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People's Leasing and Financial Services Limited (PLFS).
Paramount Heights(12th floor), 65/2/1 Box Culvert road, Purana Paltan , Dhaka-1000
Financial Statements
For the year ended December 31, 2020

Independent Auditor's Report
To the Shareholders of People's Leasing and Financial Services Limited
Report on the Audit of the Consolidated and Separate Financial Statements

Qualified Opinion

We have audited the consolidated financial statements of People's Leasing and Financial Services Limited and its subsidiary (the "Group") as well as the separate financial statements of People's Leasing and Financial Services Limited (the "Company"), which comprise the consolidated and separate balance sheets as at 31 December 2020 and the consolidated and separate profit and loss accounts, consolidated and separate cash flow statements and consolidated and separate statements of changes in equity for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matters described in the *Basis for Qualified Opinion* section of our report, the accompanying consolidated financial statements of the Group and separate financial statements of the Company give a true and fair view of the financial position of the Group and the Company as at 31 December 2020, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as explained in note 2.1.

Basis for Qualified Opinion

1. Loans and advances have been disbursed amounting BDT 1,055,332,974 by the Company in favor of its subsidiary PLFS Investment Ltd which exceeds the sanction limit of the loan and the loan is also in excess of 30% of the Company's capital and reserves, which is a noncompliance of DFIM Circular no. 14 dated 31 December 2013 and section 14(1)(g) of the Financial Institutions Act 1993. After we have requested the Management of the Subsidiary Company to confirm to us directly their loan balance, they have responded to us referring to the letter sent by them to the parent company demanding evidence in support of the disbursed loan against which they are yet to receive a reply.
2. Borrowings from other Banks, Financial Institutions & Agents include BDT 3,964,312,643 being loan balance with various banks and FIs carried forward from earlier



- years in support of which all loan statements and confirmations from banks were not available.
3. We could not confirm Capital Adequacy Ratio since CAMD statement is not reported to Bangladesh Bank and we have not been provided with the risk weighted assets calculation for BDT 13,954,900,000 disclosed in note 14.1.
 4. We could not confirm letter of guarantee amounting BDT 150,000,000 in absence of required documentation.
 5. No deductions have been made as per clause 2.5 of the 'Prudential Guidelines on Capital Adequacy and Market Discipline for Financial Institutions' when calculating eligible regulatory capital. Had the deductions been made, eligible capital disclosed in note 14.1 would have been reduced by BDT 333,219,350.
 6. The consolidated and separate liquidity statements and maturity grouping of loans and deposits have been misstated. The figures incorporated have no bearing to the actual dates of maturity of the respected assets and liabilities. This is a noncompliance of the Company's policy stated in note 2.10.6.
 7. The following balances could not be confirmed by us in absence of required information:

S.L.	Particulars	Amount in BDT.
1.	Income from Lease Finance	1,049,533
2.	Other Liabilities	2,824,133,616
3.	Other operating income	132,790
4.	Receivable suspense account	943,233,398

8. Cost of fund could not be confirmed in absence of required information.
9. CRR and SLR Report, Quarterly and Annually FICL and CAMD have not been submitted to Bangladesh Bank during liquidation period.
10. We could not confirm provision for income tax and deferred tax liability in absence of Tax return, Assessment Order, Updated Tax Status and Updated Tax Base certified by DCT. Moreover, last year tax return has not been submitted to NBR.
11. Basis of interest charge on loans and deposits during liquidation period has not been disclosed in the financial statements.

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 (IESBA Code) together with the ethical requirements that are relevant

to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these ethical requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 2.2 in the financial statements, which shows that the Company has an accumulated loss of BDT 33,193,518,322 for the year ended 31 December 2020; Negative equity of BDT 28,674,928,971 as at 31 December 2020; Negative Capital adequacy ratio of 204.35% as against minimum of 10%; 96% of investment of the Company is classified, CRR and SLR requirements could not be met throughout the year and investment disbursement is very poor. As stated in Note 2.2, these events or conditions, along with other matters as set forth in Note 2.2, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not further qualified in respect of this matter.

Emphasis of Matters

We draw attention to the following matters without further qualifying our opinion:

1. Non-banking asset has been sold by the Company. However, the asset has not been derecognized and loss on disposal has not been recognized as explained in note 10.
2. As explained in note 47, Quick Summary report has not been received by the Company from Bangladesh Bank to finalize these financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matters described in the *Basis for Qualified Opinion* section we have determined the matters described below to be the key audit matters to be communicated in our report.

Risk	Our response to the risk
01. Measurement of provision for loans and advances	
The process for estimating the provision for loans and advances portfolio	We tested the design and operating effectiveness of key controls focusing on the

associated with credit risk is significant and complex.

For the individual analysis, these provisions consider the estimates of future business performance and the market value of collateral provided for credit transactions.

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.

At year end the Company reported total gross loans and advances of BDT 11,934,678,283 (2019: BDT 11,779,981,551) and provision for loans and advances of BDT 8,066,837,734 (2019: BDT 7,221,645,707).

We have focused on the following significant judgments and estimates which could give rise to material misstatement or management bias:

Completeness and timing of recognition of loss events in accordance with criteria set out in Bangladesh Bank guidelines issued from time to time;

- For individually assessed provisions, the measurement of the provision could be dependent on the valuation of collateral, estimates of exit values and the timing of cash flows.
- Provision measurement is primarily dependent upon key assumptions relating to probability of default, ability to repossess collateral and recovery rates.

See notes 7.1 and 13.1 to the financial statements

following:

- Credit monitoring and provisioning process;
- Identification of loss events, including early warning and default warning indicators;
- Review of quarterly Classification of Loans (CL);

Our substantive procedures in relation to the provision for loans and advances portfolio comprised the following:

- Reviewed the adequacy of the Company's general and specific provisions;
- Assessed the methodologies on which the provision amounts based, recalculated the provisions and testing of the completeness and accuracy of the underlying information;
- Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.

02. Impairment assessment of Unquoted Investments

In the absence of quoted price in an active market, the fair value of unquoted shares and bonds, especially any impairment is calculated using valuation techniques which

Our audit procedures in this area included, among others:

- Assessment of the processes and controls put in place by the Company



<p>may take into consideration direct or indirect unobservable market data and hence require an elevated level of judgment.</p> <p>See Notes No. 6.1.1 to the financial statements</p>	<p>to ensure all major investment decisions are undertaken through a proper due diligence process.</p> <ul style="list-style-type: none"> - Testing of a sample of investments valuation as at 31 December 2020 and compared our results to the recorded value. - Finally, the assessment of the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.
03. IT systems and controls	
<p>Our audit procedures have a focus on IT systems and controls due to the business environment and changes to 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 audit procedures in this area included, among others:</p> <ul style="list-style-type: none"> - Testing of the design and operating effectiveness of the Bank's IT access controls over the information systems that are critical to financial reporting. - Testing of 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. - Testing of the Bank's periodic review of access rights. We inspected requests of changes to systems for appropriate approval and authorization. - Consideration of the control environment relating to various interfaces, configuration and other application layer controls identified as key to our audit.

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 consolidated and separate financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If based on such work we perform, we conclude that there is a material misstatement of this other information, we are required to communicate the matter to those charged with governance.

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 the separate financial statements of the Company in accordance with IFRSs as explained in note X, 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 consolidated and separate financial statements, management is responsible for assessing the Group's and 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 Group and the Company 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 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 judgment 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, but not for the purpose of expressing an opinion on the effectiveness of the internal controls of the Company.
- 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994, the Securities and Exchange Rules 2020, the Financial Institutions Act, 1993 and the rules and regulations issued by Bangladesh Bank, we also report that:



- i) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof, except in some cases;
- ii) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books, except in some cases;
- iii) the balance sheet and profit and loss account of the Company dealt with by the report are in agreement with the books of account and returns;
- iv) the expenditures incurred were for the purpose of the Company's business for the year;
- v) the financial statements of the Company have been drawn up in conformity with the Financial Institutions Act, 1993 and in accordance with the accounting rules and regulations which were issued by Bangladesh Bank to the extent applicable to the Company, except in some cases;
- vi) adequate provisions have been made for loans, advances, leases, investments and other assets which are, in our opinion, doubtful of recovery and Bangladesh Bank's instructions in this regard have been followed properly;
- vii) the financial statements of the Company conform to the prescribed standards set in the accounting regulations which were issued by Bangladesh Bank after consultation with the professional accounting bodies of Bangladesh;
- viii) the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements;
- ix) statement sent to Bangladesh Bank have been checked on sample basis and no inaccuracy has come to our attention, except in some cases;
- x) taxes and duties were collected and deposited in the Government treasury by the Company as per Government instructions found satisfactory based on test checking, except in some cases;
- xi) nothing has come to our attention that the Company has adopted any unethical means i.e., "Window dressing" to inflate the profit and mismatch between the maturity of assets and liabilities;
- xii) proper measures have not been taken to eliminate the irregularities mentioned in the inspection report of Bangladesh Bank but the instructions which were issued by Bangladesh Bank and other regulatory authorities have been complied properly as disclosed to us by management; it is relevant to mention under this clause that the

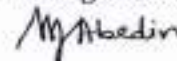


Company has failed to comply with sections 16 and 17 of the Financial Institutions Act, 1993 in respect of investment in shares and fixed assets;

- xiii) based on our work as mentioned above under the auditor's responsibility section, the internal control and the compliance of the Company is not satisfactory and effective measures have not been taken to prevent possible material fraud, forgery and internal policies are not being followed appropriately; it is relevant to mention under this clause that the Company has failed to comply with Bangladesh Bank Guideline on ICT Security for Banks and NBFIs section 10.3.2 which states that the Annual Maintenance Contract (AMC) with the vendor shall be active and currently in-force;
- xiv) the Company has not complied with relevant laws pertaining to capital, reserve and net worth, cash and liquid assets.
- xv) we have reviewed over 80% of the risk weighted assets of the Company and we have spent around 6,000 person hours for the audit of the books and accounts of the Company;
- xvi) the Company has complied with relevant instructions which were issued by Bangladesh Bank relevant to classification, provisioning and calculation of interest suspense;
- xvii) the Company has complied with the 'DFIM Circular No. 11 dated 23 December 2009' in preparing these financial statements.
- xviii) all other issues which in our opinion are important for the stakeholders of the Company have been adequately disclosed in the audit report.

The engagement partner on the audit resulting in this independent auditor's report is **Harun Mahmud**.

M. J. Abedin & Co.
Chartered Accountants
Firm Registration no: CAF-001-111



Harun Mahmud,
Partner
Enrolment no: 850

DVC: 2309240850AS310344

Dated, Dhaka
29 August 2023

People's Leasing and Financial Services Ltd.
Consolidated Balance Sheet
As on December 31, 2020

Particulars	Notes	Amount in Taka	
		Dec 31, 2020	Dec 31, 2019
PROPERTY & ASSETS			
Cash & Cash Equivalents	3.a		
In Hand (including foreign currencies)		31,459	31,459
Balance with Bangladesh Bank and its Agent Banks (including foreign currencies)		47,576	49,896
		79,035	81,355
Balance with other Banks and Financial Institutions	4.a		
Inside Bangladesh		903,968,085	981,125,352
Outside Bangladesh		-	-
		903,968,085	981,125,352
Money at Call and Short Notice	5	-	-
Investments	6.a		
Government		-	-
		410,184,610	349,916,125
		410,184,610	349,916,125
Loans & Advances	7.a		
Lease Receivables		1,218,405,158	839,110,498
Advance for Lease Finance			
Direct/ Term Finance		10,717,858,810	10,941,905,556
Secured Overdraft		(1,585,685)	(1,034,503)
Bills Discounted and Purchased		-	-
		11,934,678,283	11,779,981,551
Property, Plant & Equipment	8.a	70,055,485	77,940,536
Intangible Asset	8.1	-	-
Other Assets	9.a	973,217,267	806,968,039
Non-Banking Assets	10	31,150,609	34,611,788
Total Assets		14,323,333,376	14,030,624,746
LIABILITIES & CAPITAL			
Borrowings from Other Banks, Financial Institutions & Agents	11.a	3,964,312,643	3,965,921,639
Deposits & Other Accounts	12		
Current deposits & Other Accounts, etc		-	-
Bills Payable		-	-
Savings Bank Deposits		-	-
Term Deposits		23,611,464,846	21,058,726,955
Bearer Certificate of Deposits		-	-
Other Deposits		67,166,357	70,582,839
		23,678,631,203	21,129,309,794
Other Liabilities	13.a	15,382,898,906	13,899,778,025
Total Liabilities		43,225,842,752	38,995,009,478
Capital/ Shareholders' Equity			
Paid-up Capital	14	2,854,405,970	2,854,405,970
Statutory Reserve	15	645,578,147	645,578,147
General Reserve	16.a	7,478,823	7,478,823
Share Premium	17	1,018,605,234	1,018,605,234
Retained Earnings	18.a	(33,423,964,531)	(29,511,218,839)
Shareholders' Equity		(28,897,896,357)	(24,985,150,666)
Non-Controlling Interest	14.a	(4,613,019)	20,765,934
Total Shareholders' Equity		(28,902,509,376)	(24,964,384,732)
Total Liabilities & Shareholders' Equity		14,323,333,376	14,030,624,746

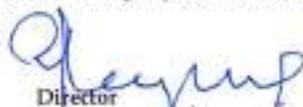


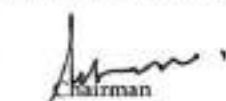
People's Leasing and Financial Services Ltd.
Consolidated Balance Sheet
 As on December 31, 2020

Particulars	Notes	Amount in Taka	
		Dec 31, 2020	Dec 31, 2019
OFF-BALANCE SHEET ITEMS			
Contingent liabilities	19		
Letters of guarantee		150,000,000	325,000,000
Letters of credit		-	-
Irrevocable letter of credit		-	-
Bills for collection		-	-
Other contingent liabilities		-	-
		150,000,000	325,000,000
Other Commitments			
Money at call and short notice		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitment		-	-
		-	-
Total off-balance sheet items including contingent liabilities		150,000,000	325,000,000
Net Assets Value (NAV) per share	41.a	(101.24)	(87.53)

The annexed notes 1 to 49 and Annexure - A & B form an integral part of these consolidated financial statements.


 Director


 Director


 Chairman


 Company Secretary (In Charge)

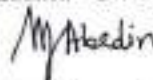

 Head of Accounts


 Managing Director

As per our report of even date

Dated: Dhaka
 29 August, 2023

M.J. Abedin & Co.
 Chartered Accountants
 Registration # CAF-001-111



Harun Mahmud FCA
 Partner
 Enrolment No. 850

DVC 2309240850AS310344

People's Leasing and Financial Services Ltd.
Consolidated Profit and Loss Account
For the Year ended December 31, 2020

Particulars	Notes	Amount in Taka	
		Dec 31, 2020	Dec 31, 2019
OPERATING INCOME			
Interest income	20.a	70,253,452	300,286,432
Interest paid on deposits, borrowings etc.	21.a	(3,040,154,734)	(3,133,096,375)
Net interest income		(2,969,901,282)	(2,832,809,943)
Income from investment	22.a	9,743,792	(4,608,355)
Commission, exchange and brokerage	23	-	-
Other operating income	24.a	8,497,766	7,457,232
Total operating income		(2,951,659,724)	(2,829,961,066)
OPERATING EXPENSES			
Salaries & allowances	25.a	15,740,446	73,686,595
Rent, taxes, insurance, electricity etc.	26.a	8,949,489	16,711,982
Legal expenses	27.a	425,837	1,284,820
Postage, stamp, telecommunications etc.	28.a	703,435	1,242,562
Stationery, printing, advertisement etc.	29.a	30,390	1,531,870
Managing director's salary and fees	30	-	3,337,000
Directors' fees	31.a	-	700,800
Audit fee	32.a	109,000	35,000
Loans & advances written-off expenses	33 & 13.1	-	-
Repair, depreciation and amortization of company's assets	34.a	15,671,298	12,514,771
Other expenses	35.a	6,972,406	53,380,398
Total operating expenses		48,602,321	164,425,798
Profit before provision		(3,000,362,045)	(2,994,386,864)
Provision for loans & advances			
Specific provision	36.a	3,174,983,794	1,576,870,990
General provision		104,936,964	(23,813,283)
Provision for diminution in value of investments		46,100,487	27,084,513
Other provision		23,354,246	1,080,330,207
Total provision		3,349,375,491	2,660,472,427
Profit before taxes		(6,349,637,536)	(5,654,859,291)
Provision for tax			
Current tax	37.a	6,793,109	7,181,748
Deferred tax	38.a	14,454,499	(20,488,366)
Total provision		21,197,608	(13,306,618)
Profit after tax		(6,370,835,144)	(5,641,552,673)
Other Comprehensive Income/(Loss) for the period			
Unrealizable Gain/(Loss) for Own portfolio	39.a	(26,955,166)	-
Less: Appropriations			
Statutory reserve		-	-
General reserve		-	-
Retained surplus		(6,397,790,310)	(5,641,552,673)
Attributable to:			
Shareholders of the Company		(6,372,411,358)	(5,640,461,088)
Non-Controlling Interest		(25,378,952)	(1,091,585)
		(6,397,790,310)	(5,641,552,673)
Earnings per share (EPS)	40.a	(22.32)	(19.76)

The annexed notes 1 to 49 and Annexure - A & B form an integral part of these consolidated financial statements.


Director

Company Secretary (In Charge)


Director

Head of Accounts


Chairman

Managing Director
As per our report of even date
M.J. Abedin & Co.
Chartered Accountants
Registration # CAF-001-111


Harun Mahmud FCA
Partner
Enrolment No. 850

Dated: Dhaka
29 August, 2023

People's Leasing and Financial Services Ltd.
Consolidated Statement of Cash Flows
For the year ended December 31, 2020

Particulars	Amount in Taka	
	Dec 31, 2020	Dec 31, 2019
A CASH FLOW FROM OPERATING ACTIVITIES:		
Interest received	52,908,715	601,543,602
Interest paid	(2,857,242,344)	(2,588,276,411)
Dividend received	9,743,792	4,051,204
Payments to employees	(15,816,981)	(78,081,576)
Payments to suppliers	(1,135,428)	(137,008,758)
Payments of Income Tax	(3,671,981)	(8,664,460)
Received from other operating activities	8,497,766	(1,202,327)
Payments for other operating activities	(26,100,922)	56,293,020
Cash generated from operating activities	(2,832,617,383)	(2,151,345,706)
Increase/(decrease) in operating assets and liabilities		
Statutory deposits		
Loans and advances to other customers	(412,085,324)	(1,238,894,262)
Other assets	72,065,917	2,176,395,125
Deposits from other Banks	752,121,603	(244,946,358)
Deposits from customers	1,797,199,806	931,850,967
Other liabilities	608,507,453	1,518,095,119
	2,817,809,454	3,142,500,571
Net Cash from Operating Activities	(15,007,929)	991,154,865
B CASH FLOW FROM INVESTING ACTIVITIES:		
Sales of investment in securities	(60,268,485)	99,283,032
Purchase of property, plant and equipment	(274,156)	6,818,451
Proceeds from sale of property, plant and equipment	-	-
Net cash used in investing activities	(60,542,641)	106,101,483
C CASH FLOW FROM FINANCING ACTIVITIES:		
Drawdown of Term loan, Overdraft and Money Market	(1,609,016)	(1,312,403,312)
Issuance of shares	-	-
Dividend paid	-	-
Net cash from financing activities	(1,609,016)	(1,312,403,312)
D Net increase / (decrease) in cash and cash equivalents (A+B+C)	(77,159,586)	(215,146,964)
E Effects of exchange rate changes on cash and cash equivalents	-	-
F Cash and cash equivalents at beginning of the year	981,206,707	1,196,353,670
G Cash and cash equivalents at end of the year (D+E+F)	<u>904,047,121</u>	<u>981,206,707</u>
Cash and cash equivalents at end of the year		
Cash in hand	31,459	31,459
Balance with Bangladesh Bank and its agents bank(s)	47,576	49,896
Balance with other banks and financial institutions	903,968,085	981,125,352
Money at call and short notice	-	-
	<u>904,047,120</u>	<u>981,206,707</u>
Net Operating Cash Flow per share	(0.05)	3.47


Director


Director


Chairman


Company Secretary (In Charge)


Head of Accounts


Managing Director



People's Leasing and Financial Services Ltd.

