

# ***PRIVATE AND CONFIDENTIAL***

People's Leasing and Financial Services Ltd. (PLFS)  
at Heights(12th floor), 65/2/1 Box Culvert road, Purana Paltan , Dhaka  
**Financial Statements (Solo)**  
For the year ended December 31, 2024



**G. KIBRIA & CO.**  
CHARTERED ACCOUNTANTS

**Head Office:**  
SADHARAN BIMA SADAN (5TH FLOOR)  
24-25, DILKUSHA COMMERCIAL AREA,  
DHAKA-1000, BANGLADESH

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## Independent Auditor's Report

### To the Shareholders of People's Leasing and Financial Services Ltd.

#### Report on the Audit of the Financial Statements

#### Qualified Opinion

We have audited the financial statements of People's Leasing and Financial Services Ltd. (the "financial institution" or "Company") which comprise the balance sheets as at 31 December 2024 and the profit and loss accounts, statements of changes in equity and cash flow statements for the year then ended, and notes to the financial statements, including a summary of material accounting policies and explanatory information.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements give a true and fair view of the balance sheets of the Company as of 31 December 2024 and of its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB), the Companies Act 1994, financial institution act 1993, Rules and regulations issued by Bangladesh Bank, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

#### Basis for Qualified Opinion

1. We draw attention to note 2.10.29, that the company/group has not consolidated its subsidiary, PLFS Investments Limited, and has not prepared any consolidated financial statements. Had PLFS Investments Limited been consolidated, many elements in the accompanying financial statements would have been materially affected. The effects on the financial statements due to the failure to consolidate have not been determined. Additionally, the audit report of PLFS Investments Limited issued on 29 December 2024 by Khandaker Mamun & Co., Chartered Accountants, provided an adverse opinion incorporating some issues that materially impact may elements of the company's financial statement which have not been incorporated in this financial statement.
2. The company reported a loan to a subsidiary of BDT 1,662,343,115 but in the financial statement of the subsidiary, there was no loan received from a parent. Instead, the subsidiary is claiming money from the parent. Though the subsidiary's audit report had a modified opinion based on this issue, it creates significant doubt about whether this loan is an asset or liability of the company. On the other hand, the investment made to this company represent 626% of the subsidiary's capital which is noncompliance with section 14(1) of the Financial Institution Act 1993.
3. In note 9 and note 13.3 the company reported the Advance Income Tax of BDT 283,430,199 and the provision for corporate income tax of BDT 196,786,921 which have been carried for several years. However, the company didn't provide us with year-wise status of the unadjusted/unsettled tax. We have significant doubts about these balances, especially the excess asset of BDT 86,643,278. Due to a lack of available information, we were unable to quantify the amount of discrepancy that has occurred due to this issue.
4. The company reduces the value of non-banking assets through charging depreciation. But as per the Bangladesh Bank guidelines, this balance should be adjusted with the market value. Since the market value of these assets was lower than the cost, the company should adjust this impairment loss in compliance with the Bangladesh bank Guidelines, not in the form of charging depreciation.
5. In note 7, the company reported loans & Advances BDT 11,058,051,813 but, in the CL, the company shows BDT 11,219,329,342 which arise a difference of BDT 161,277,529. Due to the vast volume of the transaction involved and lack of available information, we were unable to quantify the amount of discrepancy that has occurred due to this issue. However, we have concluded based on our audit procedures that possible effects on the financial statements of this undetected discrepancy could be material.
6. Based on our detail's recalculation of loans & Advances, we found a short provision of BDT 106,689,622, which didn't recognize by the company in the financial Statement. Additionally, the management was unable to provide us with some valuation, loan statements and updated DVS enclosed client audited financial statements. We have significant doubt about classification and the valuation of those client. Due to lack of available information, we were unable to quantify the amount of discrepancy that has occurred due to this issue other than the mentioned short provision.



**Head Office:** Sadharan Bima Sadan (5th Floor), 24-25 Dilkusha Commercial Area, Dhaka – 1000, Bangladesh

Ref: GKC/24-25/A/708 **Branch Office:** House 51, Road 14, Block-G, Niketon, Gulshan-1, Dhaka-1212

**Email:** gkibria@gkibriaandco.com, kibria03@hotmail.com, **Web:** http://gkibriaandco.com

**Tel:** +02-223-355-324, +02-4881-2331, +02-4881-2332

7. We draw attention to Note No. 04, where we could not find 24's bank account statements which represent amount of BDT 681,065.
8. We draw attention to note no. 08 the value of company premises reported BDT 33,265,482, whereas based on the deed documents, the value is BDT 17,516,750.
9. We draw attention to note 12, regarding the Deposits & Other Accounts amount of BDT 34,618,763,914. Based on the company's internal records that we audited, the total balance of deposits and other accounts was BDT 34,955,953,355 which creates a difference of BDT 337,189,441.
10. During our audit, we found amount of BDT 215,921,525 different types of loan installment are recorded in liabilities without adjusting in the loan/advance. As per management explanation, they are still trying to adjust this.
11. In note 13.12, the Company reported BDT 2,153,422,019 as unpaid TDS, VDS, and Excise duty collected and deducted by the company. As per section 143 of Income Tax Act 2023, failure to remit collected or deducted taxes can result in an additional penalty of 2% per month. For this unpaid amount, an additional penalty of BDT 810,419,259 will be incurred, which the company has not recognized in the financial statement as on 31 December 2024.
12. The company has unclaimed divided amount of BDT 21,558,303 for several years without paying to the shareholder or the CMSF which is a noncompliance with the BSEC Notification no. BSEC/CMRRCD/2021-391/20/Admin/121 dated 01 June 2021. The management was also unable to provide us this unpaid amount maintaining in a designated bank account and provide year wise disclosure in the financial statement which is a noncompliance with BSEC directives no. BSEC/CMRRCD/2021-386/03 dated 14 January 2021.
13. Interest income and interest expense could not be confirmed in absence of required information.
14. As disclosed in note 49.4 of the financial statements, we have taken into consideration the findings of a separate Special/Forensic audit conducted by MABS & J Partners, Chartered Accountants appointed by the Hon'ble High Court division of the Supreme Court of Bangladesh, which covered a period from 2009 to 2022.  
The report identified extensive and different types of material irregularities. These matters, individually and collectively, indicate a lack of effective internal controls, serious deficiencies in corporate governance, and a pervasive impact on the reliability of financial reporting of the company. Consequently, we were unable to obtain sufficient appropriate audit evidence to determine whether adjustments might have been necessary in respect of the affected transactions and balances, and whether the financial statements present a true and fair view in accordance with the applicable financial reporting framework.

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), Bangladesh Securities and Exchange Commission (BSEC) and Bangladesh Bank, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

#### Material Uncertainty related to Going Concern

We draw attention to Note 2.2 in the financial statements, which indicates that the Company incurred losses with an accumulated loss of BDT (47,193,221,747) for the year ended 31 December 2024, and overall negative equity BDT (42,674,632,395). The capital adequacy ratio (CAR) stands negative 449.48% and SLR requirements could not be met and 98.76% loan, lease and advance are classified. These events, along with other matters as set forth in Note 2.20, 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 modified in respect of this matter.

#### Emphasis of Matters

We draw attention to note no. 10 and 13.10 regarding the sales of non-banking asset. The company already sold the non-banking asset and should derecognize from the financial statement. Our opinion is not modified in respect of this matter.



## Key Audit Matters

Except for the matter described in the Basis for Qualified Opinion section and Material Uncertainty Related to Going Concern section, we have determined that there are no other key audit matters to communicate in our report.

## Other Information

Management is responsible for the other information. The other information comprises all of the information in the Annual Report other than the financial statements and our 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 financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

Management is responsible for the preparation and fair presentation of the financial statements of the Company in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB), as explained in Note 2.00, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Company's financial reporting process.

## Auditor's Responsibilities for the Audit of the Financial Statements

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

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



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

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

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

#### Report on other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994, the Securities and Exchange Rules 1987, the Financial Institutions Act, 1993 and the rules and regulations issued by Bangladesh Bank, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, we also report that:

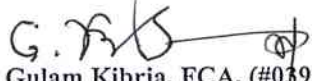
- i. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- ii. in our opinion, proper books of accounts as required by law have been kept by the Company so far as it appeared from our examination of those books,
- iii. the balance sheet and profit and loss account together with the annexed notes 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;
- vi. adequate provisions have been made for loans, advances, leases, investment 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 which were submitted by the branches have been properly maintained and recorded in the financial statements;
- ix. statements sent to Bangladesh Bank have been checked on sample basis and no inaccuracy has come to our attention;
- x. taxes and other duties were collected and deposited in the Government treasury by the Company as per Government instructions found satisfactory based on test checking;
- 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 been taken to eliminate the irregularities mentioned in the inspection report of Bangladesh Bank and the instructions which were issued by Bangladesh Bank and other regulatory authorities have been complied properly as disclosed to us by management;
- xiii. based on our work as mentioned above under the auditor's responsibility section, the internal control and the compliance of the Company is satisfactory, and effective measures have been taken to prevent possible material fraud, forgery and internal policies are being followed appropriately;
- xiv. the Company has complied with relevant laws pertaining to capital, reserve and net worth, cash and liquid assets and procedure for sanctioning and disbursing loans/leases found satisfactory;
- xv. we have reviewed over 80% of the risk weighted assets of the Company and we have spent around 1520 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 'First Schedule' of Bank Companies Act, 1991 in preparing these financial statements; and



xviii. all other issues which in our opinion are important for the stakeholders of the Company have been adequately disclosed in the audit report.

Date: 30 April 2025  
Dhaka, Bangladesh  
DVC: 2504300392AS162076

For and on behalf of  
G. Kibria & Co.  
Chartered Accountants  
Firm's FRC Enlistment No. CAF-001-030

  
A.K. Gulam Kibria, FCA, (#0392)  
Partner



**People's Leasing and Financial Services Ltd.**  
**Balance Sheet (Solo)**  
As on December 31, 2024

Particulars	Notes	Amount in Taka	
		Dec 31, 2024	Dec 31, 2023
<b>PROPERTY &amp; ASSETS</b>			
<b>Cash &amp; Cash Equivalents</b>	3		
In Hand (including foreign currencies)		271,870	161,389
Balance with Bangladesh Bank and its Agent Banks (including foreign currencies)		113,245	2,935,785
		<b>385,115</b>	<b>3,097,174</b>
<b>Balance with other Banks and Financial Institutions</b>	4		
Inside Bangladesh		1,295,806,266	1,680,743,602
Outside Bangladesh		-	-
		<b>1,295,806,266</b>	<b>1,680,743,602</b>
<b>Money at Call and Short Notice</b>	5	-	-
<b>Investments</b>	6		
Government		466,407,210	146,618,850
Other Investment		235,753,423	235,275,830
		<b>702,160,633</b>	<b>381,894,680</b>
<b>Loans &amp; Advances</b>	7		
Lease Receivables		1,012,293,082	1,040,987,532
Advance for Lease Finance		10,045,758,731	11,140,699,768
Direct/ Term Finance		-	-
Secured Overdraft		-	-
Bills Discounted and Purchased		-	-
		<b>11,058,051,813</b>	<b>12,181,687,300</b>
<b>Property, Plant &amp; Equipment</b>	8	52,952,459	56,257,422
<b>Intangible Asset</b>		-	-
<b>Other Assets</b>	9	591,822,611	855,519,900
<b>Non-Banking Assets</b>	10	20,437,914	22,708,793
<b>Total Assets</b>		<b>13,721,616,812</b>	<b>15,181,908,871</b>
<b>LIABILITIES &amp; CAPITAL</b>			
<b>Borrowings from Other Banks, Financial Institutions &amp; Agents</b>	11	4,762,882,810	4,069,554,594
Suspense Account for Interest		-	-
<b>Deposits &amp; Other Accounts</b>	12		
Current deposits & Other Accounts, etc		-	127,304,817
Bills Payable		-	514
Term Deposits		34,553,855,924	32,017,166,340
Other Deposits		64,907,990	65,552,209
		<b>34,618,763,914</b>	<b>32,210,023,880</b>
<b>Other Liabilities</b>	13	17,014,602,484	17,635,549,998
<b>Total Liabilities</b>		<b>56,396,249,207</b>	<b>53,915,128,471</b>
<b>Capital/ Shareholders' Equity</b>			
Paid-up Capital	14	2,854,405,970	2,854,405,970
Statutory Reserve	15	645,578,148	645,578,148
General Reserve	16	-	-
Share Premium	17	1,018,605,234	1,018,605,234
Retained Earnings	18	(47,193,221,747)	(43,251,808,953)
<b>Total Shareholders' Equity</b>		<b>(42,674,632,395)</b>	<b>(38,733,219,601)</b>
<b>Total Liabilities &amp; Shareholders' Equity</b>		<b>13,721,616,812</b>	<b>15,181,908,871</b>

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**People's Leasing and Financial Services Ltd.**  
**Balance Sheet (Solo)**  
As on December 31, 2024

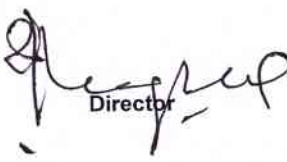
Particulars	Notes	Amount in Taka	
		Dec 31, 2024	Dec 31, 2023
<b>OFF-BALANCE SHEET ITEMS</b>			
<b>Contingent liabilities</b>			
Letters of guarantee	19	-	-
Letters of credit		-	-
Irrevocable letter of credit		-	-
Bills for collection		-	-
Other contingent liabilities		-	-
		-----	-----
<b>Other Commitments</b>			
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		-	-
		-----	-----
<b>Total off-balance sheet items including contingent liabilities</b>		-----	-----
<b>Net Assets Value (NAV) per share</b>		<b>(149.50)</b>	<b>(135.70)</b>

The annexed notes 1 to 49 an integral part of these financial statements.

