

Annual Report

2011



পূবালী ব্যাংক লিমিটেড
PUBALI BANK LIMITED

www.pubalibangla.com

Annual Report 2011



PUBALI BANK LIMITED

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Letter of Transmittal

All shareholders
Securities and Exchange Commission
Registrar of Joint Stock Companies & Firms
Dhaka Stock Exchange Limited
Chittagong Stock Exchange Limited

It is matter of profound satisfaction to transmit the Annual Report 2011 of Pubali Bank Limited alongwith the consolidated balance sheet of subsidiary companies of Pubali Bank Limited for all concerned.

The Annual Report includes message of the Board, Management Report and Financial Statements with relevant notes alongwith consolidated statements of subsidiary companies.

Pubali Bank Limited has proved its strength and capability of steady growth through consistent progress in all parameters in the year 2011. I would like to convey my thanks and gratitude to all concerned.

(Md. Sayeed Sikder)
General Manager &
Company Secretary



Board of Directors



**Mr. Haliz Ahmed Mazumder MP
Chairman**



**Mr. Habibur Rahman
Vice Chairman**



**Mr. Moniruddin Ahmed
Director**



**Mr. Sk. Wahidur Rahman
Director**



**Mr. Manzurur Rahman
Director**



**Mr. Syed Moazzem Hussain
Director**



**Mr. Mohammed Yaqub
Director**



**Mr. Muhammad Faizur Rahman
Director**



**Mr. Ahmed Shafi Choudhury
Director**



**Mr. Fahim Ahmed Faruk Chowdhury
Director**



**Ms. Rumana Sharif
Director**



**Mr. Mustofa Shahriar Ahmed
Director**



**Mr. Musa Ahmed
Director**



**Mr. Khurshid-ul-Alam
Independent Director**



**Mr. Halal Ahmed Chowdhury
Managing Director
and CEO**



Corporate Structure

Board of Directors

Chairman

Mr. Hafiz Ahmed Mazumder MP

Vice Chairman

Mr. Habibur Rahman

Directors

Mr. Moniruddin Ahmed

Mr. Sk. Wahidur Rahman

Mr. Manzurur Rahman

Mr. Syed Moazzem Hussain

Mr. Mohammed Yaqub

Mr. Muhammad Faizur Rahman

Mr. Ahmed Shafi Choudhury

Mr. Fahim Ahmed Faruk Chowdhury

Ms. Rumana Sharif

Mr. Mustafa Shahriar Ahmed

Mr. Musa Ahmed

Mr. Khurshid-ul-Alam, Independent Director

Mr. Helal Ahmed Chowdhury, Managing Director and CEO

Chief Financial Officer

Mr. Sayeed Ahmed FCA, ACMA, CGMA

Company Secretary

Mr. Md. Sayeed Sikder



Executive Committee

Mr. Syed Moazzem Hussain	: Chairman
Mr. Habibur Rahman	: Member
Mr. Sk. Wahidur Rahman	: Member
Mr. Muhammad Faizur Rahman	: Member
Mr. Musa Ahmed	: Member
Mr. Helal Ahmed Chowdhury	: Member & Managing Director

Audit Committee

Mr. Ahmed Shafi Choudhury	: Chairman
Mr. Moniruddin Ahmed	: Member
Mr. Monzurur Rahman	: Member
Mr. Mustafa Shahrar Ahmed	: Member
Mr. Khurshid-ul-Alam	: Member

Shariah Supervisory Committee

Jb. M. Azizul Huq	: Chairman
Jb. Prof. M.Mansurur Rahman	: Faqih Member
Jb. Abdullah Bin Sayeed Jalalabadi	: Faqih Member
Jb. Md. Mukhlesur Rahman	: Faqih Member
Jb. Mohammad Mahbubur Rahman	: Faqih Member
Jb. Prof. M. Muzahidul Islam	: Islamic Economist
Jb. Ahmed Shafi Choudhury	: Ex-Officio Member
Jb. Helal Ahmed Chowdhury	: Ex-Officio Member
Jb. Abdul Gafar	: Member Secretary

Auditors

Hoda Vasi Chowdhury & Co.
Chartered Accountants

S.F. Ahmed & Co.
Chartered Accountants

Tax Adviser

S.F. Ahmed & Co.
Chartered Accountants



Management Team

Managing Director and CEO

Mr. Helal Ahmed Chowdhury

Additional Managing Director

Mr. Md. Abdul Halim Chowdhury

Deputy Managing Director

Mr. Mahbub Mustafizur Rahman

Mr. Safiul Alam Khan Chowdhury

General Manager

Mr. Sayeed Ahmed, FCA, ACMA, CGMA

Mr. Mohammad Ali

Mr. Mahiuddin Ahmed

Mr. Sk. Golam Mohammad

Mr. Md. Sayeed Sikder

Mr. Md. Hasan Ali

Mr. Md. Sultan Jahangiri

Mr. Syed Aziz Ahmed

Mr. Shanti Ranjan Sarker

Mr. Md. Fazlul Hoque

Mr. Md. Mosharaf Hossain

Mr. Provash Chandra Biswas

Mr. Md. Halimuzzaman

Mr. Md. Khaled Latif

Consultant

Mr. M. Kamal Uddin Miah

Deputy General Manager

Mrs. Rowshan Akhter

Mr. Md. Abu Taher Chowdhury

Mr. Dewan Ruhul Ahsan

Mr. Md. Sirajul Islam Miah

Mr. Syed Abdul Mazid

Mr. Sushil Kumar Saha

Mr. Prodia Kumar Datta

Mr. Md. Habibur Rahman

Mr. Md. Shahnewaz Chowdhury

Mr. Dewan Jamil Masud

Ms. Shireen Akter

Mr. Md. Belayet Hossain

Mr. Abu Habib Khairul Kabir

Mr. Ershodul Hoque

Mr. Abdurru Ruhul Masih

Mr. Md. Mohiuddin Ahmed

Mr. Md. Ehteshamul Haq Chowdhury

Mr. Protik Karim

Mr. B.M. Shahidul Hoque

Mr. A. S. Sirajul Hoque Chowdhury

Mr. Md. Mostafa Kamal

Mr. Arunava Chowdhury

Mr. Mohammad Ali Khan

Mr. Jagat Chandra Saha

Mr. Nitish Kumar Roy

Mr. Md. Omar Sultan

Mr. Md. Mamun Bakht

Mr. Abu Sayeed Siddiqui

Mr. A.T.M. Mominul Islam

Mr. Shushil Chandra Sikder

Mrs. Ferbousi Jehan

Mr. Ataulah Siddiqui

Mr. Md. Rafiqul Islam Bhuiyan

Mr. Md. Humayun Kabir

Mr. Sk. Abdus Sabur

Mr. Shyam Sundar Barik

Mr. Md. Shamsuddin Faruque

Mr. Hossain Ahmad

Mr. Parimal Kumar Das

Mr. Md. Ashraful Alam

Mrs. Shamsun Nahar Akhter

Mr. Kh. Mahbub-E-Rabbani

Mr. M. Aynul Haque Bhuiyan

Mr. Md. Abu Sultan

Mr. Khandakar Syed Ahmed

Mr. Gultar Ahmed Biswas

Mr. Sushil Kumar Paul

Mr. Jiban Krishna Biswas

Mr. Kazi Sirajul Islam

Mr. Md. Hafizur Rahman

Mr. Md. Hasan Ali

Mr. Md. Badrul Alam Khan

Mrs. Latifa Begum

Mr. Md. Abdus Salam

Mr. Dilip Kumar Roy

Mr. Md. Zahangir Alam

Mr. Sultan Ahmed

Mr. Mir Akhtarul Alam

Mr. Md. Azizul Hoque

Mr. Mohd. Musoddique Chowdhury

Mr. Md. Matiar Rahman Miah

Mr. Matiar Rahman

Mr. Md. Abdul Jabber

Mr. Almasur Rahman

Mr. Md. Nasiruddin Bhuiyan

Mr. Badruddin Ahmed

Mr. Abdul Golan



Management Team

Assistant General Manager

- | | | |
|------------------------------|--------------------------------------|--------------------------------|
| Mr. Md. Abdul Latif Howlader | Mr. Sukanta Chandra Banik | Mr. Kudrat Ali |
| Mr. Mohiuddin Md. Noorullah | Mr. Debashis Bhattacharyya | Mr. Jalar Ahmed |
| Mr. S. M. Shawkat Hossain | Mr. Md. Shahadat Hossain | Mr. Md. Salaiman Munshi |
| Mr. Md. Shahjahan | Mr. Md. Mohiuddin Ahmed | Mr. Md. Abdul Hamid |
| Mr. Md. Abdul Hakim | Mr. Md. Faisal Ahmed | Mr. Dam Kamal Kumar |
| Mr. Md. Abdul Hye | Mr. Mohammad Monjurul Islam Mejmuder | Mr. Md. Shamsul Hoque |
| Mr. Ziauddin Ahmed | Mr. Md. Anisuzzaman | Mr. Md. Wahid Shams |
| Mr. Md. Saidul Hoque | Mr. Md. Rafiqul Islam | Mr. A.K.M. Rezaul Hoque |
| Mr. Md. Mostafa Kamal Miah | Mr. Md. Faizul Hoque Sharif | Mr. Md. Bellal Hossain Salim |
| Mr. Md. Khurshed Reza | Mr. Md. Nanna Sikder | Mr. Md. Ziaur Rahman |
| Mr. Sk. Faizul Wahab | Mr. Mohammad Shahjahan | Mr. Md. Imtiazul Huq |
| Mr. Faruq Hasan | Mr. Md. Zahidur Rahman | Ms. Nurun Nahar |
| Mr. Md. Shamsul Huda | Mr. Mohammed Esha | Mr. Md. Masuk Miah |
| Mr. Md. Zahid Ahson | Mr. A.K.M. Mozammel Hoque | Mr. Md. Habibullah |
| Mr. K.M. Zakaria | Mr. Abu Hasan Md. Kamruzzaman | Mr. Md. Abdur Rashid Sarker |
| Mr. Parimal Chandra Das | Mr. Endra Mohan Sutradhar | Mr. M. Forhad Reza |
| Mr. Md. Anwar Hossain | Mr. Mahd. Akhtar Hussain | Mr. Md. Afazuddin Miah |
| Mrs. Halima Khatun | Mr. Bibhuti Bhushan Talukder | Mr. Sk. Emamul Hoque |
| Mr. Md. Imamur Rashid | Mr. Shamsul Hoque | Mr. Md. Siddiqur Rahman |
| Mst. Shahida Begum | Mr. Jiban Kumar Roy | Mr. Md. Mizanur Rahman |
| Mr. Iftekhar Haider | Mr. Md. Shahidul Islam | Mr. Saiful Islam |
| Mr. Md. Saiful Islam | Mr. Tahir Hossain Idris | Mr. Md. Nunul Islam |
| Mr. Md. Alamgir Hossain | Mr. Aminuddin Howlader | Mr. Tafazzal Hossain Mallik |
| Mr. Md. Muyeenu Hoque | Mr. Md. Majibur Rahman | Mr. Md. Fazlul Kabir Chowdhury |
| Mr. Md. Ataur Rahman | Mr. Md. Zahirul Hoque | Mr. Md. Abdul Latif |
| Mr. Md. Shah Alam | Mr. Shakti Ranjan Das | Mr. Ramizuddin Ahmed |
| Mr. Md. Nazrul Islam | Mr. Md. Kamruzzaman | Mr. Md. Ahasanullah |
| Mr. A.K.M. Saiful Islam | Mr. Md. Noor-E-Alam Sarker | Mr. Md. Chand Ali Bhuiyan |
| Mrs. Hosne Ara Begum | Mr. Md. Rafiqul Islam | Mr. Md. Anisur Rahman |
| Mr. Md. Mizanur Rahman | Mr. H.M. Omar Foruque | Mr. Md. Ali Akbar |
| Mr. Syed Md. Yeahyia | Mr. Naresh Chandra Bashak | Mr. Md. Abdus Samad |
| Mr. Sayed Saiful Islam | Mr. Md. Saifur Rahman | Mr. Abdul Kader Miah |
| Mr. Satya Ranjan Chakraborty | Mr. Foroque Ahmed | Mr. Mvaiedul Islam |
| Mrs. Rubina Begum | Ms. Nishat Maisura Rahman | Mr. Ahidul Islam Khon |
| Mr. Dilip Kumar Paul | Mr. Khan Md. Javed Jafar | Mr. Md. Delwar Hossain |
| Mr. Abdul Jalil | Mr. Md. Nazrul Islam Sarker | Mr. Md. Mominul Hoque |
| Mr. Maksudul Huq Chy. | Mr. Ratan Kumar Shil | Mr. Md. Mazharul Islam |
| Mr. Rafiqul Islam | Mr. Arifur Rahman | Mr. Md. Azizul Hoque |
| Mrs. Shahnaz Begum | Mrs. Ismat Ara Huq | Mr. Md. Mokbul Hossain Khan |
| Mr. Ziaul Hoque Chowdhury | Mr. Ashim Kumar Roy | Mr. Md. Ohidul Alam |
| Mr. Mahbub Ahmed | Mr. Md. Anisur Rahman | Mr. Md. Osman Gani |
| Mr. Md. Mashiur Rahman Khan | Ms. Sultana Sarifun Nahar | Mr. Md. Nazrul Islam |
| Mr. Ahmed Enayet Manjur | Mr. Md. Hasan Imam | Mr. A.B.M. Ruhul Amin |
| Mr. Md. Rashed Mahbub Rabban | Mr. Md. Helaluddin | Mr. Anowarul Hoque |
| Mr. Hari Bhushan Deb | Mr. Md. Shah Alam Bhuiyan | Mr. Md. Mohiuddin Ahmed |
| Mr. Md. Shahnewaz Khan | Mr. Naimul Hoque | Mr. Ali Hossain |
| Mr. Md. Shaheen Khan | Mr. Mohammed Nurul Kabir | Mr. Shyamal Chandra Das |
| | Mr. A.F.M. Nurul Islam | |
| | Mr. Abdul Hoque Sikder | |



Vision

- Providing customer centric life long banking services.

Mission

- To be the most respected and preferred brand among all financial services providers in Bangladesh.
- Providing a superior value proposition to the customers by fulfilling their financial needs in the fastest and most appropriate way.
- To provide world class finance, capital and risk management products bundled with diversity and differentiation, delivered economically through the client's choice of distribution channel recognizing the unique lifetime financial needs of clients.
- To build an empowering organization with the structure, career development, training and rewards to ensure the vision is achieved.
- Using flexible technology, scale and risk management to ensure our services are of superior value.



Goals

- Providing appropriate long term returns to our shareholders and to become the number one bank of all private commercial banks.
- Serve institutions, corporate, businesses and individuals through Customer Relationship Management (CRM).
- Develop innovative and new products recognizing the unique lifetime financial needs of customers.
- Delivery of services through all delivery channels like internet banking, IVR and telephone banking, ATM and POS, mobile banking etc.
- Enhancing Corporate Governance for effective interaction between various participants i.e. shareholders, board of directors, bank's management and taking effective decision to ensure corporate success and economic growth.
- Streamlining risk and compliance for shareholder confidence, better operating performance and optimal risk-reward outcomes.
- Continuous enrichment of its human assets so that they deliver value to the business.
- Strengthening brand image for creating higher customer satisfaction and loyalty.
- Adapting latest technologies and responding quickly in fast changing market scenario for providing uninterrupted services and business continuity, minimizing risks and moving towards MIS and DSS.
- Enhancing financial inclusion efforts for sustained high economic growth and development.
- Institutionalize CSR.



Credit Ratings

The summary of the up to date credit rating done by the Credit Rating Agency of Bangladesh Limited (CRAB) is presented below:

Credit Rating Report (Surveillance Rating)

	Long Term	Short Term
Rating Outstanding (updated 6 th March 2011)	AA3 Double A Three (Very Strong Capacity)	ST1 Highest Grade
Validity of Outstanding Rating:	30 th June 2012	

CRAB has assigned AA3 (Pronounced Double A Three) rating of Pubali Bank Limited in the Long Term and ST1 in the Short Term. This level of rating indicates very strong capacity for timely payment of financial commitments in both Long Term and Short Term with very low likelihood to be adversely affected by foreseeable events. CRAB performed the present rating assignment based on the Audited Financial Statements of 31st December 2010 and other relevant information. The present rating takes into account, among others, Bank's comfortable capital adequacy, improved asset quality, continued profitability, adequate liquidity and reduction in non-performing assets (NPA) levels to single digit.



Message from the Chairman

Dear Shareholders,

It is indeed my great pleasure, on behalf of me and my fellow colleagues of the Board of Directors to welcome you all at the 29th Annual General Meeting of Pubali Bank Limited.

Your bank has been steadily making progress in almost every sphere of its business in spite of intensified competition in the banking sector amid the economic challenges. In 2011 bank earned operating profit of taka 548 crore and non-performing loan has been reduced to 2.02%. We are putting extra emphasis on SME sector, small loans and remittance business for keeping pace with the steady growth and expansion of national economy.

Every year we are increasing our branch network with modern technology to provide better customer services to our clients. Right now Pubali Bank Limited has the largest network of real time online banking in Bangladesh. I firmly believe by the end of 2012 all of our branches will come under this online network. With an established brand image, large network and attractive product portfolio, we are always vigilant to provide better services to our valued customers.

I would take this opportunity to thank the regulators; Bangladesh Bank, Securities and Exchange Commission, Dhaka Stock Exchange Limited, Chittagong Stock Exchange Limited and Registrar of Joint Stock Companies & Firms for their prudent guidelines and support. Once again my thanks to all the honourable shareholders, clients and well-wishers without whom this success would not be possible.

I strongly believe we are marching to a bright future with the continuous support of our shareholders and all other stakeholders.

With thanks

(Hafiz Ahmed Mazumder MP)
Chairman



Report of Managing Director and CEO

Dear Valued Shareholders,

It is my great pleasure to welcome you all at the 29th Annual General Meeting of Pubali Bank Limited. In 2011 bank's operating profit before tax stands at Tk. 548 crore. Total deposits stands at Tk. 12,381 crore and total advances stands at Tk. 10,633 crore with an increased growth rate of 25.25% and 19.33% respectively. Classified loans reduced to 2.02%. In spite of so many challenges in the year 2011 your bank has performed well almost in every sectors of business.

We focused on targeted business goals to pursue in the out going year. At the same time enhance customer services by implementing advanced banking technology and improving corporate policies in changing business environment. We remain very fair to recruit the best talents and nurturing their skill and knowledge through adequate training programs. Because human resources is the most important factor for the success of the organization. CSR is another important issue that we have been accomplishing very successfully. Pubali Bank Limited provided financial support to the distressed people of the society round the year including Cancer Hospital, National Heart Foundation, Sylhet etc.

We always remain complied with the rules and regulations of the regulatory bodies and guidelines/directions of Bangladesh Bank, Securities and Exchange Commission and other government department/agencies. I express my special thanks to the regulatory authorities specially Bangladesh Bank , Securities and Exchange Commission , Dhaka Stock Exchange Limited, Chittagong Stock Exchange Limited and Registrar of Joint Stock Companies & Firms for their guidance and cooperation.

I express my sincere thanks and gratitude to all the distinguished members of the Board of Directors for their prudent guidance and firm commitment in running the bank in right direction.

I extend my hearty thanks to the members of the management team and all levels of employees for their cooperation and dedication, without them Pubali Bank Limited would not have been in its present position. I also want to thank our customers, clients and shareholders for showing their confidence in us, which made us to act more responsibly and seriously to uphold our brand image and for retaining the market share.

With regards


(Helal Ahmed Chowdhury)
Managing Director & CEO



Directors' Report

Dear Shareholders,

Assalamu Alaikum,

I am glad to present the Annual Report 2011 along with the Accounts and Auditor's Report of the Bank on behalf of Board of Directors. Indeed I like to share my pleasure with you and expressing my gratitude for better performance in the year 2011. Amid all the adverse circumstances our bank has shown strong resilience and substantial growth. Prudence and pragmatic decisions and proper guidelines of the Board of Directors to the Management performed well. The Board of Directors and the Management was in harmony to achieve the business targets of 2011.

Now, let us have an overview of the National and Global Economy.

Overview of macro economy of Bangladesh:

The economy in the outgoing calendar year witnessed a fall in private sector credit flow, depreciation of taka against dollar, high import growth except capital machineries and raw materials, low foreign aid disbursement and current account balance deficit.

Some success stories for the national economy were in the agricultural sector, that's continuation of good crop production for last few years. Substantial growth in revenue earnings also carried a positive sign for the country.

Introduction of Islamic Money Market at the fog end of the financial year/December set a different dimension in money market. This has opened a new window on investment of the Islamic Banks' surplus liquidity. Experts hope that the Islamic Banks' will be able to manage their liquidity, particularly excess funds properly after introduction of Islamic money market.

The remittance inflow hits record in December 2011 with the country receiving over US\$ 1.1 billion. The total remittance during the first half of the current fiscal year stood at US\$ 6 billion while the total amount of remittance in 2011 was US\$ 12 billion.

The Government's borrowings from Banks in last FY exceeded the year's target, of which a major chunk came from central bank. The borrowings from central bank put an extra pressure on inflation. The Government borrowing from the banking system during the July-November period of the current FY had exceeded the total borrowing target of Tk. 189.57 billion, set for the entire FY 2011-12.

A major reason behind the galloping inflation rate was the depreciation of taka against dollar. Last December the inter-bank exchange rate crossed Tk 82 with almost 16 percent increase since last year. It also pushed up the production cost. General inflation dropped marginally to 10.63 percent in December, 2011 on a point-to-point basis, from 11.58 percent in previous month backed by a slow rise in food prices. Country's point-to-point inflation rate increased by 0.16 percent to 11.58 in November compared to the previous month, due to price hike of fuel oil, according to Bangladesh Bureau of Statistics (BBS). The point-to-point inflation rate was 11.42 percent in October. However, non-food inflation went up from 10.19 percent in November to 11.38 percent in December 2011. In September last year the country's consumer price index (CPI) was recorded at a two-decade high of 11.97 percent and the country faces a tougher challenge in pulling down inflation to 7.5 percent, as targeted 2011. Although food inflation improved in December, non-food inflation increased due to the impact of the recent increase in power tariff and fuel prices.

The low disbursement of foreign aid ultimately put pressure on the Balance of Payments situation and liquidity pressure and high call money rates affected trade and investment. The country's trade deficit soared by 30.69 percent to \$5.19 billion in first five months of the current fiscal year compared to the same period of 2010-11, putting further pressure on foreign exchange reserve. Round the year central bank followed accommodative monetary policy to coup up with the micro economic challenges and stresses.

The country's import payment surged to \$14.90 billion against exports worth \$9.70 billion in first five months of current FY (2011-12). The trade gap was \$3.97 billion in July-November in FY 2010-2011 whereas the total trade deficit in that FY was \$ 7.328 billion, a record high. Despite the fall in import of food grains the trade gap soared mainly because of huge import of fuel for the rental power plants. In second half of the year 2011 import grew by 21.65 percent and export by 17.33 percent compared to the same period of last year. Still export did not grow up to the expected level because of lingered global economic crisis.



Global Economy:

Global Economy in fact has not really recovered from the 2008 great recession, since none of the fundamental contradictions that led to the previous crisis were adequately addressed. That recovery is at a standstill in the advanced economies and experts express their concern that 2012 may see even worse economic conditions.

Output growth in Japan has already turned negative once again in most recent quarters, while it is sluggish in the US and likely to become much worse in the Euro area given the inability to resolve the internal problems of the Euro zone. Part of the problem is that unless private expectations are managed better by government policies, private investors themselves feel schizophrenic about government deficits and economic growth.

In the year 2011 Greece likely register a 5.5 percent contraction of its gross domestic product (GDP). The country has been allocated 240 billion Euros under bailout program. IMF is skeptical about Greece's ability to fix economy. Sovereign debt crisis in the single currency zone especially between Greece and its creditors is a matter of deep concern.

European Union after having the highest-rate of economic growth and becoming strong economic base is showing downward tendency. In 2011 euro-zone faced crisis on debt-driven turmoil and wrangling among the member countries. Of all the risks facing the global economy, the Euro zone's debt crisis had the highest profile and the biggest effect on the financial market. The most blatant outward signs of the crisis are the sharp rises in European government bond yields in last quarter of 2011. ECB (European Central Bank) offered banks in the region an unlimited pool of liquidity by loosening collateral rules, cutting the minimum reserve ratio and launching new three year loans at super-cheap rate. In this situation Asia becomes new world economic centre.

US politicians argue China has gained an unfair edge in global markets by keeping the Yuan artificially low to boost exports. China also became superior contributor than World Bank to sanction credit in world arena, especially in developing and deprived part of Africa. World Bank likely recommends China moves away from controls on savings and interest rates subsidized state-owned enterprises. It will also urge a move toward market interest rates, deeper capital markets and more financial instruments along with high standards for disclosure. Chinese economy is now having the largest reserves of foreign currencies in the world. The demand for the Chinese stocks is also increasing sharply in the world market.

India's real GDP growth expected to moderate among 7.4-7.7 percent 2011-2012. At present country's real GDP amounts to \$ 1 trillion.

The UK economy struggled last year noticeably due to tighter credit conditions, rising unemployment, and significant squeeze on consumers' purchasing power coming from relatively elevated inflation, muted wage growth and tight fiscal policy.

2011 for the US economy was a year of slow growth and fears of a double-dip recession, but there were some more positive signs as 2011 came to a close. After months of wrangling and fears of government meltdown, in August 2011 - reached a deal which agreed to raise the debt ceiling by US \$400 billion immediately. In 2011, the credit rating agency S&P downgraded US sovereign debt for the first time from the highest rating of AAA to AA+. High unemployment rate was also a burning issue for US economy round the year. Considering all the negative signs, US successfully handled the key macro factors like GDP, inflation in a good shape.

Latin America and African countries performed silently in 2011 and Australia showed strong resilience against recession in 2011.

Corporate Governance:

Pubali Bank is a 100% indigenously sponsored private commercial bank. Meanwhile Pubali Bank Limited has taken effective measures to implement Corporate Governance. Corporate Governance is echoed with the good governance. Pubali Bank has ensured basic four columns of good governance i.e. Accountability, Transparency, Predictability & Balancing the Extreme through utilization of available resources and day to day decision making in conformity with instructions of regulatory bodies.

A. Board Structure

The Board of Directors consists of 15 Members mainly directs on policy formulation and monitoring of its guidelines. The Board has following supporting Committees:

Executive Committee: The Executive Committee is comprised of 6 Board Members and they take decision on emergency matters as and when required relating to Bank's business etc. subject to ratification by the full Board. In 2011 the committee conducted 2 (Two) Meetings.



Audit Committee: The Audit Committee is formed with 5 Members of the Board of Directors. The Audit Committee peruses and evaluates all the Audit Reports of all Branches of the Bank (Audit & Inspection reports of internal team & Bangladesh Bank). The committee assists the Board of Directors in ensuring that the Financial statements reflect true and fair view of the state of affairs of the company and ensuring a congenial working method in the bank as per guidelines of the Regulators. In 2011 the committee conducted 16 (sixteen) Meetings.

B. Financial Management

The Annual Budget and the statutory financial statements are prepared with the approval of the Board. The Board regularly monitors and reviews bank's liquidity, income, expenditures, non-performing loans, loss provisions and steps taken for recovery of defaulted loans including legal means.

C. Management Structure

The Management headed by Managing Director and CEO is assisted by Additional Managing Director, 2 Deputy Managing Directors, 14 General Managers alongwith 1 Consultant to run the business. The workflows are carried out by the relevant divisions/departments/regional offices/branches of the Bank. The following Committees also assist the Management:

i) **Management Committee (MANCOM):** The MANCOM is comprised of Senior Management members and headed by Managing Director & CEO meets monthly to discuss relevant agenda and take appropriate actions for running the Bank smoothly.

ii) **Asset Liability Management Committee (ALCO):** Asset Liability Management Committee headed by Managing Director and Management Members, meets monthly to discuss relevant agenda and take appropriate actions for running the bank smoothly. CEO is responsible for Balance Sheet Risk Management. The results of Balance Sheet analysis along with recommendation are placed in ALCO meeting where important decisions are made to minimize risk and to maximize returns.

iii) **Credit Committee:** Headed by the Additional Managing Director, the Credit Committee evaluates credit proposals and recommends for approval and/or otherwise.

iv) **Task Force committee for Recovery of Classified Loans:** A Task Force Committee for recovery of classified loans is constituted in the Head Office of the Bank with the Chairmanship of Managing Director and CEO. The other Members are Deputy Managing Directors, General Managers of Audit Division and Information Technology Division, General Managers and Deputy General Managers of Credit Administration, Monitoring and Recovery Division, Credit Division, CLS Division, Lease financing Division and Law Division. The committee holds meeting at Head Office in every two months to evaluate the recovery position and formulate measures/steps for better recovery and preventing further classification of loans. Stress is given on proper follow up and Monitoring of loan A/Cs. The committee also extends discussion meetings with the borrowers at field level time to time to arrive at settlement of Bad loans under BRPD guidelines.

D. Code of Ethics/Policy of Business Conduct

The Bank instituted "Service Rules" since the inception of the bank in 1959. The Bank has formulated different policies including Credit Policy, Purchase Policy and Rules, Finance and Accounting Policy, Foreign Exchange Risk Management Policy, Internal Control & Compliance Policy, Anti-Money Laundering Policy and IT Manual/guideline. All these policies are followed and supervised on the basis of own manual & guidelines of each encompassed field/Division.

E. Internal Control System and Appropriate Accounting Policies

The sound system of Internal Control has been designed and has been efficiently practiced, implemented and monitored through continuous reviewing and vigilant monitoring Internal Control & Compliances are ensured. Appropriate Accounting Policies have been consistently applied in preparation of the Financial Statements. Bangladesh Accounting Standard and International Accounting Standards, as applicable in Bangladesh have been followed and adequately disclosed.

F. Lending to Directors, Controlling Shareholders or Employees

No lending has been made to the Directors/Controlling Shareholders of the Bank. However, the employees of the bank are entitled to House Building Loan, Consumer Loan under Consumer Credit Scheme and Provident Fund Loan at arm's length basis.

**Compliance with SEC Conditions:**

Status report on compliance with the conditions imposed by SEC is given below in prescribed format:

Condition No.	Title	Compliance status		Explanation for non-compliance with the condition
		Complied	Not complied	
1.1	Board Size	√		
1.2 (i)	Independent Directors	√		
1.2 (ii)	Independent Director's appointment	√		
1.3	Chairman of the Board and Chief Executive Officer	√		
1.4	The Directors' Report to Shareholders	√		
1.4 (a)	Fairness of state of the affairs	√		
1.4 (b)	Keeping proper books of accounts	√		
1.4 (c)	Consistent application of Accounting policies in preparation of Financial Statements	√		
1.4 (d)	Observance of Bangladesh Accounting Standard (BAS)	√		
1.4 (e)	Soundness and efficiency of internal control	√		
1.4 (f)	Ability of Pubali Bank Limited to continue as going concern	√		
1.4 (g)	Significance deviations from last year in operating result	√		
1.4 (h)	Presentation of key operating and financial data for last three years	√		
1.4 (i)	Declaration of dividend	√		
1.4 (j)	Number of Board Meeting held during the year and attendance by each Director	53		
1.4 (k)	Shareholding pattern	√		
2.1	Appointment of : -Chief Financial Officer (CFO) -Head of Internal Audit -Company Secretary	√ √ √		
2.2	Requirements to attend Board Meetings -Chief Financial Officer (CFO) -Company Secretary	√ √		
3.0	Audit Committee			
3.1 (i)	Number of Members of Audit Committee	5		
3.1 (ii)	Inclusion of Independent Director in the Audit Committee	√		
3.2 (i)	Selection of the Chairman of the Audit Committee	√		
3.2 (ii)	Qualification of Chairman of Audit Committee	√		



Condition No.	Title	Compliance status		Explanation for non-compliance with the condition
		Complied	Not complied	
3.3	Reporting of Audit Committee			
3.3.1 (i)	Reporting its activities to the Board of Directors	✓		
3.3.1 (ii)	Report to the Board by Audit Committee	✓		
3.3.1 (ii) (a)	Conflict of interest	✓		
3.3.1 (ii) (b)	Suspected or presumed fraud or irregularity or material defect in the internal control system	✓		
3.3.1 (ii) (c)	Suspected infringement of laws, including securities related laws, rules and regulations	✓		
3.3.1 (ii) (d)	Any other matter	✓		
3.3.2	Reporting to the Authorities	✓		
3.4	Reporting to the shareholders and general investors	✓		
4.0	External/Statutory Auditors			External auditors conduct inspection as per the guidelines issued by Bangladesh Bank
4.0 (i)	Appraisal or valuation services or fairness opinions	✓		
4.0 (ii)	Financial information systems design and implementation	✓		
4.0 (iii)	Book keeping or other services related to financial statements	✓		
4.0 (iv)	Broker-dealer services	✓		
4.0 (v)	Actuarial Services	✓		
4.0 (vi)	Internal audit services; and	✓		
4.0 (vii)	Any other services that the audit committee determines	✓		

Core Risk Management

Risk Management

The risk of the Bank may be defined as the possibility of losses, financial or otherwise. The risk management of the Bank covers 06 core risks i.e. Credit Risk, Internal Control & Compliance Risk, Money Laundering Risk, Asset Liability Management Risk (Balance Sheet Risk), Foreign Exchange Risk and Information Technology Risk. Moreover, Operational Risk, Market Risk, Liquidity Risk, Reputational Risk and Sustainability Risk etc. are also brought into consideration. The prime objective of the risk management is that Bank takes well calculative business risks while safeguarding the Bank's capital, its financial resources and profitability from various risk areas. The Bank strictly follows the guidelines of Bangladesh Bank and other regulatory bodies in respect of risk management. A separate Risk Management Unit (RMU) has been formed headed by Additional Managing Director where all the General Managers & Division Heads of Head Office are the members and the Division Head, Internal Control & Compliance Division is the member secretary of the committee. The committee reports to Honorable Managing Director regularly. Monthly meeting of Risk Management unit is arranged on regular basis where different risk areas are discussed, minuted and decisions are implemented. Minutes of Risk Management Unit meeting along with risk management papers are submitted to Bangladesh Bank on quarterly basis. Adequate capital is maintained against Credit Risk, Market Risk and Operational Risk under Basel-II accord. Stress Testing is done on quarterly basis to assess the impact of different risks associated with banking business on asset, liability & ultimately on capital.



Corporate Social Responsibilities (CSR)

The Board of Directors and the Management of the bank believe that we have definite obligations to the community. Every year we participate in various social activities. We use to donate handsome money from pretax profit each year. In 2011 we participated in number of social activities.

The Bank donated Tk. 6[six] crore to National Heart Foundation, Sylhet. The bank also donated handsome amount to the bereaved family members of Mirsarai tragedy and BSMMU for purchasing bus.

The bank extended its financial cooperation to many other institutions, organizations and individuals in 2011. The bank like previous year contributed through out the year to the Pubali Bank Staff Welfare Fund. Financial support provided to the employees for financial help and medical treatment purpose. Side by side cash reward/scholarship were awarded among the children of the members of the staff welfare fund.

Performance of Pubali Bank Limited: Share Capital

Authorized capital and paid up capital of the bank stood at Tk.1000 crore and Tk. 670.76 crore respectively in 2011.

Statutory and other Reserve

At the close of 2011, the statutory reserve and other reserves of the bank stood at Taka 10575.53 million, out of which statutory reserve was Taka 5230.78 million, other reserve was Tk. 5344.75 million. Total Reserve was Tk. 9411.27 million at the end of 2010.

Deposits

The deposit trend was positive in 2011. At the end of 2010, Total deposit was Taka 98850.50 million that came to Taka 123805.97 million at the end of 2011 showing 25.25% increase. Out of the total deposits, Time Deposits Taka 103315.03 million and Demand Deposits were Taka 20490.93 million i.e 83.45 % and 16.55% respectively.

Borrowing from other Banks and Financial Institutions

In 2011 the bank borrowed Taka 459.68 million for business purpose compared to Taka 3288.18 million during the previous year.

Lending to other Banks and Financial Institutions

In 2011 the bank lent Taka 2359.29 million for business purpose compared to Taka 119.49 million during the previous year.

Advances

Total advances of the bank as on 31 December 2011 stood at Taka 106329.63 million showing an increase of Taka 17223.43 million @ 19.33% growth.

In line with national economic development, the bank made advances mainly as Commercial Loan, Import & Export business, Term loan to large and medium scale industries, House Building loan, Working Capital loan, Consumers' Credit and Syndication loans etc.

Investment

Total investment of the bank was Tk. 19069.27 million during 2011. In comparison to previous year total investment was increased by Taka 2552.88 million @ 15.46% growth. The bank mainly invested in Government Bonds, Treasury Bills, Approved Debentures of private institutions.

Foreign Exchange Business

a) Import Business

During the year the Bank handled import business worth Taka 9857.90 crore. During the previous year the amount was Taka 8568.35 crore. The amount of import business handled by the bank increased by Taka 1289.55 crore during the year which was 15.05% higher than the previous year.

b) Export Business

The bank handled export business worth Taka 4751.59 crore during the year as against Taka 3391 crore in the previous year which was 40.14% higher than the previous year.



c) Inward Foreign Remittance

Non resident Bangladeshis sent foreign exchange equivalent to Taka 3400 crore whereas the amount was Taka 3165 crore in 2010.

Position of profit & loss

Total operating income & total operating expenditure of the Bank during 2011 were Tk. 15189.70 million and Tk. 9709.48 million respectively resulting a profit of Taka 5480.22 million before making provision for bad and doubtful debts and income tax.

During the year the Bank made a provision of Taka 70 million against loans and advances, diminution in value of investments exposure of Off Balance Sheet items and provision of Taka 2270 million against Corporate Income Tax and deferred Tax. As such, net profit of the Bank stood at Taka 3140.22 million which the Board of Directors propose to appropriate in the following manner.

Net profit	Tk.	<u>3140.22 million</u>
Transferred to Statutory Reserve	Tk.	1082.04 million
Transferred to General Reserve	Tk.	<u>2058.18 million</u>
	Tk.	<u><u>3140.22 million</u></u>

Branch Expansion & Modernization

The Bank expanded its operation through opening 7 new branches at different places during the year 2011. As such the total number of Branches of the Bank stood at 406 all over the country. Moreover number of branches were shifted to new premises in more suitable places and a large number of branches were furnished and modernized.

Information Technology and Automation

Pubali Bank Limited has been extending customer services at all of our 406 branches using our in-house developed core banking software, Pubali Integrated Banking System (PIBS). Real-time Centralized Online Banking System has been deployed in 254 branches across the country and Pubali Bank Ltd. has become the largest one among the Online Banking Network in Bangladesh. The rest of the branches will be brought under Online Banking Network phase wise. Data Center has been established at IT Division, Head Office to store banking data of all the Online Branches. Disaster Recovery Center has also been established at Uttara, Dhaka and implementation of which is under progress.

One Stop Service has been implemented at our 295 branches for better and quick customer service. This service will be extended to rest of our branches phase wise. All the branches have been brought under the network of Western Union Money Transfer, Prabhu Money Transfer, Trans Fast Remittance to encourage incoming foreign remittances. We have also established our own exchange house in UK named Pubali Exchange (UK) Ltd. Internet Banking Software has been developed which will be launched soon. Development of software for Mobile Phone Banking is under process.

