

ANNUAL REPORT 2024

ANNUAL REPORT 2024

PEOPLE'S LEASING AND FINANCIAL SERVICES LTD.



PEOPLE'S LEASING
And Financial Services Ltd.

Products & Services

DEBT PRODUCTS



Home Loan



Auto Loan



SME Loan

LIABILITY PRODUCTS



Term Deposit

© People's Leasing And Financial Services Limited (PLFSL)

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Executive Editor: Md. Sagir Hossain Khan

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Published on 30th May 2025 for the 29th Annual General Meeting (AGM) held on 24.06.2025 at InterContinental, Dhaka.

ANNUAL REPORT 2024

29 YEARS OF JOURNEY
YEARS OF TOGETHERNESS



PEOPLE'S LEASING
And Financial Services Ltd.

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ANNUAL REPORT 2024

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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, 2024

Dear Sir(s),

On behalf of the Board of Directors of the Company, I am pleased to present "Annual Report 2024" together with audited financial statements for the year (January 01, 2024 to December 31, 2024) ended December 31, 2024. 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 29th Annual General Meeting

Notice is hereby given that the Board of Directors of People's Leasing and Financial Services Limited in its 79th Meeting held on April 30, 2025 decided that 29th Annual General Meeting (AGM) of the Members of the Company will be held by using Hybrid System (Digital and In-person; pursuant to Directive No. BSEC/CMRRCD/2009-193/08 dated 10th March 2021) digital platform through the following link:// plfs.bdvirtualagm.com and also for in-person at InterContinental, 1, Minto Road, Dhaka on June 24, 2025, Tuesday at 10.00 A.M. to transact the following business and adopt necessary resolutions:

AGENDAS

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, 2024.
2. To declare Dividend for the year ended December 31, 2024 as recommended by the Board of Directors.
3. To elect/re-elect Directors in place of those who shall retire by rotation of the Company.
4. To appoint the Statutory Auditors for the year 2025 and to fix their remunerations.
5. To appoint the Corporate Governance Compliance Auditors for the year 2025 and to fix their remunerations.

By Order of the Board of Directors



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

Dhaka, May 30, 2025

Notes:

- a. The Record-date will be 27th May 2025. 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 Hybrid System.
- 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 2024 and Proxy Form are available in the Company website-www.plfsbd.com.
- d. Pursuant to the Bangladesh Securities and Exchanges Commission's Directive No. BSEC/CMRRCD/2009-193/08 dated 10th March 2021 the AGM will be held through Hybrid System, which will be conducted via live webcast.
- e. The Shareholders will join the AGM through Hybrid System. 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 <https://plfs.bdvirtualagm.com> and provide their 16 digit Beneficial Owner (BO) number, folio number and other credential as proof of their identity by visiting the link.
- f. 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).
- g. 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 29th Annual general Meeting of the Company.

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.
- Identifying the reported offenders through Special Audit report
- To recovery from default clients
- To payment the depositors on humanitarian grounds
- To collect new deposits/capital
- To run the business through loans disbursement and investment

Corporate Best-Practice

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.

Company Milestone



Products & Services

DEBT PRODUCTS



Home Loan



Auto Loan



SME Loan

LIABILITY PRODUCTS



Term Deposit

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:

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.

Making Integrity Part of our Business Strategy

Eliminating Corruption: Corruption is a national problem and combating such acts is a challenge. The allegation of corruption in this company became headlines in newspapers. Corruption is bad for society and bad for business, posing severe financial, operational and reputational risks. Now more than ever, companies are taking action to implement serious and effective anti-corruption measures and policies within their strategies and operations. People's Leasing and Financial Services Limited is committed to eliminate corruption.

Here are six ways you can promote transparency and accountability in a company:

1. **Commit:** Make anti-corruption part of your company culture and operations. Show your employees, customers and suppliers that your company has a zero-tolerance policy on bribery & corruption
2. **Assess:** Know your risks and prepare for them. Recognize opportunities to improve your business by improving compliance
3. **Define:** Define what success means for your company. Develop goals, strategies and policies and get buy-in from colleagues by clearly showing the importance of these policies
4. **Implement:** Make anti-corruption programmes and policies integral throughout your company, including your value chain
5. **Measure:** What gets measured gets done. Monitor and measure the impact of your anti-corruption policies to identify what's working and what still needs work
6. **Communicate:** Consistently communicate your progress to stakeholders, always striving for continuous improvement

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	38 (34 Executive and 06 support staff)
Number of Shareholders as on Record Date	24348 as on 27 May 2025
Last AGM held	31st December 2024
Accounting Year	January - December
Auditor	M/S G. Kibria & 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 Association of Finance Companies
Bangladesh Leasing & Finance Companies Association
Bangladesh Association of Publicly Listed Companies

Subsidiary Company

PLFS Investments Ltd



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	: Barrister Reshad Imam
Member	: Barrister Prashanta Bhushon Barua
Member	: Barrister Muhammad Shafiqur Rahman
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
Barrister Reshad Imam	Chairman
Dr. Kazi Anowarul Hoque	Member
Barrister Prashanta Bhushon Barua	Member
Barrister Muhammad Shafiqur Rahman	Member
Mr. Mohammed Atiqur Rahman Atiq	Member
Mr. Md. Armia Fakir ACS	Member Secretary

Risk Management Committee

Name	Position
Mr. Hasan Shaheed Ferdous	Chairman
Dr. Kazi Anowarul Hoque	Member
Barrister Muhammad Shafiqur Rahman	Member
Mr. Md. Atiqur Rahman Atiq	Member
Mr. Md. Armia Fakir ACS	Member Secretary



Hasan Shaheed Ferdous
Chairman, PLFS

CHAIRMAN'S MESSAGE

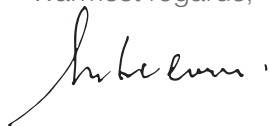
By the grace of Almighty Allah, it is my pleasure to welcome you all here today at the 29th Annual General Meeting of People's Lessing and Financial Services Ltd (PLFSL). I would like to express my heartfelt gratitude and regards to all of you for your continued support & patronization over the years. There is a vast set of financial bodies that sit outside the banking system, collectively called NBFIs, that are collectively larger than US banks, as measured by assets, and perform a broad range of services. A non-bank finance body is an intermediary company that doesn't have a banking license, and cannot accept deposits from the public, but does provide alternative financial services such as investment, both collective and individual, risk pooling, financial consulting, brokering, and money transmission. They are sources of consumer credit and may become a source of systemic risk if they involve maturity/liquidity transformation or lead to the build-up of leverage. The diversity and growing involvement in credit provisions have to more interconnections, including a cross-border basis, meaning that the stress in the sector can be transmitted more widely to other parts of the financial system and the broader economy. Like several non-bank financial institutions, People's Lessing And Financial Services Ltd has been experiencing severe liquidity crisis since 2017 followed by negative interest margin, operating losses, huge nonperforming assets resulting depletion of capital, decrease in equity, net operating cash flow, net asset value, earning per share and hence struggling for existence. People's Lessing and Financial Services Ltd could not give dividends to the esteemed shareholders after 2016 and fell into the 'Z' category. The Hon Company Bench of the Supreme Court of Bangladesh reconstituted the board, and the Court appointed the Chairman for the restructuring of the company, which we are following a strategic plan submitted to the said court, and the plan is being implemented. As of December 31 2024, Total Non-Performing Loans, Advances & Leases of PLFSL stood at Taka 1091.88 crore, which is of total Portfolio of Taka 1105.80 crore only. Top 10 defaulters holding Tk. 721 crore of the total portfolio and Classified Loans on account of the Top 10 defaulted borrowers stood at BDT 721 crore (including memo interest) as on 31/12/2024, against which there are collateral securities of BDT 56.11 only. Moreover, a good number of defaulted borrowers have already left the country and their present whereabouts are not known.

Extending loans, leases, and advances without exercising due diligence, observing credit norms, and maintaining rules & regulations in the past caused an unusually high advance-deposit ratio of non-performing loans of 98% as at the close of business on 12.07.2019 and a severe liquidity crisis since 2017, which are barriers to resuming normal business operations of the company, but the company has begun a new business of short-term credits. People's Lessing And Financial Services [PLFSL] recorded Net Loss after Income Tax of BDT -426.75 crore in 2024 as against BDT -317.86 crore in 2023, registering a decrease of BDT -108.89 crore with negative earnings of BDT -14.75 per share in 2024 as against BDT -11.14 in 2023, registering an improvement of BDT -3.81 only. As of December 31, 2024, provision kept against diminution in the value of investment in shares, available balance in BO Account maintained with ESL, fixed deposits placed with People's Leasing & Financial Services Limited, classified loans, advances, & leases is BDT 1091.87 crore against the requirement of BDT 677.99 crore with no deficit and Cost-of-Borrowing decreased to 8.96 per cent as against 9.24 per cent in the previous year. As of December 31, 2024, Return on Assets is negative 31.10 per cent, which was negative 36.47 per cent at the end of the year 2023.

The reconstituted Board of Directors, together with competent management, has been working relentlessly towards the sustainability of the company despite the catastrophic impact of COVID, unpredictable situations and unique & critical market and company's specific challenges. PLFSL is following a zero tolerance policy to irregularities & corruption, taking administrative & disciplinary actions against the persons involved in misdeeds as such and are still creating indiscipline in disguise. The company has, by this time, resumed its stock exchange function.

I feel privileged to express my sincere thanks to the Honourable Company Court, Government of Bangladesh, Bangladesh Bank, Bangladesh Securities and Exchange Commission, Dhaka Stock Exchange Limited, Chittagong Stock Exchange Limited, Registrar of Joint Stock Companies & Firms, the National Board of Revenue and other regulatory authorities for their continued guidance, support, and co-operation. I would also like to express my heartfelt appreciation to my fellow colleagues in the Board of Directors and members of the management team for their sincerity, all-out efforts, and commitment to salvaging the company and protecting the interest of the respected stakeholders as well. I also extend my profound gratitude to our honourable shareholders for their continued trust in the Board of Directors of People's Lessing and Financial Services Ltd.

Warmest regards,



Hasan Shaheed Ferdous

Court-appointed Chairman



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, 25.05.2023 and 15.11.23 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) as an Assistant Judge in 1983 and retired as Senior District & Session Judge in 2015. 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 CIDA 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.



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, HCDP, 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.



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.



Barrister Prashanta Bhushan Barua
Director

Mr Prashanta Bhushan Barua is an Advocate of Bangladesh Supreme Court and a Media & Academic Practitioner. He is visiting Professor of Lloyds Law College in London. Mooting Judge of Oxford University, Price Media Law, Philip C and a Public Speaker on law, politics, history of Bangladesh & S. Asia.

Mr. Barua obtained his undergraduate and graduate degrees in law from the University of Dhaka. Having done his LL.M from the Queen Mary, University of London and he was called to the Bar from The Honourable Society of Lincoln's Inn.

Mr. Barua has expertise and experience in the UK HE sector for two decades and has extensive knowledge on UK QAA Quality Code, Matrix Service Standard. He is currently serving as Commonwealth Legal Education Association (CLEA) Asia-Bangladesh Secretary.



Barrister Muhammad Shafiqur Rahman
Director

Mr M. Shafiqur Rahman obtained his undergraduate and graduate degrees in law from the University of Dhaka in 1995 and 1997 respectively. Having done his LL.B. (Hons.) from the University of London in 2001 and Bar Vocational Course from University of Northumbria in 2002, he was called to the Bar from Lincoln's Inn in 2002. Back to Bangladesh, he joined the Chambers of Dr M. Zahir, a renowned corporate and constitutional lawyer (now deceased), and has been practising in the Supreme Court of Bangladesh since. His main areas of practice are: Admiralty, Corporate, Commercial, Securities, Banking, Insurance, Judicial Review (Writ) and International Arbitration. He advises and represents several Protection and Indemnity (P & I) Clubs, including Standard Club Europe, Standard Club Asia, Swedish Club Hong Kong and Japan P & I Club. He is the lawyer on retainer for Dhaka Stock Exchange, advising on capital market and securities law. He is also the lawyer on retainer for several other entities, including Popular Life Insurance Company (advising on insurance law and company affairs) and Epic Group (advising on commercial law and international trade). He acted as the Court-appointed Chairman of several companies for the purpose of holding annual general meetings. He is currently contributing to four companies as a Court-appointed independent director. He is frequently appointed "amicus curiae" by the Company Bench of the High Court Division in critical cases to assist the court in arriving at correct judicial decisions. He regularly contributes legal articles in the law journal "Bangladesh Legal Times".



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



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).

MANCOM Members



From left: Md. Saiful Islam, Md. Fukhrul Islam, Ms. Kismat Ara, SK Rajwan Uddin, Md. Sagir Hossain Khan (Managing Director), Md. Armia Fakir ACS, Md. Monirul Islam Shamim, Md. Mainuddin, Ms. Farhana Ali, Md. Jamal Uddin

Management Committees

MANAGEMENT COMMITTEE (MANCOM)

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 Secretary
Mohammad Jamal Uddin	Senior Manager, ICT, In Charge	Member
SK Rajwan Uddin	Business Department, In-Charge	Member
Kismat Ara (Mukta)	Senior Assistant Manager, CIB-CIS	Member
Md. Shahedul Islam	ICC, In-Charge	Member
Mohammad Saiful Islam	HR & Admin, In-Charge	Member
Farhana Ali	Treasury, In-Charge	Member
Md. Mainuddin	Assistant Manager, TDR	Member
Mohammad Fukhrul Islam	Assistant Manager, Legal	Member

CREDIT COMMITTEE

Name	Designation	Position
Md. Sagir Hossain Khan	Managing Director	Chairman
SK Rajwan Uddin	Business Department, In-Charge	Member
Farhana Ali	Treasury, In-Charge	Member
Mohammad Fukhrul Islam	Assistant Manager, Legal	Member
Shamsul Islam	Senior Officer CRM	Member

ASSET - LIABILITY COMMITTEE (ALCO)

Name	Designation	Position
Md. Sagir Hossain Khan	Managing Director	Chairman
SK Rajwan Uddin	Business Department, In-Charge	Member
Farhana Ali	Treasury, In-Charge	Member Secretary
Mohammad Saiful Islam	HR & Admin, In-Charge	Member
Md. Abdullah Al Mamun	Assistant Manager, Account & Finance	Member

Management Committees

ANTI MONEY LAUNDERING COMMITTEE

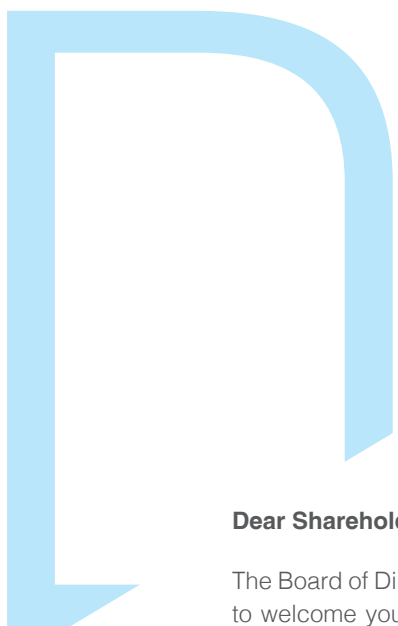
Name	Designation	Position
Md. Sagir Hossain Khan	Managing Director	Chairman
Md. Shahedul Islam	ICC, In-Charge	Member
Farhana Ali	Treasury, In-Charge	Member
Mohammad Fukhrul Islam	Assistant Manager, Legal	Member

NATIONAL INTEGRITY STRATEGY (NIS) - INTEGRITY COMMITTEE

Name	Designation	Position
Md. Sagir Hossain Khan	Managing Director	Chairman
Farhana Ali	Treasury, In charge	Member Secretary
Mohammad Saiful Islam	HR & Admin, In charge	Member

SUSTAINABLE FINANCE COMMITTEE

Name	Designation	Position
Md. Sagir Hossain Khan	Managing Director	Chairman
SK Rajwan Uddin	Business Department, In-Charge	Member
Farhana Ali	Treasury, In-Charge	Member
Md. Abdullah Al Mamun	Assistant Manager, Account & Finance	Member



Directors' Report to the Shareholders

Dear Shareholders,

The Board of Directors of PLFS is very happy to welcome you in the 29th Annual General Meeting of the Company.

On behalf of the Board of Directors, I am presenting Directors' Report on the operational and financial activities of your Company together with the Audited Financial Statements for the year ended 31 December 2024 which also includes reports on business and strategy review, risk management, corporate governance, etc. for your valued consideration, approval and adoption. This report has been prepared in compliance with Section 184 of the Companies Act 1994, Finance Companies Act 2023 and the guidelines issued by Bangladesh Securities and Exchange Commission (BSEC), Bangladesh Bank and other regulatory authorities.

Economic Review Year 2024

In the year 2024, even more than several years after the global financial crisis, policymakers around the world faced enormous challenges in stimulating investment and reviving global growth. The world economy had been held back by several major headwinds; persistent macroeconomic uncertainties and volatility; low commodity prices and declining trade flows; rising volatility in exchange rates and capital flows; stagnant investment and diminishing productivity growth and a continued disconnect between finance and real sector activities. In developing and

transition economies, growth slowed in year 2024 to its weakest pace since the global financial crisis amid sharply lower commodity prices, large capital outflows and increased financial market volatility.

Bangladesh Economy: overall on the rise

In the year 2024 capacity utilization improved and investments were showing some signs of recovery. Bangladesh continued to do well in containing inflation, due to favourable international commodity price movements and sound macroeconomic management. Fiscal policy has remained consistent with macroeconomic stability. Tax revenue growth has been weaker than targeted while expenditure have also found short due to an implementation shortfall. An added factor in this year has been lower subsidies on fuel. Government reduced the borrowing from the banking system because of rise in non-bank borrowing.

