

# AlphaRating

## ***GLOBAL ISLAMI BANK LIMITED***

*(Saiham Tower, House No: 34, Road No: 136, Gulshan Model Town, Block: S E, Dhaka-1212)*

***2022***

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12 June, 2022

**Managing Director**  
**Global Islami Bank Limited**  
**Saiham Tower, House No: 34, Road No: 136,**  
**Gulshan Model Town, Block: S E, Dhaka-1212.**

**Subject: Credit Rating of Global Islami Bank Limited**

Dear Sir,

We are pleased to inform you that Alpha Credit Rating Limited (AlphaRating) has assigned the following rating to **Global Islami Bank Limited**.

Date of Declaration	Valid Till	Rating Action	Long Term Rating	Short Term Rating	Outlook
12 June, 2022	11 June, 2023	Surveillance	A+	ST-2	Stable

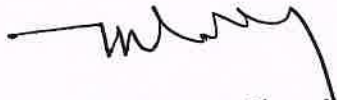
The rating may be changed or revised prior to expiry, if warranted by extraordinary circumstances in the management, operations and/or performance of the entity rated.

We, Alpha Credit Rating Limited, while assigning this rating to **Global Islami Bank Limited**, hereby solemnly declare that:

- (i) We, Alpha Credit Rating Limited as well as the analysts of the rating have examined, prepared, finalized and issued this report without compromising with the matters of our conflict of interest, if there be any; and
- (ii) We have complied with all the requirements, policy and procedures of these rules as prescribed by the Bangladesh Securities and Exchange Commission in respect of this rating.

We hope the rating will serve the intended purpose of your organization.

With kind regards,



**Mainul Islam Chowdhury FCCA**  
Chief Operating Officer

**This letter is integral part of the credit rating report**

Business Risk Moderate	Solvency Score Moderate	Asset Quality Moderate	Profitability Good	Management Quality Satisfactory	Capital Adequacy Not Adequate
Economic Moat Narrow	Industry Group Financial Institution				

## Rationale

### Previous Rating

Long Term Rating: A+  
Short Term Rating: ST-2  
Outlook: Stable  
Date of Declaration: 17 June, 2021  
Valid Till: 16 June, 2022

### Contact Analysts

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**Date of Incorporation:**  
21 July, 2013

**Chairman:**  
Mr. Nizam Chowdhury

**Managing Director:**  
Mr. Syed Habib Hasnat

**Authorized Capital:**  
BDT 12,000.00 million

**Paid Up Capital:**  
BDT 5,154.19 million  
(As on 31 December, 2021)

**Total Asset:**  
BDT 132,810.30 million  
(As on 31 December, 2021)

**Total Liabilities:**  
BDT 125,049.55 million  
(As on 31 December, 2021)

**Total Shareholder Equity:**  
BDT 7,760.76 million  
(As on 31 December, 2021)

AlphaRating affirms the long-term rating of "A+" (pronounced as single A Plus) and short-term rating of ST-2 in favor of Global Islami Bank Limited (herein after referred to as "GIBL" or "the bank"). The rating has been assigned by considering the last four years performance of the Bank.

While assigning the rating AlphaRating considered both favorable and unfavorable movement in overall performance of the bank. The rating reflects the stability of financial performance along with quite satisfactory liquidity position, increasing deposits from customers, growing asset base, quality of management team and efficient fund management of the bank. AlphaRating observed that GIBL's contribution to develop the HR division are strengthening over the years. In addition, good Corporate Governance practice in last few years and sound environmental risk management policy and low unsystematic risk have supported the above rating positively.

The rating has considered improvement in assets base, enriched investment portfolio, sufficient provision, ADR ratio within regulatory requirement, improved profitability, higher ROA & ROE than industry average, lower rescheduled investment and good liquidity management capability. GIBL has performed well in the last four financial years.

### Asset Quality & Operating Summary (BDT in Millions)

	2021	2020	2019	2018
Total Assets	132,810.30	120,902.12	106,405.31	92,171.97
Gross Investment	107,086.97	92,909.17	82,365.60	71,556.39
Investment Growth (%)	12.56	12.80	15.11	20.61
Pre-Tax Profit (BDT Million)	2,426.03	1,803.98	875.43	979.50
Net Investment Income	5,016.10	2,959.26	2,618.76	2,461.00
Non-Investment Income	403.09	1,131.42	595.69	446.84
Cost Income ratio (%)	50.49	53.53	60.04	62.84
Profit Spread (%)	2.08	1.56	4.48	5.83
Investment /Customer deposits (%)	90.90	87.03	85.16	86.33
Gross NPI ratio (%)	2.23	2.03	1.77	2.02
Net NPI Ratio (%)	0.07	0.02	(0.15)	0.44
ROA (%)	1.04	0.91	0.37	0.62
ROE (%)	18.25	16.62	6.67	10.28
CRAR (%)	10.66	10.65	10.27	11.89
Cost of Fund (%)	8.72	10.95	12.51	11.91

Data obtained from audited financial statements of 2018-2021.

However, higher non-performing investment, notable large investment exposure and inability to meet capital conversion buffer has deterred AlphaRating from assigning higher ratings. Nevertheless, GIBL still has scope to improve its performance in future years.

  
Moinul Islam Chowdhury FCCA  
Chief Operating Officer  
Alpha Credit Rating Limited