We have established our website www.pubalibangla.com where from the visitors can get information about our products, pricing, charge schedule, career opportunity, procurement notices and present status of our bank. Internet connections have been established at all of our branches and email address have been provided to the branches under our own Mail Server.

Pubali Bank Limited will have its own ATM Network with 1000 ATM Booths across the country. Principal Membership with MasterCard and Visa Card has been obtained. Establishment of ATM Booths and Customer Care Center are under progress. Bangladesh Automated Clearing House (BACH), Bangladesh Electronic Fund Transfer Network (BEFTN), Credit Information Bureau (CIB) Reporting etc. have been successfully implemented as per guidelines of Bangladesh Bank.

We have opened Islamic Banking Window at our Principal Branch, Dhaka and Stadium Branch, Sylhet using our in-house developed Islamic Banking Software. ICT Policy and Business Continuity Plan for Pubali Bank Ltd. have been approved by the Board.



Information Technology Division arranged need based Training Program/Workshops throughout the year in addition to the routine training courses conducted by the Pubali Bank Training Institute to ensure proper training to our officials. Moreover, Computer Lab has been established to impart hands-on training to our officials on computer operations.

Man-power & Training

In the year 2011 the bank had 6219 employees. Both the Board and Management stress on developing human resources. 61 courses covering different subjects were organized at the Bank's Training Institute where 1963 officials of different levels participated. Besides these, the Bank utilized the training services rendered by other training institutions like BIBM, BBT, BBTa and other national institutions.

Audit & Inspection

Branches have been categorized as high risk, medium risk and low risk on the basis of the volume, nature of business and risk involved therein. Accordingly 3 (Three) branches have been categorized as high risk, 62 (Sixty Two) branches as medium risk and 336 (Three Hundred Thirty Six) branches as low risk branches. Audit /inspection have been conducted at 3 (Three) high risk branches, 62 (Sixty Two) branches as medium risk and 218 (Two Hundred Eighteen) low risk branches in the year 2011. Moreover, audit has been conducted at 13 (Thirteen) divisions of head office and 16 (Sixteen) regional offices by Audit Division. Surprise inspections have been conducted at all the corporate branches by head office team, in addition two corporate branches have been inspected in Chittagong by Principal Office, Chittagong and the non-corporate branches by the respective Regional Offices periodically.

Dividend

The Board of Directors has recommended 25% Stock Dividend and 5% Cash Dividend for all shareholders of the bank out of profit on the basis of audited accounts for the year 31st December 2011 subject to approval in the 29th Annual General Meeting (AGM).

Appointment of Auditors

Hoda Vasi Chowdhury & Co., Chartered Accountants and S.F Ahmed & Co., Chartered Accountants were appointed for the second time as Auditors of the Bank for 2011 in the 28th Annual General Meeting. These 2 (two) Chartered Accountant firms audited the statements of accounts with due permission of Bangladesh Bank and Securities & Exchange Commission. They are eligible for re-appointment. These 2(two) firms expressed their willingness for re-appointment.

Future Plan

The Bank has put stress on the targets fixed up for the year 2012. The annual targets - 2012 is a challenging one with a presumed growth of 51.23% in operating profit from the previous year. Deposits & Loans are projected to be increased by 43.17 % and 41.39% respectively and Import & Export business are expected to rise by 31.87% & 36.80 % respectively & 10% of national Remittance business to be grabbed.

Conclusion

The Board of Directors expresses its profound gratitude to all Clients, Shareholders and Patrons for extending support and cooperation in the activities of the bank during the year 2011. The Board thanked Bangladesh Government, Bangladesh Bank, Securities and Exchange Commission, Dhaka Stock Exchange Limited, Chittagong Stock Exchange Limited and Registrar of Joint Stock Companies & Firms for their cooperation and effective guidance.

The Directors also wish to place on record their sincere appreciation and thanks for the efforts and dedicated services and cooperation extended by the employees towards overall accelerated performance of the bank.

On behalf of the Board of Directors

(Hafiz Ahmed Mazumder MP)
Chairman



Executive Committee Report



Mr. Syed Moazzem Hussain
Chairman



Mr. Habibur Rahman
Member



Mr. Sk. Wahidur Rahman
Member



Mr. Muhammad Faizur Rahman
Member



Mr. Musa Ahmed
Member



Mr. Helal Ahmed Chowdhury
Member

Executive Committee of the Bank consists of following Members:

Sl No.	Name	Status
1	Mr. Syed Moazzem Hussain	Chairman
2	Mr. Habibur Rahman	Member
3	Mr. Sk. Wahidur Rahman	Member
4	Mr. Muhammad Faizur Rahman	Member
5	Mr. Musa Ahmed	Member
6	Mr. Helal Ahmed Chowdhury	Member and Managing Director

During the year the Executive Committee of the Board of Directors conducted 2 (two) Meetings. The following issues were discussed/evaluated/reviewed/approved.

- Approved the operational manual of Lease Financing Division.
- Reviewed on the applications of the employees against whom disciplinary actions were taken by the Management.
- Reviewed overall trend of business and profitability of the Bank. Reviewed and scrutinized proposals of large loan portfolio and forwarded to the Board with findings, comments and recommendations. The Executive Committee recommended guidelines to the Management for close monitoring of the large loan accounts as well as borrowers of the bank.

The Committee express its gratitude to the Members of the Board and appreciated the Management for their all out support and cooperation extended to the Committee during the period.

(Syed Moazzem Hussain)
Chairman

Audit Committee Report

The Board reconstituted the Audit Committee in its 829th Board Meeting held on 28 June 2011 comprising the following members of the Board of Directors in terms of Bangladesh Bank's BRPD Circular No. 8 dated 19 June 2011.



Mr. Ahmed Shafi Choudhury
Chairman



Mr. Monzurur Rahman
Member



Mr. Moniruddin Ahmed
Member



Mr. Mustafa Shahrar Ahmed
Member



Mr. Khurshid-ul-Alam
Member

Sl No.	Name	Status
1	Mr. Ahmed Shafi Choudhury	Chairman
2	Mr. Monzurur Rahman	Member
3	Mr. Moniruddin Ahmed	Member
4	Mr. Mustafa Shahrar Ahmed	Member
5	Mr. Khurshid-ul-Alam	Member

During the year 2011, the Audit Committee of the Board of Directors conducted 16 (sixteen) Meetings in which among other things, the following issues were discussed/ evaluated/ reviewed and provided guidelines and necessary instruction:

- Reviewed the comprehensive Inspection Report of Bangladesh Bank received from time to time and status of compliance thereof and issued guidelines/directions and decisions on the basis of report.
- Reviewed the internal Audit report of different Branches of the Bank conducted by Bank's Internal Audit Team received from time to time and gave guidelines /directions and decisions on the basis of the report.
- Evaluated whether Management is setting the appropriate compliance culture by communicating the importance of Internal Control and the Management of risk to ensure that all employees of the Bank have understood their roles and responsibilities. Internal Audit Division, Bangladesh Bank Inspection Team and External Auditors and subsequently inform the Board of Directors on a regular basis.
- Evaluated classified Loans and Advances on quarterly basis.
- Reviewed Annual and periodical Audit and Inspection program of the Bank.
- Reviewed External Auditor's Report on Branches.
- Reviewed Policy guidelines of Information Technology and System Audit, Anti Money Laundering Guidelines, Internal Control and Compliance etc.
- Reviewed special inspection / special investigation / visit report of different Branches of the Bank conducted by the Board's Special Audit Cell from time to time and the status of compliance thereof.
- Reviewed Annual Financial Statements of the Bank.
- Followed-up the recovery of Loans and Advances of the Bank.
- Reviewed operating Profit of the Bank.
- Reviewed Un-audited Half yearly Financial Statements of the Bank.


(Ahmed Shafi Choudhury)
Chairman



Shariah Supervisory Committee Report

All praises to Almighty Allah, the Lord of the Worlds, the most Beneficent, the most Merciful. Peace be upon Prophet Mohammad (SM), the Rahmatullil Alamin.

We are very glad to learn that Islamic Banking in Pubali Bank Limited has been operating profitably and on this august occasion we would take the opportunity to appreciate the Board of Directors, the Managing Director and all members of the Management body for their continuous support for growth of Islamic Banking. We are further glad that Pubali Bank Limited organized a training course on Islamic Banking for the officers and a familiarization program for the senior executives in 2011.

During the year Shariah Supervisory Committee met in 3 (three) meetings and reviewed different operational issues in the line with Islamic Shariah. Besides, the Muraqibs of the Shariah Supervisory Committee inspected both the Islamic Banking Windows during the year and reported no major case of violation of Islamic Shariah in their operation.

In the background of bright prospects of Islamic Banking Shariah Supervisory Committee suggests as under:

- a. Officers/ executives relating to Islamic Banking operation should have full devotion for development of Islamic Banking.
- b. Officers/ executives should have utmost sincerity in learning and implementing Shariah compliant modes of finance.
- c. Muraqib should frequently inspect the windows to be sure of their operation within the purview of Islamic Shariah.

May Allah help us in obtaining Hasanah in this life and life hereafter by establishing Shariah Based Banking in the country.

Ameen.

(Abdul Gofran)
Member Secretary

(M. Azizul Huq)
Chairman



Corporate Social Responsibility (CSR)

Pubali Bank Ltd is a bank with a vision of development and rendering services towards social responsibilities. It has got 406 Computerized branches banking network through out the country with online facilities at 280 branches. Pubali Bank's response to corporate social responsibility is embodied by the concept of responsible banking which is imbibed in the way we do business and drive the objectives of the Bank to be the best financial institution in Bangladesh. We recognize our obligations to the society, so we are committed to always making informed, reasonable and ethical decision in the manner we carry out our business, how we treat our employees, and how we relate to our customers.

Our CSR initiatives over the years have focused on health care, sports, education and youth development, the arts, philanthropy and charitable activities including disaster management.

Pubali Bank Limited has donated Tk. 10(ten) crore to Dhaka Ahsania Mission, a humanitarian organization, towards setting up a modern Cancer Hospital to alleviate the sufferings of people who have currently no access to specialized medical treatment of Cancer. Pubali Bank Limited has also donated Tk. 2(two) Crore to ENT Cancer Hospital. We have also donated Tk. 6(Six) Crore to National Heart Foundation, Sylhet this year for healthcare.

Our other areas of Corporate Social Responsibility

- Regular donations to different educational institutions, disabled persons, financial help to Research Center of Shahjalal University of Science & Technology.
- Sports sponsoring.
- Boat rowing.
- Helping the distress people for treatment.
- Financial and other supports have been provided for the complicated operative treatment of the own employees.
- Financial support for the educational purposes and good result of the employees children.
- Pubali Bank Limited has been providing magazines and supports for extra curricular activities to major universities.
- Internship facilities to the students of the leading universities.
- For the natural calamity and national tragedy Pubali Bank Limited always extends its hand to help and provide financial support eg. financial help to the victims of Mirsarai tragedy, BDR carnage etc.
- Pubali Bank Limited always extends its support to distress people through government scheme/contribution to Government Fund etc.

Pubali Bank contributed total sum of Tk.7,29,71,135/- (Taka seven crore twenty nine lac seventy one thousand one hundred thirty five) only round the year 2011 as CSR. The Bank is committed to develop human resources and generously nourish scholarship program to the brilliant children of employees of Pubali Bank Limited.



PUBALI BANK LIMITED

Registered Office
26, Dilkusha Commercial Area, Dhaka-1000, Bangladesh.

NOTICE OF THE 29TH (TWENTY NINTH) ANNUAL GENERAL MEETING

Notice is hereby given that the 29th (Twenty Ninth) Annual General Meeting (AGM) of Pubali Bank Limited will be held on 31st March, 2012 at 11.30 a.m. at BRAC-CDM, Rajendrapur, Gazipur to transact the following business:

1. To receive, consider and adopt the Audited Financial Statements for the year ended 31st December, 2011 and the Auditors' and Directors' Reports.
2. To declare dividend for the year ended 31st December 2011 as recommended by the Board of Directors.
3. To appoint Auditors of the Company for the year 2012 and to fix their remuneration.

By the order of the Board
Sd/-
Md. Sayeed Sikder
General Manager &
Company Secretary

Dated: Dhaka

23rd February, 2012

Notes:

- a) The 'Record Date' of 29th Annual General Meeting (AGM) is 6th March, 2012.
- b) The Shareholders whose name would appear in the CDS/Register of Members of the Company on the Record Date shall be entitled to the dividend and attend the AGM.
- c) A member eligible to attend at the Annual General Meeting may appoint a proxy to attend on his/her behalf. Proxy form must be affixed with revenue stamp of Taka 10.00 and submitted to the Registered Office of the Company not later than 48 (forty eight) hours before the time fixed for the Annual General Meeting.
- d) Shareholders and proxies are requested to record their entry well in time.

N.B.: The Agenda as to election of Directors of the Bank is not included as per direction of the Honourable High Court Division of the Supreme Court of Bangladesh.

- ★ Honourable Shareholders are requested to update Mailing Address, Bank Account No., Signature and other related information of their B.O. Account before record date.
- ★ M/s. Hoda Vasi Chowdhury & Co., Chartered Accountants and S.F. Ahmed & Co., Chartered Accountants have completed 2 (two) years as Auditors of the Bank. They are eligible for re-appointment as per section 1.0 (KA) of BCD circular letter No.33 dated December 23, 1992 of Bangladesh Bank & they have applied for re-appointment.

Eventful Year 2011



The 28th Annual General Meeting (AGM) of Pubali Bank Limited was held at Rangonati Waterfront in Shafiqur, Gazipur on April 24, 2011. Hafiz Ahmed Mazumder MP, Chairman, Board of Directors of Pubali Bank Limited presided over the meeting. Directors of Pubali Bank Limited Sk. Wahidur Rahman, Mansurur Rahman, Syed Moazzem Hussain, M. Faisur Rahman, Ahmed Shahi Chowdhury, Fahim Ahmed Faruk Chowdhury, Muhammad Kabiruzzaman Yaqub, Alternate Director Solair Ahmed, Managing Director Helal Ahmed Chowdhury are also seen in the photograph.



Hafiz Ahmed Mazumder MP, Chairman, Board of Directors of Pubali Bank Limited addressing at the 28th Annual General Meeting (AGM) of Pubali Bank Limited was held at Rangonati Waterfront in Shafiqur, Gazipur on April 24, 2011.



Managing Director of Pubali Bank Limited Helal Ahmed Chowdhury addressing at the 28th Annual General Meeting (AGM) of Pubali Bank Limited was held at Rangonati Waterfront in Shafiqur, Gazipur on April 24, 2011.



Company Secretary Md. Sayeed Sikder addressing at the 28th Annual General Meeting (AGM) of Pubali Bank Limited was held at Rangonati Waterfront in Shafiqur, Gazipur on April 24, 2011.



A part of Shareholders are seen in the photograph attended at the 28th Annual General Meeting (AGM) of Pubali Bank Limited was held at Rangonati Waterfront in Shafiqur, Gazipur on April 24, 2011.



A part of Shareholders are seen in the photograph attended at the 28th Annual General Meeting (AGM) of Pubali Bank Limited was held at Rangonati Waterfront in Shafiqur, Gazipur on April 24, 2011.



Shareholders addressing at the 28th Annual General Meeting (AGM) of Pubali Bank Ltd.



A 20th day long Annual Managers Conference-2011st participated by all 297 Branch Managers, Regional Managers & Sr. Executives of Head Office was held at Rose View Hotel, Sylhet. Hafiz Ahmed Mazumder MP Chairman, Board of Directors of the Bank, Vice-Chairman & Director of Pubali Bank Habibur Rahman, Directors' Moniruddin Ahmed, Sk. Wahidur Rahman, Mansurur Rahman, Syed Moazzam Hussain, Ahmed Shafi Chowdhury, M. Faizur Rahman, Mohammed Kabiruzzaman Yaqub, Ramona Sharif, Mustafa Shahrar Ahmed & Managing Director Hetal Ahmed Chowdhury were seen in the Photograph.



The 5th meeting of Pubali Bank Shariah Supervisory Committee was held recently in the Board Room of the Bank to review the overall present position of the Islamic Banking. In the photograph Chairman of Pubali Bank Shariah Supervisory Committee M. Azizul Haq, Members of Pubali Bank Shariah Supervisory Committee Director of Pubali Bank Ahmed Shafi Chowdhury, Managing Director Hetal Ahmed Chowdhury, Islamic Consultant Prof. M. Muazzidul Islam, Prof. M. Mansurur Rahman, Howlata Abulhasan Bin Sayeed Jalalabadi & Head of Islamic Banking Wing of Pubali Bank Abdul Gobron were seen.



Pubali Bank Limited, the country's largest private sector bank is awarded at Remittance fair organized by Economic Weekly The Industry at Sylhet. Managing Director of Pubali Bank Limited Hetal Ahmed Chowdhury has received the award on behalf of the bank from Hon'ble Finance Minister Abu Mal Abdul Wulid MP. Hafiz Ahmed Mazumder MP, Chairman, Board of Directors of Pubali Bank Limited also present in the occasion.



Board of Directors of Pubali Bank Limited has donated an amount of Tk. 6,00,000 crore to National Heart Foundation Hospital, Sylhet as a part of their corporate social responsibility. Hafiz Ahmed Mazumder MP Chairman, Board of Directors of Pubali Bank Limited handed over the cheque to Badruddin Ahmed Kamron, Mayor, Sylhet City Corporation & National Professor Bigdel (Bd) (Abul) Malique in a simple ceremony. Directors' Moniruddin Ahmed, Sk. Wahidur Rahman, Mansurur Rahman, Syed Moazzam Hussain, Ahmed Shafi Chowdhury, M. Faizur Rahman were also seen.



Pubali Bank Limited, donated Tk. One lac to Hetal's family who was associated by local panchayat and killed her by Dawa. Director & Chairman of Executive Committee, Board of Directors of Pubali Bank Ltd. Syed Moazzam Hussain, Director & Chairman of audit committee, Board of Directors of Pubali Bank Ltd. Ahmed Shafi Chowdhury & Managing Director Hetal Ahmed Chowdhury handing over the Cheque to Hetal's parents.



Chairman of Pubali Bank Ltd. Hafiz Ahmed Mazumder was signing the Balance Sheet for 31st December-2011. Directors of the Bank Moniruddin Ahmed, Sk. Wahidur Rahman, Mansurur Rahman, Syed Moazzam Hussain, Ahmed Shafi Chowdhury, M. Faizur Rahman, Ramona Sharif, Mustafa Shahrar Ahmed, Masud Ahmed, Alternate Director Muhammad Kabiruzzaman Yaqub & Managing Director Hetal Ahmed Chowdhury were also attended in the meeting.



Hon'ble Chairman, Board of Directors of Pubali Bank Ltd. Hafiz Ahmed Mazumder MP formally inaugurated the 402nd branch at Sripainbag Bazar, Dhaka as chief guest. Pubali Bank's Directors Sk. Wahidur Rahman & Ahmed Shafi Chowdhury, Managing Director Hetal Ahmed Chowdhury, Additional Managing Director M.A. Halm Chowdhury, CTO & General Manager Mohammad Ali, General Manager Mohiuddin Ahmed were also seen in the photograph.



Hafiz Ahmed Mazumder MP Chairman, Board of Directors of the Bank was addressing as a chief guest at a Training Workshop on Strategic Planning of Pubali Bank Limited for the period from 2012 to 2016 organized by Research & Development Division on 22nd October 2011. In the photograph Managing Director Hetal Ahmed Chowdhury, Associate Director of PricewaterhouseCoopers Pvt. Ltd. Robin Roy, Senior Consultant of PWC Sarwar Shukla, Alternate Director of Pubali Bank Muhammad Kabiruzzaman Yaqub, Independent Director Khushid-ul-Alam & Deputy Managing Director Sabul Alam Khan Chowdhury were seen.



Heli Ahmed Mazumder MD Chairman, Board of Directors of the Bank was addressing as a chief guest at a Launching Workshop on Strategic Planning of Pubali Bank Limited for the period from 2012 to 2016 organized by Research & Development Division on 19th October 2011. In the photograph Vice-Chairman & Director of Pubali Bank Habibur Rahman, Managing Director Heli Ahmed Chowdhury, Director' Morinuddin Ahmed, St. Wahidur Rahman, Maszaur Rahman, Syed Maszaur Hussain, Ahmed Shafi Chowdhury, Fahim Ahmed Faruk Chowdhury, Mustafa Shahrar Ahmed & Alternative Director Mohammad Kabiruzzaman Tozib were seen.



Pubali Bank Limited's Vice-Chairman & Director Habibur Rahman, Director' Morinuddin Ahmed, St. Wahidur Rahman, Maszaur Rahman, Muhammad Faisal Rahman, Ahmed Shafi Chowdhury, Kamana Shari, Alternate Director Muhammad Kabiruzzaman Tozib, Independent Director Khushid-Ul-Asm, Managing Director Heli Ahmed Chowdhury, Chief Financial Officer (CFO) of the Bank Syed Ahmed FCA, Chief Technical Officer Mohammad Ali & Company Secretary Md. Sayeed Siddiq were seen in the Board Meeting of Pubali Bank Limited.



Pubali Bank Cup Golf Tournament-2011 (Pro-am) sponsored by Pubali Bank Limited was held at Kurmitola Golf club on March 2011. Chief of Air Staff of Bangladesh Air Force, Air Marshal S M Ziaur Rahman, etc, etc, etc was present as a chief guest at closing ceremony. Chairman, Board of Directors of Pubali Bank Ltd. Heli Ahmed Mazumder MD, Chairman of Executive Committee, Board of Directors of Pubali Bank Syed Maszaur Hussain, Managing Director Heli Ahmed Chowdhury were also present in the occasion.



Pubali Bank Cup Golf Tournament-2011 (Pro-am) sponsored by Pubali Bank Limited was held at Kurmitola Golf club on March 2011. Chief of Air Staff of Bangladesh Air Force, Air Marshal S M Ziaur Rahman, etc, etc, etc & Chairman of Executive Committee, Board of Directors of Pubali Bank Syed Maszaur Hussain inaugurated the tournament. Managing Director Heli Ahmed Chowdhury, Club Captain of Kurmitola Golf Club Mr. General Mirza Rekar Ignor Ahmed, Chief Executive Officer Kurmitola Golf Club Colonel S M Showkat Ali BEd, Deputy Managing Director of Pubali Bank Sahul Alam Khan Chowdhury were also present in the occasion.



As a part of Corporate Social Responsibility the Board of Directors of Pubali Bank Ltd presented a bus to Bengabandhu Sheikh Mujib Medical University. Heli Ahmed Mazumder MD Chairman, Board of Directors of Pubali Bank handed over a key of the bus to Professor Pran Gopal Datta, Vice-Chancellor of Bengabandhu Sheikh Mujib Medical University, Director of Pubali Bank Ltd, Ahmed Shafi Chowdhury & Fahim Ahmed Faruk Chowdhury Managing Director Heli Ahmed Chowdhury, Treasurer of BSMMU Prof. Md. Maszaur Hussain, Pro-Vice-Chancellor (Admin) of BSMMU Prof. Md. Shahidullah, Pro-Vice-Chancellor (Academic) of BSMMU Prof. Md. Ruhul Amin Mia were seen in the photograph.



Director & Chairman of Executive Committee, Board of Directors of Pubali Bank Ltd. Syed Maszaur Hussain formally inaugurating the Naris branch of Shorolpur as a chief guest, Director & Chairman of audit committee, Board of Directors of Pubali Bank Ltd, Ahmed Shafi Chowdhury was present as a guest of honour, Managing Director Heli Ahmed Chowdhury & Chief Technical Officer Mohammad Ali were also seen in the photograph.



Hon'ble Prime Minister Sheikh Hasina is spending at the bilateral talks between Delegation of The Republic of The Union of Myanmar Federation of Chambers of Commerce & Industry and The Federation of Bangladesh Chambers of Commerce & Industry at Myanmar. Managing Director of Pubali Bank Limited Heli Ahmed Chowdhury also seen in the photograph.

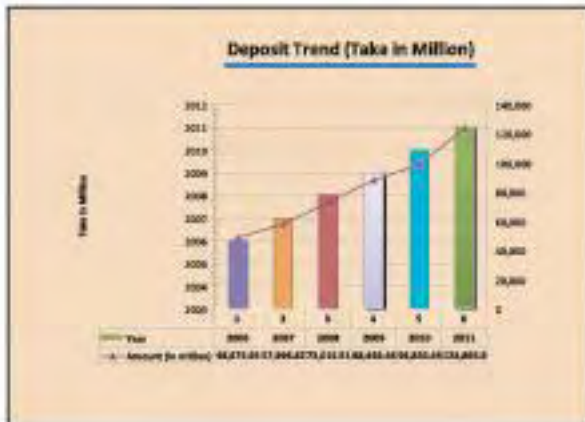


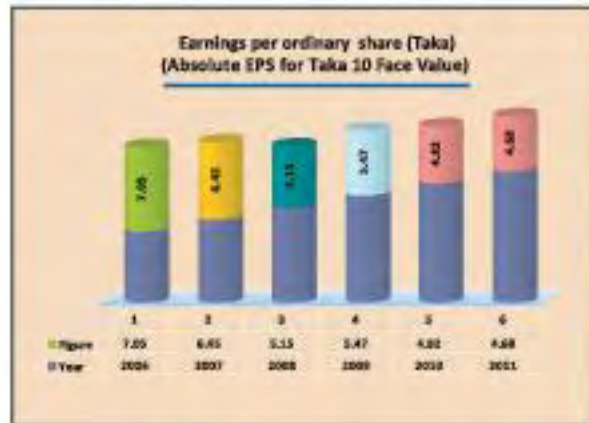
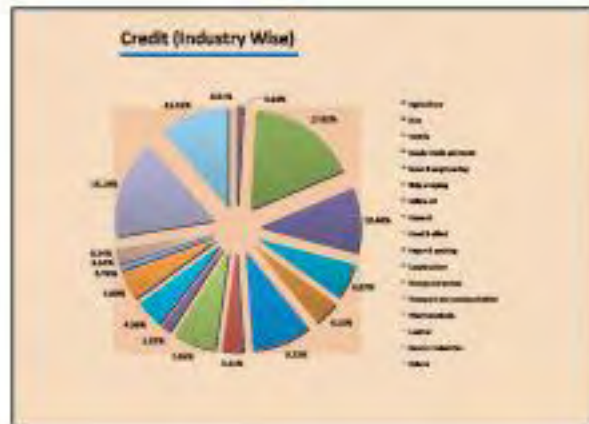
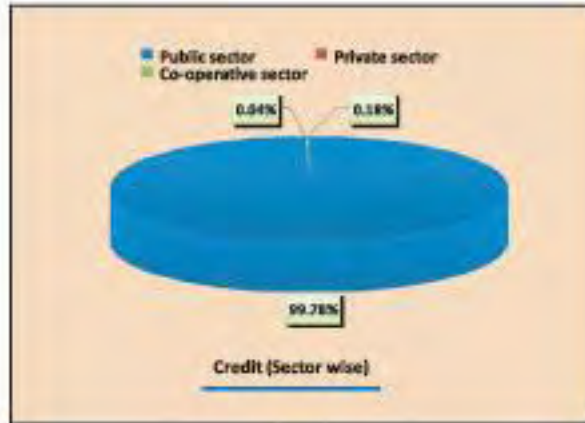
Pubali Bank Limited won the "Best Rated Bank 2011" award by the leading economic weekly The Industry. Managing Director Heli Ahmed Chowdhury is taking the award on behalf of the bank from the chief guest Dr. A. B. Mirza Md. Arsal Islam, former advisor of the caretaker government. In the photograph Barister Rafique-ul-Huq, former Attorney General, A. Q. Siddiqui, Chairman of Bangladesh Commerce Bank Limited, Enayel Karim, Editor of The Industry were also seen.

**Key Financials as on 31 December 2011**

(Figures in million taka)

Sl.	PARTICULARS	2007	2008	2009	2010	2011
1.	Authorised Capital	5,000.00	5,000.00	5,000.00	10,000.00	10,000.00
2.	Paid- up Capital	2,100.00	2,940.00	3,822.00	4,968.60	6,707.61
3.	Reserve Fund & other Reserves	3,832.09	4,606.82	5,687.25	9,411.27	10,575.53
4.	Total Deposits	57,996.82	73,016.51	88,466.46	98,850.50	123,805.97
5.	Total Advances	50,549.17	61,788.15	74,203.33	89,106.21	106,329.63
6.	Total Investment	5,556.58	8,375.59	12,168.65	16,516.39	16,516.39
7.	Import Business	48,345.41	58,009.10	60,493.85	85,683.53	98,579.00
8.	Export Business	19,907.50	24,795.65	24,739.65	33,909.78	47,515.90
9.	Bridge Finance	6.89	6.89	6.89	6.89	6.78
10.	Total Income	7087.63	9009.25	10663.81	12828.53	15189.70
11.	Total Expenditure	4145.67	5563.39	6824.34	7343.48	9709.48
12.	Pre-tax Profit	2941.97	3445.86	3839.47	5485.05	5480.22
13.	Net Profit	1,353.51	1,515.23	2,092.23	3,233.09	3,233.09
14.	Total Assets	71,560.66	89,884.70	107,579.60	128,462.65	157,153.71
15.	Fixed Assets	1,367.23	1,383.36	1,443.50	3,330.32	3,369.19
Other Information						
16.	Number of Employees	5,270	5,321	5,375	5,534	6,219
17.	Number of Shareholders	19,009	24,153	30,899	86,200	112,065
18.	Number of Branches	361	371	386	399	406
19.	Earning per ordinary Share (Taka)	6.45	5.15	5.47	4.82	4.68







Value Added Statement for the year ended 31 December 2011

The value added statement for the Bank shows how the value is created and distributed among different stakeholders of the Bank. Value added to the Bank stood at BDT 7,000.89 million as of December, 2011 as against BDT 7,097.53 million in 2010. The highest percentage of value added went to the employees as salaries and allowances stood at 33.64% in 2011 as against 29.06% in 2010. The portion of shareholders decreased to 18.23% in 2011 from 30.14% in 2010. The share of Government of Bangladesh (GOB) increased to 32.42% in 2011 as against 24.62% in 2010. The depreciation, repairs and maintenance of fixed assets increased to 2.75% in 2011 as against 2.15% in 2010 and statutory reserve value added stood at 12.96% in 2011 from 14.03% in 2010.

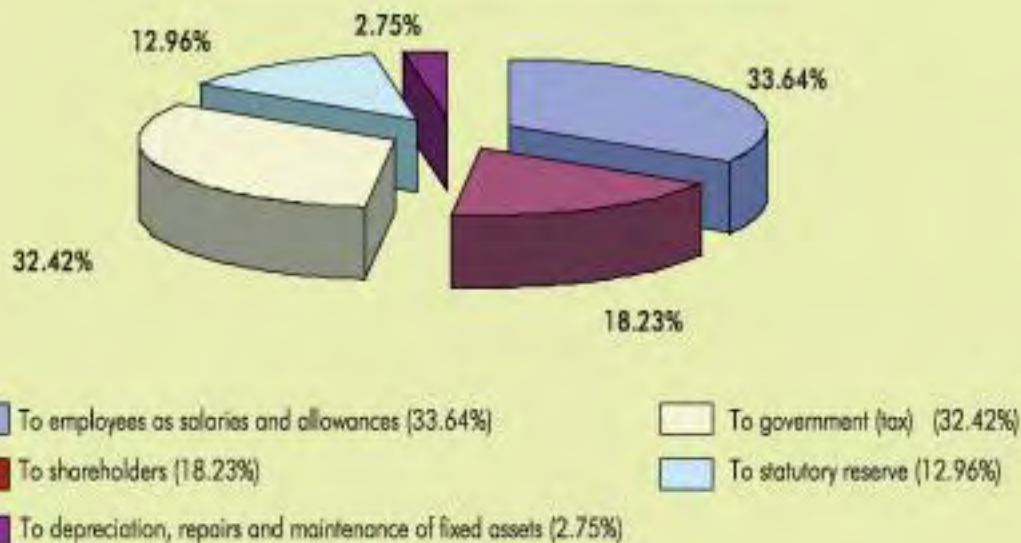
Value added analysis

Particulars	2011 Taka	2010 Taka
Income from banking services	15,342,252,231	12,828,527,130
Less: Cost of services and supplies	7,307,932,902	5,116,946,986
Value added by the banking services	8,034,319,329	7,711,580,144
Less: Non-banking income	82,479,828	97,665,535
loan written off and provision	950,945,677	516,383,009
Net value added	7,000,893,824	7,097,531,600

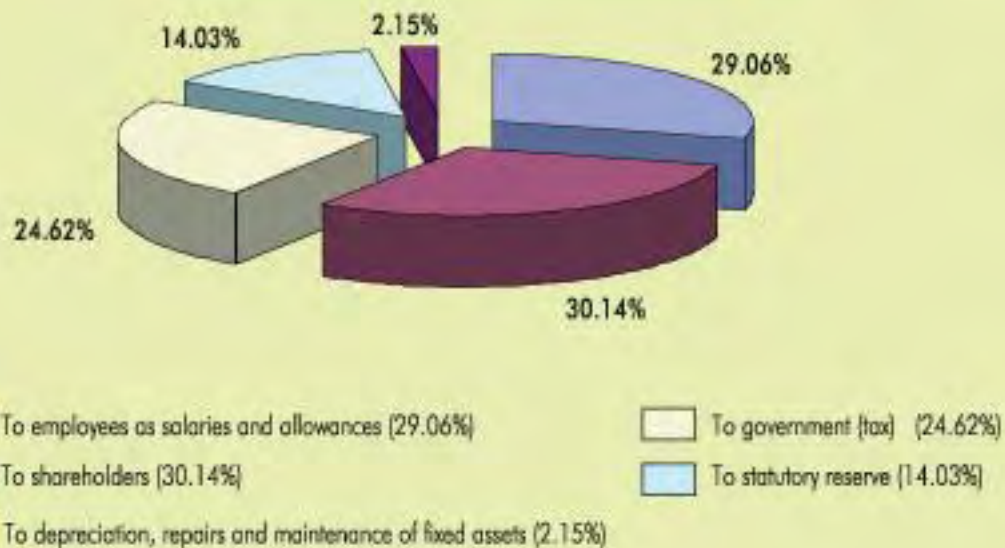
Distribution of value added	2011 Taka		2010 Taka	
To employees as salaries and allowances	2,355,117,872	33.64%	2,062,555,763	29.06%
To shareholders	1,276,181,453	18.23%	2,139,417,153	30.14%
To government (tax)	2,270,000,000	32.42%	1,746,957,681	24.62%
To statutory reserve	907,165,320	12.96%	996,010,092	14.03%
To depreciation, repairs and maintenance of fixed assets	192,429,179	2.75%	152,590,911	2.15%
	<u>7,000,893,824</u>	<u>100.00%</u>	<u>7,097,531,600</u>	<u>100.00%</u>



Distribution of Value Addition in 2011



Distribution of Value Addition in 2010





Economic Value Added Statement (EVA) for the year ended 31 December 2011

Economic Value Added (EVA) is a measure of profitability which takes into consideration the cost of total invested equity. Shareholder/Equity providers are always conscious about their return on capital investment. As a commercial banking company we are deeply concerned for delivery value to all of our shareholders/equity providers.

Economic Value added analysis

<u>Particulars</u>	<u>2011</u> <u>Taka</u>	<u>2010</u> <u>Taka</u>
Shareholder's equity	14,379,867,545	14,379,867,545
Add : Cumulative provision for loans, investments and Off-balance sheet items	2,301,160,762	2,301,160,762
	16,681,028,307	16,681,028,307
 Average shareholder's equity	 16,681,028,307	 14,025,315,677

Earnings

Profit after taxation	3,233,092,780	3,233,092,780
Add : Provision for loans, investments and Off-balance sheet items	505,000,000	505,000,000
	3,738,092,780	3,738,092,780

Average cost of equity (based on highest rate of 364-days
Treasury Bills (9.50% for the year 2011 & 4.84% for the year
2010) Plus 2.00% risk premium.)

11.50%	6.84%
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Cost of average equity	1,918,318,255	959,331,592
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Economic Value Added (EVA)	1,819,774,525	2,778,761,188
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Growth over last year	34.51%	135.70%
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S. F. AHMED & CO
Chartered Accountants

HODA VASI CHOWDHURY & CO
Chartered Accountants
Independent Correspondent Firm to
Deloitte Touche Tohmatsu

AUDITORS' REPORT TO THE SHAREHOLDERS OF PUBALI BANK LIMITED

We have audited the accompanying consolidated financial statements of Pubali Bank Limited (PBL) which comprises the balance sheet as at 31 December 2011 and the income statement, statement of changes in equity, liquidity statement and cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRS), Bank Companies Act 1991, the rules and regulations issued by the Bangladesh Bank, the Companies Act 1994, the Securities and Exchanges Rules 1987 and other applicable laws and regulations. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BSA). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether these financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the Financial Statements prepared in accordance with Bangladesh Financial Reporting Standards, give a true and fair view of the state of the bank's affairs as on 31 December 2011 and the results of its operations and its cash flows for the period then ended and comply with the Bank Companies Act 1991, the rules and regulations issued by the Bangladesh Bank, the Companies Act 1994, the Securities and Exchanges Rules 1987 and other applicable laws and regulations.



S. F. AHMED & CO
Chartered Accountants

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Further to our opinion in the above paragraph, we state that:

- (i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- (ii) in our opinion, proper books of account as required by law have been kept by PBL so far as it appeared from our examination of those books and proper returns adequate for the purpose of our audit have been received from branches not visited by us;
- (iii) the PBL's Balance Sheet and Profit and Loss Account together with the annexed notes 1 to 44(a) dealt with by the report are in agreement with the books of account and returns;
- (iv) the expenditures incurred was for the purpose of the PBL's business;
- (v) the financial position of PBL as on 31 December 2011 and the profit for the year then ended have been properly reflected in the financial statements and the financial statements have been prepared in accordance with the generally accepted accounting principles;
- (vi) the financial statements have been drawn up in conformity with the Bank Companies Act, 1991 and in accordance with the accounting rules and regulations issued by the Bangladesh Bank;
- (vii) the financial statements conform to the prescribed standards set in the accounting regulations issued by the Bangladesh Bank after consultation with the professional accounting bodies of Bangladesh;
- (viii) the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements;
- (ix) adequate provisions have been made for advances and other assets which are, in our opinion, doubtful of recovery;
- (x) the information and explanations required by us have been received and found satisfactory;
- (xi) 80% of the risk-weighted assets have been audited; and
- (xii) we have spent approximately 3,120 man hours for the audit of books and accounts of the Bank.

S.F. AHMED & CO.
Chartered Accountants

Dhaka, 23 February 2012

HODA VASI CHOWDHURY & CO.
Chartered Accountants



Ref.

