

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 2019 and the consolidated and separate profit and loss accounts, consolidated and separate statements of changes in equity and consolidated and separate cash flow statements for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies and other explanatory information.

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 2019, 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.

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 Auditors' 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 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 accompanying financial statements.

1) Measurement of provision for loans and advances	
See notes nos. 7.11 and 14 to the financial statements	
The key audit matter	How the matter was addressed in our audit
<p>The process for estimating the provision for loans, advances and leases portfolio associated with credit risk is judgmental, significant and complex. While estimating such provision certain judgmental factors need to be considered including:</p> <ul style="list-style-type: none"> • Future business performance of the borrower; • Key assumptions relating to further business performance of the borrower; • Market value of the collateral; • Ability to repossess collateral; and • Recovery rates. <p>Furthermore, these provisions are processed manually that deals with voluminous data extracted from the IT system of the Bank and following the instructions of Bangladesh Bank issued time to time.</p> <p>Due to high level of judgment involved and using some manual process in estimating the provision for loans and advances, we considered this to be a key audit matter.</p> <p>At year end the Group reported total gross loans and advances of BDT 287,613 million (2018: BDT 271,495 million) and provision for loans and advances of BDT 15,560 million (2018: BDT 12,812 million).</p>	<p>We tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> • Credit appraisal, loan disbursement procedures, monitoring and provisioning process; • Identification of loss events, including early warning and default warning indicators; and • Reviewed quarterly Classification of Loans (CL). <p>Our substantive procedures in relation to the provision for loans and advances portfolio comprised the following:</p> <ul style="list-style-type: none"> • Reviewed the adequacy of the general and specific provisions in line with related Bangladesh Bank guidelines; • Assessed the methodologies on which the provision amounts are based, recalculated the provisions and tested the completeness and accuracy of the underlying information; • Evaluated the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines; and • Finally, we compared the amount of provision requirement as determined by Bangladesh Bank inspection team to the actual amount of provision maintained.
2) Valuation of treasury bill and treasury bond	
See notes nos. 6 to the financial statements	
The key audit matter	How the matter was addressed in our audit
The classification and measurement of T-Bill and T-Bond require judgment and	We assessed the processes and controls put in place by the Bank to identify and confirm the



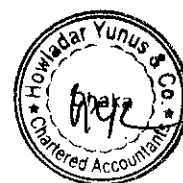
<p>complex estimates.</p> <p>In the absence of a quoted price in an active market, the fair value of T-Bills and T-Bonds is determined using complex valuation techniques which may take into consideration direct or indirect unobservable market data and complex pricing models which require an elevated level of judgment.</p>	<p>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, we assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.</p>
<p>3) Impairment assessment of unquoted investments</p>	
<p>See notes nos. 6 to the financial statements</p>	
<p>The key audit matter</p> <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 which may take into Consideration direct or indirect unobservable market data and hence requires an elevated level of judgment.</p> <p>Due to high level of judgment and assumption involved in evaluating the impairment assessment of unquoted shares, we considered this to be a key audit matter.</p>	<p>How the matter was addressed in our audit</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 process. We tested a sample of investments valuation as at 31 December 2019 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>
<p>4) IT systems and controls</p>	
<p>See notes nos. 2.14 (f) to the financial statements</p>	
<p>The key audit matter</p> <p>Our audit procedures have been focused 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>How the matter was addressed in our audit</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</p>



	<p>We have focused on master data management, user access management and developer access to the production environment and changes to the IT environment. Among others, these are key to ensuring operating effectiveness of manual with automated control and automated controls.</p>	<p>appropriately reviewed and authorized.</p> <p>We tested the Group's periodic review of access rights. We also inspected requests of changes to systems for appropriate approval and authorization. We considered the control environment relating to various interfaces, configuration and other application layer controls identified as key to our audit. Where deficiencies were identified, we tested compensating controls or performed alternate procedures.</p> <p>In addition, we understood where relevant, changes were made to the IT landscape during the audit period and tested those changes that had a significant impact on financial reporting.</p>
<p>5) Legal and regulatory matters</p>		
	<p>The key audit matter</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>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>Overall, the legal provision represents the Group's and the Bank's best estimate for existing legal matters that have a probable and estimable impact on the Group's financial position.</p>	<p>How the matter was addressed in our audit</p> <p>We obtained an understanding of the Group and the Bank's key controls over the legal compliance.</p> <p>We enquired to those charged with governance to obtain their view on the status of all significant litigation and regulatory matters.</p> <p>We enquired of the Bank's internal legal counsel for all significant litigation and regulatory matters and inspected internal notes and reports.</p> <p>We assessed the methodologies on which the provision amounts are based, recalculated the provisions, and tested the completeness and accuracy of the underlying information.</p> <p>We also assessed the Bank's provisions and contingent liabilities disclosure.</p>
<p>6) Carrying value of investments in subsidiary by the Bank</p>		
	<p>See notes nos. 9 to the financial statements</p>	
	<p>The key audit matter</p> <p>The Bank has invested in equity shares of its subsidiary, namely Pubali Bank Securities Limited. As at 31 December 2019 the carrying value of this investment is BDT 6,600 million.</p>	<p>How the matter was addressed in our audit</p> <p>We have reviewed management's analysis of impairment assessment and recoverable value calculation of subsidiaries in accordance with IAS 36, Impairment of Assets.</p>



<p>The Bank is required to perform impairment test of investment in subsidiaries when impairment indication exists. The impairment testing is considered to be a key audit matter due to the complexity and judgment required in determining the assumptions to be used to estimate the recoverable amount which is higher of fair value less costs to sell and value in use.</p> <p>Management has conducted impairment assessment and calculated recoverable value of its above mentioned subsidiary in accordance with IAS 36, Impairment of Assets.</p>	<p>In particular, our discussion with the Management were focused on the continued appropriateness of the value in use model, the key assumption used in the model, the reasonably possible alternative assumptions, particularly where they had the most impact on the value in use calculation.</p>
<p>7) Recognition of Interest Income from loans</p>	
<p>See notes nos. 22 to the financial statements</p>	
<p>The key audit matter</p> <p>Recognition of interest income from loans and advances has significant and wide influence on financial statements.</p> <p>Recognition and measurement of interest income has investment of complex IT environment.</p> <p>We identify recognition of interest income from loans and advances 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 in recognition of interest by management to meet specific targets or expectations.</p>	<p>How the matter was addressed in our audit</p> <p>We tested the design and operating effectiveness of key controls over Recognition and measurement of interest on loans and advances.</p> <p>We have performed test of operating effectiveness on automated control in place to measure and recognize interest income.</p> <p>We have also performed substantive procedure to check whether interest income is recognized completely and accurately.</p> <p>We assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.</p>
<p>8) Loans and Advances</p>	
<p>See notes nos. 7 to the financial statements</p>	
<p>The key audit matter</p> <p>Loans and advances are the vital component of financial statements of the bank. Income of the bank is primarily reliant on the portfolio of loans and advances. Management performance is highly dependent on the target achievement of loans and advances. Loan disbursement requires</p>	<p>How the matter was addressed in our audit</p> <p>We tested the design and operating effectiveness of key controls focusing on credit appraisal, loan disbursement procedures and monitoring process of loans and advances.</p> <p>We performed procedures to check whether the bank has ensured appropriate documentation as per Bangladesh bank regulations and Bank's</p>



<p>robust documentation followed by approval from appropriate level of authority.</p> <p>We identified loans and advances as a key audit matter because there is an inherent risk of fraud and error in disbursement of loans and advances by management to meet specific targets or expectations.</p>	<p>policy before disbursement of loans and advances. In addition, we have performed procedures to check whether the loans and advances is recorded completely and accurately and that are existed at the reporting date.</p> <p>Moreover, we assessed the appropriateness and presentation of disclosures against Bangladesh Bank guidelines.</p>
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Reporting on 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 auditors' report thereon. The Annual Report is expected to be made available to us after the date of this auditors' report.

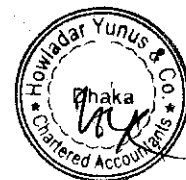
Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information 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 those charged with governance.

Responsibilities of Management and Those Charged with Governance for the and Consolidated 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.



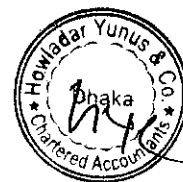
Those charged with governance are responsible for overseeing the Group's and the Bank's financial reporting process.

Auditors' 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 auditors' 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, but not for the purpose of expressing an opinion on effectiveness of the Group'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 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 auditors' 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 auditors' 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 auditors' 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 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 *Auditors' Responsibilities for the Audit of the Consolidated and Separate Financial Statements* section in forming the above opinion on the consolidated financial statements of the Group and the Separate Financial Statements of the bank 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) consolidated financial statements of the Bank include the subsidiary, namely Pubali Bank Securities Limited reflect total assets of BDT 8,365,567,571 as at 31 December 2019 and total revenue of BDT 411,228,244 for the year ended 31 December 2019. The subsidiary of the Bank has been audited by K.M. Hasan & Co., Chartered Accountants who has expressed unqualified audit



opinion. The results of the subsidiary have 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 7,867 person hours; and

(xii) Capital to Risk-weighted Asset Ratio (CRAR) as required by Bangladesh Bank has been maintained adequately during the year.

Dr. Jamshed S.A. Choudhury

Dr. Jamshed S A Choudhury FCA
Senior Partner
Aziz Halim Khair Choudhury
Chartered Accountants

Muhammad Farooq

Muhammad Farooq FCA
Managing Partner
Howladar Yunus & Co.
Chartered Accountants

Dhaka
June 18, 2020



Pubali Bank Limited
Consolidated Balance Sheet
as at 31 December 2019

	Notes	2019 Taka	2018 Taka
PROPERTY AND ASSETS			
Cash	3 (a)	25,902,988,481	23,056,848,598
Cash in hand (Including foreign currencies)		4,208,445,687	3,789,308,079
Balance with Bangladesh Bank and its agent Bank (s) (Including foreign currencies)		21,694,542,794	19,267,540,519
Balance with other Banks and Financial Institutions	4 (a)	13,086,547,908	15,579,619,483
In Bangladesh		11,569,394,369	14,661,272,175
Outside Bangladesh		1,517,153,539	918,347,308
Money at Call on Short Notice	5	126,786,667	11,286,667
Investments	6 (a)	107,107,015,433	64,128,844,806
Government		79,473,544,362	37,761,946,381
Others		27,633,471,071	26,366,898,425
Loans, Advances and Leases	7 (a)	287,613,059,940	271,494,625,288
Loans, cash credits and overdrafts, etc.		273,520,289,757	256,690,433,175
Bills purchased & discounted		14,092,770,183	14,804,193,113
Fixed Assets including Premises, Furniture & Fixtures	8 (a)	5,185,669,169	3,783,953,684
Other Assets	9 (a)	36,025,448,664	32,170,138,377
Non-Banking Assets	10	375,246	375,246
Total Assets		475,047,891,508	410,225,693,149
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other Banks, Financial Institutions & Agents	11	16,970,348,305	17,152,358,128
Subordinated bonds	12	9,000,000,000	5,000,000,000
Deposits and other Accounts	13 (a)	358,429,090,568	308,003,414,028
Current accounts & other accounts		40,774,392,889	37,751,065,237
Bills payable		14,602,544,955	11,661,553,322
Savings bank deposits		82,675,389,187	74,891,249,250
Term deposits		212,716,562,946	177,190,467,630
Other deposits		7,660,200,591	6,509,078,589
Other Liabilities	14 (a)	62,246,218,800	52,863,051,611
Total Liabilities		446,645,657,673	383,018,823,767
Capital / Shareholders' Equity			
Paid up capital	15.2	10,282,942,180	9,983,439,010
Statutory reserve	16	10,283,000,000	9,983,500,000
Retained earnings (general reserve)	17 (a)	4,854,595,456	4,288,480,105
Other reserves	18 (a)	2,981,695,318	2,951,449,393
Profit and Loss account surplus	19 (a)	-	-
		28,402,232,954	27,206,868,508
Non-controlling interest	20	881	874
Total Shareholders' Equity		28,402,233,835	27,206,869,382
Total Liabilities and Shareholders' Equity		475,047,891,508	410,225,693,149



Pubali Bank Limited
Consolidated Balance Sheet
as at 31 December 2019

<u>OFF-BALANCE SHEET ITEMS</u>	Notes	2019 Taka	2018 Taka
<u>Contingent Liabilities</u>	21		
Acceptances & endorsements		44,598,746,938	43,678,286,390
Letters of guarantee		21,614,440,241	16,533,529,663
Irrevocable letters of credit		30,104,501,790	30,245,396,747
Bills for collection		9,862,686,330	10,742,612,254
Other contingent liabilities		2,319,836,392	2,504,095,907
Total Contingent Liabilities		108,500,211,691	103,703,920,961
<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		108,500,211,691	103,703,920,961

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


Md. Abdul Halim Chowdhury
Managing Director

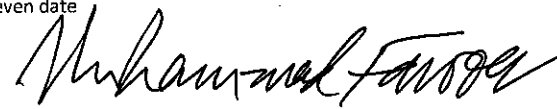

Rana Laila Hafiz
Director


Azizur Rahman
Director


M. Azizul Muq
Chairman

Signed as per annexed report on even date


Dr. Jamshed S.A. Choudhury
Aziz Halim Khair Choudhury
Chartered Accountants


Howladar Yunus & Co.
Chartered Accountants

Dated, Dhaka
June 18, 2020



Pubali Bank Limited
Consolidated Profit & Loss Account
for the year ended 31 December 2019

	Notes	2019 Taka	2018 Taka
Operating Income			
Interest income	22 (a)	26,074,721,880	24,004,599,964
Interest paid on deposits, borrowings, etc.	23	(17,691,771,966)	(14,966,252,318)
Net Interest Income		8,382,949,914	9,038,347,646
Investment income	24 (a)	7,447,062,612	5,558,776,799
Commission, exchange and brokerage	25 (a)	1,771,521,447	1,894,682,098
Other operating income	26 (a)	1,219,569,941	1,225,859,602
Total Operating Income		18,821,103,914	17,717,666,145
Operating Expenses			
Salaries and allowances	27 (a)	5,467,760,747	5,231,315,594
Rent, taxes, insurance, electricity, etc.	28 (a)	457,467,276	863,030,255
Legal expenses	29 (a)	31,391,202	22,423,336
Postage, stamp, telecommunication, etc.	30 (a)	87,264,951	89,519,118
Stationery, printing, advertisements, etc.	31 (a)	139,177,485	140,081,193
Managing Director's salary and fees	32	14,540,000	15,181,667
Directors' fees	33 (a)	7,743,543	7,726,382
Auditors' fees	34 (a)	1,562,500	1,676,250
Charges on loan losses		851,133	589,963
Depreciation and repair of bank's assets	35 (a)	895,124,972	490,193,202
Other expenses	36 (a)	1,895,061,892	1,582,549,681
Total Operating Expenses		8,997,945,701	8,444,286,641
Profit/(Loss) before Provision		9,823,158,213	9,273,379,504
Provision for Loans, Advances, Investments and other Assets	37 (a)		
Provision for classified loans and advances		2,525,186,311	1,301,692,607
Provision for unclassified loans and advances		1,264,560,096	1,689,501,103
Provision for diminution in value of investments		614,718,435	172,599,540
Provision for impairment clients' margin loan		64,137,559	37,677,727
Provision for bad debt offsetting		1,307,265	1,181,117
Provision for other assets		-	53,200,000
		4,469,909,666	3,255,852,094
Provision for exposure of off-balance sheet items	38	56,400,000	53,700,000
Total Provision		4,526,309,666	3,309,552,094
Total Profit/(Loss) before Taxes		5,296,848,547	5,963,827,410
Provision for current tax	14.6 (a)	3,107,618,479	2,347,847,810
Provision for deferred tax	14.6.1 (a)	26,327,639	(11,049,033)
Total Provision for Taxes		3,133,946,118	2,336,798,777
Net Profit after Taxation		2,162,902,429	3,627,028,633
Profit Attributable to			
Equity holders of parent		2,162,902,422	3,627,028,560
Non- controlling interest		7	73
Appropriations		2,162,902,429	3,627,028,633
Statutory reserve		299,500,000	473,250,518
Retained surplus (general reserve) carried forward		1,863,402,429	3,153,778,115
Earnings Per Share (EPS)	46 (a)		
Basic		2.10	3.53
Diluted		2.10	3.53

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


Md. Abdül Halim Chowdhury
Managing Director


Rana Laila Hafiz
Director


Azizur Rahman
Director

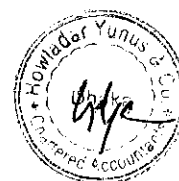

M. Azizul Haq
Chairman


Dr. Jamshed S.A. Choudhury
Aziz Halim Khair Choudhury
Chartered Accountants

Signed as per annexed report on every date


Howladar Yunus & Co.
Chartered Accountants

Dated, Dhaka
June 18, 2020



Pubali Bank Limited
Consolidated Cash Flow Statement
for the year ended 31 December 2019


	Notes	2019 Taka	2018 Taka
a Cash flows from Operating Activities			
Interest receipts in cash		32,740,221,179	29,118,214,153
Interest payments		(16,840,185,239)	(14,125,032,642)
Dividend receipts		491,481,470	253,068,554
Fees and commission receipts		1,180,511,125	1,223,906,276
Recoveries of loans previously written-off		30,828	53,115
Cash payment to employees		(5,482,300,747)	(5,246,497,261)
Cash payment to suppliers		(257,871,824)	(252,591,765)
Current income tax paid		(2,441,105,579)	(2,581,967,216)
Receipts from other operating activities	40 (a)	1,953,501,066	2,111,074,963
Cash payments for other operating activities	41 (a)	(2,558,218,696)	(2,642,944,189)
Operating Profit before changes in Operating Assets & Liabilities		8,786,063,583	7,857,283,988
Increase/ (Decrease) in Operating Assets and Liabilities			
Statutory deposits		(41,675,550,355)	(2,501,543,527)
(Purchase)/sale of trading securities		(1,266,572,646)	(1,989,639,450)
Loans and advances to customers (other than banks)		(16,125,164,839)	(31,346,018,522)
Other assets	42 (a)	(1,185,018,690)	(349,051,446)
Deposits to/from other banks		(182,009,823)	(947,004,523)
Deposits from customers (other than banks)		49,667,533,279	36,452,726,088
Other liabilities account of customers		684,604,800	(3,456,151,407)
Other liabilities	43 (a)	962,981,986	(132,694,445)
Total Increase/ (Decrease) in Operating Assets and Liabilities		(9,119,196,288)	(4,269,377,232)
Net Cash from/(used in) Operating Activities		(333,132,705)	3,587,906,756
b Cash flows from investing Activities			
(Purchase)/Sale of property, plant & equipment		(2,101,459,919)	(398,053,561)
Net Cash from/(used in) Investing Activities		(2,101,459,919)	(398,053,561)
c Cash flows from Financing Activities			
Receipts from issue of Subordinated bonds		4,000,000,000	-
Effects of exchange rate changes on cash and cash equivalents		1,060,599	1,087,849
Dividend Paid		(998,343,901)	(475,401,858)
Net Cash from/(used in) Financing Activities		3,002,716,698	(474,314,009)
d Net Increase/ (Decrease) in Cash and Cash equivalents (a+b+c)		568,124,074	2,715,539,186
e Cash and Cash equivalents at beginning of the period		39,565,251,206	36,849,712,020
f Cash and Cash equivalents at end of the period (d+e)	44 (a)	40,133,375,280	39,565,251,206

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


Md. Abdul Halim Choudhury
Managing Director


Rana Laila Hafiz
Director


Azizul Rahman
Director


M. Azizul Huq
Chairman

Signed as per annexed report on even date

Dated, Dhaka
June 18, 2020




Pubali Bank Limited
Consolidated Statement of Changes in Equity
for the year ended 31 December 2019

Particulars	Paid-up capital	Statutory reserve	Retained earnings (general reserve)	Other reserves	Parent's equity	Non-controlling interest	Total
For the year 2019							
Balance as at 1 January 2019	9,983,439,010	9,983,500,000	4,288,480,105	2,951,449,393	27,206,868,508	874	27,206,869,382
Changes in accounting policy	-	-	-	-	-	-	-
Restated balance	9,983,439,010	9,983,500,000	4,288,480,105	2,951,449,393	27,206,868,508	874	27,206,869,382
Surplus/deficit on account of revaluation of properties	-	-	-	-	-	-	-
Adjustment of last year gain on investment	-	-	-	-	-	-	-
Surplus/Deficit on account of revaluation of investments	-	-	-	29,935,326	29,935,326	-	29,935,326
Currency translation differences	-	-	-	1,060,599	1,060,599	-	1,060,599
Net gains and losses not recognised in the Profit and Loss statement	-	-	-	-	-	-	-
Transfer regarding revaluation reserve on sale of properties	-	-	560,000	(750,000)	(190,000)	-	(190,000)
Non-controlling capital	-	-	-	-	-	-	-
Net profit for the year	-	-	1,863,402,422	-	1,863,402,422	7	1,863,402,429
Transfer to statutory reserve	-	299,500,000	-	-	299,500,000	-	299,500,000
Issue of bonus shares - 2018	299,503,170	-	(299,503,170)	-	-	-	-
Proposed dividend (bonus issue)	-	-	-	-	-	-	-
Dividends (cash) for 2018	-	-	(998,343,901)	-	(998,343,901)	-	(998,343,901)
Balance as at 31 December 2019	10,282,942,180	10,283,000,000	4,854,595,456	2,981,695,318	28,402,232,954	881	28,402,233,835
Balance as at 31 December 2018	9,983,439,010	9,983,500,000	4,288,480,105	2,951,449,393	27,206,868,508	874	27,206,869,382


Md. Abdul Halim Chowdhury
Managing Director


Rana Lilla Hafiz
Director


Azizur Rahman
Director


M. Azizul Haq
Chairman

Signed as per annexed report on even date

Dated, Dhaka
June 18, 2020



Pubali Bank Limited
Balance Sheet
as at 31 December 2019

<u>PROPERTY AND ASSETS</u>	<u>Notes</u>	<u>2019</u> Taka	<u>2018</u> Taka
Cash	3	25,902,988,481	23,056,848,598
Cash in hand (Including foreign currencies)		4,208,445,687	3,789,308,079
Balance with Bangladesh Bank and its agent Bank (s) (Including foreign currencies)		21,694,542,794	19,267,540,519
Balance with Other Banks and Financial Institutions	4	13,086,547,908	15,579,619,483
In Bangladesh		11,569,394,369	14,661,272,175
Outside Bangladesh		1,517,153,539	918,347,308
Money at Call on Short Notice	5	126,786,667	11,286,667
Investments	6	100,603,861,735	57,660,241,050
Government		79,473,544,362	37,761,946,381
Others		21,130,317,373	19,898,294,669
Loans, Advances and Leases	7	287,034,674,028	270,909,509,189
Loans, cash credits and overdrafts, etc.		272,941,903,845	256,105,316,076
Bills purchased and discounted		14,092,770,183	14,804,193,113
Fixed Assets including Premises, Furniture & Fixtures	8	5,180,803,090	3,782,347,623
Other Assets	9	42,419,934,593	38,743,864,411
Non-banking Assets	10	375,246	375,246
Total Assets		474,355,971,748	409,744,092,267
<u>LIABILITIES AND CAPITAL</u>			
Liabilities			
Borrowings From Other Banks, Financial Institutions & Agents	11	16,970,348,305	17,152,358,128
Subordinated bonds	12	9,000,000,000	5,000,000,000
Deposits and Other Accounts	13	359,418,894,691	308,899,774,685
Current accounts & other accounts		41,003,944,261	38,111,221,022
Bills payable		14,602,544,955	11,661,553,322
Savings bank deposits		82,675,389,187	74,891,249,250
Term deposits		213,476,815,697	177,726,672,502
Other deposits		7,660,200,591	6,509,078,589
Other Liabilities	14	60,413,889,600	51,314,856,543
Total Liabilities		445,803,132,596	382,366,989,356
Capital / Shareholders' Equity			
Paid up capital	15.2	10,282,942,180	9,983,439,010
Statutory reserve	16	10,283,000,000	9,983,500,000
Retained earnings (general reserve)	17	5,005,201,654	4,458,714,508
Proposed issue of bonus shares		-	-
Other reserves	18(a)	2,981,695,318	2,951,449,393
Profit and Loss account surplus	19	-	-
Total Shareholders' Equity		28,552,839,152	27,377,102,911
Total Liabilities and Shareholders' Equity		474,355,971,748	409,744,092,267



Pubali Bank Limited
Balance Sheet
as at 31 December 2019


<u>OFF-BALANCE SHEET ITEMS</u>	<u>Note</u>	<u>2019</u> Taka	<u>2018</u> Taka
<u>Contingent Liabilities</u>	21		
Acceptances & endorsements		44,598,746,938	43,678,286,390
Letters of guarantee		21,614,440,241	16,533,529,663
Irrevocable letters of credit		30,104,501,790	30,245,396,747
Bills for collection		9,862,686,330	10,742,612,254
Other contingent liabilities		2,319,836,392	2,504,095,907
Total Contingent Liabilities		108,500,211,691	103,703,920,961
<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		108,500,211,691	103,703,920,961

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


Md. Abdul Halim Chowdhury
Managing Director



Rana Laila Hafiz
Director


Azizul Rahman
Director


M. Azizul Huq
Chairman

Signed as per annexed report on even date


Dr. Jamshed S.A. Choudhury
Aziz Halim Khair Choudhury
Chartered Accountants


Muhammad Farooz
Howladar Yunus & CO.
Chartered Accountants

Dated, Dhaka
June 18, 2020



	Notes	2019 Taka	2018 Taka
Operating Income			
Interest income	22	26,060,652,218	23,987,744,711
Interest paid on deposits, borrowings, etc.	23	(17,691,771,966)	(14,966,252,318)
Net Interest Income		8,368,880,252	9,021,492,393
Investment income	24	7,131,919,838	5,193,007,458
Commission, exchange and brokerage	25	1,751,564,214	1,865,963,937
Other operating income	26	1,157,511,366	1,178,995,525
Total Operating Income		18,409,875,670	17,259,459,313
Operating Expenses			
Salaries and allowances	27	5,433,630,077	5,200,484,873
Rent, taxes, insurance, electricity, etc.	28	456,816,603	862,417,508
Legal expenses	29	30,714,302	22,024,336
Postage, stamp, telecommunication, etc.	30	86,948,686	89,186,316
Stationery, printing, advertisements, etc.	31	138,771,336	139,848,613
Managing Director's salary and fees	32	14,540,000	15,181,667
Directors' fees	33	6,942,043	6,610,882
Auditors' fees	34	1,437,500	1,532,500
Charges on loan losses		851,133	589,963
Depreciation and repair of bank's assets	35	893,690,681	489,083,477
Other expenses	36	1,887,728,189	1,574,822,038
Total Operating Expenses		8,952,070,550	8,401,782,173
Profit/(Loss) before Provision		9,457,805,120	8,857,677,140
Provision for Loans, Advances, Investments and Other Assets	37		
Provision for classified loans and advances		2,525,186,311	1,301,692,607
Provision for unclassified loans and advances		1,264,560,096	1,689,501,103
Provision for diminution in value of Investments	39	414,200,000	72,599,540
Provision for bad debt offsetting		1,307,265	1,181,117
Provision for other assets		-	53,200,000
		4,205,253,672	3,118,174,367
Provision for exposure of off-balance sheet items	38	56,400,000	53,700,000
Total Provision		4,261,653,672	3,171,874,367
Total Profit/(Loss) before Taxes		5,196,151,448	5,685,802,773
Provision for current tax	14.6.2	3,027,024,693	2,272,793,912
Provision for deferred tax	14.6.2	25,852,538	(11,052,706)
Total Provision for Taxes		3,052,877,231	2,261,741,206
Net Profit/(Loss) after Taxes		2,143,274,217	3,424,061,567
Appropriations			
Statutory Reserve		299,500,000	473,250,518
Retained surplus (general reserve) carried forward		1,843,774,217	2,950,811,049
Earnings Per Share (EPS)	46		
Basic		2.08	3.33
Diluted		2.08	3.33

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


Md. Abdul Halim Chowdhury
Managing Director



Rana Laila Hatiz
Director


Azizur Rahman
Director


M. Azizul Haq
Chairman

Signed as per annexed report on even date


Dr. Tomshed S.A. Choudhury
Aziz Halim Khair Choudhury
Chartered Accountants


Howladar Yunus & CO.
Chartered Accountants

Dated, Dhaka
June 18, 2020



Pubali Bank Limited
Cash Flow Statement
for the year ended 31 December 2019

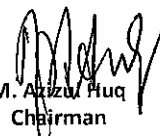
	Notes	2019 Taka	2018 Taka
a Cash flows from Operating Activities			
Interest receipts in cash		32,726,151,517	29,101,358,900
Interest payments		(16,840,185,239)	(14,125,032,642)
Dividend receipts		319,290,327	101,791,867
Fees and commission receipts		1,160,553,892	1,195,188,115
Recoveries of loans previously written-off		30,828	53,115
Cash payment to employees		(5,448,170,077)	(5,215,666,540)
Cash payment to suppliers		(257,871,824)	(252,591,765)
Current income tax paid		(2,441,105,579)	(2,581,967,216)
Receipts from other operating activities	40	1,748,490,860	1,849,718,232
Cash payments for other operating activities	41	(2,546,474,215)	(2,631,270,442)
Operating Profit before changes in Operating Assets & Liabilities		8,420,710,490	7,441,581,624
Increase/ (Decrease) in Operating assets and liabilities			
Statutory deposits		(41,675,550,355)	(2,501,543,527)
(Purchase)/sale of trading securities		(1,232,022,704)	(1,614,949,380)
Loans and advances to customers (other than banks)		(16,125,164,839)	(31,369,911,647)
Other assets	42	(1,087,834,391)	(356,006,923)
Deposits to/from other banks		(182,009,823)	(947,004,523)
Deposits from customers (other than banks)		49,667,533,279	36,452,726,088
Other liabilities account of customers		684,604,800	(3,456,151,407)
Other liabilities	43	1,099,897,354	148,272,168
Total Increase/(decrease) in Operating Assets and Liabilities		(8,850,546,679)	(3,644,569,151)
Net Cash from/(used in) Operating Activities		(429,836,189)	3,797,012,473
b Cash flows from Investing Activities			
(Purchase)/Sale of property, plant & equipment		(2,098,199,901)	(398,247,068)
Net cash from/(used in) Investing Activities		(2,098,199,901)	(398,247,068)
c Cash flows from Financing Activities			
Receipts from issue of Subordinated bonds		4,000,000,000	-
Effects of exchange rate changes on cash and cash equivalents		1,060,599	1,087,849
Dividend Paid		(998,343,901)	(475,401,858)
Net cash from/(used in) Financing Activities		3,002,716,698	(474,314,009)
d Net increase/(decrease) in Cash and Cash equivalents (a+b+c)		474,680,608	2,924,451,396
e Cash and cash equivalents at beginning of the period		38,668,890,549	35,744,439,153
f Cash and cash equivalents at end of the period (d+e)	44	39,143,571,157	38,668,890,549

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


Md. Abdul Halim Chowdhury
Managing Director

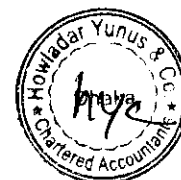

Rana Lafia Hafiz
Director


Azizur Rahman
Director


M. Azizul Haq
Chairman

Signed as per annexed report on even date

Dated, Dhaka
June 18, 2020



Pubali Bank Limited
Statement of Changes in Equity
for the year ended 31 December 2019


(Figures in Taka)

Particulars	Paid-up capital	Statutory reserve	Retained earnings (general reserve)	Other reserves	Proposed dividend	Total
For the year 2019						
Balance as at 1 January 2019	9,983,439,010	9,983,500,000	4,458,714,508	2,951,449,393	-	27,377,102,911
Changes in accounting policy	-	-	-	-	-	-
Restated balance	9,983,439,010	9,983,500,000	4,458,714,508	2,951,449,393	-	27,377,102,911
Surplus/deficit on account of revaluation of properties	-	-	-	-	-	-
Adjustment of last year gain on investment	-	-	-	-	-	-
Surplus/deficit on account of revaluation of investments	-	-	-	29,935,326	-	29,935,326
Currency translation differences	-	-	-	1,060,599	-	1,060,599
Net gains and losses not recognised in the Profit and Loss Statement	-	-	-	-	-	-
Transfer regarding revaluation reserve on sale of properties	-	-	560,000	(750,000)	-	(190,000)
Net profit for the year	-	-	1,843,774,217	-	-	1,843,774,217
Transfer to statutory reserve	-	299,500,000	-	-	-	299,500,000
Issue of bonus shares - 2018	299,503,170	-	(299,503,170)	-	-	-
Proposed dividend (bonus issue)	-	-	-	-	-	-
Dividends (cash) for 2018	-	-	(998,343,901)	-	-	(998,343,901)
Balance as at 31 December 2019	10,282,942,180	10,283,000,000	5,005,201,654	2,981,695,318	-	28,552,839,152
Balance as at 31 December 2018	9,983,439,010	9,983,500,000	4,458,714,508	2,951,449,393	-	27,377,102,911


Md. Abdul Halim Chowdhury
Managing Director


Rana Laila Hafiz
Director


Azizur Rahman
Director


M. Azizur Huq
Chairman

Signed as per annexed report on even date

Dated, Dhaka
June 18, 2020



Pubali Bank Limited
Liquidity statement (assets and liabilities maturity analysis)
as at 31 December 2019

Particulars	Up to 01 month	01- 03 months	03-12 months	01- 05 years	More than 5 years	Total
Assets						
Cash in hand	25,902,988,481	-	-	-	-	25,902,988,481
Balances with other banks and financial institutions	1,547,178,444	10,541,147,995	777,350,000	220,871,469	-	13,086,547,908
Money at call on short notice	126,786,667	-	-	-	-	126,786,667
Investments	5,039,969,039	10,912,808,580	12,742,573,784	19,528,844,060	52,379,666,272	100,603,861,735
Loans & Advances	20,261,928,133	83,019,800,438	86,514,144,122	65,102,269,208	32,136,532,127	287,034,674,028
Fixed assets including premises, furniture & fixtures	-	-	1,024,272,657	1,248,963,592	2,907,566,841	5,180,803,090
Other assets	280,834,271	2,079,432,697	211,763,171	6,796,314,424	33,051,590,030	42,419,934,593
Non-banking assets	-	-	-	-	375,246	375,246
Total Assets	53,159,685,035	106,553,189,710	101,270,103,734	92,897,262,753	120,475,730,516	474,355,971,748
Liabilities						
Borrowings from other banks, financial institutions & agents	2,849,008,152	5,631,340,153	8,490,000,000	-	-	16,970,348,305
Subordinated bonds	-	-	-	7,400,000,000	1,600,000,000	9,000,000,000
Deposits	47,679,190,751	90,082,242,884	77,516,392,490	36,916,373,619	107,224,694,946	359,418,894,691
Provision & other liabilities	268,023,277	-	13,420,391,539	46,044,047,968	681,426,816	60,413,889,600
Total Liabilities	50,796,222,180	95,713,583,037	99,426,784,029	90,360,421,587	109,506,121,762	445,803,132,596
Net Liquidity Gap	2,363,462,855	10,839,606,673	1,843,319,705	2,536,841,165	10,969,608,754	28,552,839,152


Md. Abdul Halim Chowdhury
Managing Director


Rana Laila Hafiz
Director


Azizur Rahman
Director


M. Azizur Huq
Chairman

Signed as per annexed report on even date

Dated, Dhaka
June 18, 2020



Pubali Bank Limited
Notes to the financial statements
As at and for the year ended 31 December 2019

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 482 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. All Assets and 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 and Loss Statement of Islamic Banking Wing are shown separately as per instruction of Bangladesh Bank BRPD Circular No. 15 dated: November 09, 2009. Basis of distribution of profit and fixation of final Rate of Return of Islamic Banking Operation for the year 2019 are enclosed in the Annexure-D.

