the cash position indicator. In 2009 the ratio to cash and deposit to total asset was the highest in the 5 years where as 2008 had the lowest. In 2010, 2011 and 2012, it is gradually decreasing which means the liquidity position of FSIBL is declining over the years.

**Liquid Securities Indicator**



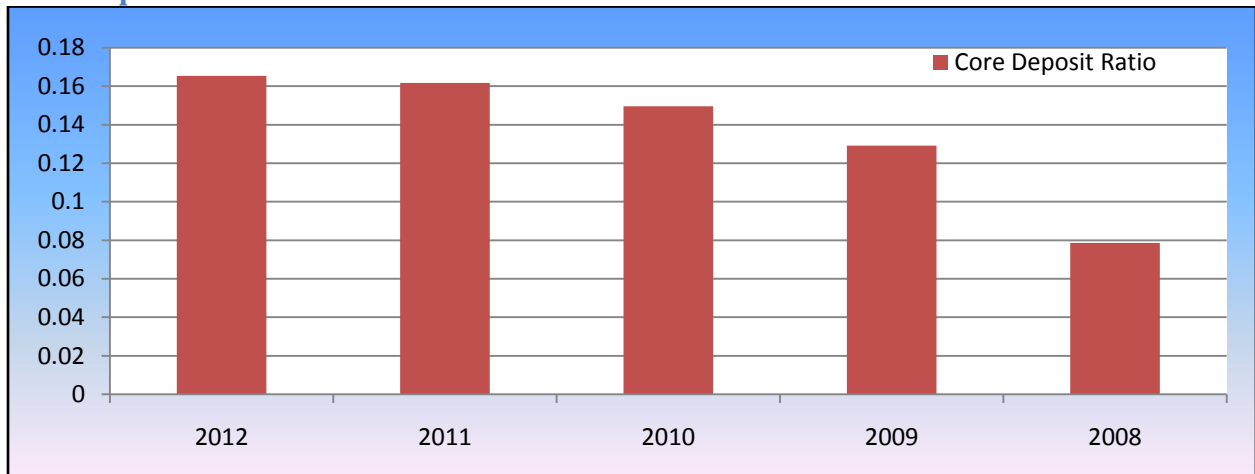
Liquid Securities Indicator: The ratio of short-term securities to total asset was the highest in 2010. This increase was due to a high amount of investment in the short term portfolio. As investments was very low in 2008 ratio fell down significantly but started to rise slowly since then.

**Capacity Ratio**



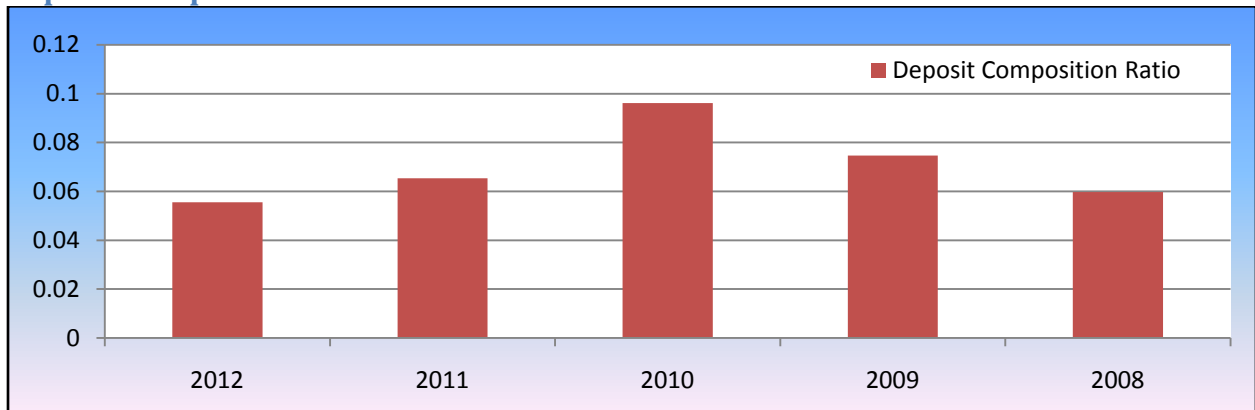
Capacity Ratio: The capacity ratio was only possible to calculate in 2008, which indicated that the loan and lease was only taken then. In 2009-2012, no loan and lease were taken by the bank since they became an Islamic bank and did not want to be involved with interest rate. In a way, it's good because the lower the capacity ratio, the better for the bank.

## Core Deposit Ratio



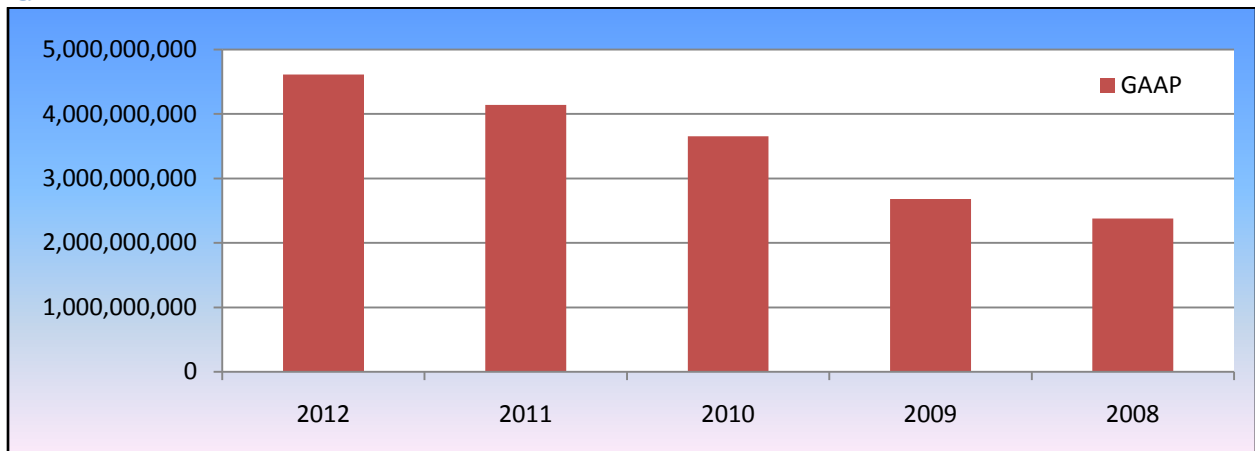
Core Deposit Ratio: The core deposit ratio was the lowest in 2008 but later on, the core deposit ratio has an increasing trend and it kept increasing from 2009 to 2012. An increasing core deposit ratio is good for the bank as we know that the higher the core deposits, the better. Core deposits offer many advantages to banks, such as cost predictions and a measurement of the degree of customer loyalty.

## Deposit Composition Ratio



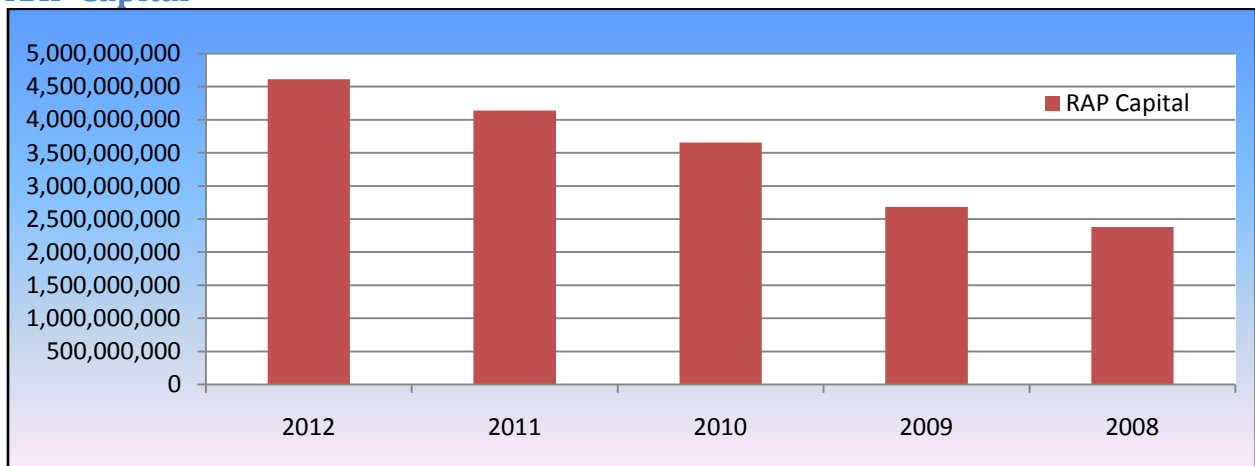
Deposit Composition Ratio: The deposit composition ratio was the highest in 2010 which indicates that the time deposit was lower than demand deposit. This ratio was lowest in 2012 which indicates that the time deposit was higher than demand deposit. We know that the lower this ratio the better for the bank because more liquidity, thus FSIBL is in good position in terms of deposit composition ratio.

## GAAP



GAAP Capital: For calculating book value of GAAP capital we add par, surplus, undivided profit and total provisions. As FSIBL has no surplus so it's paid up capital equivalent to its par value of common stock. This increasing trend shows how the GAAP capital book value is growing. Here par value of common stock is the main reason. Bank does not have preferred stock at all.

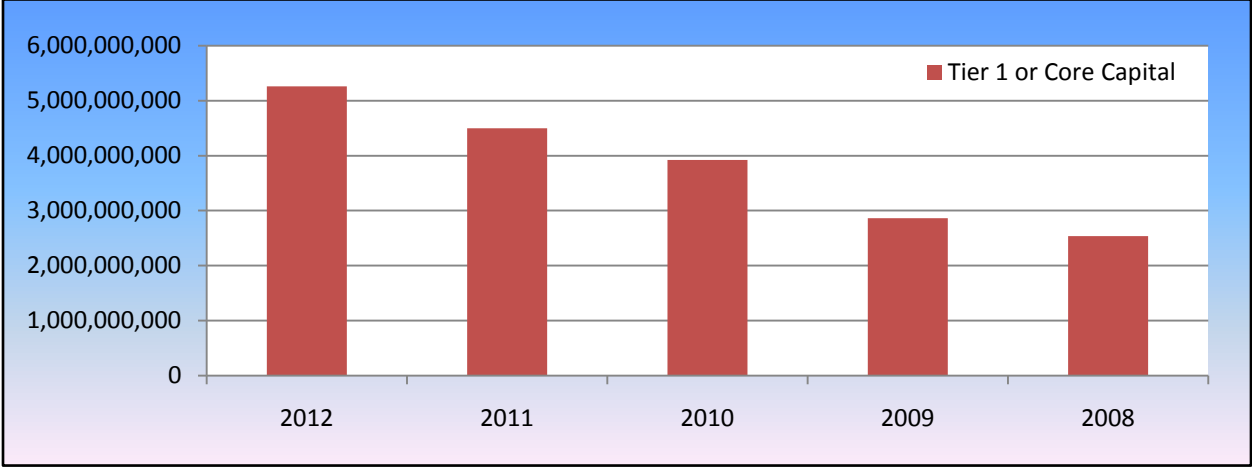
## RAP Capital



RAP Capital: The ratio analysis was done on FSIBL's main operation, so there is no minority interest involved. In calculating book value based on RAP capital method; common stock, retained earnings, equity reserve, preferred stock, sub-ordinate debenture, minority interest and all kinds of provisions were included, but there are no preferred stock, equity reserve, sub-ordinate debentures. Above chart is showing increasing trend that means over the years the

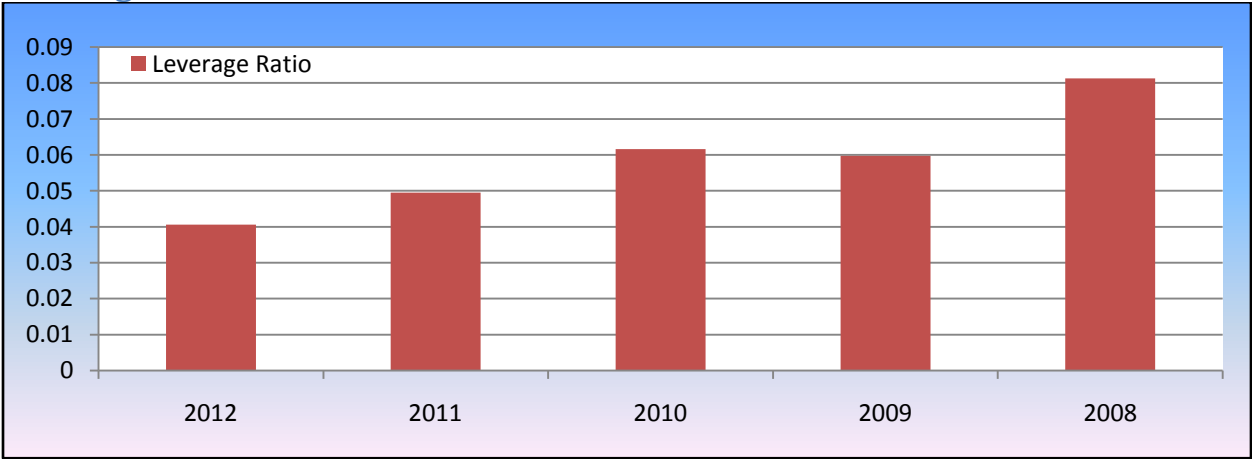
book value of RAP capital is growing. It is a good sign for the bank. As we know that increasing capital through equity financing means bank can prevent solvency and liquidity crisis.