Consolidated Statement of Changes in Equity

For the Year ended December 31, 2020

Particulars	Paid-up Capital	Statutory Reserve	General Reserve	Share Premium	Retained Earnings	Total Equity	Non-Controlling Interest	Total
Balance as on January 01, 2020	2,854,405,970	645,578,147	7,478,823	1,018,605,234	(29,511,218,839)	(24,585,150,666)	20,765,934	(24,964,384,732)
Changes in accounting policy	-	-	-	-	-	-	-	-
Restated balance	2,854,405,970	645,578,147	7,478,823	1,018,605,234	(29,511,218,839)	(24,085,150,666)	20,765,934	(24,964,384,732)
Surplus/ (deficit) on account of revaluation of investments	-	-	-	-	25,378,952	25,378,953	(25,378,953)	-
Non-Controlling Interest	-	-	-	-	-	-	-	-
Changes of Non-controlling Interest	-	-	-	-	-	-	-	-
Adjustments of Non-controlling Interest	-	-	-	-	-	-	-	-
Net gains and losses not recognized in income statement	-	-	-	-	-	-	-	-
Transfer to statutory reserve	-	-	-	-	-	-	-	-
Net profit for the year	-	-	-	-	(6,397,790,309)	(6,397,790,309)	-	(6,397,790,309)
Dividend (bonus shares)	1	-	-	-	-	-	-	-
Adjustment made during the year	-	-	-	-	2,459,665,666	2,459,665,666	-	2,459,665,666
Balance as on December 31, 2020	2,854,405,970	645,578,147	7,478,823	1,018,605,234	(33,423,564,531)	(28,897,896,357)	(4,613,019)	(28,902,509,375)

Particulars	Paid-up Capital	Statutory Reserve	General Reserve	Share Premium	Retained Earnings	Total Equity	Non-Controlling Interest	Total
Balance as on 1 January, 2019	2,854,405,970	645,578,147	7,478,823	1,018,605,234	(23,246,824,134)	(18,720,253,960)	21,857,519	(18,698,898,441)
Adjustment for previous years loss	-	-	-	-	-	-	-	-
Restated balance	2,854,405,970	645,578,147	7,478,823	1,018,605,234	(23,246,824,134)	(18,720,253,960)	21,857,519	(18,698,898,441)
Surplus/ (deficit) on account of revaluation of investments	-	-	-	-	1,091,585	1,091,585	(1,091,585)	-
Non-Controlling Interest	-	-	-	-	-	-	-	-
Changes of Non-controlling Interest	-	-	-	-	-	-	-	-
Adjustments of Non-controlling Interest	-	-	-	-	-	-	-	-
Net gains and losses not recognized in income statement	-	-	-	-	-	-	-	-
Transfer to statutory reserve	-	-	-	-	-	-	-	-
Net profit for the year	-	-	-	-	(5,641,552,673)	(5,641,552,673)	-	(5,641,552,673)
Appropriations made during the year	-	-	-	-	(623,933,617)	(623,933,617)	-	(623,933,617)
Balance as on December 31, 2019	2,854,405,970	645,578,147	7,478,823	1,018,605,234	(29,511,218,839)	(24,985,150,666)	20,765,934	(24,964,384,731)

[Signature]
Director

[Signature]
Company Secretary (in Charge)

[Signature]
Director

[Signature]
Head of Accounts

[Signature]
Chairman
[Signature]
Managing Director



People's Leasing and Financial Services Ltd.

Balance Sheet

As on December 31, 2020

Particulars	Notes	Amount in Taka	
		Dec 31, 2020	Dec 31, 2019
PROPERTY & ASSETS			
Cash & Cash Equivalents	3		
In Hand (including foreign currencies)		1,459	1,459
Balance with Bangladesh Bank and its Agent Banks (including foreign currencies)		47,576	49,896
		49,035	51,355
Balance with other Banks and Financial Institutions	4		
Inside Bangladesh		888,655,199	953,069,815
Outside Bangladesh		-	-
		888,655,199	953,069,815
Money at Call and Short Notice	5	-	-
Investments	6		
Government		-	-
		266,525,830	215,275,830
		266,525,830	215,275,830
Loans & Advances	7		
Lease Receivables		1,218,405,158	839,110,498
Advance for Lease Finance		(1,585,685)	(1,034,503)
Direct/ Term Finance		-	-
Secured Overdraft		10,810,014,368	11,068,193,974
Bills Discounted and Purchased		-	-
		12,026,833,841	11,906,269,969
Property, Plant & Equipment	8	66,743,519	74,105,383
Intangible Asset		-	-
Other Assets	9	1,003,006,052	836,074,714
Non-Banking Assets	10	31,150,609	34,611,788
Total Assets		<u>14,282,964,085</u>	<u>14,019,458,854</u>
LIABILITIES & CAPITAL			
Borrowings from Other Banks, Financial Institutions & Agents	11	3,964,312,643	3,965,921,659
Deposits & Other Accounts	12		
Current deposits & Other Accounts, etc		120,830,567	123,156,804
Bills Payable		514	514
Savings Bank Deposits		-	-
Term Deposits		23,490,633,765	20,935,569,637
Bearer Certificate of Deposits		-	-
Other Deposits		67,166,357	70,582,839
		23,678,631,203	21,129,309,794
Other Liabilities	13	15,314,949,210	13,810,319,683
Total Liabilities		<u>42,957,893,055</u>	<u>38,905,551,136</u>
Capital/ Shareholders' Equity			
Paid-up Capital	14	2,854,405,970	2,854,405,970
Statutory Reserve	15	645,578,147	645,578,147
General Reserve	16	-	-
Share Premium	17	1,018,605,234	1,018,605,234
Retained Earnings	18	(33,193,518,322)	(29,404,681,633)
Total Shareholders' Equity		<u>(28,674,928,971)</u>	<u>(24,886,092,282)</u>
Total Liabilities & Shareholders' Equity		<u>14,282,964,085</u>	<u>14,019,458,854</u>

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People's Leasing and Financial Services Ltd.

Balance Sheet

As on December 31, 2020

Particulars	Notes	Amount in Taka	
		Dec 31, 2020	Dec 31, 2019
OFF-BALANCE SHEET ITEMS			
Contingent liabilities	19		
Letters of guarantee		130,000,000	325,000,000
Letters of credit		-	-
Irrevocable letter of credit		-	-
Bills for collection		-	-
Other contingent liabilities		-	-
		<u>130,000,000</u>	<u>325,000,000</u>
Other Commitments			
Money at call and short notice		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
		-	-
Total off-balance sheet items including contingent liabilities		<u>130,000,000</u>	<u>325,000,000</u>
Nat Assets Value (NAV) per share	41	(100.46)	(87.18)


Director


Company Secretary (In Charge)


Director


Head of Accounts


Chairman


Managing Director

As per our report of even date

M.J. Abedin & Co.
Chartered Accountants
Registration # CAF-001-111



Harun Mahmud FCA
Partner
Enrolment No. 850

Dated: Dhaka
29 August, 2023

DVC: 23092408 50 AS 310344

People's Leasing and Financial Services Ltd.

Profit & Loss Account


For the Year ended December 31, 2020

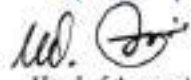
Particulars	Notes	Amount in Taka	
		Dec 31, 2020	Dec 31, 2019
OPERATING INCOME			
Interest income	20	177,359,702	267,986,646
Interest paid on deposits, borrowings etc.	21	(3,040,154,734)	(3,132,525,653)
Net interest income		(2,862,795,032)	(2,864,539,007)
Income from investment	22	2,129,469	(1,154,137)
Commission, exchange and brokerage	23	-	-
Other operating income	24	5,866,564	4,060,013
Total operating income		(2,854,798,999)	(2,861,633,131)
OPERATING EXPENSES			
Salaries & allowances	25	9,448,457	65,995,477
Rent, taxes, insurance, electricity etc.	26	6,139,199	13,866,215
Legal Expenses	27	425,837	1,284,820
Postage, stamp, telecommunications etc.	28	511,250	1,001,302
Stationery, printing, advertisement etc.	29	16,100	1,442,574
Managing director's salary and fees	30	-	3,337,000
Directors' fees	31	-	680,800
Audit fee	32	-	-
Loans & advances written-off expenses	33 & 33.1	-	-
Repair, depreciation and amortization of company's assets	34	15,128,116	11,879,604
Other expenses	35	5,493,498	48,334,391
Total operating expenses		37,162,457	148,022,183
Profit before provision		(2,891,961,456)	(3,009,655,314)
Provision for loans & advances			
Specific provision	36	3,174,983,794	1,576,870,990
General provision		104,936,964	(25,813,283)
Provision for diminution in value of investments	36	46,100,487	27,084,513
Other provision		23,354,246	1,080,330,307
Total provision		3,349,375,491	2,660,472,427
Profit before taxes		(6,241,336,947)	(5,670,127,741)
Provision for tax			
Current tax	37	6,000,000	6,000,000
Deferred tax	38	1,165,406	(7,246,160)
Total provision		7,165,406	(1,246,160)
Profit after tax		(6,248,502,353)	(5,668,881,581)
Profit available for appropriations		(6,248,502,353)	(5,668,881,581)
Appropriations			
Statutory reserve		-	-
General reserve		-	-
Retained surplus		(6,248,502,353)	(5,668,881,581)
Earnings per share (EPS)	40	(21.89)	(19.86)


The annexed notes 1 to 49 and Annexure - A & B form an integral part of these consolidated financial statements.



Director


Company Secretary (In Charge)


Director


Head of Accounts


Chairman


Managing Director

As per our report of even date
M.J. Abedin & Co.
Chartered Accountants
Registration # CAF-001-111


Harun Mahmud FCA
Partner
Enrolment No. 850

Dated: Dhaka
29 August, 2021

People's Leasing and Financial Services Ltd.

Statement of Cash Flows

For the year ended December 31, 2020

Particulars	Amount in Taka	
	Dec 31, 2020	Dec 31, 2019
A CASH FLOW FROM OPERATING ACTIVITIES:		
Interest received	160,014,462	569,243,816
Interest paid	(2,856,555,331)	(2,587,705,689)
Dividend received	2,129,469	1,645,863
Payments to employees	(8,888,464)	(70,356,210)
Payments to suppliers	(962,628)	(136,209,158)
Payments of Income Tax	(608,918)	(9,234,201)
Received from other operating activities	4,785,608	1,260,013
Payments for other operating activities	(17,179,065)	63,548,002
Cash generated from operating activities	(2,717,264,667)	(2,167,807,564)
Increase/(decrease) in operating assets and liabilities		
Loans and advances to customers	(10,591,437,291)	(1,171,561,192)
Other assets	2,836,147,179	2,113,374,487
Deposits from banks	752,121,600	(244,946,358)
Deposits from customers	1,797,199,806	931,830,967
Other liabilities	7,911,899,807	1,567,727,612
	2,765,930,904	3,196,445,516
Net Cash from Operating Activities	(11,333,763)	1,028,637,952
B CASH FLOW FROM INVESTING ACTIVITIES:		
Sales of investment in securities	(51,200,000)	56,000,000
Purchase of property, plant and equipment	(274,156)	6,818,451
Proceeds from sale of property, plant and equipment	-	-
Net cash used in investing activities	(51,474,156)	62,818,451
C CASH FLOW FROM FINANCING ACTIVITIES:		
Drawdown of Term loan, Overdraft and Money Market	(1,609,016)	(1,296,328,599)
Issuance of shares	-	-
Dividend paid	-	-
Net cash from financing activities	(1,609,016)	(1,296,328,599)
D Net increase/(decrease) in cash and cash equivalents (A+B+C)	(64,416,935)	(204,872,196)
E Effects of exchange rate changes on cash and cash equivalents	-	-
F Cash and cash equivalents at beginning of the year	953,121,170	1,157,993,366
G Cash and cash equivalents at end of the year (D+E+F)	888,704,234	953,121,170
Cash and cash equivalents at end of the year		
Cash in hand	1,459	1,459
Balance with Bangladesh Bank and its agent's bank(s)	47,576	49,896
Balance with other banks and financial institutions	888,655,199	953,069,815
Money at call and short notice	-	-
	888,704,234	953,121,170
Net Operating Cash Flow per share	(0.04)	3.60


Director


Director


Chairman


Company Secretary(In Charge)


Head of Accounts


Managing Director



People's Leasing and Financial Services Ltd.

Statement of Changes in Equity

For the Year ended December 31, 2020

Particulars	Paid-up Capital	Statutory Reserve	General Reserve	Share Premium	Retained Earnings	Total
Balance as on January 01, 2020	2,854,405,970	645,578,147	-	1,018,605,234	(29,404,681,633)	(24,886,092,282)
Changes in accounting policy	-	-	-	-	-	-
Restated balance	2,854,405,970	645,578,147	-	1,018,605,234	(29,404,681,633)	(24,886,092,282)
Surplus/(deficit) on account of revaluation of properties	-	-	-	-	-	-
Surplus/(deficit) on account of revaluation of investments	-	-	-	-	-	-
Currency translation differences	-	-	-	-	-	-
Net gains and losses not recognized in income statement	-	-	-	-	-	-
Transfer to statutory reserve	-	-	-	-	-	-
Transfer to general reserve	-	-	-	-	-	-
Net profit for the year	-	-	-	-	(6,248,502,353)	(6,248,502,353)
Dividend (bonus shares)	-	-	-	-	2,459,665,664	2,459,665,664
Appropriations made during the year	-	-	-	-	(33,193,518,322)	(33,193,518,322)
Balance as on December 31, 2020	2,854,405,970	645,578,147	-	1,018,605,234	(590,183,618)	(28,674,928,971)
Particulars	Paid-up Capital	Statutory Reserve	General Reserve	Share Premium	Retained Earnings	Total
Balance as on January 01, 2019	2,854,405,970	645,578,147	-	1,018,605,234	(25,145,616,434)	(18,627,027,083)
Adjustment for previous years loss	-	-	-	-	-	-
Restated balance	2,854,405,970	645,578,147	-	1,018,605,234	(25,145,616,434)	(18,627,027,083)
Surplus/(deficit) on account of revaluation of properties	-	-	-	-	-	-
Surplus/(deficit) on account of revaluation of investments	-	-	-	-	-	-
Currency translation differences	-	-	-	-	-	-
Net gains and losses not recognized in income statement	-	-	-	-	(5,668,881,581)	(5,668,881,581)
Net profit for the year	-	-	-	-	-	-
Transfer to statutory reserve	-	-	-	-	-	-
Transfer to general reserve	-	-	-	-	-	-
Dividend (bonus shares)	-	-	-	-	-	-
Appropriations made during the year	-	-	-	-	-	-
Balance as on December 31, 2019	2,854,405,970	645,578,147	-	1,018,605,234	(29,404,681,633)	(24,886,092,282)

[Signature]
Director

[Signature]
Company Secretary(In Charge)

[Signature]
Director

[Signature]
Head of Accounts

[Signature]
Chairman

[Signature]
Managing Director



People's Leasing and Financial Services Ltd.

Liquidity Statement

As on December 31, 2020

Particulars	Up to 1 month maturity	1-3 months maturity	3-12 months maturity	1-5 Years maturity	More than 5 years maturity	2020	2019
Cash	1,459	-	-	-	-	1,459	1,459
Balances with foreign/cash bank	47,576	-	-	-	-	47,576	49,896
Balances with other banks	59,196,804	-	829,458,395	-	-	888,655,199	953,069,815
Money at call and on short notice	-	-	-	-	-	-	-
Investments	31,300,420	-	75,690,410	159,535,000	-	266,525,830	215,275,830
Loans and advances	240,538,677	481,073,354	2,164,830,091	6,494,490,274	2,645,903,444	12,026,833,841	11,906,269,969
Property, plant & equipment	-	-	18,488,086	36,976,172	11,279,261	66,743,519	74,105,383
Other assets	399,265,786	439,192,365	527,030,838	434,384,809	(796,867,745)	1,003,006,052	836,074,714
Non-banking assets	-	-	-	31,150,609	-	31,150,609	34,611,788
Total assets	730,348,722	920,265,718	3,615,497,820	7,156,536,865	1,840,314,960	14,282,964,085	14,019,459,054
LIABILITIES:							
Borrowings from other Banks, Financial Institutions & Agents	561,011,111	1,208,200,190	635,598,291	1,559,505,051	-	3,964,312,643	3,965,921,659
Deposit and other accounts	689,233,507	2,067,700,521	10,338,502,606	6,720,026,694	3,863,167,876	23,678,631,303	21,129,309,794
Provision and other liabilities	1,860,249,059	1,738,532,836	168,648,343	9,232,936,067	2,315,182,905	15,314,949,210	13,810,319,683
Total liabilities	3,110,493,677	5,014,433,547	11,142,149,240	17,512,465,812	6,178,350,781	42,957,893,055	38,905,551,136
Net Liquidity Gap	(2,380,144,956)	(4,094,167,829)	(7,526,651,420)	(10,355,928,947)	(4,338,035,821)	(28,674,928,970)	(24,886,092,282)


Director


Director


Company Secretary (In Charge)


Head of Accounts


Chairman


Managing Director



People's Leasing And Financial Services Limited
Notes to the Financial Statements
For the year ended December 31, 2020

1 General information

1.1 Legal status of the Company

People's Leasing And Financial Services Limited (PLFSL) is a Non-Banking Financial Institution established under the Financial Institutions Act, 1993. The Company was incorporated as a Public Limited Company on August 10, 1996 under the Companies Act, 1994. This Company was authorized to commence business in Bangladesh as per Certificate of Commencement dated 26th August, 1996. It started operation after obtaining License from Bangladesh Bank on November 24, 1997. The Company went for public issue of shares in 2005, and listed with both Dhaka Stock Exchange Ltd. & Chittagong Stock Exchange Ltd. in Bangladesh on July 20, 2005.

The registered office of the company is located at Paramount Heights, (12th floor), 65/2/1 Box Culvert Road, Purana Paltan, Dhaka-1000. The operations of the company are being carried out through its two branches located in Dhaka and Chittagong.

1.2 Nature of business activities

The company offers diversified products and services, which include lease finance, term finance, housing finance, syndicated finance, bridge finance, real estate finance, SME finance, bill discounting, work order finance, personal finance, etc. The main focus is to identify and select emerging sector for financing and maintaining quality portfolio.

The company has launched a sound number of attractive deposit schemes to accommodate the requirement of several classes of people. Deposit schemes include Term Deposit, Double Money Deposit, Triple Money Deposit, Periodical Income Deposit, Monthly Saving Scheme (MSS), etc.

2 Basis of preparation and significant accounting policies

2.1 Statement of compliance

The Financial Reporting Council (FRC) was formed as per Financial Reporting, 2015. FRC adopted the International Financial Reporting Standard (IFRSs) issued by International Accounting Standard Board (IASB) which need to be followed by public interest entities in preparing their financial statement. The Financial Institutions Act, 1993 has been amended as required to comply for the preparation of their financial statements under such financial reporting standard.