1.2.2 Off-shore Banking Unit

The Bank obtained the Off-shore Banking Unit (OBU) permission vide Bangladesh Bank letter No. BRPD (P-3) 744 (108)/2010-93 dated January 13, 2010. The Off-shore Banking operation commenced from January 22, 2015. The Off-shore Banking Unit is governed under the rules and regulations of Bangladesh Bank. The Bank has two Off-shore Banking Units. One unit is located at Dhaka and another unit is at Chattogram. Separate Financial Statements of the OBUs are shown in Annexure-F.

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. The 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 2019.

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 (Upto 2018)
- 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 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 inequity, liquidity statement) is prescribed in the “First Schedule” of section 38 of the Bank Company Act 1991 (amended up to 2018) 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 no. 06 (19 May 2019), BRPD Circular no. 07 (21 June 2018) BRPD Circular no. 03 (21 April 2019), BRPD Circular no. 13 (18 October 2018), BRPD Circular no. 15 (27 September 2017), BRPD Circular no. 16 (18 November 2014), BRPD circular no.14 (23 September 2012), BRPD circular No. 19 (27 December 2012), BRPD circular no. 05 (29 May 2013), BRPD circular no. 4 (29 January 2015) and BRPD circular no. 16 (18 November 2015), BRPD Circular no. 12 (20 August 2017), BRPD Circular no. 15 (27 September 2017) and BRPD circular no. 1 (20 February 2018) a general provision at 0.25% to 5% under different categories of unclassified loans (good/standard loans) has to be maintained regardless of objective evidence of impairment. Also provision for sub-standard loans, doubtful loans and bad/losses has to be provided at 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. 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.

v) **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.

vi) **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.

vii) **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.

viii) **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.

ix) **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.

x) **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.

xi) **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.



xii) **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

xiii) **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.

xiv) **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.

xv) **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.

xvi) **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.

xvii) **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.



xviii) **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

The preparation of the financial statements in conformity with IAS/ IFRS 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. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Other key items where estimates or judgment were involved includes:

- a) Useful life of fixed assets
- b) Defined benefit obligation - gratuity



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 2019 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 2019.

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

The current tax payable is based on taxable profit up to the period ended on 31 December 2019. 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 has been made @ 37.50% on business income, @ 20% on dividend income and @ 10% on Capital gain from Investment in Shares made by the Bank after considering some of the add backs of income and disallowances of expenditure as per Income Tax Ordinance 1984.

Deferred tax

Deferred tax liabilities are the amount of income taxes payable in future periods in respect of taxable temporary differences. Deferred tax assets are the amount of income taxes recoverable in future periods in respect of deductible temporary differences. Deferred tax assets and liabilities are recognised for the future tax consequences of timing differences arising between the carrying values of assets, liabilities, income and expenditure and their respective tax bases. Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantially enacted at the date of Balance Sheet. The impact on the account of changes in the deferred tax assets and liabilities has also been recognised in the Profit and Loss Statement as per IAS 12 "Income Taxes" (Note# 14.6.1).



2.1.10 Reporting period

These financial statements cover one calendar year from 01 January 2019 to 31 December 2019.

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.

2.2 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

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

Held to maturity (HTM)

Investments which have fixed or determinable payments and are intended to be held to maturity, are classified as held to maturity. These investments are subsequently measured at amortised cost, less any provision for impairment in value. Amortised cost is calculated by taking into account any discount or premium on acquisition.

Value of investment has been enumerated as follows:

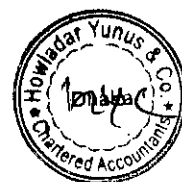
<u>Item</u>	<u>Applicable accounting value</u>
Government treasury bonds	Amortised value
Prize bonds	At cost price
Approved debentures	At cost price
Shares and debentures	At cost price

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

Held for trading (HFT)

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

Value of investment has been enumerated as follows:



<u>Item</u>	<u>Applicable accounting value</u>
Bangladesh Bank Bills	At market value
Government Treasury Bills	At market value

Revaluation

According to DOS Circular no. 05, dated 26 May 2008, DOS Circular no. 05, dated 28 January 2009, DOS Circular no. 02, dated 19 January 2012, the HFT securities are revalued once each week using Marking to Market concept and the HTM securities are amortized once a year according to Bangladesh Bank guidelines. The HTM securities are also revalued if they are reclassified to HFT category with the Board's approval.

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.

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.

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.

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."

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", IFRS 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

- (a) Interest on loans and advances is calculated on a daily product basis but charged and accounted for quarterly on accrual basis. Interest on classified loans and advances is kept in interest suspense account as per directives of Bangladesh Bank and such interest is not accounted for as income until realised from borrowers.
- (b) Interest is not charged on bad and loss loans and advances as per guidelines of Bangladesh Bank.
- (c) Provision for loans and advances is made on the basis of periodical review by the management and of instructions contained in Bangladesh Bank's BCD circular nos. 34 of 16 November 1989, 20 of 27 December 1994 and 12 of 04 September 1995 and BRPD circular nos. 16 of 06 December 1998, 9 of 14 May 2001, 2 of 15 February 2005, 9 of 20 August 2005, 17 of 6 December 2005, 5 of 5 June 2006 and 5 of 5 April 2008, 32 of 27 October 2010, 07 of 14 June 2012, 14 of 23 September 2012, 5 of 29 May 2013, 4 of 29 January 2015, 16 of 18 November 2015, 8 of 02 August 2016, 12 of 20 August 2017, 15 of 27 September 2017, 1 of 20 February 2018, BRPD circular letter no. 1 of 03 January 2018, BRPD circular no 03 of 21 April 2019, BRPD 05 of 16 May 2019 and BRPD 06 of 19 May 2019 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 biz and credit card	2%
	Standard Housing Finance (HF)	1%
	Standard Consumers loan Scheme other than HF, LP and credit card	5%
	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 and LP	5%
(ii)	Specific provision on classified loans and advances	
	Substandard (Agri and Micro credit)	5%
	Doubtful (Agri and Micro credit)	5%
	Substandard	20%
	Doubtful	50%
	Bad or Loss	100%

- (d) Loans and advances are written off to the extent that there is no realistic prospect of recovery, including taking legal action and for which the bank has already provided full provision as per guidelines of Bangladesh Bank. These write offs, however, will not undermine/affect the claim amount against the borrowers. Detailed memorandum records for all such written off accounts are meticulously maintained and followed up.



2.2.9 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.

Right Of Use (ROU) Assets as per IFRS 16

IFRS 16: "Leases" has come into force on 1st January 2019, as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB). Pubali bank Limited applied IFRS 16 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 the initial application on a lease by lease basis.

2.2.10 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.

2.2.11 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.

2.2.12 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 circular no. 14 date 25 June 2001.



2.3 Liabilities and basis of their valuation

2.3.1 "Tier-II Subordinated Bonds"

Tier-II 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.

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, 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.

2.6 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.

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. The Bank obtained opinion from its legal advisor regarding this issue. The legal advisor opined that, "Pubali Bank Limited being governed by Bank Company Act, 1991 is obliged to follow the provisions of Bank Company Act, 1991, and Bank Company Act, 1991 being a special law, provisions of this Act shall prevail over Bangladesh Labour (amendment) Act 2013 which is a general law. Thus, we take the view that the Bank is not bound to form a WPPF under Bangladesh Labour (amendment) Act 2013. Consistent with the industry practice and in accordance with the legal opinion and the Bank Company Act, 1991 (amended in 2013), no provision has been made for WPPF.

d) Other Employee Benefits

Group Life Insurance

The objective of the scheme is to provide death or permanent disability benefits to its confirmed employees and on their families with a sum equal to 36 times (in case of normal death) and 72 times (in case of accidental death) of the last Drawn basic salary to the nominee.

Staff Welfare Fund

The objective of the Employees' Welfare Fund is to provide regular category employees of the Bank incurring severe accidents during official job, extended illness (not more than 6 months), Education for Children; which costs would not be affordable by the employee and which are not covered by any other means. All regular confirmed employees of the Bank shall contribute monthly to the Fund according to the designation. The sum subscribed monthly from salaries of employees shall be credited separately in Staff Welfare Fund" as a liability of the Bank. There shall be at least 5 (five) members of Management Committee to manage the fund. The Managing Director and CEO of the Bank will be the chairperson of this committee and other 4 (four) members are nominated from the regular category staff.

Performance bonus

Pubali bank provides performance bonus to the eligible employees in every year. This bonus amount is being distributed among the employees based on their performance and management decision. The bonus amount is paid annually, normally in the following year and the costs are accounted for in the period to which it relates.

Annual leave

According to Bangladesh Bank policy all permanent employees have to avail 10 consecutive days of mandatory leave.



Subsidized Scheme - Staff Loan

Personal, House building and car loans are provided to the permanent staff at a subsidized rate. Criteria and details of types wise staff loan is given below:

Personal Loan: A permanent staff can avail personal loan taking approval from department head and head of HR subject to completion of a specific service length.

House building Loan: A permanent staff completing 5 year of service can avail house building loan taking approval from House Building Loan Committee subject to performance rating and completed service length with Pubali Bank Limited.

Car Loan: All confirmed staff at job grade from AGM can avail car loan taking approval from department head and head of HR.

2.7 Revenue recognition

The revenue during the year is recognised as follows which satisfy all conditions of revenue recognition as prescribed by IFRS 9 "Financial Instruments".

- (i) Interest is calculated on daily product basis on unclassified loan and advances but charged on a quarterly basis.
- (ii) Interest is charged on classified loans and advances as per Bangladesh Bank's BRPD circular no. 14 dated 23 September 2012 and other related circulars and such interest is not taken into income.
- (iii) Dividend income is recognised when shareholders' right to receive is established.
- (iv) Commission and discount on bills purchased and discounted are recognised at the time of realization.

2.8 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 2019 as per IAS-33 "Earnings per Share". Diluted earnings per share was not required to calculate as no dilution occurred.

2.9 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.

2.10 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:

- a. Balances with other bank and financial institutions, money at call and short notice etc. are on the basis of their maturity term.
- b. Investments are on the basis of their residual maturity term.
- c. Loans and advances are on the basis of their repayment/ maturity schedule.
- d. Fixed assets are on the basis of their useful life.
- e. Other assets are on the basis of their adjustment.
- f. Borrowing from other banks, financial institutions and agents as per their maturity/ repayment term
- g. Deposits and other accounts are on the basis of their maturity term and behavioral past trend.
- h. Other long term liability on the basis of their maturity term.
- i. Provisions and other liabilities are on the basis of their settlement.

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.

Dividend on ordinary shares for the year that are recommended by the directors after the balance sheet date for approval of the shareholders at the Annual General Meeting are disclosed in note - 48.6 to the financial statements.

2.12 Compliance of International Financial Reporting Standard (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-17	Leases	Complied
IAS-19	Employee Benefits	Complied
IAS-20	Accounting for Government Grants and Disclosure of Government	Complied



Assistance		
IAS-21	The Effect of Changes in Foreign Exchanges Rates.	Not applicable
IAS-23	Borrowing Cost	Complied
IAS-24	Related party Disclosures	Complied
IAS-26	Accounting and Reporting by Retirement Benefit Plans	Complied
IAS-27	Separate Financial Statements	Not applicable
IAS-28	Investment in Associates	Complied
IAS-29	Financial Reporting in Hyperinflationary Economies	Complied
IAS-32	Financial Instruments: Presentation	Not applicable
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-39	Financial Instruments: Recognition and Measurement	Complied
IAS-40	Investment Property	Complied *
IAS-41	Agriculture	Not applicable
		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 new standards and amendments to standards are effective for annual periods beginning after 1 January 2020 and earlier application is permitted; however, the Company has not early adopted the following new or amended standards in preparing these financial statements. None of these is expected to have a significant effect on the consolidated financial statements of the Bank when will be applicable

A. IFRS 17 Insurance Contracts

IFRS 17 was issued in May 2017 and applies to annual reporting periods beginning on or after 01 January 2021. 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, IFIC 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: Particulars	BDT in million	
	ROU Assets	Lease Liability
Opening Balance	1,564.59	1,564.59
Adjustment Advance rent	-	(269.71)
Interest Expense	-	76.44
Accumulated Depreciation/Lease Payment	(406.65)	(435.57)
Closing Balance	1,157.94	935.75

2.14 Risk Management

An efficient and healthy banking system is a prerequisite for sustainable economic growth of a country. In this context, effective risk management practices enable the banking industry to build public trust and confidence in the institutions which is necessary for mobilizing private savings for investment to facilitate economic growth. On the flip side, inadequate risk management practices in the banking industry may lead to erosion of public confidence in the industry having adverse implications for the economic growth. Therefore, an effective risk management framework is a necessary for banks to achieve their own business objectives. Risks are considered warranted when they are understandable, measurable, controllable and within a banking company's capacity to readily withstand adverse results. Sound risk management systems enable managers of banking companies to take risks knowingly, reduce risks where appropriate and strive to prepare for the future, which by its nature cannot be predicted with absolute certainty.



Risk management is a discipline at the core of every banking company and encompasses all activities that affect its risk profile. Banks should attach considerable importance to improve the ability to identify, measure, monitor and control the overall risks assumed. Risk management is very important especially when the banks are dealing with multiple activities, involving huge funds having both local and international currency exposure. Banking companies in Bangladesh, while conducting day-to-day operations, usually face the following major risks: Credit Risk, Internal Control & Compliance Risk, Money Laundering Risk, Asset Liability Management Risk, Foreign Exchange Risk and Information Technology Risk. Moreover Residual Risk, Concentration Risk, Liquidity Risk, Reputation Risk, Strategic Risk, Settlement Risk and Environmental & Climate Change Risk are also brought into consideration. Success or failure of the bank depends to a great extent on proper identification and minimization of these risks. 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. A separate Risk Management Committee at Management level was also formed headed by Deputy Managing Director as Chief Risk Officer (CRO) where all the Division Heads of Head Office, In-charge of CTPC & OBU are the members and the Division Head, Risk Management Division is the member secretary. The Committee is responsible to our Honorable Managing Director for compliance and implementation of the decisions. Considering the importance of the issue and as per instruction of Bangladesh Bank DOS circular letter no: 13 dated 09.09.2015, a separate Risk Management Division was formed. Monthly meeting of Risk Management Committee at Management level is arranged regularly where different risks are discussed and decisions are gradually implemented and minutes of that meeting along with risk management papers are submitted to Department of Offsite Supervision, Bangladesh Bank on monthly, quarterly and half-yearly basis. Risk Management Division also prepares Risk Appetite Statement (RAS) on yearly basis mentioning risk limit with tolerance level. As a part of risk management, adequate capital is maintained against Credit Risk, Market Risk and Operational Risk under Risk Based Capital Framework. Under the second pillar of Basel-III, a Supervisory Review Process (SRP) team was formed to review, monitor and maintain adequate capital considering all relevant risks. Quarterly Stress Testing is conducted to assess the impact of different risks associated with banking business on asset, liability & ultimately on capital and the report is submitted before the Board of Directors and Bangladesh Bank regularly.

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; 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 is entrusted with the duties of maintenance asset quality, assessing risk in lending to a particular customer, sanctioning credit, formulating policy/strategy for lending operation etc.

A thorough assessment is done before sanction of any credit facility at credit division, Head 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 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 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 7.5, 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

The foreign exchange risk arises from transaction involvement in any other nation 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. Providing major 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. It is mentionable that bank do not involve in any speculative transactions.

Our Treasury Division independently engages in the foreign currency transactions through foreign exchange (Fx) market and back office is responsible for verifying the deal and passes the necessary accounting entries. All foreign exchange transactions are revalued at mark-to-market rate on every month end as advised by Bangladesh Bank. All nostro accounts are reconciled on monthly basis and outstanding entries beyond 30 days are reviewed by management for settlement. 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. There is a structured and systematic process to manage Asset and Liability Management risk as well as Balance Sheet risk. Asset and Liability Management Committee (ALCO) is dedicated to manage the Asset and Liability Management risk of the Bank. ALCO provides comprehensive and dynamic framework for measuring, monitoring and managing liquidity risk, interest rate risk, foreign exchange risk and other factors in the context of bank's business strategy to earn a sufficient return while maintaining a comfortable liquidity position.

d) Prevention of Money Laundering and Combating Terrorist Financing

Money Laundering and the Financing of Terrorism are financial crimes with economic effects. 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 laundering requires an underlying, primary, profit-making crime (such as corruption, drug trafficking, market manipulation, fraud, tax evasion), along with the intent to conceal the proceeds of the crime or to further the criminal enterprise. These activities generate financial flows that involve the diversion of resources away from



economically- and socially-productive uses—and these diversions can have negative impacts on the financial sector and external stability of member states. They also have a corrosive, corrupting effect on society and the economic system as a whole. 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. Banks around the globe may be unwilling to establish banking relationship if money laundering prevention and combating terrorist financing status are not satisfied. 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. 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.

Money Laundering risk arises from non-compliance of money laundering related instructions of the regulatory body. For involvement in money laundering & terrorist financing, the regulatory bodies may impose restrictions on business expansion and bank may lose its market share. Bangladesh Financial Intelligence Unit (BFIU) is the central agency of Bangladesh responsible for an effective system for prevention of money laundering, combating financing of terrorism and proliferation of weapons of mass destruction. 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 (AML/D) 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.
- Money Laundering & Terrorist Financing Risk Management Guidelines has been prepared and the same has been disseminated to the branches for compliance.
- Customer Selection Policy has been prepared and the same has been disseminated for compliance. The policy will deter the potential wicked customers.
- As per BFIU Uniform Account Opening Form has been introduced. 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.
- Branches have been advised to compare actual transactions with transaction Profile to identify abnormal and suspicious transactions.
- Cash Transaction Report (CTR) and Suspicious Transaction Report (STR) are submitted to Bangladesh Financial Intelligence Unit on regular basis through goAML web portal.
- Branches have been advised to trace structuring so that no customer can avoid "Cash Transaction Reporting".
- 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.
- 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 summary report is placed in the MANCOM meeting before submitting the same to Bangladesh Financial Intelligence Unit. 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 while conducting audit. The same is summarized and placed in the MANCOM meeting before submitting the same to Bangladesh Financial Intelligence Unit 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 an outreach training calendar on Money Laundering Prevention, Combating Terrorist Financing and Foreign Remittance. As per outreach Training Calendar workshops are arranged in due time. Pubali Bank Training Institute also arranges training workshop on the issue as per yearly training plan.
 - All circulars of Bangladesh Financial Intelligence Unit (BFIU) have been disseminated to the branches for compliance.
 - Before establishing 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. Other information and documents such as license, certificate of incorporation, list of directors, compliance status of regulatory instruction etc. are also verified. Correspondent Banking relationship with any bank is only established upon receipt of the desired information and subject to our satisfaction.
 - 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.
 - 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.
 - World Class sanction screening solution "Trade Compliance Solution" from Ficro Compliance Link of ACCUITY already incorporated in our CBS so that no blacklisted individual or entity can use our banking channel in Foreign Trade. The sanction lists include UN, OFAC (USA), European Union and HMT (UK) and local sanction list. Moreover, Our Software Development Division introduced another sanction screening solution so that no blacklisted individual or entity can use our banking channel for money laundering and terrorist financing.
 - To ensure the genuineness of the customers, national ID card verification has been introduced.

e) Internal Control and Compliance

Internal Control refers to the mechanism in place on a permanent basis to control the activities in an organization. It is a process affected by a company's Board of Directors, Management and other personnel, designed to provide reasonable assurance regarding the achievement of objectives in the effectiveness and efficiency of operations, the reliability of financial & non-financial reporting and compliance with applicable laws, regulations and internal policies. It is an integral part of the daily activities of an organization which on its own merits identifies the risk associated with the process and adopts a measure to mitigate the same. Internal Control may also be termed as the policies and procedures established and implemented alone, or in association with other policies or procedures to manage and control a particular risk or business activity, or combination of risks or business activities to which the company is exposed or in which it is engaged.

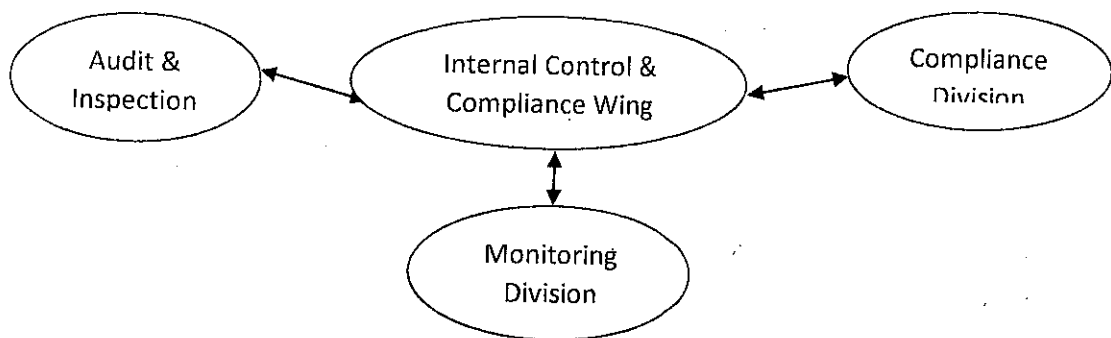
The objectives of internal control system in a bank are classified as (1) Operations Objectives: achievement of a bank's basic mission and vision (2) Reporting Objectives: timely, accurate, and comprehensive reporting-financial and non-financial, external and internal (3) Compliance Objectives: conducting 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 subject to maintaining 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 should perform all 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 also very much important for a bank for its existence and the factors which together comprise the control environment are (1) a Board of Director that is actively concerned with sound corporate governance and that can discharge its responsibilities by ensuring that the company is appropriately and effectively managed and controlled, (2) a Management that actively manages and operates the bank in a sound and prudent manner, (3) a Management Information System to provide timely, complete & reliable data/ information for effective decision making, and (4) an independent audit mechanism.

Functions of Internal Control & Compliance have substantially increased in the banks due to expansion of business, addition of branches, 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 issue, Bangladesh Bank has revised the ICC Organogram for all banks as shown in their Revised ICC Guidelines. Considering our large branch network, volume of operations, introduction of Risk Based Audit and stringent regulatory compliance, ICC organogram of our Bank has also been restructured and shown it in our Revised ICC Guidelines. Under the head of ICC, 03 divisions viz. Audit & Inspection Division, Monitoring Division and Compliance Division are working separately and independently as shown below:



The issue of effective internal control system, corporate governance, transparency & accountability etc. in a bank 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. In our Bank, internal control and compliance functions are jointly performed by Audit & Inspection Division, Monitoring Division, and Compliance Division. Audit & Inspection Division conducts audit as per Risk Based Audit Plan approved by the Audit Committee of the Board. Synopsis of the audit report is placed before the Audit Committee of the Board regularly. 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) 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. Management Committee (MANCOM)/Senior Management Team (SMT) headed by Honorable Managing Director 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, Compliance Division places the quarterly position of internal control & compliance of the Bank before the Committee on regular basis and decisions are being gradually implemented. Moreover, as per yearly reporting cycle, Compliance Division also places memos on Internal Control & Compliance 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 on half yearly basis to Bangladesh Bank duly signed by Honorable Managing Director & CEO and countersigned by Honorable Chairman of the Audit Committee of the Board.

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 and Board of Directors of the Bank. In the health report, Financial Health, ICC Health, and Image and Reputation Health are brought into consideration.

To ensure a proper internal control system, Revised Internal Control & Compliance Guidelines for our Bank has been prepared following BRPD circular no. 03 dated 08 March, 2016 and BRPD circular no. 06 dated 04 September, 2016 and the same has been disseminated to all branches, regional offices, principal offices and divisions of Head Office.

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. In accordance with these guidelines, our Bank has prepared the Compliance Policy and the same has also been disseminated to all branches, regional offices, principal offices and divisions of Head Office 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. The Committee is responsible to honorable Managing Director for implementation of the decisions. To ensure Ethics in Banking and as per instruction of Bangladesh Bank, our Bank prepares National Integrity Strategy Workplan every year and reports its implementation status to Bangladesh Bank on quarterly basis.

Since there is a positive correlation between ethics and internal control, Compliance Division has stressed on extensive training on the issues. In the year 2019 total 11 outreach



workshops on Internal Control & Compliance and Ethics in Banking were arranged by Compliance Division in different regional offices and 02 principal offices and total 1277 officials were imparted training on the issues. Our Human Resources Division has already prepared Policy Guidelines on Code of Conduct and the same has also been disseminated for compliance.

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 482 branches using our in-house developed core banking software, Pubali Integrated Banking System (PIBS) under network environment. Real Time Centralized Online Banking System has been developed and deployed in all of 482 branches 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 implementing modification, update and changes brought by Software Development Division in our core banking solutions, PIBS, according to demand, which is being notified to branches through various circulars.

One Stop Service has been implemented at all of our branches to ensure better and quick customer services. Hardware Engineers have also been posted in each of our Regional Offices for quick solution to the hardware problems of the branches under the Region. Besides, passing power has been incorporated in PIBS to comply business requirements and to ensure higher security in Banking operation.

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 (Cash/ Account Payee) 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 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 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) and Bangladesh Electronic Fund Transfer System (BEFTN), Credit Information Bureau (CIB) Reporting as per guidelines of Bangladesh Bank.

We have Islamic Banking Window at our Principal Branch, Dhaka and at Dargagate Branch, Sylhet using our in-house developed software, Pubali Integrated Islamic Banking System (PIIBS). Customers of our Islamic banking windows can get selected services from any of our Online Branches through Online Banking Network.

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.

ICT Operation Division has also launched secured file server for sharing the files among the officials of branches, Regional offices, Principal Offices, Divisions and other offices for ensuring safety and security of the Bank to restrict usage of pen drive, USB storage, portable hard drive, CD/DVD ROM which are very vulnerable for virus and other threats for the Systems. The secured file sharing system is already available for all ADDS users and restriction of usage any portable devices like pen drive etc. has been implemented from June 2016.

Moreover, we have been upgrading security of ICT environment time-to-time. In the line with the security enhancement, we have updated our Software Patches and strengthen security control at our workstations, Data Center and Disaster Recovery Center.

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 form 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.

ICT Operation Division, obtaining prior permission of the Management, introduced Offshore Banking Units (OBU) of Pubali Bank Limited. In regard to banking products, OBUs are allowed to offer banking services targeting selected group of clients and non-residents.



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.

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 2019, we have conducted 117 training programs/ Workshops at our Computer Lab on 11 (Thirteen) different Topics/Modules and 2 Workshops covering 2,611 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 transforming Pubali Bank Limited to a paperless banking. ICT Operation Division is working hard for achieving this objective within a short period of time.

2.14 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.

2.15 Disclosure on fraud and forgeries committed by bank employees

"During the year-2019, 01 instance of fraud and forgery occurred where 07 (Seven) fraudsters defalcated money by depositing clearing cheques and making false transfer voucher before proceeds of clearing cheques received. Total amount of money involved against the incident was Tk. 12.85 crore, out of which Tk. 95.00 lac has already been recovered .



