

Gulshan Pink City  
Suites # 01-03, Level: 7, Plot # 15, Road # 103  
Gulshan Avenue, Dhaka -1212, Bangladesh  
Phone : 880-2-8881824-6  
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Howladar Yunus & Co.  
House-14 (Level 4 & 5)  
Road- 16A, Gulshan-1  
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**Independent Auditor's 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 2021, and consolidated and separate Profit and Loss Accounts, consolidated and separate statement of Changes in Equity, and consolidated and separate Cash Flow Statements for the year then ended, and notes to consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Group and separate financial statements of the Bank give a true and fair view of the consolidated financial position of the Group and the separate financial position of the Bank as at 31 December 2021, 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 Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Group and the Bank in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), Bangladesh Securities and Exchange Commission (BSEC), and Bangladesh Bank, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye-Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and informing our opinion thereon, and we do not provide a separate opinion on these matters.

Description of key audit matters	Our response to key audit matters
<b>Measurement of provision for loans, advances and leases</b>	
The process for estimating the provision for loans, advances and leases portfolio associated with credit risk is significant and complex.	We tested the design and operating effectiveness of key controls focusing on the following: <ul style="list-style-type: none"> <li>Credit appraisal, loan disbursement procedures, monitoring and provisioning process;</li> </ul>



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<p>For the individual analysis for large exposure, provision calculation considers the estimates of future business performance and the market value of the collateral provided for credit transactions.</p> <p>For the collective analysis of exposure on a portfolio basis, provision calculation and reporting are manually processed that deal with voluminous databases, assumptions and estimates.</p> <p>Due to the high level of judgment involved and using 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 Bank reported total gross loans and advances of BDT 376,656 million (2020: BDT 315,579 million) and provision for loans and advances of BDT 19,253 million (2020: BDT 17,156 million).</p>	<ul style="list-style-type: none"> <li>• Identification of loss events, including early warning and default warning indicators;</li> <li>• Reviewed the adequacy of transfer of interests to the Income account appropriate approvals in line with the Bangladesh Bank's guidelines. Reviewed the adequacy of the general and specific provisions in line with related Bangladesh Bank guidelines. Reviewed the grounds for recommendations for approvals in cases of transfer of interests to Income account;</li> <li>• Assessed the methodologies on which the provision amounts are based, recalculated the provisions, and tested the completeness and accuracy of the underlying information;</li> <li>• Evaluated the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines;</li> <li>• Finally, compared the amount of provision requirement as determined by the Bangladesh Bank inspection team to the actual amount of provision maintained.</li> </ul>
See note nos. 7 and 14.1 to the financial statements	

<b>Recognition of interest income on loans and advances</b>	
<p>Recognition of interest income has significant and wide influence on financial statements. Recognition and measurement of interest income has involvement of complex IT environments.</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>We tested the design and operating effectiveness of key controls over recognition and measurement of interest on loans and advances.</p> <p>We performed test of operating effectiveness on automated control in place to measure and recognise interest income.</p> <p>We have also performed substantive procedure to check whether interest income is recognised completely and accurately.</p> <p>We assessed the appropriateness and presentation of disclosure against relevant accounting standards and Bangladesh Bank guidelines.</p>
See note no. 22 to the financial statements	



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

<b>Impairment assessment of unquoted investments</b>	
<p>In the absence of a quoted price in an active market, the fair value of unquoted shares and bonds, especially any impairment is calculated using valuation techniques that may take into consideration direct or indirect unobservable market data and hence require an elevated level of judgment.</p>	<p>We have assessed the processes and controls put in place by the Bank to ensure all major investment decisions are undertaken through a proper due diligence process We tested a sample of investments valuation as at 31 December 2021 and compared our results to the recorded value.</p> <p>Finally, we assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.</p>
See note nos. 6 to the financial statements	



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<b>Measurement of Deferred Tax</b>	
<p>We identified the measurement of deferred tax assets/liabilities as a key audit matter due to the recognition of these assets/liabilities involving judgement by management as to the likelihood of the realization of these deferred tax assets/liabilities, which is based on a number of factors including whether there will be sufficient taxable profits in future periods to support recognition.</p> <p>As disclosed in Note 14.9.1 to the financial statements, as at December 31, 2021 the Bank has recognized BDT 4,020 million (2020: BDT 3,909 million) of deferred tax assets and BDT 83 million (2020: Nil) of deferred tax liabilities in the statement of financial position.</p>	<p>Our procedures in relation to management's assessment about the measurement of deferred tax assets/liabilities included:</p> <ul style="list-style-type: none"> <li>Evaluating management's assessment on the sufficiency of future taxable profits in support of the recognition of deferred tax by comparing management's forecasts of future profits to historical results and evaluating the assumptions used in those forecasts; and</li> <li>Obtaining the communications between the Bank and taxation authorities regarding tax positions.</li> </ul>
See note nos. 14.9.1 to the financial statements	

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





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**Legal and regulatory matters**

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.

These uncertainties inherently affect the amount and timing of potential outflows with respect to the provisions which have been established as other contingent liabilities.

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.

We obtained an understanding, evaluated the design and tested the operational effectiveness of the Bank's key controls over the legal provision and contingencies process.

We enquired to those charged with governance to obtain their view on the status of all significant litigation and regulatory matters.

We enquired of the Bank's internal legal counsel for all significant litigation and regulatory matters and inspected internal notes and reports.

We assessed the methodologies on which the provision amounts are based, recalculated the provisions and tested the completeness and accuracy of the underlying information.

We also assessed the Bank's provisions and contingent liabilities disclosure.

**Carrying value of investments in the subsidiary by the Bank**

The Bank has invested in equity shares of its subsidiary, namely Pubali Bank Securities Limited. As at 31 December 2021, the carrying value of this investment is BDT 6,599.99 million. At the time of conducting our audit of the separate financial statements of the Bank, we have considered the Recoverable value of the Bank's investments in the above subsidiary stated at cost. Management has conducted an impairment assessment and calculated the recoverable value of its subsidiary in accordance with IAS 36.

We have reviewed Management's analysis of impairment assessment and recoverable value calculation of the subsidiary in accordance with IAS 36. In particular, our discussions with the Management were focused on the continued appropriateness of the Value-in-use model, the key assumptions used in the model, the reasonably possible alternative assumptions, particularly where they had the most impact on the Value-in-use calculation.

We also checked the mathematical accuracy of the model, recalculated discount rate used within the model, inputs used in the determination of assumptions within the model were challenged and corroborating information was obtained with reference to external market information, third-party sources.



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### **Other information**

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

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

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

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

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

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

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

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



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

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

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

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



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

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

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

#### **Report on other Legal and Regulatory Requirements**

In accordance with the Companies Act 1994, the Securities and Exchange Rules 1987, the Bank Company Act 1991 (as amended up to date), the Financial Reporting Act 2015, and the rules and regulations issued by Bangladesh Bank, we also report that:

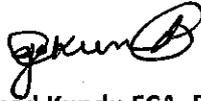
- (i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- (ii) to the extent noted during the course of our audit work performed on the basis stated under the Auditor's Responsibility section in forming the above opinion on the consolidated financial statements and considering the reports of the Management to Bangladesh Bank on anti-fraud internal controls and instances of fraud and forgeries as stated under the Management's Responsibility for the financial statements and internal control:
  - (a) internal audit, internal control and risk management arrangements of the Group as disclosed in the financial statements appeared to be materially adequate;
  - (b) nothing has come to our attention regarding material instances of forgery or irregularity or administrative error and exception or anything detrimental committed by employees of the Group and its related entities (other than matters disclosed in these financial statements);
- (iii) financial statements of subsidiary namely Pubali Bank Securities Limited has been audited by K. M. Hasan & Co., Chartered Accountants and has been properly reflected in the consolidated financial statements;
- (iv) in our opinion, proper books of account as required by law have been kept by the Group and the Bank so far as it appeared from our examination of those books;
- (v) the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements;



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- (vi) the consolidated balance sheet and consolidated profit and loss account together with the annexed notes dealt with by the report are in agreement with the books of account and returns;
- (vii) the expenditures incurred were for the purpose of the Bank's business for the year;
- (viii) the consolidated financial statements of the Group and the separate financial statements of the Bank have been drawn up in conformity with prevailing rules, regulations and accounting standards as well as related guidance issued by Bangladesh Bank;
- (ix) adequate provisions have been made for advance and other assets which are in our opinion, doubtful of recovery;
- (x) the information and explanations required by us have been received and found satisfactory;
- (xi) we have reviewed over 80% of the risk weighted assets of the Bank and spent over 8,000 person hours; and
- (xii) Capital to Risk-weighted Asset Ratio (CRAR) as required by Bangladesh Bank has been maintained adequately during the year.



**Gorachad Kundu FCA, Partner**  
A. Qasem & Co., Chartered Accountants  
Enrolment No.:1468  
Firm Registration Number: 2-PC7202  
DVC No.: 2204071468AS352387



**Muhammad Farooq FCA, Managing Partner,**  
Howladar Yunus & Co., Chartered Accountants  
Enrolment No.: 0521  
Firm Registration Number: [N/A]  
DVC No.: 2204070521AS403089

**Dated: Dhaka, April 07, 2022**

Pubali Bank Limited  
Consolidated Balance Sheet  
as at 31 December 2021

<b>PROPERTY AND ASSETS</b>	<b>Notes</b>	<b>2021</b>	<b>2020</b>
		<b>Taka</b>	<b>Taka</b>
<b>Cash</b>	<b>3 (a)</b>	<b>24,646,332,580</b>	<b>24,146,439,622</b>
Cash in hand ( Including foreign currencies )		5,088,411,673	4,137,466,359
Balance with Bangladesh Bank and its agent Bank (s) ( Including foreign currencies )		19,557,920,907	20,008,973,263
<b>Balance with other Banks and Financial Institutions</b>	<b>4 (a)</b>	<b>21,691,865,880</b>	<b>18,959,669,720</b>
In Bangladesh		20,460,626,000	17,400,620,925
Outside Bangladesh		1,231,239,880	1,559,048,795
<b>Money at Call on Short Notice</b>	<b>5</b>	<b>241,986,667</b>	<b>1,200,786,667</b>
<b>Investments</b>	<b>6 (a)</b>	<b>151,927,577,152</b>	<b>154,539,484,172</b>
Government		125,104,787,314	126,428,028,655
Others		26,822,789,838	28,111,455,517
<b>Loans, Advances and Leases</b>	<b>7 (a)</b>	<b>377,437,494,655</b>	<b>316,197,329,547</b>
Loans, cash credits and overdrafts etc.		350,407,454,307	300,133,136,228
Bills purchased & discounted		27,030,040,348	16,064,193,319
<b>Fixed Assets including Premises, Furniture &amp; Fixtures</b>	<b>8 (a)</b>	<b>5,789,396,646</b>	<b>5,092,170,514</b>
<b>Other Assets</b>	<b>9 (a)</b>	<b>48,365,282,374</b>	<b>46,355,422,910</b>
Non-Banking Assets	10	375,246	375,246
<b>Total Assets</b>		<b>630,100,311,200</b>	<b>566,491,678,398</b>
<b>LIABILITIES AND CAPITAL</b>			
<b>Liabilities</b>			
<b>Borrowings from other Banks, Financial Institutions &amp; Agents</b>	<b>11</b>	<b>30,019,839,923</b>	<b>17,486,797,436</b>
Subordinated Bonds	12	10,500,000,000	11,500,000,000
Perpetual Bonds	12.1	2,800,000,000	-
<b>Deposits and other Accounts</b>	<b>13 (a)</b>	<b>460,662,845,575</b>	<b>428,381,403,670</b>
Current accounts & Other accounts		59,104,754,646	49,523,394,762
Bills payable		13,829,749,009	14,657,445,295
Savings bank deposits		115,249,019,676	100,270,298,831
Term deposits		261,951,557,060	254,532,597,513
Other deposits		10,527,765,184	9,397,667,269
Other Liabilities	14 (a)	86,330,156,477	69,993,596,995
<b>Total Liabilities</b>		<b>590,312,841,975</b>	<b>527,361,798,101</b>
<b>Capital / Shareholders' Equity</b>			
Paid up capital	15.2	10,282,942,180	10,282,942,180
Statutory reserve	16	10,283,000,000	10,283,000,000
Retained earnings	17 (a)	14,760,651,431	11,693,829,577
Other reserves	18 (a)	4,460,874,559	6,870,107,646
Profit and Loss account surplus	19 (a)	-	-
		39,787,468,170	39,129,879,403
Non-controlling interest	20	1,055	894
<b>Total Shareholders' Equity</b>		<b>39,787,469,225</b>	<b>39,129,880,297</b>
<b>Total Liabilities and Shareholders' Equity</b>		<b>630,100,311,200</b>	<b>566,491,678,398</b>

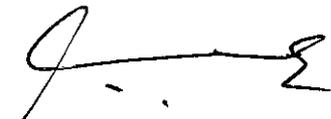


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Pubali Bank Limited  
Consolidated Balance Sheet  
as at 31 December 2021

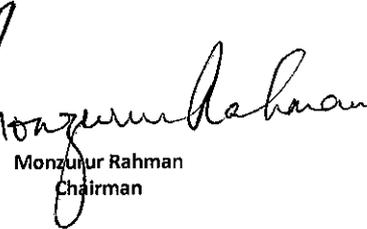
	Notes	2021 Taka	2020 Taka
<b>OFF-BALANCE SHEET ITEMS</b>			
<b>Contingent Liabilities</b>			
Acceptances & endorsements	21	89,543,886,252	53,089,224,132
Letters of guarantee		32,360,536,133	25,345,020,741
Irrevocable letters of credit		83,959,348,873	46,369,281,181
Bills for collection		17,208,217,494	10,515,149,103
Other contingent liabilities		2,383,598,956	2,376,488,786
<b>Total Contingent Liabilities</b>		<b>225,455,587,708</b>	<b>137,695,163,943</b>
<b>Other Commitments</b>			
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		-	-
<b>Total</b>		<b>-</b>	<b>-</b>
<b>Total Off-Balance Sheet Items including contingent liabilities</b>		<b>225,455,587,708</b>	<b>137,695,163,943</b>

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

  
Safiul Alam Khan Chowdhury  
Managing Director

  
Rana Laila Hafiz  
Director

  
M. Naushad Ali Chowdhury  
Director

  
Monzurur Rahman  
Chairman

Signed as per annexed report on even date

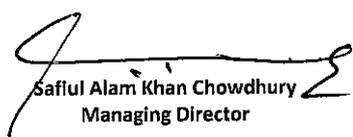
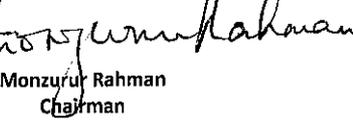
  
Gorachan Kundu FCA, Partner  
A. Qasem & Co., Chartered Accountants  
Enrolment No.: 1468  
Firm Registration No.: 2-PC7202  
DVC No.: 2204071468AS352387  
Dated, Dhaka  
April 07, 2022

  
Muhammad Farooq FCA, Managing Partner  
Howladar Yunus & Co., Chartered Accountants  
Enrolment No.: 0521  
Firm Registration No.: N/A  
DVC No.: 2204070521AS403089

Pubali Bank Limited  
Consolidated Profit & Loss Account  
for the year ended 31 December 2021

	Notes	2021 Taka	2020 Taka
<b>Operating Income</b>			
Interest income	22 (a)	22,790,938,427	22,740,070,640
Interest paid on deposits, borrowings etc.	23	(21,900,920,809)	(19,851,842,772)
<b>Net Interest Income</b>		<b>890,017,618</b>	<b>2,888,227,868</b>
Investment income	24 (a)	16,106,453,304	12,890,913,469
Commission, exchange and brokerage	25 (a)	2,411,721,642	1,669,661,946
Other operating income	26 (a)	1,310,732,909	1,161,524,652
<b>Total Operating Income</b>		<b>20,718,925,473</b>	<b>18,610,327,935</b>
<b>Operating Expenses</b>			
Salaries and allowances	27 (a)	6,521,589,306	6,307,010,647
Rent, taxes, insurance, electricity etc.	28 (a)	552,987,597	513,623,242
Legal expenses	29 (a)	20,133,676	19,036,465
Postage, stamp, telecommunication etc.	30 (a)	92,387,556	58,068,046
Stationery, printing, advertisements etc.	31 (a)	135,835,521	118,528,066
Managing Director's salary and fees	32	14,426,666	14,740,000
Directors' fees	33 (a)	9,645,045	7,282,712
Auditors' fees	34 (a)	1,684,500	1,691,750
Charges on loan losses		-	-
Depreciation and repair of bank's assets	35 (a)	1,122,232,664	967,651,431
Other expenses	36 (a)	2,261,529,949	1,976,507,725
<b>Total Operating Expenses</b>		<b>10,732,452,480</b>	<b>9,984,140,084</b>
<b>Profit/(Loss) before Provision</b>		<b>9,986,472,993</b>	<b>8,626,187,851</b>
<b>Provision for Loans, Advances, Investments and other Assets</b>	37 (a)		
Provision for classified loans and advances		1,544,301,000	461,149,107
Provision for unclassified loans and advances		1,859,148,000	2,072,864,396
Provision for diminution in value of Investments		-	152,843,497
Provision for other assets		22,000,000	-
Provision for bad debt offsetting for Islamic Banking		7,352,546	-
Provision for Start-up fund		-	83,795,594
		<b>3,432,801,546</b>	<b>2,770,652,594</b>
Provision for exposure of off-balance sheet items	38	811,000,000	-
<b>Total Provision</b>		<b>4,243,801,546</b>	<b>2,770,652,594</b>
<b>Total Profit/(Loss) before Taxes</b>		<b>5,742,671,447</b>	<b>5,855,535,257</b>
Provision for current tax	14.9 (a)	1,501,245,368	1,996,194,309
Provision for deferred tax	14.9.1 (a)	(110,343,709)	152,525,280
<b>Total Provision for Taxes</b>		<b>1,390,901,659</b>	<b>2,148,719,589</b>
<b>Net Profit after Taxation</b>		<b>4,351,769,788</b>	<b>3,706,815,668</b>
<b>Profit Attributable to</b>			
Equity holders of parent		4,351,769,627	3,706,815,655
Non- controlling interest		161	13
<b>Appropriations</b>		<b>4,351,769,788</b>	<b>3,706,815,668</b>
Statutory reserve		-	-
Retained surplus carried forward		4,351,769,788	3,706,815,668
<b>Earnings Per Share (EPS)</b>	46 (a)	<b>4.23</b>	<b>3.60</b>
		<b>4.23</b>	<b>3.60</b>

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

 Safful Alam Khan Chowdhury  
Managing Director
  Rana Laila Haftiz  
Director
  M. Naushad Ali Chowdhury  
Director
  Monzurur Rahman  
Chairman

Signed as per annexed report on even date


  
Gorachad Kundu FCA, Partner  
A. Qasem & Co., Chartered Accountants  
Enrolment No.: 1468  
Firm Registration No.: 2-PC7202  
DVC No.: 2204071468AS352387

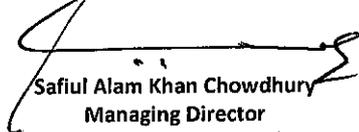

  
Muhammad Farooq FCA, Managing Partner  
Howladar Yunus & Co., Chartered Accountants  
Enrolment No.: 0521  
Firm Registration No.: N/A  
DVC No.: 2204070521AS403089

Dated, Dhaka  
April 07, 2022

Pubali Bank Limited  
Consolidated Cash Flow Statement  
for the year ended 31 December 2021

	Notes	2021 Taka	2020 Taka
<b>a Cash flows from Operating Activities</b>			
Interest receipts in cash		39,976,613,650	32,556,486,305
Interest payments		(22,584,235,462)	(20,037,455,174)
Dividend receipts		468,903,025	367,407,319
Fees and commission receipts		1,892,815,594	1,235,657,928
Recoveries of loans previously written-off		119,640,242	38,717,790
Cash payment to employees		(6,351,825,152)	(5,800,118,855)
Cash payment to suppliers		(234,832,985)	(203,385,558)
Current income tax paid		(1,809,442,190)	(2,873,865,841)
Receipts from other operating activities	40 (a)	2,067,797,864	1,621,660,297
Cash payments for other operating activities	41 (a)	(3,551,879,165)	(3,222,729,185)
<b>Operating Profit before changes in Operating Assets &amp; Liabilities</b>		<b>9,993,555,421</b>	<b>3,682,375,026</b>
<b>Increase/ (Decrease) in Operating Assets and Liabilities</b>			
Statutory deposits		(1,007,225,797)	(42,537,054,326)
(Purchase)/sale of trading securities		1,288,665,679	(477,984,446)
Loans and advances to customers (other than banks)		(61,077,532,698)	(28,544,225,212)
Other assets	42 (a)	(1,972,119,999)	(1,404,584,652)
Deposits to/from other banks		12,533,042,487	516,449,131
Deposits from customers (other than banks)		33,688,316,097	70,513,522,511
Other liabilities account of customers		8,403,935,424	885,466,738
Other liabilities	43 (a)	1,524,533,644	1,495,583,591
<b>Total Increase/ (Decrease) in Operating Assets and Liabilities</b>		<b>(6,618,385,163)</b>	<b>447,173,335</b>
<b>Net Cash from/(used in) Operating Activities</b>		<b>3,375,170,258</b>	<b>4,129,548,361</b>
<b>b Cash flows from Investing Activities</b>			
(Purchase)/Sale of property, plant & equipment		(690,661,807)	(499,058,296)
<b>Net Cash from/(used in) Investing Activities</b>		<b>(690,661,807)</b>	<b>(499,058,296)</b>
<b>c Cash flows from Financing Activities</b>			
Receipts/(payment) from issue of Subordinated bonds		(1,000,000,000)	2,500,000,000
Receipts from issue of Perpetual bonds		2,800,000,000	-
Effects of exchange rate changes on cash and cash equivalents		2,223,951	-
Dividend Paid		(1,440,237,955)	(967,783,762)
<b>Net Cash from/(used in) Financing Activities</b>		<b>361,985,996</b>	<b>1,532,216,238</b>
<b>d Net Increase/ (Decrease) in Cash and Cash equivalents (a+b+c)</b>		<b>3,046,494,447</b>	<b>5,162,706,303</b>
<b>e Cash and Cash equivalents at beginning of the period</b>		<b>45,296,081,583</b>	<b>40,133,375,280</b>
<b>f Cash and Cash equivalents at end of the period (d+e)</b>	44 (a)	<b>48,342,576,030</b>	<b>45,296,081,583</b>

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

  
Safiul Alam Khan Chowdhury  
Managing Director

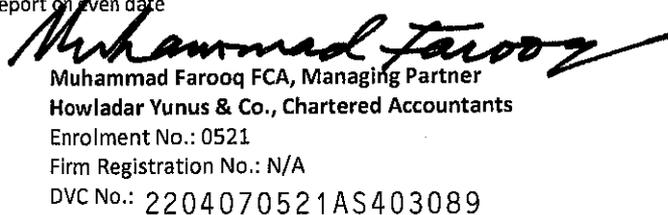
  
Rana Laila Malik  
Director

  
M. Naushad Ali Chowdhury  
Director

  
Monzurur Rahman  
Chairman

Signed as per annexed report on even date

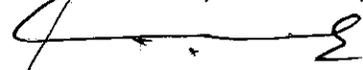
  
Gorachad Kundu FCA, Partner  
A. Qasem & Co., Chartered Accountants  
Enrolment No.: 1468  
Firm Registration No.: 2-PC7202  
DVC No.: 2204071468AS352387  
Dated, Dhaka  
April 07, 2022

  
Muhammad Farooq FCA, Managing Partner  
Howladar Yunus & Co., Chartered Accountants  
Enrolment No.: 0521  
Firm Registration No.: N/A  
DVC No.: 2204070521AS403089

Pubali Bank Limited  
Consolidated Statement of Changes in Equity  
for the year ended 31 December 2021

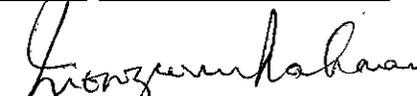
Particulars	Paid-up capital	Statutory reserve	Retained earnings	Other reserves	Parent's equity	Non-controlling interest	Total
Balance as at 1 January 2021	10,282,942,180	10,283,000,000	11,693,829,577 *	6,870,107,646	39,129,879,403	894	39,129,880,297
Changes in accounting policy	-	-	-	-	-	-	-
Restated balance	10,282,942,180	10,283,000,000	11,693,829,577	6,870,107,646	39,129,879,403	894	39,129,880,297
Adjustment on revaluation of fixed assets	-	-	-	-	-	-	-
Recognition of deferred tax on revaluation reserve of fixed assets	-	-	-	(83,544,110)	(83,544,110)	-	(83,544,110)
Surplus/Deficit on account of revaluation of investments	-	-	-	(2,327,912,928)	(2,327,912,928)	-	(2,327,912,928)
Currency translation differences	-	-	-	2,223,951	2,223,951	-	2,223,951
Net gains and losses not recognised in the Profit and Loss statement	-	-	-	-	-	-	-
Transfer regarding revaluation reserve on sale of properties	-	-	420,000	-	420,000	-	420,000
Non-controlling capital	-	-	-	-	-	-	-
Net profit for the year	-	-	4,351,769,627	-	4,351,769,627	161	4,351,769,788
Transfer to statutory reserve	-	-	-	-	-	-	-
Issue of bonus shares - 2020	-	-	-	-	-	-	-
Proposed dividend (bonus issue)	-	-	-	-	-	-	-
Dividends (cash) for 2020	-	-	(1,285,367,773)	-	(1,285,367,773)	-	(1,285,367,773)
Balance as at 31 December 2021	10,282,942,180	10,283,000,000	14,760,651,431	4,460,874,559	39,787,468,170	1,055	39,787,469,225
Balance as at 31 December 2020	10,282,942,180	10,283,000,000	11,693,829,577 *	6,870,107,646	39,129,879,403	894	39,129,880,297

\* Restated balance please read with (note:17)

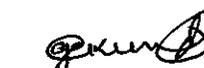
  
Safiul Alam Khan Chowdhury  
Managing Director

  
Rana Laila Hafiz  
Director

  
M. Naushad Ali Chowdhury  
Director

  
Monzurur Rahman  
Chairman

Signed as per annexed report on even date

  
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Enrolment No.:1468  
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Enrolment No.: 0521  
Firm Registration No.: N/A  
DVC No.: 2204070521AS403089

Pubali Bank Limited  
Balance Sheet  
as at 31 December 2021

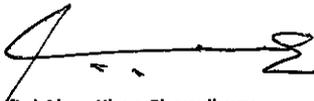
<b>PROPERTY AND ASSETS</b>	<b>Notes</b>	<b>2021</b>	<b>2020</b>
		<b>Taka</b>	<b>Taka</b>
<b>Cash</b>	<b>3</b>	<b>24,646,332,580</b>	<b>24,146,439,622</b>
Cash in hand ( Including foreign currencies )		5,088,411,673	4,137,466,359
Balance with Bangladesh Bank and its agent Bank (s) (Including foreign currencies )		19,557,920,907	20,008,973,263
<b>Balance with Other Banks and Financial Institutions</b>	<b>4</b>	<b>21,481,970,782</b>	<b>18,580,803,997</b>
In Bangladesh		20,250,730,902	17,021,755,202
Outside Bangladesh		1,231,239,880	1,559,048,795
<b>Money at Call on Short Notice</b>	<b>5</b>	<b>241,986,667</b>	<b>1,200,786,667</b>
<b>Investments</b>	<b>6</b>	<b>145,632,761,738</b>	<b>147,906,006,042</b>
Government		125,104,787,314	126,428,028,655
Others		20,527,974,424	21,477,977,387
<b>Loans, Advances and Leases</b>	<b>7</b>	<b>376,656,431,938</b>	<b>315,578,899,240</b>
Loans, cash credits and overdrafts etc.		349,626,391,590	299,514,705,921
Bills purchased and discounted		27,030,040,348	16,064,193,319
<b>Fixed Assets including Premises, Furniture &amp; Fixtures</b>	<b>8</b>	<b>5,785,747,190</b>	<b>5,087,992,660</b>
<b>Other Assets</b>	<b>9</b>	<b>54,739,062,710</b>	<b>52,965,909,215</b>
Non-banking Assets	10	375,246	375,246
<b>Total Assets</b>		<b>629,184,668,851</b>	<b>565,467,212,689</b>
<b>LIABILITIES AND CAPITAL</b>			
<b>Liabilities</b>			
Borrowings From Other Banks, Financial Institutions & Agents	11	30,019,839,923	17,486,797,436
Subordinated Bonds	12	10,500,000,000	11,500,000,000
Perpetual Bonds	12.1	2,800,000,000	-
<b>Deposits and Other Accounts</b>	<b>13</b>	<b>462,400,218,687</b>	<b>429,343,017,243</b>
Current accounts & Other accounts		59,945,604,283	49,702,533,459
Bills payable		13,829,749,009	14,657,445,295
Savings bank deposits		115,249,019,676	100,270,298,831
Term deposits		262,848,080,535	255,315,072,389
Other deposits		10,527,765,184	9,397,667,269
Other Liabilities	14	84,011,058,850	67,894,214,623
<b>Total Liabilities</b>		<b>589,731,117,460</b>	<b>526,224,029,302</b>
<b>Capital / Shareholders' Equity</b>			
Paid up capital	15.2	10,282,942,180	10,282,942,180
Statutory reserve	16	10,283,000,000	10,283,000,000
Retained earnings	17	14,426,734,652	11,807,133,561
Proposed issue of bonus shares		-	-
Other reserves	18	4,460,874,559	6,870,107,646
Profit and Loss account surplus	19	-	-
<b>Total Shareholders' Equity</b>		<b>39,453,551,391</b>	<b>39,243,183,387</b>
<b>Total Liabilities and Shareholders' Equity</b>		<b>629,184,668,851</b>	<b>565,467,212,689</b>

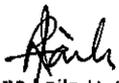


Pubali Bank Limited  
Balance Sheet  
as at 31 December 2021

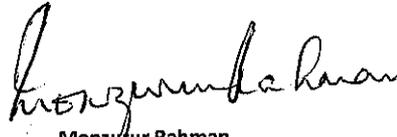
	2021 Taka	2020 Taka
<b>OFF-BALANCE SHEET ITEMS</b>		
<b>Contingent Liabilities</b>		
Acceptances & endorsements	89,543,886,252	53,089,224,132
Letters of guarantee	32,360,536,133	25,345,020,741
Irrevocable letters of credit	83,959,348,873	46,369,281,181
Bills for collection	17,208,217,494	10,515,149,103
Other contingent liabilities	2,383,598,956	2,376,488,786
<b>Total Contingent Liabilities</b>	<b>225,455,587,708</b>	<b>137,695,163,943</b>
<b>Other Commitments</b>		
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	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
<b>Total Off-Balance Sheet Items Including Contingent Liabilities</b>	<b>225,455,587,708</b>	<b>137,695,163,943</b>

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

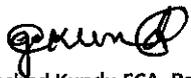
  
Safiul Alam Khan Chowdhury  
Managing Director

  
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Signed as per annexed report on even date

  
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Dated, Dhaka  
April 07, 2022

	Notes	2021 Taka	2020 Taka
<b>Operating Income</b>			
Interest income	22	22,737,798,392	22,716,882,313
Interest paid on deposits, borrowings, etc.	23	(21,900,920,809)	(19,851,842,772)
<b>Net Interest Income</b>		<b>836,877,583</b>	<b>2,865,039,541</b>
Investment income	24	15,671,212,746	12,707,362,495
Commission, exchange and brokerage	25	2,347,374,875	1,645,114,876
Other operating income	26	1,269,344,666	1,106,512,287
<b>Total Operating Income</b>		<b>20,124,809,870</b>	<b>18,324,029,199</b>
<b>Operating Expenses</b>			
Salaries and allowances	27	6,488,127,075	6,277,215,193
Rent, taxes, insurance, electricity etc.	28	552,419,215	513,042,827
Legal expenses	29	20,130,708	19,036,465
Postage, stamp, telecommunication etc.	30	92,161,680	57,823,308
Stationery, printing, advertisements etc.	31	135,529,130	118,279,923
Managing Director's salary and fees	32	14,426,666	14,740,000
Directors' fees	33	8,209,545	6,281,712
Auditors' fees	34	1,540,500	1,529,500
Charges on loan losses		-	-
Depreciation and repair of bank's assets	35	1,120,546,674	965,603,956
Other expenses	36	2,248,256,937	1,970,916,962
<b>Total Operating Expenses</b>		<b>10,681,348,130</b>	<b>9,944,469,846</b>
<b>Profit/(Loss) before Provision</b>		<b>9,443,461,740</b>	<b>8,379,559,353</b>
<b>Provision for Loans, Advances, Investments and Other Assets</b>	37		
Provision for classified loans and advances		1,544,301,000	461,149,107
Provision for unclassified loans and advances		1,859,148,000	2,072,864,396
Provision for diminution in value of Investments	39	-	8,500,000
Provision for other assets		22,000,000	-
Provision for bad debt offsetting for Islamic Banking		7,352,546	-
Provision for Start-up fund		-	83,795,594
		<b>3,432,801,546</b>	<b>2,626,309,097</b>
Provision for exposure of off-balance sheet items	38	811,000,000	-
<b>Total Provision</b>		<b>4,243,801,546</b>	<b>2,626,309,097</b>
<b>Total Profit/(Loss) before Taxes</b>		<b>5,199,660,194</b>	<b>5,753,250,256</b>
Provision for current tax	14.8	1,405,506,892	1,931,362,255
Provision for deferred tax	14.9.2.3	(110,395,562)	152,374,560
<b>Total Provision for Taxes</b>		<b>1,295,111,330</b>	<b>2,083,736,815</b>
<b>Net Profit/(Loss) after Taxes</b>		<b>3,904,548,864</b>	<b>3,669,513,441</b>
<b>Appropriations</b>			
Statutory Reserve		-	-
Retained surplus (general reserve) carried forward	46	3,904,548,864	3,669,513,441
<b>Earnings Per Share (EPS)</b>			
Basic		<b>3.80</b>	<b>3.57</b>
Diluted		<b>3.80</b>	<b>3.57</b>

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

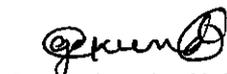
  
Safiul Alam Khan Chowdhury  
Managing Director

  
Rang Lilla Hossain  
Director

  
M. Naushad Ali Chowdhury  
Director

  
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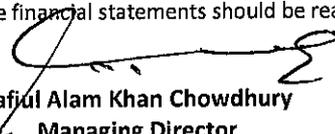
  
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Dated, Dhaka  
April 07, 2022

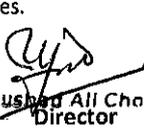
**Pubali Bank Limited**  
**Cash Flow Statement**  
for the year ended 31 December 2021

	Notes	2021 Taka	2020 Taka
<b>a Cash flows from Operating Activities</b>			
Interest receipts in cash		39,923,473,615	32,533,297,978
Interest payments		(22,584,235,462)	(20,037,455,174)
Dividend receipts		275,728,984	211,059,905
Fees and commission receipts		1,828,468,827	1,211,110,858
Recoveries of loans previously written-off		119,640,242	38,717,790
Cash payment to employees		(6,318,362,921)	(5,770,323,401)
Cash payment to suppliers		(234,832,985)	(203,385,558)
Current income tax paid		(1,809,442,190)	(2,873,865,841)
Receipts from other operating activities	40	1,784,343,104	1,539,444,372
Cash payments for other operating activities	41	(3,534,237,046)	(3,212,854,401)
<b>Operating Profit before changes in Operating Assets &amp; Liabilities</b>		<b>9,450,544,168</b>	<b>3,435,746,528</b>
<b>Increase/ (Decrease) in Operating assets and liabilities</b>			
Statutory deposits		(1,007,225,797)	(42,537,054,326)
(Purchase)/sale of trading securities		950,002,963	(347,660,014)
Loans and advances to customers (other than banks)		(61,077,532,698)	(28,544,225,212)
Other assets	42	(1,741,752,245)	(1,285,506,088)
Deposits to/from other banks		12,533,042,487	516,449,131
Deposits from customers (other than banks)		33,688,316,097	70,513,522,511
Other liabilities account of customers		8,403,935,424	885,466,738
Other liabilities	43	1,569,579,343	1,142,822,145
<b>Total Increase/(decrease) in Operating Assets and Liabilities</b>		<b>(6,681,634,426)</b>	<b>343,814,885</b>
<b>Net Cash from/(used in) Operating Activities</b>		<b>2,768,909,742</b>	<b>3,779,561,413</b>
<b>b Cash flows from Investing Activities</b>			
(Purchase)/Sale of property, plant & equipment		(691,190,205)	(499,746,521)
<b>Net cash from/(used in) Investing Activities</b>		<b>(691,190,205)</b>	<b>(499,746,521)</b>
<b>c Cash flows from Financing Activities</b>			
Receipts/(payment) from issue of Subordinated bonds		(1,000,000,000)	2,500,000,000
Receipts from issue of Perpetual bonds		2,800,000,000	-
Effects of exchange rate changes on cash and cash equivalents		2,223,951	-
Dividend Paid		(1,440,237,955)	(967,783,762)
<b>Net cash from/(used in) Financing Activities</b>		<b>361,985,996</b>	<b>1,532,216,238</b>
<b>d Net increase/(decrease) in Cash and Cash equivalents (a+b+c)</b>		<b>2,439,705,533</b>	<b>4,812,031,130</b>
<b>e Cash and cash equivalents at beginning of the period</b>		<b>43,955,602,287</b>	<b>39,143,571,157</b>
<b>f Cash and cash equivalents at end of the period (d+e)</b>	44	<b>46,395,307,820</b>	<b>43,955,602,287</b>

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

  
Safiul Alam Khan Chowdhury  
Managing Director

  
Rana Laila Haniz  
Director

  
M. Naushad Ali Chowdhury  
Director

  
Monzurur Rahman  
Chairman

Signed as per annexed report on even date

  
Gorachad Kundu FCA, Partner  
A. Qasem & Co., Chartered Accountants  
Enrolment No.: 1468  
Firm Registration No.: 2-PC7202  
DVC No.: 2204071468AS352387  
Dated, Dhaka  
April 07, 2022

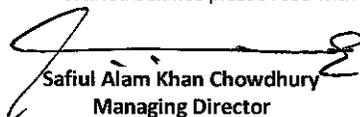
  
Muhammad Farooq FCA, Managing Partner  
Howladar Yunus & Co., Chartered Accountants  
Enrolment No.: 0521  
Firm Registration No.: N/A  
DVC No.: 2204070521AS403089

Pubali Bank Limited  
Statement of Changes in Equity  
for the year ended 31 December 2021

(Figures in Taka)

Particulars	Paid-up capital	Statutory reserve	Retained earnings	Other reserves	Proposed dividend	Total
Balance as at 1 January 2021	10,282,942,180	10,283,000,000	11,807,133,561 *	6,870,107,646	-	39,243,183,387
Changes in accounting policy	-	-	-	-	-	-
Restated balance	10,282,942,180	10,283,000,000	11,807,133,561	6,870,107,646	-	39,243,183,387
Adjustment on revaluation of fixed assets	-	-	-	-	-	-
Recognition of deferred tax on revaluation reserve of fixed assets	-	-	-	(83,544,110)	-	(83,544,110)
Surplus/(deficit) on account of revaluation of investments	-	-	-	(2,327,912,928)	-	(2,327,912,928)
Currency translation differences	-	-	-	2,223,951	-	2,223,951
Net gains and losses not recognised in the Profit and Loss Statement	-	-	-	-	-	-
Transfer regarding revaluation reserve on sale of properties	-	-	420,000	-	-	420,000
Net profit for the year	-	-	3,904,548,864	-	-	3,904,548,864
Transfer to statutory reserve	-	-	-	-	-	-
Issue of bonus shares - 2020	-	-	-	-	-	-
Proposed dividend (bonus issue)	-	-	-	-	-	-
Dividends (cash) for 2020	-	-	(1,285,367,773)	-	-	(1,285,367,773)
<b>Balance as at 31 December 2021</b>	<b>10,282,942,180</b>	<b>10,283,000,000</b>	<b>14,426,734,652</b>	<b>4,460,874,559</b>	<b>-</b>	<b>39,453,551,391</b>
<b>Balance as at 31 December 2020</b>	<b>10,282,942,180</b>	<b>10,283,000,000</b>	<b>11,807,133,561 *</b>	<b>6,870,107,646</b>	<b>-</b>	<b>39,243,183,387</b>

\* Restated balance please read with (note:17)

  
Safiul Alam Khan Chowdhury  
Managing Director

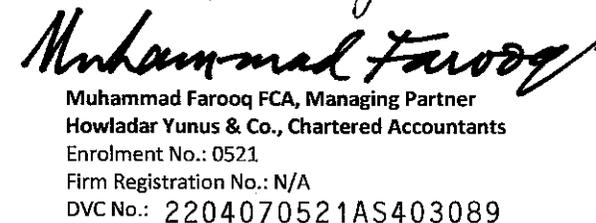
  
Rana Laila Hafiz  
Director

  
M. Nawshad Ali Chowdhury  
Director

  
Monzurur Rahman  
Chairman

Signed as per annexed report on even date

  
Gorachad Kundu FCA, Partner  
A. Qasem & Co., Chartered Accountants  
Enrolment No.:1468  
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April 07, 2022

  
Muhammad Farooq FCA, Managing Partner  
Howladar Yunus & Co., Chartered Accountants  
Enrolment No.: 0521  
Firm Registration No.: N/A  
DVC No.: 2204070521AS403089

**Pubali Bank Limited**  
**Liquidity statement (assets and liabilities maturity analysis)**  
**as at 31 December 2021**

Particulars	Up to 01 month	01- 03 months	03-12 months	01- 05 years	More then 5 years	Total
<b>Assets</b>						
Cash in hand	24,646,332,580	-	-	-	-	24,646,332,580
Balances with other banks and financial institutions	4,081,593,795	15,429,625,898	1,750,000,000	220,751,089	-	21,481,970,782
Money at call on short notice	241,986,667	-	-	-	-	241,986,667
Investments	4,769,612,536	8,088,440,142	18,404,873,995	45,996,985,982	68,372,849,083	145,632,761,738
Loans & Advances	19,957,966,213	100,892,701,783	117,522,701,966	80,977,779,865	57,305,282,111	376,656,431,938
Fixed assets including premises, furniture & fixtures	-	-	-	3,430,196,368	2,355,550,822	5,785,747,190
Other assets	366,153,114	2,969,128,161	127,096,760	11,028,091,231	40,248,593,444	54,739,062,710
Non-banking assets	-	-	-	-	375,246	375,246
<b>Total Assets</b>	<b>54,063,644,905</b>	<b>127,379,895,984</b>	<b>137,804,672,721</b>	<b>141,653,804,535</b>	<b>168,282,650,706</b>	<b>629,184,668,851</b>
<b>Liabilities</b>						
Borrowings from other banks, financial institutions & agents	5,967,285,008	16,186,015,000	7,866,539,915	-	-	30,019,839,923
Subordinated bonds	-	-	1,800,000,000	8,000,000,000	700,000,000	10,500,000,000
Perpetual bonds	-	-	-	-	2,800,000,000	2,800,000,000
Deposits	42,125,480,904	102,271,197,880	99,302,713,821	65,781,447,042	152,919,379,040	462,400,218,687
Provision & other liabilities	405,908,239	-	23,670,375,561	59,212,575,002	722,200,048	84,011,058,850
<b>Total Liabilities</b>	<b>48,498,674,151</b>	<b>118,457,212,880</b>	<b>132,639,629,297</b>	<b>132,994,022,044</b>	<b>157,141,579,088</b>	<b>589,731,117,460</b>
<b>Net Liquidity Gap</b>	<b>5,564,970,754</b>	<b>8,922,683,104</b>	<b>5,165,043,424</b>	<b>8,659,782,491</b>	<b>11,141,071,618</b>	<b>39,453,551,391</b>

  
Safiq Alam Khan Chowdhury  
Managing Director

  
Rana Laila Nazim  
Director

  
M. Naushad Ali Chowdhury  
Director

  
Monzurur Rahman  
Chairman

Signed as per annexed report on even date

Dated, Dhaka  
April 07, 2022



**Pubali Bank Limited**  
**Notes to the financial statements**  
**As at and for the year ended 31 December 2021**

**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 490 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 & Liabilities and Income and Expenditure of this Wing are incorporated in similar heads of account of Bank's Financial Statements. Separate Financial Statements, Balance Sheet and Profit & Loss Statement of Islamic Banking Wing are shown separately as per instruction of Bangladesh Bank BRPD Circular No. 15 dated: November 9, 2009. Basis of distribution of profit and fixation of final rate of return of Islamic Banking Operation for the year 2021 are enclosed in the Annex- D.

