

ANNUAL REPORT

2021

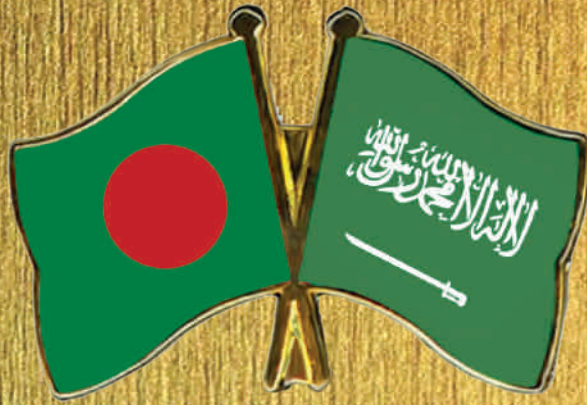


SABINCO

: Development Financing Institution

Saudi - Bangladesh Industrial and Agricultural Investment Company Ltd.

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ



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TABLE OF CONTENTS

Notice of the 38 th Annual General Meeting (AGM)	3	Corporate Social Responsibilities (CSR) Activities	39-50
Corporate Information	4	Dividend Payment Document	51
Our Vision & Mission	5	Water Purification and Rain Water Harvesting facilities established by SABINCO	52-54
Our Objectives & Core Values	6	Highlights & Graphical Data	55-68
Milestone Achievements	7	Financial Highlights	56
Corporate Profile	9	Value Added Statement	57
Our Business	10	Five Years Performance Data	59
Shareholding Structure	11	Few Photographs	69-76
Board of Directors	12	Financial Statements	77-110
Management Committees	14	Independent Auditors' Report	78
Management Team	15	Balance Sheet	83
Risk Management	16	Profit and Loss Account	84
Corporate Governance	21	Cash Flow Statement	85
Sustainable Finance Activities	24	Statement of Changes in Equity	86
Sustainable Development Initiatives: (CMSME)	26	Liquidity Statement	87
37 th Annual General Meeting (AGM) 28-29		Notes to the Financial Statements	88
Chairman's Message	31-32		
Directors' Report	33-38		



Saudi - Bangladesh Industrial and Agricultural Investment Company Ltd.

NOTICE OF THE 38th ANNUAL GENERAL MEETING (AGM)

With reference to the Article 27 of the Articles of Association of the Company, notice is hereby given that the 38th Annual General Meeting of Saudi-Bangladesh Industrial and Agricultural Investment Company Limited will be held on 14th May, 2022 at 12:00 noon at the Registered Office of the Company at 79, Nikunja-2, Dhaka-1229, Bangladesh to transact the following business:

AGENDA

1. Confirmation of minutes of the 37th Annual General Meeting held on 11th September, 2021.
2. Consideration and adoption of the Directors' Report on the performance of the Company during the year 2021.
3. Consideration and adoption of the Audited Accounts of the Company together with the Report of Auditors thereon, for the period from 1st January to 31st December 2021.
4. Appropriation of Profit and Declaration of Dividend, if any.
5. Approval of Annual Remuneration to Directors in terms of the Article 48 of the Articles of Association.
6. Appointment of Messrs A. Wahab & Co., Chartered Accountants as Auditors of the Company for the year 2022 and fixation of their remuneration.

It may be mentioned that in terms of Article 38 of the Articles of Association of the Company "Every shareholder shall be entitled to attend the General Meeting in person or authorize another shareholder. The authorization shall be ratified by the competent authorities. Such instrument shall be deposited at the registered office at least 72 hours before the time for holding the meeting."

By the order of the Board

(Md. Rajib Alam Khandker)
Asstt. Vice President (Monitoring) &
Acting Company Secretary

Dhaka
11 April, 2022



CORPORATE INFORMATION

Registered Name	: Saudi-Bangladesh Industrial and Agricultural Investment Company Limited (SABINCO).
Corporate Office	: 79, Nikunja-2, Dhaka-1229, Bangladesh.
Legal Entity	: Private Limited Company.
Date of Incorporation	: 24 June, 1984 under the Companies Act 1913.
License Details	: Bangladesh Bank License No. BCD (Non-Banking)/ Dhaka/4/95 dated 07 February 1995.
Auditors	: A. Wahab & Co., Chartered Accountants.
Legal Advisor	: Dr. Kamal Hossain & Associates, Ms. Sadia Rowshan Jahan, Advocate, Supreme Court of Bangladesh.
Tax Advisor	: K.M. Hasan & Co., Chartered Accountants.
Membership	: ADFIMI- Association of National Development Finance Institutions in Member Countries of the Islamic Development Bank and FICCI- Foreign Investors Chamber of Commerce and Industry, Bangladesh.
Bankers	: Standard Chartered Bank and The City Bank Ltd.
Website	: www.sabinco.com.bd
E-mail	: sabinco@sabincobd.com



OUR VISION & MISSION

Vision:

Position SABINCO as the leading Non-Bank Financial Institution in the country.

Mission:

- ◆ Provide superior customer service and competitive pricing.
- ◆ Strictly adhere to credit norms, exercise due diligence and ensure effective management of risk, and
- ◆ Prudence and efficiency as the guiding principles in carrying out our business.

OUR OBJECTIVES

“ SABINCO’s objectives are to make investments in the industrial and agro-based industrial fields in the People’s Republic of Bangladesh purely on commercial basis ”



OUR CORE VALUES

- ◆ Responsibility and accountability
- ◆ Customer Focus
- ◆ Value Creation
- ◆ Team Work
- ◆ Transparency
- ◆ Trust and Respect
- ◆ Honesty and Integrity



MILESTONE ACHIEVEMENTS

-
- SABINCO, a non-depository Financial Institution, was established in 1984.
-
- SABINCO has so far facilitated 141 industrial investments, amounting to Taka 19,584 million, in the private sector in Bangladesh from its own financial resources.
-
- SABINCO since inception has been contributing in employment generation and industrial enterprises promotion.
-
- SABINCO has played a pivotal role in the development of the Fisheries sector in Bangladesh by financing the first Balanced Fish and Poultry Feed Mill in the country and introducing the industrial scale Fish-Farming (grow out).
-
- The first commercial shrimp hatchery (Black Tiger) in the country was financed by SABINCO.
-
- SABINCO by promoting two pioneering cement manufacturing industries acted as a catalyst in the establishment of private sector cement industry in the country.
-
- SABINCO has so far approved Taka 2,412 million in 20 power projects having total capacity of 1,436 MW in syndication with other lenders since 2005.
-
- **SABINCO's cumulative dividend payment to its shareholders, surpassed the paid up and authorized capital of Taka 2,106.08 million in 2014.**
-



MILESTONE ACHIEVEMENTS

- SABINCO continues to make significant contribution to the National exchequer as income tax (1995-2011) and dividend. Figures since inception till 31 December 2021, mentioned below:
 - Taka 1,345.26 million paid as Income Tax to the Government of the People's Republic of Bangladesh for the period 1995-2011 (Not covered by tax exemption privileges).
 - Taka 1,897.85 million paid as Dividend, to the Government of the People's Republic of Bangladesh.
 - US \$ 25.55 million (Taka 1,897.85 million) remitted to the Government of the Kingdom of Saudi Arabia as Dividend.
 - SABINCO owned office building at Nikunja-2, Dhaka-1229 completed in June, 2012.
 - Automation fully operational since 2017, SABINCO's new automation solution consisting of SAGE ERP (Enterprise Resource Planning) integrated with a locally developed Loan Management System (LMS), today provides for added efficiency and cost effective solution as compared to investments made by peers for this capacity.
-

CORPORATE PROFILE

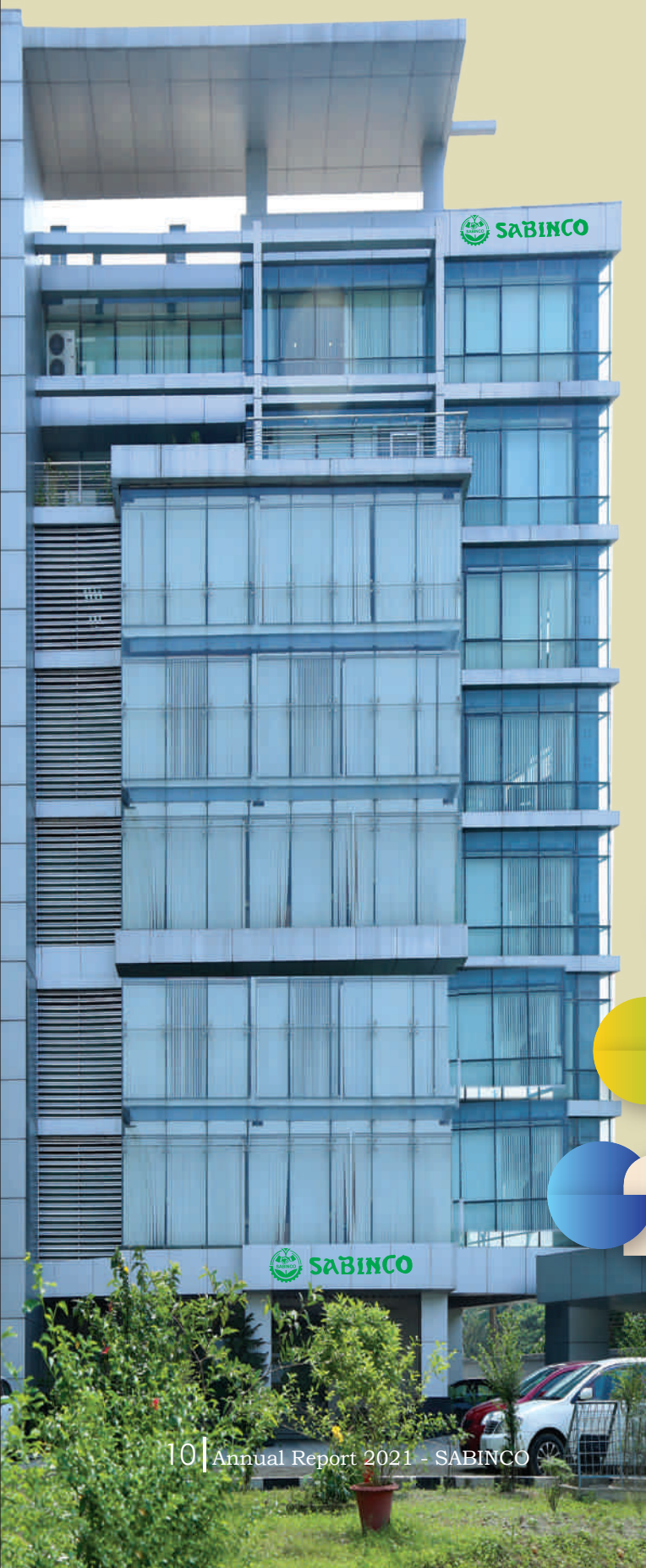


Based on the MOU concluded between the brotherly Governments of the Kingdom of Saudi Arabia and the People's Republic of Bangladesh, SABINCO was established in 1984, with the objective of making investments in the Industrial and Agro-based Industrial sectors in Bangladesh on a commercial basis.

Since 1995, the Company has been operating as a non-bank Financial Institution under a license granted by Bangladesh Bank.

The Subscribed and Paid-up Capital of the Company is Taka 2,106.08 million (Equivalent to US\$ 60.00 million), equally subscribed by both the Governments. It is a non-depository non-bank financial institution.

OUR BUSINESS:



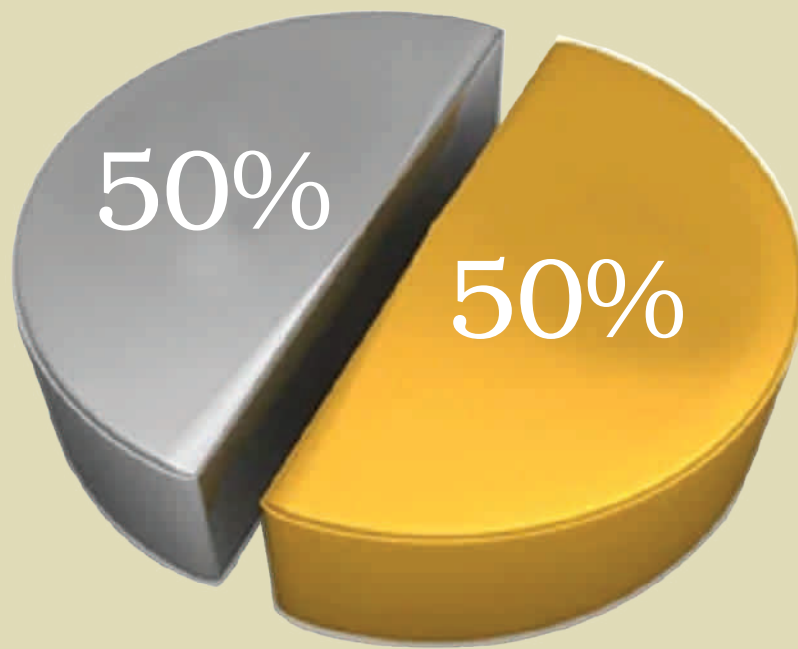
- ◆ SABINCO has so far approved 141 ventures in various industrial/ financial/ institutional sub-sectors of the country.
- ◆ We have approved 'wholesale financing' to a leading financial institution and a leading NGO for reinvesting in the SME and micro finance sectors.
- ◆ Projects so far financed are in the various sectors viz. Agriculture, Chemicals, Cement, Electronics & Electrical, Food Production & Processing & Rice Mills, Glass & Ceramics, Iron Steel & Engineering, Pharmaceuticals, Power, Textiles, Telecom & IT.
- ◆ Of 141 projects financed, 103 projects have fully settled their loan liabilities. Thus, the total count of live projects is 38.
- ◆ As on 31 December 2021 total loan and investment stands as under:

**Total Loan outstanding:
Taka 3,770.80 million**

**Total Investments:
Taka 500.63 million**

**Total Loan and Investments:
Taka 4,271.43 million**

SHAREHOLDING STRUCTURE



Government of the
Kingdom of
Saudi Arabia

50%

Government of the
People's Republic of
Bangladesh

50%

Total: 100%

BOARD OF DIRECTORS

BOARD OF DIRECTORS



Abdur Rouf Talukder
Deputy Chairman, **SABINCO**
&
Senior Secretary
Finance Division, Ministry of Finance
Government of the People's Republic of
Bangladesh



Sultan Abdulrauf
Chairman, **SABINCO**
&
Chief Executive Officer
SAUDI ENAYA
Jeddah
Government of the Kingdom of
Saudi Arabia



Mohammed H. Alshuhail
Director, **SABINCO**
&
Chief Executive Officer
International Pediatric Nutrition Co.
Government of the Kingdom of
Saudi Arabia



Fatima Yasmin
Director, **SABINCO**
&
Secretary
Economic Relations Division
Ministry of Finance
Government of the People's Republic
of Bangladesh



Mohammed M. AlMalki
Director, **SABINCO**
&
Vice Governor, Funding
Monsha'at
Riyadh
Government of the Kingdom of
Saudi Arabia



Mohammad Salahuddin
Director, **SABINCO**
&
Additional Secretary and
PS-1 to the Hon'ble Prime Minister
Prime Minister's Office
Government of the People's Republic
of Bangladesh

Audit Committee

Sultan Abdulrauf
Abdur Rouf Talukder
Mohammed H. Alshuhail
Fatima Yasmin
Mohammad Salahuddin
Mohammed M. AlMalki

Executive Committee

Fatima Yasmin
Mohammed M. AlMalki
Ahmed Ehsanul Karim



Management Committees

Management Committee (ManCom):

Ahmed Ehsanul Karim	Managing Director
Mohiuddin Mohammed Zuhair	Executive Vice President (Internal Control)
Mozammel Hoque	Executive Vice President (Investment)
Md. Kamruzzaman	Senior Vice President (Accounts)
Md. Abdul Hannan	Assistant Vice President (IT)
Syed Anwar Hossain	Assistant Vice President (Admin. & HR)
Md. Rajib Alam Khandker	Assistant Vice President (Monitoring)
Mohammad Abul Hasnat	Assistant Vice President (Law)

Asset Liability Management Committee (ALCO):

Ahmed Ehsanul Karim	Managing Director
Mozammel Hoque	Executive Vice President (Investment)
Md. Kamruzzaman	Senior Vice President (Accounts)
Idrish Mia	Assistant Vice President (Accounts)

Integrity Committee:

Ahmed Ehsanul Karim	Managing Director
Mohiuddin Mohammed Zuhair	Executive Vice President (Internal Control)
Mozammel Hoque	Executive Vice President (Investment)
Rajib Kumar Roy	Senior Vice President (Investment)
Md. Abdul Hannan	Assistant Vice President (IT)

Management Team

Ahmed Ehsanul Karim

Managing Director

Mohiuddin Mohammed Zuhair

Executive Vice President (Internal Control)

Mozammel Hoque

Executive Vice President (Investment)

Md. Kamruzzaman

Senior Vice President (Accounts)

Rajib Kumar Roy

Senior Vice President (Investment)

Md. Abdul Hannan

Assistant Vice President (IT)

Idrish Mia

Assistant Vice President (Accounts)

Md. Saruare Alam

Assistant Vice President (Internal Control)

Syed Anwar Hossain

Assistant Vice President (Admin & HR)

Rajib Alam Khandker

Assistant Vice President (Monitoring)

Md. Sabbir Qader

Assistant Vice President (Taken Over Project)

Mohammad Abul Hasnat

Assistant Vice President (Law)

Hasan Mahamud Khan

Assistant Vice President (Monitoring)

Marufa Jahan

Assistant Vice President (Accounts)

Mohammed Mokbul Morshed Khan

Assistant Vice President (Internal Control)

Obaidul Haque

Principal Officer (Accounts)

Ummay Afroza Khanam

Principal Officer (IT)

Md. Alamgir

Principal Officer (Admin & Accounts)

Zafrin Akhtar

Principal Officer (Investment)

A.B.M. Abdul Kader

Principal Officer (Accounts & Admin)

A stack of blue folders is shown from a top-down perspective, framing a central image. In the center, the word "RISK" is spelled out using wooden blocks. The 'S' block is tilted. Below the blocks, the word "Management" is written in a white, sans-serif font. The background behind the blocks is a blurred office setting with a desk and a computer monitor.

R I S K

Management



Risk Management

Risk Management is a discipline at the core of every financial institution and encompasses all the activities that affect its investment risk profile. The objective of Risk Management is to identify measure and control various risks prevailing over operation of the Financial Institution.

Risk is inherent uncertainty about future outcomes of business/investment events which can be either positive or negative. Risk is the probability that both the expected and unexpected events may impact adversely on the Financial Institution's capital or earnings. Financial Institutions are invariably faced with different types of risks that may have a negative effect on their business.

Due to complex and competitive business environment, challenges of Financial Institutions are increasing. FIs are continuously exploring innovative and effective ways to increase revenues, maintain necessary capital ratios, improve margins, strengthen balance sheets and enhance efficiencies. Economic volatility, issues involving data security and troubled assets are reasons for additional concern for the Financial Institutions.

Therefore, in response to competitive and ever evolving dynamic business environment, it has become necessary to manage risks towards ensuring sustained long-term survival and continued smooth operation.

Risk management is a constant challenge for all Financial Institutions. Risk Management entails four key processes i.e. risk identification, risk measurement, risk control and risk monitoring.

Risk Identification:

To manage risks, identification of existing risks or risks that may arise from both existing and new business initiatives (for example, risks inherent in lending activity include credit, liquidity, interest rate and operational risks) is very important for the organization. Risk identification is a continuing process which may occur at both the transaction and portfolio level.

Risk Measurement:

After identification of risk, it is required to measure the risk to determine their impact on the institution's profitability and

capital. This can be done using available techniques ranging from simple to sophisticated models.

Accurate and timely assessment of risk is essential for effective risk management systems. An institution that does not have a risk measurement system has limited ability to control or monitor risk levels. Risk measurement will have to be done periodically in order to make sure that the measurement tools it uses are accurate. Good risk measurement systems assess the risks of both individual transactions and portfolios.

Risk Control:

After measuring risk, an institution may establish and communicate risk limits through policies, standards and procedures that define responsibility and authority. Institutions may also apply various mitigating tools in minimizing exposure to various risks. Institutions may have a process to authorize exceptions or changes to risk limits when warranted.

Risk Monitoring:

An effective management information system (MIS) must be in place to monitor risk levels and facilitate timely review of risk positions and exceptions. Monitoring reports must be frequent, timely, accurate and informative and be distributed to appropriate individuals to ensure action, when needed.

The key elements of an effective risk management framework are:

- a) Active Board and senior management oversight;
- b) Appropriate policies, procedures and limits;
- c) Adequate risk measurement, monitoring and management information systems; and
- d) Comprehensive internal controls.

SABINCO's business activities are guided by the Board approved "Core Risk



Management Guidelines". In addition, an analytical report titled "**Risk Management Paper**" incorporating all risk areas is prepared on a monthly basis. This report is discussed in depth at SABINCO's Risk Management Forum and necessary corrective actions are implemented.

We are continuously striving to mitigate risk arising from operational activities by adopting various policies and guidelines, such as, Credit Risk Management Guidelines, Assets Liabilities Management Guidelines, Internal Control and Compliance Guidelines, Information and Communication Technology Guidelines, Anti-money Laundering and Combating with Terrorist Financing Guidelines, Customer Services and Complaint Management Guidelines. SABINCO strictly adheres to these policy guidelines. Apart from internal policy guidelines, instructions and rules and regulations of Bangladesh Bank are being followed in letter and spirit. Management's consistent commitment to sound risk management, has resulted in SABINCO's strong capital and liquidity position.

Risks Mitigation:

a. Credit Risk

This arises mainly from lending, settlement and other financial transactions. Credit risk comprises counterparty risk, settlement risk and concentration risk.

Credit risk is undoubtedly one of the most crucial issues in the field of financial risk



management. Being a Financial Institution, SABINCO needs to manage the credit risk inherent in the entire portfolio as well as the risk in individual credits or transactions.