### Tier 1 or Core Capital



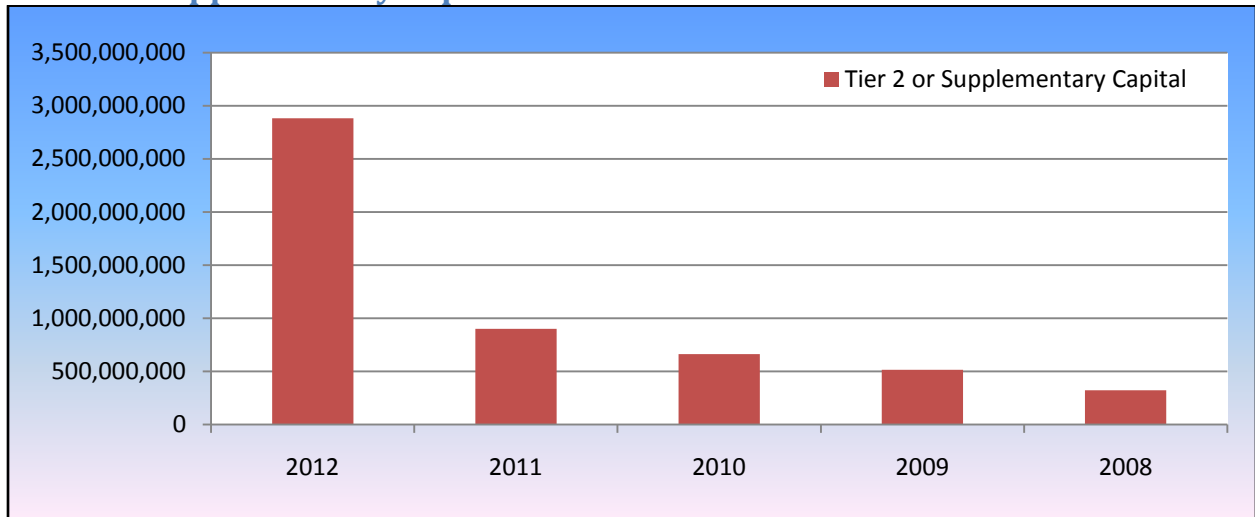
Tire-1 or Core Capital: The graph shows that the Core Capital elements are increasing each year from 2008-2012. The higher the bank increases their core capital amount, the better they might become well capitalized firm to run their operation.

### Leverage Ratio



Leverage Ratio: The bank has well capitalized leverage ratio according to Basel Act. From 2008 to 2012 bank has leverage ratio more than 3%. The change of the ratio of five years is due to the change of especially total asset and the elements of core capital. So the bank should continue their operation to maintain this well capitalized leverage ratio.

## Tier 2 or Supplementary Capital



Tire-2 or Supplementary Capital: The graph shows that the supplementary capital increases each year from 2008-2012, especially high increase in 2012. Bank should continue the increasing amount of this capital to be well capitalized and expand their regular operation.

## Ratio of Tier 1 Capital to Total Risk Assets



Ratio of Tier-1 Capital to Total Risk Assets: The ratio of the bank is above 6% from year 2008-2012. In this ratio the bank is well capitalized. The bank's financial strength is based on the sum of its equity capital and disclosed reserves and its ratio suggests that the bank is well capitalized. The Ratio of Tier 1 Capital to Total Risk Assets shows the comparison between a banking firm's core equity capital and total risk assets.

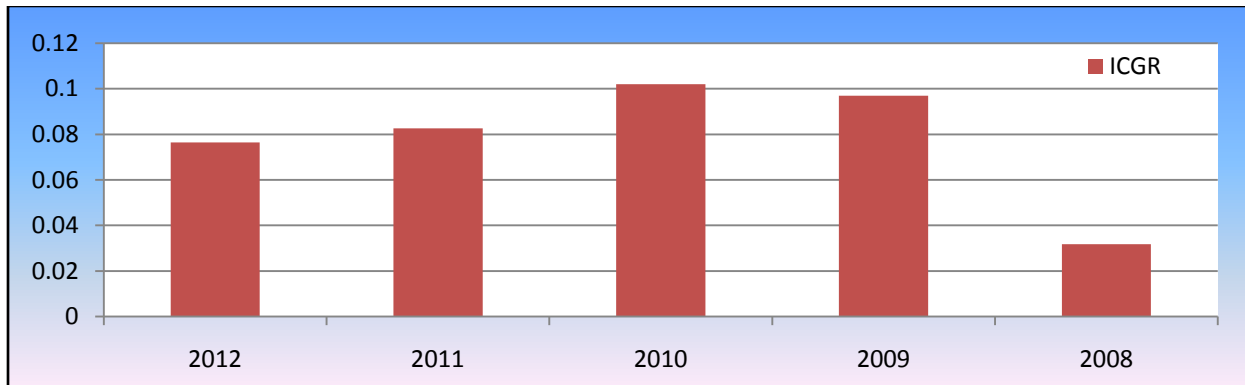


### Ratio of Tier 1 Capital + Tier 2 Capital to Total Risk Assets



Ratio of Tire-1+Tire-2 to Total Risk Assets: The ratio of the bank is above 10% from year 2008-2012 which shows that the bank is well capitalized. The Ratio of Tier 1 +Tier 2 Capital to Total Risk Assets, also known as Capital Adequacy Ratio is used to protect depositors and promote the stability and efficiency of financial systems around the world. The Percentage threshold for Capital Adequacy Ratio varies from bank to bank, according to Basel Accords. For most banks it has to be greater than 10%.

### ICGR



Internal Capital Growth Ratio: This ratio which states the internal capital i.e. retained earnings of the bank. The trend shows that ICGR is fluctuating over the five years. ROE multiplying with retention ratio gives the rate of internal capital growth rate. As the growth rate is not very satisfying, the company has to work on it.

## **Conclusion:**

By observing and analyzing the overall performance and profitability of First Security Islami Bank Limited, it can be said that net interest income shows an increasing trend over the five years, which is good for the bank and shows smooth operation of the investments and that the expenses are controlled. The growth in RAP Capital shows that the bank has the ability to prevent solvency and liquidity crisis. Higher Leverage Ratio of more than 3%, the Tier 1 Capital Ratio being above 6% and the Capital Adequacy Ratio above 10% suggests that FSIBL is well-capitalized. In year after year they are trying to improve themselves by establishing a sound capital base. They are trying to make their products and services more lucrative to their customers. And they are rewarding their shareholder's by enhancing their wealth and attracting more investors by their bank performance. FSIBL follows Shariah Laws in their business transactions since January 2009, after they became First Security Islami Bank Limited from First Security Bank Limited. Thus, they don't have Loan and Lease from 2009 till 2012 in my calculation, which is very healthy for their business. However, the change into the Islamic dimension and investments has reduced the Earnings per share from Tk7.35 to an eventual Tk2.04, which they need to work on. They follow a front-end load maturity strategy where more than 80% of the investments are short and medium term investments which say that FSIBL prefers higher liquidity to higher profitability. But that is something that they might face trouble with as shown by the analysis of liquidity indicators. The Cash Position Indicator shows fluctuation in the graph and in 2010, 2011 and 2012; it is gradually decreasing which means the liquidity position of the bank is declining over the years. This problem can be solved by finding out ways to lower the costs of overhead like advertising, professional costs and rent. However, since the bank is well capitalized with sound investments, this after all might not be a major problem for a bank with 117 branches.

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## Appendix I:

These are the tools useful in valuation because it helps the financial analyst gauge returns and risks. So, here are the calculations for FSIBL:

### Return on Assets (ROA)

= Net Income/Total Assets

#### 2012

Return on Assets= 761,863,499/129,733,173,088

= 0.0059

#### 2011

Return on Assets= 580,161,847/90,956,640,861

= 0.0064

#### 2010

Return on Assets= 548,600,731/63,619,797,799

= 0.0086

#### 2009

Return on Assets= 326,837,749/47,978,552,952

= 0.0068

#### 2008

Return on Assets= 104,282,064/31,239,393,418

= 0.0033

## Return on Equity (ROE)

= Net Income/Shareholder's Equity

### **2012**

ROE= 761,863,499/ 5,664,479,782

= 0.1345

### **2011**

ROE= 580,161,847/ 4,500,173,333

= 0.1289

### **2010**

ROE= 548,600,731/ 3,920,011,486

= 0.1399

### **2009**

ROE= 326,837,749/ 2,865,410,755

= 0.1141

### **2008**

ROE= 104,282,064/ 2,538,573,006

= 0.0411

## **Net Interest Income**

= Total Interest Income – Total Interest Expense

### **2012**

Net Interest Income= 13,339,668,730 - 10,309,755,493

= 3,029,913,237

### **2011**

Net Interest Income= 8,747,763,443 - 6670951220

= 2,076,812,223

### **2010**

Net Interest Income= 5,547,047,795 - 4,125,826,500

= 1,421,221,295

### **2009**

Net Interest Income= 4,348,674,553 - 3,333,800,367

= 1,014,874,186

### **2008**

Net Interest Income= 3,141,799,470 - 2,939,155,779

= 202,643,691

## Net Interest Income as % of Total Revenue Generating Assets (TRGA)

$$= (\text{Total Interest Income} - \text{Total Interest Expense})/\text{TRGA}$$

### **2012**

Net Interest Income as % of Total Revenue Generating Assets

$$= (13,339,668,730 - 10,309,755,493) / (4,913,392,720 + 96,304,228,588)$$

$$= 3,029,913,237 / 101,217,621,308$$

$$= 0.0299 \text{ or } 2.99\%$$

### **2011**

Net Interest Income as % of Total Revenue Generating Assets

$$= (8,747,763,443 - 667,095,122) / (3,977,001,504 + 69,467,328,284)$$

$$= 2,076,812,223 / 73,444,329,788$$

$$= 0.0283 \text{ or } 2.83\%$$

### **2010**

Net Interest Income as % of Total Revenue Generating Assets

$$= (5,547,047,795 - 4,125,826,500) / (2,859,354,561 + 52,123,903,164)$$

$$= 1,421,221,295 / 54,983,257,725$$

$$= 0.0258 \text{ or } 2.58\%$$

### **2009**

Net Interest Income as % of Total Revenue Generating Assets

$$= (4,348,674,553 - 3,333,800,367) / (1,914,504,030 + 38,725,874,774)$$

$$= 1,014,874,186 / 40,640,378,804$$

= 0.0250 or 2.50%

## **2008**

Net Interest Income as % of Total Revenue Generating Assets

= (3,141,799,470 - 2,939,155,779) / (1,332,969,100 + 25,094,658,077)

= 202,643,691 / 26,427,627,177

= 0.0077 or 0.77%

## **Net Non-Interest Income (NNII) as % of Total Revenue Generating Assets**

= (Total Non Interest Income – Total Non Interest Expense) / TRGA

= (Total Operating Income - Total Operating Expense)

## **2012**

Net Non-Interest Income as % of Total Revenue Generating Assets

= (3,734,683,955 - 1,792,725,352) / (4,913,392,720 + 96,304,228,588)

= 1,941,958,603 / 101,217,621,308

= 0.0192 or 1.92%

## **2011**

Net Non-Interest Income as % of Total Revenue Generating Assets

= (2,735,752,917 - 1,146,191,070) / (3,977,001,504 + 69,467,328,284)

= 1,589,561,847 / 73,444,329,788

= 0.0216 or 2.16%



## **2010**

Net Non-Interest Income as % of Total Revenue Generating Assets

$$= (2,085,207,938 - 881,607,207) / (2,859,354,561 + 52,123,903,164)$$

$$= 1,203,600,731 / 54,983,257,725$$

$$= 0.0219 \text{ or } 2.19\%$$

## **2009**

Net Non-Interest Income as % of Total Revenue Generating Assets

$$= (1,327,633,708 - 576,795,959) / (1,914,504,030 + 38,725,874,774)$$

$$= 750,837,749 / 40,640,378,804$$

$$= 0.0185 \text{ or } 1.85\%$$

## **2008**

Net Non-Interest Income as % of Total Revenue Generating Assets

$$= (572,782,959 - 300,874,419) / (1,332,969,100 + 25,094,658,077)$$

$$= 271,908,540 / 26,427,627,177$$

$$= 0.0103 \text{ or } 1.03\%$$

## **Earnings per Share**

= Net Income / Number of Outstanding Shares

## **2012**

$$\text{EPS} = 761,863,499 / 374,035,200$$

$$= 2.04$$

## **2011**

$$\text{EPS} = 580,161,847 / 340,032,000$$

$$= 1.71$$

## **2010**

$$\text{EPS} = 548,600,731 / 235,888,630$$

$$= 2.33$$

## **2009**

$$\text{EPS} = 326,837,749 / 230,000,000$$

$$= 1.42$$

## **2008**

$$\text{EPS} = 104,282,064 / 14,187,500$$

$$= 7.35$$

## **Earnings Spread**

$$= (\text{Total Interest Income} / \text{Total Revenue Generating Assets}) + (\text{Total Interest Expense} / \text{Total Interest Bearing Liabilities})$$