**1.2.2 Off-shore Banking Unit**

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

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

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



### 1.2.3 Pubali Bank Securities Limited,

Pubali Bank Securities Limited (PBSL) was incorporated on the 21<sup>st</sup> June 2010 under the Companies Act, 1994 as a public limited company. It is a subsidiary company of Pubali Bank Limited. Pubali Bank Limited holds all the shares of the company except for 13 (thirteen) shares being held by thirteen individuals. The company has been established as per Bangladesh Securities & Exchange Commission's (BSEC) Letter # SEC/Reg/DSE/MB/2009/ 444 dated 20.12.2009. PBSL started its operation with effect February 01, 2011. The Registered office of the company is situated at A-A Bhaban (7<sup>th</sup> 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 2021.

### 2.1.2 Statement of Compliance and basis of preparation

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

- i) The Bank Company Act, 1991 and amendment (Up to 2021)
- 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 2021) and BRPD circular no. 14 dated 25 June 2003 of Bangladesh Bank. Assets and liabilities are not classified under current and non-current heading in the prescribed format of financial statements.

ii) **Investment in shares and securities**

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

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

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

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



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

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

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

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

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**

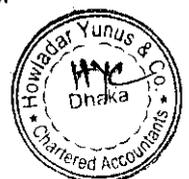
**IFRS:** There is no requirement to show appropriation of profit on the face of statement of comprehensive income.

**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

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

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

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

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

### 2.1.6 Foreign currency transactions

#### i. Functional and presentational currency

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

#### ii. Foreign currency translation

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

Assets and liabilities in foreign currencies at 31 December 2021 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 2021.

#### **Subsidiaries**

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

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

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

#### **2.1.8 Accounting for Provisions, Contingent Liabilities and Contingent Assets**

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

No provision is recognized for-

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

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

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

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

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

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

#### **2.1.9 Taxation**

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



### Current tax

The current tax is the expected tax payable on taxable profit for the period ended on 31 December 2021. Taxable profit differs from profit as reported in the Profit and Loss Account because it excludes items of income or expense that are taxable or deductible. The Bank's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the date of Balance Sheet.

Provision for current income tax of the bank has been made @ 37.50% on taxable income considering major disallowances of expenses and concessional rates on certain incomes (0% on gain from govt. securities, 10% on Capital gain of shares and 20% on dividend income) as per Income Tax Ordinance 1984. Tax provision of the subsidiaries at different rates are also applicable as per the Income Tax Ordinance 1984.

### Deferred tax

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

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

Deferred tax liabilities are the amount of income taxes payable in future periods in respect of taxable temporary differences. Deferred tax liabilities are recognised for the future tax consequences of timing differences arising between the carrying values of assets, liabilities, income and expenditure and their respective tax bases.

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

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

#### 2.1.10 Reporting period

These financial statements cover one calendar year from 01 January 2021 to 31 December 2021.

### 2.2 SIGNIFICANT ACCOUNTING POLICIES

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



## Assets and basis of their valuation

### 2.2.1 Cash and cash equivalents

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

### 2.2.2 Investments

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

#### i) Held to Maturity (HTM)

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

#### ii) Held for Trading (HFT)

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

#### iii) REPO and reverse REPO

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

### 2.2.3 Investment in listed securities

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

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



## 2.2.4 Investment in unquoted securities

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

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

### Investments – Initial recognition and subsequent measurement at a glance

Investments are stated as per following bases:

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

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



### 2.2.5 Investment in subsidiary

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

### 2.2.6 Impairment of investment in subsidiaries and associates

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

### 2.2.7 Loans and advances

#### Loans and advances (initial recognition):

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

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

#### Loans and advances (provisioning):

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

(i)	General provision on unclassified loans and advances :	Rate
	Standard general loans and advances (others)	1%
	Standard Small and Medium enterprise Financing	0.25%

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

**Loans and advances (write-off):**

Loans and advances are written off to the extent that there is no realistic prospect of recovery and in accordance with BRPD circular No.01 (06 February 2019), BRPD circular No.13 (07 November 2013), DOS circular No.01 dated (29 December 2004), BRPD letter No.1290 dated 29 March 2003 and BRPD circular No.2 (13 January 2003). These write offs, however, will not undermine/affect the claim



amount against the borrowers. Detailed memorandum records for all such written off accounts are meticulously maintained and followed up.

**Loans and advances (recovery from written off):**

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

**2.2.8 Property, Plant and equipment**

**Recognition and Measurement**

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

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

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

- i) its purchase price, including import duties and non-refundable purchase tax, after deducting trade discount and rebates
- ii) any cost directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- iii) the initial estimate of the cost of dismantling and removing the item and restoring the site on

which it is located, the obligation for which an entity incurs either when the item is acquired or as consequence of having used the item during a particular period of purpose other than to produce during that period.

**Subsequent costs**

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

**Depreciation**

Land is not depreciated. Depreciation is charged at the rates as per our Bank's policy on diminishing balance method with the exception of Computers and Accessories, Machinery and Equipment and Motor vehicles on which straight-line method is applied. Cost of lifts is included in machinery and equipment and depreciated on straight line method. In case of acquisition of fixed assets, depreciation has been charged from the month of acquisition, whereas no depreciation on assets disposed-off has been charged from the month of disposal.



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

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

#### Gain or Loss on disposal of Fixed Assets

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

#### Revaluation

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

#### 2.2.9 Intangible assets and amortization of intangible assets

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

#### 2.2.10 Investment properties

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

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

#### 2.2.11 Other assets

Other assets include mainly advance office rent, payment of advance income tax has not been closed yet and all other financial assets, fees and other unrealized income receivable, advance for operating expenditure and stocks of stationery and stamps etc. Any part of uncollectible other assets is subject to making provision based on their ageing as per Bangladesh Bank circular no. 14 date 25 June 2001.



## 2.3 Liabilities and basis of their valuation

### 2.3.1 Subordinated Bonds & Perpetual Bonds

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

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

### 2.3.2 Borrowings from other banks, financial institutions and agents

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

### 2.3.3 Deposits and other accounts

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

### 2.3.4 Other Liabilities

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

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

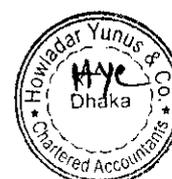
## 2.4 Capital/Shareholders' equity

### Capital management

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

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

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



#### 2.4.1 Authorised capital

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

#### 2.4.2 Paid up capital

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

#### 2.4.3 Statutory reserve

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

#### 2.4.4 Revaluation reserve

##### Revaluation reserve for government securities

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

##### Revaluation reserve for fixed assets

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

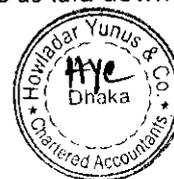
#### 2.4.5 Non-controlling (minority) interest

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

#### 2.5 Retirement benefits to the employees

##### a) Provident fund

The Bank operates a contributory provident fund for its eligible employees. The Commissioner of Income Taxes, Dhaka has approved the provident fund as a recognized provident fund as per section 2(1) of Part B of the First Schedule of Income Tax Ordinance 1984. The Fund is administered by a Board of Trustees consisting 3 (three) members and funded by contributions both from employees 10%-30% and Bank @10% of basic salary. Provident fund is invested by the Trustees as laid down in



clause (2) of rules 3 (1) of the Income-Tax (Provident Fund Relief Rules) (Notification no.9 dated 15.3.1930) whereas Trust Act 1882. Interest earned from the investment is credited to the members' accounts annually. Provident fund benefits are given to the employees of the Bank in accordance with provident fund rules of the Bank.

#### **b) Gratuity**

The Bank has been maintaining an employee gratuity fund in the name of Pubali Bank Limited Gratuity Fund under which benefits are given to the staff of the Bank in accordance with the rules of gratuity fund. National Board of Revenue has approved the gratuity fund as a recognised gratuity fund vide their letter no. 6(16) /2007/822 of 14 November 2007. The Fund is operated by a Board of Trustees consisting 5 (five) members of the Bank.

Provision for gratuity is made on monthly basis on the basis of actuarial valuation. Pubali Bank Limited maintained an investment of Tk. 352.56 crore as gratuity fund against the Gratuity Liability as on 31.12.2021. Three years, or immediately after any major change in the salary structure that could impact the periodic amount of contributions. Last actuarial valuation was done based on 31 December 2018. As per this valuation, effective from 01 January 2019.

#### **c) Workers' Profit Participation Fund (WPPF)**

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

#### **d) Other Employee Benefits**

##### **Group Term Life Insurance**

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

##### **Staff Welfare Fund**

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



### **Festival bonus**

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

### **Annual leave**

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

### **Subsidized Scheme - Staff Loan**

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

#### **Staff Loan Scheme**

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

#### **House building Loan**

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

#### **Car Loan & Motorcycle Loan**

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

## **2.6 Revenue recognition**

### **i) Interest income**

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



**ii) Income from investments (interest and others)**

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

**iii) Fees and commission income**

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

**iv) Income from investments (non-interest income)**

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

**v) Dividend income**

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

**2.7 Earnings per share**

Earnings per share (EPS) has been computed by dividing the basic earnings by the number of ordinary shares outstanding as on 31 December 2021 as per IAS-33 "Earnings per Share". Diluted earnings per share was not required to calculate as no dilution occurred.

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

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

**2.9 Reconciliation of books of account**

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



## 2.10 Basis of preparation of liquidity statement

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

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

## 2.11 Dividend

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

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

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



IAS-12	Income taxes	Complied
IAS-16	Property, Plant and Equipment	Complied
IAS-19	Employee Benefits	Complied
IAS-20	Accounting for Government Grants and Disclosure of Government Assistance	Not applicable
IAS-21	The Effect of Changes in Foreign Exchanges Rates.	Complied
IAS-23	Borrowing Cost	Complied
IAS-24	Related party Disclosures	Complied
IAS-26	Accounting and Reporting by Retirement Benefit Plans	Not applicable
IAS-27	Separate Financial Statements	Complied
IAS-28	Investment in Associates	Not applicable
IAS-29	Financial Reporting in Hyperinflationary Economies	Not applicable
IAS-32	Financial Instruments: Presentation	Complied *
IAS-33	Earnings per Share	Complied
IAS-34	Interim Financial Reporting	Complied**
IAS-36	Impairment of Assets	Complied
IAS-37	Provisions, Contingent Liabilities and Contingent Assets	Complied
IAS-38	Intangible Assets	Complied
IAS-39	Financial Instruments: Recognition and Measurement	Complied *
IAS-40	Investment Property	Not applicable
IAS-41	Agriculture	Not applicable

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

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

#### Reason for departure from IFRS

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

#### Standards issued but not yet effective

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

#### A. IFRS 17 Insurance Contracts

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

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



## 2.13 Implementation of IFRS 16 and its relevant assumptions and disclosure

IFRS 16: Leases has come into force on 1 January 2019, as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB). As Bangladesh Bank (BB) has no other alternative regulation or guidance regarding the same, 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:

Particulars	BDT in million	
	ROU Assets	Lease Liability
Opening Balance	1,417.28	1,181.42
Addition	782.57	782.57
Adjustment Advance rent	-	(17.10)
Interest Expense	-	111.73
Accumulated Depreciation/Lease Payment	(458.38)	(558.16)
Closing Balance	1,741.47	1,500.46

## 2.14 Risk Management

Banking companies in Bangladesh, while conducting day-to-day operations, usually face 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 the 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. Furthermore, as per Bangladesh Bank DOS circular letter no: 13 dated 09 September 2015 and subsequent DOS circular no. 04 dated 08 October 2018, a separate Risk Management Committee at Management level has also been formed and named as Executive Risk Management Committee (ERMC). Currently, the ERMC is headed by the General Manager & Division Head of Risk Management Division as Chief Risk Officer (CRO) and all the Division Heads of Head Office, In-charge of CTPC are the members, and the Deputy General Manager of 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 instructions of Bangladesh Bank DOS circular letter no: 13 dated 09 September 2015, a separate Risk Management Division was formed. Moreover, as per DOS circular no. 04 dated 08 October 2018, Pubali Bank Limited has already prepared "The Risk Management Guidelines of Pubali Bank Ltd" which is approved by the Board of Directors and has been sent the said Guidelines to all Branches, Regional Offices, Principal Offices, and Divisions to follow the instructions and do the daily banking activities. Monthly meeting of Executive Risk Management Committee (ERMC) is arranged regularly where different risk issues are discussed and decisions are gradually implemented and minutes of those meetings, along with risk management papers, are submitted to Department of Offsite Supervision, Bangladesh Bank on quarterly and half-yearly basis. Risk Management Division also prepares Risk Appetite Statement (RAS) on yearly basis mentioning risk limit with tolerance level. Besides, Risk Management Division prepares "A Review Report of Risk Management Policies and Effectiveness of Risk Management Functions of our Bank" on yearly basis. 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 of a financial institution helps to maintain asset quality, assessing risk in lending to a particular customer, sanctioning credit, formulating policy/strategy for lending operation etc. as well as implement credit policy which has been approved by the Board.

A thorough assessment is done before sanction of any credit facility at credit division, 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 coverage of the proposed credit facility, environmental & social risk etc. All credit proposals have been placed before the credit committee (Corporate Branches, Regional Offices, Principal Offices and



Head office) for recommendation with a view to sanction or decline. Additional/Deputy Managing Director acts as Chairman of the credit committee at Head office level. Similarly Head of Principal office, Head of Regional office and Head of Corporate Branch act as Chairman of the respective credit Committee at Principal office, Regional office and Corporate Branch level. Loans exposure beyond the discretionary power of Managing Director are placed before the Board of Directors of the Bank for approval. Concentration of Credit Risk Management is shown in note 7.4, 7.5, 7.6, 7.7 & 7.8

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

#### b) Foreign Exchange Risk Management

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

Our Treasury Division independently engages in the foreign currency transactions through foreign exchange (FX) market and back office is responsible for settlement of the deal and does the necessary accounting entries while mid office monitors the risk limit. All foreign exchange transactions are revalued at mark-to-market rate on every month end. The bank maintains the daily exchange position within the stipulated limit prescribed by Bangladesh Bank.

#### c) Asset and Liability Management

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



**d) Prevention of Money Laundering and Combating Terrorist Financing**

Money Laundering Risk arises from non-compliance of money laundering related instructions of the regulatory body. Its consequences are dire & far reaching and may be in the form of financial penalty, reputation loss, legal harassment and even the risk of sustainability. Money Launderers provide fuel for drug dealers, terrorists, illegal arm traders, corrupt public officials and others to operate and expand their criminal enterprises. Success in money laundering encourages the criminals to continue their illicit schemes which mean more fraud, more drugs & drug related crime, more violence, unrest in the society and the economy and a general loss of morale on the part of legitimate business people. Any country or financial institution reputed as a money laundering or terrorist financing haven, alone, could cause significant adverse consequences. Foreign banks may decide to limit their transactions with institutions from money laundering havens, subject these transactions with extra scrutiny, and terminate correspondent or lending relationship. Even legitimate banks from money laundering havens may suffer from reduced access to world market or access at a higher cost due to extra scrutiny of their ownership, organization and control systems. This can lead to diminished development and economic growth. Both depositors and borrowers as well as investors may cease doing business with an institution whose reputation has been damaged due to allegation of money laundering and terrorist financing. Large amounts of laundered funds may be withdrawn suddenly by the criminal depositors if the bank is under investigation. Legitimate customers may also begin to withdraw their funds for fear of losing the same, causing potential liquidity problems. Credit concentration risk may jeopardize interest income of a bank. Lack of knowledge about a particular loan customer or group of related borrowers, the customer's business or what the customer's relationship is to other parties can place a bank at risk. If the borrower is involved in money laundering, the status of the loan may be downgraded and recovery of the loan may not be possible. The loss of high quality borrowers reduces interest income, requires additional provision which substantially reduce income of the bank. Moreover classified loans may increase the Risk Weighted Assets under Risk Based Capital Framework that reduces Capital to Risk Weighted Asset Ratio. Down gradation of the loan may also create liquidity crisis, affect the credit rating and CAMELS rating of the bank. Money laundering and Terrorist Financing may lead to legal risk such as law suits, adverse judgments, unenforceable contracts, fines & penalties generating losses etc. For involvement in money laundering & terrorist financing, the regulatory bodies may impose restrictions on business expansion and bank may lose its market share. Banks around the globe may be unwilling to establish banking relationship if money laundering prevention and combating terrorist financing status are not upto the mark.

The following initiatives have been taken by our Bank to comply with the requirements of Bangladesh Financial Intelligence Unit.

- To prevent money laundering and combat terrorist financing Anti Money Laundering Division (AML) has already been formed as per instruction of BFIU. The Deputy Chief Anti Money Laundering Compliance Officer (DCAMLCO) of the bank is functioning as the Division Head.
- Central Compliance Committee (CCC) at Head Office has already been formed headed by Chief Anti-Money Laundering Compliance Officer (CAMLCO). Regional Anti-Money Laundering Compliance Officer (RAMLCO) and Branch Anti-Money Laundering Compliance Officer (BAMLCO) have also been designated to the Regional Offices and Branches respectively.
- All circulars of former Anti Money Laundering Department of Bangladesh bank and at present BFIU have been disseminated to the branches for compliance. BFIU circular no. 26 dated 1606/2020 has already been disseminated to the branches, regional offices, principal offices and divisions of Head



- Office highlighting important instructions and asking for strict compliance.
- Bangladesh Bank has issued new account opening form through BRPD circular no 02 dated 23/02/2020. Later, BFIU has also revised KYC profile form through BFIU circular no. 26 dated 16/06/2020. Accordingly, our bank has prepared the new account opening form incorporating all the instructions of BRPD and BFIU of Bangladesh Bank. And the same is disseminated to the branches to open new account opening form incorporating all the institutions of BRPD and BFIU of Bangladesh Bank and the same is disseminated to the branches to open new accounts through the form.
  - Money Laundering & Terrorist Financing Risk Management Guidelines (Revised 2021), Customer Selection Policy (Revised 2021) have been prepared and the same have been disseminated to the branches for compliance.
  - Guidelines on Prevention of Trade Based Money Laundering has been prepared disseminated.
  - As per Money Laundering Prevention Act-2012 and its amendment 2015; Branches have been instructed to obtain complete & accurate information of the clients while opening and maintaining banking relationship.
  - To ensure the genuineness of the customers, we obtain photocopy of national ID / Birth Registration Certificate from the customer, genuineness checked and verification done.
  - Customers are graded on the basis of risk. Branches have been advised to closely monitor High Risk Customers, Politically Exposed Persons and Influential Persons and apply Enhanced Due Diligence in these regards.
  - Branches have been advised to compare actual transactions with transaction profile to identify abnormal and suspicious transactions.
  - Cash Transaction Report (CTR) is submitted to BFIU in time and certificate in relation of CTR analysis also submitted to them.
  - Transaction Monitoring is done both Automated and Manual process. If any transaction seems suspicious then branch forward to Head Office through proper channel maintaining confidentiality. Head Office examine the documents and submit the report to BFIU through goAML webportal.
  - Self-Assessment Statement is prepared by the branches on half yearly basis and a summary report is prepared by Anti-Money Laundering Division of Head Office. The report is submitting to Bangladesh Financial Intelligence Unit regularly. Follow-up letters are issued to the branches to remove the weakness detected in the Self-Assessment Report.
  - Our internal auditors assess the AML & CFT status of the branches through Independent Testing Procedure while conducting audit. The same is summarized and placed before the Management and 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. Beside this own bank import export product wise price verification database is going to introduced soon.
- Before considering / establishing / continuing any relationship an automated sanction screening process is done so that no black listed individual/entity can use our banking channel for money laundering, terrorist financing or any other financial crime. Moreover; Acuity Compliance Link solution also incorporated our sanction screening process for foreign Trade.

#### e) Internal Control and Compliance

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

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

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



to soundly & prudently manage the organization's exposures to risk and (iv) an independent audit mechanism to monitor the effectiveness of the organizational and procedural control.

Compliance refers to operating the bank in conformity with applicable laws, regulations, policies, standards, guidelines etc. applicable to all institutions in its category and responding fully and in a timely manner to supervisory criticism and orders to take corrective action issued by the applicable regulatory authorities or law enforcement bodies. In this context, compliance also refers to preventive actions taken to mitigate compliance risk which is the risk of legal or regulatory sanctions, material financial loss or loss to reputation as a result of failure to comply with applicable rules. Today's banks are highly exposed to compliance risk since they have a great number of stakeholders, e.g. regulators, customers, counterparties, tax authorities, local authorities, and other authorized agencies. Compliance risk can lead to imposition of fines & penalties, payment of damages, loss of market share, regulatory sanction and in severe case loss of franchise etc. It can also lead to a diminished reputation, also known as reputation risk, arising from an adverse perception of the image of the bank by customers, counter parties, shareholders or regulators.

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



Audit & Inspection Division conducts audit as per Risk Based Audit Plan approved by the Audit Committee of the Board of Directors. IT auditor is attached with audit team to conduct IT audit. Synopsis of the audit report is placed before the Audit Committee of the Board of Directors regularly. Our Islamic Banking Wing conducts Shari'ah Audit in the Islamic Banking Windows of the bank. Monitoring Division is engaged in monitoring function through different monitoring tools such as

Pubali Monitoring System (PMS), Departmental Control Function Checklist (DCFCL), Quarterly Operations Report (QOR) and Loan Documentation Checklist (LDCL) etc. Compliance Division deals with all regulatory compliance related activities and also functions as the contact point of the bank. The division ensures regulatory requirements and industry practices in the bank. Compliance Division has also been entrusted to implement the National Integrity Strategy of the bank.

The issue of effective internal control system, corporate governance, transparency & accountability etc. have become of great importance. Weakness in Internal Control System may lead to significant amount of loss and the loss may be originated from internal & external fraud, employment practices & workplace safety, business practices, damage to physical assets, business disruption & system failure, and process management etc. Management Committee (MANCOM)/Senior Management Team (SMT) headed by Honorable Managing Director & CEO reviews the overall internal control system of the bank and a certificate is placed before the Board of Directors on the issue on yearly basis. As per instruction of Audit Committee of the Board of Directors, Compliance Division places the memoranda on "Implementation Status of Internal Control and Compliance of the bank" before the Committee on quarterly basis and decisions are being gradually implemented. Moreover, as per yearly reporting cycle, Compliance Division also places memoranda on Internal Control & Compliance (ICC) Risk, Operational Risk and Compliance Risk before the Risk Management Committee of the Board. As a part of Internal Control & Operational Risk Management and as per Bangladesh Bank's DOS circular letter no. 03 dated 09 May, 2017, our bank submits Self-Assessment Report on Anti-Fraud Internal Controls to Bangladesh Bank on half yearly basis, duly signed by Honorable Managing Director & CEO and countersigned by Honorable Chairman of the Audit Committee of the Board of Directors.

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

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

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



f) **ICT Operation**

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

Pubali Bank Limited has been extending customer services at all of our 490 branches and 40 sub-branches using our in-house developed core banking software, Pubali Integrated Banking System (PIBS) and at 17 Islamic Wings using our in-house developed core Islamic banking software, Pubali Integrated Islamic Banking System (PIIBS) under network environment. Real Time Centralized Online Banking System has been developed and deployed in all of 490 branches, 40 sub-branches and 17 Islamic Wings across the country. The Online Banking Network of Pubali Bank Limited has become the largest one in the banking sector of Bangladesh.

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

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

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

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

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

We have established our Data Center at ICT Operation Division, Head Office and Disaster Recovery Center at Uttara, Dhaka. Banking Data of our all the Online Branches are being stored both at our Data Center and Disaster Recovery Center simultaneously to ensure business continuity even in



disaster. Moreover, we have recently added Exadata storage solution for enhancing storage capacity of our Data Center and Disaster Recovery Center that assured uninterrupted data availability for end users and proliferated period end data processing speed. Data Center of Pubali Bank Limited has been restructured recently and become one of the best ones in Bangladesh. In context of international standard, architecture of Data Center has been upgraded to Tire-3 Standard.

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

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

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

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

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

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

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

To ensure proper training to our officials and raising awareness among them, ICT Operation Division arranged need based hands on training program at our Computer Lab daily in addition to training/workshop arranged at Head Office Auditorium throughout the year. During the year 2021, we conducted 76 training programs at our Computer Lab on 18 (Eighteen) different Topics/Modules covering 5,599 participants from Branches/Regional Offices across the country.



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

## 2.15 Capital Adequacy under Basel-III

Banks operating in Bangladesh are maintaining capital since 1996 on the basis of risk weighted assets in line with the Basel Committee on Banking Supervision (BCBS) capital framework published in 1988. Considering present complexity and diversity in the banking industry and to make the bank's capital requirement more risk sensitive, Bangladesh Bank, being the central bank of the country has decided to adopt the Risk Based Capital Adequacy for banks in line with capital adequacy framework revised by the BCBS popularly known as "Basel II". Bangladesh Bank prepared a guideline to be followed by all scheduled banks from January 2009. Both the existing capital requirement rules on the basis of Risk Weighted Assets and revised Risk Based Capital Adequacy Framework for Banks as per Basel II were followed simultaneously initially for one year. For the purpose of statutory compliance during the period of parallel run i.e. 2009, the computation of capital adequacy requirement under existing rules prevailed. On the other hand, revised Risk Based Capital Adequacy Framework as per Basel II had been practiced by the banks during 2009 so that Basel II recommendation could effectively be adopted from 2010. From January 2010, Risk Based Capital Adequacy Framework as per Basel II have been fully practiced by the banks replacing the previous rules under Basel-I. Bangladesh Bank adopted "Guidelines on Risk Based Capital Adequacy (Revised Regulatory Capital Framework for banks in line with Basel III)" as per BRPD circular no. 18 dated 21 December 2014 replaced of "Guidelines on Risk Based Capital Adequacy (Revised Regulatory Capital Framework for banks in line with Basel II)". This circular has been come into force with effect from January 01, 2015. Pubali Bank Limited is maintaining its capital requirements at adequate level as per "Guidelines on Risk Based Capital Adequacy (Revised Regulatory Capital Framework for banks in line with Basel III)"

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

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

## 2.16 Disclosure on fraud and forgeries committed by bank employees

In the year-2021, 02 (two) incidents were traced relating to fraud and forgery. One was at our Salna Branch under Gazipur Rejoin involving Tk. 5.23 lakh and the other at Paduar Bazar branch under Cumilla Region for Tk. 6.00 lakh. The defalcated amount of Salna Branch was recovered from the concerned delinquent employee.

The victim and account holder of Paduar Bazar branch field a suit against the two accused bank employees. The next date of hearing has been fixed on 31.03.2022 for submission of charge sheet. Mentionable that law enforcing agency has recovered Tk. 3.27 lakh in the meantime which is kept under court's custody. Administrative action has been taken against the employees involved in both the incidents.



## 2.17 Off Balance Sheet items

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

### Provision for Off-balance sheet exposure

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

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

## 2.18 Loan write-off

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

## 2.19 Authorization of financial statements

The Board of Directors accorded its approval and authorized these financial statements on 07 April 2022.

## 2.20 Memorandum items

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

## 2.21 Reporting period

These financial statements cover one calendar year from 01 January 2021 to 31 December 2021.

## 2.22 Number of employees

The number of employees employed in the Bank as on 31 December 2021 was 8,022 of which 6,689 were male and 1,333 were female. The number of employees per branch was 13.73 excluding 1,296 employees in the head office, Regional Offices and Principal Offices of the Bank.

## 2.23 Training

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



development of capacity into critical thinking and analyzing the business issues in a competitive environment.

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

During the new normal workplace of COVID-19 impact, all training have been conducted virtually. It helps the Pubali Bank Training Institute to reach at the desk of concerned employee to train them.

In the year 2021, Pubali Bank Training Institute emphasizes on the Anti-Money Laundering compliance issues, to develop awareness on gender equality in workplace, expansion of quantum of business under "Centralized Trade Processing Centre (CTPC)".

During the year 2021, Pubali Bank Limited arranged total no 281 of Training Programmed where the Training Institute had successfully completed 29 Virtual training courses with 81 frequencies covering 4,666 participants, HRD conducted 124 no of external training programmed covering 494 participants and Computer Lab of Pubali Bank conducted 76 no of Training programmed covering 5,599 participants throughout the year due to impact of COVID-19.



**Training Programmed conducted from January to December 2021 by Pubali Bank Training Institute.**

Sl. No.	Name of the Course/Seminar/ Workshop	No. of Courses held	Number of Participants attended	Male	Female
1	Asset Liability Risk Management	2	114	101	13
2	AML, CFT & Prevention of Trade Based Money Laundering	10	631	519	112
3	Audit & Inspection in Banks	3	162	139	23
4	Banking Laws & Regulations	3	165	137	28
5	BASEL- III	2	99	89	10
6	Basic Accounting and Financial Statement Analysis	3	155	136	19
7	Cash Management	10	553	439	114
8	Conducting Inquiry and Report Writing.	3	156	130	26
9	Consumer Loan Scheme	2	100	90	10
10	Core Risks Management in Bank	1	52	43	9
11	Credit Management	2	115	106	9
12	ESRM, Green Banking and Sustainable Finance.	2	110	103	7
13	Ethics & integrity in Banking	3	165	141	24
14	General Banking	2	115	87	28
15	Gender Equality	2	235	119	116
16	ICRR (Internal Credit Risk Rating System in Banks)	2	126	67	59
17	Internal Control & Compliance (ICC)	2	123	105	18
18	International Trade Payment and Finance	5	294	254	40
19	Islamic Banking Operations	4	207	184	23
20	Lease Financing Scheme	2	118	110	8
21	Legal & Compliance issues in banking operation.	1	43	33	10
22	Legal Aspects of Securities & Documentation	2	116	108	8
23	Marketing & Customers' Service Development in Banking	2	116	100	16
24	Mobile Banking, Agent Banking and Card-Operations etc.	2	116	103	13
25	Money Laundering Prevention Act & Anti-Terrorism Act.	2	110	93	17
26	NPL Management: Legal & Non- Legal measures.	2	101	83	18
27	Prevention of International Trade- based Money Laundering	1	49	42	7
28	Prevention of malpractice, Fraud & Forgery in Banks	2	112	101	11
29	SME & Agri-Credit in Bank	2	108	104	4
	<b>Grand Total</b>	<b>81</b>	<b>4666</b>	<b>3866</b>	<b>800</b>



**External Training Programs Conducted at Human Resources of Pubali Bank for the Year 2021**

SL	Topic	Institute	Participant(s)	Period
1	Certified Expert in Credit Management	BIBM	2	06 months
2	Master of Economics	Dhaka School of Economics	3	18 months
3	Strategic Human Resources Management in Banks	BBM	3	03-04 February
4	Operational Risk Management in Banks	BIBM	3	31 January to 01 February
5	Combating Fraud: Fraud Risk Management	Fin Excel	2	13-16 February
6	Taxation- Financial Reporting Challenges from Bangladesh Market	ICAB	4	13 February 2021
7	Credit Risk Management	Bangladesh Bank	1	09 February 2021
8	Automated Challan System	Finance Ministry	3	08 February 2021
9	Automated Challan System	Finance Ministry	4	11 February 2021
10	Audit in Banks	ICAB	1	31 January 2021
11	Foreign Exchange Transaction Reporting	Bangladesh Bank	1	22-24 February 2021
12	Problem Solving in Applying the right UCP600 & ISBP 745 on LC Issues	Black Stone	4	05-06 March 2021
13	Management of Non-performing Loan & Recovery Strategies	BAB	4	27-28 February 2021
14	Credit Risk Management	BAB	2	16-19 January 2021
15	Nomination for Training Sustainable Finance, green Finance	BB	2	28 March 2021
16	Governance Issues in Banks	BIBM	2	22 March 2021
17	Fundamentals of Shariah based banking & Finance	BIBM	3	01-04 March 2021
18	Implementation Challenges of Security Operation Center in banks	BIBM	2	24 February 2021
19	Liability management, Loan Providing and Profitability in Banks	BIBM	3	19-01-2021
20	Artificial Intelligence in Banking : Adopt & Perish	BIBM	5	02 March 2021
21	Information System Audit in Banks	BIBM	2	04-08 April 2021
22	Open Account Trade: International factoring	BIBM	3	10-11 March
23	Demand Guarantee , URD 758-clear Underling and Application	Black Stone	4	09-10 April 2021
24	Internal Credit Risk Rating System in Banks	BIBM	3	14-16 March 2021
25	Basel capital Framework for bank Executives	BIBM	2	24-25 March 2021
26	Ethics in Banking & Prevention of malpractices in Banks	BAB	4	20- 21 March 2021



27	Legal Aspect of Security & Documentation	BIBM	2	07-08 April 2021
28	Automated Challan System	Finance Ministry	4	01 June 2021
29	The Online Meeting on SBS 2 and SBS 3	BB	8	01 June 2021
30	Automated Challan System	Finance Ministry	4	08 June 2021
31	Monitoring & Supervision of Loans & Advances in the context of covid-19 pandemic situation	BAB	4	26-28 June 2021
32	Investment Mechanism of Islamic Banking: Fixed Earning Modes	BIBM	5	09-10 June 2021
33	Internal Credit Risk Rating System in Banks	BIBM	4	16-17 June 2021
34	Policy and Procedure of Foreign Investment in Bangladesh: Role of Ads	BIBM	3	15-17 June 2021
35	Human Resources Management in Bank Branches	BIBM	4	04-08 July 2021
36	Certified Expert in Trade Services(CETS)	BIBM	1	
37	Online based training program for Certified Documentary Credit Specialist (CDCS)	City Bank N.A	41	18-29 June 2021
38	Online based training program for Certified Documentary Credit Specialist (CDCS)	City Bank N.A	2	18-29 June 2021
39	Unveiling Special Issue of Bank Parikrama for Commemorating the Birth Centenary of the Father of the Nation Bangabandhu Sheikh Mujibur Rahman	BIBM	5	22-Sep
40	Online Based Need Assessment Meeting On The Proposed Academic Calendar-2022	BIBM	1	27 September 2021
41	Foreign Exchange & Foreign Trade	BAB	3	25-27 September 2021
42	Loan Classification & Provisioning Thereof	IBB	9	22-Sep
43	Sustainable Finance	Bangladesh Bank	2	13 September 2021
44	International Standard Demand Guarantee Practice(ISDGP)	ICCB	5	27-28 August 2021
45	Banking Technology for Non IT Executives	BIBM	4	22-26 August 2021
46	Asset -Liability Management in Banks	BIBM	4	22-26 August 2021
47	Reporting and Ethical Framework for Islamic Financial Institution	BIBM	5	08-12 August 2021
48	Employee Selection in Banks of Bangladesh: A Mixed Method Analysis	BIBM	1	17 August 2021
49	Credit Risk Management with Special Emphasis on ICCR	BAB	3	21-22 August 2021
50	Digital Trade Operations Covering eUCP 2.0 and Impact of Covid-19 in Trade Operations	Black Stone	4	27-28 August 2021
51	Financial Analysis for Bankers	BIBM	5	05-09 September 2021
52	Employee Selection in Banks of Bangladesh: A Mixed Method Analysis	BIBM	1	05 August 2021



53	NPL Management, Loan Recovery, Debt Re-Scheduling & Re-Structuring and Related Laws	Fin Excel	1	14 and 16-18 August 2021
54	International Trade Payment and Finance	BIBM	5	8-12 August 2021
55	Foreign Exchange Audit & Inspection in Banks	BIBM	5	16-17 August 2021
56	Financing Agro Based Business	BIBM	4	12-16 September 2021
57	Regulatory Guidelines For Trade Facilitations	BIBM	3	06-09 September 2021
58	Sustainable Financing and Green Banking	BIBM	1	13-16 September 2021
59	Team Building For Work Excellence in Branch Banking	BIBM	3	08-09 September 2021
60	Trade Services Operations of Banks	BIBM	7	20 September 2021
61	Project Appraisal and Credit Management	BIBM	5	26-30 September 2021
62	Customer Relationship Management In Banks	BIBM	4	22-23 September 2021
63	Prevention of Malpractices in Banks with Special Reference to AML & CFT	BIBM	4	19-23 September 2021
64	Risk Reporting in Banks	BIBM	5	29-30 September 2021
65	Policy and Procedure of Foreign Investment of Bangladesh : Role of Ads	BIBM	2	28-30 September 2021
66	Document Verification System	ICMAB	3	
67	Different Dimension of Modern HRM and Strategies to Survive & Thrive in New Normal	Blackstone	3	25 September 2021
68	International Trade Payment & Finance-Practice, Compliance, Operations & Legal Analysis	Mashreq PSc	3	23-25 October 2021
69	Applicability and legal enforceability of sales purchase contract in international trade operations in banks	BIBM	3	28 August 2021
70	Customer Due Diligence in Banks	BIBM	10	21 October 2021
71	ই নামজারী সিস্টেম ভূমি বন্ধক ডাটাবেজ প্রনয়নে ব্যাংক/আর্থিক প্রতিষ্ঠানের সম্পৃক্ততা বিষয়ে আয়োজিত কর্মশালা	Bangladesh Bank	2	03 October 2021
72	Internal Credit Risk Rating System in Banks	BIBM	5	10-12 October 2021
73	Financial Analysis for Banks	BIBM	2	03-07 October 2021
74	Financing Agro-based Business & CMSME Business	BIBM	5	03-07 October 2021
75	Human resources Management in Banks	BIBM	5	10-14 October 2021
76	IT Security & Fraud Prevention in Banks for Non It executives	BIBM	4	24-28 October 2021
77	Islamic Banking Operation	BIBM	4	24-28 October

