



Financials 2018

Independent Auditor's Report

to the Shareholders of The Premier Bank Limited

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated financial statements of The Premier Bank Limited and its subsidiaries (the "Group") as well as the separate financial statements of The Premier Bank Limited (the "Bank"), which comprise the consolidated and separate balance sheets as at 31 December 2018 and the consolidated and separate profit and loss accounts, consolidated and separate statements of changes in equity and consolidated and separate cash flow statements for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements of the Group and separate financial statements of the Bank give a true and fair view of the consolidated financial position of the Group and the separate financial position of the Bank as at 31 December 2018, 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 3.15

Basis for Opinion

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

Key Audit Matters

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

Risk	Our response to the risk
Measurement of provision for loans and advances	
<p>The process for estimating the provision for loans and advances portfolio associated with credit risk is significant and complex.</p> <p>For the individual analysis, these provisions consider the estimates of future business performance and the market value of collateral provided for credit transactions.</p> <p>For the collective analysis, these provisions are manually processed that deals with voluminous databases, assumptions and calculations for the provision estimates of complex design and implementation.</p> <p>At year end the Group reported total gross loans and advances of BDT 159,132,910,780 and provision for loans and advances of BDT 3,757,814,301.</p> <p>We have focused on the following significant judgments and estimates which could give rise to material misstatement or management bias:</p>	<p>We tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> • Tested the credit appraisal, loan disbursement procedures, monitoring and provisioning process; • Identification of loss events, including early warning and default warning indicators; • Reviewed quarterly Classification of Loans (CL); <p>Our substantive procedures in relation to the provision for loans and advances portfolio comprised the following:</p> <ul style="list-style-type: none"> • Reviewed the adequacy of the companies general and specific provisions; • Assessed the methodologies on which the provision amounts based, recalculated the provisions and tested the completeness and accuracy of the underlying information; • Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.

<ul style="list-style-type: none"> Completeness and timing of recognition of loss events in accordance with criteria set out in BRPD circular no 14; For individually assessed provisions, the measurement of the provision may be dependent on the valuation of collateral, estimates of exit values and the timing of cash flows; <p>Provision measurement is primarily dependent upon key assumptions relating to probability of default, ability to repossess collateral and recovery rates;</p>	
See note no 8(a) , 14.1, to the financial statements	
Valuation of treasury bill and treasury bond	
<p>The classification and measurement of T-Bill and T-Bond require judgment and complex estimates.</p> <p>At year end the Bank reported total Treasury bill BDT 969,284,140 and Treasury bond BDT 23,198,178,040.</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>Completeness and timing of recognition of value and amortization events in accordance with criteria set out in DOS circular no 5;</p>	<p>We assessed the processes and controls put in place by the Group to identify and confirm the existence of financial instruments.</p> <p>We obtained an understanding, evaluated the design and tested the operating effectiveness of the key controls over the financial instrument 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 7.1, to the financial statements	
Measurement of deferred tax assets	
<p>The Bank reports net deferred tax assets to totaling BDT 916,287,832 as at 31 December 2018.</p> <p>Significant judgment is required in relation to deferred tax assets as their recoverability is dependent on forecasts of future profitability over a number of years.</p>	<p>We obtained an understanding, evaluated the design and tested the operational effectiveness of the Group's key controls over the recognition and measurement of DTAs and the assumptions used in estimating the Group's future taxable income.</p> <p>We also assessed the completeness and accuracy of the data used for the estimations of future taxable income.</p> <p>We involved tax specialists to assess key assumptions, controls, recognition and measurement of DTA's.</p> <p>Finally assessed the appropriateness and presentation of disclosures against IAS 12 Income Tax.</p>
See note no 10.1.2.1 to the financial statements	
Legal and regulatory matters	
<p>We focused on this area because the Bank and its subsidiaries (the "Group") operates in a legal and regulatory environment that is exposed to significant litigation and similar risks arising from disputes and regulatory</p>	<p>We obtained an understanding, evaluated the design and tested the operational effectiveness of the Group's key controls over the legal provision and contingencies process.</p>

<p>proceedings. Such matters are subject to many uncertainties and the outcome may be difficult to predict.</p> <p>These uncertainties inherently affect the amount and timing of potential outflows with respect to the provisions which have been established and other contingent liabilities.</p> <p>Overall, the legal provision represents the Group's best estimate for existing legal matters that have a probable and estimable impact on the Group's financial position.</p>	<p>We enquired to those charged with governance to obtain their view on the status of all significant litigation and regulatory matters.</p> <p>We enquired of the Group's internal legal counsel for all significant litigation and regulatory matters and inspected internal notes and reports.</p> <p>We assessed the methodologies on which the provision amounts are based, recalculated the provisions, and tested the completeness and accuracy of the underlying information.</p> <p>We also assessed the Group's provisions and contingent liabilities disclosure.</p>
See note no 13.3 to the financial statements	
IT systems and controls	
<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 Group's IT access controls over the information systems that are critical to financial reporting. 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. We tested the Group's periodic review of access rights. We inspected requests of changes to systems for appropriate approval and authorization. We considered the control environment relating to various interfaces, configuration and other application layer controls identified as key to our audit.</p> <p>Where deficiencies were identified, we tested compensating controls or performed alternate procedures. In addition, we understood where relevant, changes were made to the IT landscape during the audit period and tested those changes that had a significant impact on financial reporting.</p>
See note no 3.11.6 to the financial statements	
Carrying value of investments in subsidiary(s) by the Bank	
<p>The Bank has invested in equity shares of its subsidiary Premier Bank Securities Limited. As at 31 December 2018 the carrying value of this investment is BDT 2,499,980,000.</p> <p>Additionally, investment in Premier money transfer co. Limited, UK is being gradually amortized as per BB letter no. BOIMUBI/729/BIBIDHO/2016-3464 dated 28 December 2016 and letter no. BOIMUBI/729/BIBIDHO/2019-32 dated January 02, 2019.</p> <p>At the time of conducting our audit of the separate financial statements of the Bank we have considered the recoverable value of the Bank's investments in Premier Bank Securities Limited.</p>	<p>We have reviewed Management's analysis of impairment assessment and recoverable value calculation of subsidiaries in accordance with IAS 36.</p> <p>In particular, our discussions with the Management were focused on the continued appropriateness of the value in use model, the key assumptions used in the model, the reasonably possible alternative assumptions, particularly where they had the most impact on the value in use calculation.</p> <p>We also checked mathematical accuracy of the model, recalculated discount rate used within the model, inputs used in the determination of assumptions within the model</p>

Management has conducted impairment assessment and calculated recoverable value of its subsidiary Premier Bank Securities Limited in accordance with IAS 36.	were challenged and corroborating information was obtained with reference to external market information, third-party sources.
See note no 10.1.1 & 35 to the financial statements	

Emphasis of Matters

We draw attention to the note 14.5 and note 28 to the financial statement relating to “Provision for corporate taxation” and Rent, taxes, insurance and electricity etc.” respectively which describe about the uncertainty regarding the outcome of pending litigation regarding corporate tax for the income year 2004 to 2010 and non-deposit of VAT collected at sources on office rent. Our opinion is not modified in respect of this matter.

Other information

Management is responsible for the other information. The other information comprises all of the information in the Annual Report other than the consolidated and separate financial statements and our auditors’ report thereon. The Annual Report is expected to be made available to us after the date of this 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 financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the board of directors of the bank.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements of the Group and also separate financial statements of the Bank in accordance with IFRSs as explained in note 3.15, 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.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994, the Securities and Exchange Rules 1987, the Bank Company Act, 1991 and the rules and regulations issued by Bangladesh Bank, we also report that:

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

- (viii) the consolidated financial statements have been drawn up in conformity with prevailing rules, regulations and accounting standards as well as related guidance issued by Bangladesh Bank;
- (ix) adequate provision has been made for loans and advances which are, in our opinion doubtful of recovery, off-balance sheet item, other assets, gratuity and investment in shares in line with the Bangladesh Bank Letter No. DBI-1/118/2019-606 dated 21 March 2019;
- (x) the information and explanations required by us have been received and found satisfactory;
- (xi) we have reviewed over 80% of the risk weighted assets of the Premier Bank Limited and spent over 4,500 person hours; and
- (xii) Capital to Risk-weighted Asset Ratio (CRAR) as required by Bangladesh Bank has been maintained adequately during the year.

Dhaka, 31 March, 2019



Howlader Mahfel Huq, FCA
For and on behalf of Mahfel Huq & Co.
Chartered Accountants

The Premier Bank Limited

Consolidated Balance Sheet as at 31 December 2018

Consolidated Balance Sheet as at 31 December 2018		Amount in Taka	
Particulars	Notes	2018	2017
PROPERTY AND ASSETS			
Cash	4(a)	13,673,599,695	11,338,246,488
In hand (including foreign currencies)	4.1(a)	1,664,542,790	1,648,447,462
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)	4.2	12,009,056,905	9,689,799,026
Balance with other banks and financial institutions	5(a)	1,845,950,895	926,436,073
In Bangladesh		1,331,228,448	212,708,609
Outside Bangladesh		514,722,447	713,727,464
Money at call and short notice	6	500,000,000	-
Investments	7(a)	30,116,862,312	23,164,705,952
Government securities	7.1	24,169,726,080	17,040,173,917
Others	7.2(a)	5,947,136,232	6,124,532,035
Loans, advances and lease/ investments	8(a)	159,132,910,780	137,728,107,037
Loans, cash credits, overdrafts, etc.		147,057,575,314	128,285,305,266
Bills purchased and discounted		12,075,335,466	9,442,801,771
Fixed assets including premises, furniture and fixtures	9(a)	2,339,414,981	2,373,477,630
Other assets	10(a)	9,201,142,397	7,006,078,746
Non-banking assets		-	-
Total Assets		216,809,881,060	182,537,051,926
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	11(a)	14,732,813,833	15,084,474,001
Non-convertible Subordinated bonds	12	9,000,000,000	7,000,000,000
Deposits and other accounts	13(a)	169,498,418,863	140,644,053,680
Savings / Mudaraba Saving deposits		10,055,469,821	9,082,720,699
Fixed deposits/Mudaraba term deposits		104,140,926,506	86,233,068,806
Current deposits and other accounts		51,923,839,948	43,235,048,516
Bills payable		3,378,182,588	2,093,215,659
Other liabilities	14(a)	8,161,688,096	6,649,505,297
Total Liabilities		201,392,920,792	169,378,032,978
Capital/ Shareholders' Equity			
Paid-up capital	15	8,000,810,980	6,957,226,940
Statutory reserve	16	4,733,965,249	3,981,066,735
Other reserve	17(a)	122,986,414	133,982,358
Retained earnings	18(a)	2,559,172,705	2,086,718,332
Non controlling interest	18(b)	24,920	24,583
Total Shareholders' Equity		15,416,960,268	13,159,018,948
Total Liabilities and Shareholders' Equity		216,809,881,060	182,537,051,926

The Premier Bank Limited

Consolidated Balance Sheet as at 31 December 2018

Consolidated Balance Sheet as at 31 December 2018		Amount in Taka	
Particulars	Notes	2018	2017
OFF- BALANCE SHEET ITEMS			
Contingent Liabilities		138,795,934,711	88,148,149,137
Acceptances and endorsements		27,163,694,333	18,763,102,486
Letters of guarantee	19.1	79,952,560,830	42,435,425,990
Irrevocable letters of credit		17,073,027,654	16,216,851,844
Bills for collection		14,606,651,894	10,732,768,817
Other contingent liabilities	19.2	-	-
Other commitments		504,000,000	494,383,800
Documentary credits and short term trade-related transactions		-	-
Forward assets purchase and forward deposits placement	20	504,000,000	494,383,800
Spot and forward foreign exchange contracts		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
Total Off-Balance Sheet Items including contingent liabilities		139,299,934,711	88,642,532,937

These Financial Statements should be read in conjunction with the annexed notes



Chairman



Director



Director



Director



Managing Director

Signed as per our annexed report of even date

Dhaka, 31 March, 2019



Mahfel Huq & Co.
Chartered Accountants

The Premier Bank Limited

Consolidated Profit and Loss statement for the period ended 31 December 2018

Particulars	Notes	Amount in Taka	
		2018	2017
OPERATING INCOME			
Interest income/profit on islamic investments	22(a)	16,681,653,753	12,372,879,829
Interest/profit paid on deposits, borrowings, etc	23(a)	(10,678,962,381)	(8,261,516,673)
Net interest income/ net profit on investments		6,002,691,372	4,111,363,156
Investment income	24(a)	1,957,407,943	2,048,701,089
Commission, exchange and brokerage	25(a)	2,543,087,031	2,097,296,611
Other operating income	26(a)	799,595,506	629,915,429
		5,300,090,480	4,775,913,129
Total Operating Income (A)		11,302,781,852	8,887,276,285
OPERATING EXPENSES			
Salary and allowances	27(a)	2,115,850,188	1,734,434,020
Rent, taxes, insurance, electricity, etc.	28(a)	1,480,558,503	1,274,219,812
Legal expenses	29(a)	92,314,340	93,064,321
Postage, stamps, telecommunication, etc.	30(a)	104,351,554	84,162,997
Stationery, printing, advertisement, etc.	31(a)	500,909,620	579,904,767
Chief executive's salary and fees	32	12,626,665	13,350,000
Directors' fees	33	2,656,000	2,688,000
Auditors' fee		420,000	427,500
Depreciation and repair of Bank's assets	34(a)	269,569,324	275,854,990
Losses on disposal of subsidiary	35	10,000,000	20,000,000
Other expenses	36(a)	613,872,080	414,227,331
Total Operating Expenses (B)		5,203,128,274	4,492,333,738
Profit before provision (C = A-B)		6,099,653,578	4,394,942,547
Specific Provision	37	1,000,792,527	1,040,000,000
General Provision	37	427,387,000	20,000,000
Provision for off-balance sheet items	37	200,000,000	10,000,000
Provision for investment in shares	37	489,765,533	30,000,000
Other provisions	37.1(a)	162,254,940	25,000,000
Total provision (D)		2,280,200,000	1,125,000,000
Profit before taxation (C-D)		3,819,453,578	3,269,942,547
Provision for taxation			
Current Tax	14.5(aa)	1,662,873,069	1,513,976,371
Deferred tax	10.1.2.1	(112,356,755)	(213,372,664)
		1,550,516,314	1,300,603,707
Profit after taxation		2,268,937,264	1,969,338,840
Retained earnings brought forward	18(a)	2,086,718,332	1,574,941,692
Profit available for appropriation		4,355,655,596	3,544,280,532
Appropriations			
Statutory reserve	16	752,898,514	639,064,432
Issue of bonus shares / Dividend paid	18(a)	1,043,584,040	818,497,283
Non controlling interest	18(b)	337	485
		1,796,482,891	1,457,562,200
Retained earnings carried forward		2,559,172,705	2,086,718,332
Earnings per share (EPS)	38(a)	2.84	2.46

These Financial Statements should be read in conjunction with the annexed notes



Chairman



Director



Director

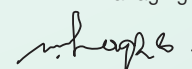


Director



Managing Director

Signed as per our annexed report of even date



Mahfel Huq & Co.
Chartered Accountants

Dhaka, 31 March, 2019

The Premier Bank Limited

Consolidated Statement of Changes in Equity for the year ended 31 December 2018

Particulars	Equity attributable to shareholder of Premier Bank Ltd.					Amount in Taka	
	Paid-up capital	Statutory reserve	Other reserve	Retained earnings	Total	Non Controlling Interest	Total
Balance as at 01 January 2018	6,957,226,940	3,981,066,735	133,982,358	2,086,718,332	13,158,994,365	24,583	13,159,018,948
Changes in accounting policy	-	-	-	-	-	-	-
Restated balance	6,957,226,940	3,981,066,735	133,982,358	2,086,718,332	13,158,994,365	24,583	13,159,018,948
Surplus/deficit on account of revaluation of properties	-	-	-	-	-	-	-
Surplus/deficit on account of revaluation of investments	-	-	(10,995,944)	-	(10,995,944)	-	(10,995,944)
Currency translation differences	-	-	-	-	-	-	-
Net profit for the year ended	-	-	-	2,268,937,264	2,268,937,264	-	2,268,937,264
Transfer to statutory reserve	-	752,898,514	-	(752,898,514)	-	-	-
Transfer to general and other reserve	-	-	-	-	-	-	-
Issue of dividend	1,043,584,040	-	-	(1,043,584,040)	-	-	-
Non controlling interest	-	-	-	(337)	(337)	337	-
Balance as at 31 December 2018	8,000,810,980	4,733,965,249	122,986,414	2,559,172,705	15,416,935,348	24,920	15,416,960,268
Balance as at 31 Decemeber 2017	6,957,226,940	3,981,066,735	133,982,358	2,086,718,332	13,158,994,365	24,583	13,159,018,948

These Financial Statements should be read in conjunction with the annexed notes



Chairman



Director



Director



Director



Managing Director

Dhaka, 31 March, 2019

The Premier Bank Limited

Consolidated Cash Flow Statement for the year ended 31 December 2018

Particulars	Notes	Amount in Taka	
		2018	2017
Cash Flows from Operating Activities			
Interest received in cash		17,943,805,752	14,424,720,974
Interest paid		(11,312,481,666)	(8,261,516,673)
Fee and commission received in cash		1,327,018,332	1,100,961,599
Payments to employees		(2,128,476,853)	(1,747,784,020)
Payments to suppliers		(576,748,393)	(664,358,227)
Income taxes paid		(1,553,441,253)	(1,105,569,869)
Receipts from other operating activities		799,595,506	629,915,429
Payments for other operating activities		(2,294,791,318)	(1,888,789,961)
Cash generated from operating activities before changes in operating assets and liabilities		2,204,480,107	2,487,579,252
Increase/decrease in operating assets and liabilities			
Loans and advances to customers		(22,059,040,270)	(24,418,768,698)
Other assets		(1,385,132,484)	(2,232,758,525)
Deposits from other banks		(351,660,168)	10,214,616,629
Deposits from customers		29,487,884,468	15,003,682,782
Other liabilities		(225,530,958)	(1,154,687,753)
		5,466,520,588	(2,587,915,565)
Net cash flow from operating activities (A)		7,671,000,695	(100,336,313)
Cash Flows from Investing Activities			
Purchase/sale of trading securities, shares, bonds, etc.		177,395,803	913,277,725
Purchase of property, plant and equipment		(159,049,061)	(155,849,591)
Net cash flow from investing activities (B)		18,346,742	757,428,134
Cash Flows from Financing Activities			
Dividend paid		-	(682,081,073)
Issue of non-convertible variable coupon rate bond		2,000,000,000	1,000,000,000
Net cash flow from financing activities (C)		2,000,000,000	317,918,927
Net increase in cash (A+B+C)		9,689,347,437	975,010,748
Effects of exchange rate changes on cash and cash equivalents		1,216,068,699	996,335,012
Cash and cash equivalents at the beginning of the year		29,240,366,557	27,269,020,797
Cash and cash equivalents for the period ended (*)		40,145,782,693	29,240,366,557
(*) Cash and cash equivalents at the end of the period			
Cash in hand (including foreign currencies)	4.1(a)	1,664,542,790	1,648,447,462
Investments in government securities		24,126,232,103	16,975,683,996
Money at call on short notice	6	500,000,000	-
Balance with Bangladesh Bank and its agent bank(s)	4.2	12,009,056,905	9,689,799,026
Balance with other banks and financial institutions	5(a)	1,845,950,895	926,436,073
		40,145,782,693	29,240,366,557

These Financial Statements should be read in conjunction with the annexed notes



Chairman



Director



Director



Director



Managing Director

Dhaka, 31 March, 2019

The Premier Bank Limited

Consolidated Statement of Liquidity Analysis (Maturity Analysis of Assets and Liabilities) as at 31 December 2018

Particulars	Amount in Taka				
	Up to 1 month's maturity	1-3 months' maturity	3-12 months' maturity	1-5 years' maturity	More than 5 years' maturity
Assets					
Cash	4,946,899,695	-	-	-	8,726,700,000
Balance with other banks and financial institutions	1,845,950,895	-	-	-	-
Money at call on short notice	500,000,000	-	-	-	-
Investments	2,967,900,000	90,500,000	5,177,784,052	8,154,000,000	13,726,678,260
Loans and advances	32,850,181,726	25,307,038,656	27,301,883,249	36,936,500,000	36,737,307,149
Fixed assets including premises, furniture and fixtures	-	-	303,787,639	1,238,518,835	797,108,507
Other assets	2,461,945,270	3,556,355,475	836,971,294	2,007,357,152	338,513,206
Non-banking assets	-	-	-	-	-
Total Assets (A)	45,572,877,586	28,953,894,131	33,620,426,234	48,336,375,987	60,326,307,122
Liabilities					
Borrowings from Bangladesh Bank, other banks, financial institutions and agents	1,057,500,000	4,850,300,000	8,825,013,833	-	-
Non-convertible Subordinated bonds	-	-	2,000,000,000	7,000,000,000	-
Deposits and other accounts	27,210,348,898	48,526,258,454	69,974,196,754	3,667,642,835	20,119,971,922
Provision and other liabilities	951,526,960	480,689,439	1,944,354,086	4,490,690,702	294,426,909
Total Liabilities (B)	29,219,375,858	53,857,247,893	82,743,564,673	15,158,333,537	20,414,398,831
Net Liquidity Excess/(Shortage) (C=A-B)	16,353,501,728	(24,903,353,762)	(49,123,138,439)	33,178,042,450	39,911,908,291


Chairman


Director


Director


Director


Managing Director

Dhaka, 31 March, 2019

The Premier Bank Limited

Balance Sheet as at 31 December 2018

Particulars	Notes	Amount in Taka	
		2018	2017
PROPERTY AND ASSETS			
Cash	4	13,673,448,499	11,338,163,613
In hand (including foreign currencies)	4.1	1,664,391,594	1,648,364,587
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)	4.2	12,009,056,905	9,689,799,026
Balance with other banks and financial institutions	5	1,831,899,651	908,107,141
In Bangladesh	5.1	1,317,177,204	194,379,677
Outside Bangladesh	5.2	514,722,447	713,727,464
Money at call on short notice	6	500,000,000	-
Investments	7	29,448,384,052	22,334,487,575
Government securities	7.1	24,169,726,080	17,040,173,917
Others	7.2	5,278,657,972	5,294,313,658
Loans, advances and lease/ investments	8	156,960,037,516	135,891,061,280
Loans, cash credits, overdrafts, etc.	8.1.1	144,884,702,050	126,448,259,509
Bills purchased and discounted	8.1.2	12,075,335,466	9,442,801,771
Fixed assets including premises, furniture and fixtures	9	2,336,827,990	2,370,517,478
Other assets	10	11,382,609,191	9,334,038,068
Non-banking assets		-	-
Total Assets		216,133,206,899	182,176,375,155
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	11	14,732,813,833	15,084,474,001
Non-convertible Subordinated bonds	12	9,000,000,000	7,000,000,000
Deposits and other accounts	13	169,439,776,036	140,690,474,448
Savings / Mudaraba Saving deposits		10,055,469,821	9,082,720,699
Fixed deposits/Mudaraba term deposits		104,140,926,506	86,233,068,806
Current deposits and other accounts		51,865,197,121	43,281,469,284
Bills payable		3,378,182,588	2,093,215,659
Other liabilities	14	7,680,819,442	6,327,482,500
Total Liabilities		200,853,409,311	169,102,430,949
Capital/ Shareholders' Equity			
Paid-up capital	15	8,000,810,980	6,957,226,940
Statutory reserve	16	4,733,965,249	3,981,066,735
Other reserve	17	85,416,866	106,412,810
Retained earnings	18	2,459,604,493	2,029,237,721
Total Shareholders' Equity		15,279,797,588	13,073,944,206
Total Liabilities and Shareholders' Equity		216,133,206,899	182,176,375,155

The Premier Bank Limited

Balance Sheet as at 31 December 2018

Particulars	Notes	Amount in Taka	
		2018	2017
OFF- BALANCE SHEET ITEMS			
Contingent Liabilities		138,795,934,711	88,148,149,137
Acceptances and endorsements		27,163,694,333	18,763,102,486
Letters of guarantee	19.1	79,952,560,830	42,435,425,990
Irrevocable letters of credit		17,073,027,654	16,216,851,844
Bills for collection		14,606,651,894	10,732,768,817
Other contingent liabilities	19.2	-	-
		504,000,000	494,383,800
Other commitments			
Documentary credits and short term trade-related transactions		-	-
Forward assets purchase and forward deposits placement	20	504,000,000	494,383,800
Spot and forward foreign exchange contracts		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
Total Off-Balance Sheet Items including contingent liabilities		139,299,934,711	88,642,532,937

These Financial Statements should be read in conjunction with the annexed notes



Chairman



Director



Director



Director



Managing Director

Signed as per our annexed report of even date

Dhaka, 31 March, 2019



Mahfel Huq & Co.
Chartered Accountants

The Premier Bank Limited

Profit and Loss Account for the year ended 31 December 2018

Particulars	Notes	Amount in Taka	
		2018	2017
OPERATING INCOME			
Interest income/profit on Islamic investments	22	16,491,722,563	12,236,883,466
Interest/profit paid on deposits, borrowings, etc.	23	(10,678,962,381)	(8,261,516,673)
Net interest income/ net profit on investments		5,812,760,182	3,975,366,793
Investment income	24	1,945,822,420	2,041,481,983
Commission, exchange and brokerage	25	2,509,231,050	2,034,088,064
Other operating income	26	791,770,183	620,505,120
		5,246,823,653	4,696,075,167
Total Operating Income (A)		11,059,583,835	8,671,441,960
OPERATING EXPENSES			
Salary and allowances	27	2,100,622,916	1,720,124,399
Rent, taxes, insurance, electricity, etc.	28	1,347,465,331	1,160,147,825
Legal expenses	29	92,174,340	92,964,321
Postage, stamps, telecommunication, etc.	30	103,312,434	83,146,222
Stationery, printing, advertisement, etc.	31	500,715,239	579,645,056
Chief executive's salary and fees	32	12,626,665	13,350,000
Directors' fees	33	2,656,000	2,688,000
Auditors' fee		345,000	345,000
Depreciation and repair of Bank's assets	34	268,958,963	275,417,057
Losses on disposal of subsidiary	35	10,000,000	20,000,000
Other expenses	36	586,214,376	403,291,918
Total Operating Expenses (B)		5,025,091,264	4,351,119,798
Profit before provision (C = A-B)		6,034,492,571	4,320,322,162
Specific Provision	37	1,000,792,527	1,040,000,000
General Provision	37	427,387,000	20,000,000
Provision for off-balance sheet items	37	200,000,000	10,000,000
Provision for investment in shares	37	489,765,533	30,000,000
Other provision	37.1	152,054,940	25,000,000
Total provision (D)		2,270,000,000	1,125,000,000
Profit before taxation (C-D)		3,764,492,571	3,195,322,162
Provision for taxation			
Current tax	14.5	1,650,000,000	1,500,000,000
Deferred tax	10.1.2.1	(112,356,755)	(213,372,664)
		1,537,643,245	1,286,627,336
Profit after taxation		2,226,849,326	1,908,694,826
Retained earnings brought forward	18	2,029,237,721	1,578,104,610
Profit available for appropriation		4,256,087,047	3,486,799,436
Appropriations			
Statutory reserve	16	752,898,514	639,064,432
Issue of bonus shares / Dividend paid	18	1,043,584,040	818,497,283
		1,796,482,554	1,457,561,715
Retained earnings carried forward		2,459,604,493	2,029,237,721
Earnings per share (EPS)	38	2.78	2.39

These Financial Statements should be read in conjunction with the annexed notes



Chairman



Director



Director



Director



Managing Director

Signed as per our annexed report of even date

Dhaka, 31 March, 2019


Mahfel Huq & Co.
Chartered Accountants

The Premier Bank Limited

Statement of Changes in Equity for the year ended 31 December 2018

Particulars	Amount in Taka				
	Paid-up capital	Statutory reserve	Other reserve	Retained earnings	Total
Balance as at 01 January 2018	6,957,226,940	3,981,066,735	106,412,810	2,029,237,721	13,073,944,206
Changes in accounting policy	-	-	-	-	-
Restated balance	6,957,226,940	3,981,066,735	106,412,810	2,029,237,721	13,073,944,206
Surplus/deficit on account of revaluation of properties	-	-	-	-	-
Surplus/deficit on account of revaluation of investments	-	-	(20,995,944)	-	(20,995,944)
Currency translation differences	-	-	-	-	-
Adjustment of deferred tax income	-	-	-	-	-
Net gains and losses not recognised in the Profit and Loss Statement	-	-	-	-	-
Net profit for the year	-	-	-	2,226,849,326	2,226,849,326
Payment of cash dividend	-	-	-	-	-
Transfer to statutory reserve	-	752,898,514	-	(752,898,514)	-
Transfer to general and other reserve	-	-	-	-	-
Issue of bonus shares	-	-	-	(1,043,584,040)	-
New issue of shares through RPO	1,043,584,040	-	-	-	-
Balance as at 31 December 2018	8,000,810,980	4,733,965,249	85,416,866	2,459,604,493	15,279,797,588
Balance as at 31 December 2017	6,957,226,940	3,981,066,735	106,412,810	2,029,237,721	13,073,944,206