## **2012**

$$\text{Earning Spread} = (13,339,668,730 / 101,217,621,308) + (10,309,755,493 / (4,598,574,967 + 5,462,576,972 + 16,235,459,337))$$

$$= (13,339,668,730 / 101,217,621,308) + (10,309,755,493 / 26,296,611,276)$$

$$= 0.5238 \text{ or } 52.38\%$$

## **2011**

Earning Spread = (8,747,763,443 / 73,444,329,788) + (6670951220 / (3,231,114,000 + 4,579,934,181 + 11,709,826,793))

$$= (8,747,763,443 / 73,444,329,788) + (6670951220 / 19,520,874,974)$$

$$= 0.4608 \text{ or } 46.08\%$$

## **2010**

Earning Spread = (5,547,047,795 / 54,983,257,725) + (4,125,826,500 / (3,987,763,459 + 11,691,392,816))

$$= (5,547,047,795 / 54,983,257,725) + (4,125,826,500 / 15,679,156,275)$$

$$= 0.3640 \text{ or } 36.40\%$$

## **2009**

Earning Spread = (4,348,674,553 / 40,640,378,804) + (3,333,800,367 / (2,441,458,467 + 8,777,183,002))

$$= (4,348,674,553 / 40,640,378,804) + (3,333,800,367 / 11,218,641,469)$$

$$= 0.4042 \text{ or } 40.42\%$$

## **2008**

Earning Spread = (3,141,799,470 / 26,427,627,177) + (2,939,155,779 / (630,000,000 + 922,379,325 + 6,150,000 + 3,904,772,214))

$$= (3,141,799,470 / 26,427,627,177) + (2,939,155,779 / 5,463,301,539)$$

$$= 0.6569 \text{ or } 65.69\%$$

## Interest Sensitive Gap

= Interest Sensitive Asset – Interest Sensitive Liabilities

### 2012

Interest Sensitive Gap = (9,344,683,143 + 10,315,382,991 + 470,333,070 + 4,060,654,300 + 852,738,420 + 95,493,421,519 + 810,807,069) – (4,598,574,967 + 5,462,576,972 + 16,235,459,337)

= 121,348,020,512 - 26,296,611,276

= 95,051,409,236

### 2011

Interest Sensitive Gap = (6,393,582,366 + 5,455,758,041 + 212,626,187 + 3,121,548,300 + 855,453,204 + 64,451,579,004 + 5,015,749,280) – (3,231,114,000 + 4,579,934,181 + 11,709,826,793)

= 85,506,296,382 - 19,520,874,974

= 65,985,421,408

### 2010

Interest Sensitive Gap = (4,245,369,057 + 926,081,336 + 110,117,741 + 2,331,134,100 + 528,220,461 + 47,640,238,696 + 4,483,664,468) – (3,987,763,459 + 11,691,392,816)

= 60,264,825,859 - 15,679,156,275

= 44,585,669,584

### 2009

Interest Sensitive Gap = (4,600,624,708 + 494,050,218 + 237,100,103 + 1,610,674,000 + 303,830,030 + 35,616,450,493)

$$\begin{aligned} &+ 3,109,424,281) - (2,441,458,467 + 8,777,183,002) \\ &= 45,972,153,833 - 11,218,641,469 \\ &= 34,753,512,364 \end{aligned}$$

## **2008**

$$\begin{aligned} \text{Interest Sensitive Gap} &= (1,170,239,597 + 2,028,471,883 + 72,964,361 + 1,331,969,100 + \\ &1,000,000 + 23,166,010,710 + 1,928,647,367) - (630,000,000 + 922,379,325 + 6,150,000 + \\ &3,904,772,214) \\ &= 29,699,303,018 - 5,463,301,539 \\ &= 24,236,001,479 \end{aligned}$$

## **Relative Interest Sensitive Gap**

= Interest Sensitive Gap/ Total Assets

## **2012**

$$\begin{aligned} \text{Relative IS Gap} &= 95,051,409,236/129,733,173,088 \\ &= 0.7327 \end{aligned}$$

## **2011**

$$\begin{aligned} \text{Relative IS Gap} &= 65,985,421,408/90,956,640,861 \\ &= 0.7255 \end{aligned}$$

## **2010**

$$\begin{aligned} \text{Relative IS Gap} &= 44,585,669,584/63,619,797,799 \\ &= 0.7008 \end{aligned}$$

## **2009**

Relative IS Gap = 34,753,512,364/47,978,552,952

= 0.7244

## **2008**

Relative IS Gap = 24,236,001,479/31,239,393,418

= 0.7758

## **Interest Sensitivity Ratio**

= Interest Sensitive Asset/ Interest Sensitive Liabilities

## **2012**

Interest Sensitivity Ratio = 121,348,020,512/ 26,296,611,276

= 4.6146

## **2011**

Interest Sensitivity Ratio = 85,506,296,382/ 19,520,874,974

= 4.3802

## **2010**

Interest Sensitivity Ratio = 60,264,825,859/ 15,679,156,275

= 3.8436

## **2009**

Interest Sensitivity Ratio = 45,972,153,833/ 11,218,641,469

= 4.0978

## **2008**

Interest Sensitivity Ratio = 29,699,303,018/ 5,463,301,539

= 5.4361

### **Identification of the Investment Maturity Strategy**

Short Term- Not more than one year = (In not more than one month + In more than one month but not more than three months + In more than three months but not more than one year)/Total of the Maturity grouping of investments

In more than one year but not more than Five years = (In more than one year but not more than five years)/ Total of the Maturity grouping of investments

In more than Five years = (In more than five years)/ Total of the Maturity grouping of investments

## **2012**

Short Term- Not more than one year

= (1,586,568,970 + 600,000,000 + 1,000,000,000 + 24,242,389,287 + 21,015,347,089)/  
(4,913,392,720 + 96304228588)

= 48,444,305,346/ 101,217,621,308

= 0.4786

In more than one year but not more than Five years

= (1,711,600,000 + 30,064,302,244)/ (4,913,392,720 + 96,304,228,588)

= 31,775,902,244/ 101,217,621,308

= 0.3139

In more than Five years

$$= (14,569,450 + 14,004,074,019) / (4,913,392,720 + 96,304,228,588)$$

$$= 0.1385$$

## **2011**

Short Term- Not more than one year

$$= (990,883,754 + 150,000,000 + 420,000,000 + 17,486,812,778 + 15,159,043,758) / (3,977,001,504 + 69,467,328,284)$$

$$= 34,206,740,290 / 73,444,329,788$$

$$= 0.4658$$

In more than one year but not more than Five years

$$= (2,400,000,000 + 21,686,345,284) / 73,444,329,788$$

$$= 0.3280$$

In more than Five years

$$= (14,569,450 + 10,101,587,661) / 73,444,329,788$$

$$= 0.1377$$

## **2010**

Short Term- Not more than one year

$$= (523,803,761 + 13,121,003,071 + 11,374,391,790) / (2,859,354,561 + 52,123,903,164)$$

$$= 0.4550$$

In more than one year but not more than Five years

$$= (2,330,000,000 + 16,272,067,796) / (2,859,354,561 + 52,123,903,164)$$



$$= 0.3383$$

In more than Five years

$$= (4,416,700 + 7,579,589,978) / (2,859,354,561 + 52,123,903,164)$$

$$= 0.1379$$

## **2009**

Short Term- Not more than one year

$$= (240,352,032 + 9,748,355,188 + 8,450,696,233) / (1,914,504,030 + 38,725,874,774)$$

$$= 0.4537$$

In more than one year but not more than Five years

$$= (1,610,000,000 + 12,089,464,170) / 40,640,378,804$$

$$= 0.3371$$

In more than Five years

$$= (63,477,998 + 5,631,317,583) / 40,640,378,804$$

$$= 0.1401$$

## **2008**

Short Term- Not more than one year

$$= 735,501,600 / 1,332,969,100$$

$$= 0.5518$$

In more than one year but not more than Five years

$$= 595,000,000 / 1,332,969,100$$

$$= 0.4464$$

In more than Five years

$$= 1,000,000 / 1,332,969,100$$

$$= 0.0008$$

## Liquidity Indicators

(Cash Position Indicator, Liquid Securities Indicator, Capacity Ratio, Core Deposit Ratio, Deposit Composition Ratio)

### Cash Position Indicator

= (Cash + Deposit) / Total Asset

#### **2012**

$$\text{Cash Position Indicator} = (10,528,144,967 + 109,905,568,871) / 129,733,173,088$$

$$= 120,433,713,838 / 129,733,173,088$$

$$= 0.9283$$

#### **2011**

$$\text{Cash Position Indicator} = (7,145,564,053 + 78,145,045,008) / 90,956,640,861$$

$$= 85,290,609,061 / 90,956,640,861$$

$$= 0.9377$$

#### **2010**

$$\text{Cash Position Indicator} = (4,857,542,203 + 56,344,959,167) / 63,619,797,799$$

$$= 61,202,501,370 / 63,619,797,799$$

$$= 0.9620$$

## **2009**

$$\begin{aligned}\text{Cash Position Indicator} &= (5,033,532,439 + 42,423,092,722) / 47,978,552,952 \\ &= 47,456,625,161 / 47,978,552,952 \\ &= 0.9891\end{aligned}$$

## **2008**

$$\begin{aligned}\text{Cash Position Indicator} &= (1,394,671,407 + 25,854,541,500) / 31,239,393,418 \\ &= 27,249,212,907 / 31,239,393,418 \\ &= 0.8723\end{aligned}$$

## **Liquid Securities Indicator**

= Short Term Security/ Total Asset

## **2012**

$$\begin{aligned}\text{Liquid Securities Indicator} &= (654,300 + 1,586,568,970 + 600,000,000 + 1,000,000,000 + \\ &6,978,115,949 + 24,242,389,287 + 21,015,347,089) / 129,733,173,088 \\ &= 55,423,075,595 / 129,733,173,088 \\ &= 0.4272\end{aligned}$$

## **2011**

$$\begin{aligned}\text{Liquid Securities Indicator} &= (1,548,300 + 990,883,754 + 150,000,000 + 420,000,000 \\ &+ 5,033,538,803 + 17,486,812,778 + 15,159,043,758) / 90,956,640,861 \\ &= 39,241,827,393 / 90,956,640,861 \\ &= 0.4314\end{aligned}$$

## **2010**

Liquid Securities Indicator = (1,134,100 + 523,803,761 + 3,776,850,529 + 13,121,003,071 + 11,374,391,790)/ 63,619,797,799

= 28,797,183,251/ 63,619,797,799

= 0.4526

## **2009**

Liquid Securities Indicator = (674,000 + 240,352,032 + 2,806,041,600 + 9,748,355,188 + 8,450,696,233)/ 47,978,552,952

= 21,246,119,053/ 47,978,552,952

= 0.4428

## **2008**

Liquid Securities Indicator = (1, 467,500 + 735,501,600)/ 31,239,393,418

= 736,969,100/ 31,239,393,418

= 0.0235

## **Capacity Ratio**

= Loan and Lease/ Total Asset

## **2012**

Capacity Ratio = 0/ 129,733,173,088

= 0

## **2011**

Capacity Ratio = 0/ 90,956,640,861

= 0

## **2010**

Capacity Ratio = 0/ 63,619,797,799

= 0

## **2009**

Capacity Ratio = 0/ 47,978,552,952

= 0

## **2008**

Capacity Ratio = 25,094,658,077/ 31,239,393,418

= 0.8033

## **Core Deposit Ratio**

= Core Deposit/ Total Asset

## **2012**

Core Deposit Ratio = (160,000,000 + 1,600,000,000 + 7,810,000,000 + 4,274,180,000 +  
4,404,936,396 + 3,213,255,809)/ 129,733,173,088

= 21,462,372,205/ 129,733,173,088

= 0.1654

## **2011**

Core Deposit Ratio = (550,000,000 + 1,890,000,000 + 4,650,000,000 + 250,000,000 + 3,525,823,407 + 3,847,308,558)/ 90,956,640,861

= 14,713,131,965/ 90,956,640,861

= 0.1618

## **2010**

Core Deposit Ratio = (540,000,000 + 120,000,000 + 1,380,000,000 + 100,000,000 + 3,180,887,242 + 4,193,131,957)/ 63,619,797,799

= 9,514,019,199/ 63,619,797,799

= 0.1495

## **2009**

Core Deposit Ratio = (310,000,000 + 250,000,000 + 1,780,000,000 + 1,993,468,880 + 1,860,511,504)/ 47,978,552,952

= 6,193,980,384/ 47,978,552,952

= 0.1291

## **2008**

Core Deposit Ratio = (250,000,000 + 690,000,000 + 1,153,779,011 + 362,627,725)/ 31,239,393,418

= 2,456,406,736/ 31,239,393,418

= 0.0786

### **Deposit Composition Ratio**

= Demand Deposit/Time Deposit

#### **2012**

Deposit Composition Ratio =  $(160,000,000 + 4,404,936,396) / 79,263,696,843$

= 0.0576

#### **2011**

Deposit Composition Ratio =  $(550,000,000 + 3,525,823,407) / 53,914,817,281$

= 0.0756

#### **2010**

Deposit Composition Ratio =  $(540,000,000 + 3,180,887,242) / 33,076,189,284$

= 0.1125

#### **2009**

Deposit Composition Ratio =  $(310,000,000 + 1,993,468,880) / 26,684,564,624$

= 0.0863

#### **2008**

Deposit Composition Ratio =  $1,153,779,011 / 19,319,071,709$

= 0.0597

## **Book value of bank capital (GAAP)**

= Par + Surplus + Undivided Profit + Provisions for Loan Lease

### **2012**

GAAP = 3,740,352,000 + 433,109,918 + 440,095,104

= 4,613,557,022

### **2011**

GAAP = 3,400,320,000 + 371,651,119 + 369,400,000

= 4,141,371,119

### **2010**

GAAP = 3,036,000,000 + 399,841,641 + 220,000,000

= 3,655,841,641

### **2009**

GAAP = 2,300,000,000 + 277,961,056 + 104,000,000

= 2,681,961,056

### **2008**

GAAP = 2,300,000,000 + 80,490,857

= 2,380,490,857



## **RAP Capital**

= Common Stock + Retained earning + Equity Reserve + Preferred Stock + Provisions  
+Subordinate Debenture + Minority interest