IAS 1.51(a)
IAS 1.10(a),
1.51(c)

Pubali Bank Limited
Consolidated Balance Sheet as at 31 December 2011

			2011	2010
		Note	Taka	Taka
IAS 1(3B & 39)	Property and Assets			
IAS 1.54 (i), 7.7	Cash	3(a)	11,745,566,681	10,237,049,692
	In hand (Including foreign currencies)		2,376,585,174	2,420,920,513
	Balance with Bangladesh Bank and its agent Bank (s) (Including foreign currencies)		9,368,981,507	7,816,129,179
IAS 1.54 (d)	Balance with Other Banks and Financial Institutions	4(a)	1,708,124,795	884,266,695
	Inside Bangladesh		867,100,857	697,769,357
	Outside Bangladesh		841,023,938	186,497,338
IAS 1.54 (j)	Money at call on short notice	5	2,359,286,667	119,486,667
IAS 1.54 (b)	Investments	6(a)	22,333,487,378	16,516,388,559
	Government		17,593,246,861	10,807,104,227
	Others		4,740,240,517	5,709,284,332
IAS 1.54(f)	Loans and advances	7(a)	104,650,385,765	89,106,206,559
	Loans, Cash Credits, Overdrafts, etc.		103,233,361,308	88,094,724,058
	Bills purchased & discounted		1,417,024,457	1,011,482,501
IAS 1.54 (c)	Fixed assets including premises, furniture & fixtures	8(a)	3,376,927,531	3,330,313,913
IAS 1.55, 1.57 (a)	Other assets	9(a)	11,117,067,189	8,268,564,336
IAS 1.55, 1.57 (a)	Non-banking assets	10	375,246	375,246
	Total Assets		<u>157,291,221,252</u>	<u>128,462,651,667</u>
	Liabilities and Capital			
	Liabilities			
IAS 1.54 (k)	Borrowing from other banks, financial institutions & agents:	11	459,675,752	3,288,185,245
IAS 1.54 (m)	Deposits and other accounts	12	123,805,967,767	98,850,499,250
	Current deposits & other accounts		14,300,242,206	16,594,357,070
	Bills Payable		2,926,175,470	2,492,007,347
	Savings bank deposits		36,272,413,131	33,709,387,745
	Term deposits		66,380,111,946	42,560,730,705
	Other deposits		3,927,025,014	3,494,016,383
IAS 1.55, 1.57 (a)	Other Liabilities	13(a)	16,616,703,880	11,944,099,627
	Total Liabilities		<u>140,882,347,399</u>	<u>114,082,784,122</u>
	Capital / Shareholders' Equity			
IAS 1.54 (r), 1.78 (e)	Paid up Capital	14.2	6,707,610,000	4,968,600,000
IAS 1.54 (y), 1.78(e)	Statutory Reserve	15	5,230,776,439	4,148,732,309
IAS 1.85	Retained earnings	16(a)	1,536,313,276	2,340,891,675
	Proposed issue of bonus shares		-	-
	Other Reserves	17	2,933,128,705	2,921,643,561
	Profit and Loss account surplus	18(a)	-	-
	Foreign currency translation reserve		1,044,835	-
			16,408,873,255	14,379,867,545
	Non-Controlling Interest	19	598	-
	Total Shareholders' Equity		<u>16,408,873,853</u>	<u>14,379,867,545</u>
	Total Liabilities and Shareholders' Equity		<u>157,291,221,252</u>	<u>128,462,651,667</u>



Ref.

IAS 1.51d) **Pubali Bank Limited**
Consolidated Balance Sheet as at 31 December 2011

IAS 1.38 & 39) IAS 1.55, IAS 37.28, 37.86	Note	2011 Taka	2010 Taka
Off-balance sheet items			
Contingent liabilities			
Acceptances & Endorsements			
Letters of guarantee	20	4,084,595,704	4,184,964,364
Irrevocable letters of credit		28,021,057,981	21,558,428,949
Bills for collection		559,665,835	661,233,151
Other Contingent Liabilities		950,956,000	1,331,180,000
Total Contingent liabilities		33,616,275,520	27,735,806,464
Other Commitments			
Documentary Credits and Short term trade - Related transactions		-	-
Forward Assets purchased and Forward Deposits placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
Total other commitments		-	-
Total Off-Balance Sheet Items Including Contingent Liabilities		33,616,275,520	27,735,806,464

The annexed notes form an integral part of these accounts

Helal Ahmed Chowdhury
Managing Director

Syed Moazzem Hussain
Director

Manzurur Rahman
Director

Hafiz Ahmed Mazumder
Chairman

Signed as per annexed report on even date

S. F. AHMED & CO
Chartered Accountants

HODA VASI CHOWDHURY & CO
Chartered Accountants


Dhaka, 23 February 2012

**Ref.**IAS 1.01(a)
IAS 1.10(a),
1.51(d)**Pubali Bank Limited**
Consolidated Profit and Loss Account for the year ended 31 December 2011


	Note	2011 Taka	2010 Taka
Operating Income			
Interest Income	21(a)	12,107,430,986	9,003,507,661
Interest paid on Deposits, Borrowings, etc.	22(a)	5,836,121,980	3,790,183,811
Net Interest Income		6,271,309,006	5,213,323,850
Investment Income	23(a)	1,301,172,300	2,137,210,748
Commission, Exchange and Brokerage	24(a)	1,583,275,150	1,385,835,411
Other Operating Income	25(a)	350,373,795	301,973,310
Total Operating Income		9,506,130,251	9,038,343,319
Operating Expenses			
Salaries and allowances	26(a)	2,345,567,872	2,053,455,763
Rent, taxes, insurance, electricity, etc.	27(a)	258,397,398	225,814,377
Legal Expenses	28(a)	9,252,932	10,278,757
Postage, Stamp, telecommunication, etc.	29(a)	80,387,253	54,827,069
Stationery, Printing, Advertisements, etc.	30(a)	108,593,021	98,398,557
Managing Director's salary and Fees	31	9,550,000	9,100,000
Directors' Fees	32(a)	5,568,073	5,136,241
Charges on loan losses		2,831,387	11,383,009
Auditors' Fees	33	600,000	600,000
Depreciation and Repair of Bank's Assets	34(a)	192,429,179	152,590,911
Other Expenses	35(a)	1,009,012,245	931,708,174
Total Operating Expenses		4,022,189,360	3,553,292,858
Profit before Provisions		5,483,940,891	5,485,050,461
Provision for Classified loans and advances		-	-
Provision for unclassified loans and advances		-	270,000,000
Provision for diminution in value of Investments	36(a)	878,114,290	165,000,000
Provision for exposure of off-balance sheet items	37	70,000,000	70,000,000
Total Provisions		948,114,290	505,000,000
Profit before tax		4,535,826,601	4,980,050,461
Provision for current tax	13.5	2,225,000,000	1,696,676,696
Provision for deferred tax	13.5.1	45,000,000	50,280,985
Total provision for taxes		2,270,000,000	1,746,957,681
Net Profit after Taxes		2,265,826,601	3,233,092,780
Profit attributable to:			
Equity holders of parent		2,265,827,303	3,233,092,780
Non-controlling Interest		(702)	-
Total Attributions		2,265,826,601	3,233,092,780
Appropriations :			
Statutory Reserve		907,165,320	996,010,092
Retained surplus (general reserve) carried forward		1,358,661,281	2,237,082,688
Earning per share (EPS)	44(a)	3.38	4.82


 Helal Ahmed Chowdhury
 Managing Director

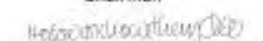

 Syed Moazzem Hussain
 Director


 Manzur Rahman
 Director


 Hafiz Ahmed Masumder
 Chairman


 S. F. AHMED & CO
 Chartered Accountants
 Dhaka, 23 February 2012

Signed as per annexed report on even date


 HODA VASI CHOWDHURY & CO
 Chartered Accountants



Ref.

IAS 1.51(a)
IAS 1.10(d),
1.51(c)
IAS 1(38& 39)

Pubali Bank Limited
Consolidated Cash Flow Statement for the year ended 31 December 2011

	Note	2011 Taka	2010 Taka
a Cash flows from operating activities			
Interest receipts in cash		13,290,693,644	11,043,052,874
Interest payments		(5,836,121,980)	(3,790,183,811)
Dividend receipts		82,479,828	97,665,535
Fees and commission receipts		945,031,534	881,305,336
Recoveries of loans previously written off		30,287	82,672
Cash payment to employees		(2,355,117,872)	(2,062,555,763)
Cash payment to suppliers		(196,851,559)	(164,104,383)
Current income tax paid		(1,788,575,008)	(1,401,197,054)
Receipts from other operating activities	38(o)	1,024,049,264	806,420,713
Cash payments for other operating activities	39(a)	(1,311,826,020)	(1,206,038,683)
Operating profit before changes in operating assets & liabilities		3,853,792,118	4,204,447,436
Increase/(decrease) in operating assets & liabilities:			
Statutory deposits		(6,798,500,325)	(1,502,728,224)
Purchase/sale of trading securities		(617,756,106)	(2,850,026,334)
Loans and advances to customers (other than banks)		(17,744,129,785)	(14,902,875,255)
Other assets		(1,060,271,400)	986,699,783
Deposits to/from other banks	40(a)	(2,828,509,493)	2,860,734,430
Deposits from customers (other than banks)		24,955,468,518	10,384,039,464
Other liabilities account of customers		1,306,116,314	544,162,366
FC translation reserve		1,044,835	-
Other liabilities	41(a)	2,347,814,714	(28,459,813)
Increase(decrease) in operating assets and liabilities:		(438,722,728)	(4,508,453,583)
Net cash received from operating activities		3,415,069,390	(304,006,147)
b Cash flows from investing activities			
Proceeds from sale of securities		-	-
Purchase /Sale of property, plant & equipment		(205,108,357)	(113,475,391)
Membership at cost		(16,000,000)	-
Sale proceeds of Fixed assets		-	-
Net cash used in investing activities		(221,108,357)	(113,475,391)
c Cash flows from financing activities			
Payment for redemption of loan capital and debt securities		11,485,144	(65,310,126)
Issue of share capital		1,617,801,221	-
Dividend Paid		(248,430,000)	(191,100,000)
Net cash used from financing activities		1,380,856,365	(256,410,126)
d Net increase (decrease) in cash and cash equivalents (a+b+c)		4,574,817,398	(673,891,664)
e Cash and cash equivalents at the beginning of the year *		11,256,303,146	11,930,194,810
f Cash and cash equivalents at the end of the year (d+e)	42(o)	15,831,120,544	11,256,303,146


These financial statements should be read in conjunction with the annexed notes.

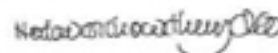

Helal Ahmed Chowdhury
Managing Director


Syed Moazzem Hussain
Director


Manzurur Rahman
Director


Hafiz Ahmed Mazumder
Chairman


S. F. AHMED & CO
Chartered Accountants
Dhaka, 23 February 2012


HODA VASI CHOWDHURY & CO
Chartered Accountants



Ref.

IAS 1.51(a)
IAS 1.10(c),
1.51(c)

Pubali Bank Limited

Consolidated Statement of Changes in Equity for the year ended 31 December 2011

Figures in Taka

Particulars	Paid-up capital	Statutory reserve	Retained earnings (general reserve)	FC transition reserve	Other reserves	Proposed dividend	Parent's equity	Non-controlling interest	Total
For the year 2011									
Balance of 1 January 2011	4,968,600,000	4,148,732,309	2,340,891,675	-	2,921,643,561	-	14,379,867,545	-	14,379,867,545
Changes in accounting policy	4,968,600,000	4,148,732,309	2,340,891,675	-	2,921,643,561	-	14,379,867,545	-	14,379,867,545
Surplus/deficit on account of revaluation of properties	-	-	-	-	130,910,825	-	130,910,825	-	130,910,825
Surplus/deficit on account of revaluation of investments	-	-	-	-	(119,425,681)	-	(119,425,681)	-	(119,425,681)
Currency translation differences	-	-	-	1,044,835	-	-	1,044,835	-	1,044,835
Net gains and losses not recognised in the Profit and Loss Statement	-	-	-	-	-	-	-	-	-
Surplus/deficit on sale of properties	-	-	-	-	-	-	-	-	-
Non-controlling capital	-	-	-	-	-	-	-	1,300	1,300
Share of accumulated Loss/loss of Subsidiary	-	-	-	-	-	-	-	(702)	(702)
Net profit for the year	-	-	1,182,861,601	-	-	-	1,182,861,601	-	1,182,861,601
Transfer to statutory reserve	-	1,082,044,130	(1,739,010,000)	-	-	-	1,082,044,130	-	1,082,044,130
Issue of bonus shares - 2010	1,739,010,000	-	(1,739,010,000)	-	-	-	-	-	-
Proposed dividend (bonus issue)	-	-	(248,430,000)	-	-	-	(248,430,000)	-	(248,430,000)
Dividends (cash) for 2010	-	-	(248,430,000)	-	-	-	(248,430,000)	-	(248,430,000)
Balance of 31 December 2011	6,707,610,000	5,230,776,439	1,536,313,276	1,044,835	2,933,128,705	-	16,408,873,255	598	16,408,873,853
For the year 2010									
Balance of 1 January 2010	3,822,000,000	3,152,722,217	1,369,468,957	-	1,165,059,717	-	9,509,250,891	-	9,509,250,891
Changes in accounting policy	3,822,000,000	3,152,722,217	1,369,468,957	-	1,165,059,717	-	9,509,250,891	-	9,509,250,891
Surplus/deficit on account of revaluation of properties	-	-	-	-	1,776,010,154	-	1,776,010,154	-	1,776,010,154
Surplus/deficit on account of revaluation of investments	-	-	-	-	(19,426,310)	-	(19,426,310)	-	(19,426,310)
Currency translation differences	-	-	-	-	-	-	-	-	-
Net gains and losses not recognised in the Profit and Loss Statement	-	-	-	-	-	-	-	-	-
Surplus/deficit on sale of properties	-	-	72,040,030	-	-	-	72,040,030	-	72,040,030
Net profit for the year	-	-	2,237,082,688	-	-	-	2,237,082,688	-	2,237,082,688
Transfer to statutory reserve	-	996,010,092	(1,146,600,000)	-	-	-	996,010,092	-	996,010,092
Issue of bonus shares - 2009	1,146,600,000	-	(1,146,600,000)	-	-	-	-	-	-
Proposed dividend (bonus issue)	-	-	(191,100,000)	-	-	-	(191,100,000)	-	(191,100,000)
Dividends	-	-	(191,100,000)	-	-	-	(191,100,000)	-	(191,100,000)
Balance of 31 December 2010	4,968,600,000	4,148,732,309	2,340,891,675	-	2,921,643,561	-	14,379,867,545	-	14,379,867,545

Haid Ahmed Chowdhury
Managing Director
Dhaka, 23 February 2012

Syed Moazzam Hussain
Director

Mansur Rahman
Director

Hafiz Ahmed Mazumder
Chairman



Ref.

IAS 1.51(e)
IAS 1.10(a),
1.51(c)

Pubali Bank Limited
Balance Sheet as at 31 December 2011

	Note	2011 Taka	2010 Taka	
Property and Assets				
IAS 1.54 (b), 7.7	Cash	3	11,745,563,519	10,237,049,692
	In hand (Including foreign currencies)		2,376,582,012	2,420,920,513
	Balance with Bangladesh Bank and its agent Bank (s) (Including foreign currencies)		9,368,981,507	7,816,129,179
IAS 1.54 (b)	Balance with Other Banks and Financial Institutions	4	1,592,112,403	884,266,695
	Inside Bangladesh		769,148,850	697,769,357
	Outside Bangladesh		822,963,553	186,497,338
IAS 1.54 (b)	Money at Call on Short notice	5	2,359,286,667	119,486,667
IAS 1.54 (b)	Investments	6	19,069,272,020	16,516,388,559
	Government		17,593,246,861	10,807,104,227
	Others		1,476,025,159	5,709,284,332
IAS 1.54(b)	Loans and Advances	7	106,329,633,065	89,106,206,559
	Loans, Cash Credits, Overdrafts, etc.		104,912,608,608	88,094,724,058
	Bills purchased & discounted		1,417,024,457	1,011,482,501
IAS 1.54 (a)	Fixed assets including premises, furniture & fixtures	8	3,369,192,860	3,330,313,913
IAS 1.55, 1.57 (e)	Other assets	9	12,688,274,133	8,268,564,336
IAS 1.55, 1.57 (e)	Non-banking assets	10	375,246	375,246
	Total Assets		157,153,709,913	128,462,651,667
	Liabilities and Capital			
	Liabilities			
IAS 1.54 (b)	Borrowing from other banks, financial institutions & agents	11	459,675,752	3,288,185,245
IAS 1.54 (b)	Deposits and other accounts	12	123,805,967,767	98,850,499,250
	Current accounts & other accounts		14,300,242,206	16,594,357,070
	Bills Payable		2,926,175,470	2,492,007,347
	Savings bank deposits		36,272,413,131	33,709,387,745
	Term deposits		66,380,111,946	42,560,730,705
	Other deposits		3,927,025,014	3,494,016,383
IAS 1.55, 1.57 (e)	Other Liabilities	13	15,604,923,055	11,944,099,627
	Total Liabilities		139,870,566,574	114,082,784,122



Ref.

IAS 1.51(a)
IAS 1.10(b),
1.51(c)

Pubali Bank Limited
Balance Sheet as at 31 December 2011

	Note	2011 Taka	2010 Taka
Capital / Shareholders' Equity			
MS 1.54 (+), 1.78 (+)	14	6,707,610,000	4,968,600,000
MS 1.54 (+), 1.78(+)	15	5,230,776,439	4,148,732,309
MS 1.85	16	2,411,628,195	2,340,891,675
		-	-
	17	2,933,128,705	2,921,643,561
	18	-	-
		17,283,143,339	14,379,867,545
		157,153,709,913	128,462,651,667
Off-balance sheet items			
Contingent liabilities			
Acceptances & Endorsements			
	20	4,084,595,704	4,184,964,364
		28,021,057,981	21,558,428,949
		559,665,835	661,233,151
		950,956,000	1,331,180,000
		33,616,275,520	27,735,806,464
Other Commitments			
		-	-
		-	-
		-	-
		-	-
		-	-
		33,616,275,520	27,735,806,464

The annexed notes form an integral part of these accounts


Helal Ahmed Chowdhury
Managing Director

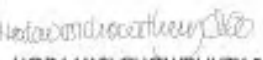

Syed Moazzem Hussain
Director


Monzurur Rahman
Director


Helal Ahmed Mazumder
Chairman

Signed as per annexed report on even date


S. F. AHMED & CO
Chartered Accountants


HODA VASI CHOWDHURY &
Chartered Accountants

Dhaka, 23 February 2012



Ref.

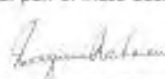
IAS 1.51(a)
IAS 1.10(a)
1.51(a)**Pubali Bank Limited**
Profit and Loss Account for the year ended 31 December 2011

	Note	2011 Taka	2010 Taka
IAS 1(38 & 39)	Operating Income		
IFRS 7.20(b)	Interest Income	21	12,042,366,483
IFRS 7.20(b)	Less : Interest paid on Deposits, Borrowings, etc.	22	5,729,017,504
IAS 1.85	Net Interest Income		6,313,348,979
IFRS 7.20(b)	Investment Income	23	1,257,088,784
IFRS 7.20(d)	Commission, Exchange and Brokerage	24	1,542,062,517
IAS 1.85	Other Operating Income	25	348,181,317
IAS 1.85	Total Operating Income		9,460,681,597
	Operating Expenses		
IAS 1.104	Salaries and allowances	26	2,323,025,726
IAS 1.97	Rent, taxes, insurance, electricity, etc.	27	251,893,242
IAS 1.97	Legal Expenses	28	8,746,672
IAS 1.97	Postage, Stamp, telecommunication, etc.	29	80,007,213
IAS 1.97	Stationery, Printing, Advertisements, etc.	30	107,497,674
IAS 1.97	Managing Director's salary and Fees	31	9,550,000
IAS 1.97	Directors' Fees	32	5,188,573
	Charges on loan losses		2,831,387
IAS 1.97	Auditors' Fees	33	600,000
IAS 1.104	Depreciation and repair of Bank's assets	34	190,001,114
IAS 1.97	Other Expenses	35	1,001,119,346
IAS 1.85	Total Operating Expenses		3,980,460,947
IAS 1.85	Profit before Provisions		5,480,220,650
	Provision for Classified loans and advances		-
	Provision for unclassified loans and advances		270,000,000
	Provision for diminution in value of Investments		165,000,000
IAS 1.97	Provision for exposure of off-balance sheet items	37	70,000,000
IAS 1.85	Total Provisions		505,000,000
IAS 1.85	Profit before taxation		4,975,220,650
	Provision for current tax	13.5	2,225,000,000
	Provision for deferred tax	13.5.1	45,000,000
	Total provision for taxes		2,270,000,000
IAS 1.82 (f)	Net Profit after Taxes		2,705,220,650
IAS 1.85	Appropriations :		
IAS 1.54 (h), 1.78(a)	Statutory Reserve		1,082,044,130
IAS 1.85	Retained surplus (general reserve) carried forward		2,058,176,520
IAS 33.66	Earning per share (EPS)	44	4.68


The annexed notes form an integral part of these accounts


 Helal Ahmed Chowdhury
 Managing Director


 Syed Moazzem Hussain
 Director


 Monzurur Rahman
 Director


 Hafiz Ahmed Mazumder
 Chairman


 S. F. AHMED & CO
 Chartered Accountants
 Dhaka, 23 February 2012

Signed as per annexed report on even date


 HODA VASI CHOWDHURY &
 Chartered Accountants



Ref.

IAS 1.51(a) Pubali Bank Limited
 IAS 1.10(d),
 1.51(c) Cash Flow Statement for the year ended 31 December 2011

IAS 1(38& 39)			2011	2010
		Note	Taka	Taka
IAS 7.10	a Cash flows from operating activities			
IAS 7.31	Interest receipts in cash		13,225,629,141	11,043,052,874
IAS 7.31	Interest payments		(5,729,017,504)	(3,790,183,811)
IAS 7.31	Dividend receipts		73,826,126	97,665,535
IAS 7.14 (b)	Fees and commission receipts		903,818,901	881,305,336
	Recoveries of loans previously written off		30,287	82,672
IAS 7.14 (d)	Cash payment to employees		(2,332,575,726)	(2,062,555,763)
	Cash payment to suppliers		(196,851,559)	(164,104,383)
	Current income tax paid		(1,788,575,008)	(1,401,197,054)
IAS 7.14 (b)	Receipts from other operating activities	38	986,394,646	806,420,713
IAS 7.14 (b)	Cash payments for other operating activities	39	(1,294,828,869)	(1,206,038,683)
	Operating profit before changes in operating assets & liabilities		3,847,850,435	4,204,447,436
	Increase/ (decrease) in operating assets & liabilities			
	Statutory deposits		(6,798,500,325)	(1,502,728,224)
	Purchase/sale of trading securities		2,630,459,252	(2,850,026,334)
	Loans and advances to customers (other than banks)		(17,223,426,507)	(14,902,875,255)
	Other assets	40	(1,013,334,868)	986,699,783
	Deposits to/from other banks		(2,828,509,493)	2,860,734,430
	Deposits from customers (other than banks)		24,955,468,518	10,384,039,464
	Other liabilities account of customers		1,306,116,314	544,162,366
	Other liabilities	41	14,707,114	(28,459,813)
	Increase(decrease) in operating assets and liabilities:		1,042,980,005	(4,508,453,583)
	Net cash received from operating activities		4,890,830,440	(304,006,147)
	b Cash flows from investing activities			
	Proceeds from sale of securities		-	-
IAS 7.23	Purchase /Sale of property, plant & equipment		(195,083,740)	(113,475,391)
	Sale proceeds of Fixed assets		-	-
	Net cash used in investing activities		(195,083,740)	(113,475,391)
IAS 7.10	c Cash flows from financing activities			
	Payment for redemption of loan capital and debt securities		11,485,144	(65,310,126)
IAS 7.31	Dividend Paid		(248,430,000)	(191,100,000)
	Net cash used from financing activities		(236,944,856)	(256,410,126)
	d Net increase (decrease) in cash and cash equivalents (a+b+c)		4,458,801,844	(673,891,664)
	e Cash and cash equivalents at the beginning of the year		11,256,303,146	11,930,194,810
	f Cash and cash equivalents at the end of the year (d+e)	42	15,715,104,990	11,256,303,146

These financial statements should be read in conjunction with the annexed notes.

Helal Ahmed Chowdhury
 Managing Director
 Dhaka, 23 February 2012

Syed Moazzem Hussain
 Director

Monzurur Rahman
 Director

Hafiz Ahmed Mazumder
 Chairman



Pubali Bank Limited
Statement of Changes in Equity
for the year ended 31 December 2011

Figures in Taka

Particulars	Paid-up capital	Statutory reserve	Retained earnings (general reserve)	Other reserves	Proposed dividend	Total
For the year 2011						
Balance at 1 January 2011	4,968,600,000	4,148,732,309	2,340,891,675	2,921,643,561	-	14,379,867,545
Changes in accounting policy	-	-	-	-	-	-
Restated balance	4,968,600,000	4,148,732,309	2,340,891,675	2,921,643,561	-	14,379,867,545
Surplus/deficit on account of revaluation of properties	-	-	-	130,910,825	-	130,910,825
Surplus/deficit on account of revaluation of investments	-	-	-	(119,425,681)	-	(119,425,681)
Currency translation differences	-	-	-	-	-	-
Net gains and losses not recognized in the Profit and Loss Statement	-	-	-	-	-	-
Surplus/deficit on sale of properties	-	-	-	-	-	-
Net profit for the year	-	-	2,058,176,520	-	-	2,058,176,520
Transfer to statutory reserve	-	1,082,044,130	-	-	-	1,082,044,130
Issue of bonus shares - 2010	1,739,010,000	-	(1,739,010,000)	-	-	-
Proposed dividend (bonus issue)	-	-	-	-	-	-
Dividends (cash) for 2010	-	-	(248,430,000)	-	-	(248,430,000)
Balance at 31 December 2011	6,707,610,000	5,230,776,439	2,411,628,195	2,933,128,705	-	17,283,143,339
For the year 2010						
Balance at 1 January 2010	3,822,000,000	3,152,722,217	1,369,468,957	1,165,059,717	-	9,509,250,891
Changes in accounting policy	-	-	-	-	-	-
Restated balance	3,822,000,000	3,152,722,217	1,369,468,957	1,165,059,717	-	9,509,250,891
Surplus/deficit on account of revaluation of properties	-	-	-	1,776,010,154	-	1,776,010,154
Surplus/deficit on account of revaluation of investments	-	-	-	(19,426,310)	-	(19,426,310)
Currency translation differences	-	-	-	-	-	-
Net gains and losses not recognized in the Profit and Loss Statement	-	-	-	-	-	-
Surplus/deficit on sale of properties	-	-	72,040,030	-	-	72,040,030
Net profit for the year	-	-	2,237,082,688	-	-	2,237,082,688
Transfer to statutory reserve	-	996,010,092	-	-	-	996,010,092
Issue of bonus shares - 2009	1,146,600,000	-	(1,146,600,000)	-	-	-
Proposed dividend (bonus issue)	-	-	-	-	-	-
Dividends	-	-	(191,100,000)	-	-	(191,100,000)
Balance at 31 December 2010	4,968,600,000	4,148,732,309	2,340,891,675	2,921,643,561	-	14,379,867,545

These financial statements should be read in conjunction with the annexed notes.

Helal Ahmed Chowdhury
Managing Director
Dhaka, 23 February 2012

Syed Moazzem Hussain
Director

Manzurur Rahman
Director

Hafiz Ahmed Mazumder
Chairman

**Pubali Bank Limited****Liquidity statement (assets and liabilities maturity analysis)**

for the year ended 31 December 2011

Particulars	Not more than 1 month term	1-3 months term	3-12 months term	1-5 years term	Above 5 years term	Total
Assets						
Cash in hand	11,745,563,519	-	-	-	-	11,745,563,519
Balances with other banks and financial institutions	845,623,154	100,000,000	401,364,370	245,124,879	-	1,592,112,403
Money at call & short notice	2,359,286,667	-	-	-	-	2,359,286,667
Investments	13,040,752,715	2,456,726,766	346,467,361	2,508,678,455	716,646,723	19,069,272,020
Loans & Advances	12,199,424,977	19,190,454,162	37,366,629,068	29,197,942,724	8,375,182,134	106,329,633,065
Fixed assets including Premises, Furniture & Fixtures	-	-	381,757,491	55,400,768	2,932,034,601	3,369,192,860
Other Assets	578,345,546	584,978,496	264,827,828	1,801,850,611	9,458,271,652	12,688,274,133
Non-banking assets	-	-	-	-	375,246	375,246
Total Assets	40,768,996,578	22,332,159,424	38,761,046,118	33,808,997,437	21,482,510,356	157,153,709,913
Liabilities :						
Borrowings from other banks, financial institutions & agents	459,675,752	-	-	-	-	459,675,752
Deposits	32,665,875,135	15,934,882,220	34,420,053,520	20,802,086,911	19,983,069,981	123,805,967,767
Provision & other liabilities	3,041,801,220	-	2,828,828,141	9,568,145,692	166,148,002	15,604,923,055
Total Liabilities	36,167,352,107	15,934,882,220	37,248,881,661	30,370,232,603	20,149,217,983	139,870,566,574
Net liquidity Gap	4,601,644,471	6,397,277,204	1,512,164,457	3,438,764,834	1,333,292,373	17,283,143,339

Current and savings deposits do not have any contractual maturity and hence have been classified among all five maturities. Further, it has been assumed that on a going concern basis, these deposits are not expected to fall below the current year's level.

Helal Ahmed Chowdhury
Managing Director
Dhaka, 23 February 2012

Syed Moazzem Hussain
Director

Monzurur Rahman
Director

Hafiz Ahmed Mazumder
Chairman



Ref.

IAS 1.61(a)
IAS 1.10(a),
1.10(a)

Pubali Bank Limited
Notes to the financial statements for the year ended 31 December 2011

General

IAS 1.138(a), (b)

1. The Bank and its activities

1.1 Entity

Pubali Bank Limited (the Bank) was incorporated in the year 1959 under the name and style of Eastern Mercantile Bank Limited under Companies Act 1913. After the country's liberation in 1971, the Bank was nationalised as per policy of the Government of Bangladesh under the Bangladesh Bank (Nationalisation) Order 1972 (PO No. 26 of 1972) and was renamed as Pubali Bank. Subsequently, the Bank was denationalised in the year 1983 and was again incorporated in Bangladesh under the name and style of Pubali Bank Limited in that year. The government transferred the entire undertaking of Pubali Bank to Pubali Bank Limited, which took over the same as a going concern.

1.2 Principal activities

The Bank engages in all types of commercial banking services as laid down in Banking Companies Act 1991 and directives received from Bangladesh Bank from time to time. It has 406 branches all over Bangladesh. It is listed in the stock exchange of Dhaka and Chittagong as a publicly-traded company.

1.3 Capital structure of the Bank

The authorised capital of the Bank is Taka 10,000,000,000 divided into 1,000,000,000 ordinary shares of Taka 10 each which was increased from Taka 5,000,000,000 divided into 50,000,000 ordinary shares of Taka 100 each and the face value of each share has also been changed to Taka 10 each from Taka 100 vide special resolution passed in the extra ordinary general meeting held on 6 May 2010 and 15 July 2010 respectively. Details of share capital are given in note no. 14.

IAS 1.112(a)

2. Significant accounting policies and basis of preparation of financial statements

IAS 1.117

2.1 Basis of accounting

The financial statements, namely, Balance Sheet, Profit and Loss Statement, cash flow statement, Statement of Changes in Equity, Liquidity Statement and relevant notes and disclosures thereto, of the Bank are prepared on a going concern basis under historical cost convention, and in accordance with First Schedule of the Banking Companies Act 1991, as amended, BRPD circular no. 14 of 25 June 2003, other Bangladesh Bank circulars, International Accounting Standards, and International Financial Reporting Standards adopted in Bangladesh as Bangladesh Accounting Standards (BAS), and Bangladesh Financial Reporting Standards (BFRS), the Companies Act 1994, the Securities and Exchange Rules 1987 including those that have been so far adopted by the Institute of Chartered Accountants of Bangladesh. Wherever appropriate, such principles are explained in succeeding notes.

IAS 1.119

2.2 Basis of consolidation

A separate set of records for consolidating the Balance Sheet and Profit and Loss Statement of the branches are maintained at the Head Office of the Bank based on which these financial statements have been prepared.



Ref.

IAS 1.51(a)
IAS 1.10(e),
1.10(f)

Pubali Bank Limited

Notes to the financial statements for the year ended 31 December 2011

2.3 Islami Banking Window

Islami Banking Window has maintained a separate set of books and records for its operations. All assets and liabilities and income and expenses of that window are incorporated in similar heads of account of the Bank's financial statements. A separate financial statements, Balance Sheet and Profit and Loss Statement, of Islami Banking window is shown separately as per Bangladesh Bank BRPD circular no. 15 dated 09 November 2009. Bases of distribution of profit and fixation of final rate of Islamic Banking Operations for the year 2011 are enclosed as Annex E.

IAS 1.122,125

2.4 Use of estimates and judgments

The preparation of financial statements in conformity with BFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision or future periods, if the revision affects both current and future periods.

IAS 21.23

2.5 Foreign currency transactions

i. Functional and presentational currency

Financial statements of the Bank are presented in Taka, which is the Bank's functional and presentational currency.

ii. Foreign currency translation

Foreign currency transactions are converted into equivalent Taka currency at the ruling exchange rates on the respective dates of such transactions as per BAS-21 'The effects of Changes in Foreign Exchange Rates'.

Assets and liabilities in foreign currencies at 31 December 2011 have been converted into Taka currency at the average of the prevailing buying and selling rates of the relevant foreign currencies at that date except 'Balances with other Banks and Financial Institutions' which have been converted as per directives of Bangladesh Bank vide its circular no. BRPD(R) 717/2004-959 dated 21 November 2004.

Differences arising through buying and selling transactions of foreign currencies on different dates of the year have been adjusted by debiting /crediting exchange gain or loss account.

iii. Commitment

Commitments for outstanding forward foreign exchange contracts disclosed in these financial statements are translated at contracted rates. Contingent liabilities/commitments for letter of credit, letter of guarantee and acceptance denominated in foreign currencies are expressed in Taka terms at the rates of exchange ruling on the date of balance sheet.



Ref.

IAS 1.51(a)
IAS 1.10(a),
1.10(a)

Pubali Bank Limited
Notes to the financial statements for the year ended 31 December 2011

IAS 1.119

2.6 Taxation

Income tax expense represents the sum of the current tax and deferred tax.

IAS 12.12,46

2.6.1 Current tax

The tax current payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the Profit and Loss Statement because it excludes items of income or expense that are taxable or deductible. The Bank's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the date of Balance Sheet.

Provision for current income tax has been made @ 42.5% on accounting profit made by the Bank after considering some of the add backs of income and disallowances of expenditure as per Income Tax Ordinance 1984.

IAS 12.47,15,24

2.6.2 Deferred tax

Deferred tax liabilities are the amount of income taxes payable in future periods in respect of taxable temporary differences. Deferred tax assets are the amount of income taxes recoverable in future periods in respect of deductible temporary differences. Deferred tax assets and liabilities are recognised for the future tax consequences of timing differences arising between the carrying values of assets, liabilities, income and expenditure and their respective tax bases. Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantially enacted at the date of Balance Sheet. The impact on the account of changes in the deferred tax assets and liabilities has also been recognised in the Profit and Loss Statement as per BAS 12 "Income Taxes" (note 13.5.1).

IAS 1.119

2.7 Assets and basis of their valuation

IAS 7.45

2.7.1 Cash and cash equivalents

Cash and cash equivalents include currency notes and coins on hand, balances held with Bangladesh Bank and most liquid financial assets which are subject to insignificant risk of changes in their fair value, and are used by the Bank to meet its short term obligations.

IAS 1.119

2.7.2 Investments

Investment in Govt. securities are initially recognised at cost, being fair value of the consideration given, including acquisition charges associated with the investment. Premiums are amortised and discounts accredited, using the effective yield method and are taken to discount income. The valuation method of investments used is:

2.7.2.1 Held to maturity (HTM)

Investments which have fixed or determinable payments and are intended to be held to maturity, are classified as held to maturity. These investments are subsequently measured at amortised cost, less any provision for impairment in value. Amortised cost is calculated by taking into account any discount or premium on acquisition. Any gain or loss on such investments is recognised in the Profit and Loss Statement when the investment is derecognised or impaired as per IAS 39 'Financial Instruments: Recognition and Measurement'.



Ref.

IAS 1.51(a)

IAS 1.10(a),

1.10(a)

Pubali Bank Limited

Notes to the financial statements for the year ended 31 December 2011

2.7.2.2 Held for trading (HFT)

The securities under this category include those acquired by the Bank with the intention to trade by taking advantages of short term price/interest movement, and the securities those are classified as HFT by the Bank held in excess of statutory liquidity reserve (SLR) net of cash reserve requirement (CRR), at a minimum level. Investments classified in this category are principally for the purpose of selling or repurchasing on short trading or if designated as such by the management. In this category, investments are measured at their fair value and any change in the fair value i.e. profit or loss on sale of securities in HFT category is recognised in the Profit and Loss Statement.

Value of investment has been enumerated as follows:

<u>Item</u>	<u>Applicable accounting value</u>
Government treasury bills	At book value
Government treasury bonds	At cost price
Prize bonds	At cost price
Approved debentures	At cost price
Shares and debentures	Lower of cost or market value at the date of Balance Sheet.

Investment in shares and debenture are valued at cost. Adequate provision is made for shortfall in market value of shares and debentures over their cost price.

2.7.3 Loans and advances

- (a) Interest on loans and advances is calculated on a daily product basis but charged and accounted for quarterly on accrual basis. Interest on classified loans and advances is kept in interest suspense account as per directives of Bangladesh Bank and such interest is not accounted for as income until realised from borrowers.
- (b) Interest is not charged on bad and doubtful loans and advances from the date of filing money suits against the borrowers.
- (c) Provision for loans and advances is made on the basis of periodical review by the management and of instructions contained in Bangladesh Bank's BCD circular nos. 34 of 16 November 1989, 20 of 27 December 1994 and 12 of 04 September 1995 and BRPD circular nos. 16 of 06 December 1998, 9 of 14 May 2001, 2 of 15 February 2005, 9 of 20 August 2005, 17 of 6 December 2005, 5 of 5 June 2006 and 5 of 5 April 2008 respectively at the following rates:

<u>i. General provision on unclassified loans and advances</u>	<u>Rate</u>
Standard loans and advances	1%
Standard loans to small enterprises	2%
Standard loans to professional for set up a business	2%
Standard loans to house building financing	2%
Standard consumer financing	5%
Special mention account	5%



Ref.

IAS 1.51 (a)
IAS 1.10(a),
1.10(b)

Pubali Bank Limited
Notes to the financial statements for the year ended 31 December 2011

ii. <u>Specific provision on classified loans and advances</u>	<u>Rate</u>
Substandard	20%
Doubtful	50%
Bad/Loss	100%

(d) Loans and advances are written off to the extent that there is no realistic prospect of recovery, and against which legal cases are pending for more than five years as per guidelines of Bangladesh Bank. These write offs, however, will not undermine/affect the claim amount against the borrowers. Detailed memorandum records for all such written off accounts are meticulously maintained and followed up.