These Financial Statements should be read in conjunction with the annexed notes


Chairman


Director


Director


Director


Managing Director

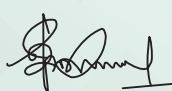
Dhaka, 31 March, 2019

The Premier Bank Limited

Cash Flow Statement for the year ended 31 December 2018

Particulars	Notes	Amount in Taka	
		2018	2017
Cash Flows from Operating Activities			
Interest received in cash		17,742,289,039	14,300,735,835
Interest paid		(11,312,481,666)	(8,280,747,003)
Fee and commission received in cash		1,293,162,351	1,037,753,052
Payments to employees		(2,113,249,581)	(1,733,474,399)
Payments to suppliers		(576,554,012)	(664,098,516)
Income taxes paid		(1,547,967,253)	(1,105,569,869)
Receipts from other operating activities		791,770,183	620,505,120
Payments for other operating activities		(2,132,786,322)	(1,763,204,783)
Cash generated from operating activities before changes in operating assets and liabilities		2,144,182,739	2,411,899,437
Increase/decrease in operating assets and liabilities			
Loans and advances to customers		(21,723,212,763)	(22,635,471,087)
Other assets		(1,248,639,956)	(4,264,327,475)
Deposits from other banks		(351,660,168)	10,214,616,629
Deposits from customers		29,382,820,873	15,200,353,630
Other liabilities		(366,777,746)	(1,032,684,670)
		5,692,530,240	(2,517,512,973)
Net cash flow from operating activities (A)		7,836,712,979	(105,613,536)
Cash Flows from Investing Activities			
Purchase/sale of trading securities, shares, bonds, etc.		15,655,686	913,400,010
Purchase of property, plant and equipment		(158,811,861)	(154,706,616)
Net cash used in investing activities (B)		(143,156,175)	758,693,394
Cash Flows from Financing Activities			
Dividend paid		-	(682,081,073)
Issue of shares		-	-
Issue of non-convertible variable coupon rate bond		2,000,000,000	1,000,000,000
Net cash flow from financing activities (C)		2,000,000,000	317,918,927
Net increase in cash (A+B+C)		9,693,556,804	970,998,785
Effects of exchange rate changes on cash and cash equivalents		1,216,068,699	996,335,012
Cash and cash equivalents at beginning of the year		29,221,954,750	27,254,620,953
Cash and cash equivalents for the period ended (*)		40,131,580,253	29,221,954,750
(*) Cash and cash equivalents at the end of the year			
Cash in hand (including foreign currencies)	4.1	1,664,391,594	1,648,364,587
Investments in government securities		24,126,232,103	16,975,683,996
Money at call on short notice	6	500,000,000	-
Balance with Bangladesh Bank and its agent bank(s)	4.2	12,009,056,905	9,689,799,026
Balance with other banks and financial institutions	5	1,831,899,651	908,107,141
		40,131,580,253	29,221,954,750

These Financial Statements should be read in conjunction with the annexed notes



Chairman



Director



Director



Director



Managing Director

Dhaka, 31 March, 2019

The Premier Bank Limited

Statement of Liquidity Analysis (Maturity Analysis of Assets and Liabilities) as at 31 December 2018

Amount in Taka

Particulars	Up to 1 month's maturity	1-3 months' maturity	3-12 months' maturity	1-5 years' maturity	More than 5 years' maturity	Total
Assets						
Cash	4,946,748,499	-	-	-	8,726,700,000	13,673,448,499
Balance with other banks and financial institutions	1,831,899,651	-	-	-	-	1,831,899,651
Money at call on short notice	500,000,000	-	-	-	-	500,000,000
Investments	2,967,900,000	90,500,000	5,177,784,052	8,154,000,000	13,058,200,000	29,448,384,052
Loans and advances	30,677,308,462	25,307,038,656	27,301,883,249	36,936,500,000	36,737,307,149	156,960,037,516
Fixed assets including premises, furniture and fixtures			303,787,639	1,238,518,835	794,521,516	2,336,827,990
Other assets	2,461,945,270	3,556,355,475	836,971,294	2,007,357,152	2,519,980,000	11,382,609,191
Non-banking assets			-	-	-	-
Total Assets (A)	43,385,801,882	28,953,894,131	33,620,426,234	48,336,375,987	61,836,708,665	216,133,206,899
Liabilities						
Borrowings from Bangladesh Bank, other banks, financial institutions and agents	1,057,500,000	4,850,300,000	8,825,013,833	-	-	14,732,813,833
Non-convertible Subordinated bonds	-	-	2,000,000,000	7,000,000,000	-	9,000,000,000
Deposits and other accounts	27,151,706,071	48,526,258,454	69,974,196,754	3,667,642,835	20,119,971,922	169,439,776,036
Provision and other liabilities	946,840,194	447,936,615	1,684,554,052	4,307,061,672	294,426,909	7,680,819,442
Total Liabilities (B)	29,156,046,265	53,824,495,069	82,483,764,639	14,974,704,507	20,414,398,831	200,853,409,311
Net Liquidity Excess/(Shortage) (C=A-B)	14,229,755,617	(24,870,600,938)	(48,863,338,405)	33,361,671,480	41,422,309,834	15,279,797,588


Chairman


Director


Director


Director


Managing Director

Dhaka, 31 March, 2019

The Premier Bank Limited

Notes to Financial Statements for the year ended December 31, 2018

1 The Bank and its activities

1.1 The Premier Bank Limited

The Premier Bank Limited ("the Bank") is one of the third generation private commercial bank incorporated in Bangladesh on 10 June 1999 as a public company limited by shares under the Companies Act, 1994, governed by the Banking Companies Act, 1991. The Bank went for public issue of its share by initial public offering in 2007 and its share is listed with Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited. The Registered office of the company is located at Iqbal center, 42 Kamal Ataturk Avenue, Banani, Dhaka-1213, Bangladesh.

At present the Bank has 109 branches including 12 SME Service Centers/Agricultural Branches and 29 own ATM booths with no overseas branch. The Bank has one subsidiary companies namely, Premier Bank Securities Limited. The Bank also operates one Offshore Banking Unit (OBU) after obtaining its license from Bangladesh Bank on 10 November 2009.

1.2 Principal activities

The principal activities of the Bank are to provide all kinds of conventional and Islamic commercial banking services to its customers which includes deposit, loans and advances, export & import financing, local and international remittance facility etc. through its branches, Islamic windows, SME centers, and vibrant alternative delivery channels (ATM booths, mobile banking, internet banking, Fast Track, Agent Banking) in Bangladesh.

1.3 Islamic Banking Unit

The Bank obtained permission from Bangladesh Bank to operate Islamic Banking Unit vide Bangladesh Bank's letter no. BRPD(P-3)745(53)/2008-4804 dated 17 December, 2008. The Bank commenced operation of this Unit from 24 December 2008. The Islamic Banking Unit is governed under the rules and regulations of Bangladesh Bank. Out of the 109 branches, 2 branches are designated Islamic Banking branch complying with the rules of Islamic Shariah the modus operandi of which is substantially different from other branches run on commercial conventional basis.

1.4 Offshore Banking Units

The Bank obtained two off-shore banking units permission from Bangladesh Bank vide its letter no. BRPD(P-3)744(102)/2009-4138 dated 10 November 2009 in Dhaka Export Processing Zone and Chittagong Export Processing Zone. Operation of these units commenced from 07 December 2009 from the Bank's Head Office. Presently one unit is operating at full-fledged from Banani Branch premises from July 2011. Off-shore banking unit is governed under the rules and regulations of Bangladesh Bank.

1.5 The Bank has 01(One) operational subsidiary with following details as presented in note 1.5(a) and 1.5(b).

1.5 (a) Premier Bank Securities Limited

Premier Bank Securities Limited, a majority owned subsidiary company of The Premier Bank Limited was incorporated as a private company limited by share in Bangladesh on 23 June 2010 bearing certificate of incorporation no. C-85332/10 under the Companies Act, 1994 having its registered office at Iqbal Centre(3rd Floor), 42 Kamal Ataturk Avenue, Banani, Dhaka-1213, Bangladesh. which commenced its business from the 17 April 2011.

1.5 (b) Premier Money Transfer Company Limited

Premier Money Transfer Company Limited was a 100% own subsidiary company of the Bank. As per decision of the executive committee of the Board of Directors, the Company ceased its operation from August 2015. As per Bangladesh Bank letter reference no. BOIMUBI/729/BIBIDHO/2016-3464 dated 28 December 2016 and Bangladesh Bank letter reference no. BOIMUBI/729/BIBIDHO/2019-32 dated 02 January 2019, all outstanding liabilities of company will be adjusted within 31 December 2020.

2 Significant accounting policies & basis of preparation of financial statements

2.1 Basis of preparation of the financial statements

These financial statements of the Bank have been prepared in accordance with the "First Schedule (Section 38) of the Banking Companies Act 1991 as amended by Banking Regulation and Policy Department (BRPD) circular no. 14 dated 25 June 2003, other Bangladesh Bank Circulars, International Financial Reporting Standards (IFRS) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) named as International Financial Reporting Standards (IFRS). The bank complied with the requirements of the following regulatory and legal authorities:

1. The Bank Companies Act 1991 (As amended in 2013),
2. The Companies Act 1994,
3. Bangladesh Securities and Exchange Ordinance 1969,
4. Bangladesh Securities and Exchange Rules 1987,
5. Bangladesh Securities and Exchange Commission Act 1993,
6. Bangladesh Securities and Exchange Commission (Public Issues) Rules 2006,
7. Income Tax Ordinance 1984,
8. Value Added Tax Act 1991,
9. Rules, regulation and circulars issued by the Bangladesh Bank from time to time,
10. DSE, CSE and CDBL rules and regulation and other laws and rules applicable thereto. Wherever appropriate, such principles are explained in succeeding notes.

2.2 Basis of measurement

These financial statements of the Bank are prepared on the basis of historical cost except for investment in shares and treasury bills and treasury bonds which have been "Marked to market" in accordance with the DOS Circular 05 (28 January 2009) and represent the financial performance and financial position of the branches in operation within Bangladesh.

2.3 Use of estimates and judgment and changes of estimate

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. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognized prospectively. Changes in estimate applied with IAS-8.

2.4 Islamic banking

The Bank operates Islamic banking in 2 designated branches in compliance with the rules of Islamic Shariah. The Financial Statements of the branches have also been prepared as per International Financial Reporting Standards and Bangladesh Bank circular. A separate balance sheet and profit and loss account are shown in Annexure-I and figures under different heads appearing in the annexure have been converted into relevant heads of accounts under conventional banking for consolidation and incorporation.

2.5 Basis of Consolidation

The consolidated financial statements have been prepared in accordance with International Accounting Standards (IAS) 27: Separate financial statements and International Financial Reporting Standards (IFRS) 10: Consolidated Financial Statements, for the year then ended 31 December 2018.

The financial statements includes the main operation of The Premier Bank Ltd and its two business units namely, Islamic banking Unit and Offshore Banking Unit operating in Bangladesh.

The consolidated financial statements include the financial statements of The Premier Bank Limited and its subsidiary which consists of Premier Bank Securities Limited up to the end of the financial year.

2.5.1 Basis of Consolidation

Intra-group balances, income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

2.5.2 Non-controlling interest

For each business combination, the Group elects to measure any non-controlling interests in the acquire either:

- a) at fair value; or
- b) at their proportionate share of the acquirer's identifiable net assets, which are generally at fair value.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as transactions with owners in their capacity as owners. Adjustments to non-controlling interests are based on a proportionate amount of the net assets of the subsidiary.

Subsidiaries are the entities controlled by the Group. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

2.6 Foreign currency transaction**2.6.a Functional and presentation currencies**

Items included in the financial statements of the Bank are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements of the Bank are presented in Bangladesh Taka (BDT) which is the Bank's functional and presentation currency. Functional currency for Off-shore banking unit is US Dollar and for Premier money transfer company limited is UK pound sterling. Except as indicated, financial information have been rounded off to the nearest Taka.

2.6.b Foreign currency transactions

- (a) According to IAS 21 "The Effects of Changes in Foreign Exchange Rates" transactions in foreign currencies are recorded in the functional currency at the rate of exchange prevailing on the date of the transactions.
- (b) Assets and liabilities in foreign currencies as at 31 December 2018 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 institution" which have been converted as per directives of Bangladesh Bank vide its circular no. BRPD (R) 717/2004-959 dated 21 November 2004.
- (c) 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 in the Profit and Loss Statement.

2.6.c Commitments

Commitments for outstanding forward foreign exchange contracts disclosed in the financial statements have been translated at contracted rates. Contingent liabilities/commitments for letter of credit, letter of guarantee and acceptance denominated in foreign currencies have been expressed in Taka currency at the rate of notional rate.

2.6.d Translation gain / losses

Gains/ losses arising out of translation of foreign exchange have been included in the profit and loss statement, except those arising on the translation of net investment in foreign subsidiaries.

2.6.e Foreign operation

As per IAS 21 "The Effect of changes in foreign exchange rates" the result of financial statements of the Bank whose functional currency is not Bangladesh taka are translated into Bangladesh taka as follows:

- i. Asset and Liabilities for each statement of Balance sheet have been translated at notional rate on the date of the Balance sheet.
- ii. Income and expenditure for profit and Loss statement have been translated at average rate.
- iii. All resulting exchange difference have been recognized as a separate components of equity.

2.7 Statement of Cash flows

Generally statement of cash flows is prepared in accordance with IAS 7: "Statement of cash flows"; however, Statement of Cash Flows are prepared and presented for the Banks under direct method as per guidelines of BRPD circular no. 14 dated 25 June 2003 issued by Bangladesh Bank.

2.8 Liquidity statement

The liquidity statement has been prepared in accordance with the remaining maturity grouping of the value of the assets and liabilities as on 31 December 2018 and under the guidelines of Bangladesh Bank BRPD Circular No.14 dated 25th June 2003.

2.9 Reporting period

These financial statements cover one calendar year from 01 January 2018 to 31 December 2018.

3 Significant Accounting Policies

The accounting policy set out below have applied consistently to all the periods presented in the financial statements and have been applied consistently by the bank. Any changes in accounting policy are dealt with as per IAS 8: Accounting policies, changes in accounting estimate and errors.

3.1 Assets and basis of their valuation

3.1.1 Cash and cash equivalent

Cash and cash equivalent includes cash in hand, balance with Bangladesh Bank and its agent Bank, balance with other Banks and financial institution, money at call on short notice.

3.1.2 Investment

Investment in securities (bills and bonds) are initially recognized at purchased price excluding commission and accrued coupon interest. Investments are segregated in two broad categories i.e. held to maturity (HTM) and held for trading (HFT) and prize bonds.

3.1.2.a Held to Maturity (HTM)

Securities that a firm has intention to hold until maturity. Thereof these are reported at amortized cost and which is not affected by the market fluctuation.

3.1.2.b Held for trading (HFT)

Securities that a firm has intention to sell in order to generate profit. HFT securities are revalued at market price.

3.1.2.c Revaluation of bond

As per Bangladesh Bank DOS circular letter no. 5 dated 28 January 2009, HFT securities are revalued each week using Marked to market concept and HTM securities are amortized once a year according to Bangladesh Bank guideline. The HTM securities are also revalued if these are reclassified to HFT category with the Board approval.

Value of investment has been enumerated as follows:

Items	Applicable accounting value
Government Treasury Bills & Bonds (HTM)	At present value (applying amortization concept)
Government Treasury Bills & Bonds (HFT)	At present value (applying marked to market concept)
Prize Bonds	At cost
Unquoted Shares	At cost
Quoted Shares	At cost

3.1.3 Investment in quoted shares

Investment in quoted shares are bought and held primarily for the purpose of selling them in future or held for dividend income. Such share measured at cost. Unrealized gains are not recognized in the profit and loss statement, but provision kept for unrealized loss (diminution in value of investment).

3.1.4 Investment in unquoted share

Investment in unquoted share is reported at cost. Adjustment is given for any shortage of book value over cost for determining the carrying amounts of investment in unquoted share.

3.1.5 Investment in subsidiary

Investment in subsidiaries are accounted for under the cost method of accounting in the Bank's financial statements in accordance with IAS 27: "Separate Financial Statements" and IFRS 10: "Consolidated Financial Statements".

3.1.6 Property Plant and Equipment

3.1.6.a Recognition and Measurement

(a) Fixed assets have been shown at cost less accumulated depreciation as per IAS 16: "Property Plant and Equipment" except land, which is measured at cost.

(b) The cost of an item of property plant and equipment is recognized as an assets if and only 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.

3.1.6.b Initial cost

The initial cost of an item of property plant and equipment includes its purchase price, and any directly attributable cost such as import duties, non-refundable vat/taxes, duties and any cost to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management.

3.1.6.c Subsequent cost

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.

3.1.6.d Depreciation

Depreciation is charged at the following rates on reducing balance method on all fixed assets other than vehicles, which are depreciated on straight-line method. For additions during the period, depreciation is charged for the remaining days of the period and in case of disposal, depreciation is charged up to the date of disposal. No depreciation is charged on land.

Asset categories	Rate of depreciation	Method of depreciation
Vehicles	20%	Straight-line
Furniture and fixtures	10%	Reducing balance
Equipment and computers	20%	Reducing balance
Land & Building	2.5%	Reducing balance

3.1.6.e Impairment of assets

As per IAS 36: Impairment of assets, at each balance sheet date, the Bank assess whether there is any indication that the carrying amount of an asset exceeds its recoverable amount. An asset is carried at more than its recoverable amount if its carrying amount exceeds the amount to be recovered through use or sale of the asset. If this is the case, the asset is described as impaired and an impairment loss is recognized as an expense in the profit and loss statement unless the asset is carried at revalued amount in accordance with International Accounting Standard (IAS) 16 - Property, Plant and Equipment, in which case any impairment loss of a revalued asset should be treated as a revaluation decrease under that Accounting Standard. No impairment loss was recognized for the year than ended 31 December 2018. as there were no such indication existed as on Balance Sheet date.

3.1.6.f Disposal of Assets:

On disposal of fixed assets, the cost and accumulated depreciation are eliminated from the fixed assets schedule and gain or loss on such disposal is reflected in the income statement, which is determined with reference to the net book value of the assets and net sale proceeds.

3.1.6.g Usage & Maintenance of Bank's Vehicles

Total 35 (thirty five) no. of vehicles are under the possession of Bank. Out of those, 01 Jeep has been allocated for Honorable Chairman of the Bank, 02 cars for the Managing Director, 01 car for the Advisor, 02 Jeep for Additional Managing Directors, 02 cars for Deputy Managing Director, 04 (four) cars for 04 (four) Branches. The remaining 23 (twenty three) cars are being used in Bank's pool.

During the period from 01-01-2018 to 31-12-2018, total Tk. 54,88,014.00 only has been incurred towards repairing and maintenance (including yearly payment of Tax Token, Fitness Certificate) for the above pool of vehicles of the Bank.

3.1.7 Loans and advances/investments

Loans and advances of conventional banking and investments of Islamic banking branches are stated in the balance sheet on gross basis.

Interest/profit is calculated on daily product basis, but charged and accounted for quarterly on accrual basis. Interest/profit on classified loans and advances/investments is kept in interest/profit suspense account as per BRPD circular no. 14 dated September 23, 2012 on Master Circular: Loan Classification and Provisioning. Interest/ profit is not charged on bad and loss loans and advances/ investments as per guidelines of Bangladesh Bank. Records of such interest/profit amounts are kept in separate memorandum accounts.

Commission and discounts on bills purchased and discounted are recognized at the time of realization.

Provision for loans and advances is made on the basis of periodical review by the management through following instruction contained in the Bangladesh Bank BRPD Circular no. 5 dated 29 May 2013, BRPD Circular no.14 dated 23 September 2012 and BRPD 19 dated 27 December 2012 and BRPD 12 dated 20 August 2017 and BRPD 15 dated 27 September 2017 and BRPD 01 dated 20 February 2018. The rates of provision are given below:

Types of loans and advances		Provision				
		UC	SMA	SS	DF	BL
Consumer	House building and professional	1%	1%	20%	50%	100%
	Other than housing finance & professionals to setup business	5%	5%	20%	50%	100%
Provision for loan to broker house, merchant banks, stock dealers, Credit Card etc.		2%	2%	20%	50%	100%
Short-term agri-credit and micro credit		1%	1%	5%	5%	100%
Small and medium enterprise finance		0.25%	0.25%	20%	50%	100%
Others		1%	1%	20%	50%	100%

Loans and advances/ investment are written off in accordance with Bangladesh bank Guideline to the extent that (i) there is no realistic prospect of recovery, and (ii) against which legal cases are filed and classified as bad loss as per guidelines of Bangladesh Bank. These write off however will not undermine/affect the claim amount from borrower. Detailed memorandum records for all such write off accounts are maintained and followed up.

3.1.8 Inventories

Inventories are measured as per IAS 2: Inventories, at the lower of cost and net realizable value.

3.1.8.a Receivables

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

3.1.9 Other assets

Other assets include all other financial assets and include fees and other unrealized income receivable, advance for operating and capital expenditure and stocks of stationery and stamps. Details are shown in Note 10.

3.1.9.a Non-Banking Assets

Non-banking assets are acquired on account of the failure of a borrower to repay the loan on time after receiving the decree from the Court regarding the right and title of the mortgage property. The Bank have no non -banking assets at the end of the year 31 December 2018.

3.2 Liabilities and basis of their valuation

3.2.1 Borrowings from other banks, financial institutions and agents

Borrowings from other banks, financial institutions and agents includes call money deposit, borrowings, Bangladesh Bank refinance borrowing and other term borrowings from banks. These items are brought to financial statements at the gross value of the outstanding balance. Details are shown in Note - 11.

3.2.2 Deposit and other accounts

Deposits are recognized when the banks enter into contractual provisions of the arrangements with the counterparties on arrangements date and initially measured at the consideration received. Which includes non interest-bearing current deposit redeemable at call, bills payable, interest bearing on demand and special notice deposits, savings deposit and fixed deposit. These items are brought to financial statements at the gross value of the outstanding balance. Details are shown in Note - 13.

3.2.3 Other liabilities

As per IAS 37 "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.

3.2.3.a Provisions on balances with foreign banks and financial institutions (Nostro accounts)

Provisions for unsettled transactions on nostro accounts made are reviewed on a semi - annual basis by management and certified by our external auditors in accordance with Bangladesh Bank Foreign Exchange Policy Department (FEPD) Circular No. 677 (13 September, 2005).

3.2.3.b Provisions for off balance sheet exposures

BRPD Circular No.10 dated 18 September 2007 requires a general provision for off balance sheet exposures to be calculated at 1% on all off balance sheet exposures as defined in BRPD Circular No.10 dated 24 November 2002. Accordingly the bank has recognized a provision of 1% on the following off balance sheet items:

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

Moreover BRPD Circular No. 13 dated 18 October 2018 requires provisioning requirement for the bank guarantees has been modified in accordance with respective counter-guarantees in following ways:

BB rating grade equivalence of the Bank/ Financial institution/ Organization	Provision required (% of the exposure amount)
1	nil
2	0.5
3 or 4	0.75
Others	1

3.2.3.c Provisions for other assets

BRPD Circular No.14 dated 25 June 2001 requires a provision of 100% on other assets which are outstanding for one year and above.

3.3 Shareholders' equity**3.3.a Share Capital**

Ordinary shares are classified as equity when there is no contractual obligation to transfer cash or other financial assets.

3.3.1 Authorized capital

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

3.3.2 Paid-up capital

Paid up capital represents total amount of share capital that has been paid in full by the ordinary shareholders. Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at shareholders' meetings. In the event of winding-up of the company, ordinary shareholders rank after all other shareholders and creditors and are fully entitled to receive any residual proceeds of liquidation. Details are shown in Note 15.

3.3.3 Statutory reserve

Statutory reserve has been maintained @ 20% of profit before tax in accordance with provisions of section 24 of the Banking Companies Act 1991 until such reserve equal to its paid-up capital together with the share premium.

3.3.4 Revaluation reserve

As per IAS 16: "Property Plant and Equipment" revaluation surplus on fixed assets directly transferred to equity under the head of revaluation reserve and subsequently the reserve will transferred to retained earnings Proportionately year by year.

Another revaluation reserve arises from the revaluation of Treasury bills and bonds (HFT & HTM) in accordance with the Bangladesh Bank DOS circular no. 5 dated 26 May 2008. The tax effects on revaluation gain are measured and recognized in the financial statements as per IAS 12: "Income Taxes".

3.3.5 Non-controlling 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 Non controlling interest in The Premier Bank Securities Limited, a majority owned subsidiary (99.99%) of The Premier Bank Limited is very insignificant. Non-controlling interest belongs to a 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 shareholders. Also, non-controlling interest is reported on the consolidated income statement as a share of profit belonging to the Non-controlling shareholder.

3.3.6 (a) Non Convertible Subordinated Bonds - 1

The Bank issued Non Convertible Subordinated Bond for amount of Taka 200.00 crore in the year 2014 as Tier-2 capital of the Bank under Basel - III for a term of 05 (Five) years to strengthen the capital base of the Bank after obtaining approval from Bangladesh Bank and Bangladesh Securities and exchange Commission vide their letter Ref. no. BRPD(BIC)661/14B(P)/2013/2497 dated 29 December 2013 and BSEC/CI/DS-03/2013/2912 dated 24 December 2013 respectively.

3.3.6 (b) Non Convertible Subordinated Bonds - 2

The Bank issued Non Convertible Subordinated Bond for amount of Taka 200.00 crore (Taka 100.00 crore was executed in 2015 and the remaining amount of Taka 100.00 crore will be executed by 2016) as Tier-2 Capital of the Bank under Basel - III for a term of 07 (seven) years to strengthen the capital base of the Bank after obtaining approval from Bangladesh Bank and Bangladesh Securities and Exchange Commission (BSEC) vide their letter ref. no. BRPD(BFIS)661/14B(P)/2015/18087 dated 27 December 2015 and BSEC/CI/DS-03/2013/601 dated 30 November 2015 respectively.

3.3.6 (c) Non Convertible Subordinated Bonds - 3

The Bank issued Non Convertible Subordinated Bond for an amount of Taka 500.00 crore (Taka 200.00 crore was executed in 2016, Taka 100.00 crore was executed in 2017 and Taka 200.00 crore was executed in 2018) as Tier-2 Capital of the Bank under Basel - III for a term of 05 (five) years to strengthen the capital base of the Bank after obtaining approval from Bangladesh Bank and Bangladesh Securities and Exchange Commission (BSEC) vide their letter ref. no. BRPD(BFIS)661/14B(P)/2016-8384 dated 26 December 2016 and BSEC/CI/DS-03/2013/723 dated 21 December 2016 respectively.

3.4 Contingent liabilities

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 any present obligation that arises from past events but is not recognized because:

- i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- ii) the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognized but disclosed in the financial statements unless the possibility of an outflow of resources embodying economic benefits is reliably estimated.

Contingent assets are not recognized in the financial statements as this may result in the recognition of income which may never be realized.

3.5 Revenue recognition

The accounting policies adopted for the recognition of revenue as prescribed by IAS 18 "Revenues" and Bangladesh Bank guideline are as follows:

3.5.1 Interest income

- (a) Interest is calculated on daily product basis on unclassified loans and advances but charged on quarterly basis.
- (b) Interest is charged on classified loans and advances as per BCD and BRPD circulars of Bangladesh Bank and such interests were not taken into income.
- (c) Profit on investment (Islamic Banking) : Mark-up on investment is taken into income account proportionately from profit receivable account. Overdue charge/compensation on classified investments is transferred to profit suspense account instead of income account.
- (d) Fees and commission income : Commission and discounts on bills purchased and discounted are recognized at the time of realization.