### **2012**

RAP capital = 3,740,352,000 + 433,109,918 + 440,095,104  
= 4,613,557,022

### **2011**

RAP capital = 3,400,320,000 + 371,651,119 + 369,400,000  
= 4,141,371,119

### **2010**

RAP capital = 3,036,000,000 + 399,841,641 + 220,000,000  
= 3,655,841,641

### **2009**

RAP capital = 2,300,000,000 + 277,961,056 + 104,000,000  
= 2,681,961,056

### **2008**

RAP capital = 2,300,000,000 + 80,490,857  
= 2,380,490,857

## **Tier 1 or Core Capital**

= Paid Up Capital + Statutory Reserve + General Reserve + Retained Earnings

### **2012**

Tier 1 or Core Capital = 3,740,400,000 + 1,004,574,914 + 84,000,000 + 433,109,918

= 5,262,084,832

### **2011**

Tier 1 or Core Capital = 3,400,320,000 + 704,202,214 + 24,000,000 + 371,651,119

= 4,500,173,333

### **2010**

Tier 1 or Core Capital = 3,036,000,000 + 460,169,845 + 24,000,000 + 399,841,641

= 3,920,011,486

### **2009**

Tier 1 or Core Capital = 2,300,000,000 + 263,449,699 + 24,000,000 + 277,961,056

= 2,865,410,755

### **2008**

Tier 1 or Core Capital = 2,300,000,000 + 134,082,149 + 24,000,000 + 80,490,857

= 2,538,573,006

## Leverage Ratio

= Core Capital/ Total Asset

### **2012**

Leverage Ratio = 5,262,084,832/ 129,733,173,088

= 0.0406

### **2011**

Leverage Ratio = 4,500,173,333/ 90,956,640,861

= 0.0495

### **2010**

Leverage Ratio = 3,920,011,486/ 63,619,797,799

= 0.0616

### **2009**

Leverage Ratio = 2,865,410,755/ 47,978,552,952

= 0.0597

### **2008**

Leverage Ratio = 2,538,573,006/ 31,239,393,418

= 0.0813

## **Tier 2 or Supplementary Capital**

= General Provision + Exchange Equalization Account + Assets Revaluation Reserves +  
Subordinated Debt

### **2012**

Tier 2 or Supplementary Capital = 1,103,395,103 + 201,221,475 + 1,578,625,450  
= 2,883,242,028

### **2011**

Tier 2 or Supplementary Capital = 900,376,700

### **2010**

Tier 2 or Supplementary Capital = 662,205,999

### **2009**

Tier 2 or Supplementary Capital = 512,205,999 + 1,419,078  
= 513,625,077

### **2008**

Tier 2 or Supplementary Capital = 322,205,999 + 1,419,078  
= 323,625,077

## **Ratio of Tier 1 capital to Total Risk assets**

= Tier 1 Capital/ Total Risk Weighted Asset

### **2012**

Ratio of Tier 1 capital to Total Risk assets

= 5,262,084,832/ 52,841,255,710

= 0.0996

**2011**

Ratio of Tier 1 capital to Total Risk assets

= 4,500,173,333/ 37,724,180,400

= 0.1193

**2010**

Ratio of Tier 1 capital to Total Risk assets

= 3,920,011,486/ 27,504,810,069

= 0.1425

**2009**

Ratio of Tier 1 capital to Total Risk assets

= 2,865,410,755/ 20,667,788,954

= 0.1386

**2008**

Ratio of Tier 1 capital to Total Risk assets

= 2,538,573,006/ 13,247,050,569

= 0.1916

### **Ratio of Tier 1 + Tier 2 Capital to Total Risk Assets**

= (Tier 1 Capital + Tier 2 Capital)/ Total Risk Weighted Asset

#### **2012**

Ratio of Tier 1 + Tier 2 Capital to Total Risk Assets

= (5,262,084,832 + 2,883,242,028)/ 52,841,255,710

= 0.1541

#### **2011**

Ratio of Tier 1 + Tier 2 Capital to Total Risk Assets

= (4,500,173,333 + 900,376,700)/ 37,724,180,400

= 0.1432

#### **2010**

Ratio of Tier 1 + Tier 2 Capital to Total Risk Assets

= (3,920,011,486 + 662,205,999)/ 27,504,810,069

= 0.1666

#### **2009**

Ratio of Tier 1 + Tier 2 Capital to Total Risk Assets

= (2,865,410,755 + 513,625,077)/ 20,667,788,954

= 0.1635

#### **2008**

Ratio of Tier 1 + Tier 2 Capital to Total Risk Assets

= (2,538,573,006 + 323,625,077)/ 13,247,050,569

= 0.2161

### **Internal Capital Growth Rate (ICGR)**

= ROE X Retention Ratio

#### **2012**

= 0.134498406 X (433,109,918/ 761,863,499)

= 0.0765

#### **2011**

= 0.128919889 X (371,651,119/ 580,161,847)

= 0.0826

#### **2010**

= 0.139948756 X (399,841,641/ 548,600,731)

= 0.1020

#### **2009**

= 0.11406314 X (277,961,056/ 326,837,749)

= 0.0970

#### **2008**

= 0.041079009 X (80,490,857/ 104,282,064)

= 0.0317

## Appendix II:

### BALANCE SHEET

	2,012	2,011	2,010	2,009	2,008
<b>PROPERTY AND ASSETS</b>					
<b>Cash</b>					
Cash in hand (including foreign currencies)	1,183,461,824	751,981,687	612,173,146	432,907,731	224,431,810
Balances with Bangladesh Bank and its agents	9,344,683,143	6,393,582,366	4,245,369,057	4,600,624,708	1,170,239,597
	<b>10,528,144,967</b>	<b>7,145,564,053</b>	<b>4,857,542,203</b>	<b>5,033,532,439</b>	<b>1,394,671,407</b>
<b>Balances with other Banks and Financial Institutions</b>					
In Bangladesh	10,315,382,991	5,455,758,041	926,081,336	494,050,218	2,028,471,883
Outside Bangladesh	470,333,070	212,626,187	110,117,741	237,100,103	72,964,361
	<b>10,785,716,061</b>	<b>5,668,384,228</b>	<b>1,036,199,077</b>	<b>731,150,321</b>	<b>2,101,436,244</b>
<b>Investments in shares and securities</b>					
Government	4,060,654,300	3,121,548,300	2,331,134,100	1,610,674,000	1,331,969,100
Others	852,738,420	855,453,204	528,220,461	303,830,030	1,000,000
	<b>4,913,392,720</b>	<b>3,977,001,504</b>	<b>2,859,354,561</b>	<b>1,914,504,030</b>	<b>1,332,969,100</b>
<b>Investments</b>					
General Investment (Murabaha, Bai-Muajjal, HPSM) etc.	95,493,421,519	64,451,579,004	47,640,238,696	35,616,450,493	-
Bills Purchased and Discounted	810,807,069	5,015,749,280	4,483,664,468	3,109,424,281	-
	<b>96,304,228,588</b>	<b>69,467,328,284</b>	<b>52,123,903,164</b>	<b>38,725,874,774</b>	-
<b>Loans and advances</b>					
Loans, Cash Credits, Overdrafts, etc.	-	-	-	-	23,166,010,710
Bills discounted and purchased	-	-	-	-	1,928,647,367
	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>25,094,658,077</b>
<b>Fixed assets including premises, furniture and fixtures</b>	<b>1,997,716,214</b>	<b>969,803,376</b>	<b>573,610,332</b>	<b>376,477,387</b>	<b>184,368,432</b>
Other assets	5,203,974,538	3,728,559,416	2,169,188,462	1,197,014,001	1,131,290,158
Non banking assets	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b>129,733,173,088</b>	<b>90,956,640,861</b>	<b>63,619,797,799</b>	<b>47,978,552,952</b>	<b>31,239,393,418</b>



	2012	2011	2010	2009	2008
<b>LIABILITIES AND CAPITAL</b>					
<b>Liabilities</b>					
Placement from banks and financial institutions	4,598,574,967	3,231,114,000	-	-	630,000,000
<b>Deposits and other current accounts</b>					
Current deposits & other accounts etc.	7,119,359,753	7,050,818,872	7,043,747,274	3,958,510,256	1,444,525,699
Bills payable	1,824,475,966	889,647,881	545,866,334	561,376,373	257,642,553
Savings bank deposits	5,462,576,972	4,579,934,181	3,987,763,459	2,441,458,467	922,379,325
Fixed deposits	79,263,696,843	53,914,817,281	33,076,189,284	26,684,564,624	19,319,071,709
Bearer certificates of deposits	-	-	-	-	6,150,000
Deposits under schemes	16,235,459,337	11,709,826,793	11,691,392,816	8,777,183,002	3,904,772,214
	109,905,568,871	78,145,045,008	56,344,959,167	42,423,092,722	25,854,541,500
<b>Other Liabilities</b>	7,344,549,468	5,080,308,520	3,354,827,146	2,690,049,475	2,216,278,912
<b>Mudarabah Subordinated Bond</b>	2,220,000,000	-	-	-	-
<b>TOTAL LIABILITIES</b>	124,068,693,306	86,456,467,528	59,699,786,313	45,113,142,197	28,700,820,412
<b>SHAREHOLDERS' EQUITY</b>					
Share Capital-Paid up capital	3,740,352,000	3,400,320,000	3,036,000,000	2,300,000,000	2,300,000,000
Statutory reserve	1,004,574,914	704,202,214	460,169,845	263,449,699	134,082,149
Asset revaluation reserve	402,442,950	-	-	-	-
Profit and loss account-retained earnings	433,109,918	371,651,119	399,841,641	277,961,056	80,490,857
Other Reserve	84,000,000	24,000,000	24,000,000	24,000,000	24,000,000
<b>TOTAL SHAREHOLDERS' EQUITY</b>	5,664,479,782	4,500,173,333	3,920,011,486	2,865,410,755	2,538,573,006
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	129,733,173,088	90,956,640,861	63,619,797,799	47,978,552,952	31,239,393,418

## PROFIT AND LOSS ACCOUNT

	2,012	2,011	2,010	2,009	2,008
Interest income/Investment Income	13,339,668,730	8,747,763,443	5,547,047,795	4,348,674,553	3,141,799,470
Less: Interest/profit paid on deposits and borrowings	(10,309,755,493)	(6,670,951,220)	(4,125,826,500)	(3,333,800,367)	(2,939,155,779)
<b>Net interest income</b>	<b>3,029,913,237</b>	<b>2,076,812,223</b>	<b>1,421,221,295</b>	<b>1,014,874,186</b>	<b>202,643,691</b>
Income from investments	98,997,129	81,967,646	264,208,027	53,510,527	202,345,834
Commission, exchange and brokerage	404,240,245	403,310,160	282,561,956	194,631,419	133,384,184
Other operating income	201,533,344	173,662,888	117,216,660	64,617,576	34,409,250
<b>Total operating income</b>	<b>3,734,683,955</b>	<b>2,735,752,917</b>	<b>2,085,207,938</b>	<b>1,327,633,708</b>	<b>572,782,959</b>
Salary and allowances	847,429,497	585,463,412	418,301,777	254,153,482	186,903,693
Rent, taxes, insurance, electricity etc.	266,100,292	146,057,563	107,050,007	74,824,450	46,461,772
Legal and professional expenses	5,099,135	1,876,465	963,915	2,534,474	1,277,421
Postage, stamp, telecommunication etc.	15,379,156	11,904,965	9,127,540	7,810,243	6,394,957
Stationery, printing, advertisement, etc.	83,807,741	65,982,885	58,551,363	43,387,247	18,435,828
Managing Director's salary and allowances	13,593,405	11,488,548	9,916,130	10,027,500	8,310,000
Directors' fees and expenses	1,918,560	2,211,209	2,188,870	2,174,709	1,212,051
Audit fees	575,000	500,000	410,000	400,000	400,000
Shariah Committee's Fees & Expenses	132,250	289,250	46,000	175,850	
Repairs, maintenance and depreciation	175,807,881	102,002,246	72,915,674	50,143,692	31,478,697
Zakat Expenses	18,800,000	12,500,000	4,979,720	15,117,438	
Other expenses	364,082,435	205,914,527	197,156,211	116,046,874	82,304,787
<b>Total operating expense</b>	<b>1,792,725,352</b>	<b>1,146,191,070</b>	<b>881,607,207</b>	<b>576,795,959</b>	<b>300,874,419</b>
<b>Profit before Provisions and Taxes</b>	<b>1,941,958,603</b>	<b>1,589,561,847</b>	<b>1,203,600,731</b>	<b>750,837,749</b>	<b>189,603,753</b>
Provisions for Classified Investments	177,076,701	70,029,299	35,200,000	-	-
Provisions for Unclassified Investments including off-B/S items	203,018,403	238,170,701	150,000,000	100,000,000	-
Provisions for diminution in value of Investment in Shares	60,000,000	61,200,000	34,800,000	4,000,000	-
<b>(-) Total provisions</b>	<b>440,095,104</b>	<b>369,400,000</b>	<b>220,000,000</b>	<b>104,000,000</b>	<b>-</b>
<b>Profit before tax for the year</b>	<b>1,501,863,499</b>	<b>1,220,161,847</b>	<b>983,600,731</b>	<b>646,837,749</b>	<b>189,603,753</b>
Provision for tax made during the year	(740,000,000)	(640,000,000)	(435,000,000)	(320,000,000)	(85,321,689)
Deferred tax (expenses)/income	-	-	-	-	-
<b>Net Profit after tax for the year</b>	<b>761,863,499</b>	<b>580,161,847</b>	<b>548,600,731</b>	<b>326,837,749</b>	<b>104,282,064</b>
<b>Retained surplus brought forward from Previous year</b>	<b>371,651,119</b>	<b>399,841,641</b>	<b>277,961,056</b>	<b>80,490,857</b>	<b>14,129,544</b>
	<b>1,133,514,618</b>	<b>980,003,488</b>	<b>826,561,787</b>	<b>407,328,606</b>	<b>118,411,608</b>