IAS 16.73(a),
16.73(b)(c)

2.7.4 Fixed assets and depreciation

- (a) Fixed assets other than land are stated at cost/revalued price less depreciation.
- (b) Depreciation is charged at the rates prescribed by Bangladesh Bank on reducing balance method with the exception of machinery, equipment and motor vehicles on which straight-line method is applied.
- (c) Cost of lifts is included in premises and depreciated on reducing balance method.
- (d) Upon sale or disposal of any item of fixed assets, no depreciation is charged in the year of its sale or disposal, the net book value is eliminated from accounts and any resulting gain or loss is transferred to Profit and Loss Statement.
- (e) Full year's depreciation at applicable rates is charged on additions to fixed assets made up to 30 September and no depreciation is calculated on additions after that date.

<u>Category of asset</u>	<u>Rate of Depreciation</u>
Buildings	2.50%
Furniture and fixtures	10%
Machinery and equipment	20%
Computers and computer accessories	30%
Motor vehicles	20%

2.7.5 Other assets

Provision for other assets is made as per BRPD circular no. 14 of 25 June 2001.

2.7.6 Lease finance

Leases are classified as finance leases of the Bank as per BAS 17 "leases". Amount due from leases under finance leases are recorded as receivables as the amount of the Bank's net investment in the leases (note 7.12). Finance leases income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Bank's investment outstanding in respect of the leases. No depreciation has been charged for such leases in the account.



Ref.

IAS 1.51(a)	Pubali Bank Limited
IAS 1.10(a), 1.10(e)	Notes to the financial statements for the year ended 31 December 2011
IAS 19.120	2.8 Retirement benefits to the employees
IAS 19.120	a) Provident fund <p>The Bank operates a contributory provident fund for its eligible employees. The Commissioner of Income Taxes, Dhaka has approved the provident fund as a recognised provident fund as per section 2(1) of Part B of the First Schedule of Income Tax Ordinance 1984. The Fund is administered by a Board of Trustees consisting 3 (three) members and funded by contributions both from employees and Bank @10% of basic salary. Interest earned from the investment is credited to the members' accounts annually. Provident fund benefits are given to the employees of the Bank in accordance with provident fund rules of the Bank.</p>
IAS 19.120	b) Gratuity <p>The Bank has been maintaining an employee gratuity fund in the name of Pubali Bank Limited Gratuity Fund under which benefits are given to the staff of the Bank in accordance with the rules of gratuity fund. National Board of Revenue has approved the gratuity fund as a recognised gratuity fund vide their letter no. 6(16)/2007/822 of 14 November 2007. The Fund is operated by a Board of Trustees consisting 5 (five) members of the Bank.</p>
IAS 1.119	2.9 Revenue recognition <p>The revenue during the year is recognised as follows which satisfy all conditions of revenue recognition as prescribed by IAS -18 titled "Revenue".</p> <ul style="list-style-type: none">(i) Interest is calculated on daily product basis on unclassified loan and advances but charged on a quarterly basis.(ii) Interest is charged on classified loans and advances as per Bangladesh Bank's BRPD circular no. 16 of 06 December 1998 and other related circulars and such interest is not taken into income.(iii) Dividend income is recognised at the time when it is realised.(iv) Commission and discount on bills purchased and discounted are recognised at the time of realisation.
IAS 1.111	2.10 Cash flow statement <p>Cash Flow Statement is prepared principally in accordance with BAS-7 "Cash Flow Statement" under direct method as per guidelines of BRPD circular no. 14 dated 25 June 2003. The Cash Flow Statement shows the structure of and changes in cash and cash equivalents during the financial year. It reported cash flows during the period classified by operating activities, investing activities and financing activities.</p>
IFRS 7.39	2.11 Statement of liquidity <p>The liquidity statement has been prepared in accordance with the remaining maturity period of the value of the assets and liabilities as on the reporting date as per the guidelines of Bangladesh Bank BRPD Circular No 14 of 25 June 2003.</p>



Ref.

IAS 1.51(e)
IAS 1.10(a),
1.10(d)

Pubali Bank Limited

Notes to the financial statements for the year ended 31 December 2011

IAS 1.114(d)

2.12 Statement of changes in equity

Statement of changes in equity is prepared in accordance with BAS-1* Presentation of Financial Statements* and under the guidelines of BRPD circular no.14 dated 25 June 2003.

2.13 Reconciliation of books of account

Books of account in regard to inter bank (inside Bangladesh and outside Bangladesh) and inter branch transactions are being regularly reconciled. The Bank has however, formed a task force to take positive steps to eliminate the long outstanding inter branch entries within the shortest period of time

IAS 1.114(d)

2.14 Risk management

Banking business is a risky business. The risk of the Bank may be defined as the possibility of losses, financial or otherwise. The risk management of the Bank covers 06 core risks i.e. Credit Risk, Internal Control & Compliance Risk, Money Laundering Risk, Asset Liability Management Risk (Balance Sheet Risk), Foreign Exchange Risk and Information Technology Risk. Moreover, Operational Risk, Market Risk, Liquidity Risk, Reputational Risk, Insurance Risk and Sustainability Risk are also brought into consideration. Success or failure of a bank indeed depends on proper identification and minimization of risk. The prime objective of the risk management is that Bank takes well calculative business risks while safeguarding the Bank's capital, its financial resources and profitability from various risk areas. A separate Risk Management Unit (RMU) has been formed headed by Additional Managing Director where all the General Managers & Division Heads of Head Office are the members and the Division Head, Internal Control & Compliance Division is the member secretary of the committee. The committee is responsible to our Honorable Managing Director for compliance and implementation of the decisions. Monthly meeting of Risk Management Unit is arranged on regular basis where different risk areas are discussed, minuted and decisions are gradually implemented. The Committee reports to Honorable Managing Director regularly. Minutes of Risk Management Unit meeting along with risk management papers are submitted to Bangladesh Bank on quarterly basis. Yearly Health Memo is placed before the Audit committee of the Board of Directors in which analytical & exhaustive information along with risk factors are highlighted. Yearly summary report on the audit findings are also placed before the Audit committee of the Board of Directors mentioning & highlighting different incidences and the decisions are implemented by the Bank. As a part of risk management, adequate capital is maintained against Credit Risk, Market Risk and Operational Risk under Basel-II accord. Stress Testing is done on quarterly basis to assess the impact of different risks associated with banking business on asset, liability & ultimately on capital and the report is submitted before the Board of Directors and to Bangladesh Bank regularly.

IFRS 7.33

c) Credit Risk management

Credit risk is one of the major risk faced by the Bank. This can be described as potential loss arising from the failure of a counter party to perform as per contractual agreement with the Bank. The failure may result from unwillingness of the counter party or decline in his/her financial condition. Therefore, Bank's credit risk management activities have been designed to address all these issues. The Bank has segregated duties of the Officers/Executives involved in credit related activities. Credit approval, administration, monitoring and recovery functions have been segregated. For this purpose, three separate divisions have been formed. These are credit division, credit administration monitoring & recovery division and law division. Credit division is entrusted with the duties of maintaining asset quality, assessing risk in lending to a particular customer, sanctioning credit, formulating policy/strategy for lending operation, etc.



Ref.

IAS 1.51(a)
IAS 1.10(a)-
1.10(e)

Pubali Bank Limited

Notes to the financial statements for the year ended 31 December 2011

A thorough assessment is done before sanction of any credit facility at credit division. The risk assessment includes borrower risk analysis, financial analysis, industry analysis, historical performance of the customer, security of the proposed credit facility, etc. All credit proposals have been placed in credit committee for sanction or make decline. Managing Director is the Chairman of credit committee. Loans having big exposures are placed before the Board of Directors of the Bank for sanction. Concentration of credit risk management is shown in note 7.5.

In determining single borrower/large loan limit, the instructions of Bangladesh Bank are strictly followed. Internal audit is conducted on periodical interval to ensure compliance of Bank's and Regulatory policies. Loans are classified as per Bangladesh Bank's guidelines. Concentration of single borrower/large loan limit shown in note 7.8.

FRS 7.33

b) Foreign exchange risk management

Foreign exchange risk is defined as the potential change in earnings arising due to change in market prices. The foreign exchange risk of the Bank is minimal as all the transactions are carried out on behalf of the customers against underlying foreign exchange transactions.

Treasury Division independently conducts the transactions and the back office of treasury is responsible for verification of the deals and passing of their entries in the books of account. All foreign exchange transactions are revalued at mark - to - market as determined by Bangladesh Bank at the end of month. All nostro accounts are reconciled on monthly basis and outstanding entry beyond 30 days is reviewed by the management for its settlement.

FRS 7.39(b)

c) Asset liability management

The Asset Liability Committee (ALCO) of the Bank monitors market risk and liquidity risks of the Bank. The market risk is defined as potential change in earnings due to change in rate of interest, foreign exchange rates which are not of trading nature. ALCO reviews liquidity requirement of the Bank, the maturity of assets and liabilities, deposit and lending, pricing strategy and the liquidity contingency plan.

IAS 1.114(d)

d) Prevention of money Laundering

Money Laundering Risk arises from non-compliance of money laundering related instructions of the regulatory body. The following initiatives have been taken to comply with the requirements of Bangladesh Bank:

- Central Compliance Unit (CCU) at Head Office and Branch Compliance Unit at branch level have been formed headed by the Chief Anti-Money Laundering Compliance Officer (CAMLCO) and Branch Anti-Money Laundering Compliance Officer (BAMLCO) respectively.
- Guideline on money laundering and terrorist financing have been meant & approved by the Board of Directors and the same have been dispatched to branches for compliance.
- From 1 January 2009, uniform account opening form has been introduced where KYC is a must.
- Transaction Profile (TP) of each customer is taken while opening account and actual transaction is compared with TP to identify abnormal and suspicious transaction
- Cash Transaction Reporting (CTR) and Suspicious Transaction Reporting (STR) are made to Bangladesh Bank on regular basis.
- Customers are graded on the basis of risk and high risk customers are closely monitored
- Self Assessment is done by the branches and summary report is prepared and submitted to the Management and Bangladesh Bank.
- Independent Testing Procedure is done while conducting audit in the branches.
- As a part of core risk inspection, system check on money laundering has been introduced.



Ref.

IAS 1.51(j)

IAS 1.10(a),

1.10(a)

Pubali Bank Limited

Notes to the financial statements for the year ended 31 December 2011

- Enhanced Due Diligence is applied for Politically exposed persons and high risk customers.
- Extensive training is being continuously imparted to the officials of the bank to make them familiar with money laundering prevention & terrorist financing and to mitigate the risk arising out therefrom.
- So far 29 circulars of Bangladesh Bank on AML have been circulated to the branches for compliance.
- Monitoring and follow up are continuously maintained by the CCU.

IAS 1.114(d)

e) Internal Control and Compliance

Operational loss may arise due to Internal & external fraud, employee practices & workplace safety, business practices, damage to physical assets, business disruption & system failure and process management etc. In our Bank internal control and compliance functions are jointly performed by Audit Division, Internal Control & Compliance Division and Human Resources Division. Audit Division undertakes periodical and special audit of the branches and divisions of Head Office to review the operation and compliance of statutory requirements. Synopsis of the audit report is placed before the Audit Committee of the Board of Directors regularly. Internal Control & Compliance Division deals with the regulatory compliance and also functions as the contact point of the bank. The Management Committee (MANCOM) headed by Honorable Managing Director reviews the overall control system of the bank and a certificate is provided to the Board of Directors in this regard.

IAS 1.114(d)

2.15 Off-balance sheet items

Under general banking transactions, liabilities against acceptance, endorsement and other obligations and bills against which acceptances have been given and claims exist thereagainst, have been shown as off-balance sheet items.

2.16 Authorisation of financial statements

The financial statements for the year ended 31 December 2011 have been authorised for issue in accordance with a resolution of the Board of Directors on 23 February 2012.

IAS 1.32

2.17 Offsetting

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

IAS 1.117(b)

2.18 Earnings per share

Earnings per share (EPS) has been computed by dividing the basic earnings by the number of ordinary shares outstanding as on 31 December 2011 as per IAS 33 "Earnings per Share". Diluted earnings per share was not required to calculate as no dilution occurred.

2.19 Interest paid and other expenses

In terms of the provisions of BAS 1 "Presentation of Financial Statements" interest and other expenses are recognised on accrual basis.

2.20 Memorandum items

Memorandum items are maintained to have control over all items of importance and for such transactions where the Bank has only a business responsibility and no legal commitment. Stock of traveller's cheques, value of savings certificates (sanchaya patra), etc fall under the memorandum items.



Ref.

IAS 1.51(a)
IAS 1.10(a),
1.10(a)

Pubali Bank Limited

Notes to the financial statements for the year ended 31 December 2011

2.21 Reporting period

These financial statements cover one calendar year from 01 January 2011 to 31 December 2011.

2.22 Number of employees

The number of employees employed in the Bank as on 31 December 2011 was 6,219, of which 5,375 were male and 844 were female. The number of employees per branch was 13.64 excluding 682 employees in the head office of the Bank.

During the year 2011, the Bank paid remuneration up to Taka 36,000 per employee to 727 persons and exceeding Taka 36,000 per employee to 5,492 persons.

2.23 Provision for liability

A provision is recognized in the balance sheet when the Bank has a legal or constructive obligation as a result of a past event and it is provable that an outflow of economic benefit will be required to settle the obligations, in accordance with the BAS 37 "Provisions, Contingent Liabilities and Contingent Assets".

2.24 Post balance sheet events

No material events have occurred after balance sheet date which could affect the values reported in the financial statements, except declaration of dividend, if any.

2.25 Preparation for BASEL II implementation

The BASEL Committee on Banking Supervision has published a new framework for calculating minimum capital requirement, known as "Basel II". The new guideline is structured around three pillars:

(i) minimum capital requirement (on credit risk, operation risk and market risk), (ii) supervisory review process and (iii) market discipline.

Implementation of Basel II framework in Bangladesh will integrate the risk management process of the Bank and its capital adequacy requirement. Bangladesh Bank has formed a National Steering Committee and Coordination Committee for implementation of BASEL II in Bangladesh. As per the Committee decision BASEL II would be fully implemented in Bangladesh from January 2011. The National Steering Committee has indicated that following methodology of BASEL II would be followed in Bangladesh:

- i. Standardised method for credit and market risk.
- ii. Basic Indicator approach for operational risk.
- iii. Internal Ratings Based for credit risk would be applied from 2012 where prior permission from Bangladesh Bank would be required.

The National Steering Committee has suggested for continuous training of the officers and employees of the banks for capacity building and formation of an implementation team. Implementation team would remain responsible for overall supervision of BASEL II implementation in their banks. It has also suggested that the board of directors should also remain updated on the issue.

Accordingly, the Bank has formed Basel II implementation team and is providing training to senior management, credit officers and managers of the Bank.



Ref.

IAS 1.51(a)
IAS 1.10(a),
1.10(e)

Pubali Bank Limited

Notes to the financial statements for the year ended 31 December 2011

2.26 Information technology

Information Technology has enabled efficient, accurate and timely management of the increased transaction volume of Pubali Bank Limited that comes with a larger customer base. Adoption of technology has delighted the customers in terms of convenience and satisfaction through new products, new services and efficient delivery channels.

Pubali Bank Limited has been extending customer services at all of our 406 branches using our in-house developed core banking software, Pubali Integrated Banking System (PIBS) under network environment. Real-time Centralized Online Banking System has been developed and deployed in 254 branches across the country. The rest of the branches will be brought under Online Banking Network phase wise. The Online Banking Network of Pubali Bank Ltd. has become the largest one in the banking sector of Bangladesh. The efficient members of the Software Support Unit at IT Division are extending quick support to the branches to solve any software/operational problems in banking software.

To ensure better and quick customer services, One Stop Service has been implemented at our 295 branches. One Stop Service facility will be extended to all our branches phase wise. Hardware Engineers have also been posted in each Regional Offices for quick solution to the hardware problems of the branches.

To encourage incoming foreign remittances, all of our branches have been brought under the Internet Banking Software, Pubali Bank Internet Banking System, has been developed which will be launched soon. Security of the transmitted data by encryption/decryption has been ensured through agreement with VerSign Secured Site Pro. Development of software for Mobile Phone Banking is under process.

As approved by the Board, Pubali Bank Limited will have its own ATM Network with 1000 ATM Booths across the country. Establishment of Booths is under progress. We have in the mean time obtained Principal Membership of MasterCard and VisaCard. Procurement of ATMs, POS, related software and hardware for card printing and personalization etc. including establishment of Call Center are under progress.

For security awareness of computer/information assets of the bank, ICT Policy and Business Continuity Plan have been approved by the Board. Banking data of all the Online Branches are being stored and controlled centrally at the Data Center (DC) established at IT Division. Establishment of Disaster Recovery (DR) Center at Uttara, Dhaka with the similar setup of Data Center is under progress. With the establishment of DR Center, the banking data of the Online Branches will be stored simultaneously both at the Data Center and the DR Center to ensure additional security of data.

Bangladesh Automated Clearing House (BACH), Bangladesh Electronic Fund Transfer (BEFTN), Credit Information Bureau (CIB) Reporting etc. have been successfully implemented as per guideline of Bangladesh Bank.

We have opened Islamic Banking Window at our Principal Branch, Dhaka and Stadium Branch, Sylhet using our in-house developed Islamic Banking Software, Pubali Integrated Islamic Banking System (PIIBS). Similar windows will be opened in other branches across the country.



Ref.

AS 1.51(a)
AS 1.10(a),
1.10(e)

Pubali Bank Limited
Notes to the financial statements for the year ended 31 December 2011

To keep touch with the shareholders, customers, patrons, well wishers and the interested people all over the world, we have established our website www.pubalibangla.com wherefrom the visitors can get information about our products, pricing, charge schedule, career opportunity, procurement notices and present status of our bank at few key strokes. Information in the website is updated periodically and also as and when required.

Internet connections have been established at all of our branches and email address have been provided to the branches under our own Mail Server at IT Division, Head Office. Communications among the Branches, Regional Offices and different Divisions of Head Office has become quick and easier through email.

To ensure proper training to our officials to handle computer operations, Information Technology Division arranged need based Training Program/Workshops at Head Office Auditorium from time to time throughout the year in addition to the routine training courses conducted by the Pubali Bank Training Institute, Moghbazar, Dhaka. Moreover, Computer Lab has been established at Matijheel, Dhaka where 220 batches of hands on training were arranged during the year 2011 on 13 (thirteen) different Topics/Modules relating to banking software, hardware and trouble shooting which covered 4,210 participants from different branches, Head Office and Regional Offices.

2.27 Training

In implementation of the human resources development strategy, the Bank has established its own Training Institute at the head office with the vision to build up professionals with technical, human and conceptual skills. The Institute is focused to ensure a formal platform where employees can exchange their ideas, update their knowledge base, open up their eyes to the complexities of banking world.

During the year 2011, the training institute of the Bank has arranged a total of 61 training courses, seminars and workshops mostly conducted by the internal resource persons with 1963 participants. The objectives of designing all training programmes are to bridge the gap between present level of competence and the required level of competence.

**Ref.**IAS 1.51(a)
IAS 1.10(a),
1.10(b)**Pubali Bank Limited****Notes to the financial statements for the year ended 31 December 2011**

Sl No	Training courses/workshops/seminars	No. of courses held	No. of participants
1	Manager and his/her job (Managers & Prospective Managers)	6	124
2	Internal Control & Compliance	7	181
3	Foundation Course for Sr.Officers recruited in 2010	1	22
4	Orientation course on Islamic Banking	1	19
5	Workshop on Asset Liability Management	2	51
6	Workshop on Risk Based Capital Adequacy under BASEL-II	2	60
7	Foundation Course for Senior Officers & Officers directly recruited in 2010	4	86
8	Money Laundering Prevention and Foreign Remittance	4	112
9	Introduction to Pubali Bank Integrated Banking System(PIBS)	2	39
10	Refreshers Course for Deputy Manager of the Branch	3	50
11	Workshop on Consumers Credit	3	73
12	Workshop on Conducting Inquiry	1	17
13	Credit Risk Management and Grading	3	83
14	Lease Financing	2	54
15	Business English and Writing Skill	4	97
16	Foundation Course for Officers recruited in 2010	3	73
17	Workshop on Foreign Exchange and Foreign Trade	3	80
18	Workshop on VAT	1	30
19	Orientation Course for Jr.Officers(Cash) recruited in 2011	1	236
20	Orientation Course for Senior Officer & Officers recruited in 2011	1	250
21	Orientation Course for Jr.Officers(Cash) recruited in 2011	1	78
22	Extended Learning Program for Jr.Officer (Cash) recruited in 2011	3	77
23	Workshop on Environmental Risk Management and Green Banking	3	71
		61	1,963

2.28 Audit committee

The Board reconstituted the Audit Committee in its 829th Board Meeting held on 28 June 2011 comprising the following members of the Board of Directors in terms of Bangladesh Bank's BRPD Circular No. B dated 19 June 2011.

Name	Status in the Bank	Status in the Committee	Qualification
Mr. Ahmed Shafi Choudhury	Director	Chairman	BA (Dhaka University)
Mr. Moniruddin Ahmed	Director	Member	Matriculation
Mr. Monzurur Rahman	Director	Member	BA (Kolkata University)
Mr. Mostafa Shahriar Ahmed	Director	Member	BBA(Finance),USA
Mr. Khurshid-ul-Alam	Independent Director	Member	B.A(Hon'rs),MA(Eco)DU, MA(Eco), University of New England, Australia



Ref.

MS 1.51(a)

IAS 1.10(a),

1.10(a)

Pubali Bank Limited

Notes to the financial statements for the year ended 31 December 2011

During the year 2011, the Audit Committee of the Board of Directors conducted 16 (sixteen) Meetings in which among other things, the following issues were discussed/ evaluated/ reviewed and provided guidelines and necessary instruction:

- Reviewed the internal Audit of different Branches of the Bank conducted by Bank's Internal Audit Team received from time to time and gave guidelines /directions and decisions on the basis of the report.
- Evaluated whether Management is setting the appropriate compliance culture by communicating the importance of Internal Control and the Management of risk to ensure that all employees of the Bank have understood their roles and responsibilities.
- Reviewed the corrective measures taken by the Management as regards the reports relating to deficiencies in Internal Audit Division, Bangladesh Bank Inspection Team and External Auditors and subsequently inform the Board of Directors on a regular basis.
- Evaluated classified Loans and Advances on quarterly basis.
- Reviewed Annual and periodical Audit and Inspection program of the Bank.
- Reviewed External Auditor's Report on Branches.
- Reviewed Policy guidelines of Information Technology and System Audit, Anti Money Laundering Guidelines, Internal Control and Compliance etc.
- Reviewed special inspection / special investigation / visit report of different Branches of the Bank conducted by the Board's Special Audit Cell from time to time and the status of compliance thereof.
- Reviewed Annual Financial Statements of the Bank.
- Followed-up the recovery of Loans and Advances of the Bank.
- Reviewed operating Profit for the year 2010.
- Reviewed Un-audited Half yearly Financial Statements of the Bank.

- 2.29 Figures relating to the previous year included in this report have been rearranged, wherever considered necessary, to make them comparable with those of the current year for the purpose of comparison with current year's presentation, without any impact on.
- 2.30 Figures in these notes and in the annexed financial statements have been rounded off to the nearest Taka.
- 2.31 These notes form an integral part of the annexed financial statements and accordingly are to be read in conjunction therewith.



Ref.

IAS 1.51(a)
IAS 1.10(a),
1.10(a)

Pubali Bank Limited

Notes to the financial statements for the year ended 31 December 2011

		2011	2010
		Taka	Taka
	PROPERTY AND ASSETS		
IAS 7.45 IAS 1.77	3 Cash		
	In Hand/ Including foreign currency		
	In local currency	2,354,759,918	2,400,077,939
	In foreign currencies	21,822,094	20,842,574
		<u>2,376,582,012</u>	<u>2,420,920,513</u>
IAS 1.77	Balance with Bangladesh Bank and its Agent Banks		
	Bangladesh Bank:		
	In local currency	6,755,322,221	5,802,090,574
	In foreign currencies	1,354,413,993	977,596,723
	Sonali Bank as agent of Bangladesh Bank:	8,109,736,214	6,779,687,297
	Local currency	1,259,245,293	1,036,441,882
		<u>9,368,981,507</u>	<u>7,816,129,179</u>
		<u>11,745,563,519</u>	<u>10,237,049,692</u>

3.1 Cash Reserve Ratio and Statutory Liquidity Requirement

Cash Reserve Ratio and Statutory Liquidity Requirement have been calculated and maintained in accordance with section 33 of Bank Companies Act 1991, BRPD circular numbers 11 and 12 of 25 August 2005 and MPD circular numbers 04 and 05 of 01 December 2010.

The statutory Cash Reserve Ratio (CRR) required on the Bank's time and demand liabilities at the rate of 6% has been calculated and maintained with Bangladesh Bank in current account and 19% Statutory Liquidity Requirement (SLR) including CRR, on the same liabilities is also maintained in the form of treasury bills and bonds including balances with Bangladesh Bank. Both the reserves maintained by the Bank are in excess of the statutory requirements, as shown below:

		2011	2010
		Taka	Taka
3.1	Cash Reserve Ratio (CRR) and Statutory Liquidity Requirement (SLR)		
	Cash Reserve Ratio (CRR)		
	Required Reserve (2010 : 5.50 %)	6%	6,754,494,989
	Actual Reserve maintained	6,755,322,221	5,543,881,291
	Surplus/(Deficit)	<u>827,232</u>	<u>258,209,283</u>
	Statutory Liquidity Requirement (SLR)		
	Required Reserve (2010 : 13%)	13%	14,626,660,011
	Actual Reserve maintained	20,823,526,602	12,008,776,709
	Surplus/(Deficit)	<u>6,196,866,591</u>	<u>13,622,186,869</u>
	Statutory Liquidity Requirement (SLR) (including CRR)		
	Total required reserve (2010 : 18.50%)	19%	21,381,155,000
	Total actual reserve maintained	27,578,848,823	17,552,658,000
	Surplus/(Deficit)	<u>6,197,693,823</u>	<u>19,424,277,443</u>
3(a)	Consolidated Cash		
	Cash In hand		
	Pubali Bank Limited	2,376,582,012	2,420,920,513
	Pubali Bank Securities Limited	-	-
	Pubali Exchange Company (UK) Ltd.	3,162	-
		<u>2,376,585,174</u>	<u>2,420,920,513</u>



Ref.

IAS 1.51(a)
IAS 1.10(a),
1.10(b)

Pubali Bank Limited

Notes to the financial statements for the year ended 31 December 2011

		2011 Taka	2010 Taka
	Balance with Bangladesh Bank and its Agent Banks		
	Pubali Bank Limited	9,368,981,507	7,816,129,179
	Pubali Bank Securities Limited	-	-
	Pubali Exchange Company (UK) Ltd.	-	-
		9,368,981,507	7,816,129,179
		11,745,566,681	10,237,049,692
IAS 1.77	4 Balance with other banks and financial institutions		
	Inside Bangladesh (note 4.1)	769,148,850	697,769,357
	Outside Bangladesh (note 4.2)	822,963,553	186,497,338
		1,592,112,403	884,266,695
	4.1 Balance with other banks and financial institutions		
	Inside Bangladesh		
	In fixed/Term deposit account		
	IIDFC, Head Office Dhaka	BDT 50,000,000	50,000,000
	Delta Brac Housing and Finance Corporation Ltd	BDT 300,000,000	300,000,000
	ICB Islami Bank Ltd, Bangshal Branch, Dhaka	BDT 40,493,146	40,699,146
	ICB Islami Bank Ltd, Principal Office, Dhaka	BDT 204,631,733	205,045,732
	Phoenix Finance and Investment Ltd	BDT -	10,000,000
		595,124,879	605,744,878
	In Savings deposit account		
	Islami Bank Limited, Foreign Exchange Branch	BDT 2,509,970	9,970
		2,509,970	9,970
	In Special Notice Deposit account		
	Sonali Bank Ltd, Shilpa Bhaban Branch, Dhaka	BDT 9,928,281	9,728,349
	Bank Al Falah Ltd, Principal Branch, Dhaka	BDT 2,014,941	1,975,610
	National Bank Ltd, Dilkusha Branch, Dhaka	BDT 321,832	309,644
	The City Bank Ltd, Foreign Exchange Branch, Dhaka	BDT 3,627	4,202
	Mutual Trust Bank Ltd, Principal Branch, Dhaka	BDT 7,728,752	7,373,020
	Bangladesh Krishi Bank, Local office, Dhaka	BDT 2,304,697	2,265,197
	HSBC Main Branch, Dhaka	BDT 357,470	353,777
	First Security Islami Bank, Dilkusha Br.	BDT 67,820,030	-
		90,479,630	22,009,799
	Total Inside Deposit in BDT	688,114,479	627,764,647
	Fixed deposit receipts (Foreign Currency)		
	Standard Chartered Bank, Dhaka	8,185,291	7,074,970
	Commercial Bank of Ceylon, Dhaka	42,154,243	36,398,602
	Citibank NA, Dhaka	-	3,537,485
	HSBC, Dhaka	30,694,837	22,993,653
		81,034,371	70,004,710
		769,148,850	697,769,357

**Ref.**IAS 1.51(a)
IAS 1.10(a),
1.10(d)**Pubali Bank Limited****Notes to the financial statements for the year ended 31 December 2011**

IAS 1.78(d)

**4.2 Balance with other banks and financial institutions
Outside Bangladesh (Nostro Account)**

In demand deposit account (non interest bearing)

American Express Bank Ltd, Kolkata
American Express Bank Ltd, New York
Arab Bangladesh Bank Ltd, Mumbai
Bank of Bhutan, Thimpu
Bank of Tokyo Mitsubishi Ltd, Kolkata
Bank of Tokyo Mitsubishi Ltd, Tokyo
Citibank NA, New York
Commerz Bank , Germany
Commerz Bank , Germany
Habib Metropolitan Bank, Ltd., Karachi
HDFC Bank Ltd. Mumbai
HSBC Bank USA, New York
HSBC Bank, Mumbai
Hypovereins Bank, Munchen
ICICI Bank Ltd., Kolkata, India
ICICI Bank, Mumbai
Mashreq Bank PSC Newyork
National Westminster Bank Plc, London
NDLC IFIC Bank Ltd. (NIB) Karachi
Peoples Bank, Colombo
Royal Bank of Canada, Toronto
Sonal Bank Ltd, Kolkata
Sonal Bank,UK(GBP) Ltd
Sonal Bank,UK(USD) Ltd
Standard Chartered Bank, Kathmandu
Standard Chartered Bank, Newyork
Standard Chartered Bank, Mumbai
State Bank of India, Kolkata
UBAF, Singapore
UBS AG, Zurich
Unicredit S.P.A., Milano, Italy

Currency

2011	2010
Taka	Taka

ACUD	6,038,259	5,220,949
USD	721,533	807,325
ACUD	-	8,382,723
ACUD	3,629,283	2,915,531
ACUD	1,863,791	1,610,971
JPY	2,261,136	1,371,398
USD	244,707,483	-
USD	748,767	-
EUR	-	17,383,940
ACUD	48,319,403	-
ACUD	2,046,322	-
USD	34,617,107	4,582,342
ACUD	5,244,801	4,533,354
EUR	6,476,309	5,784,693
ACUD	-	2,462,226
EUR	1,123,000	1,030,320
USD	37,369,197	32,812,241
GBP	20,380,810	8,336,615
ACUD	-	5,547,119
ACUD	13,418,555	1,141,232
CAD	21,578,007	10,697,590
ACUD	1,270,178	-
GBP	2,511,307	-
USD	18,406,433	-
ACUD	10,019,861	9,195,552
USD	301,975,869	43,643,557
ACUD	13,586,381	-
ACUD	9,943,665	8,595,886
USD	10,326,863	1,736,445
CHF	3,888,115	5,252,552
EUR	491,118	3,452,777
	822,963,553	186,497,338

Details are in [Annex-B](#)

IAS 1.41

**4.3 Maturity grouping of balance with other banks
and financial institutions**

Payable on demand
Up to 3 months
Over 3 months but not more than 1 year
Above 1 year (receivable from former The Oriental Bank Ltd.)

	845,623,154	186,507,307
	100,000,000	360,309,678
	401,364,370	91,704,831
	245,124,879	245,744,879
	1,592,112,403	884,266,695



Ref.

IAS 1.21(a)
IAS 1.10(a),
1.10(b)

Pubali Bank Limited

Notes to the financial statements for the year ended 31 December 2011

	2011	2010
	Taka	Taka
4(a) Consolidated Balance with other banks and financial institutions		
Inside Bangladesh		
Pubali Bank Limited	769,148,850	697,769,357
Pubali Bank Securities Limited	97,952,007	-
Pubali Exchange Company (UK) Ltd.	-	-
	867,100,857	697,769,357
Outside Bangladesh		
Pubali Bank Limited	822,963,553	186,497,338.00
Pubali Bank Securities Limited	-	-
Pubali Exchange Company (UK) Ltd.	18,060,385	-
	841,023,938	186,497,338
	1,708,124,795	884,266,695
5 Money at call on short notice		
Banking company-note 5.1	1,979,286,667	19,486,667
Non-banking Financial Institution- note 5.2	380,000,000	100,000,000
	2,359,286,667	119,486,667
5.1 Money at call and short notice		
Banking company		
One Bank Limited	100,000,000	-
Prime Bank Limited	250,000,000	-
Eastern Bank Limited	100,000,000	-
AB Bank Limited	300,000,000	-
Agrani Bank Limited	300,000,000	-
Mutual Trust Bank Limited	200,000,000	-
National Bank Limited	150,000,000	-
Dhaka Bank Limited	100,000,000	-
Uttara Bank Limited	400,000,000	-
Jamuna Bank Limited	60,000,000	-
ICB Islamic Bank Ltd.	19,286,667	19,486,667
	1,979,286,667	19,486,667
5.2 Non-banking financial institution		
Prime Finance & Invst. Ltd.	30,000,000	-
BD.Ind. Finance Com. Ltd.	50,000,000	-
Union Capital Limited	100,000,000	-
Investment Corp. BD.	200,000,000	-
IPDC of Bangladesh Ltd.	-	100,000,000
	380,000,000	100,000,000
6 Investments		
Government securities		
Treasury bills- at book value (note 6.1)	15,438,247,775	8,452,604,338
Debentures (note 6.2)	54,500,000	69,500,000
	15,492,747,775	8,522,104,338
Government bonds:		
Government treasury bonds (note 6.3)	2,082,356,685	2,269,499,797
National prize bonds	18,142,401	15,500,092
	2,100,499,086	2,284,999,889
Total investment in government securities and bonds	17,593,246,861	10,807,104,227

IAS 1.27



Ref.

IAS 1.31(a)
IAS 1.10(a)
T.10(a)

Pubali Bank Limited

Notes to the financial statements for the year ended 31 December 2011

		2011 Taka	2010 Taka
Other investments:			
	Shares (note 6.4)	738,779,435	4,871,737,194
	Debentures (note 6.5)	469,060	469,060
	Portfolio investment of ICB Securities	-	188,514
	Prime Bank Bond	90,000,000	90,000,000
	ORASCOM Bond	400,000,000	500,000,000
	MTBL Bond	40,000,000	40,000,000
	Dhaka Bank Limited Bond	100,000,000	100,000,000
	National Bank Limited Bond	100,000,000	100,000,000
	Bridge financing advances (note 6.6)	6,776,664	6,889,564
		1,476,025,159	5,709,284,332
		19,069,272,020	16,516,388,559
6.1	Treasury bills		
	91 days treasury bills	523,866,499	597,084,727
	182 days treasury bills	3,681,600,064	4,509,918,985
	1 year treasury bills	11,232,781,212	3,345,600,626
		15,438,247,775	8,452,604,338
6.2	Approved debentures at cost		
		Int. Rate	
	Bangladesh House Building Finance Corporation	5.50%	40,000,000
	Bangladesh Steel and Engineering Corporation	11.75%	9,500,000
	Investment Corporation of Bangladesh	5.00%	5,000,000
			54,500,000
			69,500,000
6.3	Government treasury bonds		
	25 years treasury bond 2018	5.00%	18,550,000
	25 years treasury bond 2020	5.00%	21,351,000
	15 years treasury bond 2024	12.00%	100,000,000
	10 years treasury bond 2019	11.72%	200,000,000
	5 years treasury bond 2015	7.93%	729,700,000
	5 years treasury bond 2014	10.15%	501,955,685
	5 years treasury bond 2014	7.87%	505,800,000
	3 years treasury bond 2011	5.00%	-
	1 Year Bangladesh Sarker Islami Biniyog Bond	-	3,000,000
	1 Year Bangladesh Sarker Islami Biniyog Bond	-	2,000,000
			2,082,356,685
			2,269,499,797
6.4	Share		
	Name of company		
	Quoted		
		No of share	Market price
		Market value	Book value 31.12.2011
			Book value 31.12.2010
	Bangladesh Shipping Corporation	634	554.50
	Heidelberg Cement Bd. Ltd.	24,600	255.90
	Eastern Bank Ltd.	9,625,422	65.80
	ICB Islamic Bank Ltd	7,998,300	10.00
	Investment Corporation of Bangladesh	2529780	1,623.50
	Jute Spinners Ltd.	10000	165.40
	LR Globe Bangladesh Mutual Fund One	5000000	10.60
	National Tea Co. Ltd.	360	530.00
	Summit Power	956,285	74.40
			4,953,072,695
			420,473,185
			370,473,185
			4,532,599,510
			Unrealized gain in quoted Shares (4,953,072,695 - 420,473,185)



Ref.

IAS 1.51(a)
IAS 1.10(a)
1.10(a)

Pubali Bank Limited

Notes to the financial statements for the year ended 31 December 2011

			2011 Taka	2010 Taka	
Unquoted:	No of share	Face Value	Premium / (Discount)	Book value 31.12.2011	Book value 31.12.2010
Ashraf Textile Mills Ltd	99165	10		1,274,980	1,274,980
Central Depository Bangladesh Ltd	1,027,777	10		6,277,770	17,666,620
Envoy Textiles Ltd.	1,000,000	10	13	23,000,000	23,000,000
Karmasangsthan Bank	100,000	100		10,000,000	10,000,000
Khulna Power Company Ltd	12,000,000	10		120,000,000	160,000,000
Lanka Bangla Securities Ltd.	20,000	10	240	5,000,000	-
Paper Converting and Packaging Ltd	839	100		83,900	83,900
Saleh Carpet Mills Ltd	56800	10		568,000	568,000
Specialised Jute Yarn and Twine Mfg. Co. Ltd.	19,880	10		198,800	198,800
Summit Uttaranchal Power Co. Ltd.	6,023,690	10		60,236,900	-
Summit Purbanchal Power Co. Ltd.	9,160,810	10		91,608,100	-
Swan Textile Mills Ltd	578	100		57,800	57,800
Sub total				318,306,250	212,850,100
Total				738,779,435	583,323,285
Consolidated holding of subsidiary company					4,288,413,909
					4,871,737,194

6.4.1 Particulars of Required provision for investment

Name of company	Market value at 31 Dec 2011	Book value at 31 Dec 2011	Required * provision 2011	Required * provision 2010
a. Quoted:				
Bangladesh Shipping Corporation	351,553	63400	-	63,400
Sub total	351,553	63400	-	63,400
Unquoted:				
Ashraf Textile Mills Ltd	-	-	-	1,274,980
Paper Converting and Packaging Ltd	-	-	-	83,900
Saleh Carpet Mills Ltd	-	-	-	568,000
Specialised Jute Yarn and Twine Mfg. Co. Ltd.	-	-	-	198,800
Swan Textile Mills Ltd	-	-	-	57,800
Sub total	-	-	-	2,183,480
b. Bridge finance advances	-	6,776,664	6,776,664	6,889,564
c. Debentures-at cost	-	469,060	469,060	469,060
Grand Total	-	7,422,024	7,245,724	9,605,504

No provision is required for current year as per DOS circular no 04 dated 24 November 2011.