As FRS is yet to be issued by FRC, as per the provisions of FRA (section-69), financial statements of the Company have been prepared in accordance with the International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS) as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB) and, in addition to this, the FIs also complied with the requirements of the following laws and regulations from various Government bodies:

- i. The Companies Act, 1994;
- ii. The Financial Institutions Act, 1993;
- iii. Bangladesh Securities and Exchange Rules, 2020;
- iv. Bangladesh Securities and Exchange Ordinance, 1969;
- v. (Listing) Regulations, 2015 of Dhaka & Chittagong Stock Exchanges; and
- vi. Other applicable laws and regulations.

In case the requirements of the Financial Institutions Act 1993, provisions and circulars issued by Bangladesh Bank differ with those of IFRSs, the requirements of the Financial Institutions Act 1993, provisions and circulars issued by Bangladesh Bank shall prevail, differences are as follows:



S.L	Nature of Departure	Title of IFRS	Treatment of IFRS	Treatment Adopted as per Bangladesh Bank	Financial or Presentation Effect of the Departure
1.	Presentation and disclosure of Financial Statements and Financial Instruments	IAS 1 'Presentation of Financial Statements'	Other Comprehensive Income (OCI) is a component of financial statements or the elements of OCI are to be included in a single Other Comprehensive Income Statement.	Bangladesh Bank has issued templates for financial statements vide DFIM Circular# 11 dated December 23, 2009 which has been followed by all NBFIs. 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.	Presentation of financial statements are not fully aligned with all the requirements of IAS.
2.	Current/ Non-current distinction	IAS 1 'Presentation of Financial Statements'	As per Para 60 of IAS-1 'Presentation of Financial statement' An entity shall present current and non-current assets and Current and non-current liabilities as separate classification in its statement of financial position.	As per DFIM Circular-11, Date-23 December 2009, Bangladesh Bank has issued templates for financial statements which is applicable for all the Financial Institutions. In these templates there is no current and noncurrent segmentation of assets and liabilities	Presentation of financial statements is not fully aligned with all requirements of the IAS. Moreover, the liquidity statement shows the current/non-current portion of assets and Liabilities in this regards.
3.	Off-balance sheet items	IAS 1 'Presentation of Financial Statements'	There is no concept of non-financial institutional assets items in any IFRS; hence there is no requirement for disclosure of non banking assets items on the face of the balance sheet.	As per DFIM Circular-11, Date-23 December 2009, off balance sheet items (e.g. letter of credit, letter of guarantee etc.) must be disclosed separately on the face of the balance sheet.	Presentation of financial statements are not aligned with the requirements of IAS 1. There is no financial impact for this departure in the financial statements.
4	None Banking Asset	IAS "Presentation of Financial Statements"	There is no concept of non-financial institutional assets items in any IFRS. Hence there is no	As per DFIM Circular-11, Date -23 December 2009, non-banking assets must be disclosed	Presentation of financial statements is not aligned with requirements of



			requirement for disclosure of non-banking assets items on the face of balance sheet	separately on the face of the balance sheet.	the IAS -1. There is no financial impact for this departure in the financial statements.
5	Complete set of financial statements	IAS "Presentation of Financial Statements"	As per IAS 1 "Presentation of Financial Statements" complete set of financial statements are i) statement of financial position, ii) statement of profit or loss and other comprehensive income, iii) statement of changes in equity, iv) statement of cash flows, v) notes, comprising significant accounting policies and other explanatory information and vi) statement of financial position at the beginning of preceding period for retrospective restatement.	As per DFIM Circular-11, Date-23 December 2009, complete set of financial statements are i) balance sheet, ii) profit and loss account, iii) statement of cash flows, iv) statement of changes in equity, v) statement of liquidity, vi) notes, comprising significant accounting policies and other explanatory information.	Presentation of financial statements is not aligned with requirements of the IAS 1. There is no financial impact for this departure in the financial statements.
6	Intangible asset	IAS 1 "Presentation of Financial Statements"	As per IAS 1 "Presentation of Financial Statements" para 54 the statement of financial position shall include separate line item for intangible assets	As per DFIM Circular-11, Date-23 December 2009, there is no option for separate line item for intangible asset in the balance sheet. We present intangible asset in the balance sheet as part of fixed assets and provide details in annexure- A I as separate line item.	Presentation of financial statements is not aligned with requirements of the IAS 1. There is no financial impact for this departure in the financial statements.
7	Presentation of cash and cash equivalent	IAS 7 "Statement of Cash Flows"	Cash equivalent are short term highly liquid investments that are readily convertible to known amounts of cash and only include those investments which are for a short tenure like: 3 months or less period. In the light of above, balance with Bangladesh Bank and fixed term deposits	Bangladesh Bank has issued templates for financial statements vide DFIM Circular# 11 dated December 23, 2009 which has been followed by NBFIs the templates of financial statements provided detail of presentation of statement cash flows.	Presentation of financial statements is not fully aligned with the requirements of IAS. Thus items which should be presented as 'investment activities-Balance with Bangladesh Bank (BB)' as per IAS is shown as



			should be treated as investment asset rather than cash equivalent as it is illiquid asset and not available for use in day-to-day operations.		cash & cash equivalent.
8	Measurement of deferred tax asset	IAS 12 "Income Tax"	A deferred tax asset shall be recognized for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized	As per DFIM circular No. 7 dated 31 July 2011, no deferred tax asset can be recognized for any deductible temporary difference against lease, loans and advances.	At the yearend specific provision against loan and advances amounts to BDT 8,058,600,098 and deferred tax assets of BDT 3,021,975,037 not recognized on this temporary difference as per BB circular.
9	Preparation of "Statement of Cash Flows"	IAS 7 "Statement of Cash Flows"	The Cash flow statement can be prepared using either the direct method or the indirect method. The presentation is selected to present these cash flows in a manner that is most appropriate for the business or industry. The method selected is applied consistently.	As per DFIM Circular-11, Date-23 December 2009, Cash flow statement has been guided by the Bangladesh Bank which is the mixture of direct and indirect method	Presentation of financial statements is not fully aligned with all requirements of the IAS.
10	Measurement of provision for leases, loans and advances (financial assets measured at amortized cost)	IFRS 9 "Financial Instruments"	IFRS: As per IFRS 9 an entity shall recognize an impairment allowance on loans and advances based on expected credit losses. At each reporting date, an entity shall measure the impairment allowance for loans and advances at an amount equal to the lifetime expected credit losses if the credit risk on these loans and advances has increased significantly since initial recognition whether assessed on an individual or collective basis considering all	As per FID circular No. 08 dated 03 August 2002, FID circular No. 03, dated 03 May 2006 and FID circular No. 03, dated 29 April 2013, a general provision at 0.25% to 5% under different categories of unclassified loan (good/standard loans) has to be maintained irrespective of objective evidence of impairment on lease, loans and advances. Loan classification status during the year 2020 has been determined as per DFIM Circular No. 01:	Provision maintained against loans, advances and leases as at 31 December 2020 amounts to BDT 8,066,837,735.



			<p>reasonable information, including that which is forward-looking. For those loans and advances for which the credit risk has not increased significantly since initial recognition, at each reporting date, an entity shall measure the impairment allowance at an amount equal to 12 month expected credit losses.</p>	<p>Regarding Loan/Lease/Advance Classification for Financial Institutions Dated 24 March 2020" which came into effect in response to Covid-19 outbreak. The circular prevent any loan account from being downgraded from its classification status on 1 January 2020. Subsequently Bangladesh Bank issued related circular's which extended the loan moratorium period upto 31 December 2020.</p> <p>Also, provision for sub-standard investments, doubtful investments and bad losses has to be provided at 20%, 50% and 100% respectively for investments depending on the duration of overdue</p>	
11	Valuation of Investments in quoted and unquoted shares	IFRS 9 'Financial Instruments'	<p>As per requirements of IFRS 9: classification and measurement of investment in shares and securities will depend on how these are managed (the entity's business model) and their contractual cash flow characteristics. Based on these factors it would generally fall either under "at fair value through profit and loss account" or under "at fair value through other comprehensive income" where any change in the fair value (as measured in accordance with IFRS 13) at the year-end is</p>	<p>As per FID circular No. 08 dated 03 August 2002 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; however, in case of any unrealized gain, no such gain can be recognized and investments are recognized at cost only.</p>	<p>100% provision has been maintained against unlisted equity investment and adequate provision has been maintained against listed equity investment as per the guidelines of Bangladesh Bank.</p>



			taken to profit and loss account or other comprehensive income respectively.		
12	Recognition of interest income for SMA and classified lease, loans and advances	IFRS 9 "Financial Instruments"	IFRS: Loans and advances to customers are generally classified at amortized cost as per IFRS 9 and interest income is recognized by using the effective interest rate method to the gross carrying amount over the term of the loan. Once a loan subsequently become credit-impaired, the entity shall apply the effective interest rate to the amortized cost of these loans and advances.	As per FID circular No. 03, dated 03 May 2006, once an investment on leases, loans and advances is termed as "Special Mention Account (SMA)", interest income from such investments is not allowed to be recognized as income, rather the respective amount needs to be credited as a liability account like: interest suspense account.	At year end, interest suspense account has decreased to BDT 2,085,826,666 from BDT 2,180,120,287 resulting in a decrease of BDT 94,293,621 of interest suspense. This amount has been shown as other liabilities in note 13.8.
13	Presentation and disclosure of Financial Statements and Financial Instruments	IFRS-7 "Financial instruments: Disclosures"	IFRS 7 require specific presentation and disclosure relating to all financial instruments.	As per Bangladesh Bank guidelines, financial instruments are categorized, recognized and measured differently from those prescribed in IFRS 7. As such some disclosure and presentation requirements of IFRS 7 have not been made in the accounts.	Presentation of financial statements is not fully aligned with all requirements of IFRS.

The accounting heads mentioned in the prescribed form which are not applicable for the Financial Institutions have been kept blank in the Financial Statements.

2.2 Going concern assumption

The Company has an accumulated loss of BDT 33,193,518,322 for the year ended 31 December 2020; Negative equity of BDT 28,674,928,971 as at 31 December 2020; Negative Capital adequacy ratio of 204.35% as against minimum of 10%; 96% of investment of the Company is classified, CRR and SLR requirements could not be met throughout the year and investment disbursement is very poor.

These financial statements have been prepared on the basis of assessment of the PLFS's ability to continue as a going concern. PLFS has neither any intention to cease the operation nor any legal or regulatory compulsion to liquidate or curtail materially its operations.

We are to bring to notice that, following an application under section 29 of the Financial Institution Act-1993 filed by Bangladesh bank praying for winding up of People's Leasing And Financial Services Limited in Financial Institution Matter no. 01 of 2019, The Hon'ble High Court vide order dated 14.07.2019 admitted said application and put the company under Liquidation.

Subsequently the Honorable Company Bench of the High Court Division, Supreme Court of Bangladesh by the Order No.96 dated 12.07.2021 was pleased to recall order "Financial Institution Matter no. 01 of 2019" dated 14.07.2019 and formed a Board of Directors. Later, the Hon'ble Court



passed an Order no. 132 with reconstructed the present Board of Directors and the Hon'ble Court expects that the PLFSL shall run the Company in full swing by investing money in the most secured businesses of this country. Now the Company has been functioning towards for revival. In this connection the following activities are performing;

- 1) Formulating a business plan;
- 2) Trying to recover money from borrowers;
- 3) Paying to depositors gradually;
- 4) Trying to invest in new business; etc.

2.3 Statement of cash flows

The statement of Cash Flows has been prepared in accordance with Bangladesh Bank DFIM Circular No.-11 dated December 23, 2009 which is a mixture of the direct and indirect methods.

2.4 Use of estimates and judgments

The preparation of financial statements in conformity with International Financial Reporting Standards (IFRS), requires management to make estimates and assumptions that affect certain reported amounts and disclosures. The estimates and associated assumptions are based on historical experience and various related factors that are believed to be reasonable under the circumstances, the result of which may differ from these estimates and judgments.

Significant areas requiring the use of management estimates in these financial statements are related to the useful life of depreciable assets and provisions for loans, advances and leases; investment, gratuity and income tax. However, the estimates and underlying assumption are reviewed on an ongoing basis and the actual result is recognized in the period in which the estimates are revised.

2.5 Date of Authorization

The Board of Directors has authorized these financial statements on August 29, 2023.

2.6 Directors' responsibility statement

The Board of Directors is responsible for the presentation of the financial statements under section 183 of the Companies Act, 1994 and as per the provision of 'The Framework for the Preparation and Presentation of Financial Statements'.

2.7 Risk and uncertainty for use of estimates

The preparation of financial statements in conformity with IFRS requires Management to make estimates and assumptions that affect the reported amounts of revenues and expenses, assets and liabilities, and disclosure requirements for contingent assets and liabilities during and the date of the financial statements. These financial statements contained information about the assumptions it made about the future and other major sources of estimation uncertainty at the end of the reporting period that have a significant risk of resulting in a material adjustment to the carrying amount of assets, liabilities, income and expenses within the next financial year. In accordance with the guidelines as prescribed by IAS 37: Provisions, Contingent Liabilities and Contingent Assets, provisions are recognized in the following situations:

- When the company has an obligation as a result of past events;
- When it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- Reliable estimate can be made of the amount of the obligation.

2.8 Compliance of International Financial Reporting Standards (IFRS)

IAS No.	Name of IAS	Applicability
IAS 1	Presentation of financial statement	Applied with some departures
IAS 2	Inventories	N/A
IAS 7	Statement of cash flows	Applied with some departures



IAS 8	Accounting policies, changes in accounting estimates and errors	Applied
IAS 10	Events after the balance sheet date	Applied
IAS 11	Construction contracts	N/A
IAS 12	Income taxes	Applied
IAS 14	Segment reporting	N/A
IAS 16	Property, plant & equipment	Applied
IAS 17	Leases	N/A
IAS 18	Revenue	N/A
IAS 19	Employee benefits	Applied
IAS 20	Accounting of Government grants and disclosure of Government assistance	N/A
IAS 21	The effects of changes in foreign exchange rates	N/A
IAS 23	Borrowing costs	N/A
IAS 24	Related party disclosures	Applied
IAS 26	Accounting and reporting by retirement benefit plans	N/A
IAS 27	Separate financial statements	Applied
IAS 28	Investments in associates and joint venture	N/A
IAS 29	Financial reporting in hyperinflationary economics	N/A
IAS 31	Interest in joint ventures	N/A
IAS 32	Financial instruments: presentation	Applied with some departures
IAS 33	Earnings per share	Applied
IAS 34	Interim financial reporting	N/A
IAS 36	Impairment of assets	Applied
IAS 37	Provisions, contingent liabilities and contingent assets	Applied
IAS 38	Intangible assets	Applied
IAS 39	Financial instruments: recognition and measurement	N/A
IAS 40	Investment property	N/A
IAS 41	Agriculture	N/A

IFRS No.	Name of IFRS	Applicability
IFRS 1	First-time adoption of international financial reporting standards	N/A
IFRS 2	Share based payment	N/A
IFRS 3	Business combinations	N/A
IFRS 4	Insurance contracts	N/A
IFRS 5	Non-current assets held for sale and discontinued operations	N/A
IFRS 6	Exploration for and evaluation of mineral resources	N/A
IFRS 7	Financial instruments: disclosures	Applied
IFRS 8	Operating segments	N/A
IFRS 9	Financial instruments	Applied with some departures



IFRS 10	Consolidated financial statements	Applied
IFRS 11	Joint arrangements	N/A
IFRS 12	Disclosure of interests in other entities	N/A
IFRS 13	Fair value measurement	Applied with some departures
IFRS 14	Regulatory Deferral Accounts	N/A
IFRS 15	Revenue from Contracts with Customers	Applied with some departures
IFRS 16	Leases	Not applied
IFRS 17	Insurance Contracts	N/A

2.9 Consistency

In accordance with the IFRS framework for the presentation of financial statements, the company applies the accounting disclosure principles consistently from one period to next period, where selecting and applying new accounting policies, changes in accounting policies applied, correction of errors, the amounts involved are accounted for and disclosed retrospectively in accordance with the requirement of IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors".

2.10 Significant accounting policies

2.10.1 Accounting for leases

The Company has not recognized 'Right of Use' assets and lease liabilities as per IFRS 16 since the rent agreements have subsequently been terminated.

2.10.2 Comparatives and reclassification

Comparative information has been disclosed in respect of 2019 for all numerical information in the financial statements and also the narrative and descriptive information when it is relevant for understanding of the current period's financial statements.

2.10.3 Accounting for loans

Loans operation consists of term loans, housing finance and staff loans. Books of accounts are maintained based on the accrual method of accounting. However, interest income on Special Mention Account (SMA) and classified finance is not recognized as income but credited to interest suspense account as per Bangladesh Bank circulars and directives.

2.10.4 Investments

Investment in securities are classified broadly in two categories and accounted for as under:

Investment in quoted shares

Investments in quoted shares (listed securities) are carried at cost. Adequate provision has been made considering each individual investment (where cost is less than market priced) as guided by Bangladesh Bank. Unrealized gain is not recognized in the profit and loss account.

Investment in unquoted shares

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

Stock dividends received against investment in shares are recorded at zero value in the books of accounts.

2.10.5 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, cash with Bangladesh Bank and its agent bank(s) and balance with banks and other financial institutions in the form of current deposit, short term deposit and fixed deposits.



2.10.6 Liquidity statement (asset and liability maturity analysis)

Liquidity statement is prepared in accordance with First Schedule" (Section 38) of Bank Companies Act, 1991 on residual maturity term of assets and liabilities as on the reporting date based on the following basis:

- i) Balance with banks and other financial institutions, money at call and short notice, etc. are on the basis of their maturity term.
- ii) Investments are on the basis of their respective maturity.
- iii) Loans, advances and leases are on the basis of their repayment schedule.
- iv) Fixed assets are on the basis of their estimated useful lives.
- v) Other assets are on the basis of their realization/amortization.
- vi) Borrowing from banks, other financial institutions and agents, etc are as per their maturity/repayment terms
- vii) Term deposits and other deposits are on the basis of their maturity term and past trend of withdrawal by the depositors.
- viii) Other liabilities are on the basis of their payment/adjustments schedule.

2.10.7 Fixed assets including land, building, furniture & equipment

The cost of an item of property, plant and equipment is recognized as an asset if, it is probable that the future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. Company's own fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses (if any). The cost of acquisition of any asset comprises of its purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use as per International Accounting Standard (IAS) 16 "Property, Plant and Equipment".

a) Subsequent expenditure on fixed assets

Subsequent expenditure, such as repairs and maintenance, on property, plant and equipment is normally charged off as revenue expenditure in the period in which it is incurred. In situation subsequent expenditure is only recognized as an asset when the expenditure improves the condition of the asset beyond its originally assessed standard of performance. All other costs are recognized to the profit and loss account as expenses. All up gradation/enhancement are generally charged off as revenue expenditure unless they bring similar significant additional benefits.

b) Disposal of fixed assets

On disposal of fixed assets, the cost and accumulated depreciation are eliminated and gain or loss on such disposal is reflected in the profit and loss account, which is determined with reference to the net book value of the assets and net sales proceeds.

c) Depreciation on fixed assets

Depreciation on Company's own fixed assets is charged to amortize the cost of assets throughout their estimated useful lives, using the reducing balance method - in accordance with International Accounting Standard (IAS) 16 "Property, Plant and Equipment's". Depreciation of an asset begins when it is available for use, ie when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale (or included in a disposal group that is classified as held for sale) in accordance with IFRS 5 and the date that the asset is derecognized. The rates of depreciation used are as under:

Sl. No.	Category of Fixed assets	Rate of Depreciation
1	Company Premises	10%
2	Motor Car & Vehicles	20%
3	Computer	20%
4	Telephone System	10%



5	Air Cooler	5%
6	Refrigerator	10%
7	Generator	10%
8	Office Equipment	20%
9	Furniture & Fixtures	5%
10	Crockery	20%

2.10.8 Impairment of assets

The company's assets are appraised at each balance sheet date for impairment. If there is any indication of impairment, the company estimates the recoverable amount of such assets; impairment losses if any, is recognized in the profit & loss account if the carrying amount of the asset exceeds its recoverable amount.