Case No. 07 dated 13.01.2019 filed against the 07 fraudsters with Chawkbazar Police Station, Chattogram which is now under trial. Honorable Court of Law has taken steps to make 'Stop Payment' with other concerned banks where the proceeds of forged amount credited.

2.16 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

2.17 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).

2.18 Authorization of financial statements

The financial statements for the year ended 31 December 2019 have been authorized for issue in accordance with a resolution of the Board of Directors on 18 June 2020.

2.19 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.

2.20 Reporting period

These financial statements cover one calendar year from 01 January 2019 to 31 December 2019.

2.21 Number of employees

The number of employees employed in the Bank as on 31 December 2019 was 8,153 of which 6,865 were male and 1,288 were female. The number of employees per branch was 14.37 excluding 1226 employees in the head office, Regional Offices and Principal Offices of the Bank.

During the year 2019, the Bank paid remuneration up to Taka 36,000 per employee to 110 persons and exceeding Taka 36,000 per employee to 8,043 persons.



2.22 Training

Training is systematic development of the knowledge, skills and attitudes required by an individual to perform adequately a given task or job. Training is a learning experience which has a capacity to make positive changes and reach up to the desired objectives of the organization. It improves the ability of the employee to perform the job efficiently and with excellence.

Training is the nerve that suffices the need of fluent and smooth functioning of work which helps in enhancing the quality of work life of employees and organizational development.

Training is investment in getting more and better quality work from employee's talents. Training is a process that tries to improve skills or add to the existing level of knowledge so that the employee is better equipped to do his present job or to mould him to be fit for a higher job involving higher responsibilities. It bridges the gap between what the employee has & what the job demands. Thus, training involves two step objectives-immediate objectives to bring about the desired change in the level of knowledge, skills and attitudes of the employees and the ultimate objectives to improve the level of the job- performance of the trainees. The principal objectives of training is to make sure the availability of a skilled and willing workforce to the organization.

During the year 2019, the Training Institute had undertaken a gigantic journey conducting a total of 93 courses/ workshops including outreach workshops with participation of 3518 Officers and Executives. Training helps in updating old talents and developing new ones.

Sl No	Training courses/workshops/seminars	No. of courses held	Number of participants attended
1	Executive Development Program	1	26
2	General Banking	3	76
3	Credit Management	3	82
4	International Trade Payment and Finance	3	78
5	Basic Accounting and Financial Statement Analysis	2	51
6	Branch Management (Manager's Induction)	3	78
7	Foundation Training for Probationary Officers(SR. Officers & Officers)	3	103
8	Foundation Training for Junior officer, Junior Officer (cash) and Deputy & Asstt. Junior Officer (Cash)	9	215
9	Core Risks Management in Bank	2	58
10	Marketing & Customers' Service Development in Banking	3	84
11	Cash Management	3	79
12	Prevention of malpractice, Fraud & Forgery in Banks	2	54
13	Sustainable Finance: (ESRM, Green Banking) and Financial Inclusions.	2	51
14	SME & Agri-Credit in Bank	3	72
15	Business English & Communication Skill	3	75
16	Conducting Inquiry and Report Writing	3	77
17	Audit & Inspection in Banks	3	77
18	Money Laundering Prevention Act & Anti-Terrorism Act.	4	110
19	NPL Management: Legal & Non- Legal measures.	3	74
20	Legal Aspects of Securities & Documentation	3	83
21	Agent Banking, Mobile Banking and Card-Operations	2	50
22	Internal Control & Compliance (ICC)	2	52
23	Ethics & integrity in Banking	4	103
24	Banking Laws & Regulations	3	82
25	BASEL- III	2	60



26	Prevention of International Trade- based Money Laundering	2	46
27	Training of Trainers (TOT)	2	51
28	Orientation Training Program for newly recruited Audit Officers	1	28
	Sub Total	79	2075
	Outreach Workshop: Leadership Excellence for Branch Management	14	1443
	Grand Total	93	3,518

2.23 Audit committee

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

Name	Status in the Bank	Status in the Committee	Educational Qualification
Dr. Shahdeen Malik	Independent Director	Chairman	PhD in Law, London, UK, Obtained LLM degrees from Universities at Moscow & Philadelphia
Ms. Rumana Sharif	Director	Member	M.Sc (Biochemistry), Dhaka University
Mr. M. Kabiruzzaman Yaqub FCMA (UK), CGMA	Director	Member	B. Eng (Civil), UK, FCMA (UK), CGMA
Mr. Md. Abdur Razzak Mondal	Director	Member	MBA (IBA), Dhaka University
Mr. Arif Ahmed Choudhury	Director	Member	MS in Project Management, MBA, International Business

2.24 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.

2.25 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:

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



COVID-19

Subsequent to year-end, on 11 March 2020, World Health Organization (WHO) declared a global pandemic due to Corona Virus related respiratory disease commonly called as COVID-19. To contain the spread of this disease, along with many other countries of the world, Government of Bangladesh has also taken a number of measures such as declaration of general holiday, enforcement of lock down, social distancing; etc. As a result of these measures, all business and economic activities were adversely affected and those also impacted the Group and the Bank as well.

Management considered COVID-19 as a subsequent event and in accordance with IAS 10 this is a non-adjusting event (i.e. an event after the reporting period that is indicative of a condition arising after the end of the reporting period); because the significant changes in business activities and economic conditions as a result of COVID-19 had taken place well after the reporting date of 31 December 2019. Although the business operation and profitability of the Bank were affected due to COVID-19, the situation is constantly changing and there is no certainty at present as to how long the situation will prevail. There is no impact of the stimulus packages declared by Government of Bangladesh for the industries in Bangladesh to the financial statements of the Bank for the financial year ended 31 December 2019 regarding COVID-19.

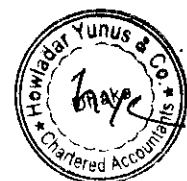
2.26 Related party disclosures

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.

2.27 Director's responsibilities on financial statement

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



2.28 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.

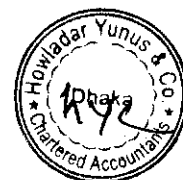
2.29 General

- 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 2019

	2019 Taka	2018 Taka
3 Cash		
Cash in hand (Including foreign currencies)		
In local currency	4,192,403,245	3,778,743,541
In foreign currencies	16,042,442	10,564,538
	<u>4,208,445,687</u>	<u>3,789,308,079</u>
Balance with Bangladesh Bank and its agent Bank(s) (Including foreign currencies)		
Bangladesh Bank		
In local currency	18,719,679,906	17,060,957,705
In foreign currencies	328,973,550	520,613,104
	<u>19,048,653,456</u>	<u>17,581,570,809</u>
Sonali Bank as agent of Bangladesh Bank		
In Local currency	2,645,889,338	1,685,969,710
	<u>21,694,542,794</u>	<u>19,267,540,519</u>
	<u>25,902,988,481</u>	<u>23,056,848,598</u>
3.1 Cash Reserve Ratio and Statutory Liquidity Ratio		
Cash Reserve Ratio and Statutory Liquidity Reserve Ratio have been calculated and maintained in accordance with section 33 of Bank Companies Act 1991 and MPD circular numbers 1,2 & DOS circular no. 26 dated 03 April 2018, 10 December 2013 and 19 August 2019 respectively.		
The statutory Cash Reserve Ratio (CRR) required on the Bank's time and demand liabilities at the rate of 5.50% has been calculated and maintained with Bangladesh Bank through the current account and 13% Statutory Liquidity Requirement (SLR) on the same liabilities is also be 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 (5.5%)	20,169,597,000	16,822,258,502
Actual Reserve maintained	19,637,003,280	17,177,613,875
Surplus/(deficit)	<u>(532,593,720)</u>	<u>355,355,373</u>
3.1.2 Statutory Liquidity Ratio (SLR)		
Required Reserve (13%)	47,571,838,000	39,683,002,240
Actual Reserve maintained	85,638,690,907	43,369,592,644
Surplus/(deficit)	<u>38,066,852,907</u>	<u>3,686,590,404</u>
Held for Statutory Liquidity Ratio (SLR)		
Cash in Hand	4,208,445,687	3,789,308,079
Balance with agent Bank (Sonali Bank Limited)	1,057,860,555	581,468,891
Excess Cash Reserve	23,439,280	355,355,373
Government Securities (HTM)	51,948,789,690	37,693,811,175
Government Securities (HFT)	27,450,506,570	-
Other Eligible Securities	949,649,125	949,649,126
	<u>85,638,690,907</u>	<u>43,369,592,644</u>
3.1.3 Total required amount of CRR and SLR		
Total required reserve (18.5%)	67,741,435,000	56,505,260,742
Total actual reserve maintained	105,252,254,907	60,191,851,146
Total Surplus	<u>37,510,819,907</u>	<u>3,686,590,404</u>
3(a) Consolidated Cash		
Cash in hand (Including foreign currencies)		
Pubali Bank Limited	4,208,445,687	3,789,308,079
Pubali Bank Securities Limited	-	-
	<u>4,208,445,687</u>	<u>3,789,308,079</u>
Balance with Bangladesh Bank and its agent Bank (s) (Including foreign currencies)		
Pubali Bank Limited	21,694,542,794	19,267,540,519
Pubali Bank Securities Limited	-	-
	<u>21,694,542,794</u>	<u>19,267,540,519</u>
	<u>25,902,988,481</u>	<u>23,056,848,598</u>
4 Balance with other banks and financial institutions		
In Bangladesh (Note 4.1)	11,569,394,369	14,661,272,175
Outside Bangladesh (Note 4.2)	1,517,153,539	918,347,308
	<u>13,086,547,908</u>	<u>15,579,619,483</u>



4.1 In Bangladesh

In fixed/term deposit account (in local currency)

	2019 Taka	2018 Taka
Delta Brac Housing and Finance Corporation Ltd.	1,150,000,000	1,150,000,000
ICB Islamic Bank Ltd, Bangshal Branch, Dhaka	32,429,316	32,441,431
ICB Islamic Bank Ltd, Principal Office, Dhaka	188,442,153	188,479,613
Investment Corporation of Bangladesh	2,650,000,000	2,600,000,000
IPDC Finance Ltd	-	300,000,000
United Finance Ltd	-	200,000,000
IDLC Finance Limited	-	500,000,000
Jamuna Bank Limited	600,000,000	900,000,000
IFIC Bank Limited	-	983,900,000
Social Islami Bank Limited	-	800,000,000
Mutual Trust Bank Limited	1,891,450,000	671,200,000
Dhaka Bank Limited	500,000,000	600,000,000
Standard Bank Limited	-	600,000,000
Premier Bank Limited	-	167,800,000
GSP Finance Company (Bangladesh) Limited	45,000,000	100,000,000
Mercantile Bank Limited	500,000,000	-
Southeast Bank Limited	424,500,000	500,000,000
EXIM Bank Limited	600,000,000	300,000,000
Al Arafah Islamic Bank Limited	-	500,000,000
Islami Bank Bangladesh Limited	1,273,500,000	1,691,665,155
First Security Islami Bank Limited	-	6,203,447
Eastern Bank Limited	-	1,006,800,000
Modhumoti Bank Limited	219,800,000	83,900,000
National Credit and Commerce Bank Ltd	-	251,700,000
The City Bank Ltd.	1,188,600,000	503,400,000
Agrani Bank Limited	254,700,000	-
A B Bank Limited	-	499,725
	11,518,421,469	14,637,989,371

In Savings deposit account

Islami Bank Bangladesh Limited	14,161,159	-
	14,161,159	-

In Special Notice Deposit account

Sonali Bank Ltd, Shilpa Bhaban Branch, Dhaka	25,026,469	18,413,230
Bank Al Falah Ltd, Principal Branch, Dhaka	1,200,382	1,178,563
National Bank Ltd, Dilkusha Branch, Dhaka	660,936	635,493
The City Bank Ltd, Foreign Exchange Branch, Dhaka	880,049	869,305
Mutual Trust Bank Ltd, Principal Branch, Dhaka	958,119	923,577
Bangladesh Krishi Bank, Local office, Dhaka	701,499	667,572
The Hongkong and Shanghai Banking Corp Ltd, Main Branch, Dhaka	597,451	595,064
First Security Islami Bank Ltd, Dilkusha Branch, Dhaka	6,281,978	-
AB Bank Limited, Islamic Banking Branch, Dhaka	504,858	-
	36,811,741	23,282,804

Total Deposit in Bank in BDT

11,569,394,369 **14,661,272,175**



2019
Taka

2018
Taka

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

Name of Bank	Foreign currency name	2019			2018		
		Conversion rate per unit FC	Amount in foreign currency	Amount in taka	Conversion rate per unit FC	Amount in foreign currency	Amount in taka
American Express Bank Ltd, Kolkata	ACUD	84.9000	30,177.44	2,562,065	83.900	30,177.44	2,531,887
Bank of Bhutan, Thimpu	ACUD	84.9000	16,013.90	1,359,580	83.900	37,759.64	3,168,034
MUFG Bank Ltd. New Delhi	ACUD	84.9000	22,770.00	1,933,173	83.900	22,770.00	1,910,403
MUFG Bank Ltd. Japan	JPY	0.7775	8,979,572.00	6,982,010	0.756	17,768,243.00	13,436,283
Commerz Bank, Germany	USD	84.9000	368,745.69	31,306,509	83.900	471,486.86	39,557,748
Habib Metropolitan Bank, Ltd., Karachi	ACUD	84.9000	587,531.23	49,881,401	83.900	263,714.35	22,125,634
Habib American Bank, New York	USD	84.9000	2,011,476.32	170,774,340	83.900	996,143.78	83,576,463
HDFC Bank Ltd., Mumbai	ACUD	84.9000	680,223.36	58,599,963	83.900	415,944.77	34,897,766
United Bank of India, Kolkata	ACUD	84.9000	370,734.23	31,475,336	83.900	339,856.97	28,514,000
HSBC Bank, Mumbai	ACUD	84.9000	64,075.94	5,440,047	83.900	64,075.94	5,375,971
ICICI Bank Ltd., Kolkata, India	ACUD	84.9000	648,513.05	55,058,758	83.900	103,557.79	8,688,499
AB Bank, Mumbai	ACUD	84.9000	767,750.59	65,182,025	83.900	264,415.04	22,184,422
Mashreq Bank PSC, New York	USD	84.9000	2,704,280.47	229,593,412	83.900	2,683,547.79	225,149,660
Mashreq Bank PSC, New York (OBU)	USD	84.9000	635,998.67	53,996,287	83.900	545,393.46	45,758,511
Mashreq Bank Mumbai, India (OBU)	ACUD	84.9000	90,770.96	7,706,455	83.900	202,288.86	16,972,035
MCB, Pakistan	ACUD	84.9000	13,079.14	1,110,419	83.900	34,229.74	2,871,875
Peoples Bank, Colombo	ACUD	84.9000	69,306.70	5,884,139	83.900	126,391.87	10,604,278
Sonali Bank Ltd, Kolkata	ACUD	84.9000	288,546.05	24,497,560	83.900	199,979.14	16,778,250
Standard Chartered Bank, Kathmandu	ACUD	84.9000	11,148.67	946,522	83.900	3,142.42	263,649
Standard Chartered Bank, New York	USD	84.9000	3,235,269.89	274,674,414	83.900	1,868,136.52	156,736,654
Standard Chartered Bank, Mumbai	ACUD	84.9000	994,529.88	84,435,587	83.900	459,997.56	38,593,795
Standard Chartered Bank, UK	GBP	111.3463	26,060.90	2,901,786	106.259	76,782.02	8,158,808
ICICI Bank, Kolkata, India	EURO	95.0710	14,537.17	1,382,063	95.529	14,537.17	1,388,714
UBS AG, Zurich	CHF	87.2738	20,782.24	1,813,746	84.534	9,847.97	832,488
Unicredit S.P.A., Milano, Italy	EURO	95.0710	354,027.16	33,657,723	95.529	65,672.69	6,273,616
Citi Bank NA, New York	USD	84.9000	2,216,847.73	188,210,372	83.900	620,208.04	52,035,455
Commerz Bank, Germany	EURO	95.0710	392,481.26	37,313,593	95.529	120,006.66	11,464,061
JP Morgan Chase Bank, New York	USD	84.9000	1,040,762.30	88,360,719	83.900	697,238.97	58,498,350
ABU DHABI Commercial Bank	AED	23.1115	4,912.50	113,535			
				<u>1,517,153,539</u>			<u>918,347,308</u>

4.3 Maturity grouping of balance with other banks and financial institutions

Payable on demand	1,547,178,444	941,630,112
Up to 3 months	10,541,147,995	12,195,868,327
Over 3 months but not more than 1 year	777,350,000	2,221,200,000
Above 1 year (receivable from former The Oriental Bank Ltd.)	220,871,469	220,921,044
	<u>13,086,547,908</u>	<u>15,579,619,483</u>

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

In Bangladesh		
Pubali Bank Limited	11,569,394,369	14,661,272,175
Pubali Bank Securities Limited	989,804,123	896,360,657
	<u>12,559,198,492</u>	<u>15,557,632,832</u>
Less: Inter Company Transactions	989,804,123	896,360,657
	<u>11,569,394,369</u>	<u>14,661,272,175</u>
Outside Bangladesh		
Pubali Bank Limited	1,517,153,539	918,347,308
Pubali Bank Securities Limited	-	-
	<u>1,517,153,539</u>	<u>918,347,308</u>
	<u>13,086,547,908</u>	<u>15,579,619,483</u>

5 Money at call on short notice

Banking company (note- 5.1)	111,286,667	11,286,667
Non-banking Financial Institution (note-5.2)	15,500,000	-
	<u>126,786,667</u>	<u>11,286,667</u>

5.1 Banking company

Bangladesh Krishi Bank	100,000,000	-
ICB Islamic Bank Ltd.	11,286,667	11,286,667
	<u>111,286,667</u>	<u>11,286,667</u>

5.2 Non-banking Financial Institution

GSP Finance Co. (BD) Ltd.	15,500,000	-
	<u>15,500,000</u>	-



	2019 Taka	2018 Taka	
6 Investments			
Government investments			
Securities			
Government/ Bangladesh Bank bills - at book value (note 6.1)	20,674,682,364	-	
Government treasury bonds (Note 6.2)	58,771,613,897	37,740,810,580	
National prize bonds	27,248,101	21,135,801	
Total investment in government securities and bonds	79,473,544,362	37,761,946,381	
Other Investments:			
Shares (Note 6.3)	5,835,159,403	5,403,136,699	
Debentures (Note 6.4)	344,060	344,060	
Prime Bank Limited Bond	500,000,000	500,000,000	
MTBL Bond -1	-	-	
Dhaka Bank Limited Bond	150,000,000	150,000,000	
National Bank Limited Bond	-	-	
One Bank Limited Bond -1	20,000,000	40,000,000	
Mercantile Bank Limited Bond	40,000,000	60,000,000	
Trust Bank Limited Bond -1	100,000,000	150,000,000	
The City Bank Limited Bond -1	-	-	
Southeast Bank Limited Bond -1	120,000,000	180,000,000	
Bank Asia Limited Bond -1	150,000,000	200,000,000	
EXIM Bank Limited Bond -1	180,000,000	240,000,000	
Social Islami Bank Limited Bond -1	80,000,000	120,000,000	
Southeast Bank Limited Bond -2	800,000,000	1,000,000,000	
Trust Bank Limited Bond -2	800,000,000	1,000,000,000	
One Bank Limited Bond -2	800,000,000	1,000,000,000	
Jamuna Bank Limited Bond	300,000,000	300,000,000	
MTBL Bond -2	950,000,000	950,000,000	
Bank Asia Limited Bond -2	1,000,000,000	1,000,000,000	
EXIM Bank Limited Bond -2	1,000,000,000	1,000,000,000	
Dutch- Bangla Bank Limited Bond	1,500,000,000	1,500,000,000	
Shahjalal Islami Bank Limited Bond	700,000,000	700,000,000	
Social Islami Bank Limited Bond -2	400,000,000	500,000,000	
The City Bank Limited Bond -2	500,000,000	500,000,000	
Standard Bank Limited Bond	500,000,000	500,000,000	
Islami Bank Bangladesh Limited Bond	1,000,000,000	1,000,000,000	
UCBL Bond -1	750,000,000	750,000,000	
Southeast Bank Limited-3	150,000,000	150,000,000	
The City Bank Limited Bond -3	500,000,000	500,000,000	
Dutch- Bangla Bank Limited Bond -2	500,000,000	500,000,000	
One Bank Bond	300,000,000	-	
Eastern Bank Limited Bond	1,000,000,000	-	
Bank Asia Limited Bond -3	500,000,000	-	
Bridge financing advances (Note 6.5)	4,813,910	4,813,910	
	21,130,317,373	19,898,294,669	
	100,603,861,735	57,660,241,050	
6.1 Government/ Bangladesh Bank bills			
30 days Bangladesh Bank bills	-	-	
91 days treasury bills	8,188,966,229	-	
182 days treasury bills	7,387,437,502	-	
1 year treasury bills	5,098,278,633	-	
	20,674,682,364	-	
182 days (REVERSE REPO with other bank)	-	-	
1 year (REVERSE REPO with other bank)	-	-	
	20,674,682,364	-	
6.2 Government treasury bonds			
25 years treasury bond	5.00%	1,617,500	3,235,000
20 years treasury bond	8.24% -12.98%	22,617,475,448	14,546,066,944
15 years treasury bond	7.20% -12.42%	14,131,815,322	9,159,094,144
10 years treasury bond	6.77% -12.22%	16,214,546,383	10,882,705,807
5 years treasury bond	5.84% -8.10%	5,223,744,673	2,788,823,279
2 years treasury bond	3.70% -8.73%	525,414,571	301,385,406
		58,714,613,897	37,681,310,580
6 Months Bangladesh Govt. Islami Investment Bond		57,000,000	59,500,000
		58,771,613,897	37,740,810,580



6.3 Shares	Name of company	No of share	Market price	Market value	2019	2018
					Taka	Taka
					Cost/Book value	Cost/Book value
	The ACME Laboratories Limited	1,205,000	60.90	73,384,500	124,610,826	108,897,466
	Aman Cotton Fibrous Limited	-	-	-	-	313,840
	AND Telecom Limited	18,968	30.00	569,040	569,040	569,040
	Argon Denims Limited	120,363	16.60	1,998,026	2,709,217	-
	Bata Shoe Company (BD) Limited	6,517	696.10	4,536,484	7,452,371	11,435,278
	BBS Cables limited	1,250,000	58.80	73,500,000	100,453,274	-
	Beacon Pharma Limited	1,205,000	44.90	54,104,500	31,115,097	41,882,728
	Bashundhara Paper Mills Limited	-	-	-	-	1,729,040
	BRAC Bank Ltd	-	-	-	-	49,627,614
	Bangladesh Steel Re-Rolling Mills Limited	1,852,454	48.80	90,399,755	169,046,615	92,836,966
	BSRM Steels Limited	1,017,266	39.20	39,876,827	78,756,312	57,980,279
	Beximco Pharmaceuticals Limited	1,360,576	69.40	94,423,974	150,210,748	150,210,748
	City Bank Limited	3,500,000	21.10	73,850,000	96,005,823	69,879,452
	Confidence Cement Limited	207,000	106.10	21,962,700	23,331,361	-
	Coppertech Industries Limited	4,979	23.50	117,007	47,420	-
	Delta Brac Housing Finance Corporation Limited	352,334	114.30	40,271,776	43,581,111	9,047,060
	Dutch-Bangla Bank Limited	-	-	-	-	59,629,586
	Eastern Bank Limited	17,259,702	33.20	573,022,106	53,051,800	53,051,800
	Esquire knit Composite Limited	10,445	28.30	295,594	470,025	1,880,100
	Envoy Textile Limited	1,083,856	24.90	26,988,014	48,159,242	49,015,648
	Exim Bank Limited	3,967,581	10.10	40,072,568	52,612,087	73,812,634
	Genex Infosys Limited	392	67.40	26,421	3,410	104,670
	GlaxoSmithKline Bangladesh Limited	46,751	1,756.30	82,108,781	79,948,157	79,948,156
	GPH ispat Limited	2,500,000	25.90	64,750,000	86,248,591	36,086,774
	Grameenphone Limited	910,075	285.80	260,099,435	307,277,390	308,965,588
	ICB Islamic Bank Limited	7,998,300	3.00	23,994,900	79,983,000	79,983,000
	IDLC Finance Ltd	2,507,306	45.40	113,831,692	148,407,959	19,200,119
	Indo-Bangla Pharmaceuticals Limited	-	-	-	-	29,450
	Intraco Refueling Station Limited	-	-	-	-	2,534
	Ifad Autos Limited	920,000	46.20	42,504,000	64,605,007	-
	Islami Bank Bangladesh Limited	1,650,000	19.10	31,515,000	40,042,151	27,721,318
	Jamuna oil Company limited	293,539	141.90	41,653,184	52,392,988	18,990,038
	Kattali Textile Limited	-	-	-	-	100,640
	Lafarge Holcim Bangladesh Limited	586,432	33.60	19,704,115	28,891,494	25,719,586
	Lanka Bangla Finance Limited	1,420,625	18.00	25,571,250	53,393,354	53,393,354
	Linde Bangladesh Limited	163,311	1,299.00	212,140,989	227,689,271	227,689,271
	LR Global Bangladesh Mutual Fund One	5,184,672	6.60	34,218,835	50,000,000	50,000,000
	Marico Bangladesh Limited	275,482	1,673.30	460,964,031	395,494,560	479,831,691
	Matin Spinning Mills Limited	-	-	-	-	1,480,210
	M.I. Cement Factory Limited	65,594	39.00	2,558,166	6,882,724	9,915,807
	MJI Bangladesh Limited	1,260,000	63.30	79,758,000	138,516,223	129,240,922
	M.I. Dyeing Limited	-	-	-	-	60,400
	Meghna Petroleum Limited	265,175	163.80	43,435,665	51,168,717	-
	New Line Clothings Limited	4,282	14.80	63,374	40,023	-
	Olympic Industries Limited	2,987,898	165.00	493,003,170	859,263,564	859,263,564
	One Bank Limited	1,700,000	10.30	17,510,000	24,303,354	14,910,483
	Padma Oil Company Limited	109,544	192.20	21,054,357	25,735,997	23,645,128
	Prime Bank Limited	-	-	-	-	141,963,057
	Reckitt Benckiser Bangladesh Limited	11,268	3,193.30	35,982,104	18,222,861	18,222,861
	Renata Ltd	143,187	1,096.50	157,004,546	100,949,897	88,686,739
	Ring Shine Textiles Limited	130,689	10.30	1,346,097	1,136,422	-
	Runner Automobiles Limited	3,963	59.50	235,799	283,083	1,080,825
	Sea Pearl Beach Resort & Spa Limited	3,916	41.30	161,731	37,300	-
	Slico Pharmaceuticals Limited	8,022	30.30	243,067	72,930	-
	Silva Pharmaceuticals Limited	-	-	-	-	91,940
	SK Trims & Industries Limited	-	-	-	-	50,410
	Southeast Bank Limited	6,482,573	13.40	86,866,478	109,106,978	109,106,978
	Shahjibazar Power Company Limited	255,000	70.00	17,850,000	22,422,715	15,893,445
	Square Textile Mills Limited	982,180	31.00	30,447,580	44,948,965	-
	Square Pharmaceuticals Limited	1,250,000	190.00	237,500,000	279,123,055	262,706,576
	S.S. Steel Limited	-	-	-	-	134,920
	Summit Power Limited	4,835,994	36.30	175,546,582	204,512,820	86,999,885
	Titas Gas Transmission and Distribution Co. Ltd.	975,000	30.90	30,127,500	76,149,069	187,443,862
	Uttara Bank Limited	1,700,000	27.20	46,240,000	45,642,794	3,766,884
	VFS Thread Dyeing Limited	-	-	-	-	38,386
	Sub-Total (A)			4,099,389,719	4,606,079,332	4,194,268,750
	Unquoted (B)	No of share	Face Value	Market value/NAV	Cost/Book value	Cost/Book value
	Saleh Carpet Mills Limited	56,800	10	-	568,000	568,000
	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	11,610,851	10,000,000	10,000,000
	Central Depository Bangladesh Limited	2,284,721	10	79,353,942	6,277,770	6,277,770
	LankaBangla Securities Limited	97,828	10	1,810,438	5,000,000	5,000,000
	Sub-Total (B)				23,461,250	23,461,250



				2019 Taka	2018 Taka
Preference Shares (C)	No of share	Face Value	Market value/NAV	Cost/Book value	Cost/Book value
Raj Lanka Power Company Limited	9,696,969	10	96,969,695	96,969,695.00	135,757,573
Summit Barisal Power Company Limited	5,400,000	10	54,000,000	54,000,000.00	64,000,000
Summit Narayanganj Power Company Limited	3,000,000	10	30,000,000	30,000,000.00	36,000,000
Confidence Power Bogra Unit-2 Limited	7,500,000	10	75,000,000	75,000,000.00	-
Sub-Total (C)				255,969,695	235,757,573
Non Capital Market Investment Element (D)					
Investment Corporation of Bangladesh	57,638,498	10	949,649,126	949,649,126	949,649,126
Sub-Total (D)				949,649,126	949,649,126
Total (A+B+C+D)				5,835,159,403	5,403,136,699

6.3.1 Particulars of required provision for investment

	Market value/NAV at 31 Dec 2019	Cost/Book value at 31 Dec 2019	Required provision 2019	Required provision 2018
Quoted Shares	4,065,170,884	4,556,079,332	490,908,448	82,554,359
Mutual Fund	34,218,835	50,000,000	9,059,238	3,109,826
Unquoted Shares:				
Provision Required				
Saleh Carpet Mills Limited	-	568,000	568,000	568,000
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
Lanka Bangla Securities Limited	1,810,438	5,000,000	3,189,562	3,312,893
Provision not Required				
Karmasangsthan Bank	11,610,851	10,000,000	-	-
Preference Share				
Preferences Shares of Raj Lanka Power Company	96,969,695	96,969,695	-	-
Preferences Shares of Summit Barisal Power Company	54,000,000	54,000,000	-	-
Preferences Shares of Summit Narayanganj Power	30,000,000	30,000,000	-	-
Central Depository Bangladesh Limited	79,353,942	6,277,770	-	-
Confidence Power Bogra Unit-2 Limited	75,000,000	75,000,000	-	-
Non Capital Market Investment Element				
Investment Corporation of Bangladesh	949,649,126	949,649,126	-	-
	5,397,783,771	5,835,159,403	505,340,728	91,160,558
Bridge finance Advance	-	4,813,910	4,813,910	4,813,910
Debenture - at cost	-	344,060	344,060	344,060
Grand Total	5,397,783,771	5,840,317,373	510,498,698	96,318,528

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 Debentures 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
Saleh Carpet Industries Limited	50,000	50,000
Ahmed Jutex Mills Limited	75,000	75,000
Mirzaboo Steel Limited	89,000	89,000
	344,060	344,060

6.5 Bridge financing advances

Bridge financing advances (ICB sponsored)	4,813,910	4,813,910
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6.6 Maturity grouping of investments

Receivable on demand	5,039,969,039	4,622,046,157
Not more than 3 months	10,912,808,580	1,270,700,000
Over 3 months but not more than 1 year	12,742,573,784	985,400,000
Over 1 year but not more than 5 years	19,528,844,060	15,863,044,060
Over 5 years	52,379,666,272	34,919,050,833
	100,603,861,735	57,660,241,050