6.5 Debentures at cost

Gandhara Industries Ltd	60	60
Rupan Oil and Feeds Ltd	30,000	30,000
Bengal Carpet Ltd	75,000	75,000
Bay Sodium Chemical Industries Ltd	15,000	15,000
Monir Chemical Ltd	85,000	85,000
Saleh Carpet Industries Ltd	50,000	50,000
Ismail Carpet Industries Ltd	50,000	50,000
Ahmed Jutex Mills Ltd	75,000	75,000
Mirzaboo Steel Ltd	89,000	89,000
	469,060	469,060



Ref.

IAS 1.51(a)
IAS 1.10(a),
1.10(a)

Pubali Bank Limited
Notes to the financial statements for the year ended 31 December 2011

	2011 Taka	2010 Taka
6.6 Bridge financing advances		
Bridge financing advances (ICB sponsored)	6,776,664	6,889,564
6.7 Maturity grouping of investments		
Receivable on demand	13,040,752,715	13,318,939,022
Not more than 3 months	2,456,726,766	21,091,116
Over 3 months but not more than 1 year	341,467,361	185,900,000
Over 1 year but not more than 5 years	2,508,678,455	2,668,142,797
Over 5 years	721,646,723	322,315,624
	19,069,272,020	16,516,388,559
6.8 Investment classified as per Bangladesh Bank Circular		
Treasury Bill - Held for trading (HFT)	14,857,760,325	8,431,701,736
Treasury Bill - Held to maturity (HTM)	580,487,450	20,902,602
Treasury Bond - Held to maturity (HTM)	2,077,356,685	2,269,499,797
Approved debenture - Held to maturity (HTM)	45,000,000	60,000,000
Other securities	1,508,667,560	5,734,284,424
	19,069,272,020	16,516,388,559
6(a) Consolidated Investments		
Government		
Pubali Bank Limited	17,593,246,861	10,807,104,227
Pubali Bank Securities Limited	-	-
Pubali Exchange Company (UK) Ltd.	-	-
	17,593,246,861	10,807,104,227
Other		
Pubali Bank Limited	1,476,025,159	5,709,284,332
Pubali Bank Securities Limited	3,264,215,358	-
Pubali Exchange Company (UK) Ltd.	-	-
	4,740,240,517	5,709,284,332
	22,333,487,378	16,516,388,559
7 Loans and advances		
Loans, cash credits and overdrafts, etc (note 7.1)	104,912,608,608	88,094,724,058
Bills purchased and discounted (note 7.2)	1,417,024,457	1,011,482,501
	106,329,633,065	89,106,206,559
7.1 Inside Bangladesh:		
Loans		
Cash credits	28,609,368,502	25,891,915,081
Overdrafts	21,043,949,890	16,987,307,199
Loan against merchandise	19,792,408,489	12,498,683,216
Packing credits	18,793,061	15,156,199
Loan against trust receipts	409,310,379	414,907,570
Agriculture credits	19,085,897,757	17,026,188,820
Non-resident Credit Scheme	4,451,808	4,451,869
Pubali Subarna	2,148,426	3,225,636
Pubali Karmo Uddog	1,566,272,534	-
Pubali Sujon	46,576,207	-
Pubali Sujon	7,376,549	-
Payment against documents	2,107,990,590	1,317,071,452
Consumers loan scheme	8,285,047,746	9,701,154,568
Lease finance (note 7.12)	2,662,403,513	2,591,998,624
Margin finance	-	435,977,134
Others	1,270,613,157	1,206,686,690
	104,912,608,608	88,094,724,058
Outside Bangladesh	-	-
	104,912,608,608	88,094,724,058

FRS 7.8(a)
FRS 7.8(a)
FRS 7.8(a)
FRS 7.8(a)

FRS 7.8(a)
IAS 1.77
IAS 1.77



Ref.

IAS 1.51(a)
IAS 1.10(a),
1.10(b)

Pubali Bank Limited

Notes to the financial statements for the year ended 31 December 2011

		2011 Taka	2010 Taka
IAS 1.61	7.1.1 Maturity grouping of Loans and advances		
	Repayable on demand	11,451,966,454	14,530,277,897
	Upto 3 months	18,667,414,342	7,440,262,220
	Over 3 months but not more than 1 year	37,220,102,954	33,456,328,688
	Over 1 year but not more than 5 years	29,197,942,724	24,215,610,861
	Over 5 years	8,375,182,134	8,452,244,392
		104,912,608,608	88,094,724,058
IAS 1.77	7.2 Bills purchased and discounted		
	Payable in Bangladesh:		
	Loans against accepted bills	1,122,954,916	849,626,040
	Loans against demand draft purchased	-	-
		1,122,954,916	849,626,040
	Payable outside Bangladesh:		
	Foreign bills purchased	293,978,007	161,772,184
	Foreign drafts purchased	91,534	84,277
		294,069,541	161,856,461
		1,417,024,457	1,011,482,501
	7.2.1 Maturity grouping of Bills purchased and discounted		
	Receivable on demand	747,458,523	484,535,721
	Not more than 3 months	523,039,820	366,754,092
	Over 3 months but not more than 6 months	146,526,114	160,192,688
		1,417,024,457	1,011,482,501
	7.3 Loans and advances including bills purchased and discounted analysed in following broad categories		
	Inside Bangladesh		
	Loans	65,199,205,186	59,458,359,683
	Cash credits	21,043,949,850	16,987,307,199
	Overdrafts	19,792,408,488	12,498,683,216
		106,035,563,524	88,944,350,098
	Outside Bangladesh	294,069,541	161,856,461
		106,329,633,065	89,106,206,559
IAS 1.78(b)	7.4 Loans and advances on the basis of significant customer concentration including bills purchased and discounted		
	Advance to directors and others	-	-
	Advance to officers and employees	2,081,301,000	2,047,942,021
	Advance to customers group	49,104,312,260	59,095,380,655
	Industrial advances (note 7.4.1)	36,939,451,637	26,756,197,193
	Others	18,204,568,168	1,206,686,690
		106,329,633,065	89,106,206,559



Ref.

IAS 1.51(a)

Pubali Bank Limited

IAS 1.10(a),

Notes to the financial statements for the year ended 31 December 2011

1.10(a)

IAS 1.61

7.4.1 Industrial advances

	2011 Taka	2010 Taka
Agriculture	113,900,275	141,518,969
Jute	237,955,575	273,966,318
Textile	6,507,604,326	7,832,720,124
Ready-made garments	3,864,903,403	2,818,557,212
Steel & engineering	2,243,562,111	823,188,727
Ship scraping	1,533,883,527	830,706,480
Edible oil	3,593,661,264	2,438,058,342
Cement	1,149,563,723	306,945,039
Food & allied	2,603,946,761	1,990,123,977
Paper & packing	505,171,975	347,598,948
Construction	1,611,157,993	1,403,262,094
Energy and power	1,698,779,652	942,346,445
Transport and communication	274,054,828	20,944,757
Pharmaceuticals	789,626,695	788,723,632
Leather	51,741,119	46,236,943
Service industries	5,945,924,454	2,332,689,141
Others	4,214,013,956	3,418,610,045
	36,939,451,637	26,756,197,193

IFRS 8.20

7.5 Geographical location-wise distribution of loans and advances including bills purchased and discounted

Inside Bangladesh

Urban

Dhaka	65,064,779,499	53,988,788,003
Chittagong	22,441,951,113	21,784,648,242
Sylhet	4,355,675,941	3,572,323,913
Barisal	1,412,984,305	1,259,620,051
Khulna	2,147,993,284	1,362,295,094
Rajshahi	1,119,509,193	436,143,860
Rangpur	1,640,708,426	639,195,202
	98,183,601,761	83,043,014,365

Rural

Dhaka	3,302,819,225	3,450,267,065
Chittagong	1,577,141,360	840,453,345
Sylhet	1,423,738,588	741,338,691
Barisal	364,735,078	145,165,525
Khulna	703,541,047	533,342,918
Rajshahi	376,153,368	149,500,250
Rangpur	103,833,097	41,267,939

Outside Bangladesh (Foreign bills/drafts purchased)

	7,851,961,763	5,901,335,733
	294,069,541	161,856,461
	106,329,633,065	89,106,206,559

IFRS 8.20

7.6 Sector-wise loans and advances including bills purchased and discounted

Public sector	41,493,780	524,636,479
Private sector	106,099,173,671	88,013,817,215
Co-operative sector	188,965,614	567,752,865
	106,329,633,065	89,106,206,559



Ref.

MS 1.51(a)

MS 1.10(a),
1.10(b)

IFRS 8.20

Pubali Bank Limited

Notes to the financial statements for the year ended 31 December 2011

7.7 Security base-wise loans and advances including bills purchased and discounted

Collateral of movable and immovable properties
Guarantee of local banks and financial institutions
Export documents
Fixed deposit receipts (FDR) of own Bank
FDR of other banks
Government bonds
Personal guarantee
Other securities

2011 Taka	2010 Taka
58,594,111,230	37,082,931,571
523,469,591	2,765,025,696
3,301,295,314	2,867,284,172
2,267,516,380	1,366,615,920
3,377,233,985	1,004,727,450
7,196,782,391	5,691,926
24,924,590,970	19,981,560,592
6,144,633,204	24,032,369,232
106,329,633,065	89,106,206,559

MS 1.77

7.8 Details of large loans and advances

Number of clients with amount of outstanding and classified loans to whom loans and advances sanctioned more than 10% of total capital of the Bank. Total capital of the Bank was Taka 17,976,709,203 as at 31 December 2011.

Number of clients
Amount of outstanding loans/advances
Classified amount thereon
Measures taken for recovery

10	20
26,666,489,000	33,742,534,000
-	-
-	-

Name of borrower

Abul Khair Group
BRAC
City Group
Dird Composite Group
Envoy Group
Ha-Meem Group
Jahangir & Others Group
KDS Group
Keya Group
Madina Group
Nitol Group
Paramount Textile Ltd
PHP Group
Project Builders
S. A. Group
SAAD Musa Group
Sheba Telecom
Shinha Group
Style Craft Ltd
Sunman Group
T. K. Group
Total

1,884,311,000	1,688,437,000
2,944,584,000	899,731,000
2,407,494,000	-
1,889,673,000	2,050,974,000
3,088,969,000	2,558,918,000
3,563,400,000	3,168,400,000
-	2,598,279,000
-	1,894,914,000
-	2,177,609,000
-	965,191,000
-	1,466,750,000
2,788,854,000	859,620,000
3,006,730,000	2,244,608,000
2,027,969,000	1,589,016,000
-	2,898,012,000
-	1,479,138,000
-	597,800,000
-	814,616,000
-	1,169,127,000
-	565,527,000
3,064,505,000	2,055,867,000
26,666,489,000	33,742,534,000

Details are given in Annex D



Ref.

IAS 1.51(a)
IAS 1.10(a),
1.10(e)

Pubali Bank Limited

Notes to the financial statements for the year ended 31 December 2011

				2011 Taka	2010 Taka
IAS 1.77	7.9	Classification of loans and advances including bills purchased and discounted			
		Unclassified:			
		Standard		100,606,425,065	84,192,104,538
		Special mention account		1,495,526,000	1,047,595,000
				102,101,951,065	85,239,699,538
		Classified:			
		Substandard		313,738,000	114,420,000
		Doubtful		157,384,000	67,794,000
		Bad or loss		1,675,259,000	1,636,351,000
		Staff loan		2,146,381,000	1,818,565,000
				2,081,301,000	2,047,942,021
				106,329,633,065	89,106,206,559
IAS 37.85	7.10	Particulars of required provision for loans and advances			
		Status of Classification	Base for provision	Rate of Provision (%)	
		General provision - Unclassified			
		Standard	88,648,027,065	1	886,480,271
		Small enterprise financing	2,620,857,000	1	26,208,570
		Loans to subsidiary company	2,218,052,000	2	44,361,040
		Housing Finance	151,676,000	2	3,033,520
		Special mention account	1,480,406,000	5	74,020,300
		Short Term Agri Credit and Micro credit	12,834,000	5	641,700
		Consumers loan scheme	6,954,979,000	5	347,748,950
					1,382,494,351
		Specific provision - Classified			
		Substandard	242,170,000	20	48,434,000
		Doubtful	146,062,000	50	73,031,000
		Bad/Loss	652,384,340	100	652,384,340
					773,849,340
		Required provision			2,156,343,691
		Provision maintained (note 13.1)			2,158,951,078
		Excess provision			2,607,387
IAS 1.77	7.11	Particulars of loans and advances			
		(i) Loans considered good in respect of which the bank is fully secured.		81,404,942,093	56,085,082,136
		(ii) Loans considered good for which the bank holds no other security than the debtors' personal security		12,898,392,510	9,422,547,630
		(iii) Loans considered good being secured by the personal security of one or more parties in addition to the personal security of the debtors.		12,026,298,462	23,598,576,793
		(iv) Loans adversely classified; provision not maintained thereagainst		-	-
				106,329,633,065	89,106,206,559
		(v) Loans due by directors or officers of the bank or any of them either severally or jointly with any other persons		2,081,301,000	2,047,942,021
		(vi) Loan due from companies or firms in which the directors of the bank are interested as directors, partners or managing agents or in the case of private companies as members.		-	-



Ref.

IAS 1.51(a)
IAS 1.10(x),
1.10(e)

Pubali Bank Limited

Notes to the financial statements for the year ended 31 December 2011

	2011 Taka	2010 Taka
(vi) Maximum total amount of advances, including temporary advances, made at any time during the year to directors or employees of the bank or any of them either severally or jointly with any other persons.	2,081,301,000	2,047,942,021
(vii) Maximum total amount of advances, including temporary advances, granted during the year to the companies or firms in which the directors of the bank are interested as directors, partners or managing agents or in the case of private companies as members.	-	-
(ix) Due from banking companies	-	-
(x) Amount of classified loan on which interest has not been charged	2,146,381,000	1,818,565,000
a) Increase / (decrease) of provision (specific)	-	-
b) Amount written off debt	(410,914)	(219,273,663)
c) Amount of debt recovered previously written off	(56,609,199)	(83,940,566)
d) Amount of Provision kept against loans classified as bad or loss	605,456,000	494,581,000
e) Amount of interest credited in suspense account	196,328,332	178,906,652
(xi) Cumulative amount of written off Loans		
Opening Balance	5,117,402,321	4,898,128,658
Amount written off during the current year	410,914	219,273,663
	5,117,813,235	5,117,402,321
(xii) The amount of written off loans for which lawsuit has been filed for recovery	5,117,813,235	5,117,402,321
IAS 1.77 7.12 Lease finance		
Lease rental receivable within 1 year	1,146,829,506	848,674,537
Lease rental receivable within 5 years	2,353,194,279	2,304,334,995
Lease rental receivable after 5 years	2,061,000	7,144,788
Total lease rental receivable	3,502,084,785	3,160,154,320
Less : Un-earned interest receivable	839,681,272	568,155,696
Net Lease finance	2,662,403,513	2,591,998,624
7(a) Consolidated loans and advances		
Loans and advances		
Pubali Bank Limited	104,912,608,608	88,094,724,058
Pubali Bank Securities Limited	520,703,278	-
Pubali Exchange Company (UK) Ltd.	-	-
Less: Inter Company Transactions	105,433,311,886	88,094,724,058
	2,199,950,578	-
Bills purchased discounted	103,233,361,308	88,094,724,058
Pubali Bank Limited	1,417,024,457	1,011,482,501.00
Pubali Bank Securities Limited	-	-
Pubali Exchange Company (UK) Ltd.	-	-
	1,417,024,457	1,011,482,501
	104,650,385,765	89,106,206,559



Ref.

IAS 1.31(a)
IAS 1.106L
1.106I

Pubali Bank Limited

Notes to the financial statements for the year ended 31 December 2011

IAS 16.73

8 Fixed assets including premises, furniture & fixture

	2011 Taka	2010 Taka
Land	2,265,041,673	2,265,041,673
Building	793,618,938	793,618,938
Vehicles	133,016,998	123,190,823
Machinery and equipments	259,447,064	226,509,837
Computer & Computer Accessories	462,189,141	361,971,395
Furniture and fixtures	274,867,096	245,907,827
	4,188,180,910	4,016,240,493
Less: Accumulated Depreciation	818,988,050	685,926,580
Net book value at the end of the year	3,369,192,860	3,330,313,913

The above amount includes revaluation surplus of Tk 8,103,355, Tk 230,540,953, Tk 86,361,299, Tk 800,757,736 and Tk. 189,39,34,000 ascertained by independent valuers in 1986, 1992, 1996, 2006 and 2010 respectively, on land and buildings of the Bank at different locations. The above stated revaluation surplus amounts have been credited to capital reserve. Further details of above assets are shown in Annex A.

8(c) Consolidated fixed assets including premises, furniture & fixture

	2011 Taka	2010 Taka
Cost	4,188,180,910	4,016,240,493
Pubali Bank Limited	5,164,740	-
Pubali Bank Securities Limited	3,914,879	-
Pubali Exchange Company (UK) Ltd.	4,197,260,529	4,016,240,493
Less: Accumulated Depreciation	818,988,050	685,926,580
Pubali Bank Limited	654,167	-
Pubali Bank Securities Limited	690,781	-
Pubali Exchange Company (UK) Ltd.	820,332,998	685,926,580
	3,376,927,531	3,330,313,913

IAS 1.77

9 Other assets

	2011 Taka	2010 Taka
Income generating other assets		
Interest accrued on investments	451,850,030	444,240,424
Accrued income on loans & advances	133,128,466	20,236,447
Advance security deposit, advance rent and prepaid expenses	144,211,846	72,743,046
	729,190,342	537,219,917
Non-income generating other assets		
Stationery and stamps	73,506,753	54,099,559
Drafts payable	428,865,819	601,149,954
Investment in Subsidiary Company	1,617,799,921	-
Suspense account (note 9.1)	313,036,844	516,537,533
Demonetized notes (note 9.2)	1,531,750	1,531,750
Items in transit (note 9.3)	2,059,445,792	906,560,255
Advance against income tax (note 9.4)	7,286,400,366	5,497,825,358
Clearing house adjustment	75,972,974	33,404,588
Others (note 9.5)	102,523,572	120,235,422
	11,959,083,791	7,731,344,419
	12,688,274,133	8,268,564,336

IAS 1.78

9.1 Suspense account

	2011 Taka	2010 Taka
Suspense account general	264,827,828	472,056,277
Suspense law	1,437,989	1,423,227
Protested bills	46,771,027	43,058,029
	313,036,844	516,537,533



Ref.

IAS 1.51(a)
IAS 1.10(a),
1.10(c)

Pubali Bank Limited
Notes to the financial statements for the year ended 31 December 2011

	2011	2010
	Taka	Taka
9.2		
Demonetized notes : TK. 1,531,750		
This represents demonetized notes lying with Bangladesh Bank, pending reimbursement.		
9.3		
Items in Transit: TK. 2,059,445,792		
The above represents outstanding amount of inter-branch and head office transactions originated but not yet responded at the balance sheet date. It also includes an amount of Tk. 29,99,670 representing receivable of Bank's own branches operating in former West Pakistan before liberation.		

9.3.1 Subsequent position of non-responded entries as on 19.02.2012

Period of un-reconciliation	Un-responded entries		Un-responded entries (Amount in Taka)	
	Debit	Credit	Debit	Credit
Upto 3 months	4,607	2,059	1,435,733,976	1,080,032,053
Over 3 months but within 6 months	697	643	394,189,036	366,868,694
Over 6 months but within 1 year	832	919	58,737,753	52,721,133
Over 1 year but within 5 years	271	231	11,152,053	5,439,134
Over 5 years	489	456	7,224,303	4,571,133
Total	6,896	4,308	1,907,037,121	1,509,632,147

IAS 1.77

9.4 Advance income tax

Balance at the beginning of the year	5,497,825,358	4,096,628,304
Paid during the year	1,788,575,008	1,527,553,670
Settlement of previous years tax liability	-	(126,356,616)
Balance at the end of the year	7,286,400,366	5,497,825,358

IAS 1.78(b)

9.5 Other assets

Property account	162,129	162,129
Accrued interest overdue under CLS	93,494,214	110,731,615
Delayed charges of lease rental	66,781	66,781
Interest Subsidy	21,215	21,215
Interest suspense against waiver of 50% BSCIC loan	245,061	245,061
Waiver of 50% outstanding BSCIC loan	44,176	44,176
Settlement bank A/C Arab Bangladesh bank	5,433,880	5,908,329
Waiver of 50% interest for flood affected jute borrowers	1,351,812	1,351,812
Waiver of 70% outstanding agricultural credit & rural credit	1,704,304	1,704,304
	102,523,572	120,235,422

IAS 1.77

9.6 Classification of other assets

Unclassified	12,637,890,133	8,219,335,336
Substandard	-	-
Doubtful	47,627,000	43,876,000
Bad	2,757,000	5,353,000
	12,688,274,133	8,268,564,336



Ref.

WS 1.51(N)

WS 1.10(H)

1.10(G)

Pubali Bank Limited

Notes to the financial statements for the year ended 31 December 2011

			2011	2010
			Taka	Taka
9.7	Particulars of provision for other assets			
	Status of Classification	Basis for Provision	Rate (%)	
	Doubtful	47,627,000	50	23,813,500
	Bad/Loss	2,757,000	100	2,757,000
	Required provision			26,570,500
	Provision maintained (note 13)			125,244,704
	Excess provision			98,674,204
				89,549,147
9(a)	Consolidated other assets			
	Pubali Bank Limited			12,688,274,133
	Pubali Bank Securities Limited			43,198,564
	Pubali Exchange Company (UK) Ltd.			3,408,223
				12,734,880,920
				8,268,564,336
	Less: Intercompany balance			(13,810)
	Pubali Bank Securities Limited			(1,599,998,700)
	Pubali Exchange Company (UK) Ltd.			(17,801,221)
				(1,617,813,731)
				11,117,067,189
				8,268,564,336
10	Non-banking assets			
	Assets of United Bank of India Ltd. located in Dhaka south, Comilla, Rajshahi			375,246
				375,246
	LIABILITIES AND CAPITAL			
11	Borrowings from other banks, financial institutions & agents			
	Inside Bangladesh (note 11.1)			204,376,393
	Outside Bangladesh (note 11.2)			255,299,359
				459,675,752
				3,288,185,245
11.1	Inside Bangladesh			
	Sonali Bank Limited, Head Office, Dhaka.			-
	Sonali Bank Limited, Local Office, Dhaka.			204,376,393
	Com. Bank of Cylon, Head Office, Dhaka.			-
	Premier Bank Limited, Head Office, Dhaka.			-
	Delta Broc Housing, Head Office, Dhaka.			-
	Foreast Finance Limited, Head Office, Dhaka.			-
	BD Finance & Inv. Ltd., Head Office, Dhaka.			-
	Rupali Bank Limited, Head Office, Dhaka.			-
	HSBC, Head Office, Dhaka.			-
				20,000,000
				204,376,393
				2,990,000,000
11.2	Outside Bangladesh			
	In demand deposit accounts (non- interest bearing) with :			
	AB Bank Ltd, Mumbai			74,891,765
	Citi Bank NA, New York			-
	Commerz Bank, AG Frankfurt			23,092,443
	Habib Metropolitan Bank Ltd. Karachi			-
	ICICI Bank Ltd, Kolkata			29,972,138
	JP Morgan Chase Bank, New York			101,673,673
	NDLC IFIC Bank Ltd Karachi			1,278,973
	Peoples Bank, Colombo (Vostro A/C)			24,390,367
	Sonali Bank Ltd, Kolkata			-
	Standard Chartered Bank, Mumbai			-
				5,535,149
				255,299,359
				298,185,245



Ref.		Pubali Bank Limited	
IAS 1.51(a)		Notes to the financial statements for the year ended 31 December 2011	
IAS 1.109(a), 1.106(a)		2011	2010
BRS 7.7		Taka	Taka
11.3	Security against borrowing from other banks, financial institutions and agents		
	Secured (against bills)	459,675,752	3,288,185,245
	Unsecured	-	-
		459,675,752	3,288,185,245
11.4	Maturity grouping of borrowing from other banks, financial institutions and agents		
	Payable on demand	459,675,752	3,288,185,245
	Payable within 1 month	-	-
	Over 1 month but within 6 months	-	-
	Over 6 months but within 1 year	-	-
	Over 1 year but within 5 years	-	-
	Over 5 years and above	-	-
		459,675,752	3,288,185,245
12	Deposits and other accounts		
	Inter-bank deposits	4,724,745,097	1,304,075,586
	Other deposits	119,081,222,670	97,546,423,664
		123,805,967,767	98,850,499,250
12.1	Details of deposits and other accounts		
	<u>Current deposits and other accounts</u>		
	Current account	13,244,509,951	15,414,063,221
	Cash credit A/c. cr. Balance	164,925,521	271,934,542
	Q-cash (cr. Bal.)	445,901,298	4,511,099
	Call deposits	94,284,713	200,102,996
	Foreign currency deposits	335,491,520	696,303,534
	Un-claimed drafts payable	3,564	3,564
	Un-claimed dividend	18,914	18,914
	Unclaimed deposits FDD A/C	15,106,725	7,419,200
		14,300,242,206	16,594,357,070
	Bills payable (note 12.1.1)	2,926,175,470	2,492,007,347
	Savings Bank accounts	36,272,413,131	33,709,387,745
	Term deposits :		
	Fixed deposits - from customers	38,526,230,112	22,646,793,531
	Special notice deposits	13,317,398,236	11,776,768,448
	Deposit pension scheme	47,317,429	62,455,389
	Interest payable on term deposit	2,469,896,760	1,478,545,490
	Pubali pension scheme	459,304,875	557,067,991
	Pubali sanchay prakalpa	3,205,856,026	2,200,270,095
	Dwigun sanchay prakalpa	7,171,191,786	3,603,697,028
	Target based small deposit (Pubali shapnopuron)	9,893,403	-
	Monthly profit base deposit	1,088,780,156	183,404,110
	Monthly profit based small deposit (Pubali Shadhin sanchay)	6,703,816	-
	Shikhya sanchy prakalpa	73,025,230	48,063,306
	Child edu. Care & maturity deposit	4,514,117	3,665,317
		66,380,111,946	42,560,730,705
	Other deposits	3,927,025,014	3,494,016,383
		123,805,967,767	98,850,499,250

**Ref.**IAS 1.51(a)
IAS 1.106L
1.109a**Pubali Bank Limited****Notes to the financial statements for the year ended 31 December 2011**

		2011 Taka	2010 Taka
	12.1.1 Bills payable		
	Pay orders issued	2,363,441,199	1,860,049,126
	Demand Drafts	562,734,271	631,958,221
	T.T. Payable	-	-
		2,926,175,470	2,492,007,347
	12.2 Maturity analysis of Inter-bank deposits		
	Payable on demand	1,757,126,748	415,562,866
	Payable within 1 month	2,068,113,888	664,002,023
	Over 1 month but within 6 months	51,444,496	41,097,607
	Over 6 months but within 1 year	633,744,827	12,202,563
	Over 1 year but within 5 years	11,764,727	9,398,520
	Over 5 years and above	202,550,411	161,812,007
		4,724,745,097	1,304,075,586
	12.3 Maturity analysis of other deposits		
	Payable on demand	18,714,358,861	30,236,893,931
	Payable within 1 month	33,951,516,274	28,111,099,591
	Over 1 month but within 6 months	12,167,838,672	9,712,566,221
	Over 6 months but within 1 year	27,676,667,109	8,229,179,967
	Over 1 year but within 5 years	12,790,322,184	10,247,802,154
	Over 5 years and above	13,780,519,570	11,008,881,800
		119,081,222,670	97,546,423,664
		123,805,967,767	98,850,499,250

**Ref.**

IAS 1.01(a)

IAS 1.10(a)

1.10(a)

Pubali Bank Limited**Notes to the financial statements for the year ended 31 December 2011**

	2011	2010
	Taka	Taka
13 Other liabilities		
Accumulated provision for loans and advances (note 13.1)	376,023,736	219,825,451
Accumulated provision for consumers loan	398,520,799	308,878,307
Accumulated provision for lease finance	1,596,341	1,596,342
	776,140,876	530,300,100
Provision for unclassified loans and advances	1,382,810,202	1,262,810,202
Provision @1% against off-balance sheet exposure (note 13.2)	339,300,000	249,300,000
Accumulated interest suspense (note 13.3)	196,328,332	178,906,652
Provision for doubtful investment	18,750,460	258,750,460
Interest suspense on underwriting advances	289,653,997	292,368,563
CLS interest A/C	29,717,035	57,874,312
Accr. Intt. Rec. On overdue cls A/C	97,919,851	133,491,243
Consumers deposits	214,002,512	147,649,712
Lease deposit	17,998,178	31,752,225
Unpaid dividend	675,231	675,231
Special blocked account (note 13.4)	1,215,640	1,215,640
Provision for Corporate Tax (13.5)	8,929,166,128	6,704,166,128
Provision for Deferred Tax (13.5.1)	177,530,461	132,530,461
Valuation adjustment	362,501,220	59,471,126
Exchange adjustment account (13.6)	28,666,878	28,666,878
ICT Asset Insurance reserve	2,327,569	1,223,761
Agri credit guarantee backing reserve (13.7)	70,261,300	70,261,300
Excise duty	3,926,231	2,349,046
Pakistan account (13.8)	8,393,039	8,393,039
Pension fund (13.9)	1,570,883	1,570,883
L/C cover account in Bangladesh	1,583,640	1,583,640
EDF adjustment	2,035,709,093	1,210,542,667
FC charges	18,166,220	18,326,575
Intt.suspense account against 70% agri loan	192,382	192,382
Blocked account of UBI	2,973,186	2,973,186
Property account of UBI	49,617	49,617
Non resident blocked account of UBI	34,487	34,487
	14,231,423,772	10,857,129,416
Provision for expenses (i) audit fee	600,000	1,115,000
(ii) advertisement	5,360,000	8,478,544
(iii) bonuses	430,000,000	384,000,000
(iv) others	36,153,703	46,236,420
	472,113,703	439,829,964
Provision for other assets:		
Unreconciled dr. Entries in nostro A/C (note 13.10)	721,533	801,606
Suspense account(13.11)	58,714,468	58,714,468
Demonetized notes (13.12)	989,740	989,740
Reserve for unforeseen losses	64,818,963	56,334,333
	125,244,704	116,840,147
	15,604,923,055	11,944,099,627



Ref.

IAS 1.51(a)

IAS 1.10(a),
1.10(b)

Pubali Bank Limited

Notes to the financial statements for the year ended 31 December 2011

		2011 Taka	2010 Taka
IAS 37.B4	13.1 Accumulated provision for loans and advances		
	<u>Specific provision on classified loans and advances</u>		
	Provision held at the beginning of the year	219,825,451	396,949,367
	Fully provided debts written off during the year	(410,914)	(219,273,663)
	Recoveries of amounts previously written off	56,609,199	83,940,566
	Provision transferred in	100,000,000	(41,790,819)
	Specific provision for the year	-	-
	13.1.1 Provision for general loans and advances	376,023,736	219,825,451
	13.1.2 Provision for consumers loan	398,520,799	308,878,307
	13.1.3 Provision for lease finance	1,596,341	1,596,342
	Provision held at the end of the year	<u>776,140,876</u>	<u>530,300,100</u>
	<u>General provision for unclassified loans and advances</u>		
	Provision held at the beginning of the year	1,262,810,202	951,019,383
	Excess provision transferred in	120,000,000	41,790,819
	Provision made during the year	-	270,000,000
	Provision held at the end of the year	<u>1,382,810,202</u>	<u>1,262,810,202</u>
		<u>2,158,951,078</u>	<u>1,793,110,302</u>
IAS 37.B4	13.2 Provision for exposure against off balance sheet items		
	Provision held at the beginning of the year	249,300,000	179,300,000
	Provision transferred in	20,000,000	-
	Provision made during the year (Note 37)	70,000,000	70,000,000
	Provision held at the end of the year	<u>339,300,000</u>	<u>249,300,000</u>
IAS 37.B4	13.3 Interest suspense account		
	Balance at the beginning of the year	178,906,652	203,012,021
	Amount transferred during the year	109,531,000	61,574,539
	Amount recovered during the year	(90,374,000)	(57,085,743)
	Amount written off during the year	(1,735,320)	(28,594,165)
	Balance at the end of the year	<u>196,328,332</u>	<u>178,906,652</u>
	13.4 Special blocked account: Tk 1,215,640		
	This represents refundable balance exceeding Tk.8,000 primarily disbursed to each depositor originated from reimbursement of demonetized notes by Bangladesh Bank in the year 1975. The amount is repayable to depositor after receipt of value of demonetized notes deposited to Bangladesh Bank.		
IAS 37.B4	13.5 Provision for current tax		
	Balance at the beginning of the year	6,704,166,128	5,133,846,048
	Provision made for previous year	-	6,741,122
	Provision made for current year	2,225,000,000	1,689,935,574
	Settlement of previous years tax liability	-	(126,356,616)
	Balance at the end of the year	<u>8,929,166,128</u>	<u>6,704,166,128</u>
	Details are given in Annex - C.		
IAS 12.81(a)(i)	13.5.1 Provision for deferred tax		
	Maintained the deferred tax liability in this year as per BAS- 12 * Income Taxes*.		
	Balance at the beginning of the year	132,530,461	82,249,476
	Provision made during the year	45,000,000	50,280,985
	Provision held at the end of the year	<u>177,530,461</u>	<u>132,530,461</u>

**Ref.**

WS 1.0136

WS 1.1096

1.1096

Pubali Bank Limited**Notes to the financial statements for the year ended 31 December 2011**

		2011 Taka	2010 Taka
13.5.2	Tax Provision made during the Year		
	Current Tax	2,225,000,000	1,696,676,696
	Deferred Tax	45,000,000	50,280,985
		2,270,000,000	1,746,957,681
13.6	Exchange adjustment account: Tk 28,666,878		
	This represents windfall gains from devaluation of Bangladesh Taka in the years 1975 and 1976 through barter transactions with socialist countries and the same is being carried forward since then. The account would be settled as per instruction of Bangladesh Bank.		
13.7	Agri credit guarantee backing reserve: Tk 70,261,300		
	This represents the surplus amount retained by the Bank which was received till the end of 1984 as government guarantee totalling Tk 112,358,000 under Tk 100 crore special agri credit scheme disbursed during the years from 1977 to 1983. Repayment of the above to the government would be made in due course to the extent of recovery of aforesaid agri credit.		
13.8	Pakistan account: Tk 8,393,039		
	This represents net liability to Bank's own branches operating in former West Pakistan before Liberation of the country and remains unsettled as yet.		
13.9	Pension fund: Tk 1,570,883		
	This fund has been created from profit up to the year 1985 to defray pension settlements of the Bank's eligible employees. Since then, up to the year 2005 no provision for pension has been made but claims for pension are being settled from expenditure account of the year it is incurred.		
13.10	Provision for Nostro a/c Tk 721,533		
	As per instruction contained in the Bangladesh Bank circular letter No FEPA/FEMO/01/2005-677 of 13 September 2005, the Bank is required to make provision regarding the unreconciled debit balance of nostro accounts as on the reporting date in the financial statements which is as follows:		
	Provision held as on 1 January	801,606	788,102
	Provision made during the year	(80,073)	13,504
	Provision held as on 31 December	721,533	801,606
13.11	Provision for suspense: Tk 58,714,468		
	This represents provision for suspenses or contingencies for the period prior to privatisation of the Bank made in the year 1985 & 2004 as per vendor's agreement.		
13.12	Provision for demonetized notes: Tk 989,740		
	This is as per accounts of earlier years. Representing provision out of demonetized notes of Tk. 1,531,750 of 1975 which remains unsettled with Bangladesh Bank.		
13(a)	Consolidated other liabilities		
	Pubali Bank Limited	15,604,923,055	11,944,099,627
	Pubali Bank Securities Limited	3,195,012,658	-
	Parent Subsidiary loan	(2,199,950,578)	-
	Inter company payables	(13,810)	-
	Pubali Exchange Company (UK) Ltd.	16,732,555	-
		16,616,703,880	11,944,099,627

**Ref.**IAS 1.51(a)
IAS 1.106(a)
1.106(a)**Pubali Bank Limited****Notes to the financial statements for the year ended 31 December 2011**

		2011 Taka	2010 Taka
IAS 1.79	14 Capital		
IAS 1.79(a)(i)	14.1 Authorized Capital 1000,000,000 ordinary shares of Tk 10 each	10,000,000,000	10,000,000,000
IAS 1.79(a)(ii)	14.2 Issued, subscribed and paid up capital		
	1,600,000 ordinary shares of Tk 100 each issued for cash	160,000,000	160,000,000
	400,000 ordinary shares of Tk 100 each as bonus share in 2000	40,000,000	40,000,000
	2,000,000 ordinary shares of Tk 100 each as bonus share in 2004	200,000,000	200,000,000
	8,000,000 ordinary shares of Tk 100 each as bonus share in 2005	800,000,000	800,000,000
	9,000,000 ordinary shares of Tk 100 each as bonus share in 2006	900,000,000	900,000,000
	8,400,000 ordinary shares of Tk 100 each as bonus share in 2007	840,000,000	840,000,000
	8,820,000 ordinary shares of Tk 100 each as bonus share in 2008	882,000,000	882,000,000
	11,466,000 ordinary shares of Tk 100 each as bonus share in 2009	1,146,600,000	1,146,600,000
	173,901,000 ordinary shares of Tk 10 each as bonus share in 2010	1,739,010,000	-
		<u>6,707,610,000</u>	<u>4,968,600,000</u>

All shares have been converted to Tk. 10 each in EGM held on 15 July 2010.