- (e) Investment income is recognized on accrual basis. Income on investments is recognized on accrual basis. Investment income includes discount on treasury bills and zero coupon bonds, interest on treasury bonds, debentures and fixed deposits with other banks. Capital gain on investments in shares and dividend on investment in shares are also included in investment income.

3.5.2 Dividend income on shares

Dividend income from investment in shares is recognized when the Bank's right to receive dividend is established. It recognized when:

- It is probable that the economic benefits associated with the transaction will flow to the entity; and
- the amount of the revenue can be measured reliably.

3.5.3 Other operating expenses

All other operating expenses are provided for in the books of the account on accrual basis according to IFRS.

3.5.4 Interest and fees receivable on credit cards

Interest and fees receivable on credit cards are recognized on accrual basis. Interest and fees ceases to be taken into income when the recovery of interest and fees is in arrear for over three months. Thereafter, interest and fees are accounted for on cash basis.

3.6 Number of employees

The number of employees employed in the Bank as on 31 December 2018 were 1708 and 1562 as on 31 December 2017.

3.7 Employee benefits

3.7.1 Short-term employee benefits

Short-term employee benefits are employee benefits, which fall due wholly within twelve months after the end of the period in which the employees render the related service including salaries, bonuses and other allowances. Payments are charged as an expense in the profit and loss account as they fall due. Payments due are accrued as a liability in "Provisions for liabilities and charges" on an undiscounted basis.

3.7.2 Long term employee benefits

3.7.2 (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 4 (four) members and funded by contributions both from employees and Bank @10% of basic salary. Interest earned from the investment is credited to the members' accounts annually. Provident fund benefits are given to the employees of the Bank in accordance with provident fund rules of the Bank.

3.7.2 (b) Gratuity Fund

Provision for gratuity has been made for past services of the employees which would be payable at the time of their retirement/time of eligibility.

3.8 Reconciliation of books of account

Books of account in regard to inter-bank (in Bangladesh and outside Bangladesh) and inter-branch transactions are reconciled and no material difference was found which may affect the financial statements significantly. There exists no unreconciled revenue items in Nostro accounts as at 31 December 2018.

3.9 Related party transactions

a) As on the Balance Sheet date, the Bank had the following transactions with the related parties in respect of banking business like, loans and advances, guarantees and commitments.

Name of Directors interested in the Company / Firm	Name of the company/ firm/ Individual	Nature of Advance	Amount in lac
Dr.H.B.M Iqbal	Beacon Travels International Ltd, Premier Hotel Management Ltd, Premier Hotel & Resort, Bengal Tiger Cement Ltd	Funded & Non funded	1,405.20
Mr. Abdus Salam Murshedy	Envoy Textiles Ltd. (Concern of Envoy Group), Manta Appareals Ltd. (Concern of Envoy Group)	Funded	1,028.99
Mr. Shah Md. Nayhan Haroon	Individual	Credit Card	0.56
Mrs. Shaila Shelley Khan	Individual	Credit Card	2.41

- b) i. The Bank entered into transactions with the following related party, other than banking business for Purchase and repairs of computers, Money counting machine etc.

Figure in lac		
Name of service provider	Particulars of service	Value/ Taka
National System Solutions (Pvt) Ltd	Mr. Kutubuddin Ahmed, Shareholder and Mr. Abdus Salam Murshedy, Director of the Bank are the Chairman and Managing Director respectively of National System Solutions (Pvt) Ltd .	202.80

- b) ii. As per Bangladesh Bank approval, the Bank has taken lease of 34,600 sft. Floor space @ TK. 350 per sft. per month at 4th, 5th, 7th, 10th and 14th floor of "Iqbal Centre", 42 Kemal Attaturk avenue, Banani, Dhaka-1213 from Dr. H.B.M. Iqbal, honorable Chairman of the Bank for use of its Head Office.
- b) iii. As per Bangladesh Bank approval, the Bank has taken lease of 550 sft. Floor space @ 400per sft. at 1st Floor and 21,450 sft. Floor space @ TK. 350 per sft. per month at 3rd, 6th and 8th floor of "Iqbal Centre", 42 Kemal Attaturk avenue, Banani, Dhaka-1213 from Mr. Moin Iqbal, honorable Vice Chairman of the Bank for use of its Head Office.
- b) iv. As per Bangladesh Bank approval the Bank has taken lease of 3500 sft @ TK. 137.50 per sft per month at 1st floor and 152 sft. Tk. 34,200 at ground floor(ATM Booth) of "Envoy Towers Limited" a sister concern of Envoy Group for use of its Panthapath branch and Panthapath ATM booth respectively. Mentionable that our Honorable director Mr. Abdus Salam Murshedy is the Managing director of the Envoy Group.
- b) v. As per Bangladesh Bank approval, Bank has taken lease of 21,450 sft. Floor space @ Tk 350.00 per sft. per month at 9th, 11th and 19th floor of "Iqbal centre", 42 Kemal Attaturk Avenue, Banani Dhaka-1213 from Mr.Mohammad Imran Iqbal, Honorable Director of the Bank for use of our Head Office.

3.10 Segment Reporting

Segment report are prepared in accordance with IFRS 8: "Operating Segments" in respect of the Bank and its Group considering business segment and geographical location.

The Bank business segments includes products and services whose risk and return are different from those of other business segments. These segments comprises Conventional banking, Islamic banking, Off-shore banking unit and Premier Bank Securities Ltd.

Inter segmental transaction are generally based on inter - branch fund transfer measures as determined by the management. Income, expense, assets and liabilities are specially identified with individual segments based on such allocation, segment balance sheet as on 31 December 2018 and segmental profit and loss account for the year than ended 31 December 2018 have been prepared.

3.11 Core risk management

Bangladesh Bank has identified 6 (six) core risks for management of the banks and has provided the necessary guidelines for their implementation. The risks are:

Credit risk
Foreign exchange risk
Asset liability/ balance sheet risks
Money laundering risk
Internal control and compliance risk
ICT Risk

The prime objective of the risk management is that the Bank takes well calculated business risk to safeguard its capital, financial resources and growth of sustainable profitability. In this context, the Bank has formed a management committee (MANCOM) to overview proper implementation and regular monitoring of those critical areas.

3.11.1 Credit risk

Credit risk is one of the major risks faced by the Bank. This can be described as potential loss arising from the failure of a counter party to perform with agreed terms with the Bank. To assess and to mitigate the credit risk, the management has implemented Credit Risk Management (CRM) Manual, which is considered an important tool for retaining the quality and performance of the assets. Accordingly, Bank's credit risk management functions have been designed to address all these issues including risk that arises from global changes in banking, finance and related issues.

The Bank has segregated duties of the officers/ executives engaged in the credit related activities. Moreover, credit approval, administration, monitoring and recovery functions have been segregated. For this purpose, four separate units have been formed within the Credit Department. These are:

- (i) Credit Risk Management Unit,
- (ii) Credit Administration Unit, and
- (iii) Credit Monitoring and Recovery Unit
- (iv) Credit Recovery Division.

3.11.2 Foreign exchange risk

Foreign exchange risk is defined as the potential change in earnings arising due to unfavorable change in exchange rates. Treasury front office conducts deal for commercial purpose and back office of treasury keeps record and passes entries in books of account. The main risks in treasury and foreign exchange business are exchange rates risk, fund management and liquidity risk. As per Bangladesh Bank guidelines, the Treasury Department was operationally and physically divided into front office and back office to mitigate the risk. Separate telephone and fax lines were installed in the dealing room to meet Bangladesh Bank guidelines.

3.11.3 Asset liability/ balance sheet risks

The Bank has an Asset Liability Committee (ALCO) which is responsible for managing short-term and long-term liquidity to ensure that the Bank has adequate liquidity at all times at the most appropriate funding cost. ALCO reviews liquidity requirements of the Bank, maturity of assets and liabilities, deposit and lending pricing strategy and the liquidity contingency plan. The Asset Liability Committee also monitors Balance Sheet risk. The Balance Sheet risk is defined as potential changes in earnings due to changes in rate of interest and exchange rates which are not of trading nature and the Bank is completely maintaining the risks.

3.11.4 Money laundering risk

Money laundering risk is defined as the loss of reputation and expenses incurred as penalty for being negligent in prevention of money laundering. For mitigating the risk, the Bank has designated Chief Compliance Officer at Head Office and Compliance Officers at Branches, who independently review the transactions of the accounts to verify suspicious transactions. Manuals for Prevention of Money Laundering have been established and transaction profile has been introduced. Training has been continuously given to all the categories of Executives and Officers for developing awareness and skill for identifying suspicious transactions and other activities relating to money laundering.

3.11.5 Internal control and compliance risk

Operational loss may arise from errors and fraud due to lack of internal control and compliance. Management through Internal Control and Compliance Division controls operational procedure of the Bank. Internal Control and Compliance Division undertakes periodical and special audit of the branches and departments at Head Office for review of the operation and compliance of the statutory requirements. The Audit Committee of the Board subsequently reviews the report of the Internal Control and Compliance Division and guides the Division effectively to monitor the risks.

3.11.6 Information Communication and Technology (ICT) risk

ICT risk management is embedded in Internal Control and Compliance Policy of the Bank which are widely used for managing the union between business processes and information systems effectively. However, this control emphasizes both business and technological regulation and monitoring which in turn support business requirement and governance and at the same time ensure that ICT risks are properly identified and managed. According to Central Bank ICT Guidelines, the Bank ICT Policies have been prepared and reviewed on regular basis based on which operating procedures for all ICT functions are carried out. Besides, in order to assure the appropriate usage of resources and information, the Bank IT Audit Policy ensures that the IT systems are properly protected and is free from unauthorized access illegal tempering and malicious actions and all these actions are continuously monitored and supervised by Bank's IT auditor.

3.11.7 Market Risk

The exposure of market risk of the Bank is restricted to foreign exchange risk, interest rate risk and equity risk.

Foreign exchange risk

As described in note no. 3.11.2

Interest rate risk

Interest rate risk may arise either from trading portfolio or non-trading portfolio. The trading portfolio of the Bank consists of Government treasury bills of 91 days maturity. The short-term movement in interest rate is negligible or nil. Interest rate risk of non-trading business arises from mismatches between the future yield of an asset and its funding cost. Asset Liability Committee (ALCO) monitors the interest rate movement on a regular basis.

Equity Risk

Equity risk arises from movement in market value of equities held. The risks are monitored by Investment Committee under a well designed policy framework.

3.12 Report on the activities of the Audit Committee, 2018

1. Constitution of the Audit Committee:

The Board of Directors in its 203th Meeting held on 30 July, 2018 re-constituted the Audit Committee of the Board in line with the Bangladesh Bank BRPD Circular No. # 11 dated October 27, 2013 and BSEC Notification dated 07 August 2012. The Audit Committee comprises of the following members:

Sl. No.	Names	Status with the Committee	Educational qualification	Status with the Board
1	Mrs. Faiza Rahman	Chairman	BBA	Independent Director
2	Mr. Mohammad Imran Iqbal	Member	Bachelor of Science (Hons), Business Management	Director
3	Mr. Shah Md. Nahyan Haroon	Member	LLB(Hons)	Director
4	Mr. Chowdhury Jafarullah Sharafat	Member	M.S.S.	Independent Director

The profiles of the members of the Committee are given in the Annual Report.

The Company Secretary of the Bank is the Secretary to the Audit Committee. A separate Audit Cell has been formed to assist the Audit Committee to effectively perform its duty. Senior Management and Executives of the Bank attend the meetings on invitation as and when required.

2. Objectives of the Audit Committee:

The Audit Committee is formed to assist the Board of Directors of the Bank in fulfilling its oversight responsibilities including implementation of the objectives, strategies and overall business plan set by the Board for effective functioning of the Bank.

3. Meetings:

The Audit Committee of the Board conducted Six (06) Meetings during January to December 2018. Minutes of the Audit Committee Meetings have been reported to the Board of Directors.

4. Roles & Responsibilities of Audit Committee:

The Audit Committee of Board performed the following roles and responsibilities:

A. Internal Control Systems:

- Evaluate whether management is setting the appropriate compliance culture by communicating the importance of internal control and the management of risks and ensuring that all employees have clear understanding of their roles and responsibilities;
- Review management's actions in building computerization of the bank and its applications and bank's Management Information System (MIS)
- Consider whether internal control strategies recommended by internal and external auditors have been implemented by the management;

iv. Consider reports relating to fraud, forgery, deficiencies in internal control or other similar issues detected by internal and external auditors and inspectors of the regulatory authority and place it before the board after reviewing whether necessary corrective measures have been taken by the management.

B. Financial Reporting:

i. Audit committee will check whether the financial statements reflect the complete and concrete information and determine whether the statements are prepared according to existing rules & regulations and standards enforced in the country and as per relevant prescribed accounting standards set by Bangladesh Bank;

ii. Discuss with management and the external auditors to review the financial statements before its finalization.

C. Internal Audit and Inspection Reports:

i. Audit committee will monitor whether internal audit working independently from the management;

ii. Review the activities of the internal audit and the organizational structure and ensure that no unjustified or limitation hinders the internal audit process;

iii. Examine the efficiency and effectiveness of internal audit function;

iv. Examine whether the findings and recommendations made by the internal auditors are duly considered by the management or not.

D. External Audit

i. Review the performance of the external auditors and their audit reports;

ii. Examine whether the findings and recommendations made by the external auditors are duly considered by the management or not;

iii. Make recommendations to the board regarding the appointment of the external auditors .

E. Compliance with existing laws and Regulations

Review whether the laws and regulations framed by the regulatory authorities (Central Bank and other bodies) and internal regulations approved by the board are being complied with.

3.13 Taxation

Income tax expenses represent the sum of the tax currently payable and deferred tax.

3.13.1 Current tax

Provision for current income tax for the year has been made @ 37.5% as prescribed in the Finance Act 2018 on the accounting Profit made after considering some of the taxable add back income and disallowance of expenditure.

3.13.2 Deferred tax

The Bank has adopted deferred tax accounting policy as per International Accounting Standard (IAS) 12. Accordingly, deferred tax liability/asset is accounted for all temporary timing differences arising between the tax base of the assets and liabilities and their carrying value for financial reporting purpose. Deferred tax is computed at the prevailing tax rate as per Finance Act, 2018. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences, unused tax losses or unused tax credits can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the company intends to settle its current tax assets and liabilities on a net basis.

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" (Note 10.1.2.1).

3.14 Departures from IFRS

The consolidated financial statements of the Group and the Separate financial statements of the Bank as at and for the year ended 31 December 2018 have been prepared under the historical cost convention except investments and in accordance with the "First Schedule" (section 38) of the Bank Companies Act 1991, as amended by Bangladesh Bank (the Central Bank of Bangladesh) through BRPD Circular No. 14 dated 25 June 2003, other Bangladesh Bank Circulars, International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Securities and Exchange Rules 1987, Dhaka and Chittagong Stock Exchange's listing regulations. In case any requirement of provisions and circulars issued by Bangladesh Bank differs with those of other regulatory authorities, the provisions and circulars issued by Bangladesh Bank shall prevail.

As such the Group and the Bank have departed from those contradictory requirements of IFRSs in order to comply with the rules and regulations of Bangladesh Bank which are disclosed below:

i) Investment in shares and Securities

IFRS: As per requirements of IFRS investment in shares and securities generally falls either under "at fair value through profit and loss account" or under "available for sale" 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 revaluation reserve 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. Provision should be made for any loss arising from diminution in value of investment; otherwise investments are recognized at costs.

ii) Revaluation gain/loss on Government securities

IFRS: As per requirement of IFRS where securities T-bills and T-bonds will fall under the category of "held for trading", any change in the fair value of held for trading assets is recognized through profit and loss account.

Securities T-bills designated as held to maturity are measured at amortized cost method and interest income is recognized through the profit & loss account.

Bangladesh Bank: HFT securities are revalued on the basis of mark to market and at year end any gains on revaluation of securities which have not matured as at the balance sheet date are recognized in other reserves as a part of equity and any losses on revaluation of securities which have not matured as at the balance sheet date are charged in the profit and loss account. Interest on HFT securities including amortization of discount are recognized in the profit and loss account. HTM securities which have not matured as at the balance sheet date are amortized at the year end and gains or losses on amortization are recognized in other reserve as a part of equity.

iii) Provision for loans and advances

IFRS: As per IFRS an entity should start the impairment assessment by considering whether objective evidence of impairment exists for financial assets that are individually significant. For financial assets are not individually significant, the assessment can be performed on an individual or collective (portfolio) basis.

Bangladesh Bank: As per BRPD circular no. 14 dated 23 September 2012, BRPD circular no. 19 dated 27 December 2012 and BRPD circular no. 05 dated 29 May 2013 a general provision at 0.25% to 5% under different categories of unclassified loans (good/standard loans) has to be maintained regardless of objective evidence of impairment. Also provision for sub-standard loan, doubtful loans and bad losses has to be provided at 20%, 50% and 100% respectively for loans and advances depending on the duration of overdue. Again as per BRPD circular no. 10 dated 18 September 2007, a general provision at 1% is required to be provided for all off-balance sheet exposures. Such provision policies are not specifically in line with those prescribed by IFRS.

iv) Recognition of interest in suspense

IFRS: Loans and advances to customers are generally classified as 'loans and receivables' as per IFRS and interest income is recognized through effective interest rate method over the term of the loan. Once a loan is impaired, interest income is recognized in profit and loss account on the same basis based on revised carrying amount.

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 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**

IFRS: As per IAS 1 Other Comprehensive Income is a component of financial statements or the elements of Other Comprehensive Income are to be included in a Single Comprehensive Income Statement.

Bangladesh Bank: Bangladesh Bank has issued templates for financial statements which are to be strictly followed by all banks. The templates of financial statements issued by Bangladesh Bank do not include Other Comprehensive Income (OCI) nor are the elements of Other Comprehensive Income allowed to include in a Single Comprehensive Income Statement. As such the company 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 categorize, recognize, measure and present financial instruments differently from those prescribed in IFRS. As such some disclosure and presentation requirements of IFRS 7 and IAS 32 could not be met in the accounts.

vii) **Repo transactions**

IFRS: 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 or stock lending), the arrangement is accounted for as a deposit, and the underlying asset continues to be recognized in the entity's financial statements. This transaction will be treated as loan and the difference between selling price and repurchase price will be treated as interest expense.

Bangladesh Bank: As per BRPD guidelines, 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.

viii) **Financial guarantees**

IFRS: As per IFRS, 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 a debt instrument. Financial guarantee liabilities are recognized initially at their fair value, and the initial fair value is amortized over the life of the financial guarantee. The financial guarantee 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 has become probable. Financial guarantees are included within other liabilities.

Bangladesh Bank: As per BRPD 14, financial guarantees such as L/C, L/G will be treated as Off-Balance Sheet items. No liability is recognized for the guarantee except the cash margin.

ix) **Cash and cash equivalent**

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

Bangladesh Bank: Some cash and cash equivalent items such as 'money at call and on short notice', Treasury bills, Prize bond are not shown as cash and cash equivalent. Money at call and on short notice presented on the face of the balance sheet, and Treasury bills, Prize bonds are shown in Investments.

x) **Non-banking asset**

IFRS: No indication of Non-banking asset is found in any IFRS.

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

xi) **Cash flow statement**

IFRS: Cash flow statement can be prepared using either in direct method or in 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, cash flow is the mixture of direct and indirect method.

xii) Balance with Bangladesh Bank: (CRR)

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.

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

xiii) Presentation of intangible asset

IFRS: Intangible asset must be identified and recognized, and the disclosure must be given as per IAS 38.

Bangladesh Bank: There is no requirement for regulation of intangible assets in BRPD 14.

xiv) Off-balance sheet items

IFRS: There is no concept of off-balance sheet items in any IFRS; hence there is no requirement of disclosure of off-balance sheet items on the face of the balance sheet.

Bangladesh Bank: As per BRPD 14, off balance sheet items (e.g. Letter of credit, Letter of guarantee etc.) must be disclosed separately in face of balance sheet.

xv) Disclosure of appropriation of profit

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

Bangladesh Bank: As per BRPD 14, an appropriation of profit should be disclosed in the face of profit and loss account.

xvi) Loans and advance net of provision

IFRS: Loans and advances should be presented net of provisions.

Bangladesh Bank: As per BRPD 14, provision on loans and advances are presented separately as liability and cannot be netted off against loans and advances.

xvii) Recovery of written off loans

IFRS: As per IAS 1 an entity shall not offset assets and liabilities or income and expenses, unless required or permitted by an IFRS. Again recovery of written off loans should be charged to profit & loss account as per IFRS 15 "Revenue from Contracts with Customers".

Bangladesh Bank: As per BRPD 14, recoveries of amount previously written off should be adjusted with the specific provision for loans and advances.

The financial statements of the Islamic banking branches have also been prepared as per Bank Companies Act 1991, IFRSs and other prevailing laws and regulations applicable in Bangladesh.

3.15 Statement of compliance with International Financial Reporting Standards (IFRS):

This year represents the first year of complete adoption of International Financial Reporting Standards (IFRS's) in place of Bangladesh Financial Reporting Standards (BFRS's). Bangladesh Financial Reporting Standards (BFRS's) were necessarily locally (in Bangladesh) adopted version of International Financial Reporting Standards issued by International Accounting Standards Board (IASB) from time to time. In practice these standards are largely similar and do not vary materially and consequently no material adjustment to prior year accounts, change in estimates or any material practices or disclosure was made due to this conversion.

Name of the standards	Ref.	Status
First-time Adoption of International Financial Reporting Standards	IFRS-1	Not applicable
Share-based Payment	IFRS-2	Not applicable
Business Combinations	IFRS-3	Applied
Insurance Contracts	IFRS-4	Not applicable
Non-current Assets Held for Sale and Discontinued Operations	IFRS-5	Not applicable
Exploration for and Evaluation of Mineral Resources	IFRS-6	Not applicable
Financial Instruments: Disclosures	IFRS-7	Applied with some departure
Operating Segments	IFRS-8	Applied with some departure
Financial Instruments	IFRS-9	Applied with some departure
Consolidated Financial Statements	IFRS-10	Applied
Joint Arrangements	IFRS-11	Not applicable
Disclosure of Interests in other Entities	IFRS-12	Applied
Fair Value Measurement	IFRS-13	Applied
Revenue from Contracts with Customers	IFRS-15	Applied with some departure
Lease	IFRS-16	Not applicable
Insurance Contracts	IFRS-17	Not applicable
Presentation of Financial Statements	IAS-1	Applied with some departure
Inventories	IAS-2	Applied
Statement of Cash Flows	IAS-7	Applied with some departure
Accounting Policies, Changes in Accounting Estimates and Errors	IAS-8	Applied
Events after the Reporting Period	IAS-10	Applied
Construction Contracts	IAS-11	Not Applicable
Income Taxes	IAS-12	Applied
Property, Plant and Equipment	IAS-16	Applied
Leases	IAS-17	Applied
Employee Benefits	IAS-19	Applied
Accounting for Government Grants and Disclosure of Government Assistance	IAS-20	Not Applicable
The Effects of Changes in Foreign Exchange Rates	IAS-21	Applied
Borrowing Costs	IAS-23	Applied
Related Party Disclosures	IAS-24	Applied
Accounting and Reporting by Retirement Benefit Plans	IAS-26	Not Applicable
Separate Financial Statements	IAS-27	Applied
Investments in Associates & Joint venture	IAS-28	Not Applicable
Interests in Joint Ventures	IAS-31	Not Applicable
Financial Instruments: Presentation	IAS-32	Applied with some departure
Earnings per Share	IAS-33	Applied
Interim Financial Reporting	IAS-34	Applied
Impairment of Assets	IAS-36	Applied
Provisions, Contingent Liabilities and Contingent Assets	IAS-37	Applied with some departure
Intangible Assets	IAS-38	Applied with some departure
Financial Instruments: Recognition and Measurement	IAS-39	Not Applicable
Investment property	IAS-40	Not Applicable
Agriculture	IAS-41	Not Applicable

		Amount in Taka	
		2018	2017
4	Cash		
	Cash in hand (Note - 4.1)	1,664,391,594	1,648,364,587
	Balance with Bangladesh Bank and its agent bank(s)(Note - 4.2)	12,009,056,905	9,689,799,026
		13,673,448,499	11,338,163,613
4(a)	Consolidated Cash and Balance With Bangladesh Bank and its agent Bank(s) In Bangladesh		
	Premier Bank Limited (Note - 4)	13,673,448,499	11,338,163,613
	Premier Bank Securities Limited (Note - 4.1(a))	151,196	82,875
		13,673,599,695	11,338,246,488
4.1	Cash in hand		
	In local currency	1,644,307,917	1,628,779,663
	In foreign currency	20,083,677	19,584,924
		1,664,391,594	1,648,364,587
4.1(a)	Consolidated Cash in hand		
	In Bangladesh		
	Premier Bank Limited (Note - 4.1)	1,664,391,594	1,648,364,587
	Premier Bank Securities Limited	151,196	82,875
		1,664,542,790	1,648,447,462
4.2	Balance with Bangladesh Bank and its agent bank(s)		
	Balance with Bangladesh Bank		
	In local currency	11,098,256,272	9,514,530,620
	In foreign currency	727,662,054	100,831,394
		11,825,918,326	9,615,362,014
	Sonali Bank(as an agent bank of Bangladesh Bank)-local currency	183,138,579	74,437,012
		12,009,056,905	9,689,799,026

4.3 Statutory deposits Cash reserve requirement (CRR) and statutory liquidity ratio (SLR)

Cash reserve requirement and statutory liquidity ratio have been calculated and maintained in accordance with section 33 of Bank Companies Act 1991 and MPD Circular No.01 dated December 01, 2010 and MPD Circular no. 01 dated 23 June 2014 and MPD Circular no. 01 dated 03 April 2018.