Financial Sector -the grounds need fitting for a fair deal

The financial sector has been passing through a challenging period due to a slowdown in new investments, lower level of growth in external trade, sluggish real estate sector, and few incidents of large scale losses due to internal control lapses which have resulted in slower credit growth as well as a deterioration of asset quality. The lower credit growth coupled with an increasing trend of overseas borrowing by local corporate houses has resulted in surplus

liquidity in the financial sector. There are almost 62 scheduled commercial banks and 34 Non-banking financial institutions (NBFIs) operating in Bangladesh financial markets. The market is widely fragmented with largest 5 banks enjoying 32.8 percent market share in terms of asset base while top 10 banks controlling 46.9% of the market share in terms of asset base. The banking sector has witnessed increasing trend in non-performing portfolio in recent years partly attributable to the implementation of more stringent regulation under Directors' Report to the Shareholders [Source: www.adb.org/countries/bangladesh/economy]. Specially the NPL situation in the Govt. owned bank remains major concern. However, the banking sector as a whole has become cautious about imprudent lending which is apparent in recent slowdown in credit growth and capital adequacy remains at reasonable level. The Central Bank has also become more vigilant on monitoring and supervision of sectoral stability. However, in a falling interest rate regime, with few exceptions, banks/FIs have been able to improve their spread from fund based business and maintain operating profits at more or less similar levels as those of the previous years.

Challenges facing Bangladesh's nonbank financial sector

In a rapidly evolving financial landscape, Bangladesh's Non-Banking Financial Institutions (NBFIs) are facing unprecedented challenges that could have far-reaching consequences for the sector. The recently enacted Finance Companies Act 2023 is poised to reshape the dynamics of this vital sector, but stakeholders are voicing their apprehensions and calling for a reconsideration of its provisions.

Deposit Limitations - A Barrier to Growth

The Finance Companies Act 2023 introduces stringent deposit limitations within Bangladesh's

Non-Banking Financial Institutions (NBFIs). While the intent is to prevent excessive concentration of deposits and irregularities, this move poses a significant challenge to NBFIs. These institutions have

played a vital role, bridging the financial gap between traditional banks and the unbanked population. The Act restricts individuals from holding more than Tk 50 lakh in a single name and caps joint deposits at Tk 1 crore, with adjustments by the Bangladesh Bank. These measures have raised concerns among well-managed institutions, straining liquidity management and potentially causing a liquidity crunch. This threatens the growth and stability of the NBFIs.

Competing With Banks in an Uneven Playing Field

The Act inadvertently puts NBFIs on an uneven playing field with traditional banks. By restricting deposit collection and curbing the ability to provide loans, NBFIs are in direct competition with commercial banks who are essentially engaging in the same type of business. This inherent contradiction threatens the very existence of NBFIs and may lead to a situation where the sector loses its relevance, ultimately harming the nation's financial ecosystem.

Challenges of Slow Recovery

The recovery rate for loans in recent years has been sluggish, with many borrowers showing reluctance to repay borrowed funds.

Non-performing loans have seen a significant increase. In this context, if NBFIs are restricted from accumulating deposits, they may find themselves in a precarious position. NBFIs typically invest borrowed funds in long-term projects, some extending up to 20 years. Should these regulations be implemented, it could pose significant challenges for NBFIs in fulfilling their financial obligations to depositors.

Shareholding Restrictions

The new law also enforces a cap on shareholding, stipulating that no individual or their family members can acquire more than 15 per cent of the shares of a financial institution, either directly or indirectly. Any surplus shares exceeding this limit must be transferred within two years from the

enactment of this Act, with the excess shares being forfeited to the government. This measure aims to combat irregularities and corruption within the sector. However, doubt persists regarding its effectiveness in mitigating these issues.

Stricter Policies On Defaulters

The legislation introduces a definition of a "wilful loan defaulter." It addresses the issue of borrowers defaulting on their loans and introduces stringent consequences, including the possibility of criminal cases, travel bans, and restrictions on trade licences imposed by the Bangladesh Bank. There is a need for stricter regulations for this group, including restrictions on foreign travel, blocking essential services where needed to show necessary documents like the National ID, passport, and TIN. These measures aim to deter wilful defaults and uphold financial discipline.

Loan without Security Restrictions

Under Clause 25, the law restricts finance companies from granting unsecured loans exceeding Tk. 10 lakhs, a figure subject to adjustment by Bangladesh Bank. This regulation may deter borrowers with good reputations and strong cash flow histories, potentially causing NBFIs to lose out. Such

restrictions risk shrinking the business activities of NBFIs, which could have broader economic implications.

Penalties and Imprisonment

The law prescribes penalties for various violations, including fines for approving the waiver of interest or profit on loans without the approval of Bangladesh Bank. Moreover, the penalty for non-compliance with licensing conditions has been increased from Tk10 lakh to Tk 50 lakh. While these measures aim to ensure regulatory compliance, some view the imposition of fines and imprisonment as an impediment to the growth and development of the NBFI sector.

Contradictions with BSEC

A notable concern lies in the contradictions between the new law and the regulations established by the Bangladesh Securities and Exchange Commission (BSEC) for publicly listed companies, particularly concerning shareholding and the number of directors. Such contradictions could lead to confusion and disrupt the smooth functioning of financial institutions.

Need for Flexibility in Regulations

The Act's stringent regulations relating to deposit, collateral, unsecured loans, shareholding limits, penalties, imprisonment, and directorship terms

may have a negative impact on the sector's ability to innovate and adapt. NBFIs require the flexibility to cater to the diverse financial needs of the

economy, including supporting sectors like agriculture and micro, small, and medium enterprises.

In conclusion, while the new regulations aim to address irregularities and corruption within NBFIs, they also pose substantial challenges for well-managed institutions. Striking the right balance between

enforcing discipline and ensuring sectoral growth is vital. Collaboration among regulatory bodies, stakeholders, and financial institutions is imperative to refine these regulations for the benefit of the entire financial sector and the broader economy.

KBM Moin Uddin Chisty, Chairman, Islamic Finance and Investment Limited (IFIL) & President, Victoria University of Bangladesh (published on 16.11.2023 – Financial Express)

Prospects of Bangladesh

The GDP growth forecast for year 2025 is reviewed somewhat higher still with the expectation that exports will grow with continued economic recovery in the United States and the Euro Area, strong expansion in remittances will boost consumption demand, private and public investment will pick up as the business climate improves and spending will increase under the annual development program. The projection for average inflation in year 2025 remains more or less similar as year 2024, which matches the central bank's monetary policy statement. Although higher public sector wages and upward adjustments to administered prices for natural gas

and electricity from end of year 2024 will exert inflationary pressure, the easing of supply constraints, a cautious monetary policy, and a better crop outlook should keep inflation in check. Export growth in year 2025 is projected to improve to 10.0% and imports are projected to increase by 12.0%, mainly for capital goods, industrial raw materials, and food grains. Despite the expansion in remittances, the larger trade deficit will likely to remain a current account deficit, narrower than year 2024. The projected recovery in global growth, particularly in the United States and the Euro Zone, and continued softness in international commodity prices, promise well for Bangladesh.

The country will need to implement faster structural reforms to capitalize on these opportunities. Raising the low Female Labour Force Participation (FLFP) rate offers an opportunity to boost the economy's potential growth rate. Moving forward, the biggest challenge remains structural development and this is a precondition for accelerated, inclusive, and sustainable growth. In addition to concentrate on the above areas, the policy response to women's employment need to be aligned with anti-poverty programs such as safety nets, social protection initiatives, small livelihoods programs, micro-credit, and so on. Much more attention is needed to macro policy linkages and the leverage needed to stimulate women's participation and employment.

Principal Activities

The principal businesses of the Company are related to finance and finance associated activities. These businesses include deposits taking, credit to corporate organizations; retail and SMEs, project finance; leases; Term finance, and equity/quasi-equity

investments. PLFS provides multiple business services through its Head Office.

Diversified Credit Portfolio

Diversification of credit related products is one of the Company's strategic priorities. The well diversified portfolio of PLFS includes term loan financing that represents 68.8% of total loans, followed by Home Loan 73%, SME 15%, and auto loan financing 12%. Despite a fairly weak investment market climate, we ended the year with fresh credit disbursement of Tk. 100.37 million vis-à-vis Tk. .61 million disbursed in the previous year. The company's total credit portfolio stood at Tk. 1200.78 million as of 31 December 2024. A total of 22 agreements were approved for loans, leases and advances during the year 2024. In addition to the diversification of portfolio in different types of products, the credit portfolio of PLFS is also well diversified across different sectors as well.

Performance Highlights

Despite a challenging period for the financial sector, PLFS continues to record superior performance that confirms the inherent soundness of our financial position. PLFS's business model ensured that we proactively manage risks, improve on internal efficiency and remain focused on delivering value to our stakeholders. To ensure improved assets quality, we extended our combined efforts for new credit as well as intensive focus on recovery from the legacy default accounts.

In the retail deposit front, our focus remains on individual small ticket deposits rather than large ticket institutional deposits. During the year 2024, various Micro-Marketing Initiatives (MMIs) were launched in

order to facilitate small deposit mobilization and reduce cost of funds. The increased liquidity arising out of these initiatives enabled us to exit Directors' Report [Source: Bangladesh Bank Website & Research Department], Annual Report 2024 several high-cost large ticket deposits. As a result, the Company's cost of funds as well as the spread from funded business has significantly improved during the year. PLFS did not have any net bank borrowing during the year (borrowing from banks/Fls less placement of funds with banks/Fls). PLFS's reliance on its own source of funds for lending ensures that the Company is better equipped to withstand volatility in the money market and also allows us to adopt a prudent approach in sanctioning loans only to quality customers at competitive rates. Net interest income during the year increased to Tk. -4266 million compared to Tk. -3150 million in the previous year; registering a strong negative growth of 35.5 percent mainly due to non-performing loans, cost of funds and higher level of spread. The investment income, on the other hand, became Tk. -323 million in year 2024 vis-a-vis Tk. 150 million of year 2023. Commission, exchange and brokerage mainly constitutes fees income. It still remains an insignificant part of the revenue stream. During the Year 2024, income from capital market investment was Tk. 7.58 million compared to Tk. 0.4 million in the previous year. In year 2024, other operating income was Tk. -55 million (which mainly constituted of loan loss recovery from written off loan) compared to Tk. 37 million in year 2023. Overall operating revenue decreased compare to the previous year. After making the provision against loans, leases and investments portfolio, Profit before Tax (PBT) of the Company registered marginally

negative growth in the year 2024. Profit after Tax for the year stood at Tk. -4267 million compared to Tk. 3178 million in year 2023, i.e. a remarkable loss growth of year on year. As such, the Company's Earnings Per Share (EPS) to Tk. -1495 of year 2024.

Key Operating and Financial Information

Key operating and financial data of the preceding five years and significant deviation as per requirement of BSEC Notification No. SEC/CMRRCD/2006-158/134/Admin/4 4 dated August 07, 2012 are presented in Annexure-C as Key Operating and Financial Data.

The statutory reserve stood at Tk.645.58 million. PLFS remains fully committed to deliver of higher shareholders' value. The smooth growth of profitability track record underpins the value, the shareholders derived from investing in the shares of the Company. The earnings per share stood at Tk. 14.95 and return on average equity stood at significant percent during year 2024. Market capitalization stood at Tk. -42,674 million as at December 31, 2024, details in Annexure- VII

Human Resources Management

PLFS's vision envisages the most effective use of our human resources through the optimum enhancement of knowledge, skills, abilities and personal attributes of our employees. A healthy environment has been created where employees enjoy working with pride. Believing that the human resources are main elements behind the success and future sustainability of the Company, PLFS is developing and motivating the workforce with contemporary HR policies and attractive employee benefits. The company is not only offering a job but also the opportunity

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for learning, development, in a challenging and rewarding career.

Risks and Concerns

Maintaining a prudent risk management framework is an essential component of business success at PLFS. The identification, evaluation and management of risk, together with the way we respond to changes in the external operating environment, are the key to our success and underpin the robustness of our business plans as well as strategic and operational objectives protect our license to operate our reputation and help to create long-term competitive advantage. Risk management is embedded in PLFS's organizational structure, operations and management systems. Business risks across the Company are addressed in a structured and systematic way through a predefined risk management structure. This ensures the Board's assessment of risk which is continually updated with the relevant risk factors and mitigating controls originating from and identified by the Company's assets, functional departments and operations. Moreover, PLFS possesses a detailed risk management system with procedures in place to support risk evaluation across the Company. The risks associated with the delivery of

the business plan and annual work programmers and the associated mitigation measures are maintained in asset or project risk matrices and registers.

PLFS possesses different committees for risk management. The Management Credit Committee (MCC) and Asset and Liability Committee (ALCO) are constituted by the Company's top level management team who frequently review issues related to the market, credit and liquidity and accordingly, recommend and implement appropriate measures to proactively identify and mitigate risks. PLFS has an approved Asset Liability Management (ALM) Policy, under the responsibility of the ALCO, together with a dedicated ALM desk to generate necessary MIS for improving ALCO's decision-making abilities. The Company's Credit Risk Management (CRM) department independently examines projects from a risk-weighted perspective and assists relevant departments in setting business development priorities. These are aligned with the Company's risk appetite while optimizing the risk-return trade-off derived from relevant risk exposures. The CRM team also clearly defines exceptionally high-risk sectors and prohibits lending to those projects which the Company does not ascribe to, including those

which represent negative environmental, social or ethical standards.

At an individual exposure level, risk grading model is used to promote corporate safety and sustainability by facilitating informed decision-making. At the portfolio level, the Company actively tracks the quality of its loans by analysing risk migration and trends in non-performing assets. Such indicators prompt timely decision-making by the relevant risk management committees in preserving the quality of loans and advances. PLFS's Credit Risk Management Department and Internal Audit & Compliance Department are responsible for assessing operational risks across the Company and also ensuring an appropriate framework to identify, assess and manage operational risks.

At PLFS, we are always committed to managing the risks associated with business and delivering high value to our stakeholders by maintaining effective and robust Risk Management Systems which not only mitigate these risks but also provide an appropriate trade-off between risk and return. The principal risks associated with PLFS as well as their relevant governing policies and how they support the risk appetite are furnished below.

Type of Risk	Policies	Policies Application to Support Risk Appetite
Credit Risk including Concentration Risk	Board approved Credit Policies including large Credit Exposure and Industry Sector Concentration Policy	Exposures to a single or group related counterparties (upper credit limit set is the policy including the coverage of security). Industry concentration (exposure and risk adjusted concentration limit)
Market Risk	Board approved Credit and ALM Policy	Interest Rate Risk (Market value sensitivity and Net Interest Margin Risk Limit)
Liquidity Risk	Board approved Assets Liability Management (ALM) Policy	Holding of liquid assets as a contingency plan to use at the time of liquidity crunch.
Operational Risk	Operational Risk covered with the Company Core Risk Management Policies	A number of risk management policies and comprehensive risk assessment and control assurance process.
Compliance Risk	Comp any Core Risk Management Policies	Business unit compliance framework and skill compliance professional.
Reputational Risk	Best Practice Corporate Culture	Professionalism and leadership, best efforts for customer service.

Credit Risk

Credit risk is the potential of loss arising from failure of a debtor or counterparty to meet their contractual obligations resulting in a financial loss to PLFS. Credit risk includes concentration risk which can result from interdependencies between counterparties and concentrations of exposure to industry sectors and geographical regions. Credit risk management processes involve identification, measurement, monitoring and control of credit exposures. At PLFS, credit risk may arise in the following form: exposure risk, counterparty risk and default risk.

Market Risk

Market risk is the potential of loss arising from adverse changes in interest rates and changes in the price of securities. Being a Financial institution, the primary risk that arises for a FI is interest rate risk. The immediate impact of changes in interest rates is on the Company's earnings due to changes its Net Interest Income (NII).

Liquidity Risk

Liquidity risk is the risk of being unable to meet financial obligations as they fall due. This arises mainly due to mismatch in maturity of assets and liabilities. The overall responsibility for measuring and monitoring the liquidity risk for FI rests with the Asset Liability Committee (ALCO).

Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or external factors. It includes legal, regulatory, fraud, business continuity and technology risk. In order to control its operational risk, PLFS primarily relies on its internal audit and internal control system.

Compliance Risk

Compliance risk is the risk which arises due to legal or regulatory breach. The Company may suffer material financial loss or loss of reputation as a result of its failure to comply with the requirements of relevant laws, regulatory bodies etc.

Reputational Risk

Reputational risk arises from negative perception on the part of customers, counterparties, shareholders, investors, debt holders, market analysts, regulators and other relevant parties. This risk may adversely affect the Company's ability to maintain existing business relationships or impede the establishment of new relationships.

Related Party Transaction

In the normal course of business, PLFS has entered few transactions with related parties during the year 2024. Parties are considered to be related if one party has the ability to control or exercise significant influence over the other party in making financial or operating decisions. These transactions have taken place on an arm's length basis and include rendering or receiving of services. The details of related party transactions are disclosed in the notes to these Financial Statements, Details in Annexure-VII

Contribution to the National Economy

PLFS is the first private sector Non-Banking Financial Institution in Bangladesh which was established in the year 1981 by the Government of Bangladesh and a number of distinguished multilateral developing agencies. PLFS was established with an aim to promote private sector industrial ventures in the country at a time when all the banks in Bangladesh

remained nationalized. Type of Risk Policies Application to Support Risk Appetite Credit Risk including Concentration Risk Board approved Credit Policies including large Credit Exposure and Industry Sector Concentration Policy Exposures to a single or group related counterparties (upper credit limit set is the policy including the coverage of security). Industry concentration (exposure and risk adjusted concentration limit) Market Risk Board approved Credit and ALM Policy Interest Rate Risk (Market value sensitivity and Net Interest Margin Risk Limit) Liquidity Risk Board approved Assets Liability Management (ALM) Policy Holding of liquid assets as a contingency plan to use at the time of liquidity crunch. Operational Risk A number of risk management policies and comprehensive risk assessment and control assurance process.