IAS 1.79(a)(ii)

14.3 Percentage of shareholdings

	2011			2010
	No. of share	Percentage	Amount	Amount
Directors	73,621,231	10.98%	736,212,310	832,470,000
Co-operative societies	28,131,114	4.19%	281,311,140	206,497,850
Banks and financial institutions	42,037,976	6.27%	420,379,760	251,706,640
Government	1,620	0.00%	16,200	12,000
Other institutions	69,559,177	10.37%	695,591,770	638,774,350
Non resident Bangladeshi	17,916,359	2.67%	179,163,590	232,840,780
General public	439,493,523	65.52%	4,394,935,230	2,806,298,380
	<u>670,761,000</u>	<u>100%</u>	<u>6,707,610,000</u>	<u>4,968,600,000</u>

IAS 1.79

14.4 Shareholding range

Range wise shareholding	2011			2010
	No. of shareholders	Percentage	No. of Share	No. of Share
Up to 500 shares	72,289	1.63	10,946,376	10,320,792
501 to 5,000 "	35,414	7.79	52,233,423	35,046,287
5,001 " 10,000 "	2,052	2.16	14,453,657	10,750,965
10,001 " 20,000 "	974	2.00	13,383,538	11,096,300
20,001 " 30,000 "	391	1.35	9,031,760	4,482,913
30,001 " 40,000 "	135	0.69	4,656,132	5,150,270
40,001 " 50,000 "	133	0.87	5,865,110	8,193,005
50,001 " 100,000 "	296	2.91	19,542,978	12,796,580
100,001 and above	381	80.60	540,648,026	399,022,888
	<u>112,065</u>	<u>100</u>	<u>670,761,000</u>	<u>496,860,000</u>



Ref.

IAS 1.81(a)
IAS 1.109(a),
1.109(d)

Pubali Bank Limited

Notes to the financial statements for the year ended 31 December 2011

	2011 Taka	2010 Taka																													
14.5 Capital adequacy ratio(CAR)																															
In terms of section 13 (2) of the Bank Companies Act, 1991 and Bangladesh Bank BRPD circulars nos. 01,14,10 and 05 dated January 08, 1996, November 25, 2002 and May 14,2007 respectively, required capital of the Bank at the close of business on 31 December 2011 was Taka 13,258,160,000 as against available core capital of Taka 14,350,014,634 and supplementary capital of Taka 3,626,694,569 making a total capital of Taka 17,976,709,203 thereby showing a surplus capital/equity of Taka 4,718,549,203 at that date. Details are shown below:																															
Total assets including off-balance sheet items	190,907,496,772	156,198,458,131																													
Total risk-weighted assets	132,581,600,000	134,608,800,000																													
Required Capital (10% of risk weighted assets)	13,258,160,000	12,114,792,000																													
Actual capital held :	17,976,709,203	15,123,235,953																													
i) Core Capital (Tier-I)	14,350,014,634	11,458,223,984																													
ii) Supplementary capital (Tier-II)	3,626,694,569	3,665,011,969																													
Total Capital Surplus /(deficit)	4,718,549,203	3,008,443,953																													
Capital Adequacy Ratio(CAR) based on Basel II framework:	13.56%	11.23%																													
	<table border="1"> <thead> <tr> <th rowspan="2"></th> <th colspan="2">2011</th> <th colspan="2">2010</th> </tr> <tr> <th>Required</th> <th>Held</th> <th>Required</th> <th>Held</th> </tr> </thead> <tbody> <tr> <td>Capital Requirement :</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td> Tier-I (Minimum)</td> <td style="text-align: center;">5%</td> <td style="text-align: center;">10.82%</td> <td style="text-align: center;">4.50%</td> <td style="text-align: center;">8.51%</td> </tr> <tr> <td> Tier-II (Balancing)</td> <td style="text-align: center;">5%</td> <td style="text-align: center;">2.74%</td> <td style="text-align: center;">4.50%</td> <td style="text-align: center;">2.72%</td> </tr> <tr> <td> Total</td> <td style="text-align: center;">10%</td> <td style="text-align: center;">13.56%</td> <td style="text-align: center;">9.00%</td> <td style="text-align: center;">11.23%</td> </tr> </tbody> </table>		2011		2010		Required	Held	Required	Held	Capital Requirement :					Tier-I (Minimum)	5%	10.82%	4.50%	8.51%	Tier-II (Balancing)	5%	2.74%	4.50%	2.72%	Total	10%	13.56%	9.00%	11.23%	
	2011		2010																												
	Required	Held	Required	Held																											
Capital Requirement :																															
Tier-I (Minimum)	5%	10.82%	4.50%	8.51%																											
Tier-II (Balancing)	5%	2.74%	4.50%	2.72%																											
Total	10%	13.56%	9.00%	11.23%																											
14.5.1 Core capital (Tier-I)																															
Paid-up Capital	6,707,610,000	4,968,600,000																													
Statutory Reserve	5,230,776,439	4,148,732,309																													
General Reserve	2,411,628,195	2,340,891,675																													
	14,350,014,634	11,458,223,984																													
14.5.2 Supplementary capital (Tier-II)																															
General Provision maintained against Unclassified Loans	1,382,810,202	1,262,810,202																													
General Provision @ 1.00% against Off-Balance Sheet Exposures	339,300,000	249,300,000																													
Asset revaluation reserve	1,445,320,066	1,445,320,066																													
Revaluation reserve for equity instruments upto 10%	453,000,000	677,100,000																													
Revaluation on investment (HFT) - upto 50%	68,872	104,123																													
Revaluation on investment (HTM) - upto 50%	6,195,429	417,606																													
Exchange equalization Fund	-	29,959,972																													
	3,626,694,569	3,665,011,969																													
Total actual capital maintained	17,976,709,203	15,123,235,953																													

**Ref.**IAS 1.51(a)
IAS 1.10(a),
1.10(b)**Pubali Bank Limited**
Notes to the financial statements for the year ended 31 December 2011**14.6 Particulars of shareholding of the directors**

Sl. No.	Name of the directors	Status	2011		2010	
			No. of shares	Amount (Tk)	No. of shares	Amount (Tk)
1	Mr.Hafiz Ahmed Mazumder	Chairman	2,325,806	23,258,060	1,722,820	17,228,200
2	Mr.Habibur Rahman	Vice-Chairman	628,789	6,287,890	465,770	4,657,700
3	Mr.Moniruddin Ahmed	Director	21,849,951	218,499,510	16,185,150	161,851,500
4	Mr.Sk. Wahidur Rahman	Director	16,872,934	168,729,340	12,498,470	124,984,700
5	Mr.Manzurur Rahman	Director	8,488,476	84,884,760	6,287,760	62,877,600
6	Mr. Syed Moazzem Hussain	Director	12,236,305	122,363,050	9,063,930	90,639,300
7	Mr.Ahmed Shafi Choudhury	Director	54,472	544,720	40,350	403,500
8	Mr.Muhammad Faizur Rahman	Director	286,051	2,860,510	211,890	2,118,900
9	Mr. Mohammed Yaqub	Director	435,968	4,359,680	-	-
10	Mr.Fahim Ahmed Faruk Chowdhury	Director	10,164,663	101,646,630	7,529,380	75,293,800
11	Ms.Rumana Sharif	Director	36,544	365,440	27,070	270,700
12	Mr.Mustafa Shahrir Ahmed	Director	227,772	2,277,720	168,720	1,687,200
13	Mr.Musa Ahmed	Director	13,500	135,000	10,000	100,000
14	Mr.Khurshid-ul-Alam	Independent Director	-	-	-	-
			73,621,231	736,212,310	54,211,310	542,113,100

14.7 Related Party disclosures**14.7.1 Particulars of directors and their shareholding in the Bank**

Name of the Directors	Designation	Percentage of shareholding at 31 Dec 2011	Percentage of shareholding at 31 Dec 2010
Mr.Hafiz Ahmed Mazumder	Chairman	0.35	0.35
Mr.Habibur Rahman	Vice-Chairman	0.09	0.09
Mr.Moniruddin Ahmed	Director	3.26	3.26
Mr.Sk. Wahidur Rahman	Director	2.52	2.52
Mr.Manzurur Rahman	Director	1.27	1.27
Mr. Syed Moazzem Hussain	Director	1.82	1.82
Mr.Ahmed Shafi Choudhury	Director	0.01	0.01
Mr.Muhammad Faizur Rahman	Director	0.04	0.04
Mr. Mohammed Yaqub	Director	0.06	0
Mr.Fahim Ahmed Faruk Chowdhury	Director	1.51	1.51
Ms.Rumana Sharif	Director	0.01	0.01
Mr.Mustafa Shahrir Ahmed	Director	0.03	0.03
Mr.Musa Ahmed	Director	0.002	0.002
Mr.Khurshid-ul-Alam	Independent Director	-	-



Ref.

IAS 1.51(a)

Pubali Bank Limited

IAS 1.106

Notes to the financial statements for the year ended 31 December 2011

1.106

14.7.2 Name of directors and the entities in which they have interest

Sl No	Name of the director	Status in the Bank	Name of the entities in which the directors have interest	Status in the entities	Percentage of interest / No of shares in the entities
1	Mr.Hariz Ahmed Masumder	Chairman	1 Green Valley Plantation Ltd 2 Begury Garments	Managing Director Managing Director	34705 shares 14%
2	Mr.Habibur Rahman	Vice-Chairman	1 Delta Medical College and Hospital 2 Pubali Bank Securities Ltd 3 Pubali Exchange Company (UK) Ltd	Director Director Director	3.41% 1 share -
3	Mr.Morinuddin Ahmed	Director	Pubali Bank Securities Ltd	Chairman	1 share
4	Mr.Sk. Wahidur Rahman	Director	1 Pubali Bank Securities Ltd 2 National Ceramics Ind Ltd 3 Aroma Tea Ltd.	Vice-Chairman Managing Director Director	1 share 149,975 shares -
5	Mr.Manzur Rahman	Director	1 Rema Tea Co Ltd 2 Pubali Bank Securities Ltd 3 Delta Life Insurance Co Ltd	Chairman Director Director	24.19% 1 share 2.83%
6	Mr. Syed Moazzem Hussain	Director	1 Prince Corporation Ltd 2 Moazzem Knit & Dyeing Industry Ltd 3 Delta Life Insurance Co Ltd 4 Shajla Bricks Ltd 5 Lafarge Summa Cement Co Ltd	Chairman Chairman Chairman Chairman Director	78.72% 7.56% 1.12% 10% -
7	Mr.Ahmed Shah Choudhury	Director	1 Pubali Bank Securities Ltd 2 Bangladesh Lamps Ltd	Director Director	1 share -
8	Mr.Muhammad Fakur Rahman	Director	1 Asian Surveyors Ltd 2 Credit Rating Agency of Bangladesh Ltd 3 Union Capital Ltd 4 Tiger Tours Ltd.	Chairman Director Director Director	- - - -
9	Mr. Mohammed Yaqub	Director	-	-	-
10	Mr.Fahim Ahmed Faruk Chowdhury	Director	1 Chittagong Electric Manufacturing Co Ltd 2 FAC Eastern Enterprise Ltd 3 Ranka FC Properties Ltd 4 Delta Medical College & Hospital Ltd 5 Surjicope Hospital Pvt. Ltd.	Managing Director Managing Director Managing Director Director Director	31.45% 51.50% 40% 22,000 shares 10000 shares
11	Ms.Rumana Sharif	Director	Union Capital Ltd	Director	-
12	Mr.Mustafa Shahriar Ahmed	Director	Pubali Bank Securities Ltd	Director	1 share
13	Mr.Musa Ahmed	Director	1. Popular Jute Exchange Ltd. 2. Popular Jute Mills Ltd. 3. Comilla Food and allied Industry Ltd. 4. Popular Food and allied Industry Co. Ltd. 5. Tejgan Engineering and construction Co. Ltd.	Director Director Director Director Director	- - - - -
14	Mr.Khushid-ul-Alem	Independent Director	-	-	-

14.7.3 Significant contracts where the Bank is a party and wherein directors have interest : nil

14.7.4 Shares issued to directors and executives without consideration or exercisable at a discount : nil

14.7.5 Related party transactions

Name of party	Related to	Nature of transactions	Amounts (Tk)
None	Nil	Nil	Nil

**Ref.**

IAS 1.51(a)

IAS 1.10(a)

IAS 1.10(b)

IAS 1.77

Pubali Bank Limited**Notes to the financial statements for the year ended 31 December 2011**

		2011 Taka	2010 Taka
	15 Statutory reserve		
	This represents amounts transferred to this reserve as per section 24 of Banking Companies Act 1991 @ 20% of current year's profit, before tax.		
	Balance at the beginning of the year	4,148,732,309	3,152,722,217
	Add: Addition during the year	1,082,044,130	996,010,092
	Balance at the end of the year	5,230,776,439	4,148,732,309
IAS 1.77	16 Retained earnings		
	Balance as on 1 January	2,340,891,675	1,369,468,957
	Addition during the year:	2,058,176,520	2,237,082,688
	Add: sale of properties	-	72,040,030
		4,399,068,195	3,678,591,675
	Less: Issue of dividend	(1,987,440,000)	(1,337,700,000)
	Balance as on 31 December	2,411,628,195	2,340,891,675
	16(a) Consolidated Retained Surplus (General reserve)		
	Pubali Bank Limited	2,411,628,195	2,340,891,675
	Pubali Bank Securities Limited	(864,432,176)	-
	Pubali Exchange Company (UK) Ltd.	(10,882,743)	-
		1,536,313,276	2,340,891,675
IAS 1.77	17 Other reserves		
	17.1 Assets revaluation reserve		
	Balance at the beginning of the year	2,891,349,605	1,134,765,761
	Addition on revaluation of fixed assets/investment during the year	130,910,825	1,776,010,154
	Disposal during the year	(119,425,681)	(19,426,310)
		2,902,834,749	2,891,349,605
	Share forfeiture account	333,984	333,984
	Balance at the end of the year	2,903,168,733	2,891,683,589
	17.2 Exchange Equalization Fund		
	Balance at the beginning of the year	29,959,972	29,959,972
	Addition during the year	-	-
	Balance at the end of the year	29,959,972	29,959,972
		2,933,128,705	2,921,643,561
IAS 1.97	18 Profit & loss account		
	Balance at the beginning of the year	-	-
	Profit after tax during the year	3,140,220,650	3,233,092,780
		3,140,220,650	3,233,092,780
	Appropriation for the year		
	Statutory reserve	1,082,044,130	996,010,092
	General reserve	2,058,176,520	2,237,082,688
	Balance at the end of the year	3,140,220,650	3,233,092,780
		-	-
	18(a) Consolidated Profit & loss account		
	Balance at the beginning of the year	-	-
	Profit after tax during the year	2,265,826,601	3,233,092,780
		2,265,826,601	3,233,092,780
	Appropriation for the year		
	Statutory reserve	907,165,320	996,010,092
	General reserve	1,358,661,281	2,237,082,688
		2,265,826,601	3,233,092,780
	Balance at the end of the year	-	-



Ref.

AS 1.51(a)
AS 1.10(a)
1.10(b)

Pubali Bank Limited
Notes to the financial statements for the year ended 31 December 2011

	2011	2010
	Taka	Taka
19 Non-controlling interest		
Paid up capital of Pubali Bank Securities Limited	1,300	-
Share of accumulated loss	(702)	-
	598	-
20 Letters of guarantee		
Claims against the Bank not acknowledged as debts money for which the Bank is contingently liable in respect of guarantees given favouring:		
1. Government	143,068,588	122,499,470
2. Directors	-	-
3. Banks and other Financial institutions	-	502,000,000
4. Others	3,941,527,116	3,560,464,894
	4,084,595,704	4,184,964,364
21 Interest income		
Loans	807,111,293	847,395,773
Cash credits	2,414,704,941	1,675,064,538
Over drafts	1,878,860,832	1,148,992,275
Bill of exchange	25,169	2,189
WES letter of credits	16,546	1,212,512
Loan against imported merchandise	1,781,093	1,785,981,635
Loan against trust receipt	2,184,429,741	67,000,436
Inland bill purchased & demand draft purchased	158,407,563	3,546,320
Foreign bill purchased and Export development fund	14,918,385	19,428,624
Packing credits	25,641,061	56,932
Foreign currency balance	305	131,760,908
Payments against document	223,456,866	90,666,212
Call loans	421,008,917	2,875,075
Loans against deposit pension scheme	1,867,171	66,025
Agricultural credits & rural credits	30,010	29,803,498
Sundries account	32,961,077	869,908,279
CLS account	991,978,438	2,838
Pubali monthly munda account	50	1,064,729,520
Secured mortgages	1,154,567,861	23,784,461
Foreign bank accounts	18,069,181	83,792
Loan against Shikya Sanchay Prokalpa	260,348	448,622
Loan against Non-resident Credit Scheme	401,033	346,383,173
Lease finance	361,068,104	53,598,296
Margin finance	5,622,536	9,961,735
Loan against Pubali Sanchay Prokalpa	22,371,627	800,040,567
Term loans	1,314,304,115	30,713,426
Loan against Pubali Bank Deposit Pension Scheme	8,502,220	-
	12,042,366,483	9,003,507,661
21(a) Consolidated interest income		
Pubali Bank Limited	12,042,366,483	9,003,507,661
Pubali Bank Securities Limited	65,064,503	-
Pubali Exchange Company (UK) Ltd.	-	-
	12,107,430,986	9,003,507,661



Ref.

IAS 1.51(c)
IAS 1.10(e),
1.10(f)
IFRS 7.20(b)

Pubali Bank Limited
Notes to the financial statements for the year ended 31 December 2011

		2011 Taka	2010 Taka
	22 Interest paid on deposits, borrowings, etc		
	Fixed deposit	3,281,305,518	1,623,196,388
	Borrowings	545,248	1,172,323
	Special notice deposit	476,136,880	407,473,051
	Savings bank deposit	926,188,997	856,242,379
	Deposit pension scheme	7,724,098	9,305,671
	Pubali pension scheme	27,580,293	112,590,260
	Child education care & maturity deposits	480,045	437,915
	Call deposit	46,298,059	168,806,050
	Monthly monafa based deposit scheme	61,610,667	21,814,998
	Pubali Sanchay Prokalpa	228,148,233	157,855,993
	Shikhya Sanchay Prokalpa	5,362,151	3,556,388
	Q-Cash Debit Card	124,671	108,877
	Dwigun Sanchay Prokalpa	641,463,425	408,275,685
	Treasury Bond	687,112	1,855,680
	Marking to Market Revaluation	24,364,290	14,442,135
	Sundry accounts	997,817	3,050,018
		5,729,017,504	3,790,183,811
	22 (a) Consolidated interest paid on deposits, borrowings, etc		
	Pubali Bank Limited	5,729,017,504	3,790,183,811
	Pubali Bank Securities Limited	107,104,476	-
	Pubali Exchange Company (UK) Ltd.	-	-
		5,836,121,980	3,790,183,811
IAS 18.35	23 Income from investment		
	Interest on treasury bill	749,841,435	335,419,003
	Interest on debentures	2,090,157	5,900,233
	Interest on treasury bond	288,460,319	202,616,427
	Gain on sale of shares	142,870,747	1,495,609,550
	Dividend on shares	73,826,126	97,665,535
		1,257,088,784	2,137,210,748
	23 (a) Consolidated income from investment		
	Pubali Bank Limited	1,257,088,784	2,137,210,748
	Pubali Bank Securities Limited	44,083,516	-
	Pubali Exchange Company (UK) Ltd.	-	-
		1,301,172,300	2,137,210,748
IFRS 7.20(c)	24 Commission, exchange and brokerage		
	SC, LSC, DD, TT, MT and PO	146,408,211	172,225,523
	Foreign L/C	258,695,575	221,977,113
	Local L/C	95,566,947	95,118,863
	Issuance of foreign guarantee	13,718	816,375
	Issuance of local guarantee	55,559,754	45,975,137
	Issuance of traveller's cheque	71,743	68,614
	Other transactions	301,656,949	289,465,496
	Miscellaneous handling commission	44,634,431	52,680,354
	Consumers credit	569,817	2,032,036
	Commission on stationery articles	638,262	924,358
	Point of service (POS) transactions	3,494	21,467
	Total commission	903,818,901	881,305,336
	Exchange	632,564,308	407,205,246
	Brokerage on securities trading	5,679,308	97,324,829
		1,542,062,517	1,385,835,411



Ref.

IAS 1.51(a)
IAS 1.10(a)
1.10(d)

Pubali Bank Limited

Notes to the financial statements for the year ended 31 December 2011

		2011 Taka	2010 Taka
	24.1 Exchange		
	Exchange gain	1,811,770,132	941,236,693
	Less: exchange loss	1,179,205,824	534,031,447
		632,564,308	407,205,246
	24 (a) Consolidated commission, exchange and brokerage		
	Pubali Bank Limited	1,542,062,517	1,385,835,411
	Pubali Bank Securities Limited	-	-
	Pubali Exchange Company (UK) Ltd.	41,212,633	-
		1,583,275,150	1,385,835,411
IAS 1.97	25 Other operating income		
	Rent recovery	2,575,910	2,550,580
	Postage and telecommunication recovery	40,976,407	49,015,517
	Foreign currency charge recovery	754	-
	Miscellaneous income	193,519,837	165,398,105
	Miscellaneous income supervision and monitoring	114,950	685,109
	Miscellaneous income transfer fee	139,291	165,761
	Recovered from bad debt written off	30,287	82,672
	Swift income	36,669,531	36,189,410
	Application fee of CLS account	136,103	226,172
	Account opening charge of CLS account	1,033,411	2,306,261
	Service charge	46,775,380	42,049,049
	Income on sale of leased asset	725,182	353,264
	Documentation charge recovery (STD)	-	239,450
	Online service charge recovery	25,360,661	2,681,839
	Income on sale of Bank's property	123,613	30,121
		348,181,317	301,973,310
	25 (a) Consolidated other operating income		
	Pubali Bank Limited	348,181,317	301,973,310
	Pubali Bank Securities Limited	2,192,478	-
	Pubali Exchange Company (UK) Ltd.	-	-
		350,373,795	301,973,310
IAS 1.104	26 Salary and allowances (excluding Managing Director)		
	Basic salary	969,404,975	833,021,819
	House rent allowances	494,875,942	448,818,439
	Medical allowances	100,263,781	99,941,847
	Other allowances	526,417,877	455,604,534
	Contributory provident fund	76,576,360	70,077,415
	General provident fund	1,672,253	1,107,264
	Bonus to employees	153,814,538	144,884,445
		2,323,025,726	2,053,455,763
	26 (a) Consolidated salary and allowances (excluding Managing Director)		
	Pubali Bank Limited	2,323,025,726	2,053,455,763
	Pubali Bank Securities Limited	15,724,745	-
	Pubali Exchange Company (UK) Ltd.	6,817,401	-
		2,345,567,872	2,053,455,763

**Ref.**AS 1.51(4)
AS 1.10(4)
1.10(4)**Pubali Bank Limited****Notes to the financial statements for the year ended 31 December 2011**

		2011	2010
		Taka	Taka
WS 1.97	27 Rent, taxes, insurance, electricity, etc		
	Rent		
	Bank premises	131,320,204	118,285,109
	Officer's residence	106,385	4,140
	Godown	20,900	24,120
	ATM	3,000,000	3,000,000
	Rates and taxes	5,287,323	7,783,916
	Insurance (vault)	9,872,766	8,669,284
	Insurance premium	59,145,264	50,815,573
	Electricity	29,290,103	25,154,874
	Electric fittings and fixtures	12,315,617	9,967,115
	Water and sewerage bill	1,534,680	2,110,246
		251,893,242	225,814,377
	27 (a) Consolidated rent, taxes, insurance, electricity, etc		
	Pubali Bank Limited	251,893,242	225,814,377
	Pubali Bank Securities Limited	2,641,174	-
	Pubali Exchange Company (UK) Ltd.	3,862,982	-
		258,397,398	225,814,377
WS 1.97	28 Legal expenses		
	Lawyers' charges	7,102,363	8,184,881
	Court fees and other expenses	1,644,309	2,093,876
		8,746,672	10,278,757
	28 (a) Consolidated legal expenses		
	Pubali Bank Limited	8,746,672	10,278,757
	Pubali Bank Securities Limited	506,260	-
	Pubali Exchange Company (UK) Ltd.	-	-
		9,252,932	10,278,757
WS 1.97	29 Postage, stamp, telecommunication, etc		
	Postage	11,680,459	11,761,735
	Telegram	166,005	170,468
	Telex	1,165,500	679,371
	Fax	32,250	49,730
	Stamp	20,640	8,687
	Telephone (office)	21,806,542	20,794,360
	Telephone (residence)	1,295,677	1,333,713
	SWIFT charges	14,930,056	11,902,109
	Tele rate/router	1,554,952	1,387,795
	Internet charges	27,355,132	6,739,101
		80,007,213	54,827,069
	29 (a) Consolidated postage, stamp, telecommunication, etc		
	Pubali Bank Limited	80,007,213	54,827,069
	Pubali Bank Securities Limited	244,427	-
	Pubali Exchange Company (UK) Ltd.	135,613	-
		80,387,253	54,827,069



Ref.

IAS 1.51(a)
IAS 1.10(a),
1.10(d)

Pubali Bank Limited

Notes to the financial statements for the year ended 31 December 2011

		2011 Taka	2010 Taka
MS 1.97	30 Stationery, printing, advertisement, etc		
	Table stationery	12,654,806	11,443,446
	Computer stationery	10,089,913	9,314,822
	Printing and stationery	9,802,136	6,376,985
	Consumption of books and forms	19,254,536	19,857,594
	Advertisement	55,696,283	51,405,710
		107,497,674	98,398,557
	30 (a) Consolidated stationery, printing, advertisement, etc		
	Pubali Bank Limited	107,497,674	98,398,557
	Pubali Bank Securities Limited	577,968	-
	Pubali Exchange Company (UK) Ltd.	517,379	-
		108,593,021	98,398,557
MS 1.97	31 Managing Director's salary and fees		
	Basic pay	5,400,000	5,400,000
	Allowances	1,260,000	1,260,000
	Bank's contributory provident fund	540,000	540,000
	Bonus	2,350,000	1,900,000
		9,550,000	9,100,000
MS 1.97	32 Directors' fees		
	Meeting fees and Honorarium	3,230,000	3,250,000
	Meeting expenses	1,147,350	867,561
	Meeting related travelling allowances	811,223	1,018,680
		5,188,573	5,136,241
	Each director is paid Tk 5,000 per meeting per attendance.		
	32 (a) Consolidated Directors' fees		
	Pubali Bank Limited	5,188,573	5,136,241
	Pubali Bank Securities Limited	379,500	-
	Pubali Exchange Company (UK) Ltd.	-	-
		5,568,073	5,136,241
	33 Auditors' fees		
	Statutory audit	600,000	600,000
		600,000	600,000
MS 1.104	34 Depreciation and repair of banks assets		
	Repairs to fixed assets	7,873,619	7,157,431
	Maintenance of assets	25,922,702	24,839,451
	Depreciation on fixed assets	156,204,793	120,594,029
		190,001,114	152,590,911
	34 (a) Consolidated depreciation and repair of banks assets		
	Pubali Bank Limited	190,001,114	152,590,911
	Pubali Bank Securities Limited	654,167	-
	Pubali Exchange Company (UK) Ltd.	1,773,898	-
		192,429,179	152,590,911



Ref.

IAS 1.51(a)
IAS 1.109(a),
1.106

Pubali Bank Limited

Notes to the financial statements for the year ended 31 December 2011

		2011 Taka	2010 Taka
IAS 1.97	35 Other expenses		
	Repairs to rented property	1,323,359	1,087,584
	Newspapers	2,741,238	2,913,006
	Petrol consumption	42,006,949	38,390,744
	Travelling	30,142,386	17,901,155
	Donations	73,712,593	50,769,600
	Honorarium	1,871,700	1,474,062
	Subscriptions	11,572,315	10,803,288
	Sub-ordinate staff clothing	4,063,226	1,439,937
	Conveyance	12,030,896	10,979,191
	Entertainment	19,782,470	19,617,709
	Training	11,567,033	7,231,141
	Photocopying	1,959,761	1,774,448
	Opening expenses	366,561	972,215
	Shifting	447,444	736,416
	Carrying	1,124,856	995,613
	Professional fees	9,930,726	1,308,458
	Security and Auxiliary Services	898,603	-
	Gun licence fees	906,731	1,052,470
	Telegraphic address renewal fee	1,375	7,420
	Overtime	17,658,582	15,526,386
	Employees recreation	42,837,862	40,331,220
	Promotional expenses	30,422,893	31,703,099
	Gratuity	524,055,810	516,637,080
	Group insurance	23,310,568	8,919,016
	House maintenance	76,531,011	78,984,314
	Car allowance	10,402,325	847,766
	Chemicals for office equipments	602,428	337,174
	Loss on sale of bank's property	207,761	515,719
	CDBL fees	-	10,970,920
	Laga Hawla charges	1,156,372	9,696,528
	Penal Interest Penalty	237,712	-
	Income tax for employees	-	7,067
	Annual general meeting	1,449,922	5,605,563
	Miscellaneous	45,795,878	42,171,865
		1,001,119,346	931,708,174
	35 (a) Consolidated other expenses		
	Pubali Bank Limited	1,001,119,346	931,708,174
	Pubali Bank Securities Limited	6,279,993	-
	Pubali Exchange Company (UK) Ltd.	1,612,906	-
		1,009,012,245	931,708,174
IAS 37.84	36 Provision for loans and advances and investments		
	Classified loans and advances (see Note 13.1)	-	-
	Unclassified loans and advances (see Note 13.1)	-	270,000,000
	Provision for diminution in value of investments	-	165,000,000
		-	435,000,000
	36 (a) Consolidated provision for diminution in value of investments		
	Pubali Bank Limited	-	165,000,000
	Pubali Bank Securities Limited	878,114,290	-
	Pubali Exchange Company (UK) Ltd.	-	-
		878,114,290	165,000,000



Ref.

AS 1.51(a)
AS 1.109(a)
1.10(e)

Pubali Bank Limited

Notes to the financial statements for the year ended 31 December 2011

		2011	2010
		Taka	Taka
37	Provision for off balance sheet exposure		
	Provision for exposure against off-balance sheet items (note 13.2)	70,000,000	70,000,000
37.1	Provision for exposure against off-balance sheet items	70,000,000	70,000,000
	Particulars		
	Letter of Guarantee	4,084,595,704	4,184,964,364
	Irrevocable Letters of Credit	28,021,057,981	21,558,428,949
	Bills for Collection	559,665,835	661,233,151
	Other Contingent Liabilities	950,956,000	1,331,180,000
	Total Contingent liabilities:	33,616,275,520	27,735,806,464
	<i>Less:</i> Margin		
	Letter of Guarantee	-	260,976,774
	Irrevocable Letters of Credit	-	2,629,056,977
	Bills for Collection	-	-
		-	2,890,033,751
		33,616,275,520	24,845,772,713
		Basis for provision	Rate (%)
	Letter of Guarantee	4,084,595,704	1
	Irrevocable Letters of Credit	28,021,057,981	1
	Bills for Collection	559,665,835	1
	Other Contingent Liabilities	950,956,000	1
	Required provision	336,162,755	248,457,727
	Provision maintained	339,300,000	249,300,000
	Excess provision	3,137,245	842,273
AS 37.84	38 Receipts from other operating activities		
	Exchange	632,564,308	407,205,246
	Brokerage	5,679,308	97,324,829
	Other operating income	348,151,030	301,890,638
		986,394,646	806,420,713
38 (a)	Consolidated receipts from other operating activities		
	Pubali Bank Limited	986,394,646	806,420,713
	Pubali Bank Securities Limited	37,654,618	-
	Pubali Exchange Company (UK) Ltd.	-	-
		1,024,049,264	806,420,713
AS 7.14(j)	39 Cash payments for other operating activities		
	Rent, taxes, insurance, electricity etc.	(251,893,242)	(225,814,377)
	Director's fees	(5,188,573)	(5,136,241)
	Charges on loan losses	(2,831,387)	(11,383,009)
	Repairs of Bank's assets	(33,796,321)	(31,996,882)
	Other Expenses	(1,001,119,346)	(931,708,174)
		(1,294,828,869)	(1,206,038,683)
39 (a)	Consolidated cash payments for other operating activities		
	Pubali Bank Limited	(1,294,828,869)	(1,206,038,683)
	Pubali Bank Securities Limited	(10,629,323)	-
	Pubali Exchange Company (UK) Ltd.	(6,367,828)	-
		(1,311,826,020)	(1,206,038,683)



Ref.

IAS 1.51-60
IAS 1.104-6,
1.104-0**Pubali Bank Limited**

Notes to the financial statements for the year ended 31 December 2011

	2011 Taka	2010 Taka
40 Increase/(decrease) of other assets		
Closing other assets		
Stationery and stamps	73,506,753	54,099,559
Accrued income	584,978,496	464,476,871
Advance security deposit, advance rent etc.	144,211,846	72,743,046
Suspense account	313,036,844	516,537,533
Demonetized notes	1,531,750	1,531,750
Items in transit	2,059,445,792	906,560,255
Drafts payable (Dr. Bal)	428,865,819	601,149,954
Clearing house adjustment	75,972,974	33,404,588
Others	102,523,572	120,235,422
	3,784,073,846	2,770,738,978
Opening other assets		
Stationery and stamps	54,099,559	49,027,579
Accrued income	464,476,871	478,293,233
Advance security deposit, advance rent etc.	72,743,046	151,252,529
Suspense account	516,537,533	392,092,091
Demonetized notes	1,531,750	1,531,750
Items in transit	906,560,255	2,072,619,382
Drafts payable (Dr. Bal)	601,149,954	488,641,105
Clearing house adjustment	33,404,588	6,888,109
Others	120,235,422	117,092,983
	2,770,738,978	3,757,438,761
	(1,013,334,868)	986,699,783
40 (a) Consolidated increase/(decrease) of other assets		
Pubali Bank Limited	(1,013,334,868)	986,699,783
Pubali Bank Securities Limited	(42,684,139)	-
Pubali Exchange Company (UK) Ltd.	(4,252,393)	-
	(1,060,271,400)	986,699,783
41 Increase/(decrease) of other liabilities		
Closing other liabilities		
Interest Suspense	196,328,332	178,906,652
Interest Suspense on underwriting advances	289,653,997	292,368,563
Interest Suspense against 70% Agri Loan	192,382	192,382
	486,174,711	471,467,597
Opening other liabilities		
Interest Suspense	178,906,652	203,012,021
Interest Suspense on underwriting advances	292,368,563	296,723,007
Interest Suspense against 70% Agri Loan	192,382	192,382
	471,467,597	499,927,410
	14,707,114	(28,459,813)
41 (a) Consolidated increase/(decrease) of other assets		
Pubali Bank Limited	14,707,114	(28,459,813)
Pubali Bank Securities Limited	2,316,375,045	-
Pubali Exchange Company (UK) Ltd.	16,732,555	-
	2,347,814,714	(28,459,813)

**Ref.**

IAS 1.51(a)

IAS 1.10(a),

1.10(b)

Pubali Bank Limited

Notes to the financial statements for the year ended 31 December 2011

	2011 Taka	2010 Taka
42		
Cash and cash equivalents at the end of the year		
Cash in hand (including foreign currencies)	2,376,582,012	2,420,920,513
Balance with Bangladesh Bank and its agent bank(s)	9,368,981,507	7,816,129,179
Balance with other banks and financial institutes	1,592,112,403	884,266,695
Prize bonds	18,142,401	15,500,092
Money at call on short notice	2,359,286,667	119,486,667
	15,715,104,990	11,256,303,146
42 (a)		
Consolidated cash and cash equivalents at the end of the year		
Pubali Bank Limited	15,715,104,990	11,256,303,146
Pubali Bank Securities Limited	97,952,007	-
Pubali Exchange Company (UK) Ltd.	18,063,547	-
	15,831,120,544	11,256,303,146

43 Assets and liabilities as at 31 December 2011 denominated in foreign currencies have been converted to Bangladesh Taka at the following exchange rates:

<u>Currency</u>	<u>Currency unit</u>	<u>Equivalent Taka</u>
Canadian Dollar	CAD	79.90
European Currency	EURO	105.91
Japanese Yen	JPY	1.05
Pound Sterling	GBP	126.46
Swiss Franc	CHF	86.81
US Dollar	USD	81.85
ACU Dollar	ACUD	81.85

	2011 Taka	2010 Taka
44		
Earnings Per Share (EPS):		
Net Profit after tax	3,140,220,650	3,233,092,780
Number of ordinary shares outstanding (2010: Adjusted for bonus share)	670,761,000	670,761,000
Earnings Per Share (EPS)	4.68	4.82
44 (a)		
Consolidated Earnings Per Share (EPS)		
Net Profit after tax	2,265,826,601	3,233,092,780
Number of ordinary shares outstanding (2010: Adjusted for bonus share)	670,761,000	670,761,000
Earnings Per Share (EPS)	3.38	4.82

Earnings per share has been calculated in accordance with BAS-33: 'Earnings Per Share (EPS)'. Previous year's figures have been adjusted for the issue of 35% Bonus shares (for 2010) during the year.