SABINCO practices standard credit norms and principles for credit/investment approval and monitoring. SABINCO has already formulated Credit Risk Management Guidelines and has been updated as and when required. To mitigate the credit risk, SABINCO takes the following approaches:

1. Maintaining credit portfolio mix;
2. Limiting single borrower/ sectoral/ product exposure;
3. Credit/ investment assessment;
4. Credit/ investment risk grading;
5. Environmental and social risk rating;
6. Review of CIB Report;
7. Risk based pricing;
8. Verifying security documents;
9. Credit approval from appropriate authority as per limit set by CRM Guideline;
10. Credit monitoring and recovery;
11. Verifying Credit approval/ disbursement compliance issues by Internal Auditors;
12. Reporting to Board of Directors/ Regulators;
13. Review of Credit Risk Management Policy Guidelines (as and when required).

Internal Committees to address Credit/ investment Risk:

1. Credit Committee
2. Trade Committee
3. CRM Committee

b. Market Risk:

Market Risk relates to value of future cash flows of the financial instruments which will fluctuate due to change in different market variables, namely:

- I. Interest Rate Risk
- II. Equity Position Risk
- III. Foreign Exchange Risk

In order to minimize the market risk, SABINCO has put in place a system of regular review of the lending and deposit rates and trading portfolio. The Asset Liability Management Committee (ALCO) of SABINCO reviews the balance sheet gap on a regular basis and determines the applicable interest rates depending upon the movement in the market interest rates.

c. Liquidity Risk

Liquidity risk arises when the FI, despite being solvent, fail to maintain or generate sufficient cash resources to meet payment obligations, or can only do so at a loss.

To manage liquidity, SABINCO ensures adequate liquidity to meet its liabilities when due, under both normal and stressed situations, without inflicting unacceptable losses or tarnishing SABINCO's credibility. After analyzing the overall liquidity and funding profile of Balance Sheet, necessary funds are being deployed to support ongoing business activities.





The Key measure for mitigating risk is the advances to match different maturity profiles, projection of payments, assets and liabilities maturity analysis.

d. Operational Risk

Operational risk is the risk of loss from inadequate or failed internal processes, people and systems or from external events. This includes information and legal risk but excludes reputational and strategic risk.

Supporting policies have already been adopted by SABINCO which deal with management of various areas of operational risk and are (a) Internal Control and Compliance Guidelines (b) Information and Communication Technology Guidelines and (c) Anti-money Laundering and Combating with Terrorist Financing Guidelines.

e. Technology Risk

Customers may suffer service disruptions, or they may incur losses arising from system defect such as failures, faults, in computer operations, or illegal or unauthorized use of computer system or IT security threats.

SABINCO has required system and processes to protect its Information Technology (IT) system and network infrastructure from possible physical break-ins, security breaches and other

disruptions caused by increased use of technology. Computer break-ins could affect the security of information stored in and transmitted through these computer systems and network infrastructure. SABINCO has established Information and Communication Technology Policy and for ensuring smooth functioning continues to upgrade and modernize the IT platform/system automation.

f. Industry Risk

Industry risk is the possibility that a specific industry may fail to perform up to the level or even at par. Industry risk also refers to the risk of increased competition from foreign and domestic sources impacting on revenues, profit margins, market share etc. which could have an adverse effect on the business and financial condition.

Since inception, SABINCO has been absolutely client focused. Accordingly, SABINCO has formulated Customer Services and Complaint Management Guidelines and steps have been taken to enhance customer satisfaction by upgrading skills, systems and technology to meet such challenges.

SABINCO is attempting to add quality assets on competitive terms and also taken steps to broaden its product offering.



Corporate Governance

Fairness, transparency, accountability and responsibility are the minimum standard of acceptable corporate behavior. Good corporate governance practices enable the organization to increase efficiency, minimize risk, improve the standard of lending, invigorate the management and protect the rights of shareholders/stakeholders.

SABINCO recognizes the importance of Corporate Governance and has established policies to provide direction and framework for oversight and management of the activities of the organization.

All the business decision are undertaken within the defined policy framework. Independent group and sub-group have been constituted across the organization to facilitate evaluation, monitoring and reporting of various risks.

SABINCO strictly abides by the policies and pursues due diligence in all areas of operation towards fulfilling the Company's objectives.

Duties and responsibilities are appropriately delineated between the Board and Management for checks and balances, to ensure smooth business operation.

The Board provides strategic and policy decisions to attain pre-determined goals and objectives of the organization. The Board approves the annual budget and reviews the same from time to time so as to provide direction as per changing requirement.



For establishing effective risk management in credit and other key areas of operation the Policies and Manuals of the various segments of business are also reviewed by the Board. The Board also ensures that adequate internal control systems are in place and are consistently complied with.

As a locally incorporated financial organization, SABINCO is also guided, in its corporate governance practices, by the regulatory authority (i.e. the Bangladesh Bank) ensuring full compliance to all the rules and regulations of the regulator.

Internal Control and Compliance Department of SABINCO is also structured as per the guidelines of Bangladesh Bank. This department ensures proper compliance of all regulatory instructions and internal policies and procedures in the day to day operations.

A well-structured risk management system is in place to identify, measure, monitor, and control various risks in accordance with explicit and well-defined policies and procedures. The Risk Management Team maintains co-ordination with the representatives of the various functions to implement risk management policies and practices.

SABINCO also has a Board approved code of conduct for the employees of the Company and all the employees are required to maintain code of conduct

properly and demonstrate highest ethical standards.

For quick disposal of credit proposal, the Board has delegated authority to the Executive Committee to take necessary decision and approve business proposal within certain limit.

The Board has also delegated required financial power to the Management.

Board of Directors:

According to clause 43 of the Articles of Association, the Board of Directors of SABINCO comprises of six members including the Chairman and the Deputy Chairman.

The Chairman and two of the Directors are nominated by the Government of the Kingdom of Saudi Arabia while the Deputy Chairman and two Directors are nominated by the Government of the People's Republic of Bangladesh.

A total of 4(four) Board meetings were held during the year 2021, wherein besides project financing, several important decisions were taken.

Audit Committee:

SABINCO has a Board Audit Committee which plays an important role. The Board Audit Committee oversee all financial reporting process and disclosures, reviewing the adequacy of internal control

system and findings of internal investigations.

The committee also reviews the audit report relating to core business operations and the taken over projects and compliance with all laws and regulations.

Executive Committee:

The Executive Committee (EC) of the Board approves credit proposals as per approved policy of the Board. EC also reviews the policy and guidelines issued by Bangladesh Bank in respect of credit risk and other operational activities in the industry.

While submitting the credit proposals for approval, SABINCO Management ensures due diligence of adherence of the Board approved policy and risk management.

Internal Control and Compliance:

A sound internal control system plays an important role in contributing to the effectiveness of the organization in its business operation in an efficient manner. This ensures sound financial reporting and control procedures as well as compliance with relevant laws and regulations.

SABINCO has established an appropriate and effective internal control policy in line with the requirement of the organization. An independent Internal Control and Compliance Department has also been established and the aim of this department is to provide reasonable assurance regarding the reliability of the financial reporting, compliances with laws, regulations and internal policies, consistency of Company's procedures and protecting its resources.

As a tool of internal control, this Department undertakes periodic and special audit in accordance with audit plan to assess and improve the accuracy and reliability of the accounting and financial information and also to find out the weaknesses and defects in the control processes and report to the competent authority for corrective measures to protect the Company's interest.

Besides, the Internal Control and Compliance Department is also entrusted with the responsibility of administering the "Anti Money Laundering" regime within the Company as required by the Central Bank.





Sustainable Finance Activities

Green Banking:

Green environment is one of the most important issues world is witnessing today where people from all over the world are increasingly becoming concerned about environment pollution. Governments around the world are working towards balanced development where each country will be able to develop its economy with least negative consequences on the environment.

Bangladesh as a part of the global family is considered as one of the most vulnerable and severely affected countries due to the adverse consequences of environmental pollution. Bangladesh has enacted several legislative measures for different industries to minimize the damage on its environment. Green banking is one of the important policies developed by Bangladesh Bank for the financial sector.

Green Banking is in effect eco-friendly banking to prevent environmental degradation. Green banking involves a two-pronged approach. Firstly, green banking focuses on the green i.e. environmental-friendly transformation of internal operations of all Banks and FIs. It means all the Banks and Financial Institutions should adopt appropriate ways of utilizing renewable energy, automation and other measures to minimize carbon footprint from banking activities.



Secondly, all Banks and Financial Institutions should adhere to environmentally responsible financing that supports green initiatives and projects, by assessing environmental risks of projects, prior to making financing decision.

In line with the instructions from the Central Bank, within the ambit of green banking policy, SABINCO has formulated its own Green banking policy duly approved by Board and taken following initiatives:

- ❑ Developed its internal Green Banking policy and Green Office Guide to institutionalize various aspects across the organization. Besides, SABINCO has also incorporated the Environment and Social Risk Management (ESRM) in Credit Risk Management Policy. SABINCO complies with the Environmental and Social Due Diligence (ESDD) checklist while approving projects.

- ❑ Installed Solar Panel in its own building to meet a part of its electricity consumption from Solar Energy.
- ❑ Disbursed Tk. 183 million for setting up a grid tied solar power plant to supply electricity of 20 MW situated at Teknaf, Cox's Bazar through participation in Syndicate Finance in 2020.

SABINCO envisages financing environment friendly green projects like Solar Energy, ETP, Bio Gas Plant, Auto Brick etc. While approving other industrial projects. SABINCO encourages the borrower to install necessary effluent/waste treatment system to safeguard the environment. Promoting green projects will eventually reduce environmental risks and ecological degradation, thus ensuring sustainable development.

Sustainable Development Initiatives: (CMSME)

(Cottage, Micro, Small and Medium Enterprises)

Ms. Kohinur Begum



Ms. Kohinur Begum lives in Banishanta, Dacope, Khulna. As a homemaker, she used to tailor clothes of the neighboring people for meeting her family needs. She has been familiar with embroidery works also and contemplating to expand her tailoring business. In the meantime, she came to know about SABINCO's financial services extended to the root level people. Under Microfinance Program of SABINCO, she availed loan of Tk. 30,000/- and bought a sewing machine. With that machine, she augmented her tailoring business and now stitches cloths for the village people. Besides, she also started to sell embroidered Sarees and Nakshi Kantha (embroidered quilt) at local market. Currently, she is earning a good amount per month by doing tailoring and embroidery business and maintaining her family well.

Sustainable Development Initiatives: (CMSME)

(Cottage, Micro, Small and Medium Enterprises)

Ms. Sulekha Mondal



Ms. Sulekha Mondal, another homemaker from Ramnagar, Dacope, Khulna was primarily engaged in household chores and seasonal works. Under Microfinance Program of SABINCO, she availed a loan of TK. 50,000/- for cattle rearing and developing a cowshed. Through availing loan, she has bought few cattle and started rearing them.

Ms. Kalpana Das



Ms. Kalpana Das, a homemaker lives in Kailashgonj, Dacope, Khulna adjacent to Sundarban. Most of the inhabitants of the locality are poverty stricken because of its inhospitable geographic location. Ms. Kalpana, despite trying her best could not come out of poverty. She came to know about SABINCO' s Microfinance Program to the root level women. Under Microfinance Program of SABINCO, Ms. Kalpana has availed a loan of Tk. 45,000/- and bought few cattle and started to rearing them. Now she has 3 cows and trying to increase the number of cows so that, she can develop a mini dairy farm in future. Thus expansion of business will bring fortune for her family.

37th ANNUAL GENERAL MEETING (AGM)



37th ANNUAL GENERAL MEETING (AGM) in progress





Sultan Abdulrauf
Chairman, SABINCO

CHAIRMAN'S MESSAGE



Dear Shareholders,

السَّلَامُ عَلَيْكُمْ وَرَحْمَةُ اللَّهِ وَبَرَكَاتُهُ

A very warm welcome and many felicitation to you all for participating in the 38th Annual General Meeting of SABINCO. On behalf of the Board of Directors, and myself, I would like to express my sincere thanks and heartfelt gratitude to all of you for your interest, support and patronage in achieving SABINCO's continued success.

After a difficult year of 2020 global growth has picked up to some extent in 2021, with relaxation of lockdowns in many countries. However, resurgences of the COVID-19 pandemic and supply chain disruptions impacted global recovery in the second half of 2021.

As reported by World Bank: strong export growth, supported by revival of readymade garment demand from abroad, and a rebound in domestic demand supported the recovery of Bangladesh. The GDP growth of Bangladesh is estimated at 6.94% in FY 2020-2021. Point-to-point inflation in December 2021 reached 6.05 percent. The foreign exchange reserve stood at US\$ 46.2 billion.

With the guidance and stewardship of the Board of Directors, Management was able to deliver satisfactory financial performance during 2021. Today SABINCO enjoys the benefit of a strong Balance Sheet with diversified revenue base. As on 31 December 2021 the total Assets and total equity of the Company stood at Taka 8,654.8 million and Taka 7,272.29 million respectively. Besides, the Company earned a satisfactory Net Profit of Taka 350.23 million during 2021.

However, during 2021 SABINCO faced hurdles in terms of new approval and consequently disbursement due to the impact of the pandemic. During the year 2021, the Company made disbursement of Taka 825.70 million and financing commitment of Taka 900 million. Besides, an amount of Taka 1,112 million has been awaiting disbursement to 6 projects.

Efforts of the company continued relentlessly as before towards recovering the dues and as a result of this drive, the recovery was at 79 percent at the end of 2021.

The Company continues to pay significant amount as dividend to both the shareholding Governments.

Compliance, integrity and good governance are the key guiding principle of SABINCO. SABINCO's Corporate Governance has been designed to embody transparency and accountability across the enterprise, I therefore firmly believe that strong supervision and control measures will ensure sustainable growth in the coming years.

SABINCO has also been proactively engaged in Corporate Social Responsibilities (CSR) activities focusing in the areas of education, health care and helping the disadvantaged.

I would like to convey my indebtedness and thanks to my fellow members of the Board for their co-operation and support for the overall improvement of SABINCO and my gratitude to both the Governments of the Kingdom of Saudi

Arabia and the People's Republic of Bangladesh for their collective wisdom and continued support.

I also convey my thanks and good wishes to the Management and all employees who have contributed to the continued growth and success of the Company.

I conclude with my sincere and special thanks to our respected shareholders, valued customers, patrons, well-wishers, Bangladesh Bank and other regulators for their guidance, support and co-operation.

With warm regards,

Sincerely yours



(Sultan Abdulrauf)
Chairman



DIRECTORS' REPORT



DIRECTORS' REPORT

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

Dear Shareholders,

السَّلَامُ عَلَيْكُمْ وَرَحْمَةُ اللَّهِ وَبَرَكَاتُهُ

The Board of Directors of Saudi-Bangladesh Industrial and Agricultural Investment Company Limited (SABINCO) take this opportunity to welcome you all to the 38th Annual General Meeting of the Shareholders and have immense pleasure to present before you the 38th Annual Report on the Performance of the Company together with the Audited Balance Sheet and Profit and Loss Account for the year ended on 31st December 2021 in compliance to Section 183 of the Companies Act 1994 and Article 67 of the Articles of Association of the Company.

Global Economy:

Global growth is estimated to recover by 5.5 percent in 2021. However, the growth is expected to decelerate markedly to 4.1 percent in 2022 and projected to soften further to 3.2 percent in 2023, reflecting continued effect of COVID-19 pandemic, diminished fiscal support and supply bottlenecks. The near-term outlook for global inflation seems to be higher, due to pandemic flare-ups, higher food and energy prices, and supply disruptions.

Output and investment in advanced economies are projected to return to pre-pandemic trends in few years. However, because of lower vaccination rates, tighter fiscal and monetary policies, the output and investment in small states and fragile and conflict-afflicted countries may remain markedly below.

Downside risks, such as: Omicron-driven economic disruptions, supply bottlenecks, deanchoring of inflation expectations, financial stress, and climate related disasters may weaken the outlook. The above underscores the importance of strengthening global cooperation to foster rapid and equitable vaccine distribution, calibrate health and economic policies, enhance debt sustainability in the poorest countries, and tackle the mounting costs of climate change.

United States

In the United States, activity grew at a slower pace in the second half of 2021, due to slowdowns in private consumption and manufacturing production. Output is estimated to grow by 5.6 percent in 2021. However, it is expected that the growth may slow down to 3.7 percent in 2022 and 2.6 percent in 2023, as excess savings are spent, support from fiscal and monetary policy wanes, and supply bottlenecks gradually dissipate.

Euro area

After rebounding to 5.2 percent in 2021, euro area growth is projected to slow to 4.2 percent in 2022, reflecting a slower recovery in services consumption because of emergence of the Omicron variant. Growth is forecast to decelerate further to 2.1 percent in 2023. Notwithstanding the expected slowdown, output is projected to be back to its pre-pandemic trend in few years. The surge in natural gas and

electricity prices, may create downside risk to the near-term euro area outlook, particularly for industrial production.

China

After reaching an estimated 8 percent in 2021, growth in China is expected to moderate to 5.1 percent in 2022, amid the lingering effects of the pandemic and tighter regulations on certain sectors of the economy. Recurring mobility restrictions related to the pandemic and regulatory curbs on the property and financial sectors have restrained consumer spending and residential investment. Despite supply disruptions and electricity shortages, manufacturing activity has been generally solid and export growth has accelerated. Macroeconomic policy action has helped prevent a sharper economic slowdown and mitigated financial stress.

Japan

In Japan, activity picked up toward the end of the year 2021 as high vaccination rates relaxed the pandemic-control measures. After an estimated 1.7 percent expansion in 2021, growth is expected to be 2.9 percent in 2022. Activity is expected to slow to 1.2 percent in 2023 as the boost from pent-up demand gradually fades.

Global trade

Global trade has rebounded along with global economic activity. The recovery has been swift for goods trade, services are firmed but still lagging. Global supply chain was disrupted in 2021 due to temporary factors including pandemic-related factory and port shutdowns, weather induced logistics bottlenecks, and an acute shortage of semiconductors and shipping containers. After reaching 9.5 percent in 2021, global trade is expected to slow to 5.8 percent in 2022 and 4.7 percent in 2023, as demand moderates.

Commodity markets

Commodity prices soared in 2021, as prices of several commodities reached all-time highs. This reflected the strong rebound of demand from the 2020 global recession. Global energy prices surged in the second half of 2021, particularly for natural gas and coal, owing to recovering demand and constrained supply. However, non-energy commodity prices have stabilized, with some at or close to record highs. Oil prices rose to an average of \$69/bbl in 2021— an increase of 67 percent over 2020. Despite a planned increase in production by the member countries of OPEC+, global oil output rebounded more slowly than expected owing to supply outages and production constraints. Oil prices are expected to average \$74/bbl in 2022 before declining to \$65/bbl in 2023 as global production recovers. Metal prices stabilized in the second half of 2021 following sharp increases in the first, but with significant divergence between most base metals and iron ore.

Source: *i. World Bank Group: Global Economic Prospects, January 2022.*

Bangladesh Economy:

While the third wave of Covid-19 in its new incarnation as Omicron is threatening to derail the economic recovery, according to World Bank, Bangladesh's economy is projected to grow 6.9 percent in fiscal year 2022-23 due to strong export growth and a rebound in domestic demand. It is also forecasted that gross domestic product (GDP) would expand 6.4 percent in the fiscal year of 2021-22. According to World Bank: private consumption supported by rising services activity and firming exports of readymade garments improved the outlook for Bangladesh.

Although the harm to public health inflicted by the pandemic has been relatively limited in Bangladesh, but during the pandemic nationwide

lockdown was imposed, many businesses hampered, income of people shrank. The Government came up with timely measures through providing number of stimulus packages and Bangladesh's economy managed a modest growth of 3.45% in FY 2019-2020. The growth is estimated at 6.94% in FY 2020-2021. The per capita national income increased to US\$ 2,591 in FY 2020-21 up by US\$ 265 a year earlier.

The economy of Bangladesh is a developing market economy. It's the 42nd largest in the world in nominal terms, and 30th largest by purchasing power parity. Bangladesh achieved Ba3 (Moody's) and BB-(Standard and Poor's) with stable outlook for the 11th consecutive years. Fitch Ratings affirmed BB- with stable outlook for the 8th time.

Bangladesh has also achieved increase in life expectancy at birth currently at 72.8 years, and literacy at 75.2%, while infant mortality has reduced significantly at 21 per 1000 live births.

The foreign exchange reserve stood at US\$ 46.2 billion mark (December 2021). Moreover, Bangladesh Bank's monetary policy objectives have been directed at lowering the interest rates for both deposits and lending in the banking industry, which is expected to encourage further investment in the country. Point-to-point inflation in December 2021 reached at 6.05 percent.

Service is the largest sector in terms of percentage contribution to GDP, which comprises 51.92 percent of the gross domestic product. Service sector growth in 2020-2021 was 5.73 percent in comparison to 3.93 percent in 2019-2020. It includes all services activities such as trade service, transport, storage, communication, real estate, public administration and defense, education, health, financial intermediations.

Industrial sector contributed around 36.01 percent of the country's gross domestic product and the growth of this sector in 2020-2021 was 10.29 percent in comparison to 3.61 percent in 2019-2020. Growth in industrial sector came from electricity, gas & water supply, mining & quarrying and the manufacturing sector.

Agriculture continues to make substantial contribution to the Bangladesh Economy which comprises 12.07 percent of the country's GDP. The country is situated in one of the most fertile regions on the earth, with the principal cash crops being rice, jute, tea, wheat, cotton and sugarcane.

The RMG & Knitwear industry, the largest industrial sector of the country employing around 4 million people contributed around 81% of Bangladesh's total export earnings of US\$ 38.8 billion in the Fiscal year 2020-21.

Bangladesh has huge potentials for investment because of its geographical location. It has easy connectivity with East & South Asia that includes two emerging economic giants of the world: China and India. The southern side opening to the Bay of Bengal facilitates navigation across the world to explore the benefits of the untapped blue economy. Thus Bangladesh can be a hub of regional connectivity and attract investments.