Compliance Risk

Company Core Risk Management Policies Business unit compliance framework and skill compliance professional. Reputational Risk Best Practice Corporate Culture Professionalism and leadership, best efforts for customer service. Operational Risk covered with the Company Core Risk Management Policies PLFS has played a vital role in developing the private sector industry in Bangladesh over the last three decades, through various innovative projects in partnership with other renowned corporate houses. PLFS has made significant contributions in the development of the health, education and agro-based industries of the country. We have also introduced many innovative financial products and over time have earned the distinction to be the 'most innovative financial institute' of the country. Sustainable economic development is

Directors' Report

the key focus of the Company and corporate social responsibility is woven into the totality of our operations. During the year 2024, we engaged in corporate social responsibility like distributing winter cloths to under privileged people, donating computers for under privileged students, tree plantation programme, donation of medical equipment and medicine for under privileged, donation to 'Free School' etc. PLFS envisages continuing and expanding its role as catalyst in inspiring, strengthening and enhancing the financial sector development of the country. We want to play role in employment generation for growing young segment of our population specially, with focus on young women entrepreneurs. PLFS always prioritizes sectors which help the sustainable growth of the economic development of the country. In general, PLFS avoids investing in projects which are hazardous to the environment and society. During project appraisals concerned personnel examine whether the project is indeed viable and whether it complies with the Environment Conservation Act 1995 and Environment Conservation Rules 1997 and other rules and regulations relating to the environment. In addition to our mentioned approach, PLFS has taken initiative for in-house environment management, compiling a Green Office Guide, incorporation of Environmental Risk in CRM, introducing Green Finance, creating of Climate Risk Fund, introducing Green Marketing, supporting Employee Training, Consumer Awareness and Green Event etc. in line with Bangladesh Bank regulations. In order to serve the diverse needs of our customers, PLFS offers a range of products and services covering corporate finance and advisory services, mortgage finance, retail

finance, middle market supply chain finance, retail wealth management and retail finances. During the year 2024, PLFS has deposited total amount of Tk. 1.53 million to the national exchequer as corporate tax, withholding tax, excise duty and VAT.

Statutory Payments

The Directors are satisfied that to the best of their knowledge and belief all statutory payments to all authorities have been made on a regular basis.

Shareholding Pattern as at 31 December 2024

Shareholding patterns of the Company as of December 31, 2024 is shown in Annexure Directors' Report of Annual Report 2024, details in Annexure-II.

Corporate and Financial Reporting Framework

The Board of Directors, in accordance with BSEC Notification No. SEC/CMRRCD/2006-158/134/Admin/4 4 dated August 07, 2012 confirms compliance with the financial reporting framework for the following:

- The financial statements prepared by the management of PLFS presents fairly its state of affairs, the results of its operations, cash flows and changes in equity.
- Proper books of accounts of the Company have been maintained.
- Appropriate accounting policies have been consistently applied in the preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- International Accounting Standards (IAS)/Bangladesh Accounting Standards (BAS)/International Financial Reporting Standards

(IFRS)/Bangladesh Financial Reporting Standards (BFRS) as applicable in Bangladesh have been followed in preparation of the financial statements and any departure there from has been adequately disclosed.

- The system of internal control is sound in design and has been effectively implemented and monitored.
- There are no significant doubts upon the Company's ability to continue as a going concern.

Director's Meeting, Attendance and Remuneration During the year ended 31 December 2024 a total 7 (Seven) Board Meetings were held and attendance by the Directors along with remuneration paid to them are summarized in Annexure in this annual report, Appointment / Re-appointment of Director(s)

As per Article 100 and 101 of the Articles of Association of the Company, the following three Directors will retire from the office of the Company in the 29th Annual General Meeting and being eligible offered themselves for re-election as per Article 105 of the Articles of Association of the Company. Brief resumes of the directors are furnished in Annexure of this annual report,

Status of Compliance on Corporate Governance

Bangladesh Securities and Exchange Commission's Notification No. SEC/CMRRCD/2006-158/207/Admin/80, dated 3 June 2018 imposed conditions for compliance for corporate governance. Corporate governance status of compliance with these conditions is enclosed as Annexure-C. As proposed by the Board Audit Committee, the Board recommended for appointment as the

Corporate Governance auditors of the Company- Jasmin & Associates, Chartered Secretaries conduct the Corporate Governance audit for the year 2025, and as per their EOI of Tk. 25,000.00 excluding VAT and subsequently shareholders approval in the 29th Annual General Meeting (AGM).

Statutory Auditors

G Kibria & Co., Chartered Accountants was appointed as the statutory auditors of the Company in the 28th Annual General Meeting held on 31st December, 2024 for the year 2024 until conclusion of 29th Annual General Meeting at a remuneration of Tk. 370,000 excluding VAT. The auditors will retire in the 29th Annual General Meeting. As proposed by the Board Audit Committee, the Board recommended Kazi Zahir Khan & Co, Chartered Accountants for appointment as the auditors of the Company for the year 2025 subject to approval of the shareholders in 29th Annual General Meeting (AGM) at a remuneration of Tk. 250,000 excluding VAT until completion of the next Annual General Meeting.

Internal Control System

Board of Directors reviews and approves the overall business strategies and significant policies of PLFS, assesses the underlying major risks run by the Company, involves in setting acceptable levels for these risks and ensures that senior management takes steps necessary to identify, measure, monitor and control these risks. Senior management accordingly working for implementing strategies and policies approved by the Board; developing processes that identify, measure, monitor and control risks incurred by the Company; maintaining an organizational structure that clearly assigns

responsibility, authority and reporting relationships; ensuring that delegated responsibilities are effectively carried out; setting appropriate internal control policies and monitoring the adequacy and effectiveness of the internal control system. In PLFS, an effective internal control system has been set up which ensures an appropriate control structure with defined control activities at every business level.

Explanation regarding qualified opinion on Financial Statements by external auditor:

External auditor of People's Leasing & Financial Services Ltd. (PLFSL) provided qualified opinion on financial statements of 2025 and basis of qualified opinion has been incorporated in the audit report. Audit report was presented in the 26th meeting of Audit Committee and Audit Committee of PLFSL discussed all points of qualified opinion. After discussion committee accepted the Audit Report and recommended it to the Board. Committee and Court-appointed Board of Directors wants to find out and to disclose all mismatches of figures, mismanagement, lack of implementation of automation system which were made in PLFSL before starting liquidation process on 14-7-2019. At the same time, the Board of directors has been advising the management for resolving the problems like mismatches of figures of loans and advances, bubble figures in books of accounts, consolidation of financial statements, claim and counter claim between PLFSL and PLFS Investment Ltd. regarding loan, tax and VAT issues, interest charge on term deposit and borrowings and other issues. In accordance to the Hon'ble Court Order (Financial matter no-1 of 2019) the Court appointed Board of Directors has been trying to

the level best to revive the organization with all limitation and available recourses.

Control Environment

Control activities are the policies and procedures which help ensure that management directives are carried out, and the necessary actions are taken to minimize the risks of failure to meet stated objectives. Policies and procedures are effectively Hasan Shaheed Ferdous, Court-appointed Chairman. Annual Report 2024 established within the Company and are continuously reviewed for compliance, adequacy and improvement opportunities. The Board of Directors sets the tone for an effective control environment through regular reviews of the processes for identifying, evaluating, and managing significant risks. An effective control environment is set by top management and cascades across all business functions. Every year the top team conducts a self-assessment of key controls that affect the business and develops up action plans to make the internal control environment more robust.

Outlook and Prospects in year 2025

Bangladesh economy has grown with healthy pace over 4.0 percent annually with extraordinary stability over the last one decade displaying exceptional resilience in the face of domestic challenges like corruption, natural calamity and inadequate infrastructure as well as major global shocks during the period. Bangladesh has been poorest as well as smallest in the list of the eleven countries, however has performed the best amongst the group both in terms of growth and stability. Considering all those potentials to grow, the new strategic changes and opportunities to expand business in consumer durables, we will dedicate

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our maximum proactive endeavour for business growth and expansion, specially through launching personal loans & consumer durables loans, and focusing auto loans & mortgage finance, concentrating on household financing, factoring & SME finance, widening the geographical coverage and name changing & rebranding throughout the country for all those types of business. Our customers are the most important part of our business and PLFS will endeavour to distinguish itself in terms of providing extra-ordinary customer service to all our stakeholders. Our strong performance in year 2024 is the demonstration of our sustainable business model which can withstand the challenges of operating in a developing country like Bangladesh fraught with fiscal and economic uncertainty. Going forward PLFS will remain focused on strengthening our balance sheet and capital position to create greater opportunities for improvement in long-term shareholder value. Underpinning this strategy is our unique culture and corporate values and, most especially, the

quality of our people. We are proud to have one of the most vibrant working environments with passionate employees who work together to attain a common goal; help our customers to fulfil their financial dreams. We are expecting that, our long term business strategy, strong culture of compliance, the unyielding commitment and dedication of the PLFS team, will translate into outstanding results in year 2025 and beyond.

Acknowledgements

The Board of Directors would take this opportunity to express its gratitude and extend appreciation to its valued shareholders, clients, bankers, depositors, lenders, business partners and other stakeholders for their continued support and co-operation. The Board offers thanks to Bangladesh Bank, Bangladesh Securities and Exchange Commission, Dhaka Stock Exchange, Chittagong Stock Exchange, Registrar of Joint Stock Companies and Firms, the National Board of Revenue, the Ministry of Industries, the Ministry of Finance and

other Government Agencies for their collaboration. I would also like to thank all of the respected Directors of the Board, who have extended their all sorts of cooperation, to meet all the adverse internal and external conditions, and made the year 2024 another year of success for the Company.

Last but not least, the Board has a special note of thanks for the management and employees for their outstanding commitment and tremendous hard work; our customers and clients for giving us the opportunity to serve their needs; and our shareholders for their continued faith in the bright future of their Company.

For and on behalf of the Board of Directors.



Hasan Shaheed Ferdous
Chairman

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	645,578,148
General reserve	
Retained earnings	(47,193,221,747)
Minority interest in subsidiaries	
Non-cumulative irredeemable preference shares	
Dividend equalization account	
Total Tier 1 capital	=(42,674,632,395)
(c) The total amount of Tier 2 capital	1,300,213
(d) Other deductions from capital	
(e) Total eligible capital	(42,673,332,182)

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	14138100000
	On-Balance Sheet	14138100000
	Off-Balance Sheet	0.00
(c)	Capital requirement for Market Risk	701700000
(d)	Capital requirement for Operational Risk	-5345900000

(e) Total and Tier 1 capital ratio:

- For the consolidated group; and
- For stand alone

Particular	Consolidated	Stand Alone
CAR on Total capital basis (%)		(449.48)%
CAR on Tier 1 capital basis (%)		(449.49)%

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	1,012,293,082
Term Finance	10,045,758,731
Total	11,058,051,813

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

Area	Amount in BDT
Dhaka Division	11,056,946,008
Chittagong Division	1,105,805
Barisal Division	
Sylhet Division	
Khulna Division	
Total	11,058,051,813

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

Sector	Amount in BDT
Agriculture	663,483,109
Electronics and Electrical Products	
Food Production and Processing Ind.	77,406,363
Garments and Knitwear	128,273,401
Glass, Glassware and Ceramic Industries	-
Jutes & Jute related goods	-
Housing	646,896,031
Lather & Lather goods	
Iron, Steel and Engineering	221,161,036
Paper, Printing and Packaging	-
Pharmaceuticals and Chemicals	1,105,805
Plastic Industry	
Power & Energy	99,522,466
Telecommunication and IT	-
Textile	5,529,026
Transport and Aviation	298,567,399
Merchant bank	1,769,288,290
Trade & Commerce	3,980,898,653
Service	-
Others	3,165,920,234
Total	11,058,051,813

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

Particulars	Amount in BDT
Repayable on demand	26,251,000
Up to 1 month	
Over 1 month but not more than 3 months	105,000,000
Over 3 months but not more than 1 year	680,000,000
Over 1 year but not more than 5 years	6,350,000,000
Over 5 years	3,896,800,813
TOTAL	11,058,051,813

(a) Gross Non Performing Assets (NPAs)

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

Particulars	Amount in BDT
Sub-standard	0
Doubtful	1,293,000
Bad/Loss	10,917,489,813
Total	10,918,782,813

Movement of specific provisions for NPAs

Particulars	Amount in BDT
Opening balance	8,275,631,000
Provisions made during the period	
Write-off	-
Write-back of excess provisions	-
Closing Balance	8,275,631,000

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	31,300,420	31,778,013
Unquoted shares	203,975,410	203,975,410

- 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 0.00 crore. Capital Requirement is 10% of the said value which stand to BDT 0.00 crore.
- General Risk Market value of investment in equities is BDT 70.17 crore. Capital Requirement is 10% of the said value which stand to BDT 7.01 crore.

All requirements are 10% of the said value, which stand to BDT 7.01 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)	4.15	8.30	10.25	40.00	42.80
B. Total Rate Sensitive Assets (B)	15.76	20.00	25.00	30.00	33.07
C. Mismatch	11.61	11.70	14.75	(10.00)	(9.73)
D. Cumulative Mismatch (B-A)	11.61	23.31	38.06	28.06	18.33
E. Mismatch (%)	279.75%	140.96%	143.90%	25%	22.73%

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	.73	1.46	2.19
Revised Regulatory Capital	-4266.60	-4265.87	-4265.14
Risk Weighted Assets	949.39	949.39	949.39
Revised CAR (%)	-449.40%	-449.33%	-449.25%

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	70.17
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:	(534.59)

STATUS OF COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

Status of compliance with the conditions imposed by the Commission's Notification No.SEC/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)

Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
1	BOARD OF DIRECTORS:			
1(1)	Board's Size			
	The number of the Board members of the Company shall not be less than 5 (five) and more than 20 (twenty).	√		
1(2)	Independent Directors			
1(2)(a)	At least 2(two) directors or one-fifth (1/5) of the total number of directors in the company's Board, whichever is higher, shall be independent directors; any fraction shall be considered to the next integer or whole number for calculating number of independent director(s): Provided that the Board shall appoint at least 1 (one) female independent director in the Board of Directors of the Company;	—		Board constituted by Hon'ble Court vide order no. 96 dated 12.07.2021 and clarified by vide order no. 163 on 12.2024
1(2)(b)(i)	Who either does not hold share in the Company or holds less than one (1%) shares of the total paid up shares of the Company;	—		
1(2)(b)(ii)	Who 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 or her family members also shall not hold above mentioned shares in the company:	—		
1(2)(b)(iii)	Who has not been an executive of the company in immediately preceding 2 (two) financial years;	—		
1(2)(b)(iv)	Who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary/associated companies;	—		
1(2)(b)(v)	Who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange;	—		
1(2)(b)(vi)	Who 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;	—		
1(2)(b)(vii)	Who 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;	—		
1(2)(b)(viii)	Who shall not be an independent director in more than 5 (Five) listed companies;	—		
1(2)(b)(ix)	who has not been reported as a defaulter in the latest Credit Information Bureau (CIB) report of Bangladesh Bank for non-payment of any loan or advance or obligation to a bank or a financial institution; and"	—		

Status of Compliance of Corporate Governance Code

Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
1(2)(b)(x)	Who has not been convicted for a criminal offence involving moral turpitude.	—		
1(2)(c)	The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM): Provided that the Board shall appoint the independent director, subject to prior consent of the Commission, after due consideration of recommendation of the Nomination and Remuneration Committee (NRC) of the company;	—		
1(2)(d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days.	—		
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) tenure only:	—		
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, regulatory and corporate laws regulatory requirements and can make meaningful contribution to business;	—		
1(3)(b)(i)	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 registered business association; or	—		
1(3)(b)(ii)	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)	Former or existing official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or Law: Provided that in case of appointment of existing official as independent director, it requires clearance from the organization where he or she is in service; or	—		
1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law; or	—		
1(3)(b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification;	—		
1(3)(c)	The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b);	—		
1(3)(d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission.			No such matter

Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
1(4)	Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer			
1(4)(a)	The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals;	√		
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 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 one of themselves from nonexecutive 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			
1(5)(i)	An Industry outlook and possible future developments in the industry;	√		
1(5)(ii)	The Segment-wise or product-wise performance;	√		
1(5)(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	√		
1(5)(iv)	A Discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable;	√		
1(5)(v)	A Discussion on continuity of any Extra-Ordinary activities and their implication (gain or loss);	√		
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;	√		
1(5)(vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments;	√		
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;	√		
1(5)(x)	A statement of remuneration paid to the directors including independent directors;	√		
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;	√		
1(5)(xii)	A Statement that proper books of account of the issuer Company have been maintained.	√		

Statement of Compliance of Corporate Governance Guidelines

Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
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;	✓		
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;	✓		
1(5)(xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored;	✓		
1(5)(xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;	✓		
1(5)(xvii)	A statement that there are no significant doubts 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 should be disclosed;	✓		
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 should be explained;	✓		
1(5)(xix)	Key operating and financial data of at least preceding 5 (five) years shall be summarized;	✓		
1(5)(xx)	An explanation on the reasons If the issuer company has not declared dividend (cash or stock) for the year;			
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;	✓		
1(5)(xxiii)(a)	Parent or Subsidiary or Associated Companies and other related parties (name-wise details);	✓		
1(5)(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name wise details);	✓		
1(5)(xxiii)(c)	Executives;	✓		
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name wise details).	✓		
1(5)(xxiv)(a)	A brief resume of the director;	✓		
1(5)(xxiv)(b)	Nature of his / her expertise in specific functional areas;	✓		
1(5)(xxiv)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the board;	✓		
1(5)(xxv)(a)	Accounting policies and estimation for preparation of financial statements;	✓		
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;	✓		
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 years explaining reasons thereof;	✓		

Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
1(5)(xxv)(d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	✓		
1(5)(xxv)(e)	Briefly explain the financial and economic scenario of the country and the globe;	✓		
1(5)(xxv)(f)	Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; and	✓		
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 AGM;	✓		
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;	✓		
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(5)(xxviii)	The Directors' report to the shareholders does not require to include the business strategy or technical specification related to products or services, which have business confidentiality.	✓		
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.	✓		
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 DFIM Circular No. 1 dated 29.02.24
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.	—		
2	Governance of Board of Directors of Subsidiary Company.			
2(a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company;		✓	
2(b)	At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company;		✓	
2(c)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company;		✓	