Cash reserve requirement required on the Bank's time and demand liabilities at the rate of 5% daily and 5.5% bi-weekly has been calculated and maintained with Bangladesh Bank in current account (Taka) and 13% for conventional Banking & 5.50% for Islamic Banking statutory liquidity ratio on the same liabilities is also maintained in the form of treasury bills and bonds including balance with Bangladesh Bank. Both the reserves maintained by the Bank are in excess of the statutory requirements, as shown below:

For Conventional Banking

(a) Cash reserve requirement/ratio (Daily 5%)

Required reserve	7,678,353,000	7,791,477,000
Actual reserve maintained (7.04%)	10,804,645,750	8,692,217,000
Surplus / (Deficit)	3,126,292,750	900,740,000

(b) Statutory liquidity reserve (13%)

Required reserve	19,963,717,000	16,881,534,000
Actual reserve maintained (17.64%)	27,085,091,000	18,671,776,000
Surplus / (Deficit)	7,121,374,000	1,790,242,000

		Amount in Taka	
		2018	2017
For Islamic Banking			
(a) Cash reserve requirement/ratio (Daily 5%)			
Required reserve		254,967,000	319,020,000
Actual reserve maintained (5.97%)		304,464,249	344,753,000
Surplus / (Deficit)		49,497,249	25,733,000
(b) Statutory liquidity reserve (5.50%)			
Required reserve		280,464,000	292,435,000
Actual reserve maintained (6.73%)		343,075,000	340,952,000
Surplus / (Deficit)		62,611,000	48,517,000
5 Balance with other banks and financial institutions			
In Bangladesh (Note - 5.1)		1,317,177,204	194,379,677
Outside Bangladesh (Note - 5.2)		514,722,447	713,727,464
		1,831,899,651	908,107,141
5(a) Consolidated balance with other banks and financial institutions			
In Bangladesh			
Premier Bank Limited (Note - 5.1)		1,317,177,204	194,379,677
Premier Bank Securities Limited		103,863,662	396,024,366
		1,421,040,866	590,404,043
Less: Inter Company transaction		89,812,418	377,695,434
		1,331,228,448	212,708,609
Outside Bangladesh			
Premier Bank Limited (Note - 5.2)		514,722,447	713,727,464
Premier Bank Securities Limited		-	-
		514,722,447	713,727,464
		1,845,950,895	926,436,073
5.(aa) Account type-wise			
Current account		16,521,917	27,528,199
STD account		655,287	1,501,478
Fixed deposit		1,300,000,000	165,350,000
		1,317,177,204	194,379,677
5.1 In Bangladesh			
Janata Bank Limited		91,775	91,890
Modhumoti Bank Limited		-	165,350,000
Standard Chartered Bank		16,401,068	27,405,510
National Bank Limited		256,007	1,432,657
Islami Bank Bangladesh Limited		29,074	30,799
Rupali Bank Limited		65,971	68,821
Agrani Bank Limited		333,309	-
Mutual Trust Bank Limited		400,000,000	-
Pubali Bank Limited		400,000,000	-
Uttara Bank Limited		400,000,000	-
Midland Bank Limited		100,000,000	-
		1,317,177,204	194,379,677

5.2 Outside Bangladesh

Mashreq Bank NY
Standard Chartered Bank NY
Commerz Bank Frankfurt
Bank of China
Bank of Ceylon, Srilanka
Standard Chartered Bank Kolkata
United Bank Ltd, Pakistan
State Bank of India
ICICI Bank Mumbai
Himalayan Bank, Nepal
Commerz Bank Frankfurt
Westpac Banking Corporation, Sydney
Mashreqbank psc, London
Bank of Tokyo Mitsubishi Ltd
Habib Bank AG Zurich Switzerland
National Commercial Bank, Ksa
AB Bank Ltd, Mumbai
Bank Al Jazira
Habib american Bank, NY
Mashreq Bank PSC, Mumbai
UBI BANCA
Off-shore Banking Unit

Less: Inter Company Transaction

5.3 Maturity grouping of balance with other banks and financial institutions

Repayable on demand
Not more than 3 months
More than 3 months but not more than 1 year
More than 1 year but not more than 5 years
More than 5 years

5.3(a) Consolidated maturity grouping of Balance with other banks and financial institutions

Repayable on demand
Not more than 3 months
More than 3 months but not more than 1 year
More than 1 year but not more than 5 years
More than 5 years

Amount in Taka

	2018	2017
	338,108,064	180,060,937
	271,835,128	351,464,428
	30,434,461	13,043,278
	1,595,087	1,656,081
	2,054,577	414,528
	3,505,642	27,750,385
	37,495,067	23,621,986
	1,987,053	1,969,189
	27,838,122	19,476,166
	226,249	224,215
	39,318,203	3,562,023
	2,289,070	2,759,799
	21,705,968	5,523,313
	33,636,023	8,033,507
	8,493,165	5,779,222
	37,701,991	6,719,660
	870,869	3,282,685
	16,686,695	14,152,923
	73,835,512	35,902,323
	15,619,245	25,899,921
	43,310,467	24,261,712
	4,897,801,282	3,290,303,484
	5,906,347,940	4,045,861,765
	5,391,625,493	3,332,134,301
	514,722,447	713,727,464
	1,831,899,651	103,446,057
	-	804,661,084
	-	-
	-	-
	-	-
	1,831,899,651	908,107,141
	1,845,950,895	121,774,989
	-	804,661,084
	-	-
	-	-
	-	-
	1,845,950,895	926,436,073

		Amount in Taka	
		2018	2017
6	Money at call and short notice	500,000,000	-
7	Investments		
	Government (Note - 7.1)	24,169,726,080	17,040,173,917
	Others (Note - 7.2)	5,278,657,972	5,294,313,658
		29,448,384,052	22,334,487,575
7(a)	Consolidated Investment		
	Premier Bank Limited (Note - 7)	29,448,384,052	22,334,487,575
	Premier Bank Securities Limited	668,478,260	830,218,377
		30,116,862,312	23,164,705,952
7.1	Government		
	Treasury bills (Note - 7.1.1)	969,284,140	1,330,648,223
	Treasury bonds (Note - 7.1.1.1)	23,198,178,040	15,707,827,294
	Prize bonds	2,263,900	1,698,400
		24,169,726,080	17,040,173,917
7.1.1	Treasury bills		
	91 day Treasury bills	969,284,140	-
	182 day Treasury bills	-	1,330,648,223
		969,284,140	1,330,648,223
7.1.1.1	Treasury bonds		
	Bangladesh Bank Islamic Investment Bond	290,000,000	310,000,000
	2 years Bangladesh Government treasury bonds	7,355,693,505	4,119,564,793
	5 years Bangladesh Government treasury bonds	2,564,073,816	4,041,017,079
	10 years Bangladesh Government treasury bonds	4,790,556,567	3,544,180,497
	15 years Bangladesh Government treasury bonds	4,908,256,034	2,014,344,758
	20 years Bangladesh Government treasury bonds	3,289,598,118	1,678,720,167
		23,198,178,040	15,707,827,294
7.2	Others		
	In shares and bonds (quoted and unquoted)		
	Quoted		
	Investment in shares - General	3,051,860,017	3,051,860,017
		3,051,860,017	3,051,860,017
	Unquoted		
	Central Depository Bangladesh Limited	3,138,890	3,138,890
	SWIFT Membership	5,559,065	1,214,751
	Energy Prima Limited	9,500,000	9,500,000
	Lanka Bangla Securities Limited	5,000,000	5,000,000
	Bangladesh fixed Income special purpose vehicle	2,000,000,000	2,000,000,000
	Runner Automobiles Ltd	183,600,000	183,600,000
	Corporate Bond	20,000,000	40,000,000
		2,226,797,955	2,242,453,641
		5,278,657,972	5,294,313,658
Details of investment in share are shown in Annexure - H			
7.2(a)	Consolidated Others Investment		
	Premier Bank Limited (Note - 7.2)	5,278,657,972	5,294,313,658
	Premier Bank Securities Limited	668,478,260	830,218,377
		5,947,136,232	6,124,532,035

		Amount in Taka	
		2018	2017
7.3	Investments classified as per Bangladesh Bank circular		
	Held for trading (HFT)	2,300,313,797	1,639,558,656
	Held to maturity (HTM)	21,577,148,383	15,088,916,861
	Other securities	5,570,921,872	5,606,012,058
		29,448,384,052	22,334,487,575
7.4	Maturity grouping of Investment		
	Not more than 1 month	2,967,900,000	1,510,100,000
	Not more than 3 months	90,500,000	1,868,387,575
	More than 3 months but not more than 1 year	5,177,784,052	4,641,100,000
	More than 1 year but not more than 5 years	8,154,000,000	5,961,300,000
	More than 5 years	13,058,200,000	8,353,600,000
		29,448,384,052	22,334,487,575
7.4(a)	Consolidated Maturity grouping of Investment		
	Not more than 1 month	2,967,900,000	1,510,100,000
	Not more than 3 months	90,500,000	1,868,387,575
	More than 3 months but not more than 1 year	5,177,784,052	4,641,100,000
	More than 1 year but not more than 5 years	8,154,000,000	5,961,300,000
	More than 5 years	13,726,678,260	9,183,818,377
		30,116,862,312	23,164,705,952
8	Loans, advances and lease/investments	156,960,037,516	135,891,061,280
8(a)	Consolidated Loans, advances and lease/investments		
	Premier Bank Limited (Note - 8.1.1)	144,884,702,050	126,448,259,509
	Premier Bank Securities Ltd.	2,977,800,315	2,596,484,683
		147,862,502,365	129,044,744,192
	Less: Inter Company Transaction	804,927,051	759,438,926
		147,057,575,314	128,285,305,266
	Consolidated bills purchased and discounted		
	Premier Bank Limited (Note - 8.1.2)	12,075,335,466	9,442,801,771
	Premier Bank Securities Ltd.	-	-
		12,075,335,466	9,442,801,771
		159,132,910,780	137,728,107,037
8.1	Breakup of Loans, advances and lease/investments		
	Loans, cash credits, overdrafts, etc. (Note 8.1.1)	144,884,702,050	126,448,259,509
	Bills purchased and discounted (Note 8.1.2)	12,075,335,466	9,442,801,771
		156,960,037,516	135,891,061,280
8.1.1	Broad category-wise breakup of Loans, cash credits, overdrafts, etc.		
	In Bangladesh		
	Loans	86,400,208,797	74,303,419,056
	Overdrafts	38,306,629,749	33,331,832,546
	Cash credits	18,955,051,868	17,521,295,883
		143,661,890,414	125,156,547,485
	Outside Bangladesh		
	Loans	-	-
	Overdrafts	-	-
	Cash credits	-	-
	Off-shore Banking Units	1,222,811,636	1,291,712,024
		1,222,811,636	1,291,712,024
		144,884,702,050	126,448,259,509

		Amount in Taka	
		2018	2017
8.1.1.1	Maturity grouping Loans, cash credits, overdrafts, etc.		
	Repayable on demand	29,995,734,070	27,886,958,635
	Not more than 3 months	23,601,000,000	18,074,057,869
	More than 3 months but not more than 1 year	17,614,160,831	20,942,588,744
	More than 1 year but not more than 5 years	36,936,500,000	32,347,700,000
	More than 5 years	36,737,307,149	31,835,761,282
		144,884,702,050	131,087,066,530
8.1.2	Bills purchased and discounted		
	In Bangladesh	3,166,535,910	3,224,200,452
	Outside Bangladesh	5,516,400,069	3,336,419,678
	Off-shore Banking Units	3,392,399,487	2,882,181,641
		12,075,335,466	9,442,801,771
8.1.2.1	Maturity grouping of bills purchased & discounted		
	Payable within 1 month	681,574,392	1,510,359,285
	Over 1 month but below 3 months	1,706,038,656	1,413,956,062
	Over 3 months but below 6 months	849,583,249	1,474,028,719
	6 months or over	8,838,139,169	5,044,457,705
		12,075,335,466	9,442,801,771
8.1.3(a)	Consolidated Maturity grouping of Loans, advances and lease/investments		
	Repayable on demand	32,850,181,726	31,234,363,677
	Not more than 3 months	25,307,038,656	19,488,013,931
	More than 3 months but not more than 1 year	27,301,883,249	22,822,268,147
	More than 1 year but not more than 5 years	36,936,500,000	32,347,700,000
	More than 5 years	36,737,307,149	31,835,761,282
		159,132,910,780	137,728,107,037
8.2	Industry wise concentration of Loans & Advances including bills purchased & discounted		
	Advances to allied concerns of directors	122,552,388	132,686,106
	Advances to chief executives and senior executives	56,533,421	112,534,000
	Loans & Advances to industries		
	Textile & RMG industries	36,820,680,585	24,958,500,000
	Cement and ceramic industries	1,875,805,416	1,852,700,000
	Food and allied industries	4,737,434,534	3,806,800,000
	Transport and communication industries	1,396,082,265	1,681,600,000
	Iron and steel industries	3,706,125,962	4,290,800,000
	Other industries	36,174,392,731	38,573,275,174
		84,710,521,493	75,163,675,174
	Loans & Advances to other customer groups		
	Commercial lending	31,996,439,671	25,932,100,000
	Export financing	5,817,224,274	10,742,000,000
	House building	3,055,566,588	7,653,800,000
	Consumer credit	6,660,721,384	4,868,900,000
	Small and medium enterprises	14,722,145,510	8,800,600,000
	Other staff loan	416,043,002	351,566,000
	Other customers	9,402,289,785	2,133,200,000
		72,070,430,214	60,482,166,000
		156,960,037,516	135,891,061,280

		Amount in Taka	
		2018	2017
8.2 (a)	Consolidated Industry wise concentration of Loans & Advances including bills purchased & discounted		
	Advances to allied concerns of directors	122,552,388	132,686,106
	Advances to chief executives and senior executives	56,533,421	112,534,000
	Loans & Advances to industries		
	Textile & RMG industries	36,820,680,585	24,958,500,000
	Cement and ceramic industries	1,875,805,416	1,852,700,000
	Food and allied industries	4,737,434,534	3,806,800,000
	Transport and communication industries	2,027,113,010	2,312,630,745
	Iron and steel industries	3,706,125,962	4,290,800,000
	Other industries	36,174,392,731	38,573,275,174
		85,341,552,238	75,794,705,919
	Loans & Advances to other customer groups		
	Commercial lending	31,996,439,671	25,932,100,000
	Export financing	5,817,224,274	10,742,000,000
	House building	3,055,566,588	7,653,800,000
	Consumer credit	6,660,721,384	4,868,900,000
	Small and medium enterprises	14,722,145,510	8,800,600,000
	Other staff loan	416,043,002	351,566,000
	Other customers	10,944,132,304	3,339,215,012
		73,612,272,733	61,688,181,012
		159,132,910,780	137,728,107,037
8.3	Geographical location-wise (division) distribution of Loans, advances and lease/investments In Bangladesh		
	Urban		
	Dhaka Division	129,509,204,064	109,507,803,607
	Chittagong Division	15,509,263,500	15,173,264,803
	Khulna Division	1,400,561,537	1,333,945,831
	Sylhet Division	459,903,975	357,954,234
	Rajshahi Division	1,793,859,838	1,599,628,404
	Barisal Division	320,837,742	226,187,806
	Rangpur Division	317,006,892	317,471,659
		149,310,637,548	128,516,256,344
	Rural		
	Dhaka Division	5,970,103,113	5,696,763,335
	Chittagong Division	1,653,503,121	1,668,579,440
	Rajshahi Division	25,793,734	9,462,161
		7,649,399,968	7,374,804,936
		156,960,037,516	135,891,061,280
8.3 (a)	Consolidated Geographical location-wise (division) distribution of Loans, advances and lease/investments In Bangladesh		
	Urban		
	Dhaka Division	131,682,077,328	111,344,849,364
	Chittagong Division	15,509,263,500	15,173,264,803
	Khulna Division	1,400,561,537	1,333,945,831
	Sylhet Division	459,903,975	357,954,234
	Rajshahi Division	1,793,859,838	1,599,628,404
	Barisal Division	320,837,742	226,187,806
	Rangpur Division	317,006,892	317,471,659
		151,483,510,812	130,353,302,101
	Rural		
	Dhaka Division	5,970,103,113	5,696,763,335
	Chittagong Division	1,653,503,121	1,668,579,440
	Rajshahi Division	25,793,734	9,462,161
		7,649,399,968	7,374,804,936
		159,132,910,780	137,728,107,037

		Amount in Taka	
		2018	2017
(v)	Loans due by directors or officers of the Bank or any of them either separately or jointly with any other persons;	595,128,811	596,786,106
(vi)	Loans due from companies or firms in which the directors of the Bank are interested as directors, partners or managing agents or in case of private companies, as members;	122,552,388	132,686,106
(vii)	Maximum total amount of advances, including temporary advances made any time during the year to directors or managers or officers of the Bank or any of them either separately or jointly with any other persons;	595,128,811	596,786,106
(viii)	Maximum total amount of advances, including temporary advances granted during the year to companies or firms in which the directors of the Bank are interested as directors, partners or managing agents or, in case of private companies, as members;	122,552,388	132,686,106
(ix)	Due from banking companies;	-	-
(x)	Amount of classified loans on which interest has not been charged	6,266,984,000	6,376,639,000
	(a) Increase/decrease of provision (specific)		
	Amount of loan written off	656,146,506	516,671,659
	Amount realised against loan previously written off	2,318,468	3,140,056
	(b) Provision kept against loans classified as bad /loss on the date of preparing Balance Sheet"	2,886,219,745	2,537,345,277
	(c) Interest charged in interest suspense account	859,940,340	1,113,244,772
(xi)	Written off loan		
	Opening balance	2,230,682,309	1,714,010,650
	During the year	656,146,506	516,671,659
	Closing balance	2,886,828,815	2,230,682,309
8.7	Details of pledged collaterals received against Loans, advances and lease/investments		
	Collateral of movable/immovable assets	87,814,563,470	69,192,715,599
	Local banks and financial institutions guarantee	2,286,016,352	2,300,163,127
	Government guarantee	-	-
	Foreign Banks guarantee	-	-
	Export documents	9,781,560,501	9,557,694,310
	Fixed deposit receipts	5,335,504,381	6,586,200,000
	Personal guarantee	51,742,392,812	48,254,288,244
		156,960,037,516	135,891,061,280
8.7(a)	Consolidated details of pledged collaterals received against Loans, advances and lease/investments		
	Collateral of movable/immovable assets	89,987,436,734	71,029,761,356
	Local banks and financial institutions guarantee	2,286,016,352	2,300,163,127
	Government guarantee	-	-
	Foreign Banks guarantee	-	-
	Export documents	9,781,560,501	9,557,694,310
	Fixed deposit receipts	5,335,504,381	6,586,200,000
	Personal guarantee	51,742,392,812	48,254,288,244
		159,132,910,780	137,728,107,037
9	Fixed assets including premises, furniture and fixtures	2,336,827,990	2,370,517,478
	Details are shown in Annexure - B.		

		Amount in Taka	
		2018	2017
9.1	Fixed assets including premises, furniture & fixture at cost		
	Cost		
	Land and Building	1,383,543,311	1,383,543,311
	Furniture and fixtures	1,316,088,378	1,253,955,315
	Equipment and computers	1,037,889,740	942,493,209
	Vehicles	99,612,164	98,329,897
		3,837,133,593	3,678,321,733
	Less: Accumulated depreciation (details are in Annexure - B)	(1,500,305,603)	(1,307,804,255)
	Net book value at the end of the year	2,336,827,990	2,370,517,478
9(a)	Consolidated fixed assets including premises, furniture and fixtures		
	Premier Bank Limited (Note - 9)	2,336,827,990	2,370,517,478
	Premier Bank Securities Limited	2,586,991	2,960,152
		2,339,414,981	2,373,477,630
	Details are shown in Annexure - A.		
10	Other assets		
	Income generating assets	2,519,980,000	2,529,980,000
	Non-income generating assets	8,862,629,191	6,804,058,068
		11,382,609,191	9,334,038,068
10(a)	Consolidated other assets		
	Premier Bank Limited (Note - 10)	11,382,609,191	9,334,038,068
	Premier Bank Securities Limited	338,513,206	202,020,678
		11,721,122,397	9,536,058,746
	Less: intercompany adjustment		
	Investment in Premier Bank Securities Ltd.	2,499,980,000	2,499,980,000
	Investment in Premier Money Transfer Company (UK) Ltd.	20,000,000	30,000,000
		9,201,142,397	7,006,078,746
10.1	Breakup of other assets:		
	Adjusting account	1,879,170,862	1,181,596,450
	Advance office rent and maintenance	1,610,408,410	1,893,808,888
	Head office general account	1,196,702,873	1,007,351,921
	Investment in share of subsidiary Companies (Note- 10.1.1)	2,519,980,000	2,529,980,000
	Stationery, stamps, printing materials, etc.	32,941,942	28,866,644
	Protested bills	17,133,370	14,833,401
	Receivable on Sanchaya Patras (from Bangladesh Bank)	158,152,877	93,133,447
	Security deposits	3,022,153	2,884,117
	Off-shore Banking Units	7,654,099	7,587,941
	Others (Note - 10.1.2)	3,957,442,605	2,573,995,259
		11,382,609,191	9,334,038,068
10.1.1	Investment in share of subsidiary Companies		
	Premier Bank Securities Limited	2,499,980,000	2,499,980,000
	Premier money transfer co. Limited, UK	20,000,000	30,000,000
		2,519,980,000	2,529,980,000

10.1.2 Others

Sundry debtors
Prepaid expenses
Advance against petty cash
Advance against suits/ cases
Deferred tax asset (Note-10.1.2.1)
Advance against proposed branch
Cash remittance
Advance payment for remittance
Advance against margin for bank guarantee
Advance for card operations
Advance against postage
Advance against TA/DA
Other sundry debtors
Receivable A/C for POS & ATM
DD paid without advice

Amount in Taka

	2018	2017
1,443,507,193		1,261,586,601
1,344,136,602		267,239,546
558,728		517,813
66,275,540		58,210,469
916,287,832		803,931,077
41,261,340		22,267,745
40,873,780		18,150,280
27,000,000		24,000,000
64,970,560		105,059,700
3,540,063		-
3,000		5,000
752,417		482,150
3,000		3,000
8,271,550		12,540,878
1,000		1,000
3,957,442,605		2,573,995,259

10.1.2.1 Deferred tax asset

(a) Deferred tax asset

Provision for classified loans and advances
Provision for gratuity
Total provision
Tax base of provision
Total Temporary difference
Effective tax rate @ 37.5%
Closing balance of deferred tax asset
Opening balance of deferred tax asset
Deferred tax income

2,886,219,745	2,537,345,277
246,407,532	96,407,532
3,132,627,277	2,633,752,809
-	-
3,132,627,277	2,633,752,809
-	-
1,174,735,229	1,053,501,124
1,053,501,124	815,534,591
121,234,105	237,966,533

(b) Deferred tax liability

Opening balance
add: Provision made during the year
Closing balance

249,570,047	224,976,178
8,877,350	24,593,869
258,447,397	249,570,047

Net Deferred tax Income(expense)
Net deferred tax assets (a-b)

112,356,755	213,372,664
916,287,832	803,931,077

(c) Deferred tax income included with retained earnings

Opening balance
Add: Addition during the year
Closing balance

963,879,391	750,506,727
112,356,755	213,372,664
1,076,236,146	963,879,391

Note : Pursuant to BRPD circular No. 11, dated 12 December 2011, the bank /group is restricted from declaring dividend on deferred tax income arising on deferred tax assets from Classified Loans & Advances.

10.2 Head Office General account

Head Office general account represents outstanding inter Branch and Head Office transactions originated before but remaining un-reconciled as at 31 December 2018.

Aging of outstanding transactions	Number of unresponded entries		Number of unresponded entries (Amount in Taka)	
	Debit	Credit	Debit	Credit
Up to 3 months	273	248	812,065,000	96,579,000
Over 3 months but within 6 months	146	32	410,220,000	40,574,000
Over 6 months	195	32	129,032,000	18,461,000
Total	614	312	1,351,317,000	155,614,000

		Amount in Taka	
		2018	2017
11	Borrowings from other banks, financial institutions and agents		
	In Bangladesh (Note - 11.1)	14,732,813,833	15,084,474,001
	Outside Bangladesh	-	-
		14,732,813,833	15,084,474,001
11(a)	Consolidated Borrowings from other banks, financial institutions and agents		
	Premier Bank Limited (Note - 11)	14,732,813,833	15,084,474,001
	Premier Bank Securities Limited	804,927,051	759,438,926
		15,537,740,884	15,843,912,927
	Less: Inter Company Transaction	804,927,051	759,438,926
		14,732,813,833	15,084,474,001
11.1	In Bangladesh		
	Bangladesh Bank (Refinance facility under Islamic Banking)	8,000,000,000	9,000,000,000
	FC Placement borrowing from other Banks	1,751,925,000	242,175,000
	Borrowing from other Banks	-	3,130,000,000
	Bangladesh Bank (Refinance facility under SME)	100,019,646	14,925,896
	Bangladesh Bank (EDF)	4,869,998,163	2,691,935,314
	Bangladesh Bank Refinance Under 10/-TK Account Holder	7,542,500	1,390,000
	Bangladesh Bank (Refinance facility under HBL)	2,246,193	2,292,434
	Bangladesh Bank (Refinance facility under Women Enterprise)	1,082,331	1,755,357
		14,732,813,833	15,084,474,001
11.2	Analysis by security		
	Secured	14,732,813,833	15,084,474,001
	Unsecured	-	-
		14,732,813,833	15,084,474,001
11.3	Repayment pattern		
	Repayable on demand	-	-
	Repayable on maturity	14,732,813,833	15,084,474,001
		14,732,813,833	15,084,474,001
12	Non-convertible Subordinated Bond	9,000,000,000	7,000,000,000
12.1	Premier Bank Non-convertible Subordinated Bond (1st Issue)		
	Sonali Bank Limited	500,000,000	500,000,000
	Investment Corporation of Bangladesh	250,000,000	250,000,000
	ICB Unit Fund	250,000,000	250,000,000
	1st Janata Bank Mutual Fund	-	10,000,000
	Popular Life First Mutual Fund	230,000,000	120,000,000
	PHP First Mutual Fund	40,000,000	120,000,000
	EBL NRB Mutual Fund	50,000,000	50,000,000
	First Bangladesh Fixed Income Fund	-	150,000,000
	Multi Securities & Services Limited	680,000,000	550,000,000
		2,000,000,000	2,000,000,000
	Premier Bank Non-convertible Subordinated Bond (2nd Issue)(Tranche-1)		
	Sonali Bank Limited	300,000,000	300,000,000
	Bank Asia Limited	200,000,000	200,000,000
	First Bangladesh Fixed Income Fund	230,000,000	300,000,000
	EXIM Bank 1st Mutual Fund	-	50,000,000
	PHP First Mutual Fund	120,000,000	-
	AB Bank 1st Mutual Fund	150,000,000	150,000,000
		1,000,000,000	1,000,000,000

		Amount in Taka	
		2018	2017
Premier Bank Non-convertible Subordinated Bond (2nd Issue)(Tranche-2)			
EBL 1ST Mutual Fund	-	40,000,000	
Trust Bank 1st Mutual Fund	30,000,000	30,000,000	
IFIC Bank 1st Mutual Fund	10,000,000	10,000,000	
1st Janata Bank Mutual Fund	30,000,000	30,000,000	
Popular Life 1st Mutual Fund	30,000,000	30,000,000	
PHP 1st Mutual Fund	10,000,000	10,000,000	
EBL NRB Mutual Fund	50,000,000	50,000,000	
Bank Asia Limited	300,000,000	300,000,000	
First Bangladesh Fixed Income Fund	40,000,000		
Sonali Bank Limited	500,000,000	500,000,000	
	1,000,000,000	1,000,000,000	
Premier Bank Non-convertible Subordinated Bond (3rd Issue)(Tranche-1)			
Trust Bank 1st Mutual Fund	290,000,000	270,000,000	
IFIC Bank 1st Mutual Fund	150,000,000	190,000,000	
1st Janata Mutual Fund	100,000,000	100,000,000	
PHP 1st Mutual Fund	130,000,000	120,000,000	
Popular Life 1st Mutual Fund	460,000,000	250,000,000	
EBL NRB Mutual Fund	300,000,000	190,000,000	
AB Bank 1st Mutual Fund	310,000,000	100,000,000	
First Bangladesh Fixed Income Fund	-	730,000,000	
EXIM Bank 1st Mutual Fund	260,000,000	50,000,000	
	2,000,000,000	2,000,000,000	
Premier Bank Non-convertible Subordinated Bond (3rd Issue)(Tranche-2)			
Agrani Bank Limited	200,000,000	200,000,000	
First Bangladesh Fixed Income Fund	370,000,000	170,000,000	
1st Janata Mutual Fund	150,000,000	150,000,000	
AB Bank 1st Mutual Fund	120,000,000	120,000,000	
EXIM Bank 1st Mutual Fund	-	100,000,000	
PHP 1st Mutual Fund	100,000,000	100,000,000	
EBL First Mutual Fund	-	100,000,000	
Trust Bank 1st Mutual Fund	30,000,000	30,000,000	
IFIC Bank 1st Mutual Fund	30,000,000	30,000,000	
	1,000,000,000	1,000,000,000	
Premier Bank Non-convertible Subordinated Bond (3rd Issue)(Tranche-3)			
Jananta Bank Limited	1,000,000,000	-	
Rupali Bank Limited	1,000,000,000	-	
	2,000,000,000	-	
13 Deposits and other accounts			
Inter-bank deposits (Note - 13.1)	10,899,491,913	5,666,868,589	
Other deposits (Note - 13.2)	158,540,284,123	135,023,605,859	
	169,439,776,036	140,690,474,448	
13(a) Consolidated deposits and other accounts			
Premier Bank Limited (Note - 13)	169,439,776,036	140,690,474,448	
Premier Bank Securities Ltd.	148,455,245	331,274,666	
	169,588,231,281	141,021,749,114	
Less: Inter Company transaction	89,812,418	377,695,434	
	169,498,418,863	140,644,053,680	