2.10.9 Provision for loans, advances and investments

Provision for loans, advances and investments is an estimate of the losses that may be sustained in the investment portfolio. The provision is based on two principles (1) IAS 37: Provision, Contingent Liabilities and Contingent Assets and (2) Bangladesh Bank guidelines. The methodology for measuring the appropriate level of the provision relies on several key elements, which include both quantitative and qualitative factors as set forth in the Bangladesh Bank guidelines. Provision for loans and advances are made on quarter basis as well as year-end review by management following instructions contained in FID circular No. 08 dated 03 August 2002, FID circular No. 03, dated 03 May 2006 and FID circular No. 06, dated 20 August 2006 issued by Bangladesh Bank.

Also, provision for sub-standard investments, doubtful investments and bad losses has to be provided at 20%, 50% and 100% respectively for investments depending on the duration of overdue.

a) Write off of loans, advances and investments

In compliance with Bangladesh Bank DFIM circular no. 3 dated 8 April 2015 and DFIM circular no. 2 dated 1 April 2019 loans, advances and investment are written off to the extent that (i) there is 100% provision is maintained (ii) against which legal cases are pending and (iii) prior approval of board is required for write off. The item's potential return is thus cancelled and removed ("written off") from the Company's balance sheet. However, these write off will not undermine or affect the claim amount against the borrower. Recovery against the written off is credited to other operational income. Income is recognized where amounts are either recovered and/or adjusted against securities/properties or advances there against or are considered recoverable.

2.10.10 Provision for doubtful accounts

Provision has been made at estimated rates on outstanding exposures, based on aging and continuous review of the receivables, as per Bangladesh Bank guidelines. In addition, a general provision has also been made by the Company to cover unforeseen losses on all loans, advances and leases and investments excluding those for which a specific provision has been made. The provision is considered adequate to meet probable future losses.

2.10.11 Provisions and accrued expenses

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

2.10.12 Payment of dividend

Interim dividends are recognized when they are paid to shareholders. Final dividend is recognized when it is approved by the shareholders.

The proposed cash dividend is not recognized as a liability in the balance sheet in accordance with the IAS 10 "events after the balance sheet date". Dividend payable to the Company's shareholders are recognized as a liability and deducted from shareholders equity in the period in which the shareholders right to receive payment is established.



IAS 1 "presentation of financial statements" also requires the dividend proposed after the balance sheet date but before the financial statements are authorized for issue, be disclosed in the notes to the financial statements. Accordingly, the Company has disclosed the same in the notes to the financial statements.

Dividends cannot be declared by the Company until the Capital Adequacy shortfall disclosed in note 14.1 has been adjusted.

2.10.13 Revenue recognition

As per IFRS 15: Revenue from Contracts with Customers, an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Penal interest is recognized on cash basis as and when it is realised from the client.

a) Interest Income

Interest income comprises of interest income from lease, loans and advances and interest on placement of fund with banks and other financial institutions. Interest due is recognized on accrual basis using the effective interest method. Interest due over ninety days is not recognized as revenue rather it is recognized as interest suspense. Suspended interest is recognized as income on cash basis when it is received.

b) Income from leases

The excess of aggregate rentals receivable over the cost of the leased asset constitutes the total unearned lease income. The unearned lease income is recognized as revenue on an accrual basis over the lease terms, as per Bangladesh Bank Guidelines. No lease income is accounted for as revenue where any lease rental is in arrears for 03 (three) months and above. In case of lease account for more than 5 (five) years period, no lease income is accounted for as revenue where any lease rental is in arrears for 06 (six) months and above.

c) Income from loans, advances

Interest on loans and advances is recognized when interest is accrued. No interest on loans and advances is accounted for as revenue where any portion of capital or interest is in arrears for 03 (three) months and above. In case of loans and advances for more than 5 (five) years period, no interest on loans is accounted for as revenue where any portion of capital or interest is in arrears for 06 (six) months and above.

d) Dividend income

Dividend income is recognized on cash basis in the period in which the dividend was received. Dividend income from preference share is recognized on accrual basis considering the establishment of right to receive the same.

e) Capital gain on sale of shares

Capital gain from sale of share/ securities is recognized on realized basis i.e. only when the securities are sold. Unrealized capital gain is not recognized as income.

f) Fee based revenue

Fee based revenues are recognized as income on cash basis i.e. as and when realized.

2.10.14 Bank loans

Interest bearing bank loans are recorded at the proceeds received. Interest on bank loans is accounted for on an accrued basis to profit and loss account under the head of financial expense at the implicit rate of interest. The accrued expenses are added to carrying amounts of the loans.



2.10.15 Borrowing costs

According to International Accounting Standard 23 "borrowing cost", all borrowing costs are recognized as expenses in the period in which they are incurred.

2.10.16 Interest suspense

As per Bangladesh Bank guidelines, lease income and interest on term finance overdue three months and above period are not recognized as revenue and credited to interest suspense account. In case of lease and loan account more than 5 years period and housing finance, lease income and interest income overdue six months and above period are not recognized as revenue and credited to interest suspense account.

2.10.17 Contingent liabilities and contingent assets

The company does not recognize contingent liability and contingent assets but discloses the existence of contingent liability in the financial statements in accordance with Bangladesh Accounting Standard 37 "Provisions, Contingent Liabilities and Contingent Assets". A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by occurrence or non-occurrence of uncertain future events not within the control of the company.

2.10.18 Workers Profit Participation Fund and Welfare Fund

The company is yet to decide on the applicability of the sections 2 (65) of the Labour Code, 2006 and 232 of the Labor Act, 2006 hence no provision for workers profit participation and welfare fund has been made in the accounts.

2.10.19 Related party disclosure

The Company has entered into transactions with other parties in normal course of business that fall within the definition of related party as per International Accounting Standard 24 "Related Party Disclosure". The terms of related party transactions are not different from those that could have been obtained from third parties. Related party transactions are disclosed in the note no. 7.9 of this report.

2.10.20 Statutory reserve

Financial Institutions Regulations 1994 requires NBFIs to transfer 20 percent of its current year's profit to reserve fund until such reserve equals to its paid-up share capital. Due to loss for the year 2020 the Company has not transferred any amount to the statutory reserve.

2.10.21 Earnings per share (EPS)

The Company calculates earnings per share in accordance with International Accounting Standard (IAS) 33 "earnings per share", which has been shown in the face of profit & loss account and the computation is stated in note-39.

a) Basic earnings per share

This represents earnings for the year attributable to ordinary shareholders. As there was no preference dividend or extra ordinary items, the net profit after tax for the year has been considered as fully attributable to the ordinary shareholders.

b) Diluted earnings per share

Diluted earnings per share reflects the potential dilution that could occur if additional ordinary shares are assumed to be issued under securities or contracts that entitle their holders to obtain



ordinary shares in future, to the extent such entitlement is not subject to unresolved contingencies. Effect of dilution to weighted average number of ordinary shares is given for potential ordinary shares. At 31 December 2020, there was no scope for dilution and hence no diluted EPS is required to be calculated.

c) **Weighted average number of ordinary shares outstanding during the year**

This represents the number of ordinary shares outstanding at the beginning of the year plus the number of ordinary shares issued during the year multiplied by a time-weighting factor. The time-weighting factor is the numbers of days the specific shares were outstanding as a proportion of the total number of days in the year.

2.10.22 Income tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax:

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years or are never taxable or deductible. Company's liability for current tax is calculated using tax rates that have been enacted the reporting period. Due to loss for the year 2020, Company provided minimum tax as per Income Tax Ordinance 1984 under section 82C.

2.10.23 Employee benefit

The company maintained the following employee benefit plans in compliance with International Accounting Standard 19 "Employee Benefits":

a) **Provident fund**

The company operates a contributory provident fund scheme for its employee which is recognized by the National Board of Revenue (NBR) and administrated by a Board of Trustees. Both the company and employee contribute to the fund on equal basis at a predetermined rate.

b) **Gratuity scheme**

The company operates a non-funded gratuity scheme. Provision for gratuity is made annually considering all its eligible employees available at the end of the year.

2.10.24 Capital adequacy and market discipline

To cope with the international best practices and to make up the capital more risks sensitive as well as more shock resilient, a road map was issued in August 2010 on implementation of Basel Accord in the FIs. Being well pursuant with the road map, prudential guidelines namely 'Capital Adequacy and Market Discipline for Financial Institutions' had been introduced by Bangladesh Bank from December, 2011. The guidelines came into force from 1 January, 2012 with necessary supplements/revisions. Instructions in respect of Minimum Capital Requirement, Adequate Capital and Disclosures requirement as stated in the guidelines have been followed for the purpose of statutory compliance. As per prudential guideline PLFS calculated Minimum Capital Requirement (MCR) by dividing the total capital by the sum of risk weighted assets against credit risk, market risk, and operational risk under pillar-I.

Pillar – I: Minimum capital requirement

Credit Risk

The calculation of capital requirement against credit risk is more elaborate and risk sensitive. The Accord gives a choice of some sophisticated approaches to address risks, and adoption of a Particular approach depends on the risk measurement capabilities and robustness of the systems in place in a Financial Institution. A Standardized Approach has been the preliminary choice of FIs for the credit risk calculation.



Market risk

Market risk is defined as the risk of losses in on and off-balance-sheet positions arising from movements in market prices. The risks subject to this requirement are:

- The risks pertaining to interest rate related instruments and equities in the trading book;
- Foreign exchange risk and commodities risk throughout the FI.

The capital charges for interest rate related instruments and equities applied to the current trading book items prudently valued by PLFS.

Operational risk

The accord introduces for the first time a capital charge for operational risk. The framework presents three methods for calculating operational risk capital charges in a continuum of increasing complexity and risk sensitivity. These methods are the Basic Indicator approach (a fixed percentage of gross income amount), Standardized approach (sum of a certain percentage of FI's income in each business line) and Internal Measurement approach (Statistical measure of FIs operational loss based on its historical loss data). But initially, Basic Indicator Approach has been applied for calculating the capital charge against operational risk.

2.10.25 Stress testing

Stress Testing is an important risk management tool that is used by the Financial Institutions as part of internal risk management and through the Basel II capital adequacy framework, is promoted by Bangladesh Bank. Stress Testing alerts Financial Institutions management to adverse unexpected outcomes related to a variety of risks and provides an indication of how much capital might be needed to absorb losses should large shock occur. Stress Testing supplements other risk management approaches and measures playing particularly important role in:

- Providing forward-looking assessment of risk;
- Overcoming limitations of models and historical data;
- Supporting external and internal communication;
- Feeding into capital and liquidity planning procedures;
- Informing the setting of an FI's risk tolerance; and
- Facilitating the development of risk mitigation or contingency plans across a range of stressed conditions.

Stress Testing guideline have been issued by Bangladesh Bank to provide a structured way of assessing the vulnerability of financial institutions to extreme but plausible market conditions. The guidelines enable institutions to accurately assess risk and define the "risk appetite" of the organization and also provide critical information to senior management for decision around capital allocation and contingency planning.

PLFSL exercises stress testing on its portfolio on quarterly basis and submit its stress testing report as per format prescribed by Bangladesh Bank on regular basis.

2.10.26 Reporting period

Financial statements of the company cover twelve months period from January 01, to December 31, consistently.

2.10.27 Offsetting

No assets or liability has been offsetted or reduced by any other assets unless a legal right for set-off exists and the offsetting presents the expectation as to the realization or settlement of the assets or liability.



People's Leasing and Financial Services Ltd.
Notes to the Financial Statements
For the Year ended December 31, 2020

		Amount in Taka	
		Dec 31, 2020	Dec 31, 2019
3	Cash		
	Cash in hand (Note 3.1)	1,459	1,459
	Balance with Bangladesh Bank and its agent bank(s) (Note 3.2)	47,576	49,896
	Total	49,035	51,355
3.1	Cash in hand		
	Cash in hand represents the amount under imprest system of petty cash to meet petty cash expenses for head office.		
3.2	Balance with Bangladesh Bank		
	Balance with Bangladesh Bank is non-interest bearing and maintained to meet the Cash Reserve Requirement (CRR). CRR (note 3.3) and Statutory Liquidity Reserve (note 3.4) have been calculated and maintained in accordance with Financial Regulations 1994 and FID Circular No. 06 dated 6th November, 2003 and FID Circular No. 02 dated 10th November, 2004.		
3.3	Cash Reserve Requirement (CRR)		
	CRR has been calculated at the rate of 2.5% on Total Term Deposits which is preserved in current account maintained with Bangladesh Bank in compliance with FID circular no. 6 dated 6th November, 2003 and FID Circular No. 02 dated 10th November, 2004. Total Term Deposits means Term or Fixed Deposits, Security Deposit against Lease/Loan and other Term Deposits received from individuals and institutions (except Banks and Financial Institutions).		
	Required reserve	303,770,048	303,770,048
	Actual reserve held	49,035	51,355
	Surplus/ (Deficit)	(303,721,013)	(303,718,693)
3.4	Statutory Liquidity Reserve (SLR)		
	SLR has been calculated at the rate of 5% of total liabilities, including CRR of 2.5% on Total Term Deposits. SLR is maintained in liquid assets in the form of Cash in Hand, balance with Bangladesh Bank, balance with other Banks & Financial Institutions, Investment at Call, unencumbered Treasury Bills, Prize Bond, Savings Certificates & any other assets approved by Bangladesh Bank.		
	Required reserve	624,298,744	624,298,744
	Actual reserve held (note-3.4.1)	28,813,413	54,678,686
	Surplus/ (Deficit)	(595,485,331)	(569,620,058)
3.4.1	Actual Reserve held for SLR		
	Cash in hand	1,459	1,459
	Balance with Bangladesh Bank and its agent bank(s)	47,576	49,896
	Balance with other banks and financial institutions	28,764,378	54,627,331
	Total	28,813,413	54,678,686
3.a	Consolidated Cash in hand		
	People's Leasing and Financial Services Ltd.	1,459	1,459
	PLFS Investments Limited	30,000	30,000
	Total	31,459	31,459



People's Leasing and Financial Services Ltd.
Notes to the Financial Statements
For the Year ended December 31, 2020

Amount in Taka	
Dec 31, 2020	Dec 31, 2019

4 Balance with other Banks and Financial Institutions in Bangladesh

Current Accounts & Short Term Deposits:

Al-Arafa Islami Bank Ltd.	12,033	13,597
Basic Bank		
BDBL	16,500	17,535
Bank Asia	7,478	7,563
Dhaka Bank Ltd.		
Dutch Bangla Bank Ltd.	1,423,431	(579,898)
EXIM Bank Ltd.	47,510	45,709
ICB Islamic Bank Ltd.	1,902	1,613,389
Janata Bank Ltd.	19,409	20,904
Mutual Trust Bank Ltd.	2,235,717	2,287,317
Midland Bank Ltd.	7,134	9,204
Modumoti Bank Ltd.		
National Bank Ltd.	48,468	47,922
NRB Commercial Bank Ltd.	1,434	1,434
NCC Bank Ltd.	193,197	193,922
One Bank Ltd.	39,293,955	85,616,000
Prime Bank Ltd.	825,326	816,835
Shahjalal Islami Bank Ltd.	101,692	101,742
Social Investment Bank Ltd.	83,039	83,039
Southeast Bank Ltd.	116,655	112,949
SouthBangla Agricultural Credit Bank Ltd.	227,751	224,799
The City Bank Ltd.		
The Farmers Bank Ltd.	14,691	14,691
UCBL	61,710	62,735
Liquidator A/C		
Pubali Bank Ltd.	14,457,774	32,900,032
Sub-Total	59,196,804	123,611,420

Fixed Deposits Receipts (FDR):

Southbangla Agriculture & Commerce Bank Ltd.	-	-
NRB Bank	-	-
International Leasing	359,738,339	359,738,339
Premier Leasing	469,720,056	469,720,056
Reliance Finance	-	-
Sub-Total	829,458,395	829,458,395

Grand Total

888,655,199	953,069,815
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Fund have been placed to Premier Leasing of Tk.46,97,20,056/- and International Leasing Tk.35,97,38,339 on the other hand they have been placed also the same amount to us, which is included in the Term Deposit Receipt. Note no 12. The said FDR is lined with Marcantile Bank Ltd. against overdraft facility.

4.1 Maturity grouping of Balance with other Banks and Financial Institutions

On demand	59,196,804	123,611,420
Less than 3 months	-	-
More than 3 months but less than 1 year	829,458,395	829,458,395
More than 1 year but less than 5 years	-	-
Above 5 years	-	-
Total	888,655,199	953,069,815



People's Leasing and Financial Services Ltd.
Notes to the Financial Statements
For the Year ended December 31, 2020

	Amount in Taka	
	Dec 31, 2020	Dec 31, 2019
4.a Consolidated Balance with other Banks and Financial Institutions in Bangladesh		
People's Leasing and Financial Services Ltd.	888,655,199	953,069,815
PLFS Investments Limited (note-4.a.1)	15,312,886	28,055,537
	903,968,085	981,125,352
Less: Inter company transactions	-	-
	<u>903,968,085</u>	<u>981,125,352</u>
4.a.1 PLFS Investments Limited's Balance with other Banks and Financial Institutions in Bangladesh		
Current Accounts & Short Term Deposits:		
NRB Commercial Bank Ltd.	44,506	44,506
Prime Bank Ltd.	1,645,744	1,408,124
One Bank Limited	11,776,545	19,927,944
Standard Bank Ltd.	232,475	412,885
The City Bank Ltd.	1,613,616	6,262,078
	15,312,886	28,055,537
Fixed Deposits Receipts (FDR):		
Peoples Leasing and Financial Services Ltd.	-	-
Sub-Total	-	-
Grand Total	<u>15,312,886</u>	<u>28,055,537</u>
4.a.2 Maturity grouping of Consolidated Balance with other Banks and Financial Institutions		
On demand	74,509,690	151,666,957
Less than 3 months	-	-
More than 3 months but less than 1 year	829,458,395	829,458,395
More than 1 year but less than 5 years	-	-
Above 5 years	-	-
Total	<u>903,968,085</u>	<u>981,125,352</u>
5 Money at Call and Short Notice		
Banking Companies	-	-
Non-Banking Financial Institutions	-	-
Total	-	-
6 Investments		
A. Government Securities		
Treasury Bill	-	-
National Investment Bond	-	-
Bangladesh Bank Bill	-	-
Government Notes/ Bond	-	-
Prize Bond	-	-
Others	-	-
Sub Total	-	-
B. Other Investments		
Preference Shares	-	-
Debenture and Bond	-	-
Other investments (Note 6.1)	266,525,830	215,275,830
Gold etc.	-	-
Sub Total	<u>266,525,830</u>	<u>215,275,830</u>
Total investments (A+B)	<u>266,525,830</u>	<u>215,275,830</u>



People's Leasing and Financial Services Ltd.
Notes to the Financial Statements
For the Year ended December 31, 2020