				2021
78	Customer Due Diligence in Banks	BIBM	4	21 October 2021
79	Mobile, Agent & Booth Banking in Bangladesh	BIBM	4	29-30 September 2021
80	In-depth Study of UCP600 and latest case studies	Blackstone	5	29-30 October 2021
81	Credit Operations in Banks	BIBM	3	11 October 2021
82	Ethics, Integrity and Governance in Banks	BIBM	5	13-14 October 2021
83	Policy & Procedure of Foreign Investment in Bangladesh: Role of AD's	BIBM	2	28-30 September 2021
84	Leadership excellence in Banks for Branch Management	BIBM	5	03-04 October 2021
85	International Trade Payment & Finance	BIBM	4	06-14 October 2021
86	Credit Management in Banks	BIBM	3	25-28 October 2021
87	Export under open Account against Risk Coverage	BIBM	5	24 October 2021
88	Marketing of Financial Services	BIBM	4	02-04 November 2021
89	Credit monitoring & Supervision	BAB	3	30-31 October 2021
90	Prevention of Trade & Credit Based Money Laundering	BIBM	3	01-02 November 2021
91	Plenary Session	BIBM	1	15 November 2021
92	Work Life Balance for Women & NBFIs	ACTIVA	34	06-07 November 2021
93	Entrepreneurship Development and CMSME Financing	BIBM	3	07-11 November 2021
94	Internal Credit Risk Rating SYSTEM IN Banks	BIBM	4	01-03 November 2021
95	SME Financing in Bangladesh: Do Local Banking Market Structures Matter	BIBM	3	02 November 2021
96	Rules and Regulations of General Banking and Credit	BIBM	3	22-25 November 2021
97	Prevention of Malpractices in Banks with special Reference to AML & CFT	BIBM	5	21-25 November 2021
98	Prevention of Trade Based Money Laundering	BIBM	3	01-02 November 2021
99	Project Appraisal and Credit Management	BIBM	4	21-30 November
100	ATM & Plastic Card Management with Security Issues	BIBM	3	04 November 2021
101	Green Banking	BIBM	2	03-04 November 2021
102	Assessment of Stimulus Packages on Covid-19	BIBM	2	09 November 2021



103	Export Finance and Incentives: Implications for Export From Bangladesh	BIBM	5	10 November 2021
104	Audit and Governance Framework of Islamic Banks(Joint Program with IBCF	BIBM	4	21-22 November 2021
105	Certified EI Graduate Course	SLSD	3	05 November 2021
106	Role of Banks in Managing in the Covid-19 Effect on Inward Remittance in Bangladesh	BIBM	4	01 November 2021
107	Prevention of Credit and Trade Based Money Laundering	BAB	3	27-28 November 2021
108	Information System Audit in Banks for Non IT Executives	BIBM	3	14-18 November
109	Cyber Security and Fraud Prevention	BIBM	8	28 November-01 December 2021
110	Post Covid Impact on Banking Activities and way of Recovery	BIBM	3	24-25 November, 2021
111	Management of Bonded Import & Risk Mitigation in Export Financing	ICCB	5	04 December 2021
112	Leadership issues in Banks for Barishal Region	BIBM	5	06 December 2021
113	Roundtable Discussion on " Developing Tailor-made Products for CMSME BY Banks: Do Business Characteristics Matter?"	BIBM	2	07 November 2021
114	Outreach Training for Rangpur Region on " Banking Technology & Cyber Security Issue"	BIBM	4	05-09 December 2021
115	Banking For IT Executives	BIBM	2	05-09 December 2021
116	Prevention of Financial Crime in Banks	BIBM	5	28 November 2021
117	Shariah Standards for financial Contracts in Islamic Banks and Financial Inclusions(Joint Program with CSBIBB"	BIBM	3	08-09 December 2021
118	Policy and Procedure of Foreign Investment in Bangladesh: Role of Ads"	BIBM	5	13-15 December 2021
119	Interest Rate Risk in Banking Book(IRRBB) & IIS impact on Banks	BAMDA	1	25 December 2021
120	Certified Experts in Trade Services	BIBM	1	Six months course
121	Seminar On " Board, Chief Executive Officer and Performance of Banks in Bangladesh"	BIBM	4	13 December 2021
122	Certified Experts in Credit Management (CECM)	BIBM	1	Six months course
123	Certified Experts in Expert in Anti-Money Laundering and Financial Crime (CEAF) for January 2022	BIBM	1	Six months course
124	Internal Control Mechanism and Bank Supervision	BAB	1	18-19 December 2021
			494	



**Training Programs Conducted at Computer Lab of Pubali Bank for the Year 2021**

SL No	Name of the Training programs	No. of Courses	Number of Participants attended	Male	Female
1	Pubali Integrated Banking System (PIBS) for New recruited officers	2	60	56	4
2	Security Paper Management, Bills Function, GL Register and Central Disbursement	7	418	350	68
3	Fixed Asset, PF / SWF / TDS / Excise Duty Maintenance / Source Tax, VAT, Payroll and Salary Register	6	298	240	58
4	Maintenance of Branch Network, System, Inventory Management & Cyber Security Awareness	7	379	363	16
5	PI Banking & RTGS/Automated Challan System	8	466	410	56
6	Bank Guarantee, e-GP, Earnest Money Financing	7	370	333	37
7	Changes in Import, Export and Online Reporting to Regulators	3	67	55	12
8	Changes in Loans & Advances	7	397	369	28
9	Card Management-Card Transaction & Delivery Process	6	307	253	54
10	Pubali Integrated Islamic Banking System (PIIBS)	3	63	61	2
11	Sub Branch Processes and Posting	3	201	185	16
12	End-Point Security Implementation and Maintenance	5	261	247	14
13	Changes in BACH BEFTN	2	202	196	6
14	Implementation of Digital Signature	1	167	159	8
15	ACS (Automated Challan System)	1	82	50	32
16	Central Disbursement	6	1,117	1,035	82
17	Information Security Awareness	1	650	621	29
18	E-payment and ACS	1	94	76	18
	<b>Grand Total</b>	<b>76</b>	<b>5,599</b>	<b>5,059</b>	<b>540</b>



## 2.24 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
Mr. Mohammad Naushad Ali Chowdhury	Independent Director	Chairman	MBA, BSc(Hons), MSc (Physics)
Mr. Ahmed Shafi Choudhury	Director	Member	BA (Dhaka University)
Mr. M. Kabiruzzaman Yaqub FCMA (UK), CGMA	Director	Member	B. Eng (Civil), UK, FCMA (UK), CGMA
Ms. Rana Laila Hafiz	Director	Member	MA (English) DU
Dr. Shahdeen Malik	Independent Director	Member	PhD in Law, London, UK, Obtained LLM degrees from Universities at Moscow & Philadelphia

## 2.25 Accounting for Changes in Policy, Accounting Estimates and Errors

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

## 2.26 Events after reporting period

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

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

## 2.27 Related party disclosures

Related Party is a party related to an entity if:

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



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

## 2.28 Director's responsibilities on financial statement

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

## 2.29 Segment reporting

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

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

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

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

Financial Statement of a company is a mandatory document for sanctioning new loan facilities as well as renewal and enhancement of existing facilities. As per BRPD Circular Letter No. 04 dated 04 January 2021 issued by Bangladesh Bank, at the time of loan sanction/renewal, it is mandatory to preserve the up-to-date Statutory Audited Financial Report audited by Chartered Accountants for the firms defined as Public Interest entity by the clause 2(8) of Financial Reporting Act, 2015. During year-2021, 380 borrowers submitted Audited Financial Report out of 415 public interest entities. Efforts are being made to preserve the up-to-date Audited Financial Report in all the loan files.

As per BRPD circular Letter No. 35 dated 06 July 2021, the bank will use the Document Verification System (DVS) of the Institute of Chartered Accountants of Bangladesh (ICAB) to verify the Audited Financial Reports submitted by the borrower. In this connection, Bank already signed a MoU with ICAB dated 02 September 2021 and attended the virtual training program on DVS titled "The SECOND Slot Go-on-live Training on Document Verification System (DVS) for banks" arranged by ICAB on 06 September 2021. Till now bank did not get any ID for accessing to the DVS system of ICAB. Upon getting access to the DVS system, bank will verify all such types of Firms' Audited Financial Report.

## 2.31 General

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



PUBALI BANK LIMITED  
Notes to the financial statements for the year ended 31 December 2021

	2021 Taka	2020 Taka
<b>3 Cash</b>		
<b>Cash in hand ( Including foreign currencies)</b>		
In local currency	5,064,304,533	4,117,213,715
In foreign currencies	24,107,140	20,252,644
	<u>5,088,411,673</u>	<u>4,137,466,359</u>
<b>Balance with Bangladesh Bank and Its agent Bank(s) ( Including foreign currencies)</b>		
<b>Bangladesh Bank</b>		
In local currency	17,692,669,678	17,147,567,030
In foreign currencies	23,493,024	863,108,989
	<u>17,716,162,702</u>	<u>18,010,696,019</u>
<b>Sonali Bank as agent of Bangladesh Bank</b>		
In Local currency	1,841,758,205	1,998,277,244
	<u>19,557,920,907</u>	<u>20,008,973,263</u>
	<u>24,646,332,580</u>	<u>24,146,439,622</u>
<b>3.1 Cash Reserve Ratio and Statutory Liquidity Ratio</b>		
Cash Reserve Ratio and Statutory Liquidity Ratio have been calculated in accordance with the section 33 of Bank Companies Act 1991, MPD circular numbers 1, 2 dated 03 April 2018, DOS circular no. 01 dated 19 January 2014 and MPD circular D1 dated 09 April 2020 respectively.		
The Cash Reserve Ratio (CRR) required on the Bank's time and demand liabilities at the rate of 4.00% has been calculated in line with Bangladesh Bank circular and 13% Statutory Liquidity Ratio (SLR) on the same liabilities has also been maintained in the form of Treasury bills and bonds and other eligible securities. Both the reserves maintained by the Bank are as shown below:		
<b>3.1.1 Cash Reserve Ratio (CRR)</b>		
Required Reserve (4%)	18,613,499,000	17,238,224,000
Actual Reserve maintained	18,051,230,733	17,843,331,773
Surplus/(deficit)	<u>(562,268,267)</u>	<u>605,107,773</u>
<b>3.1.2 Statutory Liquidity Ratio (SLR)</b>		
Required Reserve (13%)	61,555,808,000	56,597,283,000
Actual Reserve maintained	131,697,834,090	131,182,627,070
Surplus/(deficit)	<u>70,142,026,090</u>	<u>74,585,344,070</u>
<b>Held for Statutory Liquidity Ratio (SLR)</b>		
Cash in Hand	5,088,411,673	4,137,466,359
Balance with agent Bank (Sonali Bank Limited)	602,434,680	636,974,820
Excess Cash Reserve	24,569,092	605,107,773
Government Securities (HTM)	71,761,227,925	58,946,858,671
Government Securities (HFT)	52,234,461,595	65,906,570,321
Other Eligible Securities	1,986,729,125	949,649,126
	<u>131,697,834,090</u>	<u>131,182,627,070</u>
<b>3.1.3 Total required amount of CRR and SLR</b>		
Total required reserve (17%)	80,169,307,000	73,835,507,000
Total actual reserve maintained	149,724,495,731	148,420,851,070
Total Surplus	<u>69,555,188,731</u>	<u>74,585,344,070</u>
<b>3(a) Consolidated Cash</b>		
<b>Cash in hand ( Including foreign currencies)</b>		
Pubali Bank Limited	5,088,411,673	4,137,466,359
Pubali Bank Securities Limited	-	-
	<u>5,088,411,673</u>	<u>4,137,466,359</u>
<b>Balance with Bangladesh Bank and Its agent Bank (s) ( Including foreign currencies)</b>		
Pubali Bank Limited	19,557,920,907	20,008,973,263
Pubali Bank Securities Limited	-	-
	<u>19,557,920,907</u>	<u>20,008,973,263</u>
	<u>24,646,332,580</u>	<u>24,146,439,622</u>
<b>4 Balance with other banks and financial institutions</b>		
In Bangladesh (Note 4.1)	20,250,730,902	17,021,755,202
Outside Bangladesh (Note 4.2)	1,231,239,880	1,559,048,795
	<u>21,481,970,782</u>	<u>18,580,803,997</u>
<b>4.1 In Bangladesh</b>		
<b>In current deposit Accounts (In local currency)</b>		
Janata Bank Limited	34,048,378	-
	<u>34,048,378</u>	-
<b>In fixed/term deposit account (In local currency)</b>		
Delta Brac Housing and Finance Corporation Ltd.	1,150,000,000	1,150,000,000
ICB Islamic Bank Ltd, Bangshal Branch, Dhaka	32,401,856	32,417,201
ICB Islamic Bank Ltd, Principal Office, Dhaka	188,349,233	188,404,923
Bangladesh Krishi Bank	-	1,000,000,000
Janata Bank Limited	800,000,000	600,000,000
Southeast Bank Limited	-	750,000,000
Exim Bank Limited	1,000,000,000	300,000,000
Social Islami Bank Limited	400,000,000	300,000,000
Investment Corporation of Bangladesh	1,480,000,000	2,240,000,000
Jamuna Bank Limited	1,000,000,000	-
Social Islami Bank Limited	200,000,000	800,000,000
Mutual Trust Bank Limited	1,957,177,520	1,102,414,300
Dhaka Bank Limited	1,000,000,000	500,000,000
Brac Bank Limited	3,000,000,000	-
IFIC Bank Limited	1,297,400,000	-
Mercantile Bank Limited	-	1,150,000,000
EXIM Bank Limited	-	500,000,000
Islami Bank Bangladesh Limited	2,402,400,000	2,120,027,500
The City Bank Ltd.	-	254,403,300
United Commercial Bank Limited	429,000,000	-
Trust Bank Limited	85,800,000	-
The Premier Bank Limited	772,200,000	-
Mldland Bank limited	171,600,000	-
	<u>17,366,328,609</u>	<u>12,987,667,224</u>
<b>In Savings deposit account</b>		
Islami Bank Bangladesh Limited	14,973,791	14,656,675
	<u>14,973,791</u>	<u>14,656,675</u>



	2021 Taka	2020 Taka
<b>In Special Notice Deposit account</b>		
Sonal Bank Ltd, Shilpa Bhaban Branch, Dhaka	1,359,768,868	4,008,015,008
Bank Al Falah Ltd, Principal Branch, Dhaka	-	1,159,934
National Bank Ltd, Dilkusha Branch, Dhaka	-	673,244
The City Bank Ltd, Foreign Exchange Branch, Dhaka	-	891,088
Mutual Trust Bank Ltd, Principal Branch, Dhaka	-	969,292
Bangladesh Krishi Bank, Local office, Dhaka	1,266,116,939	713,551
Janata Bank Limited, Nawabpur branch, Dhaka	202,361,637	-
First Security Islami Bank Ltd, Dilkusha Branch, Dhaka	6,601,795	6,452,010
AB Bank Limited, Islamic Banking Branch, Dhaka	530,885	517,176
	<b>2,835,380,124</b>	<b>4,019,431,303</b>
<b>Total Deposit in Bank in BDT</b>	<b>20,250,730,902</b>	<b>17,021,755,202</b>

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

Name of Bank	Foreign currency name	2021			2020		
		Conversion rate per unit FC	Amount in foreign currency	Amount in taka	Conversion rate per unit FC	Amount in foreign currency	Amount in taka
SCB Mumbai (AMEX)	ACUD	85.8000	30,177.44	2,589,224	84.8011	30,177.44	2,559,080
Bank of Bhutan, Thimpu	ACUD	85.8000	15,174.54	1,301,976	84.8011	13,608.31	1,154,000
MUFG Bank Ltd. New Delhi	ACUD	85.8000	22,770.00	1,953,666	84.8011	22,770.00	1,930,921
MUFG Bank Ltd. Japan	JPY	0.7457	6,260,469.00	4,668,418	0.8206	5,990,262.00	4,915,626
Commerz Bank, Germany	USD	85.8000	644,176.96	55,270,383	84.8011	991,059.70	84,042,953
Habib Metropolitan Bank, Ltd., Karachi	ACUD	85.8000	142,554.72	12,231,195	84.8011	72,640.59	6,160,002
Habib American Bank, New York	USD	85.8000	330,937.84	28,394,467	84.8011	1,887,524.26	160,064,134
HDFC Bank Ltd., Mumbai	ACUD	85.8000	46,378.57	3,979,281	84.8011	145,846.91	12,367,978
Punjab National Bank	ACUD	85.8000	177,857.79	15,260,198	84.8011	435,407.62	36,923,045
HSBC Bank, Mumbai	ACUD	85.8000	64,075.94	5,497,716	84.8011	64,075.94	5,433,710
ICICI Bank Ltd., Kolkata, India	ACUD	85.8000	73,459.72	6,302,844	84.8011	299,738.92	25,418,190
AB Bank, Mumbai	ACUD	85.8000	2,104.04	180,527	84.8011	155,858.82	13,216,999
Mashreq Bank PSC, New York	USD	85.8000	3,415,523.61	293,051,926	84.8011	3,724,819.05	315,868,753
Mashreq Bank PSC, New York (OBU)	USD	85.8000	1,588,514.83	136,294,572	84.8011	2,122,466.67	179,987,508
Mashreq Bank Mumbai, India (OBU)	ACUD	85.8000	47,906.34	4,110,364	84.8011	221,692.74	18,799,788
MCB, Pakistan	ACUD	85.8000	228.28	19,586	84.8011	224,187.24	19,011,325
Peoples Bank, Colombo	ACUD	85.8000	14,572.58	1,250,327	84.8011	90,229.49	7,651,560
Sonal Bank Ltd, Kolkata	ACUD	85.8000	142,069.53	12,189,566	84.8011	163,907.54	13,899,540
Standard Chartered Bank, Kathmandu	ACUD	85.8000	208,591.86	17,897,182	84.8011	137,172.72	11,632,398
Standard Chartered Bank, New York	USD	85.8000	1,479,624.71	126,951,800	84.8011	2,404,730.24	203,923,770
Standard Chartered Bank, Mumbai	ACUD	85.8000	756,547.16	64,911,746	84.8011	507,562.06	43,041,821
Standard Chartered Bank, UK	GBP	115.7614	30,914.44	3,578,698	114.8292	30,240.04	3,472,439
ICICI Bank, Kolkata, India	EURO	97.2800	14,537.17	1,414,176	104.1951	14,537.17	1,514,702
UBS AG, Zurich	CHF	93.6988	8,347.09	782,112	96.1028	15,777.75	1,516,286
Unicredit S.P.A., Milano, Italy	EURO	97.2800	216,980.30	21,107,852	104.1951	169,575.07	17,668,893
Citi Bank NA, New York	USD	85.8000	1,204,782.12	103,370,306	84.8011	1,737,401.19	147,335,532
Commerz Bank, Germany	EURO	97.2800	538,317.45	51,881,142	104.1951	255,268.95	26,597,777
JP Morgan Chase Bank, New York	USD	85.8000	2,227,144.01	191,088,956	84.8011	1,215,092.17	103,041,153
ABU DHABI Commercial Bank	AED	23.3565	1,453,517.65	33,949,045	23.0846	1,608,723.00	37,136,649
AXIS Bank Ltd. India	ACUD	85.8000	346,860.47	29,760,628	84.8011	622,212.02	52,764,264
			<b>1,231,239,880</b>				<b>1,559,048,795</b>

4.3 Maturity grouping of balance with other banks and financial Institutions

Payable on demand	4,081,593,795	5,593,136,773
Up to 3 months	15,429,625,898	10,492,839,600
Over 3 months but not more than 1 year	1,750,000,000	2,274,005,500
Above 1 year (receivable from former The Oriental Bank Ltd.)	220,751,089	220,822,124
	<b>21,481,970,782</b>	<b>18,580,803,997</b>

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

<b>In Bangladesh</b>		
Pubali Bank Limited	20,250,730,902	17,021,755,202
Pubali Bank Securities Limited	1,947,268,210	1,340,479,296
	<b>22,197,999,112</b>	<b>18,362,234,498</b>
Less: Inter Company Transactions *	1,737,373,112	961,613,573
	<b>20,460,626,000</b>	<b>17,400,620,925</b>
<b>Outside Bangladesh</b>		
Pubali Bank Limited	1,231,239,880	1,559,048,795
Pubali Bank Securities Limited	-	-
	<b>1,231,239,880</b>	<b>1,559,048,795</b>
	<b>21,691,865,880</b>	<b>18,959,669,720</b>

\* Amount of Consolidated Balance with other banks and financial institutions has been restated and decreased by Tk. 378,865,723 as it was considered in the last year 2020 with inter company transaction.

5 Money at call on short notice

Banking company (note-5.1)	11,286,667	11,286,667
Non-banking Financial Institution (note-5.2)	230,700,000	1,189,500,000
	<b>241,986,667</b>	<b>1,200,786,667</b>

5.1 Banking company

Bangladesh Krishi Bank	11,286,667	11,286,667
ICB Islamic Bank Ltd.	11,286,667	11,286,667

5.2 Non-banking Financial Institution

GSP Finance Co. (BD) Ltd.	30,700,000	39,500,000
IDLC Finance Limited	-	960,000,000
IPDC Finance Limited	200,000,000	190,000,000
	<b>230,700,000</b>	<b>1,189,500,000</b>



	2021 Taka	2020 Taka
<b>6 Investments</b>		
<b>Government investments</b>		
<b>Securities</b>		
Government/ Bangladesh Bank bills - at book value (note 6.1)	11,146,071,611	26,091,013,587
Government treasury bonds (Note 6.2)	113,933,697,912	100,309,443,067
National prize bonds	25,017,791	27,572,001
<b>Total investment in government securities and bonds</b>	<b>125,104,787,314</b>	<b>126,428,028,655</b>
<b>Other investments:</b>		
Shares (Note 6.3)	7,077,957,454	6,522,869,417
Debentures (Note 6.4)	294,060	294,060
Prime Bank Limited Bond	400,000,000	500,000,000
Dhaka Bank Limited Bond	120,000,000	150,000,000
Mercantile Bank Limited Bond	-	20,000,000
Trust Bank Limited Bond -1	-	50,000,000
Southeast Bank Limited Bond -1	-	60,000,000
Bank Asia Limited Bond -1	50,000,000	100,000,000
EXIM Bank Limited Bond -1	60,000,000	120,000,000
Social Islami Bank Limited Bond -1	-	40,000,000
Southeast Bank Limited Bond - 2	400,000,000	600,000,000
Trust Bank Limited Bond -2	400,000,000	600,000,000
One Bank Limited Bond -2	400,000,000	600,000,000
Jamuna Bank Limited Bond	180,000,000	240,000,000
Mutual Trust Bank Limited Bond -2	570,000,000	760,000,000
Bank Asia Limited Bond -2	600,000,000	800,000,000
EXIM Bank Limited Bond -2	600,000,000	800,000,000
Dutch- Bangla Bank Limited Bond-1	900,000,000	1,200,000,000
Shahjalal Islami Bank Limited Bond	420,000,000	560,000,000
Social Islami Bank Limited Bond -2	200,000,000	300,000,000
The City Bank Limited Bond -2	425,000,000	500,000,000
Standard Bank Limited Bond	360,000,000	400,000,000
Islami Bank Bangladesh Limited Bond	600,000,000	800,000,000
United Commercial Bank Limited Bond -1	450,000,000	600,000,000
Southeast Bank Limited-3	120,000,000	150,000,000
The City Bank Limited Bond -3	400,000,000	500,000,000
Dutch- Bangla Bank Limited Bond -2	400,000,000	500,000,000
One Bank Bond-3	300,000,000	300,000,000
Eastern Bank Limited Bond	1,000,000,000	1,000,000,000
Bank Asia Limited Bond -3	500,000,000	500,000,000
Dutch- Bangla Bank Limited Bond-3	500,000,000	500,000,000
Trust Bank Limited Bond -3	500,000,000	500,000,000
The City Bank perpetual Bond	1,000,000,000	1,000,000,000
United Commercial Bank Limited Perpetual Bond	500,000,000	-
PRAN AGRO Limited Green Bond	300,000,000	-
NCC Bank Perpetual Bond	650,000,000	-
Al-Arafah Islami Bank Limited Bond	200,000,000	200,000,000
Bridge financing advances (Note 6.5)	4,722,910	4,813,910
	<b>20,527,974,424</b>	<b>21,477,977,387</b>
	<b>145,632,761,738</b>	<b>147,906,006,042</b>
<b>6.1 Government/ Bangladesh Bank bills</b>		
30 days Bangladesh Bank bills	7,220,261,738	9,197,441,442
91 days treasury bills	-	8,293,075,192
182 days treasury bills	3,925,809,873	8,600,496,953
1 year treasury bills	11,146,071,611	26,091,013,587
182 days (Reverse Repo with other bank)	-	-
1 year (Reverse Repo with other bank)	-	-
	<b>11,146,071,611</b>	<b>26,091,013,587</b>
<b>6.2 Government treasury bonds</b>		
25 years treasury bond	-	-
20 years treasury bond	28,252,898,849	27,620,392,052
15 years treasury bond	15,963,952,707	15,529,939,155
10 years treasury bond	28,167,621,289	26,221,015,801
5 years treasury bond	17,254,429,889	20,871,082,488
2 years treasury bond	23,331,115,178	9,800,613,571
	<b>112,970,017,912</b>	<b>100,043,043,067</b>
5 years Sukuk Bond	673,680,000	26,400,000
6 Months Bangladesh Govt. Islami Investment Bond	290,000,000	240,000,000
	<b>963,680,000</b>	<b>266,400,000</b>
	<b>113,933,697,912</b>	<b>100,309,443,067</b>



6.3 Shares	Name of company	No of share	Market price	Market value	2021	2020
					Taka	Taka
					Cost/Book value	Cost/Book value
	The ACME Laboratories Limited	1,144,886	86.50	99,032,639	105,803,270	159,292,379
	ACME Pesticides Limited	94,421	26.80	2,530,483	2,661,831	-
	Bata Shoe Company (BD) Limited	10,017	966.90	9,685,437	10,606,008	7,452,371
	BBS Cables Limited	-	-	-	-	142,522,636
	Bangladesh Shipping Corporation	-	-	-	-	15,525,120
	Bangladesh Submarine cable company Limited	340,644	210.10	71,569,304	65,910,670	24,811,041
	Bangladesh Steel Re-Rolling Mills Limited	1,973,175	103.30	203,828,978	182,058,989	169,376,745
	BSRM Steels Limited	1,330,300	71.10	94,584,330	101,876,968	78,756,312
	City Bank Limited	156,018	27.30	4,259,291	3,942,039	96,005,823
	Confidence Cement Limited	-	-	-	-	21,279,108
	Crystal Insurance Company Limited	-	-	-	-	108,780
	Delta Brac Housing Finance Corporation Limited	474,288	77.10	36,567,605	44,192,510	44,192,510
	Eastern Bank Limited	20,280,149	38.50	780,785,737	53,051,800	53,051,800
	Envoy Textile Limited	-	-	-	-	44,433,247
	Exim Bank Limited	-	-	-	-	52,612,087
	GPH Ispat Limited	-	-	-	-	86,248,691
	Grameenphone Limited	940,000	349.50	328,530,000	314,358,531	314,358,531
	ICB Islamic Bank Limited	7,998,300	5.20	41,591,160	79,983,000	79,983,000
	IDLC Finance Ltd	2,403,153	60.30	144,910,126	148,744,494	150,421,230
	Ifad Autos Limited	938,400	47.30	44,386,320	64,605,006	64,605,006
	Islami Bank Bangladesh Limited	-	-	-	-	30,169,941
	Jamuna oil Company Limited	427,439	171.10	73,134,813	73,094,811	52,392,988
	Krishibid Power Company Limited	86,526	10.00	865,260	865,260	-
	Khulna Power Company Limited	792,717	29.90	23,702,238	36,903,300	36,903,300
	Lanka Bangla Finance Limited	-	-	-	-	53,393,354
	Linde Bangladesh Limited	173,311	1,579.80	273,796,718	244,445,234	227,689,271
	LR Global Bangladesh Mutual Fund One	5,184,672	6.90	35,774,237	50,000,000	50,000,000
	Marico Bangladesh Limited	100,000	2,301.00	230,100,000	143,564,611	303,894,696
	Mercantile Bank Limited	5,932,369	17.10	101,443,510	100,899,807	24,371,878
	MJI Bangladesh Limited	2,066,155	88.30	182,441,487	207,811,699	143,655,613
	Meghna Petroleum Limited	304,554	196.80	59,936,227	56,034,345	51,168,717
	NCC Bank Limited	4,000,000	15.30	61,200,000	63,019,613	13,929,441
	Nialco Alloys Limited	41,298	23.60	974,633	412,380	-
	Olympic Industries Limited	729,273	160.60	117,121,244	209,725,271	727,221,190
	One Bank Limited	98,175	13.80	1,354,815	1,266,999	24,303,354
	Padma Oil Company Limited	188,145	212.50	39,980,813	41,094,963	25,735,997
	Power Grid Company Bangladesh	1,003,700	59.60	59,820,520	60,931,655	-
	Reckitt Benckiser Bangladesh Limited	11,268	5,729.90	64,564,513	18,222,861	18,222,861
	Renata Ltd	214,778	1,312.00	281,788,736	151,728,401	112,713,298
	Ring Shine Textiles Limited	1,305	9.60	12,538	11,244	1,136,422
	Robi Axiata Limited	-	-	-	-	2,712,540
	Runner Automobiles Limited	-	-	-	-	283,083
	Sea Pearl Beach Resort & Spa Limited	-	-	-	-	17,764
	Singer Bangladesh Limited	100,000	169.90	16,990,000	16,573,583	16,573,582
	Sena Kalyan Insurance Company Limited	6,994	77.30	540,636	69,940	-
	Southeast Bank Limited	-	-	-	-	109,106,978
	Shahjibazar Power Company Limited	-	-	-	-	32,335,426
	Square Textile Mills Limited	-	-	-	-	44,948,965
	Square Pharmaceuticals Limited	2,000,000	214.30	428,600,000	418,456,694	418,456,694
	Summit Power Limited	7,201,863	38.90	280,152,471	296,941,323	250,904,661
	Titas Gas Transmission and Distribution Co. Ltd.	184,343	36.30	6,691,651	6,902,145	-
	Unilever Consumer Care Limited	46,751	2,977.10	139,182,402	79,948,156	79,948,157
	United Power Generation & Distribution Company Ltd	291,194	244.20	71,109,575	77,184,968	13,029,571
	Uttara Bank Limited	3,337,908	25.50	85,116,654	88,801,328	47,823,103
	<b>Sub-Total (A)</b>			<b>4,498,657,099</b>	<b>3,622,705,707</b>	<b>4,518,079,262</b>
		<b>No of share</b>	<b>Face Value</b>	<b>Market value/NAV</b>	<b>Cost/Book value</b>	<b>Cost/Book value</b>
	<b>Unquoted (B)</b>					
	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	21,177,140	10,000,000	10,000,000
	Central Depository Bangladesh Limited	2,284,721	10	85,147,439	6,277,770	6,277,770
	Lanka Bangla Securities Limited	97,828	10	1,836,946	5,000,000	5,000,000
	<b>Sub-Total (B)</b>			<b>108,161,525</b>	<b>22,893,250</b>	<b>22,893,250</b>
		<b>No of share</b>	<b>Face Value</b>	<b>Market value/NAV</b>	<b>Cost/Book value</b>	<b>Cost/Book value</b>
	<b>Preference Shares (C)</b>					
	Raj Lanka Power Company Limited	1,939,394	10	19,393,939	19,393,939	58,181,817
	Summit Barisal Power Company Limited	3,400,000	10	34,000,000	34,000,000	44,000,000
	Summit Narayanganj Power Company Limited	1,800,000	10	18,000,000	18,000,000	24,000,000
	Confidence Power Bogra Unit-2 Limited	6,000,000	10	60,000,000	60,000,000	75,000,000
	Kushlara Power Company Limited	19,550,000	10	195,500,000	195,500,000	230,000,000
	City Sugar Mills Limited	5,000	100,000	500,000,000	500,000,000	-
	Flamingo Fashion Limited	1,900,000	100	190,000,000	190,000,000	-
	Akber Ali & Company Limited	75,000,000	10	750,000,000	750,000,000	-
	<b>Sub-Total (C)</b>			<b>1,766,893,939</b>	<b>1,766,893,939</b>	<b>431,181,817</b>



				2021 Taka	2020 Taka
<b>Non Capital Market Investment Element (D)</b>	<b>No of share</b>	<b>Face Value</b>	<b>Market value/NAV</b>	<b>Cost/Book value</b>	<b>Cost/Book value</b>
Investment Corporation of Bangladesh	60,520,422	10	949,649,126	949,649,126	949,649,126
The ACME Laboratories Limited	-	-	-	-	50,890,078
ACME Pesticides Limited	884,297	10	31,684,017	31,684,017	-
Bangladesh Submarine Cable Company Limited	75,000	10	14,406,686	14,406,686	-
Bangladesh Steel Re-Rolling Mills Limited	311,159	10	34,119,035	34,119,035	-
BSRM Steels Limited	199,590	10	14,288,714	14,288,714	-
IDLC Finance Ltd	540,525	10	33,746,923	33,746,923	49,701,723
IPDC Finance Limited	-	-	-	-	46,741,361
Jamuna Bank Limited	-	-	-	-	18,352,945
Jamuna Oil Company Limited	332,737	10	56,866,924	56,866,924	56,866,924
Khulna Power Company Limited	100,000	10	50,318,619	50,318,619	50,318,619
Linde Bangladesh Limited	43,201	10	52,555,304	52,555,304	52,555,304
Mercantile Bank Limited	4,316,888	10	82,743,448	82,743,448	-
Meghna Petroleum Limited	328,000	10	66,008,252	66,008,252	66,008,252
MJL Bangladesh Limited	54,063	10	4,907,969	4,907,969	5,905,774
Padma Oil Company Limited	207,873	10	46,128,499	46,128,499	46,128,499
Power Grid Company of Bangladesh Limited	155,000	10	9,200,275	9,200,275	-
Renata Ltd	63,678	10	84,787,848	84,787,847	44,813,107
Square Pharmaceuticals Limited	230,000	10	47,509,481	47,509,481	112,783,376
Summit Power Limited	1,416,850	10	58,881,827	58,881,827	-
Titas Gas Transmission and Distribution Co. Ltd.	168,820	10	6,288,060	6,288,060	-
United Power Generation & Distribution Ltd.	18,000	10	4,608,588	4,608,588	-
Uttara Bank Limited	635,907	10	16,764,963	16,764,964	-
Sub-Total (D)			<b>1,665,464,558</b>	<b>1,665,464,558</b>	<b>1,550,715,088</b>
Total (A+B+C+D)			<b>8,039,177,121</b>	<b>7,077,957,454</b>	<b>6,522,869,417</b>

6.3.1 Particulars of required provision for investment

	Market value/NAV at 31 Dec 2021	Cost/Book value at 31 Dec 2021	Required provision 2021	Required provision 2020
Quoted Shares	4,462,882,862	3,572,705,707	-	-
Mutual Fund	35,774,237	50,000,000	-	-
<b>Unquoted Shares:</b>				
<b>Provision Required</b>				
Swan Textile Mills Limited	-	57,800	57,800	57,800
Specialised Jute Yarn & Twine Manufacturing Company Limited	-	198,800	198,800	198,800
Paper Converting & Packaging Limited	-	83,900	83,900	83,900
Ashraf Textile Mills Limited	-	1,274,980	1,274,980	1,274,980
LankaBangla Securities Limited	1,836,946	5,000,000	3,163,054	3,213,578
<b>Provision not Required</b>				
Karmasangsthan Bank	21,177,140	10,000,000	-	-
Central Depository Bangladesh Limited	85,147,439	6,277,770	-	-
<b>Preference Share</b>				
Raj Lanka Power Company Limited	19,393,939	19,393,939	-	-
Summit Barisal Power Company Limited	34,000,000	34,000,000	-	-
Summit Narayanan] Power Company Limited (SPPL)	18,000,000	18,000,000	-	-
Confidence Power Bogra Unit-2 Limited	60,000,000	60,000,000	-	-
Kushira Power Company Limited	195,500,000	195,500,000	-	-
City Sugar Mills Limited	500,000,000	500,000,000	-	-
Fleming Fashion Limited	190,000,000	190,000,000	-	-
Akber Ali & Company Limited	750,000,000	750,000,000	-	-
<b>Non Capital Market Investment Element</b>				
Investment Corporation of Bangladesh	949,649,126	949,649,126	-	-
ACME Pesticides Limited	31,684,017	31,684,017	-	-
Bangladesh Submarine Cable Company Limited	14,406,686	14,406,686	-	-
Bangladesh Steel Re-Rolling Mills Limited	34,119,035	34,119,035	-	-
BSRM Steels Limited	14,288,714	14,288,714	-	-
IDLC Finance Ltd	33,746,923	33,746,923	-	-
Jamuna Oil Company Limited	56,866,924	56,866,924	-	-
Khulna Power Company Limited	50,318,619	50,318,619	-	-
Linde Bangladesh Limited	52,555,304	52,555,304	-	-
Mercantile Bank Limited	82,743,448	82,743,448	-	-
Meghna Petroleum Limited	66,008,252	66,008,252	-	-
MJL Bangladesh Limited	4,907,969	4,907,969	-	-
Padma Oil Company Limited	46,128,499	46,128,499	-	-
Power Grid Company of Bangladesh Limited	9,200,275	9,200,275	-	-
Renata Ltd	84,787,848	84,787,848	-	-
Square Pharmaceuticals Limited	47,509,481	47,509,481	-	-
Summit Power Limited	58,881,827	58,881,827	-	-
Titas Gas Transmission and Distribution Co. Ltd.	6,288,060	6,288,060	-	-
United Power Generation & Distribution Ltd.	4,608,588	4,608,588	-	-
Uttara Bank Limited	16,764,963	16,764,963	-	-
	<b>8,039,177,121</b>	<b>7,077,957,454</b>	<b>4,778,534</b>	<b>4,829,058</b>
Bridge finance Advance	-	4,722,910	-	4,813,910
Debenture - at cost	-	294,060	294,060	294,060
<b>Grand Total</b>	<b>8,039,177,121</b>	<b>7,082,974,424</b>	<b>9,795,504</b>	<b>9,937,028</b>

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.

