

**AUDITORS' REPORT
&
AUDITED FINANCIAL STATEMENTS
OF
PUBALI BANK LIMITED
FOR THE YEAR ENDED 31 DECEMBER 2022**

INDEPENDENT AUDITORS' REPORT

To the Shareholders of Pubali Bank Limited

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated financial statements of Pubali Bank Limited and its subsidiary (the "Group") as well as the separate financial statements of Pubali Bank Limited (the "Bank"), which comprise the consolidated and separate Balance Sheets as at 31 December 2022, and consolidated and separate Profit and Loss Accounts, consolidated and separate statement of Changes in Equity, and consolidated and separate Cash Flow Statements for the year then ended, and notes to consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Group and separate financial statements of the Bank give a true and fair view of the consolidated Financial Position of the Group and the separate Financial Position of the Bank as at 31 December 2022, and of its consolidated and separate Financial Performance and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as explained in note 2 and comply with the Bank Company Act, 1991 (as amended up to date), the Companies Act, 1994, the rules and regulations issued by the Bangladesh Bank, the rules and regulations issued by the Bangladesh Securities & Exchange Commission (BSEC) and other applicable laws and regulations.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Group and the Bank in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), Bangladesh Securities and Exchange Commission (BSEC), and Bangladesh Bank, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye-Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter described below our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatements of the financial statements. These results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Description of key audit matters	Our response to key audit matters
Measurement of provision for loans, advances and leases	
<p>With reference to Note 14.1 to the Financial Statements, the process for calculating the provision for loans, advances and leases portfolio associated with credit risk is significant and complex. The Bank calculates provision for loans, advances and leases by considering various factors such as rate of provision, loan category, expiry date, outstanding balance, interest suspense amount, value of eligible collateral as per BRPD circular no. 14 dated 23 September 2012 and its subsequent amendments.</p> <p>To minimize Covid 19 impact, Bangladesh Bank issued BRPD Circular Letter No. 19, 52 and 53 dated 26 August 2021, 29 December 2021, and 30 December 2021 and BRPD Circular Letter No. 14 dated 22 June 2022, BRPD Circular Letter No. 51 dated 18 December 2022 and BRPD Circular Letter No. 53 dated 22 December 2022 respectively.</p> <p>According to the circular, commercial banks must keep an extra 2% (percent) general provision for those borrowers who have availed of payment by deferral (PBD) facilities but for CMSME the rate is 1%. The calculation of the new provisioning rule will have to be implemented based on the outstanding (deferral payment) loans as of 31 December 2022. The Bank has kept this special provision as of 31 December 2022 BDT 1,046.63 million as per the circular.</p> <p>In Bangladesh, non-performing loans have been increasing day by day. Banks need to maintain provisions for additional non-performing loans in line with the central bank's guidelines. The Bank identifies impaired loan accounts and calculates required provisions manually. Furthermore, management has incentive to maintain lower provisions for loans and advances to overstate profit.</p>	<p>We tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> • Credit appraisal, loan disbursement procedures, monitoring and provisioning process; • Identification of loss events, including early warning and default warning indicators; • Reviewed the appropriateness of the approvals for the transfer of interests to the Income Account in accordance with the Bangladesh Bank's guidelines. • Reviewed the adequacy of the general and specific provisions in line with related Bangladesh Bank guidelines. Reviewed the grounds for recommendations for approvals in cases of transfer of interests to Income Account; • Assessed the methodologies on which the provision amounts are based, recalculated the provisions and tested the completeness and accuracy of the underlying information; • Evaluated the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines; • Finally, compared the amount of provision requirements as determined by the Bangladesh Bank inspection team to the actual amount of provisions maintained.

<p>Considering these factors, we have considered measurement of provision for loans, advances and leases as significant risk as well as a key audit matter.</p> <p>At the year end of 2022 the Group reported total gross loans, advances and leases of BDT 462.75 billion (2021: BDT 377.44 billion) and in 2022 the Bank reported total gross loans, advances and leases of BDT 461.88 billion (2021: BDT 376.66 billion) whereas at the year end of 2022 the Group reported total provision for loans, advances and leases of BDT 21.12 billion (2021: BDT 19.25 billion) and the Bank reported total provision for loans, advances and leases of BDT 21.12 billion (2021: BDT 19.25 billion)</p> <p>See note nos. 7 and 14.1 to the financial statements</p>	
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Recognition of interest income on loans, advances and leases	
<p>Recognition of interest income has significant and wide influence on financial statements. Recognition and measurement of interest income have involved complex IT environments.</p> <p>We identify recognition of interest income from loans, advances and leases as a key audit matter because this is one of the key performance indicators of the Bank and therefore there is an inherent risk of fraud and error and overstatement in recognition of interest by management to meet specific targets or expectations.</p> <p>See note no. 22 to the financial statements</p>	<p>We tested the design and operating effectiveness of key controls over recognition and measurement of interest on loans, advances and leases.</p> <p>We performed test of operating effectiveness on automated control in place to measure and recognise interest income.</p> <p>We have also performed substantive procedure to check whether interest income is recognised completely and accurately.</p> <p>We assessed the appropriateness and presentation of disclosure against relevant accounting standards and Bangladesh Bank guidelines.</p>

Valuation of treasury bill and treasury bond	
<p>The classification and measurement of T-Bill and T-Bond require judgment and complex estimates.</p> <p>In the absence of a quoted price in an active market, the fair value of T-Bills and T-Bonds is determined using complex valuation techniques which may take into consideration direct or indirect unobservable market data and complex pricing models which require an elevated level of judgment.</p>	<p>We assessed the processes and controls put in place by the Bank to identify and confirm the existence of treasury bills and bonds.</p> <p>We obtained an understanding, evaluated the design and tested the operating effectiveness of the key controls over the treasury bills and bonds valuation processes, including controls over market data inputs into valuation models, model governance and valuation adjustments.</p> <p>We tested a sample of the valuation models and the inputs used in those models, using a variety of techniques, including comparing inputs to available market data.</p> <p>Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.</p>
See note nos. 6 to the financial statements	

Impairment assessment of unquoted investments	
<p>In the absence of a quoted price in an active market, the fair value of unquoted shares and bonds, especially any impairment is calculated using valuation techniques that may take into consideration direct or indirect unobservable market data and hence require an elevated level of judgment.</p>	<p>We have assessed the processes and controls put in place by the Bank to ensure all major investment decisions are undertaken through a proper due diligence review process We tested a sample of investments valuation as at 31 December 2022 and compared our results to the recorded value.</p> <p>Finally, we assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.</p>
See note nos. 6 to the financial statements	

Measurement of Deferred Tax	
<p>We identified the measurement of deferred tax assets/liabilities as a key audit matter due to the recognition of these assets/liabilities involving judgement by management as to the likelihood of the realization of these deferred tax assets/liabilities, which is based on a number of factors including whether there will be sufficient taxable profits in future periods to support recognition.</p>	<p>Our procedures in relation to management's assessment about the measurement of deferred tax assets/liabilities included:</p> <ul style="list-style-type: none"> Evaluating management's assessment on the sufficiency of future taxable profits in support of the recognition of deferred tax by comparing management's forecasts of future profits to historical results and evaluating the assumptions used in those forecasts; and

<p>As disclosed in Note 14.9.1 & 14.9.2 respectively to the financial statements, as at December 31, 2022 the Bank has recognized BDT 4,557.18 million (2021: BDT 4,020.11 million) of deferred tax assets and BDT 83.46 million (2021: BDT 83.54 million) of deferred tax liabilities in the Balance Sheet.</p>	<ul style="list-style-type: none"> Obtaining the communications between the Bank and taxation authorities regarding tax positions.
<p>See note nos. 14.9.1 & 14.9.2 to the financial statements</p>	

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

<p>Legal and regulatory matters</p>	
<p>We focused on this area because the Bank and its subsidiary (the "Group") operate in a legal and regulatory environment that is exposed to significant litigation and similar risks arising from disputes and regulatory proceedings. Such matters are subject to many uncertainties and the outcome may be difficult to predict.</p>	<p>We obtained an understanding, evaluated the design and tested the operational effectiveness of the Bank's key controls over the legal provision and contingencies process. We enquired to those charged with governance to obtain their views on the status of all significant litigation and regulatory matters.</p> <p>We enquired of the Bank's internal legal counsel for all significant litigation and regulatory matters and inspected internal notes and reports.</p>
<p>These uncertainties inherently affect the amount and timing of potential outflows with respect to the provisions which have been established as other contingent liabilities.</p>	<p>We assessed the methodologies on which the provision amounts are based, recalculated the provisions and tested the completeness and accuracy of the underlying information.</p>

Overall, the legal provision represents the Group's and the Bank's best estimate for existing legal matters that have a probable and quantifiable impact on the Group's financial statement.	We also assessed the Bank's provisions and contingent liabilities disclosure.
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Carrying value of investments in the subsidiary by the Bank	
The Bank has invested in equity shares of its subsidiary, namely Pubali Bank Securities Limited. As at 31 December 2022, the carrying value of this investment is BDT 6,599.99 million. At the time of conducting our audit of the separate financial statements of the Bank, we have considered the Recoverable value of the Bank's investments in the above subsidiary stated at cost. Management has conducted an impairment assessment and calculated the recoverable value of its subsidiary in accordance with IAS 36.	<p>We have reviewed Management's analysis of impairment assessment and recoverable value calculation of the subsidiary in accordance with IAS 36. In particular, our discussions with the Management were focused on the continued appropriateness of the Value-in-use model, the key assumptions used in the model, the reasonably possible alternative assumptions, particularly where they had the most impact on the Value-in-use calculation.</p> <p>We also checked the mathematical accuracy of the model, recalculated discount rate used within the model, inputs used in the determination of assumptions within the model were challenged and corroborating information was obtained with reference to external market information, third-party sources.</p>

Other Matter

The financial statements of Publai Bank Limited for the year ended 31 December 2021, were audited by Howladar Yunus & Co., Chartered Accountants and A. Qasem & Co., Chartered Accountants who expressed an unmodified opinion on those statements on 07 April 2022.

Other information

Management is responsible for the other information. The other information comprises all of the information in the Annual Report other than the consolidated and separate financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the board of directors of the Bank.

Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements and Internal Controls

Management is responsible for the preparation and fair presentation of the consolidated financial statements of the Group and also separate financial statements of the Bank in accordance with IFRSs as explained in note 2 and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error. The Bank Company Act, 1991 and the Bangladesh Bank Regulations require the Management to ensure effective internal audit, internal control and risk management functions of the Bank. The Management is also required to make a self-assessment on the effectiveness of anti-fraud internal controls and report to Bangladesh Bank on instances of fraud and forgeries.

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

Those charged with governance are responsible for overseeing the Group's and the Bank's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

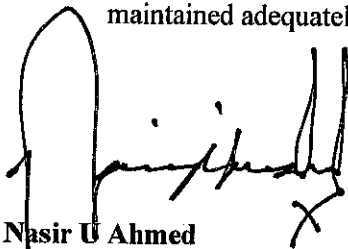
From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, the Securities and Exchange Rules 1987, the Bank Company Act 1991 (as amended up to date), the Financial Reporting Act 2015, and the rules and regulations issued by Bangladesh Bank, we also report 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) to the extent noted during the course of our audit work performed on the basis stated under the Auditor's Responsibility section in forming the above opinion on the consolidated financial statements and considering the reports of the Management to Bangladesh Bank on anti-fraud internal controls and instances of fraud and forgeries as stated under the Management's Responsibility for the financial statements and internal control:

- (a) internal audit, internal control and risk management arrangements of the Group as disclosed in the financial statements appeared to be materially adequate;
- (b) nothing has come to our attention regarding material instances of forgery or irregularity or administrative error and exception or anything detrimental committed by employees of the Group and its related entities (other than matters disclosed in these financial statements);
- (iii) financial statements of subsidiary namely Pubali Bank Securities Limited has been audited by K. M. Hasan & Co., Chartered Accountants and has been properly reflected in the consolidated financial statements;
- (iv) in our opinion, proper books of account as required by law have been kept by the Group and the Bank so far as it appeared from our examination of those books;
- (v) the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements;
- (vi) the consolidated balance sheet and consolidated profit and loss account together with the annexed notes dealt with by the report are in agreement with the books of account and returns;
- (vii) the expenditures incurred were for the purpose of the Bank's business for the year;
- (viii) the consolidated financial statements of the Group and the separate financial statements of the Bank have been drawn up in conformity with prevailing rules, regulations and accounting standards as well as related guidance issued by Bangladesh Bank;
- (ix) adequate provisions have been made for advance 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) we have reviewed over 80% of the risk weighted assets of the Bank and spent over 8,000 person hours; and
- (xii) Capital to Risk-weighted Asset Ratio (CRAR) as required by Bangladesh Bank has been maintained adequately during the year.



Nasir U Ahmed
FCA, FCS, CGMA (AICPA), ACMA (UK),
FCA (England & Wales)

Deputy Managing Partner
MABS & J Partners, Chartered Accountants
Enrolment No.: 535
Firm Registration Number: [N/A]

DVC: 2304180535AS421450

Dated: Dhaka, April 13, 2023


Ziaur Rahman Zia FCA

Partner
A. Qasem & Co., Chartered Accountants
Enrolment No.: 1259
Firm Registration Number: 2-PC7202

DVC: 2304171259AS492923

Pubali Bank Limited
Consolidated Balance Sheet
as at 31 December 2022

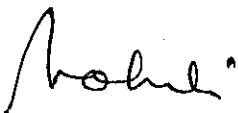
<u>PROPERTY AND ASSETS</u>	<u>Notes</u>	<u>2022</u> <u>Taka</u>	<u>2021</u> <u>Taka</u>
Cash	3 (a)	34,449,846,439	24,646,332,580
Cash in hand (Including foreign currencies)		8,902,088,820	5,088,411,673
Balance with Bangladesh Bank and its agent Bank (s) (Including foreign currencies)		25,547,757,619	19,557,920,907
Balance with Other Banks and Financial Institutions	4 (a)	9,900,812,355	21,691,865,880
In Bangladesh		5,103,413,666	20,460,626,000
Outside Bangladesh		4,797,398,689	1,231,239,880
Money at Call on Short Notice	5	838,986,667	241,986,667
Investments	6 (a)	146,164,406,981	151,927,577,152
Government		116,756,310,282	125,104,787,314
Others		29,408,096,699	26,822,789,838
Loans, Advances and Leases	7 (a)	462,752,004,614	377,437,494,655
Loans, cash credits and overdrafts etc.		424,791,134,612	350,407,454,307
Bills purchased & discounted		37,960,870,002	27,030,040,348
Fixed Assets including Premises, Furniture & Fixtures	8 (a)	6,499,064,580	6,086,065,053
Other Assets	9 (a)	53,667,230,069	48,365,281,074
Non-Banking Assets	10	375,246	375,246
Total Assets		714,272,726,951	630,396,978,307
<u>LIABILITIES AND CAPITAL</u>			
Liabilities			
Borrowings from Other Banks, Financial Institutions & Agents	11	65,017,699,496	46,500,331,001
Subordinated Bonds	12	12,200,000,000	10,500,000,000
Perpetual Bonds	12.1	5,000,000,000	2,800,000,000
Deposits and Other Accounts	13 (a)	509,350,630,604	460,662,845,575
Current accounts & Other accounts		60,210,299,951	59,104,754,646
Bills payable		14,271,043,896	13,829,749,009
Savings bank deposits		118,927,122,055	115,249,019,676
Term deposits		297,910,894,739	261,951,557,060
Other deposits		18,031,269,963	10,527,765,184
Other Liabilities	14 (a)	79,558,157,547	69,849,665,399
Total Liabilities		671,126,487,647	590,312,841,975
Capital / Shareholders' Equity			
Paid up capital	15.2	10,282,942,180	10,282,942,180
Statutory reserve	16	10,283,000,000	10,283,000,000
Retained earnings	17 (a)	18,700,546,455	14,760,650,131
Other reserves	18 (a)	3,879,749,550	4,757,542,966
Profit and Loss account surplus	19 (a)	-	-
		43,146,238,185	40,084,135,277
Non-controlling interest	20	1,119	1,055
Total Shareholders' Equity		43,146,239,304	40,084,136,332
Total Liabilities and Shareholders' Equity		714,272,726,951	630,396,978,307





Pubali Bank Limited
Consolidated Balance Sheet
as at 31 December 2022


<u>OFF-BALANCE SHEET ITEMS</u>	Notes	2022 Taka	2021 Taka
<u>Contingent Liabilities</u>			
Acceptances & endorsements	21	103,377,186,550	89,543,886,252
Letters of guarantee		37,872,061,489	32,360,536,133
Irrevocable letters of credit		53,175,862,737	83,959,348,873
Bills for collection		28,980,463,041	17,208,217,494
Other contingent liabilities		2,433,181,166	2,383,598,956
Total Contingent Liabilities		225,838,754,983	225,455,587,708
<u>Other Commitments</u>			
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		-	-
Total Off-Balance Sheet Items including Contingent Liabilities		225,838,754,983	225,455,587,708

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

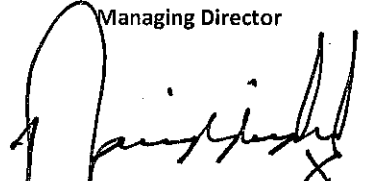

Mohammad Ali
 Managing Director



M. Nausad Ali Chowdhury
 Director


Azizur Rahman
 Director


Monzurur Rahman
 Chairman

Signed as per annexed report on even date


Nasir U Ahmed FCA, FCS, CGMA (AICPA) ACMA
 (UK), FCA (England & Wales)
 Deputy Managing Partner
 MABS & J Partners, Chartered Accountants
 Enrolment No.:535
 Dated, Dhaka
 April 13, 2023
 DVC: 2304180535AS421459

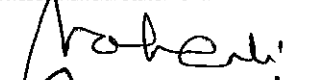

Ziaur Rahman Zia FCA
 Partner
 A. Qasem & Co., Chartered Accountants
 Enrolment No.:1259
 Firm Registration No.: 2-PC7202
 DVC: 2304171259AS492923



Pubali Bank Limited
Consolidated Profit & Loss Account
for the year ended 31 December 2022

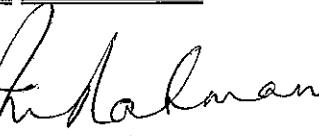
	Notes	2022 Taka	2021 Taka
Operating Income			
Interest income	22 (a)	29,860,247,898	22,790,938,427
Interest paid on deposits, borrowings etc.	23	(23,240,593,559)	(21,900,920,809)
Net Interest Income		6,619,654,339	890,017,618
Investment income	24 (a)	14,133,428,929	16,106,453,304
Commission, exchange and brokerage	25 (a)	3,355,096,290	2,411,721,642
Other operating income	26 (a)	1,617,389,253	1,310,732,909
Total Operating Income		25,725,568,811	20,718,925,473
Operating Expenses			
Salaries and allowances	27 (a)	8,391,735,067	6,521,589,306
Rent, taxes, insurance, electricity etc.	28 (a)	649,537,850	552,987,597
Legal expenses	29 (a)	17,548,426	20,133,676
Postage, stamp, telecommunication etc.	30 (a)	95,457,058	92,387,556
Stationery, printing, advertisements etc.	31 (a)	149,881,191	135,835,521
Managing Director's salary and fees	32	12,843,657	14,426,666
Directors' fees	33 (a)	9,057,206	9,645,045
Auditors' fees	34 (a)	2,199,250	1,684,500
Charges on loan losses		-	-
Depreciation and repair of bank's assets	35 (a)	1,440,163,705	1,122,232,664
Other expenses	36 (a)	3,150,898,229	2,261,529,949
Total Operating Expenses		13,919,321,639	10,732,452,480
Profit/(Loss) before Provision		11,806,247,172	9,986,472,993
Provision for Loans, Advances, Leases, Investments and other Assets	37 (a)		
Provision for classified loans, advances and leases		1,880,136,844	1,544,301,000
Provision for unclassified loans, advances and leases		872,267,826	1,859,148,000
Provision for diminution in value of investments		55,411,791	-
Provision for other assets		50,000,000	22,000,000
Provision for bad debt offsetting for Islamic Banking		22,067,376	7,352,546
Provision for start-up fund		-	-
		2,879,883,837	3,432,801,546
Provision for exposure of off-balance sheet items	38	-	811,000,000
Total Provision		2,879,883,837	4,243,801,546
Total Profit/(Loss) before Taxes		8,926,363,335	5,742,671,447
Provision for current tax	14.9 (a)	3,815,861,265	1,501,245,368
Provision for deferred tax	14.9.1 (a)	(537,504,181)	(110,343,709)
Total Provision for Taxes		3,278,357,084	1,390,901,659
Net Profit after Taxation		5,648,006,251	4,351,769,788
Profit Attributable to			
Equity holders of parent		5,648,006,187	4,351,769,627
Non- controlling interest		64	161
Appropriations		5,648,006,251	4,351,769,788
Statutory reserve		-	-
Coupon/dividend on perpetual bond		363,734,741	-
Start-up fund		53,217,717	-
Retained surplus carried forward		5,231,053,793	4,351,769,788
Earnings Per Share (EPS)	46 (a)	5.49	4.23
Basic			
Diluted		5.49	4.23

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

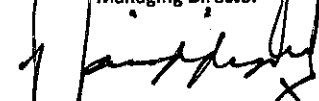

Mohammad Ali
Managing Director


M. Naushad Ali Chowdhury
Director


Azizur Rahman
Director


Monzurur Rahman
Chairman

Signed as per annexed report on even date


Nasir U Ahmed FCA, FCS, CGMA (AICPA) ACMA
(UK), FCA (England & Wales)
Deputy Managing Partner
MABS & J Partners, Chartered Accountants
Enrolment No.:535


Ziaur Rahman FCA
Partner

A. Qasem & Co., Chartered Accountants
Enrolment No.:1259
Firm Registration No.: 2-PC7202

Dated, Dhaka
April 13, 2023

DVC : 2304180535AS421450

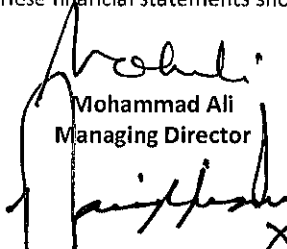


DVC : 2304171259AS492923

Pubali Bank Limited
Consolidated Cash Flow Statement
for the year ended 31 December 2022


	Notes	2022 Taka	2021 Taka
a Cash flows from Operating Activities			
Interest receipts in cash		43,128,512,486	39,976,613,650
Interest payments		(22,396,592,940)	(22,584,235,462)
Dividend receipts		706,088,504	468,903,025
Fees and commission receipts		2,167,970,374	1,892,815,594
Recoveries of loans previously written-off		172,793,025	119,640,242
Cash payment to employees		(7,871,184,654)	(6,351,825,152)
Cash payment to suppliers		(264,009,660)	(234,832,985)
Current income tax paid		(2,065,590,099)	(1,809,442,190)
Receipts from other operating activities	40 (a)	2,910,386,823	2,067,797,864
Cash payments for other operating activities	41 (a)	(4,662,494,997)	(3,551,879,165)
Operating Profit before changes in Operating Assets & Liabilities		11,825,878,862	9,993,555,421
Increase/ (Decrease) in Operating Assets and Liabilities			
Statutory deposits		7,548,207,340	(1,007,225,797)
(Purchase)/sale of trading securities		(2,707,433,814)	1,288,665,679
Loans and advances to customers (other than banks)		(85,227,694,143)	(61,077,532,698)
Other assets	42 (a)	(3,263,018,996)	(1,972,119,999)
Deposits to/from other banks		18,517,368,495	21,660,954,617
Deposits from customers (other than banks)		47,588,697,569	33,688,316,097
Other liabilities account of customers		1,815,670,533	(723,976,706)
Other liabilities	43 (a)	450,594,085	1,524,533,644
Total Increase/ (Decrease) in Operating Assets and Liabilities		(15,277,608,931)	(6,618,385,163)
Net Cash from/(used in) Operating Activities		(3,451,730,069)	3,375,170,258
b Cash flows from Investing Activities			
(Purchase)/Sale of property, plant & equipment		(888,749,783)	(690,661,807)
Net Cash from/(used in) Investing Activities		(888,749,783)	(690,661,807)
c Cash flows from Financing Activities			
Receipts/(payment) from issue of subordinated bonds		1,700,000,000	(1,000,000,000)
Receipts from issue of perpetual bonds		2,200,000,000	2,800,000,000
Effects of exchange rate changes on cash and cash equivalents		32,181,625	2,223,951
Dividend paid		(1,246,063,970)	(1,440,237,955)
Net Cash from/(used in) Financing Activities		2,686,117,655	361,985,996
d Net Increase/ (Decrease) in Cash and Cash equivalents (a+b+c)		(1,654,362,197)	3,046,494,447
e Cash and Cash equivalents at beginning of the period		48,342,576,030	45,296,081,583
f Cash and Cash equivalents at end of the period (d+e)	44 (a)	46,688,213,833	48,342,576,030

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


Mohammad Ali
Managing Director


M. Naushad Ali Chowdhury
Director


Azizur Rahman
Director


Monzurur Rahman
Chairman

Signed as per annexed report on even date

Nasir U Ahmed FCA, FCS, CGMA (AICPA) ACMA
(UK), FCA (England & Wales)
Deputy Managing Partner
MABS & J Partners, Chartered Accountants
Enrolment No.:535

Dated, Dhaka
April 13, 2023

DVC: 2304180535AS421950




Ziaur Rahman Zia FCA
Partner

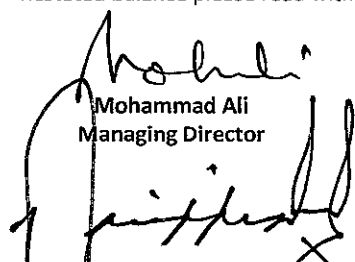
A. Qasem & Co., Chartered Accountants
Enrolment No.:1259
Firm Registration No.: 2-PC7202

DVC: 2304171259AS492923

Pubali Bank Limited
Consolidated Statement of Changes in Equity
for the year ended 31 December 2022

Particulars	Paid-up capital	Statutory reserve	Retained earnings	Other reserves	Parent's equity	Non-controlling interest	Total
Balance as at 1 January 2022	10,282,942,180	10,283,000,000	14,760,650,131	4,757,542,966 *	40,084,135,277	1,055	40,084,136,332
Changes in accounting policy	-	-	-	-	-	-	-
Restated balance	10,282,942,180	10,283,000,000	14,760,650,131	4,757,542,966	40,084,135,277	1,055	40,084,136,332
Adjustment on revaluation of fixed assets	-	-	-	-	-	-	-
Recognition of deferred tax on revaluation reserve of fixed assets	-	-	-	85,914	85,914	-	85,914
Surplus/Deficit on account of revaluation of investments	-	-	-	(910,060,955)	(910,060,955)	-	(910,060,955)
Foreign currency translation gain/(loss)	-	-	-	32,181,625	32,181,625	-	32,181,625
Net income and expenses not recognised in the Profit and Loss Statement	-	-	(6,603,623)	-	(6,603,623)	-	(6,603,623)
Transfer regarding revaluation reserve on sale of properties	-	-	813,990	-	813,990	-	813,990
Coupon/dividend payment on Perpetual Bond	-	-	(363,734,740)	-	(363,734,740)	-	(363,734,740)
Transfer to Start-up fund	-	-	(53,217,717)	-	(53,217,717)	-	(53,217,717)
Non-controlling capital	-	-	-	-	-	-	-
Net profit for the year	-	-	5,648,006,187	-	5,648,006,187	64	5,648,006,251
Transfer to statutory reserve	-	-	-	-	-	-	-
Issue of bonus shares - 2022	-	-	-	-	-	-	-
Proposed dividend (bonus issue)	-	-	-	-	-	-	-
Dividends (cash) for 2022	-	-	(1,285,367,773)	-	(1,285,367,773)	-	(1,285,367,773)
Balance as at 31 December 2022	10,282,942,180	10,283,000,000	18,700,546,455	3,879,749,550	43,146,238,185	1,119	43,146,239,304
Balance as at 31 December 2021	10,282,942,180	10,283,000,000	14,760,650,131	4,757,542,966 *	40,084,135,277	1,055	40,084,136,332

* Restated balance please read with (note:18)


Mohammad Ali
Managing Director

Nasir U Ahmed FCA, FCS, CGMA (AICPA) ACMA
(UK), FCA (England & Wales)
Deputy Managing Partner
MABS & J Partners, Chartered Accountants
Enrolment No.:535

Dated, Dhaka

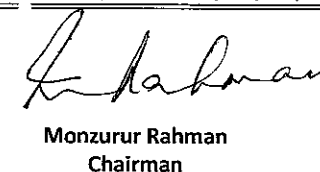
April 13, 2023

DVC 230418 0555 AS421 450


M. Naushad Ali Chowdhury
Director

Signed as per annexed report on even date


Azizur Rahman
Director


Monzurur Rahman
Chairman


Ziaur Rahman Zia FCA
Partner

A. Qasem & Co., Chartered Accountants
Enrolment No.:1259
Firm Registration No.: 2-PC7202

DVC:2304171259AS492923



Pubali Bank Limited
Balance Sheet
as at 31 December 2022

PROPERTY AND ASSETS	Notes	2022 Taka	2021 Taka
Cash	3	34,449,846,439	24,646,332,580
Cash in hand (Including foreign currencies)		8,902,088,820	5,088,411,673
Balance with Bangladesh Bank and its agent Bank (s) (Including foreign currencies)		25,547,757,619	19,557,920,907
Balance with Other Banks and Financial Institutions	4	9,810,258,252	21,481,970,782
In Bangladesh		5,012,859,563	20,250,730,902
Outside Bangladesh		4,797,398,689	1,231,239,880
Money at Call on Short Notice	5	838,986,667	241,986,667
Investments	6	139,403,489,608	145,632,761,738
Government		116,634,183,329	125,104,787,314
Others		22,769,306,279	20,527,974,424
Loans, Advances and Leases	7	461,884,126,081	376,656,431,938
Loans, cash credits and overdrafts etc.		423,923,256,079	349,626,391,590
Bills purchased and discounted		37,960,870,002	27,030,040,348
Fixed Assets including Premises, Furniture & Fixtures	8	6,495,544,725	6,082,415,597
Other Assets	9	59,873,084,818	54,739,062,710
Non-banking Assets	10	375,246	375,246
Total Assets		712,755,711,836	629,481,337,258
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings From Other Banks, Financial Institutions & Agents	11	65,017,699,496	46,500,331,001
Subordinated Bonds	12	12,200,000,000	10,500,000,000
Perpetual Bonds	12.1	5,000,000,000	2,800,000,000
Deposits and Other Accounts	13	510,836,516,875	462,400,218,687
Current accounts & other accounts		60,730,969,028	59,945,604,283
Bills payable		14,271,043,896	13,829,749,009
Savings bank deposits		118,927,122,055	115,249,019,676
Term deposits		298,876,111,933	262,848,080,535
Other deposits		18,031,269,963	10,527,765,184
Other Liabilities	14	77,215,407,287	67,530,567,772
Total Liabilities		670,269,623,658	589,731,117,460
Capital / Shareholders' Equity			
Paid up capital	15.2	10,282,942,180	10,282,942,180
Statutory reserve	16	10,283,000,000	10,283,000,000
Retained earnings	17	18,040,396,448	14,426,734,652
Proposed issue of bonus shares		-	-
Other reserves	18	3,879,749,550	4,757,542,966
Profit and Loss account surplus	19	-	-
Total Shareholders' Equity		42,486,088,178	39,750,219,798
Total Liabilities and Shareholders' Equity		712,755,711,836	629,481,337,258



Pubali Bank Limited
Balance Sheet
as at 31 December 2022

OFF-BALANCE SHEET ITEMS	Note	2022	2021
Contingent Liabilities	21	Taka	Taka
Acceptances & endorsements		103,377,186,550	89,543,886,252
Letters of guarantee		37,872,061,489	32,360,536,133
Irrevocable letters of credit		53,175,862,737	83,959,348,873
Bills for collection		28,980,463,041	17,208,217,494
Other contingent liabilities		2,433,181,166	2,383,598,956
Total Contingent Liabilities		225,838,754,983	225,455,587,708
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		-	-
Total Off-Balance Sheet Items Including Contingent Liabilities		225,838,754,983	225,455,587,708

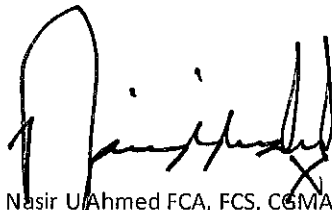
These financial statements should be read in conjunction with the annexed notes.


Mohammad Ali
Managing Director


M. Naushad Ali Chowdhury
Director


Azizur Rahman
Director


Monzurur Rahman
Chairman


Nasir U Ahmed FCA, FCS, CGMA (AICPA) ACMA
(UK), FCA (England & Wales)
Deputy Managing Partner
MABS & J Partners, Chartered Accountants
Enrolment No.: 535
Dated, Dhaka
April 13, 2023
DVC : 23041805BBAS421450

Signed as per annexed report on even date


Ziaur Rahman Zia FCA
Partner
A. Qasem & Co., Chartered Accountants
Enrolment No.:1259
Firm Registration No.: 2-PC7202
DVC : 2304171259AS492923



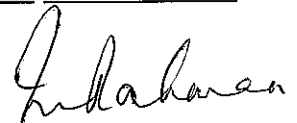
	Notes	2022 Taka	2021 Taka
Operating Income			
Interest income	22	29,813,192,063	22,737,798,392
Interest paid on deposits, borrowings etc.	23	(23,240,593,559)	(21,900,920,809)
Net Interest Income		6,572,598,504	836,877,583
Investment income	24	13,740,363,716	15,671,212,746
Commission, exchange and brokerage	25	3,311,320,514	2,347,374,875
Other operating income	26	1,570,420,358	1,269,344,666
Total Operating Income		25,194,703,092	20,124,809,870
Operating Expenses			
Salaries and allowances	27	8,347,605,599	6,488,127,075
Rent, taxes, insurance, electricity etc.	28	646,880,954	552,419,215
Legal expenses	29	17,399,747	20,130,708
Postage, stamp, telecommunication etc.	30	95,258,236	92,161,680
Stationery, printing, advertisements etc.	31	149,330,677	135,529,130
Managing Director's salary and fees	32	12,843,657	14,426,666
Directors' fees	33	7,341,206	8,209,545
Auditors' fees	34	2,021,000	1,540,500
Charges on loan losses		-	-
Depreciation and repair of bank's assets	35	1,437,853,280	1,120,546,674
Other expenses	36	3,140,656,772	2,248,256,937
Total Operating Expenses		13,857,191,128	10,681,348,130
Profit/(Loss) before Provision		11,337,511,964	9,443,461,740
Provision for Loans, Advances, Leases, Investments and other Assets	37		
Provision for classified loans, advances and leases		1,880,136,844	1,544,301,000
Provision for unclassified loans, advances and leases		872,267,826	1,859,148,000
Provision for diminution in value of investments	39	-	-
Provision for other assets		50,000,000	22,000,000
Provision for bad debt offsetting for Islamic Banking		22,067,376	7,352,546
		2,824,472,046	3,432,801,546
Provision for exposure of off-balance sheet items	38	-	811,000,000
Total Provision		2,824,472,046	4,243,801,546
Total Profit/(Loss) before Taxes		8,513,039,918	5,199,660,194
Provision for current tax	14.8	3,728,336,561	1,405,506,892
Provision for deferred tax	14.9.2.3	(537,068,302)	(110,395,562)
Total Provision for Taxes		3,191,268,259	1,295,111,330
Net Profit/(Loss) after Taxes		5,321,771,659	3,904,548,864
Appropriations			
Statutory Reserve		-	-
Coupon/dividend on perpetual bond		363,734,741	-
Start-up fund		53,217,717	-
Retained surplus carried forward		4,904,819,201	3,904,548,864
Earnings Per Share (EPS)	46	5.18	3.80
		5.18	3.80

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

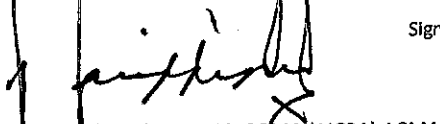

Mohammad Ali
Managing Director


M. Naushad Ali Chowdhury
Director


Azizur Rahman
Director


Monzurur Rahman
Chairman

Signed as per annexed report on even date


Nasir U Ahmed FCA, FCS, CGMA (AICPA) ACMA
(UK), FCA (England & Wales)
Deputy Managing Partner
MABS & J Partners, Chartered Accountants
Enrolment No.:535


Ziaur Rahman FCA
Partner

A. Qasem & Co., Chartered Accountants
Enrolment No.:1259
Firm Registration No.: 2-PC7202

Dated, Dhaka
April 13, 2023

DVC: 2304180595AS421430

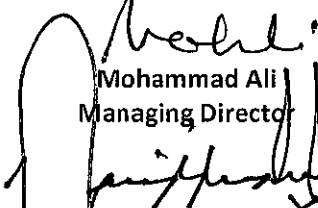


DVC: 2304171259AS492923

Pubali Bank Limited
Cash Flow Statement
for the year ended 31 December 2022

	Notes	2022 Taka	2021 Taka
a Cash flows from Operating Activities			
Interest receipts in cash		43,060,927,069	39,923,473,615
Interest payments		(22,396,592,940)	(22,584,235,462)
Dividend receipts		474,168,037	275,728,984
Fees and commission receipts		2,124,194,598	1,828,468,827
Recoveries of loans previously written-off		172,793,025	119,640,242
Cash payment to employees		(7,827,067,586)	(6,318,362,921)
Cash payment to suppliers		(264,009,660)	(234,832,985)
Current income tax paid		(2,065,590,099)	(1,809,442,190)
Receipts from other operating activities	40	2,722,802,764	1,784,343,104
Cash payments for other operating activities	41	(4,644,481,554)	(3,534,237,046)
Operating Profit before changes in Operating Assets & Liabilities		11,357,143,654	9,450,544,168
Increase/ (Decrease) in Operating assets and liabilities			
Statutory deposits		7,548,207,340	(1,007,225,797)
(Purchase)/sale of trading securities		(2,241,331,855)	950,002,963
Loans and advances to customers (other than banks)		(85,227,694,143)	(61,077,532,698)
Other assets	42	(3,049,971,336)	(1,741,752,245)
Deposits to/from other banks		18,517,368,495	21,660,954,617
Deposits from customers (other than banks)		47,588,697,569	33,688,316,097
Other liabilities account of customers		1,815,670,533	(723,976,706)
Other liabilities	43	611,137,111	1,569,579,343
Total Increase/(decrease) in Operating Assets and Liabilities		(14,437,916,286)	(6,681,634,426)
Net Cash from/(used in) Operating Activities		(3,080,772,632)	2,768,909,742
b Cash flows from Investing Activities			
(Purchase)/Sale of property, plant & equipment		(888,879,384)	(691,190,205)
Net cash from/(used in) Investing Activities		(888,879,384)	(691,190,205)
c Cash flows from Financing Activities			
Receipts/(payment) from issue of subordinated bonds		1,700,000,000	(1,000,000,000)
Receipts from issue of perpetual bonds		2,200,000,000	2,800,000,000
Effects of exchange rate changes on cash and cash equivalents		32,181,625	2,223,951
Dividend paid		(1,246,063,970)	(1,440,237,955)
Net cash from/(used in) Financing Activities		2,686,117,655	361,985,996
d Net increase/(decrease) in Cash and Cash equivalents (a+b+c)		(1,283,534,361)	2,439,705,533
e Cash and cash equivalents at beginning of the period		46,395,307,820	43,955,602,287
f Cash and cash equivalents at end of the period (d+e)	44	45,111,773,459	46,395,307,820

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


Mohammad Ali
Managing Director


M. Naushad Ali Chowdhury
Director


Azizur Rahman
Director


Monzurur Rahman
Chairman

Signed as per annexed report on even date

Nasir U Ahmed FCA, FCS, CGMA (AICPA)
ACMA (UK), FCA (England & Wales)
Deputy Managing Partner
MABS & J Partners, Chartered Accountants
Enrolment No.:535

Dated, Dhaka

April 13, 2023

DVC : 2304180505AS421459




Ziaur Rahman Zia FCA
Partner

A. Qasem & Co., Chartered Accountants
Enrolment No.:1259
Firm Registration No.: 2-PC7202

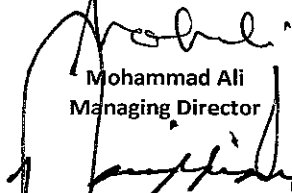
DVC : 2304171259AS492923

Pubali Bank Limited
Statement of Changes in Equity
for the year ended 31 December 2022

(Figures in Taka)

Particulars	Paid-up capital	Statutory reserve	Retained earnings	Other reserves	Proposed dividend	Total
Balance as at 1 January 2022	10,282,942,180	10,283,000,000	14,426,734,652	4,757,542,966 *	-	39,750,219,798
Changes in accounting policy	-	-	-	-	-	-
Restated balance	10,282,942,180	10,283,000,000	14,426,734,652	4,757,542,966	-	39,750,219,798
Adjustment on revaluation of fixed assets	-	-	-	-	-	-
Recognition of deferred tax on revaluation reserve of fixed assets	-	-	-	85,914	-	85,914
Surplus/(deficit) on account of revaluation of investments	-	-	-	(910,060,955)	-	(910,060,955)
Foreign currency translation gain/(loss)	-	-	-	32,181,625	-	32,181,625
Net income and expenses not recognised in the Profit and Loss Statement	-	-	(6,603,623)	-	-	(6,603,623)
Transfer regarding revaluation reserve on sale of properties	-	-	813,990	-	-	813,990
Coupon/dividend payment on perpetual bond	-	-	(363,734,740)	-	-	(363,734,740)
Transfer to start-up fund	-	-	(53,217,717)	-	-	(53,217,717)
Net profit for the year	-	-	5,321,771,659	-	-	5,321,771,659
Transfer to statutory reserve	-	-	-	-	-	-
Issue of bonus shares - 2022	-	-	-	-	-	-
Proposed dividend (bonus issue)	-	-	-	-	-	-
Dividends (cash) for 2022	-	-	(1,285,367,773)	-	-	(1,285,367,773)
Balance as at 31 December 2022	10,282,942,180	10,283,000,000	18,040,396,448	3,879,749,550	-	42,486,088,178
Balance as at 31 December 2021	10,282,942,180	10,283,000,000	14,426,734,652	4,757,542,966 *	-	39,750,219,798

* Restated balance please read with (note:18)


Mohammad Ali
Managing Director

Nasir U Ahmed FCA, FCS, CGMA (AICPA)
ACMA (UK), FCA (England & Wales)
Deputy Managing Partner
MABS & J Partners, Chartered Accountants
Enrolment No.:535

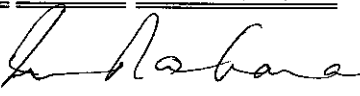
Dated, Dhaka
April 13, 2023

DVC: 2304180535AS421439


M. Naushad Ali Chowdhury
Director

Signed as per annexed report on even date


Azizur Rahman
Director


Monzurur Rahman
Chairman


Ziaur Rahman Zia FCA
Partner

A. Qasem & Co., Chartered Accountants
Enrolment No.:1259
Firm Registration No.: 2-PC7202

DVC: 2304171259AS492923



Pubali Bank Limited
Liquidity statement (assets and liabilities maturity analysis)
as at 31 December 2022

Particulars	Up to 01 month	01- 03 months	03-12 months	01- 05 years	More than 5 years	Total
Assets						
Cash in hand	34,449,846,439	-	-	-	-	34,449,846,439
Balances with other banks and financial institutions	4,899,577,853	1,050,000,000	3,640,000,000	220,680,399	-	9,810,258,252
Money at call on short notice	838,986,667	-	-	-	-	838,986,667
Investments	8,352,230,803	21,327,375,335	11,127,166,643	29,961,502,313	68,635,214,514	139,403,489,608
Loans, advances and leases	30,156,437,237	138,495,608,507	135,873,385,271	91,912,187,086	65,446,507,980	461,884,126,081
Fixed assets including premises, furniture & fixtures	-	-	-	3,861,285,255	2,634,259,470	6,495,544,725
Other assets	238,831,906	2,757,588,834	829,932,922	12,528,197,149	43,518,534,007	59,873,084,818
Non-banking assets	-	-	-	-	375,246	375,246
Total Assets	78,935,910,905	163,630,572,676	151,470,484,836	138,483,852,202	180,234,891,217	712,755,711,836
Liabilities						
Borrowings from other banks, financial institutions & agents	22,905,409,545	29,292,588,871	12,190,924,512	-	628,776,568.00	65,017,699,496
Subordinated bonds	-	-	2,500,000,000	9,000,000,000	700,000,000	12,200,000,000
Perpetual bonds	-	-	-	-	5,000,000,000	5,000,000,000
Deposits	51,977,774,855	116,441,592,092	109,090,395,705	62,211,646,978	171,115,107,245	510,836,516,875
Provision & other liabilities	1,927,713,138	-	11,030,024,339	63,195,830,074	1,061,839,736	77,215,407,287
Total Liabilities	76,810,897,538	145,734,180,963	134,811,344,556	134,407,477,052	178,505,723,549	670,269,623,658
Net Liquidity Gap	2,125,013,367	17,896,391,713	16,659,140,280	4,076,375,150	1,729,167,668	42,486,088,178


Mohammad Ali
Managing Director


M. Naushad Ali Chowdhury
Director


Azizur Rahman
Director


Monzurur Rahman
Chairman

Signed as per annexed report on even date

Dated, Dhaka
April 13, 2023



Pubali Bank Limited
Notes to the financial statements
As at and for the year ended 31 December 2022

1. The Bank and its activities

1.1 Pubali Bank Limited

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 independence 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 the name 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 the Bank Company Act 1991 and directives received from Bangladesh Bank from time to time. It has 498 Branches and 125 Sub Branches throughout the country. It is listed in both Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE) as a publicly-traded company.

1.2.1 Islamic Banking Window

Islamic Banking Wing of the Bank has been maintaining a separate set of books and records for its operation. It has 17 Windows throughout the country. All Assets & Liabilities and Income and Expenditure of this Wing are incorporated in similar heads of account of Bank's Financial Statements. Separate Financial Statements, Balance Sheet and Profit & Loss Statement of Islamic Banking Wing are shown separately as per instruction of Bangladesh Bank BRPD Circular No. 15 dated: November 9, 2009. Basis of distribution of profit and fixation of final rate of return of Islamic Banking Operation for the year 2022 are enclosed in the Annex- D.

1.2.2 Off-shore Banking Unit

Offshore Banking operations have undergone a long development transition in Bangladesh due to global and international business dynamics. To cope with the pace, the Bank started its Offshore Banking operation obtaining the license of operating 02 (two) business units in Dhaka and Chattogram initially.

Later on as per requirement of Bangladesh Bank BRPD circular no. 02 dated February 25, 2019, Offshore Banking division was established to control and supervise Offshore Banking operations of the Bank. The division is situated at 23 Motijheel C/A, AA Bhaban (Level # 4), Dhaka. It commenced its operation on 02.02.2020.

Offshore Banking unit refers to a specific business unit in the form of district branch, booth or desk of a branch of Pubali bank limited (Bank) that is duly approved by Bangladesh Bank (BB) to carry out the offshore banking operation. Separate Financial Statements of the OBUs are shown in Annexure-G.



1.2.3 Pubali Bank Securities Limited,

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 13 (thirteen) shares being held by thirteen individuals. The company has been established as per Bangladesh Securities & Exchange Commission's (BSEC) Letter # SEC/Reg/DSE/MB/2009/ 444 dated 20.12.2009. PBSL started its operation with effect February 01, 2011. The Registered office of the company is situated at A-A Bhaban (7th floor), 23 Mothijheel C/A, Dhaka-1000, Bangladesh.

The main object 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 Bangladesh Securities & Exchange Commission (BSEC).

1.3 Capital structure of the Bank

The authorized share capital of the Bank is Taka 20,000,000,000 divided into 2,000,000,000 ordinary shares of Taka 10 each which was increased from Taka 10,000,000,000 divided into 1,000,000,000 ordinary shares of Taka 10 each. 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. 15.

2. Basis of preparation of financial statements

2.1.1 Consolidated and Separate Financial Statement

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.

The consolidated financial statements include the financial statements of Pubali Bank Limited and its subsidiary, i.e. Pubali Bank Securities Limited prepared at the end of the financial year. The consolidated financial statements have been prepared in accordance with International Accounting Standards (IAS)-27, "Separate Financial Statements" and International Financial Reporting Standard (IFRS)-10, "Consolidated Financial Statements". The Consolidated Financial Statements are prepared for the same year ended on 31 December 2022.

2.1.2 Statement of Compliance and basis of preparation

The Financial Reporting Act 2015 (FRA) was enacted in 2015. Under the FRA, the Financial Reporting Council (FRC) is to be formed and it is to issue financial reporting standards for public interest entities such as banks. The Bank Company Act 1991 has been amended to require banks to prepare their financial statements under such financial reporting standards. The FRC has been formed but yet to issue any financial reporting standards as per the provisions of the FRA and hence International Financial Reporting Standards (IFRS) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) are still applicable. The Bank complied with the requirements of following laws and regulations from regulatory bodies and legal authorities:

- i) The Bank Company Act, 1991 and amendment (Up to 2022)
- ii) The Companies Act, 1994;
- iii) Circulars, Rules and Regulations issued by Bangladesh Bank (BB) time to time;



- iv) Bangladesh Securities and Exchange Rules 1987
- v) Bangladesh Securities and Exchange ordinance 1969
- vi) Bangladesh Securities and Exchange Act 1993
- vii) Bangladesh Securities and Exchange Commission (Public Issue) Rules 2015;
- viii) The Income Tax ordinance, 1984 and amendment thereon
- ix) The Value Added Tax and supplementary duty Act, 2012 & Rule 2016 and amendment thereon
- x) Dhaka Stock Exchange Limited (DSE), Chittagong Stock Exchange Limited (CSE) and Central Depository Bangladesh Limited (CDBL) rules and regulations; and
- xi) Financial Reporting Act 2015.