	Amount in Taka	
	Dec 31, 2020	Dec 31, 2019
6.1 Other Investments		
Quoted Investments	31,300,420	420
Unquoted Investments (Note 6.1.1)	235,225,410	215,275,410
	<u>266,525,830</u>	<u>215,275,830</u>
6.1.1 Unquoted Investments		
E-SECURITIES LTD	69,978,600	69,978,600
GMG Airlines Ltd. Placement	50,000,000	50,000,000
SS Tech(Pvt.)	31,250,000	62,500,000
Energy prima Ltd. Placement	13,585,000	13,585,000
MEB Poy Ltd. Placement	5,000,000	5,000,000
Scholastica Ltd. Placement	54,600,000	3,400,000
CDBL	5,711,810	5,711,810
People's Investment Ltd.	5,100,000	5,100,000
Sandhani Life Unit Fund	-	-
Sub Total	<u>235,225,410</u>	<u>215,275,410</u>
6.2 Maturity grouping of Investments		
On demand	31,300,420	420
Less than 3 months	-	-
More than 3 months but less than 1 year	75,690,410	75,690,410
More than 1 year but less than 5 years	159,535,000	139,585,000
Above 5 years	-	-
Total	<u>266,525,830</u>	<u>215,275,830</u>
6.a Consolidated Investments		
People's Leasing and Financial Services Ltd.	266,525,830	215,275,830
PLFS Investments Limited (note-6.a.1)	143,658,780	134,640,295
	<u>410,184,610</u>	<u>349,916,125</u>
6.a.1 Investments PLFSIL		
Preference Shares	38,244,473	38,244,473
Other investments (Note 6.a.2)	105,414,307	96,395,822
Gold etc.	-	-
Total	<u>143,658,780</u>	<u>134,640,295</u>
6.a.2 Other Investments		
Quoted:		
Insurance Sector	108,780	-
Cement Sector	8,020,989	8,021,048
Ceramics Sector	-	-
Engineering Sector	18,380	540,450
Financial Institutions Sector	67,111,780	67,111,844
Food & Allied Sector	-	-
Fuel & Power Sector	6,998,621	7
IT Sector	-	-
Miscellaneous	1	-
Travel & Leisure	17,762	37,300
Pharmaceuticals & Chemicals Sector	18,334,912	18,374,703
Telecommunication	-	369,040
Textile	4,803,082	1,741,430
	<u>105,414,307</u>	<u>96,395,822</u>



People's Leasing and Financial Services Ltd.
Notes to the Financial Statements
For the Year ended December 31, 2020

	Amount in Taka		
	Dec 31, 2020	Dec 31, 2019	
6.a.3 Maturity grouping of investments			
On demand	136,714,727	96,396,242	
Less than 3 months	-	-	
More than 3 months but less than 1 year	113,934,883	113,934,883	
More than 1 year but less than 5 years	159,535,000	139,585,000	
Above 5 years	-	-	
Total	410,184,610	349,916,125	
7 Loans & Advances			
Inside Bangladesh:			
Net Lease Receivables	1,218,405,158	839,110,498	
Advance for Lease Finance	10,810,014,368	11,068,193,974	
Direct/ Term Finance	(1,585,685)	(1,034,503)	
Secured Overdraft	-	-	
Bills Discounted and Purchased	-	-	
Sub Total	12,026,833,841	11,906,269,969	
Direct/ Term Finance	-	-	
Secured Overdraft	-	-	
Sub Total	-	-	
Total	12,026,833,841	11,906,269,969	
7.1 Maturity grouping of loans & advances			
On demand	240,536,677	285,639,140	
Less than 3 months	481,073,354	571,278,281	
More than 3 months but less than 1 year	2,164,830,091	2,570,752,263	
More than 1 year but less than 5 years	6,494,490,274	6,456,644,893	
Above 5 years	2,645,903,444	2,021,955,391	
Total	12,026,833,840	11,906,269,969	
7.2 Sector/ Industry-wise Loans & Advances			
Agricultural sector	6.43%	773,325,416	763,573,159
Industrial sector:			
Textiles	0.05%	6,013,417	5,953,135
Garments	1.16%	139,511,273	138,112,732
Jutes & jute related goods	0.97%	116,660,288	115,490,819
Food items producer/processing industry	0.85%	102,228,086	101,203,295
Plastic industries	0.00%	-	-
Leather and leather goods	0.17%	20,445,618	20,240,659
Iron, steel and engineering	2.04%	245,347,410	242,887,907
Chemicals and pharmaceuticals	0.88%	105,836,138	104,775,176
Cement/ clinker and allied industries	0.00%	-	-
Service sector (Hotel, hospital, clinic, tourism, etc.)	0.00%	-	-
Paper, printing and packaging	0.00%	-	-
Telecommunication and IT industries	0.00%	-	-
Glass and ceramic industries	0.00%	-	-
Shipping and ship building industries	0.00%	-	-
Electronics and electrical goods	0.04%	4,810,734	4,762,508



People's Leasing and Financial Services Ltd.
Notes to the Financial Statements
For the Year ended December 31, 2020

		Amount in Taka	
		Dec 31, 2020	Dec 31, 2019
Power, gas, water and sanitary	3.22%	387,264,050	383,381,893
Transport and communication	7.33%	881,566,920	872,729,589
Real estate and housing	5.22%	627,800,726	621,507,292
Merchant banking	11.21%	1,348,208,073	1,334,692,864
Trade & Commerce	9.06%	1,089,631,146	1,078,708,059
Others	51.37%	6,178,184,544	6,116,250,883
Total	100.00%	12,026,833,840	11,906,269,969

7.3 Geographical Location-wise Loans & Advances

Inside Bangladesh			
Dhaka Division	99.90%	12,014,807,006	11,893,620,535
Chittagong Division	0.01%	1,202,683	1,414,124
Barisal Division	0.00%	-	-
Rajshahi Division	0.00%	-	-
Sylhet Division	0.00%	-	-
Khulna Division	0.09%	10,824,150	11,235,310
Sub Total	100.00%	12,026,833,840	11,906,269,969
Outside Bangladesh			
Total	100.00%	12,026,833,840	11,906,269,969

7.4 Details of Large Loans & Advances

As per DFIM circular No.-10, dated 5 September, 2011, Outstanding amount exceeding 15% of total capital of the company is treated as Large Loans & Advances.

Number of Clients	5	7
Outstanding Amount	4,334,745,000	5,104,226,774
Classified Amount	2,128,168,000	2,963,758,782
Measures taken for recovery	Filing of law suit - under process	Filing of law suit - under process

Loan given to subsidiary company (PLFS Investment Ltd.) amount in Tk.1,055,332,974 on dated 24.05.2009 (Present outstanding on 31.12.2018 amount in Tk. 989,987,705 which was Tk. 1,260,336,215 on 31.12.2017)

7.5 Particulars of Loans & Advances

1. Loans & advances considered good in respect of which the company is fully secured	2,284,300,000	2,284,300,000
2. Loans & advances considered good against which the company holds no security others than the debtor's personal guarantee	9,173,301,000	9,173,301,000
3. Loans & advances considered good secured by the personal undertaking of one or more parties in addition to the personal guarantee of the debtors	-	-
4. Loans & advances adversely classified for which provision has not been maintained	-	-
5. Loans & advances due by the directors or officers of the company or any of them either separately or jointly with any other persons	938,654	938,654
6. Loans & advances due from companies of firms in which the directors of the company have interest as directors, partners or managing agent or in case of private companies as members	-	-
7. Maximum total amount of loan & advances including temporary loans & advances made at any time during the year to directors of managers or officers of the company or any of them either separately or jointly with any other person	-	-
8. Maximum total amount of loans & advances including temporary loans & advances granted during the year to the companies of firms in which the directors of the company have interest as directors, partners or managing agents or in the case of private companies, as members	-	-
9. Due from other bank/PI companies	-	-
10. Information in respect of classified loans and advances:		
a. classified loans for which interest/profit not credited to income	-	-
b. Amount of provision kept against loans classified as bad/loss as at the balance sheet date	-	-
d. Interest credited to interest suspense account	-	-



People's Leasing and Financial Services Ltd.
Notes to the Financial Statements
For the Year ended December 31, 2020

	Amount in Taka	
	Dec 31, 2020	Dec 31, 2019
11. Loans & advances written off:		
Opening Balance	722,892,579	722,892,579
a. Amount written-off during the year	-	-
b. Amount of collection from written-off during the year	-	-
c. Balance written-off loans and advances yet to be recovered	722,892,579	722,892,579
d. Amount of written off loans for which law suits have been filed	-	-
7.6 Bills Discounted and Purchased		
Inside Bangladesh	-	-
Outside Bangladesh	-	-
Total	-	-
7.7 Maturity grouping of Bills Discounted and Purchased		
Within 1 month	-	-
Over 1 month but within 3 months	-	-
Over 3 months but within 6 months	-	-
Over 6 months	-	-
Total	-	-
7.8 (A) Grouping of Loans, Lease and Advance as per classification rules of Bangladesh Bank		
Unclassified		
Standard	436,138,452	401,150,292
Special Mention Account(SMA)	80,288,350	1,753,920,295
	516,426,782	2,155,070,587
Classified		
Substandard(SS)	67,814,608	3,951,396
Doubtful (DF)	146,088,982	13,834,771
Bad & loss(BL)	11,296,503,469	9,733,433,215
	11,510,407,059	9,751,199,382
	12,026,833,841	11,906,269,969
(B) Classification and provisioning of Loan , Lease and Advance :	See Annexure 2	
7.9 List of Ex-Director Loan		
1) Shumsul Alamin Group	1,311,678,892	1,189,527,414
2) Motiur Rahman	1,069,102,243	1,001,368,702
3) Biswajit Kumar Roy	180,446,080	135,281,127
4) KFB Securities Limited	9,601,579	10,006,032
	2,570,828,794	2,336,183,275
7.a Consolidated Loans and Advances		
People's Leasing and Financial Services Ltd.	12,026,833,841	11,906,269,969
PLPS Investments Limited (note-7.a.1)	1,053,350,388	909,797,750
	13,080,184,229	12,816,067,719
Less: Inter Company Loans and Advances	1,145,505,946	1,036,086,168
	11,934,678,283	11,779,981,551
7.a.1 Loans and Advances of PLPS Investments Limited		
Margin loan to Investor	1,053,350,388	909,797,750
7.a.2 Maturity grouping of Consolidated loans & advances		
On demand	240,536,677	260,308,716
Less than 3 months	481,073,354	520,617,436
More than 3 months but less than 1 year	2,164,830,091	2,342,778,463
More than 1 year but less than 5 years	6,402,334,716	5,544,115,277
Above 5 years	2,645,905,444	1,845,640,544
Total	11,934,678,283	10,513,460,436



People's Leasing and Financial Services Ltd.
Notes to the Financial Statements
For the Year ended December 31, 2020

	Amount in Taka	
	Dec 31, 2020	Dec 31, 2019
8 Property, Plant & Equipment (Details in Annexure-1)		
Own Finance		
A. Cost		
Company Premises	33,265,482	33,265,482
Motor Car & Vehicle	26,260,950	26,260,950
Computer	21,027,936	21,027,936
Telephone System	1,756,858	1,756,858
Air Cooler	11,880,664	12,345,664
Refrigerator	209,002	209,002
Generator	-	-
Office Equipment	4,779,581	4,247,335
Furniture & Fixtures	53,980,594	53,773,684
Crockery	39,106	39,106
Software	507,004	507,004
Total	153,707,178	153,433,022
B. Less: Accumulated Depreciation		
Company Premises	23,870,528	22,826,422
Motor Car & Vehicle	20,705,111	19,316,151
Computer	14,996,260	13,488,339
Telephone System	1,219,743	1,160,063
Air Cooler	3,284,867	2,820,267
Refrigerator	109,176	98,084
Generator	-	-
Office Equipment	3,886,485	3,679,817
Furniture & Fixtures	18,603,896	15,714,474
Crockery	52,696	31,901
Software	255,098	192,121
Total	86,963,659	79,327,639
C. Written Down Value at the end of the year (A-B)	66,743,519	74,105,383
Lease Finance		
D. Cost		
Furniture & Fixtures	-	-
Office Equipments	-	-
Motor Vehicles	-	-
Total	-	-
E. Less: Accumulated Depreciation		
Furniture & Fixtures	-	-
Office Equipments	-	-
Motor Vehicles	-	-
Total	-	-
F. Written Down value at the end of the year (D-E)	-	-
G. Total Property, Plant & Equipment (C+F)	66,743,519	74,105,383
8.1 Intangible asset - computer softwares		
Cost	-	-
Less: Accumulated amortization	-	-
Net book value at the end of the year	-	-



People's Leasing and Financial Services Ltd.
Notes to the Financial Statements
For the Year ended December 31, 2020

	Amount in Taka	
	Dec 31, 2020	Dec 31, 2019
8.4 Consolidated Property, Plant & Equipment (Details in Annexure-2)		
People's Leasing and Financial Services Ltd.	66,743,519	74,105,383
PLFS Investments Limited (note-8.4.1)	3,311,966	3,835,153
	<u>70,055,485</u>	<u>77,940,536</u>
8.4.1 Property, Plant & Equipment of PLFS Investments Limited		
A. Cost		
Air Conditioner	1,228,000	1,228,000
Computer & Relates	2,336,748	2,336,748
Furniture & Fixtures	330,651	330,651
Office Equipment	471,765	471,765
Office Renovation	5,336,745	5,336,745
Motor Car	1,980,000	1,980,000
mBank Software	1,067,500	1,067,500
Total	<u>12,751,409</u>	<u>12,751,409</u>
B. Less: Accumulated Depreciation		
Air Conditioner	770,657	656,321
Computer & Relates	2,049,702	1,977,941
Furniture & Fixtures	281,628	276,181
Office Equipment	396,914	383,705
Office Renovation	3,104,145	2,856,078
Motor Car	1,979,999	1,979,999
mBank Software	856,397	786,030
Total	<u>9,439,443</u>	<u>8,916,256</u>
C. Written Down Value at the end of the year (A-B)	<u>3,311,966</u>	<u>3,835,153</u>
9 Other assets		
Investment in shares of subsidiary companies:		
In Bangladesh	200,445,000.00	200,445,000
Previous years' loss		
Advance Vat/ Tax paid	244,942,949	244,334,031
Balance with BO account(s)	464,509.00	464,509
Interest receivable	38,306,255.00	40,961,498
Advance for office rent	5,889,364.00	5,889,364
Advance for land purchase	30,121,907.00	30,121,907
Deferred Expenses		
Stamp in hand	4,770.00	4,770
Prepaid for Expenses	686,811	686,811
Current Accounts with		
Interest Receivable for loans & Advances	283,030,288	283,030,288
Receivable against legal expenses-Loan/Lease	12,503,147	12,673,147
Receivable Suspense Account		
Other prepayment	166,387,871	17,240,189.00
Security deposit	223,200.00	223,200
Deferred tax assets (note 9.1)		
Total	<u>1,003,006,051</u>	<u>836,074,714</u>
<p>Previous years loss amount of taka 15,686,533,599 were shown under Other Asset in the financial statements of 2017 which found out in 2015 through special audit/inspection by Bangladesh Bank, special audit conducted by Huda vasi Chowdhury and Management of PLFSL. Out of which Taka 3,073,728,772.97 were margin loan against which no shares/securities held in BO account. The mentioned amount of margin now loan shown under loans and advance and classified accordingly as per advices of Bangladesh Bank by revisiting the amount of the financial statements of 2017. Rest Taka 12,612,824,826 adjusted with retained earnings of the year 2017 as per recommendation of inspection team of Bangladesh Bank.</p>		
9.1 Deferred tax assets/(liabilities)		
Opening Balance	(984,398)	(8,230,538)
Deferred Tax Expenses	1,165,406	(7,246,160)
Less: Adjustment during the year		
Total	<u>(2,149,804)</u>	<u>(984,398)</u>



People's Leasing and Financial Services Ltd.
Notes to the Financial Statements
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Amount in Taka	
Dec 31, 2020	Dec 31, 2019

Deferred Tax Liability is arrived at as follows:

Assets	Carrying amount at BS date (31 Dec 2019)	Tax base	Temporary Difference (Taxable)/Deductible
Fixed Assets net of depreciation	74,105,383	71,480,523	(2,625,060)
Deferred Tax Asset/(Liability) as on 31 December 2019 @ 37.5%			(984,398)
Less: Deferred Tax Asset as on 31 December 2018			(8,230,558)
Deferred Tax Expense for the year 2019			(7,246,166)

Assets	Carrying amount at BS date (31 Dec 2020)	Tax base	Temporary Difference (Taxable)/Deductible
Fixed Assets net of depreciation	66,743,519	61,485,158	(5,258,361)
Deferred Tax Asset/(Liability) as on 31 December 2020 @ 42.50%			(2,149,803)
Less: Deferred Tax Asset/(liability) as on 31 December 2019			(984,398)
Deferred Tax Expense for the year 2020			1,165,406

9.a Consolidated Other assets

People's Leasing and Financial Services Ltd.	1,003,006,051	836,074,714
PLFS Investments Limited (note-9.a.1)	170,656,216	171,338,325
	<u>1,173,662,267</u>	<u>1,007,413,039</u>
Less: Inter Company Transaction	200,445,000	200,445,000
	<u>973,217,267</u>	<u>806,968,039</u>

9.a.1 Other assets PLFS Investments Limited

Advance to Others party	83,788,770	83,788,770
T & T Phone Demand Note	9,000	9,000
Advance For Tax Deduction At Sources	17,070,910	17,070,910
Other	-	-
Receivable From Brokerage House	52,708,400	40,282,763
Advance for LEADS Softwear	500,000	500,000
Advance to Esquire Knit	-	-
Adv to Runner Automobilies	-	-
ADN Telecom	-	-
Advance to Mosharraf Hossain Advocate	150,000	150,000
Advance for Huda Hossain & Co.	-	-
Advance TAX Deducted at Sources'20	337,385	-
Advance TAX Deducted at Sources'19	612,007	612,007
Advance for office rent	1,261,310	1,417,349
Deferred tax asset	14,218,434	27,507,526
Total	<u>170,656,216</u>	<u>171,338,325</u>

Advance for Land Purchase

As per decision of the Board of Directors in its 301st meeting held on March 03, 2016, we were sent a legal notice to Captain M.Moazzem Hossain dated March 29, 2016 requesting him to make payment of Tk. 1,385,257,102.00. Later on, he replied our legal notice dated April 17, 2016, and made written communication on April 24, 2016 and May 19, 2016. Later on considering replies of Captain M. Moazzem Hossain, the present Chairman Mr. Uzzal Kumar Nandi FCA of PLFSL has sent a reply to Captain M. Moazzem Hossain on May 26, 2016 as per decision of the Board of Directors in its meeting held on May 4, 2016. Subsequently having no further response from Captain M. Moazzem Hossain, a money suit was filed on November 23, 2016 for an amount of BDT 2,030,207,375.00 and the case is pending in the Judge Court, Dhaka for disposal.

10 Non-Banking Assets

This amount represents two units of flats located at Assign Monthar Legend, Plot no. 39, Road no. 15, Rabindra Sharani, Sector 03, Uttara, Dhaka, which have been registered in the name of PLFS as a settlement of loan against share of Mrs. Lafifs Ishaque and includes registration costs as well.

A. Cost:

Opening Balance	58,558,336	58,558,336
Add: Addition during the year	-	-
Less: Adjustment during the year	-	-
Total	<u>58,558,336</u>	<u>58,558,336</u>

B. Depreciation:

Opening Balance	23,946,548	20,101,627
Add: Addition during the year	3,461,179	3,845,671
Less: Adjustment during the year	-	750
Total	<u>27,407,727</u>	<u>23,946,548</u>

C. Written down value at the end of the year (A-B)

<u>31,150,609</u>	<u>34,611,788</u>
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People's Leasing and Financial Services Ltd.
Notes to the Financial Statements
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Amount in Taka	
Dec 31, 2020	Dec 31, 2019

PLFSI, have been received advance Tk. 2,58,80,000/- against sale proceed of the said flat. It was the decision of 327th BoD meeting dated 28/06/2018 and 329th BoD meeting dated 13/09/2018. But sale proceed has not been completed till now because the company was put into liquidation process on 14/07/2019. Hence the said asset has not been derecognized and receipted amount have been shown as advance accordingly in note no. 13.10

11 Borrowings from other Banks, Financial Institutions & Agents

Inside Bangladesh:

Refinance against SME loan from Bangladesh Bank

From other scheduled Banks (note - 11.1)

Total

76,440,371	76,440,371
3,887,872,272	3,889,481,288
3,964,312,643	3,965,921,659

11.1 From other scheduled Banks & Financial Institutions

Long term loan

Al-Arafah Islami Bank Ltd.