6.3.2 Particulars of required provision for Balance with other Bank

<b>In fixed/term deposit account (In local currency)</b>		
ICB Islamic Bank Ltd, Bangshal Branch, Dhaka	32,401,856	32,417,201
ICB Islamic Bank Ltd, Principal Office, Dhaka	188,349,233	188,404,923
<b>Total Fixed/ Term Deposit</b>	<b>220,751,089</b>	<b>220,822,124</b>
<b>Money at call on short notice</b>		
ICB Islamic Bank Ltd.	11,286,667	11,286,667
<b>Total required provision</b>	<b>232,037,756</b>	<b>232,108,791</b>
<b>Total required provision for investment and Balance with other Bank</b>		
Investment	9,795,504	9,937,028
Balance with other Bank	232,037,756	232,108,791
<b>Grand Total</b>	<b>241,833,260</b>	<b>242,045,819</b>
Provision maintained (note: 14.5)	253,500,000	253,500,000
<b>Excess/(Shortage)</b>	<b>11,666,740</b>	<b>11,454,181</b>



	2021 Taka	2020 Taka	
<b>6.4 Debentures at cost</b>			
Gandhara Industries Limited	60	60	
Rupan Oil and Feeds Limited	30,000	30,000	
Bay Sodium Chemical Industries Limited	15,000	15,000	
Monir Chemical Limited	85,000	85,000	
Ahmed Jutex Mills Limited	75,000	75,000	
Mirzaboo Steel Limited	89,000	89,000	
	<u>294,060</u>	<u>294,060</u>	
<b>6.5 Bridge financing advances</b>			
Bridge financing advances (ICB sponsored)	<u>4,722,910</u>	<u>4,813,910</u>	
<b>6.6 Maturity grouping of Investments</b>			
Receivable on demand	4,769,612,536	5,552,790,831	
Not more than 3 months	8,088,440,142	17,186,090,778	
Over 3 months but not more than 1 year	18,404,873,995	12,157,249,725	
Over 1 year but not more than 5 years	45,996,985,982	39,761,063,202	
Over 5 years	68,372,849,083	73,248,811,506	
	<u>145,632,761,738</u>	<u>147,906,006,042</u>	
<b>6.7 Investment classified as per Bangladesh Bank Circular</b>			
Treasury Bill - Held for trading (HFT)	11,146,071,611	26,091,013,586	
Treasury Bond - Held for trading (HFT)	41,088,389,985	41,315,584,396	
Treasury Bond - Held to maturity (HTM)	72,845,307,927	58,993,858,671	
Approved debenture - Held to maturity (HTM)	294,060	294,060	
Other securities	20,552,698,155	21,505,255,329	
	<u>145,632,761,738</u>	<u>147,906,006,042</u>	
<b>6.8 Repo and Reverse Repo</b>			
<b>A. (i) Disclosure regarding outstanding repo as on 31 December 2021</b>			
<b>Counter Party Name</b>	<b>Agreement Date</b>	<b>Reversal Date</b>	<b>Amount (1st leg cash consideration)</b>
Standard Chartered Bank Limited	30/12/2021	3/1/2022	502,243,860
<b>Total</b>			<u>502,243,860</u>
<b>A. (ii) Disclosure regarding outstanding Reverse repo as on 31 December 2021</b>			
<b>Counter Party Name</b>	<b>Agreement Date</b>	<b>Reversal Date</b>	<b>Amount (1st leg cash consideration)</b>
NIL	NIL	NIL	NIL
<b>B. (i) Disclosure regarding overall transaction of repo and Reverse repo</b>			
<b>Particulars</b>	<b>Minimum Outstanding During the year</b>	<b>Maximum Outstanding During the year</b>	<b>Daily average Outstanding During the year</b>
<b>Securities sold under Repo:</b>			
i) With Bangladesh Bank	-	-	-
ii) With Other Banks and FIs	233,822,886	9,595,653,844	814,355,570
<b>Total</b>	<u>233,822,886</u>	<u>9,595,653,844</u>	<u>814,355,570</u>
<b>Securities Purchased under Reverse Repo:</b>			
i) From Bangladesh Bank	-	-	-
ii) From Other Banks and FIs	304,393,028	6,279,844,400	255,331,382
<b>Total</b>	<u>304,393,028</u>	<u>6,279,844,400</u>	<u>255,331,382</u>
<b>6(a) Consolidated Investments</b>			
<b>1. Government</b>			
Pubali Bank Limited	125,104,787,314	126,428,028,655	
Pubali Bank Securities Limited	-	-	
	<u>125,104,787,314</u>	<u>126,428,028,655</u>	
<b>2. Other</b>			
Pubali Bank Limited	20,527,974,424	21,477,977,387	
Pubali Bank Securities Limited	6,294,815,414	6,633,478,130	
	<u>26,822,789,838</u>	<u>28,111,455,517</u>	
	<u>151,927,577,152</u>	<u>154,539,484,172</u>	
<b>7 Loans, advances and leases</b>			
Loans, cash credits and overdrafts, etc. (note 7.1)	349,626,391,590	299,514,705,921	
Bills purchased and discounted (note 7.2)	27,030,040,348	16,064,193,319	
	<u>376,656,431,938</u>	<u>315,578,899,240</u>	
<b>7.1 Loans, cash credits, overdrafts, etc.</b>			
<b>In Bangladesh:</b>			
Loans	142,497,590,954	119,259,684,348	
Cash credits	60,550,059,467	51,340,450,445	
Overdrafts	84,731,149,497	77,317,682,640	
Earnest Money	4,308,192,802	5,744,912,604	
Loan against merchandise	3,212,012	4,240,723	
Packing credits	725,130,490	450,241,175	
Loan against trust receipts	7,817,134,742	8,280,615,537	
Pubali prochesta	132,954,607	174,113,539	
Non-resident Credit Scheme	150,444	618,920	
Pubali Subarna	5,300,354,871	4,939,541,361	
Pubali Karmo Uddog	296,220,335	268,103,173	
Pubali Sujon	33,244,783	35,655,970	
Pubali Utsob	15,161,586	17,018,210	
Payment against documents	3,713,028,764	5,583,224,697	
Consumers loan scheme	12,583,170,256	12,554,774,362	
EDF loan	18,560,826,191	7,196,070,350	
Lease finance (Note 7.13)	7,686,653,441	6,109,969,755	
Credit card	254,663,906	218,752,236	
Others	417,492,442	19,035,876	
	<u>349,626,391,590</u>	<u>299,514,705,921</u>	
<b>Outside Bangladesh</b>	<u>349,626,391,590</u>	<u>299,514,705,921</u>	



	2021 Taka	2020 Taka
<b>7.1.1 Maturity grouping of Loans, Advances and Leases</b>		
Repayable on demand	19,955,234,242	7,602,179,457
Up to 3 months	91,596,725,955	71,587,890,480
Over 3 months but not more than 1 year	99,791,369,417	98,751,767,493
Over 1 year but not more than 5 years	80,977,779,865	71,888,955,364
Over 5 years	57,305,282,111	49,683,913,127
	<u>349,626,391,590</u>	<u>299,514,705,921</u>
<b>7.2 Bills purchased and discounted</b>		
Payable in Bangladesh:		
Loans against accepted bills	3,557,349,785	1,870,355,329
Loans against demand draft purchased	31,565	31,565
	<u>3,557,381,350</u>	<u>1,870,386,894</u>
Payable outside Bangladesh:		
Foreign bills purchased	23,472,658,998	14,193,806,425
Foreign draft purchased	-	-
	<u>23,472,658,998</u>	<u>14,193,806,425</u>
	<u>27,030,040,348</u>	<u>16,064,193,319</u>
<b>7.2.1 Maturity grouping of Bills purchased and discounted</b>		
Receivable on demand	2,731,971	550,484
Not more than 3 months	9,295,975,828	4,960,406,990
Over 3 months but not more than 6 months	17,731,332,549	11,103,235,845
	<u>27,030,040,348</u>	<u>16,064,193,319</u>
<b>7.3 Loans and advances including bills purchased and discounted analysed in following broad categories</b>		
In Bangladesh		
Loans	207,902,563,976	172,726,959,730
Cash credits	60,550,059,467	51,340,450,445
Overdrafts	84,731,149,497	77,317,682,640
	<u>353,183,772,940</u>	<u>301,385,092,815</u>
Outside Bangladesh	23,472,658,998	14,193,806,425
	<u>376,656,431,938</u>	<u>315,578,899,240</u>
<b>7.4 Loans and advances on the basis of significant customer concentration including bills purchased and discounted</b>		
Advance to directors and others	-	18,885
Advance to officers and employees	4,180,339,375	3,654,128,995
Advance to customers group (note 7.9)	211,411,100,000	116,255,100,000
	<u>215,591,439,375</u>	<u>119,928,147,880</u>
<b>7.5 Industry wise distribution of loans and advances</b>		
Agriculture	6,970,409,703	6,078,874,158
Jute	198,295,028	157,541,346
Textile	35,183,627,519	25,115,135,520
Ready-made garments	28,003,130,511	24,387,172,355
Steel & engineering	15,885,448,581	11,985,967,411
Ship breaking	2,908,570,809	2,961,544,783
Edible oil	9,904,622,939	9,277,075,594
Cement	7,398,826,350	6,294,999,986
Pharmaceuticals	9,157,796,176	7,679,053,363
Food & allied	26,057,961,291	13,181,603,715
Electrical equipments & Electronic Goods	12,168,356,992	5,798,885,361
Paper, paper products and packaging	3,029,573,740	1,713,700,130
Leather	860,945,752	94,438,658
Printing & Dyeing Industries	6,955,849,552	6,509,818,788
Others Manufacturing Industries	25,200,198,395	21,763,256,865
Energy and power	7,866,558,117	5,434,061,317
Hospitals, Clinics and other health services	5,585,026,149	5,933,516,575
Construction	15,615,146,107	15,439,028,416
Housing	13,119,170,249	12,419,106,551
Transport and communication	2,145,815,225	3,353,645,880
Others Service Industries	6,150,393,198	5,026,691,429
Trade & Commerce	75,274,839,530	64,106,995,361
NBFI (Non Bank Financial Institution)	4,104,174,312	4,876,746,425
NGO	5,259,627,866	7,372,897,455
Consumer Finance	32,353,690,730	27,356,996,133
Others	19,298,377,117	21,260,135,665
	<u>376,656,431,938</u>	<u>315,578,899,240</u>
<b>7.6 Geographical location-wise (based on fund used) distribution of loans and advances including bills purchased and discounted</b>		
In Bangladesh - Urban		
Dhaka	121,817,289,902	113,869,650,910
Chattogram	30,372,169,308	30,049,519,411
Sylhet	14,812,745,303	11,887,694,668
Barishal	5,541,635,437	3,559,933,982
Khulna	12,256,647,504	6,558,745,099
Rajshahi	8,172,534,337	6,627,955,737
Rangpur	6,846,133,001	5,432,347,370
Mymensingh	6,181,957,098	5,653,428,138
	<u>206,001,111,890</u>	<u>183,639,275,315</u>
In Bangladesh - Rural		
Dhaka	87,863,981,931	71,234,296,502
Chattogram	27,421,819,709	21,632,804,401
Sylhet	11,230,393,900	9,878,821,578
Barishal	1,050,933,398	1,171,768,812
Khulna	3,130,761,559	3,024,111,719
Rajshahi	3,903,722,839	2,653,961,425
Rangpur	4,252,680,993	925,500,826
Mymensingh	8,328,366,721	7,224,552,237
	<u>147,182,661,050</u>	<u>117,745,817,500</u>
Outside Bangladesh (Foreign bills/drafts purchased)	23,472,658,998	14,193,806,425
	<u>376,656,431,938</u>	<u>315,578,899,240</u>
<b>7.7 Sector-wise loans and advances including bills purchased and discounted</b>		
Public sector	25,756	74,017,991
Private sector	374,787,682,467	314,918,929,440
Co-operative sector	1,868,723,715	585,951,809
	<u>376,656,431,938</u>	<u>315,578,899,240</u>



	2021 Taka	2020 Taka
<b>7.8 Security base-wise loans and advances including bills purchased and discounted</b>		
Collateral of movable and Immovable properties	208,667,475,903	175,348,157,176
Export documents	35,115,588,593	4,262,872,162
Fixed/ Term deposit receipts of own Bank	24,795,655,220	19,686,734,225
FDR of other banks	446,059,558	753,829,628
Government bonds	32,958,955	303,839
Corporate Guarantee	60,117,872,978	57,244,650,964
Personal guarantee	44,604,416,578	57,080,919,002
Other securities	2,876,404,153	1,201,422,244
	<b>376,656,431,938</b>	<b>315,578,899,240</b>

**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 52,591,295,305 as at 31 December 2021.

	27	18
Number of clients	211,411,100,000	116,255,100,000
Amount of outstanding loans/advances	-	-
Classified amount thereon	-	-
Measures taken for recovery	-	-

\* Details shown in Annexure C

**Name of borrower**

Ha-Meem Group	15,848,200,000	8,438,600,000
City Group	12,443,400,000	8,719,200,000
Meghna Group	11,489,000,000	9,758,900,000
Paramount Group	10,780,000,000	5,860,100,000
PRAN-RFL Group	9,328,300,000	7,172,500,000
AA Yarn Mills Ltd.	8,684,700,000	-
Sharmin Group	8,378,700,000	5,262,800,000
Fair Electronics Limited	8,265,100,000	6,534,400,000
City Seed Crushing Group	8,227,900,000	5,728,800,000
Secom Group	8,100,000,000	5,249,200,000
Amanat Shah Group	8,093,100,000	-
Abul Khair Group	7,836,300,000	6,102,600,000
JMI Group	7,645,000,000	-
MSA Spinning	7,476,000,000	5,722,200,000
Max Group	7,364,000,000	8,392,300,000
Envoy Group	6,802,000,000	5,408,500,000
Biswas group	6,487,500,000	-
BRB Group	6,348,500,000	-
DIRD Group	6,259,400,000	-
GPH Ispat Limited	6,254,700,000	-
Nitol-Niloy Group	6,186,900,000	-
Al Mostafa Group	5,925,000,000	-
T. K. Group	5,717,500,000	5,022,200,000
Pakiza Group	5,422,700,000	-
Sena Kalyan Group	5,387,400,000	4,853,800,000
Popular Group	5,374,600,000	-
Project Builders Group	5,285,200,000	5,473,700,000
Keya Group	-	5,350,700,000
BRAC Group	-	7,204,600,000
	<b>211,411,100,000</b>	<b>116,255,100,000</b>

**7.10 Classification of loans and advances including bills purchased and discounted**

Unclassified:	Standard	356,673,535,974	292,675,837,444
	Special mention account (SMA)	4,322,446,309	10,626,922,632
		<b>360,995,982,283</b>	<b>303,302,760,076</b>
Classified:	Substandard (SS)	1,719,110,775	1,200,977,784
	Doubtful (DF)	1,102,560,408	547,010,405
	Bad or loss (BL)	8,658,439,097	6,874,021,980
		<b>11,480,110,280</b>	<b>8,622,010,169</b>
Staff loan		4,180,339,375	3,654,128,995
		<b>376,656,431,938</b>	<b>315,578,899,240</b>

**7.11 Particulars of required provision for loans and advances**  
Status of Classification

	Base for Provision	Rate of Provision (%)		
<b>General provision - Unclassified</b>				
Standard	263,099,186,477	1	2,630,991,865	2,095,073,584
Small & Medium Enterprise financing	72,202,003,550	0.25	180,505,009	155,346,366
Loans to BHs/MBs/SDs against share etc.	260,384,268	2	5,207,685	1,183,811
Housing Finance	269,118,776	1	2,691,188	4,000,667
Loan for Professional to setup business	258,436,091	2	5,168,722	1,408,328
Consumers loan scheme (Credit Card)	135,338,275	2	2,706,766	2,444,116
Consumers loan scheme	14,736,159,861	2	294,723,197	289,996,726
Short Term Agri Credit and Micro credit	5,712,908,676	1	57,129,087	58,782,168
Special mention account (SMEF)	1,896,406,189	0.25	4,741,015	5,446,755
Special mention account (Credit Card)	2,779,896	2	55,598	11,586
Special mention account (CLS)	246,661,342	2	4,933,227	2,645,758
Special mention account (HF)	5,138,306	1	51,383	45,779
Special mention account (LP)	611,319	2	12,226	72,062
Special mention account (Others)	1,871,022,314	1	18,710,223	17,741,467
			<b>3,207,627,191</b>	<b>2,688,199,173</b>
Provision kept as per Bangladesh Bank Inspection Team instruction against stay order given by Hon'ble High Court.			3,262,701,000	2,278,310,000
Provision kept as per instruction of Bangladesh Bank Inspection Team against some accounts has been considered uncertainty of the recovery due to present pandemic situation.			766,949,850	400,900,000
Special General Provision-COVID 19 has been maintained as per BRPD circular letter no.56/2000, 50/2021, 52/2021 and 53/2021.			915,201,520	530,400,000
			<b>8,152,479,561</b>	<b>5,897,809,173</b>
<b>Specific provision - Classified</b>				
Substandard (Agri & Micro credit)	1,046,008	5	52,300	52,191
Substandard (small, Cottage, Micro credit)	487,541,363	5	24,377,068	12,047,055
Substandard (Others)	283,595,429	20	56,719,086	35,925,398
Doubtful (Agri & Micro credit)		5	-	561,953
Doubtful (small, Cottage, Micro credit)	125,107,774	20	25,021,555	27,392,983
Doubtful (Others)	1,059,678,054	50	529,839,027	18,870,880
Bad/loss	10,453,937,707	100	10,453,937,707	10,162,969,021
			<b>11,089,946,743</b>	<b>10,257,809,481</b>
Total Required provision (see below)			19,242,426,304	16,155,618,654
Provision maintained ( note 14.1)			19,253,162,055	17,155,618,654
Excess provision			10,735,751	1,000,000,000



	2021 Taka	2020 Taka
<b>7.12 Particulars of loans and advances</b>		
(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	233,942,149,636	201,253,319,273
(iii) Loans considered good being secured by the personal security of one or more parties in addition to the personal security of the debtors.	41,544,985,642	36,392,533,085
(iv) Loans adversely classified; provision not maintained there against	101,169,296,660	77,933,046,882
	<u>376,656,431,938</u>	<u>315,578,899,240</u>
(v) Loans due by directors or officers of the bank or any of them either severally or jointly with any other persons	4,180,339,375	3,654,147,880
(vi) Loan due from companies or firms in which the directors of the bank are interested as directors, partners or managing agents or in the case of private companies as members.	-	-
(vii) Maximum total amount of advances, including temporary advances, made at any time during the year to directors or employees of the bank or any of them either severally or jointly with any other persons.	4,180,339,375	3,654,147,880
(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	4,104,174,312	4,876,746,425
(x) Amount of classified loan on which interest /Profit has not been charged as follows		
a) Increase / (decrease) of provision ( specific)	1,083,151,893	(2,064,037,204)
b) Amount of written off debt including interest suspense	(1,593,425,556)	(1,177,042,952)
c) Amount of debt recovered against the debt which was previously written off	119,552,642	38,717,790
d) Amount of Provision kept against loans classified as bad or loss	10,453,937,707	10,162,969,021
e) Amount of interest credited in suspense account	6,141,139,753	4,569,922,382
(xi) Cumulative amount of written off from Loans		
Opening Balance	17,773,213,817	16,596,170,865
Amount of written off during the current year	1,593,425,556	1,177,042,952
	<u>19,366,639,373</u>	<u>17,773,213,817</u>
(xii) Amount of written off loans for which law suit has been filed for recovery	19,184,945,014	17,599,150,872
<b>7.13 Lease finance</b>		
Lease rental receivable within 1 year	2,692,540,121	2,279,993,404
Lease rental receivable within 5 years	5,098,995,558	4,666,353,950
Lease rental receivable after 5 years	988,200,737	202,473,459
Total lease rental receivable	8,779,736,416	7,148,820,813
Less : Un-earned interest receivable	(1,093,082,975)	(1,038,851,058)
Net Lease finance	<u>7,686,653,441</u>	<u>6,109,969,755</u>
<b>7(a) Consolidated Loans, Advances and Leases</b>		
<b>Loans, cash credits, overdrafts, etc.</b>		
Pubali Bank Limited	349,626,391,590	299,514,705,921
Pubali Bank Securities Limited	781,062,717	618,430,307
	<u>350,407,454,307</u>	<u>300,133,136,228</u>
<b>Bills purchased and discounted</b>		
Pubali Bank Limited	27,030,040,348	16,064,193,319
Pubali Bank Securities Limited	-	-
	<u>27,030,040,348</u>	<u>16,064,193,319</u>
	<u>377,437,494,655</u>	<u>316,197,329,547</u>
<b>8 Fixed Assets including premises, furniture &amp; Fixtures</b>		
<b>Tangible Assets</b>		
Land	1,127,377,430	1,127,377,430
Lease land	1,111,195,000	1,111,195,000
Building	418,660,966	418,660,966
Vehicles	350,985,902	342,194,861
Machinery and equipment	1,178,699,653	1,082,895,883
Computer & Computer Accessories	1,655,857,225	1,382,484,766
Furniture and fixtures	1,037,173,751	927,005,121
Total Tangible Assets	6,879,949,927	6,391,814,027
Accumulated Depreciation	(3,058,652,841)	(2,781,214,194)
Net book value of Tangible assets	<u>3,821,297,086</u>	<u>3,610,599,833</u>
<b>Intangible Assets</b>		
Computer Software	593,083,288	392,408,983
Accumulated Depreciation	(370,100,449)	(332,296,620)
Net book value of Intangible assets	<u>222,982,839</u>	<u>60,112,363</u>
	<u>4,044,279,925</u>	<u>3,670,712,196</u>
<b>Lease assets</b>		
Right Of Use (ROU) Assets as per IFRS-16	3,016,297,775	2,233,725,100
Accumulated Depreciation	(1,274,830,510)	(816,444,636)
Net book value of Lease assets	<u>1,741,467,265</u>	<u>1,417,280,464</u>
Net book value of total fixed assets at the end of the year	<u>5,785,747,190</u>	<u>5,087,992,660</u>

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

On the other hand, total value of Land & Buildings has been revalued at Tk. 2,657,233,396 resulting total decrease of Tk. 520,443,941 in the year 2020 which has been adjusted with assets revaluation reserve under other reserve. Further details of above assets are shown in Annexure A.



	2021 Taka	2020 Taka		
<b>8(a) Consolidated Fixed Assets Including premises, furniture &amp; fixtures</b>				
Cost				
Pubali Bank Limited	10,489,330,990	9,017,948,110		
Pubali Bank Securities Limited	11,148,671	10,591,676		
	<u>10,500,479,661</u>	<u>9,028,539,786</u>		
Less: Accumulated Depreciation				
Pubali Bank Limited	(4,703,583,800)	(3,929,955,450)		
Pubali Bank Securities Limited	(7,499,215)	(6,413,822)		
	<u>(4,711,083,015)</u>	<u>(3,936,369,272)</u>		
	<u>5,789,396,646</u>	<u>5,092,170,514</u>		
<b>9 Other Assets</b>				
Interest accrued on investments	2,579,937,060	2,332,061,528		
Accrued income on loans & advances	389,191,101	2,427,258,094		
Investment in SWIFT AC	3,387,591	3,387,591		
Advance security deposit, advance rent and prepaid expenses	485,353,902	452,813,423		
Investment in Subsidiary Company	6,599,998,700	6,599,998,700		
Stock dealing account	218,377,519	378,872,920		
Stationery and stamps	112,282,554	98,426,473		
Drafts payable	16,540,503	17,021,131		
Sanchaypatra	17,551,607	16,655,185		
Deferred tax assets (note 14.9.1)	4,020,112,798	3,909,717,236		
Suspense account (note 9.1)	346,089,155	359,902,851		
Demonetized notes (note 9.2)	1,903,590	1,903,830		
Items in transit (note 9.3)	7,758,535,689	5,971,619,730		
Advance against Income tax (note 9.4)	32,484,604,445	30,675,162,255		
Clearing house adjustment	1,400,931	1,383,920		
Others (note 9.5)	3,739,932	3,562,388		
	<u>55,040,007,077</u>	<u>53,249,747,255</u>		
Less: Advance Rent (For implementing IFRS 16 Leases, advance rent has been considered separately.)	300,944,367	283,838,040		
	<u>54,739,062,710</u>	<u>52,965,909,215</u>		
<b>9.1 Suspense Account</b>				
Suspense account general	127,096,760	149,335,381		
Suspense law	1,208,664	976,987		
Protested bills	217,783,731	209,590,483		
	<u>346,089,135</u>	<u>359,902,851</u>		
<b>9.2 Demonetized Notes :TK. 1,903,590</b>				
This relates to demonetized notes lying with Bangladesh Bank, after due reimbursement.				
<b>9.3 Items in Transit: TK. 7,758,535,689</b>				
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.				
<b>9.3.1 Subsequent position of non-responded entries as on 31.12.2021 (Base date: 02.04.2022)</b>				
	Number of Un-responded entries		Un-responded entries (Amount in Taka)	
Period of un- reconciliation	Debit	Credit	Debit	Credit
up to 3 months	-	-	5	2,340
Over 3 months but within 6 months	-	-	-	-
Over 6 months but within 1 year	-	-	-	-
Over 1 year but within 5 years	-	-	-	-
Over 5 years	498	457	7,723,303	4,607,638
<b>9.4 Advance Income Tax</b>				
Balance at the beginning of the year			30,675,162,255	27,801,296,414
Paid during the year			1,809,442,190	2,873,865,841
Settlement of previous years tax liability			-	-
Balance at the end of the year			<u>32,484,604,445</u>	<u>30,675,162,255</u>
<b>9.5 Others</b>				
Property account			162,129	162,129
Delayed charges of lease rental			45,906	45,906
Interest Subsidy			9,000	9,000
Remittance Disbursement to Bkash			177,544	-
Interest suspense against waiver of 50% BSCIC loan			245,061	245,061
Waiver of 50% outstanding BSCIC loan			44,176	44,176
Waiver of 50% Interest for flood affected jute borrowers			1,351,812	1,351,812
Waiver of 70% outstanding agricultural credit & rural credit			1,704,304	1,704,304
			<u>3,739,932</u>	<u>3,562,388</u>
<b>9.6 Classification of other assets</b>				
Unclassified (UC)			54,496,502,676	52,747,618,429
Substandard (SS)			-	-
Doubtful (DF)			-	-
Bad or Loss (BL)			242,560,034	218,290,786
			<u>54,739,062,710</u>	<u>52,965,909,215</u>
<b>9.7 Particulars of provision for other assets</b>				

Status of Classification	Base for provision		Rate of Provision (%)	
Doubtful (DF)	-	50	-	-
Bad or Loss (BL)	242,560,034	100	242,560,034	218,290,786
Required provision			242,560,034	218,290,786
Provision maintained ( note 14)			242,760,864	218,668,221
Excess provision			<u>200,830</u>	<u>377,435</u>



	2021 Taka	2020 Taka
9(a) Consolidated Other Assets		
Pubali Bank Limited	54,739,062,710	52,965,909,215
Pubali Bank Securities Limited	436,127,272	368,391,928
	<u>55,175,189,982</u>	<u>53,334,301,143</u>
Less: Inter company Transactions	(209,908,908)	(378,879,533)
Pubali Bank Securities Limited	<u>(6,599,998,700)</u>	<u>(6,599,998,700)</u>
	<u>(6,809,907,608)</u>	<u>(6,978,878,233)</u>
	<u>48,365,282,374</u>	<u>46,355,422,910</u>
* In the last year 2020, inter company transactions has been restated to Tk. 378,865,723 insted of Tk. 378,872,920. So, the difference amount of Tk. 7,197 wrongly considered as Stock dealing account under inter company transactions.		
10 Non-banking Assets		
Assets of United Bank of India Ltd. (located in Brahmanbaria, Chandpur, Comilla, Barishal, Sadarghat - Dhaka )	<u>375,246</u>	<u>375,246</u>
11 Borrowings from other Banks, Financial Institutions and Agents		
In Bangladesh (note 11.1)	6,999,699,923	4,783,592,656
Outside Bangladesh (note 11.2)	<u>23,020,140,000</u>	<u>12,703,204,780</u>
	<u>30,019,839,923</u>	<u>17,486,797,436</u>
11.1 In Bangladesh		
Borrowing from Bangladesh Bank	<u>5,455,299,923</u>	<u>4,783,592,656</u>
Term borrowing from other banks		
Bangladesh Development Bank Ltd.	429,000,000	-
United Commercial Bank Ltd.	429,000,000	-
Trust Bank Ltd.	429,000,000	-
One Bank Ltd.	257,400,000	-
	<u>1,544,400,000</u>	<u>-</u>
	<u>6,999,699,923</u>	<u>4,783,592,656</u>
11.2 Outside Bangladesh		
In demand deposit accounts (non-Interest bearing)	-	-
Placement/ Borrowing from Outside Bangladesh	<u>23,020,140,000</u>	<u>12,703,204,780</u>
	<u>23,020,140,000</u>	<u>12,703,204,780</u>
11.3 Security against borrowing from other banks, financial institutions and agents		
Secured	28,475,439,923	17,486,797,436
Unsecured	<u>1,544,400,000</u>	<u>-</u>
	<u>30,019,839,923</u>	<u>17,486,797,436</u>
11.4 Maturity grouping of borrowing from other banks, financial institutions and agents		
Payable on demand	-	-
Payable within 1 month	5,247,523,998	848,011,000
Over 1 month but within 6 months	16,186,015,000	5,936,077,000
Over 6 months but within 1 year	7,866,539,915	8,298,166,151
Over 1 year but within 5 years	-	1,645,493,285.0
Over 5 years and above	719,761,010	759,050,000
	<u>30,019,839,923</u>	<u>17,486,797,436</u>
12 Subordinated bonds		
Agrani Bank Limited	4,600,000,000	4,800,000,000
Janata Bank Limited	1,100,000,000	1,300,000,000
Rupali Bank Limited	1,600,000,000	1,800,000,000
Sonali Bank Limited	1,600,000,000	1,800,000,000
Uttara Bank Limited	1,100,000,000	1,300,000,000
Delta Life Insurance Company Limited	500,000,000	500,000,000
	<u>10,500,000,000</u>	<u>11,500,000,000</u>
12.1 Perpetual bonds		
Trust Bank Limited	2,350,000,000	-
Jamuna Bank Limited	450,000,000	-
	<u>2,800,000,000</u>	<u>-</u>
13 Deposits and other accounts		
Inter-bank deposits	3,182,802,000	1,401,400,000
Other deposits	<u>459,217,416,687</u>	<u>427,941,617,243</u>
	<u>462,400,218,687</u>	<u>429,343,017,243</u>
13.1 Details of deposits and other accounts		
Current deposits and other accounts :		
Current account	57,056,939,792	47,706,101,388
Cash credit A/C. (Cr. Balance)	721,308,651	949,535,058
Overdraft earnest money (Cr. Balance)	3,000	28,800
Pubali Prochesta (Cr. Balance)	18,780,924	4,539,040
Credit card A/C	3,522,582	2,487,513
Call deposits	14,775,897	14,844,397
Foreign currency deposits	2,112,733,372	1,007,291,466
Un- claimed drafts payable	3,564	3,564
Un- claimed dividend	18,914	18,914
Unclaimed deposits FDD A/C	<u>17,517,587</u>	<u>17,683,319</u>
	<u>59,945,604,283</u>	<u>49,702,533,459</u>
Bills payable ( note 13.1.1)	<u>13,829,749,009</u>	<u>14,657,445,295</u>
Savings Bank accounts	<u>115,249,019,676</u>	<u>100,270,298,831</u>
Term deposits :		
Fixed deposits - from customers	117,562,287,446	116,998,827,377
Special Notice Deposits	55,450,203,277	53,016,106,853
Deposit pension scheme	13,527,089	9,132,824
Interest payable on term deposit	3,183,203,865	3,814,318,518
Pubali pension scheme	40,366,386,090	37,979,555,430
Pubali sanchay prakalpa	3,867,297,578	3,800,374,432
Dwigun Sanchay Prokalpa	21,182,091,318	20,865,329,697
Target Based Small Deposit (Pubali shopnopuron)	11,329,818,545	9,511,579,968
Monthly profit base deposit	3,466,659,430	3,151,598,651
Monthly Profit Based Small Deposit (Pubali shadhin sonchoy)	6,244,040,198	5,969,873,344
Shikhya sanchay prokalpa	182,565,699	198,375,295
	<u>262,848,080,535</u>	<u>255,315,072,389</u>
Other deposits	<u>10,527,765,184</u>	<u>9,397,667,269</u>
	<u>462,400,218,687</u>	<u>429,343,017,243</u>



	2021 Taka	2020 Taka
<b>13.1.1 Bills Payable</b>		
Payment orders issued	13,744,845,221	14,578,202,936
Demand Drafts	84,903,788	79,242,359
	<b>13,829,749,009</b>	<b>14,657,445,295</b>
<b>13.2 Maturity analysis of Inter-bank deposits</b>		
Payable on demand	991,308,804	436,477,091
Payable within 1 month	603,155,862	265,571,853
Over 1 month but within 6 months	1,381,131,434	608,117,499
Over 6 months but within 1 year	50,810,997	22,372,278
Over 1 year but within 5 years	156,394,903	68,861,279
Over 5 years and above	-	-
	<b>3,182,802,000</b>	<b>1,401,400,000</b>
<b>13.3 Maturity analysis of other deposits</b>		
Payable on demand	16,100,649,669	15,004,086,970
Payable within 1 month	24,430,366,569	22,766,494,037
Over 1 month but within 6 months	100,890,066,446	94,018,773,308
Over 6 months but within 1 year	99,251,902,824	92,492,179,664
Over 1 year but within 5 years	65,625,052,139	61,155,544,027
Over 5 years and above	152,919,379,040	142,504,539,236
	<b>459,217,416,687</b>	<b>427,941,617,243</b>
	<b>462,400,218,687</b>	<b>429,343,017,243</b>
<b>13 (a) Consolidated Deposits and other accounts</b>		
Pubali Bank Limited	462,400,218,687	429,343,017,243
Pubali Bank Securities Limited	-	-
	<b>462,400,218,687</b>	<b>429,343,017,243</b>
Inter Company Transactions *	(1,737,373,112)	(961,613,573)
	<b>460,662,845,575</b>	<b>428,381,403,670</b>
* Amount of Consolidated deposits and other accounts has been restated and decreased by Tk. 378,865,723 as it was considered in the last year 2020 with the inter company transactions.		
<b>14 Other Liabilities</b>		
Accumulated provision for loans and advances ( note 14.1.1.1 )	10,115,330,192	9,265,045,514
Accumulated provision for consumers loan (note 14.1.1.2)	903,489,850	921,637,266
Accumulated provision for demand loan pubali star (note 14.1.1.3)	71,126,701	71,126,701
	<b>11,089,946,743</b>	<b>10,257,809,481</b>
Provision for unclassified loans and advances (note 14.1.2)	7,248,013,792	6,367,409,173
Special General Provision COVID-19	915,201,520	530,400,000
Provision @1% against off-balance sheet exposure (note 14.4)	2,082,950,000	1,271,950,000
Accumulated interest suspense ( note 14.6 )	6,141,139,753	4,569,922,382
Provision for rebate on good borrower	17,888,383	17,888,383
Provision for doubtful investment ( note 14.5 )	253,500,000	253,500,000
Additional profit payable A/C for Islamic banking	1,319,918	1,319,917
I.B. bad debt offsetting reserve	18,056,380	10,703,834
Compensation realised account	9,297,163	6,985,159
Compensation realisable account	10,855,615	11,780,624
Interest suspense on underwriting advances	219,648,524	221,286,952
CLS interest A/C	3,299,761	3,383,619
unclaimed amount in ATMS	65,000	65,000
Consumers deposits	245,512,079	268,488,801
Lease rental receivable	12,720	-
Unclaimed dividend (note 14.17)	171,903,662	326,773,244
Special blocked account (note 14.7)	1,587,720	1,587,720
Provision for Current Tax (note 14.8 )	34,650,504,662	33,244,997,770
Deferred Tax Liabilities (note 14.9.2)	83,544,110	-
Valuation adjustment	405,908,239	266,425,808
Exchange adjustment account (note 14.10)	28,666,878	28,666,878
Agri credit guarantee backing reserve (note 14.11 )	70,261,300	70,261,300
Pakistan account (note 14.12)	8,393,639	8,393,039
Pension fund (note 14.13 )	1,570,883	1,570,883
L/C cover account in Bangladesh	1,583,640	1,583,640
EDF adjustment	16,480,491,078	7,352,578,948
Pubali Bank Adjustment	309,304,604	34,804,838
PBI Islamic Banking CSR fund	23,450,298	17,804,370
Card transaction fee (Inter bank)	3,197,272	2,682,090
Foreign currency FCC account	17,363,819	17,363,820
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	123,857,348	72,136,751
Unearned interest income on IBW	208,855,747	153,498,093
Interest payable on Subordinated Bond	114,000,000	166,200,000
Interest Payable on Perpetual Bond	15,400,000	-
Bangladesh Bank Incentive	14,848,356	-
CSR Fund for COVID-19	36,700,000	-
Start-up fund (note 14.18)	83,795,594	83,795,594
Lease Liabilities as per IFRS-16	1,500,458,967	1,181,424,189
Non resident blocked account of UBI	34,487	34,487
	<b>71,525,657,496</b>	<b>56,570,882,491</b>
Provision for expenses:		
(i) auditors' fees	1,540,500	1,529,500
(ii) advertisement	800,000	1,250,000
(iii) bonuses	774,118,330	631,500,000
(iv) Gratuity	182,700,000	-
(v) others	193,534,917	212,574,930
	<b>1,152,693,747</b>	<b>846,854,430</b>
<b>Provision for other assets:</b>		
Suspense account (note 14.14 )	188,214,468	166,214,468
Demonetized notes (note 14.15 )	989,740	989,740
Provision for Un-reconciled General Account debit entries (note 14.16)	13,724,657	13,724,657
ICT Asset Insurance reserve	22,530,164	20,435,365
Reserve for unforeseen losses (note 14.2)	-	-
Provision for Customers liability and Others (note 14.3)	17,301,835	17,303,991
	<b>242,760,864</b>	<b>218,668,221</b>
	<b>84,011,058,850</b>	<b>67,894,214,623</b>



	2021 Taka	2020 Taka
<b>14.1 Accumulated provision for loans and advances</b>		
<b>14.1.1 Specific provision on classified loans and advances</b>		
Provision held at the beginning of the year	9,265,045,514	10,444,281,098
Fully provided debts written off during the year excluding interest suspense	(1,397,252,856)	(1,136,785,628)
Fully provided waived during the year	(420,134)	(23,604,759)
Recoveries of amounts previously written off	109,914,807	33,423,246
Provision transferred In/(out) to general provision and special General Provision COVID-19	593,741,861	(695,131,944)
Provision transferred to off balance sheet exposure	-	(20,000,000)
Reserve transferred from unforeseen loss during the year	-	183,530,864
Provision transferred from customers liability and Others during the year	-	18,183,530
Specific provision for the year	1,544,301,000	461,149,107
	<b>10,115,330,192</b>	<b>9,265,045,514</b>
<b>14.1.1.1 Provision for loans and advances</b>		
Provision for consumers loan held at the beginning of the year	921,637,266	914,894,251
Recoveries from risk fund	-	1,977,597
Amount paid to Agent commission	-	(529,126)
Fully provided debts written off during the year	(27,785,251)	-
Recoveries of amounts previously written off	9,637,835	5,294,544
	<b>903,489,850</b>	<b>921,637,266</b>
<b>14.1.1.2 Provision for consumers loan held at the beginning of the year</b>	<b>903,489,850</b>	<b>921,637,266</b>
<b>14.1.1.3 Accumulated provision for demand loan pubal star</b>	<b>71,126,701</b>	<b>71,126,701</b>
<b>Total Specific provision held at the end of the year</b>	<b>11,089,946,743</b>	<b>10,257,809,481</b>
<b>14.1.2 General provision for unclassified loans and advances</b>		
Provision held at the beginning of the year	6,367,409,173	4,129,812,833
Provision made during the year	1,859,148,000	2,072,864,396
Provision transferred In/(out) to specific provision during the year	(593,741,861)	164,731,944
Provision transferred to COVID 19 during the year	(384,801,520)	-
Provision	<b>7,248,013,792</b>	<b>6,367,409,173</b>
<b>14.1.3 Special General Provision COVID-19</b>		
Provision held at the beginning of the year	530,400,000	530,400,000
Provision transferred In/(out) to specific provision during the year	384,801,520	-
	<b>915,201,520</b>	<b>530,400,000</b>
<b>Total General provision held at the end of the year</b>	<b>8,163,215,312</b>	<b>6,897,809,173</b>
	<b>19,253,162,055</b>	<b>17,155,618,654</b>
<b>14.2 Reserve for unforeseen losses</b>		
Reserve held at the beginning of the year	-	285,918,364
Reserve made during the year	-	112,500
Reserve transferred to specific provision during the year	-	(183,530,864)
Reserve transferred to suspense account during the year	-	(102,500,000)
Reserve held at the end of the year	-	-
<b>14.3 Provision for Customers liability and Others</b>		
Provision held at the beginning of the year	17,303,991	19,589,247
Provision made during the year	-	18,183,530
Provision out during the year	(2,156)	(2,285,256)
Provision transferred to specific provision during the year	-	(18,183,530)
Provision held at the end of the year	<b>17,301,835</b>	<b>17,303,991</b>
<b>14.4 Provision for exposure against off balance sheet Items</b>		
Provision held at the beginning of the year	1,271,950,000	986,400,000
Provision transferred from doubtful investment during the year	-	265,550,000
Provision transferred from specific provision during the year	-	20,000,000
Provision made during the year ( note 38)	811,000,000	-
Provision held at the end of the year	<b>2,082,950,000</b>	<b>1,271,950,000</b>
<b>14.5 Provision for doubtful investment</b>		
Provision held at the beginning of the year	253,500,000	510,550,000
Provision made during the year ( note 39)	-	8,500,000
Provision transferred to off balance sheet during the year	-	(265,550,000)
Provision held at the end of the year	<b>253,500,000</b>	<b>253,500,000</b>
<b>14.6 Interest suspense account</b>		
Balance at the beginning of the year	4,569,922,382	3,414,216,268
Amount transferred during the year	2,895,555,363	1,485,054,619
Amount recovered during the year	(1,155,950,543)	(289,091,181)
Amount written off during the year	(168,387,449)	(40,257,324)
Balance at the end of the year	<b>6,141,139,753</b>	<b>4,569,922,382</b>
<b>14.7 Special blocked account: Tk. 1,587,720</b>		
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.		
<b>14.8 Provision for Current tax</b>		
Balance at the beginning of the year	33,244,997,770	31,313,635,515
Provision made for previous years	-	-
Provision made for current year	1,405,506,892	1,931,362,255
	<b>1,405,506,892</b>	<b>1,931,362,255</b>
Settlement of previous years tax liability	-	-
Balance at the end of the year	<b>34,650,504,662</b>	<b>33,244,997,770</b>

