

# Information Memorandum

Private placement of Unsecured, Non-Convertible,  
Redeemable, Floating Rate Subordinated Bond of  
4,000,000,000 (Four Thousand Million Taka)

Issuer: Pubali Bank PLC.



পূবালী ব্যাংক পিএলসি.  
PUBALI BANK PLC.

Trustee to the Issue: DBH Finance PLC.



Type of Security: Unsecured, Non-Convertible, Redeemable, Floating Rate  
Subordinated Bond

Total Issue Amount: BDT 4,000,000,000

Credit Rating status of the Bond: Long Term - AA (Indicative)

Valid till: 25.09.2025

Arranger:

UCB Investment Limited

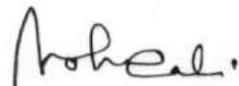


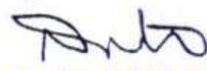
"If you have any query about this document, you may consult the issuer and the trustee."

4 AUG 2024

  
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Nasimul Baten  
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## **NOTICE & DISCLAIMER**

Pubali Bank PLC. (the "Issuer"/ "Pubali Bank") has authorized UCB Investment Limited (hereinafter referred as "UCBIL" or the "Arranger" to distribute this Information Memorandum (IM) in connection with the proposed transaction outlined in it (the "Transaction") and the bonds proposed to be issued in the Transaction (the "Bonds")

This Information Memorandum is provided to prospective investors on a private and confidential basis for use solely in connection with the issue, offer, sale or invitation to subscribe or purchase the Subordinated Bonds. This Information Memorandum shall not be, in whole or in part, reproduced or used for any other purpose without prior written consent of the Arranger.

The Issuer has prepared this information memorandum and is solely responsible for its contents. The issuer will comply with all rules, laws and regulations and is responsible for obtaining all regulatory, governmental and corporate approvals for the issuance of the Bonds. The Issuer, having made all reasonable inquiries, confirms that this Information Memorandum contains all the information with respect to itself and the Bonds to be issued by it, which is material in the context of the Bonds; that the information contained in this Information Memorandum is true and accurate in all material respects and is not misleading; that the opinions and intentions expressed in this Information Memorandum are honestly held and that there are no other facts the omission of which would make any of such information or the expression of any such opinions or intentions misleading. The Issuer accepts responsibility accordingly.

The Arrangers has relied on the information provided by the Issuer and such information has not been independently verified by the Arranger. No representation or warranty, expressed or implied, is or will be made, and no responsibility or liability is or will be accepted, by the Arranger or any affiliate of the Arranger for the accuracy, completeness, reliability, correctness or fairness of this Information Memorandum or any of the information or opinions contained therein, and the Arranger hereby expressly disclaim, to the fullest extent permitted by law, any responsibility for the contents of this Information Memorandum and any liability, whether arising in tort or contract or otherwise, relating to or resulting from this Information Memorandum or any information or errors contained therein or any omissions therefore. By accepting this Information Memorandum, investors agree that the Arranger will not have any such liability.

Neither this Information Memorandum nor any other information supplied in connection with the Issue is intended to provide the complete basis of any credit or other evaluation, nor should it be considered as a recommendation by the Arranger to the Issue that any recipient of this Information Memorandum (or any other information supplied in connection with the Issue) should purchase or subscribe for any Bonds. Each investor contemplating purchasing or subscribing for a Bond should make their own independent investigation of the financial condition and affairs, and their own appraisal of the creditworthiness of the Issuer.

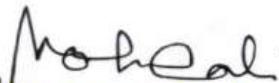
Investors are advised to consult with their own advisors as to all legal, accounting, regulatory, tax, financial and related matters, concerning an investment in the Bonds.

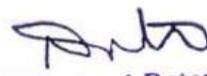
INVESTORS SHOULD RELY ON THEIR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT. IT IS RECOMMENDED THAT PROSPECTIVE INVESTORS CONSULT THEIR FINANCIAL, LEGAL AND OTHER ADVISERS BEFORE PURCHASING OR ACQUIRING OR INVESTING IN THE SUBORDINATED BONDS.

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**ISSUER'S DISCLAIMER**

ALL THE FEATURES OF PUBALI BANK 4<sup>th</sup> SUBORDINATED BOND ARE DRAFT ONLY AND FINALIZATION OF THESE FEATURES ARE SUBJECT TO THE APPROVALS OF COMPETENT REGULATORS. THESE FEATURES MAY BE MODIFIED AS PER THE DIRECTIONS OF BANGLADESH BANK AND BANGLADESH SECURITIES AND EXCHANGE COMMISSION OR ANY OTHER COMPETENT REGULATORS.

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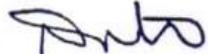
UCB INVESTMENT LIMITED		
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DBH Finance PLC.	
Trustee	
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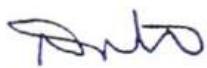
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**ABBREVIATIONS**

ALCO	ASSET LIABILITY MANAGEMENT COMMITTEE
ATM	Automated Teller Machine
BDT	Bangladeshi Taka
BRMC	Board Risk Management Committee
BSEC	Bangladesh Securities and Exchange Commission
CAGR	Compound Annual Growth Rate
CRAR	Capital to Risk-weighted Asset Ratio
CRM	Credit Risk Management
CRR	Cash Reserve Requirement
FBP	Foreign Bill Purchase
FDBP	Foreign Documentary Bills for Purchase
FDR	Fixed Deposit Receipts
IBP	Inland Bill Purchase
IC	Investment Committee
LATR	Loan Against Trust Receipt
MAT	Management Action Triggers
MCR	Minimum Capital Requirement
NFCD	Non-Resident Foreign Currency Deposit
NII	Net Interest Income
NIM	Net Interest Margin
NPA	Non-performing Assets
NPL	Non-performing Loan
OBU	Off-shore Banking Unit
OD	Over Draft
PCB	Private Commercial Bank
POS	Point of Sale
RFC	Resident Foreign Current Deposit
RMU	Risk Management Unit
RWA	Risk Weighted Assets
SLR	Statutory Liquidity Ratio
SME	Small and Medium-sized Enterprises
SOD	Secured Over Draft
VAR	Value at Risk

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**SECTION 1: REPORT TO THE ELIGIBLE INVESTOR**

By investing in the Bonds, you are hereby deemed to have acknowledged, represented and warranted to, and agree (as the case may be) for the benefit of the Arranger, as set out below:

**High risk:** You are fully aware that investment in the Bonds involves a high degree of risk.

**Consultation with advisers:** You have (i) consulted with your own legal, regulatory, tax, business, investment, financial and accounting advisers in connection herewith to the extent you have deemed necessary, (ii) collected and reviewed all information that you or your advisers believe is necessary or appropriate in connection with the purchase of the Bonds, and (iii) made your own investment decisions based upon your own judgment, due diligence and advice from such advisers as you have deemed necessary and not upon any view expressed by or on behalf of the Arranger.

**No reliance:** You acknowledge and agree that you may not rely on any investigation that the Arranger or any of its affiliates or any person acting on their behalf may have conducted with respect to the Issuer or any of their affiliates, and neither the Arranger nor its affiliates, employees, officers, directors, legal advisers or representatives have made any representation to you, express or implied, with respect to your investment in the Bonds.

**Informed decision:** You are in possession of all the information that you believe is necessary or appropriate in order to make an informed decision regarding your purchase of the Bonds, including without limitation, adequate information concerning the Issuer's business, financial condition, results of operations and prospects.

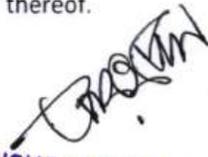
**Knowledge and experience:** You have such knowledge and experience in financial, business and international investment matters that you are capable of evaluating the merits and risks of purchasing the Bonds and are aware that you may be required to bear, and are able to bear, all risks including economic risk of an investment in the Bonds.

**Information of the Company:** You acknowledge that the information provided to you with regard to the Issuer and the Bonds in this Information Memorandum has been supplied to you by the Arranger only on behalf of the Issuer and that neither the Arranger nor any of its affiliates, employees, officers, directors, legal advisers or representatives has verified such information or makes any representation or warranty as to its accuracy or completeness.

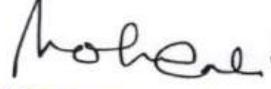
**Review of Information Memorandum:** You have reviewed this Information Memorandum in its entirety, including the risks associated with investment in Bonds, and you understand and acknowledge all of the risks described herein. By investing in the Bonds, you have determined that:

- i. the Bonds are a suitable investment for you and your investment in the Bonds does not and will not, when consummated, violate any investment or other guidelines, policies or restrictions (corporate or otherwise), or any law, rule, regulation or order applicable to you; and
- ii. you have obtained all approvals and consents (whether internal or external) and have made all notifications necessary for you to invest in the Bonds as contemplated; and you can bear the economic risk of the investment and are able to sustain a complete loss in connection with your investment.

**Own account:** You are purchasing the Bonds for your own account and not with a view to any distribution thereof.

  
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**No representation or warranty:** The Arranger has not made, and you have not relied upon any representation, warranty or condition (express and/or implied), and the Arranger shall not owe any duty whatsoever to you in connection with the Bonds.

**No obligation to purchase:** The Arranger shall have no obligation to purchase or acquire all or any part of the Bonds purchased by you or to support losses, if any, directly or indirectly sustained or incurred by you for any reason whatsoever in connection with the Bonds, including the non-performance by the issuance, whether to you or otherwise.

## **SECTION 2: RISK FACTORS AND MANAGEMENT PERCEPTION ABOUT RISK**

The following matters should be considered carefully before making any investment decision with respect to the Issuer or the Bonds. This Section contains a list of risks usually associated with the Issuer and the Bonds that It is issuing. The sequence in which the risks below are listed is not intended to be indicative of any order of priority or of the extent of their consequences. This list of risk factors is not meant to be a comprehensive description of all risks which may be relevant to a decision to invest in the Bonds. It does not take into consideration an investor's specific knowledge and/or understanding about the risks typically associated with the Issuer and the purchase and ownership of the Bonds. You are advised to review the risks below, if necessary, with the assistance of your own professional advisors, prior to making any investment decisions. If any of the risks described materialize, they could have a serious effect on the Issuer's financial results, and the ability of the Issuer to fulfill its obligations under the Bonds to be issued.

### **a) Interest Rate Risks**

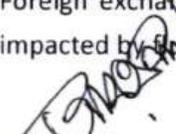
Interest Rate Risk can be defined as the risk of change in the value of an asset due to volatility in interest rates rendering the security in question non-competitive or increasing its value. Though the risk is said to arise due to an unexpected move, generally, investors are concerned with downside risk. This risk directly affects the fixed-rate security holder. Whenever the interest rate rises, the price of the fixed-income bearing security falls and vice-a-versa. For a bank, this risk arises from differences in the repricing profile, interest rate basis, and optionality of banking book assets, liabilities and off-balance sheet items. Interest Rate Risk represents an economic and commercial risk to the Bank and its capital adequacy.

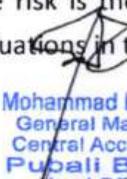
### ***Management's Perception***

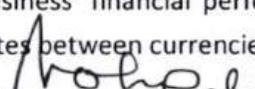
The vulnerability of an institution towards the advanced movement of the interest rate can be gauged by using Duration GAP under Stress Testing Analysis. Bank has also been exercising the Stress Testing using the Duration GAP for measuring the Interest Rate Risk on its On-Balance Sheet exposure for estimating the impact of the net change in the market value of equity on the Capital to Risk-Weighted Asset Ratio (CRAR) due to change in interest rates only on its On-Balance Sheet position (as the Bank holds no interest-bearing Off-Balance Sheet positions and or Derivatives). Under the assumption of three different interest rate changes i.e., 1%, 2%, and 3%.

### **b) Foreign Exchange Risks with Risk Mitigation Policy**

Foreign exchange risk is the risk that a business' financial performance or financial position will be impacted by fluctuations in the exchange rates between currencies. The risk can manifest itself through

  
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a bank's holdings of assets (or liabilities) with net payment streams denominated in a foreign currency. Foreign exchange rate fluctuations alter the domestic currency values of such assets. Foreign exchange risk is not confined to proprietary positions taken by a bank and client driven transactions but can also arise from known profit flows in foreign currency, and provisions for bad debts denominated in foreign currency. It is important that these exposures are identified and, where necessary, hedged, on a timely basis with the proper mitigants in place.

**Management's Perception**

The treasury division independently conducts the transactions, and the back office is responsible for verifying the deal and passing necessary accounting entries. As advised by Bangladesh Bank on month-end all foreign exchange-related transactions are revalued at mark-to-market rate. All Nostro accounts are reconciled on a daily basis and outstanding entries beyond 30 days are reviewed by management for settlement. It is mentionable that bank management is looking forward to establishing treasury mid-office to effectively perform the reconciliation activities Similar to credit risk, RMU is in the process of implementation of Value-at-Risk (VaR) to assess the foreign exchange risk more effectively.

**c) Non-repayment Risks**

Non-repayment risk is defined as the potential risk that a bank's borrower or counterparty may fail to meet its obligations in accordance with agreed terms, resulting in an adverse impact on the quality of the bank's assets and profitability. Non-repayment risk also refers to the bank's risk of having its cash flows interrupted when a borrower fails to make their repayment. Such a scenario results into having the loan classified in separate categories, the extreme one being Non-Performing Loans (NPL) which adversely impacts the bank's profitability due to higher required provisioning.

In the case of an unpaid loan, non-repayment risk can result in the loss of both interest on the debt and unpaid principal, whereas in the case of an unpaid account receivable, there is no loss of interest. In both cases, the party granting the credit may also incur incremental collection costs.

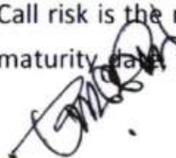
**Management's Perception**

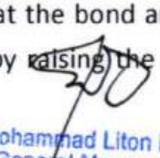
To ensure portfolio health, the bank has distributed the overall credit concentration among different segments/industries/trading. For example, branches are primarily responsible for sourcing potential clients and initiate limit (credit) approval process for review of Credit Division (CD), this division (CD) ensure the quality of credit proposal before limit approval, a separate division known as Credit Administration Monitoring and Recovery Division (CAMRD) monitors the documentation aspects of approved credits and finally, the Law Division manages the deteriorated accounts. It is mentionable that the bank has its own credit risk management guidelines. All other remaining risks in regard to credit portfolio are addressed by the Risk Management Division (RMD), the primary responsibility of this unit is to identify and assess the severity of risks and highlight the same to the management for strategic decision making.

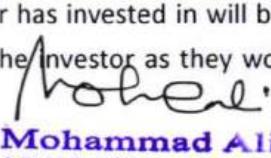
**d) Pre-payment, Call or Refunding Risks**

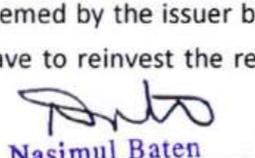
Call risk is the risk that the bond an investor has invested in will be redeemed by the issuer before its maturity, thereby raising the risk for the investor as they would have to reinvest the redeemed

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amount at a much lower rate or in an unfavorable investing market scenario. If the bond is called at or close to par value, as is usually the case, investors who paid premium for their bond also risk a loss of principal. In reality, prices of callable bonds are unlikely to move much above the call price if lower interest rates make the bond likely to be called.

**Management's Perception**

The bond that Pubali Bank intends to issue is non-callable, thus mitigating such risk.

**e) Security Risks**

The risk of loss arising from errors in the nature, quantity, pricing, or characteristics of collateral securing a transaction with credit risk. Institutions that actively accept and deliver collateral and are unable to manage the process accurately are susceptible to loss.

**Management's Perception**

Since this is an unsecured debt, this particular risk is not applicable here.

**f) Liquidity Risks**

Liquidity is a bank's ability to meet its cash and collateral obligations without sustaining unacceptable losses. Liquidity risk refers to how a bank's inability to meet its obligations (whether real or perceived) threatens its financial position or existence. Institutions manage their liquidity risk through effective asset liability management (ALM).

**Management's Perception**

The management of Pubali Bank is well aware of the risks involving liquidity constraints and is capable of handling such risks by practicing modern Asset Liability Management (ALM) techniques. The ALM committee regularly monitors the overall liquidity position of the bank and proactively makes policy changes in the due course of time. Therefore, it is highly unlikely that the bondholders will face any material loss from liquidity risk.

**g) Management Risks**

The risk associated with the management in charge of running the company. Ineffective, myopic, or inadequate strategies undertaken by the management hurt the shareholders and in turn, expose the company to management risk. Lack of proper succession planning and experience of the management are also some key variables in considering the said risk.

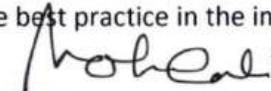
**Management's Perception**

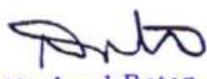
Pubali Bank Ltd.'s management comprises a group of highly professional individuals with considerable experience and reputation in the country's financial industry. Therefore, it is very unlikely that the management will conduct in such an unprofessional manner. Moreover, the management of the bank is constantly supervised by a board of directors consisting of seasoned professionals and entrepreneurs who work hard to ensure that the interest of all the stakeholders is served by management. Being operated in the highly regulated banking industry is also a safeguard against this risk as Bangladesh Bank monitors the management to ensure best practice in the industry.

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**h) Operational Risk**

Operational risk is the risk of loss due to failed internal processes or external events at an organization. Operational risk involves the legal and compliance risks in response to the disruption of day-to-day business operations. It also involves risk of losses suffered by the institutions stemming from the operational errors or mismatches in the process flows inherent in the lines of businesses.

Due to rising customer expectations, increasing regulatory requirements, proliferating financial engineering, uprising technological innovation and mounting competition, banks and financial institutions are undergoing changes. This has increased the probability of failure or mistakes from the operational point of view that can result in increased focus on managing operational risks.

**Management's Perception**

Internal control and internal audit systems are used as the primary means. Pubali Bank Ltd. manages this risk through a control-based environment in which processes are documented, authorization is independent, and transactions are reconciled and monitored. This is supported by an independent program of periodic reviews undertaken by internal audit, and by monitoring external operational risk events, which ensure that the bank stays in line with industry best practices and takes account of lessons learned from publicized operational failures within the financial services industry.

Pubali Bank Ltd has operational risk management process which explains how the bank manages its operational risk by identifying, assessing, monitoring, controlling, and mitigating the risk, rectifying operational risk events, and implementing any additional procedures required for compliance with central bank requirements. Operational risk management responsibility is assigned to a different level of management within the business operation. Information systems are used to record the identification and assessment of operational risks and to generate appropriate regular management reporting.

Risk assessment incorporates a regular review of identified risks to monitor significant changes. On top of that, as part of recent development, the bank is in the process of adopting of globally recognized operational risk assessment tools, e.g., Risk Control Self-Assessment for assessment of all possible operational risk and adoption of Key Risk Indicator (KRI) to help the bank to set operational risk trigger parameters.

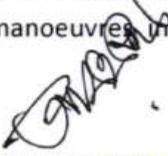
**i) Business Risks**

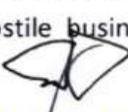
Business risk is the possibility that an organization's operations or competitive environment will cause it to generate financial results that are worse than expected. An entity with high business risk should be operated in a more conservative manner, keeping the debt level as low as possible. Business risk is influenced by a lot of factors, including revenue, costs, competition, and overall economic climate and government regulations.

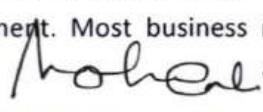
**Management's Perception**

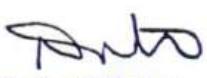
Pubali Bank Ltd. has a robust risk management system to counter any adverse business risk and to manoeuvre in a hostile business environment. Most business risks have been covered in Credit,

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Liquidity, and Interest Rate Risk. To counter and mitigate business risk, the following mitigation measures are in place:

- Regular review of impact of global economic meltdown and take appropriate measures
- Innovative and convenient financial products and services.
- Taking prompt action on customer complaints.
- Frequent assessment of clients' satisfaction.
- Regular review of performance against budget and targets.
- Review and analysis of competitors' performance.

Prevention of risk by forecasting future market conditions gives Pubali Bank Ltd. a competitive edge over other competitors in the local market. In order to mitigate prospective risks of the market, the equity and research team regularly assesses the market information. This assessment updates the Management about the current market situation, growth of certain industries, current global phenomena, the price index of raw materials, refinance scheme taken by the central bank, and regulatory steps taken by various regulatory bodies. This also helps to make a future prediction on any industry and the market as a whole.

**j) Industry Risks**

Industry risk is the systematic risk inherent in a particular industry affecting all the entities. The risk can manifest itself through increased competition in the industry, threats of substitutes, bargaining power of supply chain entities etc. Macro-economic conditions also impact the ecosystem of the industry a particular company is a part of. Specially for the financial sector, there can be certain economic events or anomalies that adversely affect the industry sending it on a decline.

**Management's Perception**

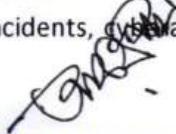
Pubali Bank Ltd. has always been careful in offering innovative, convenient, and cost-effective financial products and services which in turn minimizes its industry risk exposure. Since it has a wide Networks, the bank contributes significantly in harnessing deposits by launching different attractive schemes befitting the requirement of different segments of customers. The bank actively encourages feedback from the customers and regards complaints as constructive comments that help to build customer relationships and improve business. The Bank has also succeeded in diversifying its business portfolio across the thrust sectors of the economy and always takes special care for superior value addition in its services to clients.

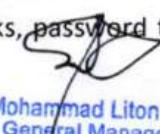
**k) Market and Technology-related Risks**

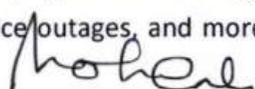
Market risk can be defined as the risk of losses in on and off-balance sheet positions arising from adverse movements in market prices. Market risk stems from all the positions included in the Bank's trading book, foreign exchange risk as well as from commodity positions.

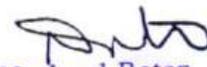
Technology risk, or information technology risk, is the potential for any technology failure to disrupt the flow of a Bank's business. Banks face many types of technology risks, such as information security incidents, cyberattacks, password theft, service outages, and more. Every type of technology risk has

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the potential to cause financial, reputational, regulatory, and/or strategic risk. As such, it's critical to have an effective technology risk management strategy in place to anticipate potential problems.

**Management's Perception**

Over the last few years, Pubali Bank Ltd. had taken different initiatives to minimize ICT risks. Throughout the year, the bank had initiated different projects considering Risk Management into consideration. We have established our Data Center at IT 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 an Exadata storage solution for enhancing the 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. The audit recommendations and suggestions were considered and accordingly steps were taken to minimize associated ICT Risks. Bank has arranged awareness programs and trainings on the field of ICT Risk and its mitigation for both business and technical human resources, from top management to the trainee officers. The idea behind this practice was to increase the average ICT knowledge of the Bank through which the probability of occurrence of policy noncompliance in the Bank will be minimized.

The Treasury Division manages market risk covering liquidity, profit rate, and foreign exchange with oversight from the Asset Liability Management Committee (ALCO) comprising Senior Executives of the Bank. ALCO is headed by the Managing Director.

**l) Risks related to potential or existing Government Regulations**

Excessive growth of risk weighted assets against the growth of eligible regulatory capital of Pubali Bank PLC. might breach the Bangladesh Bank's criteria of minimum capital requirement. Also, the Bank might fail to comply with the laws, regulations or codes applicable to the financial services industry.

**Management's Perception**

Unless any policy change may negatively and significantly affect the industry as a whole, the business of the bank is expected not to be affected materially. Like all scheduled banks in Bangladesh, Pubali Bank Ltd. has been funding their assets from their deposits after maintaining the required SLR including CRR has the bank has been consistently compliant to any such changes.

The bank is capable of dealing with the consequences of unfavorable policy or regulatory changes made by the government. The Government is taking initiatives to improve the attractiveness of the country as an investment destination. Accordingly, it is expected that any changes to the existing laws will seek to improve the overall business and investment environment.

**m) Risks related to potential changes in Global or National Policies**

Risk associated with any potential global issues (i.e., a global financial crisis or a massive volatility in an international currency) or a national policy change (i.e., regulatory changes made by the Bangladesh Bank or the Bangladesh Securities and Exchange Commission).

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**Management's Perception**

Since this security would be issued in the local market, potential global changes are unlikely to have any impact. Since this security would be issued in the local market, potential global changes are unlikely to have any impact on the security issued. Moreover, Pubali Bank Ltd. has a robust risk management team and has the capability to adapt to any global scenario that might affect the local market in the security issued. Moreover, Pubali Bank has a robust risk management team and has the capability to adapt to any global scenario that might affect the local market.

**SECTION 3: DETAILED DESCRIPTION AND INFORMATION**

Detailed description and information as per Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021; Schedule- A (Part I) is given as below:

**1. Particulars of the Issuer, Pubali Bank PLC.**

(a)	<b>Name of the Issuer</b>	Pubali Bank PLC. (Pubali Bank)
(b)	<b>Legal status of the issuer</b>	Public limited company (listed), private commercial bank
(c)	<b>Details of Contact Information</b>	Mohammad Liton Miah FCA GM, Division Head & CFO, Central Accounts Division Level 9, 26 Dilkusha C/A, Dhaka – 1000. Phone: +880 2 9566994, +880 2 9551614 Ext. 307 Mobile: +880 1917704870 E-mail: cad@pubalibankbd.com
(d)	<b>Date of incorporation</b>	June 30 1983
(e)	<b>Date of commencement of business</b>	August 11, 1983
(f)	<b>Authorized capital</b>	BDT 20,000 million as of 31 December 2023
(g)	<b>Paid-up capital</b>	BDT 10,282.94 million as of 31 December 2023
(h)	<b>Total equity</b>	BDT 47,645.56 million as of 31 December 2023
(i)	<b>Total liabilities</b>	BDT 769,945.61 million as of 31 December 2023
(j)	<b>Total assets</b>	BDT 817,591.16 million as of 31 December 2023
(k)	<b>Total Tangible Assets</b>	BDT 7,536.53 million as of 31 December 2023
(l)	<b>Net Worth</b>	BDT 47,645.56 million as of 31 December 2023
(m)	<b>Total Financial Obligations</b>	N/A
(n)	<b>Others</b>	Not Applicable

**2. Particulars of Issue Manager:** Not applicable

**3. Particulars of the Issue:**

(a)	<b>Name of the issue</b>	Pubali Bank 4 <sup>th</sup> Subordinated Bond
(b)	<b>Type of instruments to be issued</b>	Unsecured, Non-Convertible, Redeemable, Floating Rate Subordinated Bond
(c)	<b>Purpose of the issue</b>	To raise Tier-2 Capital through issuance of Pubali Bank

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		4th Subordinated Bond in order to strengthen its capital base in accordance with Bangladesh Bank's Guidelines on Risk Based Capital Adequacy (Revised Regulatory Capital Framework in line with Basel III).												
(d)	Number of securities and total size of the issue to be offered	Total Bonds (securities) to be issued: 4,000 no.s  Total Issue Size: BDT 4,000,000,000 (Four Thousand Million Taka)												
(e)	Face value and issue price of securities mentioning discount or premium thereof	Face Value: BDT 1,000,000 (One Million) Per Bond												
(f)	Coupon rate /discount rate and YTM	Reference Rate + Coupon Margin  <u>Reference Rate:</u> Latest average of the 6-months' highest FDR rate of all private commercial banks (excluding all the foreign banks, Islamic Banks, 4 <sup>th</sup> and 5 <sup>th</sup> generation banks) as published by Bangladesh Bank on the Quotation Day (*subject to market condition and regulatory approvals)  <u>Coupon Margin:</u> 3.00% p.a. (*subject to market condition and regulatory approvals)												
(g)	Tenor or maturity	7 Years												
(h)	Details of conversion/ exchange option features	Not applicable as the bond is non-convertible.												
(i)	Mode of redemption or conversion/ exchange	Face Value (principal) redemptions will be in 5 (five) annual tranches commencing at the end of 36th month from the date of drawdown in the following manner: <table border="1"> <thead> <tr> <th>Month</th> <th>Redemption</th> </tr> </thead> <tbody> <tr> <td>36<sup>th</sup></td> <td>20.0%</td> </tr> <tr> <td>48<sup>th</sup></td> <td>20.0%</td> </tr> <tr> <td>60<sup>th</sup></td> <td>20.0%</td> </tr> <tr> <td>72<sup>nd</sup></td> <td>20.0%</td> </tr> <tr> <td>84<sup>th</sup></td> <td>20.0%</td> </tr> </tbody> </table>	Month	Redemption	36 <sup>th</sup>	20.0%	48 <sup>th</sup>	20.0%	60 <sup>th</sup>	20.0%	72 <sup>nd</sup>	20.0%	84 <sup>th</sup>	20.0%
Month	Redemption													
36 <sup>th</sup>	20.0%													
48 <sup>th</sup>	20.0%													
60 <sup>th</sup>	20.0%													
72 <sup>nd</sup>	20.0%													
84 <sup>th</sup>	20.0%													
(j)	Mode of option (call or put), if any, in case of redemption or conversion/exchange and discount or premium thereof	The Bond is non-convertible and not-callable in nature												
(k)	Rate of return	Coupon Rate = Reference Rate + Coupon Margin												
(l)	Applicable tax rate	According to the laws of Bangladesh												
(m)	Default protection mechanism (details of credit enhancement arrangement/ agreement, redemption reserve, sinking fund etc.), if any	Not Applicable. The bond is Unsecured in nature												
(n)	Type of collateral securities	Unsecured												

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	being offered, if any	
(o)	Status of securities holders in case of priority of payment	Pubali Bank 4th Subordinated Bond is superior to the claims of investors in equity shares and Subordinated to the claims of the depositors and the other creditors as Tier 2 Capital (as defined in the Basel III Guidelines) of the Bank. It is neither secured nor covered by a guarantee of the issuer nor related entity or other arrangement that legally or economically enhances the seniority of the claim vis-à-vis bank creditors
(p)	Period within which securities to be issued	As per the Consent Letter from BSEC
(q)	Nature of tradability or listing in the stock exchange(s) (Main Board / ATB / any other platform, mentioning the name of the stock exchange)	As per the Consent Letter from BSEC
<b>Others:</b>		
(i)	Investors:	Institutional investors, high net-worth individual investors and as per the Regulatory approval
(ii)	Mode of Placement	Private Placement on a best effort basis
(iii)	Coupon Payment Frequency	Semi-annual coupon payment starting at the end of 6 months from the date of drawdown <ul style="list-style-type: none"> <li>Coupon will be paid to the bondholders semi-annually. However, the first coupon payment period will be from the issue date/subscription closing date up to the ensuing either 30 June or 31 December of the respective year whichever is earlier of issue date/subscription closing date</li> <li>Thereafter, coupon payment will be made semi-annually on June and December (i.e. Coupon Period will be from <u>01 January to 30 June</u> and <u>01 July to 31 December</u>)</li> </ul>
(iv)	Late Payment	The Issuer shall pay a late payment penalty of 2% p.a. (two per cent) higher than the Coupon Rate and be payable on the amount not paid on the due date up till the date of actual payment
(v)	Transferability/Liquidity	Freely transferable in accordance with the provisions of the Trust Deed
(vi)	Governing Law	The Bonds are governed by and shall be construed in accordance with the existing laws of Bangladesh. Any dispute arising thereof shall be subject to the jurisdiction of courts of Bangladesh.

**4. Particulars of the Trustee:**

(a)	Name of the trustee	DBH Finance PLC.
(b)	Paid-up capital of the trustee	BDT 1,989 million (as of 31 December 2023)
(c)	Net worth of the trustee	BDT 8,578 million (as of 31 December 2023)

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(d)	Name of the issue(s) where performing as trustee	<ol style="list-style-type: none"> <li>1. UCBL 5th Subordinated Bond</li> <li>2. 5th Premier Bank Ltd Subordinated Bond</li> <li>3. IBBL 4th Mudaraba Subordinated Bond</li> <li>4. SIBL 4<sup>th</sup> Mudaraba Subordinated Bond</li> <li>5. PBL 3<sup>rd</sup> Non-Convertible Subordinated Bond</li> <li>6. Trust Bank Ltd VI Non-Convertible Subordinated Bond</li> <li>7. SJBL 3rd Mudaraba Subordinated Bond</li> <li>8. Dhaka Bank 4<sup>th</sup> Subordinated Bond</li> <li>9. Jamuna Bank Subordinated Bond</li> <li>10. Runner Auto Sustainability Bond</li> <li>11. Sajida 2<sup>nd</sup> Zero Coupon Bond</li> <li>12. CDIP 1<sup>st</sup> Zero Coupon Bond</li> <li>13. PBL 4<sup>th</sup> Non-Convertible Sub Bond</li> </ol>
(e)	Others	Not Applicable

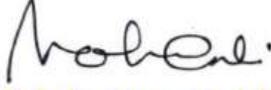
**5. Particulars of the Credit Rating Company:**

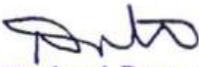
(a)	Name of credit rating company	Issuer: Credit Rating Information & Services Ltd. Issue: National Credit Rating Limited										
(b)	Credit rating status of the issuer or originator	Long Term: AAA Short Term: ST-1 Outlook: Stable										
(c)	Credit rating status of the issue	Long Term: AA Outlook: Indicative										
(d)	Date and validity of rating along with surveillance rating for the issuer or originator and for the issue	<b>Credit Rating of the Issuer:</b> valid till 23 June 2025 <b>Credit Rating of the Issue:</b> valid till 25 September 2025										
(e)	Latest default rate of the credit rating company	0.00%										
(f)	Average time to default of the rated category	Not Applicable										
(g)	Rating trigger, if any	"BBB" in long term and ST-3 in short time (*subject to regulatory approval)										
(h)	Others	<p><b>Risk Premium:</b> In case of a downgrade of credit rating under surveillance rating, Risk Premium to be added as under:</p> <table border="1"> <thead> <tr> <th>Issue Rating</th> <th>Risk Premium to be added</th> </tr> </thead> <tbody> <tr> <td>BB</td> <td>0.25%</td> </tr> <tr> <td>B</td> <td>0.50%</td> </tr> <tr> <td>C</td> <td>0.75%</td> </tr> <tr> <td>D</td> <td>1.00%</td> </tr> </tbody> </table>	Issue Rating	Risk Premium to be added	BB	0.25%	B	0.50%	C	0.75%	D	1.00%
Issue Rating	Risk Premium to be added											
BB	0.25%											
B	0.50%											
C	0.75%											
D	1.00%											

**6. Particulars of originators, if any:** Not applicable

  
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**7. Particulars of other contractual parties:**

(a)	<b>Name of the Mandated Lead Arranger</b>	UCB Investment Limited
(b)	<b>Legal status of the Mandated Lead Arranger</b>	UCB Investment Limited: Private Limited Company registered under the Companies Act, 1994 (Act No.18 of 1994), and licensed Merchant Banker under the Securities and Exchange Commission (Merchant Banker and Portfolio Manager) Regulations, 1996
(c)	<b>Details of contact information of the Mandated Lead Arranger</b>	<b>Anisul Haque</b> Senior Manager, Corporate Advisory Contact: +88-02-55668070, ext: 800042 Email: anisul.haque@ucbil.com.bd
(d)	<b>Legal Advisor</b>	Lex Juris
(e)	<b>Details of contact information of legal advisor</b>	Mr. Md. Mydul Haque Khan, Barrister-at-Law & Advocate, Supreme Court of Bangladesh and Partner Lex Juris, E-mail: mydulkh@lexjurisbd.com Mobile: +8801768054385, +8801912888553

**SECTION 4: USE OF PROCEEDS**

**Purpose of Issuance of Pubali Bank Subordinated Bond**

Pubali Bank PLC. has decided to raise Tier-2 Capital through issuance of Non-Convertible, Unsecured Subordinated Bond in order to strengthen its capital base in accordance with Bangladesh Bank’s Guidelines on Risk Based Capital Adequacy (Revised Regulatory Capital Framework in line with Basel III). The proposed bond issue will allow the bank to enhance its capital strength and continue to grow its balance sheet in the future years.

**Plan Regarding Use of Proceeds from Subordinated Bond**

The proposed bond will qualify as part of Pubali Bank’s Tier-II capital and will help maintain healthy capital adequacy ratios in the next few years. Besides, the BDT 4,000 million funds will be used for undertaking general business activities of the bank including strengthening of the loan portfolio and other securities. The proceeds will primarily be used for:

- Growing the bank’s loan portfolio in SME, Cards, and Retail segments
- Investing in other high-yield instruments

**SECTION 5: FEATURES OF PUBALI BANK 4th SUBORDINATED BOND**

**Basic Features of the Instrument**

**Table 1:** Basic Features of PUBALI BANK 4<sup>th</sup> Subordinated Bond

<b>Name of the Issue</b>	Pubali Bank 4 <sup>th</sup> Subordinated Bond
<b>Type of the Issue</b>	Unsecured, Non-Convertible, Redeemable, Floating Rate Subordinated Bond
<b>Issuer</b>	Pubali Bank PLC.
<b>Purpose</b>	To raise Tier-2 Capital through issuance of Pubali Bank 4 <sup>th</sup> Subordinated Bond

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	in order to strengthen its capital base in accordance with Bangladesh Bank's Guidelines on Risk Based Capital Adequacy (Revised Regulatory Capital Framework in line with Basel III).												
Arranger	UCB Investment Limited												
Trustee	DBH Finance PLC.												
Common Legal Counsel	Lex Juris												
Credit Rating Agency of the Issue	National Credit Ratings Ltd.												
Issue Size	BDT 4,000,000,000 (Four Thousand Million Taka)												
Nature of Instrument	Unsecured												
Tenure	7 years from the date of issuance												
Face Value	BDT 1,000,000 (One Million) Per Bond												
Minimum Subscription	BDT 1,000,000 (One Million Taka)												
Total Bonds to be issued	4,000 (Four Thousand) no.s												
Investors	Institutional investors, high net-worth individual investors and as per the Regulatory approval												
Mode of Placement	Private Placement on a best effort basis												
Yield to Maturity / Rate of Return	Coupon Rate												
Coupon Rate	Reference Rate + Coupon Margin												
Reference Rate	Latest average of the 6-months' <b>highest</b> FDR rate of all private commercial banks (excluding all the foreign banks, Islamic Banks 4 <sup>th</sup> & 5 <sup>th</sup> generation banks) as published by Bangladesh Bank on the Quotation Day (*subject to market condition and regulatory approvals)												
Quotation Days	Five (05) business days before the first day of any period for which Coupon is to be paid												
Coupon Margin	3.00% p.a. (*subject to market condition and regulatory approvals)												
Coupon Payment Frequency	Semi-annual coupon payment starting at the end of 6 months from the date of drawdown <ul style="list-style-type: none"> <li>Coupon will be paid to the bondholders semi-annually. However, the first coupon payment period will be from the issue date/subscription closing date up to the ensuing either 30 June or 31 December of the respective year whichever is earlier of issue date/subscription closing date</li> <li>Thereafter, coupon payment will be made semi-annually on June and December (i.e. Coupon Period will be from <u>01 January to 30 June</u> and <u>01 July to 31 December</u>)</li> </ul>												
Repayment Schedule	Face Value (principal) redemptions will be in 5 (five) annual tranches commencing at the end of 36th month from the date of drawdown in the following manner: <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Month</th> <th>Redemption</th> </tr> </thead> <tbody> <tr> <td>36<sup>th</sup></td> <td>20.0%</td> </tr> <tr> <td>48<sup>th</sup></td> <td>20.0%</td> </tr> <tr> <td>60<sup>th</sup></td> <td>20.0%</td> </tr> <tr> <td>72<sup>nd</sup></td> <td>20.0%</td> </tr> <tr> <td>84<sup>th</sup></td> <td>20.0%</td> </tr> </tbody> </table>	Month	Redemption	36 <sup>th</sup>	20.0%	48 <sup>th</sup>	20.0%	60 <sup>th</sup>	20.0%	72 <sup>nd</sup>	20.0%	84 <sup>th</sup>	20.0%
Month	Redemption												
36 <sup>th</sup>	20.0%												
48 <sup>th</sup>	20.0%												
60 <sup>th</sup>	20.0%												
72 <sup>nd</sup>	20.0%												
84 <sup>th</sup>	20.0%												
Call Refunding, Conversion Features	The Bond is non-convertible and not callable in nature												
Tax Feature	According to the laws of Bangladesh												
Late Payment	The Issuer shall pay a late payment penalty of 2% p.a. (two per cent) higher than the Coupon Rate and be payable on the amount not paid on the due date up till the date of actual payment												

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<b>Description of Collateral Security and Type of Charges to be Created Against the Issue</b>	Unsecured										
<b>Listing</b>	As per the consent letter of the BSEC										
<b>Transferability/Liquidity</b>	Freely transferable in accordance with the provisions of the Trust Deed										
<b>Cost of the issuance</b>	The approximate cost of the issuance is BDT 34,410,250 /-										
<b>Credit Enhancement</b>	Not Applicable										
<b>Rating Trigger, if any</b>	"BBB" in long term and ST-3 in short time (*subject to regulatory approval)										
<b>Others, if any</b>	<p><b>Risk Premium:</b> In case of a downgrade of credit rating under surveillance rating, Risk Premium to be added as under:</p> <table border="1"> <thead> <tr> <th>Issue Rating</th> <th>Risk Premium to be added</th> </tr> </thead> <tbody> <tr> <td>BB</td> <td>0.25%</td> </tr> <tr> <td>B</td> <td>0.50%</td> </tr> <tr> <td>C</td> <td>0.75%</td> </tr> <tr> <td>D</td> <td>1.00%</td> </tr> </tbody> </table> <p>(*subject to regulatory approval)</p>	Issue Rating	Risk Premium to be added	BB	0.25%	B	0.50%	C	0.75%	D	1.00%
Issue Rating	Risk Premium to be added										
BB	0.25%										
B	0.50%										
C	0.75%										
D	1.00%										
<b>Governing Law</b>	The Bonds are governed by and shall be construed in accordance with the existing laws of Bangladesh. Any dispute arising thereof shall be subject to the jurisdiction of courts of Bangladesh.										

**Rate of Return, Yield to Maturity, Coupon/Discount Rate**

Yield to Maturity: Reference Rate + Coupon Margin,

**Transferability/Liquidity**

Freely transferable in accordance with the provisions of the Trust Deed

**Prepayment, Call, Refunding, Conversion Feature**

The Bond is non-convertible and not callable in nature and has no prepayment option.

**Tax Features**

The Company and any income from the Bond for the investors will be according to the Laws of Bangladesh.

**Late Payment:**

The Issuer shall pay a late payment penalty of 2% (two per cent) p.a. higher than the Coupon Rate and be payable on the amount not paid on the due date up till the date of actual payment.

**Credit Enhancement:**

It is not applicable for the subordinated bond of Pubali bank PLC.

**Enforcement of Charges over securities**

The Trustee shall enforce all payment obligations under the Bonds only by way of petitioning for the winding up or dissolution of the Issuer and/or by proving for the amount due and payable under the Bonds in the liquidation or administration of the Issuer. In the event of default by the Issuer in the performance or observance of any covenant, condition or provision contained in the Bond or the Trust Deed or any of the Issue Documents (save for failure to pay any amount of principal, coupon or expenses or in respect of any other payment obligation), (i) the Trustee or any Bondholder shall not be entitled to any remedy available to the Trustee or any Bondholder which in substance amounts to a remedy to recover any amounts under any payment obligation of the Issuer under the Bonds and (ii) any other remedy available.

**Repayment Schedule:**

As per BASEL III guideline (Annex IV: Specific Eligibility Criteria for Subordinated Debt to Qualify as Tier 2 Capital), the Bond is subordinate in nature as the instrument is subordinated to deposits and other liabilities of the bank.

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It implies that the claims of the subordinated debt holders will be junior to the claims of the depositors and the other creditors. The bond will be unsecured and fully paid-up. The bond is redeemable as per Repayment Schedule as depicted in features (5.1) section.

Issue Size (BDT)	4,000,000,000	
Years	Repayment (BDT)	Balance
End of 1 <sup>st</sup> year	-	4,000,000,000
End of 2 <sup>nd</sup> year	-	4,000,000,000
End of 3 <sup>rd</sup> year	800,000,000	3,200,000,000
End of 4 <sup>th</sup> year	800,000,000	2,400,000,000
End of 5 <sup>th</sup> year	800,000,000	1,600,000,000
End of 6 <sup>th</sup> year	800,000,000	800,000,000
End of 7 <sup>th</sup> year	800,000,000	0

## **SECTION 6: DESCRIPTION OF COLLATERAL SECURITY AND TYPE OF CHARGES TO BE CREATED**

Pubali Bank 4<sup>th</sup> Subordinated Bond is superior to the claims of investors in equity shares and Subordinated to the claims of the depositors and the other creditors as Tier 2 Capital (as defined in the Basel III Guidelines) of the Bank. It is neither secured nor covered by a guarantee of the issuer nor related entity or other arrangement that legally or economically enhances the seniority of the claim vis-à-vis bank creditors.

## **SECTION 7: RIGHTS AND OBLIGATIONS OF THE ISSUER**

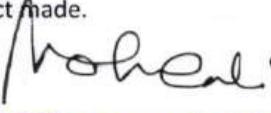
Rights and Obligations of the Issuer have been incorporated from the Trust Deed executed between the Issuer (Pubali Bank PLC.) and the Trustee (DBH Finance PLC.).

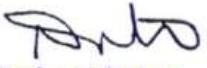
**Covenant to Repay:** The Issuer covenants with the Trustee that it will, as and when the Bonds or any of them become due to be redeemed or any principal on the Bonds or any of them becomes due to be repaid in accordance with the Conditions, unconditionally pay or procure to be paid to or to the order of the Trustee in Bangladesh Taka in Dhaka in immediately available freely transferable funds the principal amount of the Bonds or any of them becoming due for redemption or repayment on that date and shall (subject to the provisions of the Conditions) until all such payments (both before and after judgment or other order) are duly made unconditionally pay or procure to be paid to or to the order of the Trustee as aforesaid on the dates provided for in the Conditions coupon on the principal amount of the Bonds or any of them outstanding from time to time as set out in the Conditions provided that:

- (i) every payment of principal or coupon in respect of the Bonds or any of them made to or to the account of the Bondholders shall satisfy, to the extent of such payment ;
- (ii) if any payment of principal or coupon in respect of the Bonds or any of them is made after the due date, payment shall be deemed not to have been made until either the full amount is paid to the Bondholders or, if earlier, the seventh day after notice has been given to the Bondholders in accordance with the Conditions that the full amount has been received by the Trustee to the extent that there is failure in the subsequent payment to the Bondholders under the Conditions; and
- (iii) in any case where payment of the whole or any part of the principal amount due in respect of any Bond is improperly withheld or refused coupon shall accrue at Applicable Coupon Rate for the Bond on the whole or such part of such principal amount from the date of such withholding or refusal until the date either on which such principal amount due is paid to the Bondholders or, if earlier, the seventh day after which notice is given to the Bondholders in accordance with the Conditions that the full amount payable in respect of the said principal amount is available for collection by the Bondholders such payment is in fact made.

  
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The Trustee will hold the benefit of this covenant and the covenants in Clause 11.3 (Covenant to comply with Trust Deed, Conditions Schedules, and applicable law) and Clause 11.4 (Covenants by the Issuer) on trust for the Bondholders.

#### Following an Event of Default

At any time after any Event of Default shall have occurred, the Trustee may:

by notice in writing to the Issuer, require it to make all subsequent payments in respect of Bonds to or to the order of the Trustee and with effect from the issue of any such notice until such notice is withdrawn, sub-clause 11.1.1 of Clause 11.1 (Covenant to Repay) and (so far as it concerns payments by the Issuer) Clause: (Payment to Bondholders) shall cease to have effect.

#### Covenant to comply with Trust Deed, Conditions, Schedules and applicable law

The Issuer hereby covenants with the Trustee to comply with, perform and observe all those provisions of this Trust Deed, the Conditions (including, without limitation, Condition 5 (Covenants)) and the other Schedules which are expressed to be binding on it and to perform and observe the same. The Bonds are subject to the provisions contained in this Trust Deed, all of which shall be binding upon the Issuer and the Bondholders and all persons claiming through or under them respectively. The Bondholders and all persons claiming under or through them respectively will also be entitled to the benefit of, and will be bound by, this Trust Deed and the other Bond Documents and will be deemed to have notice of all of the provisions of the Bond Documents applicable to them.

The Issuer hereby covenants with the Trustee to comply with, perform and observe all those provisions of the applicable law including but is not limited to Bangladesh Securities and Exchange Commission (Debt Securities) Rules 2021. The Issuer agrees that Bondholders and all persons claiming under or through them respectively will also be entitled to the benefit of, and will be bound by, the applicable law and will be deemed to have notice of all of the provisions of the applicable law applicable to them.

The Trustee shall itself be entitled to enforce the obligations of the Issuer under the Bonds and the Conditions and the applicable law as if the same were set out and contained in this Trust Deed which shall be read and construed as one document with the Bonds.

#### Covenants by the Issuer

The Issuer hereby covenants with the Trustee that, so long as any of the Bonds remain outstanding, it will:

##### Books of account:

At all times keep and procure that all its Subsidiaries keep such books of account as may be necessary to comply with all applicable laws and so as to enable the financial statements of the Issuer to be prepared and allow, subject to confidentiality obligations under applicable law, the Trustee and any person appointed by it free access to the same at all reasonable times and to discuss the same with responsible officers of the Issuer;

##### Event of Default:

Give notice in writing to the Trustee forthwith upon becoming aware of any Event of Default and without waiting for the Trustee to take any further action;

##### Corporate Governance:

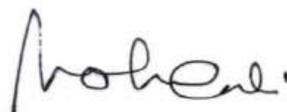
Comply (and shall ensure that each member of the Group will) in all material respects with the corporate governance guidelines set out by the Bangladesh Bank and the Bangladesh Securities and Exchange Commission.

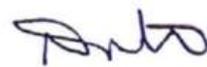
##### Information:

So far as permitted by applicable law, at all times give to the Trustee such information, opinions, certificates and other evidence as it shall require and, in such form, as it shall require in relation to Issuer for the performance of its obligations under the Bond Documents;

  
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**Execution of further Documents:**

So far as permitted by applicable law, at all times execute all such further documents and do all such further acts and things as may be necessary at any time or times in the opinion of the Trustee to give effect to the provisions of this Trust Deed;

**Notices to Bondholders:**

Send or procure to be sent to the Trustee not less than 5 (five) business days prior to the date of publication, one copy of each notice to be given to the Bondholders in accordance with the Conditions and, upon publication, send to the Trustee two copies of such notice;

**Notification of non-payment:**

Notify the Trustee forthwith in the event that it does not, on or before the due date for payment in respect of the Bonds or any of them, pay unconditionally the full amount in the relevant currency of the moneys payable on such due date on all such Bonds;

**Notification of late payment:**

In the event of the unconditional payment to the Trustee of any sum due in respect of the Bonds or any of them being made after the due date for payment thereof, forthwith give notice to the Bondholders that such payment has been made;

**Notification of redemption or repayment:**

14 (Fourteen) days prior to the Redemption Dates or purchase in respect of any Bond, give to the Trustee notice in writing of the amount of such redemption or purchase pursuant to the Conditions and duly proceed to redeem or purchase such Bonds accordingly;

**Authorised Signatories:**

Upon the execution hereof and thereafter forthwith upon any change of the same, deliver to the Trustee a list of the Authorised Signatories of the Issuer, together with certified specimen signatures of the same; and

**Payments:**

Pay moneys payable by it to the Trustee hereunder without set off, counterclaim, deduction or withholding, unless otherwise compelled by law and in the event of any deduction or withholding compelled by law will pay such additional amount as will result in the payment to the Trustee of the amount which would otherwise have been payable by it to the Trustee hereunder.

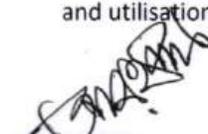
**Risk Premium**

In case where the credit rating of the Issue falls below the minimum investment grade i.e. "BBB" in the long term or "ST-3" in the short term, the Issuer shall pay an additional fee on top of the stipulated Coupon or Profit Rate as a Risk Premium as mentioned in the below table:

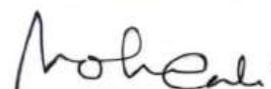
Issue Rating	Risk Premium to be added
BB	0.25%
B	0.50%
C	0.75%
D	1.00%

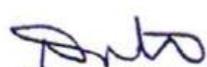
**Escrow Account:**

Maintain an Escrow Account for the purpose of receiving the proceeds raised through the issuance of the Bonds and utilisation thereof.

  
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## SECTION 8: RIGHTS AND OBLIGATION OF THE TRUSTEE

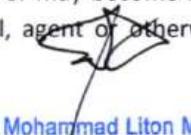
Rights and Obligations of the Trustee have been incorporated from the Trust Deed executed between the Issuer (Pubali Bank PLC.) and the Trustee (DBH Finance PLC.).

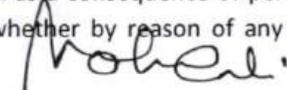
### Trustee's Rights

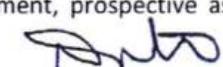
Applicable Law: Notwithstanding anything contained in this Trust Deed the Trustee shall have all such rights and powers granted to it under the applicable law including but is not limited to Bangladesh Securities and Exchange Commission (Debt Securities) Rules 2021.

- **Advice:** The Trustee may in relation to this Trust Deed act on the opinion or advice of or a certificate or any information obtained from any lawyer, banker, valuer, surveyor, broker, auctioneer, accountant or other expert (whether obtained by the Trustee, the Issuer, or any Subsidiary) and which advice or opinion may be provided on such terms (including as to limitations on liability) as the Trustee may consider in its sole discretion to be consistent with prevailing market practice with regard to advice or opinions of that nature and shall not be responsible for any Liability occasioned by so acting; any such opinion, advice, certificate or information may be sent or obtained by letter, telegram, telex, cablegram or facsimile transmission;
- **Resolution or direction of Bondholders:** the Trustee shall not be responsible for acting upon any resolution purporting to be a Written Resolution or to have been passed at any meeting of the Bondholders in respect whereof minutes have been made and signed or a direction of a specified percentage of Bondholders, even though it may subsequently be found that there was some defect in the constitution of the meeting or the passing of the resolution or the making of the directions or that for any reason the resolution purporting to be a Written Resolution or to have been passed at any Meeting or the making of the directions was not valid or binding upon the Bondholders;
- **Trustee not responsible for investigations:** save as otherwise provided by applicable law, the Trustee shall not be responsible for, or for investigating any matter which is the subject of, any recital, statement, representation, warranty or covenant of any person contained in this Trust Deed, the Bonds, or any other agreement or document relating to the transactions herein or therein contemplated or for the execution, legality, effectiveness, adequacy, genuineness, validity, enforceability or admissibility in evidence thereof;
- **Entry on the Register:** the Trustee shall not be liable to the Issuer or any Bondholder by reason of having accepted as valid or not having rejected any entry on the Register later found to be forged or not authentic and can assume for all purposes in relation hereto that any entry on the Register is correct.
- **Events of Default:** save as otherwise provided by applicable law, until it shall have actual knowledge or express notice to the contrary, the Trustee shall be entitled to assume that no such Event of Default has happened and that the Issuer is observing and performing all the obligations on its part contained in the Bonds and under this Trust Deed and no event has happened as a consequence of which any of the Bonds may become repayable; and
- **Right to Deduct or Withhold:** notwithstanding anything contained in this Trust Deed, to the extent required by any applicable law, if the Trustee is or will be required to make any deduction or withholding from any distribution or payment made by it hereunder or if the Trustee is or will be otherwise charged to, or is or may become liable to, tax as a consequence of performing its duties hereunder whether as principal, agent or otherwise, and whether by reason of any assessment, prospective assessment or

  
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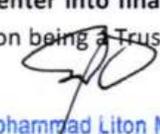


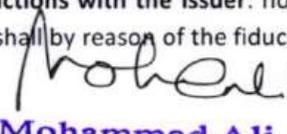
other imposition of liability to taxation of whatsoever nature and whenever made upon the Trustee, and whether in connection with or arising from any sums received or distributed by it or to which it may be entitled under this Trust Deed (other than in connection with its remuneration as provided for herein) or any investments or deposits from time to time representing the same, including any income or gains arising therefrom or any action of the Trustee in connection with the trusts of this Trust Deed (other than the remuneration herein specified) or otherwise, then the Trustee shall be entitled to make such deduction or withholding or, as the case may be, to retain out of sums received by it an amount sufficient to discharge any liability to tax which relates to sums so received or distributed or to discharge any such other liability of the Trustee to tax from the funds held by the Trustee upon the trusts of this Trust Deed.

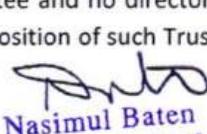
- **Liability:** The Trustee shall not be liable to any person for any matter or thing done or omitted in any way in connection with or in relation to this Trust Deed or the Bonds saved in relation to its own gross negligence, wilful default or fraud. This Clause 6.1.8 shall survive the termination or expiry of this Trust Deed or the removal or termination of the Trustee.
- **Force Majeure:** The Trustee shall not be liable for any failure or delay in the performance of its obligations under this Trust Deed or any other Bond Document because of circumstances beyond such Trustee's control, including, without limitation, acts of God, flood, war (whether declared or undeclared), terrorism, fire, riot, embargo, labour disputes, any laws, ordinances, regulations or the like which restrict or prohibit the performance of the obligations contemplated by this Trust Deed or any other Bond Document, inability to obtain or the failure of equipment, or interruption of communications or computer facilities, and other causes beyond such Trustee's control whether or not of the same class or kind as specifically named above.
- **Immunities:** The Trustee's immunities and protection from liability and its right to indemnification in connection with the performance of its duties under this Trust Deed shall extend to the Trustee's officers, directors and employees. Such immunities and protections and the right to indemnification, together with the Trustee's right to compensation, shall survive the Trustee's resignation or removal, the defeasance or discharge of this Trust Deed and final payment of the Bonds. The Issuer acknowledges that in any proceedings taken in relation to this Trust Deed, it will not be entitled to claim for itself or any of its asset's immunity from suit, execution, attachment or other legal process.
- **Professional charges:** any trustee being a banker, lawyer, broker or other person engaged in any profession or business shall be entitled to charge and be paid all usual professional and other charges for business transacted and acts done by him or his partner or firm on matters arising in connection with the trusts of this Trust Deed and also his properly incurred charges in addition to disbursements for all other work and business done and all time spent by him or his partner or firm on matters arising in connection with this Trust Deed, in each case as agreed pursuant to the Fee Letter (including matters which might or should have been attended to in person by a trustee not being a banker, lawyer, broker or other professional person);
- **Expenditure by the Trustee:** nothing contained in this Trust Deed shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties or the exercise of any right, power, authority or discretion hereunder if it has grounds for believing the repayment of such funds or adequate indemnity against, or security for, such risk or liability is not reasonably assured to it; and
- **Trustee may enter into financial transactions with the Issuer:** no Trustee and no director or officer of any corporation being a Trustee hereof shall by reason of the fiduciary position of such Trustee be in any

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way precluded from making any contracts or entering into any transactions in the ordinary course of business with the Issuer or any Subsidiary, or any person or body corporate directly or indirectly associated with the Issuer or any Subsidiary, or from accepting the trusteeship of any other debenture stock, debentures or securities of the Issuer or any Subsidiary or any person or body corporate directly or indirectly associated with the Issuer or any Subsidiary, and neither the Trustee nor any such director or officer shall be accountable to the Bondholders or the Issuer or any Subsidiary, or any person or body corporate directly or indirectly associated with the Issuer or any Subsidiary, for any profit, fees, commissions, coupon, discounts or share of brokerage earned, arising or resulting from any such contracts or transactions and the Trustee and any such director or officer shall also be at liberty to retain the same for its or his own benefit.

- **Trustee Liability:** The Trustee shall not be liable to any person for any matter or thing done or omitted in any way in connection with or in relation to this Trust Deed or the Bonds save in relation to its own gross negligence, will default or fraud.
- **Right to Sue:** The Trustee may sue and may be sued on behalf of the Bondholders.

#### Trustee's powers and duties

**Applicable Law:** Notwithstanding anything contained in this Trust Deed the Trustee shall have all such responsibility as set out in the applicable law including but is not limited to Bangladesh Securities and Exchange Commission (Debt Securities) Rules 2021.

**Act for Bondholders:** Subject to applicable law and the terms and conditions of this Trust Deed, the Trustee shall act on behalf and for the exclusive interest of the Bondholders.

**Monitoring:** Trustee shall ensure that the Issuer is observing the applicable law for the Bonds and the terms and conditions of the Bond Documents. As soon as the Trustee is aware of any breach by the Issuer it shall immediately inform the Bondholders and the Issuer of such breach.

**Report to BSEC:** Trustee shall submit an annual compliance report to the BSEC on the activities of the Issuer including repayment of dues to the Bondholders. When Trustee shall submit such report to the BSEC it shall provide copy to the Issuer and the Bondholders.

**Grievances of the Bondholders:** Upon receipt of a complaint from the Bondholders Trustee shall take necessary steps for redress of grievances of the Bondholders within one month of the date of receipt of the complaints and he shall keep the BSEC, and the Issuer informed about the number, nature and other particulars of the complaints received and the manner in which such complaints have been redressed;

**Trustee's determination** The Trustee may determine whether or not a default in the performance or observance by the Issuer of any obligation under the provisions of this Trust Deed or contained in the Bonds is capable of remedy and if the Trustee shall certify that any such default is, in its opinion, not capable of remedy, such certificate shall be conclusive and binding upon the Issuer and the Bondholders.

**Determination of questions:** the Trustee as between itself and the Bondholders shall have full power to determine all questions and doubts arising in relation to any of the provisions of this Trust Deed and every such determination, whether made upon a question actually raised or implied in the acts or proceedings of the Trustee, shall be conclusive and shall bind the Trustee and the Bondholders.

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Head Office, Dhaka.

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Managing Director & CEO  
DBH Finance PLC.



Trustee's discretion: the Trustee shall (save as expressly otherwise provided herein) as regards all the trusts, powers, authorities and discretions vested in it by this Trust Deed or by operation of law, have absolute and uncontrolled discretion as to the exercise or non-exercise thereof and the Trustee shall not be responsible for any Liability that may result from the exercise or non-exercise thereof (save as otherwise provided by applicable law) but whenever the Trustee is under the provisions of this Trust Deed bound to act at the request or direction of the Bondholders, the Trustee shall nevertheless not be so bound unless first indemnified and/or provided with security to its satisfaction against all actions, proceedings, claims and demands to which it may render itself liable and all costs, charges, damages, expenses and liabilities which it may incur by so doing;

Trustee's consent: any consent given by the Trustee for the purposes of this Trust Deed may be given on such terms and subject to such conditions (if any) as the Trustee may require;

Application of proceeds: the Trustee shall not be responsible for the receipt or application by the Issuer of the proceeds of the issue of the Bonds;

Error of judgment: the Trustee shall not be liable for any error of judgment made in good faith applying due diligence and without negligence by any officer or employee of the Trustee assigned by the Trustee to administer its corporate trust matters, save in relation to its own gross negligence, will default or fraud.

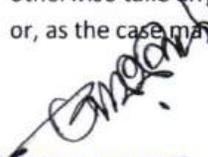
Agents: Subject to the provisions of the Trust Act 1882 and Bangladesh Securities and Exchange Commission (Debt Securities) Rules 2021, the Trustee may, in the conduct of the trusts of this Trust Deed instead of acting personally, employ and pay an agent on any terms, whether or not a lawyer or other professional person, to transact or conduct, or concur in transacting or conducting, any business and to do or concur in doing all acts required to be done by the Trustee (including the receipt and payment of money) with the consent of Issuer and the Trustee shall not be responsible for any loss, liability, expense, demand, cost, claim or proceedings incurred by reason of the misconduct, omission or default on the part of any person appointed by it hereunder or be bound to supervise the proceedings or acts of any such person provided that the Trustee had exercised reasonable care in the appointment of such person;

Confidential information: the Trustee shall not (unless required by law or ordered so to do by a court of competent jurisdiction) be required to disclose to any Bondholder confidential information or other information made available to the Trustee by the Issuer in connection with this Trust Deed and no Bondholder shall be entitled to take any action to obtain from the Trustee any such information.

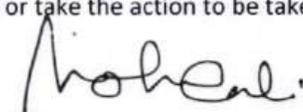
Determination of Coupon Rate: the Trustee shall determine the Applicable Coupon Rate in accordance with Condition of the Bond.

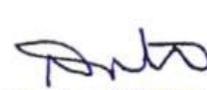
#### Exercise of Discretion

Notwithstanding anything in this Trust Deed to the contrary, the Trustee shall not be obliged to exercise or consider exercising any discretion or consider making or make any determination (including, without limitation, any determination as to whether any fact or circumstance or activity or thing is material or substantial or complies with some such similar quantitative standard) or to consider taking or take any action whatsoever in connection with or under or pursuant to the Bonds unless directed to do so by the holders of not less than 662/3percent in principal amount of the Bonds then outstanding or if so directed by an Extraordinary Resolution of Bondholders (subject in all cases to the Trustee having been indemnified or provided with security to its satisfaction and otherwise being satisfied that it is lawful for it to so exercise discretion, make a determination or otherwise take any action). Such direction shall specify the way in which the Trustee shall exercise such discretion or, as the case may be, make the determination or take the action to be taken by the Trustee.

  
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The Trustee will be responsible for any loss, expense, damage, claim, cost, charge or liability which may be suffered as a result of any exercise or non-exercise of a discretion or the making or failure to make any determination or the taking or failure to take any action by the Trustee, acting on the directions of the Bondholders as aforesaid or pending the provision of such a direction.

**TRUSTEE FEE**

**Remuneration**

Remuneration: The Issuer shall pay the Trustee remuneration as set out in the Fee Letter for its services as trustee as from the date of this Trust Deed. Such remuneration shall be payable in advance on the anniversary of the date hereof in each year and the first payment shall be made on the date hereof. Such remuneration shall accrue from day to day and be payable (in priority to payments to the Bondholders) up to and including the date when, all the Bonds having become due for redemption, the redemption moneys and coupon thereon to the date of redemption have been paid to the Trustee, provided that if any cheque, payment of the moneys due in respect thereof is improperly withheld or refused, remuneration will commence again to accrue;

Expenses: The Issuer shall also pay or discharge all costs, charges and expenses incurred by the Trustee with prior consent from Issuer in relation to the preparation and execution of, the exercise of its powers and the performance of its duties under, and in any other manner in relation to, this Trust Deed, including but not limited to any stamp, issue, registration, documentary and other taxes or duties paid or payable by the Trustee in connection with any action taken or contemplated by or on behalf of the Trustee for enforcing, or resolving any doubt concerning, or for any other purpose in relation to, this Trust Deed;

Payment of amounts due: All amounts due and payable pursuant to sub-clauses of the Trust Deed 7.1.2 (Expenses) and 5.2.2 (Indemnity to the Trustee) shall be payable by the Issuer on the date specified in a demand by the Trustee.

Discharges: Unless otherwise specifically stated in any discharge of this Trust Deed the provisions of this Clause 7.1 (Remuneration) shall continue in full force and effect notwithstanding such discharge.

**SECTION 9: RIGHTS AND OBLIGATION OF THE ISSUE MANAGER, UNDERWRITER, OR ANY OTHER**

**CONTRACTUAL PARTY**

The rights and obligations of the issue manager, underwriter, or any other contractual parties is not applicable for PUBALI BANK 4<sup>th</sup> Subordinate Bond.

**SECTION 10: RIGHTS AND OBLIGATION OF THE ELIGIBLE INVESTORS (BONDHOLDERS)**

Rights and Obligations of the Bondholder have been incorporated from the Trust Deed executed between the Issuer (Pubali Bank PLC.) and the Trustee (DBH Finance PLC.)

Each Bondholder has the right to demand information from the Issuer as set out in this Trust Deed and the Condition attached in Schedule 1 Part B (Terms and Conditions of the Bonds) of the Trust Deed.

Each Bondholder has the right to receive payment of the principal amount of the Bond on the Redemption Date as set out in the Condition attached in Schedule 1 (Terms and Conditions of the Bonds) of the Trust Deed.

Each Bondholder has the right to receive a coupon on the Bond on the Coupon Payment Date as set out in the Condition attached in Schedule 1 (Terms and Conditions of the Bonds) of the Trust Deed.

Each Bondholder has the right to attend meeting of the Bondholders and vote therein in accordance with Condition 12 (Meetings of Bondholders, Modification, Waiver and Substitution) of the Trust Deed

4 AUG 2024

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**Nasimul Baten**  
Managing Director & CEO  
DBH Finance PLC.



### Section 11: Description of the Issuer: Pubali Bank PLC.

Pubali Bank started its journey in 1959 as Eastern Mercantile Bank Limited, prior to the independence of Bangladesh. It was later incorporated in 1983 as a public limited company and registered with Bangladesh Bank as a private commercial bank. The bank has been listed in both the stock exchanges, DSE and CSE. Its shareholding structure consists of sponsor directors, institutions, and general public.

Pubali Bank PLC. is currently the largest private commercial bank in the non-Islami space. It is engaged in commercial banking services including wholesale banking, retail banking, international trade financing, small and medium enterprises (SME) banking, Islamic finance, NRB banking, privilege banking, card services, treasury operations, etc. To build capacity for its clients' superior service experience, Pubali has implemented business process re-engineering over the years. The bank is rated as AA+ and ST-1 with Stable outlook.

#### CAPITAL STRUCTURE

- **Authorized capital:** BDT 20,000,000,000 (as of 31 December 2023)
- **Paid-up capital:** BDT 10,282.94 million (as of 31 December 2023)

#### Shareholding Structure

Particular	2023			2022
	No. of share	Percentage (%)	Amount in BDT mn	Amount in BDT mn
Directors	323,769,668	31.49%	3,237.70	3,239.11
Co-operative societies	8,848,307	0.86%	88.48	88.75
Banks and financial institutions	51,828,878	5.04%	518.29	515.10
Government	2,482	0.0002%	0.02	0.02
Other institutions	251,768,997	24.48%	2,517.69	2,260.80
Non resident Bangladeshi	2,161,151	0.21%	21.61	22.26
General public	389,914,735	37.92%	3,899.15	4,156.90
	<b>1,028,294,218</b>	<b>100.00%</b>	<b>10,282.94</b>	<b>10,282.94</b>

#### Issuer's Capital Sources

Liabilities and Capital	31.12.2023	% of Total Asset
Liabilities		
Borrowings from other Banks, Financial Institutions & Agents	55,316.48	6.77
Subordinated bonds	13,200.00	1.61
Perpetual Bond	5,000.00	0.61
Deposits and other Accounts		0.00
Current accounts & other accounts	66,209.91	8.10
Bills payable	21,799.19	2.67
Savings bank deposits	135,066.11	16.52
Term deposits	358,472.73	43.84
Other deposits	24,200.05	2.96
	605,747.99	74.09
Other Liabilities	90,681.14	11.09
Total Liabilities	769,945.61	94.17
Capital / Shareholders' Equity		
Paid up capital	10,282.94	1.26

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Statutory reserve	10,283.00	1.26
Retained earnings (general reserve)	23,767.04	2.91
Other reserves	3,312.57	0.41
	47,645.56	5.83
Non-controlling Interest	0.00	0.00
Total Shareholders' Equity	47,645.56	5.83
Total Liabilities & Capital/Shareholders' Equity	817,591.16	100.00

**Total Regulatory Capital of PUBALI BANK (Consolidated) as of 31 December 2023**

Regulatory capital held:	2023	2022
	Taka	Taka
i) Going - concern capital (Tier-1)	39,216,413,269	34,512,053,741
ii) Going concern - Additional Tier-1 capital	5,000,000,000	5,000,000,000
ii) Gone - concern capital (Tier-2)	21,801,207,488	19,592,044,059
	<b>66,017,620,757</b>	<b>59,104,097,800</b>
<b>Total Regulatory capital Surplus / (Deficit)</b>	<b>18,233,145,984</b>	<b>16,586,518,645</b>
<b>CRAR Based on Basel III Framework:</b>	<b>13.82%</b>	<b>13.90%</b>
Capital Requirement:	<b>Held</b>	<b>Held</b>
Tier-1 (Minimum CET-1 @ 4.50%)	8.21%	8.12%
Additional Tier-1 (Maximum CET-1 @ 1.50%)	1.05%	1.18%
Tier-1 Capital	9.25%	9.29%
Tier-2 (Maximum upto 4% of total RWA or 88.89% of CET-1 whichever is higher) Balancing	4.56%	4.61%
<b>Total</b>	<b>13.82%</b>	<b>13.90%</b>

**BUSINESS**

Pubali Bank PLC. has a long historical background in banking business since 1959 under the name and style of Eastern Mercantile Bank Limited. Subsequently, the Bank was denationalized in the year 1983 and the government transferred the entire undertaking of Pubali Bank to Pubali Bank PLC., which took over the same as a going concern. The Bank is engaged in all types of commercial banking services including wholesale banking, retail banking, international trade financing, small and medium enterprises (SME) banking, NRB banking, privilege banking, card services, treasury operations etc. as per guidelines laid down in Banking Companies Act 1991 and directives received from Bangladesh Bank from time to time. At present, the bank is operating its business activities through 501 branches with 353 ATMs and 77 CRMs throughout the country. It is listed in the stock exchange of Dhaka and Chittagong as a publicly traded company.

**Products and Services**

**DEPOSIT PRODUCTS & SERVICES**

**a) Chequing Accounts**

- 1) Savings Bank (SB) Account:** Savings Bank Deposit Account is meant for individual savers. The account bears an attractive interest on fulfillment of conditions. Opening of the account requires a minimum deposit of BDT 500 both for urban and rural area. The same deposit needs to be maintained as minimum balance for receiving interest.
- 2) Current Deposit (CD) Account:** Current Deposit Account is meant for facilitating day to day transactions of different business entities, nonprofit organizations, Government, Semi Government, Autonomous bodies, Sector corporations and different other organizations/institutions, club, societies, Trust etc. Minimum initial deposit is Tk.2,000 for Individual and Tk.5,000 Business unit.

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3) **Short Notice Deposit (SND) Account:** Short Notice Deposit Account is meant for facilitating transactions on a short intervals of different business entities, nonprofit organizations, Government, Semi Government, Autonomous bodies, Sector corporations and different other organizations/institutions, club, societies, Trust etc. The account bears an attractive interest on fulfillment of conditions. Opening of the account requires a minimum deposit of BDT 2,000 to BDT 5,000 for rural area. The same deposit needs to be maintained as minimum balance for receiving interest.

**b) Recurring Deposits**

- Pubali Pension Scheme (PPS)
- Pubali Sanchaya Prakalpa (PSP)
- Shiksha Sanchaya Prakalpa (SSP)

**c) Term Deposits**

- Fixed Deposit (FDR)
- Dwigun Sanchaya Prokalpa
- Monthly Profit Based Fixed Deposit
- Deposit Pension Scheme (DPS)
- Monthly Profit Based Small Deposit
- Target Based Small Deposit (TBSD)

**d) Ancillary Services**

- Demand Draft (DD)
- Telegraphic/Telephonic Transfer (TT)
- Payment Order (PO)
- Teller (Cash Counter) Transaction
- Locker Service

**Loans and Advances**

**a) Corporate Banking**

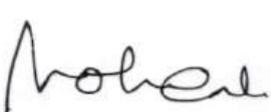
**Secured Overdraft (OD):** Advances in the form of overdraft is allowed in Current Account operated upon by cheques. The Customer is sanctioned a certain limit up to which he can overdraw his current account within a specified period. Withdrawals and deposits can be made any number of times at the convenience of the borrower provided that the total amount overdrawn dose not at any time exceed the agreed limit. Interest is calculated and charged only on the actual debit balances on daily product basis and applied to customer's account at quarterly rests.

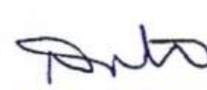
- 1) **Cash Credit (CC):** To meet up day to day operational expenses to the business concerns that need to maintain stock as working capital.
- 2) **Demand Loan (DL):** Demand loans are sanctioned to Corporate/Companies or Business Concerns or Government or Partnership companies, Proprietorship companies or any individuals and staffs.

Personal Loans

  
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- Car Loan
- Flat Purchase Loan
- Pubali Star
- Household Durable Loans
- Medical Equipment Loan
- Govt. Primary School Teacher Loan

c) **Lease Financing**

- Capital Machinery
- Medical Equipment/Instrument
- General Equipment, AC, Lift,
- Generator etc.
- Car/Vehicle/Covered Van etc.
- Others

d) **SME Financing**

- PUBALI BANK Subarna
- Pubali Protiva
- PUBALI BANK Karma Uddog
- PUBALI BANK Sujan
- Pubali Prochesta

e) **Trade Finance**

- Export LC
- Import LC
- Back to Back L/C
- EDF LC
- Loan against Trust Receipt
- Packing Credit
- Documents against Payment (D/P)
- Loan Against Imported Merchandise
- Foreign Bill Purchase (FBP)

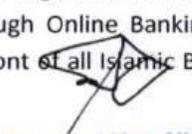
f) **Agri and Rural Credit**

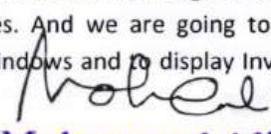
- Animal Husbandry and Biogas Plant Loan
- Beef Fattening Loan
- Bullock Loan
- Irrigation/Agricultural Equipment Loan
- Milch Cow/Buffalo Loan
- Poultry Firm Loan

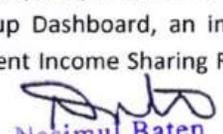
**Islami Banking**

Pubali Bank PLC. pursues Islamic Banking beside Conventional one since 2010. Out of total 501 branches, 17(Seventeen) Islamic Banking Windows have been providing Islamic Banking to join the caravan to utilize the largest Branch Banking network of the country along with good market reputation in the Banking sector. Moreover, we have a strong desire to introduction of Islamic Banking Service Desk (IBSD) in other Conventional Banking Branches through Online Banking facilities. And we are going to set up Dashboard, an information management tool in front of all Islamic Banking Windows and to display Investment Income Sharing Ratio (IISR)

  
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for Mudaraba Depositors of the Bank and Rate of Investment Income earned by PUBALI BANK Islamic Banking till the previous month, as a ready reference for Customers for the sake of clarity and easy understanding of Islamic Finance.

It is pertinent to mention here that the Islamic Banking operations are completely separate from Conventional Banking. Separate accounting system for Islamic Banking Windows is being maintained through PIIBS (Pubali Integrated Islamic Banking Systems). At present, 121 staff members are working both in the field level Islamic Banking Windows and in the Head Office namely Islamic Banking Wing. The Bank arranges regular training programs for Islamic Banking personnel, as well as, for other employees of the Bank on Islamic Banking operations. Our Bank is a Member of the Central Shari'ah Board for Islamic Banks of Bangladesh and Islamic Banks' Consultative Forum. The Bank possesses strong commitment to the principles of Islamic Shari'ah and to the avoidance of Riba, Garar and Mysir in any of its operations.

### Financial Analysis

Since inception in 2010, Islamic Banking business of Pubali Bank PLC. noted remarkable growth in all areas - Deposit, Investment and Profit. With only 2 windows, around 0.50% of Pubali Bank's business (in terms of profit) is being achieved from Islamic Banking operation with only 0.27% of manpower. Non-Performing Investment of Islamic Banking Windows was zero, Al-Hamdu-Lillah, at the end of the year. The performance of the PUBALI BANK Islamic Banking during the year 2021 is also reflected in its Balance Sheet and Profit & Loss Accounts accommodated within this cover.

### Pubali Debit and Credit Card

To create a high potential in today's market with the plastic Card, Card Division of Pubali Bank PLC. is under constant persuasion of efficient, accurate and timely management of the Card transaction and services for our large number of Card users. Each of our cards offer a host of features and benefits that make the life simpler and more convenient.

#### Pubali Debit Card:

Since 2nd September 2013, we are issuing Debit Card and developing our Card business to make the plastic money popular for our valued customer. At present, we have more than 3.67 Lac Debit Card and the number is increasing day by day. We offer a secure Debit Card with some productive features for our customers.

1. We are providing Debit Card free of cost for the initial year.
2. Lowest annual fee in comparative to the market.
3. Free of cost ATM Fund Transfer facilities through our ATM to any account of Pubali Bank and listed other Banks.
4. Local e-commerce facility.
5. We provide EMV Chip based Debit Card.

#### Pubali Credit Card:

Credit Card is a unique consumer financial product that offers credit for buy now pay later. It is no wonder that Credit Card is becoming popular in Bangladesh day by day and eventually will become centre to the financial lives of the most Bangladeshi consumers in future. We offer a cashless society for our valued Credit Card holders by offering the best brands in the world (i.e; VISA and MasterCard).

#### Our Credit Card Facilities:

We have the right solution for Credit Card holders with a combination of benefits and smooth services. Each of our Card also carries a range of value added benefits to suit with lifestyle. Already, we have tagged with more than 90 discount partners which includes Top Airlines, Electronic Brands, Hotels, Fashion Houses and Restaurants.

Our Global Credit Card members will get access to Balaka Executive Lounge at Hazrat Shahjalal International Airport and avail all services there. We are offering the lowest interest rate in the market i.e; 17% per annum only.

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With worldwide acceptance at millions of outlets, our Cards offer a host of features and benefits that make our life simpler and more convenient. Regular features of Pubali Credit Cards are given below:

- ✓ Dual Currency International Credit Card.
- ✓ 03 no. of free Supplementary Card against 01 Principal Card.
- ✓ Maximum 45 days interest free period
- ✓ We will provide EMV Chip based Contactless Credit Card very shortly.
- ✓ Lowest Annual Fee.
- ✓ Lowest interest rate in the market (i.e; 17% per annum) and no hidden charge.
- ✓ Fund transfer facilities through our ATM upto 90% of Credit limit with 1% processing fee.

**Subsidiary: Pubali Bank Securities Limited**

Pubali Bank Securities Limited (PBSL) was incorporated on June 21, 2010, under the Companies Act 1994 as a public limited company as a subsidiary company of Pubali Bank PLC. It offers a full-fledged high standard brokerage service for retail and institutional clients. The company is a corporate member of Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited. As of 30 September 2022, the company's paid-up capital is BDT 6,600 million and authorized capital is BDT 7,000 million.

The company offers full-fledged high standard brokerage services for retail and institutional clients and operates stock trades for its own investment purposes.