		Amount in Taka	
		2018	2017
13.1	Inter-bank deposits		
	Fixed Deposits		
	Sonali Bank Ltd.	-	1,150,000,000
	Agrani Bank Ltd.	3,006,350,000	1,500,000,000
	Bangladesh Development Bank Ltd	10,123,000	-
	Janata Bank Ltd	1,400,000,000	500,000,000
	Bank Asia Limited	500,000,000	-
	Uttara Bank Ltd	500,000,000	-
	Modhumoti Bank Limited	-	300,000,000
	AB Bank Limited	-	200,000,000
	Rupali Bank Limited	3,000,000,000	1,000,000,000
	Pubali Bank Limited	-	250,000,000
	Islami Bank Bangladesh Limited	1,513,450,000	500,000,000
	Probashi Kallyan Bank	216,823,121	-
	Shimanto Bank Limited	200,000,000	-
	NCC Bank Limited	500,000,000	-
	Eastern Bank Limited	-	260,000,000
		10,846,746,121	5,660,000,000
	Special Notice Deposits		
	Meghna Bank Limited	-	6,156,584
	Basic Bank Ltd.	9,165	10,090
	Exim Bank Ltd.	75,251	74,739
	AB Bank Limited	1,887,549	-
	The Farmers Bank Limited	4,088	5,127
		1,976,053	6,246,540
	Current Deposits		
	The Farmers Bank Limited	49,985,909	-
	Trust Bank Ltd.	210,602	123,147
	Midland Bank Ltd.	573,228	498,902
		50,769,739	622,049
		10,899,491,913	5,666,868,589
13.1.1	Maturity analysis of inter-bank deposits		
	Repayable on demand	50,769,739	622,049
	Repayable within 1 month	1,501,976,053	2,856,246,540
	Over 1 month but within 3 months	2,500,000,000	2,810,000,000
	Over 3 months but within 1 year	6,846,746,121	-
	Over 1 year but within 5 years	-	-
	Over 5 years but within 10 years	-	-
	Unclaimed deposits for 10 years or more	-	-
		10,899,491,913	5,666,868,589
13.2	Other deposits		
	Savings bank deposits	10,055,469,821	9,082,720,699
	Fixed deposits:		
	One month	2,168,777,891	1,891,200,704
	Three months	26,540,010,296	39,380,913,681
	Four months	8,882,633,490	-
	Six months	18,459,321,887	11,320,908,671
	One year	36,607,930,567	27,835,814,085
	Two years	568,889,601	59,284,852
	Three years but not more than five years	66,616,653	84,946,813
		93,294,180,385	80,573,068,806

		Amount in Taka	
		2018	2017
Others:			
Current account		8,271,872,518	8,491,547,780
Special -notice deposits		11,652,323,433	11,334,981,926
Staff security deposits		6,941,791	6,254,450
Deposit in foreign currency		2,424,042,720	2,091,183,053
Monthly savings scheme		5,158,768,701	3,886,477,398
Monthly income account		4,661,819,029	2,529,522,692
Education savings scheme		664,530	563,030
Special deposit scheme		248,347,457	51,534,502
Double benefit scheme		8,836,131,478	4,218,721,798
Mudaraba Hajj deposit		1,892,983	1,436,226
Off-shore Banking Unit		4,758,653,216	4,108,454,263
Sundry deposits (Note - 13.3)		11,182,618,966	9,886,057,878
		57,204,076,822	46,606,734,996
Less: Inter Company transaction		5,391,625,493	3,332,134,301
		51,812,451,329	43,274,600,695
Bills payable (Note - 13.4)		3,378,182,588	2,093,215,659
		158,540,284,123	135,023,605,859
13.2.1 Maturity analysis of other deposits			
Repayable on demand		26,161,709,076	23,379,449,233
Repayable within 1 month		16,823,077,377	16,082,429,170
Over 1 month but within 3 months		35,690,487,833	47,646,189,517
Over 3 months but within 1 year		69,809,031,338	43,043,200,154
Over 1 year but within 5 years		635,506,254	144,231,665
Over 5 years but within 10 years		9,420,472,245	4,728,106,120
		158,540,284,123	135,023,605,859
13.3 Sundry deposits			
Sundry creditors		119,549,716	74,057,210
Margin on letter of credit		1,934,574,554	1,551,458,248
Margin on letter of guarantee		2,088,777,349	1,033,731,595
Sanchaya Patra		341,909,414	68,467,910
Interest/Profit payable on deposit		1,955,687,668	1,322,168,383
Income tax deducted at source		399,291,909	382,901,081
VAT payable to government		251,300,997	267,720,203
Margin on foreign documentary bill purchases		2,580,355	2,580,355
Other sundry deposits		4,088,947,004	5,182,972,893
		11,182,618,966	9,886,057,878
Note: Our Tax and VAT adviser, M/S Zia & Associates advised us vide a letter dated March 11, 2011 not to deduct VAT on office rent and pay at source in view of VAT Act 1991 section 3(1). Subsequently a writ petition was submitted before the honourable High Court. On the basis of this advice, the Bank has not deposited any VAT on Rent collected from the Branches till to date.			
Honourable High Court issued a rule directing the Govt as to why SRO Nos. 202-Ain/2010/551-Mushok, dated 10/05/2010 and 105-Ain/2009/513-Musak, dated 11.06.2009 should not be declared to have been issued without lawful authority and are of no legal effect as being ultravires to the provisions of section 3(1) and Second Schedule of the Value Added Tax Act, 1991. The matter is under adjudication and the outcome is uncertain.			
13.4 Bills payable			
Inside Bangladesh		3,378,182,588	2,093,215,659
Outside Bangladesh		-	-
		3,378,182,588	2,093,215,659

		Amount in Taka	
		2018	2017
14	Other liabilities		
	Provision against loans and advances (Note - 14.1)	3,757,814,301	2,981,552,833
	Provision for gratuity (Note - 14.2)	246,407,532	96,407,532
	Provision for off-balance sheet items (Note - 14.3)	445,438,830	245,438,830
	Other provision (Note - 14.4)	943,039,038	451,218,565
	Provision for corporate taxation (Note - 14.5)	1,126,303,469	1,024,270,722
	Interest suspense account (Note - 14.6)	859,940,340	1,113,244,772
	Adjusting account	250,048,210	366,833,981
	Credit card	5,001,265	13,542,975
	Investment compensation	4,768,806	3,515,374
	BEFT settlement Account	5,621,629	3,276,327
	LDBD Exchange Risk Premium	5,890	-
	Off-shore Banking Unit	36,430,132	28,180,589
		7,680,819,442	6,327,482,500

*The Bank has maintained an accumulated provision of Tk. 288.62 crore, Tk. 87.16 crore, Tk. 24.64 crore, Tk. 44.54 crore, Tk. 2.58 crore against classified and unclassified loans & advances, gratuity, off- Balance Sheet exposure, other assets respectively against provision requirements of Tk. 288.62 crore, Tk. 120.57 crore, Tk. 35.22 crore, Tk. 97.50 crore and Tk. 14.76 crore in line with the letter [Ref. No. DBI-1/118/2019-606 dated 21 March 2019] issued by Bangladesh Bank.

14(a)	Consolidated other liabilities		
	Premier Bank Limited (Note - 14)	7,680,819,442	6,327,482,500
	Premier Bank Securities Ltd.	480,868,654	322,022,797
		8,161,688,096	6,649,505,297
	Less: intercompany adjustment	-	-
		8,161,688,096	6,649,505,297
14.1	Accumulated provision against loans and advances		
	<u>On classified loans</u>		
	Opening balance	2,537,345,277	1,962,428,946
	Less : Fully provided debts written off during the year	654,236,527	468,223,725
	Add : Recovery of amounts previously written off	2,318,468	3,140,056
	Add : Specific provision made during the year	1,000,792,527	1,040,000,000
	Closing balance	2,886,219,745	2,537,345,277
	<u>On unclassified loans</u>		
	Opening balance	444,207,556	424,207,556
	Less : Release for the year	-	-
	Add : Provision made during the year	427,387,000	20,000,000
	Closing balance	871,594,556	444,207,556
	Total closing balance	3,757,814,301	2,981,552,833
14.2	Provision for gratuity		
	Opening balance	96,407,532	76,407,532
	Add: Provision made during the year	150,000,000	20,000,000
	Less: Adjustment during the year	-	-
	Closing balance	246,407,532	96,407,532
14.3	Provision for off-balance sheet items		
	Opening balance	245,438,830	235,438,830
	Add: Provision made during the year	200,000,000	10,000,000
	Less: Adjustment during the year	-	-
	Closing balance	445,438,830	245,438,830

		Amount in Taka	
		2018	2017
14.4 Other provisions			
Provision for protested bills (Note - 14.4.1)		16,888,341	14,833,401
Provision for suspense account (Note - 14.4.2)		8,885,164	8,885,164
Provision for investment on shares (Note - 14.4.3)		912,265,533	422,500,000
Provision for good borrowers (Note - 14.4.4)		5,000,000	5,000,000
		943,039,038	451,218,565
14.4.1 Provision for protested bills			
Opening balance		14,833,401	12,870,000
Add: Provision made during the year		2,054,940	1,963,401
Less: Adjustment during the year		-	-
Closing balance		16,888,341	14,833,401
14.4.2 Provision for suspense account			
Opening balance		8,885,164	5,848,565
Add: Provision made during the year		-	3,036,599
Less: Adjustment during the year		-	-
Closing balance		8,885,164	8,885,164
14.4.3 Provision for investment in shares			
Opening balance		422,500,000	392,500,000
Add: Provision made during the year		489,765,533	30,000,000
Less: Adjustment during the year		-	-
Closing balance		912,265,533	422,500,000
14.4.4 Provision for good borrowers			
Opening balance		5,000,000	5,000,000
Add: Provision made during the year		-	-
Less: Adjustment during the year		-	-
Closing balance		5,000,000	5,000,000
14.5 Provision for corporate taxation			
Opening balance		1,024,270,722	629,840,591
Add: Provision made during the year		1,650,000,000	1,500,000,000
Less: Adjustment during the year		1,547,967,253	1,105,569,869
Closing balance		1,126,303,469	1,024,270,722
Note: Up to the assessment year 2011-2012 there is a difference of Tk. 33 Crore between the tax claimed and the tax paid thereon. Cases are pending with the Tribunal and Honourable High Court. The Bank has not made any provision in this regard since the matter is under adjudication and outcome is uncertain. Please refer to Annexure - D for more details.			
14.5 (a) Consolidated Provision for taxation			
Premier Bank Limited (Note - 14.5)		1,126,303,469	1,024,270,722
Premier Bank Securities Limited		57,124,097	49,725,028
		1,183,427,566	1,073,995,750
14.5 (aa) Consolidated Provision for taxation			
Premier Bank Limited (Note - 14.5)		1,650,000,000	1,500,000,000
Premier Bank Securities Limited		12,873,069	13,976,371
		1,662,873,069	1,513,976,371

		Amount in Taka	
		2018	2017
14.5 (aaa) Consolidated Tax Adjustment During the year			
Premier Bank Limited	1,547,967,253	1,105,569,869	
Premier Bank Securities Limited	5,474,000	-	
	1,553,441,253	1,105,569,869	
14.6 Interest suspense account			
Opening balance	1,113,244,772	2,234,224,608	
Add: Transfer during the year	550,940,279	319,122,354	
Less: Recovery during the year	802,334,732	1,391,654,256	
Less: Write off during the year	1,909,979	48,447,934	
Closing balance	859,940,340	1,113,244,772	
15 Share Capital	8,000,810,980	6,957,226,940	
15.1 Authorised Capital			
1000,000,000 ordinary shares of Taka 10 each	10,000,000,000	10,000,000,000	
15.2 Issued, subscribed and paid-up capital			
Issued for cash			
Directors and sponsors: 48,650,355 ordinary share of Taka 10 each	486,503,550	486,503,550	
	486,503,550	486,503,550	
Issued for other than cash as bonus shares			
Directors and sponsors: 309,205,404 bonus shares of Taka 10 each	3,092,054,040	2,745,335,130	
	3,092,054,040	2,745,335,130	
No. of shares owned by other than Directors & Sponsors (General shareholders)			
442,225,339 ordinary shares of Taka 10 each	4,422,253,390	3,725,388,260	
	8,000,810,980	6,957,226,940	

15.3 Percentage of shareholding

Particulars	31.12.2018		31.12.2017	
	No. of shares	% of share holding	No. of shares	% of share holding
(i) Sponsors & Directors				
Local (individual)	257,793,899	32.22	210,253,444	30.22
Govt. of Bangladesh	-	-	-	-
Foreign (individual)	24,026,414	3.00	20,892,534	3.00
Independent Director (individual)	-	-	-	-
(ii) Associated companies	-	-	-	-
(iii) Govt. of Bangladesh	-	-	-	-
(iv) Corporate bodies				
Local	148,762,041	18.59	113,629,183	16.33
Foreign	-	-	-	-
(v) General investors				
Local (individual)	368,301,775	46.03	349,743,331	50.27
Non-resident Bangladeshis	1,196,969	0.15	1,204,202	0.17
Foreign individual	-	-	-	-
(vi) Others	-	-	-	-
Total	800,081,098	100.00	695,722,694	100.00

Amount in Taka

2018

2017

15.4 Names of the directors/sponsor shareholders and their shareholdings as on 31 December 2018

SL. NO.	Name of the Director/Shareholder	Status	Shareholding (Number of shares)	
			31.12.2018	31.12.2017
1	Dr. H. B. M. Iqbal	Chairman	30,794,522	26,777,846
2	Mr. Moin Iqbal	Vice Chairman	16,002,444	N/A
3	Mr. Mohammad Imran Iqbal	Director	16,002,378	13,915,112
4	Mr. B. H. Haroon, MP	Director	16,006,061	13,918,315
5	Mr. Abdus Salam Murshedy, MP	Director	33,691,742	29,297,167
6	Mr. Shafiqur Rahman	Director	16,008,686	13,920,597
7	Mr. Jamal G Ahmed	Director	40,003,992	34,786,080
8	Mr. Shah Md. Nahyan Haroon	Director	16,006,263	13,918,490
9	Mrs. Shaila Shelley Khan	Director	39,990,706	34,774,527
10	Mr. Yeh Cheng Min	Director	24,026,414	20,892,534
11	Mrs Faiza Rahman	Independent Director	-	-
12	Mr. Chowdhury Jafarullah Sharafat	Independent Director	-	-
13	Dr. Arifur Rahman	Sponsor Shareholder	27,721,787	24,105,902
14	Mr. Nurul Amin	Sponsor Shareholder	5,565,318	4,839,408
Sub-total			281,820,313	231,145,978
No. of shares owned by other than Directors & Sponsors (General shareholders)			518,260,785	464,576,716
Total			800,081,098	695,722,694

15.5 Classification of shareholders by holding as on 31 December 2018

Shareholding Range	No. of Shareholders	No. of Shares	Percentage of share holding
01 - 500	14,837	2,539,324	0.32%
501 - 5000	26,505	49,701,288	6.21%
5,001 - 10,000	3,725	26,277,598	3.28%
10,001 - 20,000	2,052	28,606,021	3.58%
20,001 - 30,000	778	19,259,298	2.41%
30,001 - 40,000	318	11,069,141	1.38%
40,001 - 50,000	220	9,979,016	1.25%
50,001 - 100,000	417	29,590,630	3.70%
100,001 - 1,000,000	393	98,065,447	12.26%
Over 1,000,000	87	524,993,335	65.62%
Total	49,332	800,081,098	100%

15.6 Capital to risk weighted assets ratio (CRAR)

In terms of section 13(2) of Bank Companies Act 1991 and Bangladesh Bank BRPD circulars no. 18 dated 21 December 2014, Minimum Capital Requirement (MCR) of the Bank as on 31 December 2018 was Taka 1777.23 crore on solo basis and Taka 1780.02 Crore Consolidated basis against available capital of Taka 2180.92 crore on solo basis and Taka 2190.88 crore on consolidated basis thereby showing Surplus holding of Capital. Details are shown below:

15.6.1 Tier I Capital (Solo Basis)

Common Equity Tier I Capital

Paid-up capital	8,000,810,980	6,957,226,940
Statutory reserve	4,733,965,249	3,981,066,735
Retained earnings	2,459,604,493	2,029,237,721
Sub-total	15,194,380,722	12,967,531,396
Less: Regulatory adjustment (As per Basel III Guideline)	1,120,618,609	1,705,025,209
Total Common Equity Tier I Capital	14,073,762,113	11,262,506,187

Additional Tier I Capital

Total Tier I Capital (Solo Basis)	14,073,762,113	11,262,506,187
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		Amount in Taka	
		2018	2017
15.6.2 Tier II Capital (Solo Basis)			
General provision	1,317,033,386	689,646,386	
Subordinated debt (As per Basel III Guideline)	6,400,000,000	5,400,000,000	
Revaluation Reserve for Securities and Fixed Assets (As per Basel III Guideline)	92,228,325	92,228,325	
Sub-total	7,809,261,711	6,181,874,711	
Less: Regulatory adjustment (As per Basel III Guideline)	73,782,660	55,336,995	
Total Admissible Tier II Capital	7,735,479,051	6,126,537,716	
Total Regulatory Capital (Tier I & Tier II Capital) on Solo Basis			
	21,809,241,164	17,389,043,903	
(A) Total risk-weighted assets (RWA) on Solo Basis			
	177,723,313,564	143,522,757,167	
(B) Minimum capital requirement (MCR)	17,772,331,356	14,352,275,717	
(C) Capital Conservation Buffer Requirement (As per Basel III Guideline)	3,332,312,129	1,794,034,465	
(D) Minimum Required Capital plus Capital Conservation Buffer (B+C)	21,104,643,485	16,146,310,182	
(E) Actual capital maintained	21,809,241,164	17,389,043,903	
(F) Surplus/(Deficit) (E-D)	704,597,679	1,242,733,721	
Capital to risk weighted assets ratio (CRAR) on Solo Basis			
	12.27%	12.12%	
15.6.1(a) Tier I Capital (Consolidated Basis)			
Common Equity Tier I Capital			
Paid-up capital	8,000,810,980	6,957,226,940	
Statutory reserve	4,733,965,249	3,981,066,735	
Retained earnings	2,559,172,705	2,086,718,332	
Minority interest	24,920	24,583	
Sub-total	15,293,973,854	13,025,036,590	
Less: Regulatory adjustment (As per Basel III Guideline)	1,120,618,609	1,705,025,209	
Total Common Equity Tier I Capital	14,173,355,245	11,320,011,381	
Additional Tier I Capital			
	-	-	
Total Tier I Capital (Consolidated Basis)			
	14,173,355,245	11,320,011,381	
15.6.2(a) Tier II Capital (Consolidated Basis)			
General provision	1,317,033,386	689,646,386	
Subordinated debt (As per Basel III Guideline)	6,400,000,000	5,400,000,000	
Revaluation Reserve for Securities and Fixed Assets (As per Basel III Guideline)	92,228,325	92,228,325	
Sub-total	7,809,261,711	6,181,874,711	
Less: Regulatory adjustment (As per Basel III Guideline)	73,782,660	55,336,995	
Total Admissible Tier II Capital	7,735,479,051	6,126,537,716	
Total Regulatory Capital (Tier I & Tier II Capital) on Consolidated Basis			
	21,908,834,296	17,446,549,097	
(A) Total risk-weighted assets(RWA) on Consolidated Basis			
	178,001,780,507	143,852,541,200	
(B) Minimum capital requirement (MCR)	17,800,178,051	14,385,254,120	
(C) Capital Conservation Buffer Requirement (As per Basel III Guideline)	3,337,533,385	1,798,156,765	
(D) Minimum Required Capital plus Capital Conservation Buffer (B+C)	21,137,711,436	16,183,410,885	
(E) Actual capital maintained	21,908,834,296	17,446,549,097	
(F) Surplus/(Deficit) (E-D)	771,122,860	1,263,138,212	
Capital to risk weighted assets ratio (CRAR) on Consolidated Basis			
	12.31%	12.13%	

Amount in Taka

2018

2017

15.7 Capital requirement

Particulars	2018 Under Basel-III		2017 Under Basel-III	
	Required	Maintained	Required	Maintained
Minimum Tier I capital Ratio	6.00%	7.96%	6.00%	7.85%
Minimum Total Capital Ratio	10.00%	12.31%	10.00%	12.12%
Minimum Total Capital plus Capital Conservation Buffer	11.875%	12.27%	11.25%	12.12%

15.7(a) Consolidated Capital requirement

Particulars	2018 Under Basel-III		2017 Under Basel-III	
	Required	Maintained	Required	Maintained
Minimum Tier I capital Ratio	6.00%	7.96%	6.00%	7.87%
Minimum Total Capital Ratio	10.00%	12.31%	10.00%	12.13%
Minimum Total Capital plus Capital Conservation Buffer	11.875%	12.31%	11.25%	12.13%

16 Statutory reserve

An amount equivalent to 20% of the profit before tax has been transferred to the statutory reserve fund as under:

Opening balance	3,981,066,735	3,342,002,303
Prior period adjustment	-	-
Adjusted Opening Balance	3,981,066,735	3,342,002,303
Add : Addition during the year (20% of profit before tax)	752,898,514	639,064,432
Closing balance	4,733,965,249	3,981,066,735

17 Other reserve

Revaluation on HFT securities Trasury bond (Note - 17.1)	31,605,353	48,470,897
Revaluation on HFT securities Treasury bill (Note - 17.2)	-	-
Amortization Reserve on HTM Treasury Bond (Note - 17.3)	11,888,624	9,556,151
Amortization Reserve on HTM Treasury Bill (Note - 17.4)	-	6,462,873
Fixed Assets Revaluation (Note - 17.5)	41,922,889	41,922,889
	85,416,866	106,412,810

17.1 Revaluation on HFT securities Trasury bond

Opening balance	48,470,897	129,129,925
Add : Addition during the year	-	-
Less : Adjustment during the year	16,865,544	80,659,028
Closing balance	31,605,353	48,470,897

17.2 Revaluation on HFT securities Treasury bill

Opening balance	-	101,765
Add : Addition during the year	-	-
Less : Adjustment during the year	-	101,765
Closing balance	-	-

17.3 Amortization Reserve on HTM Treasury Bond

Opening balance	9,556,151	2,574,942
Add : Addition during the year	2,332,473	-
Less : Adjustment during the year	-	6,981,209
Closing balance	11,888,624	9,556,151

17.4 Amortization Reserve on HTM Treasury Bill

Opening balance	6,462,873	-
Add : Addition during the year	-	6,462,873
Less : Adjustment during the year	6,462,873	-
Closing balance	-	6,462,873

		Amount in Taka	
		2018	2017
17.5	Fixed Assets Revaluation		
	Opening balance	41,922,889	41,922,889
	Add : Addition during the year	-	-
	Less : Adjustment during the year	-	-
	Closing balance	41,922,889	41,922,889
17(a)	Consolidated Other reserve		
	Premier Bank Limited (Note - 17)	85,416,866	106,412,810
	Premier Money Transfer Company Ltd.	37,569,548	27,569,548
		122,986,414	133,982,358
18	Retained earnings		
	Opening balance	2,029,237,721	1,578,104,610
	Add: Post-tax profit for the year	2,226,849,326	1,908,694,826
	Less: Transfer to statutory reserve	752,898,514	639,064,432
	Less: Issue of bonus shares	1,043,584,040	818,497,283
	Closing balance	2,459,604,493	2,029,237,721
18(a)	Consolidated retained earnings		
	Opening balance	2,086,718,332	1,574,941,692
	Add: Post-tax profit for the year	2,268,937,264	1,969,338,840
	Less: Transfer to statutory reserve	752,898,514	639,064,432
	Less: Issue of bonus shares	1,043,584,040	818,497,283
	Less: Non controlling interest	337	485
	Closing balance	2,559,172,705	2,086,718,332
18(b)	Non-controlling interest		
	Opening balance	24,583	24,098
	Add : Addition during the year	337	485
	Closing balance	24,920	24,583
19	Contingent Liabilities		
19.1	Letter of guarantee		
	Money for which the Bank is contingently liable in respect of guarantees issued favouring:		
	Directors	5,008,000	68,180,200
	Government	-	-
	Banks and other financial institutions	-	-
	Others	79,947,552,830	42,367,245,790
		79,952,560,830	42,435,425,990
19.2	Other contingent liabilities		
	Litigation pending against the Bank	-	-
	Value of traveller's cheques	-	-
		-	-
20	Other Commitments		
	Documentary credits and short term trade-related transactions	-	-
	Forward assets purchase and forward deposits placement	504,000,000	494,383,800
	Undrawn formal standby facilities, credit lines and commitments to lend		
	Below 3 months	-	-
	Over 3 months but below 1 year	-	-
	Over 1 year but below 5 years	-	-
	Over 5 years	-	-
	Spot and forward foreign exchange contracts	-	-
	Other exchange contracts	504,000,000	494,383,800

		Amount in Taka	
		2018	2017
21	<u>Income</u>		
	Interest, discount and similar income	16,491,722,563	12,236,883,466
	Dividend income	342,579,309	120,873,332
	Fee, commission and brokerage	1,293,162,351	1,037,753,052
	Gains less losses arising from dealing in foreign currencies	1,216,068,699	996,335,012
	Investment income	1,603,243,111	1,920,608,651
	Other operating income	791,770,183	620,505,120
		21,738,546,216	16,932,958,633
	<u>Expenses</u>		
	Interest, fee and commission	10,678,962,381	8,261,516,673
	Administrative expenses	4,245,756,698	3,756,864,283
	Other operating expenses	586,214,376	403,291,918
	Depreciation on banking assets	193,120,190	190,963,597
		15,704,053,645	12,612,636,471
		6,034,492,571	4,320,322,162
22	<u>Interest income/profit on Islamic investments</u>		
	Interest on call loans	11,978,736	313,681
	Interest received from other banks and financial institutions	4,628,923	531,284
	Interest received from foreign banks and Bangladesh Bank F/C accounts	71,014,770	43,969,443
	Interest received from customers, other than banks	16,147,878,709	11,961,292,602
	Interest income on Off-shore Banking Unit	286,115,022	250,006,786
		16,521,616,160	12,256,113,796
	Less: Inter Company Transaction	29,893,597	19,230,330
		16,491,722,563	12,236,883,466
22(a)	<u>Consolidated interest income</u>		
	Premier Bank Limited (Note - 22)	16,491,722,563	12,236,883,466
	Premier Bank Securities Ltd.	235,419,315	195,617,971
		16,727,141,878	12,432,501,437
	Less: Inter Company Transaction	45,488,125	59,621,608
		16,681,653,753	12,372,879,829
23	<u>Interest/profit paid on deposits, borrowings, etc.</u>		
	Interest paid on deposits	9,556,411,281	7,306,931,428
	Interest paid on borrowings	1,110,193,057	940,621,600
	Interest paid on repo	12,358,043	13,963,645
	Interest paid on Deposit, Off- shore Banking Unit	29,893,597	19,230,330
		10,708,855,978	8,280,747,003
	Less: Inter Company Transaction	29,893,597	19,230,330
		10,678,962,381	8,261,516,673
23(a)	<u>Consolidated interest paid on deposits, borrowings, etc.</u>		
	Premier Bank Limited (Note - 23)	10,678,962,381	8,261,516,673
	Premier Bank Securities Ltd.	45,488,125	59,621,608
		10,724,450,506	8,321,138,281
	Less: Inter Company Transaction	45,488,125	59,621,608
		10,678,962,381	8,261,516,673
24	<u>Investment income</u>		
	Interest on treasury bills, Bangladesh Bank bills, repo & reverse repo	27,819,659	48,420,590
	Interest on treasury bonds, corporate bonds	1,541,550,260	1,814,512,997
	Dividend Income	342,579,309	120,873,332
	Capital gain on sale of investment in shares (Note - 24.1)	33,873,192	57,675,064
		1,945,822,420	2,041,481,983

		Amount in Taka	
		2018	2017
24(a) Consolidated Investment income			
Premier Bank Limited (Note - 24)	1,945,822,420	2,041,481,983	
Premier Bank Securities Ltd.	11,585,523	7,219,106	
	1,957,407,943	2,048,701,089	
24.1 Gain on sale of shares			
Investment in portfolio	33,873,192	57,675,064	
	33,873,192	57,675,064	
25 Commission, exchange and brokerage			
Commission	1,293,162,351	1,037,753,052	
Exchange earnings	1,216,068,699	996,335,012	
	2,509,231,050	2,034,088,064	
25(a) Consolidated Commission exchange and brokerage			
Premier Bank Limited (Note - 25)	2,509,231,050	2,034,088,064	
Premier Bank Securities Ltd.	33,855,981	63,208,547	
	2,543,087,031	2,097,296,611	
26 Other operating income			
Services and other charges	241,311,289	153,607,278	
Income from rent of lockers	3,071,500	2,308,460	
Postage recoveries	39,303,798	31,454,977	
Fax/e-mail charges received	90,545,206	74,279,092	
Incidental charges	57,033,806	51,651,375	
Rent on property	18,214,800	23,093,980	
Miscellaneous earnings	342,289,784	284,109,958	
	791,770,183	620,505,120	
26(a) Consolidated other operating income			
Premier Bank Limited (Note - 26)	791,770,183	620,505,120	
Premier Bank Securities Ltd.	7,825,323	9,410,309	
	799,595,506	629,915,429	
27 Salary and allowances			
Basic pay	806,014,322	660,517,577	
Allowances	924,598,935	747,572,459	
Bonus	240,381,269	193,137,168	
Provident fund contribution	72,266,906	59,196,071	
Retirement benefits and gratuity	57,361,484	59,701,124	
	2,100,622,916	1,720,124,399	
27(a) Consolidated salary and allowances			
Premier Bank Limited (Note - 27)	2,100,622,916	1,720,124,399	
Premier Bank Securities Ltd.	15,227,272	14,309,621	
	2,115,850,188	1,734,434,020	
28 Rent, taxes, insurance, electricity, etc.			
Rent, rates and taxes	1,148,558,821	994,410,628	
Insurance	99,728,851	76,946,253	
Electricity, gas, water, etc.	99,177,659	88,790,944	
	1,347,465,331	1,160,147,825	