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

14.8.1 Reconciliation of effective tax rate (Solo)	Applicable Tax rate	2021		2020	
		2021	2020	2021	2020
Profit before income tax as per profit & loss account				5,199,660,194	5,753,250,256
Income tax as per applicable tax rate	37.50%	37.50%	37.50%	1,949,872,573	2,157,468,846
<b>Factors affecting the tax charge in current year</b>					
Tax Savings from reduced tax rates for Capital gain on share	10.00%	-1.00%	-0.19%	(52,110,057)	(11,042,322)
Tax Savings from Tax exempted Income	Exempted	-33.83%	-13.90%	(1,759,088,775)	(799,980,958)
Tax Savings from reduced tax rates for Dividend	20.00%	-0.93%	-0.64%	(48,252,572)	(36,935,483)
Admissible expenses in current Year (i.e. Bad debt write off etc.)	37.50%	-10.28%	-7.56%	(534,546,840)	(435,146,395)
Admissible expenses in current Year	37.50%	-7.68%	-0.57%	(399,533,181)	(32,596,010)
Inadmissible expenses in current year	37.50%	39.41%	18.06%	2,049,165,744	1,039,594,577
Effect of deferred Tax	37.50%	-2.12%	2.65%	(110,395,562)	152,374,560
Provision for uncertainty over Income Tax treatments by NBR	37.50%	3.85%	0.87%	200,000,000	50,000,000
		<b>24.91%</b>	<b>36.22%</b>	<b>1,295,111,330</b>	<b>2,083,736,815</b>



	2021 Taka	2020 Taka
<b>14.9 (a) Consolidated Provision for Current tax</b>		
Pubali Bank Limited	1,405,506,892	1,931,362,255
Pubali Bank Securities Limited	95,738,476	64,832,054
	<b>1,501,245,368</b>	<b>1,996,194,309</b>
<b>14.9.1 Deferred tax assets</b>		
Balance at the beginning of the year *	3,909,717,236	4,160,036,733
Provision made during the year for loan loss (note 14.9.1.1)	109,113,257	(348,923,350)
Deferred tax assets for fixed assets (note 14.9.2.1)	1,282,305	98,603,853
Provision held at the end of the year	<b>4,020,112,798</b>	<b>3,909,717,236</b>
* Balance at the beginning of the year 2020 has been restated as per "Paragraph 42 of IAS-8: Accounting Policies, Changes in Accounting estimates and Errors" for amounting TK. 441,170,444 increased for the year 2019 and decreased Tk. 6,024,049 for the year 2020 due to retrospective restatement of deferred tax against loan loss provision.		
<b>14.9.2 Deferred tax Liabilities</b>		
Balance at the beginning of the year	-	91,920,888
Provision made during the year * (note 14.9.2.2)	83,544,110	(91,920,888)
Provision held at the end of the year	<b>83,544,110</b>	<b>-</b>
Deferred tax assets/(liabilities) have been recognised and measured as per IAS-12: Income taxes and BRPD circular # 11 dated 12 December 2011. There is no other material temporary timing difference in classified assets/liabilities for which deferred tax assets/liability is required to be accounted for the year 2021.		
<b>14.9.1.1 Deferred Tax on loan loss provision</b>		
Cumulative Provision made against Bad/loss *	11,879,395,948	11,323,359,408
Adjustment of Corresponding provision on write off	1,425,458,241	1,160,390,387
Deductible/(taxable) temporary difference	10,453,937,707	10,162,969,021
Tax Rate	37.50%	37.50%
Closing Deferred tax assets	3,920,226,640	3,811,113,383
Opening Deferred tax assets	3,811,113,383	4,160,036,733
Deferred tax (expense)/Income	<b>109,113,257</b>	<b>(348,923,350)</b>
* In the last year 2020, Cumulative Provision made against Bad/loss has been restated to Tk. 11,323,359,408 instead of Tk. 10,162,969,021. So, the difference amount of Tk. 1,160,390,387 considered as excess adjustment.		
* As per BRPD Circular no.11 dated 12 December 2011, total amount of Tk. 3,920,226,640 has been recognized as Deferred Tax Assets (DTA) Included in Retained Earnings for 2021 based on the provision against classified loans and such earnings against Deferred Tax Assets (DTA) shall not be distributed as dividend. Moreover, while calculating the Regulatory Eligible capital such Deferred Tax Assets (DTA) also deducted as Regulatory adjustment from Common Equity Tier-1 (CET-1) capital. (Please see note 17)		
<b>14.9.2.1 Deferred Tax on Fixed Assets</b>		
Carrying amount	4,044,279,925	3,670,712,196
Tax Base	4,310,643,012	3,933,655,804
Deductible/(taxable) temporary difference	266,363,087	262,943,608
Tax Rate	37.50%	37.50%
Closing Deferred tax assets/(Liabilities)	99,886,158	98,603,853
Opening Deferred tax assets/(Liabilities)	98,603,853	(91,920,888)
Deferred tax (expense)/Income	<b>1,282,305</b>	<b>190,524,741</b>
<b>14.9.2.2 Deferred Tax on Revalued land</b>		
Carrying amount	2,238,572,000	-
Tax Base	-	-
Deductible/(taxable) temporary difference	(2,238,572,000)	-
Tax Rate	3.73%	-
Closing Deferred tax assets/(Liabilities)	(83,544,110)	-
Opening Deferred tax assets/(Liabilities)	-	-
Deferred tax (expense)/Income	<b>(83,544,110)</b>	<b>-</b>
<b>14.9.2.3 Deferred tax (expense)/Income (net)</b>		
Deferred tax (expense)/Income arisen for charging specific provision (note 14.9.1.1) *	109,113,257	(348,923,350)
Deferred tax (expense)/Income arisen in WDV of Fixed Assets (note 14.9.2.1)	1,282,305	190,524,741
	<b>110,395,562</b>	<b>(158,398,609)</b>
* After restated deferred tax expense of 2020 is Tk. 348,923,350 instead of Tk. 342,899,301 as a result deferred tax expense increased by Tk 60,24,049 adjusted with retained earnings rather profit of loss A/c for the year 2020 to present retrospective restatement of deferred tax expense against loan loss provision.		
<b>14.9.1 (a) Consolidated Deferred tax (expense)/Income (net)</b>		
Pubali Bank Limited	(110,395,562)	152,374,560
Pubali Bank Securities Limited	51,853	150,720
	<b>(110,343,709)</b>	<b>152,525,280</b>
<b>14.9.1 (b) Consolidated deferred tax Liabilities (Accumulated)</b>		
Balance at the beginning of the year	(288,214)	92,058,382
Provision made during the year	(83,595,963)	(91,770,168)
Provision held at the end of the year	<b>(83,884,177)</b>	<b>(288,214)</b>
<b>14.9.2 Tax Provision made during the Year</b>		
Current Tax	1,405,506,892	1,931,362,255
Deferred Tax	(110,395,562)	152,374,560
	<b>1,295,111,330</b>	<b>2,083,736,815</b>
<b>14.10 Exchange adjustment account: Tk. 28,666,878</b>		
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.		
<b>14.11 Agri credit guarantee backing reserve: Tk. 70,251,300</b>		
This represents the surplus amount retained by the Bank which was received till the end of 1984 as government guarantee totalling Tk 112,358,000 under Tk 100 crore special agri credit scheme disbursed during the years from 1977 to 1983. Repayment of the above to the government would be made in due course to the extent of recovery of aforesaid agri credit.		
<b>14.12 Pakistan account: Tk. 8,393,039</b>		
This represents net liability to Bank's own branches operating in former West Pakistan before Liberation of the country and remains unsettled as yet.		
<b>14.13 Pension fund: Tk. 1,570,883</b>		
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.		



	2021 Taka	2020 Taka
14.14 Provision for suspense:		
Provision at the beginning of the year	166,214,468	63,714,468
Provision made during the year	22,000,000	-
Provision transferred from reserve for unforeseen losses	-	102,500,000
Provision at the end of the year	<u>188,214,468</u>	<u>166,214,468</u>

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

14.15 Provision for demonetized notes: 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.

14.16 Provision for Un-reconciled General Account debit entries

Period of un-reconciliation	Amount	Base for Provision (%)	Provision Required	
			2021	2020
Upto 12 months	-	-	-	-
12 months above but less than 24 months	-	50%	-	-
24 months and above	7,723,303	100%	7,723,303	7,723,303
Required provision			7,723,303	7,723,303
Provision maintained			13,724,657	13,724,657
Excess provision			<u>6,001,354</u>	<u>6,001,354</u>

14.17 Unclaimed dividend in year wise

Year wise Dividend	2021	2020
	Total Amount	Total Amount
Year of 1986	165,459	165,459
Year of 1987	198,711	198,711
Year of 1988	311,061	311,061
Year of 2001	1,316,432	1,316,432
Year of 2006	1,004,366	1,004,366
Year of 2007	1,037,633	1,037,633
Year of 2008	1,369,278	1,369,535
Year of 2009	14,476,816	14,576,420
Year of 2010	21,361,166	21,775,560
Year of 2011	16,183,162	16,324,998
Year of 2012	596,443	28,270,344
Year of 2013	298,408	16,754,934
Year of 2014	601,867	30,275,554
Year of 2015	749,960	34,522,134
Year of 2016	300,881	15,116,946
Year of 2017	325,085	15,260,427
Year of 2018	31,222,039	31,852,247
Year of 2019	37,387,424	96,640,483
Year of 2020	42,996,871	-
<b>Total</b>	<b>171,903,062</b>	<b>326,773,244</b>

14.18 Start-up fund

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

14(a) Consolidated other liabilities

Pubali Bank Limited	84,011,058,850	67,894,214,623
Pubali Bank Securities Limited	2,529,006,535	2,478,261,905
Inter company payable*	<u>(209,905,908)</u>	<u>(378,873,533)</u>
	<u>86,330,156,477</u>	<u>69,993,596,995</u>

\* In the last year 2020, inter company payables has been restated to Tk. 378,865,723 instead of Tk. 378,872,920. So, the difference amount of Tk. 7,197 wrongly considered as Stock dealing account under inter company transactions.

15 Capital

15.1 Authorized Capital

2,000,000,000 ordinary shares of Tk 10 each	20,000,000,000	20,000,000,000
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15.2 Issued, subscribed and paid up capital

1,600,000 ordinary shares of Tk 100 each issued for cash	160,000,000	160,000,000
400,000 ordinary shares of Tk 100 each as bonus share in 2000	40,000,000	40,000,000
2,000,000 ordinary shares of Tk 100 each as bonus share in 2004	200,000,000	200,000,000
8,000,000 ordinary shares of Tk 100 each as bonus share in 2005	800,000,000	800,000,000
9,000,000 ordinary shares of Tk 100 each as bonus share in 2006	900,000,000	900,000,000
8,400,000 ordinary shares of Tk 100 each as bonus share in 2007	840,000,000	840,000,000
8,820,000 ordinary shares of Tk 100 each as bonus share in 2008	882,000,000	882,000,000
11,465,000 ordinary shares of Tk 100 each as bonus share in 2009	1,146,600,000	1,146,600,000
173,901,000 ordinary shares of Tk 10 each as bonus share in 2010	1,739,010,000	1,739,010,000
167,690,250 ordinary shares of Tk 10 each as bonus share in 2011	1,676,902,500	1,676,902,500
41,922,562 ordinary shares of Tk 10 each as bonus share in 2013	419,225,620	419,225,620
70,429,904 ordinary shares of Tk 10 each as bonus share in 2016	704,299,040	704,299,040
47,540,185 ordinary shares of Tk 10 each as bonus share in 2017	475,401,850	475,401,850
29,950,317 ordinary shares of Tk 10 each as bonus share in 2018	299,503,170	299,503,170
	<u>10,282,942,180</u>	<u>10,282,942,180</u>

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

15.3 Paid up capital as per shareholders category

Particular	2021			2020
	No. of share	Percentage (%)	Amount	Amount
Directors	323,911,299	31.50%	3,239,112,990	3,237,729,080
Co-operative societies	8,858,921	0.86%	88,589,210	93,285,120
Banks and financial Institutions	49,853,273	4.85%	498,532,730	453,047,270
Government	2,482	0.0002%	24,820	24,820
Other institutions	219,040,194	21.30%	2,190,401,940	2,206,755,830
Non resident Bangladeshi	2,294,390	0.22%	22,943,900	73,074,250
General public	424,333,659	41.27%	4,243,336,590	4,219,024,810
	<u>1,028,294,218</u>	<u>100.00%</u>	<u>10,282,942,180</u>	<u>10,282,942,180</u>



Range wise shareholdings	2021		2020	
	Number of shareholders	Percentage of holding of shares (%)	Number of Shares	Number of Shares
Up to 500 shares	21,352	0.27%	2,765,421	3,103,719
501 to 5,000 "	11,458	1.86%	19,108,904	21,185,106
5,001 " 10,000 "	1,344	0.83%	8,553,385	9,022,618
10,001 " 20,000 "	574	0.77%	7,916,566	8,470,802
20,001 " 30,000 "	174	0.41%	4,213,163	4,393,717
30,001 " 40,000 "	176	0.56%	5,723,720	6,076,416
40,001 " 50,000 "	61	0.26%	2,706,843	2,647,412
50,001 " 100,000 "	218	1.65%	16,991,837	18,141,449
100,001 and above	291	93.39%	960,314,379	955,252,979
	<b>35,648</b>	<b>100.00%</b>	<b>1,028,294,218</b>	<b>1,028,294,218</b>

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 2021 was Taka 36,957,587,510 as against available going - concern capital of Taka 30,845,129,993, going - concern additional capital of Taka 2,800,000,000 and gone - concern capital of Taka 18,946,165,312 making a total regulatory capital of Taka 52,591,295,305 thereby showing a surplus regulatory capital /equity of Taka 15,633,707,796 at that date. Details are shown below:

Total assets including off-balance sheet items	854,640,256,559	702,727,230,237
Total risk-weighted assets	369,575,875,096	327,491,482,092
Required Capital (10% of risk weighted assets)	36,957,587,510	32,749,148,209

Regulatory capital held:

i) Going - concern capital ( Tier-1 ) { note 15.5.1 }	30,845,129,993	28,488,798,664
ii) Going concern - Additional Tier-1 capital { note 15.5.1 }	2,800,000,000	-
iii) Gone - concern capital ( Tier-2 ) { note 15.5.2 }	18,946,165,312	19,753,554,767
	<b>52,591,295,305</b>	<b>48,242,353,431</b>
	<b>15,633,707,796</b>	<b>15,493,205,222</b>

Total Regulatory Capital Surplus / ( Deficit )

CRAR Based on Basel III Framework:

	14.23%	14.73%
Capital Requirement :	Held	Held
Common Equity Tier-1 (Minimum CET-1 @ 4.50%)	8.35%	8.70%
Additional Tier-1 (Maximum CET-1 @ 1.50%)	0.76%	0.00%
Tier-1 Capital	9.10%	0.00%
Tier-2 (Maximum upto 4% of total RWA or 88.89% of CET-1 which ever is higher) Balancing	5.13%	6.03%
<b>Total</b>	<b>14.23%</b>	<b>14.73%</b>

15.5.1 Going - concern capital ( Tier-1 )

Paid-up Capital	10,282,942,180	10,282,942,180
Statutory Reserve	10,283,000,000	10,283,000,000
Retained Earnings	14,426,734,652	11,807,133,561
	34,992,676,832	32,373,075,741
Reciprocal crossholdings in the CET -1, Goodwill and other intangible assets	(227,320,199)	(73,163,694)
Deferred Tax assets (DTA) on loan loss provision	(3,920,226,640)	(3,811,113,383)
	<b>30,845,129,993</b>	<b>28,488,798,664</b>

Additional Tier-1 Capital (AT-1)

Perpetual bonds	2,800,000,000	-
	<b>33,645,129,993</b>	<b>28,488,798,664</b>

15.5.2 Gone - concern capital ( Tier-2 )

General provision (Unclassified loans + off-balance sheet exposure)	10,246,165,312	8,253,554,767
Subordinated debt/ Instruments issued by the Bank	8,700,000,000	11,500,000,000
Asset revaluation Reserve up to 50% as on 31 December 2014	-	-
Revaluation Reserve for equity Instruments up to 10% as on 31 December 2014	-	-
Revaluation reserve for securities upto 50% as on 31 December 2014	-	-
	<b>18,946,165,312</b>	<b>19,753,554,767</b>

Regulatory adjustment

Revaluation reserve for fixed asset, securities & equipment as on 31 December 2014	-	-
	<b>18,946,165,312</b>	<b>19,753,554,767</b>
	<b>52,591,295,305</b>	<b>48,242,353,431</b>

Total Regulatory Capital Maintained

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 2021 was Taka 37,294,259,715 as against available going - concern capital of Taka 30,880,087,375, going concern-additional capital of Taka 2,800,000,000 and gone - concern capital of Taka 18,946,165,312 making a total regulatory capital of Taka 52,626,252,687 thereby showing a surplus regulatory capital /equity of Taka 15,331,992,972 at that date. Details are shown below:

Total assets including off-balance sheet items	855,555,898,908	703,372,823,026
Total risk-weighted assets	372,942,597,152	329,050,203,081
Required Capital (10% of risk weighted assets)	37,294,259,715	32,905,020,308

Regulatory capital held:

i) Going - concern capital ( Tier-1 ) { note 15.5.3 }	30,880,087,375	28,251,521,476
ii) Going concern - Additional Tier-1 capital { note 15.5.1 }	2,800,000,000	-
ii) Gone - concern capital ( Tier-2 ) { note 15.5.4 }	18,946,165,312	19,753,554,767
	<b>52,626,252,687</b>	<b>48,005,076,243</b>
	<b>15,331,992,972</b>	<b>15,100,055,935</b>

Total Regulatory Capital Surplus / ( Deficit )

CRAR Based on Basel III Framework:

	14.11%	14.59%
Capital Requirement :	Held	Held
Tier-1 (Minimum CET-1 @ 4.50%)	8.28%	8.59%
Additional Tier-1 (Maximum CET-1 @ 1.50%)	0.75%	0.00%
Tier-1 Capital	9.03%	0.00%
Tier-2 (Maximum upto 4% of total RWA or 88.89% of CET-1 which ever is higher) Balancing	5.08%	6.00%
<b>Total</b>	<b>14.11%</b>	<b>14.59%</b>



	2021 Taka	2020 Taka
<b>15.5.3 Going - concern capital ( Tier-1 )</b>		
Paid-up Capital	10,282,942,180	10,282,942,180
Statutory Reserve	10,283,000,000	10,283,000,000
Retained Earnings	14,760,651,431	11,693,829,577
	35,326,593,611	32,259,771,757
Reciprocal crossholdings in the CET -1, Goodwill and other Intangible assets	(526,279,596)	(197,136,898)
Deferred Tax assets (DTA) on loan loss provision	(3,920,226,640)	(3,811,113,383)
	<b>30,880,087,375</b>	<b>28,251,521,476</b>
<b>Additional Tier-1 Capital (AT-1)</b>		
Perpetual bonds	2,800,000,000	-
	<b>33,680,087,375</b>	<b>28,251,521,476</b>
<b>15.5.4 Gone - concern capital ( Tier-2 )</b>		
General provision ( Unclassified loans + off-balance sheet exposure )	10,246,165,312	8,253,554,767
Subordinated debt/ instruments issued by the Bank	8,700,000,000	11,500,000,000
Asset revaluation Reserve up to 50% as on 31 December 2014	-	-
Revaluation Reserve for equity instruments up to 10% as on 31 December 2014	-	-
Revaluation reserve for securities upto 50% as on 31 December 2014	-	-
	<b>18,946,165,312</b>	<b>19,753,554,767</b>
<b>Regulatory adjustment</b>		
Revaluation reserve for fixed asset, securities & equipment as on 31 December 2014	-	-
	<b>18,946,165,312</b>	<b>19,753,554,767</b>
<b>Total Regulatory Capital Maintained</b>	<b>52,626,252,687</b>	<b>48,005,076,243</b>

**15.6 Particulars of shareholding of the directors**

Sl	Name of the directors	Status	2021		2020		
			No of shares	Amount (Tk)	No of shares	Amount (Tk)	
1	Mr. Monzurur Rahman	Chairman	20,566,639	205,666,390	20,566,639	205,666,390	
2	Mr. Moniruddin Ahmed	Director	33,596,545	335,965,450	33,596,545	335,965,450	
3	Mr. Habibur Rahman	Director	20,581,213	205,812,130	20,581,213	205,812,130	
4	Mr. Ahmed Shafi Choudhury	Director	Nominated by Transcom Limited	20,707,995	207,079,950	-	-
			Personal	83,505	835,050	-	-
5	Mr. Fahim Ahmed Faruk Chowdhury	Director	21,101,586	211,015,860	21,101,586	211,015,860	
6	Ms. Rumana Sharif	Director	Nominated by Delta Life Insurance Co. Ltd.	51,418,707	514,187,070	51,418,707	514,187,070
			Personal	256,417	2,564,170	256,417	2,564,170
7	Mr. M. Kabiruzzaman Yaqub FCMA (UK), CGMA	Director	20,568,691	205,686,910	20,568,691	205,686,910	
8	Mr. Musa Ahmed	Director	20,615,794	206,157,940	20,615,794	206,157,940	
9	Mr. Azizur Rahman	Director	22,352,148	223,521,480	22,352,148	223,521,480	
10	Mr. Md. Abdur Razzak Mondal	Director	Nominated by That's It fashions Ltd.	35,990,157	359,901,570	35,990,157	359,901,570
			Personal	-	-	-	-
11	Ms. Rana Laila Hafiz	Director	20,565,889	205,658,890	20,565,889	205,658,890	
12	Mr. Mustafa Ahmed	Director	35,845,935	358,459,350	35,845,935	358,459,350	
13	Dr. Shahdeen Malik	Independent Director	-	-	-	-	
14	Mr. Mohammad Naushad Ali Chowdhury	Independent Director	-	-	-	-	
15	Mr. Asif Ahmed Choudhury	Ex. Director	-	-	20,569,604	205,696,040	
			<b>324,251,221</b>	<b>3,242,512,210</b>	<b>324,029,325</b>	<b>3,240,293,250</b>	

**15.7 Related party disclosures**

**15.7.1 Particulars of directors and their shareholding in the Bank**

Sl	Name of the Directors	Designation	Percentage of shareholding at 31 Dec 2021	Percentage of shareholding at 31 Dec 2020
1	Mr. Monzurur Rahman	Chairman	2.00	2.00
2	Mr. Moniruddin Ahmed	Director	3.27	3.27
3	Mr. Habibur Rahman	Director	2.00	2.00
4	Mr. Ahmed Shafi Choudhury	Nominated by Transcom Limited	2.01	-
		Personal	0.01	-
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	2.00
12	Mr. Mustafa Ahmed	Director	3.49	3.49
13	Dr. Shahdeen Malik	Independent Director	-	-
14	Mr. Mohammad Naushad Ali Chowdhury	Independent Director	-	-
15	Mr. Asif Ahmed Choudhury	Ex. Director	-	2.00



					2021 Taka	2020 Taka
<b>15.7.2 Name of directors and the entities in which they have Interest</b>						
Sl No.	Name of the Directors	Status In the Bank	Name of the entities in which the directors have Interest	Status In the entities	Percentages of Interest/ No. of shares In the entities	
1	Mr. Monzurur Rahman	Chairman	Rema Tea Company Ltd.	Chairman	12.13%	
2	Mr. Moniruddin Ahmed	Director	Pubali Bank Securities Ltd.	Chairman	1 share	
3	Mr. Habibur Rahman	Director	1. Delta Hospital Ltd. 2. Pubali Bank Securities Ltd. 3. Global Pharmaceutical Company Ltd.	Director Director Director	3.41% 1 share	
4	Mr. Ahmed Shafi Choudhury	Nominee Director	2. Pubali Bank Securities Ltd. 2. Eskayef Pharmaceuticals Limited	Director Director	1 share	
5	Mr. Fahim Ahmed Faruk Chowdhury	Director	1. Chittagong Electric Manufacturing Co. Ltd. 2. F. A. C Eastern Enterprise Ltd. 3. Ranks FC Properties Ltd. 4. FC Holdings Ltd. 5. CEM ReadyMix Concrete Ltd. 6. CEM UPVC Ltd. 7. Surgiscope Hospital Pvt. Ltd. 8. Globex Pharmaceuticals Ltd. 9. Delta Hospital Ltd. 10. Euro Petro Product Ltd. 11. Baraka Shikabaha Power Ltd.	Managing Director Managing Director Managing Director Managing Director Managing Director Managing Director Director Director Director Director Director	15,000 shares 413 shares Representative Director of FC Holdings Ltd. 2,000 shares 7,500 shares 7,000 shares 5,000 shares 755,065 shares 1,008,155 shares 1,50,000 shares 35,00,000 Shares	
6	Ms. Rumana Sharif	Nominee Director	None	Nil	Nil	
7	Mr. M. Kabiruzzaman Yaqub FCMA (UK), CGMA	Director	1 Imagine Properties Ltd. 2. Pubali Bank Securities Ltd.	Chairman Director	50% 1 share	
8	Mr. Musa Ahmed	Director	1. Popular Jute Exchange Ltd. 2. Popular Jute Mills Ltd. 3. Cumilla Food and Allied Ind. Ltd. 4. Popular Food and Allied Ind. Co. Ltd. 5. Tejgaon Engineering and Construction Co. Ltd. 6. Peoples Equities Ltd.	Director Director Director Director Director Director	22.55% 8.10% 10.88% 11.35% 22.41% 1.75%	
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	1. Trouser Line Ltd. 2. SP Garments Ltd. 3. SP Washing Ltd. 4. Green Valley Plantation Ltd.	Managing Director Managing Director Managing Director Director	30.00% 25.00% 25.00% -	
12	Mr. Mustafa Ahmed	Director	Pubali Bank Securities Ltd.	Director	1 share	
13	Dr. Shahdeen Malik	Independent Director	Pubali Bank Securities Ltd.	Independent Director	-	
14	Mr. Mohammad Naushad Ali Chowdhury	Independent Director	None	Nil	Nil	

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

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

15.7.5 Related party transactions

Sl No	Name of the Related parties	Relationship with Pubali Bank Ltd.	Nature of Transactions	Limit	Outstanding (Tk) 31 December 2021
1	Mr. Habibur Rahman	Director	Credit Card	500,000	-
2	Ms. Rumana Sharif	Director	Credit Card	500,000	-
3	Mr. Mustafa Ahmed	Director	Credit Card	100,000	-
4	Mr. Ahmed Shafi Choudhury	Advisor	Credit Card	200,000	-
5	Mr. Saiful Alam Khan Chowdhury	Managing Director	Credit Card	500,000	1,114

15.7.6 Key Management personnel compensation

Amounts incurred by the Bank for the provision of key Management personnel services is given below

Particulars	2021	2020
Short-term employee benefits	156,217,322	107,468,000
post-employment benefits	24,350,221	70,472,501

Key Management personnel are those persons having directly or indirectly authority and responsibility for planning, directing and controlling the activities of the entity. Key Management personnel includes Managing Director & CEO, Additional Managing Director, 03 nos. Deputy Managing Directors, 32 nos. General Manager, Company Secretary, Head of Internal Control & Compliance, Chief Technical Officer and Chief Financial Officer.

Amount of retirement/post-employment benefits such as Gratuity fund and Provident fund have been incurred by the Bank for 04 nos. of Key Management personnel.

16 Statutory reserve

The Bank is required to transfer at least 20% of its profit before tax to the Statutory Reserve in accordance with provisions of section 24 of the Banking Companies Act, 1991. This is mandatory until such reserve is equal to the paid up capital together with amount in the share premium account.

Balance at the beginning of the year	10,283,000,000	10,283,000,000
Add: Addition during the year	-	-
Balance at the end of the year	<u>10,283,000,000</u>	<u>10,283,000,000</u>

17 Retained earnings

Balance at the beginning of the year *	11,807,133,561	9,165,238,387
Addition during the year:	3,904,548,864	3,669,513,441
Deferred tax expense against loan loss provision	-	(6,024,049)
Transfer in: Asset revaluation reserve	420,000	6,700,000
	<u>15,712,102,425</u>	<u>12,835,427,779</u>
Less: Issue of dividend	(1,285,367,773)	(1,028,294,218)
Balance at the end of the year	<u>14,426,734,652</u>	<u>11,807,133,561</u>

\* Balance at the beginning of the year 2020 has been restated as per "Paragraph 42 of IAS-8: Accounting Policies, Changes in Accounting estimates and Errors" for amounting Tk. 441,170,444 increased for the year 2019 and decreased Tk. 6,024,049 for the year 2020 due to retrospective restatement of deferred tax against loan loss provision.

As per BRPD Circular no.11 dated 12 December 2011, total amount of Tk. 3,920,226,640 has been recognized as Deferred Tax Assets (DTA) included in Retained Earnings for 2021 based on the provision against classified loans and such earnings against Deferred Tax Assets (DTA) shall not be distributed as dividend. Moreover, while calculating the Regulatory Eligible capital such Deferred Tax Assets (DTA) also deducted as Regulatory adjustment from Common Equity Tier-1 (CET-1) capital.

17(a) Consolidated Retained earnings

Pubali Bank Limited	14,426,734,652	11,807,133,561
Pubali Bank Securities Limited	333,916,779	(113,303,984)
	<u>14,760,651,431</u>	<u>11,693,829,577</u>



	2021 Taka	2020 Taka
<b>18 Other reserves</b>		
<b>18.1 Assets revaluation reserve</b>		
Balance at the beginning of the year	6,832,160,393	2,943,748,065
Addition on revaluation of Investment During the Year	2,678,620,766	8,968,673,541
Disposal on revaluation of Investment during the year	(5,006,533,694)	(4,551,567,474)
Revaluation adjustment of Fixed Assets	-	(520,443,941)
Recognition of deferred tax on revaluation reserve of fixed assets	(83,544,110)	-
Transfer out: Fixed Asset revaluation reserve	-	(8,249,798)
	4,420,703,355	6,832,160,393
Share forfeiture account	333,984	333,984
Balance at the end of the year	4,421,037,339	6,832,494,377
<b>18.2 Exchange Equalization Fund</b>		
Balance at the beginning of the year	29,959,972	29,959,972
Addition during the year	-	-
Balance at the end of the year	29,959,972	29,959,972
<b>18.3 Foreign currency translation reserve</b>		
Balance at the beginning of the period	7,653,297	7,653,297
Addition during the period	2,223,951	-
Balance at the end of the period	9,877,248	7,653,297
	4,460,874,559	6,870,107,646
<b>18(a) Consolidated Other reserves</b>		
Pubali Bank Limited	4,460,874,559	6,870,107,646
Pubali Bank Securities Limited	-	-
	4,460,874,559	6,870,107,646
<b>19 Profit &amp; loss account surplus</b>		
Balance at the beginning of the year	-	-
Profit after tax during the year	3,904,548,864	3,669,513,441
	3,904,548,864	3,669,513,441
<b>Appropriation for the year</b>		
Statutory reserve	-	-
Retained earnings	3,904,548,864	3,669,513,441
	3,904,548,864	3,669,513,441
Balance at the end of the year	-	-
<b>19(a) Consolidated Profit &amp; loss account surplus</b>		
Balance at the beginning of the year	-	-
Profit after tax during the year	4,351,769,788	3,706,815,668
	4,351,769,788	3,706,815,668
<b>Appropriation for the year</b>		
Statutory reserve	-	-
Retained earnings	4,351,769,788	3,706,815,668
	4,351,769,788	3,706,815,668
Balance at the end of the year	-	-
<b>20 Non-controlling Interest</b>		
Balance at the beginning of the year	894	881
Share of current year profit	161	13
	1,055	894
<b>21 Contingent Liabilities</b>		
Acceptances & endorsements (Note 21.1)	89,543,886,252	53,089,224,132
Letters of guarantee (Note 21.2)	32,360,536,133	25,345,020,741
Irrevocable letters of credit (Note 21.3)	83,959,348,873	46,369,281,181
Bills for collection (Note 21.4)	17,208,217,494	10,515,149,103
Other contingent liabilities *	2,383,598,956	2,376,488,786
	225,455,587,708	137,695,163,943
* The amount of Tk. 2,354,437,563 has been claimed by the different borrowers against the Bank regarding Loans & Advances and balance amount of Tk. 29,161,393 considered as other contingent liabilities due to a law suit has been filed before the honorable high court division of the supreme court which is still pending.		
<b>21.1 Acceptance &amp; Endorsements</b>		
Foreign	83,487,639,536	49,840,711,945
Local	6,056,246,716	3,248,512,187
	89,543,886,252	53,089,224,132
<b>21.1.1 Acceptance &amp; Endorsements in favour of:</b>		
Government	-	-
Director/Executives/Officers	-	-
Bank and other financial institutions	-	-
Other customer	89,543,886,252	53,089,224,132
	89,543,886,252	53,089,224,132
<b>21.2 Letters of Guarantee</b>		
Foreign	381,723,933	569,065,763
Local	31,978,812,200	24,775,954,978
	32,360,536,133	25,345,020,741
<b>21.2.1 Letters of Guarantee in favour of:</b>		
Government	-	-
Director/Executives/Officers	-	-
Bank and other financial institutions	-	-
Other customer	32,360,536,133	25,345,020,741
	32,360,536,133	25,345,020,741
<b>21.3 Letters of Credit</b>		
Foreign	73,265,488,261	40,835,763,883
Local	10,693,860,612	5,533,517,298
	83,959,348,873	46,369,281,181
<b>21.3.1 Letters of Credit in favour of:</b>		
Government	-	-
Director/Executives/Officers	-	-
Bank and other financial institutions	-	-
Other customer	83,959,348,873	46,369,281,181
	83,959,348,873	46,369,281,181
<b>21.4 Bills for Collection</b>		
Foreign	4,458,564,326	4,057,531,935
Local	12,749,653,168	6,457,617,168
	17,208,217,494	10,515,149,103



	2021 Taka	2020 Taka
<b>21.4.1 Bills for Collection in favour of:</b>		
Government	-	-
Director/Executives/Officers	-	-
Bank and other financial Institutions	-	-
Other customer	17,208,217,494	10,515,149,103
	<u>17,208,217,494</u>	<u>10,515,149,103</u>
<b>22 Interest Income</b>		
Loans	3,383,770,886	3,090,109,089
Cash credits	4,080,188,861	3,937,642,291
Over drafts	5,272,848,462	5,912,269,578
Loan against imported merchandise	2,078	268,351
Loan against trust receipt	550,836,332	790,397,727
Inland bill purchased & demand draft purchased	96,069,068	105,119,459
Foreign bill purchased and Export development fund	119,891,275	97,125,647
Interest on Export Bill Discounting (EBD)	2,060,862	1,847,811
Packing credits	38,233,147	30,830,214
Payments against document	843,030,076	709,279,511
Agricultural credits & rural credits	7,930,806	5,637,100
Sundries account	109,378,648	129,244,268
CLS account	941,847,479	997,701,499
Secured mortgages	1,760,405,867	1,711,679,606
Loan against Shiksha Sanchay Prokalpa	58,579	233,620
Loan against Non-resident Credit Scheme	2,742	4,840
Lease finance	514,965,442	432,194,182
Loan against Pubali Sanchay Prokalpa	7,748,620	10,783,253
Term loans	3,675,678,821	3,777,152,926
Syndication/Club Finance	604,253,904	-
Loan against Pubali Pension Scheme	69,367,395	96,883,223
Interest on loans and advances	<u>22,078,569,350</u>	<u>21,838,404,195</u>
Interest on money at call and short notice	63,057,052	84,990,013
Interest on balance with other banks	223,456,595	293,252,910
Interest on fixed deposits with other banks	372,715,395	500,235,195
	<u>22,737,798,392</u>	<u>22,716,882,313</u>
<b>22(a) Consolidated Interest Income</b>		
Pubali Bank Limited	22,737,798,392	22,716,882,313
Pubali Bank Securities Limited	53,140,035	23,188,327
	<u>22,790,938,427</u>	<u>22,740,070,640</u>
<b>23 Interest paid on deposits, borrowings, etc.</b>		
Fixed deposit	5,602,699,594	7,031,593,112
Short-notice deposit	1,378,619,337	1,977,014,492
Savings bank deposit	1,433,843,121	1,288,349,591
Deposit pension scheme	614,608	518,147
Pubali bank pension scheme	3,391,235,400	3,058,324,421
Monthly monafa based deposit scheme	-	475,906
Pubali Sanchay Prokalpa	254,346,503	241,740,539
Shiksha Sanchay Prokalpa	14,583,192	15,983,614
Dw/gun Sanchay Prokalpa	2,024,383,913	1,943,227,259
Interest on MPSD	307,452,072	345,478,382
Interest on TBSD	567,762,046	529,838,693
Interest on MFD	249,585,212	268,102,432
Sundry accounts	14,543,077	9,060,476
Interest paid on Deposits	<u>15,239,668,075</u>	<u>16,709,707,064</u>
Interest on call loan	13,883,486	13,800,944
Interest on borrowings from Bank and Fis	588,578,974	550,630,522
Interest on repo borrowings	21,520,381	34,275,739
Interest on term borrowings	184,801	-
Interest on Treasury bond	350,028,497	333,367,214
Interest on HFT Securities	4,527,846,424	1,066,091,632
Interest on HTM Securities	253,222,308	166,631,490
Interest on borrowings from Bangladesh Bank	74,112,521	2,903,372
Interest on Perpetual Bond	15,400,000	-
Interest on Subordinated Bond	816,475,342	974,434,795
	<u>21,900,920,809</u>	<u>19,851,842,772</u>
<b>24 Investment Income</b>		
Interest on treasury bill	163,670,298	1,420,037,458
Interest on treasury bond	9,229,549,356	7,423,583,546
Interest on other bond	1,058,111,456	1,315,879,711
Interest on Bridge Loans & debentures	535,000	1,405,324
Interest on Bangladesh Bank bill	36,130,800	-
Gain/(Loss) on sale of shares	189,491,115	40,153,897
Interest on Reverse Repo	27,092,338	161,960,099
Gain on Treasury Bill & Treasury Bond	4,690,903,399	2,133,282,555
Dividend on shares	275,728,984	211,059,905
	<u>15,671,212,746</u>	<u>12,707,362,495</u>
<b>24(a) Consolidated Income from Investment</b>		
Pubali Bank Limited	15,671,212,746	12,707,362,495
Pubali Bank Securities Limited	435,240,558	183,550,974
	<u>16,106,453,304</u>	<u>12,890,913,469</u>
<b>25 Commission, exchange and brokerage</b>		
SC, ISC, DD, TT, MT and PO	37,193,493	31,798,245
Foreign L/C-Import/others	542,294,754	333,644,169
Local L/C-Import/others	65,257,390	38,076,763
Issuance of foreign guarantee	3,951,098	6,553,324
Issuance of local guarantee	309,753,445	272,390,205
Issuance of traveller's cheque	3,575	1,428
Other transactions	155,705,761	213,309,067
Miscellaneous Handling Commission-Import/others	75,572,330	310,433,459
Consumers credit	147,742	1,666,742
Commission on stationery articles-Import/other	402,874,916	3,237,456
Fees and Commission (Syndication/Club Finance)	2,501,400	-
LC Acceptance charges	141,014,261	40,253,413
LC Payment & Discrepancy Charges	92,196,662	6,796,487
Income A/C commission Online	2,000	-
Total commission	<u>1,828,468,827</u>	<u>1,258,160,758</u>
Exchange (Note 25.1)	518,906,048	386,954,118
	<u>2,347,374,875</u>	<u>1,645,114,876</u>