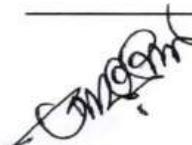
**MANAGEMENT**

**Board of Directors:**

Sl No	Name	Designation
1	Mr. Monzurur Rahman	Chairman
2	Mr. Moniruddin Ahmed	Director
3	Mr. Habibur Rahman	Director
4	Mr. Arif Ahmed Choudhury	Director
5	Mr. Fahim Ahmed Faruk Chowdhury	Director
6	Ms. Rumana Sharif	Director
7	Mr. M. Kabiruzzaman Yaqub FCMA(UK) & CGMA	Director
8	Mr. Musa Ahmed	Director
9	Mr. Azizur Rahman	Director
10	Mr. Md. Abdur Razzak Mondal	Director
11	Ms. Rana Laila Hafiz	Director
12	Mr. Mustafa Ahmed	Director
13	Dr. Shahdeen Malik	Independent Director
14	Mr. Mohammad Naushad Ali Chowdhury	Independent Director
15	Mr. Mohammad Ali	Managing Director & CEO

**Management Team:**

SL	Name	Designation
1.	Mr. Mohammad Ali	Managing Director & CEO
2.	Mr. Mohammad Esha	Deputy Managing Director
3.	Mr. Mohammad Shahadat Hossain	Deputy Managing Director
4.	Mr. Ahmed Enayet Manzur	Deputy Managing Director
5.	Mr. Md. Shahnewaz Khan	Deputy Managing Director



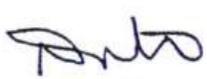
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 Head Office, Dhaka.



**Mohammad Ali**  
 Managing Director & CEO  
 Pubali Bank PLC.  
 Head Office, Dhaka



**Nasimul Baten**  
 Managing Director & CEO  
 DBH Finance PLC.



6.	Mr. Mohammad Anisuzzaman	Deputy Managing Director
7.	Mr. Mohammad Shahnawaz Chowdhury	GM, Audit & Inspection Division
8.	Mr. Dewan Jamil Masud	GM, Islamic Banking Wing
9.	Mosammat Shahida Begum	GM, Compliance & Monitoring Division
10.	Mrs. Rubina Begum	GM, CMSME Division (Women Entrepreneur Unit)
11.	Mr. Nitish Kumar Roy	GM, Risk Management Division
12.	Mr. Md. Helal Uddin	GM, ICT Operation Division
13.	Mr. Dilip Kumar Paul	GM, Establishment & General Services Division
14.	Ms. Sultana Sarifun Nahar	GM, Principal Branch
15.	Mr. Naresh Chandra Basak	GM, Credit Administration, Monitoring & Recovery Division
16.	Mr. Mohammad Liton Miah, FCA	GM & CFO, Central Accounts Division
17.	Mr. Md. Monjurul Islam Mojumder	GM, Corporate Credit Division
18.	Mr. Md. Faizul Hoque Sharif	GM, General Banking & Operation Division
19.	Ms. Nishat Maisura Rahman	GM, International Division
20.	Mr. Sukanta Chandra Banik	GM, Motijheel Corporate Branch
21.	Mr. Md. Kamruzzaman	GM, RO, Dhaka Central
22.	Mr. Ashim Kumar Roy	GM, Card Operation Division
23.	Mr. Endra Mohan Sutradhar	GM, Software Development Division
24.	Mr. Md. Faisal Ahmed	GM, Cottage Micro Small Medium Enterprise Division
25.	Mrs. Ismat Ara Huq	GM, Human Resources Division
26.	Mr. Md. Shahin Shahria	GM, Gulshan Corporate Branch
27.	Ms. Ajuba Khandaker	GM, Software Development Division
28.	Mr. Abu Laich Md. Samsujjaman	GM, Principal Office, Sylhet
29.	Mr. Mohammad Abdur Rahim	GM, Principal Office, Chattogram
30.	Mr. Javed Hasan	GM & CTO, Head Office, Dhaka
31.	Mr. Mohammed Ahsan Ullah	MD & CEO of PBSL, Pubali Bank Securities Limited
32.	Mr. Md. Shah Alam	GM & CHIEF PROTOCOL OFFICER, Pubali Bank Securities Limited

**DESCRIPTION OF ENCUMBERED AND UNENCUMBERED ASSETS WITH VALUE THEREOF**

Assets of Pubali Bank PLC. are unencumbered. The value of the assets of Pubali Bank comprising of Cash, Loans and Advances/Investments, Placements, Fixed Assets including premises, etc. as of 31 December 2023 is BDT 817,591.16 million only, total value of which is unencumbered.

**BRIEF PROFILE OF THE DIRECTORS/OWNERS OF THE ISSUER**

**Mr. Monzurur Rahman**

**Chairman**

Mr. Monzurur Rahman is the Chairman of Board of Directors of Pubali Bank PLC. He graduated from Calcutta University. He has 55 years' experience in banking, insurance and tea business. He was the youngest Director of erstwhile Eastern Mercantile Bank Limited, which was eventually converted into Pubali Bank PLC. Mr. Rahman belongs to a family whose members are involved in banks, Insurances and leading Financial Institutions of the country. He is the Chairman of Rema Tea Company Ltd and an Independent Director of Lafarge Holcim

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Pubali Bank PLC.  
Head Office, Dhaka.

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**Nasimul Baten**  
Managing Director & CEO  
DBH Finance PLC.



Bangladesh Limited. He was an elected member of the Executive Committee of Bangladesh Association of Publicly Listed Companies (BAPLC).

**Mr. Moniruddin Ahmed**

**Director**

Mr. Moniruddin Ahmed has long 64 years' experience in business. He is one of the experienced Directors of Pubali Bank PLC.. He has been serving as the Chairman of Pubali Bank Securities Ltd. He is a member of Executive Committee and Nomination & Remuneration Committee of the Board of Directors. He is also a member of Shari'ah Supervisory Committee of the bank. Mr. Ahmed served as Vice-Chairman of Pubali Bank PLC.. He has been working relentlessly to upgrade the education status of the country. He runs a renowned residential school and founder Chairman of Monir Ahmed Academy, Sylhet. Moreover, he is involved in many Social and Philanthropic activities.

**Mr. Habibur Rahman**

**Director**

Mr. Habibur Rahman is a reputed business leader with long 64 years' experience in banking and other businesses. Formerly he worked as the Chairman of the Board of Directors of Pubali Bank PLC. and currently he has been serving as a member of the Board of Directors. His exceptional entrepreneurial skills and business leadership has added to the overall strength of the Board of Directors of Pubali Bank PLC.. He is a member of the Shari'ah Supervisory Committee and Risk Management Committee of the bank. He is also one of the most experienced Directors of its subsidiary company named Pubali Bank Securities Ltd. Delta Hospital Ltd. and Global Pharmaceuticals Company Limited are also run under his directorship. Mr. Rahman is a well-travelled business personality. He has extensive travelling experiences across the globe on business purpose.

**Mr. Fahim Ahmed Faruk Chowdhury**

**Director**

Mr. Fahim Ahmed Faruk Chowdhury has long 31 years' experience in banking & other businesses. He has been serving as a member of the Board of Directors of Pubali Bank PLC. for long. He is a member of Audit Committee and Nomination and Remuneration Committee of the Board of Directors of the bank. Mr. Chowdhury served as Vice-Chairman of Pubali Bank PLC.. Mr. Fahim Ahmed Faruk Chowdhury obtained his M.Sc. degree in Business Economics from the UK. He is a successful businessman. In addition to being a Director of Pubali Bank PLC., he is the Managing Director of Chittagong Electric Manufacturing Co. Ltd., F.A.C. Eastern Enterprise Ltd., Ranks FC Properties Ltd. and CEM Group and FC Holdings Ltd. He is also a Director of Globex Pharmaceuticals Ltd., Surjiscopes Hospital Pvt. Limited, Delta Hospital Ltd. and Euro Petro Product Ltd. Formerly he served as Vice-Chairman of Pubali Bank PLC. and Director of Chittagong Chamber of Commerce & Industry. He is also involved in many social activities.

**Ms. Rumana Sharif**

**Director**

Ms. Rumana Sharif obtained her M.Sc. degree in Biochemistry from Dhaka University. She has long 30 years' experience in her career. Her entrepreneurial skills and experience in business leadership has added to the overall strength of the Board of Director of the bank. She has been serving as a Director of Pubali Bank PLC. for long. She is currently a member of the Executive Committee of the Board of Directors of the bank. She is also involved in many other businesses. She takes keen interest in different benevolent and philanthropic activities.

**Mr. M. Kabiruzzaman Yaqub FCMA (UK), CGMA**

**Director**

Mr. M. Kabiruzzaman Yaqub completed his graduation in Civil Engineering from United Kingdom. He is a fellow of the Institute of Chartered Management Accountants (UK). He has 33 years of multifarious experiences in various organizations ranging from banking to many other sectors i.e. textile and spinning business, real estate business

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Managing Director & CEO  
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etc. He is the Chairman of Imagine Properties Ltd. and also a Director of Pubali Bank Securities Limited. He has been serving as a Director in Pubali Bank PLC. since long. He is the Chairman of Risk Management Committee and a member of Audit Committee and Shari'ah Supervisory Committee of the bank. He has served as a member and Chairman on the Middle East, South Asia, North Africa (MESANA) Regional Board of Association of International Certified Professional Accountants. Mr. Yaqub also served in various multinational companies in UK. He is an active member and former President of Gulshan Rotary Club, Bangladesh. He engages himself in various humanitarian activities.

**Mr. Musa Ahmed**

**Director**

Mr. Musa Ahmed obtained B.Sc. and MBA degree from the USA. He has long 23 years' experience in his career. He joined the Board of Pubali Bank PLC. as a Director in 2010. Currently, he is a member of Executive Committee and Risk Management Committee of the bank. Mr. Ahmed has been successfully running business conglomerates with diverse interests holding the position of director in Popular Jute Exchange Ltd., Popular Jute Mills Ltd., Comilla Food and Allied Ind. Ltd., Popular Food and Allied Ind. Co. Ltd. and Tejgaon Engineering and Construction Co. Ltd. He is an active social worker and takes keen interest in different benevolent and philanthropic activities.

**Mr. Azizur Rahman**

**Director**

Mr. Azizur Rahman is a renowned business leader with long 24 years' experience in his career. He has been serving as a Director of Pubali Bank PLC. since November, 2012. He is also a member of the Executive Committee & Risk Management Committee of the Board of Directors of the bank. He is one of the Directors of its subsidiary company named Pubali Bank Securities Ltd. He also served as Vice-Chairman of Pubali Bank PLC.. Mr. Azizur Rahman studied Political Science SUNY at Stony Brook, NY, USA and Law at University of Wolverhampton, UK. He is a very prominent business entrepreneur in the country. He is the Managing Director of National Ceramic Industries Ltd. and Director of Dressmen Fashion Wear Ltd. A prominent industrialist of the country, Mr. Azizur Rahman deals in export-oriented garment business. He is engaged in many humanitarian and philanthropic organizations and out of his social obligation he associates himself in various kinds of humanitarian activities. Mr. Azizur Rahman is very amiable and a man of simplicity in his personal life.

**Mr. Md. Abdur Razzak Mondal**

**Director**

Mr. Md. Abdur Razzak Mondal obtained his MBA degree from IBA of Dhaka University. He has long 47 years' experience in his career and a very experienced & qualified person. He is a Director of the Board of Directors of Pubali Bank PLC.. He is the chairman of Executive Committee of the bank. He is also a member of Risk Management Committee and Nomination & Remuneration Committee of the bank. He has been serving as a member on the Shari'ah Supervisory Committee of the bank. He is a nominee of That's It Fashions Ltd. He engages himself in different humanitarian activities out of his responsibility towards the society.

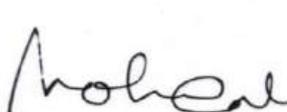
**Ms. Rana Laila Hafiz**

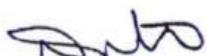
**Director**

Ms. Rana Laila Hafiz is a renowned woman entrepreneur of the country with long 17 years' experience of business. She is a member of the Board of Directors of Pubali Bank PLC.. She is also a member of the Audit Committee of the bank. Ms. Rana Laila Hafiz obtained her post-graduation degree in English from the University of Dhaka. Out of her personal obligation to the society and fellow beings, she engages herself in many social welfare activities.

  
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**Nasimul Baten**  
Managing Director & CEO  
DBH Finance PLC.



**Mr. Mustafa Ahmed**

**Director**

Mr. Mustafa Ahmed is a reputed business leader with long 29 years' experience in banking and other business. He achieved his BBA degree from the USA. He joined the Board of Directors of Pubali Bank PLC. on July 31, 2020 as an honorable member. He also served earlier as a Board member of the bank from 18.12.2007 to 31.03.2015. Mr. Ahmed is also a Director of Pubali Bank Securities Limited.

**Dr. Shahdeen Malik**

**Independent Director**

Dr. Shahdeen Malik obtained PhD in Law from London, UK and LLM degree from Universities at Moscow & Philadelphia. He has long 34 years' experience in his career. He is an Independent Director in the Board of Directors of Pubali Bank PLC. and Pubali Bank Securities Limited. He is the Chairman of Nomination & Remuneration Committee and a member of Audit Committee of the Board of Directors of the bank. A prominent lawyer and constitution expert, Dr. Shahdeen Malik has been practicing in Supreme Court of Bangladesh for long. Moreover, he had taught Law at Dhaka University and BRAC University. Dr. Shahdeen Malik is also a renowned contributor to many national dailies of the country.

**Mr. Mohammad Naushad Ali Chowdhury**

**Independent Director**

Mr. Mohammad Naushad Ali Chowdhury joined Pubali Bank PLC. as an Independent Director in May 2021. He is also the Chairman of the Audit Committee of Pubali Bank PLC.. Mr. Chowdhury a former Executive Director of Bangladesh Bank served as the Deputy Head of Bangladesh Financial Intelligence Unit (BFIU), Member & observer of Board of Directors of Karmasangstan Bank & Sonali Bank Limited respectively. He has an extensive working experience in the Bangladesh Bank specially in the sectors of Bank Supervision, Foreign Exchange Policy, Internal Audit, Financial Inclusion & Sustainable Development. After the retirement from Bangladesh Bank he served in The Institute of Bankers Bangladesh (IBB) as a Secretary General from March 2017 to March 2021. IBB is a professional body of Banks & Financial Institutions in Bangladesh established in 1973 for developing competent and skilled professionalism. Mr. Chowdhury attended many seminars & professional training courses in home and abroad. He obtained his MSc (Physics) & MBA degrees from the University of Chittagong and Bangladesh Open University respectively.

**Mr. Mohammad Ali**

**Managing Director & CEO**

Mr. Mohammad Ali is the Managing Director & CEO of Pubali Bank PLC. He had joined Pubali Bank as General Manager and Chief Technical Officer in 2008. He completed his graduation and post-graduation in Computer Science and Engineering from Bangladesh University of Engineering and Technology (BUET), Master's Degree in Development Studies from Dhaka University, Executive MBA (Marketing) from IBA and MBA (Finance) from AUST.

During his tenure at Pubali Bank, he led the affairs of Information Technology, Card, Business Development, Marketing Division, Research Division, Treasury Division, International Division, Consumers' Credit Division, Lease Division, Risk Management Division and Corporate matters.

  
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**Nasimul Baten**  
Managing Director & CEO  
DBH Finance PLC.



**Description of Assets and Liabilities (Consolidated)**

**Assets (as of 31 December 2023)**

(amount in BDT mn)

Particulars	31.12.2023
<b>Property and Assets</b>	
Cash	
Cash in hand (Including Foreign Currencies)	9,130.42
Balance with Bangladesh Bank and its agent Bank (s)(Including foreign currencies )	24,966.64
	34,097.06
Balance with other Banks and Financial Institutions	
Inside Bangladesh	4,387.31
Outside Bangladesh	1,804.18
	6,191.49
Money at Call on Short Notice	37.69
Investments	
Government	127,519.31
Others	27,820.51
	155,339.82
Loans, Advances and Leases	
Loans, cash credits and overdrafts, etc.	520,152.68
Bills purchased & discounted	35,256.99
	555,409.66
Fixed Assets including Premises, Furniture & Fixtures	7,536.53
Other Assets	58,978.54
Non-Banking Assets	0.38
<b>Total Property and Assets</b>	<b>817,591.16</b>

**Liabilities (as of 31 December 2023)**

(amount in BDT mn)

Liabilities and Capital	31.12.2023
<b>Liabilities</b>	
Borrowings from other Banks, Financial Institutions & Agents	55,316.48
Subordinated bonds	13,200.00
Perpetual Bond	5,000.00
Deposits and other Accounts	
Current accounts & other accounts	66,209.91
Bills payable	21,799.19
Savings bank deposits	135,066.11
Term deposits	358,472.73
Other deposits	24,200.05
	605,747.99
Other Liabilities	90,681.14
<b>Total Liabilities</b>	<b>769,945.61</b>
<b>Capital / Shareholders' Equity</b>	
Paid up capital	10,282.94
Statutory reserve	10,283.00
Retained earnings (general reserve)	23,767.04
Other reserves	3,312.57

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	47,645.56
Non-controlling Interest	0.00
Total Shareholders' Equity	47,645.56
Total Liabilities & Capital/Shareholders' Equity	817,591.16

**Section 12: DESCRIPTION OF PREVIOUSLY ISSUED DEBT OR SECURITIES**

**Previously issued debt or securities**

**Non-Convertible Floating Rate Subordinated Bond 2017:**

Tier 2 Capital: Issue Total BDT 5,000,000,000

Outstanding: BDT 2,000,000,000

Expiry: 2024

**Subscribers:**

Name of the subscribers	Amount
Agrani Bank Limited	Tk.100,00,00,000/- (Taka One hundred Crore)
Janata Bank Limited	Tk.100,00,00,000/- (Taka One hundred Crore)
Rupali Bank Limited	Tk.100,00,00,000/- (Taka One hundred Crore)
Sonali Bank Limited	Tk.100,00,00,000/- (Taka One hundred Crore)
Uttara Bank Limited	Tk.100,00,00,000/- (Taka One hundred Crore)
<b>Total</b>	<b>Tk.500,00,00,000/- (Taka Five hundred Crore)</b>

**Non-Convertible Floating Rate Subordinated Bond 2019:**

Tier 2 Capital: Issue Total BDT 7,500,000,000/-,

Outstanding: BDT 6,000,000,000/-

Expiry: 2026

**Subscribers:**

Name of the subscribers	Amount
Agrani Bank Limited	Tk.400,00,00,000/- (Taka Four hundred Crore)
Rupali Bank Limited	Tk.100,00,00,000/- (Taka One hundred Crore)
Sonali Bank Limited	Tk.100,00,00,000/- (Taka One hundred Crore)
Janata Bank Limited	Tk.50,00,00,000/- (Taka Fifty Crore)
Uttara Bank Limited	Tk.50,00,00,000/- (Taka Fifty Crore)
Delta Life Insurance Co. Ltd.	Tk.50,00,00,000/- (Taka Fifty Crore)
<b>Total</b>	<b>Tk.750,00,00,000/- (Taka Seven hundred &amp; fifty Crore)</b>

**Contingent-Convertible Floating Rate Perpetual Bond 2021:**

Additional Tier-1 Capital: Issue Total BDT 5000,000,000/-,

Outstanding: BDT 5,000,000,000/-

**Subscribers:**

Name of the subscribers	Amount
Trust Bank Limited	Tk.100,00,00,000/- (Taka One hundred Crore)
AB Bank Limited	Tk.100,00,00,000/- (Taka One hundred Crore)

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Pubali Bank Pl. C.  
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Jamuna Bank Limited	Tk.45,00,00,000/- (Taka Forty five Crore)
One Bank Limited	Tk.35,00,00,000/- (Taka Thirty Five Crore)
Bank Asia Limited	Tk.100,00,00,000/- (Taka One hundred Crore)
Community Bank Bangladesh Limited	Tk.20,00,00,000/- (Taka Twenty Crore)
Southeast Bank Limited	Tk. 50,00,00,000/- (Taka Fifty Crore)
Public Issue	Tk.50,00,00,000/- (Taka Fifty Crore)
<b>Total</b>	<b>Tk.500,00,00,000/- (Taka Five hundred Crore)</b>

**Non-Convertible Floating Rate Subordinated Bond 2022:**

Tier 2 Capital: Issue Total BDT 7,000,000,000

Outstanding: BDT 7,000,000,000

Expiry: 2029

**Subscribers:**

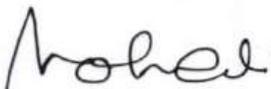
Name of the subscribers	Amount
Premier Bank Limited	TK. 1,200,000,000
NRB Commercial Bank Limited	Tk. 800,000,000
Trust Bank Limited	Tk. 1,500,000,000
EBL Employees Provident Fund	Tk. 100,000,000
Nabil Naba Foods Ltd	Tk. 1,900,000,000
Nabil Feed Mills Ltd	Tk.1,000,000,000
A.H Khan & Co	Tk. 500,000,000
<b>Total</b>	<b>Tk.700,00,00,000/- (Taka Seven hundred Crore)</b>

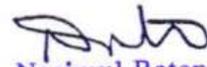
**Description of Paid Up Capital:**

Issued, subscribed and paid up capital	Dec-23
1,600,000 ordinary shares of Tk 100 each issued for cash	160,000,000
400,000 ordinary shares of Tk 100 each as bonus share in 2000	40,000,000
2,000,000 ordinary shares of Tk 100 each as bonus share in 2004	200,000,000
8,000,000 ordinary shares of Tk 100 each as bonus share in 2005	800,000,000
9,000,000 ordinary shares of Tk 100 each as bonus share in 2006	900,000,000
8,400,000 ordinary shares of Tk 100 each as bonus share in 2007	840,000,000
8,820,000 ordinary shares of Tk 100 each as bonus share in 2008	882,000,000
11,466,000 ordinary shares of Tk 100 each as bonus share in 2009	1,146,600,000
173,901,000 ordinary shares of Tk 10 each as bonus share in 2010	1,739,010,000
167,690,250 ordinary shares of Tk 10 each as bonus share in 2011	1,676,902,500
41,922,562 ordinary shares of Tk 10 each as bonus share in 2013	419,225,620
70,429,904 ordinary shares of Tk 10 each as bonus share in 2016	704,299,040
47,540,185 ordinary shares of Tk 10 each as bonus share in 2017	475,401,850
29,950,317 ordinary shares of Tk 10 each as bonus share in 2018	299,503,170
	<b>10,282,942,180</b>
All shares have been converted to Tk. 10 each in EGM held on 15 July 2010.	

  
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**Section 13: Auditor's Report and Audited Financial Statements of the issuer, Pubali Bank PLC.**

Detailed Audited Financial statements of Pubali Bank PLC. for the period ended 31 December 2023 have been annexed with this Information Memorandum. Please see **Annexure-1**

**Nexia** মার্কস এন্ড জে পার্টনার্স  
**International MABS & J Partners**  
Chartered Accountants  
SMC Tower (7th floor),  
33, Sanam C/A, Road 17, Dhaka - 1213.  
Tel: +88 02 222275057- 58

**A. QASEM & Co.**  
Chartered Accountants Since 1953  
Gulshan Pink City  
Suites # 01-03, Level: 7, Plot # 15, Road # 103  
Gulshan Avenue, Dhaka - 1212, Bangladesh  
Phone : 880-2-8881824-6  
Fax : 880-2-8881822

**INDEPENDENT AUDITORS' REPORT**  
**To the Shareholders of Pubali Bank PLC.**  
**Report on the Audit of the Consolidated and Separate Financial Statements**

**Opinion**

We have audited the consolidated financial statements of Pubali Bank PLC. and its subsidiary (the "Group") as well as the separate financial statements of Pubali Bank PLC. (the "Bank"), which comprise the consolidated and separate Balance Sheets as at 31 December 2023, 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 2023, and of its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as explained in note-2 and comply with the Bank Company Act, 1991 (as amended up to date), the Companies Act, 1994, the rules and regulations issued by the Bangladesh Bank, the rules and regulations issued by the Bangladesh Securities & Exchange Commission (BSEC) and other applicable laws and regulations.

**Basis for Opinion**

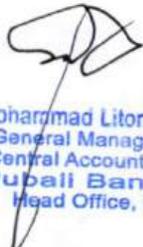
We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the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

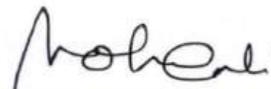
**Key Audit Matters**

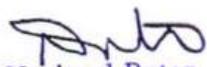
Key audit matters were those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate financial statements for the financial year 2023. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and informing auditors' opinion thereon, and we do not provide a separate opinion on these matters. For each matter described below our description of how our audit addressed the matter is provided in that context.

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

  
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Managing Director & CEO  
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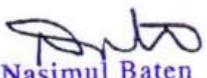
Description of key audit matters	Our response to key audit matters
<b>Measurement of provision for loans, advances/investment and leases</b>	
<p>With reference to Note 14.1 to the financial statements, the process for calculating the provision for loans, advances/investments and leases portfolio associated with credit risk is significant and complex. The Bank calculates provision for loans, advances/investments and leases by considering various factors such as rate of provision, loan category, expiry date, outstanding balance, interest suspense amount, value of eligible collateral as per BRPD circular no. 14 dated 23 September 2012 and its subsequent amendments.</p> <p>To minimize COVID 19 impact, Bangladesh Bank issued BRPD Circular Letter No.56 dated 10 December 2020 related to BRPD Circular No. 17 dated 28 September 2020; BRPD circular No.52 dated 29 December 2021 related to BRPD Circular No. 19 dated 26 August 2021 and BRPD Circular No.53 dated 22 December 2022 related to BRPD Circular No.14 dated 22 June 2022 for "Special General Provision-COVID-19".</p> <p>According to the circular, commercial banks must keep an extra provision for those borrowers who have availed of payment by deferral (PBD) facilities. The calculation of the new provisioning rule will have to be implemented based on the outstanding loans (deferral payment) as of 31 December 2020, 31 December 2021 and 31 December 2022.</p> <p>As per BRPD Circular No. 53 dated 22 December 2022, bank may transfer special general provision to income for fully recovered loans and specific provision for non-performing loans. The Bank has kept this "Special General Provision-COVID-19" as of 31 December 2023 BDT 930.34 million as per the circular.</p> <p>In Bangladesh, non-performing loans have been increasing day by day. Banks need to maintain provisions for additional non-performing loans in line with the central bank's guidelines. The Bank identifies impaired loan accounts and calculates required provisions manually. Furthermore, management has incentive to maintain lower provisions for loans and advances to overstate profit. Considering these factors, we have considered measurement of provision for loans, advances/investments and leases as significant risk as well as a key audit matter.</p> <p>At the year end of 2023 the Group reported total gross loans, advances/investments and leases of BDT 555.41 billion (2022: BDT 462.75 billion) and in 2023 the Bank reported total gross loans, advances/investments and leases of BDT 554.50 billion (2022: BDT 461.88 billion) whereas at the year end of 2023 the Group reported total provision for loans, advances/investments and leases of BDT 24.17 billion (2022: BDT 21.12 billion) and the Bank reported total provision for loans, advances/investments and leases of BDT 24.17 billion (2022: BDT 21.12 billion).</p>	<p>We tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> <li>• Credit appraisal, loan disbursement procedures, monitoring and provisioning process;</li> <li>• Identification of loss events, including early warning and default warning indicators;</li> <li>• Review of quarterly Classification of Loans (CL).</li> </ul> <p>Our substantive procedures in relation to the provision for loans and advances portfolio comprised the following:</p> <p>For confirming the classification of rescheduled lease, loans and advances, we performed the following procedures:</p> <ul style="list-style-type: none"> <li>• We checked the no. of instalments outstanding and compliance with BRPD Circular No. 16 dated 18 July 2022;</li> <li>• Reviewed the appropriateness of the approvals for the transfer of interests to the Income account in accordance with the Bangladesh Bank's guidelines;</li> <li>• 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>• Tested the inputs in computation of provision in terms of testing the accuracy of underlying information;</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>• Checked the adequacy of the Company's general and specific provisions;</li> <li>• Evaluated the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines;</li> </ul>
See note nos. 7 and 14.1 to the financial statements	

4 AUG 2024

  
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Central Accounts Division  
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**Nasimul Baten**  
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<b>Recognition of interest income on loans, advances and leases</b>	
<p>Recognition of interest income has significant and wide influence on financial statements. Recognition and measurement of interest income have involved complex IT environments.</p> <p>We identify recognition of interest income from loans, advances/investments and leases as a key audit matter because this is one of the key performance indicators of the Bank and therefore there is an inherent risk of fraud and error and overstatement in recognition of interest by management to meet specific targets or expectations.</p>	<p>We tested the design and operating e-effectiveness of key controls over recognition and measurement of interest on loans, advances/investments and leases.</p> <p>We performed test of operating effectiveness on automated control in place to measure and recognise interest income.</p> <p>We have also performed substantive procedure to check whether interest income is recognised completely and accurately.</p> <p>We assessed the appropriateness and presentation of disclosure against relevant accounting standards and Bangladesh Bank guidelines.</p>
See note no. 22 to the financial statements	

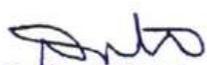
<b>Valuation of treasury bill and treasury bond</b>	
<p>The classification and measurement of T-Bill and T-Bond require judgment and complex estimates.</p> <p>In the absence of a quoted price in an active market, the fair value of T-Bills and T-Bonds is determined using complex valuation techniques which 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 no. 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 review process. We tested a sample of investments valuation as of 31 December 2023 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 no. 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 14.8.1 &amp; 14.8.2 respectively to the financial statements, as of December 31, 2023 the Bank has recognized BDT 4,793.13 million (2022: BDT 4,557.18 million) of deferred tax assets and BDT 175.12 million (2022: BDT 83.46 million) of deferred tax liabilities in the Balance Sheet.</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. 14.8.1 & 14.8.2 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>

**Other Matter**

The financial statements of subsidiary, Pubali Bank Securities Limited for the year ended 31 December 2023, has been audited by K. M. Hasan & Co., Chartered Accountants who expressed an unmodified opinion on these statements dated 13 March 2024.

**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.

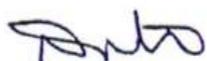
In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

4 AUG 2024

  
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DBH Finance PLC.



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

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

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

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

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

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

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

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

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

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

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**Nasimul Baten**  
Managing Director & CEO  
DBH Finance PLC.



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 2020, 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) 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;
- (iv) the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements;
- (v) 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;
- (vi) the expenditures incurred were for the purpose of the Bank's business for the year;
- (vii) 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;
- (viii) adequate provisions have been made for advance and other assets which are in our opinion, doubtful of recovery;
- (ix) the information and explanations required by us have been received and found satisfactory;
- (x) we have reviewed over 80% of the risk weighted assets of the Bank and spent over 8,000 person hours; and
- (xi) Capital to Risk-weighted Asset Ratio (CRAR) as required by Bangladesh Bank has been maintained adequately during the year.

**Md. Shahadat Hossain, FCA**  
Senior Partner  
MAHS & J Partners, Chartered Accountants  
ICAB Enrolment No.: 0572  
Firm Registration Number: [N/A]  
DNC: 2404180672AS734685

Dated: Dhaka,  
18 April 2024

**Ziaur Rahman Zia FCA**  
Partner  
A. Qasim & Co., Chartered Accountants  
ICAB Enrolment No.: 1259  
Firm Registration No.: 2-PC/202  
DNC: 2404211259AS484867

4 AUG 2024

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Head Office, Dhaka

**Mohammad Ali**  
Managing Director & CEO  
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Head Office, Dhaka

**Nasimul Baten**  
Managing Director & CEO  
TMM Finance PLC.



## Consolidated Balance Sheet

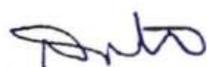
as at 31 December 2023

		Amount in BDT	
PROPERTY AND ASSETS	NOTES	2023	2022
<b>Cash</b>	<b>3 (a)</b>	<b>34,097,059,963</b>	<b>34,449,846,439</b>
Cash in hand ( Including foreign currencies )		9,130,422,101	8,902,088,820
Balance with Bangladesh Bank and its agent Bank (s) ( Including foreign currencies )		24,966,637,862	25,547,757,619
<b>Balance with Other Banks and Financial Institutions</b>	<b>4 (a)</b>	<b>6,191,485,702</b>	<b>9,900,812,355</b>
In Bangladesh		4,387,306,510	5,103,413,666
Outside Bangladesh		1,804,179,192	4,797,398,689
<b>Money at Call on Short Notice</b>	<b>5</b>	<b>37,686,667</b>	<b>838,986,667</b>
<b>Investments</b>	<b>6 (a)</b>	<b>155,339,821,033</b>	<b>146,164,406,981</b>
Government		127,519,310,934	116,756,310,282
Others		27,820,510,099	29,408,096,699
<b>Loans, Advances/Investments and Leases</b>	<b>7 (a)</b>	<b>555,409,664,835</b>	<b>462,752,004,614</b>
Loans, cash credits and overdrafts etc./Investments		520,152,676,891	424,791,134,612
Bills purchased & discounted		35,256,987,944	37,960,870,002
<b>Fixed Assets including Premises, Furniture &amp; Fixtures</b>	<b>8 (a)</b>	<b>7,536,527,950</b>	<b>6,499,064,580</b>
<b>Other Assets</b>	<b>9 (a)</b>	<b>58,978,541,662</b>	<b>53,667,230,069</b>
Non-Banking Assets	<b>10</b>	<b>375,246</b>	<b>375,246</b>
<b>Total Assets</b>		<b>817,591,163,058</b>	<b>714,272,726,951</b>
<b>LIABILITIES AND CAPITAL</b>			
<b>Liabilities</b>			
<b>Borrowings from Other Banks, Financial Institutions &amp; Agents</b>	<b>11</b>	<b>55,316,476,156</b>	<b>65,017,699,496</b>
Subordinated Bonds	<b>12</b>	<b>13,200,000,000</b>	<b>12,200,000,000</b>
Perpetual Bonds	<b>12.1</b>	<b>5,000,000,000</b>	<b>5,000,000,000</b>
<b>Deposits and Other Accounts</b>	<b>13 (a)</b>	<b>605,747,988,873</b>	<b>509,350,630,604</b>
Current accounts & Other accounts		66,209,911,659	60,210,299,951
Bills payable		21,799,191,392	14,271,043,896
Savings bank deposits		135,066,105,808	118,927,122,055
Term deposits		358,472,730,225	297,910,894,739
Other deposits		24,200,049,789	18,031,269,963
<b>Other Liabilities</b>	<b>14 (a)</b>	<b>90,681,141,004</b>	<b>79,558,157,547</b>
<b>Total Liabilities</b>		<b>769,945,606,033</b>	<b>671,126,487,647</b>
<b>Capital / Shareholders' Equity</b>			
Paid up capital	<b>15.2</b>	<b>10,282,942,180</b>	<b>10,282,942,180</b>
Statutory reserve	<b>16</b>	<b>10,283,000,000</b>	<b>10,283,000,000</b>
Retained earnings	<b>17 (a)</b>	<b>23,767,042,094</b>	<b>18,700,546,455</b>
Other reserves	<b>18 (a)</b>	<b>3,312,571,604</b>	<b>3,879,749,550</b>
		<b>47,645,555,878</b>	<b>43,146,238,185</b>
Non-controlling interest	<b>20</b>	<b>1,147</b>	<b>1,119</b>
<b>Total Shareholders' Equity</b>		<b>47,645,557,025</b>	<b>43,146,239,304</b>
<b>Total Liabilities and Shareholders' Equity</b>		<b>817,591,163,058</b>	<b>714,272,726,951</b>

  
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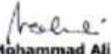


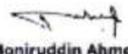
## Consolidated Balance Sheet

as at 31 December 2023

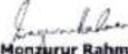
	Amount in BDT	
NOTES	2023	2022
<b>OFF-BALANCE SHEET ITEMS</b>		
<b>Contingent Liabilities</b>		
Acceptances & endorsements	85,520,080,684	103,377,186,550
Letters of guarantee	47,866,914,701	37,872,061,489
Irrevocable letters of credit	69,747,888,751	53,175,862,737
Bills for collection	37,191,310,041	28,980,463,041
Other contingent liabilities	2,433,181,166	2,433,181,166
<b>Total Contingent Liabilities</b>	<b>242,759,375,343</b>	<b>225,838,754,983</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>242,759,375,343</b>	<b>225,838,754,983</b>
<b>Consolidated Net Asset Value Per Share</b>	<b>46(1)(a)</b>	<b>41.96</b>

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

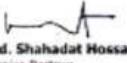
  
**Mohammad Ali**  
Managing Director & CEO

  
**Moniruddin Ahmed**  
Director

  
**Md. Abdur Razzak Mondol**  
Director

  
**Monzurur Rahman**  
Chairman

Signed as per annexed report on even date

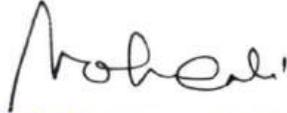
  
**Md. Shahadat Hossain, FCA**  
Senior Partner  
MABS & J Partners, Chartered Accountants  
ICAB Enrolment No.: 0672  
Firm Registration Number: [N/A]  
DVC: 2404180672AS734685

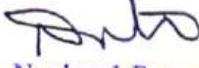
  
**Ziaur Rahman Zia FCA**  
Partner  
A. Qasem & Co., Chartered Accountants  
ICAB Enrolment No.: 1259  
Firm Registration No.: 2-PC7202  
DVC: 2404211259AS484867

Dated, Dhaka  
April 18, 2024

  
**MD. ANISUR RAHMAN**  
General Manager  
& Company Secretary  
Pubali Bank PLC.  
Head Office, Dhaka

  
**Mohammad Liton Miah FCA**  
General Manager & CFO  
Central Accounts Division  
Pubali Bank PLC.  
Head Office, Dhaka

  
**Mohammad Ali**  
Managing Director & CEO  
Pubali Bank PLC.  
Head Office, Dhaka

  
**Nasimul Baten**  
Managing Director & CEO  
DBH Finance PLC.



## Consolidated Profit and Loss Account

for the year ended 31 December 2023

Amount in BDT

NOTES	2023	2022
<b>Operating Income</b>		
Interest income/profit on investment	22 (a) 40,404,751,034	29,860,247,898
Interest paid/profit shared on deposits, borrowings etc.	23 (30,321,076,803)	(23,240,593,559)
<b>Net Interest Income/profit on investment</b>	<b>10,083,674,231</b>	<b>6,619,654,339</b>
Investment income	24 (a) 15,899,369,253	14,133,428,929
Commission, exchange and brokerage	25 (a) 3,128,981,436	3,355,096,290
Other operating income	26 (a) 1,822,103,855	1,617,389,253
<b>Total Operating Income</b>	<b>30,934,128,775</b>	<b>25,725,568,811</b>
<b>Operating Expenses</b>		
Salaries and allowances	27 (a) 9,306,688,171	8,391,735,067
Rent, taxes, insurance, electricity etc.	28 (a) 788,496,295	649,537,850
Legal expenses	29 (a) 19,554,616	17,548,426
Postage, stamp, telecommunication etc.	30 (a) 79,735,582	95,457,058
Stationery, printing, advertisements etc.	31 (a) 272,430,372	149,881,191
Managing Director's salary and fees	32 14,769,678	12,843,657
Directors' fees	33 (a) 8,560,436	9,057,206
Auditors' fees	34 (a) 2,581,750	2,199,250
Depreciation and repair of bank's assets	35 (a) 2,087,275,779	1,440,163,705
Other expenses	36 (a) 2,689,041,680	3,150,898,229
<b>Total Operating Expenses</b>	<b>15,269,134,359</b>	<b>13,919,321,639</b>
<b>Profit/(Loss) before Provision</b>	<b>15,664,994,416</b>	<b>11,806,247,172</b>
<b>Provision for Loans, Advances/Investments, Leases and Other Assets</b>	37 (a)	
Provision for classified loans, advances/investments and leases	2,828,437,943	1,880,136,844
Provision for unclassified loans, advances/investments and leases	66,162,057	872,267,826
Provision for diminution in value of investments	123,736,753	55,411,791
Provision for other assets	42,500,000	50,000,000
Specific Provision on margin loan for PBSL	9,193,325	-
Provision adjusted for unrealized loss on client margin loan for PBSL	(33,382,072)	-
Provision for bad debt offsetting for Islamic Banking	-	22,067,376
	<b>3,036,648,006</b>	<b>2,879,883,837</b>
Provision for exposure of off-balance sheet items	38 426,000,000	-
<b>Total Provision</b>	<b>3,462,648,006</b>	<b>2,879,883,837</b>
<b>Total Profit/(Loss) before Taxes</b>	<b>12,202,346,410</b>	<b>8,926,363,335</b>
Provision for current tax	14.7 (a) 5,481,604,416	3,815,861,265
Provision for deferred tax	14.8.1 (a) (229,095,595)	(537,504,181)
<b>Total Provision for Taxes</b>	<b>5,252,508,821</b>	<b>3,278,357,084</b>
<b>Net Profit after Taxation</b>	<b>6,949,837,589</b>	<b>5,648,006,251</b>
<b>Profit Attributable to</b>		
Equity holders of parent	6,949,837,561	5,648,006,187
Non-controlling interest	28	64
<b>Appropriations</b>	<b>6,949,837,589</b>	<b>5,648,006,251</b>
Statutory reserve	-	-
Coupon/dividend on perpetual bond	500,000,000	363,734,741
Start-up fund	68,084,680	53,217,717
Retained surplus carried forward	6,381,752,900	5,231,053,793
<b>Consolidated Earnings Per Share (EPS)</b>	<b>46 (a) 6.76</b>	<b>5.49</b>

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

**Mohammad Ali**  
Managing Director & CEO

**Moniruddin Ahmed**  
Director

**Md. Abdur Razzak Mondol**  
Director

**Monzurur Rahman**  
Chairman

Signed as per annexed report on even date

**Md. Shahadat Hossain, FCA**  
Senior Partner  
MABS & J Partners, Chartered Accountants  
ICAB Enrolment No.: 0672  
Firm Registration Number: [N/A]  
DVC: 2404180672AS734685

Dated, Dhaka  
April 18, 2024

**Ziaur Rahman Zia FCA**  
Partner  
A. Qasem & Co., Chartered Accountants  
ICAB Enrolment No.: 1259  
Firm Registration No.: 2-PC7202  
DVC: 2404211259AS486867

**MD. ANISUR RAHMAN**  
General Manager  
& Company Secretary  
Pubali Bank PLC.  
Head Office, Dhaka

**Mohammad Liton Miah FCA**  
General Manager & CFO  
Central Accounts Division  
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DBH Finance PLC.

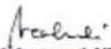
## Consolidated Cash Flow Statement

for the year ended 31 December 2023

Amount in BDT

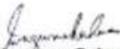
NOTES	2023	2022
<b>a Cash flows from Operating Activities</b>		
Interest/investment income receipts in cash	55,773,460,919	43,128,512,486
Interest/profit paid on deposits, borrowings etc.	(28,962,191,516)	(22,396,592,940)
Dividend receipts	588,393,773	706,088,504
Fees and commission receipts	2,277,559,984	2,167,970,374
Recoveries of loans previously written-off	164,851,322	172,793,025
Cash payment to employees	(9,163,540,398)	(7,871,184,654)
Cash payment to suppliers	(372,406,923)	(264,009,660)
Current income tax paid	(3,695,380,168)	(2,065,590,099)
Receipts from other operating activities	40 (a) 2,687,044,927	2,910,386,823
Cash payments for other operating activities	41 (a) (4,847,204,937)	(4,662,494,997)
<b>Operating Profit before changes in Operating Assets &amp; Liabilities</b>	<b>14,450,586,983</b>	<b>11,825,878,862</b>
<b>Increase/ (Decrease) in Operating Assets and Liabilities</b>		
Statutory deposits	(10,928,762,441)	7,548,207,340
(Purchase)/sale of trading securities	1,241,457,138	(2,707,433,814)
Loans and advances to customers (other than banks)	(92,611,369,955)	(85,227,694,143)
Other assets	42 (a) (1,678,318,908)	(3,263,018,996)
Deposits to/from other banks	(9,701,223,340)	18,517,368,495
Deposits from customers (other than banks)	94,123,611,100	47,588,697,569
Other liabilities account of customers	952,069,261	2,179,405,274
Other liabilities	43 (a) 1,191,270,297	450,594,085
<b>Total Increase/ (Decrease) in Operating Assets and Liabilities</b>	<b>(17,411,266,848)</b>	<b>(14,913,874,190)</b>
<b>Net Cash from/(used in) Operating Activities</b>	<b>(2,960,679,865)</b>	<b>(3,087,995,328)</b>
<b>b Cash flows from Investing Activities</b>		
Purchase of property, plant & equipment including lease assets	(2,092,131,617)	-
Sale of property, plant & equipment	5,523,584	(888,749,783)
<b>Net Cash from/(used in) Investing Activities</b>	<b>(2,086,608,033)</b>	<b>(888,749,783)</b>
<b>c Cash flows from Financing Activities</b>		
Receipts/(payment) from issue of subordinated bonds	1,000,000,000	1,700,000,000
Receipts from issue of perpetual bonds	-	2,200,000,000
Coupon/dividend paid on perpetual bonds	(500,000,000)	(363,734,741)
Dividend paid	(1,248,751,547)	(1,246,063,970)
<b>Net Cash from/(used in) Financing Activities</b>	<b>(748,751,547)</b>	<b>2,290,201,289</b>
<b>d Net Increase/ (Decrease) in Cash and Cash equivalents (a+b+c)</b>	<b>(5,796,039,445)</b>	<b>(1,686,543,822)</b>
<b>e Effects of exchange rate changes on cash and cash equivalents</b>	<b>4,279,874</b>	<b>32,181,625</b>
<b>f Cash and Cash equivalents at beginning of the period</b>	<b>46,688,213,833</b>	<b>48,342,576,030</b>
<b>g Cash and Cash equivalents at end of the period (d+e+f)</b>	<b>40,896,454,262</b>	<b>46,688,213,833</b>

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

  
**Mohammad Ali**  
 Managing Director & CEO

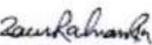
  
**Moniruddin Ahmed**  
 Director

  
**Md. Abdur Razzak Mondol**  
 Director

  
**Monzurur Rahman**  
 Chairman

Signed as per annexed report on even date

  
**Md. Shahadat Hossain, FCA**  
 Senior Partner  
 MADS & J Partners, Chartered Accountants  
 ICAB Enrolment No.: 0672  
 Firm Registration Number: [N/A]  
 DVC: 2404180672A5734685

  
**Ziaur Rahman Zia FCA**  
 Partner  
 A. Qasem & Co., Chartered Accountants  
 ICAB Enrolment No.: 1259  
 Firm Registration No.: 2-PC7202  
 DVC: 2404211259A5484857

 Dated, Dhaka  
 April 18, 2024



**Consolidated Statement of Changes in Equity**

for the year ended 31 December 2023

PARTICULARS	PAID-UP CAPITAL	STATUTORY RESERVE	RETAINED EARNINGS	OTHER RESERVES	PARENT'S EQUITY	NON-CONTROLLING INTEREST	TOTAL
Balance as at 1 January 2023	10,282,942,180	10,283,000,000	18,700,546,455	3,879,749,550	43,146,238,185	1,119	43,146,239,304
Changes in accounting policy	-	-	-	-	-	-	-
Recognition of deferred tax on revaluation reserve of fixed assets	-	-	18,700,546,455	3,879,749,550	43,146,238,185	1,119	43,146,239,304
Surplus/Deficit on account of revaluation of investments	-	-	-	(63,074,588)	(63,074,588)	-	(63,074,588)
Foreign currency translation gain/(loss)	-	-	-	(521,006,691)	(521,006,691)	-	(521,006,691)
Net income and expenses not recognised in the Profit and Loss Statement	-	-	-	4,279,874	4,279,874	-	4,279,874
Transfer regarding revaluation reserve on sale of properties	-	-	1,804,999	-	1,804,999	-	1,804,999
Coupon/dividend payment on Perpetual Bond	-	-	929,000	-	929,000	-	929,000
Transfer to Start up fund	-	-	(500,000,000)	-	(500,000,000)	-	(500,000,000)
Non-controlling capital	-	-	(68,084,689)	-	(68,084,689)	-	(68,084,689)
Net profits for the year	-	-	6,949,837,561	-	6,949,837,561	28	6,949,837,589
Transfer to capital reserve	-	-	(32,623,459)	32,623,459	-	-	-
Transfer to statutory reserve	-	-	-	-	-	-	-
Dividends (cash) for 2022	-	-	(1,285,367,773)	-	(1,285,367,773)	-	(1,285,367,773)
Balance as at 31 December 2023	10,282,942,180	10,283,000,000	23,767,042,094	3,312,571,604	47,645,555,878	1,147	47,645,557,025
Balance as at 31 December 2022	10,282,942,180	10,283,000,000	18,700,546,455	3,879,749,550	43,146,238,185	1,119	43,146,239,304

**Mohammad Ali**  
Managing Director & CEO

**Moniruddin Ahmed**  
Director

**Md. Abdur Razzak Mondol**  
Director

**Mozibur Rahman**  
Chairman

Signed as per annexed report on even date

**Md. Shahadat Hossain, FCA**  
Senior Partner  
MA&S & J Partners, Chartered Accountants  
ICAB Enrolment No.: 0672  
Firm Registration Number: [N/A]  
DNC: 240438067265734685  
Dated, Dhaka  
April 31, 2024

**Ziaur Rahman Zia FCA**  
Partner  
A. Quam & Co, Chartered Accountants  
ICAB Enrolment No.: 1259  
Firm Registration No.: 2-4-C/202  
DNC: 24042112595484807

**MD. ANISUR RAHMAN**  
General Manager  
& Company Secretary  
Pubali Bank PLC.  
Head Office, Dhaka.

**Mohammad Liton Miah FCA**  
General Manager & CFO  
Central Accounts Division  
Pubali Bank PLC.  
Head Office, Dhaka.

**Mohammad Ali**  
Managing Director & CEO  
Pubali Bank PLC.  
Head Office, Dhaka

**Nasimul Baten**  
Managing Director & CEO  
DBH Finance PLC.



## Balance Sheet

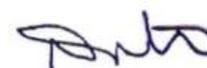
as at 31 December 2023

		Amount in BDT	
Notes	2023	2022	
<b>PROPERTY AND ASSETS</b>			
<b>Cash</b>	<b>3</b>	<b>34,097,059,963</b>	<b>34,449,846,439</b>
Cash in hand (Including foreign currencies)		9,130,422,101	8,902,088,820
Balance with Bangladesh Bank and its agent Bank (s) (Including foreign currencies)		24,966,637,862	25,547,757,619
<b>Balance with Other Banks and Financial Institutions in Bangladesh</b>	<b>4</b>	<b>6,156,645,838</b>	<b>9,810,258,252</b>
Outside Bangladesh		4,352,466,646	5,012,859,563
		1,804,179,192	4,797,398,689
<b>Money at Call on Short Notice</b>	<b>5</b>	<b>37,686,667</b>	<b>838,986,667</b>
<b>Investments</b>	<b>6</b>	<b>147,495,495,296</b>	<b>139,403,489,608</b>
Government		127,051,054,519	116,634,183,329
Others		20,444,440,777	22,769,306,279
<b>Loans, Advances/Investments and Leases</b>	<b>7</b>	<b>554,495,496,036</b>	<b>461,884,126,081</b>
Loans, cash credits and overdrafts etc./investments		519,238,508,092	423,923,256,079
Bills purchased and discounted		35,256,987,944	37,960,870,002
<b>Fixed Assets including Premises, Furniture &amp; Fixtures</b>	<b>8</b>	<b>7,529,264,170</b>	<b>6,495,544,725</b>
<b>Other Assets</b>	<b>9</b>	<b>65,054,550,749</b>	<b>59,873,084,818</b>
<b>Non-banking Assets</b>	<b>10</b>	<b>375,245</b>	<b>375,246</b>
<b>Total Assets</b>		<b>814,866,573,965</b>	<b>712,755,711,836</b>
<b>LIABILITIES AND CAPITAL</b>			
<b>Liabilities</b>			
<b>Borrowings From Other Banks, Financial Institutions &amp; Agents</b>	<b>11</b>	<b>55,316,476,156</b>	<b>65,017,699,496</b>
<b>Subordinated Bonds</b>	<b>12</b>	<b>13,200,000,000</b>	<b>12,200,000,000</b>
<b>Perpetual Bonds</b>	<b>12.1</b>	<b>5,000,000,000</b>	<b>5,000,000,000</b>
<b>Deposits and Other Accounts</b>	<b>13</b>	<b>606,296,413,262</b>	<b>510,836,516,875</b>
Current accounts & other accounts		66,414,271,964	60,730,969,028
Bills payable		21,799,191,392	14,271,043,896
Savings bank deposits		135,066,105,808	118,927,122,055
Term deposits		358,816,794,309	298,876,111,933
Other deposits		24,200,049,789	18,031,269,963
<b>Other Liabilities</b>	<b>14</b>	<b>88,209,647,317</b>	<b>77,215,407,287</b>
<b>Total Liabilities</b>		<b>768,022,536,735</b>	<b>670,269,623,658</b>
<b>Capital / Shareholders' Equity</b>			
<b>Paid up capital</b>	<b>15.2</b>	<b>10,282,942,180</b>	<b>10,282,942,180</b>
<b>Statutory reserve</b>	<b>16</b>	<b>10,283,000,000</b>	<b>10,283,000,000</b>
<b>Retained earnings</b>	<b>17</b>	<b>22,998,146,905</b>	<b>18,040,396,448</b>
<b>Other reserves</b>	<b>18</b>	<b>3,279,948,145</b>	<b>3,879,749,550</b>
<b>Total Shareholders' Equity</b>		<b>46,844,037,230</b>	<b>42,486,088,178</b>
<b>Total Liabilities and Shareholders' Equity</b>		<b>814,866,573,965</b>	<b>712,755,711,836</b>

  
**MD. ANISUR RAHMAN**  
General Manager  
& Company Secretary  
Pubali Bank PLC.  
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**Mohammad Ali**  
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Pubali Bank PLC.  
Head Office, Dhaka

  
**Nasimul Baten**  
Managing Director & CEO  
DBH Finance PLC.



**Balance Sheet**

as at 31 December 2023

**OFF-BALANCE SHEET ITEMS**

**Contingent Liabilities**

Acceptances & endorsements  
Letters of guarantee  
Irrevocable letters of credit  
Bills for collection  
Other contingent liabilities  
Total Contingent Liabilities

**Other Commitments**

Documentary credits and short term trade related transactions  
Forward assets purchased and forward deposits placed  
Undrawn note issuance and revolving underwriting facilities  
Undrawn formal standby facilities, credit lines and other commitments  
Total

**Total Off-Balance Sheet Items Including Contingent Liabilities**

NOTES	Amount in BDT	
	2023	2022
21		
	85,520,080,684	103,377,186,550
	47,866,914,701	37,872,061,489
	69,747,888,751	53,175,862,737
	37,191,310,041	28,080,463,041
	2,433,181,166	2,433,181,166
	<b>242,759,375,343</b>	<b>225,838,754,983</b>
	-	-
	-	-
	-	-
	-	-
	-	-
	-	-
	<b>242,759,375,343</b>	<b>225,838,754,983</b>
Net Asset Value Per Share	46(1)	45.56
		41.32

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

**Mohammad Ali**  
Managing Director & CEO

**Moniruddin Ahmed**  
Director

**Md. Abdur Razzak Mondol**  
Director

**Monzurur Rahman**  
Chairman

Signed as per annexed report on even date

**Md. Shahadat Hossain, FCA**  
Senior Partner  
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ICAB Enrolment No.: 0672  
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Dated, Dhaka  
April 18, 2024

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Head Office, Dhaka

**Nasimul Baten**  
Managing Director & CEO  
DBH Finance PLC.



## Profit and Loss Account

for the year ended 31 December 2023

NOTES	Amount in BDT	
	2023	2022
<b>Operating Income</b>		
Interest income/profit on investment	40,340,842,264	29,813,192,063
Interest paid/profit shared on deposits, borrowings etc.	(20,321,076,803)	(23,240,593,559)
<b>Net Interest Income/profit on investment</b>	<b>10,019,765,461</b>	<b>6,572,598,504</b>
Investment income	15,633,734,445	13,740,363,716
Commission, exchange and brokerage	3,103,987,478	3,311,320,514
Other operating income	1,793,977,472	1,570,420,358
<b>Total Operating Income</b>	<b>30,551,464,856</b>	<b>25,194,703,092</b>
<b>Operating Expenses</b>		
Salaries and allowances	9,250,828,821	8,347,605,599
Rent, taxes, insurance, electricity etc.	780,794,411	646,880,954
Legal expenses	18,467,449	17,399,747
Postage, stamp, telecommunication etc.	79,613,579	95,258,236
Stationery, printing, advertisements etc.	271,905,145	149,330,677
Managing Director's salary and fees	14,769,678	12,843,657
Directors' fees	7,669,436	7,341,206
Auditors' fees	2,428,750	2,021,000
Depreciation and repair of bank's assets	2,083,673,140	1,437,853,280
Other expenses	2,680,206,217	3,140,656,772
<b>Total Operating Expenses</b>	<b>15,198,348,626</b>	<b>13,857,191,128</b>
<b>Profit/(Loss) before Provision</b>	<b>15,353,116,230</b>	<b>11,337,511,964</b>
<b>Provision for Loans, Advances/investments, Leases and Other Assets</b>		
Provision for classified loans, advances/investments and leases	2,828,437,943	1,880,136,844
Provision for unclassified loans, advances/investments and leases	66,162,057	872,267,826
Provision for diminution in value of investments	2,000,000	-
Provision for other assets	42,500,000	50,000,000
Provision for bad debt offsetting for Islamic Banking	-	22,067,376
	<b>2,939,100,000</b>	<b>2,824,472,046</b>
Provision for exposure of off balance sheet items	426,000,000	-
<b>Total Provision</b>	<b>3,365,100,000</b>	<b>2,824,472,046</b>
<b>Total Profit/(Loss) before Taxes</b>	<b>11,988,016,230</b>	<b>8,513,039,918</b>
Provision for current tax	5,406,911,843	3,728,336,561
Provision for deferred tax	(227,364,933)	(537,068,302)
<b>Total Provision for Taxes</b>	<b>5,179,547,310</b>	<b>3,191,268,259</b>
<b>Net Profit/(Loss) after Taxes</b>	<b>6,808,468,920</b>	<b>5,321,771,659</b>
<b>Appropriations</b>		
Statutory Reserve	-	-
Coupon/dividend on perpetual bond	500,000,000	363,734,741
Start-up fund	68,084,689	53,217,717
Retained surplus carried forward	6,240,384,231	4,904,819,201
<b>Earnings Per Share (EPS)</b>	<b>6.62</b>	<b>5.18</b>

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

**Mohammad Ali**  
Managing Director & CEO

**Moniruddin Ahmed**  
Director

**Md. Abdur Razzak Mondol**  
Director

**Monzurur Rahman**  
Chairman

Signed as per annexed report on even date

**Md. Shahadat Hossain, FCA**  
Senior Partner  
MABS & J Partners, Chartered Accountants  
ICAB Enrolment No.: 0672  
Firm Registration Number: [N/A]  
DVC: 2404180672AS734685

**Ziaur Rahman Zia FCA**  
Partner  
A. Gaseem & Co., Chartered Accountants  
ICAB Enrolment No.: 1259  
Firm Registration No.: 2-PC7202  
DVC: 2404211259AS494867

Dated, Dhaka  
April 18, 2024

**MD. ANISUR RAHMAN**  
General Manager  
& Company Secretary  
Pubali Bank PLC.  
Head Office, Dhaka.

**Mohammad Liton Miah FCA**  
General Manager & CFO  
Central Accounts Division  
Pubali Bank PLC.  
Head Office, Dhaka.

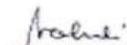
**Mohammad Ali**  
Managing Director & CEO  
Pubali Bank PLC.  
Head Office, Dhaka

**Nasimul Baten**  
Managing Director & CEO  
DBH Finance PLC.

**Cash Flows Statement**  
for the year ended 31 December 2023

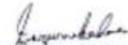
	NOTES	2023	2022
Amount in BDT			
<b>a Cash flows from Operating Activities</b>			
Interest/investment income receipts in cash		55,668,715,573	43,060,927,059
Interest/profit paid on deposits, borrowings etc.		(28,962,191,516)	(22,396,592,940)
Dividend receipts		379,403,654	474,168,037
Fees and commission receipts		2,252,566,026	2,124,194,598
Recoveries of loans previously written-off		164,851,322	172,793,025
Cash payment to employees		(9,115,714,848)	(7,827,067,586)
Cash payment to suppliers		(372,406,923)	(264,009,660)
Current income tax paid		(3,607,220,198)	(2,065,590,099)
Receipts from other operating activities	40	2,643,110,431	2,722,802,764
Cash payments for other operating activities	41	(4,826,452,353)	(4,644,481,554)
<b>Operating Profit before changes in Operating Assets &amp; Liabilities</b>		<b>14,224,661,168</b>	<b>11,357,143,654</b>
<b>Increase/ (Decrease) in Operating assets and liabilities</b>			
Statutory deposits		(10,928,762,441)	7,548,207,340
(Purchase)/sale of trading securities		2,324,865,502	(2,241,331,855)
Loans and advances to customers (other than banks)		(92,611,369,955)	(85,227,694,143)
Other assets	42	(1,647,788,251)	(3,049,971,336)
Deposits to/from other banks		(9,701,223,340)	18,517,368,495
Deposits from customers (other than banks)		94,123,611,100	47,588,697,569
Other liabilities account of customers		952,069,261	2,179,405,274
Other liabilities	43	1,290,481,688	611,137,111
<b>Total Increase/(decrease) in Operating Assets and Liabilities</b>		<b>(16,198,116,436)</b>	<b>(14,074,181,545)</b>
<b>Net Cash from/(used in) Operating Activities</b>		<b>(1,973,455,268)</b>	<b>(2,717,037,891)</b>
<b>b Cash flows from Investing Activities</b>			
Purchase of property, plant & equipment including leased assets		(2,085,917,779)	(888,879,384)
Sale of property, plant & equipment		5,261,270	-
<b>Net cash from/(used in) Investing Activities</b>		<b>(2,080,656,509)</b>	<b>(888,879,384)</b>
<b>c Cash flows from Financing Activities</b>			
Receipts/(payment) from issue of subordinated bonds		1,000,000,000	1,700,000,000
Receipts from issue of perpetual bonds		-	2,200,000,000
Coupon/dividend paid on perpetual bonds		(500,000,000)	(363,734,741)
Dividend paid		(1,248,751,547)	(1,246,063,970)
<b>Net cash from/(used in) Financing Activities</b>		<b>(748,751,547)</b>	<b>2,290,201,289</b>
<b>d Net increase/(decrease) in Cash and Cash equivalents (a+b+c)</b>		<b>(4,802,863,324)</b>	<b>(1,315,715,986)</b>
<b>e Effects of exchange rate changes on cash and cash equivalents</b>		<b>4,279,874</b>	<b>32,181,625</b>
<b>f Cash and cash equivalents at beginning of the period</b>		<b>45,111,773,459</b>	<b>46,395,307,820</b>
<b>g Cash and cash equivalents at end of the period (d+e+f)</b>	44	<b>40,313,190,009</b>	<b>45,111,773,459</b>

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

  
**Mohammad Ali**  
Managing Director & CEO

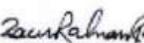
  
**Moniruddin Ahmed**  
Director

  
**Md. Abdur Razzak Mondol**  
Director

  
**Monzurur Rahman**  
Chairman

Signed as per annexed report on even date

  
**Md. Shahadat Hossain, FCA**  
Senior Partner  
MABS & J Partners, Chartered Accountants  
ICAB Enrolment No.: 0672  
Firm Registration Number: [N/A]  
DVC: 2404180672A5734685

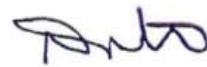
  
**Ziaur Rahman Zia FCA**  
Partner  
A. Qasem & Co., Chartered Accountants  
ICAB Enrolment No.: 1259  
Firm Registration No.: 2-PC7202  
DVC: 2404211259AS4B4867

Dated, Dhaka  
April 18, 2024

  
**MD. ANISUR RAHMAN**  
General Manager  
& Company Secretary  
Pubali Bank PLC.  
Head Office, Dhaka

  
**Mohammad Liton Miah FCA**  
General Manager & CFO  
Central Accounts Division  
Pubali Bank PLC.  
Head Office, Dhaka.

  
**Mohammad Ali**  
Managing Director & CEO  
Pubali Bank PLC.  
Head Office, Dhaka

  
**Nasimul Baten**  
Managing Director & CEO  
DBH Finance PLC.



**Statement of Changes in Equity**

for the year ended 31 December 2023

PARTICULARS	PAID-UP CAPITAL	STATUTORY RESERVE	RETAINED EARNINGS	OTHER RESERVES	PROPOSED DIVIDEND	TOTAL
<b>Balance as at 1 January 2023</b>	10,282,942,180	10,283,000,000	18,040,396,448	3,879,749,550	-	42,486,088,178
Changes in accounting policy	-	-	-	-	-	-
Restated balance	10,282,942,180	10,283,000,000	18,040,396,448	3,879,749,550	-	42,486,088,178
Adjustment on revaluation of fixed assets	-	-	-	-	-	-
Recognition of deferred tax on revaluation reserve of fixed assets	-	-	-	(83,074,568)	-	(83,074,568)
Surplus/(deficit) on accounts of revaluation of investments	-	-	-	(527,006,691)	-	(527,006,691)
Foreign currency translation gain/(loss)	-	-	-	4,779,874	-	4,779,874
Net income and expenses not recognised in the Profit and Loss Statement	-	-	1,804,999	-	-	1,804,999
Transfer regarding revaluation reserve on sale of properties	-	-	929,000	-	-	929,000
Company/dividend payment on perpetual bond	-	-	(506,000,000)	-	-	(506,000,000)
Transfer to start-up fund	-	-	(66,084,689)	-	-	(66,084,689)
Net profit for the year	-	-	6,808,468,920	-	-	6,808,468,920
Transfer to statutory reserve	-	-	(1,285,367,773)	-	-	(1,285,367,773)
Dividends (cash) for 2022	-	-	-	-	-	-
<b>Balance as at 31 December 2023</b>	10,282,942,180	10,283,000,000	22,998,146,905	3,279,948,145	-	46,844,037,230
<b>Balance as at 31 December 2022</b>	10,282,942,180	10,283,000,000	18,040,396,448	3,879,749,550	-	42,486,088,178

Amount in BDT

**MD. ANISUR RAHMAN**  
General Manager  
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Pubali Bank PLC.  
Head Office, Dhaka

**Mohammad Ali**  
Managing Director & CEO  
Pubali Bank PLC.  
Head Office, Dhaka

**Nasimul Baten**  
Managing Director & CEO  
DBH Finance PLC.

Signed as per attached report on even date

**Mohammad Ali**  
Managing Director & CEO

**Md. Abdur Razzak Mondol**  
Director

**Monszurur Rahman**  
Chairman

**Md. Shahadat Hossain, FCA**  
Senior Partner  
M&BS & J Partners, Chartered Accountants  
ICAB Enrolment No.: 0672  
Firm Registration Number: [N/A]  
DNC: 2404180672AS724685

Dated, Dhaka  
April 15, 2024

**Zaaur Rahman Zia FCA**  
Partner  
A. Qasem & Co., Chartered Accountants  
ICAB Enrolment No.: 1259  
Firm Registration No.: 2-PC/202  
DNC: 2404211259AC484867



**Liquidity Statement (assets and liabilities maturity analysis)**

as at 31 December 2023

PARTICULARS	Amount in BDT					TOTAL
	UP TO 01 MONTH	01-03 MONTHS	03-12 MONTHS	01-05 YEARS	MORE THEN 5 YEARS	
<b>Assets</b>						
Cash in hand	34,097,059,963	-	-	-	-	34,097,059,963
Balances with other banks and financial institutions	1,843,711,129	2,982,865,120	1,108,469,190	220,680,399	-	6,156,645,818
Money at call on short notice	37,686,667	-	-	-	-	37,686,667
Investments	6,818,387,578	2,887,625,439	20,195,344,820	34,061,374,060	83,532,763,399	147,495,495,236
Loans, advances and leases	22,896,946,846	173,751,549,579	167,821,194,309	116,481,847,417	73,543,937,855	554,495,496,036
Fixed assets including premises, furniture & fixtures	-	549,207,069	-	4,356,896,637	2,623,158,464	7,529,264,170
Other assets	263,335,835	2,914,046,316	180,235,666	13,100,776,307	48,585,156,625	65,054,550,749
Non-banking assets	-	-	-	375,246	-	375,246
<b>Total Assets</b>	<b>65,957,148,018</b>	<b>183,085,293,523</b>	<b>189,314,244,015</b>	<b>168,224,496,820</b>	<b>208,285,391,589</b>	<b>814,866,573,965</b>
<b>Liabilities</b>						
Borrowings from other banks, financial institutions & agents	18,451,339,312	32,252,124,970	9,628,897,451	-	2,094,114,423	55,316,476,156
Subordinated bonds	-	-	2,500,000,000	7,200,000,000	3,500,000,000	13,200,000,000
Perpetual bonds	-	-	-	-	5,000,000,000	5,000,000,000
Deposits	48,919,890,621	136,093,963,802	135,719,878,377	85,797,523,600	199,765,156,861	606,296,413,262
Provisioner & other liabilities	1,314,952,893	-	15,564,387,777	70,184,811,137	1,145,495,510	80,209,647,317
<b>Total Liabilities</b>	<b>60,686,182,826</b>	<b>168,346,088,772</b>	<b>163,413,163,605</b>	<b>163,182,334,737</b>	<b>212,394,766,794</b>	<b>768,022,536,735</b>
<b>Net Liquidity Gap</b>	<b>5,270,965,192</b>	<b>14,739,204,751</b>	<b>25,901,080,410</b>	<b>5,042,162,083</b>	<b>(4,109,375,205)</b>	<b>46,844,037,230</b>

Monzurur Rahman  
Chairman

Md. Abdur Razzak Mondol  
Director

Moniruddin Ahmed  
Director

Mohammad Ali  
Managing Director & CEO

Signed as per annexed report on even date

Dated, Dhaka  
April 18, 2024

MD. ANISUR RAHMAN  
General Manager  
& Company Secretary  
Pubali Bank PLC.  
Head Office, Dhaka.

Mohammad Liton Miah FCA  
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Central Accounts Division  
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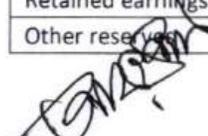
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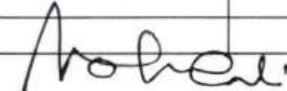
**Section 14: Comparative Financial Statements**

**A. Statement of Financial Position**

Pubali Bank PLC Consolidated Balance Sheet As at 31 December 2023 to 31 December 2021			
(amount in BDT mn)			
Particulars	31.12.2023	31.12.2022	31.12.2021
Property and Assets	Taka	Taka	Taka
Cash			
Cash in hand (Including Foreign Currencies)	9,130.42	8,902.09	5,088.41
Balance with Bangladesh Bank and its agent Bank (s)(Including foreign currencies )	24,966.64	25,547.76	19,557.92
	34,097.06	34,449.85	24,646.33
Balance with other Banks and Financial Institutions			
Inside Bangladesh	4,387.31	5,103.41	20,460.63
Outside Bangladesh	1,804.18	4,797.40	1,231.24
	6,191.49	9,900.81	21,691.87
Money at Call on Short Notice	37.69	838.99	241.99
Investments			
Government	127,519.31	116,756.31	125,104.79
Others	27,820.51	29,408.10	26,822.79
	155,339.82	146,164.41	151,927.58
Loans, Advances and Leases			
Loans, cash credits and overdrafts, etc.	520,152.68	424,791.13	350,407.45
Bills purchased & discounted	35,256.99	37,960.87	27,030.04
	555,409.66	462,752.00	377,437.49
Fixed Assets including Premises, Furniture & Fixtures	7,536.53	6,499.06	5,789.40
Other Assets	58,978.54	53,667.23	48,365.28
Non-Banking Assets	0.38	0.38	0.38
Total Property and Assets	817,591.16	714,272.73	630,100.31
<b>Liabilities and Capital</b>			
Liabilities			
Borrowings from other Banks, Financial Institutions & Agents	55,316.48	65,017.70	30,019.84
Subordinated bonds	13,200.00	12,200.00	10,500.00
Perpetual Bond	5,000.00	5,000.00	2,800.00
Deposits and other Accounts			
Current accounts & other accounts	66,209.91	60,210.30	59,104.75
Bills payable	21,799.19	14,271.04	13,829.75
Savings bank deposits	135,066.11	118,927.12	115,249.02
Term deposits	358,472.73	297,910.89	261,951.56
Other deposits	24,200.05	18,031.27	10,527.77
	605,747.99	509,350.63	460,662.85
Other Liabilities	90,681.14	79,558.16	86,330.16
Total Liabilities	769,945.61	671,126.49	590,312.84
Capital / Shareholders' Equity			
Paid up capital	10,282.94	10,282.94	10,282.94
Statutory reserve	10,283.00	10,283.00	10,283.00
Retained earnings (general reserve)	23,767.04	18,700.55	14,760.65
Other reserves	3,312.57	3,879.75	4,460.87

  
**MD. ANSUR RAHMAN**  
General Manager  
& Company Secretary  
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**Mohammad Liton Miah FCA**  
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Central Accounts Division  
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**Nasimul Baten**  
Managing Director & CEO  
DBH Finance PLC.



	47,645.56	43,146.24	39,787.47
Non-controlling Interest	0.00	0.00	0.00
Total Shareholders' Equity	47,645.56	43,146.24	39,787.47
Total Liabilities & Capital/Shareholders' Equity	817,591.16	714,272.73	630,100.31

**B. Statement of Profit or Loss and Other Comprehensive Income**

Pubali Bank PLC Consolidated Profit and Loss Account As at 31 December 2023 to 31 December 2021 (amount in BDT Mn)			
Particulars	31.12.2023	31.12.2022	31.12.2021
	Taka	Taka	Taka
Operating Income			
Interest income	40,404.75	29,860.25	22,790.94
Interest paid on deposits, borrowings, etc.	-30,321.08	29,860.25	-21,900.92
Net Interest Income	10,083.67	6,619.65	890.02
Investment income	15,899.37	14,133.43	16,106.45
Commission, exchange and brokerage	3,128.98	3,355.10	2,411.72
Other operating income	1,822.10	1,617.39	1,310.73
Total Operating Income	30,934.13	25,725.57	20,718.93
Operating Expenses			
Salaries and allowances	9,306.69	8,391.74	6,521.59
Rent, taxes, insurance, electricity, etc.	788.50	649.54	552.99
Legal expenses	19.55	17.55	20.13
Postage, stamp, telecommunication, etc.	79.74	95.46	92.39
Stationery, printing, advertisements, etc.	272.43	149.88	135.84
Managing Director's salary and fees	14.77	12.84	14.43
Directors' fees	8.56	9.06	9.65
Auditors' fees	2.58	2.20	1.68
Charges on loan losses	0.00	0.00	-
Depreciation and repair of bank's assets	2,087.28	1,440.16	1,122.23
Other expenses	2,689.04	3,150.90	2,261.53
Total Operating Expenses	15,269.13	13,919.32	10,732.45
Profit/(Loss) before Provision & Taxation	15,664.99	11,806.25	9,986.47
Provision for Loans, Advances, Investments and other Assets			
Provision for classified loans and advances	2,828.44	1,880.14	1,544.30
Provision for unclassified loans and advances	66.16	872.27	1,859.15
Provision for diminution in value of Investments	123.74	55.41	-
Provision for impairment clients' margin loan	42.50	-	-
Provision for bad debt offsetting	9.19	22.07	7.35
Provision for other assets	-33.38	50.00	22.00
Provision for Start-up fund	0.00	-	-
	3,036.65	2,879.88	3,432.80
Provision for exposure of off-balance sheet items	426.00	-	811.00
Other Provisions			
Total Provision	3,462.65	2,879.88	4,243.80
Total Profit/(Loss) before Taxes	12,202.35	8,926.36	5,742.67
Provision for current tax	5,481.60	3,815.86	1,501.25
Provision for deferred tax	-229.10	-537.50	-110.34
Total Provision for Taxes	5,252.51	3,278.36	1,390.90
Net Profit after Taxation	6,949.84	5,648.01	4,351.77
Profit Attributable to			
Equity holders of parent	6,949.84	5,648.01	4,351.77
Non-controlling interest	0.00	0.00	0.00

MD. ANISUR RAHMAN  
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DBH Finance PLC.



Appropriations	6,949.84	5,648.01	4,351.77
Statutory reserve	0.00	-	-
Coupon/dividend on perpetual bond	500.00	363.73	-
Startup Fund	68.08	53.22	-
Retained surplus (general reserve) carried forward	6,381.75	5,231.05	4,351.77

### C. Statement of Cash Flows

Pubali Bank Limited			
Consolidated Cash Flow Statement			
As at 31 December 2023 to 31 December 2021			
(amount in BDT Mn)			
Particulars	31.12.2023	31.12.2022	31.12.2021
	Taka	Taka	Taka
<b>a Cash flows from Operating Activities</b>			
Interest receipts in cash	55,773.46	43,128.51	39,976.61
Interest payments	-28,962.19	-22,396.59	-22,584.24
Dividend receipts	588.39	706.09	468.90
Fees and commission receipts	2,277.56	2,167.97	1,892.82
Recoveries of loans previously written-off	164.85	172.79	119.64
Cash payment to employees	-9,142.54	-7,871.18	-6,351.83
Cash payment to suppliers	-372.41	-264.01	-234.83
Current income tax paid	-3,695.38	-2,065.59	-1,809.44
Receipts from other operating activities	2,687.04	2,910.39	2,067.80
Cash payments for other operating activities	-4,847.20	-4,662.49	-3,551.88
Operating Profit before changes in Operating Assets & Liabilities	14,471.59	11,825.88	9,993.56
Increase/ (Decrease) in Operating Assets and Liabilities			
Statutory deposits	-10,928.76	7,548.21	-1,007.23
(Purchase)/sale of trading securities	1,241.46	-2,707.43	1,288.67
Loans and advances to customers (other than banks)	-92,611.37	-85,227.69	-61,077.53
Other assets	-1,678.32	-3,263.02	-1,972.12
Deposits to/from other banks	-9,701.22	18,517.37	12,533.04
Deposits from customers (other than banks)	94,123.61	47,588.70	33,688.32
Other liabilities account of customers	931.07	1,815.67	8,403.94
Other liabilities	1,191.27	450.59	1,524.53
Total Increase/ (Decrease) in Operating Assets and Liabilities	-17,432.27	-15,277.61	-6,618.39
Net Cash from/(used in) Operating Activities	-2,960.68	-3,451.73	3,375.17
<b>b Cash flows from Investing Activities</b>			
Proceeds from sale of securities	-2,092.13	-	-
(Purchase)/Sale of property, plant & equipment	5.52	-888.75	-690.66
Net Cash from/(used in) Investing Activities	-2,086.61	-888.75	-690.66
<b>c Cash flows from Financing Activities</b>			
Receipts from issue of Perpetual Bonds	0.00	2,200.00	2,800.00
Coupon interest payment against Perpetual Bond	-500.00	-	-
Receipts from issue of Subordinated bonds	1,000.00	1,700.00	-1,000.00
Effects of exchange rate changes on cash and cash equivalents	-	32.18	2.22
Dividend Paid	-1,248.75	-1,246.06	-1,440.24
Net Cash from/(used in) Financing Activities	-748.75	2,686.12	361.99

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Pubali Bank PLC.  
Head Office, Dhaka

Nasimul Baten  
Managing Director & CEO  
DBH Finance PLC.



d Net Increase/ (Decrease) in Cash and Cash equivalents (a+b+c)	-5,796.04	-1,654.36	3,046.49
e Effects of exchange rate changes on cash and cash equivalents	4.28	-	-
f Cash and Cash equivalents at beginning of the period	46,688.21	48,342.58	45,296.08
Cash and Cash equivalents at end of the period (d+e+f)	40,896.45	46,688.21	48,342.58

**Section 15: Comparative Key Ratios**

Sl.	Particulars	2023	2022	2021
1.	Current Ratio	N/A	N/A	N/A
2.	Quick Ratio	N/A	N/A	N/A
3.	Break Even Point Ratio	N/A	N/A	N/A
4.	Debt to Equity Ratio (times)	16.40	15.78	14.95
5.	Debt to Total Assets Ratio	94.25%	94.05%	93.68%
6.	Accounts Receivable Ratio	N/A	N/A	N/A
7.	Gross Margin Ratio	N/A	N/A	N/A
8.	Operating Income Ratio	N/A	N/A	N/A
9.	Net Income Ratio	N/A	N/A	N/A
10.	Return on Assets	0.89%	0.79%	0.65%
11.	Return on Equity	14.53%	12.53%	9.82%
12.	Earnings per Share (EPS)	6.62	5.18	3.8
13.	Net Asset Value (NAV)	45.56	41.32	38.66
14.	Net Operating Cash Flow to Net Income	(0.29)	-0.58	0.71
15.	Total Debt to Tangible Assets Ratio	141.57	153.03	154.72
16.	Credit Deposit Ratio	86.85%	84.79%	77.58%
17.	Operating Profit Margin	25.22%	23.41%	22.47%
18.	Non-performing loan to total loan and advances	2.86%	2.62%	3.05%
19.	Tier 1 Capital to Risk Weighted Asset Ratio	9.25%	9.20%	9.10%
20.	Tier 2 Capital to Risk Weighted Asset Ratio	4.62%	4.64%	5.13%
21.	Capital to Risk Weighted Asset Ratio (CRAR)	13.87%	13.84%	14.23%

**Section 16: Credit Rating Report of the Issue and The Issuer**

**Credit Rating of Issuer: Pubali Bank PLC.**

Date of Declaration	Valid Till	Rating Action	Long Term	Short Term	Rated By	Outlook
24 June 2024	23 June 2025	Entity	AAA	ST-1	CRISL	Stable

**Credit Rating of the Issue: Pubali Bank 4<sup>th</sup> Subordinated Bond**

Date of Declaration	Valid Till	Rating Type	Long Term	Rated By	Outlook
26 September 2024	25 September 2025	Surveillance	AA	NCRL	Indicative

Detailed Credit Rating Reports of the Pubali bank 4<sup>th</sup> Subordinated Bond is annexed with this Information Memorandum. Kindly find the **Annexure-2**.