6.7 Investment classified as per Bangladesh Bank Circular

Treasury Bill - Held for trading (HFT)	20,674,682,364	-
Treasury Bond - Held to maturity (HTM)	58,771,613,897	37,740,810,580
Approved debenture - Held to maturity (HTM)	344,060	344,060
Other securities	21,157,221,414	19,919,086,410
	100,603,861,735	57,660,241,050

6.8 Repo and Reverse Repo

A.(i) Disclosure regarding outstanding repo as on 31 December 2019

Counter Party Name	Agreement Date	Reversal Date	Amount (1st leg cash consideration)
AB Bank Limited	30-12-2019	1/1/2020	481,732,000

A.(ii) Disclosure regarding outstanding Reverse repo as on 31 December 2019

Counter Party Name	Agreement Date	Reversal Date	Amount (1st leg cash consideration)
NIL	NIL	NIL	NIL

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

Particulars	Minimum Outstanding During the year	Maximum Outstanding During the year	2019	2018
			Taka	Taka
Securities sold under Repo:				
i) With Bangladesh Bank	240,419,208	1,792,589,400	22,117,657	
ii) With Other Banks and FIs	303,804,798	2,324,103,700	57,939,497	
Total	544,224,006	4,116,693,100	80,057,154	
Securities Purchased under Reverse Repo:				
i) From Bangladesh Bank	-	-	-	
ii) From Other Banks and FIs	130,825,297	6,725,209,148	708,732,095	
Total	130,825,297	6,725,209,148	708,732,095	

6(a) Consolidated Investments

1. Government

Pubali Bank Limited
Pubali Bank Securities Limited

79,473,544,362	37,761,946,381
79,473,544,362	37,761,946,381

2. Other

Pubali Bank Limited
Pubali Bank Securities Limited

21,130,317,373	19,898,294,669
6,503,153,698	6,468,603,756
27,633,471,071	26,366,898,425
107,107,015,433	64,128,844,806

7 Loans, advances and leases

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

272,941,903,845	256,105,316,076
14,092,770,183	14,804,193,113
287,034,674,028	270,909,509,189

7.1 Loans, cash credits, overdrafts, etc.

In Bangladesh:

Loans
Cash credits
Overdrafts
Loan against merchandise
Packing credits
Loan against trust receipts
Pubali prochesta
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

97,550,311,148	85,827,212,410
49,763,508,121	50,566,551,130
74,284,984,277	71,867,192,586
6,099,692	6,361,006
591,517,685	595,831,085
10,950,632,463	11,106,481,761
167,645,569	234,272,243
626,920	633,920
4,505,939,512	4,447,302,179
204,274,186	167,783,197
32,239,714	37,768,451
26,228,302	27,538,152
4,736,173,942	4,024,192,863
13,726,281,059	14,195,224,489
5,104,393,111	4,614,611,675
5,777,741,928	5,603,375,626
206,218,384	-
5,307,087,732	7,842,983,353
272,941,903,845	256,105,316,076

Outside Bangladesh

272,941,903,845	256,105,316,076
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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

20,258,698,430	16,033,431,947
78,693,400,793	64,283,873,976
76,751,003,287	92,710,899,424
65,102,269,208	60,232,437,684
32,136,532,127	22,844,673,045
272,941,903,845	256,105,316,076

7.2 Bills purchased and discounted

Payable in Bangladesh:

Loans against accepted bills
Loans against demand draft purchased

2,520,609,554	3,025,455,887
31,565	31,565
2,520,641,119	3,025,487,452

Payable outside Bangladesh:

Foreign bills purchased
Foreign draft purchased

11,572,129,064	11,778,705,661
11,572,129,064	11,778,705,661

14,092,770,183	14,804,193,113
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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

3,229,703	12,504,543
4,326,399,645	14,710,254,518
9,763,140,835	81,434,052
14,092,770,183	14,804,193,113

7.3 Loans and advances including bills purchased and discounted analysed in following broad categories

In Bangladesh

Loans
Cash credits
Overdrafts

151,414,052,566	136,697,059,812
49,763,508,121	50,566,551,130
74,284,984,277	71,867,192,586
275,462,544,964	259,130,803,528

Outside Bangladesh

11,572,129,064	11,778,705,661
287,034,674,028	270,909,509,189



	2019 Taka	2018 Taka
7.4 Loans and advances on the basis of significant customer concentration including bills purchased and discounted		
Advance to directors and others	-	249,148
Advance to officers and employees	3,321,215,690	3,086,977,905
Advance to customers group (note 7.9)	115,944,060,000	133,761,800,000
7.5 Industry wise distribution of loans and advances		
Agriculture	5,074,865,021	4,951,580,096
Jute	168,575,942	518,270,133
Textile	23,935,587,141	24,558,436,340
Ready-made garments	22,085,914,376	23,876,018,224
Steel & engineering	12,660,587,054	11,464,689,469
Ship breaking	2,602,223,875	2,009,755,772
Edible oil	7,989,163,454	7,182,697,938
Cement	4,456,437,094	3,430,992,782
Pharmaceuticals	7,158,350,362	4,797,084,497
Food & allied	19,965,844,624	16,255,499,977
Paper, paper products and packaging	1,255,827,228	787,729,099
Leather	240,637,690	269,945,423
Printing & Dyeing Industries	5,929,263,309	5,005,101,973
Others Manufacturing Industries	19,418,603,696	14,016,905,553
Energy and power	5,980,753,006	3,886,911,790
Hospitals, Clinics and other health services	4,987,101,291	4,558,051,552
Construction	15,177,399,072	9,378,335,209
Housing	12,458,441,341	12,340,968,191
Transport and communication	2,078,788,656	1,688,001,079
Others Service Industries	5,026,691,429	1,275,131,587
Trade & Commerce	57,783,551,123	64,555,235,349
NBFI (Non Bank Financial Institution)	5,871,385,678	6,466,179,871
NGO	8,128,987,937	8,462,693,292
Consumer Finance	26,762,459,052	24,470,164,214
Others	9,837,234,577	14,703,129,779
	287,034,674,028	270,909,509,189
7.6 Geographical location-wise distribution of loans and advances including bills purchased and discounted		
In Bangladesh - Urban		
Dhaka	183,142,499,801	132,016,051,240
Chattogram	40,145,532,910	40,315,177,001
Sylhet	8,568,557,170	8,760,277,778
Barishal	3,279,136,972	3,155,051,997
Khulna	6,449,358,010	7,265,136,210
Rajshahi	5,671,841,088	4,690,241,083
Rangpur	4,660,535,804	4,948,169,677
Mymensingh	5,570,099,407	5,163,605,246
	257,487,561,162	206,313,710,232
In Bangladesh - Rural		
Dhaka	4,351,216,430	31,429,132,431
Chattogram	4,162,017,827	3,906,259,584
Sylhet	2,756,636,916	6,331,794,544
Barishal	897,079,981	832,581,129
Khulna	2,596,230,941	2,467,861,311
Rajshahi	1,719,995,507	2,366,711,631
Rangpur	798,604,461	887,946,722
Mymensingh	693,201,739	4,594,805,944
	17,974,983,802	52,817,093,296
Outside Bangladesh (Foreign bills/drafts purchased)	11,572,129,064	11,778,705,661
	287,034,674,028	270,909,509,189
7.7 Sector-wise loans and advances including bills purchased and discounted		
Public sector	69,509,854	35,266,038
Private sector	286,886,693,428	270,768,367,281
Co-operative sector	78,470,746	105,875,870
	287,034,674,028	270,909,509,189
7.8 Security base-wise loans and advances including bills purchased and discounted		
Collateral of movable and immovable properties	168,896,142,632	152,698,809,814
Export documents	1,739,619,277	13,267,559,924
Fixed/ Term deposit receipts of own Bank	14,395,062,476	10,908,676,381
FDR of other banks	799,003,000	3,388,456,147
Government bonds	3,594,878	5,655,759
Corporate Guarantee	48,044,047,966	33,549,767,299
Personal guarantee	49,510,731,860	54,083,263,065
Other securities	3,646,471,919	3,007,320,800
	287,034,674,028	270,909,509,189



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 39,640,528,472 as at 31 December 2019.

Number of clients
Amount of outstanding loans/advances
Classified amount thereon
Measures taken for recovery
* Details shown in Annexure C

	2019 Taka	2018 Taka
	21	28
	115,944,060,000	133,761,800,000
	-	-
	-	-

Name of borrower

Max Group
Meghna Group
BRAC Group
Ha-Meem Group
Abul Khair Group
Project Builders Group
Pran Group
Sharmin Group
City Group
Paramount Group
GPH Group
Keya Group
Sena Kalyan Sangstha
Dirid Group
MSA Spinning Ltd
JMI Group
United Group
Sheema Group
City Seed Crushing Group
Envoy Group
BSRM Group
T K Group
Pakiza Group
Madina Group
Elite Group
Nitol Niloy Group
DBL group
KSRM Steel Plant Ltd.
ACI Group
AA Yarn Mills Ltd.
Envoy Textiles Ltd.

8,816,400,000	7,658,100,000
8,423,200,000	8,267,400,000
7,621,100,000	4,865,400,000
7,024,900,000	3,933,900,000
6,110,100,000	5,553,000,000
5,805,800,000	5,471,200,000
5,772,700,000	5,195,400,000
5,732,600,000	4,593,200,000
5,681,900,000	6,823,500,000
5,598,100,000	6,127,800,000
5,413,360,000	3,973,800,000
5,364,400,000	5,460,600,000
4,709,900,000	4,007,900,000
4,453,200,000	5,254,500,000
4,427,400,000	4,068,100,000
4,281,800,000	3,914,100,000
4,272,700,000	-
4,149,700,000	3,483,700,000
4,118,800,000	4,444,600,000
4,091,200,000	-
4,074,800,000	4,889,100,000
-	3,806,000,000
-	4,700,500,000
-	3,547,700,000
-	-
-	4,390,800,000
-	4,337,400,000
-	3,911,200,000
-	3,722,800,000
-	3,695,100,000
-	3,665,000,000
115,944,060,000	133,761,800,000

7.10 Classification of loans and advances including bills purchased and discounted

Unclassified:

Standard
Special mention account (SMA)

259,875,309,413	248,456,217,358
11,277,548,452	4,588,047,818
271,152,857,865	253,044,265,176

Classified:

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

1,976,721,770	635,195,820
408,972,198	315,343,863
10,174,906,505	13,827,726,425
12,580,600,473	14,778,266,108
3,321,215,690	3,086,977,905
287,034,674,028	270,909,509,189

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)

183,427,372,143	1	1,834,273,722	1,791,518,276
56,192,306,635	0.25	140,480,767	127,663,243
55,584,584	2	1,111,692	957,833
338,341,639	1	3,383,416	5,128,588
26,155,493	2	523,110	970,722
201,039,300	2	4,020,786	3,313,674
14,860,767,816	5	743,038,391	650,348,046
4,773,741,803	1	47,737,418	44,571,613
2,838,586,337	0.25	7,096,466	3,904,772
344,222	2	6,884	26,678
191,615,680	5	9,580,784	113,687,380
7,211,976	1	72,120	861,013
3,603,098	2	72,062	41,211
7,208,201,376	1	72,082,014	6,558,258
		2,863,479,632	2,749,551,307

Provision to be kept as per Bangladesh Bank Inspection Team instruction against stay order given by Hon'ble High Court.

1,264,510,000	852,034,000
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* Additional provision maintained as per Bangladesh Bank Instruction

-	399,946,032
4,127,989,632	4,001,531,339

Specific provision - Classified

Substandard (Agri & Micro credit)
Substandard
Doubtful (Agri & Micro credit)
Doubtful
Bad/Loss

2,458,501	5	122,925	804,914
1,222,448,550	20	244,489,710	63,964,981
11,239,050	5	561,953	44,974
182,682,581	50	91,341,291	85,865,763
11,093,431,288	100	11,093,431,288	8,659,688,029
		11,429,947,167	8,810,368,661

Total Required provision (see below)

15,557,936,799	12,811,900,000
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Provision maintained (note 14.1)

15,559,760,000	12,811,900,000
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Excess provision

1,823,201	-
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	2019 Taka	2018 Taka
7.12 Particulars of loans and advances		
(i) Loans considered good in respect of which the bank is fully secured.		
(ii) Loans considered good for which the bank holds no other security than the debtors' personal security	184,093,803,006	180,269,158,025
(iii) Loans considered good being secured by the personal security of one or more parties in addition to the personal security of the debtors.	22,811,678,642	56,071,879,650
(iv) Loans adversely classified; provision not maintained there against	80,129,192,380	34,568,471,514
	287,034,674,028	270,909,509,189
(v) Loans due by directors or officers of the bank or any of them either severally or jointly with any other persons	3,321,215,690	3,087,227,053
(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.	3,321,215,690	3,087,227,053
(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) Loans due from banking companies	5,871,385,678	6,466,179,871
(x) Amount of classified loan on which interest /Profit has not been charged as follows		
a) Increase / (decrease) of provision (specific)	1,223,493,704	(4,313,307,393)
b) Amount written off debt	(1,210,223,850)	(3,014,032,588)
c) Amount of debt recovered against the debt which was previously written off	81,836,802	38,256,423
d) Amount of Provision kept against loans classified as bad or loss	11,093,431,288	8,659,688,029
e) Amount of Interest credited in suspense account	3,414,216,268	2,312,889,947
(xi) Cumulative amount of written off Loans		
Opening Balance	15,433,885,521	12,419,852,933
Amount of written off during the current year	1,210,223,850	3,014,032,588
	16,644,109,371	15,433,885,521
(xii) Amount of written off loans for which law suit has been filed for recovery	16,644,109,371	15,433,885,521
As per BRPD circular no. 5 (section 2, 3) dated 15 May 2019, waived interest must be transferred to separate blocked account (non-interest bearing) and after having full payment of rescheduled amount as per approved terms & conditions, amount in the blocked accounts will be waived. The waived interest suspense amount has to transferred to separate block account and uncharged interest through a separate register in bank's core banking system		
7.13 Lease finance:		
Lease rental receivable within 1 year	2,135,991,220	2,674,183,474
Lease rental receivable within 5 years	4,809,104,088	3,831,197,736
Lease rental receivable after 5 years	180,475,542	115,304,480
Total lease rental receivable	7,125,570,850	6,620,685,690
Less : Un-earned interest receivable	(1,347,828,922)	(1,017,310,064)
Net Lease finance	5,777,741,928	5,603,375,626
7(a) Consolidated Loans, Advances and Leases Loans, cash credits, overdrafts, etc.		
Pubali Bank Limited	272,941,903,845	256,105,316,076
Pubali Bank Securities Limited	578,385,912	585,117,099
	273,520,289,757	256,690,433,175
Bills purchased and discounted		
Pubali Bank Limited	14,092,770,183	14,804,193,113
Pubali Bank Securities Limited	-	-
	14,092,770,183	14,804,193,113
	287,613,059,940	271,494,626,288
8 Fixed Assets including premises, furniture & Fixtures		
Cost		
Land	2,253,745,642	2,254,495,642
Building	932,181,493	908,092,261
Vehicles	308,794,861	284,685,916
Machinery and equipment	956,239,191	774,201,333
Computer & Computer Accessories	1,255,793,507	1,151,306,688
Furniture and fixtures	804,489,289	709,482,441
Right Of Use (ROU) Assets as per IFRS-16	1,564,590,118	-
	8,075,834,101	6,082,264,281
Accumulated Depreciation	(2,928,931,942)	(2,332,053,102)
	5,146,902,159	3,750,211,179



	2019 Taka	2018 Taka
Intangible Assets		
Cost		
Computer Software	340,831,979	325,927,379
Accumulated Depreciation	(306,931,048)	(293,790,935)
Net book value at the end of the year	33,900,931	32,136,444
	5,180,803,090	3,782,347,623

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 values in 1986, 1992, 1996, 2006 and 2010 respectively, on land and buildings of the Bank at different locations. The above stated revaluation surplus amounts have been credited to capital reserve. Further details of above assets are shown in Annexure A.

8(a) Consolidated Fixed Assets including premises, furniture & fixtures

	2019 Taka	2018 Taka
Cost		
Pubali Bank Limited	8,416,666,080	6,408,191,660
Pubali Bank Securities Limited	10,239,167	8,626,391
	8,426,905,247	6,416,818,051
Less: Accumulated Depreciation		
Pubali Bank Limited	(3,235,862,990)	(2,625,844,037)
Pubali Bank Securities Limited	(5,373,088)	(7,020,330)
	(3,241,236,078)	(2,632,864,367)
	5,185,669,169	3,783,953,684

9 Other Assets

Interest accrued on investments	1,807,097,101	1,668,462,388
Accrued income on loans & advances	272,335,596	263,840,097
Investment in SWIFT AC	3,387,591	3,387,591
Advance security deposit, advance rent and prepaid expenses	113,443,759	273,263,628
Investment in Subsidiary Company	6,599,998,700	6,599,998,700
Stock dealing account	83,831,178	201,451,496
Stationery and stamps	99,588,895	75,918,940
Drafts payable	17,589,526	19,763,417
Sanchaypatra	78,967,851	-
Suspense account (note 9.1)	295,551,874	352,686,540
Demonetized notes (note 9.2)	1,903,830	1,903,830
Items in transit (note 9.3)	5,240,523,069	3,910,178,215
Advance against Income tax (note 9.4)	27,801,296,414	25,360,190,835
Clearing house adjustment	856,821	4,939,349
Others (note 9.5)	3,562,388	7,879,385
	42,419,934,593	38,743,864,411

9.1 Suspense Account

Suspense account general	211,763,171	263,941,492
Suspense law	1,001,987	999,269
Protested bills	82,786,716	87,745,779
	295,551,874	352,686,540

9.2 Demonetized Notes :TK. 1,903,830

This relates to demonetized notes lying with Bangladesh Bank, after due reimbursement.

9.3 Items in Transit: TK. 5,240,523,069

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 31.12.2019 (Base date: 31.05.2020)

Period of un-reconciliation	Number of Un-responded entries		Un-responded entries (Amount in Taka)	
	Debit	Credit	Debit	Credit
up to 3 months	-	2	-	112,500
Over 3 months but within 6 months	-	-	-	-
Over 6 months but within 1 year	-	-	-	-
Over 1 year but within 5 years	1	-	100	-
Over 5 years	499	457	7,859,015	4,607,638

9.4 Advance Income Tax

Balance at the beginning of the year	25,360,190,835	22,778,223,619
Paid during the year	2,441,105,579	2,581,967,216
Settlement of previous years tax liability	-	-
Balance at the end of the year	27,801,296,414	25,360,190,835

9.5 Others

Property account	162,129	162,129
Accrued interest overdue under CLS	-	4,316,997
Delayed charges of lease rental	45,906	45,906
Interest Subsidy	9,000	9,000
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
	3,562,388	7,879,385



	2019 Taka	2018 Taka
9.6 Classification of other assets		
Unclassified (UC)	42,322,773,762	38,646,400,517
Substandard (SS)	-	-
Doubtful (DF)	-	773,000
Bad or Loss (BL)	97,160,831	96,690,894
	42,419,934,593	38,743,864,411
9.7 Particulars of provision for other assets		

Status of Classification	Base for provision	Rate of Provision (%)	
Doubtful (DF)	-	50	386,500
Bad or Loss (BL)	97,160,831	100	96,690,894
Required provision			97,077,394
Provision maintained (note 14)			404,371,239
Excess provision			307,210,408
			295,424,196
9(a) Consolidated Other Assets			
Pubali Bank Limited			42,419,934,593
Pubali Bank Securities Limited			289,357,759
			42,709,292,352
Less: Inter company Transactions			(83,844,988)
Pubali Bank Securities Limited			(6,599,998,700)
			(6,683,843,688)
			36,025,448,664
			32,170,138,377
10 Non-banking Assets			
Assets of United Bank of India Ltd. (located in Brahmanbaria, Chandpur, Comilla, Barishal, Sadarghat -Dhaka)			375,246
			375,246
11 Borrowings from other Banks, Financial Institutions and Agents			
In Bangladesh (note 11.1)			510,555,400
Outside Bangladesh (note 11.2)			16,459,792,905
			16,970,348,305
			17,152,358,128
11.1 In Bangladesh			
Borrowing from Bangladesh Bank			
			510,555,400
			510,555,400
Call loan borrowing from other banks			
Sonali Bank Limited			-
Bank Asia Limited			-
NRBC Bank Limited			-
Premier Bank Limited			-
			510,000,000
			100,000,000
			100,000,000
			400,000,000
			1,110,000,000
FDR borrowing from other Bank			
Bangladesh Krishi Bank			-
Southeast Bank Ltd.			-
			400,000,000
			251,700,000
			510,555,400
			1,761,700,000
11.2 Outside Bangladesh			
In demand deposit accounts (non-interest bearing)			-
Placement/ Borrowing from Outside Bangladesh			16,459,792,905
			16,459,792,905
			15,390,658,128
11.3 Security against borrowing from other banks, financial institutions and agents			
Secured			16,970,348,305
Unsecured			-
			1,761,700,000
			16,970,348,305
			17,152,358,128
11.4 Maturity grouping of borrowing from other banks, financial institutions and agents			
Payable on demand			-
Payable within 1 month			2,338,452,752
Over 1 month but within 6 months			5,631,340,153
Over 6 months but within 1 year			8,490,000,000
Over 1 year but within 5 years			-
Over 5 years and above			-
			510,555,400
			16,970,348,305
			17,152,358,128
12 Subordinated bonds			
Agrani Bank Limited			4,000,000,000
Janata Bank Limited			1,000,000,000
Rupali Bank Limited			1,000,000,000
Sonali Bank Limited			2,000,000,000
Uttara Bank Limited			1,000,000,000
			9,000,000,000
			5,000,000,000
13 Deposits and other accounts			
Inter-bank deposits			712,700,000
Other deposits			358,706,194,691
			359,418,894,691
			308,899,774,685



	2019 Taka	2018 Taka
13.1 Details of deposits and other accounts		
Current deposits and other accounts :		
Current account	39,256,676,898	35,611,411,355
Cash credit A/C. (Cr. Balance)	526,545,827	615,362,595
Overdraft earnest money (Cr. Balance)	-	11,612
Pubali Prochesta (Cr. Balance)	5,825,454	14,378,083
Credit card A/C	1,860,689	1,880,445
Call deposits	14,882,697	15,032,459
Foreign currency deposits	1,180,760,569	1,836,200,832
Un-claimed drafts payable	3,564	3,564
Un-claimed dividend	18,914	18,914
Unclaimed deposits FDD A/C	17,369,649	16,921,163
	<u>41,003,944,261</u>	<u>38,111,221,022</u>
Bills payable (note 13.1.1)	<u>14,602,544,955</u>	<u>11,661,553,322</u>
Savings Bank accounts	<u>82,675,389,187</u>	<u>74,891,249,250</u>
Term deposits :		
Fixed deposits - from customers	94,828,461,687	78,259,693,181
Special Notice Deposits	44,182,822,160	36,512,027,366
Deposit pension scheme	1,252,804	1,144,232
Interest payable on term deposit	4,138,130,920	3,286,544,193
Pubali pension scheme	31,742,278,118	25,330,890,689
Pubali sanchay prakalpa	3,130,057,982	2,962,408,355
Dwigun Sanchay Prokalpa	20,137,272,150	20,163,775,292
Target Based Small Deposit (Pubali shoppopuron)	6,860,144,870	4,510,828,477
Monthly profit base deposit	3,260,424,251	2,755,626,321
Monthly Profit Based Small Deposit (Pubali shadhin sonchoy)	4,983,648,938	3,741,026,879
Shikhya sanchay prokalpa	212,321,817	202,707,517
	<u>213,476,815,697</u>	<u>177,726,672,502</u>
Other deposits	<u>7,660,200,591</u>	<u>6,509,078,589</u>
	<u>359,418,894,691</u>	<u>308,899,774,685</u>
13.1.1 Bills Payable		
Payment orders issued	14,513,732,497	11,453,244,514
Demand Drafts	88,812,458	110,949,056
Sanchayapatra	-	97,359,752
	<u>14,602,544,955</u>	<u>11,661,553,322</u>
13.2 Maturity analysis of inter-bank deposits		
Payable on demand	123,868,126	246,641,999
Payable within 1 month	72,271,832	143,905,214
Over 1 month but within 6 months	516,560,042	1,028,556,787
Over 6 months but within 1 year	-	-
Over 1 year but within 5 years	-	-
Over 5 years and above	-	-
	<u>712,700,000</u>	<u>1,419,104,000</u>
13.3 Maturity analysis of other deposits		
Payable on demand	21,214,025,564	18,184,527,909
Payable within 1 month	26,269,025,229	19,750,315,463
Over 1 month but within 6 months	89,565,682,842	84,154,670,282
Over 6 months but within 1 year	77,516,392,490	70,136,327,112
Over 1 year but within 5 years	36,916,373,619	37,179,132,953
Over 5 years and above	107,224,694,946	78,075,696,966
	<u>358,706,194,691</u>	<u>307,480,670,685</u>
	<u>359,418,894,691</u>	<u>308,899,774,685</u>
13 (a) Consolidated Deposits and other accounts		
Pubali Bank Limited	359,418,894,691	308,899,774,685
Pubali Bank Securities Limited	-	-
Inter Company Transactions	<u>359,418,894,691</u>	<u>308,899,774,685</u>
	<u>(989,804,123)</u>	<u>(896,360,657)</u>
	<u>358,429,090,568</u>	<u>308,003,414,028</u>



	2019 Taka	2018 Taka
14 Other Liabilities		
Accumulated provision for loans and advances (note 14.1.1.1)	10,444,281,098	7,889,705,857
Accumulated provision for consumers loan (note 14.1.1.2)	914,894,251	857,690,537
Accumulated provision for demand loan pubali star (note 14.1.1.3)	70,771,818	62,972,267
	11,429,947,167	8,810,368,661
Provision for unclassified loans and advances (note 14.1.2)	4,129,812,833	4,001,531,339
Provision @1% against off-balance sheet exposure (note 14.2)	986,400,000	930,000,000
Accumulated interest suspense (note 14.4)	3,414,216,268	2,312,889,947
Provision for rebate on good borrower	17,888,383	18,104,154
Provision for doubtful investment (note 14.3)	510,550,000	96,350,000
Additional profit payable A/C for Islamic banking	1,646,591	1,661,787
I.B. bad debt offsetting reserve	10,703,834	9,396,569
Compensation realised account	2,174,091	-
Compensation realisable account	13,674,963	-
Interest suspense on underwriting advances	234,170,921	235,599,888
CLS interest A/C	4,105,800	3,707,692
unclaimed amount in ATMS	48,000	-
Imprest A/C Duty draw back	-	200
Consumers deposits	250,548,026	230,697,526
Lease rental receivable	-	47,988
Unpaid dividend	675,231	675,231
Special blocked account (note 14.5)	1,587,720	1,587,720
Provision for Current Tax (note 14.6)	31,313,635,515	28,286,610,822
Provision for Deferred Tax (note 14.6.1)	91,920,888	66,068,350
Valuation adjustment	267,423,252	208,961,500
Exchange adjustment account (note 14.7)	28,666,878	28,666,878
Agri credit guarantee backing reserve (note 14.8)	70,261,300	70,261,300
Excise duty	25	1,129,450
Pakistan account (note 14.9)	8,393,039	8,393,039
Pension fund (note 14.10)	1,570,883	1,570,883
I/C cover account in Bangladesh	1,583,640	1,583,640
EDF adjustment	5,511,163,652	4,468,154,451
Pubali Bank Adjustment	171,639,703	136,135,452
Sadaqah fund	17,508,205	8,271,165
Card transaction fee (inter bank)	2,539,840	1,977,945
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	132,687,056	133,107,232
Unearned Interest income on ISW	2,253,297	16,598,143
Interest payable on Subordinated Bond	28,000,000	15,000,000
Lease Liabilities as per IFRS-16	935,745,388	-
Non resident blocked account of UBI	34,487	34,487
	48,183,808,713	41,315,353,782
Provision for expenses:		
(i) auditors' fees	2,102,500	2,102,500
(ii) advertisement	1,600,000	1,000,000
(iii) bonuses	186,511,850	648,812,000
(iv) others	205,548,131	144,118,010
	395,762,481	796,632,510
Provision for other assets:		
Suspense account (note 14.11)	63,714,468	63,714,468
Demonetized notes (note 14.12)	989,740	989,740
Provision for Un-reconciled General Account debit entries (note 14.13)	13,724,657	13,724,657
ICT Asset Insurance reserve	20,434,763	19,739,582
Reserve for unforeseen losses	285,918,364	241,133,143
Provision for Customers liability and Others	19,589,247	53,200,000
	404,371,239	397,501,590
	60,413,889,600	51,314,856,543
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	7,889,705,857	9,197,609,121
Fully provided debts written off during the year	(1,176,454,517)	(2,677,852,294)
Recoveries of amounts previously written off	69,564,845	38,256,423
Provision transferred in/(out) during the year	1,136,278,602	-
Provision for off balance sheet transferred in during the year	-	35,000,000
Specific provision for the year	7,525,186,311	1,301,692,607
14.1.1.1 Provision for general loans and advances	10,444,281,098	7,889,705,857
Provision for consumers loan held at the beginning of the year	857,690,537	844,097,944
Recoveries from risk fund	52,538,745	94,277,777
Amount paid to Agent commission	(7,606,988)	(2,760,863)
Fully provided debts written off during the year	-	(80,215,354)
Recoveries of amounts previously written off	12,771,957	2,296,033
14.1.1.2 Provision for consumers loan held at the beginning of the year	914,894,251	857,690,537
14.1.1.3 Accumulated provision for demand loan pubali star	70,771,818	62,972,267
Provision held at the end of the year	11,429,947,167	8,810,368,661
14.1.2 General provision for unclassified loans and advances		
Provision held at the beginning of the year	4,001,531,339	2,312,030,236
Provision made during the year	1,264,560,096	1,689,501,103
Provision Transferred in/(out) during the year	(1,136,278,602)	-
Provision held at the end of the year	4,129,812,833	4,001,531,339
	15,559,760,000	12,811,900,000



	2019 Taka	2018 Taka
14.2 Provision for exposure against off balance sheet items		
Provision held at the beginning of the year	930,000,000	911,300,000
Provision transferred out during the year	-	(35,000,000)
Provision made during the year (note 38)	56,400,000	53,700,000
Provision held at the end of the year	986,400,000	930,000,000
14.3 Provision for doubtful investment		
Provision held at the beginning of the year	96,350,000	23,750,460
Provision made during the year (note 39)	414,200,000	72,599,540
Provision held at the end of the year	510,550,000	96,350,000
14.4 Interest suspense account		
Balance at the beginning of the year	2,312,889,947	2,164,617,779
Amount transferred during the year	1,531,415,225	895,044,571
Amount recovered during the year	(396,319,571)	(492,504,134)
Amount written off during the year	(33,769,333)	(254,268,269)
Balance at the end of the year	3,414,216,268	2,312,889,947
14.5 Special blocked account: Tk. 1,587,720		
This represents refundable balance exceeding Tk.8,000 primarily disbursed to each depositor originated from reimbursement of demonetized notes by Bangladesh Bank in the year 1975. The amount is repayable to depositor after receipt of value of demonetized notes deposited to Bangladesh Bank.		
14.6 Provision for Current tax		
Balance at the beginning of the year	28,286,610,822	26,013,816,910
Provision made for previous years	-	-
Provision made for current year	3,027,024,693	2,261,741,206
Provision transferred in from deferred tax (note 14.6.1)	-	11,052,706
	3,027,024,693	2,272,793,912
Settlement of previous years tax liability	-	-
Balance at the end of the year	31,313,635,515	28,286,610,822
The status of corporate income tax of the Bank has been shown in Annexure B.		
14.6 (a) Consolidated Provision for Current tax		
Pubali Bank Limited	3,027,024,693	2,272,793,912
Pubali Bank Securities Limited	80,593,786	75,053,898
	3,107,618,479	2,347,847,810
14.6.1 Provision for deferred tax		
Balance at the beginning of the year	66,068,350	77,121,056
Provision made during the year (note 14.6.1.1)	25,852,538	-
Provision transferred to Current tax (note 14.6)	-	(11,052,706)
Provision held at the end of the year	91,920,888	66,068,350
Provision for deferred tax has been previously created for taxable temporary differences. Excess amount of deferred tax no longer required has been reversed during the year through profit and loss adjusted against current tax.		
14.6.1.1 Deferred Tax on Fixed Assets		
Carrying amount	4,022,867,188	3,782,347,623
Tax Base	3,777,744,819	3,606,165,356
Deductible/(taxable) temporary difference	245,122,369	176,182,267
Tax Rate	37.50%	37.50%
Closing Deferred tax assets/(Liabilities)	(91,920,888)	(66,068,350)
Opening Deferred tax assets/(Liabilities)	(66,068,350)	(77,121,056)
Deferred tax (expense)/Income	(25,852,538)	11,052,706
14.6.1 (a) Consolidated Provision for deferred tax		
Pubali Bank Limited	25,852,538	(11,052,706)
Pubali Bank Securities Limited	475,101	3,673
	26,327,639	(11,049,033)
14.6.1 (b) Consolidated provision for deferred tax (Accumulated)		
Balance at the beginning of the year	65,730,743	76,779,776
Provision transferred to Current tax	-	(11,052,706)
Provision made during the year	26,327,639	3,673
Provision held at the end of the year	92,058,382	65,730,743
14.6.2 Tax Provision made during the Year		
Current Tax	3,027,024,693	2,272,793,912
Deferred Tax	25,852,538	(11,052,706)
	3,052,877,231	2,261,741,206
14.7 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.		
14.8 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.		
14.9 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.		