	2021 Taka	2020 Taka
25.1 Exchange		
Exchange gain	2,945,807,661	1,886,311,129
Exchange loss	<u>(2,426,901,613)</u>	<u>(1,499,357,011)</u>
	<u>518,906,048</u>	<u>386,954,118</u>
25(a) Consolidated Commission, exchange and brokerage		
Pubali Bank Limited	2,347,374,875	1,645,114,876
Pubali Bank Securities Limited	<u>64,345,757</u>	<u>24,547,070</u>
	<u>2,411,721,642</u>	<u>1,669,661,946</u>
26 Other operating Income		
Rent recovery	6,211,239	4,683,541
Postage (Import/others) and telecommunication recovery	8,512,339	11,618,786
Recovered from bad debt written off	87,600	-
Swift Income-Import/others	138,518,085	81,874,994
Fee on card transaction	16,580,729	9,215,257
Application fee of CLS account	1,004,121	556,143
Account opening charge of CLS account	1,415,700	392,300
Service charge	34,219,209	40,551,581
Income on sale of leased asset	6,515,456	4,032,367
Processing Fee on Pubali Abashon	437,500	29,000
Processing Fee on Lease Financing	11,710,368	-
Loan Reschedule/Restructure Fee	19,802	-
Online service charge	514,003,478	445,536,386
Accounts maintenance fee	233,299,314	267,373,151
SMS service charges	122,162,003	106,042,427
Card Fees and charges	23,693,787	26,003,893
CIB service charges	16,794,090	14,203,900
Income on sale of Bank's property	3,820,010	1,071,933
Miscellaneous Income -Import/others	128,705,676	91,220,884
Miscellaneous income supervision and monitoring	5,925	1,188,680
Miscellaneous income transfer fee	<u>1,629,235</u>	<u>917,064</u>
	<u>1,269,344,666</u>	<u>1,106,512,287</u>
* Total amount of Tk. 47,049,900 of LC Acceptance charges and LC Payment & Discrepancy Charges for the year 2020 has been shifted to Commission, exchange and brokerage income.		
26(a) Consolidated Other operating income		
Pubali Bank Limited	1,269,344,666	1,106,512,287
Pubali Bank Securities Limited	<u>41,388,243</u>	<u>55,012,365</u>
	<u>1,310,732,909</u>	<u>1,161,524,652</u>
27 Salary and allowances		
Basic salary	2,511,653,287	2,518,383,622
House rent allowances	1,513,248,667	1,394,343,986
Medical allowances	316,444,001	291,900,286
House maintenance	207,030,032	189,635,551
Other allowances	1,278,103,451	1,208,202,657
Contributory provident fund	243,173,101	225,203,687
General provident fund	257,414	225,962
Bonus to employees	<u>418,217,122</u>	<u>449,319,442</u>
	<u>6,488,127,075</u>	<u>6,277,215,193</u>
27(a) Consolidated Salary and allowances		
Pubali Bank Limited	6,488,127,075	6,277,215,193
Pubali Bank Securities Limited	<u>33,462,231</u>	<u>29,795,454</u>
	<u>6,521,589,306</u>	<u>6,307,010,647</u>
28 Rent, taxes, insurance, electricity, etc.		
Bank premises	637,687,486	576,129,661
Godown	<u>4,200,657</u>	<u>2,480,223</u>
Total Rent expenses	641,888,143	578,609,884
Reversal of rent expenses due to depreciation and interest expenses under IFRS 16	641,888,143	578,609,884
Rent expenses after reversal	-	-
Rates and taxes	14,078,365	20,931,697
Insurance (vault)	1,786,077	1,182,819
Insurance premium	322,296,578	297,108,573
Electricity	174,014,176	148,037,958
Electric fittings and fixtures	34,462,834	40,790,008
Water and sewerage bill	<u>5,781,185</u>	<u>4,991,772</u>
	<u>552,419,215</u>	<u>513,042,827</u>
Total rent expenses for the year 2021 was Tk.641,888,143 as per IAS 17. To comply with "IFRS 16 Lease" rent expense has been adjusted with Depreciation Tk 458,385,874 arises against Right of use assets (Annex-A), Interest expense of Tk 111,732,032 and VAT on rent expense of Tk. 83,724,540 under note no. 36.		
28(a) Consolidated Rent, taxes, insurance, electricity, etc.		
Pubali Bank Limited	552,419,215	513,042,827
Pubali Bank Securities Limited	<u>568,382</u>	<u>580,415</u>
	<u>552,987,597</u>	<u>513,623,242</u>
29 Legal expenses		
Lawyers' charges	16,932,383	15,795,830
Court fees and other expenses	<u>3,198,325</u>	<u>3,240,635</u>
	<u>20,130,708</u>	<u>19,036,465</u>
29(a) Consolidated Legal expenses		
Pubali Bank Limited	20,130,708	19,036,465
Pubali Bank Securities Limited	<u>2,968</u>	<u>-</u>
	<u>20,133,676</u>	<u>19,036,465</u>
30 Postage, stamp, telecommunication, etc.		
Postage	11,544,446	14,125,009
Telegram	400,774	376,420
Stamp	110,132	32,952
Telephone	15,642,461	18,592,079
SWIFT charges	43,020,185	12,421,668
SMS charges	16,587,570	8,262,076
Tele rate/ Router	2,740,209	2,654,846
internet charges	<u>2,115,903</u>	<u>1,358,258</u>
	<u>92,161,680</u>	<u>57,823,308</u>
30(a) Consolidated Postage, stamp, telecommunication, etc.		
Pubali Bank Limited	92,161,680	57,823,308
Pubali Bank Securities Limited	<u>225,876</u>	<u>244,738</u>
	<u>92,387,556</u>	<u>58,068,046</u>



	2021 Taka	2020 Taka
<b>31 Stationery, printing, advertisement, etc.</b>		
Table stationery	31,774,166	33,355,134
Computer stationery	29,983,580	28,805,430
Printing and stationery	7,586,880	5,551,795
Consumption of books and forms	17,448,190	10,788,222
Advertisement	48,736,314	39,779,342
	<u>135,529,130</u>	<u>118,279,923</u>
<b>31(a) Consolidated Stationery, printing, advertisement, etc.</b>		
Pubali Bank Limited	135,529,130	118,279,923
Pubali Bank Securities Limited	306,391	248,143
	<u>135,835,521</u>	<u>118,528,066</u>
<b>32 Managing Director's salary and fees</b>		
Basic pay	6,995,000	8,400,000
Allowances	4,532,166	2,960,000
Bank's contributory provident fund	699,500	840,000
Bonus	2,200,000	2,540,000
	<u>14,426,666</u>	<u>14,740,000</u>
<b>33 Directors' fees</b>		
Meeting fees and Honorarium	7,252,798	5,331,600
Meeting expenses	755,201	764,219
Meeting related travelling allowances	201,546	185,893
	<u>8,209,545</u>	<u>6,281,712</u>
<b>33(a) Consolidated Directors' fees</b>		
Pubali Bank Limited	8,209,545	6,281,712
Pubali Bank Securities Limited	1,435,500	1,001,000
	<u>9,645,045</u>	<u>7,282,712</u>
Each director was paid TK 8,000 per meeting per attendance as per BRPD circular no.11 dated 4 October 2015.		
<b>34 Auditors' fees</b>		
Statutory audit	1,540,500	1,529,500
	<u>1,540,500</u>	<u>1,529,500</u>
<b>34(a) Consolidated Auditors' fees</b>		
Pubali Bank Limited	1,540,500	1,529,500
Pubali Bank Securities Limited	144,000	162,250
	<u>1,684,500</u>	<u>1,691,750</u>
<b>35 Depreciation and repair of bank's assets</b>		
Repairs to fixed assets	45,261,542	35,260,211
Maintenance of assets	159,572,779	144,982,007
Maintenance of assets -Wages	25,101,904	16,515,201
*Depreciation on fixed assets	890,610,449	768,846,537
	<u>1,120,546,674</u>	<u>965,603,956</u>
*Depreciation on fixed assets included Tk. 458,385,874 for depreciation of ROU (Right Of Use) Assets as per IFRS-16 for the year 2021		
<b>35(a) Consolidated depreciation and repair of bank's assets</b>		
Pubali Bank Limited	1,120,546,674	965,603,956
Pubali Bank Securities Limited	1,685,990	2,047,475
	<u>1,122,232,664</u>	<u>967,651,431</u>
<b>36 Other expenses</b>		
Repairs to rented property	1,211,383	2,152,717
Newspapers	3,020,964	2,558,201
Renovation under Construction Works	37,635,488	39,903,345
Petrol consumption	52,511,203	49,568,593
Travelling	34,022,531	44,625,821
Donations	157,141,281	245,078,489
Honorarium	256,000	293,242
Subscriptions	23,550,946	16,067,539
Sub-ordinate staff clothing	14,070,464	12,826,529
Conveyance	110,048,005	21,922,690
Entertainment	24,592,601	28,765,681
Training	3,316,901	7,858,933
Photocopying	191,096	114,524
Branches' opening expenses	2,275,704	2,507,509
Shifting expenses	1,387,572	3,991,980
Carrying expenses	1,926,666	2,587,049
Professional fees	72,820,163	27,518,096
Security and Auxiliary Services	183,488,843	139,932,506
Gun license fees	6,261,574	6,247,315
Overtime	32,451,840	23,110,128
Employees recreation (Lunch subsidy)	274,439,677	234,290,501
Promotional expenses	35,292,771	73,286,780
Gratuity	690,305,820	557,262,160
Group insurance	17,923,599	18,302,625
Car allowance	39,026,355	37,911,333
Chemicals for office equipment's	558,193	660,270
Loss on sale of bank's property	1,976,724	1,986,626
CDBL fees	126,772	137,223
Annual general meeting	3,056,920	158,960
Bandwidth charges	93,086,266	86,385,633
Card expenditure	56,806,657	25,947,792
VAT on Rent Expenses	83,724,540	72,358,364
Interest Expenses for lease liability as per IFRS-16	111,732,032	96,919,450
Bank Charges & Others	3,833,013	2,766,879
Nostro account charges	12,133,266	11,312,896
Card transaction fee	5,173,455	3,993,710
Miscellaneous	56,879,652	69,604,873
	<u>2,248,256,937</u>	<u>1,970,916,962</u>





	2021 Taka	2020 Taka
<b>42(a) Consolidated Increase/(decrease) of other assets</b>		
Pubali Bank Limited	(1,741,752,245)	(1,285,506,088)
Pubali Bank Securities Limited	(230,367,754)	(119,078,564)
	<u>(1,972,119,999)</u>	<u>(1,404,584,652)</u>
<b>43 Increase/(decrease) of other liabilities</b>		
<b>Closing other liabilities</b>		
Interest suspense	6,141,139,753	4,569,922,382
Interest suspense on underwriting advances	219,648,924	221,286,952
Interest suspense against 70% Agri Loan	192,382	192,382
	<u>6,360,981,059</u>	<u>4,791,401,716</u>
<b>Opening other liabilities</b>		
Interest suspense	4,569,922,382	3,414,216,268
Interest suspense on underwriting advances	221,286,952	234,170,921
Interest suspense against 70% Agri Loan	192,382	192,382
	<u>4,791,401,716</u>	<u>3,648,579,571</u>
	<u>1,569,579,343</u>	<u>1,142,822,145</u>
<b>43(a) Consolidated Increase/(decrease) of other liabilities</b>		
Pubali Bank Limited	1,569,579,343	1,142,822,145
Pubali Bank Securities Limited	(45,045,699)	352,761,446
	<u>1,524,533,644</u>	<u>1,495,583,591</u>
<b>44 Cash and Cash Equivalents at End of Period</b>		
Cash in hand (including foreign currencies)	5,088,411,673	4,137,466,959
Balance with Bangladesh Bank and its agent bank(s)	19,557,920,907	20,008,973,263
Balance with other banks and financial institutes	21,481,970,782	18,580,803,997
Prize bonds	25,017,791	27,572,001
Money at call on short notice	241,986,667	1,200,786,667
	<u>46,395,307,820</u>	<u>43,955,602,287</u>
<b>44(a) Consolidated Cash and Cash Equivalents at End of Period</b>		
Pubali Bank Limited	46,395,307,820	43,955,602,287
Pubali Bank Securities Limited	1,947,268,210	1,340,479,296
	<u>48,342,576,030</u>	<u>45,296,081,583</u>
<b>45 Assets and liabilities as at 31 December 2021 denominated in foreign currencies have been converted to Bangladesh Taka at the following exchange rates:</b>		
<b>Currency</b>	<b>Currency unit</b>	<b>Equivalent Taka</b>
European Currency	EURO	97.2800
Japanese Yen	JPY	0.7457
Pound Sterling	GBP	115.7614
Swiss Franc	CHF	93.6988
US Dollar	USD	85.8000
ACU Dollar	ACUD	85.8000
AED	AED	23.3565
<b>46 Basic and Diluted Earnings Per Share (EPS):</b>		
Net profit after taxes	3,904,548,864	3,669,513,441
Number of ordinary shares outstanding	1,028,294,218	1,028,294,218
Basic and Diluted Earnings Per Share (EPS)	<u>3.80</u>	<u>3.57</u>
<b>46(a) Consolidated Basic and Diluted Earnings Per Share (EPS)</b>		
Net profit after tax	4,351,769,788	3,706,815,668
Number of ordinary shares outstanding	1,028,294,218	1,028,294,218
Basic and Diluted Earnings Per Share (EPS)	<u>4.23</u>	<u>3.60</u>
Earnings per share has been calculated in accordance with BAS-33: "Earnings Per Share (EPS)".		
<b>Net Asset Value Per Share (NAVPS):</b>		
Total Shareholders' Equity	39,453,551,391	39,243,183,387
Number of ordinary shares outstanding	1,028,294,218	1,028,294,218
	<u>38.37</u>	<u>38.16</u>
<b>Consolidated Net Asset Value Per Share (NAVPS):</b>		
Total Shareholders' Equity	39,787,468,170	39,129,879,403
Number of ordinary shares outstanding	1,028,294,218	1,028,294,218
	<u>38.69</u>	<u>38.05</u>
* Restated due to retrospective restatement of deferred tax income against loan loss provision. (Details see note no.17)		
<b>Net Operating Cash Flow Per Share (NOCFPS):</b>		
Net Cash from/(used in) Operating activities	2,768,909,742	3,779,561,413
Number of ordinary shares outstanding	1,028,294,218	1,028,294,218
	<u>2.69</u>	<u>3.68</u>
<b>Consolidated Net Operating Cash Flow Per Share (NOCFPS):</b>		
Net Cash from/(used in) Operating activities	3,375,170,258	4,129,548,361
Number of ordinary shares outstanding	1,028,294,218	1,028,294,218
	<u>3.28</u>	<u>4.02</u>



	2021 Taka	2020 Taka
47 Reconciliation of statement of cash flows from operating activities		
Profit before provision	9,443,461,740	8,379,559,353
<b>Adjustment for non cash items</b>		
Depreciation on fixed asset	852,806,620	743,480,965
Amortization on software	37,803,829	25,365,572
	890,610,449	768,846,537
<b>Adjustment with non-operating activities</b>		
Gain on sale of shares	(189,491,115)	(40,153,897)
Capital gain on sale of treasury bond	(4,690,903,399)	(2,133,282,555)
Gain on sale of Bank's property	(3,820,010)	(1,071,933)
Loss on sale of bank's property	1,976,724	1,986,626
	(4,882,237,800)	(2,172,521,759)
<b>Changes in operating assets and liabilities</b>		
Changes in loans & advances	(61,077,532,698)	(28,544,225,212)
Changes in deposit and other accounts	33,057,201,444	70,189,710,109
Changes in Investment	4,823,171,680	(40,711,277,888)
Changes in borrowings	12,533,042,487	516,449,131
Changes in other assets	48,439,216	(3,530,246,618)
Changes in other liabilities	9,742,195,414	1,757,133,601
	(873,482,457)	(322,456,877)
Income Tax Paid	(1,809,442,190)	(2,873,865,841)
Net cash flows from operating activities	2,768,909,742	3,779,561,413

48 Highlights on the Overall Activities of the Bank for the period ended 31 December 2021 and 31 December 2020

Particulars	2021 Taka	2020 Taka
1. Paid-up Capital	10,282,942,180	10,282,942,180
2. Total Regulatory Capital	52,591,295,305	48,242,353,431
3. Regulatory Capital Surplus	15,633,707,796	15,493,205,222
4. Total Assets	629,184,668,851	565,467,212,689
5. Total Deposits	462,400,218,687	429,343,017,243
6. Total Loans & Advances	376,656,431,938	315,578,899,240
7. Total Contingent Liabilities	225,455,587,708	137,695,163,943
8. Loan Deposit Ratio (%)	77.58%	71.33%
9. Ratio of Classified Loan to total Loans & Advances (%)	3.05%	2.73%
10. Profit after taxation & Provision	3,904,548,864	3,669,513,441
11. Amount of Classified Loan during the current year	11,480,110,280	8,622,010,169
12. Provision kept against Classified Loans	11,089,946,743	10,257,809,481
13. Provision Surplus	10,735,751	1,000,000,000
14. Cost of Fund (%)	6.80%	7.09%
15. Interest Earning Assets	531,301,800,965	473,085,436,982
16. Non Interest Earning Assets	97,882,867,886	91,946,629,312
17. Return on Investment(ROI) [(PAT/ Shareholders' Equity + Borrowings)]	4.72%	5.38%
18. Return on Assets (ROA) (PAT/Average Assets)	0.65%	0.70%
19. Income from Investment	15,671,212,746	12,707,362,495
20. Earnings per Share (Taka)	3.80	3.57
21. Net Income per Share (Taka)	3.80	3.57
22. Price Earning Ratio (Times)	7.05	6.75



**Annexure- A**

**Schedule of Fixed Assets as at 31 December, 2021**

Particulars	Cost					Rate (%)	Depreciation/Amortization					Net book value at 31 December 2021 Taka
	Balance at 1 January 2021 Taka	Additions/ Revaluation during the Year Taka	Disposal during the year Taka	Adjustments during the year Taka	Balance at 31 December 2021 Taka		Balance at 1 January 2021 Taka	Charge for the Year Taka	Disposal during the year Taka	Adjustments during the year Taka	Balance at 31 December 2021 Taka	
Land	1,127,377,430	-	-	-	1,127,377,430	-	-	-	-	-	-	1,127,377,430
Lease land	1,111,195,000	-	-	-	1,111,195,000	Fixed	32,523,484	1,151,265	-	-	33,674,749	1,077,520,251
Building	418,660,966	-	-	-	418,660,966	2.50	264,144,924	3,862,901	-	-	268,007,825	150,653,141
Furniture and Fixture	927,005,121	124,612,237	14,443,607	-	1,037,173,751	10.00	383,358,077	60,087,325	10,724,196	(251,346)	432,469,860	604,703,891
Computer & Computer Accessories	1,382,484,766	335,207,923	61,835,464	-	1,655,857,225	30.00	1,145,449,547	166,078,849	61,765,675	61,934	1,249,824,655	406,032,570
Machinery and Equipment	1,082,895,883	125,265,038	29,461,268	-	1,178,699,653	20.00	709,381,037	130,966,615	29,349,503	105,976	811,104,125	367,595,528
Vehicles	342,194,861	27,152,046	15,561,005	(2,800,000)	350,985,902	20.00	246,357,125	32,273,791	15,059,289	-	263,571,627	87,414,275
Right of use Assets (ROU)	2,233,725,100	782,572,675	-	-	3,016,297,775	-	816,444,636	458,385,874	-	-	1,274,830,510	1,741,467,265
<b>At 31 December 2021</b>	<b>8,625,539,127</b>	<b>1,394,809,919</b>	<b>121,301,344</b>	<b>(2,800,000)</b>	<b>9,896,247,702</b>		<b>3,597,658,830</b>	<b>852,806,620</b>	<b>116,898,663</b>	<b>(83,436)</b>	<b>4,333,483,351</b>	<b>5,562,764,351</b>
<b>At 31 December 2020</b>	<b>8,075,834,101</b>	<b>637,368,582</b>	<b>90,475,244</b>	<b>2,811,688</b>	<b>8,625,539,127</b>		<b>2,928,931,942</b>	<b>743,480,965</b>	<b>77,552,729</b>	<b>2,798,652</b>	<b>3,597,658,830</b>	<b>5,027,880,297</b>

**Schedule of Intangible asset as at 31 December, 2021**

Particulars	Cost					Rate (%)	Depreciation/Amortization					Net book value at 31 December 2021 Taka
	Balance at 1 January 2021 Taka	Additions/ Revaluation during the Year Taka	Disposal during the year Taka	Adjustments during the year Taka	Balance at 31 December 2021 Taka		Balance at 1 January 2021 Taka	Charge for the Year Taka	Disposal during the year Taka	Adjustments during the year Taka	Balance at 31 December 2021 Taka	
Computer Software	392,408,983	200,674,305	-	-	593,083,288	0.30	332,296,620	37,803,829	-	-	370,100,449	222,982,839
<b>At 31 December 2021</b>	<b>392,408,983</b>	<b>200,674,305</b>	<b>-</b>	<b>-</b>	<b>593,083,288</b>		<b>332,296,620</b>	<b>37,803,829</b>	<b>-</b>	<b>-</b>	<b>370,100,449</b>	<b>222,982,839</b>
<b>At 31 December 2020</b>	<b>340,831,979</b>	<b>51,577,004</b>	<b>-</b>	<b>-</b>	<b>392,408,983</b>		<b>306,931,048</b>	<b>25,365,572</b>	<b>-</b>	<b>-</b>	<b>332,296,620</b>	<b>60,112,363</b>
<b>At 31 December 2021</b>	<b>9,017,948,110</b>	<b>1,595,484,224</b>	<b>121,301,344</b>	<b>(2,800,000)</b>	<b>10,489,330,990</b>		<b>3,929,955,450</b>	<b>890,610,449</b>	<b>116,898,663</b>	<b>(83,436)</b>	<b>4,703,583,800</b>	<b>5,785,747,190</b>
<b>At 31 December 2020</b>	<b>8,416,666,080</b>	<b>688,945,586</b>	<b>90,475,244</b>	<b>2,811,688</b>	<b>9,017,948,110</b>		<b>5,180,803,090</b>	<b>768,846,537</b>	<b>77,552,729</b>	<b>2,798,652</b>	<b>3,929,955,450</b>	<b>5,087,992,660</b>



Pubali Bank Limited  
Tax Status Report ( As at 31 December 2021)

Annexure - B  
(Amount in Taka)

Sl.No.	Income Year	Assessment Year	Tax Provision as per Financial Statements	Tax Determined by Tax Authority	Tax paid ( Tax Deduction at Source & Cash paid & Refund Adjustment)	Tax Department's Demand/(Refund)	Assessment Status
1	1996	1997-1998	-	-	8,746,578	(8,746,578)	Finalized
2	1997	1998-1999	45,683,821	45,683,821	122,322,255	(76,638,434)	Tax authority filed an appeal with the High Court (Appellate Division)
3	1998	1999-2000	-	-	-	-	Reference application filed with High Court by LTU
4	1999	2000-2001	126,066,596	126,066,596	95,769,641	30,296,955	Reference application filed with High Court
5	2000	2001-2002	158,178,474	158,178,474	113,640,527	44,537,947	High Court judgement received in favour of the Bank but revised DCT assessment not yet received
6	2001	2002-2003	377,762,283	377,762,283	258,959,776	118,802,507	Reference application filed with High Court
7	2004	2005-2006	6,741,122	6,741,122	22,538,349	(15,797,227)	Finalized
8	2006	2007-2008	14,720,201	14,720,201	45,218,734	(30,498,533)	Case pending with DCT for rectification
9	2007	2008-2009	1,393,494,119	1,389,484,502	1,308,322,065	81,162,437	Reference application filed with High Court
10	2008	2009-2010	1,532,941,731	1,532,941,731	1,425,863,286	107,078,445	Reference application filed with High Court
11	2009	2010-2011	1,506,466,368	1,505,191,368	1,470,508,695	34,682,673	Reference application filed with High Court
12	2010	2011-2012	1,770,604,403	1,769,937,389	1,708,759,809	61,177,580	Reference application filed with High Court
13	2011	2012-2013	2,367,418,638	2,367,418,638	2,255,377,817	112,040,821	Reference application filed with High Court
14	2012	2013-2014	2,624,812,119	2,624,812,119	2,500,607,442	124,204,677	Reference application filed with High Court
15	2013	2014-2015	2,976,219,263	2,975,091,435	2,881,011,484	94,079,951	Reference application filed with High Court
16	2014	2015-2016	2,566,635,922	2,541,468,038	2,265,640,035	275,828,003	Reference application filed with High Court
17	2015	2016-2017	3,210,437,445	2,948,699,658	2,807,215,394	141,484,264	Reference application filed with High Court under process
18	2016	2017-2018	2,620,944,216	2,445,344,689	2,612,171,061	(166,826,372)	Reference application filed with High Court under process
19	2017	2018-2019	2,714,690,189	2,623,989,264	2,523,053,486	100,935,778	Reference application filed with High Court
20	2018	2019-2020	2,272,793,912	2,375,866,290	2,194,618,723	181,247,567	Reference application filed with High Court under process
21	2019	2020-2021	3,027,024,693	-	2,841,688,297	-	Assessment not yet done
22	2020	2021-2022	1,931,362,255	-	1,831,083,466	-	Assessment not yet done
23	2021	2022-2023	1,405,506,892	-	1,191,487,525	-	Return Submission date not due
<b>Total</b>			<b>34,650,504,662</b>	<b>27,829,397,618</b>	<b>32,484,604,445</b>	<b>1,209,052,461</b>	

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

Amount in Taka	
As at 31 Dec 2021	As at 31 Dec 2020
27	18
211,411,100,000	116,255,100,000
-	-
-	-

Amounts in Taka

Name of the clients	Sanctioned Limit	Status	Outstanding		Total outstanding	
			Funded	Non-funded	At 31 Dec 2021	At 31 Dec 2020
Ha-Meem Group	21,871,300,000	STD	4,368,600,000	11,479,600,000	15,848,200,000	8,438,600,000
City Group	16,639,800,000	STD	3,869,800,000	8,573,600,000	12,443,400,000	8,719,200,000
Meghna Group	17,837,600,000	STD	679,200,000	10,809,800,000	11,489,000,000	9,758,900,000
Paramount Group	14,322,700,000	STD	2,929,500,000	7,850,500,000	10,780,000,000	5,860,100,000
PRAN-RFL Group	12,058,100,000	STD	3,992,800,000	5,335,500,000	9,328,300,000	7,172,500,000
AA Yarn Mills Ltd.	11,890,900,000	STD	2,880,900,000	5,803,800,000	8,684,700,000	-
Sharmin Group	10,970,100,000	STD	4,383,800,000	3,994,900,000	8,378,700,000	5,262,800,000
Fair Electronics Limited	13,699,900,000	STD	1,881,400,000	6,383,700,000	8,265,100,000	6,534,400,000
City Seed Crushing Group	12,642,600,000	STD	2,473,100,000	5,754,800,000	8,227,900,000	5,728,800,000
Secom Group	13,167,700,000	STD	4,968,700,000	3,131,300,000	8,100,000,000	5,249,200,000
Amanat Shah Group	9,969,700,000	STD	4,591,000,000	3,502,100,000	8,093,100,000	-
Abul Khair Group	9,334,200,000	STD	594,700,000	7,241,600,000	7,836,300,000	6,102,600,000
JMI Group	9,355,100,000	STD	5,477,500,000	2,167,500,000	7,645,000,000	-
MSA Spinning	12,286,900,000	STD	4,593,600,000	2,882,400,000	7,476,000,000	5,722,200,000
Max Group	10,165,900,000	STD	3,927,100,000	3,436,900,000	7,364,000,000	8,392,300,000
Envoy Group	9,116,400,000	STD	4,267,300,000	2,534,700,000	6,802,000,000	5,408,500,000
Biswas group	7,247,300,000	STD	-	6,487,500,000	6,487,500,000	-
BRB Group	7,450,000,000	STD	5,017,300,000	1,331,200,000	6,348,500,000	-
DIRD Group	7,183,400,000	STD	4,066,100,000	2,193,300,000	6,259,400,000	-
GPH Ispat Limited	7,368,800,000	STD	1,790,700,000	4,464,000,000	6,254,700,000	-
Nitol-Niloy Group	10,773,000,000	STD	5,881,100,000	305,800,000	6,186,900,000	-
Al Mostafa Group	8,081,400,000	STD	3,095,700,000	2,829,300,000	5,925,000,000	-
T. K. Group	13,174,900,000	STD	1,020,600,000	4,696,900,000	5,717,500,000	5,022,200,000
Pakiza Group	6,767,600,000	STD	2,634,800,000	2,787,900,000	5,422,700,000	-
Sena Kalyan Group	7,850,000,000	STD	4,349,200,000	1,038,200,000	5,387,400,000	4,853,800,000
Popular Group	9,833,900,000	STD	3,707,500,000	1,667,100,000	5,374,600,000	-
Project Builders Group	5,502,800,000	STD	4,186,400,000	1,098,800,000	5,285,200,000	5,473,700,000
Keya Group	-	STD	-	-	-	5,350,700,000
BRAC Group	-	STD	-	-	-	7,204,600,000
	<b>296,562,000,000</b>		<b>91,628,400,000</b>	<b>119,782,700,000</b>	<b>211,411,100,000</b>	<b>116,255,100,000</b>



Pubali Bank Limited - Islamic Banking Windows

**Annexure - D**

**Distribution of profit for the year ended 31 December 2021**

Profit and loss of Islamic Banking Windows are calculated annually as at 31 December each year. We follow Investment Income Sharing Ratio (IISR) system for distribution of profit to our Mudarabah Depositors. The actual distributable rate of Investment Income of 2021 stands at 7.21% shown in the column '4' in the following table:

Type of Mudaraba Term Deposit Receipt (MTDR)	Particulars	ISR for Mudaraba Deposits (Depositor : Bank)	Final Profit Rate for Mudaraba Deposits for 2021 @ 7.21%
1	2	3	4
For 1 months	MTDR for Individual Customer, Institutional Provident Fund and Fund for payment of post retired credit.	40 : 60	2.88%
For 3 months		80 : 20	5.77%
For 6 months		80 : 20	5.77%
For 12 months		80 : 20	5.77%
For 24 months		80 : 20	5.77%
For 1 months	MTDR for Institution other than mentioned above.	40 : 60	2.88%
For 3 months		80 : 20	3.96%
For 6 months		80 : 20	4.33%
For 12 months		80 : 20	4.69%
For 24 months		80 : 20	4.69%
Mudaraba Monthly Profit based term Deposit		90 : 10	6.49%
<b>Mudaraba Short Notice Deposit (MSND)</b>			
Less than Tk.1.00 Crore		30 : 70	2.16%
Tk. 1.00 Crore or above but less than Tk.25.00 Crore		35 : 65	2.52%
Tk. 25.00 Crore or above but less than Tk.50.00 Crore		40 : 60	2.88%
Tk. 50.00 Crore or above		45 : 55	3.24%
Mudaraba Savings A/C (MSA)		30 : 70	2.16%
Mudaraba Swapno Puran Deposit A/C		75 : 25	5.41%
Mudaraba Swadhin Sanchay Deposit A/C		75 : 25	5.41%
Mudaraba Shiksha Sanchay Deposit A/C		85 : 15	6.13%
Mudaraba Hajj Savings A/C (MHSA)		85 : 15	6.13%
Mudaraba Cash Waqf Deposit A/C		85 : 15	6.13%
<b>Mudaraba Deposit Pension A/C :</b>			
For 5 years		85 : 15	6.13%
For 10 years		90 : 10	6.49%
<b>Mudaraba Marriage/Muhar Depo. A/C</b>			
For 5 years		80 : 20	5.77%
For 10 years		85 : 15	6.13%

A competent Shari'ah Supervisory Committee consisting of Islamic Scholars, Ulama, Islamic Economists and Islamic Bankers led by Janab Professor M. Mansurur Rahman, oversees the Islamic Banking operations of the Bank. During this accounting year, the Shari'ah Supervisory Committee met in 4 (four) meetings and reviewed different operational issues in line with Islamic Shari'ah. Besides, the Muraqib (Shari'ah Officer) of the Bank inspected 11 Islamic Banking windows out of 17 during the period and reported no major case of Shari'ah violation(s) in operation of Windows.



**Pubali Bank Limited**

**Annexure-E**

**Reconciliation Between Bangladesh Bank statement and Bank's book**

As at 31 December 2021

The reconciling items relates to clearing of the following

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

Local Currency	As per Bangladesh Bank Statement	As per Bank's General ledger	Reconciling Difference
	BDT	BDT	BDT
Bangladesh Bank, Dhaka	17,675,880,461.54	17,317,399,937.74	358,480,523.80
Bangladesh Bank, Dhaka (AI -wadeeah current account)	230,531,095.12	230,531,095.12	-
Bangladesh Bank, Chattogram	71,472,858.17	71,472,858.17	-
Bangladesh Bank, Sylhet	23,085.18	20,485.18	2,600.00
Bangladesh Bank, Barisal	50,911,292.84	50,910,718.84	574.00
Bangladesh Bank, Khulna	983,844.95	906,484.70	77,360.25
Bangladesh Bank, Bogura	21,058,544.94	21,058,544.94	-
Bangladesh Bank, Rajshahi	31,493.73	31,493.73	-
Bangladesh Bank, Rangpur	338,059.57	338,059.57	-
<b>Total</b>	<b>18,051,230,736.04</b>	<b>17,692,669,677.99</b>	<b>358,561,058.05</b>

Amount credited by Bank but not debited by Bangladesh Bank	102,381.25
Amount debited by Bank but not credited by Bangladesh Bank	-
Amount credited by Bangladesh Bank but not debited by us	993,410,905.00
Amount debited by Bangladesh Bank but not credited by us	(634,952,228.20)
	<b>358,561,058.05</b>

Foreign Currency	As per Bangladesh Bank statement	As per Bank's General ledger		Reconciling Difference
	USD	USD	BDT	USD
USD Clearing Account	6,719,155.12	143,607.08	12,321,487.46	6,575,548.04
<b>Total</b>	<b>6,719,155.12</b>	<b>143,607.08</b>	<b>12,321,487.46</b>	<b>6,575,548.04</b>

Amount credited by Bank but not debited by Bangladesh Bank	6,227,609.16
Amount debited by Bank but not credited by Bangladesh Bank	-
Amount credited by Bangladesh Bank but not debited by us	999,155.23
Amount debited by Bangladesh Bank but not credited by us	(651,216.35)
	<b>6,575,548.04</b>

Foreign Currency	As per Bangladesh Bank statement	As per Bank's General ledger	As per Bank's General ledger	Reconciling Difference
	GBP	GBP	BDT	GBP
GBP Clearing Account	43,233.40	43,233.40	5,004,758.91	-

Foreign Currency	As per Bangladesh Bank statement	As per Bank's General ledger		Reconciling Difference
	EURO	EURO	BDT	EURO
EURO Clearing Account	63,414.40	63,414.40	6,168,952.83	-



Pubali Bank Limited - Islamic Banking Windows  
Balance Sheet as at 31 December 2021

<b>PROPERTY AND ASSETS</b>	<b>Notes</b>	<b>2021</b>	<b>2020</b>
		<b>Taka</b>	<b>Taka</b>
<b>Cash</b>	<b>1</b>	<b>256,496,953</b>	<b>204,630,846</b>
Cash in hand ( Including foreign currencies )		25,965,858	12,176,100
Balance with Bangladesh Bank and its agent Bank (s) ( Including foreign currencies )		230,531,095	192,454,746
<b>Balance with Other Banks and Financial Institutions</b>	<b>2</b>	<b>222,106,471</b>	<b>1,321,625,861</b>
In Bangladesh		222,106,471	1,321,625,861
Outside Bangladesh		-	-
<b>Placement with Banks and Other Financial Institutions</b>	<b>3</b>	<b>-</b>	<b>-</b>
<b>Investments in Shares and Securities</b>	<b>4</b>	<b>1,163,691,000</b>	<b>466,400,000</b>
Government		963,691,000	266,400,000
Others		200,000,000	200,000,000
<b>Investments</b>	<b>5</b>	<b>5,419,625,652</b>	<b>2,707,018,359</b>
General investments		5,416,121,682	2,705,433,129
Bills purchased & discounted		3,503,970	1,585,230
<b>Fixed Assets including Premises, Furniture &amp; Fixtures</b>	<b>6</b>	<b>14,069,778</b>	<b>16,943,111</b>
<b>Other Assets</b>	<b>7</b>	<b>1,179,909,051</b>	<b>28,122,111</b>
<b>Non-banking Assets</b>		<b>-</b>	<b>-</b>
<b>Total Assets</b>		<b>8,255,898,905</b>	<b>4,744,740,288</b>
<b>LIABILITIES AND CAPITAL</b>			
<b>Liabilities</b>			
<b>Placement with other Banks, Financial institutions &amp; Agents</b>	<b>8</b>	<b>19,104,398</b>	<b>25,790,937</b>
<b>Deposits and Other Accounts</b>	<b>9</b>	<b>7,648,899,039</b>	<b>4,231,664,624</b>
Al-Wadia current deposit		562,633,361	487,736,903
Bills payable		122,132,685	70,250,493
Mudaraba savings bank deposit		373,715,866	284,711,029
Mudaraba term deposits		6,456,333,286	3,374,914,795
Other deposits		134,083,841	14,051,404
<b>Other Liabilities</b>	<b>10</b>	<b>520,099,446</b>	<b>540,489,393</b>
<b>Total Liabilities</b>		<b>8,188,102,883</b>	<b>4,797,944,954</b>
<b>Capital / Shareholders' Equity</b>			
Paid up capital		-	-
Statutory reserve		-	-
Retained surplus (general reserve)		-	-
Revaluation gain/(Loss) on investment		-	-
Other reserves		-	-
Profit and loss account surplus		67,796,022	(53,204,666)
<b>Total Shareholders' Equity</b>		<b>67,796,022</b>	<b>(53,204,666)</b>
<b>Total Liabilities and Shareholders' Equity</b>		<b>8,255,898,905</b>	<b>4,744,740,288</b>



Pubali Bank Limited - Islamic Banking Windows  
Balance Sheet as at 31 December 2021

<u>OFF-BALANCE SHEET ITEMS</u>	<u>Notes</u>	<u>2021</u> <u>Taka</u>	<u>2020</u> <u>Taka</u>
<b><u>Contingent Liabilities</u></b>			
<b>Acceptances &amp; Endorsements</b>			
Letters of guarantee		734,621,249	15,514,243
Irrevocable letters of credit		-	-
Bills for collection		-	-
Other contingent liabilities		-	-
<b>Total Contingent liabilities</b>		<b>734,621,249</b>	<b>15,514,243</b>
<b><u>Other Commitments</u></b>			
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		-	-
<b>Total</b>		<b>-</b>	<b>-</b>
<b>Total Off-Balance Sheet items including Contingent Liabilities</b>		<b>734,621,249</b>	<b>15,514,243</b>



**Pubali Bank Limited - Islamic Banking Windows**  
**Profit & Loss Account for the year ended 31 December 2021**

	Notes	2021 Taka	2020 Taka
<b>Operating Income</b>			
Investment Income	11	278,244,251	149,619,290
Less :Profit paid on deposits, borrowings, etc.	12	180,196,396	134,848,669
<b>Net Investment Income</b>		<b>98,047,855</b>	<b>14,770,621</b>
Income from investment in shares /securities	13	33,243,531	4,985,352
Commission, exchange and brokerage	14	21,190,166	3,242,225
Other operating income	15	6,912,233	2,661,097
<b>Total Operating Income</b>		<b>159,393,785</b>	<b>25,659,295</b>
<b>Operating Expenses</b>			
Salaries and allowances	16	75,281,265	65,207,864
Rent, taxes, insurance, electricity, etc.	17	1,981,480	2,152,055
Legal expenses	18	16,980	-
Postage, stamp, telecommunication, etc.	19	157,477	186,484
Stationery, printing, advertisements, etc.	20	834,341	674,164
Depreciation repair and maintenance of fixed assets	21	5,939,635	4,199,108
Other expenses	22	7,386,585	6,444,286
<b>Total Operating Expenses</b>		<b>91,597,763</b>	<b>78,863,961</b>
<b>Total Profit/(Loss) before Provision</b>		<b>67,796,022</b>	<b>(53,204,666)</b>
<b>Provision for Loans, Advances, Investments and Other Assets</b>			
Provision for bad debt offsetting for Islamic Banking		7,352,546	-
Provision for exposure of off-balance sheet items		7,347,000	155,142
<b>Total Provision</b>		<b>14,699,546</b>	<b>155,142.00</b>
<b>Total Profit/(Loss) before Taxes</b>		<b>53,096,476</b>	<b>(53,359,808)</b>
Provision for current tax		25,423,508	-
Provision for deferred tax		-	-
<b>Total Provision for Taxes</b>		<b>25,423,508</b>	<b>-</b>
<b>Net Profit/(Loss) after Taxes</b>		<b>27,672,968</b>	<b>(53,359,808)</b>



