

**INDEPENDENT AUDITORS' REPORT  
AND FINANCIAL STATEMENTS  
OF  
INTERNATIONAL LEASING AND FINANCIAL SERVICES LTD.  
FOR THE YEAR ENDED DECEMBER 31, 2023**



**INTERNATIONAL LEASING AND FINANCIAL SERVICES LIMITED AND ITS SUBSIDIARIES**

**Consolidated Balance Sheet**

As at December 31, 2023

(Figures in BDT)

Particular	Notes	December 31, 2023	December 31, 2022
<b>PROPERTY AND ASSETS</b>			
<b>Cash</b>	<b>3(a)</b>	<b>404,081</b>	<b>301,790</b>
In hand (including foreign currencies)		133,230	169,525
Balance with Bangladesh Bank and its agent bank (s) (including foreign currencies)		270,851	132,265
<b>Balance with banks and other financial institutions</b>	<b>4(a)</b>	<b>3,828,754,079</b>	<b>3,554,209,847</b>
In Bangladesh		3,828,754,079	3,554,209,847
Outside Bangladesh		-	-
<b>Money at call and short notice</b>			
<b>Investments</b>	<b>5(a)</b>	<b>608,684,603</b>	<b>597,888,199</b>
Government		300,000	300,000
Others		608,384,603	597,588,199
<b>Leases, loans and advances</b>	<b>6(a)</b>	<b>41,595,524,199</b>	<b>42,028,626,682</b>
Leases		1,376,266,209	1,580,246,645
Loans, cash credits, overdrafts, etc.		40,219,257,990	40,448,380,037
<b>Fixed assets including premises, furniture and fixtures</b>	<b>7(a)</b>	<b>3,975,074</b>	<b>5,311,168</b>
<b>Intangible Asset</b>	<b>7.1 (a)</b>	<b>10,720,000</b>	<b>1</b>
<b>Other assets</b>	<b>8(a)</b>	<b>2,091,318,861</b>	<b>1,693,236,400</b>
<b>Non - financial institutional assets</b>		-	-
<b>TOTAL ASSETS</b>		<b>48,139,380,897</b>	<b>47,879,574,087</b>
<b>LIABILITIES AND CAPITAL</b>			
<b>Liabilities</b>			
<b>Borrowing from banks, other financial institutions and agents</b>	<b>9(a)</b>	<b>14,021,188,616</b>	<b>13,234,481,471</b>
<b>Deposits and other accounts</b>		<b>29,679,667,355</b>	<b>28,696,613,374</b>
Term deposits	<b>10.1(a)</b>	29,288,758,998	28,173,817,234
Other deposits	<b>10.2</b>	390,908,357	522,796,140
<b>Other liabilities</b>	<b>11(a)</b>	<b>42,880,084,838</b>	<b>41,935,440,143</b>
<b>Total liabilities</b>		<b>86,580,940,808</b>	<b>83,866,534,988</b>
<b>Capital / Shareholders' equity</b>		<b>(38,441,581,973)</b>	<b>(35,986,983,440)</b>
Paid-up capital	<b>12.2</b>	2,218,102,460	2,218,102,460
Statutory reserve	<b>13</b>	456,184,825	456,184,825
Retained earnings/surplus	<b>14(a)</b>	(41,115,869,258)	(38,661,270,725)
<b>Non-controlling / minority interest</b>	<b>15</b>	<b>22,063</b>	<b>22,539</b>
<b>Total liabilities and Shareholders' equity</b>		<b>48,139,380,897</b>	<b>47,879,574,087</b>
<b>Net asset value per share</b>	<b>16(a)</b>	<b>(173.31)</b>	<b>(162.24)</b>

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

Company Secretary(CC)

Managing Director

Director

Director

Chairman

Signed in terms of our separate report of even date

Place: Dhaka

Dated: 02-09-2024



10

Md. Iqbal Hossain FCA

Partner, Enrolment No: 596

Zoha Zaman Kabir Rashid & Co.

Chartered Accountants

**DVC: 2409100596AS512888**

A member of



Independent legal & accounting firms



INTERNATIONAL LEASING AND FINANCIAL SERVICES LIMITED AND ITS SUBSIDIARIES

Consolidated Balance Sheet

As at December 31, 2023

Particular	Notes	December 31, 2023	December 31, 2022
<b>CONSOLIDATED OFF-BALANCE SHEET ITEMS</b>			
Contingent liabilities	17	750,000,000	750,000,000
Acceptances and endorsements		-	-
Letters of guarantee	17.1	750,000,000	750,000,000
Other commitments		-	-
<b>Total Off-Balance Sheet items including contingent liabilities</b>		<b>750,000,000</b>	<b>750,000,000</b>

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

  
Company Secretary(CC)

  
Managing Director

  
Director

  
Director

  
Chairman

Signed in terms of our separate report of even date

Place: Dhaka

Dated: 07-09-2024

  
Md. Iqbal Hossain FCA  
Partner, Enrolment No: 596  
Zoha Zaman Kabir Rashid & Co.  
Chartered Accountants







**INTERNATIONAL LEASING AND FINANCIAL SERVICES LIMITED AND ITS SUBSIDIARIES**

**Consolidated Profit & Loss Account**

For the Year Ended December 31, 2023

Particular	Notes	December 31, 2023	December 31, 2022
<b>OPERATING INCOME</b>			
Interest income	19(a)	1,065,463,879	1,307,242,625
Interest expense on deposits and borrowings etc.	20(a)	(2,668,654,969)	(3,118,373,596)
<b>Net interest income</b>		<b>(1,603,191,090)</b>	<b>(1,811,130,971)</b>
Investment income	21(a)	10,344,515	55,176,904
Commission, fees, exchange and brokerage	22(a)	45,989,683	90,167,012
Other operating income	23(a)	15,990,025	1,685,013
<b>Total operating income (A)</b>		<b>(1,530,866,867)</b>	<b>(1,664,102,042)</b>
<b>OPERATING EXPENSES</b>			
Salaries and allowances	24(a)	94,022,618	99,214,066
Rent, taxes, insurance & electricity	25(a)	44,411,390	36,937,788
Legal expenses	26(a)	3,664,632	5,489,795
Postage, stamp & telecommunication	27(a)	2,811,661	2,455,571
Stationery, printing & advertisements	28(a)	1,136,713	2,952,017
Managing Director's salary and benefits	29	4,356,000	3,960,000
Chairman remuneration	29(i)	3,600,000	3,600,000
Directors' fees & meeting expenses	30(a)	2,122,660	1,577,166
Auditors' fees	31(a)	632,500	649,175
Depreciation, amortization & repair of assets	32(a)	10,709,500	14,640,991
Other expenses	33(a)	27,027,691	26,061,540
<b>Total operating expenses (B)</b>		<b>194,495,363</b>	<b>197,538,108</b>
<b>Profit before provision &amp; tax (C=A-B)</b>		<b>(1,725,362,230)</b>	<b>(1,861,640,151)</b>
Provision against leases, loans and advances	34(a)	432,255,556	(534,083,576)
Provision for other assets	34(a)	274,690,361	436,385,550
Provision for diminution in value of investments	35(a)	5,700,000	1,089,319
<b>Total provision (D)</b>		<b>712,645,917</b>	<b>(96,608,707)</b>
<b>Total profit before tax (C-D)</b>		<b>(2,438,008,147)</b>	<b>(1,765,031,444)</b>
Provision for tax	36(a)	16,590,925	20,115,105
<b>Net profit after tax</b>		<b>(2,454,599,073)</b>	<b>(1,785,146,550)</b>
Non-controlling / minority interest		(540)	(64)
<b>Net profit attributable to shareholders of the Company</b>		<b>(2,454,598,533)</b>	<b>(1,785,146,486)</b>
<b>Earnings per share (EPS)</b>	37(a)	<b>(11.07)</b>	<b>(8.05)</b>

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

  
Company Secretary(CC)

  
Managing Director

  
Director

  
Director


  
Chairman

Signed in terms of our separate report of even date

Place: Dhaka

Dated: 02-09-2024



  
Md. Iqbal Hossain FCA  
Partner, Enrolment No: 596  
Zoha Zaman Kabir Rashid & Co.  
Chartered Accountants






**INTERNATIONAL LEASING AND FINANCIAL SERVICES LIMITED AND ITS SUBSIDIARIES**  
**Consolidated Cash Flow Statement**  
For the Year Ended December 31, 2023

Particular	(Figures in BDT)	
	December 31, 2023	December 31, 2022
<b>A) Cash flows from operating activities</b>		
Interest receipts in cash	1,828,912,624	902,159,496
Interest payments	(3,118,373,596)	(3,118,373,596)
Dividend receipts	10,344,515	16,501,604
Fees, commission & brokerage receipts in cash	45,989,683	90,167,012
Recoveries of loans previously written off	12,790,202	4,695,800
Cash payments to employees	(98,378,618)	(103,174,066)
Income taxes paid	(16,469,809)	35,535,464
Receipts from other operating activities	13,717,791	1,685,013
Payments for other operating activities	(92,415,598)	(79,915,363)
<b>Cash generated from/(used in) operating activities before changes in operating assets and liabilities</b>	<b>(1,413,882,805)</b>	<b>(2,250,718,635)</b>
<b>Increase / (decrease) in operating assets and liabilities</b>		
Leases, loans and advances to banks and other FIs	-	-
Leases, loans and advances to customers	(1,203,571,347)	273,497,289
Other assets	(398,082,461)	(221,623,530)
Deposits from other banks / borrowings	983,053,981	20,039,995
Deposits from customers	983,053,981	541,125,040
Other liabilities account of customers	(131,887,783)	(20,039,995)
Other liabilities	900,191,729	1,340,004,773
<b>Net Increase / (decrease) in operating assets and liabilities</b>	<b>1,132,758,100</b>	<b>1,933,003,572</b>
<b>Net cash from/(used in) operating activities</b>	<b>(281,124,705)</b>	<b>(317,715,063)</b>
<b>B) Cash flows from investing activities</b>		
Proceeds from sale of securities	16,828,414	55,724,209
Payments for purchases of securities	(27,624,817)	81,155,471
Net change against purchase/sale of fixed assets	(11,603,163)	(3,515,971)
Receipts/(Payments) against lease obligation	-	-
<b>Net cash from/(used in) investing activities</b>	<b>(22,399,566)</b>	<b>133,363,709</b>
<b>C) Cash flows from financing activities</b>		
Receipts of long term loan	786,707,145	287,917,099
Repayment of long term loan	(15,797,155)	(68,232,257)
Net draw down/(payment) of short term loan	(192,739,193)	64,322,106
Dividend paid	-	-
<b>Net Cash from/(used in) financing activities</b>	<b>578,170,797</b>	<b>284,006,949</b>
<b>D) Net increase / (decrease) in cash and cash equivalents (A+ B + C)</b>	<b>274,646,526</b>	<b>99,655,595</b>
<b>E) Effects of exchange rate changes on cash and cash equivalents</b>	-	-
<b>F) Cash and cash equivalents at beginning of the period</b>	<b>3,554,511,636</b>	<b>3,454,856,041</b>
<b>G) Cash and cash equivalents at end of the period (D+E+F)</b>	<b>3,829,158,162</b>	<b>3,554,511,636</b>
<b>Cash and cash equivalents at end of the period represents</b>		
Cash in hand (including foreign currencies)	133,230	169,525
Balance with Bangladesh Bank and its agent bank (s) (including foreign currencies)	270,851	132,265
Balance with banks and other financial institutions (notes 4 (a))	3,828,754,079	3,554,209,846
<b>Total Cash and cash equivalents as of December 31, 2023</b>	<b>3,829,158,162</b>	<b>3,554,511,636</b>
<b>Net Operating Cash Flows Per Share (NOCFPS)</b>	<b>(1.27)</b>	<b>(1.43)</b>

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

  
Company Secretary (CC)

  
Managing Director

  
Director

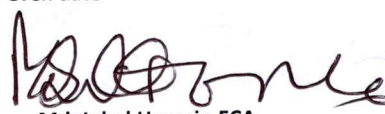
  
Director

  
Chairman

Signed in terms of our separate report of even date

Place: Dhaka  
Dated: 07-09-2024



  
Md. Iqbal Hossain FCA  
Partner, Enrolment No: 596  
Zoha Zaman Kabir Rashid & Co.  
Chartered Accountants

**INTERNATIONAL LEASING AND FINANCIAL SERVICES LIMITED AND ITS SUBSIDIARIES**  
**Consolidated Statement of Changes in Shareholders' Equity**  
For the Year Ended December 31, 2023

(Figures in BDT)

Particulars	Paid-up Capital	Statutory Reserve	Retained Earnings	Total	Non-controlling / minority interest	Total
<b>Balance as at January 01, 2023</b>	<b>2,218,102,460</b>	<b>456,184,825</b>	<b>(38,661,270,418)</b>	<b>(35,986,983,133)</b>	<b>22,539</b>	<b>(35,986,960,530)</b>
Stock dividend for the year 2022	-	-	-	-	-	-
Profit transferred to reserve	-	-	-	-	-	-
Retained surplus for the Year 2023	-	-	(2,454,598,533)	(2,454,598,533)	(540)	(2,454,598,597)
<b>Balance as at December 31, 2023</b>	<b>2,218,102,460</b>	<b>456,184,825</b>	<b>(41,115,868,951)</b>	<b>(38,441,581,666)</b>	<b>23,079</b>	<b>(38,441,559,127)</b>
<b>Balance as at January 01, 2022</b>	<b>2,218,102,460</b>	<b>456,184,825</b>	<b>(36,876,123,868)</b>	<b>(34,201,836,583)</b>	<b>22,603</b>	<b>(34,201,813,980)</b>
Stock dividend for the year 2021	-	-	-	-	-	-
Profit transferred to reserve	-	-	-	-	-	-
Retained surplus for the Year 2022	-	-	(1,785,146,487)	(1,785,146,487)	(64)	(1,785,146,551)
<b>Balance as at December 31, 2022</b>	<b>2,218,102,460</b>	<b>456,184,825</b>	<b>(38,661,270,355)</b>	<b>(35,986,983,070)</b>	<b>22,539</b>	<b>(35,986,960,901)</b>

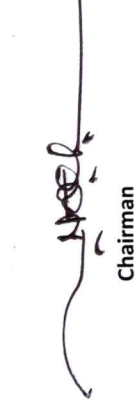
The annexed notes form an integral part of these financial statements.