In case any requirement of the Bank Company Act 1991, and provisions and circulars issued by Bangladesh Bank (BB) differ with those of IFRSs, the requirements of the Bank Company Act 1991, and provisions and circulars issued by BB shall prevail. Material departures from the requirements of IFRS are as follows:

i) **Presentation of financial statements**

IFRS: As per IAS 1, a complete set of financial statements comprises a statement of financial position, a statement of profit or loss and other comprehensive income, a statement of changes in equity, a statement of cash flows, notes comprising a summary of significant accounting policies and other explanatory information and comparative information. IAS 1 has also stated the entity to disclose assets and liabilities under current and non-current classification separately in its statement of financial position.

Bangladesh Bank: A format of financial statements (i.e. balance sheet, profit and loss account, cash flows statement, changes in equity, liquidity statement) is prescribed in the First Schedule” of section 38 of the Bank Company Act 1991 (amended up to 2021) and BRPD circular no. 14 dated 25 June 2003 of Bangladesh Bank. Assets and liabilities are not classified under current and non-current heading in the prescribed format of financial statements.

ii) **Investment in shares and securities**

IFRS: As per requirements of IFRS 9, classification and measurement of investment in shares and securities will depend on how these are managed (the entity’s business model) and their contractual cash flow characteristics. Based on these factors it would generally fall either under “at fair value through profit or loss account” or under “at fair value through other comprehensive income” where any change in the fair value (as measured in accordance with IFRS 13) at the year-end is taken to profit and loss account or other comprehensive income respectively.

Bangladesh Bank: As per BRPD circular no. 14 dated 25 June 2003 investments in quoted shares and unquoted shares are revalued at the year end at market price and as per book value of last audited balance sheet respectively. As per DOS circular letter no. 03 dated March 12, 2015, investment in Mutual Fund (close-end) is revalued at lower of cost and (higher of market value and 85% of NAV). Provision should be made for any loss arising from diminution in value of investment; otherwise investments are recognised at cost.

iii) **Revaluation gains/losses on Government securities**

IFRS: As per requirement of IFRS 9 where securities will fall under the category of fair value through profit or loss account, any change in the fair value of assets is recognised through the profit and loss account. Securities designated as amortised cost are measured at effective interest rate method and interest income is recognised through the profit and loss account.



Bangladesh Bank: HFT securities are revalued on the basis of marked to market and at year end any gains on revaluation of securities which have not matured as at the balance sheet date are recognised in other reserves as a part of equity and any losses on revaluation of securities which have not matured as at the balance sheet date are charged in the profit and loss account. Interest on HFT securities including amortization of discount is recognised in the profit and loss account. HTM securities which have not matured as at the balance sheet date are amortised at the year end, gains on amortisation are recognised in other reserve as a part of equity and losses on amortisation are recognised in Expenditure (Profit and Loss) account according to DOS Circular no. 05 dated 26 May 2008 and subsequent clarification in DOS Circular no. 05 dated 28 January 2009 about marking to market based revaluation.

iv) **Provision on loans and advances/investments**

IFRS: As per IFRS 9 an entity shall recognise an impairment allowance on loans and advances based on expected credit losses. At each reporting date, an entity shall measure the impairment allowance for loans and advances at an amount equal to the lifetime expected credit losses if the credit risk on these loans and advances has increased significantly since initial recognition whether assessed on an individual or collective basis considering all reasonable information, including that which is forward-looking. For those loans and advances for which the credit risk has not increased significantly since initial recognition, at each reporting date, an entity shall measure the impairment allowance at an amount equal to 12 month expected credit losses that may result from default events on such loans and advances that are possible within 12 months after reporting date.

Bangladesh Bank: As per BRPD circular letter no-53 (22 December, 2022), BRPD circular letter no-51 (18 December, 2022), BRPD circular letter no-33 (03 August, 2022), BRPD circular no-14 (22 June, 2022), BRPD circular letter no-53 (30 December, 2021), BRPD circular letter no-52 (29 December, 2021), BRPD circular letter no-51 (29 December, 2021), BRPD circular letter no-50 (14 December, 2021), BRPD circular letter no-45 (04 October, 2021), BRPD circular no-19 (26 August, 2021), BRPD circular no-05 (24 March, 2021), BRPD circular no-03 (31 January, 2021), BRPD circular letter no-56 (10 December, 2020), BRPD Circular Letter No. 52 (20 October, 2020), BRPD Circular No. 17 (28 September 2020), BRPD Circular No. 16 (21 July 2020), BRPD circular letter No.07 (19 March 2020), BRPD circular letter No.06 (19 May 2019), BRPD Circular No. 03 (21 April 2019) BRPD Circular No. 15 (27 September 2017), BRPD Circular No. 14 (23 September 2012), BRPD Circular No. 32 (27 October 2010) a general provision at 0.25% to 2% under different categories of unclassified loans (good/standard loans) has to be maintained regardless of objective evidence of impairment. Also provision for sub-standard loans, doubtful loans and bad/losses has to be provided at 5% to 20%, 5% to 50% and 100% respectively for loans and advances depending on the duration of overdue. Again as per BRPD circular no. 13 dated 18 October 2018, BRPD circular no. 07 dated 21 June 2018, BRPD circular no. 14 dated 23 September 2012 a general provision at 1% is required to be provided for all off-balance sheet exposures. Such provision policies are not specifically in line with those prescribed by IFRS 9.

As per BRPD circular no. 14 dated 23 September 2012, once a loan is classified, interest on such loans are not allowed to be recognized as income, rather the corresponding amount needs to be credited to an interest in suspense account, which is presented as liability in the balance sheet.



Other comprehensive income

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

Bangladesh Bank: Bangladesh Bank has issued templates for financial statements which will strictly be followed by all banks. The templates of financial statements issued by Bangladesh Bank neither include Other Comprehensive Income nor are the elements of Other Comprehensive Income allowed to be included in a single Other Comprehensive Income (OCI) Statement.

As such the Bank does not prepare the other comprehensive income statement. However, elements of OCI, if any, are shown in the statements of changes in equity.

v) Financial instruments – presentation and disclosure

In several cases Bangladesh Bank guidelines categories, recognize, measure and present financial instruments differently from those prescribed in IFRS 9. As such full disclosure and presentation requirements of IFRS 7 and IAS 32 cannot be made in the financial statements.

vi) Repo and reverse repo transactions

IFRS: As per IFRS 9 when an entity sells a financial asset and simultaneously enters into an agreement to repurchase the asset (or a similar asset) at a fixed price on a future date (repo), the arrangement is treated as a loan and the underlying asset continues to be recognized at amortized cost in the entity's financial statements. The difference between selling price and repurchase price will be treated as interest expense. The same rule applies to the opposite side of the transaction (reverse repo).

Bangladesh Bank: As per DOS Circular letter no. 6 dated 15 July 2010 and subsequent clarification in DOS Circular no 03 dated 30 January 2012 and DOS circular no. 2 dated 23 January 2013, when a bank sells a financial asset and simultaneously enters into an agreement to repurchase the asset (or a similar asset) at a fixed price on a future date (repo or stock lending), the arrangement is accounted for as a normal sales transactions and the financial assets are derecognized in the seller's book and recognized in the buyer's book.

However, as per DMD circular letter no. 7 dated 29 July 2012, non-primary dealer banks are eligible to participate in the Assured Liquidity Support (ALS) programme, whereby such banks may enter collateralized repo arrangements with Bangladesh Bank.

Here the selling bank accounts for the arrangement as a loan, thereby continuing to recognize the asset.

vii) Financial guarantees

IFRS: As per IFRS 9, financial guarantees are contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtors fails to make payment when due in accordance with the original or modified terms of a debt instrument. Financial guarantee liabilities are recognised initially at their fair value plus transaction costs that are directly attributable to the issue of the financial liabilities. The financial guarantee liability is subsequently measured at the higher of the amount of loss allowance for expected credit losses as per impairment requirement and the amount initially recognised less, income recognised in accordance with the principles of IFRS 15. Financial guarantees are included within other liabilities.



Bangladesh Bank: As per BRPD 14, dated 25 June 2003 financial guarantees such as letter of credit, letter of guarantee will be treated as off-balance sheet items. No liability is recognised for the guarantee except the cash margin and 1% general provision for all contingent liabilities.

viii) **Cash and cash equivalent**

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

Bangladesh Bank: Some highly liquid assets such as money at call and short notice, T-bills, prize bonds are not prescribed to be shown as cash and cash equivalents rather shown as face item in the balance sheet. However, in the cash flow statement, money at call and short notice and prize bonds are shown as cash and cash equivalents beside cash in hand, balance with Bangladesh Bank and other banks.

ix) **Non-banking assets**

IFRS: There is no specific guideline on Non-banking asset in IFRS.

Bangladesh Bank: As per BRPD 14 dated 25 June 2003, there must exist a face item named Non-banking asset.

x) **Cash flow statement**

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

Bangladesh Bank: As per BRPD 14 dated 25 June 2003, cash flow statement is the mixture of direct and indirect methods.

xi) **Balance with Bangladesh Bank: (Cash Reserve Requirement)**

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

Bangladesh Bank: Balance with Bangladesh Bank is treated as cash and cash equivalents

xii) **Presentation of intangible asset**

IFRS: An intangible asset must be identified and recognised, and the disclosure must be given as per IAS 38.

Bangladesh Bank: There is no regulation for intangible assets in BRPD 14 dated 25 June 2003.

xiii) **Off-balance sheet items**

IFRS: There is no requirement for disclosure of off-balance sheet items on the face of the balance sheet.

Bangladesh Bank: As per BRPD 14 dated 25 June 2003, off balance sheet items (e.g. Letter of credit, Letter of guarantee, etc.) must be disclosed separately on the face of the balance sheet.

xiv) **Disclosure of appropriation of profit**

IFRS: There is no requirement to show appropriation of profit on the face of statement of comprehensive income.



Bangladesh Bank: As per BRPD circular no. 14, dated 25 June 2003, an appropriation of profit should be disclosed on the face of Profit and Loss Account.

xv) **Loans and Advances/Investments net of provision**

IFRS: Loans and advances/Investments should be presented net off provision.

Bangladesh Bank: As per BRPD 14 dated 25 June 2003 provision for loans and advances/investments is presented separately as liability and cannot be netted off against loans and advances.

xvi) **Recognition of interest in suspense**

IFRS: Loans and advances to customers are generally classified at amortised cost as per IFRS 9 and interest income is recognised by using the effective interest rate method to the gross carrying amount over the term of the loan. Once a loan subsequently become credit-impaired, the entity shall apply the effective interest rate to the amortised cost of these loans and advances.

Bangladesh Bank: As per BRPD circular no. 14 dated 23 September 2012, once a loan is classified, interest on such loans are not allowed to be recognised as income, rather the corresponding amount needs to be credited to an interest in suspense account, which is presented as liability in the balance sheet.

xvii) **Provision on undrawn loan commitments**

IFRS: As per IFRS 9 bank shall recognise credit losses on undrawn loan commitments such as Letter of Credit (L/C), Letter of Guarantee (L/G) etc. as the present value of the difference between the contractual cash flow that are due by the customer if the commitment is drawn down and the cash flows that bank expects to receive.

Bangladesh Bank: As per BRPD Circular no. 07 dated 21 June 2018 and BRPD Circular no.14 dated 23 September 2012, the Bank is required to maintain provision at 1% rate against off-balance sheet exposures (which includes all types of undrawn loan commitments).

2.1.3 Basis of accounting

The financial statements, namely, Balance Sheet, Profit and Loss Account, 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 Bank Company Act 1991, as amended, BRPD circular no. 14 of 25 June 2003, other Bangladesh Bank circulars, the Companies Act 1994, the Bangladesh Securities and Exchange Rules 1987, International Accounting Standards and International Financial Reporting Standards 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.

2.1.4 Going Concern

The accompanying financial statements have been prepared on a going concern assumption that the Bank will continue in operation for the foreseeable future. The Bank has neither any intention nor any legal or regulatory compulsion to liquidate or curtail materially the scale of any of its operations. The key financial parameters (including liquidity, profitability, asset quality, provision sufficiency and capital adequacy) of the Bank continued to show a healthy trend for couple of years. The rating outlook of the bank, as reported by the rating agency is 'Stable'. The management do not see any issue with respect to going concern due to recent pandemic COVID-19. Besides, the management is not aware of any material uncertainties that may cast significant doubt upon the Bank's ability to continue as a going concern.



2.1.5 Use of estimates and judgments

In preparing these consolidated financial statements in conformity with International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) management has required to make judgments, estimates and assumptions that act the application of bank's accounting policies and the reported amounts of assets liabilities, income and expenses. Actual results may differ from these estimates.

The most critical estimates and judgments are applied to the following:

- Provision for loan and advances/investments
- Employee benefit
- Income tax
- Deferred tax assets/liabilities
- Useful lives of depreciable assets regard to noncurrent assets
- Revaluation of land

However, underlying assumptions on estimates are reviewed on a going concern basis and revisions thereon are recognized in the period in which the estimates are revised. It is also required to disclose the contingent assets and liabilities at the date of the financial statements in accordance with the guidelines as prescribed by IAS 37: "Provisions, Contingent Liabilities and Contingent Assets".

2.1.6 Foreign currency transactions

i. Functional and presentational currency

Financial statements of the Bank are presented in Taka, which is the Bank's functional and presentation 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 IAS-21 "The effects of Changes in Foreign Exchange Rates".

Assets and liabilities in foreign currencies at 31 December 2022 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."

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.

2.1.7 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.



The consolidated financial statements include the financial statements of Pubali Bank Limited and its subsidiary, i.e. Pubali Bank Securities Limited prepared at the end of the financial year. The consolidated financial statements have been prepared in accordance with International Accounting Standards (IAS)-27, "Separate Financial Statements" and International Financial Reporting Standard (IFRS)-10, "Consolidated Financial Statements". The consolidated Financial Statements are prepared for the same year ended on 31 December 2022.

Subsidiaries

Subsidiaries' are entities controlled by the Group. The Group 'controls' an entity if it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Group reassesses whether it has control if there are changes to one or more of the elements of control. This includes circumstances in which protective rights held (e.g. those resulting from a lending relationship) become substantive and lead to the Group having power over an investee.

The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Intra-company transactions, balances and intra-group gains on transaction between group companies are eliminated on consolidation.

2.1.8 Accounting for Provisions, Contingent Liabilities and Contingent Assets

The Bank recognizes provisions only when it has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

No provision is recognized for-

a. Any possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Bank; or

b. Any present obligation that arises from past events but is not recognized because-

* It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

* A reliable estimate of the amount of obligation cannot be made.

Such obligations are recorded as contingent liabilities. These are assessed continually and only that part of the obligation for which an outflow of resources embodying economic benefits is probable, is provided for except in the extremely rare circumstances where no reliable estimate can be made.

Contingent assets are not recognized in the financial statement since this may result in the recognition of income that may never be realized. However due to regulations of Bangladesh Bank (Central Bank of Bangladesh) and Bank Company Act 1991 as amended, all items of such contingent assets/liabilities are shown as Off-Balance Sheet items under Balance Sheet of the Bank as a separate section.

2.1.9 Taxation

Income tax expense represents the sum of the current tax and deferred tax. Current tax and deferred tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity.



Current tax

The current tax is the expected tax payable on taxable profit for the period ended on 31 December 2022. Taxable profit differs from profit as reported in the Profit and Loss Account 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 of the bank has been made @ 37.50% on taxable income considering major disallowances of expenses and concessional rates on certain incomes (15% on gain from govt. securities, 10% on Capital gain of shares and 20% on dividend income) as per Income Tax Ordinance 1984. Tax provision of the subsidiaries at different rates are also applicable as per the Income Tax Ordinance 1984.

Deferred tax

Deferred tax assets or liabilities are recognised by the Bank on deductible or taxable temporary difference between the carrying amount of assets and liabilities used for financial reporting and the amount used for taxation purpose as required by IAS 12 (Income Taxes) and BRPD circular no-11 dated 12 December 2011.

Deferred tax assets is recognised for the carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences or unused tax losses and credits can be utilized.

Deferred tax liabilities are the amount of income taxes payable in future periods in respect of taxable temporary differences. Deferred tax 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 reviewed at each reporting period and are measured using applicable tax rates as per tax laws that have been enacted or substantially enacted at the date of Balance Sheet. Any unrecognised deferred tax assets and liabilities are reassessed at each reporting period and recognised only if that has become probable that future taxable profit or loss will be available against which they can be used or settled.

Details of deferred tax assets or liabilities an amount recognised in profit and loss account for deferred tax income or expense are given in note no. 14.9.2.2 in the financial statements.

2.1.10 Reporting period

These financial statements cover one calendar year from 01 January 2022 to 31 December 2022.

2.2 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all the periods presented in these financial statements and have been applied consistently by the Bank.



Assets and basis of their valuation

2.2.1 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.

2.2.2 Investments

All investments are initially recognised at cost, including acquisition charges associated with the investment. Investments classified as government/Bangladesh Bank treasury securities (categorised as HTM or/and HFT) are subsequently measured as per DOS circular no. 5 dated 26 May 2008 and subsequent clarifications on 28 January 2009. Investments classified as non-government treasury securities are subsequently measured either at cost or market value less any recoverable cost. Details are given below:

i) Held to Maturity (HTM)

Investments which are intended to be held till maturity are classified as Held to Maturity (HTM). These are measured at amortised cost at each year-end by taking into account any discount or premium on acquisition. Premiums are amortised and discounts are accredited, using the effective or historical yield. Any increase in value of securities is booked to equity but decrease to profit and loss account. Income is recognised to profit and loss account on earned basis as per BB guideline.

ii) Held for Trading (HFT)

These are investments primarily held for selling or trading. After initial recognition, investments are marked-to-market on weekly basis. Any decrease in revaluation of securities is recognised to profit and loss account, but any increase of value of securities is booked to revaluation reserve account as per BB DOS circular no. 5 dated 28 January 2009. Income is recognised to profit and loss account on earned basis as per BB guideline.

iii) REPO and reverse REPO

The Bank has been recording transactions of REPO and reverse REPO following DOS circular no. 6 dated 15 July 2010 of BB. In case of REPO of both coupon and non-coupon bearing (treasury bill) securities, the Bank adjusts the revaluation reserve account for HFT securities and stops the weekly revaluation (if the revaluation date falls within the REPO period) of the same security. For interest bearing security, the Bank does not accrue interest during REPO period.

2.2.3 Investment in listed securities

These securities are bought and held primarily for the purpose of selling them in future or held for dividend income which are reported at cost. Unrealised gains are not recognised in the profit and loss statement. But provision was made for diminution in value of investment.

As per Bangladesh Bank DOS Circular # 04 dated 24 November 2011, provision for diminution in value of investment was made by netting off unrealised gain/ loss of shares from market price/ book value less cost price.

2.2.4 Investment in unquoted securities

Investment in unlisted securities is reported at cost under cost method. Adjustment is given for any shortage of book value over cost for determining the carrying amount of investment in unlisted securities.

Besides, bank complied with Bangladesh Bank BRPD Circular 14 dated June 25, 2003 as follows, "All investments in shares and securities (both dealing and investment) should be revalued at the year-end. The quoted shares should be valued as per market price in the stock exchange(s) and unquoted shares as per book value of last audited balance sheet. Provision should be made for any loss arising from diminution in value of investments."

Investments – Initial recognition and subsequent measurement at a glance

Investments are stated as per following bases:

Investment class	Initial recognition	Measurement after initial recognition	Recording of changes
Govt. T-bills/bonds - Held for Trading (HFT)	Cost	Fair value	Revaluation loss to profit and loss account, but gain to revaluation reserve account.
Govt. T-bills/T-bonds - Held to Maturity (HTM)	Cost	Amortised cost	Increase in value of securities is booked to equity as amortization gain, but decrease to profit and loss account.
Debenture/bond	Cost	Cost	At realizable value. Unrealised loss to profit and loss account.
Shares (quoted) *	Cost	Lower of cost or market value (portfolio basis)	Provision for revaluation loss (net off gain) is charged to profit and loss account but no unrealised gain booking.
Shares (unquoted)*	Cost	Lower of cost or Net Asset Value (NAV)	Provision for unrealised loss to profit and loss account but no unrealised gain booking.
Mutual fund (closed-end) *	Cost	Lower of cost or (higher of market value or 85% of NAV)	Provision for unrealised loss (net) to profit and loss account but no unrealised gain booking.
Prize bonds	Cost	Cost	None

* Provision for shares against unrealised loss (gain net off) has been made as per DOS circular no. 4 dated 24 November 2011 and for mutual funds (closed-end) as per DOS circular letter no. 3 dated 12 March 2015 of Bangladesh Bank.

2.2.5 Investment in subsidiary

Investment in subsidiary is accounted for under the cost method of accounting in the Bank's financial statements in accordance with the IAS 27 "Separate Financial Statements", IFRS 3 "Business Combination", IAS 36 "Impairment of Assets" and IFRS 10 "Consolidated Financial Statements".



2.2.6 Impairment of investment in subsidiaries and associates

As per IAS 36 “Impairment”, investment recognized either at cost or equity method need to review if there is any indication of impairment exists. If any indication of impairment exists then impairment test is carried out considering the individual subsidiary/associate as a “cash generating unit (CGU)” to find if the carrying value is higher than its recoverable amount. Recoverable amount is higher of fair value less cost to sell and value in use. If the fair value less cost to sell is not readily available then value in use is calculated which is basically present value of future cash flows.

2.2.7 Loans and advances

Loans and advances (initial recognition):

Loans and advances comprise of non-derivative financial assets with fixed or determinable payments and are not quoted in an active market. These are recognised at gross amount on the date on which they are originated. The group has not designated any loans and advances upon initial recognition as at fair value through profit and loss account or other comprehensive income.

After initial recognition, loans, advances and interest receivables are subsequently measured at amortised cost using effective interest rate (EIR) over the relevant periods. The amortised cost of a financial asset is the amount at which the asset is measured at initial recognition less principal repayments, using EIR method. The EIR is the rate that exactly discounts estimated future cash receipts (estimates cash flows considering all contractual terms of the instrument but not future credit losses) during the expected life of the financial instrument.

Loans and advances (provisioning):

Provision for loans and advances is made on the basis of periodical review by the management and of instructions contained in Bangladesh Bank’s BRPD circular letter no-53 (22 December, 2022), BRPD circular letter no-51 (18 December, 2022), BRPD circular letter no-33 (03 August, 2022), BRPD circular no-14 (22 June, 2022), BRPD circular letter no-53 (30 December, 2021), BRPD circular letter no-52 (29 December, 2021), BRPD circular letter no-51 (29 December, 2021), BRPD circular letter no-50 (14 December, 2021), BRPD circular letter no-45 (04 October, 2021), BRPD circular no-19 (26 August, 2021), BRPD circular no-05 (24 March, 2021), BRPD circular no-03 (31 January, 2021), BRPD circular letter no-56 (10 December, 2020), BRPD Circular Letter No. 52 (20 October, 2020), BRPD Circular No. 17 (28 September 2020), BRPD Circular No. 16 (21 July 2020), BRPD circular letter No.07 (19 March 2020), BRPD circular letter No.06 (19 May 2019), BRPD Circular No. 03 (21 April 2019) BRPD Circular No. 15 (27 September 2017), BRPD Circular No. 14 (23 September 2012), BRPD Circular No. 15 (23 September 2012), BRPD Circular No. 32 (27 October 2010) respectively at the following rates:

(i)	General provision on unclassified loans and advances :	Rate
	Standard general loans and advances (others)	1%
	Standard Small and Medium enterprise Financing	0.25%
	Standard loans to Merchant Banking/BHs/SDs	2%
	Standard loans for professional to set up a business and credit card	2%

	Standard Housing Finance(HF)	1%
	Standard Consumers loan other than HF	2%
	Standard Short term Agri. and Micro credit	1%
	Special Mention Account general Loans and advances (others)	1%
	Special mention account Small and Medium enterprise Financing	0.25%
	Special mention account loans to BHs/MBs/SDs	2%
	Special mention account LP and credit card	2%
	Special mention account Housing Finance (HF)	1%
	Special mention account Consumer's loan scheme other than HF	2%
(ii)	Specific provision on classified loans and advances :	
	Substandard (Agri. and Micro credit)	5%
	Substandard (small, cottage, micro)	5%
	Substandard (others)	20%
	Doubtful (Agri. and Micro credit)	5%
	Doubtful (small, cottage, micro)	20%
	Doubtful (Others)	50%
	Bad or Loss	100%

Loans and advances (write-off):

Loans and advances are written off to the extent that there is no realistic prospect of recovery and in accordance with BRPD circular No.01 (06 February 2019), BRPD circular No.13 (07 November 2013), DOS circular No.01 dated (29 December 2004), BRPD letter No.1290 dated 29 March 2003 and BRPD circular No.2 (13 January 2003). 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.



Loans and advances (recovery from written off):

The bank puts continuous effort for recovery from written off loans and advances in compliance with Section 28ka of the Banking Companies Act 1991 (as amended up to date) and BRPD circular no. 01 dated 6 February 2019. The Bank takes necessary legal measures against default borrowers for recovery against written off loans and advances as per relevant BB guidelines and Artha Rin Adalat Act-2003. Legal cost incurred against those borrowers are initially charged to the profit and loss account of the bank.

2.2.8 Property, Plant and equipment

Recognition and Measurement

All fixed assets are stated at cost less accumulated depreciation as per IAS 16 Property Plant and Equipment except Land. Land is initially measured at cost and then recognized at revalued amount.

The cost of an item of property, plant and equipment is recognized as an asset if it is probable that future economic benefits associated with the item will flow to the entity; and the cost of the item can be measured reliably.

The cost of the items of property, plant and equipment comprises:

- i) its purchase price, including import duties and non-refundable purchase tax, after deducting trade discount and rebates
- ii) any cost directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- iii) the initial estimate of the cost of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as consequence of having used the item during a particular period of purpose other than to produce during that period.

Subsequent costs

The cost of replacing part of an item of fixed assets is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of fixed assets are recognized in profit or loss as incurred.

Depreciation

Land is not depreciated. Depreciation is charged at the rates as per our Bank's policy on diminishing balance method with the exception of Computers and Accessories, Machinery and Equipment and Motor vehicles on which straight-line method is applied. Cost of lifts is included in machinery and equipment and depreciated on straight line method.

In case of acquisition of fixed assets, depreciation has been charged from the month of acquisition, whereas no depreciation on assets disposed-off has been charged from the month of disposal.



Depreciation at applicable rates is charged on additions to fixed assets during the period from 21 December of the previous Year to 20 December of the current Year. Asset category wise depreciation rates are as follows:

Category of asset	Method	Rate of Depreciation
Freehold Land	N/A	-
Leasehold Land	Fixed	-
Buildings	Diminishing Balance	2.50%
Furniture and Fixtures	Diminishing Balance	10%
Machinery and Equipment	Straight Line	20%
Computers and Computer Accessories	Straight Line	30%, 30% & 40%
Motor Vehicles	Straight Line	20%

Gain or Loss on disposal of Fixed Assets

Sale price of fixed assets are determined on the basis of fair value of the assets. Gain or loss on sale of assets are recognized in profit and loss account as per provision of IAS 16 Property plant and equipment.

Revaluation

Increases in the carrying amount as a result of revaluation is credited directly to shareholders equity under the heading of revaluation reserve. Decreases in the carrying amount as a result of revaluation is recognized as an expense. However, a revaluation decrease is charged directly against any related revaluation surplus to the extent that the decrease does not exceed the amount held in the revaluation surplus in respect of that same assets.

2.2.9 Intangible assets and amortization of intangible assets

An intangible asset is recognized (as per IAS-38) if it is probable that the future economic benefits that are attributable to the asset will flow to the entity and the cost of the assets can be measured reliably. The estimated useful life of software is three to five years. Amortization methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. System and software is amortized at the rates of 30%, 30% and 40% on the straight line basis. Expenditure incurred for system and software is capitalized only when it enhances and extends the economic benefits of software beyond its original specification and life and such cost is recognized as capital improvement and added to the original cost of software.

2.2.10 Investment properties

a) Investment property is held to earn rentals or for capital appreciation or both and the future economic benefits that are associated with the investment property but not held for sale in the ordinary course of business.

b) Investment property is accounted for under cost model in the financial statements. Accordingly, after recognition as an asset, the property is carried at its cost, less accumulated depreciation and accumulated impairment loss.

2.2.11 Other Assets

Other Assets include mainly advance office rent, payment of advance income tax has not been closed yet and all other financial assets, fees and other unrealized income receivable, advance for operating expenditure and stocks of stationery and stamps etc. Any part of uncollectible other assets is subject to making provision based on their ageing as per Bangladesh Bank BRPD circular no. 4 date 12 April 2022.



2.3 Liabilities and basis of their valuation

2.3.1 Subordinated Bonds & Perpetual Bonds

Subordinated bonds include fund raised from several banks through issuance of 7 (seven) years Bonds. These items are brought to financial statements at the gross value of the outstanding balance.

Unsecured, Contingent-Convertible, fully paid-up, non-cumulative, Basel III compliant perpetual bonds are issued for raising Additional Tier-I Capital.

2.3.2 Borrowings from other banks, financial institutions and agents

Borrowings from other banks, financial institutions and agents include refinance from Bangladesh Bank against agro-based credit, SME Loan etc., interest-bearing borrowings against securities from Bangladesh Bank and call borrowing from other banks. These items are brought to financial statements at the gross value of the outstanding balance. Details are shown in note 11.

2.3.3 Deposits and other accounts

Deposits and other accounts include non-interest-bearing current deposit redeemable at call, interest bearing on demand and short-term deposit, savings deposit and fixed deposit. These items are brought into financial statements are at the gross value of outstanding balance. Details are shown in note 13.

2.3.4 Other Liabilities

Other liabilities comprise items such as provision for loans and advances, provision for interest receivables, provision for taxes, interest payable, interest suspense, and accrued expenses. Other liability is recognized in the balance sheet according to the guideline of Bangladesh bank, IAS and IFRS, Income Tax Ordinance-1984 and internal policies of the Bank.

Provisions and accrued expenses are recognized in the financial statement when the bank has a legal or constructive obligation as a result of past event, it is probable that an outflow of economic benefit will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

2.4 Capital/Shareholders' equity

Capital management

"The Bank has a capital management process in place to measure, deploy and monitor its available capital and assess its adequacy. This capital management process aims to achieve the following objectives:

- To comply with the capital requirements set by the regulators;
- To safeguard the Bank's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders;
- To maintain a strong capital base to support the development of its business.

Capital is managed in accordance with the Board approved Capital Management Planning. Senior management develops the capital strategy and oversee the capital management planning of the Bank. The Bank's finance, treasury and risk management departments are key participators in implementing the Bank's capital strategy and managing capital. Capital is managed using both regulatory capital measures and internal matrix."



2.4.1 Authorised capital

Authorised capital is the maximum amount of share capital that the Bank is authorised by its Memorandum and Articles of Association.

2.4.2 Paid up capital

Paid up capital represents total amount of shareholders' capital that has been paid in full by the ordinary shareholders. Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at shareholders' meetings. In the event of a winding-up of the Bank, ordinary shareholders rank after all other shareholders and creditors and are fully entitled to any residual proceeds of liquidation.

2.4.3 Statutory reserve

Statutory reserve has been maintained at the rate of 20% of profit before tax in accordance with provisions of section 24 of the Bank Company Act, 1991. Such transfer shall continue until the reserve balance equals its paid up capital together with the share premium.

2.4.4 Revaluation reserve

Revaluation reserve for government securities

Revaluation reserve for government securities arises from the revaluation of treasury bills, Bangladesh Bank bills and treasury bonds (HFT and HTM) in accordance with the DOS Circular no. 5 dated 26 May 2008 and DOS (SR) 1153/120/2010 dated 08 December 2010.

Revaluation reserve for fixed assets

Revaluation reserve for fixed assets arises from the revaluation of any class of fixed assets when the market price of the assets increased significantly from the carrying value. When an asset's carrying amount is increased as a result of revaluation, the increased amount is recognised directly to equity under the heading of revaluation surplus/reserve as per IAS 16 "Property, Plant and Equipment".

2.4.5 Non-controlling (minority) interest

Minority interest (non-controlling interest) in business is an accounting concept that refers to the portion of a subsidiary company's stock that is not owned by the parent company. The magnitude of the minority interest in Pubali Bank Securities Limited, (a majority owned subsidiary (99.99%) of Pubali Bank Limited) is very insignificant. Minority interest belongs to sponsor Director of the Bank and is reported on the consolidated balance sheet to reflect the claim on assets belonging to the other non-controlling shareholder. Also, minority interest is reported on the consolidated income statement as a share of profit belonging to the minority shareholder.

2.5 Retirement benefits to the employees

a) Provident fund

The Bank operates a contributory provident fund for its eligible employees. The Commissioner of Income Taxes, Dhaka has approved the provident fund as a recognized 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 10%-30% and Bank @10% of basic salary. Provident fund is invested by the Trustees as laid down in clause (2) of rules 3 (1) of the Income-Tax (Provident Fund Relief Rules) (Notification no.9 dated



15.3.1930) whereas Trust Act 1882. 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.

b) Gratuity

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.

Provision for gratuity is made on monthly basis on the basis of actuarial valuation. Pubali Bank Limited maintained an investment of Tk. 549.64 crore as gratuity fund against the Gratuity Liability as on 31.12.2022. Three years, or immediately after any major change in the salary structure that could impact the periodic amount of contributions. The last valuation was carried out on 31 December 2022 by Air Consulting Limited and as per their recommendation the defined benefit obligation of BDT 549.64 Crore.

c) Workers' Profit Participation Fund (WPPF)

As per Bangladesh Labour Act 2006 and SRO no. 336/Law/2010, all companies fall within the scope of WPPF are required to provide @ 5% of its profit before charging such expense to their eligible employees within the stipulated time. Consistent with the industry practice and subsequent clarification given by Bank & Financial Institutions Division (BFID), Ministry of Finance, no provision has been made by the Bank in the reporting period against Workers' Profit Participation Fund (WPPF).

d) Other Employee Benefits

Group Term Life Insurance

All regular employees are eligible for Group Term Life Insurance (death claim) according to their Ranks.

Staff Welfare Fund

The objective of the Staff Welfare Fund is to provide financial assistance to regular category employee and their declared dependents of the bank incurring severe accident during office duty, extended illness (not more than 6 months) which costs would not be affordable by the employee and which are not covered by any other means. This fund also offers Scholarship grants to their children for their outstanding performance in public examination. All members of this Fund shall contribute monthly to the fund according to their designation. The subscription is deducted from salary of employees and credited against separate index no. in "Staff Welfare fund" as a liability of the bank. The committee shall consist of 7 (seven) members including the Managing Director as the ex-officio Chairman, one DMD, The GM/DGM Head of the Human Resources Division as ex-officio Member-Secretary, Chief Financial Officer (CFO). The Division Head of Audit Division, GM/ DGM of HRD to be appointed by the Board of Directors of the Bank and one representative from Trade Union to be selected by them.



Festival bonus

All regular employees are entitled for two festival bonuses every year by the approval of Board of Directors.

Annual leave

According to Bangladesh Bank policy all permanent employees have to avail 10 consecutive days of mandatory leave. Besides this ordinary leave, maternity leave, casual leave & quarantine leave also sanctioned in favor of the official as per leave guidelines as stated in the Service Rule of the Bank.

Subsidized Scheme - Staff Loan

Demand Loan against P.F., Consumers Loan Scheme, House Building Loan, Education Loan, Car Loan, and Motor Cycle Loan are provided to the confirmed employee at a subsidized rate. Criteria & details of types wise staff loan is given below:

Staff Loan Scheme

A Confirmed employee who have completed at least 05 (Five) years of service in the Bank having clean service record can avail Staff Consumers Loan taking approval from department head and head of HR subject to completion of a specific service length. A confirmed employee can also avail Demand Loan against P.F. Balance if he/she has clean service record.

House building Loan

A regular employee having clean and satisfactory service record at least 05 (Five) years confirmed service and at least 02 (two) years active service before retirement can avail the loan maximum 120 times of his existing basic pay at the rate of interest 4% (simple) per annum for 20 years by the authority of Staff House Building Loan Sanctioning Committee.

Car Loan & Motorcycle Loan

All Executives i.e. AGM and above can avail Car Loan facility by taking approval from the Car Loan Recommending Committee and all confirmed Officers are eligible for Motor Cycle Loan (Interest free) by taking approval from the competent authority at Head Office.

2.6 Revenue recognition

i) Interest income

Interest on unclassified loans and advances (except those of rescheduled and stay order accounts) is recognised as income on accrual basis, interest on classified loans and advances (including rescheduled and stay order accounts) is credited to interest suspense account with actual receipt of interest there from credited to income as and when received as per instruction contained in BRPD circular no. 14 dated 23 September 2012, BRPD circular no. 19 dated 27 December 2012, BRPD circular no. 16 dated 18 November 2014, BRPD circular no. 03 dated 21 April 2019, BRPD circular no. 8 dated 12 April 2020, BRPD circular no 12 dated 10 June 2020, BRPD circular no 17 dated 28 September 2020 and BRPD circular letter no 56 dated 10 December 2020. BRPD circular letter no-50 (14 December, 2021), BRPD circular letter no-52 (29 December, 2021) and BRPD circular letter no-53 (30 December, 2021).



ii) Income from investments (interest and others)

Income on investments in Government and other securities, debentures and bonds are accounted for on accrual basis as per the provisions of IFRS 15 Revenue from contracts with customers and relevant Bangladesh Bank guidelines.

iii) Fees and commission income

Fees and commission income arising from services provided by the Bank are recognised as income on earned basis as per IFRS 15 Revenue from contracts with customers. Fees and commission charged to customers on trade finance i.e., L/C, L/G, acceptance and other general banking services i.e., card services, management fees, arrangement fees, locker charges etc. are recognised as income when a performance obligation is satisfied by transferring a promised service to customer by the bank, and at the time of effecting the transactions except those which are received in advance.

iv) Income from investments (non-interest income)

Non-interest investment income i.e., gain/loss arising from trading in government securities (HFT), quoted and unquoted shares & mutual funds are recognised in profit and loss account at the time of effecting the transactions except those which are restricted by Bangladesh Bank.

v) Dividend income

Dividend income is recognized when shareholders' right to receive is established.

2.7 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 2022 as per IAS-33 "Earnings per Share". Diluted earnings per share was not required to calculate as no dilution occurred.

2.8 Provisions on balances with other banks and financial institutions (Nostro accounts)

Provisions for unsettled transactions on nostro accounts are reviewed semi-annually by management and certified by our external auditors in accordance with Bangladesh Bank Foreign Exchange Policy Department (FEPD) Circular No. 677 (13 September 2005). Bank is required to make provision regarding the un-reconciled debit balance as at balance sheet date.

2.9 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 however, formed a task force to take positive steps to eliminate the long outstanding inter-branch entries within the shortest period of time.



2.10 Basis of preparation of liquidity statement

The liquidity statement of assets and liabilities as on the reporting date has been prepared on residual maturity term as per the following basis:

Particulars	Basis of use
Cash, balance with other banks and financial institutions, money at call and short notice, etc.	Stated maturity/observed behavioral trend.
Investments	Residual maturity term.
Loans and advances	Repayment/maturity schedule and behavioral trend (non-maturity products).
Fixed assets	Useful life.
Other assets	Realisation/amortisation basis.
Borrowings from other banks and financial institutions	Maturity/repayment term.
Deposits and other accounts	Maturity and behavioral trend (non-maturity products).
Other long term liability	Maturity term.
Provision and other liability	Settlement/adjustment schedule basis.

2.11 Dividend

Dividend on ordinary shares are recognized as a liability and deducted from retained earnings when they are approved by the shareholders in the Annual General Meeting (AGM) of the Bank.

2.12 Compliance of International Accounting Standard, International Financial Reporting Standard (IAS), (IFRS)

Ref.	Name of the standards	Status
IFRS-1	First-time adoption of International financial Reporting Standards	Not applicable
IFRS-2	Share-based Payment	Not applicable
IFRS-3	Business Combinations	Complied
IFRS-4	Insurance Contracts	Not applicable
IFRS-5	Non-current assets Held for Sale and Discounted Operations	Not applicable
IFRS-6	Exploration for and Evaluation of Mineral Resources	Not applicable
IFRS-7	Financial Instruments: Disclosures	Complied *
IFRS-8	Operating Segments	Complied
IFRS-9	Financial Instruments	Complied *
IFRS-10	Consolidated Financial Statements	Complied
IFRS-11	Joint Arrangements	Not applicable
IFRS-12	Disclosure of Interests in Other Entities	Not applicable
IFRS-13	Fair Value Measurement	Complied
IFRS-14	Regulatory Deferral Accounts	Not applicable
IFRS-15	Revenue from Contracts with Customers	Complied
IFRS 16	Leases	Complied
IAS-1	Presentation of Financial Statements	Complied
IAS-2	Inventories	Not applicable
IAS-7	Statement of Cash Flows	Complied
IAS-8	Accounting Policies, Changes in Accounting Estimates and Errors	Complied
IAS-10	Events after the Reporting Period	Complied
IAS-12	Income taxes	Complied



IAS-16 Property, Plant and Equipment	Complied
IAS-19 Employee Benefits	Not Complied
IAS-20 Accounting for Government Grants and Disclosure of Government Assistance	Not applicable
IAS-21 The Effect of Changes in Foreign Exchanges Rates.	Complied
IAS-23 Borrowing Cost	Complied
IAS-24 Related party Disclosures	Complied
IAS-26 Accounting and Reporting by Retirement Benefit Plans	Not applicable
IAS-27 Separate Financial Statements	Complied
IAS-28 Investment in Associates	Not applicable
IAS-29 Financial Reporting in Hyperinflationary Economies	Not applicable
IAS-32 Financial Instruments: Presentation	Complied *
IAS-33 Earnings per Share	Complied
IAS-34 Interim Financial Reporting	Complied**
IAS-36 Impairment of Assets	Complied
IAS-37 Provisions, Contingent Liabilities and Contingent Assets	Complied
IAS-38 Intangible Assets	Complied
IAS-40 Investment Property	Not applicable
IAS-41 Agriculture	Not applicable

* Complied to the extent possible subject to compliance to Bangladesh Bank guidelines in this respect.

** Complied in the preparation of interim financial reports of the Bank.

Reason for departure from IFRS

The central Bank of Bangladesh (Bangladesh Bank) as regulator to the Banking Industry has issued a number of circulars/directives which are not consistent with the requirements specified in the IAS/IFRS as referred above. In such cases the bank has followed the regulatory requirements specified by the Bangladesh Bank.

Standards issued but not yet effective

A number of standards and amendments to standards are effective for annual periods beginning on or after 1 January 2022 and earlier application is permitted. However, the Bank has not early applied the following new standards in preparing these financial statements.

A. IFRS 17 Insurance Contracts

IFRS 17 was issued in May 2017 and applies to annual reporting periods beginning on or after 01 January 2023. IFRS 17 establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the standard. The objective of IFRS 17 is to ensure that an entity provides relevant information that faithfully represents those contracts. The Bank has not yet assessed in potential impact of IFRS 17 on its financial statements.

There are no other standards that are not yet effective and that would be expected to have a material impact on the Bank in the current or future reporting periods and on foreseeable future transactions.



2.13 Implementation of IFRS 16 and its relevant assumptions and disclosure

IFRS 16: Leases has come into force on 1 January 2019, as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB). As Bangladesh Bank (BB) has no other alternative regulation or guidance regarding the same, Pubali Bank applied IFRS 16 its financial statements using modified retrospective approach where the Bank measured the lease liability at the present value of the remaining lease payments, discounted it using the bank's incremental borrowing rate at the date of initial application, and recognized a right-of-use asset at the date of initial application on a lease by lease basis. Due to applying modified retrospective effect, prior year results have not been restated.

Right-of-use assets (ROU)

The Bank recognizes right-of-use assets at the date of initial application of IFRS 16. The ROU asset is initially measured at cost at the amount of the lease liability plus any initial direct costs incurred by the lessee and depreciated using the straight line methods from the commencement date (from the beginning of 2019) to the earlier of the end of the useful life of the right of use asset or the end of the lease term. The ROU assets are presented under fixed assets (note 9).

Lease Liability

At the commencement date of lease, the bank recognizes lease liabilities measured at the present value of the lease payments to be made over the lease term using incremental borrowing rate at the date of initial application. Lease liability is measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments.

The impact of the new standard on lessees' financial statements are:

- An increase in recognized assets and liabilities;
- More lease expenses recognized in early periods of lease, and less in the later periods of a lease;
- A shift in lease expense classification from rental expenses to interest expense and depreciation

As per IFRS 16: Leases, summary of lease related information is provided in the table below:

Summary of IFRS 16:	BDT in million	
Particulars	ROU Assets	Lease Liability
Opening Balance	1,741.47	1,500.46
Addition	702.66	702.66
Adjustment Advance rent	-	23.50
Interest Expense	-	134.86
Accumulated Depreciation/Lease Payment	(481.86)	(698.45)
Closing Balance	1,962.27	1,663.03

2.14 Risk Management

Banks operating in Bangladesh while conducting operations usually face 06 core risks i.e. Credit Risk, Internal Control & Compliance Risk. Money Laundering Risk, Asset Liability Management Risk, Foreign Exchange Risk, and Information & Communication Technology Risk. Moreover, Residual Risk, Concentration Risk, Liquidity Risk, Reputation Risk, Strategic Risk, Settlement Risk and Environmental & Climate Change Risk etc. are also brought into consideration. Success or failure of the bank depends to a great extent on proper identification and minimization of these risks. Failure in risk management may affect bank's deposit, advance, earning, NPL, capital and liquidity position (domestic & foreign currency), credit rating, CAMELS rating and Composite Risk Rating etc.



As per BRPD Circular no.11 dated 27 October 2013, a Risk Management Committee of the Board was formed and the Committee is complying with the instructions of Bangladesh Bank. The Committee is arranging required number of meetings every year. Risk Management Division and other concerned divisions are placing memos before the Risk Management Committee of the Board as per Task List and Reporting Cycle approved by the Committee. As per Bangladesh Bank DOS circular letter no. 13 dated 09 September 2015 and subsequent DOS circular no. 04 dated 08 October 2018, a separate Risk Management Committee at Management level named as Executive Risk Management Committee (ERMC) was also formed. Currently, the ERMC is headed by the General Manager & Division Head of Risk Management Division who is also functioning as the Chief Risk Officer (CRO) of the bank. In the ERMC, all Deputy Managing Directors, Heads of Principal Offices, all Division Heads and In-charge of CTPC are the members. Assistant General Manager of Risk Management Division is functioning as the Member Secretary of the Committee.

There are some other committees in the bank to address other risks such as Credit Committee, Senior Management Team (SMT), Asset Liability Committee (ALCO). Central Taskforce Committee for NPL. Recovery, Management Reporting System Committee and Ethical Banking Committee etc.

As per DOS circular no. 04 dated 08 October 2018, Pubali Bank Limited revised the Risk Management Guidelines of the bank which was approved by the Board of Directors. The guideline was disseminated to all Branches, Sub Branches, Regional Offices, Principal Offices and Divisions of Head Office for compliance. Monthly meeting of Executive Risk Management Committee (ERMC) is arranged regularly where different risks are discussed and decisions are gradually implemented. Minutes of the meetings along with risk management papers/reports are submitted to Department of Offsite Supervision of Bangladesh Bank on quarterly and half-yearly basis. Risk Management Division also prepares Risk Appetite Statement (RAS) on yearly basis mentioning risk limit with tolerance level. The division also prepares a review report of risk management policies and effectiveness of risk management functions of our bank on yearly basis.

As a part of Credit Risk Management, the bank has already introduced Internal Credit Risk Rating (ICRR) for all its applicable credit proposals. Internal Credit Risk Rating of all applicable loan proposals is approved by Risk Management Division. To address the environment risk, the bank has already recruited an environmental engineer in our Risk Management Division.

As per BRPD Circular no-03 dated 24 February 2022 and subsequent letter no. BRPD (R-1) (Law Review) 717/2022/8627 dated 24 August 2022 a Recovery Plan was prepared by the bank considering various situations such as COVID-19 like pandemic situation, fuel & food price hike, Russia-Ukraine war, economic recession, government monetary policy and fiscal policy. demand & cost push inflation, natural calamities like flood, drought & global warming etc. so that the bank can cope with different stress situations and prepare its responses to the potential shocks in advance. The plan was approved by the Board of Directors in its 1359th meeting held on 31.10.2022. The plan has already been submitted to Bangladesh Bank.

As a part of risk management, adequate capital is maintained against Credit Risk, Market Risk and Operational Risk. A Supervisory Review Process (SRP) Team was also formed to review, monitor, calculate and maintain adequate capital considering all material risks.