Pubali Bank Limited

Notes to the financial statements for the year ended 31 December 2011

HIGHLIGHTS ON THE OVERALL ACTIVITIES OF THE BANK FOR
THE PERIOD ENDED 31 DECEMBER 2011 AND 31 DECEMBER 2010

PARTICULARS	2011 Taka	2010 Taka
1. Paid-up Capital	6,707,610,000	4,968,600,000
2. Total Capital	17,976,709,203	15,123,235,953
3. Capital Surplus	4,718,549,203	3,008,443,953
4. Total Assets	157,153,712,483	128,462,651,667
5. Total Deposits	123,805,967,767	98,850,499,250
6. Total Loans & Advances	106,329,633,065	89,106,206,559
7. Total Contingent Liabilities	33,616,275,520	27,735,806,464
8. Loan Deposit Ratio (%)	85.88%	90.14%
9. Ratio of Classified Loan to total Loans & Advances (%)	2.02%	2.04%
10. Profit after taxation & Provision	3,140,220,650	3,233,092,780
11. Amount of Classified Loan during the current year	2,146,381,000	1,818,565,000
12. Provision kept against Classified Loans	776,140,876	530,300,100
13. Provision Surplus	2,607,387	5,262,867
14. Cost of Fund (%)	8.93%	8.09%
15. Interest Earning Assets	129,350,304,155	106,439,851,142
16. Interest Non- Earning Assets	27,803,408,328	22,022,800,525
17. Return on Investment (ROI)	6.59%	12.94%
18. Return on Assets (ROA)	2.00%	2.52%
19. Income from Investment	1,257,088,784	2,137,210,748
20. Earning per Share (Taka)	4.68	4.82
21. Net Income per Share (Taka)	4.68	4.82
22. Price Earning Ratio (Times)	10.79	16.29

Helal Ahmed Chowdhury
Managing DirectorSyed Moazzem Hussain
DirectorManzurur Rahman
DirectorHafiz Ahmed Mazumder
Chairman



Schedule of fixed assets as at 31 December, 2011

Particulars	Amounts in Taka									
	Cost			Rate	Depreciation/Amortization			Net book value at		
	Balance at 1 January 2011 Taka	Additions/ Revaluation during the year Taka	Disposal during the year Taka		Adjustments during the year Taka	Balance at 31 December 2011 Taka	Change for the year Taka	Disposal during the year Taka	Adjustments during the year Taka	Balance at 31 December 2011 Taka
Land (including lease)	2,265,041,673	-	-	Fixed	20,733,781	1,178,970	-	-	21,912,751	2,243,128,922
Building	793,618,938	-	-	2.50%	87,049,011	17,664,248	-	-	104,713,259	688,905,679
Furniture and Fixture	245,907,827	36,152,578	2,845,961	10%	115,093,923	17,057,248	2,187,630	(2,021,247)	137,942,294	146,924,802
Computer & Computer Accessories	361,971,395	106,504,743	2,368,072	30%	231,284,508	76,641,229	2,280,525	(3,525,694)	302,119,516	160,069,625
Machinery and Equipment	226,509,837	35,943,849	1,621,855	20%	163,127,152	24,121,419	1,572,812	(991,759)	184,684,000	74,763,064
Vehicles	123,190,823	21,290,000	11,590,125	20%	68,538,205	19,541,679	10,689,954	126,300	77,616,230	55,400,768
At 31 December 2011	4,016,240,493	199,891,170	18,366,013		685,926,580	156,204,793	16,730,921	(6,412,402)	818,988,050	3,369,192,860
At 31 December 2010	2,023,956,662	2,121,646,547	129,062,730		580,458,211	120,594,029	14,538,897	(586,763)	685,926,580	3,330,313,913



Pubali Bank Limited

Annex-B

Balance with other banks and financial institutions - Outside Bangladesh (Nostró account)
In demand deposit account (non interest bearing):

Amounts in Taka

Name of bank	Foreign currency name	2011		2010		Amount in BD Taka	Conversion rate per unit FC	Amount in BD Taka
		Amount in foreign currency	Conversion rate per unit FC	Amount in foreign currency	Conversion rate per unit FC			
American Express Bank Ltd, Kolkata	ACUD	73,770	81.85	73,795	70.75	6,038,259	70.75	5,220,949
American Express Bank Ltd, New York	USD	8,815	81.85	11,411	70.75	721,533	70.75	807,325
Arab Bangladesh Bank Ltd, Mumbai	ACUD	-	-	118,484	70.75	-	70.75	8,382,723
Bank of Bhutan, Thimpu	ACUD	44,339	81.85	41,209	70.75	3,629,283	70.75	2,915,531
Bank of Tokyo Mitsubishi Ltd, Kolkata	ACUD	22,770	81.85	22,770	70.75	1,863,791	70.75	1,610,971
Bank of Tokyo Mitsubishi Ltd, Tokyo	JPY	2,152,768	1.05	1,583,075	0.87	2,261,136	0.87	1,371,398
Citibank NA, New York	USD	2,989,601	81.85	-	-	244,707,483	-	-
Commerz Bank, Germany	USD	9,148	81.85	-	-	748,767	-	-
Commerz Bank, Germany	EUR	-	-	185,821	93.55	-	93.55	17,383,940
Habib Metropolitan Bank Ltd., Karachi	ACUD	590,320	81.85	-	-	48,319,403	-	-
HDFC Bank Ltd, Mumbai	ACUD	25,000	81.85	-	-	2,046,372	-	-
HSBC Bank USA, New York	USD	422,919	81.85	64,768	70.75	34,617,107	70.75	4,582,342
HSBC Bank, Mumbai	ACUD	64,076	81.85	64,076	70.75	5,244,801	70.75	4,533,354
Hypovereins Bank, Munchen	EUR	61,149	105.91	61,834	93.55	6,476,309	93.55	5,784,693
ICICI Bank Ltd., Kolkata, India	ACUD	-	-	34,802	70.75	-	70.75	2,462,226
ICICI Bank, Mumbai	EUR	10,603	105.91	11,013	93.55	1,123,000	93.55	1,030,320
Mashreq Bank PSC Newyork	USD	456,541	81.85	463,779	70.75	37,369,197	70.75	32,812,241
National Westminster Bank Plc, London	GBP	161,161	126.46	76,021	109.66	20,380,810	109.66	8,336,615
NDLC IFIC Bank Ltd. (NIB) Karachi	ACUD	-	-	78,405	70.75	-	70.75	5,547,119
Peoples Bank, Colombo	ACUD	163,935	81.85	16,131	70.75	13,418,555	70.75	1,141,232
Royal Bank of Canada, Toronto	ACUD	270,078	79.90	151,355	70.75	21,578,007	70.75	10,697,590
Sonali Bank Ltd, Kolkata	ACUD	15,518	81.85	-	-	1,270,178	-	-
Sonali Bank,UK(GBP) Ltd	GBP	19,858	126.46	-	-	2,511,307	-	-
Sonali Bank,UK(USD) Ltd	USD	224,872	81.85	-	-	18,406,433	-	-
Standard Chartered Bank, Kathmandu	ACUD	122,413	81.85	129,973	70.75	10,019,861	70.75	9,195,552
Standard Chartered Bank, New York	USD	3,689,251	81.85	616,873	70.75	301,975,869	70.75	43,643,557
Standard Chartered Bank, Mumbai	ACUD	165,985	81.85	-	-	13,586,381	-	-
State Bank of India, Kolkata	ACUD	121,482	81.85	121,497	70.75	9,943,665	70.75	8,595,886
UBAF, Singapore	USD	126,164	81.85	24,544	70.75	10,326,863	70.75	1,736,445
UBS AG, Zurich	CHF	44,789	86.81	70,255	74.76	3,888,115	74.76	5,252,552
Unicredit S.P.A., Milano, Italy	EUR	4,637	105.91	36,907	93.55	491,118	93.55	3,452,777
						822,963,553		186,497,338

Pubali Bank Limited

Corporate tax provision and advance income tax

Annex-C



(Amounts in Taka)

Sl. no.	Income year	Assessment year	Tax provision as per accounts	Tax determined by tax authority	Tax paid (Tax deduction at source & cash paid & refund adjustment)	Tax department's demand/(refund)	Assessment status
1	Up to 1996	97-98	-	-	8,746,578	(8,746,578)	Finalised
2	1997	98-99	76,507,688	76,507,688	122,322,255	45,814,567	Reference application filed with High Court
3	1998	99-00	-	-	26,968,734	(26,968,734)	Finalised
4	1999	2000-01	126,066,596	126,066,596	95,769,641	30,296,955	Reference application filed with High Court
5	2000	2001-02	158,178,474	158,178,474	113,640,527	44,537,947	Reference application filed with High Court
6	2001	2002-03	377,762,283	377,762,283	258,959,776	118,802,508	Reference application filed with High Court
7	2004	2005-06	6,741,122	6,741,122	22,538,349	(15,797,227)	Finalised
8	2006	2007-08	-	-	18,250,000	(18,250,000)	TAT Order passed assessment not yet finalized by DCT
9	2007	2008-09	1,323,640,684	1,323,640,684	1,269,151,280	54,489,404	TAT Order passed assessment not yet finalized by DCT
10	2008	2009-10	1,502,601,666	-	1,425,863,286	-	Case filed with Taxes Appellate Tribunal
11	2009	2010-11	1,442,732,041	-	1,450,508,695	-	Assessment not yet done
12	2010	2011-12	1,689,935,574	-	1,687,757,281	-	Assessment not yet done
13	2011	2012-13	2,225,000,000	-	785,923,964	-	Return submission date not due
	Total		8,929,166,128	2,068,896,847	7,286,400,366	132,549,707	

- * TAT - Taxes Appellate Tribunal
- ** CT(A) - Commissioner of Taxes (Appeal)
- *** DCT - Deputy Commissioner of Taxes
- **** LTU - Large Tax payer Unit



Pubali Bank Limited
Details of large loans and advances

Annex-D

Amounts in Taka

Amounts in Taka	
At	At
31 Dec 2011	31 Dec 2010

10	20
26,666,489,000	33,742,534,000
-	-
-	-

Number of clients with amount of outstanding and classified loans to whom loans and advances sanctioned more than 10% of total capital of the Bank. Total capital of the Bank was Taka 17,976,709,203 as at 31 December 2011.

Number of clients
Amount of outstanding loans/advances
Classified amount thereon
Measures taken for recovery

Name of the clients	Sanctioned Limit	Status	Outstanding		Total outstanding	
			Funded	Non-funded	At 31 Dec 2011	At 31 Dec 2010
Abul Khair Group	4,498,000,000	STD	1,062,911,000	821,400,000	1,884,311,000	1,688,437,000
BRAC	4,180,000,000	STD	2,943,387,000	1,197,000	2,944,584,000	899,731,000
City Group	2,667,831,000	STD	1,249,611,000	1,157,883,000	2,407,494,000	-
Dird Composite Group	2,831,661,000	STD	1,378,755,000	510,918,000	1,889,673,000	2,050,974,000
Envooy Group	4,180,765,000	STD	1,554,681,000	1,534,288,000	3,088,969,000	2,558,918,000
Ha-Meem Group	5,345,700,000	STD	1,713,300,000	1,850,100,000	3,563,400,000	3,168,400,000
Jahangir & Others Group	-	STD	-	-	-	2,598,279,000
KDS Group	-	STD	-	-	-	1,894,914,000
Keya Group	-	STD	-	-	-	2,177,609,000
Madina Group	-	STD	-	-	-	965,191,000
Niloi Group	-	STD	-	-	-	1,466,750,000
Paramount Textile Ltd	6,306,762,000	STD	2,408,914,000	379,940,000	2,788,854,000	859,620,000
PHP Group	3,029,509,000	STD	1,654,430,000	1,352,300,000	3,006,730,000	2,244,608,000
Project Builders	2,303,763,000	STD	1,525,376,000	502,593,000	2,027,969,000	1,589,016,000
S. A. Group	-	STD	-	-	-	2,898,012,000
SAAD Musa Group	-	STD	-	-	-	1,479,138,000
Sheba Telecom	-	STD	-	-	-	597,800,000
Shirha Group	-	STD	-	-	-	814,616,000
Style Craft Ltd	-	STD	-	-	-	1,169,127,000
Surman Group	-	STD	-	-	-	565,527,000
T K Group	3,666,400,000	STD	1,785,105,000	1,279,400,000	3,064,505,000	2,055,867,000
Total	39,010,391,000		17,276,470,000	9,390,019,000	26,666,489,000	33,742,534,000



Pubali Bank Limited - Islamic Banking Windows
Distribution of profit for the income year ended 31 December 2011

Annex-E

Profit and loss of Islamic Banking Windows are calculated annually as at 31 December each year. We follow Investment Income Sharing Ratio (IISR) system for distribution of profit to the depositors. During the year 2011 the investment income was 12.07%. As per normal practice we ignored 0.07% and taking investment income as 12% distributed profit among the Mudaraba depositors on the basis of declared Investment Income Sharing Ratios (IISR). Distributed rates were as under.

Sl. no.	Types of Mudaraba deposit	Investment income share of depositors for 2011	Provisional rate distributed	Actual earning rate (%)	Additional distributed (%)
1. (a)	Mudaraba Term Deposit for 3 months	85	9.35	10.2	0.85%
(b)	Mudaraba Term Deposit for 6 months	90	9.9	10.8	0.90%
(c)	Mudaraba Term Deposit for 12 months	95	10.45	11.4	0.95%
(d)	Mudaraba Term Deposit for 24 months	95	10.45	11.4	0.95%
2	Mudaraba Short Notice Deposit	35	3.85	4.2	0.35%
3	Monthly profit based Mudaraba Term Deposit	95	10.45	11.4	0.95%
4	Mudaraba Savings Account	45	4.95	5.4	0.45%
5	Mudaraba Hajj Savings A/c.	85	9.35	10.2	0.85%
6.(a)	Mudaraba Deposit Pension Account for 5 years	83	9.13	9.96	0.83%
(b)	Mudaraba Deposit Pension Account for 10 years	85	9.35	10.2	0.85%

Provisional rates of profit are declared on the basis of expected rate of investment income.

A competent Shariah Supervisory Committee consisting of Islamic Scholars, Ulama, Economist and Islamic Bankers headed by Mr. M. Azizul Hoque, founder Chief Executive of Islamic Bank Bangladesh Limited. During the year Shariah Supervisory Committee met in 3 (three) meetings and reviewed different operational issues in the line with Islamic Shariah. Besides, the Muraqibs of the Shariah Supervisory Committee inspected both the Islamic Banking Windows during the year and reported no case of violation of Islamic Shariah in their operation.

Pubali Bank Limited - Islamic Banking Windows
Balance Sheet as at 31 December 2011

Annex-F

<u>Property and Assets</u>	<u>Note</u>	<u>2011 Taka</u>	<u>2010 Taka</u>
Cash	1	9,203,685	6,472,645
In hand (Including foreign currencies)		2,049,615	1,612,645
Balance with Bangladesh Bank and its agent Bank (s) (Including foreign currencies)		7,154,070	4,860,000
Balance with other banks and financial institutions	2	70,330,000	9,970
Inside Bangladesh		70,330,000	9,970
Outside Bangladesh		-	-
Placement with banks and other financial institutions	3	-	-
Investments in shares and securities	4	5,000,000	-
Government		5,000,000	-
Others		-	-
Investments	5	231,965,393	61,001,628
General Investments		231,965,393	61,001,628
Bills purchased & discounted		-	-
Fixed assets including premises, furniture & fixtures	6	628,673	866,267
Other assets	7	1,954,036	119,029
Non-banking assets		-	-
Total assets		319,081,787	68,469,539
Liabilities and Capital			
Liabilities			
Placement with other banks, financial institutions & agents:	8	-	-
Deposits and other accounts	9	98,503,175	31,258,447
Al-Wadia current deposit		14,679,792	4,546,973
Bills Payable		3,331,628	206,073
Mudaraba savings bank deposit		16,284,044	7,702,859
Mudaraba term deposits		64,026,693	16,464,034
Other deposits		181,018	2,338,508
Other Liabilities	10	220,578,612	37,211,092
Total Liabilities		319,081,787	68,469,539
Capital / Shareholders' Equity			
Paid up capital		-	-
Statutory reserve		-	-
Retained surplus (general reserve)		-	-
Revaluation gain/(Loss) on investment		-	-
Other Reserves		-	-
Profit and Loss account surplus		-	-
Total Shareholders' Equity		-	-
Total Liabilities and Shareholders' Equity		319,081,787	68,469,539



<u>Off-balance sheet items</u>	<u>Note</u>	<u>2011 Taka</u>	<u>2010 Taka</u>
Contingent liabilities			
Acceptances & Endorsements			
Letters of guarantee		-	-
Irrevocable letters of credit		-	-
Bills for collection		-	-
Other contingent liabilities		-	-
Total Contingent liabilities		-	-
Other Commitments			
Documentary credits and short term trade - related transactions		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
Total other commitments		-	-
Total Off-Balance Sheet items including Contingent Liabilities		-	-



Pubali Bank Limited - Islamic Banking Windows
Profit and Loss Account for the year ended 31 December 2011

Annex - F (i)

	Note	2011 Taka	2010 Taka
Operating income			
Investment income	11	19,832,496	1,496,341
Less : Profit paid on deposits, borrowings, etc.	12	8,832,480	1,333,256
Net investment income		11,000,016	163,085
Income from investment in shares /securities	13	-	-
Commission, exchange and brokerage	14	1,070,559	113,863
Other operating income	15	1,918,844	54,157
Total operating income		13,989,419	331,105
Operating expenses			
Salaries and allowances	16	3,244,133	2,590,840
Rent, taxes, insurance, electricity, etc.	17	2,185	32,341
Legal Expenses	18	-	-
Postage, Stamp, telecommunication, etc.	19	33,906	35,196
Stationery, Printing, Advertisements, etc.	20	96,219	72,786
Chief Executives's Salary and fees		-	-
Directors' fees & expenses		-	-
Shariah supervisory committee's fees and expenses		-	-
Auditors' fees		-	-
Charges on investment losses		-	-
Depreciation repair and maintenance of fixed assets	21	280,179	268,706
Other expenses	22	98,034	416,852
Total operating expenses		3,754,656	3,416,721
Total profit/(loss) before provisions		10,234,763	(3,085,616)
Provision for Investments			
Specific provision		-	-
General provision		-	-
Provision for off-balancesheet exposure		-	-
Provision for diminution in value of investments		-	-
Other Provisions		-	-
Total Provisions		-	-
Total profit/(loss) before taxation		10,234,763	(3,085,616)



Pubali Bank Limited - Islamic Banking Windows
Cash Flow Statement for the year ended 31 December 2011

Annex - F (ii)

	Note	2011 Taka	2010 Taka
a Cash flows from operating activities			
Investment income in cash		19,832,496	1,496,341
Profit paid		(8,832,480)	(1,333,256)
Dividend receipts		-	-
Fees and commission receipts		1,070,559	113,863
Recoveries of loans previously written off		-	-
Cash payment to employees		(3,244,133)	(2,590,840)
Cash payment to suppliers		(130,125)	(107,982)
Current income tax paid		-	-
Receipts from other operating activities	15	1,918,844	54,157
Cash payments for other operating activities	23	(108,175)	(458,943)
Operating profit before changes in operating assets & liabilities		10,506,986	(2,826,660)
Cash flows from operating assets & liabilities			
Statutory deposits		(5,000,000)	-
Purchase/sale of trading securities		-	-
Loans and advances to customers (other than banks)		(170,963,765)	(61,001,628)
Other assets	24	(1,835,007)	(119,029)
Deposits to/from other banks		-	-
Deposits from customers (other than banks)		67,244,728	31,258,447
Other liabilities account of customers		173,132,757	40,296,708
Other liabilities		-	-
Increase(decrease) in operating assets and liabilities:		62,578,713	10,434,498
Cash received from operating activities		73,085,699	7,607,838
b Cash flows from investing activities			
Proceeds from sale of securities		-	-
Purchase /Sale of property, plant & equipment		(34,629)	(1,125,223)
Sale proceeds of Fixed assets		-	-
Net cash used in investing activities		(34,629)	(1,125,223)
c Cash flows from financing activities			
Receipts from issue of loan capital and debt securities		-	-
Net cash received from financing activities		-	-
d Net increase (decrease) in cash and cash equivalents (a+b+c)		73,051,070	6,482,615
e Opening cash and cash equivalents		6,482,615	-
f Closing cash and cash equivalents (d+e)	25	79,533,685	6,482,615
Cash and cash equivalents at the end of the year			
Cash in hand (including foreign currencies)		2,049,615	1,612,645
Balance with Bangladesh Bank and its agent bank(s)		7,154,070	4,860,000
Balance with other banks and financial institutes		70,330,000	9,970
Prize bonds		-	-
Money at call and short notice		-	-
		79,533,685	6,482,615



Pubali Bank Limited - Islamic Banking Windows
Notes to the financial statements for the year ended 31 dec 2011

PROPERTY AND ASSETS		2011	2010
		Taka	Taka
1	Cash		
1.1	Cash in hand		
	In local currency	2,049,615	1,612,645
	In foreign currencies	-	-
		<u>2,049,615</u>	<u>1,612,645</u>
1.2	Balance with Bangladesh Bank and its agent bank(s)		
	Bangladesh Bank		
	In local currency	7,154,070	4,860,000
	In foreign currencies	-	-
		<u>7,154,070</u>	<u>4,860,000</u>
	Sonali Bank as agent of Bangladesh Bank		
	Local currency	-	-
		<u>7,154,070</u>	<u>4,860,000</u>
		<u>9,203,685</u>	<u>6,472,645</u>
1.3	Cash Reserve Ratio and Statutory Liquidity Requirement		
	Cash Reserve Ratio and Statutory Liquidity Requirement have been calculated and maintained in accordance with section 33 of Bank Companies Act 1991 and BRPD circular numbers 11 and 12 of 25 August 2005.		
	The statutory Cash Reserve Ratio (CRR) required on the Bank's time and demand liabilities at the rate of 6% has been calculated and maintained with Bangladesh Bank in current account and 11.50% Statutory Liquidity Requirement (SLR) including CRR, on the same liabilities is also maintained in the form of treasury bills and bonds including balances with Bangladesh Bank. Both the reserves maintained by the Bank are in excess of the statutory requirements, as shown below:		
1.3.1	Cash Reserve Ratio (CRR)	Percentage	
	Required Reserve	(6%)	6,463,304
	Actual Reserve maintained		7,154,070
	Surplus		<u>690,766</u>
1.3.2	Statutory Liquidity Requirement (SLR)		
	Required Reserve	(5.50%)	5,924,696
	Actual Reserve maintained		7,060,000
	Surplus		<u>1,125,304</u>
1.3.3	Total required amount of CRR and SLR		
	Total required reserve	(11.50%)	12,388,000
	Total actual reserve maintained		14,204,070
	Total Surplus		<u>1,816,070</u>
2	Balance with other banks and financial institutions		
	Inside Bangladesh (note 2.1)		9,970
	Outside Bangladesh		-
			<u>9,970</u>
		<u>70,330,000</u>	<u>9,970</u>



Pubali Bank Limited - Islamic Banking Windows
Notes to the financial statements for the year ended 31 dec 2011

	2011 Taka	2010 Taka
2.1 Inside Bangladesh		
In savings deposit account		
Islami Bank Limited, Foreign Exchange Branch	70,330,000	9,970
	70,330,000	9,970
In short term deposit account	-	-
	-	-
Fixed deposit receipts (Foreign Currency)	-	-
	-	-
	70,330,000	9,970
2.2 Maturity grouping of balance with other banks and financial institutions		
Payable on demand	70,330,000	9,970
Up to 3 months	-	-
Over 3 months but not more than 1 year	-	-
	70,330,000	9,970
3 Placement with Banks and Other Financial Institutions	-	-
	-	-
4 Investments in Shares and Securities		
Government treasury bonds		
1 Year Bangladesh Sarker Islami Biniyog Bond	3,000,000	-
1 Year Bangladesh Sarker Islami Biniyog Bond	2,000,000	-
	5,000,000	-
5 Investments		
General investments (note 5.1)	231,965,393	61,001,628
Bills purchased and discounted (note 5.2)	-	-
	231,965,393	61,001,628
5.1 General Investments		
Inside Bangladesh:		
Guard	400,000	-
Bai Muazzal	14,966,942	20,065,420
Bai Istisna	21,272,335	-
Murabaha Post Import (TR)	-	3,996,947
Hire Purchase Shirkatul Melk (note 5.9)	195,326,116	36,939,261
Others	-	-
	231,965,393	61,001,628
Outside Bangladesh	-	-
	231,965,393	61,001,628



Pubali Bank Limited - Islamic Banking Windows
Notes to the financial statements for the year ended 31 dec 2011

		2011 Taka	2010 Taka
5.2	Bills purchased and discounted		
	Payable in Bangladesh:		
	Loans against accepted bills	-	-
	Loans against demand draft purchased	-	-
		-	-
	Payable outside Bangladesh:		
	Foreign bills purchased	-	-
	Foreign drafts purchased	-	-
		-	-
		-	-
		-	-
5.2.1	Maturity grouping of general investments		
	Repayable on demand		
	Upto 3 months	-	-
	Over 3 months but not more than 1 year	36,639,277	24,062,367
	Over 1 year but not more than 5 years	195,326,116	36,939,261
	Over 5 years	-	-
		231,965,393	61,001,628
5.2.2	Maturity grouping of Bills purchased and discounted		
	Receivable on demand	-	-
	Not more than 3 months	-	-
	Over 3 months but not more than 6 months	-	-
5.3	Geographical location-wise distribution of Investments including bills purchased and discounted		
	In Bangladesh		
	Urban		
	Dhaka	206,999,920	57,932,192
	Sylhet	24,965,473	3,069,436
		231,965,393	61,001,628
	Rural	-	-
	Outside Bangladesh(Foreign bills/drafts purchased)	-	-
		231,965,393	61,001,628
5.4	Sector-wise Investments including bills purchased and discounted		
	Public sector	-	-
	Private sector	231,965,393	61,001,628
	Co-operative sector	-	-
		231,965,393	61,001,628



Pubali Bank Limited - Islamic Banking Windows
Notes to the financial statements for the year ended 31 dec 2011

	2011 Taka	2010 Taka		
5.5 Security base-wise Investments including bills purchased and discounted				
Collateral of movable and immovable properties	231,965,393	61,001,628		
Guarantee of local banks and financial institutions	-	-		
Export documents	-	-		
Fixed deposit receipts (FDR) of own bank	-	-		
FDR of other banks	-	-		
Government bonds	-	-		
Personal guarantee	-	-		
Other securities	-	-		
	<u>231,965,393</u>	<u>61,001,628</u>		
5.6 Classification of Investments including bills purchased and discounted				
Unclassified:				
Standard	231,965,393	61,001,628		
Special mention account	-	-		
	<u>231,965,393</u>	<u>61,001,628</u>		
Classified:				
Substandard	-	-		
Doubtful	-	-		
Bad or loss	-	-		
Staff loan	-	-		
	<u>231,965,393</u>	<u>61,001,628</u>		
5.7 Particulars of required provision for Investments				
Status of Classification	Base for Provision	Rate of Provision [%]		
General provision - Unclassified				
Standard	23,19,65,393	1	2,319,654	6,10,016
Specific provision - Classified				
Substandard		20	-	-
Doubtful		50	-	-
Bad/Loss		100	-	-
Required provision			<u>2,319,654</u>	<u>6,10,016</u>
Provision maintained			<u>2,319,654</u>	<u>6,10,016</u>
Excess provision			-	-



Pubali Bank Limited - Islamic Banking Windows

Notes to the financial statements for the year ended 31 dec 2011

	2011 Taka	2010 Taka
5.8 Particulars of Investments		
(i) Loans considered good in respect of which the bank is fully secured.	231,965,393	61,001,628
(ii) Loans considered good for which the bank holds no other security than the debtors' personal security	-	-
(iii) Loans considered good being secured by the personal security of one or more parties in addition to the personal security of the debtors.	-	-
(iv) Loans adversely classified; provision not maintained thereagainst	-	-
	<u>231,965,393</u>	<u>61,001,628</u>
(v) Loans due by directors or officers of the bank or any of them either severally or jointly with any other persons		
(vi) Loan due from companies or firms in which the directors of the bank are interested as directors, partners or managing agents or in the case of private companies as members.	-	-
(vii) Maximum total amount of advances, including temporary advances, made at any time during the year to directors or employees of the bank or any of or jointly with any other persons them either severally	-	-
(viii) Maximum total amount of advances, including temporary advances, granted during the year to the companies or firms in which the directors of the or private companies as members, managing agents or in the case of bank are interested as directors, partners	-	-
(ix) Loans due from financial institutions	-	-
(x) Classified loans for which interest /profit not credited to income		
a) Increase / decrease of provision (specific)	-	-
b) Amount written off debt	-	-
c) Amount of debt recovered against the debt which was previously written off	-	-
d) Amount of Provision kept against loans classified as bad or loss	-	-
e) Amount of interest credited in suspense account	-	-
(xi) Cumulative amount of written off Loans		
Opening Balance	-	-
Amount of debt written off for the current year	-	-
	<u> </u>	<u> </u>
(xii) The amount of written off loans for which lawsuit has been filed for recovery	-	-
	<u> </u>	<u> </u>



Pubali Bank Limited - Islamic Banking Windows
Notes to the financial statements for the year ended 31 dec 2011

	2011 Taka	2010 Taka
5.9 Hire Purchase Shirkatul Malik		
Lease rental receivable within 1 year	49,573,000	1,261,560
Lease rental receivable within 5 years	143,692,116	-
Lease rental receivable after 5 years	2,061,000	35,677,701
Total lease rental receivable	195,326,116	36,939,261
Less : Un-earned interest receivable	-	-
Net Lease finance	195,326,116	36,939,261
6 Fixed assets including premises, furniture & fixture Cost		
Vehicles	-	-
Machinery and equipments	213,351	195,522
Computer & computer accessories	598,000	589,700
Furniture and fixtures	348,501	340,001
	1,159,852	1,125,222
Less: Accumulated depreciation	531,179	258,956
Net book value at the end of the year	628,673	866,267
7 Other Assets		
Income generating other assets		
Accrued income on investments	1,853,843	-
Advance security deposit, advance rent and prepaid expenses	-	-
	1,853,843	-
Non-income generating other assets		
Stationery and stamps	100,193	119,029
Drafts payable	-	-
Others	-	-
	100,193	119,029
	1,954,036	119,029
LIABILITIES AND CAPITAL		
8 Placement with other banks, financial institutions & agents:		
Inside Bangladesh	-	-
Outside Bangladesh	-	-
	-	-
9 Deposits and other accounts		
Inter-bank deposits	-	-
Other deposits	98,503,175	31,258,447
	98,503,175	31,258,447



Pubali Bank Limited - Islamic Banking Windows
Notes to the financial statements for the year ended 31 dec 2011

9.1	Details of deposits and other accounts	2011 Taka	2010 Taka
	<u>Current deposits and other accounts :</u>		
	Al-Wadia current deposit	14,679,792	4,546,973
		14,679,792	4,546,973
	Bills payable (note 9.1.1)	3,331,628	206,073
	Mudaraba Savings Bank Deposit	16,284,044	7,702,859
	<u>Term deposits :</u>		
	Mudaraba Fixed deposits	54,464,493	15,119,556
	Mudaraba Short notice deposits	4,624,273	318,798
	Profit Payable On Mudaraba Term Deposit	2,617,235	293,736
	Mudaraba deposit pension scheme	1,728,988	475,218
	Mudaraba Hajj Savings	591,704	256,726
		64,026,693	16,464,034
	Other deposits	181,018	2,338,508
		98,503,175	31,258,447
9.1.1	Bills Payable		
	Pay orders issued	3,331,628	206,073
	Demand Drafts	-	-
	T.T. Payable	-	-
		3,331,628	206,073
9.2	Maturity analysis of Inter-bank deposits		
	Payable on demand	-	-
	Payable within 1 month	-	-
	Over 1 month but within 6 months	-	-
	Over 6 months but within 1 year	-	-
	Over 1 year but within 5 years	-	-
	Over 5 years and above	-	-
		-	-
9.3	Maturity analysis of other deposits		
	Payable on demand	19,476,984	5,446,303
	Payable within 1 month	6,676,458	3,158,172
	Over 1 month but within 6 months	29,927,819	9,899,252
	Over 6 months but within 1 year	18,780,761	4,920,112
	Over 1 year but within 5 years	16,339,348	4,535,867
	Over 5 years and above	7,301,805	3,298,741
		98,503,175	31,258,447
		98,503,175	31,258,447



Pubali Bank Limited - Islamic Banking Windows
Notes to the financial statements for the year ended 31 dec 2011

	2011 Taka	2010 Taka
10 Other Liabilities		
Unpaid expenses a/c	5,200	2,200
Item in transit (Cr. Balance)	217,128,950	33,752,213
Profit receivable on investment	3,444,462	3,456,679
	220,578,612	37,211,092
11 Investment income		
Bai Muazzal	2,486,701	768,893
Murabaha Post Import (TR)	432,660	17,618
Hire Purchase Shirkatul Melk	16,913,135	709,830
	19,832,496	1,496,341
12 Profit paid on deposits, borrowings, etc		
Mudaraba term deposits	4,101,447	1,223,637
Mudaraba special notice deposits	4,019,557	5,529
Mudaraba Hajj Savings	73,489	9,118
Mudaraba Savings Bank deposit	523,996	85,281
Mudaraba special savings deposit	22,426	-
Mudaraba deposit pension scheme	91,565	9,691
	8,832,480	1,333,256
13 Income from investment in shares /securities	-	-
	-	-
14 Commission, exchange and brokerage		
SC, LSC, DD, TT, MT and PO	21,825	14,024
Foreign L/C	75,386	95,971
Local L/C	315,922	-
Other transactions	8,116	1,618
Miscellaneous handling commission	649,310	2,250
Total commission	1,070,559	113,863
15 Other operating income		
Miscellaneous income	1,863,181	2,410
Service charge	55,663	51,747
	1,918,844	54,157
16 Salary and allowances (excluding Managing Director)		
Basic salary	1,609,018	1,363,064
House rent allowances	863,920	678,644
Medical allowances	151,500	130,267
Other allowances	227,150	62,565
Contributory provident fund	140,345	107,800
Bonus to employees	252,200	248,500
	3,244,133	2,590,840



Pubali Bank Limited - Islamic Banking Windows
Notes to the financial statements for the year ended 31 dec 2011

	2011 Taka	2010 Taka
17 Rent, taxes, insurance, electricity, etc		
Rent:		
Electric fittings and fixtures	2,185	32,341
Water and sewerage bill	-	-
	2,185	32,341
18 Legal Expenses		
Lawyer Charges	-	-
Court Fees & other expenses	-	-
	-	-
19 Postage, stamp, telecommunication, etc		
Postage	1,254	1,399
Telephone (office)	32,652	33,797
	33,906	35,196
20 Stationery, printing, advertisement, etc		
Table stationery	5,649	6,127
Computer Stationery	2,674	-
Consumption of books and forms	87,896	66,659
	96,219	72,786
21 Depreciation repair and maintenance of fixed assets		
Repairs to fixed assets	7,956	9,750
Depreciation on fixed assets	272,223	258,956
	280,179	268,706
22 Other expenses		
Newspapers	3,910	3,610
Travelling	-	19,990
Honorarium	-	15,000
Sub-ordinate staff clothing	-	1,400
Conveyance	7,898	2,979
Entertainment	5,500	4,200
Opening expenses	-	136,571
Photocopy Expenses	985	-
Employees recreation	66,750	59,725
House maintenance	-	152,900
Miscellaneous	12,991	20,477
	98,034	416,852



Pubali Bank Limited - Islamic Banking Windows
Notes to the financial statements for the year ended 31 dec 2011

	2011 Taka	2010 Taka
23 Cash payments for other operating activities		
Rent, tax, insurance, lighting etc.	(2,185)	(32,341)
Director's Fee	-	-
Bad debt written off	-	-
Repairing expenses	(7,956)	(9,750)
Other expenses	(98,034)	(416,852)
	(108,175)	(458,943)
24 Increase/(decrease) of other assets		
Closing other Assets		
Stationery and Stamps	100,193	119,029
Accrued income on investments	1,853,843	-
	1,954,036	119,029
Opening other Assets		
Stationery and Stamps	119,029	-
Accrued income on investments	-	-
	119,029	-
	(1,835,007)	(119,029)
25 Cash and cash equivalents at the end of the year		
Cash in hand (including foreign currencies)	2,049,615	1,612,645
Balance with Bangladesh Bank and its agent bank(s)	7,154,070	4,860,000
Balance with other banks and financial institutes	70,330,000	9,970
Prize bonds	-	-
Money at call on short notice	-	-
	79,533,685	6,482,615



Pubali Bank Securities Limited
Statement of Financial Position
As at 31 December 2011

Annex - G

	Note	Amount in Taka	
		2011	2010
SOURCES OF FUNDS			
Share Capital	3	1,600,000,000	-
Retained Earnings	4	(864,432,879)	-
Shareholders equity		<u>735,567,121</u>	<u>-</u>
APPLICATION OF FUNDS			
Non-current assets (A)			
Fixed assets	5	4,510,573	-
Intangible assets	6	945,000	-
Membership at cost	7	16,000,000	-
		<u>21,455,573</u>	<u>-</u>
Current Assets (B)			
Advances, deposits and prepayments	8	28,000	-
Advance income tax	9	16,673,347	-
Investment in securities	10	3,248,215,358	-
Accounts receivable	11	20,866,342	-
Loan to customers		520,703,277	-
Preliminary expenses	12	4,685,875	-
Cash and cash equivalents	13	97,952,007	-
		<u>3,909,124,206</u>	<u>-</u>
Current liabilities (C)			
Accounts payable	14	110,816,254	-
Secured overdraft	15	2,199,950,577	-
Provision for diminution value of investment in shares	10(a)	878,114,290	-
Provision for expenses	16	5,608,214	-
Provision for taxation	17	523,323	-
		<u>3,195,012,658</u>	<u>-</u>
Net current assets D=(B-C)		<u>714,111,548</u>	<u>-</u>
Total assets (A+D)		<u>735,567,121</u>	<u>-</u>



Pubali Bank Securities Limited
 Statement of Comprehensive income
 For the year ended 31 December 2011

Annex - G (i)

	Note	Amount in Taka	
		2011	2010
Operating income			
Revenue from brokerage commission		37,375,196	-
Interest income	18	65,064,503	-
Capital gain from investment in shares		35,429,814	-
Dividend income		8,653,702	-
Other operating income	19	2,224,804	-
Total operating income (A)		148,748,019	-
Operating expenses			
Operating expenses	20	129,409,389	-
Direct expenses	21	4,703,322	-
Total operating expenses (B)		134,112,710	-
Operating profit before provision C=(A-B)		14,635,309	
Less: Provision for diminution in value of investment in shares (D)	10(a)	(878,114,290)	-
Operating profit before taxation E=(C-D)		(863,478,981)	-
Less: Current tax	17	523,323	-
Net profit after tax		(864,002,304)	-



PUBALI BANK SECURITIES LIMITED
Cash Flow Statement
for the period ended 31 December 2011

Annex - G (ii)

	Amount in Taka	
	2011	2010
A) Cash flows from operating activities		
Net profit during the year	(864,002,304)	-
Add: Amount considered as non-cash items		
Depreciation & amortization charged	654,167	-
Provision for diminution in value of investment	878,114,290	-
Provision for tax	523,323	-
	879,291,780	-
Changes in working capital		
(Increase)/decrease in advances, deposits and prepayments	(28,000)	-
(Increase)/decrease in advance income tax	(16,673,347)	-
(Increase)/decrease in investments in securities	(3,248,215,358)	-
(Increase)/decrease in accounts receivable	(20,866,342)	-
(Increase)/decrease in loans to customers	(520,703,278)	-
(Increase)/decrease in preliminary expenses	(4,685,875)	-
(Increase)/decrease in pre-operating expenses	(430,575)	-
(Increase)/decrease in provision for expenses	5,608,214	-
Increase/(decrease) in accounts payable	110,816,253	-
Increase/(decrease) in secured overdraft	2,199,950,577	-
	(1,495,227,731)	-
Net cash used in operating activities	(1,479,938,255)	-
B) Cash flows from investing activities		
Fixed assets acquisition	(5,059,738)	-
Intangible assets acquisition	(1,050,000)	-
Membership at cost	(16,000,000)	-
Net cash flows from investing activities	(22,109,738)	-
C) Cash flows from financing activities		
Issue of share capital	1,600,000,000	-
Dividend receipts	-	-
Dividend paid	-	-
Net cash used by financing activities	1,600,000,000	-
D) Net cash increase / (decrease)	97,952,007	-
E) Cash and cash equivalent at the beginning of the year	-	-
F) Cash and cash equivalents at the end of the year	97,952,007	-
* Closing cash and cash-equivalents		
Cash in hand	-	-
Cash at bank	97,952,007	-
	97,952,007	-



Pubali Bank Securities Limited
Statement of Changes in Equity
For the period ended 31 December 2011

Annex - G (iii)

Amount in Taka

Particulars	Share Capital	Retained Earnings	Total
Balance as at February 01, 2011	1,600,000,000	-	1,600,000,000
Share capital	-	-	-
Pre operating expenses	-	(430,575)	(430,575)
Profit for the year 2011	-	(864,002,304)	(864,002,304)
Balance as at December 31, 2011	1,600,000,000	(864,432,879)	735,567,121
Balance as on December 31, 2010	Nil	Nil	Nil



Pubali Bank Securities Limited

Notes to the financial statements for the year ended 31 December 2011

1 Status of the Company

Pubali Bank Securities Limited (PBSL) was incorporated on the 21st June 2010 under the Companies Act, 1994 as a public limited company. It is a subsidiary company of Pubali Bank Limited. Pubali Bank Limited holds all the shares of the company except for thirteen shares being held by thirteen individuals. The Company has been established as per Securities & Exchange Commission's (SEC) Letter # SEC/Reg/DSE/MB/2009/444 dated 20.12.2009. The Registered Office of the Company is situated at A-A Bhaban (7th floor), 23 Motijheel C/A, Dhaka-1000, Bangladesh.