Amount in Taka

	2018	2017
<p>Note: Our Tax and VAT adviser, M/S Zia & Associates advised us vide a letter dated March 11, 2011 not to deduct VAT on office rent and pay at source in view of VAT Act 1991 section 3(1). Subsequently a writ petition was submitted before the honorable High Court. On the basis of this advice, the Bank has not deposited any VAT on Rent collected from the Branches till to date.</p> <p>Honorable High Court issued a rule directing the Govt as to why SRO Nos. 202-Ain/2010/551-Mushok, dated 10/05/2010 and 105-Ain/2009/513-Musak, dated 11.06.2009 should not be declared to have been issued without lawful authority and are of no legal effect as being ultravires to the provisions of section 3(1) and Second Schedule of the Value Added Tax Act, 1991. The matter is under adjudication and the outcome is uncertain.</p>		
28(a) Consolidated Rent, taxes, insurance, electricity, etc.		
Premier Bank Limited (Note - 28)	1,347,465,331	1,160,147,825
Premier Bank Securities Ltd.	133,093,172	114,071,987
	1,480,558,503	1,274,219,812
29 Legal expenses		
Law charges	1,413,645	3,750,825
Other professional charges	90,760,695	89,213,496
	92,174,340	92,964,321
29(a) Consolidated Legal expenses		
Premier Bank Limited (Note- 29)	92,174,340	92,964,321
Premier Bank Securities Ltd.	140,000	100,000
	92,314,340	93,064,321
30 Postage, stamp, telecommunication, etc.		
Telephone	13,387,013	12,451,104
Postage, stamp and swift charges	64,037,314	48,210,310
Telegram, internet, fax and e-mail	25,888,107	22,484,808
	103,312,434	83,146,222
30(a) Consolidated Postage, stamp, telecommunication, etc.		
Premier Bank Limited (Note - 30)	103,312,434	83,146,222
Premier Bank Securities Ltd.	1,039,120	1,016,775
	104,351,554	84,162,997
31 Stationery, printing, advertisement, etc.		
Printing and stationery	55,971,759	218,093,950
Publicity, advertisement, contribution, etc.	444,743,480	361,551,106
	500,715,239	579,645,056
31(a) Consolidated Stationery, printing, advertisement, etc.		
Premier Bank Limited (Note- 31)	500,715,239	579,645,056
Premier Bank Securities Ltd.	194,381	259,711
	500,909,620	579,904,767
32 Chief executive's salary and fees		
Basic pay	6,463,333	6,600,000
Bonus	2,100,000	2,550,000
Other Allowances	4,063,332	4,200,000
	12,626,665	13,350,000
33 Directors' fees		
	2,656,000	2,688,000
	2,656,000	2,688,000

		Amount in Taka	
		2018	2017
34	Depreciation and repair of Bank's assets		
	Repairs:		
	Furniture and fixtures	6,076,450	5,495,429
	Office equipment	31,814,257	41,035,606
	Renovation and maintenance of premises	37,948,066	37,922,425
		75,838,773	84,453,460
	Depreciation: (Annexure - B)		
	Vehicles	12,204,545	12,430,163
	Furniture and fixtures	72,324,892	72,438,372
	Equipment & Computer	77,218,554	73,874,405
	Land and building	30,753,357	31,601,815
	Amortisation of license fee	618,842	618,842
		193,120,190	190,963,597
	Total Depreciation and repair of Bank's assets	268,958,963	275,417,057
34(a)	Consolidated Depreciation and repair of Bank's assets		
	Repairs:		
	Premier Bank Limited (Note - 34)	75,838,773	84,453,460
	Premier Bank Securities Ltd.	-	-
		75,838,773	84,453,460
	Depreciation: (Annexure - A)		
	Premier Bank Limited (Note- 34)	193,120,190	190,963,597
	Premier Bank Securities Ltd.	610,361	437,933
		193,730,551	191,401,530
		269,569,324	275,854,990
35	Losses on disposal of subsidiary	10,000,000	20,000,000
Premier Money Transfer Company Limited was a 100% own subsidiary company of the Bank. As per decision of the executive committee of the Board of Directors, the Company ceased its operation from August 2015. As per Bangladesh Bank letter reference no. BOIMUBI/729/BIBIDHO/2016-3464 dated 28 December 2016 and Bangladesh Bank letter reference no. BOIMUBI/729/BIBIDHO/2019-32 dated January 02, 2019, all outstanding liabilities of company will be adjusted within 31 December 2020. Accordingly an amount of Tk. 10,000,000 recognise as expense in the current year.			
36	Other expenses		
	Training expenses	10,408,823	9,139,915
	Car maintenance	15,786,796	14,426,127
	Washing and cleaning	8,145,096	7,400,789
	Subscription	13,550,097	10,725,812
	Entertainment	48,039,346	35,007,412
	Travelling	9,743,505	11,334,182
	Conveyance	15,397,571	7,485,913
	Cartage and freight	108,659	57,450
	Liveries and uniform	1,171,138	489,510
	Cash carrying charges	19,978,486	16,113,167
	Credit card fees	63,272,101	69,184,444
	Security and auxiliary service	40,743,158	29,191,819
	Loss for Revaluation	170,832,321	97,868,438
	Loss on revaluation for HFT TB	-	685,412
	Loss on Amortization for HTM TB	91,055,472	37,045,776
	AGM expenses	12,457,865	11,087,690
	Remittance charges	276,215	397,390
	Sundry expenses	65,247,727	45,650,672
		586,214,376	403,291,918

		Amount in Taka	
		2018	2017
36(a) Consolidated other expenses			
Premier Bank Limited (Note - 35)	586,214,376	403,291,918	
Premier Bank Securities Ltd.	27,657,704	10,935,413	
	613,872,080	414,227,331	
37 Provision against loans and advances, off-balance sheet items, investment in shares and other			
Specific provision	1,000,792,527	1,040,000,000	
General provision	427,387,000	20,000,000	
Provision for off-balance sheet items	200,000,000	10,000,000	
Provision for investment in shares	489,765,533	30,000,000	
Other provision (Note -37.1)	152,054,940	25,000,000	
	2,270,000,000	1,125,000,000	
37.1 Other Provision			
Provision for gratuity	150,000,000	20,000,000	
Provision for protested bills	2,054,940	1,963,401	
Provision for suspense account	-	3,036,599	
Provision for good borrowers	-	-	
	152,054,940	25,000,000	
37.1(a) Consolidated Other Provision			
Premier Bank Limited (Note - 37.1)	152,054,940	25,000,000	
Premier Bank Securities Ltd.	10,200,000	-	
	162,254,940	25,000,000	
38 Earnings per share (EPS)			
Net profit after taxation (Numerator)	2,226,849,326	1,908,694,826	
Number of ordinary shares outstanding (Denominator)	800,081,098	800,081,098	
Earnings per share (EPS)	2.78	2.39	

Earnings per share (EPS) has been calculated in accordance with IAS - 33 : "Earnings per share (EPS)". Previous year's EPS has been restated due to issue of bonus share. Actual EPS for 2017 was Taka 2.74.

38(a) Consolidated earnings per share (CEPS)			
Net profit after taxation (Numerator)	2,268,937,264	1,969,338,840	
Number of ordinary shares outstanding (Denominator)	800,081,098	800,081,098	
Consolidated earnings per share (CEPS)	2.84	2.46	

Consolidated earnings per share (CEPS) has been calculated in accordance with IAS - 33 : "Earnings per share (EPS)". Previous year's CEPS has been restated due to issue of bonus share. Actual CEPS for 2017 was Taka 2.83.

39 Number of Employees

The number of employees engaged for the whole year or part thereof who received total remuneration of Tk. 36,000 p.a. or above were 1,708 as on 31 December 2018 and 1,562 as on 31 December 2017.

40 Highlights of Activities

	Amount in Taka	
	2018	2017
Paid-up capital	8,000,810,980	6,957,226,940
Total capital	21,809,241,164	17,389,043,903
Capital surplus/(shortfall)	704,597,679	1,242,733,721
Total assets	216,133,206,899	182,176,375,155
Total deposits	169,439,776,036	140,690,474,448
Total loans and advances	156,960,037,516	135,891,061,280
Total contingencies	139,299,934,711	88,642,532,937
Loan-deposit ratio	82.68%	92.14%
Ratio of classified loans against total loans	3.99%	4.69%
Profit after tax and provision	2,226,849,326	1,908,694,826
Provision against classified loans	2,886,219,745	2,537,345,277
Provision surplus (Deficit)	-	-
Cost of funds	6.27%	5.65%
Profit-earning assets	186,908,421,568	158,225,548,855
Non-profit earning assets	29,224,785,331	23,950,826,300
Return on investments (ROI)	7.52%	6.78%
Return on assets (ROA)	1.12%	1.13%
Income from investment	1,945,822,420	2,041,481,983
Earnings per share	2.78	2.39
Net income per share	2.78	2.39
Price earning ratio (approximate)	4.21 Times	5.73 Times

40(a) Consolidated Highlights of Activities

Paid-up capital	8,000,810,980	6,957,226,940
Total capital	21,908,834,296	17,446,549,097
Capital surplus/(shortfall)	771,122,860	1,263,138,212
Total assets	216,809,881,060	182,537,051,926
Total deposits	169,498,418,863	140,644,053,680
Total loans and advances	159,132,910,780	137,728,107,037
Total contingencies	139,299,934,711	88,642,532,937
Loan-deposit ratio	83.87%	95.83%
Ratio of classified loans against total loans	3.94%	4.63%
Profit after tax and provision	2,268,937,264	1,969,338,840
Provision against classified loans	2,886,219,745	2,537,345,277
Provision surplus (Deficit)	-	-
Cost of funds	6.27%	5.65%
Profit-earning assets	189,749,773,092	160,892,812,989
Non-profit earning assets	27,060,107,968	21,644,238,937
Return on investments	7.33%	8.84%
Return on assets (profit after tax)	1.14%	1.17%
Income from investment	1,957,407,943	2,048,701,089
Earnings per share	2.84	2.46
Net income per share	2.84	2.46
Price earning ratio (approximate)	4.12 Times	5.55 Times

Amount in Taka

2018

2017

- 41 Assets and liabilities at 31 December 2018 denominated in foreign currencies have been converted to local currency Bangladesh Taka (BDT) at the following exchange rates:

Currency	Abbreviation	Unit	Equivalent BDT
British Pound Sterling	GBP	1.00	105.5995
European Currency	EURO	1.00	94.9461
Canadian Dollar	CAD	1.00	61.3758
Australian Dollar	AUD	1.00	58.8956
Japanese Yen	JPY	1.00	0.7519
US Dollar	USD	1.00	83.4250
Chinese yuan	CNY	1.00	12.1025
Saudi Arabian Riyal	SAR	1.00	22.2835
Swiss Franc	CHF	1.00	84.0470

- 42 Figures in these notes and in the annexed financial statements have been rounded off to the nearest Taka.
- 43 Wherever considered necessary, previous year figures have been rearranged for the purpose of comparison with current year presentation without causing any impact on the profit as well as value of assets and liabilities as reported in the said financial year.
- 44 These notes form an integral part of the said financial statements and accordingly are to be read in conjunction therewith.



Chairman



Director



Director



Director



Managing Director

Dhaka, 31 March, 2019

The Premier Bank Limited

Consolidated schedule of fixed assets including premises, furniture and fixtures as at 31 December 2018

Annexure -A
Amount in Taka

Asset Category	Cost		Rate (%)	Depreciation			Written Down Value at 31 December 2018
	As at 01 January 2018	Additions during the year		As at 01 January 2018	Charge for the year	As at 31 December 2018	
Land and Building	1,384,393,311	-	2.5	151,183,584	30,901,143	182,084,727	1,202,308,584
Furniture and fixtures	1,254,168,449	62,133,063	10	553,973,274	72,234,814	626,208,088	690,093,424
Equipment and computers	947,271,536	95,633,731	20	544,420,641	77,771,207	622,191,848	420,713,419
Vehicles	98,337,897	1,282,267	20	61,116,066	12,204,545	73,320,611	26,299,553
Total at 31 December 2018	3,684,171,193	159,049,061		1,310,693,565	193,111,709	1,503,805,274	2,339,414,981
Total at 31 December 2017	3,528,321,602	155,849,591		1,119,910,877	190,782,688	1,310,693,565	2,373,477,630

Schedule of fixed assets including premises, furniture and fixtures as at 31 December 2018

Annexure -B
Amount in Taka

Asset Category	Cost		Rate (%)	Depreciation			Written Down Value at 31 December 2018
	As at 01 January 2018	Additions during the year		As at 01 January 2018	Charge for the year	As at 31 December 2018	
Land and Building	1,383,543,311	-	2.5	151,072,511	30,753,357	181,825,868	1,201,717,443
Furniture and fixtures	1,253,955,315	62,133,063	10	553,679,132	72,234,814	625,913,946	690,174,432
Equipment and computers	942,493,209	95,396,531	20	541,936,546	77,308,632	619,245,178	418,644,562
Vehicles	98,329,897	1,282,267	20	61,116,066	12,204,545	73,320,611	26,291,553
Total as at 31 December 2018	3,678,321,732	158,811,861		1,307,804,255	192,501,348	1,500,305,603	2,336,827,990
Total as at 31 December 2017	3,523,615,116	154,706,616		1,117,459,500	190,344,755	1,307,804,255	2,370,517,478

The Premier Bank Limited

Balance with other banks and financial institutions - Outside Bangladesh as at 31 December 2018

Annexure - c

Name of the Bank	Location	Currency	31.12.2018			31.12.2017		
			Amount in foreign currency	Conversion rate	Amount in Taka	Amount in foreign currency	Conversion rate	Amount in Taka
Mashreq Bank NY	New York	USD	4,052,838.65	83.4250	338,108,064	2,177,936.95	82.6750	180,060,937
Standard Chartered Bank	New York	USD	3,258,437.26	83.4250	271,835,128	4,251,157.28	82.6750	351,464,428
Commerz Bank AG	Frankfurt	EURO	320,544.61	94.9461	30,434,461	132,470.31	98.4619	13,043,278
Bank of Ceylon	Colombo	ACUD	24,627.85	83.4250	2,054,578	5,013.95	82.6750	414,528
Standard Chartered Bank	Mumbai	ACUD	42,021.48	83.4250	3,505,642	335,656.30	82.6750	27,750,385
United Bank Ltd	Karachi	ACUD	449,446.40	83.4250	37,495,066	285,721.03	82.6750	23,621,986
Bank of China	Shanghai	CNY	131,798.06	12.1025	1,595,086	131,139.42	12.6284	1,656,081
State Bank of India	Mumbai	ACUD	23,818.44	83.4250	1,987,053	23,818.43	82.6750	1,969,189
ICICI Bank	Mumbai	ACUD	333,690.39	83.4250	27,838,121	235,575.03	82.6750	19,476,166
Himalayan Bank	Kathmandu	ACUD	2,712.00	83.4250	226,249	2,712.00	82.6750	224,215
Commerz Bank AG	Frankfurt	USD	471,299.99	83.4250	39,318,202	43,084.64	82.6750	3,562,023
Westpac Banking Corporation	Sydney	AUD	38,873.17	58.8856	2,289,070	42,900.99	64.3295	2,759,799
Mashreqbank psc	London	GBP	205,549.91	105.5995	21,705,968	49,789.45	110.9334	5,523,313
Bank of Tokyo Mitsubishi Ltd	Tokyo	JPY	44,734,702.75	0.7519	33,636,023	10,997,271.73	0.7305	8,033,507
Habib Bank AG Zurich Switzerland	Zurich	CHF	101,052.57	84.0470	8,493,165	70,033.43	82.5209	5,779,222
Al Rajhi Banking & Investment Corp.	Riyadh	SAR	-	22.2835	-	-	22.0963	-
National Commercial Bank	Jeddah	SAR	1,691,924.11	22.2835	37,701,992	304,107.93	22.0963	6,719,660
Mashreq Bank PSC	Mumbai	ACUD	187,224.99	83.4250	15,619,245	313,273.92	82.6750	25,899,921
Bank Al-zazira	Jeddah	SAR	748,836.36	22.2835	16,686,696	640,510.99	22.0963	14,152,923
AB Bank Ltd	Mumbai	ACUD	10,533.64	82.6750	870,869	39,705.90	82.6750	3,282,685
Habib American Bank	New York	USD	885,052.57	83.4250	73,835,512	434,258.52	82.6750	35,902,323
UBI Banka	Milano	EURO	456,158.46	94.9461	43,310,468	246,407.11	98.4619	24,261,712
Total					1,008,546,658			755,558,281
Off-shore Banking Unit					4,897,801,282			3,290,303,484
Grand Total					5,906,347,940			4,045,861,765



The Premier Bank Limited

Notes to the financial statements for the year ended 31 December 2018

Annexure-D

Accounting Year	Assessment Year	Presect status
2004	2005-2006	Appeal filed with High Court
2005	2006-2007	Appeal filed with High Court
2006	2007-2008	Appeal filed with High Court
2007	2008-2009	Appeal pending with Tribunal
2008	2009-2010	Appeal pending with Tribunal
2009	2010-2011	Appeal pending with Tribunal
2010	2011-2012	Appeal filed with High Court
2011	2012-2013	Appeal filed with High Court
2012	2013-2014	Appeal pending with Tribunal
2013	2014-2015	Tribunal Order Pending DCT Office
2014	2015-2016	Under process to file appeal with commissioner(Appeal)
2015	2016-2017	Return filed but assessment not yet completed.
2016	2017-2018	Return filed but assessment not yet completed.
2017	2018-2019	Return filed but assessment not yet completed.
2018	2019-2020	Return yet to be submitted

The Premier Bank Limited

Details of Large Loan as at 31 December 2018

Annexure-E

(Taka in crore)

Sl. No.	Name of Parties	Outstanding 2018			Status
		Funded	Non-Funded	Total	
1	Jaj Bhuyan	430.91	0.00	430.91	UC
2	Shasha	195.62	227.91	423.53	UC
3	Saad Musa	293.82	87.83	381.65	UC
4	Sikder	208.60	165.00	373.60	UC
5	Western Engineering (Pvt.) Ltd	301.47	0.00	301.47	UC
6	Fakir Apparels Ltd	152.65	140.25	292.90	UC
7	Diamond	277.06	-	277.06	UC
8	S Alam	263.64	-	263.64	UC
9	Mahmud	193.27	44.96	238.23	UC
10	MS Dyeing, Printing and Finishing Ltd.	135.05	100.69	235.74	UC
11	ABA	172.74	51.48	224.22	UC
12	Labib	196.38	6.78	203.16	UC
Total		2,821.21	824.90	3,646.11	

The Premier Bank Limited

Segment reporting

The Bank reports its operations under the following business segment as per International Financial Reporting Standards (IFRS) 8 "Operating Segment"
For the year ended 31 December 2017

Annexure F
Amount in Taka

Particulars	The Premier Bank Limited					Group	
	Inside Bangladesh					Inside Bangladesh	
	Conventional Banking	Islamic banking branches	Off-shore banking Unit	Inter Company adjustment	Total	PBSL	Inter company adjustment
Interest income/profit on Islamic investments	14,710,809,538	1,524,691,599	286,115,022	(29,893,596)	16,491,722,563	235,419,315	(45,488,125)
Interest/profit paid on deposits, borrowings, etc.	(9,876,447,018)	(802,515,363)	(29,893,596)	29,893,596	(10,678,962,381)	(45,488,125)	(45,488,125)
Net interest income/ net profit on investments	4,834,362,520	722,176,236	256,221,426	-	5,812,760,182	189,931,190	(90,976,250)
Investment income	1,945,822,420	-	-	-	1,945,822,420	11,585,523	-
Commission, exchange and brokerage	2,484,633,476	24,597,574	-	-	2,509,231,050	33,855,981	-
Other operating income	778,804,644	12,965,539	-	-	791,770,183	7,825,323	-
Total Operating Income (A)	10,043,623,060	759,739,349	256,221,426	-	11,059,583,835	243,198,017	-
Salary and allowances	2,059,098,212	41,524,704	-	-	2,100,622,916	15,227,272	-
Rent, taxes, insurance, electricity, etc.	1,330,250,370	17,214,961	-	-	1,347,465,331	133,093,172	-
Legal expenses	92,174,340	-	-	-	92,174,340	140,000	-
Postage, stamps, telecommunication, etc.	101,045,018	2,267,416	-	-	103,312,434	1,039,120	-
Stationery, printing, advertisement, etc.	499,866,222	849,017	-	-	500,715,239	194,381	-
Chief executive's salary and fees	12,626,665	-	-	-	12,626,665	-	-
Directors' fees	2,656,000	-	-	-	2,656,000	-	-
Auditors' fee	345,000	-	-	-	345,000	75,000	-
Depreciation and repair of Bank's assets	266,699,944	2,259,019	-	-	268,958,963	610,361	-
Losses on disposal of subsidiary	10,000,000	-	-	-	10,000,000	-	-
Other expenses	583,705,576	2,508,800	-	-	586,214,376	27,657,704	-
Total Operating Expenses (B)	4,958,467,347	66,623,917	-	-	5,025,091,264	178,037,010	-
Profit before provision (C = A-B)	5,085,155,713	693,115,432	256,221,426	-	6,034,492,571	65,161,007	-
Provision for loans and advances/ Investments	1,382,027,416	-	46,152,111	-	1,428,179,527	-	-
Provision for off-balance sheet items	200,000,000	-	-	-	200,000,000	-	-
Provision for investment in shares	489,765,533	-	-	-	489,765,533	-	-
Other provisions	152,054,940	-	-	-	152,054,940	10,200,000	-
Total provision (D)	2,223,847,889	-	46,152,111	-	2,270,000,000	10,200,000	-
Profit before taxation (E=C-D)	2,861,307,824	693,115,432	210,069,315	-	3,764,492,571	54,961,007	-
Provision for taxation (F)	1,537,643,245	-	-	-	1,537,643,245	12,873,069	-
Profit after tax	1,323,664,579	693,115,432	210,069,315	-	2,226,849,326	42,087,938	-

The Premier Bank Limited

Segment reporting

The Bank reports its operations under the following business segment as per International Financial Reporting Standards (IFRS) 8 "Operating Segment" As at 31 December 2018

Annexure F
Amount in Taka

Particulars	The Premier Bank Limited					Group		
	Inside Bangladesh					Inside Bangladesh		
	Conventional Banking	Islamic banking branches	Off-shore banking Unit	Inter Company adjustment	Total	PBSL	Inter company adjustment	Total
PROPERTY AND ASSETS								
Cash	13,644,373,579	29,074,920	-	-	13,673,448,499	151,196	-	13,673,599,695
Balance with other banks and financial institutions	6,794,264,452	812,355	428,448,337	(5,391,625,493)	1,831,899,651	103,863,662	89,812,418	1,845,950,895
Money at call on short notice	500,000,000	-	-	-	500,000,000	-	-	500,000,000
Investments	29,158,384,052	290,000,000	-	-	29,448,384,052	668,478,260	-	30,116,862,312
Loans, advances, and lease/ investments	143,229,647,294	9,115,179,099	4,615,211,123	-	156,960,037,516	2,977,800,315	804,927,051	159,132,910,780
Fixed assets including premises, furniture and fixtures	2,326,744,820	10,083,170	-	-	2,336,827,990	2,586,991	-	2,339,414,981
Other assets	3,436,806,129	7,938,149,003	7,654,059	-	11,382,609,191	338,513,206	2,519,980,000	9,201,142,397
Non-banking assets	-	-	-	-	-	-	-	-
Total Assets	199,090,220,326	17,383,298,547	5,051,313,519	(5,391,625,493)	216,133,206,899	4,091,393,630	3,414,719,469	216,809,881,060
LIABILITIES AND CAPITAL								
Liabilities								
Borrowings from other banks, financial institutions and agents	6,732,813,833	8,000,000,000	-	-	14,732,813,833	804,927,051	-	14,732,813,833
Non-convertible variable coupon rate bonds	9,000,000,000	-	-	-	9,000,000,000	-	-	9,000,000,000
Deposits and other accounts	160,885,043,289	9,187,705,064	4,758,653,176	(5,391,625,493)	169,439,776,036	148,455,245	89,812,418	169,498,418,863
Other liabilities	7,402,634,931	195,593,483	82,591,028	-	7,680,819,442	480,868,654	-	8,161,688,096
Total Liabilities	184,020,492,053	17,383,298,547	4,841,244,204	(5,391,625,493)	200,853,409,311	1,434,250,950	894,739,469	201,392,920,792
Shareholders' Equity	15,069,728,273	-	210,069,315	-	15,279,797,588	2,657,142,680	-	15,416,960,268
Total Liabilities and Shareholders' Equity	199,090,220,326	17,383,298,547	5,051,313,519	(5,391,625,493)	216,133,206,899	4,091,393,630	3,414,719,469	216,809,881,060

The Premier Bank Limited

Name of Directors and the entities in which they had interest as at 31 December 2018

Annexure -G

Sl. No.	Name	Designation	Entities where they had interest	Position	Interest (%)
1.	Dr. H. B. M. Iqbal	Chairman	Premier Group of Companies Ltd. Premier Hotel & Resort Ltd. Premier Hotel Management Co. Ltd. Bengal Tiger Cement Industries Ltd Premier Technology & Holdings Ltd. ATAB Centre Ltd. Air Concern International Ltd. Bukhara Restaurant (Pvt) Ltd. Aero Bengal Airlines Ltd. The Premier Tele Link Ltd. IBC Power Ltd. Beacon Travel In't Ltd. Centaur Limited. Nawrin Electronics Ltd. Iqbal Centre Concern International	Chairman Chairman Chairman Chairman Chairman Chairman Chairman Chairman Chairman Chairman Chairman Managing Director Managing Director Managing Director Proprietor Proprietor	
2.	Mr. Moin Iqbal	Vice Chairman	Premier Property Development Co. Ltd. Premier Group of Companies Ltd. Premier Hotel & Resort Ltd. Premier Hotel Management Co. Ltd. ATAB Centre Ltd. Air Concern International Ltd. Bukhara Restaurant (Pvt) Ltd. Nawrin Electronics Ltd.	Chairman Managing Director Managing Director Managing Director Managing Director Director Director Director	
3.	Mr. B. H. Haroon, MP	Director	Al Arab Enterprise International Rajbithi Travels Ltd. Al-Humyra Group : Al-Humyra Health Center Ltd. Al-Humyra Development Ltd.	Proprietor Chairman Chairman Chairman	100 20 50 50
4.	Mr. Abdus Salam Murshedy, MP	Director	Envoy Garments Ltd. Armour Garments Ltd. Nadia Garments Ltd. Pastel Apparels Ltd. Astras Garments Ltd. Regal Garments Ltd. Epoch Garments Ltd. Supreme Apparels Ltd. Dornick Apparels Ltd. Fontina Fashions Ltd. Manta Apparels Ltd. Envoy Fashions Ltd. Envoy Design Ltd. Taxes Dresses Ltd. Laundry Industries Ltd. Envoy Textiles Ltd. Donier Textile Mills Ltd Orex Network Ltd. National System Solutions (Pvt) Ltd. OIA Global Logistics (BD) Ltd.	Managing Director Managing Director Managing Director Managing Director Managing Director Managing Director Managing Director Managing Director Managing Director Managing Director Managing Director Managing Director Managing Director Managing Director Managing Director Managing Director Managing Director Managing Director Managing Director Managing Director	9.80 49.93 50.00 43.48 50.00 50.00 49.80 50.00 50.00 50.00 49.95 49.69 20.00 49.27 0.21 2.62 45.00 50.00 50.00 38.00

The Premier Bank Limited

Name of Directors and the entities in which they had interest as at 31 December 2018