Statement of Compliance of Corporate Governance Guidelines

Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
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.		✓	
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);	✓		
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;	✓		
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: Provided that CFO or CS of any listed company may be appointed for the same position in any other listed or non-listed company under the same group for reduction of cost or for technical expertise, with prior approval of the Commission: Provided further that the remuneration and perquisites of the said CFO or CS shall be shared by appointing companies proportionately;"	✓		
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	✓		
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).	✓		
3(2)	Requirement to attend Board of Directors' Meetings The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board: Provided that the CS, CFO and/or the HIAC shall not attend such part of a meeting of the Board 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;	✓		

Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	√		
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; and	√		
4(ii)	Nomination and Remuneration Committee		—	
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;	√		
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.	√		
5(2)	Constitution of the Audit Committee			
5(2)(a)	The Audit Committees shall be composed of at least 3 (three) members;	√		
5(2)(b)	The Board of Directors shall appoint members of the Audit Committee who shall be non executive directors of the Company excepting Chairperson of the Board and shall include at least 1 (one) Independent Director;	√		
5(2)(c)	All members of the Audit Committee should be “financially literate” and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience;	√		
5(2)(d)	When the term of service of any 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 shall appoint the new Committee member to fill up the vacancy immediately or not later than 60 (sixty) days from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;	√		
5(2)(e)	The company secretary shall act as the secretary of the Committee;	√		
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without independent director.	√		
5(3)	Chairman of the Audit Committee			
5(3)(a)	The Board of Directors shall select 1 (one) member of the Audit Committee to be Chairman of the Audit Committee, who shall be an independent director;	√		
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.	√		

Statement of Compliance of Corporate Governance Guidelines

Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
5(3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM):	√		
5(4)	Meeting of the Audit Committee			
5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year;	√		
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 Audit Committee			
	The Audit Committee shall:-			
5(5)(a)	Oversee the financial reporting process;	√		
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 for approval;	√		
5(5)(h)	Review the adequacy of internal audit function;	√		
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 or 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:			No such matter
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.	√		
5(6)(a)(ii)(a)	Report on conflicts of interests;			No such matter
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;			No such matter
5(6)(a)(ii)(c)	Suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and			No such matter

Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
5(6)(a)(ii)(d)	Any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;			No such matter
5(6)(b)	Reporting to the Authorities; If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board 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 for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier.			No such matter
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 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.	√		
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;	—		NRC is not yet formed due to DFIM Circular No. 1 dated 29.02.24
6(1)(b)	The NRC shall assist the Board 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;	—		
6(1)(c)	The Terms of Reference (To R) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b).	—		
6(2)	Constitution of the NRC			
6(2)(a)	The Committee shall comprise of at least three members including an independent director;	—		
6(2)(b)	At least 02 (two) members of the Committee shall be non-executive directors;	—		
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board;	—		
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee;	—		
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 shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;	—		
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;	—		

Statement of Compliance of Corporate Governance Guidelines

Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
6(2)(g)	The company secretary shall act as the secretary of the Committee;	—		
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	—		
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.	—		
6(3)	Chairperson of the NRC			
6(3)(a)	The Board shall select one member of the NRC to be Chairperson of the Committee, who shall be an independent director;	—		
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;	—		
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders;	—		
6(4)	Meeting of the NRC			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year;	—		
6(4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;	—		
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);	—		
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.	—		
6(5)	Role of the NRC			
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	—		
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;	—		
6(5)(b)(i)(b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and	—		
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;	—		
6(5)(b)(ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	—		
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;	—		
6(5)(b)(iv)	Formulating the criteria for evaluation of performance of independent directors and the Board;	—		

Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
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	—		
6(5)(b)(vi)	Developing, recommending and reviewing annually the company's human resources and training policies;	—		
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.	—		
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.	✓		
8	Maintaining a website by the Company:-			
8(1)	The company shall have an official website linked with the website of the stock exchange.	✓		
8(2)	The company shall keep the website functional from the date of listing.	✓		
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).	✓		
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.	✓		
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.	✓		
9(3)	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not.	✓		

Certificate of Compliance

Jasmin & Associates
Chartered Secretaries

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

We have examined the Compliance status to the Corporate Governance Code by People's Leasing And Financial Services Ltd. for the year ended 31st December 2024. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018 of the Bangladesh Securities and Exchange Commission.

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 we have 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 Commission except as stated in the remarks column in Annexure-C;
- 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;
- Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws and other relevant laws; and
- The Governance of the company is satisfactory except as stated in the remarks column of the Status of Compliance Statement.

Place : Dhaka
Dated : May 21, 2025



For: **Jasmin & Associates**
Chartered Secretaries

J. Akter
Jasmin Akter, FCS
Managing Partner

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Report on Compliance of Bangladesh Bank's Guidelines

ANNEXURE-I

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.1 dated 29.02.2024 and Circular No. 3 dated 25.03.2024, if so authorized.	Complied

A. Shareholding Pattern of Board of Directors

ANNEXURE-II

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 Nahar Khan	Nil	Nil
3	Barrister Reshad Imam	Director	Nil	Nil	Sheak Faria Rahman	Nil	Nil
4	Barrister Prashanta Bhushon Barua	Director	Nil	Nil	Deepa Bhushan	Nil	Nil
5	Barrister Muhammad Shafiqur Rahman	Director	Nil	Nil	Tania Rahman	Nil	Nil
6	Mr. Mohammed Atiqur Rahman Atiq	Director	Nil	Nil	Late Mrs. Farida Yesmin Rahman	Nil	Nil
7	Mr. Md. Sagir Hossain Khan	Director	Nil	Nil	Fatema Khan	Nil	Nil

B. Meeting Information

SL No.	Name of Directors	Board of Directors Meeting				Executive Committee Meeting				Audit Committee Meeting				Total Remuneration paid for the year 2018
		Total Board Meeting held	Meeting Attended	Attendance as % of total meeting held	Remuneration paid for attending the meeting (Tk.)	Total EC Meeting	Meeting Attended	Attendance as % of total meeting held	Remuneration paid for attending the meeting (Tk)	Total AC Meeting	Meeting Attended	Attendance as % of total meeting held	Remuneration paid for attending the meeting (Tk)	
01.	Mr. Hasan Shaheed Ferdous	17	17	100%	2,90,000	-	-	0	-	-	-	-	-	290000
02.	Dr. Kazi Anowarul Hoque	17	13	77%	1,70,000	4	4	100%	20000	7	6	85%	4500	2,35,000
03.	Barrister Reshad Imam	17	17	100%	2,50,000	4	4	100%	20000	7	7	100%	75000	3,45,000
04.	Barrister Prashanto Bhushan Barua	17	13	77%	1,50,000	-	4	-	-	7	2	28%	15000	1,65,000
05.	Barrister Muhammad Shafiqur Rahman	17	16	94%	2,30,000	-	4	-	-	7	6	85%	40000	2,70,000
06.	Mr. Md. Atiqur Rahman Atiq	17	16	94%	2,40,000	4	1	25%	5000	7	6	86%	45000	2,90,000

ANNEXURE-IV

SHAREHOLDERS HOLDING 10% OR MORE VOTING RIGHTS

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

ANNEXURE-V

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

Sl.	Name	Status/Position	Shares held
1	Md. Sagir Hossain Khan	Managing Director & CEO	Nil
2	Md. Armia Fakir ACS	Company Secretary (In-Charge)	Nil

ANNEXURE-VI

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

Sl.	Name	Status/Position	Shares held
1	Nil	Nil	Nil

Related Party Disclosure

ANNEXURE-VII

PLFS Investment Ltd.

Investment in Share Capital of PLFS Investment Ltd.

Loan & Advances

BO Accounts Balance

Interest on Loans & Advances

Excise Duty

2024	2023
200,445,000	200,445,000
1,662,343,115	1,662,343,115
(6,633,110)	(5,918,410)
-	158,378,688
-	25,000

Note: Loan given to subsidiary company (PLFS Investment Ltd.) amount in Tk.1,055,332,974 from 2009 to 2015 (Present outstanding on 31.12.2024 amount Tk. 1,837,901,114. Details are described at note 2.10.29)

Key Operating Data

ANNEXURE-VIII

People's Leasing And Financial Services Ltd. Financial Highlights

Sl. No.	Particulars	Amount in Tk.	
		2024	2023
1	Paid-up Capital	2,854,405,970	2,854,405,970
2	Total Capital	(42,674,632,395)	(38,733,219,601)
3	Capital Surplus	(45,529,038,365)	(41,587,625,571)
4	Total Assets	13,721,616,812	15,181,908,871
5	Total Deposits	34,618,763,914	32,210,023,880
6	Total loans & advances	11,058,051,813	12,181,687,300
7	Total contingent liabilities and commitments	-	150,000,000
8	Credit deposit ratio	31.94%	37.82%
9	Percentage of classified loans against total loans & advances	98.74%	98.87%
10	Profit after tax and provision	(4,267,550,785)	(3,178,666,592)
11	Amount of classified loans during the year	10,918,782,813	12,044,034,234
12	Provision kept against classified loans	8,276,931,213	8,276,526,580
13	Provision surplus against classified loans	-	-
14	Cost of fund	12.00%	12.27%
15	Interest earning assets	12,353,858,079	13,862,430,902
16	Non-interest earning assets	1,367,758,732	1,319,477,968
17	Return on Investments	(32.69)	(25.30)
18	Return on assets (ROA)	(31.10)	(20.92)
19	Income from loans & advances & investment	(21,440,823)	242,776,187
20	Earnings per share	(14.95)	(11.14)
21	Net income per share	(14.95)	(11.14)
22	Price earnings ratio	(0.15)	(0.27)

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: April 30, 2025

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

Subject: Declaration on Financial Statements for the year ended December 31, 2024

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 here by declare that:

- 1) The Financial Statements of PLFSL for the year ended December 31, 2024 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 and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern;

In this regard, we also certify that:

- 1) We have reviewed the financial statements for the year ended on 31 December 2024 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;

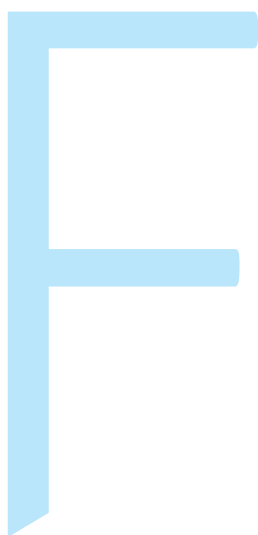
Sincerely yours



Md. Monirul Islam Shamim
HOA & SVP



Md. Sagir Hossain Khan
Managing Director



Financial Information

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2024

Auditors' Report and Financial Statements

People's Leasing And Financial Services Limited
For the Year Ended on December 31, 2024



G. KIBRIA & CO.
CHARTERED ACCOUNTANTS

YEARS OF TRUSTED SERVICE
40



Independent Auditor's Report

To the Shareholders of People's Leasing and Financial Services Ltd. Report on the Audit of the Financial Statements

Qualified Opinion

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

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

Basis for Qualified Opinion

1. We draw attention to note 2.10.29, that the company/group has not consolidated its subsidiary, PLFS Investments Limited, and has not prepared any consolidated financial statements. Had PLFS Investments Limited been consolidated, many elements in the accompanying financial statements would have been materially affected. The effects on the financial statements due to the failure to consolidate have not been determined. Additionally, the audit report of PLFS Investments Limited issued on 29 December 2024 by Khandaker Mamun & Co., Chartered Accountants, provided an adverse opinion incorporating some issues that materially impact may elements of the company's financial statement which have not been incorporated in this financial statement.
2. The company reported a loan to a subsidiary of BDT 1,662,343,115 but in the financial statement of the subsidiary, there was no loan received from a parent. Instead, the subsidiary is claiming money from the parent. Though the subsidiary's audit report had a modified opinion based on this issue, it creates significant doubt about whether this loan is an asset or liability of the company. On the other hand, the investment made to this company represent 62.6% of the subsidiary's capital which is noncompliance with section 14(1) of the Financial Institution Act 1993.
3. In note 9 and note 13.3 the company reported the Advance Income Tax of BDT 283,430,199 and the provision for corporate income tax of BDT 196,786,921 which have been carried for several years. However, the company didn't provide us with year-wise status of the unadjusted/unsettled tax. We have significant doubts about these balances, especially the excess asset of BDT 86,643,278. Due to a lack of available information, we were unable to quantify the amount of discrepancy that has occurred due to this issue.



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

Branch Office: House 51, Road 14, Block-G, Niketon, Gulshan-1, Dhaka-1212

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Ref: GKC/24-25/A/708



4. The company reduces the value of non-banking assets through charging depreciation. But as per the Bangladesh Bank guidelines, this balance should be adjusted with the market value. Since the market value of these assets was lower than the cost, the company should adjust this impairment loss in compliance with the Bangladesh bank Guidelines, not in the form of charging depreciation
5. In note 7, the company reported loans & Advances BDT 11,058,051,813 but, in the CL, the company shows BDT 11,219,329,342 which arise a difference of BDT 161,277,529. Due to the vast volume of the transaction involved and lack of available information, we were unable to quantify the amount of discrepancy that has occurred due to this issue. However, we have concluded based on our audit procedures that possible effects on the financial statements of this undetected discrepancy could be material.
6. Based on our detail's recalculation of loans & Advances, we found a short provision of BDT 106,689,622, which didn't recognize by the company in the financial Statement. Additionally, the management was unable to provide us with some valuation, loan statements and updated DVS enclosed client audited financial statements. We have significant doubt about classification and the valuation of those client. Due to lack of available information, we were unable to quantify the amount of discrepancy that has occurred due to this issue other than the mentioned short provision.
7. We draw attention to Note No. 04, where we could not find 24's bank account statements which represent amount of BDT 681,065.
8. We draw attention to note no. 08 the value of company premises reported BDT 33,265,482, whereas based on the deed documents, the value is BDT 17,516,750.
9. We draw attention to note 12, regarding the Deposits & Other Accounts amount of BDT 34,618,763,914. Based on the company's internal records that we audited, the total balance of deposits and other accounts was BDT 34,955,953,355 which creates a difference of BDT 337,189,441.
10. During our audit, we found amount of BDT 215,921,525 different types of loan installment are recorded in liabilities without adjusting in the loan/advance. As per management explanation, they are still trying to adjust this.
11. In note 13.12, the Company reported BDT 2,153,422,019 as unpaid TDS, VDS, and Excise duty collected and deducted by the company. As per section 143 of Income Tax Act 2023, failure to remit collected or deducted taxes can result in an additional penalty of 2% per month. For this unpaid amount, an additional penalty of BDT 810,419,259 will be incurred, which the company has not recognized in the financial statement as on 31 December 2024.
12. The company has unclaimed divided amount of BDT 21,558,303 for several years without paying to the shareholder or the CMSF which is a noncompliance with the BSEC Notification no. BSEC/CMRRCD/2021-391/20/Admin/121 dated 01 June 2021. The management was also unable to provide us this unpaid amount maintaining in a designated bank account and provide year wise disclosure in the financial statement which is a noncompliance with BSEC directives no. BSEC/CMRRCD/2021-386/03 dated 14 January 2021.
13. Interest income and interest expense could not be confirmed in absence of required information.
14. As disclosed in note 49.4 of the financial statements, we have taken into consideration the findings of a separate Special/Forensic audit conducted by MABS & J Partners, Chartered Accountants appointed by the Hon'ble High Court division of the Supreme Court of Bangladesh, which covered a period from 2009 to 2022.

The report identified extensive and different types of material irregularities. These matters, individually and collectively, indicate a lack of effective internal controls, serious deficiencies in corporate governance, and a



pervasive impact on the reliability of financial reporting of the company. Consequently, we were unable to obtain sufficient appropriate audit evidence to determine whether adjustments might have been necessary in respect of the affected transactions and balances, and whether the financial statements present a true and fair view in accordance with the applicable financial reporting framework.

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

Material Uncertainty related to Going Concern

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

Emphasis of Matters

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

Key Audit Matters

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

Other Information

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

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

Management is responsible for the preparation and fair presentation of the financial statements of the Company in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB), as explained in Note 2.00, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting





unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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



Report on other Legal and Regulatory Requirements

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

- i. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- ii. in our opinion, proper books of accounts as required by law have been kept by the Company so far as it appeared from our examination of those books,
- iii. the balance sheet and profit and loss account together with the annexed notes dealt with by the report are in agreement with the books of account and returns,
- iv. the expenditures incurred were for the purpose of the Company's business for the year;
- v. the financial statements of the Company have been drawn up in conformity with the Financial Institutions Act, 1993 and in accordance with the accounting rules and regulations which were issued by Bangladesh Bank to the extent applicable to the Company;
- vi. adequate provisions have been made for loans, advances, leases, investment and other assets which are, in our opinion, doubtful of recovery and Bangladesh Bank's instructions in this regard have been followed properly;
- vii. the financial statements of the Company conform to the prescribed standards set in the accounting regulations which were issued by Bangladesh Bank after consultation with the professional accounting bodies of Bangladesh;
- viii. the records and statements which were submitted by the branches have been properly maintained and recorded in the financial statements;
- ix. statements sent to Bangladesh Bank have been checked on sample basis and no inaccuracy has come to our attention;
- x. taxes and other duties were collected and deposited in the Government treasury by the Company as per Government instructions found satisfactory based on test checking;
- xi. nothing has come to our attention that the Company has adopted any unethical means i.e. 'window dressing' to inflate the profit and mismatch between the maturity of assets and liabilities;
- xii. proper measures have been taken to eliminate the irregularities mentioned in the inspection report of Bangladesh Bank and the instructions which were issued by Bangladesh Bank and other regulatory authorities have been complied properly as disclosed to us by management;
- xiii. based on our work as mentioned above under the auditor's responsibility section, the internal control and the compliance of the Company is satisfactory, and effective measures have been taken to prevent possible material fraud, forgery and internal policies are being followed appropriately;
- xiv. the Company has complied with relevant laws pertaining to capital, reserve and net worth, cash and liquid assets and procedure for sanctioning and disbursing loans/leases found satisfactory;
- xv. we have reviewed over 80% of the risk weighted assets of the Company and we have spent around 1520 person hours for the audit of the books and accounts of the Company;





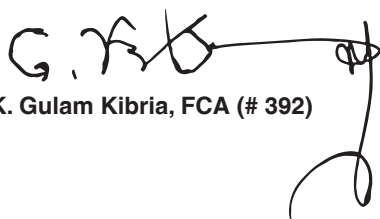
G. KIBRIA & CO.
CHARTERED ACCOUNTANTS



- xvi. the Company has complied with relevant instructions which were issued by Bangladesh Bank relevant to classification, provisioning and calculation of interest suspense;
- xvii. the Company has complied with the 'First Schedule' of Bank Companies Act, 1991 in preparing these financial statements; and
- xviii. all other issues which in our opinion are important for the stakeholders of the Company have been adequately disclosed in the audit report.