Bangladesh Government is emphasizing to create favorable investment climate through setting up economic zones. The initiative to establish economic zones aim at encouraging industrialization, generating employment opportunities, augmenting production and ensuring export promotion and diversification. Establishment of 97 economic zones (comprising 68 Governments and 29 private) in different parts of the country is underway. Two economic zones had been exclusively earmarked for Japanese and Chinese investors.

The Government has also taken massive plan for increasing electricity generation capacity. Current installed power generation capacity of the country stands at 25,235 MW.

Operational Activities:

BUSINESS REVIEW:

SABINCO continues to make its presence in the economic development of the country through financing in different sectors. SABINCO continued to record overall satisfactory financial and operational performance during 2021.

Our loan portfolio remained well diversified among some 13 sectors. The financed projects are in Industry (Textiles, Food Production & Processing & Rice Mills, Iron Steel & Engineering, Cement, Electronics & Electrical Products, Power), Agriculture (Poultry & Livestock, Fisheries & Others), Financial Institution, Service (Telecom and Information Technology & Others).

Total investments by SABINCO in terms of loan, equity and bond stood at Taka 4,271.43 million at the end of 2021 against Taka 4,216.40 million at the end of 2020. As on 31st December 2021 the total assets of SABINCO stood at Taka 8,654.80 million.

Capital Market Operation:

The Market broad index which was 5,618.95 (DSEX) at the beginning of the year, closed at 6,756.66 points at the end of the year and the market capitalization, which was Taka 4,646.37 billion in January 2021, closed at Taka 5,421.96 billion in December 2021.

During the year under report, SABINCO was able to sell shares worth Taka 73.64 million (acquisition cost) from its portfolio and was able to make a capital gain of Taka 27.90 million. In addition, during the year a sum of Taka 0.62 million as cash dividend were received from various companies.

Taken Over Projects:

SABINCO has in its portfolio three taken over projects under its direct Management, which included two Black Tiger shrimp culture projects and one fish & Poultry feed mill. The net worth evaluation of these projects has been completed and tenders were floated for disposal of all three taken over projects (SBFFL, GFCL & S&M Shrimp). However, none of the projects could be sold as the offered prices were not commensurate with evaluated net worth and considered unacceptable.

Efforts have been underway to dispose of the projects as going concern but COVID'19 pandemic adversely affecting the process.

Status of Recoveries:

At the end of 2021, SABINCO had 38 projects in its portfolio. During the year 2021, total collectible dues were Taka 1,234.17 million from various projects and investment, of which an amount of Taka 968.76 million was recovered, which is 79% of the total dues.

Resources:

SHAREHOLDERS' EQUITY:

Shareholders' equity includes the paid-up capital, general reserve, statutory reserve, revaluation reserve and retained earnings. The Authorized and Paid-up capital of SABINCO remains unchanged at Taka 2,106.08 million or equivalent to US Dollar 60 million divided into 20,000 shares of US Dollar 3,000 each as at 31 December 2021, of which each Government subscribed 10,000 shares in the capital of the Company.

As per Financial Institution Act 1993, 20 percent of the Profit is required to be transferred to Statutory Reserve and with this latest allocation; the Statutory Reserve increased from Taka 1,175.94 million to Taka 1,246.04 million.

So far SABINCO has built-up General Reserve of Taka 1,629.42 million from its profits.

The total Shareholder's Equity as on 31st December 2021 stood at Taka 7,272.29 million compared to Taka 7,132.05 million for the previous year.

Cash Resources:

SABINCO had deposits of Taka 1,801.98 million and US\$ 0.424 million as on 31 December 2021, as compared to Taka 1,705.10 million and US\$ 0.456 million as on 31 December 2020 (previous year).

Operational Results:

SABINCO during 2021 also continued to maintain more than the required provision against loans, investments and other related exposures, amounting to Taka 457.56 million in 2021, the amount of provision was same in 2020.

Net profit for 2021 stood at Taka 350.23 million as compared to Taka 315.11 million during 2020.

Thus, the earnings per share stood at Taka 17,512 in 2021, while Return on Investment and Return on Asset stood at 4.82% and 4.09% respectively.

Appointment of Auditors:

Pursuant to Clause 24(1) of the Financial Institutions Act 1993, and as per Articles 75 and 76 of the Articles of Association of the Company, Statutory Auditors are to be appointed annually at the Annual General Meeting.

The existing auditors, M/s. A. Wahab & Co., Chartered Accountants, being eligible, have offered themselves for reappointment as statutory auditors for the year 2021 at a fee of Taka 177,100.

Employees and Establishments:

The total strength of employees of the Company during the year stood at 42

comprising 26 officers and 16 staff. During the year, 1 employee expired.

Appropriations:

SABINCO earned a net Profit of Taka 350,233,768 during the year 2021.

Further, as per the requirement of the Financial Institution Act, 20% of the net profit amounting to Taka 70.10 million is proposed to be transferred to Statutory Reserve. Additionally, an amount of Taka 130.13 million is being proposed to be retained as Retained Surplus and Taka 150 million as cash dividend, payable to the shareholders.

In view of the above propositions, the available Profit of Taka 350,233,768 is recommended to be apportioned as under:

	Taka
Statutory Reserve	70,100,000
General Reserve	-
Proposed Dividend	150,000,000
Retained Surplus	130,133,768
Total Appropriation	350,233,768

Sincerely,

On behalf of the Board of Directors



(Sultan Abdulrauf)
Chairman

CORPORATE SOCIAL RESPONSIBILITIES (CSR) ACTIVITIES



SABINCO is fully aware and conscious of its responsibilities to our Customers, Employees, Stakeholders and the Environment in which we operate our business. We remain focused on offering a sound, environmentally safe and responsible service that contributes to the economic progress of the country as a whole.

On a sustained basis,
SABINCO continues to undertake
several CSR activities supporting
health care, education and
helping the distressed people
of our society from the harsh elements
of nature.



These initiatives have been in conjunction with following reputable organizations operating in various fields; thereby ensuring that benefits accrues to those for whom it is intended:

CENTRE FOR THE REHABILITATION OF THE PARALYSED (CRP)

Centre for the Rehabilitation of the Paralyzed (CRP) is a non-profit, non-government organization which treats and rehabilitates disabled people regardless of their economic means.

Some initiatives of CRP



Acknowledgement from CRP



পক্ষাঘাতগ্রস্তদের পুনর্বাসন কেন্দ্র (সিআরপি)
Centre for the Rehabilitation of the Paralyzed (CRP)

a project of the Trust for the Rehabilitation of the Paralyzed
Head Office: CRP- Savar, CRP- Chapain, Savar Dhaka-1343, Bangladesh
Tel: +880 02 7745464-5, Fax: 7745069, E-mail: contact@crp-bangladesh.org, www. crp-bangladesh.org

Ref:

Date:

CRP/FD/0301/SABINCO/06.03.2022

06 March 2022

To
Mr. Ahmed Ehsanul Karim
Managing Director
Saudi-Bangladesh Industrial and Agricultural Investment Company (SABINCO) Ltd.
79, Nikunja-2, Dhaka-1219

Dear Sir,

Greetings from the Centre for the Rehabilitation of the Paralyzed (CRP)!

Please kindly find the detail report of your kind support to CRP from July 2011 to March 2022.

Sl.	Year of Donation	Donated Amount (BDT)	Use of the fund
01	July 2011 – June 2012	500,000/-	The amount has used as the partial construction cost of the conference room of CRP-Savar. Now this room is being used to arrange meetings and workshops. Occasionally this room is rented for different purpose and the income is used for supporting the poor patients with disabilities.
02	July 2012 – June 2013	400,000/-	The amount has used for developing patient database management and installing a water pump. Now we can store patients detail and provide appointment through computerized database management system. Newly installed water pump providing safe water support to the patients, students, trainees and others.
03	July 2013 – June 2014	300,000/-	This donation has used to provide rehabilitation support for six Rana Plaza victims.
04	July 2014 – June 2015	500,000/-	74 persons with disabilities have received partial support for Prosthetic and Orthotic devices. One poor woman with disabilities has received food support from your donation also.
05	July 2015 – June 2016	400,000/-	With the donation we have provided partial support to 8 Cerebral Palsy children and 4 spinal cord injured patients for their treatment cost. We have also provided assistive devices to 9 patients with the donation in 2015-16.

CRP-Mirpur, Dhaka, Plot: A/5, Block-A, Section- 14, Mirpur, Dhaka- 1206, Tel: 02 9025562-4, Fax: 02 9025561, Email: dgm-mirpur@crp-bangladesh.org. CRP-Ganakbari, PO: Dhamsena, PS: Ashulia, Savar, Dhaka, Tel: 02 7789227, Email: ganakbari@crp-bangladesh.org. AK Khan CRP- Chittagong, Kalurghat, Mohra, Chadgaon, Chittagong, Tel: 031-2573412, Email: chittagong@crp-bangladesh.org. Afsar Hussain CRP- Rajshahi, House no: 11, Mohishbothen, Rajshahi Court Rajpara, Rajshahi, Tel: 0721 771709, Email: rajshahi@crp-bangladesh.org. CRP Barisal-CARSA Foundation Centre, Syed Enayet Kabir – Nayer Ara Kabir (SEKNAK) Welfare Trust Building, 12 Ganpara, Kashipur Chowmata, Kashipur, Barisal, Tel: 0431-64858, Email: barisal@crp-bangladesh.org. CRP- Moulvibazar, 536

Acknowledgement from CRP

Some initiatives of CRP



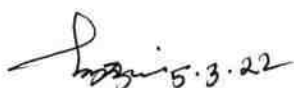
পক্ষাঘাতগ্রস্তদের পুনর্বাসন কেন্দ্র (সিআরপি)
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 Tel: +880 02 7745464-5, Fax: 7745069, E-mail: contact@crp-bangladesh.org, www. crp-bangladesh.org

Ref:

Date:

06	July 2016 – June 2017	450,000/-	We have provided partial support for treatment to 11 patients and mobility & assistive devices to 28 persons with disabilities.
07	July 2017 – March 2018	450,000/-	Partial support provided to 5 persons with disabilities for their treatment and 32 persons with disabilities for their mobility and assistive devices.
08	December 2018 – March 2019	600,000/-	With this kind support we have bought two IRR therapy lamp used to relief muscular pain. These lamps help to serve a lot of patients. 13 more patients have received income generating activity support to be economically independent from your donation also.
09	December 2019 – March 2020	500,000/-	2 patients have received treatment support and 100 persons with disabilities will receive Hollow Mattress and a child with disability is receiving study cost support for the year 2020. Hollow Mattress helps to prevent pressure ulcer and decrease the possibility of death of the spinal cord injured patients.
10	April 2020 – April 2021	399,228/-	3 students from BHPI and 1 student from WMTS have received educational support for the year 2021. 3 persons have received Hollow Mattress and poor patients are receiving treatment support.
11	May 2021 – March 2022	475,000/-	BDT 425,000/- treatment and rehabilitation support to poor patients and BDT 50,000/- logistics support to WMTS students.

Warmest thanks for your cooperation and continuous support. The poor students and patients from CRP are getting academic support, treatment and required assistive or mobility devices and income generating activity support with your most generous donation.



Dr. Mohammad Sohrab Hossain
 Executive Director
 CRP

Initiatives of CRP

Profile of Md. Sumon Ahmed (a Man with GBS)




1	CRP Treatment ID. No:	20.01.012147	
2	Name	Md. Sumon Ahmed	
3	Father's Name	Md. Sultan Mahmud Howlader	
4	Mother's Name	Mrs. Tara Begum	
5	Age	31 years	
6	Marital Status	Married	
7	Previous Profession	Garments Worker	
8	Family Member	4 members (Himself, wife, 1 daughter, 1 Son)	
9	No. of earning member	He was only earning member.	
10	Mobile Number	01971-425096	
11	Present Address	Vill.	Modhupur
		P.O.	Dhamsona
		Upazilla	Savar
		District	Dhaka
12	Permanent Address	Vill.	Same as present address
		P.O.	
		Upazilla	
		District	
13	Diagnosis	GBS (AMAN) e- EPIDIDYMOORCHTITIS	
15	CRP treatment begins	02.06.20	
16	Present Condition	He has been taking subsidies ☐ Physiotherapy, Occupational therapy and ☐ Speech & Language Therapy	
17	Future plan	He has wish to return his previous work (if cure).	
18	Need contribution /sought helps	☐ Treatment cost ☐ Assistive devices cost ☐ House rent	

HICARE

Society for Education and Care of Hearing Impaired Children of Bangladesh (HICARE) was established with a view to educate the hearing impaired children for learning speech and language under auditory oral method with an ultimate goal to integrate them in the mainstream education system.

Acknowledgement from HICARE

Our New Address:
House # 24/2, (1st Floor)
Green Road, Dhaka.



HICARE
SOCIETY FOR EDUCATION AND CARE OF HEARING IMPAIRED CHILDREN OF BANGLADESH
House No. 24/2, North Road, (Bhuter Gully) Dhanmondi, Dhaka-1206, Bangladesh
Ph: 880-2-223360146, 01719064890, E-mail : hicare@dhaka.net, Web : www.hicaredeafedu.org

"কবির ৩য় পুত্র নাম
ইসকান্দার আলী হুসেইন
১৯৬৬ সালে জন্মগ্রহণ করেন।"

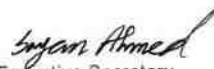
UTILIZATION REPORT OF THE DONATION SO FAR RECEIVED FROM SABINCO

SUMMARY OF DONATION::

YEAR	DONATED AMOUNT (Tk)	TOTAL (Tk)
2010	100,000.00	100,000.00
2011	250,000.00	3,50,000.00
2012	300,000.00	6,50,000.00
2013	300,150.00	9,50,150.00
2014	300,000.00	12,50,150.00
2015	300,000.00	15,50,150.00
2016	3,50,000.00	19,00,150.00
2017	3,50,000.00	22,50,150.00
2018	4,00,000.00	26,50,150.00
2019	3,50,000.00	30,00,150.00
2020	2,85,000.00	32,85,150.00
2021	4,00,000.00	36,85,150.00

SUMMARY OF UTILIZATION:
***HICARE'S MISSION:**


- To inspire and motivate parents of all hearing impaired children between 2 and 12 years of age to bring their children under speech training and education system.
- To provide education for the hearing impaired children to enable them to integrate with main stream education of the Country.
- To establish a country-wide network through deaf camps to provide facilities for all kinds of audio-logical assessments, supply of hearing aids, ear moulds and repair services to hearing impaired persons of all ages.
- To create public awareness against the causes of deafness.
- To provide support to the poor hearing impaired persons of all ages to get proper audio-logical assessment using modern technology.
- With that aim in succession we established 12 no. of Hicare Schools & 4 Hearing Centre all over Bangladesh.
- Total 600 students are studying in these Schools.
- 94 nos. of trained Teachers & Staffs are engaged for 600 students.
- Nearly 90% of the students are poor.
- About 1.2 million children of Bangladesh are now estimated hearing impaired and for these reason they are mostly deprived of any access to even the basic education. In respect of percentage it is nearly 10% of the total population. Keeping this reality our aim is to establish more schools along with Hearing Centre so as to educate the hearing impaired children in large numbers to able them to enter in main stream education.


 Syjam Ahmed
 Executive Secretary
 CUM Accounts Officer, Hicare

Acknowledgement from HICARE



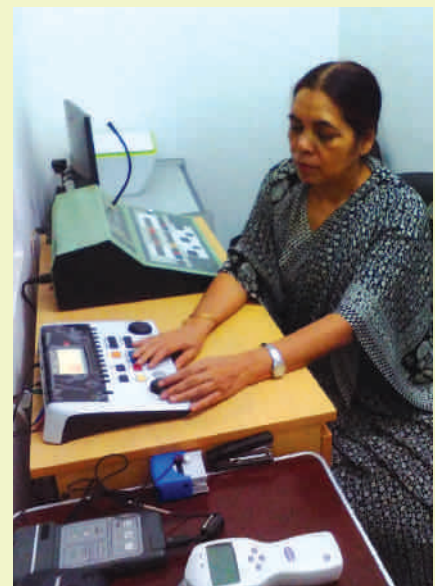
Our New Address:
House # 24/2, (1st Floor)
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House No. 32, North Road, (Bhuter Goll) Dhanmendi, Dhaka-1206, Bangladesh
Ph: 880-2-9660146, 01719064890, E-mail: hicare@dhaka.net, Web: www.hicarebd.org

“শুনেই সব ক’ক না,
উপায়ের সন্ধানের আগে
শুনেই ক’ক না।”


2021	4,00,000.00	<p>Fund Utilized for the following purposes.</p> <p>A.</p> <p>* Free distribution of Hearing Aids (Model STF PT1 BG Prog-3 & each hearing aid cost tk. 18,000.00): Hicare School , Chapainawabgonj = 1 Student Hicare School, Dhaka = 1 student Hicare School, Tangail = 1 student Involvement = TK. 54,000.00</p> <p>B.</p> <p>* To meet up yearly tuition fees of poor students of the following Hicare Schools with number of beneficiaries:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Hicare School</th> <th>No. of poor students</th> <th>Tuition fee (Monthly)</th> <th>Tuition fee (Yearly)</th> </tr> </thead> <tbody> <tr> <td>Tangail</td> <td>5</td> <td>1,661.46</td> <td>99,688.00</td> </tr> <tr> <td>Khulna</td> <td>3</td> <td>1,600.00</td> <td>57,600.00</td> </tr> <tr> <td>Rajshahi</td> <td>4</td> <td>1,615.32</td> <td>77,535.00</td> </tr> <tr> <td>Chittagong</td> <td>1</td> <td>1,384.60</td> <td>16,615.00</td> </tr> <tr> <td>Phulbari (Dinajpur)</td> <td>3</td> <td>1,600.00</td> <td>57,600.00</td> </tr> <tr> <td>Bhola</td> <td>2</td> <td>1,600.00</td> <td>38,400.00</td> </tr> <tr> <td></td> <td></td> <td>Total</td> <td>3,47,438.00</td> </tr> </tbody> </table> <p>Thus grand total= A+B=TK. 4,01,438.00-Tk.1,438= 4,00,000.00</p> <p style="text-align: right;"><i>Sayem Ahmed</i> Sayem Ahmed Executive Secretary cum Accounts Officer, Hicare</p>	Hicare School	No. of poor students	Tuition fee (Monthly)	Tuition fee (Yearly)	Tangail	5	1,661.46	99,688.00	Khulna	3	1,600.00	57,600.00	Rajshahi	4	1,615.32	77,535.00	Chittagong	1	1,384.60	16,615.00	Phulbari (Dinajpur)	3	1,600.00	57,600.00	Bhola	2	1,600.00	38,400.00			Total	3,47,438.00
Hicare School	No. of poor students	Tuition fee (Monthly)	Tuition fee (Yearly)																															
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		Total	3,47,438.00																															



Acknowledgement from HICARE

Some initiatives of HICARE





হাইকেয়ার স্কুল

HICARE SCHOOL


(AN IDEAL ORAL SCHOOL FOR DEAF CHILDREN)
 Shaheed Nazmul Sarani, Satkhira, Bangladesh.
 শহীদ নাজমুল সরানী, সাতক্ষীরা, বাংলাদেশ।

সবার স্বপ্ন না,
 উপভুক্ত সবারের পক্ষে
 দে-এ কথা বলে

Ref: নির্বাহী পরিচিতি
হাইকেয়ার, ঢাকা
হিসাবটি এই বিষয়ে

Date: ১২/১২/২০২০

ক্রমিক নং	ইস্যুর নাম	বিষয়ের নাম	সেবা	হিসাবটি গঠিত গ্রহীতার নাম	স্বাক্ষর
১০	আব্দুল হক জেওরা	শ্রী: জেনিফা	কম্পিউটার	শেখর আলম আব্দুল হক	আব্দুল হক



১৫/১০/২০২০
 HICARE SCHOOL
 SHAHEED NAZMUL SARANI
 SATKHIRA, BANGLADESH

A Unit of
HICARE SOCIETY FOR EDUCATION AND CARE OF HEARING IMPAIRED CHILDREN OF BANGLADESH
 (A VOLUNTARY ORGANISATION DEDICATED TO THE HEARING IMPAIRED PEOPLE)
 SHAHEED NAZMUL SARANI, SATKHIRA, BANGLADESH. PHONE (RES.): 84681




ANJUMAN MUFIDUL ISLAM

Anjuman Mufidul Islam is an organization rendering humanitarian services to the distressed people by way of providing free ambulance, medical treatment, running orphanages and rendering funeral services for unclaimed deceased.

Acknowledgement from Anjuman Mufidul Islam

“জীবনেও সাথী, মরণেও সাথী”

Established:	
Calcutta	1905
Dhaka (HO)	1947
Dinajpur Br.	1974
Chittagong Br.	1979
Satkhira Br.	1980
Comilla Br.	1981
B. Baria Br.	1984
Netrokona Br.	1984
Sirajgonj Br.	1984
Jessore Br.	1990
Rajshahi Br.	1995
Gaibandha Br.	1995
Bagherhat Br.	1995
Fani Br.	1905



আঞ্জুমান মুফিদুল ইসলাম
(ইসলামি জনকল্যাণ সংস্থা)
ANJUMAN MUFIDUL ISLAM
(Registered under the Societies' Registration Act. XXI of 1860)

শ্রবণ কার্যালয় : ৪২, আঞ্জুমান মুফিদুল ইসলাম রোড, কাকরাইল, ঢাকা-১০০০, ফোন: ৪৮৩১২৩৩/৪৮৩১৭১৬৭
 ইমেল : info@anjumanmibd.org Website: www.anjumanmibd.org
 কাকরাইল সেবাকেন্দ্র : ৪২, আঞ্জুমান মুফিদুল ইসলাম রোড, কাকরাইল, ঢাকা, ফোন: ৪৮৩১২৩৩/৩১৩১৮-২৪২৯৯৭
 গেভারিয়া সেবাকেন্দ্র : ৫, এস কে দাস রোড, গেভারিয়া, ঢাকা-১২০৪, ফোন : ৪৭৪৪১৬৬০/৪৭৪৪০৭৮৬
 মুগদাশাড়া সেবাকেন্দ্র : ৩২২, উত্তর মুগদাশাড়া, ঢাকা-১২১৪, ফোন : ৭২৭৪৪৩০/৭২৭২৭০৫
 তেজগাঁও সেবাকেন্দ্র : ৩/বি, পূর্ব তেজগাঁও বাজার তেজগাঁও, ঢাকা-১২১৫, ফোন : ৪৮১১২৫৭০

Established:	
Jhenaidah Br.	1999
Lalmonirhat Br.	1999
Pabna Br.	2000
Habigonj Br.	2001
Rajbari Br.	2001
Thakurgaon Br.	2003
Narayanganj Br.	2003
Joypurhat Br.	2003
Jamalpur Br.	2003
Pirojpur Br.	2004
Bhola Br.	2005
Narail Br.	2005
Chuadanga	2008
Naogaon	2006

আঞ্জুমান মুফিদুল ইসলাম: -৭২/১৩-৭৬৬(৩) ৪৭.১৫.০৭.১৯৭৭

Mr. Ahmed Ehsanul Karim
 Managing Director
 SABINCO
 79, Nikunja-2,
 Dhaka - 1229.