  
Company Secretary (In-charge)

  
Head of Accounts

  
Managing Director

  
Director

  
Director

  
Chairman

Date: April 30, 2025  
Dhaka, Bangladesh  
DVC:

2504300392AS162076

  
A.K. Gulam Kibria, FCA (#392)  
Engagement Partner  
G. KIBRIA & Co.  
Chartered Accountants





**People's Leasing and Financial Services Ltd.**  
**Profit & Loss Account (Solo)**  
For the Year ended December 31, 2024

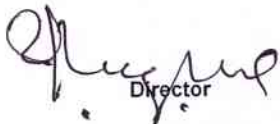
Particulars	Notes	Amount in Taka	
		Dec 31, 2024	Dec 31, 2023
<b>OPERATING INCOME</b>			
Interest income	20	(26,949,757)	234,656,440
Interest paid on deposits, borrowings etc.	21	(4,272,591,584)	(3,810,852,443)
<b>Net interest income</b>		<b>(4,299,541,341)</b>	<b>(3,576,196,003)</b>
Income from investment	22	5,508,934	8,119,747
Commission, exchange and brokerage	23	-	-
Other operating income	24	132,500,016	53,350,538
<b>Total operating income</b>		<b>(4,161,532,391)</b>	<b>(3,514,725,718)</b>
<b>OPERATING EXPENSES</b>			
Salaries & allowances	25	34,120,502	21,888,848
Rent, taxes, insurance, electricity etc.	26	1,190,023	8,806,619
Legal Expenses	27	9,355,569	4,241,225
Postage, stamp, telecommunications etc.	28	641,096	593,707
Stationery, printing, advertisement etc.	29	2,531,250	2,488,118
Managing director's salary and fees	30	5,541,689	3,759,402
Directors' fees	31	2,332,000	5,687,000
Audit fee	32	506,000	431,250
Loans & advances written-off expenses	33 & 13.1	-	-
Repair, depreciation and amortization of company's assets	34	9,258,514	10,381,653
Other expenses	35	13,309,243	19,346,531
<b>Total operating expenses</b>		<b>78,785,886</b>	<b>77,624,353</b>
<b>Profit before provision</b>		<b>(4,240,318,277)</b>	<b>(3,592,350,071)</b>
<b>Provision for loans &amp; advances</b>			
Specific provision	36	-	(727,942,992)
General provision	36	404,633	(2,730,752)
Provision for diminution in value of investments	36	-	-
Provision for other assets	36	25,121,907	-
Provision for Interest Receivable for Loans & Advances	36	-	283,056,936
Provision for Receivable Against Legal Expenses-Loan/Lease	36	200,000	6,139,336
<b>Total provision</b>		<b>25,726,540</b>	<b>(441,477,472)</b>
<b>Profit before taxes</b>		<b>(4,266,044,817)</b>	<b>(3,150,872,599)</b>
<b>Provision for tax</b>			
Current tax	37	1,620,000	27,533,000
Deferred tax	38	(114,032)	260,993
<b>Total provision</b>		<b>1,505,968</b>	<b>27,793,993</b>
<b>Profit after tax</b>		<b>(4,267,550,785)</b>	<b>(3,178,666,592)</b>
<b>Profit available for appropriations</b>			
<b>Appropriations</b>			
Statutory reserve		-	-
General reserve		-	-
<b>Retained surplus</b>		<b>(4,267,550,785)</b>	<b>(3,178,666,592)</b>
<b>Earnings per share (EPS)</b>	40	<b>(14.95)</b>	<b>(11.14)</b>

The annexed notes 1 to 49 an integral part of these financial statements.

  
Company Secretary (In-charge)

  
Head of Accounts

  
Managing Director

  
Director

  
Director

  
Chairman

Date: April 30, 2025  
Dhaka, Bangladesh  
DVC:

2504300392AS162076

Ref:GKC/24-25/A/708

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A.K. Gulam Kibria, FCA (#392)  
Engagement Partner  
G. KIBRIA & Co.  
Chartered Accountants



People's Leasing and Financial Services Ltd.

Statement of Cash Flows (Solo)

For the year ended December 31, 2024

Particulars	Amount in Taka	
	Dec 31,2024	Dec 31,2023
<b>A CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Received (Interest+Principal) fom loans and advances	278,016,717	319,351,609
Paid (Interest+Principal) to depositors	(355,529,612)	(171,019,964)
Dividend received	5,508,934	8,119,747
Payments to employees	(39,662,191)	(25,648,250)
Payments to suppliers	(16,049,938)	(16,129,669)
Payments of Income Tax	-	-
Received from other operating activities	132,500,016	53,350,538
Payments for other operating activities	(13,510,342)	(24,112,281)
<b>Cash generated from operating activities</b>	<b>(8,726,416)</b>	<b>143,911,730</b>
<b>Increase/(decrease) in operating assets and liabilities</b>		
Loans and advances to customers	(103,700,000)	(6,000,000)
Other assets	263,697,288	8,111,696
Deposits from Banks	-	-
Deposits from customers	-	-
Other liabilities	(215,179,744)	(39,329,440)
	<b>(55,182,456)</b>	<b>(37,217,744)</b>
<b>Net Cash from Operating Activities</b>	<b>(63,908,872)</b>	<b>106,693,986</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Sales of Investment in securities	(320,265,953)	(146,618,850)
Purchase of property, plant and equipment	(3,481,570)	(4,034,123)
Proceeds from sale of property, plant and equipment	7,000	376,850
<b>Net cash used in investing activities</b>	<b>(323,740,523)</b>	<b>(150,276,123)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Drawdown of Term loan, Overdraft and Money Market	-	-
Issuance of shares	-	-
Dividend paid	-	-
<b>Net cash from financing activities</b>	<b>-</b>	<b>-</b>
<b>D Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>(387,649,395)</b>	<b>(43,582,137)</b>
<b>E Effects of exchange rate changes on cash and cash equivalents</b>	<b>-</b>	<b>-</b>
<b>F Cash and cash equivalents at beginning of the year</b>	<b>1,683,840,776</b>	<b>1,727,422,913</b>
<b>G Cash and cash equivalents at end of the year (D+E+F)</b>	<b>1,296,191,381</b>	<b>1,683,840,776</b>
<b>Cash and cash equivalents at end of the year</b>		
Cash in hand	271,870	161,389
Balance with Bangladesh Bank and its agents bank(s)	113,245	2,935,785
Balance with other banks and financial institutions	1,295,806,266	1,680,743,602
Money at call and short notice	-	-
	<b>1,296,191,381</b>	<b>1,683,840,776</b>
<b>Net Operating Cash Flow per share</b>	<b>(0.22)</b>	<b>0.37</b>

Company Secretary (In-charge)

Head of Accounts

Managing Director

Director

Director

Chairman

Date: April 30, 2025  
Dhaka, Bangladesh



**People's Leasing and Financial Services Ltd.**  
**Statement of Changes in Equity (Solo)**  
For the year ended December 31, 2024

Particulars	Paid-up Capital	Statutory Reserve	General Reserve	Share Premium	Retained Earnings	Total
Balance as on January 01, 2024	2,854,405,970	645,578,148	-	1,018,605,234	(43,251,808,953)	(38,733,219,601)
Changes in accounting policy	-	-	-	-	-	-
Restated balance	2,854,405,970	645,578,148	-	1,018,605,234	(43,251,808,953)	(38,733,219,601)
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	-	-	-	-	(4,267,550,785)	(4,267,550,785)
Dividend (bonus shares)	-	-	-	-	326,137,991	326,137,991
Appropriations made during the year	-	-	-	-	(47,193,221,747)	(42,674,632,395)
<b>Balance as on December 31, 2024</b>	<b>2,854,405,970</b>	<b>645,578,148</b>	<b>-</b>	<b>1,018,605,234</b>	<b>(43,251,808,953)</b>	<b>(38,733,219,601)</b>
Particulars	Paid-up Capital	Statutory Reserve	General Reserve	Share Premium	Retained Earnings	Total
Balance as on January 01, 2023	2,854,405,970	645,578,148	-	1,018,605,234	(40,073,142,361)	(35,554,553,009)
Adjustment for previous years loss	-	-	-	-	-	-
Restated balance	2,854,405,970	645,578,148	-	1,018,605,234	(40,073,142,361)	(35,554,553,009)
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	-	-	-	-	-	-
Net profit for the year	-	-	-	-	(3,178,666,592)	(3,178,666,592)
Transfer to statutory reserve	-	-	-	-	-	-
Transfer to general reserve	-	-	-	-	-	-
Dividend (bonus shares)	-	-	-	-	-	-
Appropriations made during the year	-	-	-	-	-	-
<b>Balance as on December 31, 2023</b>	<b>2,854,405,970</b>	<b>645,578,148</b>	<b>-</b>	<b>1,018,605,234</b>	<b>(43,251,808,953)</b>	<b>(38,733,219,601)</b>

*[Signature]*  
Company Secretary (In-charge)

*[Signature]*  
Head of Accounts  
*[Signature]*  
Director

*[Signature]*  
Managing Director  
*[Signature]*  
Chairman



Date: April 30, 2025  
Dhaka, Bangladesh  
Ref: GKC/24-25/A/708

**People's Leasing and Financial Services Ltd.**  
**Liquidity Statement (Solo)**  
As on December 31, 2024

Particulars	Up to 1 month maturity	1-3 months maturity	3-12 months maturity	1-5 Years maturity	More than 5 years maturity	2024	2023
Cash	271,870	-	-	-	-	271,870	161,389
Balances with Bangladesh bank	113,245	-	-	-	-	113,245	2,935,785
Balances with other banks	125,971,317	73,000,000	132,654,000	964,180,949	-	1,295,806,266	1,680,743,602
Money at call and on short notice	-	-	-	-	-	-	-
Investments	5,000,000	8,000,000	225,000,000	380,400,000	83,760,633	702,160,633	381,894,680
Loans and advances	26,251,000	105,000,000	680,000,000	6,350,000,000	3,896,800,813	11,058,051,813	12,181,687,300
Property, plant & equipment	-	-	2,800,000	24,500,000	25,652,459	52,952,459	56,257,422
Other assets	-	-	197,852,000	300,000,000	93,970,611	591,822,611	855,519,899
Non-banking assets	-	-	-	20,437,914	-	20,437,914	22,708,793
<b>Total assets</b>	<b>157,607,432</b>	<b>186,000,000</b>	<b>1,238,306,000</b>	<b>8,039,518,863</b>	<b>4,100,184,516</b>	<b>13,721,616,812</b>	<b>15,181,908,870</b>
<b>LIABILITIES:</b>							
Borrowings from other Banks, Financial Institutions & Agents	-	-	-	300,000,000	4,462,882,810	4,762,882,810	4,069,554,594
Deposit and other accounts	12,500,000	41,500,000	190,000,000	5,800,000,000	28,574,763,914	34,618,763,914	32,210,023,880
Provision and other liabilities	29,000,000	144,000,000	865,000,000	1,800,000,000	14,176,602,484	17,014,602,484	17,635,549,998
<b>Total liabilities</b>	<b>41,500,000</b>	<b>185,500,000</b>	<b>1,055,000,000</b>	<b>7,900,000,000</b>	<b>47,214,249,208</b>	<b>56,396,249,208</b>	<b>53,915,128,472</b>
<b>Net Liquidity Gap</b>	<b>116,107,432</b>	<b>500,000</b>	<b>183,306,000</b>	<b>139,518,863</b>	<b>(43,114,064,691)</b>	<b>(42,674,632,396)</b>	<b>(38,733,219,601)</b>

*[Signature]*  
Company Secretary (In-charge)

*[Signature]*  
Head of Accounts

*[Signature]*  
Director

*[Signature]*  
Managing Director

*[Signature]*  
Chairman



Date: April 30, 2025  
Dhaka, Bangladesh

Ref: GKC/24-25/A/708

**People's Leasing And Financial Services Limited**  
**Notes to the Financial Statements**  
**For the year ended December 31, 2024**

**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, (12<sup>th</sup> floor), 65/2/1 Box Culvert Road, Purana Paltan, Dhaka-1000. The operations of the company are being carried out through its head office located in Dhaka.