Annexure -G

Sl. No.	Name	Designation	Entities where they had interest	Position	Interest (%)
			Advanced Comtech Machines Ltd.	Managing Director	50.00
			Lunar International Ltd.	Managing Director	33.00
			Emerald Trading Ltd.	Managing Director	33.00
			Geocentric Ltd.	Managing Director	20.00
			Pinata Air International Ltd.	Managing Director	33.00
			Peridot International Ltd.	Managing Director	50.00
			KSM Preserves Ltd.	Managing Director	33.00
			Envoy Shipping Ltd.	Managing Director	50.00
			Envoy LPG Products Ltd.	Managing Director	50.00
			Machinery Products Ltd.	Managing Director	50.00
			Niloy Apartment Ltd.	Managing Director	50.00
			New Energy Solutions Ltd.	Managing Director	40.00
			Envoy Air Services Ltd.	Managing Director	50.00
			Envoy Products Ltd.	Managing Director	50.00
			Envoy Packages Ltd.	Managing Director	50.00
			Envoy Towers Ltd.	Managing Director	50.00
			Olio Apparels Ltd.	Managing Director	49.00
			Sharmin Holdings Ltd.	Managing Director	80.00
			Sports Media Ltd.	Managing Director	25.00
			Treasure Securities Ltd	Chairman	25.00
			Regional Power Ltd.	Vice Chairman	25.00
			Sheltech Cond. (Pvt) Ltd.	Director	14.00
			Square Hospitals Ltd.	Director	5.00
			Bengal Meat Processing Industries Ltd.	Director	5.53
5.	Mr. Mohammad Imran Iqbal	Director	Premier Property Development Co. Ltd.	Managing Director	
			Bentley Sweater Ltd.	Add. Managing Director	
			Premier Group of Companies Ltd.	Director	
			Premier Hotel & Resort Ltd.	Director	
			Premier Hotel Management Co. Ltd.	Director	
			Nawrin Electronics Ltd.	Director	
			Bukhara Restaurant (Pvt) Ltd.	Director	
			ATAB Centre Ltd.	Director	
6.	Mr. Shafiqur Rahman	Director	Rupsha Tyres & Chemical Ltd.	Managing Director	40
7.	Mr. Jamal G. Ahmed	Director	Premier Group of Companies Ltd.	Director	-
			Bentley Sweater Ltd.	Managing Director	-
			ATAB centre Ltd.	Director	-
			Premier Property Development Co. Ltd.	Director	-
8.	Mr. Shah Md. Nahyan Haroon	Director	Rajbithi Travels Ltd.	Managing Director	25
9.	Mrs. Shaila Shelley Khan	Director	N/A	-	-
10.	Mr. Yeh Cheng Min	Director	Alita (BD) Ltd.	Chairman	70
			Ace Bicycle (BD) Ltd.	Managing Director	70
			Van Green (BD) Ltd.	Chairman	70
11.	Mrs. Faiza Rahman	Independent Director	N/A	-	-
12.	Chowdhury Zafar Ullah Sharafat	Independent Director	Cream & Milk Ltd.	Director	-
			Canadian University of Bangladesh	Vice Chairman	-

The Premier Bank Ltd

Investment in Shares as at 31 December 2018

Annexure-H

SL. No.	Name of the company	Face value	No. of share including bonus share	Cost of holding	Average cost	Quoted rate per share as at 31.12.2018	Total market value as at 31.12.2018
		Taka		Taka	Taka	Taka	Taka
A. Quoted							
1	Aamra Technologies Limited	10	300,000	9,409,080	31.36	28.60	8,580,000
2	AB Bank Limited	10	206,183	6,847,476	33.21	12.00	2,474,196
3	Aftab Automobiles Limited	10	871,320	85,355,955	97.96	45.90	39,993,588
4	Apex Footwear Limited.	10	231,520	108,278,109	467.68	295.50	68,414,160
5	Atlas Bangladesh Limited.	10	174,799	29,592,116	169.29	121.90	21,307,998
6	Bangladesh Shipping Corporation	10	99,600	5,715,225	57.38	39.00	3,884,400
7	Bangladesh Submarine Cable Company Limited	10	1,402,120	319,313,351	227.74	93.50	131,098,220
8	Bata Shoe	10	9,380	10,967,103	1,169.20	1,116.40	10,471,832
9	Bay Leasing & Investment Limited	10	159,462	7,714,945	48.38	20.50	3,268,971
10	Beacon	10	250,000	5,282,321	21.13	16.20	4,050,000
11	Berger Paints	10	1,552	2,002,345	1,290.17	1,344.10	2,086,043
12	Beximco Ltd.	10	352,749	11,781,188	33.40	23.50	8,289,602
13	BGIC	10	735,485	34,399,569	46.77	20.00	14,709,700
14	Continental Insurance	10	213,986	4,119,400	19.25	19.20	4,108,531
15	Delta Brac Housing	10	29,057	3,945,794	135.79	129.40	3,759,976
16	Delta Life Insurance	10	159,062	33,519,161	210.73	109.80	17,465,008
17	Delta Spinners Ltd.	10	860,750	12,970,253	15.07	6.20	5,336,650
18	Dhaka Electric Supply	10	1,438,399	95,961,127	66.71	40.40	58,111,320
19	Eastern Housing Ltd	10	70,000	3,707,590	52.97	46.60	3,262,000
20	Eastern Insurance	10	14,000	536,725	38.34	27.00	378,000
21	Eastland Insurance Ltd.	10	1,308,457	51,748,732	39.55	20.20	26,430,831
22	Envoy Textile Limited	10	491,505	21,935,041	44.63	36.30	17,841,632
23	Evince Textiles Limited.	10	500,000	8,475,365	16.95	12.80	6,400,000
24	Far East Knitting &	10	660,000	12,336,455	18.69	15.00	9,900,000
25	Foreast Islami Life	10	41,348	3,275,089	79.21	63.20	2,613,194
26	First Finance Limited.	10	1,786,673	50,086,552	28.03	5.70	10,184,036
27	Fortune Shoes Limited	10	737	-	-	31.00	22,847
28	Fu-Wang Foods Ltd.	10	728,673	16,688,179	22.90	15.00	10,930,095
29	GBB Power Limited	10	301,657	2,759,899	9.15	10.70	3,227,730
30	Gemini Sea Food	10	2,875	1,103,304	383.76	316.10	908,788
31	Generation Next	10	20,148	251,437	12.48	6.30	126,932
32	GQ Ball Pen	10	23,620	3,384,132	143.27	75.70	1,788,034
33	IFAD Autos Limited.	10	164,000	19,297,739	117.67	108.40	17,777,600
34	Indo-Bangla	10	294	2,940	10.00	31.10	9,143
35	Intraco Refueling Station	10	266	2,534	9.53	26.80	7,129
36	Jamuna Oil Company	10	1,135,225	260,226,899	229.23	190.50	216,260,363
37	Janata Insurance	10	964,376	16,508,519	17.12	13.70	13,211,951
38	Kattali Textile Limited	10	2,012	16,767	8.33	25.30	50,904
39	Keya Cosmetics Ltd.	10	316,544	6,832,678	21.59	6.60	2,089,190
40	Khulna Power Company	10	27,500	3,459,528	125.80	59.30	1,630,750
41	LafargeHolcim	10	289,481	36,002,292	124.37	43.50	12,592,424
42	Linde Bangladesh Ltd.	10	16,517	21,355,027	1,292.91	1,198.40	19,793,973
43	M L Dyeing Limited	10	1,208	12,080	10.00	29.70	35,878
44	M.I.Cement	10	132,000	16,269,051	123.25	69.40	9,160,800
45	Maksons Spinning Mills	10	629,238	7,787,664	12.38	7.50	4,719,285
46	Malek Spinning Mills	10	133,500	3,656,537	27.39	17.20	2,296,200
47	Marico Bangladesh	10	2,000	2,246,720	1,123.36	1,200.20	2,400,400
48	Matin Spinning Mills	10	150,968	7,028,288	46.55	39.90	6,023,623
49	Meghna Cement Mills	10	88,110	11,181,960	126.91	92.60	8,158,986
50	Meghna Life Insurance	10	62,577	7,663,366	122.46	77.90	4,874,748
51	Meghna Petroleum	10	170,000	39,530,065	232.53	188.60	32,062,000
52	Mercantile Bank Ltd.	10	1,575,000	34,402,938	21.84	18.00	28,350,000
53	M.J.L. Bangladesh Ltd.	10	210,000	20,920,620	99.62	99.20	20,832,000
54	Nahee Aluminum	10	46,493	3,169,905	68.18	58.40	2,715,191
55	National Bank Limited	10	2,633,728	58,302,792	22.14	9.30	24,493,670
56	Padma Islami Ins Ltd	10	149,478	8,952,462	59.89	25.00	3,736,950
57	Padma Oil Company	10	302,475	104,759,244	346.34	225.20	68,117,370
58	Paramount Insurance	10	419,435	9,263,053	22.08	17.40	7,298,169
59	Peoples Leasing & Fin.	10	414,839	19,034,750	45.88	5.60	2,323,098
60	Phoenix Finance & Investment Limited.	10	115,830	4,785,750	41.32	32.60	3,776,058

The Premier Bank Ltd

Investment in Shares as at 31 December 2018

Annexure-H

SL. No.	Name of the company	Face value	No. of share including bonus share	Cost of holding	Average cost	Quoted rate per share as at 31.12.2018	Total market value as at 31.12.2018
		Taka		Taka	Taka	Taka	Taka
61	Pioneer Insurance Co.,	10	159,225	7,161,470	44.98	29.10	4,633,448
62	Popular Life Insurance	10	33,320	4,196,703	125.95	113.80	3,791,816
63	Power Grid Company of	10	244,150	15,753,301	64.52	48.00	11,719,200
64	Pragati Life Insurance	10	130,818	16,949,930	129.57	114.70	15,004,825
65	Premier Cement Mills	10	582,190	62,150,283	106.75	71.70	41,743,023
66	Premier Leasing & Investment Limited	10	299,621	8,151,936	27.21	8.90	2,666,627
67	Prime Finance & Investment Limited	10	278,819	8,883,103	31.86	9.50	2,648,781
68	Pubali Bank Limited	10	42,098	1,317,500	31.30	26.00	1,094,548
69	R.N Spinning Mills	10	1,081,476	24,079,091	22.27	8.80	9,516,989
70	Republic Insurance Co.	10	474,059	15,748,012	33.22	25.20	11,946,287
71	Rupali Insurance	10	738,414	27,626,423	37.41	19.50	14,399,073
72	S. Alam Cold Rolled	10	70,000	3,991,052	57.02	28.20	1,974,000
73	S.S. Steel Limited.	10	6,746	67,460	10.00	10.00	67,460
74	Sandhani Life Insurance	10	20,528	640,877	31.22	25.90	531,675
75	Singer Bangladesh	10	2,101	461,473	219.64	221.20	464,741
76	SK Trims & Industries	10	504	-	-	46.30	23,335
77	Square Pharmaceuticals	10	74,900	22,031,862	294.15	254.20	19,039,580
78	Square Textiles Ltd.	10	210,000	10,346,092	49.27	47.10	9,891,000
79	Summit Power Limited	10	700,000	29,853,369	42.65	39.40	27,580,000
80	Sunlife Insurance	10	518,000	20,458,072	39.49	27.70	14,348,600
81	THE DACCA DYEING &	10	2,093,421	48,487,733	23.16	5.50	11,513,816
82	The Peninsula	10	100,000	3,811,440	38.11	28.80	2,880,000
83	Titas Gas T&D Co. Ltd.	10	1,737,388	117,693,783	67.74	36.40	63,240,923
84	U. C. B. L.	10	703,212	20,793,125	29.57	17.60	12,376,531
85	Union Capital Limited	10	1,122,342	30,336,643	27.03	12.40	13,917,041
86	Unique Hotel & Resorts	10	295,500	37,243,202	126.03	52.80	15,602,400
87	United Power	10	5,030	1,670,720	332.15	290.70	1,462,221
88	Usmania Glass	10	91,406	9,576,003	104.76	104.90	9,588,489
89	VFS Thread Dyeing	10	319	3,190	10.00	57.80	18,438
Sub total (A)				2,235,619,034			1,339,907,034

B. Mutual Fund

1	AB Bank 1st MF	10	541,332	4,372,325	8.08	4.4	2,381,861
2	EBL NRB Mutual Fund	10	21,338,759	148,357,689	6.95	4.6	98,158,291
3	EXIM Bank 1st Mutual	10	26,599,586	183,997,578	6.92	5	132,997,930
4	First Bangladesh Fixed	10	39,240,540	250,000,000	6.37	4.3	168,734,322
5	ICB AMCL 2ND NRB MF	10	317,500	4,476,750	14.10	9.9	3,143,250
6	SEML Lecture EM Fund	10	5,000,000	50,263,870	10.05	6.6	33,000,000
7	Vangurd AML BD	10	10,000,000	100,000,000	10.00	6.9	69,000,000
Sub total (B)				741,468,212			507,415,654
Total (A+B)				2,977,087,246			1,847,322,688
Available cash balance				74,772,771			
Total				3,051,860,017			

C. Unquoted

1	Central Depository Bangladesh Limited			3,138,890	-	-	3,138,890
2	SWIFT Membership			5,559,065	-	-	5,559,065
3	Energy Prima Limited			9,500,000	-	-	9,500,000
4	Lanka Bangla Securities Limited			5,000,000	-	-	5,000,000
5	Bangladesh fixed Income special purpose vehicle			2,000,000,000	-	-	2,000,000,000
6	Runner Automobiles Ltd			183,600,000	-	-	183,600,000
Sub total				2,206,797,955			2,206,797,955

D. Bond

1	FSIB Mudharaba subordinated bond			20,000,000	-	-	20,000,000
Sub total				20,000,000			20,000,000
Total				5,278,657,972			

The Premier Bank Limited

Balance Sheet of Islamic Banking Branches as at December 31, 2018

Annexure- I

Particulars	Notes	Amount in Taka	
		2018	2017
PROPERTY AND ASSETS			
Cash		29,887,275	32,658,786
In hand (including foreign currencies)	1.1	29,074,920	30,951,599
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)	1.2	812,355	1,707,187
Balance with other banks and financial institutions	2	-	-
In Bangladesh	2.1	-	-
Outside Bangladesh		-	-
Placement with banks other financial institutions		-	-
Investment in shares & securities	3	290,000,000	990,635,817
Government	3.1	290,000,000	310,000,000
Others	3.2	-	680,635,817
Investments (including bills)	4	9,115,179,099	6,759,984,557
General investment		8,957,713,827	6,625,033,565
Bills purchased and discounted		157,465,272	134,950,992
Fixed assets including premises, furniture and fixtures	5	10,083,170	11,074,258
Other assets	6	7,938,149,003	6,868,878,358
Total Assets		17,383,298,547	14,663,231,776
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	7	8,000,000,000	9,000,000,000
Deposits and other accounts		9,187,705,064	5,382,523,613
Mudaraba savings deposits		369,518,999	367,606,870
Mudaraba term deposits		8,350,621,648	4,745,945,742
Al -waduah Current deposits and other accounts		168,301,643	221,827,171
Bills payable		299,262,774	47,143,830
Other liabilities	8	195,593,483	280,708,163
Total Liabilities & Capital		17,383,298,547	14,663,231,776
Contingent Liabilities			
Acceptances and endorsements		829,679,000	365,544,887
Letters of guarantee		445,228,263	105,515,341
Irrevocable letters of credit		1,014,815,887	580,943,000
Bills for collection		77,747,500	30,904,000
Other contingent liabilities		-	-
Other commitments		2,367,470,650	1,082,907,228
Total Off-Balance Sheet Items		2,367,470,650	1,082,907,228

The Premier Bank Limited

Profit and Loss Statement of Islamic Banking Branches for the year ended 31 December 2018

	Notes	Amount in Taka	
		2018	2017
OPERATING INCOME			
Investment income	9	1,524,691,599	891,367,378
Profit paid on deposits, borrowings, etc	10	(802,515,363)	(522,956,466)
Net investment income		722,176,236	368,410,912
Commission, exchange and brokerage	11	24,597,574	14,372,328
Other operating income	12	12,965,539	12,030,565
Total operating income (A)		759,739,349	394,813,805
Salary and allowances	13	41,524,704	33,175,561
Rent, taxes, insurance, lighting, etc	14	17,214,961	14,980,014
Postage, stamps, telecommunication, etc	15	2,267,416	1,704,862
Stationery, printing, advertisement, etc	16	849,017	915,669
Depreciation and repair of Bank's assets	17	2,259,019	2,575,248
Other expenses	18	2,508,800	1,846,049
Total operating expenses (B)		66,623,917	55,197,403
Total operating profit (C=A-B)		693,115,432	339,616,402

The Premier Bank Limited

Notes to Financial Statements of Islamic Banking Branches as at 31 December 2018

		Amount in Taka	
		2018	2017
1	Cash		
1.1	Cash in hand		
	In local currency	28,730,230	29,927,551
	In foreign currency	344,690	1,024,048
		29,074,920	30,951,599
1.2	Balance with Bangladesh Bank and its agent bank(s)		
	Balance with Bangladesh Bank		
	In local currency	812,355	1,707,187
	In foreign currency	-	-
		812,355	1,707,187
		29,887,275	32,658,786
2.	Balance with other banks and financial institutions		
	In Bangladesh	-	-
	Outside Bangladesh	-	-
		-	-
3.	Investment in shares and securities		
3.1	Government securities		
	Treasury bills	-	-
	Bangladesh Bank bills	-	-
	Islamic Investment Bond	290,000,000	310,000,000
	Treasury bonds	-	-
	Repo	-	-
		290,000,000	310,000,000
3.2	Others		
	In shares and bonds (quoted and unquoted)		
	<u>Quoted</u>		
	Investment in Shares (Islami)	-	680,635,817
		-	680,635,817
	<u>Unquoted</u>		
		-	-
		290,000,000	990,635,817
4.	Investments (including bills)		
	General investment	8,957,713,827	6,625,033,565
	Bills purchased and discounted	157,465,272	134,950,992
		9,115,179,099	6,759,984,557
5.	Fixed assets including premises, furniture and fixtures, property, plant & equipment		
	Land and Building	-	-
	Furniture and fixtures	6,884,046	7,574,371
	Equipment and computers	3,199,124	3,499,887
		10,083,170	11,074,258

		Amount in Taka	
		2018	2017
6.	Other assets		
	Head Office general account	7,862,184,361	6,840,736,712
	Adjusting account	67,162,000	18,715,257
	Stock of stationery	106,223	149,694
	Stamp in hand	46,425	101,305
	Advance income tax	-	13
	Prepaid expenses	127,025	114,777
	Sundry assets	8,522,969	9,060,600
		7,938,149,003	6,868,878,358
7.	Borrowings from other banks, financial institutions and agents		
	In Bangladesh (note 7.1)	8,000,000,000	9,000,000,000
	Outside Bangladesh	-	-
		8,000,000,000	9,000,000,000
7.1	In Bangladesh		
	Bangladesh Bank (Refinance facility)	8,000,000,000	9,000,000,000
		8,000,000,000	9,000,000,000
8.	Other liabilities		
	Adjusting account	185,376,338	275,813,997
	Profit suspense A/C	5,448,339	1,378,792
	Investment compensation	4,768,806	3,515,374
		195,593,483	280,708,163
9.	Investment income		
	Profit received from customers other than banks	887,183,731	466,147,683
	Profit received on Head Office general account	620,264,570	389,386,745
	Profit on Government Securities	16,453,933	4,398,435
	Dividend Income	789,365	21,582,987
	Capital gain on sale of investment in shares	-	9,851,528
		1,524,691,599	891,367,378
10.	Profit paid on deposits, borrowings, etc		
	Profit paid on deposits	802,515,363	522,956,466
		802,515,363	522,956,466
11.	Commission, exchange and brokerage		
	Commission	20,561,145	11,300,311
	Exchange earnings	4,036,429	3,072,017
		24,597,574	14,372,328
12.	Other income		
	Services and other charges	1,185,775	2,354,979
	Postage recovers	322,348	330,433
	Telex/fax/e-mail charges received	2,540,353	1,854,575
	Incidental charges	1,693,618	1,624,795
	Miscellaneous earnings	7,223,445	5,865,783
		12,965,539	12,030,565
13.	Salary and allowances		
	Basic pay	19,601,235	13,684,880
	Allowances	15,028,290	14,893,272
	Bonus	5,308,766	3,301,473
	Provident fund contribution & retirement benefit	1,586,413	1,295,936
		41,524,704	33,175,561

		Amount in Taka	
		2018	2017
14.	Rent, taxes, insurance, electricity, etc		
	Rent, rates and taxes	12,378,350	10,467,740
	Insurance	4,064,898	3,688,163
	Electricity, gas, water, etc	771,713	824,111
		17,214,961	14,980,014
15.	Postage, stamp, telecommunication, etc		
	Telephone	156,000	161,357
	Postage, stamp and swift charges	1,684,305	1,096,751
	Telegram, telex, fax and e-mail	427,111	446,754
		2,267,416	1,704,862
16.	Stationery, printing, advertisement, etc		
	Printing and stationery	849,017	915,669
	Publicity and advertisement	-	-
		849,017	915,669
17.	Depreciation and repair of Bank's assets		
	Repairs:		
	Furniture and fixtures	38,150	105,316
	Office equipment	356,307	195,478
	Renovation and maintenance of premises	58,591	717,715
		453,048	1,018,509
	Depreciation:		
	Vehicles	-	-
	Furniture and fixtures	867,456	816,738
	Office equipment	938,515	740,001
		1,805,971	1,556,739
		2,259,019	2,575,248
18.	Other expenses		
	Washing and cleaning	177,372	165,493
	Subscription	24,225	31,576
	Entertainment	1,044,529	744,254
	Travelling	102,920	97,500
	Conveyance	161,695	131,180
	Liveries and uniform	22,470	15,050
	Cash carrying charges	377,200	262,400
	Law charges	169,712	251,300
	Sundry expenses	428,677	147,296
		2,508,800	1,846,049

The Premier Bank Limited

Balance Sheet of Off-shore Banking Units as at December 31, 2018

Annexure- J

Particulars	Notes	31.12.2018		31.12.2017	
		USD	Taka	USD	Taka
PROPERTY AND ASSETS					
Cash					
In hand (including foreign currencies)		-	-	-	-
Balance with Bangladesh Bank and its agent bank (s) (including foreign currencies)		-	-	-	-
		-	-	-	-
Balance with other banks and financial institutions					
In Bangladesh	3	5,135,731	428,448,337	2,248,956	185,932,396
Outside Bangladesh		-	-	-	-
		5,135,731	428,448,337	2,248,956	185,932,396
Loans and advances					
Loans, cash credits, overdrafts, etc.	4	14,657,616	1,222,811,636	15,623,974	1,291,712,024
Bills purchased and discounted	5	40,664,063	3,392,399,487	34,861,586	2,882,181,641
		55,321,679	4,615,211,123	50,485,560	4,173,893,665
Fixed assets including premises, furniture and fixtures		-	-	-	-
Other assets		91,748	7,654,059	91,747	7,585,248
Non - banking assets		-	-	-	-
Total assets		60,549,158	5,051,313,519	52,826,263	4,367,411,309
LIABILITIES AND CAPITAL					
Liabilities					
Borrowings from other banks, financial institutions and agents		-	-	-	-
Deposits and other accounts					
Current deposits	6	26,982	2,250,988	45,209	3,737,656
Savings bank deposits		-	-	-	-
Term deposits		57,014,111	4,756,402,188	49,648,825	4,104,716,608
Sundry Deposit		-	-	-	-
		57,041,093	4,758,653,176	49,694,034	4,108,454,264
Other liabilities	7	990,003	82,591,028	845,716	69,919,526
Total liabilities		58,031,096	4,841,244,204	50,539,750	4,178,373,790
Capital / Shareholders' equity					
Paid up capital		-	-	-	-
Statutory reserve		-	-	-	-
Foreign currency gain		-	-	-	-
Other reserve		-	-	-	-
Surplus in profit and loss account		2,518,062	210,069,315	2,286,514	189,037,519
Total Shareholders' equity		2,518,062	210,069,315	2,286,514	189,037,519
Total liabilities and Shareholders' equity		60,549,158	5,051,313,519	52,826,264	4,367,411,309

The Premier Bank Limited

Balance Sheet of Off-shore Banking Units as at December 31, 2018

Particulars	Notes	2018		2017	
		USD	Taka	USD	Taka
OFF- BALANCE SHEET ITEMS					
Contingent liabilities					
Acceptances and endorsements		-	-	-	-
Letters of guarantee		-	-	-	-
Irrevocable letters of credit		-	-	-	-
Bills for collection		-	-	-	-
Other 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		-	-	-	-
Liabilities against forward purchase and sale		-	-	-	-
Other commitments		-	-	-	-
		-	-	-	-
Other memorandum items					
Value of travellers' cheques in hand		-	-	-	-
Value of Bangladesh sanchay patras in hand		-	-	-	-
		-	-	-	-
		-	-	-	-
Total Off-Balance Sheet items including contingent liabilities		-	-	-	-

The Premier Bank Limited

Off-shore Banking Units (Profit and Loss Account) for the year ended December 31, 2018

Particlars	Notes	31.12.2018		31.12.2017	
		USD	Taka	USD	Taka
Interest income	8	3,429,608	286,115,022	3,023,971	250,006,786
Interest paid on deposits, borrowings, etc.	9	(358,329)	(29,893,596)	(232,602)	(19,230,330)
Net interest		3,071,279	256,221,426	2,791,369	230,776,456
Commission, exchange, brokerage, etc.		-	-	-	-
Other operating income		-	-	-	-
Total operating income (A)		3,071,279	256,221,426	2,791,369	230,776,456
Salaries and allowances		-	-	-	-
Rent, taxes, insurance, electricity, etc.		-	-	-	-
Legal expenses		-	-	-	-
Postage, stamp, telecommunication, etc.		-	-	-	-
Stationery, printing, advertisements, etc.		-	-	-	-
Auditors' fees		-	-	-	-
Depreciation and repair of Bank's assets		-	-	-	-
Other expenses		-	-	-	-
Total operating expenses (B)		-	-	-	-
Profit / (loss) before provision (C=A-B)		3,071,279	256,221,426	2,791,369	230,776,456
Provision for loans and advances / investments		-	-	-	-
Specific provision		-	-	-	-
General provision		553,217	46,152,111	504,856	41,738,937
		553,217	46,152,111	504,856	41,738,937
Provision for diminution in value of investments		-	-	-	-
Other provision		-	-	-	-
Total provision (D)		553,217	46,152,111	504,856	41,738,937
Total profit / (loss) before taxes (C-D)		2,518,062	210,069,315	2,286,513	189,037,519

The Premier Bank Limited

Off-shore Banking Units

Notes to the Financial Statements for the year ended December 31, 2018

1.1 Status of the units

Off-shore Banking Units of Premier Bank Limited, governed under the rules and guidelines of Bangladesh Bank. The Bank obtained permission to operate 02(Two) Off-shore Banking Unit in Dhaka EPZ and Chittagong EPZ vide letter no. BRPD (P3) 744 (102)/2009-4138 dated 10 November 2009. The Bank commenced the operation of its Off-shore Banking Unit from 07 December, 2009 from the Head Office. Presently 01 (one) unit is operating at full-fledged from Banani Branch premises from July 2011.

1.1.1 Principal activities

The principal activities of the units are to provide all kinds of commercial banking services to its customers ez. non-resident individuals/institutions specially of Export Processing Zone.

1.2 Significant accounting policies and basis of preparation of financial statements

1.2.1 Basis of accounting

The Off-shore Banking Units maintain its accounting records in USD from which accounts are prepared according to the Bank Companies Act 1991, Bangladesh Accounting Standards and other applicable directives issued by Bangladesh Bank.

1.2.2 Use of estimates and judgements

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

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

1.2.3 Foreign currency transaction

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. Balances held in foreign currencies other than US Dollar are converted into equivalent US Dollar at buying rates of New York closing of the previous day and converted into Taka equivalent.

1.2.4 Reporting period

These financial statements cover from January 01 to December 31, 2018.

2 General

1) These financial statements are presented in Taka, which is the Bank's functional currency. Figures appearing in these financial statements have been rounded off to the nearest Taka.

2) Profit Transferred into Taka Currency @ US\$1 = Taka 83.4250 at mid rate of December 31, 2018.