  
Company Secretary(CS)

  
Managing Director

  
Director

  
Director

  
Chairman

Signed in terms of our separate report of even date

Place: Dhaka

Dated: 07-09-2024



  
Md. Iqbal Hossain FCA  
Partner, Enrolment No: 596  
Zoha Zaman Kabir Rashid & Co.  
Chartered Accountants



## INTERNATIONAL LEASING AND FINANCIAL SERVICES LIMITED AND ITS SUBSIDIARIES

### Consolidated Liquidity Statement

For the Year Ended December 31, 2023

		(Figures in BDT)					
	Particulars	Upto 1 Month	1-3 months	3-12 Months	1-5 years	Above 5 years	Total
<b>A ASSETS</b>							
	Cash	404,081	-	-	-	-	404,081
	Balance with banks and other financial institutions	31,906,284	95,718,852	287,156,556	1,531,501,632	1,882,470,756	3,828,754,079
	Money at call and short notice	-	-	-	-	-	-
	Investments	608,384,603	-	-	-	300,000	608,684,603
	Leases, loans and advances	346,629,368	1,086,604,132	3,119,664,315	16,638,209,680	20,404,416,704	41,595,524,199
	Fixed assets including premises, furniture and fixtures	-	-	345,780	1,784,518	1,844,776	3,975,074
	Intangible Asset	-	-	-	-	10,720,000	10,720,000
	Other assets	17,427,657	52,282,972	156,848,915	836,527,544	1,028,231,773	2,091,318,861
	Non - financial institutional assets	-	-	-	-	-	-
	<b>Total assets</b>	<b>1,004,751,993</b>	<b>1,234,605,956</b>	<b>3,564,015,565</b>	<b>19,008,023,374</b>	<b>23,327,984,009</b>	<b>48,139,380,897</b>
<b>B LIABILITIES</b>							
	Borrowing from banks, other financial institutions and agents	116,843,238	350,529,715	1,051,589,146	5,608,475,446	6,893,751,070	14,021,188,616
	Deposits and other accounts	247,330,561	741,991,684	2,225,975,052	11,871,866,942	14,592,503,116	29,679,667,355
	Other liabilities	357,334,040	1,072,002,121	3,216,006,363	17,152,033,935	21,082,708,379	42,880,084,838
	<b>Total liabilities</b>	<b>721,507,840</b>	<b>2,164,523,520</b>	<b>6,493,570,561</b>	<b>34,632,376,324</b>	<b>42,568,962,564</b>	<b>86,580,940,808</b>
	<b>Liquidity Gap (A-B)</b>	<b>283,244,153</b>	<b>(929,917,565)</b>	<b>(2,929,554,995)</b>	<b>(15,624,352,950)</b>	<b>(19,240,978,556)</b>	<b>(38,441,559,911)</b>

*[Signature]*  
Company Secretary(cc)

*[Signature]*  
Managing Director

*[Signature]*  
Director

*[Signature]*  
Director

*[Signature]*  
Chairman

Place: Dhaka  
Dated: 02-09-2024



*[Signature]*  
Md. Iqbal Hossain FCA  
Partner, Enrolment No: 596  
Zoha Zaman Kabir Rashid & Co.  
Chartered Accountants





## INTERNATIONAL LEASING AND FINANCIAL SERVICES LIMITED

## Balance Sheet

As at December 31, 2023

Particular	Notes	December 31, 2023	December 31, 2022
<b>PROPERTY AND ASSETS</b>			
<b>Cash</b>	3	<b>345,810</b>	<b>196,109</b>
In hand (including foreign currencies)	3.1	74,959	63,844
Balance with Bangladesh Bank and its agent bank (s) (including foreign currencies)	3.2	270,851	132,265
<b>Balance with banks and other financial institutions</b>	4	<b>3,683,527,533</b>	<b>3,358,821,997</b>
In Bangladesh	4.1	3,683,527,533	3,358,821,997
Outside Bangladesh		-	-
<b>Money at call and short notice</b>		<b>-</b>	<b>-</b>
<b>Investments</b>	5	<b>17,128,414</b>	<b>17,128,414</b>
Government	5(i)	300,000	300,000
Others	5(ii)	16,828,414	16,828,414
<b>Leases, loans and advances</b>	6	<b>41,069,412,140</b>	<b>41,268,707,129</b>
Leases	6.1.1	1,376,266,209	1,580,246,645
Loans, cash credits, overdrafts, etc.	6.1.2	39,693,145,931	39,688,460,484
<b>Fixed assets including premises, furniture and fixtures</b>	7	<b>2,017,283</b>	<b>2,514,644</b>
<b>Intangible Asset</b>		<b>10,720,000</b>	<b>1</b>
<b>Other assets</b>	8	<b>3,184,986,083</b>	<b>2,864,751,589</b>
<b>Non - financial institutional assets</b>		<b>-</b>	<b>-</b>
<b>Total assets</b>		<b>47,968,137,263</b>	<b>47,512,119,882</b>
<b>LIABILITIES AND CAPITAL</b>			
<b>Liabilities</b>			
<b>Borrowing from banks, financial institutions and agents</b>	9	<b>13,782,345,515</b>	<b>13,123,459,891</b>
<b>Deposits and other accounts</b>	10	<b>29,679,667,355</b>	<b>28,696,613,374</b>
Term deposits	10.1	29,288,758,998	28,173,817,234
Other deposits	10.2	390,908,357	522,796,140
<b>Other liabilities</b>	11	<b>42,567,940,730</b>	<b>41,520,886,625</b>
<b>Total liabilities</b>		<b>86,029,953,600</b>	<b>83,340,959,890</b>
<b>Capital / Shareholders' equity</b>		<b>(38,061,816,335)</b>	<b>(35,828,840,008)</b>
Paid-up capital	12.2	2,218,102,460	2,218,102,460
Statutory reserve	13	456,184,825	456,184,825
Retained earnings/surplus	14	(40,736,103,620)	(38,503,127,293)
<b>Total liabilities and Shareholders' equity</b>		<b>47,968,137,263</b>	<b>47,512,119,882</b>
<b>Net asset value per share</b>	16	<b>(171.60)</b>	<b>(161.53)</b>

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

 Company Secretary(CC)
  Managing Director
  Director
  Director
  Chairman

Signed in terms of our separate report of even date

Place: Dhaka

Dated: 07-09-2024



Md. Iqbal Hossain FCA

Partner, Enrolment No: 596

Zoha Zaman Kabir Rashid &amp; Co.

Chartered Accountants

A member of



Independent legal &amp; accounting firms



**INTERNATIONAL LEASING AND FINANCIAL SERVICES LIMITED**

**Balance Sheet**

As at December 31, 2023

Particular	Notes	December 31, 2023	December 31, 2022
<b>OFF-BALANCE SHEET ITEMS</b>			
Contingent liabilities	17	750,000,000	750,000,000
Acceptances and endorsements		-	-
Letters of guarantee	17.1	750,000,000	750,000,000
Other commitments		-	-
<b>Total Off-Balance Sheet items including contingent liabilities</b>		<b>750,000,000</b>	<b>750,000,000</b>

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

 Company Secretary(CC)
  Managing Director
  Director
  Director
  Chairman

Signed in terms of our separate report of even date

Place: Dhaka

Dated: 07-09-2024



Md. Iqbal Hossain FCA

Partner, Enrolment No: 596

Zoha Zaman Kabir Rashid & Co.

Chartered Accountants





**INTERNATIONAL LEASING AND FINANCIAL SERVICES LIMITED**

**Profit & Loss Account**

For the Year Ended December 31, 2023

Particular	Notes	December 31, 2023	December 31, 2022
<b>OPERATING INCOME</b>			
Interest income	19	1,207,671,177	1,424,124,358
Interest expense on deposits and borrowings etc.	20	(2,609,680,957)	(3,048,847,797)
<b>Net interest income</b>		<b>(1,402,009,780)</b>	<b>(1,624,723,438)</b>
Investment income	21	158,570	14,384,109
Commission, fees, exchange and brokerage	22	1,028,056	222,092
Other operating income	23	13,212,774	360,545
<b>Total operating income (A)</b>		<b>(1,387,610,380)</b>	<b>(1,609,756,693)</b>
<b>OPERATING EXPENSES</b>			
Salaries and allowances	24	57,884,370	54,575,785
Rent, taxes, insurance & electricity	25	32,490,788	25,227,901
Legal expenses	26	3,541,582	5,374,795
Postage, stamp & telecommunication	27	1,892,918	1,630,519
Stationery, printing & advertisements	28	904,311	2,395,739
Managing Director's salary and benefits	29	4,356,000	3,960,000
Chairman remuneration	29(i)	3,600,000	3,600,000
Directors' fees & meeting expenses	30	1,652,200	915,200
Auditors' fees	31	460,000	460,000
Depreciation, amortization & repair of assets	32	7,912,891	11,354,203
Other expenses	33	17,569,764	15,313,227
<b>Total operating expenses (B)</b>		<b>132,264,824</b>	<b>124,807,369</b>
<b>Profit before provision &amp; tax (C=A-B)</b>		<b>(1,519,875,204)</b>	<b>(1,734,564,062)</b>
Provision against leases, loans and advances	34	432,255,556	(534,083,576)
Provision for diminution in value of investments	35	5,700,000	1,090,940
Provision for other assets	34	274,690,361	436,385,550
<b>Total provision (D)</b>		<b>712,645,917</b>	<b>(96,607,086)</b>
<b>Total profit before tax (C-D)</b>		<b>(2,232,521,121)</b>	<b>(1,637,956,976)</b>
Provision for tax	36	455,206	(5,121,696)
<b>Net profit after tax</b>		<b>(2,232,976,327)</b>	<b>(1,632,835,281)</b>
<b>Earnings per share (EPS)</b>	37	<b>(10.07)</b>	<b>(7.36)</b>


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

 Company Secretary (CC)
  Managing Director
  Director
  Chairman

Signed in terms of our separate report of even date

Place: Dhaka

Dated: 07-09-2024

  
 Md. Iqbal Hossain FCA  
 Partner, Enrolment No: 596  
 Zoha Zaman Kabir Rashid & Co.  
 Chartered Accountants







**INTERNATIONAL LEASING AND FINANCIAL SERVICES LIMITED**  
**Cash Flow Statement**  
For the Year Ended December 31, 2023

Particular	(Figures in BDT)	
	December 31, 2023	December 31, 2022
<b>A) Cash flows from operating activities</b>		
Interest receipts in cash	1,121,129,416	970,294,653
Interest payments	(1,587,396,053)	(2,444,752,190)
Dividend receipts	158,570	12,577,480
Fees and commission receipts in cash	1,028,056	222,092
Recoveries of loans previously written off	12,790,202	4,695,800
Cash payments to employees	(62,240,370)	(58,535,785)
Income taxes paid	(686,044)	(12,300,145)
Receipts from other operating activities	13,212,774	360,545
Payments for other operating activities	(65,936,790)	(53,739,092)
<b>Cash generated from/(used in) operating activities before changes in operating assets and liabilities</b>	<b>(567,940,239)</b>	<b>(1,581,176,643)</b>
<b>Increase / (decrease) in operating assets and liabilities</b>		
Leases, loans and advances to banks and other FIs	-	-
Leases, loans and advances to customers	(199,294,989)	422,023,389
Other assets	(319,548,451)	(276,903,266)
Deposits from other banks / borrowings	-	-
Deposits from customers	983,053,981	541,125,040
Other liabilities account of customers	(131,887,783)	(20,039,995)
Other liabilities	(3,548,045)	616,590,757
<b>Net Increase / (decrease) in operating assets and liabilities</b>	<b>328,774,714</b>	<b>1,282,795,923</b>
<b>Net cash from/(used in) operating activities</b>	<b>(239,165,525)</b>	<b>(298,380,719)</b>
<b>B) Cash flows from investing activities</b>		
Proceeds from sale of securities	16,828,414	17,048,909
Payments for purchases of securities	(16,828,414)	(16,828,414)
Net change against purchase/sale of fixed assets	-	-
Receipts against lease obligation	-	-
<b>Net cash from/(used in) investing activities</b>	<b>-</b>	<b>220,495</b>
<b>C) Cash flows from financing activities</b>		
Receipts of long term loan	835,827,662	397,168,792
Repayment of long term loan	(15,797,155)	(68,232,257)
Net draw down/(payment) of short term loan	(192,739,193)	64,322,106
Dividend paid	-	-
<b>Net Cash from/(used in) financing activities</b>	<b>627,291,314</b>	<b>393,258,641</b>
<b>D) Net increase / (decrease) in cash and cash equivalents (A+ B + C)</b>	<b>388,125,789</b>	<b>95,098,418</b>
<b>E) Effects of exchange rate changes on cash and cash equivalents</b>	<b>-</b>	<b>-</b>
<b>F) Cash and cash equivalents at beginning of the period</b>	<b>3,263,919,689</b>	<b>3,263,919,689</b>
<b>G) Cash and cash equivalents at end of the period (D+E+F)</b>	<b>3,652,045,476</b>	<b>3,359,018,106</b>
<b>Cash and cash equivalents at end of the period represents</b>		
Cash in hand (including foreign currencies)	74,959	63,844
Balance with Bangladesh Bank and its agent bank (s) (including foreign currencies)	270,851	132,265
Balance with banks and other financial institutions {notes 4 (1)}	3,683,527,533	3,358,821,997
<b>Total Cash and cash equivalents as of December 31, 2023</b>	<b>3,683,873,343</b>	<b>3,359,018,106</b>
<b>Net Operating Cash Flows Per Share (NOCFPS)</b>	<b>(1.08)</b>	<b>(1.35)</b>