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

Date: 30 April 2025
Dhaka, Bangladesh
DVC: 250430039245162076


A.K. Gulam Kibria, FCA (# 392)



People's Leasing And Financial Services Ltd.

Balance Sheet (Solo)

As on December 31, 2024

Particulars	Notes	Amount in Taka	
		Dec 31, 2024	Dec 31, 2023
PROPERTY & ASSETS			
Cash & Cash Equivalents	3		
In Hand (including foreign currencies)		2,71,870	161,389
Balance with Bangladesh Bank and its Agent Banks (including foreign currencies)		1,13,245	2,935,785
		385,115	3,097,174
Balance with other Banks and Financial Institutions	4		
Inside Bangladesh		1,295,806,266	1,680,743,602
Outside Bangladesh		-	-
		1,295,806,266	1,680,743,602
Money at Call and Short Notice	5	-	-
Investments	6		
Government		466,407,210	146,618,850
Other Investment		235,753,423	235,275,830
		702,160,633	381,894,680
Loans & Advances	7		
Lease Receivables		1,012,293,082	1,040,987,532
Advance for Lease Finance			
Direct/ Term Finance		10,045,758,731	11,140,699,768
Secured Overdraft		-	-
Bills Discounted and Purchased		-	-
		11,058,051,813	12,181,687,300
Property, Plant & Equipment	8	52,952,459	56,257,422
Intangible Asset		-	-
Other Assets	9	591,822,611	855,519,900
Non-Banking Assets	10	20,437,914	22,708,793
Total Assets		13,721,616,812	15,181,908,871
LIABILITIES & CAPITAL			
Borrowings from Other Banks, Financial Institutions & Agents	11	4,762,882,810	4,069,554,594
Suspense Account for Interest			
Deposits & Other Accounts	12		
Current deposits & Other Accounts, etc		-	127,304,817
Bills Payable		-	514
Term Deposits		34,553,855,924	32,017,166,340
Other Deposits		64,907,990	65,552,209
		34,618,763,914	32,210,023,880
Other Liabilities	13	17,014,602,484	17,635,549,998
Total Liabilities		56,396,249,207	53,915,128,471
Capital/ Shareholders' Equity			
Paid-up Capital	14	2,854,405,970	2,854,405,970
Statutory Reserve	15	645,578,148	645,578,148
General Reserve	16	-	-
Share Premium	17	1,018,605,234	1,018,605,234
Retained Earnings	18	(47,193,221,747)	(43,251,808,953)
Total Shareholders' Equity		(42,674,632,395)	(38,733,219,601)
Total Liabilities & Shareholders' Equity		13,721,616,812	15,181,908,871

Ref: GKC/24-25/A/708

Balance Sheet (Solo)

As on December 31, 2024

Particulars	Notes	Amount in Taka	
		Dec 31, 2024	Dec 31, 2023
OFF-BALANCE SHEET ITEMS			
Contingent liabilities			
Letters of guarantee	19	-	-
Letters of credit		-	-
Irrevocable letter of credit		-	-
Bills for collection		-	-
Other contingent liabilities		-	-
		-	-
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		-	-
Net Assets Value (NAV) per share		(149.50)	(135.70)


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


Company Secretary (in charge)


Head of Accounts


Managing Director


Director


Director


Chairman

Date: April 30, 2025
Dhaka, Bangladesh
DVC: 250430039245162076


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

People's Leasing And Financial Services Ltd.

Profit & Loss Account (Solo)

For the Year ended December 31, 2024

Particulars	Notes	Amount in Taka	
		Dec 31, 2024	Dec 31, 2023
OPERATING INCOME			
Interest income	20	(26,949,757)	234,656,440
Interest paid on deposits, borrowings etc.	21	(4,272,591,584)	(3,810,852,443)
Net interest income		(4,299,541,341)	(3,576,196,003)
Income from investment	22	5,508,934	8,119,747
Commission, exchange and brokerage	23	-	-
Other operating income	24	132,500,016	53,350,538
Total operating income		(4,161,532,391)	(3,514,725,718)
OPERATING EXPENSES			
Salaries & allowances	25	34,120,502	21,888,848
Rent, taxes, insurance, electricity etc.	26	1,190,023	8,806,619
Legal Expenses	27	9,355,569	4,241,225
Postage, stamp, telecommunications etc.	28	641,096	593,707
Stationery, printing, advertisement etc.	29	2,531,250	2,488,118
Managing director's salary and fees	30	5,541,689	3,759,402
Directors' fees	31	2,332,000	5,687,000
Audit fee	32	506,000	431,250
Loans & advances written-off expenses	33 & 13.1	-	-
Repair, depreciation and amortization of company's assets	34	9,258,514	10,381,653
Other expenses	35	13,309,243	19,346,531
Total operating expenses		78,785,886	77,624,353
Profit before provision		(4,240,318,277)	(3,592,350,071)
Provision for loans & advances			
Specific provision	36	-	(727,942,992)
General provision	36	404,633	(2,730,752)
Provision for diminution in value of investments	36	-	-
Provision for other assets	36	25,121,907	-
Provision for Interest Receivable for Loans & Advances	36	-	283,056,936
Provision for Receivable Against Legal Expenses-Loan/Lease	36	2,00,000	6,139,336
Total provision		25,726,540	(441,477,472)
Profit before taxes		(4,266,044,817)	(3,150,872,599)
Provision for tax			
Current tax	37	1,620,000	27,533,000
Deferred tax	38	(114,032)	260,993
Total provision		1,505,968	27,793,993
Profit after tax		(4,267,550,785)	(3,178,666,592)
Profit available for appropriations		(4,267,550,785)	(3,178,666,592)
Appropriations			
Statutory reserve		-	-
General reserve		-	-
		-	-
Retained surplus		(4,267,550,785)	(3,178,666,592)
Earnings per share (EPS)	40	(14.95)	(11.14)

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


Company Secretary (in charge)


Head of Accounts


Managing Director


Director


Director



Chairman

Date: April 30, 2025

Dhaka, Bangladesh

DVC: 250430039245162076

Ref: GKC/24-25/A/708


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

People's Leasing And Financial Services Ltd.

Statement of Cash Flows (Solo)

For the year ended December 31, 2024

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



Company Secretary (in charge)


Head of Accounts


Managing Director


Director

Director




Chairman

Date: April 30, 2025

Dhaka, Bangladesh

Ref: GKC/24-25/A/708

People's Leasing And Financial Services Ltd.
Statement of Changes in Equity (Solo)

For the Year ended December 31, 2024

Particulars	Paid-up Capital	Statutory Reserve	General Reserve	Share Premium	Retained Earnings	Total
Balance as on January 01, 2024	2,854,405,970	645,578,148	-	1,018,605,234	(43,251,808,953)	(38,733,219,601)
Changes in accounting policy	-	-	-	-	-	-
Restated balance	2,854,405,970	645,578,148	-	1,018,605,234	(43,251,808,953)	(38,733,219,601)
Surplus/(deficit) on account of revaluation of properties	-	-	-	-	-	-
Surplus/(deficit) on account of revaluation of investments	-	-	-	-	-	-
Currency translation differences	-	-	-	-	-	-
Net gains and losses not recognized in income statement	-	-	-	-	-	-
Transfer to statutory reserve	-	-	-	-	-	-
Transfer to general reserve	-	-	-	-	-	-
Net profit for the year	-	-	-	-	-	-
Dividend (bonus shares)	-	-	-	-	(4,267,550,785)	(4,267,550,785)
Appropriations made during the year	-	-	-	-	326,137,991	326,137,991
Balance as on December 31, 2024	2,854,405,970	645,578,148	-	1,018,605,234	(47,193,221,747)	(42,674,632,395)
Particulars	Paid-up Capital	Statutory Reserve	General Reserve	Share Premium	Retained Earnings	Total
Balance as on January 01, 2023	2,854,405,970	645,578,148	-	1,018,605,234	(40,073,142,361)	(35,554,553,009)
Adjustment for previous years loss	-	-	-	-	-	-
Restated balance	2,854,405,970	645,578,148	-	1,018,605,234	(40,073,142,361)	(35,554,553,009)
Surplus/(deficit) on account of revaluation of properties	-	-	-	-	-	-
Surplus/(deficit) on account of revaluation of investments	-	-	-	-	-	-
Currency translation differences	-	-	-	-	-	-
Net gains and losses not recognized in income statement	-	-	-	-	(3,178,666,592)	(3,178,666,592)
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, 2023	2,854,405,970	645,578,148	-	1,018,605,234	(43,251,808,953)	(38,733,219,601)



Company Secretary (in charge)

Date: April 30, 2025
 Dhaka, Bangladesh



Head of Accounts



Managing Director



Director



Chairman

Ref: GKC/24-25/A/708

Liquidity Statement (Solo)

As on December 31, 2024

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



Company Secretary (in charge)

Date: April 30, 2025
Dhaka, Bangladesh


Head of Accounts


Managing Director


Director


Director


Chairman

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

1 General information

1.1 Legal status of the Company

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

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

1.2 Nature of business activities

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

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

2 Basis of preparation and significant accounting policies

2.1 Statement of compliance

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

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

- i. The Companies Act, 1994;
- ii. The Financial Institutions Act, 1993;
- iii. Bangladesh Securities and Exchange Rules, 2020;
- iv. Bangladesh Securities and Exchange Ordinance, 1969;
- v. Listing Regulations, 2015 of Dhaka & Chittagong Stock Exchanges; and
- vi. The Finance Company Act 2023;
- vii. Other applicable laws and regulations.

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

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

Sl.	Nature of Departure	Title of IFRS	Treatment of IFRS	Treatment Adopted as per Bangladesh Bank	Financial or Presentation Effect of the Departure
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 " i n v e s t m e n t activities-Balance with Bangladesh Bank (BB)" as per IAS is shown as cash & cash equivalent.

Sl.	Nature of Departure	Title of IFRS	Treatment of IFRS	Treatment Adopted as per Bangladesh Bank	Financial or Presentation Effect of the Departure
8	Measurement of deferred tax asset	IAS 12 "Income Tax"	A deferred tax asset shall be recognized for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized	As per DFIM circular No. 7 dated 31 July 2011, no deferred tax asset can be recognized for any deductible temporary difference against lease, loans and advances.	At the yearend specific provision against loan and advances amounts to BDT 7,154,904,451 and deferred tax assets of BDT 2,683,089,169 not recognized on this temporary difference as per BB circular.
9	Preparation of "Statement of Cash Flows"	IAS 7 "Statement of Cash Flows"	The Cash flow statement can be prepared using either the direct method or the indirect method. The presentation is selected to present these cash flows in a manner that is most appropriate for the business or industry. The method selected is applied consistently.	As per DFIM Circular-11, Date-23 December 2009, Cash flow statement has been guided by the Bangladesh Bank which is the mixture of direct and indirect method	Presentation of financial statements is not fully aligned with all requirements of the IAS.
10	Measurement of provision for leases, loans and advances (financial assets measured at amortized cost)	IFRS 9 "Financial Instruments"	IFRS: As per IFRS 9 an entity shall recognize an impairment allowance on loans and advances based on expected credit losses. At each reporting date, an entity shall measure the impairment allowance for loans and advances at an amount equal to the lifetime expected credit losses if the credit risk on these loans and advances has increased significantly since initial recognition whether assessed on an individual or collective basis considering all reasonable information, including that which is forward-looking. For those loans and advances for which the credit risk has not 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 DFIM Master circular No. 04 dated 26 July 2021, a general provision at 0.25% to 5% under different categories of unclassified loan (good/standard loans) has to be maintained irrespective of objective evidence of impairment on lease, loans and advances. Loan classification status during the year ended 31 December 2021 has been determined as per DFIM Circular No. 33 dated 19 December 2021 and DFIM Master circular No. 04 dated 26 July 2021. Also, provision for sub-standard investments, doubtful investments and bad losses has to be provided at 20%, 50% and 100% respectively for investments depending on the duration of overdue.	Provision maintained against loans, advances and leases as at 31 December 2021 amounts to BDT 7,154,904,451.

Ref: GKC/24-25/A/708

Sl.	Nature of Departure	Title of IFRS	Treatment of IFRS	Treatment Adopted as per Bangladesh Bank	Financial or Presentation Effect of the Departure
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 771,523,529 from BDT 772,408,566 Resulting in decrease of BDT 885,037 of interest suspense. This amount has been shown as other liabilities in note 13.2.
13	Presentation and disclosure of Financial Statements and Financial Instruments	IFRS-7 "Financial instruments: Disclosures"	IFRS 7 require specific presentation and disclosure relating to all financial instruments.	As per Bangladesh Bank guidelines, financial instruments are categorized, recognized and measured differently from those prescribed in IFRS 7. As such some disclosure and presentation requirements of IFRS 7 have not been made in the accounts.	Presentation of financial statements is not fully aligned with all requirements of IFRS.

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

2.2 Going concern assumption

The Company has an accumulated loss of BDT 47,193,221,747 for the year ended 31 December 2024; Negative equity of BDT 42,674,632,395 as at 31 December 2024; Negative Capital adequacy ratio of (449.48)% as against minimum of 10%; almost 99% of investment of the Company is classified, CRR and SLR requirements could not be met throughout the year and investment disbursement is very poor.

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

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

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

- 1) Formulating a business plan;
- 2) Trying to recover money from borrowers;
- 3) Paying to depositors gradually;
- 4) Trying to 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 30/04/2025.

2.6 Directors' responsibility statement

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

2.7 Risk and uncertainty for use of estimates

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

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

2.8 Compliance of International Financial Reporting Standards (IFRS)

IAS No.	Name of IAS	Applicability	Remarks
IAS 1	Presentation of financial statement	Applied with some departures	Note 2.1
IAS 2	Inventories	N/A	-
IAS 7	Statement of cash flows	Applied with some departures	Note 2.3
IAS 8	Accounting policies, changes in accounting estimates and errors	Applied	-
IAS 10	Events after the balance sheet date	Applied	-
IAS 11	Construction contracts	N/A	-
IAS 12	Income taxes	Applied	-
IAS 14	Segment reporting	N/A	-
IAS 16	Property, plant & equipment	Applied	-
IAS 17	Leases	N/A	-
IAS 18	Revenue	N/A	-
IAS 19	Employee benefits	Applied	-
IAS 20	Accounting of Government grants and disclosure of Government assistance	N/A	-
IAS 21	The effects of changes in foreign exchange rates	Applied	-
IAS 23	Borrowing costs	Applied	-
IAS 24	Related party disclosures	Applied	-
IAS 26	Accounting and reporting by retirement benefit plans	Applied	-
IAS 27	Separate financial statements	N/A	-
IAS 28	Investments in associates and joint venture	N/A	-
IAS 29	Financial reporting in hyperinflationary economics	N/A	-
IAS 31	Interest in joint ventures	N/A	-
IAS 32	Financial instruments: presentation	Applied with some departures	Note 2.1
IAS 33	Earnings per share	Applied	-
IAS 34	Interim financial reporting	Applied	-
IAS 36	Impairment of assets	Applied	-
IAS 37	Provisions, contingent liabilities and contingent asset	Applied	-
IAS 38	Intangible assets	Applied	-
IAS 39	Financial instruments: recognition and measurement	N/A	-
IAS 40	Investment property	N/A	-
IAS 41	Agriculture	N/A	-

IFRS No.	Name of IFRS	Applicability	Remarks
IFRS 1	First-time adoption of international financial reporting standards	N/A	-
IFRS 2	Share based payment	N/A	-
IFRS 3	Business combinations	N/A	-
IFRS 4	Insurance contracts	N/A	-
IFRS 5	Non-current assets held for sale and discontinued operations	N/A	-
IFRS 6	Exploration for and evaluation of mineral resources	N/A	-
IFRS 7	Financial instruments: disclosures	Applied	-
IFRS 8	Operating segments	N/A	-
IFRS 9	Financial instruments	Applied with some departures	Note 2.1
IFRS 10	Consolidated financial statements	N/A	-
IFRS 11	Joint arrangements	N/A	-
IFRS 12	Disclosure of interests in other entities	N/A	-
IFRS 13	Fair value measurement	Applied with some departures	Note 2.1
IFRS 14	Regulatory Deferral Accounts	N/A	-
IFRS 15	Revenue from Contracts with Customers	Applied with some departures	Note 2.1
IFRS 16	Leases	Not applied	Note 2.10.1
IFRS 17	Insurance Contracts	N/A	-

2.9 Consistency

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

2.10 Significant accounting policies

2.10.1 Accounting for leases

The Company has not recognized 'Right of Use' assets and lease liabilities as per IFRS 16. Because, the Company has not this type of lease agreement at the end of the year.