	2019 Taka	2018 Taka
14.10 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.		
14.11 Provision for suspense: Provision at the beginning of the year	63,714,468	63,714,468
Provision made during the year	-	-
Provision at the end of the year	<u>63,714,468</u>	<u>63,714,468</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.

14.12 Provision for demonetized notes:TK. 989,740
This is as per accounts of earlier years. Representing provision out of demonetized notes of Tk. 1,903,830 of 1975 which remains unsettled with Bangladesh Bank.

14.13 Provision for Un-reconciled General Account debit entries

Period of un-reconciliation	Amount	Base for Provision (%)	Provision Required	
			2019	2018
Upto 12 months	-	-	-	-
12 months above but less than 24 months	-	50%	-	-
24 months and above	7,859,115	100%	7,859,115	7,859,115
Required provision			7,859,115	7,859,115
Provision maintained			13,724,657	13,724,657
Excess provision			<u>5,865,542</u>	<u>5,865,542</u>

14(a) Consolidated other liabilities		
Pubali Bank Limited	60,413,889,600	51,314,856,543
Pubali Bank Securities Limited	1,916,174,188	1,749,660,374
Inter company payables	(83,844,988)	(201,465,306)
	<u>62,246,218,800</u>	<u>52,863,051,611</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
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>9,983,439,010</u>

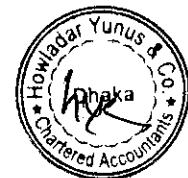
All shares have been converted to Tk. 10 each in EGM held on 15 July 2010.

15.3 Paid up capital as per shareholders category

Particular	2019			2018
	No. of share	Percentage (%)	Amount	Amount
Directors	308,493,337	30.00%	3,084,933,370	3,107,699,740
Co-operative societies	9,304,816	0.90%	93,048,160	96,134,670
Banks and financial institutions	43,265,702	4.21%	432,657,020	383,553,270
Government	2,482	0.0002%	24,820	24,100
Other institutions	224,230,451	21.81%	2,242,304,510	2,110,931,570
Non resident Bangladeshi	10,184,543	0.99%	101,845,430	139,344,460
General public	432,812,887	42.09%	4,328,128,870	4,145,751,200
	<u>1,028,294,218</u>	<u>100.00%</u>	<u>10,282,942,180</u>	<u>9,983,439,010</u>

15.4 Range wise shareholdings

Range wise shareholdings	2019			2018
	Number of shareholders	Percentage of holding of shares (%)	Number of Shares	Number of Shares
Up to 500 shares	26,429	0.32%	3,343,117	3,817,605
501 to 5,000 "	13,713	2.20%	22,589,312	27,164,258
5,001 " 10,000 "	1,528	0.94%	9,643,759	7,972,524
10,001 " 20,000 "	660	0.87%	8,957,261	9,617,898
20,001 " 30,000 "	194	0.45%	4,650,677	7,480,110
30,001 " 40,000 "	186	0.59%	6,046,368	4,058,685
40,001 " 50,000 "	68	0.29%	2,986,649	3,422,416
50,001 " 100,000 "	242	1.82%	18,707,990	19,952,012
100,001 and above	332	92.52%	951,369,085	914,858,393
	<u>43,352</u>	<u>100.00%</u>	<u>1,028,294,218</u>	<u>998,343,901</u>



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 2019 was Taka 28,728,999,508 as against available going - concern capital of Taka 25,524,315,639 and gone - concern capital of Taka 14,116,212,833 making a total regulatory capital of Taka 39,640,528,472 thereby showing a surplus regulatory capital /equity of Taka 10,911,528,964 at that date. Details are shown below:

	2019 Taka	2018 Taka
Total assets including off-balance sheet items	582,856,183,439	513,448,013,228
Total risk-weighted assets	287,289,995,075	284,659,504,389
Required Capital (10% of risk weighted assets)	28,728,999,508	28,465,950,439
Regulatory capital held :		
i) Going - concern capital (Tier-1) (note 15.5.1)	25,524,315,639	24,394,177,597
ii) Gone - concern capital (Tier-2) (note 15.5.2)	14,116,212,833	10,253,348,062
Total Regulatory Capital Surplus /(Deficit)	39,640,528,472	34,647,525,659
CRAR Based on Basel III Framework:	13.80%	12.17%
Capital Requirement :	Held	Held
Tier-1 (Minimum CET-1 @ 4.50%)	8.88%	8.57%
Tier-2 (Maximum upto 4% of total RWA or 88.89% of CET-1 which ever is higher) Balancing	4.91%	3.60%
Total	13.80%	12.17%
15.5.1 Going - concern capital (Tier-1)		
Paid-up Capital	10,282,942,180	9,983,439,010
Statutory Reserve	10,283,000,000	9,983,500,000
General Reserve	5,005,201,654	4,458,714,508
	25,571,143,834	24,425,653,518
Reciprocal crossholdings in the CET -1 capital of banking , financial and insurance entities	46,828,195	31,475,921
	25,524,315,639	24,394,177,597
15.5.2 Gone - concern capital (Tier-2)		
General provision (Unclassified loans + off-balance sheet exposure)	5,116,212,833	4,931,531,339
Subordinated debt/ instruments issued by the Bank	9,000,000,000	5,000,000,000
Asset revaluation Reserve up to 50% as on 31 December 2014	1,449,354,627	1,449,354,627
Revaluation Reserve for equity instruments up to 10% as on 31 December 2014	141,678,310	141,678,310
Revaluation reserve for securities upto 50% as on 31 December 2014	18,050,676	18,050,676
	15,725,296,446	11,540,614,952
Regulatory adjustment		
Revaluation reserve for fixed asset, securities & equipment as on 31 December 2014	(1,609,083,613)	(1,287,266,890)
	14,116,212,833	10,253,348,062
Total Regulatory Capital Maintained	39,640,528,472	34,647,525,659
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 2019 was Taka 28,818,925,035 as against available going - concern capital of Taka 25,216,407,353 and gone - concern capital of Taka 14,116,212,833 making a total regulatory capital of Taka 39,332,620,186 thereby showing a surplus regulatory capital /equity of Taka 10,513,695,151 at that date. Details are shown below:		
Total assets including off-balance sheet items	583,548,103,199	513,929,614,110
Total risk-weighted assets	288,189,250,352	287,239,377,986
Required Capital (10% of risk weighted assets)	28,818,925,035	28,723,937,799
Regulatory capital held :		
i) Going - concern capital (Tier-1) (note 15.5.3)	25,216,407,353	24,031,244,452
ii) Gone - concern capital (Tier-2) (note 15.5.4)	14,116,212,833	10,253,348,062
Total Regulatory Capital Surplus /(Deficit)	39,332,620,186	34,284,592,514
CRAR Based on Basel III Framework:	13.65%	11.94%
Capital Requirement :	Held	Held
Tier-1 (Minimum CET-1 @ 4.50%)	8.75%	8.37%
Tier-2 (Maximum upto 4% of total RWA or 88.89% of CET-1 which ever is higher) Balancing	4.90%	3.57%
Total	13.65%	11.94%
15.5.3 Going - concern capital (Tier-1)		
Paid-up Capital	10,282,942,180	9,983,439,010
Statutory Reserve	10,283,000,000	9,983,500,000
General Reserve	4,854,595,456	4,288,480,105
	25,420,537,636	24,255,419,115
Reciprocal crossholdings in the CET -1 capital of banking , financial and insurance entities	204,130,283	224,174,663
	25,216,407,353	24,031,244,452
15.5.4 Gone - concern capital (Tier-2)		
General provision (Unclassified loans + off-balance sheet exposure)	5,116,212,833	4,931,531,339
Subordinated debt/ instruments issued by the Bank	9,000,000,000	5,000,000,000
Asset revaluation Reserve up to 50% as on 31 December 2014	1,449,354,627	1,449,354,627
Revaluation Reserve for equity instruments up to 10% as on 31 December 2014	141,678,310	141,678,310
Revaluation reserve for securities upto 50% as on 31 December 2014	18,050,676	18,050,676
	15,725,296,446	11,540,614,952
Regulatory adjustment		
Revaluation reserve for fixed asset, securities & equipment as on 31 December 2014	(1,609,083,613)	(1,287,266,890)
	14,116,212,833	10,253,348,062
Total Regulatory Capital Maintained	39,332,620,186	34,284,592,514



2019
Taka

2018
Taka

15.6 Particulars of shareholding of the directors

Sl.No	Name of the directors	Status	2019		2018		
			No of shares	Amount (Tk)	No of shares	Amount (Tk)	
1	Mr. M. Azizul Huq	Chairman					
2	Mr. Moniruddin Ahmed	Director	33,596,545	335,965,450	32,520,918	325,209,180	
3	Mr. Habibur Rahman	Director	20,581,213	205,812,130	19,981,761	199,817,610	
4	Mr. Monzurur Rahman	Director	20,566,639	205,666,390	19,967,611	199,676,110	
5	Mr. Fahim Ahmed Faruk Chowdhury	Director	21,101,586	211,015,860	20,486,977	204,869,770	
6	Ms. Rumana Sharif	Director	Nominated by Delta Life Insurance Co. Ltd.	51,418,707	514,187,070	49,921,076	499,210,760
			Personal	256,417	2,564,170	248,950	2,489,500
7	Mr. M. Kabiruzzaman Yaqub FCMA (UK), CGMA	Director	20,568,691	205,686,910	19,969,604	199,696,040	
8	Mr. Musa Ahmed	Director	20,615,794	206,157,940	20,015,334	200,153,340	
9	Mr. Azizur Rahman	Director	22,352,148	223,521,480	21,701,115	217,011,150	
10	Mr. Md. Abdur Razzak Mondal	Director	Nominated by That's It fashions Ltd.	35,990,157	359,901,570	34,941,900	349,419,000
			Personal	-	-	-	-
11	Ms. Rana Laila Hafiz	Director	20,565,889	205,658,890	-	-	
11	Mr. Arif Ahmed Choudhury	Director	20,566,364	205,663,640	19,967,345	199,673,450	
12	Mr. Asif Ahmed Choudhury	Director	20,569,604	205,696,040	19,970,491	199,704,910	
13	Dr. Shahdeen Malik	Independent Director	-	-	-	-	
15	Mr. Syed Moazzem Hussain	Ex. Director	-	-	31,325,842	313,258,420	
			308,749,754	3,087,497,540	311,018,924	3,110,189,240	

15.7 Related party disclosures

15.7.1 Particulars of directors and their shareholding in the Bank

Sl NO.	Name of the Directors	Designation	Percentage of shareholding at 31 Dec 2019	Percentage of shareholding at 31 Dec 2018
1	Mr. M. Azizul Huq	Chairman	-	-
2	Mr. Moniruddin Ahmed	Director	3.27	3.26
3	Mr. Habibur Rahman	Director	2.00	2.00
4	Mr. Monzurur Rahman	Director	2.00	2.00
5	Mr. Fahim Ahmed Faruk Chowdhury	Director	2.05	2.05
6	Ms. Rumana Sharif	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	Nominated by That's It fashions Ltd.	3.50	3.50
		Personal	-	-
11	Ms. Rana Laila Hafiz	Director	2.00	-
12	Mr. Arif Ahmed Choudhury	Director	2.00	2.00
13	Mr. Asif Ahmed Choudhury	Director	2.00	2.00
14	Dr. Shahdeen Malik	Independent Director	-	-
15	Mr. Syed Moazzem Hussain	Ex. Director	-	3.14



2019
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2018
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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. M. Azizul Haq	Chairman	None	Nil	Nil
2	Mr. Moniruddin Ahmed	Director	1. 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. Monzurur Rahman	Director	1. Rema Tea Company Ltd. 2. Lafarge Holcim Bangladesh Ltd.	Chairman Independent Director	12.13% -
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.	Managing Director Managing Director Managing Director Managing Director Managing Director Managing 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 6,29,221 shares 859,894 shares 1,50,000 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. Comilla Food and Allied Ind. Ltd. 4. Popular Food and Allied Ind. Co. Ltd. 5. Tejgaon 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 50,000 shares 40%
10	Mr. Md. Abdur Razzak Mondal	Nominee Director	1. That's It Fashions Ltd.	Nominee	-
11	Ms. Rana Laila Hafiz	Director	None	Nil	Nil
12	Mr. Arif Ahmed Choudhury	Director	1. Transcon Securities Ltd. 2. Continental Travels Ltd.	Executive Director Managing Director	19,000 Shares 2,000 Shares
13	Mr. Asif Ahmed Choudhury	Director	1. Transcon Securities Ltd. 2. Continental Travels Ltd. 3. Pubali Bank Securities Ltd.	Managing Director Executive Director Director	19,000 Shares 2,000 Shares 1 share
14	Dr. Shahdeen Malik	Independent Director	1. Pubali Bank Securities Ltd.	Independent Director	-

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

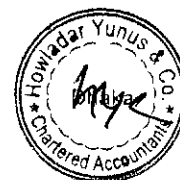
Name of party	Related to	Nature of transactions	Amounts (Tk)
None	Nil	Nil	Nil
16 Statutory reserve			
This represents amounts transferred to this reserve as per section 24 of Banking Companies Act 1991 @ 20% of current year's profit, before tax. Since, balance at the end of the year is not less than the balance of Paid up capital.			
Balance at the beginning of the year		9,983,500,000	9,510,249,482
Add: Addition during the year		299,500,000	473,250,518
Balance at the end of the year		10,283,000,000	9,983,500,000
17 Retained earnings (general reserve)			
Balance at the beginning of the year		4,458,714,508	2,458,491,167
Addition during the year:		1,843,774,217	2,950,811,049
Transfer In: Asset revaluation reserve		560,000	216,000
		6,303,048,725	5,409,518,216
Less: Issue of dividend		(1,297,847,071)	(950,803,708)
Balance at the end of the year		5,005,201,654	4,458,714,508
17(a) Consolidated Retained earnings (general reserve)			
Pubali Bank Limited		5,005,201,654	4,458,714,508
Pubali Bank Securities Limited		(150,606,198)	(170,234,403)
		4,854,595,456	4,288,480,105
18 Other reserves			
18.1 Assets revaluation reserve			
Balance at the beginning of the year		2,914,562,739	2,907,729,355
Addition on revaluation of Fixed Assets/Investment During the Year		441,363,113	347,914,740
Disposal during the year		(411,427,787)	(340,363,004)
Transfer out: Asset revaluation reserve		(750,000)	(718,352)
		2,943,748,065	2,914,562,739
Share forfeiture account		333,984	333,984
Balance at the end of the year		2,944,082,049	2,914,896,723



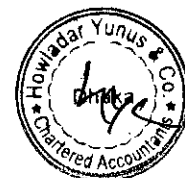
	2019 Taka	2018 Taka
18.2 Exchange Equalization Fund		
Balance at the beginning of the year	29,959,972	29,959,972
Addition during the year	-	-
Balance at the end of the year	<u>29,959,972</u>	<u>29,959,972</u>
18.3 Foreign currency translation reserve		
Balance at the beginning of the period	6,592,698	5,504,849
Addition during the period	1,060,599	1,087,849
Balance at the end of the period	<u>7,653,297</u>	<u>6,592,698</u>
	2,981,695,318	2,951,449,393
18(a) Consolidated Other reserves		
Pubali Bank Limited	2,981,695,318	2,951,449,393
Pubali Bank Securities Limited	-	-
	<u>2,981,695,318</u>	<u>2,951,449,393</u>
19 Profit & loss account surplus		
Balance at the beginning of the year	-	-
Profit after tax during the year	2,143,274,217	3,424,061,567
	<u>2,143,274,217</u>	<u>3,424,061,567</u>
Appropriation for the year		
Statutory reserve	299,500,000	473,250,518
General reserve	1,843,774,217	2,950,811,049
	<u>2,143,274,217</u>	<u>3,424,061,567</u>
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	2,162,902,429	3,627,028,633
	<u>2,162,902,429</u>	<u>3,627,028,633</u>
Appropriation for the year		
Statutory reserve	299,500,000	473,250,518
General reserve	1,863,402,429	3,153,778,115
	<u>2,162,902,429</u>	<u>3,627,028,633</u>
Balance at the end of the year	-	-
20 Non-controlling interest		
Balance at the beginning of the year	874	801
Share of current year profit	7	73
	<u>881</u>	<u>874</u>
21 Contingent Liabilities		
Acceptances & endorsements (Note 21.1)	44,598,746,938	43,678,286,390
Letters of guarantee (Note 21.2)	21,614,440,241	16,533,529,663
Irrevocable letters of credit (Note 21.3)	30,104,501,790	30,245,396,747
Bills for collection (Note 21.4)	9,862,686,330	10,742,612,254
Other contingent liabilities	2,319,836,392	2,504,095,907
	<u>108,500,211,691</u>	<u>103,703,920,961</u>
21.1 Acceptance & Endorsements		
Foreign	41,006,848,786	39,071,547,706
Local	3,591,898,152	4,606,738,684
	<u>44,598,746,938</u>	<u>43,678,286,390</u>
21.1.1 Acceptance & Endorsements in favour of:		
Government	-	-
Director/Executives/Officers	-	-
Bank and other financial institutions	-	-
Other customer	44,598,746,938	43,678,286,390
	<u>44,598,746,938</u>	<u>43,678,286,390</u>
21.2 Letter of Guarantee		
Foreign	594,841,674	545,478,887
Local	21,019,598,567	15,988,050,776
	<u>21,614,440,241</u>	<u>16,533,529,663</u>
21.2.1 Letter of Guarantee in favour of:		
Government	-	-
Director/Executives/Officers	-	-
Bank and other financial institutions	-	-
Other customer	21,614,440,241	16,533,529,663
	<u>21,614,440,241</u>	<u>16,533,529,663</u>
21.3 Letter of Credit		
Foreign	25,356,446,027	25,550,970,158
Local	4,748,055,763	4,694,426,589
	<u>30,104,501,790</u>	<u>30,245,396,747</u>
21.3.1 Letter of Credit in favour of:		
Government	-	-
Director/Executives/Officers	-	-
Bank and other financial institutions	-	-
Other customer	30,104,501,790	30,245,396,747
	<u>30,104,501,790</u>	<u>30,245,396,747</u>
21.4 Bills for Collection		
Foreign	3,700,001,011	3,835,833,519
Local	6,162,685,319	6,906,778,735
	<u>9,862,686,330</u>	<u>10,742,612,254</u>



	2019 Taka	2018 Taka
21.4.1 Bills for Collection in favour of:		
Government	-	-
Director/Executives/Officers	-	-
Bank and other financial institutions	-	-
Other customer	-	-
	<u>9,862,686,330</u>	<u>10,742,612,254</u>
	<u>9,862,686,330</u>	<u>10,742,612,254</u>
22 Interest income		
Loans	3,071,252,772	2,522,253,707
Cash credits	4,907,442,359	5,157,634,458
Over drafts	6,638,686,950	5,923,544,733
Loan against imported merchandise	307,318	211,204
Loan against trust receipt	1,078,747,046	1,386,041,381
Inland bill purchased & demand draft purchased	998,840,192	181,602,830
Foreign bill purchased and Export development fund	106,466,347	106,425,226
Interest on Export Bill Discounting (EBD)	3,537,659	4,453,464
Packing credits	31,172,889	44,184,681
Payments against document	136,840,456	732,496,387
Agricultural credits & rural credits	12,455,390	23,426,638
Sundries account	90,314,539	81,027,339
CLS account	1,409,462,278	1,432,731,939
Secured mortgages	1,459,628,576	846,556,120
Loan against Shiksha Sanchay Prokalpa	391,772	563,746
Loan against Non-resident Credit Scheme	3,272	-
Lease finance	622,739,075	632,982,272
Loan against Pubali Sanchay Prokalpa	11,804,319	22,284,162
Term loans	4,246,248,347	3,457,511,166
Loan against Pubali Pension Scheme	103,661,808	107,390,809
Interest on loans and advances	<u>24,930,003,364</u>	<u>22,663,322,262</u>
Interest on money at call and short notice	102,749,017	57,053,361
Interest on balance with other banks	194,055,115	348,437,568
Interest on fixed deposits with other banks	<u>833,844,722</u>	<u>918,931,520</u>
	<u>26,060,652,218</u>	<u>23,987,744,711</u>
	<u>26,060,652,218</u>	<u>23,987,744,711</u>
22(a) Consolidated Interest income		
Pubali Bank Limited	26,060,652,218	23,987,744,711
Pubali Bank Securities Limited	14,069,662	16,855,253
	<u>26,074,721,880</u>	<u>24,004,599,964</u>
	<u>26,074,721,880</u>	<u>24,004,599,964</u>
23 Interest paid on deposits, borrowings, etc.		
Fixed deposit	6,281,112,100	5,500,730,063
Short-notice deposit	1,864,580,959	1,579,688,501
Savings bank deposit	1,411,043,913	1,306,100,034
Deposit pension scheme	1,645	44,960
Pubali bank pension scheme	2,621,817,783	2,113,534,853
Monthly monafa based deposit scheme	3,802,353	8,223,163
Pubali Sanchay Prokalpa	216,141,653	251,179,516
Shiksha Sanchay Prokalpa	16,086,443	16,715,821
Dwigun Sanchay Prokalpa	2,082,349,218	1,959,625,800
Interest on MPSD	360,351,253	257,503,531
Interest on TBSD	483,636,100	298,464,438
Interest on MFD	256,895,077	240,240,162
Sundry accounts	8,280,876	5,483,660
Interest paid on Deposits	<u>15,606,099,373</u>	<u>13,537,534,522</u>
Interest on call loan	36,194,167	36,184,917
Interest on borrowings from Bank and Fis	767,456,789	666,021,486
Interest on repo borrowings	9,587,796	7,806,377
Interest on Treasury bond	757,639,192	231,123,229
Interest on borrowings from Bangladesh Bank	10,701,498	4,666,718
Interest on Subordinated Bond	504,093,151	483,115,069
	<u>17,691,771,966</u>	<u>14,966,252,318</u>
	<u>17,691,771,966</u>	<u>14,966,252,318</u>
24 Investment Income		
Interest on treasury bill	605,035,520	82,125,166
Interest on treasury bond	4,570,195,186	3,674,819,815
Interest on other bond	1,483,536,887	1,290,839,074
Interest on Bangladesh Bank bill	-	1,499,865
Gain/ (Loss) on sale of shares	12,724,374	38,909,574
Interest on Reverse Repo	109,080,391	2,322,331
Gain on Treasury Bill & Treasury Bond	32,057,153	699,766
Dividend on shares	319,290,327	101,791,867
	<u>7,131,919,838</u>	<u>5,193,007,458</u>
	<u>7,131,919,838</u>	<u>5,193,007,458</u>
24(a) Consolidated Income from investment		
Pubali Bank Limited	7,131,919,838	5,193,007,458
Pubali Bank Securities Limited	315,142,774	365,769,341
	<u>7,447,062,612</u>	<u>5,558,776,799</u>
	<u>7,447,062,612</u>	<u>5,558,776,799</u>



	2019 Taka	2018 Taka
25 Commission, exchange and brokerage		
SC, LSC, DD, TT, MT and PO	39,777,346	31,410,207
Foreign L/C	294,490,143	356,730,180
Local L/C	51,334,402	74,900,864
Issuance of foreign guarantee	4,046,793	3,053,468
Issuance of local guarantee	225,716,870	191,839,976
Issuance of traveller's cheque	4,200	9,130
Other transactions	200,329,212	301,934,988
Miscellaneous handling commission	340,950,238	232,756,471
Consumers credit	2,097,409	1,240,083
Commission on stationery articles	1,807,279	1,312,469
Income A/C commission Online	-	279
Total commission	1,160,553,892	1,195,188,115
Exchange (Note 25.1)	591,010,322	670,775,822
	1,751,564,214	1,865,963,937
25.1 Exchange		
Exchange gain	2,084,020,676	4,265,006,692
Exchange loss	(1,493,010,354)	(3,594,230,870)
	591,010,322	670,775,822
25(a) Consolidated Commission, exchange and brokerage		
Pubali Bank Limited	1,751,564,214	1,865,963,937
Pubali Bank Securities Limited	19,957,233	28,718,161
	1,771,521,447	1,894,682,098
26 Other operating income		
Rent recovery	2,978,200	3,002,798
Postage and telecommunication recovery	11,415,227	11,304,803
Miscellaneous income	96,108,834	96,581,114
Miscellaneous income supervision and monitoring	2,900	15,650
Miscellaneous Income transfer fee	768,025	639,495
Recovered from bad debt written off	30,828	53,115
Swift charges Recovered	118,975,770	122,232,990
Fee on card transaction	8,761,095	6,247,393
Application fee of CLS account	772,230	1,192,146
Account opening charge of CLS account	847,700	1,324,475
Service charge	18,362,505	18,657,539
Income on sale of leased asset	2,849,597	2,561,642
Processing Fee on Pubali Abashon	28,000	3,000
Processing Fee on Lease Financing	7,300	1,071,440
Online service charge	443,402,714	426,094,633
Accounts maintenance fee	316,264,523	370,436,339
SMS service charges	94,993,488	86,787,803
Card Fees and charges	23,378,813	17,326,883
CIB service charges	13,678,075	12,602,450
Income on sale of Bank's property	3,885,542	859,817
	1,157,511,366	1,178,995,525
26(a) Consolidated Other operating income		
Pubali Bank Limited	1,157,511,366	1,178,995,525
Pubali Bank Securities Limited	62,058,575	46,864,077
	1,219,569,941	1,225,859,602
27 Salary and allowances		
Basic salary	2,322,924,035	2,065,949,942
House rent allowances	1,359,244,447	1,165,159,800
Medical allowances	296,567,120	237,776,942
House maintenance	192,843,624	123,815,305
Other allowances	631,198,006	1,051,726,985
Contributory provident fund	217,749,868	187,459,318
General provident fund	304,947	310,921
Bonus to employees	412,798,030	368,285,660
	5,433,630,077	5,200,484,873
27(a) Consolidated Salary and allowances		
Pubali Bank Limited	5,433,630,077	5,200,484,873
Pubali Bank Securities Limited	34,130,670	30,830,721
	5,467,760,747	5,231,315,594
28 Rent, taxes, insurance, electricity, etc.		
Bank premises	495,837,067	453,856,028
Godown	3,060,770	2,795,819
Total Rent expenses	498,897,837	456,651,847
Reversal of rent expenses due to depreciation and interest expenses under IFRS 16	498,897,837	-
Rent expenses after reversal	-	456,651,847
Rates and taxes	15,398,370	14,964,508
Insurance (vault)	47,846,191	44,770,102
insurance premium	203,651,247	174,656,330
Electricity	152,572,840	139,301,082
Electric fittings and fixtures	31,141,236	27,466,255
Water and sewerage bill	6,206,719	4,607,384
	456,816,603	862,417,508
28(a) Consolidated Rent, taxes, Insurance, electricity, etc.		
Pubali Bank Limited	456,816,603	862,417,508
Pubali Bank Securities Limited	650,673	612,747
	457,467,276	863,030,255



	2019 Taka	2018 Taka
29 Legal expenses		
Lawyers' charges	23,015,327	17,360,848
Court fees and other expenses	7,698,975	4,663,488
	30,714,302	22,024,336
29(a) Consolidated Legal expenses		
Pubali Bank Limited	30,714,302	22,024,336
Pubali Bank Securities Limited	676,900	399,000
	31,391,202	22,423,336
30 Postage, stamp, telecommunication, etc.		
Postage	14,264,486	13,489,700
Telegram	568,284	509,144
Stamp	81,205	83,583
Telephone	18,916,984	20,661,496
SWIFT charges	41,217,417	39,869,995
SMS charges	8,327,129	11,239,448
Tele rate/ Router	2,499,386	2,020,199
Internet charges	1,073,795	1,312,751
	86,948,686	89,186,316
30(a) Consolidated Postage, stamp, telecommunication, etc.		
Pubali Bank Limited	86,948,686	89,186,316
Pubali Bank Securities Limited	316,265	332,802
	87,264,951	89,519,118
31 Stationery, printing, advertisement, etc.		
Table stationery	32,068,669	28,770,393
Computer stationery	25,243,976	23,342,009
Printing and stationery	8,148,029	7,956,457
Consumption of books and forms	14,968,952	16,484,032
Advertisement	58,341,710	63,295,722
	138,771,336	139,848,613
31(a) Consolidated Stationery, printing, advertisement, etc.		
Pubali Bank Limited	138,771,336	139,848,613
Pubali Bank Securities Limited	406,149	232,580
	139,177,485	140,081,193
32 Managing Director's salary and fees		
Basic pay	8,400,000	8,050,000
Allowances	2,760,000	3,786,667
Bank's contributory provident fund	840,000	805,000
Bonus	2,540,000	2,540,000
	14,540,000	15,181,667
33 Directors' fees		
Meeting fees and Honorarium	4,999,166	4,554,400
Meeting expenses	1,186,977	1,167,682
Meeting related travelling allowances	755,900	888,800
	6,942,043	6,610,882
33(a) Consolidated Directors' fees		
Pubali Bank Limited	6,942,043	6,610,882
Pubali Bank Securities Limited	801,500	1,115,500
	7,743,543	7,726,382
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	1,532,500
	1,437,500	1,532,500
34(a) Consolidated Auditors' fees		
Pubali Bank Limited	1,437,500	1,532,500
Pubali Bank Securities Limited	125,000	143,750
	1,562,500	1,676,250
35 Depreciation and repair of bank's assets		
Repairs to fixed assets	39,651,674	35,178,478
Maintenance of assets	150,410,759	147,652,466
Maintenance of assets -Wages	4,073,814	3,999,107
*Depreciation on fixed assets	699,554,434	302,253,426
	893,690,681	489,083,477
*Depreciation on fixed assets included Tk. 406,654,216 for depreciation of ROU (Right Of Use) Assets as per IFRS-16 for the year 2019		
35(a) Consolidated depreciation and repair of bank's assets		
Pubali Bank Limited	893,690,681	489,083,477
Pubali Bank Securities Limited	1,434,291	1,109,725
	895,124,972	490,193,202