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

 **Company Secretary(CC)**  
 **Managing Director**  
 **Director**  
 **Director**  
 **Chairman**

Signed in terms of our separate report of even date

Place: Dhaka  
Dated: 07-09-2024



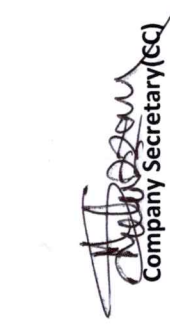
  
**Md. Iqbal Hossain FCA**  
 Partner, Enrolment No: 596  
**Zoha Zaman Kabir Rashid & Co.**  
 Chartered Accountants

**INTERNATIONAL LEASING AND FINANCIAL SERVICES LIMITED**  
**Statement of Changes in Shareholders' Equity**  
For the Year Ended December 31, 2023

(Figures in BDT)

Particulars	Paid-up Capital	Statutory Reserve	Retained Earnings	Total
<b>Balance as at January 01, 2023</b>	<b>2,218,102,460</b>	<b>456,184,825</b>	<b>(38,503,127,293)</b>	<b>(35,828,840,008)</b>
Stock dividend for the year 2022	-	-	-	-
Profit transferred to reserve	-	-	-	-
Retained surplus for the Year 2023	-	-	(2,232,976,327)	(2,232,976,327)
<b>Balance as at December 31, 2023</b>	<b>2,218,102,460</b>	<b>456,184,825</b>	<b>(40,736,103,620)</b>	<b>(38,061,816,335)</b>
<b>Balance as at January 01, 2022</b>	<b>2,218,102,460</b>	<b>456,184,825</b>	<b>(36,870,292,012)</b>	<b>(34,196,004,727)</b>
Stock dividend for the year 2021	-	-	-	-
Profit transferred to reserve	-	-	-	-
Retained surplus for the Year 2022	-	-	(1,632,835,281)	(1,632,835,281)
<b>Balance as at December 31, 2022</b>	<b>2,218,102,460</b>	<b>456,184,825</b>	<b>(38,503,127,293)</b>	<b>(35,828,840,008)</b>

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

  
Company Secretary (SC)

  
Managing Director

  
Director

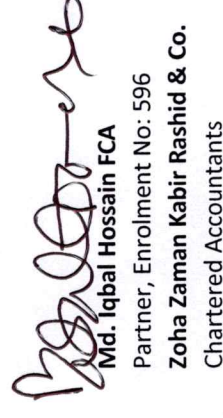
  
Director

  
Chairman

Signed in terms of our separate report of even date



Place: Dhaka  
Dated: 07-09-2024

  
Md. Iqbal Hossain FCA  
Partner, Enrolment No: 596  
Zoha Zaman Kabir Rashid & Co.  
Chartered Accountants



# Zoha Zaman Kabir Rashid & Co.

Chartered Accountants

## INTERNATIONAL LEASING AND FINANCIAL SERVICES LIMITED AND ITS SUBSIDIARIES

### Statement of Liquidity

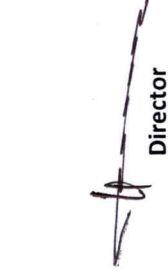
For the Year Ended December 31, 2023

		(Figures in BDT)				
	Particulars	Upto 1 Month	1-3 months	3-12 Months	1-5 years	Above 5 years
<b>A ASSETS</b>						<b>Total</b>
	Cash	345,810				345,810
	Balance with banks and other financial institutions	27,986,600	55,965,700	256,509,458	1,362,764,794	1,980,300,981
	Money at call and short notice					3,683,527,533
	Investments	16,828,414				-
	Leases, loans and advances	543,512,993	1,086,604,132	4,946,935,606	24,518,810,619	9,973,548,790
	Fixed assets including premises, furniture and fixtures		192,091			300,000
	Intangible Asset				1,020,526	804,666
	Other assets	38,337,763	83,187,763	475,054,496	1,378,364,070	10,720,000
	Non - financial institutional assets				1,210,041,991	3,184,986,084
	<b>Total assets</b>	<b>627,011,580</b>	<b>1,225,757,595</b>	<b>5,678,691,651</b>	<b>27,260,960,008</b>	<b>13,175,716,428</b>
<b>B LIABILITIES</b>						<b>Total</b>
	Borrowing from banks, other financial institutions and agents	114,852,879	344,558,638	1,033,675,914	5,512,938,206	6,776,319,878
	Deposits and other accounts	11,871,866,942	741,991,684	2,225,975,052	11,871,866,942	29,679,667,355
	Other liabilities	354,732,839	1,064,198,518	3,192,595,555	17,027,176,292	20,929,237,526
	<b>Total liabilities</b>	<b>12,341,452,661</b>	<b>2,150,748,840</b>	<b>6,452,246,520</b>	<b>34,411,981,440</b>	<b>30,673,524,139</b>
	<b>Liquidity Gap (A-B)</b>	<b>(11,714,441,081)</b>	<b>(924,991,245)</b>	<b>(773,554,869)</b>	<b>(7,151,021,432)</b>	<b>(17,497,807,711)</b>
						<b>(38,061,816,337)</b>

  
Company Secretary(CS)

  
Managing Director

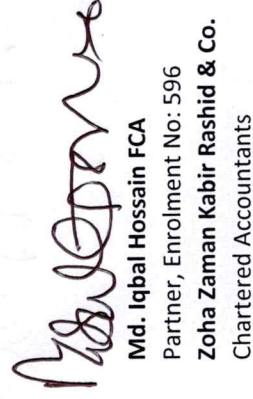
  
Director

  
Director

  
Chairman

Place: Dhaka  
Dated: 07-09-2024



  
Md. Iqbal Hossain FCA  
Partner, Enrolment No: 596  
Zoha Zaman Kabir Rashid & Co.  
Chartered Accountants





**INTERNATIONAL LEASING AND FINANCIAL SERVICES LIMITED AND ITS SUBSIDIARIES**

**Notes to the consolidated financial statements**

For the Year Ended December 31, 2023

**1 Company and its activities**

**1.1 Corporate information**

International Leasing and Financial Service Limited (ILFSL/ the Company), a non-banking financial institution having its registered office at DR Tower (13th Floor), 65/2/2, Bir Protik Gazi Golam Dostogir Road, Purana Paltan, Dhaka-1000 was incorporated in Bangladesh on 15 January 1996 as a public limited company under the Companies Act 1994. The company obtained license from Bangladesh Bank on 19 February 1996 as a Non-Banking Financial Institution under the Financial Institutions Act 1993 and commenced business on 24 March 1996. The company also obtained licence from Bangladesh Bank as a primary dealer to buy and sell government treasury bonds and bills on 11 December 2003 which was surrendered by the company with effect from 27 July 2014. The company went for initial public offering (IPO) in July 2007 and its shares are listed in both Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited on 16 September 2007.

**1.2 Principal activities**

The company provides lease finance, term finance, work order finance, project finance, real estate finance, factoring of accounts receivables, syndication finance, stock brokerage, primary dealership of government treasury bonds/bills and term deposit schemes.

**1.3 Subsidiary companies**

**International Leasing and Securities Limited (ILSL)**

ILSL, a wholly owned subsidiary company of ILFSL, was incorporated on 09 April 2008 as a private limited company bearing registration no. C-70738 (3247)/08 under the Companies Act 1994 with an authorised share capital of Tk. 1,000 million ILFSL holds 99.99% shares of this company (9,999,994 nos. of shares of Tk. 100 each). The company started its operation from 31 August 2008. The main business of the Company is to carry on the business as a broker and dealer of stocks and securities, commercial papers, bonds, debentures, debenture stocks, foreign currencies, treasury bills/bonds and/or any other financial instruments.

**IL Capital Limited**

ILFSL is the owner of 99.979% shares (2,499,799 nos. of shares of Taka. 100 each) of IL Capital Limited. IL Capital Limited is a private limited company and incorporated under the Companies Act 1994 on 07 March 2011 bearing registration no C-88312 with an authorised share capital of Taka 2,000 million. The registered office of the company is located at Hossain Tower (1st Floor), 116, Bir Protik Gazi Golam Dostogir Road, Naya Paltan, Dhaka 1000. The main business of the company is to carry on the business of a full fledge merchant bank and engage in all kinds of merchant banking activities such as providing services as issue manager, underwriting of securities, portfolio management, margin loan facilitator, portfolio investment, investment advisory services, etc.

**1.4 Chittagong branch**

The company opened its branch in Chittagong on 24 June 2008. The approval of opening of this branch was obtained from Bangladesh Bank on 11 November 2007 vide approval letter no. DFIM (L)/1053/38(1)/2007.

**1.5 Uttara branch branch**

The company opened its branch in Uttara, Dhaka on 16 February 2017. The approval of opening of this branch was obtained from Bangladesh Bank on 25 January 2017 vide approval letter no. DFIM (L)/1053/38(1)/2017-198.

**1.6 Sylhet branch**

The company opened its branch in Sylhet on 26 February 2017. The approval of opening of this branch was obtained from Bangladesh Bank on 25 January 2017 vide approval letter no. DFIM (L)/1053/38(1)/2017-198.



## 2 Basis of preparation and significant accounting policies

### 2.1 Statement of compliance

The consolidated financial statements of the group and the separate financial statement of the company have been prepared on a going concern basis, which contemplates the realisation of assets and the satisfaction of liabilities in the normal course of business following accrual basis of accounting except for cash flow statement. In preparation of these, the company followed respective provisions of the Companies Act 1994, the Financial Institutions Act 1993, the Financial Institutions regulation 1994, the Securities and Exchange Rules 1987, the listing rules of Dhaka and Chittagong Stock Exchanges, Guidelines from Bangladesh Bank and International Accounting Standards (IAS) and/or International Financial Reporting Standards (IFRS) and other applicable laws and regulations. In cases the requirement of provisions and circulars issued by Bangladesh Bank differ with those of other regulatory authorities and accounting standards, the provisions and circulars issued by Bangladesh Bank shall prevail. Therefore, the parent as well as its subsidiaries have deviated from those requirements of IFRSs in order to comply with the requirements of Bangladesh Bank.

The presentation of these financial statements of the company has been made as per requirement of DFIM Circular No. 11, dated December 23, 2009 issued by the Department of Financial Institutions and Markets of Bangladesh Bank. The activities and accounting heads mentioned in prescribed formats which are not related to the institutions have been excluded in preparation of these financial statements.

### 2.2 Disclosure of deviations from few requirements of IAS/IFRS due to mandatory compliance of Bangladesh Bank's requirements

Bangladesh Bank is the prime regulatory body for Financial Institutions (FIs) in Bangladesh. Some requirements of Bangladesh Bank's rules and regulations contradict with those of financial instruments and general provision standards of IAS and IFRS. As such the company has departed from those contradictory requirements of IAS / IFRS in order to comply with the rules and regulations of Bangladesh Bank which are disclosed below.

#### 2.2.1 Investment in shares and securities

IFRS 9: "Financial Instruments", Financial Assets are classified as either: (i) Amortised cost, (ii) Fair Value through profit or loss or (iii) Fair Value through other comprehensive income

Investment in marketable ordinary shares has been shown at cost, on an aggregate portfolio basis. Investment in non-marketable shares has been valued at cost. Full provision for diminution in value of shares as on classing of the year on an aggregate portfolio basis is made in the financial statements as required by Bangladesh Bank DFIM circular No. 02 dated January 31, 2012

#### 2.2.2 Provision on leases/loans and advances

IFRS: As per IAS 39 an entity should undertake the impairment assessment by considering whether objective evidence of impairment exists for financial assets that are individually significant. For financial assets that are not individually significant, the assessment can be performed on an individual or collective (portfolio) basis.

Bangladesh Bank: As per FID circular no.08, dated August 3, 2002, and FID circular no.03, dated May 3, 2006, a general provision @ 0.25% to 5% under different categories of unclassified leases/loans and advances (standard & SMA) has to be maintained regardless of objective evidence of impairment. Also provision for sub-standard, doubtful and bad-loss leases/loans and advances has to be provided @ 20%, 50% and 100% respectively on outstanding amount net of eligible securities and suspended interest on the basis of time equivalent of amount in arrears. However, such provision policies are not specifically in line with those prescribed by IAS 39 "Financial Instruments: Recognition and Measurement".