**Pubali Bank Limited - Islamic Banking Windows**  
**Cash Flow Statement**  
**for the year ended 31 December 2021**

	Notes	2021 Taka	2020 Taka
<b>a Cash Flows from Operating Activities</b>			
Investment income in cash		324,371,930	142,965,451
Profit paid		(180,196,396)	(134,848,669)
Fees and commission receipts		21,190,166	3,242,225
Cash payment to employees		(75,281,265)	(65,207,864)
Cash payment to suppliers		(991,818)	(860,648)
Receipts from other operating activities	15	6,912,233	2,661,097
Cash payments for other operating activities	23	(10,821,446)	(9,715,808)
<b>Operating Profit before Changes in Operating Assets &amp; Liabilities</b>		<b>85,183,404</b>	<b>(61,764,216)</b>
<b>Increase/ (Decrease) in Operating Assets and Liabilities</b>			
Statutory deposits		(697,280,000)	(409,400,000)
Investment to customers (other than banks)		(2,712,607,293)	(2,060,119,628)
Other assets	24	(1,164,671,088)	585,383,643
Deposits to/from other banks		(6,686,539)	25,790,937
Deposits from customers (other than banks)		3,417,234,415	2,435,256,206
Other liabilities account of customers		32,814,719	299,536,714
<b>Total Increase/(decrease) in operating assets and liabilities</b>		<b>(1,131,195,786)</b>	<b>876,447,872</b>
<b>Net Cash from/(used in) Operating Activities</b>		<b>(1,046,012,382)</b>	<b>814,683,656</b>
<b>b Cash Flows from Investing Activities</b>			
Purchase /Sale of property, plant & equipment		(1,629,901)	(13,037,570)
<b>Net Cash from/(used in) Investing Activities</b>		<b>(1,629,901)</b>	<b>(13,037,570)</b>
<b>c Cash Flows from Financing Activities</b>			
Receipts from issue of Investments capital and debt securities		-	-
<b>Net Cash from/(used in) Financing Activities</b>		-	-
<b>d Net increase /(decrease) in Cash and Cash equivalents (a+b+c)</b>		<b>(1,047,642,283)</b>	<b>801,646,086</b>
<b>e Cash and Cash equivalents at beginning of the period</b>		<b>1,526,256,707</b>	<b>724,610,621</b>
<b>f Cash and Cash equivalents at end of the period (d+e)</b>	25	<b>478,614,424</b>	<b>1,526,256,707</b>



Pubali Bank Limited - Islamic Banking Windows  
Notes to the financial statements for the year ended 31 December 2021

Annexure - F (iv)

	2021 Taka	2020 Taka
<b>1 Cash</b>		
<b>1.1 Cash In hand ( Including foreign currencies)</b>		
In local currency	25,965,858	12,176,100
In foreign currencies	-	-
	<u>25,965,858</u>	<u>12,176,100</u>
<b>1.2 Balance with Bangladesh Bank and its agent Bank(s) ( Including foreign currencies)</b>		
<b>Bangladesh Bank</b>		
In local currency	230,531,095	192,454,746
In foreign currencies	-	-
	<u>230,531,095</u>	<u>192,454,746</u>
<b>Sonali Bank as agent of Bangladesh Bank</b>		
In local currency	-	-
	<u>230,531,095</u>	<u>192,454,746</u>
	<u><b>256,496,953</b></u>	<u><b>204,630,846</b></u>
<b>1.3 Cash Reserve Ratio and Statutory Liquidity Ratio</b>		
Cash Reserve Ratio and Statutory Liquidity Ratio have been calculated and maintained in accordance with the section 33 of Bank Companies Act 1991, MPD circular no. 1,2 dated 03 April 2018; DOS circular no. 01 dated 19 January 2014 and MPD circular 01 dated 09 April 2020 respectively.		
The Cash Reserve Ratio (CRR) required on the Bank's time and demand liabilities at the rate of 4.00% has been calculated and maintained with Bangladesh Bank through the current account and 5.50% Statutory Liquidity Ratio (SLR), on the same liabilities has also been maintained in the form of Treasury bills and bonds including excess balances of CRR with Bangladesh Bank. Both the reserves maintained by the Bank are in excess of the statutory requirements as shown below:		
<b>1.3.1 Cash Reserve Ratio (CRR)</b>		
Required Reserve (4.00%)	205,962,000	169,923,000
Actual Reserve maintained	230,531,092	192,454,750
Surplus	<u>24,569,092</u>	<u>22,531,750</u>
<b>1.3.2 Statutory Liquidity Ratio (SLR)</b>		
Required Reserve (5.50%)	283,198,000	233,644,000
Actual Reserve maintained	1,014,214,950	301,107,850
Surplus	<u>731,016,950</u>	<u>67,463,850</u>
<b>Held for Statutory Liquidity Ratio (SLR)</b>		
Cash in Hand	25,965,858	12,176,100
Excess Cash Reserve	24,569,092	22,531,750
Government Securities (HTM)	290,000,000	266,400,000
Other Eligible Securities	673,680,000	-
	<u>1,014,214,950</u>	<u>301,107,850</u>
<b>1.3.3 Total required amount of CRR and SLR</b>		
Total required reserve	489,160,000	403,567,000
Total actual reserve maintained	1,220,176,950	471,030,850
Total Surplus	<u>731,016,950</u>	<u>67,463,850</u>
<b>2 Balance with other banks and financial institutions</b>		
In Bangladesh (Note 2.1)	222,106,471	1,321,625,861
Outside Bangladesh	-	-
	<u>222,106,471</u>	<u>1,321,625,861</u>
<b>2.1 In Bangladesh</b>		
<b>In Mudaraba fixed/term deposit account (in local currency)</b>		
EXIM Bank Ltd, Gulshan Branch, Dhaka and Narayangonj Branch, Narayangonj	-	500,000,000
Social Islami Bank Limited	200,000,000	800,000,000
	<u>200,000,000</u>	<u>1,300,000,000</u>
<b>In Mudaraba Savings deposit account</b>		
Islami Bank Bangladesh Limited, Foreign Exchange Branch, Dhaka	14,973,791	14,656,675
	<u>14,973,791</u>	<u>14,656,675</u>



	2021 Taka	2020 Taka
<b>In Mudaraba Special Notice Deposit account</b>		
First Security Islami Bank Ltd., Dilkusha Branch, Dhaka	6,601,795	6,452,010
AB Bank Limited, Islamic Banking Branch, Dhaka	530,885	517,176
	<u>7,132,680</u>	<u>6,969,186</u>
	<u>222,106,471</u>	<u>1,321,625,861</u>
<b>2.2 Maturity grouping of balance with other banks and financial institutions</b>		
Payable on demand	22,106,471	21,625,861
Up to 3 months	200,000,000	1,000,000,000
Over 3 months but not more than 1 year	-	300,000,000
	<u>222,106,471</u>	<u>1,321,625,861</u>
<b>3 Placement with Banks and Other Financial Institutions</b>	-	-
<b>4 Investments in Shares and Securities</b>		
<b>Government Treasury Bonds</b>		
Government Security Bonds	673,680,000	26,400,000
6 months Bangladesh Govt. Islami Investment Bond	290,000,000	240,000,000
National prize bonds	11,000	-
<b>Total investment in Investments in Shares and Securities</b>	<u>963,691,000</u>	<u>266,400,000</u>
<b>Other Investments</b>		
Al-Arafah Islami Bank Limited Bond	200,000,000	200,000,000
	<u>200,000,000</u>	<u>200,000,000</u>
	<u>1,163,691,000</u>	<u>466,400,000</u>
<b>4.1 Maturity grouping of Investments in Shares and Securities</b>		
Repayable on demand	11,000	-
Upto 3 months	178,000,000	-
Over 3 months but not more than 1 year	112,000,000	240,000,000
Over 1 year but not more than 5 years	833,680,000	26,400,000
Over 5 years	40,000,000	200,000,000
	<u>1,163,691,000</u>	<u>466,400,000</u>
<b>5 Investments</b>		
General Investments (Note 5.1)	5,416,121,682	2,705,433,129
Bills purchased and discounted (Note 5.2)	3,503,970	1,585,230
	<u>5,419,625,652</u>	<u>2,707,018,359</u>
<b>5.1 General Investments</b>		
<b>Inside Bangladesh:</b>		
Quard	118,593,740	55,415,000
Quard against MDPA	767,300	70,000
Quard against E-GP	20,912,294	8,825,800
Quard against MPBSD & TBSD	2,200,750	-
Bai Muazzal	3,558,007,999	1,966,768,208
Bai Istisna	25,537,318	22,043,985
Pubali Star	33,055,131	-
Murabaha Post Import (TR)	318,493,128	289,119,989
Hire Purchase Shirkatul Melk	1,305,820,663	329,960,112
Pubali Islamic Staff House Building	32,733,359	33,230,035
	<u>5,416,121,682</u>	<u>2,705,433,129</u>
<b>Outside Bangladesh</b>	-	-
	<u>5,416,121,682</u>	<u>2,705,433,129</u>



**5.1.1 Maturity grouping of General Investment**

	2021 Taka	2020 Taka
Repayable on demand	264,195,839	58,018,694
Upto 3 months	305,862,250	293,970,793
Over 3 months but not more than 1 year	3,614,141,043	1,989,876,284
Over 1 year but not more than 5 years	537,208,535	236,155,181
Over 5 years	694,714,015	127,412,177
	<b>5,416,121,682</b>	<b>2,705,433,129</b>

**5.2 Bills purchased and discounted**

**Payable in Bangladesh**

Loans against accepted bills	3,503,970	1,585,230
Loans against demand draft purchased	-	-
	<b>3,503,970</b>	<b>1,585,230</b>

**Payable outside Bangladesh**

Foreign bills purchased	-	-
Foreign drafts purchased	-	-
	<b>3,503,970</b>	<b>1,585,230</b>

**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 1 year	3,503,970	1,585,230
Over 3 months but not more than 6 months	-	-
6 months or more	-	-
	<b>3,503,970</b>	<b>1,585,230</b>

**5.3 Geographical location-wise distribution of Investments including bills purchased and discounted**

**In Bangladesh-Urban**

Dhaka	4,530,686,289	2,320,083,290
Chattogram	132,409,919	49,947,889
Sylhet	284,335,290	150,386,718
Barisal	89,620,530	21,807,975
Khulna	236,789,333	119,503,155
Rajshahi	94,093,050	38,059,932
Rangpur	15,485,374	-
Mymensingh	36,205,867	7,229,400
	<b>5,419,625,652</b>	<b>2,707,018,359</b>

**Rural**

**Outside Bangladesh (Foreign bills/drafts purchased)**

	-	-
	<b>5,419,625,652</b>	<b>2,707,018,359</b>

**5.4 Sector-wise Investments including bills purchased and discounted**

Public sector	-	-
Private sector	5,419,625,652	2,707,018,359
Co-operative sector	-	-
	<b>5,419,625,652</b>	<b>2,707,018,359</b>

**5.5 Security base-wise Investments including bills purchased and discounted**

Collateral of movable and immovable properties	3,935,866,217	1,230,148,000
Export documents	2,742,970	1,585,230
Fixed deposit receipts (FDR) of own Bank	166,954,540	55,485,000
FDR of other banks	-	-
Government bonds	-	-
Corporate guarantee	1,108,178,982	1,078,840,708
Personal guarantee	205,882,943	332,133,621
Other securities	-	8,825,800
	<b>5,419,625,652</b>	<b>2,707,018,359</b>



2021  
Taka

2020  
Taka

5.6 Classification of investments including bills purchased and discounted

Unclassified:

Standard	5,378,550,913	2,651,648,005
Special mention account (SMA)	-	21,152,567
	<u>5,378,550,913</u>	<u>2,672,800,572</u>

Classified:

Sub-standard (SS)	4,260,300	-
Doubtful (DF)	-	-
Bad or loss (BL)	1,785,110	-
	<u>6,045,410</u>	<u>-</u>

Staff loan

	35,029,329	34,217,787
	<u>5,419,625,652</u>	<u>2,707,018,359</u>

5.7 Particulars of required provision for Investments

Status of Classification

	Base for Provision	Rate of Provision (%)		
<b>General provision - Unclassified</b>				
Standard (others)	3,272,229,461	1	32,722,295	14,588,157
Standard (SMEF)	1,566,551,179	0.25	3,916,378	2,553,220
Standard (Consumer Loan Scheme)	349,916,589	2	6,998,332	3,376,946
Standard (Loan for Professional to setup business)	189,853,684	2	3,797,074	-
Housing Finance	-	1	-	26,970
Special mention account (SMEF)	-	0.25	-	-
Special mention account (Others)	-	1	-	211,526
			47,434,079	20,756,819
<b>Specific provision - Classified</b>				
Sub-standard (SS)	4,260,300	20	852,060	-
Doubtful (DF)	-	50	-	-
Bad/Loss (BL)	267,766	100	267,766	-
			1,119,826	-
Required provision			48,553,905	20,756,819
Provision maintained by head office			48,553,905	20,756,819
Excess provision			-	-

5.8 Particulars of Investments

(i) Investments considered good in respect of which the bank is fully secured.	4,102,820,757	1,296,044,030
(ii) Investments considered good for which the bank holds no other security than the debtors' personal security	36,554,911	332,133,621
(iii) Investments considered good being secured by the personal security of one or more parties in addition to the personal security of the debtors.	1,280,249,985	1,078,840,708
(iv) Investments adversely classified; provision not maintained there against	-	-
	<u>5,419,625,653</u>	<u>2,707,018,359</u>
(v) Investments due by directors or officers of the bank or any of them either severally or jointly with any other persons	35,029,329	34,217,787
(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.	-	-



	2021 Taka	2020 Taka
(vii) Maximum total amount of advances, including temporary advances, made at any time during the year to directors or employees of the bank or any of them either severally or jointly with any other persons.	35,029,329	34,217,787
(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)	1,119,826.00	-
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	267,766.00	-
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	-	-
<b>5.9 Hire Purchase Shirkatul Melk</b>		
Lease rental receivable within 1 year	136,935,942	89,796,538
Lease rental receivable within 5 years	297,243,578	118,135,149
Lease rental receivable after 5 years	898,772,628	124,297,513
<b>Total lease rental receivable</b>	<b>1,332,952,148</b>	<b>332,229,200</b>
Less : Un-earned income receivable	27,131,485	2,269,088
<b>Net Lease finance</b>	<b>1,305,820,663</b>	<b>329,960,112</b>
<b>6 Fixed Assets including premises, furniture &amp; Fixture cost</b>		
Machinery and equipment	8,451,440	8,174,064
Computer & Computer Accessories	7,523,282	7,227,770
Furniture and fixtures	7,891,820	7,654,202
	<b>23,866,542</b>	<b>23,056,036</b>
Less: Accumulated Depreciation	9,796,764	6,112,925
<b>Net book value at the end of the year</b>	<b>14,069,778</b>	<b>16,943,111</b>
<b>7 Other Assets :</b>		
Accrued income on Investments	6,012,703	18,896,851
Income Tax advance A/C	6,333,309	8,802,474
Stationery and stamps	550,938	421,306
Suspense account	156,500	1,480
Pubali bank adjustment a/c	1,166,855,601	-
	<b>1,179,909,051</b>	<b>28,122,111</b>



	2021 Taka	2020 Taka
<b>8 Placement with other Banks, Financial Institutions and Agents</b>		
In Bangladesh		
Borrowing from Bangladesh Bank	19,104,398	25,790,937
Outside Bangladesh	-	-
	<b>19,104,398</b>	<b>25,790,937</b>
<b>9 Deposits and other accounts</b>		
Inter-bank deposits	1,818,044,529	58,341,659
Other deposits	5,830,854,510	4,173,322,965
	<b>7,648,899,039</b>	<b>4,231,664,624</b>
<b>9.1 Details of deposits and other Accounts</b>		
<u>Current deposits and other accounts :</u>		
Al-Wadia Current Deposit	562,633,361	487,736,903
	<b>562,633,361</b>	<b>487,736,903</b>
Bills payable ( note 9.1.1)	122,132,685	70,250,493
	<b>122,132,685</b>	<b>70,250,493</b>
Mudaraba Savings Bank Deposit	373,715,866	284,711,029
	<b>373,715,866</b>	<b>284,711,029</b>
<u>Term deposits :</u>		
Mudaraba Fixed deposits	3,596,559,091	2,717,393,549
Mudaraba Monthly Term deposit	110,827,400	35,904,200
Mudaraba Profit Basd Small deposit	6,281,570	219,166
Mudaraba Short Notice Deposits	2,348,565,606	417,300,444
Target Based Small Deposit	251,820,572	113,774,643
Mudaraba Deposit Pension Scheme	129,534,487	82,192,809
Mudaraba Marriage / Muhar Deposit	801,068	687,413
Mudaraba Hajj Savings	11,724,360	7,434,540
Shikhya sanchay prokalpa	215,782	8,031
	<b>6,456,333,286</b>	<b>3,374,914,795</b>
Other deposits	134,083,841	14,051,404
	<b>7,648,899,039</b>	<b>4,231,664,624</b>
<b>9.1.1 Bills Payable</b>		
Payment orders issued	122,132,685	70,250,493
	<b>122,132,685</b>	<b>70,250,493</b>
<b>9.2 Maturity analysis of Inter-bank deposits</b>		
Payable on demand	1,818,044,529	58,341,659
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	-	-
	<b>1,818,044,529</b>	<b>58,341,659</b>
<b>9.3 Maturity analysis of other deposits</b>		
Payable on demand	1,452,195,956	871,045,046
Payable within 1 month	157,379,413	124,577,801
Over 1 month but within 6 months	2,815,571,867	1,904,885,671
Over 6 months but within 1 year	588,416,997	790,639,721
Over 1 year but within 5 years	541,067,633	311,439,440
Over 5 years and above	276,222,644	170,735,286
	<b>5,830,854,510</b>	<b>4,173,322,965</b>



	2021 Taka	2020 Taka
<b>10 Other Liabilities :</b>		
Unpaid Expenses A/C	6,902	8,392
Item in Transit (Cr. Balance)	267,631,661	306,881,946
Card Transaction Fee (Inter Bank)	1,860	1,575
Unearned interest income	208,855,747	153,498,093
Sadaqad Fund	23,450,298	17,804,370
Compensation Realised Account	9,297,163	6,985,159
Compensation Realizable Account	10,855,815	11,780,624
Pubali Bank Adjustment A/C	-	43,529,234
	<b>520,099,446</b>	<b>540,489,393</b>
<b>11 Investment income</b>		
Bai Muazzal	199,755,255	35,914,342
Bai Murabaha	537,787	-
Pubali Star	111,114	-
Murabaha Post Import (TR)	2,273,962	1,052,145
Hire Purchase Shirkatul Melk	43,409,613	15,002,234
Bai ISTISNA	1,852,610	948,617
Inland Bill Purchased	215,763	75,016
Quard Against E-GP	1,791,826	24,832
Other Bank	28,296,321	96,602,104
	<b>278,244,251</b>	<b>149,619,290</b>
<b>12 Profit paid on deposits, borrowings, etc.</b>		
Mudaraba Term Deposits	131,510,535	115,546,170
Mudaraba Special Notice Deposits	16,723,625	7,152,847
Mudaraba Hajj Savings	480,159	407,779
Mudaraba Savings Bank deposit	4,567,502	3,163,443
Mudaraba Deposit Pension Scheme	5,092,665	3,812,157
Mudaraba Monthly Profit deposit	3,835,341	1,614,840
Mudaraba Mohor Scheme	40,860	25,332
Mudaraba Shiksha Sanchay	5,589	36
Mudaraba Swapno Puron	11,215,221	3,125,073
Mudaraba Swadhin Sanchay	182,170	992
Govt. Bond	6,542,729	-
	<b>180,196,396</b>	<b>134,848,669</b>
<b>13 Income from investment in shares /securities</b>		
Govt. Bond	18,625,524	2,116,718
Other Bond	14,618,007	2,868,634
	<b>33,243,531</b>	<b>4,985,352</b>
<b>14 Commission, exchange and brokerage</b>		
SC, LSC, DD, TT, MT and PO	252,698	107,527
Foreign L/C	11,227,670	1,041,571
Local L/C	1,721,353	578,340
Local Guarantee	1,610,713	310,925
Other transactions	404,844	121,454
Stationery Articles	25,626	13,982
Miscellaneous handling commission	5,924,398	1,063,821
Total commission	<b>21,167,302</b>	<b>3,237,620</b>
Exchange	22,864	4,605
	<b>21,190,166</b>	<b>3,242,225</b>
<b>15 Other operating income</b>		
Miscellaneous income	2,426,505	18,935
Miscellaneous income supervision and monitoring	125	-
Service charge	536,490	527,031
CIB service charge	187,720	22,750
Online service charge	1,851,220	1,023,807
Account maintenance fee	1,210,665	739,931
SMS service charge	478,870	264,786
Processing Fee	47,000	-
Swift Income-Import/others	57,638	-
Card fees and charges	116,000	62,700
Sale of Bank's property	-	1,157
	<b>6,912,233</b>	<b>2,661,097</b>



	2021 Taka	2020 Taka
<b>16 Salary and allowances</b>		
Basic salary	34,073,581	29,329,824
House rent allowances	20,672,348	16,760,061
Medical allowances	4,294,523	3,593,829
House maintenance	3,743,748	3,093,396
Other allowances	3,450,527	4,715,212
Contributory provident fund	3,388,638	2,748,782
Bonus to employees	5,657,900	4,966,760
	<b>75,281,265</b>	<b>65,207,864</b>
<b>17 Rent, taxes, insurance, electricity, etc.</b>		
Electric fittings and fixtures	28,794	732,715
Bank premises	1,409,056	998,972
Rates and taxes	-	6,728
Insurance	38,744	30,617
Lighting	504,886	383,023
	<b>1,981,480</b>	<b>2,152,055</b>
<b>18 Legal Expenses</b>		
Lawyer Charges	-	-
Court fees and other expenses	16,980	-
	<b>16,980</b>	<b>-</b>
<b>19 Postage, stamp, telecommunication, etc.</b>		
Postage	13,997	17,368
Telephone (office)	125,180	152,516
Telephone (res)	18,300	16,600
	<b>157,477</b>	<b>186,484</b>
<b>20 Stationery, printing, advertisement, etc.</b>		
Table stationery	241,741	198,624
Computer Stationery	269,745	188,741
Consumption of books and forms	304,585	260,785
Advertisement	6,000	22,540
	<b>834,341</b>	<b>674,164</b>
<b>21 Depreciation repair and maintenance of fixed assets</b>		
Repairs to fixed assets	221,213	142,038
Depreciation on fixed assets	4,503,234	3,079,641
Maintenance of Bank Premises	441,108	610,029
Maintenance of assets -Wages	774,080	367,400
	<b>5,939,635</b>	<b>4,199,108</b>
<b>22 Other expenses</b>		
Newspapers	20,850	13,775
Renovation under Construction Works	250	664,851
Travelling	98,545	469,610
Sub-ordinate staff clothing	42,994	23,833
Conveyance	1,455,095	102,811
Entertainment	177,480	208,702
Carrying Expenses	3,377	11,132
Employees recreation (Lunch subsidy)	3,497,747	2,801,300
Security and Auxiliary Service	1,178,199	785,299
Petrol consumption	55,250	25,569
Branches' opening expenses	-	494,424
Shifting expenses	23,287	-
Training	-	8,400
Photocopy	430	172
Car allowance	210,000	-
Miscellaneous	623,081	834,408
	<b>7,386,585</b>	<b>6,444,286</b>
<b>23 Cash payments for other operating activities</b>		
Rent, tax, Insurance, Lighting etc.	1,981,480	2,152,055
Repairing Expenses	1,436,401	1,119,467
Other Expenses	7,386,585	6,444,286
	<b>10,821,446</b>	<b>9,715,808</b>



	2021 Taka	2020 Taka
<b>24 Increase/(decrease) of other assets</b>		
<b>Closing other Assets</b>		
Stationery and Stamps	550,938	421,306
Pubali Bank Adjustment A/C	1,166,855,601	-
Income Tax advance A/C	6,333,309	8,802,474
Suspense account	156,500	1,480
	<b>1,173,896,348</b>	<b>9,225,260</b>
<b>Opening other Assets</b>		
Stationery and Stamps	421,306	174,695
Pubali Bank Adjustment	-	586,874,549
Income Tax advance A/C	8,802,474	7,056,305
Suspense account	1,480	503,354
	<b>9,225,260</b>	<b>594,608,903</b>
	<b>(1,164,671,088)</b>	<b>585,383,643</b>
<b>25 Cash and cash equivalents at the end of the year</b>		
Cash in hand (including foreign currencies)	25,965,858	12,176,100
Balance with Bangladesh Bank and its agent bank(s)	230,531,095	192,454,746
Balance with other banks and financial institutes	222,106,471	1,321,625,861
Prize bonds	11,000	-
	<b>478,614,424</b>	<b>1,526,256,707</b>



Pubali Bank Limited  
Off-shore Banking Unit  
Balance Sheet as at 31 December 2021

Notes	2021		2020
	USD	Taka	Taka
<b>PROPERTY AND ASSETS</b>			
<b>Cash</b>	3	-	-
Cash in hand ( Including foreign currencies )		-	-
Balance with Bangladesh Bank and its agent Bank(s) (Including foreign currencies )		-	-
<b>Balance with Other Banks and Financial Institutions</b>	4	24,832,689.05	2,130,644,721
In Bangladesh		20,069,668.06	1,721,977,520
Outside Bangladesh		4,763,020.99	408,667,201
<b>Loans, Advances and Leases</b>	5	325,846,602.45	27,957,638,491
Loans, cash credits and overdrafts, etc.		14,204,737.89	1,218,766,511
Bills purchased and discounted		311,641,864.56	26,738,871,980
<b>Fixed Assets including premises, furniture &amp; fixtures</b>	6	-	-
<b>Other Assets</b>	7	233,428.91	20,028,200
<b>Non-banking Assets</b>		-	-
<b>Total Assets</b>		<b>350,912,720.41</b>	<b>30,108,311,412</b>
<b>LIABILITIES AND CAPITAL</b>			
<b>Liabilities</b>			
<b>Borrowings from other Banks, Financial Institutions &amp; Agents</b>	8	346,342,561.76	29,716,191,799
<b>Deposits and other accounts</b>	9	-	-
Current accounts & other accounts		-	-
Bills Payable		-	-
Savings bank deposits		-	-
Term deposits		-	-
Other deposits		-	-
<b>Other Liabilities</b>	10	1,443,558.83	123,857,348
<b>Total Liabilities</b>		<b>347,786,120.59</b>	<b>29,840,049,147</b>
<b>Capital / Shareholders' Equity</b>			
Paid up Capital		-	-
Statutory Reserve		-	-
Retained earnings		-	-
Foreign currency translation reserves		-	2,223,951
Profit and Loss account surplus		3,126,599.82	266,038,314
<b>Total Shareholders' Equity</b>		<b>3,126,599.82</b>	<b>268,262,265</b>
<b>Total Liabilities and Shareholders' Equity</b>		<b>350,912,720.41</b>	<b>30,108,311,412</b>



Notes	2021		2020
	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 2021

	Notes	2021		2020
		USD	Taka	Taka
<b>Operating Income</b>				
Interest income	11	10,278,659.99	874,597,816	734,588,527
Interest paid on deposits, borrowings etc.	12	(6,754,758.34)	(574,753,606)	(548,833,204)
<b>Net Interest Income</b>		<b>3,523,901.65</b>	<b>299,844,210</b>	<b>185,755,323</b>
Commission, exchange and brokerage		-	-	-
Other operating income	13	323,873.87	27,558,006	14,343,823
<b>Total Operating Income</b>		<b>3,847,775.52</b>	<b>327,402,216</b>	<b>200,099,146</b>
<b>Operating Expenses</b>				
Salaries and allowances	14	124,626.69	10,604,322	11,987,876
Rent, taxes, insurance, electricity etc.		-	-	-
Legal expenses		-	-	-
Postage, stamp, telecommunication etc.	15	33.02	2,810	-
Stationery, printing, advertisements etc.	16	2,468.63	210,053	141,064
Auditors' fees		-	-	-
Charges on loan losses		-	-	-
Depreciation and repair of bank's assets		-	-	-
Other expenses	17	594,047.36	50,546,717	1,948,766
<b>Total Operating Expenses</b>		<b>721,175.70</b>	<b>61,363,902</b>	<b>14,077,706</b>
<b>Profit/(Loss) before Provision</b>		<b>3,126,599.82</b>	<b>266,038,314</b>	<b>186,021,440</b>
<b>Provision for loans &amp; advances, investments &amp; other assets</b>				
Provision for classified loans and advances		-	-	-
Provision for unclassified loans and advances		-	-	-
Other Provisions		-	-	-
<b>Total Provision</b>		<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Profit/(Loss) before taxes</b>		<b>3,126,599.82</b>	<b>266,038,314</b>	<b>186,021,440</b>
Provision for current tax		-	-	-
Provision for deferred tax		-	-	-
<b>Total Provision for taxes</b>		<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Profit/(loss) after Taxation</b>		<b>3,126,599.82</b>	<b>266,038,314</b>	<b>186,021,440</b>



Pubali Bank Limited  
Off-shore Banking Unit  
Cash Flow Statement for the year ended 31 December 2021

Notes	2021		2020
	USD	Taka	Taka
<b>A) Cash flows from operating activities</b>			
Interest receipts in cash	10,278,659.99	874,597,816	999,262,438
Interest payments	(6,146,915.03)	(523,033,009)	(609,383,509)
Receipts from other operating activities	323,873.86	27,558,006	14,343,823
Cash payments for other operating activities	(721,175.69)	(61,363,902)	(14,077,706)
<b>Operating profit before changes in operating assets &amp; liabilities</b>	<b>3,734,443.13</b>	<b>317,758,911</b>	<b>390,145,046</b>
<b>Increase/ (Decrease) in operating assets and liabilities</b>			
Loans and advances to customers (other than banks)	(131,199,605.69)	(11,256,926,168)	(2,156,905,141)
Other assets	394,431.72	33,842,242	(10,309,525)
Other liabilities	(30,765.50)	(2,639,680)	2,639,680
<b>Total Increase/(decrease) in operating assets and liabilities</b>	<b>(130,835,939.46)</b>	<b>(11,225,723,606)</b>	<b>(2,164,574,986)</b>
<b>Net cash from /(used in) operating activities</b>	<b>(127,101,496.34)</b>	<b>(10,907,964,695)</b>	<b>(1,774,429,940)</b>
<b>B) Cash flows from investing activities</b>	-	-	-
<b>C) Cash flows from financing activities</b>			
Borrowings from other Banks, Financial Institutions & Agents.	149,622,356.27	12,837,598,168	(491,914,065)
Profit transferred to Central Operation.	(2,225,950.90)	(186,021,440)	(199,700,027)
	<b>147,396,405.37</b>	<b>12,651,576,728</b>	<b>(691,614,092)</b>
<b>D) Net increase/(decrease) in cash and cash equivalents (a+b+c)</b>	<b>20,294,909.03</b>	<b>1,743,612,033</b>	<b>(2,466,044,032)</b>
<b>E) Effects of exchange rate changes on cash and cash equivalents</b>	-	2,223,951	-
<b>F) Cash and cash equivalents at beginning of the period</b>	<b>4,537,780.02</b>	<b>384,808,737</b>	<b>2,850,852,769</b>
<b>G) Cash and cash equivalents at end of the period (D+E+F)</b>	<b>24,832,689.05</b>	<b>2,130,644,721</b>	<b>384,808,737</b>



**PUBALI BANK LIMITED, Off-shore Banking Unit**  
**Notes to the financial statements for the year ended 31 December 2021**

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

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

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

**2.1 Basis of Preparation**

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

**2.2 Foreign Currency**

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

**3 Cash**

**Cash In hand ( Including foreign currencies)**

In local currency  
In foreign currencies

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

**Bangladesh Bank**  
In local currency  
In foreign currencies

	2021		2020
	USD	Taka	Taka
Cash In hand ( Including foreign currencies)			
In local currency	-	-	-
In foreign currencies	-	-	-
<b>Balance with Bangladesh Bank and its agent bank(s)</b>			
<b>Bangladesh Bank</b>			
In local currency	-	-	-
In foreign currencies	-	-	-

**3.1 Cash Reserve Ratio and Statutory Liquidity Ratio**

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

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

**3.1.1 Cash Reserve Ratio (CRR)**

Required Reserve (2%)	445,574,000	274,357,000
Actual Reserve maintained	445,574,000	274,357,000
Surplus/(deficit)	-	-

**3.1.2 Statutory Liquidity Ratio (SLR)**

Required Reserve (13%)	2,896,230,000	1,783,322,000
Actual Reserve maintained	2,896,230,000	1,783,322,000
Surplus/(deficit)	-	-

**3.1.3 Total required amount of CRR and SLR**

Total required reserve (15%)	3,341,804,000	2,057,679,000
Total actual reserve maintained	3,341,804,000	2,057,679,000
Total Surplus	-	-

**4 Balance with other banks and financial institutions**

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

20,069,668.06	1,721,977,520	-
4,763,020.99	408,667,201	384,808,737
<b>24,832,689.05</b>	<b>2,130,644,721</b>	<b>384,808,737</b>

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

Finance to other Financial Institute  
Finance to Pubali Bank Limited

20,069,668.06	1,721,977,520	-
-	-	-
<b>20,069,668.06</b>	<b>1,721,977,520</b>	<b>-</b>



	2021		2020
	USD	Taka	Taka
<b>4.2 Outside Bangladesh</b>			
<b>Current A/c (Nostro)</b>			
Mashreq Bank NY, USD	4,715,114.65	404,556,837	366,008,949
Mashreq Bank Mumbai, India-ACUD	47,906.34	4,110,364	18,799,788
	<b>4,763,020.99</b>	<b>408,667,201</b>	<b>384,808,737</b>
<b>5 Loans, advances and leases</b>			
Loans, cash credits and overdrafts, etc. (note 5.1)	14,204,737.89	1,218,766,511	1,005,026,465
Bills purchased and discounted (note 5.2)	311,641,864.56	26,738,871,980	15,695,685,858
	<b>325,846,602.45</b>	<b>27,957,638,491</b>	<b>16,700,712,323</b>
<b>5.1 Loans, cash credits, overdrafts, etc.</b>			
<b>In Bangladesh</b>			
Loans	14,204,737.89	1,218,766,511	1,005,026,465
Cash credits	-	-	-
Overdrafts	-	-	-
	<b>14,204,737.89</b>	<b>1,218,766,511</b>	<b>1,005,026,465</b>
<b>Outside Bangladesh</b>	-	-	-
	<b>14,204,737.89</b>	<b>1,218,766,511</b>	<b>1,005,026,465</b>
<b>5.2 Bills purchased and discounted</b>			
<b>Payable in Bangladesh</b>			
Export Bill Discounting	38,805,237.50	3,329,489,378	1,531,943,031
Loans against demand draft purchased	-	-	-
	<b>38,805,237.50</b>	<b>3,329,489,378</b>	<b>1,531,943,031</b>
<b>Payable outside Bangladesh</b>			
Discounting -UPAS	272,836,627.06	23,409,382,602	14,163,742,827
Foreign drafts purchased	-	-	-
	<b>272,836,627.06</b>	<b>23,409,382,602</b>	<b>14,163,742,827</b>
	<b>311,641,864.56</b>	<b>26,738,871,980</b>	<b>15,695,685,858</b>
<b>5.3 Classification of investments including bills purchased and discounted</b>			
<b>Unclassified</b>			
Standard		27,922,259,356	16,700,712,323
Special mention account (SMA)		35,379,135	-
		<b>27,957,638,491</b>	<b>16,700,712,323</b>
<b>Classified</b>			
Substandard (SS)		-	-
Doubtful (DF)		-	-
Bad or loss (BL)		-	-
<b>Staff loan</b>		-	-
		<b>27,957,638,491</b>	<b>16,700,712,323</b>
<b>5.4 Particulars of required provision for investments</b>			
<b>Status of Classification</b>			
	<b>Base for Provision</b>	<b>Rate of Provision (%)</b>	
<b>General provision - Unclassified</b>			
Standard (others)	27,602,035,307	1	276,020,353
Standard (SMEF)	320,224,009	0.25	800,560
SMA (SMEF)	-	-	-
SMA (Others)	35,379,135	1	353,791
			<b>277,174,704</b>
<b>Specific provision - Classified</b>			
Substandard (SS)	-	20	-
Doubtful (DF)	-	50	-
Bad/Loss (BL)	-	100	-
			<b>277,174,704</b>
<b>Required provision</b>			<b>277,174,704</b>
<b>Provision maintained by head office</b>			<b>166,204,391</b>
<b>Excess provision</b>			<b>-</b>
<b>6 Fixed Assets including premises, furniture &amp; Fixture</b>			
<b>Cost</b>	-	-	-
<b>Less: Accumulated Depreciation</b>	-	-	-
<b>Net book value at the end of the year</b>	-	-	-

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.