The main objects of the company is to carry on the business of a stock broker and stock dealer house and to buy, sell, and deal in, shares, stocks, debentures, bonds and other securities and to carry on any business as is permissible for a broker and dealer house duly licensed by the Securities & Exchange Commission of Bangladesh.

2 Accounting Policies

a) The figures appearing in these Financial Statements have been rounded off to the nearest integer.

b) The Financial Statements, namely, Balance Sheet, Income Statement, Cash Flow Statement, Statement of Changes in Equity and relevant notes thereto, of Pubali Bank Securities Limited are prepared on a going concern and accrual basis under historical cost convention and in accordance with Bangladesh Accounting Standards (BAS) as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB) and other laws and rules applicable thereto.

3 Share capital**Authorized capital**

50,000,000 Ordinary Shares of Tk. 100/- each.

Amount in Taka	
2011	2010

5,000,000,000

Issued, subscribed and paid-up capital

Paid-up Capital 16,000,000 shares of Tk. 100/- each, fully paid.

1,600,000,000

4 Retained earnings

Pre-operating expenses

(430,575)

Add: Net profit during the year

(864,002,304)

(864,432,879)

Less: Dividend

-

Closing balance as at December 31, 2011

(864,432,879)

5 Fixed assets less depreciation

Furniture and fixture

2,140,895

Computer and Computer Accessories

2,137,807

Machinery & Equipment

781,038

5,059,740

Less: Accumulated depreciation

(549,167)

4,510,573

6 Intangible assets

Back office software-Broker

1,050,000

1,050,000

Less: Accumulated amortization

(105,000)

945,000



Pubali Bank Securities Limited
Notes to the financial statements for the year ended 31 December 2011

		Amount in Taka	
		2011	2010
7	Membership at cost This represents the amount paid for purchasing membership of Dhaka Stock Exchange Limited (DSE) and Chittagong Stock Exchange Limited (CSE) including stamp duty for transferring shares.		
	Purchase of DSE membership	8,000,000	-
	Purchase of CSE membership	8,000,000	-
		16,000,000	-
8	Advances, deposits and prepayments This balance represents advances for other expenses for the Head Office & Gulshan Br. Advance and prepayment		
		28,000	-
		28,000	-
9	Advance income tax Advance income tax deducted by DSE on transaction (Broker) Advance income tax deducted by DSE on transaction (Dealer) Advance income tax deducted by DSE on Sale of Placement shares Advance income tax deducted by DSE on Sale of Malek Spinning Mills Ltd. Advance income tax deducted on dividend		
		6,205,473	-
		1,163,374	-
		356,000	-
		7,224,000	-
		1,724,500	-
		16,673,347	-
10	Investment in securities		
	Cost Price		
	1st BSRS	255,100	-
	AB bank Ltd.	91,246,294	-
	ACI Ltd.	17,792,064	-
	Afab auto	9,689,730	-
	AIBL 1st MF	50,000,000	-
	Apex Weaving & Finishing	6,501,134	-
	Atlas Bangladesh	113,543,620	-
	Bank Asia	11,898,148	-
	Bata Shoe	15,368,400	-
	BATBC	17,741,450	-
	Beacon Pharma	3,082,400	-
	Bezimco Ltd.	21,614,609	-
	BGIC	27,078,751	-
	Brac Bank Ltd.	5,428,138	-
	BSRM Steel Mills Ltd.	199,572,946	-
	Bxpharma	40,919,924	-
	City Bank Ltd.	40,132,662	-
	Delta Brac Housing	63,952,978	-
	DBH 1st mutual fund	32,390,115	-
	DESCO	31,837,962	-
	Deshbandhu	7,002,863	-
	Dhaka Bank Ltd.	22,846,040	-
	Eastland Insurance	785,500	-
	EBL	9,357,028	-
	EBL 1st Mutual fund	10,857,100	-
	Energy Prima Ltd.	47,500,000	-
	Exim Bank Ltd.	17,604,170	-
	FASFIN	1,174,828	-
	Fine foods	42,148,352	-
	First Leasing	2,612,200	-
	Goldenson	26,883,401	-
	Sub-total (a)	988,817,907	-



Pubali Bank Securities Limited
Notes to the financial statements for the year ended 31 December 2011

	Amount in Taka	
	2011	2010
GP	9,527,460	-
Grameen- 2	20,375,605	-
Green Delta Mutual Fund	71,334,300	-
Green Delta Ins	5,833,610	-
ICB	2,036,500	-
ICB 2nd nrb	8,195,250	-
ICB 3rd nrb	12,997,400	-
ICB AMCL 2nd MF	496,800	-
IDLC	48,185,301	-
IFIC Bank Ltd.	18,897,744	-
IFIC 1st MF	1,592,150	-
ILFSL	76,825,919	-
Intech	6,374,701	-
Islami Bank Ltd.	33,649,265	-
Jamuna Oil	27,444,910	-
Keya Cosmetics	55,470,794	-
Khulna Power Company Ltd.	261,860,408	-
Lanka Bangla	35,865,129	-
Malek Spinning Mills Ltd	62,241,724	-
MBL 1st MF	50,000,000	-
Meghna Cement	113,206,945	-
Mercantile Bank Ltd.	37,677,121	-
Metro Spinning	67,126,678	-
MI Cement	13,990,010	-
Mobil Jamuna Lubricant	10,580	-
Meghna Petroleum Ltd.	10,578,163	-
MTBL	31,239,313	-
Navana CNG	117,213,112	-
National Bank Ltd	98,533,686	-
NCC Bank	26,934,150	-
Ocean Containers Ltd	8,999,460	-
Olympic	6,159,815	-
Padma Oil co.	7,824,000	-
PHP First MF	50,000,000	-
Power Grid	14,837,800	-
Premier Bank Ltd.	35,004,100	-
Prime IICBA	5,977,600	-
Prime Bank Ltd.	59,761,325	-
Quasem Drycell	15,356,791	-
Reliance 1st	306,200	-
SALAMCRST	4,825,827	-
Shahjalal Bank	52,273,341	-
SingerBD	7,095,490	-
Southeast Bank Ltd.	17,094,088	-
Square Textile	9,020,165	-
Square Pharmaceuticals	29,999,202	-
Standard Bank Ltd.	2,983,050	-
Summit Power	61,775,695	-
Titas Gas	282,485,092	-
Trust Bank Ltd.	2,417,244	-
UCBL	11,679,630	-
ULC	7,457,420	-
Union Capital	16,107,188	-
Unique Hotel & Resorts Ltd.	80,000,000	-
Sub-total (b)	2,115,155,251	-



Pubali Bank Securities Limited
Notes to the financial statements for the year ended 31 December 2011

		Amount in Taka	
		2011	2010
	United Airways	100,535,391	-
	Uttara Bank Ltd.	40,221,108	-
	Uttara Fin	3,485,700	-
	Sub-total	144,242,200	-
	Total Cost price (A)	3,248,215,358	-
	Market Price (B)	2,370,101,068	-
10(a)	Unrealized loss for diminution in value of investment in shares (C=A-B)	878,114,290	-
11	Accounts receivable		
	Receivable from DSE (Broker)	1,836,506	-
	Receivable from DSE (Dealer)	-	-
	Receivable from clients	19,029,836	-
		20,866,342	-
12	Preliminary and Pre-operation Expenses		
	Paid by PBL to be reimbursed to PBL (Note-12.01)	2,338,225	-
	Paid by PBL in connection with transfer of DSE & CSE Membership (note-12.02)	2,320,400	-
	Auditor's fee-Payable	17,250	-
	Paid to CDBL for DP Name Change	10,000	-
		4,685,875	-
12.1	Paid by PBL to be reimbursed to PBL		
i)	Incorporation Fees	2,264,125	-
ii)	Trade License Fees	34,100	-
iii)	TIN Certificate Fees	-	-
iv)	Miscellaneous Expenses	40,000	-
		2,338,225	-
12.2	Paid by PBL in connection with the transfer of DSE and CSE Memberships:		
i)	Securities and Exchange Commission (For Brokerage Fee, DSE)	20,000	-
ii)	Securities and Exchange Commission (For Dealings Fee, DSE)	20,000	-
iii)	Securities and Exchange Commission (For Brokerage Fee, CSE)	20,000	-
iv)	Securities and Exchange Commission (For Dealings Fee, CSE)	20,000	-
v)	DSE Members Club (02.09.10)	500,000	-
vi)	Dhaka Stock Exchange Ltd. (Entrance Fee, DSE)	900,000	-
vii)	Chittagong Stock Exchange Ltd. (CSE Members Club)	500,000	-
viii)	Dhaka Stock Exchange Ltd. (Entrance Fee, DSE)	100,000	-
ix)	Stamp duty on transfer of DSE and CSE Membership(1.5% of Tk.8,000,000)	240,000	-
x)	Other	400	-
		2,320,400	-
13	Cash and cash equivalent		
	Cash in hand	-	-
	Cash at Bank:		
	Pubali Bank Ltd., Pr. Br. - Clearing A/C-3401	8,545,319	-
	Pubali Bank Ltd., Pr. Br. - Customers Security Deposit A/C-3402	3,109,850	-
	Pubali Bank Ltd., FEK Br. PBL Income&Expenditure A/C 42303	26,514,745	-
	Pubali Bank Ltd., Pr. Br. -PBL A/C-01901	926	-
	Pubali Bank Ltd. (Sundry Deposit Account #993)	220,569	-
	IFIC Bank Ltd. - PBL (Customer A/C)-1090-362530-001	37,154,006	-
	IFIC Bank Ltd. - PBL (Dealer A/C)-1090-362558-001	22,406,592	-
		97,952,007	-



Pubali Bank Securities Limited

Notes to the financial statements for the year ended 31 December 2011

		Amount in Taka	
		2011	2010
14	Accounts payable		
	Payable to DSE Broker	974,715	-
	Payable to DSE Dealer	35,630,960	-
	Payable to CDBL	2,366,893	-
	Payable to clients	63,243,023	-
	Security deposits	3,109,850	-
	Payable to Software Provider	461,789	-
	Payable to Pubali Bank Ltd.	13,810	-
	Payable in transit-clients	4,842,944	-
	Others Payable	172,269	-
		110,816,254	-
15	Secured Overdraft from Pubali Bank Ltd, Foreign Exchange Branch	2,199,950,577	-
	The above loan, overdraft (general), was taken from Pubali Bank Ltd, Foreign Exchange Branch bearing interest @ 13% per annum on quarterly basis.		
16	Provision for expenses	5,608,214	-
	This balance represents provision maintained against Bonus for the employees, house rent, electricity bill and other expenses	5,608,214	-
17	Provision for taxation		
	Balance at the beginning of the year	-	-
	Provision made during the year	523,323	-
	Settlement during the year	-	-
	Balance at the end of the year	523,323	-
18	Interest income		
	Interest on margin loan	65,064,503	-
		65,064,503	-
19	Other operating income		
	BO opening charge, Margin Documentation, Cheque Bounce charge	107,890	-
	Revenue from CDBL charge and Annual maintenance fee	2,116,914	-
		2,224,804	-
20	Operating expenses		
	Salary and allowances	15,724,745	-
	Rent, taxes, insurance, electricity etc.	2,641,174	-
	Postage, stamp, telecommunication etc.	244,427	-
	Directors' Honorarium	379,500	-
	Stationery, printing, advertisement	577,968	-
	Repairs of Machinery and Equipment	73,786	-
	Depreciation	654,167	-
	Interest expense	107,104,476	-
	Legal fees	506,260	-
	Other expenses	1,502,885	-
		129,409,389	-
21	Direct expenses		
	Howla and Logo charges	2,624,784	-
	CDBL expense	2,073,038	-
	CDS Connection Fee	5,500	-
		4,703,322	-



Pubali Exchange Company (UK) Ltd.
Statement of Financial Position
as at 31 December 2011

Annex - H

Assets	Note	Amounts (GBP)	Amounts (Taka)	Amounts (Taka)
		2011		2010
Non-current assets				
Preliminary expenses	2	26,951	3,408,223	-
Tangible assets	3	25,495	3,224,098	-
Total non-current assets		52,446	6,632,321	-
Current assets				
Cash at bank	4	142,815	18,060,385	-
Cash in hand		25	3,162	-
Total current assets		142,840	18,063,547	-
Total assets		195,286	24,695,868	-
Equity and Liabilities				
Capital and Reserves				
Paid up capital		155,417	17,801,221	-
Net loss		(92,446)	(10,882,743)	-
Foreign currency translation reserve			1,044,835	-
Total equity		62,971	7,963,313	-
Current Liabilities				
Payments in transit		126,626	16,013,125	-
Customs and excise		1,088	137,588	-
Provision for expenses		4,342	549,089	-
Other payables		259	32,753	-
Total current liabilities		132,315	16,732,555	-
Total Equity and Liabilities		195,286	24,695,868	-



Pubali Exchange Company (UK) Ltd.
Statement of Comprehensive Income
for the year ended 31 December 2011

Annex - H (i)

	Note	Amounts (GBP)	Amounts (Taka)	Amounts (Taka)
		2011		2010
Commission income	5	32,598	3,837,437	
Employee benefits expense		(57,912)	(6,817,401)	
Depreciation	6	(5,868)	(690,781)	
Other expenses	7	(61,264)	(7,211,998)	
Profit before income tax		(92,446)	(10,882,743)	
Income tax expense		-	-	
Net profit/(loss) for the year		(92,446)	(10,882,743)	
Other comprehensive income				
Other comprehensive income - net of tax		-	-	
Total comprehensive income		(92,446)	(10,882,743)	



Pubali Exchange Company (UK) Ltd.
 Statement of Cash Flows
 for the year ended 31 December 2011

Annex - H (ii)

	(Amounts in GBP)	
	2011	2010
A. Cash flows from operating activities		
Profit/(loss) before income tax	(92,446)	-
Adjustment for non cash activities		
Depreciation	5,868	-
Amortisation	7,171	-
Operating profit before working capital changes	<u>(79,407)</u>	-
Increase / (decrease) in trade and other payables	132,315	-
Cash flows generated from operations	<u>52,908</u>	-
Income tax paid	-	-
Interest received	-	-
Preliminary expenses	(34,122)	-
Net cash flows from operating activities	<u>18,786</u>	-
B. Cash flows from investing activities		
Purchase of fixtures, fittings & equipment	(31,363)	-
Net cash receipts from investing activities	<u>(31,363)</u>	-
C. Cash flows from financing activities		
Issue of share capital	155,417	-
	<u>155,417</u>	-
D. Net increase/(decrease) in cash and cash equivalents (A+B+C)	<u>142,840</u>	-
E. Opening cash and cash equivalents	-	-
F. Closing cash and cash equivalents (C+D+E)	<u>142,840</u>	-



Pubali Exchange Company (UK) Ltd.
Statement of Changes in Equity
for the year ended 31 December 2011

Annex - H (iii)

Particulars	Share Capital	Accumulated Profit/(Loss)	Total
	(GBP)	(GBP)	(GBP)
Issued and Paid-up	155,417	-	155,417
Total Comprehensive Income for the year 2011	-	(92,446)	(92,446)
Balance at 31 December 2011	155,417	(92,446)	62,971



Pubali Exchange Company (UK) Ltd
Notes to the financial statements for the year ended 31 December 2011

General

1 Status of the Company

Pubali Exchange Company (UK) Ltd. was incorporated on the 22 March, 2010 with the Registrar of Companies for England and Wales under the Companies Act 2006 with Company No.7197488. The Company received Certificate of Registration for Money Laundering Regulation (MLR) No.12589712 issued by HM Customs & Excise, UK on 10 June 2010. Financial Services Authority (FSA), UK has approved registration of Pubali Exchange Company (UK) Ltd. with effect from 3 December, 2010. The Registration Number is PSD/522085. The Company has started its operation from January, 2011.

The main objective of the company is to facilitate the Bangladeshi expatriates living and working in the UK to route their remittances through legal channel in a speedy and safe way to their families and dear & near one.

1.1 Accounting Policies

(a) Accounting Conventions

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards.

(b) Turnover

Turnover represents the amount of commission received from money transmitting services.

(c) Depreciation

Depreciation is provided @ 20% on reducing balance basis.

(d) Amortisation

Amortisation is provided @ 20% on Straight Line basis.

2 Preliminary Expenses

Pre-operating expenses

Add: Additions for Inaugural Ceremony Exp
Gift & Souvenir
Accessory
Postage
Photography
Transport & Taxi Hire
Decoration & Cake
Hall Hire
Catering
Advertising

Total Addition in this Period

Grand Total

Less: 20% Amortisation for the period
At 31 December 2011

	Amounts (GBP) 2011	Amounts (GBP) 2010
Pre-operating expenses	21,298	-
Add: Additions for Inaugural Ceremony Exp	-	-
Gift & Souvenir	115	-
Accessory	20	-
Postage	186	-
Photography	220	-
Transport & Taxi Hire	2,098	-
Decoration & Cake	265	-
Hall Hire	4,200	-
Catering	5,400	-
Advertising	320	-
Total Addition in this Period	12,824	-
Grand Total	34,122	-
Less: 20% Amortisation for the period	(7,171)	-
At 31 December 2011	26,951	-



Pubali Exchange Company (UK) Ltd
Notes to the financial statements for the year ended 31 December 2011

	Amounts (GBP) 2011	Amounts (GBP) 2010
3 Tangible Assets		
Fixtures, Fittings & Equipment:		
Cost		
Balance at 01.01.11	-	-
Additions	31,363	-
Balance at 31.12.11	31,363	-
Depreciation		
Balance at 01.01.11	-	-
Charges for the period	(5,868)	-
Balance at 31.12.11	(5,868)	-
Net Book Value at 31.12.2011	25,495	-
4 Cash at Bank		
Barclays Bank-Client A/C	126,626	-
Barclays Bank-Office A/C	16,189	-
	142,815	-
5 Commission Income	32,598	-
Commission income represents the amount of commission received from money transmitting services.		
6 Depreciation	5,868	-
Depreciation is provided @ 20% on reducing balance basis		
7 Other Expenses		
Advertising and PR	2,925	-
Rent, Rate, Insurance & Water	32,071	-
Light and heat	744	-
Telephone, Fax & Internet	1,152	-
Printing, postage and stationery	1,470	-
Fees & Renewals	1,167	-
Bank Charges	10,353	-
Computer & Software	648	-
Repair & Maintenance	1,403	-
Accountancy Fees	1,950	-
Travel and Subsistence	210	-
Amortisation	7,171	-
	61,264	-

World-wide list of Exchange Companies/Bank for sending remittance through Pubali Bank Ltd.

- Bahrain** : Bahrain India International Exchange Co., Nonoo Exchange Co., Zenj Exchange Co.
- Italy** : Dhaka Janata Exchange Srl.
- KSA** : Al Rajhi Banking & Investment Corporation, Bank Al Bilad, Al Amoudi Exchange
- Kuwait** : Al Mulla International Exchange Company, Al Muzaini Exchange Co., Bahrain Exchange Company, City International Exchange Co., Dollarco Exchange Co., Oman Exchange Company, Security Exchange Company, UAE Exchange Centre WLL.
- Malaysia** : NBL Money Transfer Sdn. Bhd.
- Oman** : Oman & UAE Exchange Centre, Oman International Exchange, Purshottam Kanji Exchange Co., Gulf Overseas Exchange Co., Laxmidas Tharia Ved (Exchange) Co., Modern Exchange Co., Musandam Exchange, Mustafa Sultan Exchange Co., Hamdan Exchange.
- Qatar** : Al Mana Exchange, Al Zaman Exchange, Arabian Exchange Company, Eastern Exchange Est., Gulf Exchange Company, Habib Qatar International Exchange Ltd., National Exchange Company, Trust Exchange Co.
- Singapore** : NBL Money Transfer Pte. Ltd., Prime Exchange Pte. Ltd.
- UAE** : Al Ahalia Money Exchange Bureau, Al Ansari Exchange, Al Falah Exchange, Habib Exchange Co., Lari Exchange Establishment, National Exchange Company, UAE Exchange Centre (Express Money), UAE Exchange Centre LLC, Al Ghurair Exchange Company, Al Mono Exchange Co., Al Rostamani International Exchange, Alfa Exchange, Economic Exchange Centre, Emirates India International Exchange, Federal Exchange, Multinet Trust Exchange, Redha Al Ansari Exchange Est., Universal Exchange Centre, Wall Street Exchange Centre, Sharaf Exchange LLC.
- UK** : Pubali Exchange Company (UK) Limited, Orchid Money Transfer Limited, Wall Street Forex London Limited, K.F. Enterprises Money Transfer.
- USA** : Trans-Fast Remittance LLC, Wall Street Finance LLC, Prabhu Group Inc. (d/b/a Prabhu Money Transfer).
- Global** : Western Union Network (France) SAS.



World-wide list of Exchange Companies/Bank for sending remittance through Pubali Bank Ltd.

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- Italy** : Dhaka Janata Exchange Srl.
- KSA** : Al Rajhi Banking & Investment Corporation, Bank Al Bilad, Al Amaudi Exchange
- Kuwait** : Al Mulla International Exchange Company, Al Muzaini Exchange Co., Bahrain Exchange Company, City International Exchange Co., Dollarco Exchange Co., Oman Exchange Company, Security Exchange Company, UAE Exchange Centre WLL.
- Malaysia** : NBL Money Transfer Sdn. Bhd.
- Oman** : Oman & UAE Exchange Centre, Oman International Exchange, Pushottam Kanji Exchange Co., Gulf Overseas Exchange Co., Laxmidas Tharia Ved (Exchange) Co., Modern Exchange Co., Musandam Exchange, Mustafa Sultan Exchange Co., Hamdan Exchange.
- Qatar** : Al Mana Exchange, Al Zaman Exchange, Arabian Exchange Company, Eastern Exchange Est., Gulf Exchange Company, Habib Qatar International Exchange Ltd., National Exchange Company, Trust Exchange Co.
- Singapore** : NBL Money Transfer Pte. Ltd., Prime Exchange Pte. Ltd.
- UAE** : Al Ahalia Money Exchange Bureau, Al Ansari Exchange, Al Falah Exchange, Habib Exchange Co., Lari Exchange Establishment, National Exchange Company, UAE Exchange Centre (Express Money), UAE Exchange Centre LLC, Al Ghurair Exchange Company, Al Mona Exchange Co., Al Rostamani International Exchange, Alfa Exchange, Economic Exchange Centre, Emirates India International Exchange, Federal Exchange, Multinet Trust Exchange, Redha Al Ansari Exchange Est., Universal Exchange Centre, Wall Street Exchange Centre, Sharaf Exchange LLC.
- UK** : Pubali Exchange Company (UK) Limited, Orchid Money Transfer Limited, Wall Street Forex London Limited, K.F. Enterprises Money Transfer.
- USA** : Trans-Fast Remittance LLC, Wall Street Finance LLC, Prabhu Group Inc. (d/b/a Prabhu Money Transfer).
- Global** : Western Union Network (France) SAS.



Branch Network

SL No.	Name of the Regions/ Branches	District	SL No.	Name of the Regions/ Branches	District
	Corporate Branches				
1	Principal	Dhaka	51	Maghbazar	Dhaka
2	Motijheel	Dhaka	52	Fakirapool Bazar	Dhaka
3	Foreign Exchange	Dhaka	53	Rampura	Dhaka
4	B.B. Avenue	Dhaka	54	New Market	Dhaka
5	Dhaka Stadium	Dhaka	55	Elephant Road	Dhaka
6	Kawran Bazar	Dhaka	56	Hotel Osmani International	Dhaka
7	Mohakhali	Dhaka	57	Shipahibagh Bazar	Dhaka
8	CDA	Chittagong		Dhaka South Zone	
9	Agrabad	Chittagong	58	Maghally	Dhaka
	Dhaka North Zone		59	Peelkhana	Dhaka
10	Farmgate	Dhaka	60	Bar Library	Dhaka
11	Asad Avenue	Dhaka	61	Nawabpur Road	Dhaka
12	Mohammadpur	Dhaka	62	Bangshal	Dhaka
13	Satmosjid Road	Dhaka	63	Nazimuddin Road	Dhaka
14	Savar	Dhaka	64	Sadarghat	Dhaka
15	Tejgaon	Dhaka	65	Chawk bazar	Dhaka
16	Gulshan Model Town	Dhaka	66	Jhonson Road	Dhaka
17	International Airport	Dhaka	67	Babu Bazar	Dhaka
18	Chiriakhana Road	Dhaka	68	Sutrapur	Dhaka
19	Mirpur	Dhaka	69	Begum Bazar	Dhaka
20	Kafrul	Dhaka	70	Islampur	Dhaka
21	Shewrapara	Dhaka	71	Imamgonj	Dhaka
22	Agri Culture Complex	Dhaka	72	Nayabazar	Dhaka
23	Sonargaon Hotel	Dhaka	73	Kamargonj	Dhaka
24	Banani	Dhaka	74	Dalairpur	Dhaka
25	Pragati Sarani	Dhaka	75	Ati Bazar	Dhaka
26	Ashulia	Dhaka	76	Dania	Dhaka
27	Panthapath	Dhaka		Narayangonj Zone	
28	Kuril Bishwa Road	Dhaka	77	Narayangonj	Narayangonj
29	Uttara Model Town	Dhaka	78	Tanbazar	Narayangonj
30	Baridhara	Dhaka	79	Kalirbazar	Narayangonj
31	Banasree	Dhaka	80	Araihazar	Narayangonj
32	Pallabi	Dhaka	81	Duptara	Narayangonj
33	Kaligonj	Gazipur	82	Shibu Market	Narayangonj
34	Kashimpur	Gazipur	83	Charsindur	Narsingdi
35	Tongi	Gazipur	84	Ghorashal	Narsingdi
36	Joydevpur	Gazipur	85	Narsingdi	Narsingdi
37	Daulatpur	Manikgonj	86	Madhabdi	Narsingdi
38	Manikgonj	Manikgonj	87	Polash	Narsingdi
39	Singair	Manikgonj	88	Munshigonj	Munshigonj
	Dhaka Central Zone		89	Aldibazar	Munshigonj
40	Malibagh	Dhaka	90	Nurpur	Munshigonj
41	Laboratory Road	Dhaka	91	Dhalagoon	Munshigonj
42	Dhaka Railway Station	Dhaka	92	Gazaria	Munshigonj
43	Shahbagh Avenue	Dhaka	93	Bhaberchar	Munshigonj
44	R.K. Mission Road	Dhaka	94	Naopara	Munshigonj
45	Bashaboo	Dhaka		Chittagong North Zone	
46	Nayapalton	Dhaka	95	Pathergata	Chittagong
47	Dhaka Shishupark	Dhaka	96	Old Church Compound	Chittagong
48	Shantinagar	Dhaka	97	Korbanigonj	Chittagong
49	Goran Bazar	Dhaka	98	Industrial Area	Chittagong
50	Sonargaon Road	Dhaka	99	Chawk Bazar	Chittagong



SL No.	Name of the Regions/ Branches	District	SL No.	Name of the Regions/ Branches	District
100	Terribazar	Chittaging	149	Khagrachari	Khagrachari
101	Kulgaon	Chittaging	150	Bandarban	Bandarban
102	Khatungonj	Chittaging		Sylhet Zone	
103	Aman Bazar	Chittaging	151	Asirgonj Bazar	Sylhet
104	Laldighi East	Chittaging	152	Mirgonj Bazar	Sylhet
105	Asadgonj	Chittaging	153	Golapgonj	Sylhet
106	Chaktai	Chittaging	154	Mokam Bazar	Sylhet
107	Anderkilla	Chittaging	155	Baraigram Bazar	Sylhet
108	College Road	Chittaging	156	Beani Bazar	Sylhet
109	Bahadderhat	Chittaging	157	Technical Road	Sylhet
110	Mehalibagh	Chittaging	158	Pathantula	Sylhet
111	Hathazari	Chittaging	159	Dargagate	Sylhet
112	Ranirhat	Chittaging	160	Darbost	Sylhet
113	Nazirhat	Chittaging	161	Shahi Eidgah	Sylhet
114	Bibirhat	Chittaging	162	Chawkidekhi	Sylhet
115	Dharmapur	Chittaging	163	Sylhet	Sylhet
116	Nanupur	Chittaging	164	Kalighat Road	Sylhet
117	Madhunughat	Chittaging	165	Mahila College	Sylhet
118	Rangunia	Chittaging	166	Stadium	Sylhet
119	Raazan	Chittaging	167	Shahjalal Upashahar	Sylhet
	Chittagong South Zone		168	Baraikondi	Sylhet
120	Pahartali	Chittaging	169	Fenchugonj	Sylhet
121	Anowara	Chittaging	170	Tajpur	Sylhet
122	Hadipara	Chittaging	171	Gowala Bazar	Sylhet
123	Lohagara	Chittaging	172	Budhbari Bazar	Sylhet
124	North Patenga	Chittaging	173	Chandarpur Bazar	Sylhet
125	E.P.Z.	Chittaging	174	Biswanath	Sylhet
126	Shiberhat	Chittaging	175	Daspaika Bazar	Sylhet
127	Sadarghat	Chittaging	176	Singerkatch Bazar	Sylhet
128	Port	Chittaging	177	Gowainghat	Sylhet
129	Patiya	Chittaging	178	Zakigonj	Sylhet
130	Shantirhat	Chittaging	179	Kaligonj	Sylhet
131	Dewanhat	Chittaging	180	Chowdhury Bazar	Sylhet
132	Kadamtali	Chittaging	181	Balagonj	Sylhet
133	Sandwip	Chittaging	182	Kadamtali	Sylhet
134	Banskhali	Chittaging	183	Shahgali Bazar	Sylhet
135	Satkania	Chittaging	184	Jalapur	Sylhet
136	Chandonaish	Chittaging	185	Dhaka Dakshin	Sylhet
137	Padua	Chittaging	186	Shahparan Gate	Sylhet
138	Mithachara Bazar	Chittaging	187	Lalabazar	Sylhet
139	Baratakia Bazar	Chittaging	188	Gachhbari Bazar	Sylhet
140	Reazuddin Bazar	Chittaging	189	Kanaighat	Sylhet
141	Halishahar	Chittaging	190	Sunamgonj	Sunamgonj
142	Keranihat	Chittagong	191	Jamalgonj	Sunamgonj
143	Shitakunda SME/Krishi	Chittaging	192	Chatak	Sunamgonj
144	Cox's Bazar	Cox's Bazar	193	Gobindagonj	Sunamgonj
145	Moiscal	Cox's Bazar	194	Pagla bazar	Sunamgonj
146	Ukhiya	Cox's Bazar	195	Jagannathpur	Sunamgonj
147	Chokaria	Cox's Bazar	196	Jauwa Bazar	Sunamgonj
	Hill Tracts Zone		197	Sriramshi Bazar	Sunamgonj
148	Rangamati	Rangamati	198	Rasulgongj	Sunamgonj



SL No.	Name of the Regions/ Branches	District	SL No.	Name of the Regions/ Branches	District
199	Derei	Sunamgonj	251	Motlab bazar	Chandpur
	Moulvibazar Zone		252	Ashrafpur Bazar	Chandpur
200	Kamalgonj	Moulvibazar	253	Gridakalindia Bazar	Chandpur
201	Dakshinbagh	Moulvibazar	254	Hajjigonj	Chandpur
202	Juri	Moulvibazar	255	Kachua	Chandpur
203	Shamsemogor	Moulvibazar	256	Nayergaon Bazar	Chandpur
204	Moulvi Bazar	Moulvibazar	257	Natun bazar	Chandpur
205	Sreemongol	Moulvibazar	258	Brahmanbaria	Brahman baria
206	WAPDA Gate	Moulvibazar	259	Akhaura	Brahman baria
207	Kulaura	Moulvibazar	260	Ashugonj	Brahman baria
208	Baralekha	Moulvibazar	261	Sorak Bazar	Brahman baria
209	Brahman Bazar	Moulvibazar	262	Kuli Bazar	Brahman baria
210	Adampur Bazar	Moulvibazar		Noakhali Zone	
211	Chowmohona	Moulvibazar	263	Feni (Main)	Feni
212	Sherpur Bazar	Moulvibazar	264	Sonogazi	Feni
213	Tengra Bazar	Moulvibazar	265	Kazirhat	Feni
214	Jogidohar	Moulvibazar	266	Feni Bazar	Feni
215	Rabir Bazar	Moulvibazar	267	Chhagalnaiya	Feni
216	Syedpur Bazar	Habigonj	268	Fulgazi	Feni
217	Ajmerigonj	Habigonj	269	Bangla Bazar	Feni
218	Gazipur	Habigonj	270	Dagon Bhuiyan	Feni
219	Baniachang	Habigonj	271	Maijdee Court	Noakhali
220	Nabigonj	Habigonj	272	Samir Munshirhat	Noakhali
221	Dharmoghar	Habigonj	273	Chaumuhani	Noakhali
222	Sutang Bazar	Habigonj	274	Afazia Bazar	Noakhali
223	Habigonj	Habigonj	275	Thanarhat Bazar	Noakhali
224	Town Masjid Road	Habigonj	276	Bashurhat	Noakhali
225	Bar Library	Habigonj	277	Datterhat	Noakhali
226	Chunarughat	Habigonj	278	Laxmipur	Laxmipur
227	Shaistagonj	Habigonj	279	Raipur	Laxmipur
228	Madhabpur	Habigonj	280	Ramgonj	Laxmipur
229	Guningonj Bazar	Habigonj	281	Mirehat	Laxmipur
230	Gajnaipur Bazar	Habigonj		Mymensingh Zone	
231	Putijuri	Habigonj	282	Mymensingh (Main)	Mymensingh
	Comilla Zone		283	Swadeshi Bazar	Mymensingh
232	Comilla Main	Comilla	284	Taltola Bazar	Mymensingh
233	Victoria College	Comilla	285	Darirampur	Mymensingh
234	Zilla Parishad	Comilla	286	University Campus	Mymensingh
235	Daulatgonj	Comilla	287	Charpara	Mymensingh
236	Cheora	Comilla	288	Muktogacha	Mymensingh
237	Chawk Bazar	Comilla	289	Kishargonj	Kishargonj
238	Meah Bazar	Comilla	290	Bhairab Bazar	Kishargonj
239	Dallai Nawabpur	Comilla	291	Kamalpur	Kishargonj
240	Bangadda Bazar	Comilla	292	Netrokona (Town)	Netrokona
241	Paduar Bazar	Comilla	293	Madan	Netrokona
242	Gouripur Bazar	Comilla	294	Jamalpur	Jamalpur
243	Daulkhar Bazar	Comilla	295	Nandina Bazar	Jamalpur
244	Maynamati	Comilla	296	Bakultala	Jamalpur
245	Debidwar	Comilla	297	Sorishabari	Jamalpur
246	Daudkandi	Comilla	298	Sherpur Town	Sherpur
247	Chuddagram	Comilla	299	Pathrail Bazar	Tangail
248	Chhangarchar	Chandpur	300	Tangail Main	Tangail
249	Rampur Bazar	Chandpur	301	Akur Tokur	Tangail
250	Chandpur	Chandpur	302	Gopalpur	Tangail



Sl. No.	Name of the Regions/ Branches	District	Sl. No.	Name of the Regions/ Branches	District
303	Zilla Sorak	Tangail	355	Mirerdanga	Khulna
304	Pakulia	Tangail	356	Sheikhpura Bazar	Khulna
305	Koratia	Tangail	357	Kayerbazar	Khulna
	Rajshahi Zone		358	Phultala	Khulna
306	Rajshahi	Rajshahi	359	Bagerhat	Bagerhat
307	New Market	Rajshahi	360	Mongla	Bagerhat
308	Sericulture	Rajshahi	361	Satkhira	Satkhira
309	Katakhali Bazar	Rajshahi	362	Meherpur	Meherpur
310	Natore	Natore	363	Kushtia	Kushtia
311	Kushumbi Kaligonj	Natore	364	Bheramara	Kushtia
312	Chapai Nawabgonj	Chapai Nawabgonj	365	Chuadanga	Chuadanga
313	Moharajpur	Chapai Nawabgonj	366	Saratgonj	Chuadanga
314	Pabna	Pabna	367	Alukdia Bazar	Chuadanga
315	Salgaria	Pabna	368	Jessore	Jessore
316	Ataikula	Pabna	369	Noapara bazar	Jessore
317	Maligacha	Pabna	370	Benapole	Jessore
318	Ishurdi	Pabna	371	Navaran Bazar	Jessore
319	Sirajgonj	Sirajgonj	372	Narail	Narail
320	Khamargram	Sirajgonj	373	Jhenaidah	Jhenaidah
321	Tarash	Sirajgonj	374	Magura	Magura
322	Satmatha	Bogra		Barisal Zone	
323	Chelopara	Bogra	375	Barisal	Barisal
324	Bogra	Bogra	376	Madhabpasha	Barisal
325	Murail SME/Krishi	Bogra	377	Shahid Minar	Barisal
326	Santahar	Bogra	378	Babugonj	Barisal
327	Jaipurhat	Jaipurhat	379	Mehendigonj	Barisal
328	Jamalgonj	Jaipurhat	380	Bazar Road	Barisal
329	Naogaon	Naogaon	381	Hospital Road	Barisal
330	Mahadevpur	Naogaon	382	Hizla	Barisal
	Rangpur Zone		383	Pirojpur	Pirojpur
331	Rangpur	Rangpur	384	Nazirpur	Pirojpur
332	Station Road	Rangpur	385	Matbaria	Pirojpur
333	Shapla Chatter	Rangpur	386	Bhandaria	Pirojpur
334	Kurigram	Kurigram	387	Sorshina	Pirojpur
335	Fulbari	Kurigram	388	Mearhat	Pirojpur
336	Gaibandha	Gaibandha	389	Sariatpur	Sariatpur
337	Mahimagonj	Gaibandha	390	Naria SME/Krishi	Sariatpur
338	Park Road	Gaibandha	391	Rajapur	Jhalakathi
339	Gobindagonj	Gaibandha	392	Nalcity	Jhalakathi
340	Parbatipur	Dinajpur	393	Jhalakathi	Jhalakathi
341	Dinajpur	Dinajpur	394	Bhola	Bhola
342	Fulbari	Dinajpur	395	Charfashion	Bhola
343	Lalmonirhat	Lalmonirhat	396	Kalaiya Bandar	Patuakhali
344	Tushbander	Lalmonirhat	397	Patuakhali	Patuakhali
345	Nilphamari	Nilphamari	398	Barguna	Barguna
346	Saidpur	Thakurgaon	399	Bamna	Barguna
347	Thakurgaon (Town)	Thakurgaon	400	Kanaipur	Faridpur
348	Thakurgaon Road	Panchagarh	401	Bhanga	Faridpur
349	Panchagarh		402	Faridpur	Faridpur
	Khulna Zone		403	Gopalganj	Gopalganj
350	Upper Jessore Road	Khulna	404	Madaripur	Madaripur
351	Khulna Main	Khulna	405	Rajbari	Rajbari
352	Botiaghata	Khulna	406	Pangsha SME/Krishi	Rajbari
353	Khalishpur	Khulna			
354	Doulatpur	Khulna			