**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 Act, 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.

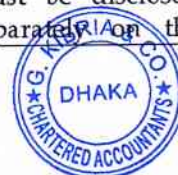
As FRS is yet to be issued by FRC, as per the provisions of FRA (section-69), financial statements of the Company have been prepared in accordance with the International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS) as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB) and, in addition to this, the Finance Companies 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. The Finance Company Act 2023;
- vii. 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 Statements" 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 non-current 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 requirement for	As per DFIM Circular-11, Date - 23 December 2009, non-banking assets must be disclosed separately on the	Presentation of financial statements is not aligned with requirements of the IAS -1. There



			discloser of non-banking assets items on the face of balance sheet	face of the balance sheet.	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 should be treated as	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	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 cash & cash



			investment asset rather than cash equivalent as it is illiquid asset and not available for use in day-to-day operations.	flows.	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 7,154,904,451 and deferred tax assets of BDT 2,683,089,169 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 reasonable information, including that which is forward-looking. For those loans and advances for which the credit risk has not	As per DFIM Master circular No. 04 dated 26 July 2021, 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 ended 31 December 2021 has been determined as per DFIM Circular No. 33 dated 19 December 2021 and DFIM Master	Provision maintained against loans, advances and leases as at 31 December 2021 amounts to BDT 7,154,904,451.





			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.	circular No. 04 dated 26 July 2021.  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.	
11	Valuation of Investments in quoted and unquoted shares	IFRS 9 "Financial Instruments"	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 taken to profit and loss account or other comprehensive income respectively.	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.	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.
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	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	At year end, interest suspense account has decreased to BDT 771,523,529 from BDT 772,408,566 Resulting in decrease of BDT 885,037 of interest suspense. This amount has been shown as other liabilities in note



			entity shall apply the effective interest rate to the amortized cost of these loans and advances.	respective amount needs to be credited as a liability account like: interest suspense account.	13.2.
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 47,193,221,747 for the year ended 31 December 2024; Negative equity of BDT 42,674,632,395 as at 31 December 2024; Negative Capital adequacy ratio of (449.48)% as against minimum of 10%; almost 99% 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 lend 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 30/04/2025.

### 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	Remarks
IAS 1	Presentation of financial statement	Applied with some departures	Note 2.1
IAS 2	Inventories	N/A	-
IAS 7	Statement of cash flows	Applied with some departures	Note 2.3
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	Applied	-
IAS 23	Borrowing costs	Applied	-
IAS 24	Related party disclosures	Applied	-
IAS 26	Accounting and reporting by retirement benefit plans	Applied	-
IAS 27	Separate financial statements	N/A	-
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	Note 2.1
IAS 33	Earnings per share	Applied	-
IAS 34	Interim financial reporting	Applied	-
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	Remarks
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	Note 2.1
IFRS 10	Consolidated financial statements	N/A	-
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	Note 2.1
IFRS 14	Regulatory Deferral Accounts	N/A	-
IFRS 15	Revenue from Contracts with Customers	Applied with some departures	Note 2.1
IFRS 16	Leases	Not applied	Note 2.10.1
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. The Company has not this type of lease agreement at the end of the year.

### 2.10.2 Comparatives and reclassification

Comparative information has been disclosed 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 (except Land) are stated at cost less accumulated depreciation and accumulated impairment losses (if any). Land is stated under the revaluation model. The cost of acquisition of any asset comprises of its purchase price and any directly attributable cost of bringing the asset to it's 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 and charge depreciation of full year. 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. DFIM Master circular No. 04 dated 26 July 2021, is the basis for calculating the provision for loans, advances and investments. Loan classification status during the year ended 31 December 2021 has been determined as per DFIM Circular No. 33 dated 19 December 2021 and DFIM Master circular No. 04 dated 26 July 2021.

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 (Hi) 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 Other receivable

Other receivable includes accrued IDCP (Interest During Construction Period), accrued interest on fixed deposit. These receivables do not carry any interest and are stated at their nominal value and provision has been maintained against them as per Bangladesh Bank guidelines.



#### 2.10.11 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.

#### 2.10.12 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.

#### 2.10.13 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.

#### 2.10.14 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.

**2.10.15 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.

**2.10.16 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.

**2.10.17 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.

**2.10.18 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. The Contingent Liabilities of the Company have been disclosed in notes no 19.

**2.10.19 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.

**2.10.20 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. 7.10 of this report.



#### 2.10.21 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 2019 the Company has not transferred any amount to the statutory reserve.

#### 2.10.22 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 2019, 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.

#### 2.10.23 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 2022, Company provided minimum tax as per Income Tax Ordinance 1984 under section 82C.

##### Deferred Tax:

Deferred tax liability has been recognized on revaluation of land as per IAS 12 para 51b.

#### 2.10.24 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. Employees are entitled to gratuity benefit after completion 5 (five) years satisfactory service. The gratuity is paid on the basis of last basic pay drawn and is payable at the rate of one month's basic pay for every completed year of service. Provision for gratuity is made annually considering all its eligible employees available at the end of the year.

c) **Pension fund**

The company operates a non funded superannuation fund scheme. Employees are entitled to the following benefits:

i) **Death Benefits:** 100% of sum assured on death of an employee as per his/her category during the tenure of service prior to retirement is payable to his/her nominee and/or heirs.

ii) **Survival Benefits:** 100% of the amount on retirement after completion age of 57 years (58th Birthday) and/or being physically incapacitated during his services in the Company as per category of the employees.

d) **Group life insurance scheme**

The company has a Group Life Insurance Scheme for all its permanent employees.

e) **Group hospitalization insurance scheme**

The company has a group hospitalization insurance scheme for all its permanent employees.

f) **Performance bonus**

The employees of the company are entitled to annual performance bonus which is determined on the basis of company as well as individual employee's performance and subject to approval by the Board of Directors of the company.

g) **Employee personal loan scheme**

The company provides personal loan facility to its employee as per loan scheme of the company.

h) **Other benefits**

The employees of the company are also entitled to privilege leave encashment benefit, etc.

**2.10.25 Policies and objectives adapted for financial risk management**

The policies mentioned in this section are being applied in a very limited manner due to the Company's financial condition.

The Board of Directors guides and formulates the basic philosophy relating to optimal implementation of strategy to cater to the financial risk and capital deployed for investment.

In order to ensure maximum return to shareholders, the Company emphasizes on maintaining strong capital base to attain high credit rating, which enables growth, as well as portray good image and meet the regulatory requirements.

The management of the company takes account to the following factors, which affects the financial risks that are faced from time to time.

a) **Credit risk**

Credit risk arises when an obligor fails to perform its obligations under a trading or loan contract or when its ability to perform such obligations is impaired. This risk is compounded if the assigned collateral only covers the claim made to the clients or if its value is variable or uncertain. Credit risk



does not arise only when a borrower defaults on payment of a loan but also when its repayment capability declines.

#### **Mitigation Policy**

Credit policies are designed to create, monitor and manage credit risk in a manner that complies with all applicable laws and regulations. The credit policies also include utilizing appropriate, accurate and timely tools to measure credit risk and maintaining acceptable levels of overall credit risk for the entire portfolio.

#### **b) Liquidity risk**

Liquidity risk is the current and prospective risk that the company, though solvent, either does not have sufficient financial resources available to meet its liability when they fall due or can secure them only at excessive cost. Liquidity risk arises from the inability to manage unplanned changes in funding sources.

#### **Mitigation Policy**

The policy of the company is to maintain and manage the fund in such a manner so that any short- and long-term commitment are not affected due to mismatch of tenure. The risks involved in liquidity are regularly looked after by the Treasury Department as per the guidance of the Asset Liability Management Committee (ALMC) from time to time.

#### **c) Market risk**

Market risk relates to potential loss arising from and adverse change in market risk factors, including commodity prices, interest rates, credit spreads and equity prices.

#### **Mitigation Policy**

The Assets Liability Management Committee (ALMC) of the company regularly meets to assess the change in interest rate, market conditions, carry out asset liability maturity gap analysis, re pricing of products and thereby takes effective measures to monitor and control interest rate risk.

Apart from major financial risks, the organization also faces non-financial risk among which following are prominent:

#### **d) Operational risk**

Operational risk is the risk of direct or indirect loss or damage resulting from inadequate or failed internal processes or systems or from human error or external events. Operational risk is therefore inherent in all activities within the company.

#### **Mitigation Policy**

Appropriate internal control systems can reduce operational risk within acceptable level. The Company established an effective and efficient internal control & compliance department (ICCD) to ensure the implement of policies and statutory requirements to encounter such risk. Internal Control and Compliance committee of the company works to ensure effective and efficient operations, reliable financial reporting and compliance with laws and regulations.

#### **e) Information and communication technology risk**

This risk may arise from malfunction of system, failure of network, lack of knowledge about the use of technology, virus attack, hacking etc.

#### **Mitigation Policy**

To manage IT related risk, the company has adopted excellent disaster recovery back up facilities in emergency situation. In addition, the company has check and balance system in every step of its standard procedures of operations.



- f) **Strong credit policy formulation by top management:**
- The Board of Directors of the company guides and formulates the basic philosophy relating to optimal implementation of strategy to cater to the financial risk and capital deployed for investment.
  - The Board of Directors has approved the credit policy for the company where major policy guidelines, growth strategy, exposure limits (for particular sector, product, individual company and group) and risk management strategies have been detailed.
- g) **Credit manual updated with recent industry information**
- Credit policy is regularly updated to cope up with the changing global, environmental and domestic economic scenarios.
- h) **Thorough credit approval process:**
- **Meeting regulatory requirements and industry best practices:** All credit facility comply regulatory requirements including Financial Institution Act and Bangladesh Bank guidelines & circulars as amended from time to time. The company considers Guidelines for managing core risks of financial institutions issued by the Country's central bank, Bangladesh Bank; vide FID circular no. 10 dated September 18, 2005 for management of risks.
- i) **Multilayer credit evaluation process:**  
To ensure both speedy service and mitigation of credit risk, the approval process is maintained through a multilayer system. Depending on the size of the loan, a multilayer approval system is designed. As smaller loans are very frequent and comparatively less risky, lower sanctioning authority is set to improve the turnaround time and associated risk. Bigger loans require more scrutiny as the associated risk is higher. So sanctioning authority is higher as well.
- j) **Rigorous due diligence process followed**
- The Company downloads credit report from the credit information bureau (CIB) of Bangladesh Bank. The report is scrutinized by top management to understand the liability condition and repayment behavior of the client.
  - The Company takes banker's opinions from client's banks as well as suppliers' and buyers' opinion to understand the market position and reputation of our proposed customers.
  - The Company discourages financing to low net worth or highly leveraged customer; who might jeopardize their repayment commitment or even in worse situation may face liquidity problem.
  - The Company evaluates customer repayment performance before providing credit facility though financial analysis, ensure adequate insurance coverage for funded assets, seeking external legal opinion and taking collateral security to reduce risk.
  - The Company provides credit facility to productive and legitimate business activities, which are financially viable with strong focus on cash flow generation, have market demand and socially desirable; and will not invest for unproductive purposes or speculative ventures.
- k) **Constant credit monitoring and recovery process**
- **Existence of control mechanism for early warning:** Performance of loans is regularly monitored to trigger early warning system to address the loans and advances whose performance show any deteriorating trend. It enables the company to grow its credit portfolio with ultimate objective to protect the interest of stakeholders.
  - **Continuous monitoring by top management:** The Management Credit Committee (MCC) regularly meets to review the market and credit risk related to lending and recommend and implement appropriate measures to counter associated risks. The MCC critically reviews projects considering the current global economic situation and its probable impact on the project.



- **Centralized Credit Administration:** The Company has already established a centralized credit risk management department and a process manual. The Credit Risk Management (CRM) department regularly monitors and follows up credit risk related matter and recommend and implement appropriate measures to counter associated risk. The CRM time to time reviews projects from risk point of view and assists the management in creating a high-quality credit portfolio and maximize return from risk-based assets.

#### 2.10.26 Basel II & its implementation

To cope with the international best practices and to make the capital more risk sensitive as well as more shock resilient, guidelines on Basel Accord for Financial Institutions (BAFI)' have been introduced from January 01, 2011 on test basis by Bangladesh Bank. At the end of test run period, Basel accord regime has started and the guidelines namely "Prudential Guidelines on Capital Adequacy and Market Discipline for Financial Institution (CAMD)" have come fully into force from January 01, 2012 with its subsequent supplements/ revisions. Instructions regarding Minimum Capital Requirement (MCR), Capital Adequacy Ratio (CAR), and disclosure requirement as stated in these guidelines have to be followed by all FIs for the purpose of statutory compliance.

The Company has a shortfall in Capital Adequacy as stated in note 14.1.

