

Present State of Affairs and Financial Position of People's Leasing and Financial Services Limited:

It has come to notice of the Company some wrong news in print and other media about the present condition of the company which requires clarification and stating the actual position of the company to avoid doubt and misconceptions about the Company and its Board of Directors maladministration by an organization of depositors' leader and members. PLFSL is under a liquidation proceeding in the Company Bench of the Supreme Court's High Court Division numbered FI No 1 Instituted by Bangladesh Bank. Against the Liquidation Proceeding some of the Creditors filed an objection against liquidation and prayed for restarting the company. The Hon Court instead of Liquidation passed Order no FI NO. 1 dt 14.07.2019. And formed Board of Directors which was later reconstituted on 96 vide the Order dt 12.07.2021. There are 6 members of the Board who are functioning according to the directions of the Court for 'Restructuring of the company to avoid liquidation due to insufficiency of sufficient funds to meet the creditors' claim. The payments to the creditors were held up by the Hon Court. The parties to the litigation are well aware of the orders of the court and the depositor's representative is in the Board of Directors from the very beginning and well aware of the day-to-day functioning of the company. in the process of Reconstruction, the company has taken legal actions to recover money from the borrowers to raise the financial position of the company so that it can gain momentum and satisfy its creditors who are in distress due to the illegal removal of the money from the company for which multiple legal actions are pending. It is well known that money loan recovery from defaulters is very difficult but the company is using mainly legal actions to improve the financial health of the company. Various means are being adopted following the guidelines of Bangladesh Bank is being employed in rescheduling loans. By this time the company could realize about tk. 87 crore is during the tenure of Court appointed Board of Directors who began to function from 12.07.2021 from the borrowers. The Hon Court had directed the company to pay some money to the creditors on 'humanitarian grounds' and so far tk. 24 crore has been paid to some creditors. Moreover, the company is paying the full amount of their deposit to small depositors below 1 lakh taka in their account and has planned to pay money to other depositors so far the ability of the company to meet the creditor's demand. It can be mentioned here that for securing the position of the Company Fixed Deposit Receipts of about tk. 95 crore has been kept in renowned Banks.

It was decided by the Hon Court that Aid from the Government is injected for restructuring and if not so the company may be merged or sold. The Board of Directors relentlessly employed their effort to salvage the sick company from its present state. Recently the Hon Court vide the Order 132 dt 31.10.2022 Directed the company to start its business. It can be mentioned here that the company is actually an 'Intermediary' formed with the objective of Lease Financing. It has no Real Asset to lease like real property or equipment etc, rather it borrows money from other banks and lends the money to borrowers with higher interest and makes a profit. The present Board of Directors are entrusted with the assignment to restore the company to a strong plinth wherefrom the company can gradually attain its normal course which is painstaking and a few years will be required. If the company can obtain some Aid or Grant from the Government it would take lesser time to restore normal function especially pay its debts to the depositors who are suffering for the freezing of their deposits. The Members of the Board of Directors are from different carriers who are working for the best interest of the public and their remuneration is fixed by the Court for attending Board Meetings only. By this time the Board has restored the services of the old officers and employees and appointed some officers to run the company smoothly. It has taken several steps to reduce its expenditures and comply with some legal bindings such as the holding of

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AGMs of the past and current years which is difficult due to mismanagements making the company's accounts system in shambles which is being restored gradually requiring time. It can be mentioned that the company is listed in the stock exchange and due to the liquidation proceeding the company was categorized as 'Z' company, leading to the closure of trading of its shares. The main task of the Board of Directors is to revive the company to a stage from which it can regain its past glory. As the matter is highly technical the people interested to know about the company and the media are requested to collect information directly from the concerned person in the company. The confusing and wrong publication of news would definitely affect the wholehearted effort of the Board of Directors and would eventually reduce the image of the company and create stumbling blocks in the progress of the company on one side and the image of the machinery of justice in salvaging companies who are being reduced to grounds by unscrupulous corporate offenders and strengthen their hands causing loss to the overall financial sector of the country. The company denies in unequivocal terms all wrong reporting against the company and if repeated legal actions may be taken on baseless reporting from any quarter. (To be updated from time to time if and when necessary).

PEOPLE'S LEASING AND FINANCIAL SERVICES LIMITED					
Statement of Receipts & Payments					
From July 2021 to February 2023					
Particulars	Court appointed Board	Court appointed Re-constructed Board	Total	In %	Remarks
	Jul'21 to Oct'2022	Nov'21 to Feb'23	Jul'21 to Feb'23		
Opening	380,081,201	676,704,439	380,081,201	30%	
Bank-1				0%	
Bank-2				0%	
Bank-3				0%	
Received	440,930,784	430,579,456	871,510,240	70%	
Loan Recovered	440,930,784	430,579,456	871,510,240	70%	
Interest Income				0%	
Misc.				0%	
	821,011,985	1,107,283,895	1,251,591,441	100%	
Payments					
Paid to Depositors	99,178,600	139,489,997	238,668,597	19%	
Payment on Humanity Ground	99,178,600	139,489,997	238,668,597	19%	Paid as per Honorable court Direction and Till date no application pending
Payment on onetime settlement				0%	
Office Expenses	45,128,946	16,517,772	61,646,718	5%	
Salary & Allowances-Employees	12,957,333	9,818,666	22,775,999	2%	
Meeting fees-Chairman				0%	Paid as per Honorable court Direction
Meeting fees-Other Directors	6,217,000	2,947,500	9,164,500	1%	Paid as per Honorable court Direction
Office Re-location Expense				0%	Office shifted to reduce the rental Exp.
Legal & Professional Expense				0%	This incurred to expedite the recovery
Administrative Expenses	25,954,613	3,751,606	29,706,219	3%	
Closing	676,704,439	951,275,126	951,276,126	76%	
Bank-1				0%	Balance amount kept in safe Banks ensuring max interest earning with a view to start business soon as instructed by Honorable Court
Bank-2				0%	
Bank-3				0%	
	821,011,985	1,107,283,895	1,251,591,441	100%	