Our bank conducts Stress Testing on quarterly basis to quantify the impact of changes in a number of risk factors on assets, liabilities and ultimately on the capital of the bank. The report is submitted before the Board and Bangladesh Bank. Considering the importance of Credit Concentration, in the monthly meeting of Executive Risk Management Committee (ERMC), agenda are always incorporated



on Credit Concentration Risk and Stress Testing. The bank always brings the post shock Capital to Risk Weighted Asset Ratio into consideration based on minor, moderate and major shock.

To make the officials familiar with risk management, the bank is imparting training to them on risk management in the following ways:

- (1) All newly recruited employees are imparted foundation training where sessions on 06 Core Risks, Risk Management, and Capital Management etc. are incorporated.
- (2) Pubali Bank Training Institute (PBTI) also arranges training workshops on different risks, risk weighted assets and capital management as per its yearly training calendar.
- (3) Officials are also nominated for different trainings arranged by Bangladesh Institute of Bank Management (BIBM), and Bangladesh Bank Training Academy (BBTA) etc.
- (4) Risk Management Division also arranges training workshops on risks, risk weighted assets and capital management under Risk Based Capital Framework (RBCF).

a) 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 counterparty 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 this issue. The Bank has segregated duties of the Officers/Executives involved in credit related activities. Credit approval, Credit Administration, Monitoring and recovery function have been segregated in line with Bank's CRM guidelines. For this purpose, separate divisions have been formed at Head Office. These are Credit Division, Lease Financing Division, Consumer Credit Division, Credit Administration, Monitoring and Recovery Division (CAM&RD) and Law Division. Similarly Regional Offices and Corporate Branches are also separated their works of sanctioning, disbursement, monitoring and recovery. Credit Division of a financial institution helps to maintain asset quality, assessing risk in lending to a particular customer, sanctioning credit, formulating policy/strategy for lending operation etc. as well as implement credit policy which has been approved by the Board.

A thorough assessment is done before sanction of any credit facility at credit division, Lease Financing Division, Consumer Credit Division, Head Office, Principal Office, Regional Office & Corporate Branch. The risk assessment includes borrower's evaluation, financial statement analysis, industry analysis, credit history of the customer, repayment capacity, security coverage of the proposed credit facility, environmental & social risk etc. All credit proposals have been placed before the credit committee (Corporate Branches, Regional Offices, Principal Offices and Head office) for recommendation with a view to sanction or decline. Additional/Deputy Managing Director acts as Chairman of the credit committee at Head office level. Similarly Head of Principal office, Head of Regional office and Head of Corporate Branch act as Chairman of the respective credit Committee at Principal office, Regional office and Corporate Branch level. Loans exposure beyond the discretionary power of Managing Director are placed before the Board of Directors of the Bank for approval. Concentration of Credit Risk Management is shown in note 7.4, 7.5, 7.6, 7.7 & 7.8

In determining single borrower/large loan exposure, the instructions of Bangladesh Bank are strictly followed. Internal audit is conducted on periodical interval to ensure compliance of Bank's and Regulatory policies. In addition external audit firms are also engaged in this regard. Loans are classified as per Bangladesh Bank's guidelines. Concentration of large loan borrower shown in note 7.9.



b) Foreign Exchange Risk Management

Foreign exchange risk also known as FX risk, exchange rate risk or currency risk is a financial risk that exists when a financial transaction is denominated in a currency other than the domestic currency. The foreign exchange risk arises from the transaction involvement in foreign currency; it also may be occurred when a bank holds assets or liabilities in foreign currencies and impacts the earnings and capital of bank due to the fluctuations in the exchange rates. Foreign exchange related transactions are carried out on behalf of customer (against underlying L/C commitments and other fund requirements) thus bank has minimal exposure to the captioned risk. Treasury Division reviews the market conditions, exchange rates, exposure and transactions on daily basis in fixation of foreign exchange rates to mitigate foreign exchange risk. The players of the Foreign Exchange Market are Commercial Banks, Central Bank, Exporters, Importers, Individual Customers and various Commercials.

During the last few months, the foreign exchange market in Bangladesh is experiencing remarkable volatility, which resulted in substantial depreciation of BDT against major currencies, particularly US Dollar. Our Treasury Division independently engages in the foreign currency transactions through foreign exchange (FX) market and back office is responsible for settlement of the deal and does the necessary accounting entries while mid office monitors the risk limit. All foreign exchange transactions are revalued at mark-to-market rate on daily basis. The bank maintains the daily exchange position within the stipulated limit prescribed by Bangladesh Bank.

c) Asset and Liability Management

Asset and Liability Management (ALM) is an integral part of core risk management in the Bank. ALM is a mechanism to address the risk faced by the Bank due to disparity between assets and liabilities. There is a structured and systematic process to manage ALM risk as well as Balance Sheet risk. The Bank has an Asset and Liability Management Committee (ALCO) including the senior management who are dedicated to manage the Asset and Liability Management risk in the Bank. ALCO provides comprehensive and dynamic framework for measuring, monitoring and managing financial risks and to earn sufficient return through maintaining a comfortable liquidity position.

d) Prevention of Money Laundering and Combating Terrorist Financing

Money Laundering Risk arises from non-compliance of money laundering related instructions of the regulatory body. Its consequences are dire & far reaching and may be in the form of financial penalty, reputation loss, legal harassment and even the risk of sustainability. Money Launderers provide fuel for drug dealers, terrorists, illegal arm traders, corrupt public officials and others to operate and expand their criminal enterprises. Success in money laundering encourages the criminals to continue their illicit schemes which mean more fraud, more drugs & drug related crime, more violence, unrest in the society and the economy and a general loss of morale on the part of legitimate business people. Any country or financial institution reputed as a money laundering or terrorist financing haven, alone, could cause significant adverse consequences. Foreign banks may decide to limit their transactions with institutions from money laundering havens, subject these transactions with extra scrutiny, and terminate correspondent or lending relationship. Even legitimate banks from money laundering havens may suffer from reduced access to world market or access at a higher cost due to extra scrutiny of their ownership, organization and control systems. This can lead to diminished development and economic growth. Both depositors and borrowers as well as investors may cease doing business with an institution whose reputation has been damaged due to allegation of money laundering and terrorist financing. Large amounts of laundered funds may be withdrawn suddenly by



the criminal depositors if the bank is under investigation. Legitimate customers may also begin to withdraw their funds for fear of losing the same, causing potential liquidity problems. Credit concentration risk may jeopardize interest income of a bank. Lack of knowledge about a particular loan customer or group of related borrowers, the customer's business or what the customer's relationship is to other parties can place a bank at risk. If the borrower is involved in money laundering, the status of the loan may be downgraded and recovery of the loan may not be possible. The loss of high quality borrowers reduces interest income, requires additional provision which substantially reduce income of the bank. Moreover classified loans may increase the Risk Weighted Assets under Risk Based Capital Framework that reduces Capital to Risk Weighted Asset Ratio. Down gradation of the loan may also create liquidity crisis, affect the credit rating and CAMELS rating of the bank. Money laundering and Terrorist Financing may lead to legal risk such as law suits, adverse judgments, unenforceable contracts, fines & penalties generating losses etc. For involvement in money laundering & terrorist financing, the regulatory bodies may impose restrictions on business expansion and bank may lose its market share. Banks around the globe may be unwilling to establish banking relationship if money laundering prevention and combating terrorist financing status are not upto the mark.

The following initiatives have been taken by our Bank to comply with the requirements of Bangladesh Financial Intelligence Unit (BFIU):

- To prevent money laundering and combat terrorist financing Anti Money Laundering Division (AMLD) has already been formed as per instruction of BFIU. The Deputy Chief Anti Money Laundering Compliance Officer (DCAMLCO) of the bank is functioning as the Division Head.
- Central Compliance Committee (CCC) at Head Office has already been formed headed by Chief Anti-Money Laundering Compliance Officer (CAMLCO). Regional Anti-Money Laundering Compliance Officer (RAMLCO) and Branch Anti-Money Laundering Compliance Officer (BAMLCO) have also been designated to the Regional Offices and Branches respectively.
- All circulars of former Anti Money Laundering Department of Bangladesh Bank and at present Bangladesh Financial Intelligence Unit (BFIU) have been disseminated to the branches for compliance. BFIU circular no. 26 dated 16/06/2020 has already been disseminated to the branches, regional offices, principal offices and divisions of Head Office highlighting important instructions and asking for strict compliance.
- Bangladesh Bank has issued new account opening form through BRPD circular no 02 dated 23/02/2020. Later, BFIU has also revised KYC profile form through BFIU circular no. 26 dated 16/06/2020. Accordingly, our bank has prepared the new account opening form incorporating all the instructions of BRPD and BFIU of Bangladesh Bank and the same is disseminated to the branches to open new accounts through the form.
- Money Laundering & Terrorist Financing Risk Management Guidelines (Revised 2021), Customer Selection Policy (Revised 2021) have been prepared and the same have been disseminated to the branches for compliance.
- Guidelines on Prevention of Trade Based Money Laundering has been prepared and disseminated.
- As per Money Laundering Prevention Act-2012 and its amendment 2015; Branches have been instructed to obtain complete & accurate information of the clients while opening and maintaining banking relationship.
- To ensure the genuineness of the customers, we obtain photocopy of national ID / Birth Registration Certificate from the customer, genuineness checked and verification done.
- Customers are graded on the basis of risk. Branches have been advised to closely monitor High Risk Customers, Politically Exposed Persons and Influential Persons and apply Enhanced Due Diligence in these regards.
- Branches have been advised to compare actual transactions with transaction profile to identify



- abnormal and suspicious transactions.
- Cash Transaction Report (CTR) is submitted to BFIU in time and certificate in relation of CTR analysis also submitted to them.
 - Transaction Monitoring is done both Automated and Manual process. If any transaction seems suspicious then the branch forward it to Head Office through proper channel maintaining confidentiality. Head Office examines the documents and submit the report to BFIU through goAML webportal.
 - Self-Assessment Statement is prepared by the branches on half yearly basis and a summary report is prepared by Anti-Money Laundering Division of Head Office. The report is submitting to Bangladesh Financial Intelligence Unit regularly. Follow-up letters are issued to the branches to remove the weakness detected in the Self-Assessment Report.
 - Our internal auditors assess the AML & CFT status of the branches through Independent Testing Procedure (ITP) while conducting audit. The same is summarized and placed before the Management as well as MANCOM meeting & after that it is used to submit to the Bangladesh Financial Intelligence Unit (BFIU) on half yearly basis. Branches are advised through follow up letters to remove their weakness.
 - Extensive training is being continuously imparted to the officials of the Bank to make them familiar with money laundering prevention & combating terrorist financing and to mitigate the risk arising out therefrom. Every year Management of our Bank approves outreach training calendar on Money Laundering Prevention, Combating Terrorist Financing and Prevention of TBML. As per outreach Training Calendar workshops are arranged in due time. Pubali Bank Training Institute also arranges training workshop on the issue as per their yearly training plan.
 - At present; Trade Based Money Laundering by the way of under invoicing, over invoicing, under shipment, over shipment, multiple shipment and shipment of inferior goods etc. is a burning issue. Our Bank is seriously handling the issue. A session on Trade Based Money Laundering has been incorporated in all outreach workshops. Beside this own bank import-export product wise price verification database is introduced.
 - Before considering / establishing / continuing correspondent banking relationship, status on money laundering prevention and combating terrorist financing of the respondent banks are obtained through a questionnaire developed by Bangladesh Financial Intelligence Unit and/or Wolfsberg. Other information and documents such as license, certificate of incorporation, list of directors, compliance status of regulatory instruction etc. are also verified. Cross Boarder Correspondent Banking relationship with any bank is only established upon receipt of the desired information/documents and evaluate the same through Questionnaire after getting approval from CAMLCO.
 - As a precautionary measure and as per instruction of Bangladesh Financial Intelligence Unit, we do not establish Correspondent Banking relationship with any shell bank or any bank having banking relationship with any shell bank.
 - Our bank has already introduced sanction screening against UN, OFAC, UK and EU sanction list so that no blacklisted individual/entity can use our banking channel to commit any financial crime. Moreover, we used a sanctions screening solutions named "FIRCO Compliance Link" from Acuity-FIRCOSOFT for all foreign trade transactions.
 - In house developed Price Verification Template for foreign trade have already been developed and maintained.
 - As per instruction of Bangladesh bank, we have availed screening of underlying import and export shipments through vessel/container tracking from Lloyd's List Intelligence, a world renowned service provider.
 - Customer Level Risk Assessment is performed through a Matrix as per instruction of BFIU by branch while conducting Trade related CDD along with general CDD or separately, before starting of trade transaction.
 - Pubali Bank Limited has already introduced 3 Level Review Systems in trade transaction to prevent TBML risk arises in trade transaction as per TBML guidelines.



e) Internal Control and Compliance

Internal Control refers to the mechanism in place on a permanent basis to control the activities of an organization, both at a central and at a departmental/divisional level. It is a process, effected by a bank's Board of Directors, Management and other personnel, designed to provide reasonable assurance regarding the achievement of objectives relating to operations, reporting and compliance. It is a process, rather than a structure. It is not a separate activity disconnected from the rest of business activities, rather is an integral part of those activities. It is a dynamic, continuing series of activities planned, implemented and monitored by the board of directors and management at all levels within an organization. It is an integral part of the daily activity of a bank which on its own merits identifies the risk associated with the process and adopts a measure to mitigate the same. Only part, not all, of internal control consists of policies and procedures. Internal control provides only reasonable assurance, not absolute assurance, with regard to achievement of the organization's objectives. External events such as economic recession, inflation, unrest in the society, Government policies and competition, etc. can interfere with achievement of objectives of the organization although there is a good internal control system.

The main objectives of internal control system in a bank are as: (i) Operations objectives: achievement of a bank's basic mission and vision, (ii) Reporting objectives: timely, accurate and comprehensive reporting-financial and non-financial, external and internal and (iii) Compliance objectives: conducting activities and taking specific actions in accordance with applicable laws and regulations. For attaining Operational objectives, the organization should ensure the maximum utilization of its resources without hampering the quality of products/services. The Reporting objectives of internal control system ensure that all necessary information that flow within the bank, into the bank and out of the bank are correct, reliable and timely generated for effective decision making. The Compliance objectives ensure that the organization performs all of its activities complying all laws, rules, regulations and business ethics for sustainable development, for betterment of the stakeholders, and to protect the reputation of the organization.

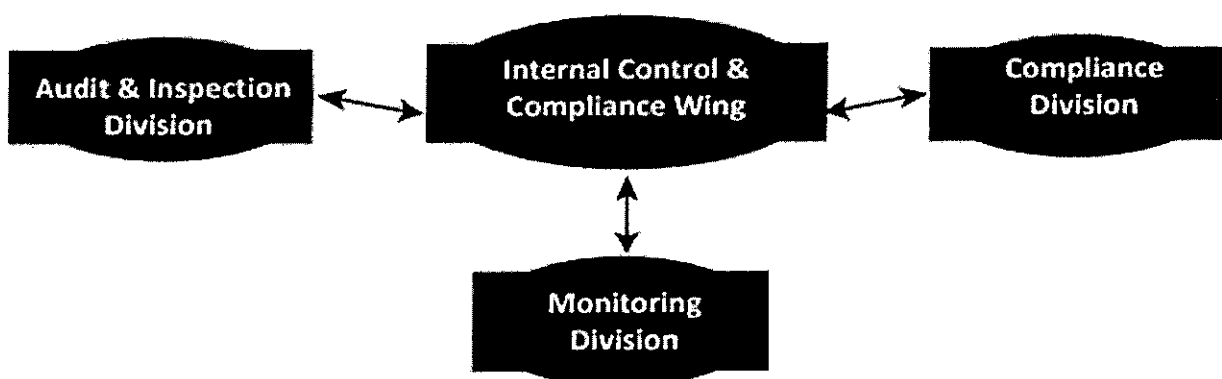
Internal Control Environment is the framework under which internal control are developed, implemented and monitored. It consists of the Mechanisms and arrangements that ensure internal & external risks to which the bank company is exposed to. It is also very much important for a bank for its existence and the factors which together comprise the control environment are: (i) a Board of Directors that is actively concerned with sound corporate governance and that understands and diligently discharges its responsibilities by ensuring that the company is appropriately and effectively managed and controlled, (ii) a Management that actively manages and operates the bank in a sound and prudent manner, (iii) a Management Information System to provide timely, complete & reliable data/ information for effective decision making to support organizational and procedural control and to soundly & prudently manage the organization's exposures to risk and, (iv) an independent audit mechanism to monitor the effectiveness of the organizational and procedural control.

Compliance refers to operating the bank in conformity with applicable laws, regulations, policies, standards, guidelines etc. applicable to all institutions in its category and responding fully and in a timely manner to supervisory criticism and orders to take corrective action issued by the applicable regulatory authorities or law enforcement bodies. In this context, compliance also refers to preventive actions taken to mitigate compliance risk which is the risk of legal or regulatory sanctions, material financial loss or loss to reputation as a result of failure to comply with applicable rules. Today's banks are highly exposed to compliance risk since they have a great number of stakeholders,



e.g. regulators, customers, counterparties, tax authorities, local authorities, and other authorized agencies. Compliance risk can lead to imposition of fines & penalties, payment of damages, loss of market share, regulatory sanction and in severe case loss of franchise etc. It can also lead to a diminished reputation, also known as reputation risk, arising from an adverse perception of the image of the bank by customers, counter parties, shareholders or regulators.

Importance of Internal Control & Compliance has substantially increased in the banks due to expansion of business, addition of branches/Sub-Branches/Islami Banking Windows, diversified & sophisticated banking products/services, use of information technology, preparation and implementation of Risk Based Audit Plan, introduction of Risk Based Capital Framework and other stringent regulatory compliances. Considering the above issues, Bangladesh Bank has revised the ICC Guidelines for all banks. Our bank has also prepared Revised ICC Guidelines by following Bangladesh Bank BRPD circular no. 03 dated 08 March, 2016 & BRPD circular no. 06 dated 04 September, 2016 to ensure a proper internal control & compliance. Considering our large branch network, volume of operations, introduction of Risk Based Audit and stringent regulatory compliance, ICC organogram of our bank has been restructured. Mr. Ahmed Enayet Manzur, Honorable Deputy Managing Director is functioning as the Head of Internal Control & Compliance Wing of our bank. In our bank, under Internal Control & Compliance Wing, 03 divisions viz. Audit & Inspection Division, Monitoring Division and Compliance Division are working separately and independently as shown below:



Audit & Inspection Division conducts audit as per Risk Based Audit Plan approved by the Audit Committee of the Board of Directors. IT auditor is attached with audit team to conduct IT audit. Synopsis of the audit report is placed before the Audit Committee of the Board of Directors regularly. Our Islamic Banking Wing conducts Shari'ah Audit in the Islamic Banking Windows of the bank. Monitoring Division is engaged in monitoring function through different monitoring tools such as Pubali Monitoring System (PMS), Departmental Control Function Checklist (DCFCL), Quarterly Operations Report (QOR) and Loan Documentation Checklist (LDCL)/Investment Documentation Checklist (IDCL) etc. Compliance Division deals with all regulatory compliance related activities and also functions as the contact point of the bank. The division ensures regulatory requirements and industry practices in the bank. Compliance Division has also been entrusted to implement the National Integrity Strategy of the bank.

The issue of effective internal control system, corporate governance, transparency & accountability etc. have become of great importance. Weakness in Internal Control System may lead to significant amount of loss and the loss may be originated from internal & external fraud, employment practices & workplace safety, business practices, damage to physical assets, business disruption & system failure, and process management etc. Management Committee (MANCOM)/Senior Management

Team (SMT) headed by Honorable Managing Director & CEO reviews the overall internal control system of the bank and a certificate is placed before the Board of Directors on the issue on yearly basis. As per instruction of Audit Committee of the Board of Directors, Compliance Division places the memoranda on "Implementation Status of Internal Control and Compliance of the bank" before the Committee on quarterly basis and decisions are being gradually implemented. Moreover, as per yearly reporting cycle, Compliance Division also places memoranda on Internal Control & Compliance (ICC) Risk, Operational Risk and Compliance Risk before the Risk Management Committee of the Board. As a part of Internal Control & Operational Risk Management and as per Bangladesh Bank's DOS circular letter no. 03 dated 09 May, 2017, our bank submits Self-Assessment Report on Anti-Fraud Internal Controls to Bangladesh Bank on half yearly basis, duly signed by Honorable Managing Director & CEO and countersigned by Honorable Chairman of the Audit Committee of the Board of Directors.

As per instruction of revised ICC Guidelines of Bangladesh Bank, an annual report on the health of the bank is prepared and the same is submitted to Audit Committee of the Board, Board of Directors of the bank and Banking Regulation & Policy Department, Bangladesh Bank as regulatory compliance.

Bangladesh Bank in its revised ICC Guideline has asserted that all banks should have a Compliance policy of their own approved by the Board of Directors, which will be a formal document for establishing a permanent and effective compliance function. Accordingly, Compliance Division of our Bank has prepared Compliance Policy and the same has also been disseminated for compliance.

Ethical issues and behavioral norms have assumed of great importance in the banking industry since banks deal with the money of countless depositors and if the interest of the depositors is threatened, it will bring the economy to a halt. Considering the fact and as per directive of our Central Bank, a Central Ethical Committee has already been formed in our bank headed by Mr. Ahmed Enayet Manzur, Honorable Deputy Managing Director where Mr. A. Jalil, Deputy General Manager & Division Head of Compliance Division is the Member Secretary of the Committee. The said committee has been approved by Honorable Managing Director & CEO. The Committee is responsible to the Honorable Managing Director & CEO for implementation of the decisions. To ensure Ethics in Banking and as per instruction of Bangladesh Bank, a National Integrity Strategy Cell has been formed headed by Mr. Nitish Kumar Roy, General Manager & Focal Point Officer of the Bank. Our bank prepares National Integrity Strategy Work Plan for every financial year and submits reports on its implementation status to NIS Cell, Secretariat Department of Bangladesh Bank on quarterly basis.

f) ICT Operation

ICT Operation Framework secures qualitative and error-free implementation and management of daily banking operation, prompt support services against PIBS, PMS, BACH, BEFTN, Network, System, etc and assure all stakeholders with confidence that ICT processes are harmonized securely with the Bank's requirements and risks are effectively managed and mitigated within the Banking Operation System that results in increased transaction volume, customer base as well as market share.

Pubali Bank Limited has been extending customer services at all of our 498 branches and 125 sub-branches using our in-house developed core banking software, Pubali Integrated Banking System (PIBS) and at 17 Islamic Wings using our in-house developed core Islamic banking software, Pubali Integrated Islamic Banking System (PIIBS) under network environment. Real Time Centralized Online Banking System has been developed and deployed in all of 498 branches, 125 sub-branches and 17



Islamic Wings across the country. The Online Banking Network of Pubali Bank Limited has become the largest one in the banking sector of Bangladesh.

The efficient members of the Software, System, Network and Hardware Support Unit at ICT Operation Division are extending quick support to the branches to solve any software/operational problems in banking software. Besides, ICT Operation Division is modifying, strengthening and enhancing our core banking solutions, PIBS, according to demand, which is being notified to branches through various circulars.

To encourage incoming foreign remittances, all of our branches have been brought under the network of Western Union Money Transfer, MoneyGram, Transfast, Xpress Money Services, Ria, Pravu Money Transfer, Placid Express etc. in addition to receiving Foreign TTs from different Exchange Houses abroad. Besides, we have developed an online payment module through which branches can pay remittances to customers quickly.

We have launched our Internet Banking System using our in-house developed software and we are extending this services to the customers of our all Online Branches. Security of the transmitted data by encryption/decryption has been ensured through agreement with VeriSign Secured Site Pro. Our Software Development Division is working on development of software for Mobile Banking, SMS Banking and Agent Banking.

We have introduced Mobile Application, PI (π) for our customers with different transactional and non-transactional banking services for 24/7. Current Available Transactional Features include Fund Transfer, Mobile Recharge, Bill Payment and Credit Card Bill Payment whereas available Non-transactional Features include Creating Wallet Account, Balance of the Accounts, Mini Statement, Detailed Date Ranged Statement, Payment Status of issued Cheques, Cheque Book Requisition, Stop Payment of Cheque Leaf or Book and Submitting Positive Pay Instructions.

We have participated in the Real Time Gross Settlement (RTGS) from its inception as a pioneer bank through our in-house developed software, PIBS.

We have established our Data Center at ICT Operation Division, Head Office and Disaster Recovery Center at Uttara, Dhaka. Banking Data of our all the Online Branches are being stored both at our Data Center and Disaster Recovery Center simultaneously to ensure business continuity even in disaster. Moreover, we have recently added Exadata storage solution for enhancing storage capacity of our Data Center and Disaster Recovery Center that assured uninterrupted data availability for end users and proliferated period end data processing speed. Data Center and Disaster Recovery Center of Pubali Bank Limited has been restructured recently and become one of the best ones in Bangladesh. In context of international standard, architecture of Data Center has been upgraded to TIRE-3 Standard.

Considering the current Cyber Security Thread Landscape, we have introduced Multi-layer Security Controls to secure our Information Systems. The goal of Layered Security is to increase effectiveness of the security controls in place through a defensive strategy. We logically segregate our Data Center in different Zones such as Core zone, DMZ zone, Partner zone based on Application and minimize the attack vectors. We have already implemented Next-Gen Firewall and IPS, IDS, Email Security, Web Security, Web Application Firewall (WAF) and Advanced Malware Protection (AMP) to protect our environment.



We have successfully implemented Software for Bangladesh Automated Clearing House (BACH-2) and Bangladesh Electronic Fund Transfer System (BEFTN), Credit Information Bureau (CIB) Reporting as per guidelines of Bangladesh Bank.

We have successfully implemented Active Directory Domain Services (AD DS) to centralize the administrative control on OS user authentication complying with ICT Security Policy of our Bank.

We have made an agreement with Election Commission (EC) to verify genuineness/correctness of National ID of our all existing customers as well as new customers at the time of registration using EC's Database. Moreover, ICT Operation Division has facilitated e-GP related services to our valued customers in the line with the Management's goal to be the market leader in e-GP.

We have established our website <https://www.pubalibangla.com> where the visitors can get information about our products, charge schedule, career opportunities, procurement notices and present status of our bank. The website is updated periodically and also as and when required. Communication through email among our Branches, Regional Offices and different Divisions of Head Office under our own Mail Server at ICT Operation Division, Head Office has become quick and easier.

Pubali Monitoring System has been developed for different Divisions of Head Office, Regional Offices and Principal Offices to monitor/observe the status of branch operation and performance under their jurisdiction.

We have already deployed IP Phone to our Head Office, Principal Offices, Regional Offices, Corporate and AD branches. Now we are deploying IP Phone to all of our branches. We will launch video conferencing system shortly through which internal of the Bank will be nearly free of cost and external communication will be less costly. Eventually, Pubali Bank will experience standard unified Communication System.

To ensure proper training to our officials and raising awareness among them, ICT Operation Division arranged need based hands on training program at our Computer Lab daily in addition to training/workshop arranged at Head Office Auditorium throughout the year. During the year 2022, we conducted 24 training programs at our Computer Lab on 140 (One Hundred and Forty) different courses covering 5,647 participants from Branches/Regional Offices across the country.

Pubali Bank Limited is moving towards state of art technology platform and in such a scenario, we are now at a stage of introducing technology based different alternative delivery channels such as Agent Banking, Booth Banking, Mobile Financial Services (MFS) and so on in the line with transforming Pubali Bank Limited to a technology based banking. ICT Operation Division is working hard for achieving this objective within a short period of time.

2.15 Capital Adequacy under Basel-III

Banks operating in Bangladesh are maintaining capital since 1996 on the basis of risk weighted assets in line with the Basel Committee on Banking Supervision (BCBS) capital framework published in 1988. Considering present complexity and diversity in the banking industry and to make the bank's capital requirement more risk sensitive, Bangladesh Bank, being the central bank of the country has decided to adopt the Risk Based Capital Adequacy for banks in line with capital adequacy framework revised by the BCBS popularly known as "Basel II". Bangladesh Bank prepared a guideline to be followed by all scheduled banks from January 2009. Both the existing capital requirement rules on the basis of Risk Weighted Assets and revised Risk Based Capital Adequacy Framework for Banks as per Basel II were followed simultaneously initially for one year. For the purpose of statutory compliance during



the period of parallel run i.e. 2009, the computation of capital adequacy requirement under existing rules prevailed. On the other hand, revised Risk Based Capital Adequacy Framework as per Basel II had been practiced by the banks during 2009 so that Basel II recommendation could effectively be adopted from 2010. From January 2010, Risk Based Capital Adequacy Framework as per Basel II have been fully practiced by the banks replacing the previous rules under Basel-I. Bangladesh Bank adopted "Guidelines on Risk Based Capital Adequacy (Revised Regulatory Capital Framework for banks in line with Basel III)" as per BRPD circular no. 18 dated 21 December 2014 replaced of "Guidelines on Risk Based Capital Adequacy (Revised Regulatory Capital Framework for banks in line with Basel II)". This circular has been come into force with effect from January 01, 2015. Pubali Bank Limited is maintaining its capital requirements at adequate level as per "Guidelines on Risk Based Capital Adequacy (Revised Regulatory Capital Framework for banks in line with Basel III)"

The guideline is structured around the following three aspects of pillars of Basel-III:

- I. Minimum capital requirements to be maintained by a bank against credit, market and operational risk;
- II. Supervisory Review i.e., Process for assessing overall capital adequacy in relation to a bank's risk profile and a strategy for maintaining its capital at an adequate level;
- III. Market Discipline i.e., to make public disclosure of information on the bank's risk profiles, capital adequacy and risk management.

2.16 Disclosure on fraud and forgeries committed by bank employees

In the year-2022, 02 (two) incidents were traced relating to fraud and forgery. One was at our Mohila College Branch under Sylhet Region involving Tk. 2.84 Lac and the other at Principal Branch Dhaka for Tk. 49.16 Lac. The defalcated amount of both branch has been fully recovered. Administrative action is taken/under process against delinquent employees.

2.17 Off Balance Sheet items

Off Balance Sheet Items include various non-derivative financial instruments primarily letter of credit (L/C), letter of guarantee (L/G), acceptance and endorsements, bills for collection etc. and various derivative instruments like forward contracts and currency rate swaps etc.

Provision for off-balance sheet exposure

"As per BRPD circular No.14 (23 September 2012), BRPD circular No.01 (03 January 2018) and BRPD circular No.07 (21 June 2018) the Bank has recognised @ 1% General Provision on the following off-balance sheet exposures as defined in BRPD circular No.10 (24 November 2002).

- Acceptance and endorsements
- Letters of guarantee
- Irrevocable letters of credit
- Foreign exchange contracts

2.18 Loan write-off

Loans are normally written off, when there is no realistic prospect of recovery of these amounts and in accordance with BRPD circular No.2 (13 January 2003) and BRPD circular No.13 (07 November 2013) & BRPD circular No. 01 (06 February 2019).



2.19 Authorization of financial statements

The Board of Directors accorded its approval and authorized these financial statements on 13 April 2023.

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 travelers' cheques, value of savings certificates (sanchaya patra) etc. fall under the memorandum items.

2.21 Reporting period

These financial statements cover one calendar year from 01 January 2022 to 31 December 2022.

2.22 Number of employees

The number of employees employed in the Bank as on 31 December 2022 was 9,031 of which 7,628 were male and 1,403 were female. The number of employees per branch was 13.03 (498 branch+125 Sub-branch) excluding 913 employees in the Head Office, Regional Offices and Principal Offices of the Bank.

2.23 Training

Training is a continuous process of developing human skills for the greater perfection of service delivery to achieve the desired customer satisfaction. Human skills which are associated with the new ideas, thoughts, regulatory compliance and new horizon of new hierarchy. Pubali Bank Training Institute always on the up gradation of employee's skills in delivery service in excellence and development of capacity into critical thinking and analyzing the business issues in a competitive environment.

Training is designed to meet the new challenges for achieving the organizational goal(s). Training helps employees to be acquainted with the new knowledge based service experiences as well as creating the brand value.

In the year 2022 Pubali Bank Training Institute has launched a new dimensional Training program for accelerating knowledge and skill designed by Center for Advances Research in Strategic Human Resource Management (CARSHRM), Faculty of Business Studies, University of Dhaka through online platform.

We have conducted one special physical training program on Entrepreneur Development training from 21.05.2022 to 19.06.2022 under agreement between Bangladesh Bank and Pubali Bank Limited. In this training 25 (twenty five) SME entrepreneurs participated and rewarded certificates.

It is to be noted that we have conducted 10 virtual training on "AML, CFT and Prevention of Trade Based Money Laundering" with the support of Anti-Money Laundering Division as a compliance issue of regulatory authority and 777 participants got training covering the all branches, Regional Offices, Principal Offices and Head Office Divisions.

PBTI has also conducted a virtual workshop on Automated Challan System with 6 frequencies covering all Branches. Sub Branches, Islamic Banking Windows of Pubali Bank Limited for strengthening NBR revenue collection as well as commission earning of Pubali Bank Limited.



During the year 2022, Pubali Bank Limited arranged total no. 281 of Training Programmed where the Training Institute had successfully completed 44 Physical and virtual training courses with 116 frequencies covering 5,526 participant, HRD conducted 116 no of external training programmed covering 684 participants, 997 no. of people were given special training on “ Enhancing Human Skills for Banking Excellence “ in collaboration with the Center for Advanced Research in Strategic Human Resource Management (CARSHRM) under the faculty of Business Studies , University of Dhaka & PBTI and also Computer Lab of Pubali Bank conducted 76 no of Training programmed covering 5,599 participants throughout the year due to impact of COVID-19.



Training Programmed conducted from January to December 2022 by Pubali Bank Training Institute.

Sl. No.	Name of the Course/Seminar/ Workshop	No. of Courses held	Number of Participants attended	Male	Female
1	Asset Liability Risk Management	2	77	61	16
2	AML, CFT & Prevention of Trade Based Money Laundering	10	777	632	145
3	Audit & Inspection in Banks	3	78	73	5
4	Banking Laws & Regulations	2	50	43	7
5	Branch Management (Manager's Induction)	1	27	22	5
6	BASEL- III & Stress Testing	1	27	20	7
7	Basic Accounting and Financial Statement Analysis	2	78	70	8
8	Business english & Communication Skill	1	22	20	2
9	Cash Management	6	383	339	44
10	Capital Management, Stress Testing, 6 (six) core risk and their mitigation process	1	201	183	18
11	Citizen's Charter of Pubali Bank Limited	1	62	48	14
12	Comprehensive Risk Management and Implementation of BASEL III accord in our Bank	1	213	177	36
13	Conducting Inquiry and Report Writing.	2	52	44	8
14	Consumer Loan Scheme	2	55	43	12
15	Core Risks Management in Bank	2	57	42	15
16	Credit Management	2	55	47	8
17	Enhancing human skills in Banking Excellence	10	997	819	178
18	E-Payment & RTGS System	2	56	44	12
19	ESRM, Green Banking and Sustainable Finance.	3	109	61	48
20	Ethics & integrity in Banking	4	133	116	17
21	Foundation Training for Junior Officer and Junlor Officer (Cash)	4	119	104	15
22	Foundation Training for Asstt. Junior Officer (Cash) and DeputyJunior Officer (Cash)	8	229	177	52
23	General Banking	3	79	64	15
24	Gender Equality	3	346	178	168
25	Guidelines for Trust Fund Management in Payment and Settlement Servic	1	37	37	0
26	ICRR (Internal Credit Risk Rating System in Banks)	3	84	69	15
27	Innovation and Change Management	1	29	25	4
28	Internal Control & Compliance (ICC)	2	47	39	8
29	International Trade Payment and Finance	2	63	58	5
30	Islamic Banking Operations	2	56	49	7
31	Islamic Banking Service for Manager (S) of Islamic Banking Window & Affiliating Branch	1	34	31	3
32	Integrated Supervision System	2	59	47	12
33	Investment Operation	1	31	31	0
34	Iss reporting : Foreign trade	1	39	35	4
35	Lease Financing Scheme	2	49	44	5
36	Legal Aspects of Securities & Documentation	3	107	84	23
37	Marketing & Customers' Service Development in Banking	4	128	108	20
38	Mobile Banking, Agent Banking and Card-Operatfons etc.	2	79	61	18
39	Money Laundering Prevention Act & Anti-Terrorism Act.	3	106	90	16
40	Multi Foreign Currency RTGS	1	29	27	2
41	NPL Management: Legal & Non- Legal measures.	4	134	118	16
42	Prevention of malpractice, Fraud & Forgery in Banks	1	32	26	6
43	SME & Agri-Credit in Bank	3	73	70	3
44	Training of Trainers (TOT)	1	28	22	6
	Grand Total	116	5,526	4,498	1,028



External Training Programs Conducted at Human Resources of Pubali Bank for the Year 2022

SL No	Topic	Institute	Participant(s)	Period
1	Communication & Relationship Management Competency	BIM	5	11-13 January 2022
2	Masters of Economics (Entrepreneurship Development)	Dhaka School of Economics	3	18 months
3	Introduction to 4IR, Block Chain & AI/ Robotics for banking Industry	Bkblack Stone	5	27 January 2022
4	Strategic Human Resources Management in Banks	BIBM	3	19-20 January
5	Financial & Sustainability Reporting of Banks	BIBM	2	25-27 January
6	Branch Management	BIBM	3	23-31 January
7	Prevention of Money Laundering & Terrorist Financing	BIBM	4	26-27 January
8	Sustainable Financing	BB	3	12,19,26 February
9	Credit Risk Management with special emphasis on Covid Pandemic	BAB	4	22-24 January
10	Course for Assistant Leader Trainer	Bangladesh Scout	1	10-16 February
11	Certified EI Graduate Course	SLSD	7	30 hours course from 04 February
12	International Trade Payment & Finance	BIBM	4	16-20 January
13	Financial Analysis for Bankers	BIBM	5	06-10 February
14	Marketing of Financial Services	BIBM	4	01-3 February
15	Internal Credit Risk Rating System in Banks	BIBM	2	01-03 February
16	Certified Led Implementer Training course on ISO 27001:2013, Information Security Management System (ISMS)	AGS Quality Action Limited	4	04,05,11,12, 18 March
17	ATM & Plastic Card Management with Security Issues	BIBM	5	17 February 2022
18	Supply Chain Finance in International Trade	BIBM	5	16-17 February
19	Management of Non-performing Loan & Recovery Strategies	BAB	3	12-13 March
20	Sustainable Financing	BB	2	12 March 2022
21	Integrity Strategy	BB	1	14 March 2022
22	Foreign Direct Investment Promotion Project (FDIPP)	BB	1	15 March 2022
23	Asset Liability Management in Banks	BIBM	4	20-24 March
24	Branch Management	BIBM	3	20-24 March
25	Fundamentals of Shariah Based Banking & Finance	BIBM	4	20-24 March 2022
26	Bank Inspection and Regulatory Compliance	BIBM	3	23-24 March
27	Automated Challan System (A-challan)	Finance Ministry	5	29 March 2022
28	Governance Issues in banks	BIBM	5	28 March 2022
29	International Rules covering UCP 600 URDG758 & ISP98	Blackstone	3	01-02 April 2022
30	20th Nurul Matin Memorial Lecture on Ethics in Banking	BIBM	1	28 February 2022
31	Management of Bonded Import & Risk Mitigation in Export Financing	ICC	1	27 March 2022
32	Prevention of Trade and Credit Based Money Laundering in Banks	BIBM	5	30-31 March
33	Financial Analysis for Banks	BIBM	4	27-31 March
34	Greening Data Center of Banking System: Bangladesh Perspective	BIBM	5	29 March 2022



35	Export under open account against risk coverage	BIBM	5	31 March 2022
36	Legal Aspect of Security & Documentation	BIBM	2	27-28 February
37	Financing RMG Sector	BAB	3	26-27 February
38	Cyber Security & Fraud Prevention	BIBM	5	06-10 March
39	Cluster Financing for CMSME	BIBM	2	02-03 March
40	Forensic Audit in Banks	BIBM	4	03 March 2022
41	Trade Financing in Banks	BIBM	3	27-28 February
42	Internal Control & Compliance	BIBM	3	06-10 March
43	Regulatory Guidelines for Trade Facilitation	BIBM	5	06-10 March
44	Financial Inclusion	BB	5	2,9,16,23,30 April
45	Supply Chain Finance in Local & International Trade	BIBM	3	03-05 April
46	Certified Islamic Professional Account (CIPA) Course	CSBIBB	2	01 Year Course
47	Ethics, Integrity and Governance in Banks	BIBM	2	06-07 April
48	Customer Due Diligence in Banks	BIBM	2	07 April 2022
49	Investment Mechanism of Islamic Banking : Ijarah & Sharing Modes	BIBM	1	10-11 April
50	Leadership, Team Building and Negotiation Skills for Branch Banking	BIBM	5	10-13 April
51	Offshore Banking	BIBM	3	13 April 2022
52	Citizens Charter Implementation	BB	1	13 April 2022
53	Credit Risk Management in Banks	BIBM	6	16-19 May 2022
54	Prevention of Money Laundering and Terrorist Financing	BIBM	5	16-19 May 2022
55	Islamic Banking Operation-outreach training	BIBM	5	29 May-02 June 2022
56	ABB Cyber Security Summit 2022	ABB	3	08-09 June 2022
57	Foreign Exchange Audit and Inspection in Banks	BIBM	2	18-19 May 2022
58	International Trade	City N.A	40	21 May 2022
59	Malpractices in Banks & Financial Institution	BAB	2	21-22 May 2022
60	Training Session on " Entrepreneurship Development training"	Bank Asia	0	
61	Financing Agro-based Business	BIBM	2	22-26 May 2022
62	Information System Audit in Banks for IT Officials	BIBM	3	22-26 May 2022
63	Customer Relationship Management in Banks	BIBM	3	25-26 May 2022
64	Project Financing and PPP	BIBM	3	29-31 May 2022
65	UCP-600 and related ICC Guidelines	BIBM	3	29-31 May 2022
66	Certified EI(Emotional Intelligence) Graduate Course	SLSD	19	w.e.f 10 June 2022
67	"IBAS++ এর পূর্ণাঙ্গ Information Security Management System (ISMS) প্রতিষ্ঠার লক্ষ্যে ISMS Scope, ISMS Manual এবং Statement of Applicability (SOA) চূড়ান্তকরণ- বিষয়ক কর্মশালায় অংশগ্রহণ".	Finance Ministry	2	30 May 2022
68	Asset Management Company: A way Out to solve NPL Problems in Bangladesh	BIBM	1	06 June 2022
69	Policy and Procedure of Foreign Investment in Bangladesh: Role of Ads	BIBM	5	05-06 June 2022



70	Exchange of views with the Election Commission on the amendment of the Electoral law	Bangladesh Election Commission	1	06 June 2022
71	Team Building for work excellence in Branch Banking	BIBM	3	08-09 June 2022
72	Project Appraisal and Credit Mangement	BIBM	6	07-16 Jne 2022
73	Green Banking	BIBM	2	08-09 June 2022
74	Foreign Direct Investment Promotion Project(FDIPP)-Two Steps Loan	BB	1	09 June, 2022
75	Prevention of Money Laundering in New Payment System	BIBM	3	15-16 June 2022
76	Focus Group Discussion on "Human Resource Management of Banks"	BIBM	1	13 June 2022
77	International Trade Payment & Finance	ICC	4	18 June 2022
78	Prevention of Credit and Trade based Money Laundering	BAB	2	18-19 June 2022
79	Basel Capital Framework for Bank Executives	BIBM	2	15-16 June 2022
80	Asset Management Company: A way Out to solve NPL Problems in Bangladesh	BIBM	3	21 June 2022
81	“ব্যাংক ও আর্থিক প্রতিষ্ঠানের জন্য আর্থিক সাফরতা নীতিমালা বিষয়ক কর্মশালা।”	BB	1	29 June 2022
82	A M Kazemi Memorial Lecture on Monetary Policy	BIBM	1	26 June 2022.
83	ISPAB & BDN OG Conference and workshop	ISPAB	2	27 June to 01 July 2022
84	Bangladesh Government Investment Sukuk: Issue, Management, Investment and Trading Process	BB	2	28-30 June 2022
85	The Supervision Manual on Shariah Based Sustainable Finance for Bangladesh Bank	BB	1	06 July 2022
86	Human Resources Management in Bank Branches	BIBM	2	24-28 July 2022
87	Academic Calender	BIBM	2	25 July 2022
88	Liquidity Management	IBB	5	20 July 2022
89	Work Life Balance for Woman in Bank & NFBIs	ACTIVA	35	30-31 July 2022
90	Human Resources Management in Bank	BIBM	5	26 July 2022
91	Credit Risk Management for CMSMES	BIBM	2	27-28 July 2022
92	Trade Finance Risk Management in Banks	BIBM	3	31 July 2022
93	Application of Bai Modes of Investment of Shariah Based Banks	BIBM	4	03-04- August 2022
94	Credit Monitoring & Supervision	BAB	4	30-31 July 2022
95	Internal Audit and bank Supervision	BIBM	3	01-04 August 2022
96	Sustainable Financng Policy of Bangladesh Bank	BB	1	28-27 July 2022
97	Internal Credit Risk Rating System in Banks	BIBM	2	27-28 July 2022
98	International Trade Payment & Finance-practice, compliance,operations & legal analysis	ICC	3	06 August 2022
99	ESRM Guidelines	BB	1	13 August 2022



100	Sustainable Finance Policy of Bangladesh Bank, at Sylhet	BB	1	11-12 August 2022
101	CMSEs Access to Finance in Bangladesh: Scope for Alternative Financing Options	BIBM	2	11 August 2022
102	Ninth Annual Banking Conference	BIBM	5	27-28 August 2022
103	Exploring the Concept of Business Continuity Plan in the Banking Sector of Bangladesh	BIBM	1	22 August 2022
104	Financial Analysis for Banks	BIBM	2	21-25 August 2022
105	International Trade Payment & Finance	BIBM	3	21-25 August 2022
106	Dissecting and Correcting Misconceptions in Islamic Banking & Finance	BBTA	2	28 August 2022
107	Foreign Trade & Foreign Exchange	BAB	2	27-29 August 2022
108	Prevention of Money Laundering & Terrorist Financing	BIBM	2	August 29-1 Sep 2022
109	International Bank Guarantees in Bangladesh	BIBM	3	01 September 2022
110	Feasibility Study and Development of Green Sukuk Guidelines	BB	1	11 September 2022
111	Leadership Issues in Banks	BIBM	5	06 September 2022
112	Banking for IT Officials	BIBM	3	11-15 September 2022
113	Human Resource Management in Bank Branches	BIBM	5	11-15 September 2022
114	Green Financing for Sustainable energy Solutions	BB	2	13 September 2022
115	Certified EI Graduate Course	SLSD	25	09 September 2022
116	Motivating people at Workplace	BIM	5	14-15 September 2022
117	Training of Trainers (TOT)	BIM	1	25-29 September 2022
118	Remittance related RITs(rationalized Input Template)	BB	2	14 September 2022
119	Retail Banking	BIBM	2	21-22 September 2022
120	Leadership Excellence in Banks for Branch Management	BIBM	2	21-22 September 2022
121	Human Resources Development in Islamic Banking: Bangladesh Perspective	CSIBB	1	24 September 2022
122	Policy & Procedure of Foreign Investment in Bangladesh:Role of Ads	BIBM	3	25-26 September 2022
123	IT Governance in Banks for executives	BIBM	2	25-26 September 2022
124	Internal Control Mechanism and Bank Supervision	BAB	5	24-25 September 2022
125	Risks and Controls for Trade Finance Products and Services	Blackstone	3	23-24 September 2022
126	Document Verification System	BIBM	1	29 September 2022



127	Certified Information System Auditor (CISA)	IBCS-Primax	2	26 August 2022
128	Financial Cyber Drill-2022	BGD e GOVT CIRT	5	22 October 2022
129	Sustainable Financing & Green Banking	BIBM	3	10-13 October 2022
130	Certified Expert in Trade Services (CETS)	BIBM	2	01 January 2023
131	Working Capital Financing	BIBM	3	10-13 October 2022
132	Financial Crime and Compliance Issues in Banks	BIBM	3	12-13 October 2022
133	Project Appraisal & Management	BIBM	5	16-20 October 2022
134	Banking Technology & Cyber Security Issues	BIBM	4	16-20 October 2022
135	6th Certified Islamic Professional Accountant (CIPA)	CSBIBB	3	01 October 2022
136	Bank Management for executives	BIBM	3	23-31 October 2022
137	Risk Reporting in Banks	BIBM	2	26-27 October 2022
138	Financing RMG Sector	BAB	3	22-23 October 2022
139	Post-Covid Impact on Banking Activities & Way of Recovery	BIBM	3	26-27 October 2022
140	Export Operations, Back-to-Back LC Mechanism and Challenges of Export Finance	ICCB	4	05 November 2022
141	Prevention of Trade & Credit Based Money Laundering in Banks	BIBM	3	30-31 October 2022
142	Regulatory Guidelines for Trade Facilitation	BIBM	2	1-3 November 2022
143	Project Appraisal and Credit Management	BIBM	3	01-10 November 2022
144	Information System Audit in Banks for Non- IT Officials	BIBM	2	6-10 November 2022
145	Time & Stress Management for Bank Executives	BIBM	5	9-10 November 2022
146	International Trade Payment & Finance	BIBM	5	6-10 November 2022
147	Certified Expert in E-Banking (CEEB)	BIBM	1	01 January 2023
148	Prevention of Financial Crime	BIBM	5	15 November 2022
149	Certified Expert in Credit Management (CECM)	BIBM	1	01 January 2023
150	Certified Expert in Anti-Money Laundering & Financial Crime(CEAF)	BIBM	1	01 January 2023
151	Credit Risk Management	BAB	2	19-21 November 2022
152	Outreach Financing Agro-based CMSME Business	BIBM	5	20-24 November 2022
153	Prevention of Money Laundering & Terrorist Financing	BIBM	3	23-24 November 2022
154	Digital Financial Services for Inclusive Banking	BIBM	2	27-28 November 2022



155	Operational Risk Management in Banks	BIBM	3	27-28 November 2022
156	Awareness Development Program on ESRM	BB	2	26 November 2022
157	Enterpreneurship Development	BB	1	30 November 2022
158	Certified EI Graduate Course	SLSD	25	23 December 2022
159	National Cyber Drill-2022	BGD e-Gov Cir	5	12-13 December, 2022
160	Regulatory & Legal Measures for NPL Management: Case based Analysis	BIBM	2	07-08 December, 2022
161	Foreign Exchange Operations of Banks	BIBM	3	05-08 December, 2022
162	Time Management & Stress Management	IBB	70	21 December, 2022
163	Sustainable Financing Policy of Bangladesh Bank	BB	1	17-18 December, 2022
164	Shariah Based Sustainable Finance Policy Guidelines for Banks and Financial Institutions	BB	1	19 December. 2022
165	Management of Non-performing Loan & Recovery Strategies	BAB	2	17-18 December, 2022
166	Certified Expert in Sustainable Finance	BIBM	2	March, 2023 intake
167	“আমদানি পরিবীক্ষণ বিষয়ে এক্সিকিউটিভ ডেভেলপমেন্ট সেমিনার আয়োজন প্রসঙ্গে।	BB	5	24 December 2022
			684	



Training Programs Conducted at Computer Lab of Pubali Bank for the Year 2022

SL	Name of the Programme / Workshop	No. of Courses	Number of Participants	Male	Female
1	Pubali Integrated Banking System (PIBS), ICT Infrastructure and Security For Newly Recruited Junior Officers (Hardware Engineer)	1	14	12	2
2	Security Awareness Program for SWIFT User	1	33	27	6
3	Restructure, End Point Hardening & Introducing MFA (Multi-factor Authentication) at Branch End as per SWIFT CSP Recommendation	1	106	106	0
4	Implementation of Web Based PIBS/ PIIBS	1	128	123	5
5	Information Security Awareness ((Virtual))	1	950	900	50
6	Implementation of PCI DSS	1	32	30	2
7	ISO Lead Implementation	1	11	11	0
A.	Core Banking Operation:				
1	Pubali Integrated Banking System (PIBS) for New recruited officers	12	350	280	70
2	BACPS, BEFTN, RTGS, e-Payment, & Remittance	8	181	131	50
3	Credit Application Processing & Security Register	8	192	186	6
4	Changes in CLS/LFS, Stimulus Interest and Interest Suspense Register	11	762	700	62
5	Central Disbursement System & Document Archiving System	7	175	156	19
B.	Training on ERP:				
1	Pubali Human Resources Management System	9	212	197	15
2	Customer Registration and A/C Opening (Both in Traditional & e-KYC Model)	7	163	125	38
3	Source Tax, VAT, Excise Duty, GL Register and Payroll	10	248	220	28
C.	Alternate Delivery Chanel:				
1	Automated Challan System (ACS), Utility Bills, Collection Account and Security Paper Management	19	806	711	95
2	Card Business & Management System	7	204	154	50
3	Card Operation & Management System	8	203	188	15
4	Mobile Apps (PI) Retail & Corporate Banking	7	205	197	8
5	Web Application (PI) Retail & Corporate Banking	2	50	47	3
D.	ICT Security & Technological Training:				
1	Maintenance of Branch Network, System, Inventory Management & Cyber Security Awareness	8	195	189	6
2	End-Point Security Implementation and Maintenance	8	238	213	25
3	Artificial Intelligence	2	57	49	8
E.	Strategy Change Management :				
1	Fintech	1	31	26	5
	Total	141	5546	4978	568



2.24 Audit committee

The Audit Committee of the Board comprising of the following members of the Board of Directors:

Name	Status in the Board	Status in the Committee	Educational Qualification
Mr. Mohammad Naushad Ali Chowdhury	Independent Director	Chairman	MBA, BSc(Hons), MSc (Physics)
Mr. Ahmed Shafi Choudhury	Director	Member	BA (Dhaka University)
Mr. M. Kabiruzzaman Yaqub FCMA (UK), CGMA	Director	Member	B. Eng (Civil), UK, FCMA (UK), CGMA
Ms. Rana Laila Hafiz	Director	Member	MA (English) DU
Dr. Shahdeen Malik	Independent Director	Member	PhD in Law, London, UK, Obtained LL.M degrees from Universities at Moscow & Philadelphia

2.25 Accounting for Changes in Policy, Accounting Estimates and Errors

IAS - 8 Accounting Policies, Changes in Accounting Estimates and Errors, states that the effect of a change in accounting policy and correction of error if material is to be applied retrospectively and change in an accounting estimate is to be applied prospectively. The carrying amount of assets, liabilities, or equity may be changed following a change in accounting estimates in the period of the change. The Bank followed the same accordingly.