#### 2.10.27 Reporting period

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

#### 2.10.28 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.

#### 2.10.29 Consolidated Financial Statements

People's Leasing & Financial Services Ltd. (PLFS) has a subsidiary namely PLFS Investment Ltd. PLFS has been given loan to PLFS Investment Ltd. during 2009 to 2015 and PLFS Investment Ltd. has been ensured partial payment of these loan to PLFS till mid of 2019. Even though, it was recorded of books of accounts of both companies accordingly which was duly audited by external auditors up to 2021. Moreover, this loan outstanding amount Tk. 152,65,18,944 ( One Hundred Fifty Two Crore Sixty Five Lac Eighteen Thousand Nine Hundred Forty Four) only was renewed for further period of 156 months @ 10% p.a of 301<sup>st</sup> board of directors meeting of PLFS dated-March 3, 2016. In 2022 PLFS Investment Ltd. has made change their books of accounts and claim excess repayment of loan amount instead of their liabilities to PLFS.

PLFS Investment Ltd.'s claims to PLFS as on 31-12-2022 is Tk. 122,43,65,015 (One Hundred Twenty Two Crore Forty Three Lac Sixty Five Thousand Fifteen) only and these claims as on 31-12-2023 of Tk. 139,43,83,175 (One Hundred Thirty Nine Crore Forty Three Lac Eighty Three Thousand One Hundred Seventy Five) only.

On the other hand, PLFS claims to PLFS Investment Ltd. as on 31-12-2022 is Tk. 150,39,39,424 (One Hundred Fifty Crore Thirty Nine Lac Thirty Nine Thousand Four Hundred Twenty Four) only. The issue is pending at present. However, claims to PLFS Investment Ltd. as on 31-12-2023 is Tk. 166,23,43,115 (One Hundred Sixty Six Crore Twenty Three Lac Forty Three Thousand One Hundred Fourteen) only and this loan is classified as bad and loss category.

Therefore, preparation of consolidated financial statements is pending due to claim and counter claim between PLFS & PLFS Investment Ltd. Furthermore, PLFS does not have any control in decision making matters regarding PLFS Investment Ltd. although PLFS hold about 83% share holding of PLFS Investment Ltd.



**People's Leasing and Financial Services Ltd.**  
**Notes to the Financial Statements**  
For the Year ended December 31, 2024

		Amount in Taka	
		Dec 31, 2024	Dec 31, 2023
<b>3</b>	<b>Cash</b>		
	Cash in hand (Note 3.1)	271,870	161,389
	Balance with Bangladesh Bank and its agent bank(s) (Note 3.2)	113,245	2,935,785
	<b>Total</b>	<b>385,115</b>	<b>3,097,174</b>
<b>3.1</b>	<b>Cash in hand</b>		
	Cash in hand represents the amount under imprest system of petty cash to meet petty cash expenses for head office.		
<b>3.2</b>	<b>Balance with Bangladesh Bank</b>		
	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.		
<b>3.3</b>	<b>Cash Reserve Requirement (CRR)</b>		
	CRR has been calculated at the rate of 1.5% 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	329,783,723	309,378,195
	Actual reserve held	113,245	2,935,785
	<b>Surplus / (Deficit)</b>	<b>(329,670,478)</b>	<b>(306,442,410)</b>
<b>3.4</b>	<b>Statutory Liquidity Reserve (SLR)</b>		
	SLR has been calculated at the rate of 5% of total liabilities, including CRR of 1.5% 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	1,330,250,216	1,067,821,490
	Actual reserve held (note-3.4.1)	956,829,224	1,026,725,709
	<b>Surplus / (Deficit)</b>	<b>(373,420,992)</b>	<b>(41,095,781)</b>
<b>3.4.1</b>	<b>Actual Reserve held for SLR</b>		
	Cash in hand	271,870	161,389
	Balance with Bangladesh Bank and its agent bank(s)	113,245	2,935,785
	Balance with other banks and financial institutions	956,444,109	1,023,628,535
		<b>956,829,224</b>	<b>1,026,725,709</b>
<b>4</b>	<b>Balance with other Banks and Financial Institutions in Bangladesh</b>		
	<b>Current Accounts:</b>		
	Al-Arafa Islami Bank Ltd.	-	7,757
	BDBL	15,465	15,465
	NCC Bank Ltd.	193,053	
	One Bank Ltd.	7,437	
	Prime Bank Ltd.	62,568	
	Shahjalal Islami Bank Ltd.	16,187	
	The Farmers Bank Ltd.	14,346	
	Bank Asia	7,476	7,478
	UCBL	60,022	
	<b>Sub-Total</b>	<b>376,554</b>	<b>30,700</b>
	<b>Short Term Deposits:</b>		
	Al-Arafa Islami Bank Ltd.	5,781	33,216,265
	Dutch Bangla Bank Ltd.	29,372,133	
	EXIM Bank Ltd	46,425	46,425
	ICB Islamic Bank Ltd.	277	277
	Janata Bank Ltd	16,910	16,910
	Mutual Trust Bank Ltd.	28,989	141,741
	Midland Bank Ltd.	-	4,144
	National Bank Ltd	49,238	49,238
	NRB Commercial Bank Ltd.	1,434	1,434
	Prime Bank Ltd.	761,482	



**People's Leasing and Financial Services Ltd.**  
**Notes to the Financial Statements**  
For the Year ended December 31, 2024

	Amount in Taka	
	Dec 31, 2024	Dec 31, 2023
Shahjalal Islami Bank Ltd.	81,173	
Social Islami Bank Ltd.	83,038	
NCC Bank Ltd.	-	193,053
One Bank Ltd.	-	58,111,717
Prime Bank Ltd.	-	824,050
Shahjalal Islami Bank Ltd.	-	99,546
Social Islami Bank Ltd.	-	83,039
Southeast Bank Ltd.	118,388	118,388
South Bangla Agricultural Credit Bank Ltd.	234,602	234,602
The Farmers Bank Ltd.	-	14,345
UCBL	308	
Midland Bank Ltd.	4,144	
One Bank Ltd.	95,054,241	
Bank Asia	2	
MTBL	112,752	60,330
<b>Sub-Total</b>	<b>125,971,317</b>	<b>93,215,504</b>
<b>Fixed Deposits Receipts (FDR):</b>		
Shimanto Bank Ltd.	60,000,000	258,039,003
Trust Bank Ltd	50,000,000	400,000,000
One Bank Ltd.	130,000,000	100,000,000
City Bank Ltd.	50,000,000	
Prime Bank Ltd.	50,000,000	
International Leasing	359,738,339	359,738,339
Premier Leasing	469,720,056	469,720,056
<b>Sub-Total</b>	<b>1,169,458,395</b>	<b>1,587,497,398</b>
<b>Grand Total</b>	<b>1,295,806,266</b>	<b>1,680,743,602</b>

Note: 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 also been placed the same amount to us, which is included in the Term Deposit Receipt. Note no 12. The said FDR is liened with Marcantile Bank Ltd. against overdraft facility.

**4.1 Maturity grouping of Balance with other Banks and Financial Institutions**

On demand	125,971,317	100,000,000
Less than 3 months	73,000,000	401,258,383
More than 3 months but less than 1 year	132,654,000	350,000,000
More than 1 year but less than 5 years	964,180,949	469,720,056
Above 5 years	-	359,765,163
<b>Total</b>	<b>1,295,806,266</b>	<b>1,680,743,602</b>

**5 Money at Call and Short Notice**

Banking Companies	-	-
Non-Banking Financial Institutions	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**6 Investments**

**A. Government Securities**

Treasury Bill	466,407,210	146,618,850
National Investment Bond	-	-
Bangladesh Bank Bill	-	-
Government Notes/ Bond	-	-
Prize Bond	-	-
Others	-	-
<b>Sub Total</b>	<b>466,407,210</b>	<b>146,618,850</b>

**B. Other Investments**

Preference Shares	-	-
Debenture and Bond	-	-
Other investments (Note 6.1)	235,753,423	235,275,830
Gold etc.	-	-
<b>Sub Total</b>	<b>235,753,423</b>	<b>235,275,830</b>

**Total investments (A+B)**

<b>702,160,633</b>	<b>381,894,680</b>
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**People's Leasing and Financial Services Ltd.**  
**Notes to the Financial Statements**  
For the Year ended December 31, 2024

	Amount in Taka		
	Dec 31, 2024	Dec 31, 2023	
<b>6.1 Other Investments</b>			
Quoted Investments	31,778,013	31,300,420	
Unquoted Investments (Note 6.1.1)	203,975,410	203,975,410	
	<u>235,753,423</u>	<u>235,275,830</u>	
<b>6.1.1 Unquoted Investments</b>			
E-SECURITIES LTD	69,978,600	69,978,600	
GMG Airlines Ltd. Placement	50,000,000	50,000,000	
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	54,600,000	
People's Investment Ltd.	5,100,000	5,100,000	
CDBL	5,711,810	5,711,810	
<b>Sub Total</b>	<u>203,975,410</u>	<u>203,975,410</u>	
Note: Provision has made of Tk. 19,82,63,600/- against investment in unquoted shares except investment in CDBL.			
<b>6.2 Maturity grouping of Investments</b>			
On demand	5,000,000	31,300,420	
Less than 3 months	8,000,000	146,618,850	
More than 3 months but less than 1 year	225,000,000	75,690,410	
More than 1 year but less than 5 years	380,400,000	128,285,000	
Above 5 years	83,760,633	-	
<b>Total</b>	<u>702,160,633</u>	<u>381,894,680</u>	
<b>7 Loans &amp; Advances</b>			
<b>Inside Bangladesh:</b>			
Net Lease Receivables	1,012,293,082	1,040,987,532	
Direct/ Term Finance	10,045,758,731	11,140,699,768	
Secured Overdraft	-	-	
<b>Sub Total</b>	<u>11,058,051,813</u>	<u>12,181,687,300</u>	
<b>Outside Bangladesh:</b>			
Direct/ Term Finance	-	-	
Secured Overdraft	-	-	
<b>Sub Total</b>	<u>-</u>	<u>-</u>	
<b>Total</b>	<u>11,058,051,813</u>	<u>12,181,687,300</u>	
<b>7.1 Maturity grouping of loans &amp; advances</b>			
On demand	26,251,000	121,816,873	
Less than 3 months	105,000,000	243,633,746	
More than 3 months but less than 1 year	680,000,000	974,534,984	
More than 1 year but less than 5 years	6,350,000,000	2,923,604,952	
Above 5 years	3,896,800,813	7,918,096,745	
<b>Total</b>	<u>11,058,051,813</u>	<u>12,181,687,300</u>	
<b>7.2 Sector/ Industry-wise Loans &amp; Advances</b>			
<b>Agricultural sector</b>	6.00%	663,483,109	783,282,493
<b>Industrial sector:</b>			
Textiles	0.05%	5,529,026	6,090,844
Garments & Knitwear	1.16%	128,273,401	141,307,573
Jutes & jute related goods	0.00%	-	118,162,367
Food items producer/processing industry	0.70%	77,406,363	103,544,342
Lather and lather goods	0.00%	-	20,708,868
Iron, steel and engineering	2.00%	221,161,036	248,506,421
Chemicals and pharmaceuticals	0.01%	1,105,805	107,198,848
Electronics and electrical goods	0.00%	-	4,872,675
Power, gas, water and sanitary	0.90%	99,522,466	392,250,331
Transport and communication	2.70%	298,567,399	892,917,679
Real estate and housing	5.85%	646,896,031	635,884,077
Merchant banking	16.00%	1,769,288,290	1,365,567,146
Trade & Commerce	36.00%	3,980,898,653	1,103,660,869
Others	28.63%	3,165,920,234	6,257,732,766
<b>Total</b>	<u>100.00%</u>	<u>11,058,051,813</u>	<u>12,181,687,300</u>



**People's Leasing and Financial Services Ltd.**  
**Notes to the Financial Statements**  
For the Year ended December 31, 2024

Amount in Taka	
Dec 31, 2024	Dec 31, 2023

**7.3 Geographical Location-wise Loans & Advances**

<b>Inside Bangladesh</b>		
Dhaka Division	99.99% 11,056,946,008	12,168,896,528
Chittagong Division	0.01% 1,105,805	1,218,169
Khulna Division	0.00% -	11,572,603
<b>Sub Total</b>	<b>100.00%</b> <b>11,058,051,813</b>	<b>12,181,687,300</b>
<b>Outside Bangladesh</b>	-	-
<b>Total</b>	<b>100.00%</b> <b>11,058,051,813</b>	<b>12,181,687,300</b>

**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	5
Outstanding Amount	4,037,775,103	4,333,745,000
Classified Amount	4,037,775,103	2,127,168,000
	Legal action is going on	Filing of law suit - under process

Measures taken for recovery

**7.5 Particulars of Loans & Advances**

1. Loans & advances considered good in respect of which the company is fully secured	2,215,685,591	2,284,300,000
2. Loans & advances considered good against which the company holds no security others than the debtor's personal guarantee	9,004,014,512	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	3,731,580	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 of managing agents or in the case of private companies, as members	-	-
9. Due from other bank/FI 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	-	-
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	23,496,635	-
c. Balance written-off loans and advances yet to be recovered	699,395,944	722,892,579
d. Amount of written off loans for which law suits have been filed	720,998,000	722,892,579