Dear Sir,

Assalamu Alaikum Wa Rahmatullah Wa Barakatuhu.

Please find below year wise details of the usage of the fund as donated to Anjuman Mufidul Islam by your good office.

SL	Year of Donation	Donated Amount (BDT)	Detail use of the fund	Number of Beneficiaries
1.	2021	4,00,000	a. Purchase of Tire, tube and accessories for Ambulance and Medical equipment, b. free ambulance services in Dhaka Metropolitan Area, c. Free medical camps in Slum Area.	
2.	2020	2,50,000	a. Burial of unclaimed dead bodies, b. free ambulance services in Dhaka Metropolitan Area, c. running of educational institutes for the destitute and disadvantaged children, d. running of orphanages and free medicine for the inmates.	1000 no. of people is benefited with this fund.
3.	2019	3,00,000	-Do-	1200 no. of people is benefited with this fund.
4.	2018	5,00,000	-Do-	2000 no. of people is benefited with this fund.
5.	2017	3,04,500	-Do-	1218 no. of people is benefited with this fund.
6.	2016	3,00,000	-Do-	1200 no. of people is benefited with this fund.

Some initiatives of Anjuman Mufidul Islam



“জীবনেও সাথী, মরণেও সাথী”

Established:

- Calcutta 1905
- Dhaka (HO) 1947
- Dinajpur Br. 1974
- Chittagong Br. 1979
- Satkhira Br. 1980
- Comilla Br. 1981
- B. Baria Br. 1984
- Netrokona Br. 1984
- Sirajgonj Br. 1984
- Jessore Br. 1990
- Rajshahi Br. 1995
- Gaibandha Br. 1995
- Bagherhat Br. 1995
- Fani Br. 1905



আঞ্জুমান মুফিদুল ইসলাম
(ইসলামি জনকল্যাণ সংস্থা)
ANJUMAN MUFIDUL ISLAM
(Registered under the Societies' Registration Act, XXI of 1860)

প্রধান কার্যালয় : ৪২, আঞ্জুমান মুফিদুল ইসলাম রোড, কাকরাইল, ঢাকা-১০০০, ফোন: ৪৮৩১৭২৬১/৪৮৩১৭১৬৭
 Email: info@anjumanmibd.org Website: www.anjumanmibd.org
 কাকরাইল সেবাকেন্দ্র : ৪২, আঞ্জুমান মুফিদুল ইসলাম রোড, কাকরাইল, ঢাকা, ফোন: ৪৮৩১২১৬৬/০১০১৮-২৪২৯৮৭
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 মুশাদ্দাশাক্তা সেবাকেন্দ্র : ৩২১, উত্তর মুশাদ্দাশাক্তা, ঢাকা-১২১৪, ফোন : ৭২৭৪৪৩৫/৭২৭২৭০৮
 তেজগাঁও সেবাকেন্দ্র : ৩/বি, পূর্ব তেজগাঁও বাজার তেজগাঁও, ঢাকা-১২১৫, ফোন : ৪৮১১২০৭০

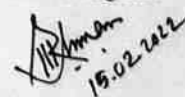
Established:

- Jhenaidah Br. 1999
- Lalmonirhat Br. 1999
- Pabna Br. 2000
- Habiganj Br. 2001
- Rajbari Br. 2001
- Thakurgaon Br. 2003
- Narayanganj Br. 2003
- Joypurhat Br. 2003
- Jamalpur Br. 2003
- Projpur Br. 2004
- Bhola Br. 2005
- Narail Br. 2005
- Chuadanga 2008
- Naogaon 2006

7.	2015	2,45,000	-Do-	980 no. of people is benefited with this fund.
8.	2014	2,75,000	-Do-	1100 no. of people is benefited with this fund.
9.	2012	3,00,000	-Do-	1200 no. of people is benefited with this fund.
10.	2011	2,50,000	-Do-	1000 no. of people is benefited with this fund.
11.	2010	2,00,000	-Do-	800 no. of people is benefited with this fund.

Anjuman is conveyed its gratitude to SABINCO and looking forward for your further cooperation and support for humanity.

With best Regards



Md. Mahfuzur Rahman
Executive Director

AL-MARKAZUL ISLAMI

Al-Markazul Islami is a multi-purpose non-profitable service rendering organization. The organization is rendering humanitarian services to the distressed people by way of providing free ambulance, medical treatment and distributing relief to the distressed people in the coastal areas.

Some initiatives of **Al-Markazul Islami**



DIVIDEND FOR THE YEAR 2020 OF TK.105 MILLION

TO THE GOVERNMENT OF THE PEOPLE'S REPUBLIC OF BANGLADESH

চালান ফরম

১ম কপি ২য় কপি ৩য় কপি

১০৫

২৬ DEC ২০২১

টি, আর ফরম নং ৬ (এস, আর ৩৭ ট্রষ্টব্য)

চালান নং ----- তারিখ -----

বাংলাদেশ ব্যাংক/সোনালী ব্যাংকের ----- Dhaka ----- জেলায় --- Motijheel ----- শাখায় টাকা জমা দেওয়ার চালান

কোড নং

পুরাতন কোড ১ ১ ২ ০ ৫ ২ ৫ ৭ ৯ ১ ৫ ০ ১

নতুন কোড ১ ১ ১ ২ ০ ১ ১ ৩ ৫ ০ ০ ১ ০ ০ ০ ১ ৪ ১ ২ ২ ০ ১

জমা প্রদানকারী কর্তৃক প রন করিতে হইবে				টাকার অংক		বিভাগের নাম এবং চালানের পুঁজুকেন্দ্রকারী কর্মকর্তার নাম, পদবী ও দপ্তর।*
যাহার মারফত প্রদত্ত হইল তাহার নাম ও ঠিকানা	যে ব্যক্তির/প্রতিষ্ঠানের পক্ষ হইতে টাকা প্রদত্ত হইল তাহার নাম, পদবী ও ঠিকানা	কি বানাদ জমা দেওয়া হইল তাহার বিবরণ	মুদ্রা ও নোটের বিবরণ/ড্রাফট, পে-অর্ডার ও চেকের বিবরণ	টাকা	পয়সা	
Saudi-Bangladesh Industrial and Agricultural Investment Co. Ltd. (SABINCO), Plot No. 79, Nikunja-2, Dhaka-1229	Saudi-Bangladesh Industrial and Agricultural Investment Co. Ltd. (SABINCO), Plot No. 79, Nikunja-2, Dhaka-1229	Dividend for the year 2020.	Cheque No. 4751970 dated 26-12-2021, The City Bank Limited, Dhaka, Bangladesh	10,80,00,000	00	
				মোট টাকা	10,50,00,000	00
টাকা (কথায়) Taka ten crore fifty lac only				<div style="border: 1px solid black; padding: 5px; display: inline-block;"> বাংলাদেশ ব্যাংক, পরিচালক, ঢাকা বাংলাদেশ ব্যাংক ২০ ডিসেম্বর ২০২১ ২৯ DEC 2021 </div>		
টাকা পাওয়া গেল				ম্যানেজার বাংলাদেশ ব্যাংক/সোনালী ব্যাংক		
তারিখ: 26.12.2021						

৫০০৪০



Water Purification and Rain Water Harvesting facilities established by **SABINCO**

Villages adjacent to the Sundarbans have no access to potable/drinking water as surface and ground water of the areas are saline in nature. Villagers living in these areas are at health risk, as rain waters collected in earthen ponds, are the only source of waters for their domestic/household uses.

To make available potable waters in some selected and harsh areas, SABINCO initiated setting up of three water desalination units – one unit each at Kailashgonj and Katakali union under Dacope Upazilla and the other one at Hodda union under Koira Upazilla, Khulna.

Additionally, amongst the alternative sources of potable water, rainwater harvesting is the most economical solution to mitigate drinking water crisis for the villagers adjoining the Sundarban region. SABINCO also has constructed two rainwater harvesting units in its project at Kailashgonj and Hodda.

Kailashgonj, Dacope Upazilla, Khulna

- ◆ Due to growing demand for potable water in the area, SABINCO has also established absolutely **“Green Rainwater Harvesting Unit”** at Kailashgonj, Khulna. Rain water is collected in a specially built tin roofing having catchment area of 1,260 sft. The storage capacity of the unit is 60,000 liters. The water so collected is purified initially by an overhead filter containing sand, gravel, activated carbon etc. and then passed through a UV filter. All the electrical appliances in this unit are powered by solar energy only.
- ◆ SABINCO established the first green **“Water Desalination Unit run on Reverse Osmosis Process”** at Kailashgonj in association with BSRM in December 2015. The unit has a capacity to deliver 2,500 liters of potable water per day. About 250 families living in the nearby Kailashgonj and Ramnagar villages receive water daily from this unit mainly for drinking purpose free of cost.



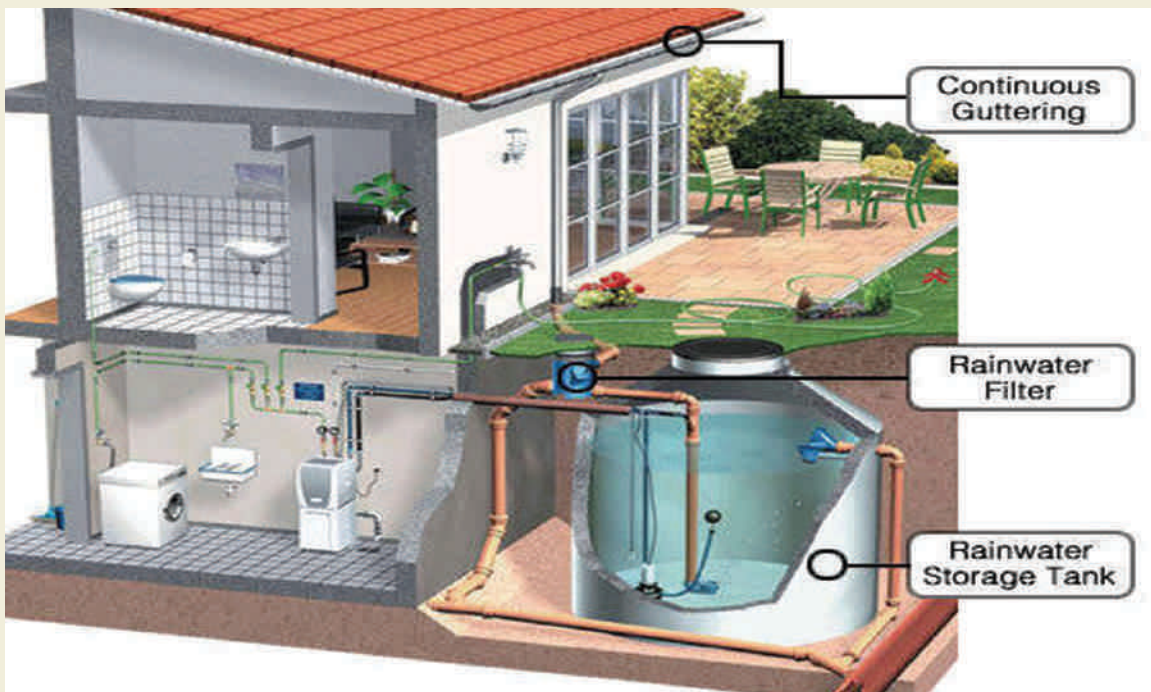
Hodda, Koira Upazilla, Khulna:



- ◆ At Hodda, another **“Green Rainwater Harvesting Unit”** has been recently completed. In this case, the roof-top of the building has been used as the rainwater catchment area and the water so collected pass through an overhead filter, similar to the one described above, and finally purified water is dispensed free of cost. The storage capacity of this unit is 40,000 liters in underground concrete tank.
- ◆ Additionally, a pond at Hodda had been excavated which holds about 3,000 cubic meter of rainwater. Another green **“Reverse Osmosis Water Purification Unit”** at Hodda had been completed with a capacity of 6,400 liters per day. This unit is also supplying pure potable water to the villagers, fishermen, honey collectors, tourist and forest activists etc.

Katakhali, Dacope Upazilla, Khulna:

A 1,000 liter per day capacity green **“Reverse Osmosis water desalination unit”** has been implemented at Katakhali under Dacope Upazilla. The unit is supplying pure drinking water to the local inhabitants.





Financial Highlights
Financial Performance
Graphical Presentation

Financial Highlights

as at 31 December 2021

Particulars	Amount in Taka	
	2021	2020
Paid up Capital	2,106,084,305	2,106,084,305
Total Capital	6,335,482,181	6,194,848,413
Capital surplus/(deficit)	5,335,482,181	5,194,848,413
Total assets	8,654,800,618	8,490,982,398
Total loans and advances	3,770,803,193	3,503,039,660
Total contingent liabilities and commitments	-	-
Percentage of classified loans against total loans and advances	6.81%	7.33%
Profit after tax	350,233,768	315,105,811
Amount of classified loans	256,879,285	256,879,285
Provisions kept against classified loans	111,156,243	111,556,243
Total provision surplus/(deficit)	6,689,401	39,467,503
Interest earning assets	6,073,521,825	5,921,439,682
Non-interest earning assets	2,581,278,793	2,569,542,716
Return on investment (ROI)	4.82%	4.42%
Return on Assets (ROA)	4.09%	3.76%
Income from investment	50,233,683	77,735,254
Net income per share	17,512	15,755
Price earning ratio	21	23
Earning Per Share (EPS)	17,512	15,755
Net Asset Value Per Share (NAVPS)	363,614	356,603
Net Operating Cash Flow Per Share (NOCFPS)	4,917	23,354



Value Added Statement

For the year ended December 31, 2021

Value added statement represents the value created by SABINCO during the reporting period through utilization of its resources and shows how it has been distributed among the major stakeholders (shareholders, Government and Employees) of the company. A part of added value has been retained in the company for future investment and expansion of the company.

Amount in Taka

Particulars	31 December 2021	31 December 2020
Value Added		
Net Interest Income	368,563,185	301,348,827
Other Income	56,412,063	84,338,679
Provision	-	-
Operating expenses excluding salary & allowances and depreciation	20,439,476	18,000,025
Total Value Added	404,535,772	367,687,481
Distribution of value addition:		
Employees as salary & allowances	45,106,832	44,057,125
Government as taxes	-	-
Shareholders as dividend	150,000,000	210,000,000
Retained in the business as capital and revenue reserve	200,233,768	105,105,811
Depreciation	9,195,172	8,524,545
Total Distribution	404,535,772	367,687,481

Distribution of Value Addition:

■ Employees
 ■ Retained in the business
 ■ Shareholders

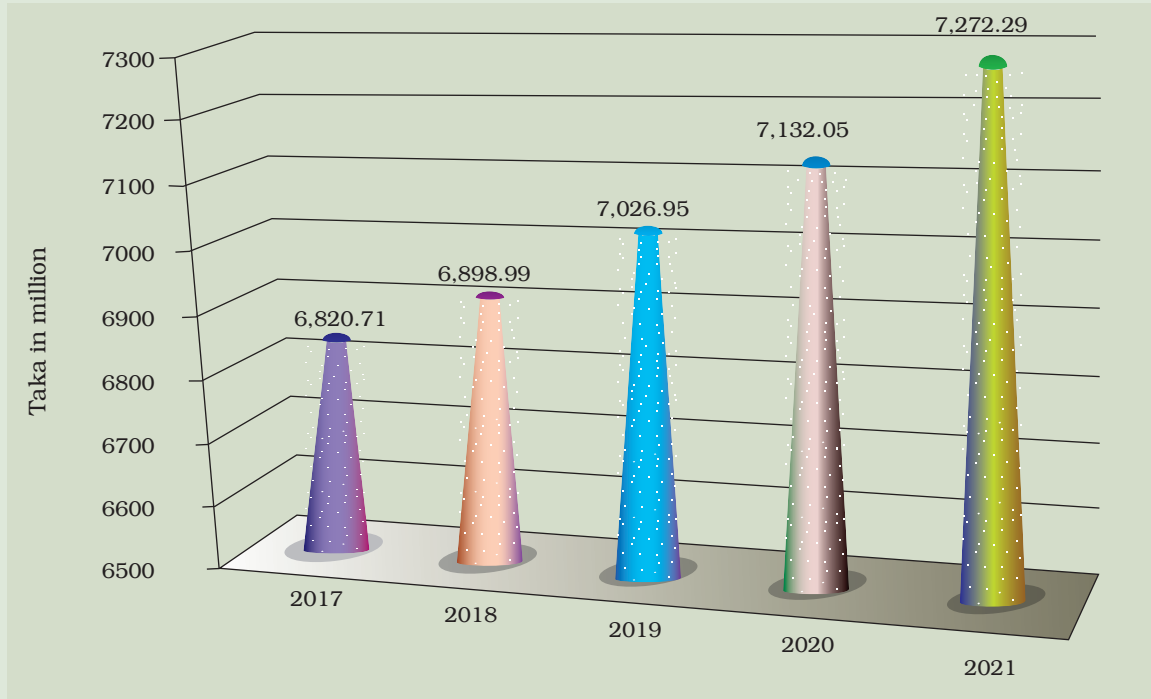


Five Years Performance Data

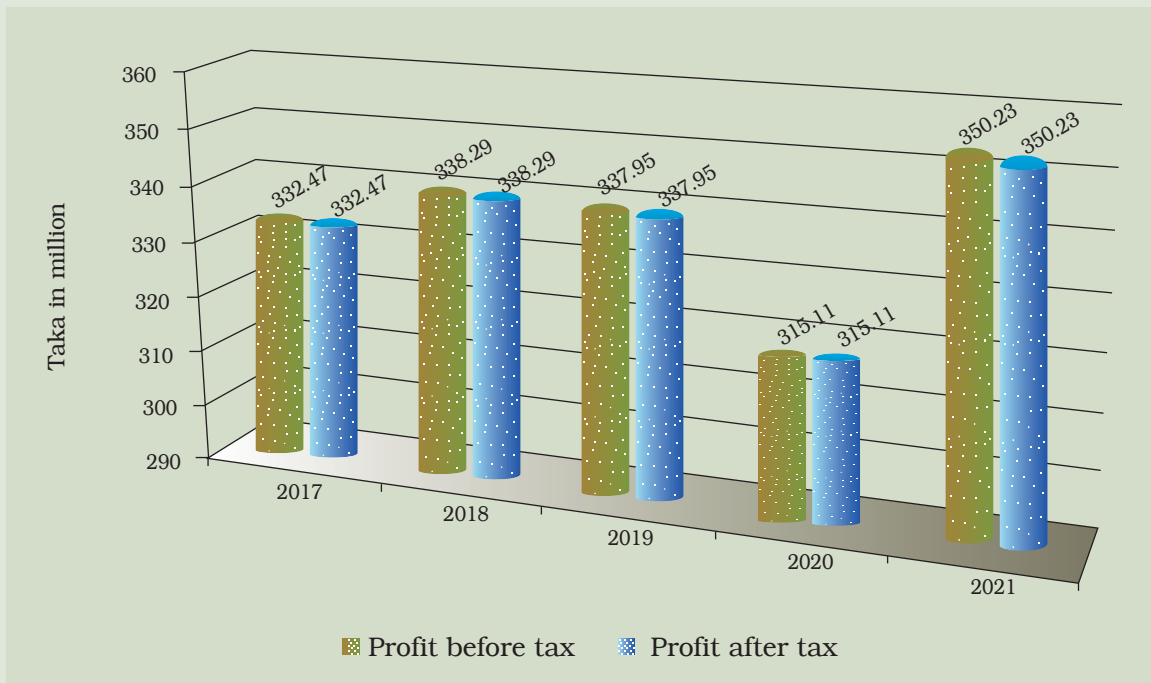
Taka in million

Particulars	2017	2018	2019	2020	2021
Paid up Capital	2,106.08	2,106.08	2,106.08	2,106.08	2,106.08
Shareholders' Equity	6,820.71	6,898.99	7,026.95	7,132.05	7,272.29
Loans and Advances	2,934.86	2,791.38	3,547.70	3,503.04	3,770.80
Investment	1,570.74	1,172.18	918.75	713.36	500.63
Fixed Assets	2,115.91	2,107.48	2,099.26	2,090.75	2,088.16
Total Assets	7,894.88	8,044.25	8,264.50	8,490.98	8,654.80
Interest Income	280.80	290.88	337.88	301.35	368.56
Investment Income	216.47	149.34	100.33	77.74	50.23
Other Income	12.98	6.33	11.10	6.60	6.18
Total operating Income	510.25	446.55	449.31	385.69	424.97
Total operating Expenses	123.88	83.26	91.35	70.58	74.74
Profit before tax	332.47	338.29	337.95	315.11	350.23
Net Profit after tax	332.47	338.29	337.95	315.11	350.23
Core Capital (Tier I)	4,852.11	4,930.40	5,058.35	5,163.46	5,303.69
Supplimentary Capital (Tier II)	1,010.68	1,029.61	1,031.39	1,031.39	1,031.39
Total Capital (Tier I + Tier II)	5,862.79	5,960.01	6,089.74	6,194.85	6,335.08
Total Loans and Advances	2,934.86	2,791.38	3,547.70	3,503.04	3,770.80
Non performing/classified loans (NPLs)	256.88	274.19	326.85	256.88	256.88
Return on Equity (ROE)	4.90%	4.93%	4.85%	4.45%	4.86%
Return on Assets (ROA)	4.24%	4.24%	4.14%	3.76%	4.09%
Cash Dividend	260	210	210	210	150