	2012	2011	2010	2009	2008
<b>Appropriation</b>					
Statutory reserve	300,372,700	244,032,369	196,720,146	129,367,550	37,920,751
Other Reserve	60,000,000	-	-	-	-
Bonus Share Issued	340,032,000	364,320,000	230,000,000	-	-
	<b>(700,404,700)</b>	<b>(608,352,369)</b>	<b>(426,720,146)</b>	<b>(129,367,550)</b>	<b>(37,920,751)</b>
<b>Retained earnings carried forward</b>	<b>433,109,918</b>	<b>371,651,119</b>	<b>399,841,641</b>	<b>277,961,056</b>	<b>80,490,857</b>

Earnings per share **2.04** **1.71** **2.33** **1.42** **7.35**

## Identification of the Investment Maturity Strategy From Notes

Maturity grouping of investments in Shares and Securities	2012	2011	2010	2009	2008
On demand	654,300	1,548,300	1,134,100	674,000	
In not more than one month	1,586,568,970	990,883,754	523,803,761	240,352,032	
In more than one month but not more than three months	600,000,000	150,000,000			
In more than three months but not more than one year	1,000,000,000	420,000,000			
In more than one year but not more than five years	1,711,600,000	2,400,000,000	2,330,000,000	1,610,000,000	
In more than five years	14,569,450	14,569,450	4,416,700	63,477,998	
	<b>4,913,392,720</b>	<b>3,977,001,504</b>	<b>2,859,354,561</b>	<b>1,914,504,030</b>	
<b>Maturity grouping of investments</b>					
On demand	6,978,115,949	5,033,538,803	3,776,850,529	2,806,041,600	1,467,500
In not more than one month					
In more than one month but not more than three months	24,242,389,287	17,486,812,778	13,121,003,071	9,748,355,188	735,501,600
In more than three months but not more than one year	21,015,347,089	15,159,043,758	11,374,391,790	8,450,696,233	
In more than one year but not more than five years	30,064,302,244	21,686,345,284	16,272,067,796	12,089,464,170	595,000,000
In more than five years	14,004,074,019	10,101,587,661	7,579,589,978	5,631,317,583	1,000,000
	<b>96,304,228,588</b>	<b>69,467,328,284</b>	<b>52,123,903,164</b>	<b>38,725,874,774</b>	<b>1,332,969,100</b>
	<b>101,217,621,308</b>	<b>73,444,329,788</b>	<b>54,983,257,725</b>	<b>40,640,378,804</b>	<b>1,332,969,100</b>

## From Notes of Deposit

### Maturity grouping of deposit

From Banks	2012	2011	2010	2009	2008
On demand	160,000,000	550,000,000	540,000,000	310,000,000	
Within one month	1,600,000,000	1,890,000,000	120,000,000	250,000,000	250,000,000
In more than one month but less than six months	7,810,000,000	4,650,000,000	1,380,000,000	1,780,000,000	690,000,000
In more than six months but less than one year	4,274,180,000	250,000,000	100,000,000		
In more than one year but within five years					
In more than five years but within ten years					
Unclaimed deposit aging 10 years or more					
	<b>13,844,180,000</b>	<b>7,340,000,000</b>	<b>2,140,000,000</b>	<b>2,340,000,000</b>	<b>940,000,000</b>
<b>From other than Banks</b>					
On demand	4,404,936,396	3,525,823,407	3,180,887,242	1,993,468,880	1,153,779,011
Short Term Deposit	3,213,255,809	3,847,308,558	4,193,131,957	1,860,511,504	362,627,725
	<b>7,618,192,205</b>	<b>7,373,131,965</b>	<b>7,374,019,199</b>	<b>3,853,980,384</b>	<b>1,516,406,736</b>
	<b>21,462,372,205</b>	<b>14,713,131,965</b>	<b>9,514,019,199</b>	<b>6,193,980,384</b>	<b>2,456,406,736</b>

## From Notes

Tier-I ( Core capital)	2012	2011	2010	2009	2008
Paid up capital	3,740,400,000	3,400,320,000	3,036,000,000	2,300,000,000	2,300,000,000
Statutory reserve	1,004,574,914	704,202,214	460,169,845	263,449,699	134,082,149
General reserve	84,000,000	24,000,000	24,000,000	24,000,000	24,000,000
Retained earnings	433,109,918	371,651,119	399,841,641	277,961,056	80,490,857
	<b>5,262,084,832</b>	<b>4,500,173,333</b>	<b>3,920,011,486</b>	<b>2,865,410,755</b>	<b>2,538,573,006</b>

### From Notes

<b>Tier –II (Supplementary capital)</b>	<b>2012</b>	<b>2,011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>
General Provision	1,103,395,103	900,376,700	662,205,999	512,205,999	322,205,999
Exchange Equalization Account	-	-	-	1,419,078	1,419,078
Assets Revaluation Reserves	201,221,475	-	-	-	-
Subordinated Debt	1,578,625,450	-	-	-	-
	<b>2,883,242,028</b>	<b>900,376,700</b>	<b>662,205,999</b>	<b>513,625,077</b>	<b>323,625,077</b>

### Total Risk Weighted Asset

<b>Balance Sheet Items</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>
Cash in hand (including foreign currencies) X 0%	0	0	0	0	0
Balances with Bangladesh Bank and its agent bank(s) X 20%	2105628993	1429112811	971508440.6	1006706488	278934281.4
Balances with other banks and financial institutions X 20%	2157143212	1133676846	207239815.4	146230064.2	420287248.8
<b>Investments</b>					
Government X 0%	0	0	0	0	0
Others X 50%	48,578,483,504	35,161,390,744	26,326,061,813	19,514,852,402	500,000
Loans and advances X 50%	0	0	0	0	12547329039
<b>Total Risk Weighted Asset</b>	<b>52,841,255,710</b>	<b>37,724,180,400</b>	<b>27,504,810,069</b>	<b>20,667,788,954</b>	<b>13,247,050,569</b>

**Annual Reports  
2012**

**FIRST SECURITY ISLAMI BANK LIMITED  
BALANCE SHEET  
AS AT 31 DECEMBER 2012**

	Notes	31.12.2012 BDT	31.12.2011 BDT
<b><u>PROPERTY AND ASSETS</u></b>			
<b>Cash</b>	3	<b>10,528,144,967</b>	<b>7,145,564,053</b>
In hand (Including foreign currencies)		1,183,461,824	751,981,687
Balance with Bangladesh Bank and its agent bank(s) (Including foreign currencies)		9,344,683,143	6,393,582,366
<b>Balance with other Banks and Financial Institutions</b>	4	<b>10,785,716,061</b>	<b>5,668,384,228</b>
In Bangladesh		10,315,382,991	5,455,758,041
Outside Bangladesh		470,333,070	212,626,187
<b>Investments in Shares &amp; Securities</b>	5	<b>4,913,392,720</b>	<b>3,977,001,504</b>
Government		4,060,654,300	3,121,548,300
Others		852,738,420	855,453,204
<b>Investments</b>	6	<b>96,304,228,588</b>	<b>69,467,328,284</b>
General Investment (Bai-Murabaha, Bai-Muajjal, HPSM) etc.	6.A	95,493,421,519	64,451,579,004
Bills Purchased and Negotiated	6.B	810,807,069	5,015,749,280
<b>Fixed Assets Including Premises, Furniture &amp; Fixtures</b>	7	<b>1,997,716,214</b>	<b>969,803,376</b>
<b>Other Assets</b>	8	<b>5,203,974,538</b>	<b>3,728,559,416</b>
<b>Total Assets</b>		<b>129,733,173,088</b>	<b>90,956,640,861</b>
<b><u>LIABILITIES AND CAPITAL</u></b>			
<b>Liabilities</b>			
<b>Placement from Banks &amp; other Financial Institutions</b>	9	<b>4,598,574,967</b>	<b>3,231,114,000</b>
<b>Deposits and Other Accounts</b>	10	<b>109,905,568,871</b>	<b>78,145,045,008</b>
Al-Wadia Current Accounts and Other Deposit Accounts	10.1	7,119,359,753	7,050,818,872
Bills Payable	10.2	1,824,475,966	889,647,881
Mudaraba Savings Bank Deposits	10.3	5,462,576,972	4,579,934,181
Mudaraba Term Deposits including other Banks	10.4	79,263,696,843	53,914,817,281
Mudaraba Deposits under Schemes	10.5	16,235,459,337	11,709,826,793
<b>Mudaraba Subordinated Bond</b>	11	<b>2,220,000,000</b>	-
<b>Other Liabilities</b>	12	<b>7,344,549,468</b>	<b>5,080,308,520</b>
<b>Total Liabilities</b>		<b>124,068,693,306</b>	<b>86,456,467,528</b>
<b>Capital/Shareholders' equity</b>			
Paid-up Capital	13	3,740,352,000	3,400,320,000
Statutory Reserve	14	1,004,574,914	704,202,214
Other Reserve		84,000,000	24,000,000
Assets Revaluation Reserve	15	402,442,950	-
Retained Earnings	16	433,109,918	371,651,119
<b>Total Shareholders' Equity</b>		<b>5,664,479,782</b>	<b>4,500,173,333</b>
<b>Total Liabilities and Shareholders' Equity</b>		<b>129,733,173,088</b>	<b>90,956,640,861</b>

**FIRST SECURITY ISLAMI BANK LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31 DECEMBER 2012**

	Notes	31.12.2012 BDT	31.12.2011 BDT
Investments Income	20	13,339,668,730	8,747,763,443
Profit Paid on Deposits	21	(10,309,755,493)	(6,670,951,220)
<b>Net Investment Income</b>		<b>3,029,913,237</b>	<b>2,076,812,223</b>
Income from Investment in shares and securities	22	98,997,129	81,967,646
Commission, Exchange and Brokerage	23	404,240,245	403,310,160
Other Operating Income	24	201,533,344	173,662,888
		<b>704,770,718</b>	<b>658,940,694</b>
<b>Total Operating Income</b>		<b>3,734,683,955</b>	<b>2,735,752,917</b>
<b>Less: Operating Expenses</b>			
Salary and Allowances	25	847,429,497	585,463,412
Rent, Taxes, Insurances, Electricity etc.	26	266,100,292	146,057,563
Legal Expenses	27	5,099,135	1,876,465
Postage, Stamps, Telecommunication etc.	28	15,379,156	11,904,965
Stationery, Printings, Advertisements etc.	29	83,807,741	65,982,885
Managing Director's Salary and Fees	30	13,593,405	11,488,548
Auditors' Fees		575,000	500,000
Directors' Fees	32	1,918,560	2,211,209
Shariah Committee's Fees & Expenses	33	132,250	289,250
Depreciation and Repair of Bank's Assets	34	175,807,881	102,002,246
Zakat Expenses		18,800,000	12,500,000
Other Expenses	35	364,082,435	205,914,527
<b>Total Operating Expenses</b>		<b>1,792,725,352</b>	<b>1,146,191,070</b>
<b>Profit before Provision and Tax</b>		<b>1,941,958,603</b>	<b>1,589,561,847</b>
Provisions for Classified Investments		177,076,701	70,029,299
Provisions for Unclassified Investments including off-B/S items	12.2	203,018,403	238,170,701
Provisions for diminution in value of Investment in Shares		60,000,000	61,200,000
<b>Total Provisions</b>		<b>440,095,104</b>	<b>369,400,000</b>
<b>Total Profit before Taxes</b>		<b>1,501,863,499</b>	<b>1,220,161,847</b>
Provision for Taxation	12.1	(740,000,000)	(640,000,000)
Deferred Tax Income	2.8.4	-	-
		<b>(740,000,000)</b>	<b>(640,000,000)</b>
<b>Net Profit after tax for the period</b>		<b>761,863,499</b>	<b>580,161,847</b>
Retained Earnings Brought Forward from Previous Year		371,651,119	399,841,641
		<b>1,133,514,618</b>	<b>980,003,488</b>
<b>Appropriations:</b>			
Statutory Reserve		300,372,700	244,032,369
Other Reserve		60,000,000	-
Bonus Share Issued		340,032,000	364,320,000
		<b>700,404,700</b>	<b>608,352,369</b>
Retained Earnings Carried Forward		<b>433,109,918</b>	<b>371,651,119</b>
<b>Earnings Per Share (EPS)</b>	36	<b>2.04</b>	<b>1.71</b>
<b>EARNINGS PER SHARE</b>			
Net Profit after Tax		761,863,499	580,161,847
Number of Ordinary Shares (weighted average as per		374,035,200	340,032,000
BAS-33 )			
Earnings Per Share (EPS)		<b>2.04</b>	<b>1.71</b>