### 2.2.3 Other comprehensive income

IFRS: As per 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: Bangladesh Bank has issued templates through DFIM circular no. 11, dated 23 December 2009 for financial statements which will strictly be followed by all NBFIs. The templates of financial statements issued by Bangladesh Bank do not include Other Comprehensive Income nor are the elements of Other Comprehensive Income allowed to be included in a single Other Comprehensive Income (OCI) Statement. As such the company does not prepare the other comprehensive income statement. However, elements of OCI, if any, are shown in the statements of changes in equity.

### 2.2.4 Recognition of interest in suspense

IFRS: Loans and advances to customers are generally classified as 'loans and receivables' as per IAS 39 and interest income is recognised through effective interest rate method over the term of the loan. Once a loan is impaired, interest income is recognised in profit and loss account on the same basis based on revised carrying amount.

Bangladesh Bank: As per FID circular no. 03 dated 03 May 2006 lease income earned and income from loans and advance, overdue for three months (or equivalent, i.e. 90 days) or more for leases/loans and advances up to 5 years tenure and for six months (or equivalent, i.e. 180 days) or more for leases/loans and advances of more than 5 years tenure is not recognised as revenue, rather the corresponding amount needs to be credited to an interest in suspense account, which is presented as liability in the balance sheet. Suspended interests are recognised as revenue and credited to profit and loss account on realization basis.

### 2.2.5 Financial instruments – presentation and disclosure

In several cases Bangladesh Bank guidelines categorise, recognise, measure and present financial instruments differently from those prescribed in IAS 39. As such full disclosure and presentation requirements of IFRS 7 and IAS 32 cannot be made in the financial statements.

### 2.2.6 Financial guarantees

IFRS: As per IAS 39, financial guarantees are contracts that require an entity to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument. Financial guarantee liabilities are recognised initially at their fair value, and the initial fair value is amortised over the life of the financial guarantee. The financial guarantee liability is subsequently carried at the higher of this amortised amount and the present value of any expected payment when a payment under the guarantee has become probable. Financial guarantees

Bangladesh Bank: As per requirement of DFIM circular no. 11, dated 23 December 2009 issued by the Department of Financial Institutions and Markets of Bangladesh Bank, financial guarantees will be treated as off-balance sheet items. No liability is recognised in balance sheet for financial guarantees within other liabilities.

### 2.2.7 Cash and cash equivalent

IFRS: Cash and cash equivalent should be reported as cash item as per IAS 7.

Bangladesh Bank: Some cash and cash equivalent items such as 'money at call and on short notice', treasury bills, Bangladesh Bank bills and prize bond are not shown as cash and cash equivalents. Money at call and on short notice presented on the face of the balance sheet, and treasury bills, prize bonds are shown in investments.







**2.2.8 Non-Financial institution Assets**

IFRS: No indication of Non-Financial institution Assets asset is found in any IFRS.

Bangladesh Bank: As per requirement of DFIM Circular No. 11, dated 23 December 2009, there must exist a face item named non-financial institution asset.

**2.2.9 Cash flow statement**

IFRS: 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.

Bangladesh Bank: Cash flow statement is presented as per requirement of DFIM Circular No. 11, dated 23 December 2009.

**2.2.10 Balance with Bangladesh Bank: (Cash Reserve Requirement)**

IFRS: Balance with Bangladesh Bank should be treated as other asset as it is not available for use in day to day operations as per IAS 7.

Bangladesh Bank: As per Financial Institutions Act 1993 Section 19 and FID Circular No. 06 dated 06 November 2003 balance with Bangladesh Bank is treated as cash and cash equivalents.

**2.2.11 Off-balance sheet items**

IFRS: There is no concept of off-balance sheet items in any IFRS; hence there is no requirement for disclosure of off-balance sheet items on the face of the balance sheet.

Bangladesh Bank: As per requirement of DFIM Circular No. 11, dated December 23, 2009, off balance sheet items (e.g. Letter of guarantee etc.) must be disclosed separately on the face of the balance sheet.

**2.2.12 Leases/loans and advances/Investments net of provision**

IFRS: Loans and advances/Investments should be presented net of provision.

Bangladesh Bank: As per requirement of DFIM Circular No. 11, dated 23 December 2009, provision on leases/loans and advances/investments are presented separately as liability and cannot be netted off against leases/loans and advances.

**2.2.13 Appropriations of profit**

IFRS: There is no requirement to show appropriations of profit in the face of statement of comprehensive income.

Bangladesh Bank: As per requirement of DFIM Circular No. 11, dated 23 December 2009, an appropriation of profit should be disclosed in the face of profit and loss account.

**2.3 Basis of preparation and presentation of the financial statements**

The financial statements have been prepared under the historical cost convention in accordance with International Financial Reporting Standard (IFRS) as practised in Bangladesh. No adjustment has been made for inflationary factor affecting the financial statements. The accounting policies, unless otherwise stated, have been consistently being applied by the company and are consistent with those of the previous year.

**2.4 Going Concern**

The Company has adequate resources to continue in operation for foreseeable future. The going concern basis is used in preparing the financial statements.





## **2.5 Use of estimates and judgement**

Preparation of the financial statements in conformity with IAS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the company's accounting policies that affect the reported amounts of revenue and expenses, assets and liabilities. Due to involvement of inherent uncertainty in making estimates, actual results could be different from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised in any future period affected.

Provision for leases/loans and advances, deferred tax assets/liabilities, provision for gratuity and rate of depreciation of fixed assets are the major elements that require estimates and judgements.

## **2.6 Consolidation of operations of subsidiaries**

The financial statements of the company and its subsidiaries, as mentioned in note no. 1.3 have been consolidated in accordance with Bangladesh Accounting Standard no. 27 "Consolidated and Separate Financial Statements". The consolidation of the financial statements has been made after eliminating all material inter-company transactions.

The total profits of the company and its subsidiaries are shown in the consolidated profit and loss account, with the proportion of profit after tax pertaining to minority shareholders being deducted as "Non-controlling Interest".

All assets and liabilities of the company and its subsidiaries are shown in the consolidated balance sheet. The interest of minority shareholders of the subsidiaries are shown in the consolidated balance sheet under the heading "Non-controlling Interest".

## **2.7 Branch accounting**

The company has only one branch at Chittagong and no overseas branch as on December 31, 2016. Accounts of the branch are maintained at head office from which these accounts are drawn up.

## **2.8 Statement of cash flows**

The cash flow statement is prepared in accordance with International Accounting Standard (IAS) 7 "Cash Flow Statements" under the guideline of DFIM Circular No. 11, dated 23 December 2009. Cash and cash equivalents for cash flow statement comprises mainly of cash in hand and balances at banks.

## **2.9 Foreign currency transactions**

Transactions denominated in foreign currencies are converted into taka at rate prevailing at the respective date. Assets and liabilities denominated in foreign currencies are converted into taka at the rate of exchange prevailing at the date of the balance sheet. Profit or loss arising on conversion is credited or debited to profit and loss statement. However, there was no foreign currency transaction during the year 2021.

## **2.10 Cash and cash equivalents**

Cash and cash equivalents comprise cash in hand; balance with Bangladesh Bank and with other Banks and Financial Institutions. Cash equivalents are short term, highly liquid investments that are readily convertible to a known amount of cash and which are subject to an insignificant risk of change in value.

## **2.11 Investments**

Investments represent investment in Government Securities (Bills & Bonds) and investment in shares. Investment in Government Treasury Bills and Bonds are accounted for at their present value. Premiums are amortised and discount accredited, using the effective or historical yield method.







Investment in quoted shares has been shown at cost or market price whichever is lower, on an aggregate portfolio basis. Full provision for diminution in value of shares as of December 31, 2016 on an aggregate portfolio basis has been made in the financial statements as required by DFIM Circular No. 02, dated 31 January, 2012. Investment in non-quoted shares is valued at cost.

## **2.12 Leases (IFRS 16)**

### **ILFSL as a lessee**

ILFSL recognises a right of use asset and a lease liability from the beginning of 2019. The right of use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right of use asset is depreciated using the straight line methods from the commencement date (from the beginning of 2019) to the earlier of the end of the useful life of the right of use asset or the end of the lease term. In addition, the right of use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date (from the beginning of 2019), discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, ILFSL's incremental borrowing rate. The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in ILFSL's estimate of the amount expected to be payable under a residual value guarantee, or if ILFSL changes its assessment of whether it will exercise purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right to use asset, or is recorded in profit or loss if the carrying amount of the right to use asset has been reduced to zero.

### **ILFSL as a lessor**

When ILFSL acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, ILFSL makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, ILFSL considers certain indicators such as whether the lease is for the major part of the economic life of the asset. If an arrangement contains lease and non-lease components, ILFSL applies IFRS 15 to allocate the consideration in the contract. ILFSL recognises lease payments received under operating leases as income over the lease term.

## **2.13 Loans and advances**

Loans and advances represent time loan, work order loan, home loan, short-term loan and staff loan. Books of account for these loans and advances are maintained based on the accrual basis of accounting. Un-amortised principal amount, along with the accrued interest (where capitalised) thereon are accounted for as principal outstanding of loans and advances. Installments due from the clients but not received as well as interest accrued but not due are shown as accounts receivable.

## **2.14 Recognition of fixed assets and depreciation (IAS 16 'Property, Plant & Equipment')**

### **Recognition**

An item of fixed assets is recognised as an asset when it is probable that future economic benefits associated with the asset will flow to the enterprise and the cost of the asset to the enterprise can be measured reliably. The cost of an item of fixed assets is its purchase price (net of discounts and rebates), including import duties and taxes, and any directly attributable cost of bringing the asset to working condition for its intended use.

### **Measurement**

Fixed assets for own use are stated initially at cost and subsequently at cost less accumulated depreciation and any accumulated impairment losses or at a re-valued amount less any accumulated depreciation and subsequent accumulated impairment losses.





#### Subsequent expenditure

Subsequent expenditures relating to any item of fixed assets are added to the carrying amount of the asset when it is probable that future economic benefits, exceeding its present standard of performance, will flow to the company and the cost of the item can be measured reliably. All other costs are recognised in profit and loss account as expense.

#### Depreciation

Components of an asset with differing patterns of benefits are depreciated separately.

Depreciation is recognised in profit or loss on a straight line basis over the estimated useful life of an item of fixed assets, commencing from the time, the asset is held ready for use and ceases from the time of disposal.

The rate of depreciation of fixed assets under different category stated as follows:

Assets category	Depreciation rate
Motor vehicles	20%
Office decoration	15%
Office equipment	20%
Furniture and fixtures	20%
Computer Accessories	33%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

#### Disposal or retirement

The gain or loss arising out of disposal or retirement of fixed assets is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognized in profit and loss account.

#### Assets acquired under finance lease

Assets acquired under finance lease is recognized as fixed asset of the Company at the fair value of the asset at the inception of the lease or, the present value of the minimum lease payments whichever is lower. The related obligation under the lease is recognized as liability.

Lease payments consist of finance charge and redemption payments where finance charge is recognized as interest expenses and the redemption payment as adjustment of liability.

#### 2.15 Intangible assets (IAS- 38)

Costs incurred to procure softwares represent as intangible assets (note- 8.4.1), once fully operational, will be amortised on a systematic basis over the best estimate of its useful life as per decision of the Board of Directors.

#### 2.16 Revenue recognition (IAS 18, "Revenue")

IAS 18 is a general revenue recognition standard, which states that revenue should be measured at the fair value of the consideration received or receivable. This is usually the amount of cash or cash equivalents received or receivable and recognized when it is probable that economic benefits will flow to the entity.

##### 2.16.1 Income from lease (IAS 17, "Leases")

The excess of gross lease rental receivables over the cost of the leased assets constitutes the total un-earned lease income at the commencement of the lease. This income from leases is recognized based on a pattern reflecting a constant periodic rate of return on the net investment in the leases. The pattern of the periodic return however, differs in case of structured lease finance depending on the structure of the particular lease contract.







Unrealised income is suspended where necessary in accordance with the requirements of circular no. 03 dated 03 May, 2006 issued by the Department of Financial Institutions and Markets (DFIM) of Bangladesh Bank. Incomes suspended are taken into account on realisation basis.

Interest on advance against leases is recognized on an accrual basis, which is calculated on advances from the date of respective disbursement to the date of execution of lease. On execution of lease, advance including capitalized portion of accrued interest is transferred to gross lease receivables.

**2.16.2 Income from time loan**

Income from time loan finance is recognized on a time proportion basis that takes into account the effective yield on the asset. Unrealised income is suspended where necessary in accordance with the requirements of circular no. 03 dated 03 May, 2006 issued by the Department of Financial Institutions and Markets (DFIM) of Bangladesh Bank. Such suspended income is taken into profit and loss account on realization basis.

**2.16.3 Income from home loan**

Interest income from home loan is recognized on an accrual basis. Instalment comprises both interest and principal. Interest portion of instalments that become receivable is recognized as income in the financial statements. Interest on such finance ceases to be taken into account as income and kept in interest suspense account where necessary in accordance with the requirements of circular no. 03 dated 03 May, 2006 issued by the Department of Financial Institutions and Markets (DFIM) of Bangladesh Bank. Interest suspended is taken into profit and loss account on realization basis.