2.26 Events after reporting period

As per IAS - 10 "Events after the Reporting Period" events after the reporting period are those events, favorable and unfavorable, that occur between the end of the reporting period and the date when the financial statements are authorized for issue. Two types of event can be identified:

- (a) Adjusting events after the reporting period which provide evidence of conditions which existed at the end of the reporting period; and
- (b) Non adjusting events after the reporting period are those that are indicative of conditions that arose after the reporting period.

2.27 Related party disclosures

Related Party is a party related to an entity if:

- (i) Directly or indirectly through one or more intermediaries, the party controls, is controlled by, or is under control with, the company; has an interest in the company, that gives it significant influence over the company; or has joint control over the company;
- (ii) The party is an associate (as defined in IAS 28 Investment in Associates);
- (iii) The party is a joint venture in which the entity is a venture (as per IAS 31 Interests in Joint Ventures);
- (iv) The party is member of the key management of personnel of the entity or its parent;
- (v) The party is a close member of the family of any individual referred to in (i) or (iv);
- (vi) The party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v); or



(vii) The party is post-employment benefit plan for the benefit of employees of the entity or of any entity that is related party of the entity.

2.28 Director's responsibilities on financial statement

The Board of Directors takes the responsibilities for the preparation and presentation of these financial statements.

2.29 Segment reporting

As per IFRS 8 "Operating Segments", an operating segment is a component of an entity:

- (i) That engages in business activities from which it may earn revenues and incur expenses (include revenues and expenses relating to transactions with other components of the same entity);
- (ii) Whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performances, and
- (iii) For which discrete financial information is available.

The Bank identifies segment based on its business segment as well as its subsidiaries. Business segments are comprised of Conventional Banking, Islamic Banking, Off-shore Banking and Pubali Bank Securities Limited. The Bank reviews the segments at the end of each reporting period to identify which of its segments are reportable and disclose the related information for those reportable segments accordingly.

2.30 Disclosure of FRC Policy to preserve Audited Financial Report in processing Loans

Financial Statement of a company is a mandatory document for sanctioning new loan facilities as well as renewal and enhancement of existing facilities. As per BRPD Circular Letter No. 04 dated 04 January 2021 issued by Bangladesh Bank, at the time of loan sanction/renewal, it is mandatory to preserve the up-to-date Statutory Audited Financial Report audited by Chartered Accountants for the firms defined as Public Interest entity by the clause 2(8) of Financial Reporting Act, 2015. During year-2021, 406 borrowers submitted Audited Financial Report out of 584 public interest entities. Efforts are being made to preserve the up-to-date Audited Financial Report in all the loan files.

As per BRPD circular Letter No. 35 dated 06 July 2021, the bank will use the Document Verification System (DVS) of the Institute of Chartered Accountants of Bangladesh (ICAB) to verify the Audited Financial Reports submitted by the borrower. Regarding the issue, ICAB arranged a virtual training program on DVS titled "The SECOND Slot held on 06 September 2021 Go-on-live Training on Document Verification System (DVS) for banks". In this connection, Bank already signed a MoU with ICAB dated 15 September 2022. Till now bank did not get any ID for accessing to the DVS system of ICAB. Upon getting access to the DVS system, bank will be able to verify all such types of Firms' Audited Financial Report.

Information about Loan sanctioned/renewed in Year-2022 to Firms:

Particulars	No. to Borrower	Outstanding
Loan to Firms other than Proprietorship & Partnership (public interest entities)	584	Tk.23,078.04 crore
Out of them having Audited Financial Statement	406	Tk.19,070.82 crore



2.31 General

- i) 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 operational results and value of assets and liabilities.
- ii) Figures in these notes and in the annexed financial statements have been rounded off to the nearest Taka.
- iii) These notes form an integral part of the annexed financial statements and accordingly are to be read in conjunction therewith.



PUBALI BANK LIMITED
Notes to the financial statements for the year ended 31 December 2022

	2022 Taka	2021 Taka
3 Cash		
Cash In hand (Including foreign currencies)		
In local currency	8,884,367,385	5,064,304,533
In foreign currencies	<u>17,721,435</u>	<u>24,107,140</u>
	<u>8,902,088,820</u>	<u>5,088,411,673</u>
Balance with Bangladesh Bank and its agent Bank(s) (Including foreign currencies)		
Bangladesh Bank		
In local currency	22,142,960,998	17,692,669,678
In foreign currencies	<u>809,270,503</u>	<u>23,493,024</u>
	<u>22,952,231,501</u>	<u>17,716,162,702</u>
Sonal Bank as agent of Bangladesh Bank		
In Local currency	<u>2,595,526,118</u>	<u>1,841,758,205</u>
	<u>25,547,757,619</u>	<u>19,557,920,907</u>
	<u>34,449,846,439</u>	<u>24,646,332,580</u>
3.1 Cash Reserve Ratio and Statutory Liquidity Ratio		
Cash Reserve Ratio and Statutory Liquidity Ratio have been calculated in accordance with the section 33 of Bank Companies Act 1991, MPD circular numbers 1, 2 dated 03 April 2018, DOS circular no. 01 dated 19 January 2014 and MPD circular 01 dated 09 April 2020 respectively.		
The Cash Reserve Ratio (CRR) required on the Bank's time and demand liabilities at the rate of 4.00% has been calculated and maintained through the current account and 13% Statutory Liquidity Ratio (SLR) on the same liabilities has also been maintained in the form of Treasury bills and bonds and other eligible securities. Both the reserves maintained by the Bank are in excess of the statutory requirements as shown below:		
3.1.1 Cash Reserve Ratio (CRR)		
Required Reserve (4%)	21,397,563,000	18,613,499,000
Actual Reserve maintained	<u>22,698,152,170</u>	<u>18,051,230,733</u>
Surplus/(deficit)	<u>1,300,589,170</u>	<u>(562,268,267)</u>
3.1.2 Statutory Liquidity Ratio (SLR)		
Required Reserve (13%)	71,321,072,000	61,555,808,000
Actual Reserve maintained	<u>128,612,207,150</u>	<u>131,697,834,090</u>
Surplus/(deficit)	<u>57,291,135,150</u>	<u>70,142,026,090</u>
Held for Statutory Liquidity Ratio (SLR)		
Cash in Hand	8,902,088,820	5,088,411,673
Balance with agent Bank (Sonal Bank Limited)	885,378,806	602,434,680
Excess Cash Reserve	1,300,589,170	24,569,092
Government Securities (HTM)	72,892,046,883	71,761,227,925
Government Securities (HFT)	42,645,374,345	52,234,461,595
Other Eligible Securities	<u>1,986,729,126</u>	<u>1,986,729,125</u>
	<u>128,612,207,150</u>	<u>131,697,834,090</u>
3.1.3 Total required amount of CRR and SLR		
Total required reserve (17%)	92,718,635,000	80,169,307,000
Total actual reserve maintained	<u>150,009,770,150</u>	<u>149,724,495,731</u>
Total Surplus	<u>57,291,135,150</u>	<u>69,555,188,731</u>
3(a) Consolidated Cash		
Cash in hand (Including foreign currencies)		
Pubali Bank Limited	8,902,088,820	5,088,411,673
Pubali Bank Securities Limited	<u>-</u>	<u>-</u>
	<u>8,902,088,820</u>	<u>5,088,411,673</u>
Balance with Bangladesh Bank and its agent Bank (s) (Including foreign currencies)		
Pubali Bank Limited	25,547,757,619	19,557,920,907
Pubali Bank Securities Limited	<u>-</u>	<u>-</u>
	<u>25,547,757,619</u>	<u>19,557,920,907</u>
	<u>34,449,846,439</u>	<u>24,646,332,580</u>
4 Balance with other banks and financial institutions		
In Bangladesh (Note 4.1)	5,012,859,563	20,250,730,902
Outside Bangladesh (Note 4.2)	<u>4,797,398,689</u>	<u>1,231,239,880</u>
	<u>9,810,258,252</u>	<u>21,481,970,782</u>
4.1 In Bangladesh		
In current deposit Accounts (In local currency)		
Janata Bank Limited	<u>65,050,296</u>	<u>34,048,378</u>
	<u>65,050,296</u>	<u>34,048,378</u>
In fixed/term deposit account (in local currency)		
Delta Brac Housing and Finance Corporation Ltd.	-	1,150,000,000
ICB Islamic Bank Ltd, Bangshal Branch, Dhaka	32,386,626	32,401,856
ICB Islamic Bank Ltd, Principal Office, Dhaka	188,293,773	188,349,233
Janata Bank Limited	-	800,000,000
Eklm Bank Limited	1,050,000,000	1,000,000,000
Social Islami Bank Limited	-	400,000,000
Investment Corporation of Bangladesh	940,000,000	1,480,000,000
Jamuna Bank Limited	-	1,000,000,000
Social Islami Bank Limited	-	200,000,000
Mutual Trust Bank Limited	-	1,957,177,520
Dhaka Bank Limited	-	1,000,000,000
Brac Bank Limited	-	3,000,000,000
IFIC Bank Limited	-	1,297,400,000
Islami Bank Bangladesh Limited	-	2,402,400,000
United Commercial Bank Limited	500,000,000	429,000,000
Trust Bank Limited	-	85,800,000
The Premier Bank limited	-	772,200,000
Midland Bank limited	-	171,600,000
Agrani Bank Limited	<u>2,200,000,000</u>	<u>-</u>
	<u>4,910,680,399</u>	<u>17,366,328,609</u>
In Savings deposit account		
Islami Bank Bangladesh Limited	<u>15,309,880</u>	<u>14,973,791</u>
	<u>15,309,880</u>	<u>14,973,791</u>



In Special Notice Deposit account

	2022 Taka	2021 Taka
Sonali Bank Ltd, Shilpa Bhaban Branch, Dhaka	90,417	1,359,768,868
Bank Al Falah Ltd, Principal Branch, Dhaka	-	-
National Bank Ltd, Dilkusha Branch, Dhaka	-	-
The City Bank Ltd, Foreign Exchange Branch, Dhaka	-	-
Mutual Trust Bank Ltd, Principal Branch, Dhaka	-	-
Bangladesh Krishi Bank, Local office, Dhaka	8,029,752	1,266,116,939
Janata Bank Limited, Nawabpur branch, Dhaka	6,423,736	202,361,637
First Security Islami Bank Ltd, Dilkusha Branch, Dhaka	6,737,107	6,601,795
AB Bank Limited, Islamic Banking Branch, Dhaka	537,976	530,885
	<u>21,818,988</u>	<u>2,835,380,124</u>
Total Deposit In Bank in BDT	<u>5,012,859,563</u>	<u>20,250,730,902</u>

4.2 Outside Bangladesh (Nostro Account) In demand deposit account (non interest bearing)

Name of Bank	Foreign currency name	2022			2021		
		Conversion rate per unit FC	Amount In foreign currency	Amount In taka	Conversion rate per unit FC	Amount In foreign currency	Amount In taka
SCB Mumbai (AMEX)	ACUD	103.2970	30,177.44	3,117,239	85.8000	30,177.44	2,589,224
Bank of Bhutan, Thimpu	ACUD	103.2970	2,735.75	282,595	85.8000	15,174.54	1,301,976
MUFG Bank Ltd. New Delhi	ACUD	-	-	-	85.8000	22,770.00	1,953,666
MUFG Bank Ltd. Japan	JPY	0.7716	12,736,616.00	9,827,849	0.7457	6,260,469.00	4,668,418
Commerz Bank, Germany	USD	103.2970	231,524.58	23,915,795	85.8000	644,176.96	55,270,383
Habib Metropolitan Bank, Ltd., Karachi	ACUD	103.2970	18,107.97	1,870,499	85.8000	142,554.72	12,231,195
Habib American Bank, New York	USD	103.2970	677,993.95	70,034,741	85.8000	330,937.84	28,394,467
HDFC Bank Ltd., Mumbai	ACUD	103.2970	158,393.88	16,361,613	85.8000	46,378.57	3,979,281
Punjab National Bank	ACUD	103.2970	242,114.65	25,009,717	85.8000	177,857.79	15,260,198
HSBC Bank, Mumbai	ACUD	103.2970	64,075.94	6,618,852	85.8000	64,075.94	5,497,716
ICICI Bank Ltd., Kolkata, India	ACUD	103.2970	233,939.59	24,165,258	85.8000	73,459.72	6,302,844
AB Bank, Mumbai	ACUD	103.2970	317,005.55	32,745,722	85.8000	2,104.04	180,527
Mashreq Bank PSC, New York	USD	103.2970	14,527,796.19	1,500,677,763	85.8000	3,415,523.61	293,051,926
Mashreq Bank PSC, New York (OBU)	USD	103.2970	6,796,395.22	702,047,238	85.8000	1,588,514.83	136,294,572
Mashreq Bank Mumbai, India (OBU)	ACUD	103.2970	3,847.05	397,389	85.8000	47,906.34	4,110,364
MCB, Pakistan	ACUD	103.2970	247,352.08	25,550,728	85.8000	228.28	19,586
Peoples Bank, Colombo	ACUD	103.2970	6,248.40	645,441	85.8000	14,572.58	1,250,327
Sonali Bank Ltd, Kolkata	ACUD	103.2970	567,456.66	58,616,571	85.8000	142,069.53	12,189,566
Standard Chartered Bank, Kathmandu	ACUD	103.2970	328,061.70	33,887,789	85.8000	208,591.86	17,897,182
Standard Chartered Bank, New York	USD	103.2970	17,614,244.97	1,819,498,663	85.8000	1,479,624.71	126,951,800
Standard Chartered Bank, Mumbai	ACUD	103.2970	95,549.63	9,869,990	85.8000	756,547.16	64,911,746
Standard Chartered Bank, UK	GBP	124.3387	4,791.69	595,792	115.7614	30,914.44	3,578,698
ICICI Bank, Kolkata, India	EURO	109.7427	14,537.17	1,595,349	97.2800	14,537.17	1,414,176
UBS AG, Zurich	CHF	111.3594	15,949.89	1,776,170	93.6988	8,347.09	782,112
Unicredit S.P.A., Milano, Italy	EURO	109.7427	215,234.25	23,620,395	97.2800	216,980.30	21,107,852
Citi Bank NA, New York	USD	103.2970	238,326.16	24,618,377	85.8000	1,204,782.12	103,370,306
Commerz Bank, Germany	EURO	109.7427	596,847.46	65,499,671	97.2800	533,317.45	51,881,142
JP Morgan Chase Bank, New York	USD	103.2970	1,993,248.49	205,896,589	85.8000	2,227,144.01	191,088,956
ABU DHABI Commercial Bank	AED	28.1218	1,393,745.15	39,194,624	23.3565	1,453,517.65	33,949,045
AXIS Bank Ltd., India	ACUD	103.2970	641,133.99	66,227,218	85.8000	346,860.47	29,760,628
ZHEJIANG CHOUZHOU Commercial Bank	USD	103.2970	572.40	59,127	-	-	-
ZHEJIANG CHOUZHOU Commercial Bank	CNY	14.8132	214,263.10	3,173,925	-	-	-
				<u>4,797,398,689</u>			<u>1,231,239,880</u>

4.3 Maturity grouping of balance with other banks and financial Institutions

Payable on demand	4,899,577,853	4,081,593,795
Up to 3 months	1,050,000,000	15,429,625,898
Over 3 months but not more than 1 year	3,640,000,000	1,750,000,000
Above 1 year (receivable from former The Oriental Bank Ltd.)	<u>220,680,399</u>	<u>220,751,089</u>
	<u>9,810,258,252</u>	<u>21,481,970,782</u>

4(a) Consolidated Balance with other banks and financial Institutions

In Bangladesh		
Pubali Bank Limited	5,012,859,563	20,250,730,902
Pubali Bank Securities Limited	<u>1,576,440,374</u>	<u>1,947,268,210</u>
	<u>6,589,299,937</u>	<u>22,197,999,112</u>
Less: Inter Company Transactions	<u>1,485,886,271</u>	<u>1,737,373,112</u>
	<u>5,103,413,666</u>	<u>20,460,626,000</u>
Outside Bangladesh		
Pubali Bank Limited	4,797,398,689	1,231,239,880
Pubali Bank Securities Limited	-	-
	<u>4,797,398,689</u>	<u>1,231,239,880</u>
	<u>9,900,812,355</u>	<u>21,691,865,880</u>

5 Money at call on short notice

Banking company (note- 5.1)	811,286,667	11,286,667
Non-banking Financial Institution (note-5.2)	<u>27,700,000</u>	<u>230,700,000</u>
	<u>838,986,667</u>	<u>241,986,667</u>

5.1 Banking company

The Premier Bank Limited	800,000,000	-
ICB Islamic Bank Ltd.	<u>11,286,667</u>	<u>11,286,667</u>
	<u>811,286,667</u>	<u>11,286,667</u>

5.2 Non-banking Financial Institution

GSP Finance Co. (BD) Ltd.	27,700,000	30,700,000
IPDC Finance Limited	-	200,000,000
	<u>27,700,000</u>	<u>230,700,000</u>



	2022 Taka	2021 Taka
6 Investments		
Government Investments		
Securities		
Government/ Bangladesh Bank bills - at book value (note 6.1)	11,505,232,705	11,146,071,611
Government treasury bonds (Note 6.2)	103,005,040,360	113,933,697,912
Reverse Repo (Note 6.3)	2,111,228,163	-
National prize bonds	12,682,101	25,017,791
Total investment in government securities and bonds	116,634,183,329	125,104,787,314
Other Investments:		
Shares (Note 6.4)	8,152,789,309	7,077,957,454
Debentures (Note 6.5)	294,060	294,060
Prime Bank Limited Bond	300,000,000	400,000,000
Dhaka Bank Limited Bond	90,000,000	120,000,000
Bank Asia Limited Bond -1	-	50,000,000
EXIM Bank Limited Bond -1	-	60,000,000
Southeast Bank Limited Bond - 2	200,000,000	400,000,000
Trust Bank Limited Bond -2	200,000,000	400,000,000
One Bank Limited Bond -2	200,000,000	400,000,000
Jamuna Bank Limited Bond	120,000,000	180,000,000
Mutual Trust Bank Limited Bond -2	380,000,000	570,000,000
Bank Asia Limited Bond -2	300,000,000	600,000,000
EXIM Bank Limited Bond -2	400,000,000	600,000,000
Dutch- Bangla Bank Limited Bond-1	600,000,000	900,000,000
Shahjalal Islami Bank Limited Bond	280,000,000	420,000,000
Social Islami Bank Limited Bond -2	100,000,000	200,000,000
The City Bank Limited Bond -2	262,500,000	425,000,000
Standard Bank Limited Bond	200,000,000	300,000,000
Islami Bank Bangladesh Limited Bond	400,000,000	600,000,000
United Commercial Bank Limited Bond -1	300,000,000	450,000,000
Southeast Bank Limited-3	90,000,000	120,000,000
The City Bank Limited Bond -3	300,000,000	400,000,000
Dutch- Bangla Bank Limited Bond -2	300,000,000	400,000,000
One Bank Bond-3	300,000,000	300,000,000
Eastern Bank Limited Bond	800,000,000	1,000,000,000
Bank Asia Limited Bond -3	500,000,000	500,000,000
Dutch- Bangla Bank Limited Bond-3	500,000,000	500,000,000
Trust Bank Limited Bond -3	500,000,000	500,000,000
The City Bank perpetual Bond	799,000,000	1,000,000,000
United Commercial Bank Limited Perpetual Bond	500,000,000	500,000,000
PRAN AGRO Limited Green Bond	240,000,000	300,000,000
NCC Bank Perpetual Bond	650,000,000	650,000,000
Islami Bank Bangladesh Limited Perpetual Bond	100,000,000	-
Mercantile Bank Limited Perpetual Bond	1,000,000,000	-
Mutual Trust Bank Limited Bond-3	2,500,000,000	-
United Commercial Bank Limited Bond-2	1,000,000,000	-
Al-Arafah Islami Bank Limited Bond	200,000,000	200,000,000
Bridge financing advances (Note 6.6)	4,722,910	4,722,910
	22,769,306,279	20,527,974,424
	139,403,489,608	145,632,761,738
6.1 Government/ Bangladesh Bank bills		
30 days Bangladesh Bank bills	-	-
91 days treasury bills	4,234,682,943	7,220,261,738
182 days treasury bills	139,563,481	-
1 year treasury bills	7,130,986,281	3,925,809,873
	11,505,232,705	11,146,071,611
6.2 Government treasury bonds		
25 years treasury bond	-	-
20 years treasury bond	29,141,268,603	28,252,898,849
15 years treasury bond	16,981,980,475	15,963,952,707
10 years treasury bond	26,040,828,365	28,167,621,289
5 years treasury bond	14,933,494,517	17,254,429,889
2 years treasury bond	15,233,788,400	23,331,115,178
	102,331,360,360	112,970,017,912
5 years Sukuk Bond	673,680,000	673,680,000
6 Months Bangladesh Govt. Islami Investment Bond	-	290,000,000
	673,680,000	963,680,000
	103,005,040,360	113,933,697,912
6.3 Reverse Repo with other Bank		
Government/ Bangladesh Bank bills		
182 days (Reverse Repo with other bank)	465,737,374	-
1 year (Reverse Repo with other bank)	-	-
	465,737,374	-
Government treasury bonds		
20 years treasury bond	376,110,084	-
15 years treasury bond	545,519,060	-
10 years treasury bond	723,861,645	-
	1,645,490,789	-
	2,111,228,163	-



6.4 Shares	Name of company	No of share	Market price	Market value	2022	2021
					Taka	Taka
					Cost/Book value	Cost/Book value
	The ACME Laboratories Limited	2,055,000	85.00	174,675,000	186,135,765	105,803,270
	ACME Pesticides Limited	7,445,670	35.40	263,576,718	243,177,252	2,661,831
	Bata Shoe Company (BD) Limited	94,000	952.30	89,516,200	93,124,144	10,606,008
	Baraka Power Limited	1,120,790	21.30	23,872,827	28,903,695	-
	Baraka Patenga Power Limited	933,895	29.30	27,363,124	30,371,573	-
	Bangladesh Submarine cable company Limited	361,644	218.90	79,163,872	70,123,254	65,910,670
	Bangladesh Steel Re-Rolling Mills Limited	1,973,175	90.00	177,585,750	182,058,989	182,058,989
	BSRM Steels Limited	2,798,048	63.90	178,795,267	212,974,448	101,876,968
	City Bank Limited	1,607,519	21.80	35,043,914	39,542,135	3,942,039
	Confidence Cement Mills Limited	154,686	89.00	13,767,054	16,647,430	-
	Delta Brac Housing Finance Corporation Limited	808,057	57.80	46,705,695	63,090,082	44,192,510
	Eastern Bank Limited	22,815,167	31.80	725,522,311	53,051,800	53,051,800
	Global Islami Bank Limited	1,317,368	9.00	11,856,312	13,173,680	-
	Gramphone Limited	940,000	286.60	269,404,000	314,358,531	314,358,531
	ICB Islamic Bank Limited	7,998,300	5.40	43,190,820	79,983,000	79,983,000
	Islami Commercial Insurance Company Limited	8,798	28.10	247,224	87,980	-
	IDLC Finance Ltd	3,850,989	46.50	179,070,989	221,795,630	148,744,494
	Ifad Autos Limited	985,320	44.10	43,452,612	64,605,006	64,605,006
	Jamuna Oil Company Limited	1,130,000	167.30	189,049,000	201,237,089	73,094,811
	JMI Hospital Requisite Manufacturing Limited	840,807	73.40	61,715,234	66,045,395	-
	Krishibid Power Company Limited	-	-	-	-	865,260
	Khulna Power Company Limited	792,717	26.60	21,086,272	36,903,300	36,903,300
	Linde Bangladesh Limited	35,000	1,397.70	48,919,500	49,365,494	244,445,234
	LR Global Bangladesh Mutual Fund One	5,184,672	6.40	33,181,901	50,000,000	50,000,000
	Marico Bangladesh Limited	100,000	2,421.50	242,150,000	143,564,611	143,564,611
	Meghna Insurance Limited	4,032	42.80	171,286	40,020	-
	Mercantile Bank Limited	6,228,987	13.60	84,714,223	100,899,807	100,899,807
	MJL Bangladesh Limited	2,270,502	86.70	196,852,523	226,514,037	207,811,699
	Meghna Petroleum Limited	1,000,000	198.60	198,600,000	203,475,158	56,034,345
	NCC Bank Limited	4,160,000	13.80	57,408,000	63,019,013	63,019,013
	Nalco Alloys Limited	-	-	-	-	412,980
	Olympic Industries Limited	262,128	124.00	32,503,872	75,383,109	209,725,271
	One Bank Limited	103,083	10.20	1,051,447	1,267,000	1,266,999
	Padma Oil Company Limited	750,439	209.20	156,991,839	169,102,147	41,094,963
	Power Grid Company Bangladesh	1,003,700	52.40	52,593,880	60,931,655	60,931,655
	Reckitt Bangladesh Limited	11,268	4,760.70	53,643,568	18,222,861	18,222,861
	Renata Ltd	229,812	1,217.90	279,888,035	151,728,401	151,728,401
	Ring Shine Textiles Limited	1,306	9.80	12,799	11,244	11,244
	Singer Bangladesh Limited	150,000	151.90	22,785,000	24,258,655	16,573,583
	Sena Kalyan Insurance Company Limited	-	-	-	-	69,940
	Square Pharmaceuticals Limited	2,000,000	209.80	419,600,000	418,456,694	418,456,694
	Summit Power Limited	8,466,700	34.00	287,867,800	345,128,322	296,941,323
	Titas Gas Transmission and Distribution Co. Ltd.	2,840,163	40.90	116,162,667	132,799,706	6,902,145
	Unilever Consumer Care Limited	46,751	2,849.00	133,193,599	79,948,157	79,948,156
	Union Bank Limited	19,000,000	9.30	176,700,000	241,106,922	-
	United Power Generation & Distribution Company Ltd	800,000	233.70	186,960,000	207,510,306	77,184,968
	Uttara Bank Limited	5,763,170	23.30	134,281,861	136,444,769	88,801,328
	Sub-Total (A)			5,570,893,991	5,116,568,266	3,622,705,707
	Unquoted (B)	No of share	Face Value	Market value/NAV	Cost/Book value	Cost/Book value
	Swan Textile Mills Limited	578	100	-	57,800	57,800
	Specialised Jute Yarn & Twine Manufacturing Company Limited	19,880	10	-	198,800	198,800
	Paper Converting & Packaging Limited	839	100	-	83,900	83,900
	Ashraf Textile Mills Limited	99,165	10	-	1,274,980	1,274,980
	Karmasangsthan Bank	100,000	100	30,440,860	10,000,000	10,000,000
	Central Depository Bangladesh Limited	2,284,721	10	89,424,894	6,277,770	6,277,770
	Lanka Bangla Securities Limited	97,828	10	1,957,078	5,000,000	5,000,000
	Sub-Total (B)			121,822,832	22,893,250	22,893,250
	Preference Shares (C)	No of share	Face Value	Market value/NAV	Cost/Book value	Cost/Book value
	Raj Lanka Power Company Limited	-	10	-	-	19,393,939
	Summit Barisal Power Company Limited	-	10	-	-	34,000,000
	Summit Narayanganj Power Company Limited	-	10	-	-	18,000,000
	Confidence Power Bogra Unit-2 Limited	4,500,000	10	45,000,000	45,000,000	60,000,000
	Kushlira Power Company Limited	16,100,000	10	161,000,000	161,000,000	195,500,000
	City Sugar Mills Limited	4,000	100,000	400,000,000	400,000,000	500,000,000
	Fleming Fashion Limited	1,520,000	100	152,000,000	152,000,000	190,000,000
	Akber Ali & Company Limited	60,000,000	10	600,000,000	600,000,000	750,000,000
	Sub-Total (C)			1,358,000,000	1,358,000,000	1,766,893,939
	Non Capital Market Investment Element (D)	No of share	Face Value	Market value/NAV	Cost/Book value	Cost/Book value
	Investment Corporation of Bangladesh	63,546,441	10	949,649,126	949,649,126	949,649,126
	ACME Pesticides Limited	-	-	-	-	31,684,017
	Bangladesh Submarine Cable Company Limited	75,000	10	14,406,686	14,406,686	14,406,686
	Bangladesh Steel Re-Rolling Mills Limited	311,159	10	34,119,035	34,119,035	34,119,035
	BSRM Steels Limited	199,590	10	14,288,714	14,288,714	14,288,714
	IDLC Finance Ltd	567,551	10	33,746,923	33,746,923	33,746,923
	Jamuna Oil Company Limited	332,737	10	56,866,924	56,866,924	56,866,924
	Khulna Power Company Limited	1,000,000	10	50,318,619	50,318,619	50,318,619
	Linde Bangladesh Limited	-	-	-	-	52,555,304
	Mercantile Bank Limited	4,532,732	10	82,743,448	82,743,448	82,743,448
	Meghna Petroleum Limited	328,000	10	66,008,252	66,008,252	66,008,252
	MJL Bangladesh Limited	54,063	10	4,907,969	4,907,969	4,907,969
	Padma Oil Company Limited	207,873	10	46,128,499	46,128,499	46,128,499
	Power Grid Company of Bangladesh Limited	155,000	10	9,200,275	9,200,275	9,200,275
	Renata Ltd	68,135	10	84,787,848	84,787,847	84,787,847
	Square Pharmaceuticals Limited	230,000	10	47,509,481	47,509,481	47,509,481
	Summit Power Limited	1,500,000	10	62,114,646	62,114,646	58,881,827
	Titas Gas Transmission and Distribution Co. Ltd.	168,820	10	6,288,060	6,288,060	6,288,060
	United Power Generation & Distribution Ltd.	300,000	10	75,478,326	75,478,326	4,608,588
	Uttara Bank Limited	724,933	10	16,764,963	16,764,963	16,764,964
	Sub-Total (D)			1,655,327,799	1,655,327,799	1,665,464,558
	Total (A+B+C+D)			8,706,044,617	8,152,789,309	7,077,957,454



			2022 Taka	2021 Taka
6.4.1 Particulars of required provision for Investment				
	Market value/NAV at 31 Dec 2022	Cost/Book value at 31 Dec 2022	Required provision 2022	Required provision 2021
Quoted Shares	5,537,712,090	5,066,568,266	-	-
Mutual Fund	33,181,901	50,000,000	4,211,569	-
Unquoted Shares				
Provision Required				
Swan Textile Mills Limited	-	57,800	57,800	57,800
Specialised Jute Yarn & Twine Manufacturing Company Limited	-	198,800	198,800	198,800
Paper Converting & Packaging Limited	-	83,900	83,900	83,900
Ashraf Textile Mills Limited	-	1,274,980	1,274,980	1,274,980
LankaBangla Securities Limited	1,957,078	5,000,000	3,042,922	3,163,054
Provision not Required				
Karmasangsthan Bank	30,440,860	10,000,000	-	-
Central Depository Bangladesh Limited	89,424,894	6,277,770	-	-
Preference Share				
Confidence Power Bogra Unit-2 Limited	45,000,000	45,000,000	-	-
Kushlara Power Company Limited	161,000,000	161,000,000	-	-
City Sugar Mills Limited	400,000,000	400,000,000	-	-
Flamingo Fashion Limited	152,000,000	152,000,000	-	-
Akber Ali & Company Limited	600,000,000	600,000,000	-	-
Non Capital Market Investment Element				
Investment Corporation of Bangladesh	949,649,126	949,649,126	-	-
Bangladesh Submarine Cable Company Limited	14,406,686	14,406,686	-	-
Bangladesh Steel Re-Rolling Mills Limited	34,119,035	34,119,035	-	-
BSRM Steels Limited	14,288,714	14,288,714	-	-
IDLC Finance Ltd	33,746,923	33,746,923	-	-
Jamuna Oil Company Limited	56,866,924	56,866,924	-	-
Khulna Power Company Limited	50,318,619	50,318,619	-	-
Mercantile Bank Limited	82,743,448	82,743,448	-	-
Meghna Petroleum Limited	66,008,252	66,008,252	-	-
MJL Bangladesh Limited	4,907,969	4,907,969	-	-
Padma Oil Company Limited	46,128,499	46,128,499	-	-
Power Grid Company of Bangladesh Limited	9,200,275	9,200,275	-	-
Renata Ltd	84,787,848	84,787,848	-	-
Square Pharmaceuticals Limited	47,509,481	47,509,481	-	-
Summit Power Limited	62,114,646	62,114,646	-	-
Titas Gas Transmission and Distribution Co. Ltd.	6,288,060	6,288,060	-	-
United Power Generation & Distribution Ltd.	75,478,326	75,478,326	-	-
Uttara Bank Limited	16,764,963	16,764,963	-	-
	8,706,044,616	8,152,789,310	8,869,971	4,778,534
Bridge finance Advance	-	4,722,910	4,722,910	4,722,910
Debtenture - at cost	-	294,060	294,060	294,060
Grand Total	8,706,044,616	8,157,806,280	13,886,941	9,795,504
Required provision has been maintained in current year as per BRPD circular no.14 dated 25 June 2003, DOS circular no.04 dated 26 May 2019, DOS circular no.04 dated 24 November 2011 and DOS circular no. 07 dated 25 February 2014.				
6.4.2 Particulars of required provision for Balance with other Bank				
In fixed/term deposit account (in local currency)				
ICB Islamic Bank Ltd, Bangshal Branch, Dhaka			32,386,626	32,401,856
ICB Islamic Bank Ltd, Principal Office, Dhaka			188,293,773	188,349,233
Total Fixed/ Term Deposit			220,680,399	220,751,089
Money at call on short notice				
ICB Islamic Bank Ltd.			11,286,667	11,286,667
Total required provision			231,967,066	232,037,756
Total required provision for Investment and Balance with other Bank				
Investment			13,886,941	9,795,504
Balance with other Bank			231,967,066	232,037,756
Grand Total			245,854,007	241,833,260
Provision maintained (note: 14.5)			253,500,000	253,500,000
Excess/(Shortage)			7,645,993	11,666,740
6.5 Debtentures at cost				
Gandhara Industries Limited			60	60
Rupan Oil and Feeds Limited			30,000	30,000
Bay Sodium Chemical Industries Limited			15,000	15,000
Monir Chemical Limited			85,000	85,000
Ahmed Jutex Mills Limited			75,000	75,000
Mirzaboo Steel Limited			89,000	89,000
			294,060	294,060
6.6 Bridge financing advances				
Bridge financing advances (ICB sponsored)			4,722,910	4,722,910
6.7 Maturity grouping of Investments				
Receivable on demand			8,352,230,803	4,769,612,536
Not more than 3 months			21,327,375,335	8,088,440,142
Over 3 months but not more than 1 year			11,127,166,643	18,404,873,995
Over 1 year but not more than 5 years			29,961,502,313	45,996,985,982
Over 5 years			68,635,214,514	68,372,849,083
			139,403,489,608	145,632,761,738
6.8 Investment classified as per Bangladesh Bank Circular				
Treasury Bill - Held for trading (HFT)			11,505,232,705	11,146,071,611
Treasury Bond - Held for trading (HFT)			31,140,141,640	41,088,389,985
Treasury Bond - Held to maturity (HTM)			73,976,126,883	72,845,307,927
Approved debtenture - Held to maturity (HTM)			294,060	294,060
Other securities			22,781,694,320	20,552,698,155
			139,403,489,608	145,632,761,738



2022
Taka

2021
Taka

6.9 Repo and Reverse Repo

A. (i) Disclosure regarding outstanding repo as on 31 December 2022

Counter Party Name	Agreement Date	Reversal Date	Amount (1st leg cash consideration)
Bangladesh Bank	28/12/2022	4/1/2023	3,517,844,400
Standard Chartered Bank Limited	29/12/2022	3/1/2023	1,536,302,535
Total			5,054,146,935

A. (ii) Disclosure regarding outstanding Reverse repo as on 31 December 2022

Counter Party Name	Agreement Date	Reversal Date	Amount (1st leg cash consideration)
National Bank Limited	29/12/2022	3/1/2023	2,135,330,059
Total			2,135,330,059

B. (i) Disclosure regarding overall transaction of repo and Reverse repo

Particulars	Minimum Outstanding During the year	Maximum Outstanding During the year	Daily average Outstanding During the year
Securities sold under Repo:			
i) With Bangladesh Bank	493,717,000	3,517,844,400	55,113,076
ii) With Other Banks and Fis	244,755,750	10,137,855,000	394,774,527
Total	738,472,750	13,655,699,400	449,887,603
Securities Purchased under Reverse Repo:			
i) From Bangladesh Bank	-	-	-
ii) From Other Banks and Fis	178,132,650	9,928,969,806	1,290,702,930
Total	178,132,650	9,928,969,806	1,290,702,930

6(a) Consolidated Investments

1. Government

Pubali Bank Limited
Pubali Bank Securities Limited

116,634,183,329
122,126,953
116,756,310,282

125,104,787,314
-
125,104,787,314

2. Other

Pubali Bank Limited
Pubali Bank Securities Limited

22,769,306,279
6,638,790,420
29,408,096,699.00

20,527,974,424
6,294,815,414
26,822,789,838

146,164,406,981
151,927,577,152

7 Loans, advances and leases

Loans, cash credits and overdrafts, etc. (note 7.1)
Bills purchased and discounted (note 7.2)

423,923,256,079
37,960,870,002
461,884,126,081

349,626,391,590
27,030,040,348
376,656,431,938

7.1 Loans, cash credits, overdrafts, etc.

In Bangladesh:

Loans
Cash credits
Overdrafts
Earnest Money
Loan against merchandise
Packing credits
Loan against trust receipts
Pubali prochasta
Non-resident Credit Scheme
Pubali Subarna
Pubali Karmo Uddog
Pubali Sujon
Pubali Utsob
Payment against documents
Consumers loan scheme
EDF loan
Lease finance (Note 7.13)
Credit card
Others

161,240,869,772
72,283,468,046
111,976,434,329
3,765,107,165
3,211,992
1,149,369,402
11,912,205,855
105,643,232
50,728
5,966,132,134
325,060,987
32,225,953
19,709,996
9,512,249,834
12,990,967,382
19,392,866,426
11,049,185,531
301,256,486
1,897,240,829
423,923,256,079

142,497,590,954
60,550,059,467
84,731,149,497
4,308,192,802
3,212,012
725,130,490
7,817,134,742
132,954,607
150,444
5,300,354,871
296,220,335
33,244,783
15,161,586
3,713,028,764
12,583,170,256
18,560,826,191
7,686,653,441
254,663,906
417,492,442
349,626,391,590

Outside Bangladesh

423,923,256,079
349,626,391,590

7.1.1 Maturity grouping of Loans, Advances and Leases

Repayable on demand
Up to 3 months
Over 3 months but not more than 1 year
Over 1 year but not more than 5 years
Over 5 years

27,304,642,244
117,705,095,545
121,554,823,224
91,912,187,086
65,446,507,980
423,923,256,079

19,955,234,242
91,596,725,955
99,791,369,417
80,977,779,865
57,305,282,111
349,626,391,590

7.2 Bills purchased and discounted

Payable in Bangladesh:

Loans against accepted bills
Loans against demand draft purchased

5,684,352,296
31,565
5,684,383,861

3,557,349,785
31,565
3,557,381,350

Payable outside Bangladesh:

Foreign bills purchased
Foreign draft purchased

32,276,486,141
-
32,276,486,141

23,472,658,998
-
23,472,658,998

37,960,870,002
27,030,040,348

7.2.1 Maturity grouping of Bills purchased and discounted

Receivable on demand
Not more than 3 months
Over 3 months but not more than 6 months

2,851,794,993
20,790,512,962
14,318,562,047
37,960,870,002

2,731,971
9,295,975,828
17,731,332,549
27,030,040,348



	2022 Taka	2021 Taka
7.3 Loans and advances including bills purchased and discounted analysed in following broad categories		
In Bangladesh		
Loans	245,347,737,565	207,902,563,976
Cash credits	72,283,468,046	60,550,059,467
Overdrafts	<u>111,976,434,329</u>	<u>84,731,149,497</u>
	429,607,639,940	353,183,772,940
Outside Bangladesh	<u>32,276,486,141</u>	<u>23,472,658,998</u>
	461,884,126,081	376,656,431,938
7.4 Loans and advances on the basis of significant customer concentration including bills purchased and discounted		
Advance to directors and others	93,045	-
Advance to officers and employees	4,774,792,041	4,180,339,375
Advance to customers group (note 7.9)	<u>183,297,040,000</u>	<u>211,411,100,000</u>
7.5 Industry wise distribution of loans and advances		
Agriculture	9,291,096,302	6,970,409,703
Jute	608,921,373	198,295,028
Textile	46,807,328,394	35,183,627,519
Ready-made garments	33,676,578,915	28,003,130,511
Steel & engineering	22,617,419,541	15,885,448,581
Ship breaking	2,907,010,499	2,908,570,809
Edible oil	15,616,818,043	9,904,622,939
Cement	7,609,589,986	7,398,826,350
Pharmaceuticals	12,130,011,758	9,157,796,176
Food & allied	30,857,862,042	26,057,961,291
Electrical equipments & Electronic Goods	17,622,036,739	12,168,356,992
Paper, paper products and packaging	4,310,243,616	3,029,573,740
Leather	381,561,694	860,945,752
Printing & Dyeing Industries	4,218,867,603	6,955,849,552
Others Manufacturing Industries	37,079,254,550	25,200,198,395
Energy and power	7,452,797,855	7,866,558,117
Hospitals, Clinics and other health services	7,046,081,841	5,585,026,149
Construction	16,999,334,318	15,615,146,107
Housing	11,396,175,500	13,119,170,249
Transport and communication	2,137,407,820	2,145,815,225
Others Service Industries	9,704,482,673	6,150,393,198
Trade & Commerce	82,273,454,120	75,274,839,530
NBFI (Non Bank Financial Institution)	3,764,994,321	4,104,174,312
NGO	9,878,224,497	5,259,627,866
Consumer Finance	39,536,380,144	32,353,690,730
Others	<u>25,860,191,937</u>	<u>19,298,377,117</u>
	461,884,126,081	376,656,431,938
7.6 Geographical location-wise (based on fund used) distribution of loans and advances including bills purchased and discounted		
In Bangladesh - Urban		
Dhaka	117,004,700,864	121,817,289,902
Chattogram	12,590,278,719	30,372,169,308
Sylhet	12,309,691,588	14,812,745,303
Barishal	8,241,109,564	5,541,635,437
Khulna	15,469,420,779	12,256,647,504
Rajshahi	11,229,989,260	8,172,534,337
Rangpur	10,161,895,329	6,846,133,001
Mymensingh	<u>6,160,946,719</u>	<u>6,181,957,098</u>
	193,168,032,822	206,001,111,890
In Bangladesh - Rural		
Dhaka	128,531,696,704	87,863,981,931
Chattogram	57,790,522,044	27,421,819,709
Sylhet	13,869,932,747	11,230,393,900
Barishal	2,071,011,098	1,050,933,398
Khulna	4,102,248,255	3,130,761,559
Rajshahi	6,834,877,476	3,903,722,839
Rangpur	5,802,274,207	4,252,680,993
Mymensingh	<u>17,437,044,587</u>	<u>8,328,366,721</u>
	236,439,607,118	147,182,661,050
Outside Bangladesh (Foreign bills/drafts purchased)	<u>32,276,486,141</u>	<u>23,472,658,998</u>
	461,884,126,081	376,656,431,938
7.7 Sector-wise loans and advances including bills purchased and discounted		
Public sector	25,756	25,756
Private sector	460,651,305,997	374,787,682,467
Co-operative sector	<u>1,232,794,328</u>	<u>1,868,723,715</u>
	461,884,126,081	376,656,431,938
7.8 Security base-wise loans and advances including bills purchased and discounted		
Collateral of movable and immovable properties	240,507,558,639	208,667,475,903
Export documents	11,807,775,795	35,115,588,593
Fixed/ Term deposit receipts of own Bank	39,715,605,051	24,795,655,220
FDR of other banks	276,120,031	446,059,558
Government bonds	59,936,488	32,958,955
Corporate Guarantee	90,277,476,015	60,117,872,978
Personal guarantee	78,006,723,380	44,604,416,578
Other securities	<u>1,232,930,682</u>	<u>2,876,404,153</u>
	461,884,126,081	376,656,431,938



7.9 Advance to customers group (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 Regulatory capital of the Bank. Total Regulatory capital of the Bank was Taka 58,464,204,955 as at 31 December 2022.