### 5.3 Maturity Grouping of Investments in Shares and Securities

On Demand	654,300	1,548,300
Within One Month	1,586,568,970	990,883,754
One Month to three Months	600,000,000	150,000,000
Three Months to One Year	1,000,000,000	420,000,000
One Year to Five Years	1,711,600,000	2,400,000,000
More than Five Years	14,569,450	14,569,450
	<b>4,913,392,720</b>	<b>3,977,001,504</b>

### 6.1 Maturity Grouping of Investments

Payable on Demand	6,978,115,949	5,033,538,803
Up to Three Months	24,242,389,287	17,486,812,778
Three Months to One Year	21,015,347,089	15,159,043,758
One Year to Five Years	30,064,302,244	21,686,345,284
Above Five Years	14,004,074,019	10,101,587,661

**96,304,228,588**      **69,467,328,284**

### Maturity wise Grouping of Deposits Received from Banks

Repayable on Demand	160,000,000	550,000,000
Repayable within One Month	1,600,000,000	1,890,000,000
Repayable over One Month but within Six Months	7,810,000,000	4,650,000,000
Repayable over Six Months but within one Year	4,274,180,000	250,000,000
Repayable over One Year but within Five Years	-	-
Repayable over Five Years but within Ten Years	-	-
Unclaimed Deposits for Ten Years and above	-	-
	<b>13,844,180,000</b>	<b>7,340,000,000</b>

### Other than Bank

Payable on Demand (Note B-1)	4,404,936,396	3,525,823,407
Other Deposits (Note B-2)	91,656,452,475	67,279,221,601
	<b>96,061,388,871</b>	<b>70,805,045,008</b>
	<b>109,905,568,871</b>	<b>78,145,045,08</b>

### Other Deposits

Mudaraba Saving Deposits (91%) (Note-10.3)	4,916,319,275	4,167,740,105
Mudaraba Term Deposits	65,419,516,843	46,574,817,281
Mudaraba Short Notice Deposits	3,213,255,809	3,847,308,558
Bills Payable (Note-10.2)	1,824,475,966	889,647,881
Bearer Certificates of Deposits (Note-10.5)	-	-

### Capital Adequacy Ratio (Under Basel-II)

#### Tier-I (Core Capital)

Paid up Capital	3,740,400,000	3,400,320,000
Statutory Reserve	1,004,574,914	704,202,214
General Reserve	84,000,000	24,000,000
Retained Earnings	433,109,918	371,651,119
	<b>5,262,084,832</b>	<b>4,500,173,333</b>

#### Tier -II (Supplementary Capital)

General Provision	1,103,395,103	900,376,700
Assets Revaluation Reserves	201,221,475	-
Subordinated Debt	1,578,625,450	-



2,883,242,028 900,376,700

**2011**

**FIRST SECURITY ISLAMI BANK LIMITED**  
**BALANCE SHEET**  
**AS AT 31 DECEMBER 2011**

	<u>Notes</u>	<u>31.12.2011</u> <u>BDT</u>	<u>31.12.2010</u> <u>BDT</u>
<b><u>PROPERTY AND ASSETS</u></b>			
<b>Cash</b>	3	<b>7,145,564,053</b>	<b>4,857,542,203</b>
In hand (Including foreign currencies)		751,981,687	612,173,146
Balance with Bangladesh Bank and its agent bank(s) (Including foreign currencies)		6,393,582,366	4,245,369,057
<b>Balance with other Banks and Financial Institutions</b>	4	<b>5,668,384,228</b>	<b>920,520,972</b>
In Bangladesh		5,455,758,041	810,403,231
Outside Bangladesh		212,626,187	110,117,741
<b>Investments in Shares &amp; Securities</b>	5	<b>3,977,001,504</b>	<b>2,859,354,561</b>
Government		3,121,548,300	2,331,134,100
Others		855,453,204	528,220,461
<b>Investments</b>	6	<b>69,467,328,284</b>	<b>52,123,903,164</b>
General Investment (Bai-Murabaha, Bai-Muajjal, HPSM) etc.	6.A	64,451,579,004	47,640,238,696
Bills Purchased and Discounted	6.B	5,015,749,280	4,483,664,468
<b>Fixed Assets Including Premises, Furniture &amp; Fixtures</b>	7	<b>969,803,376</b>	<b>573,610,332</b>
<b>Other Assets</b>	8	<b>3,728,559,416</b>	<b>2,284,866,567</b>
<b>Non Banking Assets</b>		-	-
<b>Total Assets</b>		<b>90,956,640,861</b>	<b>63,619,797,799</b>
<b><u>LIABILITIES AND CAPITAL</u></b>			
<b>Liabilities</b>			
<b>Placement from Banks &amp; other Financial Institutions</b>	9	<b>3,231,114,000</b>	-
<b>Deposits and Other Accounts</b>	10	<b>78,145,045,008</b>	<b>56,344,959,167</b>
Al-Wadia Current Accounts and Other Deposit Accounts	10.1	7,050,818,872	7,043,747,274
Bills Payable	10.2	889,647,881	545,866,334
Mudaraba Savings Bank Deposits	10.3	4,579,934,181	3,987,763,459
Mudaraba Term Deposits including other Banks	10.4	53,914,817,281	33,076,189,284
Bearer Certificates of Deposits	10.5	-	-
Mudaraba Deposits under Schemes	10.6	11,709,826,793	11,691,392,816
<b>Other Liabilities</b>	11	<b>5,080,308,520</b>	<b>3,354,827,146</b>
<b>Total Liabilities</b>		<b>86,456,467,528</b>	<b>59,699,786,313</b>
<b>Capital/Shareholders' equity</b>			
Paid-up Capital	12	3,400,320,000	3,036,000,000
Statutory Reserve	13	704,202,214	460,169,845
Other Reserve		24,000,000	24,000,000
Retained Earnings	14	371,651,119	399,841,641
<b>Total Shareholders' Equity</b>		<b>4,500,173,333</b>	<b>3,920,011,486</b>
<b>Total Liabilities and Shareholders' Equity</b>		<b>90,956,640,861</b>	<b>63,619,797,799</b>

Investments Income	18	8,747,763,443	5,547,047,795
Profit Paid on Deposits	19	(6,670,951,220)	(4,125,826,500)
<b>Net Investment Income</b>		<b>2,076,812,223</b>	<b>1,421,221,295</b>
Income from Investment in shares and securities	20	81,967,646	264,208,027
Commission, Exchange and Brokerage	21	403,310,160	282,561,956
Other Operating Income	22	173,662,888	117,216,660
		<b>658,940,694</b>	<b>663,986,643</b>
<b>Total Operating Income</b>		<b>2,735,752,917</b>	<b>2,085,207,938</b>
<b>Less: Operating Expenses</b>			
Salary and Allowances	23	585,463,412	418,301,777
Rent, Taxes, Insurances, Electricity etc.	24	146,057,563	107,050,007
Legal Expenses	25	1,876,465	963,915
Postage, Stamps, Telecommunication etc.	26	11,904,965	9,127,540
Stationery, Printings, Advertisements etc.	27	65,982,885	58,551,363
Managing Director's Salary and Fees	28	11,488,548	9,916,130
Auditors' Fees		500,000	410,000
Directors' Fees	29	2,211,209	2,188,870
Shariah Committee's Fees & Expenses	30	289,250	46,000
Depreciation and Repair of Bank's Assets	31	102,002,246	72,915,674
Zakat Expenses		12,500,000	4,979,720
Other Expenses	32	205,914,527	197,156,211
<b>Total Operating Expenses</b>		<b>1,146,191,070</b>	<b>881,607,207</b>
<b>Profit before Provision and Tax</b>		<b>1,589,561,847</b>	<b>1,203,600,731</b>
Provisions for Classified Investments		70,029,299	35,200,000
Provisions for Unclassified Investments including off-B/S items	11.2	238,170,701	150,000,000
Provisions for diminution in value of Investment in Shares		61,200,000	34,800,000
<b>Total Provisions</b>		<b>369,400,000</b>	<b>220,000,000</b>
<b>Total Profit before Taxes</b>		<b>1,220,161,847</b>	<b>983,600,731</b>
Provision for Taxation	11.1	(640,000,000)	(435,000,000)
Deferred Tax Income	2.8.4	-	-
		<b>(640,000,000)</b>	<b>(435,000,000)</b>
<b>Net Profit after tax for the period</b>		<b>580,161,847</b>	<b>548,600,731</b>
Retained Earnings Brought Forward from Previous Year		399,841,641	277,961,056
		<b>980,003,488</b>	<b>826,561,787</b>
<b>Appropriations:</b>			
Statutory Reserve		244,032,369	196,720,146
Bonus Share Issued		364,320,000	230,000,000
		<b>608,352,369</b>	<b>426,720,146</b>
Retained Earnings Carried Forward		<b>371,651,119</b>	<b>399,841,641</b>
<b>Earnings Per Share (EPS)</b>	33	<b>1.71</b>	<b>1.61</b>
<b>EARNINGS PER SHARE</b>			
Net Profit after Tax		580,161,847	548,600,731
Number of Ordinary Shares (weighted average as per BAS-33)		340,032,000	340,032,000
Earnings Per Share (EPS)		<b>1.71</b>	<b>1.61</b>

### 5.3 Maturity Grouping of Investments in Shares and Securities

On Demand	1,548,300	1,134,100
Within One Month	990,883,754	523,803,761
One Month to three Months	150,000,000	-
Three Months to One Year	420,000,000	-
One Year to Five Years	2,400,000,000	2,330,000,000
More than Five Years	14,569,450	4,416,700
	<b>3,977,001,504</b>	<b>2,859,354,561</b>

### 5.3 Maturity Grouping of Investments

Payable on Demand	5,033,538,803	3,776,850,529
Up to Three Months	17,486,812,778	13,121,003,071
Three Months to One Year	15,159,043,758	11,374,391,790
One Year to Five Years	21,686,345,284	16,272,067,796
Above Five Years	10,101,587,661	7,579,589,978
	<b>69,467,328,284</b>	<b>52,123,903,164</b>

### Maturity wise Grouping of Deposits Received from Banks

Repayable on Demand	550,000,000	540,000,000
Repayable within One Month	1,890,000,000	120,000,000
Repayable over One Month but within Six Months	4,650,000,000	1,380,000,000
Repayable over Six Months but within one Year	250,000,000	100,000,000
Repayable over One Year but within Five Years	-	-
Repayable over Five Years but within Ten Years	-	-
Unclaimed Deposits for Ten Years and above	-	-
	<b>7,340,000,000</b>	<b>2,140,000,000</b>

### B. Other than Bank

Payable on Demand (Note B-1)	3,525,823,407	3,180,887,242
Other Deposits (Note B-2)	67,279,221,601	51,024,071,925
	<b>70,805,045,008</b>	<b>54,204,959,167</b>
	<b>78,145,045,008</b>	<b>56,344,959,167</b>

### Other Deposits

Mudaraba Saving Deposits (91%) (Note-10.3)	4,167,740,105	3,628,864,748
Mudaraba Term Deposits	46,574,817,281	30,936,189,284
Mudaraba Short Notice Deposits	3,847,308,558	4,193,131,957
Bills Payable (Note-10.2)	889,647,881	545,866,334
Bearer Certificates of Deposits (Note-10.5)	-	-
Mudaraba Deposit under Schemes (Note-10.6)	11,709,826,793	11,691,392,816
Foreign Currency Deposits	89,880,983	28,626,786
	<b>67,279,221,601</b>	<b>51,024,071,925</b>

### Capital Adequacy Ratio (Under Basel-II)

#### Tier-I (Core Capital)

Paid up Capital	3,400,320,000	3,036,000,000
Statutory Reserve	704,202,214	460,169,845
General Reserve	24,000,000	24,000,000
Retained Earnings	371,651,119	399,841,641
	<b>4,500,173,333</b>	<b>3,920,011,486</b>

#### Tier-II (Supplementary Capital)

General Provision	900,376,700	662,205,999
Exchange Equalization Account	-	-
	<b>900,376,700</b>	<b>662,205,999</b>