	2021		2020
	USD	Taka	Taka
<b>7 Other Assets</b>			
<b>Income generating other assets</b>			
Interest on EBD	-	-	-
Interest on UPAS Bill	-	-	-
Interest on Term Loan	-	-	-
Prepaid expenses	233,428.91	20,028,200	53,870,442
	<b>233,428.91</b>	<b>20,028,200</b>	<b>53,870,442</b>
<b>8 Borrowings from other Banks, Financial Institutions and Agents</b>			
Parents Bank-Pubali Bank Limited	78,042,561.76	6,696,051,799	4,175,388,851
Others Banks & Financial Institutions	268,300,000.00	23,020,140,000	12,703,204,780
	<b>346,342,561.76</b>	<b>29,716,191,799</b>	<b>16,878,593,631</b>
<b>9 Deposits and other accounts</b>			
Inter-bank deposits	-	-	-
Other deposits	-	-	-
	<b>-</b>	<b>-</b>	<b>-</b>
<b>10 Other Liabilities</b>			
Interest payable to :			
Parent bank borrowing	240,350.65	20,622,086	10,295,735
Others Banks & Financial Institutions	1,203,208.18	103,235,262	61,841,016
Unpaid expenses	-	-	2,639,680
	<b>1,443,558.83</b>	<b>123,857,348</b>	<b>74,776,431</b>
<b>11 Interest income</b>			
Interest on EBD	847,157.00	72,083,488	57,960,304
Interest on UPAS Bill	8,419,845.52	716,433,709	574,336,141
Interest on Term loan	545,429.86	46,409,918	53,631,569
Interest on Finance to other financial Institution	466,227.61	39,670,701	48,660,513
	<b>10,278,659.99</b>	<b>874,597,816</b>	<b>734,588,527</b>
<b>12 Interest paid on deposits, borrowings, etc.</b>			
Interest on Borrowings from Parent Bank	1,858,711.21	158,155,321	61,102,305
Interest on Borrowings from other banks & Financial Institutions	4,896,047.13	416,598,285	487,730,899
	<b>6,754,758.34</b>	<b>574,753,606</b>	<b>548,833,204</b>
<b>13 Other operating income</b>			
Rebate received from Nostro A/C	76,373.87	6,498,553	3,642,267
Reimbursement fee received	244,832.95	20,832,517	6,369,447
Overdue interest	-	-	3,295,550
AIP received from Nostro A/C	2,667.05	226,936	1,036,559
	<b>323,873.87</b>	<b>27,558,006</b>	<b>14,343,823</b>
<b>14 Salaries and allowances</b>			
Basic salary	57,727.14	4,911,927	5,281,374
House rent allowances	33,380.98	2,840,344	3,031,102
Medical allowances	6,260.67	532,712	586,474
Other allowances	3,233.56	275,139	262,234
House maintenance	7,646.82	650,658	706,490
Leave fare Assistance	283.00	24,080	73,006
Contributory provident fund	5,613.79	477,670	518,536
Bonus to employees	10,480.73	891,792	1,528,660
	<b>124,626.69</b>	<b>10,604,322</b>	<b>11,987,876</b>
<b>15 Postage, stamp, telecommunication, etc.</b>			
Telephone	33.02	2,810	-
	<b>33.02</b>	<b>2,810</b>	<b>-</b>
<b>16 Stationery, printing, advertisements, etc.</b>			
Table Stationery	2,397.87	204,032	139,665
Computer Stationery	70.76	6,021	1,399
	<b>2,468.63</b>	<b>210,053</b>	<b>141,064</b>
<b>17 Other expenses</b>			
Bank charges of Nostro A/C (Mashreq Bank)	22,193.13	1,888,385	1,419,231
Foreign Currency translation loss	-	-	153,994
Newspaper	33.64	2,862	2,498
Entertainment	188.69	16,055	49,006
Conveyance	1,168.12	99,394	-
Professional Fees and Expenses	566,657.00	48,216,107	-
Employees recreation (Lunch subsidy)	3,806.78	323,914	324,037
	<b>594,047.36</b>	<b>50,546,717</b>	<b>1,948,766</b>



**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 2021, 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 present fairly, the financial position of the Company as on 31 December 2021 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act, 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

**Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the 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.



### **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.

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

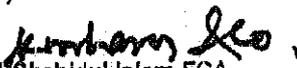
#### Report on other legal and regulatory requirements

In accordance with the Companies Act 1994 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: 23 March 2022

  
 Md. Shahidul Islam FCA  
 Partner, Eroll. No. 1758  
 K. M. Hasan & Co.  
 Chartered Accountants  
 DVC: 2203241758AS375289



Annexure-H (i)

**Pubali Bank Securities Limited**  
**Statement of Financial Position**  
as at 31 December 2021

<u>ASSETS</u>	Notes	Amount in Taka	
		2021	2020
<b>Current Assets</b>			
Cash and bank balances	3	1,947,268,210	1,340,479,296
Receivable from securities trading	4	87,775,364	91,690,967
Investment in securities (Own portfolio)	5	6,237,212,567	6,583,175,288
Receivable from other clients	6	781,062,717	618,430,307
Other assets	7	420,000	1,258,000
Advance income tax	8	347,931,908	275,442,961
<b>Total current assets</b>		<b>9,401,670,766</b>	<b>8,910,476,819</b>
<b>Non-current assets</b>			
Fixed assets	9	3,649,456	4,177,854
Value of investment in exchange (against membership value)	10	14,000,000	14,000,000
Investment in securities	11	43,602,847	36,302,842
<b>Total non-current assets</b>		<b>61,252,303</b>	<b>54,480,696</b>
<b>Total Assets</b>		<b>9,462,923,069</b>	<b>8,964,957,515</b>
 <u>EQUITY AND LIABILITIES</u>			
<b>Liabilities</b>			
<b>Current liabilities</b>			
Payable to clients	12	412,778,538	444,816,867
Payable to exchanges	13	7,523,069	20,155,069
Other liabilities and provisions	14	2,108,704,928	2,013,289,969
<b>Total current liabilities</b>		<b>2,529,006,535</b>	<b>2,478,261,905</b>
<b>Non-current liabilities</b>			
Long term loan liabilities (other than current portion amount)	15	-	3,000,000,000
<b>Total Non-current liabilities</b>		<b>-</b>	<b>3,000,000,000</b>
<b>Shareholders' equity</b>			
Share capital	16	6,600,000,000	3,600,000,000
Retained earnings	17	333,916,534	(113,304,390)
<b>Total Equity</b>		<b>6,933,916,534</b>	<b>3,486,695,610</b>
<b>Total Equity and Liabilities</b>		<b>9,462,923,069</b>	<b>8,964,957,515</b>

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



**Pubali Bank Securities Limited**  
**Statement of Profit or Loss and Other Comprehensive Income**  
**for the year ended 31 December 2021**

	Notes	Amount in Taka	
		2021	2020
Operating income	18	594,115,603	286,298,736
Less: Operating expenses	19	10,300,549	5,250,783
<b>Gross profit</b>		<b>583,815,054</b>	<b>281,047,953</b>
Less: Administrative and general expenses	20	40,803,801	34,419,455
<b>Operating profit</b>		<b>543,011,253</b>	<b>246,628,498</b>
Add: Other income		-	-
<b>Profit before provision and income tax</b>		<b>543,011,253</b>	<b>246,628,498</b>
Less: Provision for diminution in value of investment	14.2	-	144,343,497
provision for impairment of clients' margin loan	14.4	-	-
<b>Profit before income tax</b>		<b>543,011,253</b>	<b>102,285,001</b>
<b>Less: Provision for income tax</b>			
Current tax	14.3	95,738,476	64,832,054
Deferred tax	14.1	51,853	150,720
<b>Net profit after income tax</b>		<b>447,220,924</b>	<b>37,302,227</b>
Add: Other comprehensive income		-	-
<b>Total comprehensive income</b>		<b>447,220,924</b>	<b>37,302,227</b>

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



**Pubali Bank Securities Limited**  
**Statement of Cash Flow**  
**for the year ended 31 December 2021**

	Amount in Taka	
	2021	2020
<b>A) Cash flows from operating activities</b>		
Net profit before income tax	543,011,253	102,285,001
Add: Adjustment for non-cash items:		
Depreciation & amortization charged	1,085,393	1,040,734
Provision for investment & clients margin loan	-	144,343,497
<b>Operating profit before changes in operating assets and liabilities</b>	<b>1,085,393</b>	<b>145,384,231</b>
<b>Increase/decrease in operating assets and liabilities</b>		
(Increase)/ decrease in operating assets	180,783,909	(170,026,753)
Increase/ (decrease) in operating liabilities	(45,045,699)	352,761,446
Income tax paid	(72,488,947)	(79,376,243)
	<b>63,249,263</b>	<b>103,358,450</b>
<b>Net cash from/(used in) operating activities</b>	<b>607,345,909</b>	<b>351,027,682</b>
<b>B) Cash flows from investing activities</b>		
Acquisition of property, plant and equipment	(556,995)	(352,509)
Disposal of property, plant and equipment	-	-
<b>Net cash from/(used in) investing activities</b>	<b>(556,995)</b>	<b>(352,509)</b>
<b>C) Cash flows from financing activities</b>		
Proceeds/(payments) from short term business liabilities	-	-
Proceeds/(payments) long term loan liabilities	-	-
<b>Net cash flows from financing activities</b>	<b>-</b>	<b>-</b>
<b>D) Net increase/(decrease) in Cash and Cash equivalents (a+b+c)</b>	<b>606,788,914</b>	<b>350,675,173</b>
<b>E) Cash and cash equivalents at the beginning of the Year</b>	<b>1,340,479,296</b>	<b>989,804,123</b>
<b>F) Cash and cash equivalents at the end of the Year</b>	<b>1,947,268,210</b>	<b>1,340,479,296</b>



Annexure-H (iv)

**Pubali Bank Securities Limited**  
**Statement of Changes in Equity**  
**For the year ended 31 December 2021**

Amount in Taka

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

For the year ended 31 December 2020

Amount in Taka

Particulars	Share Capital	Retained Earnings	Total
Balance as at 1 January, 2020	3,600,000,000	(150,606,617)	3,449,393,383
Net Profit after tax for the year	-	37,302,227	37,302,227
<b>Balance as at 31 December 2020</b>	<b>3,600,000,000</b>	<b>(113,304,390)</b>	<b>3,486,695,610</b>



**Pubali Bank Securities Limited**  
**Notes to the financial statements for the year ended 31 December 2021**

**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 Flow" under indirect method.

**2.6 Reporting period**

These financial statements cover period from 1 January 2021 to 31 December 2021.

**2.7 Share capital**

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

**2.8 Property, plant and equipment**

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

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

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

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

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

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



**2.10 Intangible assets and amortization of intangible assets**

An intangible asset is recognized if it is probable that the future economic benefits that are attributable to the asset will flow to the entity and the cost of the assets can be measured reliably. System and software is amortized at the rate of 30% on the straight line basis.

Expenditure incurred for system and software are capitalized only when it enhances and extends the economic benefits of software beyond its original specification and life and such cost is recognized as capital improvement and added to the original cost of software.

**2.11 Advance, deposits and prepayments**

Advances are initially measured at cost. After initial recognition, advances are carried at cost less deductions, adjustments or charges to other account heads such as property, plant and equipment, inventory, etc.

**2.12 Advance income tax**

The amount of advance income tax is mainly deduction at sources by DSE & CSE on daily transactions of broker & dealer operation. Tax deduction on interest income and dividend income are also included here.

**2.13 Investments in securities**

Investment in marketable and non-marketable ordinary shares has been shown at cost. Full provision for diminution in value of shares (Quoted) as on closing of the year on an aggregate portfolio basis has been made in the account.

**2.14 Account receivables**

Receivables are recognized when there is a contractual right to receive cash or another financial asset from another entity.

**2.15 Loans to customers**

Loans to customers are stated in the balance sheet on gross basis. Interest is calculated on a daily product basis but charged and accounted for on accrual basis. Interest on customer loans is realized quarterly.

**2.16 Cash and cash equivalents**

Cash and cash equivalents include notes and coins on hand, unrestricted balances held with banks and highly liquid financial assets which are subject to insignificant risk of changes in their fair value, and are used by the Company management for its short-term commitments.

**2.17 Provision for Tax**

**Current Tax**

Provision for current tax is made in accordance with the provision of the Income Tax Ordinance, 1984 and subsequent amendments made thereto from time to time.

**Deferred taxation**

Deferred tax liabilities are the amount of income taxes payable in future periods in respect of taxable temporary differences. Deferred tax assets are the amount of income taxes recoverable in future periods in respect of deductible temporary differences. Deferred tax assets and liabilities are recognized for the future tax consequences of timing differences arising between the carrying values of assets, liabilities, income and expenditure and their respective tax bases. Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantially enacted at the balance sheet date. The impact on the account of changes in the deferred tax assets and liabilities has also been recognized in the profit and loss account as per IAS-12 "Income Taxes".

**2.18 Provision for liabilities**

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

**2.19 Revenue Recognition**

Revenue is recognized only when it is probable that the economic benefits associated with the transaction will flow to the enterprise and in accordance with the IFRS-15 "Revenue from Contracts with Customers":

**a) Brokerage commission**

Brokerage commission is recognized as income when selling or buying order is executed.

**b) Interest income on margin loan**

Interest Income from margin loan is recognized on accrual basis. Such income is calculated on daily margin loan balance of the respective parties. Income is recognized on monthly basis and applied to the customers' account on quarterly basis.

**c) Dividend Income**

Dividend income is recognized when right to receive payment is established.

**d) Capital Gain on Sale of share**

Capital gain on investments in shares is recognized when it is realized.

**2.20 Provision against unrealized loss in shares purchased as dealer and Margin Loan**

As per directive no. BSEC/SRI/Policy/3/2020/68 dated 12 January 2020 of Bangladesh Securities and Exchange Commission, 20% provision may be made for unrealized loss arising out of year-end revaluation of shares purchased as dealer and unrealized loss as margin loan. However the Company maintain provision mentioned in note # 14.4

**2.21 Conversion of Preference Share Capital into Ordinary share capital**

The preference shares of Tk. 300,00,00,000 was 5% redeemable/convertible and the redemption /conversion started from 26.09.2020. Under this situation The Board of Directors of Pubali Bank Limited in its 1277th meeting held on 24th March 2021 has decided to exercise the option of conversion of preference share BDT 300.00 (three hundred ) crore into ordinary share capital w.e.f 26.09.2020 as stated in the previous approval of the BSEC vide letter no BSEC/CI/CPLC-547/2016/517.(please see note no. 16)



**2.22 Related Party Disclosures**

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

**2.22.1 Particulars of Directors and Shareholders and their shareholdings**

Name of the directors	Designation	Number of Share holding as 31 December 2021
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. Saiful Alam Khan Chowdhury (Nominated by Pubali Bank Limited)	Director	Nil
Mr. Shahdeen Malik	Independent Director	Nil
Mr. Giasuddin Ahamed	Shareholder	1
Ms. Rumana Sharif	Shareholder	1
Pubali Bank Limited	Shareholder	Ordinary: 65,999,987

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

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

**2.23 Events after the reporting period**

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

**2.24 Management's responsibility on financial statements**

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

**2.25 Employee benefits**

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



		Amount in Taka	
		2021	2020
<b>3</b>	<b>Cash and bank balances</b>		
	<b>Current account:</b>		
	Pubali Bank Ltd. A/C-3555901034027 Customers Security Deposit	2,226,380	2,316,908
	Pubali Bank Ltd. A/C-3555901037490 PBL Investment A/C	598,580	-
	Pubali Bank Ltd. A/C-2905901048064 Strategic Investment A/C	300,310	934,346
	Pubali Bank Ltd. A/C-2905901042129 Consolidated customer A/C	431,477,173	516,532,979
	Pubali Bank Ltd. A/C-2905901042114 Dealer A/C	616,142,292	38,220,187
	<b>Sub total</b>	<b>1,050,744,735</b>	<b>558,004,420</b>
	<b>Special notice deposit account :</b>		
	Pubali Bank Ltd. A/C-2905102001105 Public Issue Application A/C	405,811	3,193,295
	Pubali Bank Ltd. A/C -2905102001047 Income& Expenditure A/C	99,592,531	23,364,774
	<b>Sub total</b>	<b>99,998,342</b>	<b>26,558,069</b>
	Investment in FDR (Note-3.1)	796,525,133	755,916,807
	<b>Total</b>	<b>1,947,268,210</b>	<b>1,340,479,296</b>
<b>3.1</b>	<b>Investment in FDR</b>	<b>FDR A/C No.</b>	
	Pubali Bank Limited	977310	130,596,500
	Pubali Bank Limited	977311	65,213,631
	Pubali Bank Limited	977312	65,213,631
	Pubali Bank Limited	977313	65,213,631
	Pubali Bank Limited	977314	65,213,631
	Pubali Bank Limited	977703	108,337,890
	Pubali Bank Limited	977509	60,159,271
	Pubali Bank Limited	977542	118,288,474
	Pubali Bank Limited	977543	118,288,474
			<b>796,525,133</b>
			<b>755,916,807</b>
	A schedule of Investment in FDR is given in "Annexure-H(ix)".		
<b>4</b>	<b>Receivable from securities trading</b>		
	Receivable from stock-broker/stock- dealer	933,979	2,654,928
	Receivable from dividend	76,609,181	71,176,189
	Dividend Receivable from-strategic investment	1,153,109	695,141
	Receivable from client	2,060,752	2,348,777
	Receivable from DSE- Digital Booth	300,000	-
	Receivable from others (Accrued interest of FDR) - (Annexure-H(ix))	6,718,343	14,815,932
		<b>87,775,364</b>	<b>91,690,967</b>
<b>5</b>	<b>Investment in securities (Own portfolio)</b>		
	Investment in securities (Own portfolio) at cost (Annexure-H(vii))	6,215,175,067	6,583,175,288
	IPO investment	22,037,500	-
		<b>6,237,212,567</b>	<b>6,583,175,288</b>
<b>6</b>	<b>Receivable from other clients</b>		
	Margin loan from clients	781,062,717	618,430,307
		<b>781,062,717</b>	<b>618,430,307</b>
<b>7</b>	<b>Other assets</b>		
	Prepaid expenses ( Note 7.1)	420,000	1,258,000
		<b>420,000</b>	<b>1,258,000</b>
<b>7.1</b>	<b>Prepaid expenses</b>		
	Balance at the beginning of the year	1,258,000	1,053,000
	Add: Advances made during the year	2,894,600	1,919,350
	Less: Adjustment made during the year	(3,732,600)	(1,714,350)
	Balance at the end of the year	<b>420,000</b>	<b>1,258,000</b>
<b>8</b>	<b>Advance income tax</b>		
	Opening balance	275,442,961	196,066,718
	Add: Advance income tax paid during the year	20,835,590	39,281,088
		296,278,551	235,347,806
	Add: Tax deducted at source during the year	46,898,114	34,061,079
		343,176,665	269,408,885
	Add: Tax deducted at source against bank interest & others	4,755,243	6,034,076
		347,931,908	275,442,961
	Less: Adjustment during the year	-	-
		<b>347,931,908</b>	<b>275,442,961</b>



		Amount in Taka	
		2021	2020
<b>9</b>	<b>Fixed assets (net off depreciation &amp; amortization):</b>		
	Computer & computer accessories	633,023	553,755
	Machinery & equipment	53,020	124,572
	Vehicle	1,936,879	2,582,506
	Furniture & fixtures	1,026,534	917,021
		<b>3,649,456</b>	<b>4,177,854</b>
	<b>Intangible assets :</b>		
	Systems & software	-	-
		<b>3,649,456</b>	<b>4,177,854</b>
	A schedule of property, plant and equipment is given in Annexure-H(vi).		
<b>10</b>	<b>Value of investment in exchange (against membership value)</b>		
	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
		<b>14,000,000</b>	<b>14,000,000</b>
<b>10.1</b>	<b>Dhaka stock exchange Ltd.</b>		
	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	<b>6,000,000</b>	<b>6,000,000</b>
	* 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.		
<b>10.2</b>	<b>Chittagong stock exchange Ltd.</b>		
	Opening balance	8,000,000	8,000,000
	Add: Investment made during the year	-	-
		<b>8,000,000</b>	<b>8,000,000</b>
	Less: Sale/ recovery during the year	-	-
	Closing balance	<b>8,000,000</b>	<b>8,000,000</b>
	* 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.		
<b>11</b>	<b>Investment in securities</b>		
	Investment in securities (Strategic investment) at cost (Annexure-H(Viii))	43,602,847	36,302,842
		<b>43,602,847</b>	<b>36,302,842</b>
<b>12</b>	<b>Payable to clients</b>		
	General client	412,778,538	444,816,867
		<b>412,778,538</b>	<b>444,816,867</b>
<b>13</b>	<b>Payable to exchanges</b>		
	Payable to DSE & CSE broker	30,130	102,394
	Payable to DSE & CSE dealer	4,461,555	17,312,004
	Payable to Pubali Bank	13,810	13,810
	Payable for CDBL	782,654	404,941
	Security Deposit	2,234,920	2,321,920
		<b>7,523,069</b>	<b>20,155,069</b>



	Amount in Taka	
	2021	2020
<b>14 Other liabilities and provisions</b>		
Deferred tax and other deferred liabilities (Note 14.1)	340,067	288,214
Provision for diminution in value of investment (Note 14.2)	1,534,588,209	1,534,588,209
Provision for tax (Note 14.3)	381,703,658	285,965,182
Provision for impairment of clients' margin loan (Note 14.4)	184,543,373	184,543,373
Provision for rent, tax, insurance, electricity expense	121,016	109,905
Provision for postage, stamp, telecommunication etc.	131,215	131,009
Provision for stationery, printing, advertisement expenses	2,933	2,933
Provision for repair of machinery equipment expenses	255	255
Provision for other expenses	277,040	262,696
Legal fees payable	726,975	959,875
Payable to software provider	25,539	130,539
Payable to suppliers	51,712	51,712
Sundry deposit	62,576	62,576
Sundry payable	520	520
Provision for audit fees	143,750	143,500
Payable for IPO fund	5,790,000	5,875,800
VAT payable	43,346	52,470
TAX payable	152,744	121,201
	<b>2,108,704,928</b>	<b>2,013,289,969</b>

**14.1 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	288,214	137,494
Addition/(deduction) during the year charged in P&L	51,853	150,720
Closing balance	<b>340,067</b>	<b>288,214</b>

**14.2 Provision for diminution in value of investment**

Opening balance	1,534,588,209	1,324,827,130
Add: Provision made during the year	-	144,343,497
Add: Provision Transfer in from provision from impairment of clients' margin loan (note no. 14.4)	-	65,417,582
	1,534,588,209	1,534,588,209
Less : Adjusted during the year	-	-
Closing balance	<b>1,534,588,209</b>	<b>1,534,588,209</b>

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 make provision against un-realised loss on investment In Dealer account in equal quarterly installment upto 31 December 2022 as well as margin loan. Meanwhile we have made provision of Tk. 153,45,88,209/- i.e 75% of unrealised loss in dealer account.

**14.3 Provision for tax**

Opening balance	285,965,182	221,133,128
Add: Provision made during the year	95,738,476	64,832,054
	381,703,658	285,965,182
Add: Adjustment made during the year	-	-
Closing balance	<b>381,703,658</b>	<b>285,965,182</b>

**14.4 Provision for impairment of clients margin loan**

Opening balance	184,543,373	249,960,955
Add: Provision made during the year	-	-
	184,543,373	249,960,955
Less: Provision transfer out provision for diminution in value of investment note no. 14.2	-	(65,417,582)
Closing balance	<b>184,543,373</b>	<b>184,543,373</b>

100% provision for impairment of clients' margin loan

**15 Long term liabilities (Other than current portion amount)**

Preference share capital	-	3,000,000,000
	-	<b>3,000,000,000</b>

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

These preference share now converted to ordinary share capital as per previous approval of BSEC vide letter no BSEC/CI/CPLC-547/2016/517 which was accorded by the Board of Pubali Bank Limited in its 1277th meeting held on 24th March 2021. Therefore in the year 2021 and later on the total paid up capital will be 660,00,00,000/- (Six hundred sixty crore). (Please see note no 2.21)



		Amount in Taka	
		2021	2020
<b>16</b>	<b>Share capital</b>		
	<b>Authorized capital</b>		
	70,000,000 Ordinary Shares of Tk. 100/- each.	<u>7,000,000,000</u>	<u>7,000,000,000</u>
	<b>Issued, subscribed and paid-up capital</b>		
	<b>Ordinary Share capital</b>		
	Total 66,000,000 Ordinary shares of Tk. 100 each	<u>6,600,000,000</u>	<u>3,600,000,000</u>
	<b>Sl</b>	<b>Name of the shareholders</b>	<b>No. of shares</b>
	1	Mr. Moniruddin Ahmed	1
	2	Mr. Ahmed Shafi Choudhury (Nominated by Pubali Bank Limited)	Nil
	3	Mr. Habibur Rahman	1
	4	Mr. Azizur Rahman	1
	5	Mr. Muhammed Kabiruzzaman Yaqub	1
	6	Mr. Mustafa Ahmed	1
	7	Ms. Runa Fowzia Hafiz	1
	8	Mr. Ahmed Salah Sater	1
	9	Mrs. Ayesha Farha Chowdhury	1
	10	Mr. Rezwan Rahman	1
	11	Mr. Zeyad Rahman	1
	12	Mr. Asif A. Choudhury	1
	13	Mr. Safiul Alam Khan Chowdhury	Nil
	14	Mr. Shahdeen Malik	Nil
	15	Mr. Giasuddin Ahamed	1
	16	Ms. Rumana Sharif	1
	17	Pubali Bank Limited	65,999,987
		<u>66,000,000</u>	<u>6,600,000,000</u>
			<u>3,599,998,700</u>

Conversion of Preference share BDT 300(three hundred) crore into ordinary share capital w.e.f. 26.09.2020.

<b>17</b>	<b>Retained earnings</b>		
	Opening balance	(113,304,390)	(150,606,617)
	Net profit/(loss) during the year	447,220,924	37,302,227
		333,916,534	(113,304,390)
	Adjustment during the year	-	-
	<b>Closing balance</b>	<u>333,916,534</u>	<u>(113,304,390)</u>
<b>18</b>	<b>Operating income</b>		
	Brokerage commission DSE & CSE	64,346,767	24,547,070
	Interest on margin loan	53,140,035	23,188,327
	Revenue from CDBL charge & annual maintenance fee & others	89,903	37,546
	Dividend income DSE & CSE	-	1,180,141
	Dividend income from dealer A/C	191,645,932	155,167,273
	Dividend income from Strategic investment	1,528,109	-
	Capital gain from from Strategic investment	5,813,756	-
	Capital gain from Dealer A/C	236,252,761	27,203,560
	BO opening charge, margin documentation fees, FDR Interest income & IPO income	41,298,340	54,974,819
		<u>594,115,603</u>	<u>286,298,736</u>
<b>19</b>	<b>Operating expenses</b>		
	Howla & laga charge DSE & CSE	4,720,880	1,728,728
	CDBL charges	2,551,768	949,107
	Directors fees	1,435,500	1,001,000
	Bank charges & excise duty	507,008	531,214
	Depreciation expenses	1,085,393	1,040,734
		<u>10,300,549</u>	<u>5,250,783</u>



	Amount in Taka	
	2021	2020
<b>20 Administrative and general expenses</b>		
Salaries & allowances (Note- 20.1)	33,462,231	29,795,454
Rent expense	300,618	300,618
Electricity & electric fittings expense	175,719	182,849
Audit fees	144,000	162,250
Insurance expense	37,907	48,715
Postage, stamp, telecommunication etc.	220,473	239,290
Stationery printing & advertisement expense	306,391	230,893
Repairs of machinery and equipment	28,842	160,852
Investment protection fund	74	103
Legal fees	2,968	-
Professional fees	-	60,000
Advertising expenses	-	17,250
Newspapers & periodicals	16,380	6,244
Fuel expense	144,000	139,841
Overtime allowance	159,265	142,312
Traveling allowance	20,316	10,900
Maintenance of bank premises	129,600	75,600
Software development expenses	10,000	-
DSE & CSE charge	391,742	9,118
Subscription	12,500	12,500
Conveyance charge	731,928	408,382
Entertainment expense for office & clients	589,190	351,031
Internet connection fee	5,403	5,448
Car expenses & maintenance	432,155	770,289
Bandwidth service charge	386,153	385,545
Renewal & registration expense	612,950	370,685
Water & sewerage	54,138	48,233
Security & auxiliary service	121,224	100,041
IPO expense	35,000	27,000
Staff welfare & Recreation	52,500	29,000
Capital Enhancement Expense	714,679	-
Business Development Expense	254,983	99,994
Foreign tour	963,171	-
Miscellaneous expense	287,301	229,018
	<b>40,803,801</b>	<b>34,419,455</b>
<b>20.1 Salaries &amp; allowances</b>		
Basic salary	13,228,398	12,555,646
House rent allowances	7,360,011	7,194,883
Medical allowances	1,671,088	1,626,558
Other allowances	3,334,351	3,253,490
Contributory provident fund	1,284,902	1,212,927
Bonus to employees	6,583,481	3,951,950
	<b>33,462,231</b>	<b>29,795,454</b>
<b>21 Related party disclosures</b>		
<u>Received from related party</u>		

Name of related party	Related to	Nature of instrument	Balance in Taka	
			As on 31.12.21	As on 31.12.20
Pubali Bank Limited	Parent company	Different types of deposits	1,947,268,210	1,340,479,296

**22 Events after the reporting period**

- i) The Board of Directors in its meeting held on 23 March 2022 approved the financial statements of the company for the year ended 31 December 2021 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.

**23 Employee position for Pubali Bank Securities Ltd. (as at 31 December 2021)**

Officer & Staff		Total Employee	Amount in Taka
Head Office	Gulshan Office		
23	8	31	33,462,231
		<b>31</b>	<b>33,462,231</b>



Annexure-H (vi)

Pubali Bank Securities Limited  
Schedule of Fixed Assets  
as at 31 December 2021

Particulars	Cost				Rate	Depreciation				Written down value at 31 December 2021
	Balance at 1 January 2021	Addition during the year	Disposal during the year	Balance at 31 December 2021		Balance at 1 January 2021	Charged during the year	Disposal during the year	Balance at 31 December 2021	
Computer & Computer Accessories	3,655,261	350,720	-	4,005,981	30%	3,101,506	271,452	-	3,372,958	633,023
Machinery & Equipment	1,295,362	-	-	1,295,362	20%	1,170,790	71,552	-	1,242,342	53,020
Vehicles	3,228,133	-	-	3,228,133	20%	645,627	645,627	-	1,291,254	1,936,879
Furniture & Fixtures	2,387,920	206,275	-	2,594,195	10%	1,470,899	96,762	-	1,567,661	1,026,534
<b>Total as at 31 December 2021</b>	<b>10,566,676</b>	<b>556,995</b>	<b>-</b>	<b>11,123,671</b>		<b>6,388,822</b>	<b>1,085,393</b>	<b>-</b>	<b>7,474,215</b>	<b>3,649,456</b>
<b>Total as at 31 December 2020</b>	<b>10,214,167</b>	<b>352,509</b>	<b>-</b>	<b>10,566,676</b>		<b>5,350,588</b>	<b>1,038,234</b>	<b>-</b>	<b>6,388,822</b>	<b>4,177,854</b>

Schedule of Intangible asset  
As at 31 December 2021

Particulars	Cost				Rate	Amortization				Written down value at 31 December 2021
	Balance at 1 January 2021	Addition during the year	Disposal during the year	Balance at 31 December 2021		Balance at 1 January 2021	Charged during the year	Disposal during the year	Balance at 31 December 2021	
Systems & Software	25,000	-	-	25,000	30%	25,000	-	-	25,000	-
<b>Total as at 31 December 2021</b>	<b>25,000</b>	<b>-</b>	<b>-</b>	<b>25,000</b>		<b>25,000</b>	<b>-</b>	<b>-</b>	<b>25,000</b>	<b>-</b>
<b>Total as at 31 December 2020</b>	<b>25,000</b>	<b>-</b>	<b>-</b>	<b>25,000</b>		<b>22,500</b>	<b>2,500</b>	<b>-</b>	<b>25,000</b>	<b>-</b>



Annexure-H (vii)

Pubali Bank Securities Ltd.  
Portfolio Investment under Stock Dealing

Sl	Name of the Company	Cost Value		Market Value	
		31.12.2021	31.12.2020	31.12.2021	31.12.2020
<b>Banks</b>					
1	ABBANK	89,898,718	89,898,718	31,836,146	27,175,838
2	ALARABANK	-	16,054,316	-	16,120,774
3	BANKASIA	17,725,955	-	18,720,118	-
4	BRACBANK	-	-	-	-
5	CITYBANK	114,353,309	84,239,195	95,550,000	56,801,102
6	DUTCHBANGL	8,672,639	2,373,569	8,130,210	2,444,520
7	EBL	7,713,757	-	7,643,444	-
8	EXIMBANK	-	-	-	-
9	FIRSTSBANK	6,084,368	-	5,979,473	-
10	IFIC	-	2,043,225	-	2,692,163
11	ISLAMIBANK	37,673,665	35,925,046	40,358,496	32,190,204
12	MERCANBANK	-	42,379,951	-	31,750,000
13	NBL	52,934,160	52,934,160	28,523,880	25,354,560
14	NCCBANK	56,999,308	32,390,150	52,045,995	22,267,397
15	PRIMEBANK	110,841,030	109,343,604	86,000,000	67,266,048
16	SHAHJABANK	63,827,068	38,988,559	60,862,417	35,266,893
17	TRUSTBANK	-	-	-	-
18	UCB	16,360,588	-	15,300,000	-
19	UTTARABANK	36,819,941	100,234,136	42,152,189	96,000,000
<b>Non Bank Financial Institution</b>					
1	IDLC	95,856,997	95,856,997	94,972,500	95,100,000
2	ILFSL (B)	49,644,449	49,644,449	5,457,698	4,961,544
3	LANKABAFIN	-	14,862,557	-	12,534,440
4	UNITEDFIN	28,845,290	28,845,290	25,605,652	21,479,623
5	UNIONCAP	16,107,188	16,107,188	4,039,586	3,427,528
6	UTTARAFIN	79,694,511	55,491,674	57,325,563	42,104,860
<b>Mutual Funds</b>					
1	AIBL1STMF	50,000,000	50,000,000	42,500,000	42,000,000
2	DBH1STMF	30,784,857	30,784,857	23,983,400	22,687,000
3	EBL1STMF	-	1,625,463	-	1,270,488
4	GRAMEENS2	24,387,729	24,387,729	13,132,350	14,326,200
5	GREENDELMF	44,478,302	44,478,302	37,000,000	38,500,000
6	MBL1STMF	50,000,000	50,000,000	39,500,000	37,500,000
7	PHPMF1	50,000,000	50,000,000	38,055,571	39,465,037
8	PRIME1ICBA	5,977,600	5,977,600	2,880,000	2,840,000
<b>Engineering</b>					
1	ATLASBANG	113,543,620	113,543,620	60,466,225	52,625,338
2	BBS	71,495,210	71,495,210	37,674,173	36,027,215
3	BBSCABLES	-	24,644,447	-	23,317,400
4	BSRMSTEEL	204,895,905	201,153,596	91,222,935	52,251,073
5	COPPERTECH	-	-	-	-
6	DESHBANDHU	1,036,375	7,002,863	393,679	1,499,577
7	DOMINAGE	-	-	-	-
8	GOLDENSON	23,014,497	23,014,497	6,500,991	3,812,099
9	GPHISPAT	10,772,228	71,132,236	10,783,592	64,700,609
10	IFADAUTOS	31,547,640	31,547,640	24,145,704	24,094,656
11	NAVANACNG	129,094,550	129,094,550	32,700,750	39,167,027
12	RANFOUNDRY	43,551,689	44,671,791	52,667,065	43,259,351
13	RUNNERAUTO	1,347,686	540,450	1,026,000	385,109
14	SINGERBD	38,991,704	38,991,704	36,630,270	37,859,184
<b>Textile</b>					
1	APEXWEAV	6,501,134	6,501,134	1,767,050	4,612,300
2	ENVOYTEX	-	101,816,877	-	71,136,583
3	ESQUIRENIT	940,050	940,050	731,150	549,407
4	MALEKSPIN	-	101,086,724	-	53,934,738
5	METROSPIN (B)	42,471,093	42,471,093	17,164,415	6,748,402
6	RINGSHINE	11,244	1,136,422	12,538	844,768
7	SQUARETEXT	57,325,714	57,325,714	52,598,390	30,027,434
8	TALLUSPIN (Z)	-	8,687,496	-	2,677,653



<b>Food &amp; Allied</b>					
1	AMCL(PRAN)	38,646,324	40,160,750	54,635,198	37,549,453
2	BATBC	57,306,994	45,012,124	92,719,421	61,218,576
3	ORYZAAGRO	272,430	-	283,327	-
4	OLYMPIC	212,581,855	212,581,855	115,284,943	137,179,033
<b>Fuel &amp; Power</b>					
1	BARKAPOWER	-	5,276,036	-	5,140,000
2	DESCO	171,133,802	171,133,802	106,805,407	104,699,384
3	KPCL	181,026,311	181,026,311	62,408,147	94,551,474
4	ENERGYPRIMA	47,500,000	47,500,000	47,500,000	47,500,000
5	JAMUNAOIL	83,764,689	74,413,338	84,495,340	72,208,147
6	LINDEBD	247,986,003	254,810,402	313,901,521	261,555,782
7	MPETROLEUM	113,265,245	113,265,245	116,344,814	117,054,234
8	PADMAOIL	60,416,847	53,693,431	58,868,238	49,904,727
9	SUMITPOWER	153,526,536	111,955,571	124,523,257	86,829,468
10	TITASGAS	122,242,280	122,242,280	55,355,395	46,968,214
11	MJLBD	331,499,981	331,499,981	274,332,383	238,914,612
12	SPCL	-	107,554,285	-	91,755,474
13	UPGDCL	40,907,955	-	35,380,673	-
<b>Pharmaceuticals &amp; Chemicals</b>					
1	ACI	311,221,966	311,221,966	340,187,953	254,977,770
2	ACMELAB	-	9,699,376	-	9,711,000
3	ACIFORMULA	75,374,281	75,374,281	72,443,955	55,392,443
4	ACTIVEFINE	154,101,584	154,101,584	122,631,629	80,956,036
5	SILCOPHL	-	-	-	-
6	SQRPHARMA	393,307,243	416,780,945	433,670,981	472,907,263
7	RENATA	-	2,414,639	-	3,692,618
<b>Services &amp; Real estate</b>					
1	SAPORTL	105,315,572	105,315,572	55,721,698	70,505,005
<b>Cement</b>					
1	CONFIDCEM	-	13,347,661	-	13,288,536
2	MEGHNACEM	114,426,945	114,426,945	26,865,238	25,621,266
3	MICEMENT	60,748,274	60,748,274	46,964,732	35,034,784
4	LHBL	450,312,604	481,735,613	405,175,366	289,666,805
5	HEIDELBCEM	151,402,959	151,402,959	82,480,268	45,297,534
6	PREMIERCEM	48,868,190	48,868,190	34,170,990	32,071,390
<b>IT &amp; Telecom Sector</b>					
1	GP	163,664,138	131,422,494	146,076,671	114,851,572
2	ROBI	-	2,712,540	-	8,083,369
<b>Insurance</b>					
1	BGIC	39,955,315	27,078,751	30,041,976	14,428,109
2	CONTININS	-	-	-	-
3	CRYSTALINS	-	108,780	-	428,593
4	DELTA LIFE	125,376,000	125,376,000	249,378,936	86,552,893
5	FAREASTLIF	-	5,846,420	-	4,994,821
6	GREENDELTA	-	3,607,130	-	3,718,546
7	MEGHNALIFE	-	4,578,126	-	4,321,733
8	PRIMELIFE	-	5,242,846	-	3,749,723
9	UNIONINS	46,431	-	46,431	-
<b>Travel and Leisure</b>					
1	SEAPEARL	-	17,764	-	147,522
2	UNIQUEHRL	129,903,250	129,903,250	83,206,500	65,637,000
3	UNITEDAIR (Z)	54,762,090	54,762,090	6,460,006	5,440,005
<b>Jute, Tannery &amp; Misc.</b>					
1	BEXIMCO	-	21,614,609	-	8,215,695
2	NIALCO	412,980	-	974,633	-
3	BATASHOE	51,676,227	51,676,227	43,041,554	31,280,691
	<b>Total</b>	<b>6,215,175,068</b>	<b>6,583,175,289</b>	<b>5,026,417,190</b>	<b>4,537,057,437</b>



Annexure-H (viii)

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

SL No	Name of the Company	Cost Value		Market Value	
		31.12.2021	31.12.2020	31.12.2021	31.12.2020
1	ACIFORMULA	3,592,329	3,124,140	3,861,375	2,480,100
2	GP	1,799,469	1,799,469	1,747,500	1,735,500
3	JAMUNAOIL	5,434,742	1,831,410	5,133,000	1,655,000
4	MICEMENT	162,716	196,657	149,093	134,421
5	MJLBD	7,927,540	7,386,183	7,593,800	6,075,100
6	MPETROLEUM	1,726,514	1,528,088	1,805,640	1,584,000
7	RENATA	4,039,490	376,774	5,123,360	441,653
8	SAIFPOWER		6,967,689		6,210,540
9	SQURPHARMA	7,462,239	6,323,302	7,101,902	6,165,097
10	SUMITPOWER	4,688,680	-	3,890,000	-
11	UTTARAFIN	6,769,129	6,769,129	4,294,500	4,903,500
<b>Total</b>		<b>43,602,847</b>	<b>36,302,842</b>	<b>40,700,170</b>	<b>31,384,910</b>



Annexure-H (ix)

Pubali Bank Securities Limited  
Schedule of Investment  
For the year ended on 31 December 2021

Amount in Taka

SL. No.	Purchased from	A/C No.	FDR No.	Beginning Balance		Addition during the Year									Encash during the Year		Closing Balance
				Principal	Accrued Interest	Principal	Rate of Interest	Day Considered	Length Months	Interest income			Bank Charge		Principal	Interest	
										Cash	Accrued	Total	TDS	Excise duty			
1	Pubali Bank Limited	149886	977310	124,368,407	-	-	4.25%	-	12	6,964,548	1,465,628	6,964,548	696,455	40,000	-	-	130,596,500
2	Pubali Bank Limited	149894	977311	62,122,157	-	-	4.25%	-	12	3,479,417	732,089	3,479,417	347,943	40,000	-	-	65,213,631
3	Pubali Bank Limited	149909	977312	62,122,157	-	-	4.25%	-	12	3,479,417	732,089	3,479,417	347,943	40,000	-	-	65,213,631
4	Pubali Bank Limited	149913	977313	62,122,157	-	-	4.25%	-	12	3,479,417	732,089	3,479,417	347,943	40,000	-	-	65,213,631
5	Pubali Bank Limited	149921	977314	62,122,157	-	-	4.25%	-	12	3,479,417	732,089	3,479,417	347,943	40,000	-	-	65,213,631
6	Pubali Bank Limited	153649	977703	103,162,500	-	-	4.25%	-	12	5,794,878	639,731	5,794,878	579,488	40,000	-	-	108,337,890
7	Pubali Bank Limited	151764	977509	57,337,312	-	-	4.25%	-	12	3,179,955	483,266	3,179,955	317,996	40,000	-	-	60,159,271
8	Pubali Bank Limited	152087	977542	111,279,980	-	-	4.25%	-	12	7,831,660	600,681	7,831,660	783,166	40,000	-	-	118,288,474
9	Pubali Bank Limited	152096	977543	111,279,980	-	-	4.25%	-	12	7,831,660	600,681	7,831,660	783,166	40,000	-	-	118,288,474
<b>Total</b>				<b>755,916,807</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>45,520,369</b>	<b>6,718,343</b>	<b>45,520,369</b>	<b>4,552,043</b>	<b>360,000</b>	<b>-</b>	<b>-</b>	<b>796,525,133</b>