2.10.2 Comparatives and reclassification

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

2.10.3 Accounting for loans

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

2.10.4 Investments

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

Investment in quoted shares

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

Investment in unquoted shares

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

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

2.10.5 Cash and cash equivalents

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

2.10.6 Liquidity statement (asset and liability maturity analysis)

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

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

2.10.7 Fixed assets including land, building, furniture & equipment

The cost of an item of property, plant and equipment is recognized as an asset if, it is probable that the future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. Company's own fixed assets (except Land) are stated at cost less accumulated depreciation and accumulated impairment losses (if any). Land is stated under the revaluation model. The cost of acquisition of any asset comprises of its purchase price and any directly attributable cost of bringing the asset to 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 and charge depreciation of full year. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale (or included in a disposal group that is classified as held for sale) in accordance with IFRS 5 and the date that the asset is derecognized. The rates of depreciation used are as under:

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

2.10.8 Impairment of assets

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

2.10.9 Provision for loans, advances and investments

Provision for loans, advances and investments is an estimate of the losses that may be sustained in the investment portfolio. The provision is based on two principles (1) IAS 37: Provision, Contingent Liabilities and Contingent Assets and (2) Bangladesh Bank guidelines. The methodology for measuring the appropriate level of the provision relies on several key elements, which include both quantitative and qualitative factors as set forth in the Bangladesh Bank guidelines. Provision for loans and advances are made on quarter basis as well as year-end review by management following instructions contained in FID circular No. 08 dated 03 August 2002, FID circular No. 03, dated 03 May 2006 and FID circular No. 06, dated 20 August 2006 issued by Bangladesh Bank. DFIM Master circular No. 04 dated 26 July 2021, is the basis for calculating the provision for loans, advances and investments. Loan classification status during the year ended 31 December 2021 has been determined as per DFIM Circular No. 33 dated 19 December 2021 and DFIM Master circular No. 04 dated 26 July 2021.

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

a) Write off of loans, advances and investments

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

2.10.10 Other receivable

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

2.10.11 Provision for doubtful accounts

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

2.10.12 Provisions and accrued expenses

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

2.10.13 Payment of dividend

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

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

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

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

2.10.14 Revenue recognition

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

a) Interest Income

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

b) Income from leases

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

c) Income from loans, advances

Interest on loans and advances is recognized when interest is accrued. No interest on loans and advances is accounted for as revenue where any portion of capital or interest is in arrears for 03 (three) months and above.

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

d) Dividend income

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

e) Capital gain on sale of shares

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

f) Fee based revenue

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

2.10.15 Bank loans

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

2.10.16 Borrowing costs

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

2.10.17 Interest suspense

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

2.10.18 Contingent liabilities and contingent assets

The company does not recognize contingent liability and contingent assets but discloses the existence of contingent liability in the financial statements in accordance with Bangladesh Accounting Standard 37 “Provisions, Contingent Liabilities and Contingent Assets”. A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by occurrence or non-occurrence of uncertain future events not within the control of the company. The Contingent Liabilities of the Company have been disclosed in notes no 19.

2.10.19 Workers Profit Participation Fund and Welfare Fund

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

2.10.20 Related party disclosure

The Company has entered into transactions with other parties in normal course of business that fall within the definition of related party as per International Accounting Standard 24 “Related Party Disclosure”. The terms of related party transactions are not different from those that could have been obtained from third parties. Related party transactions are disclosed in the note no. 7.10 of this report.

2.10.21 Statutory reserve

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

2.10.22 Earnings per share (EPS)

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

a) Basic earnings per share

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

b) Diluted earnings per share

Diluted earnings per share reflects the potential dilution that could occur if additional ordinary shares are assumed to be issued under securities or contracts that entitle their holders to obtain ordinary shares in future, to the extent such entitlement is not subject to unresolved contingencies. Effect of dilution to weighted average number of ordinary shares is given for potential ordinary shares. At 31 December 2019, there was no scope for dilution and hence no diluted EPS is required to be calculated.

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

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

2.10.23 Income tax

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

Current tax:

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years or are never taxable or deductible. Company's liability for current tax is calculated using tax rates that have been enacted the reporting period. Due to loss for the year 2022, Company provided minimum tax as per Income Tax Ordinance 1984 under section 82C.

Deferred Tax:

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

2.10.24 Employee benefit

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

a) Provident fund

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

b) Gratuity scheme

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

c) Pension fund

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

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

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

d) Group life insurance scheme

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

e) Group hospitalization insurance scheme

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

f) Performance bonus

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

g) Employee personal loan scheme

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

h) Other benefits

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

2.10.25 Policies and objectives adapted for financial risk management

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

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

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

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

a) Credit risk

Credit risk arises when an obligor fails to perform its obligations under a trading or loan contract or when its ability to perform such obligations is impaired. This risk is compounded if the assigned collateral only covers the claim made to the clients or if its value is variable or uncertain. Credit risk does not arise only when a borrower defaults on payment of a loan but also when its repayment capability declines.

Mitigation Policy

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

b) Liquidity risk

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

Mitigation Policy

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

c) Market risk

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

Mitigation Policy

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

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

d) Operational risk

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

Mitigation Policy

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

e) Information and communication technology risk

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

Mitigation Policy

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

f) Strong credit policy formulation by top management:

- The Board of Directors of the company guides and formulates the basic philosophy relating to optimal implementation of strategy to cater to the financial risk and capital deployed for investment.
- The Board of Directors has approved the credit policy for the company where major policy guidelines, growth strategy, exposure limits (for particular sector, product, individual company and group) and risk management strategies have been detailed.

g) Credit manual updated with recent industry information

- Credit policy is regularly updated to cope up with the changing global, environmental and domestic economic scenarios.

h) Thorough credit approval process:

- **Meeting regulatory requirements and industry best practices:** All credit facility comply regulatory requirements including Financial Institution Act and Bangladesh Bank guidelines & circulars as amended from time to time. The company considers Guidelines for managing core risks of financial institutions issued by the Country's central bank, Bangladesh Bank; vide FID circular no. 10 dated September 18, 2005 for management of risks.

i) Multilayer credit evaluation process:

To ensure both speedy service and mitigation of credit risk, the approval process is maintained through a multilayer system. Depending on the size of the loan, a multilayer approval system is designed. As smaller loans are very frequent and comparatively less risky, lower sanctioning authority is set to improve the turnaround time and associated risk. Bigger loans require more scrutiny as the associated risk is higher. So sanctioning authority is higher as well.

j) Rigorous due diligence process followed

- The Company downloads credit report from the credit information bureau (CIB) of Bangladesh Bank. The report is scrutinized by top management to understand the liability condition and repayment behavior of the client.
- The Company takes banker's opinions from client's banks as well as suppliers' and buyers' opinion to understand the market position and reputation of our proposed customers.
- The Company discourages financing to low net worth or highly leveraged customer; who might jeopardize their repayment commitment or even in worse situation may face liquidity problem.
- The Company evaluates customer repayment performance before providing credit facility though financial analysis, ensure adequate insurance coverage for funded assets, seeking external legal opinion and taking collateral security to reduce risk.
- The Company provides credit facility to productive and legitimate business activities, which are financially viable with strong focus on cash flow generation, have market demand and socially desirable; and will not invest for unproductive purposes or speculative ventures.

k) Constant credit monitoring and recovery process

- **Existence of control mechanism for early warning:** Performance of loans is regularly monitored to trigger early warning system to address the loans and advances whose performance show any deteriorating trend. It enables the company to grow its credit portfolio with ultimate objective to protect the interest of stakeholders.
- **Continuous monitoring by top management:** The Management Credit Committee (MCC) regularly meets to review the market and credit risk related to lending and recommend and implement appropriate measures to counter associated risks. The MCC critically reviews projects considering the current global economic situation and its probable impact on the project.
- **Centralized Credit Administration:** The Company has already established a centralized credit risk management department and a process manual. The Credit Risk Management (CRM) department regularly monitors and follows up credit risk related matter and recommend and implement appropriate measures to counter associated risk. The CRM time to time reviews projects from risk point of view and assists the management in creating a high-quality credit portfolio and maximize return from risk-based assets.

2.10.26 Basel II & its implementation

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

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

2.10.27 Reporting period

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

2.10.28 Offsetting

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

2.10.29 Consolidated Financial Statements

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

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

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

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

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

Amount in Taka	
Dec 31, 2024	Dec 31, 2023

3 Cash

Cash in hand (Note 3.1)
Balance with Bangladesh Bank and its agent bank(s) (Note 3.2)
Total

271,870	161,389
113,245	2,935,785
385,115	3,097,174

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 1.5% on Total Term Deposits which is preserved in current account maintained with Bangladesh Bank in compliance with FID circular no. 6 dated 6th November, 2003 and FID Circular No. 02 dated 10th November, 2004. Total Term Deposits means Term or Fixed Deposits, Security Deposit against Lease/Loan and other Term Deposits received from individuals and institutions (except Banks and Financial Institutions).

Required reserve
Actual reserve held
Surplus / (Deficit)

329,783,723	309,378,195
113,245	2,935,785
(329,670,478)	(306,442,410)

3.4 Statutory Liquidity Reserve (SLR)

SLR has been calculated at the rate of 5% of total liabilities, including CRR of 1.5% on Total Term Deposits. SLR is maintained in liquid assets in the form of Cash in Hand, balance with Bangladesh Bank, balance with other Banks & Financial Institutions, Investment at Call, unencumbered Treasury Bills, Prize Bond, Savings Certificates & any other assets approved by Bangladesh Bank.

Required reserve
Actual reserve held (note-3.4.1)
Surplus / (Deficit)

1,330,250,216	1,067,821,490
956,829,224	1,026,725,709
(373,420,992)	(41,095,781)

3.4.1 Actual Reserve held for SLR

Cash in hand
Balance with Bangladesh Bank and its agent bank(s)
Balance with other banks and financial institutions

271,870	161,389
113,245	2,935,785
956,444,109	1,023,628,535
956,829,224	1,026,725,709

Amount in Taka	
Dec 31, 2024	Dec 31, 2023

4 Balance with other Banks and Financial Institutions in Bangladesh

Current Accounts & Short Term Deposits:

Al-Arafa Islami Bank Ltd.	-	7,757
BDBL	15,465	15,465
NCC Bank Ltd.	193,053	
One Bank Ltd.	7,437	
Prime Bank Ltd.	62,568	
Shahjalal Islami Bank Ltd.	16,187	
The Farmers Bank Ltd.	14,346	
Bank Asia	7,476	7,478
UCBL	60,022	
Sub-Total	376,554	30,700

Current Accounts & Short Term Deposits:

Al-Arafa Islami Bank Ltd.	5,781	33,216,265
Dutch Bangla Bank Ltd.	29,372,133	
EXIM Bank Ltd.	46,425	46,425
ICB Islamic Bank Ltd.	277	277
Janata Bank Ltd.	16,910	16,910
Mutual Trust Bank Ltd.	28,989	141,741
Midland Bank Ltd.	-	4,144
National Bank Ltd.	49,238	49,238
NRB Commercial Bank Ltd.	1,434	1,434
Prime Bank Ltd.	761,482	
Shahjalal Islami Bank Ltd.	81,173	
Social Islami Bank Ltd.	83,038	
NCC Bank Ltd.	-	193,053
One Bank Ltd.	-	58,111,717
Prime Bank Ltd.	-	824,050
Shahjalal Islami Bank Ltd.	-	99,546
Social Islami Bank Ltd.	-	83,039
Southeast Bank Ltd.	118,388	118,388
South Bangla Agricultural Credit Bank Ltd.	234,602	234,602
The Farmers Bank Ltd.	-	14,345
UCBL	308	
Midland Bank Ltd.	4,144	
One Bank Ltd.	95,054,241	
Bank Asia	2	
MTBL	112,752	60,330
Sub-Total	125,971,317	93,215,504

Fixed Deposits Receipts (FDR):

Shimanto Bank Ltd.	60,000,000	258,039,003
Trust Bank Ltd.	50,000,000	400,000,000
One Bank Ltd.	130,000,000	100,000,000
City Bank Ltd.	50,000,000	
Prime Bank Ltd.	50,000,000	
International Leasing	359,738,339	359,738,339
Premier Leasing	469,720,056	469,720,056
Sub-Total	1,169,458,395	1,587,497,398

Grand Total

1,295,806,266	1,680,743,602
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Note: 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.

		Amount in Taka	
		Dec 31, 2024	Dec 31, 2023
4.1	Maturity grouping of Balance with other Banks and Financial Institutions		
	On demand	125,971,317	100,000,000
	Less than 3 months	73,000,000	401,258,383
	More than 3 months but less than 1 year	132,654,000	350,000,000
	More than 1 year but less than 5 years	964,180,949	469,720,056
	Above 5 years	-	359,765,163
	Total	1,295,806,266	1,680,743,602
5	Money at Call and Short Notice		
	Banking Companies	-	-
	Non-Banking Financial Institutions	-	-
	Total	-	-
6	Investments		
	A. Government Securities		
	Treasury Bill	466,407,210	146,618,850
	National Investment Bond	-	-
	Bangladesh Bank Bill	-	-
	Government Notes/ Bond	-	-
	Prize Bond	-	-
	Others	-	-
	Sub Total	466,407,210	146,618,850
	B. Other Investments		
	Preference Shares	-	-
	Debenture and Bond	-	-
	Other investments (Note 6.1)	235,753,423	235,275,830
	Gold etc.	-	-
	Sub Total	235,753,423	235,275,830
	Total investments (A+B)	702,160,633	381,894,680
6.1	Other Investments		
	Quoted Investments	31,778,013	31,300,420
	Unquoted Investments (Note 6.1.1)	203,975,410	203,975,410
		235,753,423	235,275,830
6.1.1	Unquoted Investments		
	E-SECURITIES LTD	69,978,600	69,978,600
	GMG Airlines Ltd. Placement	50,000,000	50,000,000
	Energy prima Ltd. Placement	13,585,000	13,585,000
	MEB Poy Ltd. Placement	5,000,000	5,000,000
	Scholastica Ltd. Placement	54,600,000	54,600,000
	People's Investment Ltd.	5,100,000	5,100,000
	CDBL	5,711,810	5,711,810
	Sub Total	203,975,410	203,975,410
Note: Provision has made of Tk. 19,82,63,600/- against investment in unquoted shares except investment in CDBL.			
6.2	Maturity grouping of Investments		
	On demand	5,000,000	31,300,420
	Less than 3 months	8,000,000	146,618,850
	More than 3 months but less than 1 year	225,000,000	75,690,410
	More than 1 year but less than 5 years	380,400,000	128,285,000
	Above 5 years	83,760,633	-
	Total	702,160,633	381,894,680

7 Loans & Advances**Inside Bangladesh:**

Net Lease Receivables

Direct/ Term Finance

Secured Overdraft

Sub Total**Outside Bangladesh:**

Direct/ Term Finance

Secured Overdraft

Sub Total**Total**

Amount in Taka	
Dec 31, 2024	Dec 31, 2023

1,012,293,082	1,040,987,532
10,045,758,731	11,140,699,768
-	-
11,058,051,813	12,181,687,300
-	-
-	-
-	-
11,058,051,813	12,181,687,300

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

26,251,000	121,816,873
105,000,000	243,633,746
680,000,000	974,534,984
6,350,000,000	2,923,604,952
3,896,800,813	7,918,096,745
11,058,051,813	12,181,687,300

7.2 Sector/ Industry-wise Loans & Advances**Agricultural sector****Industrial sector:**

Textiles

Garments & Knitwear

Jutes & jute related goods

Food items producer/processing industry

Lather and lather goods

Iron, steel and engineering

Chemicals and pharmaceuticals

Electronics and electrical goods

Power, gas, water and sanitary

Transport and communication

Real estate and housing

Merchant banking

Trade & Commerce

Others

Total

6.00%	663,483,109	783,282,493
0.05%	5,529,026	6,090,844
1.16%	128,273,401	141,307,573
0.00%	-	118,162,367
0.70%	77,406,363	103,544,342
0.00%	-	20,708,868
2.00%	221,161,036	248,506,421
0.01%	1,105,805	107,198,848
0.00%	-	4,872,675
0.90%	99,522,466	392,250,331
2.70%	298,567,399	892,917,679
5.85%	646,896,031	635,884,077
16.00%	1,769,288,290	1,365,567,146
36.00%	3,980,898,653	1,103,660,869
28.63%	3,165,920,234	6,257,732,766
100.00%	11,058,051,813	12,181,687,300

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

Dhaka Division

Chittagong Division

Khulna Division

Sub Total**Outside Bangladesh****Total**

99.90%	11,056,946,008	12,168,896,528
0.01%	1,105,805	1,218,169
0.10%	-	11,572,603
100.00%	11,058,051,813	12,181,687,300
-	-	-
100.00%	11,058,051,813	12,181,687,300

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

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

Amount in Taka	
Dec 31, 2024	Dec 31, 2023

7.5 Particulars of Loans & Advances

1. Loans & advances considered good in respect of which the company is fully secured	2,215,685,591	2,284,300,000
2. Loans & advances considered good against which the company holds no security others than the debtor's personal guarantee	9,004,014,512	9,173,301,000
3. Loans & advances considered good secured by the personal undertaking of one or more parties in addition to the personal guarantee of the debtors	-	-
4. Loans & advances adversely classified for which provision has not been maintained	-	-
5. Loans & advances due by the directors or officers of the company or any of them either separately or jointly with any other persons	3,731,580	938,654
6. Loans & advances due from companies of firms in which the directors of the company have interest as directors, partners or managing agent or in case of private companies as members	-	-
7. Maximum total amount of loan & advances including temporary loans & advances made at any time during the year to directors of managers or officers of the company or any of them either separately or jointly with any other person	-	-
8. Maximum total amount of loans & advances including temporary loans & advances granted during the year to the companies of firms in which the directors of the company have interest as directors, partners of managing agents or in the case of private companies, as members	-	-
9. Due from other bank/FI companies	-	-
10. Information in respect of classified loans and advances:		
a. classified loans for which interest/profit not credited to income	-	-
b. Amount of provision kept against loans classified as bad/loss as at the balance sheet date	-	-
c. Interest credited to interest suspense account	-	-
11. Loans & advances written off:		
Opening Balance	722,892,579	722,892,579
a. Amount written-off during the year	-	-
b. Amount of collection from written-off during the year	23,496,635	-
c. Balance written-off loans and advances yet to be recovered	699,395,944	722,892,579
d. Amount of written off loans for which law suits have been filed	720,998,000	722,892,579

7.6 Bills Discounted and Purchased

Inside Bangladesh	-	-
Outside Bangladesh	-	-
Total	-	-

7.7 Maturity grouping of Bills Discounted and Purchased

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

Amount in Taka	
Dec 31, 2024	Dec 31, 2023

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

Standard	136,753,000	69,153,000
Special Mention Account(SMA)	2,516,000	4,552,000
	139,269,000	73,705,000
Classified		
Substandard(SS)	-	1,403,000
Doubtful (DF)	1,293,000	1,834,000
Bad & loss(BL)	10,917,489,813	12,104,745,300
	10,918,782,813	12,107,982,300
	11,058,051,813	12,181,687,300

(B) Classification and provisioning of Loan , Lease and Advance : See Annexure 2

7.9 List of Ex-Director Loan

1) Shumsul Alamin Group	1,189,493,216	1,179,009,690
2) Motiur Rahman	852,040,847	852,040,877
3) Biswajit Kumar Roy	140,335,790	145,142,563
4) KHB Securities Limited	2,515,428	4,806,773
	2,184,385,281	2,180,999,903

7.10 Related Party Transaction

PLFS Investment Ltd.