Basic Bank Ltd.

Exim Bank Ltd.

Mutual Trust Bank Ltd.

Pubali Bank Ltd.

Shahjalal Islami Bank Ltd.

Social Islami Bank Ltd.

Standard Bank Ltd.

United Commercial Bank Ltd.

Uttara Bank Ltd.

NRB

Mercantile Bank Ltd.

Modhunosoti Bank Ltd.

Premier Bank Ltd.

UAE

Sub-Total

639,472,507	639,472,507
17,560,121	17,560,121
85,695,180	85,695,180
230,071,435	230,071,435
167,585,837	167,585,837
140,601,785	140,601,785
61,284,645	61,284,645
85,461,469	85,461,469
87,666,276	87,666,276
182,541,409	182,541,409
57,249,046	57,249,046
195,047,427	195,047,427
149,402,539	149,402,539
19,021,295	19,021,295
2,118,660,971	2,118,660,971

Overdraft and money at call short notice

NRB Commercial Bank Ltd.

SRAC

Mercantile Bank

BDBL

Mutual Trust Bank Ltd.

Short Term Loan

Janata Bank Ltd.

Rupali Bank Ltd.

Scenali Bank Ltd.

Agrani Bank Ltd.

Sub-Total

58,213,385	58,213,385
683,313,549	683,313,549
466,673,256	468,282,272
160,288,889	160,288,889
160,288,889	160,288,889
240,433,333	240,433,333
1,769,211,301	1,770,820,317

Grand Total

3,887,872,272	3,889,481,288
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Security against borrowings from other banks, financial institutions and agents

Secured

Unsecured

Total

3,403,301,532	3,404,910,548
561,011,111	561,011,111
3,964,312,643	3,965,921,659

Maturity grouping of borrowings from other banks, financial institutions and agents

Payable on demand

Up to 1 month

Over 1 month but within 3 months

Over 3 month but within 6 months

Over 6 months but within 1 year

Over 1 year but within 5 years

Over 5 years

Total

561,011,111	561,011,111
466,673,256	468,282,272
741,526,934	741,526,934
211,866,097	197,858,173
423,732,194	395,716,346
1,559,503,051	1,601,526,822
-	-
3,964,312,643	3,461,011,658

11.2 Consolidated Borrowings from other Banks, Financial Institutions & Agents

People's Leasing and Financial Services Ltd.

PLFS Investments Limited (note-11.2.1)

Less: Inter Company Borrowings

3,964,312,643	3,965,921,659
1,145,504,946	1,036,086,168
5,109,817,589	5,002,007,827
1,145,504,946	1,036,086,168
3,964,312,643	3,965,921,659



People's Leasing and Financial Services Ltd.
Notes to the Financial Statements
For the Year ended December 31, 2020

	Amount in Taka	
	Dec 31, 2020	Dec 31, 2019
11.a.1 Borrowings from other Banks, Financial Institutions & Agents of PLFS Investments Limited		
People's Leasing And Financial Service Ltd	1,036,086,168	989,987,705
Loan From ICB (ASE)	109,418,778	46,098,463
Total	1,145,504,946	1,036,086,168
12 Deposits & other accounts		
Deposits from banks and financial institutions (note-12.1)	8,615,418,838	7,863,297,235
Deposits from customers	14,996,046,008	13,195,429,720
Sub-Total	23,611,464,846	21,058,726,955
Other deposit	67,166,357	70,582,839
Grand Total	23,678,631,203	21,129,309,794
Less: Inter Company Borrowings	-	-
	23,678,631,203	21,129,309,794
12.1 Deposits from banks and financial institutions		
Sonali Bank Ltd.	498,662,357	455,129,391
Janata Bank Ltd.	454,286,542	414,627,562
Agrani Bank Ltd.	464,549,664	423,994,719
Rupali Bank Ltd.	1,555,544,598	1,419,746,360
United Commercial Bank Ltd.	5,536,043	5,052,750
Bangladesh Development Bank Ltd.	64,261,127	58,651,164
IFIC Bank Ltd.	177,205,699	161,735,733
Bangladesh Commerce Bank Ltd.	1,716,438,554	1,566,394,357
ICB	388,455,094	354,343,165
Premier Leasing	526,472,979	480,512,161
FAS Finance	-	-
First Lease	130,148,920	118,786,987
Forecast Finance & Investment Ltd.	328,845,051	298,311,629
International Leasing Ltd.	1,626,611,215	1,484,408,899
BIFFL	680,401,016	621,002,359
Reliance Finance	-	-
	8,615,418,838	7,863,297,235
12.2 Maturity grouping of deposits & other accounts		
Payable on demand	-	-
Up to 1 month	689,233,507	629,063,779
Over 1 month but within 6 months	6,067,700,521	5,887,191,336
Over 6 months but within 1 year	7,338,502,606	6,435,956,682
Over 1 year but within 5 years	6,720,026,694	6,133,371,843
Over 5 years but within 10 years	2,863,167,876	2,043,726,153
Over 10 years	-	-
Total	23,678,631,203	21,129,309,794
13 Other Liabilities		
Provision for Lease, loans and advances (note 13.1)	8,066,837,754	7,221,645,707
Provision for Investment Fluctuation in Shares (note 13.2)	123,185,000	77,084,513
Provision for corporate income tax (note 13.3)	143,097,494	137,097,494
Provision for Gratuity (note 13.4)	24,950,849	24,950,849
Provision for FDR (note 13.5)	887,764,650	870,419,895
Provision for TDS (note 13.6)	15,474,823	9,465,314
Provision for Equity Investment in Subsidiary (note 13.7)	200,445,000	200,445,000
Interest Suspense Account (note 13.8)	2,085,826,666	2,180,120,287
Liabilities for financial expenses (note 13.9)	1,165,025,969	982,113,579
Liabilities for sundry creditors (note 13.10)	558,941,206	556,249,265
Liabilities for accrued expenses (note 13.11)	136,281,885	136,281,885
Liabilities for TDS/VDS/ED (note 13.12)	773,741,155	473,265,690
Dividend Payable	21,558,303	21,558,303
Deferred Tax Liabilities (note-9.1)	2,149,804	984,398
Current Accounts	114,491	114,491
Client Receipt Account	165,782,803	161,931,365
Receivable Suspense Account	943,233,398	756,053,630
Staff Incentive	538,020	538,020
Total	15,314,949,210	13,810,319,483



People's Leasing and Financial Services Ltd.
Notes to the Financial Statements
For the Year ended December 31, 2020

	Amount in Taka	
	Dec 31, 2020	Dec 31, 2019
13.1 Provision for Lease, loans and advances		
Opening Balance	7,221,645,707	5,668,588,000
Less: Provision no longer required	-	-
Add: Recoveries from previously written-off loans & advances	-	-
Add: General provision provided during the year	(55,934,062)	(23,813,283)
Add: Specific provision provided during the year	901,126,089	1,576,870,990
Add: Specific provision for shortfall	-	-
Add: Not charge to profit and loss account	-	-
Closing Balance	<u>8,066,837,734</u>	<u>7,221,645,707</u>
<p>Shortfall of Specific provision of Tk. 6,052,156,000 of the year 2017 have been kept by restating the provision amount of the year 2017. Those provision comprises for shortfall provision in loans and advances Tk. 4,815,516,000 and advance against land purchase Tk. 1,236,640,000</p> <p>Provision kept against advance for land purchase of Tk. 1,236,640,000 are no longer required in the year 2018 since whole amount of advance have been realized through amicable settlement with approval of the Board Directors in its 332nd meeting dated 10 February 2019.</p>		
13.2 Provision for diminution in value of Investments		
Opening Balance	77,084,513	50,000,000
Add: Provision during the year	46,100,487	27,084,513
Less: Provision no longer required	-	-
Closing Balance	<u>123,185,000</u>	<u>77,084,513</u>
13.3 Provision for corporate income tax		
Opening Balance	137,097,494	131,097,494
Add: Provision made during the year	6,000,000	6,000,000
Less: Settlement during the year	-	-
Closing Balance	<u>143,097,494</u>	<u>137,097,494</u>
13.4 Provision for Gratuity		
Opening Balance	24,950,849	24,913,185
Add: Provision during the year	-	37,664
Less: Adjustment	-	-
Closing Balance	<u>24,950,849</u>	<u>24,950,849</u>
13.5 Provision for FDR		
Opening Balance	870,419,893	-
Add: Addition during the year	17,344,737	870,419,893
Less: Adjustment during the year	-	-
Closing Balance	<u>887,764,630</u>	<u>870,419,893</u>
13.6 Provision for TDS		
Opening Balance	9,465,314	-
Add: Addition during the year	6,009,509	9,465,314
Less: Adjustment during the year	-	-
Closing Balance	<u>15,474,823</u>	<u>9,465,314</u>
13.7 Provision for Equity Investment in Subsidiary		
Opening Balance	200,445,000	-
Add: Addition during the year	-	200,445,000
Less: Adjustment during the year	-	-
Closing Balance	<u>200,445,000</u>	<u>200,445,000</u>
13.8 Interest Suspense Account		
Opening Balance	2,180,120,287	1,222,624,000
Add: Addition during the year	-	957,496,287
Less: Adjustment during the year	94,293,621	-
Closing Balance	<u>2,085,826,666</u>	<u>2,180,120,287</u>
13.09 Liabilities for financial expenses		
Accrued Financial Expenses for Borrowings	63,304,838	34,838,171
Accrued Financial Expenses for Deposits & Other Accounts	571,090,225	480,702,569
Accrued Financial Expenses for Deposits from Banks/Financial Institutions	530,630,906	466,372,839
	<u>1,165,025,969</u>	<u>982,113,579</u>



People's Leasing and Financial Services Ltd.
Notes to the Financial Statements
For the Year ended December 31, 2020

	Amount in Taka	
	Dec 31, 2020	Dec 31, 2019
13.10 Liabilities for sundry creditors		
Liabilities for Sundry Deposit	74,594,210	72,724,215
Liabilities for Sundry Deposit against Loan/Lease Lease Obligations	15,351,115	12,985,602
Loan/Lease Part Collection	473,060	473,060
Payable Suspense Account	8,814,278	10,357,845
Liab. Sundry Deposit against Non Banking Assets	419,147,998	419,147,998
Interest Receivable (Suspense) for Loans & Advances	25,880,000	25,880,000
	14,680,545	14,680,545
	<u>558,941,206</u>	<u>556,249,265</u>
13.11 Liabilities for accrued expenses		
Liabilities for Expenses	114,377,595	114,377,595
Liabilities for PF Subscription	525,815	525,815
Liabilities for PF Contribution	584,735	584,735
Accounts Payable Account Deposit	13,493,944	13,493,944
Liability for Supplies	7,299,796	7,299,796
	<u>136,281,885</u>	<u>136,281,885</u>
13.12 Liabilities for TDS/VDS/ED		
Liability for AIT deducted at Source	723,491,201	434,977,685
Liability for VAT deducted at Source	225,258	981,005
Liability for Excise Duty Deduction	50,024,696	37,307,000
	<u>773,741,155</u>	<u>473,265,690</u>
13.a Consolidated Other Liabilities		
People's Leasing and Financial Services Ltd.	15,314,949,210	13,810,319,683
PLFS Investments Limited (note-13.a.1)	267,949,696	89,458,342
	<u>15,582,898,906</u>	<u>13,899,778,025</u>
13.a.1 Other Liabilities PLFS Investments Limited		
Provision for diminution in value of Investments	74,067,835	74,067,835
Provision for corporate income tax	6,290,962	5,547,853
Received from Investor	9,508,520	9,203,955
Received from Investor IPO Application	1,066,400	-
Sundry Creditors	154,260	-
Commission Payable	499,000	499,000
Professional Fees	149,500	40,500
Reserve for Un realized/(Loss) on won portfolio	26,955,166	-
Management fees of Suspense Accounts	136,293	-
Interest of suspended Accounts	148,753,510	-
Annual Subscription Fee (BMBA)	100,000	-
Provision for Software	253,575	84,525
Provision for Tax deduction at sources	14,673	14,673
Closing balance	<u>267,949,696</u>	<u>89,458,342</u>
Provision for diminution in value of Investments		
Opening Balance	74,067,835	40,317,835
Add: Provision during the year	-	33,750,000
Closing Balance	<u>74,067,835</u>	<u>74,067,835</u>



People's Leasing and Financial Services Ltd.
Notes to the Financial Statements
For the Year ended December 31, 2020

14 Share Capital

		Amount in Taka	
		Dec 31, 2020	Dec 31, 2019
Authorized Capital (500,000,000 shares of Tk. 10 each)			5,000,000,000
Issued, Subscribed & Paid-up Capital:			
42,662,733 Ordinary Shares of Tk. 10 each issued for cash		426,627,330	426,627,330
233,661,200 Ordinary Shares of Tk. 10 each issued for bonus share		2,336,612,000	2,336,612,000
9,116,664 Ordinary Shares of Tk. 10 each issued as preference share		91,166,640	91,166,640
Total numbers of Shares:	285,440,597	2,854,405,970	2,854,405,970

Percentage of shareholding

Category	Number of share		Percentage (%)	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Sponsors	66,244,423	66,244,423	23.21%	23.21%
General public including NRB	205,650,272	205,650,272	72.05%	72.05%
Financial Institutions	1,978,609	1,978,609	0.69%	0.69%
Investment companies	11,022,616	11,022,616	3.86%	3.86%
Foreigners	544,677	544,677	0.19%	0.19%
Total	285,440,597	285,440,597	100.00%	100.00%

Classification of shareholders by holding

Holding	Number of shareholders		Number of shares	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Less than 500	11,035	11,035	2,051,019	2,051,019
501 to 5,000	13,480	13,480	24,834,372	24,834,372
5,001 to 10,000	2,239	2,239	18,512,671	18,512,671
10,001 to 20,000	1,471	1,471	21,520,984	21,520,984
20,001 to 30,000	545	545	13,609,226	13,609,226
30,001 to 40,000	264	264	9,212,656	9,212,656
40,001 to 50,000	190	190	8,900,995	8,900,995
50,001 to 100,000	326	326	23,742,077	23,742,077
100,001 to 1000,000	255	255	61,361,500	61,361,500
Over 1000,000	25	25	101,695,097	101,695,097
Total	29,830	29,830	285,440,597	285,440,597

Name of Directors and their share holdings as on December 31, 2020

Sl. No.	Name of Directors	Status	31.12.2020	31.12.2019
1	Mr. Uzzal Kumar Nandi FCA	Chairman (Nominated by Anan Chemical Industries Ltd.)		
2	Mr. Nong Chow Mong	Nominee Director (Nominated by Anan Chemical Industries Ltd.)	14,440,900	14,440,900
3	Ms. Nai Aye Ching	Nominee Director (Nominated by Anan Chemical Industries Ltd.)		
4	Mr. Md. Nizamul Ahsan	Vice Chairman	57,097,417	5,709,417
5	Mr. Abdul Qader Siddiqui	Independent Director	-	-
6	Mr. Shekhar Kumar Halder FCA	Independent Director	-	-
7	Mr. Md. Iqbal Sayeed	Independent Director	-	-
8	Mr. Sukumar Mridha	Independent Director	-	-
9	Engr. Amitav Adhikary	Independent Director	-	-



People's Leasing and Financial Services Ltd.
Notes to the Financial Statements
For the Year ended December 31, 2020

	Amount in Taka	
	Dec 31, 2020	Dec 31, 2019
14.1 Capital adequacy		
The company is subject to the regulatory capital requirement as stipulated in DFIM circular no. 05 dated 24 July, 2011 of Bangladesh Bank. The capital requirement for Non- banking financial institution is neither ratio-based nor risk based. The regulatory authority requires a Non- banking Financial Institutions to have minimum paid up capital of Tk 1,000.00 million.		
Paid up capital	2,854,405,970	2,854,405,970
Required capital as per Bangladesh Bank	1,000,000,000	1,000,000,000
Excess/(Shortage) capital	<u>1,854,405,970</u>	<u>1,854,405,970</u>
Capital Adequacy Ratio (CAR)		
As per DFIM circular No. 14 dated December 28, 2011 and article no. 2.6 and 2.7 of Prudential Guidelines on Capital Adequacy and Market Discipline (CAMD) for Financial Institutions issued by Bangladesh Bank, Capital Adequacy Ratio (CAR) of the company has been stood as follows:		
Tier-1 (Core Capital)		
Fully paid-up capital/ capital lien with BB	2,854,405,970	2,854,405,970
Statutory reserve	645,578,147	645,578,147
Non-repayable share premium account	1,018,605,234	1,018,605,234
General reserve	-	-
Retained earnings	(33,193,518,322)	(29,404,681,633)
Minority interest in subsidiaries	-	-
Non-cumulative irredeemable preference shares	-	-
Dividend equalization account	-	-
Other (if any item approved by Bangladesh Bank)	-	-
Sub-Total	<u>(28,674,928,971)</u>	<u>(24,886,892,282)</u>
Deductions from tier-1 (Core capital)		
Book value of goodwill and any value of any contingent assets which are shown as assets	-	-
Shortfall in provisions required against classified assets	-	-
Shortfall in provisions required against investment in share	-	-
Remaining deficit on account of revaluation of investments in securities after netting off any other surplus on the securities	-	-
Any investment exceeding the approved limit	-	-
Investments in subsidiaries which are not consolidated	-	-
Other (if any)	-	-
Sub-Total	<u>-</u>	<u>-</u>
Total eligible Tier-1 capital	<u>(28,674,928,971)</u>	<u>(24,886,892,282)</u>
2. Tier-2 (Supplementary capital)		
General provision (Unclassified up to special limit+SMA+ off balance sheet exposure)	158,371,002	416,707,518
Assets revaluation reserves up to 50%	-	-
Revaluation reserve for securities up to 50%	-	-
All other preference shares	-	-
Other (if any item approved by Bangladesh Bank)	-	-
Sub-Total	<u>158,371,002</u>	<u>416,707,518</u>
Deductions, if any	-	-
Total eligible Tier-2 capital	<u>158,371,002</u>	<u>416,707,518</u>
A Total capital	<u>(28,516,557,969)</u>	<u>(24,469,384,764)</u>
B Total risk weighted asset	13,954,900,000	13,776,500,000
C Required capital	1,395,490,000	1,377,650,000
D Surplus / (Deficit)	(29,912,047,969)	(25,847,834,764)
Capital adequacy ratio (CAR)	-204.35%	-177.62%
On core capital (Tier-1)	-205.48%	-180.64%
On supplementary capital (Tier-2)	1.13%	3.02%



People's Leasing and Financial Services Ltd.
Notes to the Financial Statements
For the Year ended December 31, 2020

		Amount in Taka		
		Dec 31, 2020	Dec 31, 2019	
14.a Non-Controlling Interest		17.00%	17.00%	
Percentage of shareholding in PLFS Investments Limited		Amount in Taka	Amount in Taka	
Name of Shareholder	No. of Share	Percentage of share holding	31.12.2020	31.12.2019
People's Leasing And Financial Service Limited	20,044,500	83.00%	200,445,000	200,445,000
Anan Chemical Industries Limited	200,000	0.83%	2,000,000	2,000,000
Drisun Apparels Limited	100,000	0.41%	1,000,000	1,000,000
Mr. Motiur Rahman	3,805,500	15.76%	38,055,000	38,055,000
Ms. Humaira Alamin	-	0.00%	-	-
Ms. Nargis Alamin	-	0.00%	-	-
Ms. Shahida Alam	-	0.00%	-	-
	24,150,000	100.00%	241,500,000	241,500,000
	Total Amount		Non-Controlling Portion	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Paid-up Capital	241,500,000	241,500,000	41,055,000	41,055,000
General Reserve	9,010,630	9,010,630	1,531,807	1,531,807
Retained Earnings	(277,646,035)	(128,358,080)	(47,199,826)	(21,820,874)
	(27,135,408)	122,152,550	(4,613,019)	20,765,934
15 Statutory reserve				
Opening balance			645,578,147	645,578,147
Add: Addition during the year			-	-
Closing balance			645,578,147	645,578,147
The company has to transfer 20% of net profit to statutory reserve as per the Financial Institutions Regulations, 1994.				
16 General reserve				
Opening Balance			-	-
Add: Addition during the year			-	-
Closing balance			-	-
16.a Consolidated General Reserve				
People's Leasing and Financial Services Ltd.			-	-
PLFS Investments Limited			9,010,630	9,010,630
			9,010,630	9,010,630
Less: Non-Controlling Interest			1,531,807	1,531,807
			7,478,823	7,478,823
17 Share premium				
Opening balance			1,018,605,234	1,018,605,234
Add: Addition during the year			-	-
Closing balance			1,018,605,234	1,018,605,234
18 Retained earnings				
Opening balance			(29,404,681,633)	(23,145,616,434)
Previous year adjustment			-	367,312,669
Net profit during the year			(6,248,502,353)	(5,668,881,581)
Adjustment for During the year			2,459,665,664	(957,496,287)
Closing balance			(33,193,518,322)	(29,404,681,633)

Previous years loss amount of taka 13,686,553,599 were shown under Other Asset in the financial statements of 2017 which found out in 2015 through special audit/inspection by Bangladesh Bank, special audit conducted by Huda vasi Chowdhury and Management of PLFSL. Out of which Taka 3,073,728,772.97 were margin loan against which no shares/securities held in BO account. The mentioned amount of margin loan now shown under loans and advance and classified accordingly as per advices of Bangladesh Bank by restating the amount of the financial statements of 2017. Rest Taka 12,612,824,826 adjusted with retained earnings of the year 2017 as per recommendation of inspection team of Bangladesh Bank.