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**Section 17: Latest Default Matrix and Transition Statistics of CRC**

**Transition Matrix:**

NCR has conducted transition matrix analysis of the rated clients from the year 2017 to year 2022. Transition matrix analysis is done to see the percentage of changes in credit rating of each rating category.

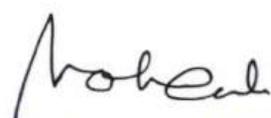
**One Years Weighted Average Rating Transition Rates from the Year 2017 to Year 2022.**

	Avg. Number of Issuers	AAA	AA+	AA	AA-	A+	A	A-	BBB+	BBB	BBB-	BB+	BB	BB-	B+	B	B-	C	D
AAA	2	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%
AA+	13	5.44%	90.72%	1.54%	0.00%	2.31%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%
AA	19	0.00%	13.78%	82.19%	1.58%	2.45%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%
AA-	22	0.00%	0.92%	15.76%	76.12%	7.20%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%
A+	69	0.38%	0.00%	0.00%	11.98%	81.78%	4.70%	1.15%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%
A	111	0.00%	0.00%	0.00%	0.00%	11.63%	80.80%	5.87%	1.45%	0.24%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%
A-	175	0.00%	0.00%	0.00%	0.17%	0.30%	11.73%	80.30%	6.64%	0.86%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%
BBB+	257	0.00%	0.00%	0.00%	0.00%	0.11%	0.21%	10.07%	80.99%	7.90%	0.61%	0.12%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%
BBB	312	0.00%	0.00%	0.00%	0.00%	0.00%	0.27%	0.27%	11.08%	81.74%	6.41%	0.14%	0.11%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%
BBB-	62	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.56%	19.08%	76.40%	3.11%	0.86%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%
BB+	11	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	10.06%	6.84%	42.85%	40.25%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%
BB	5	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	11.90%	82.14%	0.00%	5.95%	0.00%	0.00%	0.00%	100.00%
BB-	3	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	7.14%	67.86%	0.00%	0.00%	0.00%	25.00%	100.00%
B+	1	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%	0.00%	0.00%	0.00%	0.00%	100.00%
B	1	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%	0.00%	0.00%	0.00%	0.00%	100.00%
B-	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
C	1	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
D	1	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Rating transition study looks at how ratings have changed over a period of time. Based on NCR's weighted average one-year transition matrix, it can be inferred that out of all the A+ rated companies at the beginning of the year 81.78% have remain in the same category and 11.98% have been upgraded to AA- category. The remaining 4.70% and 1.15% have been downgraded to A & A- category respectively. Similar interpretation can be done for the other rating category as well.

  
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**Default Study:**

NCR has also conducted default study for the clients rated during the period from the year 2017 to year 2022. Default study is carried out to see whether any issuer has default i.e. has gone down to the level of 'D' category. While conducting the default study NCR has used cohort method to calculate the performance of entities rated across various rating categories. Cumulative Default Rate (CDR) is calculated for each cohort within the period of study. The CDR is calculated over one-year, two-year and three-year' time horizons to evaluate the performance of ratings over varying periods. Then, the issuer weighted average for one-year, two-year and three-year CDR is computed to arrive at long term CDR for each category. As ratings are a measure of probability of default, a higher rating given to an entity implies lower credit risk.

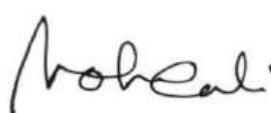
**Default study for the clients rated during the period from the year 2017 to year 2022.**

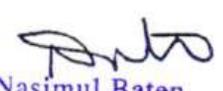
Rating Category	Year-1		Year-2		Year-3	
	Avg. No. of Issuer	CDR (%)	Avg. No. of Issuer	CDR (%)	Avg. No. of Issuer	CDR (%)
AAA	2	0.00%	2	0%	2	0%
AA+	13	0.00%	13	0%	14	0%
AA	19	0.00%	18	0%	17	0%
AA-	22	0.00%	21	0%	19	0%
A+	69	0.00%	66	0%	67	0%
A	111	0.00%	110	0%	113	0%
A-	175	0.00%	176	0%	185	0%
BBB+	257	0.00%	257	0%	261	0%
BBB	312	0.00%	328	0%	341	0%
BBB-	62	0.00%	63	0%	66	0%
BB+	11	0.00%	11	0%	11	0%
BB	5	0.00%	5	0%	5	0%
BB-	3	0.00%	3	0%	4	0%
B+	1	0.00%	1	0%	1	0%
B	1	0.00%	1	0%	1	0%
B-	0	0.00%	1	0%	1	0%
C	1	0.00%	1	0%	1	0%
<b>Total</b>	<b>1064</b>		<b>1077</b>		<b>1108</b>	

From the above table it can be stated that NCR has no CDR over one-year, two-year and three-year time horizons.

  
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**Nasimul Baten**  
Managing Director & CEO  
DBH Finance PLC.



## **SECTION 18: Description Of Trustee**

DBH Finance PLC. is the pioneer, largest and specialist in Housing Finance Institution in the private sector of the country. After commencing operation in 1996 the company has registered commendable growth in creating home ownership in Dhaka and other major cities of the country. At the same time. the company has been playing an active role in promoting the real estate sector to the large cross sections of prospective clients who had but yet unfulfilled dream of owning a home.

Among all Banks and Financial Institutions of Bangladesh only DBH has been rated the highest 'AAA' credit rating for the 16th consecutive year. The level of credit rating provides a very important indication of the financial safety, security and strength of the concerned Bank or Financial Institution and is particularly relevant to its depositors and other investors such as shareholders and lenders.

1. Incorporated as public Ltd. Company: May 11, 1996
2. Date of certificate of commencement of business: May 11, 1996
3. License from Bangladesh Bank: July 15, 1996
4. Initial Public Offering (IPO): March, 2008
5. Stock Exchange listings: 24th April, 2008

6. Business lines:

i)The principal activities of the Company during the year were providing loans for construction of houses, purchases of flats or houses, extension and improvement of existing houses or flats and purchase o, housing plots.

ii)The Company has also various investment and financing products like term deposit scheme, cumulative deposit, triple money deposit, double money deposit, annual income deposit, quarterly income deposit, monthly income deposit, easy way deposit, profit first deposit etc. for its individual and corporate clients.

- Authorized Capital: BDT 4,000 million (as of 31 December 2023)
- Paid up Capital: BDT 1,989 million (as of 31 December 2023)
- Net Worth: BDT 8,678 million (as of 31 December 2023)

### **Vision:**

To be the leading financial institution in the country with satisfied customers and employees and to generate value for our shareholders while contributing to the wellbeing of the society

### **Mission:**

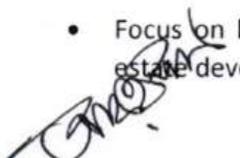
To strengthen the society of the country by continually expanding home ownership

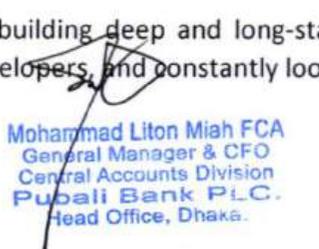
### **Core Values:**

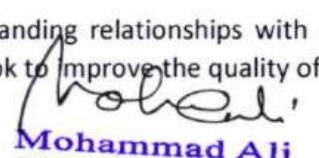
1. Honesty, integrity and ethics in all aspects of business
2. Outstanding service to the customer, above all else
3. Individual opportunity, responsibility and reward based on merit
4. Hard work and continuous self-improvement, never being satisfied
5. Respect and concern for the individual employee

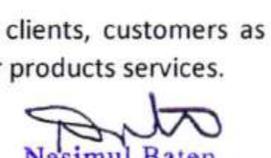
### **Strategic Objective:**

- Focus on building deep and long-standing relationships with our clients, customers as real-estate developers, and constantly look to improve the quality of our products services.

  
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DBH Finance PLC.

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4 AUG 2024



- Focus on developing our human resource talents.
- Ensure balanced growth with a disciplined approach to the management of risks and costs
- Ensure adequate capital and liquidity to sustain our business over the long term

**Shareholding Position:**

Group Name	No. of Share holders	No. of Shares	Percent (%)
Sponsors/ Directors	5	102,072,758	51.32
General Public	9,253	22,488,255	11.31
Financial Institutions & Other Companies	205	40,484,897	20.35
Foreign Investors	14	33,844,261	17.02
<b>Total:</b>	<b>9,477</b>	<b>198,890,171</b>	<b>100.00</b>

**Business Activities:**

DBH Finance PLC. is the pioneer, largest and specialist in Housing Finance institution in the private sector of the country. DBH is the major player in the housing finance sector in Bangladesh since 1997 and remains one of the leading non-bank financial institutions. Today, we are an acclaimed brand for a high level of customer service; and respected for ethics, values and corporate governance. We have developed an attractive suite of products that cater to all customer segments, with our primary focus to strengthen the society by expanding home ownership. By leveraging our understanding of customers from different economic segments, we are today in a position to extend a range of products and services in loans through our specialized team members.

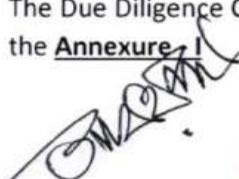
DBH is the only financial institution with exclusive focus in housing finance. DBH provides loans for Flat Purchase, Construction, Extension, Renovation, Group construction, Home equity loan.

Besides, DBH has kept its focus on deposit collection as its main source of funding mechanism. As a result, DBH has managed to fund over 80% of its home loan operation through deposit. At present the Company offers a diverse deposit product line including Annual income Deposit, Monthly income Deposit, Quarterly income Deposit, Cumulative Deposit, DBH Platinum Deposit and Day-wise Deposit.

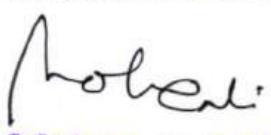
**Board of Directors:**

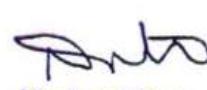
SL.	Name	Designation
1	Dr. A M R Chowdhury	Chairman
2	Syed Moinuddin Ahmed	Vice Chairman
3	Major General Syeed Ahmed, BP, awc, pse (Retd.)	Independent Director
4	Nazir Rahim Chowdhury	Director
5	Khandkar Manwarul Islam	Director
6	Imran Rahman	Independent Director
7	Nasimul Baten	Managing Director & CEO

The Due Diligence Certificate of the Trustee is annexed with this Information Memorandum. Kindly see the Annexure

  
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**Nasimul Baten**  
Managing Director & CEO  
DBH Finance PLC.



## **SECTION 19: Modus Operandi Of The Issue**

### **Application Procedure**

The Bonds shall be distributed 100% through private placement. Each Investor (Bondholder) shall enter into a separate Subscription Agreement with respect to their investment with the Issuer and shall be bound by the terms and conditions contained in the Subscription Agreement and the Trust Deed containing in details the rights and obligations of the Investor(s).

### **The Issuance of Bond**

Notwithstanding anything contained anywhere in this Trust Deed, the Bonds shall be issued in dematerialised form as per the CDBL Bye Laws and the Issuer shall apply to the respective stock exchange(s) for listing in the Alternative Trading Board (ATB) immediately from the date of availing ATB facilities under the Bangladesh Securities and Exchange Commission (Alternative Trading System) Rules, 2019 and respective regulations of the stock exchange(s) in this regard.

The Bond shall be rated by the Credit Rating Agency and its periodical surveillance rating shall be done by the Credit Rating Agency in line with the provisions of the Bangladesh Securities and Exchange Commission (Credit Rating Companies) Rules, 2022, up to the full and final redemption or conversion of the issued securities.

### **Allotment**

On the Closing Date, to be determined, the Issuer shall allot and issue the Bonds to the Investor(s). The Bonds will be allotted according to the Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021.

### **Refund**

Not applicable at the time of Issuance. However, subject to receiving proper consent from the regulatory authorities Refund in relation to the subscription may be possible upon mutual agreement between the Issuer and each Bondholder.

### **Transfer**

Bonds are transferable subject to the Terms and Conditions set out in the Trust Deed.

### **Repayment and Redemption features of the Bond**

Coupon on the Bonds shall be paid on semi-annual basis on the Coupon Payment Dates. The Coupon Payment Dates shall be determined depending upon the Issue Date. Unless previously redeemed or purchased or cancelled, the principal of the Bonds will amortize, and paid annually on a pro rata basis to the Bondholders in instalments of 20% per year commencing at the third anniversary of the Bonds from the Issue Date. The final maturity of the Bonds will at the end of seventh year from the Issue Date of the Bonds.

### **Details of conversion or exchange option**

Not Applicable.

### **Mode of TRANSFER, Redemption, or Conversion, or Exchange**

#### **Transfer:**

Bonds are transferable subject to the terms and conditions set out in the Bond Documents. Each Bond shall be transferred in accordance with Condition 4 (Transfer of Bonds) and the CDBL Bye Laws.

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**Redemption:**

Bonds are redeemed subject to and in accordance with Condition 8 (*Redemption, Repurchase and Cancellation*) hereunder.

**Conversion:**

Bonds are non-convertible therefore not applicable.

**Trading or listing with the stock exchange:**

The Issuer shall apply to the respective stock exchange(s) for listing in the Alternative Trading Board (ATB) immediately from the date of availing ATB facilities under the Bangladesh Securities and Exchange Commission (Alternative Trading System) Rules, 2019 and respective regulations of the stock exchange(s) in this regard.

**SECTION 20: Details Of Fees Structure and Expenses**

Particulars	Basis of Calculation	Amount in BDT	
<b>A. Bangladesh Securities &amp; Exchange Commission (BSEC) Fees:</b>			<b>4,010,000</b>
Application Fee	One time, fixed	10,000	10,000
Consent Fee	0.10% on the issue size	4,000,000	4,000,000
<b>B. CDBL Fees and Expenses:</b>			<b>1,284,500</b>
Security Fee	Fixed (Refundable)	500,000	500,000
Documentation Fee	Fixed	2,500	2,500
Annual Fee (7 years)	BDT 5,000 up to BDT 5 Crore Issue Size	-	140,000
	BDT 10,000 up to BDT 20 Crore Issue Size	-	
	BDT 20,000 above BDT 20 Crore Issue Size	20,000	
Distribution Fee	0.00015 of the issue size	600,000	600,000
Connection Fee (7 years)	Tk. 500 Per Month	42,000	42,000
<b>D. Fees related to the Issue</b>			<b>29,115,750</b>
Fund Arrangement Fee	0.50% of the issue size	20,000,000	20,000,000
VAT on Fund Arrangement Fee	15% of the Fund Arrangement Fee	3,000,000	3,000,000
Trustee Fee	Over the Period (For 7 Years)	400,000	2,800,000
VAT on Trustee Fee	15% of the Trustee Fee	60,000	420,000
Trustee Regulatory Fee	Application Fee: 50,000, Registration Fee: 100,000, Annual Fee: 50,000 for 7 years	500,000	500,000
Trust Deed Registration Cost	Approximate (up to June 2023), at actual, one time, initial	1,200,000	1,200,000
Credit Rating Fee	Over the Period (For 7 Years)	65,000	455,000
VAT on Credit Rating Fee	15% on Lawyer Fee	9,750	68,250
Lawyer Fee	Over the Period	150,000	150,000
VAT on Lawyer Fee	15% on Lawyer Fee	22,500	22,500
Miscellaneous	Certificates and others if applicable	500,000	500,000
<b>Grand Total (approximate)</b>			<b>34,410,250</b>

**NB:**

- Listing expenses as Per Alternative Trading Board rules may be applicable as and when declared by the exchanges.
- Regulatory cost may be subject to amendments by the respective regulators.
- Actual costs may be varied if above mentioned estimates differ and will be adjusted accordingly.

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General Manager  
& Company Secretary  
Pubali Bank PLC.  
Head Office, Dhaka.

**Mohammad Liton Miah FCA**  
General Manager & CFO  
Central Accounts Division  
Pubali Bank PLC.  
Head Office, Dhaka.

**Mohammad Ali**  
Managing Director & CEO  
Pubali Bank PLC.  
Head Office, Dhaka

**Nasimul Baten**  
Managing Director & CEO  
DBH Finance PLC.



**SECTION 21: Conditions Imposed by The Commission In The Consent Letter**

- As per the Consent Letter by Bangladesh Securities and Exchange Commission.

**SECTION 22: Declaration And Due Diligence Certificates as Per Annexure(S)- I And II**

**Annexure- I**

**Declaration about the responsibility of the Managing Director & CEO of**

**Pubali Bank PLC. in respect of the information memorandum**

**[Rule 4(2)(a)]**

This information memorandum has been prepared, seen and approved by us, and we, individually and collectively, accept full responsibility for the authenticity, accuracy and adequacy of the statements made, information given in the prospectus, documents, financial statements, exhibits, annexes, papers submitted to the Commission in support thereof, and confirm, after making all reasonable inquiries that all conditions concerning this public issue and prospectus have been met and that there are no other information or documents, the omission of which make any information or statements therein misleading for which the Commission may take any civil, criminal or administrative actions against any or all of us as it may deem fit.

We also confirm that full and fair disclosures have been made in this information memorandum to enable the investors to make a well-informed decision for investment.

**For Issuer:**

Sd/-

Managing Director & CEO

Pubali bank PLC.

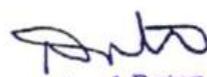
Date:

Place: Dhaka

  
MD. ANISUR RAHMAN  
General Manager  
& Company Secretary  
Pubali Bank PLC.  
Head Office, Dhaka.

  
Mohammed Liton Miah FCA  
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## Annexure-II

[Rule 3(1)(m), 4(1)(c) and 4(2) (a)]

Due diligence certificate of the Trustee

DBH Finance PLC.

To

The Bangladesh Securities and Exchange Commission

Sub: Issuance of 4,000 no.s of Unsecured, Non-Convertible, Redeemable, Floating Rate Subordinated Bond of BDT 1,000,000 each of Pubali Bank PLC.

We, the under-noted trustee to the above-mentioned forthcoming issue, state as follows:

1. We, while act as trustee to the above-mentioned issue on behalf of the investors, have examined the draft Information Memorandum, legal and other documents and materials as relevant to our decision; and
2. On the basis of such examination and the discussions with the issuer, its directors and officers, and other agencies; independent verification of the statements concerning objects of the issue and the contents of the documents and other materials furnished by the issuer.

### WE CONFIRM THAT:

- (a) all information and documents as are relevant to the issue have been received and examined by us and the draft IM, draft deed of trust and draft subscription agreement forwarded to the Commission has been approved by us;
- (b) we have also examined all documents of the assets to be charged with the trust and are satisfied that the assets bear the value, title and charge status as disclosed in the IM – N/A
- (c) while examining the above documents, we find that all the requirements of the Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021 have been complied with;
- (d) we shall act as trustee to the issue as mentioned above as per provisions of the deed of trust to be executed with the issuer or the originator, as applicable and shall assume the duties and responsibilities as described in the deed of trust and in the IM;
- (e) we shall also abide by the Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021 and conditions imposed by the Commission as regards of the issue; and
- (f) the above declarations are unequivocal and irrevocable.

### For Trustee

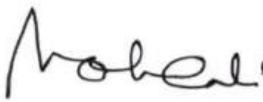
Sd/-

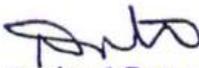
Managing Director & CEO  
DBH Finance PLC.

Date:

  
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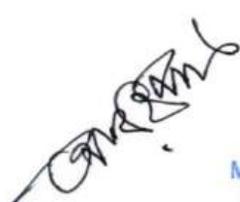
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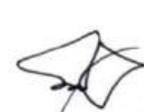
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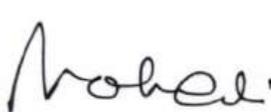


The Due Diligence Certificates are also annexed to this Information Memorandum as mentioned below:

- Declaration of the Management of the Issuer as per [Rule 4(2)(a)] of Bangladesh Securities and Exchange Commission (Debt Securities) Rule 2021. Kindly Check Annexure-I
- Due Diligence Certificate of the Trustee [Rule 3(1)(m), 4(1)(c) and 4(2) (a)], is attached with this information memorandum. Kindly check Annexure – II
- Due Diligence Certificate of the Issuer Manager is Not Applicable for the PUBALI BANK 4<sup>th</sup> Subordinated Bond.
- Due Diligence Certificate of the Underwriter is Not Applicable for the PUBALI BANK 4<sup>th</sup> Subordinated Bond.

  
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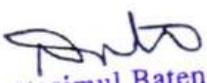


**Annexure – 1**  
(Audited Financial Statements)

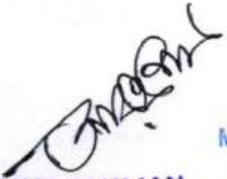
  
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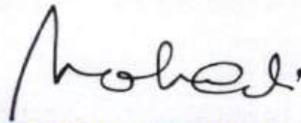
Independent Auditors' Report  
and  
Audited Consolidated and Separate Financial Statements  
of  
Pubali Bank PLC. and its Subsidiary  
As at and for the year ended 31 December 2023



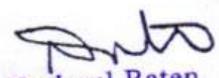
**MD. ANISUR RAHMAN**  
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**INDEPENDENT AUDITORS' REPORT**  
**To the Shareholders of Pubali Bank PLC.**  
**Report on the Audit of the Consolidated and Separate Financial Statements**

**Opinion**

We have audited the consolidated financial statements of Pubali Bank PLC. and its subsidiary (the "Group") as well as the separate financial statements of Pubali Bank PLC. (the "Bank"), which comprise the consolidated and separate Balance Sheets as at 31 December 2023, 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 2023, and of its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as explained in note-2 and comply with the Bank Company Act, 1991 (as amended up to date), the Companies Act, 1994, the rules and regulations issued by the Bangladesh Bank, the rules and regulations issued by the Bangladesh Securities & Exchange Commission (BSEC) and other applicable laws and regulations.

**Basis for Opinion**

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

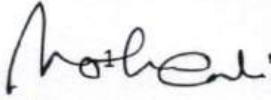
**Key Audit Matters**

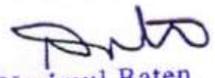
Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate financial statements for the financial year 2023. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and informing auditors' opinion thereon, and we do not provide a separate opinion on these matters. For each matter described below our description of how our audit addressed the matter is provided in that context.

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

  
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DBH Finance PLC.

Description of key audit matters	Our response to key audit matters
<b>Measurement of provision for loans, advances/investments and leases</b>	
<p>With reference to Note 14.1 to the financial statements, the process for calculating the provision for loans, advances/investments and leases portfolio associated with credit risk is significant and complex. The Bank calculates provision for loans, advances/investments and leases by considering various factors such as rate of provision, loan category, expiry date, outstanding balance, interest suspense amount, value of eligible collateral as per BRPD circular no. 14 dated 23 September 2012 and its subsequent amendments.</p> <p>To minimize COVID 19 impact, Bangladesh Bank issued BRPD Circular Letter No.56 dated 10 December 2020 related to BRPD Circular No. 17 dated 28 September 2020; BRPD circular No.52 dated 29 December 2021 related to BRPD Circular No. 19 dated 26 August 2021 and BRPD Circular No.53 dated 22 December 2022 related to BRPD Circular No.-14 dated 22 June 2022 for "Special General Provision-COVID-19".</p> <p>According to the circular, commercial banks must keep an extra provision for those borrowers who have availed of payment by deferral (PBD) facilities. The calculation of the new provisioning rule will have to be implemented based on the outstanding loans (deferral payment) as of 31 December 2020, 31 December 2021 and 31 December 2022.</p> <p>As per BRPD Circular No. 53 dated 22 December 2022, bank may transfer special general provision to income for fully recovered loans and specific provision for non-performing loans. The Bank has kept this "Special General Provision-COVID-19" as of 31 December 2023 BDT 930.34 million as per the circular.</p> <p>In Bangladesh, non-performing loans have been increasing day by day. Banks need to maintain provisions for additional non-performing loans in line with the central bank's guidelines. The Bank identifies impaired loan accounts and calculates required provisions manually.</p>	<p>We tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> <li>• Credit appraisal, loan disbursement procedures, monitoring and provisioning process;</li> <li>• Identification of loss events, including early warning and default warning indicators;</li> <li>• Review of quarterly Classification of Loans (CL).</li> </ul> <p>Our substantive procedures in relation to the provision for loans and advances portfolio comprised the following:</p> <p>For confirming the classification of rescheduled lease, loans and advances. we performed the following procedures:</p> <ul style="list-style-type: none"> <li>• We checked the no. of instalments outstanding and compliance with BRPD Circular No. 16 dated 18 July 2022;</li> <li>• Reviewed the appropriateness of the approvals for the transfer of interests to the Income account in accordance with the Bangladesh Bank's guidelines;</li> <li>• 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>• Tested the inputs in computation of provision in terms of testing the accuracy of underlying information;</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>• Checked the adequacy of the Company's general and specific provisions;</li> </ul>

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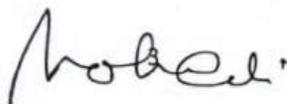
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<p>Furthermore, management has incentive to maintain lower provisions for loans and advances to overstate profit. Considering these factors, we have considered measurement of provision for loans, advances/investments and leases as significant risk as well as a key audit matter.</p> <p>At the year end of 2023 the Group reported total gross loans, advances/investments and leases of BDT 555.41 billion (2022: BDT 462.75 billion) and in 2023 the Bank reported total gross loans, advances/investments and leases of BDT 554.50 billion (2022: BDT 461.88 billion) whereas at the year end of 2023 the Group reported total provision for loans, advances/investments and leases of BDT 24.17 billion (2022: BDT 21.12 billion) and the Bank reported total provision for loans, advances/investments and leases of BDT 24.17 billion (2022: BDT 21.12 billion).</p>	<ul style="list-style-type: none"> <li>Evaluated the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines;</li> </ul>
<p>See note nos. 7 and 14.1 to the financial statements</p>	

<p><b>Recognition of interest income on loans, advances/investments and leases</b></p>	
<p>Recognition of interest income has significant and wide influence on financial statements. Recognition and measurement of interest income have involved complex IT environments.</p> <p>We identify recognition of interest income from loans, advances/investments and leases as a key audit matter because this is one of the key performance indicators of the Bank and therefore there is an inherent risk of fraud and error and overstatement in recognition of interest by management to meet specific targets or expectations.</p>	<p>We tested the design and operating effectiveness of key controls over recognition and measurement of interest on loans, advances/investments and leases.</p> <p>We performed test of operating effectiveness on automated control in place to measure and recognise interest income.</p> <p>We have also performed substantive procedure to check whether interest income is recognised completely and accurately.</p> <p>We assessed the appropriateness and presentation of disclosure against relevant accounting standards and Bangladesh Bank guidelines.</p>
<p>See note no. 22 to the financial statements</p>	

  
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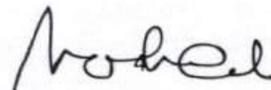
  
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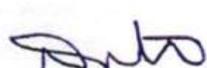
<b>Valuation of treasury bill and treasury bond</b>	
<p>The classification and measurement of T-Bill and T-Bond require judgment and complex estimates.</p> <p>In the absence of a quoted price in an active market, the fair value of T-Bills and T-Bonds is determined using complex valuation techniques which 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 no. 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 review process. We tested a sample of investments valuation as of 31 December 2023 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 no. 6 to the financial statements	

  
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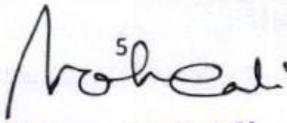
  
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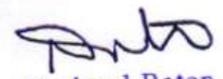
<b>Measurement of deferred tax</b>	
<p>We identified the measurement of deferred tax assets/liabilities as a key audit matter due to the recognition of these assets/liabilities involving judgement by management as to the likelihood of the realization of these deferred tax assets/liabilities, which is 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 14.8.1 &amp; 14.8.2 respectively to the financial statements, as of December 31, 2023 the Bank has recognized BDT 4,793.13 million (2022: BDT 4,557.18 million) of deferred tax assets and BDT 175.12 million (2022: BDT 83.46 million) of deferred tax liabilities in the Balance Sheet.</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. 14.8.1 & 14.8.2 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>

  
**M.D. ANISUR RAHMAN**  
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### Other Matter

The financial statements of subsidiary, Pubali Bank Securities Limited for the year ended 31 December 2023, has been audited by K. M. Hasan & Co., Chartered Accountants who expressed an unmodified opinion on these statements dated 13 March 2024.

### 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. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

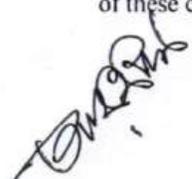
Management is responsible for the preparation and fair presentation of the consolidated financial statements of the Group and also separate financial statements of the Bank in accordance with IFRSs as explained in note-2 and for such internal control as management determines is necessary to enable the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

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

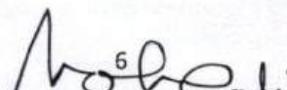
Those charged with governance are responsible for overseeing the Group's and the Bank's financial reporting process.

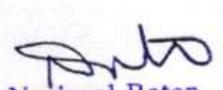
### Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

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

  
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**Nasimul Baten**  
Managing Director & CEO  
DBH Finance PLC.

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

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

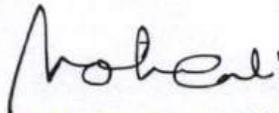
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

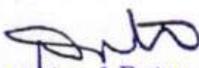
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

  
**MD. ANISUR RAHMAN**  
General Manager  
& Company Secretary  
Pubali Bank PLC.  
Head Office, Dhaka.

  
**Mohammad Liton Miah FCA**  
General Manager & CFO  
Central Accounts Division  
Pubali Bank PLC.  
Head Office, Dhaka.

  
**Mohammad Ali**  
Managing Director & CEO  
Pubali Bank PLC.  
Head Office, Dhaka

  
**Nasimul Baten**  
Managing Director & CEO  
DBH Finance PLC.

### Report on other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, the Securities and Exchange Rules 2020, 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:

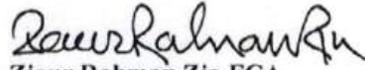
- (i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- (ii) to the extent noted during the course of our audit work performed on the basis stated under the Auditor's Responsibility 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) 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;
- (iv) the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements;
- (v) 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;
- (vi) the expenditures incurred were for the purpose of the Bank's business for the year;
- (vii) 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;
- (viii) adequate provisions have been made for advance and other assets which are in our opinion, doubtful of recovery;
- (ix) the information and explanations required by us have been received and found satisfactory;

- (x) we have reviewed over 80% of the risk weighted assets of the Bank and spent over 8,000 person hours; and
- (xi) Capital to Risk-weighted Asset Ratio (CRAR) as required by Bangladesh Bank has been maintained adequately during the year.



**Md. Shahadat Hossain, FCA**  
Senior Partner  
MABS & J Partners, Chartered Accountants  
ICAB Enrolment No.: 0672  
Firm Registration Number: [N/A]

DVC: 2404180672AS734685



**Ziaur Rahman Zia FCA**  
Partner  
A. Qasem & Co., Chartered Accountants  
ICAB Enrolment No.: 1259  
Firm Registration Number: 2-PC7202

DVC: 2404211259AS484867

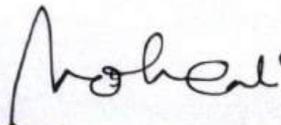
**Dated: Dhaka, 18 April 2024**



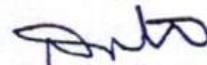
**Md. ANISUR RAHMAN**  
General Manager  
& Company Secretary  
Pubali Bank PLC.  
Head Office, Dhaka.



**Mohammad Liton Miah FCA**  
General Manager & CFO  
Central Accounts Division  
Pubali Bank PLC.  
Head Office, Dhaka.



**Mohammad Ali**  
Managing Director & CEO  
Pubali Bank PLC.  
Head Office, Dhaka



**Nasimul Baten**  
Managing Director & CEO  
DBH Finance PLC.

4 AUG 2024

Pubali Bank PLC.  
Consolidated Balance Sheet  
as at 31 December 2023

<u>PROPERTY AND ASSETS</u>	<u>Notes</u>	<u>2023</u> <u>Taka</u>	<u>2022</u> <u>Taka</u>
Cash	3 (a)	34,097,059,963	34,449,846,439
Cash in hand ( Including foreign currencies )		9,130,422,101	8,902,088,820
Balance with Bangladesh Bank and its agent Bank (s) ( Including foreign currencies )		24,966,637,862	25,547,757,619
Balance with Other Banks and Financial Institutions	4 (a)	6,191,485,702	9,900,812,355
In Bangladesh		4,387,306,510	5,103,413,666
Outside Bangladesh		1,804,179,192	4,797,398,689
Money at Call on Short Notice	5	37,686,667	838,986,667
Investments	6 (a)	155,339,821,033	146,164,406,981
Government		127,519,310,934	116,756,310,282
Others		27,820,510,099	29,408,096,699
Loans, Advances/Investments and Leases	7 (a)	555,409,664,835	462,752,004,614
Loans, cash credits and overdrafts etc./Investments		520,152,676,891	424,791,134,612
Bills purchased & discounted		35,256,987,944	37,960,870,002
Fixed Assets including Premises, Furniture & Fixtures	8 (a)	7,536,527,950	6,499,064,580
Other Assets	9 (a)	58,978,541,662	53,667,230,069
Non-Banking Assets	10	375,246	375,246
<b>Total Assets</b>		<b>817,591,163,058</b>	<b>714,272,726,951</b>
<u>LIABILITIES AND CAPITAL</u>			
<u>Liabilities</u>			
Borrowings from Other Banks, Financial Institutions & Agents	11	55,316,476,156	65,017,699,496
Subordinated Bonds	12	13,200,000,000	12,200,000,000
Perpetual Bonds	12.1	5,000,000,000	5,000,000,000
Deposits and Other Accounts	13 (a)	605,747,988,873	509,350,630,604
Current accounts & Other accounts		66,209,911,659	60,210,299,951
Bills payable		21,799,191,392	14,271,043,896
Savings bank deposits		135,066,105,808	118,927,122,055
Term deposits		358,472,730,225	297,910,894,739
Other deposits		24,200,049,789	18,031,269,963
Other Liabilities	14 (a)	90,681,141,004	79,558,157,547
<b>Total Liabilities</b>		<b>769,945,606,033</b>	<b>671,126,487,647</b>
<u>Capital / Shareholders' Equity</u>			
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)	23,767,042,094	18,700,546,455
Other reserves	18 (a)	3,312,571,604	3,879,749,550
		47,645,555,878	43,146,238,185
Non-controlling interest	20	1,147	1,119
<b>Total Shareholders' Equity</b>		<b>47,645,557,025</b>	<b>43,146,239,304</b>
<b>Total Liabilities and Shareholders' Equity</b>		<b>817,591,163,058</b>	<b>714,272,726,951</b>



Mohammad Liton Miah FCA  
General Manager & CFO  
Central Accounts Division  
Pubali Bank PLC.  
Head Office, Dhaka.

Mohammad Ali  
Managing Director & CEO  
Pubali Bank PLC.  
Head Office, Dhaka

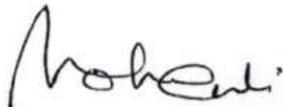
Nasimul Baten  
Managing Director & CEO  
DBH Finance PLC.

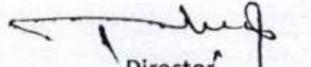
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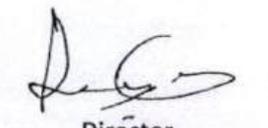
Pubali Bank PLC.  
Consolidated Balance Sheet  
as at 31 December 2023

<u>OFF-BALANCE SHEET ITEMS</u>	Notes	2023 Taka	2022 Taka
<b><u>Contingent Liabilities</u></b>			
Acceptances & endorsements	21	85,520,080,684	103,377,186,550
Letters of guarantee		47,866,914,701	37,872,061,489
Irrevocable letters of credit		69,747,888,751	53,175,862,737
Bills for collection		37,191,310,041	28,980,463,041
Other contingent liabilities		2,433,181,166	2,433,181,166
<b>Total Contingent Liabilities</b>		<b>242,759,375,343</b>	<b>225,838,754,983</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>242,759,375,343</b>	<b>225,838,754,983</b>
 <b>Consolidated Net Asset Value Per Share</b>	 <b>46(1)(a)</b>	 <b>46.33</b>	 <b>41.96</b>

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

  
Mohammad Ali  
Managing Director

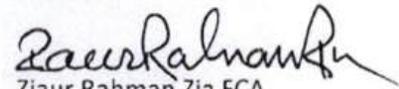
  
Director  
Moniruddin Ahmed

  
Director  
Md. Abdur Razzak Mondol

  
Monzurur Rahman  
Chairman

Signed as per annexed report on even date

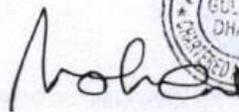
  
Md. Shahadat Hossain FCA  
Senior Partner  
MABS & J Partners, Chartered Accountants  
ICAB Enrolment No.: 0672  
Firm Registration No.: N/A  
**DVC-2404180672AS734685**

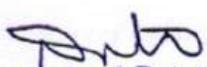
  
Ziaur Rahman Zia FCA  
Partner  
A. Qasem & Co., Chartered Accountants  
ICAB Enrolment No.: 1259  
Firm Registration No.: 2-PC7202  
**DVC 2404211259AS484867**

Dated, Dhaka  
April 18, 2024

  
**MD. ANISUR RAHMAN**  
General Manager  
& Company Secretary  
Pubali Bank PLC.  
Head Office, Dhaka.

  
Mohammad Liton Miah FCA  
General Manager & CFO  
Central Accounts Division  
Pubali Bank PLC.  
Head Office, Dhaka.

  
**Mohammad Ali**  
Managing Director & CEO  
Pubali Bank PLC.  
Head Office, Dhaka

  
**Nasimul Baten**  
Managing Director & CEO  
DBH Finance PLC.



**Pubali Bank PLC.**  
**Consolidated Profit and Loss Account**  
**for the year ended 31 December 2023**

	Notes	2023 Taka	2022 Taka
<b>Operating Income</b>			
Interest income/profit on investment	22 (a)	40,404,751,034	29,860,247,898
Interest paid/profit shared on deposits, borrowings etc.	23	(30,321,076,803)	(23,240,593,559)
<b>Net Interest Income/profit on investment</b>		<b>10,083,674,231</b>	<b>6,619,654,339</b>
Investment income	24 (a)	15,899,369,253	14,133,428,929
Commission, exchange and brokerage	25 (a)	3,128,981,436	3,355,096,290
Other operating income	26 (a)	1,822,103,855	1,617,389,253
<b>Total Operating Income</b>		<b>30,934,128,775</b>	<b>25,725,568,811</b>
<b>Operating Expenses</b>			
Salaries and allowances	27 (a)	9,306,688,171	8,391,735,067
Rent, taxes, insurance, electricity etc.	28 (a)	788,496,295	649,537,850
Legal expenses	29 (a)	19,554,616	17,548,426
Postage, stamp, telecommunication etc.	30 (a)	79,735,582	95,457,058
Stationery, printing, advertisements etc.	31 (a)	272,430,372	149,881,191
Managing Director's salary and fees	32	14,769,678	12,843,657
Directors' fees	33 (a)	8,560,436	9,057,206
Auditors' fees	34 (a)	2,581,750	2,199,250
Depreciation and repair of bank's assets	35 (a)	2,087,275,779	1,440,163,705
Other expenses	36 (a)	2,689,041,680	3,150,898,229
<b>Total Operating Expenses</b>		<b>15,269,134,359</b>	<b>13,919,321,639</b>
<b>Profit/(Loss) before Provision</b>		<b>15,664,994,416</b>	<b>11,806,247,172</b>
Provision for Loans, Advances/Investments, Leases and Other Assets	37 (a)		
Provision for classified loans, advances/investments and leases		2,828,437,943	1,880,136,844
Provision for unclassified loans, advances/investments and leases		66,162,057	872,267,826
Provision for diminution in value of investments		123,736,753	55,411,791
Provision for other assets		42,500,000	50,000,000
Specific Provision on margin loan for PBSL		9,193,325	-
Provision adjusted for unrealized loss on client margin loan for PBSL		(33,382,072)	-
Provision for bad debt offsetting for Islamic Banking		-	22,067,376
		<b>3,036,648,006</b>	<b>2,879,883,837</b>
Provision for exposure of off-balance sheet items	38	426,000,000	-
<b>Total Provision</b>		<b>3,462,648,006</b>	<b>2,879,883,837</b>
<b>Total Profit/(Loss) before Taxes</b>		<b>12,202,346,410</b>	<b>8,926,363,335</b>
Provision for current tax	14.7 (a)	5,481,604,416	3,815,861,265
Provision for deferred tax	14.8.1 (a)	(229,095,595)	(537,504,181)
<b>Total Provision for Taxes</b>		<b>5,252,508,821</b>	<b>3,278,357,084</b>
<b>Net Profit after Taxation</b>		<b>6,949,837,589</b>	<b>5,648,006,251</b>
<b>Profit Attributable to</b>			
Equity holders of parent		6,949,837,561	5,648,006,187
Non- controlling interest		28	64
<b>Appropriations</b>		<b>6,949,837,589</b>	<b>5,648,006,251</b>
Statutory reserve		-	-
Coupon/dividend on perpetual bond		500,000,000	363,734,741
Start-up fund		68,084,689	53,217,717
Retained surplus carried forward		6,381,752,900	5,231,053,793
<b>Consolidated Earnings Per Share (EPS)</b>	46 (a)	<b>6.76</b>	<b>5.49</b>

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

Mohammad Ali  
Managing Director

Director  
Signed as per annexed report on even date

Director

Monzurur Rahman  
Chairman

Md. Shahadat Hossain FCA  
Senior Partner  
MABS & J Partners, Chartered Accountants  
ICAB Enrolment No.:0672  
Firm Registration No.: N/A

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

Dated, Dhaka

Mohammad Liton Miah FCA  
General Manager & CFO  
Central Accounts Division  
Pubali Bank PLC.  
Head Office, Dhaka.

Mohammad Ali  
Managing Director & CEO  
Pubali Bank PLC.  
Head Office, Dhaka.

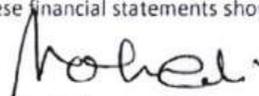
Nasimul Baten  
Managing Director & CEO  
DBH Finance PLC.

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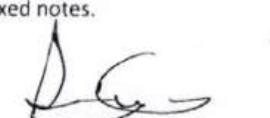
Pubali Bank PLC.  
Consolidated Cash Flows Statement  
for the year ended 31 December 2023

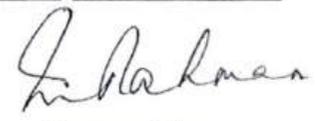
	Notes	2023 Taka	2022 Taka
<b>a Cash flows from Operating Activities</b>			
Interest/investment income receipts in cash		55,773,460,919	43,128,512,486
Interest/profit paid on deposits, borrowings etc.		(28,962,191,516)	(22,396,592,940)
Dividend receipts		588,393,773	706,088,504
Fees and commission receipts		2,277,559,984	2,167,970,374
Recoveries of loans previously written-off		164,851,322	172,793,025
Cash payment to employees		(9,163,540,398)	(7,871,184,654)
Cash payment to suppliers		(372,406,923)	(264,009,660)
Current income tax paid		(3,695,380,168)	(2,065,590,099)
Receipts from other operating activities	40 (a)	2,687,044,927	2,910,386,823
Cash payments for other operating activities	41 (a)	(4,847,204,937)	(4,662,494,997)
<b>Operating Profit before changes in Operating Assets &amp; Liabilities</b>		<b>14,450,586,983</b>	<b>11,825,878,862</b>
<b>Increase/ (Decrease) in Operating Assets and Liabilities</b>			
Statutory deposits		(10,928,762,441)	7,548,207,340
(Purchase)/sale of trading securities		1,241,457,138	(2,707,433,814)
Loans and advances to customers (other than banks)		(92,611,369,955)	(85,227,694,143)
Other assets	42 (a)	(1,678,318,908)	(3,263,018,996)
Deposits to/from other banks		(9,701,223,340)	18,517,368,495
Deposits from customers (other than banks)		94,123,611,100	47,588,697,569
Other liabilities account of customers		952,069,261	2,179,405,274
Other liabilities	43 (a)	1,191,270,297	450,594,085
<b>Total Increase/ (Decrease) in Operating Assets and Liabilities</b>		<b>(17,411,266,848)</b>	<b>(14,913,874,190)</b>
<b>Net Cash from/(used in) Operating Activities</b>		<b>(2,960,679,865)</b>	<b>(3,087,995,328)</b>
<b>b Cash flows from Investing Activities</b>			
Purchase of property, plant & equipment including lease assets		(2,092,131,617)	-
Sale of property, plant & equipment		5,523,584	(888,749,783)
<b>Net Cash from/(used in) Investing Activities</b>		<b>(2,086,608,033)</b>	<b>(888,749,783)</b>
<b>c Cash flows from Financing Activities</b>			
Receipts/(payment) from issue of subordinated bonds		1,000,000,000	1,700,000,000
Receipts from issue of perpetual bonds		-	2,200,000,000
Coupon/dividend paid on perpetual bonds		(500,000,000)	(363,734,741)
Dividend paid		(1,248,751,547)	(1,246,063,970)
<b>Net Cash from/(used in) Financing Activities</b>		<b>(748,751,547)</b>	<b>2,290,201,289</b>
<b>d Net Increase/ (Decrease) in Cash and Cash equivalents (a+b+c)</b>		<b>(5,796,039,445)</b>	<b>(1,686,543,822)</b>
<b>e Effects of exchange rate changes on cash and cash equivalents</b>		<b>4,279,874</b>	<b>32,181,625</b>
<b>f Cash and Cash equivalents at beginning of the period</b>		<b>46,688,213,833</b>	<b>48,342,576,030</b>
<b>g Cash and Cash equivalents at end of the period (d+e+f)</b>	44 (a)	<b>40,896,454,262</b>	<b>46,688,213,833</b>

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

  
Mohammad Ali  
Managing Director

  
Director  
Moniruddin Ahmed  
Signed as per annexed report on even date

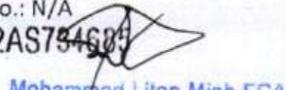
  
Director  
Md. Abdur Razzak Mondal

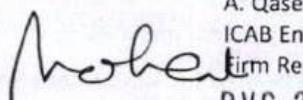
  
Monzurur Rahman  
Chairman

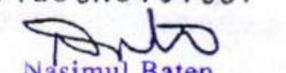
  
Md. Shahadat Hossain FCA  
Senior Partner  
MABS & J Partners, Chartered Accountants  
ICAB Enrolment No.:0672  
Firm Registration No.: N/A  
DVC-2404180672AS754629  
Dated, Dhaka

  
Ziaur Rahman Zia FCA  
Partner  
A. Qasem & Co., Chartered Accountants  
ICAB Enrolment No.:1259  
Firm Registration No.: 2-PC7202  
DVC 2404211259AS484867

  
Md. Anisur Rahman  
General Manager  
& Company Secretary  
Pubali Bank PLC.  
Head Office, Dhaka.

  
Mohammad Liton Miah FCA  
General Manager & CFO  
Central Accounts Division  
Pubali Bank PLC.  
Head Office, Dhaka.

  
Mohammad Ali  
Managing Director & CEO  
Pubali Bank PLC.  
Head Office, Dhaka

  
Nasimul Baten  
Managing Director & CEO  
DBH Finance PLC.

4 AUG 2024

**MD. ANISUR RAHMAN**  
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& Company Secretary  
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**Mohammad Liton Miah FCA**  
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Central Accounts Division  
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**Mohammad Ali**  
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Pubali Bank PLC.  
Head Office, Dhaka

**Nasimul Baten**  
Managing Director & CEO  
DBH Finance PLC.

Pubali Bank PLC.

Consolidated Statement of Changes in Equity  
for the year ended 31 December 2023

Particulars	Paid-up capital	Statutory reserve	Retained earnings	Other reserves	Parent's equity	Non-controlling interest	Total
Balances as at 1 January 2023	10,282,942,180	10,283,000,000	18,700,546,455	3,879,749,550	43,146,238,185	1,119	43,146,239,304
Changes in accounting policy	-	-	-	-	-	-	-
Restated balance	10,282,942,180	10,283,000,000	18,700,546,455	3,879,749,550	43,146,238,185	1,119	43,146,239,304
Recognition of deferred tax on revaluation reserve of fixed assets	-	-	-	(83,074,588)	(83,074,588)	-	(83,074,588)
Surplus/Deficit on account of revaluation of investments	-	-	-	(521,006,691)	(521,006,691)	-	(521,006,691)
Foreign currency translation gain/(loss)	-	-	-	4,279,874	4,279,874	-	4,279,874
Net income and expenses not recognised in the Profit and Loss Statement	-	-	1,804,999	-	1,804,999	-	1,804,999
Transfer regarding revaluation reserve on sale of properties	-	-	929,000	-	929,000	-	929,000
Coupon/dividend payment on Perpetual Bond	-	-	(500,000,000)	-	(500,000,000)	-	(500,000,000)
Transfer to Start-up fund	-	-	(68,084,689)	-	(68,084,689)	-	(68,084,689)
Non-controlling capital	-	-	-	-	-	-	-
Net profit for the year	-	-	6,949,837,561	-	6,949,837,561	28	6,949,837,589
Transfer to capital reserve	-	-	(32,623,459)	32,623,459	-	-	-
Transfer to statutory reserve	-	-	-	-	-	-	-
Dividends (cash) for 2022	-	-	(1,285,367,773)	-	(1,285,367,773)	-	(1,285,367,773)
Balances as at 31 December 2023	10,282,942,180	10,283,000,000	23,767,042,094	3,312,571,604	47,645,555,878	1,147	47,645,557,025
Balances as at 31 December 2022	10,282,942,180	10,283,000,000	18,700,546,455	3,879,749,550	43,146,238,185	1,119	43,146,239,304

*Mohamed*  
**Mohammad Ali**  
Managing Director

*Mohammad*  
**Mohammad Ahmed**  
Director

*Md. Abdur Razzak Mondol*  
**Md. Abdur Razzak Mondol**  
Director

*Monzurur Rahman*  
**Monzurur Rahman**  
Chairman

Md. Shahadat Hossain FCA  
Senior Partner  
MABS & J Partners, Chartered Accountants  
ICAB Enrolment No.:0672  
Firm Registration No.: N/A

**DVC-2404180672AS734685**

Dated, Dhaka  
April 18, 2024

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

**DVC 2404211259AS484867**



**Pubali Bank PLC.**  
**Balance Sheet**  
**as at 31 December 2023**

<u>PROPERTY AND ASSETS</u>	<u>Notes</u>	<u>2023</u> <u>Taka</u>	<u>2022</u> <u>Taka</u>
Cash	3	34,097,059,963	34,449,846,439
Cash in hand ( Including foreign currencies )		9,130,422,101	8,902,088,820
Balance with Bangladesh Bank and its agent Bank (s) (Including foreign currencies )		24,966,637,862	25,547,757,619
Balance with Other Banks and Financial Institutions	4	6,156,645,838	9,810,258,252
In Bangladesh		4,352,466,646	5,012,859,563
Outside Bangladesh		1,804,179,192	4,797,398,689
Money at Call on Short Notice	5	37,686,667	838,986,667
Investments	6	147,495,495,296	139,403,489,608
Government		127,051,054,519	116,634,183,329
Others		20,444,440,777	22,769,306,279
Loans, Advances/Investments and Leases	7	554,495,496,036	461,884,126,081
Loans, cash credits and overdrafts etc./investments		519,238,508,092	423,923,256,079
Bills purchased and discounted		35,256,987,944	37,960,870,002
Fixed Assets including Premises, Furniture & Fixtures	8	7,529,264,170	6,495,544,725
Other Assets	9	65,054,550,749	59,873,084,818
Non-banking Assets	10	375,246	375,246
<b>Total Assets</b>		<b>814,866,573,965</b>	<b>712,755,711,836</b>
 <u>LIABILITIES AND CAPITAL</u>			
Liabilities			
Borrowings From Other Banks, Financial Institutions & Agents	11	55,316,476,156	65,017,699,496
Subordinated Bonds	12	13,200,000,000	12,200,000,000
Perpetual Bonds	12.1	5,000,000,000	5,000,000,000
Deposits and Other Accounts	13	606,296,413,262	510,836,516,875
Current accounts & other accounts		66,414,271,964	60,730,969,028
Bills payable		21,799,191,392	14,271,043,896
Savings bank deposits		135,066,105,808	118,927,122,055
Term deposits		358,816,794,309	298,876,111,933
Other deposits		24,200,049,789	18,031,269,963
Other Liabilities	14	88,209,647,317	77,215,407,287
<b>Total Liabilities</b>		<b>768,022,536,735</b>	<b>670,269,623,658</b>
Capital / Shareholders' Equity			
Paid up capital	15.2	10,282,942,180	10,282,942,180
Statutory reserve	16	10,283,000,000	10,283,000,000
Retained earnings	17	22,998,146,905	18,040,396,448
Other reserves	18	3,279,948,145	3,879,749,550
<b>Total Shareholders' Equity</b>		<b>46,844,037,230</b>	<b>42,486,088,178</b>
<b>Total Liabilities and Shareholders' Equity</b>		<b>814,866,573,965</b>	<b>712,755,711,836</b>

MABS & J Partners  
Chartered Accountants  
Nisur Rahman  
General Manager  
& Secretary  
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Head Office, Dhaka.

Mohammad Liton Miah FCA  
General Manager & CFO  
Central Accounts Division  
Pubali Bank PLC.  
Head Office, Dhaka.

Mohammad Ali  
Managing Director & CEO  
Pubali Bank PLC  
Head Office, Dhaka.

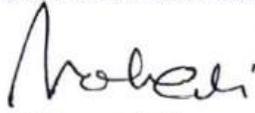
Nasimul Baten  
Managing Director & CEO  
DBH Finance PLC.

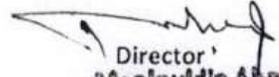
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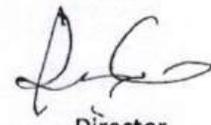
Pubali Bank PLC.  
Balance Sheet  
as at 31 December 2023

OFF-BALANCE SHEET ITEMS	Note	2023 Taka	2022 Taka
<b>Contingent Liabilities</b>			
Acceptances & endorsements	21	85,520,080,684	103,377,186,550
Letters of guarantee		47,866,914,701	37,872,061,489
Irrevocable letters of credit		69,747,888,751	53,175,862,737
Bills for collection		37,191,310,041	28,980,463,041
Other contingent liabilities		2,433,181,166	2,433,181,166
<b>Total Contingent Liabilities</b>		<b>242,759,375,343</b>	<b>225,838,754,983</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>242,759,375,343</b>	<b>225,838,754,983</b>
<b>Net Asset Value Per Share</b>	<b>46(1)</b>	<b>45.56</b>	<b>41.32</b>

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

  
Mohammad Ali  
Managing Director

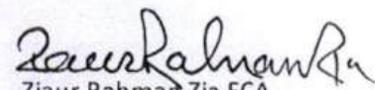
  
Director  
Moniruddin Ahmed

  
Director  
Md. Abdur Razzak Mondal

  
Monzurur Rahman  
Chairman

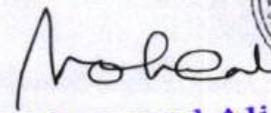
Signed as per annexed report on even date

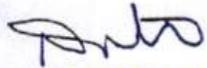
  
Md. Shahadat Hossain FCA  
Senior Partner  
MABS & J Partners, Chartered Accountants  
ICAB Enrolment No.: 0672  
Firm Registration No.: N/A  
DVC-2404180672AS734685  
Dated, Dhaka  
April 18, 2024

  
Ziaur Rahman Zia FCA  
Partner  
A. Qasem & Co., Chartered Accountants  
ICAB Enrolment No.: 1259  
Firm Registration No.: 2-PC7202  
DVC 2404211259AS484867

  
MD. ANISUR RAHMAN  
General Manager  
Company Secretary  
Pubali Bank PLC.  
Head Office, Dhaka.

  
Mohammad Liton Miah FCA  
General Manager & CFO  
Central Accounts Division  
Pubali Bank PLC.  
Head Office, Dhaka.

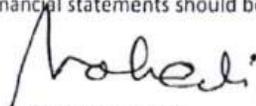
  
Mohammad Ali  
Managing Director & CEO  
Pubali Bank PLC.  
Head Office, Dhaka

  
Nasimul Baten  
Managing Director & CEO  
DBH Finance PLC.

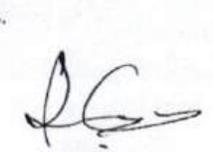


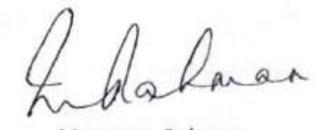
	Notes	2023 Taka	2022 Taka
<b>Operating Income</b>			
Interest income/profit on investment	22	40,340,842,264	29,813,192,063
Interest paid/profit shared on deposits, borrowings etc.	23	(30,321,076,803)	(23,240,593,559)
<b>Net Interest Income/profit on investment</b>		<b>10,019,765,461</b>	<b>6,572,598,504</b>
Investment income	24	15,633,734,445	13,740,363,716
Commission, exchange and brokerage	25	3,103,987,478	3,311,320,514
Other operating income	26	1,793,977,472	1,570,420,358
<b>Total Operating Income</b>		<b>30,551,464,856</b>	<b>25,194,703,092</b>
<b>Operating Expenses</b>			
Salaries and allowances	27	9,258,828,821	8,347,605,599
Rent, taxes, insurance, electricity etc.	28	780,794,411	646,880,954
Legal expenses	29	18,467,449	17,399,747
Postage, stamp, telecommunication etc.	30	79,613,579	95,258,236
Stationery, printing, advertisements etc.	31	271,905,145	149,330,677
Managing Director's salary and fees	32	14,769,678	12,843,657
Directors' fees	33	7,669,436	7,341,206
Auditors' fees	34	2,420,750	2,021,000
Depreciation and repair of bank's assets	35	2,083,673,140	1,437,853,280
Other expenses	36	2,680,206,217	3,140,656,772
<b>Total Operating Expenses</b>		<b>15,198,348,626</b>	<b>13,857,191,128</b>
<b>Profit/(Loss) before Provision</b>		<b>15,353,116,230</b>	<b>11,337,511,964</b>
<b>Provision for Loans, Advances/Investments, Leases and Other Assets</b>			
Provision for classified loans, advances/investments and leases	37	2,828,437,943	1,880,136,844
Provision for unclassified loans, advances/investments and leases		66,162,057	872,267,826
Provision for diminution in value of investments	39	2,000,000	-
Provision for other assets		42,500,000	50,000,000
Provision for bad debt offsetting for Islamic Banking		-	22,067,376
		<b>2,939,100,000</b>	<b>2,824,472,046</b>
Provision for exposure of off-balance sheet items	38	426,000,000	-
<b>Total Provision</b>		<b>3,365,100,000</b>	<b>2,824,472,046</b>
<b>Total Profit/(Loss) before Taxes</b>		<b>11,988,016,230</b>	<b>8,513,039,918</b>
Provision for current tax	14.7	5,406,911,843	3,728,336,561
Provision for deferred tax	14.8.2.3	(227,364,533)	(537,068,302)
<b>Total Provision for Taxes</b>		<b>5,179,547,310</b>	<b>3,191,268,259</b>
<b>Net Profit/(Loss) after Taxes</b>		<b>6,808,468,920</b>	<b>5,321,771,659</b>
<b>Appropriations</b>			
Statutory Reserve		-	-
Coupon/dividend on perpetual bond		500,000,000	363,734,741
Start-up fund		68,084,689	53,217,717
Retained surplus carried forward		6,240,384,231	4,904,819,201
<b>Earnings Per Share (EPS)</b>	46	<b>6.62</b>	<b>5.18</b>

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

  
Mohammad Ali  
Managing Director

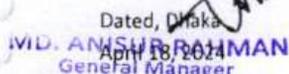
  
Director  
Mohiuddin Ahmed  
Signed as per annexed report on even date

  
Director  
Md. Abdur Razzak Mondal

  
Monzurur Rahman  
Chairman

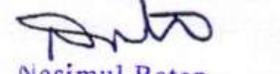
  
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ICAB Enrolment No.: 0672  
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Mohammad Ali  
Managing Director & CEO  
Pubali Bank PLC.  
Head Office, Dhaka.

  
Nasimul Baten  
Managing Director & CEO  
DBH Finance PLC.

Pubali Bank PLC.  
Cash Flows Statement  
for the year ended 31 December 2023

	Notes	2023 Taka	2022 Taka
<b>a Cash flows from Operating Activities</b>			
Interest/investment income receipts in cash		55,668,715,573	43,060,927,069
Interest/profit paid on deposits, borrowings etc.		(28,962,191,516)	(22,396,592,940)
Dividend receipts		379,403,654	474,168,037
Fees and commission receipts		2,252,566,026	2,124,194,598
Recoveries of loans previously written-off		164,851,322	172,793,025
Cash payment to employees		(9,115,714,848)	(7,827,067,586)
Cash payment to suppliers		(372,406,923)	(264,009,660)
Current income tax paid		(3,607,220,198)	(2,065,590,099)
Receipts from other operating activities	40	2,643,110,431	2,722,802,764
Cash payments for other operating activities	41	(4,826,452,353)	(4,644,481,554)
<b>Operating Profit before changes in Operating Assets &amp; Liabilities</b>		<b>14,224,661,168</b>	<b>11,357,143,654</b>
<b>Increase/(Decrease) in Operating assets and liabilities</b>			
Statutory deposits		(10,928,762,441)	7,548,207,340
(Purchase)/sale of trading securities		2,324,865,502	(2,241,331,855)
Loans and advances to customers (other than banks)		(92,611,369,955)	(85,227,694,143)
Other assets	42	(1,647,788,251)	(3,049,971,336)
Deposits to/from other banks		(9,701,223,340)	18,517,368,495
Deposits from customers (other than banks)		94,123,611,100	47,588,697,569
Other liabilities account of customers		952,069,261	2,179,405,274
Other liabilities	43	1,290,481,688	611,137,111
<b>Total Increase/(decrease) in Operating Assets and Liabilities</b>		<b>(16,198,116,436)</b>	<b>(14,074,181,545)</b>
<b>Net Cash from/(used in) Operating Activities</b>		<b>(1,973,455,268)</b>	<b>(2,717,037,891)</b>
<b>b Cash flows from Investing Activities</b>			
Purchase of property, plant & equipment including leased assets		(2,085,917,779)	(888,879,384)
Sale of property, plant & equipment		5,261,270	-
<b>Net cash from/(used in) Investing Activities</b>		<b>(2,080,656,509)</b>	<b>(888,879,384)</b>
<b>c Cash flows from Financing Activities</b>			
Receipts/(payment) from issue of subordinated bonds		1,000,000,000	1,700,000,000
Receipts from issue of perpetual bonds		-	2,200,000,000
Coupon/dividend paid on perpetual bonds		(500,000,000)	(363,734,741)
Dividend paid		(1,248,751,547)	(1,246,063,970)
<b>Net cash from/(used in) Financing Activities</b>		<b>(748,751,547)</b>	<b>2,290,201,289</b>
<b>d Net increase/(decrease) in Cash and Cash equivalents (a+b+c)</b>		<b>(4,802,863,324)</b>	<b>(1,315,715,986)</b>
<b>e Effects of exchange rate changes on cash and cash equivalents</b>		<b>4,279,874</b>	<b>32,181,625</b>
<b>f Cash and cash equivalents at beginning of the period</b>		<b>45,111,773,459</b>	<b>46,395,307,820</b>
<b>g Cash and cash equivalents at end of the period (d+e+f)</b>	44	<b>40,313,190,009</b>	<b>45,111,773,459</b>

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

Mohammad Ali  
Managing Director

Director  
Moniruddin Ahmed

Director  
Md. Abdur Razzak Mondal

Monzurur Rahman  
Chairman

Signed as per annexed report on even date

Md. Shahadat Hossain FCA  
Senior Partner  
MABS & J Partners, Chartered Accountants  
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Firm Registration No.: 2-PC7202

Dated, Dhaka  
April 18, 2024  
Md. Anisur Rahman  
General Manager  
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Nasimul Baten  
Managing Director & CEO  
DBH Finance PLC.

4 AUG 2024

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& Company Secretary  
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Head Office, Dhaka

**Nasimul Baten**  
Managing Director & CEO  
**DBH Finance PLC.**

**Pubali Bank PLC.**

**Statement of Changes in Equity**  
for the year ended 31 December 2023

(Figures in Taka)

Particulars	Paid-up capital	Statutory reserve	Retained earnings	Other reserves	Proposed dividend	Total
Balance as at 1 January 2023	10,282,942,180	10,283,000,000	18,040,396,448	3,879,749,550	-	42,486,088,178
Changes in accounting policy	-	-	-	-	-	-
Restated balance	10,282,942,180	10,283,000,000	18,040,396,448	3,879,749,550	-	42,486,088,178
Adjustment on revaluation of fixed assets	-	-	-	-	-	-
Recognition of deferred tax on revaluation reserve of fixed assets	-	-	-	(83,074,588)	-	(83,074,588)
Surplus/(deficit) on account of revaluation of investments	-	-	-	(521,006,691)	-	(521,006,691)
Foreign currency translation gain/(loss)	-	-	-	4,279,874	-	4,279,874
Net income and expenses not recognised in the Profit and Loss Statement	-	-	1,804,999	-	-	1,804,999
Transfer regarding revaluation reserve on sale of properties	-	-	929,000	-	-	929,000
Coupon/dividend payment on perpetual bond	-	-	(500,000,000)	-	-	(500,000,000)
Transfer to start-up fund	-	-	(68,084,689)	-	-	(68,084,689)
Net profit for the year	-	-	6,808,468,920	-	-	6,808,468,920
Transfer to statutory reserve	-	-	-	-	-	-
Dividends (cash) for 2022	-	-	(1,285,367,773)	-	-	(1,285,367,773)
<b>Balance as at 31 December 2023</b>	<b>10,282,942,180</b>	<b>10,283,000,000</b>	<b>22,998,146,905</b>	<b>3,279,948,145</b>	<b>-</b>	<b>46,844,037,230</b>
<b>Balance as at 31 December 2022</b>	<b>10,282,942,180</b>	<b>10,283,000,000</b>	<b>18,040,396,448</b>	<b>3,879,749,550</b>	<b>-</b>	<b>42,486,088,178</b>

  
Director  
**Md. Nuruddin Ahmed**  
Signed as per attached report on even date

  
Monzurur Rahman  
Chairman

  
Ziaur Rahman Zia-FCA  
Partner

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



**DVC-2404180672AS734685**  
Dated, Dhaka  
April 18, 2024

Pubali Bank PLC.

Liquidity statement (assets and liabilities maturity analysis)  
as at 31 December 2023

Particulars	Up to 01 month	01- 03 months	03-12 months	01- 05 years	More than 5 years	Total
<b>Assets</b>						
Cash in hand	34,097,059,963	-	-	-	-	34,097,059,963
Balances with other banks and financial institutions	1,843,711,129	2,982,865,120	1,109,469,190	220,600,399	-	6,156,645,838
Monies at call on short notice	37,686,667	-	-	-	-	37,686,667
Loans, advances and leases	6,818,387,578	2,887,625,439	20,195,344,820	34,061,374,060	83,532,763,399	147,495,495,296
Fixed assets including premises, furniture & fixtures	22,896,966,846	173,751,549,579	167,821,194,339	116,481,847,417	73,543,937,855	554,495,496,036
Other assets	-	549,207,069	-	4,356,898,637	2,623,158,464	7,529,264,170
Non-banking assets	263,335,835	2,914,046,316	188,235,666	13,103,776,307	48,585,156,625	65,054,550,749
<b>Total Assets</b>	<b>65,957,148,018</b>	<b>183,085,293,523</b>	<b>189,314,244,015</b>	<b>168,224,496,820</b>	<b>208,285,391,589</b>	<b>814,866,573,965</b>
<b>Liabilities</b>						
Drawings from other banks, financial institutions & agents	10,451,339,312	32,252,124,970	9,628,897,451	-	2,984,114,423.00	55,316,476,156
Original bonds	-	-	2,500,000,000	7,200,000,000	3,500,000,000	13,200,000,000
Perpetual bonds	-	-	-	-	5,000,000,000	5,000,000,000
Deposits	48,919,890,621	136,093,963,802	135,719,878,377	85,797,523,600	199,765,156,861	606,296,413,262
Provision & Other liabilities	1,314,952,893	-	15,564,387,777	70,184,811,137	1,145,495,510	88,209,647,317
<b>Total Liabilities</b>	<b>60,686,182,826</b>	<b>168,346,088,772</b>	<b>163,413,163,605</b>	<b>163,182,334,737</b>	<b>212,394,766,794</b>	<b>768,022,536,735</b>
<b>Net Liquidity Gap</b>	<b>5,270,965,192</b>	<b>14,739,204,751</b>	<b>25,901,080,410</b>	<b>5,042,162,083</b>	<b>(4,109,375,205)</b>	<b>46,844,037,230</b>

**ANISUR RAHMAN**  
General Manager  
& Company Secretary  
Pubali Bank PLC.  
Head Office, Dhaka

**Mohammad Ali**  
Managing Director  
Pubali Bank PLC.  
Head Office, Dhaka.

**Mohammad Ali**  
Managing Director  
Pubali Bank PLC.  
Head Office, Dhaka

**Nasimul Baten**  
Managing Director & CEO  
DBH Finance PLC.

**Mohammad Ali**  
Managing Director

**Monzurur Rahman**  
Chairman

**Director**  
**Md. Abdur Razzak Monja**

**Director**  
**Moniruddin Ahmed**

Signed as per annexed report on even date

Dated, Dhaka  
April 18, 2024



**Pubali Bank PLC.**  
**Notes to the financial statements**  
**As at and for the year ended 31 December 2023**

**1. The Bank and its activities**

**1.1 Pubali Bank PLC.**

Pubali Bank PLC. (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. By virtue of section 37(2)(C) of the Bangladesh Bank Order, 1972 (President Order No 127 of 1972) and the provisions of Section 11A(A) of the Companies Act, 1994, the name of 'Pubali Bank Limited' has been changed to 'Pubali Bank PLC.' in the list of Scheduled Banks from Monday 24 Ashwin 1430 on 09 October 2023.

**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 504 Branches 189 Sub Branches throughout the country. It is listed in both Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE) as a publicly-traded company.

**1.2.1 Islamic Banking Window**

Islamic Banking Wing of the Bank has been maintaining a separate set of books and records for its operation. It has 19 Windows throughout the country. All Assets & Liabilities and Income and Expenditure of this Wing are incorporated in similar heads of account of Bank's Financial Statements. Separate Financial Statements, Balance Sheet and Profit & Loss Statement of Islamic Banking Wing are shown separately as per instruction of Bangladesh Bank BRPD Circular No. 15 dated: November 9, 2009. Basis of distribution of profit and fixation of final rate of return of Islamic Banking Operation for the year 2023 are enclosed in the Annex- D.

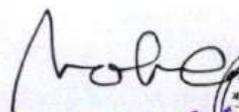
**1.2.2 Off-shore Banking Unit**

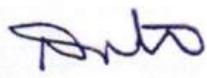
Off-shore Banking operations have undergone a long development transition in Bangladesh due to global and international business dynamics. To cope with the pace, the Bank started its Off-shore Banking operation obtaining the license of operating 02 (two) business units in Dhaka and Chattogram initially.

Later on as per requirement of Bangladesh Bank BRPD circular no. 02 dated February 25, 2019, Off-shore Banking division was established to control and supervise Off-shore 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.

  
  
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General Manager  
Chartered Accountants  
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Head Office, Dhaka.

  
**Mohammad Liton Miah FCA**  
General Manager & CFO  
Central Accounts Division  
Pubali Bank PLC.  
Head Office, Dhaka.

  
  
**Mohammad Ali**  
Managing Director & CEO  
Pubali Bank PLC  
Head Office, Dhaka

  
**Nasimul Baten**  
Managing Director & CEO  
DBH Finance PLC.

Offshore Banking unit refers to a specific business unit in the form of district branch, booth or desk of a branch of Pubali bank PLC. (Bank) that is duly approved by Bangladesh Bank (BB) to carry out the offshore banking operations in Foreign Currency. 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 PLC. Pubali Bank PLC. 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 PLC. 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 2023.

### 2.1.2 Statement of Compliance and basis of preparation

The consolidated and separate financial statements of the Group and the Bank have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the Financial Reporting Council (FRC) under the Financial Reporting Act (FRA), 2015 and the requirements of the Bank Company Act 1991 (as amended up to date), the circulars, rules and regulations issued by Bangladesh Bank (BB), the Companies Act 1994, the Securities and Exchange Rules 2020. In case any requirement of the Bank Company Act 1991 (as amended up to date), and provisions and circulars issued by Bangladesh Bank differ with those of IFRSs, the requirements of the Bank Company Act 1991



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Head Office, Dhaka



Nasimul Baten  
Managing Director & CEO  
DBH Finance PLC.

(as amended up to date), and provisions and circulars issued by Bangladesh Bank shall prevail. In addition to above, the Bank complied with requirements of following laws and regulations:

- a) Bangladesh Securities and Exchange Commission Ordinance 1969;
- b) Bangladesh Securities and Exchange Commission Act 1993;
- c) Bangladesh Securities and Exchange Commission (Public Issue) Rules 2015;
- d) Income Tax Act 2023 and amendment thereon;
- e) The Value Added Tax and Supplementary Duty Act 2012 and amendment thereon; and
- f) The Value Added Tax and Supplementary Duty Rules 2016 and amendment thereon.

**Material departure from the requirements of IFRSs are as follows:**

i) **Presentation of financial statements**

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

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

ii) **Investment in equity instruments (shares, mutual funds, etc.)**

**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.

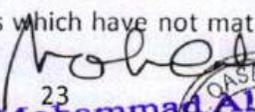
iii) **Revaluation gains/losses on Government securities**

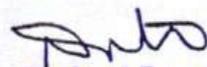
**IFRS:** As per requirement of IFRS 9 where securities will fall under the category of fair value through profit or loss account, any change in the fair value of assets is recognised through the profit and loss account. Securities designated as amortised cost are measured at effective interest rate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

**Bangladesh Bank:** According to DOS circular no. 5 dated 26 May 2008 and subsequent clarification in DOS circular no. 5 dated 28 January 2008, Government securities/bills are classified into Held for Trading (HFT) and Held to Maturity (HTM), HFT securities are revalued on the basis of mark to market and any gains on revaluation of securities which have not matured as at the balance sheet date are

  
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General Manager  
Company Secretary  
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Central Accounts Division  
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Head Office, Dhaka.

23  
  
Mohammad Ali  
Managing Director & CEO  
Pubali Bank PLC.  
Head Office, Dhaka.

  
Nasimul Baten  
Managing Director & CEO  
DBH Finance PLC.

4 AUG 2024

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 amortisation of discount is recognised in the profit and loss account. HTM securities which have not matured as at the balance sheet date are amortised and gains or losses on amortisation are recognised in other reserve as a part of equity.

According to DOS circular no. 27 dated 04 December 2023, the reduction due to weekly revaluation of any HFT class treasury bond can be adjusted (net-off) against the revaluation reserve (if any) of the said bond. However, if there is no revaluation reserve against the said bond, it will be accounted as profit and loss of the respective period. Under no circumstances can the loss of one bond be adjusted against the reserve of another bond. The existing procedure will be followed in the case of Treasury Bills.

iv) **Provision on loans and advances/investments, off-balance sheet exposure including other commitments**

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

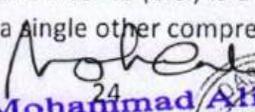
**Bangladesh Bank:** As per BRPD Circular No. 14 dated 23 September 2012, BRPD Circular No. 15 dated 27 September 2017, BRPD Circular No. 03 dated 21 April 2019, BRPD circular letter No.06 dated 19 May 2019, BRPD circular letter No.07 dated 19 March 2020, BRPD Circular No. 16 dated 21 July 2020, BRPD Circular No. 17 dated 28 September 2020, BRPD Circular Letter No. 52 dated 20 October 2020, BRPD circular letter no-33 dated 03 August 2022 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 and 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. 06 dated 25 April, 2023 a general provision at 1% is required to be maintained against total OBS exposure which has end maturity and additional provision at 1% to 5% is required to be provided depending on the duration of overdue for all off-balance sheet exposures. Such provision policies are not specifically in line with those prescribed by IFRS 9. As per BRPD circular letter no-56 dated 10 December 2020, BRPD circular letter no-50 dated 14 December 2021, BRPD circular letter no-52 dated 29 December 2021, BRPD circular letter no-53 dated 30 December 2021 and BRPD circular letter no-53 dated 22 December 2022, Special General Provision COVID-19 has to maintained as per prescribed rate on all unclassified moratorium loan accounts. As per BRPD circular no. 14 dated 23 September 2012, once a loan is classified, interest on such loans are not allowed to be recognized as income, rather the corresponding amount needs to be credited to an interest in suspense account, which is presented as liability in the balance sheet.

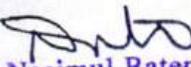
v) **Other comprehensive income and appropriation of profit**

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.

  
  
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**Mohammad Liton Miah FCA**  
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**Mohammad Ali**  
Managing Director & CEO  
Pubali Bank PLC,  
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**Nasimul Baten**  
Managing Director & CEO  
DBH Finance PLC.

**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.

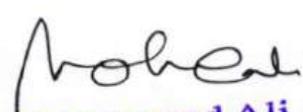
viii) **Financial guarantees**

**IFRS:** As per IFRS 9 Financial instruments, financial guarantees are contracts that require an entity to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of the instrument. Financial guarantee liabilities are recognized initially at their fair value and is amortized over the life of the instrument. Any such liability is subsequently carried at the higher of this amortized amount and the present value of any expected payment when a payment under the guarantee becomes probable. Financial guarantees are prescribed to be 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 provision for all contingent liabilities.

  
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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:** No concept of off-balance sheet items in any IFRS/IAS/IFRIC; so nothing to disclose as off-balance sheet items.

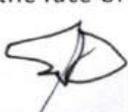
**Bangladesh Bank:** As per BRPD 14 dated 25 June 2003, off balance sheet items (e.g. Letter of credit, Letter of guarantee, etc.) must be disclosed separately on the face of the balance sheet.

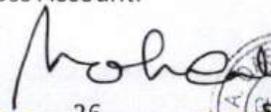
xv) **Disclosure of appropriation of profit**

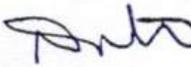
**IFRS:** There is no requirement to show appropriation of profit on the face of statement of comprehensive income.

**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.

  
  
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**Mohammad Ali**  
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xvi) Loans and Advances/Investments net of provision

**IFRS:** Loans and advances/Investments shall be presented at amortized cost net of any write down for impairment (expected credit losses that result from all possible default events over the life of the financial instrument).

**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) Presentation of intangible asset

**IFRSs:** An intangible asset must be identified and recognized, and the disclosure must be given as per IAS 38.

**Bangladesh Bank:** There is no specific regulation for intangible assets in BRPD circular no. 14 dated 25 June 2003. However, intangible assets of bank are shown in fixed assets.

\*Please refer to note 2.12 compliance of International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) for further details.

xix) 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.

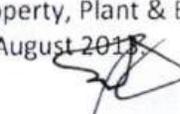
**Bangladesh Bank:** As per BRPD circular no. 06 dated 25 April 2023 a general provision at 1% is required to be maintained against total OBS exposure which has end maturity and additional provision at 1% to 5% is required to be provided depending on the duration of overdue for all off-balance sheet exposures (which includes all types of undrawn loan commitments).

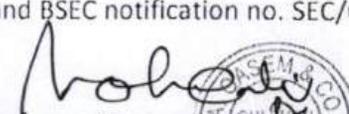
2.1.3 Basis of measurement

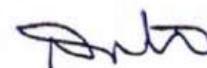
The consolidated financial statements of the Group and the separate financial statements of the Bank have been prepared on the historical cost basis except for the following material items:

- Government treasury bills and bonds designated as 'Held for Trading (HFT)' are marked-to-market weekly with resulting gain credited to revaluation reserve account but loss charged to profit and loss account.
- Government treasury bills and bonds designated as 'Held to Maturity (HTM)' are amortized yearly with resulting gain credited to amortization reserve account but loss charged to profit and loss account.
- Land is recognised at cost at the time of acquisition and subsequently measured at fair value as per IAS 16 Property, Plant & Equipment and BSEC notification no. SEC/CMRRCD/2009-193/150/Admin/51 dated 18 August 2018.

  
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Head Office, Dhaka

  
Nasimul Baten  
Managing Director & CEO  
DBH Finance PLC.

#### 2.1.4 Going Concern basis of accounting

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'. 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

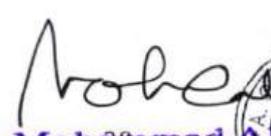
Foreign currency transactions are converted into equivalent Taka currency at the ruling exchange rates on the respective dates of such transactions as per IAS-21 "The effects of Changes in Foreign Exchange Rates".

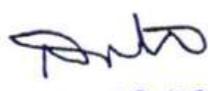
Assets and liabilities in foreign currencies at 31 December 2023 have been converted into Taka currency at the average of the prevailing buying and selling rates of the relevant foreign currencies at that date except "Balances with other Banks and Financial Institutions."

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.

  
  
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**Nasimul Baten**  
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### 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 PLC. 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 2023.

#### 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



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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 2023. Taxable profit differs from profit as reported in the Profit and Loss Account because it excludes items of income or expense that are taxable or deductible. The Bank's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the date of Balance Sheet.

Provision for current income tax of the bank has been made @ 37.50% on taxable income considering major disallowances of expenses and concessional rates on certain incomes (15% on gain from govt. securities, 10% on Capital gain of shares and 20% on dividend income) as per Income Tax Act 2023. Tax provision of the subsidiaries at different rates are also applicable as per the Income Tax Act 2023.

#### 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 are 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.

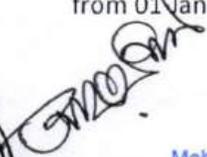
Deferred tax liabilities are the amount of income taxes payable in future periods in respect of taxable temporary differences. Deferred tax liabilities are recognised for the future tax consequences of timing differences arising between the carrying values of assets, liabilities, income and expenditure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

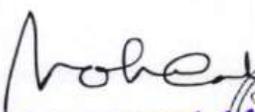
Details of deferred tax assets or liabilities and amount recognised in profit and loss account for deferred tax income or expense are given in note no. 14.9.2.2 in the financial statements.