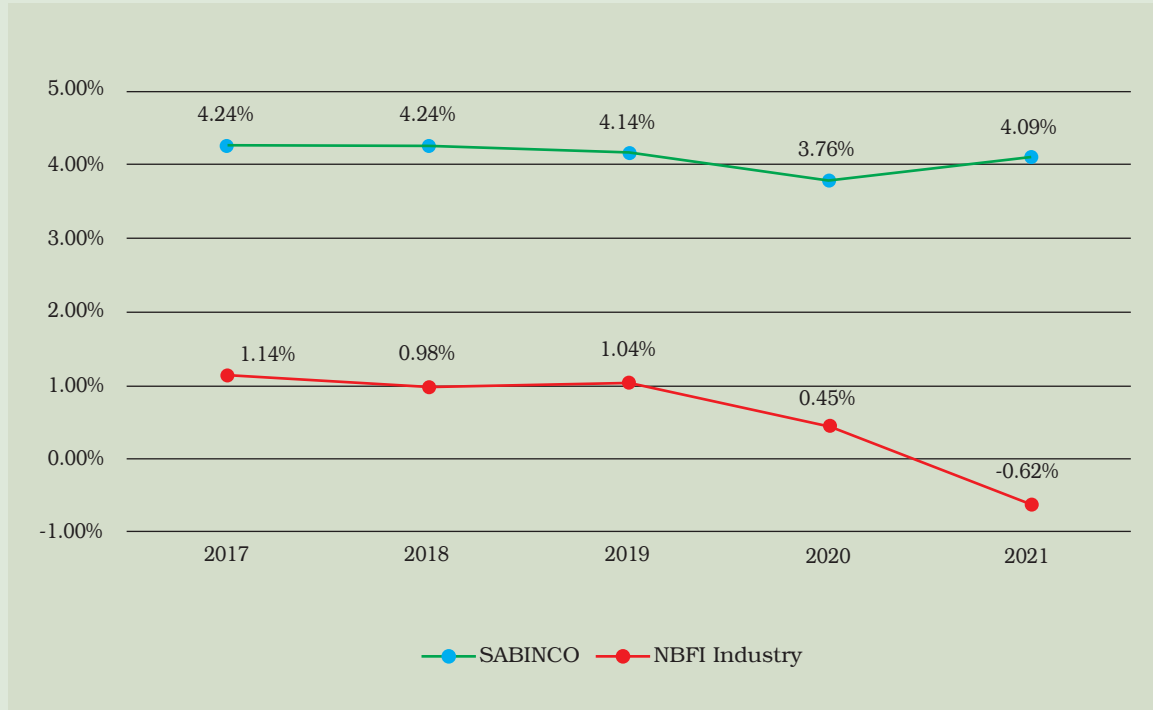
Shareholders' Equity



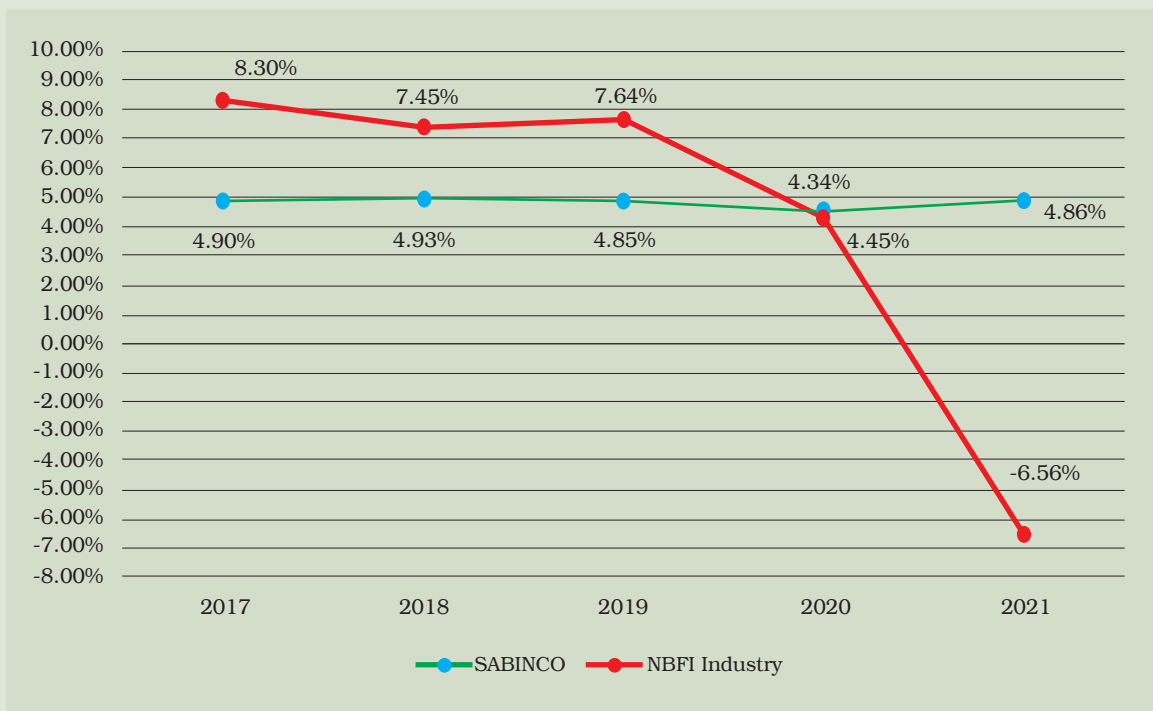
Profits



Return on Assets



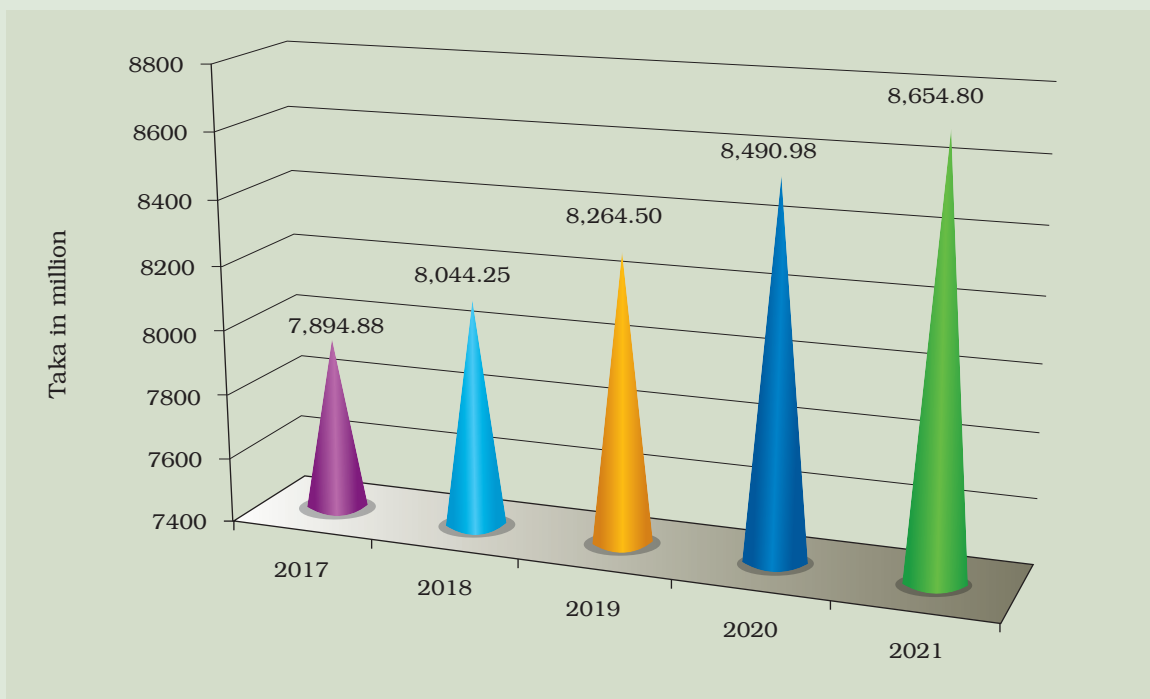
Return on Equity



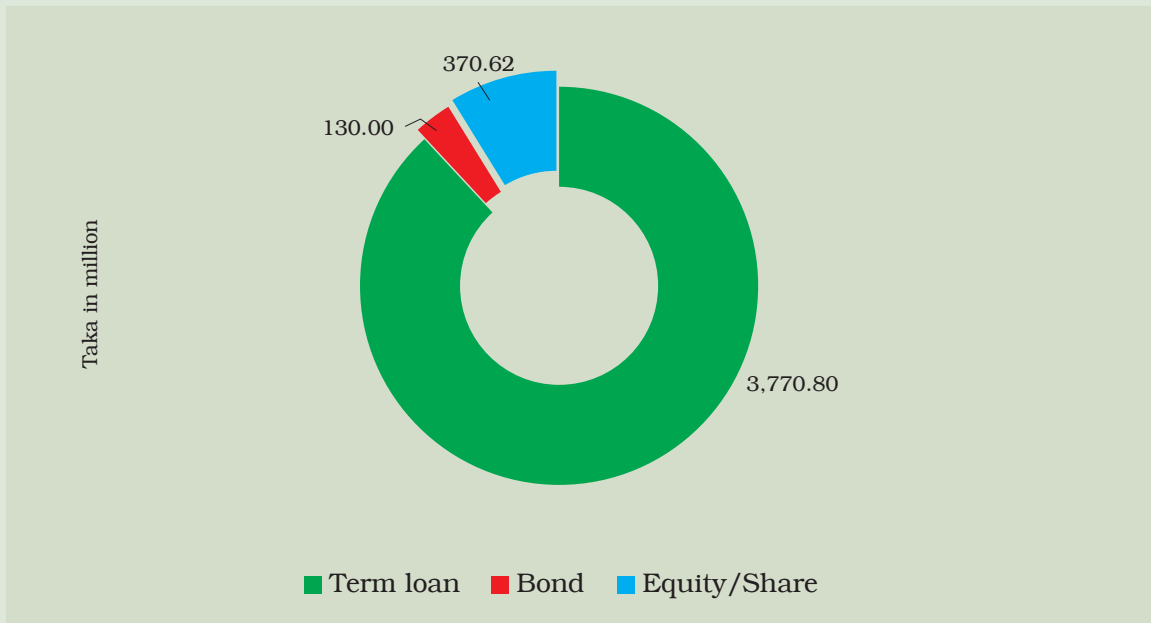
Dividend



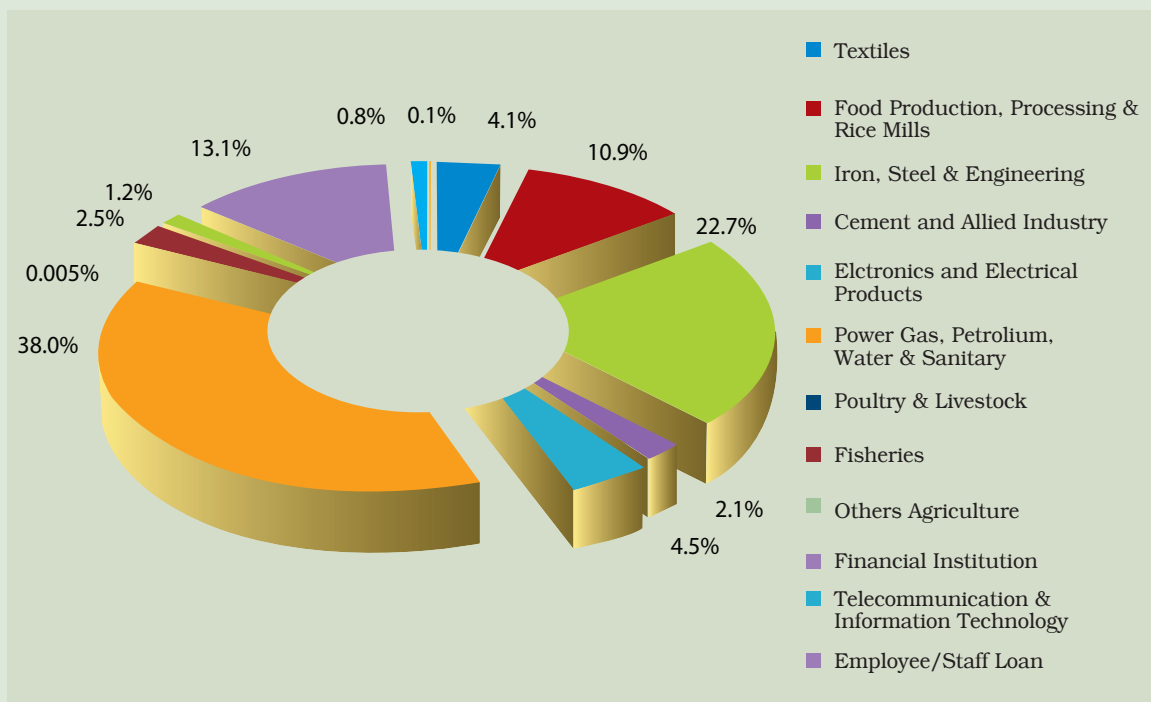
Total Assets



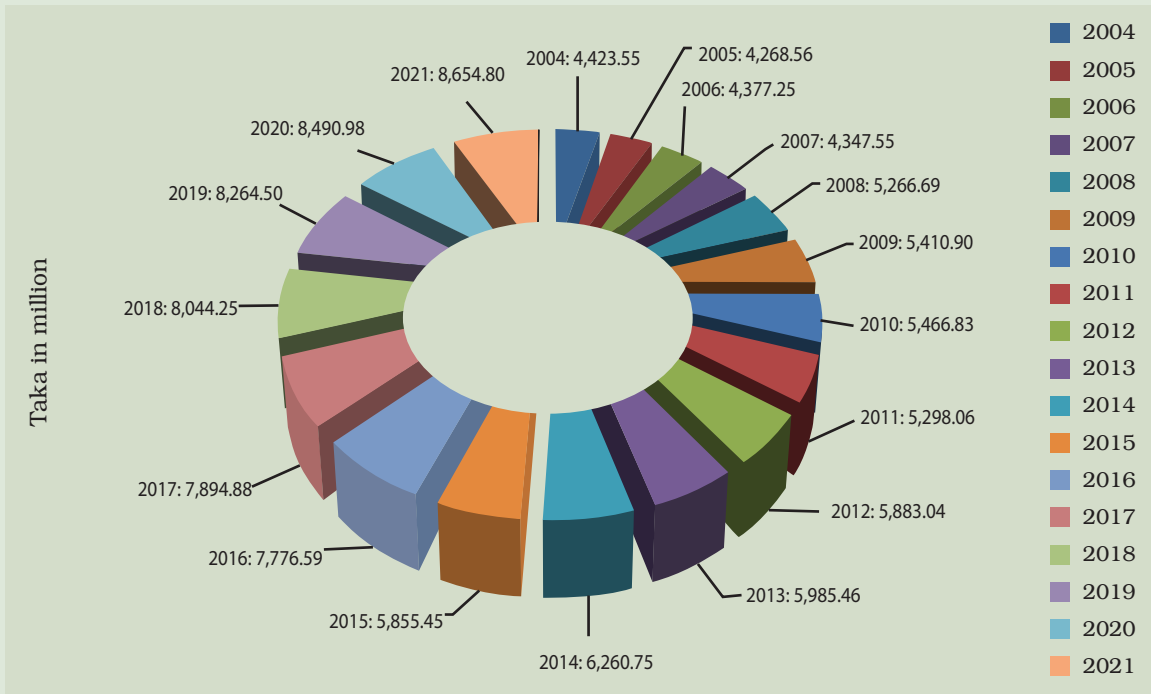
Portfolio Mix



Sector-Wise Exposure [Term Loan %]