Investment in Share Capital of PLFS Investment Ltd.	200,445,000	200,445,000
Loan & Advances	1,662,343,115	1,662,343,115
BO Accounts Balance	(6,633,110)	(5,918,410)
Interest on Loans & Advances	-	158,378,688
Excise Duty	-	25,000

Note: Loan given to subsidiary company (PLFS Investment Ltd.) amount in Tk.1,055,332,974 from 2009 to 2015 (Present outstanding on 31.12.2024 amount Tk. 1,837,901,114. Details are described at note 2.10.29)

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

Own Finance

A. Cost

Company Premises	33,265,482	33,265,482
Motor Car & Vehicle	11,860,360	11,860,360
Computer	24,034,392	21,341,645
Telephone System	1,756,858	1,756,858
Air Cooler	7,799,314	7,558,314
Refrigerator	209,002	209,002
Generator	3,343,467	3,343,467
Office Equipment	5,383,315	5,031,481
Furniture & Fixtures	40,090,755	39,923,637
Crockery	46,606	39,106
Software	16,747,004	16,747,004
Total	144,536,555	141,076,356

B. Less: Accumulated Depreciation

Company Premises

Motor Car & Vehicle

Computer

Telephone System

Air Cooler

Refrigerator

Generator

Office Equipment

Furniture & Fixtures

Crockery

Software

Total**Amount in Taka****Dec 31, 2024****Dec 31, 2023**

27,101,322

26,416,415

10,612,305

10,300,291

19,078,860

17,839,977

1,404,460

1,365,305

1,648,784

1,325,072

143,505

136,228

635,259

334,347

4,574,821

4,372,697

20,096,575

19,066,746

37,981

35,824

6,250,224

3,626,032

91,584,096**84,818,934****C. Written Down Value at the end of the year (A-B)****52,952,459****56,257,422****8.1 Intangible asset - computer softwares**

Cost

Less: Accumulated amortization

Net book value at the end of the year

-

-

-

9 Other assets

Investment in shares of subsidiary companies:

Advance Vat/ Tax paid

Interest receivable (FDR)

Advance for land purchase

Stationeries & Stamp in hand

Advance for Rent & Advertisement

Interest Receivable for loans & Advances

Receivable against legal expenses-Loan/Lease

Other prepayment

Security deposit

Deferred tax assets (note 9.1)

Total

200,445,000

200,445,000

283,430,199

262,216,864

58,306,235

58,306,235

25,121,907

30,121,907

63,050

30,550

1,267,584

1,202,584

-

283,056,936

12,561,682

12,278,672

10,626,954

7,637,951

-

223,200

-

-

591,822,611**855,519,899**

9.1 Deferred tax assets/(liabilities)

	Amount in Taka	
	Dec 31, 2024	Dec 31, 2023
Opening Balance	(3,732,228)	(3,471,235)
Deferred Tax Expenses	(114,032)	260,993
Less: Adjustment during the year		
Total	(3,618,196)	(3,732,228)

Deferred Tax Liability is arrived at as follows:

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

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

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

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

Assets	Carrying amount at BS date (31 Dec 2023)	Tax base	Temporary Difference (Taxable)/Deductible
Fixed Assets net of depreciation	56,257,422	47,475,710	(8,781,712)

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

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

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

10 Non-Banking Assets

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

A. Cost:

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

B. Depreciation:

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

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

20,437,914	22,708,793
-------------------	-------------------

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

11 Borrowings from other Banks, Financial Institutions & Agents**Inside Bangladesh:**

Refinance against SME loan from Bangladesh Bank

From other scheduled Banks (note - 11.1)

Total**Outside Bangladesh****Total****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.

Social Islami Bank Ltd.

Standard Bank Ltd.

United Commercial Bank Ltd.

Uttara Bank Ltd.

NRB Commercial Bank Ltd.

Mercantile Bank Ltd.

Modhumoti Bank Ltd.

Premier Bank Ltd.

UAE

Sub-Total**Overdraft and money at call short notice**

Mutual Trust Bank Ltd.

SBAC

Mercentile Bank

Short Term Loan

Janata Bank Ltd.

Sonali Bank Ltd.

Agrani Bank Ltd.

Sub-Total**Grand Total****Security against borrowings from other banks, financial institutions and agents**

Secured

Unsecured

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

Payable on demand

Up to 1 month

Over 1 month but within 3 months

Over 3 month but within 6 months

Over 6 months but within 1 year

Over 1 year but within 5 years

Over 5 years

Total

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

		Amount in Taka	
		Dec 31, 2024	Dec 31, 2023
12	Deposits & other accounts		
	Deposits from banks and financial institutions	12,437,405,140	11,341,346,660
	Deposits from individuals and institutions	22,116,450,784	20,675,819,680
	Sub-Total	34,553,855,924	32,017,166,340
	Other deposit	64,907,990	65,552,209
	Grand Total	34,618,763,914	32,082,718,549
12.1	Term Deposits		
These represent deposits from individuals and institutions under the Company's term deposit schemes for a period of not less than three months.			
	Deposits from banks and financial institutions	12,437,405,140	11,341,346,660
	Deposits from individuals and institutions	22,116,450,784	20,675,819,680
		34,553,855,924	32,017,166,340
12.2	Maturity grouping of deposits & other accounts		
	Payable on demand	-	-
	Up to 1 month	12,500,000	100,000,000
	Over 1 month but within 6 months	41,500,000	200,000,000
	Over 6 months but within 1 year	190,000,000	500,000,000
	Over 1 year but within 5 years	5,800,000,000	9,500,000,000
	Over 5 years but within 10 years	28,574,763,914	21,782,718,549
	Over 10 years	-	-
	Total	34,618,763,914	32,082,718,549
12.3	Related party transactions:		
	Name of Directors	Status	
	Mr. Md. Atiqur Rahman	Director	
		13,505,131	14,005,131
Note: Mr. Md. Atiqur Rahman and his family members have been maintaining 8 (eight) term deposit accounts.			
13	Other Liabilities		
	Provision for Lease, loans and advances (note 13.1)	8,276,931,213	8,276,526,580
	Provision for Investment Fluctuation in Shares (note 13.2)	198,263,600	198,263,600
	Provision for corporate income tax (note 13.3)	196,786,921	195,192,494
	Provision for Gratuity (note 13.4)	25,887,697	25,997,623
	Provision for FDR(note13.5)	887,764,630	887,764,630
	Provision for TDS (note 13.6)	22,022,848	22,022,848
	Provision for Equity Investment in Subsidiary (note 13.7)	200,445,000	200,445,000
	Interest Suspense Account (note 13.8)	2,599,070,280	2,171,985,853
	Liabilities for financial expenses (note13.9)	2,026,506,476	1,653,576,415
	Liabilities for sundry creditors (note13.10)	249,555,572	626,310,472
	Liabilities for accrued expenses(note13.11)	113,824,376	129,782,156
	Liabilities for TDS/VDS/ED(note13.12)	2,153,422,019	1,826,235,900
	Provision for Interest Receivable for Loans & Advances (note 13.13)	-	283,056,936
	Provision for Receivable Against Legal Expenses-Loan/Lease (note 13.14)	6,339,336	6,139,336
	Provision for other assets	25,121,907	-
	Dividend Payable	21,558,303	21,558,303
	Deffered Tax Liabilities (note-9.1)	3,618,196	3,732,228
	Client Receipt Account	-	161,652,185
	Receivable Suspense Account	-	938,000,009
	Liab. For advance rent	851,000	851,000
	Balance with BO accounts	6,633,110	5,918,410
	Staff Incentive	-	538,020
	Total	17,014,602,484	17,635,549,998

13.1 Provision for Lease, loans and advances**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

Amount in Taka	
Dec 31, 2024	Dec 31, 2023
8,276,526,580	9,007,200,324
-	(730,673,744)
-	-
404,633	-
-	-
-	-
8,276,931,213	8,276,526,580

13.2 Provision for diminution in value of Investments**Opening Balance**

Add: Provision during the year

Less: Provision no longer required

Closing Balance

198,263,600	198,263,600
-	-
-	-
198,263,600	198,263,600

13.3 Provision for corporate income tax**Opening Balance**

Add: Provision made during the year

Less: Settlement during the year

Closing Balance

195,192,494	167,659,494
1,620,000	27,533,000
25,573	-
196,786,921	195,192,494

13.4 Provision for Gratuity**Opening Balance**

Add: Provision during the year

Less: Adjustment

Closing Balance

25,997,623	25,510,708
-	486,915
109,926	-
25,887,697	25,997,623

13.5 Provision fro FDR**Opening Balance**

Add: Addition during the year

Less: Adjustment during the year

Closing Balance

887,764,630	887,764,630
-	-
-	-
887,764,630	887,764,630

13.6 Provision fro TDS**Opening Balance**

Add: Addition during the year

Less: Adjustment during the year

Closing Balance

22,022,848	22,022,848
-	-
-	-
22,022,848	22,022,848

13.7 Provision for Equity Investment in Subsidiary**Opening Balance**

Add: Addition during the year

Less: Adjustment during the year

Closing Balance

200,445,000	200,445,000
-	-
-	-
200,445,000	200,445,000

13.8 Interest Suspense Account**Opening Balance**

Add: Addition during the year

Less: Adjustment during the year

Closing Balance

2,171,985,853	2,126,052,211
427,084,427	45,933,642
-	-
2,599,070,280	2,171,985,853

Amount in Taka	
Dec 31, 2024	Dec 31, 2023

13.09 Liabilities for financial expenses

Accrued Financial Expenses for Borrowings	176,938,171	148,471,505
Accrued Financial Expenses for Deposits & Other Accounts	1,206,741,644	894,998,896
Accrued Financial Expenses for Deposits from Banks/Financial Institutions	642,826,661	610,106,014
	2,026,506,476	1,653,576,415

13.10 Liabilities for sundry creditors

Liabilities for Sundry Deposit	174,812,033	92,135,555
Liability for Supplies	7,299,797	7,299,797
Liabilities for Sundry Deposit against Loan/Lease	24,168,506	42,040,928
Lease Obligations	-	473,060
Liabilities for Audit Fees	454,250	1,437,500
Loan/Lease Part Collection	16,940,986	23,165,088
Payable Suspense Account	-	419,197,998
Liab. Sundry Deposit against Non Banking Assets	25,880,000	25,880,000
Interest Receivable (Suspense) for loans & Advances	-	14,680,546
	249,555,572	626,310,472

13.11 Liabilities for accrued expenses

Provision for Suppliers/Creditors	103,106,176	104,106,176
Provision Utilities Expenses	-	161,328
Provision for Salaries & Allowances	10,718,200	10,910,158
Liabilities for PF Subscription	-	525,815
Liabilities for PF Contribution	-	584,735
Accounts Payable Account Deposit	-	13,493,944
	113,824,376	129,782,156

13.12 Liabilities for TDS/VDS/ED

Liability for AIT deducted at Source	2,061,201,910	1,734,254,389
Liability for VAT deducted at Source	616,277	275,016
Liability for Excise Duty Deduction	91,603,832	91,706,495
	2,153,422,019	1,826,235,900

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

13.13 Provision for Interest Receivable for Loans & Advances

Opening Balance	283,056,936	-
Add: Addition during the year	-	283,056,936
Less: Adjustment during the year	283,056,936	-
Closing Balance	-	283,056,936

13.14 Provision for Receivable Against Legal Expenses-Loan/Lease

Opening Balance	6,139,336	-
Add: Addition during the year	200,000	6,139,336
Less: Adjustment during the year	-	-
Closing Balance	6,339,336	6,139,336

Note: Provision for other assets include provision against advance for land purchase.

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

Classification of shareholders by holding

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

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

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

14.1 Capital adequacy

The company is subject to the regulatory capital requirement as stipulated in DFIM circular no. 05 dated 24 July, 2011 of Bangladesh Bank. The capital requirement for Non- banking financial institution is neither ratio-based nor risk based. The regulatory authority requires a Non- banking Financial Institutions to have minimum paid up capital of Tk 1,000.00 million.

Paid up capital

Required capital as per Bangladesh Bank

Excess/(Shortage) capital

2,854,405,970

1,000,000,000

1,854,405,970

2,854,405,970

1,000,000,000

1,854,405,970

Amount in Taka	
Dec 31, 2024	Dec 31, 2023

Capital Adequacy Ratio (CAR)

As per DFIM circular No. 14 dated December 28, 2011 and articulated 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
Statutory reserve
Non-repayable share premium account
General reserve
Retained earnings
Minority interest in subsidiaries
Non- cumulative irredeemable preference shares
Dividend equalization account
Other (if any item approved by Bangladesh Bank)

2,854,405,970	2,854,405,970
645,578,148	645,578,148
1,018,605,234	1,018,605,234
-	-
(47,193,221,747)	(40,073,142,361)
-	-
-	-
-	-
(42,674,632,395)	(35,554,553,009)

Sub-Total**Deductions from tier-1 (Core capital)**

Book value of good will and any value of any conting entassets 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**

(42,674,632,395)	(35,554,553,009)
-------------------------	-------------------------

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)

1,300,213	151,673,950
-	-
-	-
-	-
-	-
1,300,213	151,673,950
-	-
1,300,213	151,673,950

Sub-Total

Deductions, if any

Total eligible Tier-2 capital

1,300,213	151,673,950
------------------	--------------------

A Total capital

(42,673,332,182)	(35,402,879,059)
-------------------------	-------------------------

B Total risk weighted asset

9,493,900,000	9,040,500,000
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C Required capital

949,390,000	1,000,000,000
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D Surplus / (Deficit)

(43,622,722,182)	(36,402,879,059)
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Capital adequacy ratio (CAR)

-449.48%	-391.60%
-----------------	-----------------

On core capital (Tier-1)

-449.50%	-393.28%
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On supplementary capital (Tier-2)

0.01%	1.68%
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		Amount in Taka	
		Dec 31, 2024	Dec 31, 2023
15 Statutory reserve			
Opening balance		645,578,148	645,578,148
Add: Addition during the year		-	-
Closing balance		645,578,148	645,578,148
Note: The company has to transfer 20% of net profit to statutory reserve as per the Financial Institutions			
16 General reserve			
Opening Balance		-	-
Add: Addition during the year		-	-
Closing balance		-	-
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		(43,251,808,953)	(40,073,142,361)
Net profit during the year		(4,267,550,785)	(3,178,666,592)
Adjustment for During the year		326,137,991	-
Closing balance		(47,193,221,747)	(43,251,808,953)
Note: The company was liquidation verge from 14-7-2-19 under the Hon'ble Hige Court order and non -business period was late of 2023. So interest charge on any borrowing during this period is not justified and hinders for revival of the Company from liquidation verge. The Company prayed to Bangladesh Bank (BB) for relief from charging interest on term deposits and any borrowings as per decision of the 55th meeting of board of directors and interest amount around Tk. 1,300 (Thirteen Hundred) Crore only upto 31 december 2022. Bangladesh bank has given advise for seeking Hon'ble Court decision regarding this waiver. The company applied to Hon'ble Court for waiving interest on term deposit and borrowings. if the company get relief from charging interest on any borrowing and deposits then it would be adjusted with retained earnings and respective liabilities will be reduced by subtracting charged interest.			
19 Contingent liabilities & capital expenditure commitments			
Letter of guarantee:			
Money for which the company is contingently liable in respect of guarantees given favoring:			
Directors		-	-
Government		-	-
Banks and other financial institutions		-	-
Others		-	-
Sub Total		-	-
Letter of credit:			
For import of equipments under lease finance		-	-
Sub-Total		-	-
Total		-	-
20 Interest income			
Interest on Term Finance		(74,490,531)	61,376,684
Income from Lease Finance		317,216	380,209
Interest on Home Loan		6,105,513	3,654,144
Interest on Margin Loan		12,776,731	10,866,714
Interest on Time Loan		27,136,608	-
Interest on Auto Loan		535,530	-
Interest on Loan Against Deposit		(188)	-
Interest on Short Term Loan		669,364	158,378,689
Total		(26,949,757)	234,656,440
21 Interest paid on deposits, borrowings etc.			
Interest on deposits			
Interest on Term Deposit		3,550,832,701	3,677,185,603
Interest on MDS		-	-
		3,550,832,701	3,677,185,603
Interest on borrowings			
Interest on Call Loan		28,466,667	28,388,889
Interest on Term Loan		104,268,293	105,277,951
Interest on Overdraft		589,023,923	-
Interest on Short Term Loan		-	-
Other		-	-
		721,758,883	133,666,840
Interest adjustment		-	-
Total		4,272,591,584	3,810,852,443

		Amount in Taka	
		Dec 31, 2024	Dec 31, 2023
22	Income from investment		
	Income from Investment/Capital gain	-	-
	Dividend income	5,508,934	8,119,747
	Total	5,508,934	8,119,747
23	Commission, exchange and brokerage		
	Commission on Bank Gurantee	-	-
	Total	-	-
24	Other operating income		
	Bank interest (SND/STD)	8,249,716	13,478,056
	Interest on FDR	97,951,867	38,178,636
	Profit from sale of assets	7,000	376,850
	Rental income	2,144,750	1,096,000
	Interest Suspense Home Loan	61,423	-
	Written off Loan Recovery	23,496,635	-
	Miscellaneous income	588,625	220,996
	Total	132,500,016	53,350,538
Note: Miscellaneous income includes recovery from written-off loan, loan processing fees & other.			
25	Salaries & allowances		
	Salary	27,937,255	18,803,919
	Bonus to Staff	3,808,571	2,261,727
	Company's Contribution to Employees Provident Fund	1,208,504	-
	Gratuity Expenses	1,166,172	823,202
	Total	34,120,502	21,888,848
26	Rent, taxes, insurance, electricity etc.		
	Office Rent	-	7,545,428
	Tax, Rates	72,171	72,171
	Insurance premium	-	-
	Electricity	1,117,852	1,189,020
	Total	1,190,023	8,806,619
27	Legal expenses		
	Legal fees	9,355,569	4,241,225
	Stamp & Court Fees	-	-
	Total	9,355,569	4,241,225
28	Postage, stamp, telecommunications etc.		
	Postage	20,767	3,684
	Telephone bill	-	22,874
	Fax & Internet	620,329	567,149
	Total	641,096	593,707
29	Stationery, printing, advertisement etc.		
	Stationery & Printing	857,723	757,000
	Advertisement	1,673,527	1,731,118
	Total	2,531,250	2,488,118
30	Managing director's salary and fees		
	Salary	5,541,689	3,759,402
	Festival Bonuses	-	-
	Total	5,541,689	3,759,402
31	Directors' Fees		
	Directors' fees	2,332,000	5,687,000
	Others Benefits	-	-
	Total	2,332,000	5,687,000

Directors' fees for attending each board meeting are TK. 8,000.00 (Eight Thousand) as per Bangladesh Bank DFIM Circular. No. 13, dated 30 November, 2015. Directors have not been paid any fees/remuneration for any special services rendered. Directors' fees for attending each board meeting are TK. 25,000.00 (Twenty Five Thousand) for Chairman and Tk. 20,000/- (Twenty Thousand) only for Directors as per court order dated 15.11.2023 FI Matter#1/2019.

