

Depository Products

Sa'adat Remunerative accounts (Saadat Saving, Term Deposit, Daily Product and Business A/c) are opened on the basis of Islamic principle of Mudaraba, whereby the depositors the Rabul Mal and the Bank is the Mudarib. The profit is shared as the basis of pre-determined weightages.

Sa'adat Non-Remunerative accounts (Sa'adat Current and Basic Banking Account) are maintained on the basis of 'Qard'.

Financing Products (For Corporate, SME and Commercial):

Murabaha

Murabaha means a sale of goods by a person to another under an arrangement whereby the seller is obliged to disclose to the buyer the cost of goods sold either on cash basis or deferred payment basis and a margin of profit included in the sale price of goods agreed to be sold.

Being a sale transaction, it is essential that the commodities which are the subject of sale in a Murabaha transaction, must be existing, owned by the seller and in his physical or constructive possession. Therefore, it is necessary that the seller must have assumed the risks of ownership before selling the commodities to the buyer/customer.

Ijarah

Ijarah (Lease) is a contract whereby the owner of an asset, other than consumables, transfers its usufruct to another person for an agreed period for an agreed consideration.

An Ijarah transaction has the following characteristics:

- a) There is an asset of a durable nature;
- b) There are two parties (or two groups of the parties) in the transaction, i.e., the owner (lessor) of the asset and its user (lessee);
- c) Owner (lessor) retains the ownership of the asset for the entire lease period;
- d) There is a financial consideration i.e. Rental for the period of the use of the asset.

Use: To Finance/Lease all types of Plant and Machinery.

Diminishing Musharaka

Diminishing Musharaka is a particular kind of Musharaka, according to which a Bank and his customer jointly contribute and participate in the ownership of a particular asset or equipment or in a commercial enterprise. The share of the financier is further divided into smaller units according to his share in the joint ownership of the asset. The client starts purchasing the share of the Bank in the joint ownership one by one, as per their mutual understanding at the time of agreement, thus increasing his own share till a time comes when he becomes the sole owner of the property.

Use: For financing/Purchase of Vehicles, land and building, plant, machinery and equipment.