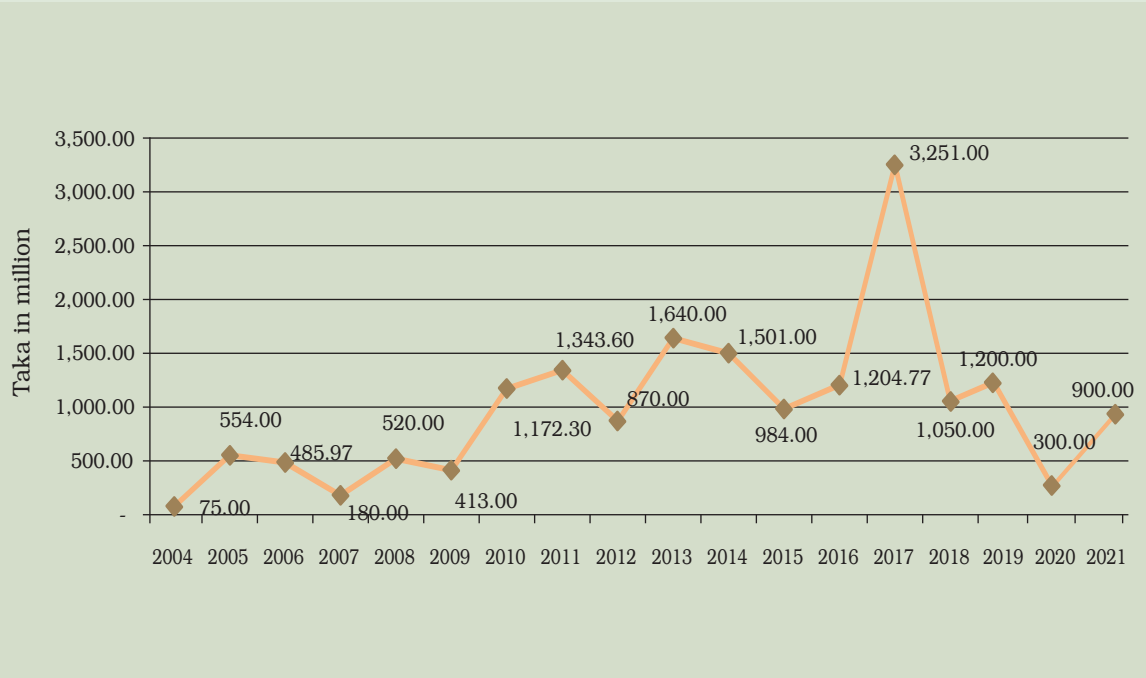
Balance sheet size



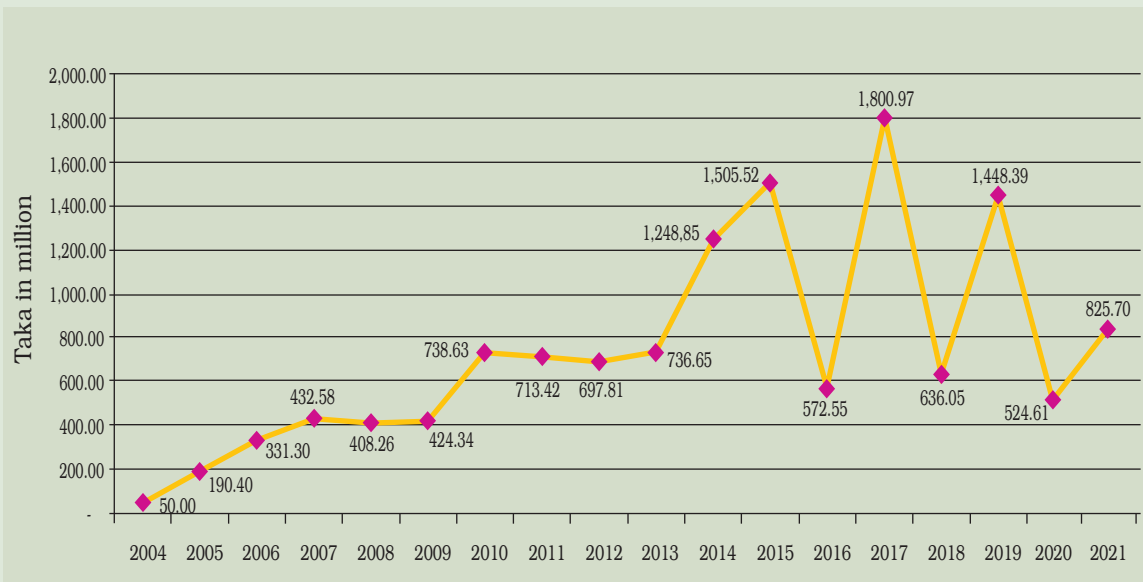
Total Net Active Projects



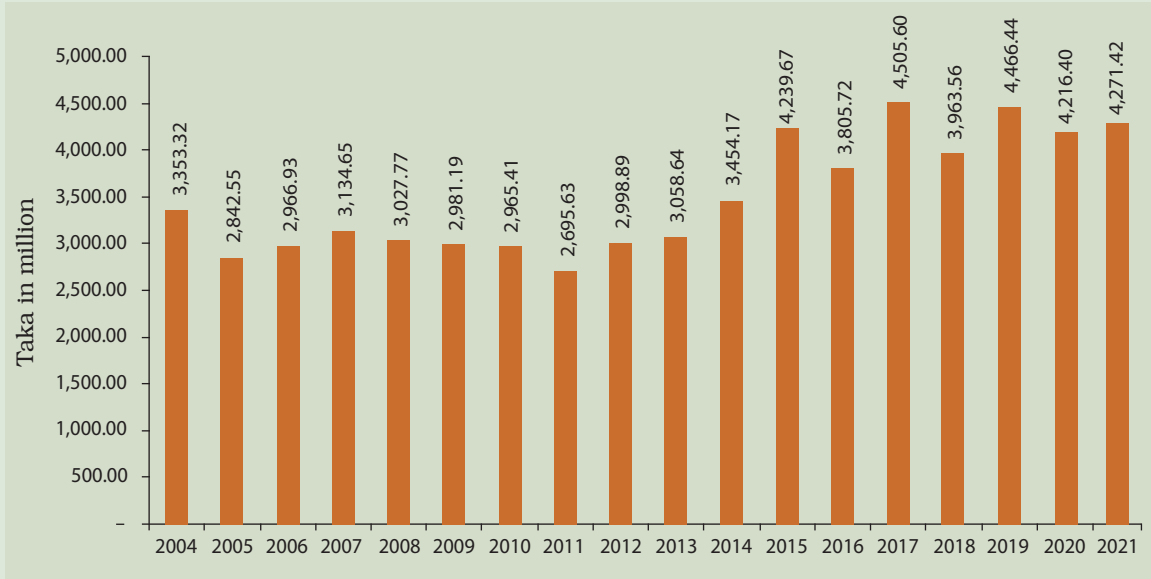
Year-wise Approval



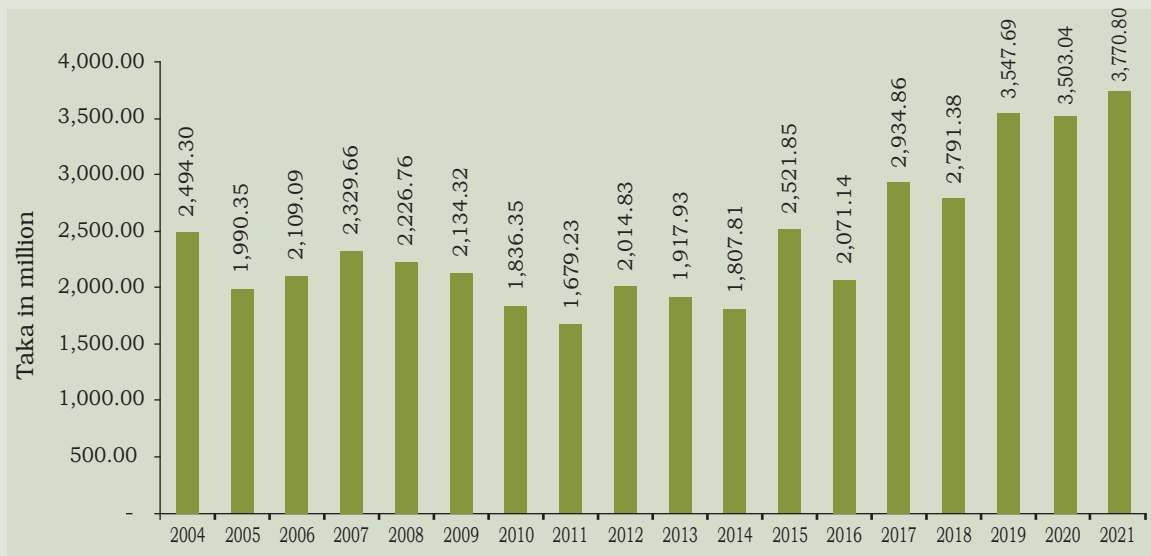
Year-wise Disbursement



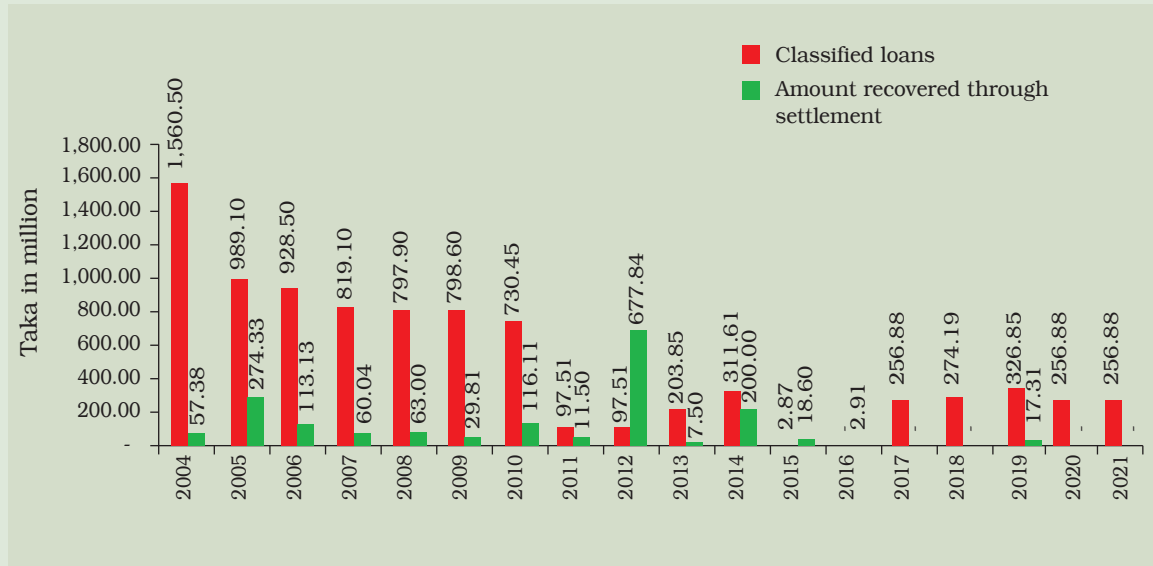
Total Investment



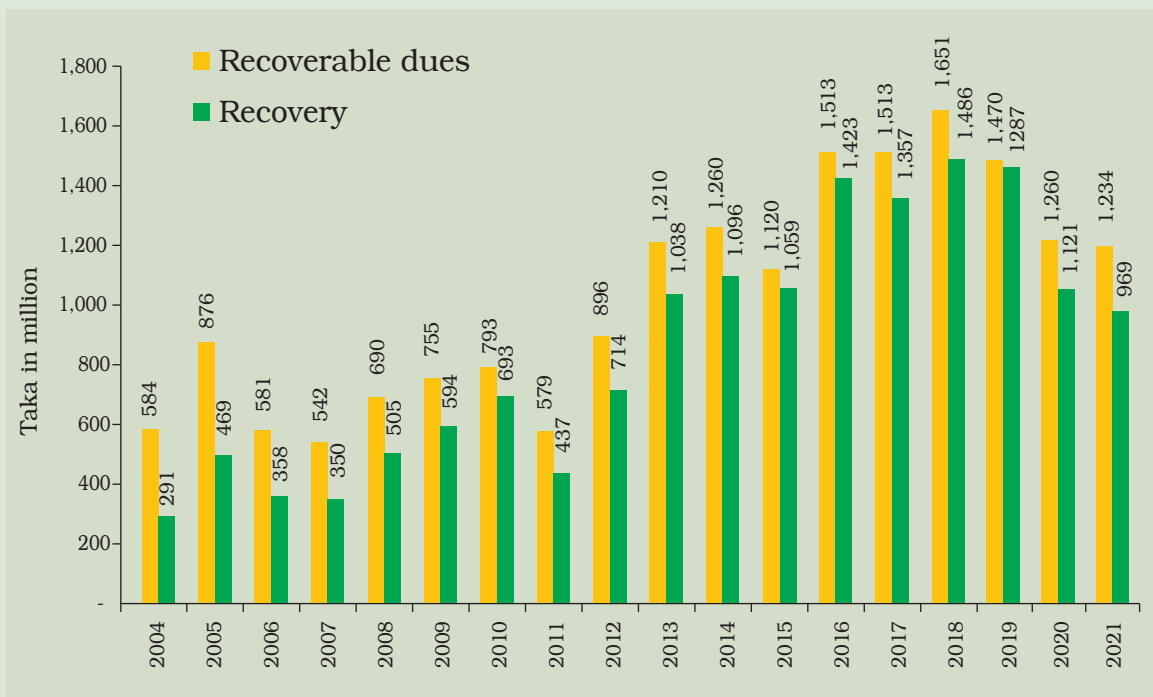
Loan Outstanding



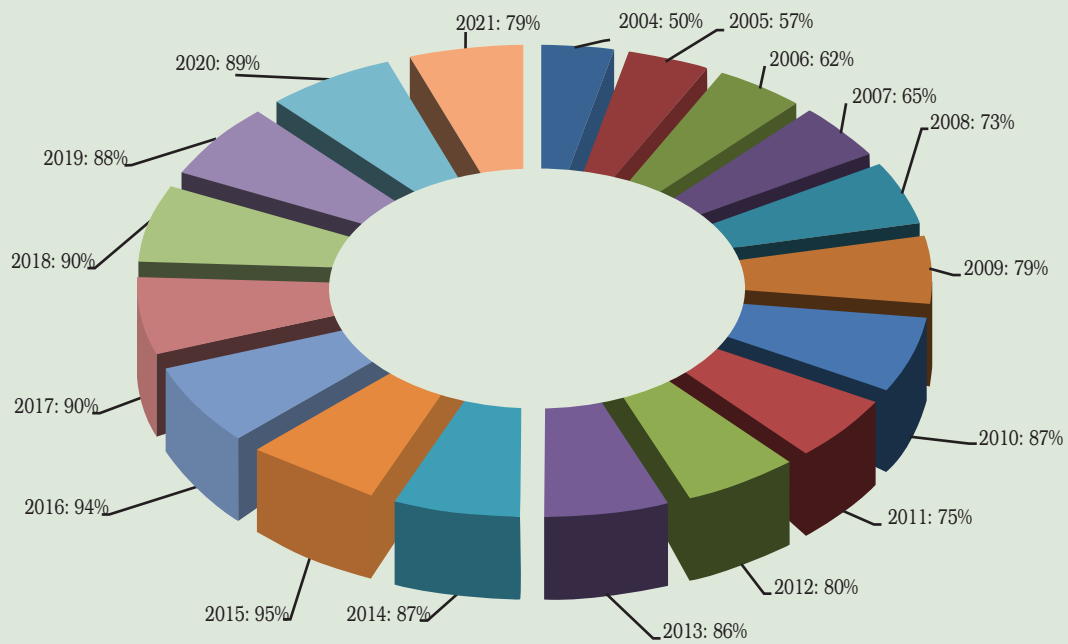
Classified Loans & Recovery



Recoverable dues & Recovery



Recovery as % of target





Few Photographs
Projects Financed
under Syndication



Technaf Solartech Energy Limited Teknaf, Cox's Bazar



View: Solar Power Plant

Chandpur Power Generations Limited Chandpur Sadar, Chandpur



Top View: Power Generation Plant

JMI Industrial Gas Limited Sitakunda, Chattogram



Outside View

JMI Sankur Valve & Bung Limited Gajaria, Munshiganj



Inside View



JMI Cylinders Limited

Sitakunda, Chattogram



Inside View



Inside View

Tangail Palli Power Generation Ltd. Gharinda, Tangail



Outside View: Power Generation Plant



Inside view



Fair Electronics Limited

Shibpur, Narshingdi: Factory inside view



BSRM Wires Limited

Mirsarai, Chattogram



Inside view

Digital Power & Associates Ltd.

Fatullah, Narayangonj



Factory View



Factory View



Sole Financed Project

Gazi Fish Culture Limited
Kailashganj, Sundarbans, Khulna



Grow-out Ponds



Aeration with Aerators

Financial Statements



INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF
SAUDI-BANGLADESH INDUSTRIAL AND
AGRICULTURAL INVESTMENT COMPANY LTD. (SABINCO)

Report on the Financial Statements

Opinion

We have audited the Financial Statements of Saudi- Bangladesh Industrial and Agricultural Investment Company Ltd. which comprise the statement of Balance Sheet as at 31 December 2021 and Profit and Loss account, Cash Flow Statement and Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying Financial Statements present fairly, in all material respects, the Balance Sheet of the Saudi- Bangladesh Industrial and Agricultural Investment Company Ltd. as at 31 December 2021 and of its financial performance for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and comply with the applicable section of Financial Institution Act, 1993, the regulation issued by Bangladesh Bank and Companies Act, 1994 and other applicable laws and regulations.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the Financial Statements in Bangladesh and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Measurement of provision for loans, advances	
<p>The process for estimating the provision for loans, advances and leases portfolio associated with credit risk is significant and complex.</p> <p>For the individual analysis for large exposure, provisions calculation consider the estimates of future business performance and the market value of collateral provided for credit transactions.</p> <p>For the collective analysis of exposure on portfolio basis, provision calculation and reporting are manually processed that deals with voluminous databases, assumptions and estimates.</p> <p>At year end the Company reported total gross loans and advances of BDT 3,770.80 million (2020: BDT 3,503.04 million) and provision for loans, Investments and other assets of BDT 457.56 million (2020: BDT 457.56 million).</p>	<p>We tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> ● Credit appraisal, loan disbursement procedures, monitoring and provisioning process; ● Reviewed quarterly Classification of Loans (CL); <p>Our substantive procedures in relation to the provision for loans and advances portfolio comprised the following:</p> <ul style="list-style-type: none"> ● Reviewed the adequacy of the general and specific provisions in line with related Bangladesh Bank guidelines; ● Assessed the methodologies on which the provision amounts are based, recalculated the provisions and tested the completeness and accuracy of the underlying information; ● Evaluated the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines. ● Finally, compared the amount of provision requirement as determined by Bangladesh Bank inspection team to the actual amount of provision maintained.
See note nos. 6.00 and 10.01 to the financial statements	

Legal and regulatory matters	
<p>We focused on this area because the Company operates in a legal and regulatory environment that is exposed to significant litigation and similar risks arising from disputes and regulatory proceedings. Such matters are subject to many uncertainties and the outcome may be difficult to predict.</p> <p>These uncertainties inherently affect the amount and timing of potential outflows with respect to the provisions which have been established and other contingent liabilities.</p> <p>Overall, the legal provision represents the Company's best estimate for existing legal matters that have a probable and estimable impact on the Company's financial position.</p>	<p>We obtained an understanding, evaluated the design and tested the operational effectiveness of the Company's key controls over the legal provision and contingencies process.</p> <p>We enquired to those charged with governance to obtain their view on the status of all significant litigation and regulatory matters.</p> <p>We assessed the methodologies on which the provision amounts are based, recalculated the provisions, and tested the completeness and accuracy of the underlying information.</p> <p>We also assessed the Company's provisions and contingent liabilities disclosure.</p>

IT systems and controls	
<p>Our audit procedures have a focus on IT systems and controls due to the pervasive nature and complexity of the IT environment, the large volume of transactions processed in numerous locations daily and the reliance on automated and IT dependent manual controls.</p> <p>Our areas of audit focus included user access management, developer access to the production environment and changes to the IT environment. These are key to ensuring IT dependent and application based controls are operating effectively.</p>	<p>We tested the design and operating effectiveness of the Company's IT access controls over the information systems that are critical to financial reporting.</p> <p>We tested IT general controls (logical access, changes management and aspects of IT operational controls). This included testing that requests for access to systems were appropriately reviewed and authorized.</p> <p>We tested the Company's periodic review of access rights and reviewed requests of changes to systems for appropriate approval and authorization.</p> <p>We considered the control environment relating to various interfaces, configuration and other application layer controls identified as key to our audit.</p>

Other Information

Management as well as Directors are responsible for the other information. The other information comprises all of the information in the Annual Report other than the Financial Statements and our auditors' report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Managements is responsible for the preparation and fair presentation of the Financial Statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditors Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- ◆ Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ◆ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- ◆ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ◆ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosure in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- ◆ Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- ◆ Obtain sufficient appropriate audit evidence regarding the financial information of the Company to express an opinion on the Financial Statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

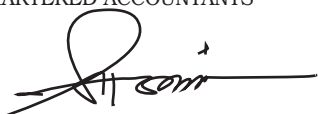
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

- a) The information and explanations required by us have been received and found satisfactory;
- b) We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- c) Nothing has come to our attention regarding material instances of forgery or irregularity or administrative error and exceptions or anything detrimental committed by employees of the Company and its related entities.
- d) In our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books.
- e) The balance sheet and profit and loss account together with the annexed notes of the Company dealt with by the report are in agreement with the books of account.
- f) The expenditure incurred was for the purpose of the company's business.
- g) The Financial Statements of the company have been drawn up in conformity with Financial Institution Act, 1993 and in accordance with the accounting rules and regulations and accounting standards as well as with related guidance issued by Bangladesh Bank.
- h) Adequate provisions have been made for loans and advances which are, in our opinion, doubtful or recovery.
- i) The information and explanation required by us have been received and found satisfactory.
- j) We have reviewed over 80% of the risk weighted assets of the Company and spent 812 hours for the audit of the books and accounts of the company as per law.

Dated: Dhaka
16 March 2022

For, A. WAHAB & CO
CHARTERED ACCOUNTANTS



Md. Showkat Hossain, FCA
Partner
Enrollment No.-196
DVC: 2203160196AS614425


Balance Sheet as at 31 December 2021

Particulars	Notes	Amount in Taka	
		31-Dec-21	31-Dec-20
Property and Assets			
Cash:	3.00	35,770,121	38,359,413
Cash in Hand		37,473	17,344
Balance with Bangladesh Bank (including foreign currencies)		35,732,648	38,342,069
Balances with other Banks and Financial Institutions:	4.00	1,802,091,618	1,705,043,738
In Bangladesh		1,802,091,618	1,705,043,738
Outside Bangladesh		-	-
Money at call and short notice		-	-
Investments:	5.00	500,627,014	713,356,284
Government		2,500	2,500
Others		500,624,514	713,353,784
Loans and Advances:			
Term Loan	6.00	3,770,803,193	3,503,039,660
Fixed Assets (including land, building, furniture & fixture and equipments)	7.00	2,088,159,617	2,090,748,384
Other Assets	8.00	457,349,055	440,434,919
Total Property and Assets		8,654,800,618	8,490,982,398
Liabilities and Capital			
Liabilities:			
Borrowings from other Banks	9.00	-	-
Other Liabilities	10.00	1,382,514,193	1,358,929,741
Total Liabilities		1,382,514,193	1,358,929,741
Capital/Shareholders' Equity:			
Paid up Capital	11.00	2,106,084,305	2,106,084,305
Statutory Reserve	12.00	1,246,044,600	1,175,944,600
General Reserve	13.00	1,629,423,744	1,629,423,744
Revaluation Reserve	14.00	1,968,594,197	1,968,594,197
Retained Surplus	15.00	322,139,579	252,005,811
Total Shareholders' Equity		7,272,286,425	7,132,052,657
Total Liabilities and Shareholders' Equity		8,654,800,618	8,490,982,398
Net Asset Value Per Share (NAVPS)	24.00	363,614	356,603

The accompanying notes from 1.00 to 26.00 form an integral part of the financial statements.


(Ahmed Ehsanul Karim)
Managing Director


(Abdur Rouf Talukder)
Deputy Chairman


(Sultan Abdulrauf)
Chairman

Subject to our separate report of even date.


(A. WAHAB & CO.)

CHARTERED ACCOUNTANTS
Signed By: Md. Showkat Hossain, FCA
Enrollment No.-196

DVC: 2203160196AS614425


Dated: Dhaka
16 March 2022


Profit and Loss Account for the year ended 31 December 2021

Particulars	Notes	Amount in Taka	
		2021	2020
Operating Income			
Interest Income	16.00	368,563,185	301,348,827
Interest paid on deposits & borrowings		-	-
Net Interest Income		368,563,185	301,348,827
Income from Investment	17.00	50,233,683	77,735,254
Fees, Commission & Brokerage	18.00	300,000	531,485
Other Operating Income	19.00	5,878,380	6,071,940
Total Operating Income		424,975,248	385,687,506
Salary and Allowances		43,741,453	44,057,125
Rent, Taxes, Insurance, Electricity, etc.		2,830,626	2,860,179
Legal expenses		685,784	670,698
Postage, Stamp, Telecommunication, etc.		240,788	275,041
Stationery, Printing, Advertisement		345,840	268,939
Managing Director's salary & benefits		1,365,379	-
Directors' Fees and Expenses	20.00	3,448,120	2,941,521
Audit Fee		177,100	177,100
Depreciation and repairs of assets	21.00	9,810,437	8,861,385
Other expenses	22.00	12,095,953	10,469,707
Total Operating Expenses		74,741,480	70,581,695
Profit/(Loss) before provision		350,233,768	315,105,811
Provision for Loans		-	-
Provision for diminution in the value of investments		-	-
Other provisions		-	-
Total Provisions		-	-
Profit/(loss) before tax		350,233,768	315,105,811
Provision for Tax:			
Current Tax		-	-
Deferred Tax		-	-
Net Profit after Taxation		350,233,768	315,105,811
Appropriations:			
Statutory Reserve		70,100,000	63,100,000
General Reserve		-	-
		70,100,000	63,100,000
Retained surplus		280,133,768	252,005,811
Earnings Per Share (EPS)	23.00	17,512	15,755

The accompanying notes from 1.00 to 26.00 form an integral part of the financial statements.

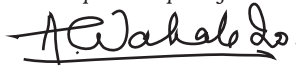

(Ahmed Ehsanul Karim)
Managing Director


(Abdur Rouf Talukder)
Deputy Chairman


(Sultan Abdulrauf)
Chairman

Dated: Dhaka
16 March 2022

Subject to our separate report of even date.