	31.12.2018		31.12.2017	
	USD	Taka	USD	Taka
3 Balance with other banks and financial institutions				
In Bangladesh (note-3.1)	5,135,731	428,448,337	2,248,956	185,932,396
Outside Bangladesh (note-3.2)	-	-	-	-
	5,135,731	428,448,337	2,248,956	185,932,396
3.1 In Bangladesh	5,135,731	428,448,337	2,248,956	185,932,396
3.2 Outside Bangladesh (Nostro accounts)				
Current account	-	-	-	-
4 Loans and advances				
i) Loans, cash credits, overdrafts, etc.				
Loan (General)	14,657,616	1,222,811,636	15,623,974	1,291,712,024
Lease finance	-	-	-	-
Syndication Terms Loans	-	-	-	-
	14,657,616	1,222,811,636	15,623,974	1,291,712,024
ii) Bills purchased and discounted (note-4.1)				
Payable Inside Bangladesh				
Inland bills purchased	-	-	-	-
Payable Outside Bangladesh				
Foreign bills purchased and discounted	40,664,063	3,392,399,487	34,861,586	2,882,181,641
	40,664,063	3,392,399,487	34,861,586	2,882,181,641
	55,321,679	4,615,211,123	50,485,560	4,173,893,665
5 Bills purchased and discounted				
Payable in Bangladesh	-	-	-	-
Payable outside Bangladesh	40,664,063	3,392,399,487	34,861,586	2,882,181,641
	40,664,063	3,392,399,487	34,861,586	2,882,181,641
6 Deposits and other accounts				
Bank deposits	-	-	-	-
Customer deposits and other accounts (note-6.1)	57,041,093	4,758,653,176	49,694,034	4,108,454,264
	57,041,093	4,758,653,176	49,694,034	4,108,454,264
6.1 Customer deposits and other accounts				
Current deposits	26,982	2,250,988	45,209	3,737,656
Term deposits	57,014,111	4,756,402,188	49,648,825	4,104,716,608
Savings bank deposits	-	-	-	-
Sundry deposits	-	-	-	-
	57,041,093	4,758,653,176	49,694,034	4,108,454,264
7 Other liabilities				
Interest on bills discount	-	-	-	-
Provision for loan & advances	553,217	46,152,111	504,856	41,738,937
Interest Suspense	73,558	6,136,657	17,030	1,407,955
Accrued interest on FDR	363,228	30,302,260	323,830	26,772,634
Head Office DEPZ Dollar Account	-	-	-	-
	990,003	82,591,028	845,716	69,919,526

	31.12.2018		31.12.2017	
	USD	Taka	USD	Taka
Contingent liabilities				
Acceptance & endorsement				
Back to Back bills	-	-	-	-
	-	-	-	-
Less: Margin	-	-	-	-
	-	-	-	-
Letters of credits				
Letters of credits	-	-	-	-
Customer liabilities PAD	-	-	-	-
Back to Back letter of credit	-	-	-	-
	-	-	-	-
Less: Margin	-	-	-	-
	-	-	-	-
Letters of guarantee				
Letters of guarantee (Local)	-	-	-	-
Letters of guarantee (Foreign)	-	-	-	-
Foreign counter guarantees	-	-	-	-
	-	-	-	-
Less: Margin	-	-	-	-
	-	-	-	-
Bills for collection				
Outward local bills for collection	-	-	-	-
Outward foreign bills for collection	-	-	-	-
Inward local bills for collection	-	-	-	-
Inward foreign bills for collection	-	-	-	-
	-	-	-	-
Less: Margin	-	-	-	-
	-	-	-	-
8 Interest income				
Loan (general)	3,429,608	286,115,022	3,023,971	250,006,786
LTR loan	-	-	-	-
Lease finance	-	-	-	-
Payment against documents	-	-	-	-
Interest on loans and advances	3,429,608	286,115,022	3,023,971	250,006,786
Commission	-	-	-	-
Others	-	-	-	-
Interest on balance with other banks and financial institutions	-	-	-	-
Interest received from foreign banks	-	-	-	-
	-	-	-	-
Total income	3,429,608	286,115,022	3,023,971	250,006,786
9 Interest on deposits, borrowings, etc.				
a) Interest paid on deposits	358,329	29,893,597	232,602	19,230,330
b) Interest paid on local bank accounts	-	-	-	-
c) Interest paid on foreign bank accounts	-	-	-	-
	358,329	29,893,597	232,602	19,230,330

Premier Bank Securities Limited

Iqbal Center (12th Floor)
42, Kemal Ataturk Avenue,
Banani, Dhaka-1213

PREMIER BANK SECURITIES LIMITED
INDEPENDENT AUDITOR'S REPORT AND FINANCIAL STATEMENTS
For the year ended 31 December 2018

Contents
* Independent Auditor's Report
* Statement of Financial Position
* Statement of Profit or Loss and Other Comprehensive Income
* Statement of Changes in Equity
* Statement of Cash Flows
* Notes to the Financial Statements

K. M. HASAN & CO.

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Independent Auditor's Report

To The Shareholders of Premier Bank Securities Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of PREMIER BANK SECURITIES LIMITED, which comprise the statement of financial position as at December 31, 2018, and statements of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2018, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act, 1994 the Securities and Exchange Rules 1987 and other applicable laws and regulations.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' 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 for Accountants' Code of Ethics for Professional Accountants 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 ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, the Companies Act, 1994 the Securities and Exchange Rules 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 financial statements.

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, 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 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 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Company's financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994 and the Securities and Exchange Rules 1987, we also report the following:

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

Place : Dhaka, Bangladesh
Dated : 21 March, 2019


K. M. HASAN & CO.
Chartered Accountants

Premier Bank Securities Limited

Statement of Financial Position as at 31 December 2018

Statement of Financial Position as at 31 December 2018		Amount in Taka	
Particulars	Notes	2018	2017
ASSETS			
Non-current assets			
Property, Plant and Equipment	5	2,586,992	2,960,152
Investment in Share with TREC			
Dhaka Stock Exchange Ltd.	6	487,500,000	650,000,000
Chittagong Stock Exchange Ltd.	7	180,000,000	180,000,000
Investment in Dealer Account	8	978,260	218,377
Loss on Sale of Strategic Investment in Shares (DSE)	6.1	103,850,569	-
		772,328,829	830,218,377
Total Non-current assets		774,915,821	833,178,529
Current assets			
Margin Loan to Clients	9	2,977,800,315	2,596,484,683
Advances, Deposit and Prepayments	10	109,648,200	148,430,000
Advance Income Tax	11	55,395,784	47,525,775
Accounts Receivable	12	31,739,336	6,064,903
Investment in FDR	13	37,879,316	-
Cash and Cash Equivalents	14	104,014,858	396,107,241
Total Current assets		3,316,477,809	3,194,612,602
Total assets		4,091,393,630	4,027,791,131
EQUITY AND LIABILITIES			
Capital and reserves			
Share Capital	15	2,500,000,000	2,500,000,000
Retained Earnings	16	157,142,680	115,054,742
Total Capital and reserves		2,657,142,680	2,615,054,742
Non-current liabilities			
Long Term Loan	17	500,000,000	500,000,000
Current liabilities			
Short Term Loan From PBL	18	199,817,318	199,817,318
Accounts Payable	19	166,689,038	336,026,123
Liability for Expenses	20	105,109,733	59,621,608
Provision for Margin Loan	21	10,200,000	-
Provision for Income Tax	22	57,124,097	49,725,028
Other Liabilities	23	395,310,764	267,546,312
		934,250,950	912,736,389
Total equity and liabilities		4,091,393,630	4,027,791,131

The financial statements should be read in conjunction with the annexed notes
and were approved by the Board of Directors on 21 March 2019
and were signed on its behalf by :



Chairman



Director



Chief Executive Officer

Signed in terms of our separate report of even date annexed.

Place: Dhaka, Bangladesh
Dated : 21 March 2019


K. M. HASAN & CO.
Chartered Accountants

Premier Bank Securities Limited

Statement of Profit or Loss and Other Comprehensive Income for the Year Ended 31 December 2018

Particulars	Notes	Amount in Taka	
		2018	2017
Revenue	24	36,547,560	66,427,139
Less: Direct Expenses	25	5,651,955	8,865,827
Gross Profit		30,895,605	57,561,312
Less: Operating Expenses	26	172,293,807	132,254,556
Operating Profit/ (Loss)		(141,398,202)	(74,693,244)
Add: Other Income	27	252,138,582	209,028,794
		110,740,380	134,335,550
Less: Finance Expenses	28	45,579,373	59,715,165
Profit Before Provision and Income Tax		65,161,007	74,620,385
Less: Provision for Margin Loan		10,200,000	-
Net Profit before Income Tax		54,961,007	74,620,385
Less: Provision for Income Tax	29	12,873,069	13,976,371
Net Profit After Income Tax		42,087,938	60,644,014
Add: Other Comprehensive Income		-	-
Total Comprehensive Income		42,087,938	60,644,014

The financial statements should be read in conjunction with the annexed notes
and were approved by the Board of Directors on 21 March 2019
and were signed on its behalf by :

FOR PREMIER BANK SECURITIES LIMITED.



Chairman



Director



Chief Executive Officer

Place: Dhaka, Bangladesh
Dated : 21 March 2019



K. M. HASAN & CO.
Chartered Accountants

Premier Bank Securities Limited

Statement of Changes in Equity for the Year Ended 31 December 2018

Amount in Taka

Particulars	Share Capital	Retained Earnings	Total
Opening Balance as at 01 January 2018	2,500,000,000	115,054,742	2,615,054,742
Profit for the year	-	42,087,938	42,087,938
Balance as at 31 December 2018	2,500,000,000	157,142,680	2,657,142,680

For the year ended 31 December 2017

Amount in Taka

Particulars	Share Capital	Retained earnings	Total
Opening Balance as at 01 January 2017	500,000,000	54,410,728	554,410,728
Profit for the year	-	60,644,014	60,644,014
Addition during the year	2,000,000,000	-	2,000,000,000
Balance as at 31 December 2017	2,500,000,000	115,054,742	2,615,054,742

The financial statements should be read in conjunction with the annexed notes
and were approved by the Board of Directors on 21 March 2019
and were signed on its behalf by :

FOR PREMIER BANK SECURITIES LIMITED.



Chairman



Director



Chief Executive Officer

Signed in terms of our separate report of even date annexed.

Place: Dhaka, Bangladesh
Dated : 21 March 2019


K. M. HASAN & CO.
Chartered Accountants

Premier Bank Securities Limited

Statement of Profit or Loss and Other Comprehensive Income for the Year Ended 31 December 2018

	Amount in Taka	
	2018	2017
A. Cash flows from operating activities		
Profit before tax	54,961,007	74,620,385
Adjustment for non-cash items:		
Add: Depreciation	610,360	437,932
	55,571,367	75,058,317
Add/Less: Adjustment for changes in working capital		
(Increase)/Decrease in Margin loan to client	(381,315,632)	157,080,781
(Increase)/Decrease in Advance, deposit & prepayments	38,781,800	32,789,000
(Increase)/Decrease in Trade receivable	(25,674,433)	23,556,356
Increase/(Decrease) in Trade payable	(169,337,085)	(461,436,716)
Increase/(Decrease) in Other liabilities	127,764,452	(133,722,590)
Increase/(Decrease) in Provision for margin loan	10,200,000	-
Increase/(Decrease) in Liability for expenses	45,488,125	(442,863,835)
	(354,092,773)	(824,597,004)
Less: Income tax paid	(13,344,009)	(14,474,058)
Loss on Sale of strategic investment in shares (DSE)	(103,850,569)	-
	(471,287,351)	(839,071,062)
Net Cash Used in operating activities	(415,715,984)	(764,012,745)
B. Cash flows from investing activities		
Purchase of property, plant & equipment	(237,200)	(1,142,975)
Investment in FDR	(37,879,316)	-
Investment in Dealer Account	(759,883)	(122,285)
Dhaka Stock Exchange Ltd.	162,500,000	-
Net Cash flow from / (Used in) investing activities	123,623,601	(1,265,260)
C. Cash flows from financing activities		
Short Term Loan from PBL	-	(1,497,600,682)
Additional share capital	-	2,000,000,000
Net Cash flows from financing activities	-	502,399,318
Net Increase in cash and cash equivalents (A+B+C)	(292,092,383)	(262,878,687)
Opening cash and cash equivalents	396,107,241	658,985,928
Closing cash and cash equivalents	104,014,858	396,107,241

The financial statements should be read in conjunction with the annexed notes
and were approved by the Board of Directors on 21 March 2019
and were signed on its behalf by :

FOR PREMIER BANK SECURITIES LIMITED.



Chairman



Director



Chief Executive Officer

Place: Dhaka, Bangladesh
Dated : 21 March 2019

Premier Bank Securities Limited

Notes to the Financial Statements as at and for the year ended 31 December 2018

1. INTRODUCTION

PREMIER BANK SECURITIES LIMITED was incorporated on 29 June 2010 as a private limited company under the Companies Act, 1994 vide certificate of incorporation no. C-85332/10.

The registered office of the company is at Iqbal Center (3rd Floor), 42 Kemal Ataturk Avenue, Banani, Dhaka-1213, Bangladesh.

2. PRINCIPAL ACTIVITIES

The main objects of the company are to act as Stock Broker and Stock Dealer 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 as described in the Memorandum and the Articles of Association of PREMIER BANK SECURITIES LIMITED.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Basis of preparation of financial statements

The financial statements have been prepared on a going concern concept basis under historical cost convention in accordance with the International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS), Companies Act, 1994, the Securities and Exchange Rules, 1987, rules and regulations issued by the Bangladesh Securities and Exchange Commission and other applicable laws and regulations.

The disclosures of information have been made in accordance with the requirements of the above mentioned standards and in compliance with the Companies Act, 1994 and the statement of financial position has been prepared according to International Accounting Standards (IAS)-1 Presentation of Financial Statements based on accrual basis and other applicable laws and regulations.

3.2 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.

3.3 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 Flows and
- e) Notes to the Financial Statements

3.4 Cash and Cash Equivalents

The Cash and cash equivalents include cash in hand and cash at banks which are available for use by the Company without any restrictions. There is no significant risk of changes in value of the same. Cash in hand, Head Office & all Branches are certified by the management.

3.5 Statement of Cash Flows

Statement of cash flows is prepared principally in accordance with IAS-7 "Statement of Cash Flows". The statement of cash flows has been prepared under indirect method.

3.6 Reporting period

These financial statements cover period from 01 January 2018 to 31 December 2018.

3.7 Depreciation on Property, Plant & Equipment

Depreciation has been charged on reducing balance method during the year. Depreciation has been charged on Property, Plant & Equipment when it becomes available for use as per International Accounting Standards (IAS)-16 .

The rates of depreciation used on a reducing balance method are as follows:

Name Of Assets	Rate of Depreciation
Office Equipment's	20
Software	20
Electrical Equipment's	20
IT Infrastructure	20
Land & Building	2.5

3.8 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.

3.9 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.

3.10 Account receivables

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

3.11 Revenue Recognition

Revenue is recognized only when it is probable that the economic benefits associated with the transaction will flow to the company and the amount of revenue can be measured reliably.

Revenue recognition policy on specific item is described as under:

- (i) Brokerage commission is recognized as income when selling or buying order is executed.
- (ii) Profit from margin investment is recognized on accrual basis.
- (iii) Income from profit bearing Bank Account is recognized on accrual basis.
- (iv) Capital gains on sale of marketable securities are recognized when these are realized.
- (v) Dividend income against investment in marketable securities is recognized when received.

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

As per directive no. BSEC/CMRRCD/2009-193/203 dated 28 December 2017 and BSEC/CMRRCD (3rd Part)/2011/60 of Bangladesh Securities and Exchange Commission, has allowed the stock dealer to provide loss on investment in securities in equal quarterly installment upto 31 December 2020 as dealer and unrealized loss as margin loan.

3.13 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.

3.14 Management' responsibility on financial statements

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

4. GENERAL

- i) These notes form an integral part of the annexed financial statements and accordingly are to be read in conjunction therewith.
- ii) Previous year's figures have been re-arranged/re-grouped where necessary to conform to the current year's financial presentation.
- iii) Figures in these notes and annexed financial statements have been rounded off to the nearest taka.

5. PROPERTY, PLANT AND EQUIPMENT

Amount in Taka

PARTICULARS	COST			Rate (%)	DEPRECIATION			Written down value as at 31.12.2018
	Opening balance as at 01.01.2018	Addition during the year	Closing balance as at 31.12.2018		Opening balance as at 01.01.2018	Charged during the year	Closing balance as at 31.12.2018	
Office Equipment's	3,351,435	237,200	3,588,635	20	1,592,434	499,442	2,091,877	1,496,758
Software	485,000	-	485,000	20	329,680	31,064	360,744	124,256
Electrical Equipment's	11,900	-	11,900	20	8,781	624	9,405	2,495
IT Infrastructure	870,100	-	870,100	20	566,316	60,757	627,073	243,027
Land & Building	850,000	-	850,000	2.5	111,072	18,473	129,546	720,454
Total as at 31 December 2018	5,568,435	237,200	5,805,635		2,608,283	610,360	3,218,643	2,586,992
Total as at 31 December 2017	4,425,460	1,142,975	5,568,435		2,170,351	437,932	2,608,283	2,960,152

Note: *Office Equipment's include Computer, Computer Server, Phone, Fax machine, UPS and Other equipment's.

*Software including TWS software.

Amount in Taka

6. Dhaka Stock Exchange Ltd.

	2018	2017
Opening Balance	650,000,000	650,000,000
Add: Investment made during the year	-	-
	650,000,000	650,000,000
Less: Sale/ Recovery during the year	162,500,000	-
Closing Balance	487,500,000	650,000,000

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 allotted 7,215,106 ordinary Shares of Taka 10 each and Trading Right Entitlement Certificate (TREC) in favor of the company against the membership of DSE. Out of the total 7,215,106 Shares DSE transferred and credited 2,886,042 shares directly to Company's BO Account (1294590050888175) and rest 4,329,064 shares were credited to the "Demutualization Blocked Account" maintained by the DSE. Later DSE have transferred 25% shares to Chinese Consortium-Strategic Partner of DSE by taking over 25% shares of TREC holders. As such Premier Bank Securities Limited sold 1,803,777 shares at Tk. 21 per share amount in Tk. 37,879,317, but the cost value of Tk. 90 per share amount in Tk. 162,500,045, however realised loss amount in Tk.124,620,728. The sale of shares to Chinese Consortium-Strategic Partner of DSE, is decision of government and the loss on such disposal is one-off nature. The management has decided to allocates loss equally to Six successive years.

6.1 Loss on Sale of Strategic Investment in Shares (DSE)

Particulars	No. of Share		
Total Cost value of share	1,803,777	162,500,000	-
Less: Sale value of share	1,803,777	37,879,317	-
		124,620,683	-
Less: Adjusted during the year (1/6)		20,770,114	-
		103,850,569	-

7. Chittagong Stock Exchange Ltd.

Opening Balance			
Add: Investment made during the year		180,000,000	180,000,000
		-	-
Less: Sale/ Recovery during the year		180,000,000	180,000,000
Closing Balance		-	-
		180,000,000	180,000,000

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 allotted 4,287,330 ordinary Shares of Taka 10 each and Trading Right Entitlement Certificate (TREC) in favor of the company against the membership of CSE. Out of the total 4,287,330 Shares CSE transferred and credited 1,714,932 shares directly to Company's BO Account (1204590050888175) and rest 2,572,398 shares were credited to the "Demutualization Blocked Account" maintained by the CSE.

8. INVESTMENT IN DEALER ACCOUNT

Opening balance	218,377	96,092
Add: Investment made during the year	759,883	122,285
	978,260	218,377
Less: Sale/ Withdraw during the year	-	-
Closing balance	978,260	218,377

		Amount in Taka	
		2018	2017
9. MARGIN LOAN TO CLIENT		2,977,800,315	2,596,484,683
10. ADVANCE, DEPOSIT & PREPAYMENTS			
Advances (Note-10.1)		109,623,200	148,405,000
Deposit (Note-10.2)		25,000	25,000
		109,648,200	148,430,000
10.1 Advances			
Advance to RJSC Bill		195,000	195,000
Advance Office rent of gulshan Office		106,743,000	143,871,000
Advance Office rent of Motijheel Office		2,685,200	4,339,000.0
		109,623,200	148,405,000
10.2 Deposit			
Security Deposit against Clearing House-CSE		25,000	25,000
11. ADVANCE INCOME TAX			
Opening balance		47,525,775	33,051,717
Add: Tax Deducted at Source Against Dividend Income		1,958,772	10,498,837
		49,484,547	43,550,554
Add: Tax Deducted at Source DSE and CSE/ Others		4,775,358	-
		54,259,905	43,550,554
Add: Tax Deducted at Source Against Bank Interest		1,135,879	3,975,221
		55,395,784	47,525,775
12. ACCOUNTS RECEIVABLE			
Receivable from DSE		31,730,740	2,536,336
Receivable from CSE		8,596	8,567
Interest Receivable on Margin Loan		-	3,520,000
		31,739,336	6,064,903
13. INVESTMENT IN FDR		37,879,316	-
14. CASH AND CASH EQUIVALENTS			
Cash in hand (Note 14.1)		151,196	82,875
Cash at bank (Note 14.2)		103,863,662	396,024,366
		104,014,858	396,107,241
14.1 Cash in hand			
Head Office		59,759	23,577
Gulshan extended Office of HO		8,772	8,772
Kakrail		10,160	10,000
Kawran Bazar		16,752	12,158
Kalabagan		6,005	6,060
Motijheel		33,418	10,770
O. R. Nizam Road (Ctg.)		16,330	11,538
		151,196	82,875

14.2 Cash at bank

The Premier Bank Ltd. (Banani Branch)
SND Account No. 1026
SND Account No. 010413100002818
SND Account No.0104 13500000008
SND Account No. 0104 13100002858
Revenue Account No. 0104 13100002817
The City Bank Ltd. (Banani Branch)
SND Account No. 3101307505001
PBSL Dealer Account No. 3101521765001
The Bank Asia Ltd. (Paltan Branch)
SND Account No. 705

15. SHARE CAPITAL

Authorized Capital
300,000,000 Ordinary Shares of Tk. 10 each

Issued, Subscribed and Paid Up Capital
250,000,000 Ordinary Shares of Tk. 10 each

Name of Shareholders

The Premier Bank Ltd.
Mrs. Fauzia Rekza Banu
Mrs. Eliza Rahman

No. of Shares

249,998,000
1,000
1,000
250,000,000

16. Retained Earnings

Opening Balance
Net profit/ (loss) during the year

17. LONG TERM LOAN

Borrowing from Premier Bank Limited

18. SHORT TERM LOAN FROM PBL

Borrowing for Margin Loan paid to Clients

19. ACCOUNTS PAYABLE

Payable to DSE
Payable to CSE
Payable to Leads Corporation
Payable to Clients (Clients Deposit)
Payable to Issuer (IPO)/security service bill ctg.
Payable to Audit fee
Payable to PBL Adv. Office rent-H.O.
Payable to Vat Against Office rent-H.O.
Payable to Vat Against Office rent/Gulshan ext. of HO
Payable to Vat Against Office rent-Motijheel
Payable to Salary-Kalabagan
Payable to Salary-Motijheel

Amount in Taka

2018	2017
-	(307,600)
84,050	83,147
88,616,903	376,728,489
900,841	727,815
210,624	463,583
4,863,962	10,316,039
9,180,330	8,005,941
6,952	6,952
<u>103,863,662</u>	<u>396,024,366</u>
<u>3,000,000,000</u>	<u>3,000,000,000</u>
<u>2,500,000,000</u>	<u>2,500,000,000</u>
2,499,980,000	2,499,980,000
10,000	10,000
10,000	10,000
<u>2,500,000,000</u>	<u>2,500,000,000</u>
115,054,742	54,410,728
42,087,938	60,644,014
<u>157,142,680</u>	<u>115,054,742</u>
<u>500,000,000</u>	<u>500,000,000</u>
<u>199,817,318</u>	<u>199,817,318</u>
(317,042)	2,785,251
5,696	5,611
430,000	430,000
148,455,245	331,274,666
(2,250)	-
150,000	75,000
1,430,000	1,430,000
5,148,000	-
11,138,400	-
225,400	-
13,675	13,675
11,914	11,920
<u>166,689,038</u>	<u>336,026,123</u>

		Amount in Taka	
		2018	2017
20. LIABILITY FOR EXPENSES			
Interest on Borrowing			
Opening balance	59,621,608	-	
Add: Addition during the year	45,488,125	59,621,608	
	105,109,733	59,621,608	
Less: Payment During the Year	-	-	
	105,109,733	59,621,608	
21. Provision for Margin Loan			
Opening Balance	-	-	
Addition during the year	10,200,000	-	
	10,200,000	-	
22. PROVISION FOR INCOME TAX			
Opening balance	49,725,028	35,748,657	
Add: Addition during the year	12,873,069	13,976,371	
	62,598,097	49,725,028	
Less: Payment During the Year	5,474,000	-	
	57,124,097	49,725,028	
23. OTHER LIABILITIES			
Opening balance	267,546,312	401,268,902	
Add: Interest Suspense Account	127,764,452	(133,722,590)	
	395,310,764	267,546,312	
Liabilities made (to suspense A/C) against interest income-margin loan which was charged on the clients bearing negative equity.			
24. REVENUE			
Commission Income	33,699,091	63,113,082	
Account Opening Fees	85,800	95,600	
BO Maintenance Fees	2,031,500	2,267,500	
CDBL Income	731,169	950,957	
	36,547,560	66,427,139	
25. DIRECT EXPENSES			
Laga Charges	2,887,646	4,527,874	
CDBL Charges-CDS bill	1,196,309	2,737,353	
CDBL Charges-BO Maintenance bill	1,568,000	1,600,600	
	5,651,955	8,865,827	
26. OPERATING EXPENSES			
Salary and Allowances	12,850,073	12,151,038	
Audit Fees	75,000	82,500	
Car Maintenance	-	153,635	
Casual Labour	1,202,825	1,091,267	
Conveyance	89,962	67,898	
DSE Monthly Expenses	7,649	17,776	
Electricity Bill	5,255,229	4,673,935	
Exhibition Expenses	-	246,665	
Festival Bonus	1,089,008	958,397	
Gas Bill	19,200	17,700	
Internet Bill	7,500	16,180	
Mobile Bill	71,500	83,307	
Network Connectivity Charge	917,085	858,000	
Office Expenses	425,848	430,272	

		Amount in Taka	
		2018	2017
Office Maintenance		216,960	129,721
Office Rent		127,494,743	109,056,352
Journal and Periodicals		27,470	32,094
PF Contribution by PBSL		85,366	108,919
Postage and Courier		1,910	2,460
Printing and Stationery		194,381	259,711
Renewal and Registration		330,960	825,560
Repair and Maintenance		-	30,600
Legal and Professional Fees		140,000	100,000
Loss on Sale of Strategic Investment in Shares (DSE)		20,770,114	
Stamp and Cartridge		5,300	8,410
Telephone Bill		35,825	56,828
Training Expenses		5,000	5,000
Bidding Fee For ipo		40,000	-
Commission Charge on Dealer A/C		338	-
Tour and Travel		-	12,940
Wasa Bill		324,000	324,000
Legislative Charges		200	459
Donation		-	15,000
Depreciation		610,361	437,932
		172,293,807	132,254,556
27. OTHER INCOME			
Interest Income on-Margin Loan		224,060,528	155,865,753
IPO Commission		156,890	95,465
Service Charges		4,843,139	5,948,651
Dividend Income		9,793,854	7,219,106
Gain from Investment in Share		1,791,669	-
Miscellaneous Income		133,715	147,601
Interest Income on Bank Deposit		11,358,787	39,752,218
		252,138,582	209,028,794
28. FINANCE EXPENSES			
Bank Charges		91,248	93,557
Interest Expenses on loan from PBL		45,488,125	59,621,608
		45,579,373	59,715,165
29. PROVISION FOR INCOME TAX			
Provision during the year		12,873,069	13,976,371
30. EVENTS AFTER THE REPORTING PERIOD			
(a)	The Board of Directors of the company in it's meeting held on 21 March 2019 approved the financial statements of the company for the year ended 31 December 2018 and authorized the same for issue.		
(b)	There is no other significant event that has occurred between the date of financial position and the date when the financial statements were authorized for issue by the Board of Directors.		



Chairman



Director



Chief Executive Officer

Place: Dhaka, Bangladesh

Dated : 21 March 2019