**7.6 Bills Discounted and Purchased**

Inside Bangladesh	-	-
Outside Bangladesh	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**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	-	-
<b>Total</b>	<b>-</b>	<b>-</b>



**People's Leasing and Financial Services Ltd.**  
**Notes to the Financial Statements**  
For the Year ended December 31, 2024

	Amount in Taka	
	Dec 31, 2024	Dec 31, 2023
<b>7.8 (A) Grouping of Loans, Lease and Advance as per classification rules of Bangladesh Bank</b>		
<b>Unclassified</b>		
Standard	136,753,000	69,153,000
Special Mention Account(SMA)	2,516,000	4,552,000
	<u>139,269,000</u>	<u>73,705,000</u>
<b>Classified</b>		
Substandard(SS)	-	1,403,000
Doubtful (DF)	1,293,000	1,834,000
Bad & loss(BL)	10,917,489,813	12,104,745,300
	<u>10,918,782,813</u>	<u>12,107,982,300</u>
	<u>11,058,051,813</u>	<u>12,181,687,300</u>
<b>(B) Classification and provisioning of Loan , Lease and Advance :</b>	See Annexure 2	
<b>7.9 List of Ex-Director Loan</b>		
1) Shumsul Alamin Group	1,189,493,216	1,179,009,690
2) Motiur Rahman	852,040,847	852,040,877
3) Biswajit Kumar Roy	140,335,790	145,142,563
4) KHB Securities Limited	2,515,428	4,806,773
	<u>2,184,385,281</u>	<u>2,180,999,903</u>
<b>7.10 Related Party Transaction</b>		
<b>PLFS Investment Ltd.</b>		
Investment in Share Capital of PLFS Investment Ltd.	200,445,000	200,445,000
Loan & Advances	1,662,343,115	1,662,343,115
BO Accounts Balance	(6,633,110)	(5,918,410)
Interest on Loans & Advances	-	158,378,688
Excise Duty	-	25,000
<b>Note:</b> Loan given to subsidiary company (PLFS Investment Ltd.) amount in Tk.1,055,332,974 from 2009 to 2015 (Present outstanding on 31.12.2024 amount Tk. 1,837,901,114. Details are described at note 2.10.29)		
<b>8 Property, Plant &amp; Equipment (Details in Annexure-1)</b>		
<b>Own Finance</b>		
<b>A. Cost</b>		
Company Premises	33,265,482	33,265,482
Motor Car & Vehicle	11,860,360	11,860,360
Computer	24,034,392	21,341,645
Telephone System	1,756,858	1,756,858
Air Cooler	7,799,314	7,558,314
Refrigerator	209,002	209,002
Generator	3,343,467	3,343,467
Office Equipment	5,383,315	5,031,481
Furniture & Fixtures	40,090,755	39,923,637
Crockery	46,606	39,106
Software	16,747,004	16,747,004
<b>Total</b>	<u>144,536,555</u>	<u>141,076,356</u>
<b>B. Less: Accumulated Depreciation</b>		
Company Premises	27,101,322	26,416,415
Motor Car & Vehicle	10,612,305	10,300,291
Computer	19,078,860	17,839,977
Telephone System	1,404,460	1,365,305
Air Cooler	1,648,784	1,325,072
Refrigerator	143,505	136,228
Generator	635,259	334,347
Office Equipment	4,574,821	4,372,697
Furniture & Fixtures	20,096,575	19,066,746
Crockery	37,981	35,824
Software	6,250,224	3,626,032
<b>Total</b>	<u>91,584,096</u>	<u>84,818,934</u>
<b>C. Written Down Value at the end of the year (A-B)</b>	<u>52,952,459</u>	<u>56,257,422</u>
<b>8.1 Intangible asset - computer softwares</b>		
Cost	-	-
Less: Accumulated amortization	-	-
<b>Net book value at the end of the year</b>	<u>-</u>	<u>-</u>



**People's Leasing and Financial Services Ltd.**  
**Notes to the Financial Statements**  
For the Year ended December 31, 2024

		Amount in Taka	
		Dec 31, 2024	Dec 31, 2023
<b>9 Other assets</b>			
Investment in shares of subsidiary companies		200,445,000	200,445,000
Advance Vat/ Tax paid		283,430,199	262,216,864
Interest receivable (FDR)		58,306,235	58,306,235
Advance for land purchase		25,121,907	30,121,907
Stationeries & Stamp in hand		63,050	30,550
Advance for Rent & Advertisement		1,267,584	1,202,584
Interest Receivable for loans & Advances		-	283,056,936
Receivable against legal expenses-Loan/Lease		12,561,682	12,278,672
Other prepayment		10,626,954	7,637,951
Security deposit		-	223,200
Deferred tax assets (note 9.1)		-	-
<b>Total</b>		<b>591,822,611</b>	<b>855,519,899</b>
<b>9.1 Deferred tax assets/(liabilities)</b>			
Opening Balance		(3,732,228)	(3,471,235)
Deffered Tax Expenses		(114,032)	260,993
Less: Adjustment during the year		-	-
<b>Total</b>		<b>(3,618,196)</b>	<b>(3,732,228)</b>

Deferred Tax Liability is arrived at as follows:

Assets	Carrying amount at BS date (31 Dec 2024)	Tax base	Temporary Difference (Taxable)/Deductible
Fixed Assets net of depreciation	52,952,459	43,303,937	(9,648,522)

**Deferred Tax Asset/(Liability) as on 31 December 2024 @ 37.5%** (3,618,196)

Less: Deferred Tax Liabilities as on 31 December 2023 (3,732,228)

**Deferred Tax Expense for the year 2024** (114,032)

Assets	Carrying amount at BS date (31 Dec 2022)	Tax base	Temporary Difference (Taxable)/Deductible
Fixed Assets net of depreciation	56,257,422	47,475,710	(8,781,712)

**Deferred Tax Asset/(Liability) as on 31 December 2023 @ 42.50%** (3,732,228)

Less: Deferred Tax Asset/(liability) as on 31 December 2022 (3,471,235)

**Deferred Tax Expense for the year 2023** 260,993

**10 Non-Banking Assets**

This amount represents two units of flats located at Assign Monihar 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. Laffs 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	-	-
<b>Total</b>	<b>58,558,336</b>	<b>58,558,336</b>

**B. Depreciation:**

Opening Balance	35,849,543	33,326,344
Add: Addition during the year	2,270,879	2,523,199
Less: Adjustment during the year	-	-
<b>Total</b>	<b>38,120,422</b>	<b>35,849,543</b>

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

<b>20,437,914</b>	<b>22,708,793</b>
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**Note:** PLFSL has been received advance Tk. 2,58,80,000/- against sale proceed of the said flat. But sale proceed has not been completed till now. PLFS has received advance immediately before liquidation process in 2019. So, then management could not complete the sold out process of the said property. Present management have been trying to resolve the issue and communicating with the buyer whether it would be transfer to the respective buyer or retain ownership of the said property in favour of the Company because the Company has been trying to revive from liquidation verge as per Hon'ble Court Direction.

**11 Borrowings from other Banks, Financial Institutions & Agents**

<b>Inside Bangladesh:</b>		
Refinance against SME loan from Bangladesh Bank	76,440,371	76,440,371
From other scheduled Banks (note - 11.1)	4,686,442,439	3,993,114,223
<b>Total</b>	<b>4,762,882,810</b>	<b>4,069,554,594</b>
<b>Outside Bangladesh</b>	-	-
<b>Total</b>	<b>4,762,882,810</b>	<b>4,069,554,594</b>



**People's Leasing and Financial Services Ltd.**  
**Notes to the Financial Statements**  
For the Year ended December 31, 2024

	Amount in Taka	
	Dec 31, 2024	Dec 31, 2023
<b>11.1 From other scheduled Banks &amp; Financial Institutions</b>		
<b>Long term loan</b>		
Al-Arafa Islami Bank Ltd.	639,472,507	639,472,507
Basic Bank Ltd.	17,560,121	17,560,121
Exim Bank Ltd.	90,352,553	90,352,553
Mutual Trust Bank Ltd.	230,071,435	230,071,435
Pubali Bank Ltd.	167,585,837	167,585,837
Social Islami Bank Ltd.	140,601,785	140,601,785
Standard Bank Ltd.	61,284,645	61,284,645
United Commercial Bank Ltd.	87,519,740	87,519,740
Uttara Bank Ltd.	87,666,276	87,666,276
NRB Commercial Bank Ltd.	209,768,958	182,541,409
Mercantile Bank Ltd.	109,696,249	84,335,902
Modhumoti Bank Ltd.	195,047,427	195,047,427
Premier Bank Ltd.	272,447,374	220,766,977
UAE	19,132,308	19,132,308
<b>Sub-Total</b>	<b>2,328,207,215</b>	<b>2,223,938,922</b>
<b>Overdraft and money at call short notice</b>		
Mutual Trust Bank Ltd.	58,213,385	58,213,385
SBAC	-	(36,000,000)
Mercantile Bank	1,272,337,472	683,313,549
Short Term Loan	466,673,256	466,673,256
Janata Bank Ltd.	160,288,889	160,288,889
Sonali Bank Ltd.	160,288,889	160,288,889
Agrani Bank Ltd.	240,433,333	240,433,333
<b>Sub-Total</b>	<b>2,358,235,224</b>	<b>1,769,175,301</b>
<b>Grand Total</b>	<b>4,686,442,439</b>	<b>3,993,114,223</b>
<b>Security against borrowings from other banks, financial institutions and agents</b>		
Secured	4,201,871,699	3,508,543,483
Unsecured	561,011,111	561,011,111
<b>Total</b>	<b>4,762,882,810</b>	<b>4,069,554,594</b>
<b>Maturity grouping of borrowings from other banks, financial institutions and agents</b>		
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	300,000,000	1,559,503,000
Over 5 years	4,462,882,810	2,510,051,594
<b>Total</b>	<b>4,762,882,810</b>	<b>4,069,554,594</b>

**Note:** The Company was liquidation process in 2019 by the Hon'ble Court Order FM No.1 of 2019 due to inability to meet up liabilities. Later, the Hon'ble Court passed an Order with some directions to regulators, directors as well as managing directors in 2021 and formed a board of directors. Now the Company has been trying to revive from liquidation by the Hon'ble Court appointed board of directors. At present, liability size is three or more times higher than assets. Furthermore, Charging interest on deposit and borrowings will create unbearable burden to the Company and revival process may go remote. Eventhough, assets quality is very poor and inadequate to meet up total liabilities. In this situation, stop of charging interest on deposite and borrowings is one of the issue of revival. Board of Directors of their 55th meeting dated-28-11-2023 have taken decision for not charging interest on deposites and borrowings of non-business period as a part of revival of the Company from liquidation verge. In this regard, The Comapny has prayed to the Hon'ble Court for weaving interest by considering the situation of the company.