People's Leasing and Financial Services Ltd.
Notes to the Financial Statements
For the Year ended December 31, 2020

		Amount in Taka	
		Dec 31, 2020	Dec 31, 2019
18.a	Consolidated Retained Earnings		
	People's Leasing and Financial Services Ltd.	(33,193,518,322)	(29,404,681,633)
	PLFS Investments Limited	(277,646,036)	(128,358,080)
		(33,471,164,357)	(29,533,039,713)
	Less: Non-Controlling Interest	(47,199,826)	(21,820,874)
		<u>(33,423,964,531)</u>	<u>(29,511,218,839)</u>
19	Contingent liabilities & capital expenditure commitments		
	Letter of guarantee:		
	Money for which the company is contingently liable in respect of guarantees given favoring:		
	Directors	-	-
	Government	-	-
	Banks and other financial institutions	-	-
	Others	150,000,000	325,000,000
	Sub Total	<u>150,000,000</u>	<u>325,000,000</u>
	Letter of credit:		
	For import of equipments under lease finance	-	-
	Sub-Total	<u>-</u>	<u>-</u>
	Total	<u>150,000,000</u>	<u>325,000,000</u>
19.1	Corporate Guarantee		
	PLFS has provided corporate guarantee Tk. 17,50,00,000 (Seventeen Crore Fifty Lac) only favoring Dhaka Stock Exchange Ltd. on behalf of KHB Securities Ltd. (Ref: PLFS/DSE/01/2017 dated: January 16, 2017). Later, on request of KHB Securities Ltd. (Ref: KHB/PLFS/04-19/219 dated: April 28, 2019) PLFS informed to the Dhaka Stock Exchange Limited for discontinuing the said corporate guarantee (Ref: PLFS/DL/NBFGUARANTEE/DSE/2019/3121 dated: May 21, 2019). Moreover, another corporate guarantee Tk. 15,00,00,000 (Fifteen Crore) only issued by PLFS favoring First Security Islami Bank Ltd. on behalf of Galco Steel (Bangladesh) Limited for letter of credit (L/C) no: 228517020036 & 228517020037 (Ref:PLFS/CSBL/CP/2018/9122 dated: October 15, 2018).		
20	Interest income		
	Interest on Staff Loan	1,079	199,551
	Interest on Loan	145,783,060	166,190,224
	Income from Lease Finance	1,049,533	(3,200,174)
	Interest on Home Loan	7,882,068	10,498,685
	Interest on FDR	17,344,738	78,588,246
	Interest On Margin Loan	4,920,921	12,484,571
	Interest On STL	-	643,670
	Interest on Loan against Deposit	378,303	2,581,874
	Total	<u>177,359,702</u>	<u>267,986,646</u>
20.a	Consolidated Interest income		
	People's Leasing and Financial Services Ltd.	177,359,702	267,986,646
	PLFS Investments Limited	2,313,528	131,918,249
		<u>179,673,230</u>	<u>399,904,895</u>
	Less: Inter Company Transaction	(109,419,778)	(99,618,463)
		<u>70,253,452</u>	<u>300,286,432</u>
21	Interest paid on deposits, borrowings etc.		
	Interest on deposits		
	Interest on Term Deposit	3,009,900,572	2,792,515,498
	Interest on MDS	1,787,495	2,866,667
		<u>3,011,688,067</u>	<u>2,795,382,165</u>
	Interest on borrowings		
	Interest on Call Loan	28,466,667	29,347,083
	Interest on Term Loan	-	161,006,001
	Interest on Overdraft	-	53,436,517
	Interest on Short Term Loan	-	93,353,887
	Other	-	-
		<u>28,466,667</u>	<u>337,143,488</u>
	Total	<u>3,040,154,734</u>	<u>3,132,525,653</u>



People's Leasing and Financial Services Ltd.
Notes to the Financial Statements
For the Year ended December 31, 2020

	Amount in Taka	
	Dec 31, 2020	Dec 31, 2019
21.a Consolidated Interest Expenses		
People's Leasing and Financial Services Ltd.	3,040,154,734	3,132,525,653
PLFS Investments Limited	109,419,778	100,189,185
	<u>3,149,574,512</u>	<u>3,232,714,838</u>
Less: Inter Company Transaction	109,419,778	99,618,463
	<u>3,040,154,734</u>	<u>3,133,096,375</u>
22 Income from investment		
Income from Investment/Capital gain	-	(2,800,000)
Dividend income	2,129,469	1,645,863
Total	<u>2,129,469</u>	<u>(1,154,137)</u>
22.a Consolidated Income from Investment		
People's Leasing and Financial Services Ltd.	2,129,469	(1,154,137)
PLFS Investments Limited (note-22.a.1)	7,614,323	(3,454,218)
	<u>9,743,792</u>	<u>(4,608,355)</u>
22.a.1 Income from investment of PLFS Investments Limited		
Income from Investment/Capital gain	6,328,426	(5,859,559)
Dividend income	1,285,897	2,405,341
Total	<u>7,614,323</u>	<u>(3,454,218)</u>
23 Commission, exchange and brokerage		
Commission on Bank Guarantee	-	-
Total	<u>-</u>	<u>-</u>
24 Other operating income		
Bank interest	5,733,774	889,830
Documentation charge	-	(498)
Service charge	-	1,500
Application Fees	-	12,385
CIB Charges	-	500
Late Payment Interest	-	7,111
Transfer Money	-	1,014,500
Others	132,790	2,134,885
Total	<u>5,866,564</u>	<u>4,060,013</u>
24.a Consolidated Other Operating Income		
People's Leasing and Financial Services Ltd.	5,866,564	4,060,013
PLFS Investments Limited (note-24.a.1)	2,631,202	3,397,219
	<u>8,497,766</u>	<u>7,457,232</u>
24.a.1 Other operating income of PLFS Investments Limited		
Bank interest	802,059	1,309,430
Documentation charge	500	2,500
Management Fee	1,307,159	1,188,921
Transaction Settlement Charge	28,232	239,818
Underwriting Commission	-	100,000
Issue Management Fee	-	-
Transmission Charge	270,900	302,850
Closing Charge	12,720	216,000
Income From IPO Application	15,020	37,700
Other Income (PF Refund)	194,612	-
Total	<u>2,631,202</u>	<u>3,397,219</u>
25 Salaries & allowances		
Salary	8,466,944	56,029,881
Bonus to Staff	981,513	7,911,100
Company's Contribution to Employees Provident Fund	-	2,054,496
Gratuity Expenses	-	-
Total	<u>9,448,457</u>	<u>65,995,477</u>



People's Leasing and Financial Services Ltd.
Notes to the Financial Statements
For the Year ended December 31, 2020

	Amount in Taka	
	Dec 31, 2020	Dec 31, 2019
25.a Consolidated Salaries & allowances		
People's Leasing and Financial Services Ltd.	9,448,457	65,995,477
PLFS Investments Limited (note-25.a.1)	6,291,989	7,691,118
	<u>15,740,446</u>	<u>73,686,595</u>
25.a.1 Salaries & allowances of PLFS Investments Limited		
Salary	5,443,304	6,442,785
Bonus to Staff	536,330	718,910
Company's Contribution to Employees Provident Fund	312,355	385,423
Gratuity Expenses	-	-
Staff Incentive	-	144,000
Total	<u>6,291,989</u>	<u>7,691,118</u>
26 Rent, taxes, insurance, electricity etc.		
Office Rent	5,285,676	10,495,196
Tax, Rates	-	989,229
Insurance premium	-	-
Electricity	853,523	2,381,790
Total	<u>6,139,199</u>	<u>13,866,215</u>
26.a Consolidated Rent, taxes, insurance, electricity etc.		
People's Leasing and Financial Services Ltd.	6,139,199	13,866,215
PLFS Investments Limited (note-26.a.1)	2,810,290	2,845,767
	<u>8,949,489</u>	<u>16,711,982</u>
26.a.1 Rent, taxes, insurance, electricity etc. of PLFS Investments Limited		
Office Rent	2,574,634	2,555,129
Electricity	235,656	290,638
Total	<u>2,810,290</u>	<u>2,845,767</u>
27 Legal expenses		
Legal fees	425,837	1,284,820
Stamp & Court Fees	-	-
Total	<u>425,837</u>	<u>1,284,820</u>
27.a Consolidated Legal expenses		
People's Leasing and Financial Services Ltd.	425,837	1,284,820
PLFS Investments Limited	-	-
	<u>425,837</u>	<u>1,284,820</u>
28 Postage, stamp, telecommunications etc.		
Postage	-	21,261
Telephone bill	46,750	225,565
Fax & Internet	464,500	754,476
Total	<u>511,250</u>	<u>1,001,302</u>
28.a Consolidated Postage, stamp, telecommunications etc.		
People's Leasing and Financial Services Ltd.	511,250	1,001,302
PLFS Investments Limited (note-28.a.1)	192,205	241,260
	<u>703,455</u>	<u>1,242,562</u>
28.a.1 Postage, stamp, telecommunications etc. of PLFS Investments Limited		
Postage	110	170
Telephone bill & Mobile	87,095	114,590
Fax & Internet	105,000	126,500
Total	<u>192,205</u>	<u>241,260</u>
29 Stationery, printing, advertisement etc.		
Stationery & Printing	16,100	415,452
Advertisement	-	1,027,122
Computer expenses	-	-
Total	<u>16,100</u>	<u>1,442,574</u>



People's Leasing and Financial Services Ltd.
Notes to the Financial Statements
For the Year ended December 31, 2020

		Amount in Taka	
		Dec 31, 2020	Dec 31, 2019
29.a	Consolidated Stationery, printing, advertisement etc.		
	People's Leasing and Financial Services Ltd.	16,100	1,442,574
	PLFS Investments Limited (note-29.a.1)	14,290	89,296
		<u>30,390</u>	<u>1,531,870</u>
29.a.1	Stationery, printing, advertisement etc. of PLFS Investments Limited		
	Stationery & Printing	12,490	84,096
	Advertisement	-	-
	Computer & Accessories	1,800	5,200
	Total	<u>14,290</u>	<u>89,296</u>
30	Managing director's salary and fees		
	Salary	-	3,087,000
	Festival Bonuses	-	250,000
	Other allowances	-	-
	Total	<u>-</u>	<u>3,337,000</u>
31	Directors' Fees		
	Directors' fees	-	680,800
	Others Benefits	-	-
	Total	<u>-</u>	<u>680,800</u>
	Directors' fees for attending each board meeting are TK. 8,000.00 (Eight Thousand) as per Bangladesh Bank DFIM Circular No. 13, dated 30 November, 2015. Directors have not been paid any fees/remuneration for any special services rendered.		
31.a	Consolidated Directors' Fees		
	People's Leasing and Financial Services Ltd.	-	680,800
	PLFS Investments Limited	-	20,000
		<u>-</u>	<u>700,800</u>
32	Audit fee	-	-
32.a	Consolidated Audit fee		
	People's Leasing and Financial Services Ltd.	-	-
	PLFS Investments Limited	109,000	35,000
		<u>109,000</u>	<u>35,000</u>
33	Loans & advances written-off		
	Loans & advances written-off	-	-
	Less: provision	-	-
	Interest waived	-	-
	Total	<u>-</u>	<u>-</u>
34	Repair, depreciation and amortizations of company's assets		
	Repair of company's assets:		
	Machine/Furniture Repair & Maintenance	220,174	274,508
	Generator Repair & Maintenance	6,398,694	4,719,046
	Telephone Maintenance	119,360	66,512
	Motor car Maintenance	2,777,920	1,736,200
	Sub Total	<u>9,516,148</u>	<u>6,796,066</u>
	Depreciation of company's assets		
	Own assets	5,548,991	5,004,818
	Sub Total	<u>5,548,991</u>	<u>5,004,818</u>
	Amortization of company's assets		
	Computer software	62,977	78,720
	Total repair and depreciation of company's assets	<u>15,128,116</u>	<u>11,879,604</u>



People's Leasing and Financial Services Ltd.
Notes to the Financial Statements
For the Year ended December 31, 2020

		Amount in Taka	
		Dec 31, 2020	Dec 31, 2019
34.a	Consolidated Repair, depreciation and amortizations of company's assets		
	People's Leasing and Financial Services Ltd.	15,128,116	11,879,604
	PLFS Investments Limited (note-34.a.1)	543,182	635,167
		<u>15,671,298</u>	<u>12,514,771</u>
34.a.1	Repair, depreciation and amortizations of company's assets of PLFS Investments Limited		
	Repair of company's assets:		
	Rep. & Maintenance Office Equipment	19,995	11,500
	Generator Repair & Maintenance	-	-
	Telephone Maintenance	-	-
	Motor car Maintenance	-	-
	Sub Total	<u>19,995</u>	<u>11,500</u>
	Depreciation of company's assets		
	Own assets	523,187	623,667
	Sub Total	<u>523,187</u>	<u>623,667</u>
	Amortization of company's assets		
	Total repair and depreciation of company's assets	<u>543,182</u>	<u>635,167</u>
35	Other expenses		
	Traveling & Conveyance Expenses	1,870	710,259
	Entertainment	62,510	409,295
	Exp.A/C-Service Charge	-	1,290
	Staff welfare	-	-
	Security Services	2,165,830	2,781,647
	Meeting Expenses		
	Fees & Subscription	754,000	2,300,343
	Office maintenance	439,028	2,502,968
	Miscellaneous	46,600	189,820
	Books & periodicals	-	7,628
	Business Promotion	-	680,000
	Fuel ,Oil & Lubricant	67,201	313,474
	Staff training	-	31,500
	Uniform & Leveis		
	Bank charges & commission	209,669	1,182,560
	Excise duty		
	Software Expenses		
	Donation (CSR)		
	Car Exp. (TAX)		
	CDBL charges	13,300	6,000
	Annual picnic	-	35,987,413
	Loss on sale of Goods	1,733,489	1,430,194
	Other		
	BO Accounts Exp.		
	Total	<u>5,493,498</u>	<u>48,534,391</u>
35.a	Consolidated Other expenses		
	People's Leasing and Financial Services Ltd.	5,493,498	48,534,391
	PLFS Investments Limited (note-35.a.1)	1,478,908	4,846,007
		<u>6,972,406</u>	<u>53,380,398</u>



People's Leasing and Financial Services Ltd.
Notes to the Financial Statements
For the Year ended December 31, 2020

	Amount in Taka	
	Dec 31, 2020	Dec 31, 2019
35.a.1 Other expenses of PLFS Investments Limited		
Traveling & Conveyance Expenses	7,464	34,248
Entertainment	21,949	857,899
Security Services	34,980	66,600
Office maintenance	392,055	469,044
Miscellaneous	45,000	830,000
Professional fees	25,000	153,450
LFA	316,341	404,320
Staff training	5,130	-
Bank charges & commission	41,310	93,151
Website Development Expenses	-	-
Software Expenses	169,050	169,050
Renewal & registration Fees	168,495	167,195
Bidding Fee	12,000	15,000
Business Promotion	-	1,300,000
Donation	-	-
CDBL Charge	237,134	286,050
Other Expenses	-	-
Total	1,478,908	4,846,007
36 Provision for loans & advances		
Provision for classified loans & advances	3,174,983,794	1,576,870,990
Provision for classified loans & advances req. by Bangladesh Bank	-	-
Provision for unclassified loans & advances	104,936,964	(23,813,283)
Provision for diminution in value of investments	46,100,487	27,084,513
Provision For FDR	17,344,737	870,419,893
Provision for TD5	6,009,509	9,465,314
Provision for Equity Investment in Subsidiary	-	200,445,000
Total	3,349,375,491	2,660,472,427
Provision for advance against land of taka 1,236,640,000 reversed in 2018 as advance amount realized in March 2019.		
36.a Consolidated Provision for loans & advances		
People's Leasing and Financial Services Ltd.	3,349,375,491	2,660,472,427
PLFS Investments Limited (note-36 a.1)	-	-
	3,349,375,491	2,660,472,427
36.a.1 Provision for loans & advances of PLFS Investments Limited		
Provision for classified loans & advances (for written-off)	-	-
Provision for unclassified loans & advances	-	-
Provision for diminution in value of investments	-	-
Provision for off-balance sheet items	-	-
Total	-	-
37 Provision for tax		
Provision for Current Tax is made on the basis of the profit for the period as adjusted for taxation purpose in accordance with the provision of Income Tax Ordinance, 1984 and amendments made thereof. The current tax rate for the Company is 37.50% on taxable income. As the company doesn't have any taxable income, the company provides minimum tax for the income year 2018.		
Provision for current tax		
Opening balance	-	-
Add: Provision made during the year	6,000,000	6,000,000
Less: Settlement during the year	-	-
Closing balance	6,000,000	6,000,000
37.a Consolidated Provision for taxes		
People's Leasing and Financial Services Ltd.	6,000,000	6,000,000
PLFS Investments Limited (note-37 a.1)	743,109	1,181,748
	6,743,109	7,181,748



People's Leasing and Financial Services Ltd.
Notes to the Financial Statements
For the Year ended December 31, 2020