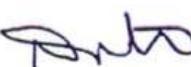
### 2.1.10 Reporting period

These financial statements of the Group, the Bank and its subsidiaries cover 01 (One) calendar year from 01 January to 31 December.

  
  
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4 AUG 2024

### 2.1.11 Significant accounting policies

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

## 2.2 Assets and basis of their valuation

### 2.2.1 Cash and cash equivalents

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

### 2.2.2 Investments

All investments (other than government treasury securities) are initially recognised at cost including acquisition charges associated with the investment. Premiums are amortised and discount accredited using the effective or historical yield method. Accounting treatment of government treasury bills and bonds (categorised as HFT and HTM) are made in accordance with Bangladesh Bank DOS Circular letter no. 05, dated 26 May 2008 and subsequent clarifications DOS Circular letter no. 05 dated 28 January 2009 and DOS circular no. 27 dated 04 December 2023. 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 have 'fixed or determinable payments' and are intended to be held to maturity are classified as 'Held to Maturity'. These are measured at amortised cost at each year's end by considering any discount or premium in acquisition. Any increase or decrease in value of such investments are booked under equity and in the profit and loss statement respectively. Besides, amortisation can be done at other times of the year for the preparation of financial reports or statements. However, the amortised value completed at the end of the year will be considered as SLR for the next year.

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

Investments classified in this category are acquired principally for the purpose of selling or repurchasing in short trading or if designated as such by the management. After initial recognition, investments are marked to market weekly and any decrease in the present value is recognised in the Profit and Loss Account and any increase is booked to Revaluation Reserve Account as per DOS Circular no. 05 dated 28 January 2009. Besides, as per DOS circular no. 27 dated 04 December 2023, the reduction due to weekly revaluation of any HFT class treasury bond can be adjusted (net-off) against the revaluation reserve (if any) of the said bond. However, if there is no revaluation reserve against the said bond, it will be accounted as profit and loss of the respective period. Under no circumstances can the loss of one bond be adjusted against the reserve of another bond. The existing procedure will be followed in the case of Treasury Bills. 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 2019 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.

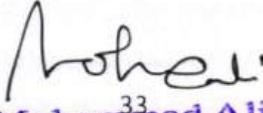
After initial recognition, loans, advances and interest receivables are subsequently measured at amortised cost using effective interest rate (EIR) over the relevant periods. The amortised cost of a financial asset is the amount at which the asset is measured at initial recognition less principal repayments, 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.

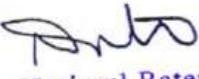
##### Loans and advances (provisioning):

Provision for loans and advances is made on the basis of periodical review by the management and of instructions contained in Bangladesh Bank's As per BRPD Circular No. 14 dated 23 September 2012, BRPD Circular No. 15 dated 27 September 2017, BRPD Circular No. 03 dated 21 April 2019, BRPD circular letter No.06 dated 19 May 2019, BRPD circular letter No.07 dated 19 March 2020, BRPD Circular No. 16 dated 21 July 2020, BRPD Circular No. 17 dated 28 September 2020, BRPD Circular Letter No. 52 dated 20 October 2020, BRPD circular letter no-33 dated 03 August 2022 respectively at the following rates:

  
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Managing Director & CEO  
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Nasimul Baten  
Managing Director & CEO  
DBH Finance PLC.



(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	1%
	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	1%
	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):

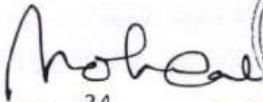
Loans and advances are written off to the extent that there is no realistic prospect of recovery and in accordance with BRPD circular No.01 (05 January 2023), BRPD circular No.01 (06 February 2019), BRPD circular No.13 (07 November 2013), DOS circular No.01 dated (29 December 2004), BRPD letter No.1290 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.

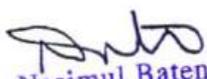
#### Loans and advances (recovery from written off):

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 05 January 2023, 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.

  
  
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## 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.

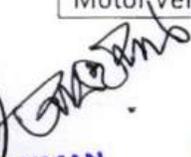
### Depreciation

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.

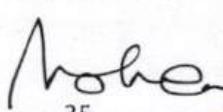
In case of acquisition of fixed assets, depreciation has been charged from the month of acquisition, whereas no depreciation on assets disposed-off has been charged from the month of disposal.

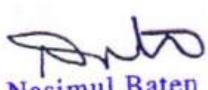
Depreciation at applicable rates is charged on additions to fixed assets during the period from 21 December of the previous Year to 20 December of the current Year. Asset category wise depreciation rates are as follows:

Category of asset	Method	Rate of Depreciation
Freehold Land	N/A	-
Leasehold Land	Fixed	Over the lease period
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%

  
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### Gain or Loss on disposal of Fixed Assets

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

### Revaluation

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

## 2.2.9 Intangible assets and amortization of intangible assets

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

## 2.2.10 Investment properties

- a) Investment property is held to earn rentals or for capital appreciation or both and the future economic benefits that are associated with the investment property but not held for sale in the ordinary course of business.
- b) Investment property is accounted for under cost model in the financial statements. Accordingly, after recognition as an asset, the property is carried at its cost, less accumulated depreciation and accumulated impairment loss.

## 2.2.11 Other Assets

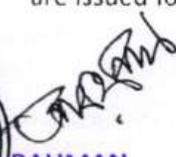
Other Assets include mainly advance office rent, payment of advance income tax has not been closed yet and all other financial assets, fees and other unrealized income receivable, advance for operating expenditure and stocks of stationery and stamps etc. Any part of uncollectible other assets is subject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

## 2.3 Liabilities and basis of their valuation

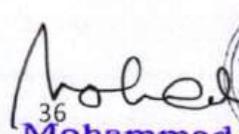
### 2.3.1 Subordinated Bonds & Perpetual Bonds

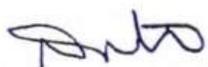
Subordinated bonds include fund raised from several banks through issuance of 7 (seven) years Bonds. These items are brought to financial statements at the gross value of the outstanding balance.

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

  
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### 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 Act-2023 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

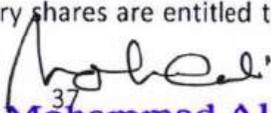
Authorised capital is the maximum amount of share capital that the Bank is authorised by its Memorandum and Articles of Association.

### 2.4.2 Paid up capital

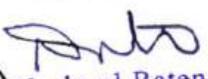
Paid up capital represents total amount of shareholders' capital that has been paid in full by the ordinary shareholders. Holders of ordinary shares are entitled to receive dividends as declared from

  
  
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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) 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) Defined benefit plans

Post-employment benefit plans those define the amount that outgoing members will receive from the plans on separation on the bases of length of service and salary levels. Contributions are made by the

Bank into the scheme based on actuarial valuation. The Bank has an obligation to make up any shortfall in the plan, thereby bearing the risk of the plan under performing. The Bank maintains defined benefit plans i.e. gratuity fund for its employees under separate trustee boards.

#### Gratuity

The Bank has been maintaining an employee gratuity fund in the name of Pubali Bank PLC. 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. 611.96 crore as gratuity fund against the Gratuity Liability as on 31.12.2023. Three years, or immediately after any major change in the salary structure that could impact the periodic amount of contributions. The last valuation was carried out on 31 December 2022 by Air Consulting Limited and as per their recommendation the Bank charged current service cost of BDT 41.86 crore to the Profit & Loss Account and the defined benefit obligation would come to BDT 609.67 Crore as on 31 December 2023.

Details i.e. actuarial liability, valuation method, service cost, required contribution etc. of defined benefit plans and amount recognized in profit & loss account are stated in note 14.6, 14.6.1, 14.6.2 of these financial statements

#### 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).

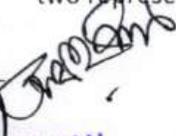
#### d) Other Employee Benefits

##### Group Term Life Insurance

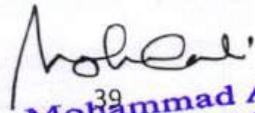
All regular employees are eligible for Group Term Life Insurance (death claim) according to their Ranks.

##### Staff Welfare Fund

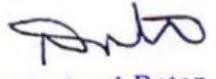
The objective of the Staff Welfare Fund is to provide financial assistance to regular category employee and their declared dependents of the bank incurring severe accident during office duty, extended illness (not more than 6 months) which costs would not be affordable by the employee and which are not 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, two DMD's, The GM/DGM Head of the Human Resources Division as ex-officio Member-Secretary, Chief Financial Officer (CFO), GM/ DGM of HRD to be appointed by the Board of Directors of the Bank and two representatives from Trade Union to be selected by them.

  
  
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### Festival bonus

All regular employees are entitled for two festival bonuses and Boishakhi vata 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 are 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 after taking approval from department head and head of HR. A confirmed employee can also avail Demand Loan against P.F. Balance if he/she has clean service record.

### House building Loan

An employee who has completed at least 5(five) years confirmed service and having at least 02(two) years active service before retirement and having clean & satisfactory service record but in case of Lateral Grade Entries total 8 years continuous, regular and satisfactory service but a minimum 3 years regular, continuous and satisfactory service with Pubali Bank PLC. can avail the Staff HBL Limit maximum 150 times of his existing Basic Pay for a tenure of 20 years at the rate of interest 4% P.A. (simple) that will be changed time to time with Bank Rate as per recommendation of Staff HBL Sanctioning Committee.

### Car Loan & Motorcycle Loan

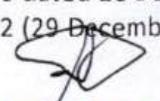
All Executives i.e. AGM and above can avail Car Loan facility by taking approval from the Car Loan Recommending Committee and all confirmed Officers are eligible for Motor Cycle Loan (Interest free) by taking approval from the competent authority at Head Office.

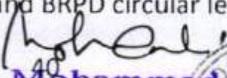
## 2.6 Revenue recognition

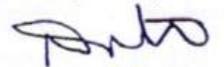
### i) Interest income

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).

  
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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 2023 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)**

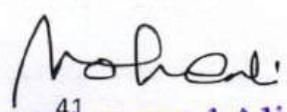
Provisions for unsettled transactions on nostro accounts are reviewed semi-annually by management and certified by our external auditors in accordance with Bangladesh Bank Foreign Exchange Policy Department (FEPD) Circular No. 677 (13 September 2005). Bank is required to make provision regarding the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

2.9 **Reconciliation of books of account**

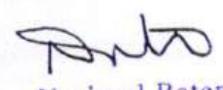
Books of account in regard to inter-bank (inside Bangladesh and outside Bangladesh) and inter-branch transactions are being regularly reconciled. The Bank however, formed a task force to take positive steps to eliminate the long outstanding inter-branch entries within the shortest period of time.

  
  
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**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.

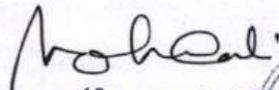
**2.12 Compliance of International Accounting Standard, International Financial Reporting Standard (IAS), (IFRS)**

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	Not applicable
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	Not 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

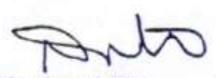
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IAS-16 Property, Plant and Equipment	Complied
IAS-19 Employee Benefits	Complied
IAS-20 Accounting for Government Grants and Disclosure of Government Assistance	Not applicable
IAS-21 The Effect of Changes in Foreign Exchanges Rates.	Complied
IAS-23 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-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.

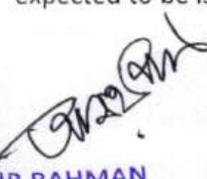
\*\* The objective of IAS 34 is to prescribe the minimum content of an interim financial report and to prescribe the principles for recognition and measurement in complete or condensed financial statements for an interim period and hence it is not applicable for annual financial statements. However, Pubali Bank PLC. being a listed entity in DSE and CSE regularly publishes interim financial reports complying with IAS 34.

#### Reason for departure from IFRS

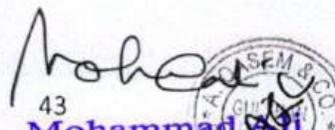
The central Bank of Bangladesh (Bangladesh Bank) as regulator to the Banking Industry has issued a number of circulars/directives which are not consistent with the requirements specified in the IAS/IFRS as referred above. In such cases the bank has followed the regulatory requirements specified by the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

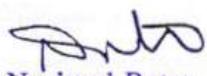
#### Standards issued but not yet effective

In 2023, Pubali Bank PLC. has published a Sustainability Report without considering the guidance of IFRS S1: General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2: Climate related disclosures, as the compliance of both standards is not mandatory for this year. However, the Bank has plan to implement IFRS S1 and IFRS S2 in 2024. The application of IFRS S1 and IFRS S2 may lead to changes in the Bank's operation and governance resulting an improvement in sustainability performance and achievement of the sustainability goals. Apart from this, the Bank and the key stakeholders will be able to compare the disclosed information objectively once all the entities are required to follow the similar sustainability reporting framework i.e. IFRS S1 and IFRS S2 from 2024. During implementation of IFRS S1 and IFRS S2, the Bank might have to incur additional costs relating to recruitment of additional staffs, relevant data collection and analysis, development & modification of internal control, and production of sustainability report. Moreover, IASB introduced IFRS 18: Presentation and Disclosure in Financial Statements in replacement of IAS 1. IFRS 18 is expected to be issued in April 2024 and will be effective for annual reporting periods

  
  
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### A. IFRS 17 Insurance Contracts

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

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

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

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

#### Right-of-use assets (ROU)

The Bank recognizes right-of-use assets at the date of initial application of IFRS 16. The ROU asset is initially measured at cost at the amount of the lease liability plus any initial direct costs incurred by the lessee and depreciated using the straight line methods from the commencement date (from the beginning of 2019) to the earlier of the end of the useful life of the right of use asset or the end of the lease term. The ROU assets are presented under fixed assets (note 8).

#### Lease Liability

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

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

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

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

#### Summary of IFRS 16:

BDT in million

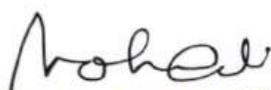
Particulars	ROU Assets	Lease Liability
Opening Balance	3,678.11	1,663.03
Addition	515.07	515.07
Interest Expense	-	152.96
Accumulated Depreciation/Lease Payment	(2,286.20)	(670.01)
Closing Balance	1,906.98	1,661.05

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## 2.14 Risk Management

Risk is inherent in banking business and Pubali Bank is not an exception. The Bank faces different risks which includes 06 core risks e.g. i) Credit Risk, ii) Internal Control & Compliance Risk, iii) Money Laundering Risk, iv) Asset-Liability Management Risk and vi) Foreign Exchange Risk, and vi) Information & Communication Technology Risk as per regulatory guidelines. Moreover, Bank faces Residual Risk, Concentration Risk, Liquidity Risk, Reputation Risk, Strategic Risk, Settlement Risk and Environmental & Climate Change Risk etc. as per Pillar 2 of Basel III. Like most of the Banks, Pubali Bank is also conducting banking business through state-of-the-art information & communication technologies which is also creating cyber security threat and other operational risks. However, the Bank employs proper tools and techniques for managing those risk in efficient and timely manner and as such creating awareness in the Bank regarding risk management and compliance culture.

In Pubali Bank PLC. risk is managed through a balanced organizational structure that are closely aligned with the activities of the Bank's risk management policies and processes as well as in line with the guidelines provided by Bangladesh Bank. The Bank has a Risk Management Committee of the Board as per regulatory requirement which oversee the risk management culture and practices of the Bank. The Bank has a separate Risk Management Committee at Management level namely 'Executive Risk Management Committee (ERMC)' which is headed by the Chief Risk Officer (CRO) who is also General Manager & Head of Risk Management Division. There are some other committees in the bank to address other risks such as Credit Committee, Senior Management Team (SMT), Asset Liability Committee (ALCO). Central Taskforce Committee for NPL. Recovery, Management Reporting System Committee and Ethical Banking Committee etc.

There are some other committees which are eventually working for managing different risks of the Bank e.g. Credit Committee for Corporate & CMSME, Asset Liability Committee (ALCO), Central Compliance Committee for preventing money laundering & combating terrorist financing, Taskforce Committee for NPL Recovery, Sustainable Finance Committee, Management Reporting System Committee for MIS, Ethical Banking Committee, MANCOM, Senior Management Team (SMT) etc.

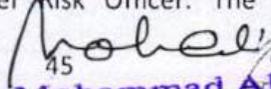
Pubali Bank revises its Risk Management Guideline as per regulatory requirement and considering other contemporary changes. The Board approved guideline has been disseminated to all Branches, Sub Branches, Regional Offices, Principal Offices and Divisions of Head Office for compliance. Monthly meeting of Executive Risk Management Committee (ERMC) is arranged regularly where key risk issues are discussed and recommendations are provided to the management for implementation. Risk Management Reports are being placed in the meeting Board Risk Management Committee on quarterly basis. Few reports are being placed for approval of the Board of Directors usually on yearly basis. Apart from this minutes of the meetings along with risk management papers/reports are being submitted to Bangladesh Bank on monthly, quarterly and half-yearly basis in due course. Risk Management Division also prepares Risk Appetite Statement (RAS) and Review Report of Risk Management Policies and Effectiveness of Risk Management Functions of the Bank on yearly basis.

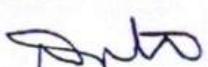
The Bank has a comprehensive risk management system to ensure that the risks it takes are compatible with its risk appetite, and their impact on capital. The Bank is still concentrating on improving its capacity for risk management and capital management. The Board from time to time evaluates the Bank's risk profile to ensure risk levels are within the established risk appetite. Additionally, senior management monitors key strategic risks and adopts new strategies (if required) to reach its goals.

The bank has already introduced Internal Credit Risk Rating (ICRR) for all its applicable credit proposals which is being approved by the Chief Risk Officer. The bank gives importance on Credit

  
  
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Rating/improvement of Credit Rating of all applicable borrowers to reduce risk weighted assets & required capital. Central Taskforce Committee visits field offices on monthly basis which is instrumental to reduce the NPL ratio of the Bank.

As per Bangladesh Bank directives, the bank prepares Recovery Plan on yearly basis with giving stress on 5 parameters namely CET 1 Capital Ratio, CRAR, ADR, LCR and NSFR. In Recovery Plan, three stress scenarios are being applied by the Bank which are i) withdrawal of deposit, ii) asset quality downgrade and iii) equity and investment shock. The plan is being approved by the Board of Directors and submitted to Bangladesh Bank in due course.

#### 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 counterparty to perform as per contractual agreement with the bank. The failure may result from unwillingness of the counterparty 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 Corporate Credit Division; CMSME 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. Corporate Credit Division and CMSME 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.

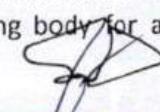
A thorough assessment is done before sanction of any credit facility at Corporate Credit Division and CMSME Division Head Office; Regional Office & Corporate Branch. The risk assessment is done includes borrower's evaluation, financial statement analysis, industry analysis, credit history of the customer, 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. Deputy Managing Director acts as Chairman of the CMSME and Corporate Credit committee at Head office level. Similarly, Head of Principal office, Head of Regional office and Head of Corporate Branch act as Chairman of the respective credit Committee at Principal office, Regional office and Corporate Branch level. Loans exposure beyond the discretionary power of Managing Director are placed before the Board of Directors of the Bank for approval. Concentration of Credit Risk Management is shown in note 7.5, 7.6, 7.7 & 7.8

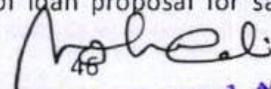
In determining single borrower/large loan exposure, the instructions of Bangladesh Bank are strictly followed. Internal audit is conducted on periodical interval to ensure compliance of Bank's and Regulatory policies. In addition, external audit firms are also engaged in this regard. Loans are classified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

**Corporate Credit Committee:** At present Bank's Corporate Credit Committee consist of 07 (seven) members where the Deputy Managing Director as Chairman; Senior Most Deputy General Manager of Corporate Credit Division as Member Secretary; the Deputy Managing Director, the Heads of Corporate Credit Division, CFO & Head of Central Accounts Division and Head of Treasury Division as Member act recommending body for approval of loan proposal for sanction, renewal and enhancement or

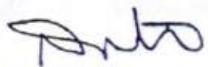
  
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decline in a rational manner after threadbare discussion of the proposal adhering to the interest of the Bank.

**Retail and CMSME Credit Committee:** At present Bank's Retail and CMSME credit committee consist of 05 (five) members where the Deputy Managing Director as Chairman; Senior Most Deputy General Manager of CMSME Division as Member Secretary; the Deputy Managing Director, the Heads of CMSME Division and Head of Islamic Banking wing as Member act as recommending body for approval of loan proposal for sanction, renewal and enhancement or decline in a rational manner after threadbare discussion of the proposal adhering to the interest of the Bank.

**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.

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

**c) Asset and Liability Management**

Asset and Liability Management (ALM) is an integral part of core risk management in the Bank. ALM is a mechanism to address the risk faced by the Bank due to disparity between assets and liabilities. There is a structured and systematic process to manage ALM risk as well as Balance Sheet risk. The Bank has an Asset and Liability Management Committee (ALCO) including the senior management who are dedicated to manage the Asset and Liability Management risk in the Bank. Core objectives of ALM are:

- To mitigate financial risk
- To ensure regulatory compliance
- To ensure long term stability
- To ensure earning efficiency

ALCO provides comprehensive and dynamic framework for measuring, monitoring and managing financial risks and to earn sufficient return through maintaining a comfortable liquidity position.



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d) AML & CFT

Money Laundering and Terrorist Financing are global Phenomenon. Banking sector is one of the most vulnerable sectors for the Money Laundering (ML), Terrorist Financing (TF) & Proliferation Financing (PF) among the financial sectors due to its indigenous nature of business, customer base, product type, delivery channel, external linkage and ownership. Banks can play a pivotal role in preventing ML, TF & PF. Pubali Bank PLC, as a compliant bank, is firmly determined to prevent ML, TF & PF and to ensure the implementation of required provisions of Acts, Rules and directives of BFIU in any possible way. Pubali Bank PLC has developed particular strategies for the purpose of preventing ML, TF & PF and to ensure the implementation of required provisions of Acts, Rules and directives of BFIU.

For the purpose of preventing Money Laundering, Combating of Terrorist Financing & Proliferation Financing, our Bank has formed a Central Compliance Committee (CCC) headed by Chief Anti-Money Laundering Compliance Officer (CAMLCO). The Division Head of Anti-Money Laundering Division is the member secretary of the CCC (Central Compliance Committee) & designated as the Deputy Chief Anti-Money Laundering Compliance Officer (Deputy CAMLCO) of the Bank. The Anti-Money Laundering Division performs as the functional unit of the CCC and submits all the concerned returns to the regulator and functions of CCC are Formulating Policy or Strategy of AML & CFT, Implementation of AML & CFT compliance, Appointing BAMLCO, Point of contact regarding AML/CFT etc.

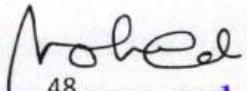
Banking sector is going through digital shifting and which is blessing for banking industries and their off-site customers. It dashes the interest of fraudsters, money launderers and other cybercriminals looking to take advantage of the digital influx. In addition to Bank's implementation of Anti Money Laundering (AML) programs and procedure of know your customer (KYC) to prevent the criminals from using of banking channel, continuous review of the programs and procedures is required to cope up with rapid changes of financial market. Pubali Bank PLC has integrated off-site and on-site supervision on AML & CFT issues with the goal of being rated top in AML & CFT status.

In line of the above, Pubali Bank PLC already has included the following activities to mitigate Money Laundering, Terrorist Financing and Proliferation Financing:

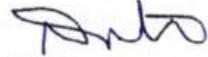
We use "FIRCO Compliance Link" to screen foreign trade transactions and use Lloyd's List Intelligence to track underlying import and export shipments and have introduced 3 Level Review Systems to prevent TBML. We monitor millions of transactions automatically using in-house developed core Banking software PIBS which is ISO certified. AML Division has integrated activities of monitoring of transactions, analysis of CTR. It also has integrated structuring monitoring, TP violation monitoring, online transaction monitoring using Module of PIBS and PMS developed by Our Software Development Division so that every customer can be brought under our monitoring system. AML Division is continuously reporting STR, SAR & CTR to BFIU through goAML for implementation of our vows of preventing Money Laundering and Combating Terrorist Financing. We asses risk associated with customers through Risk Grading System. Every branch evaluates itself half-year basis through a checklist developed by BFIU named 'Self-Assessment'. Our internal auditors assess Money Laundering and Terrorist Financing prevention status of the branches while conducting audit using Independent Testing Procedure (ITP) as per checklist developed by BFIU. AML Division is imparting outreach training as per training calendar all over the year on AML & CFT issues physically or virtually to enrich employees with knowledge of AML & CFT so that they can prevent ML & TF. About 1519 participants attended these training programs in 2023.

  
  
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**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 the 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. Internal control consists of policies and procedures only part, not all. Internal control provides only reasonable assurance, not absolute assurance, about the 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.

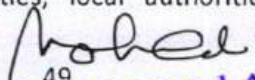
The main objectives of internal control system in a bank are as: (i) Operations objectives: achievement of a bank's basic mission and vision, (ii) Reporting objectives: timely, accurate and comprehensive reporting-financial and non-financial, external, and internal and (iii) Compliance objectives: conducting 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 the internal control system ensure that all necessary information that flows 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 is 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.

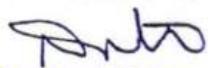
Compliance refers to operating the bank in conformity with applicable laws, regulations, policies, standards, guidelines etc. applicable to all institutions in its category and responding fully and in a timely manner to supervisory criticism and orders to take corrective action issued by the applicable 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 of reputation because 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.

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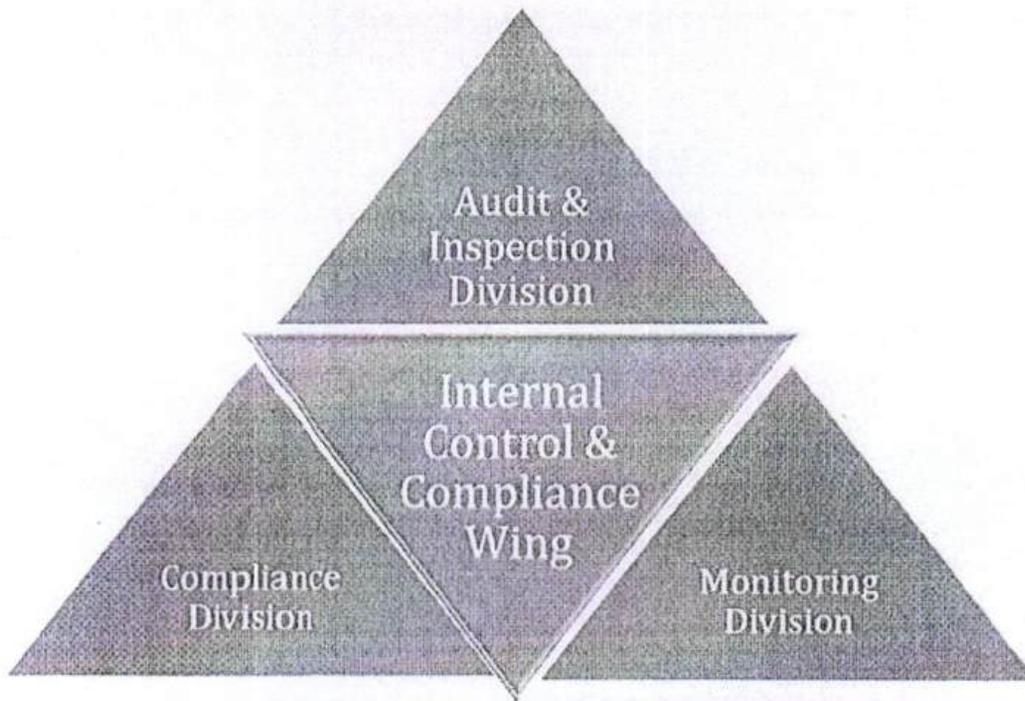
  
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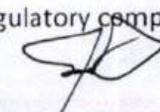
Compliance risk can lead to imposition of fines & penalties, payment of damages, loss of market share, regulatory sanction and in severe case loss of franchise etc. It can also lead to a diminished reputation, also known as reputation risk, arising from an adverse perception of the image of the bank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

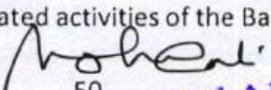
Importance of Internal Control & Compliance has substantially increased in the banks due to expansion of business, addition of Branches/Sub-Branches/ Islami Banking Windows, diversified & sophisticated banking products/services, use of information technology, preparation and implementation of Risk Based 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, the ICC organogram of our bank has been restructured. Mr. Ahmed Enayet Manzur, Honorable Deputy Managing Director, is functioning as the Head of Internal Control & Compliance Wing of our bank. Furthermore, in accordance with the ICC organogram, the current responsibilities of 'Chief of Compliance and monitoring' are being assumed by Mosammat Shahida Begum, General Manager. 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:



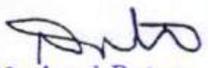
Audit & Inspection Division conducts audits as per Risk Based Audit Plan approved by the Audit Committee of the Board of Directors. IT auditor is attached with audit team to conduct IT audit. Our Islamic Banking Wing conducts Shari'ah Audit in the Islamic Banking Windows of the bank. Monitoring Division is engaged in monitoring function through different monitoring tools such as Pubali Monitoring System (PMS), Departmental Control Function Checklist (DCFCL), Quarterly Operations Report (QOR) and Loan Documentation Checklist (LDCL)/Investment Documentation Checklist (IDCL) etc. Compliance Division deals with internal & external (Bangladesh Bank) audit compliance related works and all regulatory compliance related activities of the Bank. Synopsis of audit report of High-Risk

  
  
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Branches, all Divisions & Pubali Securities Ltd. are now placed before the Audit Committee of the Board of Directors in the form of Memorandum regularly. It ensures that the Bank is operating complying with all applicable laws, regulations, policies, standards, guidelines, Ethical Standard etc. and acts as the contact point of the Bank. This division stimulates and gives necessary directions to the branches/sub-branches/Islamic banking windows to regularize anomalies detected by the auditor during audit period. The division has also been entrusted to implement the National Integrity Strategy (NIS) of our Bank.

The issues of effective internal control systems, 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. 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, Monitoring Division of our bank submits Self-Assessment Report on Anti-Fraud Internal Controls to Bangladesh Bank on half yearly basis, duly signed by Honorable Managing Director & CEO and countersigned by Honorable Chairman of the Audit Committee of the Board of Directors.

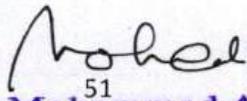
As per instruction of revised ICC Guidelines of Bangladesh Bank, an annual report on the Health of the bank is prepared and the same is submitted to Audit Committee of the Board, Board of Directors of the bank and, Banking Regulation & Policy Department, Bangladesh Bank as regulatory compliance.

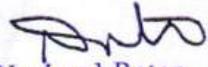
Bangladesh Bank in its revised ICC Guideline has asserted that all banks should have a Compliance policy of their own approved by the Board of Directors, which will be a formal document for establishing a permanent and effective compliance function. Accordingly, the Compliance Division of our Bank has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

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

  
  
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**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 PLC. has been extending customer services at all of our 504 branches and 189 sub-branches using our in-house developed core banking software, Pubali Integrated Banking System (PIBS) and at 19 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 504 branches, 189 sub-branches and 19 Islamic Wings across the country. The Online Banking Network of Pubali Bank PLC. 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 has developed software for Mobile Banking, SMS Banking and Agent Banking.

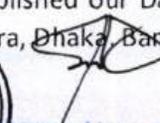
We have introduced Mobile Banking Application, PI (π) for our customers with different transactional and non-transactional banking services for 24/7. Current Available Transactional Features include Regular Fund Transfer, Fund Transfer through API i.e. transfer to Bkash, Nagad, Other Bank's account, 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.

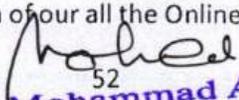
We have participated in the Real Time Gross Settlement (RTGS) and NIKASH from its inception as a pioneer bank through our in-house developed software, PIBS. We have successfully implemented Software for Bangladesh Automated Clearing House (BACH-2) and Bangladesh Electronic Fund Transfer Network (BEFTN), Credit Information Bureau (CIB) Reporting as per guidelines of Bangladesh Bank.

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

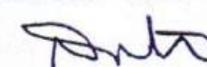
  
**MD. ANISUR RAHMAN**  
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& Company Secretary  
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**Mohammad Liton Miah FCA**  
General Manager & CFO  
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Managing Director & CEO  
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Head Office, Dhaka



  
**Nasimul Baten**  
Managing Director & CEO  
DBH Finance PLC.

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Center and Disaster Recovery Center simultaneously to ensure business continuity even in disaster. Moreover, we have recently added Exadata storage solution for enhancing storage capacity of our Data Center and Disaster Recovery Center that assured uninterrupted data availability for end users and proliferated period end data processing speed. Data Center and Disaster Recovery Center of Pubali Bank PLC. 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 Threat 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 Active Directory Domain Services (ADDS) 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, Schedule of Charges, 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.

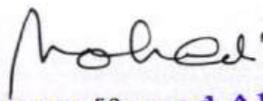
Pubali Monitoring System has been developed for different Divisions of Head Office, Regional Offices and Principal Offices to monitor/observe the status of branch operation and performance under their jurisdiction.

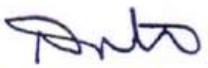
We have already deployed IP Phone to our Head Office, Principal Offices, Regional Offices, Corporate Branches, Branches and Sub-Branched. We have successfully launched video conferencing system through which countrywide video conferences are held at nearly free of cost and external communication becomes less costly. Hence, Pubali Bank is experiencing Standard Unified Communication System.

Pubali Bank PLC. 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 PLC. to a technology based banking. ICT Operation Division is working hard for achieving this objective within a short period of time.

  
  
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## 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-2023, 01 instance(s) of Final for Tk. 35.91 Lac was recurred at our Bailtali Sub Branch under Chandanish Branch of Chattogram South Region. The said fraud amount has already been recovered from the delinquent employee(s). Initial administrative action is taken and investigation/inquiry is under process. Also initiating of legal action(s) as per rules is under process.

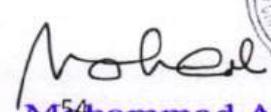
## 2.17 Off Balance Sheet items

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.

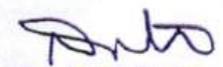


  
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DBH Finance PLC.

### Provision for off-balance sheet exposure

"As per BRPD circular No.14 (23 September 2012), BRPD circular No. 07 (21 June 2018), BRPD circular No.13 (18 October 2018) and BRPD circular No.06 (25 April 2023) the Bank has recognised @ 1% General Provision with additional Provision on the following off-balance sheet exposures as defined in BRPD circular No.06 (25 April 2023).

- 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 18 April 2024.

### 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 2023 to 31 December 2023.

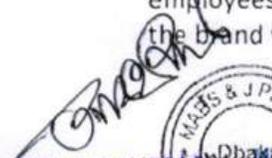
### 2.22 Number of employees

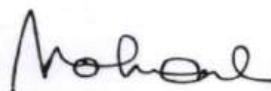
The number of employees employed in the Bank as on 31 December 2023 was 9,608 of which 8,127 were male and 1,481 were female. The number of employees per branch was 13.03 (504 branches, 189 Sub-branches and 19 IBWs) excluding 1512 employees in the Head Office, Regional Offices and Principal Offices of the Bank.

### 2.23 Training

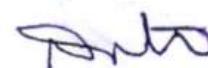
Training is a continuous process of developing human skills for the greater perfection of service delivery to achieve the desired customer satisfaction. Human skills which are associated with the new ideas, thoughts, regulatory compliance and new horizon of new hierarchy. Pubali Bank Training Institute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

  
  
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As per decision by the management PBTI has been shifted to BIWTC Bhaban (3rd floor), 5-Dilkusha C/A, Dhaka from 114, Motijheel C/A, Level-15, Dhaka-1000 on 18.03.2023 and Computer Lab of ICT Operation Division has been merged with PBTI as per decision by the management from 10.04.2023.

In the year 2023 Pubali Bank Training Institute has launched a new dimensional Training program for accelerating knowledge and skill in full phases with computer lab both in physical and virtual platform.

It is to be noted that we have conducted 10 virtual training on "AML, CFT and Prevention of Trade Based Money Laundering" with the support of Anti-Money Laundering Division as a compliance issue of regulatory authority and 867 participants got training covering the all branches, Regional Offices, Principal Offices and Head Office Divisions as on 31.12.2023.

During the year 2023 Pubali Bank PLC. arranged total no. 371 of Training Programmed where the Pubali Bank Training Institute has successfully completed Physical and virtual training courses with 194 frequencies covering 10,972 participants and HRD conducted 177 no of external training programmed covering 603 participants at BIBM, BBT, IBB, ICCB, BAB and ICSB etc. Training helps in updating old talents and developing new ones.

## 2.24 Audit committee

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

Name	Status in the Board	Status in the Committee	Educational Qualification
Mr. Mohammad Naushad Ali Chowdhury	Independent Director	Chairman	BSc(Hons), MSc (Physics), MBA
Mr. Fahim Ahmed Faruk Chowdhury	Director	Member	MSc (Business Economics), UK
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

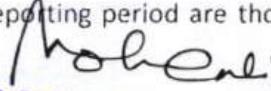
As per IAS-10 "Events after the Reporting Period" events after the reporting period are those events, favorable and unfavorable, that occur between the end of the reporting period and the date when the financial statements are authorized for issue. Two types of event can be identified:

(a) Adjusting events after the reporting period which provide evidence of conditions which existed at the end of the reporting period; and

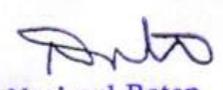
(b) Non adjusting events after the reporting period are those that are indicative of conditions that arise after the reporting period.

  
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## 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:

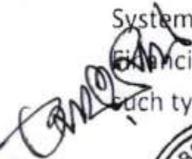
- (i) That engages in business activities from which it may earn revenues and incur expenses (include revenues and expenses relating to transactions with other components of the same entity);
- (ii) Whose operating results are regularly reviewed by the entity's chief operating decision maker to make 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

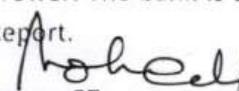
Financial Statement of a company is a mandatory document for sanctioning new loan facilities as well as renewal and enhancement of existing facilities. As per BRPD Circular Letter No. 04 dated 04 January 2021 issued by Bangladesh Bank, at the time of loan sanction/renewal, it is mandatory to preserve 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-2023, 498 borrowers submitted Audited Financial Report out of 591 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. The bank is accessing the DVS system and verifying all such types of Firms' Audited Financial Report.

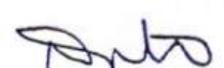
  
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**MABS & J Partners**  
Chartered Accountants  
Dhaka

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**AQC**  
ASSOCIATED ACCOUNTANTS  
Dhaka

  
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Information about Loan sanctioned/renewed in Year-2023 to Firms:

Particulars	No. of Borrower	Audited Financial Report along with DVC No.	Percentage (%)
Loan to Firms other than Proprietorship & Partnership (public interest entities)	591	498	84.26%

### 2.31 Credit Rating of the Bank

As per BRPD circular no. 6 dated 5 September 2006, the bank has done its credit rating by Credit Rating Information and Services Limited (CRISL) based on the financial statements as at and for the year ended 31 December 2022. The following ratings have been awarded:

Particulars	Periods	Date of rating	Long term	Short term
Entity rating (CRISL)	January to December 2022	June 23, 2023	AA+	ST-1
Entity rating (CRISL)	January to December 2021	July 25, 2022	AA+	ST-1
Entity rating (NCR)	January to December 2020	July 27, 2021	AA+	ST-1

### 2.32 General

- 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.
- Figures in these notes and in the annexed financial statements have been rounded off to the nearest Taka.
- These notes form an integral part of the annexed financial statements and accordingly are to be read in conjunction therewith.



  
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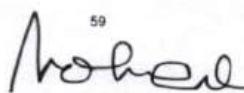
  
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Managing Director & CEO  
DBH Finance PLC.

Pubali Bank PLC.  
Notes to the financial statements for the year ended 31 December 2023

	2023 Taka	2022 Taka
<b>3 Cash</b>		
Cash in hand ( Including foreign currencies)		
In local currency	9,115,035,165	8,884,367,385
In foreign currencies	15,386,936	17,721,435
	<u>9,130,422,101</u>	<u>8,902,088,820</u>
Balance with Bangladesh Bank and its agent Bank(s) (Including foreign currencies)		
Bangladesh Bank (Annexure-E)		
In local currency	22,141,218,196	22,142,960,998
In foreign currencies	694,381,564	809,270,503
	<u>22,835,599,760</u>	<u>22,952,231,501</u>
Sonali Bank as agent of Bangladesh Bank		
In local currency	2,131,038,102	2,595,526,118
	<u>24,966,637,862</u>	<u>25,547,757,619</u>
	<u>34,097,059,963</u>	<u>34,449,846,439</u>
<b>3.1 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 numbers 1, 2 dated 03 April 2018, DOS circular no. 01 dated 19 January 2014 and MPD circular no. 01 dated 09 April 2020 respectively.		
The Cash Reserve Ratio (CRR Daily) required on the Bank's time and demand liabilities at the rate of DBO 3.50%, OBO 1.50% & Islamic 3.50% has been calculated and maintained with Bangladesh Bank through the current account and 13% (DBO & OBO) & 5.50% (Islamic) 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:		
<b>3.1.1 Cash Reserve Ratio (CRR)</b>		
Required Reserve (daily basis)	21,431,230,000	21,397,563,000
Actual Reserve maintained	22,765,758,625	22,698,152,170
Surplus/(deficit)	<u>1,334,528,625</u>	<u>1,300,589,170</u>
<b>3.1.2 Statutory Liquidity Ratio (SLR)</b>		
Required Reserve (13%)	80,549,209,000	71,321,072,000
Actual Reserve maintained	138,309,987,478	128,612,207,150
Surplus/(deficit)	<u>57,760,778,478</u>	<u>57,291,135,150</u>
<b>Held for Statutory Liquidity Ratio (SLR)</b>		
Cash in Hand	9,130,422,101	8,902,088,820
Balance with agent Bank (Sonali Bank PLC)	1,135,725,526	885,378,806
Excess Cash Reserve	64,933,753	1,300,589,170
Government Securities (HTM)	91,933,369,997	72,892,046,883
Government Securities (HFT)	34,058,806,975	42,645,374,345
Other Eligible Securities	1,986,729,126	1,986,729,126
	<u>138,309,987,478</u>	<u>128,612,207,150</u>
<b>3.1.3 Total required amount of CRR and SLR</b>		
Total required reserve	101,980,439,000	92,718,635,000
Total actual reserve maintained	161,010,812,350	150,009,770,150
Total Surplus	<u>59,030,373,350</u>	<u>57,291,135,150</u>
<b>3(a) Consolidated Cash</b>		
Cash in hand (Including foreign currencies)		
Pubali Bank PLC.	9,130,422,101	8,902,088,820
Pubali Bank Securities Limited	-	-
	<u>9,130,422,101</u>	<u>8,902,088,820</u>
Balance with Bangladesh Bank and its agent Bank (s) (Including foreign currencies)		
Pubali Bank PLC.	24,966,637,862	25,547,757,619
Pubali Bank Securities Limited	-	-
	<u>24,966,637,862</u>	<u>25,547,757,619</u>
	<u>34,097,059,963</u>	<u>34,449,846,439</u>
<b>4 Balance with other banks and financial institutions</b>		
In Bangladesh (Note 4.1)	4,352,466,646	5,012,859,563
Outside Bangladesh (Note 4.2)	1,804,179,192	4,797,398,689
	<u>6,156,645,838</u>	<u>9,810,258,252</u>
<b>4.1 In Bangladesh</b>		
In current deposit accounts (In local currency)		
Janata Bank PLC.	1,448,256	65,050,296
	<u>1,448,256</u>	<u>65,050,296</u>
In fixed/term deposit account (In local currency)		
ICB Islamic Bank PLC., Bangshal Branch, Dhaka	32,371,626	32,386,626
ICB Islamic Bank PLC., Principal Office, Dhaka	188,228,773	188,293,773
Exim Bank PLC.	950,000,000	1,050,000,000
Investment Corporation of Bangladesh	700,000,000	940,000,000
Southeast Bank PLC.	548,750,000	-
Mutual Trust Bank PLC., Dhaka	1,893,584,310	-
United Commercial Bank PLC.	-	500,000,000
Agrani Bank PLC.	-	2,200,000,000
	<u>4,312,934,709</u>	<u>4,910,680,399</u>
In savings deposit account		
Islami Bank Bangladesh PLC.	15,767,391	15,309,880
	<u>15,767,391</u>	<u>15,309,880</u>

  
  
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 Managing Director & CEO  
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 Head Office: Dhaka



  
**Nasimul Baten**  
 Managing Director & CEO  
 DBH Finance PLC.

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In Special Notice Deposit account

Sonali Bank PLC., Shilpa Bhaban Branch, Dhaka  
Bangladesh Krishi Bank, Local office, Dhaka  
Janata Bank PLC., Nawabpur branch, Dhaka  
First Security Islami Bank PLC., Diluksha Branch, Dhaka  
AB Bank PLC., Islamic Banking Branch, Dhaka

2023 Taka	2022 Taka
235,003	90,417
8,225,233	8,029,752
6,449,884	6,423,736
6,864,840	6,737,107
541,330	537,976
<b>22,316,290</b>	<b>21,818,988</b>
<b>4,352,466,646</b>	<b>5,012,859,563</b>

Total Deposit in Bank In BDT

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

Name of Bank	Foreign currency name	2023			2022		
		Conversion rate per unit FC	Amount in Foreign Currency	Amount in Taka	Conversion rate per unit FC	Amount in Foreign Currency	Amount in Taka
SCB Mumbai (AMEX)	ACUD	-	-	-	103.2970	30,177.44	3,117,239
Bank of Bhutan, Thimpu	ACUD	109.7500	882.08	96,808	103.2970	2,735.75	282,595
MUFG Bank Ltd. Japan	JPY	0.7770	5,679,858.00	4,413,199	0.7716	12,736,616.00	9,827,849
Commerz Bank , Germany	USD	109.7500	97,945.79	10,749,550	103.2970	231,524.58	23,915,795
Habib Metropolitan Bank, Ltd., Karachi	ACUD	109.7500	2,212.51	242,823	103.2970	18,107.97	1,870,499
Habib American Bank, New York	USD	109.7500	463,544.39	50,873,997	103.2970	677,993.95	70,034,741
HDFC Bank Ltd., Mumbai	ACUD	109.7500	2,752,030.47	302,035,344	103.2970	158,393.88	16,361,613
Punjab National Bank	ACUD	109.7500	166,911.99	18,318,591	103.2970	242,114.65	25,009,717
HSBC Bank, Mumbai	ACUD	109.7500	64,075.94	7,032,334	103.2970	64,075.94	6,618,852
ICICI Bank Ltd., Kolkata, India	ACUD	109.7500	2,615.57	287,059	103.2970	233,939.59	24,165,258
AB Bank, Mumbai	ACUD	109.7500	71,545.10	7,852,075	103.2970	317,005.55	32,745,722
Mashreq Bank PSC, New york	USD	109.7500	673,807.67	73,950,392	103.2970	14,527,796.19	1,500,677,763
Mashreq Bank PSC, New york (OBU)	USD	109.7500	946,144.11	103,839,316	103.2970	6,796,395.22	702,047,238
Mashreq Bank Mumbai, India (OBU)	ACUD	109.7500	307,571.95	33,756,022	103.2970	3,847.05	397,389
Unicredit A.P.A, ITALY	USD	109.7500	65,547.50	7,193,838	-	-	-
MCB, Pakistan	ACUD	109.7500	400,602.56	43,966,131	103.2970	247,352.08	25,550,728
Peoples Bank, Colombo	ACUD	109.7500	6,248.40	685,762	103.2970	6,248.40	645,441
Sonali Bank Ltd, Kolkata	ACUD	109.7500	265,305.33	29,117,260	103.2970	567,456.66	58,616,571
Standard Chartered Bank, Kathmandu	ACUD	109.7500	975,361.70	107,045,947	103.2970	328,061.70	33,887,789
Standard Chartered Bank, New york	USD	109.7500	1,753,955.99	192,496,670	103.2970	17,614,244.97	1,819,498,663
Standard Chartered Bank, Mumbai	ACUD	109.7500	887,438.49	97,396,374	103.2970	95,549.63	9,869,990
Standard Chartered Bank, UK	GBP	140.6007	3,308.15	465,128	124.3387	4,791.69	595,792
ICICI Bank, Kolkata, India	EURO	122.0201	14,537.17	1,773,827	109.7427	14,537.17	1,595,349
UBS AG, Zurich	CHF	130.6237	3,810.54	497,747	111.3594	15,949.89	1,776,170
Unicredit S.P.A., Milano, Italy	EURO	122.0202	986.21	120,338	109.7427	215,234.25	23,620,395
Citi Bank NA, New York	USD	109.7500	141,664.56	15,547,685	103.2970	238,326.16	24,618,377
Commerz Bank , Germany	EURO	122.0201	3,205,919.29	391,186,432	109.7427	596,847.46	65,499,671
JP Morgan Chase Bank, New York	USD	109.7500	289,975.13	31,824,771	103.2970	1,993,248.49	205,896,589
ABU DHABI Commercial Bank	AED	29.8778	1,067,404.25	31,891,655	28.1218	1,393,745.15	39,194,624
AXIS Bank Ltd. India	ACUD	109.7500	267,191.84	29,324,304	103.2970	641,133.99	66,227,218
ZHEJIANG CHOUZHOU Commercial Bank	USD	109.7500	286,465.49	31,439,588	103.2970	572.40	59,127
ZHEJIANG CHOUZHOU Commercial Bank	CNY	15.4165	7,423,674.91	114,447,018	14.8132	214,263.10	3,173,925
AL RAJHI Bank	SAR	29.2635	1,115,015.50	32,629,306	-	-	-
ICICI Bank USD, Hong Kong	USD	109.7500	14,610.13	1,603,462	-	-	-
CITIBANK EUROPE PLC	EURO	122.0201	246,504.07	30,078,439	-	-	-
				<b>1,804,179,192</b>			<b>4,797,398,689</b>

4.3 Maturity grouping of balance with other banks and financial institutions

Receivable on demand	1,843,711,129	4,899,577,853
Up to 3 months	2,982,865,120	1,050,000,000
Over 3 months but not more than 1 year	1,109,469,190	3,640,000,000
Above 1 year (receivable from former The Oriental Bank PLC)	220,600,399	220,680,399
	<b>6,156,645,838</b>	<b>9,810,258,252</b>

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

<b>In Bangladesh</b>		
Pubali Bank PLC.	4,352,466,646	5,012,859,563
Pubali Bank Securities Limited	583,264,253	1,576,440,374
	<b>4,935,730,899</b>	<b>6,589,299,937</b>
Less: Inter Company Transactions	548,424,389	1,485,886,271
	<b>4,387,306,510</b>	<b>5,103,413,666</b>
<b>Outside Bangladesh</b>		
Pubali Bank PLC.	1,804,179,192	4,797,398,689
Pubali Bank Securities Limited	-	-
	<b>1,804,179,192</b>	<b>4,797,398,689</b>
	<b>6,191,485,702</b>	<b>9,900,812,355</b>

5 Money at call on short notice

Banking company (note- 5.1)	11,286,667	811,286,667
Non-banking Financial Institution (note-5.2)	26,400,000	27,700,000
	<b>37,686,667</b>	<b>838,986,667</b>

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**Mohammad Ali**  
Managing Director & CEO  
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Head Office Dhaka

**Nasimul Baten**  
Managing Director & CEO  
DBH Finance PLC.

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	2023 Taka	2022 Taka
<b>5.1 Banking company</b>		
The Premier Bank PLC.	-	800,000,000
ICB Islamic Bank PLC.	11,286,667	11,286,667
	<u>11,286,667</u>	<u>811,286,667</u>
<b>5.2 Non-banking Financial Institution</b>		
GSP Finance Co. (BD) Ltd.	26,400,000	27,700,000
IPDC Finance Limited	-	-
	<u>26,400,000</u>	<u>27,700,000</u>
<b>6 Investments</b>		
<b>Government Investments</b>		
<b>Securities</b>		
Government/ Bangladesh Bank bills - at book value (note 6.1)	15,530,470,259	11,505,232,705
Government treasury bonds (Note 6.2)	111,498,786,719	103,005,040,360
Reverse Repo (Note 6.3)	-	2,111,228,163
National prize bonds	21,797,541	12,682,101
<b>Total investment in government securities and bonds</b>	<u>127,051,054,519</u>	<u>116,634,183,329</u>
<b>Other Investments:</b>		
Shares (Note 6.4)	8,390,058,807	8,152,789,309
Debentures (Note 6.5)	294,060	294,060
Prime Bank PLC. Bond	200,000,000	300,000,000
Dhaka Bank PLC. Bond	60,000,000	90,000,000
Southeast Bank PLC. Bond - 2	-	200,000,000
Trust Bank PLC. Bond - 2	-	200,000,000
One Bank PLC. Bond - 2	-	200,000,000
Jamuna Bank PLC. Bond	60,000,000	120,000,000
Mutual Trust Bank PLC. Bond - 2	190,000,000	380,000,000
Bank Asia PLC. Bond - 2	200,000,000	300,000,000
EXIM Bank PLC Bond - 2	200,000,000	400,000,000
Dutch- Bangla Bank PLC. Bond-1	300,000,000	600,000,000
Shahjalal Islami Bank PLC. Bond	140,000,000	280,000,000
Social Islami Bank PLC. Bond - 2	-	100,000,000
The City Bank PLC. Bond - 2	87,500,000	262,500,000
Standard Bank PLC. Bond	100,000,000	200,000,000
Islami Bank Bangladesh PLC. Bond	200,000,000	400,000,000
United Commercial Bank PLC. Bond - 1	150,000,000	300,000,000
Southeast Bank PLC - 3	60,000,000	90,000,000
The City Bank PLC. Bond - 3	200,000,000	300,000,000
Dutch- Bangla Bank PLC. Bond - 2	200,000,000	300,000,000
One Bank PLC. Bond - 3	255,000,000	300,000,000
Eastern Bank PLC. Bond	600,000,000	800,000,000
Bank Asia PLC. Bond - 3	300,000,000	500,000,000
Dutch- Bangla Bank PLC. Bond - 3	400,000,000	500,000,000
Trust Bank PLC. Bond - 3	500,000,000	500,000,000
The City Bank perpetual Bond	799,000,000	799,000,000
United Commercial Bank PLC. Perpetual Bond	500,000,000	500,000,000
PRAN AGRO Limited Green Bond	180,000,000	240,000,000
NCC Bank Perpetual Bond	650,000,000	650,000,000
Islami Bank Bangladesh PLC. Perpetual Bond	100,000,000	100,000,000
Mercantile Bank PLC. Perpetual Bond	1,000,000,000	1,000,000,000
Mutual Trust Bank PLC. Bond - 3	2,500,000,000	2,500,000,000
United Commercial Bank PLC. Bond - 2	1,000,000,000	1,000,000,000
Mercantile Bank PLC. Perpetual Bond - 2	499,910,000	-
Dhaka Bank PLC. Perpetual Bond	157,955,000	-
Banga Buliding Material PLC. 1st Sukuk Baond	100,000,000	-
Al-Arafah Islami Bank PLC. Bond	160,000,000	200,000,000
Bridge financing advances (Note 6.6)	4,722,910	4,722,910
	<u>20,444,440,777</u>	<u>22,769,306,279</u>
	<u>147,495,495,296</u>	<u>139,403,489,608</u>
<b>6.1 Government/ Bangladesh Bank bills</b>		
30 days Bangladesh Bank bills	-	-
91 days treasury bills	974,525,439	4,234,682,943
182 days treasury bills	-	139,563,481
1 year treasury bills	14,555,944,820	7,130,986,281
	<u>15,530,470,259</u>	<u>11,505,232,705</u>
<b>6.2 Government treasury bonds</b>		
25 years treasury bond	-	-
20 years treasury bond	34,699,128,809	29,141,268,603
15 years treasury bond	15,975,078,893	16,981,980,475
10 years treasury bond	32,462,339,227	26,040,828,365
5 years treasury bond	24,783,227,232	14,933,494,517
2 years treasury bond	2,555,332,558	15,233,788,400
	<u>110,475,106,719</u>	<u>102,331,360,360</u>
5 years Sukuk Bond	673,680,000	673,680,000
6 Months Bangladesh Govt. Islami Investment Bond	350,000,000	-
	<u>1,023,680,000</u>	<u>673,680,000</u>
	<u>111,498,786,719</u>	<u>103,005,040,360</u>



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6.3 Reverse Repo with other Bank

Government/ Bangladesh Bank bills  
182 days (Reverse Repo with other bank)

Government treasury bonds  
20 years treasury bond  
15 years treasury bond  
10 years treasury bond

2023 Taka	2022 Taka
-	465,737,374
-	465,737,374
-	376,110,084
-	545,519,060
-	723,861,645
-	1,645,490,789
-	2,111,228,163

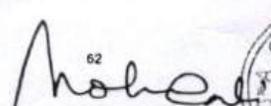
6.4 Shares

Name of company	No of share	Market price	Market value	Cost/Book value	Cost/Book value
The ACME Laboratories Limited	2,036,888	85.00	173,135,480	184,495,234	186,135,765
ACME Pesticides Limited	7,445,670	35.40	263,576,718	243,177,252	243,177,252
Bata Shoe Company (BD) Limited	105,269	966.90	101,784,596	104,463,481	93,124,144
Baraka Power Limited	1,120,790	21.30	23,872,827	28,903,695	28,903,695
Baraka Patenga Power Limited	933,895	29.30	27,363,124	30,371,573	30,371,573
Bangladesh Shipping Corporation	400,000	107.00	42,800,000	53,474,089	-
Bangladesh Submarine cable company Limited	361,644	218.90	79,163,872	70,123,254	70,123,254
Bangladesh Steel Re-Rolling Mills Limited	1,973,175	90.00	177,585,750	182,058,989	182,058,989
BSRM Steels Limited	2,798,048	63.90	178,795,267	212,974,449	212,974,448
City Bank PLC.	1,639,669	21.40	35,088,917	39,542,135	39,542,135
Confidence Cement Mills Limited	154,686	89.00	13,767,054	16,647,430	16,647,430
Delta Brac Housing Finance Corporation Limited	824,218	56.70	46,733,161	63,090,082	63,090,082
Eastern Bank PLC.	25,667,052	29.40	754,611,623	53,051,800	53,051,800
Global Islami Bank PLC.	1,383,236	8.60	11,895,830	13,173,680	13,173,680
Grameenphone Limited	940,000	286.60	269,404,000	314,358,531	314,358,531
ICB Islamic Bank PLC.	7,998,300	5.40	43,190,820	79,983,000	79,983,000
Islami Commercial Insurance Company Limited	-	-	-	-	87,980
IDLC Finance Ltd	3,850,989	46.50	179,070,989	221,795,630	221,795,630
Ifad Autos Limited	985,320	44.10	43,452,612	64,605,006	64,605,006
Jamuna oil Company limited	1,130,000	168.50	190,405,000	201,237,089	201,237,089
JMI Hospital Requisite Manufacturing Limited	-	-	-	-	66,045,395
Khulna Power Company Limited	792,717	26.60	21,086,272	36,903,300	36,903,300
Lanka Bangla Securities Limited	97,828	17.60	1,721,773	5,000,000	-
Lafarge Holcim Bangladesh Limited	297,151	69.30	20,592,564	20,916,478	-
Linde Bangladesh Limited	35,000	1,397.70	48,919,500	49,365,494	49,365,494
LR Global Bangladesh Mutual Fund One	5,184,672	6.40	33,181,901	50,000,000	50,000,000
Marico Bangladesh Limited	100,000	2,460.70	246,070,000	143,564,611	143,564,611
Meghna Insurane Limited	-	-	-	-	40,020
Mercantile Bank PLC.	6,353,566	13.30	84,502,428	100,899,807	100,899,807
MIL Bangladesh Limited	2,270,502	86.70	196,852,523	226,514,037	226,514,037
Meghna Petroleum Limited	1,000,000	198.60	198,600,000	203,475,158	203,475,158
NCC Bank PLC.	4,368,000	13.10	57,220,800	63,019,013	63,019,013
Olympic Industries Limited	262,128	152.00	39,843,456	75,383,109	75,383,109
One Bank PLC.	108,237	9.50	1,028,252	1,267,000	1,267,000
Padma Oil Company Limited	750,439	209.20	156,991,839	169,102,147	169,102,147
Power Grid Company Bangladesh	1,003,700	52.40	52,593,880	60,931,655	60,931,655
PTL	800,000	77.00	61,600,000	61,677,678	-
Rangpur Foundry Limited	84,244	154.00	12,973,576	13,721,574	-
Reckitt Benckiser Bangladesh Limited	11,268	4,760.70	53,643,568	18,222,861	18,222,861
Renata Ltd	229,812	1,217.90	279,888,035	151,728,401	151,728,401
Ring Shine Textiles Limited	-	-	-	-	11,244
Singer Bangladesh Limited	150,000	151.90	22,785,000	24,258,655	24,258,655
Square Pharmaceuticals Limited	4,257,500	210.30	895,352,250	885,601,353	418,456,694
Summit Power Limited	8,466,700	34.00	287,867,800	345,128,322	345,128,322
Titas Gas Transmission and Distribution Co. Ltd.	2,840,163	40.90	116,162,667	132,799,706	132,799,706
Unilever Consumer Care Limited	76,772	2,019.20	155,018,022	84,155,591	79,948,157
Union Bank PLC.	19,950,000	8.90	177,555,000	241,106,922	241,106,922
United Power Generation & Distribution Company Ltd	800,000	233.70	186,960,000	207,510,306	207,510,306
Uttara Bank PLC.	6,503,247	22.30	145,022,408	135,058,186	136,444,769
Sub-Total (A)			6,209,731,151	5,684,837,763	5,116,568,266

Unquoted (B)	No of share	Face Value	Market value/NAV	Cost/Book value	Cost/Book value
Swan Textile Mills Limited	578	100	-	57,800	57,800
Specialised Jute Yarn & Twine Manufacturing Co. Ltd.	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	31,066,650	10,000,000	10,000,000
Central Depository Bangladesh Limited	2,284,721	10	89,816,952	6,277,770	6,277,770
Lanka Bangla Securities Limited	97,828	10	-	-	5,000,000
Sub-Total (B)			120,883,602	17,893,250	22,893,250

  
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			2023 Taka	2022 Taka
<b>Preference Shares (C)</b>	<b>No of share</b>	<b>Face Value</b>	<b>Market value/NAV</b>	<b>Cost/Book value</b>
Raj Lanka Power Company Limited	-	10	-	-
Summit Barisal Power Company Limited	-	10	-	-
Summit Narayanganj Power Company Limited	-	10	-	-
Confidence Power Bogra Unit-2 Limited	3,000,000	10	30,000,000	30,000,000
Kushiara Power Company Limited	13,800,000	10	138,000,000	138,000,000
City Sugar Mills Limited	3,000	100,000	300,000,000	300,000,000
Flamingo Fashion Limited	1,140,000	100	114,000,000	114,000,000
Akber Ali & Company Limited	45,000,000	10	450,000,000	450,000,000
<b>Sub-Total (C)</b>			<b>1,032,000,000</b>	<b>1,032,000,000</b>
<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>
Investment Corporation of Bangladesh	63,546,441	10	949,649,126	949,649,126
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	567,551	10	33,746,923	33,746,923
Jamuna Oil Company Limited	332,737	10	56,866,924	56,866,924
Khulna Power Company Limited	1,000,000	10	50,318,619	50,318,619
Mercantile Bank Limited	4,532,732	10	82,743,448	82,743,448
Meghna Petroleum Limited	328,000	10	66,008,252	66,008,252
MJL Bangladeh Limited	54,063	10	4,907,969	4,907,969
Padma Oil Company Limited	207,873	10	46,128,499	46,128,499
Power Grid Company of Bangladesh Limited	155,000	10	9,200,275	9,200,275
Renata Ltd	68,135	10	84,787,848	84,787,848
Square Pharmaceuticals Limited	230,000	10	47,509,481	47,509,481
Summit Power Limited	1,500,000	10	62,114,646	62,114,646
Titas Gas Transmission and Distribution Co. Ltd.	168,820	10	6,288,060	6,288,060
United Power Generation & Distribution Ltd.	300,000	10	75,478,326	75,478,326
Uttara Bank PLC	724,933	10	16,764,963	16,764,963
<b>Sub-Total (D)</b>			<b>1,655,327,793</b>	<b>1,655,327,794</b>
<b>Total (A+B+C+D)</b>			<b>9,017,942,546</b>	<b>8,390,058,807</b>

6.4.1 Particulars of required provision for investment

	Market value/NAV at 31 Dec 2023	Cost/Book value at 31 Dec 2023	Required provision 2023	Required provision 2022
Quoted Shares	6,176,549,250	5,634,837,763	-	-
Mutual Fund	33,181,901	50,000,000	16,818,099	4,211,569
<b>Unquoted Shares</b>				
<b>Provision Required</b>				
Swan Textile Mills Limited	-	57,800	57,800	57,800
Specialised Jute Yarn & Twine Manufacturing Co. Ltd.	-	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	-	-	-	3,042,922
<b>Provision not Required</b>				
Karmasangsthan Bank	31,066,650	10,000,000	-	-
Central Depository Bangladesh Limited	89,816,952	6,277,770	-	-
<b>Preference Share</b>				
Confidence Power Bogra Unit-2 Limited	30,000,000	30,000,000	-	-
Kushiara Power Company Limited	138,000,000	138,000,000	-	-
City Sugar Mills Limited	300,000,000	300,000,000	-	-
Flamingo Fashion Limited	114,000,000	114,000,000	-	-
Akber Ali & Company Limited	450,000,000	450,000,000	-	-
<b>Non Capital Market Investment Element</b>				
Investment Corporation of Bangladesh	949,649,126	949,649,126	-	-
Bangladesh Submarine Cable Company Limited	14,406,686	14,406,686	-	-
Bangladesh Steel Re-Rolling Mills Limited	34,119,035	34,119,035	-	-
BSRM Steels Limited	14,288,714	14,288,714	-	-
IDLC Finance Ltd	33,746,923	33,746,923	-	-
Jamuna Oil Company Limited	56,866,924	56,866,924	-	-
Khulna Power Company Limited	50,318,619	50,318,619	-	-
Mercantile Bank PLC	82,743,448	82,743,448	-	-
Meghna Petroleum Limited	66,008,252	66,008,252	-	-
MJL Bangladeh Limited	4,907,969	4,907,969	-	-
Padma Oil Company Limited	46,128,499	46,128,499	-	-
Power Grid Company of Bangladesh Limited	9,200,275	9,200,275	-	-
Renata Ltd	84,787,848	84,787,848	-	-
Square Pharmaceuticals Limited	47,509,481	47,509,481	-	-
Summit Power Limited	62,114,646	62,114,646	-	-
Titas Gas Transmission and Distribution Co. Ltd.	6,288,060	6,288,060	-	-
United Power Generation & Distribution Ltd.	75,478,326	75,478,326	-	-
Uttara Bank PLC	16,764,963	16,764,963	-	-
	<b>9,017,942,546</b>	<b>8,390,058,807</b>	<b>18,433,579</b>	<b>8,869,971</b>
Bridge finance Advance	-	4,722,910	4,722,910	4,722,910
Debtenture - at cost	-	294,060	294,060	294,060
<b>Grand Total</b>	<b>9,017,942,546</b>	<b>8,395,075,777</b>	<b>23,450,549</b>	<b>13,886,941</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.



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	2023 Taka	2022 Taka
<b>6.4.2 Particulars of required provision for Balance with other Bank in fixed/term deposit account (in local currency)</b>		
ICB Islamic Bank PLC, Bangshal Branch, Dhaka	32,371,626	32,386,626
ICB Islamic Bank PLC, Principal Office, Dhaka	188,228,773	188,293,773
<b>Total Fixed/ Term Deposit</b>	<b>220,600,399</b>	<b>220,680,399</b>
<b>Money at call on short notice</b>		
ICB Islamic Bank PLC.	11,286,667	11,286,667
<b>Total required provision</b>	<b>231,887,066</b>	<b>231,967,066</b>
<b>Total required provision for Investment and Balance with other Bank</b>		
Investment	23,450,549	13,886,941
Balance with other Bank	231,887,066	231,967,066
<b>Grand Total</b>	<b>255,337,615</b>	<b>245,854,007</b>
Provision maintained (note: 14.4)	255,500,000	253,500,000
Excess/(Shortage)	162,385	7,645,993
<b>6.5 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
	294,060	294,060
<b>6.6 Bridge financing advances</b>		
Bridge financing advances (ICB sponsored)	4,722,910	4,722,910
<b>6.7 Maturity grouping of Investments</b>		
Receivable on demand	6,818,387,578	8,352,230,803
Not more than 3 months	2,887,625,439	21,327,375,335
Over 3 months but not more than 1 year	20,195,344,820	11,127,166,643
Over 1 year but not more than 5 years	34,061,374,060	29,961,502,313
Over 5 years	83,532,763,399	68,635,214,514
	147,495,495,296	139,403,489,608
<b>6.8 Investment classified as per Bangladesh Bank Circular</b>		
Treasury Bill - Held for trading (HFT)	15,530,470,259	11,505,232,705
Treasury Bond - Held for trading (HFT)	18,528,336,721	31,140,141,640
Treasury Bond - Held to maturity (HTM)	92,970,449,998	73,976,126,883
Approved debenture - Held to maturity (HTM)	294,060	294,060
Other securities	20,465,944,258	22,781,694,320
	147,495,495,296	139,403,489,608
<b>6.9 Repo and Reverse Repo</b>		
A. (i) Disclosure regarding outstanding repo as on 31 December 2023		

Counter Party Name	Agreement Date	Reversal Date	Amount (1st leg cash consideration)
Bangladesh Bank	24/12/2023	1/1/2024	10,577,171,000
Bangladesh Bank	27/12/2023	3/1/2024	6,740,250,000
Bangladesh Bank	28/12/2022	8/1/2024	984,197,000
<b>Total</b>			<b>18,301,618,000</b>

A. (ii) Disclosure regarding outstanding Reverse repo as on 31 December 2023

Counter Party Name	Agreement Date	Reversal Date	Amount (1st leg cash consideration)
			-
<b>Total</b>			<b>-</b>

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

Particulars	Minimum Outstanding During the year	Maximum Outstanding During the year	Daily average Outstanding During the year
<b>Securities sold under Repo:</b>			
i) With Bangladesh Bank	959,543,000	10,577,171,000	359,177,539
ii) With Other Banks and FIs	467,748,500	9,637,272,000	461,540,335
<b>Total</b>	<b>1,427,291,500</b>	<b>20,214,443,000</b>	<b>820,717,874</b>
<b>Securities Purchased under Reverse Repo:</b>			
i) From Bangladesh Bank	-	-	-
ii) From Other Banks and FIs	176,907,200	11,007,349,223	747,854,002
<b>Total</b>	<b>176,907,200</b>	<b>11,007,349,223</b>	<b>747,854,002</b>



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	2023 Taka	2022 Taka
<b>6(a) Consolidated Investments</b>		
<b>1. Government</b>		
Pubali Bank PLC.	127,051,054,519	116,634,183,329
Pubali Bank Securities Limited	468,256,415	122,126,953
	<u>127,519,310,934</u>	<u>116,756,310,282</u>
<b>2. Other</b>		
Pubali Bank PLC.	20,444,440,777	22,769,306,279
Pubali Bank Securities Limited	7,376,069,322	6,638,790,420
	<u>27,820,510,099</u>	<u>29,408,096,699</u>
	<u>155,339,821,033</u>	<u>146,164,406,981</u>
<b>7 Loans, advances/investments and leases</b>		
Loans, cash credits and overdrafts, etc. (note 7.1)	519,238,508,092	423,923,256,079
Bills purchased and discounted (note 7.2)	35,256,987,944	37,960,870,002
	<u>554,495,496,036</u>	<u>461,884,126,081</u>
<b>7.1 Loans, cash credits, overdrafts, etc.</b>		
<b>In Bangladesh:</b>		
Loans	209,216,420,429	161,240,869,772
Cash credits	95,195,820,089	72,283,468,046
Overdrafts	122,692,880,111	111,976,434,329
Earnest Money	9,466,818,539	3,765,107,165
Loan against merchandise	3,211,972	3,211,992
Packing credits	4,306,471,154	1,149,369,402
Loan against trust receipts	13,040,066,438	11,912,205,855
Pubali prochesta	100,512,561	105,643,232
Non-resident Credit Scheme	250,160	50,728
Pubali Subarna	5,050,300,333	5,966,132,134
Pubali Karmo Uddog	244,358,338	325,060,987
Pubali Sujon	30,134,552	32,225,953
Pubali Utso	29,923,590	19,709,996
Payment against documents	9,385,219,755	9,512,249,834
Consumers loan scheme	12,836,417,238	12,990,967,382
EDF loan	18,728,520,578	19,392,866,426
Lease finance (Note 7.13)	17,356,434,915	11,049,185,531
Credit card	441,052,072	301,256,486
Others	1,113,695,268	1,897,240,829
	<u>519,238,508,092</u>	<u>423,923,256,079</u>
<b>Outside Bangladesh</b>	-	-
	<u>519,238,508,092</u>	<u>423,923,256,079</u>
<b>7.1.1 Maturity grouping of Loans, Advances/Investments and Leases</b>		
Repayable on demand	22,571,263,801	27,304,642,244
Up to 3 months	153,555,571,935	117,705,095,545
Over 3 months but not more than 1 year	153,085,887,084	121,554,823,224
Over 1 year but not more than 5 years	116,481,847,417	91,912,187,086
Over 5 years	73,543,937,855	65,446,507,980
	<u>519,238,508,092</u>	<u>423,923,256,079</u>
<b>7.2 Bills purchased and discounted</b>		
<b>Payable in Bangladesh:</b>		
Loans against accepted bills	8,117,595,410	5,684,352,296
Loans against demand draft purchased	31,565	31,565
	<u>8,117,626,975</u>	<u>5,684,383,861</u>
<b>Payable outside Bangladesh:</b>		
Foreign bills purchased	27,139,360,969	32,276,486,141
Foreign drafts purchased	-	-
	<u>27,139,360,969</u>	<u>32,276,486,141</u>
	<u>35,256,987,944</u>	<u>37,960,870,002</u>
<b>7.2.1 Maturity grouping of Bills purchased and discounted</b>		
Receivable on demand	325,703,045	2,851,794,993
Not more than 3 months	20,195,977,644	20,790,512,962
Over 3 months but not more than 6 months	14,735,307,255	14,318,562,047
	<u>35,256,987,944</u>	<u>37,960,870,002</u>
<b>7.3 Loans and advances including bills purchased and discounted analysed in following broad categories</b>		
<b>In Bangladesh</b>		
Loans	309,467,434,869	245,347,737,565
Cash credits	95,195,820,088	72,283,468,046
Overdrafts	122,692,880,110	111,976,434,329
	<u>527,356,135,067</u>	<u>429,607,639,940</u>
<b>Outside Bangladesh</b>	27,139,360,969	32,276,486,141
	<u>554,495,496,036</u>	<u>461,884,126,081</u>



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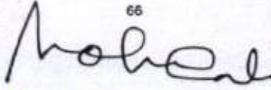
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	2023 Taka	2022 Taka
<b>7.4 Loans and advances on the basis of significant customer concentration including bills purchased and discounted</b>		
Advance to directors and others	14,610	93,045
Advance to officers and employees	5,618,830,929	4,774,792,041
Advance to customers group (note 7.9)	167,753,800,000	183,297,040,000
<b>7.5 Industry wise distribution of loans and advances</b>		
Agriculture	9,643,226,057	9,291,096,302
Jute	1,973,729,690	608,921,373
Textile	57,601,646,909	46,807,328,394
Ready-made garments	51,617,248,707	33,676,578,915
Steel & engineering	22,709,237,872	22,617,419,541
Ship breaking	3,043,212,129	2,907,010,499
Edible oil	11,153,260,136	15,616,818,043
Cement	11,787,026,004	7,609,589,986
Pharmaceuticals	9,596,220,888	12,130,011,758
Food & allied	36,463,366,770	30,857,862,042
Electrical equipments & Electronic Goods	16,007,191,975	17,622,036,739
Paper, paper products and packaging	4,463,789,998	4,310,243,616
Leather	439,794,132	381,561,694
Printing & Dyeing Industries	4,080,514,370	4,218,867,603
Others Manufacturing Industries	50,654,262,118	37,079,254,550
Energy and power	8,769,786,914	7,452,797,855
Hospitals, Clinics and other health services	7,230,484,208	7,046,081,841
Construction	26,964,053,182	16,999,334,318
Housing	13,794,512,540	11,396,175,500
Transport and communication	3,391,495,906	2,137,407,820
Others Service Industries	10,306,134,444	9,704,482,673
Trade & Commerce	90,669,972,607	82,273,454,120
NBFI (Non Bank Financial Institution)	3,394,645,594	3,764,994,321
NGO	10,982,715,202	9,878,224,497
Consumer Finance	58,239,588,555	39,536,380,144
Others	29,518,379,129	25,960,191,937
	<b>554,495,496,036</b>	<b>461,884,126,081</b>
<b>7.6 Geographical location-wise (based on fund used) distribution of loans and advances including bills purchased and discounted</b>		
<b>In Bangladesh - Urban</b>		
Dhaka	141,469,689,352	117,004,700,864
Chattogram	62,238,484,412	12,590,278,719
Sylhet	19,908,313,900	12,309,691,588
Barishal	8,110,122,432	8,241,109,564
Khulna	18,842,336,068	15,469,420,779
Rajshahi	15,149,713,857	11,229,989,260
Rangpur	13,505,445,110	10,161,895,329
Mymensingh	7,942,186,180	6,160,946,719
	<b>287,166,291,311</b>	<b>193,168,032,822</b>
<b>In Bangladesh - Rural</b>		
Dhaka	162,918,993,652	128,531,696,704
Chattogram	16,889,136,730	57,790,522,044
Sylhet	22,699,358,833	13,869,932,747
Barishal	2,689,069,500	2,071,011,098
Khulna	6,862,510,524	4,102,248,255
Rajshahi	7,344,601,025	6,834,877,476
Rangpur	8,351,390,129	5,802,274,207
Mymensingh	12,434,783,363	17,437,044,587
	<b>240,189,843,756</b>	<b>236,439,607,118</b>
<b>Outside Bangladesh (Foreign bills/drafts purchased)</b>	<b>27,139,360,969</b>	<b>32,276,486,141</b>
	<b>554,495,496,036</b>	<b>461,884,126,081</b>
<b>7.7 Sector-wise loans and advances including bills purchased and discounted</b>		
Public sector	24,756	25,756
Private sector	554,270,978,308	460,651,305,997
Co-operative sector	224,492,972	1,232,794,328
	<b>554,495,496,036</b>	<b>461,884,126,081</b>
<b>7.8 Security base-wise loans and advances including bills purchased and discounted</b>		
Collateral of movable and immovable properties	320,140,685,079	240,507,558,639
Guarantee of local banks and financial institutions	34,136,507,862	-
Export documents	7,396,744,301	11,807,775,795
Fixed/ Term deposit receipts of own Bank	36,446,182,988	39,715,605,051
FDR of other banks	381,333,859	276,120,031
Government bonds	6,655,031	59,936,488
Corporate Guarantee	58,009,559,362	90,277,476,015
Personal guarantee	87,428,059,794	78,006,723,380
Other securities	10,549,767,760	1,232,930,682
	<b>554,495,496,036</b>	<b>461,884,126,081</b>

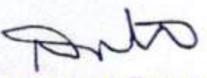


  
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2023  
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7.9 Advance to customers group (Details of large loans and advances)

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 is Taka 65,431,793,942 as at 31 December 2023.