	2019 Taka	2018 Taka
36 Other expenses		
Repairs to rented property	1,835,813	1,809,167
Newspapers	3,424,010	3,350,546
Renovation under Construction Works	41,479,025	61,430,074
Petrol consumption	59,807,963	59,172,338
Travelling	60,516,292	61,365,670
Donations	98,513,307	92,081,599
Honorarium	424,000	231,000
Subscriptions	21,546,086	15,288,309
Sub-ordinate staff clothing	11,686,910	4,716,309
Conveyance	24,189,296	23,539,307
Entertainment	32,929,631	31,648,592
Training	35,005,088	18,596,198
Photocopying	76,587	128,820
Branches' opening expenses	3,232,456	1,073,457
Shifting expenses	1,579,268	978,234
Carrying expenses	1,590,411	1,782,231
Professional fees	33,438,245	7,431,610
Security and Auxiliary Services	113,665,163	96,768,130
Gun license fees	5,373,851	6,194,430
Overtime	28,017,619	27,754,000
Employees recreation (Lunch subsidy)	243,610,144	198,858,599
Promotional expenses	77,192,328	63,377,682
Gratuity	600,355,500	565,888,160
Group insurance	16,615,278	16,837,474
Car allowance	32,372,300	29,224,283
Chemicals for office equipment's	664,090	670,963
Loss on sale of bank's property	1,621,575	3,622,477
CDBL fees	224,604	264,945
Annual general meeting	1,717,966	1,841,269
Bandwidth charges	85,940,896	81,884,910
Card expenditure	28,711,602	21,804,732
VAT on Rent Expenses	63,323,173	-
Interest Expenses for lease liability as per IFRS-16	76,443,863	-
Bank Charges & Others	595,545	-
Nostro account charges	8,283,168	7,289,711
Card transaction fee	3,810,980	2,726,715
Additional Profit Payable A/C For Islamic Banking	600,000	1,000,000
Miscellaneous	67,314,156	64,190,097
	1,887,728,189	1,574,822,038
36(a) Consolidated Other expenses		
Pubali Bank Limited	1,887,728,189	1,574,822,038
Pubali Bank Securities Limited	7,333,703	7,727,643
	1,895,061,892	1,582,549,681
37 Provision for Loans, Advances, Investments and Other Assets		
Classified loans and advances (note 14.1.1)	2,525,186,311	1,301,692,607
Unclassified loans and advances (note 14.1.2)	1,264,560,096	1,689,501,103
Provision for bad debt offsetting	1,307,265	1,181,117
Provision for diminution in value of Investments (note 14.1.3)	414,200,000	72,599,540
Provision for other assets	-	53,200,000
	4,205,253,672	3,118,174,367
37(a) Consolidated Provision for Loans, Advances, Investments and Other Assets		
Pubali Bank Limited	4,205,253,672	3,118,174,367
Pubali Bank Securities Limited	264,655,994	137,677,727
	4,469,909,666	3,255,852,094
38 Provision for exposure of off balance sheet items		
Provision for exposure against off-balance sheet items	56,400,000	53,700,000
	56,400,000	53,700,000
38.1 Details of provision for exposure against off-balance sheet items		
<u>Particulars</u>		
Acceptances & endorsements	44,598,746,938	43,678,286,390
Letter of guarantee	21,614,440,241	16,533,529,663
Irrevocable letters of credit	30,104,501,790	30,245,396,747
Bills for collection	9,862,686,330	10,742,612,254
Other contingent liabilities	2,319,836,392	2,504,095,907
Total Contingent Liabilities:	108,500,211,691	103,703,920,961
Less: Margin	-	-
Letter of guarantee	-	-
Irrevocable letters of credit	-	-
Bills for collection	-	-
	108,500,211,691	103,703,920,961
	108,500,211,691	103,703,920,961
	24,747	386,913
	108,500,211,691	103,703,920,961
	24,747	386,913

Rate of Provision

	Base for Provision	Rate of Provision (%)	2019	2018
Acceptances & endorsements	44,598,746,938	1	445,987,469	436,782,864
Letter of guarantee	21,614,440,241	1	216,144,402	165,335,297
Irrevocable letters of credit	30,104,501,790	1	301,045,018	302,453,967
Other contingent liabilities	2,319,836,392	1	23,198,364	25,040,959
Required provision			986,375,253	929,613,087
Provision maintained			986,400,000	930,000,000
Excess provision			24,747	386,913



	2019 Taka	2018 Taka
39 Provision for doubtful investment		
Provision for diminution in value of Investments	414,200,000	72,599,540
	<u>414,200,000</u>	<u>72,599,540</u>
40 Receipts from other operating activities		
Exchange	591,010,322	670,775,822
Other operating income	1,157,480,538	1,178,942,410
	<u>1,748,490,860</u>	<u>1,849,718,232</u>
40(a) Consolidated Receipts from other operating activities		
Pubali Bank Limited	1,748,490,860	1,849,718,232
Pubali Bank Securities Limited	205,010,206	261,356,731
	<u>1,953,501,066</u>	<u>2,111,074,963</u>
41 Cash payments for other operating activities		
Rent ,taxes, insurance, electricity etc.	456,816,603	862,417,508
Director's fees	6,942,043	6,610,882
Charges on loan losses	851,133	589,963
Repairs of bank's assets	194,136,247	186,830,051
Other expenses	1,887,728,189	1,574,822,038
	<u>2,546,474,215</u>	<u>2,631,270,442</u>
41(a) Consolidated Cash payments for other operating activities		
Pubali Bank Limited	2,546,474,215	2,631,270,442
Pubali Bank Securities Limited	11,744,481	11,673,747
	<u>2,558,218,696</u>	<u>2,642,944,189</u>
42 Increase/(decrease) of other assets		
Closing other assets		
Stationery and Stamps	99,588,895	75,918,940
Advance security deposit, advance rent etc.	113,443,759	273,263,628
Investment in SWIFT AC	3,387,591	3,387,591
Stock dealing account	83,831,178	201,451,496
Suspense Account	295,551,874	352,686,540
Demonetized Notes	1,903,830	1,903,830
Items in transit	5,240,523,069	3,910,178,215
Drafts payable (Dr. Balance)	17,589,526	19,763,417
Sanchaypatra	78,967,851	-
Clearing house adjustment	856,821	4,939,349
Others	3,562,388	7,879,385
	<u>5,939,206,782</u>	<u>4,851,372,391</u>
Opening other assets		
Stationery and stamps	75,918,940	67,696,410
Advance security deposit, advance rent etc.	273,263,628	230,843,148
Investment in SWIFT AC	3,387,591	3,387,591
Stock dealing account	201,451,496	469,757,026
Suspense account	352,686,540	260,698,995
Demonetized notes	1,903,830	1,531,750
items in transit	3,910,178,215	3,288,854,073
Drafts payable (Dr. Balance)	19,763,417	20,829,927
Clearing house adjustment	4,939,349	148,161,847
Others	7,879,385	3,604,701
	<u>4,851,372,391</u>	<u>4,495,365,468</u>
	<u>(1,087,834,391)</u>	<u>(356,006,923)</u>
42(a) Consolidated Increase/(decrease) of other assets		
Pubali Bank Limited	(1,087,834,391)	(356,006,923)
Pubali Bank Securities Limited	(97,184,299)	6,955,477
	<u>(1,185,018,690)</u>	<u>(349,051,446)</u>
43 Increase/(decrease) of other liabilities		
Closing other liabilities		
Interest suspense	3,414,216,268	2,312,889,947
Interest suspense on underwriting advances	234,170,921	235,599,888
Interest suspense against 70% Agri Loan	192,382	192,382
	<u>3,648,579,571</u>	<u>2,548,682,217</u>
Opening other liabilities		
Interest suspense	2,312,889,947	2,164,617,779
Interest suspense on underwriting advances	235,599,888	235,599,888
Intorest suspense against 70% Agri Loan	192,382	192,382
	<u>2,548,682,217</u>	<u>2,400,410,049</u>
	<u>1,099,897,354</u>	<u>148,272,168</u>
43(a) Consolidated increase/(decrease) of other liabilities		
Pubali Bank Limited	1,099,897,354	148,272,168
Pubali Bank Securities Limited	(136,915,368)	(280,966,613)
	<u>962,981,986</u>	<u>(132,694,445)</u>
44 Cash and Cash Equivalents at End of Period		
Cash in hand (including foreign currencies)	4,208,445,687	3,789,308,079
Balance with Bangladesh Bank and its agent bank(s)	21,694,542,794	19,267,540,519
Balance with other banks and financial institutes	13,086,547,908	15,579,619,483
Prize bonds	27,248,101	21,135,801
Money at call on short notice	126,786,667	11,286,667
	<u>39,143,571,157</u>	<u>38,668,890,549</u>



	2019 Taka	2018 Taka
44(a) Consolidated Cash and Cash Equivalents at End of Period		
Pubali Bank Limited	39,143,571,157	38,668,890,549
Pubali Bank Securities Limited	989,804,123	896,360,657
	40,133,375,280	39,565,251,206

45 Assets and liabilities as at 31 December 2018 denominated in foreign currencies have been converted to Bangladesh Taka at the following exchange rates:

Currency	Currency unit	Equivalent Taka
European Currency	EURO	95.0710
Japanese Yen	JPY	0.7775
Pound Sterling	GBP	111.3463
Swiss Franc	CHF	87.2738
US Dollar	USD	84.9000
ACU Dollar	ACUD	84.9000
AED	AED	23.1115

46 Basic and Diluted Earnings Per Share (EPS):		
Net profit after taxes	2,143,274,217	3,424,061,567
Number of ordinary shares outstanding	1,028,294,218	1,028,294,218
Basic and Diluted Earnings Per Share (EPS)	2.08	3.33
46(a) Consolidated Basic and Diluted Earnings Per Share (EPS)		
Net profit after tax	2,162,902,429	3,627,028,633
Number of ordinary shares outstanding	1,028,294,218	1,028,294,218
Basic and Diluted Earnings Per Share (EPS)	2.10	3.53

Earnings per share has been calculated in accordance with BAS-33: "Earnings Per Share (EPS)". Previous year's figures have been adjusted for the issue of 3% Bonus shares (for 2018) during the year.

Net Asset Value Per Share (NAVPS):		
Total Shareholders' Equity	28,552,839,152	27,377,102,911
Number of ordinary shares outstanding	1,028,294,218	998,343,901
	27.77	27.42

Consolidated Net Asset Value Per Share (NAVPS):		
Total Shareholders' Equity	28,402,232,954	27,206,868,508
Number of ordinary shares outstanding	1,028,294,218	998,343,901
	27.62	27.25

Net Operating Cash Flow Per Share (NOCFPS):		
Net Cash from/(used in) Operating activities	(429,836,189)	3,797,012,473
Number of ordinary shares outstanding	1,028,294,218	998,343,901
	(0.42)	3.80

Consolidated Net Operating Cash Flow Per Share (NOCFPS):		
Net Cash from/(used in) Operating activities	(333,132,705)	3,587,906,756
Number of ordinary shares outstanding	1,028,294,218	998,343,901
	(0.32)	3.59

47 Reconciliation of statement of cash flows from operating activities		
Profit before provision	9,457,805,120	8,857,677,140
Adjustment for non cash items		
Depreciation on fixed asset	686,414,321	291,269,098
Amortization on software	13,140,113	10,984,328
	699,554,434	302,253,426
Adjustment with non-operating activities		
Gain on sale of shares	(12,724,374)	(38,909,574)
Capital gain on sale of treasury bond	(32,057,153)	(699,766)
Gain on sale of Bank's property	(3,885,542)	(859,817)
Gain on sale of leased asset	(2,849,597)	(2,561,642)
Loss on sale of bank's property	1,621,575	3,622,477
	(49,895,091)	(39,408,322)
Changes in operating assets and liabilities		
Changes in loans & advances	(16,125,164,839)	(31,369,911,647)
Changes in deposit and other accounts	50,519,120,006	37,293,945,764
Changes in investment	(42,862,791,532)	(4,076,883,567)
Changes in borrowings	(182,009,823)	(947,004,523)
Changes in other assets	(1,228,229,464)	(330,186,866)
Changes in other liabilities	1,782,880,579	(3,311,501,716)
	(8,096,195,073)	(2,741,542,555)
Income Tax Paid	(2,441,105,579)	(2,581,967,216)
Net cash flows from operating activities	(429,836,189)	3,797,012,473



48 Highlights on the Overall Activities of the Bank for the period ended 31 December' 2019 and 31 December' 2018

Particulars	2019	2018
	Taka	Taka
1.Paid-up Capital	10,282,942,180	9,983,439,010
2. Total Regulatory Capital	39,640,528,472	34,647,525,659
3.Regulatory Capital Surplus	10,911,528,964	6,181,575,220
4.Total Assets	474,355,971,748	409,744,092,267
5.Total Deposits	359,418,894,691	308,899,774,685
6.Total Loans & Advances	287,034,674,028	270,909,509,189
7.Total Contingent Liabilities	108,500,211,691	103,703,920,961
8. Loan Deposit Ratio (%)	76.15%	83.34%
9. Ratio of Classified Loan to total Loans & Advances (%)	4.38%	5.46%
10. Profit after taxation & Provision	2,143,274,217	3,424,061,567
11. Amount of Classified Loan during the current year	12,560,600,473	14,778,266,108
12. Provision kept against Classified Loans	11,429,947,167	8,810,368,661
13. Provision Surplus	1,823,201	-
14. Cost of Fund (%)	8.03%	7.97%
15. Interest Earning Assets	386,774,116,326	328,464,042,973
16. Non Interest Earning Assets	87,581,855,422	81,280,049,294
17. Return on Investment(ROI) [PAT/ Shareholders' Equity]	7.51%	12.51%
18.Return on Assets (ROA)	0.45%	0.84%
19. Income from Investment	7,131,919,838	5,193,007,458
20. Earnings per Share (Taka)	2.08	3.33
21. Net Income per Share (Taka)	2.08	3.33
22. Price Earning Ratio (Times)	11.51	7.58



Schedule of Fixed Assets as at 31 December, 2019

Annexure- A

Particulars	Cost					Rate (%)	Depreciation/Amortization					Net book value at 31 December 2019 Taka
	Balance at 1 January 2019 Taka	Additions/ Revaluation during the Year Taka	Disposal during the year Taka	Adjustments during the year Taka	Balance at 31 December 2019 Taka		Balance at 1 January 2019 Taka	Charge for the Year Taka	Disposal during the year Taka	Adjustments during the year Taka	Balance at 31 December 2019 Taka	
Land (including leased)	2,254,495,642		750,000		2,253,745,642	Fixed	30,165,542	1,178,971			31,344,513	2,222,401,129
Building	908,092,261	24,089,232	-		932,181,493	0.025	229,447,430	17,568,351			247,015,781	685,165,712
Furniture and Fixture	709,482,441	111,353,655	14,370,110	(1,976,697)	804,489,289	0.10	304,548,840	46,469,124	10,276,767	(402,746)	340,338,451	464,150,838
Computer & Computer Accessories	1,151,306,688	134,712,485	30,225,666		1,255,793,507	0.30	1,010,302,460	85,971,031	30,105,742	(63,612)	1,066,104,137	189,689,370
Machinery and Equipment	774,201,333	211,814,048	29,776,190		956,239,191	0.20	548,616,066	100,580,015	29,489,621	1,213	619,707,673	336,531,518
Vehicles	284,685,916	41,623,691	18,135,000	620,254	308,794,861	0.20	208,972,764	27,992,613	18,134,890	(1,063,316)	217,767,171	91,027,690
Right of use Assets (ROU)		1,564,590,118	-	-	1,564,590,118		-	406,654,216	-	-	406,654,216	1,157,935,902
At 31 December 2019	<u>6,082,264,281</u>	<u>2,088,183,229</u>	<u>93,256,966</u>	<u>(1,356,443)</u>	<u>8,075,834,101</u>		<u>2,332,053,102</u>	<u>686,414,321</u>	<u>88,007,020</u>	<u>(1,528,461)</u>	<u>2,928,931,942</u>	<u>5,146,902,159</u>
At 31 December 2018	<u>5,558,934,589</u>	<u>287,835,389</u>	<u>46,004,243</u>	<u>(9,062,520)</u>	<u>5,791,703,215</u>		<u>1,873,231,567</u>	<u>291,287,828</u>	<u>42,989,465</u>	<u>(7,151,106)</u>	<u>2,114,378,824</u>	<u>3,677,324,391</u>

Schedule of Intangible asset as at 31 December, 2019

Particulars	Cost					Rate (%)	Depreciation/Amortization					Net book value at 31 December 2019 Taka
	Balance at 1 January 2019 Taka	Additions/ Revaluation during the Year Taka	Disposal during the year Taka	Adjustments during the year Taka	Balance at 31 December 2019 Taka		Balance at 1 January 2019 Taka	Charge for the Year Taka	Disposal during the year Taka	Adjustments during the year Taka	Balance at 31 December 2019 Taka	
Computer Software	325,927,379	14,904,600	-	-	340,831,979	0.30	293,790,935	13,140,113	-	-	306,931,048	33,900,931
At 31 December 2019	<u>325,927,379</u>	<u>14,904,600</u>	<u>-</u>	<u>-</u>	<u>340,831,979</u>		<u>293,790,935</u>	<u>13,140,113</u>	<u>-</u>	<u>-</u>	<u>306,931,048</u>	<u>33,900,931</u>
At 31 December 2018	<u>292,338,549</u>	<u>33,588,830</u>	<u>-</u>	<u>-</u>	<u>325,927,379</u>		<u>282,806,607</u>	<u>10,984,328</u>	<u>-</u>	<u>-</u>	<u>293,790,935</u>	<u>32,136,444</u>
At 31 December 2019	<u>6,408,191,660</u>	<u>2,103,087,829</u>	<u>93,256,966</u>	<u>(1,356,443)</u>	<u>8,416,666,080</u>		<u>2,625,844,037</u>	<u>699,554,434</u>	<u>88,007,020</u>	<u>(1,528,461)</u>	<u>3,235,862,990</u>	<u>5,180,803,090</u>
At 31 December 2018	<u>6,084,041,764</u>	<u>405,255,991</u>	<u>81,891,924</u>	<u>785,830</u>	<u>6,408,191,660</u>		<u>2,397,185,431</u>	<u>302,253,426</u>	<u>75,030,953</u>	<u>1,436,133</u>	<u>2,625,844,037</u>	<u>3,782,347,623</u>



Annexure - B

Pubali Bank Limited
Tax Status Report (As at 31 December 2019)

(Amounts 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	Upto 1996	1997-1998	-	-	8,746,578	(8,746,578)	Finalised
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 judgment received in favor of the bank but revised assessment pending with the DCT
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)	Finalised
8	2006	2007-2008	14,720,201	14,720,201	45,218,734	(30,498,533)	Case filed 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	2,173,640,035	367,828,003	Case pending with TAT
17	2015	2016-2017	3,210,437,445	2,948,699,658	2,807,215,394	141,484,264	Case pending with TAT
18	2016	2017-2018	2,620,944,216	2,782,423,494	2,612,171,061	170,252,433	Case pending with CT(A)
19	2017	2018-2019	2,714,690,189	2,644,918,173	2,489,288,486	155,629,687	CT(A) order received
20	2018	2019-2020	2,272,793,912	-	2,170,146,723		Assessment not yet done
21	2019	2020-2021	3,027,024,693	-	1,331,188,257		Return submission date not due
Total			31,313,635,515	25,811,539,042	27,801,296,414	1,511,577,608	

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.

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

Amounts in Taka	
As at 31 Dec 2019	As at 31 Dec 2018
21	28
115,944,060,000	133,761,800,000
-	-
-	-

Name of the clients	Sanctioned Limit	Status	Outstanding		Total outstanding	
			Funded	Non-funded	At 31 Dec 2019	At 31 Dec 2018
Max Group	10,282,400,000	STD	5,152,200,000	3,664,200,000	8,816,400,000	7,658,100,000
Meghna Group	12,602,000,000	STD	1,849,100,000	6,574,100,000	8,423,200,000	8,267,400,000
BRAC Group	10,249,600,000	STD	6,689,900,000	931,200,000	7,621,100,000	4,865,400,000
Ha-Meem Group	12,240,700,000	STD	3,027,400,000	3,997,500,000	7,024,900,000	3,933,900,000
Abul Khair Group	8,375,300,000	STD	1,295,300,000	4,814,800,000	6,110,100,000	5,553,000,000
Project Builders Group	5,633,800,000	STD	4,232,000,000	1,573,800,000	5,805,800,000	5,471,200,000
Pran Group	8,286,300,000	STD	2,767,800,000	3,004,900,000	5,772,700,000	5,195,400,000
Sharmin Group	8,315,700,000	STD	2,793,200,000	2,939,400,000	5,732,600,000	4,593,200,000
City Group	8,007,100,000	STD	3,492,500,000	2,189,400,000	5,681,900,000	6,823,500,000
Paramount Group	9,373,400,000	STD	3,143,300,000	2,454,800,000	5,598,100,000	6,127,800,000
GPH Group	6,694,400,000	STD	3,861,854,000	1,551,506,000	5,413,360,000	3,973,800,000
Keya Group	4,930,900,000	STD	5,358,700,000	5,700,000	5,364,400,000	5,460,600,000
Sena Kalyan Sangstha	6,000,000,000	STD	4,064,100,000	645,800,000	4,709,900,000	4,007,900,000
Dird Group	6,753,100,000	STD	3,791,900,000	661,300,000	4,453,200,000	5,254,500,000
MSA Spining	6,403,200,000	STD	3,841,100,000	586,300,000	4,427,400,000	4,068,100,000
JMI Group	5,330,100,000	STD	3,207,700,000	1,074,100,000	4,281,800,000	3,914,100,000
United Group	7,371,200,000	STD	1,975,400,000	2,297,300,000	4,272,700,000	-
Sheema Group	5,280,000,000	STD	2,903,500,000	1,246,200,000	4,149,700,000	3,483,700,000
City Seed Crushing Group	5,000,000,000	STD	1,999,700,000	2,119,100,000	4,118,800,000	4,444,600,000
Envoy roup	5,848,600,000	STD	3,159,300,000	931,900,000	4,091,200,000	-
BSRM Group	7,913,700,000	STD	1,167,500,000	2,907,300,000	4,074,800,000	4,889,100,000
T. K. Group	-	STD	-	-	-	3,806,000,000
Pakiza Group	-	STD	-	-	-	4,700,500,000
Madina Group	-	STD	-	-	-	3,547,700,000
Nitai Niloy Group	-	STD	-	-	-	4,390,800,000
DBL Group	-	STD	-	-	-	4,337,400,000
KSRM Steel Plant Ltd.	-	STD	-	-	-	3,911,200,000
ACI Group	-	STD	-	-	-	3,722,800,000
AA Yarn Mills Ltd.	-	STD	-	-	-	3,695,100,000
Envoy Textiles Ltd.	-	STD	-	-	-	3,665,000,000
	160,891,500,000		69,773,454,000	46,170,606,000	115,944,060,000	133,761,800,000



Distribution of profit for the income year ended 31 December 2019

Profit and loss of Islamic Banking are calculated annually as at 31 December each year. We follow Investment Income Sharing Ratio (IISR) system for distribution of profit to the Mudarabah Depositors. The actual distributable rate of Investment Income of 2019 stands at 9.04% after keeping Bad Debt Offsetting Reserve as "1%". The provisional rates of profit during the year 2019 was calculated assuming Investment yield @ 9.00%. The additional profit of 0.04% (9.04%-9.00%) was distributed accordingly as Final Rates of Profit which is shown in the column '6' in the following table:

Sl. No	Types of Mudarabah Deposit	Bank: Depositor ISR for Mudaraba Deposits	Profit distributed provisionally @ 9.00% yield among Mudaraba Deposits	Final rates of profit for Mudaraba Deposits for 2019 @9.04% yield	Adjustment Profit payable to Mudaraba Deposits @.04% yield
1	2	3	4	5	6 (5-4)
1	Mudaraba Term Deposit A/C				
(a)	For 1 month	50 : 50	4.50%	4.52%	0.02%
(b)	For 3 months	25 : 75	6.75%	6.78%	0.03%
(c)	For 6 months	20 : 80	7.20%	7.23%	0.03%
(d)	For 12 months	15 : 85	7.65%	7.68%	0.03%
(e)	For 24 months	15 : 85	7.65%	7.68%	0.03%
2	Mudaraba Monthly Profit A/C	15 : 85	7.65%	7.68%	0.03%
3	Mudaraba Short Notice Deposit	65 : 35	3.15%	3.16%	0.01%
4	Mudaraba Savings Account	55 : 45	4.05%	4.07%	0.02%
5	Mudaraba Hajj Savings Account	15 : 85	7.65%	7.68%	0.03%
6	Mudaraba Cash Waqf A/C	15 : 85	7.65%	7.68%	0.03%
7	Mudaraba Shwapna Puran A/C	15 : 85	7.65%	7.68%	0.03%
8	Mudaraba Muhar Account				
(a)	For 5 years	17 : 83	7.47%	7.50%	0.03%
(b)	For 10 years	15 : 85	7.65%	7.68%	0.03%
9	Mudaraba Pension Account				
(a)	For 5 years	17 : 83	7.47%	7.50%	0.03%
(b)	For 10 years	15 : 85	7.65%	7.68%	0.03%

A competent Shariah Supervisory Committee consisting of Islamic Scholars, Ulemas, Economists and Islamic Bankers oversees Islamic Banking operations of our Bank. The Shariah supervisory Committee of the bank is headed by Janab M. Azizul Huq, Chairman of both the Board of Directors and shariah supervisory committee of pubali Bank Limited who was also founder Chief Executive of Islami Bank Bangladesh Limited, SIBL & IFIL. Shariah Supervisory Committee met in 3 (three) meetings in the year 2019 and reviewed different operational issues in line with Islamic Shariah. Besides, the Muraquibs of the Shariah secretariat inspected all the Islamic Banking Windows of the bank during the year and reported no case of major deviation of Islamic Shariah in their operations.



Pubali Bank Limited - Islamic Banking Windows
Balance Sheet as at 31 December 2019

	Notes	2019 Taka	2018 Taka
<u>PROPERTY AND ASSETS</u>			
Cash	1	103,662,626	62,209,739
Cash in hand (Including foreign currencies)		5,602,347	2,714,939
Balance with Bangladesh Bank and its agent Bank (s) (Including foreign currencies)		98,060,279	59,494,800
Balance with Other Banks and Financial Institutions	2	620,947,995	820,368,327
In Bangladesh		620,947,995	820,368,327
Outside Bangladesh		-	-
Placement with Banks and Other Financial Institutions	3	-	-
Investments in Shares and Securities	4	57,000,000	59,500,000
Government		57,000,000	59,500,000
Others		-	-
Investments	5	646,898,731	852,821,015
General investments		646,898,731	852,821,015
Bills purchased & discounted		-	-
Fixed Assets including Premises, Furniture & Fixtures	6	6,985,182	1,174,535
Other Assets	7	601,866,563	18,935,892
Non-banking Assets		-	-
Total Assets		2,037,361,097	1,815,009,508
<u>LIABILITIES AND CAPITAL</u>			
Liabilities			
Placement with other Banks, Financial institutions & Agents	8	-	-
Deposits and Other Accounts	9	1,796,408,418	1,126,682,193
Al-Wadia current deposit		139,252,722	56,866,915
Bills payable		22,454,676	10,873,700
Mudaraba savings bank deposit		245,282,039	90,092,778
Mudaraba term deposits		1,388,892,063	968,579,065
Other deposits		526,918	269,735
Other Liabilities	10	231,962,267	638,121,839
Total Liabilities		2,028,370,685	1,764,804,032
Capital / Shareholders' Equity			
Paid up capital		-	-
Statutory reserve		-	-
Retained surplus (general reserve)		-	-
Revaluation gain/(Loss) on investment		-	-
Other reserves		-	-
Profit and loss account surplus		8,990,412	50,205,476
Total Shareholders' Equity		8,990,412	50,205,476
Total Liabilities and Shareholders' Equity		2,037,361,097	1,815,009,508



Pubali Bank Limited - Islamic Banking Windows
Balance Sheet as at 31 December 2019

<u>OFF-BALANCE SHEET ITEMS</u>	<u>Notes</u>	<u>2019</u> <u>Taka</u>	<u>2018</u> <u>Taka</u>
<u>Contingent Liabilities</u>			
Acceptances & Endorsements			
Letters of guarantee		150,000	-
Irrevocable letters of credit		-	-
Bills for collection		-	-
Other contingent liabilities			
Total Contingent liabilities		150,000	-
<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		150,000	-



Pubali Bank Limited - Islamic Banking Windows
Profit & Loss Account for the year ended 31 December 2019

	Notes	2019 Taka	2018 Taka
Operating Income			
Investment Income	11	108,571,230	114,561,548
Less :Profit paid on deposits, borrowings, etc.	12	82,257,006	58,349,631
Net Investment Income		26,314,224	56,211,917
Income from investment in shares /securities	13	-	-
Commission, exchange and brokerage	14	1,595,796	2,251,562
Other operating income	15	968,175	794,208
Total Operating Income		28,878,195	59,257,687
Operating Expenses			
Salaries and allowances	16	14,624,415	7,051,519
Rent, taxes, insurance, electricity, etc.	17	514,243	281,758
Legal expenses	18	-	-
Postage, stamp, telecommunication, etc.	19	66,932	53,897
Stationery, printing, advertisements, etc.	20	447,959	191,851
Depreciation repair and maintenance of fixed assets	21	830,936	483,537
Other expenses	22	3,403,298	989,649
Total Operating Expenses		19,887,783	9,052,211
Total Profit/(Loss) before Provision		8,990,412	50,205,476



Pubali Bank Limited - Islamic Banking Windows
Cash Flow Statement
for the year ended 31 December 2019

	Notes	2019 Taka	2018 Taka
a Cash Flows from Operating Activities			
Investment income in cash		108,571,230	114,561,548
Profit paid		(82,257,006)	(58,349,631)
Fees and commission receipts		1,595,796	2,251,562
Cash payment to employees		(14,624,415)	(7,051,519)
Cash payment to suppliers		(514,891)	(245,748)
Receipts from other operating activities	15	968,175	794,208
Cash payments for other operating activities	23	(4,234,183)	(1,464,530)
Operating Profit before Changes in Operating Assets & Liabilities		9,504,706	50,495,890
Increase/ (Decrease) in Operating Assets and Liabilities			
Statutory deposits		2,500,000	500,000
Investment to customers (other than banks)		205,922,284	(449,664,255)
Other assets	24	(582,930,671)	327,032,343
Deposits from customers (other than banks)		669,726,225	137,626,744
Other liabilities account of customers		(406,159,572)	532,579,573
Total Increase/(decrease) in operating assets and liabilities		(110,941,734)	548,074,405
Net Cash from/(used in) Operating Activities		(101,437,028)	598,570,295
b Cash Flows from Investing Activities			
Purchase /Sale of property, plant & equipment		(56,530,417)	(57,305,282)
Net Cash from/(used in) Investing Activities		(56,530,417)	(57,305,282)
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)		(157,967,445)	541,265,013
e Cash and Cash equivalents at beginning of the period		882,578,066	341,313,053
f Cash and Cash equivalents at end of the period (d+e)	25	724,610,621	882,578,066