<b>12 Deposits &amp; other accounts</b>		
Deposits from banks and financial institutions	12,437,405,140	11,341,346,660
Deposits from individula and institutions	22,116,450,784	20,675,819,680
<b>Sub-Total</b>	<b>34,553,855,924</b>	<b>32,017,166,340</b>
Other deposit	64,907,990	65,552,209
<b>Grand Total</b>	<b>34,618,763,914</b>	<b>32,082,718,549</b>
<b>12.1 Term Deposits</b>		
These represent deposits from individuals and institutions under the Company's term deposit schemes for a period of not less than three months.		
Deposits from banks and financial institutions	12,437,405,140	11,341,346,660
Deposits from individula and institutions	22,116,450,784	20,675,819,680
	<b>34,553,855,924</b>	<b>32,017,166,340</b>



**People's Leasing and Financial Services Ltd.**  
**Notes to the Financial Statements**  
For the Year ended December 31, 2024

		Amount in Taka					
		Dec 31, 2024	Dec 31, 2023				
<b>12.2</b>	<b>Maturity grouping of deposits &amp; other accounts</b>						
	Payable on demand	-	-				
	Up to 1 month	12,500,000	100,000,000				
	Over 1 month but within 6 months	41,500,000	200,000,000				
	Over 6 months but within 1 year	190,000,000	500,000,000				
	Over 1 year but within 5 years	5,800,000,000	9,500,000,000				
	Over 5 years but within 10 years	28,574,763,914	21,782,718,549				
	Over 10 years	-	-				
	<b>Total</b>	<b>34,618,763,914</b>	<b>32,082,718,549</b>				
<b>12.3</b>	<b>Related party transactions:</b>						
	<table border="1" style="width: 100%;"><thead><tr><th style="width: 60%;">Name of Directors</th><th style="width: 40%;">Status</th></tr></thead><tbody><tr><td>Mr. Md. Atiqur Rahman</td><td>Director</td></tr></tbody></table>	Name of Directors	Status	Mr. Md. Atiqur Rahman	Director	13,505,131	14,005,131
Name of Directors	Status						
Mr. Md. Atiqur Rahman	Director						
	<b>Note:</b> Mr. Md. Atiqur Rahman and his family members have been maintaining 8 (eight) term deposit accounts.						
<b>13</b>	<b>Other Liabilities</b>						
	Provision for Lease, loans and advances (note 13.1)	8,276,931,213	8,276,526,580				
	Provision for Investment Fluctuation in Shares (note 13.2)	198,263,600	198,263,600				
	Provision for corporate income tax (note 13.3)	196,786,921	195,192,494				
	Provision for Gratuity (note 13.4)	25,887,697	25,997,623				
	Provision for FDR( note13.5)	887,764,630	887,764,630				
	Provision for TDS (note 13.6)	22,022,848	22,022,848				
	Provision for Equity Investment in Subsidiary (note 13.7)	200,445,000	200,445,000				
	Interest Suspense Account (note 13.8)	2,599,070,280	2,171,985,853				
	Liabilities for financial expenses ( note13.9)	2,026,506,476	1,653,576,415				
	Liabilities for sundry creditors ( note13.10)	249,555,572	626,310,472				
	Liabilities for accrued expenses( note13.11)	113,824,376	129,782,156				
	Liabilities for TDS/VDS/ED( note13.12)	2,153,422,019	1,826,235,900				
	Provision for Interest Receivable for Loans & Advances (note 13.13)	-	283,056,936				
	Provision for Receivable Against Legal Expenses-Loan/Lease (note 13.14)	6,339,336	6,139,336				
	Provision for other assets	25,121,907	-				
	Dividend Payable	21,558,303	21,558,303				
	Deffered Tax Liabilities (note-9.1)	3,618,196	3,732,228				
	Client Receipt Account	-	161,652,185				
	Receivable Suspense Account	-	938,000,009				
	Liab. For advance rent	851,000	851,000				
	Balance with BO accounts	6,633,110	5,918,410				
	Staff Incentive	-	538,020				
	<b>Total</b>	<b>17,014,602,484</b>	<b>17,635,549,998</b>				
<b>13.1</b>	<b>Provision for Lease, loans and advances</b>						
	<b>Opening Balance</b>	8,276,526,580	9,007,200,324				
	Less: Provision no longer required	-	(730,673,744)				
	Add: Recoveries from previously written-off loans & advances	-	-				
	Add: General provision provided during the year	404,633	-				
	Add: Specific provision provided during the year	-	-				
	Add: Specific provision for shortfall	-	-				
	Add: Net charge to profit and loss account	-	-				
	<b>Closing balance</b>	<b>8,276,931,213</b>	<b>8,276,526,580</b>				
<b>13.2</b>	<b>Provision for diminution in value of Investments</b>						
	<b>Opening Balance</b>	198,263,600	198,263,600				
	Add: Provision during the year	-	-				
	Less: Provision no longer required	-	-				
	<b>Closing Balance</b>	<b>198,263,600</b>	<b>198,263,600</b>				
<b>13.3</b>	<b>Provision for corporate income tax</b>						
	<b>Opening Balance</b>	195,192,494	167,659,494				
	Add: Provision made during the year	1,620,000	27,533,000				
	Less: Settlement during the year	25,573	-				
	<b>Closing Balance</b>	<b>196,786,921</b>	<b>195,192,494</b>				
<b>13.4</b>	<b>Provision for Gratuity</b>						
	<b>Opening Balance</b>	25,997,623	25,510,708				
	Add: Provision during the year	-	486,915				
	Less: Adjustment	109,926	-				
	<b>Closing Balance</b>	<b>25,887,697</b>	<b>25,997,623</b>				
<b>13.5</b>	<b>Provision fro FDR</b>						
	<b>Opening Balance</b>	887,764,630	887,764,630				
	Add: Addition during the year	-	-				
	Less: Adjustment during the year	-	-				
	<b>Closing Balance</b>	<b>887,764,630</b>	<b>887,764,630</b>				



**People's Leasing and Financial Services Ltd.**  
**Notes to the Financial Statements**  
For the Year ended December 31, 2024

	Amount in Taka	
	Dec 31, 2024	Dec 31, 2023
<b>13.6 Provision fro TDS</b>		
Opening Balance	22,022,848	22,022,848
Add: Addition during the year	-	-
Less: Adjustment during the year	-	-
<b>Closing Balance</b>	<b>22,022,848</b>	<b>22,022,848</b>
<b>13.7 Provision for Equity Investment in Subsidiary</b>		
Opening Balance	200,445,000	200,445,000
Add: Addition during the year	-	-
Less: Adjustment during the year	-	-
<b>Closing Balance</b>	<b>200,445,000</b>	<b>200,445,000</b>
<b>13.8 Interest Suspense Account</b>		
Opening Balance	2,171,985,853	2,126,052,211
Add: Addition during the year	427,084,427	45,933,642
Less: Adjustment during the year	-	-
<b>Closing Balance</b>	<b>2,599,070,280</b>	<b>2,171,985,853</b>
<b>13.09 Liabilities for financial expenses</b>		
Accrued Financial Expenses for Borrowings	176,938,171	148,471,505
Accrued Financial Expenses for Deposits & Other Accounts	1,206,741,644	894,998,896
Accrued Financial Expenses for Deposits from Banks/Financial Institutions	642,826,661	610,106,014
	<b>2,026,506,476</b>	<b>1,653,576,415</b>
<b>13.10 Liabilities for sundry creditors</b>		
Liabilities for Sundry Deposit	174,812,033	92,135,555
Liability for Supplies	7,299,797	7,299,797
Liabilities for Sundry Deposit against Loan/Lease	24,168,506	42,040,928
Lease Obligations	-	473,060
Liabilities for Audit Fees	454,250	1,437,500
Loan/Lease Part Collection	16,940,986	23,165,088
Payable Suspense Account	-	419,197,998
Liab. Sundry Deposit against Non Banking Assets	25,880,000	25,880,000
Interest Receivable (Suspense) for loans & Advances	-	14,680,546
	<b>249,555,572</b>	<b>626,310,472</b>
<b>13.11 Liabilities for accrued expenses</b>		
Provision for Suppliers/Creditors	103,106,176	104,106,176
Provision Utilities Expenses	-	161,328
Provision for Salaries & Allowances	10,718,200	10,910,158
Liabilities for PF Subscription	-	525,815
Liabilities for PF Contribution	-	584,735
Accounts Payable Account Deposit	-	13,493,944
	<b>113,824,376</b>	<b>129,782,156</b>
<b>13.12 Liabilities for TDS/VDS/ED</b>		
Liability for AIT deducted at Source	2,061,201,910	1,734,254,389
Liability for VAT deducted at Source	616,277	275,016
Liability for Excise Duty Deduction	91,603,832	91,706,495
	<b>2,153,422,019</b>	<b>1,826,235,900</b>
<b>13.13 Provision for Interest Receivable for Loans &amp; Advances</b>		
Opening Balance	283,056,936	-
Add: Addition during the year	-	283,056,936
Less: Adjustment during the year	283,056,936	-
<b>Closing Balance</b>	<b>-</b>	<b>283,056,936</b>
<b>13.14 Provision for Receivable Against Legal Expenses-Loan/Lease</b>		
Opening Balance	6,139,336	-
Add: Addition during the year	200,000	6,139,336
Less: Adjustment during the year	-	-
<b>Closing Balance</b>	<b>6,339,336</b>	<b>6,139,336</b>
Note: Provision for other assets include provision against advance for land purchase.		

Note: The Company was liquidation process in 2019 by the Hon'ble Court Order FM No. 1 of 2019 due to inability to meet up liabilities. Later, the Hon'ble Court passed an Order with some directions to Regulators, Directors as well as Managing Directors in 2021 and formed a board of directors. Now the Company have been trying to revive from liquidation by the Hon'ble Court appointed board of directors. At present, liability size is three or more times higher than assets. Furthermore, Charging interest on deposit and borrowings will create unbearable burden to the Company and revival process may go remote. Eventhough, assets quality is very poor and inadequate to meet uptotal liabilities. In this situation, stop of charging interest on deposit and borrowings is one of the issue for revival of the company. Board of Directors of their 55th meeting dated-28-11-2023 have taken decision for not charging interest on deposits and borrowings of non-business period as a part of revival of the Company from liquidation verge. TDS is related with interest of deposit and this liability will reduce by not charging interest on deposits. Furthermore, we have been communicating with respective tax office about the issue as well as Hon'ble Court.



**People's Leasing and Financial Services Ltd.**  
**Notes to the Financial Statements**  
For the Year ended December 31, 2024

		Amount in Taka	
		Dec 31, 2024	Dec 31, 2023
<b>14 Share Capital</b>			
Authorized Capital (500,000,000 shares of Tk. 10 each)		5,000,000,000	5,000,000,000
<b>Issued, Subscribed &amp; Paid-up Capital:</b>			
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
<b>Total numbers of Shares:</b>	<b>285,440,597</b>	<b>2,854,405,970</b>	<b>2,854,405,970</b>

Category	Number of share		Percentage (%)	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Sponsors	51,807,468	66,244,423	18.15%	23.21%
General Public	209,884,471	205,650,272	73.53%	72.05%
Financial Institutions	-	1,978,609	0.00%	0.69%
Institutions	21,864,750	-	7.66%	0.00%
Investment companies	-	11,022,616	0.00%	3.86%
Foreigners	1,883,908	544,677	0.66%	0.19%
<b>Total</b>	<b>285,440,597</b>	<b>285,440,597</b>	<b>100.00%</b>	<b>100.00%</b>

**Classification of shareholders by holding**

Holding	Number of shareholders		Number of shares	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Less than 500	9,308	11,035	1,725,746	2,051,019
501 to 5,000	11,753	12,500	15,515,025	24,834,372
5,001 to 10,000	2,161	2,239	15,746,872	18,512,671
10,001 to 20,000	1,312	1,471	19,175,178	21,520,984
20,001 to 30,000	518	545	18,760,098	13,609,226
30,001 to 40,000	238	264	8,349,661	9,212,656
40,001 to 50,000	184	190	8,582,598	8,900,995
50,001 to 100,000	343	326	25,138,656	23,742,077
100,001 to 1000,000	271	255	69,079,800	61,361,500
Over 1000,000	39	25	103,366,963	101,695,097
<b>Total</b>	<b>26,127</b>	<b>28,850</b>	<b>285,440,597</b>	<b>285,440,597</b>

**Name of Directors and their share holdings as on December 31, 2024**

Sl. No.	Name of Directors	Status	31.12.2024	31.12.2023
1	Mr. Hasan Shaheed Ferdous	Chairman (Appointed by the Hon'ble Court)	-	-
2	Dr. Kazi Anowarul Hoque	Director (Appointed by the Hon'ble Court)	-	-
3	Mr. Reshad Imam	Director (Appointed by the Hon'ble Court)	-	-
4	Mr. Prashanta Bhushan Barua	Director (Appointed by the Hon'ble Court)	-	-
5	Muhammad Shafiqur Rahman	Director (Appointed by the Hon'ble Court)	-	-
6	Mr. Md. Atiqur Rahman	Director (Appointed by the Hon'ble Court)	-	-

**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
<b>Excess/(Shortage) capital</b>	<b>1,854,405,970</b>	<b>1,854,405,970</b>

**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	645,578,148	645,578,148
Non-repayable share premium account	1,018,605,234	1,018,605,234
General reserve	-	-
Retained earnings	(47,193,221,747)	(40,073,142,361)
Minority interest in subsidiaries	-	-
Non- cumulative irredeemable preference shares	-	-
Dividend equalization account	-	-
Other (if any item approved by Bangladesh Bank)	-	-
<b>Sub-Total</b>	<b>(42,674,632,395)</b>	<b>(35,554,553,009)</b>





**People's Leasing and Financial Services Ltd.**  
**Notes to the Financial Statements**  
For the Year ended December 31, 2024