	21	21
Number of clients	194,469,000,000	183,297,040,000
Amount of outstanding loans/advances		
* Details shown in Annexure C		
<b>Name of borrower</b>		
Paramount Group	15,145,900,000	11,443,200,000
Ha-Meem Group	13,792,200,000	7,932,300,000
Secom Group	12,905,500,000	10,455,900,000
PRAN-RFL Group	11,590,400,000	9,656,200,000
Max Group	10,887,600,000	8,393,800,000
Amanat Shah Group	10,762,600,000	10,172,700,000
Sharmin Group	10,228,800,000	9,245,900,000
City Group	9,702,600,000	13,192,700,000
JMI Group	9,020,000,000	8,701,900,000
BRB Group	8,960,800,000	7,121,600,000
MSA Spining	8,793,200,000	9,071,200,000
Abul Khair Group	8,024,200,000	6,706,500,000
AA Yarn Mills Ltd.	7,950,700,000	8,566,700,000
GPH Ispat Limited	7,923,700,000	7,523,100,000
Nabil Group	7,812,200,000	-
Biswas Group	7,306,500,000	-
City Seed Crushing Group	6,946,900,000	9,920,200,000
Fair Electronics Group	6,726,900,000	-
Jamil Iqbal Group	6,702,600,000	-
SQ Group	6,697,400,000	-
Salam Steel Group	6,588,300,000	-
Sheltech Group	-	9,385,140,000
Al Mostafa Group	-	6,317,200,000
Meghna Group	-	9,482,300,000
Pakiza Group	-	6,806,300,000
Popular Group	-	6,742,500,000
BRAC Group	-	6,459,700,000
	<b>194,469,000,000</b>	<b>183,297,040,000</b>

7.10 Classification of loans and advances including bills purchased and discounted

Classification	2023	2022
Unclassified:		
Standard	526,912,479,072	439,018,423,689
Special mention account (SMA)	6,102,162,568	5,969,682,385
	<b>533,014,641,640</b>	<b>444,988,106,074</b>
Classified:		
Substandard (SS)	1,149,360,137	1,953,264,931
Doubtful (DF)	2,716,524,269	652,108,582
Bad or loss (BL)	11,996,139,061	9,515,854,453
	<b>15,862,023,467</b>	<b>12,121,227,966</b>
Staff loan	5,618,830,929	4,774,792,041
	<b>554,495,496,036</b>	<b>461,884,126,081</b>

7.11 Particulars of required provision for loans and advances

Status of Classification	Base for Provision	Rate of Provision (%)	2023	2022
<b>General provision - Unclassified</b>				
Standard	392,383,257,998	1	3,923,832,580	3,161,628,043
Small & Medium Enterprise financing	108,174,814,861	0.25	270,437,037	239,572,748
Loans to BHS/MBs/SDs against share etc.	520,783,442	1	5,207,834	11,142,429
Housing Finance	4,316,974,669	1	43,169,747	2,738,347
Loan for Professional to setup business	10,948,312	2	218,966	432,976
Consumers loan scheme (Credit Card)	220,158,849	2	4,403,177	3,195,322
Consumers loan scheme	19,563,174,095	2	391,263,482	317,195,671
Short Term Agri Credit and Micro credit	1,722,366,846	1	17,223,668	101,543,658
Special mention account (SMEF)	2,370,602,000	0.25	5,926,505	4,927,434
Special mention account (Credit Card)	6,443,049	2	128,861	69,102
Special mention account (CLS)	149,509,841	2	2,990,197	3,463,049
Special mention account (HF)	24,104,867	1	241,049	46,843
Special mention account (Others)	3,322,540,955	1	33,225,410	34,936,303
Staff Loan	5,618,830,929	1	56,188,309	-
			<b>4,754,456,822</b>	<b>3,880,891,925</b>
Provision kept as per Bangladesh Bank Inspection Team instruction against stay order given by Hon'ble High Court.			1,595,168,098	1,595,168,098
General provision to mitigate future risk			1,380,836,638	1,380,836,638
Special General Provision-COVID 19 has been maintained as per BRPD circular letter no.56/2020, 50/2021, 52/2021, 53/2021 and 53/2022			930,338,940	1,046,629,539
			<b>8,660,800,498</b>	<b>7,903,526,200</b>
<b>Specific provision - Classified</b>				
Substandard (Agri & Micro credit)	637,051	5	31,853	18,614
Substandard (Small, Cottage, Mirco credit)	294,734,018	5	14,736,701	17,414,607
Substandard (Others)	1,305,736,962	20	261,147,392	248,270,344
Doubtful (Agri & Micro credit)	-	5	-	13,332
Doubtful (Small, Cottage, Mirco credit)	149,570,926	20	29,914,185	43,401,013
Doubtful (Others)	5,117,562,333	50	2,558,781,167	820,807,022
Bad Loss	12,603,766,042	100	12,603,766,042	12,062,735,288
			<b>15,468,377,340</b>	<b>13,192,660,137</b>
Excess provision			24,129,177,838	21,096,186,337
Provision maintained (note 24.1)			24,174,634,828	21,115,754,196
			<b>45,456,990</b>	<b>19,567,859</b>

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	2023 Taka	2022 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	391,111,364,818	280,559,220,209
(iii) Loans considered good being secured by the personal security of one or more parties in addition to the personal security of the debtors.	22,901,574,092	22,901,574,091
(iv) Loans adversely classified; provision not maintained there against	140,482,557,126	158,423,331,781
	<u>554,495,496,036</u>	<u>461,884,126,081</u>
(v) Loans due by directors or officers of the bank or any of them either severally or jointly with any other persons	5,618,845,539	4,774,885,086
(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.	5,618,845,539	4,774,885,086
(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	3,394,645,594	3,764,994,321
(x) Amount of classified loan on which interest/Profit has not been charged as follows		
a) Increase / (decrease) of provision ( specific)	948,301,099	335,835,844
b) Amount of written off debt including interest suspense	-	(1,333,587,953)
c) Amount of debt recovered against the debt which was previously written off	164,627,258	172,703,132
d) Amount of Provision kept against loans classified as bad or loss	12,603,766,042	12,062,735,200
e) Amount of interest credited in suspense account	8,042,758,553	6,752,276,864
(xi) Cumulative amount of written off from Loans		
Opening Balance	20,700,227,326	19,366,639,373
Amount of written off during the current year	-	1,333,587,953
	<u>20,700,227,326</u>	<u>20,700,227,326</u>
(xii) Amount of written off loans for which law suit has been filed for recovery	<u>20,518,284,006</u>	<u>20,518,284,006</u>
<b>7.13 Lease finance</b>		
Lease rental receivable within 1 year	3,933,755,282	3,863,558,576
Lease rental receivable within 5 years	9,682,163,126	8,328,348,043
Lease rental receivable after 5 years	5,509,737,489	445,668,558
Total lease rental receivable	19,125,655,897	12,637,575,177
Less : Un-earned interest receivable	(1,769,220,982)	(1,588,389,646)
Net Lease finance	<u>17,356,434,915</u>	<u>11,049,185,531</u>
<b>7(a) Consolidated Loans, Advances/Investments</b>		
<b>Loans, cash credits, overdrafts, etc.</b>		
Pubali Bank PLC.	519,238,508,092	423,923,256,079
Pubali Bank Securities Limited	914,168,799	867,878,533
	<u>520,152,676,891</u>	<u>424,791,134,612</u>
<b>Bills purchased and discounted</b>		
Pubali Bank PLC.	35,256,987,944	37,960,870,002
Pubali Bank Securities Limited	-	-
	<u>35,256,987,944</u>	<u>37,960,870,002</u>
	<u>555,409,664,835</u>	<u>462,752,004,614</u>
<b>8 Fixed Assets Including premises, furniture &amp; Fixtures</b>		
<b>Tangible Assets</b>		
Land	1,117,377,420	1,117,377,420
Lease land	1,121,195,000	1,121,195,000
Building	418,660,966	418,660,966
Vehicles	450,812,042	359,985,902
Machinery and equipment	1,570,586,587	1,349,266,976
Computer & Computer Accessories	2,377,697,526	1,878,175,861
Furniture and fixtures	1,462,049,470	1,228,879,788
Capital Work-in Progress*	549,207,069	-
Total Tangible Assets	9,067,586,080	7,473,541,913
Accumulated Depreciation	(3,642,586,742)	(3,140,929,229)
Net book value of Tangible assets	<u>5,424,999,338</u>	<u>4,332,612,684</u>

**MABS & J Partners**  
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**Nasimul Baten**  
Managing Director & CEO  
DBH Finance PLC.

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	2023 Taka	2022 Taka
<b>Intangible Assets</b>		
Computer Software	771,436,796	664,560,474
Accumulated Amortization	(574,148,042)	(463,894,586)
<b>Net book value of Intangible assets</b>	<b>197,288,754</b>	<b>200,665,888</b>
	<b>5,622,288,092</b>	<b>4,533,278,572</b>
<b>Lease assets</b>		
Right Of Use (ROU) Assets as per IFRS-16	4,193,178,237	3,718,953,437
Accumulated Depreciation	(2,286,202,159)	(1,756,687,284)
<b>Net book value of Lease assets</b>	<b>1,906,976,078</b>	<b>1,962,266,153</b>
<b>Net book value of total fixed assets at the end of the year</b>	<b>7,529,264,170</b>	<b>6,495,544,725</b>

**Capital Work-In Progress\***

Initial payment made for automation or upgradation of bank's different hardware and software is recognised as capital-work-in-progress as per IAS 16, until the development work is completed and/or the assets is ready for intended use. These assets are stated at cost and depreciation of these assets will be charged from the date of intended use. 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, 2010 and 2020 respectively, on land and buildings of the Bank at different locations. The above stated revaluation surplus amounts have been credited to Fixed Assets Revaluation reserve. Further details of above assets are shown in Annexure A.

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

<b>Cost</b>		
Pubali Bank PLC.	14,032,201,113	11,857,055,824
Pubali Bank Securities Limited	15,793,719	12,353,375
	<b>14,047,994,832</b>	<b>11,869,409,199</b>
<b>Less: Accumulated Depreciation</b>		
Pubali Bank PLC.	(6,502,936,943)	(5,361,511,099)
Pubali Bank Securities Limited	(8,529,939)	(8,833,520)
	<b>(6,511,466,882)</b>	<b>(5,370,344,619)</b>
	<b>7,536,527,950</b>	<b>6,499,064,580</b>

**9 Other Assets**

Interest accrued on investments	2,448,199,081	2,357,683,224
Accrued income on loans & advances	465,847,235	629,905,610
Investment in SWIFT AC	3,387,591	3,387,591
Advance security deposit, advance rent and prepaid expenses	1,465,458,711	1,127,821,568
Investment in Subsidiary Company	6,599,998,700	6,599,998,700
Stock dealing account	34,846,335	90,561,024
Stationery and stamps	131,977,562	99,365,441
Drafts payable	16,444,707	16,446,447
Remittance Disbursement to Bikash and Nagad	17,625,302	20,892,467
Sanchaypatra	61,785,118	29,670,982
Deferred tax assets (note 14.8.1)	4,793,130,139	4,557,181,100
Suspense account (note 9.2)	407,132,159	818,835,977
Items in transit (note 9.2)	10,751,881,053	9,333,322,412
Advance against income tax (note 9.3)	38,157,414,742	34,550,194,544
Clearing house adjustment	656,811	2,788,012
Fair Value of Plan Assets (note 14.6)	22,892,015	-
Others (note 9.4)	3,562,378	3,562,388
	<b>65,382,239,639</b>	<b>60,241,617,487</b>
	<b>327,688,890</b>	<b>368,532,669</b>
	<b>65,054,550,749</b>	<b>59,873,084,818</b>

Less: Advance Rent (for implementing IFRS 16 Leases, advance rent has been considered separately.)

**9.1 Suspense Account**

Suspense account general	188,235,666	599,932,922
Suspense law	1,159,320	1,165,882
Protested bills	217,737,173	217,737,173
	<b>407,132,159</b>	<b>818,835,977</b>

**9.2 Items in Transit: TK. 10,751,881,053**

The above is the net amount representing outstanding Inter-branch and Head Office transactions originated but yet to be responded at the balance sheet date. The above amount includes receivables of Tk. 29,99,670 of Bank's own branches operating in former West Pakistan before Liberation of the country in 1971.

**9.2.1 Subsequent position of non-responded entries as on 31.12.2023 (Base date: 16.04.2024)**

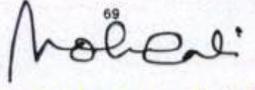
Period of un-reconciliation	Number of Un-responded entries		Un-responded entries (Amount in Taka)	
	Debit	Credit	Debit	Credit
Up to 3 months	216	75	1,353,541,651	12,828,403
Over 3 months but within 6 months	31	-	834,518,428	-
Over 6 months but within 1 year	-	-	-	-
Over 1 year but within 5 years	-	-	-	-
Over 5 years	495	459	7,578,303	4,605,738

**9.3 Advance Income Tax**

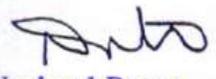
Balance at the beginning of the year	34,550,194,544	32,484,604,445
Paid during the year	3,607,220,198	2,065,590,099
Settlement of previous years tax liability	-	-
<b>Balance at the end of the year</b>	<b>38,157,414,742</b>	<b>34,550,194,544</b>

  
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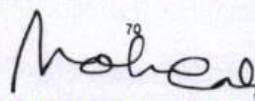
  
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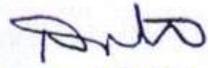
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	2023 Taka	2022 Taka
<b>9.4 Others</b>		
Property account	162,129	162,129
Delayed charges of lease rental	45,896	45,906
Interest Subsidy	9,000	9,000
Interest suspense against waiver of 50% BSCIC loan	245,061	245,061
Waiver of 50% outstanding BSCIC loan	44,176	44,176
Waiver of 50% interest for flood affected jute borrowers	1,351,812	1,351,812
Waiver of 70% outstanding agricultural credit & rural credit	1,704,304	1,704,304
	<b>3,562,378</b>	<b>3,562,388</b>
<b>9.5 Classification of other assets</b>		
Unclassified (UC)	64,772,306,895	59,604,063,691
Doubtful (DF)	4,003,000	2,589,000
Bad or Loss (BL)	278,240,854	266,432,127
	<b>65,054,550,749</b>	<b>59,873,084,818</b>
<b>9.6 Particulars of provision for other assets</b>		
<b>Status of Classification</b>		
Doubtful (DF)	4,003,000	50
Bad or Loss (BL) (note 9.6.1)	278,240,854	100
Required provision	280,242,354	267,726,627
Provision maintained (note 14)	312,414,590	269,914,590
Excess provision	<b>32,172,236</b>	<b>2,187,963</b>
<b>9.6.1 Bad or Loss (BL)</b>		
Interest accrued on investments	11,537,000	11,537,000
Suspense general	28,225,000	16,235,263
Suspense law	1,135,000	985,000
Protested bills (note-9.1)	217,737,173	217,737,173
Un-reconciled General Account debit entries (note-14.14)	7,578,303	7,723,303
Interest accrued on Blocked Account (COVID-19)	8,120,000	8,306,000
Advance security deposit	346,000	346,000
Others (note-9.4)	3,562,378	3,562,388
	<b>278,240,854</b>	<b>266,432,127</b>
<b>9(a) Consolidated Other Assets</b>		
Pubali Bank PLC.	65,054,550,749	59,873,084,818
Pubali Bank Securities Limited	558,830,777	484,699,354
	<b>65,613,381,526</b>	<b>60,357,784,172</b>
Less: Inter company Transactions	(34,841,164)	(90,555,403)
Pubali Bank Securities Limited	(6,599,998,700)	(6,599,998,700)
	<b>(6,634,839,864)</b>	<b>(6,690,554,103)</b>
	<b>58,978,541,662</b>	<b>53,667,230,069</b>
<b>10 Non-banking Assets</b>		
Assets of United Bank of India Ltd. (located in Brahmanbaria, Chandpur, Cumilla, Barishal, Sadarghat -Dhaka )	375,246	375,246
<b>11 Borrowings from other Banks, Financial Institutions and Agents</b>		
In Bangladesh (note 11.1)	23,640,200,681	31,605,672,156
Outside Bangladesh (note 11.2)	31,676,275,475	33,412,027,340
	<b>55,316,476,156</b>	<b>65,017,699,496</b>
<b>11.1 In Bangladesh</b>		
<b>Borrowing from Bangladesh Bank</b>	20,101,200,681	26,936,980,156
	20,101,200,681	26,936,980,156
<b>Call loan borrowing from other banks</b>		
Citibank N.A	1,300,000,000	-
Eastern Bank PLC.	300,000,000	-
The Premier Bank PLC.	-	800,000,000
	<b>1,600,000,000</b>	<b>800,000,000</b>
<b>Term borrowing from other banks</b>		
Jamuna Bank PLC.	439,000,000	-
Bank Asia PLC.	-	1,652,752,000
BRAC Bank PLC.	-	826,376,000
Commercial Bank of Ceylon PLC.	-	826,376,000
Dutch Bangla Bank PLC.	-	413,188,000
	<b>439,000,000</b>	<b>3,718,692,000</b>
<b>FDR borrowing from other Bank</b>		
Rajshahi Krishi Unnayan Bank	1,000,000,000	-
Uttara Bank PLC.	500,000,000	-
Citibank N.A	-	150,000,000
	<b>23,640,200,681</b>	<b>31,605,672,156</b>
<b>11.2 Outside Bangladesh</b>		
In demand deposit accounts (non- interest bearing)	-	-
Placement/ Borrowing from Outside Bangladesh	31,676,275,475	33,412,027,340
	<b>31,676,275,475</b>	<b>33,412,027,340</b>
<b>11.3 Security against borrowing from other banks, financial institutions and agents</b>		
Secured	54,877,476,156	41,081,261,963
Unsecured	439,000,000	23,936,437,533
	<b>55,316,476,156</b>	<b>65,017,699,496</b>

Base for provision	Rate of Provision (%)		
4,003,000	50	2,001,500	1,294,500
278,240,854	100	278,240,854	266,432,127
		280,242,354	267,726,627
		312,414,590	269,914,590
		<b>32,172,236</b>	<b>2,187,963</b>

  
  
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	2023 Taka	2022 Taka
<b>11.4 Maturity grouping of borrowing from other banks, financial institutions and agents</b>		
Payable on demand	1,601,180,000	3,317,152,652
Payable within 1 month	4,785,450,217	7,401,380,181
Over 1 month but within 6 months	32,252,124,970	41,477,082,711
Over 6 months but within 1 year	9,628,897,451	12,190,924,512
Over 1 year but within 5 years	4,064,709,095	2,382,872
Over 5 years and above	2,984,114,423	628,776,568
	<b>55,316,476,156</b>	<b>65,017,699,496</b>
<b>12 Subordinated bonds</b>		
Agrani Bank PLC.	2,800,000,000	3,800,000,000
Janata Bank PLC.	600,000,000	900,000,000
Rupali Bank PLC.	1,000,000,000	1,400,000,000
Sonali Bank PLC.	800,000,000	1,200,000,000
Uttara Bank PLC.	600,000,000	900,000,000
Delta Life Insurance Company Limited	400,000,000	500,000,000
Premier Bank PLC.	1,200,000,000	1,200,000,000
NRB Commercial Bank PLC.	800,000,000	800,000,000
Trust Bank PLC.	1,500,000,000	1,500,000,000
EBL Employees Provident Fund	100,000,000	-
Nabil Naba Foods Ltd	1,900,000,000	-
Nabil Feed Mills Ltd	1,000,000,000	-
A.H Khan & Co	500,000,000	-
	<b>13,200,000,000</b>	<b>12,200,000,000</b>
<b>12.1 Perpetual bonds</b>		
Trust Bank PLC.	1,000,000,000	1,000,000,000
AB Bank PLC.	1,000,000,000	1,000,000,000
One Bank PLC.	350,000,000	350,000,000
Bank Asia PLC.	1,000,000,000	1,000,000,000
Jamuna Bank PLC.	450,000,000	450,000,000
Community Bank Bangladesh PLC.	200,000,000	200,000,000
Southeast Bank PLC.	500,000,000	500,000,000
Initial Public Offering	500,000,000	500,000,000
	<b>5,000,000,000</b>	<b>5,000,000,000</b>
<b>13 Deposits and other accounts</b>		
Inter-bank deposits	6,401,045,000	6,054,973,541
Other deposits	599,895,368,262	504,781,543,334
	<b>606,296,413,262</b>	<b>510,836,516,875</b>
<b>13.1 Details of deposits and other accounts</b>		
<b>Current deposits and other accounts :</b>		
Current account	62,488,887,763	57,732,849,964
Cash credit A/C. (Cr. Balance)	624,347,074	844,656,287
Overdraft earnest money (Cr. Balance)	3,000	6,000
Pubali Prochesta (Cr. Balance)	2,597,245	1,883,703
Credit card A/C	4,586,638	3,540,390
Call deposits	14,774,897	14,775,897
Foreign currency deposits	3,257,511,792	2,111,693,232
Un-claimed drafts payable	3,564	3,564
Un-claimed dividend	18,914	18,914
Unclaimed deposits FDD A/C	21,541,077	21,541,077
	<b>66,414,271,964</b>	<b>60,730,969,028</b>
<b>Bills payable ( note 13.1.1)</b>	<b>21,799,191,392</b>	<b>14,271,043,896</b>
<b>Savings Bank Accounts</b>	<b>135,066,105,808</b>	<b>118,927,122,055</b>
<b>Term deposits :</b>		
Fixed Deposits from customers	203,102,923,503	149,411,634,261
Special Notice Deposits	57,306,867,138	57,452,882,267
Deposit Pension Scheme	26,809,344	17,685,197
Interest Payable on Term Deposit	5,367,089,771	4,030,804,484
Pubali Pension Scheme	43,157,405,533	42,523,424,173
Pubali Sanchay Prakaipa	4,123,549,477	4,035,866,123
Dwigun Sanchay Prakaipa	20,609,709,802	20,009,796,383
Target Based Small Deposit (Pubali shoppopuron)	13,271,027,576	11,144,294,243
Monthly Profit Based Fixed Deposit	4,841,956,029	3,881,985,740
Monthly Profit Based Small Deposit (Pubali shadhln sonchoy)	6,807,992,129	6,176,221,578
Shikhya Sanchay Prakaipa	197,514,854	191,517,484
Peoples Pubali Pension Scheme	3,949,153	-
	<b>358,816,794,309</b>	<b>298,876,111,933</b>
<b>Other Deposits</b>	<b>24,200,049,789</b>	<b>18,031,269,963</b>
	<b>606,296,413,262</b>	<b>510,836,516,875</b>
<b>13.1.1 Bills Payable</b>		
Payment Orders issued	21,719,458,083	14,198,543,170
Demand Drafts	79,733,309	72,500,726
	<b>21,799,191,392</b>	<b>14,271,043,896</b>

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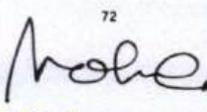
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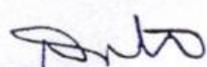
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	2023 Taka	2022 Taka
<b>13.2 Maturity analysis of Inter-bank deposits</b>		
Payable on demand	1,728,558,981	1,635,104,720
Payable within 1 month	279,511,711	264,399,956
Over 1 month but within 6 months	4,296,951,903	4,064,637,896
Over 6 months but within 1 year	23,546,599	22,273,556
Over 1 year but within 5 years	72,475,806	68,557,413
Over 5 years and above	-	-
	<b>6,401,045,000</b>	<b>6,054,973,541</b>
<b>13.3 Maturity analysis of other deposits</b>		
Payable on demand	14,997,386,461	18,720,241,034
Payable within 1 month	31,914,433,469	31,358,029,145
Over 1 month but within 6 months	131,797,011,899	112,376,954,196
Over 6 months but within 1 year	135,696,331,778	109,068,122,149
Over 1 year but within 5 years	85,725,047,794	62,143,089,565
Over 5 years and above	199,765,156,861	171,115,107,245
	<b>599,895,368,262</b>	<b>504,781,543,334</b>
	<b>606,296,413,262</b>	<b>510,836,516,875</b>
<b>13 (a) Consolidated Deposits and other accounts</b>		
Pubali Bank PLC.	606,296,413,262	510,836,516,875
Pubali Bank Securities Limited	-	-
	<b>606,296,413,262</b>	<b>510,836,516,875</b>
Inter Company Transactions	(548,424,389)	(1,485,886,271)
	<b>605,747,988,873</b>	<b>509,350,630,604</b>
<b>14 Other Liabilities</b>		
Accumulated provision for loans and advances/investments (note 14.1.1.1)	14,484,017,559	12,223,506,886
Accumulated provision for consumers loan (note 14.1.1.2)	913,233,080	898,026,550
Accumulated provision for demand loan pubali star (note 14.1.1.3)	71,126,701	71,126,701
	<b>15,468,377,340</b>	<b>13,192,660,137</b>
Provision for unclassified loans and advances/investments (note 14.1.2)	7,775,918,548	6,876,464,520
Special General Provision COVID-19	930,338,940	1,046,629,539
Provision against off-balance sheet exposure (note 14.3)	2,394,950,000	1,968,950,000
Accumulated interest suspense (note 14.5)	8,042,758,553	6,752,276,864
Provision for doubtful investment (note 14.4)	255,500,000	253,500,000
Additional profit payable A/C for Islamic banking	6,996,289	7,650,000
I.B. bad debt offsetting reserve	40,123,756	40,123,756
Compensation realised account	36,467,993	12,291,999
Compensation realisable account	31,992,247	56,033,764
Interest suspense on underwriting advances	219,648,924	219,648,924
CLS interest A/C	4,148,523	3,411,620
Unclaimed amount in ATM	65,000	65,000
Consumers deposits	223,045,852	225,563,847
Unclaimed dividend (note 14.15)	247,823,091	211,206,865
Provision for Current Tax (note 14.7)	43,785,753,066	38,378,841,223
Deferred Tax Liabilities (note 14.8.2)	175,117,290	83,458,196
Valuation adjustment	1,020,752,893	1,927,713,138
Exchange adjustment account (note 14.9)	28,666,878	28,666,878
Agri credit guarantee backing reserve (note 14.10)	70,261,300	70,261,300
Pakistan account (note 14.11)	8,393,039	8,393,039
Pension fund (note 14.12)	1,570,884	1,570,883
L/C cover account in Bangladesh	1,583,640	1,583,640
Pubali Bank Adjustment	1,370,277,600	257,855,528
PBL Islamic Banking CSR fund	36,850,139	24,032,214
Card transaction fee (inter bank)	7,459,609	8,969,705
Foreign currency FCC account	17,363,819	17,363,819
Interest suspense account against 70% agri loan	192,381	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	574,672,501	527,463,600
Unearned interest income on IBW	931,120,884	456,643,733
Interest payable on Subordinated Bond	133,000,000	110,400,000
Bangladesh Bank Incentive	23,518,747	136,081,807
CSR Fund for COVID-19	24,466,667	24,466,667
Start-up fund (note 14.16)	205,098,000	137,013,311
Lease Liabilities as per IFRS-16	1,661,053,186	1,663,035,418
Non resident blocked account of UBI	34,487	34,487
Late Vault -Cash Received	294,200,000	-
ICT Asset Insurance reserve	26,634,011	24,094,463
	<b>70,610,841,540</b>	<b>61,564,974,932</b>
Provision for expenses:		
(i) Auditors' fees	1,845,750	1,535,250
(ii) Advertisement	-	1,680,000
(iii) Bonuses	1,486,383,651	1,307,500,000
(iv) Gratuity	-	619,500,000
(v) Others	329,784,446	257,642,378
	<b>1,818,013,847</b>	<b>2,187,857,628</b>
Provision for other assets:		
Suspense account (note 14.13)	298,689,933	256,189,933
Provision for Un-reconciled General Account debit entries (note 14.14)	13,724,657	13,724,657
	<b>312,414,590</b>	<b>269,914,590</b>
	<b>88,209,647,317</b>	<b>77,215,407,287</b>

  
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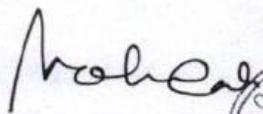
  
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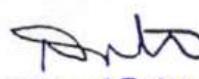
	2023 Taka	2022 Taka
<b>14.1 Accumulated provision for loans and advances</b>		
<b>14.1.1 Specific provision on classified loans and advances</b>		
Provision held at the beginning of the year	12,223,506,886	10,115,330,192
Fully provided debts written off during the year excluding interest suspense	-	(1,172,453,704)
Fully provided waived during the year	(346,626)	(4,033,900)
Recoveries of amounts previously written off	149,420,728	160,249,992
Provision transferred to General Provision for unclassified loans and advances	(717,001,372)	1,112,389,079
Provision transferred from off-balance sheet exposure	-	114,000,000
Provision transferred from rebate on good borrower during the year	-	17,888,383
Specific provision for the year	2,828,437,943	1,880,136,844
<b>14.1.1.1 Provision for loans and advances</b>	14,484,017,559	12,223,506,886
Provision for consumers loan held at the beginning of the year	898,026,550	903,489,850
Fully provided debts written off during the year	-	(17,916,440)
Recoveries of amounts previously written off	15,206,530	12,453,140
<b>14.1.1.2 Provision for consumers loan held at the end of the year</b>	913,233,080	898,026,550
<b>14.1.1.3 Accumulated provision for demand loan pubali star</b>	71,126,701	71,126,701
Total Specific provision held at the end of the year	15,468,377,340	13,192,660,137
<b>14.1.2 General provision for unclassified loans and advances</b>		
Provision held at the beginning of the year	6,876,464,520	7,248,013,792
Provision made during the year	66,162,057	872,267,826
Provision transferred from specific provision during the year	717,001,372	(1,112,389,079)
Provision transferred from COVID 19 during the year	116,290,599	(131,428,019)
Provision held at the end of the year	7,775,918,548	6,876,464,520
<b>14.1.3 Special General Provision COVID-19</b>		
Provision held at the beginning of the year	1,046,629,539	915,201,520
Provision transferred to General provision	(116,290,599)	131,428,019
Total General provision held at the end of the year	930,338,940	1,046,629,539
	8,706,257,488	7,923,094,059
	24,174,634,828	21,115,754,196
<b>14.2 Provision for Customers liability and Others</b>		
Provision held at the beginning of the year	-	17,301,835
Provision transferred to suspense account during the year	-	(17,301,835)
Provision held at the end of the year	-	-
<b>14.3 Provision for exposure against off-balance sheet items</b>		
Provision held at the beginning of the year	1,968,950,000	2,082,950,000
Provision transferred to specific provision during the year	-	(114,000,000)
Provision made during the year ( note 38)	426,000,000	-
Provision held at the end of the year	2,394,950,000	1,968,950,000
<b>14.4 Provision for doubtful investment</b>		
Provision held at the beginning of the year	253,500,000	253,500,000
Provision made during the year ( note 39)	2,000,000	-
Provision transferred to off-balance sheet during the year	-	-
Provision held at the end of the year	255,500,000	253,500,000
<b>14.5 Interest suspense account</b>		
Balance at the beginning of the year	6,752,276,864	6,141,139,753
Amount transferred during the year	2,757,847,749	2,077,734,539
Amount recovered during the year	(1,467,366,060)	(1,323,379,619)
Amount written off during the year	-	(143,217,809)
Balance at the end of the year	8,042,758,553	6,752,276,864
<b>14.6 Net Fair Value of Plan Assets</b>		
Fair value of plan assets (note 14.6.2)	6,119,618,215	5,496,400,000
Defined benefit obligation (note 14.6.1)	6,096,726,200	5,496,400,000
	22,892,015	-
<b>14.6.1 Defined benefit obligation</b>		
Balance at the beginning of the year	5,496,400,000	5,094,700,000
Interest cost	489,179,600	453,400,000
Current service cost	418,584,000	399,800,000
Paid to outgoing employees	(307,437,400)	-
Adjustment as per Actuarial report	-	(451,500,000)
Remeasurement (gain)/loss	-	-
Balance at the end of the year	6,096,726,200	5,496,400,000
<b>14.6.2 Fair value of plan assets</b>		
Balance at the beginning of the year	5,496,400,000	4,015,100,000
Interest income	403,218,215	324,100,000
Contribution to the fund	527,437,400	1,157,200,000
Paid to outgoing employees	(307,437,400)	-
Remeasurement gain/(loss)	-	-
Balance at the end of the year	6,119,618,215	5,496,400,000



  
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	2023 Taka	2022 Taka
<b>14.7 Provision for Current tax</b>		
Balance at the beginning of the year	38,378,841,223	34,650,504,662
Provision made for previous years	160,000,000	-
Provision made for current year	5,246,911,843	3,728,336,561
	5,406,911,843	3,728,336,561
Settlement of previous years tax liability	-	-
Balance at the end of the year	43,785,753,066	38,378,841,223

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

	2023	2022
<b>14.7.1 Reconciliation of effective tax rate (Solo)</b>		
Profit before income tax as per profit & loss account	11,988,016,230	8,513,039,918
Income tax as per applicable tax rate	4,495,506,086	3,192,389,969
<b>Factors affecting the tax charge in current year</b>		
Tax Savings from reduced tax rates for Capital gain on share	(2,075,922)	(4,927,276)
Tax Savings from reduced tax rates for Capital gain on sale of Land	-	(6,749,998)
Tax Savings from reduced tax rates for Capital gain on Govt Securities	(472,707,246)	(478,112,170)
Tax Savings from reduced tax rates for Dividend	(66,395,639)	(82,979,407)
Admissible expenses in current Year (i.e. Bad debt write off etc.)	(129,985)	(447,901,517)
Admissible expenses in current Year	(368,156,221)	(4,834,584)
Inadmissible expenses in current year	1,660,870,770	1,361,451,544
Effect of deferred Tax	(227,364,533)	(537,068,302)
Provision for uncertainty over Income Tax treatments by NBR	160,000,000	200,000,000
	43.21%	37.48%
	5,179,547,310	3,191,268,259

<b>14.7 (a) Consolidated Provision for Current tax</b>		
Pubali Bank PLC.	5,406,911,843	3,728,336,561
Pubali Bank Securities Limited	74,692,573	87,524,704
	5,481,604,416	3,815,861,265

**14.8 Deferred tax**

**14.8.1 Deferred tax assets**

Balance at the beginning of the year	4,557,181,100	4,020,112,798
Provision made during the year for loan loss (note 14.8.1.1)	202,886,566	603,299,060
Deferred tax on fixed assets (note 14.8.2.1)	33,062,473	(66,230,758)
Provision held at the end of the year	4,793,130,139	4,557,181,100

**14.8.2 Deferred tax Liabilities**

Balance at the beginning of the year	83,458,196	83,544,110
Deferred Tax on Revalued land (note 14.8.2.2)	83,074,588	(85,914)
Deferred tax liabilities for Defined benefit plan (note 14.8.3.1)	8,584,506	-
Provision held at the end of the year	175,117,290	83,458,196

Deferred tax assets/(liabilities) have been recognised and measured as per IAS-12: Income taxes and BRPD circular no. 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 2023.

**14.8.1.1 Deferred Tax on loan loss provision**

Cumulative Provision made against Bad/loss	12,604,112,668	13,257,139,244
Adjustment of Corresponding provision on write off	346,626	1,194,404,044
Deductible/(taxable) temporary difference	12,603,766,042	12,062,735,200
Tax Rate	37.50%	37.50%
Closing Deferred tax assets	4,726,412,266	4,523,525,700
Opening Deferred tax assets	4,523,525,700	3,920,226,640
Deferred tax (expense)/Income	202,886,566	603,299,060

As per BRPD Circular no.11 dated 12 December 2011, total amount of Tk. 4,726,412,266 has been recognized as Deferred Tax Assets (DTA) included in Retained Earnings for 2023 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 15.5.1)

**14.8.2.1 Deferred Tax on Fixed Assets**

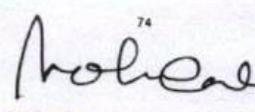
Carrying amount	5,073,081,023	4,533,278,572
Tax Base	5,250,995,351	4,623,026,306
Deductible/(taxable) temporary difference	177,914,328	89,747,734
Tax Rate	37.50%	37.50%
Closing Deferred tax assets/(Liabilities)	66,717,873	33,655,400
Opening Deferred tax assets/(Liabilities)	33,655,400	99,886,158
Deferred tax (expense)/Income	33,062,473	(66,230,758)

**14.8.2.2 Deferred Tax on Revalued land**

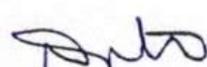
Carrying amount	2,236,269,890	2,236,269,890
Tax Base	-	-
Deductible/(taxable) temporary difference	(2,236,269,890)	(2,236,269,890)
Tax Rate	7.45%	3.73%
Closing Deferred tax assets/(Liabilities)	(166,532,784)	(83,458,196)
Opening Deferred tax assets/(Liabilities)	(83,458,196)	(83,544,110)
Deferred tax adjustment through change in equity	(83,074,588)	85,914

  
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	2023 Taka	2022 Taka
<b>14.8.2.3 Deferred tax (expense)/Income (net)</b>		
Deferred tax (expense)/Income arisen for charging specific provision (note 14.8.1.1)	202,886,566	603,299,060
Deferred tax (expense)/Income arisen in WDV of Fixed Assets (note 14.8.2.1)	33,062,473	(66,230,758)
Deferred tax (expense)/Income arisen in Defined benefit plan (note 14.8.3.1)	(8,584,506)	-
	<b>227,364,533</b>	<b>537,068,302</b>
<b>14.8.3.1 Deferred Tax on Defined benefit plan (gratuity)</b>		
Fair value of plan assets	6,119,618,215	5,496,400,000
Defined benefit obligation	6,096,726,200	5,496,400,000
Deductible/(taxable) temporary difference	22,892,015	-
Tax Base	(22,892,015)	-
Tax Rate	37.50%	-
Closing Deferred tax assets/(Liabilities)	(8,584,506)	-
Opening Deferred tax assets/(Liabilities)	-	-
Deferred tax (expense)/Income	<b>(8,584,506)</b>	-
<b>14.8.1(a) Consolidated Deferred tax (expense)/Income (net)</b>		
Pubali Bank PLC.	(227,364,533)	(537,068,302)
Pubali Bank Securities Limited	(1,731,062)	(435,879)
	<b>(229,095,595)</b>	<b>(537,504,181)</b>
<b>14.8.1(b) Consolidated Deferred tax Liabilities (Accumulated)</b>		
Balance at the beginning of the year	(83,458,196)	(83,884,177)
Provision made during the year	(91,659,094)	521,793
Provision held at the end of the year	<b>(175,117,290)</b>	<b>(83,362,384)</b>
<b>14.8.1(c) Consolidated Deferred tax Assets (Accumulated)</b>		
Balance at the beginning of the year	4,557,276,912	4,020,112,798
Provision made during the year	237,680,101	537,068,302
Provision held at the end of the year	<b>4,794,957,013</b>	<b>4,557,181,100</b>
<b>14.8.2.4 Tax Provision made during the Year</b>		
Current Tax	5,406,911,843	3,728,336,561
Deferred Tax	(227,364,533)	(537,068,302)
	<b>5,179,547,310</b>	<b>3,191,268,259</b>

**14.9 Exchange adjustment account: Tk. 28,666,878**

This represents windfall gains from devaluation of Bangladesh Taka in the years 1975 and 1976 through barter transactions with socialist countries and the same is being carried forward since then. The account would be settled as per instruction of Bangladesh Bank.

**14.10 Agri credit guarantee backing reserve: Tk. 70,261,300**

This represents the surplus amount retained by the Bank which was received till the end of 1984 as government guarantee totaling Tk 112,358,000 under Tk 100 crore special agri credit scheme disbursed during the years from 1977 to 1983. Repayment of the above to the government would be made in due course to the extent of recovery of aforesaid agri credit.

**14.11 Pakistan account: Tk. 8,393,039**

This represents net liability to Bank's own branches operating in former West Pakistan before Liberation of the country and remains unsettled as yet.

**14.12 Pension fund: Tk. 1,570,884**

This fund has been created from profit up to the year 1985 to defray pension settlements of the Bank's eligible employees. Since then, up to the year 2005 no provision for pension has been made but claims for pension are being settled from expenditure account of the year it is incurred.

**14.13 Provision for suspense:**

Provision at the beginning of the year	256,189,933	188,214,468
Provision made during the year	42,500,000	50,673,630
Provision transferred from Customers liability and Others	-	17,301,835
Provision at the end of the year	<b>298,689,933</b>	<b>256,189,933</b>

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.

**14.14 Provision for Un-reconciled General Account debit entries**

Period of un-reconciliation	Amount	Base for Provision (%)	Provision Required	
			2023	2022
Upto 12 months	2,188,060,079	-	-	-
12 months above but less than 24 months	-	50%	-	-
24 months and above	7,578,303	100%	7,578,303	7,723,303
Required provision			7,578,303	7,723,303
Provision maintained			13,724,657	13,724,657
Excess provision			<b>6,146,354</b>	<b>6,001,354</b>



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14.15 Unclaimed dividend in year wise

Year wise Dividend	2023	2022
	Total Amount	Total Amount
Year of 1986	165,459	165,459
Year of 1987	198,711	198,711
Year of 1988	311,061	311,061
Year of 2001	1,316,432	1,316,432
Year of 2006	1,004,366	1,004,366
Year of 2007	1,037,633	1,037,633
Year of 2008	1,369,278	1,369,278
Year of 2009	13,311,756	14,441,303
Year of 2010	19,887,167	21,331,080
Year of 2011	16,013,293	16,101,251
Year of 2012	594,621	594,621
Year of 2013	297,489	297,489
Year of 2014	600,060	600,060
Year of 2015	747,791	747,791
Year of 2016	299,976	299,976
Year of 2017	324,091	324,091
Year of 2018	30,399,963	30,673,982
Year of 2019	36,452,376	36,771,576
Year of 2020	41,810,255	42,203,095
Year of 2021	40,881,288	41,417,610
Year of 2022	40,800,025	-
<b>Total</b>	<b>247,823,091</b>	<b>211,206,865</b>

14.16 Provision for Start-up fund

As per SMESPD Circular No. 04 dated 29 March 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 2020 onwards for the next five years.

Balance at the beginning of the	137,013,311	83,795,594
Provision made during the year	68,084,689	53,217,717
Balance at the end of the year	<b>205,098,000</b>	<b>137,013,311</b>

14(a) Consolidated other liabilities

Pubali Bank PLC.	88,209,647,317	77,215,407,287
Pubali Bank Securities Limited	2,506,333,551	2,433,304,363
Inter company payables	(34,839,864)	(90,554,103)
	<b>90,681,141,004</b>	<b>79,558,157,547</b>

15 Capital

15.1 Authorized Capital

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

1,600,000 ordinary shares of Tk 100 each issued for cash	160,000,000	160,000,000
400,000 ordinary shares of Tk 100 each as bonus share in 2000	40,000,000	40,000,000
2,000,000 ordinary shares of Tk 100 each as bonus share in 2004	200,000,000	200,000,000
8,000,000 ordinary shares of Tk 100 each as bonus share in 2005	800,000,000	800,000,000
9,000,000 ordinary shares of Tk 100 each as bonus share in 2006	900,000,000	900,000,000
8,400,000 ordinary shares of Tk 100 each as bonus share in 2007	840,000,000	840,000,000
8,820,000 ordinary shares of Tk 100 each as bonus share in 2008	882,000,000	882,000,000
11,466,000 ordinary shares of Tk 100 each as bonus share in 2009	1,146,600,000	1,146,600,000
173,901,000 ordinary shares of Tk 10 each as bonus share in 2010	1,739,010,000	1,739,010,000
167,690,250 ordinary shares of Tk 10 each as bonus share in 2011	1,676,902,500	1,676,902,500
41,922,562 ordinary shares of Tk 10 each as bonus share in 2013	419,225,620	419,225,620
70,429,904 ordinary shares of Tk 10 each as bonus share in 2016	704,299,040	704,299,040
47,540,185 ordinary shares of Tk 10 each as bonus share in 2017	475,401,850	475,401,850
29,950,317 ordinary shares of Tk 10 each as bonus share in 2018	299,503,170	299,503,170
	<b>10,282,942,180</b>	<b>10,282,942,180</b>

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	2023			2022
	No. of share	Percentage (%)	Amount	Amount
Directors	323,769,668	31.49%	3,237,696,680	3,239,112,990
Co-operative societies	8,848,307	0.86%	88,483,070	88,748,880
Banks and financial institutions	51,828,878	5.04%	518,288,780	515,100,500
Government	2,482	0.0002%	24,820	24,820
Other institutions	251,768,997	24.48%	2,517,689,970	2,260,797,350
Non resident Bangladeshi	2,161,151	0.21%	21,611,510	22,259,080
General public	389,914,735	37.92%	3,899,147,350	4,156,898,560
	<b>1,028,294,218</b>	<b>100.00%</b>	<b>10,282,942,180</b>	<b>10,282,942,180</b>



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Mohammed Ali  
Managing Director & CEO  
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Head Office Dhaka



Nasimul Baten  
Managing Director & CEO  
DBH Finance PLC.

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15.4 Range wise shareholdings

Range wise shareholdings	2023		2022	
	Number of shareholders	Percentage of holding of shares (%)	Number of Shares	Number of Shares
Up to 500 shares	18,514	0.23%	2,383,193	2,513,325
501 to 5,000 "	9,681	1.56%	16,071,856	17,021,406
5,001 " 10,000 "	1,124	0.68%	7,018,432	7,358,782
10,001 " 20,000 "	466	0.63%	6,440,669	6,888,264
20,001 " 30,000 "	140	0.33%	3,378,590	3,593,802
30,001 " 40,000 "	159	0.50%	5,131,969	5,227,346
40,001 " 50,000 "	52	0.22%	2,314,213	2,567,747
50,001 " 100,000 "	192	1.49%	15,285,559	15,798,708
100,001 and above	267	94.36%	970,269,737	967,324,838
	30,595	100.00%	1,028,294,218	1,028,294,218

15.5 Capital to Risk Weighted Assets Ratio (Solo):

In terms of section 13 (2) of the Bank Company Act, 1991 and Bangladesh Bank BRPD circulars nos. 14,09,20,10,12,24,31,35,08,16,18 and 05 dated December 30, 2007, December 31, 2008, December 29, 2009, March 10, 2010, March 29, 2010, August 03, 2010, October 25, 2010, December 29, 2010, July 23, 2012, October 29, 2012, December 21, 2014 and May 31, 2016 and DOS circular no 01 dated January 01, 2015 respectively, required capital of the Bank (solo) at the close of business on 31 December 2023 is Taka 47,188,327,049 as against available going - concern capital of Taka 38,630,586,454, going - concern additional capital of Taka 5,000,000,000 and gone - concern capital of Taka 21,801,207,488 making a total regulatory capital of Taka 65,431,793,942 thereby showing a surplus regulatory capital /equity of Taka 18,243,466,893 at that date. Details are shown below:

Total assets including off-balance sheet items	1,057,625,949,308	938,594,466,819
Total risk-weighted assets	471,883,270,487	422,330,725,937
Required Capital (10% of risk weighted assets)	47,188,327,049	42,233,072,594

Regulatory capital held:

- i) Going - concern capital ( Tier-1 ) ( note 15.5.1)
- ii) Going concern - Additional Tier-1 capital (note 15.5.1)
- iii) Gone - concern capital ( Tier-2 ) ( note 15.5.2)

38,630,586,454	33,872,160,896
5,000,000,000	5,000,000,000
21,801,207,488	19,592,044,059
65,431,793,942	58,464,204,955
18,243,466,893	16,231,132,361

Total Regulatory capital Surplus /(Deficit)

CRAR Based on Basel III Framework:

	13.87%	13.84%
Capital Requirement :	Held	Held
Common Equity Tier-1 (Minimum CET-1 @ 4.50%)	8.19%	8.02%
Additional Tier-1 (Maximum CET-1 @ 1.50%)	1.06%	1.18%
Tier-1 Capital	9.25%	9.20%
Tier-2 (Maximum upto 4% of total RWA or 88.89% of CET-1 which ever is higher ) Balancing	4.62%	4.64%
Total	13.87%	13.84%

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	22,998,146,905	18,040,396,448
	43,564,089,085	38,606,338,628
Reciprocal crossholdings in the CET -1, Goodwill and other intangible assets	(207,090,365)	(210,652,032)
Deferred Tax assets (DTA) on loan loss provision	(4,726,412,266)	(4,523,525,700)
	38,630,586,454	33,872,160,896

Additional Tier-1 Capital (AT-1)

Perpetual bonds	5,000,000,000	5,000,000,000
	43,630,586,454	38,872,160,896

15.5.2 Gone - concern capital (Tier-2)

General provision ( Unclassified loans + off-balance sheet exposure )	11,101,207,488	9,892,044,059
Subordinated debt/ instruments issued by the Bank	10,700,000,000	9,700,000,000
Asset revaluation Reserve up to 50% as on 31 December 2014	-	-
Revaluation Reserve for equity instruments up to 10% as on 31 December 2014	-	-
Revaluation reserve for securities upto 50% as on 31 December 2014	-	-
	21,801,207,488	19,592,044,059

Regulatory adjustment

Revaluation reserve for fixed asset, securities & equipment as on 31 December 2014	-	-
	21,801,207,488	19,592,044,059
	65,431,793,942	58,464,204,955

Total Regulatory Capital Maintained

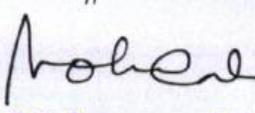
Capital to Risk Weighted Assets Ratio (Consolidated):

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 2023 is Taka 47,784,474,773 as against available going - concern capital of Taka 39,216,413,269, going concern-additional capital of Taka 5,000,000,000 and gone - concern capital of Taka 21,801,207,488 making a total regulatory capital of Taka 66,017,620,757 thereby showing a surplus regulatory capital /equity of Taka 18,233,145,984 at that date. Details are shown below:

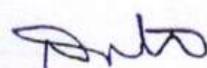
Total assets including off-balance sheet items	1,060,350,538,401	940,111,481,934
Total risk-weighted assets	477,844,747,726	425,175,791,548
Required Capital (10% of risk weighted assets)	47,784,474,773	42,517,579,155

  
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A. GASEM & CO.  
Chartered Accountants

  
Nasimul Baten  
Managing Director & CEO  
DBH Finance PLC.

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Regulatory capital held :  
i) Going - concern capital ( Tier-1 ) ( note 15.5.3)  
ii) Going concern - Additional Tier-1 capital ( note 15.5.1)  
ii) Gone - concern capital ( Tier-2 ) ( note 15.5.4)

Total Regulatory capital Surplus /{ Deficit )

CRAR Based on Basel III Framework:

Capital Requirement :  
Tier-1 (Minimum CET-1 @ 4.50% )  
Additional Tier-1 (Maximum CET-1 @ 1.50% )  
Tier-1 Capital  
Tier-2 (Maximum upto 4% of total RWA or 88.89% of CET-1 which ever is higher ) Balancing  
Total

2023 Taka	2022 Taka
39,216,413,269	34,512,053,741
5,000,000,000	5,000,000,000
21,801,207,488	19,592,044,059
66,017,620,757	59,104,097,800
18,233,145,984	16,586,518,645
13.82%	13.90%
Held	Held
8.21%	8.12%
1.05%	1.18%
9.25%	9.29%
4.56%	4.61%
13.82%	13.90%

15.5.3 Going - concern capital ( Tier-1 )

Paid-up Capital	10,282,942,180	10,282,942,180
Statutory Reserve	10,283,000,000	10,283,000,000
Retained Earnings	23,767,042,094	18,700,546,455
	44,332,984,274	39,266,488,635
Reciprocal crossholdings in the CET -1, Goodwill and other intangible assets	(390,158,739)	(230,909,194)
Deferred Tax assets (DTA) on loan loss provision	(4,726,412,266)	(4,523,525,700)
	39,216,413,269	34,512,053,741

Additional Tier-1 Capital (AT-1)

Perpetual bonds	5,000,000,000	5,000,000,000
	44,216,413,269	39,512,053,741

15.5.4 Gone - concern capital ( Tier-2 )

General provision ( Unclassified loans + off-balance sheet exposure )	11,101,207,488	9,892,044,059
Subordinated debt/ instruments issued by the Bank	10,700,000,000	9,700,000,000
Asset revaluation Reserve up to 50% as on 31 December 2014	-	-
Revaluation Reserve for equity instruments up to 10% as on 31 December 2014	-	-
Revaluation reserve for securities upto 50% as on 31 December 2014	-	-
	21,801,207,488	19,592,044,059

Regulatory adjustment

Revaluation reserve for fixed asset, securities & equipment as on 31 December 2014	-	-
	21,801,207,488	19,592,044,059
	66,017,620,757	59,104,097,800

Total Regulatory Capital Maintained

15.6 Particulars of Shareholding of the Directors

Sl	Name of the Directors	Status	2023		2022		
			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. Fahim Ahmed Faruk Chowdhury	Director	21,101,586	211,015,860	21,101,586	211,015,860	
5	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
6	Mr. M. Kabiruzzaman Yaqub FCMA (UK),CGMA	Director	20,568,691	205,686,910	20,568,691	205,686,910	
7	Mr. Musa Ahmed	Director	20,615,794	206,157,940	20,615,794	206,157,940	
8	Mr. Azizur Rahman	Director	22,352,148	223,521,480	22,352,148	223,521,480	
9	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	-	-	-	-
10	Ms. Rana Laila Hafiz	Director	20,565,889	205,658,890	20,565,889	205,658,890	
11	Mr. Mustafa Ahmed	Director	35,845,935	358,459,350	35,845,935	358,459,350	
12	Mr. Arif Ahmed Choudhury	Director	20,566,364	205,663,640	-	-	
13	Dr. Shahdeen Malik	Independent Director	-	-	-	-	
14	Mr. Mohammad Naushad Ali Chowdhury	Independent Director	-	-	-	-	
15	Mr. Mohammad Ali	Managing Director & CEO	-	-	-	-	
16	Mr. Ahmed Shafi Choudhury	Ex-Director	Nominated by Transcom Limited	-	-	20,707,995	207,079,950
			Personal	-	-	83,505	835,050
			324,026,085	3,240,260,850	324,251,221	3,242,512,210	



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Mohammad Ali  
Managing Director & CEO  
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Head Office, Dhaka

Nasimul Baten  
Managing Director & CEO  
DBH Finance PLC.

2023 Taka 2022 Taka

15.7 Related party disclosures

15.7.1 Particulars of Directors and their shareholding in the Bank

Sl	Name of the Directors	Designation	Percentage of shareholding at 31 Dec 2023	Percentage of shareholding at 31 Dec 2022
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. Fahim Ahmed Faruk Chowdhury	Director	2.05	2.05
5	Ms. Rumana Sharif	Director	5.00	5.00
		Nominated by Delta Life Insurance Co. Ltd. Personal	0.02	0.02
6	Mr. M. Kabiruzzaman Yaqub FCMA (UK), CGMA	Director	2.00	2.00
7	Mr. Musa Ahmed	Director	2.00	2.00
8	Mr. Azizur Rahman	Director	2.17	2.17
9	Mr. Md. Abdur Razzak Mondal	Director	3.50	3.50
		Nominated by That's It fashions Ltd. Personal	-	-
10	Ms. Rana Laila Hafiz	Director	2.00	2.00
11	Mr. Mustafa Ahmed	Director	3.49	3.49
12	Mr. Arif Ahmed Choudhury	Director	2.00	-
13	Dr. Shahdeen Malik	Independent Director	-	-
14	Mr. Mohammad Naushad Ali Chowdhury	Independent Director	-	-
15	Mr. Mohammad Ali	Managing Director & CEO	-	-
16	Mr. Ahmed Shafi Choudhury	Ex-Director	-	2.01
		Nominated by Transcom Limited Personal	-	0.01

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

Sl NO.	Name of the Directors	Status in the Bank	Name of the entities in which the directors have interest	Status in the entities	Percentages of interest/ No. of shares in the entities
1	Mr. Monzurur Rahman	Chairman	Rema Tea Company Ltd.	Chairman	12.13%
2	Mr. Moniruddin Ahmed	Director	Pubali Bank Securities Ltd.	Chairman	1 share
3	Mr. Habibur Rahman	Director	1. Delta Hospital Ltd.	Chairman	3.17%
			2. Pubali Bank Securities Ltd.	Director	1 share
			3. Global Pharmaceutical Company Ltd.	Director	-
4	Mr. Fahim Ahmed Faruk Chowdhury	Director	1. Chittagong Electric Manufacturing Co. Ltd.	Managing Director	15,000 shares
			2. F. A. C Eastern Enterprise Ltd.	Managing Director	413 shares
			3. Ranks FC Properties Ltd.	Managing Director	Representative
			4. FC Holdings Ltd.	Managing Director	Director of FC Holdings Ltd.
			5. CEM Readymix Concrete Ltd.	Managing Director	2,000 shares
			6. CEM UPVC Ltd.	Managing Director	7,500 shares
			7. Surgiscope Hospital Pvt. Ltd.	Managing Director	7,000 shares
			8. Globex Pharmaceuticals Ltd.	Director	5,000 shares
			9. Delta Hospital Ltd.	Director	755,065 shares
			10. Euro Petro Product Ltd.	Director	1,008,155 shares
			11. Baraka Shikalbaha Power Ltd.	Director	1,50,000 shares
5	Ms. Rumana Sharif	Nominee Director	None	Nil	Nil
6	Mr. M. Kabiruzzaman Yaqub FCMA (UK), CGMA	Director	1 Imagine Properties Ltd.	Chairman	50.00%
7	Mr. Musa Ahmed	Director	1. Popular Jute Exchange Ltd.	Director	22.55%
			2. Popular Jute Mills Ltd.	Director	8.10%
			3. Comilla Food and Allied Ind. Ltd.	Director	10.88%
			4. Popular Food and Allied Ind. Co. Ltd.	Director	11.35%
			5. Tejgaon Engineering and Construction Co. Ltd.	Director	22.41%
8	Mr. Azizur Rahman	Director	1. Pubali Bank Securities Ltd.	Director	1 share
			2. National Ceramic Industries Ltd.	Managing Director	54,167 shares
			3. Dressmen Fashionwear Ltd.	Director	40%
9	Mr. Md. Abdur Razzak Mondal	Nominee Director	1. That's It Fashions Ltd.	Nominee	-
10	Ms. Rana Laila Hafiz	Director	1. Trouser Line Ltd.	Managing Director	42.50%
			2. SP Garments Ltd.	Managing Director	2.19%
			3. SP Washing Ltd.	Managing Director	3.94%
			4. Green Valley Plantation Ltd.	Director	23.81%
11	Mr. Mustafa Ahmed	Director	Pubali Bank Securities Ltd.	Director	1 share
12	Mr. Arif Ahmed Choudhury	Director	Transcom Securities Ltd.	Managing Director	19,000 shares
13	Dr. Shahdeen Malik	Independent Director	Pubali Bank Securities Ltd.	Independent Director	-
14	Mr. Mohammad Naushad Ali Chowdhury	Independent Director	None	Nil	Nil
15	Mr. Mohammad Ali	Managing Director & CEO	1. Pubali Bank Securities Ltd.	Director (Representative of Pubali bank PLC.)	-
			2. Uttara Finance and Investment Limited	Director (Representative of Pubali Bank Securities Ltd.)	-



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2023  
Taka

2022  
Taka

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 PLC.	Nature of Transactions	Limit	Outstanding (Tk) 31 December 2023
1	Mr. Habibur Rahman	Director	Credit Card	500,000	-
2	Ms. Rumana Sharif	Director	Credit Card	500,000	14,610
3	Mr. Mohammad Ali	Managing Director	Credit Card	500,000	-

15.7.6 Key Management personnel compensation

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

Particulars	2023	2022
Short-term employee benefits	138,777,778	163,110,618
Post-employment benefits	129,245,749	42,147,986

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, 05 nos. Deputy Managing Directors, 32 nos. General Manager, Head of Internal Control & Compliance, Chief Technical Officer and Chief Financial Officer.

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

16 Statutory reserve

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

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

17 Retained earnings

Balance at the beginning of the year	18,040,396,448	14,426,734,652
Net profit for the year	6,808,468,920	5,321,771,659
Transfer regarding revaluation reserve on sale of Fixed Assets	929,000	813,990
Coupon interest payment against Perpetual Bond	(500,000,000)	(363,734,740)
Transfer to Start-up fund	(68,084,689)	(53,217,717)
Net income and expenses not recognised in the Profit and Loss Statement	1,804,999	(6,603,623)
	24,283,514,678	19,325,764,221
Less: Issue of cash dividend	(1,285,367,773)	(1,285,367,773)
Balance at the end of the year	22,998,146,905	18,040,396,448

As per BRPD Circular no.11 dated 12 December 2011, total amount of Tk. 4,726,412,266 has been recognized as Deferred Tax Assets (DTA) included in Retained Earnings for 2023 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 PLC.	22,998,146,905	18,040,396,448
Pubali Bank Securities Limited	768,895,189	660,150,007
	23,767,042,094	18,700,546,455

18 Other reserves

18.1 Investment Revaluation Reserve

Balance at the beginning of the year	1,248,583,316	2,158,644,271
Addition/(disposal) during the year	(521,006,691)	(910,060,955)
Balance at the end of the year	727,576,625	1,248,583,316

18.2 Fixed Asset Revaluation Reserve

Balance at the beginning of the year	2,558,813,405	2,558,727,491
Recognition of deferred tax on revaluation reserve of fixed assets	(83,074,588)	85,914
Transfer out: Fixed Asset revaluation reserve	-	-
Balance at the end of the year	2,475,738,817	2,558,813,405

18.3 Share forfeiture account

	333,984	333,984
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18.4 Exchange Equalization Fund

Balance at the beginning of the year	29,959,972	29,959,972
Addition during the year	-	-
Balance at the end of the year	29,959,972	29,959,972

18.5 Foreign currency translation reserve

Balance at the beginning of the period	42,058,873	9,877,248
Addition during the period	4,279,874	32,181,625
Balance at the end of the period	46,338,747	42,058,873

Other reserves

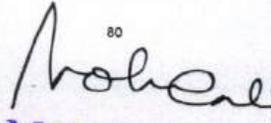
	3,279,948,145	3,879,749,550
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18(a) Consolidated Other reserves

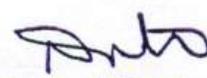
Pubali Bank PLC.	3,279,948,145	3,879,749,550
Pubali Bank Securities Limited	32,623,459	-
	3,312,571,604	3,879,749,550

  
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	2023 Taka	2022 Taka
<b>19 Profit &amp; loss account surplus</b>		
Balance at the beginning of the year	-	-
Profit after tax during the year	6,808,468,920	5,321,771,659
	<u>6,808,468,920</u>	<u>5,321,771,659</u>
Appropriation for the year		
Statutory reserve	-	-
Retained earnings	6,808,468,920	5,321,771,659
	<u>6,808,468,920</u>	<u>5,321,771,659</u>
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	6,949,837,589	5,648,006,251
	<u>6,949,837,589</u>	<u>5,648,006,251</u>
Appropriation for the year		
Statutory reserve	-	-
Retained earnings	6,949,837,589	5,648,006,251
	<u>6,949,837,589</u>	<u>5,648,006,251</u>
Balance at the end of the year	-	-
<b>20 Non-controlling interest</b>		
Balance at the beginning of the year	1,119	1,055
Share of current year profit	28	64
	<u>1,147</u>	<u>1,119</u>
<b>21 Contingent Liabilities</b>		
Acceptances & endorsements (Note 21.1)	85,520,080,684	103,377,186,550
Letters of guarantee (Note 21.2)	47,866,914,701	37,872,061,489
Irrevocable letters of credit (Note 21.3)	69,747,888,751	53,175,862,737
Bills for collection (Note 21.4)	37,191,310,041	28,980,463,041
Other contingent liabilities *	2,433,181,166	2,433,181,166
	<u>242,759,375,343</u>	<u>225,838,754,983</u>
*The amount of Tk. 2,433,181,166 has been claimed by the different borrowers against the Bank regarding Loans & Advances including 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	73,637,926,618	97,016,459,827
Local	11,882,154,066	6,360,726,724
	<u>85,520,080,684</u>	<u>103,377,186,551</u>
<b>21.1.1 Acceptance &amp; Endorsements in favour of:</b>		
Government	-	-
Director/Executives/Officers	-	-
Bank and other financial institutions	-	-
Other customer	85,520,080,684	103,377,186,551
	<u>85,520,080,684</u>	<u>103,377,186,551</u>
<b>21.2 Letters of Guarantee</b>		
Foreign	463,693,172	355,394,050
Local	47,403,221,529	37,516,667,439
	<u>47,866,914,701</u>	<u>37,872,061,489</u>
<b>21.2.1 Letters of Guarantee in favour of:</b>		
Government	-	-
Director/Executives/Officers	-	-
Bank and other financial institutions	-	-
Other customer	47,866,914,701	37,872,061,489
	<u>47,866,914,701</u>	<u>37,872,061,489</u>
<b>21.3 Letters of Credit</b>		
Foreign	53,057,848,406	44,785,924,638
Local	16,690,040,345	8,389,938,098
	<u>69,747,888,751</u>	<u>53,175,862,736</u>
<b>21.3.1 Letters of Credit in favour of:</b>		
Government	-	-
Director/Executives/Officers	-	-
Bank and other financial institutions	-	-
Other customer	69,747,888,751	53,175,862,736
	<u>69,747,888,751</u>	<u>53,175,862,736</u>
<b>21.4 Bills for Collection</b>		
Foreign	8,907,952,326	6,279,597,326
Local	28,283,357,715	22,700,865,715
	<u>37,191,310,041</u>	<u>28,980,463,041</u>
<b>21.4.1 Bills for Collection in favour of:</b>		
Government	-	-
Director/Executives/Officers	-	-
Bank and other financial institutions	-	-
Other customer	37,191,310,041	28,980,463,041
	<u>37,191,310,041</u>	<u>28,980,463,041</u>



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**Nasimul Baten**  
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	2023 Taka	2022 Taka
<b>22 Interest Income/profit on investments</b>		
Loans	5,989,114,817	4,216,009,593
Cash credits	6,778,038,010	4,883,896,348
Over drafts	9,480,441,697	6,766,610,121
Loan against trust receipt	810,915,182	745,424,776
Inland bill purchased & demand draft purchased	525,114,708	243,580,372
Foreign bill purchased and Export development fund	405,699,802	269,742,401
Interest on Export Bill Discounting (EBD)	37,831,474	19,301,514
Packing credits	142,552,398	83,103,464
Payments against document	2,945,467,130	2,024,335,501
Agricultural credits & rural credits	136,256,873	118,433,300
Sundries account	36,216,953	40,207,635
CLS account	1,220,692,203	1,119,179,676
Secured mortgages	2,798,886,679	1,810,869,383
Loan against Shiksha Sanchay Prokalpa	55,917,136	71,137
Loan against Non-resident Credit Scheme	10,621	-
Lease finance	1,079,805,230	763,019,165
Loan against Pubali Sanchay Prokalpa	7,428,965	7,493,952
Term loans	6,317,832,536	5,205,251,300
Syndication/Club Finance	368,355,240	388,839,594
Govt. employee house building loan	1,457,971	-
Loan against Pubali Pension Scheme	66,891,975	63,052,705
<b>Interest on loans and advances</b>	<b>39,204,927,600</b>	<b>28,768,421,937</b>
Interest on money at call and short notice	179,866,565	234,148,470
Interest on balance with other banks	746,071,223	618,129,385
Interest on fixed deposits with other banks	209,976,876	192,492,271
	<b>40,340,842,264</b>	<b>29,813,192,063</b>
<b>22(a) Consolidated Interest Income</b>		
Pubali Bank PLC.	40,340,842,264	29,813,192,063
Pubali Bank Securities Limited	63,908,770	47,055,835
	<b>40,404,751,034</b>	<b>29,860,247,898</b>
<b>23 Interest paid/profit shared on deposits, borrowings, etc.</b>		
Fixed deposit	11,388,808,812	7,528,803,469
Short-notice deposit	2,236,425,990	2,099,739,199
Savings bank deposit	1,587,656,916	1,523,658,149
Deposit pension scheme	1,189,786	885,975
Pubali bank pension scheme	3,401,556,871	3,427,888,635
Pubali Sanchay Prokalpa	249,636,265	243,708,978
Shiksha Sanchay Prokalpa	12,562,672	13,718,834
Dwigun Sanchay Prokalpa	1,812,675,769	1,868,306,361
Interest on MPSD	385,330,939	334,400,543
Interest on TBSD	772,512,494	609,652,148
Interest on MFD	312,660,536	268,826,662
Sundry accounts	91,203,767	10,737,925
<b>Interest paid on Deposits</b>	<b>22,252,479,268</b>	<b>17,930,326,878</b>
Interest on call loan	102,907,750	31,467,222
Interest on borrowings from Bank and Fis	3,072,530,355	1,582,852,177
Interest on repo borrowings	301,325,834	49,558,442
Interest on term borrowings	5,589,954	-
Interest on Treasury bond	554,674,016	97,272,900
Interest on HFT Securities	2,243,954,482	2,207,756,374
Interest on HTM Securities	340,994,038	395,352,860
Interest on borrowings from Bangladesh Bank	213,958,680	142,150,542
Interest on Subordinated Bond	1,146,701,041	803,856,164
Net interest cost (Gratuity Fund)	85,961,385	-
	<b>30,321,076,803</b>	<b>23,240,593,559</b>
<b>24 Investment Income</b>		
Interest on treasury bill	1,937,620,774	931,854,833
Interest on treasury bond	9,753,177,554	8,733,957,986
Interest on other bond	1,170,857,475	1,033,136,602
Gain/ (Loss) on sale of shares	7,548,808	17,917,367
Interest on Reverse Repo	284,205,086	424,385,912
Gain on Treasury Bill & Treasury Bond	2,100,921,094	2,124,942,979
Dividend on shares	379,403,654	474,168,037
	<b>15,633,734,445</b>	<b>13,740,363,716</b>
<b>24(a) Consolidated Income from Investment</b>		
Pubali Bank PLC.	15,633,734,445	13,740,363,716
Pubali Bank Securities Limited	265,634,808	393,065,213
	<b>15,899,369,253</b>	<b>14,133,428,929</b>



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	2023 Taka	2022 Taka
<b>25 Commission, exchange and brokerage</b>		
SC, LSC, DD, TT, MT and PO	35,407,994	29,364,263
Foreign L/C-Import/others	545,542,440	582,890,026
Local L/C-Import/others	86,784,471	65,331,557
Issuance of foreign guarantee	2,863,625	2,806,815
Issuance of local guarantee	542,375,101	344,311,547
Issuance of traveller's cheque	20,380	7,506
Other transactions	157,559,524	182,397,465
Miscellaneous Handling Commission-Import/others	70,252,832	88,053,524
Consumers credit	1,519	-
Stationery articles-Import/other	6,577,400	6,065,849
Fees and Commission (Syndication/Club Finance)	600	984,784
LC Acceptance charges	607,378,196	638,155,418
LC Payment & Discrepancy Charges	185,632,806	178,538,003
BSP,PSP,Prize Bond and ACS	12,169,138	5,287,841
Online fee	-	-
<b>Total commisssion</b>	<b>2,252,566,026</b>	<b>2,124,194,598</b>
Exchange (Note 25.1)	851,421,452	1,187,125,916
	<b>3,103,987,478</b>	<b>3,311,320,514</b>
<b>25.1 Exchange</b>	<b>13,857,654,181</b>	<b>17,439,530,058</b>
Exchange gain	(13,006,232,729)	(16,252,404,142)
Exchange loss	851,421,452	1,187,125,916
<b>25(a) Consolidated Commission, exchange and brokerage</b>		
Pubali Bank PLC.	3,103,987,478	3,311,320,514
Pubali Bank Securities Limited	24,993,958	43,775,776
	<b>3,128,981,436</b>	<b>3,355,096,290</b>
<b>26 Other operating income</b>	<b>7,453,928</b>	<b>6,563,847</b>
Rent recovery	11,788,716	12,987,685
Postage (Import/others) and telecommunication recovery	224,064	89,893
Recovered from bad debt written off	127,240,128	134,142,120
Swift Income-Import/others	44,763,132	26,653,556
Fee on card transection	59,455	111,653
Application fee of CLS account	5,700	43,800
Account opening charge of CLS account	57,014,746	65,131,287
Service charge	8,361,532	8,113,736
Income on sale of leased asset	7,200,165	1,116,250
Processing Fee on Pubali Abashon	2,148,340	-
Processing Fee on Lease	53,374,932	47,242,394
Processing Fee	17,398	17,586
Loan Reschedule/Restructure Fee	624,505,609	548,877,663
Online service charge	346,427,796	320,522,412
Accounts maintenance fee	167,802,045	129,252,741
SMS service charges	60,564,077	42,125,979
Card Fees and charges	22,421,640	19,901,780
CIB service charges	5,479,626	4,463,507
Early Settlement Fee	2,064,429	34,653,617
Income on sale of Bank's property	109,933,372	166,408,242
Miscellaneous income -Import/others	133,204,431	-
Miscellaneous income-supervision and monitoring	1,922,211	2,000,610
Miscellaneous income-transfer fee	1,793,977,472	1,570,420,358
<b>26(a) Consolidated Other operating income</b>	<b>1,793,977,472</b>	<b>1,570,420,358</b>
Pubali Bank PLC.	28,126,383	46,968,895
Pubali Bank Securities Limited	<b>1,822,103,855</b>	<b>1,617,389,253</b>
<b>27 Salary and allowances</b>	<b>3,487,695,376</b>	<b>3,127,502,049</b>
Basic salary	2,049,048,019	1,829,939,109
House rent allowances	424,528,403	383,762,835
Medical allowances	259,269,724	245,101,999
House maintenance	2,105,529,219	1,882,379,523
Other allowances	304,690,356	282,159,148
Contributory provident fund	168,017	253,555
General provident fund	627,899,707	596,507,381
Bonus to employees	9,258,828,821	8,347,605,599
<b>27(a) Consolidated Salary and allowances</b>	<b>9,258,828,821</b>	<b>8,347,605,599</b>
Pubali Bank PLC.	47,859,350	44,129,468
Pubali Bank Securities Limited	<b>9,306,688,171</b>	<b>8,391,735,067</b>



*[Signature]*  
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*[Signature]*  
**Nasimul Baten**  
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	2023 Taka	2022 Taka
<b>28 Rent, taxes, insurance, electricity, etc.</b>		
Bank premises	766,331,789	694,771,727
Godown	4,175,904	3,678,468
<b>Total Rent expenses</b>	<b>770,507,693</b>	<b>698,450,195</b>
Reversal of rent expenses due to depreciation and interest expenses under IFRS 16-Leases	770,507,693	698,450,195
<b>Rent expenses after reversal</b>	<b>-</b>	<b>-</b>
Rates and taxes	20,651,289	19,885,559
Insurance premium (IDIPA, Lockers and others)	305,630,360	303,411,229
Insurance premium (cash in Transit, Vault and ATM)	113,198,186	57,091,147
Lighting (Electricity bill)	249,859,782	194,500,570
Electric fittings and fixtures	84,914,847	65,203,803
Water and sewerage bill	6,539,947	6,788,646
	<b>780,794,411</b>	<b>646,880,954</b>
Total rent expenses for the year 2023 is Tk.770,507,693 as per IAS 17. To comply with "IFRS 16 Lease" rent expense has been adjusted with Depreciation Tk 529,514,875 arises against Right of use assets (Annex-A), Interest expense of Tk 152,955,880 and VAT on rent expense of Tk. 100,501,003 under note no. 36.		
<b>28(a) Consolidated Rent, taxes, insurance, electricity, etc.</b>		
Pubali Bank PLC.	780,794,411	646,880,954
Pubali Bank Securities Limited	7,701,884	2,656,896
	<b>788,496,295</b>	<b>649,537,850</b>
<b>29 Legal expenses</b>		
Lawyers' charges	14,282,339	13,463,087
Court fees and other expenses	4,185,110	3,936,660
	<b>18,467,449</b>	<b>17,399,747</b>
<b>29(a) Consolidated Legal expenses</b>		
Pubali Bank PLC.	18,467,449	17,399,747
Pubali Bank Securities Limited	1,087,167	148,679
	<b>19,554,616</b>	<b>17,548,426</b>
<b>30 Postage, stamp, telecommunication, etc.</b>		
Postage	13,955,568	14,303,978
Telegram	84,947	218,897
Stamp	282,519	153,004
Telephone	14,854,646	15,002,078
SWIFT charges	27,874,524	38,425,436
SMS charges	15,537,578	21,320,402
Tele rate/ Reuters	4,307,553	3,388,851
Internet charges	2,716,244	2,445,590
	<b>79,613,579</b>	<b>95,258,236</b>
<b>30(a) Consolidated Postage, stamp, telecommunication, etc.</b>		
Pubali Bank PLC.	79,613,579	95,258,236
Pubali Bank Securities Limited	122,003	198,822
	<b>79,735,582</b>	<b>95,457,058</b>
<b>31 Stationery, printing, advertisement, etc.</b>		
Table stationery	49,945,685	38,558,081
Computer stationery	35,986,990	33,838,817
Printing and stationery	5,260,692	6,409,366
Consumption of books and forms	43,981,145	17,404,727
Advertisement	136,730,633	53,119,686
	<b>271,905,145</b>	<b>149,330,677</b>
<b>31(a) Consolidated Stationery, printing, advertisement, etc.</b>		
Pubali Bank PLC.	271,905,145	149,330,677
Pubali Bank Securities Limited	525,227	550,514
	<b>272,430,372</b>	<b>149,881,191</b>
<b>32 Managing Director's salary and fees</b>		
Basic pay	9,133,549	6,900,215
Allowances	2,576,129	2,933,420
Bank's contributory provident fund	-	690,022
Bonus	3,060,000	2,320,000
	<b>14,769,678</b>	<b>12,843,657</b>
<b>33 Directors' fees</b>		
Meeting fees and Honorarium	6,168,800	6,350,716
Meeting expenses	1,093,789	629,473
Meeting related travelling allowances	406,847	361,017
	<b>7,669,436</b>	<b>7,341,206</b>
<b>33(a) Consolidated Directors' fees</b>		
Pubali Bank PLC.	7,669,436	7,341,206
Pubali Bank Securities Limited	891,000	1,716,000
	<b>8,560,436</b>	<b>9,057,206</b>

Directors' fees represent fees paid for attending board meeting, board audit committee meeting and risk management committee meeting @ Tk. 8,000 per director per meeting as per BRPD circular no.11 dated 4 October 2015.