	2022 Taka	2021 Taka
Number of clients	21	27
Amount of outstanding loans/advances	183,297,040,000	211,411,100,000
Classified amount thereon	-	-
Measures taken for recovery	-	-
* Details shown In Annexure C		
Name of borrower		
City Group	13,192,700,000	12,443,400,000
Paramount Group	11,443,200,000	10,780,000,000
Secom Group	10,455,900,000	8,100,000,000
Amanat Shah Group	10,172,700,000	8,093,100,000
City Seed Crushing Group	9,920,200,000	8,227,900,000
PRAN-RFL Group	9,656,200,000	9,328,300,000
Meghna Group	9,482,300,000	11,489,000,000
Envoy Group	9,385,140,000	6,802,000,000
Sharmin Group	9,245,900,000	8,378,700,000
MSA Spinning	9,071,200,000	7,476,000,000
JMI Group	8,701,900,000	7,645,000,000
AA Yarn Mills Ltd.	8,566,700,000	8,684,700,000
Max Group	8,393,800,000	7,364,000,000
Ha-Meem Group	7,832,300,000	15,848,200,000
GPH Ispat Limited	7,523,100,000	6,254,700,000
BRB Group	7,121,600,000	6,348,500,000
Pakiza Group	6,806,300,000	5,422,700,000
Popular Group	6,742,500,000	5,374,600,000
Abul Khair Group	6,706,500,000	7,836,300,000
BRAC Group	6,459,700,000	-
Al Mostafa Group	6,317,200,000	5,925,000,000
DIRD Group	-	6,259,400,000
Fair Electronics Limited	-	8,265,100,000
Biswas group	-	6,487,500,000
Nitol-Niloy Group	-	6,186,900,000
T. K. Group	-	5,717,500,000
Sena Kalyan Group	-	5,387,400,000
Project Builders Group	-	5,285,200,000
	183,297,040,000	211,411,100,000

7.10 Classification of loans and advances including bills purchased and discounted

Unclassified:

Standard
Special mention account (SMA)

Standard	439,018,423,689	356,673,535,974
Special mention account (SMA)	5,969,682,385	4,322,446,309
	444,988,106,074	360,995,982,283

Classified:

Substandard (SS)
Doubtful (DF)
Bad or loss (BL)

Substandard (SS)	1,953,264,931	1,719,110,775
Doubtful (DF)	652,108,582	1,102,560,408
Bad or loss (BL)	9,515,854,453	8,658,439,097
	12,121,227,966	11,480,110,280
	4,774,792,041	4,180,339,375
	461,884,126,081	376,656,431,938

Staff loan

7.11 Particulars of required provision for loans and advances

Status of Classification

Base for Provision

Rate of Provision (%)

General provision - Unclassified

Standard
Small & Medium Enterprise financing
Loans to BHs/MBs/SDs against share etc.
Housing Finance
Loan for Professional to setup business
Consumers loan scheme (Credit Card)
Consumers loan scheme
Short Term Agri Credit and Micro credit
Special mention account (SMEF)
Special mention account (Credit Card)
Special mention account (CLS)
Special mention account (HF)
Special mention account (LP)
Special mention account (Others)

Standard	316,162,804,245	1	3,161,628,043	2,630,991,865
Small & Medium Enterprise financing	95,829,099,102	0.25	239,572,748	180,505,009
Loans to BHs/MBs/SDs against share etc.	557,121,429	2	11,142,429	5,207,685
Housing Finance	273,834,697	1	2,738,347	2,691,188
Loan for Professional to setup business	21,648,776	2	432,976	5,168,722
Consumers loan scheme (Credit Card)	159,766,120	2	3,195,322	2,706,766
Consumers loan scheme	15,859,783,540	2	317,195,671	294,723,197
Short Term Agri Credit and Micro credit	10,154,365,780	1	101,543,658	57,129,087
Special mention account (SMEF)	1,970,973,651	0.25	4,927,434	4,741,015
Special mention account (Credit Card)	3,455,094	2	69,102	55,598
Special mention account (CLS)	173,152,445	2	3,463,049	4,933,227
Special mention account (HF)	4,684,262	1	46,843	51,383
Special mention account (LP)	-	2	-	12,226
Special mention account (Others)	3,493,630,319	1	34,936,303	18,710,223
			3,880,891,925	3,207,627,191
Provision kept as per Bangladesh Bank Inspection Team instruction against stay order given by Hon'ble High Court.			1,595,168,098	3,262,701,000
General provision to mitigate future risk			1,380,836,638	766,949,850
Special General Provision-COVID 19 has been maintained as per BRPD circular letter no.56/2020, 50/2021, 52/2021, 53/2021 and 53/2022			1,046,629,539	915,201,520
			7,903,526,200	8,152,479,561

Specific provision - Classified

Substandard (Agri & Micro credit)
Substandard (small, Cottage, Micro credit)
Substandard (Others)
Doubtful (Agri & Micro credit)
Doubtful (Small, Cottage, Micro credit)
Doubtful (Others)
Bad/Loss

Substandard (Agri & Micro credit)	372,298	5	18,614	52,300
Substandard (small, Cottage, Micro credit)	348,292,146	5	17,414,607	24,377,068
Substandard (Others)	1,241,351,722	20	248,270,344	56,719,086
Doubtful (Agri & Micro credit)	266,641	5	13,332	-
Doubtful (Small, Cottage, Micro credit)	217,005,066	20	43,401,013	25,021,555
Doubtful (Others)	1,641,614,054	50	820,807,027	529,839,027
Bad/Loss	12,052,735,200	100	12,062,735,200	10,453,937,707
			13,192,660,137	11,089,946,743
Total Required provision (see below)			21,096,186,337	19,242,426,304
Provision maintained (note 14.1)			21,115,754,196	19,253,162,055
Excess provision			19,567,859	10,735,751



	2022 Taka	2021 Taka
7.12 Particulars of loans and advances		
(i) Loans considered good in respect of which the bank is fully secured.	280,559,220,209	233,942,149,636
(ii) Loans considered good for which the bank holds no other security than the debtors' personal security	22,901,574,091	41,544,985,642
(iii) Loans considered good being secured by the personal security of one or more parties in addition to the personal security of the debtors.	158,423,331,781	101,169,296,660
(iv) Loans adversely classified; provision not maintained there against	-	-
	<u>461,884,126,081</u>	<u>376,656,431,938</u>
(v) Loans due by directors or officers of the bank or any of them either severally or jointly with any other persons	4,774,885,086	4,180,339,375
(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 them either severally or jointly with any other persons.	4,774,885,086	4,180,339,375
(viii) 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.	3,764,994,321	4,104,174,312
(ix) Loans due from banking companies	-	-
(x) Amount of classified loan on which Interest /Profit has not been charged as follows	-	-
a) Increase / (decrease) of provision (specific)	335,835,844	1,083,151,893
b) Amount of written off debt including Interest suspense	(1,333,587,953)	(1,593,425,556)
c) Amount of debt recovered against the debt which was previously written off	172,703,132	119,552,642
d) Amount of Provision kept against loans classified as bad or loss	12,062,735,200	10,453,937,707
e) Amount of Interest credited in suspense account	6,752,276,864	6,141,139,753
(xi) Cumulative amount of written off from Loans	-	-
Opening Balance	19,366,639,373	17,773,213,817
Amount of written off during the current year	(1,333,587,953)	(1,593,425,556)
	<u>20,700,227,326</u>	<u>19,366,639,373</u>
(xii) Amount of written off loans for which law suit has been filed for recovery	<u>20,518,284,006</u>	<u>19,184,945,014</u>
7.13 Lease finance		
Lease rental receivable within 1 year	3,863,558,576	2,692,540,121
Lease rental receivable within 5 years	8,328,348,043	5,098,995,558
Lease rental receivable after 5 years	445,668,558	988,200,737
Total lease rental receivable	12,637,575,177	8,779,736,416
Less : Un-earned interest receivable	(1,588,389,646)	(1,093,082,975)
Net Lease finance	<u>11,049,185,531</u>	<u>7,686,653,441</u>
7(a) Consolidated Loans, Advances and Leases		
Loans, cash credits, overdrafts, etc.		
Pubali Bank Limited	423,923,256,079	349,626,391,590
Pubali Bank Securities Limited	867,878,533	781,062,717
	<u>424,791,134,612</u>	<u>350,407,454,307</u>
Bills purchased and discounted		
Pubali Bank Limited	37,960,870,002	27,030,040,348
Pubali Bank Securities Limited	-	-
	<u>37,960,870,002</u>	<u>27,030,040,348</u>
	<u>462,752,004,614</u>	<u>377,437,494,655</u>
8 Fixed Assets Including premises, furniture & Fixtures		
Tangible Assets		
Land	1,117,377,420	1,127,377,430
Lease land	1,121,195,000	1,111,195,000
Building	418,660,966	418,660,966
Vehicles	359,985,902	350,985,902
Machinery and equipment	1,349,266,976	1,178,699,653
Computer & Computer Accessories	1,878,175,861	1,655,857,225
Furniture and fixtures	1,228,879,788	1,037,173,751
Total Tangible Assets	7,473,541,913	6,879,949,927
Accumulated Depreciation	(3,140,929,229)	*(2,761,984,434)
Net book value of Tangible assets	<u>4,332,612,684</u>	<u>4,117,965,493</u>
Intangible Assets		
Computer Software	664,560,474	593,083,288
Accumulated Depreciation	(463,894,586)	(370,100,449)
Net book value of Intangible assets	<u>200,665,888</u>	<u>222,982,839</u>
	<u>4,533,278,572</u>	<u>4,340,948,332</u>
Lease assets		
Right Of Use (ROU) Assets as per IFRS-16	3,718,953,437	3,016,297,775
Accumulated Depreciation	(1,756,687,284)	(1,274,830,510)
Net book value of Lease assets	<u>1,962,266,153</u>	<u>1,741,467,265</u>
Net book value of total fixed assets at the end of the year	<u>6,495,544,725</u>	<u>6,082,415,597</u>

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.

On the other hand, total value of Land & Buildings has been revalued at Tk. 2,657,233,996 resulting total decrease of Tk. 520,443,941 in the year 2020 which has been adjusted with assets revaluation reserve under other reserve. Further details of above assets are shown in Annexure A.



* Opening balance of the year 2021 has been restated in revaluation reserve account and accumulated depreciation account as per " paragraph 42 of IAS-8 Accounting Policies, Changes in Accounting estimates and Errors". In the year 2020 when considering the impairment of Land & Building account, total Tk 296,668,407 was wrongly debited in the revaluation reserve account and credited to the accumulated depreciation account. Although the prior period error is an immaterial but effect of the fact considered in the financial statements retrospectively. As such, Tk. 264,144,923, & Tk. 32,523,484 has been decreased in accumulated depreciation of Land & Building Account respectively for restating the opening balance of 2021.

	2022 Taka	2021 Taka		
8(a) Consolidated Fixed Assets including premises, furniture & fixtures				
Cost				
Pubali Bank Limited	11,857,055,824	10,489,330,990		
Pubali Bank Securities Limited	12,353,375	11,148,671		
	<u>11,869,409,199</u>	<u>10,500,479,661</u>		
Less: Accumulated Depreciation				
Pubali Bank Limited	(5,361,511,099)	(4,406,915,393)		
Pubali Bank Securities Limited	(8,833,520)	(7,499,215)		
	<u>(5,370,344,619)</u>	<u>(4,414,414,608)</u>		
	<u>6,499,064,580</u>	<u>6,086,065,053</u>		
9 Other Assets				
Interest accrued on Investments	2,357,683,224	2,579,937,060		
Accrued income on loans & advances	629,905,610	389,191,101		
Investment in SWIFT AC	3,387,591	3,387,591		
Advance security deposit, advance rent and prepaid expenses	1,127,821,568	486,353,902		
Investment In Subsidiary Company	6,599,998,700	6,599,998,700		
Stock dealing account	90,561,024	218,377,519		
Stationery and stamps	99,365,441	112,282,554		
Drafts payable	16,446,447	16,540,503		
Sanchaypatra	29,670,982	17,551,607		
Deferred tax assets (note 14.9.1)	4,557,181,100	4,020,112,798		
Suspense account (note 9.1)	818,835,977	346,089,155		
Demonetized notes (note 9.2)	-	1,903,590		
Items in transit (note 9.3)	9,333,322,412	7,758,535,689		
Advance against income tax (note 9.4)	34,550,194,544	32,484,604,445		
Clearing house adjustment	2,788,012	1,400,931		
Others (note 9.5)	24,454,855	3,739,932		
	<u>60,241,617,487</u>	<u>55,040,007,077</u>		
Less: Advance Rent (For implementing IFRS 16 Leases, advance rent has been considered separately.)	<u>368,532,669</u>	<u>300,944,367</u>		
	<u>59,873,084,818</u>	<u>54,739,062,710</u>		
9.1 Suspense Account				
Suspense account general	599,932,922	127,096,760		
Suspense law	1,165,882	1,208,664		
Protested bills	217,737,173	217,783,731		
	<u>818,835,977</u>	<u>346,089,155</u>		
9.2 Demonetized Notes				
As per Bangladesh Bank vide their letter no. DCM(FN) 09/2022 dated 30-06-2022 and through the approval of our honorable board of Directors meetings, it has been implemented to write-off demonetized notes balance as well as special block account.				
9.3 Items In Transit: Tk. 9,333,322,412				
The above is the net amount representing outstanding Inter-branch and Head Office transactions originated but yet to be responded at the balance sheet date. The above amount includes receivables of Tk. 29,99,670 of Bank's own branches operating in former West Pakistan before Liberation of the country in 1971.				
9.3.1 Subsequent position of non-responded entries as on 31.12.2022 (Base date: 05.02.2023)				
	Number of Un-responded entries		Un-responded entries (Amount in Taka)	
Period of un-reconciliation	Debit	Credit	Debit	Credit
up to 3 months	-	-	-	-
Over 3 months but within 6 months	19	21	447,353,176	1,752,762
Over 6 months but within 1 year	-	-	-	-
Over 1 year but within 5 years	-	-	-	-
Over 5 years	498	451	7,723,303	4,224,633
9.4 Advance Income Tax				
Balance at the beginning of the year			32,484,604,445	30,675,162,255
Paid during the year			2,065,590,099	1,809,442,190
Settlement of previous years tax liability			-	-
Balance at the end of the year			<u>34,550,194,544</u>	<u>32,484,604,445</u>
9.5 Others				
Property account			162,129	162,129
Delayed charges of lease rental			45,906	45,906
Interest Subsidy			9,000	9,000
Remittance Disbursement to Bikash			20,892,467	177,544
Interest suspense against waiver of 50% BSCIC loan			245,061	245,061
Waiver of 50% outstanding BSCIC loan			44,176	44,176
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
			<u>24,454,855</u>	<u>3,739,932</u>
9.6 Classification of other assets				
Unclassified (UC)			59,604,063,691	54,496,502,676
Substandard (SS)			-	-
Doubtful (DF)			2,589,000	-
Bad or Loss (BL)			266,432,127	242,560,034
			<u>59,873,084,818</u>	<u>54,739,062,710</u>
9.7 Particulars of provision for other assets				
Status of Classification	Base for provision	Rate of Provision (%)		
Doubtful (DF)	2,589,000	50	1,294,500	-
Bad or Loss (BL)	266,432,127	100	266,432,127	242,560,034
Required provision			267,726,627	242,560,034
Provision maintained (note 14)			269,914,590	242,760,864
Excess provision			<u>2,187,963</u>	<u>200,830</u>



	2022 Taka	2021 Taka
9(a) Consolidated Other Assets		
Pubali Bank Limited	59,873,084,818	54,739,062,710
Pubali Bank Securities Limited	484,699,354	436,125,972
	60,357,784,172	55,175,188,682
Less: Inter company Transactions	(90,555,403)	(209,908,908)
Pubali Bank Securities Limited	(6,599,998,700)	(6,599,998,700)
	(6,690,554,103)	(6,809,907,608)
	53,667,230,069	48,365,281,074
10 Non-banking Assets	375,246	375,246
Assets of United Bank of India Ltd. (located in Brahmanbaria, Chandpur, Comilla, Barisal, Sadarghat-Dhaka)		
11 Borrowings from other Banks, Financial Institutions and Agents		
In Bangladesh (note 11.1)	31,605,672,156	23,480,191,001
Outside Bangladesh (note 11.2)	33,412,027,340	23,020,140,000
	65,017,699,496	46,500,331,001
11.1 In Bangladesh		
Borrowing from Bangladesh Bank	26,936,980,156	21,935,791,001
	26,936,980,156	21,935,791,001
Call loan borrowing from other banks		
The Premier Bank Limited	800,000,000	-
	800,000,000	-
Term borrowing from other banks		
Bangladesh Development Bank Ltd.	-	429,000,000
United Commercial Bank Ltd.	-	429,000,000
Trust Bank Ltd.	-	429,000,000
One Bank Ltd.	-	257,400,000
Bank Asia Ltd.	1,652,752,000	-
BRAC Bank Ltd.	826,376,000	-
Commercial Bank of Ceylon	826,376,000	-
Dutch Bangla Bank Ltd.	413,188,000	-
	3,718,692,000	1,544,400,000
FDR borrowing from other Bank		
Citibank N.A	150,000,000	-
	31,605,672,156	23,480,191,001
11.2 Outside Bangladesh		
In demand deposit accounts (non- Interest bearing)	-	-
Placement/ Borrowing from Outside Bangladesh	33,412,027,340	23,020,140,000
	33,412,027,340	23,020,140,000
11.3 Security against borrowing from other banks, financial institutions and agents		
Secured	41,081,261,963	28,475,439,923
Unsecured	23,936,437,533	18,024,891,078
	65,017,699,496	46,500,331,001
11.4 Maturity grouping of borrowing from other banks, financial institutions and agents		
Payable on demand	3,317,152,652	58,311,979
Payable within 1 month	7,401,380,181	5,876,031,288
Over 1 month but within 6 months	41,477,062,711	29,153,297,751
Over 6 months but within 1 year	12,190,924,512	10,692,928,973
Over 1 year but within 5 years	2,382,872	-
Over 5 years and above	628,776,568	719,761,010
	65,017,699,496	46,500,331,001
12 Subordinated bonds		
Agrani Bank Limited	3,800,000,000	4,600,000,000
Janata Bank Limited	900,000,000	1,100,000,000
Rupali Bank Limited	1,400,000,000	1,600,000,000
Sonali Bank Limited	1,200,000,000	1,600,000,000
Uttara Bank Limited	900,000,000	1,100,000,000
Delta Life Insurance Company Limited	500,000,000	500,000,000
Premier Bank Limited	1,200,000,000	-
NRB Commercial Bank Limited	800,000,000	-
Trust Bank Limited	1,500,000,000	-
	12,200,000,000	10,500,000,000
12.1 Perpetual bonds		
Trust Bank Limited	1,000,000,000	2,350,000,000
AB Bank Limited	1,000,000,000	-
One Bank Limited	350,000,000	-
Bank Asia Limited	1,000,000,000	-
Jamuna Bank Limited	450,000,000	450,000,000
Community Bank Bangladesh Limited	200,000,000	-
Southeast Bank Limited	500,000,000	-
Initial Public offering	500,000,000	-
	5,000,000,000	2,800,000,000
13 Deposits and other accounts		
Inter-bank deposits	6,054,973,541	3,182,802,000
Other deposits	504,781,543,334	459,217,416,687
	\$10,836,516,875	462,400,218,687
13.1 Details of deposits and other accounts		
Current deposits and other accounts :		
Current account	57,732,849,964	57,056,939,792
Cash credit A/C. (Cr. Balance)	844,656,287	721,308,651
Overdraft earnest money (Cr. Balance)	6,000	3,000
Pubali Prochesta (Cr. Balance)	1,883,703	18,780,924
Credit card A/C	3,540,390	3,522,582
Call deposits	14,775,897	14,775,897
Foreign currency deposits	2,111,693,232	2,112,733,372
Un- claimed drafts payable	3,564	3,564
Un- claimed dividend	18,914	18,914
Unclaimed deposits FDD A/C	21,541,077	17,517,587
	60,730,969,028	59,945,604,283
Bills payable (note 13.1.1)	14,271,043,896	13,829,749,009
Savings Bank accounts	118,927,122,055	115,249,019,676



	2022 Taka	2021 Taka
Term deposits :		
Fixed deposits from customers	149,411,634,261	117,562,287,446
Special Notice Deposits	57,452,882,257	55,450,203,277
Deposit pension scheme	17,685,197	13,527,089
Interest payable on term deposit	4,030,804,484	3,183,203,865
Pubali pension scheme	42,523,424,173	40,366,386,090
Pubali sanchay prakalpa	4,035,866,123	3,867,297,578
Dwigun Sanchay Prokalpa	20,009,796,383	21,182,091,318
Target Based Small Deposit (Pubali shoppopuron)	11,144,294,243	11,329,818,545
Monthly profit base deposit	3,881,985,740	3,466,659,430
Monthly Profit Based Small Deposit (Pubali shadh'in sonchoy)	6,176,221,578	6,244,040,198
Shikhya sanchay prokalpa	191,517,484	182,565,699
	<u>298,876,111,933</u>	<u>262,848,080,535</u>
Other deposits	18,031,269,963	10,527,765,184
	<u>510,836,516,875</u>	<u>462,400,218,687</u>
13.1.1 Bills Payable		
Payment orders Issued	14,198,543,170	13,744,845,221
Demand Drafts	72,500,726	84,903,788
	<u>14,271,043,896</u>	<u>13,829,749,009</u>
13.2 Maturity analysis of Inter-bank deposits		
Payable on demand	1,635,104,720	991,308,804
Payable within 1 month	264,399,956	603,155,862
Over 1 month but within 6 months	4,064,637,896	1,381,131,434
Over 6 months but within 1 year	22,273,556	50,810,997
Over 1 year but within 5 years	68,557,413	156,394,903
Over 5 years and above	-	-
	<u>6,054,973,541</u>	<u>3,182,802,000</u>
13.3 Maturity analysis of other deposits		
Payable on demand	18,720,241,034	16,100,649,669
Payable within 1 month	31,358,029,145	24,430,366,569
Over 1 month but within 6 months	112,376,954,196	100,890,066,446
Over 6 months but within 1 year	109,058,122,149	99,251,902,824
Over 1 year but within 5 years	62,143,089,565	65,625,052,139
Over 5 years and above	171,115,107,245	152,919,379,040
	<u>504,781,543,334</u>	<u>459,217,416,687</u>
	<u>510,836,516,875</u>	<u>462,400,218,687</u>
13 (a) Consolidated Deposits and other accounts		
Pubali Bank Limited	510,836,516,875	462,400,218,687
Pubali Bank Securities Limited	-	-
	<u>510,836,516,875</u>	<u>462,400,218,687</u>
Inter Company Transactions	(1,485,886,271)	(1,737,373,112)
	<u>509,350,630,604</u>	<u>460,662,845,575</u>
14 Other Liabilities		
Accumulated provision for loans and advances (note 14.1.1.1)	12,223,506,886	10,115,330,192
Accumulated provision for consumers loan (note 14.1.1.2)	898,026,550	903,489,850
Accumulated provision for demand loan pubali star (note 14.1.1.3)	71,126,701	71,126,701
	<u>13,192,660,137</u>	<u>11,089,946,743</u>
Provision for unclassified loans and advances (note 14.1.2)	6,876,464,520	7,248,013,792
Special General Provision COVID-19	1,046,629,539	915,201,520
Provision @1% against off-balance sheet exposure (note 14.4)	1,968,950,000	2,082,950,000
Accumulated interest suspense (note 14.6)	6,752,276,864	6,141,139,753
Provision for rebate on good borrower	-	17,888,383
Provision for doubtful investment (note 14.5)	253,500,000	253,500,000
Additional profit payable A/C for Islamic banking	7,650,000	1,319,918
I.B. bad debt offsetting reserve	40,123,756	18,056,380
Compensation realised account	12,291,999	9,297,163
Compensation realisable account	56,033,764	10,855,815
interest suspense on underwriting advances	219,648,924	219,648,924
CLS interest A/C	3,411,620	3,299,761
unclaimed amount in ATMS	65,000	65,000
Consumers deposits	225,563,847	245,512,079
Lease rental receivable	-	12,720
Unclaimed dividend (note 14.17)	211,206,865	171,903,062
Special blocked account (note 14.7)	-	1,587,720
Provision for Current Tax (note 14.8)	38,378,841,223	34,650,504,662
Deferred Tax Liabilities (note 14.9.2)	83,458,196	83,544,110
Valuation adjustment	1,927,713,138	405,908,239
Exchange adjustment account (note 14.10)	28,666,878	28,666,878
Agri credit guarantee backing reserve (note 14.11)	70,261,300	70,261,300
Pakistan account (note 14.12)	8,393,039	8,393,039
Pension fund (note 14.13)	1,570,883	1,570,883
L/C cover account in Bangladesh	1,583,640	1,583,640
Pubali Bank Adjustment	257,855,528	309,304,604
PBL Islamic Banking CSR fund	24,032,214	23,450,298
Card transaction fee (inter bank)	8,969,705	3,197,272
Foreign currency FCC account	17,363,819	17,363,819
Interest 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
Payable to other Banks and Financial Institution	527,463,600	123,857,348
Unearned Interest income on IBW	456,643,733	208,855,747
Interest payable on Subordinated Bond	110,400,000	114,000,000
Interest Payable on Perpetual Bond	-	15,400,000
Bangladesh Bank Incentive	136,081,807	14,848,356
CSR Fund for COVID-19	24,466,667	36,700,000
Start-up fund (note 14.18)	137,013,311	83,785,594
Lease Liabilities as per IFRS-16	1,663,035,418	1,500,458,967
Non resident blocked account of UBI	34,487	34,487
ICT Asset Insurance reserve	24,094,463	22,530,164
	<u>61,564,974,932</u>	<u>55,067,696,582</u>
Provision for expenses:		
(i) auditors' fees	1,535,250	1,540,500
(ii) advertisement	1,680,000	800,000
(iii) bonuses	1,307,500,000	774,118,330
(iv) Gratuity	619,500,000	182,700,000
(v) others	257,642,378	193,534,917
	<u>2,187,857,628</u>	<u>1,152,693,747</u>



	2022 Taka	2021 Taka
Provision for other assets:		
Suspense account (note 14.14)	256,189,933	188,214,468
Demonetized notes (note 14.15)	-	989,740
Provision for Un-reconciled General Account debit entries (note 14.16)	13,724,657	13,724,657
Provision for Customers liability and Others (note 14.3)	-	17,301,835
	<u>269,914,590</u>	<u>220,230,700</u>
	<u>77,215,407,287</u>	<u>67,530,567,772</u>
14.1 Accumulated provision for loans and advances		
14.1.1 Specific provision on classified loans and advances		
Provision held at the beginning of the year	10,115,330,192	9,265,045,514
Fully provided debts written off during the year excluding interest suspense	(1,172,453,704)	(1,397,252,856)
Fully provided waived during the year	(4,033,900)	(420,134)
Recoveries of amounts previously written off	160,249,992	109,914,807
Provision transferred from General Provision for unclassified loans and advances	1,112,389,079	593,741,861
Provision transferred from off balance sheet exposure	114,000,000	-
Provision transferred from rebate on good borrower during the year	17,888,383	-
Specific provision for the year	<u>1,880,136,844</u>	<u>1,544,301,000</u>
14.1.1.1 Provision for loans and advances	<u>12,223,506,886</u>	<u>10,115,330,192</u>
Provision for consumers loan held at the beginning of the year	903,489,850	921,637,266
Fully provided debts written off during the year	(17,916,440)	(27,785,251)
Recoveries of amounts previously written off	<u>12,453,140</u>	<u>9,637,835</u>
14.1.1.2 Provision for consumers loan held at the beginning of the year	<u>898,026,550</u>	<u>903,489,850</u>
14.1.1.3 Accumulated provision for demand loan pubali star	<u>71,126,701</u>	<u>71,126,701</u>
Total Specific provision held at the end of the year	<u>13,192,660,137</u>	<u>11,089,946,743</u>
14.1.2 General provision for unclassified loans and advances		
Provision held at the beginning of the year	7,248,013,792	6,367,409,173
Provision made during the year	872,267,826	1,859,148,000
Provision transferred to specific provision during the year	(1,112,389,079)	(593,741,861)
Provision transferred to COVID 19 during the year	(131,428,019)	(384,801,520)
Provision	<u>6,876,464,520</u>	<u>7,248,013,792</u>
14.1.3 Special General Provision COVID-19		
Provision held at the beginning of the year	915,201,520	530,400,000
Provision transferred from General provision	<u>131,428,019</u>	<u>384,801,520</u>
	<u>1,046,629,539</u>	<u>915,201,520</u>
Total General provision held at the end of the year	<u>7,923,094,059</u>	<u>8,163,215,312</u>
	<u>21,115,754,196</u>	<u>19,253,162,055</u>
14.3 Provision for Customers liability and Others		
Provision held at the beginning of the year	17,301,835	17,303,991
Provision out during the year	-	(2,156)
Provision transferred to suspense account during the year	(17,301,835)	-
Provision held at the end of the year	<u>-</u>	<u>17,301,835</u>
14.4 Provision for exposure against off balance sheet items		
Provision held at the beginning of the year	2,082,950,000	1,271,950,000
Provision transferred to specific provision during the year	(114,000,000)	-
Provision made during the year (note 38)	-	811,000,000
Provision held at the end of the year	<u>1,968,950,000</u>	<u>2,082,950,000</u>
14.5 Provision for doubtful investment		
Provision held at the beginning of the year	253,500,000	253,500,000
Provision made during the year (note 39)	-	-
Provision transferred to off balance sheet during the year	-	-
Provision held at the end of the year	<u>253,500,000</u>	<u>253,500,000</u>
14.6 Interest suspense account		
Balance at the beginning of the year	6,141,139,753	4,569,922,382
Amount transferred during the year	2,077,734,539	2,895,555,363
Amount recovered during the year	(1,323,379,619)	(1,155,950,543)
Amount written off during the year	(143,217,809)	(168,387,449)
Balance at the end of the year	<u>6,752,276,864</u>	<u>6,141,139,753</u>
14.7 Special blocked account as per Bangladesh Bank vide their letter no. DCM(FN) 09/2022 dated 30-06-2022 and through the approval of our honorable board of Directors meetings, it has been implemented to write-off demonetized notes balance as well as special block account.		
14.8 Provision for Current tax		
Balance at the beginning of the year	34,650,504,662	33,244,997,770
Provision made for previous years	-	-
Provision made for current year	<u>3,728,336,561</u>	<u>1,405,506,892</u>
	<u>3,728,336,561</u>	<u>1,405,506,892</u>
Settlement of previous years tax liability	-	-
Balance at the end of the year	<u>38,378,841,223</u>	<u>34,650,504,662</u>

The status of corporate income tax of the Bank has been shown in Annexure B.



			2022	2021
			Taka	Taka
14.8.1 Reconciliation of effective tax rate (Solo)	Applicable Tax rate	2022	2021	
Profit before Income tax as per profit & loss account			8,513,039,918	5,199,660,194
Income tax as per applicable tax rate	37.50%	37.50%	3,192,389,969	1,949,872,573
Factors affecting the tax charge in current year				
Tax Savings from reduced tax rates for Capital gain on share	10.00%	-0.06%	-0.19%	(4,927,276)
Tax Savings from reduced tax rates for Capital gain on sale of Land	15.00%	-0.08%	0.00%	(6,749,998)
Tax Savings from Tax exempted income	20.00%	-5.62%	-13.90%	(478,112,170)
Tax Savings from reduced tax rates for Dividend	37.50%	-0.97%	-0.64%	(82,979,407)
Admissible expenses in current Year (i.e. Bad debt write off etc.)	37.50%	-5.26%	-7.56%	(447,901,517)
Admissible expenses in current Year	37.50%	-0.06%	-0.57%	(4,834,584)
Inadmissible expenses in current year	37.50%	15.99%	18.06%	1,361,451,544
Effect of deferred Tax	37.50%	-6.31%	2.65%	(537,068,302)
Provision for uncertainty over Income Tax treatments by NBR	37.50%	2.35%	0.87%	200,000,000
		37.49%	36.22%	3,191,268,259
				1,295,111,330
14.9 (a) Consolidated Provision for Current tax				
Pubali Bank Limited			3,728,336,561	1,405,506,892
Pubali Bank Securities Limited			87,524,704	95,738,476
			3,815,861,265	1,501,245,368
14.9.1 Deferred tax assets				
Balance at the beginning of the year			4,020,112,798	3,909,717,236
Provision made during the year for loan loss (note 14.9.1.1)			603,299,060	109,113,257
Deferred tax on fixed assets (note 14.9.2.1)			(66,230,758)	1,282,305
Provision held at the end of the year			4,557,181,100	4,020,112,798
14.9.2 Deferred tax Liabilities				
Balance at the beginning of the year			83,544,110	-
Provision made during the year * (note 14.9.2.2)			(85,914)	83,544,110
Provision held at the end of the year			83,458,196	83,544,110
Deferred tax assets/(liabilities) have been recognised and measured as per IAS-12: Income taxes and BRPD circular # 11 dated 12 December 2011. There is no other material temporary timing difference in classified assets/liabilities for which deferred tax assets/liability is required to be accounted for the year 2022.				
14.9.1.1 Deferred Tax on loan loss provision				
Cumulative Provision made against Bad/loss			13,257,139,244	11,879,395,948
Adjustment of Corresponding provision on write off			1,194,404,044	1,425,458,241
Deductible/(taxable) temporary difference			12,062,735,200	10,453,937,707
Tax Rate			37.50%	37.50%
Closing Deferred tax assets			4,523,525,700	3,920,226,640
Opening Deferred tax assets			3,920,226,640	3,811,113,383
Deferred tax (expense)/Income			603,299,060	109,113,257
As per BRPD Circular no.11 dated 12 December 2011, total amount of Tk. 4,121,254,133 has been recognized as Deferred Tax Assets (DTA) included in Retained Earnings for 2022 based on the provision against classified loans and such earnings against Deferred Tax Assets (DTA) shall not be distributed as dividend. Moreover, while calculating the Regulatory Eligible capital such Deferred Tax Assets (DTA) also deducted as Regulatory adjustment from Common Equity Tier-1 (CET-1) capital. (Please see note 17)				
14.9.2.1 Deferred Tax on Fixed Assets				
Carrying amount			4,533,278,572	4,044,279,925
Tax Base			4,623,026,306	4,310,643,012
Deductible/(taxable) temporary difference			89,747,734	266,363,087
Tax Rate			37.50%	37.50%
Closing Deferred tax assets/(Liabilities)			33,655,400	99,886,158
Opening Deferred tax assets/(Liabilities)			99,886,158	98,603,853
Deferred tax (expense)/Income			(66,230,758)	1,282,305
14.9.2.2 Deferred Tax on Revalued land				
Carrying amount			2,236,269,890	2,238,572,000
Tax Base			-	-
Deductible/(taxable) temporary difference			(2,236,269,890)	(2,238,572,000)
Tax Rate			3.73%	3.73%
Closing Deferred tax assets/(Liabilities)			(83,458,196)	(83,544,110)
Opening Deferred tax assets/(Liabilities)			(83,544,110)	-
Deferred tax (expense)/Income			85,914	(83,544,110)
14.9.2.3 Deferred tax (expense)/Income (net)				
Deferred tax (expense)/Income arisen for charging specific provision (note 14.9.1.1)			603,299,060	109,113,257
Deferred tax (expense)/Income arisen in WDV of Fixed Assets (note 14.9.2.1)			(66,230,758)	1,282,305
			537,068,302	110,395,562
14.9.1 (a) Consolidated Deferred tax (expense)/Income (net)				
Pubali Bank Limited			(537,068,302)	(110,395,562)
Pubali Bank Securities Limited			(435,879)	51,853
			(537,504,181)	(110,343,709)
14.9.1 (b) Consolidated deferred tax Liabilities (Accumulated)				
Balance at the beginning of the year			(83,884,177)	(288,214)
Provision made during the year			521,793	(83,595,963)
Provision held at the end of the year			(83,362,384)	(83,884,177)
14.9.2 Tax Provision made during the Year				
Current Tax			3,728,336,561	1,405,506,892
Deferred Tax			(537,068,302)	(110,395,562)
			3,191,268,259	1,295,111,330
14.10 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.				
14.11 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 totaling 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.				



	2022 Taka	2021 Taka
14.12 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.		
14.13 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.		
14.14 Provision for suspense:		
Provision at the beginning of the year	188,214,468	166,214,468
Provision made during the year	50,673,630	22,000,000
Provision transferred from Customers liability and Others	17,301,835	-
Provision at the end of the year	<u>256,189,933</u>	<u>188,214,468</u>

This represents provision for suspense or contingencies for the years 2004 & 2015 including the provisions made in the year 1985 for the period prior to privatization as per vendor's agreement.

14.15 Provision for demonetized notes
as per Bangladesh Bank vide their letter no. DCM(FN) 09/2022 dated 30-06-2022 and through the approval of our honorable board of Directors meetings, it has been implemented to write-off demonetized notes balance as well as special block account with considering provision of demonetized notes.

14.16 Provision for Un-reconciled General Account debit entries

Period of un-reconciliation	Amount	Base for Provision (%)	Provision Required	
			2022	2021
Upto 12 months	447,353,176	-	-	-
12 months above but less than 24 months	-	50%	-	-
24 months and above	7,723,303	100%	7,723,303	7,723,303
Required provision			7,723,303	7,723,303
Provision maintained			13,724,657	13,724,657
Excess provision			<u>6,001,354</u>	<u>6,001,354</u>

14.17 Unclaimed dividend in year wise

Year wise Dividend	2022	2021
	Total Amount	Total Amount
Year of 1986	165,459	165,459
Year of 1987	198,711	198,711
Year of 1988	311,061	311,061
Year of 2001	1,316,432	1,316,432
Year of 2006	1,004,366	1,004,366
Year of 2007	1,037,633	1,037,633
Year of 2008	1,369,278	1,369,278
Year of 2009	14,441,303	14,476,816
Year of 2010	21,331,080	21,361,166
Year of 2011	16,101,251	16,183,162
Year of 2012	594,621	596,443
Year of 2013	297,489	298,408
Year of 2014	600,060	601,867
Year of 2015	747,791	749,960
Year of 2016	299,976	300,881
Year of 2017	324,091	325,085
Year of 2018	30,673,982	31,222,039
Year of 2019	36,771,576	37,387,424
Year of 2020	42,203,095	42,996,871
Year of 2021	41,417,610	-
Total	<u>211,206,865</u>	<u>171,903,062</u>

14.18 Start-up fund

As per SMESPD Circular No. 04 dated March 29,2021 read with circular no. 5 dated 26 April 2021 Bank has to create a Start-up fund to disburse the loan to the start-up entrepreneurs by transferring 1% of the Annual net profit (as per Audited Financial Statements) from the year 2021 onwards for the next five years.

14(a) Consolidated other liabilities

Pubali Bank Limited	77,215,407,287	67,530,567,772
Pubali Bank Securities Limited	2,433,304,363	2,529,006,535
Inter company payables	<u>(90,554,103)</u>	<u>(209,908,908)</u>
	<u>79,558,157,547</u>	<u>69,849,665,399</u>

15 Capital

15.1 Authorized Capital

2,000,000,000 ordinary shares of Tk 10 each	20,000,000,000	20,000,000,000
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15.2 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	1,739,010,000
167,690,250 ordinary shares of Tk 10 each as bonus share in 2011	1,676,902,500	1,676,902,500
41,922,562 ordinary shares of Tk 10 each as bonus share in 2013	419,225,620	419,225,620
70,429,904 ordinary shares of Tk 10 each as bonus share in 2016	704,299,040	704,299,040
47,540,185 ordinary shares of Tk 10 each as bonus share in 2017	475,401,850	475,401,850
29,950,317 ordinary shares of Tk 10 each as bonus share in 2018	299,503,170	299,503,170
	<u>10,282,942,180</u>	<u>10,282,942,180</u>

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



Particular	2022			2021
	No. of share	Percentage (%)	Amount	Amount
Directors	323,911,299	31.50%	3,239,112,990	3,239,112,990
Co-operative societies	8,874,888	0.86%	88,748,880	88,589,210
Banks and financial institutions	51,510,050	5.01%	515,100,500	498,532,730
Government	2,482	0.0002%	24,820	24,820
Other institutions	226,079,735	21.99%	2,260,797,350	2,190,401,940
Non resident Bangladeshi	2,225,908	0.22%	22,259,080	22,943,900
General public	415,689,856	40.42%	4,155,898,560	4,243,336,590
	1,028,294,218	100.00%	10,282,942,180	10,282,942,180

Range wise shareholdings	2022			2021
	Number of shareholders	Percentage of holding of shares (%)	Number of Shares	Number of Shares
Up to 500 shares	19,527	0.24%	2,513,325	2,765,421
501 to 5,000 "	10,249	1.65%	17,021,406	19,108,904
5,001 " 10,000 "	1,177	0.72%	7,358,782	8,553,385
10,001 " 20,000 "	498	0.67%	6,888,264	7,916,566
20,001 " 30,000 "	149	0.35%	3,593,802	4,213,163
30,001 " 40,000 "	162	0.51%	5,227,346	5,723,720
40,001 " 50,000 "	58	0.25%	2,567,747	2,706,843
50,001 " 100,000 "	199	1.54%	15,798,708	16,991,837
100,001 and above	271	94.07%	967,324,838	960,314,379
	32,290	100.00%	1,028,294,218	1,028,294,218

15.5 Capital to Risk Weighted Assets Ratio (Solo):
In terms of section 13 (2) of the Bank Company Act, 1991 and Bangladesh Bank BRPD circulars nos. 14,09,20,10,12,24,31,35,08,16,18 and 05 dated December 30, 2007, December 31, 2008, December 29, 2009, March 10, 2010, March 29, 2010, August 03, 2010, October 25, 2010, December 29, 2010, July 23, 2012, October 29, 2012, December 21, 2014 and May 31, 2016 and DOS circular no 01 dated January 01, 2015 respectively, required capital of the Bank (solo) at the close of business on 31 December 2022 was Taka 42,233,072,594 as against available going - concern capital of Taka 33,872,160,896, going - concern additional capital of Taka 5,000,000,000 and gone - concern capital of Taka 19,592,044,059 making a total regulatory capital of Taka 58,464,204,955 thereby showing a surplus regulatory capital /equity of Taka 16,231,132,361 at that date. Details are shown below:

Total assets including off-balance sheet items	938,594,466,819	854,529,860,997
Total risk-weighted assets	422,330,725,937	369,575,875,096
Required Capital (10% of risk weighted assets)	42,233,072,594	36,957,587,510
Regulatory capital held:		
i) Going - concern capital (Tier-1) { note 15.5.1}	33,872,160,896	30,845,129,993
ii) Going concern - Additional Tier-1 capital { note 15.5.1}	5,000,000,000	2,800,000,000
iii) Gone - concern capital (Tier-2) { note 15.5.2}	19,592,044,059	18,946,165,312
	58,464,204,955	52,591,295,305
Total Regulatory capital Surplus /{ Deficit }	16,231,132,361	15,633,707,795
CRAR Based on Basel III Framework:	13.84%	14.23%
Capital Requirement:	Held	Held
Common Equity Tier-1 (Minimum CET-1 @ 4.50%)	8.02%	8.35%
Additional Tier-1 (Maximum CET-1 @ 1.50%)	1.18%	0.76%
Tier-1 Capital	9.20%	9.10%
Tier-2 (Maximum upto 4% of total RWA or 88.89% of CET-1 which ever is higher) Balancing	4.64%	5.13%
Total	13.84%	14.23%
15.5.1 Going - concern capital (Tier-1)		
Paid-up Capital	10,282,942,180	10,282,942,180
Statutory Reserve	10,283,000,000	10,283,000,000
Retained Earnings	18,040,396,448	14,426,734,652
	38,606,338,628	34,992,676,832
Reciprocal crossholdings in the CET -1, Goodwill and other intangible assets	(210,652,032)	(227,320,199)
Deferred Tax assets (DTA) on loan loss provision	(4,523,525,700)	(3,920,226,640)
	33,872,160,896	30,845,129,993
Additional Tier-1 Capital (AT-1)		
Perpetual bonds	5,000,000,000	2,800,000,000
	38,872,160,896	33,645,129,993
15.5.2 Gone - concern capital (Tier-2)		
General provision (Unclassified loans + off-balance sheet exposure)	9,892,044,059	10,246,165,312
Subordinated debt/ Instruments issued by the Bank	9,700,000,000	8,700,000,000
Asset revaluation Reserve up to 50% as on 31 December 2014	-	-
Revaluation Reserve for equity instruments up to 10% as on 31 December 2014	-	-
Revaluation reserve for securities upto 50% as on 31 December 2014	-	-
	19,592,044,059	18,946,165,312
Regulatory adjustment		
Revaluation reserve for fixed asset, securities & equipment as on 31 December 2014	-	-
	19,592,044,059	18,946,165,312
Total Regulatory Capital Maintained	58,464,204,955	52,591,295,305



2022
Taka

2021
Taka

Capital to Risk Weighted Assets Ratio (Consolidated):

In terms of section 13 (2) of the Bank Company Act, 1991 and Bangladesh Bank BRPD circulars nos. 14,09,20,10,12,24,31,35,08,16,18 and 05 dated December 30, 2007, December 31, 2008, December 29, 2009, March 10, 2010, March 29, 2010, August 03, 2010, October 25, 2010, December 29, 2010, July 23, 2012, October 29, 2012, December 21, 2014 and May 31, 2016 and DOS circular no 01 dated January 01, 2015 respectively, required capital of the Bank (Consolidated) at the close of business on 31 December 2022 was Taka 42,517,579,155 as against available going - concern capital of Taka 34,512,053,741, going concern-additional capital of Taka 5,000,000,000 and gone - concern capital of Taka 19,592,044,059 making a total regulatory capital of Taka 59,104,097,800 thereby showing a surplus regulatory capital /equity of Taka 16,586,518,645 at that date. Details are shown below:

Total assets including off-balance sheet items	940,111,481,934	855,555,898,908
Total risk-weighted assets	425,175,791,548	372,942,597,152
Required Capital (10% of risk weighted assets)	42,517,579,155	37,294,259,715
Regulatory capital held :		
i) Going - concern capital (Tier-1) (note 15.5.3)	34,512,053,741	30,880,087,375
ii) Going concern - Additional Tier-1 capital (note 15.5.1)	5,000,000,000	2,800,000,000
iii) Gone - concern capital (Tier-2) (note 15.5.4)	19,592,044,059	18,946,165,312
	59,104,097,800	52,626,252,687
Total Regulatory capital Surplus /(Deficit)	16,586,518,645	15,331,992,972

CRAR Based on Basel III Framework:

	13.90%	14.11%
Capital Requirement :	Held	Held
Tier-1 (Minimum CET-1 @ 4.50%)	8.12%	8.28%
Additional Tier-1 (Maximum CET-1 @ 1.50%)	1.18%	0.75%
Tier-1 Capital	9.29%	9.03%
Tier-2 (Maximum upto 4% of total RWA or 88.89% of CET-1 which ever is higher) Balancing	4.61%	5.08%
Total	13.90%	14.11%

15.5.3 Going - concern capital (Tier-1)

Paid-up Capital	10,282,942,180	10,282,942,180
Statutory Reserve	10,283,000,000	10,283,000,000
Retained Earnings	18,700,546,455	14,760,651,431
	39,266,488,635	35,326,593,611
Reciprocal crossholdings in the CET -1, Goodwill and other intangible assets	(230,909,194)	(526,279,596)
Deferred Tax assets (DTA) on loan loss provision	(4,523,525,700)	(3,920,226,640)
	34,512,053,741	30,880,087,375

Additional Tier-1 Capital (AT-1)

Perpetual bonds	5,000,000,000	2,800,000,000
	5,000,000,000	2,800,000,000

15.5.4 Gone - concern capital (Tier-2)

General provision (Unclassified loans + off-balance sheet exposure)	9,892,044,059	10,246,165,312
Subordinated debt/ Instruments issued by the Bank	9,700,000,000	8,700,000,000
Asset revaluation Reserve up to 50% as on 31 December 2014	-	-
Revaluation Reserve for equity Instruments up to 10% as on 31 December 2014	-	-
Revaluation reserve for securities upto 50% as on 31 December 2014	-	-
	19,592,044,059	18,946,165,312

Regulatory adjustment

Revaluation reserve for fixed asset, securities & equipment as on 31 December 2014	-	-
	19,592,044,059	18,946,165,312
Total Regulatory Capital Maintained	59,104,097,800	52,626,252,687