(A. WAHAB & CO.)
CHARTERED ACCOUNTANTS
Signed By: Md. Showkat Hossain, FCA
Enrollment No.-196
DVC: 2203160196AS614425


Cash Flow Statement for the year ended 31 December 2021

Particulars	Notes	Amount in Taka	
		2021	2020
A. Cash flows from operating activities			
Interest receipts		333,532,736	278,066,595
Dividend receipts		4,920,697	8,182,688
Fees and commission receipts		300,000	531,485
Recovery of loan previously written off		-	-
Cash payments to employees		(45,106,832)	(44,057,125)
Cash payments to suppliers		(2,566,427)	(2,067,950)
Income taxes paid		(13,572,456)	(14,279,570)
Receipts from other operating activities		45,623,426	70,056,566
Payments for other operating activities		(15,911,636)	(14,233,120)
Operating profit before changes of operating assets and liabilities (i)		307,219,508	282,199,569
Increase/(decrease) in operating assets and liabilities			
Loans and advances		(212,300,695)	183,851,803
Other assets		4,625,000	(178,037)
Other liabilities		(1,208,090)	1,205,090
Cash utilized in operating assets and liabilities (ii)		(208,883,785)	184,878,856
Net cash flows from operating activities (i+ii)		98,335,723	467,078,425
B. Cash flows from investing activities			
Receipts/(payment) from sale of shares/bonds		212,729,270	205,393,416
Fixed assets		(6,606,405)	(15,500)
Net cash used for investing activities		206,122,865	205,377,916
C. Cash flows from financing activities:			
Repayment of borrowing		-	-
Dividend paid		(210,000,000)	(210,000,000)
Net cash used for financing activities		(210,000,000)	(210,000,000)
D. Net increase/(decrease) in cash & cash equivalent (A+B+C)		94,458,588	462,456,341
E. Effects of exchange rate changes on Foreign Currency		-	-
F. Cash and Cash equivalents at the beginning of the year		1,743,403,151	1,280,946,810
Cash and cash equivalents at the end of the year (D+E+F)		1,837,861,739	1,743,403,151
Cash and cash equivalents at end of the year:			
Cash in hand and balance with Bangladesh Bank		35,770,121	38,359,413
Balance with other banks		1,802,091,618	1,705,043,738
		1,837,861,739	1,743,403,151
Net Operating Cash Flow Per Share (NOCFPS) 25.00		4,917	23,354


The accompanying notes from 1.00 to 26.00 form an integral part of the financial statements.


(Ahmed Ehsanul Karim)
Managing Director


(Abdur Rouf Talukder)
Deputy Chairman


(Sultan Abdulrauf)
Chairman
Subject to our separate report of even date.

Dated: Dhaka
16 March 2022

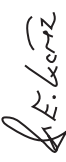

(A. WAHAB & CO.)
CHARTERED ACCOUNTANTS
Signed By: Md. Showkat Hossain, FCA
Enrollment No.-196
DVC: 2203160196AS614425


Statement of Changes in Equity

for the year ended 31 December 2021

Particulars	Amount in Taka					Total
	Paid-up Capital	Statutory Reserve	General Reserve	Revaluation Reserve	Retained Surplus	
Balance at 01 January 2021	2,106,084,305	1,175,944,600	1,629,423,744	1,968,594,197	252,005,811	7,132,052,657
Dividend paid	-	-	-	-	(210,000,000)	(210,000,000)
Net profit after tax	-	-	-	-	350,233,768	350,233,768
Appropriation made during the year	-	70,100,000	-	-	(70,100,000)	-
Balance at 31 December 2021	2,106,084,305	1,246,044,600	1,629,423,744	1,968,594,197	322,139,579	7,272,286,425

The accompanying notes from 1.00 to 26.00 form an integral part of the financial statements.



(Ahmed Ehsanul Karim)
Managing Director


(Abdur Rauf Talukder)
Deputy Chairman


(Sultan Abdurrauf)
Chairman

Subject to our separate report of even date.

Dated: Dhaka
16 March 2022


(A. WAHAB & CO.)
CHARTERED ACCOUNTANTS
Signed By: Md. Showkat Hossain, FCA
Enrollment No.-196
DVC: 2203160196AS614425

Liquidity Statement

(Assets and Liability maturity Analysis) as at 31 December 2021

Particulars	Amount in Taka					Total
	Upto 1 month	1 - 3 month	3 - 12 month	1 - 5 years	More than 5 years	
Assets						
Cash in hand	37,473	-	-	-	-	37,473
Balance with Bangladesh Bank (including foreign currencies)	201,542	-	35,531,106	-	-	35,732,648
Balance with Other Banks	921,641,612	880,450,006	-	-	-	1,802,091,618
Investments	-	47,272,728	37,272,728	416,081,558	-	500,627,014
Loans and Advances	5,525,746	115,823,673	590,719,536	2,185,228,917	873,505,321	3,770,803,193
Fixed Assets (including land, furniture & fixtures and equipments)	246	-	49,199	6,129,124	2,081,981,048	2,088,159,617
Other Assets	8,585,049	6,808,709	20,090,160	421,865,137	-	457,349,055
Total Assets (A)	935,991,668	1,050,355,116	683,662,729	3,029,304,736	2,955,486,369	8,654,800,618
Liabilities						
Borrowings from Other Banks	-	-	-	-	-	-
Other liabilities	2,298,602	509,850	1,745,525	13,658,775	1,364,301,441	1,382,514,193
Total Liabilities (B)	2,298,602	509,850	1,745,525	13,658,775	1,364,301,441	1,382,514,193
Net Liquidity difference (C) = A - B	933,693,066	1,049,845,266	681,917,204	3,015,645,961	1,591,184,928	7,272,286,425

The following assumptions have been applied in preparing the maturity analysis:

- (i) Investments are on the basis of their expected timing of Cash flows.
- (ii) Loans and advances are on the basis of their maturity.
- (iii) Fixed assets including land & land development, furniture and fixtures are on the basis of their useful life.
- (iv) Other assets are on the basis of their adjustment.
- (v) Other liabilities are on the basis of their adjustment.

Notes to the Financial Statements

for the year ended 31 December 2021

1.00 Background of SABINCO:

Saudi Bangladesh Industrial and Agricultural Investment Company Limited (SABINCO) is a joint venture Industrial Finance and Investment Company owned by the Governments of Saudi Arabia and Bangladesh.

The Company was incorporated under the Bangladesh Companies Act 1913 (now 1994) on 24th June 1984 with its headquarter in Dhaka and commenced operation in 1986. In 1995, it was granted a license to operate as a Non Banking Financial Institution (NBFI) by Bangladesh Bank.

The company has a paid up capital of USD 60 million equivalent to Taka 2,106.08 million with following shareholdings:

Government of the Kingdom of Saudi Arabia - 50%

Government of the People's Republic of Bangladesh - 50%

The company has a six-member Board of Directors to which the Government of Saudi Arabia nominates the Chairman and two members, while the Deputy Chairman and two other members are nominated by the Government of Bangladesh.

SABINCO offers both loan and equity based products and it also acts as financial intermediary and advisor. SABINCO has promoted several medium and large scale industrial projects in the manufacturing, agro based and infrastructure sectors some of which were first of its kind in Bangladesh.

SABINCO played a pioneering role in the Bangladesh economy by creating new industrial sub sectors like industrial scale fish farming, fishery and poultry supporting industries, private sector cement factory, export oriented fruit and vegetables processing unit etc.

SABINCO also extends financing in the Telecom & IT, Electronics & Electrical, Textiles, Iron, Steel & Engineering and Power Sector thereby expanding its financing depth and horizon.

1.01 Objective of the Company:

The objective of the company is to make investment in manufacturing, agro-processing, infrastructure and utility service projects/industries in Bangladesh on commercial basis through loans & advances and equity participation. The company has sanctioned 141 (2020:139) projects up to December 2021.

2.00 Summary of significant Accounting Policies and basis of preparation of the financial statements

2.01 Statement of compliance

The Financial Statements have been prepared on the basis of going concern concept and accrual method under historical cost convention in accordance with International Financial Reporting Standards (IFRS), the Financial Institution Act, 1993 the Companies Act, 1994 and other applicable laws and regulations.

In the event any requirement of the Financial Institutions Act, 1993 and provisions and circulars issued by Bangladesh Bank differ with those of IFRS, the requirements of the Financial Institutions Act, 1993, and provisions and circulars issued by Bangladesh Bank shall prevail. Material departures from the requirements of IFRS are as follows:

i) Investment in shares and securities

IFRS: As per requirements of IAS 39 investment in shares and securities generally falls either under "at fair value through profit and loss account" or under "available for sale" where any change in the fair value (as measured in accordance with IFRS 13) at the year-end is taken to profit and loss account or revaluation reserve respectively.

Bangladesh Bank: As per FID circular 08 dated 03 August 2002 investments in quoted shares and unquoted shares are revalued at the year end at market price and as per book value of last audited balance sheet respectively. Provision is required to be made for any loss arising from the diminution in value of the investment; otherwise investments are recognized at cost.

ii) Provision on loans and advances/ investments

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

Bangladesh Bank: As per FID circular No. 8 dated 3 August 2002 and FID circular No. 3 dated 3 May 2006 a general provision at 1% to 5% under different categories of unclassified loans (good/standard loans) has to be maintained regardless of objective evidence of impairment. Also provision for sub-standard loans, doubtful loans and bad losses has to be provided at 20%, 50% and 100% respectively for loans and advances depending on the duration of overdue.

iii) Recognition of interest in suspense

IFRS: Loans and advances to customers are generally classified as 'loans and receivables' as per IAS 39 and interest income is recognized through effective interest rate method over the term of the loan. Once a loan is impaired, interest income is recognized in profit and loss account on the same basis based on revised carrying amount.

Bangladesh Bank: As per FID circular No. 8 dated 3 August 2002, once a loan is classified, interest on such loans are not allowed to be recognized as income, rather the corresponding amount needs to be credited to an interest suspense account, which is presented as liability in the balance sheet.

iv) Other comprehensive income

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

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

v) Financial instruments presentation and disclosure

In several cases Bangladesh Bank guidelines categories, recognize, measure and present financial instruments differently from those prescribed in IAS 39. As such full disclosure and presentation requirements of IFRS 7 and IAS 32 cannot be made in the financial statements.

vi) Cash and cash equivalent

IFRS: Cash and cash equivalent items should be reported as cash item as per IAS 7.

Bangladesh Bank: Some cash and cash equivalent items such as 'money at call and on short notice', T-bills, Prize bond are not shown as cash and cash equivalent. Money at call and on short notice is shown as face item in statement of financial position and T-bills, Prize bonds are shown under Investment.

vii) Non-banking assets

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

Bangladesh Bank:

As per the requirements of DFIM circular No. 11 dated December 23, 2009, there must exist a face item named Non-banking asset.

viii) Cash flow statement

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

Bangladesh Bank: As per DFIM Circular 11 dated 23 December 2009, cash flow is the mixture of direct and indirect methods.

ix) Balance with Bangladesh Bank: (Cash Reserve Requirement)

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

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

2.02 Functional and presentation currency

The financial statements are presented in Bangladesh Taka (BDT), which is the company's functional currency. All values are rounded to the nearest BDT except when otherwise indicated.

2.03 Foreign Currency Translation

(i) Transactions in foreign currencies are translated into Taka at the foreign exchange rates prevailing on the Transaction date.

(ii) Monetary assets and liabilities in foreign currencies are expressed in taka at the rates of exchange prevailing on the Balance Sheet date.

2.04 Comparative information

As guided in paragraph 36 and 38 of IAS 1 Presentation of Financial Statements, Comparative Information in respect of the previous year have been presented in all numerical information in the financial statements and the narrative and descriptive information where, it is relevant for understanding of the current year's financial statements.

2.05 Reporting Date

The reporting period of the financial statements begins from 1st January 2021 to 31st December 2021.

2.06 Cash Flow Statement

Cash Flow Statement is prepared in accordance with IAS-7 (direct method) "Cash Flow Statement " and format provided by the Bangladesh Bank vide DFIM Circular No-11 dated 23 December 2009 as applicable for preparation of Cash Flow Statement.

2.07 Statement of changes in equity

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

2.08 Liquidity statement (Assets & Liability Maturity Analysis)

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

2.09 Assets and basis of their evaluation

2.09.1 Cash and cash equivalents

Cash and cash equivalents include notes and coins in hand, unrestricted balances held with Bangladesh Bank and highly liquid financial assets which are subject to insignificant risk of changes in their fair value and are used by the company management for its short term commitment.

2.09.2 Loans & Advances

- i) Loans and advances are stated at gross amount. Provision and interest suspense against loans and advances are shown separately as liability.
- ii) Interest on loans and advances is calculated and charged on monthly, quarterly, half yearly and in some instances on an annual basis.
- iii) Interest on loan is recognized as income only when it is realized in cash.
- iv) As per Bangladesh Bank directives, interest on loans and advances, which are classified as Bad/loss, is not accounted for. A separate memorandum record is maintained for such interest.
- v) Provisions for loans and advances are made on the basis of Bangladesh Bank FID Circular No.11 of 2005 and FID Circular No.03 of 2006:

General Provision on:	Rate
Unclassified (SME)	0.25%
Unclassified	1%
Special Mention Account (SMA)	5%
Sub Standard	20%
Doubtful	50%
Bad	100%

2.09.3 Investment

- i) Income from dis-investment in shares is accounted for as and when it is received.
- ii) Dividend is recognized as income when it is received/realized.
- iii) Value of Investments has been considered as follows:

Government securities-Prize Bonds	At cost Price
Investment in shares-Quoted	At cost Price
Investment in shares-Unquoted	At cost Price

Provision has been made at an estimate on the value of shares and bonds due to fluctuations of market value in terms of economic conditions that exists in the market. Necessary provisions are being made to cover the losses, if any, as per regulatory guidelines.

2.09.4 Recognition of Fixed Assets:

All property and equipment are classified and grouped according to the nature of individual assets and the major categories of assets are land, building, furniture and fixture, motor vehicles and equipment. Recognition of fixed assets has been made based on probable future economic benefits associated with the assets.

Fixed Assets are shown in the carrying amount as per IAS16 and such Fixed Assets have been stated at cost less accumulated depreciation i.e. at written down value.

Gain or loss on sale of fixed assets is recognized in profit and loss account.

2.09.5 Depreciation of fixed assets:

Depreciation on fixed assets has been charged on straight line method. Depreciation has been charged from the date of acquisition of assets during the accounting year on daily basis.

Depreciation has been calculated at the following rates:

Types of Assets	Rate of Depreciation
Building	5.0%
Furniture and fixture	12.5%
Motor vehicles	25.0%
Office and electrical equipment	20.0%

2.09.6 Intangible assets and amortization of intangible assets:

Intangible assets acquired separately are measured on initial recognition at cost and are carried at cost less accumulated amortization. Amortization is calculated using the straight line method to write down the cost of intangible assets to their residual values over their estimated useful lives based on the management best estimates of 5 year. Subsequent expenditure on software is capitalized only when it increases the future economic benefits in the specifications to which it relates. All other expenditure is treated as expense when incurred.

2.10 Liabilities and basis of their valuation

2.10.1 Employees benefit plans

The company operates a non-funded gratuity scheme and contributory provident fund.

Gratuity fund:

SABINCO operates a non-funded gratuity scheme, provision for which is made annually covering its all eligible employees according to the relevant provision of "Service Rules".

Provident fund:

The company maintains a contributory provident fund recognized by National Board of Revenue. The fund is administered by a Board of Trustee and it is funded equally by the employer and employees @ 10% of their basic salary.

2.10.2 Taxation

Income tax expense represents the sum of the tax currently payable along with the deferred tax. It is be noted that, SABINCO is exempted from the payment of

taxes vide the provision of SRO 103-AIN/2012 dated 19.04.2012, Article 26 (Specific Provisions), with effective date of 01 October, 2011.

In this connection, reference is made to the Articles VII & XI of the bilateral agreement "An agreement for the establishment of the Saudi Bangladesh Industrial and Agricultural Investment Company Limited", wherein the Company was exempted from payment of tax for an initial period of ten years from the date of the first balance sheet of the Company that showed profit, which commenced on 01 January 1985 expired on 31 December 1994.

After the expiry of the tax holiday period the Company continued to pay taxes (for the next twenty two years) up to the assessment year 2017-2018, though the income of the Company was fully exempted once again from taxation as per the provision of SRO 103-AIN/2012 dated 19.04.2012, Article 26 (Specific Provisions), with effective date of 01 October, 2011.

The Company in the meantime has applied to the appropriate tax authority seeking refund of Tk.1,186,780,618 which was inadvertently paid by SABINCO during the assessment year 2013-2014 to 2017-2018. Tax provision (current and deferred) has not been created against income for this year 2021.

Income year	Assessment year	Tax paid
2012	2013-2014	346,859,002
2013	2014-2015	268,511,858
2014	2015-2016	241,577,287
2015	2016-2017	174,611,850
2016	2017-2018	155,220,621
Total		1,186,780,618

Given the above elaboration SABINCO therefore is not required to make any further tax provisions (both current and deferred) and accordingly no tax provision has been created for the year 2021.

2.10.3 Provision and accrued expenses

Provision and accrued expenses are recognized in the financial statements based on obligation in view of past event for which an outflow of economic benefit will be required to settle the obligation and a reliable estimate has been made for the amount of obligation.

2.11 Statutory reserve

In fulfillment of requirement of Financial Institutions Act, 1993, 20% of profit is being transferred to statutory reserve.

2.12 Revenue recognition

The revenues during the year are recognized on an accrual basis (other than interest on loan, interest on bond and dividend), which comply with the conditions of revenue recognition as provided in IFRS 15: Revenue from contracts with customer.

2.13 Compliance report on International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS)

The following Accounting and Reporting Standards are applicable for Saudi Bangladesh Industrial and Agricultural Investment Company Limited (SABINCO) which are followed in preparing the Financial Statements of the Company.

Sl. No.	Name of the IAS	IAS No.	Status
01	Presentation of Financial Statements	01	Applied *
02	Inventories	02	Not Applicable
03	Statement of Cash Flows	07	Applied
04	Accounting Policies, Changes in Accounting estimates and Errors	08	Applied
05	Events after the Reporting Period	10	Applied
06	Construction Contract	11	Not Applicable
07	Income Taxes	12	Applied
08	Property, Plant and Equipment	16	Applied
09	Leases	17	Not Applicable
10	Employee Benefits	19	Applied
11	Accounting for Government Grants and Disclosure of Government Assistance	20	Not Applicable
12	The Effects of Changes in Foreign Exchange Rates	21	Applied
13	Borrowing Costs	23	Not Applicable
14	Related Party Disclosures	24	Applied
15	Accounting and Reporting by Retirement Benefit Plans	26	Applied
16	Separate Financial Statements	27	Not Applicable
17	Investments in Associates and Joint Ventures	28	Not Applicable
18	Financial Instruments: Presentation	32	Applied
19	Earnings per Share	33	Applied
20	Interim Financial Reporting	34	Not Applicable
21	Impairment of Assets	36	Not Applicable
22	Provision, Contingent Liabilities and Contingent Assets	37	Applied
23	Intangible Assets	38	Applied
24	Financial Instruments: Recognition and Measurement	39	Applied
25	Investment Property	40	Not Applicable
26	Agriculture	41	Not Applicable

* As the regulatory requirements differ with the standards, relevant disclosures are made in accordance with Bangladesh Bank's requirements.

Name of the IFRS	IFRS No	Status
First Time adoption of IFRS	1	Not Applicable
Share Based Payment	2	Not Applicable
Business Combinations	3	Not Applicable
Insurance Contracts	4	Not Applicable
Non-current Assets held for sales and discontinued operations	5	Not Applicable
Exploration for and Evaluation of Mineral Resources	6	Not Applicable
Financial Instruments: Disclosures	7	Applied
Operating Segments	8	Not Applicable
Financial Instruments	9	Applied
Consolidated financial statements	10	Not Applicable
Joint Arrangements	11	Not Applicable
Disclosure of interest in other entities	12	Applied
Fair value measurement	13	Applied
Revenue from contracts with customer	15	Applied

	Amount in Taka	
	31-Dec-21	31-Dec-20
3.00 Cash:		
In hand (Local currency)	37,473	17,344
Balance with Bangladesh Bank:		
Local Currency	201,542	109,947
Foreign Currency-		
US\$ 420,088.74	35,531,106	-
US\$ 455,523.91	-	38,232,122
	35,770,121	38,359,413
4 .00 Balance with Other Banks:		
In Bangladesh:		
Local Currency Accounts with-	51,869,886	91,011,746
Standard Chartered Bank- SND Account	244,224	130,916
The City Bank Ltd.- SND Account	51,625,662	90,880,830
Foreign Currency Current Account with-		
Standard Chartered Bank-		
US\$ 3,730.78 equivalent to	315,549	-
US\$ 697.02 equivalent to	-	58,501
Fixed Deposit Accounts(Local currency) with-	1,749,906,183	1,613,973,491
Sonali Bank Ltd.	-	266,442,001
Rupali Bank Ltd.	398,263,631	128,781,593
Janata Bank Ltd.	401,618,020	269,881,662
Agrani Bank Ltd.	277,572,929	276,203,990
Dhaka Bank Ltd.	171,303,486	-
Southeast Bank Ltd.	241,921,669	264,697,320
IDLC Finance Ltd.	259,226,448	261,099,317
Mercantile Bank Ltd.	-	146,867,608
	1,802,091,618	1,705,043,738
5.00 Investments		
Government Securities - Prize Bond	2,500	2,500
Other Investments (Note - 5.01)	500,624,514	713,353,784
	500,627,014	713,356,284
5.01 Other Investments:		
Ordinary shares (listed companies) (5.02)	128,762,160	202,400,520
Ordinary shares (Un-listed companies) (5.03)	153,316,900	153,316,900
Preference shares (5.04)	88,545,454	117,636,364
Bond (5.05)	130,000,000	240,000,000
	500,624,514	713,353,784

	Amount in Taka	
	31-Dec-21	31-Dec-20
5.02 Ordinary shares (listed companies : Note - 5.07)		
Opening Balance	202,400,520	204,400,947
Add: Additions	-	-
	202,400,520	204,400,947
Less: Disposal	73,638,360	2,000,427
Closing Balance	128,762,160	202,400,520
5.03 Ordinary shares (un-listed companies : Note - 5.07)		
Opening Balance	153,316,900	153,316,900
Add: Additions	-	-
	153,316,900	153,316,900
Less: Disposal	-	-
Closing Balance	153,316,900	153,316,900
5.04 Preference share (Note - 5.07)		
Opening Balance	117,636,364	146,727,274
Add: Additions	-	-
	117,636,364	146,727,274
Less: Disposal	29,090,910	29,090,910
Closing Balance	88,545,454	117,636,364
5.05 Bond		
Opening Balance	240,000,000	414,302,078
Add: Additions	-	-
	240,000,000	414,302,078
Less: Disposal	110,000,000	174,302,078
Closing Balance	130,000,000	240,000,000
5.06 Maturity grouping of investments		
On demand	-	36,801,548
Less than 3 months	47,272,728	84,074,276
More than 3 months but less than 1 year	37,272,728	91,853,328
More than 1 year but less than 5 years	416,081,558	500,627,132
Above 5 years	-	-
	500,627,014	713,356,284