		Amount in Taka	
		Dec 31, 2024	Dec 31, 2023
32	Audit fee	506,000	431,250
33	Loans & advances written-off		
	Loans & advances written-off	-	-
	Less: provision	-	-
	Interest waived	-	-
	Total	-	-
34	Repair, depreciation and amortizations of company's assets		
	Repair of company's assets:		
	Repair & Maintenance	201,100	-
	Depreciation for Company Premises	684,907	761,007
	Depreciation for Motor Car & Vehicle	312,014	390,017
	Depreciation for Computer	1,238,883	890,528
	Depreciation for Telephone System	39,155	43,508
	Depreciation for Air Cooler	323,712	387,885
	Depreciation for Refrigerator	7,277	8,086
	Depreciation for Generator	300,912	334,347
	Depreciation for Office Equipment	202,124	164,697
	Depreciation for Furniture & Fixture	1,051,200	1,597,312
	Depreciation for Crockries	2,157	821
	Sub Total	4,363,441	4,578,208
	Depreciation of company's assets		
	Non-banking asset	2,270,879	2,523,199
	Sub Total	2,270,879	2,523,199
	Amortization of Software		
	Computer software	2,624,194	3,280,246
	Total repair and depreciation of company's assets	9,258,514	10,381,653
35	Other expenses		
	Traveling & Conveyance Expenses	515,037	381,402
	Entertainment	794,363	562,230
	Security Services	420,490	405,724
	Meeting Expenses	91,492	215,656
	Fees & Subscription	3,550,000	700,000
	Office Maintenance	3,744,293	2,452,589
	Fuel ,Oil & Lubricant	139,359	739,618
	Bank charges & commission	790,824	324,321
	Excise duty	655,575	729,972
	RJSC Fees & Expenses	500,526	-
	CDBL charges	173,323	219,100
	Trade Licence	17,820	27,870
	BO Accounts Charge	1,852,172	2,623,496
	AGM Expenses	412,427	1,375,866
	Recruitment Expenses	242,932	-
	Business Development Expenses	40,515	-
	Training Expenses	8,000	-
	Miscellaneous	225,879	8,588,687
	Total	13,309,243	19,346,531
36	Provision for loans & advances		
	Provision for classified loans & advances		(727,942,992)
	Provision for classified loans & advances req. by Bangladesh Bank		-
	Provision for unclassified loans & advances	404,633	(2,730,752)
	Provision for diminution in value of investments	-	-
	Provision for FDR		-
	Provisipon for TDS		-
	Provision for other assets	25,121,907	-
	Provision for Interest Receivable for Loans & Advances		283,056,936
	Provision for Receivable Against Legal Expenses-Loan/Lease	200,000	6,139,336
	Total	25,726,540	(441,477,472)

		Amount in Taka	
		Dec 31, 2024	Dec 31, 2023
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 2023.		
	Provision for current tax		
	Opening balance	-	-
	Add: Provision made during the year	1,620,000	27,533,000
	Less: Settlement during the year	-	-
	Closing balance	1,620,000	27,533,000
	Note: We have made provision of corporate income tax @ 0.60% on revenue due to negative profit in 2024.		
38	Provision for Deferred tax		
	Deferred Tax expense	(114,032)	260,993
	Deferred Tax Income	-	-
		(114,032)	260,993
39	Other Comprehensive Income/(Loss) for the period		
	Unrealizable Gain/(Loss) for Own portfolio	-	-
40	Earnings per share (EPS)		
	Earnings Per Share (EPS) as shown in the face of Profit and Loss Account is calculated in accordance with International Accounting Standards (IAS) No. 33 "Earnings Per Share".		
	Basic Earnings Per Share has been calculated as follows:		
	Earnings attributable to ordinary shareholders (Net Profit after Tax)	(4,267,550,785)	(3,178,666,592)
	Weighted Average Number of ordinary shares outstanding during the year	285,440,597	285,440,597
	Basic earnings per share (in Taka)	(14.95)	(11.14)
	No diluted earnings per share is required to be calculated for the period, as there was no convertible securities for dilution during the period.		
41	Net Assets Value (NAV) per share		
	Net Assets (Total assets less Total Liabilities)	(42,674,632,395)	(38,733,219,601)
	Total Number of Ordinary shares outstanding	285,440,597	285,440,597
	Net Assets Value (NAV) per share	(149.50)	(135.70)
42	Net Operating Cash Flows Per Share (NOCFPS)		
	Net Cash flows from Operating Activities	(63,908,872)	106,693,986
	Total Number of Ordinary shares outstanding	285,440,597	285,440,597
	Net Operating Cash Flows Per Share (NOCFPS)	(0.22)	0.37
43	Reconciliation of Net Profit with Cash Flows from Operating Activities		
	Net Profit after tax	(4,267,550,785)	(3,178,666,592)
	Items not involved in cash movement		
	Add: Depreciation	9,057,414	10,381,652
	Add: Provisions for loans and investments	25,726,540	289,196,272
	Add: Provisions for Taxation	1,505,968	27,793,993
	Add/(Less): Accrued expenses	4,300,047,342	921,250
	Add/(Less): Accrued Income	-	-
		68,786,479	(2,850,373,425)
	Increase/decrease in operating assets and liabilities		
	Investment in shares/bond	-	(146,618,850)
	Received from Loans and advances	278,016,717	
	Loans and advances to customers	(103,700,000)	128,498,292
	Other assets	263,697,288	8,111,696
	Borrowing from bank/FIs	-	105,277,951
	Deposits from customers and others	(355,529,612)	2,901,127,762
	Other liabilities	(215,179,744)	(39,329,440)
		(132,695,351)	2,957,067,411
	Net Cash flows from/(used in) Operating Activities	(63,908,872)	106,693,986

Amount in Taka	
Dec 31, 2024	Dec 31, 2023

44 Others

44.1 For the Year ended December 31, 2024

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

44.2 Unacknowledged debt

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

44.3 Employees' information

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

45 Written-off of accounts

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

46 Directors' responsibility statement

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

47 Date of authorization for issue

The financial statements were authorized for issue by the Board of Directors on its 79th meeting held on 30-4-2025.

48 Discloser of Quick Summary of Bangladesh Bank Inspection report

Bangladesh Bank performed inspection on Calcification Loan (CL) for the year ended 2024 and provide a quick summary report for finalization of Financial Statement for 2024. In this regards we prepared Financial Statement for 2024 by considering the said quick summary report.

49 General

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

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

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

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

Fixed Assets Schedule

As at December 31, 2024

Figures in Taka

SI No.	Particulars	COST				Rate	ACCUMULATED DEPRECIATION				Written Down Value as on December 31, 2024
		Balance as on 1 Jan, 2024	Additions during the Year	Adjustment during the year	Balance as on December 31, 2024		Balance as on 1 Jan, 2024	Charged during the year	Adjustment during the year	Balance as on December 31, 2024	
1	Company Premises	33,265,482	-	-	33,265,482	10%	26,416,415	684,907	-	27,101,322	6,164,160
2	Motor Car & Vehicle	11,860,360	-	-	11,860,360	20%	10,300,291	312,014	-	10,612,305	1,248,055
3	Computer	21,341,645	2,692,747	-	24,034,392	20%	17,839,977	1,238,883	-	19,078,860	4,955,532
4	Telephone System	1,756,858	-	-	1,756,858	10%	1,365,305	39,155	-	1,404,461	352,397
5	Air Cooler	7,558,314	241,000	-	7,799,314	5%	1,325,072	323,712	-	1,648,784	6,150,530
6	Refrigerator	209,002	-	-	209,002	10%	136,228	7,277	-	143,506	65,496
7	Generator	3,343,467	-	-	3,343,467	10%	334,347	300,912	-	635,259	2,708,208
8	Office Equipment	5,031,481	351,834	-	5,383,315	20%	4,372,697	202,124	-	4,574,821	808,494
9	Furniture & Fixtures	39,923,637	188,489	21,371	40,090,755	5%	19,066,746	1,051,200	21,371	20,096,576	19,994,179
10	Crockeries	39,106	7,500	-	46,606	20%	35,823	2,157	-	37,980	8,626
11	Software	16,747,004	-	-	16,747,004	20%	3,626,032	2,624,194	-	6,250,226	10,496,778
As on 31 December, 2024		141,076,356	3,481,570	21,371	144,536,555		84,818,934	6,786,535	21,371	91,584,098	52,952,457
As on 31 December, 2023		138,145,337	20,274,123	17,343,104	141,076,356		83,614,550	7,858,453	6,654,069	84,818,934	56,257,423

Non-Banking Assets

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

Ref: GKC/24-25/A/708

Fixed Assets Schedule

As at December 31, 2023

Figures in Taka

SI No.	Particulars	COST				Rate	ACCUMULATED DEPRECIATION				Written Down Value as on December 31, 2023
		Balance as on 1 Jan, 2023	Additions during the Year	Adjustment during the year	Balance as on December 31, 2023		Balance as on 1 Jan, 2023	Charged during the year	Adjustment during the year	Balance as on December 31, 2023	
1	Company Premises	33,265,482	-	-	33,265,482	10%	25,655,408	761,007	-	26,416,415	6,849,067
2	Motor Car & Vehicle	11,860,360	-	-	11,860,360	20%	9,910,274	390,017	-	10,300,291	1,560,069
3	Computer	21,219,936	438,756	317,047	21,341,645	20%	17,206,069	890,528	256,619	17,839,977	3,501,668
4	Telephone System	1,756,858	-	-	1,756,858	10%	1,321,797	43,508	-	1,365,305	391,553
5	Air Cooler	10,880,664	-	3,322,350	7,558,314	5%	3,122,957	387,885	2,185,771	1,325,072	6,233,242
6	Refrigerator	209,002	-	-	209,002	10%	128,142	8,086	-	136,228	72,774
7	Generator	-	3,343,467	-	3,343,467	10%	-	334,347	-	334,347	3,009,120
8	Office Equipment	4,779,581	251,900	-	5,031,481	20%	4,208,000	164,697	-	4,372,697	658,784
9	Furniture & Fixtures	53,627,344	-	13,703,707	39,923,637	5%	21,681,114	1,597,312	4,211,679	19,066,746	20,856,891
10	Crockeries	39,106	-	-	39,106	20%	35,003	821	-	35,823	3,283
11	Software	507,004	16,240,000	-	16,747,004	20%	345,786	3,280,246	-	3,626,032	13,120,972
As on 31 December, 2023		138,145,337	20,274,123	17,343,104	141,076,356		83,614,550	7,858,453	6,654,069	84,818,934	56,257,423
As on 31 December, 2022		153,707,177	211,750	15,773,590	138,145,337		92,713,283	5,069,206	14,167,939	83,614,550	54,530,788

Non-Banking Assets

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

Figures in Taka

People's Leasing And Financial Services Ltd.
Classification and provisioning of Loan, Lease and Advance
As on 31/12/2024

ANNEXURE-B

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

Standered Non SME	111,844,000	111,844,000	1%	1,118,440	691,530
Standered SME	24,909,000	24,909,000	0.25%	62,273	-
Special Mention Account(SMA)	2,516,000	2,390,000	5%	119,500	204,050

Total A	139,269,000	139,143,000	-	1,300,213	895,580
Specific Provision					

Sub Standard (SS)	-	1,185,000	20%	237,000	237,000
Doubtful (DF)	1,293,000	406,000	50%	203,000	203,000
Bad and Loss (BL)	10,917,489,813	8,275,191,000	100%	8,275,191,000	8,275,191,000

Total B	10,918,782,813	8,276,782,000		8,275,631,000	8,275,631,000
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G.Total (A+B)	11,058,051,813	8,415,925,000		8,276,931,213	8,276,526,580
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Provision Kept:

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

Surplus/(Deficit)	-	-
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People's Leasing And Financial Services Ltd.
Financial Highlights (Solo)

ANNEXURE-C

Sl. No.	Particulars	Amount in Tk.	
		2024	2023
1	Paid-up Capital	2,854,405,970	2,854,405,970
2	Total Capital	(42,674,632,395)	(38,733,219,601)
3	Capital Surplus	(45,529,038,365)	(41,587,625,571)
4	Total Assets	13,721,616,812	15,181,908,871
5	Total Deposits	34,618,763,914	32,210,023,880
6	Toal loans & advances	11,058,051,813	12,181,687,300
7	Total contingent liabilities and commitments	-	150,000,000
8	Credit deposit ratio	31.94%	37.82%
9	Percentage of classified loans against total loans & advances	98.74%	98.87%
10	Profit after tax and provision	(4,267,550,785)	(3,178,666,592)
11	Amount of classified loans during the year	10,918,782,813	12,044,034,234
12	Provision kept against classified loans	8,276,931,213	8,276,526,580
13	Provision surplus against classified loans	-	-
14	Cost of fund	12.00%	12.27%
15	Interest earning assets	12,353,858,079	13,862,430,902
16	Non-interest earning assets	1,367,758,732	1,319,477,968
17	Return on Investments	(32.69)	(25.30)
18	Return on assets (ROA)	(31.10)	(20.92)
19	Income from loans & advances & investment	(21,440,823)	242,776,187
20	Earnings per share	(14.95)	(11.14)
21	Net income per share	(14.95)	(11.14)
22	Price earnings ratio	(0.15)	(0.27)



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 **29th Annual General Meeting (AGM)** of the Company
to be held on **June 24, 2025, Tuesday at 10.00 a.m. by Hybrid System** and at any adjournment
thereof or any ballot to be taken in consequence thereof.

Signed this Day of October 2025.

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.

Flash Back



27th AGM of PLFSL



28th AGM of PLFSL



Workshop On Capacity Enhancement of PLFSL



Reception- Mr. Goutam Kumar Goush, Director, DFIM, BB



Skill Development Training for the Employees of PLFSL



Workshop On Capacity Enhancement of PLFSL



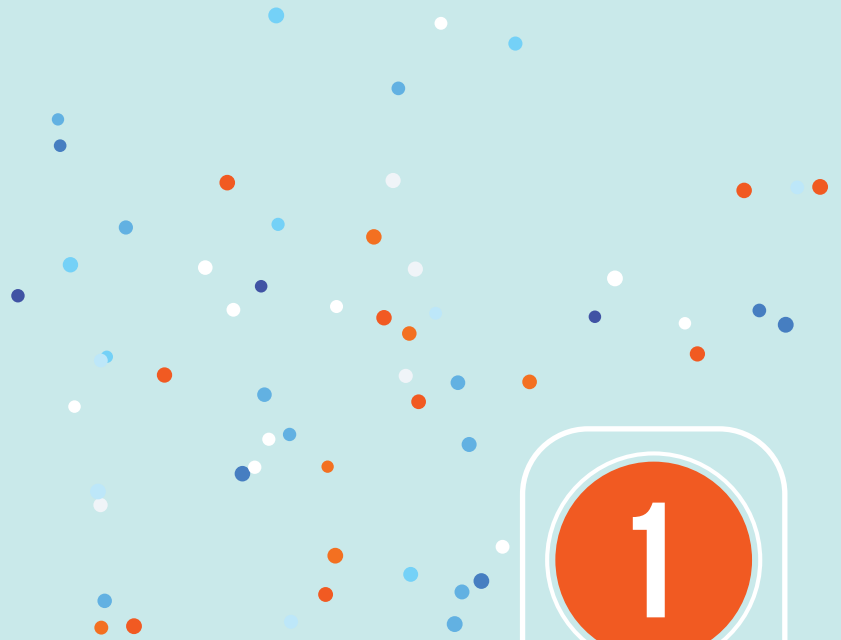
PLFSL



Skill Development Training for the Employees of PLFSL

PLFSL Employees





RICH MINDEST VS POOR MINDEST

(5 Key Differences)

5

Rich
Creates new opportunities.

Poor
Hopes for opportunities.



4

Rich
Buys assets that grow.

Poor
Spends on things that lose value.



3

Rich
Takes risks and adjusts.

Poor
Plays safe and waits.



2

Rich
Builds systems that work.

Poor
Only follows directions.



1

Rich
Sees problems as chances to profit.

Poor
Sees problems as stress.

