

ANNUAL REPORT 2019



PEOPLE'S LEASING
And Financial Services Ltd.

ANNUAL REPORT 2019

24 YEARS OF JOURNEY
YEARS OF TOGETHERNESS



PEOPLE'S LEASING
And Financial Services Ltd.

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ANNUAL REPORT 2019

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Letter of Transmittal

All Shareholders,
Bangladesh Bank,
Registrar of Joint Stock Companies & Firms,
Bangladesh Securities and Exchange Commission,
Dhaka Stock Exchange Limited and
Chittagong Stock Exchange Limited.

Annual Report for the year ended on December 31, 2019

Dear Sir(s),

On behalf of the Board of Directors of the Company, I am pleased to present “Annual Report 2019” together with audited financial statements for the year (January 01, 2019 to December 31, 2019) ended December 31, 2019.

This annual report contains information and data as required by regulatory bodies.

It will be a pleasure for us if the content of this annual report gives you useful food for thought.

Thanking you.

Sincerely yours,



Md. Armia Fakir ACS
Company Secretary (in-charge)

Notice of the 24th Annual General Meeting

Notice is hereby given that Pursuant to the Order 206 of 2022 dated 05.09.2022, 17.11.2022 and 30.04.2023 passed by the Honorable High Court Division, Supreme Court of Bangladesh in Financial Matter No. 1 of 2019 the Board of Directors of People's Leasing and Financial Services Limited in its 51st Meeting held on September 27, 2023 decided that the 24th (Twenty Four) Annual General Meeting (AGM) of the members of the Company will be held virtually by using online digital platform on October 29, 2023, Sunday at 11.30 A.M (Pursuant to BSEC Order no. SEC/SRMIC/94-131/25 dated 08.05.2020) to transact the following business and adopt necessary resolutions:

AGENDA

1. To receive, consider and adopt the Audited Financial Statements of the Company along with the Auditor's Report & the Directors Report thereon for the year ended December 31, 2019.
2. To declare Dividend for the year ended December 31, 2019 as recommended by the Board of Directors.
3. To elect/re-elect Directors in place of those who shall retire by rotation in accordance with the provision of Articles of Associations of the Company.
4. To appoint the Statutory Auditors for the year 2020 and to fix their remuneration.
5. To appoint the Corporate Governance Auditors for the year 2020 and fix their remuneration.

By Order of the Board of Directors



Md. Armia Fakir ACS
Company Secretary (In-charge)

Dhaka, September 30, 2023

Notes

- a. The Record-date was 12 October 2023. Members whose names will appear in the CDS/Register of Members on Record Date will be eligible to attend and vote in the Annual General Meeting through Digital Platform.
- b. A Member of the Company, eligible to attend and vote in the Annual General Meeting (AGM) may appoint a proxy to attend the meeting and vote in his/her behalf. The proxy form duly stamped with tk. 20.00 Revenue Stamp must be submitted at the Head office of the Company located at 12th Floor, Paramount Heights, 65/2/1, Box Culvert Road, Purana Paltan, Dhaka-1000 not later than 72 hours before the time fixed for the AGM.
- c. Notice of the Annual General Meeting (AGM), Annual Report 2019 and Proxy Form are available in the Company website-www.plfsbd.com.
- d. Pursuant to the Bangladesh Securities and Exchanges Commission's Order No. SEC/SRMIC/94-231/125 dated July 08, 2020 the AGM will be held virtually using on line digital platform, which will be conducted via live webcast.
- e. The Shareholders will join the AGM virtually. The Shareholders will be able to submit their questions/comments before commencement of the AGM and during the AGM. For login to the system, the Members need to click on the link provided by Company before AGM and provide their 16 digit Beneficial Owner (BO) number, folio number and other credential as proof of their identity by visiting the link. The detailed participation process for the Digital Platform Meeting will also be available in the Company's website: www.plfsbd.com
- f. For any IT related guidance and help with the login process, the respective members may contact at +88 01739977110, +8801754905065 or visit www.plfsbd.com
- g. All Shareholders are requested to update their respective BO Accounts with 12 digits Tax Payer's Identification Number (e-TIN), Bank Account Number, E-mail address, Cell Phone Number, Mailing Address and other related information through their respective Depository Participants (DP).
- h. As per Bangladesh Securities and Exchanges Commission's Circular No. SEC/ CMRRCD/2009-193/154 dated October 24, 2013 and the regulations 24(2) of the Stock Exchanges (listing) Regulations -2015 no benefit in cash or kind, shall be paid to the holders of equity securities for attending the 24th Annual general Meeting of the Company.



PEOPLE'S LEASING
And Financial Services Ltd.

Vision

To be the best performing Financial Institution in the country for offering quality Financial solution.

Mission

- Create maximum value for our stakeholders under highest ethical dispensation.
- Pursue for customer satisfaction by providing best & quality services.
- Maximize Shareholders' value through a sustained return on their investment.
- Create an enabling environment for our employees with opportunities to build their career.
- Contribute to the well being of the society as a responsible corporate body in the country.
- To be an Institution helps/create wealth for the nation.
- To establish strong presence in the Financial Market of the country.

Corporate Philosophy

Perform our financial responsibilities with proper accountabilities for all our actions and result and bind ourselves to the ethical standards.

Core Values

PLFS attaches highest priority to the development of productive enterprises and industrial units consistent with the industrialization programme of the Government for ultimate economic development of the country.

PLFS employees are trained to be good professionals and genuine development partners of the entrepreneurs and thus achieve organizational excellence.

Strategic Objectives

- Develop a synergy of high quality and strategically balanced portfolio in the context of our socio-economic structure.
- Develop and provide wide range of financial solutions and services to our customers.
- Mobilize balanced sources of fund for our Marketing Operation.
- Ensure good corporate governance.



Code of Conduct & Professional Ethics

Individuals acting in a professional capacity take on an additional burden of ethical responsibility. For example, professional associations have code of ethics that prescribe required behavior within the context of a professional practice such as medicine, law, accounting or engineering. These written codes provide rules of conduct and standards of behavior based on the principles of Professional Ethics, which include:

a OBJECTIVITY AND INDEPENDENCE

The principle of our objectivity imposes the obligation to be impartial, intellectually honest and free of conflicts of interest. Independence precludes relationships that may appear to impair a member's objectivity in rendering attestation services. Our members often serve multiple interests in many different capacities and must demonstrate their objectivity in varying circumstances. Members in public practice render attestation, tax and management advisory services. Other members prepare financial statements in the employment of others, perform internal auditing services and serve in financial and management capacities in industry, education and government. They also educate and train those who aspire to admission into the profession. Regardless of service or capacity, our members are protecting the integrity of their work, maintain objectivity and avoid any subordination of their judgment.

b DUE DILIGENCE

Our members also have a continuing responsibility to cooperate with each other to improve the art of accounting, maintain the public's confidence and carry out the profession's special responsibilities for self-governance. The collective efforts of all members are required to maintain and enhance the traditions of the profession.

c INTEGRITY

To maintain and broaden public confidence, members of our Company performs all professional responsibilities with the highest sense of integrity.

d THE PUBLIC INTEREST

The members of our company have accepted the obligation to act in a way that will serve the public interest, honor the public trust and demonstrate commitment to professionalism.

e SCOPE AND NATURE OF SERVICES

Members of our Company in public practice are observing the Principles of the Code of Professional Conduct in determining the scope and nature of services to be provided.

Products & Services

DEBT PRODUCTS

- Lease Finance
- Syndicate Finance
- Home Loan
- Car / Vehicle Loan
- Finance for Real Estate Developers
- Short Term Loan
- Long Term Loan
- Agro Based Loan
- SME Loan
- Women Entrepreneurs Loan
- Working Capital
- Project Finance
- Lease Finance under sale and lease back
- Factoring

LIABILITY PRODUCTS

- Short Term Deposit
- Term Deposit
- Annual Profit Term Deposit
- Cumulative Profit Term Deposit
- Monthly Earner Deposit
- Quarterly Earner Deposit
- Double Money Scheme
- Deposit Pension Scheme (DPS)

REFINANCE SCHEME UNDER BANGLADESH BANK/ADB FUND

- SME Finance Scheme
- Women Entrepreneur Refinance Scheme
- Agro-based Industry Refinance Scheme
- Refinance Scheme under Green Banking
- Brick Kiln Energy Efficiency Project under ADB Fund

CORPORATE SERVICES

- Project Finance Appraisal
- Project Loan Syndication
- Syndication Agency Services
- Refinancing Arrangement
- Corporate Financial Advisory
- Securitization of Receivables
- Trusteeship Management
- Professional Supports to SMEs

Corporate Information

Company Name	People's Leasing And Financial Services Limited
Company Registration Information	Incorporated in Bangladesh on August 12, 1996 under the companies Act 1994.
Company Registration No. (RJSC)	No. C-31162 (283)/96
Commencement of Business	August 26, 1996
Bangladesh Bank Permission as a	
Non-Banking Financial Institution	November 24, 1997
Bangladesh Bank Permission No.	02067406
Legal Status	Public Limited Company Listed with Dhaka Stock Exchange Ltd. & Chittagong Stock Exchange Ltd.
Registered Office	Paramount Heights, Level-12th , 65/2/1, Box Culvert Road, Purana Paltan, Dhaka-1000, Bangladesh.
Company E-mail	email@plfsbd.com
Company website	www.plfsbd.com
E-TIN	112718581076
VAT Registration No.	005367126-0208
Authorized Capital	BDT 500,00,00,000.00 (five hundred crore)
Paid up Capital	BDT 285, 44, 05, 970.00
Face Value per share	Tk. 10.00
Board of Directors	06
Number of Employees	24 (18 Executive and 06 support staff)
Number of Shareholders	
as on Record Date	28,849 as on Record Date October 12, 2023
Last AGM held	29 October, 2023
Accounting Year	January - December
Auditor	M/S M. J. Abedin & Co. Chartered Accountants

Principal Bankers

Al-Arafah Islami Bank Ltd.	Investment Corporation of Bangladesh
Agrani Bank Ltd.	Sonali Bank Ltd.
Mercantile Bank Ltd.	IFIC Bank Ltd.
Bangladesh Development Bank Ltd.	Social Islami Bank Ltd.
NRB Global Bank Ltd.	ICB Islamic Bank Ltd.
National Bank Ltd.	Standard Bank Ltd.
Bangladesh Commerce Bank Ltd.	Janata Bank Ltd.
Dhaka Bank Ltd.	South Bangla Agricultural & Commerce Bank Ltd.
NRB Commercial Bank Ltd.	Mutual Trust Bank Ltd.
EXIM Bank Ltd.	Shahjalal Islami Bank Ltd.
One Bank Ltd.	Midland Bank Ltd.
Pubali Bank Ltd.	United Commercial Bank Ltd.
Farmers Bank Ltd.	Modhumoti Bank Ltd.
Jamuna Bank Ltd.	Uttara Bank Ltd.
Basic Bank Ltd.	NCC Bank Ltd.
Dutch Bangla Bank Ltd.	Prime Bank Ltd.
Premier Bank Ltd.	South East Bank Ltd.
Rupali Bank Ltd.	

Membership

Bangladesh Leasing & Finance Companies Association
Bangladesh Association of Publicly Listed Companies

Subsidiary Company

PLFS Investments Ltd

Company Milestone

1

Company
Incorporated
August 12, 1996

6

Launching of
SME Finance
July 05, 2005

2

Got License to work as
Non-Banking
Financial Institution
November 24, 1997



PEOPLE'S LEASING
And Financial Services Ltd.

5

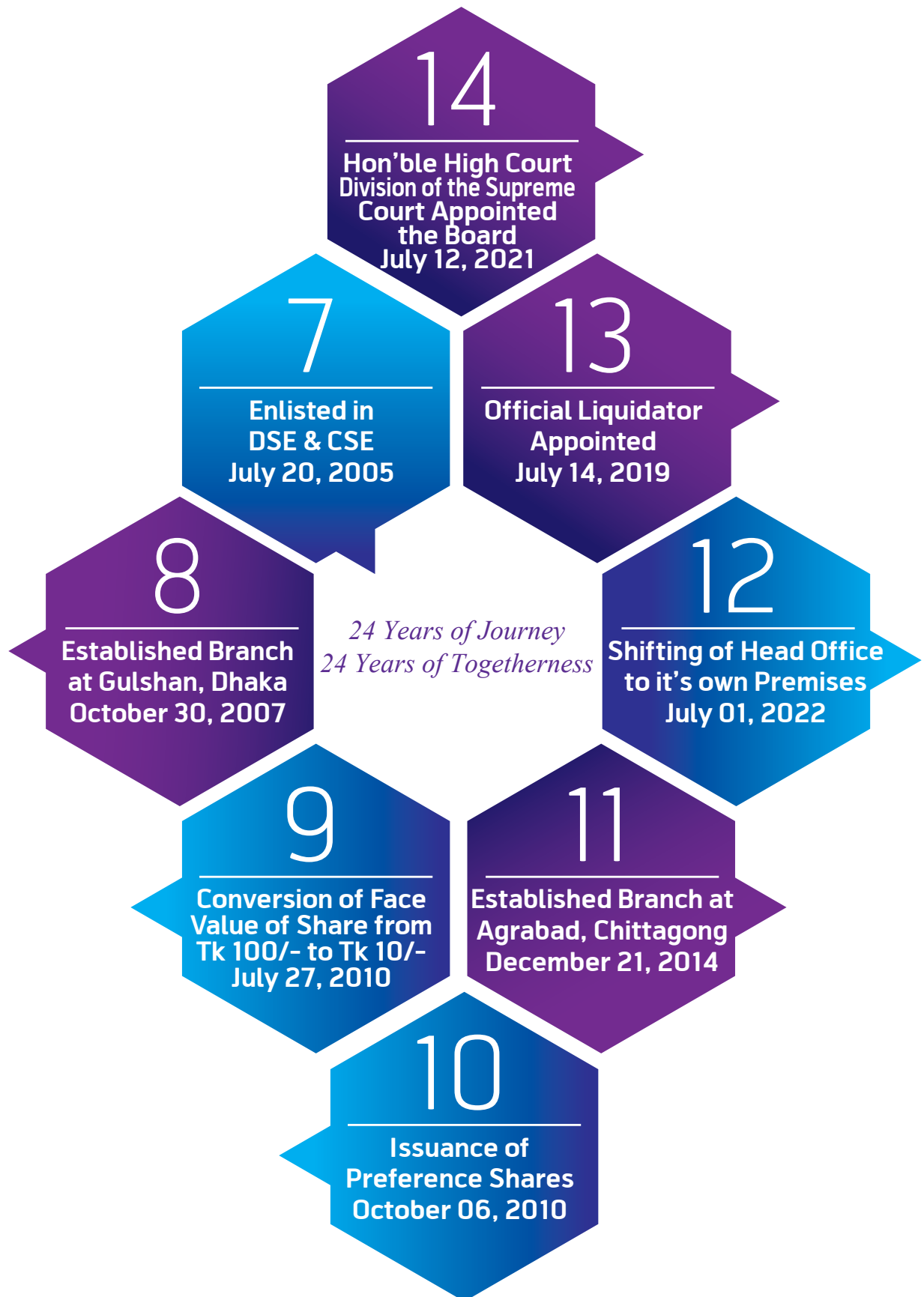
Initial Public
Offering (IPO)
May (14-18), 2005

3

First Lease
Agreement Signed
April 30, 2002

4

Commencement of
Home Loan Finance
October 25, 2004



Board of Directors & Sub-Committees

(As on Report Date)

Board of Directors

Chairman	: Mr. Hasan Shaheed Ferdous Master in Law (DU)
Member	: Dr. Kazi Anowarul Hoque
Member	: Brig Gen (Retd) Kazi Taufiqul Islam BGBM, ndc, psc
Member	: Barrister Reshad Imam
Member	: Mr. Mohammad Azizul Islam Rana FCA
Member	: Mr. Mohammed Atiqur Rahman Atiq
Managing Director & Ex-officio Member	: Mr. Md. Sagir Hossain Khan

Executive Committee

Name	Position
Dr. Kazi Anowarul Hoque	Chairman
Barrister Reshad Imam	Member
Mr. Mohammed Atiqur Rahman Atiq	Member
Mr. Md. Sagir Hossain Khan	Member Secretary

Audit Committee

Name	Position
Mr. Mohammad Azizul Islam Rana FCA	Chairman
Dr. Kazi Anowarul Hoque	Member
Brig Gen (Retd) Kazi Taufiqul Islam BGBM, ndc, psc	Member
Barrister Reshad Imam	Member
Mr. Mohammed Atiqur Rahman Atiq	Member
Mr. Md. Sagir Hossain Khan	Member Secretary

Board of Directors' Profiles



Hasan Shaheed Ferdous
Chairman

Hasan Shaheed Ferdous (Former Sr. District and Session Judge at the rank of Secretary of government) is the Court-appointed Director and Chairman of People's Leasing And Financial Services Limited pursuant to the Hon'ble High Court Division's Company Bench Order No. 96, 132&; 143 dated 12.07.2021, 31.10.2022, and 25.05.2023 respectively in the Financial Matter No. 1 of 2019. He was born on the 5th October in 1955 and hails from a respectable Muslim family of Dhaka. He studied at Mirzapur Cadet College and obtained a Bachelor's with Hons and a Master's in Law from Dhaka University with Economics and History Subsidiary subjects with distinctions.

He joined the Bangladesh Civil Service (Judicial) Cadre as an Assistant Judge and retired as Senior District & Session Judge. Now he is an Advocate of the Supreme Court of Bangladesh, and Senior Consultant of LAW FOCUS, a reputed law

firm dealing with Business Law, in Gulshan. He started his legal career as a junior of eminent jurist Dr M Zahir. He holds degrees in International Law and Human Rights from the University of Strasbourg, France and Judicial Education from Canada. He was Project Director (PD)[Joint Secretary] and PD on various projects of the World Bank, DANIDA, and SIDA etc.

He was the founder Director-Training of the Judicial-Administration Training Institute. He was the founder of the Court Automation of the World Bank Pilot Project in Gazipur by developing the basic work of using technology in court (ICT).He visited India, Canada, Denmark, Thailand, Indonesia and Australia to represent the government on institutional development for the Ministry of Law. He is experienced in the restructuring of sick companies and authored a good number of books. He was associated with the historical struggle for national liberation in 1971.

Board of Directors' Profiles



DR. KAZI ANOWARUL HOQUE
Director

Dr. Kazi Anowarul Hoque is an accomplished career civil servant, having served as a former Additional Secretary to the Government of Bangladesh. He has extensive national and international experience in public policy formulation, implementation, and coordination. Since his retirement, Dr. Hoque has continued to provide advisory services on formulating priority knowledge products (KP) under various projects, including the My Village-My-Town Project, LGD, HCDDP, European Union, and Developing South Asian Livable Cities facility program of the Asian Development Bank (ADB). In recognition of his vast experience working with development partners and engaging with the public sector Dr. Hoque has been appointed as Director of the PLFSL by the Honorable High Court Division.

Dr. Hoque is also widely recognized as a hardworking national trainer and academic consultant. He is also a visiting resource person on economic diplomacy and South-South cooperation at various national and international universities. He has taught different foundational training courses for civil servants on project management and organizational development. As part of his commitment to national-level networking and communication Dr. Hoque efficiently coordinated

seminars, workshops, dialogue and other events on a range of issues, including LDC graduation, COP review, Voluntarism, promoting SDGs, local government initiatives, and Rural Development.

Dr. Hoque holds a B.Sc. Ag. (Hons) and M.Sc. Ag. degree from Bangladesh Agricultural University, and a Doctor of Philosophy (Ph.D.) in Extension Education from the same University in collaboration with Pennsylvania State University, USA. Additionally, he has attended various professional training courses both in-country and abroad.

Board of Directors' Profiles



Brigadier General (Retired) Kazi Taufiqul Islam, BGBM, ndc, psc
Director

Brigadier General (Retired) Kazi Taufiqul Islam is court appointed Director of PLFSL since July 2021. He is also court appointed Chairman of PLFS Investment Limited. He also has experience of serving as Director of Simanto Bank. At present he is also working as Director of EPV Thakurgaon Limited and EMA Services Private Limited. Previously he served as Deputy Managing Director of Canteen Store Department and Managing Director of Jolshiri Abashon. He also served as Director of Bangladesh Machine Tools Factory. He was the Director of Aegis Services Limited, a concern of Square Group. He was the Region Commander of the Southwest Region of Bangladesh Border Guard. Besides he worked in various

appointments of Bangladesh Army as commander, staff officer and instructor in his long military career. He also served in Kuwait Armed Forces in deputation.

He has completed Master in Defense Studies from National University, Masters in Business Administration from American International University, Master of Strategy and Development Studies from Bangladesh University of Professionals. He is also graduated from Bangladesh Defence Services Command and Staff College and National Defence College. He also participated in senior officers' course in India and High Defence Studies Course in Spain.

Board of Directors' Profiles



Barrister Reshad Imam
Director

Barrister Reshad Imam is court appointed Director of PLFSL. Former Independent Director of Phoenix Finance & Investments Limited, a leading financial institution in Bangladesh, in light of his expertise in the financial sector and corporate ethics. Director of Finance, Academy of Law and Policy (ALAP).

Reshad is a Partner at Akhtar Imam & Associates, one of the most respected law firms in Bangladesh, ranked in renowned legal directories like Chambers and Partners and Legal 500. He is an Advocate of the Supreme Court of Bangladesh. Upon completing his LLM from the University of Cambridge, he worked under the renowned politician and counsel, Dr. Abhishek Singhvi in Delhi, India before returning to Bangladesh. He also completed, LLB, University of Buckingham, UK and Barrister-at-Law, Hon'ble Society of Lincoln's Inn, UK. He has permission to practice in the Appellate Division, Supreme Court of Bangladesh.

His experience in Bangladesh has been acquired over 13 years. He specialises in Company and Commercial Law, Constitutional and Administrative Law, Banking, Finance and Securities Law and Labour and Employment Law. He regularly challenges decisions of government authorities through High Court proceedings (judicial review), appears on behalf of national and multinational companies in proceedings before the Company Bench, appears as counsel in domestic and international commercial arbitrations and provides corporate advisory services to private and public sector clients across diverse industries. He has built up a reputation as a dynamic litigator who always walks the extra mile for his clients. He has advised clients like British American Tobacco Bangladesh (BATB), Japan Tobacco International (JTI), Radiant Pharmaceuticals Ltd., GBB Power Limited, Millennium Group, Aman Group, Britannia Group,

Pubali Bank Ltd., Delta Life Insurance Ltd, Padma Bank Ltd., Premier Bank Ltd., Bangladesh Commerce Bank Ltd, VISA Inc., Facebook Inc., Marico Bangladesh, SSL Wireless, SSL Commerz and a host of other foreign and local companies over the years.

Reshad is one of the Founder Trustees and Director of Finance of the Academy of Law and Policy (ALAP), a registered trust set up with the lofty goals of, among others, dissemination of legal knowledge, research on and advocacy for much-needed law and policy reform and public interest litigation on pressing issues of national importance. He is also an independent director of Phoenix Finance & Investments Limited (PFIL), a leading financial institution in Bangladesh.

He advised different entities of Visa around the world (Bombay, Middle East, Australia, Singapore, etc.) on various corporate, commercial and financial matters including the following:

- Cross border money transfer into Bangladesh; impact, if any of the anti-money laundering rating of the sending country and sanctions, political or otherwise, against UAE or Saudi Arabia;
- Electronic signatures and contract formalities in Bangladesh;
- Anti-corruption & bribery laws of Bangladesh. And

Represented in Court and advised SSL Wireless, the first and the largest Merchant Solution Provider (MSP) in the country having 3500+ top e-Commerce merchants under coverage through its secure online Payment Gateway platform SSLCOMMERZ, on various legal issues arising from the ongoing e-commerce scandal in Bangladesh.

Board of Directors' Profiles



Mohammad Azizul Islam Rana FCA
Director

Mr. Mohammed Azizul Islam Rana FCA, MBA, LLB is court appointed Director of PLFSL since October 2022. He is qualified Chartered Accountants and he is one of the Partners of H M Enam & Co. Chartered Accountants who is Fellow Member of the Institute of Chartered Accountants of Bangladesh. He did his MBA from Darul Ihsan University in the year 2009, LLB from National University in the year 2006. He has remarkable work experience throughout his career with remarkable professional training programs.

Mr. Islam is a member in Dhaka Taxes Bar Association, Narayangonj Taxes Bar Association, and Tax Working Group of ICAB. He has work experience working as Sr. Manager, Finance at Robi Axiata Ltd., as Head of Tax & Fiscal Compliance at Airtel Bangladesh Ltd. & as General Manager at Tech Valley Networks Ltd. & Anwar Group of Industries. He also worked a Financial Management Reporting Specialist at Grameenphone Ltd. He has completed his CA articleship under supervision of Mr. Farhad Hossain FCA.

As a Chartered Accountant in practice, he gained wide experience in budget preparation and implementation, treasury management, tax management, maintenance of accounts, devising and introducing accounting systems, examining and recommending improvements in internal control systems, internal audit planning, production monitoring & reporting.



Mohammed Atiqur Rahman Atiq
Director

Mr. Mohammed Atiqur Rahman Atiq is a politician and by profession a businessmen having ownership and control over the reputed firms. He was born in reputed Muslim family in Sylhet on 18th August 1960. He is a court appointed Director of PLFSL since October 2022. The lead person representing the depositors' who was applicant to the Company Bench of Supreme Court High Court Division against the liquidation order vide number of Financial Matter No 1 of 2019. The Hon'ble Court pursuant to their application instead of liquidation was kind enough to take recourse to restructuring of the Company.

Mr. Mohammed Atiqur Rahman Atiq has devoted his wholehearted efforts to the best interest of the Company

Managing Director Profile



Md. Sagir Hossain Khan
Managing Director

Md. Sagir Hossain Khan Joined People's Leasing and Financial Services Ltd. (PLFSL) as Managing Director in May 2023. Prior to joining PLFSL, he was the Chief Operating Officer (COO) of Bangladesh Infrastructure Finance Fund Limited (BIFFL), a fully government owned Non Bank Financial Institution (NBFI). He also served as Chief Risk Officer (CRO) and Chief Anti Money Laundering Compliance Officer (CAMLCO) of BIFFL. Before joining BIFFL, he served Saudi Bangladesh Industrial and Agricultural Investment Company Limited (SABINCO) as Deputy Managing Director & CRO. He also served The City Bank Limited as Head of Special Asset Management and Head of Credit Administration.

He started his career with Rupali Bank Limited as Senior officer in 1986 through the recruitment of Bankers Recruitment Committee (BRC) of Bangladesh Bank. He also worked for National Bank of Pakistan, Faisal Islamic Bank of Bahrain and Bank Alfalah Limited in different mid level management positions in Credit during the period of 1996-2007.

He did his Master of Business Administration (MBA) from Institute of Business Administration (IBA) of University of Dhaka. He is an Associate of Institute of Bankers, Bangladesh (IBB).



CHAIRMAN
People's Leasing And
Financial Services Ltd.

MESSAGE

Dear Valued Shareholders, Distinguished Members of the Board of Directors,

Honorable Guests, Ladies and Gentlemen,

Assalamualaikum and good morning welcome you all to the 24th Annual General Meeting of People's Leasing and Financial Services Limited (PLFSL).

You are aware that from 1996 to 2015, PLFSL continued under the control of Bangladesh Bank as well as maintaining rules and regulations regarding other concerned authorities. But 2015 dramatically changed the board formation and rapidly collapsed the financial crisis. As a result, the Hon'ble Court directed, vide FI no. 1 of 2019 dated July 14, 2019, for the liquidation of the company and appointed a provisional liquidator, Mr. Asaduzzaman Khan, DGM, Bangladesh Bank. In view of 7,000 individual depositors crying and urging the Hon'ble Court's direction, vide Order No. 96 dated July 12, 2021, the formation of a board by 10 different professionals for the consideration of greater public interest. Then the court-appointed board started the work with a weak team and very zigzag ways of the company. All the directors nominated by major shareholders were removed by Bangladesh Bank, the regulatory authority for non-banking financial institutions.

The present Board of Directors of PLFSL was formed as per Court Order Nos. 96 and 143 dated July 12, 2021, and May 16, 2023, in Financial Matter No. 1 of 2019. There are six members of the board who are functioning according to the directions of the court for restructuring the company to avoid liquidation due to insufficiency of sufficient funds to meet the creditors' claim. The payments to the creditors were held up by the Hon. Court. The parties to the litigation are well aware of the orders of the court, and the depositor's representative has been on the board of directors from the very beginning and is well aware of the day-to-day functioning of the company. In the process of reconstruction, the company took legal action to recover money from the borrowers to raise the financial position of the company so that it could gain momentum and satisfy its creditors, who were in distress due to the illegal removal of the money from the company, for which multiple legal actions are pending. It is well known that money loan recovery from defaulters is very difficult, but the company is using mainly legal actions to improve its financial health. Various means are being adopted following the guidelines of Bangladesh Bank in rescheduling the loans. By this time, the company could realize about tk. 100 crore during the tenure of the court-appointed board of directors, who began to function on July 12, 2021, from the borrowers.

The Hon Court had directed the company to pay some money to the creditors on 'humanitarian grounds' and so far tk. 35 crore has been paid to some creditors. Moreover, the company is paying the full amount of their deposit to small depositors upto tk. 3 lakh taka in their account and money to other depositors so far the ability of the company to meet the creditor's demand. It can be mentioned here that to secure the position of the Company Fixed Deposit Receipts of about tk. 100 crore has been kept in renowned Banks. The company has about 110 crore cash in hand. The company is going for lending business and tk. 40 crore have been earmarked for business. The company is now housed in its own premises and let out a floor yielding income. It has reduced running costs by closing the Chittagong and Gulshan offices as now a days transactions can be done online. We have also discovered about 500 Artha rin Cases in which we expect to get back about 300 crore tk. for which Panel Lawyers are active. To expedite recovery from delinquent borrowers we have appointed a Third Party. General activities like rescheduling and settlements are ongoing, despite the default culture our recovery rate per month is about 3 crore. We have also taken steps to identify money laundering accounts under Bangladesh Bank guidelines. We hope the company will bounce back within a few years and can wholly meet the creditors.

I, on behalf of the Company, would like to express my appreciation to the Supreme Court High Court Division (company bench Hon Justice, Governor of the Central Bank of Bangladesh and the officials of the Department of Financial Institutions and Markets, for their consultative approach, cooperation and assistance extended to us throughout the year.

I would also like to express my sincere gratitude to the officials of the Bangladesh Securities and Exchange Commission, Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd. for their continued cooperation and support.

I express my sincere thanks to our shareholders, clients, my colleagues on the Board officers of the company and others connected with the well-being of the company for their unstinted support and cooperation. My gratitude goes to the Management team for their leadership skills and expertise, to our employees for their efforts and dedication and to all our stakeholders for their trust and continued support.

In fine, I am confident that our Company will continue its journey of growth and add value to all its stakeholders in the years to come.

Warmest regards,



Hasan Shaheed Ferdous

Management Team



Md. Sagir Hossain Khan
Managing Director



Md. Monirul Islam Shamim
Head of Accounts & SVP



Md. Armia Fakir ACS
Company Secretary (In-Charge) & SAVP



Md. Jamal Uddin
Senior Manager, IT Department



Md. Firoj Khan
Manager, SAMD



S. M Leaquat Ali
Manager, Credit & Marketing



Md. Touhidul Islam
Manager, HRD



Sharifuzzaman Khan
Deputy Manager, Finance & Accounts



Badiul Alam
Deputy Manager, Legal & SAMD



SK. Rajwan Uddin
Deputy Manager, Credit & Marketing

Management Committees

MANAGEMENT COMMITTEE (MANCOM)

Name	Designation	Position
Mr. Md. Sagir Hossain Khan	Managing Director	Chairman
Md. Monirul Islam Shamim	Head of Accounts & SVP	Member
Md. Armia Fakir, ACS	Company Secretary (In-Charge) & SAVP	Member Secretary
Md. Jamal Uddin	Senior Manager, IT	Member
Md. Firoj Khan	Manager, SAMD	Member
S.M Leaquat Ali	Manager, Credit & Marketing	Member
Md. Touhidul Islam	Manager, HRD	Member
S.K Rajwan Uddin	Deputy Manager, Credit & Marketing	Member
Badiul Alam	Deputy Manager, Legal & SAMD	Member
Sharifuzzaman Khan	Deputy Manager, Finance & Accounts	Member

CREDIT COMMITTEE

Name	Designation	Position
Md. Sagir Hossain Khan	Managing Director	Chairman
Md. Monirul Islam Shamim	Head of Accounts & SVP	Member
Md. Armia Fakir, ACS	Company Secretary (In-Charge) & SAVP	Member
Md. Firoj Khan	Manager, SAMD	Member
S.M Leaquat Ali	Manager, Credit & Marketing	Member Secretary
S.K Razwan Uddin	Deputy Manager, Credit & Marketing	Member
Badiul Alam	Deputy Manager, Legal & SAMD	Member
Sharifuzzaman Khan	Deputy Manager, Finance & Accounts	Member

ASSET - LIABILITY COMMITTEE (ALCO)

Name	Designation	Position
Md. Sagir Hossain Khan	Managing Director	Chairman
Md. Monirul Islam Shamim	SVP & Head of Accounts	Member
S. M Leaquat Ali	Manager, Credit & Marketing	Member
S.K Rajwan Uddin	Deputy Manager, Credit & Marketing	Member
Sharifuzzaman Khan	Deputy Manager, Finance & Accounts	Member
Farhana Ali	Assistant Manager-II, Treasury	Member Secretary

Management Committees

ANTI MONEY LAUNDERING COMMITTEE

Name	Designation	Position
Md. Monirul Islam Shamim	SVP & Head of Accounts	Chairman (CAMLCO)
Md. Amia Fakir, ACS	Company Secretary (In-Charge) & SAVP	Member
S.M Leaquat Ali	Manager, Credit & Marketing	Member Secretary (DCAMLCO)
Sharifuzzaman Khan	Deputy Manager, Finance & Accounts	Member
Badiul Alam	Deputy Manager, Legal & SAMD	Member

RISK MANAGEMENT FORUM

Name	Designation	Position
Md. Monirul Islam Shamim	SVP & Head of Accounts	Chairman
Mohammad Jamal Uddin	Senior Manager, IT	Member
S.M Leaquat Ali	Manager, Credit & Marketing	Member Secretary
Sharifuzzaman Khan	Deputy Manager, Finance & Accounts	Member
S.K Rajwan Uddin	Deputy Manager, Credit & Marketing	Member

NATIONAL INTEGRITY STRATEGY (NIS) - INTEGRITY COMMITTEE

Name	Designation	Position
Md. Armia Fakir, ACS	Company Secretary (In-Charge) & SAVP	Chairman & Focal Point
Md. Touhidul Islam	Manager, HRD	Member
Sharifuzzaman Khan	Deputy Manager, Finance & Accounts	Member
Farhana Ali	Assistant Manager-II, Treasury	Member

SUSTAINABLE FINANCE COMMITTEE

Name	Designation	Position
Md. Monirul Islam Shamim	SVP & Head Accounts	Chairman & Committee Head
Mohammad Jamal Uddin	Senior Manager, IT	Member
S.M Leaquat Ali	Manager, Credit & Marketing	Member Secretary & Focal Point
S.K Rajwan Uddin	Deputy Manager, Credit & Marketing	Member
Sharifuzzaman Khan	Deputy Manager, Finance & Accounts	Member
Farhana Ali	Assistant Manager-II, Treasury	Member

Directors' Report to the Shareholders

Dear Shareholders

Good Morning,

This is an august occasion in the annals of Peoples Leasing and Financial Services Ltd which was in hibernation and on the verge of liquidation. New life has been given by the Hon'ble Supreme Court's Company Bench to restructure the company and we are employing our effort to fulfil the desire of Court. I would like to express my sincere thanks and gratitude to you all for your support and cooperation reposed on us and welcome you all to the 24th Annual General Meeting of the company, on behalf of the Board of Directors. I, on behalf of the Board of Directors, presenting the Directors' Report on the operational and financial activities of People's Leasing And Financial Services Limited (PLFS) together with the Audited Financial Statements for the year ended 31 December 2019 which also includes reports on business and strategy review, risk management, corporate governance, financial and operational highlights for your valued consideration, approval and adoption. This report has been prepared in compliance with the Companies Act 1994, Financial Institutions Act 1993 and the guidelines issued by Bangladesh Securities and Exchange Commission (BSEC), Bangladesh Bank and other regulatory authorities.