15.6 Particulars of shareholding of the Directors

SL	Name of the Directors	Status	2022		2021		
			No of shares	Amount (Tk)	No of shares	Amount (Tk)	
1	Mr. Monzurur Rahman	Chairman	20,566,639	205,666,390	20,566,639	205,666,390	
2	Mr. Moniruddin Ahmed	Director	33,596,545	335,965,450	33,596,545	335,965,450	
3	Mr. Habibur Rahman	Director	20,581,213	205,812,130	20,581,213	205,812,130	
4	Mr. Ahmed Shafi Choudhury	Director	Nominated by Transcom Limited	20,707,995	207,079,950	20,707,995	207,079,950
			Personal	83,505	835,050	83,505	835,050
5	Mr. Fahim Ahmed Faruk Chowdhury	Director	21,101,586	211,015,860	21,101,586	211,015,860	
6	Ms. Rumana Sharif ,	Director	Nominated by Delta Life Insurance Co. Ltd.	51,418,707	514,187,070	51,418,707	514,187,070
			Personal	256,417	2,564,170	256,417	2,564,170
7	Mr. M. Kabiruzzaman Yaqub FCMA (UK),CGMA	Director	20,568,691	205,686,910	20,568,691	205,686,910	
8	Mr. Musa Ahmed	Director	20,615,794	206,157,940	20,615,794	206,157,940	
9	Mr. Azizur Rahman	Director	22,352,148	223,521,480	22,352,148	223,521,480	
10	Mr. Md. Abdur Razzak Mondal	Director	Nominated by That's It fashions Ltd.	35,990,157	359,901,570	35,990,157	359,901,570
			Personal	-	-	-	-
11	Ms. Rana Laila Hafiz	Director	20,565,889	205,658,890	20,565,889	205,658,890	
12	Mr. Mustafa Ahmed	Director	35,845,935	358,459,350	35,845,935	358,459,350	
13	Dr. Shahdeen Malik	Independent Director	-	-	-	-	
14	Mr. Mohammad Naushad Ali Chowdhury	Independent Director	-	-	-	-	
			324,251,221	3,242,512,210	324,251,221	3,242,512,210	



2022 Taka 2021 Taka

15.7 Related party disclosures
15.7.1 Particulars of Directors and their shareholding in the Bank

SL	Name of the Directors	Designation	Percentage of shareholding at 31 Dec 2022	Percentage of shareholding at 31 Dec 2021
1	Mr. Monzurur Rahman	Chairman	2.00	2.00
2	Mr. Moniruddin Ahmed	Director	3.27	3.27
3	Mr. Habibur Rahman	Director	2.00	2.00
4	Mr. Ahmed Shafi Choudhury	Director		
		Nominated by Transcom Limited	2.01	2.01
		Personal	0.01	0.01
5	Mr. Fahim Ahmed Faruk Chowdhury	Director	2.05	2.05
6	Ms. Rumana Sharif	Director		
		Nominated by Delta Life Insurance Co. Ltd.	5.00	5.00
		Personal	0.02	0.02
7	Mr. M. Kabiruzzaman Yaqub FCMA (UK), CGMA	Director	2.00	2.00
8	Mr. Musa Ahmed	Director	2.00	2.00
9	Mr. Azizur Rahman	Director	2.17	2.17
10	Mr. Md. Abdur Razzak Mondal	Director		
		Nominated by That's It fashions Ltd.	3.50	3.50
		Personal	-	-
11	Ms. Rana Laila Hafiz	Director	2.00	2.00
12	Mr. Mustafa Ahmed	Director	3.49	3.49
13	Dr. Shahdeen Malik	Independent Director	-	-
14	Mr. Mohammad Naushad Ali Chowdhury	Independent Director	-	-
15	Mr. Asif Ahmed Choudhury	Ex. Director	-	-

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

SL NO.	Name of the Directors	Status in the Bank	Name of the entities in which the directors have interest	Status in the entities	Percentages of interest/ No. of shares in the entities
1	Mr. Monzurur Rahman	Chairman	Rema Tea Company Ltd.	Chairman	12.13%
2	Mr. Moniruddin Ahmed	Director	Pubali Bank Securities Ltd.	Chairman	1 share
3	Mr. Habibur Rahman	Director	1. Delta Hospital Ltd. 2. Pubali Bank Securities Ltd. 3. Global Pharmaceutical Company Ltd.	Chairman Director Director	3.41% 1 share -
4	Mr. Ahmed Shafi Choudhury	Nominee Director	1. Pubali Bank Securities Ltd. 2. Eskayef Pharmaceuticals Limited	Director Director	1 share -
5	Mr. Fahim Ahmed Faruk Chowdhury	Director	1. Chittagong Electric Manufacturing Co. Ltd. 2. F. A. C Eastern Enterprise Ltd. 3. Ranks FC Properties Ltd. 4. FC Holdings Ltd. 5. CEM Ready mix Concrete Ltd. 6. CEM UPVC Ltd. 7. Surgiscope Hospital Pvt. Ltd. 8. Globex Pharmaceuticals Ltd. 9. Delta Hospital Ltd. 10. Euro Petro Product Ltd. 11. Baraka Shikalbaha Power Ltd.	Managing Director Managing Director Managing Director Managing Director Managing Director Managing Director Director Director Director Director Director	15,000 shares 413 shares Representative Director of FC Holdings Ltd. 2,000 shares 7,500 shares 7,000 shares 5,000 shares 755,065 shares 1,008,155 shares 1,50,000 shares 35,00,000 Shares
6	Ms. Rumana Sharif	Nominee Director	None	Nil	Nil
7	Mr. M. Kabiruzzaman Yaqub FCMA (UK), CGMA	Director	1. Imagine Properties Ltd. 2. Pubali Bank Securities Ltd.	Chairman Director	50% 1 share
8	Mr. Musa Ahmed	Director	1. Popular Jute Exchange Ltd. 2. Popular Jute Mills Ltd. 3. Cumilla Food and Allied Ind. Ltd. 4. Popular Food and Allied Ind. Co. Ltd. 5. Tejaan Engineering and Construction Co. Ltd.	Director Director Director Director Director	22.55% 8.10% 10.88% 11.35% 22.41%
9	Mr. Azizur Rahman	Director	1. Pubali Bank Securities Ltd. 2. National Ceramic Industries Ltd. 3. Dressmen Fashionwear Ltd.	Director Managing Director Director	1 share 54,167 shares 40%
10	Mr. Md. Abdur Razzak Mondal	Nominee Director	1. That's It Fashions Ltd.	Nominee	-
11	Ms. Rana Laila Hafiz	Director	1. Trouser Line Ltd. 2. SP Garments Ltd. 3. SP Washing Ltd. 4. Green Valley Plantation Ltd.	Managing Director Managing Director Managing Director Director	30.00% 25.00% 25.00% -
12	Mr. Mustafa Ahmed	Director	Pubali Bank Securities Ltd.	Director	1 share
13	Dr. Shahdeen Malik	Independent Director	Pubali Bank Securities Ltd.	Independent Director	-
14	Mr. Mohammad Naushad Ali Chowdhury	Independent Director	None	Nil	Nil

15.7.3 Significant contracts where the Bank is a party and wherein directors have interest: Nil

15.7.4 Shares issued to directors and executives without consideration or exercisable at a discount: Nil

15.7.5 Related party transactions

Sl No	Name of the Related parties	Relationship with Pubali Bank Ltd.	Nature of Transactions	Limit	Outstanding (Tk) 31 December 2022
1	Mr. Habibur Rahman	Director	Credit Card	500,000	-
2	Ms. Rumana Sharif	Director	Credit Card	500,000	93,045
3	Mohammad Ali	Managing Director	Credit Card	500,000	-



	2022 Taka	2021 Taka
15.7.6 Key Management personnel compensation		
Amounts incurred by the Bank for the provision of key Management personnel services is given below		
Particulars	2022	2021
Short-term employee benefits	163,110,618	156,217,322
post-employment benefits	42,147,986	24,350,221
Key Management personnel are those persons having directly or indirectly authority and responsibility for planning, directing and controlling the activities of the entity. Key Management personnel includes Managing Director & CEO, Additional Managing Director, 03 nos. Deputy Managing Directors, 32 nos. General Manager, Head of Internal Control & Compliance, Chief Technical Officer and Chief Financial Officer.		
Amount of retirement/post-employment benefits such as Gratuity fund and Provident fund have been incurred by the Bank for 04 nos. of Key Management personnel.		
16 Statutory reserve		
The Bank is required to transfer at least 20% of its profit before tax to the Statutory Reserve in accordance with provisions of section 24 of the Banking Companies Act, 1991. This is mandatory until such reserve is equal to the paid up capital together with amount in the share premium account.		
Balance at the beginning of the year	10,283,000,000	10,283,000,000
Add: Addition during the year	-	-
Balance at the end of the year	<u>10,283,000,000</u>	<u>10,283,000,000</u>
17 Retained earnings		
Balance at the beginning of the year	14,426,734,652	11,807,133,561
Net profit for the year	5,321,771,659	3,904,548,864
Transfer regarding revaluation reserve on sale of Fixed Assets	813,990	420,000
Coupon interest payment against Perpetual Bond	(363,734,740)	-
Transfer to Start-up fund	(53,217,717)	-
Net income and expenses not recognised in the Profit and Loss Statement	(6,603,623)	-
	<u>19,325,764,221</u>	<u>15,712,102,425</u>
Less: Issue of cash dividend	(1,285,367,773)	(1,285,367,773)
Balance at the end of the year	<u>18,040,396,448</u>	<u>14,426,734,652</u>
As per BRPD Circular no.11 dated 12 December 2011, total amount of Tk. 4,121,254,133 has been recognized as Deferred Tax Assets (DTA) included in Retained Earnings for 2022 based on the provision against classified loans and such earnings against Deferred Tax Assets (DTA) shall not be distributed as dividend. Moreover, while calculating the Regulatory Eligible capital such Deferred Tax Assets (DTA) also deducted as Regulatory adjustment from Common Equity Tier-1 (CET-1) capital.		
17(a) Consolidated Retained earnings		
Pubali Bank Limited	18,040,396,448	14,426,734,652
Pubali Bank Securities Limited	660,150,007	333,915,479
	<u>18,700,546,455</u>	<u>14,760,650,131</u>
18 Other reserves		
18.1 Assets revaluation reserve		
Balance at the beginning of the year	4,717,371,762	* 7,128,828,800
Addition on revaluation of Investment during the Year	1,334,674,706	2,678,620,766
Disposal on revaluation of Investment during the year	(2,244,735,661)	(5,006,533,694)
Recognition of deferred tax on revaluation reserve of fixed assets	85,914	(83,544,110)
Transfer out: Fixed Asset revaluation reserve	-	-
	<u>3,807,396,721</u>	<u>4,717,371,762</u>
Share forfeiture account	333,984	333,984
Balance at the end of the year	<u>3,807,730,705</u>	<u>4,717,705,746</u>
* Opening balance of the year 2021 has been restated in revaluation reserve account and accumulated depreciation account as per " paragraph 42 of IAS-8 Accounting Policies, Changes in Accounting estimates and Errors". In the year 2020 when considering the Impairment of Land & Building account, total Tk 295,668,407 was wrongly debited in the revaluation reserve account and credited to the accumulated depreciation of Land & Building account. Although the prior period error is an immaterial but effect of the fact considered in the financial statements retrospectively.		
18.2 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	<u>29,959,972</u>	<u>29,959,972</u>
18.3 Foreign currency translation reserve		
Balance at the beginning of the period	9,877,248	7,653,297
Addition during the period	32,181,625	2,223,951
Balance at the end of the period	<u>42,058,873</u>	<u>9,877,248</u>
	<u>3,879,749,550</u>	<u>4,757,542,966</u>
18(a) Consolidated Other reserves		
Pubali Bank Limited	3,879,749,550	4,757,542,966
Pubali Bank Securities Limited	-	-
	<u>3,879,749,550</u>	<u>4,757,542,966</u>
19 Profit & loss account surplus		
Balance at the beginning of the year	-	-
Profit after tax during the year	5,321,771,659	3,904,548,864
	<u>5,321,771,659</u>	<u>3,904,548,864</u>
Appropriation for the year		
Statutory reserve	5,321,771,659	3,904,548,864
Retained earnings	5,321,771,659	3,904,548,864
Balance at the end of the year	-	-
19(a) Consolidated Profit & loss account surplus		
Balance at the beginning of the year	-	-
Profit after tax during the year	5,648,006,251	4,351,769,788
	<u>5,648,006,251</u>	<u>4,351,769,788</u>
Appropriation for the year		
Statutory reserve	5,648,006,251	4,351,769,788
Retained earnings	5,648,006,251	4,351,769,788
Balance at the end of the year	-	-
20 Non-controlling interest		
Balance at the beginning of the year	1,055	894
Share of current year profit	64	161
	<u>1,119</u>	<u>1,055</u>



	2022 Taka	2021 Taka
21 Contingent Liabilities		
Acceptances & endorsements (Note 21.1)	103,377,186,551	89,543,886,252
Letters of guarantee (Note 21.2)	37,872,061,489	32,360,536,133
Irrevocable letters of credit (Note 21.3)	53,175,862,736	83,959,348,873
Bills for collection (Note 21.4)	28,980,463,041	17,208,217,494
Other contingent liabilities *	2,433,181,166	2,383,598,956
	225,838,754,983	225,455,587,708
* The amount of Tk. 2,433,181,166 has been claimed by the different borrowers against the Bank regarding Loans & Advances and balance amount of Tk. 29,161,393 considered as other contingent liabilities due to a law suit has been filed before the honorable high court division of the supreme court which is still pending.		
21.1 Acceptance & Endorsements		
Foreign	97,016,459,827	83,487,639,536
Local	6,360,726,724	6,056,246,716
	103,377,186,551	89,543,886,252
21.1.1 Acceptance & Endorsements in favour of:		
Government	-	-
Director/Executives/Officers	-	-
Bank and other financial institutions	-	-
Other customer	103,377,186,551	89,543,886,252
	103,377,186,551	89,543,886,252
21.2 Letters of Guarantee		
Foreign	355,394,050	381,723,933
Local	37,516,667,439	31,978,812,200
	37,872,061,489	32,360,536,133
21.2.1 Letters of Guarantee in favour of:		
Government	-	-
Director/Executives/Officers	-	-
Bank and other financial institutions	-	-
Other customer	37,872,061,489	32,360,536,133
	37,872,061,489	32,360,536,133
21.3 Letters of Credit		
Foreign	44,785,924,638	73,265,488,261
Local	8,389,938,098	10,693,860,612
	53,175,862,736	83,959,348,873
21.3.1 Letters of Credit in favour of:		
Government	-	-
Director/Executives/Officers	-	-
Bank and other financial institutions	-	-
Other customer	53,175,862,736	83,959,348,873
	53,175,862,736	83,959,348,873
21.4 Bills for Collection		
Foreign	6,279,597,326	4,458,564,326
Local	22,700,865,715	12,749,653,168
	28,980,463,041	17,208,217,494
21.4.1 Bills for Collection in favour of:		
Government	-	-
Director/Executives/Officers	-	-
Bank and other financial institutions	-	-
Other customer	28,980,463,041	17,208,217,494
	28,980,463,041	17,208,217,494
22 Interest Income		
Loans	4,216,009,593	3,383,770,886
Cash credits	4,883,896,348	4,080,188,861
Over drafts	6,766,610,121	5,272,848,462
Loan against imported merchandise	-	2,078
Loan against trust receipt	745,424,776	550,836,332
Inland bill purchased & demand draft purchased	243,580,372	96,069,068
Foreign bill purchased and Export development fund	269,742,401	119,891,275
Interest on Export Bill Discounting (EBD)	19,301,514	2,060,862
Packing credits	83,103,464	38,233,147
Payments against document	2,024,335,501	843,030,076
Agricultural credits & rural credits	118,433,300	7,930,806
Sundries account	40,207,635	109,378,648
C.I.S account	1,119,179,676	941,847,479
Secured mortgages	1,810,869,383	1,760,405,867
Loan against Shiksha Sanchay Prokalpa	71,137	58,579
Loan against Non-resident Credit Scheme	-	2,742
Lease finance	763,019,165	514,965,442
Loan against Pubali Sanchay Prokalpa	7,493,952	7,748,620
Term loans	5,205,251,300	3,675,678,821
Syndication/Club Finance	388,839,594	604,253,904
Loan against Pubali Pension Scheme	63,052,705	69,367,395
Interest on loans and advances	28,768,421,937	22,078,569,350
Interest on money at call and short notice	234,148,470	63,057,052
Interest on balance with other banks	618,129,385	223,456,595
Interest on fixed deposits with other banks	192,492,271	372,715,395
	29,813,192,063	22,737,798,392
22(a) Consolidated Interest Income		
Pubali Bank Limited	29,813,192,063	22,737,798,392
Pubali Bank Securities Limited	47,055,835	53,140,035
	29,860,247,898	22,790,938,427



	2022 Taka	2021 Taka
23 Interest paid on deposits, borrowings, etc.		
Fixed deposit	7,528,803,469	5,602,699,594
Short-notice deposit	2,099,739,199	1,378,619,337
Savings bank deposit	1,523,658,149	1,433,843,121
Deposit pension scheme	885,975	614,608
Pubali bank pension scheme	3,427,888,635	3,391,235,400
Pubali Sanchay Prokalpa	243,708,978	254,346,503
Shiksha Sanchay Prokalpa	13,718,834	14,583,192
Dwigun Sanchay Prokalpa	1,868,306,361	2,024,383,913
Interest on MPSP	334,400,543	307,452,072
Interest on TBSD	609,652,148	567,762,046
Interest on MFD	268,826,662	249,585,212
Sundry accounts	10,737,925	14,543,077
Interest paid on Deposits	17,930,326,878	15,239,668,075
Interest on call loan	31,467,222	13,883,486
Interest on borrowings from Bank and FIs	1,582,852,177	588,578,974
Interest on repo borrowings	49,558,442	21,520,381
Interest on term borrowings	-	184,801
Interest on Treasury bond	97,272,900	350,028,497
Interest on HFT Securities	2,207,756,374	4,527,846,424
Interest on HTM Securities	395,352,860	253,222,308
Interest on borrowings from Bangladesh Bank	142,150,542	74,112,521
Interest on Perpetual Bond	-	15,400,000
Interest on Subordinated Bond	803,856,164	816,475,342
	23,240,593,559	21,900,920,809
24 Investment Income		
Interest on treasury bill	931,854,833	163,670,298
Interest on treasury bond	8,733,957,986	9,229,549,356
Interest on other bond	1,033,136,602	1,058,111,456
Interest on Bridge Loans & reventures	-	535,000
Interest on Bangladesh Bank bill	-	36,130,800
Gain/ (Loss) on sale of shares	17,917,367	189,491,115
Interest on Reverse Repo	424,385,912	27,092,338
Gain on Treasury Bill & Treasury Bond	2,124,942,979	4,690,903,399
Dividend on shares	474,168,037	275,728,984
	13,740,363,716	15,671,212,746
24(a) Consolidated Income from Investment		
Pubali Bank Limited	13,740,363,716	15,671,212,746
Pubali Bank Securities Limited	393,065,213	435,240,558
	14,133,428,929	16,106,453,304
25 Commission, exchange and brokerage		
SC, LSC, DD, TT, MT and PO	29,364,263	37,193,493
Foreign L/C-Import/others	582,890,026	542,294,754
Local L/C-Import/others	65,331,557	65,257,390
Issuance of foreign guarantee	2,806,815	3,951,098
Issuance of local guarantee	344,311,547	309,753,445
Issuance of traveller's cheque	7,506	3,575
Other transactions	182,397,465	155,705,761
Miscellaneous Handling Commission-Import/others	88,053,524	75,572,330
Consumers credit	-	147,742
Stationery articles-Import/other	6,065,849	402,874,916
Fees and Commission (Syndication/Club Finance)	984,784	2,501,400
LC Acceptance charges	638,155,418	141,014,261
LC Payment & Discrepancy Charges	178,538,003	92,196,662
BSP, PSP, Prize Bond and ACS	5,287,841	-
Online fee	-	2,000
Total commission	2,124,194,598	1,828,468,827
Exchange (Note 25.1)	1,187,125,916	518,906,048
	3,311,320,514	2,347,374,875
25.1 Exchange		
Exchange gain	17,439,530,058	2,945,807,661
Exchange loss	(16,252,404,142)	(2,426,901,613)
	1,187,125,916	518,906,048
25(a) Consolidated Commission, exchange and brokerage		
Pubali Bank Limited	3,311,320,514	2,347,374,875
Pubali Bank Securities Limited	43,775,776	64,346,767
	3,355,096,290	2,411,721,642
26 Other operating Income		
Rent recovery	6,563,847	6,211,239
Postage (Import/others) and telecommunication recovery	12,987,685	8,512,339
Recovered from bad debt written off	89,893	87,600
Swift Income-Import/others	134,142,120	138,518,085
Fee on card transaction	26,653,556	16,580,729
Application fee of CLS account	111,653	1,004,121
Account opening charge of CLS account	43,800	1,415,700
Service charge	65,131,287	34,219,209
Income on sale of leased asset	8,113,736	6,515,456
Processing Fee on Pubali Abashon	1,116,250	437,500
Processing Fee on Lease Financing	47,242,394	11,710,368
Loan Reschedule/Restructure Fee	17,586	19,802
Online service charge	548,877,663	514,003,478
Accounts maintenance fee	320,522,412	233,299,314
SMS service charges	129,252,741	122,161,003
Card Fees and charges	42,125,979	23,693,787
CIB service charges	19,901,780	16,794,090
Early Settlement Fee	4,463,507	-
Income on sale of Bank's property	34,653,617	3,820,010
Miscellaneous income -Import/others	166,408,242	128,705,676
Miscellaneous Income supervision and monitoring	-	5,925
Miscellaneous Income transfer fee	2,000,610	1,629,235
	1,570,420,358	1,269,344,666



	2022 Taka	2021 Taka
26(a) Consolidated Other operating income		
Pubali Bank Limited	1,570,420,358	1,269,344,666
Pubali Bank Securities Limited	46,968,895	41,388,243
	<u>1,617,389,253</u>	<u>1,310,732,909</u>
27 Salary and allowances		
Basic salary	3,127,502,049	2,511,653,287
House rent allowances	1,829,939,109	1,513,248,667
Medical allowances	383,762,835	316,444,001
House maintenance	245,101,999	207,030,032
Other allowances	1,882,379,523	1,278,103,451
Contributory provident fund	282,159,148	243,173,101
General provident fund	253,555	257,414
Bonus to employees	596,507,381	418,217,122
	<u>8,347,605,599</u>	<u>6,488,127,075</u>
27(a) Consolidated Salary and allowances		
Pubali Bank Limited	8,347,605,599	6,488,127,075
Pubali Bank Securities Limited	44,129,468	33,462,231
	<u>8,391,735,067</u>	<u>6,521,589,306</u>
28 Rent, taxes, insurance, electricity, etc.		
Bank premises	694,771,727	637,687,486
Godown	3,678,468	4,200,657
Total Rent expenses	<u>698,450,195</u>	<u>641,888,143</u>
Reversal of rent expenses due to depreciation and interest expenses under IFRS 16	698,450,195	641,888,143
Rent expenses after reversal	<u>-</u>	<u>-</u>
Rates and taxes	19,885,559	14,078,365
Insurance premium (IDIPA, Lockers and others)	303,411,229	322,296,578
Insurance premium (cash in Transit, Vault and ATM)	57,091,147	1,786,077
Lighting (Electricity bill)	194,500,570	174,014,176
Electric fittings and fixtures	65,203,803	34,462,834
Water and sewerage bill	6,788,646	5,781,185
	<u>646,880,954</u>	<u>552,419,215</u>
Total rent expenses for the year 2022 was Tk.698,450,195 as per IAS 17. To comply with "IFRS 16 Lease" rent expense has been adjusted with Depreciation Tk 481,856,774 arises against Right of use assets (Annex-A), Interest expense of Tk 134,857,087 and VAT on rent expense of Tk. 91,102,199 under note no. 36.		
28(a) Consolidated Rent, taxes, insurance, electricity, etc.		
Pubali Bank Limited	646,880,954	552,419,215
Pubali Bank Securities Limited	2,656,896	568,382
	<u>649,537,850</u>	<u>552,987,597</u>
29 Legal expenses		
Lawyers' charges	13,463,087	16,932,383
Court fees and other expenses	3,936,660	3,198,325
	<u>17,399,747</u>	<u>20,130,708</u>
29(a) Consolidated Legal expenses		
Pubali Bank Limited	17,399,747	20,130,708
Pubali Bank Securities Limited	148,679	2,968
	<u>17,548,426</u>	<u>20,133,676</u>
30 Postage, stamp, telecommunication, etc.		
Postage	14,303,978	11,544,446
Telegram	218,897	400,774
Stamp	153,004	110,132
Telephone	15,002,078	15,642,461
SWIFT charges	38,425,436	43,020,185
SMS charges	21,320,402	16,587,570
Tele rate/ Reuters	3,388,851	2,740,209
Internet charges	2,445,590	2,115,903
	<u>95,258,236</u>	<u>92,161,680</u>
30(a) Consolidated Postage, stamp, telecommunication, etc.		
Pubali Bank Limited	95,258,236	92,161,680
Pubali Bank Securities Limited	198,822	225,876
	<u>95,457,058</u>	<u>92,387,556</u>
31 Stationery, printing, advertisement, etc.		
Table stationery	38,558,081	31,774,166
Computer stationery	33,838,817	29,983,580
Printing and stationery	6,409,366	7,586,880
Consumption of books and forms	17,404,727	17,448,190
Advertisement	53,119,686	48,736,314
	<u>149,330,677</u>	<u>135,529,130</u>
31(a) Consolidated Stationery, printing, advertisement, etc.		
Pubali Bank Limited	149,330,677	135,529,130
Pubali Bank Securities Limited	550,514	306,391
	<u>149,881,191</u>	<u>135,835,521</u>
32 Managing Director's salary and fees		
Basic pay	6,900,215	6,995,000
Allowances	2,933,420	4,532,166
Bank's contributory provident fund	690,022	699,500
Bonus	2,320,000	2,200,000
	<u>12,843,657</u>	<u>14,426,666</u>
33 Directors' fees		
Meeting fees and Honorarium	6,350,716	7,252,798
Meeting expenses	629,473	755,201
Meeting related travelling allowances	361,017	201,546
	<u>7,341,206</u>	<u>8,209,545</u>
33(a) Consolidated Directors' fees		
Pubali Bank Limited	7,341,206	8,209,545
Pubali Bank Securities Limited	1,716,000	1,435,500
	<u>9,057,206</u>	<u>9,645,045</u>
Each director was paid TK 8,000 per meeting per attendance as per BRPD circular no.11 dated 4 October 2015.		
34 Auditors' fees		
Statutory Audit	1,437,500	1,437,500
Interim and other audit	583,500	103,000
	<u>2,021,000</u>	<u>1,540,500</u>



	2022 Taka	2021 Taka
34(a) Consolidated Auditors' fees		
Pubali Bank Limited	2,021,000	1,540,500
Pubali Bank Securities Limited	178,250	144,000
	<u>2,199,250</u>	<u>1,684,500</u>
35 Depreciation and repair of bank's assets		
Repairs to fixed assets	63,892,157	45,261,542
Maintenance of assets	246,362,672	159,572,779
Maintenance of assets -Wages	66,856,884	25,101,904
Depreciation on fixed assets *	1,060,741,567	890,610,449
	<u>1,437,853,280</u>	<u>1,120,546,674</u>
* Depreciation on fixed assets included Tk. 481,856,774 for depreciation of ROU (Right Of Use) Assets as per IFRS-16 for the year 2022		
35(a) Consolidated depreciation and repair of bank's assets		
Pubali Bank Limited	1,437,853,280	1,120,546,674
Pubali Bank Securities Limited	2,310,425	1,685,990
	<u>1,440,163,705</u>	<u>1,122,232,664</u>
36 Other expenses		
Repairs to rented property	2,560,406	1,211,383
Newspapers	3,864,596	3,020,964
Renovation under Construction Works	65,292,283	37,635,488
Petrol consumption	75,921,579	52,511,203
Travelling	64,482,278	34,022,531
Donations	180,093,602	157,141,281
Honorarium	2,219,118	256,000
Subscriptions	24,699,680	23,550,946
Sub-ordinate staff clothing	13,396,449	14,070,464
Conveyance	31,128,024	110,048,005
Entertainment	33,188,522	24,592,601
Training	19,606,311	3,316,901
Photocopying	365,388	191,096
Branches' opening expenses	7,079,652	2,275,704
Shifting expenses	1,514,509	1,387,572
Carrying expenses	2,684,857	1,926,666
Professional fees	84,120,985	72,820,163
Security and Auxiliary Services	224,931,722	183,488,843
Gun license fees	7,195,349	6,261,574
Overtime	35,399,100	32,451,840
Employees recreation (Lunch subsidy)	345,039,242	274,439,677
Promotional expenses	73,533,155	35,292,771
Gratuity	1,290,537,500	690,305,820
Group insurance	19,628,119	17,923,599
Car allowance	44,277,690	39,026,355
Chemicals for office equipment's	787,698	558,199
Loss on sale of bank's property	2,000,100	1,976,724
CDBL fees	111,850	126,772
Annual general meeting	2,248,812	3,056,920
Bandwidth charges	97,210,442	93,086,266
Card expenditure	79,218,570	56,806,657
VAT on Rent Expenses	91,102,199	83,724,540
Interest Expenses for lease liability as per IFRS-16	134,857,087	111,732,032
Bank Charges & Others	3,105,298	3,833,013
Nostro account charges	19,139,950	12,133,266
Card transaction fee	6,411,177	5,173,455
Additional Profit Payable A/C For Islamic Banking	6,330,082	-
Miscellaneous	45,373,391	56,879,652
	<u>3,140,656,772</u>	<u>2,248,256,937</u>
36.1 Cost savings Initiatives of the Bank as per BRPD circular letter nos. 28,30 & 35 dated 26 July 2022, 27 July 2022 & 05 September 2022 respectively.		
Pursuant to BRPD Circular Letter nos. 28,30 & 35 dated 26 July 2022, 27 July 2022 & 05 September 2022 respectively, all schedule banks of Bangladesh are instructed to reduce certain expenses at specific percentage from the allocated amount. Categories of expenses fall under these requirements are expenses for fuel, electricity, entertainment, travelling, computer and accessories, electrical equipment, furniture and other stationaries. Purchases of all new or replacement vehicle has also been prohibited. Pubali Bank Ltd. has been extremely vigilant about cost.		
Pubali Bank Ltd. has taken several initiatives such as rationalizing the usage of office space to reduce electricity cost, restricting entertainment expenses and travelling, reducing and deferring the expenses on computer and accessories which are not urgently required etc. To comply with the above instructions, the actual expenses on the said categories are monitored on periodically to track the savings achieved against the allocated amount. Savings achieved are reflected in the respective expense category in the profit and loss statement or fixed assets schedule of the Bank.		
36(a) Consolidated Other expenses		
Pubali Bank Limited	3,140,656,772	2,248,256,937
Pubali Bank Securities Limited	10,241,457	13,273,012
	<u>3,150,898,229</u>	<u>2,261,529,949</u>
37 Provision for Loans, Advances, Investments and Other Assets		
Classified loans and advances (note 14.1.1)	1,880,136,844	1,544,301,000
Unclassified loans and advances (note 14.1.2)	872,267,826	1,859,148,000
Provision for bad debt offsetting	22,067,376	7,352,546
Provision for diminution in value of Investments	-	-
Provision for other assets	50,000,000	22,000,000
Provision for Start-up fund	-	-
	<u>2,824,472,046</u>	<u>3,432,801,546</u>
37(a) Consolidated Provision for Loans, Advances, Investments and Other Assets		
Pubali Bank Limited	2,824,472,046	3,432,801,546
Pubali Bank Securities Limited	55,411,791	-
	<u>2,879,883,837</u>	<u>3,432,801,546</u>
38 Provision for exposure of off balance sheet Items		
Provision for exposure against off-balance sheet items	-	811,000,000
	<u>-</u>	<u>811,000,000</u>



	2022 Taka	2021 Taka
38.1 Details of provision for exposure against off-balance sheet items		
Particulars		
Acceptances & endorsements	103,377,186,550	89,543,886,252
Letters of guarantee	37,872,061,489	32,360,536,133
Irrevocable letters of credit	53,175,862,737	83,959,348,873
Bills for collection	28,980,463,041	17,208,217,494
Other contingent liabilities	2,433,181,166	2,383,598,956
Total Contingent Liabilities:	225,838,754,983	225,455,587,708
Less: Margin	-	-
Letters of guarantee	-	-
Irrevocable letters of credit	-	-
Bills for collection	-	-
	225,838,754,983	225,455,587,708
	225,838,754,983	225,455,587,708

Particulars	Base for Provision	Rate of Provision (%)
Acceptances & endorsements	103,377,186,550	1
Letters of guarantee	37,872,061,489	1
Irrevocable letters of credit	53,175,862,737	1
Other contingent liabilities	2,433,181,166	1
Required provision		
Provision maintained		
Excess provision		

39 Provision for doubtful Investment		
Provision for diminution in value of Investments	-	-
40 Receipts from other operating activities		
Net exchange gain	1,187,125,916	518,906,048
Other operating income	1,535,676,848	1,255,437,056
	2,722,802,764	1,784,343,104
40(a) Consolidated Receipts from other operating activities		
Pubali Bank Limited	2,722,802,764	1,784,343,104
Pubali Bank Securities Limited	187,584,059	283,454,760
	2,910,386,823	2,067,797,864
41 Cash payments for other operating activities		
Rent, taxes, insurance, electricity etc.	1,345,331,149	1,216,296,925
Director's fees	7,341,205	8,474,545
Charges on loan losses	-	-
Repairs of bank's assets	377,111,713	227,190,524
Other expenses	2,914,697,486	2,082,275,052
	4,644,481,554	3,534,237,046
41(a) Consolidated Cash payments for other operating activities		
Pubali Bank Limited	4,644,481,554	3,534,237,046
Pubali Bank Securities Limited	28,013,443	17,642,119
	4,662,494,997	3,551,879,165
42 Increase/(decrease) of other assets		
Closing other assets		
Stationery and Stamps	99,365,441	112,282,554
Advance security deposit, advance rent etc.	759,288,899	185,409,535
Investment in SWIFT AC	3,387,591	3,387,591
Stock dealing account	90,561,024	218,377,519
Suspense Account	818,835,977	346,089,155
Deferred tax assets	4,557,181,100	4,020,112,798
Demonetized Notes	-	1,903,590
Items in transit	9,333,322,412	7,758,535,689
Drafts payable (Dr. Balance)	16,446,447	16,540,503
Sanchaypatra	29,670,982	17,551,607
Clearing house adjustment	2,788,012	1,400,931
Others	24,454,855	3,739,932
	15,735,302,740	12,685,331,404
Opening other assets		
Stationery and stamps	112,282,554	98,426,473
Advance security deposit, advance rent etc.	185,409,535	181,125,904
Investment in SWIFT AC	3,387,591	3,387,591
Stock dealing account	218,377,519	378,872,920
Deferred tax assets	4,020,112,798	3,909,717,236
Suspense account	346,089,155	359,902,851
Demonetized notes	1,903,590	1,903,830
Items in transit	7,758,535,689	5,971,619,730
Drafts payable (Dr. Balance)	16,540,503	17,021,131
Sanchaypatra	17,551,607	16,655,185
Clearing house adjustment	1,400,931	1,383,920
Others	3,739,932	3,562,388
	12,685,331,404	10,943,579,159
	(3,049,971,336)	(1,741,752,245)
42(a) Consolidated Increase/(decrease) of other assets		
Pubali Bank Limited	(3,049,971,336)	(1,741,752,245)
Pubali Bank Securities Limited	(213,047,660)	(230,367,754)
	(3,263,018,996)	(1,972,119,999)
43 Increase/(decrease) of other liabilities		
Closing other liabilities		
Interest suspense	6,752,276,864	6,141,139,753
Interest suspense on underwriting advances	219,648,924	219,648,924
Interest suspense against 70% Agri Loan	192,382	192,382
	6,972,118,170	6,360,981,059
Opening other liabilities		
Interest suspense	6,141,139,753	4,569,922,382
Interest suspense on underwriting advances	219,648,924	221,286,952
Interest suspense against 70% Agri Loan	192,382	192,382
	6,360,981,059	4,791,401,716
	611,137,111	1,569,579,343



	2022 Taka	2021 Taka
43(a) Consolidated Increase/(decrease) of other liabilities		
Pubali Bank Limited	611,137,111	1,569,579,343
Pubali Bank Securities Limited	(160,543,026)	(45,045,699)
	<u>450,594,085</u>	<u>1,524,533,644</u>
44 Cash and Cash Equivalents at End of Period		
Cash in hand (including foreign currencies)	8,902,088,820	5,088,411,673
Balance with Bangladesh Bank and its agent bank(s)	25,547,757,619	19,557,920,907
Balance with other banks and financial institutes	9,810,258,252	21,481,970,782
Prize bonds	12,682,101	25,017,791
Money at call on short notice	838,986,667	241,986,667
	<u>45,111,773,459</u>	<u>46,395,307,820</u>
44(a) Consolidated Cash and Cash Equivalents at End of Period		
Pubali Bank Limited	45,111,773,459	46,395,307,820
Pubali Bank Securities Limited	1,576,440,374	1,947,268,210
	<u>46,688,213,833</u>	<u>48,342,576,030</u>
45 Assets and liabilities as at 31 December 2022 denominated in foreign currencies have been converted to Bangladesh Taka at the following exchange rates:		
Currency	Currency unit	Equivalent Taka
European Currency	EURO	109.7427
Japanese Yen	JPY	0.7716
Pound Sterling	GBP	124.3387
Swiss Franc	CHF	111.3594
US Dollar	USD	103.2970
ACU Dollar	ACUD	103.2970
AED	AED	28.1218
CNY	CNY	14.8132
46 Basic and Diluted Earnings Per Share (EPS):		
Net profit after taxes	5,321,771,659	3,904,548,864
Number of ordinary shares outstanding	1,028,294,218	1,028,294,218
Basic and Diluted Earnings Per Share (EPS)	<u>5.18</u>	<u>3.80</u>
46(a) Consolidated Basic and Diluted Earnings Per Share (EPS)		
Net profit after tax	5,648,006,251	4,351,769,788
Number of ordinary shares outstanding	1,028,294,218	1,028,294,218
Basic and Diluted Earnings Per Share (EPS)	<u>5.49</u>	<u>4.23</u>
Earnings per share has been calculated in accordance with BAS-33: "Earnings Per Share (EPS)".		
Net Asset Value Per Share (NAVPS):		
Total Shareholders' Equity	42,486,088,178	39,750,219,798
Number of ordinary shares outstanding	1,028,294,218	1,028,294,218
	<u>41.32</u>	<u>* 38.66</u>
Consolidated Net Asset Value Per Share (NAVPS):		
Total Shareholders' Equity	43,146,238,185	40,084,135,277
Number of ordinary shares outstanding	1,028,294,218	1,028,294,218
	<u>41.96</u>	<u>* 38.98</u>
* Restated due to retrospective restatement of revaluation reserve balance. (Details see note no.18)		
Net Operating Cash Flow Per Share (NOCFPS):		
Net Cash from/(used in) Operating activities	(3,080,772,632)	2,768,909,742
Number of ordinary shares outstanding	1,028,294,218	1,028,294,218
	<u>(3.00)</u>	<u>2.69</u>
Consolidated Net Operating Cash Flow Per Share (NOCFPS):		
Net Cash from/(used in) Operating activities	(3,451,730,069)	3,375,170,258
Number of ordinary shares outstanding	1,028,294,218	1,028,294,218
	<u>(3.36)</u>	<u>3.28</u>
47 Reconciliation of statement of cash flows from operating activities		
Profit before provision	11,337,511,964	9,443,461,740
Adjustment for non cash items		
Depreciation on fixed asset	966,947,430	852,806,620
Amortization on software	93,794,137	37,803,829
	<u>1,060,741,567</u>	<u>890,610,449</u>
Adjustment with non-operating activities		
Gain on sale of shares	(17,917,367)	(189,491,115)
Capital gain on sale of treasury bond	(2,124,942,979)	(4,690,903,999)
Gain on sale of Bank's property	(34,653,617)	(3,820,010)
Loss on sale of bank's property	2,000,100	1,976,724
	<u>(2,175,513,863)</u>	<u>(4,882,237,800)</u>
Changes in operating assets and liabilities		
Changes in loans & advances	(85,227,694,143)	(61,077,532,698)
Changes in deposit and other accounts	48,436,298,188	33,057,201,444
Changes in investment	7,449,735,831	4,823,171,680
Changes in borrowings	18,517,368,495	12,533,042,487
Changes in other assets	(3,068,432,009)	48,439,216
Changes in other liabilities	2,654,801,437	9,742,195,414
	<u>(11,297,922,201)</u>	<u>(873,482,457)</u>
Income Tax Paid	(2,065,590,099)	(1,809,442,190)
Net cash flows from operating activities	<u>(3,080,772,632)</u>	<u>2,768,909,742</u>



48 Highlights on the Overall Activities of the Bank for the period ended 31 December 2022 and 31 December 2021

Particulars	2022	2021
	Taka	Taka
1. Paid-up Capital	10,282,942,180	10,282,942,180
2. Total Regulatory Capital	58,464,204,955	52,591,295,305
3. Regulatory Capital Surplus	16,231,132,361	15,633,707,795
4. Total Assets	712,755,711,836	629,481,337,258
5. Total Deposits	510,836,516,875	462,400,218,687
6. Total Loans & Advances	461,884,126,081	376,656,431,938
7. Total Contingent Liabilities	225,838,754,983	225,455,587,708
8. Loan Deposit Ratio (%)	84.79%	77.58%
9. Ratio of Classified Loan to total Loans & Advances (%)	2.62%	3.05%
10. Profit after taxation & Provision	5,321,771,659	3,904,548,864
11. Amount of Classified Loan during the current year	12,121,227,966	11,480,110,280
12. Provision kept against Classified Loans	13,192,660,137	11,089,946,743
13. Provision Surplus	19,567,859	10,735,751
14. Cost of Fund (%)	6.77%	6.80%
15. Interest Earning Assets	595,018,233,953	531,301,800,965
16. Non Interest Earning Assets	117,737,477,883	97,882,867,886
17. Return on Investment(ROI) [(PAT/ Shareholders' Equity + Borrowings)]	4.27%	4.72%
18. Return on Assets (ROA) [PAT/Average Assets]	0.79%	0.65%
19. Income from Investment	13,740,363,716	15,671,212,746
20. Earnings per Share (Taka)	5.18	3.80
21. Net Income per Share (Taka)	5.18	3.80
22. Price Earning Ratio (Times)	5.08	7.06



Schedule of Fixed Assets as at 31 December, 2022

Annexure- A

Particulars	Cost					Rate (%)	Depreciation/Amortization					Net book value at 31 December 2022 Taka
	Balance at 1 January 2022 Taka	Additions/ Revaluation during the Year Taka	Disposal during the year Taka	Adjustments during the year Taka	Balance at 31 December 2022 Taka		Balance at 1 January 2022 Taka	Charge for the Year Taka	Disposal during the year Taka	Adjustments during the year Taka	Balance at 31 December 2022 Taka	
Land	1,117,377,430	-	10	-	1,117,377,420		-	-	-	-	-	1,117,377,420
Lease land	1,121,195,000	-	-	-	1,121,195,000	Fixed	1,151,265 *	1,151,265	-	-	2,302,530	1,118,892,470
Building	418,660,966	-	-	-	418,660,966	2.50	10,466,525 *	10,204,861	-	-	20,671,386	397,989,580
Furniture and Fixture	1,037,173,751	207,979,417	16,273,380	-	1,228,879,788	10.00	432,469,860	70,026,429	11,650,596	239,907	491,085,600	737,794,188
Computer & Computer Accessories	1,655,857,225	274,442,099	52,123,463	-	1,878,175,861	30.00	1,249,824,655	222,440,812	52,027,663	(144,685)	1,420,093,119	458,082,742
Machinery and Equipment	1,178,699,653	206,014,821	35,447,498	-	1,349,266,976	20.00	811,104,125	147,355,360	35,255,734	(90,803)	923,112,948	426,154,028
Vehicles	350,985,902	22,820,000	13,820,000	-	359,985,902	20.00	263,571,627	33,911,929	13,819,910	-	283,663,646	76,322,256
Right of use Assets (ROU)	3,015,297,775	702,655,662	-	-	3,718,953,437		1,274,830,510	481,856,774	-	-	1,756,687,284	1,962,266,153
At 31 December 2022	9,896,247,702	1,413,911,999	117,664,351	-	11,192,495,350		4,043,418,567	966,947,430	112,753,903	4,419	4,897,616,513	6,294,878,837
At 31 December 2021	8,625,539,127	1,394,809,919	121,301,344	(2,800,000)	9,896,247,702		3,597,658,830	852,806,620	116,898,663	(83,436)	4,036,814,944	5,859,432,758

* Opening balance of the year 2021 has been restated in revaluation reserve account and accumulated depreciation account as per " paragraph 42 of IAS-8 Accounting Policies, Changes in Accounting estimates and Errors". In the year 2020 when considering the impairment of Land & Building account, total Tk 296,668,407 was wrongly debited in the revaluation reserve account and credited to the accumulated depreciation account. Although the prior period error is an immaterial but effect of the fact considered in the financial statements retrospectively. As such, Tk. 264,144,923, & Tk. 32,523,484 has been decreased in accumulated depreciation of Land & Building Account respectively for restating the opening balance of 2021.

Schedule of Intangible asset as at 31 December, 2022

Particulars	Cost					Rate (%)	Depreciation/Amortization					Net book value at 31 December 2022 Taka
	Balance at 1 January 2022 Taka	Additions/ Revaluation during the Year Taka	Disposal during the year Taka	Adjustments during the year Taka	Balance at 31 December 2022 Taka		Balance at 1 January 2022 Taka	Charge for the Year Taka	Disposal during the year Taka	Adjustments during the year Taka	Balance at 31 December 2022 Taka	
Computer Software	593,083,288	71,477,186	-	-	664,560,474	0.30	370,100,449	93,794,137	-	-	463,894,586	200,665,888
At 31 December 2022	593,083,288	71,477,186	-	-	664,560,474		370,100,449	93,794,137	-	-	463,894,586	200,665,888
At 31 December 2021	392,408,983	200,674,305	-	-	593,083,288		332,296,620	37,803,829	-	-	370,100,449	222,982,839
At 31 December 2022	10,489,330,990	1,485,389,185	117,664,351	-	11,857,055,824		4,413,519,016	1,060,741,567	112,753,903	4,419	5,361,511,099	6,495,544,725
At 31 December 2021	9,017,948,110	1,595,484,224	121,301,344	(2,800,000)	10,489,330,990		3,929,955,450	890,610,449	116,898,663	(83,436)	4,406,915,393	6,082,415,597

Pubali Bank Limited
Tax Status Report (As at 31 December 2022)

Annexure - B
(Amount in Taka)

Sl.No.	Income Year	Assessment Year	Tax Provision as per Financial Statements	Tax Determined by Tax Authority	Tax paid (Tax Deduction at Source & Cash paid & Refund Adjustment)	Tax Department's Demand/(Refund)	Assessment Status
1	1996	1997-1998	-	-	8,746,578	(8,746,578)	Finalized
2	1997	1998-1999	45,683,821	45,683,821	122,322,255	(76,638,434)	Tax authority filed an appeal with the High Court (Appellate Division)
3	1998	1999-2000	-	-	-	-	Reference application filed with High Court by LTU
4	1999	2000-2001	126,066,596	126,066,596	95,769,641	30,296,955	Reference application filed with High Court
5	2000	2001-2002	158,178,474	158,178,474	113,640,527	44,537,947	High Court judgement received in favour of the Bank but revised DCT assessment not yet received
6	2001	2002-2003	377,762,283	377,762,283	258,959,776	118,802,507	Reference application filed with High Court
7	2004	2005-2006	6,741,122	6,741,122	22,538,349	(15,797,227)	Finalized
8	2006	2007-2008	14,720,201	14,720,201	45,218,734	(30,498,533)	Case pending with DCT for rectification
9	2007	2008-2009	1,393,494,119	1,389,484,502	1,308,322,065	81,162,437	Reference application filed with High Court
10	2008	2009-2010	1,532,941,731	1,532,941,731	1,425,863,286	107,078,445	Reference application filed with High Court
11	2009	2010-2011	1,506,466,368	1,505,191,368	1,470,508,695	34,682,673	Reference application filed with High Court
12	2010	2011-2012	1,770,604,403	1,769,937,389	1,708,759,809	61,177,580	Reference application filed with High Court
13	2011	2012-2013	2,367,418,638	2,367,418,638	2,255,377,817	112,040,821	Reference application filed with High Court
14	2012	2013-2014	2,624,812,119	2,624,812,119	2,500,607,442	124,204,677	Reference application filed with High Court
15	2013	2014-2015	2,976,219,263	2,975,091,435	2,881,011,484	94,079,951	Reference application filed with High Court
16	2014	2015-2016	2,566,635,922	2,541,468,038	2,265,640,035	275,828,003	Reference application filed with High Court
17	2015	2016-2017	3,210,437,445	2,948,699,658	2,830,815,394	117,884,264	Reference application filed with High Court
18	2016	2017-2018	2,620,944,216	2,445,344,689	2,612,171,061	(166,826,372)	Reference application filed with High Court
19	2017	2018-2019	2,714,690,189	2,623,989,264	2,523,053,486	100,935,778	Reference application filed with High Court
20	2018	2019-2020	2,272,793,912	2,375,866,290	2,221,618,723	154,247,567	Reference application filed with High Court
21	2019	2020-2021	3,027,024,693	3,180,547,562	2,841,688,297	338,859,265	Case pending with CT(A)
22	2020	2021-2022	1,931,362,255	-	1,831,083,466	-	Assessment not yet done
23	2021	2022-2023	1,405,506,892	-	1,881,543,151	-	Assessment not yet done
24	2022	2023-2024	3,728,336,561	-	1,324,934,473	-	Return submission date not due
Total			38,378,841,223	31,009,945,180	34,550,194,544	1,497,311,726	

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



Details of large loans and advances

Annexure - C

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.