2010

**FIRST SECURITY ISLAMI BANK LIMITED  
BALANCE SHEET  
AS AT 31 DECEMBER 2010**

Particulars	Notes	Amount in Taka	
		31.12.2010	31.12.2009
<b>PROPERTY AND ASSETS</b>			
<b>Cash</b>	<b>3</b>	<b>4,857,542,203</b>	<b>5,033,532,439</b>
In hand (Including foreign currencies)		612,173,146	432,907,731
Balance with Bangladesh Bank and its agent bank(s) (Including foreign currencies)		4,245,369,057	4,600,624,708
<b>Balance with other Banks and Financial Institutions</b>	<b>4</b>	<b>1,036,199,077</b>	<b>731,150,321</b>
In Bangladesh		926,081,336	494,050,218
Outside Bangladesh		110,117,741	237,100,103
<b>Investments in Shares &amp; Securities</b>	<b>5</b>	<b>2,859,354,561</b>	<b>1,852,026,032</b>
Government		2,331,134,100	1,610,674,000
Others		528,220,461	241,352,032
<b>Investments</b>	<b>6</b>	<b>52,123,903,164</b>	<b>38,725,874,774</b>
General Investment (Bai-Murabaha, Bai-Muajjal, HPSM) etc.	<b>6.A</b>	47,640,238,696	35,616,450,493
Bills Purchased and Discounted	<b>6.B</b>	4,483,664,468	3,109,424,281
<b>Fixed Assets Including Premises, Furniture and Fixtures</b>	<b>7</b>	<b>573,610,332</b>	<b>376,477,387</b>
<b>Other Assets</b>	<b>8</b>	<b>2,169,188,462</b>	<b>1,259,491,999</b>
<b>Non Banking Assets</b>		-	-
<b>Total Assets</b>		<b>63,619,797,799</b>	<b>47,978,552,952</b>
<b>LIABILITIES AND CAPITAL</b>			
<b>Liabilities</b>			
<b>Placement from Banks &amp; other Financial Institutions</b>	<b>9</b>	-	-
<b>Deposits and Other Accounts</b>	<b>10</b>	<b>56,344,959,167</b>	<b>42,423,092,722</b>
Al-Wadia Current Accounts and Other Deposit Accounts	<b>10.1</b>	7,043,747,274	3,958,510,256
Bills Payable	<b>10.2</b>	545,866,334	561,376,373
Mudaraba Savings Bank Deposits	<b>10.3</b>	3,987,763,459	2,441,458,467
Mudaraba Term Deposits including other Banks	<b>10.4</b>	33,076,189,284	26,684,564,624
Bearer Certificates of Deposits	<b>10.5</b>	-	-
Mudaraba Deposits under Schemes	<b>10.6</b>	11,691,392,816	8,777,183,002
<b>Other Liabilities</b>	<b>11</b>	<b>3,354,827,146</b>	<b>2,690,049,475</b>
<b>Total Liabilities</b>		<b>59,699,786,313</b>	<b>45,113,142,197</b>
<b>Capital/Shareholders' equity</b>			
Paid-up Capital	<b>12</b>	3,036,000,000	2,300,000,000
Statutory Reserve	<b>13</b>	460,169,845	263,449,699
Other Reserve		24,000,000	24,000,000
Retained Earnings	<b>14</b>	399,841,641	277,961,056
		<b>3,920,011,486</b>	<b>2,865,410,755</b>
<b>Total Liabilities and Shareholders' Equity</b>		<b>63,619,797,799</b>	<b>47,978,552,952</b>

**FIRST SECURITY ISLAMI BANK LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31 DECEMBER 2010**

Particulars	Notes	Amount in Taka	
		31.12.2010	31.12.2009
Investments Income	18	5,547,047,795	4,348,674,553
Profit Paid on Deposits	19	(4,125,826,500)	(3,333,800,367)
<b>Net Investment Income</b>		<b>1,421,221,295</b>	<b>1,014,874,186</b>
Income from Investment in shares and securities	20	264,208,027	53,510,527
Commission, Exchange and Brokerage	21	282,561,956	194,631,419
Other Operating Income	22	117,216,660	64,617,576
		<b>663,986,643</b>	<b>312,759,522</b>
<b>Total Operating Income</b>		<b>2,085,207,938</b>	<b>1,327,633,708</b>
<b>Less: Operating Expenses</b>			
Salary and Allowances	23	418,301,777	255,480,982
Rent, Taxes, Insurances, Electricity etc.	24	107,050,007	74,824,450
Legal Expenses	25	963,915	2,534,474
Postage, Stamps, Telecommunication etc.	26	9,127,540	7,810,243
Stationery, Printings, Advertisements etc.	27	58,551,363	43,387,247
Managing Director's Salary and Fees	28	9,916,130	8,700,000
Auditors' Fees		410,000	400,000
Directors' Fees	29	2,188,870	2,174,709
Shariah Committee's Fees	30	46,000	175,850
Depreciation and Repair of Bank's Assets	31	72,915,674	50,143,692
Zakat Expenses		4,979,720	15,117,438
Other Expenses	32	197,156,211	116,046,874
		<b>881,607,207</b>	<b>576,795,959</b>
<b>Profit before Provision and Tax</b>		<b>1,203,600,731</b>	<b>750,837,749</b>
Provisions for Classified Investments		35,200,000	-
Provisions for Unclassified Investments including off-B/S items	11.2	150,000,000	100,000,000
Provisions for diminution in value of Investment in Shares		34,800,000	4,000,000
<b>Total Provisions</b>		<b>220,000,000</b>	<b>104,000,000</b>
<b>Total Profit before Taxes</b>		<b>983,600,731</b>	<b>646,837,749</b>
Provision for Taxation	11.1	(435,000,000)	(320,000,000)
Deferred Tax	2.8.4	-	-
		<b>(435,000,000)</b>	<b>(320,000,000)</b>
<b>Net Profit after tax for the year</b>		<b>548,600,731</b>	<b>326,837,749</b>
Retained Earnings Brought Forward from Previous Year		277,961,056	80,490,857
		<b>826,561,787</b>	<b>407,328,606</b>
<b>Appropriations:</b>			
Statutory Reserve		196,720,146	129,367,550
Bonus Share Issued		230,000,000	-
		<b>426,720,146</b>	<b>129,367,550</b>
Retained Earnings Carried Forward		<b>399,841,641</b>	<b>277,961,056</b>
<b>Earning Per Share (EPS)</b>	<b>33</b>	<b>2.33</b>	<b>1.42</b>
<b>EARNINGS PER SHARE</b>			
Net Profit after Tax		548,600,731	326,837,749
Number of Ordinary Shares (weighted average as per BAS-33 )		235,888,630	230,000,000
Earnings Per Share (EPS)		<b>2.33</b>	<b>1.42</b>

### 5.3 Maturity Grouping of Investments in Shares and Securities

On Demand	1,134,100	674,000
Within One Month	523,803,761	240,352,032
One Month to three Months	-	-
Three Months to One Year	-	-
One Year to Five Years	2,330,000,000	1,610,000,000
More than Five Years	4,416,700	1,000,000
	<b>2,859,354,561</b>	<b>1,852,026,032</b>

### 6.1 Maturity Grouping of Investments

Payable on Demand	3,776,850,529	2,806,041,600
Up to Three Months	13,121,003,071	9,748,355,188
Three Months to One Year	11,374,391,790	8,450,696,233
One Year to Five Years	16,272,067,796	12,089,464,170
Above Five Years	7,579,589,978	5,631,317,583
	<b>52,123,903,164</b>	<b>38,725,874,774</b>

### Maturity wise Grouping of Inter Bank Deposit

Repayable on Demand	540,000,000	310,000,000
Repayable within One Month	120,000,000	250,000,000
Repayable over One Month but within Six Months	1,380,000,000	1,780,000,000
Repayable over Six Months but within one Year	100,000,000	-
Repayable over One Year but within Five Years	-	-
Repayable over Five Years but within Ten Years	-	-
Unclaimed Deposits for Ten Years and above	-	-
	<b>2,140,000,000</b>	<b>2,340,000,000</b>

### B. Other than Bank

Payable on Demand (Note B-1)	3,180,887,242	1,993,468,880
Other Deposits (Note B-2 )	51,024,071,925	38,089,623,842
	<b>54,204,959,167</b>	<b>40,083,092,722</b>
	<b>56,344,959,167</b>	<b>42,423,092,722</b>

### Other Deposits

Mudaraba Saving Deposits (91%) (Note-10.3)	3,628,864,748	2,221,727,205
Mudaraba Term Deposits	30,936,189,284	24,654,564,624
Mudaraba Short Notice Deposits	4,193,131,957	1,860,511,504
Bills Payable (Note-10.2)	545,866,334	561,376,373
Bearer Certificates of Deposits (Note-10.5)	-	-
Mudaraba Deposit under Schemes (Note-10.6)	11,691,392,816	8,777,183,003
Foreign Currency Deposits	28,626,786	14,261,133
<b>Total</b>	<b>51,024,071,925</b>	<b>38,089,623,842</b>

**Capital Adequacy Ratio****Tier 1 Core Capital**

Paid up Capital	3,036,000,000	2,300,000,000
Statutory Reserve	460,169,845	263,449,699
General Reserve	24,000,000	24,000,000
Retained Earnings	399,841,641	277,961,056
	<b>3,920,011,486</b>	<b>2,865,410,755</b>

**Tier –II (Supplementary Capital)**

1% on General Provision	662,205,999	512,205,999
Exchange Equalization Account	-	1,419,078
	-	<b>513,625,077</b>

**2009**

**FIRST SECURITY ISLAMI BANK LIMITED  
BALANCE SHEET  
AS AT 31 DECEMBER 2009**

Particulars	Notes	Amount in Taka	
		31.12.2009	31.12.2008
<b>PROPERTY AND ASSETS</b>			
<b>Cash</b>	<b>3</b>	<b>5,033,532,439</b>	<b>1,394,671,407</b>
In hand (Including foreign currencies)		432,907,731	224,431,810
Balance with Bangladesh Bank and its agent bank(s) (Including foreign currencies)		4,600,624,708	1,170,239,597
<b>Balance with other Banks and Financial Institutions</b>	<b>4</b>	<b>731,150,321</b>	<b>2,101,436,244</b>
In Bangladesh		494,050,218	2,028,471,883
Outside Bangladesh		237,100,103	72,964,361
<b>Investments in Shares &amp; Securities</b>	<b>5</b>	<b>1,914,504,030</b>	<b>1,332,969,100</b>
Government		1,610,674,000	1,331,969,100
Others		303,830,030	1,000,000
<b>Investments</b>	<b>6</b>	<b>38,725,874,774</b>	<b>25,094,658,077</b>
General Investment (Murabaha, Bai-Muajjal, HPSM) etc.	<b>6.A</b>	35,616,450,493	23,166,010,710
Bills Purchased and Discounted	<b>6.B</b>	3,109,424,281	1,928,647,367
<b>Fixed Assets Including Premises, Furniture and Fixtures</b>	<b>7</b>	<b>376,477,387</b>	<b>184,368,432</b>
<b>Other Assets</b>	<b>8</b>	<b>1,197,014,001</b>	<b>1,131,290,158</b>
<b>Non Banking Assets</b>		-	-
<b>T Total Assets</b>		<b>47,978,552,952</b>	<b>31,239,393,418</b>
<b>LIABILITIES AND CAPITAL</b>			
<b>Liabilities</b>			
<b>Placement from Banks &amp; other Financial Institutions</b>	<b>9</b>	-	<b>630,000,000</b>
<b>Deposits and Other Accounts</b>	<b>10</b>	<b>42,423,092,722</b>	<b>25,854,541,500</b>
Al-Wadia Current Accounts and Other Deposit Accounts	<b>10.1</b>	3,958,510,256	1,444,525,699
Bills Payable	<b>10.2</b>	561,376,373	257,642,553
Mudaraba Savings Bank Deposits	<b>10.3</b>	2,441,458,467	922,379,325
Mudaraba Term Deposits including other Banks	<b>10.4</b>	26,684,564,624	19,319,071,709
Bearer Certificates of Deposits	<b>10.5</b>	-	6,150,000

Mudaraba Deposits under Schemes	10.6	8,777,183,002	3,904,772,214
<b>Other Liabilities</b>	<b>11</b>	2,690,049,475	2,216,278,912
<b>T Total Liabilities</b>		<b>45,113,142,197</b>	<b>28,700,820,412</b>
<b>C Capital/Shareholders' equity</b>			
Paid-up Capital	12	2,300,000,000	2,300,000,000
Statutory Reserve	13	263,449,699	134,082,149
Other Reserve		24,000,000	24,000,000
Retained Earnings	14	277,961,056	80,490,857
<b>Total Shareholders' Equity</b>		<b>2,865,410,755</b>	<b>2,538,573,006</b>
<b>T Total Liabilities and Shareholders' Equity</b>		<b>47,978,552,952</b>	<b>31,239,393,418</b>