**2.16.4 Income from short-term loan**

Income from short-term loan is recognized on accrual basis. Such interest income is calculated on daily loan balance of the respective accounts.

**2.16.5 Income from investment in shares****Dividends (IAS 18, "Revenue from Contracts with Customers")**

Dividend income is recognized when the legal rights to receive the payments have been established

**Gain/loss on sale**

Gain or loss on sale of shares listed in stock exchanges is recognized when those are sold in the market. Unrealized capital gains are not accounted for in the profit and loss account.

**2.16.6 Income from PD and treasury operations****Coupon income**

Coupon income from Government treasury bonds is recognized on an accrual basis at a constant rate determined in respective auction, which is realized from Bangladesh Bank on half yearly basis.

**Discount income**

Discount income (excess of face value over purchase price) from government treasury bonds and bills are recognized periodically on an accrual basis.

**Capital gain/loss**

Gain or loss on sale of Government treasury bonds and bills determined as the difference between the sale proceeds and aggregate of present value and accrued coupon income of respective bonds and bills are recognized when those are sold.

**2.16.7 Fee based income**

Fee based income are recognized at the stage of completion of the transaction when the amount of revenue can be reliably measured and economic benefits associated with the transaction will flow to the company.





#### 2.17 Interest suspense account

Lease income earned and income from direct finance, overdue for three months (or equivalent, i.e. 90 days) or more for lease/term finance up to 5 years tenure and for six months (or equivalent, i.e. 180 days) or more for lease/term finance of more than 5 years tenure is not recognized as revenue and credited to interest suspense account as per FID Circular No. 03 dated May 03, 2006. Suspended interests are recognized as revenue and credited to profit and loss account on realization basis.

#### 2.18 Borrowing cost

All borrowing costs are recognized as expenses in the period in which they incurred in accordance with benchmark treatment of Bangladesh Accounting Statnderd-23. There was no cost of borrowing eligible for capitalization during the reporting period.

#### 2.19 Accrued expenses, provisions and other payables

As per IAS 37 "Provisions, Contingent Liabilities and Contingent Assets", a provision is recognized only when a past event has created a legal or constructive obligation, an outflow of resources is probable, and the amount of the obligation can be estimated reliably. Amount recognized as a provision is the best estimate of settlement amount at balance sheet date.

#### 2.20 Provision for future losses

Provision has been made on outstanding exposures, based on aging and quarterly review of the receivables, as per guidelines of Bangladesh Bank as practiced by the Company. The methodology of measuring appropriate level of provision relies on several key elements, which include both quantitative and qualitative factors as set forth in FID circular no. 08 dated August 03, 2002 and amended from time to time by the Department of Financial Institutions and Markets (DFIM) of Bangladesh Bank.

The provision increases by the amount charged in Profit and loss account and decreases by the amount written off and provisions no longer required. As per Bangladesh Bank Circulars required provision for leases/loans and advances are calculated on base for provision at rates shown in following table:

Product category	General provision on un-classified accounts (%)			Specific provision on classified accounts (%)		
	Standard		SMA	Sub - standard	Doubtful	Bad & loss
	General	SME				
Lease Finance	1%	0.25%	5%	20%	50%	100%
Term Loans	1%	0.25%	5%	20%	50%	100%
Housing Finance	1%	-	5%	20%	50%	100%

#### 2.21 Write off

Write off refers to de-recognition of an asset to a reduced or zero value. This is applied for an asset from which return is impossible or unlikely in compliance with the requirements of Bangladesh Bank FID circular no. 03, dated 15 March 2007. Any recovery from asset written off is recognized as income.

#### 2.22 Employees' benefits obligations

##### Defined contribution plan

The company operates a recognised contributory provident fund scheme for its permanent employees. Provident fund is administered by a Board of Trustees and is funded by contributions partly from the employees and partly from company at a predetermined rate of 10% of basic salary. The contributions are kept and invested separately from the Company's asset.







#### **Defined benefit plan-Gratuity**

The Company operates an unfunded gratuity scheme. Provision has been made in the financial statements as per approved gratuities scheme. Employees are entitled to gratuity benefit after completion of minimum five years of continued service in the company.

Gratuity is calculated on the last basic pay and is payable as per following rates:

5 years of continued service	50% of last basic times 5
6 years of continued service	60% of last basic times 6
7 years of continued service	70% of last basic times 7
8 and above years of continued service	100% of last basic times no. of years of service

Since the liability amount under the head is not substantial, the actuarial valuation was not felt required.

#### **2.23 Other employees' benefit obligation**

The company has several types of loans and advances scheme like specific purpose loan, provident fund loan, house building loan and loan for buying motor vehicle guided by the employees' service rules. In addition the Company operates a group life and hospitalization scheme for its employees.

#### **2.24 Tax provision**

##### **Current tax**

Provision for current tax is made on the basis of the profit for the year as adjusted for taxation purpose in accordance with the provision of income tax laws and amendments thereto.

##### **Deferred tax**

The company accounts for deferred tax As per DFIM Circular no. 07 dated 31 July 2011 and Bangladesh Accounting Standard 12 "Deferred tax". This is provided using the liability method for all temporary timing differences arising between the tax base of assets and liabilities and their carrying value for financial reporting purposes. Tax rate prevailing at the balance sheet date is used to determine deferred tax.

In calculating deferred tax, temporary difference arising from depreciation of fixed assets and provision for gratuity is considered.

#### **2.25 Impairment of assets**

The company reviewed long-lived assets for impairment whenever events of changes in circumstances indicate that the book value of the assets may not be recovered. Accordingly, the Company estimates the recoverable amount of the assets and the impairment losses if any is recognised in the profit and loss account when the estimated recoverable amount of an asset is less than its carrying amount.

#### **2.26 Earnings Per Share (EPS)**

The company calculates earnings per share (EPS) in accordance with Bangladesh Accounting Standards-33 "Earnings per Share", which is shown in the face of the profit and loss statement, and the computation is stated in Note- 37 & 37 (a). No diluted earnings per share is required to be calculated for the period as there was no scope for dilution during the period under review.

#### **2.27 Statutory reserve**

As per Financial Institutions Regulations 1994 every Financial Institution has to transfer 20% of its current year's profit to reserve fund until such reserve equals to its paid-up capital. The company transfers 20% of net profit to statutory reserve before declaration of dividend.



**2.28 Related party disclosure (IAS- 24)**

As per International Accounting Standard, parties are considered to be related if one of the parties has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. The Company carried out transactions in the ordinary course of business on an arm's length basis at commercial rates with related parties. Related party disclosure is given in Note -39.

**2.29 Events after the reporting period**

All material events occurring after the reporting period are considered and where necessary, adjusted for or disclosed in Note-40.

**2.30 Payment of dividend**

Interim dividends are recognized when they are paid to the shareholders upon approval of the Board of Directors. Final dividend is recognized when it is approved by the shareholders along with interim dividend.

Proposed dividend is not recognized as liability and shown separately under the shareholders' equity in accordance with the International Accounting Standards IAS-10, "events after the reporting period".

**2.31 Reconciliation of inter-company account**

Accounts with regard to inter-Company are reconciled regularly and there are no material differences which may affect the financial statements significantly.

**2.32 Segment reporting**

The Company has only one reportable business segment and operation of the Company is within the geographical territory of Bangladesh. Hence segment reporting in accordance with IFRS-8 "Operating Segment" is not applicable.

**2.33 Offsetting**

Financial assets and financial liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. There was no item for offsetting during the reporting period.

**2.34 Reporting currency**

The financial statements are presented in Bangladeshi Taka which is the Company's functional currency except as indicated.

**2.35 Reporting period**

The financial statements of the company and its subsidiaries cover the period from 01 January, 2023 to 31 December 2023.

**2.36 Directors' responsibility statement**

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

**2.37 Re-classification**

Previous year's figures, wherever considered necessary, have been rearranged /restated /reclassified, for the purpose of comparison with current year's presentation without any impact on the profit and value of assets and liabilities as reported in the financial statements.







#### 2.38 Uniform accounting policies

The financial statements of International Leasing and Financial Services Limited and its subsidiaries have been prepared in accordance with uniform policies of accounting.

#### 2.39 Liquidity statement

The liquidity statement shows the maturity of company's total assets and liabilities under different maturity bucket as at the close of the reporting period. This statement is prepared as per format prescribed in DFIM circular no. 11 dated December 23, 2009 considering the remaining maturity of assets and liabilities as noted below:

- Balance with other banks and financial institutions on the basis of their maturity term.
- Investments are on the basis of their residual maturity term.
- Leases, loans and advances are on the basis of their repayment/maturity schedule.
- Fixed assets are on the basis of their useful lives.
- Other assets are on the basis of their adjustment term.
- Borrowing from Banks and other Financial Institutions are on the basis of their maturity /payment term.
- Deposit and other accounts are on the basis of their maturity term and behavioral past trends.
- Other liabilities are on the basis of their maturity/settlement term.

#### 2.40 BASEL II and its implementation

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

As per CAMD guidelines, Financial Institutions should maintain a Capital Adequacy Ratio (CAR) of minimum 10% which is complied by the company. Detail of CAR of the company is shown in note - 12.3

#### 2.41 Financial risk management

Risk is an integral part of financing business and thus every financial institution is exposed to risk of different type and magnitude. So, the prime responsibility of every financial institution is to manage its risk such that its return from business can be maximised. As a prudent and responsible financial institution, the company attaches top priority to ensuring safety and security of the finances that are being extended.

##### 2.41.1 Credit risk

Credit Risk is the risk of loss that may occur the failure of any counterparty to make required payments in accordance with agreed terms and conditions and/or deterioration of creditworthiness. Credit risk is managed through a framework set by policies and procedures established by the Board. The responsibility is clearly segregated between origination and approval of business transaction

Board of Directors is the apex body for credit approval process of the ILFSL. However, they delegate the authority to Executive Committee and Managing Director/CEO. The Board also sets credit policies to the management for setting procedures, which together has structured the credit risk management framework of the ILFSL. The company has segregated the duties of the officers/executives involved in credit activities. The functions of the credit are handled at different levels by four department / division namely: (1) Business Department (2) Credit Risk Management (3) Credit Administration and (4) Special Asset Management and Legal Affairs. The credit approval team (Credit Risk Management) is independent from the Sales Team (Business Department). Credit Administration Department checks and ensures the documentation and disbursement facilities



The responsibility for preparing credit application is rest with RM within the business Development Department. Credit Application is to be recommended for approval by RM, Head of Business Development and Business Head which is to be forwarded to CRM for their review, assessment and observation/recommendation. After endorsement of CRM, credit memorandum is placed before the approval authority MD/EC/Board as per level of approval authority.

ILFSL credit risk management encompasses identification, measurement, matching, mitigation, monitoring and control of the credit exposures. The executed credit is monitored by Business Department upto risk grade 5 and Special Asset Management and Legal Affairs Department (SAMLAD) monitor credit from risk grade 6 and above.

#### **2.41.2 Market risk**

Market Risk refers to the risk of fluctuation of various market variables like interest rate, exchange rate, availability of liquidity with the lenders/depositors, prices of securities in the stock exchanges. The exposure of market risk of the company is restricted to interest rate risk and equity price risk.

#### **2.41.3 Interest rate risk**

Interest rate risk is the potential losses of net interest margin. Interest rate risk resulted from the changes in the market interest rates of lending and borrowing. To mitigate interest rate risks, necessary measures are taken to diversify financing sources and also laid strong emphasis on mobilizing retail and institutional deposits. Lending rates are also adjusted to cope with market interest rate condition. Treasury Department continually monitors market interest rate regime and liquidity position and provides feedback to the Management. A separate ALCO committee remains watchful on the adverse movement of the different market variables. The committee updates and prepares liquidity profiles regularly and submits a copy of the same to Bangladesh Bank on a monthly basis.

#### **2.41.4 Equity price risk**

Equity price risk is the risk of losses caused by the changes in the equity prices. These losses could arise because of changes in the value of the listed share held by ILFSL. The Company is managing the equity price risk by keeping this exposure within the regulatory limit. As on December 31, 2015, total exposure to capital market was below the regulatory threshold of 25% of capital.

#### **2.41.5 Liquidity risk**

Liquidity Risk arises out of the company's inability to meet short term obligation to its lenders/creditors. It arises from the adverse mismatch of maturities between assets and liabilities.

Liquidity requirements are managed on day-to-day basis by the Treasury Department. It is responsible for ensuring that sufficient funds are available to meet short term obligations, even in crisis situations and for maintaining diverse funding sources. The Treasury Department also oversees the asset liability maturity position, recommend and implement appropriate measures to encounter liquidity risk. There is a Asset Liability Management Committee (ALCO) to continuously keep tab on the liquidity position of the company.

#### **2.41.6 Operational risk**

Operational Risk is the potential loss that may arise due to ineffective Internal Control which may result in errors, fraud and other lapses in operational activities and thereby ignoring the compliance requirements of the regulators or non-compliance of corporate governance.

To address the operational risk, an appropriate internal control system is in place within the Organization. A separate Internal Control and Compliance Department oversees the compliance of approved operational guidelines and procedures in all activities. The Department has direct access to the Board Audit Committee. Chief Executive Officer acts as the supervisor of the Department. Compliance section ensures the compliance of rules regulations and inspection report of external & internal auditors. Principle work of internal audit section is to reinforce the control system if deviated.