	Amount in Taka	
	Dec 31, 2020	Dec 31, 2019
37.a.1 Provision for tax of PLFS Investments Limited		
Provision for current tax		
Opening balance	-	-
Add: Provision made during the year	743,109	1,181,748
Add: Transferred from deferred tax	-	-
Less: Settlement during the year	-	-
Closing balance	<u>743,109</u>	<u>1,181,748</u>
38 Provision for Deferred tax		
Deferred Tax expense	1,165,406	(7,246,160)
Deferred Tax Income	-	-
	<u>1,165,406</u>	<u>(7,246,160)</u>
38.a Consolidated Deferred tax		
People's Leasing and Financial Services Ltd.	1,165,406	(7,246,160)
PLFS Investments Limited	13,289,093	(13,242,206)
	<u>14,454,499</u>	<u>(20,488,366)</u>
39 Other Comprehensive Income/(Loss) for the period		
Unrealizable Gain/(Loss) for Own portfolio	-	-
	<u>-</u>	<u>-</u>
39.a Other Comprehensive Income/(Loss) for the period		
People's Leasing and Financial Services Ltd.	-	-
Unrealizable Gain/(Loss) for Own portfolio(PLFS Investment)	(26,955,166.00)	-
	<u>(26,955,166.00)</u>	<u>-</u>
40 Earnings per share (EPS)		
Earnings Per Share (EPS) as shown in the face of Profit and Loss Account is calculated in accordance with International Accounting Standards (IAS) No. 33 "Earnings Per Share".		
Basic Earnings Per Share has been calculated as follows:		
Earnings attributable to ordinary shareholders (Net Profit after Tax)	(6,248,902,353)	(5,668,881,581)
Weighted Average Number of ordinary shares outstanding during the year	285,440,597	285,440,597
Basic earnings per share (in Taka)	<u>(21.89)</u>	<u>(19.86)</u>
No diluted earnings per share is required to be calculated for the period, as there was no convertible securities for dilution during the period.		
40.a Consolidated Earnings per share (EPS)		
Earnings Per Share (EPS) as shown in the face of Profit and Loss Account is calculated in accordance with International Accounting Standards (IAS) No. 33 "Earnings Per Share".		
Basic Earnings Per Share has been calculated as follows:		
Earnings attributable to ordinary shareholders (Net Profit after Tax)	(6,372,411,358)	(5,640,461,088)
Weighted Average Number of ordinary shares outstanding during the year	285,440,597	285,440,597
Basic earnings per share (in Taka)	<u>(22.32)</u>	<u>(19.76)</u>
No diluted earnings per share is required to be calculated for the period, as there was no convertible securities for dilution during the period.		
41 Net Assets Value (NAV) per share		
Net Assets (Total assets less Total Liabilities)	(28,674,928,971)	(24,886,092,282)
Total Number of Ordinary shares outstanding	285,440,597	285,440,597
Net Assets Value (NAV) per share	<u>(100.46)</u>	<u>(87.18)</u>
41.a Consolidated Net Assets Value (NAV) per share		
Net Assets (Total assets less Total Liabilities)	(28,897,896,357)	(24,985,150,666)
Total Number of Ordinary shares outstanding	285,440,597	285,440,597
Consolidated Net Assets Value (NAV) per share	<u>(101.24)</u>	<u>(87.53)</u>



People's Leasing and Financial Services Ltd.
Notes to the Financial Statements
For the Year ended December 31, 2020

		Amount in Taka	
		Dec 31, 2020	Dec 31, 2019
42	Net Operating Cash Flows Per Share (NOCFPS)		
	Net Cash flows from Operating Activities	(11,333,763)	1,028,637,952
	Total Number of Ordinary shares outstanding	285,440,597	285,440,597
	Net Operating Cash Flows Per Share (NOCFPS)	(0.04)	3.60
42a	Consolidated Net Operating Cash Flows Per Share (NOCFPS)		
	Net Cash flows from Operating Activities	(15,007,929)	991,154,865
	Total Number of Ordinary shares outstanding	285,440,597	285,440,597
	Consolidated Net Operating Cash Flows Per Share (NOCFPS)	(0.05)	3.47
43	Reconciliation of Net Profit with Cash Flows from Operating Activities		
	Net Profit after tax	(6,248,502,353)	(5,668,881,581)
	Items not involved in cash movement		
	Add: Depreciation	5,548,991	5,004,818
	Add: Provisions for loans and investments	3,349,375,491	2,660,472,427
	Add: Provisions for Taxation	7,165,406	(1,206,160)
	Add/(Less): Accrued expenses	351,307,854	1,118,395,464
	Add/(Less): Accrued Income	(58,306,235)	(40,961,498)
		(2,613,410,846)	(1,927,216,530)
	Increase/(decrease) in operating assets and liabilities		
	Loans and advances to customers	(10,591,437,291)	(1,171,561,192)
	Other assets	2,836,147,179	2,113,374,487
	Deposits from customers and others	2,549,321,409	686,904,609
	Other liabilities	7,808,045,786	1,327,136,578
		2,602,077,083	2,955,854,482
	Net Cash flows from/(used in) Operating Activities	(11,333,763)	1,028,637,952



44 Others

44.1 For the Year ended December 31, 2020

Name of Court	No. of Suits	Suit Value/Claimed Amt. (in Lac)	Recovery against claim Amt. (in Lac)	Remarks
Artha Rin Adalat	91	43,958.86	0.00	-
Other Courts	162	25,536.64	34.85	-
Total	253	69,495.50	34.85	-

44.2 Unacknowledged debt

The Company has no claim against it which has not been acknowledged as debt at the balance sheet date.

44.3 Employees' information

A total number of 23 employees were employed in PLFS as of 31 December, 2020.

45 Written-off of accounts

During the year under review, no loans & advances has been written-off.

46 Directors' responsibility statement

The Board of Directors take the responsibility for the preparation and presentation of these financial statements.

47 Date of authorization for issue

The financial statements were authorized for issue by the Board of Directors on its 49th meeting held on August 29, 2023.

48 Discloser of Quick Summary of Bangladesh Bank Inspection report

Bangladesh Bank performed inspection on Calcification Loan (CL) for the year ended 2021 and provide a quick summary report for finalization of Financial Statement for 2021. In this regards we prepared Financial Statement for 2020 by considering the said quick summary report.

49 General

49.1 The figures appearing in this financial statements have been rounded off to the nearest integer.

49.2 Last year's figures have been restated and rearranged wherever it is found necessary to conform the current year's presentation.

49.3 On the basis of gravity of the company a prayer will be submitted to the Hon'ble High Court for wevier of interest on the Term deposit & borrowings as a reconstruction process.

49.4 Provision of audit fee 2020 is made in the financial statements of 2022.

49.5 ACNABIN & Co. Chartered Accountants has performed special audit for the period ended July 21, 2019. These special audit period covers from September 30, 2015 to July 21, 2019. The audit was conducted by the ACNABIN vide appointment by the Hon'ble High Court dated: 25.08.2019 and they were submitted audit report to the Registrar General, Supreme Court of Bangladesh, High Court Division (Statutory Original Jurisdiction) on 27.02.2020.



People's Leasing and Financial Services Ltd.
Fixed Assets Schedule
As at December 31, 2020

Annexure - A
Figures in Taka

Sl No.	Particulars	COST				Rate	ACCUMULATED DEPRECIATION				Written Down Value as on December 31, 2020
		Balance as on 1 Jan, 2019	Additions during the Year	Adjustment during the year	Balance as on December 31, 2020		Balance as on 1 Jan, 2019	Charged during the year	Adjustment during the year	Balance as on December 31, 2020	
1	Company Premises	33,265,482	-	-	33,265,482	10%	27,826,422	1,045,907	-	23,870,329	9,395,153
2	Motor Car & Vehicle	26,260,950	-	-	26,260,950	20%	19,516,150	1,368,961	-	20,705,111	5,555,839
3	Computer	21,027,936	-	-	21,027,936	20%	13,488,333	1,507,927	-	14,996,260	6,031,676
4	Telephonic System	1,756,858	-	-	1,756,858	10%	1,160,062	59,681	-	1,219,743	537,115
5	Air Cooler	12,345,664	-	465,000	11,880,664	5%	2,820,270	464,597	-	3,284,867	8,595,797
6	Refrigerator	209,002	-	-	209,002	10%	98,085	11,091	-	109,176	99,826
7	Generator	-	-	-	-	10%	-	-	-	-	-
8	Office Equipment	4,247,535	532,246	-	4,779,581	20%	3,679,816	205,668	-	3,886,484	893,097
9	Furniture & Fixtures	53,773,684	206,910	-	53,980,594	5%	15,714,476	2,889,422	-	18,603,898	35,376,696
10	Crockeries	39,106	-	-	39,106	20%	31,903	1,603	811	32,695	6,411
11	Software	507,004	-	-	507,004	20%	192,121	62,977	-	255,098	251,906
	As on 31 December, 2020	153,433,021	739,156	465,000	153,707,177		79,327,638	7,636,832	811	86,963,659	66,743,519
	As on 31 December, 2019	160,251,474	-	6,818,453	166,251,474		76,229,365	7,771,534	4,673,280	79,327,638	84,022,110

Non-Banking Assets
IAS 1.55

Sl No.	Particulars	COST				Rate	ACCUMULATED DEPRECIATION				Written Down Value as on December 31, 2020
		Balance as on 1 Jan, 2019	Additions during the Year	Adjustment during the year	Balance as on December 31, 2020		Balance as on 1 Jan, 2019	Charged during the year	Adjustment during the year	Balance as on December 31, 2020	
1	Company Premises	58,558,336	-	-	58,558,336	10%	23,946,549	3,461,179	-	27,407,728	31,150,608
	As on 31 December, 2020	58,558,336	-	-	58,558,336		23,946,549	3,461,179	-	27,407,728	31,150,608
	As on 31 December, 2019	58,558,336	-	-	58,558,336		20,101,627	3,845,673	750	23,946,548	36,456,709

Figures in Taka



People's Leasing and Financial Services Ltd.
Fixed Assets Schedule
As at December 31, 2019

Annexure - A
Figures in Taka

Sl No.	Particulars	COST				Rate	ACCUMULATED DEPRECIATION				Written Down Value as on December 31, 2019
		Balance as on 1 Jan, 2019	Additions during the Year	Adjustment during the year	Balance as on December 31, 2019		Balance as on 1 Jan, 2019	Charged during the year	Adjustment during the year	Balance as on December 31, 2019	
1	Company Premises	33,265,482	-	-	33,265,482	10%	21,666,526	1,159,896	-	22,826,422	10,439,060
2	Motor Car & Vehicle	26,260,950	-	-	26,260,950	20%	17,579,950	1,736,200	-	19,316,150	6,944,800
3	Computer	21,027,936	-	-	21,027,936	20%	11,603,432	1,884,901	-	13,488,333	7,539,603
4	Telephone Systems	1,736,858	-	-	1,736,858	10%	1,093,752	66,311	-	1,160,062	596,796
5	Air Cooler	12,345,664	-	-	12,345,664	5%	2,542,183	490,174	212,087	2,820,270	9,525,394
6	Refrigerator	437,799	-	228,797	209,002	10%	230,349	30,745	153,009	98,085	110,917
7	Generator	2,033,200	1	2,033,200	-	10%	1,330,271	-	1,330,271	-	-
8	Office Equipment	5,538,302	-	1,310,967	4,247,335	20%	4,185,753	274,510	780,447	3,679,816	567,519
9	Furniture & Fixtures	57,019,173	-	3,285,489	53,773,684	5%	15,833,846	2,038,276	2,197,446	15,714,476	38,059,208
10	Crockeries	39,106	-	-	39,106	20%	30,103	1,801	-	31,903	7,203
11	Software	507,004	-	-	507,004	20%	113,491	78,721	-	192,121	314,883
As on 31 December, 2019		160,251,474	-	6,818,453	153,433,021		76,229,365	7,771,534	4,673,260	79,327,638	74,105,383

Non-Banking Assets

Figures in Taka

Sl No./Particulars	COST				Rate	ACCUMULATED DEPRECIATION				Written Down Value as on December 31, 2019
	Balance as on 1 Jan, 2019	Additions during the Year	Adjustment during the year	Balance as on December 31, 2019		Balance as on 1 Jan, 2019	Charged during the year	Adjustment during the year	Balance as on December 31, 2019	
1 Company Premises	58,558,336	-	-	58,558,336	10%	20,101,627	3,845,671	750	23,948,548	34,611,788
As on 31 December, 2019	58,558,336	-	-	58,558,336		20,101,627	3,845,671	750	23,948,548	34,611,788



People's Leasing and Financial Services Ltd.
Consolidated Fixed Assets Schedule

As on December 31, 2020

Property, plant & equipment

SI No.	Particulars	COST			Rate	ACCUMULATED DEPRECIATION			Written Down Value as on 31 Dec, 2020	
		Balance as on Jan 01, 2019	Additions during the Year	Adjustment during the year		Balance as on Jan 01, 2019	Charged during the year	Adjustment during the year		Balance as on 31 Dec, 2020
1	Company Premises	33,265,482	-	-	10%	22,826,422	1,043,906	-	23,870,328	8,395,154
2	Motor Car & Vehicle	28,240,950	-	-	20%	21,298,149	1,388,961	-	22,687,110	5,555,940
3	Computer	23,364,684	-	-	20%	15,466,274	1,579,688	-	17,045,962	6,318,722
4	Telephone System	1,756,858	-	-	10%	1,160,062	59,681	-	1,219,743	537,115
5	Air Cooler	13,573,664	-	465,000	5%	3,476,591	578,933	-	4,055,524	9,053,140
6	Refrigerator	208,002	1	-	10%	98,065	11,061	-	109,126	99,826
7	Generator	-	-	-	10%	-	-	-	-	-
8	Office Equipment	4,719,100	532,246	-	20%	4,063,521	219,677	-	4,283,198	967,945
9	Furniture & Fixtures	59,441,081	206,910	-	5%	18,846,735	3,142,936	-	21,989,671	37,656,320
10	Crockeries	39,106	-	-	20%	31,903	1,603	811	32,685	6,411
11	Software	1,574,504	-	-	20%	978,151	133,344	-	1,111,495	463,009
	As on 31 December, 2020	165,184,431	739,166	465,000		88,243,893	8,160,020	811	96,403,102	70,055,483

Figures in Taka

Non-Banking Assets

Serial No.	Particulars	COST			Rate	ACCUMULATED DEPRECIATION			Written Down Value as on 31 Dec, 2020	
		Balance as on Jan 01, 2019	Additions during the Year	Adjustment during the year		Balance as on Jan 01, 2019	Additions during the Year	Adjustment during the year		Balance as on 31 Dec, 2020
1	Company Premises	58,558,336	-	-	10%	23,946,549	3,461,179	-	27,407,728	31,150,608
	As on 31 December, 2020	58,558,336	-	-		23,946,549	3,461,179	-	27,407,728	31,150,608

Figures in Taka



People's Leasing and Financial Services Ltd.
Consolidated Fixed Assets Schedule
As on December 31, 2019

Sl No.	Particulars	COST				Rate	ACCUMULATED DEPRECIATION				Written Down Value as on 31 Dec, 2019
		Balance as on Jan 01, 2019	Additions during the Year	Adjustment during the year	Balance as on 31 Dec, 2019		Balance as on Jan 01, 2019	Charged during the year	Adjustment during the year	Balance as on 31 Dec, 2019	
1	Company Premises	33,265,482	-	-	35,265,482	10%	23,646,325	1,159,896	-	24,806,421	8,459,061
2	Motor Car & Vehicle	28,240,950	-	-	28,240,950	20%	17,579,950	1,736,200	-	19,316,150	8,924,800
3	Computer	23,364,684	-	-	23,364,684	20%	13,491,670	1,974,603	-	15,466,273	7,898,411
4	Telephone System	1,756,858	-	-	1,756,858	10%	1,093,752	66,311	-	1,160,063	596,795
5	Air Cooler	13,573,664	-	-	13,573,664	5%	3,055,585	633,094	212,087	3,476,592	10,097,072
6	Refrigerator	437,799	-	228,797	209,002	10%	230,349	20,745	153,009	98,085	110,917
7	Generator	2,033,200	1	2,033,200	-	10%	1,330,271	-	1,330,271	(0)	0
8	Office Equipment	6,030,067	-	1,310,967	4,719,100	20%	4,553,918	290,090	780,447	4,063,521	655,579
9	Furniture & Fixtures	62,686,569	-	3,245,489	59,441,080	5%	18,704,222	2,339,958	2,197,446	18,846,734	40,594,346
10	Crockeries	39,106	-	-	39,106	20%	30,103	1,801	-	31,904	7,202
11	Software	1,574,504	-	-	1,574,504	20%	805,607	172,544	-	978,151	596,354
	As on 31 December, 2019	173,062,883	-	6,818,453	166,184,430		84,521,951	8,395,202	4,673,260	88,243,893	77,940,535
	As on 31 December, 2018	150,122,743	32,346,488	9,466,948	173,002,883		79,416,761	9,868,600	4,763,410	84,521,951	88,480,930

Non-Banking Assets

Serial No.	Particulars	COST				Rate	ACCUMULATED DEPRECIATION				Written Down Value as on 31 Dec, 2019
		Balance as on Jan 01, 2019	Additions during the Year	Adjustment during the year	Balance as on 31 Dec, 2019		Balance as on Jan 01, 2019	Additions during the Year	Adjustment during the year	Balance as on 31 Dec, 2019	
1	Company Premises	58,558,336	-	-	58,558,336	10%	20,101,628	3,845,671	748	23,946,551	34,611,785
	As on 31 December, 2019	58,558,336	-	-	58,558,336		20,101,628	3,845,671	748	23,946,551	34,611,785

Figures in Taka



People's Leasing And Financial Services Limited

Classification and provisioning of Loan, Lease and Advance

As on 31/12/2020

Classification status of Loan, Lease & Advance as on 31/12/2020	Amount of outstanding Loan Lease and Advance as on 31/12/2020	Base for Provision	Percentage(%) of provision required as per Bangladesh bank directive	Provision Kept 31/12/2020	Provision Kept 31/12/2019
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General Provision

Standard Non SME	435,498,552	435,498,552	1%	4,354,985.52	4,011,502.02
Standard SME	639,880	639,880	0%	1,599.70	-
Special Mention Account(SMA)	80,288,350	77,621,044	5%	3,881,052.20	60,160,214.15

Total A

	516,426,782	513,759,476	-	8,237,637	64,171,717
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Specific Provision

Sub Standard (SS)	67,814,608	51,140,955	20%	10,228,191.00	141,400.8
Doubtful (DF)	146,088,982	37,233,670	50%	18,616,835.00	2296844.5
Bad and Loss (BL)	11,296,503,469	8,029,755,072	100%	8,029,755,072.00	7153763143

Total B

	11,510,407,059	8,118,129,697		8,058,600,098	7,157,473,990
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G.Total (A+B)

	12,026,833,841	8,631,889,173		8,066,837,735	7,221,645,707
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People's Leasing and Financial Services Ltd.
Financial Highlights (Solo)

Sl. No.	Particulars	Amount in Tk.	
		2020	2019
1	Paid-up Capital	2,854,405,970	2,854,405,970
2	Total Capital	(28,674,928,971)	(24,886,092,282)
3	Capital Surplus	(31,529,334,941)	(27,740,498,252)
4	Total Assets	14,282,964,085	14,019,458,854
5	Total Deposits	23,678,631,203	21,129,309,794
6	Total loans & advances	12,026,833,841	11,906,269,969
7	Total contingent liabilities and commitments	325,000,000	325,000,000
8	Credit deposit ratio	50.79%	56.35%
9	Percentage of classified loans against total loans & advances	95.41%	80.46%
10	Profit after tax and provision	(6,248,502,353)	(5,668,881,581)
11	Amount of classified loans during the year	11,474,802,168	9,579,784,817
12	Provision kept against classified loans	8,066,837,734	7,221,645,707
13	Provision surplus against classified loans	-	-
14	Cost of fund	15.88%	18.22%
15	Interest earning assets	12,915,489,040	12,859,339,784
16	Non-interest earning assets	1,367,475,044	1,160,119,070
17	Return on Investments	(50.83)	(46.77)
18	Return on assets (ROA)	(44.16)	(40.35)
19	Income from loans & advances & investment	179,489,171	266,832,509
20	Earnings per share	(21.89)	(19.86)
21	Net income per share	(21.89)	(19.86)
22	Price earnings ratio	(0.14)	(0.15)