	Amount in Taka	
	As at 31 Dec 2022	As at 31 Dec 2021
Number of clients	21	27
Amount of outstanding loans/advances	183,297,040,000	211,411,100,000
Classified amount thereon	-	-
Measures taken for recovery	-	-

Amounts in Taka

Name of the clients	Sanctioned Limit	Status	Outstanding		Total outstanding	
			Funded	Non-funded	At 31 Dec 2022	At 31 Dec 2021
City Group	16,112,900,000	STD	5,524,600,000	7,668,100,000	13,192,700,000	12,443,400,000
Paramount Group	16,051,600,000	STD	5,516,800,000	5,926,400,000	11,443,200,000	10,780,000,000
Secom Group	16,682,500,000	STD	5,388,600,000	5,067,300,000	10,455,900,000	8,100,000,000
Amanat Shah Group	14,442,800,000	STD	6,721,200,000	3,451,500,000	10,172,700,000	8,093,100,000
City Seed Crushing Group	11,294,200,000	STD	4,968,700,000	4,951,500,000	9,920,200,000	8,227,900,000
PRAN-RFL Group	15,172,800,000	STD	3,535,500,000	6,120,700,000	9,656,200,000	9,328,300,000
Meghna Group	6,749,400,000	STD	-	9,482,300,000	9,482,300,000	11,489,000,000
Envoy Group	13,759,900,000	STD	5,846,440,000	3,538,700,000	9,385,140,000	6,802,000,000
Sharmin Group	12,295,000,000	STD	5,049,300,000	4,196,600,000	9,245,900,000	8,378,700,000
MSA Spinning	12,693,400,000	STD	7,856,200,000	1,215,000,000	9,071,200,000	7,476,000,000
JMI Group	11,548,100,000	STD	5,578,400,000	3,123,500,000	8,701,900,000	7,645,000,000
AA Yarn Mills Ltd.	12,834,500,000	STD	5,965,500,000	2,601,200,000	8,566,700,000	8,684,700,000
Max Group	10,682,800,000	STD	4,302,000,000	4,091,800,000	8,393,800,000	7,364,000,000
Ha-Meem Group	25,208,100,000	STD	3,136,700,000	4,795,600,000	7,932,300,000	15,848,200,000
GPH Ispat Limited	8,310,100,000	STD	2,761,500,000	4,761,600,000	7,523,100,000	6,254,700,000
BRB Group	14,450,000,000	STD	5,647,600,000	1,474,000,000	7,121,600,000	6,348,500,000
Pakiza Group	7,834,900,000	STD	4,138,200,000	2,668,100,000	6,806,300,000	5,422,700,000
Popular Group	13,442,700,000	STD	4,837,400,000	1,905,100,000	6,742,500,000	5,374,600,000
Abul Khair Group	11,959,500,000	STD	1,247,900,000	5,458,600,000	6,706,500,000	7,836,300,000
BRAC Group	12,089,000,000	STD	6,459,700,000	-	6,459,700,000	-
Al Mostafa Group	7,118,500,000	STD	4,225,600,000	2,091,600,000	6,317,200,000	5,925,000,000
DIRD Group	-	STD	-	-	-	6,259,400,000
Fair Electronics Limited	-	STD	-	-	-	8,265,100,000
Biswas group	-	STD	-	-	-	6,487,500,000
Nitol-Niloy Group	-	STD	-	-	-	6,186,900,000
T. K. Group	-	STD	-	-	-	5,717,500,000
Sena Kalyan Group	-	STD	-	-	-	5,387,400,000
Project Builders Group	-	STD	-	-	-	5,285,200,000
	270,732,700,000		98,707,840,000	84,589,200,000	183,297,040,000	211,411,100,000



Pubali Bank Limited - Islamic Banking Windows

Annexure - D

Distribution of profit for the year ended 31 December 2022

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 our Mudarabah Depositors. The actual rate of IRR/ERR/Yield of Investment Income for the year 2022 stood at 7.55%. The IISR and final rate of profit for Mudaraba depositors against the IRR at 7.55% are furnished as following:

Type of Mudaraba Term Deposit Receipt (MTDR)	Particulars of MTDR	ISR for Mudaraba Deposits for 2022	Final Profit Rate for Mudaraba Deposits for 2022 against the IRR @ 7.55%
1	2	3	4
For 1 months	MTDR for Individual Customer, Institutional Provident Fund and Fund for payment of post retired credit.	50	3.78%
For 3 months		82	6.19%
For 6 months		82	6.19%
For 12 months		82	6.19%
For 24 months		82	6.19%
For 1 months	MTDR for Institution other than mentioned above.	50	3.78%
For 3 months		75	5.66%
For 6 months		82	6.19%
For 12 months		82	6.19%
For 24 months		82	6.19%
Mudaraba Monthly Profit based term Deposit		87	6.57%
Mudaraba Short Notice Deposit (MSND)			
Less than Tk.1.00 Crore		32	2.42%
Tk. 1.00 Crore or above but less than Tk.25.00 Crore		35	2.64%
Tk. 25.00 Crore or above but less than Tk.50.00 Crore		44	3.32%
Tk. 50.00 Crore or above but less than Tk.100.00 Crore		50	3.78%
Tk. 100.00 Crore or above		57	4.30%
Mudaraba Savings A/C (MSA)		25	1.89%
Mudaraba Swapno Pura Deposit A/C		82	6.19%
Mudaraba Swadhin Sanchay Deposit A/C		82	6.19%
Mudaraba Shiksha Sanchay Deposit A/C		85	6.42%
Mudaraba Hajj Savings A/C (MHSA)		88	6.64%
Mudaraba Cash Waqf Deposit A/C		88	6.64%
Mudaraba Deposit Pension A/C :			
For 5 years		79	5.96%
For 10 years		85	6.42%
Mudaraba Marriage/Muhar Depo. A/C			
For 5 years		79	5.96%
For 10 years		85	6.42%

A competent Shari'ah Supervisory Committee consisting of Islamic Scholars, Ulamas, Islamic Economists and Islamic Bankers led by Janab Professor M. Mansurur Rahman, oversees the Islamic Banking operations of the Bank. During this accounting year, the Shari'ah Supervisory Committee met in 3 (three) meetings and reviewed different operational issues in line with Islamic Shari'ah. Besides, the Muraqibis (Shari'ah Officer) of the Bank inspected 12 Islamic Banking windows out of 17 during the period and reported no major case of Shari'ah violation(s) in operation of Windows.



Pubali Bank Limited

Annexure-E

Reconciliation Between Bangladesh Bank statement and Bank's book

As at 31 December 2022

The reconciling items relates to clearing of the following

- a. Bangladesh Bank cheques
- b. Foreign currency demand drafts
- c. Government bonds, Sanchayapatra etc.

Local Currency	As per Bangladesh Bank Statement	As per Bank's General ledger	Reconciling Difference
	BDT	BDT	BDT
Bangladesh Bank, Dhaka	22,232,707,883.98	21,677,628,849.55	555,079,034.43
Bangladesh Bank, Dhaka (AI -wadeeah current account)	368,386,706.69	368,386,706.69	-
Bangladesh Bank, Chattogram	51,038,275.33	51,038,275.33	-
Bangladesh Bank, Sylhet	1,057,945.19	1,025,545.19	32,400.00
Bangladesh Bank, Barisal	272,821.62	269,371.62	3,450.00
Bangladesh Bank, Khulna	647,678.35	647,678.35	-
Bangladesh Bank, Bogura	35,007,272.68	34,934,300.36	72,972.32
Bangladesh Bank, Rajshahi	286,112.98	286,112.98	-
Bangladesh Bank, Rangpur	8,747,474.05	8,744,158.05	3,316.00
Total	22,698,152,170.87	22,142,960,998.12	555,191,172.75

Amount credited by Bank but not debited by Bangladesh Bank
 Amount debited by Bank but not credited by Bangladesh Bank
 Amount credited by Bangladesh Bank but not debited by us
 Amount debited by Bangladesh Bank but not credited by us

40,110,239.00
(6,619,931.16)
1,057,408,456.31
(535,707,591.40)
555,191,172.75

Foreign Currency	As per Bangladesh Bank statement	As per Bank's General ledger		Reconciling Difference
	USD	USD	BDT	USD
USD Clearing Account	7,230,236.49	7,760,581.86	801,644,824.39	(530,345.37)
Total	7,230,236.49	7,760,581.86	801,644,824.39	(530,345.37)

Amount credited by Bank but not debited by Bangladesh Bank
 Amount debited by Bank but not credited by Bangladesh Bank
 Amount credited by Bangladesh Bank but not debited by us
 Amount debited by Bangladesh Bank but not credited by us

6,640,753.91
(7,675,329.21)
755,656.72
(251,426.79)
(530,345.37)

Foreign Currency	As per Bangladesh Bank statement	As per Bank's General ledger	As per Bank's General ledger	Reconciling Difference
	GBP	GBP	BDT	GBP
GBP Clearing Account	53,601.32	53,601.32	6,662,498.06	-

Foreign Currency	As per Bangladesh Bank statement	As per Bank's General ledger		Reconciling Difference
	EURO	EURO	BDT	EURO
EURO Clearing Account	45,613.02	8,780.02	963,180.53	36,833

Amount credited by Bank but not debited by Bangladesh Bank

36,833
36,833



Pubali Bank Limited - Islamic Banking Windows
Balance Sheet as at 31 December 2022

	Notes	2022 Taka	2021 Taka
PROPERTY AND ASSETS			
Cash	1	393,343,151	256,496,953
Cash in hand (Including foreign currencies)		24,956,444	25,965,858
Balance with Bangladesh Bank and its agent Bank (s) (Including foreign currencies)		368,386,707	230,531,095
Balance with Other Banks and Financial Institutions	2	22,584,963	222,106,471
In Bangladesh		22,584,963	222,106,471
Outside Bangladesh		-	-
Placement with Banks and Other Financial Institutions	3	-	-
Investments in Shares and Securities	4	873,680,700	1,163,691,000
Government		673,680,700	963,691,000
Others		200,000,000	200,000,000
Investments	5	12,216,663,481	5,419,625,652
General investments		11,812,739,147	5,416,121,682
Bills purchased & discounted		403,924,334	3,503,970
Fixed Assets including Premises, Furniture & Fixtures	6	11,304,539	14,069,778
Other Assets	7	969,720,780	1,179,909,051
Non-banking Assets		-	-
Total Assets		14,487,297,614	8,255,898,905
LIABILITIES AND CAPITAL			
Liabilities			
Placement with other Banks, Financial institutions & Agents	8	3,820,880	19,104,398
Deposits and Other Accounts	9	13,566,176,674	7,648,899,039
Al-Wadia current deposit		665,781,141	562,633,361
Bills payable		127,693,304	122,132,685
Mudaraba savings bank deposit		567,068,884	373,715,866
Mudaraba term deposits		11,832,557,875	6,456,333,286
Other deposits		373,075,470	134,083,841
Other Liabilities	10	536,521,282	520,099,446
Total Liabilities		14,106,518,836	8,188,102,883
Capital / Shareholders' Equity			
Paid up capital		-	-
Statutory reserve		-	-
Retained surplus (general reserve)		-	-
Revaluation gain/(Loss) on investment		-	-
Other reserves		-	-
Profit and loss account surplus		380,778,778	67,796,022
Total Shareholders' Equity		380,778,778	67,796,022
Total Liabilities and Shareholders' Equity		14,487,297,614	8,255,898,905



Pubali Bank Limited - Islamic Banking Windows
Balance Sheet as at 31 December 2022

OFF-BALANCE SHEET ITEMS	Notes	2022 Taka	2021 Taka
Contingent Liabilities			
Acceptances & Endorsements		1,362,552,122	-
Letters of guarantee		902,894,242	734,621,249
Irrevocable letters of credit		4,155,089,348	-
Bills for collection		-	-
Other contingent liabilities		-	-
Total Contingent liabilities		6,420,535,712	734,621,249
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		-	-
Total Off-Balance Sheet items including Contingent Liabilities		6,420,535,712	734,621,249



Pubali Bank Limited - Islamic Banking Windows
Profit & Loss Account for the year ended 31 December 2022

	Notes	2022 Taka	2021 Taka
Operating Income			
Investment Income	11	845,118,745	278,244,251
Less :Profit paid on deposits, borrowings, etc.	12	476,559,905	180,196,396
Net Investment Income		368,558,840	98,047,855
Income from investment in shares /securities	13	45,249,567	33,243,531
Commission, exchange and brokerage	14	70,529,579	21,190,166
Other operating income	15	8,671,137	6,912,233
Total Operating Income		493,009,123	159,393,785
Operating Expenses			
Salaries and allowances	16	92,635,693	75,281,265
Rent, taxes, insurance, electricity, etc.	17	2,126,985	1,981,480
Legal expenses	18	7,000	16,980
Postage, stamp, telecommunication, etc.	19	207,928	157,477
Stationery, printing, advertisements, etc.	20	1,498,720	834,341
Depreciation repair and maintenance of fixed assets	21	7,589,892	5,939,635
Other expenses	22	8,164,127	7,386,585
Total Operating Expenses		112,230,345	91,597,763
Total Profit/(Loss) before Provision		380,778,778	67,796,022
Provision for Loans, Advances, Investments and Other Assets			
Provision for bad debt offsetting for Islamic Banking		22,067,376	7,352,546
Provision for exposure of off-balance sheet items		64,205,357	7,347,000
Total Provision		86,272,733	14,699,546
Total Profit/(Loss) before Taxes		294,506,045	53,096,476
Provision for current tax		142,792,042	25,423,508
Provision for deferred tax		-	-
Total Provision for Taxes		142,792,042	25,423,508
Net Profit/(Loss) after Taxes		151,714,003	27,672,968



Pubali Bank Limited - Islamic Banking Windows
Cash Flow Statement
for the year ended 31 December 2022

	Notes	2022 Taka	2021 Taka
a Cash Flows from Operating Activities			
Investment income in cash		853,543,015	324,371,930
Profit paid		(476,559,905)	(180,196,396)
Fees and commission receipts		70,529,579	21,190,166
Cash payment to employees		(92,635,693)	(75,281,265)
Cash payment to suppliers		(1,706,648)	(991,818)
Receipts from other operating activities	15	8,671,137	6,912,233
Cash payments for other operating activities	23	(13,227,346)	(10,821,446)
Operating Profit before Changes in Operating Assets & Liabilities		348,614,139	85,183,404
Increase/ (Decrease) in Operating Assets and Liabilities			
Statutory deposits		290,000,000	(697,280,000)
Investment to customers (other than banks)		(6,797,037,829)	(2,712,607,293)
Other assets	24	247,013,568	(1,164,671,088)
Deposits to/from other banks		(15,283,518)	(6,686,539)
Deposits from customers (other than banks)		5,917,277,635	3,417,234,415
Other liabilities account of customers		(51,374,186)	32,814,719
Total Increase/(decrease) in operating assets and liabilities		(409,404,330)	(1,131,195,786)
Net Cash from/(used in) Operating Activities		(60,790,191)	(1,046,012,382)
b Cash Flows from Investing Activities			
Purchase /Sale of property, plant & equipment		(1,895,419)	(1,629,901)
Net Cash from/(used in) Investing Activities		(1,895,419)	(1,629,901)
c Cash Flows from Financing Activities			
Receipts from issue of Investments capital and debt securities		-	-
Net Cash from/(used in) Financing Activities		-	-
d Net increase /(decrease) in Cash and Cash equivalents (a+b+c)		(62,685,610)	(1,047,642,283)
e Cash and Cash equivalents at beginning of the period		478,614,424	1,526,256,707
f Cash and Cash equivalents at end of the period (d+e)	25	415,928,814	478,614,424



Pubali Bank Limited - Islamic Banking Windows
Notes to the financial statements for the year ended 31 December 2022

Annexure - F (iv)

	2022 Taka	2021 Taka
1 Cash		
1.1 Cash In hand (Including foreign currencies)		
In local currency	24,956,444	25,965,858
In foreign currencies	-	-
	<u>24,956,444</u>	<u>25,965,858</u>
1.2 Balance with Bangladesh Bank and its agent Bank(s) (Including foreign currencies)		
Bangladesh Bank		
In local currency	368,386,707	230,531,095
In foreign currencies	-	-
	<u>368,386,707</u>	<u>230,531,095</u>
Sonali Bank as agent of Bangladesh Bank		
In local currency	-	-
	<u>368,386,707</u>	<u>230,531,095</u>
	<u>393,343,151</u>	<u>256,496,953</u>
1.3 Cash Reserve Ratio and Statutory Liquidity Ratio		
Cash Reserve Ratio and Statutory Liquidity Ratio have been calculated and maintained in accordance with the section 33 of Bank Companies Act 1991, MPD circular no. 1,2 dated 03 April 2018, DOS circular no. 01 dated 19 January 2014 and MPD circular 01 dated 09 April 2020 respectively.		
The Cash Reserve Ratio (CRR) required on the Bank's time and demand liabilities at the rate of 4.00% has been calculated and maintained with Bangladesh Bank through the current account and 5.50% Statutory Liquidity Ratio (SLR), on the same liabilities has also been maintained in the form of Treasury bills and bonds including excess balances of CRR 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)		
Required Reserve (4.00%)	305,786,000	205,962,000
Actual Reserve maintained	368,386,706	230,531,092
Surplus	<u>62,600,706</u>	<u>24,569,092</u>
1.3.2 Statutory Liquidity Ratio (SLR)		
Required Reserve (5.50%)	420,455,000	283,198,000
Actual Reserve maintained	761,237,150	1,014,214,950
Surplus	<u>340,782,150</u>	<u>731,016,950</u>
Held for Statutory Liquidity Ratio (SLR)		
Cash in Hand	24,956,444	25,965,858
Excess Cash Reserve	62,600,706	24,569,092
Government Securities (HTM)	-	290,000,000
Other Eligible Securities	673,680,000	673,680,000
	<u>761,237,150</u>	<u>1,014,214,950</u>
1.3.3 Total required amount of CRR and SLR		
Total required reserve (9.50%)	726,241,000	489,160,000
Total actual reserve maintained	1,067,023,150	1,220,176,950
Total Surplus	<u>340,782,150</u>	<u>731,016,950</u>
2 Balance with other banks and financial institutions		
In Bangladesh (Note 2.1)	22,584,963	222,106,471
Outside Bangladesh	-	-
	<u>22,584,963</u>	<u>222,106,471</u>
2.1 In Bangladesh		
In Mudaraba fixed/term deposit account (in local currency)		
EXIM Bank Ltd, Gulshan Branch, Dhaka and Narayanganj Branch, Narayanganj	-	-
Social Islami Bank Limited	-	200,000,000
	<u>-</u>	<u>200,000,000</u>



	2022 Taka	2021 Taka
In Mudaraba Savings deposit account		
Islami Bank Bangladesh Limited, Foreign Exchange Branch, Dhaka	15,309,880	14,973,791
	15,309,880	14,973,791
In Mudaraba Special Notice Deposit account		
First Security Islami Bank Ltd., Dilkusha Branch, Dhaka	6,737,107	6,601,795
AB Bank Limited, Islamic Banking Branch, Dhaka	537,976	530,885
	7,275,083	7,132,680
	22,584,963	222,106,471
2.2 Maturity grouping of balance with other banks and financial Institutions		
Payable on demand	22,584,963	22,106,471
Up to 3 months	-	200,000,000
Over 3 months but not more than 1 year	-	-
	22,584,963	222,106,471
3 Placement with Banks and Other Financial Institutions	-	-
4 Investments in Shares and Securities		
Government Treasury Bonds		
Government Security Bonds	673,680,000	673,680,000
6 months Bangladesh Govt. Islami Investment Bond	-	290,000,000
National prize bonds	700	11,000
Total investment in Investments in Shares and Securities	673,680,700	963,691,000
Other Investments		
Al-Arafah Islami Bank Limited Bond	200,000,000	200,000,000
	200,000,000	200,000,000
	873,680,700	1,163,691,000
4.1 Maturity grouping of Investments in Shares and Securities		
Repayable on demand	700	11,000
Upto 3 months	-	178,000,000
Over 3 months but not more than 1 year	40,000,000	112,000,000
Over 1 year but not more than 5 years	833,680,000	833,680,000
Over 5 years	-	40,000,000
	873,680,700	1,163,691,000
5 Investments		
General Investments (Note 5.1)	11,812,739,147	5,416,121,682
Bills purchased and discounted (Note 5.2)	403,924,334	3,503,970
	12,216,663,481	5,419,625,652
5.1 General Investments		
Inside Bangladesh:		
Quard	8,900,000	118,593,740
Quard against MDPA	606,950	767,300
Quard against E-GP	35,850,161	20,912,294
Quard against MPBSD & TBSD	1,405,350	2,200,750
Bai Muazzal	7,685,426,907	3,558,007,999
Bai Istisna	76,573,202	25,537,318
Pubali Star	88,032,018	33,055,131
Murabaha Post Import (TR)	557,278,032	318,493,128
Hire Purchase Shirkatul Melk	3,307,551,552	1,305,820,663
Pubali Islamic Staff House Building	51,114,975	32,733,359
	11,812,739,147	5,416,121,682
Outside Bangladesh	-	-
	11,812,739,147	5,416,121,682
5.1.1 Maturity grouping of General Investment		
Repayable on demand	62,623,883	264,195,839
Upto 3 months	839,009,965	305,862,250
Over 3 months but not more than 1 year	7,606,463,310	3,614,141,043
Over 1 year but not more than 5 years	2,068,789,772	537,208,535
Over 5 years	1,235,852,217	694,714,015
	11,812,739,147	5,416,121,682



	2022 Taka	2021 Taka
5.2 Bills purchased and discounted		
Payable in Bangladesh		
Loans against accepted bills	400,612,574	3,503,970
Loans against demand draft purchased	-	-
	<u>400,612,574</u>	<u>3,503,970</u>
Payable outside Bangladesh		
Foreign bills purchased	3,311,760	-
Foreign drafts purchased	-	-
	<u>3,311,760</u>	<u>-</u>
	<u>403,924,334</u>	<u>3,503,970</u>
5.2.1 Maturity grouping of bills purchased and discounted		
Receivable on demand	3,071,093	-
Not more than 3 months	304,595,840	-
Over 3 months but not more than 1 year	96,257,401	3,503,970
Over 1 year but not more than 5 years	-	-
6 months or more	-	-
	<u>403,924,334</u>	<u>3,503,970</u>
5.3 Geographical location-wise distribution of Investments including bills purchased and discounted		
In Bangladesh-Urban		
Dhaka	8,105,751,690	4,530,686,289
Chattogram	238,278,452	132,409,919
Sylhet	370,317,156	284,335,290
Barisal	117,316,700	89,620,530
Khulna	1,105,577,243	236,789,333
Rajshahi	123,287,709	94,093,050
Rangpur	81,490,846	15,485,374
Mymensingh	118,640,051	36,205,867
	<u>10,260,659,847</u>	<u>5,419,625,652</u>
Rural	1,952,691,874	-
Outside Bangladesh (Foreign bills/drafts purchased)	3,311,760	-
	<u>12,216,663,481</u>	<u>5,419,625,652</u>
5.4 Sector-wise Investments including bills purchased and discounted		
Public sector	-	-
Private sector	12,216,663,481	5,419,625,652
Co-operative sector	-	-
	<u>12,216,663,481</u>	<u>5,419,625,652</u>
5.5 Security base-wise Investments including bills purchased and discounted		
Collateral of movable and immovable properties	7,736,015,427	3,935,866,217
Export documents	125,723,418	2,742,970
Fixed deposit receipts (FDR) of own Bank	128,375,263	166,954,540
Corporate guarantee	190,699,213	1,108,178,982
Personal guarantee	4,035,850,160	205,882,943
	<u>12,216,663,481</u>	<u>5,419,625,652</u>



	2022 Taka	2021 Taka
5.6 Classification of Investments including bills purchased and discounted		
Unclassified:		
Standard	12,142,592,221	5,378,550,913
Special mention account (SMA)	19,660,423	-
	<u>12,162,252,644</u>	<u>5,378,550,913</u>
Classified:		
Sub-standard (SS)	-	4,260,300
Doubtful (DF)	-	-
Bad or loss (BL)	153,542	1,785,110
	<u>153,542</u>	<u>6,045,410</u>
Staff loan	54,257,295	35,029,329
	<u>12,216,663,481</u>	<u>5,419,625,652</u>

5.7 Particulars of required provision for Investments

<u>Status of Classification</u>	<u>Base for Provision</u>	<u>Rate of Provision (%)</u>		
General provision - Unclassified				
Standard (others)	6,508,276,419	1	65,082,764	32,722,295
Standard (SMEF)	4,822,590,211	0.25	12,056,476	3,916,378
Standard (Short Term Agri & Micro credit)	9,153,809	1	91,538	-
Standard (Consumer Loan Scheme)	800,953,117	2	16,019,062	6,998,332
Standard (Loan for Professional to setup business)	-	2	-	3,797,074
Housing Finance	-	1	-	-
Special mention account (SMEF)	534,100	0.25	1,335	-
Special mention account (Others)	19,126,323	1	191,263	-
			<u>93,442,438</u>	<u>47,434,079</u>
Specific provision - Classified				
Sub-standard (SS)	-	20	-	852,060
Doubtful (DF)	-	50	-	-
Bad/Loss (BL)	230,931	100	230,931	267,766
			<u>230,931</u>	<u>1,119,826</u>
Required provision			<u>93,673,369</u>	<u>48,553,905</u>
Provision maintained by head office			<u>93,673,369</u>	<u>48,553,905</u>
Excess provision			-	-

5.8 Particulars of Investments

(i) Investments considered good in respect of which the bank is fully secured.	7,864,390,690	4,102,820,757
(ii) Investments considered good for which the bank holds no other security than the debtors' personal security	36,554,911	36,554,911
(iii) Investments considered good being secured by the personal security of one or more parties in addition to the personal security of the debtors.	4,315,717,881	1,280,249,985
(iv) Investments adversely classified; provision not maintained there against	-	-
	<u>12,216,663,482</u>	<u>5,419,625,653</u>
(v) Investments due by directors or officers of the bank or any of them either severally or jointly with any other persons	54,257,295	35,029,329
(vi) Investment 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.		



	2022 Taka	2021 Taka
(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 them either severally or jointly with any other persons.	54,257,295	35,029,329
(viii) 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) Investments due from banking companies	-	-
(x) Classified Investments for which interest / profit not credited to income	-	-
a) Increase / decrease of provision (specific)	230,931	1,119,826
b) Amount written off debt	-	-
c) Amount of debt recovered against which was previously written off	-	-
d) Amount of Provision kept against Investments classified as bad or loss	230,931	267,766
e) Amount of interest credited in suspense account	-	-
(xi) Cumulative amount of written off Investments	-	-
Opening Balance	-	-
Amount of debt written off for the current year	-	-
(xii) Amount of written off loans for which case has been filed for recovery	-	-
5.9 Hire Purchase Shirkatul Melk		
Lease rental receivable within 1 year	588,390,550	136,935,942
Lease rental receivable within 5 years	2,448,518,496	297,243,578
Lease rental receivable after 5 years	334,062,697	898,772,628
Total lease rental receivable	3,370,971,743	1,332,952,148
Less : Un-earned Income receivable	63,420,191	27,131,485
Net Lease finance	3,307,551,552	1,305,820,663
6 Fixed Assets Including premises, furniture & Fixture cost		
Machinery and equipment	9,404,579	8,451,440
Computer & Computer Accessories	8,567,267	7,523,282
Furniture and fixtures	7,808,847	7,891,820
	25,780,693	23,866,542
Less: Accumulated Depreciation	14,476,154	9,796,764
Net book value at the end of the year	11,304,539	14,069,778
7 Other Assets :		
Accrued income on Investments	42,838,000	6,012,703
Prepaid expenses	150,450	-
Income Tax advance A/C	3,801,921	6,333,309
Stationery and stamps	716,244	550,938
Suspense account	104,783	156,500
Pubali bank adjustment a/c	240,840,658	1,166,855,601
Items in transit	681,268,724	-
	969,720,780	1,179,909,051



	2022 Taka	2021 Taka
8 Placement with other Banks, Financial Institutions and Agents		
In Bangladesh		
Borrowing from Bangladesh Bank	3,820,880	19,104,398
Outside Bangladesh	-	-
	3,820,880	19,104,398
9 Deposits and other accounts		
Inter-bank deposits	4,659,757,541	1,818,044,529
Other deposits	8,906,419,133	5,830,854,510
	13,566,176,674	7,648,899,039
9.1 Details of deposits and other Accounts		
<u>Current deposits and other accounts :</u>		
Al-Wadia Current Deposit	665,781,141	562,633,361
	<u>665,781,141</u>	<u>562,633,361</u>
Bills payable (note 9.1.1)	127,693,304	122,132,685
	<u>127,693,304</u>	<u>122,132,685</u>
Mudaraba Savings Bank Deposit	567,068,884	373,715,866
	<u>567,068,884</u>	<u>373,715,866</u>
<u>Term deposits :</u>		
Mudaraba Fixed deposits	9,399,758,478	3,596,559,091
Mudaraba Monthly Term deposit	207,498,650	110,827,400
Mudaraba Profit Basd Small deposit	17,603,579	6,281,570
Mudaraba Short Notice Deposits	1,708,049,789	2,348,565,606
Profit Receivable on Investment	857,717	3,350
Target Based Small Deposit	296,630,728	251,820,572
Mudaraba Deposit Pension Scheme	184,870,725	129,534,487
Mudaraba Marriage / Muhar Deposit	862,064	801,068
Mudaraba Hajj Savings	15,852,959	11,724,360
Shikhya sanchay prokalpa	573,186	215,782
	<u>11,832,557,875</u>	<u>6,456,333,286</u>
Other deposits	373,075,470	134,083,841
	<u>373,075,470</u>	<u>134,083,841</u>
	13,566,176,674	7,648,899,039
9.1.1 Bills Payable		
Payment orders issued	127,693,304	122,132,685
	<u>127,693,304</u>	<u>122,132,685</u>
9.2 Maturity analysis of Inter-bank deposits		
Payable on demand	1,200,553,685	1,818,044,529
Payable within 1 month	-	-
Over 1 month but within 6 months	3,459,203,856	-
Over 6 months but within 1 year	-	-
Over 1 year but within 5 years	-	-
Over 5 years and above	-	-
	<u>4,659,757,541</u>	<u>1,818,044,529</u>
9.3 Maturity analysis of other deposits		
Payable on demand	1,787,759,958	1,452,195,956
Payable within 1 month	1,090,982,343	157,379,413
Over 1 month but within 6 months	3,320,891,089	2,815,571,867
Over 6 months but within 1 year	1,359,455,581	588,416,997
Over 1 year but within 5 years	723,994,707	541,067,633
Over 5 years and above	623,335,455	276,222,644
	<u>8,906,419,133</u>	<u>5,830,854,510</u>



	2022 Taka	2021 Taka
10 Other Liabilities :		
Unpaid Expenses A/C	3,013	6,902
Item in Transit (Cr. Balance)	-	267,631,661
Card Transaction Fee (Inter Bank)	2,355	1,860
Unearned interest income	456,643,733	208,855,747
Sadaqad Fund	24,032,214	23,450,298
Compensation Realised Account	12,291,999	9,297,163
Compensation Realizable Account	43,547,968	10,855,815
	536,521,282	520,099,446
11 Investment income		
Bai Muazzal	418,956,164	199,755,255
Bai Murabaha	641,712	537,787
Pubali Star	3,578,579	111,114
Murabaha Post Import (TR)	37,481,958	2,273,962
Hire Purchase Shirkatul Melk	170,730,221	43,409,613
Bai ISTISNA	1,188,484	1,852,610
Inland Bill Purchased	1,352,809	215,763
Murabaha (EDF)	44,795,479	-
Quard Against E-GP	2,961,012	1,791,826
Head office Account (PBG)	151,795,591	-
Export Bill Discounting (EBD)	32,531	-
Other Bank	11,604,205	28,296,321
	845,118,745	278,244,251
12 Profit paid on deposits, borrowings, etc.		
Mudaraba Term Deposits	324,781,847	131,510,535
Mudaraba Special Notice Deposits	37,131,204	16,723,625
Mudaraba Hajj Savings	768,035	480,159
Mudaraba Savings Bank deposit	5,783,944	4,567,502
Mudaraba Deposit Pension Scheme	6,770,273	5,092,665
Mudaraba Monthly Profit deposit	8,611,098	3,835,341
Mudaraba Mohor Scheme	27,916	40,860
Mudaraba Shiksha Sanchay	23,878	5,589
Mudaraba Swapno Purno	13,929,422	11,215,221
Head office Accounts (PBG)	77,797,377	-
Mudaraba Swadhin Sanchay	513,213	182,170
POIBS Profit Paid	421,698	-
Govt. Bond	-	6,542,729
	476,559,905	180,196,396
13 Income from investment in shares /securities		
Govt. Bond	30,745,250	18,625,524
Other Bond	14,504,317	14,618,007
	45,249,567	33,243,531
14 Commission, exchange and brokerage		
SC, LSC, DD, TT, MT and PO	322,366	252,698
Foreign L/C	35,558,614	11,227,670
Local L/C	3,966,741	1,721,353
Local Guarantee	7,523,335	1,610,713
Other transactions	944,823	404,844
Stationery Articles	132,000	25,626
Miscellaneous handling commission	20,541,504	5,924,398
Total commission	68,989,383	21,167,302
Exchange	1,540,196	22,864
	70,529,579	21,190,166



	2022 Taka	2021 Taka
15 Other operating income		
Miscellaneous income	532,696	2,426,630
Service charge	916,393	536,490
CIB service charge	228,800	187,720
Online service charge	2,379,290	1,851,220
Account maintenance fee	1,852,846	1,210,665
SMS service charge	662,542	478,870
Processing Fee	129,500	47,000
Swift Income-Import/others	1,696,472	57,638
Card fees and charges	272,400	116,000
Sale of Bank's property	198.00	-
	8,671,137	6,912,233
16 Salary and allowances		
Basic salary	41,754,751	34,073,581
House rent allowances	25,181,592	20,672,348
Medical allowances	5,196,859	4,294,523
House maintenance	4,334,852	3,743,748
Other allowances	3,714,477	3,450,527
Contributory provident fund	4,012,642	3,388,638
Bonus to employees	8,440,520	5,657,900
	92,635,693	75,281,265
17 Rent, taxes, insurance, electricity, etc.		
Electric fittings and fixtures	100,395	28,794
Bank premises	1,383,160	1,409,056
Rates and taxes	5,384.00	-
Insurance	21,039	38,744
Lighting	617,007	504,886
	2,126,985	1,981,480
18 Legal Expenses		
Lawyer Charges	7,000	-
Court fees and other expenses	-	16,980
	7,000	16,980
19 Postage, stamp, telecommunication, etc.		
Postage	31,699	13,997
Stamps	2,900	-
Telephone	173,329	143,480
	207,928	157,477
20 Stationery, printing, advertisement, etc.		
Table stationery	323,593	241,741
Computer Stationery	410,884	269,745
Consumption of books and forms	752,642	304,585
Advertisement	-	6,000
	1,498,720	834,341
21 Depreciation repair and maintenance of fixed assets		
Repairs to fixed assets	253,643	221,213
Depreciation on fixed assets	4,660,658	4,503,234
Maintenance of Bank Premises	680,591	441,108
Maintenance of assets -Wages	1,995,000	774,080
	7,589,892	5,939,635



	2022 Taka	2021 Taka
22 Other expenses		
Newspapers	31,349	20,850
Renovation under Construction Works	-	250
Travelling	565,874	98,545
Sub-ordinate staff clothing	32,286	42,994
Conveyance	234,864	1,455,095
Entertainment	220,347	177,480
Carrying Expenses	2,070	3,377
Employees recreation (Lunch subsidy)	4,009,124	3,497,747
Promotional expenses	90,150	-
Security and Auxiliary Service	1,655,471	1,178,199
Gun license fees	23,250	-
Petrol consumption	109,437	55,250
Shifting expenses	-	23,287
Photocopy	-	430
Loss On Sale of Bank's property	195,533	-
Chemicals for Office equipments	1,345	-
Car allowance	480,000	210,000
Miscellaneous	513,027	623,081
	8,164,127	7,386,585
23 Cash payments for other operating activities		
Rent, tax, Insurance, Lighting etc.	2,126,985	1,981,480
Legal expenses	7,000	16,980
Repairing Expenses	2,929,234	1,436,401
Other Expenses	8,164,127	7,386,585
	13,227,346	10,821,446
24 Increase/(decrease) of other assets		
Closing other Assets		
Stationery and Stamps	716,244	550,938
Pubali Bank Adjustment A/C	240,840,658	1,166,855,601
Prepaid expense	150,450	-
Income Tax advance A/C	3,801,921	6,333,309
Suspense account	104,783	156,500
Others	681,268,724	-
	926,882,780	1,173,896,348
Opening other Assets		
Stationery and Stamps	550,938	421,306
Pubali Bank Adjustment	1,166,855,601	-
Income Tax advance A/C	6,333,309	8,802,474
Suspense account	156,500	1,480
	1,173,896,348	9,225,260
	247,013,568	(1,164,671,088)
25 Cash and cash equivalents at the end of the year		
Cash in hand (including foreign currencies)	24,956,444	25,965,858
Balance with Bangladesh Bank and its agent bank(s)	368,386,707	230,531,095
Balance with other banks and financial institutes	22,584,963	222,106,471
Prize bonds	700	11,000
	415,928,814	478,614,424



Pubali Bank Limited
Off-shore Banking Unit
Balance Sheet as at 31 December 2022

	Notes	2022		2021
		USD	Taka	Taka
PROPERTY AND ASSETS				
Cash	3	-	-	-
Cash in hand (Including foreign currencies)		-	-	-
Balance with Bangladesh Bank and its agent Bank(s) (Including foreign currencies)		-	-	-
Balance with Other Banks and Financial Institutions	4	11,090,324.82	1,145,597,283	2,130,644,721
In Bangladesh		-	-	1,721,977,520
Outside Bangladesh		11,090,324.82	1,145,597,283	408,667,201
Loans, Advances and Leases	5	366,459,453.25	37,854,162,142	27,957,638,491
Loans, cash credits and overdrafts, etc.		8,603,303.50	888,695,442	1,218,766,511
Bills purchased and discounted		357,856,149.75	36,965,466,700	26,738,871,980
Fixed Assets including premises, furniture & fixtures	6	-	-	-
Other Assets	7	114,750.00	11,853,331	20,028,200
Non-banking Assets		-	-	-
Total Assets		377,664,528.07	39,011,612,756	30,108,311,412
LIABILITIES AND CAPITAL				
Liabilities				
Borrowings from other Banks, Financial Institutions & Agents	8	368,496,637.53	38,064,597,167	29,716,191,799
Deposits and other accounts	9	-	-	-
Current accounts & other accounts		-	-	-
Bills Payable		-	-	-
Savings bank deposits		-	-	-
Term deposits		-	-	-
Other deposits		-	-	-
Other Liabilities	10	4,877,807.99	503,862,932	123,857,348
Total Liabilities		373,374,445.52	38,568,460,099	29,840,049,147
Capital / Shareholders' Equity				
Paid up Capital		-	-	-
Statutory Reserve		-	-	-
Retained earnings		-	-	-
Foreign currency translation reserves		-	32,181,625	2,223,951
Profit and Loss account surplus		4,290,082.55	410,971,032	266,038,314
Total Shareholders' Equity		4,290,082.55	443,152,657	268,262,265
Total Liabilities and Shareholders' Equity		377,664,528.07	39,011,612,756	30,108,311,412



OFF-BALANCE SHEET ITEMS

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

Total Off-Balance Sheet items including Contingent Liabilities

Notes	2022		2021
	USD	Taka	Taka
Letters of guarantee	-	-	-
Irrevocable letters of credit	-	-	-
Bills for collection	-	-	-
Other Contingent Liabilities	-	-	-
Total Contingent liabilities	-	-	-
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	-	-	-
Total Off-Balance Sheet items including Contingent Liabilities	-	-	-



Pubali Bank Limited
Off-shore Banking Unit
Profit & Loss Account for the year ended 31 December 2022

	Notes	2022		2021
		USD	Taka	Taka
Operating Income				
Interest income	11	20,074,294.83	1,923,029,118	874,597,816
Interest paid on deposits, borrowings etc.	12	(15,803,070.09)	(1,513,864,581)	(574,753,606)
Net Interest Income		4,271,224.74	409,164,537	299,844,210
Commission, exchange and brokerage		-	-	-
Other operating income	13	565,469.36	54,169,476	27,558,006
Total Operating Income		4,836,694.10	463,334,013	327,402,216
Operating Expenses				
Salaries and allowances	14	153,349.09	14,690,169	10,604,322
Rent, taxes, insurance, electricity etc.		-	-	-
Legal expenses		-	-	-
Postage, stamp, telecommunication etc.	15	-	-	2,810
Stationery, printing, advertisements etc.	16	2,148.72	205,838	210,053
Auditors' fees		-	-	-
Charges on loan losses		-	-	-
Depreciation and repair of bank's assets		-	-	-
Other expenses	17	391,113.74	37,466,974	50,546,717
Total Operating Expenses		546,611.55	52,362,981	61,363,902
Profit/(Loss) before Provision		4,290,082.55	410,971,032	266,038,314
Provision for loans & advances, Investments & other assets				
Provision for classified loans and advances		-	-	-
Provision for unclassified loans and advances		-	-	-
Other Provisions		-	-	-
Total Provision		-	-	-
Total Profit/(Loss) before taxes		4,290,082.55	410,971,032	266,038,314
Provision for current tax		-	-	-
Provision for deferred tax		-	-	-
Total Provision for taxes		-	-	-
Net Profit/(loss) after Taxation		4,290,082.55	410,971,032	266,038,314



Pubali Bank Limited
Off-shore Banking Unit
Cash Flow Statement for the year ended 31 December 2022

Notes	2022		2021
	USD	Taka	Taka
A) Cash flows from operating activities			
Interest receipts in cash	20,074,294.83	1,923,029,118	874,597,816
Interest payments	(11,836,232.53)	(1,133,858,997)	(523,033,009)
Receipts from other operating activities	565,469.35	54,169,476	27,558,006
Cash payments for other operating activities	(546,611.55)	(52,362,981)	(61,363,902)
Operating profit before changes in operating assets & liabilities	8,256,920.11	790,976,616	317,758,911
Increase/ (Decrease) in operating assets and liabilities			
Loans and advances to customers (other than banks)	(95,806,496.33)	(9,896,523,651)	(11,256,926,168)
Other assets	79,139.46	8,174,869	33,842,242
Other liabilities	-	-	(2,639,680)
Total Increase/(decrease) in operating assets and liabilities	(95,727,356.86)	(9,888,348,782)	(11,225,723,606)
Net cash from /(used in) operating activities	(87,470,436.76)	(9,097,372,166)	(10,907,964,695)
B) Cash flows from investing activities	-	-	-
C) Cash flows from financing activities			
Borrowings from other Banks, Financial Institutions & Agents.	80,819,436.85	8,348,405,368	12,837,598,168
Profit transferred to Central Operation.	(7,091,364.32)	(268,262,265)	(186,021,440)
	73,728,072.52	8,080,143,103	12,651,576,728
D) Net increase/(decrease) in cash and cash equivalents (a+b+c)	(13,742,364.23)	(1,017,229,063)	1,743,612,033
E) Effects of exchange rate changes on cash and cash equivalents	-	32,181,625	2,223,951
F) Cash and cash equivalents at beginning of the period	24,832,689.05	2,130,644,721	384,808,737
G) Cash and cash equivalents at end of the period (D+E+F)	11,090,324.82	1,145,597,283	2,130,644,721



PUBALI BANK LIMITED, Off-shore Banking Unit
Notes to the financial statements for the year ended 31 December 2022

1 Status of the unit

The Bank obtained the permission for operation of Offshore Banking Units (OBUs) vide Bangladesh Bank letter No. BRPD (P-3) 744 (108) / 2010-93 dated January 13, 2010. OBU Principal Branch and OBU Agrabad Branch commenced their operation on January 22, 2015. The OBUs are governed under the rules and guidelines of the Bangladesh Bank. Now, the Bank has 2 (two) Offshore Banking Units – one is situated at A-A Bhaban, Level # 4, 23, Motijheel C/A, Dhaka and the other is at Sattar Chamber, 99, Agrabad C/A, Ground Floor, Chattogram. At present, the units are controlled and supervised by Offshore Banking Division(OBD), newly formed by the Board of Directors of the Bank in its 1201st meeting held on 22nd May 2019. The OBD has commenced its operation on 2nd February 2020.

1.1 Principal Activities

The principal activities of the units are operated as per paragraph No. 6 of Policy for Offshore Banking Operation of the Banks in Bangladesh issued under reference No. BRPD Circular No. 2 dated 25 February 2019 and subsequent circular letters issued on different dates by Bangladesh Bank.

2 Significant accounting policies and basis of preparation of financial statements

2.1 Basis of Preparation

The financial statements are prepared on the basis of a going concern and represent the financial performance and financial position of the Off-shore Banking Units (OBU). The financial statements of the OBU are prepared in accordance with the Bank Companies Act 1991, particularly, Banking Regulation and Policy Department (BRPD) Circular No. 14 dated 25 June 2003, other Bangladesh Bank Circulars, International Accounting Standards (IAS) and International Financial Reporting Standards (IFRSs) including those that have been so far adopted by the Institute of Chartered Accountants of Bangladesh and other rules and regulations where necessary.

2.2 Foreign Currency

Foreign currency transactions are converted into equivalent Taka using the ruling exchange rates on the dates of respective transactions as per IAS-21 "The Effects of Changes in Foreign Exchange Rates". Foreign currency balances held in US Dollar are converted into Taka at weighted average rate of inter-bank market as determined by Bangladesh Bank on the closing date of every month.

3 Cash

Cash in hand (including foreign currencies)

In local currency
In foreign currencies

**Balance with Bangladesh Bank and its agent bank(s)
(including foreign currency)**

Bangladesh Bank
In local currency
In foreign currencies

	2022		2021
	USD	Taka	Taka
In local currency	-	-	-
In foreign currencies	-	-	-
Balance with Bangladesh Bank and its agent bank(s) (including foreign currency)			
Bangladesh Bank			
In local currency	-	-	-
In foreign currencies	-	-	-

3.1 Cash Reserve Ratio and Statutory Liquidity Ratio

Cash Reserve Ratio and Statutory Liquidity Ratio have been calculated and maintained in accordance with the section 33 of Bank Companies Act 1991, MPD circular numbers 1,2 dated 03 April 2018, DOS circular no. 01 dated 19 January 2014, BRPD circular 31 dated 18 June 2020 respectively.

The Cash Reserve Ratio (CRR) required on the Bank's time and demand liabilities at the rate of 2.00% has been calculated and maintained with Bangladesh Bank through the current account and 13% Statutory Liquidity Ratio (SLR) on the same liabilities has also been maintained in the form of Treasury bills and bonds and other eligible securities. Both the reserves maintained by the Bank are in excess of the statutory requirements, as shown below:

3.1.1 Cash Reserve Ratio (CRR)

Required Reserve (2%)	723,797,000	445,574,000
Actual Reserve maintained	723,797,000	445,574,000
Surplus/(deficit)	-	-

3.1.2 Statutory Liquidity Ratio (SLR)

Required Reserve (13%)	4,704,681,000	2,896,230,000
Actual Reserve maintained	4,704,681,000	2,896,230,000
Surplus/(deficit)	-	-

3.1.3 Total required amount of CRR and SLR

Total required reserve (15%)	5,428,478,000	3,341,804,000
Total actual reserve maintained	5,428,478,000	3,341,804,000
Total Surplus	-	-

4 Balance with other banks and financial institutions

In Bangladesh (Note 4.1)
Outside Bangladesh (Note 4.2)

	-	-	1,721,977,520
	11,090,324.82	1,145,597,283	408,667,201
	11,090,324.82	1,145,597,283	2,130,644,721

4.1 In fixed/term deposit account (in local currency)

Finance to other Financial Institute
Finance to Pubali Bank Limited

	-	-	1,721,977,520
	-	-	-
	-	-	1,721,977,520



	2022		2021
	USD	Taka	Taka
4.2 Outside Bangladesh			
Current A/c (Nostro)			
Mashreq Bank NY, USD	11,086,477.77	1,145,199,894	404,556,837
Mashreq Bank Mumbai, India-ACUD	3,847.05	397,389	4,110,364
	11,090,324.82	1,145,597,283	408,667,201
5 Loans, advances and leases			
Loans, cash credits and overdrafts, etc. (note 5.1)	8,603,303.50	888,695,442	1,218,766,511
Bills purchased and discounted (note 5.2)	357,856,149.75	36,965,466,700	26,738,871,980
	366,459,453.25	37,854,162,142	27,957,638,491
5.1 Loans, cash credits, overdrafts, etc.			
In Bangladesh			
Loans	8,603,303.50	888,695,442	1,218,766,511
Cash credits	-	-	-
Overdrafts	-	-	-
	8,603,303.50	888,695,442	1,218,766,511
Outside Bangladesh			
	-	-	-
	8,603,303.50	888,695,442	1,218,766,511
5.2 Bills purchased and discounted			
Payable In Bangladesh			
Export Bill Discounting	46,731,347.70	4,827,208,023	3,329,489,378
Loans against demand draft purchased	-	-	-
	46,731,347.70	4,827,208,023	3,329,489,378
Payable outside Bangladesh			
Discounting - UPAS	311,124,802.05	32,138,258,677	23,409,382,602
Foreign drafts purchased	-	-	-
	311,124,802.05	32,138,258,677	23,409,382,602
	357,856,149.75	36,965,466,700	26,738,871,980
5.3 Classification of Investments including bills purchased and discounted			
Unclassified			
Standard		37,802,174,269	27,922,259,356
Special mention account (SMA)		51,987,873	35,379,135
		37,854,162,142	27,957,638,491
Classified			
Substandard (SS)		-	-
Doubtful (DF)		-	-
Bad or loss (BL)		-	-
Staff loan			
		-	-
		37,854,162,142	27,957,638,491
5.4 Particulars of required provision for Investments			
Status of Classification			
General provision - Unclassified			
Standard (others)	34,451,769,882	1	344,517,699
Standard (SMEF)	3,350,404,387	0.25	8,376,011
SMA (SMEF)	-	-	-
SMA (Others)	51,987,873	1	-
			519,879
Specific provision - Classified			353,413,589
Substandard (SS)	-	20	-
Doubtful (DF)	-	50	-
Bad/Loss (BL)	-	100	-
Required provision			353,413,589
Provision maintained by head office			277,174,704
Excess provision			353,413,589
			277,174,704
6 Fixed Assets including premises, furniture & Fixture			
Cost	-	-	-
Less: Accumulated Depreciation	-	-	-
Net book value at the end of the year	-	-	-

As per decision of the 740 Board of Director's meeting dated 25.11.2009 the logistic supports which includes computers, printers, electrical appliances, furniture and fixtures, telephone etc. was provided by Principal and Agrabad branches. Subsequently assets will be purchased by respective OBU itself, the cut off date will be decided by bank's senior management.