In spite of the low credit appetite in the market of Banks and NBFIs, PLFS has demonstrated its performance in all major Key Performance Indicators. Its credit portfolio size also matched compared to the deposits. The results reflect our promise to deliver sustainable growth in our

balance sheet and growing returns to our shareholders.

Even as your company continues to grow rapidly, the Board remains extremely focused on ensuring that we have effective corporate governance, risk management and internal control systems in place and which are essential for the long-term sustainability of the business.

Global Economic Outlook

The cyclical slowdown of the global economy which started in 2018 continued into 2019 on the heels of the imposition and counter imposition of taxes between the two largest economies of the world (China and USA). That coupled with the initial impact of the Corona Virus crisis at end 2019 dampened the prospects of global value chain activities, private consumption and investment.

Average closing price for 1 barrel of Brent Crude priced at USD 69.42 during calendar year 2019 compared to USD 71.34 in the previous calendar year. Increasing financial market volatility and rising risk premiums have contributed to the slowdown of global annualised GDP growth to around 3% compared to 3.6% in the previous calendar year. The emerging economies struggled at 3.8% growth compared to the projected 4.1% and the advanced economies marked a growth of 2% which is 0.1% higher than estimated. Large emerging and developing economies experienced further intensification of capital outflows and pressure on exchange rate due to the continued strengthening of USD.

Bangladesh Economy

The Bangladesh economy experienced a GDP growth rate of 8.13% in FY 2019, supported by rising exports, infrastructural development and remittance. The inflation rate remained stable throughout the year; overall inflation stood at 5.47% in FY19, below the targeted 5.6%. The per capita national income increased by 11.4% and investment-GDP increased to 31.6% from 31.2% in the preceding fiscal year. Exports grew by 10.1% in FY19 only to slow down to negative 7% during the first six months of FY20 due to stiffer global competition faced by RMG manufacturers/exporters. Imports growth also slowed down to 10% from over 25% in FY18. Remittances grew by 9.8% to USD 16.4 billion following improved government incentives. In FY19, FDI increased by 50.71% to USD 3.89 billion from USD 2.58 billion in the previous year primarily due to significant investment by Japan.

As the trade and service account deficit fell and remittances increased, the Current Account Deficit (CAD) and Balance of payment (BOP) improved significantly. The fiscal deficit has reached to 4.6% of GDP in FY19 as expenditure increased and revenue collection remained below target. Total revenue collection in FY19 was BDT 2,239 billion which was 20% lower than the targeted BDT 2,800 billion. Poor revenue mobilisation compelled the government to borrow heavily from the financial sector; raising the Public Debt growth to 20% at the end of FY19. Foreign exchange reserves declined slightly to USD 32.5 billion at the end of FY19 (6 months of import cover) from USD 32.9 billion. Due to strengthening of US dollar, Bangladesh Bank sold USD 2.3 billion in the foreign exchange market to stabilise the BDT/USD exchange rate. However, rising exports and strong

remittances have offset foreign exchange reserve declines. At the end of CY19, the BDT/USD exchange rate increased to BDT 84.67 to the US Dollar.

PLFS Performance in 2019

PLFS has diversified its business and emerged as one of the biggest multi-product Non-Banking Financial Institutions (NBFIs) of the country with a balanced focus on the Corporate, Retail and SME sectors, while being engaged in providing a diverse bouquet of capital market services through its associated company - PLFS Investment Ltd.

Business Review

Total Business: In the year ended on December 31, 2019, the total exposure of the Balance Sheet stood at BDT 14,019.45 million as compared to BDT 15,062.69 million as of December 31, 2018.

Credit: As of the close of the year total credits of PLFSL stood at BDT 11,906.26 million as against BDT 11,457.60 million as of December 31, 2018.

Investment in Shares: Investment in shares was BDT 2,152 million at the end of 2019 compared to BDT 2,712 million as of December 31, 2018.

Deposits: Deposits stood at BDT 21,058.72 million as of 31.12.2019 opposite to BDT 20,362.26 million as of 31.12.2018.

Borrowings: Borrowing decreased to BDT 3,965.92 million on 31.12.19 from BDT 5,262.25 million on 31.12.18.

Capital & Shareholder's Equity: Capital Shareholders equity stood at BDT (2,488.60) million as on December 31, 2019, as compared to BDT (1,862.70) million as of December 31, 2018.

Total Recovery of Loan: During the year 2019 total loan amount of Tk. 79.09 crore has been recovered from the loan accounts of the company.

SME Finance

As per guidelines and instructions of Bangladesh Bank the company did not finance any amount/Fund for SME financing purpose during the year 2019.

Money Market Operation

The money market remained overall liquid due to a surplus of money in the hands of Commercial Banks have lower credit disbursements and high foreign exchange reserves due to rising exports and remittances and declining imports. Bangladesh Bank in its last monetary policy gave indication of lower domestic rates ahead. During the year under report, the company received a Call Loan from BDT 24,176.3 million from different Banks and FIs and refunded BDT 24,174.41 million to the lenders (with previous dues).

Going Concern

Year-ending financial statements of the company have been prepared on a going concern basis, which contemplates the realization of assets & satisfaction of the liabilities in the normal course of business. The Board of Directors has made an annual assessment about whether there exists any material uncertainty that may cast significant doubt upon the company's ability to continue as a going concern, including a review of the budget & future outcome of inherent uncertainties in existence. Based on the different indications it is appropriate to adopt going concern assumptions and no material uncertainty exists in preparing the financial statements.

Directors' Report

Deposit Mobilization

PLFS mobilizes term deposits from corporations and individuals through its wide range of deposit schemes with different maturity options, quarterly/half yearly/yearly income options, double money options, monthly saving options etc. The Board gave a policy decision to mobilize private deposits in order to minimize dependency on term loans and term deposits from Banks and FIs. Accordingly, a cell is being run through a set of contractual staff to tie together deposits from the market. The recruited staffs have shown performance in mobilizing term deposits from the marketplace.

Financial Products and Services

PLFS has been offering the following financial products and services to accommodate the requirements of people of all classes since inception: Among them Short Term Deposit, Term Deposit, Annual Profit Term Deposit, Cumulative Profit Term Deposit, Monthly Earner Deposit, Quarterly Earner Deposit, Double Money Scheme, Deposit Pension Scheme (DPS), Consumer Credit Scheme, Lease Finance, Home Loan Scheme, Syndicate Finance, Car/Vehicle Loan, Finance for Real Estate developers, Short Term Loan, Long Term Loan, Agro Based Loan, SME Loan, Women Entrepreneurs Loan, Working Capital, Project Finance, Lease Finance under sale & Leaseback, Factoring etc. has received wide acceptance among the people.

Human Resources

Our company determinedly reviews existing human resource policies and implements effective management policies and practices to enrich the quality of its employees. We provide

training to our employees through opportunities offered by Bangladesh Bank, DSE, CSE, BLFCA, IBA and other external training program organizers to enhance their professional knowledge and skills. We also provide them good and congenial working atmosphere. We believe in the policy of a satisfied worker is the greatest asset for a company and accordingly, we are offering the facilities of encashment of Earned Leave, Leave Fair Assistance, and Maternity Leave of 6 months with pay, Performance Bonus, Target Bonus other than Festival Bonus to our employees.

Staff Strength

Staff position of the company as on December 31, 2019 was as under:

Particulars	M	F	T
Contractual employees	12	4	16
Support services	3	-	3
Total	15	4	19

PLFS is an equal-opportunity employer. Company's policy is to ensure equal opportunity for all in the cases of selection, recruitment, development, training, promotion and rewards. PLFS always practices equal treatment to all employees irrespective of their age, race, religion, sect and gender. PLFS has adopted the policy circulated by the Government. On 39th National Integrity Strategy and we are pursuing to implement the concepts and fundamentals as laid down in the policy in its fullest meaning.

Anti-Money Laundering

Anti-money laundering law reflects the effort made by the government to stop money laundering methods that involve financial institutions. Under the

guidelines set forth by Anti-Money Laundering financial institutions are required to verify large sums of money passing through the institution, and they are required to report suspicious transactions. To prevent money laundering, the management of PLFSL has formed an Anti-money laundering committee which is performing its duty as per regulatory guidelines.

Risk Management

Risks of any financial institution are defined as the possibility of losses financial or otherwise. The risk management of the company covers 05 core risks i.e. Credit Risk, Asset-Liability Management Risk (Balance Sheet Risk), Money Laundering and Terrorist Financing Risk, Information Technology Risk and Internal Control & Compliance Risk. Moreover Operational Risk, Market Risk, Liquidity Risk, Reputational Risk and Sustainability Risk etc. are also taken into consideration. The company strictly follows the guidelines of Bangladesh Bank and the requirements of other regulatory bodies in all respects. A separate Risk Analysis Unit (RAU) and Risk Management Forum (RMF) are in place. In addition to those PLFS has different committees namely, MANCOM, ALCO, Credit Committee etc. PLFS has a separate and independent Internal Control and Compliance Department under the supervision of the Audit Committee. The company has also adopted the principles of Green Banking Activities as a part of its compliance.

Corporate Social Responsibility (CSR)

Our company is very much cautious on compliance of Corporate Social Responsibility (CSR) as it means in communication and strength of mind. We provide congenial environment to our employees and also cares for rendering

high standard of services to our clients, encourage investments in environment friendly projects.

Information Technology

PLFS has always been moving with the latest technology since its beginning. The company has adopted different advantages of the technology to enrich its IT infrastructure and to deal with the ever-changing customer needs. After the implementation of the country's leading Core Banking Solution "Bank Ultimus", a world-class proven technology platform, PLFS's MIS systems are stronger, prompt and user-friendly at present. PLFS has started moving into paperless banking & as part of "Green Banking" and introduced another dynamic software namely "Enadoc" to preserve the documents in a net-based software for paperless office activities that will not only reduce the use of paper significantly, but also a greater extent of scalability will be introduced and the resource utilization will be maximized.

Besides, PLFS signed an agreement in July 2018 with the Election Commission Secretariat, Government of Bangladesh for the purpose of using their data bank regarding National ID information of the citizens of the country. In this system, PLFS would be able to verify all National ID-related information of its deposit holders and loan lease clients for its official needs.

PLFS Investment Ltd.

PLFS Investments Limited was registered under the Companies Act 1994 as a private Limited Company on 3rd June, 1998. The Company obtained registration from the Securities and Exchange Commission as a 'Merchant Bank' on 31st August 1999 and commenced its operation as a Merchant

Bank from December 2008. Later on, PLFS Investments Limited was converted into a subsidiary concern of People's Leasing and Financial Services Limited (PLFS) while the majority shares of the same were acquired by the PLFS, to conduct merchant banking operations and to play an active role in the capital market of Bangladesh. Currently, PLFS holds majority shares of PLFS Investment Limited.

Compliance Status

We have complied with the rules and regulations imposed by the Bangladesh Securities and Exchange Commission (BSEC), Dhaka Stock Exchange (DSE) Limited and Chittagong Stock Exchange (CSE) Limited, Bangladesh Bank and Central Depository Bangladesh Limited (CDBL) have exerted a Report of Corporate Governance in this Annual Report detailing of compliance.

The report has incorporated a Brief resume of the Director and the nature of his/her expertise in specific functional areas, Names of companies in which the person holds the directorship and the membership of committees of the Board, Shareholders holding Ten percent (10%) or more voting interest in the company (name-wise details), Parent/Subsidiary/Associated Companies and other related parties (name-wise details), Remuneration to Directors including Independent Directors, Basis for related party transactions. The system of internal control seems sound in design and has been effectively implemented and monitored as a going concern.

Risks and Concerns

Our business calculates risks and uncertainties not presently known or that are currently believed to be immaterial.

Detail of risk factors and determining how to best handle such event is embroidered in the relevant Reports.

Supportive Disclosure

It is hereby confirmed that proper disclosures have been made in the Annual Report regarding:

Basis for related party transactions.

- Remuneration to Directors including Independent Directors.

The number of Board meetings held during the year and attendance by each Director.

The pattern of shareholding by:

- » Parent/Subsidiary/Associated Companies and other related parties (name-wise details).
- » Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children (name-wise details).
- » Disclosure on Executives (Top 5 salaried employees of the company, other than the Directors, CEO, Company Secretary, CFO and Head of Internal Audit & Control).
- » Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details).
- Disclosure on the appointment/re-appointment of Directors –
- » Brief resumes of the Directors,
- » Names of companies in which the person holds the directorship and the membership of committees of the board.

The Pattern of Shareholdings

The Authorized Capital of People's Leasing & Financial Services Limited is Tk. 5,000,000,000 divided into 500,000,000 ordinary shares of Tk. 10 each. The paid-up Capital of the Company is Tk. 2,854,405,970 divided into 285,440,597 nos. ordinary shares of Tk. 10 each. The shareholding pattern of the Company as of December 31, 2019, is shown in this Annual Report as per Clause 1.5(xxiii) of the BSEC Notification No. SEC/CMRRCD/2006-158/134/Admin/ 44, dated: August 07, 2012 in Annexure-V.

Board Meeting & Attendance of Directors

During the year a total number of 05(Five) Board Meetings were held and attendance of Directors and their remuneration paid during the year are given in the Directors Report in this Annual Report as per Clause 1.5(xxiii) of the BSEC Notification No. SEC/CMRRCD/2006-158/134/Admin/44, dated: August 07, 2012, in Annexure -I.

Appointment of Statutory Auditor

The existing Auditors M/S. M J Abedin & Co., Chartered Accountants are eligible to continue as Statutory Auditors for the financial year to be ended on December 31, 2020 and the Board of Directors recommended to appointment M J Abedin & Co., Chartered Accountants as Statutory Auditors of the Company for the financial year to be ended on December 31, 2020 at a remuneration of Taka 2,00,000 (Two Lac) only excluding VAT.

Corporate Governance Compliance Report & Certificate

In accordance with the Bangladesh Securities & Exchange Commission Notification No. BSEC/CMRRCD/

2006-1581 admin/ 134/44 dated August 7, 2012, the Directors are required to confirm compliance of certain conditions. The notification was issued to ensure good governance practices in the listed companies. A statement on compliance of the BSEC conditions is given in this report. A Certificate from the relevant Auditor in compliance with the conditions as per clause 7(i) of Corporate Governance guidelines also has been shown in this Annual Report.

Dividend

Considering the present condition, a huge amount of previous loss and the financial strength of the company, the Board of Directors has recommended NO DIVIDEND for the year ending December 31, 2019, subject to the approval of the shareholders in the 24th AGM. With this No dividend, the paid-up Capital of the company would remain the same i.e. BDT 2,854.4 million. We are feeling discomfort for not declaring any dividend this year to the shareholders. However, we are making our sincere efforts to improve the financial conditions of the company.

Expectations in the year 2020

In the face of a sound macroeconomic environment and stable political outlook, private sector investment is expected to speed up in 2020. Private sector investment is expected to be well backed by strong domestic consumption and higher export volume. Therefore, the economy is expected to remain buoyant in 2020. PLFS expects to build up the progress made in 2020. It expanded distribution coverage to come closer to the mass population and envisaged establishing itself as a strong financial brand in the country. In order to diversify and grow its credit portfolio, PLFS will aggressively drive affordable home

loans and SME loans across the country. PLFS has made some remarkable tie-ups with key strategic partners to leverage distribution channels and gain operating and business synergies. It has revamped its product ranges to reach target customers. The recruitment of human resources and ongoing training programs in both business and support functions will continue to make sure that business growth is matched with the right organizational capabilities. In order to ensure sustainable growth in Balance Sheet, PLFS will focus on securing long-term funds from retail deposits and going for floatation of long-term debt instruments. We will work to maintain sufficient capital reserve as per regulatory requirements, which will allow the company to grow and absorb expected losses in the future. While growing, we will continue to take a prudent approach to assessing and approving credit and monitoring portfolios. We will invest in focused sectors of the country to grab business and bring operational efficiency. Improve management information system. PLFS will continue to patronize CSR initiatives through sponsorships, donations or any other support within its capacity. Our well-wishers remain at the central point of whatever we do for the long-term success of our business. Therefore, we are committed to giving the best services to our valued customers. We pledge to comply with all applicable laws and regulations, increase transparency and public disclosure and conduct our business in an ethical manner. This is deeply rooted in our employee values. In our journey, we try to engage our shareholders, customers, employees and other stakeholders to create a sustainable business model. We are proud to have one of the most vibrant working environments with passionate employees who work together to attain a

common goal: to help our customers fulfil their dreams. Our business strategy, a strong culture of compliance and the unyielding commitment and dedication of the team management will translate into exceptional results in the year 2020, we hope.

Thanks & Gratitude

The Board of Directors takes the opportunity to express thanks & gratitude to our valued shareholders, clients, bankers, depositors, lenders, business partners and other stakeholders for their continued support and co-operation. The Board would like to express gratitude to the Government

of the People's Republic of Bangladesh, Bangladesh Bank, Bangladesh Securities and Exchange Commission, Dhaka Stock Exchange, Chittagong Stock Exchange, Registrar of Joint Stock Companies and Firms, Central Depository Bangladesh Limited (CDBL) the National Board of Revenue and other Government-non Government Agencies, Banks, and Financial Institutions for their continuous support, advice and cooperation for the betterment of the company. We would also like to thank my colleagues on the Board, who have extended all sorts of cooperation to meet all internal and external situations for making 2019 another year of success for

the Company. Finally, the Board would like to place on record their heartfelt gratitude and appreciation to the shareholders, customers, management and employees of all levels for their marvellous dedication and relentless efforts over the years, to place the company image in a respectable position.

On behalf of the Board of Directors-



Hasan Shaheed Ferdous
Chairman,
Board of Directors, PLFSL

Disclosures Under Pillar III – Market Discipline

A) Scope of application

Qualitative Disclosures:

- a) The name of the Financial Institutions
 - People's Leasing & Financial Services Ltd.
- b) An outline of differences in the basis of consolidation for accounting and regulatory purposes, with a brief description of the entities within the group (i) that are fully consolidated; (ii) that are given a deduction treatment; and (iii) that are neither consolidated nor deducted (e.g. where the investment is risk-weighted).
 - The PLFSL has a subsidiary: PLFS Investment Ltd.
- c) Any restrictions, or other major impediments, on transfer of funds or regulatory capital within the group.
 - Not applicable.

Quantitative Disclosures:

- d) The aggregate amount of capital deficiencies in subsidiary not included in the consolidation that are deducted and the name(s) of such subsidiary.
 - Not applicable.

B) Capital structure

Qualitative Disclosures

- a) Summary information on the terms and conditions of the main features of all capital instruments, especially in the case of capital instruments eligible for inclusion in Tier 1 or in Tier 2.
 - Tier 2 capital includes:
 - i) General provision up to a limit of 1.25% of Risk Weighted Asset (RWA) for Credit Risk;
 - ii) Revaluation reserves:
 - 50% Revaluation reserve for fixed assets;
 - 45% Revaluation reserve for securities;
 - iii) All other preference shares.

Conditions for maintaining regulatory capital:

The calculation of Tier 1 capital, and Tier 2 capital shall be subject to the following conditions:

- i) The amount of Tier 2 capital will be limited to 100% of the amount of Tier 1 capital.
- ii) 50% of revaluation reserves for fixed assets and 45% of revaluation reserves for securities are eligible for Tier 2 capital.

Quantitative Disclosures:

- b) The amount of Tier 1 capital, with separate disclosure of:

Particulars	Amount in BDT
Paid up capital	2,854,405,970
Non-repayable share premium account	1,018,605,234
Statutory reserve	645,578,147
General reserve	
Retained earnings	(29,404,681,633)
Minority interest in subsidiaries	
Non-cumulative irredeemable preference shares	
Dividend equalization account	
Total Tier 1 capital	=(24,886,092,282)
(c) The total amount of Tier 2 capital	416,707,518
(d) Other deductions from capital	
(e) Total eligible capital	(24,469,384,764)

C) Capital Adequacy

Qualitative Disclosures

(a) A summary discussion of the FI's approach to assessing the adequacy of its capital to support current and future activities.

➤ **Risk Weighted Assets (RWA) and Capital Adequacy Ratio (CAR)**

PLFSL has adopted Standardized Approach for computation of Capital Charge for Credit Risk and Market Risk while Basic Indicator Approach for Operational Risk. Total Risk Weighted Assets (RWA) of the Company is determined by multiplying the capital charge for market risk and operational risk by the reciprocal of the minimum capital adequacy ratio i.e. 10% and adding the resulting figures to the sum of risk weighted assets for credit risk. Total RWA is then used as denominator while total Eligible Regulatory Capital as on numerator to derive Capital Adequacy Ratio.

➤ **Strategy to achieve the required Capital Adequacy:**

Operational level:

Immediate measures:

- Asking unrated corporate clients to have credit rating from External Credit Assessment Institutions (ECAIs) recognized by Bangladesh Bank;
- Rigorous monitoring of overdue contracts to bring those under 90 days overdue;
- Assessing incremental effect of capital charge over the expected net income from financing before sanctioning any appraisal, which could be one of the criteria for taking financing decision.

Continuous measures:

- Concentrating on SME clients having exposure up to BDT 1 crore as this will carry 75% fixed risk weight (for regular contracts only);
- Financing clients having good credit rating;
- Using benefit of credit risk mitigation by taking eligible financial collaterals against transactions;
- Focusing more on booking high spread earning assets and thus increasing retained earnings.

Strategic level:

- Injecting fresh capital by issuing right shares, if required.

	Quantitative Disclosures	Amount in BDT
(b)	Capital requirement for Credit Risk	1,364.58
	On-Balance Sheet	1,344.27
	Off-Balance Sheet	20.31
(c)	Capital requirement for Market Risk	0.00
(d)	Capital requirement for Operational Risk	110.70

(e) Total and Tier 1 capital ratio:

- For the consolidated group; and
- For stand alone

Particular	Consolidated	Stand Alone
CAR on Total capital basis (%)		(116.89)%
CAR on Tier 1 capital basis (%)		((168.71)%

D) Credit Risk

Qualitative Disclosures

(a) The general qualitative disclosure requirement with respect to credit risk, including:

➤ **Definitions of past due and impaired (for accounting purposes)**

As per the Bangladesh Bank's Prudential Guideline on Capital Adequacy and Market Discipline for Financial Institutions, the unsecured portion of any claim or exposure (other than claims secured by residential property) that is past due for 90 days or more, net of specific provisions (including partial write-off) will be risk weighted as per risk weights of respective balance sheet exposures. For the purpose of defining the net exposure of the past due loan, eligible financial collateral (if any) may be considered for Credit Risk Mitigation.

➤ **Description of approaches followed for specific and general allowances and statistical methods;**

Specific and General provisions are maintained according to the relevant Bangladesh Bank guideline. For Example, 0.25% provision is maintained against SME-Standard loan/ lease, 1% provision is maintained against standard loans (other than SME-Standard loan/ lease), 5% against SMA loan/ lease, 20% against sub-standard loan/ lease, 50% against doubtful loan/ lease and 100% against bad/loss loan/ lease after deducting the amount of interest suspense and value of eligible securities from the outstanding balance of classified accounts.

- Discussion of the FI's credit risk management policy.
- Implementation of various strategies to minimize risk:
- To encounter and mitigate credit risk the following control measures are taken place at PLFSL:
- Looking into payment performance of customer before financing;
- Annual review of clients;
- Adequate insurance coverage for funded assets;
- Vigorous monitoring and follow up by Special Assets Management and collection Team;
- Strong follow up of compliance of credit policies by Credit Administration Department;
- Taking collateral and performing valuation and legal vetting on the proposed collateral;
- Seeking legal opinion from internal and external lawyer for any legal issues;
- Maintaining neutrality in politics and following arm's length approach in related party transactions;
- Regular review of market situation and industry exposure;
- Sector-wise portfolio is maintained within specific limits to ensure diversification of loan assets.

In addition to the industry best practices for assessing, identifying and measuring risks PLFSL also consider 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.

➤ **Approved Credit Policy by the Board of Directors**

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 described/stated in detail. Credit Policy is regularly updated to cope up with the changing global, environmental and domestic economic scenarios.

➤ **Separate Credit Risk Management (CRM) Department**

An independent Credit Risk Management (CRM) Department is in place, at PLFSL, to scrutinize projects from a risk-weighted point of view and assist the management in creating a high quality credit portfolio and maximize returns from risk assets. Research team of CRM regularly reviews market situation and exposure of PLFSL in various industrial sub-sectors. CRM has been segregated from Credit Administration Department in line with Central Bank's Guidelines. CRM assess credit risks and suggest mitigations before recommendation of every credit proposal while Credit Administration confirms that adequate security documents are in place before disbursement.

➤ **Special Assets Management and Collection Team**

A strong Law and Recovery Team monitors the performance of the loans & advances, identify early signs of delinquencies in portfolio, and take corrective measures to mitigate risks, improve loan quality and to ensure recovery of loans in a timely manner including legal actions.

➤ **Independent Internal Control and Compliances Department (ICC)**

Appropriate internal control measures are in place at PLFSL. PLFSL has also established Internal Control and Compliances Department (ICC) to ensures, compliance with approved lending guidelines, Bangladesh Bank guidelines, operational procedures, adequacy of internal control and documentation procedures. ICC frames and implements policies to encounter such risks.

➤ **Credit Evaluation**

The Credit Evaluation Committee (CEC) regularly meets to review the market and credit risk related to lending and recommend and implement appropriate measures to counter associated risks. The CEC critically reviews projects considering the current global financial crisis and its probable impact on the project.

Risk Grading Model (RGM) helps a Financial Institution to understand the various dimensions of risks involved in transactions related to small business clients who are plying their businesses in various geographical locations across the country. PLFSL has been developing and managing RGM to promote the safety and soundness of the Company by facilitating informed decision-making. This model measures credit risk and differentiate individual credits and groups of credits by the risk they pose. This allows management and examiners to monitor changes and trends in risk levels. The process also allows the management to manage risk to optimize returns.

To mitigate credit risk, PLFSL search for credit report from the Credit Information Bureau (CIB) of Bangladesh Bank. The report is scrutinized by CRM and CEC to understand the liability condition and repayment behavior of the client. Depending on the report, banker's opinions are taken from client's banks. Suppliers' and buyers' opinion are taken to understand the market position and reputation of our proposed customers.

➤ **Credit Approval 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.

➤ **Credit Quality and Portfolio Diversification**

PLFSL believes in diversification in terms of products as well as sectors. To mitigate the Credit Risk, the company diversifies its loan exposure to different sectors confirming the Central Bank's requirements. Threshold limit is set for any sector so that any adverse impact on any industry has minimum effect on PLFSL's total return. Central Bank's instructions are strictly followed in determining Single Borrower/Large Loan limit. Significant concentration of credit in terms of groups or geographical location is carefully avoided to minimize risk.

➤ **Early Warning System**

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.

➤ **NPL Management**

PLFSL measures its loan portfolio in terms of payment arrears. The impairment levels on the loans and advances are monitored regularly.

As per FID Circular No.3 dated March 15, 2007:

1. Loan/Lease, classified as bad/loss and with 100% provision, can only be written-off.
2. Approval from the Board of Directors has to be taken before write-off.
3. The financial institutions should constantly try to recover the loan/lease written-off amount. If legal action has not been taken against the client, legal charges should be placed before the write off.
4. To expedite the legal settlement or collection of the due amount, third party agents can be appointed by the financial institutions.
5. A separate ledger should be maintained for the written off loans/leases and the accumulated written off value should be disclosed separately under the heading of "notes to the account" in the annual report/balance sheet of the financial institutions.
6. Even if the loan/lease has been written off, the client should be classified as defaulter and reported to CIB accordingly.

Detail records for all such write off accounts are meticulously maintained and followed up.

➤ **Counter-party Credit Rating**

PLFSL is taking initiatives to rate the Corporate Clients of the company immediately by the External Credit Assessment Institutions (ECAIs)/Rating Agencies duly recognized by the Central Bank.

Methods used to measure Credit Risk

As per the directives of Bangladesh Bank, 'The Standardized approach' is applied by the company to measure its Credit Risk.

Quantitative Disclosures

(a) Total gross credit risk exposures broken down by major types of credit exposure.

Particulars	Amount in BDT
Leasing	839,110,498
Term Finance	11,067,159,471
Total	11,906,269,969

(b) Geographical distribution of exposures, broken down in significant areas by major types of credit exposure.

Area	Amount in BDT
Dhaka Division	11,893,620,535
Chittagong Division	1,414,124
Barisal Division	
Sylhet Division	
Khulna Division	11,235,310
Total	11,906,269,969

(c) Industry or counterparty type distribution of exposures, broken down by major types of credit exposure.

Sector	Amount in BDT
Agriculture	765,573,159
Electronics and Electrical Products	4,762,508
Food Production and Processing Ind.	101,203,295
Garments and Knitwear	138,112,732
Glass, Glassware and Ceramic Industries	-
Jutes & Jute related goods	115,490,819
Housing	621,507,292
Lather & Lather goods	20,240,659
Iron, Steel and Engineering	242,887,907
Paper, Printing and Packaging	-
Pharmaceuticals and Chemicals	104,775,176
Plastic Industry	-
Power & Energy	383,381,893
Telecommunication and IT	-
Textile	5,953,135
Transport and Aviation	872,729,589
Merchant bank	1,334,692,864
Trade & Commerce	1,078,708,059
Service	-
Others	6,116,25,883
Total	11,906,269,969

(d) Residual contractual maturity breakdown of the whole portfolio, broken down by major types of credit exposure.

Particulars	Amount in BDT
Repayable on demand	285,639,140
Up to 1 month	
Over 1 month but not more than 3 months	571,278,281
Over 3 months but not more than 1 year	2,570,752,263
Over 1 year but not more than 5 years	6,456,644,893
Over 5 years	2,021,955,391
TOTAL	11,906,269,969

(a) Gross Non Performing Assets (NPAs)

Non-PerformingAssets (NPA) to Outstanding Loans & advances Movement of Non-PerformingAssets (NPAs)

Particulars	Amount in BDT
Sub-standard	3,951,396
Doubtful	1,381,4771
Bad/Loss	9,521,900,5769
Total	9,539,666,743

Movement of specific provisions for NPAs

Particulars	Amount in BDT
Opening balance	5,668,588,000
Provisions made during the period	1,553,057,707
Write-off	-
Write-back of excess provisions	-
Closing Balance	7,221,645,707

E) Equities: Banking book positions

Qualitative Disclosures

The general qualitative disclosure requirement with respect to equity risk, including:

Differentiation between holdings on which capital gains are expected and those taken under other objectives including for relationship and strategic reasons; and

- Total equity shares holdings are for capital gain purpose.
Discussion of important policies covering the valuation and accounting of equity holdings in the banking book positions. This includes the accounting techniques and valuation methodologies used, including key assumptions and practices affecting valuation as well as significant changes in these practices.
- Quoted shares are valued at cost prices and if the total cost of a particular share is lower than the market value of that particular share, then provision are maintained as per terms and condition of regulatory authority. On the other hand, unquoted share is valued at cost price or book value as per latest audited accounts.

Quantitative Disclosures

- b) Value disclosed in the balance sheet of investments, as well as the fair value of those investments; for quoted securities, a comparison to publicly quoted share values where the share price is materially different from fair value.

Particulars	Cost Price	Market Price
Quoted shares	420	166
Unquoted shares	215,275,410	215,275,410

- c) The cumulative realized gains (losses) arising from sales and liquidations in the reporting period.

➤ Capital Gain/(Loss) on sale of Share BDT

Particulars	Amount in BDT
Total unrealized gains (losses)	
Total latest revaluation gains (losses)	-
Any amounts of the above included in Tier 2 capital.	-

- d) Capital requirements broken down by appropriate equity groupings, consistent with the FI's methodology, as well as the aggregate amounts and the type of equity investments subject to any supervisory provisions regarding regulatory capital requirements.
- Specific Risk Market value of investment in equities is BDT 7.85 crore. Capital Requirement is 10% of the said value, which stand to BDT 0.79 crore.
 - General Risk Market value of investment in equities is BDT 27.13 crore. Capital Requirement is 10% of the said value which stand to BDT 2.71 crore.

All requirements are 10% of the said value, which stand to BDT 2.71 crore.

F) Interest rate in the banking book

Qualitative Disclosures

- a) The general qualitative disclosure requirement including the nature of interest risk and key assumptions, including assumptions regarding loan prepayments and behavior of non-maturity deposits.

Interest rate risk in the banking book arises from mismatches between the future yield of an assets and their funding cost. Assets Liability Committee (ALCO) monitors the interest rate movement on a regular basis. PLFSL measure the Interest Rate Risk by calculation Duration Gap i.e. a positive Duration Gap affect company's profitability adversely with the increment of interest rate and a negative Duration Gap increase the company's profitability with the reduction of interest rate.

Quantitative Disclosures

- b) The increase (decline) in earnings or economic value (or relevant measure used by management) for upward and downward rate shocks according to management's method for measuring interest rate risk broken down by currency (as relevant).

Maturity wise Distribution of Assets-Liabilities

Amount in Crore BDT

Particulars	1 to 30/31 day (One month)	Over 1 month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year
1	2	3	4	5	6
A. Total Rate Sensitive Liabilities (A)	42.61	121.06	97.41	213.25	333.03
B. Total Rate Sensitive Assets (B)	2.31	7.85	17.43	137.68	349.52
C. Mismatch	(-) 40.30	(-) 113.21	(-) 79.98	(-) 75.57	(-) 16.49
D. Cumulative Mismatch	(-) 40.30	(-) 153.51	(-) 233.49	(-) 309.06	(-) 292.57
E. Mismatch (%)	(-) 94.58	(-) 95.52	(-) 82.11	(-) 35.44	(-) 4.95

Interest Rate Risk-Increase in Interest Rate

Amount in crore BDT

Magnitude of Shock	Minor	Moderate	Major
	2%	4%	6%
Change in the Value of Bond Portfolio	0.00	0.00	0.00
Net Interest Income	-5.85	-11.70	-17.55
Revised Regulatory Capital	-349.17	-343.32	-337.47
Risk Weighted Assets	3,257.70	3,257.70	3,257.70
Revised CAR (%)	-10.72%	-10.54%	-10.36%

G) Market risk

Qualitative Disclosures (a)

Views of BOD on trading/investment activities

All the Market Risk related policies/guidelines are duly approved by BOD. The BOD sets limit and review and updates the compliance on regular basis aiming to mitigate the Market risk.