  
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GULSHAN  
DHAKA  
CHARTERED ACCOUNTANTS

  
**Nasimul Baten**  
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	2023 Taka	2022 Taka
<b>34 Auditors' fees</b>		
Statutory Audit	2,420,750	1,437,500
Interim and other audit	-	583,500
	<u>2,420,750</u>	<u>2,021,000</u>
<b>34(a) Consolidated Auditors' fees</b>		
Pubali Bank PLC.	2,420,750	2,021,000
Pubali Bank Securities Limited	161,000	178,250
	<u>2,581,750</u>	<u>2,199,250</u>
<b>35 Depreciation and repair of the bank's assets</b>		
Repairs to fixed assets	76,260,402	63,892,157
Maintenance of assets	666,044,081	246,362,672
Maintenance of assets -Wages	98,426,996	66,856,884
Depreciation on fixed assets (note 35.1)	<u>1,242,941,661</u>	<u>1,060,741,567</u>
	<u>2,083,673,140</u>	<u>1,437,853,280</u>
<b>35.1 Depreciation/Amortization</b>		
Lease land	1,151,265	1,151,265
Building	9,949,741	10,204,861
Furniture and Fixture	87,288,915	70,026,429
Computer & Computer Accessories	291,348,830	222,440,812
Machinery and Equipment	176,535,352	147,355,360
Vehicles	36,899,227	33,911,929
Right of use assets (ROU)	529,514,875	481,856,774
Computer Software	<u>110,253,456</u>	<u>93,794,137</u>
	<u>1,242,941,661</u>	<u>1,060,741,567</u>
<b>35(a) Consolidated depreciation and repair of bank's assets</b>		
Pubali Bank PLC.	2,083,673,140	1,437,853,280
Pubali Bank Securities Limited	3,602,639	2,310,425
	<u>2,087,275,779</u>	<u>1,440,163,705</u>
<b>36 Other expenses</b>		
Repairs to rented property	4,558,423	2,560,406
Newspapers	4,616,567	3,864,596
Renovation under construction works	62,580,685	65,292,283
Petrol consumption	97,534,742	75,921,579
Travelling	67,322,289	64,482,278
Donations	183,701,006	180,093,602
Honorarium	2,402,740	2,219,118
Subscriptions	23,308,838	24,699,680
Sub-ordinate staff clothing	13,032,423	13,396,449
Conveyance	34,715,244	31,128,024
Entertainment	43,095,628	33,188,522
Training	31,998,333	19,606,311
Photocopying	315,992	365,388
Branches' opening expenses	8,266,563	7,079,652
Shifting expenses	1,908,699	1,514,509
Carrying expenses	3,485,879	2,684,857
Professional fees	73,308,941	84,120,985
Security and Auxiliary services	285,822,828	224,931,722
Gun license fees	3,217,838	7,195,349
Overtime	35,963,174	35,399,100
Employees recreation (Lunch subsidy)	356,821,845	345,039,242
Promotional expenses	179,205,789	73,533,155
Gratuity	-	1,290,537,500
Group insurance	19,878,108	19,628,119
Car allowance	52,023,537	44,277,690
Chemicals for office equipment's	886,671	787,698
Loss on sale of bank's property	2,086,456	2,000,100
CDBL fees	133,570	111,850
Annual general meeting	1,222,059	2,248,812
Bandwidth charges	103,008,528	97,210,442
Card expenditure	149,984,973	79,218,570
VAT on Rent Expenses	100,501,003	91,102,199
Interest Expenses for lease liability as per IFRS-16	152,955,880	134,857,087
Bank Charges & Others	3,977,035	3,105,298
Nostro account charges	26,658,516	19,139,950
Card transaction fee	9,276,132	6,411,177
Additional Profit Payable A/C For Islamic Banking	-	6,330,082
Current Service Cost (Gratuity fund)	418,584,000	-
Miscellaneous	<u>121,845,283</u>	<u>45,373,391</u>
	<u>2,680,206,217</u>	<u>3,140,656,772</u>



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	2023 Taka	2022 Taka					
<b>36.1 Cost savings Initiatives of the Bank as per BRPD circular letter nos. 28,30 &amp; 35 dated 26 July 2022, 27 July 2022 &amp; 05 September 2022 respectively.</b>							
Pursuant to BRPD Circular Letter nos. 28,30 & 35 dated 26 July 2022, 27 July 2022 & 05 September 2022 respectively, all schedule banks of Bangladesh are instructed to reduce certain expenses at specific percentage from the allocated amount. Categories of expenses fall under these requirements are expenses for fuel, electricity, entertainment, travelling, computer and accessories, electrical equipment, furniture and other stationaries. Purchases of all new or replacement vehicle has also been prohibited. Pubali Bank PLC. has been extremely vigilant about cost.							
Pubali Bank PLC. has taken several initiatives such as rationalizing the usage of office space to reduce electricity cost, restricting entertainment expenses and travelling, reducing and deferring the expenses on computer and accessories which are not urgently required etc. To comply with the above instructions, the actual expenses on the said categories are monitored on periodically to track the savings achieved against the allocated amount. Savings achieved are reflected in the respective expense category in the profit and loss statement or fixed assets schedule of the Bank.							
<b>36(a) Consolidated Other expenses</b>							
Pubali Bank PLC.	2,680,206,217	3,140,656,772					
Pubali Bank Securities Limited	8,835,463	10,241,457					
	<b>2,689,041,680</b>	<b>3,150,898,229</b>					
<b>37 Provision for Loans, Advances/Investments and Other Assets</b>							
Classified loans and advances (note 14.1.1)	2,828,437,943	1,880,136,844					
Unclassified loans and advances (note 14.1.2)	66,162,057	872,267,826					
Provision for bad debt offsetting	-	22,067,376					
Provision for diminution in value of Investments	2,000,000	-					
Provision for other assets	42,500,000	50,000,000					
	<b>2,939,100,000</b>	<b>2,824,472,046</b>					
<b>37(a) Consolidated Provision for Loans, Advances/Investments and Other Assets</b>							
Pubali Bank PLC.	2,939,100,000	2,824,472,046					
Pubali Bank Securities Limited	97,548,006	55,411,791					
	<b>3,036,648,006</b>	<b>2,879,883,837</b>					
<b>38 Provision for exposure of off balance sheet items</b>							
Provision for exposure against off-balance sheet items	426,000,000	-					
	<b>426,000,000</b>	<b>-</b>					
<b>38.1 Details of Required General and Additional Provision against off-balance sheet exposure</b>							
		Overdue amount			Additional provision on overdue amount		
Particulars	Outstanding amount	03-12 months	12-24 months	Above 24 months	1% on (03-12 months overdue)	2% on (12-24 months overdue)	5% on (Above 24 months overdue)
Acceptances & endorsements	85,520,080,684	623,608,934	48,851,703	-	6,236,089	977,034	-
Letters of guarantee	47,866,914,701	2,611,921,562	2,281,974,449	1,550,422,340	26,119,216	45,639,489	77,521,117
Irrevocable letters of credit	69,747,888,751	3,205,801,016	1,175,408,546	106,884,256	32,058,010	23,508,171	5,344,213
Bills for collection	37,191,310,041	-	-	-	-	-	-
Other contingent liabilities	2,433,181,166	-	-	-	-	-	121,659,058
<b>Total</b>	<b>242,759,375,343</b>	<b>6,441,331,512</b>	<b>3,506,234,698</b>	<b>1,657,306,596</b>	<b>64,413,315</b>	<b>70,124,694</b>	<b>204,524,388</b>
		General Provision (1%)		Additional provision on overdue amount			
Particulars	General Provision (1%)	Additional provision on overdue amount					
Acceptances & endorsements	855,200,807	7,213,123			862,413,930	1,033,771,865	
Letters of guarantee	478,669,147	149,279,822			627,948,969	378,720,615	
Irrevocable letters of credit	697,478,888	60,910,394			758,389,282	531,758,627	
Other contingent liabilities	24,331,812	121,659,058			145,990,870	24,331,812	
<b>Required provision</b>					<b>2,394,743,051</b>	<b>1,968,582,919</b>	
<b>Provision maintained</b>					<b>2,394,950,000</b>	<b>1,968,950,000</b>	
<b>Excess provision</b>					<b>206,949</b>	<b>367,081</b>	
<b>39 Provision for doubtful investment</b>							
Provision for diminution in value of Investments					2,000,000		-
					<b>2,000,000</b>		<b>-</b>
<b>40 Receipts from other operating activities</b>							
Net exchange gain					851,421,452		1,187,125,916
Other operating income					1,791,688,979		1,535,676,848
					<b>2,643,110,431</b>		<b>2,722,802,764</b>
<b>40(a) Consolidated Receipts from other operating activities</b>							
Pubali Bank PLC.					2,643,110,431		2,722,802,764
Pubali Bank Securities Limited					43,934,496		187,584,059
					<b>2,687,044,927</b>		<b>2,910,386,823</b>
<b>41 Cash payments for other operating activities</b>							
Rent, taxes, insurance, electricity etc.					1,551,302,104		1,345,331,149
Director's fees					7,669,436		7,341,206
Repairs of bank's assets					840,731,479		377,111,713
Other expenses					2,426,749,334		2,914,697,486
					<b>4,826,452,353</b>		<b>4,644,481,554</b>
<b>41(a) Consolidated Cash payments for other operating activities</b>							
Pubali Bank PLC.					4,826,452,353		4,644,481,554
Pubali Bank Securities Limited					20,752,584		18,013,443
					<b>4,847,204,937</b>		<b>4,662,494,997</b>



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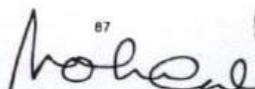
	2023 Taka	2022 Taka
<b>42 Increase/(decrease) of other assets</b>		
<b>Closing other assets</b>		
Stationery and Stamps	131,977,562	99,365,441
Advance security deposit, advance rent etc.	1,137,769,821	759,288,899
Investment in SWIFT AC	3,387,591	3,387,591
Stock dealing account	34,846,335	90,561,024
Suspense Account	407,132,159	818,835,977
Deferred tax assets	4,793,130,139	4,557,181,100
Items in transit	10,751,881,053	9,333,322,412
Drafts payable (Dr. balance)	16,444,707	16,446,447
Sanchaypatra	61,785,118	29,670,982
Clearing house adjustment	656,811	2,788,012
Others	44,079,695	24,454,855
	<u>17,383,090,991</u>	<u>15,735,302,740</u>
<b>Opening other assets</b>		
Stationery and stamps	99,365,441	112,282,554
Advance security deposit, advance rent etc.	759,288,899	185,409,535
Investment in SWIFT AC	3,387,591	3,387,591
Stock dealing account	90,561,024	218,377,519
Deferred tax assets	4,557,181,100	4,020,112,798
Suspense account	818,835,977	346,089,155
Demonetized notes	-	1,903,590
Items in transit	9,333,322,412	7,758,535,689
Drafts payable (Dr. Balance)	16,446,447	16,540,503
Sanchaypatra	29,670,982	17,551,607
Clearing house adjustment	2,788,012	1,400,931
Others	24,454,855	3,739,932
	<u>15,735,302,740</u>	<u>12,685,331,404</u>
	<u>(1,647,788,251)</u>	<u>(3,049,971,336)</u>
<b>42(a) Consolidated Increase/(decrease) of other assets</b>		
Pubali Bank PLC.	(1,647,788,251)	(3,049,971,336)
Pubali Bank Securities Limited	(30,530,657)	(213,047,660)
	<u>(1,678,318,908)</u>	<u>(3,263,018,996)</u>
<b>43 Increase/(decrease) of other liabilities</b>		
<b>Closing other liabilities</b>		
Interest suspense	8,042,758,553	6,752,276,864
Interest suspense on underwriting advances	219,648,924	219,648,924
Interest suspense against 70% Agri Loan	192,382	192,382
	<u>8,262,599,858</u>	<u>6,972,118,170</u>
<b>Opening other liabilities</b>		
Interest suspense	6,752,276,864	6,141,139,753
Interest suspense on underwriting advances	219,648,924	219,648,924
Interest suspense against 70% Agri Loan	192,382	192,382
	<u>6,972,118,170</u>	<u>6,360,981,059</u>
	<u>1,290,481,688</u>	<u>611,137,111</u>
<b>43(a) Consolidated Increase/(decrease) of other liabilities</b>		
Pubali Bank PLC.	1,290,481,688	611,137,111
Pubali Bank Securities Limited	(99,211,391)	(160,543,026)
	<u>1,191,270,297</u>	<u>450,594,085</u>
<b>44 Cash and Cash Equivalents at End of Period</b>		
Cash in hand (including foreign currencies)	9,130,422,101	8,902,088,820
Balance with Bangladesh Bank and its agent bank(s)	24,966,637,862	25,547,757,619
Balance with other banks and financial institution	6,156,645,838	9,810,258,252
National Prize bonds	21,797,541	12,682,101
Money at call on short notice	37,686,667	838,986,667
	<u>40,313,190,009</u>	<u>45,111,773,459</u>
<b>44(a) Consolidated Cash and Cash Equivalents at End of Period</b>		
Pubali Bank PLC.	40,313,190,009	45,111,773,459
Pubali Bank Securities Limited	583,264,253	1,576,440,374
	<u>40,896,454,262</u>	<u>46,688,213,833</u>

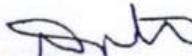
45 Assets and liabilities as at 31 December 2023 denominated in foreign currencies have been converted to Bangladesh Taka at the following exchange rates:

Currency	Currency unit	Equivalent Taka
European Currency	EURO	122.0201
Japanese Yen	JPY	0.7770
Pound Sterling	GBP	140.6007
Swiss Franc	CHF	130.6237
US Dollar	USD	109.7500
ACU Dollar	ACUD	109.7500
AED	AED	29.8778
CNY	CNY	15.4165
Saudi Riyal	SAR	29.2635

  
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	2023 Taka	2022 Taka
<b>46 Basic Earnings Per Share (EPS):</b>		
Net profit after taxes	6,808,468,920	5,321,771,659
Number of ordinary shares outstanding	1,028,294,218	1,028,294,218
<b>Basic Earnings Per Share (EPS)</b>	<b>6.62</b>	<b>5.18</b>
<b>46(a) Consolidated Basic Earnings Per Share (EPS)</b>		
Net profit after tax	6,949,837,589	5,648,006,251
Number of ordinary shares outstanding	1,028,294,218	1,028,294,218
<b>Basic Earnings Per Share (EPS)</b>	<b>6.76</b>	<b>5.49</b>
Earnings per share has been calculated in accordance with BAS-33: "Earnings Per Share (EPS)".		
<b>46(1) Net Asset Value Per Share (NAVPS):</b>		
Total Shareholders' Equity	46,844,037,230	42,486,088,178
Number of ordinary shares outstanding	1,028,294,218	1,028,294,218
	<b>45.56</b>	<b>41.32</b>
<b>46(1)(a) Consolidated Net Asset Value Per Share (NAVPS):</b>		
Total Shareholders' Equity	47,645,555,878	43,146,238,185
Number of ordinary shares outstanding	1,028,294,218	1,028,294,218
	<b>46.33</b>	<b>41.96</b>
<b>46(2) Net Operating Cash Flow Per Share (NOCFPS):</b>		
Net Cash from/(used in) Operating activities	(1,973,455,268)	(2,717,037,891)
Number of ordinary shares outstanding	1,028,294,218	1,028,294,218
	<b>(1.92)</b>	<b>*(2.64)</b>
<b>46(2)(a) Consolidated Net Operating Cash Flow Per Share (NOCFPS):</b>		
Net Cash from/(used in) Operating activities	(2,960,679,865)	(3,087,995,328)
Number of ordinary shares outstanding	1,028,294,218	1,028,294,218
	<b>(2.88)</b>	<b>*(3.00)</b>

\*NOCFPS has been restated as per "Paragraph 42 of IAS-8: Accounting Policies, Changes in Accounting estimates and errors" for showing the payment of coupon/ dividend on perpetual bond as financing activities which was considered as operating activities in previous year.

<b>47 Reconciliation of statement of cash flows from operating activities</b>		
Profit before provision	15,353,116,230	11,337,511,964
<b>Adjustment for non cash items</b>		
Depreciation on fixed asset	1,132,688,205	966,947,430
Amortization on software	110,253,456	93,794,137
	<b>1,242,941,661</b>	<b>1,060,741,567</b>
<b>Adjustment with non-operating activities</b>		
Gain on sale of shares	(7,548,808)	(17,917,367)
Capital gain on sale of treasury bonds	(2,100,921,094)	(2,124,942,979)
Gain on sale of Bank's property	(2,064,429)	(34,653,617)
Loss on sale of bank's property	2,086,456	2,000,100
	<b>(2,108,447,875)</b>	<b>(2,175,513,863)</b>
<b>Changes in operating assets and liabilities</b>		
Changes in loans & advances	(92,611,369,955)	(85,227,694,143)
Changes in deposit and other accounts	95,459,896,387	48,436,298,188
Changes in investment	(6,495,427,037)	7,449,735,831
Changes in borrowings	(9,701,223,340)	18,517,368,495
Changes in other assets	(1,574,245,733)	(3,068,432,009)
Changes in other liabilities	2,068,524,592	3,018,536,178
	<b>(12,853,845,086)</b>	<b>(10,874,187,460)</b>
Income Tax paid	(3,607,220,198)	(2,065,590,099)
<b>Net cash flows from operating activities</b>	<b>(1,973,455,268)</b>	<b>(2,717,037,891)</b>

**48 Highlights on the Overall Activities of the Bank for the period ended 31 December 2023 and 31 December 2022**

Particulars	2023 Taka	2022 Taka
1. Paid-up Capital	10,282,942,180	10,282,942,180
2. Total Regulatory Capital	65,431,793,942	58,464,204,955
3. Regulatory Capital Surplus	18,243,466,893	16,231,132,361
4. Total Assets	814,866,573,965	712,755,711,836
5. Total Deposits	606,296,413,262	510,836,516,875
6. Total Loans & Advances	554,495,496,036	461,884,126,081
7. Total Contingent Liabilities	242,759,375,343	225,838,754,983
8. Credit Deposit Ratio (CDR)(%)	86.85%	84.79%
9. Ratio of Classified Loan to total Loans & Advances (%)	2.86%	2.62%
10. Profit after taxation & Provision	6,808,468,920	5,321,771,659
11. Amount of Classified Loan during the current year	15,862,023,467	12,121,227,966
12. Provision kept against Classified Loans	15,468,377,340	13,192,660,137
13. Provision Surplus	45,456,990	19,567,859
14. Cost of Fund (%)	7.15%	6.77%
15. Interest Earning Assets	690,519,121,178	595,018,233,953
16. Non Interest Earning Assets	124,347,452,787	117,737,477,883
17. Return on Investment (ROI) [(PAT/ Shareholders' Equity + Borrowings)]	5.66%	4.27%
18. Return on Assets (ROA) [PAT/Average Assets]	0.89%	0.79%
19. Return on Equity(ROE) [(PAT/ Shareholders' Equity)]	14.53%	12.53%
20. Income from Investment	15,633,734,445	13,740,363,716
21. Earnings Per Share (Taka)	6.62	5.18
22. Price Earning Ratio (Times)	3.97	5.08

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Annexure-A

Pubali Bank PLC.  
Schedule of Fixed Assets as at 31 December 2023

Particulars	Cost				Depreciation/Amortization				Net book value at 31 December 2023 Taka		
	Balance at 1 January 2023 Taka	Additions/ Revaluation during the Year Taka	Disposal during the year Taka	Adjustments during the year Taka	Balance at 31 December 2023 Taka	Rate (%)	Charge for the Year Taka	Disposal during the year Taka		Adjustments during the year Taka	Balance at 31 December 2023 Taka
Land	1,117,377,420	-	-	-	1,117,377,420	-	-	-	-	-	1,117,377,420
Lease land	1,121,195,000	-	-	-	1,121,195,000	Fixed	1,151,265	-	-	3,453,795	1,117,741,205
Buildings	418,660,966	-	-	-	418,660,966	2.50	9,949,741	-	-	30,621,127	388,039,839
Furniture and Fixture	1,228,879,788	249,614,777	16,445,095	-	1,462,049,470	10.00	87,288,915	11,443,153	(3,027)	566,928,335	895,121,135
Computer & Computer Accessories	1,879,175,861	543,677,952	44,156,287	-	2,377,697,526	30.00	291,348,830	44,092,328	67,404	1,667,417,025	710,280,501
Machinery and Equipment	1,349,266,976	259,095,816	37,776,205	-	1,570,586,587	20.00	176,535,352	37,558,849	16,514	1,062,105,965	508,480,622
Vehicles	359,985,902	99,261,140	8,435,000	-	450,812,042	20.00	36,899,227	8,434,960	(67,418)	312,060,495	138,751,547
Capital Work-in Progress	-	549,207,069	-	-	549,207,069	-	-	-	-	-	549,207,069
Right of Use Assets (ROU)	3,718,953,437	515,068,579	-	(40,843,779)	4,193,178,237	-	529,514,875	-	-	2,286,202,159	1,906,976,078
<b>At 31 December 2023</b>	<b>11,192,495,350</b>	<b>2,215,925,333</b>	<b>106,812,587</b>	<b>(40,843,779)</b>	<b>13,260,764,317</b>		<b>1,137,688,205</b>	<b>101,529,290</b>	<b>13,473</b>	<b>5,928,788,901</b>	<b>7,331,975,416</b>
<b>At 31 December 2022</b>	<b>9,896,247,702</b>	<b>1,413,911,999</b>	<b>117,664,351</b>	<b>-</b>	<b>11,192,495,350</b>		<b>966,947,430</b>	<b>112,753,903</b>	<b>4,419</b>	<b>4,897,616,513</b>	<b>6,294,878,837</b>

Schedule of Intangible asset as at 31 December 2023

Particulars	Cost				Depreciation/Amortization				Net book value at 31 December 2023 Taka		
	Balance at 1 January 2023 Taka	Additions/ Revaluation during the Year Taka	Disposal during the year Taka	Adjustments during the year Taka	Balance at 31 December 2023 Taka	Rate (%)	Charge for the Year Taka	Disposal during the year Taka		Adjustments during the year Taka	Balance at 31 December 2023 Taka
Computer Software	664,560,474	106,876,322	-	-	771,436,796	0.30	110,253,456	-	-	574,148,042	197,288,754
<b>At 31 December 2023</b>	<b>664,560,474</b>	<b>106,876,322</b>	<b>-</b>	<b>-</b>	<b>771,436,796</b>		<b>110,253,456</b>	<b>-</b>	<b>-</b>	<b>574,148,042</b>	<b>197,288,754</b>
<b>At 31 December 2022</b>	<b>593,083,288</b>	<b>71,477,186</b>	<b>-</b>	<b>-</b>	<b>664,560,474</b>		<b>93,794,137</b>	<b>-</b>	<b>-</b>	<b>463,894,586</b>	<b>200,665,888</b>
<b>At 31 December 2023</b>	<b>11,857,055,824</b>	<b>2,322,801,655</b>	<b>106,812,587</b>	<b>(40,843,779)</b>	<b>14,032,201,113</b>		<b>1,242,941,661</b>	<b>101,529,290</b>	<b>13,473</b>	<b>6,502,936,943</b>	<b>7,529,264,170</b>
<b>At 31 December 2022</b>	<b>10,489,330,990</b>	<b>1,485,389,185</b>	<b>117,664,351</b>	<b>-</b>	<b>11,857,055,824</b>		<b>1,060,741,567</b>	<b>112,753,903</b>	<b>4,419</b>	<b>5,361,511,099</b>	<b>6,495,544,725</b>

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Pubali Bank PLC.  
Tax Status Report (As at 31 December 2023)  
(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
6	2001	2002-2003	377,762,283	377,762,283	258,959,776	118,802,507	DCT assessment not yet received
7	2004	2005-2006	6,741,122	6,741,122	22,538,349	(15,797,227)	Reference application filed with High Court
8	2006	2007-2008	14,720,201	14,720,201	45,218,734	(30,498,533)	Finalized
9	2007	2008-2009	1,389,484,502	1,389,484,502	1,308,322,065	81,162,437	Case pending with DCT for rectification
10	2008	2009-2010	1,532,941,731	1,532,941,731	1,425,863,286	107,078,445	Reference application filed with High Court
11	2009	2010-2011	1,506,466,368	1,505,191,368	1,470,508,695	34,682,673	Reference application filed with High Court
12	2010	2011-2012	1,770,604,403	1,769,937,389	1,708,759,809	61,177,580	Reference application filed with High Court
13	2011	2012-2013	2,367,418,638	2,367,418,638	2,255,377,817	112,040,821	Reference application filed with High Court
14	2012	2013-2014	2,624,812,119	2,624,812,119	2,500,607,442	124,204,677	Reference application filed with High Court
15	2013	2014-2015	2,976,219,263	2,975,091,435	2,881,011,484	94,079,951	Reference application filed with High Court
16	2014	2015-2016	2,566,635,922	2,541,468,038	2,265,640,035	275,828,003	Reference application filed with High Court
17	2015	2016-2017	3,210,437,445	2,948,699,658	2,830,815,394	117,884,264	Reference application filed with High Court
18	2016	2017-2018	2,620,944,216	2,445,344,689	2,612,171,061	(166,826,372)	Reference application filed with High Court
19	2017	2018-2019	2,714,690,189	2,597,499,692	2,523,053,486	74,446,206	Reference application filed with High Court
20	2018	2019-2020	2,272,793,912	2,375,866,290	2,221,618,723	154,247,567	Reference application filed with High Court
21	2019	2020-2021	3,027,024,693	3,137,063,559	2,841,688,297	295,375,262	Reference application filed with High Court under process
22	2020	2021-2022	1,931,362,255	2,109,508,788	1,831,083,466	278,425,322	Case pending with TAT
23	2021	2022-2023	1,405,506,892	1,918,155,637	1,881,543,151	36,958,736	Case pending with CT(A)
24	2022	2023-2024	3,728,336,561	-	3,300,994,268	-	Assessment not yet done
25	2023	2024-2025	5,406,911,843	-	1,631,506,653	-	Return submission date not due
<b>Total</b>			<b>43,785,753,066</b>	<b>34,967,636,030</b>	<b>38,157,760,992</b>	<b>1,742,722,209</b>	

TAT - Taxes Appellate Tribunal

CT(A) - Commissioner of Taxes (Appeal)

DCT- Deputy Commissioner of Taxes

LTU - Large Tax payers Unit



MABS & J Partners  
Chartered Accountants

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Mohammad Ali  
Managing Director & CEO  
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Nasimul Baten  
Managing Director & CEO  
DBH Finance PLC.

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 2023	As at 31 Dec 2022
21	21
194,469,000,000	183,297,040,000
-	-
-	-

Amounts in Taka

Name of the clients	Sanctioned Limit	Status	Outstanding		Total outstanding	
			Funded	Non-funded	At 31 Dec 2023	At 31 Dec 2022
Paramount Group	23,425,800,000	STD	5,569,200,000	9,576,700,000	15,145,900,000	11,443,200,000
Ha-Meem Group	20,701,300,000	STD	6,825,400,000	6,966,800,000	13,792,200,000	7,932,300,000
Secom Group	16,718,800,000	STD	5,595,100,000	7,310,400,000	12,905,500,000	10,455,900,000
PRAN-RFL Group	16,793,100,000	STD	4,905,300,000	6,685,100,000	11,590,400,000	9,656,200,000
Max Group	13,695,700,000	STD	4,114,100,000	6,773,500,000	10,887,600,000	8,393,800,000
Amanat Shah Group	15,949,800,000	STD	8,842,600,000	1,920,000,000	10,762,600,000	10,172,700,000
Sharmin Group	14,580,100,000	STD	6,139,300,000	4,089,500,000	10,228,800,000	9,245,900,000
City Group	14,639,900,000	STD	4,647,100,000	5,055,500,000	9,702,600,000	13,192,700,000
JMI Group	14,055,800,000	STD	6,326,600,000	2,693,400,000	9,020,000,000	8,701,900,000
BRB Group	14,700,000,000	STD	6,481,900,000	2,478,900,000	8,960,800,000	7,121,600,000
MSA Spining	12,066,400,000	STD	7,583,600,000	1,209,600,000	8,793,200,000	9,071,200,000
Abul Khair Group	9,300,000,000	STD	4,297,000,000	3,727,200,000	8,024,200,000	6,706,500,000
AA Yarn Mills Ltd.	11,638,900,000	STD	6,804,600,000	1,146,100,000	7,950,700,000	8,566,700,000
GPH Ispat Limited	8,629,500,000	STD	2,885,400,000	5,038,300,000	7,923,700,000	7,523,100,000
Nabil Group	9,000,000,000	STD	182,200,000	7,630,000,000	7,812,200,000	-
Biswas Group	16,680,000,000	STD	6,752,100,000	554,400,000	7,306,500,000	-
City Seed Crushing Group	10,549,200,000	STD	4,951,800,000	1,995,100,000	6,946,900,000	9,920,200,000
Fair Electronics Group	16,942,200,000	STD	4,952,800,000	1,774,100,000	6,726,900,000	-
Jamil Iqbal Group	8,863,800,000	STD	3,898,600,000	2,804,000,000	6,702,600,000	-
SQ Group	16,380,900,000	STD	3,094,000,000	3,603,400,000	6,697,400,000	-
Salam Steel Group	15,696,500,000	STD	5,511,200,000	1,077,100,000	6,588,300,000	-
Sheltech Group		STD	-	-	-	9,385,140,000
Al Mostafa Group		STD	-	-	-	6,317,200,000
Meghna Group		STD	-	-	-	9,482,300,000
Pakiza Group		STD	-	-	-	6,806,300,000
Popular Group		STD	-	-	-	6,742,500,000
BRAC Group		STD	-	-	-	6,459,700,000
	<b>301,007,700,000</b>		<b>110,359,900,000</b>	<b>84,109,100,000</b>	<b>194,469,000,000</b>	<b>183,297,040,000</b>



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Pubali Bank PLC. - Islamic Banking Windows

Annexure - D

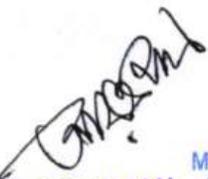
Distribution of profit for the year ended 31 December 2023

Profit and loss of Islamic Banking Windows are calculated annually as at 31 December each year. We follow Investment Income Sharing Ratio (IISR) system for distribution of profit to our Mudarabah Depositors. The actual rate of IRR/ERR/Yield of Investment Income for the year 2023 stood at 8.1882%. The IISR and final rate of profit for Mudaraba depositors against the IRR at 8.1882% are furnished as following:

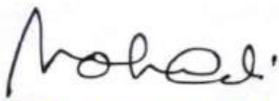
Type of Mudaraba Term Deposit Receipt (MTDR)	IISR for Mudaraba Deposits for 2023	Final Profit Rate for Mudaraba Depositors for 2023 against yield @ 8.1882%
Mudaraba Savings A/C (MSA)	23	1.88%
<b>Mudaraba Short Notice Deposit (MSND)</b>		
Less than Tk.1.00 Crore	34	2.78%
Tk. 1.00 Crore or above but less than Tk.25.00 Crore	45	3.68%
Tk. 25.00 Crore or above but less than Tk.50.00 Crore	50	4.09%
Tk. 50.00 Crore or above but less than Tk.100.00 Crore	53	4.34%
Tk. 100.00 Crore or above	67	5.49%
<b>Mudaraba Term Deposit Receipt (MTDR)</b>		
For 1 months	78	6.39%
For 3 months	81	6.63%
For 6 months	84	6.88%
For 12 months and above	86	7.04%
Mudaraba Monthly Profit based term Deposit	84	6.88%
Mudaraba Swapno Puran Deposit A/C	73	5.98%
Mudaraba Swadhin Sanchay Deposit A/C	73	5.98%
Mudaraba Shiksha Sanchay Deposit A/C	84	6.88%
Mudaraba Hajj Savings A/C (MHSA)	89	7.29%
Mudaraba Cash Waqf Deposit A/C	89	7.29%
<b>Mudaraba Deposit Pension A/C :</b>		
For 5 years	84	6.88%
For 10 years	88	7.21%
<b>Mudaraba Marriage/Muhar Deposit A/C</b>		
For 5 years	84	6.88%
For 10 years	88	7.21%
Mudaraba Peoples Pubali Pension Scheme	95	7.78%

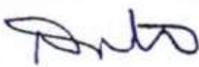
A competent Shari'ah Supervisory Committee consisting of Islamic Scholars, Ulamas, Islamic Economists and Islamic Bankers led by Janab Professor M. Mansurur Rahman, oversees the Islamic Banking operations of the Bank. During this accounting year, the Shari'ah Supervisory Committee met in 2 (two) meetings and reviewed different operational issues in line with Islamic Shari'ah. Besides, the Muraquibs (Shari'ah Officer) of the Bank inspected 17 Islamic Banking windows out of 19 during the period and reported no major case of Shariah violation(s) in operation of Windows.



  
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4 AUG 2024

**Pubali Bank PLC.**

**Annexure-E**

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

As at 31 December 2023

The reconciling items relates to clearing of the following

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

Local Currency	As per Bangladesh Bank Statement	As per Bank's General ledger	Reconciling Difference
	BDT	BDT	BDT
Bangladesh Bank, Dhaka	21,999,677,462.33	21,379,463,919.53	620,213,542.80
Bangladesh Bank, Dhaka (Al -wadeeah current account)	744,030,753.21	744,030,753.21	-
Bangladesh Bank, Chattogram	3,451,549.05	3,451,549.05	-
Bangladesh Bank, Sylhet	14,929,002.54	10,678,841.19	4,250,161.35
Bangladesh Bank, Barisal	482,325.86	499,868.97	(17,543.11)
Bangladesh Bank, Khulna	820,541.30	820,541.30	-
Bangladesh Bank, Bogura	1,133,804.85	1,133,804.85	-
Bangladesh Bank, Rajshahi	1,138,636.27	1,138,636.27	-
Bangladesh Bank, Rangpur	94,549.82	281.46	94,268.36
<b>Total</b>	<b>22,765,758,625.23</b>	<b>22,141,218,195.83</b>	<b>624,540,429.40</b>

Amount credited by Bank but not debited by Bangladesh Bank	6,700,358,116.79
Amount debited by Bank but not credited by Bangladesh Bank	(7,234,042,818.67)
Amount credited by Bangladesh Bank but not debited by us	8,005,789,153.87
Amount debited by Bangladesh Bank but not credited by us	(6,847,563,965.09)
	<b>624,540,486.90</b>

Foreign Currency	As per Bangladesh Bank statement	As per Bank's General ledger		Reconciling Difference
	USD	USD	BDT	USD
USD Clearing Account	12,911,440.93	5,951,610.15	653,189,213.96	6,959,830.78
<b>Total</b>	<b>12,911,440.93</b>	<b>5,951,610.15</b>	<b>653,189,213.96</b>	<b>6,959,830.78</b>

Amount credited by Bank but not debited by Bangladesh Bank	49,831,222.66
Amount debited by Bank but not credited by Bangladesh Bank	(9,048,839.29)
Amount credited by Bangladesh Bank but not debited by us	809,065.35
Amount debited by Bangladesh Bank but not credited by us	(34,631,617.94)
	<b>6,959,830.78</b>

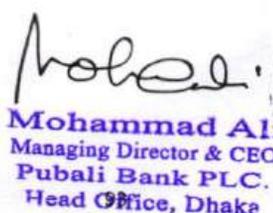
Foreign Currency	As per Bangladesh Bank statement	As per Bank's General ledger	As per Bank's General ledger	Reconciling Difference
	GBP	GBP	BDT	GBP
GBP Clearing Account	55,691.46	45,691.46	6,424,252.60	10,000.00

Foreign Currency	As per Bangladesh Bank statement	As per Bank's General ledger		Reconciling Difference
	EURO	EURO	BDT	EURO
EURO Clearing Account	284,963.21	284,963.21	34,768,097.39	-

Balance with Bangladesh Bank (Including foreign currencies) **22,835,599,760.00**

  
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**Nasimul Baten**  
 Managing Director & CEO  
 DBH Finance PLC.

4 AUG 2024

Pubali Bank PLC.  
Islamic Banking Windows  
Balance Sheet as at 31 December 2023

	Notes	2023 Taka	2022 Taka
<b>PROPERTY AND ASSETS</b>			
Cash	1	774,263,476	393,343,151
Cash in hand ( Including foreign currencies )		30,232,723	24,956,444
Balance with Bangladesh Bank and its agent Bank (s) ( Including foreign currencies )		744,030,753	368,386,707
<b>Balance with Other Banks and Financial Institutions</b>	<b>2</b>	<b>23,173,562</b>	<b>22,584,963</b>
In Bangladesh		23,173,562	22,584,963
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>1,183,681,300</b>	<b>873,680,700</b>
Government		1,023,681,300	673,680,700
Others		160,000,000	200,000,000
<b>Investments</b>	<b>5</b>	<b>23,403,653,039</b>	<b>12,216,663,481</b>
General investments		23,131,903,625	11,812,739,147
Bills purchased & discounted		271,749,414	403,924,334
<b>Fixed Assets including Premises, Furniture &amp; Fixtures</b>	<b>6</b>	<b>12,836,893</b>	<b>11,304,539</b>
<b>Other Assets</b>	<b>7</b>	<b>1,505,509,454</b>	<b>969,720,780</b>
Non-banking Assets		-	-
<b>Total Assets</b>		<b>26,903,117,724</b>	<b>14,487,297,614</b>
<b>LIABILITIES AND CAPITAL</b>			
<b>Liabilities</b>			
<b>Placement with other Banks, Financial institutions &amp; Agents</b>	<b>8</b>	<b>826,573,315</b>	<b>3,820,880</b>
<b>Deposits and Other Accounts</b>	<b>9</b>	<b>24,515,521,022</b>	<b>13,566,176,674</b>
Al-Wadia current deposit		1,987,112,544	665,781,141
Bills payable		1,423,995,758	127,693,304
Mudaraba savings bank deposit		984,030,142	567,068,884
Mudaraba term deposits		19,420,008,882	11,832,557,875
Other deposits		700,373,696	373,075,470
<b>Other Liabilities</b>	<b>10</b>	<b>1,023,958,517</b>	<b>536,521,282</b>
<b>Total Liabilities</b>		<b>26,366,052,854</b>	<b>14,106,518,836</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		537,064,870	380,778,778
<b>Total Shareholders' Equity</b>		<b>537,064,870</b>	<b>380,778,778</b>
<b>Total Liabilities and Shareholders' Equity</b>		<b>26,903,117,724</b>	<b>14,487,297,614</b>

*Nasimul Baten*  
Nasimul Baten  
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DBH Finance PLC.

*Mohammad Ah*  
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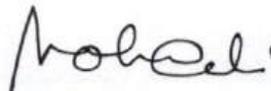
Pubali Bank PLC.  
Islamic Banking Windows  
Balance Sheet as at 31 December 2023

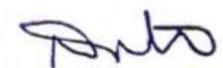
<u>OFF-BALANCE SHEET ITEMS</u>	<u>Notes</u>	<u>2023</u> <u>Taka</u>	<u>2022</u> <u>Taka</u>
<u>Contingent Liabilities</u>			
Acceptances & Endorsements		5,098,781,483	1,362,552,122
Letters of guarantee		885,773,748	902,894,242
Irrevocable letters of credit		2,973,147,853	4,155,089,348
Bills for collection		918,812,000	-
Other contingent liabilities		-	-
<b>Total Contingent liabilities</b>		<b>9,876,515,084</b>	<b>6,420,535,712</b>
<u>Other Commitments</u>			
Documentary credits and short term trade related transactions		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
<b>Total</b>		<b>-</b>	<b>-</b>
<b>Total Off-Balance Sheet items including Contingent Liabilities</b>		<b>9,876,515,084</b>	<b>6,420,535,712</b>



  
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4 AUG 2024

**Pubali Bank PLC.**  
**Islamic Banking Windows**  
**Profit and Loss Account for the year ended 31 December 2023**

	Notes	2023 Taka	2022 Taka
<b>Operating Income</b>			
Investment Income	11	1,581,547,297	845,118,745
Less :Profit paid on deposits, borrowings, etc.	12	1,100,145,624	476,559,905
<b>Net Investment Income</b>		<b>481,401,673</b>	<b>368,558,840</b>
Income from investment in shares /securities	13	46,288,013	45,249,567
Commission, exchange and brokerage	14	123,118,261	70,529,579
Other operating income	15	12,287,352	8,671,137
<b>Total Operating Income</b>		<b>663,095,299</b>	<b>493,009,123</b>
<b>Operating Expenses</b>			
Salaries and allowances	16	102,419,326	92,635,693
Rent, taxes, insurance, electricity, etc.	17	2,878,838	2,126,985
Legal expenses	18	25,050	7,000
Postage, stamp, telecommunication, etc.	19	269,509	207,928
Stationery, printing, advertisements, etc.	20	2,651,698	1,498,720
Depreciation repair and maintenance of fixed assets	21	7,294,085	7,589,892
Other expenses	22	10,491,923	8,164,127
<b>Total Operating Expenses</b>		<b>126,030,429</b>	<b>112,230,345</b>
<b>Total Profit/(Loss) before Provision</b>		<b>537,064,870</b>	<b>380,778,778</b>
<b>Provision for Loans, Advances, Investments and Other Assets</b>			
Provision for bad debt offsetting for Islamic Banking		181,955,262	22,067,376
Provision for exposure of off-balance sheet items		94,026,828	64,205,357
<b>Total Provision</b>		<b>275,982,090</b>	<b>86,272,733</b>
<b>Total Profit/(Loss) before Taxes</b>		<b>261,082,780</b>	<b>294,506,045</b>
Provision for current tax		201,399,326	142,792,042
Provision for deferred tax		-	-
<b>Total Provision for Taxes</b>		<b>201,399,326</b>	<b>142,792,042</b>
<b>Net Profit/(Loss) after Taxes</b>		<b>59,683,454</b>	<b>151,714,003</b>



*[Signature]*  
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*[Signature]*  
**Nasimul Baten**  
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DBH Finance PLC.

Pubali Bank PLC. - Islamic Banking Windows  
Cash Flows Statement  
for the year ended 31 December 2023

	Notes	2023 Taka	2022 Taka
<b>a Cash Flows from Operating Activities</b>			
Investment income in cash		1,623,594,212	853,543,015
Profit paid		(1,100,145,624)	(476,559,905)
Fees and commission receipts		123,118,261	70,529,579
Cash payment to employees		(102,419,326)	(92,635,693)
Cash payment to suppliers		(2,921,207)	(1,706,648)
Receipts from other operating activities	15	12,287,352	8,671,137
Cash payments for other operating activities	23	(17,229,374)	(13,227,346)
<b>Operating Profit before Changes in Operating Assets &amp; Liabilities</b>		<b>536,284,294</b>	<b>348,614,139</b>
<b>Increase/ (Decrease) in Operating Assets and Liabilities</b>			
Statutory deposits		(310,000,000)	290,000,000
Investment to customers (other than banks)		(11,186,989,558)	(6,797,037,829)
Other assets	24	(531,547,576)	247,013,568
Deposits to/from other banks		822,752,435	(15,283,518)
Deposits from customers (other than banks)		10,949,344,348	5,917,277,635
Other liabilities account of customers		106,658,457	(51,374,186)
<b>Total Increase/(decrease) in operating assets and liabilities</b>		<b>(149,781,894)</b>	<b>(409,404,330)</b>
<b>Net Cash from/(used in) Operating Activities</b>		<b>386,502,400</b>	<b>(60,790,191)</b>
<b>b Cash Flows from Investing Activities</b>			
Purchase /Sale of property, plant & equipment		(4,992,876)	(1,895,419)
<b>Net Cash from/(used in) Investing Activities</b>		<b>(4,992,876)</b>	<b>(1,895,419)</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>-</b>	<b>-</b>
<b>d Net increase /(decrease) in Cash and Cash equivalents (a+b+c)</b>		<b>381,509,524</b>	<b>(62,685,610)</b>
<b>e Cash and Cash equivalents at beginning of the period</b>		<b>415,928,814</b>	<b>478,614,424</b>
<b>f Cash and Cash equivalents at end of the period (d+e)</b>	25	<b>797,438,338</b>	<b>415,928,814</b>



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Mohammad Ali  
Managing Director & CEO  
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Head Office, Dhaka

Nasimul Baten  
Managing Director & CEO  
DBH Finance PLC.

4 AUG 2024

MD. ANISUR RAHMAN  
General Manager  
& Company Secretary  
Pubali Bank PLC.  
Head Office, Dhaka

Pubali Bank PLC. - Islamic Banking Windows  
Notes to the financial statements for the year ended 31 December 2023

Annexure - F (iv)

	2023 Taka	2022 Taka
<b>1 Cash</b>		
<b>1.1 Cash In hand ( Including foreign currencies)</b>		
In local currency	30,232,723	24,956,444
In foreign currencies	-	-
	<u>30,232,723</u>	<u>24,956,444</u>
<b>1.2 Balance with Bangladesh Bank and its agent Bank(s) ( Including foreign currencies)</b>		
<b>Bangladesh Bank</b>		
In local currency	744,030,753	368,386,707
In foreign currencies	-	-
	<u>744,030,753</u>	<u>368,386,707</u>
<b>Sonali Bank as agent of Bangladesh Bank</b>		
In local currency	-	-
	<u>744,030,753</u>	<u>368,386,707</u>
	<u><b>774,263,476</b></u>	<u><b>393,343,151</b></u>

**1.3 Cash Reserve Ratio and Statutory Liquidity Ratio**

Cash Reserve Ratio and Statutory Liquidity Ratio have been calculated and maintained in accordance with the section 33 of Bank Companies Act 1991, MPD circular no. 1,2 dated 03 April 2018, DOS circular no. 01 dated 19 January 2014 and MPD circular 01 dated 09 April 2020 respectively.

The Cash Reserve Ratio (CRR Daily) required on the Bank's time and demand liabilities at the rate of 3.50% 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 balance of CRR with Bangladesh Bank. Both the Reserves maintained by the Bank are in excess of the statutory requirements as shown below:

**1.3.1 Cash Reserve Ratio (CRR)**

Required Reserve	594,210,000	305,786,000
Actual Reserve maintained	744,030,753	368,386,706
Surplus	<u>149,820,753</u>	<u>62,600,706</u>

**1.3.2 Statutory Liquidity Ratio (SLR)**

Required Reserve	933,759,000	420,455,000
Actual Reserve maintained	1,118,846,476	761,237,150
Surplus	<u>185,087,476</u>	<u>340,782,150</u>

**Held for Statutory Liquidity Ratio (SLR)**

Cash in Hand	30,232,723	24,956,444
Excess Cash Reserve	64,933,753	62,600,706
Government Securities (HTM)	350,000,000	-
Other Eligible Securities	673,680,000	673,680,000
	<u>1,118,846,476</u>	<u>761,237,150</u>

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

Total required reserve (9.50%)	1,527,969,000	726,241,000
Total actual reserve maintained	1,797,943,476	1,067,023,150
Total Surplus	<u>269,974,476</u>	<u>340,782,150</u>

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

In Bangladesh (Note 2.1)	23,173,561	22,584,963
Outside Bangladesh	-	-
	<u>23,173,561</u>	<u>22,584,963</u>

**2.1 In Bangladesh**

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

EXIM Bank PLC, Gulshan Branch, Dhaka and Narayanganj Branch, Narayanganj	-	-
Social Islami Bank PLC	-	-
	<u>-</u>	<u>-</u>

	2023 Taka	2022 Taka
<b>In Mudaraba Savings deposit account</b>		
Islami Bank Bangladesh PLC, Foreign Exchange Branch, Dhaka	15,767,391	15,309,880
	<b>15,767,391</b>	<b>15,309,880</b>
<b>In Mudaraba Special Notice Deposit account</b>		
First Security Islami Bank PLC., Dilkusha Branch, Dhaka	6,864,840	6,737,107
AB Bank PLC, Islamic Banking Branch, Dhaka	541,330	537,976
	<b>7,406,170</b>	<b>7,275,083</b>
	<b>23,173,561</b>	<b>22,584,963</b>
<b>2.2 Maturity grouping of balance with other banks and financial institutions</b>		
Payable on demand	23,173,561	22,584,963
Up to 3 months	-	-
Over 3 months but not more than 1 year	-	-
	<b>23,173,561</b>	<b>22,584,963</b>
<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	673,680,000
6 months Bangladesh Govt. Islami Investment Bond	350,000,000	-
National prize bonds	1,300	700
<b>Total investment in Investments in Shares and Securities</b>	<b>1,023,681,300</b>	<b>673,680,700</b>
<b>Other investments</b>		
Al-Arafah Islami Bank PLC Bond	160,000,000	200,000,000
	<b>160,000,000</b>	<b>200,000,000</b>
	<b>1,183,681,300</b>	<b>873,680,700</b>
<b>4.1 Maturity grouping of Investments in Shares and Securities</b>		
Repayable on demand	1,300	700
Upto 3 months	70,000,000	-
Over 3 months but not more than 1 year	320,000,000	40,000,000
Over 1 year but not more than 5 years	793,680,000	833,680,000
Over 5 years	-	-
	<b>1,183,681,300</b>	<b>873,680,700</b>
<b>5 Investments</b>		
General Investments (Note 5.1)	23,131,903,625	11,812,739,147
Bills purchased and discounted (Note 5.2)	271,749,414	403,924,334
	<b>23,403,653,039</b>	<b>12,216,663,481</b>
<b>5.1 General Investments</b>		
<b>Inside Bangladesh:</b>		
Quard	99,552,300	8,900,000
Quard against MDPA	450,450	606,950
Quard against E-GP	4,277,680	35,850,161
Quard against MPBSD & TBSD	400,500	1,405,350
Bai Muazzal	10,742,418,397	7,685,426,907
Bai Istisna	415,086,079	76,573,202
Pubali Star	92,912,059	88,032,018
Murabaha Post Import (TR)	1,385,789,039	557,278,032
Murabaha EDF	1,402,230,906	-
Hire Purchase Shirkatul Melk	8,920,741,369	3,307,551,552
Pubali Islamic Staff House Building	66,166,846	51,114,975
	<b>23,131,903,625</b>	<b>11,812,739,147</b>
<b>Outside Bangladesh</b>	-	-
	<b>23,131,903,625</b>	<b>11,812,739,147</b>
<b>5.1.1 Maturity grouping of General Investment</b>		
Repayable on demand	958,046,517	62,623,883
Up to 3 months	101,667,853	839,009,965
Over 3 months but not more than 1 year	12,838,641,248	7,606,463,310
Over 1 year but not more than 5 years	2,433,804,217	2,068,789,772
Over 5 years	6,799,743,790	1,235,852,217

*Nasimul Baten*  
Nasimul Baten  
Managing Director & CEO  
DBH Finance PLC.

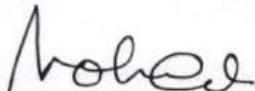
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Chartered Accountants  
General Manager  
Company Secretary  
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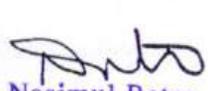
	2023 Taka	2022 Taka
	<u>23,131,903,625</u>	<u>11,812,739,147</u>
<b>5.2 Bills purchased and discounted Payable in Bangladesh</b>		
Loans against accepted bills	51,650,193	400,612,574
Loans against demand draft purchased	-	-
	<u>51,650,193</u>	<u>400,612,574</u>
<b>Payable outside Bangladesh</b>		
Foreign bills purchased	220,099,221	3,311,760
Foreign drafts purchased	-	-
	<u>220,099,221</u>	<u>3,311,760</u>
	<u>271,749,414</u>	<u>403,924,334</u>
<b>5.2.1 Maturity grouping of bills purchased and discounted</b>		
Receivable on demand	-	3,071,093
Not more than 3 months	270,563,814	304,595,840
Over 3 months but not more than 1 year	1,185,600	96,257,401
Over 1 year but not more than 5 years	-	-
6 months or more	-	-
	<u>271,749,414</u>	<u>403,924,334</u>
<b>5.3 Geographical location-wise distribution of Investments including bills purchased and discounted</b>		
<b>In Bangladesh-Urban</b>		
Dhaka	18,021,515,492	8,105,751,690
Chattogram	449,311,525	238,278,452
Sylhet	273,487,704	370,317,156
Barisal	199,394,298	117,316,700
Khulna	1,986,066,250	1,105,577,243
Rajshahi	237,706,301	123,287,709
Rangpur	1,831,143,340	81,490,846
Mymensingh	182,500,211	118,640,051
	<u>23,181,125,121</u>	<u>10,260,659,847</u>
<b>Rural</b>	2,428,697	1,952,691,874
<b>Outside Bangladesh (Foreign bills/drafts purchased)</b>	220,099,221	3,311,760
	<u>23,403,653,039</u>	<u>12,216,663,481</u>
<b>5.4 Sector-wise Investments including bills purchased and discounted</b>		
Public sector	-	-
Private sector	23,403,653,039	12,216,663,481
Co-operative sector	-	-
	<u>23,403,653,039</u>	<u>12,216,663,481</u>
<b>5.5 Security base-wise Investments including bills purchased and discounted</b>		
Collateral of movable and immovable properties	17,542,537,393	7,736,015,427
Export documents	575,171,394	125,723,418
Fixed deposit receipts (FDR) of own Bank	646,532,368	128,375,263
Corporate guarantee	4,031,977,174	190,699,213
Personal guarantee	526,660,010	4,035,850,160
Other securities	80,774,700	-
	<u>23,403,653,039</u>	<u>12,216,663,481</u>

  
  
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**Nasimul Baten**  
 Managing Director & CEO  
 DBH Finance PLC.

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5.6 Classification of Investments including bills purchased and discounted

Unclassified:

Standard  
Special mention account (SMA)

2023 Taka	2022 Taka
23,109,804,623	12,142,592,221
9,131,157	19,660,423
<u>23,118,935,780</u>	<u>12,162,252,644</u>

Classified:

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

1,417,701	-
23,235,129	-
191,321,129	153,542
<u>215,973,959</u>	<u>153,542</u>

Staff loan

68,743,300	54,257,295
<u>23,403,653,039</u>	<u>12,216,663,481</u>

5.7 Particulars of required provision for Investments

Status of Classification

General provision - Unclassified

Standard (others)  
Standard (SMEF)  
Standard (Short Term Agri & Micro credit)  
Standard (Consumer Loan Scheme)  
Standard (Loan for Professional to setup business)  
Housing Finance  
Special mention account (SMEF)  
Special mention account (Others)

Base for Provision  
Rate of  
Provision (%)

Base for Provision	Rate of Provision (%)	2023	2022
10,666,976,783	1	106,669,768	65,082,764
8,779,695,039	0.25	21,949,238	12,056,476
12,645,472	1	126,455	91,538
3,650,487,328	2	73,009,747	16,019,062
	2	-	-
	1	-	-
6,153,107	0.25	15,383	1,335
2,978,050	1	29,781	191,263
		201,800,372	93,442,438
68,743,300	1	687,433	-
		202,487,805	93,442,438

Specific provision - Classified

Sub-standard (SS)  
Doubtful (DF)  
Bad/Loss (BL)

1,269,340	20	253,868	-
20,803,600	50	10,401,800	-
171,299,594	100	171,299,594	230,931
		181,955,262	230,931

Required provision  
Provision maintained by head office  
Excess provision

384,443,067	93,673,369
386,602,806	93,673,369
<u>2,159,739</u>	<u>-</u>

5.8 Particulars of Investments

- (i) Investments considered good in respect of which the bank is fully secured.
- (ii) Investments considered good for which the bank holds no other security than the debtors' personal security
- (iii) Investments considered good being secured by the personal security of one or more parties in addition to the personal security of the debtors.
- (iv) Investments adversely classified; provision not maintained there against
- (v) Investments due by directors or officers of the bank or any of them either severally or jointly with any other persons

12,602,874,050 7,864,390,690

36,554,911 36,554,911

10,764,224,077 4,315,717,881

23,403,653,038 12,216,663,482

- (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

*Nasimul Baten*  
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Managing Director & CEO  
DBH Finance PLC.

68,743,300 54,257,295

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	2023 Taka	2022 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.	68,743,300	54,257,295
(viii) Maximum total amount of advances, including temporary advances, granted during the year to the companies or firms in which the directors of the bank are interested as directors, partners or managing agents or in the case of private companies as members.	-	-
(ix) Investments due from banking companies	-	-
(x) Classified Investments for which interest / profit not credited to income	-	-
a) Increase / decrease of provision ( specific)	-	230,931
b) Amount written off debt	-	-
c) Amount of debt recovered against which was previously written off	-	-
d) Amount of Provision kept against Investments classified as bad or loss	-	230,931
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	408,031,354	588,390,550
Lease rental receivable within 5 years	3,424,404,676	2,448,518,496
Lease rental receivable after 5 years	5,450,533,661	334,062,697
<b>Total lease rental receivable</b>	<b>9,282,969,691</b>	<b>3,370,971,743</b>
Less : Un-earned Income receivable	362,228,322	63,420,191
<b>Net Lease finance</b>	<b>8,920,741,369</b>	<b>3,307,551,552</b>
<b>6 Fixed Assets including premises, furniture &amp; Fixture cost</b>		
Machinery and equipment	11,139,404	9,404,579
Computer & Computer Accessories	10,475,580	8,567,267
Furniture and fixtures	9,158,586	7,808,847
	<b>30,773,570</b>	<b>25,780,693</b>
Less: Accumulated Depreciation	17,936,677	14,476,154
<b>Net book value at the end of the year</b>	<b>12,836,893</b>	<b>11,304,539</b>
<b>7 Other Assets</b>		
Accrued income on Investments	47,079,098	42,838,000
Prepaid expenses	-	150,450
Income Tax advance A/C	5,950,230	3,801,921
Stationery and stamps	951,253	716,244
Suspense account	8,549	104,783
Pubali bank adjustment a/c	189,168,610	240,840,658
Items in transit	1,262,351,714	681,268,724
	<b>1,505,509,454</b>	<b>969,720,780</b>

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	2023 Taka	2022 Taka
<b>8 Placement with other Banks, Financial Institutions and Agents</b>		
In Bangladesh		
Borrowing from Bangladesh Bank	826,573,315	3,820,880
Outside Bangladesh	-	-
	<u>826,573,315</u>	<u>3,820,880</u>
<b>9 Deposits and other accounts</b>		
Inter-bank deposits	3,516,825,903	4,659,757,541
Other deposits	20,998,695,119	8,906,419,133
	<u>24,515,521,022</u>	<u>13,566,176,674</u>
<b>9.1 Details of deposits and other Accounts</b>		
<u>Current deposits and other accounts :</u>		
Al-Wadia Current Deposit	1,807,323,531	665,781,141
Foreign Currency Deposits	179,789,013	-
	<u>1,987,112,544</u>	<u>665,781,141</u>
Bills payable ( note 9.1.1)	1,423,995,758	127,693,304
Mudaraba Savings Bank Deposit	984,030,142	567,068,884
<u>Term deposits :</u>		
Mudaraba Fixed deposits	14,380,872,598	9,399,758,478
Mudaraba Monthly Term deposit	354,496,129	207,498,650
Mudaraba Profit Basd Small deposit	151,644,182	17,603,579
Mudaraba Short Notice Deposits	3,413,578,843	1,708,049,789
Profit Receivable on Investment	5,118,638	857,717
Target Based Small Deposit	785,760,204	296,630,728
Mudaraba Deposit Pension Scheme	301,222,769	184,870,725
Mudaraba Marriage / Muhar Deposit	2,127,536	862,064
Mudaraba Hajj Savings	23,627,348	15,852,959
Mudaraba Cash WAQF Deposit	110,000	-
Shikhya sanchay prokalpa	1,450,635	573,186
	<u>19,420,008,882</u>	<u>11,832,557,875</u>
Other deposits	700,373,696	373,075,470
	<u>24,515,521,022</u>	<u>13,566,176,674</u>
<b>9.1.1 Bills Payable</b>		
Payment orders issued	1,423,995,758	127,693,304
	<u>1,423,995,758</u>	<u>127,693,304</u>
<b>9.2 Maturity analysis of Inter-bank deposits</b>		
Payable on demand	225,414,684	1,200,553,685
Payable within 1 month	2,279,192,913	-
Over 1 month but within 6 months	1,012,218,306	3,459,203,856
Over 6 months but within 1 year	-	-
Over 1 year but within 5 years	-	-
Over 5 years and above	-	-
	<u>3,516,825,903</u>	<u>4,659,757,541</u>
<b>9.3 Maturity analysis of other deposits</b>		
Payable on demand	4,910,795,626	1,787,759,958
Payable within 1 month	885,567,701	1,090,982,343
Over 1 month but within 6 months	7,825,300,475	3,320,891,089
Over 6 months but within 1 year	5,303,877,940	1,359,455,581
Over 1 year but within 5 years	1,465,601,371	723,994,707
Over 5 years and above	607,552,006	623,335,455
	<u>20,998,695,119</u>	<u>8,906,419,133</u>

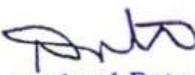
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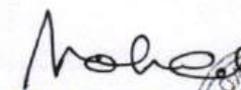
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	2023 Taka	2022 Taka
<b>10 Other Liabilities :</b>		
Unpaid Expenses A/C	8,490	3,013
Card Transaction Fee (Inter Bank)	4,560	2,355
Unearned interest income	931,120,884	456,643,733
Sadaqad Fund	36,850,139	24,032,214
Compensation Realised Account	23,982,197	12,291,999
Compensation Realizable Account	31,992,247	43,547,968
	<b>1,023,958,517</b>	<b>536,521,282</b>
<b>11 Investment income</b>		
Bai Muazzal	731,150,714	418,956,164
Bai Murabaha	-	641,712
Pubali Star	7,128,233	3,578,579
Murabaha Post Import (TR)	41,425,872	37,481,958
Hire Purchase Shirkatul Melk	367,908,413	170,730,221
Bai ISTISNA	5,818,565	1,188,484
Bai Salam	4,026,730	-
MIB (PAD)	1,573,563	-
Inland Bill Purchased	26,448,671	1,352,809
Murabaha (EDF)	55,876,781	44,795,479
Quard Against E-GP	4,114,529	2,961,012
Head office Account (PBG)	335,336,445	151,795,591
Export Bill Discounting (EBD)	-	32,531
Other Bank	738,781	11,604,205
	<b>1,581,547,297</b>	<b>845,118,745</b>
<b>12 Profit paid on deposits, borrowings, etc.</b>		
Mudaraba Term Deposits	722,128,283	324,781,847
Mudaraba Special Notice Deposits	116,085,304	37,131,204
Mudaraba Hajj Savings	1,092,046	768,035
Mudaraba Savings Bank deposit	9,774,918	5,783,944
Mudaraba Deposit Pension Scheme	14,470,976	6,770,273
Mudaraba Monthly Profit deposit	20,515,200	8,611,098
Mudaraba Mohor Scheme	86,244	27,916
Mudaraba Shiksha Sanchay	62,729	23,878
Mudaraba Swapno Puron	37,038,034	13,929,422
Head office Accounts (PBG)	162,826,764	77,797,377
Mudaraba Swadhin Sanchay	5,589,954	513,213
POIBS Profit Paid	9,966,242	421,698
Refinance from Bangladesh Bank	508,930	-
	<b>1,100,145,624</b>	<b>476,559,905</b>
<b>13 Income from investment in shares / securities</b>		
Govt. Bond	30,296,748	30,745,250
Other Bond	15,991,265	14,504,317
	<b>46,288,013</b>	<b>45,249,567</b>
<b>14 Commission, exchange and brokerage</b>		
SC, LSC, DD, TT, MT and PO	277,500	322,366
Foreign L/C	41,955,976	35,558,614
Local L/C	6,168,547	3,966,741
Local Guarantee	10,041,620	7,523,335
Other transactions	1,507,520	944,823
Stationery Articles	252,000	132,000
Miscellaneous handling commission	53,749,897	20,541,504
Total commission	<b>113,953,060</b>	<b>68,989,383</b>
Exchange	9,165,201	1,540,196
	<b>123,118,261</b>	<b>70,529,579</b>

  
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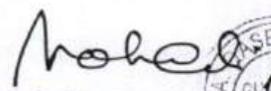
  
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	2023 Taka	2022 Taka
<b>15 Other operating income</b>		
Miscellaneous income	944,492	532,696
Miscellaneous income supervision and monitoring	229,164	-
Service charge	530,346	916,393
CIB service charge	214,370	228,800
Online service charge	2,993,000	2,379,290
Account maintenance fee	2,313,036	1,852,846
SMS service charge	1,319,993	662,542
Processing Fee	196,465	129,500
Swift Income-Import/others	3,132,543	1,696,472
Card fees and charges	413,943	272,400
Sale of Bank's property	-	198
	<b>12,287,352</b>	<b>8,671,137</b>
<b>16 Salary and allowances</b>		
Basic salary	47,005,059	41,754,751
House rent allowances	28,245,974	25,181,592
Medical allowances	5,789,911	5,196,859
House maintenance	4,410,000	4,334,852
Other allowances	3,938,127	3,714,477
Contributory provident fund	4,398,815	4,012,642
Bonus to employees	8,631,440	8,440,520
	<b>102,419,326</b>	<b>92,635,693</b>
<b>17 Rent, taxes, insurance, electricity, etc.</b>		
Electric fittings and fixtures	1,012,578	100,395
Bank premises	1,123,855	1,383,160
Rates and taxes	5,460.00	5,384
Insurance	14,895	21,039
Lighting	722,050	617,007
	<b>2,878,838</b>	<b>2,126,985</b>
<b>18 Legal Expenses</b>		
Lawyer Charges	25,050	7,000
	<b>25,050</b>	<b>7,000</b>
<b>19 Postage, stamp, telecommunication, etc.</b>		
Postage	57,863	31,699
Stamps	6,710	2,900
Telephone	177,336	173,329
SWIFT Charges	27,600	-
	<b>269,509</b>	<b>207,928</b>
<b>20 Stationery, printing, advertisement, etc.</b>		
Table stationery	446,778	323,593
Computer Stationery	532,615	410,884
Consumption of books and forms	1,672,305	752,642
Printing and Stationery	-	11,601
	<b>2,651,698</b>	<b>1,498,720</b>
<b>21 Depreciation repair and maintenance of fixed assets</b>		
Repairs to fixed assets	424,688	253,643
Depreciation on fixed assets	3,460,522	4,660,658
Maintenance of Bank Premises	524,975	680,591
Maintenance of assets -Wages	2,883,900	1,995,000
	<b>7,294,085</b>	<b>7,589,892</b>

  
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**Mohammad A. Qasem**  
 Managing Director & CEO  
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 Head Office, Dhaka

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	2023 Taka	2022 Taka
<b>22 Other expenses</b>		
Repairs to rented property	23,606	-
Newspapers	46,580	31,349
Renovation under Construction Works	214,844	-
Travelling	599,277	565,874
Sub-ordinate staff clothing	20,489	32,286
Conveyance	269,654	234,864
Entertainment	308,812	220,347
Carrying Expenses	22,741	2,070
Employees recreation (Lunch subsidy)	4,382,356	4,009,124
Promotional expenses	1,333,584	90,150
Security and Auxiliary Service	1,784,971	1,655,471
Gun license fees	7,750	23,250
Petrol consumption	184,418	109,437
Branches' opening expenses	10,670	-
Loss On Sale of Bank's property	-	195,533
Chemicals for Office equipments	-	1,345
Car allowance	780,000	480,000
Miscellaneous	502,171	513,027
	<b>10,491,923</b>	<b>8,164,127</b>
<b>23 Cash payments for other operating activities</b>		
Rent, tax, Insurance, Lighting etc.	2,878,838	2,126,985
Legal expenses	25,050	7,000
Repairing Expenses	3,833,563	2,929,234
Other Expenses	10,491,923	8,164,127
	<b>17,229,374</b>	<b>13,227,346</b>
<b>24 Increase/(decrease) of other assets</b>		
<b>Closing other Assets</b>		
Stationery and Stamps	951,253	716,244
Pubali Bank Adjustment A/C	189,168,610	240,840,658
Prepaid expense	-	150,450
Income Tax advance A/C	5,950,230	3,801,921
Suspense account	8,549	104,783
Others	1,262,351,714	681,268,724
	<b>1,458,430,356</b>	<b>926,882,780</b>
<b>Opening other Assets</b>		
Stationery and Stamps	716,244	550,938
Pubali Bank Adjustment	240,840,658	1,166,855,601
Prepaid expense	150,450	-
Income Tax advance A/C	3,801,921	6,333,309
Suspense account	104,783	156,500
Others	681,268,724	-
	<b>926,882,780</b>	<b>1,173,896,348</b>
	<b>(531,547,576)</b>	<b>247,013,568</b>
<b>25 Cash and cash equivalents at the end of the year</b>		
Cash in hand (including foreign currencies)	30,232,723	24,956,444
Balance with Bangladesh Bank and its agent bank(s)	744,030,753	368,386,707
Balance with other banks and financial institutes	23,173,562	22,584,963
Prize bonds	1,300	700
	<b>797,438,338</b>	<b>415,928,814</b>



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Managing Director & CEO  
DBH Finance PLC.

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Pubali Bank PLC.  
Off-shore Banking Unit  
Balance Sheet as at 31 December 2023

	Notes	2023		2022
		USD	Taka	Taka
<b>PROPERTY AND ASSETS</b>				
Cash	3	-	-	-
Cash in hand ( Including foreign currencies )		-	-	-
Balance with Bangladesh Bank and its agent Bank(s) (Including foreign currencies )		-	-	-
Balance with Other Banks and Financial Institutions	4	20,679,116.54	2,269,533,041	1,145,597,283
In Bangladesh		17,253,615.58	1,893,584,310	-
Outside Bangladesh		3,425,500.96	375,948,731	1,145,597,283
Loans, Advances and Leases	5	315,622,129.31	34,639,528,692	37,854,162,142
Loans, cash credits and overdrafts, etc.		4,583,333.30	503,020,830	888,695,442
Bills purchased and discounted		311,038,796.01	34,136,507,862	36,965,466,700
Fixed Assets including premises, furniture & fixtures	6	-	-	-
Other Assets	7	355,733.26	39,041,725	11,853,331
Non-banking Assets		-	-	-
<b>Total Assets</b>		<b>336,656,979.11</b>	<b>36,948,103,458</b>	<b>39,011,612,756</b>
<b>LIABILITIES AND CAPITAL</b>				
<b>Liabilities</b>				
Borrowings from other Banks, Financial Institutions & Agents	8	329,762,292.91	36,191,411,647	38,064,597,167
Deposits and other accounts	9	-	-	-
Current accounts & other accounts		-	-	-
Bills Payable		-	-	-
Savings bank deposits		-	-	-
Term deposits		-	-	-
Other deposits		-	-	-
Other Liabilities	10	4,788,448.80	525,532,256	503,862,932
<b>Total Liabilities</b>		<b>334,550,741.71</b>	<b>36,716,943,903</b>	<b>38,568,460,099</b>
<b>Capital / Shareholders' Equity</b>				
Paid up Capital		-	-	-
Statutory Reserve		-	-	-
Retained earnings		-	-	-
Foreign currency translation reserves		-	4,279,874	32,181,625
Profit and Loss account surplus		2,106,237.40	226,879,681	410,971,032
<b>Total Shareholders' Equity</b>		<b>2,106,237.40</b>	<b>231,159,555</b>	<b>443,152,657</b>
<b>Total Liabilities and Shareholders' Equity</b>		<b>336,656,979.11</b>	<b>36,948,103,458</b>	<b>39,011,612,756</b>



*[Signature]*  
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*[Signature]*  
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Central Accounts Division  
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*[Signature]*  
Mohammad Ali  
Managing Director & CEO  
Pubali Bank PLC.  
Head Office, Dhaka



*[Signature]*  
Nasimul Baten  
Managing Director & CEO  
DBH Finance PLC.

Notes	2023		2022
	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**

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



*[Signature]*  
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Pubali Bank PLC.  
Off-shore Banking Unit  
Profit and Loss Account for the year ended 31 December 2023

Notes	2023		2022
	USD	Taka	Taka
<b>Operating Income</b>			
Interest income	11 27,447,256.84	2,956,563,612	1,923,029,118
Interest paid on deposits, borrowings etc.	12 (25,375,093.86)	(2,733,354,360)	(1,513,864,581)
<b>Net Interest Income</b>	<b>2,072,162.98</b>	<b>223,209,252</b>	<b>409,164,537</b>
Commission, exchange and brokerage	13 28,251.77	3,043,224	-
Other operating income	14 394,209.34	42,463,441	54,169,476
<b>Total Operating Income</b>	<b>2,494,624.09</b>	<b>268,715,917</b>	<b>463,334,013</b>
<b>Operating Expenses</b>			
Salaries and allowances	15 146,703.93	15,802,653	14,690,169
Rent, taxes, insurance, electricity etc.	-	-	-
Legal expenses	-	-	-
Postage, stamp, telecommunication etc.	16 -	-	-
Stationery, printing, advertisements etc.	17 2,251.55	242,532	205,838
Auditors' fees	-	-	-
Charges on loan losses	-	-	-
Depreciation and repair of bank's assets	-	-	-
Other expenses	18 239,431.21	25,791,051	37,466,974
<b>Total Operating Expenses</b>	<b>388,386.69</b>	<b>41,836,236</b>	<b>52,362,981</b>
<b>Profit/(Loss) before Provision</b>	<b>2,106,237.40</b>	<b>226,879,681</b>	<b>410,971,032</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>2,106,237.40</b>	<b>226,879,681</b>	<b>410,971,032</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>2,106,237.40</b>	<b>226,879,681</b>	<b>410,971,032</b>



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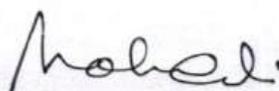
Pubali Bank PLC.  
Off-shore Banking Unit  
Cash Flows Statement for the year ended 31 December 2023

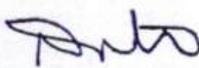
Notes	2023		2022
	USD	Taka	Taka
<b>A) Cash flows from operating activities</b>			
Interest receipts in cash	30,863,250.63	2,956,563,612	1,923,029,118
Interest payments	(28,306,989.42)	(2,711,685,036)	(1,133,858,997)
Commission, exchange and brokerage	28,251.77	3,043,224	-
Receipts from other operating activities	443,271.31	42,463,441	54,169,476
Cash payments for other operating activities	(436,723.98)	(41,836,236)	(52,362,981)
<b>Operating profit before changes in operating assets &amp; liabilities</b>	<b>2,591,060.30</b>	<b>248,549,005</b>	<b>790,976,616</b>
<b>Increase/ (Decrease) in operating assets and liabilities</b>			
Loans and advances to customers (other than banks)	31,120,298.27	3,214,633,450	(9,896,523,651)
Other assets	(263,206.04)	(27,188,394)	8,174,869
Other liabilities	-	-	-
<b>Total Increase/(decrease) in operating assets and liabilities</b>	<b>30,857,092.23</b>	<b>3,187,445,056</b>	<b>(9,888,348,782)</b>
<b>Net cash from / (used in) operating activities</b>	<b>33,448,152.53</b>	<b>3,435,994,061</b>	<b>(9,097,372,166)</b>
<b>B) Cash flows from investing activities</b>	-	-	-
<b>C) Cash flows from financing activities</b>			
Borrowings from other Banks, Financial Institutions & Agents.	(18,133,977.95)	(1,873,185,520)	8,348,405,368
Profit transferred to Central Operation.	(8,784,447.30)	(443,152,657)	(268,262,265)
	<b>(26,918,425.25)</b>	<b>(2,316,338,177)</b>	<b>8,080,143,103</b>
<b>D) Net increase/(decrease) in cash and cash equivalents (a+b+c)</b>	<b>6,529,727.29</b>	<b>1,119,655,884</b>	<b>(1,017,229,063)</b>
<b>E) Effects of exchange rate changes on cash and cash equivalents</b>	-	4,279,874	32,181,625
<b>F) Cash and cash equivalents at beginning of the period</b>	<b>24,832,689.05</b>	<b>1,145,597,283</b>	<b>2,130,644,721</b>
<b>G) Cash and cash equivalents at end of the period (D+E+F)</b>	<b>31,362,416.34</b>	<b>2,269,533,041</b>	<b>1,145,597,283</b>



  
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Pubali Bank PLC., Off-shore Banking Unit  
Notes to the financial statements for the year ended 31 December 2023

1 Status of the unit

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

1.1 Principal Activities

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

2 Significant accounting policies and basis of preparation of financial statements

2.1 Basis of Preparation

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

2.2 Foreign Currency

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

3 Cash

Cash In hand ( Including foreign currencies)

In local currency  
In foreign currencies

2023		2022
USD	Taka	Taka

-	-	-
-	-	-
-	-	-

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

Bangladesh Bank  
In local currency  
In foreign currencies

-	-	-
-	-	-
-	-	-

3.1 Cash Reserve Ratio and Statutory Liquidity Ratio

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

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

3.1.1 Cash Reserve Ratio (CRR)

Required Reserve (daily basis)  
Actual Reserve maintained  
Surplus/(deficit)

448,432,000	723,797,000
448,432,000	723,797,000
-	-

3.1.2 Statutory Liquidity Ratio (SLR)

Required Reserve (13%)  
Actual Reserve maintained  
Surplus/(deficit)

3,886,409,000	4,704,681,000
3,886,409,000	4,704,681,000
-	-

3.1.3 Total required amount of CRR and SLR

Total required reserve (15%)  
Total actual reserve maintained  
Total Surplus

4,334,841,000	5,428,478,000
4,334,841,000	5,428,478,000
-	-

4 Balance with other banks and financial institutions

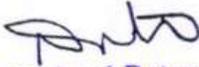
In Bangladesh (Note 4.1)  
Outside Bangladesh (Note 4.2)

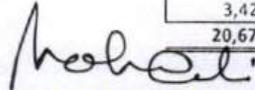
17,253,615.58	1,893,584,310	-
3,425,500.96	375,948,731	1,145,597,283
20,679,116.54	2,269,533,041	1,145,597,283

In fixed/term deposit account (In local currency)

Finance to other Financial Institute  
Finance to Pubali Bank PLC.

17,253,615.58	1,893,584,310	-
-	-	-
17,253,615.58	1,893,584,310	-

  
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MABS & J Partners  
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Dhaka  
General Manager  
Secretary  
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A. QASEM & CO.  
Chartered Accountants  
Dhaka

4 AUG 2024

	2023		2022
	USD	Taka	Taka
<b>4.2 Outside Bangladesh</b>			
Current A/c (Nostro)			
Mashreq Bank NY, USD	3,052,381.51	334,998,871	1,145,199,894
Mashreq Bank Mumbai, India-ACUD	307,571.95	33,756,022	397,389
Unicredit A.P.A, ITALY	65,547.50	7,193,838	-
	<b>3,425,500.96</b>	<b>375,948,731</b>	<b>1,145,597,283</b>
<b>5 Loans, advances and leases</b>			
Loans, cash credits and overdrafts, etc. (note 5.1)	4,583,333.30	503,020,830	888,695,442
Bills purchased and discounted (note 5.2)	311,038,796.01	34,136,507,862	36,965,466,700
	<b>315,622,129.31</b>	<b>34,639,528,692</b>	<b>37,854,162,142</b>
<b>5.1 Loans, cash credits, overdrafts, etc.</b>			
In Bangladesh			
Loans	4,583,333.30	503,020,830	888,695,442
Cash credits	-	-	-
Overdrafts	-	-	-
	<b>4,583,333.30</b>	<b>503,020,830</b>	<b>888,695,442</b>
Outside Bangladesh	-	-	-
	<b>4,583,333.30</b>	<b>503,020,830</b>	<b>888,695,442</b>
<b>5.2 Bills purchased and discounted</b>			
Payable in Bangladesh			
Export Bill Discounting	66,926,401.26	7,345,172,538	4,827,208,023
Loans against demand draft purchased	-	-	-
	<b>66,926,401.26</b>	<b>7,345,172,538</b>	<b>4,827,208,023</b>
Payable outside Bangladesh			
Discounting -UPAS	244,112,394.75	26,791,335,324	32,138,258,677
Foreign drafts purchased	-	-	-
	<b>244,112,394.75</b>	<b>26,791,335,324</b>	<b>32,138,258,677</b>
	<b>311,038,796.01</b>	<b>34,136,507,862</b>	<b>36,965,466,700</b>
<b>5.3 Classification of investments including bills purchased and discounted</b>			
Unclassified			
Standard		34,639,528,692	37,802,174,269
Special mention account (SMA)			51,987,873
		<b>34,639,528,692</b>	<b>37,854,162,142</b>
Classified			
Substandard (SS)		-	-
Doubtful (DF)		-	-
Bad or loss (BL)		-	-
Staff loan		-	-
		<b>34,639,528,692</b>	<b>37,854,162,142</b>
<b>5.4 Particulars of required provision for investments</b>			
<u>Status of Classification</u>	<u>Base for Provision</u>	<u>Rate of Provision (%)</u>	
General provision - Unclassified			
Standard (others)		1	344,517,699
Standard (SMEF)		0.25	8,376,011
SMA (SMEF)		-	-
SMA (Others)		1	519,879
			<b>353,413,589</b>
Specific provision - Classified			
Substandard (SS)		20	-
Doubtful (DF)		50	-
Bad/Loss (BL)		100	-
Required provision			<b>353,413,589</b>
Provision maintained by head office			<b>353,413,589</b>
Excess provision			-

**6 Fixed Assets including premises, furniture & Fixture**

	2023	2022
Cost	-	-
Less Accumulated Depreciation	-	-
Net book value at the end of the year	-	-

*Nasimul Baten*

**Nasimul Baten**  
Managing Director & CEO  
DBH Finance PLC.

*Mohammad Ali*

**Mohammad Ali**  
Managing Director & CEO  
Pubali Bank PLC.  
Head Office, Dhaka

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.



Central Accounts Division  
Pubali Bank PLC.  
Head Office, Dhaka.



4 AUG 2024

	2023		2022
	USD	Taka	Taka
<b>7 Other Assets</b>			
Income generating other assets			
Interest on EBD	-	-	-
Interest on UPAS Bill	-	-	-
Interest on Term Loan	-	-	-
Prepaid expenses	355,733.26	39,041,725	11,853,331
	<b>355,733.26</b>	<b>39,041,725</b>	<b>11,853,331</b>
<b>8 Borrowings from other Banks, Financial Institutions and Agents</b>			
Parents Bank-Pubali Bank PLC.	41,140,192.91	4,515,136,172	4,652,569,827
Others Banks & Financial Institutions	288,622,100.00	31,676,275,475	33,412,027,340
	<b>329,762,292.91</b>	<b>36,191,411,647</b>	<b>38,064,597,167</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	250,038.01	27,441,672	25,941,690
Others Banks & Financial Institutions	4,538,410.79	498,090,584	477,921,242
	<b>4,788,448.80</b>	<b>525,532,256</b>	<b>503,862,932</b>
<b>11 Interest income</b>			
Interest on EBD	4,137,587.09	445,692,606	208,372,801
Interest on UPAS Bill	20,767,007.49	2,236,980,513	1,606,065,958
Interest on Term loan	545,666.66	58,778,121	60,403,061
Interest on Finance to other financial Institution	1,996,995.60	215,112,372	48,187,298
	<b>27,447,256.84</b>	<b>2,956,563,612</b>	<b>1,923,029,118</b>
<b>12 Interest paid on deposits, borrowings, etc.</b>			
Interest on Borrowings from Parent Bank	1,851,393.40	199,428,394	268,154,453
Interest on Borrowings from other banks & Financial Institutions	23,523,700.46	2,533,925,966	1,245,710,128
	<b>25,375,093.86</b>	<b>2,733,354,360</b>	<b>1,513,864,581</b>
<b>13 Commission, exchange and brokerage</b>			
Exchange gain	1,309,631.05	141,070,837	-
Less: Exchange loss	(1,281,379.28)	(138,027,613)	-
	<b>28,251.77</b>	<b>3,043,224</b>	<b>-</b>
<b>14 Other operating income</b>			
Rebate received from Nostro A/C	65,431.65	7,048,166	9,249,544
Reimbursement fee received	149,430.00	16,096,301	22,148,709
AIP received from Nostro A/C	179,347.69	19,318,974	22,771,223
	<b>394,209.34</b>	<b>42,463,441</b>	<b>54,169,476</b>
<b>15 Salaries and allowances</b>			
Basic salary	69,667.17	7,504,408	7,373,492
House rent allowances	40,201.74	4,330,451	3,955,616
Medical allowances	6,632.22	714,409	688,808
Other allowances	3,131.05	337,270	359,119
House maintenance	7,762.57	836,169	815,978
Contributory provident fund	6,700.29	721,742	659,271
Bonus to employees	12,608.89	1,358,204	837,885
	<b>146,703.93</b>	<b>15,802,653</b>	<b>14,690,169</b>
<b>16 Postage, stamp, telecommunication, etc.</b>			
Telephone	-	-	-
	<b>-</b>	<b>-</b>	<b>-</b>
<b>17 Stationery, printing, advertisements, etc.</b>			
Table Stationery	2,251.55	242,532	203,390
Computer Stationery	-	-	2,448
	<b>2,251.55</b>	<b>242,532</b>	<b>205,838</b>
<b>18 Other expenses</b>			
Bank charges of Nostro A/C (Mashreq Bank)	29,770.50	3,206,819	3,005,922
Newspaper	29.86	3,216	2,664
Training	9.41	1,014	-
Professional Fees and Expenses	205,266.91	22,110,941	34,009,872
Repairs to Machineries & Equipments	19.63	2,115	8,306
Employees recreation (tunch's subsidy)	4,059.90	437,324	436,406
Miscellaneous	275.00	29,622	3,804
	<b>239,431.21</b>	<b>25,791,051</b>	<b>37,466,974</b>

MD. AHMED ULLAH  
General Manager  
& Chartered Accountant  
Pubali Bank PLC.  
Head Office, Dhaka.

Mohammad Liton Miah FCA  
General Manager & CFO  
Central Accounts Division  
Pubali Bank PLC.  
Head Office, Dhaka.

Mohammad Ali  
Managing Director & CEO  
Pubali Bank PLC.  
Head Office, Dhaka.

Wasimul Baten  
Managing Director & CEO  
DBH Finance PLC.

6 AUG 2024



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

Hometown Apartments (8<sup>th</sup> & 9<sup>th</sup> Floor)  
 87, New Eskaton Road, Dhaka-1000  
 Phone: 222221564, 222221457, 58311559  
 Fax: 88-02-222225792  
 E-mail: info@kmhasan.com.bd  
 website: www.kmhasan.com.bd



**McMillan Woods**  
**International**  
 Professionalism at the forefront

**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 2023, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view, in all material respects, of the financial position of the company as at 31 December 2023, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

**Basis for opinion**

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

**Other information**

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements 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, 2020 and other applicable Laws and Regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

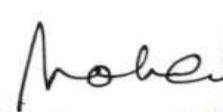
In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or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

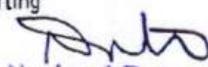
Those charged with governance are responsible for overseeing the Company's financial reporting process.

4 AUG 2024

  
**MD. ANISUL HOSSAIN**  
 General Manager  
 & Company Secretary  
 Pubali Bank PLC.  
 Head Office, Dhaka.

  
**Mohammad Liton Miah FCA**  
 General Manager & CFO  
 Central Accounts Division  
 Pubali Bank PLC.  
 Head Office, Dhaka.

  
**Mohammad Ahsan**  
 Managing Director & CEO  
 Pubali Bank PLC.  
 Head Office, Dhaka.

  
**Nasimul Baten**  
 Managing Director & CEO  
 DBH Finance PLC.



### Auditor's responsibilities for the audit of the financial statements

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

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

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

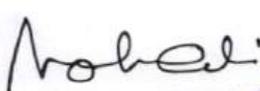
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant and findings, including any significant deficiencies in internal control. That we identify during our audit.

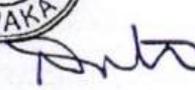
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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.

  
  
**MD. ANISUR RAHMAN**  
General Manager  
& Company Secretary  
Pubali Bank PLC.  
Head Office, Dhaka.

  
  
**Mohammad Liton Miah FCA**  
General Manager & CFO  
Centre Accounts Division  
Pubali Bank PLC.  
Head Office, Dhaka.

  
  
**Mohammad Ali**  
Managing Director & CEO  
Pubali Bank PLC.  
Head Office, Dhaka

  
  
**Nasimul Baten**  
Managing Director & CEO  
DBH Finance PLC.

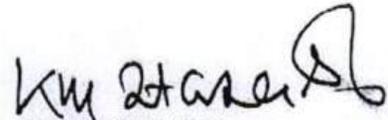
4 AUG 2024

**Report on other legal and regulatory requirements**

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

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

Place: Dhaka  
Dated: 13 March 2024



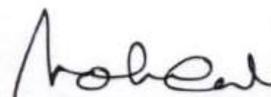
Hedayet Ullah FCA  
Senior Partner (Enrol. No. 0281)  
K. M. HASAN & CO.  
Chartered Accountants  
DVC NO : 2403180281AS519711



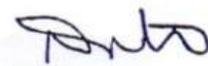
**MD. ANISUR RAHMAN**  
General Manager  
& Company Secretary  
Pubali Bank PLC.  
Head Office, Dhaka.