	Amount in Taka	
	Dec 31, 2024	Dec 31, 2023
<b>Deductions from tier-1 (Core capital)</b>		
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)	-	-
<b>Sub-Total</b>	<b>-</b>	<b>-</b>
<b>Total eligible Tier-1 capital</b>	<b>(42,674,632,395)</b>	<b>(35,554,553,009)</b>
<b>2. Tier-2 (Supplementary capital)</b>		
General provision (Unclassified up to special limit+SMA+ off balance sheet exposure)	1,300,213	151,673,950
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)	-	-
<b>Sub-Total</b>	<b>1,300,213</b>	<b>151,673,950</b>
Deductions, if any	-	-
<b>Total eligible Tier-2 capital</b>	<b>1,300,213</b>	<b>151,673,950</b>
<b>A Total capital</b>	<b>(42,673,332,182)</b>	<b>(35,402,879,059)</b>
<b>B Total risk weighted asset</b>	<b>9,493,900,000</b>	<b>9,040,500,000</b>
<b>C Required capital</b>	<b>949,390,000</b>	<b>1,000,000,000</b>
<b>D Surplus / (Deficit)</b>	<b>(43,622,722,182)</b>	<b>(36,402,879,059)</b>
<b>Capital adequacy ratio (CAR)</b>	<b>-449.48%</b>	<b>-391.60%</b>
On core capital (Tier-1)	-449.50%	-393.28%
On supplementary capital (Tier-2)	0.01%	1.68%
<b>15 Statutory reserve</b>		
Opening balance	645,578,148	645,578,148
Add: Addition during the year	-	-
Closing balance	<b>645,578,148</b>	<b>645,578,148</b>
Note: The company has to transfer 20% of net profit to statutory reserve as per the Financial Institutions Regulations, 1994.		
<b>16 General reserve</b>		
Opening Balance	-	-
Add: Addition during the year	-	-
Closing balance	-	-
<b>17 Share premium</b>		
Opening balance	1,018,605,234	1,018,605,234
Add: Addition during the year	-	-
Closing balance	<b>1,018,605,234</b>	<b>1,018,605,234</b>
<b>18 Retained earnings</b>		
Opening balance	(43,251,808,953)	(40,073,142,361)
Net profit during the year	(4,267,550,785)	(3,178,666,592)
Adjustment for During the year	326,137,991	-
Closing balance	<b>(47,193,221,747)</b>	<b>(43,251,808,953)</b>



**People's Leasing and Financial Services Ltd.**  
**Notes to the Financial Statements**  
For the Year ended December 31, 2024

Amount in Taka	
Dec 31, 2024	Dec 31, 2023

Note: The company was liquidation verge from 14-7-2-19 under the Hon'ble Hige Court order and non-business period was late of 2023. So interest charge on any borrowing during this period is not justified and hinders for revival of the Company from liquidation verge. The Company prayed to Bangladesh Bank (BB) for relief from charging interest on term deposits and any borrowings as per decision of the 55th meeting of board of directors and interest amount around Tk. 1,300 (Thirteen Hundred ) Crore only upto 31 december 2022. Bangladesh bank has given advise for seeking Hon'ble Court decision regarding this waiver. The company applied to Hon'ble Court for waiving interest on term deposit and borrowings. if the company get relief from charging interest on any borrowing and deposits then it would be adjusted with retained earnings and respective liabilities will be reduced by subtracting charged interest.

**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	-	-
<b>Sub Total</b>	<b>-</b>	<b>-</b>
<b>Letter of credit:</b>		
For import of equipments under lease finance	-	-
<b>Sub-Total</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>-</b>	<b>-</b>

**20 Interest income**

Interest on Term Finance	(74,490,531)	61,376,684
Income from Lease Finance	317,216	380,209
Interest on Home Loan	6,105,513	3,654,144
Interest on Margin Loan	12,776,731	10,866,714
Interest on Time Loan	27,136,608	-
Interest on Auto Loan	535,530	-
Interest on Loan Against Deposit	(188)	-
Interest on Short Term Loan	669,364	158,378,689
<b>Total</b>	<b>(26,949,757)</b>	<b>234,656,440</b>

**21 Interest paid on deposits, borrowings etc.**

<b>Interest on deposits</b>		
Interest on Term Deposit	3,550,832,701	3,677,185,603
Interest on MDS	-	-
	<b>3,550,832,701</b>	<b>3,677,185,603</b>
<b>Interest on borrowings</b>		
Interest on Call Loan	28,466,667	28,388,889
Interest on Term Loan	104,268,293	105,277,951
Interest on Overdraft	589,023,923	-
Interest on Short Term Loan	-	-
Other	721,758,883	133,666,840
Interest adjustment	-	-
<b>Total</b>	<b>4,272,591,584</b>	<b>3,810,852,443</b>

**22 Income from investment**

Income from Investment/Capital gain	-	-
Dividend income	5,508,934	8,119,747
<b>Total</b>	<b>5,508,934</b>	<b>8,119,747</b>

**23 Commission, exchange and brokerage**

Commission on Bank Gurantee	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**24 Other operating income**

Bank interest (SND/STD)	8,249,716	13,478,056
Interest on FDR	97,951,867	38,178,636
Profit from sale of assets	7,000	376,850
Rental income	2,144,750	1,096,000
Interest Suspense Home Loan	61,423	-
Written off Loan Recovery	23,496,635	-
Miscellaneous income	588,625	220,996
<b>Total</b>	<b>132,500,016</b>	<b>53,350,538</b>

Note: Miscellaneous income includes recovery from written-off loan, loan processing fees & other.



**People's Leasing and Financial Services Ltd.**  
**Notes to the Financial Statements**  
For the Year ended December 31, 2024

		Amount in Taka	
		Dec 31, 2024	Dec 31, 2023
<b>25</b>	<b>Salaries &amp; allowances</b>		
	Salary	27,937,255	18,803,919
	Bonus to Staff	3,808,571	2,261,727
	Company's Contribution to Employees Provident Fund	1,208,504	-
	Gratuity Expenses	1,166,172	823,202
	<b>Total</b>	<b>34,120,502</b>	<b>21,888,848</b>
<b>26</b>	<b>Rent, taxes, insurance, electricity etc.</b>		
	Office Rent	-	7,545,428
	Tax, Rates	72,171	72,171
	Insurance premium	-	-
	Electricity	1,117,852	1,189,020
	<b>Total</b>	<b>1,190,023</b>	<b>8,806,619</b>
<b>27</b>	<b>Legal expenses</b>		
	Legal fees	9,355,569	4,241,225
	Stamp & Court Fees	-	-
	<b>Total</b>	<b>9,355,569</b>	<b>4,241,225</b>
<b>28</b>	<b>Postage, stamp, telecommunications etc.</b>		
	Postage	20,767	3,684
	Telephone bill	-	22,874
	Fax & Internet	620,329	567,149
	<b>Total</b>	<b>641,096</b>	<b>593,707</b>
<b>29</b>	<b>Stationery, printing, advertisement etc.</b>		
	Stationery & Printing	857,723	757,000
	Advertisement	1,673,527	1,731,118
	<b>Total</b>	<b>2,531,250</b>	<b>2,488,118</b>
<b>30</b>	<b>Managing director's salary and fees</b>		
	Salary	5,541,689	3,759,402
	Festival Bonuses	-	-
	<b>Total</b>	<b>5,541,689</b>	<b>3,759,402</b>
<b>31</b>	<b>Directors' Fees</b>		
	Directors' fees	2,332,000	5,687,000
	Others Benefits	-	-
	<b>Total</b>	<b>2,332,000</b>	<b>5,687,000</b>
	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. Directors' fees for attending each board meeting are TK. 25,000.00 (Twenty Five Thousand) for Chairman and Tk. 20,000/- (Twenty Thousand) only for Directors as per court order dated 15.11.2023 FI Matter#1/2019.		
<b>32</b>	<b>Audit fee</b>	<b>506,000</b>	<b>431,250</b>
<b>33</b>	<b>Loans &amp; advances written-off</b>		
	Loans & advances written-off	-	-
	Less: provision	-	-
	Interest waived	-	-
	<b>Total</b>	<b>-</b>	<b>-</b>
<b>34</b>	<b>Repair, depreciation and amortizations of company's assets</b>		
	<b>Repair of company's assets:</b>		
	Repair & Maintenance	201,100	-
	Depreciation for Company Premises	684,907	761,007
	Depreciation for Motor Car & Vehicle	312,014	390,017
	Depreciation for Computer	1,238,883	890,528
	Depreciation for Telephone System	39,155	43,508
	Depreciation for Air Cooler	323,712	387,885
	Depreciation for Refrigerator	7,277	8,086
	Depreciation for Generator	300,912	334,347
	Depreciation for Office Equipment	202,124	164,697



**People's Leasing and Financial Services Ltd.**  
**Notes to the Financial Statements**  
For the Year ended December 31, 2024

	Amount in Taka	
	Dec 31, 2024	Dec 31, 2023
Depreciation for Furniture & Fixture	1,051,200	1,597,312
Depreciation for Crockries	2,157	821
<b>Sub Total</b>	<b>4,363,441</b>	<b>4,578,208</b>
<b>Depreciation of company's assets</b>		
Non-banking asset	2,270,879	2,523,199
<b>Sub Total</b>	<b>2,270,879</b>	<b>2,523,199</b>
<b>Amortization of Software</b>		
Computer software	2,624,194	3,280,246
<b>Total repair and depreciation of company's assets</b>	<b>9,258,514</b>	<b>10,381,653</b>
<b>35 Other expenses</b>		
Traveling & Conveyance Expenses	515,037	381,402
Entertainment	794,363	562,230
Security Services	420,490	405,724
Meeting Expenses	91,492	215,656
Fees & Subscription	3,550,000	700,000
Office Maintenance	3,744,293	2,452,589
Fuel ,Oil & Lubricant '	139,359	739,618
Bank charges & commission	790,824	324,321
Excise duty	655,575	729,972
RJSC Fees & Expenses	500,526	-
CDBL charges	173,323	219,100
Trade Licence	17,820	27,870
BO Accounts Charge	1,852,172	2,623,496
AGM Expenses	412,427	1,375,866
Recruitment Expenses	242,932	-
Business Development Expenses	40,515	-
Training Expenses	8,000	-
Miscellaneous	225,879	8,588,687
<b>Total</b>	<b>13,309,243</b>	<b>19,346,531</b>
<b>36 Provision for loans &amp; advances</b>		
Provision for classified loans & advances		(727,942,992)
Provision for classified loans & advances req. by Bangladesh Bank		-
Provision for unclassified loans & advances	404,633	(2,730,752)
Provision for diminution in value of investments	-	-
Provision for FDR	-	-
Provisipon for TDS	-	-
Provision for other assets	25,121,907	-
Provision for Interest Receivable for Loans & Advances	-	283,056,936
Provision for Receivable Against Legal Expenses-Loan/Lease	200,000	6,139,336
<b>Total</b>	<b>25,726,540</b>	<b>(441,477,472)</b>
<b>37 Provision for tax</b>		
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 2023.		
<b>Provision for current tax</b>		
Opening balance	-	-
Add: Provision made during the year	1,620,000	27,533,000
Less: Settlement during the year	-	-
<b>Closing balance</b>	<b>1,620,000</b>	<b>27,533,000</b>
<b>Note: We have made provision of corporate income tax @ 0.60% on revenue due to negative profit in 2024.</b>		
<b>38 Provision for Deferred tax</b>		
Deferred Tax expense	(114,032)	260,993
Deferred Tax Income	-	-
	<b>(114,032)</b>	<b>260,993</b>
<b>39 Other Comprehensive Income/(Loss) for the period</b>		
Unrealizable Gain/(Loss) for Own portfolio	-	-



**People's Leasing and Financial Services Ltd.**  
**Notes to the Financial Statements**  
For the Year ended December 31, 2024

		Amount in Taka	
		Dec 31, 2024	Dec 31, 2023
<b>40</b>	<b>Earnings per share (EPS)</b>		
	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)	(4,267,550,785)	(3,178,666,592)
	Weighted Average Number of ordinary shares outstanding during the year	285,440,597	285,440,597
	<b>Basic earnings per share (in Taka)</b>	<b>(14.95)</b>	<b>(11.14)</b>
	No diluted earnings per share is required to be calculated for the period, as there was no convertible securities for dilution during the period.		
<b>41</b>	<b>Net Assets Value (NAV) per share</b>		
	Net Assets (Total assets less Total Liabilities)	(42,674,632,395)	(38,733,219,601)
	Total Number of Ordinary shares outstanding	285,440,597	285,440,597
	<b>Net Assets Value (NAV) per share</b>	<b>(149.50)</b>	<b>(135.70)</b>
<b>42</b>	<b>Net Operating Cash Flows Per Share (NOCFPS)</b>		
	Net Cash flows from Operating Activities	(63,908,872)	106,693,986
	Total Number of Ordinary shares outstanding	285,440,597	285,440,597
	<b>Net Operating Cash Flows Per Share (NOCFPS)</b>	<b>(0.22)</b>	<b>0.37</b>
<b>43</b>	<b>Reconciliation of Net Profit with Cash Flows from Operating Activities</b>		
	Net Profit after tax	(4,267,550,785)	(3,178,666,592)
	<b>Items not involved in cash movement</b>		
	Add: Depreciation	9,057,414	10,381,652
	Add: Provisions for loans and investments	25,726,540	289,196,272
	Add: Provisions for Taxation	1,505,968	27,793,993
	Add/(Less): Accrued expenses	4,300,047,342	921,250
	Add/(Less): Accrued Income	-	-
		<b>68,786,479</b>	<b>(2,850,373,425)</b>
	<b>Increase/decrease in operating assets and liabilities</b>		
	Investment in shares/bond	-	(146,618,850)
	Received from Loans and advances	278,016,717	128,498,292
	Loans and advances to customers	(103,700,000)	8,111,696
	Other assets	263,697,288	105,277,951
	Borrowing from bank/FIs	-	105,277,951
	Deposits from customers and others	(355,529,612)	2,901,127,762
	Other liabilities	(215,179,744)	(39,329,440)
		<b>(132,695,351)</b>	<b>2,957,067,411</b>
	<b>Net Cash flows from/(used in) Operating Activities</b>	<b>(63,908,872)</b>	<b>106,693,986</b>



44 Others

44.1 For the Year ended December 31, 2024

Name of Court	No. of Suits	Suit Value (in Lac)	Remarks
Artha Rin Adalat	86	46,008.20	
Other Courts	39	1,915.00	
<b>Total</b>	<b>125</b>	<b>47,923.20</b>	

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 39 employees were employed in PLFS as of 31 December, 2024.