Methods used to measure Market risk

Market Risk is the probability of losing assets in balance sheet and off- balance sheet position arising out of volatility in market variables i.e. interest rate, exchange rate and prices of securities. In order to calculate the market risk for trading book purposes the company uses Standardized (rule based) Approach where capital charge for interest rate risk, price and foreign exchange risk is determined separately.

Market Risk Management system

Policies and processes for mitigating market risk

A Policy for managing Market Risk has been set out by the Board of Directors of the company where clear instructions has been given on Loan Deposit Ratio, Whole Sale Borrowing Guidelines, Medium Term Funding, Maximum Cumulative Outflow, Liquidity Contingency Plan, Local Regulatory Compliance, Recommendation / Action Plan etc. Treasury manages the Market Risk with the help of Asset Liability Management Committee (ALCO) and Asset Liability Management (ALM) Desk in the following fashion:

Interest Risk Management

Treasury Division reviews the risks of changes in income of the Company as a result of movements in market interest rates. In the normal course of business PLFSL tries to minimize the mismatches between the duration of interest rate sensitive assets and liabilities. Effective Interest Rate Risk Management is done as under:

Market analysis

Market analysis over interest rate movements are reviewed by the Treasury of the company. The type and level of mismatch interest rate risk of the company is managed and monitored from two perspectives, being an economic value perspective and an earning perspective.

GAP analysis

ALCO has established guidelines in line with central Bank's policy for the management of assets and liabilities, monitoring and minimizing interest rate risks at an acceptable level. ALCO in its regular monthly meeting analyzes Interest Rate Sensitivity by computing GAP i.e. the difference between Rate Sensitive Assets and Rate Sensitive Liability and take decision of enhancing or reducing the GAP according to prevailing market situation aiming to mitigate interest rate risk.

Continuous Monitoring

Company's treasury manages and controls day-to-day trading activities under the supervision of ALCO that ensures continuous monitoring of the level of assumed risks.

Equity Risk Management

Equity Risk is the risk of loss due to adverse change in market price of equities held by the Company. Equity Risk is managed by the following fashion:

PLFSL minimizes the Equity Risks by Portfolio diversification as per investment policy of the company. The entire portfolio is managed by PLFSL Investments Limited.

Quantitative Disclosures (b)

The capital requirements for Market Risk:

Particular	Amount in crore BDT
Interest rate risk	-
Equity position risk	2.15
Foreign Exchange Position and Commodity risk (if any)	-

H) Operational Risk:

Qualitative disclosure (a)

Views of Board on system to reduce Operational Risk:

All the policies and guidelines of internal control and compliances are duly approved by the Board. The Board delegates its authority to Executive Committee and to MANCOM members as per company policy of delegation of authority. Audit Committee of the Board directly oversees the activities of internal control and compliance as per good governance guideline issued by Bangladesh Securities and Exchange Commission.

Performance gap of executives and staffs

PLFSL's recruitment strategy is based on retaining and attracting the most suitable people at all levels of the business and this is reflected in our objective approach to recruitment and selection. The approach is based on the requirements of the job (both now and in the near future), matching the ability and potential of the individual. Qualification, skills and competency form our basis for nurturing talent. We are proud to state that favorable job responsibilities are increasingly attracting greater participation from different level of employees in the PLFSL family. We aim to foster a sense of pride in working for PLFSL and to be the employer of choice. As such there exists no performance gap in PLFSL.

Potential external events

No such potential external event exists to raise operational risk of GSPB at the time of reporting.

Policies and procedures for mitigating operational risk:

PLFSL has also established Internal Control and Compliances Department (ICC) to address operational risk and to frame and implement policies to encounter such risks. ICC assesses operational risk across the Company as a whole and ensures that an appropriate framework exists to identify, assess and manage operational risk.

Approach for calculating capital charge for operational risk:

Operational risk is defined as the risk of loss resulting from inadequate or failed internal processes, people and system or from external events. PLFSL uses basic indicator approach for calculation capital charge against operational risk i.e. 10% of average positive annual gross income of the company over last three years.

Quantitative Disclosures (b)

Capital requirement for operational risk:

Particular	Amount in crore BDT
Capital requirement for operational risk:	(110.70)

STATUS OF COMPLIANCE OF CORPORATE GOVERNANCE CODE

Status of compliance with the conditions imposed by Bangladesh Securities and Exchange Commission (BSEC) per Notification No. BSEC/CMRRCD/2006-158/207/Admin/80, dated 3-June-2018 (Issued under Section 2CC of the Securities and Exchange Ordinance, 1969)

(Report under Condition No. 9.00 as on 31.12.2019)

Condition No.	Title	Compliance Status (Put ✓ in the appropriate)		Remarks (if any)
		Complied	Not Complied	
1	BOARD OF DIRECTORS			
1(1)	Size of the Board of Directors			
	The total number of Members of the Company's Board of Directors shall not be less than 5 (five) and more than 20 (twenty).	√		BoD consisted in 2018 by 9 members upto 14 July 2019
1(2)	Independent Directors			
1(2)(a)	At least one fifth (1/5) of the total number of directors in the Company's Board shall be Independent Directors; any fraction shall be considered to the next integer or whole number for calculating number of Independent Director(s).	√		There exists 05 (Five) Independent Directors in the PLFS's Board Up to July 14, 2019
1(2)(b)(i)	Independent Director does not hold any Share in the Company or holds less than one percent (1%) Shares of the total paid-up Shares of the Company.	√		The Independent Directors provided Declaration regarding compliance with the provision.
1(2)(b)(ii)	The Independent Director is not a Sponsor of the Company or is not connected with the Company's any Sponsor or Director or Nominated Director or Shareholder of the Company or any of its Associates, Sister Concerns, Subsidiaries and Parents or holding entities who holds one percent (1%) or more Shares of the total paid-up Shares of the Company on the basis of family relationship and His/Her family members also shall not hold above mentioned Shares in the Company.	√		Up to July 14, 2019
1(2)(b)(iii)	Independent Director has not been an Executive of the Company in the immediately preceding 2 (two) financial years.	√		Do
1(2)(b)(iv)	Independent Director does not have any other relationship, whether pecuniary or otherwise, with the Company or its Subsidiary or Associated Companies.	√		Do
1(2)(b)(v)	Independent Director is not a Member or TREC (Trading Right Entitlement Certificate) holder, Director or Officer of any Stock Exchanges.	√		Do
1(2)(b)(vi)	Independent Director is not a Shareholder, Director excepting Independent Director or Officer of any Member or TREC holder of Stock Exchange or an intermediary of the Capital Market.	√		Do
1(2)(b)(vii)	Independent Director is not a Partner or an Executive or was not a Partner or an Executive during the preceding 3 (three) years of the concerned Company's Statutory Audit Firm or Audit Firm engaged in internal Audit Services or Audit Firm conducting special Audit or Professional certifying compliance of this Code.	√		Do

1(2)(b)(viii)	Independent Director is not an Independent Director in more than 5 (five) listed Companies.	√		The Independent Directors provided Declaration regarding compliance with the provision.
1(2)(b)(ix)	Independent Director has not been convicted by a Court of competent jurisdiction as a defaulter in payment of any loan or any advance to a Bank or a Non-Bank Financial Institution (NBFI).	√		Do
1(2)(b)(x)	Independent Director has not been convicted for a criminal offence involving moral turpitude.	√		Do
1(2)(c)	Independent Director (s) shall be appointed by the Board of Directors and approved by the Shareholders in the Annual General Meeting (AGM).		√	AGM of 2018 has not held till now
1(2)(d)	The post of Independent Director(s) cannot remain vacant for more than 90 (ninety) days.	√		The Independent Directors provided Declaration regarding compliance with the provision.
1(2)(e)	The tenure of Office of an Independent Director shall be for a period of 3 (three) years, which may be extended for 1 (one) term only.	√		Do
1.3	Qualification of Independent Director (ID)			
1(3)(a)	Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and Corporate laws and can make meaningful contribution to the business.	√		The qualification and background of IDs justify their abilities as such.
1(3)(b)(i)	The Independent Director shall be a Business Leader who is or was a Promoter or Director of an unlisted Company having minimum Paid-up-Capital of TK.100.00 Million or any listed Company or a Member of any National or International Chamber of Commerce or Business Association;	√		
1(3)(b)(ii)	The Independent Director shall be a Corporate Leader who is or was a top level Executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted Company having minimum Paid-up Capital of TK.100.00 million or of a listed Company; or	√		
1(3)(b)(iii)	The Independent Director shall be a former Official of Government or Statutory or Autonomous or Regulatory Body in the position not below 5 th Grade of the National Pay Scale who has at least Educational background of Bachelor Degree in Economics or Commerce or Business or Law; or	√		
1(3)(b)(iv)	The Independent Director shall be a University Teacher with Economics or Commerce or Business Studies or Law; or	√		
1(3)(b)(v)	The Independent Director shall be a Professional like Advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant, Cost & Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification.	√		

Statement of Compliance of Corporate Governance Guidelines

1(3)(c)	The Independent Director shall have at least 10 (ten) years of experiences in any field mentioned in Clause (b).	√		Most of the Independent Directors are business studies background with more than 10 years of corporate as well as professional experiences.
1(3)(d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission.	√		No such incidence
1(4)	Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer:			
1(4)(a)	The positions of the Chairman of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the Company shall be filled by different individuals.	√		Chairman of the Board and CEO are different individuals. The role and responsibilities of the Chairman of the Board and CEO are approved in the meeting up to July 14, 2019
1(4)(b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed Company shall not hold the same position in another listed Company.	√		
1(4)(c)	The Chairperson of the Board shall be elected from among the Non-executive Directors of the Company.	√		
1(4)(d)	The Board of Directors shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer.	√		
1(4)(e)	In the absence of the Chairperson of the Board, the remaining Members may elect (1) one of themselves from Non-executive Directors as Chairperson for that particular Board's Meeting, the reason of absence of the regular Chairperson shall be duly recorded in the Minutes.	√		
1(5)	The Director's Report to Shareholders			
	The Directors of the Companies shall include the following additional Statements or disclosures in the Director's Report prepared under Section 184 of the Companies Act, 1994 (Act No. XVIII of 1994):			Up to July 14, 2019 & under Process
1(5)(i)	Industry outlook and possible future developments in the Industry.		√	Do
1(5)(ii)	The segment-wise or product-wise performance.		√	Do
1(5)(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment (if any) .		√	Do
1(5)(iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable.	-	-	Not Applicable
1(5)(v)	A discussion on continuity of any extraordinary activities and their implications (Gain or Loss).		√	No such incidence, Discussed in Audited Financial Statement.

1(5)(vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related Party transactions.		√	Up to July 14, 2019 & under Process
1(5)(vii)	A Statement of utilization of proceeds raised through Public Issues, Rights Issues and/or any other instruments .	-	-	Not Appcable
1(5)(viii)	An explanation if the financial results deteriorate after the Company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing, etc .		√	
1(5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements.		√	Discussed in Directors Report
1(5)(x)	A Statement of remuneration paid to the Directors including Independent Directors.		√	Stated in Director's Report
1(5)(xi)	A Statement that the Financial Statements prepared by the Management of the issuer Company present fairly its state of affairs, the result of its Operations, Cash Flows and Changes in Equity.		√	Do
1(5)(xii)	A Statement that proper Books of Accounts of the issuer Company have been maintained.		√	Do
1(5)(xiii)	A Statement that appropriate accounting policies have been consistently applied in preparation of the Financial Statements and that the Accounting estimates are based on reasonable and prudent judgment.		√	Do
1(5)(xiv)	A Statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the Financial Statements and any departure there from has been adequately disclosed .		√	Do
1(5)(xv)	A Statement that the system of Internal Control is sound in design and has been effectively implemented and monitored.		√	Do
1(5)(xvi)	A Statement that Minority Shareholders have been protected from abusive actions bv. or in the interest of controlling Shareholders acting either directly or indirectly and have effective means of redress.		√	Do
1(5)(xvii)	A Statement that there is no significant doubt upon the issuer Company's ability to continue as a going concern, if the issuer Company is not considered to be a going concern, the fact along with reasons thereof shall be disclosed.		√	Stated under "Going Concern" in the Directors Report which is under process
1(5)(xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained .		√	Stated in Director's Report which is under process
1(5)(xix)	A Statement where key operating and financial data of at least preceding five (5) years shall be summarized.		√	Stated in Director's Report which is under process
1(5)(xx)	An explanation on the reasons if the issuer Company has not declared Dividend (Cash or Stock) for the year		√	Discussed in Directors Report which is under process
1(5)(xxi)	Board's Statement to the effect that no Bonus Share or Stock Dividend has been or shall be declared as Interim Dividend.		√	
1(5)(xxii)	The total number of Board Meetings held during the year and attendance by each Director.		√	Stated in Director's Report which is under process
1(5)(xxiii)	A Report on the Pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by :-			

PEOPLE'S LEASING

And Financial Services Ltd.

Statement of Compliance of Corporate Governance Guidelines

1(5)(xxiii)(a)	Parent or Subsidiary or Associated Companies and other related Parties (Name wise details).		√	Stated in Director's Report which is under process
1(5)(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit & Compliance and their Spouses and minor Children (Name wise details).		√	Do
1(5)(xxiii)(c)	Executives top 5 (five) salaried employees of the Company, other than the Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer and Head of Internal Audit & Compliance.		√	Do
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the Company (Name wise details).		√	Do
1(5)(xxiv)	In case of the appointment or re-appointment of a Director, to be disclosed the following information to the Shareholders:-			
1(5)(xxiv)(a)	A brief resume of the Director.		√	Stated in Director's Report which is under process
1(5)(xxiv)(b)	Nature of his or her expertise in specific functional areas; and		√	Stated in Director's Report which is under process
1(5)(xxiv)(c)	Names of Companies in which the Person also holds the directorship and the membership of Committees of the Board.		√	Do
1(5)(xxv)	A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the Company's position and operations along with a brief discussion of changes in the Financial Statements, among others, focusing on:		√	Do
1(5)(xxv)(a)	Accounting policies and estimation for preparation of Financial Statements.		√	Do
1(5)(xxv)(b)	Changes in accounting policies and estimation, if any, clearly describing the effect on Financial performance or results and financial position as well as cash flows in absolute figure for such changes.		√	Do
1(5)(xxv)(c)	Comparative analysis (including effects of inflation) of Financial performance or results and financial position as well as cash flows for current Financial Year with immediate preceding five (5) years explaining reasons thereof.		√	Do
1(5)(xxv)(d)	Compare such Financial performance or results and Financial position as well as Cash Flows with the peer industry scenario.		√	Do
1(5)(xxv)(e)	Briefly explain the Financial and economic scenario of the Country and the Globe.		√	Do
1(5)(xxv)(f)	Risks and concerns issues related to the Financial Statements, explaining such Risk and concerns mitigation plan of the Company; and		√	Do
1(5)(xxv)(g)	Future plan or projection or forecast for Company's operation, performance and Financial position, with justification thereof, i.e. actual position shall be explained to the Shareholders in the next Annual General Meeting (AGM).		√	AGM of 2018 has not held till now
1(5)(xxvi)	Declaration or Certification by the CEO and the CFO to the Board as required under Condition No. 3(3) shall be disclosed as per Annexure-A ; and		√	
1(5)(xxvii)	The Report as well as Certificate regarding Compliance of Conditions of this Code as required under Condition No. 9 shall be disclosed as per Annexure-B and Annexure-C .		√	

1(6)	Meetings of the Board of Directors			
	The Company shall conduct its Board Meetings and record the Minutes of the Meetings as well as keep required Books and Records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.	√		Five BoD meetings (Up to July 14, 2019)
1(7)	Code of Conduct for the Chairperson, other Board Members and Chief Executive Officer			
1(7)(a)	The Board shall lay down a Code of Conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at Condition No. 6 for the Chairperson of the Board, other Board Members and Chief Executive Officer of the Company.			NRC is not yet formed due to Bangladesh Bank Guidelines per DFIM Circular No. 18, dated, 26-October-2011 and DFIM(P)1052/27/2021-2436
1(7)(b)	The Code of Conduct as determined by the NRC shall be posted on the website of the Company including, among others, prudent Conduct and behavior, confidentiality, conflict of interest, compliance with Laws, Rules and Regulations, prohibition of Insider Trading, Relationship with environment, Employees, Customers and Suppliers and Independency.			Do
2	GOVERNANCE OF BOARD OF DIRECTORS OF SUBSIDIARY COMPANY			
2(a)	Provisions relating to the composition of the Board of Directors of the holding Company shall be made applicable to the composition of the Board of Directors of the Subsidiary Company.	√		
2(b)	At least 1 (one) Independent Director on the Board of Directors of the holding Company shall be a Director on the Board of Subsidiary Company.	√		
2(c)	The Minutes of the Board meeting of the subsidiary Company shall be placed for review at the following meeting of the Board of Directors of the holding Company.		√	
2(d)	The Minutes of the respective Board meeting of the holding Company shall state that they have reviewed the affairs of the Subsidiary Company also;		√	
2(e)	The Audit Committee of the holding Company shall also review the Financial Statements, in particular the investments made by the Subsidiary Company.		√	

Statement of Compliance of Corporate Governance Guidelines

3	MANAGING DIRECTOR (MD) OR CHIEF EXECUTIVE OFFICER (CEO), CHIEF FINANCIAL OFFICER (CFO), HEAD OF INTERNAL AUDIT AND COMPLIANCE (HIAC) AND COMPANY SECRETARY (CS)			
3(1)	Appointment			
3(1)(a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC).	√		The company has appointed a CFO, CS. AGM plays the role of Head of Internal as well as of Audit Department; responsibilities and duties, have been clearly defined by the company.
3(1)(b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different Individuals.	√		Do
3(1)(c)	The MD or CEO, CS, CFO and HIAC of a listed Company shall not hold any Executive position in any other Company at the same time.	√		
3(1)(d)	The Board of Directors shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS.	√		The company has appointed a CFO, CS. AGM plays the role of Head of Internal as well as of Audit Department; responsibilities and duties, have been clearly defined by the company.
3(1)(e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and Stock Exchange(s).	√		No such incidence
3(2)	Requirement to attend the Board of Directors Meetings			
	The MD or CEO, CS, CFO and HIAC of the Company shall attend the Meetings of the Board of Directors, provided that the CS, CFO and/or the HIAC shall not attend such part of a Meeting of the Board of Directors which involves consideration of an Agenda item relating to their personal matters.	√		
3(3)	DUTIES OF MANAGING DIRECTOR (MD) OR CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO)			
3(3)(a)	The MD or CEO and CFO shall certify to the Board that, they have reviewed Financial Statements for the year and that to the best of their knowledge and belief.			
3(3)(a)(i)	These Statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading and	√		

3(3)(a)(ii)	These Statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.	√		
3(3)(b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Code of Conduct for the Company's Board or its Members.	√		
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.		√	Under process
4	BOARD OF DIRECTORS' COMMITTEE			
	For ensuring good Governance in the Company, the Board shall have at least following Sub-Committees:			
4(i)	Audit Committee;	√		An Audit Committee has been formed by the Board as subcommittee of the Board till 14 July 2019
4(ii)	Nomination and Remuneration Committee.			NRC is not yet formed due to Bangladesh Bank Guidelines per DFIM Circular No. 18, dated, 26-October-2011 and DFIM(P)1052/27/2021-2436
5	AUDIT COMMITTEE			
5(1)	Responsibility to the Board of Directors			
5(1)(a)	The Company shall have an Audit Committee as a Sub-Committee of the Board of Directors.	√		Complied
5(1)(b)	The Audit Committee shall assist the Board of Directors in ensuring that the Financial Statements reflect true and fair view of the state of affairs of the Company and in ensuring a good monitoring system within the business.	√		
5(1)(c)	The Audit Committee shall be responsible to the Board of Directors, the duties of the Audit Committee shall be clearly set forth in writing.	√		Audit Committee run its activities as per CG Code till 14 July 2019
5(2)	Constitution of the Audit Committee:			
5(2)(a)	Audit Committee shall be composed of at least 3 (three) members;	√		The Audit Committee is composed of 5 (Five) members. till 14 July 2019
5(2)(b)	The Board of Directors shall appoint members of Audit Committee who shall be Non-Executive Directors' of the Company excepting Chairperson of the Board and shall include at least one (1) Independent Director;	√		The Independent Directors- Mr. Shekhar Kumar Halder FCA, Mr. A.Q. Siddique, Mr. Nizamul Ahsan, Eng. Amitav Adhikary are the members of the Audit Committee till 14 July 2019
5(2)(c)	All members of the Audit Committee should be 'financially literate' and at least one (1) member shall have accounting or related Financial Management background and 10 (ten) years of such experience;	√		The Board reviewed and considered that all existing members of the Audit committee are "financially literate" and they have "related financial management experience" as per BSEC notification till 14 July 2019

Statement of Compliance of Corporate Governance Guidelines

5(2)(d)	When the term of service of the Committee member expires or there is any circumstance causing any Committee member to be unable to hold Office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board of Directors shall appoint the new Committee Member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;	√		Up to July 2019
5(2)(e)	The Company Secretary shall act as the Secretary of the Committee;	√		In Practice
5(2)(f)	The quorum of the Audit Committee Meeting shall not constitute without at least 1 (one) Independent Director;	√		Mr. Shekhar Kumar Halder FCA - The Independent Director of the company is Chairman of the Audit Committee
5(3)	Chairperson of the Audit Committee			
5(3)(a)	The Board of Directors shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an Independent Director;			Mr. Shekhar Kumar Halder FCA - The Independent Director of the company is Chairman of the Audit Committee
5(3)(b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under Condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the Minutes;	√		
5(3)(c)	Chairman of the Audit Committee shall remain present in the Annual General Meeting (AGM). In absence of Chairperson of the Audit Committee, any other Member from the Audit Committee shall be selected to be present in the Annual General Meeting (AGM) and reason for absence of the Chairperson of the Audit Committee shall be recorded in the Minutes of AGM;		√	AGM of 2018 has not held till now/AGM is pending
5(4)	Meeting of the Audit Committee			
5(4)(a)	The Audit Committee shall conduct at least its (4) four Meetings in a Financial Year;		√	One meeting was held in 2019
5(4)(b)	The quorum of the Meeting of the Audit Committee shall be constituted in presence of either two members or two-third of the members of the Audit Committee, whichever is higher, where presence of an Independent Director is a must.	√		

5(5)	Role of the Audit Committee			
	The Audit Committee shall:			
5(5)(a)	Oversee the Financial Reporting process;		√	Company has been under liquidation process in 2019 (from 14.7.2019)
5(5)(b)	Monitor, choice of Accounting policies and principles;		√	
5(5)(c)	Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report.;		√	
5(5)(d)	Oversee hiring and performance of External Auditors;		√	
5(5)(e)	Hold Meeting with the External or Statutory Auditors for review of the Annual Financial Statements before submission to the Board for approval or adoption;		√	
5(5)(f)	Review along with the Management, the Annual Financial Statements before submission to the Board for approval.;		√	
5(5)(g)	Review along with the Management, the Quarterly and Half-yearly Financial Statements before submission to the Board of Directors for approval;		√	
5(5)(h)	Review the adequacy of Internal Audit function;		√	Company has been under liquidation process in 2019 (from 14.7.2019)
5(5)(i)	Review the Management's Discussion and Analysis before disclosing in the Annual Report;		√	
5(5)(j)	Review Statement of all related Party transactions submitted by the Management;		√	
5(5)(k)	Review Management Letters/Letter of Internal Control weakness issued by Statutory Auditors;		√	
5(5)(l)	Oversee the determination of Audit fees based on scope and magnitude, level of expertise deployed and time required for effective Audit and evaluate the performance of External Auditors: and		√	
5(5)(m)	Oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant Offer Document or Prospectus approved by the Commission .		√	
5(6)	Reporting of the Audit Committee			
5(6)(a)	Reporting to the Board of Directors			
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board of Directors.		√	Company has been under liquidation process in 2019 (from 14.7.2019)
5(6)(a)(ii)	The Audit Committee shall immediately report to the Board of Directors on the following findings; if any;		√	
5(6)(a)(ii)(a)	Report on conflicts of interests.		√	

Statement of Compliance of Corporate Governance Guidelines

5(6)(a)(ii)(b)	Suspected or presumed fraud or irregularity or material defect identified in the Internal Audit and compliance process or in the Financial Statements		√	
5(6)(a)(ii)(c)	Suspected infringement of Laws, Regulatory Compliances including Securities related Laws, Rules and Regulations; and.		√	
5(6)(a)(ii)(d)	Any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately.		√	
5(6)(b)	Reporting of the Authorities			
	If the Audit Committee has reported to the Board of Directors about anything which has material impact on the Financial condition and results of operation and has discussed with the Board of Directors and the Management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board of Directors for three (3) times or completion of a period of six (6) months from the date of first reporting to the Board of Directors, whichever is earlier.		√	Company has been under liquidation process in 2019 (from 14.7.2019)
5(7)	Reporting to the Shareholders and General Investors			
	Report on activities carried out by the Audit Committee, including any Report made to the Board of Directors under Condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the Annual Report of the issuer Company .		√	Do
6	NOMINATION AND REMUNERATION COMMITTEE (NRC)			
6(1)	Responsibility to the Board of Directors			
6(1)(a)	The Company shall have a Nomination and Remuneration Committee (NRC) as a Sub-committee of the Board of Directors.			NRC is not yet formed due to Bangladesh Bank Guidelines per DFIM Circular No. 18, dated,
6(1)(b)	The NRC shall assist the Board of Directors in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of Directors and top level Executive as well as a policy for formal process of considering remuneration of Directors, top level Executive.			Do
6(1)©	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the Condition No. 6(5)(b).			Do
6(2)	Constitution of the NRC			
6(2)(a)	The Committee shall comprise of at least three Members including an Independent Director.			Do

6(2)(b)	All Members of the Committee shall be Non-Executive Directors.			Do
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board of Directors.			Do
6(2)(d)	The Board of Directors shall have authority to remove and appoint any member of the Committee.			Do
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the Board of Directors shall fill the vacancy within 180 (One Hundred Eighty) days of occurring such vacancy in the Committee.			Do
6(2)(f)	The Chairperson of the Committee may appoint or Co-opt any external Expert and/or Member(s) of Staff to the Committee as advisor who shall be Non-voting Member, if the Chairperson feels that advice or suggestion from such External Expert and/or Member(s) of Staff shall be required or valuable for the Committee.			Do
6(2)(g)	The Company Secretary shall act as the Secretary of the Committee.			Do
6(2)(h)	The quorum of the NRC Meeting shall not constitute without attendance of at least an Independent Director .			Do
6(2)(i)	No Member of the NRC shall receive, either directly or indirectly, any remuneration for any Advisory or Consultancy role or otherwise, other than Director's fees or honorarium from the Company.			Do
6(3)	Chairperson of the NRC			
6(3)(a)	The Board of Directors shall select 1 (One) member of the NRC to be Chairperson of the Committee, who shall be an Independent Director.			Do
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining Members may elect one of themselves as Chairperson for that particular Meeting; the reason of absence of the regular Chairperson shall be duly recorded in the Minutes.			Do
6(3)(c)	The Chairperson of the NRC shall attend the Annual General Meeting (AGM) to answer the queries of the Shareholders. In absence of Chairperson of the NRC, any other Member from the NRC shall be selected to be present in the Annual General Meeting (AGM) for answering the Shareholder's queries and reason for absence of the Chairperson of the NRC shall be recorded in the minutes of AGM .			Do
6(4)	Meeting of the NRC			
6(4)(a)	The NRC shall conduct at least one meeting in a Financial Year;			Do

Statement of Compliance of Corporate Governance Guidelines

6(4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any Member of the NRC;			Do
6(4)(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two Members or two third of the Members of the Committee, whichever is higher, where presence of an Independent Director is must as required under Condition No. 6(2)(h);			Do
6(4)(d)	The proceedings of each Meeting of the NRC shall duly be recorded in the Minutes and such Minutes shall be confirmed in the next Meeting of the NRC.			Do
6(5)	Role of the NRC			
6(5)(a)	NRC shall be Independent and responsible or accountable to the Board of Directors and to the Shareholders;			
6(5)(b)	NRC shall oversee, among others, the following matters and make Report with recommendation to the Board of Directors;			Do
6(5)(b)(i)	Formulating the criteria for determining qualifications, positive attributes and independence of a Director and recommend a policy to the Board of Directors, relating to the remuneration of the Directors, top level Executive, considering the following:			Do
6(5)(b)(i)(a)	The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable Directors to run the Company successfully;			Do
6(5)(b)(i)(b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and			Do.
6(5)(b)(i)(c)	Remuneration to Directors, top level Executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals;			Do
6(5)(b)(ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;			Do
6(5)(b)(iii)	Identifying Persons who are qualified to become Directors and who may be appointed in top level Executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board of Directors;			Do
6(5)(b)(iv)	Formulating the criteria for evaluation of performance of Independent Directors and the Board of Directors;			Do
6(5)(b)(v)	Identifying the Company's needs for Employees at different levels and determine their selection, transfer or replacement and promotion criteria; and			Do
6(5)(b)(vi)	Developing, recommending and reviewing annually the Company's human resources and training policies;			Do
6(5)(c)	The Company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its Annual Report;			Do

Statement of Compliance of Corporate Governance Guidelines

7	EXTERNAL OR STATUTORY AUDITORS			
7(1)	The issuer Company shall not engage its external or Statutory Auditors to perform the following services of the Company, namely:-			
7(1)(i)	Appraisal or valuation services or fairness opinions;	√		
7(1)(ii)	Financial Information Systems design and implementation;	√		
7(1)(iii)	Book-keeping or other services related to the Accounting records or Financial Statements;	√		
7(1)(iv)	Broker-Dealer Services;	√		
7(1)(v)	Actuarial Services;	√		
7(1)(vi)	Internal Audit services or special Audit services;	√		
7(1)(vii)	Any service that the Audit Committee determines;	√		
7(1)(viii)	Audit or Certification services on compliance of Corporate Governance.as required under Condition No. 9 (1); and	√		
7(1)(ix)	Any other service that creates conflict of interest .	√		
7(2)	No Partner or Employees of the External Audit Firms shall possess any Share of the Company they Audit at least during the tenure of their Audit assignment of that Company; his or her Family Members also shall not hold any Shares in the said Company ;	√		
7(3)	Representative of External or Statutory Auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the Shareholders.		√	AGM of 2018 has not held till now
8	MAINTAINING A WEBSITE BY THE COMPANY			
8(1)	The Company shall have an official website linked with the website of the Stock Exchange.	√		Web address is www.plfsbd.com
8(2)	The Company shall keep the Website functional from the date of listing.	√		Complied
8(3)	The Company shall make available the detailed disclosures on its Website as required under the Listing Regulations of the concerned Stock Exchange(s).	√		Complied
9	REPORTING AND COMPLIANCE OF CORPORATE GOVERNANCE			
9(1)	The Company shall obtain a Certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its Statutory Auditors or Audit Firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such Certificate shall be disclosed in the Annual Report.		√	Certificate has been obtained from Hossain Chowdhury & Co., Chartered Accountants which has been published in this Annual Report under Annexure-B.
9(2)	The Professional who will provide the Certificate on compliance of this Corporate Governance Code shall be appointed by the Shareholders in the Annual General Meeting.		√	AGM of 2018 has not held till now
9(3)	The Directors of the Company shall state, in accordance with the Annexure-C attached in the Director's Report whether the Company has complied with these conditions or not..		√	Status of Compliance as an Directors' Report which is under Process

Certificate of Compliance



হোসেন চৌধুরী এন্ড কোং
HOSSAIN CHOWDHURY & CO.
CHARTERED ACCOUNTANTS

Report to the Shareholders of People's Leasing & Financial Services Ltd.
on
Compliance of the Corporate Governance Code

We have examined the compliance status of the Corporate Governance Code by People's Leasing & Financial Services Ltd. for the year ended December 31, 2019. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated-June 3, 2018 of the Bangladesh Securities and Exchange Commission (BSEC).

Such compliance with the Corporate Governance Code is the responsibility of the Company. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of the Corporate Governance Code.

This is a scrutiny and verification and an independent audit on compliance of the conditions of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Corporate Governance Code.

We state that we have obtained all the information and explanations which was required and after due scrutiny and verification thereof, we report that, in our opinion:

- The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above mentioned Corporate Governance Code issued by the Bangladesh Securities and Exchange Commission (BSEC) except as stated in the remarks column of the Statement on Status of Compliance prepared by the Directors of the Company;
- The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;
- The Governance of the Company is satisfactory except be non complied items stated in the corporate Governance Code. Further we noted that the company is under liquidation by supreme court of Bangladesh Reference No 01 of 2019 Dated 14-07-2019.

Dated: October 09, 2023
Dhaka



Mushfequr Rahman Chowdhury

Mushfequr Rahman Chowdhury FCA
Partner

Hossain Chowdhury & Co.
Chartered Accountants

Principal Office: Bhuiya Centre (4th Floor), 68 Dilkusha C/A, Dhaka- 1000, Cell : +880 1711524400
Cell : 880 1767984932, E-Mail: mrchy21@yahoo.com, hossainchowdhury1221@gmail.com
Web: www.hcco-bd.com

Report on Internal Control

The aim of internal control

Provide reasonable assurance by means of processes and procedures implemented by PLFS. The following activities may be achieved by Internal Control.

- Determining whether compliance exists with policies, procedures, law and regulations.
- Determining if assets are safeguarded and verified the existence of those assets.
- Assisting members of our organization in the effective and successful performance of their responsibilities by providing them with analyses, appraisals, recommendations and other pertinent information concerning the activities being reviewed.
- Determining the reliability and integrity of information; (i.e. evaluating the internal control systems and the integrity of financial and operating information produced by those systems)
- Reviewing operations or programs' for consistency with established management goals and objectives.

Limitation of Internal Control

The Company's internal system cannot guarantee that all risk of error or fraud is fully eliminated or controlled and safeguarded.

Internal Control Procedure

Our belief is on the principle of decentralization of authority and responsibility. Consequently responsibility for the implementation of appropriate internal control procedures governing risk management, financial control that complies with legislation is delegated to the heads of each department of PLFS. To ensure the consistency of Company's procedures with each department, senior management relies on the functional department to draw up the procedures necessary for the proper operation of control issues instructions regarding their implementation and ensure compliance with the said instructions.

With View to ensure safe, secure, stable & effective transaction processing, finance and Accounts Department of PLFS is working with utmost efficiency & professionalism.

Reports are produced monthly and prepared in the following month to which they relate whereas full accounting consolidations are produced quarterly and prepared within the following month to which they relate. The preparation of the annual financial statement is the responsibility of the management.

External Financial Information

Financial communication to external parties consists of financial statements prepared by the Management, submitted to the Board and reviewed and audited by the Auditors.

Procedures and Inspections

With the objectives of producing high quality financial and accounting information, PLFS has introduced procedures and instructions tailored to every section. These procedures are grouped by topic and deal mainly with accounting, treasury, regulatory and reporting issues.

The internal control and compliance department is independent from management. It audits the activities and systems of different departments in accordance with the audit plan, particularly in order to assess and improve the accuracy and reliability of the accounting and financial information.