**Mohammed Liton Miah FCA**  
General Manager & CFO  
Central Accounts Division  
Pubali Bank PLC.  
Head Office, Dhaka.



**Mohammad Ali**  
Managing Director & CEO  
Pubali Bank PLC.  
Head Office, Dhaka



**Nasimul Baten**  
Managing Director & CEO  
DBH Finance PLC.

4 AUG 2024

Pubali Bank Securities Limited  
Statement of Financial Position  
As at 31 December 2023

ASSETS	Notes	2023	2022
		Taka	Taka
<b>Current assets</b>			
Cash and bank balances	3	583,264,253	1,576,440,374
Receivable from securities trading	4	88,098,805	103,547,414
Investment in securities (Own portfolio)	5	7,326,885,845	6,588,560,430
Receivable from other clients	6	914,168,799	867,878,533
Other assets	7	2,176,874	756,812
Advance income tax	8	468,555,098	380,395,128
<b>Total current assets</b>		<b>9,383,149,674</b>	<b>9,517,578,691</b>
<b>Non-current assets</b>			
Fixed assets	9	7,263,780	3,519,855
Value of investment in exchange (against membership value)	10	14,000,000	14,000,000
Investment in securities	11	503,439,892	158,356,943
<b>Total non-current assets</b>		<b>524,703,672</b>	<b>175,876,798</b>
<b>Total assets</b>		<b>9,907,853,346</b>	<b>9,693,455,489</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Liability</b>			
<b>Current liabilities</b>			
Payable to clients	12	155,988,764	254,633,094
Payable to exchanges	13	7,807,993	11,062,894
Other liabilities and provisions	14	2,342,536,794	2,167,608,375
<b>Total current liabilities</b>		<b>2,506,333,551</b>	<b>2,433,304,363</b>
<b>Non-current liabilities</b>			
Long term loan liabilities		-	-
<b>Total Non-current liabilities</b>		<b>-</b>	<b>-</b>
<b>Shareholders' equity</b>			
Share capital	15	6,600,000,000	6,600,000,000
Capital reserve	16	32,623,459	-
Retained earnings	17	768,896,336	660,151,126
<b>Total equity</b>		<b>7,401,519,795</b>	<b>7,260,151,126</b>
<b>Total equity and liabilities</b>		<b>9,907,853,346</b>	<b>9,693,455,489</b>

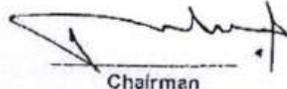
The financial statements should be read in conjunction with the annexed notes and were approved by the Board of Directors on and were signed on its behalf by : 13 March 2024

For and on behalf of Board of Directors of Pubali Bank Securities Limited

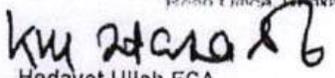
  
Managing Director

M. Ahsan Ullah  
Managing Director & CEO  
Pubali Bank Securities Limited  
Head Office, Dhaka.

  
Director  
Ahmed Salah Sater  
Director  
Pubali Bank Securities Ltd.  
Head Office, Dhaka.

  
Chairman  
Moniruddin Ahmed  
Chairman  
Pubali Bank Securities Ltd.  
Head Office, Dhaka.

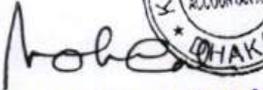
Signed in terms of our separate report of even date annexed.

  
Hodayet Ullah FCA  
Senior Partner (Enrol. No. 0281)  
K. M. HASAN & CO.  
Chartered Accountants  
DVC NO : 2403180281AS519711

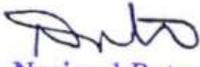
Place : Dhaka  
Dated : 13 March 2024

  
MD. ANISUR RAHMAN  
General Manager  
& Company Secretary  
Pubali Bank PLC.  
Head Office, Dhaka.

  
Mohammad Liton Miah FCA  
General Manager & CFO  
Central Accounts Division  
Pubali Bank PLC.  
Head Office, Dhaka.

  
  
Mohammad Ali  
Managing Director & CEO  
Pubali Bank PLC.  
Head Office, Dhaka

  
A. DASEM & CO.  
GULSHAN  
DHAKA

  
Nasimul Baten  
Managing Director & CEO  
DBH Finance PLC.

4 AUG 2024

**Pubali Bank Securities Limited**  
**Statement of Profit or Loss and Other Comprehensive Income**  
**For the year ended on 31 December 2023**

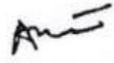
	<u>Notes</u>	<u>2023</u> <u>Taka</u>	<u>2022</u> <u>Taka</u>
Operating income	18	382,663,919	530,865,719
Less: Operating expenses	19	7,679,227	9,232,731
<b>Gross Profit</b>		<b>374,984,692</b>	<b>521,632,988</b>
Less: Administrative and general expenses	20	63,106,506	52,897,780
<b>Operating profit</b>		<b>311,878,186</b>	<b>468,735,208</b>
Add: Other income		-	-
<b>Profit before provision and income tax</b>		<b>311,878,186</b>	<b>468,735,208</b>
Less: Provision for diminution in value of investment	14.1	121,736,753	55,411,791
Less: Specific Provision on margin loan	14.4	9,193,325	-
Add: Provision Adjusted during the period for unrealized loss arising for client margin loan	14.3	33,382,072	-
<b>Profit before income tax</b>		<b>214,330,180</b>	<b>413,323,417</b>
Less: Provision for income tax			
Current tax	14.2	74,692,573	87,524,704
Deferred tax	7.2	(1,731,062)	(435,879)
<b>Net profit after income tax</b>		<b>141,368,669</b>	<b>326,234,592</b>
Add: Other comprehensive income		-	-
<b>Total comprehensive income/loss</b>		<b>141,368,669</b>	<b>326,234,592</b>
<b>Earnings Per Share (EPS)</b>	21.0	<b>2.14</b>	<b>4.94</b>

The financial statements should be read in conjunction with the annexed notes  
and were approved by the Board of Directors on  
and were signed on its behalf by : 13 March 2024

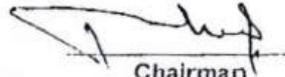
For and on behalf of Board of Directors of Pubali Bank Securities Limited

  
\_\_\_\_\_  
**Managing Director**

Md. Mohammed Ahsan Ullah  
Managing Director & CEO  
Pubali Bank Securities Limited  
Head Office, Dhaka.

  
\_\_\_\_\_  
**Director**

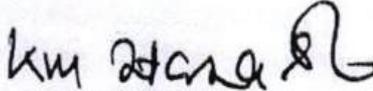
Ahmed Salah Sater  
Director  
Head Office, Dhaka.

  
\_\_\_\_\_  
**Chairman**

Moniruddin Ahmed  
Chairman  
Pubali Bank Securities Ltd.  
Head Office, Dhaka.

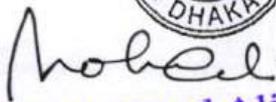
Signed in terms of our separate report of even date annexed.

Place: Dhaka  
Dated : 13 March 2024

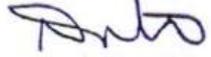


Hedayet Ullah FCA  
Senior Partner (Enrol. No. 0281)  
K. M. HASAN & CO.  
Chartered Accountants  
DVC NO : 2403180281AS5197 11



  
\_\_\_\_\_  
**Mohammad Ali**  
Managing Director & CEO  
Pubali Bank PLC.  
Head Office, Dhaka



  
\_\_\_\_\_  
**Nasimul Baten**  
Managing Director & CEO  
DBH Finance PLC.

  
\_\_\_\_\_  
**MD. ANISUR RAHMAN**  
General Manager  
& Company Secretary  
Pubali Bank PLC.  
Head Office, Dhaka.

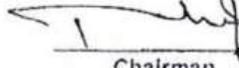
  
\_\_\_\_\_  
**Mohammad Liton Miah FCA**  
General Manager & CFO  
Central Accounts Division  
Pubali Bank PLC.  
Head Office, Dhaka.

**Pubali Bank Securities Limited**  
**Statement of Cash Flows**  
For the year ended on 31 December 2023

	<u>2023</u>	<u>2022</u>
	<u>Taka</u>	<u>Taka</u>
<b>A. Cash flows from operating activities:</b>		
Interest receipts in cash	104,745,348	67,585,417
Dividend receipts	208,990,119	231,920,467
Fees and commission receipts	24,993,958	43,775,776
Cash payment to employees	(47,825,550)	(44,117,068)
Current income tax paid	(88,159,970)	(110,379,794)
Receipts from other operating activities	43,934,498	187,584,059
Cash payments for other operating activities	(20,752,584)	(16,679,138)
<b>Operating profit before changes in operating assets and liabilities</b>	<b>225,925,815</b>	<b>359,689,719</b>
<b>Increase/decrease in operating assets and liabilities</b>		
(Purchase)/sale of trading securities	(1,083,408,364)	(466,101,959)
Other assets	(30,530,657)	(102,828,866)
Other liabilities	(99,211,391)	(160,382,026)
<b>Total Increase/ (Decrease) in Operating Assets and Liabilities</b>	<b>(1,213,150,412)</b>	<b>(729,312,851)</b>
<b>Net cash flows from operating activities</b>	<b>(987,224,597)</b>	<b>(369,623,132)</b>
<b>B. Cash flows from investing activities:</b>		
Acquisition of property, plant and equipment	(6,213,838)	(1,204,704)
Disposal of property, plant and equipment	262,314	-
<b>Net cash used in investing activities</b>	<b>(5,951,524)</b>	<b>(1,204,704)</b>
<b>C. Cash flows from financing activities:</b>		
<b>Net cash used in financing activities</b>	-	-
<b>Net surplus in cash and bank balance for the period (A+B+C)</b>	<b>(993,176,121)</b>	<b>(370,827,836)</b>
Cash and bank balance at the beginning of the year	1,576,440,374	1,947,268,210
<b>Cash and bank balance as at 31 December 2023</b>	<b>583,264,253</b>	<b>1,576,440,374</b>

  
\_\_\_\_\_  
**Managing Director**  
Mohammed Ahsan Ullah  
Managing Director & CEO  
Pubali Bank Securities Limited  
Head Office, Dhaka.

  
\_\_\_\_\_  
**Director**  
Ahmed Salah Sater  
Director  
Pubali Bank Securities Ltd.  
Head Office, Dhaka.

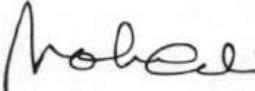
  
\_\_\_\_\_  
**Chairman**  
Moniruddin Ahmed  
Chairman  
Pubali Bank Securities Ltd.  
Head Office, Dhaka.

Place : Dhaka  
Dated 13 March 2024



  
\_\_\_\_\_  
**M. Nur Rahman**  
General Manager  
& Company Secretary  
Pubali Bank PLC.  
Head Office, Dhaka.

  
\_\_\_\_\_  
**Mohammad Liton Miah FCA**  
General Manager & CFO  
Central Accounts Division  
Pubali Bank PLC.  
Head Office, Dhaka.

  
\_\_\_\_\_  
**Mohammad Ali**  
Managing Director & CEO  
Pubali Bank PLC.  
Head Office, Dhaka

  
\_\_\_\_\_  
**Nasimul Baten**  
Managing Director & CEO  
DBH Finance PLC.

**Pubali Bank Securities Limited**  
**Statement of Changes in Equity**  
 For the year ended on 31 December 2023

Amount in Taka

Particulars	Share Capital	Capital reserve	Retained Earnings	Total
Balance as at 01 January 2023	6,600,000,000	-	660,151,126	7,260,151,126
Net Profit for the year	-	-	141,368,669	141,368,669
Transfer during the year	-	32,623,459	(32,623,459)	-
<b>Balance as at 31 Dec 2023</b>	<b>6,600,000,000</b>	<b>32,623,459</b>	<b>768,896,336</b>	<b>7,401,519,795</b>

For the period ended on 31 December 2022

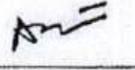
Amount in Taka

Particulars	Share Capital	Capital reserve	Retained Earnings	Total
Balance as at 01 January 2022	6,600,000,000	-	333,916,534	6,933,916,534
Net profit for the year	-	-	326,234,592	326,234,592
<b>Balance as at 31 Dec 2022</b>	<b>6,600,000,000</b>	<b>-</b>	<b>660,151,126</b>	<b>7,260,151,126</b>

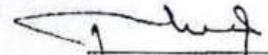
For and on behalf of Board of Directors of Pubali Bank Securities Limited

  
 Managing Director

Mr. Mohammed Ahsan Ullah  
 Managing Director & CEO  
 Pubali Bank Securities Limited  
 Head Office, Dhaka.

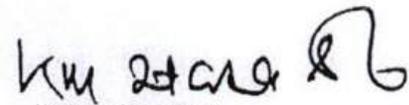
  
 Director

Ahmed Salah Sater  
 Director  
 Pubali Bank Securities Ltd.

  
 Chairman

Moniruddin Ahmed  
 Chairman  
 Pubali Bank Securities Ltd.  
 Head Office, Dhaka.

Signed in terms of our separate report of verification annexed.



Hedayot Ullah FCA  
 Senior Partner (Enrol. No. 0281)  
 K. M. HASAN & CO.  
 Chartered Accountants  
 DVC NO : 2403180281AS519711

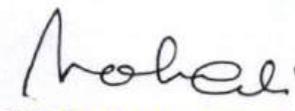
Place : Dhaka  
 Dated : 13 March 2024

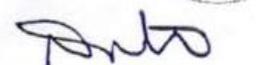




MD. ANISUR RAHMAN  
 General Manager  
 & Company Secretary  
 Pubali Bank PLC.  
 Head Office, Dhaka.

  
 Mohammad Liton Miah FCA  
 General Manager & CFO  
 Central Accounts Division  
 Pubali Bank PLC.  
 Head Office, Dhaka.

  
 Mohammad Ali  
 Managing Director & CEO  
 Pubali Bank PLC.  
 Head Office, Dhaka

  
 Nasimul Baten  
 Managing Director & CEO  
 DBH Finance PLC.

4 AUG 2024

Pubali Bank Securities Limited  
Notes to the financial statements for the year ended 31 December 2023

1 Status of the Company

Pubali Bank Securities Limited (PBSL) was incorporated on the 21st June 2010 with vide registration no.C-85267/10 under the Companies Act, 1994 as a public limited company. It is a subsidiary company of Pubali Bank PLC. Pubali Bank PLC holds all the shares of the company except for thirteen shares being held by thirteen individuals. The Company has been established as per Bangladesh Securities & Exchange Commission's (BSEC) Letter # SEC/Reg/DSE/MB/2009/444 dated 20.12.2009. The company started its operation with effect February 01, 2011. The Registered office of the company is situated at A-A Bhaban (7th floor), 23 Motijheel C/A, Dhaka-1000, Bangladesh.

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

2 Significant accounting policies

2.1 Basis of preparation of financial statements

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

2.2 Investment in securities (Own Portfolio)

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

2.3 Use of estimates and judgments

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

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

2.4 Components of Financial Statements

The financial statements referred to here comprises:

- 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 direct method.

2.6 Reporting period

These financial statements cover period from 1 January 2023 to 31 December 2023.

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.

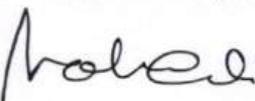
Categories of Assets	Method of Depreciation	Rate
Computer and Computer Accessories	Straight Line Method	30%
Machinery and Equipment	Straight Line Method	20%
Furniture and Fixtures	Diminishing Balance Method	10%

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.

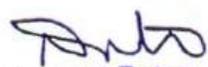
2.9 Right of Use (ROU) asset (IFRS 16)

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 cancell the agreement with 3 (Three) months prior notice, which indicates that lease term is not more then 1 year. So company need not to include in Right of Use (ROU) asset."

  
  
 Md. Anisur Rahman  
 General Manager  
 & Company Secretary  
 Pubali Bank PLC  
 Head Office, Dhaka.

  
 Mohammad Ali  
 Managing Director & CEO  
 Pubali Bank PLC.  
 Head Office, Dhaka

  
 A. QASEM & CO.  
 GULSHAN  
 DHAKA  
 CHARTERED ACCOUNTANTS

  
 Nasimul Baten  
 Managing Director & CEO  
 DBH Finance PLC.

4 AUG 2024

**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 Margin Loan**

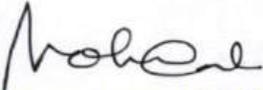
As per directive no. BSEC/SMMID/NE/2023/840 dated 22 October 2023 of Bangladesh Securities and Exchange Commission, 20% provision may be made for unrealized loss as margin loan with in 30th June 2024. However the Company maintain provision mentioned in note #14.3

**2.21 Provision against unrealized loss in shares purchased as dealer**

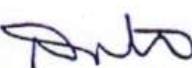
As per directive no. BSEC/SRI/NE/2020/333 dated 27 March 2023 of Bangladesh Securities and Exchange Commission, 20% provision may be made for unrealized loss arising out of year-end revaluation of shares purchased as dealer. However the Company maintain provision mentioned in note

  
  
**MD. ANISUR RAHMAN**  
General Manager & Company Secretary  
Pubali Bank PLC.  
Head Office, Dhaka.

  
**Mohammad Liton Miah FCA**  
General Manager & CFO  
Central Accounts Division  
Pubali Bank PLC.  
Head Office, Dhaka.

  
**Mohammad Ali**  
Managing Director & CEO  
Pubali Bank PLC.  
Head Office, Dhaka



  
**Nasimul Baten**  
Managing Director & CEO  
DBH Finance PLC.

4 AUG 2024

## 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 2023
Mr. Moniruddin Ahmed	Chairman	1
Mr. Habibur Rahman	Director	1
Mr. Azizur Rahman	Director	1
Mr. Muhammed Kabiruzzaman Yaqub	Shareholder	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	Shareholder	1
Mr. Zeyad Rahman	Shareholder	1
Mr. Asif A. Choudhury	Director	1
Mr. Shahinuzzaman Yaqub (Nominated by Pubali Bank PLC)	Director	NIL
Mr. Mohammad Ali (Nominated by Pubali Bank PLC.)	Director	NIL
Mr. Shahdeen Malik	Independent Director	NIL
Mr. Ghashuddin Ahamed	Shareholder	1
Ms. Rumana Sharif	Shareholder	1
Pubali Bank PLC.	Shareholder	Ordinary: 65,999,987

### 2.22.2 Name of the directors and their interest in Pubali Bank PLC.

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

### 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 PLC except the Managing Director & CEO, 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 PLC and their Salary, Incentive, Bonus, Provident Fund and all other financial benefits are provided as per Rules and Pay scale of Pubali Bank PLC.

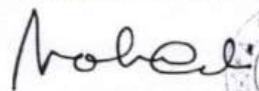
### 2.26 General

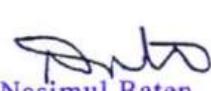
a) These financial statements are presented in Taka, which is the Company's functional currency. Figures appearing in these financial statements have been rounded off to the nearest Taka.

b) The expenses, irrespective of capital or revenue nature, accrued/due but not paid have been provided for in the books of the Company.

c) Figures of previous period have been rearranged whenever necessary to conform to current periods presentation.

  
  
**MD. ANISUR RAHMAN**  
 General Manager & CFO  
 & Company Secretary  
 Pubali Bank PLC.  
 Head Office, Dhaka.

  
  
**Mohammad Ali**  
 Managing Director & CEO  
 Pubali Bank PLC.  
 Head Office, Dhaka

  
**Nasimul Baten**  
 Managing Director & CEO  
 DBH Finance PLC.

3 Cash and bank balances

Current account:

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

Special notice deposit account :

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

Investment In FDR (Note-3.1)

Total

3.1 Investment in FDR

Pubali Bank PLC.  
Pubali Bank PLC.

FDR No.

1095567  
1095569  
977310  
977311  
977312  
977313  
977314  
977703  
977509  
977542  
977543

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

4 Receivable from securities trading

Receivable from stock-broker  
Receivable from stock- dealer  
Receivable from dividend  
Dividend Receivable from-strategic investment  
Receivable from Bond interest income  
Receivable from client  
Receivable from DSE- Digital Booth  
Receivable from others (Accrued interest of FDR)

5 Investment in securities (Own portfolio)

Investment in securities (Own portfolio) at cost (note-5.1)(Annexure-H(vii))

5.1 Investment in securities (Own portfolio) Category wise Investment :

(i) Category

A category instruments  
B category instruments  
Z category instruments

(ii) Mutual Fund

Listed Fund

Total: (i+ii)

6 Receivable from other clients

Margin loan from clients (note 6.1)

6.1 Margin loan (Net Receivable from margin clients)

Receivable from Clients having no margin or full erosion of clients' equity (e.g.no equity against debit balance)\*  
Receivable from Clients fall under force sale condition (e.g. equity is between 100% and 125% of DB)\*  
Receivable from Clients fall under margin call (e.g. equity is >125% of DB but <150% of DB)\*  
Receivable from regular Margin Clients (e.g. equity is >150% of debit balance)\*  
Total Margin loan from clients

7 Other assets

Prepaid expenses ( Note 7.1)  
Deferred Tax Asset (Note 7.2)

Amount in Taka	
2023	2022
2,099,460	2,141,920
-	-
-	10,702,669
211,660,961	322,342,340
25,439,748	276,036,251
<b>239,200,169</b>	<b>611,223,180</b>
-	-
135,028,553	138,531,930
<b>135,028,553</b>	<b>138,531,930</b>
209,035,531	826,685,264
<b>583,264,253</b>	<b>1,576,440,374</b>

104,466,254	-
104,569,277	-
-	134,754,082
-	67,264,912
-	67,264,912
-	67,264,912
-	67,264,912
-	113,022,008
-	62,729,008
-	123,560,259
-	123,560,259
<b>209,035,531</b>	<b>826,685,264</b>

171,199	-
906,655	-
69,796,415	78,540,667
788,851	779,679
10,491,258	8,037,682
2,381,645	2,175,099
300,000	300,000
3,262,782	13,714,287
<b>88,098,805</b>	<b>103,547,414</b>

7,326,885,845	6,588,560,430
<b>7,326,885,845</b>	<b>6,588,560,430</b>

6,245,489,358	-
770,438,230	-
54,762,090	-
<b>7,070,689,677</b>	<b>-</b>

256,196,168	-
<b>256,196,168</b>	<b>-</b>
<b>7,326,885,845</b>	<b>-</b>

914,168,799	867,878,533
<b>914,168,799</b>	<b>867,878,533</b>

333,217,889	341,873,274
34,905,582	41,227,507
65,160,328	74,484,363
480,885,000	410,293,389
<b>914,168,799</b>	<b>867,878,533</b>

350,000	661,000
1,826,874	95,812
<b>2,176,874</b>	<b>661,000</b>

4 AUG 2024

MD. ANISUR RAHMAN  
General Manager  
& Company Secretary  
Pubali Bank PLC.  
Head Office, Dhaka.



Mohammad Liton Miah FCA  
General Manager & CFO  
Central Accounts Division  
Pubali Bank PLC.  
Head Office, Dhaka.

Mohammad Ali  
Managing Director & CEO  
Pubali Bank PLC.  
Head Office, Dhaka.

Nasimul Baten  
Managing Director & CEO  
DBH Finance PLC.



Annexure – 2

(Credit Rating Report of the Issue)

**MD. ANISUR RAHMAN**  
General Manager  
& Company Secretary  
Pubali Bank PLC.  
Head Office, Dhaka.

**Mohammad Liton Miah FCA**  
General Manager & CFO  
Central Accounts Division  
Pubali Bank PLC.  
Head Office, Dhaka.

**Mohammad Ali**  
Managing Director & CEO  
Pubali Bank PLC.  
Head Office, Dhaka

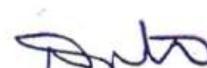
**Nasimul Baten**  
Managing Director & CEO  
DBH Finance PLC.

**CREDIT RATING REPORT**  
**ON**  
**PUBALI BANK 4TH SUBORDINATED BOND OF BDT**  
**4,000.00 MILLION**

  
**MD. ANSUR RAHMAN**  
General Manager  
& Company Secretary  
Pubali Bank PLC.  
Head Office, Dhaka.

  
Mohammad Liton Miah FCA  
General Manager & CFO  
Central Accounts Division  
Pubali Bank PLC.  
Head Office, Dhaka.

  
**Mohammad Ali**  
Managing Director & CEO  
Pubali Bank PLC.  
Head Office, Dhaka

  
Nasimul Baten  
Managing Director & CEO  
DBH Finance PLC.

4 AUG 2024

## RATING REPORT CONTENTS

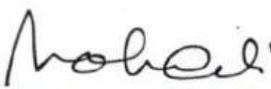
### Detailed Report:

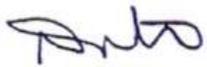
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**MD. ANISUR RAHMAN**  
General Manager  
& Company Secretary  
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**Mohammad Liton Miah FCA**  
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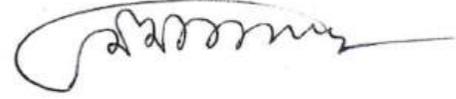
4 AUG 2024

[FORM-IX]  
[Rule 10(8) A(g)]

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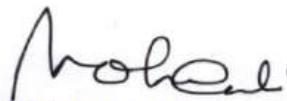
Mohammad Jahangir Alam  
Chief Executive Officer (CEO)  
National Credit Ratings Ltd.



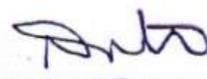
MD. ANISUR RAHMAN  
General Manager  
& Company Secretary  
Pubali Bank PLC.  
Head Office, Dhaka.



Mohammad Liton Miah FCA  
General Manager & CFO  
Central Accounts Division  
Pubali Bank PLC.  
Head Office, Dhaka.



Mohammad Ali  
Managing Director & CEO  
Pubali Bank PLC.  
Head Office, Dhaka



Nasimul Baten  
Managing Director & CEO  
DBH Finance PLC,

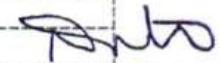
4 AUG 2024

**EXECUTIVE SUMMARY**  
**INITIAL (REVIEW) RATINGS OF**  
**PUBALI BANK 4TH SUBORDINATED BOND OF BDT 4,000.00 MILLION**

Instrument Rating	
Long Term	AA (Double A) Indicative
Short Term	ST-1
Date of Declaration	31.01.2024
Validity	15.11.2024
Issuer- Pubali Bank PLC.	
Long Term	AA+ (Double A Plus)
Short Term	ST-1
Date of Declaration	25.06.2023

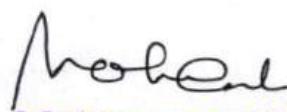
**Bond Features:**

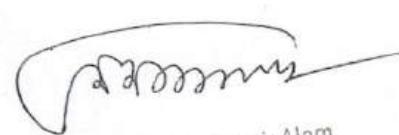
Details of the Issue	
Borrower	Pubali Bank PLC.
Arranger and Issue Manager	UCB Investment Limited
Trustee	DBH Finance PLC
Legal Counsel	Lex Juris
Instrument Type	Tier 2 Eligible Subordinated Bond
Offering Style	Private Placement
Purpose	To boost Tier 2 capital base
No. of Securities	4,000
Face Value	BDT 1,000,000
Total Size of the Issue	4,000,000,000
Convertibility	Non-Convertible
Security	Unsecured
Tenure	7 Years
Coupon Rate	Reference Rate + Coupon Margin
Coupon Margin	3.00% p.a.
Coupon Payment	Semi-annually
Repayment Schedule	The principal redemptions will be in five tranches, each tranche being 20% of the principal amount commencing at the end of 3 <sup>rd</sup> year from the date of the drawdown.
Transferability	Freely transferable in accordance with the provisions of the Trust Deed
Tax Feature	According to the laws of Bangladesh
Governing Laws	Laws of Bangladesh

  
**Nasimul Baten**  
 Managing Director & CEO  
 DBH Finance PLC.

  
**MD. ANISUR RAHMAN**  
 General Manager  
 & Company Secretary  
 Pubali Bank PLC.  
 Head Office, Dhaka.

  
**Mohammad Liton Miah FCA**  
 General Manager & CFO  
 Central Accounts Division  
 Pubali Bank PLC.  
 Head Office, Dhaka.

  
**Mohammad Ali**  
 Managing Director & CEO  
 Pubali Bank PLC.  
 Head Office, Dhaka

  
**Mohammad Jahangir Alam**  
 Chief Executive Officer (CEO)  
 National Credit Ratings Ltd

Reference: Agreement dated 7<sup>th</sup> November, 2023 with Pubali Bank PLC.

Instrument Rating	
Initial (Review) Ratings of	
Pubali Bank 4 <sup>th</sup> Subordinated Bond of BDT 4,000.00 million	
Long Term	AA (Double A) Indicative
Short Term	ST-1
Date of Declaration	31.01.2024
Validity	15.11.2024
Issuer- Pubali Bank PLC.	
Long Term	AA+ (Double A Plus)
Short Term	ST-1
Date of Declaration	25.06.2023

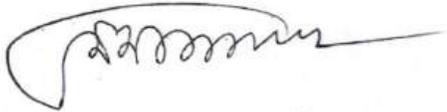
**Rating Basis:**

Rating is based on the features of the issue, Audited Quarterly Financial Statements up to September 30, 2023 and Audited Financial Statements up to December 31, 2022 of the issuer, five years projected financial parameters of the issuer resulted from the issue along with the other relevant Quantitative as well as Qualitative information provided by the Client up to the Date of Rating Declaration. NCR has followed Structured Finance Rating Methodology published in its website: [www.ncrbd.com](http://www.ncrbd.com).

**Rating Definition:**

**AA (Double A)** rating indicates **Very Strong** Credit Quality

**ST-1** rating indicates **Strongest Ability to Meet Short Term Financial Commitments**



Mohammad Jahangir Alam  
Chief Executive Officer (CEO)  
National Credit Ratings Ltd.

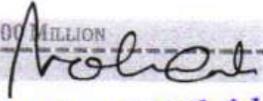
PUBALI BANK 4TH SUBORDINATED BOND OF BDT 4,000.00 MILLION  
JANUARY 2024

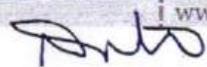
Page 1 of 23

[www.ncrbd.com](http://www.ncrbd.com)

  
**MD. ANISUR RAHMAN**  
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& Company Secretary  
Pubali Bank PLC.  
Head Office, Dhaka.

  
**Mohammad Liton Miah FCA**  
General Manager & CFO  
Central Accounts Division  
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Head Office, Dhaka.

  
**Mohammad Ali**  
Managing Director & CEO  
Pubali Bank PLC.  
Head Office, Dhaka

  
**Nasimul Baten**  
Managing Director & CEO  
DBH Finance PLC.

4 AUG 2024

**Reference:** Agreement dated 7<sup>th</sup> November, 2023 with Pubali Bank PLC.

**Rating Rationale:**

NCR has reviewed the rating of Pubali Bank 4<sup>th</sup> Subordinated Bond of BDT 7,000.00 million as the bank received NOC from Bangladesh bank to issue the bond of BDT 4,000 million instead. NCR has assigned 'AA' (Double A) rating in the long term and ST-1 rating in the short term to Pubali Bank 4<sup>th</sup> Subordinated Bond of BDT 4,000.00 million after duly considering bond characteristics, issuer's repayment ability and past repayment history for the other issues since their subscription and current market situation.

NCR has positioned the issue rating one notch below the counterparty (the issuer) rating that has been assigned 'AA' (Double A) rating in the long term and ST-1 rating in the short term on the basis of audited Financial Statements up September 30, 2023 and Audited Financial Statements up to December 31, 2022 along with the other relevant quantitative as well as qualitative information provided by the client up to the date of rating declaration. 'AA+' rating carries below strongest credit quality and ST-1 Strongest Ability to Meet Short Term Financial Commitments.

The issue of unsecured, non-convertible, redeemable, floating rate subordinated bond will help the issuer improve Tier-2 capital, and in turn maintain regulatory requirement and capital adequacy ratio. The issue of bond will be permanently redeemed to zero at the end of seven years and the principal amount of the bond will be redeemed in five strips at 20.00% (BDT 800.00 million) starting from the end of 3<sup>rd</sup> year and ending on 7<sup>th</sup> year.

The instrument is non-convertible to shares, subordinated and unsecured. Thus, the issue has higher risk as the senior creditors has priority to the payment of principal and interest. The issue holders will face higher risk of loss during issuer's liquidation as the issue is unsecured (no asset is backed against the issue). The repayment history for the others issues over the past years shows that Pubali Bank PLC successfully repaid due interest at due time. Floating rate interest rate would help the investors mitigate interest rate risk. The interest rate would be determined by adding a 3.00% margin with the latest average of 6-months' FDR rates of all private commercial banks (excluding all the foreign banks and Islamic Banks) as published by Bangladesh Bank on the Quotation Day.

Net interest income of the bank grew in 2022 and in the nine months of 2023 (Up to September, 30) it surpassed the amount of previous year. Total net revenue also increased in 2022 and reached 85.71 percent of the previous amount at the end of September 30, 2023. The bank made a higher net profit in 2022 than that of 2021. Net profit after 3<sup>rd</sup> quarter of 2023 has already exceeded the previous year. Net Interest Margin (NIM), ROE, ROA have also improved in the mentioned period. The bank successfully maintained CRR and SLR. Management efficiency of NPL and provisions has experienced improvement.

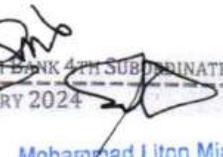
The issue of non-convertible subordinated bond is expected to beef up Tier-2 capital. Tier-2 capital was 4.64% in 2022 and projected to be 4.43% in 2023, 5.21% in 2024, 5.44% in 2025, 5.29% in 2026 and 4.98% in 2027. The issue is expected to help the bank to have a stable CRAR. CRAR of the bank was 13.84% in 2022 and expected to be 13.40% in 2023, 14.48% in 2024, 14.90% in 2025, 14.78% in 2026 and 14.42% in 2027. Risk Weighted Assets (RWA) of the bank was 422,330 million in 2022 and assumed to be TK 512,030 million in 2023, TK 585,190 million in 2024, TK 678,700 million in 2025, TK 797,340 million in 2026 and TK 927,420 million in 2027. So, the issue is expected to enhance the capital against RWA.

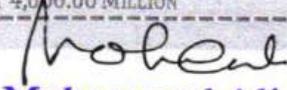
In the view of NCR the term "Indicative" reflects the awarded rating based on the draft documents as well as term sheet. Approval of the issue from the relevant authorities, receipt of final documents and confirming the information provided at the time of rating allocation, are prerequisites for the final rating.

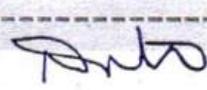
PUBALI BANK 4<sup>TH</sup> SUBORDINATED BOND OF BDT 4,000.00 MILLION  
JANUARY 2024

Page 2 of 23  
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**ANISUR RAHMAN**  
General Manager  
Company Secretary  
Pubali Bank PLC.  
Head Office, Dhaka.

  
**Mohammad Liton Miah FCA**  
General Manager & CFO  
Central Accounts Division  
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Head Office, Dhaka.

  
**Mohammad Ali**  
Managing Director & CEO  
Pubali Bank PLC.  
Head Office, Dhaka

  
**Nasimul Baten**  
Managing Director & CEO  
DBH Finance PLC.

4 AUG 2024

**1.0 Business Overview**

1.1 Pubali Bank PLC. (hereinafter called as 'PBPLC' or 'The Bank'), a Financial Institution, has envisaged to strengthen its Tier-2 capital backing future capital adequacy by issuing a 07-year unsecured, non-convertible, redeemable, floating rate subordinated bond (The Issue) through private placement and thus deemed as debt for financial leverage calculations. The issuer appointed UCB Investment Limited to act as the lead arranger and issue manager and DBH Finance PLC as a trustee. Initially The Issue had a total value of BDT 7,000.00 million with face value of BDT 1.00 million. Later on, Bangladesh Bank has provided No Objection Certificate (NOC) for issuing subordinated bond of BDT 4,000.00 million instead of BDT 7,000.00 million with a tenor of 07 years to strengthen Tier-2 capital. The principal amount of the bond will be redeemed in five strips at 20.00% (BDT 800 million) starting from the end of 3<sup>rd</sup> year and ending on 7<sup>th</sup> year. The salient features of the issue are provided as follows:

Details of the Issue																	
Borrower	Pubali Bank PLC.																
Arranger and Issue Manager	UCB Investment Limited																
Trustee	DBH Finance PLC																
Legal Counsel	Lex Juris																
Instrument Type	Tier 2 Eligible Subordinated Bond																
Offering Style	Private Placement																
Purpose	To boost Tier 2 capital base																
No. of Securities	4,000																
Face Value	BDT 1,000,000																
Total Size of the Issue	4,000,000,000																
Convertibility	Non-Convertible																
Security	Unsecured																
Tenure	7 Years																
Coupon Rate	Reference Rate + Coupon Margin																
Reference Rate	Latest average of 6-months' FDR rates of all private commercial banks (excluding all the foreign banks and Islamic Shariah Based Banks, 4 <sup>th</sup> & 5 <sup>th</sup> generation bank) as published by Bangladesh Bank on the Quotation Day.																
Coupon Margin	3.00% p.a.																
Coupon Payment	Semi-annually																
Repayment Schedule	<p>The principal redemptions will be in five tranches, each tranche being 20% of the principal amount commencing at the end of 3<sup>rd</sup> year from the date of the drawdown. The redemption schedule is as follows:</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Redemption</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Nil</td> </tr> <tr> <td>2</td> <td>Nil</td> </tr> <tr> <td>3</td> <td>20.0%</td> </tr> <tr> <td>4</td> <td>20.0%</td> </tr> <tr> <td>5</td> <td>20.0%</td> </tr> <tr> <td>6</td> <td>20.0%</td> </tr> <tr> <td>7</td> <td>20.0%</td> </tr> </tbody> </table>	Year	Redemption	1	Nil	2	Nil	3	20.0%	4	20.0%	5	20.0%	6	20.0%	7	20.0%
Year	Redemption																
1	Nil																
2	Nil																
3	20.0%																
4	20.0%																
5	20.0%																
6	20.0%																
7	20.0%																
Transferability	Freely transferable in accordance with the provisions of the Trust Deed																
Tax Feature	According to the laws of Bangladesh																
Governing Laws	Laws of Bangladesh																

Reference: Agreement dated 7<sup>th</sup> November, 2023 with Pubali Bank PLC.

## 1.2 PROJECTED TRANSACTION SCENARIO:

Projected Transaction Structure of the Bond for Single Denomination of BDT 1.00 million							
Semi-Annually Coupon No.	Outstanding Amount of the Principal	Each Coupon Amount @ 7.50%	Each Coupon Amount @ 8.50%	Each Coupon Amount @ 9.50%	Each Coupon Amount @ 10.50%	Each Coupon Amount @ 10.50%	Redemption Amount of Principal
1 <sup>st</sup> -5 <sup>th</sup>	1,000,000.00	37,500.00	42,500.00	47,500.00	52,500.00	57,500.00	
6 <sup>th</sup>	1,000,000.00	37,500.00	42,500.00	47,500.00	52,500.00	57,500.00	200,000.00
7 <sup>th</sup>	800,000.00	30,000.00	34,000.00	38,000.00	42,000.00	46,000.00	
8 <sup>th</sup>	800,000.00	30,000.00	34,000.00	38,000.00	42,000.00	46,000.00	200,000.00
9 <sup>th</sup>	600,000.00	22,500.00	25,500.00	28,500.00	31,500.00	34,500.00	
10 <sup>th</sup>	600,000.00	22,500.00	25,500.00	28,500.00	31,500.00	34,500.00	200,000.00
11 <sup>th</sup>	400,000.00	15,000.00	17,000.00	19,000.00	21,000.00	23,000.00	
12 <sup>th</sup>	400,000.00	15,000.00	17,000.00	19,000.00	21,000.00	23,000.00	200,000.00
13 <sup>th</sup>	200,000.00	7,500.00	8,500.00	9,500.00	10,500.00	11,500.00	
14 <sup>th</sup>	200,000.00	7,500.00	8,500.00	9,500.00	10,500.00	11,500.00	200,000.00

## 2.0 RATIONALE FOR ISSUE

2.1 The issue of non-convertible subordinated bond is expected to beef up Tier-2 capital. Tier-2 capital was 4.64% in 2022 and projected to be 4.43% in 2023, 5.21% in 2024, 5.44% in 2025, 5.29% in 2026 and 4.98% in 2027. The issue is expected to help the bank to have a stable CRAR. CRAR of the bank was 13.84% in 2022 and expected to be 13.40% in 2023, 14.48% in 2024, 14.90% in 2025, 14.78% in 2026 and 14.42% in 2027. Risk Weighted Assets (RWA) of the bank was 422,330 million in 2022 and assumed to be TK 512,030 million in 2023, TK 585,190 million in 2024, TK 678,700 million in 2025, TK 797,340 million in 2026 and TK 927,420 million in 2027. So, the issue is expected to enhance the capital against RWA. The bank issued three subordinated bonds of total BDT 19,500.00 million, the bank paid 4,610.64 million as interest of the bond from December 20, 2017 to December 28, 2023. BDT 6,300.00 million of principal has already been paid and current outstanding is BDT 13,200.00 million.

## 3.0 ISSUE CONCERN

3.1 The issuer (Pubali Bank PLC.), one of the leading private commercial banks, has been contributing toward increasing both the quality and quantity of financial services and thus mitigating the lapses of existing financial intermediation to meet the growing needs of different types of investment in the country. After issuance of subordinated bond PBPLC recorded a slight improvement in overall financial performance marked by growth in ROE, ROA, total assets and investments. Besides, Pubali Bank PLC. meets its Capital Adequacy ratio which is now clocked in at 13.84%. However, some financial performance of the issuer has been deteriorated compared to the previous year marked by the decrease in bottom line profitability parameter. Therefore, PBPLC needs to play down to be more cautious to avoid impaired lending and to turn PBPLC as a reagent of high economic growth. NPL increased to TK 12,121.23 million in 2022 from 11,480.11 million in 2021. However, percentage of NPL to total loans and advances declined to 2.62% in 2022 from 3.05% in 2021. The bank also became able to maintain full provision against non-performing loan during 2022. The bank reported consolidated EPS of Tk. 5.49, consolidated NAV per share of Tk. 41.96 and consolidated NOCFPS of TK (3.36) for the year ended December 31, 2022 as against TK 4.23, TK 38.98 (restated) and TK 3.28 respectively for the same period of the previous year. The following graph reveals the trading history of the bank's stock closing price over a period of last twelve months at DSE:

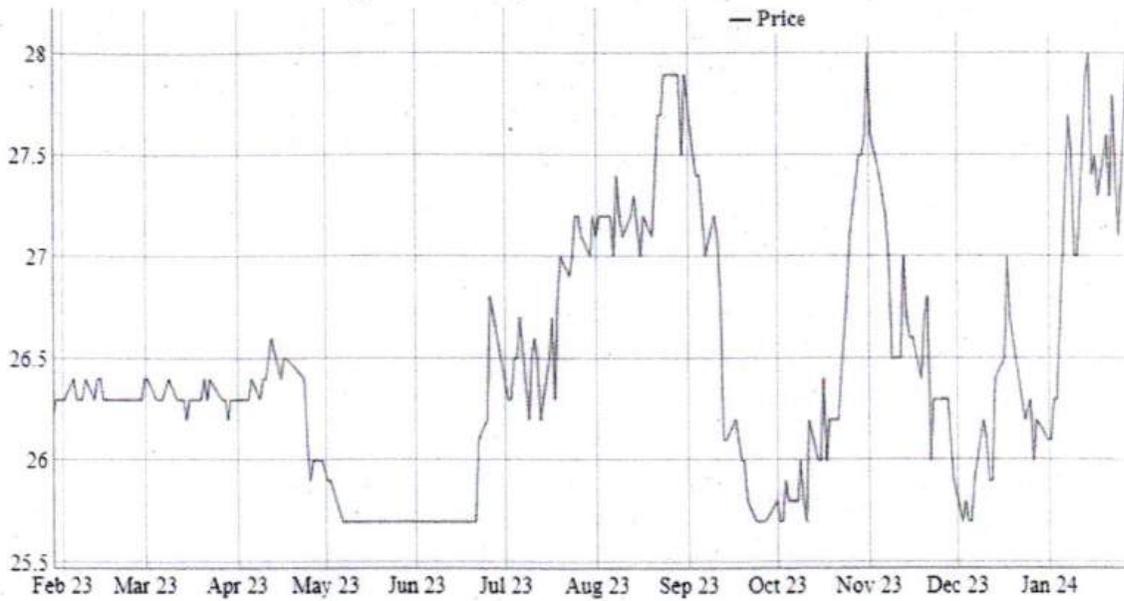
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Reference: Agreement dated 7<sup>th</sup> November, 2023 with Pubali Bank PLC.

**Closing Price Graph of PUBALIBANK**



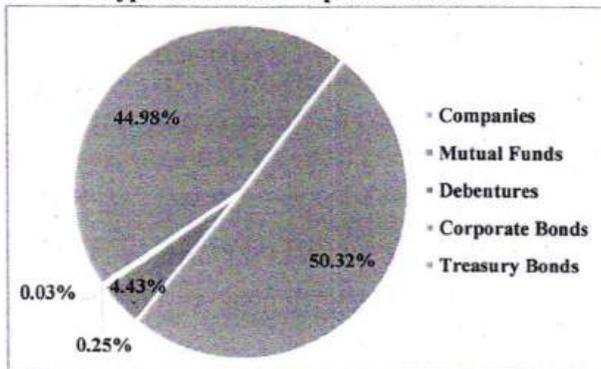
**4.0 ISSUE STIMULUS**

4.1 Capital market of Bangladesh is a frontier market and equity products highly dominate the market. Fixed income securities market is yet to be developed. Moreover, that little portion is dominated by government securities particularly by Treasury Bonds. Following tables show the number of listed companies in Dhaka Stock Exchange (DSE) in the last five years and comparison of type-wise total issued capital:

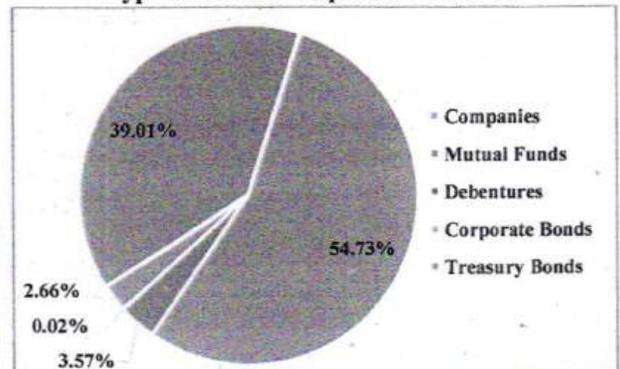
Number of Listed Securities at DSE					
Particulars	2017-18	2018-19	2019-20	2020-2021	2021-22
Companies	305	317	321	341	350
Mutual Funds	37	37	37	37	36
Debentures	8	8	8	8	8
Corporate Bonds	1	1	2	2	9
Treasury Bonds	221	221	221	221	222
<b>Total No. of Listed Securities</b>	<b>572</b>	<b>584</b>	<b>589</b>	<b>609</b>	<b>625</b>

Source: Bangladesh Securities and Exchange Commission (BSEC)

**Type-wise Issued Capital: FY 2017-18**



**Type-wise Issued Capital: FY 2021-22**



Source: Bangladesh Securities and Exchange Commission (BSEC)

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4.2 Corporate bond market has experienced a significant change in FY 2021-22. No. of corporate bonds increased to 9 in FY 2021-22 from 2 in the previous year. Issued capital by corporate bonds thus was recorded TK 40.50 billion in FY 2021-22 which was only TK 4.00 billion in the previous year. Hence the market share of corporate bonds in total issued capital of all listed securities at DSE increased to 2.66 percent in FY 2021-22 from 0.29 percent in FY 2020-21. This is obviously a great leap towards the development of corporate bond market development in Bangladesh. However, the country needs to further develop the corporate bond market. Flourished bond market help develop the capital market as well as the economy. Development of bond market ensures availability of alternative sources of funding for the domestic firms and help reduce funding cost. However, in absence of a developed bond market, banks take up the lending function. Largest portion of banks' deposit consists of short-term deposits. With such short-term liabilities and long-term assets, a pressure on liquidity management arises which leads to asset liability mismatch. Sometimes, corporates are compelled to commit short-term loans which creates a heavy burden in the short term. As a result, non-performing loans increase. So, development of bond market is also necessary for the development of banking industry.

4.3 Undoubtedly, bond market of a country is heavily influenced by the macroeconomic factors of that country. So, macroeconomic environment plays a very important role in the development of bond market. Low inflation encourages investors as well as fixed income securities in the market. Again, increasing interest rates reduces the profitability of holding bonds by increasing the opportunity cost. There is a significant relationship between inflation and exchange rate. So, exchange rate also has its impact. Increased fiscal deficit compels governments to borrow through bond which in turn increases the bond yield. Following graphs depicts the historical macroeconomic environment of Bangladesh:



Source: Bangladesh Bank

4.4 Interest rate has experienced a declining trend over the last ten years. Weighted average interest rate was 7.22 percent in FY 2022-23 against 7.15 percent in FY 2021-22. However, interest rate is expected to increase in the coming year since the lending cap has been withdrawn. Inflation rate is, however, experiencing an upward pressure after remaining almost stable in the previous five years. Inflation rate rose to 7.78 percent in FY 2022-23 from 5.67 percent in FY 2021-22. Local currency of the country has also started depreciating against the US dollar from the end of FY 2021-22. Average exchange rate rose to TK 103.04 in FY 2022-23 from TK 86.31 in FY 2021-22.

4.5 The country has a target to keep the budget deficit as percentage of GDP below 5 percent. However, budget deficit in terms of GDP rose above 5 percent in FY 2019-20 and remained above the expected level. In FY 2022-23, the country has been able to reduce the rate at 5 percent.

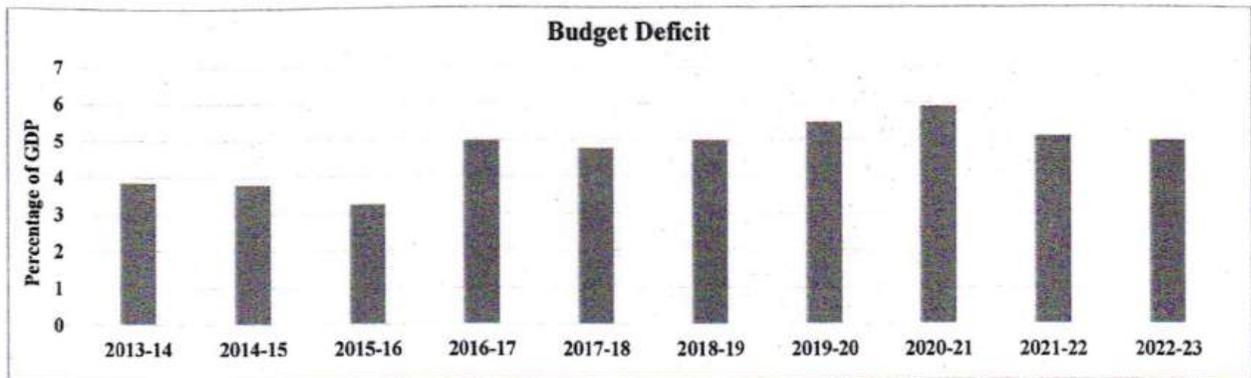
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4 AUG 2024



Source: Ministry of Finance, Bangladesh

4.6 Capital market of Bangladesh is still a frontier market and is expected to be an emerging market within a few years. Development of bond market will increase the transaction volume in the market which in turn will help to achieve economies of scale and reduce funding cost. Prolonged approval period, absence of debt instruments issued by different government bodies, overreliance on bank financing, absence of instructions on mandatory issuance of bonds after reaching a debt-ceiling, shortage of Special Purpose Vehicle/Entity (SPV/E), tax disincentives to issuers and investors are some major challenges for developing the bond market. Overcoming these challenges as soon as possible is necessary for the development of bond market.

## 5.0 PORTRAYAL OF THE TRUSTEE

5.1 DBH Finance PLC., formerly known as Delta Brac Housing Finance Corporation Ltd., is one of the leading NBFIs in the country. The company specializes in housing finance. The company was incorporated as a public limited company and obtained the Certificate of Commencement of Business under Companies Act 1994 on May 11, 1996. The Company was also granted license under the Financial Institutions Act 1993 on July 15, 1996. The company went for public issue in 2007-08 and the shares of the Company are listed in Dhaka and Chittagong Stock Exchanges in Bangladesh. Paid-up capital of the company was TK 1,949.90 million as on December 31, 2022. DBH Finance PLC. has been awarded 'AAA' credit rating for 18th consecutive year. The company has 14 branches across the country. It has also introduced Islamic finance window in 2023. The company also acts as trustee of debt securities. So far, the company has been the trustee of nine bond issues namely UCBL 5th Subordinated Bond of United Commercial Bank PLC, 5th PBL Subordinated Bond of The Premier Bank Limited, IBBL 4th Mudaraba Redeemable, Non-convertible, Unsecured, Subordinated Bond, SIBL 4th Mudaraba Floating rate Non-Convertible Unsecured Subordinated Bond, PBPLC 3rd Redeemable Non-Convertible Unsecured Subordinated Bond of Pubali Bank PLC., Trust Bank Ltd VI Floating Rate Redeemable Non-Convertible Unsecured Subordinated Bond, SJIBL 3rd Mudaraba Sub Bond of Shahjalal Islami Bank Limited, Jamuna Bank Subordinated Bond V, Dhaka Bank 4th Subordinated Bond

## 6.0 REDEMPTION OF BOND

The principal redemptions will be in five tranches, each tranche being 20.0% of the principal amount commencing at the end of the third year from the date of the issuance.

Year	Redemption (%)	Redemption Entire Issue (BDT)	Redemption Per Bond (BDT)	Redemption Status
1	Nil	Nil	Nil	N/A
2	Nil	Nil	Nil	N/A
3	20.00%	800,000,000	200,000	N/A
4	20.00%	800,000,000	200,000	N/A
5	20.00%	800,000,000	200,000	N/A
6	20.00%	800,000,000	200,000	N/A
7	20.00%	800,000,000	200,000	N/A

PUBALI BANK 5TH SUBORDINATED BOND OF BDT 4,000.00 MILLION

JANUARY 2024

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4 AUG 2024

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**7.0 POTENTIALITY OF THE ISSUER’S INDUSTRY**

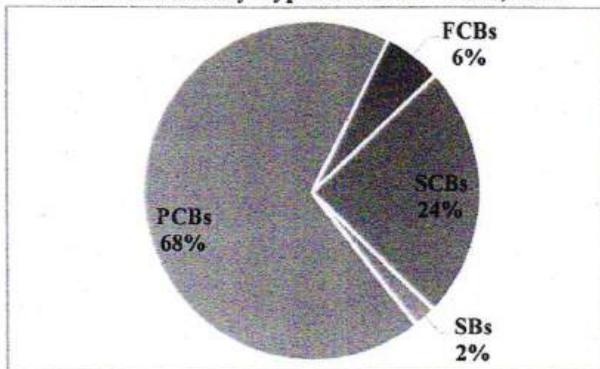
7.1 Banking industry dominates the financial sector of Bangladesh, while the NBFIs and the capital market play a relatively limited role. The whole scenario of the economy of the country can be ascertained by examining the condition of the banking sector. Banking sector grew primarily in the public sector with main emphasis on restructuring of the financial system and development needs of the war-torn economy with gradual liberalization in subsequent years. There was a growing consensus that permitting banks to operate in the private sector, driven by private initiative, could significantly boost the development process. In the 1980’s for the first time, a number of banks in the private sector were allowed, which are called the 1<sup>st</sup> generation banks. Subsequently in the mid 1990’s some more banks in the private sector also commenced operations, which are called the 2<sup>nd</sup> generation banks. In 1999, 3<sup>rd</sup> generation and in 2012, 4<sup>th</sup> generation private sector banks came into operation. Brief overview of the banking industry of Bangladesh is presented in the following table:

Particulars	Details
No. of Banks (June, 2022)	61 (SCBs: 06; SBs: 03; PCBs: 43; FCBs: 09)
No. of Total Branches (June, 2022)	10,963
No. of Sub-branches (June, 2022)	1,672
No. of Agent Banking Outlets (June, 2022)	19,737
No. of ATMs (June, 2022)	13,036
Total Assets (June, 2022)	BDT 21,547 billion
Total Deposits (June, 2022)	BDT 15,786 billion
Total Advances (June, 2022)	BDT 12,987 billion
Advance to Deposit Ratio of Banking Industry (June, 2022)	82.52%
Share of Assets by Types of Banks (June, 2022)	SCBs: 24.21%; SBs: 2.19%; PCBs: 68.07%; FCBs: 5.54%
CRAR of the Banking Industry (June, 2022)	11.20 %
Amount of NPL (June, 2022)	BDT 1,253 billion
NPL Percentage (June, 2022)	9.00%
Amount of Rescheduled Loan (June, 2022)	BDT 637.20 billion
Rescheduled Loan Ratio (June, 2022)	14.40%
No. of Banks having NPL below 2% (June, 2022)	10
No. of Banks having NPL below 5% (June, 2022)	38
Provision Maintenance Ratio (June, 2022)	84.68%

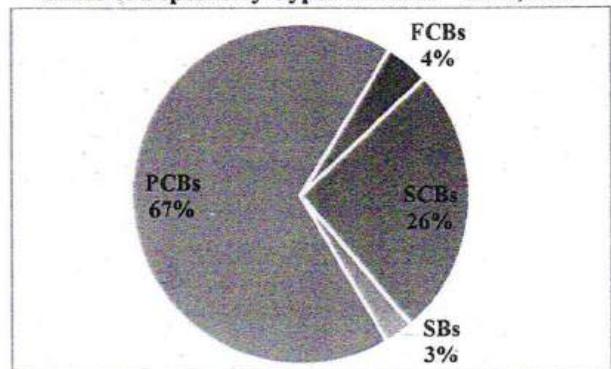
Source: Bangladesh Bank

7.2 The commercial banks are at the core of the financial system and account for more than 80% of the assets of the financial system. Structure of banking sector is as follows:

Share of Assets by Types of Banks – June, 2022



Share of Deposits by Types of Banks – June, 2022



Source: Bangladesh Bank

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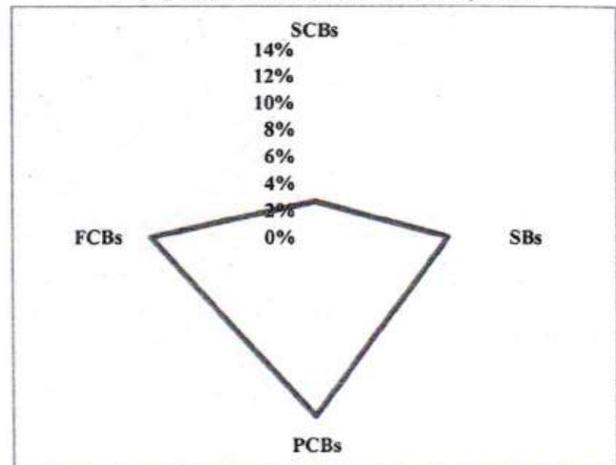
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4 AUG 2024

Reference: Agreement dated 7<sup>th</sup> November, 2023 with Pubali Bank PLC.

7.3 Though there are only 06 State-owned Commercial Banks (SCBs), they are the biggest banks in the country in terms of asset size, number of customers and coverage area. The 06 SCBs have a total of 3,801 branches which represent 35 percent of the total bank branches in the country. Specialized Banks (SBs) have 1,504 branches. Private Commercial Banks (PCBs) accounts for 50 percent of total branches with 5,421 branches while Foreign Commercial Banks (FCBs) have 67 branches. PCBs possess the largest share of assets and deposits in the banking system. PCBs had the greater growth (13.29 percent) in assets in FY 2021-22 followed by FCBs, SBs and SCBs. SCBs assets grew by only 2.60 percent.

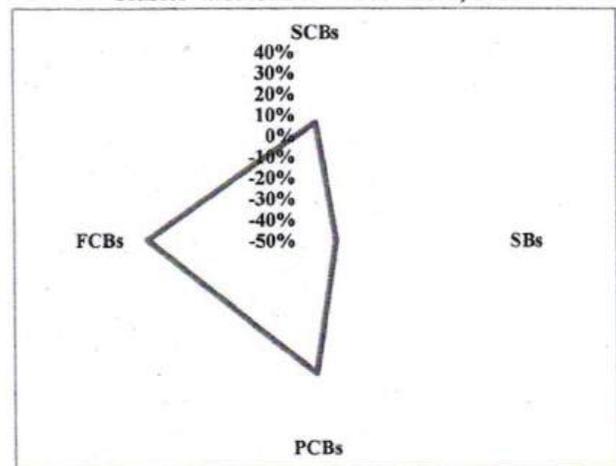
Cluster-wise Asset Growth – June, 2022



Source: Bangladesh Bank

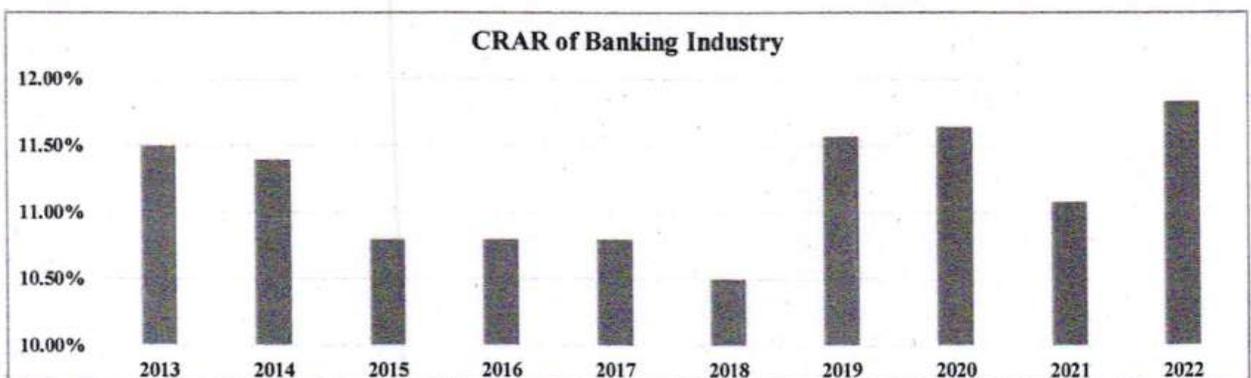
7.1 Aggregate Capital to Risk-Weighted Asset Ratio (CRAR) of the banking industry increased in 2022 after a fall in 2021. CRAR of the industry remained above the regulatory requirement. 50 banks out of 61 maintained CRAR of at least 10.00 percent or higher at the end of December, 2022. SCBs and SBs failed to maintain the minimum CRAR. CRAR of the SCBs had a great leap from the previous year while the same for SBs dipped further. Among the four banking clusters, FCBs maintained highest CRAR (31.65 percent) while SBs maintained the lowest CRAR (-40.29 percent) at the end of December, 2022. FCB's continuously maintaining the ratio at a high level and reached to a new peak in 2022.

Cluster-wise CRAR – December, 2022



Source: Bangladesh Bank

CRAR of Banking Industry



Source: Bangladesh Bank

7.2 The overall amount of NPL of the banking industry reached to TK 1,206.57 billion at the end of December, 2022. NPL as a percentage of total outstanding loan increased to 8.16 percent in 2022 from 7.90 percent in 2021. Of the total NPL, bad and loss loans accounted for 88.67 percent while sub-standard and doubtful loans

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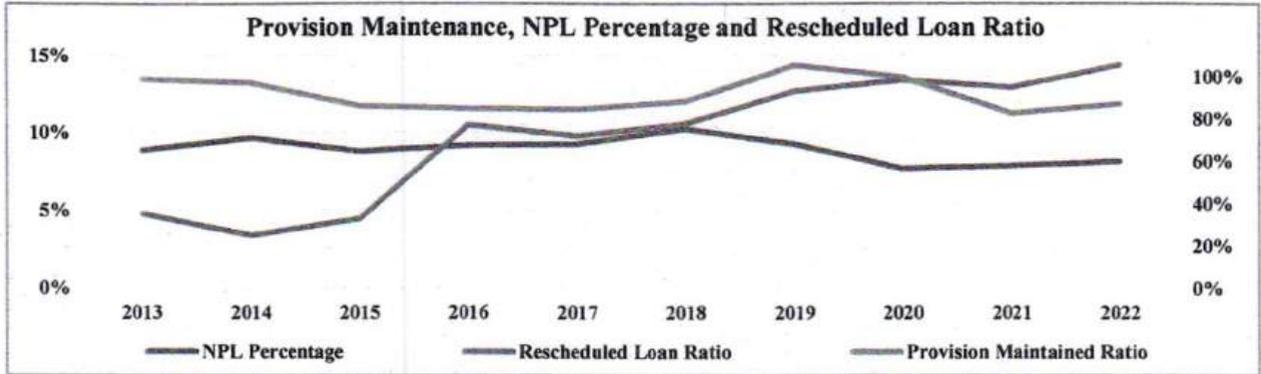
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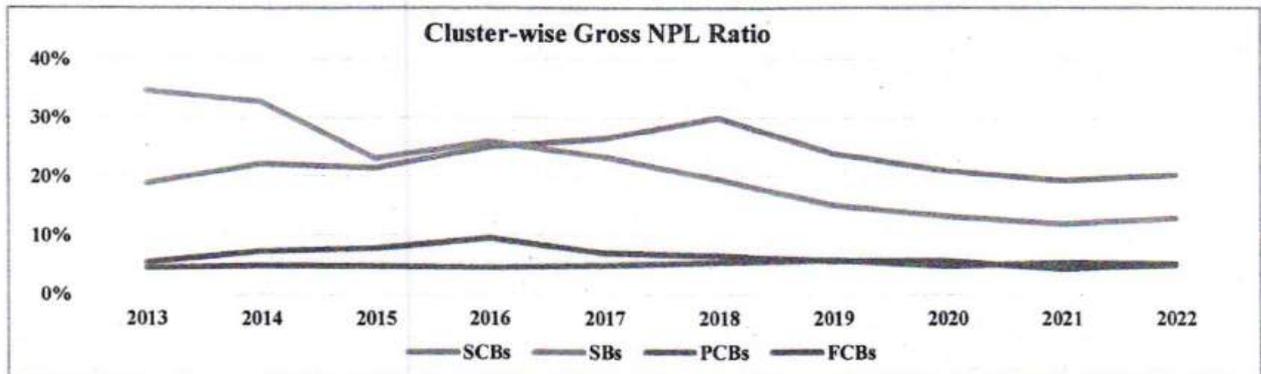
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Reference: Agreement dated 7<sup>th</sup> November, 2023 with Pubali Bank PLC.

constituted 6.79 percent and 4.54 percent respectively. Required loan-loss provision was TK 841.57 billion in 22. Against which, the banks maintained a total of TK 731.48 billion indicating a shortfall of TK 110.09 billion. The provision maintenance ratio, improved to 86.92 percent in December, 2022 from 82.64 percent in December, 2022. Amount of rescheduled loan staggeringly increased to TK 637.20 billion in December, 2022 from TK 268.10 billion in December, 2021 leading the rescheduled loan ratio to rise to 14.40 percent in 2022 from 12.94 percent in 2021.

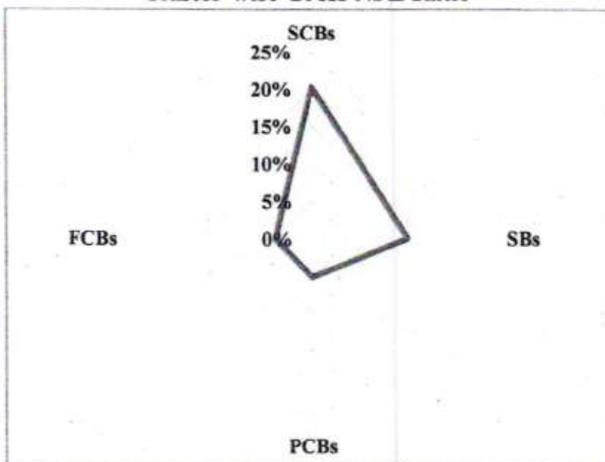


Source: Bangladesh Bank

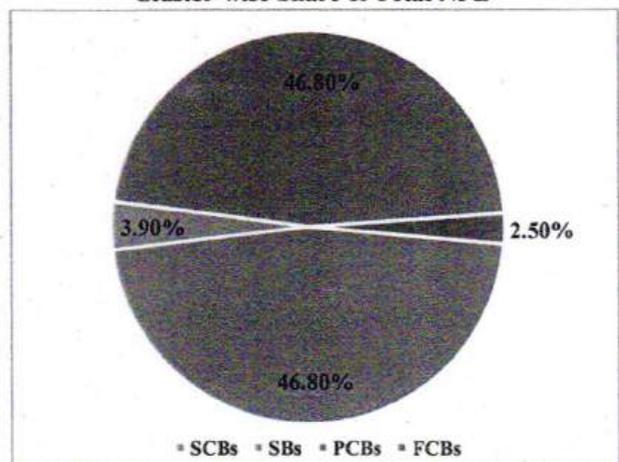


Source: Bangladesh Bank

Cluster-wise Gross NPL Ratio



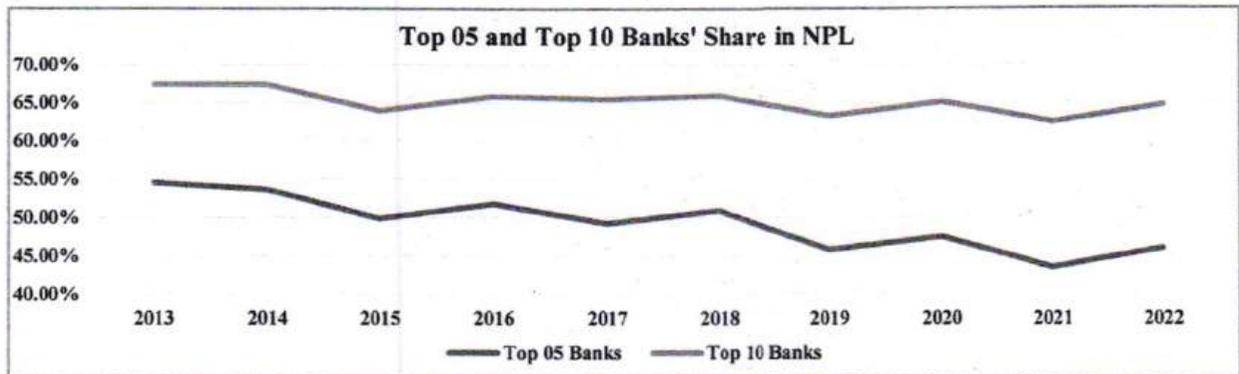
Cluster-wise Share of Total NPL



Source: Bangladesh Bank

Reference: Agreement dated 7<sup>th</sup> November, 2023 with Pubali Bank PLC.

7.3 SCBs and PCBs had equal share to total NPL amount though SCBs and PCBs share to assets is 24 percent and 68 percent respectively. It indicates that the SCBs had higher NPL percentage compared to PCBs. Ten years ago, specialized banking cluster had the highest NPL percentage. NPL percentage of SCBs, SBs, PCBs and FCBs were 20.28 percent, 12.80 percent, 5.13 percent and 4.91 percent respectively. Hence, foreign commercial banks were more efficient in ensuring asset quality.

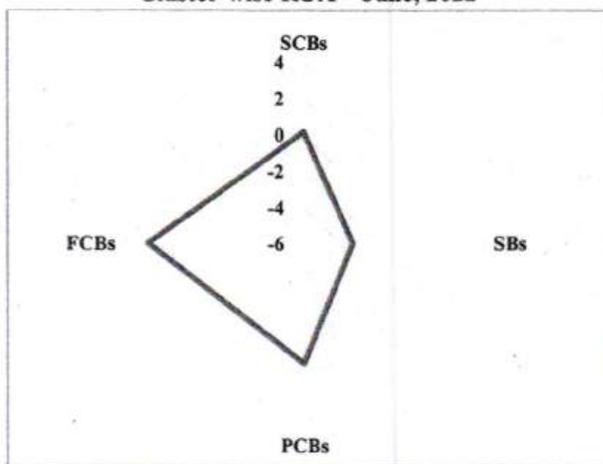


Source: Bangladesh Bank

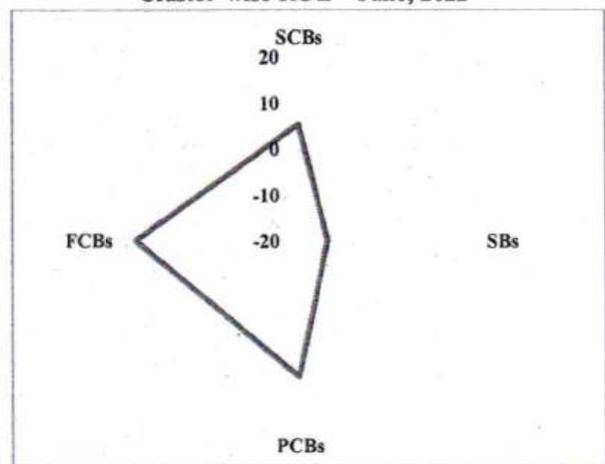
7.4 Based on gross NPL amount, top 05 banks were responsible for 45.97 percent of total NPL while top 10 banks were responsible for 64.75 percent of NPL. So, the concentration of NPL is very high. However, the situation has improved over the last ten years. There were only 10 banks who had NPL percentage below 2 percent while a total of 38 banks out of 61 had a NPL percentage below 5 percent. Earlier, lesser number of banks had NPL percentage below 5 percent. So, more banks have improved in terms of asset quality.

7.5 Return on Asset (ROA) and Return on Equity (ROE) in the banking sector stood at 0.50 percent and 9.40 percent respectively at the end of June, 2022. Both ROA and ROE Improved from June, 2021. Expenditure-Income Ratio and Net Interest Margin (NIM) of the industry were 78.30 percent and 2.40 percent respectively. Among the four clusters, FCBs are more profitable followed by PCBs. Specialized banks had negative ROE, ROA and NIM. Expenditure-Income ratio of SBs was more than double of the industry.

Cluster-wise ROA – June, 2022



Cluster-wise ROE – June, 2022



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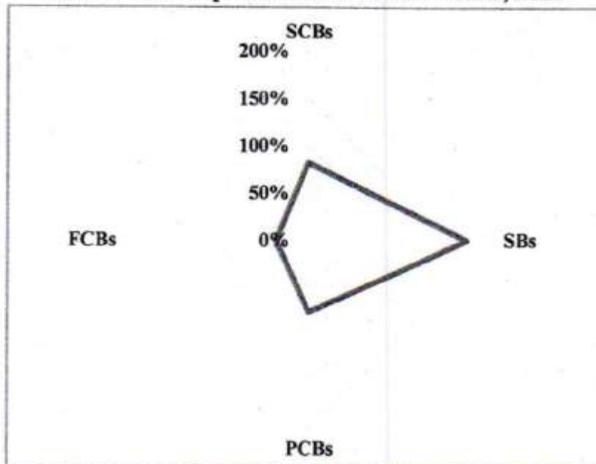
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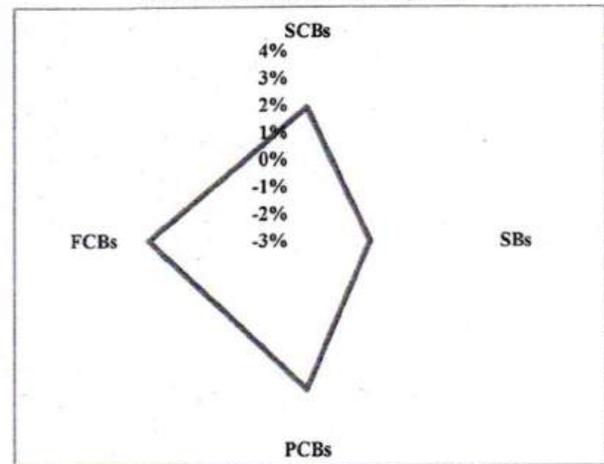
4 AUG 2024

Reference: Agreement dated 7<sup>th</sup> November, 2023 with Pubali Bank PLC.

Cluster-wise Expense-Income Ratio – June, 2022

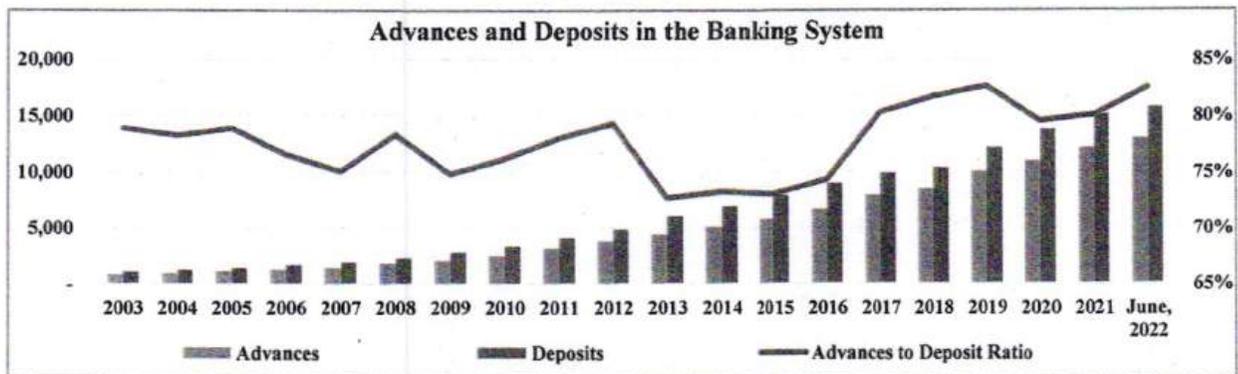


Cluster-wise NIM – June, 2022



Source: Bangladesh Bank

7.6 Advance to Deposit Ratios (ADR) experienced an increasing trend over the last ten years. ADR of banking industry stood at 82.52 percent in June, 2022 against 80.04 percent in December, 2021.



Source: Bangladesh Bank

7.7 In all the parameters, FCBs are doing well compared to the other clusters whereas SCBs and SBs are performing very poorly. Poor performance of SCBs and SBs are affecting the industry as a whole. Improvement of performance of these banks will significantly improve the overall performance of the banking industry.

**8.0 ISSUER'S BUSINESS OVERVIEW**

8.1 Pubali Bank PLC. (hereinafter called as 'PBPLC' or 'The Bank') has been playing a vital role in socio-economic, industrial and agricultural development as well as in the overall economic development of the country through savings mobilization and investment of funds. The Bank is a planned successor of the erstwhile Eastern Mercantile Bank Limited established in 1959. After independence of Bangladesh in 1971, the bank was nationalized through Presidential Order no 26 of 1972 renamed as Pubali Bank. Subsequently, the Bank was denationalized in 1983. The shares of the company are listed with both bourses of the country and are traded under 'A' category.

8.2 The principal activity of the bank is providing all types of commercial banking services as per the Banking Companies Act 1991 and the directives from Bangladesh Bank, through the operational network of 490 branches all over the country. The registered and corporate head office is located at 26, Dilkusha Commercial Area, Dhaka - 1000, Bangladesh.

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4 AUG 2024

Reference: Agreement dated 7<sup>th</sup> November, 2023 with Pubali Bank PLC.

8.3 The details of the product lines are given below:

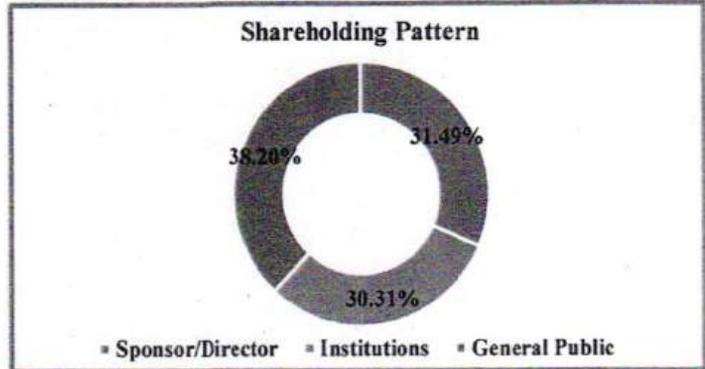
Corporate Banking	Lease Financing	Trade Finance	Islamic Banking
<ul style="list-style-type: none"> <li>Secured Overdraft (OD)</li> <li>Cash Credit (CC)</li> <li>Demand Loan (DL)</li> <li>Work Order Finance</li> <li>OD (Bid Bond)</li> </ul>	<ul style="list-style-type: none"> <li>Capital Machinery</li> <li>Medical Equipment</li> <li>General Equipment, AC, Lift, Generator etc.</li> <li>Car/Vehicle/Covered Van etc.</li> <li>Others</li> </ul>	<ul style="list-style-type: none"> <li>Export and Import LC</li> <li>EDF LC</li> <li>Loan against Trust Receipt</li> <li>Packing Credit</li> <li>Documents against Payment (D/P)</li> <li>Loan Against Imported Merchandise</li> <li>Foreign Bill Purchase (FBP)</li> <li>List of exchange companies</li> </ul>	<p><b>Deposit Schemes</b></p> <ul style="list-style-type: none"> <li>Al-Wadeeah Current Account</li> <li>Mudaraba Swadhin Deposit Account</li> <li>Mudaraba Shiksha Sanchay Account</li> <li>Mudaraba Savings Account</li> <li>Mudaraba Short Notice Deposit Account</li> <li>Mudaraba monthly profit based Term Deposit</li> <li>Mudaraba Term Deposit</li> <li>Mudaraba Deposit Pension Account</li> <li>Mudaraba Hajj Savings Account</li> <li>Mudaraba Swapno Puran Deposit A/C</li> <li>Mudaraba Cash Waqf Deposit A/C</li> <li>Mudaraba Marriage /Muhar Deposit</li> <li>Investment Schemes</li> <li>Bai-Muazzal Account</li> <li>Hire Purchase Shirkatul Melk</li> <li>Bai-Murabaha</li> <li>Murabaha post Import</li> <li>Inland Document Bills Purchase</li> <li>Bai-Salam</li> <li>Bai-Istisna</li> <li>Bai-as-sharp</li> </ul>
SME Financing	Retail Banking	Personal Loans	
<ul style="list-style-type: none"> <li>PBPLC Subarna</li> <li>PBPLC Karma Uddog</li> <li>PBPLC Sujan</li> <li>Pubali Prochesta</li> <li>Pubali Utsob</li> <li>Earnest Money Financing</li> <li>Pubali Protiva</li> </ul>	<p><b>Chequing Accounts</b></p> <ul style="list-style-type: none"> <li>Savings Deposit (SB)</li> <li>Current Deposit (CD)</li> <li>Special Notice Deposit (SND)</li> <li>Ancillary Services</li> <li>Demand Draft (DD)</li> <li>Telegraphic/Telephonic Transfer (TT)</li> <li>Payment Order (PO)</li> <li>Teller (Cash Counter)</li> </ul> <p><b>Transaction</b></p> <ul style="list-style-type: none"> <li>Locker Service</li> <li>Recurring Deposits</li> <li>Pubali Pension Scheme (PPS)</li> <li>Pubali Sanchaya Prakalpa (PSP)</li> <li>Shiksha Sanchaya Prakalpa (SSP)</li> <li>Term Deposits</li> <li>Fixed Deposit (FDR)</li> <li>Dwigun Sanchaya Prokalpa</li> <li>Monthly Profit Based Fixed Deposit</li> <li>Monthly Profit Based Small Deposit</li> <li>Target Based Small Deposit (TBSD)</li> </ul>	<ul style="list-style-type: none"> <li>Car Loan</li> <li>Flat Purchase Loan</li> <li>Household Durable Loans</li> <li>Medical Equipment Loan</li> <li>Govt. Primary School Teacher Loan</li> <li>Pubali (Abason)</li> </ul>	
Green Financing			
<ul style="list-style-type: none"> <li>Pubali Green Prantik</li> <li>Term loan under Direct green financing</li> </ul>			

8.4 The Board of Directors has recommended 12.50% cash dividend for the year ended on December 31, 2022. The 40<sup>th</sup> Annual General Meeting held on June 6, 2023. During the year 2022, 50 Board of Directors meeting,

Reference: Agreement dated 7<sup>th</sup> November, 2023 with Pubali Bank PLC.