#### 2.41.7 Money Laundering and Terrorist Financing Risk

In ILFSL, money laundering and terrorist financing risk takes two broad dimensions:

- Business risk i.e. the risk that ILFSL may be used for money laundering or terrorism financing and
- Regulatory risk i.e. the risk that ILFSL fails to meet regulatory obligations under the Money Laundering Prevention Act 2012 (amended in 2015) and Anti-Terrorism Act 2009 (amended in 2013)

To mitigate the risk, ILFSL, while adhering to various guidelines and circulars issued by the Bangladesh Financial Intelligence Unit (BFIU), put in place a strict compliance program consisting of the following components:

- Development and implementation of internal policies, procedures and controls to identify and report instances of money laundering and terrorism financing;
- Creation of structure and sub-structure within the organization, headed by a Central Compliance Unit (CCU), for AML and CFT compliance;
- Appointment of an AML/CFT Compliance officer, known as the Chief Anti Money Laundering Officer (CAMLCO), to lead the CCU;
- Independent audit function including internal and external audit function to test the programs
- Ongoing employee training programs

#### 2.42 Changes in Accounting Estimates and Errors (IAS-8)

IAS 8 is a Accounting Policies, Changes in Accounting Estimates and Errors standard, which states that prior period error shall be corrected by retrospective restatement. The correction of a prior period error is excluded from profit or loss for the period in which the error is discovered. Any information presented about prior periods, including any historical summaries of financial data, is restated as far back as is practicable.

#### 2.43 Status of Compliance of International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) via IASs / IFRSs

IAS Title	IAS No.	Status
Presentation of Financial Statements	1	Applied (*)
Inventories	2	N/A
Statement of Cash Flows	7	Applied
Accounting Policies, Changes in Accounting Estimates and Errors	8	Applied
Events after the Reporting Period	10	Applied
Construction Contracts	11	N/A
Income Taxes	12	Applied
Property, Plant & Equipment	16	Applied
Leases	17	Applied
Revenue	18	Applied
Employee Benefits	19	Applied
Accounting of Government Grants and Disclosure of Government Assistance	20	N/A
The Effects of Changes in Foreign Exchange Rates	21	N/A
Borrowing Costs	23	Applied
Related Party Disclosures	24	Applied
Accounting and Reporting by Retirement Benefit Plans	26	N/A
Consolidated and Separate Financial Statements	27	Applied
Investments in Associates	28	N/A
Interest in Joint Ventures	31	N/A
Financial Instruments: Disclosure and Presentation	32	Applied





Earnings per Share	33	Applied
Interim Financial Reporting	34	Applied
Impairment of Assets	36	Applied
Provisions, Contingent Liabilities and Contingent Assets	37	Applied
Intangible Assets	38	Applied
Financial Instruments: Recognition and Measurement	39	Applied (*)
Investment Property	40	N/A
Agriculture	41	N/A
IFRS Title	IFRS No.	Status
First-time adoption of International Financial Reporting Standards	1	N/A
Share Based Payment	2	N/A
Business Combination	3	Applied
Insurance Contracts	4	N/A
Non-Current Assets Held for Sale and Discontinued Operations	5	N/A
Exploration for and evaluation of Mineral Resources	6	N/A
Financial Instruments: Disclosure	7	Applied (*)
Operating Segments	8	Applied
Consolidated Financial Statements	10	Applied
Joint Arrangements	11	N/A
Disclosure of Interests in other Entities	12	N/A
Fair Value Measurement	13	N/A

N/A = Not Applicable

(\*) As the regulatory requirements differ with the standards, relevant disclosures and presentations are made in accordance with Bangladesh Bank's requirements (please see note -2.2)







(Figures in BDT)

	December 31, 2023	December 31, 2022
<b>3 Cash</b>		
<b>3.1 Cash in hand</b>		
In local currency	74,959	63,844
In foreign currency	-	-
	<b>74,959</b>	<b>63,844</b>
<b>3.2 Balance with Bangladesh Bank and its agent bank(s)</b>		
<b>With Bangladesh Bank</b>		
In local currency	270,851	132,265
In foreign currency	-	-
	<b>270,851</b>	<b>132,265</b>
With Sonali Bank Ltd. as agent of Bangladesh Bank	-	-
	<b>270,851</b>	<b>132,265</b>
<b>Total (3.1+3.2)</b>	<b>345,810</b>	<b>196,109</b>

**3.3 Statutory deposits**

**Cash Reserve Requirement (CRR) and Statutory Liquidity Reserve (SLR)**

Cash Reserve Requirement and Statutory Liquidity Reserve have been calculated and maintained in accordance with section 19 of the Financial Institutions Act 1993, rule 5 of the Financial Institutions Rules 1994 and FID circular no.6 dated November 06, 2003.

The Cash Reserve Requirement on the Company's term deposits received from public @ 2.5% has been calculated and maintained with Bangladesh Bank in current account and 5% Statutory Liquidity Reserve, including CRR, on the total liabilities has been maintained in the form of balance with banks. Both the reserves maintained by the Company are in excess of the statutory requirements, as shown below:

**a) Cash Reserve Requirement**

Required reserve (1.5% of average total term deposit of December)  
Cash reserve in average maintained with Bangladesh bank  
**Surplus / (deficit)**

246,137,844	250,200,080
465,811	93,396
<b>(245,672,033)</b>	<b>(250,106,684)</b>

**b) Statutory Liquidity Reserve**

Required reserve (5% of average total liabilities of December)  
Liquidity reserve in average maintained including CRR  
**Surplus / (deficit)**

916,862,592	911,854,420
1,511,662,278	1,298,956,814
<b>594,799,686</b>	<b>387,102,393</b>

The surplus mostly comprises of deposits maintained with banks kept under lien against various facilities.

**3(a) Consolidated Cash**

<b>Cash in hand</b>		
International Leasing and Financial Services Limited	74,959	63,844
International Leasing Securities Limited	12,526	16,895
IL Capital Limited	45,745	88,786
	<b>133,230</b>	<b>169,525</b>
<b>Balance with Bangladesh Bank and its agent bank(s)</b>		
International Leasing and Financial Services Limited	270,851	132,265
	<b>270,851</b>	<b>132,265</b>
	<b>404,081</b>	<b>301,790</b>





(Figures in BDT)

**4 Balance with banks and other financial institutions**

In Bangladesh (note-4.1)  
Outside Bangladesh

December 31, 2023	December 31, 2022
3,683,527,533	3,358,821,997
-	-
<b>3,683,527,533</b>	<b>3,358,821,997</b>

**4.1 In Bangladesh**

**a) Current deposits**

Al-Arafah Islami Bank Limited	1,298	1,988
Basic Bank Limited	5,225	5,915
Bank Asia Limited	160,772	161,612
One Bank Limited	(189,183)	298,382
Dutch Bangla Bank Limited	6,306,784	6,309,544
Eastern Bank Limited	15,229,974	10,652,524
Jamuna Bank Limited	99,216	2,110,640
Mercantile Bank Limited	84,320	9,488,193
Mutual Trust Bank Limited	(7,144,144)	(7,143,654)
Shahjalal Islami Bank Limited	952,006	8,011,802
South East Bank Limited	103,007	103,007
Standard Bank Limited	64,054	67,734
NCC Bank Limited	6,798	7,287
Woori Bank Limited	58,178	58,178
Dhaka Bank Limited	148,658	150,053
UCB Limited	14,658	(982)
The City Bank Limited	(2,931,928)	8,973,420
	<b>12,969,692</b>	<b>39,255,640</b>

**b) Short-term deposit**

AB Bank Limited	94,898	789,251
Bank Alfalah Limited	16,065,498	60,311,484
Bank Asia Limited	(30,672,214)	(31,295,527)
BRAC Bank Limited	-	548,644
Dhaka Bank Limited	4,660,185	4,613,030
Midland Bank Limited	90,915	92,640
Madhumoti Bank	18,621	19,478
Eastern Bank Limited	408,719,686	4,969,813
The Premier Bank Limited	256,862	7,375,931
South East Bank Limited	337,023	335,253
Uttara Bank Limited	3,935	906,704
Jamuna Bank Limited - ( I P O )	1,115,710	1,102,513
South Bangla Agriculture And Commercial Bank Limited	2,263	4,447
	<b>400,693,383</b>	<b>49,773,661</b>

**c) Fixed deposits**

FAS Finance and Investment Limited	1,334,073,360	1,334,073,360
Peoples Leasing & Financial Services Limited	1,405,552,500	1,405,552,500
Premier Leasing Limited	528,736,679	528,736,679
Mutual Trust Bank Limited	1,501,920	1,430,156
	<b>3,269,864,458</b>	<b>3,269,792,695</b>

**Total (a+b+c)**

<b>3,683,527,533</b>	<b>3,358,821,997</b>
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(Figures in BDT)

December 31, 2023	December 31, 2022
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**4.2 Maturity grouping of balance with banks and other financial institutions**

On demand	13,390,461	39,255,641
Up to 1 month	400,693,383	1,455,326,161
Over 1 month but not more than 3 months	1,333,652,591	1,334,073,360
Over 3 months but not more than 6 months	530,238,599	530,166,835
Over 6 months but not more than 1 year	1,405,552,500	3,268,362,539
Over 1 year but not more than 5 years	-	-
Over 5 years	-	-
	<b>3,683,527,533</b>	<b>6,627,184,535</b>

**4(a) Consolidated balance with banks and other financial institutions**

Inside Bangladesh		
International Leasing and Financial Services Limited	3,683,527,533	3,358,821,997
International Leasing Securities Limited	124,026,996	165,856,815
Balance with banks and other financial institutions	124,026,996	165,856,815
Adjustment for consolidation	-	-
IL Capital Limited	21,199,551	29,531,035
Balance with banks and other financial institutions	21,199,551	29,531,035
Adjustment for consolidation	-	-
	<b>3,828,754,079</b>	<b>3,554,209,847</b>
Outside Bangladesh	-	-
	<b>3,828,754,079</b>	<b>3,554,209,847</b>

**5 Investments**

Investment classified as per nature:

**(i) Government securities**

Bangladesh Govt. Treasury Bonds (note-5.1)

300,000	300,000
<b>300,000</b>	<b>300,000</b>

**(ii) Other investment**

Shares (note-5.2)

16,828,414	16,828,414
16,828,414	16,828,414
<b>17,128,414</b>	<b>17,128,414</b>

**Total (i+ii)**

**5.1 Bangladesh Govt. Treasury Bonds**

15 years Bangladesh Govt. Treasury Bonds

20 years Bangladesh Govt. Treasury Bonds

-	-
300,000	300,000
<b>300,000</b>	<b>300,000</b>





(Figures in BDT)

**5.2 Investment in shares**

**a) Quoted**

BDTHAI	553,104	553,104
NIALCO Alloys Limited	-	-
PRAGATILIF	1,070,253	1,070,253
ROBI	8,286,051	8,286,051
BEXIMCO PHARMA LTD.	950,648	950,648
BEXIMCO LTD.	970,337	970,337
LR Global BD Mutual Fund One	4,998,022	4,998,022

**b) Un-Quoted**

**Total (a+b)**

**16,828,414 16,828,414**

**5.3 Maturity grouping of investments**

On demand	-	-
Up to 1 month	16,828,414	16,828,414
Over 1 month but not more than 3 months	-	-
Over 3 months but not more than 6 months	-	-
Over 6 months but not more than 1 year	-	-
Over 1 year but not more than 5 years	-	-
Over 5 years	300,000	300,000

**17,128,414 17,128,414**

**5(a) Consolidated investments**

**a) Government securities**

International Leasing and Financial Services Limited	300,000	300,000
International Leasing Securities Limited	-	-
IL Capital Limited	-	-

**300,000 300,000**

**b) Other investment**

International Leasing and Financial Services Limited	16,828,414	16,828,414
International Leasing Securities Limited	413,683,411	405,432,513
IL Capital Limited	177,872,778	175,327,272

**608,384,603 597,588,199**

**Total (a+b)**

**608,684,603 597,888,199**

**6 Leases, loans and advances**

**6.1 Broad category-wise break up**

**Inside Bangladesh**

Leases (note-6.1.1)	1,376,266,209	1,580,246,645
Loans, cash credits, overdrafts, etc. (note-6.1.2)	39,693,145,931	39,688,460,484

**41,069,412,140 41,268,707,129**

**Outside Bangladesh**

**41,069,412,140 41,268,707,129**







(Figures in BDT)

**6.1.1 Leases**

	December 31, 2023	December 31, 2022
Net investment in leases (note - 6.1.1.1)	706,369,436	822,118,941
Advances for leases (note -6.1.1.2)	-	-
Accounts receivables	678,294,382	820,164,685
Principal	406,976,629	527,651,045
Interest	271,317,753	292,513,640
Other payables	(8,397,609)	(62,036,982)
	<b>1,376,266,209</b>	<b>1,580,246,645</b>

**6.1.1.1 Net investment in leases**

Gross lease receivable	750,219,486	873,154,498
Less: Unearned lease income	43,850,050	51,035,556
<b>Net lease receivable</b>	<b>706,369,436</b>	<b>822,118,941</b>

Net investment in leases represents gross lease rental receivables from the lessee minus unearned lease income against investment in leases. Investment in leases represents assets leased to the lessees and accounted for under finance method. The company is the legal owner of the leased assets. Unearned lease income is the excess of gross lease rental receivables over the cost of the leased assets. Lease term of the above leases vary from 24 months to 84 months.