The internal control and compliance department coordinates relations with external auditors also.

Significance of Internal Control Process

The key processes are being reviewed the adequacy and integrity of the system of internal controls including the following:

- The Board Sub Committee are established to assist the Board.
- The Internal Control and Compliance Audit wing checks for compliance with policies, procedures and the effectiveness of internal control system. Inspections are carried out on each department and branches according to the Audit plan approved by the competent authority.
- The Audit Committee of the company reviews internal control issues identified by ICC Department, the external auditors, regulatory authorities and management. The minutes of the Audit Committee meetings are tabled for the information to the Board on a periodic basis.
- The Risk Analysis Unit (RAU) and Risk Management Forum (RMF) are established. The unit is engaged to analysis the principal areas of risk of the company and the forum is for diagnostic measures to minimize the risks.

Report on Compliance on Bangladesh Bank's Guidelines

ANNEXURE-XI

As per Bangladesh Bank instructions every Financial Institutions required to comply with the guidelines on Corporate Governance as per the DFIM circular no.7, Dated: September 25, 2007 PLFS taken appropriate steps to comply with the guidelines and implemented the same. Status report on compliance with those guidelines is given below:

Condition No.	Title	Compliance Status
01	Responsibilities and Authorities of Board of Directors: The responsibilities of the Board of Directors are mainly related to evaluation and developing strategy. Those are as follows -	Complied
A. Work-planning and Strategic Management		
i	The Board shall determine the vision/mission of the Company. Board shall also determine the strategy and work planning for enhancement of institutional efficiency and other policy matters on annual basis. The Board shall make necessary amendments on the strategy on quarterly basis.	Complied. Refer to the Directors Report of this Annual Report
ii	The Board shall have its analytical review to be incorporated in the Annual Report as regard to the success or failure in achieving the target as set out in the annual work plan and inform the same to the shareholders in the Annual General Meeting (AGM).	Complied
iii	The Board shall determine Key Performance Indicators for Chief Executive along with other top level executives and re- assess on half yearly basis.	Complied
B. Formation of Sub - committee		
For making timely decision, Executive Committee can be formed. No alternative Director shall be included in this committee.		Complied Refer to 'Board and its committee' in this Annual Report
C. Financial Management		
i	Annual budget and statutory financial reports shall be authorized by the Board of Directors	Complied
ii	The Board shall review company's statement of income and expenses, statement of loan/lease, liquidity requirement, and capital adequacy, adequacy of provision, action taken for legal cases and recovery of default loan.	Complied. Refer to Director's Report of the Annual Report
iii	The Board shall approve the procurement policy and shall accordingly approve the delegation of power for making such expenditure. The maximum delegation of power shall rest on the CEO and top management. However, decision relating to purchase of land, building, and vehicle shall remain with the Board.	Complied
iv	Bank account of the Company shall be operated by a group constituted from amongst the Management which must be approved by the Board and having dual signatures (As amended through circular number 09, dated October 08, 2007).	Complied
D. Loan/Lease/Investment Management		
i	The policies, strategies, procedures etc. in respect of appraisal of loan/lease/investment proposal, sanction, disbursement, recovery, rescheduling, and write off shall be made with the Board's approval under the purview of the existing laws, rules and regulations. The Board shall specifically delegate the power of sanction of loan/lease/investment and such delegate should desirably be made among the CEO and other top management of the company.	Complied
ii	No Director shall interfere directly or indirectly in the process of loan approval.	Complied
iii	Core Risk Management Guidelines shall be approved by the Board of Directors of the Company.	Complied

E. Risk Management		
Approval shall be taken from Board of Directors for syndicate loan/lease/ investment Complied and large loan, lease or investment.		Complied
F. Internal Control & Compliance		
Audit Committee shall be formed for effective implementation of an integrated internal control system of the Company and for keeping loan/lease/investment quality at a desired level. Board Audit Committee shall review the report provided by the Internal Control & Compliance Department, the external auditor and the Bangladesh Bank shall make comments thereon.		Refer to Report of the Audit Committee of this Annual Report
G. Human Resources Management (HRM)		
Policies relating to recruitment, promotion, transfer, disciplinary and punitive measures, HR development etc. and service rule shall be framed and approved by the Board. The Chairman of the Board shall no way involve themselves or influence over any administrative affairs including recruitment, promotion, transfer and disciplinary measures as executed under the service rules. No member of the Board shall be included in the selection committees for recruitment and promotion of different levels except the positions MD, DMD and SEVP or equivalent.		Refer to the Directors' Report of this Annual Report
H. Appointment of Managing Director and Increase of Salaries & Allowances		
Board of Directors shall appoint a competent Managing Director with approval of the Bangladesh Bank. Board shall approve any increment of salaries and allowance of the Managing Director.		Complied
I. Benefits to Chairman		
Chairman may be offered an office room, a personal secretary, a telephone at the office, a vehicle in the business – in the interest of the company subject to the approval of the Board.		Complied
02. Responsibilities and Duties of Chairman		
i	Chairman shall not personally possess the jurisdiction to apply policy making or executive or authority. He shall not participate in or interfere into the administrative or operational and routine affairs of the Company.	Complied
ii	The minutes of the Board meetings shall be signed by the Chairman.	Complied
iii	Chairman shall sign off the proposal for appointment of Managing Director & increment of his salaries and allowances	Complied
03. Responsibilities of Managing Director or Chief Executive		
Officer of the company or whatever be called, shall work under the following area-		
i	Managing Director shall discharge his responsibilities on matters relating to financial, business and administration vested by the Board upon him. He is also accountable for achievement of financial and other business targets by means of business plan, efficient implementation of administration and financial management.	Complied
ii	Managing Director shall ensure compliance of Financial Institutions Act 1993 and other relevant Circulars of Bangladesh Bank and other regulatory authorities.	Complied
iii	All recruitment, promotion & training of employees, except DMD, SEVP & equivalents shall be vested upon the Managing Director. He shall act in accordance with the approved HR Policy of the Company.	Complied
iv	Managing Director may re-schedule job responsibilities of employees.	Complied
v	Managing Director may take disciplinary actions against the employees.	Complied
vi	Managing Director may take disciplinary action against the employees except DMD.	Complied
vii	Managing Director shall sign all the letters/statements relating to compliance of policies and guidelines. However, Departmental/Unit heads may sign daily letters/statements as set out in DFIM circular no.2 dated 06 January 2009, if so authorized.	Complied

A. Meeting Information

Compliance Report On BSEC'S Notification (Section 1.5 (Xxi))

A) Shareholding Pattern of Board of Directors (As on Report Date)

Sl	Name of Directors	Status	No of Share	% of Share	Name of Spouse	No of shares held	% of Shares
1	Mr. Hasan Shaheed Ferdous	Chairman	Nil	Nil	Sawheli Parveen	Nil	Nil
2	Dr. Kazi Anowarul Hoque	Director	Nil	Nil	Dr. Nazmun Naher Karim	Nil	Nil
3	Brig Gen (Retd) Kazi Taufiqul Islam, BGBM, ndc, psc	Director	Nil	Nil	Ishrat Jahan Chowdhury	Nil	Nil
4	Barrister Reshad Imam	Director	Nil	Nil	Sheikh Faria Rahman	Nil	Nil
5	Mr. Mohammad Azizul Islam Rana FCA	Director	Nil	Nil	Sanjida Akhter	Nil	Nil
6	Mr. Mohammad Atiqur Rahman Atiq	Director	Nil	Nil	Late Mrs. Farida Yesmin Rahman	Nil	Nil
1	Anan Chemical Industries Ltd.-		1,44,40,900	5.06%		Nil	Nil
	a) Mr Noug Chow Mong Nominated by Anan Chemical Industries Ltd.	Ex-Chairman*	Nil	Nil	Mr. Nai Aye Ching	Nil	Nil
	b) Mr. Uzzal Kumar Nandi, FCA Nominated by Anan Chemical Industries Ltd.	Ex-Director*	Nil	Nil	Mrs. Anita Kar	Nil	Nil
	c) Mrs Nai Aye Ching Nominated by Anan Chemical Industries Ltd.	Ex-Director*	Nil	Nil	Mr. Noug Chow Mong	Nil	Nil
2	Mr. Nizamul Ahsan	Ex-Vice Chairman*	57,09,417	2.00%	Mrs. Khaleda Yesmin	Nil	Nil
3	Mr. A. Q. Siddiqui	Independent Director	Nil	Nil	Mrs. Hosne Ara Siddiqui	Nil	Nil
4	Mr. Shekhar Kumar Halder FCA	Independent Director	Nil	Nil	Mrs. Sunanda Rani Biswas	Nil	Nil
5	Mr. Md. Iqbal Sayeed	Independent Director	Nil	Nil	Mrs. Ferdousi Haque	Nil	Nil
6	Mr. Sukumar Mridha	Independent Director	Nil	Nil	Mrs. Taposhi Rani Sikder	Nil	Nil
7	Engr. Amitav Adhikary	Independent Director	Nil	Nil	N/A	Nil	Nil

ATTENDANCE OF THE BOARD OF DIRECTORS DURING YEAR 2019

SL No.	Name of Directors	Board of Directors Meeting			Executive Committee Meeting			Audit Committee Meeting			Total Remuneration paid for the year 2018	Remarks	
		Total Board Meeting held	Meeting Attended	Attendance % of total meeting held	Total Remuneration on paid for attending the meeting (Tk.)	Total EC Meeting	Meeting Attended	Attendance % of total meeting held	Total AC Meeting	Meeting Attended			Attendance % of total meeting held
01.	Mr. Nour Chowdhury	05	05	100%	40,000	Nil	Nil	Nil	01	-	-	40,000	Continuing as Nominated Director
02.	Mr. Md Nizamul Ahsan	05	05	100%	40,000	Nil	Nil	Nil	01	01	100%	48,000	Continuing as shareholder Director & Vice Chairman
03.	Mr. Uzzal Kumar Nandi, FCA	05	05	100%	40,000	Nil	Nil	Nil	01	-	-	40,000	Continuing as Nominated Director as well as Chairman
04.	Mrs. Nai Aye Ching	05	05	100%	40,000	Nil	Nil	Nil	01	-	-	40,000	Continuing as Nominated Director.
05.	Mr. A.Q. Siddiqui	05	04	80%	32,000	Nil	Nil	Nil	01	01	100%	40,000	Continuing as Independent Director
06.	Mr. Shekhar Kumar Halder, FCA	05	05	100%	40,000	Nil	Nil	Nil	01	01	100%	48,000	Continuing as Independent Director
07.	Mr. Md. Iqbal Sayeed	05	05	100%	40,000	Nil	Nil	Nil	01	01	100%	48,000	Continuing as Independent Director
08.	Mr. Sukumar Mridha	05	05	100%	40,000	Nil	Nil	Nil	01	-	-	40,000	Continuing as Independent Director
09.	Engr. Amitav Adhikary	05	04	80%	32,000	Nil	Nil	Nil	01	01	100%	40,000	Continuing as Independent Director

B. Shareholding Pattern of Board of Directors

ANNEXURE-V

COMPLIANCE REPORT ON BSEC'S NOTIFICATION (Section 1.5(xxii))

A) SHAREHOLDING PATTERN OF BOARD OF DIRECTORS (31st December 2019)

Sl.	Name of Directors	Status	Nos. of shares	% of shares	Name of Spouse	No. of shares held	% of shares
1	Anan Chemical Industries Limited (a) Mr. Nourng Chow Mong (Nominated by Anan Chemical Industries Limited)	Chairman	14,440,900	5.06%	Mrs. Nai Aye Ching	Nil	Nil
	(b) Mr. Uzzal Kumar Nandi FCA (Nominated by Anan Chemical Industries Limited)	Director	Nil	Nil	Mrs. Anita Kar	Nil	Nil
	(c) Mrs. Nai Aye Ching (Nominated by Anan Chemical Industries Limited)	Director	Nil	Nil	Mr. Nourng Chow Mong	Nil	Nil
2	Mr. Md. Nizamul Ahsan	Vice-Chairman	57,09,417	2.00%	Mrs. Khaleda Yasmin	Nil	Nil
3	Mr. A. Q. Siddiqui	Independent Director	Nil	Nil	Mrs. Hosne Ara Siddiqui	Nil	Nil
4	Mr. Shekhar Kumar Halder FCA	Independent Director	Nil	Nil	Mrs. Sunanda Rani Biswas	Nil	Nil
5	Mr. Md. Iqbal Sayeed	Independent Director	Nil	Nil	Mrs. Ferdousi Haque	Nil	Nil
6	Mr. Sukumar Miridha	Independent Director	Nil	Nil	Mrs. Taposhi Rani Sikder	Nil	Nil
7	Engr. Amitav Adhikary	Independent Director	Nil	Nil	N/A	Nil	Nil

ANNEXURE-VI

SHAREHOLDERS HOLDING 10% OR MORE VOTING RIGHTS

Sl.	Name	Status	Nos. of shares	% of shares
1	Nil	Nil	Nil	Nil

ANNEXURE-VII

SHARES HELD BY CEO, CFO, CS & HEAD OF INTERNAL CONTROL & COMPLIANCE

Sl.	Name	Status/Position	Shares held
1	Sami Huda	Managing Director & CEO	Nil
2	Manik Lal Sammadder FCA	EVP & Chief Financial Officer	Nil
3	MA Rahman , FCS	Company Secretary	Nil
4	Mofazzal Hossain Khan	Head, Internal Control & Compliance Department	Nil

ANNEXURE-VIII

SHARES HELD BY TOP SALARIED EMPLOYEES OTHER THAN DIRECTORS, CEO, CFO, CS & HEAD OF INTERNAL CONTROL & COMPLIANCE

Sl.	Name	Status/Position	Shares held
1	Quazi Ahmed Jamal	Senior Executive Vice President	Nil
2	Shohel Shams	Senior Vice President	Nil
3	Mahmud Kaiser	SVP, Head of Corporate & Treasury	Nil
4	Md Harun Ur Rashid	SVP, Liability Marketing	Nil
5	Noor Ul-Alam, FCA	VP, Head of Accounts	Nil

Related Party Disclosure

(BoD as on report date)

ANNEXURE-IX

Sl. No.	Name of Directors	Status in the Board	Name of the firms/ companies in which interested in the proprietor, partner, director, managing agent, guarantor, employee etc.
1	Mr. Noung Chow Mong	Chairman	1. Anan Chemical Industries Ltd
2	Mr. Md. Nizamul Ahsan	Vice Chairman	1. Meghna Group 2. Siam Bangla Industries Ltd. 3. Needle Drop (Garments) Ltd. 4. N. Ahsan & Co.
3	Mr. Uzzal Kumar Nandi FCA	Director (Nominated by Anan Chemical Industries Limited)	1. Northern Jute Manufacturing Ltd. 2. Anan Chemical Industries Ltd. 3. Clewiston Foods & Accommodation Limited 4. Simtex Industries Limited 5. Uzzal Nandi & Co. Chartered Accountants
4	Mrs Nai Aye Ching	Director (Nominated by Anan Chemical Industries Limited)	1. Anan Chemical Industries Ltd
5	Mr. Abdul Qader Siddiqui	Independent Director	-
6	Mr. Shekhar Kumar Halder, FCA	Independent Director	-
7	Mr. Md. Iqbal Sayeed	Independent Director	-
8	Mr. Sukumar Mridha	Independent Director	-
9	Engr. Amitav Adhikary	Independent Director	-

Key Operating Data

ANNEXURE-X

People's Leasing And Financial Services Ltd. Financial Highlights

Sl. No.	Particulars	Amount in Tk.	
		2019	2018
1	Paid -up Capital	2,854,405,970	2,854,405,970
2	Total Capital	(24,886,092,282)	(18,627,027,083)
3	Capital Surplus	(27,740,498,252)	(21,481,433,053)
4	Total Assets	14,019,458,854	15,062,692,635
5	Total Deposits	21,129,309,794	20,442,405,185
6	Total loans & advances	11,906,269,969	11,457,601,356
7	Total contingent liabilities and commitments	325,000,000	325,000,000
8	Credit deposit ratio	56.35%	56.05%
9	Percentage of classified loans against total loans & advances	80.46%	65.95%
10	Profit after tax and provision	(5,668,881,581)	(1,495,823,505)
11	Amount of classified loans during the year	9,579,784,817	7,556,335,000
12	Provision kept against classified loans	7,221,645,707	5,668,588,000
13	Provision surplus against classified loans	-	-
14	Cost of fund	18.22%	13.99%
15	Interest earning assets	12,859,339,784	12,611,004,112
16	Non -interest earning assets	1,160,119,070	2,451,688,523
17	Return of investments (ROI)	(46.77)	(12.75)
18	Return on assets (ROA)	(38.99)	(8.93)
19	Income from loans & advances & investment	266,832,509	815,341,384
20	Earnings per share	(19.86)	(5.24)
21	Net income per share	(19.86)	(5.24)
22	Price earnings ratio	(0.15)	(1.07)

As per Annexure-A & Condition No.1(5)(xxvi) of the CG Code
People's Leasing & Financial Services Ltd. (PLFSL)
Declaration by Managing Director and Head of Accounts

Date: August 29, 2023

The Board of Directors
People's Leasing & Financial Services Ltd.
Paramount Heights (12th Floor), 65/2/1
Purana Paltan, Dhaka-1000

Subject: Declaration on Financial Statements for the year ended December 31, 2019.

Dear Sir,

Pursuant to the condition No.1(5)(xxvi) imposed vide the Commission's Notification No.BSEC/CMRRCD/2006-158/207/Admin/80 dated-June 3, 2018 under Section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

- 1) The Financial Statements of PLFSL for the year ended December 31, 2019 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS) as applicable in Bangladesh and any departure there from has been adequately disclosed;
- 2) The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
- 3) The form and substance of transactions and the Company's statement of affairs have been reasonably and fairly presented in its financial statements;
- 4) To ensure above the Company has taken proper and adequate care in implementing a system of internal control and maintenance of accounting records;
- 5) Our Internal auditors have conducted periodic audit to provide reasonable assurance that the established policies and procedures of the Company were consistently followed;
- 6) The Management use of the going concern basis of accounting in preparing the financial the financial statements is appropriate;

In this regard, we also certify that:

- 1) We have reviewed the financial statements for the year ended on 31 December 2019 and that to the best of our knowledge and belief:
 - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. These statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws;
- 2) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the Company's board of directors or its members;

Sincerely yours



Md. Monirul Islam Shamim
HOA & SVP



Md. Sagir Hossain Khan
Managing Director



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2019

Auditors' Report and
Financial Statements

People's Leasing And Financial Services Limited
For the Year Ended on December 31, 2019

**Independent Auditor's Report
to
The Shareholders of People's Leasing and Financial Services Ltd.
Report on the Audit of the Consolidated and Separate Financial Statements**

Qualified Opinion

We have audited the consolidated financial statements of People's Leasing and Financial Services Limited and its subsidiary (the "Group") as well as the separate financial statements of People's Leasing and Financial Services Limited (the "Company"), which comprise the consolidated and separate balance sheets as at 31 December 2019 and the consolidated and separate profit and loss accounts, consolidated and separate cash flow statements and consolidated and separate statements of changes in equity for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion section of our report, the accompanying consolidated financial statements of the Group and separate financial statements of the Company give a true and fair view of the financial position of the Group and the Company as at 31 December 2019, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as explained in note 2.1.

Basis for Qualified Opinion

1. Loans and advances have been disbursed amounting BDT 1,055,332,974 by the Company in favor of its subsidiary PLFS Investment Ltd which exceeds the sanction limit of the loan and the loan is also in excess of 30% of the Company's capital and reserves, which is a noncompliance of DFIM Circular no. 14 dated 31 December 2013 and section 14(1)(g) of the Financial Institutions Act 1993. After we have requested the Management of the Subsidiary Company to confirm to us directly their loan balance, they have responded to us referring to the letter sent by them to the parent company demanding evidence in support of the disbursed loan against which they are yet to receive a reply.
2. We could not confirm provision for income tax and deferred tax liability in absence of Tax return, Assessment Order, Updated Tax Status and Updated Tax Base certified by DCT. Moreover, last year tax return has not been submitted to NBR.
3. We could not confirm letter of guarantee amounting to BDT 150,000,000 in absence of required documentation.
4. Borrowings from other Banks, Financial Institutions & Agents include BDT 3,965,921,659 being loan balances with various banks and FIs carried forward from earlier years in support of which all loan statements and confirmations from banks were not available.
5. Basis of interest charge on loans and deposits during liquidation period has not been disclosed in the financial statements.
6. We could not confirm Capital Adequacy Ratio since CAMD statement is not reported to Bangladesh Bank and we have not been provided with the risk weighted assets calculation for BDT 14,752,800,000 in note 14.1.
7. The consolidated and separate liquidity statements and maturity grouping of loans and deposits have been misstated. The figures incorporated have no bearing to the actual dates of maturity of the respected assets and liabilities. This is a noncompliance of the Company's policy stated in note 2.10.6.



8. No deductions have been made as per clause 2.5 of the 'Prudential Guidelines on Capital Adequacy and Market Discipline for Financial Institutions' when calculating eligible regulatory capital. Had the deductions been made, eligible capital disclosed in note 14.1 would have been reduced by BDT 333,219,350.
9. The following balances could not be confirmed by us in absence of required information:

S.L.	Particulars	Amount in BDT.
1.	Income from Lease Finance	(3,200,174)
2.	Other Liabilities	3,089,090,626
3.	Other operating income	3,170,184
4.	Receivable suspense account	756,053,630

10. Cost of fund could not be confirmed in absence of required information.
11. CRR and SLR Report, Quarterly and Annually FICL and CAMD have not been submitted to Bangladesh Bank during liquidation period.
12. Disclosures have not been made in the financial statements referring to the additional interest charge made to the loans as per the recommendations of Special Auditor.

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these ethical requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 2.2 in the financial statements, which shows that the Company has an accumulated loss of BDT 29,404,681,633 for the year ended 31 December 2019; Negative equity of BDT 24,886,092,282 as at 31 December 2019; Negative Capital adequacy ratio of 165.86% as against minimum of 10%; 82% of investment of the Company is classified, CRR and SLR requirements could not be met throughout the year and investment disbursement is very poor. As stated in Note 2.2, these events or conditions, along with other matters as set forth in Note 2.2, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not further qualified in respect of this matter.

Emphasis of Matters

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

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



Key Audit Matters

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

Risk	Our response to the risk
01. Measurement of provision for loans and advances	
<p>The process for estimating the provision for loans and advances portfolio associated with credit risk is significant and complex.</p> <p>For the individual analysis, these provisions consider the estimates of future business performance and the market value of collateral provided for credit transactions.</p> <p>For the collective analysis, these provisions are manually processed that deals with voluminous databases, assumptions and calculations for the provision estimates of complex design and implementation.</p> <p>At year end the Company reported total gross loans and advances of BDT 11,779,981,551 (2018: BDT 11,263,979,848) and provision for loans and advances of BDT 7,221,645,707 (2018: BDT 5,668,588,000).</p> <p>We have focused on the following significant judgments and estimates which could give rise to material misstatement or management bias:</p> <ul style="list-style-type: none"> • Completeness and timing of recognition of loss events in accordance with criteria set out in Bangladesh Bank guidelines issued from time to time; • For individually assessed provisions, the measurement of the provision could be dependent on the valuation of collateral, estimates of exit values and the timing of cash flows. • Provision measurement is primarily dependent upon key assumptions relating to probability of default, ability to repossess collateral and recovery rates. 	<p>We tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> – Credit monitoring and provisioning process; – Identification of loss events, including early warning and default warning indicators; – Review of quarterly Classification of Loans (CL); <p>Our substantive procedures in relation to the provision for loans and advances portfolio comprised the following:</p> <ul style="list-style-type: none"> – Reviewed the adequacy of the Company's general and specific provisions; – Assessed the methodologies on which the provision amounts based, recalculated the provisions and testing of the completeness and accuracy of the underlying information; – Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.
<p>See notes 7.1 and 13.1 to the financial statements</p>	
02. Impairment assessment of Unquoted Investments	
<p>In the absence of quoted price in an active market, the fair value of unquoted shares and bonds, especially any impairment is calculated using valuation techniques which may take into consideration direct or indirect unobservable market data and hence require an elevated level of judgment.</p>	<p>Our audit procedures in this area included, among others:</p> <ul style="list-style-type: none"> – Assessment of the processes and controls put in place by the Company to ensure all major investment decisions are undertaken through a proper due diligence process. – Testing of a sample of investments valuation as at 31 December 2019 and compared our results to the recorded value. – Finally, the assessment of the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.
<p>See Notes No. 6.1.1 to the financial statements</p>	



Risk	Our response to the risk
03. IT systems and controls	
<p>Our audit procedures have a focus on IT systems and controls due to the business environment and changes to the IT environment, the large volume of transactions processed in numerous locations daily and the reliance on automated and IT dependent manual controls.</p>	<p>Our audit procedures in this area included, among others</p> <ul style="list-style-type: none"> - Testing of the design and operating effectiveness of the Bank's IT access controls over the information systems that are critical to financial reporting. - Testing of IT general controls (logical access, changes management and aspects of IT operational controls). This included testing that requests for access to systems were appropriately reviewed and authorized. - Testing of the Bank's periodic review of access rights. We inspected requests of changes to systems for appropriate approval and authorization. - Consideration of the control environment relating to various interfaces, configuration and other application layer controls identified as key to our audit.

Other Matter

The consolidated financial statements of the Group and also separate financial statements of the Company as at and for the year ended 31 December 2018 were audited by another auditor who expressed a qualified opinion on those statements on 27 June 2019.

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.

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

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements of the Group and the separate financial statements of the Company in accordance with s, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance



is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

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

- i) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof, except in some cases;
- ii) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books, except in some cases;



- iii) the balance sheet and profit and loss account of the Company dealt with by the report are in agreement with the books of account and returns;
- iv) the expenditures incurred were for the purpose of the Company's business for the year;
- v) the financial statements of the Company have been drawn up in conformity with the Financial Institutions Act, 1993 and in accordance with the accounting rules and regulations which were issued by Bangladesh Bank to the extent applicable to the Company, except in some cases;
- vi) adequate provisions have been made for loans, advances, leases, investments and other assets which are, in our opinion, doubtful of recovery and Bangladesh Bank's instructions in this regard have been followed properly;
- vii) the financial statements of the Company conform to the prescribed standards set in the accounting regulations which were issued by Bangladesh Bank after consultation with the professional accounting bodies of Bangladesh;
- viii) the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements;
- ix) statement sent to Bangladesh Bank have been checked on sample basis and no inaccuracy has come to our attention, except in some cases;
- x) taxes and duties were collected and deposited in the Government treasury by the Company as per Government instructions found satisfactory based on test checking, except in some cases;
- xi) nothing has come to our attention that the Company has adopted any unethical means i.e., "Window dressing" to inflate the profit and mismatch between the maturity of assets and liabilities;
- xii) proper measures have not been taken to eliminate the irregularities mentioned in the inspection report of Bangladesh Bank but the instructions which were issued by Bangladesh Bank and other regulatory authorities have been complied properly as disclosed to us by management; it is relevant to mention under this clause that the Company has failed to comply with sections 16 and 17 of the Financial Institutions Act, 1993 in respect of investment in shares and fixed assets;
- xiii) based on our work as mentioned above under the auditor's responsibility section, the internal control and the compliance of the Company is not satisfactory and effective measures have not been taken to prevent possible material fraud, forgery and internal policies are not being followed appropriately; it is relevant to mention under this clause that the Company has failed to comply with Bangladesh Bank Guideline on ICT Security for Banks and NBFIs section 10.3.2 which states that the Annual Maintenance Contract (AMC) with the vendor shall be active and currently in-force;
- xiv) The Company has not complied with relevant laws pertaining to capital, reserve and net worth, cash and liquid assets.
- xv) we have reviewed over 80% of the risk weighted assets of the Company and we have spent around 6,000 person hours for the audit of the books and accounts of the Company;
- xvi) the Company has complied with relevant instructions which were issued by Bangladesh Bank relevant to classification, provisioning and calculation of interest suspense;
- xvii) the Company has complied with the 'DFIM Circular No. 11 dated 23 December 2009' in preparing these financial statements.
- xviii) all other issues which in our opinion are important for the stakeholders of the Company have been adequately disclosed in the audit report.

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

Dated: Dhaka
29 August 2023

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



Harun Mahmud
Partner
Enrolment no: 850
DVC: **2309240850 AS 978189**



 An independent member firm of
Moore Global Network Limited

People's Leasing And Financial Services Ltd.

Consolidated Balance Sheet

As on December 31, 2019

Particulars	Notes	Amount in Taka	
		Dec 31, 2019	Dec 31, 2018
PROPERTY & ASSETS			
Cash & Cash Equivalents	3.a		
In Hand (including foreign currencies)		31,459	134,600
Balance with Bangladesh Bank and its Agent Banks (including foreign currencies)		49,896	4,486,010
		81,355	4,620,610
Balance with other Banks and Financial Institutions	4.a		
Inside Bangladesh		981,125,352	1,191,733,060
Outside Bangladesh		-	-
		981,125,352	1,191,733,060
Money at Call and Short Notice	5	-	-
Investments	6.a		
Government		-	-
		349,916,125	449,199,157
		349,916,125	449,199,157
Loans & Advances	7.a		
Lease Receivables		839,110,498	845,928,000
Advance for Lease Finance		-	-
Direct/ Term Finance		10,941,905,556	10,348,593,355
Secured Overdraft		(1,034,503)	69,458,493
Bills Discounted and Purchased		-	-
		11,779,981,551	11,263,979,848
Property, Plant & Equipment	8.a	77,940,536	88,480,930
Intangible Asset	8.1	-	-
Other Assets	9.a	806,968,039	2,014,266,930
Non-Banking Assets	10	34,611,788	38,456,708
Total Assets		14,030,624,746	15,050,737,244
LIABILITIES & CAPITAL			
Borrowings from Other Banks, Financial Institutions & Agents	11.a	3,965,921,659	5,278,324,971
Deposits & Other Accounts	12		
Current deposits & Other Accounts, etc		-	-
Bills Payable		-	-
Savings Bank Deposits		-	-
Term Deposits		21,058,726,955	20,342,269,010
Bearer Certificate of Deposits		-	-
Other Deposits		70,582,839	80,136,175
		21,129,309,794	20,422,405,185
Other Liabilities	13.a	13,899,778,025	8,048,905,528
Total Liabilities		38,995,009,478	33,749,635,684
Capital/ Shareholders' Equity			
Paid-up Capital	14	2,854,405,970	2,854,405,970
Statutory Reserve	15	645,578,147	645,578,147
General Reserve	16.a	7,478,823	7,478,823
Share Premium	17	1,018,605,234	1,018,605,234
Retained Earnings	18.a	(29,511,218,839)	(23,246,824,134)
Total Shareholders' Equity		(24,985,150,665)	(18,720,755,960)
Non-Controlling Interest	14.a	20,765,934	21,857,519
Total Equity		(24,964,384,732)	(18,698,898,441)
Total Liabilities & Equity		14,030,624,746	15,050,737,244



People's Leasing And Financial Services Ltd.

Consolidated Balance Sheet

As on December 31, 2019

Particulars	Notes	Amount in Taka	
		Dec 31, 2019	Dec 31, 2018
OFF-BALANCE SHEET ITEMS			
Contingent liabilities	19		
Letters of guarantee		325,000,000	325,000,000
Letters of credit		-	-
Irrevocable letter of credit		-	-
Bills for collection		-	-
Other contingent liabilities		-	-
		325,000,000	325,000,000
Other Commitments			
Money at call and short notice		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
		-	-
Total off-balance sheet items including contingent liabilities		325,000,000	325,000,000

Nat Assets Value (NAV) per share

40.a

(87.53)

(65.59)

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


Director


Director


Chairman



Company Secretary (In Charge)



Head of Accounts



Managing Director

Signed as per annexed report on even date.

Dated, Dhaka

August 29, 2023

M. J. Abedin & Co.

Chartered Accountants

Firm Registration no: CAF-001-111



Harun Mahmud FCS

Partner

Enrolment no: 850

DVC: **2309240850 AS 978189**

People's Leasing And Financial Services Ltd.
Consolidated Profit and Loss Account
For the Year ended December 31, 2019

Particulars	Notes	Amount in Taka	
		Dec 31, 2019	Dec 31, 2018
OPERATING INCOME			
Interest income	20.a	300,286,432	909,073,001
Interest paid on deposits, borrowings etc.	21.a	(3,133,096,375)	(3,260,798,897)
Net interest income		(2,832,809,943)	(2,351,725,896)
Income from investment	22.a	(4,608,355)	(188,907,969)
Commission, exchange and brokerage	23	-	1,400,000
Other operating income	24.a	7,457,232	15,922,386
Total operating income		(2,829,961,066)	(2,523,311,479)
OPERATING EXPENSES			
Salaries & allowances	25.a	73,686,595	134,574,795
Rent, taxes, insurance, electricity etc.	26.a	16,711,982	26,394,647
Legal expenses	27.a	1,284,820	1,449,320
Postage, stamp, telecommunications etc.	28.a	1,242,562	1,359,222
Stationery, printing, advertisement etc.	29.a	1,531,870	6,055,497
Managing director's salary and fees	30	3,337,000	5,794,000
Directors' fees	31.a	700,800	597,683
Audit fee	32.a	35,000	442,500
Loans & advances written-off expenses	33 & 13.1	-	-
Repair, depreciation and amortization of company's assets	34.a	12,514,771	15,004,940
Other expenses	35.a	53,380,398	36,763,473
Total operating expenses		164,425,798	228,436,077
Profit before provision		(2,994,386,864)	(2,751,747,556)
Provision for loans & advances	36.a		
Specific provision		2,633,387,914	(1,114,206,322)
General provision		-	-
Provision for diminution in value of investments		27,084,513	(45,107,583)
Other provision		-	-
Total provision		2,660,472,427	(1,159,313,905)
Profit before taxes		(5,654,859,291)	(1,592,433,651)
Provision for tax			
Current tax	37.a	7,181,748	7,814,792
Deferred tax	38.a	(20,488,367)	(8,841,615)
Total provision		(13,306,619)	(1,026,823)
Profit after tax		(5,641,552,673)	(1,591,406,828)
Less: Appropriations			
Statutory reserve		-	-
General reserve		-	-
Retained surplus		(5,641,552,673)	(1,591,406,828)
Attributable to:			
Shareholders of the Company		(5,640,461,088)	(1,575,157,663)
Non-Controlling Interest		(1,091,585)	(16,249,165)
		(5,641,552,673)	(1,591,406,828)
Earnings per share (EPS)	39.a	(19.76)	(5.52)

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


Director


Director


Chairman



Company Secretary (In Charge)



Head of Accounts



Managing Director

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



Harun Mahmud FCS
Partner
Enrolment no: 850

DVC: **2309240850 AS 978189**


Signed as per annexed report on even date.