**FIRST SECURITY ISLAMI BANK LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31 DECEMBER 2009**

Particulars	Notes	Amount in Taka	
		2009	2008
Investments Income	18	4,348,674,553	3,141,799,470
Profit Paid on Deposits	19	(3,333,800,367)	(2,939,155,779)
<b>Net Investment Income</b>		<b>1,014,874,186</b>	<b>202,643,691</b>
Income from Investment in shares and securities	20	53,510,527	202,345,834
Commission, Exchange and Brokerage	21	194,631,419	133,384,184
Other Operating Income	22	64,617,576	34,409,250
<b>Total Operating Income</b>		<b>1,327,633,708</b>	<b>572,782,959</b>
<b>Less: Operating Expenses</b>			
Salary and Allowances	23	254,153,482	186,903,693
Rent, Taxes, Insurances, Electricity etc.	24	74,824,450	46,461,772
Legal Expenses	25	2,534,474	1,277,421
Postage, Stamps, Telecommunication etc.	26	7,810,243	6,394,957
Auditors' Fees		400,000	400,000
Stationery, Printings, Advertisements etc.	27	43,387,247	18,435,828
Managing Director's Salary and Allowances	28	10,027,500	8,310,000
Directors' Fees & Expenses	29	2,174,709	1,212,051
Shariah Committee's Fees & Expenses	30	175,850	-
Depreciation and Repair of Bank's Assets	31	50,143,692	31,478,697
Zakat Expenses		15,117,438	-
Other Expenses	32	116,046,874	82,304,787
<b>Total Operating Expenses</b>		<b>576,795,959</b>	<b>383,179,206</b>
<b>Profit before Provision and Tax</b>		<b>750,837,749</b>	<b>189,603,753</b>
Provisions for Classified Investments		-	-
Provisions for Unclassified Investments including off-B/S items	11.2	100,000,000	-
Provisions for diminution in value of Investment in Shares		4,000,000	-
<b>Total Provisions</b>		<b>104,000,000</b>	<b>-</b>
<b>Total Profit before Taxes</b>		<b>646,837,749</b>	<b>189,603,753</b>
Provision for Taxation	11.1	(320,000,000)	(85,321,689)
Deferred Tax	2.8.4	-	-
		<b>(320,000,000)</b>	<b>(85,321,689)</b>
<b>Net Profit after tax for the year</b>		<b>326,837,749</b>	<b>104,282,064</b>
Retained Earnings Brought Forward from Previous Year		80,490,857	14,129,544



	<b><u>407,328,606</u></b>	<b><u>118,411,608</u></b>
<b>Appropriations:</b>		
Statutory Reserve	129,367,550	37,920,751
Other Reserve	-	-
	<b><u>129,367,550</u></b>	<b><u>37,920,751</u></b>
Retained Earnings Carried Forward	<b><u>277,961,056</u></b>	<b><u>80,490,857</u></b>
<b>Earning Per Share (EPS)</b>	<b>33</b>	<b>14.21</b>
		<b>7.35</b>

## EARNINGS PER SHARE

Net Profit after Tax	326,837,749	104,264,600
Number of Ordinary Shares (weighted average as per BAS-33 )	23,000,000	14,187,500
Earnings Per Share (EPS)	<b><u>14.21</u></b>	<b><u>7.35</u></b>

## 5.2 Maturity Grouping of Investments in Shares and Securities

On Demand	674,000	1,467,500
Within One Month	240,352,032	-
One Month to three Months	-	735,501,600
Three Months to One Year	-	-
One Year to Five Years	1,610,000,000	595,000,000
More than Five Years	63,477,998	1,000,000
	<b><u>1,914,504,030</u></b>	<b><u>1,332,969,100</u></b>

## 6.1 Maturity Grouping of Investments

Payable on Demand	2,806,041,600	1,818,336,059
Up to Three Months	9,748,355,188	6,317,007,471
Three Months to One Year	8,450,696,233	5,476,114,709
One Year to Five Years	12,089,464,170	7,834,063,697
Above Five Years	5,631,317,583	3,649,136,141
	<b><u>38,725,874,774</u></b>	<b><u>25,094,658,077</u></b>

## Maturity wise Grouping of Inter Bank Deposit

Repayable on Demand	310,000,000	-
Repayable within One Month	250,000,000	250,000,000
Repayable over One Month but within Six Months	1,780,000,000	690,000,000
Repayable over Six Months but within one Year	-	-
Repayable over One Year but within Five Years	-	-
Repayable over Five Years but within Ten Years	-	-
Unclaimed Deposits for Ten Years and above	-	-
	<b><u>2,340,000,000</u></b>	<b><u>940,000,000</u></b>

## Other than Bank

Payable on Demand (Note B-1)	1,993,468,880	1,153,779,011
Other Deposits (Note B-2 )	38,089,623,842	23,760,762,489
	<b>40,083,092,722</b>	<b>24,914,541,500</b>
	<b>42,423,092,722</b>	<b>25,854,541,500</b>

## B- 2 Other Deposits

Mudaraba Saving Deposits (91%) (Note-10.3)	2,221,727,205	830,141,393
Mudaraba Term Deposits	24,654,564,624	18,379,071,709
Mudaraba Short Notice Deposits	1,860,511,504	362,627,725
Bills Payable (Note-10.2)	561,376,373	257,642,553
Bearer Certificates of Deposits (Note-10.5)	-	6,150,000
Mudaraba Deposit under Schemes (Note-10.6)	8,777,183,003	3,904,772,214
Foreign Currency Deposits	14,261,133	20,356,895
<b>Total</b>	<b>38,089,623,842</b>	<b>23,760,762,489</b>

## Capital Adequacy Ratio

### Tier-I ( Core Capital)

Paid up Capital	2,300,000,000	2,300,000,000
Statutory Reserve	263,449,699	134,082,149
General Reserve	24,000,000	24,000,000
Retained Earnings	277,961,056	80,490,857
	<b>2,865,410,755</b>	<b>2,538,573,006</b>

### Tier -II (Supplementary Capital)

1% on General Provision	512,205,999	322,205,999
Exchange Equalization Account	1,419,078	1,419,078
	<b>513,625,077</b>	<b>323,625,077</b>

## 2008

### FIRST SECURITY BANK LIMITED BALANCE SHEET AS AT 31ST DECEMBER 2008

Particulars	Notes	Amount in Taka	
		2008	2007
<b>PROPERTY AND ASSETS</b>			
<b>Cash</b>	3	<b>1,394,671,407</b>	<b>1,186,903,866</b>
In hand (Including foreign currencies)		224,431,810	192,238,601
Balance with Bangladesh Bank and its agent bank(s) (Including foreign currencies)		1,170,239,597	994,665,265
<b>Balance with other Banks and Financial Institutions</b>	4	<b>2,101,436,244</b>	<b>2,679,521,916</b>
In Bangladesh		2,028,471,883	2,020,476,468
Outside Bangladesh		72,964,361	659,045,448
<b>Money at Call and Short Notice</b>	5	<b>-</b>	<b>225,000,000</b>
<b>Investments</b>	6	<b>1,332,969,100</b>	<b>2,498,328,500</b>
Government		1,331,969,100	2,497,328,500
Others		1,000,000	1,000,000

<b>Loans and Advances</b>	7	<b>25,094,658,077</b>	<b>18,616,225,315</b>
Loans, Cash Credit, Overdraft etc.	7.A	23,166,010,710	14,089,262,662
Bills Purchased and Discounted	7.B	1,928,647,367	4,526,962,653
<b>Fixed Assets including Premises, Furniture and Fixtures</b>	8	<b>184,368,432</b>	<b>135,223,386</b>
<b>Other Assets</b>	9	<b>1,131,290,158</b>	<b>1,600,577,888</b>
<b>Non Banking assets</b>		-	-
<b>Total assets</b>		<b>31,239,393,418</b>	<b>26,941,780,871</b>
<b><u>LIABILITIES AND CAPITAL</u></b>			
<b>Liabilities</b>			
<b>Borrowings from other Banks, Financial Institutions- and Agents</b>	10	<b>630,000,000</b>	-
<b>Deposits and Other Accounts</b>	11	<b>25,854,541,500</b>	<b>23,504,045,031</b>
Current Accounts and Other Accounts	11.1	1,444,525,699	2,681,774,856
Bills Payable	11.2	257,642,553	303,457,536
Savings Bank Deposits	11.3	922,379,325	633,755,819
Fixed Deposits including deposit from other Banks	11.4	19,319,071,709	16,679,719,397
Bearer Certificates of deposits	11.5	6,150,000	6,150,000
Deposits under schemes	11.6	3,904,772,214	3,199,187,423
<b>Other Liabilities</b>	12	<b>2,216,278,912</b>	<b>2,303,444,898</b>
<b>Total Liabilities</b>		<b>28,700,820,412</b>	<b>25,807,489,929</b>
<b>Capital/Shareholders' Equity</b>			
Paid-up Capital	13	2,300,000,000	1,000,000,000
Statutory Reserve	14	134,082,149	96,161,398
Other Reserve		24,000,000	24,000,000
Surplus in Profit & Loss Account	15	80,490,857	14,129,544
<b>Total Shareholders' Equity</b>		<b>2,538,573,006</b>	<b>1,134,290,942</b>
<b>Total Liabilities and Shareholders' equity</b>		<b>31,239,393,418</b>	<b>26,941,780,871</b>

**FIRST SECURITY BANK LIMITED  
PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2008**

Notes	Amount in Taka	
	2008	2007
Interest Income	3,141,799,470	2,180,308,712
Interest Paid on Deposits and Borrowings etc.	(2,939,155,779)	(2,130,328,088)
<b>Net Interest income</b>	<b>202,643,691</b>	<b>49,980,624</b>
Investment income	202,345,834	177,752,561
Commission, Exchange and Brokerage	133,384,184	161,010,079
Other operating income	34,409,250	25,788,223
<b>Total operating income</b>	<b>572,782,959</b>	<b>414,531,487</b>
<b>Less: Operating expenses</b>		
Salary and allowances	186,903,693	142,977,355
Rent, Taxes, Insurances, Electricity etc.	46,461,772	46,054,606

Legal expenses	1,277,421	413,341
Postage, Stamps, Telecommunication etc.	6,394,957	6,827,341
Auditors' fees	400,000	300,000
Stationery, Printings, Advertisements etc.	18,435,828	13,490,480
Managing Director's Salary and allowances	8,310,000	6,880,000
Directors' fees	1,212,051	1,019,009
Depreciation and repair of Bank's Assets	31,478,697	23,202,157
Other expenses	82,304,787	44,836,470
<b>Total operating expenses</b>	<b>383,179,206</b>	<b>286,000,759</b>
<b>Profit before Provision and Taxes</b>	<b>189,603,753</b>	<b>128,530,728</b>
Provision for Classified Loans and Advances	-	-
Provisions for Unclassified Loans and Advances & Off B/S	-	70,000,000
<b>Total Provisions</b>	<b>-</b>	<b>70,000,000</b>
<b>Total Profit before taxes</b>	<b>189,603,753</b>	<b>58,530,728</b>
Provision for taxation	(85,321,689)	(57,900,000)
Deferred tax income	-	30,000,000
	<b>(85,321,689)</b>	<b>(27,900,000)</b>
<b>Net Profit after Tax for the year</b>	<b>104,282,064</b>	<b>30,630,728</b>
Retained surplus brought forward from Previous year	<b>14,129,544</b>	<b>(4,795,038)</b>
	<b>118,411,608</b>	<b>25,835,690</b>
<b>Appropriations</b>		
Statutory Reserve	37,920,751	11,706,146
Other Reserve	-	-
	<b>37,920,751</b>	<b>11,706,146</b>
Retained Earnings carried forward	<b>80,490,857</b>	<b>14,129,544</b>
Earnings Per Share (EPS)	<b>7.35</b>	<b>3.20</b>

#### EARNINGS PER SHARE

Net Profit after tax	<b>104,282,064</b>	<b>30,630,728</b>
Number of Ordinary Shares	<b>14,187,500</b>	<b>9,583,333</b>
Earnings Per Share (EPS)	<b>7.35</b>	<b>3.20</b>

#### 6.1 Maturity Grouping of Investments

On Demand	1,467,500	1,328,500
Within One Month	-	100,000,000
One Month to Three Months	735,501,600	70,000,000
Three Months to One Year	-	480,000,000
One Year to Five Years	595,000,000	1,846,000,000
More than Five Years	1,000,000	1,000,000
	<b>1,332,969,100</b>	<b>2,498,328,500</b>

#### Maturity wise grouping of inter Bank deposit

Repayable on Demand	-	-
Repayable within One Month	250,000,000	410,000,000
Repayable over One Month but within Six Months	690,000,000	1,230,000,000
Repayable over Six Months but within One Year	-	60,000,000
Repayable over One Year but within Five Years	-	-
Repayable over Five Years but within Ten Years	-	-

Unclaimed deposits for Ten Years and above

-	-
<b>940,000,000</b>	<b>1,700,000,000</b>

Other than Bank

Payable on Demand (Note B-1)

Other deposits (Note B-2 )

<b>1,153,779,011</b>	<b>1,107,950,283</b>
<b>23,760,762,489</b>	<b>20,696,094,748</b>
<b>24,914,541,500</b>	<b>21,804,045,031</b>

**B-2 Other Deposits**

Saving Deposits (91%) (Note-11.3)  
 Fixed Deposits  
 Short Term Deposits  
 Bills Payable (Note-11.2)  
 Bearer Certificates of Deposits (Note-11.5)  
 Deposits under Schemes (Note-11.6)  
 Foreign Currency Deposits

830,141,393	576,717,795
18,379,071,709	14,979,719,397
362,627,725	1,602,756,063
257,642,553	303,457,536
6,150,000	6,150,000
3,904,772,214	3,199,187,423
20,356,895	28,106,534
<b>23,760,762,489</b>	<b>20,696,094,748</b>
<b>2008</b>	<b>2007</b>

**13.4 Capital Adequacy Ratio**

**Tier – I (Core Capital)**

Paid up Capital  
 Statutory Reserve  
 General Reserve  
 Retained Earnings

2,300,000,000	1,000,000,000
134,082,149	96,161,398
24,000,000	24,000,000
80,490,857	14,129,544
<b>2,538,573,006</b>	<b>1,134,290,942</b>

**Tier –II (Supplementary Capital)**

1% General Provision  
 Exchange Equalization Account

322,205,999	212,205,999
1,419,078	1,419,078
<b>323,625,077</b>	<b>213,625,077</b>