	2022		2021
	USD	Taka	Taka
7 Other Assets			
Income generating other assets			
Interest on EBD	-	-	-
Interest on UPAS Bill	-	-	-
Interest on Term Loan	-	-	-
Prepaid expenses	114,750.00	11,853,331	20,028,200
	114,750.00	11,853,331	20,028,200
8 Borrowings from other Banks, Financial Institutions and Agents			
Parents Bank-Pubali Bank Limited	45,040,706.19	4,652,569,827	6,696,051,799
Others Banks & Financial Institutions	323,455,931.34	33,412,027,340	23,020,140,000
	368,496,637.53	38,064,597,167	29,716,191,799
9 Deposits and other accounts			
Inter-bank deposits	-	-	-
Other deposits	-	-	-
	-	-	-
10 Other Liabilities			
Interest payable to :			
Parent bank borrowing	251,136.92	25,941,690	20,622,086
Others Banks & Financial Institutions	4,626,671.07	477,921,242	103,235,262
	4,877,807.99	503,862,932	123,857,348
11 Interest Income			
Interest on EBD	2,175,181.33	208,372,801	72,083,488
Interest on UPAS Bill	16,765,550.38	1,606,065,958	716,433,709
Interest on Term loan	630,541.08	60,403,061	46,409,918
Interest on Finance to other financial Institution	503,022.04	48,187,298	39,670,701
	20,074,294.83	1,923,029,118	874,597,816
12 Interest paid on deposits, borrowings, etc.			
Interest on Borrowings from Parent Bank	2,799,235.59	268,154,453	158,155,321
Interest on Borrowings from other banks & Financial Institutions	13,003,834.50	1,245,710,128	416,598,285
	15,803,070.09	1,513,864,581	574,753,606
13 Other operating income			
Rebate received from Nostro A/C	96,555.00	9,249,544	6,498,553
Reimbursement fee received	231,208.00	22,148,709	20,832,517
AIP received from Nostro A/C	237,706.36	22,771,223	226,936
	565,469.36	54,169,476	27,558,006
14 Salaries and allowances			
Basic salary	76,971.09	7,373,492	4,911,927
House rent allowances	41,292.25	3,955,616	2,840,344
Medical allowances	7,190.39	688,808	532,712
Other allowances	3,748.80	359,119	275,139
House maintenance	8,517.91	815,978	650,658
Leave fare Assistance	-	-	24,080
Contributory provident fund	6,882.06	659,271	477,670
Bonus to employees	8,746.59	837,885	891,792
	153,349.09	14,690,169	10,604,322
15 Postage, stamp, telecommunication, etc.			
Telephone	-	-	2,810
	-	-	2,810
16 Stationery, printing, advertisements, etc.			
Table Stationery	2,123.17	203,390	204,032
Computer Stationery	25.55	2,448	6,021
	2,148.72	205,838	210,053
17 Other expenses			
Bank charges of Nostro A/C (Mashreq Bank)	31,378.50	3,005,922	1,888,385
Newspaper	27.81	2,664	2,862
Entertainment	-	-	16,055
Conveyance	-	-	99,394
Professional Fees and Expenses	355,025.41	34,009,872	48,216,107
Repairs to Machineries & Equipments	86.71	8,306	-
Employees recreation (Lunch subsidy)	4,555.60	436,406	323,914
Miscellaneous	39.71	3,804	-
	391,113.74	37,466,974	50,546,717





কে. এম. হাসান এন্ড কোং
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**INDEPENDENT AUDITOR'S REPORT TO
THE SHAREHOLDERS OF
PUBALI BANK SECURITIES LIMITED**

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Pubali Bank Securities Limited, which comprise the statement of financial position as at 31 December 2022, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view, in all material respects, of the financial position of the company as at 31 December 2022, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for opinion

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

Other information

Management is responsible for the other information. The other information comprises all of the information in the Annual Report other than the financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Responsibilities of management of those charged with governance for the financial statements

Management of Pubali Bank Securities Limited is responsible for the preparation and fair presentation of the Financial Statements in accordance with International Financial Reporting Standards (IFRSs), the Companies Act, 1994, the Securities and Exchange Rules, 2020 and other applicable Laws and Regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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



Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISAs) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

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

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

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

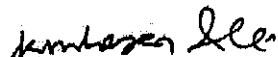


Report on other legal and regulatory requirements

In accordance with the Companies Act, 1994 and the Securities and Exchange Rules, 2020, we also report the following:

- (a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- (b) in our opinion, proper books of account as required by law have been kept by the company so far as it appeared from our examination of those books;
- (c) the statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account; and
- (d) the expenditure incurred was for the purposes of the company's business.

Place: Dhaka, Bangladesh
Date: 05 March 2023


Md. Shahidul Islam FCA
Partner
Enrollment No-1758
K. M. HASAN & CO.
Chartered Accountants
DVC: 2303071758AS213413



Pubali Bank Securities Limited
Statement of Financial Position
as at 31 December 2022

ASSETS	Notes	Amount in Taka	
		2022	2021
Current Assets			
Cash and bank balances	3	1,576,440,374	1,947,268,210
Receivable from securities trading	4	103,547,414	87,775,364
Investment in securities (Own portfolio)	5	6,588,560,430	6,237,212,567
Receivable from other clients	6	867,878,533	781,062,717
Other assets	7	756,812	420,000
Advance income tax	8	380,395,128	347,931,908
Total current assets		9,517,578,691	9,401,670,766
Non-current assets			
Fixed assets	9	3,519,855	3,649,456
Value of investment in exchange (against membership value)	10	14,000,000	14,000,000
Investment in securities	11	158,356,943	43,602,847
Total non-current assets		175,876,798	61,252,303
Total Assets		9,693,455,489	9,462,923,069
EQUITY AND LIABILITIES			
Liabilities			
Current liabilities			
Payable to clients	12	254,633,094	412,778,538
Payable to exchanges	13	11,062,894	7,523,069
Other liabilities and provisions	14	2,167,608,375	2,108,704,928
Total current liabilities		2,433,304,363	2,529,006,535
Shareholders' equity			
Share capital	15	6,600,000,000	6,600,000,000
Retained earnings	16	660,151,126	333,916,534
Total Equity		7,260,151,126	6,933,916,534
Total Equity and Liabilities		9,693,455,489	9,462,923,069

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



Pubali Bank Securities Limited
Statement of Profit or Loss and Other Comprehensive Income
for the year ended 31 December 2022

	Notes	Amount in Taka	
		2022	2021
Operating income	17	530,865,719	594,115,603
Less: Operating expenses	18	9,232,731	10,300,549
Gross profit		521,632,988	583,815,054
Less: Administrative and general expenses	19	52,897,780	40,803,801
Operating profit		468,735,208	543,011,253
Add: Other income		-	-
Profit before provision and income tax		468,735,208	543,011,253
Less: Provision for diminution in value of investment	14.2	55,411,791	-
provision for impairment of clients' margin loan	14.4	-	-
Profit before income tax		413,323,417	543,011,253
Less: Provision for income tax			
Current tax	14.3	87,524,704	95,738,476
Deferred tax	14.1	(435,879)	51,853
Net profit after income tax		326,234,592	447,220,924
Add: Other comprehensive income		-	-
Total comprehensive income		326,234,592	447,220,924

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



Pubali Bank Securities Limited
Statement of Cash Flow
for the year ended 31 December 2022

	Amount in Taka	
	2022	2021
A) Cash flows from operating activities		
Profit before provision and income tax	468,735,208	543,011,253
Add: Adjustment for non-cash items:		
Depreciation & amortization charged	1,334,305	1,085,393
Operating profit before changes in operating assets and liabilities	1,334,305	1,085,393
Increase/decrease in operating assets and liabilities		
(Increase)/ decrease in operating assets	(568,930,825)	180,783,909
Increase/ (decrease) in operating liabilities	(160,382,026)	(45,045,699)
Income tax paid	(110,379,794)	(72,488,947)
	(839,692,645)	63,249,263
Net cash from/(used in) operating activities	(369,623,132)	607,345,909
B) Cash flows from investing activities		
Acquisition of property, plant and equipment	(1,204,704)	(556,995)
Disposal of property, plant and equipment	-	-
Net cash from/(used in) investing activities	(1,204,704)	(556,995)
C) Cash flows from financing activities		
Proceeds/(payments) from short term business liabilities	-	-
Proceeds/(payments) long term loan liabilities	-	-
Net cash flows from financing activities	-	-
D) Net increase/(decrease) in Cash and Cash equivalents (a+b+c)	(370,827,836)	606,788,914
E) Cash and cash equivalents at the beginning of the Year	1,947,268,210	1,340,479,296
F) Cash and cash equivalents at the end of the Year	1,576,440,374	1,947,268,210



Annexure-H (iv)

Pubali Bank Securities Limited
Statement of Changes in Equity
For the year ended 31 December 2022

Amount in Taka

Particulars	Share Capital	Retained Earnings	Total
Balance as at 1 January, 2022	6,600,000,000	333,916,534	6,933,916,534
Net Profit after tax for the year	-	326,234,592	326,234,592
Balance as at 31 December 2022	6,600,000,000	660,151,126	7,260,151,126

For the year ended 31 December 2021

Amount in Taka

Particulars	Share Capital	Retained Earnings	Total
Balance as at 1 January, 2021	3,600,000,000	(113,304,390)	3,486,695,610
Conversion of Preference share to Ordinary share	3,000,000,000	-	3,000,000,000
Net Profit after tax for the year	-	447,220,924	447,220,924
Balance as at 31 December 2021	6,600,000,000	333,916,534	6,933,916,534



Pubali Bank Securities Limited
Notes to the financial statements for the year ended 31 December 2022

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 Bangladesh Securities & Exchange Commission's (BSEC) Letter # SEC/Reg/DSE/MB/2009/444 dated 20.12.2009. The Company started its operation with effect February 01, 2011. 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 are 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 Bangladesh Securities & Exchange Commission (BSEC).

2 Significant accounting policies

2.1 Basis of preparation of financial statements

These financial statements have been prepared under the historical cost convention on a going concern basis and in accordance with International Financial Reporting Standards (IFRSs), The Companies Act-1994, Securities and Exchange Rules-2020 and other laws and rules applicable in Bangladesh. The accounting policies, unless otherwise stated, have been consistently applied by the Company and are consistent with those of the previous year.

2.2 Investment in securities (Own Portfolio)

The investment in securities have been prepared based on historical cost convention basis. However, the Company has maintained provision against the unrealized loss (after netting off unrealized loss with unrealized gain) as mentioned in note # 2.20.

2.3 Use of estimates and judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. It also requires disclosures of contingent assets and liabilities at the date of the financial statements. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing concern basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

2.4 Components of Financial Statements

The financial statements referred to here comprises:

- Statement of Financial Position
- Statement of Profit or Loss and other Comprehensive Income
- Statement of Changes in Equity
- Statement of Cash Flow and
- Notes to the Financial Statements

2.5 Statement of cash flow

Statement of cash flow is prepared in accordance with the International Accounting Standard (IAS-7) "Statement of Cash Flow" under indirect method.

2.6 Reporting period

These financial statements cover period from 1 January 2022 to 31 December 2022.

2.7 Share capital

Share capital consists of all funds raised by a company in exchange for shares of either common or preferred shares of stock.

2.8 Property, plant and equipment

All fixed assets are stated at cost less accumulated depreciation as per IAS-16 "Property, Plant and Equipment". The cost of acquisition of an asset comprises its purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use inclusive of inward freight, duties and non-refundable taxes.

The Company recognizes in the carrying amount of an item of property, plant and equipment the cost of replacing part of such an item when that cost is incurred if it is probable that the future economic benefits embodied with the item will flow to the company and the cost of the item can be measured reliably. Expenditure incurred after the assets have been put into operation, such as repairs and maintenance is normally charged off as revenue expenditure in the period in which it is incurred.

Categories of Assets	Method of Depreciation	Rate
Computer and Computer Accessories	Straight Line Method	30%
Machinery and Equipment	Straight Line Method	20%
Furniture and Fixtures	Diminishing Balance Method	10%

Full year depreciation is charged on the assets if it is purchased upto 30 September of the financial year. No depreciation is charged on the assets written off.

2.9 Right of Use (ROU) asset (IFRS 16)

The company has complied with International Financial Reporting Standards IFRS (16): Lease and accordingly accounted for asset under appropriate head. However upon review of company's lease rental agreement, termination clause include a clause like "Both party can cancel the agreement with 3 (Three) months prior notice, which indicates that lease term is not more than 1 year. So company need not to include in Right of Use (ROU) assets".



- 2.10 Intangible assets and amortization of intangible assets**
An intangible asset is recognized if it is probable that the future economic benefits that are attributable to the asset will flow to the entity and the cost of the assets can be measured reliably. System and software is amortized at the rate of 30% on the straight line basis.
Expenditure incurred for system and software are capitalized only when it enhances and extends the economic benefits of software beyond its original specification and life and such cost is recognized as capital improvement and added to the original cost of software.
- 2.11 Advance, deposits and prepayments**
Advances are initially measured at cost. After initial recognition, advances are carried at cost less deductions, adjustments or charges to other account heads such as property, plant and equipment, inventory, etc.
- 2.12 Advance income tax**
The amount of advance income tax is mainly deduction at sources by DSE & CSE on daily transactions of broker & dealer operation. Tax deduction on interest income and dividend income are also included here.
- 2.13 Investments in securities**
Investment in marketable and non-marketable ordinary shares has been shown at cost. Full provision for diminution in value of shares (Quoted) as on closing of the year on an aggregate portfolio basis has been made in the account.
- 2.14 Account receivables**
Receivables are recognized when there is a contractual right to receive cash or another financial asset from another entity.
- 2.15 Loans to customers**
Loans to customers are stated in the balance sheet on gross basis. Interest is calculated on a daily product basis but charged and accounted for on accrual basis. Interest on customer loans is realized quarterly.
- 2.16 Cash and cash equivalents**
Cash and cash equivalents include notes and coins on hand, unrestricted balances held with banks and highly liquid financial assets which are subject to insignificant risk of changes in their fair value, and are used by the Company management for its short-term commitments.
- 2.17 Provision for Tax**
Current Tax
Provision for current tax is made in accordance with the provision of the Income Tax Ordinance, 1984 and subsequent amendments made thereto from time to time.
Deferred taxation
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 recognized 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 balance sheet date. The impact on the account of changes in the deferred tax assets and liabilities has also been recognized in the profit and loss account as per IAS-12 "Income Taxes".
- 2.18 Provision for liabilities**
A provision is recognized in the balance sheet when the Company has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefit will be required to settle the obligations, in accordance with the IAS-37 "Provisions, Contingent Liabilities and Contingent Assets".
- 2.19 Revenue Recognition**
Revenue is recognized only when it is probable that the economic benefits associated with the transaction will flow to the enterprise and in accordance with the IFRS-15 "Revenue from Contracts with Customers":
a) Brokerage commission
Brokerage commission is recognized as income when selling or buying order is executed.
b) Interest Income on margin loan
Interest Income from margin loan is recognized on accrual basis. Such income is calculated on daily margin loan balance of the respective parties. Income is recognized on monthly basis and applied to the customers' account on quarterly basis.
c) Dividend Income
Dividend income is recognized when right to receive payment is established.
d) Capital Gain on Sale of share
Capital gain on investments in shares is recognized when it is realized.
- 2.20 Provision against unrealized loss in shares purchased as dealer and Margin Loan**
As per directive no. BSEC/SRI/NE/2020/605 dated 28 December 2022 of Bangladesh Securities and Exchange Commission, 20% provision may be made for unrealized loss arising out of year-end revaluation of shares purchased as dealer and unrealized loss as margin loan. However the Company maintain provision mentioned in note #14.4
- 2.21 Conversion of Preference Share Capital into Ordinary share capital**
The preference shares of Tk. 300,00,00,000 was 5% redeemable/convertible and the redemption /conversion started from 26.09.2020. Under this situation The Board of Directors of Pubali Bank Limited in its 1277th meeting held on 24th March 2021 has decided to exercise the option of conversion of preference share BDT 300.00 (three hundred) crore into ordinary share capital w.e.f 26.09.2020 as stated in the previous approval of the BSEC vide letter no BSEC/CI/CPLC-547/2016/517.



2.22 Related Party Disclosures

As per International Accounting Standards (IAS)-24 "Related Party Disclosures", parties are considered to be related if one of the parties has the ability to control the other party or exercise significant influence over the other party in making financial and operational decisions. The Company carried out transactions in the ordinary course of business on an arm's length basis at commercial rates with related parties.

2.22.1 Particulars of directors and Shareholders and their shareholdings

Name of the directors	Designation	Number of Share holding as 31 December 2022
Mr. Moniruddin Ahmed	Chairman	1
Mr. Ahmed Shafi Choudhury (Nominated by Pubali Bank Limited)	Director	Nil
Mr. Habibur Rahman	Director	1
Mr. Azizur Rahman	Director	1
Mr. Muhammed Kablruzzaman Yaqub	Director	1
Mr. Mustafa Ahmed	Director	1
Ms. Runa Fowzia Hafiz	Director	1
Mr. Ahmed Salah Sater	Director	1
Mrs. Ayesha Farha Chowdhury	Director	1
Mr. Rezwan Rahman	Director	1
Mr. Zeyad Rahman	Director	1
Mr. Asif A. Choudhury	Director	1
Mr. Mohammad Ali (Nominated by Pubali Bank Limited)	Director	Nil
Mr. Shahdeen Malik	Independent Director	Nil
Mr. Ghashuddin Ahamed	Shareholder	1
Ms. Rumana Sharif	Shareholder	1
Pubali Bank Limited	Shareholder	Ordinary: 65,999,987

2.22.2 Name of the directors and their interest in Pubali Bank Limited

Name of the directors	Status in Pubali Bank Securities Ltd.	Status in Pubali Bank Limited	Directors have interest in Pubali Bank Limited	Percentage of interest in Pubali Bank Ltd.
Mr. Moniruddin Ahmed	Chairman	Director	Pubali Bank Limited	3.27%
Mr. Ahmed Shafi Choudhury (Nominated by Pubali Bank Limited)	Director	Director	Pubali Bank Limited	0.01%
Mr. Habibur Rahman	Director	Director	Pubali Bank Limited	2.00%
Mr. Azizur Rahman	Director	Director	Pubali Bank Limited	2.17%
Mr. Muhammed Kablruzzaman Yaqub	Director	Director	Pubali Bank Limited	2.00%
Mr. Mustafa Ahmed	Director	Director	Pubali Bank Limited	3.49%
Ms. Runa Fowzia Hafiz	Director	-	Not Applicable	-
Mr. Ahmed Salah Sater	Director	-	Not Applicable	-
Mrs. Ayesha Farha Chowdhury	Director	-	Not Applicable	-
Mr. Rezwan Rahman	Director	-	Not Applicable	-
Mr. Zeyad Rahman	Director	-	Not Applicable	-
Mr. Asif A. Choudhury	Director	-	Not Applicable	-
Mr. Mohammad Ali (Nominated by Pubali Bank Limited)	Director	Managing Director & CEO	Pubali Bank Limited	-
Mr. Shahdeen Malik	Independent Director	Independent Director	Pubali Bank Limited	-

* Mr. Ahmed Shafi Choudhury, Director (Nominated by Pubali Bank Limited) passed away on 21.01.2023

2.23 Events after the reporting period

Where necessary, all the material events after the reporting period date have been considered and appropriate adjustment/disclosures have been made in the financial statements.

2.24 Management's responsibility on financial statements

The management of the company is responsible for the preparation and presentation of these financial statements.

2.25 Employee benefits

All the employees at Pubali Bank Securities Limited are on deputation from Pubali Bank Limited except the Managing Director & CEO, General Manager & Chief Protocol Officer, and will get existing and future benefits of the same Bank during the period of their service at Pubali Bank Securities Limited. All the employees of the management and executive team are on deputation from Pubali Bank Limited and their Salary, Incentive, Bonus, Provident Fund and all other financial benefits are provided as per Rules and Pay scale of Pubali Bank Limited.



3 Cash and bank balances

Current account:

Pubali Bank Ltd. A/C-3555901034027 Customers Security Deposit
Pubali Bank Ltd. A/C-3555901037490 PBL Investment A/C
Pubali Bank Ltd. A/C-2905901048064 Strategic Investment A/C
Pubali Bank Ltd. A/C-2905901042129 Consolidated customer A/C
Pubali Bank Ltd. A/C-2905901042114 Dealer A/C
Sub total

Special notice deposit account :

Pubali Bank Ltd. A/C-2905102001105 Public Issue Application A/C
Pubali Bank Ltd. A/C -2905102001047 Income& Expenditure A/C
Sub total

Investment In FDR (Note-3.1)

Total

3.1 Investment in FDR

Pubali Bank Limited
Pubali Bank Limited
Pubali Bank Limited
Pubali Bank Limited
Pubali Bank Limited
Pubali Bank Limited
Pubali Bank Limited
Pubali Bank Limited
Pubali Bank Limited
Pubali Bank Limited

FDR A/C No.

977310
977311
977312
977313
977314
977703
977509
977542
977543

A schedule of Investment in FDR is given in "Annexure-H(ix)".

4 Receivable from securities trading

Receivable from stock-broker/stock- dealer
Receivable from dividend
Dividend Receivable from-strategic investment
Receivable from Bond interest Income
Receivable from client
Receivable from DSE- Digital Booth
Receivable from others (Accrued interest of FDR) - (Annexure-H(ix))

5 Investment in securities (Own portfolio)

Investment in securities (Own portfolio) at cost (Annexure-H(vii))
IPO investment

6 Receivable from other clients

Margin loan from clients

7 Other assets

Prepaid expenses (Note 7.1)
Deferred Tax Asset (Note-14.1)

7.1 Prepaid expenses

Balance at the beginning of the year
Add: Advances made during the year
Less: Adjustment made during the year
Balance at the end of the year

8 Advance income tax

Opening balance
Add: Advance income tax paid during the year

Add: Tax deducted at source during the year

Add: Tax deducted at source against bank interest & others

Less: Adjustment during the year

Amount in Taka	
2022	2021

2,141,920	2,226,380
-	598,580
10,702,669	300,310
322,342,340	431,477,173
276,036,251	616,142,292
611,223,180	1,050,744,735

-	405,811
138,531,930	99,592,531
138,531,930	99,998,342

826,685,264	796,525,133
1,576,440,374	1,947,268,210

134,754,082	130,596,500
67,264,912	65,213,631
67,264,912	65,213,631
67,264,912	65,213,631
67,264,912	65,213,631
113,022,008	108,337,890
62,729,008	60,159,271
123,560,259	118,288,474
123,560,259	118,288,474
826,685,264	796,525,133

-	933,979
78,540,667	76,609,181
779,679	1,153,109
8,037,682	-
2,175,099	2,060,752
300,000	300,000
13,714,287	6,718,343
103,547,414	87,775,364

6,588,560,430	6,215,175,067
-	22,037,500
6,588,560,430	6,237,212,567

867,878,533	781,062,717
867,878,533	781,062,717

661,000	420,000
95,812	-
756,812	420,000

420,000	1,258,000
4,739,675	2,894,600
(4,498,675)	(3,732,600)
661,000	420,000

347,931,908	275,442,961
50,366,267	20,835,590
398,298,175	296,278,551
52,804,288	46,898,114
451,102,463	343,176,665
7,209,239	4,755,243
458,311,702	347,931,908
(77,916,574)	-
380,395,128	347,931,908



9 Fixed assets (net off depreciation & amortization):

Computer & computer accessories
Machinery & equipment
Vehicle
Furniture & fixtures

Intangible assets :

Systems & software

Amount in Taka	
2022	2021
541,407	633,023
384,961	53,020
1,291,253	1,936,879
1,152,234	1,026,534
3,369,855	3,649,456
150,000	-
150,000	-
3,519,855	3,649,456

A schedule of property, plant and equipment is given in Annexure-H(vi).

10 Value of investment in exchange (against membership value)

Dhaka stock exchange Ltd. (Note 10.1)
Chittagong stock exchange Ltd. (Note 10.2)

6,000,000	6,000,000
8,000,000	8,000,000
14,000,000	14,000,000

10.1 Dhaka stock exchange Ltd.

Opening balance
Add: Investment made during the year

6,000,000	6,000,000
-	-
6,000,000	6,000,000

Less: Sale/ recovery during the year

-	-
---	---

Closing balance

6,000,000	6,000,000
------------------	------------------

* This represents total face value of the shares allotted by DSE in favor of the company against the DSE memberships. As per the provision of the Exchange Demutualization Act-2013 and in accordance with the Bangladesh Securities and Exchange Commission (BSEC) approved Demutualization Scheme, Dhaka Stock Exchange Ltd. (DSE) allotted total 72,15,106 ordinary shares at face value of Tk.10.00 each and a Trading Right Entitlement Certificate (TREC) in favor of the company against the membership of DSE respectively. Out of the above, DSE transferred 2,886,042 shares directly to the credit of the Beneficiary Owner's account of the company. TRECs out of (DSE) allotted total 7,215,106 shares. DSE sold 1,803,777 shares which is 25% of total shares to Shenzhen Stock Exchange (SZSE) and Shanghai Stock Exchange (SSE). The rest shares were credited to blocked accounts as per provisions of the Exchange Demutualization Act, 2013. As there is no active market for DSE shares, we have shown the value at original cost of our investment.

As the TREC is not a commonly tradable instrument and no purchase/sale transaction has yet occurred after demutualization, no value has been assigned to, and recorded against these two TRECs.

10.2 Chittagong stock exchange Ltd.

Opening balance
Add: Investment made during the year

8,000,000	8,000,000
-	-

Less: Sale/ recovery during the year

-	-
---	---

Closing balance

8,000,000	8,000,000
------------------	------------------

* This represents total face value of the shares allotted by CSE in favor of the company against the CSE memberships. As per the provision of the Exchange Demutualization Act-2013 and in accordance with the Bangladesh Securities and Exchange Commission (BSEC) approved Demutualization Scheme, Chittagong Stock Exchange Ltd. (CSE) allotted total 42,87,330 ordinary Shares at face value of Tk.10.00 and a Trading Right Entitlement Certificate (TREC) in favor of the company against the membership of CSE respectively. Out of the above, CSE transferred 1,714,932 shares directly to the credit of the Beneficiary Owner's account of the company. The rest shares were credited to blocked accounts as per provisions of the Exchange Demutualization Act, 2013. As there is no active market for CSE shares, we have shown the value at original cost of our investment.

11 Investment in securities

Investment in Bond (Note-11.1)
Investment in securities (Strategic investment) at cost (Annexure-H(VIII))

122,126,953	-
36,229,990	43,602,847
158,356,943	43,602,847

11.1 Investment in Bond

Government Treasury Bond

122,126,953	-
122,126,953	-

12 Payable to clients

General client

254,633,094	412,778,538
254,633,094	412,778,538



		Amount in Taka	
		2022	2021
13	Payable to exchanges		
	Payable to DSE & CSE broker	8,641,535	30,130
	Payable to DSE & CSE dealer	-	4,461,555
	Payable to Puball Bank	-	13,810
	Payable for CDBL	266,439	782,654
	Security Deposit	2,154,920	2,234,920
		11,062,894	7,523,069
14	Other liabilities and provisions		
	Deferred tax and other deferred liabilities (Note 14.1)	-	340,067
	Provision for diminution in value of investment (Note 14.2)	1,590,000,000	1,534,588,209
	Provision for tax (Note 14.3)	391,311,788	381,703,658
	Provision for impairment of clients' margin loan (Note 14.4)	184,543,373	184,543,373
	Provision for rent, tax, insurance, electricity expense	50,987	121,016
	Provision for postage, stamp, telecommunication etc.	109,772	131,215
	Provision for stationery, printing, advertisement expenses	-	2,933
	Provision for repair of machinery equipment expenses	-	255
	Provision for other expenses	32,100	277,040
	Legal fees payable	726,975	726,975
	Payable to software provider	150,000	25,539
	Payable to suppliers	51,711	51,712
	Sundry deposit	90,117	62,576
	Sundry payable	520	520
	Provision for audit fees	161,000	143,750
	Payable for IPO fund	-	5,790,000
	VAT payable	112,043	43,346
	TAX payable	267,989	152,744
		2,167,608,375	2,108,704,928
14.1	Deferred tax liability/ (asset)		
	Deferred tax liability has been recognized in accordance with the provisions of IAS 12: Income Taxes, is arrived at as follows:		
	Opening balance	340,067	288,214
	Addition/(deduction) during the year charged in P&L	(435,879)	51,853
	Closing balance	(95,812)	340,067
14.2	Provision for diminution in value of investment		
	Opening balance	1,534,588,209	1,534,588,209
	Add: Provision made during the year	55,411,791	-
	margin loan (note no. 14.4)	1,590,000,000	1,534,588,209
	Less : Adjusted during the year	-	-
	Closing balance	1,590,000,000	1,534,588,209
	As per directive no.BSEC/SRI/Policy/3/2020/605 dated 28 December 2022 of Bangladesh Securities and Exchange Commission, has allowed the stock dealer to make provision against un-realised loss on investment in Dealer account in equal quarterly installment upto 31 December 2023 as well as margin loan. Meanwhile we have made provision of Tk. 1,590,000,000/- i.e 92% of unrealised loss in dealer account.		
14.3	Provision for tax		
	Opening balance	381,703,658	285,965,182
	Add: Provision made during the year	87,524,704	95,738,476
		469,228,362	381,703,658
	Add: Adjustment made during the year	(77,916,574)	-
	Closing balance	391,311,788	381,703,658
14.4	Provision for impairment of clients margin loan		
	Opening balance	184,543,373	184,543,373
	Add: Provision made during the year	-	-
		184,543,373	184,543,373
	Less: Provision transfer out provision for diminution in value of investment note no. 14.2	-	-
	Closing balance	184,543,373	184,543,373



15 Share capital

Authorized capital

70,000,000 Ordinary Shares of Tk. 100/- each.

Issued, subscribed and paid-up capital

Ordinary Share capital

Total 66,000,000 Ordinary shares of Tk. 100 each

Amount in Taka	
2022	2021

7,000,000,000 7,000,000,000

6,600,000,000 6,600,000,000

Sl	Name of the shareholders	No. of shares		
1	Mr. Moniruddin Ahmed	1	100	100
2	Mr. Ahmed Shafi Choudhury (Nominated by Pubali Bank Limited)	Nil	-	-
3	Mr. Habibur Rahman	1	100	100
4	Mr. Azizur Rahman	1	100	100
5	Mr. Muhammed Kabiruzzaman Yaqub	1	100	100
6	Mr. Mustafa Ahmed	1	100	100
7	Ms. Runa Fowzia Hafiz	1	100	100
8	Mr. Ahmed Salah Sater	1	100	100
9	Mrs. Ayesha Farha Chowdhury	1	100	100
10	Mr. Rezwan Rahman	1	100	100
11	Mr. Zeyad Rahman	1	100	100
12	Mr. Asif A. Choudhury	1	100	100
13	Mr. Mohammad Ali	Nil	-	-
14	Mr. Shahdeen Malik	Nil	-	-
15	Mr. Giasuddin Ahamed	1	100	100
16	Ms. Rumana Sharif	1	100	100
17	Pubali Bank Limited	65,999,987	6,599,998,700	6,599,998,700
		66,000,000	6,600,000,000	6,600,000,000

16 Retained earnings

Opening balance

Net profit/(loss) during the year

Adjustment during the year

Closing balance

333,916,534	(113,304,390)
326,234,592	447,220,924
660,151,126	333,916,534
-	-
660,151,126	333,916,534

17 Operating income

Brokerage commission DSE & CSE

Interest on margin loan

Revenue from CDBL charge

Dividend income from dealer A/C

Dividend income from Strategic investment

Capital gain from from Strategic investment

Capital gain from Dealer A/C

Bond interest income (Note 17.1)

BO A/C Opening fee Income

BO A/C Renewal fee Income

IPO Service Charge Income

FDR Interest, Bank and Other Income

43,775,776	64,346,767
47,055,835	53,140,035
196,332	89,903
230,318,163	191,645,932
1,602,304	1,528,109
1,464,365	5,813,756
139,150,799	236,252,761
20,529,582	-
95,500	136,500
296,315	289,605
15,440	40,435
46,365,308	40,831,800
530,865,719	594,115,603

17.1 Bond interest income

Interest on Treasury bond

Interest on Private/other bond

4,518,252	-
16,011,330	-
20,529,582	-

18 Operating expenses

Howla & laga charge DSE & CSE

CDBL charges

Directors fees

Bank charges & excise duty

DSE & CSE charge

Depreciation expenses

3,342,805	4,720,880
1,954,680	2,551,768
1,716,000	1,435,500
627,201	507,008
257,740	-
1,334,305	1,085,393
9,232,731	10,300,549



19 Administrative and general expenses

Salaries & allowances (Note- 20.1)
Rent expense
Electricity & electric fittings expense
Audit fees
Insurance expense
Postage, stamp, telecommunication etc.
Stationery printing & advertisement expense
Repairs of machinery and equipment
Investment protection fund
Legal fees
Professional fees
Newspapers & periodicals
Fuel expense
Overtime allowance
Traveling allowance
Maintenance of bank premises
Software development expenses
Honorarium
DSE & CSE charge
Subscription
Conveyance charge
Entertainment expense for office & clients
Internet connection fee
Car expenses & maintenance
Bandwidth service charge
Renewal & registration expense
Water & sewerage
Security & auxiliary service
IPO expense
Staff welfare & Recreation
Capital Enhancement Expense
Business Development Expense
Foreign tour
Wages
Leave encashment
Training Expense
Renovation under construction work
Service charge
Miscellaneous expense

Amount in Taka	
2022	2021
44,117,068	33,462,231
2,415,084	300,618
158,336	175,719
178,250	144,000
28,735	37,907
185,071	220,473
550,514	306,391
80,455	28,842
136	74
148,679	2,968
64,500	-
26,245	16,380
289,960	144,000
170,107	159,265
39,105	20,316
282,000	129,600
79,461	10,000
48,992	-
-	391,742
12,500	12,500
524,646	731,928
723,642	589,190
13,751	5,403
257,204	432,155
515,525	386,153
511,140	612,950
54,741	54,138
122,224	121,224
12,000	35,000
59,500	52,500
-	714,679
79,842	254,983
-	963,171
277,000	-
12,400	-
20,396	-
486,990	-
184,991	-
166,590	287,301
52,897,780	40,803,801

19.1 Salaries & allowances

Basic salary
House rent allowances
Medical allowances
Other allowances
Contributory provident fund
Bonus to employees

16,542,150	13,228,398
9,192,315	7,360,011
2,047,000	1,671,088
4,097,500	3,334,351
1,541,045	1,284,902
10,697,058	6,583,481
44,117,068	33,462,231

20 Related party disclosures

Received from related party

Name of related party	Related to	Nature of instrument	Balance in Taka	
			As on 31.12.2022	As on 31.12.2021
Pubali Bank Limited	Parent company	Different types of deposits	1,576,440,374	1,947,268,210

21 Events after the reporting period

- i) The Board of Directors in its meeting held on 05 March 2023 approved the financial statements of the company for the year ended 31 December 2022 and authorized the same for issue.
- ii) No material events occurred after the date of statement of financial position, non-disclosure of which could affect the ability of the users of these financial statements to make appropriate evaluation.

22 Employee position for Pubali Bank Securities Ltd. (as at 31 December 2022)

Officer & Staff		Total Employee	Amount in Taka
Head Office	Gulshan Office		
31	5	36	44,117,068
		36	44,117,068





Annexure-H (vi)

Pubali Bank Securities Limited
Schedule of Property, Plant and Equipment
as at 31 December 2022

Particulars	Cost				Rate	Depreciation				Written down value at 31 December 2022
	Balance at 1 January 2022	Addition during the year	Disposal during the year	Balance at 31 December 2022		Balance at 1 January 2022	Charged during the year	Disposal during the year	Balance at 31 December 2022	
Computer & Computer Accessories	4,005,981	370,705	-	4,376,686	30%	3,372,958	462,321	-	3,835,279	541,407
Machinery & Equipment	1,295,362	407,454	-	1,702,816	20%	1,242,342	75,513	-	1,317,855	384,961
Vehicles	3,228,133	-	-	3,228,133	20%	1,291,254	645,626	-	1,936,880	1,291,253
Furniture & Fixtures	2,594,195	276,545	-	2,870,740	10%	1,567,661	150,845	-	1,718,506	1,152,234
Total as at 31 December 2022	11,123,671	1,054,704	-	12,178,375		7,474,215	1,334,305	-	8,808,520	3,369,855
Total as at 31 December 2021	10,566,676	556,995	-	11,123,671		6,388,822	1,085,393	-	7,474,215	3,649,456

Schedule of Intangible asset
As at 31 December 2022

Particulars	Cost				Rate	Amortization				Written down value at 31 December 2022
	Balance at 1 January 2022	Addition during the year	Disposal during the year	Balance at 31 December 2022		Balance at 1 January 2022	Charged during the year	Disposal during the year	Balance at 31 December 2022	
Systems & Software	25,000	150,000	-	175,000	30%	25,000	-	-	25,000	150,000
Total as at 31 December 2022	25,000	150,000	-	175,000		25,000	-	-	25,000	150,000
Total as at 31 December 2021	25,000	-	-	25,000		25,000	-	-	25,000	-



Annexure-H (vii)

Pubali Bank Securities Ltd.
Portfolio Investment under Stock Dealing

Sl	Name of the Company	Cost Value		Market Value	
		31.12.2022	31.12.2021	31.12.2022	31.12.2021
Banks					
1	ABBANK	89,898,718	89,898,718	24,046,892	31,836,146
2	BANKASIA	17,725,955	17,725,955	17,346,164	18,720,118
3	CITYBANK	114,353,309	114,353,309	85,837,500	95,550,000
4	DUTCHBANGL	16,251,774	8,672,639	13,772,000	8,130,210
5	EBL	11,148,598	7,713,757	10,296,331	7,643,444
6	FIRSTSBANK	6,084,368	6,084,368	4,769,670	5,979,473
7	GIB	13,173,670	-	11,856,303	-
8	IFIC	9,688,976	-	9,262,330	-
9	ISLAMIBANK	-	37,673,665	-	40,358,496
10	MERCANBANK	6,842,500	-	6,800,000	-
11	NBL	38,480,089	52,934,160	22,946,977	28,523,880
12	NCCBANK	56,999,308	56,999,308	48,821,171	52,045,995
13	PREMIER BANK	1,961,782	-	2,001,171	-
14	PRIMEBANK	110,841,030	110,841,030	76,800,000	86,000,000
15	SHAHJABANK	63,827,068	63,827,068	55,111,185	60,862,417
16	UCB	16,360,588	16,360,588	14,300,000	15,300,000
17	UNION BANK	12,460,914	-	9,300,000	-
18	UTTARABANK	-	36,819,941	-	42,152,189
Non Bank Financial Institution					
1	IDLC	108,720,110	95,856,997	89,454,375	94,972,500
2	ILFSL	49,644,449	49,644,449	5,126,929	5,457,698
3	UNITEDFIN	28,845,290	28,845,290	19,173,900	25,605,652
4	UNIONCAP	16,107,188	16,107,188	4,039,586	4,039,586
5	UTTARAFIN	79,694,511	79,694,511	47,374,181	57,325,563
Bond					
1	CBLPBOND	207,477,500	-	208,537,500	-
Mutual Funds					
1	AIBL1STMF	50,000,000	50,000,000	37,000,000	42,500,000
2	ATCSLGF	3,050,581	-	2,958,102	-
3	DBH1STMF	30,784,857	30,784,857	22,362,900	23,983,400
4	GRAMEENS2	21,904,828	24,387,729	11,642,166	13,132,350
5	GREENDELMF	44,478,302	44,478,302	34,500,000	37,000,000
6	MBL1STMF	50,000,000	50,000,000	33,000,000	39,500,000
7	PHPMF1	50,000,000	50,000,000	36,646,106	38,055,571
8	PRIME1ICBA	5,977,600	5,977,600	3,080,000	2,880,000
Engineering					
1	ATLASBANG	113,543,620	113,543,620	50,123,951	60,466,225
2	BBS	66,733,465	71,495,210	44,474,659	37,674,173
3	BSRM LTD	54,576,521	-	45,000,000	-
4	BSRMSTEEL	204,895,905	204,895,905	81,985,170	91,222,935
5	DESHBANDHU	1,036,375	1,036,375	347,364	393,679
6	GOLDENSON	23,014,497	23,014,497	6,194,661	6,500,991
7	GPHISPAT	55,132,514	10,772,228	47,264,000	10,783,592
8	IFADAUTOS	31,547,640	31,547,640	23,637,776	24,145,704
9	NAVANACNG	129,094,550	129,094,550	28,166,985	32,700,750
10	RANFOUNDRY	-	43,551,689	-	52,667,065
11	RUNNERAUTO	2,975,057	1,347,686	2,420,000	1,026,000
12	SINGERBD	38,991,704	38,991,704	32,749,488	36,630,270
Textile					
1	APEXWEAV	-	6,501,134	-	1,767,050
2	ESQUIRENIT	940,050	940,050	720,705	731,150
3	METROSPIN	27,697,675	42,471,093	20,952,562	17,164,415
4	RINGSHINE	11,244	11,244	12,799	12,538
5	SQUARETEXT	-	57,325,714	-	52,598,390



Food & Allied					
1	AMCL(PRAN)	-	38,646,324	-	54,635,198
2	BATBC	45,531,870	57,306,994	60,118,886	92,719,421
3	ORYZAAGRO	-	272,430	-	283,327
4	OLYMPIC	212,581,855	212,581,855	89,012,036	115,284,943
Fuel & Power					
1	DESCO	171,133,802	171,133,802	110,114,870	106,805,407
2	BPPL	16,943,110	-	15,269,343	-
3	KPCL	181,026,311	181,026,311	55,520,291	62,408,147
4	ENERGYPRIMA	47,500,000	47,500,000	47,500,000	47,500,000
5	JAMUNAOIL	83,764,689	83,764,689	82,618,763	84,495,340
6	LINDEBD	239,982,187	247,986,003	268,755,347	313,901,521
7	MPETROLEUM	113,265,245	113,265,245	117,408,944	116,344,814
8	PADMAOIL	60,416,847	60,416,847	57,954,048	58,868,238
9	SUMITPOWER	269,093,978	153,526,536	210,280,344	124,523,257
10	TITASGAS	122,242,280	122,242,280	62,370,128	55,355,395
11	MJLBD	415,588,084	331,499,981	346,800,000	274,332,383
12	UPGDCL	75,428,827	40,907,955	65,346,493	35,380,673
Pharmaceuticals & Chemicals					
1	ACI	266,124,678	311,221,966	278,468,642	340,187,953
3	ACIFORMULA	46,940,016	75,374,281	47,538,035	72,443,955
4	ACTIVEFINE	154,101,584	154,101,584	92,452,751	122,631,629
6	SOURPHARMA	365,672,225	393,307,243	394,733,245	433,670,981
7	ACMELAB	33,272,151	-	31,789,915	-
Services & Real estate					
1	SAPORTL	105,315,572	105,315,572	68,230,650	55,721,698
2	SAIFPOWER	41,142,031	-	30,591,000	-
Cement					
1	MEGHNACEM	114,426,945	114,426,945	25,368,146	26,865,238
2	CROWNCEMNT	60,748,274	60,748,274	56,176,464	46,964,732
3	LHBL	450,312,604	450,312,604	369,273,751	405,175,366
4	HEIDELBCEM	151,402,959	151,402,959	54,229,868	82,480,268
5	PREMIERCEM	48,868,190	48,868,190	23,358,050	34,170,990
IT & Telecom Sector					
1	GP	244,890,206	163,664,138	187,644,472	146,076,671
2	BSCCL	73,353,823	-	72,230,433	-
Insurance					
1	BGIC	39,955,315	39,955,315	34,587,072	30,041,976
2	DELTALIFE	-	125,376,000	-	249,378,936
3	ICICL	87,980	-	247,224	-
4	POPULARLIFE	21,930,406	-	16,250,000	-
5	UNIONINS	-	46,431	-	46,431
Travel and Leisure					
1	UNIQUEHRL	125,435,989	129,903,250	92,348,850	83,206,500
2	UNITEDAIR	54,762,090	54,762,090	6,460,006	6,460,006
Jute, Tannery & Misc.					
2	NIALCO	-	412,980	-	974,633
3	BATASHOE	52,343,629	51,676,227	43,054,435	43,041,554
Total		6,588,560,430	6,215,175,067	4,866,316,063	5,026,417,190



Annexure-H (viii)

**Pubali Bank Securities Ltd.
Portfolio of Stratigic Investment**

Sl No	Name of the Company	Cost Value		Market Value	
		31.12.2022	31.12.2021	31.12.2022	31.12.2021
1	ACIFORMULA	225,804	3,592,329	255,750	3,861,375
2	GP	1,799,469	1,799,469	1,433,000	1,747,500
3	JAMUNAOIL	5,434,742	5,434,742	5,019,000	5,133,000
5	MJLBD	7,927,540	7,927,540	7,456,200	7,593,800
6	MPETROLEUM	1,726,514	1,726,514	1,822,155	1,805,640
7	RENATA	1,045,819	4,039,490	1,316,550	5,123,360
8	SQURPHARMA	7,462,239	7,462,239	6,952,772	7,101,902
9	SUMITPOWER	4,688,680	4,688,680	3,400,000	3,890,000
10	UTTARAFIN	5,919,184	6,769,129	3,103,381	4,294,500
11	CROWNCEMNT	-	162,716	-	178,337
Total		36,229,990	43,602,847	30,758,808	40,729,414



Annexure-H (ix)

Pubali Bank Securities Limited
Schedule of Investment
For the year ended on 31 December 2022

SL No.	Purchased from	A/C No.	FDR No.	Beginning Balance		Addition during the Year									Encash during the Year		Closing Balance
				Principal	Accrued Interest	Principal	Rate of Interest	Day Considered	Length Months	Interest Income			Bank Charge		Principal	Interest	
										Cash	Accrued	Total	TDS	Excise duty			
1	Pubali Bank Limited	149886	977310	130,596,500	1,465,628	-	6.50%	-	12	3,209,464	3,870,001	4,675,092	467,510	50,000	-	-	134,754,082
2	Pubali Bank Limited	149894	977311	65,213,631	732,089	-	6.50%	-	12	1,602,669	1,932,499	2,334,758	233,477	50,000	-	-	67,264,912
3	Pubali Bank Limited	149909	977312	65,213,631	732,089	-	6.50%	-	12	1,602,669	1,932,499	2,334,758	233,477	50,000	-	-	67,264,912
4	Pubali Bank Limited	149913	977313	65,213,631	732,089	-	6.50%	-	12	1,602,669	1,932,499	2,334,758	233,477	50,000	-	-	67,264,912
5	Pubali Bank Limited	149921	977314	65,213,631	732,089	-	6.50%	-	12	1,602,669	1,932,499	2,334,758	233,477	50,000	-	-	67,264,912
6	Pubali Bank Limited	153649	977703	108,337,890	639,731	-	6.50%	-	12	5,431,873	653,305	6,071,604	1,337,486	50,000	-	-	113,022,008
7	Pubali Bank Limited	151764	977509	60,159,271	483,266	-	6.00%	-	12	2,619,451	345,285	3,102,717	482,980	50,000	-	-	62,729,008
8	Pubali Bank Limited	152087	977542	118,288,474	600,681	-	6.50%	-	12	6,199,514	557,963	6,800,195	1,478,410	50,000	-	-	123,560,259
9	Pubali Bank Limited	152096	977543	118,288,474	600,681	-	6.50%	-	12	6,199,514	557,737	6,800,195	1,478,410	50,000	-	-	123,560,259
Total				796,525,133	6,718,343	-				30,070,492	13,714,287	36,788,835	6,178,704	450,000	-	-	826,685,264