Pubali Bank Limited - Islamic Banking Windows
Notes to the financial statements for the year ended 31 December 2019

Annexure - E (iii)

	2019 Taka	2018 Taka
1 Cash		
1.1 Cash In hand (Including foreign currencies)		
In local currency	5,602,347	2,714,939
In foreign currencies	-	-
	<u>5,602,347</u>	<u>2,714,939</u>
1.2 Balance with Bangladesh Bank and its agent Bank(s) (Including foreign currencies)		
Bangladesh Bank		
In local currency	98,060,279	59,494,800
In foreign currencies	-	-
	<u>98,060,279</u>	<u>59,494,800</u>
Sonali Bank as agent of Bangladesh Bank		
In local currency	-	-
	<u>98,060,279</u>	<u>59,494,800</u>
	<u><u>103,662,626</u></u>	<u><u>62,209,739</u></u>
1.3 Cash Reserve Ratio and Statutory Liquidity Ratio		
Cash Reserve Ratio and Statutory Liquidity Reserve Ratio have been calculated and maintained in accordance with section 33 of Bank Companies Act 1991 MPD circular no. 1,2 & DOS Circular no. 26 dated 03 April 2018, 10 December 2013 and 19 August 2019 respectively.		
The statutory Cash Reserve Ratio (CRR) required on the Bank's time and demand liabilities at the rate of 5.50% has been calculated and maintained with Bangladesh Bank in current account and 5.50% Statutory Liquidity Requirement (SLR), on the same liabilities is also be 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 (5.50%)	74,621,000	57,713,095
Actual Reserve maintained	98,060,280	59,494,800
Surplus	<u>23,439,280</u>	<u>1,781,705</u>
1.3.2 Statutory Liquidity Ratio (SLR)		
Required Reserve (5.50%)	74,621,000	57,713,095
Actual Reserve maintained	86,041,627	63,996,644
Surplus	<u>11,420,627</u>	<u>6,283,549</u>
Held for Statutory Liquidity Ratio (SLR)		
Cash in Hand	5,602,347	2,714,939
Excess Cash Reserve	23,439,280	1,781,705
Government Securities (HTM)	57,000,000	59,500,000
	<u>86,041,627</u>	<u>63,996,644</u>
1.3.3 Total required amount of CRR and SLR		
Total required reserve	149,242,000	115,426,190
Total actual reserve maintained	160,662,627	121,709,739
Total Surplus	<u>11,420,627</u>	<u>6,283,549</u>
2 Balance with other banks and financial institutions		
In Bangladesh (Note 2.1)	620,947,995	820,368,327
Outside Bangladesh	-	-
	<u>620,947,995</u>	<u>820,368,327</u>
2.1 In Bangladesh		
In Mudaraba fixed/term deposit account (in local currency)		
EXIM Bank Ltd, Gulshan Branch, Dhaka and Narayanganj Branch, Narayanganj	600,000,000	300,000,000
Al Arafah Islamic Bank Limited, Motijheel Branch	-	500,000,000
Islami Bank Bangladesh Limited, Foreign Exchange Branch	-	13,665,155
First Security Islami Bank Limited, Dilkusha	-	6,203,447
A B Bank Limited	-	499,725
	<u>600,000,000</u>	<u>820,368,327</u>
In Mudaraba Savings deposit account		
Islami Bank Bangladesh Limited, Foreign Exchange Branch, Dhaka	14,161,159	-
	<u>14,161,159.00</u>	<u>-</u>
In Mudaraba Special Notice Deposit account		
First Security Islami Bank Ltd., Dilkusha Branch, Dhaka	6,281,978	-
AB Bank Limited, Islamic Banking Branch, Dhaka	504,858	-
	<u>6,786,836</u>	<u>-</u>
	<u>620,947,995</u>	<u>820,368,327</u>



	2019 Taka	2018 Taka
2.2 Maturity grouping of balance with other banks and financial institutions		
Payable on demand	-	-
Up to 3 months	620,947,995	820,368,327
Over 3 months but not more than 1 year	-	-
	<u>620,947,995</u>	<u>820,368,327</u>
3 Placement with Banks and Other Financial Institutions	-	-
4 Investments in Shares and Securities		
Government Treasury Bonds		
6 months Bangladesh Govt. Islami Investment Bond	57,000,000	59,500,000
	<u>57,000,000</u>	<u>59,500,000</u>
5 Investments		
General Investments (Note 5.1)	646,898,731	852,821,015
Bills purchased and discounted (Note 5.2)	-	-
	<u>646,898,731</u>	<u>852,821,015</u>
5.1 General Investments		
Inside Bangladesh:		
Quard	57,850,000	43,940,685
Bai Muazzal	63,979,550	107,810,641
Murabaha Post Import (TR)	320,433,429	475,048,068
Hire Purchase Shirkatui Meik	204,637,752	226,021,621
	<u>646,898,731</u>	<u>852,821,015</u>
Outside Bangladesh	-	-
	<u>646,898,731</u>	<u>852,821,015</u>
5.1.1 Maturity grouping of General Investment		
Repayable on demand	65,049,039	116,154,815
Upto 3 months	165,813,788	349,496,548
Over 3 months but not more than 1 year	161,897,463	173,860,686
Over 1 year but not more than 5 years	148,775,363	98,031,470
Over 5 years	104,363,078	115,277,496
	<u>646,898,731</u>	<u>852,821,015</u>
5.2 Bills purchased and discounted		
Payable in Bangladesh		
Loans against accepted bills	-	-
Loans against demand draft purchased	-	-
Payable outside Bangladesh		
Foreign bills purchased	-	-
Foreign drafts purchased	-	-
	<u>-</u>	<u>-</u>
5.2.1 Maturity grouping of bills purchased and discounted		
Receivable on demand	-	-
Not more than 3 months	-	-
Over 3 months but not more than 6 months	-	-
6 months or more	-	-
	<u>-</u>	<u>-</u>
5.3 Geographical location-wise distribution of Investments including bills purchased and discounted		
In Bangladesh		
Urban		
Dhaka	498,642,112	708,285,685
Sylhet	148,256,619	144,535,330
	<u>646,898,731</u>	<u>852,821,015</u>
Rural	-	-
Outside Bangladesh (Foreign bills/drafts purchased)	-	-
	<u>646,898,731</u>	<u>852,821,015</u>
5.4 Sector-wise Investments including bills purchased and discounted		
Public sector	-	-
Private sector	646,898,731	852,821,015
Co-operative sector	-	-
	<u>646,898,731</u>	<u>852,821,015</u>



5.5 Security base-wise Investments including bills purchased and discounted

	2019 Taka	2018 Taka
Collateral of movable and immovable properties	344,254,431	295,733,313
Guarantee of local banks and financial institutions	-	-
Export documents	-	-
Fixed deposit receipts (FDR) of own Bank	57,850,000	43,940,685
FDR of other banks	-	-
Government bonds	-	-
Corporate guarantee	239,436,633	-
Personal guarantee	5,357,667	510,491,168
Other securities	-	2,655,849
	646,898,731	852,821,015

5.6 Classification of Investments including bills purchased and discounted

Unclassified:

Standard
Special mention account (SMA)

Standard	600,513,799	844,954,876
Special mention account (SMA)	33,123,369	3,986,156
	633,637,168	848,941,032

Classified:

Sub-standard (SS)
Doubtful (DF)
Bad or loss (BL)

Sub-standard (SS)	-	-
Doubtful (DF)	-	-
Bad or loss (BL)	-	-

Staff loan

Staff loan	13,261,563	3,879,983
	646,898,731	852,821,015

5.7 Particulars of required provision for Investments

Status of Classification	Base for Provision	Rate of Provision (%)		
General provision - Unclassified				
Standard (others)	520,529,872	1	5,205,299	7,997,386
Standard (SMEF)	71,760,327	0.25	179,401	105,517
Standard (Consumer Loan Scheme)	5,254,317	5	262,716	140,658
Standard (Loan for Professional to setup business)	-	2	-	3,923
Housing Finance	2,969,283	1	29,693	-
Special mention account (SMEF)	-	0.25	-	9,965
Special mention account (Others)	33,123,369	1	331,234	-
			6,008,343	8,257,449
Specific provision - Classified				
Sub-standard (SS)	-	20	-	-
Doubtful (DF)	-	50	-	-
Bad/Loss (BL)	-	100	-	-
			-	-
Required provision			6,008,343	8,257,449
Provision maintained by head office			6,008,343	8,257,449
Excess provision			-	-

5.8 Particulars of Investments

(i) Investments considered good in respect of which the bank is fully secured.	402,104,431	377,772,947
(ii) Investments considered good for which the bank holds no other security than the debtors' personal security	5,040,901	-
(iii) Investments considered good being secured by the personal security of one or more parties in addition to the personal security of the debtors.	239,753,399	475,048,068
(iv) Investments adversely classified; provision not maintained there against	-	-
	646,898,731	852,821,015
(v) Investments due by directors or officers of the bank or any of them either severally or jointly with any other persons	13,261,563	3,879,983
(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.		
(vii) Maximum total amount of advances, including temporary advances, made		



	2019 Taka	2018 Taka
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.	13,261,563	3,879,983
(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)	-	-
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	-	-
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	55,295,026	59,064,473
Lease rental receivable within 5 years	59,736,083	65,300,774
Lease rental receivable after 5 years	110,023,346	110,397,056
Total lease rental receivable	225,054,455	234,762,303
Less : Un-earned Income receivable	20,416,703	8,740,682
Net Lease finance	204,637,752	226,021,621
6 Fixed Assets including premises, furniture & Fixture cost		
Machinery and equipment	2,791,453	1,077,004
Computer & Computer Accessories	4,163,249	885,800
Furniture and fixtures	2,836,938	1,426,220
	9,791,640	3,389,024
Less: Accumulated Depreciation	2,806,458	2,214,489
Net book value at the end of the year	6,985,182	1,174,535
7 Other Assets :		
Accrued income on Investments	7,257,660	10,362,225
Accrued interest overdue under CLS	-	4,316,997
Income Tax advance A/C	7,056,305	4,159,999
Stationery and stamps	174,695	96,671
Suspense account	503,354	-
Pubali bank adjustment a/c	586,874,549	-
	601,866,563	18,935,892
8 Placement with other Banks, Financial Institutions and Agents		
In Bangladesh	-	-
Outside Bangladesh	-	-
	-	-
9 Deposits and other accounts		
Inter-bank deposits	32,900,415	93,822,262
Other deposits	1,763,508,003	1,032,859,931
	1,796,408,418	1,126,682,193



	2019 Taka	2018 Taka
9.1 Details of deposits and other Accounts		
<u>Current deposits and other accounts :</u>		
Al-Wadia Current Deposit	139,252,722	56,866,915
	<u>139,252,722</u>	<u>56,866,915</u>
Bills payable (note 9.1.1)	22,454,676	10,873,700
Mudaraba Savings Bank Deposit	245,282,039	90,092,778
<u>Term deposits :</u>		
Mudaraba Fixed deposits	1,154,966,441	771,479,300
Mudaraba Monthly Term deposit	14,881,350	5,196,350
Mudaraba Short Notice Deposits	162,552,665	147,982,645
Profit Receivable on Investment	-	26,376
Mudaraba Deposit Pension Scheme	51,545,806	40,237,083
Mudaraba Marriage / Muhar Deposit	217,028	-
Mudaraba Hajj Savings	4,728,773	3,657,311
	<u>1,388,892,063</u>	<u>968,579,065</u>
Other deposits	526,918	269,735
	<u>1,796,408,418</u>	<u>1,126,682,193</u>
9.1.1 Bills Payable		
Payment orders issued	22,454,676	10,873,700
	<u>22,454,676</u>	<u>10,873,700</u>
9.2 Maturity analysis of Inter-bank deposits		
Payable on demand	32,900,415	93,822,262
Payable within 1 month	-	-
Over 1 month but within 6 months	-	-
Over 6 months but within 1 year	-	-
Over 1 year but within 5 years	-	-
Over 5 years and above	-	-
	<u>32,900,415</u>	<u>93,822,262</u>
9.3 Maturity analysis of other deposits		
Payable on demand	276,610,068	95,048,905
Payable within 1 month	111,260,944	52,844,355
Over 1 month but within 6 months	735,161,199	428,556,745
Over 6 months but within 1 year	214,191,217	153,592,226
Over 1 year but within 5 years	347,173,617	263,821,799
Over 5 years and above	79,110,958	38,995,901
	<u>1,763,508,003</u>	<u>1,032,859,931</u>
10 Other Liabilities :		
Unpaid Expenses A/C	136,471	28,321
Item in Transit (Cr. Balance)	196,214,835	156,667,483
Card Transaction Fee (Inter Bank)	405	360
Unearned interest income	2,253,297	16,598,143
Sadaqad Fund	17,508,205	8,271,165
Compensation Realised Account	2,174,091	-
Compensation Realizable Account	13,674,963	-
Pubali Bank Adjustment A/C	-	456,556,367
	<u>231,962,267</u>	<u>638,121,839</u>
11 Investment income		
Bai Muazzal	5,560,955	9,553,487
Murabaha Post Import (TR)	12,737,612	36,404,334
Hire Purchase Shirkatul Melk	21,862,513	15,755,420
Investment Income from Other Bank	68,410,150	52,848,312
	<u>108,571,230</u>	<u>114,561,548</u>
12 Profit paid on deposits, borrowings, etc.		
Mudaraba Term Deposits	63,172,205	49,492,975
Mudaraba Special Notice Deposits	3,470,616	2,763,237
Mudaraba Hajj Savings	256,451	229,649
Mudaraba Savings Bank deposit	3,413,809	2,898,544
Mudaraba Deposit Pension Scheme	2,941,889	2,522,526
Mudaraba Monthly Profit deposit	677,593	442,700
Mudaraba Mohor Scheme	2,525	-
Borrowings from Bangladesh Bank	8,321,918	-
	<u>82,257,006</u>	<u>58,349,631</u>
13 Income from Investment in shares /securities		
	-	-
	-	-



	2019 Taka	2018 Taka
14 Commission, exchange and brokerage		
SC, LSC, DD, TT, MT and PO	51,850	49,600
Foreign L/C	185,911	569,014
Local L/C	516,193	527,826
Local Guarantee	3,000	-
Other transactions	6,595	15,659
Miscellaneous handling commission	832,247	1,089,463
	1,595,796	2,251,562
15 Other operating income		
Miscellaneous income	875	1,950
Service charge	93,410	34,885
CIB service charge	20,930	8,190
Online service charge	377,891	302,177
Account maintenance fee	323,696	343,564
SMS service charge	103,473	76,342
Card fees and charges	47,900	27,100
	968,175	794,208
16 Salary and allowances		
Basic salary	7,294,665	3,300,045
House rent allowances	4,204,077	1,973,862
Medical allowances	953,903	442,442
Other allowances	828,500	412,860
Contributory provident fund	683,500	318,240
Bonus to employees	659,770	604,070
	14,624,415	7,051,519
17 Rent, taxes, insurance, electricity, etc.		
Electric fittings and fixtures	225,635	4,797
Bank premises	61,474	-
Rates and taxes	6,728	-
Insurance	60,064	60,729
Lighting	160,342	216,232
	514,243	281,758
18 Legal Expenses		
Lawyer Charges	-	-
Court fees and other expenses	-	-
	-	-
19 Postage, stamp, telecommunication, etc.		
Postage	4,393	5,822
Telephone (office)	53,639	39,675
Telephone (res)	8,900	8,400
	66,932	53,897
20 Stationery, printing, advertisement, etc.		
Table stationery	168,464	28,747
Computer Stationery	57,188	45,245
Consumption of books and forms	214,257	117,859
Advertisement	8,050	-
	447,959	191,851
21 Depreciation repair and maintenance of fixed assets		
Repairs to fixed assets	17,229	20,580
Depreciation on fixed assets	514,294	290,414
Maintenance of Bank Premises	299,413	172,543
	830,936	483,537
22 Other expenses		
Newspapers	11,146	9,755
Travelling	57,188	43,094
Sub-ordinate staff clothing	9,419	-
Conveyance	23,281	10,355
Entertainment	162,680	79,389
Carrying Expenses	400	-
Employees recreation (Lunch subsidy)	750,829	327,073
Promotional expenses	111,154	39,300
House maintenance	666,470	192,000
Security and Auxiliary Service	175,500	171,990
Petrol consumption	1,360	-
Branches' opening expenses	984,746	-
Miscellaneous	449,125	116,693
	3,403,298	989,649



	2019 Taka	2018 Taka
23 Cash payments for other operating activities		
Rent, tax, Insurance, Lighting etc.	514,243	281,758
Repairing Expenses	316,642	193,123
Other Expenses	3,403,298	989,649
	4,234,183	1,464,530
24 Increase/(decrease) of other assets		
Closing other Assets		
Stationery and Stamps	174,695	96,671
Accrued income on investments	7,257,660	10,362,225
Pubali Bank Adjustment A/C	586,874,549	-
Accrued interest overdue under CLS	-	4,316,997
Income Tax advance A/C	7,056,305	4,159,999
Suspense account	503,354	-
	601,866,563	18,935,892
Opening other Assets		
Stationery and Stamps	96,671	76,075
Accrued income on investments	10,362,225	3,756,000
Pubali Bank Adjustment	-	342,136,160
Accrued interest overdue under CLS	4,316,997	-
Income Tax advance A/C	4,159,999	-
	18,935,892	345,968,235
	(582,930,671)	327,032,343
25 Cash and cash equivalents at the end of the year		
Cash in hand (including foreign currencies)	5,602,347	2,714,939
Balance with Bangladesh Bank and its agent bank(s)	98,060,279	59,494,800
Balance with other banks and financial institutes	620,947,995	820,368,327
	724,610,621	882,578,066



Pubali Bank Limited
Off-shore Banking Unit
Balance Sheet as at 31 December 2019

Notes	2019		2018
	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 in Bangladesh	4	33,578,948.98	2,850,852,769
Outside Bangladesh		30,500,000.00	1,132,650,000
		3,078,948.98	276,428,767
Loans, Advances and Leases	5	171,305,149.37	14,543,807,182
Loans, cash credits and overdrafts, etc.		14,048,103.14	517,634,160
Bills purchased and discounted		157,257,046.23	14,185,495,618
Fixed Assets including premises, furniture & fixtures	6	-	-
Other Assets	7	3,630,563.34	308,234,828
Non-banking Assets		-	-
Total Assets		208,514,661.69	16,404,154,619
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other Banks, Financial Institutions & Agents	8	204,599,619.51	17,370,507,696
Deposits and other accounts	9	-	-
Current accounts & other accounts		-	-
Bills Payable		-	-
Savings bank deposits		-	-
Term deposits		-	-
Other deposits		-	-
Other Liabilities	10	1,562,862.83	132,687,056
Total Liabilities		206,162,482.34	16,190,456,398
Capital / Shareholders' Equity			
Paid up Capital		-	-
Statutory Reserve		-	-
Retained earnings		-	-
Foreign currency translation reserves		-	1,060,599
Profit and Loss account surplus		2,352,179.35	198,639,428
Total Shareholders' Equity		2,352,179.35	213,698,221
Total Liabilities and Shareholders' Equity		208,514,661.69	16,404,154,619



Notes	2019		2018
	USD	Taka	Taka

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

	-	-	-
	-	-	-
	-	-	-
	-	-	-
	-	-	-
	-	-	-



Pubali Bank Limited
Off-shore Banking Unit
Profit & Loss Account for the year ended 31 December 2019

Notes	2019		2018
	USD	Taka	Taka
Operating Income			
Interest income	11,057,327.31	933,781,339	807,788,157
Interest paid on deposits, borrowings, etc.	(8,902,810.65)	(751,834,347)	(610,943,696)
Net Interest Income	2,154,516.66	181,946,992	196,844,461
Commission, exchange and brokerage	-	-	-
Other operating income	362,223.29	30,589,432	27,530,319
Total Operating Income	2,516,739.95	212,536,424	224,374,780
Operating Expenses			
Salaries and allowances	128,214.33	10,827,585	9,075,215
Rent, taxes, insurance, electricity, etc.	-	-	-
Legal expenses	-	-	-
Postage, stamp, telecommunication, etc.	-	-	-
Stationery, printing, advertisements, etc.	2,303.34	194,515	-
Auditors' fees	-	-	-
Charges on loan losses	-	-	-
Depreciation and repair of bank's assets	-	-	-
Other expenses	34,042.93	2,874,896	2,689,193
Total Operating Expenses	164,560.60	13,896,996	11,764,408
Profit/(Loss) before Provision	2,352,179.35	198,639,428	212,610,372
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	2,352,179.35	198,639,428	212,610,372
Provision for current tax	-	-	-
Provision for deferred tax	-	-	-
Total Provision for taxes	-	-	-
Net Profit/(loss) after Taxation	2,352,179.35	198,639,428	212,610,372



Pubali Bank Limited
Off-shore Banking Unit
Cash Flow Statement for the year ended 31 December 2019

Notes	2019		2018
	USD	Taka	Taka
A) Cash flows from operating activities			
Interest receipts in cash	11,057,327.30	933,781,339	807,788,157
Interest payments	(8,902,810.65)	(751,834,347)	(610,943,696)
Receipts from other operating activities	362,223.30	30,589,432	27,530,319
Cash payments for other operating activities	(164,560.62)	(13,896,996)	(11,764,408)
Operating profit before changes in operating assets & liabilities	2,352,179.34	198,639,428	212,610,372
Increase/ (Decrease) in operating assets and liabilities			
Loans and advances to customers (other than banks)	1,876,591.24	159,322,596	(3,147,763,670)
Other assets	(191,858.12)	(16,288,754)	(139,791,967)
Other liabilities	(38,835.23)	(3,297,111)	60,000,623
Total Increase/(decrease) in operating assets and liabilities	1,645,897.89	139,736,731	(3,227,555,014)
Net cash from /(used in) operating activities	3,998,077.23	338,376,159	(3,014,944,642)
B) Cash flows from investing activities	-	-	-
C) Cash flows from financing activities			
Borrowings from other Banks, Financial Institutions & Agents.	15,501,006.65	1,316,035,465	4,335,115,667
Profit transferred to Central Operation.	(2,714,875.87)	(212,610,372)	(196,838,008)
	12,786,130.79	1,103,425,093	4,138,277,659
D) Net increase/(decrease) in cash and cash equivalents (a+b+c)	16,784,208.02	1,441,801,252	1,123,333,017
E) Effects of exchange rate changes on cash and cash equivalents	-	(27,250)	(4,417,000)
F) Cash and cash equivalents at beginning of the period	16,794,740.97	1,409,078,767	290,162,750
G) Cash and cash equivalents at end of the period (D+E+F)	33,578,948.98	2,850,852,769	1,409,078,767



PUBALI BANK LIMITED, Off-shore Banking Unit
Notes to the financial statements for the year ended 31 December 2019

1 Status of the unit

The Bank obtained the Off-shore Banking Unit ("the Unit") permission vide Bangladesh Bank letter No. BRPD (P-3) 744 (108)/2010-93 dated January 13, 2010. The Bank commenced operation from January 22, 2015. The Off-shore Banking Unit is governed under the rules and guidelines of the Bangladesh Bank. The Bank has two Units. One is located at 26 4th Floor, AA Bhaban, 23 Motijheel C/A, Dhaka and the other unit is located at 99 Agrabad C/A (Sattar Chamber-Ground Floor), Chattogram.

1.1 Principal Activities

The principal activities of the units are to provide all kinds of commercial banking services to its customers through its Off-shore Banking Units in Bangladesh.

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 Unit (OSBU). The financial statements of the OSBU are prepared in accordance with the Bank Companies Act 1991, in particular, Banking Regulation and Policy Department (BRPD) Circular No. 14 dated 25 June 2003, other Bangladesh Bank Circulars, Bangladesh Financial Reporting Standards (BFRSs) 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 BAS-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.

2019		2018
USD	Taka	Taka

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	-	-	-

3.1 Cash Reserve Ratio and Statutory Liquidity Ratio

Cash Reserve Ratio and Statutory Liquidity Reserve Ratio have been calculated and maintained in accordance with section 33 of Bank Companies Act 1991 and MPD circular numbers 1,2 & DOS circular no. 26 dated 03 April 2018, 10 December 2013 and 19 August 2019 respectively.

The statutory Cash Reserve Ratio (CRR) required on the Bank's time and demand liabilities at the rate of 5.50% has been calculated and maintained with Bangladesh Bank through the current account and 13% Statutory Liquidity Requirement (SLR) on the same liabilities is also being 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 (5.5%)	823,428,000	-
Actual Reserve maintained	823,428,000	-
Surplus/(deficit)	-	-

3.1.2 Statutory Liquidity Ratio (SLR)

Required Reserve (13%)	1,946,284,000	-
Actual Reserve maintained	1,946,284,000	-
Surplus/(deficit)	-	-

3.1.3 Total required amount of CRR and SLR

Total required reserve (18.5%)	2,769,712,000	-
Total actual reserve maintained	2,769,712,000	-
Total Surplus	-	-

4 Balance with other banks and financial institutions

In Bangladesh (Note 4.1)	30,500,000.00	2,589,450,000	1,132,650,000
Outside Bangladesh (Note 4.2)	3,078,948.98	261,402,769	276,428,767
	33,578,948.98	2,850,852,769	1,409,078,767

4.1 In Bangladesh

In fixed/term deposit account (in local currency)

Finance to other Financial Institute	30,500,000.00	2,589,450,000	671,200,000
Finance to Pubali Bank	-	-	461,450,000
	30,500,000.00	2,589,450,000	1,132,650,000

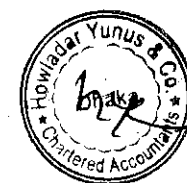


	2019		2018
	USD	Taka	Taka
4.2 Outside Bangladesh			
Current A/c (Nostro)			
Mashreq Bank NY, USD	2,988,178.02	253,696,314	259,456,732
Mashreq Bank Mumbai, India-ACUD	90,770.96	7,706,455	16,972,035
	3,078,948.98	261,402,769	276,428,767
5 Loans, advances and leases			
Loans, cash credits and overdrafts, etc. (note 5.1)	14,048,103.14	1,192,683,957	517,634,160
Bills purchased and discounted (note 5.2)	157,257,046.23	13,351,123,225	14,185,495,618
	171,305,149.37	14,543,807,182	14,703,129,778
5.1 Loans, cash credits, overdrafts, etc.			
In Bangladesh			
Loans	14,048,103.14	1,192,683,957	517,634,160
Cash credits	-	-	-
Overdrafts	-	-	-
	14,048,103.14	1,192,683,957	517,634,160
Outside Bangladesh	-	-	-
	14,048,103.14	1,192,683,957	517,634,160
5.2 Bills purchased and discounted			
Payable in Bangladesh			
Export Bill Discounting	21,536,000.00	1,828,406,400	2,563,749,080
Loans against demand draft purchased	-	-	-
	21,536,000.00	1,828,406,400	2,563,749,080
Payable outside Bangladesh			
Discounting -UPAS	135,721,046.23	11,522,716,825	11,621,746,538
Foreign drafts purchased	-	-	-
	135,721,046.23	11,522,716,825	11,621,746,538
	157,257,046.23	13,351,123,225	14,185,495,618
5.3 Classification of Investments including bills purchased and discounted			
Unclassified			
Standard		14,502,510,880	14,688,921,445
Special mention account (SMA)		41,296,302	14,208,333
		14,543,807,182	14,703,129,778
Classified			
Substandard (SS)		-	-
Doubtful (DF)		-	-
Bad or loss (BL)		-	-
Staff loan			
		14,543,807,182	14,703,129,778
5.4 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)	14,501,039,763	1	145,010,398
Standard (SMEF)	1,471,117	0.25	3,678
SMA (SMEF)	-	-	35,521
SMA (Others)	41,296,302	1	412,963
			145,427,039
Specific provision - Classified			
Substandard (SS)	-	20	-
Doubtful (DF)	-	50	-
Bad/Loss (BL)	-	100	-
			145,427,039
Required provision			145,427,039
Provision maintained by head office			145,427,039
Excess provision			-
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.



	2019		2018
	USD	Taka	Taka
7 Other Assets			
Income generating other assets			
Interest on EBD	74,300.00	6,308,070	10,487,500
Interest on UPAS Bill	2,969,866.26	252,141,645	242,951,494
Interest on Term Loan	73,312.08	6,224,196	-
Prepaid expenses	513,085.00	43,560,917	38,507,080
	3,630,563.34	308,234,828	291,946,074
8 Borrowings from other Banks, Financial Institutions and Agents			
Parents Bank-Pubali Bank Limited	10,726,911.56	910,714,791	663,814,103
Others Banks & Financial Institutions	193,872,707.95	16,459,792,905	15,390,658,128
	204,599,619.51	17,370,507,696	16,054,472,231
9 Deposits and other accounts			
Inter-bank deposits	-	-	-
Other deposits	-	-	-
	-	-	-
10 Other Liabilities			
Interest payable to :			
Parent bank borrowing	12,000.69	1,018,859	3,909,212
Others Banks & Financial institutions	1,550,862.14	131,668,197	129,198,020
Unpaid expenses (Salary & Allowances)	-	-	2,876,935
	1,562,862.83	132,687,056	135,984,167
11 Interest income			
Interest on EBD	1,164,227.83	98,317,992	130,097,359
Interest on UPAS Bill	9,131,121.46	771,114,989	668,133,471
Interest on Term loan	459,755.79	38,825,963	9,557,327
Interest on Finance to other financial Institution	302,222.23	25,522,395	-
	11,057,327.31	933,781,339	807,788,157
12 Interest paid on deposits, borrowings, etc.			
Interest on Borrowings from Parent Bank	740,802.22	62,560,081	72,025,705
Interest on Borrowings from other banks & Financial Institutions	8,162,008.43	689,274,266	538,917,991
	8,902,810.65	751,834,347	610,943,696
13 Other operating income			
Rebate received from Nostro A/C	53,319.63	4,502,795	4,050,710
Reimbursement fee received	87,215.17	7,365,243	9,987,421
Overdue interest	130,364.51	11,009,166	8,583,551
A/P received from Nostro A/C	91,323.98	7,712,228	4,908,637
	362,223.29	30,589,432	27,530,319
14 Salaries and allowances			
Basic salary	63,219.24	5,338,808	4,267,464
House rent allowances	35,983.15	3,038,745	2,474,209
Medical allowances	7,204.34	608,400	452,655
Other allowances	4,063.98	343,199	317,200
Contributory provident fund	6,203.98	523,921	419,181
Bonus to employees	11,539.64	974,512	1,144,506
	128,214.33	10,827,585	9,075,215
15 Stationery, printing, advertisements, etc.			
Table Stationery	1,381.12	116,634	-
Computer Stationery	922.22	77,881	-
	2,303.34	194,515	-
16 Other expenses			
Bank charges of Nostro A/C (Mashreq Bank)	20,870.50	1,762,496	1,805,936
House maintenance	8,625.31	728,400	487,014
Car allowance	-	-	96,618
Entertainment	710.49	60,000	60,366
Employees recreation (Lunch subsidy)	3,836.63	324,000	239,259
	34,042.93	2,874,896	2,689,193





কে. এম. হাসান এন্ড কোং
K. M. HASAN & CO.
Chartered Accountants

Hometown Apartments (8th & 9th Floor) 87,
New Eskaton Road, Dhaka-1000
Phone: 58311559, 9351564, 9351457,
Fax: 88-02-9345792
E-mail: info@kmhasan.com.bd
website: www.kmhasan.com.bd



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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 2019, 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 2019, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

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 of our knowledge obtained in the audit or otherwise appears to be materially misstated.