Dated, Dhaka
August 29, 2023


People's Leasing And Financial Services Ltd.
Consolidated Statement of Cash Flows

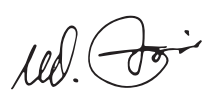
For the year ended December 31, 2019

Particulars	Amount in Taka	
	Dec 31, 2019	Dec 31, 2018
A CASH FLOW FROM OPERATING ACTIVITIES:		
Interest received	601,543,602	736,326,101
Interest paid	(2,588,276,411)	(3,477,352,245)
Dividend received	4,051,204	32,937,752
Payments to employees	(78,081,576)	(142,298,759)
Payments to suppliers	(137,008,758)	(22,716,615)
Payments of Income Tax	(8,664,460)	(108,406,442)
Received from other operating activities	(1,202,327)	(116,493,953)
Payments for other operating activities	56,293,020	(49,279,336)
Cash generated from operating activities	(2,151,345,706)	(3,147,283,497)
Increase/(decrease) in operating assets and liabilities		
Statutory deposits		
Loans and advances to other customers	(1,238,894,282)	1,927,733,585
Other assets	2,176,395,125	(157,406,865)
Deposits from other Banks	(244,946,358)	(397,756,407)
Deposits from customers	931,850,967	1,623,492,945
Other liabilities	1,518,095,119	(901,923,733)
	3,142,500,571	2,094,139,525
Net Cash from Operating Activities	991,154,866	(1,053,143,972)
B CASH FLOW FROM INVESTING ACTIVITIES:		
Sales of Investment in securities	99,283,032	1,238,442,760
Purchase of property, plant and equipment	6,818,451	(22,880,140)
Proceeds from sale of property, plant and equipment		-
Net cash used in investing activities	106,101,483	1,215,562,620
C CASH FLOW FROM FINANCING ACTIVITIES:		
Drawdown of Term loan, Overdraft and Money Market	(1,312,403,312)	(1,060,221,195)
Issuance of shares		-
Dividend paid		-
Net cash from financing activities	(1,312,403,312)	(1,060,221,195)
D Net increase/(decrease) in cash and cash equivalents (A+B+C)	(215,146,963)	(897,802,547)
E Effects of exchange rate changes on cash and cash equivalents	-	-
F Cash and cash equivalents at beginning of the year	1,196,353,670	2,094,156,217
G Cash and cash equivalents at end of the year (D+E+F)	981,206,707	1,196,353,670
Cash and cash equivalents at end of the year		
Cash in hand	31,459	134,600
Balance with Bangladesh Bank and its agents bank(s)	49,896	4,486,010
Balance with other banks and financial institutions	981,125,352	1,191,733,060
Money at call and short notice	-	-
	981,206,707	1,196,353,670
Net Operating Cash Flow per share	3.47	(3.69)


Director


Company Secretary (In Charge)


Director


Head of Accounts


Chairman


Managing Director



People's Leasing And Financial Services Ltd.
Consolidated Statement of Changes in Equity

For the Year ended December 31, 2019

Particulars	Paid-up Capital	Statutory Reserve	General Reserve	Share Premium	Retained Earnings	Total Equity	Non-Controlling Interest	Total
Balance as on January 01, 2019	2,854,405,970	645,578,147	7,478,823	1,018,605,234	(23,246,824,134)	(18,720,755,960)	21,857,519	(18,698,898,441)
Changes in accounting policy	-	-	-	-	-	-	-	-
Restated balance	2,854,405,970	645,578,147	7,478,823	1,018,605,234	(23,246,824,134)	(18,720,755,960)	21,857,519	(18,698,898,441)
Surplus/(deficit) on account of revaluation of investments	-	-	-	-	-	-	-	-
Non-Controlling Interest	-	-	-	-	1,091,584	1,091,584	(1,091,584)	-
Changes of Non-controlling Interest	-	-	-	-	-	-	-	-
Adjustments of Non-controlling Interest	-	-	-	-	-	-	-	-
Net gains and losses not recognized in income statement	-	-	-	-	-	-	-	-
Transfer to statutory reserve	-	-	-	-	(5,641,552,672)	(5,641,552,672)	-	(5,641,552,672)
Net profit for the year	-	-	-	-	-	-	-	-
Dividend (bonus shares)	-	-	-	-	-	-	-	-
Appropriations/ Adjustment made during the year	-	-	-	-	(623,933,617)	(623,933,617)	-	(623,933,617)
Balance as on December 31, 2019	2,854,405,970	645,578,147	7,478,823	1,018,605,234	(29,511,218,839)	(24,985,150,665)	20,765,935	(24,964,384,731)

Particulars	Paid-up Capital	Statutory Reserve	General Reserve	Share Premium	Retained Earnings	Total Equity	Non-Controlling Interest	Total
Balance as on 1 January, 2018	2,854,405,970	645,578,147	7,478,823	1,018,605,234	(21,671,666,471)	(17,145,598,297)	38,106,684	(17,107,491,613)
Adjustment for previous years loss	-	-	-	-	-	-	-	-
Restated balance	2,854,405,970	645,578,147	7,478,823	1,018,605,234	(21,671,666,471)	(17,145,598,297)	38,106,684	(17,107,491,613)
Surplus/(deficit) on account of revaluation of investments	-	-	-	-	-	-	-	-
Non-Controlling Interest	-	-	-	-	16,249,165	16,249,165	(16,249,165)	-
Changes of Non-controlling Interest	-	-	-	-	-	-	-	-
Adjustments of Non-controlling Interest	-	-	-	-	-	-	-	-
Net gains and losses not recognized in income statement	-	-	-	-	-	-	-	-
Transfer to statutory reserve	-	-	-	-	(1,591,406,828)	(1,591,406,828)	-	(1,591,406,828)
Net profit for the year	-	-	-	-	-	-	-	-
Balance as on December 31, 2018	2,854,405,970	645,578,147	7,478,823	1,018,605,234	(23,246,824,134)	(18,720,755,960)	21,857,519	(18,698,898,441)


 Director


 Company Secretary (In Charge)


 Director


 Head of Accounts




 Chairman


 Managing Director

People's Leasing And Financial Services Ltd.
Consolidated Liquidity Statement

As on December 31, 2019

Amount in Taka

Particulars	Amount in Taka						
	Up to 1 month maturity	1-3 months maturity	3-12 months maturity	1-5 Years maturity	More than 5 years maturity	2019	2018
Cash	31,459	-	-	-	-	31,459	134,600
Balances with Bangladesh bank	49,896	-	-	-	-	49,896	4,486,010
Balances with other banks	151,666,957	-	829,458,395	-	-	981,125,352	1,191,733,060
Money at call and on short notice	-	-	-	-	-	-	-
Investments	96,396,242	-	113,934,883	139,585,000	-	349,916,125	449,199,157
Loans and advances	285,639,140	571,278,281	2,570,752,263	6,263,023,385	2,089,288,481	11,779,981,551	11,263,979,848
Property, plant & equipment	-	-	19,304,730	37,331,076	21,304,731	77,940,537	88,480,930
Other assets	189,265,786	178,192,365	199,277,501	167,130,924	73,101,464	806,968,039	2,014,266,930
Non-banking assets	-	-	-	34,611,788	-	34,611,788	38,456,709
Total assets	723,049,480	749,470,645	3,732,727,772	6,641,682,173	2,183,694,676	14,030,624,746	15,050,737,244
LIABILITIES:							
Borrowings from other Banks, Financial Institutions & Agents	561,011,111	1,209,809,206	593,574,520	1,601,526,822	-	3,965,921,659	5,278,324,971
Deposits and other accounts	609,063,779	1,827,191,336	9,235,956,682	6,038,371,843	3,418,726,153	21,129,309,794	20,422,405,185
Provision and other liabilities	1,738,485,982	656,755,358	1,041,933,550	8,388,790,364	2,073,812,773	13,899,778,027	8,048,905,528
Total liabilities	2,908,560,872	3,693,755,900	10,871,464,752	16,028,689,029	5,492,538,926	38,995,009,478	33,749,635,684
Net Liquidity Gap	(2,185,511,391)	(2,944,285,255)	(7,138,736,980)	(9,387,006,856)	(3,308,844,250)	(24,964,384,732)	(18,698,898,440)


 Director


 Company Secretary (In Charge)


 Director


 Head of Accounts




 Chairman


 Managing Director

People's Leasing And Financial Services Ltd.

Balance Sheet

As on December 31, 2019

Particulars	Notes	Amount in Taka	
		Dec 31, 2019	Dec 31, 2018
PROPERTY & ASSETS			
Cash & Cash Equivalents	3		
In Hand (including foreign currencies)		1,459	104,600
Balance with Bangladesh Bank and its Agent Banks (including foreign currencies)		49,896	4,486,010
		51,355	4,590,610
Balance with other Banks and Financial Institutions	4		
Inside Bangladesh		953,069,815	1,153,402,756
Outside Bangladesh		-	-
		953,069,815	1,153,402,756
Money at Call and Short Notice	5	-	-
Investments	6		
Government		-	-
		215,275,830	271,275,830
		215,275,830	271,275,830
Loans & Advances	7		
Lease Receivables		839,110,498	845,928,000
Advance for Lease Finance		-	-
Direct/ Term Finance		11,068,193,974	10,542,214,863
Secured Overdraft		(1,034,503)	69,458,493
Bills Discounted and Purchased		-	-
		11,906,269,969	11,457,601,356
Property, Plant & Equipment	8	74,105,383	84,022,110
Intangible Asset		-	-
Other Assets	9	836,074,714	2,053,343,265
Non-Banking Assets	10	34,611,788	38,456,708
Total Assets		14,019,458,854	15,062,692,635
LIABILITIES & CAPITAL			
Borrowings from Other Banks, Financial Institutions & Agents	11	3,965,921,659	5,262,250,258
Deposits & Other Accounts	12		
Current deposits & Other Accounts, etc		-	-
Bills Payable		-	-
Savings Bank Deposits		-	-
Term Deposits		21,058,726,955	20,362,269,010
Bearer Certificate of Deposits		-	-
Other Deposits		70,582,839	80,136,175
		21,129,309,794	20,442,405,185
Other Liabilities	13	13,810,319,683	7,985,064,275
Total Liabilities		38,905,551,136	33,689,719,718
Capital/ Shareholders' Equity			
Paid-up Capital	14	2,854,405,970	2,854,405,970
Statutory Reserve	15	645,578,147	645,578,147
General Reserve	16	-	-
Share Premium	17	1,018,605,234	1,018,605,234
Retained Earnings	18	(29,404,681,633)	(23,145,616,434)
Total Shareholders' Equity		(24,886,092,282)	(18,627,027,083)
Total Liabilities & Shareholders' Equity		14,019,458,854	15,062,692,635



People's Leasing And Financial Services Ltd.

Balance Sheet

As at December 31, 2019

Particulars	Notes	Amount in Taka	
		Dec 31, 2019	Dec 31, 2018
OFF-BALANCE SHEET ITEMS			
Contingent liabilities	19		
Letters of guarantee		325,000,000	325,000,000
Letters of credit		-	-
Irrevocable letter of credit		-	-
Bills for collection		-	-
Other contingent liabilities		-	-
		325,000,000	325,000,000
Other Commitments			
Money at call and short notice		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
		-	-
Total off-balance sheet items including contingent liabilities		325,000,000	325,000,000
Nat Assets Value (NAV) per share	40	(87.18)	(65.26)

The annexed notes 1 to 50 and Annexures - A and B form an integral part of these financial statements.


Director


Director


Chairman



Company Secretary (In Charge)



Head of Accounts



Managing Director

Signed as per annexed report on even date.

Dated, Dhaka
August 29, 2023

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



Harun Mahmud FCS
Partner
Enrolment no: 850
DVC: **2309240850 AS 978189**

People's Leasing And Financial Services Ltd.

Profit and Loss Account

For the year ended December 31, 2019

Particulars	Notes	Amount in Taka	
		Dec 31, 2019	Dec 31, 2018
OPERATING INCOME			
Interest income	20	267,986,646	923,894,334
Interest paid on deposits, borrowings etc.	21	(3,132,525,653)	(3,260,559,252)
Net interest income		(2,864,539,007)	(2,336,664,918)
Income from investment	22	(1,154,137)	(108,552,950)
Commission, exchange and brokerage	23	-	1,400,000
Other operating income	24	4,060,013	3,571,695
Total operating income		(2,861,633,131)	(2,440,246,173)
OPERATING EXPENSES			
Salaries & allowances	25	65,995,477	124,092,611
Rent, taxes, insurance, electricity etc.	26	13,866,215	23,758,510
Legal Expenses	27	1,284,820	1,449,320
Postage, stamp, telecommunications etc.	28	1,001,302	1,104,245
Stationery, printing, advertisement etc.	29	1,442,574	5,674,848
Managing director's salary and fees	30	3,337,000	5,794,000
Directors' fees	31	680,800	577,683
Audit fee	32	-	402,500
Loans & advances written-off expenses	33 & 13.1	-	-
Repair, depreciation and amortization of company's assets	34	11,879,604	14,239,317
Other expenses	35	48,534,391	31,775,458
Total operating expenses		148,022,183	208,868,492
Profit before provision		(3,009,655,314)	(2,649,114,665)
Provision for loans & advances			
Specific provision	36	1,576,870,990	(1,114,206,322)
General provision		(23,813,283)	-
Provision for diminution in value of investments		27,084,513	(45,241,947)
Other provision		1,080,330,207	-
Total provision		2,660,472,427	(1,159,448,269)
Profit before taxes		(5,670,127,741)	(1,489,666,396)
Provision for tax			
Current tax	37	6,000,000	6,000,000
Deferred tax	38	(7,246,161)	157,109
Total provision		(1,246,161)	6,157,109
Profit after tax		(5,668,881,581)	(1,495,823,505)
Profit available for appropriations		(5,668,881,581)	(1,495,823,505)
Appropriations			
Statutory reserve		-	-
General reserve		-	-
Retained surplus		(5,668,881,581)	(1,495,823,505)
Earnings per share (EPS)	39	(19.86)	(5.24)

The annexed notes 1 to 50 and Annexures - A and B form an integral part of these financial statements.


Director


Director


Chairman



Company Secretary (In Charge)



Head of Accounts



Managing Director

Signed as per annexed report on even date.

Dated, Dhaka
August 29, 2023

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



Harun Mahmud FCS
Partner
Enrolment no: 850

DVC: **2309240850 AS 978189**

People's Leasing And Financial Services Ltd.

Statement of Cash Flows

For the year ended December 31, 2019

Particulars	Amount in Taka	
	Dec 31,2019	Dec 31,2018
A CASH FLOW FROM OPERATING ACTIVITIES:		
Interest received	569,243,816	634,615,944
Interest paid	(2,587,705,689)	(3,360,581,110)
Dividend received	1,645,863	23,863,792
Payments to employees	(70,356,210)	(131,816,575)
Payments to suppliers	(136,209,158)	(17,728,601)
Payments of Income Tax	(9,234,201)	(18,977,463)
Received from other operating activities	1,260,013	(128,845,047)
Payments for other operating activities	63,548,002	(45,929,087)
Cash generated from operating activities	(2,167,807,564)	(3,045,398,147)
Increase/(decrease) in operating assets and liabilities		
Loans and advances to customers	(1,171,561,192)	2,030,696,173
Other assets	2,113,374,487	(202,347,121)
Deposits from Banks	(244,946,358)	(397,756,407)
Deposits from customers	931,850,967	1,643,492,945
Other liabilities	1,567,727,612	(760,150,223)
	3,196,445,516	2,313,935,367
Net Cash from Operating Activities	1,028,637,952	(731,462,779)
B CASH FLOW FROM INVESTING ACTIVITIES:		
Sales of Investment in securities	56,000,000	746,182,376
Purchase of property, plant and equipment	6,818,451	(22,846,140)
Proceeds from sale of property, plant and equipment	-	-
Net cash used in investing activities	62,818,451	723,336,236
C CASH FLOW FROM FINANCING ACTIVITIES:		
Drawdown of Term loan, Overdraft and Money Market	(1,296,328,599)	(805,727,398)
Issuance of shares	-	-
Dividend paid	-	-
Net cash from financing activities	(1,296,328,599)	(805,727,398)
D Net increase/(decrease) in cash and cash equivalents (A+B+C)	(204,872,196)	(813,853,941)
E Effects of exchange rate changes on cash and cash equivalents	-	-
F Cash and cash equivalents at beginning of the year	1,157,993,366	1,971,847,307
G Cash and cash equivalents at end of the year (D+E+F)	953,121,170	1,157,993,366
Cash and cash equivalents at end of the year		
Cash in hand	1,459	104,600
Balance with Bangladesh Bank and its agents bank(s)	49,896	4,486,010
Balance with other banks and financial institutions	953,069,815	1,153,402,756
Money at call and short notice	-	-
	953,121,170	1,157,993,366
Net Operating Cash Flow per share	3.60	(2.56)


Director


Director


Chairman


Company Secretary (In Charge)


Head of Accounts




Managing Director

People's Leasing And Financial Services Ltd.

Statement of Changes in Equity

For the year ended December 31, 2019

Particulars	Amount in Taka					
	Paid-up Capital	Statutory Reserve	General Reserve	Share Premium	Retained Earnings	Total
Balance as on January 01, 2019	2,854,405,970	645,578,147	-	1,018,605,234	(23,145,616,434)	(18,627,027,083)
Changes in accounting policy	-	-	-	-	-	-
Restated balance	2,854,405,970	645,578,147	-	1,018,605,234	(23,145,616,434)	(18,627,027,083)
Surplus/(deficit) on account of revaluation of properties	-	-	-	-	-	-
Surplus/(deficit) on account of revaluation of investments	-	-	-	-	-	-
Currency translation differences	-	-	-	-	-	-
Net gains and losses not recognized in income statement	-	-	-	-	-	-
Transfer to statutory reserve	-	-	-	-	-	-
Transfer to general reserve	-	-	-	-	-	-
Net profit for the year	-	-	-	-	(5,668,881,581)	(5,668,881,581)
Dividend (bonus shares)	-	-	-	-	-	-
Appropriations/ Adjustment made during the year	-	-	-	-	(590,183,618)	(590,183,618)
Balance as on December 31, 2019	2,854,405,970	645,578,147	-	1,018,605,234	(29,404,681,633)	(24,886,092,282)
<hr/>						
Particulars						
Balance as on January 01, 2018	2,854,405,970	645,578,147	-	1,018,605,234	(21,649,792,929)	(17,131,203,578)
Adjustment for previous years loss	-	-	-	-	-	-
Restated balance	2,854,405,970	645,578,147	-	1,018,605,234	(21,649,792,929)	(17,131,203,578)
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	-	-	-	-	(1,495,823,505)	(1,495,823,505)
Net profit for the year	-	-	-	-	-	-
Transfer to statutory reserve	-	-	-	-	-	-
Transfer to general reserve	-	-	-	-	-	-
Dividend (bonus shares)	-	-	-	-	-	-
Appropriations made during the year	-	-	-	-	-	-
Balance as on December 31, 2018	2,854,405,970	645,578,147	-	1,018,605,234	(23,145,616,434)	(18,627,027,083)


Director


Company Secretary (In Charge)


Director


Head of Accounts




Chairman


Managing Director

People's Leasing And Financial Services Ltd.

Liquidity Statement

As on December 31, 2019

Amount in Taka

Particulars	Amount in Taka					
	Up to 1 month maturity	1-3 months maturity	3-12 months maturity	1-5 Years maturity	More than 5 years maturity	2018
Cash	1,459	-	-	-	-	1,459
Balances with Bangladesh bank	49,896	-	-	-	-	49,896
Balances with other banks	123,611,420	-	829,458,395	-	-	953,069,815
Money at call and on short notice	-	-	-	-	-	-
Investments	420	-	75,690,410	139,585,000	-	215,275,830
Loans and advances	285,639,140	571,278,281	2,570,752,263	6,456,644,893	2,021,955,391	11,906,269,969
Property, plant & equipment	-	-	18,026,346	36,052,692	20,026,346	74,105,384
Other assets	189,265,786	178,192,365	213,830,838	181,684,262	73,101,464	836,074,714
Non-banking assets	-	-	-	34,611,788	-	34,611,788
Total assets	598,568,121	749,470,645	3,707,758,252	6,848,578,635	2,115,083,201	14,019,458,854
LIABILITIES:						
Borrowings from other Banks, Financial Institutions & Agents	561,011,111	1,209,809,206	593,574,520	1,601,526,822	-	3,965,921,659
Deposit and other accounts	609,063,779	1,827,191,336	9,235,956,682	6,038,371,843	3,418,726,153	21,129,309,794
Provision and other liabilities	1,674,644,729	656,755,358	1,041,933,550	8,388,790,364	2,048,195,682	13,810,319,683
Total liabilities	2,844,719,619	3,693,755,900	10,871,464,752	16,028,689,029	5,466,921,835	38,905,551,136
Net Liquidity Gap	(2,246,151,497)	(2,944,285,255)	(7,163,706,500)	(9,180,110,394)	(3,351,838,634)	(18,627,027,083)



Director


Company Secretary (In Charge)


Director


Head of Accounts




Chairman


Managing Director

People's Leasing And Financial Services Ltd.
Notes to the Financial Statements
For the year ended December 31, 2019

1 General information

1.1 Legal status of the Company

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

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

1.2 Nature of business activities

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

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

2 Basis of preparation and significant accounting policies

2.1 Statement of compliance

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

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

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

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



S.L	Nature of Departure	Title of IFRS	Treatment of IFRS	Treatment Adopted as per Bangladesh Bank	Financial or Presentation Effect of the Departure
1.	Presentation and disclosure of Financial Statements and Financial Instruments	IAS 1 'Presentation of Financial Statements'	Other Comprehensive Income (OCI) is a component of financial statements or the elements of OCI are to be included in a single Other Comprehensive Income Statement.	Bangladesh Bank has issued templates for financial statements vide DFIM Circular# 11 dated December 23, 2009 which has been followed by all NBFIs. The templates of financial statements issued by Bangladesh Bank do not include Other Comprehensive Income (OCI) nor are the elements of Other Comprehensive Income allowed to include in a Single Comprehensive Income Statement.	Presentation of financial statements are not fully aligned with all the requirements of IAS.
2.	Current/ Non-current distinction	IAS 1 'Presentation of Financial Statements'	As per Para 60 of IAS-1 "Presentation of Financial statement" An entity shall present current and non-current assets and Current and non-current liabilities as separate classification in its statement of financial position.	As per DFIM Circular-11, Date-23 December 2009, Bangladesh Bank has issued templates for financial statements which is applicable for all the Financial Institutions. In these templates there is no current and noncurrent segmentation of assets and liabilities	Presentation of financial statements is not fully aligned with all requirements of the IAS. Moreover, the liquidity statement shows the current/non-current portion of assets and Liabilities in this regards.
3.	Off-balance sheet items	IAS 1 'Presentation of Financial Statements'	There is no concept of non-financial institutional assets items in any IFRS; hence there is no requirement for disclosure of non banking assets items on the face of the balance sheet.	As per DFIM Circular-11, Date-23 December 2009, off balance sheet items (e.g. letter of credit, letter of guarantee etc.) must be disclosed separately on the face of the balance sheet.	Presentation of financial statements are not aligned with the requirements of IAS 1. There is no financial impact for this departure in the financial statements.
4	None Banking Asset	IAS " Presentation of Financial Statements"	There is no concept of non-financial institutional assets items in any IFRS. Hence there is no requirement for disclosure of non-banking assets items on the face of balance sheet	As per DFIM Circular 11, Date -23 December 2009, non-banking assets must be disclosed separately on the face of the balance sheet.	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.



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 investment asset rather than cash equivalent as it is illiquid asset and not available for use in day-to-day operations.	Bangladesh Bank has issued templates for financial statements vide DFIM Circular# 11 dated December 23, 2009 which has been followed by NBFIs the templates of financial statements provided detail of presentation of statement cash flows.	Presentation of financial statements is not fully aligned with the requirements of IAS. Thus items which should be presented as " Investment activities-Balance with Bangladesh Bank (BB)" as per IAS is shown as cash & cash equivalent.



8	Measurement of deferred tax asset	IAS 12 "Income Tax"	A deferred tax asset shall be recognized for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized	As per DFIM circular No. 7 dated 31 July 2011, no deferred tax asset can be recognized for any deductible temporary difference against lease, loans and advances.	At the yearend specific provision against loan and advances amounts to BDT 7,157,473,990 and deferred tax assets of BDT 2,684,052,746 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 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.	As per FID circular No. 08 dated 03 August 2002, FID circular No. 03, dated 03 May 2006 and FID circular No. 03, dated 29 April 2013, a general provision at 0.25% to 5% under different categories of unclassified loan (good/standard loans) has to be maintained irrespective of objective evidence of impairment on lease, loans and advances. 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	Provision maintained against loans, advances and leases as at 31 December 2019 amounts to BDT 7,221,645,707.



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 entity shall apply the effective interest rate to the amortized cost of these loans and advances.	As per FID circular No. 03, dated 03 May 2006, once an investment on leases, loans and advances is termed as "Special Mention Account (SMA)", interest income from such investments is not allowed to be recognized as income, rather the respective amount needs to be credited as a liability account like: interest suspense account.	At year end, interest suspense account has decreased to BDT 2,180,120,287 from BDT 1,222,624,000 resulting in an increase of BDT 957,496,287 of interest suspense. This amount has been shown as other liabilities in note 13.8.
13	Presentation and disclosure of Financial Statements and Financial Instruments	IFRS-7 "Financial Instruments: Disclosures"	IFRS 7 require specific presentation and disclosure relating to all financial instruments.	As per Bangladesh Bank guidelines, financial instruments are categorized, recognized and measured differently from those prescribed in IFRS 7. As such some disclosure and presentation requirements of IFRS 7 have not been made in the accounts.	Presentation of financial statements is not fully aligned with all requirements of IFRS.



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

2.2 Going concern assumption

The Company has an accumulated loss of BDT 29,404,681,633 for the year ended 31 December 2019; Negative equity of BDT 24,886,092,282 as at 31 December 2019; Negative Capital adequacy ratio of 165.86% as against minimum of 10%; 82% of investment of the Company is classified, CRR and SLR requirements could not be met throughout the year and investment disbursement is very poor.

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

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

Subsequently the Honorable Company Bench of the High Court Division, Supreme Court of Bangladesh by the Order No.96 dated 12.07.2021 was pleased to recall order "Financial Institution Matter no. 01 of 2019" dated 14.07.2019 and formed a Board of Directors. Later, the Hon'ble Court passed an Order no. 132 with reconstructed the present Board of Directors and the Hon'ble Court expects that the PLFSL shall run the Company in full swing by investing money in the most secured businesses of this country. Now the Company has been functioning towards for revival. In this connection the following activities are performing:

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

2.3 Statement of cash flows

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

2.4 Use of estimates and judgments

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

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

2.5 Date of Authorization

The Board of Directors has authorized these financial statements on 29/08/2023.

2.6 Directors' responsibility statement

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

2.7 Risk and uncertainty for use of estimates

The preparation of financial statements in conformity with IFRS requires Management to make estimates and assumptions that affect the reported amounts of revenues and expenses, assets and liabilities, and disclosure



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

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

2.8 Compliance of International Financial Reporting Standards (IFRS)

IAS No.	Name of IAS	Applicability
IAS 1	Presentation of financial statement	Applied with some departures
IAS 2	Inventories	N/A
IAS 7	Statement of cash flows	Applied with some departures
IAS 8	Accounting policies, changes in accounting estimates and errors	Applied
IAS 10	Events after the balance sheet date	Applied
IAS 11	Construction contracts	N/A
IAS 12	Income taxes	Applied
IAS 14	Segment reporting	N/A
IAS 16	Property, plant & equipment	Applied
IAS 17	Leases	N/A
IAS 18	Revenue	N/A
IAS 19	Employee benefits	Applied
IAS 20	Accounting of Government grants and disclosure of Government assistance	N/A
IAS 21	The effects of changes in foreign exchange rates	N/A
IAS 23	Borrowing costs	N/A
IAS 24	Related party disclosures	Applied
IAS 26	Accounting and reporting by retirement benefit plans	N/A
IAS 27	Separate financial statements	Applied
IAS 28	Investments in associates and joint venture	N/A
IAS 29	Financial reporting in hyperinflationary economics	N/A
IAS 31	Interest in joint ventures	N/A
IAS 32	Financial instruments: presentation	Applied with some departures
IAS 33	Earnings per share	Applied
IAS 34	Interim financial reporting	N/A
IAS 36	Impairment of assets	Applied
IAS 37	Provisions, contingent liabilities and contingent assets	Applied
IAS 38	Intangible assets	Applied
IAS 39	Financial instruments: recognition and measurement	N/A
IAS 40	Investment property	N/A
IAS 41	Agriculture	N/A



IFRS No.	Name of IFRS	Applicability
IFRS 1	First-time adoption of international financial reporting standards	N/A
IFRS 2	Share based payment	N/A
IFRS 3	Business combinations	N/A
IFRS 4	Insurance contracts	N/A
IFRS 5	Non-current assets held for sale and discontinued operations	N/A
IFRS 6	Exploration for and evaluation of mineral resources	N/A
IFRS 7	Financial instruments: disclosures	Applied
IFRS 8	Operating segments	N/A
IFRS 9	Financial instruments	Applied with some departures
IFRS 10	Consolidated financial statements	Applied
IFRS 11	Joint arrangements	N/A
IFRS 12	Disclosure of interests in other entities	N/A
IFRS 13	Fair value measurement	Applied with some departures
IFRS 14	Regulatory Deferral Accounts	N/A
IFRS 15	Revenue from Contracts with Customers	Applied with some departures
IFRS 16	Leases	Not applied
IFRS 17	Insurance Contracts	N/A

2.9 Consistency

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

2.10 Significant accounting policies

2.10.1 Accounting for leases

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

2.10.2 Comparatives and reclassification

Comparative information has been disclosed in respect of 2018 for all numerical information in the financial statements and also the narrative and descriptive information when it is relevant for understanding of the current period's financial statements.

2.10.3 Accounting for loans

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

2.10.4 Investments

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

Investment in quoted shares

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



Investment in unquoted shares

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

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

2.10.5 Cash and cash equivalents

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

2.10.6 Liquidity statement (asset and liability maturity analysis)

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

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

2.10.7 Fixed assets including land, building, furniture & equipment

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

a) Subsequent expenditure on fixed assets

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

b) Disposal of fixed assets

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

c) Depreciation on fixed assets

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



Sl. No.	Category of Fixed assets	Rate of Depreciation
1	Company Premises	10%
2	Motor Car & Vehicles	20%
3	Computer	20%
4	Telephone System	10%
5	Air Cooler	5%
6	Refrigerator	10%
7	Generator	10%
8	Office Equipment	20%
9	Furniture & Fixtures	5%
10	Crockery	20%

2.10.8 Impairment of assets

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

2.10.9 Provision for loans, advances and investments

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

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

a) Write off of loans, advances and investments

In compliance with Bangladesh Bank DFIM circular no. 3 dated 8 April 2015 and DFIM circular no. 2 dated 1 April 2019 loans, advances and investment are written off to the extent that (i) there is 100% provision is maintained (ii) against which legal cases are pending and (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 Provision for doubtful accounts

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

2.10.11 Provisions and accrued expenses

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



2.10.12 Payment of dividend

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

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

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

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

2.10.13 Revenue recognition

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

a) Interest Income

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

b) Income from leases

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

c) Income from loans, advances

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

d) Dividend income

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

e) Capital gain on sale of shares

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

f) Fee based revenue

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



2.10.14 Bank loans

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

2.10.15 Borrowing costs

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

2.10.16 Interest suspense

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

2.10.17 Contingent liabilities and contingent assets

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

2.10.18 Workers Profit Participation Fund and Welfare Fund

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

2.10.19 Related party disclosure

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

2.10.20 Statutory reserve

Financial Institutions Regulations 1994 requires NBFIs to transfer 20 percent of its current year's profit to reserve fund until such reserve equals to its paid-up share capital. Due to loss for the year 2019 the Company has not transferred any amount to the statutory reserve.

2.10.21 Earnings per share (EPS)

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

a) Basic earnings per share

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

b) Diluted earnings per share

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



such entitlement is not subject to unresolved contingencies. Effect of dilution to weighted average number of ordinary shares is given for potential ordinary shares. At 31 December 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.

2.10.22 Income tax

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

Current tax:

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years or are never taxable or deductible. Company's liability for current tax is calculated using tax rates that have been enacted the reporting period. Due to loss for the year 2019, Company provided minimum tax as per Income Tax Ordinance 1984 under section 82C.

2.10.23 Employee benefit

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

- a) Provident fund

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

- b) Gratuity scheme

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

2.10.24 Capital adequacy and market discipline

To cope with the international best practices and to make up the capital more risks sensitive as well as more shock resilient, a road map was issued in August 2010 on implementation of Basel Accord in the FIs. Being well pursuant with the road map, prudential guidelines namely 'Capital Adequacy and Market Discipline for Financial Institutions' had been introduced by Bangladesh Bank from December, 2011. The guidelines came into force from 1 January, 2012 with necessary supplements/revisions. Instructions in respect of Minimum Capital Requirement, Adequate Capital and Disclosures requirement as stated in the guidelines have been followed for the purpose of statutory compliance.

As per prudential guideline PLFS calculated Minimum Capital Requirement (MCR) by dividing the total capital by the sum of risk weighted assets against credit risk, market risk, and operational risk under pillar-I.

Pillar – I: Minimum capital requirement

Credit Risk

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



Market risk

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

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

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

Operational risk

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

2.10.25 Stress testing

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

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

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

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

2.10.26 Reporting period

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

2.10.27 Offsetting

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



People's Leasing And Financial Services Ltd.
Notes to the Financial Statements
For the year ended December 31, 2019

	Amount in Taka	
	Dec 31, 2019	Dec 31, 2018
3 Cash		
Cash in hand (Note 3.1)	1,459	104,600
Balance with Bangladesh Bank and its agent bank(s) (Note 3.2)	49,896	4,486,010
Total	51,355	4,590,610
3.1 Cash in hand		
Cash in hand represents the amount under imprest system of petty cash to meet petty cash expenses for head office.		
3.2 Balance with Bangladesh Bank		
Balance with Bangladesh Bank is non-interest bearing and maintained to meet the Cash Reserve Requirement (CRR). CRR (note 3.3) and Statutory Liquidity Reserve (note 3.4) have been calculated and maintained in accordance with Financial Regulations 1994 and FID Circular No. 06 dated 6th November, 2003 and FID Circular No. 02 dated 10th November, 2004.		
3.3 Cash Reserve Requirement (CRR)		
CRR has been calculated at the rate of 2.5% on Total Term Deposits which is preserved in current account maintained with Bangladesh Bank in compliance with FID circular no. 6 dated 6th November, 2003 and FID Circular No. 02 dated 10th November, 2004. Total Term Deposits means Term or Fixed Deposits, Security Deposit against Lease/Loan and other Term Deposits received from individuals and institutions (except Banks and Financial Institutions).		
Required reserve	303,770,048	303,678,964
Actual reserve held	51,355	4,590,610
Surplus / (Deficit)	(303,718,693)	(299,088,354)
3.4 Statutory Liquidity Reserve (SLR)		
SLR has been calculated at the rate of 5% of total liabilities, including CRR of 2.5% on Total Term Deposits. SLR is maintained in liquid assets in the form of Cash in Hand, balance with Bangladesh Bank, balance with other Banks & Financial Institutions, Investment at Call, unencumbered Treasury Bills, Prize Bond, Savings Certificates & any other assets approved by Bangladesh Bank.		
Required reserve	624,298,744	626,376,016
Actual reserve held (note-3.4.1)	54,678,686	628,469,583
Surplus / (Deficit)	(569,620,058)	2,093,567
3.4.1 Actual Reserve held for SLR		
Cash in hand	1,459	104,600
Balance with Bangladesh Bank and its agent bank(s)	49,896	4,486,010
Balance with other banks and financial institutions	54,627,331	623,878,973
	54,678,686	628,469,583
3.a Consolidated Cash in hand		
People's Leasing and Financial Services Ltd.	1,459	104,600
PLFS Investments Limited	30,000	30,000
	31,459	134,600



4 Balance with other Banks and Financial Institutions in Bangladesh

Current Accounts & Short Term Deposits:

Al-Arafa Islami Bank Ltd.