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 79th meeting held on 30-4-2025.

48 Discloser of Quick Summary of Bangladesh Bank Inspection report

Bangladesh Bank performed inspection on Calcification Loan ( CL) for the year ended 2024 and provide a quick summary report for finalization of Financial Statement for 2024. In this regards we prepared Financial Statement for 2024 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 The company was liquidation verge from 14-7-2-19 under the Hon'ble Hige Court order and non-business period was late of 2023. So interest charge on any borrowing during this period is not justified and hinders for revival of the Company from liquidation verge. The company prayed to Bangladesh Bank (BB) for relief from charging interest on term deposits and any borrowings as per decision of the 55th meeting of board of directors and interest amount around Tk. 1,300 (Thirteen Hundred ) Crore only upto 31 december 2022. If the company get relief from charging interest on any borrowing and deposits then it would be adjusted with retained earnings/ revised and respective liabilities will be deducted by waving interest amount. Mentionable that . management have also been trying to take waiver from charging interest on deposits and any borrowings of 2023 and onwards because liability size is three or more time higer than assests. Eventhough, assets quality is very poor and inadequate to meet up total liabilities.

49.4 Special/Forensic Audit of People's Leasing & Financial Services Ltd. (PLFSL) for the period beginning from 2009 to 2022 has been conducted by MABS & J Partners and they submitted a report on 30 January 2025. Forensic audit has revealed significant financial irregularities, systemic governance failures, and gross mismanagement. These irregularities occurred primarily through non-compliant sanctioning and preparation of disbursement of loans, inaccurate interest calculations, unapproved waivers, dubious loan adjustments, non-compliance with regulations, and inappropriate financial statements. The findings highlight the involvement of former directors, lapses in oversight by the Board, and negligence by officials. The Board of Directors of PLFSL also collectively failed in their oversight responsibilities and disregarded the red flags repeatedly highlighted by external auditors through qualified or modified opinions issued since 2014.



**People's Leasing and Financial Services Ltd.**  
Fixed Assets Schedule  
As at December 31, 2024

Annexure - A  
Figures in Taka

SI No.	Particulars	COST				Rate	ACCUMULATED DEPRECIATION				Written Down Value as on December 31, 2024
		Balance as on 1 Jan, 2024	Additions during the Year	Adjustment during the year	Balance as on December 31, 2024		Balance as on 1 Jan, 2024	Charged during the year	Adjustment during the year	Balance as on December 31, 2024	
1	Company Premises	33,265,482	-	-	33,265,482	10%	26,416,415	684,907	-	27,101,322	6,164,160
2	Motor Car & Vehicle	11,860,360	-	-	11,860,360	20%	10,300,291	312,014	-	10,612,305	1,248,055
3	Computer	21,341,645	2,692,747	-	24,034,392	20%	17,839,977	1,238,883	-	19,078,860	4,955,532
4	Telephone System	1,756,858	-	-	1,756,858	10%	1,365,305	39,155	-	1,404,461	352,397
5	Air Cooler	7,558,314	241,000	-	7,799,314	5%	1,325,072	323,712	-	1,648,784	6,150,530
6	Refrigerator	209,002	-	-	209,002	10%	136,228	7,277	-	143,506	65,496
7	Generator	3,343,467	-	-	3,343,467	10%	334,347	300,912	-	635,259	2,708,208
8	Office Equipment	5,031,481	351,834	-	5,383,315	20%	4,372,697	202,124	-	4,574,821	808,494
9	Furniture & Fixtures	39,923,637	188,489	21,371	40,090,755	5%	19,066,746	1,051,200	21,371	20,096,576	19,994,179
10	Crockeries	39,106	7,500	-	46,606	20%	35,823	2,157	-	37,980	8,626
11	Software	16,747,004	-	-	16,747,004	20%	3,626,032	2,624,194	-	6,250,226	10,496,778
	<b>As on 31 December, 2024</b>	<b>141,076,356</b>	<b>3,481,570</b>	<b>21,371</b>	<b>144,536,555</b>		<b>84,818,934</b>	<b>6,786,535</b>	<b>21,371</b>	<b>91,584,998</b>	<b>52,952,457</b>
	<b>As on 31 December, 2023</b>	<b>138,145,337</b>	<b>20,274,123</b>	<b>17,343,104</b>	<b>141,076,356</b>		<b>83,614,550</b>	<b>7,858,453</b>	<b>6,654,069</b>	<b>84,818,934</b>	<b>56,257,423</b>

**Non-Banking Assets**

SI No.	Particulars	COST				Rate	ACCUMULATED DEPRECIATION				Written Down Value as on December 31, 2024
		Balance as on 1 Jan, 2024	Additions during the Year	Adjustment during the year	Balance as on December 31, 2024		Balance as on 1 Jan, 2024	Charged during the year	Adjustment during the year	Balance as on December 31, 2024	
1	Company Premises	58,558,336	-	-	58,558,336	10%	35,849,543	2,270,879	-	38,120,422	20,437,914
	<b>As on 31 December, 2024</b>	<b>58,558,336</b>	<b>-</b>	<b>-</b>	<b>58,558,336</b>		<b>35,849,543</b>	<b>2,270,879</b>	<b>-</b>	<b>38,120,422</b>	<b>20,437,914</b>
	<b>As on 31 December, 2023</b>	<b>58,558,336</b>	<b>-</b>	<b>-</b>	<b>58,558,336</b>		<b>33,326,344</b>	<b>2,523,199</b>	<b>-</b>	<b>35,849,543</b>	<b>22,708,793</b>

Ref: GKC/24-25/A/708



**People's Leasing and Financial Services Ltd.**  
Fixed Assets Schedule  
As at December 31, 2023

SI No.	Particulars	COST				Rate	ACCUMULATED DEPRECIATION				Written Down Value as on December 31, 2023
		Balance as on 1 Jan, 2023	Additions during the Year	Adjustment during the year	Balance as on December 31, 2023		Balance as on 1 Jan, 2023	Charged during the year	Adjustment during the year	Balance as on December 31, 2023	
1	Company Premises	33,265,482	-	-	33,265,482	10%	25,655,408	761,007	-	26,416,415	6,849,067
2	Motor Car & Vehicle	11,860,360	-	-	11,860,360	20%	9,910,274	390,017	-	10,300,291	1,560,069
3	Computer	21,219,936	438,756	317,047	21,341,645	20%	17,206,069	890,528	256,619	17,839,977	3,501,668
4	Telephone System	1,756,858	-	-	1,756,858	10%	1,321,797	43,508	-	1,365,305	391,553
5	Air Cooler	10,880,664	-	3,322,350	7,558,314	5%	3,122,957	387,885	2,185,771	1,325,072	6,233,242
6	Refrigerator	209,002	-	-	209,002	10%	128,142	8,086	-	136,228	72,774
7	Generator	-	3,343,467	-	3,343,467	10%	-	334,347	-	334,347	3,009,120
8	Office Equipment	4,779,581	251,900	-	5,031,481	20%	4,208,000	164,697	-	4,372,697	658,784
9	Furniture & Fixtures	53,627,344	-	13,703,707	39,923,637	5%	21,681,114	1,597,312	4,211,679	19,066,746	20,866,891
10	Crockeries	39,106	-	-	39,106	20%	35,003	821	-	35,823	3,283
11	Software	507,004	16,240,000	-	16,747,004	20%	345,786	3,280,246	-	3,626,032	13,120,972
	<b>As on 31 December, 2023</b>	<b>138,145,337</b>	<b>20,274,123</b>	<b>17,343,104</b>	<b>141,076,356</b>		<b>83,614,552</b>	<b>7,858,453</b>	<b>6,654,069</b>	<b>84,818,934</b>	<b>56,257,423</b>
	<b>As on 31 December, 2022</b>	<b>153,707,177</b>	<b>211,750</b>	<b>15,773,590</b>	<b>138,145,337</b>		<b>92,713,285</b>	<b>5,069,206</b>	<b>14,167,939</b>	<b>83,614,550</b>	<b>54,530,788</b>

**Non-Banking Assets**  
IAS 1.55

SI No. Particulars	COST				Rate	ACCUMULATED DEPRECIATION				Written Down Value as on December 31, 2023
	Balance as on 1 Jan, 2023	Additions during the Year	Adjustment during the year	Balance as on December 31, 2023		Balance as on 1 Jan, 2023	Charged during the year	Adjustment during the year	Balance as on December 31, 2023	
1 Company Premises	58,558,336	-	-	58,558,336	10%	33,326,344	2,523,199	-	35,849,543	22,708,793
<b>As on 31 December, 2023</b>	<b>58,558,336</b>	<b>-</b>	<b>-</b>	<b>58,558,336</b>		<b>33,326,344</b>	<b>2,523,199</b>	<b>-</b>	<b>35,849,543</b>	<b>22,708,793</b>
<b>As on 31 December, 2022</b>	<b>58,558,336</b>	<b>-</b>	<b>-</b>	<b>58,558,336</b>		<b>30,522,789</b>	<b>2,803,555</b>	<b>-</b>	<b>33,326,344</b>	<b>25,231,992</b>





# People's Leasing And Financial Services Limited

Classification and provisioning of Loan, Lease and Advance  
As on 31/12/2024

Annexure-B

Classification status of Loan, Lease & Advance as on 31/12/2024	Amount of outstanding Loan Lease and Advance as on 31/12/2024	Base for Provision	Percentage(%) of provision required as per Bangladesh bank directive	Provision Required 31/12/2024	Provision Required 31/12/2023
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**General Provision**

Standered Non SME	111,844,000	111,844,000	1%	1,118,440	691,530
Standered SME	24,909,000	24,909,000	0.25%	62,273	-
Special Mention Account(SMA)	2,516,000	2,390,000	5%	119,500	204,050
<b>Total A</b>	<b>139,269,000</b>	<b>139,143,000</b>	<b>-</b>	<b>1,300,213</b>	<b>895,580</b>

**Specific Provision**

Sub Standard (SS)	-	1,185,000	20%	237,000	237,000
Doubtful (DF)	1,293,000	406,000	50%	203,000	203,000
Bad and Loss (BL)	10,917,489,813	8,275,191,000	100%	8,275,191,000	8,275,191,000
<b>Total B</b>	<b>10,918,782,813</b>	<b>8,276,782,000</b>		<b>8,275,631,000</b>	<b>8,275,631,000</b>

**G.Total (A+B)**

	11,058,051,813	8,415,925,000		8,276,931,213	8,276,526,580
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**Provision Kept:**

General	1,300,213			895,580	
Specific	8,275,631,000			8,275,631,000	
<b>Total</b>	<b>8,276,931,213</b>			<b>8,276,526,580</b>	

**Surplus/(Deficit)**

				-	-
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**People's Leasing and Financial Services Ltd.**  
**Financial Highlights (Solo)**

Sl. No.	Particulars	Amount in Tk.	
		2024	2023
1	Paid-up Capital	2,854,405,970	2,854,405,970
2	Total Capital	(42,674,632,395)	(38,733,219,601)
3	Capital Surplus	(45,529,038,365)	(41,587,625,571)
4	Total Assets	13,721,616,812	15,181,908,871
5	Total Deposits	34,618,763,914	32,210,023,880
6	Total loans & advances	11,058,051,813	12,181,687,300
7	Total contingent liabilities and commitments	-	-
8	Credit deposit ratio	31.94%	37.82%
9	Percentage of classified loans against total loans & advances	98.74%	98.87%
10	Profit after tax and provision	(4,267,550,785)	(3,178,666,592)
11	Amount of classified loans during the year	10,918,782,813	12,044,034,234
12	Provision kept against classified loans	8,276,931,213	8,276,526,580
13	Provision surplus against classified loans	-	-
14	Cost of fund	12.00%	12.27%
15	Interest earning assets	12,353,858,079	13,862,430,902
16	Non-interest earning assets	1,367,758,732	1,319,477,968
17	Return on Investments	(32.69)	(25.30)
18	Return on assets (ROA)	(31.10)	(20.75)
19	Income from loans & advances & investment	(21,440,823)	242,776,187
20	Earnings per share	(14.95)	(11.14)
21	Net income per share	(14.95)	(11.14)
22	Price earnings ratio	(0.15)	(0.27)