5.07 Cost and market value of investments as of 31 December 2021

	No. of shares	Cost price	Market price
Listed		128,762,160	-
Mita Textiles Ltd.	532,820	52,322,829	-
Dynamic Textile Industries Ltd.	891,300	64,715,698	-
National Oxygen Ltd.	8	800	-
Dhaka Fisheries Ltd.	300	30,000	-
Gachihata Aquaculture Farms Ltd.	100,000	10,000,000	-
Meghna Vegetable Oil Industries Ltd.	100	19,557	-
Maq paper Ltd.	4,000	673,276	-
Texpic Industries Ltd.	10,000	1,000,000	-
	No. of shares	Cost price	NAV
Non-listed (A+B)		153,316,900	252,168,709
A. Taken Over Project (TOP)		147,862,500	91,758,191
Saudi Bangla Fish Feed Ltd.	739,400	70,262,500	91,758,191
S&M Shrimp Culture Ltd.	250,000	19,100,000	-
Gazi Fish Culture Ltd.	600,000	58,500,000	-
B. Others		5,454,400	160,410,518
Quality Feeds Ltd.	49,130	4,913,000	160,410,518
Bright Tubes Ltd.	5,414	541,400	-
Preference Shares:			
Total (A+B)		88,545,454	14,545,454
A. Taken Over Project (TOP)		74,000,000	-
Gazi Fish Culture Ltd.	500,000	50,000,000	-
S&M Shrimp Culture Ltd.	240,000	24,000,000	-
B. Others		14,545,454	14,545,454
Raj Lanka Power Company Ltd.	1,454,545	14,545,454	14,545,454

Amount in Taka

31-Dec-21 31-Dec-20

6.00 Loans and Advances

In Bangladesh

Term Loans	3,766,551,567	3,502,628,073
Staff Loans	4,251,626	411,587
	3,770,803,193	3,503,039,660

6.01 Loans and Advances

Opening Balance	3,503,039,660	3,547,695,664
Add: Addition	1,109,106,902	852,447,715
	4,612,146,562	4,400,143,379
Less: Repayments/adjustments	841,343,369	897,103,719
Closing Balance	3,770,803,193	3,503,039,660

	Amount in Taka	
	31-Dec-21	31-Dec-20
6.02 Maturity-wise Grouping		
On demand	5,525,746	7,787,650
Less than 3 months	115,823,673	164,046,729
More than 3 months but less than 1 year	590,719,536	596,783,483
More than 1 year but less than 5 years	2,185,228,917	1,873,321,556
Above 5 years	873,505,321	861,100,242
	3,770,803,193	3,503,039,660
6.03 Significant Concentration-wise Grouping:		
Loans and Advances to Directors and their allied concern	-	-
Advances to Chief-Executive and other Senior Executives	-	-
Advances to Customers (Group-wise):		
Medium enterprise	632,798,079	528,472,881
Large enterprise	3,133,753,488	2,974,155,192
	3,766,551,567	3,502,628,073
Advances to other staff	4,251,626	411,587
	3,770,803,193	3,503,039,660

Disclosure on large loan:

The company did not sanction/ disburse any loan to any individual, or enterprise or any organization exceeding 15% of the total Capital of the company.

6.04 Sector-wise loans and advances-Term Loan

Industry	3,102,346,913	2,942,748,617
Textile	152,766,128	158,015,009
Food Production, processing & Rice Mills	410,094,621	453,570,969
Iron, Steel & Engineering	856,017,451	767,435,589
Cement and allied industry	77,628,944	92,578,740
Electronics and Electrical Products	171,533,342	212,092,353
Power, Gas, Petroleum, Water & Sanitary	1,434,306,427	1,259,055,957
Agriculture	139,568,752	127,899,434
Poultry & Livestock	182,027	277,819
Fisheries	93,317,233	82,380,638
Other institutions & services	46,069,492	45,240,977
Financial Corporation	493,220,979	400,556,183
Financial Institution	493,220,979	400,556,183
Services	31,414,923	31,423,839
Telecommunication & Information Technology	31,406,575	31,406,575
Others	8,348	17,264
Consumer Finance	4,251,626	411,587
Employee/staff loan	4,251,626	411,587
	3,770,803,193	3,503,039,660

	Amount in Taka	
	31-Dec-21	31-Dec-20
6.05 Geographical location -wise grouping		
Dhaka	1,280,133,898	1,328,424,642
Chattogram	1,724,123,667	1,364,505,432
Khulna	397,058,417	448,689,010
Sylhet	64,639,961	79,727,664
Mymensingh	46,069,492	45,240,977
Rajshahi	258,777,758	236,451,935
Barishal	-	-
	3,770,803,193	3,503,039,660
6.06 Grouping as per classification rules :		
Unclassified Loans i.e Standard Loans (including staff loans)	3,513,923,908	3,246,160,375
Special Mention Account	-	-
Classified Loans:		
Sub-Standard	-	-
Doubtful	-	-
Bad/Loss	256,879,285	256,879,285
	3,770,803,193	3,503,039,660
6.07 Particulars of loans and advances		
(a) Debts considered good in respect of which the company is fully secured.	3,513,923,908	3,246,160,375
(b) Debts considered good for which the company holds no other security than the debtor's personal security.	-	-
(c) Debts considered good which is secured by the personal liabilities of one or more parties in addition to the personal security of the debtors.	-	-
(d) Loans classified but provision not maintained against such loan.	-	-
(e) Debts due by directors or officers of the company or any of them either severally or jointly with any other persons.	-	-
(f) Debts due by companies or firms in which the directors or officers of the company are interested as Directors, partners or Managing Agents or in the case of private companies, as members.	-	-

	Amount in Taka	
	31-Dec-21	31-Dec-20
(g) Maximum total amount of advances, including temporary advances made at any time during the year to Directors or Managers or Officers of the company or any of them either severally or jointly with any other persons.		
(h) Due from other banking companies.	-	-
(i) Classified loans for which interest/profit not charged:		
a) Decrease/ increase in provisions Amount realized against loan previously written off.	71,349,161	71,349,161
b) Total amount of provisions created as of the date of preparing the Balance sheet against classified bad/loss loans	111,556,243	111,556,243
c) Interest creditable to interest suspense account	142,605,641	109,914,120
(j) Cumulative amount of the written off loan	720,451,672	720,451,672
Amount written off during the current year	-	-
The amount of written off loan for which law suit filed	536,876,245	536,876,245

7.00 Fixed Assets

Cost	2,200,119,819	2,193,513,414
Land & Land Development	2,000,000,000	2,000,000,000
Building	149,011,648	149,011,648
Motor vehicles	16,669,714	10,063,309
Office & Electrical equipment	27,696,513	27,696,513
Furniture & fixtures	3,377,308	3,377,308
Intangible Assets-Software	3,364,636	3,364,636
Less: Accumulated depreciation	111,960,202	102,765,030
Building	67,041,145	59,590,563
Motor vehicles	10,900,416	10,063,303
Office & Electrical equipment	27,471,821	27,296,191
Furniture & fixtures	3,207,352	3,141,642
Intangible Assets-Software	3,339,468	2,673,331
Written down value at the end of the year	2,088,159,617	2,090,748,384

7.01 Fixed assets

Amount in Taka

Particulars	at Cost				Depreciation				Written Down value at 31-Dec-21	
	Balance as At 01-Jan-21	Addition during the year	Disposal during the year	Balance as At 31-Dec-21	Rate of depreciation	Balance as At 01-Jan-21	Charged for the year	Disposal during the year		Balance as At 31-Dec-21
Land & Land Development	2,000,000,000	-	-	2,000,000,000	0%	-	-	-	-	2,000,000,000
Building	149,011,648	-	-	149,011,648	5%	59,590,563	7,450,582	-	67,041,145	81,970,503
Motor vehicles	10,063,309	6,606,405	-	16,669,714	25%	10,063,303	837,113	-	10,900,416	5,769,298
Office & Electrical equipment	27,696,513	-	-	27,696,513	20%	27,296,191	175,630	-	27,471,821	224,692
Furniture & fixtures	3,377,308	-	-	3,377,308	12.50%	3,141,642	65,710	-	3,207,352	169,956
Intangible Assets-Software	3,364,636	-	-	3,364,636	20%	2,673,331	666,137	-	3,339,468	25,168
as on 31-Dec-21	2,193,513,414	6,606,405	-	2,200,119,819		102,765,030	9,195,172	-	111,960,202	2,088,159,617
as on 31-Dec-20	2,194,761,429	15,500	1,263,515	2,193,513,414		95,504,000	8,524,545	1,263,515	102,765,030	2,090,748,384

	Amount in Taka	
	31-Dec-21	31-Dec-20
8.00 Other Assets		
Advance income tax	414,713,233	401,140,777
Deposits	220,100	220,100
Other Receivables	19,976,760	13,605,506
Accrued interest	15,393,758	12,995,018
Prepaid Expenses	113,400	113,400
Deferred tax (Note-8.01)	6,931,804	6,931,804
Capital Work in Progress	-	5,428,314
	457,349,055	440,434,919
8.01 Deferred Tax:		
In fulfillment of the requirement of International Accounting Standard (IAS) 12, deferred tax has been recognized by the company based on taxable temporary difference in the carrying amounts of the assets and its tax base up to 31.12.2016.		
9.00 Borrowings from other banks		
a) (i) Borrowings inside Bangladesh	-	-
(ii) Borrowings outside Bangladesh	-	-
	-	-
b) (i) Borrowings with security	-	-
(ii) Borrowings without security	-	-
c) (i) Borrowings payable on demand	-	-
(ii) Borrowings others	-	-
10.00 Other Liabilities		
Provision for loans and investment in shares (Note - 10.01)	457,562,509	457,562,509
Interest suspense account (Note - 10.02)	479,177,017	456,345,888
Provision for tax (Note - 10.03)	396,165,264	396,165,264
Liabilities for expenses (Note - 10.04)	35,950,628	33,989,215
Other creditors	4,125,000	5,333,090
Deferred tax liabilities	9,533,775	9,533,775
	1,382,514,193	1,358,929,741
10.01 Provisions for loans, investment in shares and other assets:		
i) Provision for loans:		
a) for classified loans		
Opening Balance	111,556,243	111,556,243
Add: Addition during the year	-	-
	111,556,243	111,556,243
Less: Adjustment made during the year	400,000	-
Closing Balance	111,156,243	111,556,243
b) for unclassified loans		
Opening Balance	47,092,855	47,092,855
Add: Addition during the year	400,000	-
	47,492,855	47,092,855
Less: Adjustment made during the year	-	-
Closing Balance	47,492,855	47,092,855
Total provision for loans (a+b)	158,649,098	158,649,098

	Amount in Taka	
	31-Dec-21	31-Dec-20
ii) Provision for investment in shares:		
Opening Balance	291,593,411	297,332,591
Add: Addition during the year	-	-
	291,593,411	297,332,591
Less: Adjustment made during the year	6,283,558	5,739,180
Closing Balance	285,309,853	291,593,411
iii) Provision for doubtful assets:		
Opening Balance	7,320,000	1,580,820
Add: Addition during the year	6,283,558	5,739,180
	13,603,558	7,320,000
Less: Adjustment made during the year	-	-
Closing Balance	13,603,558	7,320,000
Total provisions	457,562,509	457,562,509
Required Provision :		
Provision for loans	156,365,874	141,859,968
Provision for investment in shares	280,903,676	268,916,446
Provision for doubtful assets	13,603,558	7,318,592
Total	450,873,108	418,095,006

10.02 Interest suspense account

	IDCP	Overdue interest		
Opening Balance	320,014,180	136,331,708	456,345,888	337,872,852
Addition during the year	19,067,621	260,217,271	279,284,892	327,815,231
Total	339,081,801	396,548,979	735,630,780	665,688,083
Repayment/adjustment during the year	29,325,183	227,128,580	256,453,763	209,342,195
Closing Balance	309,756,618	169,420,399	479,177,017	456,345,888

10.03 Provision for tax

Opening Balance	396,165,264	396,165,264
Add: Provision for the year	-	-
	396,165,264	396,165,264
Less: Adjustment for previous years tax	-	-
Closing Balance	396,165,264	396,165,264

The above provision is for the year up to 31.12.2016.

10.04 Liability for Expenses

Liabilities for general & administrative expenses	2,942,105	2,634,579
Provision for gratuity	33,008,523	31,354,636
	35,950,628	33,989,215

11.00 Share Capital	US\$	US\$
Authorized: 20,000 ordinary shares of US\$ 3,000 each	60,000,000	60,000,000
Issued, subscribed and paid up: 20,000 ordinary shares of US\$ 3,000 each	60,000,000	60,000,000
These are subscribed by the following shareholders:		
Name of the shareholders	US\$	Equivalent to Taka
Government of Kingdom of Saudi Arabia	30,000,000	1,078,928,400
Government of Bangladesh	30,000,000	1,027,155,905
	60,000,000	2,106,084,305
	Amount in Taka	
	31-Dec-21	31-Dec-20
11.01 Capital adequacy Ratio:		
Capital adequacy ratio has been calculated as per DFIM circular no 14 of 28 December 2011 issued by Bangladesh Bank.		
Tier-1 (Core Capital)	5,303,692,228	5,163,458,460
Paid-up Capital	2,106,084,305	2,106,084,305
Statutory Reserve	1,246,044,600	1,175,944,600
General Reserve	1,629,423,744	1,629,423,744
Retained Surplus	322,139,579	252,005,811
Tier-2 (Supplementary Capital):	1,031,789,953	1,031,389,953
General provision maintained against unclassified loans	47,492,855	47,092,855
Revaluation Reserve	984,297,098	984,297,098
A) Total Capital (Tier 1 + Tier 2)	6,335,482,181	6,194,848,413
B) Total Risk Weighted Assets	6,536,150,546	6,446,199,757
C) Required capital (10% on Total RWA or MCR, whichever is higher)	1,000,000,000	1,000,000,000
D) Surplus (A-C)	5,335,482,181	5,194,848,413
E) Capital Adequacy Ratio	96.93%	96.10%
F) Core Capital to RWA	81.14%	80.10%
G) Supplementary Capital to RWA	15.79%	16.00%
12.00 Statutory Reserve		
Opening Balance	1,175,944,600	1,112,844,600
Addition during the year	70,100,000	63,100,000
Closing Balance	1,246,044,600	1,175,944,600
13.00 General Reserve		
Opening Balance	1,629,423,744	1,629,423,744
Addition during the year	-	-
Closing Balance	1,629,423,744	1,629,423,744

	Amount in Taka	
	31-Dec-21	31-Dec-20
14.00 Revaluation Reserve		
Opening Balance	1,968,594,197	1,968,594,197
Addition during the year	-	-
Closing Balance	1,968,594,197	1,968,594,197

In terms of International Accounting Standard (IAS) 16: Property, Plant and Equipment, the company had revalued its 1.5 acres of land located at 79, Nikunja-2, Dhaka-1229 in 2016 by Jorip O Paridarshan Company Ltd., an independent professionally qualified valuation firm. The surplus on revaluation of land has been credited to Revaluation Reserve.

15.00 Retained Surplus		
Balance at the beginning of the year	252,005,811	210,000,000
Cash Dividend for last year	(210,000,000)	(210,000,000)
Net Profit after taxation	350,233,768	315,105,811
Profit available for distribution	392,239,579	315,105,811
Appropriation :		
Statutory Reserve	(70,100,000)	(63,100,000)
General Reserve	-	-
Balance at the end of the year	322,139,579	252,005,811

Worker's Profit Participation Fund (WPPF)

In respect of Worker's Profit Participation Fund, Ministry of Finance and Bangladesh Bank have reviewed the law and proposed to the Ministry of Labor to exclude Banks and Non-Banking Financial Institutions from the requirement of the law regarding the provision of Worker's Profit Participation Fund and accordingly Ministry of Finance issued a letter on 14 February 2017 to the Ministry of Labor to waive Banks and Non-Banking Financial Institutions from the purview of the requirements of the Bangladesh Labor Act, 2006 as amended in 2013.

However, SABINCO maintain adequate general reserve and retained earnings required for Worker's Profit Participation Fund from the year 2014 to 2021.

	Amount in Taka	
	2021	2020
16.00 Interest income		
Interest on loans and advances	256,453,763	209,342,195
Interest on employees advances	67,284	26,248
Interest on deposits with other banks	112,042,138	91,980,384
	368,563,185	301,348,827

17.00 Income from Investment		
Dividend on investment in shares	4,920,697	8,182,688
Profit/(Loss) on sale of investment in shares	27,897,709	20,418,712
Interest on bond	17,415,277	49,133,854
	50,233,683	77,735,254

	Amount in Taka	
	2021	2020
18.00 Fees, Commission & Brokerage		
Project examination, syndication and management fees	300,000	531,485
Documentation fees and others	-	-
	300,000	531,485
19.00 Other Operating Income		
Income from Office Rent	5,567,940	5,567,940
Exchange gain/(loss)	291,529	1,200
Miscellaneous income	18,911	502,800
	5,878,380	6,071,940
20.00 Directors' fees and Expenses		
Directors' fees	401,432	448,800
Annual remuneration	1,266,450	1,258,950
Travelling	1,780,238	1,233,771
	3,448,120	2,941,521
21.00 Depreciation and repairs of assets		
Depreciation (Note-7.01)	9,195,172	8,524,545
Repairs of Assets	615,265	336,840
	9,810,437	8,861,385
22.00 Other Expenses		
Liveries	110,164	119,335
Repair and maintenance	1,057,535	970,450
Fuel, oil and lubricants	586,455	599,226
Travelling and conveyance	157,042	210,434
Consultancy fees	474,177	856,389
Donation and subscription	244,790	189,790
Periodicals, news papers and books	40,120	40,500
Entertainment expenses	289,526	229,335
Meeting expenses	287,071	262,381
Bank charges	1,515,222	1,299,843
Employees welfare and recreation	454,748	236,653
Business development expenses	270,046	270,685
Training expenses	4,671	16,735
Gratuity	4,799,328	3,589,897
CDBL Charges	305,058	68,187
Crockeries	-	9,867
CSR Contribution	1,500,000	1,500,000
	12,095,953	10,469,707

	Amount in Taka	
	31-Dec-21	31-Dec-20
23.00 Earnings per share		
Earnings Per Share (EPS) as shown in the face of Profit and Loss Account is calculated in accordance with International Accounting Standards (IAS) No. 33 "Earnings Per Share".		
Basic earnings per share has been calculated as follows:		
Earnings attributable to ordinary shareholders (Net Profit after Tax)	350,233,768	315,105,811
Number of ordinary shares outstanding during the year	20,000	20,000
Basic earnings per share (in Taka)	17,512	15,755

No diluted earnings per share is required to be calculated for the period, as there was no convertible securities for dilution during the period.

24.00 Net Asset Value Per Share (NAVPS)		
Paid up Capital	2,106,084,305	2,106,084,305
Statutory Reserve	1,246,044,600	1,175,944,600
General Reserve	1,629,423,744	1,629,423,744
Revaluation Reserve	1,968,594,197	1,968,594,197
Retained Surplus	322,139,579	252,005,811
Net Asset Value (NAV)	7,272,286,425	7,132,052,657
Number of ordinary shares outstanding during the year	20,000	20,000
Net Asset Value Per Share (NAVPS)	363,614	356,603
25.00 Net Operating Cash Flow Per Share (NOCFPS)		
Net Cash Flow from Operating Activities	98,335,723	467,078,425
Number of ordinary shares outstanding during the year	20,000	20,000
Net Operating Cash Flow per share	4,917	23,354

26.00 General

26.01 Payment in terms of foreign currency

During 2021, the company incurred an expenditure of US\$ 0.024 million in terms of foreign currency for making payments as TA/DA and subscriptions etc.

26.02 Remuneration paid to the Directors

During 2021, the company remitted US\$ 7,500 to Ministry of Finance, KSA as annual remuneration of Saudi Directors while US \$7,500 equivalent in Taka currency was paid to the local Directors.

26.03 Payment of Directors for attending Board Meeting

During the year under review Taka 401,432 was paid to the Directors as fee for attending the Board of Directors meeting, Executive Committee meeting and Audit Committee meeting.

26.04 Date of authorization for issue

The financial statements were authorized for issue by the Board of Directors in its meeting held on 19 February 2022.

26.05 Subsequent events

The Board of Directors recommended Taka 150 million cash dividend for the year 2021. The dividend proposal is subject to shareholders' approval at the forthcoming annual general meeting. Except for the fact stated above, no material events have occurred between the Balance Sheet date and the date when the Financial Statements were authorized for issue by the Board of Directors of the Company which would require adjustment to, or disclosure in, the financial statements or notes thereto.


26.06 Employees information

A total number of 42 (2020:45) employees were employed in SABINCO as on 31 December 2021. All the employees received salary more than Tk. 36,000 p.a. during the year 2021.

26.07 Till December 2021, the company has an undisbursed commitment of TK. 1,111.96 million.

26.08 SABINCO had provided term loan to the borrowers in accordance with the terms of the loan agreement and due to the failure of some of the sponsors to repay the loan liabilities; SABINCO was forced to take the responsibility of managing three projects, which is permitted by the memorandum of association of the company. Other than these three projects there are no other related parties, which are required to be reported.

26.09 Highlights on the overall activities of the company have been detailed in annexure.



(Ahmed Ehsanul Karim)
Managing Director



(Abdur Rouf Talukder)
Deputy Chairman



(Sultan Abdulrauf)
Chairman

Notes