**6.1.1.2 Advance for leases**

This represents disbursement for procurement of leased assets at the end of the reporting period. On execution of leases, advances will be transferred to investment in leases. Advance against leases carry interest as per terms of the agreement until the advances are executed. The outstanding amount of advance against leases as of December 31 are shown under following two categories:

Imported equipment	-	-
Local equipment	-	-
	<b>-</b>	<b>-</b>

**6.1.1.3 Maturity grouping of leases**

On demand	4,961,948	5,697,373
Up to 1 month	10,478,983	12,032,103
Over 1 month but not more than 3 months	32,228,023	37,004,633
Over 3 months but not more than 1 year	135,479,270	155,559,048
Over 1 year but not more than 5 years	379,503,540	435,750,868
Over 5 years	813,614,445	934,202,619
	<b>1,376,266,209</b>	<b>1,580,246,645</b>

**6.1.2 Loans, cash credits, overdrafts, etc**

Time loan (note-6.1.2.1)	35,887,637,189	36,094,706,162
Work order & factoring (note-6.1.2.2)	190,256,084	190,240,784
Home loan (note-6.1.2.3)	20,726,142	47,044,989
Other loans (note-6.1.2.4)	3,593,248,425	3,354,792,754
Staff loan (note-6.1.2.5)	1,278,090	1,675,795
	<b>39,693,145,931</b>	<b>39,688,460,484</b>





(Figures in BDT)

**6.1.2.1 Time loan**

	December 31, 2023	December 31, 2022
Principal outstanding	21,729,353,733	21,435,617,454
Accounts receivables	14,328,658,340	14,823,100,894
Principal	8,597,195,004	7,337,550,447
Interest	5,731,463,336	7,485,550,447
Other payables	(170,374,883)	(164,012,186)
	<b>35,887,637,189</b>	<b>36,094,706,162</b>

This represents amounts outstanding against time loan advanced to loanee with a specific repayment schedule for an agreed period of 3 months to 84 months.

**6.1.2.2 Work order & factoring**

Principal outstanding	131,944,777	131,944,777
Accounts receivables	58,262,020	58,262,020
Principal	-	-
Interest	58,262,020	58,262,020
Other payables	49,288	33,988
	<b>190,256,084</b>	<b>190,240,784</b>

**6.1.2.3 Home loan**

Principal outstanding	12,380,785	28,593,539
Accounts receivables	8,407,024	18,419,506
Principal	-	9,749,082
Interest	8,407,024	8,670,424
Other payables	(61,667)	31,944
	<b>20,726,142</b>	<b>47,044,989</b>

This represents amounts outstanding against home loan advanced to individuals, corporate bodies, real estate developers for purchase and/or construction of real estate (land, building, apartment, office space) in urban areas with a specific repayment schedule for an agreed period of 24 months to 240 months.

**6.1.2.4 Other loans**

Loan to subsidiary	2,972,163,688	2,801,061,615
Principal outstanding	2,592,374,536	2,720,293,228
Interest receivables	379,789,152	80,768,388
Treasury line	621,084,737	553,731,139
Principal outstanding	405,759,797	405,759,797
Interest receivables	215,324,940	147,971,343
	<b>3,593,248,425</b>	<b>3,354,792,754</b>







(Figures in BDT)

December 31, 2023	December 31, 2022
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**6.1.2.4.** Loan to subsidiary represents amount receivable from International Leasing Securities Limited (ILSL), a wholly owned subsidiary company of International Leasing and Financial Services Limited (ILFSL). ILSL has been paying installment against this loan as per specified schedule. As of December 31, 2015 exposure to ILSL represents 96.16% of the capital of ILFSL. By taking into consideration of the total amount of loan outstanding, business forecast of ILSL and forecasted equity growth of ILFSL it expected to bring down the exposure within 30% of capital of ILFSL within shortest possible time. ILFSL has submitted its plan to the regulator regarding the issue.

**6.1.2.5 Staff loan**

Principal outstanding	1,278,090	1,675,795
Accounts receivables	-	-
Principal	-	-
Interest	-	-
	<b>1,278,090</b>	<b>1,675,795</b>

**6.1.2.6 Maturity grouping of loans, cash credits, overdrafts, etc.**

On demand	13,786,197	13,787,825
Up to 1 month	183,192,650	183,214,279
Over 1 month but not more than 3 months	544,186,640	544,250,892
Over 3 months but not more than 1 year	2,484,633,719	2,484,927,079
Over 1 year but not more than 5 years	8,625,206,976	8,626,225,350
Over 5 years	27,842,139,748	27,836,055,058
	<b>39,693,145,931</b>	<b>39,688,460,484</b>

**6.2 Leases, loans and advances on the basis of significant concentration**

Leases, loans and advances to companies or firms in which the Directors of the

a) Company have interests	-	-
b) Leases, loans and advances to Chief Executive and other Senior Executives	1,523,453	1,523,453
c) Number of clients with outstanding amount and classified leases, loans and advances exceeding 15% of total capital of the the Company is as follows :		
Number of clients	37	37
Amount of outstanding advances	30,563,096,488	30,563,096,488
Amount of classified advances	27,762,337,337	27,762,337,337
Measures taken for recovery	-	-

**d) Industry-wise leases, loans and advances**

Agriculture	23,980,271	-
Textile & Garments	8,090,475,471	7,485,590,271
Transport & Communication	1,842,231,226	1,835,657,951
Food production/processing industry	285,321,869	139,217,284
Iron, Steel & Engineering industry	487,362,091	489,875,830
Chemical & Pharmaceuticals	2,442,883,839	2,165,108,960





(Figures in BDT)

	December 31, 2023	December 31, 2022
Service Industry	-	-
Plastic Industry	971,460,601	931,482,424
Paper, Printing packaging	231,408,993	239,408,919
Telecommunication/information technology	1,289,918,020	1,310,437,480
Real Estate & Housing	1,555,002,801	1,561,264,259
Ship and Ship making industry	479,925,164	235,956,922
Education	401,948,178	401,928,178
Hospital and medical equipment	-	-
Trade & Commerce	13,588,820,221	13,260,640,327
Power & Energy	1,737,665,050	1,684,954,821
Cement and Allied industry	351,834,514	365,488,459
Electronics and Electrical products	247,812	14,071,757
Lather and Lather Goods	369,888,062	751,727,120
Loan Against Deposit	18,683,623	19,844,433
Loans to Brokerage House	1,170,614,922	1,171,703,922
Loans to Other FI/Bank Subsidiaries	1,088,803,280	1,037,891,418
Loans to Own Subsidiaries	2,955,103,235	2,800,759,151
Personal Loan	3,169,564	3,361,276
Others (Cold Storage, Biofuel, Seed, Feed, Agri-related Other Institutions & Services)	845,485,744	966,523,710
Others (Industries)	837,177,585	2,371,831,984
	<b>41,069,412,140</b>	<b>41,268,707,129</b>

**e) Sector-wise leases, loans and advances**

Inside Bangladesh	-	-
Government & autonomous bodies	-	-
Financial institutions (private)	1,088,803,280	1,041,732,200
Other public sector	-	-
Private sector	39,980,608,860	40,226,974,929
	<b>41,069,412,140</b>	<b>41,268,707,129</b>
Outside Bangladesh	-	-
	<b>41,069,412,140</b>	<b>41,268,707,129</b>

**f) Geographical location-wise leases, loans and advances**

Inside Bangladesh		
Urban		
Dhaka region	39,513,470,063	39,712,765,051
Chittagong region	1,465,975,218	1,465,975,218
Khulna region	-	-
Rajshahi region	89,966,859	89,966,859
Rangpur region	-	-
Sylhet Region	-	-
	<b>41,069,412,140</b>	<b>41,268,707,129</b>
Rural	-	-
Inside Bangladesh	<b>41,069,412,140</b>	<b>41,268,707,129</b>
Outside Bangladesh	-	-
	<b>41,069,412,140</b>	<b>41,268,707,129</b>







(Figures in BDT)

December 31, 2023	December 31, 2022
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**6.3 Classification of leases, loans and advances**

**a) Unclassified**

Standard

2,380,755,651 847,002,764

Special mention account (SMA)

404,556,353 2,923,922,932

**2,785,312,004 3,770,925,696**

**b) Classified**

Sub-standard

3,238,420,245 4,605,147,322

Doubtful

353,070,510 504,622,072

Bad / Loss

34,692,609,382 32,388,012,039

**38,284,100,136 37,497,781,432**

**Total (a+b)**

**41,069,412,140 41,268,707,129**

**6.4 Particulars of leases, loans and advances**

(i)	Leases and loans considered good in respect of which the Company is fully secured	15,708,685,638	15,708,685,638
(ii)	Loans considered good against which the Company holds no security other than the debtors' personal guarantee	3,031,207,884	3,031,207,884
	Loans considered good and secured by the personal undertaking of one or more parties in addition to the personal guarantee of the debtors	1,278,090	1,675,795
		<b>18,741,171,612</b>	<b>18,741,569,317</b>
(iv)	Loans adversely classified; provision not maintained there against	-	-
(v)	Loans due from Directors either separately or jointly with any other	-	-
(vi)	Loans due from Officers either separately or jointly with any other	1,278,090	1,675,795
(vii)	Loans due from companies or firms in which the Directors have interest as directors, partners or managing agents or in case of Maximum total amount of advances, including temporary advances made at any time during the year to Directors or Managers or Officers either separately or jointly with any other person.	-	-
(viii)	Maximum total amount of advances, including temporary advances granted during the year to the companies or firms in which the Directors have interest as directors, partners or managing agents or in the case of private companies, as members	-	-
(ix)		-	-
(x)	Due from banking companies and other financial institutions	1,088,803,280	1,041,732,200
(xi)	Classified leases, loans and advances on which interest has not been charged	38,284,100,136	37,497,781,432
	A. Increase/decrease of provision (specific)	3,373,660,509	5,977,300,139
	Amount of debts written-off	973,787,963	973,787,963
	Amount realized against the debts previously written-off	(59,334,093)	(46,845,248)
	B. Provision kept against the debt classified as bad/loss at the end of the reporting period	23,317,502,714	21,185,439,769
	C. Amount of interest creditable to the interest suspense account	8,845,265,737	9,530,049,613





(Figures in BDT)

	December 31, 2023	December 31, 2022
(xii) Cumulative amount of the written-off leases/loans		
Opening Balance	973,787,963	973,787,963
Amount written-off during the year	-	-
Cumulative to date	973,787,963	973,787,963
Written-off leases/loans for which law suit filed	973,787,963	973,787,963
<b>6(a) Consolidated leases, loans and advances</b>		
Inside Bangladesh		
Leases		
International Leasing and Financial Services Limited	1,376,266,209	1,580,246,645
Loans, cash credits, overdrafts, etc.		
International Leasing and Financial Services Limited	36,720,982,243	36,887,398,869
Loans	39,693,145,931	39,688,460,484
Adjustment for consolidation	(2,972,163,688)	(2,801,061,615)
International Leasing Securities Limited	3,498,275,747	3,556,693,995
IL Capital Limited	-	4,287,173
	<b>41,595,524,199</b>	<b>42,028,626,683</b>
Outside Bangladesh	-	-
	<b>41,595,524,199</b>	<b>42,028,626,683</b>
<b>7 Fixed assets including premises, furniture &amp; fixtures</b>		
Right of use assets	82,845,718	82,845,718
Motor vehicles	37,688,698	37,688,698
Office decoration	24,447,312	24,447,312
Office equipment	17,220,122	16,797,946
Furniture & fixtures	31,390,811	31,390,811
Computer accessories	13,806,201	14,258,562
	<b>207,398,862</b>	<b>207,429,047</b>
Less: Accumulated depreciation	205,381,579	204,914,403
<b>Net book value at the end of the year</b>	<b>2,017,283</b>	<b>2,514,644</b>
<b>7.1 Intangible Assets-Computer software</b>		
Cost	19,281,250	3,281,250
Less: Accumulated amortization	8,561,250	3,281,249
	<b>10,720,000</b>	<b>1</b>
<b>7(a) Consolidated Fixed assets including premises furniture &amp; fixtures</b>		
Right of use assets	82,845,718	82,845,718
Motor vehicles	43,263,698	43,263,698
Office decoration	54,340,160	54,340,160
Office equipment	25,499,775	24,825,065
Furniture & fixtures	33,647,212	33,631,902
Computers & accessories	27,991,234	29,046,656
	<b>267,587,797</b>	<b>267,953,199</b>
Less: Accumulated depreciation	263,612,723	262,642,031
<b>Net book value at the end of the year</b>	<b>3,975,074</b>	<b>5,311,168</b>







(Figures in BDT)

**7.1 (a) Consolidated Intangible Assets-Computer software**

	December 31, 2023	December 31, 2022
Cost	19,281,250	3,281,250
Less: Accumulated amortization	8,561,250	3,281,249
	<b>10,720,000</b>	<b>1</b>

**8 Other assets**

**Inside Bangladesh**

**Income generating:**

Investment in Subsidiary (note-8.1)	1,249,979,300	1,249,979,300
Income receivable on FDR & Investments (note-8.2)	1,121,141,076	786,760,982
	<b>2,371,120,376</b>	<b>2,036,740,282</b>

**Non-income generating:**

Receivable from/(payable to) Subsidiary (note 8.3)	-	-
Advance, deposit and Prepaid expenses (note-8.4)	7,227,887	21,608,337
Advance corporate tax (note -8.5)	790,077,156	789,387,100
Deferred tax assets (note- 8.6)	16,553,164	17,008,371
Other receivables	7,500	7,500

	813,865,707	828,011,307
	<b>3,184,986,083</b>	<b>2,864,751,589</b>
	-	-
	<b>3,184,986,083</b>	<b>2,864,751,589</b>

**Outside Bangladesh**

**8.1 Investment in subsidiary**

Share capital-ILSL (note- 8.1.1)	999,999,400	999,999,400
Share capital-ILCL (note- 8.1.2)	249,979,900	249,979,900
	<b>1,249,979,300</b>	<b>1,249,979,300</b>

**8.1.1** This represents 9,999,994 nos. of ordinary shares of International Leasing Securities Limited subscribed by International Leasing And Financial Services Limited out of their 10,000,000 nos. of shares of Tk. 100 each.