Basic Bank

BDBL

Bank Asia

Dhaka Bank Ltd.

Dutch Bangla Bank Ltd.

EXIM Bank Ltd

ICB Islamic Bank Ltd.

Janata Bank Ltd

Mutual Trust Bank Ltd.

Midland Bank Ltd.

Modhumoti Bank Ltd

National Bank Ltd

NRB Commercial Bank Ltd.

NCC Bank Ltd.

One Bank Ltd.

Prime Bank Ltd.

Shahjalal Islami Bank Ltd.

Social Investment Bank Ltd.

Southeast Bank Ltd.

SouthBangla Agricultural Credit Bank Ltd.

The City Bank Ltd.

The Farmers Bank Ltd.

UCBL

Liquidator A/C

Pubali Bank Ltd.

Sub-Total

Fixed Deposits Receipts (FDR):

Southbangla Agriculture & Commerce Bank Ltd.

NRB Bank

International Leasing

Premier Leasing

Reliance Finance

Sub-Total

Grand Total

Amount in Taka	
Dec 31, 2019	Dec 31, 2018
13,597	15,599
-	58
17,535	-
7,563	(4,968,291)
-	-
(579,898)	1,574,972
45,709	63,261
1,613,389	1,625,275
20,904	23,287
2,287,317	(10,459,547)
9,204	11,274
-	-
47,922	47,401
1,434	(2,340,280)
193,922	195,797
85,616,000	1,315,106
816,835	(37,553,871)
101,742	104,170
83,039	11,302,526
112,949	109,385
224,799	119,229
-	-
14,691	16,416
62,735	(4,999,711)
32,900,032	-
-	700
123,611,420	(43,797,244)
-	-
-	-
359,738,339	688,475,000
469,720,056	428,725,000
-	80,000,000
829,458,395	1,197,200,000
953,069,815	1,153,402,756

Fund have been plased to Premier Leasing of Tk.46,97,20,056/= and International Leasing Tk.35,97,38,339 on the other hand they have been plased also 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

Less than 3 months

More than 3 months but less than 1 year

More than 1 year but less than 5 years

Above 5 years

Total

123,611,420	(43,797,244)
-	-
829,458,395	1,197,200,000
-	-
-	-
953,069,815	1,153,402,756

4.a Consolidated Balance with other Banks and Financial Institutions in Bangladesh

People's Leasing and Financial Services Ltd.

PLFS Investments Limited (note-4.a.1)

Less: Inter company transections



953,069,815	1,153,402,756
28,055,537	58,330,304
981,125,352	1,211,733,060
-	20,000,000
981,125,352	1,191,733,060

4.a.1 PLFS Investments Limited's Balance with other Banks and Financial Institutions in Bangladesh

Current Accounts & Short Term Deposits:

NRB Commercial Bank Ltd.
Prime Bank Ltd.
One Bank Limited
Standard Bank Ltd.
The City Bank Ltd.

Fixed Deposits Receipts (FDR):

Peoples Leasing and Financial Services Ltd.

Sub-Total

Grand Total

Amount in Taka	
Dec 31, 2019	Dec 31, 2018
44,506	544,661
1,408,124	3,981,069
19,927,944	25,780,380
412,885	401,627
6,262,078	7,622,567
28,055,537	38,330,304
-	20,000,000
-	20,000,000
28,055,537	58,330,304

4.a.2 Maturity grouping of Consolidated Balance with other Banks and Financial Institutions

On demand
Less than 3 months
More than 3 months but less than 1 year
More than 1 year but less than 5 years
Above 5 years

Total

151,666,957	(5,466,940)
-	20,000,000
829,458,395	1,177,200,000
-	-
-	-
981,125,352	1,191,733,060

5 Money at Call and Short Notice

Banking Companies
Non-Banking Financial Institutions
Total

-	-
-	-
-	-

6 Investments

A. Government Securities

Treasury Bill
National Investment Bond
Bangladesh Bank Bill
Government Notes/ Bond
Prize Bond
Others

Sub Total

-	-
-	-
-	-
-	-
-	-
-	-
-	-

B. Other Investments

Preference Shares
Debenture and Bond
Other investments (Note 6.1)
Gold etc.
Sub Total

-	-
-	-
215,275,830	271,275,830
-	-
215,275,830	271,275,830

Total investments (A+B)

215,275,830	271,275,830
-------------	-------------

6.1 Other Investments

Quoted Investments
Unquoted Investments (Note 6.1.1)

420	420
215,275,410	271,275,410
215,275,830	271,275,830



		Amount in Taka	
		Dec 31, 2019	Dec 31, 2018
6.1.1	<u>Unquoted Investments</u>		
	E-SECURITIES LTD	69,978,600	69,978,600
	GMG Airlines Ltd. Placement	50,000,000	50,000,000
	S S Tech(Pvt.)	62,500,000	62,500,000
	Energy prima Ltd. Placement	13,585,000	13,585,000
	MEB Poy Ltd. Placement	5,000,000	5,000,000
	Scholastica Ltd. Placement	3,400,000	3,400,000
	CDBL	5,711,810	5,711,810
	People's Investment Ltd.	5,100,000	5,100,000
	Sandhani Life Unit Fund		56,000,000
	Sub Total	215,275,410	271,275,410
6.2	Maturity grouping of Investments		
	On demand	420	420
	Less than 3 months	-	75,690,410
	More than 3 months but less than 1 year	75,690,410	195,585,000
	More than 1 year but less than 5 years	139,585,000	-
	Above 5 years	-	-
	Total	215,275,830	271,275,830
6.a	Consolidated Investments		
	People's Leasing and Financial Services Ltd.	215,275,830	271,275,830
	PLFS Investments Limited (note-6.a.1)	134,640,295	177,923,327
		349,916,125	449,199,157
6.a.1	Investments PLFSIL		
	Preference Shares	38,244,473	38,244,473
	Other investments (Note 6.a.2)	96,395,822	139,678,854
	Gold etc.	-	-
	Total	134,640,295	177,923,327
6.a.2	Other Investments		
	<u>Quoted:</u>		
	Banking Sector	-	28,071,778
	Cement Sector	8,021,048	11,159,609
	Ceramics Sector	-	-
	Engineering Sector	540,450	134,920
	Financial Institutions Sector	67,111,844	67,111,844
	Food & Allied Sector	-	-
	Fuel & Power Sector	7	14,047,315
	IT Sector	-	-
	Miscellaneous	-	50,410
	Travel & Leisure	37,300	-
	Pharmaceuticals & Chemicals Sector	18,374,703	18,383,545
	Telecommunication	569,040	104,670
	Textile	1,741,430	614,763
		96,395,822	139,678,854
6.a.3	Maturity grouping of Investments		
	On demand	96,396,242	139,679,274
	Less than 3 months	-	-
	More than 3 months but less than 1 year	113,934,883	113,934,883
	More than 1 year but less than 5 years	139,585,000	195,585,000
	Above 5 years	-	-
	Total	349,916,125	449,199,157



7 Loans & Advances

Inside Bangladesh:

Gross Lease Receivables
Less: Unearned Lease Income
Net Lease Receivables
Advance for Lease Finance
Direct/Term Finance
Secured Overdraft
Bills Discounted and Purchased

Sub Total

Outside Bangladesh:

Direct/Term Finance
Secured Overdraft

Sub Total

Total

Amount in Taka

Dec 31, 2019

Dec 31, 2018

839,110,498	1,084,489,256
-	238,561,256
839,110,498	845,928,000
-	-
11,068,193,974	10,542,214,863
(1,034,503)	69,458,493
-	-
11,906,269,969	11,457,601,356
-	-
-	-
-	-
11,906,269,969	11,457,601,356

7.1 Maturity grouping of loans & advances

On demand
Less than 3 months
More than 3 months but less than 1 year
More than 1 year but less than 5 years
Above 5 years

Total

285,639,140	229,152,027
571,278,281	458,304,054
2,570,752,263	2,062,368,244
6,456,644,893	6,187,104,732
2,021,955,391	2,520,672,298
11,906,269,969	11,457,601,355

7.2 Sector/ Industry-wise Loans & Advances

Agricultural sector

Industrial sector:

Textiles
Garments
Jutes & jute related goods
Food items producer/processing industry
Plastic industries
Lather and lather goods
Iron, steel and engineering
Chemicals and pharmaceuticals
Cement/clinker and allied industries
Service sector (Hotel, hospital, clinic, tourism, etc.)
Paper, printing and packaging
Telecommunication and IT industries
Glass and ceramic industries
Shipping and ship building industries
Electronics and electrical goods
Power, gas, water and sanitary
Transport and communication
Real estate and housing
Merchant banking
Trade & Commerce
Others

Total

6.43%	765,573,159	736,495,310
0.05%	5,953,135	6,118,966
1.16%	138,112,732	132,754,672
0.97%	115,490,819	110,960,189
0.85%	101,203,295	97,856,942
0.00%	-	-
0.17%	20,240,659	19,389,387
2.04%	242,887,907	233,721,577
0.88%	104,775,176	100,420,785
0.00%	-	-
0.00%	-	-
0.00%	-	-
0.00%	-	553,600
0.00%	-	-
0.00%	-	-
0.04%	4,762,508	4,126,424
3.22%	383,381,893	368,810,114
7.33%	872,729,589	840,372,550
5.22%	621,507,292	598,426,818
11.21%	1,334,692,864	1,284,792,424
9.06%	1,078,708,059	1,037,982,655
51.37%	6,116,250,883	5,884,818,943
100.00%	11,906,269,969	11,457,601,356



7.3 Geographical Location-wise Loans & Advances

Inside Bangladesh

Dhaka Division
Chittagong Division
Barisal Division
Rajshahi Division
Sylhet Division
Khulna Division

Sub Total

Outside Bangladesh

Total

99.89%
0.01%
0.00%
0.00%
0.00%
0.09%
100.00%
-
100.00%

Amount in Taka	
Dec 31, 2018	Dec 31, 2017

11,893,620,535	11,445,428,596
1,414,124	1,360,835
-	-
-	-
-	-
11,235,310	10,811,925
11,906,269,969	11,457,601,356
-	-
11,906,269,969	11,457,601,356

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
Outstanding Amount
Classified Amount

Measures taken for recovery

7	5
5,104,226,774	4,334,745,000
2,963,758,782	2,128,168,000
Filing of law suit - under process	Filing of law suit - under process

Loan given to subsidiary company (PLFS Investment Ltd.) amount in Tk.1,055,332,974 on dated 24.05.2009 (Present outstanding on 31.12.2019 amount in Tk. 985,096,578 which was Tk. 989,987,705 on 31.12.2018)

7.5 Particulars of Loans & Advances

- Loans & advances considered good in respect of which the company is fully secured
- Loans & advances considered good against which the company holds no security others than the debtor's personal guarantee
- Loans & advances considered good secured by the personal undertaking of one or more parties in addition to the personal guarantee of the debtors
- Loans & advances adversely classified for which provision has not been maintained
- Loans & advances due by the directors or officers of the company or any of them either separately or jointly with any other persons
- 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
- 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
- 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
- Due from other bank/FI companies
- Information in respect of classified loans and advances:
 - classified loans for which interest/profit not credited to income
 - Amount of provision kept against loans classified as bad/loss as at the balance sheet date
 - Interest credited to interest suspense account
- Loans & advances written off:

Opening Balance

 - Amount written-off during the year
 - Amount of collection from written-off during the year

2,284,300,000	2,284,300,000
9,173,301,000	9,173,301,000
-	-
-	-
938,654	938,654
-	-
-	-
-	-
-	-
-	-
-	-
-	-
-	-
-	-
722,892,579	730,392,579
-	-
-	7,500,000
722,892,579	722,892,579
-	-



7.6 Bills Discounted and Purchased

Inside Bangladesh
Outside Bangladesh
Total

Amount in Taka	
Dec 31, 2019	Dec 31, 2018
-	-
-	-
-	-
-	-
-	-
-	-
-	-
-	-

7.7 Maturity grouping of Bills Discounted and Purchased

Within 1 month
Over 1 month but within 3 months
Over 3 months but within 6 months
Over 6 months
Total

7.8 (A) Grouping of Loans, Lease and Advance as per classification rules of Bangladesh Bank

Unclassified
Standard
Special Mention Account(SMA)

Classified
Substandard(SS)
Doubtful (DF)
Bad & loss(BL)

401,150,292	
1,753,920,295	
2,155,070,587	-
3,951,396	
13,814,771	
9,733,433,215	
9,751,199,382	-
11,906,269,969	

(B) Classification and provisioning of Loan , Lease and Advance :

See Annexure B

7.9 List of Ex-Director Loan (Related party transactions)

1) Shumsul Alamin Group
2) Motiur Rahman
3) Biswajit Kumar Roy
4) KHB Securities Limited

1,189,527,414	1,116,104,244
1,001,368,702	933,247,986
135,281,127	115,597,072
10,006,032	10,614,925
2,336,183,275	2,175,564,227

7.a Consolidated Loans and Advances

People's Leasing and Financial Services Ltd.
PLFS Investments Limited (note-7.a.1)

Less: Inter Company Loans and Advances

11,906,269,969	11,457,601,356
909,797,750	796,366,197
12,816,067,719	12,253,967,553
1,036,086,168	989,987,705
11,779,981,551	11,263,979,848

7.a.1 Loans and Advances of PLFS Investments Limited

Margin loan to Investor

909,797,750	796,366,197
-------------	-------------

7.a.2 Maturity grouping of Consolidated loans & advances

On demand
Less than 3 months
More than 3 months but less than 1 year
More than 1 year but less than 5 years
Above 5 years
Total

285,639,140	229,152,027
571,278,281	458,304,054
2,570,752,263	2,062,368,244
6,263,023,385	5,993,483,224
2,089,288,481	2,520,672,298
11,779,981,551	11,263,979,847



8 Property, Plant & Equipment (Details in Annexure-1)

Own Finance

A. Cost

Company Premises
Motor Car & Vehicle
Computer
Telephone System
Air Cooler
Refrigerator
Generator
Office Equipment
Furniture & Fixtures
Crockery
Software

Total

B. Less: Accumulated Depreciation

Company Premises
Motor Car & Vehicle
Computer
Telephone System
Air Cooler
Refrigerator
Generator
Office Equipment
Furniture & Fixtures
Crockery
Software

Total

C. Written Down Value at the end of the year (A-B)

Lease Finance

D. Cost

Furniture & Fixtures
Office Equipments
Motor Vehicles

Total

E. Less: Accumulated Depreciation

Furniture & Fixtures
Office Equipments
Motor Vehicles

Total

F. Written Down value at the end of the year (D-E)

G. Total Property, Plant & Equipment (C+F)

8.1 Intangible asset - computer softwares

Cost
Less: Accumulated amortization
Net book value at the end of the year

Amount in Taka	
Dec 31, 2019	Dec 31, 2018
33,265,482	33,265,482
26,260,950	26,260,950
21,027,936	21,027,936
1,756,858	1,756,858
12,345,664	12,345,664
209,002	437,799
-	2,033,200
4,247,335	5,558,302
53,773,684	57,019,173
39,106	39,106
507,004	507,004
153,433,022	160,251,474
22,826,422	21,666,526
19,316,151	17,579,950
13,488,339	11,603,432
1,160,063	1,093,752
2,820,267	2,542,183
98,084	230,349
-	1,330,271
3,679,817	4,185,753
15,714,474	15,853,646
31,901	30,103
192,121	113,401
79,327,639	76,229,365
74,105,383	84,022,110
-	-
-	-
-	-
-	-
74,105,383	84,022,110
-	-
-	-
-	-



8.a Consolidated Property, Plant & Equipment (Details in Annexure-2)

People's Leasing and Financial Services Ltd.
PLFS Investments Limited (note-8.a.1)

8.a.1 Property, Plant & Equipment of PLFS Investments Limited

A. Cost

Air Conditioner
Computer & Relates
Furniture & Fixtures
Office Equipment
Office Renovation
Motor Car
mBank Software

Total

B. Less: Accumulated Depreciation

Air Conditioner
Computer & Relates
Furniture & Fixtures
Office Equipment
Office Renovation
Motor Car
mBank Software

Total

C. Written Down Value at the end of the year (A-B)

9 Other assets

Investment in shares of subsidiary companies:

In Bangladesh

Previous years' loss

Advance Vat/ Tax paid

Balance with BO account(s)

Interest receivable

Advance for office rent

Advance for land purchase

Deferred Expenses

Stamp in hand

Prepaid for Expenses

Current Accounts

Other prepayment

Interest Receivable for loans & Advances

Receivable against legal expenses-Loan/Lease

Receivable Suspense Account

Security deposit

Deferred tax assets (note 9.1)

Total

9.1 Deferred tax assets/(liabilities)

Opening Balance

Deffered Tax Expenses

Less: Adjustment during the year

Total

Amount in Taka	
Dec 31, 2019	Dec 31, 2018
74,105,383	84,022,110
3,835,153	4,458,820
77,940,536	88,480,930
1,228,000	1,228,000
2,336,748	2,336,748
330,651	330,651
471,765	471,765
5,336,745	5,336,745
1,980,000	1,980,000
1,067,500	1,067,500
12,751,409	12,751,409
656,321	513,402
1,977,941	1,888,239
276,181	270,129
383,705	368,165
2,856,078	2,580,449
1,979,999	1,979,999
786,030	692,207
8,916,256	8,292,589
3,835,153	4,458,820
200,445,000	200,445,000
-	-
244,334,031	235,099,830
464,509	464,509
40,961,498	342,218,668
5,889,364	8,522,574
30,121,907	1,236,640,000
-	-
4,770	6,853
686,811	-
	-
17,240,189	29,722,631
283,030,288	-
12,673,147	-
-	-
223,200	223,200
-	-
836,074,714	2,053,343,265
(8,230,558)	(8,073,449)
(7,246,161)	157,109
	-
(984,398)	(8,230,558)



				Amount in Taka	
				Dec 31, 2019	Dec 31, 2018
Deferred Tax Liability is arrived at as follows:					
Assets	Carrying amount at BS date (31 Dec 2018)	Tax base	Temporary Difference (Taxable)/Deductible		
Fixed Assets net of depreciation	84,022,110	62,073,955	(21,948,155)		
Deferred Tax Asset/(Liability) as on 31 December 2018@ 37.5%			(8,230,558)		
Less: Deferred Tax Asset as on 31 December 2017			(8,073,449)		
Deferred Tax Expense for the year 2018			157,109		
Assets	Carrying amount at BS date (31 Dec 2019)	Tax base	Temporary Difference (Taxable)/Deductible		
Fixed Assets net of depreciation	74,105,383	71,480,323	(2,625,060)		
Deferred Tax Asset/(Liability) as on 31 December 2019 @ 37.50%			(984,398)		
Less: Deferred Tax Asset/(liability) as on 31 December 2018			(8,230,558)		
Deferred Tax Expense for the year 2019			(7,246,161)		

9.a Consolidated Other assets

People's Leasing and Financial Services Ltd.
PLFS Investments Limited (note-9.a.1)

Less: Inter Company Transaction

836,074,714	2,053,343,265
171,338,325	161,368,665
1,007,413,039	2,214,711,930
200,445,000	200,445,000
806,968,039	2,014,266,930

9.a.1 Other assets PLFS Investments Limited

Advance to Others party
T & T Phone Demand Note
Advance For Tax Deduction At Sources
Other
Receivable From Brokerage House
Advance for LEADS Softwear
Advance to Esquire Knit
Adv to Runner Automoblies
ADN Telicom
Advance to Mosharraf Hossain Advocate
Advance for Huda Hossain & Co.
Advance for Zum Consulting
Advance TAX Deducted at Sources '19
Advance for office rent
Deferred tax asset

Total

83,788,770	83,788,770
9,000	9,000
17,070,910	17,070,910
-	-
40,282,763	40,481,268
500,000	500,000
-	1,880,145
-	1,080,825
-	569,040
150,000	150,000
-	-
-	-
612,007	-
1,417,349	1,573,387
27,507,526	14,265,321
171,338,325	161,368,665

Advance for Land Purchase

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

Whole amount of advance given against land purchase have been realized through amicable settlement with approval of the Board Directors in its 332nd meeting dated 10 February 2019.



Amount in Taka

Dec 31, 2019 **Dec 31, 2018**

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. Lafifs Ishaque and includes registration costs as well.

A. Cost:

Opening Balance

Add: Addition during the year

Less: Adjustment during the year

Total

B. Depreciation:

Opening Balance

Add: Addition during the year

Less: Adjustment during the year

Total

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

Opening Balance	58,558,336	58,408,336
Add: Addition during the year	-	150,000
Less: Adjustment during the year	-	-
Total	58,558,336	58,558,336
Opening Balance	20,101,628	15,828,660
Add: Addition during the year	3,845,670	4,272,968
Less: Adjustment during the year	750	-
Total	23,946,548	20,101,628
C. Written down value at the end of the year (A-B)	34,611,788	38,456,708

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

11 Borrowings from other Banks, Financial Institutions & Agents

Inside Bangladesh:

Refinance against SME loan from Bangladesh Bank

From other scheduled Banks (note - 11.1)

Total

Refinance against SME loan from Bangladesh Bank	76,440,371	83,603,117
From other scheduled Banks (note - 11.1)	3,889,481,288	5,178,647,141
Total	3,965,921,659	5,262,250,258

11.1 From other scheduled Banks & Financial Institutions

Long term loan

Al-Arafa Islami Bank Ltd.

Basic Bank Ltd.

Exim Bank Ltd.

Mutual Trust Bank Ltd.

Pubali Bank Ltd.

Shahjalal Islami Bank Ltd.

Social Islami Bank Ltd.

Standard Bank Ltd.

United Commercial Bank Ltd.

Uttara Bank Ltd.

NRB

Mercantile Bank Ltd.

Modhumoti Bank Ltd.

Premier Bank Ltd.

UAE

Sub-Total

Al-Arafa Islami Bank Ltd.	639,472,507	599,336,746
Basic Bank Ltd.	17,560,121	16,681,604
Exim Bank Ltd.	85,695,180	79,143,326
Mutual Trust Bank Ltd.	230,071,435	212,302,116
Pubali Bank Ltd.	167,585,837	157,451,346
Shahjalal Islami Bank Ltd.	-	-
Social Islami Bank Ltd.	140,601,785	132,573,227
Standard Bank Ltd.	61,284,645	56,618,525
United Commercial Bank Ltd.	85,461,469	79,742,243
Uttara Bank Ltd.	87,666,276	82,172,425
NRB	182,541,409	168,848,097
Mercantile Bank Ltd.	57,249,046	53,080,576
Modhumoti Bank Ltd.	195,047,427	184,912,911
Premier Bank Ltd.	149,402,539	137,936,719
UAE	19,021,295	17,781,871
Sub-Total	2,118,660,971	1,978,581,732

Overdraft and money at call short notice

NRB Commercial Bank Ltd.

SBAC

Mercantile Bank

BDBL

Mutual Trust Bank Ltd.

Short Term Loan

Janata Bank Ltd.

Rupali Bank Ltd.

Sonali Bank Ltd.

Agrani Bank Ltd.

Sub-Total

NRB Commercial Bank Ltd.	58,213,385	-
SBAC	-	22,847,391
Mercantile Bank	683,313,549	636,335,802
BDBL	-	-
Mutual Trust Bank Ltd.	-	57,986,051
Short Term Loan	468,282,272	1,919,996,165
Janata Bank Ltd.	160,288,889	162,900,000
Rupali Bank Ltd.	-	-
Sonali Bank Ltd.	160,288,889	160,000,000
Agrani Bank Ltd.	240,433,333	240,000,000
Sub-Total	1,770,820,317	3,200,065,409

Grand Total

Grand Total	3,889,481,288	5,178,647,141
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	Amount in Taka	
	Dec 31, 2019	Dec 31, 2018
Security against borrowings from other banks, financial institutions and agents		
Secured	3,404,910,548	4,699,350,258
Unsecured	561,011,111	562,900,000
Total	3,965,921,659	5,262,250,258
Maturity grouping of borrowings from other banks, financial institutions and agents		
Payable on demand	561,011,111	562,900,000
Up to 1 month	468,282,272	1,919,996,165
Over 1 month but within 3 months	741,526,934	717,169,244
Over 3 month but within 6 months	197,858,173	201,811,460
Over 6 months but within 1 year	395,716,346	403,622,920
Over 1 year but within 5 years	1,601,526,822	1,456,750,468
Over 5 years	-	-
Total	3,965,921,659	5,262,250,257
11.a Consolidated Borrowings from other Banks, Financial Institutions & Agents		
People's Leasing and Financial Services Ltd.	3,965,921,659	5,262,250,258
PLFS Investments Limited (note-11.a.1)	1,036,086,168	1,006,062,418
	5,002,007,827	6,268,312,676
Less: Inter Company Borrowings	1,036,086,168	989,987,705
	3,965,921,659	5,278,324,971
11.a.1 Borrowings from other Banks, Financial Institutions & Agents of PLFS Investments Limited		
People's Leasing And Financial Service Ltd	1,036,086,168	989,987,705
Loan From ICB (ASI)	-	16,074,713
Total	1,036,086,168	1,006,062,418
12 Deposits & other accounts		
Deposits from banks and financial institutions (note-12.1)	7,863,297,235	8,108,243,593
Deposits from customers	13,195,429,720	12,234,025,417
Sub-Total	21,058,726,955	20,342,269,010
Other deposit	70,582,839	80,136,175
Grand Total	21,129,309,794	20,422,405,185
Less: Inter Company Borrowings	-	20,000,000
	21,129,309,794	20,402,405,185
12.1 Deposits from banks and financial institutions		
Sonali Bank Ltd.	455,129,391	417,360,442
Janata Bank Ltd.	414,627,562	382,225,000
Agrani Bank Ltd.	423,994,719	391,538,538
Rupali Bank Ltd.	1,419,746,360	1,293,466,255
United Commercial Bank Ltd.	5,052,750	250,000,000
Bangladesh Development Bank Ltd.	58,651,164	52,957,500
IFIC Bank Ltd.	161,735,733	150,000,000
Bangladesh Commerce Bank Ltd.	1,566,594,357	1,438,185,197
ICB	354,543,165	-
Premier Leasing	480,512,161	428,725,000
FAS Finance	-	-
First Lease	118,786,987	110,024,933
Fareast Finance & Investment Ltd.	298,311,629	280,000,000
International Leasing Ltd.	1,484,608,899	2,261,492,787
BIFFL	621,002,359	572,267,941
Reliance Finance	-	80,000,000
	7,863,297,235	8,108,243,593



	Amount in Taka	
	Dec 31, 2019	Dec 31, 2018
12.2 Maturity grouping of deposits & other accounts		
Payable on demand	-	-
Up to 1 month	609,063,779	648,659,487
Over 1 month but within 6 months	1,827,191,336	5,945,978,462
Over 6 months but within 1 year	9,235,956,682	6,729,892,312
Over 1 year but within 5 years	6,038,371,843	6,324,430,003
Over 5 years but within 10 years	3,418,726,153	793,444,921
Over 10 years	-	-
Total	21,129,309,794	20,442,405,185
13 Other Liabilities		
Provision for Lease, loans and advances (note 13.1)	7,221,645,707	5,668,588,000
Provision for Investment Fluctuation in Shares (note 13.2)	77,084,513	50,000,000
Provision for corporate income tax (note 13.3)	137,097,494	131,097,494
Provision for Gratuity (note 13.4)	24,950,849	24,913,185
Provision for FDR(note13.5)	870,419,893	-
Provision for TDS (note 13.6)	9,465,314	-
Provision for Equity Investment in Subsidiary (note 13.7)	200,445,000	-
Interest Suspense Account (note 13.8)	2,180,120,287	1,222,624,000
Liabilities for financial expenses (note13.9)	982,113,579	437,293,615
Liabilities for sundry creditors (note13.10)	556,249,265	201,957,896
Liabilities for accrued expenses(note13.11)	136,281,885	5,019,571
Liabilities for TDS/VDS/ED(note13.12)	473,265,690	213,243,633
Dividend Payable	21,558,303	21,558,303
Deffered Tax Liabilities (note-9.1)	984,398	8,230,558
Client Receipt Account	161,931,365	-
Receivable Suspense for Adjustment of BU	756,053,630	-
Current account	114,491	-
Staff Incentive	538,020	538,020
Total	13,810,319,683	7,985,064,275
13.1 Provision for Lease, loans and advances		
Opening Balance	5,668,588,000	6,782,794,322
Less: Provision no longer required	(23,813,283)	(1,236,640,000)
Add: Recoveries from previously written-off loans & advances	-	-
Add: General provision provided during the year	-	-
Add: Specific provision provided during the year	1,576,870,990	45,241,947
Add: Specific provision for shortfall	-	77,191,731
Add: Net charge to profit and loss account	-	-
Closing balance	7,221,645,707	5,668,588,000

Provision kept against advance for land purchase of Tk. 1,236,640,000 are no longer required in the year 2018 since whole amount of advance have been realized through amicable settlement with approval of the Board Directors in its 332nd meeting dated 10 February 2019.

13.1.1 General provision against Unclassified loan lease and advance

Opening Balance
Add: Provision during the year
Less: Provision no longer required
Closing Balance (a)

Specific provision against Classified loan lease and advance

Opening Balance
Less: Provision no longer required
Add: Recoveries from previously written-off loans & advances
Add: General provision provided during the year
Add: Specific provision provided during the year
Add: Specific provision for shortfall
Add: Net charge to profit and loss account
Closing balance (b)



PEOPLE'S LEASING

And Financial Services Ltd.

Notes to the Financial Statements - Continued

	Amount in Taka	
	Dec 31, 2019	Dec 31, 2018
13.2 Provision for diminution in value of Investments		
Opening Balance	50,000,000	95,241,947
Add: Provision during the year	27,084,513	-
Less: Provision no longer required	-	45,241,947
Closing Balance	77,084,513	50,000,000
13.3 Provision for corporate income tax		
Opening Balance	131,097,494	126,117,442
Add: Provision made during the year	6,000,000	6,000,000
Less: Settlement during the year	-	1,019,948
Closing Balance	137,097,494	131,097,494
13.4 Provision for Gratuity		
Opening Balance	24,913,185	25,404,768
Add: Provision during the year	37,664	-
Less: Adjustment	-	491,583
Closing Balance	24,950,849	24,913,185
13.5 Provision for FDR		
Opening Balance	-	-
Add: Addition during the year	870,419,893	-
Less: Adjustment during the year	-	-
Closing Balance	870,419,893	-
13.6 Provision for TDS		
Opening Balance	-	-
Add: Addition during the year	9,465,314	-
Less: Adjustment during the year	-	-
Closing Balance	9,465,314	-
13.7 Provision for Equity Investment in Subsidiary		
Opening Balance	-	-
Add: Addition during the year	200,445,000	-
Less: Adjustment during the year	-	-
Closing Balance	200,445,000	-
13.8 Interest Suspense Account		
Opening Balance	1,222,624,000	1,773,649,349
Add: Addition during the year	957,496,287	-
Less: Adjustment during the year	-	551,025,349
Closing Balance	2,180,120,287	1,222,624,000
13.09 Liabilities for financial expenses		
Accrued Financial Expenses for Borrowings	34,838,171	-
Accrued Financial Expenses for Deposits & Other Accounts	480,702,569	-
Accrued Financial Expenses for Deposits from Banks/Financial Institutions	466,572,839	-
	982,113,579	437,293,615
13.10 Liabilities for sundry creditors		
Liabilities for Sundry Deposit	72,724,215	-
Liabilities for Sundry Deposit against Loan/Lease	12,985,602	-
Lease Obligations	473,060	-
Loan/Lease Part Collection	10,357,845	-
Payable Suspense Account	419,147,998	-
Liab. Sundry Deposit against Non Banking Assets	25,880,000	-
Interest Receivable (Suspense) for loans & Advances	14,680,545	-
	556,249,265	201,957,896
13.11 Liabilities for accrued expenses		
Liabilities for Expenses	114,377,595	-
Liabilities for PF Subscription	525,815	920,070
Liabilities for PF Contribution	584,735	978,989
Accounts Payable Account Deposit	13,493,944	-
Liabilities for supplies	7,299,796	3,120,512
	136,281,885	5,019,571



13.12 Liabilities for TDS/VDS/ED

Liability for AIT deducted at Source
Liability for VAT deducted at Source
Liability for Excise Duty Deduction

13.a Consolidated Other Liabilities

People's Leasing and Financial Services Ltd.
PLFS Investments Limited (note-13.a.1)

13.a.1 Other Liabilities PLFS Investments Limited

Provision for diminution in value of Investments 13.a.1.1
Provision for corporate income tax
Received from Investor
Commission Payable
Professional Fees
Advance to suppliers
Adv. Tahsin Trade
Provision for Software
Provision for Tax deduction at sources

Closing balance

13.a.1.1 Provision for diminution in value of Investments

Opening Balance

Add: Provision during the year

Closing Balance

14 Share Capital

Authorized Capital (500,000,000 shares of Tk. 10 each)

Issued, Subscribed & Paid-up Capital:

42,662,733 Ordinary Shares of Tk. 10 each issued for cash
233,661,200 Ordinary Shares of Tk. 10 each issued for bonus share
9,116,664 Ordinary Shares of Tk. 10 each issued as preference share

Total numbers of Shares: 285,440,597

Percentage of shareholding

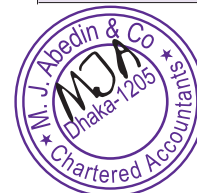
Category	Number of share	
	31.12.2019	31.12.2018
Sponsors	66,244,423	85,289,650
General public including NRB	205,650,272	141,207,463
Financial Institutions	1,978,609	30,427,968
Investment companies	11,022,616	25,604,022
Foreigners	544,677	2,911,494
Total	285,440,597	285,440,597

Classification of shareholders by holding

Holding	Number of shareholders	
	31.12.2019	31.12.2018
Less than 500	11,035	12,256
501 to 5,000	13,480	14,138
5,001 to 10,000	2,239	2,405
10,001 to 20,000	1,471	1,329
20,001 to 30,000	545	488
30,001 to 40,000	264	233
40,001 to 50,000	190	164
50,001 to 100,000	326	255
100,001 to 1000,000	255	220
Over 1000,000	25	28
Total	29,830	31,516

Amount in Taka

Dec 31, 2019	Dec 31, 2018
434,977,685	193,659,903
981,005	1,882,022
37,307,000	17,701,708
473,265,690	213,243,633
13,810,319,683	7,985,064,275
89,458,342	63,841,253
13,899,778,025	8,048,905,528
74,067,835	40,317,835
5,547,853	4,366,105
9,203,955	18,519,113
499,000	499,000
40,500	40,000
-	-
-	-
84,525	84,525
14,673	14,673
89,458,342	63,841,253
40,317,835	40,183,471
33,750,000	134,364
74,067,835	40,317,835
	5,000,000,000
426,627,330	426,627,330
2,336,612,000	2,336,612,000
91,166,640	91,166,640
2,854,405,970	2,854,405,970
Percentage (%)	
31.12.2019	31.12.2018
23.21%	29.88%
72.05%	49.47%
0.69%	10.66%
3.86%	8.97%
0.19%	1.02%
100.00%	100.00%
Number of shares	
31.12.2019	31.12.2018
2,051,019	2,270,611
24,834,372	25,611,784
18,512,671	17,692,048
21,520,984	19,335,340
13,609,226	12,172,627
9,212,656	8,164,938
8,900,995	7,648,064
23,742,077	18,621,098
61,361,500	55,030,235
101,695,097	118,893,852
285,440,597	285,440,597



			Amount in Taka	
			Dec 31, 2019	Dec 31, 2018
Name of Directors and their share holdings as on December 31, 2019				
Sl. No.	Name of Directors	Status	31.12.2019	31.12.2018
1	Mr. Nounng Chow Mong	Chairman (Nominated by Anan Chemical Industries Ltd.)		
2	Mr. Uzzal Kumar Nandi FCA	Nominee Director (Nominated by Anan Chemical Industries Ltd.)	14,440,900	14,440,900
3	Ms. Nai Aye Ching	Nominee Director (Nominated by Anan Chemical Industries Ltd.)		
4	Mr. Md. Nizamul Ahsan	Vice Chairman	57,097,417	5,709,417
5	Mr. Abdul Qader Siddiqui	Independent Director	-	-
6	Mr. Shekhar Kumar Halder FCA	Independent Director	-	-
7	Mr. Md. Iqbal Sayeed	Independent Director	-	-
8	Mr. Sukumar Mridha	Independent Director	-	-
9	Engr. Amitav Adhikary	Independent Director	-	-

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 regulatory authority requires a Non- banking Financial Institutions to have minimum paid up capital of Tk 1,000.00 million.