An Independent Member Firm of McMillan Woods International

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 1987 and other applicable Laws and Regulation 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.
- Obtained 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 1987, 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
Dated: 18 JUNE.....2020



K.M. Hasan
K. M. HASAN & CO.
Chartered Accountants



Pubali Bank Securities Limited
Statement of Financial Position
as at 31 December 2019

	Notes	Amount in Taka	
		2019	2018
Assets			
Current Assets			
Cash and bank balances	3	989,804,123	896,360,657
Receivable from securities trading	4	92,238,041	66,666,635
Investment in securities (Own portfolio)	5	6,452,850,856	6,442,560,932
Receivable from other clients	6	578,385,912	585,117,099
Other assets	7	1,053,000	960,000
Advance income tax	8	196,066,718	159,773,730
Total current assets		8,310,398,650	8,151,439,053
Non-current assets			
Fixed assets	9	4,866,079	1,606,061
Value of investment in exchange (against membership value)	10	14,000,000	14,000,000
Investment in securities	11	36,302,842	12,042,824
Other long term assets	12	-	337,607
Total non-current assets		55,168,921	27,986,492
Total Assets		8,365,567,571	8,179,425,545
Equity and Liabilities			
Liability			
Current liabilities			
Payable to clients	13	114,716,924	251,195,093
Payable to exchanges	14	2,594,895	3,733,284
Other liabilities and provisions	15	1,798,862,369	1,494,731,997
Total current liabilities		1,916,174,188	1,749,660,374
Non-current liabilities			
Long term loan liabilities (other than current portion amount)	16	3,000,000,000	3,000,000,000
Total Non-current liabilities		3,000,000,000	3,000,000,000
Shareholders' equity			
Share capital	17	3,600,000,000	3,600,000,000
Retained earnings	18	(150,606,617)	(170,234,829)
Total Equity		3,449,393,383	3,429,765,171
Total Equity and Liabilities		8,365,567,571	8,179,425,545

These financial statements should be read conjunction with annexed notes



Pubali Bank Securities Limited
Statement of Profit or Loss and Other Comprehensive Income
for the year ended 31 December 2019

	Notes	Amount in Taka	
		2019	2018
Operating income	19	411,228,244	458,206,832
Less: Operating expenses	20	6,034,455	6,265,662
Gross Profit		405,193,789	451,941,170
Less: Administrative and general expenses	21	39,840,696	36,238,806
Operating profit		365,353,093	415,702,364
Add: Other income		-	-
Profit before provision and income tax		365,353,093	415,702,364
Less: Provision for diminution in value of investment	15.2	200,518,435	100,000,000
provision for impairment of clients' margin loan	15.4	64,137,559	37,677,727
Profit before income tax		100,697,099	278,024,637
Less: Provision for income tax			
Current tax	15.3	80,593,786	75,053,898
Deferred tax	12.1	475,101	3,673
Net profit after income tax		19,628,212	202,967,066
Add: Other comprehensive income		-	-
Total comprehensive income		19,628,212	202,967,066

These financial statements should be read conjunction with annexed notes



Pubali Bank Securities Limited
Statement of Cash Flow
for the year ended 31 December 2019

	Amount in Taka	
	2019	2018
A) Cash flows from operating activities		
Net profit before income tax	100,697,099	278,024,637
Add: Adjustment for non-cash items:		
Depreciation & amortization charged	414,833	599,797
Provision for investment & clients margin loan	264,655,994	137,677,727
Operating profit before changes in operating assets and increase/decrease in operating assets and liabilities	265,070,827	138,277,524
(Increase)/ decrease in operating assets	(53,483,161)	(289,411,349)
Increase/ (decrease) in operating liabilities	(136,915,368)	(257,073,488)
Income tax paid	(78,251,080)	(80,323,244)
	(268,649,609)	(626,808,081)
Net cash from/(used in) operating activities	97,118,317	(210,505,920)
B) Cash flows from investing activities		
Acquisition of property, plant and equipment	(3,681,312)	(406,290)
Disposal of property, plant and equipment	6,461	-
Investment in dealer account	-	-
Cash proceed from sale of strategic investment in shares (DSE)	-	2,000,000
Net cash from/(used in) investing activities	(3,674,851)	1,593,710
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 cash increase / (decrease)	93,443,466	(208,912,210)
E) Cash and cash equivalents at the beginning of the Year	896,360,657	1,105,272,867
F) Cash and cash equivalents at the end of the Year	989,804,123	896,360,657



Annexure-G(iv)

Pubali Bank Securities Limited
Statement of Changes in Equity
For the year ended 31 December 2019

Amount in Taka

Particulars	Ordinary Share Capital	Retained Earnings	Total
Balance as at 1 January, 2019	3,600,000,000	(170,234,829)	3,429,765,171
Net Profit after tax for the year	-	19,628,212	19,628,212
Balance as at 31 December 2019	3,600,000,000	(150,606,617)	3,449,393,383

For the year ended 31 December 2018

Amount in Taka

Particulars	Ordinary Share Capital	Retained Earnings	Total
Balance as at 1 January, 2018	3,600,000,000	(373,201,895)	3,226,798,105
Net Profit after tax for the year	-	202,967,066	202,967,066
Balance as at 31 December 2018	3,600,000,000	(170,234,829)	3,429,765,171



Pubali Bank Securities Limited
Notes to the financial statements for the year ended 31 December 2019

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-1987 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:

- a) Statement of Financial Position
- b) Statement of Profit or Loss and other Comprehensive Income
- c) Statement of Changes in Equity
- d) Statement of Cash Flow and
- e) 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 Flows" under indirect method.

2.6 Reporting period

These financial statements cover period from 1 January 2019 to 31 December 2019.

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.

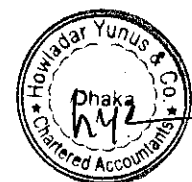
2.8 Property, plant and equipment

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 on use asset

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 source by DSE & CSE on daily transaction 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 International Financial Reporting Standards (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/Policy/3/2020/68 dated 12 January 2020 of Bangladesh Securities and Exchange Commission, provision may be made for unrealized loss arising out of year-end revaluation of shares purchased as dealer and unrealized loss as margin loan may be extended up to 31.12.2022. However the Company maintain provision mentioned in note# 15.

2.21 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.

2.21.1 Particulars of Directors and Shareholders and their shareholdings

Name of the directors	Designation	Number of Share holding as 31 December 2019
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 Kabiruzzaman 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. Md. Abdul Halim Chowdhury (Nominated by Pubali Bank Limited)	Director	NIL
Mr. Shahdeen Malik	Independent Director	NIL
Mr. Giasuddin Ahmed	Shareholder	1
Ms. Rumana Sharif	Shareholder	1
Pubali Bank Limited	Shareholder	Ordinary: 35,999,987 Preference: 30,000,000

2.21.2 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	Advisor	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 Kabiruzzaman Yaqub	Director	Director	Pubali Bank Limited	2.00%
Mr. Mustafa Ahmed	Director	-	Not Applicable	-
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	Director	Pubali Bank Limited	2.00%
Mr. Md. Abdul Halim Chowdhury (Nominated by Pubali Bank Limited)	Director	Managing Director & CEO	Pubali Bank Limited	-
Mr. Shahdeen Malik	Independent Director	Independent Director	Pubali Bank Limited	-

2.22 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.

2.23 Management' responsibility on financial statements

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



2.24 Employee benefits

All the employees at Pubali Bank Securities Limited are on deputation from Pubali Bank Limited except the Managing Director, and CEO will get existing and future benefits of the same Bank during the period of their service at Pubali Bank Securities Limited. All the employees except Managing Director and CEO 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.

2.25 General

- a) These financial statements are presented in Taka, which is the Company's functional currency. Figures appearing in these financial statements have been rounded off to the nearest Taka.
b) The expenses, irrespective of capital or revenue nature, accrued / due but not paid have been provided for in the books of the Company.
c) Figures of previous year have been rearranged whenever necessary to conform to current year's presentation.

3 Cash and bank balances

Current account:

Pubali Bank Ltd. A/C-3555901034012 Securities Trading Division
Pubali Bank Ltd. A/C-3555901034027 Customers Security Deposit
Pubali Bank Ltd. A/C-3555901034031 Other Income
Pubali Bank Ltd. A/C-3555102001901 Documentation fee
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-290510200993 Sundry Deposit A/C
Pubali Bank Ltd. A/C -2905102001047 Income& Expenditure A/C
Sub total

Fixed deposit rate (FDR)

Pubali Bank Ltd.

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 No.

977310
977311
977312
977313
977314
977390
977509
977542
977543

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

4 Receivable from securities trading

Receivable from stock-broker/stock- dealer
Receivable from dividend
Dividend Receivable from-strategic investment
Receivable from client
Receivable from others (Accrued interest of FDR) - (Annexure-G(ix))

5 Investment in securities (Own portfolio)

Investment in securities (Own portfolio) at cost (Annexure-G(vii))

6 Receivable from other clients

Margin loan from clients

7 Other assets

Prepaid expenses (Note 7.1)

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

Amount in Taka	
2019	2018
-	205,482
2,430,380	2,539,840
165,870	146,670
54,172	50,680
719,480	24,030,467
27,499	-
221,663,016	332,377,355
4,490,955	805,291
229,551,372	360,155,785
356,251	316,913
346,216	450,958
40,210,622	50,888,714
40,913,089	51,656,585
719,339,662	484,548,287
989,804,123	896,360,657
115,523,826	109,476,228
57,722,404	54,712,330
57,722,404	54,712,330
57,722,404	54,712,330
57,722,404	54,712,330
112,102,544	106,234,739
53,633,676	49,988,000
103,595,000	-
103,595,000	-
719,339,662	484,548,287
458,611	3,518,361
67,985,001	57,727,178
664,197	-
2,266,778	5,421,096
20,863,454	-
92,238,041	66,666,635
6,452,850,856	6,442,560,932
6,452,850,856	6,442,560,932
578,385,912	585,117,099
578,385,912	585,117,099
1,053,000	960,000
1,053,000	960,000
960,000	863,500
2,142,700	2,423,200
(2,049,700)	(2,326,700)
1,053,000	960,000



	Amount in Taka	
	2019	2018
8 Advance income tax		
Opening balance	159,773,730	79,450,486
Add: Advance income tax paid during the year	38,831,586	41,009,637
	198,605,316	120,460,123
Add: Tax deducted at source during the year	35,345,038	34,751,729
	233,950,354	155,211,852
Add: Tax deducted at source against bank interest & others	4,074,456	4,561,878
	238,024,810	159,773,730
Less: Adjustment during the year (Assessment year 2016-2017)	(41,958,092)	-
	196,066,718	159,773,730
9 Fixed assets (net off depreciation & amortization):		
Computer & computer accessories	399,888	267,652
Machinery & equipment	232,407	269,817
Vehicle	3,228,133	-
Furniture & fixtures	1,003,151	1,058,582
	4,863,579	1,596,051
Intangible assets :		
Systems & software	2,500	10,010
	2,500	10,010
	4,866,079	1,606,061

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

10 Value of investment in exchange (Against membership value)

Dhaka stock exchange Ltd. (Note 10.1)	6,000,000	6,000,000
Chittagong stock exchange Ltd. (Note 10.2)	8,000,000	8,000,000
	14,000,000	14,000,000

10.1 Dhaka stock exchange Ltd.

Opening balance	6,000,000	6,000,000
Add: Investment made during the year	-	-
	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	8,000,000	8,000,000
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.

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.



	Amount in Taka	
	2019	2018
11 Investment in securities		
Investment in securities (Strategic investment) at cost (Annexure-C)	36,302,842	12,042,824
	36,302,842	12,042,824
12 Other long term assets		
Deferred tax assets (Note-12.1)	-	337,607
		337,607
12.1 Deferred tax assets		
Opening balance	337,607	341,280
Addition/(deduction) during the year charged in P&L	(475,101)	(3,673)
Closing balance	(137,494)	337,607
13 Payable to clients		
General client	114,716,924	251,195,093
	114,716,924	251,195,093
14 Payable to exchanges		
Payable to DSE broker	79,652	299,963
Payable to Pubali Bank	13,810	13,810
Payable for CDBL	69,513	878,591
Payable to Sundry Deposit	2,431,920	2,540,920
	2,594,895	3,733,284
15 Other liabilities and provisions		
Deferred tax and other deferred liabilities (Note 15.1)	137,494	-
Provision for diminution in value of investment (Note 15.2)	1,324,827,130	1,124,308,695
Provision for tax (Note 15.3)	221,133,128	182,497,434
Provision for impairment of clients' margin loan (Note 15.4)	249,960,955	185,823,396
Provision for rent, tax, insurance, electricity expense	104,421	99,037
Provision for postage, stamp, telecommunication etc.	105,851	71,157
Provision for stationery, printing, advertisement expenses.	1,408	1,408
Provision for repair of machinery equipment expenses.	255	255
Provision for other expenses.	735,931	477,680
Legal fees payable	959,875	519,875
Professional fees payable	-	60,000
Payable to software provider	235,539	235,539
Payable to suppliers	193,150	37,150
Sundry deposit	62,576	62,576
Sundry payable	520	520
Provision for audit fees	125,000	143,750
VAT payable	41,058	46,576
TAX payable	238,078	346,949
	1,798,862,369	1,494,731,997
15.1 Deferred tax liability		
Deferred tax liability has been recognized in accordance with the provisions of IAS 12: Income Taxes, is arrived at as follows:		
Opening balance	-	-
Addition/(deduction) during the year charged in P&L	137,494	-
Closing balance	137,494	-
15.2 Provision for diminution in value of investment		
Opening balance	1,124,308,695	1,024,308,695
Add: Provision made during the year	200,518,435	100,000,000
	1,324,827,130	1,124,308,695
Less : Adjusted during the year	-	-
Closing balance	1,324,827,130	1,124,308,695
50% provision for diminution in value of investment As per directive no.BSEC/SRI/Policy/3/2020/68 dated 12 January 2020 of Bangladesh Securities and Exchange Commission, has allowed the stock dealer to provide loss on investment in securities in equal quarterly installment upto 31 December 2022 as dealer and unrealized loss as margin loan. Which is in compliance with above mentioned circular.		
15.3 Provision for tax		
Opening balance	182,497,434	107,443,536
Add: Provision made during the year	80,593,786	75,053,898
	263,091,220	182,497,434
Add: Adjustment made during the year	(41,958,092)	-
Closing balance	221,133,128	182,497,434



15.4 Provision for impairment of clients' margin loan

Opening balance
Add: Provision made during the year

Less: Adjustment made during the year
Closing balance

100% provision for impairment of clients' margin loan

16 Long term liabilities (Other than current portion amount)

Preference share capital

Issue of 5% redeemable/ Convertible non- cumulative Preference shares, 30,000,000 of Tk. 100/- each, fully paid through shares of different companies on market price basis.

8 years redemption call/ convertible option

Date of issue: 26.09.2016

Upto year 3 (Upto 26.09.2019)	No Redemption
Year End 4 (Upto 26.09.2020)	20% of 300 crore
Year End 5 (Upto 26.09.2021)	20% of 300 crore
Year End 6 (Upto 26.09.2022)	20% of 300 crore
Year End 7 (Upto 26.09.2023)	20% of 300 crore
Year End 8 (Upto 26.09.2024)	20% of 300 crore

17 Share capital

Authorized capital

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

Issued, subscribed and paid-up capital

Ordinary Share capital

Total 36,000,000 Ordinary shares of Tk. 100 each

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. Md. Abdul Halim Chowdhury (Nominated by Pubali Bank Limited)	Nil	-	-
14	Mr. Shahdeen Malik	Nil	-	-
15	Mr. Giasuddin Ahamed	1	100	100
16	Ms. Rumana Sharif	1	100	100
17	Pubali Bank Limited	35,999,987	3,599,998,700	3,599,998,700
		36,000,000	3,600,000,000	3,600,000,000

18 Retained earnings

Opening balance
Net profit/(loss) during the year

Adjustment during the year

Closing balance

19 Operating income

Brokerage commission DSE & CSE
Interest on margin loan
Revenue from CDBL charge & annual maintenance fee & others
Dividend income DSE & CSE
Dividend income from dealer A/C
Capital gain from DSE & CSE
Capital gain from Dealer A/C
BO opening charge, margin documentation fees & others income

Amount in Taka	
2019	2018
185,823,396	148,145,669
64,137,559	37,677,727
249,960,955	185,823,396
-	-
249,960,955	185,823,396
3,000,000,000	3,000,000,000
3,000,000,000	3,000,000,000
7,000,000,000	7,000,000,000
3,600,000,000	3,600,000,000
(170,234,829)	(373,201,895)
19,628,212	202,967,066
(150,606,617)	(170,234,829)
(150,606,617)	(170,234,829)
19,957,233	28,718,161
14,069,662	16,855,253
399,866	1,129,197
986,697	-
171,204,446	151,276,687
-	35,879,317
142,951,631	178,613,337
61,658,709	45,734,880
411,228,244	458,206,832



		Amount in Taka	
		2019	2018
20	Operating expenses		
	Howla & laga charge DSE & CSE	1,553,443	2,288,717
	CDBL charges	2,417,819	1,949,736
	Directors fees	801,500	1,115,500
	Bank charges & excise duty	307,621	-
	DSE, CSE fees & others	539,239	311,912
	Depreciation expenses	414,833	599,797
		6,034,455	6,265,662
21	Administrative and general expenses		
	Salaries & allowances (Note- 21.1)	34,130,670	30,830,721
	Rent expense	309,554	319,196
	Electricity & electric fittings expense	203,449	206,753
	Audit fees	125,000	143,750
	Insurance expense	78,232	12,070
	Postage, stamp, telecommunication etc.	312,020	319,822
	Stationery printing & advertisement expense	313,827	232,580
	Repairs of machinery and equipment	163,381	144,497
	Investment protection fund	384	484
	Legal fees	676,900	399,000
	Professional fees	-	60,000
	Advertising expenses	92,322	-
	Newspapers & periodicals	21,975	25,156
	Fuel expense	152,715	129,412
	Overtime allowance	304,321	396,316
	Traveling allowance	51,900	46,362
	Maintenance of bank premises	95,600	92,600
	Software development expenses	105,000	105,000
	Subscription	12,500	12,500
	Conveyance charge	231,245	200,440
	Entertainment expense for office & clients	587,556	668,082
	Internet connection fee	4,245	12,980
	Car maintenance	655,477	167,831
	Bandwidth service charge	373,130	372,900
	Renewal & registration expense	383,290	269,375
	Water & sewerage	59,438	74,728
	Security & auxiliary service	123,770	126,009
	IPO expense	15,000	48,000
	Miscellaneous expense	257,795	817,547
	Training expense	-	4,700
		39,840,696	36,238,806
21.1	Salaries & allowances		
	Basic salary	12,266,584	11,935,561
	House rent allowances	7,168,900	6,959,883
	Medical allowances	1,538,300	1,478,927
	Other allowances	3,463,116	4,124,716
	Contributory provident fund	1,215,290	1,180,314
	Bonus to employees	8,478,480	5,201,320
		34,130,670	30,830,721
22	Related party disclosures		
	Received from related party		

Name of related party	Related to	Nature of instrument	Balance in Taka	
			As on 31.12.19	As on 31.12.18
Pubali Bank Limited	Parent company	Different types of deposits	989,804,123	896,360,657

23 Events after the reporting period

- i) The Board of Directors in its meeting held on Dated 18 June 2020 approved the financial statements of the company for the year ended 31 December 2019 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.

24 Employee position for Pubali Bank Securities Ltd (as at 31 December 2019)

Officer & Staff		Total Employee	Amount in Taka
Head Office	Gulshan Office		
22	7	29	34,130,670
		29	34,130,670



Annexure-G(vi)

Pubali Bank Securities Limited
Schedule of Fixed Assets
as at 31 December 2019

Particulars	Cost				Rate	Depreciation				Written down value at 31 December 2019
	Balance at 1 January 2019	Addition during the year	Disposal during the year	Balance at 31 December 2019		Balance at 1 January 2019	Charged during the year	Disposal during the year	Balance at 31 December 2019	
Computer & Computer accessories	3,296,730	330,553	308,735	3,318,548	30%	3,029,078	198,107	308,525	2,918,660	399,888
Machinery & Equipment	2,279,227	61,593	1,045,458	1,295,362	20%	2,009,410	98,983	1,045,438	1,062,955	232,407
Vehicles	-	3,228,133	-	3,228,133	20%	-	-	-	-	3,228,133
Furniture & fixtures	2,325,434	61,033	14,343	2,372,124	10%	1,266,852	110,233	8,112	1,368,973	1,003,151
Total as at 31 December 2019	7,901,391	3,681,312	1,368,536	10,214,167		6,305,340	407,323	1,362,075	5,350,588	4,863,579
Total as at 31 December 2018	7,495,101	406,290	-	7,901,391		5,783,033	522,307	-	6,305,340	1,596,051

Schedule of Intangible asset
As at 31 December 2019

Particulars	Cost				Rate	Amortization				Written down value at 31 December 2019
	Balance at 1 January 2019	Addition during the year	Disposal during the year	Balance at 31 December 2019		Balance at 1 January 2019	Charged during the year	Disposal during the year	Balance at 31 December 2019	
Systems & Software	725,000	-	700,000	25,000	30%	714,990	7,510	700,000	22,500	2,500
Total as at 31 December 2019	725,000	-	700,000	25,000		714,990	7,510	700,000	22,500	2,500
Total as at 31 December 2018	725,000	-	-	725,000		637,500	77,490	-	714,990	10,010



Pubali Bank Securities Ltd.
Portfolio Investment under Stock Dealing

Sl	Name of the Company	Cost Value		Market Value	
		31.12.2019	31.12.2018	31.12.2019	31.12.2018
Banks					
1	ABBANK	89,898,718	89,898,718	16,898,005	25,667,856
2	ALARABANK	8,178,773	8,178,773	6,275,678	7,118,449
3	BRACBANK	-	12,310,754	-	13,613,729
4	CITYBANK	84,239,195	84,239,195	48,326,744	65,875,320
5	DUTCHBANGL	-	4,869,169	-	5,950,002
6	IFIC	5,561,731	3,044,670	4,339,051	1,776,101
7	ISLAMIBANK	35,340,621	26,124,701	22,357,658	17,700,170
8	MERCANBANK	29,811,181	25,237,204	18,296,296	16,547,166
9	NBL	52,934,160	52,934,160	27,941,760	29,164,800
10	NCCBANK	32,213,150	32,213,150	19,666,176	24,816,847
11	PREMIERBAN	-	6,634,718	-	5,045,625
12	PRIMEBANK	108,586,937	108,586,937	70,746,003	70,357,288
13	SHAHJABANK	28,059,786	27,055,445	23,178,028	23,809,002
14	SOUTHEASTB	-	12,935,566	-	12,311,192
15	TRUSTBANK	4,089,312	3,081,815	3,787,858	2,909,140
16	UTTARABANK	95,138,351	65,724,782	83,755,382	57,000,000
Financial Institution					
1	DBH	-	7,265,412	-	9,138,487
2	IDLC	95,856,997	33,945,934	68,100,000	36,924,899
3	ILFSL	49,644,449	49,644,449	4,961,544	10,789,394
4	LANKABAFIN	12,357,809	12,357,809	5,226,516	6,649,290
5	UNITEDFIN	28,845,290	27,082,416	20,994,207	19,624,500
6	UNIONCAP	16,107,188	16,107,188	2,570,646	4,818,752
7	UTTARAFIN	55,030,342	29,920,105	46,644,895	28,428,464
Mutual Funds					
1	AIBL1STIMF	50,000,000	50,000,000	36,000,000	40,500,000
2	DBH1STMF	30,784,857	30,784,857	27,224,400	26,252,100
3	EBL1STMF	1,625,463	1,625,463	834,350	1,441,150
4	GRAMEENS2	24,387,729	24,387,729	10,062,450	10,147,725
5	GREENELMF	44,478,302	44,478,302	40,000,000	37,500,000
6	MBL1STMF	50,000,000	50,000,000	30,500,000	36,000,000
7	PHPMF1	50,000,000	50,000,000	29,598,778	31,008,243
8	PRIME1CBA	5,977,600	5,977,600	1,960,000	2,480,000
Engineering					
1	ATLASBANG	113,543,620	113,543,620	52,673,442	53,307,601
2	BBS	71,495,210	71,495,210	28,518,768	45,370,780
3	BBSCABLES	3,263,888	3,263,888	2,218,583	3,159,603
4	BSRMSTEEL	201,153,596	201,153,596	48,193,930	73,643,276
5	COPPERTECH	47,410	-	111,414	-
6	DESHBANDHU	7,002,863	7,002,863	1,447,418	1,721,254
7	GPHISPAT	58,650,691	50,427,317	38,935,755	40,116,930
8	GOLDENSON	26,883,401	26,883,401	2,663,813	4,254,149
9	IFADAUTOS	17,445,909	4,955,636	10,190,149	4,429,658
10	INTRACO	-	2,534	-	7,129
11	NAVANACNG	129,094,550	129,094,550	36,316,596	50,252,034
12	RANFOUNDRY	44,308,679	55,145,401	41,543,552	61,320,337
13	RUNNERAUTO	540,450	-	450,177	-
14	SINGERBD	17,706,087	24,133,119	15,558,237	27,529,888
15	SKTRIMS	-	50,420	-	233,445
16	SSSTEEL	-	134,920	-	134,920
Textile					



1	APEXWEAV	6,501,134	6,501,134	4,612,300	4,612,300
2	ACFL	-	313,840	-	330,317
3	ENVOYTEX	101,816,877	105,330,871	72,004,102	106,120,255
4	ESQUIRENIT	940,050	-	591,187	-
5	KTL	-	100,640	-	254,619
6	MALEKSPIN	101,086,724	101,086,724	38,755,500	55,549,550
7	METROSPIN	42,471,093	43,562,454	4,694,541	5,900,952
8	MLDYEING	-	60,400	-	215,266
9	NEWLINE	40,023	-	63,374	-
10	PTL	-	248,886	-	271,706
11	RINGSHINE	1,136,422	-	1,190,773	-
12	SQUARETEXT	57,325,714	42,498,748	31,236,592	31,050,157
13	TALLUSPIN	10,368,438	10,791,123	2,059,484	4,434,708
14	VFSTDL	-	38,386	-	244,032

Food & Allied					
1	AMCL(PRAN)	35,202,878	35,202,878	28,350,044	40,076,501
2	BATBC	47,453,674	117,057,781	54,699,450	164,239,254
3	OLYMPIC	212,581,855	212,581,855	118,443,435	155,196,792
Fuel & Power					
1	BARKAPOWER	1,611,236	-	1,574,699	-
2	DESCO	171,133,802	166,378,214	111,318,311	117,347,860
3	KPCL	181,026,311	181,026,311	97,473,594	123,772,680
4	ENERGYPRIMA	47,500,000	47,500,000	47,500,000	47,500,000
5	JAMUNAOIL	59,892,491	22,076,798	48,941,310	22,559,391
6	LINDEBD	284,351,137	247,009,405	294,774,276	234,192,526
7	MPETROLEUM	113,851,077	114,284,070	96,943,556	111,899,586
8	PADMAOIL	44,136,900	27,806,111	37,505,716	27,049,222
9	POWERGRID	-	24,517,626	-	21,522,528
10	SUMITPOWER	111,955,571	111,955,571	81,025,956	87,945,528
11	TITASGAS	122,242,280	122,242,280	47,120,708	55,507,889
12	MJLBD	331,499,981	291,459,903	196,661,833	264,552,214
13	SPCL	91,945,503	65,328,180	70,000,000	63,849,317
14	UPGCL	-	11,668,046	-	11,699,512
Pharmaceuticals & Chemicals					
1	ACI	311,221,966	309,536,521	171,021,824	265,161,782
2	ACIFORMULA	75,374,281	68,604,839	43,010,051	64,874,532
3	ACTIVEFINE	154,101,584	154,101,584	70,417,381	112,572,003
4	BEACONPHAR	-	15,429,400	-	7,889,400
5	IBP	-	2,673	-	9,143
6	SILVAPHL	72,940	91,940	221,008	276,739
7	SQURPHARMA	407,364,364	407,364,364	373,065,380	437,053,178
8	RENATA	2,414,639	37,603,752	3,325,685	49,032,862
9	MARICO	-	14,226,624	-	15,458,576
Services & Real estate					
1	SAPORTL	105,315,572	105,315,572	35,804,800	54,243,200
Cement					
1	CONFIDCEM	3,332,739	5,164,898	2,668,203	5,826,553
2	MEGHNACEM	114,426,945	114,426,945	20,294,340	29,641,260
3	MICEMENT	60,428,373	60,428,373	29,125,512	51,828,475
4	LHBL	481,735,613	481,735,613	203,615,160	263,608,913
5	HEIDELBCEM	151,402,959	151,402,959	49,899,957	101,344,148
6	PREMIERCEM	48,868,190	48,868,190	23,200,580	37,635,330
IT & Telecom Sector					
1	GP	127,773,126	138,804,075	91,272,802	127,427,389
2	ADNTEL	569,040	-	512,136	-
3	BSCCL	5,382,966	34,753,918	4,123,260	26,535,768
4	GENEXIL	3,409	-	26,421	-
Insurance					



1	BGIC	27,078,751	27,078,751	8,297,856	6,773,760
2	CONTININS	11,807,085	4,777,350	10,038,072	2,444,890
3	DELTALIFE	125,376,000	125,376,000	99,624,664	139,347,619
4	FAREASTLIF	2,366,120	2,366,120	1,539,931	1,962,170
5	GREENDEL	3,818,258	3,818,258	3,065,288	3,469,960
6	MEGHNALIFE	3,742,081	14,622,197	2,737,153	16,115,563
7	PIONEERINS	4,393,750	4,393,750	3,385,800	2,880,900
8	PRAGATIINS	2,330,955	2,330,955	1,964,732	1,330,663
9	PRIMELIFE	5,242,846	5,242,846	3,626,900	4,183,217
Travel and Leisure					
1	SEAPEARL	37,300	-	154,049	-
2	UNIQUEHRL	129,903,250	129,903,250	72,764,250	87,516,000
3	UNITEDAIR	55,319,455	55,319,455	4,808,451	9,960,363
Jute, Tannery & Misc					
1	BEXIMCO	21,614,609	21,614,609	1,989,063	3,225,892
2	BATASHOE	51,676,227	9,656,742	30,986,892	9,232,628
3	BERGERPBL	-	90,273,016	-	108,041,446
4	BPML	-	1,729,040	-	1,811,169
IPO					
1	RUNNERAUTO	-	1,080,825	-	1,080,825
2	EAQUAREKNIT	-	1,880,100	-	1,880,100
3	ADNTEL	-	569,040	-	569,040
4	GENEXITL	-	104,660	-	104,660
Total		6,452,850,856.00	6,442,560,932	3,803,196,597	4,857,091,473