02 Executive Committee meeting, 13 Audit Committee meeting and 04 Risk Management Committee meeting were held.

8.5 The shareholding pattern was found diversified among the Directors (31.49%), Institutions (30.31%), and the General Public (38.20%) as on December 31, 2023. The shareholding pattern is depicted in the following diagram:



8.6 PBPLC has one subsidiary company namely Pubali Bank Securities Ltd., incorporated on June 21, 2010 as a Public Limited Company to carry out all kinds of business in shares, stock and brokerage.

**9.0 GOVERNANCE**

9.1 The BoD of PBPLC comprises of experienced persons. There are four committees under this BoD namely, (i) Audit Committee, (ii) Executive Committee, (iii) Risk Management Committee and (iv) Nomination & Remuneration Committee. The Management of the Bank comprises of 10 committees and the name of the committees are given as follows:

Sl.	Name of The Committee	Sl.	Name of The Committee
1.	Management Committee	6.	Credit Committee
2.	Asset & Liability Management Committee	7.	Central Compliance Committee
3.	Taskforce Committee for Loan Recovery	8.	Ethical Committee
4.	Risk Management Committee	9.	Purchase Committee
5.	Management Reporting System Committee	10.	Procurement Technical Committee

9.2 The brief profile of the BoD members is given below:

Sl.	Name of BoD Members	Designation	Experience
1.	Mr. Monzurur Rahman	Chairman	56 years
2.	Mr. Mohammad Ali	Managing Director & CEO	27 years
3.	Mr. Moniruddin Ahmed	Director	65 years
4.	Mr. Habibur Rahman	Director	64 years
5.	Mr. Fahim Ahmed Faruk Chowdhury	Director	32 years
6.	Ms. Rumana Sharif	Director	31 years
7.	Mr. M. Kabiruzzaman Yaqub FCMA (UK), CGMA	Director	34 years
8.	Mr. Musa Ahmed	Director	24 years
9.	Mr. Azizur Rahman	Director	25 years
10.	Mr. Md. Abdur Razzak Mondal	Director	48 years
11.	Ms. Rana Laila Hafiz	Director	18 years
12.	Mr. Mustafa Ahmed	Director	23 years
13.	Mr. Arif Ahmed Choudhury	Director	25 years
14.	Dr. Shahdeen Malik	Independent Director	35 years
15.	Mr. Mohammad Naushad Ali Chowdhury	Independent Director	41 years

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**Nasimul Baten**  
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### 9.3 MANAGEMENT

The management team has been organized with a good blend of qualified and experienced professionals. The management team is headed by the Managing Director & CEO, Mr. Mohammad Ali having intense experience in the banking sector. The management team is consisted of five Deputy Managing Directors (Mr. Mohammad Esha, Mr. Mohammad Shahadat Hossain, Mr. Ahmed Enayet Manzur, Mr. Md. Shahnewaz Khan, Mr. Mohammad Anisuzzaman) along with the following Divisional Heads at Head Office:

Sl.	Head of the Department	Designation	Name of Department	Qualification	Experience
1.	Mr. Mohammad Shahnawaz Chowdhury	GM	Audit & Inspection Division	B.Com., Part- I of IBE	35 years
2.	Mr. Dewan Jamil Masud	GM	Islamic Banking Wing	M.A	35 years
3.	Mosammat Shahida Begum	GM	Research and Dev. Division	MBA, DAIBB	34 years
4.	Mrs. Rubina Begum	GM	Monitoring Division (ICC Wing)	M.S.S., DAIBB	34 years
5.	Mr. Nitish Kumar Roy	GM	Risk Management Division	M.Com, LL.B., DAIBB	34 years
6.	Mr. Md. Helal Uddin	GM	ICT Operation Division	B.Sc. (Engr.) E.E.E. MBA	21 years
7.	Mr. Dilip Kumar Paul	GM	Establishment Division	B.S.S.(H)	32 years
8.	Mr. Naresh Chandra Basak	GM	Credit Admin., Monitoring & Recovery Division	M.Sc. DAIBB	25 years
9.	Mr. Mohammad Liton Miah FCA	GM & CFO	Central Accounts Division	M.Com, FCA	07 years
10.	Mr. Md. Faizul Hoque Sharif	GM	General Services & Development Division	M.Com, DAIBB	25 years
11.	Ms. Nishat Maisura Rahman	GM	International Division	M. Com.	25 years
12.	Mr. Ashim Kumar Roy	GM	Card Operation Division	M.Sc., Oracle Database 10G ACP, ITIL	25 years
13.	Mr. Endra Mohan Sutradhar	GM	Software Development Division	M.Sc., MBA, RHCE, PMP, Oracle Database SQL CE, Oracle	21 years
14.	Mr. Shyam Sundar Banik	DGM	Marketing Division, Anti-Money Laundering Division	M.Com.	35 years
15.	Mr. A. Jalil	DGM	Compliance Division	B.Sc.(H) in Ag. Part-I IBE	29 years
16.	Mr. Md. Anisur Rahman	DGM	Board Division	M.Com.	25 years
17.	Mr. Md. Malequl Islam	DGM	Consumer Credit Division	M.Com., DAIBB	22 years
18.	Mr. Mohammed Ali Amzad	DGM	Lease Financing Division	M.S.S., JAIBB	22 years
19.	Mr. Mohammad Abdul Mannan	DGM	Treasury Division	M.Sc.	22 years
20.	Mr. Md. Masduzzaman	DGM	Law Division	LLM, MBA	22 years
21.	Mr. Md. Abul Hasan	DGM	Offshore Banking Division	M.Com.	20 years
22.	Mr. Md. Rabiul Alam	DGM	Alternative Delivery Channel (ADC) Division	M.Sc., MBA. MPA	18 years
23.	Mr. N.M. Firoz Kamal	DGM	Card Business Division	MA	21 years

9.4 PBPLC has well defined HR policy. The total number of employees of the company stood at 9,570 as on December 31, 2023. The Bank offers regular basis training programs through Bangladesh Institute of Bank Management (BIBM), Bangladesh Bank Training Academy (BBTA), BAB and others National Institutions. A total of 684 persons attended in 167 training programs at BIBM, BBTA, BAB and other institutes in 2022. Moreover, in 2022, 5526 employees attended training at 47 training programs arranged by Pubali Bank Training Institute (PBTI).

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Nasimul Baten  
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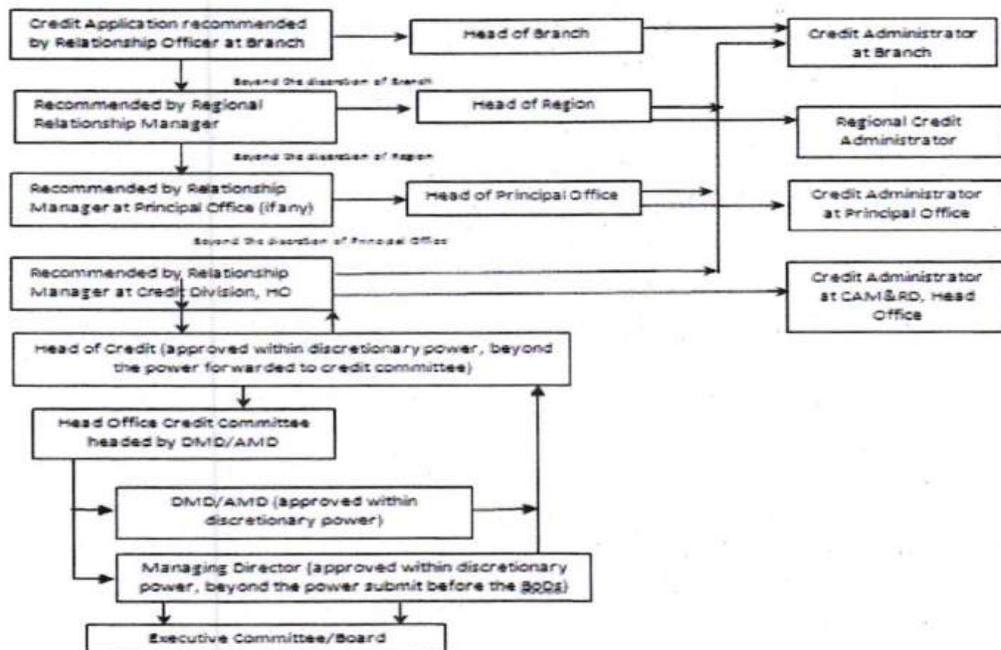
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**10.0 RISK MANAGEMENT FRAMEWORK**

10.1 The management has satisfactorily implemented the Risk Management Framework. The Bank formed a Risk Management Committee at Management Level following the guideline of Bangladesh Bank. The Risk Management Committee at Management Level is headed by the General Manager & CRO. Monthly meeting of Risk Management Committee at Management Level is being held regularly. All General Managers and Divisional Heads at Head Office are the members and Division Head of Risk Management Division is the member secretary of the Committee. The Committee is responsible to the Managing Director for compliance and implementation of the decisions. In the meeting of Committee six core risks and other risks are discussed, minutes are prepared and decisions are gradually implemented. Risk management papers along with minutes of the meeting of the Committee are submitted to Bangladesh Bank on quarterly basis.

**11.0 CREDIT RISK**

11.1 PBPLC follows a well-organized credit approval system for SME and corporate clients. The credit approval system, monitoring & recovery functions are segregated from CRM. The bank follows the Credit Disbursement & Sanction Procedure as per flowchart given below:



PBPLC strictly follows the guideline/circulars received from Bangladesh Bank regularly regarding approval of loans and advances. The Business Discretionary power for Loans & Advances and Foreign Exchange Transactions are strictly delegated as per the guideline/circulars duly approved by the BoD.

11.2 For recovery of NPL from clients, PBPLC follows a recovery procedure through the Credit Administration, Monitoring and Recovery Division. The Credit, Administration, Monitoring and Recovery Division at Head Office, headed by General Manager, review the NPL accounts along with the status of recovery and assess the adequacy of provisions on a quarterly basis. Moreover, the Bank has taken initiative for an early warning system to identify the problem accounts through review of the overdue statement using the format for classification and provisioning provided by the Bangladesh Bank guideline.

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**12.0 OPERATIONAL RISK**

12.1 The Bank is running its operation with highly sophisticated information and communication technology at all of their 498 branches. To ensure a seamless integration of information flowing through the extending customer services, PBPLC is using in-house developed core banking software, Pubali Integrated Banking System (PIBS) and always updating it by their own team. The software is tested and verified by PricewaterhouseCoopers.

12.2 Presently, PBPLC deployed Next Generation firewall and IPS with AMP for DC/DR, E-mail Security, Web security, Web application firewall, SAND Box Solution for APT, End-point AMP, ISE etc. and VAPT, SIEM, DLP etc. for all workstations of branches, regional offices, principal offices and Head office to avoid any un-authorized access or security threat. In addition, Biometric system in order to access to the core banking and Certifying/ Card System to PCI DSS to maintain security features of international standard also have been developed.

12.3 Besides, Real-Time Centralized Online Banking System has been developed & deployed to all of the branches across the country. One Stop Service has been implemented at all branches. PBPLC have established its own ATM network with about 347 ATM booths across the country. Moreover, the bank is the principal member of master card & visa card.

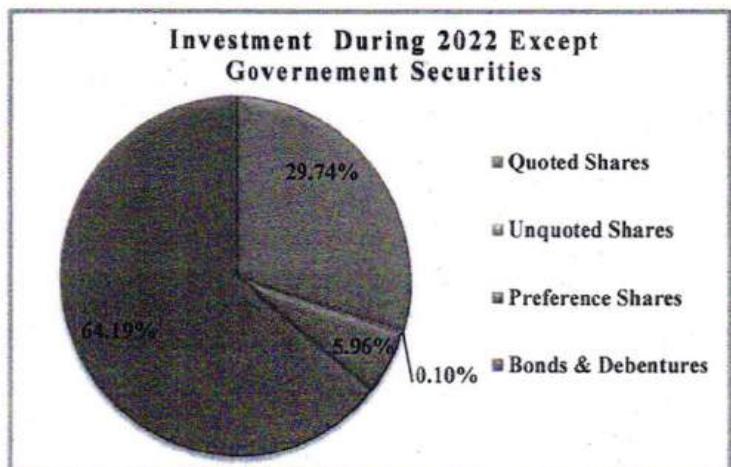
12.4 For security awareness of database of the bank, ICT Policy & Business Continuity Plan has been approved by the Board. The online branches banking data are stored & controlled centrally at the Data Center (DC) at ICT Operation Division. To ensure the security of data, the Bank has already established the Disaster Recovery (DR) Center at Uttara, Dhaka. Moreover, the Bank has achieved the success of implementation of Bangladesh Automated Clearing House (BACH), Bangladesh Electronic Fund Transfer (BEFTN), Credit Information Bureau (CIB) reporting etc. as per guideline of Bangladesh Bank.

12.5 The Bank has formed an organogram of Internal Control & Compliance Department (ICCD) under the guideline of Bangladesh Bank. Under this organogram three divisions i.e., Audit Division, Monitoring Division and Compliance Division are working separately and independently. Audit Division conducts audit as per yearly risk-based audit plan approved by the Board. Monitoring Division is engaged with onsite and off-site monitoring function. Compliance Division deals with regularly compliance and also acts as the contact point of Bank.

**13.0 MARKET RISK**

**13.1 INVESTMENT WINGS OF THE ISSUER**

PBPLC has an exposure of TK 78,152.79 million in shares (with TK 6,771.90 million in the quoted shares, TK 22.89 million in the unquoted shares, TK 1,358.00 million in the preference shares). The bank maintained a provision of TK 13.89 million on investment during 2022. Required provision has been maintained in current year as per BRPD circular no. 14 dated June 25, 2003 and DOS circular no. 04 dated May 26, 2019, November 24, 2011 and DOS circular no. 07 February 25, 2014.



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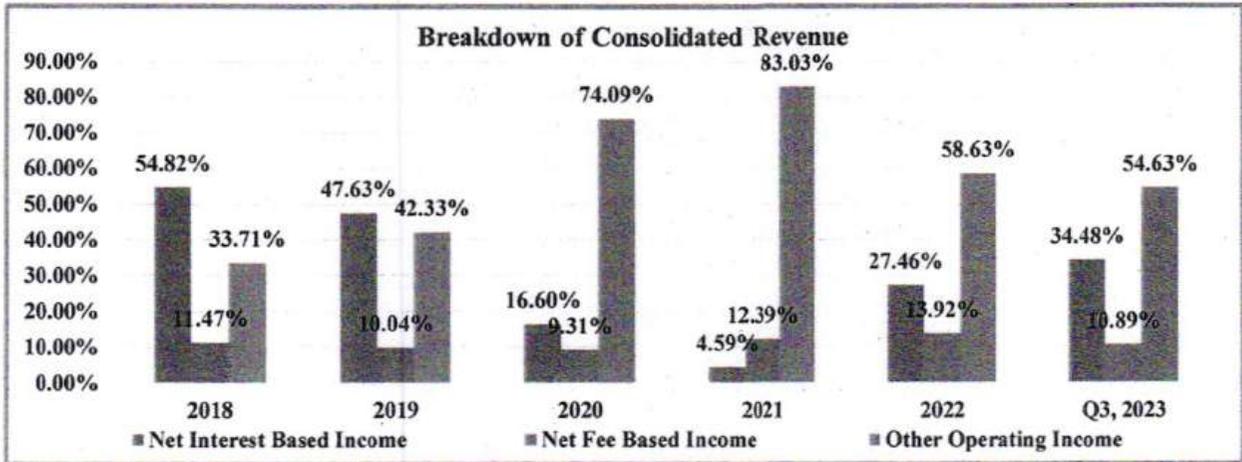
*[Signature]*  
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**14.0 EARNINGS QUALITY**

**14.1 TREND/STABILITY OF REVENUE**

Net interest-based income increased to TK 6,619.65 million in 2022 from TK 890.02 million in 2021. The company became able to increase the interest-based income to TK 7,123.25 million in just nine months in 2023. Net fee-based income also increased to TK 3,355.10 million in 2022 from TK 2,404.45 million in 2021. Net fee-based income was TK 2,250.48 million up to 3<sup>rd</sup> quarter of 2023. The total net revenue increased to TK 24,108.18 million in 2022 from TK 19,408.19 million in 2021, registering a growth of 24.22%. Net revenue was recorded TK 20,661.94 million at the end of 3<sup>rd</sup> quarter of 2023.



**14.2 ISSUER'S EFFICIENCY & PROFITABILITY**

The bank's efficiency ratio (cost to total net revenue) stood at 57.74% in 2022 and 55.30% in 2021. The ratio was 47.00% on September 30, 2023. The ratio of provision expenses to pre-provision profit declined to 24.39% in 2022 from 42.50% in 2021. The bank made a net profit of TK 5,648.00 million in 2022 against TK 4,351.77 million in 2021 while it made a higher net profit, TK 6,127.24 million, only in nine months (January 01 to September 30) in 2023.

The bank's intermediation efficiency ratio, Net Interest Margin (NIM) rose to 1.10% in 2022 from 0.17% in 2021. However, NIM was 1.06% on September 30, 2023. The cost of fund decreased to 4.24% in 2022 from 4.56% in 2021. On September 30, 2023, cost of fund was 3.41%. ROA increased to 0.84% in 2022 from 0.73% in 2021. The ROE was also increased and stood at 13.62% in 2022 against 11.09% in 2021. However, both ROA and ROE slightly declined on September 30, 2023 to 0.81% and 13.58% respectively.

**15.0 LIQUIDITY MANAGEMENT**

**15.1 LIQUIDITY GAP AT DISSIMILAR MATURITY BUCKETS**

PBPLC has maintained positive all of the maturity bucket in 2022 that is presented in the following table:

Particulars	(BDT in Million)					
	Up to 1 month maturity	1-3 months maturity	3-12 months maturity	1-5 years maturity	More than 5 years maturity	Total
Assets	78,935.91	163,630.57	151,470.48	138,483.85	180,234.89	712,755.74
Liabilities	76,810.90	145,734.18	134,811.34	134,407.47	178,505.72	670,269.62
Net Liquidity Gap	2,125.01	17,896.39	16,659.14	4,076.37	1,729.17	42,486.09

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15.2 PBPLC has maintained the liquidity requirement in accordance with 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 bank held 4.24% Cash Reserve Requirement (CRR) and 23.44% Statutory Liquidity Ratio (SLR) with surplus/deficit amount as follows:

Particulars	(BDT in Million)		
	Q3, 2023	2022	2021
<b>Cash Reserve Ratio (CRR)</b>			
Required Reserve (4.00%)	23,358.23	21,397.56	18,613.50
Actual Reserve maintained	23,460.78	22,698.15	18,051.23
<b>Surplus/Deficit</b>	<b>102.56</b>	<b>1,300.59</b>	<b>(562.27)</b>
<b>Statutory Liquidity Ratio (SLR)</b>			
Required Reserves (13%)	77,083.38	71,321.07	61,555.81
Actual Reserve maintained	149,969.07	128,612.21	131,697.83
<b>Surplus/Deficit</b>	<b>72,885.69</b>	<b>57,291.14</b>	<b>70,142.02</b>

**15.3 ISSUER'S SOURCE OF FUNDING & DEPOSIT MIX**

Customer deposit increased to TK 509,350.63 million in 2022 from TK 460,662.85 million in 2021, having a growth rate of 10.57%. The bank acquired total deposit of TK 587,202.76 million till Q3 2023. The deposit mix was historically dominated by the term deposit. However, the main source of funding was 86.28% deposits followed by 13.93% borrowing, 2.91% bond and 13.48% non-interest-bearing liabilities during 2022. The borrowing was recorded TK 82,217.70 million in 2022 against TK 43,319.84 million in 2021. The weighted average cost of fund under all categories of funding sources (except long term deposit) declined in the last reporting year.

The management of liquidity and funding is carried out by the Treasury Division under approved Policy guidelines. The formulation of risk management policy, setting liquidity and examine how liquidity requirements are likely to evolve under different assumptions, interest rate, exchange rate and equity pricing are the responsibilities of the ALCO. The ALCO monitors the market risk and liquidity risk regarding the potential change in the earnings due to change in the rate of interest and foreign exchange rates. Mr. Saiful Alam Khan Chowdhury, the honorable Managing Director & CEO of the bank calls ALCO meeting at least once in a month. The ALCO of PBPLC conducted 12 regular meetings and 03 special meetings during the year 2022 for implementation of Asset and Liability management in the bank. The ALCO is composed of 25 members including the Managing Director.

**16.0 CAPITAL ADEQUACY**

**16.1 RESERVE & SURPLUS OF THE ISSUER**

The shareholders' equity was recorded TK 43,146.24 million in 2022 against TK 39,787.47 million in 2021, registering a growth of 8.44%. The equity capital composed of share capital of TK 10,282.94 million, statutory reserve of TK 10,283.00 million, other reserves of TK 3,879.75 million and retained earnings of TK 18,700.55 million during 2022. The shareholder's equity to total assets slightly decreased to 6.04% in 2022 from 6.31% in 2021.

Particulars	(BDT in Million)		
	Q3, 2023	2022	2021
Actual Capital Held	67,365.98	58,464.20	52,591.29
Going-concern capital (Tier-1)	38,446.70	33,872.16	30,845.13

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Going Concern – Additional Tier 1 Capital	5,000.00	5,000.00	2,800.00
Gone- concern Capital (Tier-2)	23,919.29	19,592.04	18,946.16
Total regulatory capital surplus/ (deficit)	21,215.75	16,231.13	15,633.71
Tier -1 (Minimum CET-1 @ 4.50%)	9.41%	9.20%	9.10%
Tier-2 (Maximum up to 4% of total RWA or 88.89% of CET-1 whichever is higher)	5.18%	4.64%	5.13%
CRAR Based on Basel III Framework	14.60%	13.84%	14.23%

16.2 According to Basel-III capital requirement the CRAR based on Basel III was recorded 13.84% in 2022 against 14.23% in 2021.

16.3 The Risk Weighted Asset (RWA) was TK 422,330.73 million in 2022 against TK 369,575.87 million in 2021. Required Capital as 10% of Risk Weighted Asset (RWA) was TK 42,233.07 million in 2022 against TK 36,957.59 million in 2021.

16.4 Finally, the CRAR on Core Capital (Tier-1) stood at 9.20% (against minimum requirement of 4.50%) and on Supplementary Capital (Tier-II) stood at 4.64% (Maximum up to 4% of total RWA or 88.89% of CET-1 whichever is higher) in 2022.

**17.0 ASSET QUALITY**

**LOAN PORTFOLIO OF ISSUER**

17.1 The gross loans, advances & lease was recorded TK 461,884.13 million in 2022 against TK 376,656.43 million in 2021, registering a growth of 22.63%. The figure further increased to TK 519,489.56 in Q3 2023. The volume of finance stood at 64.80% of total assets in 2022 against 59.84% in 2021. Finance to deposit ratio increased to 90.42% in 2022 from 81.46% in 2021.

17.2 The Non-Performing Loans (NPL) was recorded TK 12,121.23 million in 2022 against TK 11,480.11 million in 2021. The NPL under bad & loss categories increased to TK 9,515.85 million in 2022 from TK 8,658.44 million in 2021. The NPL mix was posted 16.11% substandard (against 14.97% in 2021), 5.38% doubtful (against 9.60% in 2021) and 78.51% bad & loss (against 75.42% in 2021) during 2022. The impaired loan to gross finance ratio declined to 2.62% in 2022 from 3.05% in 2022.

Particulars	(TK in million)		
	Q3, 2023	2022	2021
Gross Finance	519,489.56	461,884.13	376,656.43
Impaired Lending	11,862.12	12,121.23	11,480.11
Impaired Lending / Gross Finances (%)	2.28%	2.62%	3.05%
Loan Loss Provision/ Impaired Lending (%)	180.58%	174.20%	167.71%

17.3 PBPLC has maintained total provision of TK 21,115.75 million in 2022 against required provision of TK 21,096.19 million. The gross NPL coverage was recorded 174.20% in 2022 against 167.71% in 2021. NPL coverage further improved to 180.58% in Q3 2023.

17.4 Total amount of large loan exposures was recorded TK 183,297.04 million (against 21 accounts) in 2022 against TK 211,411.10 million (against 27 accounts) in 2021. Large loans and advances accounted for 39.68% of gross finance in 2022 and 56.01% in 2021. There was no classified loan under the large loan category during 2022.

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17.5 The loan portfolio was found diversified. The composition of loan portfolio during 2022 were in the form of advances to 2.01% in Agriculture, 10.13% in Textile, 7.29% in RMG, 4.90% in Iron & Steel Engineering, 0.05% in ICT, 2.47% in House Building, 0.46% in Transportation, 0.08% Leather, 0.82% in Leasing Companies, 17.81% in Trade and Commerce, 8.56% in Consumer Credit, 1.03% in Staff Investment and 44.38% in Other Sectors.

17.6 The off-balance sheet exposure was recorded TK 225,838.75 million in 2022 against TK 225,455.58 million in 2021. The composition of the off-balance sheet exposure was 45.77% Acceptance & Endorsements, 16.77% Letters of Guarantee, 23.55% Irrevocable Letters of Credit, 12.83% Bills for Collection and 1.08% other Contingent Liabilities during 2022.

**18.0 PROJECTED IMPACT ON CRAR**

18.1 The issuer (Pubali Bank PLC.) has projected a credit growth plan and, hence, showing off the financial performance from 2023 to 2027 due to issuance of Subordinated bond as follows:

PUBALI BANK PLC. Capital Growth Plan for 05 (Five) Years From 2023 to 2027						
Particulars	Figure in core Tk.					
	Actual	Projected			Projected	
	December 2022	December 2023	December 2024	December 2025	December 2026	December 2027
Interest income	2,981	4,872	5,963	7,096	8,515	10,048
Avg Return on loans & advance	6.45%	8.70%	8.80%	8.80%	8.80%	8.80%
Investment income	1,374	1,574	1,740	1,896	2,086	2,295
Net Return on Avg Invnt	9.86%	9.75%	9.80%	9.80%	9.80%	9.80%
Non-interest income	488	537	578	674	795	926
% of Interest and Investment Income	11.21%	8.33%	7.50%	7.50%	7.50%	7.50%
Total income	4,844	6,983	8,280	9,667	11,396	13,268
Total income increases	15%	63%	19%	17%	18%	16%
Interest expenses Deposit	1,793	2,857	3,342	3,910	4,653	5,444
Interest expenses Borrowing	531	664	573.43	602.11	662.32	794.78
Cost of Deposit	3.51%	4.50%	4.50%	4.50%	4.50%	4.50%
Cost of Borrowing	8.17%	11.00%	11.00%	11.00%	11.00%	11.00%
Cost of Deposit & Borrowing	4.04%	4.15%	4.93%	4.89%	4.86%	4.87%
Interest expenses Increases	18%	75%	17%	17%	19%	17%
Net Interest Margin (NIM)	1,188	2,015	2,621	3,185	3,862	4,603
% of NIM	2.57%	3.98%	3.87%	3.95%	3.99%	4.03%
Non-interest expenses (Operating Expenses)	1,386	1,587	1,904	2,285	2,742	3,290
Cost of Fund	6.22%	7.00%	7.06%	7.13%	7.15%	7.22%
Operating expenses Growth	30%	15%	20%	20%	20%	20%
Total expenses	3,710	5,108	5,820	6,797	8,057	9,529
Operating profit	1,134	1,875	2,461	2,869	3,339	3,739
Operating profit Growth	20%	58%	31%	17%	16%	12%
Provision for Loans & Advance	282	332	682	819	983	1,179
Tax	319	684	898	1,047	1,219	1,365
% Charge of Tax	28%	37%	37%	37%	37%	37%
Net profit after tax	532	858	880	1,003	1,137	1,195
Net Profit Growth	36%	42%	2.58%	13.97%	13.38%	5.05%
Coupon/dividend on perpetual bond	36.37	33.43	33.43	33.43	33.43	33.43
Retained Earnings	1,804	825	847	970	1,104	1,162
(-) Deferred Tax Assets (DTA)	452	450	500	501	502	503
Adjusted Retained Earnings	1,352	375	347	469	602	659
Balance Sheet Matrix						

PUBALI BANK 4TH SUBORDINATED BOND OF BDT 4,000.00 MILLION

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**Mohammad Ali**  
Managing Director & CEO  
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**Nasimul Baten**  
Managing Director & CEO  
DBH Finance PLC.

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Paid up capital	1,028	1,028	1,028	1,028	1,028	1,028
Reserve fund & surplus	3,220	3,839	4,699	5,683	6,800	7,975
Statutory Reserve	1,028	1,028	1,028	1,028	1,028	1,028
Retained Earnings	1,804	2,505	3,386	4,389	5,526	6,721
Other Reserve	388	306	286	266	246	226
Total shareholders' equity	4,249	4,868	5,728	6,711	7,828	9,003
Deposits	51,084	63,479	74,271	86,897	103,407	120,987
Deposits Growth	10%	8%	17%	17%	19%	17%
Borrowings from other banks, financial institutions & agents	6,502	5,792	5,213	5,474	6,021	7,225
% of Borrowings	117%	5%	-10%	5%	10%	20%
Subordinated debt	1,220	2,200	2,470	3,250	3,820	4,410
Perpetual Bond	500	500	500	500	500	500
General Provision (Unclassified loans+ Off balance Sheet exposure)	989	796	900	900	900	900
Other Liabilities	6,732	8,500	9,350	10,285	11,314	12,445
Total Liabilities	67,027	80,472	91,804	106,406	125,062	145,567
Total Liabilities & shareholders' equity	71,276	85,339	97,532	113,117	132,890	154,570
AD Ratio	84.07%	83.39%	86.93%	89.03%	90.36%	91.59%
Loans and advances (Including OBU)	46,188	56,000	67,760	80,634	96,761	114,178
Growth of LA	23%	21.24%	21.00%	19.00%	20.00%	18.00%
Investments	13,940	16,139	17,753	19,351	21,286	23,415
Growth of Investment	-4%	1.00%	10.00%	9.00%	10.00%	10.00%
Property, plant & equipment	650	713	777	847	923	1,007
Cash & Other Assets	10,497	12,486	11,241	12,284	13,919	15,970
Total assets	71,276	85,339	97,532	113,117	132,890	154,570
Total off balance sheet exposures	22,584	27,270	27,101	27,673	29,239	31,166
Risk weighted assets (RWA) (Solo)	42,233	51,203	58,519	67,870	79,734	92,742
Total Asset to RWA	59%	60%	60%	60%	60%	60%
Credit Risk	36,951	44,715	52,031	61,381	73,244	86,251
On-Balance sheet	30,042	38,238	44,494	52,489	62,634	73,756
Off-Balance sheet	6,909	6,477	7,537	8,892	10,610	12,494
Market Risk	1,688	2,400	2,400	2,401	2,402	2,403
Operational Risk	3,594	4,088	5,054	6,353	7,824	9,317
Total regulatory capital maintained (Solo)	5,846	6,859	8,473	10,115	11,782	13,376
Common Equity Tier-1 Capital	3,387	4,093	4,923	5,925	7,062	8,256
Reciprocal Cross Holding	1.00	0.98	1.00	1.00	1.00	1.00
Goodwill	20.07	18.16	18.16	18.16	18.16	18.16
Additional Tier-1 Capital	500	500	500	500	500	500
Tier-1 Capital	3,887	4,593	5,423	6,425	7,562	8,756
Common Equity Tier-1 Capital Ratio	8.02%	7.99%	8.41%	8.73%	8.86%	8.90%
Tier-1 Ratio	9.20%	8.97%	9.27%	9.47%	9.48%	9.44%
Tier-2 Ratio	4.64%	4.43%	5.21%	5.44%	5.29%	4.98%
Tier-2 Capital	1,959	2,266	3,050	3,690	4,220	4,620
Maximum limit of Tier-2 Capital	2,072	2,500	3,076	3,759	4,505	5,277
Excess Amount over Maximum Limit of Tier-2	113	234	26	69	285	657
CRAR ( SOLO)	13.84%	13.40%	14.48%	14.90%	14.78%	14.42%
Required Capital	5,279	6,400	7,315	8,484	9,967	11,593
Capital Maintained	5,846	6,859	8,473	10,115	11,782	13,376
Surplus/(Shortfall)	567	459	1,158	1,631	1,815	1,783
Subordinated bond	970	1,470	2,150	2,790	3,320	3,720
1st Subordinated Bond	500	500	-	-	-	-
Redemption of 1st Bond	(400)	(500)	-	-	-	-
2nd Subordinated Bond	750	750	750	750	750	-
Redemption of 2nd Bond	(230)	(380)	(530)	(680)	(750)	-
Perpetual Bond	500	500	500	500	500	500

PUBALI BANK 4TH SUBORDINATED BOND OF BDT 4,000.00 MILLION

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**Reference:** Agreement dated 7<sup>th</sup> November, 2023 with Pubali Bank PLC.

3rd Subordinated Bond	350	700	700	700	700	700
Redemption of 3rd Bond			(70)	(210)	(350)	(490)
4th Subordinated Bond	-	400	700	700	700	700
Redemption of 4th Bond				(70)	(210)	(350)
5th Subordinated Bond	-		600	600	600	600
Redemption of 5th Bond					(120)	(240)
6th Subordinated Bond	-			1,000	1,000	1,000
Redemption of 6th Bond					-	(200)
7th Subordinated Bond	-			-	1,000	1,000
Redemption of 7th Bond						-
8th Subordinated Bond	-				-	1,000

**19.0 RECOVERY PROSPECTS**

19.1 The issuer has undertaken a plan to reduce the non-performing loan as well as to keep NPL ratio within or below the limit. A succinct profile of the summary of the collection process of NPL under recovery plan of the issuer are as follows:

- Task force committee headed by head office executives held in regional offices & corporate branches with the defaulter borrowers
- Meaningful dialogue with the defaulted borrowers from head office over phone
- Introducing digital notification of borrower's loan information through SMS relating overdue installment(s) on term loan accounts
- To boost up recovery activities through non-legal measures, all regional offices & corporate branches have been advised
- All regional offices & corporate branches have been advised to file suits for recovery of bank's money in case of suborn borrowers
- Engaged recovery agents for recovery against NPLs.

PBPLC has recovered TK 1,086.86 million in 2022 and TK 1,027.30 million in 2021 against classified loans and advances.

**20.0 RATING OBSERVATION**

Positive Stimulus	Negative Stimulus
<ul style="list-style-type: none"> <li>▪ Experienced &amp; proficient BoD</li> <li>▪ Maintained CRAR with surplus</li> <li>▪ Experienced and qualified management team</li> <li>▪ Maintained full provision against non-performing loans &amp; advances</li> <li>▪ Declined NPL</li> <li>▪ Reduction of large loans</li> <li>▪ Diversified line of business</li> <li>▪ Strong compliance and risk management</li> <li>▪ Sophisticated &amp; modern in-house banking software</li> </ul>	<ul style="list-style-type: none"> <li>▪ Increased borrowings</li> <li>▪ Declined cash receipt of interest to interest income ratio</li> <li>▪ High volume of rescheduling</li> <li>▪ Increased cost of deposit</li> </ul>

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DBH Finance PLC.

Mohammad Jahangir Alam  
Chief Executive Officer (CEO)  
National Credit Ratings Ltd.

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APPENDIX-I: RATING SCALE

<i>Long Term Rating Scale and Definitions</i>	
Rating Notches	Definition
AAA	Strongest Credit Quality
AA+	Below Strongest Credit Quality
AA	Very Strong Credit Quality
AA-	Below Very Strong Credit Quality
A+	Very Good Credit Quality
A	Above Average Credit Quality
A-	Moderately Good Credit Quality
BBB+	Moderate Credit Quality
BBB	Average Credit Quality
BBB-	Below Average Credit Quality
BB+	Moderately Below Average Credit Quality
BB	Slightly Below Average Credit Quality
BB-	Less Than Average Credit Quality
B+	Significantly Below Average Credit Quality
B	Weak Credit Quality
B-	Very Weak Credit Quality
C	Poor Credit Quality
D	Default (Failed to meet their rated financial commitment on time or when due)
<i>Short Term Rating Scale and Definitions</i>	
Rating Notches	Definition
ST-1	Strongest Ability to Meet Short Term Financial Commitments
ST-2	Above Average Ability to Meet Short Term Financial Commitments
ST-3	Average Ability to Meet Short Term Financial Commitments
ST-4	Below Average Ability to Meet Short Term Financial Commitments
ST-5	Well Below Average Ability to Meet Short Term Financial Commitments
ST-6	Default (Failed to meet their short-term financial commitments)

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Annexure – I

(Declaration of the Management of the Issuer)

  
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Mohammad Ali  
Managing Director & CEO  
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Nasimul Baten  
Managing Director & CEO  
DBH Finance PLC.



## Annexure- I

Declaration about the responsibility of the Managing Director & CEO of  
Pubali Bank PLC. in respect of the information memorandum  
[Rule 4(2)(a)]

This information memorandum has been prepared, seen and approved by us, and we, individually and collectively, accept full responsibility for the authenticity, accuracy and adequacy of the statements made, information given in the prospectus, documents, financial statements, exhibits, annexes, papers submitted to the Commission in support thereof, and confirm, after making all reasonable inquiries that all conditions concerning this public issue and prospectus have been met and that there are no other information or documents, the omission of which make any information or statements therein misleading for which the Commission may take any civil, criminal or administrative actions against any or all of us as it may deem fit.

We also confirm that full and fair disclosures have been made in this information memorandum to enable the investors to make a well-informed decision for investment.

Mohammad Ali  
Managing Director & CEO  
Place: Dhaka  
Date: 03 December 2023

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MD'S SECRETARIAT

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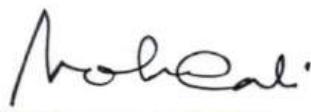


Annexure – II

(Due Diligence Certificate of the Trustee)

  
Md. ANISUR RAHMAN  
General Manager  
& Company Secretary  
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Head Office, Dhaka.

  
Mohammad Liton Miah FCA  
General Manager & CFO  
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Mohammad Ali  
Managing Director & CEO  
Pubali Bank PLC.  
Head Office, Dhaka

  
Nasimul Baten  
Managing Director & CEO  
DBH Finance PLC.

DBH Finance PLC.



**Due diligence certificate of the Trustee**  
**DBH Finance PLC.**

To

**The Bangladesh Securities and Exchange Commission**

**Sub: 'BDT 400 crore Unsecured, Non-Convertible, Redeemable, Floating Rate 4th Subordinated Bond to be Issued by Pubali Bank PLC'**

We, the under-noted trustee to the above-mentioned forthcoming Issue, state as follows:

1. We, while act as trustee to the above-mentioned Issue on behalf of the Investors, have examined the draft Information Memorandum, legal and other documents and materials as relevant to our decision; and
2. On the basis of such examination and the discussions with the Issuer, Its directors and officers, and other agencies; independent verification of the statements concerning objects of the Issue and the contents of the documents and other materials furnished by the Issuer.

**WE CONFIRM THAT:**

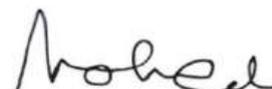
- (a) all information and documents as are relevant to the Issue have been received and examined by us and the draft IM, draft deed of trust and draft subscription agreement forwarded to the Commission has been approved by us;
- (b) we have also examined all documents of the assets to be charged with the trust and are satisfied that the assets bear the value, title and charge status as disclosed in the IM: N/A;
- (c) while examining the above documents, we find that all the requirements of the Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021 have been complied with;
- (d) we shall act as trustee to the Issue as mentioned above as per provisions of the deed of trust to be executed with the Issuer or the originator, as applicable and shall assume the duties and responsibilities as described in the deed of trust and in the IM;
- (e) we shall also abide by the Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021 and conditions imposed by the Commission as regards of the Issue; and
- (f) the above declarations are unequivocal and Irrevocable.

For Trustee

  
MD. ANISUR RAHMAN  
General Manager  
& Company Secretary  
Pubali Bank PLC.  
Head Office, Dhaka.

**Managing Director & CEO**  
**DBH Finance PLC.**  
Date: January 15, 2024

  
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**Mohammad Ali**  
Managing Director & CEO  
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Nasimul Baten  
Managing Director & CEO  
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		Amount in Taka	
		2023	2022
<b>7.1</b>	<b>Prepaid expenses</b>		
	Balance at the beginning of the year	661,000	420,000
	Add: Advances made during the year	5,673,000	4,739,675
	Less: Adjustment made during the year	(5,984,000)	(4,498,675)
	Balance at the end of the year	350,000	661,000
<b>7.2</b>	<b>Deferred tax asset/(liability)</b>		
	Deferred tax liability has been recognized in accordance with the provisions of IAS 12: Income Taxes, is arrived at as follows:		
	Opening balance	95,812	(340,067)
	Addition/(deduction) during the year charged in P&L	1,731,062	435,879
	Closing balance	1,826,874	95,812
<b>8</b>	<b>Advance income tax</b>		
	Opening balance	380,395,128	347,931,908
	Add: Advance income tax paid during the year	31,310,000	50,366,267
		411,705,128	398,298,175
	Add: Tax deducted at source during the year	47,447,808	52,804,288
		459,152,936	451,102,463
	Add: Tax deducted at source against bank interest & others	9,402,162	7,209,239
		468,555,098	458,311,702
	Less: Adjustment during the year	-	(77,916,574)
		468,555,098	380,395,128
<b>9</b>	<b>Fixed assets (net off depreciation &amp; amortization):</b>		
	Computer & computer accessories	307,550	541,407
	Machinery & equipment	2,567,717	384,961
	Vehicle	624,192	1,291,253
	Furniture & fixtures	3,659,321	1,152,234
		7,158,780	3,369,855
	<b>Intangible assets :</b>		
	Systems & software	105,000	150,000
		105,000	150,000
		7,263,780	3,519,855
	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 PLC. (Note 10.1)	6,000,000	6,000,000
	Chittagong stock exchange PLC. (Note 10.2)	8,000,000	8,000,000
		14,000,000	14,000,000
<b>10.1</b>	<b>Dhaka stock exchange PLC.</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	6,000,000	6,000,000
	* This represents total face value of the shares allotted by DSE in favor of the company against the DSE memberships. As per the provision of the Exchange Demutualization Act-2013 and in accordance with the Bangladesh Securities and Exchange Commission (BSEC) approved Demutualization Scheme, Dhaka Stock Exchange PLC. (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 PLC.</b>		
	Opening balance	8,000,000	8,000,000
	Add: Investment made during the year	-	-
		8,000,000	8,000,000
	Less: Sale/ recovery during the year	-	-
	Closing balance	8,000,000	8,000,000
	* This represents total face value of the shares allotted by CSE in favor of the company against the CSE memberships. As per the provision of the Exchange Demutualization Act-2013 and in accordance with the Bangladesh Securities and Exchange Commission (BSEC) approved Demutualization Scheme, Chittagong Stock Exchange PLC. (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.		

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Nasimul Baten  
Managing Director & CEO  
DBH Finance PLC.

	Amount in Taka	
	2023	2022
<b>11 Investment In securities</b>		
Investment in Bond (Note-11.1)	468,256,415	122,126,953
Investment In securities (Strategic investment) at cost (Note-11.2)	34,503,477	36,229,990
IPO Investment- Dealer	680,000	-
	<b>503,439,892</b>	<b>158,356,943</b>
<b>11.1 Investment In Bond</b>		
Government Treasury Bond (Annexure-H(viii))	468,256,415	122,126,953
	<b>468,256,415</b>	<b>122,126,953</b>
<u>Category :</u>		
N Category Instruments	468,256,415	-
	<b>468,256,415</b>	<b>-</b>
<b>11.2 Investment In securities (Strategic investment) Category wise Investment :</b>		
<u>Category :</u>		
A Category Instruments (Annexure-H(x))	34,503,477	-
	<b>34,503,477</b>	<b>-</b>
<b>12 Payable to clients</b>		
General client	155,988,764	254,633,094
	<b>155,988,764</b>	<b>254,633,094</b>
<b>13 Payable to exchanges</b>		
Payable to DSE & CSE broker	5,492,572	8,641,535
Payable to DSE & CSE dealer	-	-
Payable for CDBL	199,501	266,439
Security Deposit	2,115,920	2,154,920
	<b>7,807,993</b>	<b>11,062,894</b>
<b>14 Other liabilities and provisions</b>		
Provision for diminution in value of investment (Note 14.1)	1,711,736,753	1,590,000,000
Provision for tax (Note 14.2)	466,004,361	391,311,788
Provision for impairment of clients' margin loan (Note 14.3)	150,745,165	184,543,373
Specific Provision on Margin loan	9,193,325	-
Provision for postage, stamp, telecommunication etc.	18,000	50,987
Provision for stationery, printing, advertisement expenses	16,000	109,772
Provision for other expenses	18,700	32,100
Legal fees payable	111,475	726,975
Payable to software provider	-	150,000
Payable to suppliers	51,711	51,711
Sundry deposit	109,039	90,117
Sundry payable	520	520
Provision for audit fees	161,000	161,000
VAT payable	117,320	112,043
TAX payable	283,425	267,989
Payable for IPO Fund	3,970,000	-
	<b>2,342,536,794</b>	<b>2,167,608,375</b>
<b>14.1 Provision for diminution in value of investment</b>		
Opening balance	1,590,000,000	1,534,588,209
Add: Provision made during the year	121,736,753	55,411,791
Margin loan (note no. 14.4)	1,711,736,753	1,590,000,000
Less : Adjusted during the year	-	-
Closing balance	<b>1,711,736,753</b>	<b>1,590,000,000</b>
<b>14.2 Provision for tax</b>		
Opening balance	391,311,788	381,703,658
Add: Provision made during the year	74,692,573	87,524,704
	466,004,361	469,228,362
Add: Adjustment made during the year	-	(77,916,574)
Closing balance	<b>466,004,361</b>	<b>391,311,788</b>
<b>14.3 Provision for impairment of clients margin loan</b>		
Opening balance	184,543,373	184,543,373
Less: Provision adjusted during the period for unrealized loss arising for client margin loan	(33,382,072)	-
	151,161,301	184,543,373
Less : Adjusted during the year	(416,136)	-
Closing balance	<b>150,745,165</b>	<b>184,543,373</b>
100% provision made during the period for unrealized loss arising for client margin loan .		
<b>14.4 Specific Provision on margin loan</b>		
Opening balance	-	-
Add: Provision made during the year	9,193,325	-
	9,193,325	-
Less : Adjusted during the year	-	-
Closing balance	<b>9,193,325</b>	<b>-</b>

Amount in Taka	
2023	2022

To compliance with the Bangladesh Securities & Exchange Commission (Risk Based Capital Adequacy) Rules, 2019 the company also Maintained a mandatory provision by 1% on outstanding margin Exposures. Added or Adjustment will depend on size of outstanding margin loan for the respective year.

15 Share capital

Authorized capital

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

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

Issued, subscribed and paid-up capital

Ordinary Share capital

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

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

Sl	Name of the shareholders	No. of shares		
1	Mr. Moniruddin Ahmed	1	100	100
2	Mr. Habibur Rahman	1	100	100
3	Mr. Azizur Rahman	1	100	100
4	Mr. Muhammed Kabiruzzaman Yaqub	1	100	100
5	Mr. Mustafa Ahmed	1	100	100
6	Ms. Runa Fowzia Hafiz	1	100	100
7	Mr. Ahmed Salah Sater	1	100	100
8	Mrs. Ayesha Farha Chowdhury	1	100	100
9	Mr. Rezwan Rahman	1	100	100
10	Mr. Zeyad Rahman	1	100	100
11	Mr. Asif A. Choudhury	1	100	100
12	Mr. Giashuddin Ahamed	1	100	100
13	Ms. Rumana Sharif	1	100	100
14	Pubali Bank PLC.			
		65,999,987	6,599,998,700	6,599,998,700
		66,000,000	6,600,000,000	6,600,000,000

16 Capital reserve

Opening balance

Add: Addition during the year

Closing balance

-	-
32,623,459	-
32,623,459	-

Capital reserve has been made as per Bangladesh Securities Exchange Commission (Risk Based Capital Adequacy) rules, 2019. As per that rules, each registered entity shall maintain a mandatory provision which is at least 10% of profit after tax of previous year as capital reserve.

17 Retained earnings

Opening balance

Net profit/(loss) during the year

Less: Amount transferred to capital reserve (Note: 16)

Closing balance

660,151,126	333,916,534
141,368,669	326,234,592
801,519,795	660,151,126
(32,623,459)	-
768,896,336	660,151,126

18 Operating income

Brokerage commission DSE & CSE

Interest on margin loan

Revenue from CDBL charge

Dividend income from dealer A/C

Dividend income from Strategic investment

Capital gain from from Strategic investment

Capital gain from Dealer A/C

Bond interest income (Note 18.1)

BO A/C Opening fee Income

BO A/C Renewal fee Income

IPO Service Charge Income

FDR Interest, Bank and Other Income

24,993,958	43,775,776
63,908,770	47,055,835
402,395	196,332
207,656,143	230,318,163
1,333,976	1,602,304
133,292	1,464,365
15,674,821	139,150,799
40,836,576	20,529,582
77,000	95,500
299,840	296,315
4,290	15,440
27,342,858	46,365,308
382,663,919	530,865,719

18.1 Bond interest income

Interest on Treasury bond

Interest on Private/other bond

20,683,820	4,518,252
20,152,756	16,011,330
40,836,576	20,529,582

19 Operating expenses

Howla & laga charge DSE & CSE

CDBL charges

Directors fees

Bank charges & excise duty

DSE & CSE charge

Depreciation expenses

1,988,178	3,342,805
1,320,242	1,954,680
891,000	1,716,000
770,723	627,201
501,485	257,740
2,207,599	1,334,305
7,679,227	9,232,731

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& Company Secretary  
Pubali Bank PLC  
Head Office, Dhaka.



Mohammad Liton Miah FCA  
General Manager & CFO  
Central Accounts Division  
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Head Office, Dhaka.

Mohammad Ali  
Managing Director & CEO  
Pubali Bank PLC  
Head Office, Dhaka

Nasimul Baten  
Managing Director & CEO  
DBH Finance PLC.

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**20 Administrative and general expenses**

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

Amount in Taka	
2023	2022
47,825,550	44,117,068
7,438,936	2,415,084
180,057	158,336
161,000	178,250
26,288	28,735
111,059	185,071
525,227	550,514
123,154	80,455
24	136
1,087,167	148,679
64,500	64,500
29,958	26,245
339,732	289,960
133,908	170,107
146,198	39,105
-	282,000
115,000	79,461
-	48,992
42,500	12,500
436,155	524,646
667,522	723,642
10,944	13,751
193,886	257,204
625,587	515,525
462,460	511,140
56,603	54,741
152,708	122,224
6,000	12,000
87,750	59,500
115,000	79,842
1,200	-
27,064	-
963,000	277,000
32,600	12,400
14,223	20,396
79,320	486,990
739,966	184,991
84,260	166,590
<b>63,106,506</b>	<b>52,897,780</b>

**20.1 Salaries & allowances**

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

17,370,100	16,542,150
9,910,480	9,192,315
2,160,200	2,047,000
4,468,690	4,097,500
1,677,580	1,541,045
12,238,500	10,697,058
<b>47,825,550</b>	<b>44,117,068</b>

**21 Earnings per share**

Net Profit after income tax
Number of Ordinary Shares

141,368,669	326,234,592
66,000,000	66,000,000
<b>2.14</b>	<b>4.94</b>



*[Signature]*

*[Signature]*

*[Signature]*

*[Signature]*

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Head Office, Dhaka

**Nasimul Baten**  
Managing Director & CEO  
DBH Finance PLC.

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	2023 Taka	2022 Taka
<b>22.0 Cash flows from operating activities (indirect method)</b>		
Net Profit before income tax	311,878,186	468,735,208
Add: Adjustment for non-cash items:		
Depreciation	2,207,599	1,334,305
<b>Operating profit before changes in operating assets and liabilities</b>	<b>314,085,785</b>	<b>470,069,513</b>
<b>Increase/decrease in operating assets and liabilities</b>		
(Increase)/ decrease in operating assets	(1,113,939,021)	(568,930,825)
Increase/ (decrease) in operating liabilities	(99,211,391)	(160,382,026)
Income tax paid	(88,159,970)	(110,379,794)
<b>Net cash flows from operating activities</b>	<b>(987,224,597)</b>	<b>(369,623,132)</b>

**23.0 Related party disclosures**

Received from related party

Name of related party	Related to	Nature of instrument	Balance in Taka	
			As on 31.12.2023	As on 31.12.2022
Pubali Bank PLC	Parent company	Different types of deposits	583,264,253	1,576,440,374

**24.0 Events after the reporting period**

i) The Board of Directors in its meeting held on Dated 13 March 2024 approved the financial statements of the company for the year ended 31 December 2023 and authorized the same for issue.

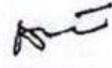
ii) No material events occurred after the date of statement of financial position, non-disclosure of which could affect the ability of the users of these financial statements to make appropriate evaluation.

  
 \_\_\_\_\_  
 Managing Director

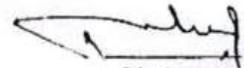
Mohammed Ahsan Ullah  
 Managing Director & CEO  
 Pubali Bank Securities Limited  
 Head Office, Dhaka.

Place : Dhaka

Dated : 13 March 2024

  
 \_\_\_\_\_  
 Director

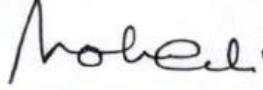
Ahmed Salah Saler  
 Director  
 Pubali Bank Securities Ltd.  
 Head Office, Dhaka.

  
 \_\_\_\_\_  
 Chairman

Moniruddin Ahmed  
 Chairman  
 Pubali Bank Securities Ltd.  
 Head Office, Dhaka.

  
 \_\_\_\_\_  
 MD. ANISUR RAHMAN  
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 \_\_\_\_\_  
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 DBH Finance PLC.



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Annexure-H (vi)

Pubali Bank Securities Limited  
Schedule of Property, Plant and Equipment  
as at 31 December 2023

Particulars	Cost			Depreciation			Written down value at 31 December 2023		
	Balance at 1 January 2023	Addition during the year	Disposal during the year	Balance at 31 December 2023	Rate	Balance at 1 January 2023		Charged during the year	Disposal during the year
Computer & Computer Accessories	4,376,686	180,402	1,807,818	2,749,270	30%	3,835,279	413,829	1,807,388	2,441,720
Machinery & Equipment	1,702,816	2,828,493	47,200	4,484,109	20%	1,317,855	645,627	47,090	1,916,392
Vehicles	3,228,133	-	-	3,228,133	20%	1,936,880	667,061	-	2,603,941
Furniture & Fixtures	2,870,740	3,204,943	918,476	5,157,207	10%	1,718,506	436,082	656,702	1,497,886
<b>Total as at 31 December 2023</b>	<b>12,178,375</b>	<b>6,213,838</b>	<b>2,773,494</b>	<b>15,618,719</b>		<b>8,808,520</b>	<b>2,162,599</b>	<b>2,511,180</b>	<b>8,459,939</b>
<b>Total as at 31 December 2022</b>	<b>11,123,671</b>	<b>1,054,704</b>	<b>-</b>	<b>12,178,375</b>		<b>7,474,215</b>	<b>1,334,305</b>	<b>-</b>	<b>8,808,520</b>

Schedule of Intangible Asset  
As at 31 December 2023

Particulars	Cost			Amortization			Written down value at 31 December 2023		
	Balance at 1 January 2023	Addition during the year	Disposal during the year	Balance at 31 December 2023	Rate	Balance at 1 January 2023		Charged during the year	Disposal during the year
Systems & Software	175,000	-	-	175,000	30%	25,000	45,000	-	70,000
<b>Total as at 31 December 2023</b>	<b>175,000</b>	<b>-</b>	<b>-</b>	<b>175,000</b>		<b>25,000</b>	<b>45,000</b>	<b>-</b>	<b>70,000</b>
<b>Total as at 31 December 2022</b>	<b>25,000</b>	<b>150,000</b>	<b>-</b>	<b>175,000</b>		<b>25,000</b>	<b>-</b>	<b>-</b>	<b>25,000</b>



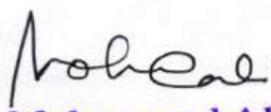
Annexure-H (vii)

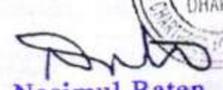
Pubali Bank Securities Limited  
Portfolio Investment under Stock Dealing

Sl	Name of the Company	Cost Value		Market Value	
		31.12.2023	31.12.2022	31.12.2023	31.12.2022
<b>Banks</b>					
1	ABBANK	89,898,718	89,898,718	24,032,313	24,046,892
2	BANKASIA	17,725,955	17,725,955	17,346,164	17,346,164
3	CITYBANK	114,353,309	114,353,309	85,947,750	85,837,500
4	DUTCHBANGL	16,251,774	16,251,774	13,977,150	13,772,000
5	EBL	11,148,598	11,148,598	10,709,156	10,296,331
6	FIRSTSBANK	6,084,368	6,084,368	4,764,802	4,769,670
7	GIB	13,173,670	13,173,670	11,895,821	11,856,303
8	IFIC	9,688,976	9,688,976	9,246,216	9,262,330
9	MERCANBANK	6,842,500	6,842,500	6,783,000	6,800,000
10	NBL	38,480,089	38,480,089	22,946,977	22,946,977
11	NCCBANK	56,999,308	56,999,308	48,661,967	48,821,171
12	PREMIERBAN	1,961,782	1,961,782	2,135,074	2,001,171
13	PRIMEBANK	110,841,030	110,841,030	84,000,000	76,800,000
14	SHAHJABANK	63,827,068	63,827,068	55,254,819	55,111,185
15	UCB	16,360,588	16,360,588	14,322,000	14,300,000
16	UNIONBANK	12,460,914	12,460,914	9,345,000	9,300,000
<b>Non Bank Financial Institution</b>					
1	IDLC	108,720,110	108,720,110	89,454,375	89,454,375
2	ILFSL	49,644,449	49,644,449	4,630,774	5,126,929
3	UNITEDFIN	28,845,290	28,845,290	19,173,900	19,173,900
4	UNIONCAP	16,107,188	16,107,188	3,631,547	4,039,586
5	UTTARAFIN	79,694,511	79,694,511	47,374,181	47,374,181
<b>Corporate Bond</b>					
1	CBLPBOND	207,477,500	207,477,500	208,537,500	208,537,500
<b>Mutual Funds</b>					
1	AIBL1STMF	50,000,000	50,000,000	38,500,000	37,000,000
2	ATCSLGF	3,050,581	3,050,581	3,110,582	2,958,102
3	DBH1STMF	30,784,857	30,784,857	22,362,900	22,362,900
4	GRAMEENS2	21,904,828	21,904,828	11,642,166	11,642,166
5	GREENDELMF	44,478,302	44,478,302	34,500,000	34,500,000
6	MBL1STMF	50,000,000	50,000,000	33,500,000	33,000,000
7	PHPMF1	50,000,000	50,000,000	36,646,106	36,646,106
8	PRIME1ICBA	5,977,600	5,977,600	3,720,000	3,080,000
<b>Engineering</b>					
1	ATLASBANG	113,543,620	113,543,620	50,123,951	50,123,951
2	BBS	66,733,465	66,733,465	44,474,659	44,474,659
3	BSRMLTD	54,576,521	54,576,521	45,000,000	45,000,000
4	BSRMSTEEL	204,895,905	204,895,905	81,985,170	81,985,170
5	DESHBANDHU	1,036,375	1,036,375	702,447	347,364
6	GOLDENSON	23,014,497	23,014,497	6,194,661	6,194,661
7	GPHISPAT	55,132,514	55,132,514	47,300,925	47,264,000
8	IFADAUTOS	31,547,640	31,547,640	23,637,776	23,637,776
9	NAVANACNG	129,094,550	129,094,550	28,516,163	28,166,985
10	RANFOUNDRY	2,815,853	-	2,594,438	-
11	RUNNERAUTO	2,975,057	2,975,057	2,420,000	2,420,000
12	SINGERBD	38,991,704	38,991,704	32,749,488	32,749,488
<b>Textile</b>					
1	ESQUIRENIT	940,050	940,050	720,705	720,705
2	METROSPIN	27,697,675	27,697,675	12,102,736	20,952,562
3	RINGSHINE	-	11,244	-	12,799
4	PTL	23,157,034	-	23,100,000	-

  
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DBH Finance PLC.

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Pubali Bank Securities Limited  
Portfolio Investment under Stock Dealing

Sl	Name of the Company	Cost Value		Market Value	
		31.12.2023	31.12.2022	31.12.2023	31.12.2022
<b>Food &amp; Allied</b>					
1	BATBC	45,531,870	45,531,870	60,118,886	60,118,886
2	OLYMPIC	212,581,855	212,581,855	109,111,528	89,012,036
<b>Fuel &amp; Power</b>					
1	DESCO	171,133,802	171,133,802	110,114,870	110,114,870
2	BPPL	16,943,110	16,943,110	15,269,343	15,269,343
3	KPCL	181,026,311	181,026,311	55,520,291	55,520,291
4	ENERGYPRIMA	47,500,000	47,500,000	47,500,000	47,500,000
5	JAMUNAOIL	57,364,622	83,764,689	56,985,689	82,618,763
6	LINDEBD	239,982,187	239,982,187	268,755,347	268,755,347
7	MPETROLEUM	77,694,108	113,265,245	80,536,471	117,408,944
8	PADMAOIL	60,416,847	60,416,847	57,954,048	57,954,048
9	SUMITPOWER	269,093,978	269,093,978	210,280,344	210,280,344
10	TITASGAS	122,242,280	122,242,280	62,370,128	62,370,128
11	MJLBD	415,588,084	415,588,084	346,800,000	346,800,000
12	UPGDCL	75,428,827	75,428,827	65,346,493	65,346,493
<b>Pharmaceuticals &amp; Chemicals</b>					
1	ACI	266,124,678	266,124,678	278,468,642	278,468,642
2	ACIFORMULA	12,173,454	46,940,016	12,328,545	47,538,035
3	ACTIVEFINE	154,101,584	154,101,584	92,452,751	92,452,751
4	ACMELAB	33,272,151	33,272,151	31,789,915	31,789,915
5	MARICO	2,977,119	-	2,974,986	-
6	SQURPHARMA	308,301,998	365,672,225	333,596,787	394,733,245
<b>Services &amp; Real estate</b>					
1	SAPORTL	105,315,572	105,315,572	61,862,456	68,230,650
2	SAIFPOWER	41,142,031	41,142,031	30,591,000	30,591,000
<b>Cement</b>					
1	MEGHNACEM	114,426,945	114,426,945	29,375,691	25,368,146
2	CROWNCEMNT	60,748,274	60,748,274	57,158,042	56,176,464
3	LHBL	450,312,604	450,312,604	394,917,762	369,273,751
4	HEIDELCEM	151,402,959	151,402,959	72,518,445	54,229,868
5	PREMIERCEM	48,868,190	48,868,190	28,134,640	23,358,050
<b>IT &amp; Telecom Sector</b>					
1	GP	244,890,206	244,890,206	187,644,472	187,644,472
2	GENEXIL	80,646	-	78,480	-
3	BSCCL	73,353,823	73,353,823	72,230,433	72,230,433
<b>Insurance</b>					
1	BGIC	39,955,315	39,955,315	27,714,000	34,587,072
2	DELTA LIFE	897,707,923	-	844,593,750	-
3	ICICL	-	87,980	-	247,224
4	POPULARLIF	4,438,802	21,930,406	3,364,967	16,250,000
<b>Travel and Leisure</b>					
1	UNIQUEHRL	94,086,788	125,435,989	68,068,350	92,348,850
2	UNITEDAIR	54,762,090	54,762,090	6,460,006	6,460,006
<b>Jute, Tannery &amp; Misc.</b>					
1	BATASHOE	55,876,129	52,343,629	47,200,190	43,054,435
<b>Miscellaneous</b>					
1	BSC	11,102,362	-	10,700,000	-
<b>Total</b>		<b>7,326,885,845</b>	<b>6,588,560,430</b>	<b>5,620,663,107</b>	<b>4,866,316,064</b>



4 AUG 2024

**MD. ANISUR RAHMAN**  
General Manager  
& Company Secretary  
Pubali Bank PLC.  
Head Office, Dhaka

**Mohammad Liton Miah FCA**  
General Manager & CFO  
Central Accounts Division  
Pubali Bank PLC.  
Head Office, Dhaka.

**Mohammad Ali**  
Managing Director & CEO  
Pubali Bank PLC.  
Head Office, Dhaka

**Nasimul Baten**  
Managing Director & CEO  
DBH Finance PLC.

Pubali Bank Securities Limited  
Treasury Bills and Bond

SL No	Name	Cost Value		Market Value	
		31.12.2023	31.12.2022	31.12.2023	31.12.2022
1	BD0932111109	50,042,301	50,042,301	50,042,301	50,042,301
2	BD0932851100	72,084,651	72,084,651	72,084,651	72,084,651
3	BD0928381054	99,993,913	-	99,993,913	-
5	BD0928461054	100,167,000	-	100,167,000	-
6	BD0909130249	48,661,350	-	48,661,350	-
7	BD0909132245	97,307,200	-	97,307,200	-
Total		468,256,415	122,126,952	468,256,415	122,126,952

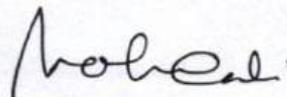




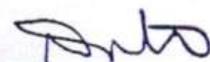
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**Nasimul Baten**  
Managing Director & CEO  
DBH Finance PLC.

Annexure-H (ix)

**Pubali Bank Securities Limited**  
**Schedule of Investment**

For the year ended on 31 December 2023

SL. No.	Purchased from	A/C No.	FDR No.	Beginning Balance		Addition during the Year						Encash during the Year		Closing Balance		
				Principal	Accrued Interest	Rate of Interest	Day Considered	Length Months	Cash	Interest Income		TDS	Excise duty		Principal	Interest
										Accrued	Total					
1	Pubali Bank PLC.	156203	1095567	100,000,000	-	9.00%	-	12	5,645,317	1,506,050	1,129,063	50,000	-	-	-	104,466,254
2	Pubali Bank PLC.	156220	1095569	100,000,000	-	9.00%	-	12	5,774,096	1,756,732	1,154,819	50,000	-	-	-	104,569,277
Total				200,000,000	-	-	-	-	11,419,413	3,262,782	2,283,882	100,000	-	-	-	209,035,531

Amount in Taka

**Mohammad Liton Miah FCA**  
General Manager & CFO  
Central Accounts Division  
**Pubali Bank PLC.**  
Head Office, Dhaka



**Mohammad Ali**  
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Head Office, Dhaka

**Nasimul Baten**  
Managing Director & CEO  
**DBH Finance PLC.**



4 AUG 2024

**Pubali Bank Securities Limited**  
**Portfolio of Strategic Investment**

SL No	Name of the Company	Cost Value		Market Value	
		31.12.2023	31.12.2022	31.12.2023	31.12.2022
1	ACIFORMULA	225,804	225,804	255,750	255,750
2	GP	1,799,469	1,799,469	1,433,000	1,433,000
3	JAMUNAOIL	5,434,742	5,434,742	5,055,000	5,019,000
5	MJLBD	7,927,540	7,927,540	7,456,200	7,456,200
6	MPETROLEUM	-	1,726,514	-	1,822,155
7	RENATA	1,045,819	1,045,819	1,316,550	1,316,550
8	SQURPHARMA	7,462,239	7,462,239	6,969,342	6,952,772
9	SUMITPOWER	4,688,680	4,688,680	3,400,000	3,400,000
10	UTTARAFIN	5,919,184	5,919,184	3,103,381	3,103,381
<b>Total</b>		<b>34,503,477</b>	<b>36,229,990</b>	<b>28,989,223</b>	<b>30,758,808</b>



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Head Office, Dhaka

**Nasimul Baten**  
Managing Director & CEO  
DBH Finance PLC.

4 AUG 2024

**Pubali Bank Securities Limited**  
**Statement showing computation of capital adequacy**  
**As on 31 December 2023**

**Annexure-H(xi)**

**A. Eligible Amount**

**Amount in Taka**

Components	Balance Sheet Amount	Haircut %	Haircut Amount	Eligible Amount
Paid-up-capital	6,600,000,000	-	-	6,600,000,000
Capital Reserve	32,623,459	-	-	32,623,459
Retained Earnings	768,896,336	-	-	768,896,336
<b>Sum of core capital</b>	<b>7,401,519,795</b>	<b>-</b>	<b>-</b>	<b>7,401,519,795</b>
General Provision	1,862,481,918	20%	372,496,384	1,489,985,534
Specific Provision	9,193,325	30%	2,757,998	6,435,328
<b>Sum of supplementary capital</b>	<b>1,871,675,243</b>		<b>375,254,381</b>	<b>1,496,420,862</b>
<b>Total Capital</b>	<b>9,273,195,038</b>		<b>375,254,381</b>	<b>8,897,940,657</b>

**B. Total Risk Requirement**

Particulars	Risk Factor	Applicable Amount
<b>Operation Risk Requirement (ORR):</b> Based on Average Annual Gross Income (see clause (b) of sub-rule (7.1) of rule 7)	<b>5%</b>	<b>19,133,196</b>
<b>Proprietary positions in Equity securities:</b>		
Value of "A" category securities	<b>10%</b>	<b>624,548,936</b>
Value of "B/G/N/" category securities	<b>12%</b>	<b>148,643,357</b>
Value of "Z" category instruments	<b>15%</b>	<b>8,214,314</b>
<b>Proprietary positions in MFs :</b>		
Value of listed funds	<b>10%</b>	<b>25,619,617</b>
<b>Counterparty Risk Requirement (CPRR):</b> Exposure of credit facilities to Clients	<b>8%</b>	<b>73,133,504</b>
<b>Total Risk Requirement</b>		<b>899,292,923</b>

$$\text{Capital Adequacy Ratio (CAR)} = \frac{\text{Total Capital (TC)}}{\text{Total Risk Requirement (TRR)}} \times 100$$

$$= \frac{8,897,940,657}{899,292,923} \times 100$$

$$= 989.437415 \text{ i.e } 9.89 \text{ times}$$



*[Signature]*

**Mohammad Liton Miah FCA**  
 General Manager & CFO  
 Central Accounts Division  
 Pubali Bank PLC.  
 Head Office, Dhaka.

*[Signature]*  
**Mohammad Ali**  
 Managing Director & CEO  
 Pubali Bank PLC.  
 Head Office, Dhaka

*[Signature]*  
**Nasimul Baten**  
 Managing Director & CEO  
 DBH Finance PLC.

4 AUG 2024

**MD. ANISUR RAHMAN**  
 General Manager  
 & Company Secretary  
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 Head Office, Dhaka.

**Pubali Bank Securities Limited**  
**Statement of Statutory Liquid Capital Requirement**  
 Area of Operation: Stock- Broker and Stock-Dealer  
 As at 31 December 2023

Annexure-H (xii)

		Amount In Taka	
		31 December 2023	
Particulars	Notes	Amount as in Balance sheet	Proposed Haircut %
		Amount after Haircut	
<b>Assets:</b>			
<b>01. Cash and Bank Balances</b>	<b>3</b>	<b>583,264,253</b>	
Cash in Hand		-	0.00%
Cash at Bank in Company's account		137,128,013	0.00%
Cash at Bank in trading accounts (Stock Dealer A/C)		25,439,748	0.00%
Cash at Bank accounts for clients (net claim in consolidated customer account)		211,660,961	0.00%
Cash at Bank at IPO Account		-	0.00%
Investments in FDR (those to be matured within six months)		209,035,531	0.00%
<b>02. Not Receivable from Securities Trading</b>	<b>4</b>	<b>14,250,757</b>	
Receivable from DSE (categorize as A, B, G, N, Z and DVP)		171,199	
Receivable against A,B,G and N category		87,220	0.00%
Receivable against Z category		83,979	5.00%
Receivable from CSE (categorize as A, B, G, N, Z and DVP):		-	
Receivable against A,B,G and N category		-	0.00%
Receivable against Z category		-	5.00%
Receivable from Stock Broker/Stock Dealer		906,655	0.00%
Receivable from Merchant Banker		-	0.00%
Receivable from selling agents		-	0.00%
Receivable under securities borrowing and lending agreements		-	5.00%
Receivable under repurchase transactions		-	0.00%
Receivable from others		13,172,903	0.00%
<b>03. Not Receivable from other Clients-</b>		-	
Receivable after securities trading		-	15.00%
Receivable arises from fee, commission & charges		-	5.00%
<b>04. Not receivable from margin clients</b>	<b>6</b>	<b>914,168,799</b>	
Receivable to Clients having no margin or full erosion of clients' equity (e.g. no equity against debit balance)		333,217,889	30.00%
Receivable to Clients fall under force sale condition (e.g. equity is between 100% and 125% of DB)		34,905,582	20.00%
Receivable to Clients fall under margin call (e.g. equity is >125% of DB but <150% of DB)		65,160,328	5.00%
Receivable to regular Margin Clients (e.g. equity is >150% of debit balance)		480,885,000	0.00%
<b>05. Proprietary positions in securities and specified investments</b>	<b>5 &amp; 11</b>	<b>7,830,325,737</b>	
Proprietary positions in Equity securities		7,747,642,260	
Receivable against "A" category		6,406,685,526	10.00%
Receivable against "B/G/ N" category		1,286,194,644	12.00%
Receivable against "Z" category		54,762,090	15.00%
Proprietary Position in strategic investments		34,503,477	
Receivable against "A" category		34,503,477	10.00%
Receivable against "B/G/ N" category		-	12.00%
Receivable against "Z" category		-	15.00%
Own subscription in IPOs but not yet allotted		680,000	10.00%
Value of Investment in Securities no traded in Exchange		47,500,000	30.00%
<b>06. Other assets arising from:</b>		<b>74,198,048</b>	
Receivable against Advisory Fees, Commission etc.		-	10.00%
Dividend receivable		-	-
Interest receivable	4	70,585,266	0.00%
Prepaid expenses	4	3,262,782	0.00%
Security deposits	7	350,000	100.00%
		-	100.00%
<b>07. Total liquid assets</b>		<b>9,416,207,594</b>	
<b>08. Advance /Investments in associated undertakings (LT):</b>		<b>468,555,098</b>	
Advance to Subsidiaries		-	100.00%
Advance to Associated Companies		-	100.00%
Advance to Directors & Staffs		-	100.00%
Other Advances (Advance income Tax)	8	468,555,098	100.00%

*Nasimul Baten*  
**Nasimul Baten**  
 Managing Director & CEO  
 DBH Finance PLC.

*Mohammad Ali*  
**Mohammad Ali**  
 Managing Director & CEO  
 Pubali Bank PLC.  
 Head Office, Dhaka

*Mohammad Liton Miah*  
**Mohammad Liton Miah FCA**  
 General Manager & CFO  
 Central Accounts Division  
 Pubali Bank PLC.  
 Head Office, Dhaka.

*MD. ANISUR RAHMAN*  
**MD. ANISUR RAHMAN**  
 General Manager & CFO  
 & Company Secretary  
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 Head Office, Dhaka.



4 AUG 2024

**Pubali Bank Securities Limited**  
**Statement of Statutory Liquid Capital Requirement**  
Area of Operation: Stock- Broker and Stock-Dealer  
As at 31 December 2023

**Annexure-H (xii)**

**Amount In Taka**  
**31 December**  
**2023**

<b>09. Fixed assets (net off depreciation &amp; amortization)</b>	9	<b>7,158,780</b>		
Furniture and Fixtures		3,659,321	100.00%	-
Machinery and Equipment		3,191,909	100.00%	-
Computer and Network Equipment		307,550	100.00%	-
<b>10. Intangible assets</b>	9	<b>105,000</b>		
Software		105,000	100.00%	-
Goodwill, Patents and other Intangible Assets		-	100.00%	-
<b>11. Value of investment in exchange (membership value)</b>	10	<b>14,000,000</b>	100.00%	-
<b>12. Other Long Term Assots:</b>	12	<b>1,826,874</b>		
Long Term Investments		-	100.00%	-
Long Term Prepayments & Deposits		-	100.00%	-
Deferred Tax Assets	7.2	1,826,874	100.00%	-
Others		-	100.00%	-
<b>13. Total assets (aggregate of amount in items 9 to 13)</b>		<b>9,907,853,346</b>		<b>8,459,536,495</b>
<b>Liabilities :</b>				
<b>14. Short positions in securities held for own account</b>		-	0.00%	-
<b>15. Payable to Clients</b>	12	<b>155,988,764</b>	0.00%	<b>155,988,764</b>
<b>16. Short Term Business Liabilities:</b>		-	0.00%	-
Payable to Banks, if not for trading & investment (current due of long term		-	0.00%	-
Payable to Fis, if not for trading & Investment (current due of long term liabilities)		-	0.00%	-
Payable to Banks & Fis for loan against Margin Financing & Investment (full		-	0.00%	-
Payment obligation against sub-debt, preference shares (current due)		-	0.00%	-
Payable to associate companies or persons		-	0.00%	-
<b>17. Amounts payable to clearing houses/Exchanges/Depository</b>	13	<b>5,692,073</b>		<b>5,692,073</b>
Payable to Exchanges		5,492,572	0.00%	5,492,572
Payable to Clearing House		-	0.00%	-
Payable to Depository		199,501	0.00%	199,501
Payable to Brokers		-	0.00%	-
<b>18. Other Liabilities and Provisions:</b>	14	<b>2,344,652,714</b>		<b>472,924,771</b>
Accruals & Accounts payable		-	0.00%	-
Deferred tax and other differed liabilities		-	0.00%	-
Provision for Margin Loan		159,938,490	100.00%	-
Provision for Unrealized Loss		1,711,736,753	100.00%	-
General Provision		-	100.00%	-
Provision for Gratuity, PF & others		-	50.00%	-
Provision for Tax & VAT		466,004,361	0.00%	466,004,361
Interest Suspense against Margin Loan		-	100.00%	-
Other Provision		52,700	100.00%	-
Liabilities for Expenses		4,804,490	0.00%	4,804,490
Interest Payable		-	0.00%	-
CCBA interest payable		-	0.00%	-
Provision for contingent liabilities and floating losses		-	50.00%	-
Others (Security deposits note 13)	13	2,115,920	0.00%	2,115,920
<b>19. Total Current Liabilities</b>		<b>2,506,333,551</b>		<b>634,605,608</b>
<b>20. Shareholders' Equity:</b>		<b>7,401,519,795</b>		-
Share Capital	15	6,600,000,000	100.00%	-
Share Premium		-	100.00%	-
General Reserve		-	100.00%	-
Capital Reserve	16	32,623,459	100.00%	-
Dividend Equalization Reserve		-	100.00%	-
Revaluation Reserve		-	100.00%	-
Adjustment for diminution in value of portfolio holdings		-	100.00%	-
Other Reserves		-	100.00%	-
Retained Earnings	17	768,896,336	100.00%	-
<b>21. Total Liabilities &amp; Shareholders' Equity</b>		<b>9,907,853,346</b>		<b>634,605,608</b>

*Nasimul Baten*  
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Managing Director & CEO  
DBH Finance PLC.

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*Mohammad J Partners*  
**Mohammad J Partners**  
Chartered Accountants  
Dhaka

*A. GASEM & CO*  
**A. GASEM & CO**  
GULSHAN DHAKA  
Chartered Accountants

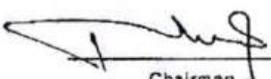
4 AUG 2024

**MD. ANSUR RAHMAN**  
General Manager  
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Pubali Bank PLC.  
Head Office, Dhaka.

22. Net Short term obligations after haircut	634,605,608
23. Total Liabilities	9,907,853,346
24. Liquid Capital (Amount in item 07 minus item 19)	7,824,930,887
25. Regulatory LCB : 4%/6%/8% of Total Liabilities (8% of item 23)	792,626,268
26. Excess/(Deficit) in Liquid Capital (Amount in Item 24 less 25)	7,032,302,619

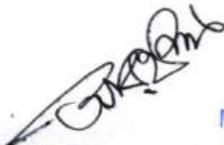
  
 Managing Director  
 Mohammed Abul Miah  
 Managing Director  
 Pubali Bank Securities Limited  
 Head Office, Dhaka.

  
 Director  
 Ahmed Salah Sater  
 Director  
 Pubali Bank Securities Ltd.  
 Head Office, Dhaka.

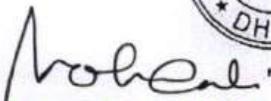
  
 Chairman  
 Moniruddin Ahmed  
 Chairman  
 Pubali Bank Securities Ltd.  
 Head Office, Dhaka.

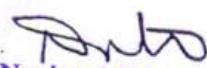
Place : Dhaka  
 Dated : 13 March 2024



  
 MD. ANISUR RAHMAN  
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4 AUG 2024