Paid up capital

2,854,405,970

2,854,405,970

Required capital as per Bangladesh Bank

1,000,000,000

1,000,000,000

Excess/(Shortage) capital

1,854,405,970

1,854,405,970

Capital Adequacy Ratio (CAR)

As per DFIM circular No. 14 dated December 28, 2011 and article no. 2.6 and 2.7 of Prudential Guidelines on Capital Adequacy and Market Discipline (CAMD) for Financial Institutions issued by Bangladesh Bank, Capital Adequacy Ratio (CAR) of the company has been stood as follows:

Tier-1 (Core Capital)

Fully paid-up capital/ capital lien with BB

2,854,405,970

2,854,405,970

Statutory reserve

645,578,147

645,578,147

Non-repayable share premium account

1,018,605,234

1,018,605,234

General reserve

-

-

Retained earnings

(29,404,681,633)

(23,145,616,434)

Minority interest in subsidiaries

-

-

Non- cumulative irredeemable preference shares

-

-

Dividend equalization account

-

-

Other (if any item approved by Bangladesh Bank)

-

-

Sub-Total

(24,886,092,282)

(18,627,027,083)

Deductions from tier-1 (Core capital)

Book value of goodwill and any value of any contingent assets which are shown as assets

-

-

Shortfall in provisions required against classified assets

-

-

Shortfall in provisions required against investment in share

-

-

Remaining deficit on account of revaluation of investments

-

-

in securities after netting off any other surplus on the securities

-

-

Any investment exceeding the approved limit

-

-

Investments in subsidiaries which are not consolidated

-

-

Other (if any)

-

-

Sub-Total

-

-

Total eligible Tier-1 capital

(24,886,092,282)

(18,627,027,083)



2. Tier-2 (Supplementary capital)

General provision (Unclassified up to special limit+SMA+ off balance sheet exposure)

Assets revaluation reserves up to 50%

Revaluation reserve for securities up to 50%

All other preference shares

Other (if any item approved by Bangladesh Bank)

Sub-Total

Deductions, if any

Total eligible Tier-2 capital

A Total capital

B Total risk weighted asset

C Required capital

D Surplus / (Deficit)

Capital adequacy ratio (CAR)

On core capital (Tier-1)

On supplementary capital (Tier-2)

14.a Non-Controlling Interest

Percentage of shareholding in PLFS Investments Limited

Name of Shareholder	No. of Share	Percentage of share holding
People's Leasing And Financial Service Limited	20,044,500	83.00%
Anan Chemical Industries Limited	200,000	0.83%
Drinun Apparels Limited	100,000	0.41%
Mr. Motiur Rahman	3,805,500	15.76%
Ms. Humaira Alamin	-	0.00%
Ms. Nargis Alamin	-	0.00%
Ms. Shahida Alam	-	0.00%
	<u>24,150,000</u>	<u>100.00%</u>

	Total Amount	
	31.12.2019	31.12.2018
Paid-up Capital	241,500,000	241,500,000
General Reserve	9,010,630	9,010,630
Retained Earnings	(128,358,080)	(121,936,987)
	<u>122,152,550</u>	<u>128,573,643</u>

Amount in Taka	
Dec 31, 2019	Dec 31, 2018

416,707,518	71,764,990
-	-
-	-
-	-
-	-
416,707,518	71,764,990
-	-
416,707,518	71,764,990
(24,469,384,764)	(18,555,262,093)
14,752,800,000	15,763,945,360
1,475,280,000	1,576,394,536
(25,944,664,764)	(20,131,656,629)
-165.86%	-117.71%
-168.69%	-118.16%
2.82%	0.46%
17.00%	17.00%

Amount in Taka

Amount in Taka

31.12.2019	31.12.2018
200,445,000	200,445,000
2,000,000	2,000,000
1,000,000	1,000,000
38,055,000	38,055,000
-	-
-	-
-	-
<u>241,500,000</u>	<u>241,500,000</u>

Non-Controlling Portion	
31.12.2019	31.12.2018
41,055,000	41,055,000
1,531,807	1,531,807
(21,820,874)	(20,729,288)
20,765,934	21,857,519.31



		Amount in Taka	
		Dec 31, 2019	Dec 31, 2018
15	Statutory reserve		
	Opening balance	645,578,147	645,578,147
	Add: Addition during the year	-	-
	Closing balance	645,578,147	645,578,147
	The company has to transfer 20% of net profit to statutory reserve as per the Financial Institutions Regulations, 1994.		
16	General reserve		
	Opening Balance	-	-
	Add: Addition during the year	-	-
	Closing balance	-	-
16.a	Consolidated General Reserve		
	People's Leasing and Financial Services Ltd.	-	-
	PLFS Investments Limited	9,010,630	9,010,630
		9,010,630	9,010,630
	Less: Non-Controlling Interest	1,531,807	1,531,807
		7,478,823	7,478,823
17	Share premium		
	Opening balance	1,018,605,234	1,018,605,234
	Add: Addition during the year	-	-
	Closing balance	1,018,605,234	1,018,605,234
18	Retained earnings		
	Opening balance	(23,145,616,434)	(21,649,792,929)
	Previous year adjustment	367,312,669	
	Net profit during the year	(5,668,881,581)	(1,495,823,505)
	Adjustment during the year	(957,496,287)	-
	Closing balance	(29,404,681,633)	(23,145,616,434)
18.a	Consolidated Retained Earnings		
	People's Leasing and Financial Services Ltd.	(29,404,681,633)	(23,145,616,434)
	PLFS Investments Limited	(128,358,080)	(121,936,987)
		(29,533,039,713)	(23,267,553,421)
	Less: Non-Controlling Interest	(21,820,874)	(20,729,288)
		(29,511,218,839)	(23,246,824,133)



19 Contingent liabilities & capital expenditure commitments

Letter of guarantee:

Money for which the company is contingently liable in respect of guarantees given favoring:

	Amount in Taka	
	Dec 31, 2019	Dec 31, 2018
Directors	-	-
Government	-	-
Banks and other financial institutions	-	-
Others	325,000,000	325,000,000
Sub Total	325,000,000	325,000,000

Letter of credit:

For import of equipments under lease finance

	-	-
Sub-Total	-	-
Total	325,000,000	325,000,000

Noted that Mr. Amitavo Adhikari, Chairman K H B Securities Limited and also member of Board of Director of PLFS during the year.

19.1 Capital expenditure commitments

There was no capital expenditure contracted but not incurred or provided for as on 31 December, 2019. There was no capital expenditures authorized by the Board but not contracted as on 31 December, 2019.

20 Interest income

Interest on Staff Loan	199,551	498,255
Interest on Loan	166,190,224	512,188,663
Income from Lease Finance	(3,200,174)	91,096,361
Interest on Home Loan	10,498,685	20,360,126
Interest on FDR	78,588,246	167,809,638
Interest On Margin Loan	12,484,571	104,968,036
Interest On STL	643,670	-
Interest on Loan against Deposit	2,581,874	26,973,255
Total	267,986,646	923,894,334

20.a Consolidated Interest income

People's Leasing and Financial Services Ltd.	267,986,646	923,894,334	
PLFS Investments Limited	131,918,249	101,710,157	
	399,904,895	1,025,604,491	
Less: Inter Company Transaction		99,618,463	116,531,490
		300,286,432	909,073,001

21 Interest paid on deposits, borrowings etc.

Interest on deposits

Interest on Term Deposit	2,792,515,498	2,505,021,820
Interest on MDS	2,866,667	-
	2,795,382,165	2,505,021,820

Interest on borrowings

Interest on Call Loan	29,347,083	28,705,695
Interest on Term Loan	161,006,001	267,167,837
Interest on Overdraft	53,436,517	122,223,569
Interest on Short Term Loan	93,353,887	337,440,331
Other		
	337,143,488	755,537,432
Total	3,132,525,653	3,260,559,252



		Amount in Taka	
		Dec 31, 2019	Dec 31, 2018
21.a Consolidated Interest Expenses			
	People's Leasing and Financial Services Ltd.	3,132,525,653	3,260,559,252
	PLFS Investments Limited	100,189,185	116,771,135
		3,232,714,838	3,377,330,387
	Less: Inter Company Transaction	99,618,463	116,531,490
		3,133,096,375	3,260,798,897
22 Income from investment			
	Income from Investment/Capital gain	(2,800,000)	(132,416,742)
	Dividend income	1,645,863	23,863,792
	Total	(1,154,137)	(108,552,950)
22.a Consolidated Income from Investment			
	People's Leasing and Financial Services Ltd.	(1,154,137)	(108,552,950)
	PLFS Investments Limited (note-22.a.1)	(3,454,218)	(80,355,019)
		(4,608,355)	(188,907,969)
22.a.1 Income from investment of PLFS Investments Limited			
	Income from Investment/Capital gain	(5,859,559)	(89,428,979)
	Dividend income	2,405,341	9,073,960
	Total	(3,454,218)	(80,355,019)
23 Commission, exchange and brokerage			
	Commission on Bank Gurantee	-	1,400,000
	Total	-	1,400,000
24 Other operating income			
	Bank interest	889,830	701,171
	Documentation charge	(498)	43,582
	Service charge	1,500	71,475
	Application Fees	12,385	63,640
	CIB Charges	500	1,075
	Late Payment Interest	7,111	1,147,547
	Transfer Money	1,014,300	729,707
	Others	2,134,885	813,498
	Total	4,060,013	3,571,695
24.a Consolidated Other Operating Income			
	People's Leasing and Financial Services Ltd.	4,060,013	3,571,695
	PLFS Investments Limited (note-24.a.1)	3,397,219	12,350,691
		7,457,232	15,922,386
24.a.1 Other operating income of PLFS Investments Limited			
	Bank interest	1,309,430	2,518,504
	Documentation charge	2,500	15,500
	Management Fee	1,188,921	8,094,206
	Transaction Settlement Charge	239,818	1,111,601
	Underwriting Commission	100,000	-
	Issue Management Fee	-	-
	Transmission Charge	302,850	500,400
	Closing Charge	216,000	18,500
	Income From IPO Application	37,700	74,230
	Other Income	-	17,750
	Total	3,397,219	12,350,691
25 Salaries & allowances			
	Salary	56,029,881	109,572,223
	Bonus to Staff	7,911,100	9,893,134
	Company's Contribution to Employees Provident Fund	2,054,496	4,627,254
	Gratuity Expenses	-	-
	Total	65,995,477	124,092,611



		Amount in Taka	
		Dec 31, 2019	Dec 31, 2018
25.a Consolidated Salaries & allowances			
	People's Leasing and Financial Services Ltd.	65,995,477	124,092,611
	PLFS Investments Limited (note-25.a.1)	7,691,118	10,482,184
		73,686,595	134,574,795
25.a.1 Salaries & allowances of PLFS Investments Limited			
	Salary	6,442,785	8,412,662
	Bonus to Staff	718,910	844,455
	Company's Contribution to Employees Provident Fund	385,423	482,673
	Gratuity Expenses	-	-
	Staff Incentive	144,000	742,394
	Total	7,691,118	10,482,184
26 Rent, taxes, insurance, electricity etc.			
	Office Rent	10,495,196	19,427,034
	Tax, Rates	-	-
	Insurance premium	989,229	1,261,136
	Electricity	2,381,790	3,070,340
	Total	13,866,215	23,758,510
26.a Consolidated Rent, taxes, insurance, electricity etc.			
	People's Leasing and Financial Services Ltd.	13,866,215	23,758,510
	PLFS Investments Limited (note-26.a.1)	2,845,767	2,636,137
		16,711,982	26,394,647
26.a.1 Rent, taxes, insurance, electricity etc. of PLFS Investments Limited			
	Office Rent	2,555,129	2,340,576
	Electricity	290,638	295,561
	Total	2,845,767	2,636,137
27 Legal expenses			
	Legal fees	1,284,820	1,427,445
	Stamp & Court Fees	-	21,875
	Total	1,284,820	1,449,320
27.a Consolidated Legal expenses			
	People's Leasing and Financial Services Ltd.	1,284,820	1,449,320
	PLFS Investments Limited	-	-
		1,284,820	1,449,320
28 Postage, stamp, telecommunications etc.			
	Postage	21,261	63,420
	Telephone bill	225,565	329,286
	Fax & Internet	754,476	711,539
	Total	1,001,302	1,104,245
28.a Consolidated Postage, stamp, telecommunications etc.			
	People's Leasing and Financial Services Ltd.	1,001,302	1,104,245
	PLFS Investments Limited (note-28.a.1)	241,260	254,977
		1,242,562	1,359,222



		Amount in Taka	
		Dec 31, 2019	Dec 31, 2018
28.a.1	Postage, stamp, telecommunications etc. of PLFS Investments Limited		
	Postage	170	375
	Telephone bill & Mobile	114,590	117,102
	Fax & Internet	126,500	137,500
	Total	241,260	254,977
29	Stationery, printing, advertisement etc.		
	Stationery & Printing	415,452	2,498,708
	Advertisement	1,027,122	3,176,140
	Computer expenses	-	-
	Total	1,442,574	5,674,848
29.a	Consolidated Stationery, printing, advertisement etc.		
	People's Leasing and Financial Services Ltd.	1,442,574	5,674,848
	PLFS Investments Limited (note-29.a.1)	89,296	380,649
	Total	1,531,870	6,055,497
29.a.1	Stationery, printing, advertisement etc. of PLFS Investments Limited		
	Stationery & Printing	84,096	117,309
	Advertisement	-	238,000
	Computer & Accessories	5,200	25,340
	Total	89,296	380,649
30	Managing director's salary and fees		
	Salary	3,087,000	4,800,000
	Festival Bonuses	250,000	514,000
	Other allowances	-	480,000
	Total	3,337,000	5,794,000
31	Directors' Fees		
	Directors' fees	680,800	577,683
	Others Benefits	-	-
	Total	680,800	577,683
<p>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.</p>			
31.a	Consolidated Directors' Fees		
	People's Leasing and Financial Services Ltd.	680,800	577,683
	PLFS Investments Limited	20,000	20,000
	Total	700,800	597,683
32	Audit fee		
		-	402,500
32.a	Consolidated Audit fee		
	People's Leasing and Financial Services Ltd.	-	402,500
	PLFS Investments Limited	35,000	40,000
	Total	35,000	442,500
33	Loans & advances written-off		
	Loans & advances written-off	-	-
	Less: provision	-	-
	Interest waived	-	-
	Total	-	-



		Amount in Taka	
		Dec 31, 2019	Dec 31, 2018
34	Repair, depreciation and amortizations of company's assets		
	Repair of company's assets:		
	Machine/Furniture Repair & Maintenance	274,508	194,275
	Generator Repair & Maintenance	4,719,046	-
	Telephone Maintenance	66,312	-
	Motor car Maintenance	1,736,200	650,812
	Sub Total	6,796,066	845,087
	Depreciation of company's assets		
	Own assets	5,004,818	13,394,230
	Sub Total	5,004,818	13,394,230
	Amortization of company's assets		
	Computer software	78,720	-
	Total repair and depreciation of company's assets	11,879,604	14,239,317
34.a	Consolidated Repair, depreciation and amortizations of company's assets		
	People's Leasing and Financial Services Ltd.	11,879,604	14,239,317
	PLFS Investments Limited (note-34.a.1)	635,167	765,623
		12,514,771	15,004,940
34.a.1	Repair, depreciation and amortizations of company's assets of PLFS Investments Limited		
	Repair of company's assets:		
	Rep. & Maintenance Office Equipment	11,500	18,486
	Generator Repair & Maintenance	-	-
	Telephone Maintenance	-	-
	Motor car Maintenance	-	-
	Sub Total	11,500	18,486
	Depreciation of company's assets		
	Own assets	623,667	747,137
	Sub Total	623,667	747,137
	Amortization of company's assets		
	Total repair and depreciation of company's assets	635,167	765,623
35	Other expenses		
	Traveling & Conveyance Expenses	710,259	1,217,285
	Entertainment	409,295	1,095,888
	Exp.A/C-Service Charge	1,290	107,750
	Staff welfare	-	-
	Security Services	2,781,647	3,206,514
	Meeting Expenses	-	2,102,404
	Fees & Subscription	2,300,343	2,767,556
	Office maintenance	2,502,968	4,230,033
	Miscellaneous	189,820	333,414
	Books & periodicals	7,628	26,422
	Business Promotion	680,000	5,032,421
	Fuel ,Oil & Lubricant	313,474	712,679
	Staff training	31,500	5,000
	Uniform & Levis	-	113,920
	Bank charges & commission	1,182,560	827,942
	Excise duty	-	1,416,130
	Software Expenses	-	405,445
	Donation (CSR)	-	175,000
	Car Exp. (TAX)	-	-
	CDBL charges	6,000	32,309
	Commission on Deposit associates	35,987,413	1,443,356
	Loss on sale of Goods	1,430,194	-
	BO Accounts Exp.	-	6,523,990
	Total	48,534,391	31,775,458
35.a	Consolidated Other expenses		
	People's Leasing and Financial Services Ltd.	48,534,391	31,775,458
	PLFS Investments Limited (note-35.a.1)	4,846,007	4,988,015
		53,380,398	36,763,473



	Amount in Taka	
	Dec 31, 2019	Dec 31, 2018
35.a.1 Other expenses of PLFS Investments Limited		
Traveling & Conveyance Expenses	34,248	24,270
Entertainment	857,899	665,522
Security Services	66,600	111,320
Office maintenance	469,044	476,171
Miscellaneous	830,000	1,496,400
Professional fees	153,450	392,950
LFA	404,320	292,694
Staff training	-	21,000
Bank charges & commission	93,151	137,733
Website Development Expenses	-	2,100
Software Expenses	169,050	169,050
Renewal & registration Fees	167,195	169,135
Bidding Fee	15,000	48,000
Business Promotion	1,300,000	-
Donation	-	-
CDBL Charge	286,050	737,582
Other Expenses	-	244,088
Total	4,846,007	4,988,015
36 Provision for loans & advances		
Provision for classified loans & advances	(23,813,283)	(1,236,640,000)
Provision for classified loans & advances req. by Bangladesh Bank	1,576,870,990	122,433,678
Provision for unclassified loans & advances	-	-
Provision for diminution in value of investments	27,084,513	(45,241,947)
Provision for FDR	870,419,893	-
Provision for Equity Investment in Subsidiary	200,445,000	-
Provision for TDS	9,465,314	-
Total	2,660,472,427	(1,159,448,269)
36.a Consolidated Provision for loans & advances		
People's Leasing and Financial Services Ltd.	2,660,472,427	(1,159,448,269)
PLFS Investments Limited (note-36.a.1)	-	134,364
	2,660,472,427	(1,159,313,905)
36.a.1 Provision for loans & advances of PLFS Investments Limited		
Provision for classified loans & advances (for written-off)	-	-
Provision for unclassified loans & advances	-	-
Provision for diminution in value of investments	-	134,364
Provision for off-balance sheet items	-	-
Total	-	134,364



Amount in Taka

Dec 31, 2019

Dec 31, 2018

37 Provision for tax

Provision for Current Tax is made on the basis of the profit for the period as adjusted for taxation purpose in accordance with the provision of Income Tax Ordinance, 1984 and amendments made thereof. The current tax rate for the Company is 37.50% on taxable income. As the company doesn't have any taxable income, the company provides minimum tax for the income year 2019.

Provision for current tax

Opening balance

Add: Provision made during the year

Less: Settlement during the year

Closing balance

-	-
6,000,000	6,000,000
-	-
6,000,000	6,000,000

37.a Consolidated Provision for taxes

People's Leasing and Financial Services Ltd.

PLFS Investments Limited (note-37.a.1)

6,000,000	6,000,000
1,181,748	1,814,792
7,181,748	7,814,792

37.a.1 Provision for tax of PLFS Investments Limited

Provision for current tax

Opening balance

Add: Provision made during the year

Add: Transferred from deferred tax

Less: Settlement during the year

Closing balance

-	-
1,181,748	1,814,792
-	-
-	-
1,181,748	1,814,792

38 Provision for Deferred tax

Deferred Tax expense

Deferred Tax Income

(7,246,161)	157,109
-	-
(7,246,161)	157,109

38.a Consolidated Deferred tax

People's Leasing and Financial Services Ltd.

PLFS Investments Limited

(7,246,161)	157,109
(13,242,206)	(8,998,724)
(20,488,367)	(8,841,615)

39 Earnings per share (EPS)

Earnings Per Share (EPS) as shown in the face of Profit and Loss Account is calculated in accordance with International Accounting Standards (IAS) No. 33 "Earnings Per Share".

Basic Earnings Per Share has been calculated as follows:

Earnings attributable to ordinary shareholders (Net Profit after Tax)

Weighted Average Number of ordinary shares outstanding during the year

Basic earnings per share (in Taka)

(5,668,881,581)	(1,495,823,505)
285,440,597	285,440,597
(19.86)	(5.24)

No diluted earnings per share is required to be calculated for the period, as there was no convertible securities for dilution during the period.



Amount in Taka

Dec 31, 2019

Dec 31, 2018

39.a Consolidated Earnings per share (EPS)

Earnings Per Share (EPS) as shown in the face of Profit and Loss Account is calculated in accordance with International Accounting Standards (IAS) No. 33 "Earnings Per Share".

Basic Earnings Per Share has been calculated as follows:

Earnings attributable to ordinary shareholders (Net Profit after Tax)
Weighted Average Number of ordinary shares outstanding during the year
Basic earnings per share (in Taka)

(5,640,461,088)

285,440,597

(19.76)

(1,575,157,663)

285,440,597

(5.52)

No diluted earnings per share is required to be calculated for the period, as there was no convertible securities for dilution during the period.

40 Net Assets Value (NAV) per share

Net Assets (Total assets less Total Liabilities)
Total Number of Ordinary shares outstanding

(24,886,092,282)

285,440,597

(87.18)

(18,627,027,083)

285,440,597

(65.26)

Net Assets Value (NAV) per share

40.a Consolidated Net Assets Value (NAV) per share

Net Assets (Total assets less Total Liabilities)
Total Number of Ordinary shares outstanding

(24,985,150,665)

285,440,597

(87.53)

(18,720,755,960)

285,440,597

(65.59)

Consolidated Net Assets Value (NAV) per share

41 Net Operating Cash Flows Per Share (NOCFPS)

Net Cash flows from Operating Activities
Total Number of Ordinary shares outstanding

1,028,637,952

285,440,597

3.60

(731,462,779)

285,440,597

(2.56)

Net Operating Cash Flows Per Share (NOCFPS)

41.a Consolidated Net Operating Cash Flows Per Share (NOCFPS)

Net Cash flows from Operating Activities
Total Number of Ordinary shares outstanding

991,154,866

285,440,597

3.47

(1,053,143,972)

285,440,597

(3.69)

Consolidated Net Operating Cash Flows Per Share (NOCFPS)

42 Reconciliation of Net Profit with Cash Flows from Operating Activities

Net Profit after tax

(5,668,881,581)

(1,495,823,505)

Items not involved in cash movement

Add: Depreciation

5,004,818

13,394,230

Add: Provisions for loans and investments

2,660,472,427

(1,159,448,269)

Add: Provisions for Taxation

(1,246,161)

6,157,109

Add/(Less): Accrued expenses

1,118,395,464

442,313,186

Add/(Less): Accrued Income

(40,961,498)

(342,218,668)

(1,927,216,530)

(2,535,625,917)

Increase/(decrease) in operating assets and liabilities

Loans and advances to customers

(1,171,561,192)

2,030,696,173

Other assets

2,113,374,487

(202,347,121)

Deposits from customers and others

686,904,609

1,245,736,538

Other liabilities

1,327,136,578

(1,269,922,452)

2,955,854,482

1,804,163,138

Net Cash flows from/(used in) Operating Activities

1,028,637,952

(731,462,779)



43 Others

43.1 For the Year ended December 31, 2019

Name of Court	No. of Suits	Suit Value/Claimed Amt. (in Lac)	Recovery against claim Amt. (in Lac)	Remarks
Artha Rin Adalat	90	43,958.86	0.00	-
Other Courts	148	25,536.64	100.00	-
Total	238	69,495.50	100.00	-

43.2 Employees' information

A total number of 19 employees were employed in PLFS as of 31 December, 2019.

44 Written-off of accounts

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

45 Directors' responsibility statement

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

46 Date of authorization for issue

The financial statements were authorized for issue by the Board of Directors on its ...th meeting held on

47 Discloser of Quick Summary of Bangladesh Bank Inspection report

Bangladesh Bank performed inspection on Calcification Loan (CL) for the year ended 2021 and provide a quick summary report for finalization of Financial Statement for 2021. In this regards we prepared Financial Statement for 2019 by considering the said quick summary report.

48 General

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

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

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

48.4 Provision of audit fee 2019 is made in the financial statements of 2022.

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



Fixed Assets Schedule

As at 31 December, 2019

Figures in Taka

COST				Rate	ACCUMULATED DEPRECIATION				Written Down Value as on December 31, 2019
Balance as on 1 Jan, 2019	Additions during the Year	Adjustment during the year	Balance as on December 31, 2019		Balance as on 1 Jan, 2019	Charged during the year	Adjustment during the year	Balance as on December 31, 2019	
33,265,482	-	-	33,265,482	10%	21,666,526	1,159,896	-	22,826,422	10,439,060
26,260,950	-	-	26,260,950	20%	17,579,950	1,736,200	-	19,316,150	6,944,800
21,027,936	-	-	21,027,936	20%	11,603,432	1,884,901	-	13,488,333	7,539,603
1,756,858	-	-	1,756,858	10%	1,093,752	66,311	-	1,160,062	596,796
12,345,664	-	-	12,345,664	5%	2,542,183	490,174	212,087	2,820,270	9,525,394
437,799	-	228,797	209,002	10%	230,349	20,745	153,009	98,085	110,917
2,033,200	-	2,033,200	-	10%	1,330,271	-	1,330,271	-	-
5,558,302	-	1,310,967	4,247,335	20%	4,185,753	274,510	780,447	3,679,816	567,519
57,019,173	-	3,245,489	53,773,684	5%	15,853,646	2,058,276	2,197,446	15,714,476	38,059,208
39,106	-	-	39,106	20%	30,103	1,801	-	31,903	7,203
507,004	-	-	507,004	20%	113,401	78,721	-	192,121	314,883
160,251,474	-	6,818,453	153,433,021		76,229,365	7,771,534	4,673,260	79,327,638	74,105,383

Figures in Taka

COST				Rate	ACCUMULATED DEPRECIATION				Written Down Value as on December 31, 2019
Balance as on 1 Jan, 2019	Additions during the Year	Adjustment during the year	Balance as on December 31, 2019		Balance as on 1 Jan, 2019	Charged during the year	Adjustment during the year	Balance as on December 31, 2019	
58,558,336	-	-	58,558,336	10%	20,101,627	3,845,671	750	23,946,548	34,611,788
58,558,336	-	-	58,558,336		20,101,627	3,845,671	750	23,946,548	34,611,788



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

As at 31 December, 2019

ANNEXURE - A-I

Property, plant & equipment		COST				Rate	ACCUMULATED DEPRECIATION				Written Down Value as on 31 Dec, 2019
		Balance as on Jan 01, 2019	Additions during the Year	Adjustment during the year	Balance as on 31 Dec, 2019		Balance as on Jan 01, 2019	Charged during the year	Adjustment during the year	Balance as on 31 Dec, 2019	
	33,265,482	-	-	-	33,265,482	10%	1,159,896	-	24,806,421	8,459,061	
	28,240,950	-	-	-	28,240,950	20%	1,736,200	-	19,316,150	8,924,800	
	23,364,684	-	-	-	23,364,684	20%	1,974,603	-	15,466,273	7,898,411	
	1,756,858	-	-	-	1,756,858	10%	66,311	-	1,160,063	596,795	
	13,573,664	-	-	-	13,573,664	5%	633,094	212,087	3,476,592	10,097,072	
	437,799	-	228,797	-	209,002	10%	20,745	153,009	98,085	110,917	
	2,033,200	-	2,033,200	-	1,330,271	10%	-	1,330,271	(0)	0	
	6,030,067	-	1,310,967	-	4,719,100	20%	290,050	780,447	4,063,521	655,579	
	62,686,569	-	3,245,489	-	59,441,080	5%	2,339,958	2,197,446	18,846,734	40,594,346	
	39,106	-	-	-	39,106	20%	1,801	-	31,904	7,202	
	1,574,504	-	-	-	1,574,504	20%	172,544	-	978,151	596,354	
	173,002,883	-	6,818,453	-	166,184,430		8,395,202	4,673,260	88,243,893	77,940,535	

Figures in Taka

Property, plant & equipment		COST				Rate	ACCUMULATED DEPRECIATION				Written Down Value as on 31 Dec, 2019
		Balance as on Jan 01, 2019	Additions during the Year	Adjustment during the year	Balance as on 31 Dec, 2019		Balance as on Jan 01, 2019	Additions during the Year	Adjustment during the year	Balance as on 31 Dec, 2019	
	58,558,336	-	-	-	58,558,336	10%	3,845,671	748	23,946,551	34,611,785	
	58,558,336	-	-	-	58,558,336		3,845,671	748	23,946,551	34,611,785	

Figures in Taka



Classification and provisioning of Loan , Lease and Advance

As at 31 December, 2019

Classification status of Loan , Lease & Advance as on 31/12/2019	Amount of outstanding Loan Lease and Advance as on 31/12/2019	Base for Provision	Percentage(%) of provision required as per Bangladesh bank directive	Provision Kept 31/12/2019	Provision Kept 31/12/2018		
Genarell Provision							
Standered Non SME	401,150,292	401,150,292	1%	4,011,502.92			
Standered SME			0%	-			
Special Mention Account(SMA)	1,753,920,295	1,203,204,283	5%	60,160,214.15			
Total A	2,155,070,587	1,604,354,575	-	64,171,717	-		
Specific Provision							
Sub Standard (SS)	3,951,396	7,070,014	20%	1,414,002.80			
Doubtful (DF)	13,814,771	4,593,689	50%	2,296,844.50			
Bad and Loss (BL)	9,733,433,215	7,153,763,143	100%	7,153,763,143.00			
Total B	9,751,199,382	7,165,426,846		7,157,473,990	-		
G.Total (A+B)	11,906,269,969	8,769,781,421		7,221,645,707	-		
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; vertical-align: top;"> N.B: Break-up of Bad and loss (BL): Accounts defined Accounts undefined: Accrued Interest on Lease Finance Receivable Lease Finance Accrued Interest on Lease Finance Accrued Interest on Term Loan Overdue Interest Receivable on Term Loan Accrued Interest on Short Term Loan (Non-installment) Accrued Interest on Loan against Deposits </td> <td style="width: 50%; vertical-align: top; text-align: right;"> 8,851,510,369 (1,036,037) 12,993,571 6,297 764,893 870,950,451 (534,536) (1,221,794) 9,733,433,215 </td> </tr> </table>						N.B: Break-up of Bad and loss (BL): Accounts defined Accounts undefined: Accrued Interest on Lease Finance Receivable Lease Finance Accrued Interest on Lease Finance Accrued Interest on Term Loan Overdue Interest Receivable on Term Loan Accrued Interest on Short Term Loan (Non-installment) Accrued Interest on Loan against Deposits	8,851,510,369 (1,036,037) 12,993,571 6,297 764,893 870,950,451 (534,536) (1,221,794) 9,733,433,215
N.B: Break-up of Bad and loss (BL): Accounts defined Accounts undefined: Accrued Interest on Lease Finance Receivable Lease Finance Accrued Interest on Lease Finance Accrued Interest on Term Loan Overdue Interest Receivable on Term Loan Accrued Interest on Short Term Loan (Non-installment) Accrued Interest on Loan against Deposits	8,851,510,369 (1,036,037) 12,993,571 6,297 764,893 870,950,451 (534,536) (1,221,794) 9,733,433,215						



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

Sl. No.	Particulars	Amount in Tk.	
		2019	2018
1	Paid-up Capital	2,854,405,970	2,854,405,970
2	Total Capital	(24,886,092,282)	(18,627,027,083)
3	Capital Surplus	(27,740,498,252)	(21,481,433,053)
4	Total Assets	14,019,458,854	15,062,692,635
5	Total Deposits	21,129,309,794	20,442,405,185
6	Total loans & advances	11,906,269,969	11,457,601,356
7	Total contingent liabilities and commitments	325,000,000	325,000,000
8	Credit deposit ratio	56.35%	56.05%
9	Percentage of classified loans against total loans & advances	80.46%	65.95%
10	Profit after tax and provision	(5,668,881,581)	(1,495,823,505)
11	Amount of classified loans during the year	9,579,784,817	7,556,335,000
12	Provision kept against classified loans	7,221,645,707	5,668,588,000
13	Provision surplus against classified loans	-	-
14	Cost of fund	18.22%	13.99%
15	Interest earning assets	12,859,339,784	12,611,004,112
16	Non-interest earning assets	1,160,119,070	2,451,688,523
17	Return on Investments	(46.77)	(12.75)
18	Return on assets (ROA)	(38.99)	(8.93)
19	Income from loans & advances & investment	266,832,509	815,341,384
20	Earnings per share	(19.86)	(5.24)
21	Net income per share	(19.86)	(5.24)
22	Price earnings ratio	N/A	N/A



2019

Auditors' Report and
Financial Statements

PLFS Investment Ltd.

For the Year Ended on December 31, 2019

**Independent Auditors' Report
To
The Shareholders of PLFS Investments Limited**

Opinion:

We have audited the financial statements of PLFS Investments Limited (the “company”) which comprises the statements of financial position as at 31 December 2019 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year ended and notes to the financial statement including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements of the company present fairly, in all material respect, of the financial position of the company as at 31 December 2019, and of its financial performances and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs)

Basis for opinion:

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the 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) and we have fulfilled other ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter:

We draw attention to note 5 describes margin loan to clients and note 6 describes accounts receivable. Our opinion is not modified in respect of this matter.

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 IFRSs 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 these 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 Statement

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, 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 misstatements 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 misstatements of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we require 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.

Report on other Legal and Regulatory Requirements

In with the Companies Act, 1994 and the Securities and Exchange Rules 1987, 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's so far as it appeared from our examination of those books;
- iii. The statement of financial position and statement of profit or loss and other comprehensive income together with the annexed notes dealt with by the report are in agreement with the books of account and returns; and
- iv. The expenditures incurred were for the purpose of the Company's business for the year.

Dated: 12 November 2020
Place: Dhaka, Bangladesh



A. Hossain & Co.
A. Hossain & Co.
Chartered Accountants

PLFS Investments Limited
Statement of Financial Position

As at 31 December 2019

Figures in Taka

	Notes	31-Dec-2019	31-Dec-2018
ASSETS			
Non current assets:		31,342,679	18,724,140
Property, plant and equipments	03	3,835,153	4,458,820
Deferred tax assets	04	27,507,526	14,265,321
CURRENT ASSETS:		1,216,354,380	1,179,753,171
Margin loan to investors	05	909,797,750	796,366,197
Accounts Receivable	06	40,282,763	40,481,268
Investment in share & securities	07	96,395,822	139,678,854
Advance, deposits & pre-payments	08	108,042,509	131,116,550
Investment in Placement Shares	09	33,750,000	33,750,000
Cash & bank balance	10	28,085,536	38,360,303
Total Assets		1,247,697,059	1,198,477,311
EQUITY AND LIABILITIES			
Shareholders' equity:			
Paid up capital	11	241,500,000	241,500,000
Reserve and surplus	12	9,010,630	9,010,630
Retained earnings	13	(128,358,080)	(121,936,987)
Liabilities			
Non- current liabilities			
Long term loan	14	1,036,086,168	1,006,062,418
Current liabilities & provision			
Loan & others liabilities	15	5,687,551	4,505,303
Provision against investments in shares & securities	16	40,317,835	40,317,835
Provision for investment in Placement Shares	16.01	33,750,000	-
Others liabilities	17	9,702,955	19,018,113
Total Liabilities		1,125,544,509	1,069,903,668
Total equity & liabilities		1,247,697,059	1,198,477,311

The annexed notes from an integral part of these financial statements.


Chairman


Director


Chief Executive Officer

Signed in terms of our separate report of even date annexed

Dated: 12 November 2020
Place: Dhaka, Bangladesh




A. Hossain & Co.
Chartered Accountants

Statement of Profit and Loss and Other Comprehensive Income

For the year ended 31 December 2018

	Notes	31-Dec-2019	Figures in Taka 31-Dec-2018
Operating income:			
Fees & Commission	18	1,528,739	9,205,807
Interest Income	19	131,918,249	101,710,157
Capital Gain on Sale of Listed Shares	20	(5,859,559)	(89,428,979)
Dividend Income	21	2,405,341	9,073,960
Other Income	22	1,868,480	3,144,884
Total Operating Income		131,861,250	33,705,828
Operating expenses:			
Salaries and Allowance	23	8,095,438	10,774,878
Interest Expenses	24	100,189,185	116,771,135
Rent, Taxes, Insurance, Electricity etc	25	2,845,767	2,636,137
Postage, Stamp, Telecommunications etc.	26	241,260	254,977
Stationery, Printing, Advertisement etc.	27	89,296	380,649
Audit & Professional Fee	28	188,450	432,950
Repairs, Maintenance and Depreciation	29	635,167	765,623
Others Expenses	30	4,308,238	4,322,370
Total Operating Expenses:		116,592,800	136,338,719
Profit before provision & tax		15,268,449	(102,632,891)
Provision for investment in Placement Shares		33,750,000	(134,364)
Profit before tax		(18,481,551)	(102,767,255)
Income tax expenses:		(12,060,458)	7,183,932
Current tax	31	1,181,748	(1,814,792)
Deferred tax	4.04	(13,242,206)	8,998,724
Profit after tax		(6,421,093)	(95,583,323)

The annexed notes form an integral part of these financial statements.


Chairman


Director


Chief Executive Officer

Signed in terms of our separate report of even date annexed

Dated: 12 November 2020
Place: Dhaka, Bangladesh




A. Hossain & Co.
Chartered Accountants

PLFS Investments Limited
Statement of Cash Flows
For the year ended 31 December 2018

Figures in Taka

	31/Dec/2019	31/Dec/2018
A. Cash flows from operating activities		
Fees And Commission From Portfolio Management Service	1,528,739	9,205,807
Capital Gain on Sale of Listed Share	(5,859,559)	(89,428,979)
Other Income	1,868,480	3,144,884
Operating Expenses	(115,875,982)	(135,453,848)
Interest Income	131,918,249	101,710,157
Bank Charge	(93,151)	(137,733)
Cash generated from operating activities before changes in operating assets and liabilities	13,486,776	(110,959,712)
Margin loan	(113,431,553)	(102,962,588)
Advance, Deposits & Pre-Payments	23,718,741	24,940,256
Liabilities for Expenses	125,025	5,902
Others Liabilities	(9,315,158)	(140,995,169)
Cash generated from operating activities	(98,902,945)	(219,011,598)
Income tax paid		(783,843)
Net cash from/ (used in) operating activities	(85,416,169)	(330,755,154)
B. Cash flows from investing activities		
Investment in Share	43,283,032	492,260,384
Dividend Income	2,405,341	9,073,960
Acquisition of Property Plant and Equipment	-	(34,000)
Net cash from/(used in) investing activities	45,688,373	501,300,343
C. Cash flows from financing activities		
Loan From ICB(ASI)		
Drawdown of Term Loan PLFS	46,098,463	(270,568,510)
Drawdown of Term Loan ICB (ASI)	(16,645,434)	16,074,713
Net cash from/(used in) financing activities	29,453,029	(254,493,797)
D. Net changes in cash and cash equivalents (A+B+C)	(10,274,767)	(83,948,607)
E. Opening cash and cash equivalents	38,360,303	122,308,910
F. Closing cash and cash equivalents	28,085,536	38,360,303

The annexed notes form an integral part of these financial statements.


Chairman


Director


Chief Executive Officer

Signed in terms of our separate report of even date annexed

Dated: 12 November 2020
Place: Dhaka, Bangladesh




A. Hossain & Co.
Chartered Accountants

PLFS Investments Limited
Statement of Changes in Equity
For the year ended 31 December 2018

Amount in Taka

Particulars	Paid-up Capital	Reserve and Surplus	Retained Earnings	Total Equity
Balance as at 01 January 2019	241,500,000	9,010,630	(121,936,987)	128,573,643
Items involved in changes in equity:				
Net profit for the year	-	-	(6,421,093)	(6,421,093)
Appropriation to statutory reserve	-	-	-	-
Dividend	-	-	-	-
Balance as at 31 December 2019	241,500,000	9,010,630	(128,358,080)	122,152,550
Balance as at 01 January 2018	241,500,000	9,010,630	(26,353,664)	224,156,966
Items involved in changes in equity:				
Net profit for the year	-	-	(95,583,324)	(95,583,324)
Appropriation to statutory reserve	-	-	-	-
Dividend	-	-	-	-
Balance as at 31 December 2018	241,500,000	9,010,630	(121,936,987)	128,573,643

The annexed notes from an integral part of these financial statements.


Chairman


Director


Chief Executive Officer

Signed in terms of our separate report of even date annexed

Dated: 12 November 2020
Place: Dhaka, Bangladesh

PLFS Investments Limited
Notes to the Financial Statements

For the year ended December 31, 2019

SIGNIFICANT ACCOUNTING POLICIES AND OTHER MATERIAL INFORMATION:

1. Legal status and nature of the company

1.1. Domicile, legal form, country of incorporation and status of the company

PLFS Investments Limited was registered under the Companies Act, 1994 as a private Limited Company on 3rd June, 1998. The Company obtained Licence/registration from Securities and Exchange Commission as a Merchant Banker on 31st August, 1999 and commenced its operation as Merchant Bank from December 2008. The PLFS Investments Limited is a subsidiary of People's Leasing And Financial Services Ltd to conduct merchant banking activities and play active role in the capital market of Bangladesh.

1.2. Registered office and place of business of the company:

The registered office of the Company is located at City Centre (Level #12), Unit #11-B, 90/1 Motijheel C/A, Dhaka-1000.

1.3 Principal activities and nature of business of the company

The principal activities of the Company are issue management, underwriting, portfolio management, margin loan account, Depository Participant (DP) Services and other services as required thereof.

1.3.1 Issue Management

PLFS INVESTMENTS LIMITED offers specialized services related to issue management to corporate sector. It has been rendering Issue Management, Consultancy and Corporate Advisory Services as a Capital Market Intermediary. Since inception, PLFS INVESTMENTS LIMITED has assisted Three (3) fundamentally strong based companies to float their securities in the capital market & established itself as a trusted brand in managing issue.

1.3.2 Underwriting:

PLFS INVESTMENTS LIMITED renders underwriting support singly or through consortium to viable and prospective companies seeking long term fund from the capital market. It helps companies to float equity and debt instruments in the secondary market by giving commitment to take up unsubscribed portion of the issues.

1.3.3 Portfolio Management:

PLFS INVESTMENTS LIMITED has been playing dynamic role in managing own portfolio by investing in securities both in primary and secondary markets. Being a subsidiary of People's Leasing And Financial Services Limited and a leading merchant banking institution, PLFS INVESTMENTS LIMITED contributes significantly to the development of the capital market through active portfolio management.

1.3.4 Managing Investors' Accounts (Investors' Scheme):

One of the foremost activities of PLFS INVESTMENTS LIMITED is the Investors Scheme which includes non-discretionary services. This Scheme is an opportunity for the general investors as it shaped the secondary capital market by significant demand of securities. Excellent Customer service is an integral part and driven value of PLFS INVESTMENTS LIMITED.

1.3.5 Depository Participant (DP) Services:

- BO (Beneficiary Owners) Account opening and maintenance
- Client Custodian Services
- BO ISIN balance enquiry
- Dematerialization and Re-materialization
- Pledging, Un-pledging and Confiscation

- Corporate events announcement enquiry
- Settlement, Transfers and Transmission of Securities
- Other Services as a Full Depository Participant (DP)

2. Significant Accounting Policies and Basis of Preparation of Financial Statements:

2.1 Basis of preparation

The Financial Statements have been prepared on the basis of going concern concept and basically on accrual method under historical cost convention in accordance with Generally Accepted Accounting Principles (GAAP) and after due compliance with International Accounting Standards (IAS)/International Financial Reporting Standards (IFRS) so far adopted in Bangladesh as Bangladesh Accounting Standards (BAS)/Bangladesh Financial Reporting Standards (BFRS) by the Institute of Chartered Accountants of Bangladesh (ICAB), Securities and Exchange Commission (Merchant Banker and Portfolio Manager) Regulations 1996, the Companies Act 1994 and other applicable laws and regulations.

2.2 Use of estimates, uncertainties and judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies.

2.3 Investment in Securities

Investment in Marketable ordinary shares considered as long term Investments has been shown at cost under Bangladesh Accounting Standard (BAS)-25 "Accounting for Investment". Investment in non- marketable shares has been valued at cost. Some provision has been kept for diminution in value of marketable ordinary shares as on closing of the year.

2.4 Advance, Deposits and Prepayments

Advances are initially measured at cost. After initial recognition advances are carried at cost less deductions, adjustments or charges to other account heads.

Prepayments are initially measured at cost. After initial recognition prepayments are carried at cost less charges to profit and loss account.

2.5 Cash and Cash Equivalents

Cash and cash equivalents items should be reported as cash item as per BAS 7 'Statement of Cash Flows'.

According to BAS 7 "Statement of Cash Flow" Cash comprises cash in hand, demand deposit and cash equivalents which are short term highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of change balances and call deposits. Considering the provision of BAS 7 & BAS 1, Cash in hand and Bank balances have been treated as Cash and Cash Equivalent.

Statement of cash flows

Statement of cash flows are prepared and presented either in indirect method. The presentation is selected to present these cash flows in a manner that is most appropriate for the business or industry. The method selected is applied consistently.

2.6 Other Current Assets

Other current assets have a value on realization in the ordinary course of the company's business which is at least equal to the amount at which they are stated in the balance sheet.

2.7 Trade Creditors and Accruals

Trade and other payables are stated at cost.

2.8 Provisions

The financial statements are prepared in conformity with BAS-37 "Provisions, Contingent Liabilities and Contingent Assets", which requires management to ensure that appropriate recognition criteria and measurement bases are applied to provision for outstanding expenses, contingent liabilities, assets and that sufficient information is disclosed in the notes to the accounts to enable its users for their understanding about its nature, timing and amount.

In accordance with the guidelines as prescribed by BAS-37 provisions were recognized in the following situations:

- When the company has a present obligation as a result of past event.
- 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 about the sum of the obligation.

2.9 Loans and Borrowing

Principal amounts of loans and borrowings are stated at their outstanding amount. Borrowings repayable after twelve months from the reporting date are classified as non-current liabilities whereas the portion payable within twelve months, unpaid interest and other charges are classified as current liabilities.

2.10 Property, Plant and Equipment

2.10.1 Recognition and Measurement

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable inward freight, duties and non-refundable taxes.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

The Company recognizes in the carrying amount of an item of property, plant and equipment the cost of replacing part of such an item when that cost is incurred if it is probable that the future economic benefits embodied within the item will flow to the entity and the cost of the item can be measured reliably. All other costs are recognized in the income statement as an expense as incurred.

In accordance with the allowed alternative treatment of IAS 23/BAS 23 "Borrowing Cost" finance costs have been capitalized for qualifying assets until the active development of the assets have been ceased or the assets is available for use or sale.

2.10.2 Depreciation on Fixed Assets

Depreciation on fixed assets is charged on reducing balance method. Depreciation continues to be charged on each item of fixed assets until the written down value of such fixed assets is reduced to Taka one. Depreciation on addition to fixed assets is charged for whole year irrespective of their date of acquisition and no depreciation has been charged on fixed assets ceases irrespective of their date of disposal. The residual value, if not insignificant, is reassessed annually.

Rates of depreciation on various classes of fixed assets are as under:

Category of fixed assets	Rate (%)
Air Conditioner	20%
Computer & Relates	20%
Furniture & Fixture	10%
Office Equipment	15%
Office Renovation	10%
Motor Car	20%
mBank Software	25%

The gain or loss on disposal or retirements of assets is included statements of comprehensive income when the item is disposed off/derecognized.

2.10.3 Subsequent Costs

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

2.10.4 Impairment of Assets

No fact and circumstances indicate that company's assets including property, plant and equipment may be impaired. Hence, no evaluation of recoverability of assets was performed.

2.11 Revenue Recognition

The Accounting policies adopted for the recognition of revenue are as follows:

2.11.1 Interest Income:

Interest on margin loan to investors is recognized revenue on an accrual basis and interest receivable on such loan is merged with original loan on quarterly basis.

2.11.2 Dividend Income:

Dividend income on investments in securities has been recognized by grossing up the amount on the basis of approval of the said dividend in the Annual General Meeting of the relevant company. Bonus/Stock received or receivable from various companies is not accounted for as income rather included in the portfolio to reduce the average cost.

2.11.3 Capital Gain/ (Loss) on sale of securities:

Gain/ (Loss) on sale of securities is accounted for based on difference between average cost price and selling price.

2.11.4 Fees and commission income:

Fees and commission income includes:

- ✓ Portfolio Management fee which is calculated non quarterly basis on portfolio Value (Market Value)
- ✓ Settlement charge which is recognized at the rate of 0.10% on trading of shares.

2.12 Finance Income and Expenses

Finance income comprises interest income on loan to Investors and Bank interest on STD account. Finance expenses comprise interest expenses on loan and bank charges. All borrowing costs are recognized in the profit and loss account using effective interest method except to the extent that they are capitalized during constructions period of

the plants in accordance with BAS-23 Borrowing cost.

2.13 Responsibility for Preparation and Presentation of Financial Statements:

The Management is responsible for the preparation and presentation of 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" issued by the International Accounting Standard Board (IASB) as adopted by the Institute of The Chartered Accountants of Bangladesh (ICAB).

2.14 Risk and uncertainties for the use of estimates in preparing financial statements

Preparation of Financial Statements in conformity with the Bangladesh Accounting Standards requires management to make estimates and assumption that effect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statement and revenues and expenses during the period reported. Actual result could differ from those estimates. Estimates are used for accounting of certain items such as depreciation and amortization, taxes, reserves and contingencies.

2.15 Event after the reporting period

Events after the reporting period that provide additional information about the company's positions after the balance sheet date are reflected in the financial statements if any.

2.16 Contingent Liabilities and Assets

Contingent liabilities and assets are current or possible obligations or assets, arising from past events and whose existence is due to the occurrence or non-occurrence of one or more uncertain future events which are not within the control of the company.

2.17 Taxation

2.17.1 Current Tax

Provision for current tax is made on the basis of the profit/(loss) for the year as a adjusted for taxation purpose in accordance with the provision of Income tax Ordinance, 1984 and amendments made thereto from time to time.

2.18 Reporting period

The financial period of the company covers full year from 1st January to 31st December and followed consistently.

2.19 Components of the Financial Statements

According to the International Accounting Standard (IAS) 1 as adopted by the ICAB as BAS 1 "Presentation of Financial Statements" the complete set of financial statements includes the following components:

- i) Statement of Financial Position as on December 31, 2019
- ii) Statement of Comprehensive Income for the period ended December 31, 2019
- iii) Statement of Cash Flows for the period ended December 31, 2019
- iv) Notes comprising a summary of significant accounting policies and other explanatory information to the financial statements for the period ended December 31, 2019

Figures in Taka	
31-Dec-2019	31-Dec-2018

03.00 Property, Plant and Equipments (Details in Annexure-1)

Opening Balance (Cost)	4,458,820	12,717,409
Addition During the year		34,000
Accumulated Depreciation	(623,667)	(8,292,589)
Closing Balance (Book Value)	3,835,153	4,458,820

04.00 Deferred tax Assets/(Liabilities) [Note 4.01 & 4.02]

04.01 Deferred Tax Assets/(Liabilities) Loss on Sale of Securities

Particulars	Income Year	Amount	Tax rate	Temporary Difference
Loss on sale of securities	2012-13	27,906,256	10%	2,790,626
Loss on sale of securities	2013-14	82,242,043	10%	8,224,204
Loss on sale of securities	2014-15	77,928,771	10%	7,792,877
Gain on sale of securities	2015-16	(9,347,644)	10%	(934,764)
Gain on sale of securities	2016-17	(125,505,200)	10%	(12,550,520)
Loss on sale of securities	2017-18	89,428,979	10%	8,942,898
Loss on sale of securities	2018-19	5,859,559	10%	585,956
Deferred tax Asset/(liabilities) at closing				14,851,276
Deferred tax Asset/(liabilities) at opening				14,265,321
Deferred tax Income/ (expense)				585,955

27,507,526	14,265,321
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04.02 Deferred tax Assets/Liability for Provision

Provision for Investment in Placement Shares	33,750,000
Deferred tax Assets/Liability for Provision (33750000*37.5%)	12,656,250

04.03 Total Deferred Tax Assets/(Liability) [Sum of Note 4.01 & 4.02]

27,507,526	14,265,321
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04.04 Total Deferred Tax Expense

13,242,206	8,998,724
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05.00 Margin Loan to Investor

909,797,750	796,366,197
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This represents amount receivable from Margin clients against shares purchase. a portion of receivable has created negative equity due to fall in market price of the shares. No provision is kept for this negative equity during this year due to non availability of profit as per BSEC Directive No. BSEC/CMRRCD/2009-193/196 dated December 28, 2016

06.00 Accounts Receivable:

Receivable From Brokarege House (E - Securities)	40,282,763	40,481,268
	40,282,763	40,481,268

There has a dispute relating to this receivable amount but management of the company believe that they can recover the amount.

07.00 Investment in share & Securities:

Banking Sector	0.00	28,071,778.00
Cement Sector	8,021,048	11,159,609
Engineering Sector	540,450	134,920
Financial Institutions Sector	67,111,844	67,111,844
Fuel & Power Sector	7	14,047,315
Miscellaneous	0	50,410
Pharmaceuticals & Chemicals Sector	18,374,703	18,383,545
Textile Sector	1,741,430	614,763
Travel & Leisure	37,300.0	0
Telecommunication Sector	569,040	104,670
Total Cost	96,395,822	139,678,854
Sub Total	96,395,822	139,678,854
Total	96,395,822	139,678,854

Figures in Taka	
31/Dec/2019	31/Dec/2018

08.00 Advance, Deposits & Pre- payments:

Advance to others Party (Note-08.01)	83,788,770	83,788,770
T & T PHONE(Demand Note)	9,000	9,000
Adv Income Tax & Tax Deduction at sources'17,18	4,477,951	4,477,951
Appollo Ispat Complex Limited	7	7
Shurwid Industries	4,494,466	4,494,466
Advance Tax Deduction at sources'18	12,592,959	12,592,959
Advance to Leads soft	500,000	500,000
Advance to Office Rent	1,417,349	1,573,387
Advance to Mosharraf Hossain Advocate	150,000	150,000
Advance Tax Deduction at sources'19	612,007	-
Advance to Esquire Knit	-	1,880,145
Adv to Runner Automoblies	-	1,080,825
ADN Telicom	-	569,040
PLFS(For FDR)	-	20,000,000
	<u>108,042,509</u>	<u>131,116,550</u>

08.01 Advance to others Party

Preliminary Expenses	16,288,770	16,288,770
Adv. To Mr.Motiur Rahman	20,400,000	20,400,000
Adv. To Capt. M. Moazzam Hossain	19,800,000	19,800,000
Adv. To Ms.Humaira Alamin	9,100,000	9,100,000
Adv. To Ms.Shahida Alamin	9,100,000	9,100,000
Adv. To Ms.Nargis Alamin	9,100,000	9,100,000
	<u>83,788,770</u>	<u>83,788,770</u>

Advance to others Party represents the amount of tk. 83,788,770/- paid to the above ex-shareholders except Mr. Motiur Rahman who have already transferred their shares to the other body or persons but they did not settle their liabilities to the company before transferring of their shares. The management of the company has given remainder several times for recovering of the said amount but they did not settle the matter. In this regard the management of the company has taken initiative steps for recovery of the amount given to them as well as management also thinking to file a money suit to the concerned court.

09.00 Investment in Placement Shares

Scholastica Limited	2,550,000	2,550,000
GMG Airlines	31,200,000	31,200,000
	<u>33,750,000</u>	<u>33,750,000</u>

10.00 Cash and Cash Equivalents

Cash In Hand	30,000	30,000
Cash At Banks (Note-10.01)	28,055,536	38,330,303
	<u>28,085,536</u>	<u>38,360,303</u>

Figures in Taka	
31/Dec/2019	31/Dec/2018

10.01 Cash at banks

Prime Bank, A/C No-10785	667,844	561,110
Prime Bank, A/C No-10786	740,280	3,419,958
Prime Bank, A/C No-16426	-	-
Standard Bank, A/C No-1812	67,212	66,451
Standard Bank, A/C No-1813	345,673	335,176
One Bank Limited (PIAA) , A/C No-(0013000001801)	140,719	95,202
One Bank Limited (Own) , A/C No-(0013000001798)	4,327,607	10,648,844
One Bank Limited (Investor) , A/C No-(0013000001812)	15,459,618	15,036,333
NRB Commercial Bank,SND A/C No- 0068	41,455	540,460
NRB Commercial Bank,SND A/C No- 0069	1,891	2,466
NRB Commercial Bank,SND A/C No- 0071	1,160	1,735
City Bank Ltd (PIAA) , A/C No-17001	45,040	39,046
City Bank Ltd (OWN) , A/C No-16001	6,129,220	4,236,553
City Bank Ltd (Investor) , A/C No-18001	87,818	3,346,967
	28,055,536	38,330,303

11.00 Share Capital :

Authorised Capital :

50,000,000 Ordinary Shares of Tk. 10/- each.

500,000,000 500,000,000

Issued, Subscribed & Paid-up Capital:

24150000 Ordinary Shares of Tk. 10 each issued for cash

241,500,000 241,500,000

Total numbers of Shares: 24150000

241,500,000 241,500,000

Percentage of shareholding

Category	Number of share		Percentage (%)	
	31.12.19	31-Dec-2018	31.12.19	31.12.2018
Sponsors	3,805,500	3,805,500	16	16
General public including NRB	-	-	-	-
Financial Institutions	20,044,500	20,044,500	83	83
Investment companies	300,000	300,000	1	1
Foreigners	-	-	-	-
Total	24,150,000	24,150,000	100	100

11.01 Name of Directors & share holders and their share holdings as on September 30, 2019

Name of Shareholders	Status	31.12.19	31.12.2019
Mr. Uzzal Kumar Nandi FCA	Chairman (Nominated by People's Leasing And Financial Service Limited.)		
Mr. Shekhar Kumar Halder FCA	Director (Nominated by People's Leasing And Financial Service Limited.)	20,044,500	20,044,500
Mr. Sami Huda	Director (Nominated by People's Leasing And Financial Service Limited.)		
Mr. Motiur Rahman	Shareholder	3,805,500	3,805,500
Mr. Amitav Adhikary	Director (Nominated by Anan Chemical		
Mr. Arun Kumar Kundu, FCA	Director (Nominated by Anan Chemical	200,000	200,000
Mr. Md. Mostain Billah, FCA	Director (Nominated by Drinun Apparels Limited.)	100,000	100,000
		24,150,000	24,150,000

Figures in Taka	
31/Dec/2019	31/Dec/2018
12.00 Reserve & surplus:	
Balance as on last year account	9,010,630
Add: Provision during the year	-
	<u>9,010,630</u>
13.00 Retained Earnings:	
Balance as on last year account	(121,936,987)
Less: Issued of Bonus Share	-
Balance	(121,936,987)
Less: AIT on cash Dividend for previous year	-
	<u>(121,936,987)</u>
Add: Profit/(Loss) after tax during the year	(6,421,093)
Balance	(128,358,080)
Add : Adjustment of provision against investment	-
	<u>(128,358,080)</u>
	<u>(121,936,987)</u>
14.00 Term Loan	
People's Leasing And Financial Services Ltd :	
Opening balance	989,987,705
Addition during the year (Interest)	99,618,463
Addition during the year Excise Duty	25,000
Payment during the year	53,545,000
Closing balance	<u>1,036,086,168</u>
Loan From ICB(ASI)	
Opening balance	16,074,713
Addition during the year (Interest)	570,721
Payment during the year	16,645,434
Closing balance	<u>16,074,713</u>
	<u>1,006,062,418</u>
15.00 Liabilities for Expenses:	
Audit Fee	40,500
Software Maintenance Expenses	84,525
Tax deduction at Sources	14,673
Provision Income Tax (15.01)	5,547,853
	<u>5,687,551</u>
15.01 Pro. Income Tax	
Opening balance	4,366,105
Add: Provision made during the year	1,181,748
Less: Adjustment during the year	783,843
Closing Balance	<u>5,547,853</u>
16.00 Provision against Investments in stock & Securities	
Balance as on last year account	40,317,835
Adjustment during the year	-
	<u>40,317,835</u>
Less : Adjustment with Retained Earning	-
	<u>40,317,835</u>
Provision was not made as per BSEC Directive No. BSEC/CMRRCD/2009-193/196 dated December 28, 2016	-
	<u>33,750,000</u>
17.00 Others Liabilities	
Investors Credit Balance	9,203,955
Other Payables	499,000
	<u>9,702,955</u>
	<u>18,519,113</u>
	<u>19,018,113</u>

18.00 Fees & Commission

Management Fees
 Settlement charges
 Underwriting Commission

Figures in Taka	
31/Dec/2019	31/Dec/2018
1,188,921	8,094,206
239,818	1,111,601
100,000	-
1,528,739	9,205,807

19.00 Interest on margin loan

Interest received from clients

131,918,249	101,710,157
131,918,249	101,710,157

20.00 Capital Gain on Sale of Listed Shares

Own Account 2784
 Own Account 2787

(6,911,820)	(49,031,987)
1,052,261	(40,396,992)
(5,859,559)	(89,428,979)

21.00 Dividend Income

Cash Dividend

2,405,341	9,073,960
2,405,341	9,073,960

22.00 Other Income

Documentation Charges
 Bank Interest
 BO Maintenance Fee
 Income From IPO Application
 Account Closing Charge
 Other Income

2,500	15,500
1,309,430	2,518,504
302,850	500,400
37,700	74,230
216,000	18,500
-	17,750
1,868,480	3,144,884

23.00 Salary & Allowance

Salary & Allowance
 LFA (staff)
 Festival Bonus
 Provident fund Company contribution
 Incentive Bonus
 Leave Encashment

6,442,785	8,412,662
404,320	292,694
718,910	844,455
385,423	482,673
-	742,394
144,000	-
8,095,438	10,774,878

24.00 Interest Expenses

People's Leasing And Financial Services Ltd
 Loan From ICB(ASI)

99,618,463	116,531,490
570,721	239,645
100,189,185	116,771,135

25.00 Rent, Taxes, Insurance, Electricity etc

Office Rent
 Electricity

2,555,129	2,340,576
290,638	295,561
2,845,767	2,636,137

26.00 Postage, Stamp, Telecommunications etc.

Postage
 Telephone bill & Mobile
 Fax & Internet

170	375
114,590	117,102
126,500	137,500
241,260	254,977

27.00 Stationery, Printing, Advertisement etc.

Stationery & Printing
 Advertisement
 Computer & Accessories

84,096	117,309
-	238,000
5,200	25,340
89,296	380,649

28.00 Audit & Professional fee

Audit fee
 Professional fee

35,000	40,000
153,450	392,950
188,450	432,950

29.00 Repairs, Maintenance And Depreciation

Rep. & Maintenance Office Equipment
 Depreciation

11,500	18,486
623,667	747,137
635,167	765,623

30.00 Others Expenses

CDBL Charges
Conveyance Bill
Entertainment
Business Promotion Expenses
Office Maintenance
Bidding Fee
Miscellaneous expenses
Software Maintenance Expenses
Renewal & registration fees
Securities services charges
Training Allowance
Directors' Remuneration
Bank Charge
Website Development Expenses
Vat Expenses

Figures in Taka	
31/Dec/2019	31/Dec/2018
286,050	737,582
34,248	24,270
857,899	665,522
1,300,000	-
469,044	476,171
15,000	48,000
830,000	1,496,400
169,050	169,050
167,195	169,135
66,600	111,320
-	21,000
20,000	20,000
93,151	137,733
-	2,100
-	244,088
4,308,238	4,322,370

31.00 Current tax

Provision for Current Tax is made on the basis of the profit for the period as adjusted for taxation purpose in accordance with the provision of Income Tax Ordinance, 1984 and amendments made thereof. The current tax rate for the Company is 37.5% on taxable income from Business, 20% on Dividend Income and 10% on Capital Gain from sale of listed shares.

Profit before tax

Less: Items to be considered separately

Dividend Income
Capital gain
Other Income

(18,481,551) **(102,632,891)**
1,585,738 **77,210,136**

2,405,341	9,073,960
(5,859,559)	(89,428,979)
1,868,480	3,144,884
(16,895,812)	(25,422,755)

Add: Expenses for separate consideration

Accounting Depreciation
Entertainment

1,481,566 **1,412,658**

623,667	747,137
857,899	665,522
(15,414,246)	(24,010,097)

Less: Allowable deduction

Depreciation as per 3rd Schedule of ITO, 1984.

(623,667) (747,137)

Total Business Income/ (loss)

(16,037,913) **(24,757,233)**

Set off Business Losses

(6,607,245) **12,218,843**

From Other Income
From Dividend Income

1,868,480	3,144,884
2,405,341	9,073,960

Total Taxable Business income

4,273,821 **(12,538,390)**

Tax on Business Income @37.5%
Tax on Dividend Income (after set off) @20%
Tax on Other Income (after set off) @37.5%
Tax on Capital Gain@10% Set-off with previous year losses

-	-
481,068	1,814,792
700,680	-
-	-

a. Income tax during the period

1,181,748 **1,814,792**

Or,

Minimum tax

Gross receipt

Interest income
Cash Dividend
Capital Gain
Other operating income

131,918,249	101,710,157
2,405,341	9,073,960
(5,859,559)	(89,428,979)
3,397,219	12,350,690

Total receipt

131,861,250 **33,705,828**

b. Minimum tax

791,167 **202,235**

Current tax (Higher of a or b)

1,181,748 **1,814,792**

PLFS Investments Ltd.
Schedule of Fixed Assets
for the year ended 31 December 2019

ANNEXURE-1

SL NO	Name Of Asset	Cost			Closing Balance	Depreciation Rate	Accumulated Depreciation			Net Book Value	
		Opening Balance	Addition	Adjustment			O/Balance	Charged For the year	Adjustment		Closing Balance
1	Air Conditioner	1,228,000		-	1,228,000	20%	513,402	142,920	-	656,321	571,679
2	Computer & Relateds	2,336,748		-	2,336,748	20%	1,888,239	89,702	-	1,977,941	358,807
3	Furniture & Fixture	330,651		-	330,651	10%	270,129	6,052	-	276,181	54,470
4	Office Equipment	471,765		-	471,765	15%	368,165	15,540	-	383,705	88,060
5	Office Renovation	5,336,745			5,336,745	10%	2,580,449	275,630		2,856,078	2,480,667
6	Motor Car	1,980,000			1,980,000	20%	1,979,999	0		1,979,999	1
7	mBank Software	1,067,500			1,067,500	25%	692,207	93,823		786,030	281,470
	TOTAL	12,751,409	-	-	12,751,409		8,292,589	623,667	-	8,916,256	3,835,153



PEOPLE'S LEASING
And Financial Services Ltd.

Paramount Heights (12th Floor), 65/2/1, Box Culvert Road, Purana Paltan, Dhaka-1000
PABX (Hunting): +880247118938

PROXY FORM

I/We.....
of.....
being a shareholder/member of **People's Leasing And Financial Services Limited** do hereby
appoint Mr./Mrs./Ms.....
of.....
as my/our Proxy, to vote for me/our behalf at the **24th Annual General Meeting (AGM)** of the Company
to be held on **October 29, 2023, Sunday at 11.30 a.m. by online digital platform** and at any
adjournment thereof or any ballot to be taken in consequence thereof.

Signed this Day of October 2023.

Signature of Proxy.....

Tk. 20/-
Revenue
Stamp

Signature of Shareholder.....

Folio/B.O A/c No.....

No. of Shares.....

IMPORTANT NOTE:

1. This form of proxy duly completed, must be deposited at least 48 hours before the meeting at the Company's Head Office. Proxy is invalid if not signed and stamped as explained above.
2. Signature of the Shareholder should agree with the Specimen Signature registered with the Company or B.O Account/CDBL Record.

www.plfsbd.com



REGISTERED & HEAD OFFICE

Paramount Heights, Level-12 & 13 , 65/2/1, Box Culvert Road
Purana Paltan, Motijheel, Dhaka-1000, Bangladesh
Phone: +88 02 47119066, 47113826, Fax: +88 02 9562780