**8.1.2** This represents 2,499,799 nos. of ordinary shares of IL Capital Limited subscribed by International Leasing And Financial Services Limited out of their 2,500,000 nos. of shares of Tk. 100 each.

**8.2 Income receivable on FDR & investments**

**a) Interest receivables**

Interest receivables - FDR	1,121,141,076	786,756,969
Coupon receivables - treasury bond	-	-
	<b>1,121,141,076</b>	<b>786,756,969</b>

**b) Fees, commission and brokerage receivables**

<b>Total (a+b)</b>	<b>1,121,141,076</b>	<b>786,756,969</b>
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(Figures in BDT)

December 31, 2023	December 31, 2022
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**8.3 Receivable from/(payable to) Subsidiaries**

Receivable from/(payable to) ILCL  
Receivable from/(payable to) ILSL

-	-
-	-
-	-

**8.4 Advance, deposit and Prepaid expenses**

Advances for software , fixed assets & others  
Deposit to Central Depository Bangladesh Limited (CDBL) for telephone  
Advance to ILFSLPF  
Advance for investment in share  
Advance office rent  
Advance for expenses

4,531,706	17,019,956
364,000	364,000
(2,000)	(2,000)
512,984	367,452
1,821,197	3,858,929
-	-
<b>7,227,887</b>	<b>21,608,337</b>

**8.4.1** Out of the total amount, Tk. 30.00 lac represents advance for development of leasing software currently under development stage by software vendor. On completion and implementation of the software the total cost will be capitalized and amortized with approval of the Board as per applicable standards.

**8.4.2** The amount represents advance against office rent of Head Office and Chittagong Branch which will be adjusted with each month's rent as per agreement with the land lord.

**8.5 Advance corporate tax**

Balance as on January 01, 2023  
Advance Tax Paid/ TDS during the year  
Less: settlement of previous years' tax liabilities  
**Balance as on December 31 2023**

789,391,113	777,086,955
686,044	12,300,145
-	-
<b>790,077,156</b>	<b>789,391,113</b>

**8.6 Deferred tax assets**

Deferred tax asset/(liability) is recorded under liability method as required by IAS- 12; "Income Tax" in order to allocate the charge of tax to each year relating to that year, taking into account the taxable temporary differences and deductible temporary differences arising out of carrying amount of assets and liabilities and their tax base. Deferred tax assets is arrived at as follows:

Particulars	Tax base	Carrying value of assets / (liabilities) at Dec 31' 2023	(Taxable)/deductable temporary difference	
			2023	2022
Fixed assets including premises, furniture & fixtures (note-7)	32,067,195	2,017,283	30,049,912	33,855,078
Right of Use Assets	-	-	-	-
Gratuity (note-11.1)	-	(14,091,859)	14,091,859	11,500,577
Differences			<b>44,141,771</b>	<b>45,355,655</b>
Applicable tax rate			37.50%	37.50%
<b>Deferred tax assets during the year</b>			<b>16,553,164</b>	<b>17,008,371</b>







(Figures in BDT)

**8.7 The change in deferred tax assets is shown below:**

Balance as on January 01, 2023

Addition/(Adjustment) during the year

**Balance as on December 31, 2023**

December 31, 2023	December 31, 2022
17,008,371	11,886,675
(455,206)	5,121,696
<b>16,553,164</b>	<b>17,008,371</b>

**8.8 Maturity grouping of other assets**

On demand

Up to 1 month

Over 1 month but not more than 3 months

Over 3 months but not more than 1 year

Over 1 year but not more than 5 years

Over 5 years

-	-
-	-
-	786,756,969
7,235,387	26,126,388
1,927,771,396	806,395,470
1,249,979,300	1,249,979,300
<b>3,184,986,083</b>	<b>2,869,258,127</b>

**8(a) Consolidated Other assets**

**Inside Bangladesh**

**Income generating:**

International Leasing and Financial Services Limited

Other assets - incom generating

Adjustment for consolidation

International Leasing Securities Limited

IL Capital Limited

1,121,141,076	786,756,969
2,371,120,376	2,036,736,269
(1,249,979,300)	(1,249,979,300)
-	-
-	-
<b>1,121,141,076</b>	<b>786,756,969</b>

**Non-income generating:**

International Leasing and Financial Services Limited

Other assets - non-incom generating

Adjustment for consolidation

International Leasing Securities Limited

Other assets - non-incom generating

Adjustment for consolidation

IL Capital Limited

Other assets - non-incom generating

Adjustment for consolidation

813,865,707	828,011,307
813,865,707	828,011,307
-	-
139,871,263	66,714,331
139,871,263	66,714,331
-	-
16,440,815	11,753,793
16,444,828	11,753,793
(4,013)	-
<b>970,177,785</b>	<b>906,479,431</b>
<b>2,091,318,861</b>	<b>1,693,236,400</b>
-	-
<b>2,091,318,861</b>	<b>1,693,236,400</b>

**Outside Bangladesh**

**9 Borrowing from banks, other financial institutions and agents**

**9.1 Inside Bangladesh**

Bank overdraft (note- 9.1.1)

Call borrowing (note- 9.1.2)

REPO liability (note- 9.1.3)

Short term borrowing (note-9.1.4)

Borrowing under refinancing scheme (note-9.1.5)

Long term borrowing (note-9.1.6)

929,714,221	945,511,375
506,500,000	506,500,000
5,001	5,001
1,667,742,096	1,860,481,289
9,231,570	12,545,677
10,669,152,628	9,798,416,549
<b>13,782,345,515</b>	<b>13,123,459,891</b>
-	-
<b>13,782,345,515</b>	<b>13,123,459,891</b>

**Outside Bangladesh**





(Figures in BDT)

**9.1.1 Bank overdraft**

	December 31, 2023	December 31, 2022
AL- Arafah Islami Bank Limited	554,999,278	554,949,280
BRAC Bank Ltd.	-	-
Mercantile Bank Limited	-	-
Mutual Trust Bank Ltd.	-	-
ONE Bank Limited	64,958,804	88,002,117
Pubali Bank Limited	118,133,636	123,228,478
Shahjalal Bank Limited	61,622,503	49,331,500
The Premier Bank Limited	-	-
Wori Bank Limited	130,000,000	130,000,000
	<b>929,714,221</b>	<b>945,511,375</b>

**9.1.2 Call borrowing**

Janata Bank Ltd.	259,900,000	259,900,000
Sonali Bank Ltd.	246,600,000	246,600,000
	<b>506,500,000</b>	<b>506,500,000</b>

**9.1.3 REPO liability**

Sonali Bank Ltd.	-	-
BRAC Bank Ltd.	-	-
Janata Bank Limited	5,001	5,001
	<b>5,001</b>	<b>5,001</b>

**9.1.4 Short term borrowing**

Bangladesh Development Bank Limited	11,800,000	11,800,000
IPDC of Bangladesh Limited	12,000,000	12,000,000
Meridian Finance Limited	307,183,940	307,183,940
Union capital Limited	250,000,000	442,539,193
South Bangla Agricultural Bank Limited	308,500,000	308,500,000
Fas Finance & Investment Limited	73,458,156	73,458,156
Rupali Bank Limited	67,000,000	67,000,000
NRB Bank Limited	148,800,000	148,800,000
Mercantile Bank Limited	103,100,000	103,100,000
NRB Commercial Bank Limited	66,900,000	66,900,000
National Housing Finance Limited	150,200,000	150,400,000
Premier Leasing And Finance Limited	23,900,000	23,900,000
Bangladesh Commerce Bank Limited	144,900,000	144,900,000
	<b>1,667,742,096</b>	<b>1,860,481,289</b>







(Figures in BDT)

**9.1.5 Borrowing under refinancing scheme**

	December 31, 2023	December 31, 2022
Fund from Bangladesh Bank for SME financing	-	1,494,901
Fund from Bangladesh Bank for housing financing	9,231,570	11,050,776
Fund from RPGCL for DCFP financing	-	-
	<b>9,231,570</b>	<b>12,545,677</b>

**9.1.4.1** The above fund has been received from Rupantarita Prakritik Gas Company Limited (RPGCL) under Dhaka Clean Fuel Project for financing of environment friendly projects like CNG Filling Station, CNG driven buses etc. The interest @ 5.5% of the fund are paid quarterly and the principal repayment was started from 2009 for a period of 10 years ending in 2017. The maximum relending rate is 9% p.a.

**9.1.6 Long term borrowing**

UAE Bangladesh Investment Company Limited	90,504,898	90,504,898
Al Arafah Islami Bank Limited	1,698,315,109	1,589,970,476
Bank Asia Limited	70,504,880	70,504,880
Basic Bank Limited	142,658,605	142,658,605
Dutch Bangla Bank Limited	374,243,265	374,243,265
Jamuna Bank Ltd.	261,530,506	255,775,555
Mercantile Bank Ltd.	5,886,855,248	5,303,989,226
Modhumoti Bank Ltd.	136,690,219	133,645,583
Premier Bank Ltd.	1,231,456,990	1,117,996,879
Prime Bank Ltd.	87,208,080	86,715,158
Pubali Bank Ltd.	42,360,393	42,360,393
Shahjalal Islami Bank Ltd.	48,151,368	48,151,368
One Bank Ltd.	39,998,282	39,200,623
Uttara Bank Ltd.	215,728,903	193,588,257
Mutual Trust Bank Limited	342,945,882	309,111,384
	<b>10,669,152,628</b>	<b>9,798,416,549</b>

**9.2 Security wise grouping of borrowing from banks, other financial institutions and agents**

Secured	11,598,871,849	10,743,932,925
Unsecured	2,183,473,666	2,366,981,289
	<b>13,782,345,515</b>	<b>13,110,914,214</b>

The company avail a large amount of it's required fund from various banks and financial institutions. The loans are secured by first fixed and floating charges on all present and future movable and immovable properties of the company registered with RJSC ranking pari-passu among the lenders.

**9.3 Maturity grouping of borrowing from banks, other financial institutions and agents**

On demand	506,500,000	544,804,767
Up to 1 month	5,001	5,379
Over 1 month but within 3 months	2,067,647,726	1,918,820,392
Over 3 months but within 1 year	1,428,525,780	1,090,409,404
Over 1 year but within 5 years	9,779,667,008	9,556,874,272
Over 5 years	-	-
	<b>13,782,345,515</b>	<b>13,110,914,214</b>



A member of



Independent legal & accounting firms



(Figures in BDT)

December 31, 2023	December 31, 2022
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**9(a) Consolidated borrowing from banks, other financial institutions and agents**

Inside Bangladesh		
International Leasing and Financial Services Limited	13,782,345,515	13,123,459,891
International Leasing Securities Limited	237,542,805	109,624,114
Borrowing from banks, other financial institutions and agents	2,829,917,341	2,829,917,341
Adjustment for consolidation	(2,592,374,536)	(2,720,293,228)
IL Capital Limited	1,300,296	1,397,466
Borrowing from banks, other financial institutions and agents	1,300,296	1,397,466
Adjustment for consolidation	-	-
	<b>14,021,188,616</b>	<b>13,234,481,471</b>
Outside Bangladesh	-	-
	<b>14,021,188,616</b>	<b>13,234,481,471</b>

**10 Deposits and other accounts**

Term deposits (note - 10.1)	29,288,758,998	28,173,817,234
Other deposits (note- 10.2)	390,908,357	522,796,140
	<b>29,679,667,355</b>	<b>28,696,613,374</b>

**10.1 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 both from institutions and individuals. Break up of term deposit according to their sources is given below:

Deposits from banks and financial institutions	13,247,169,659	13,097,438,202
Deposits from other than banks and financial institutions	16,041,589,340	15,076,379,032
	<b>29,288,758,998</b>	<b>28,173,817,234</b>

**10.1.1 Maturity analysis of term deposits**

**a) Deposits from banks and financial institutions**

Payable on demand	4,862,143,306	6,032,182,946
Up to 1 month	759,940,921	1,006,924,927
Over 1 month but within 3 months	3,635,549,770	4,574,528,258
Over 3 months but within 1 year	2,589,535,662	1,483,802,070
Over 1 year but within 5 years	1,400,000,000	-
Over 5 years but within 10 years	-	-
Over 10 years	-	-
	<b>13,247,169,659</b>	<b>13,097,438,202</b>

**b) Deposits from other than banks and financial institutions**

Payable on demand	7,996,478,837	8,113,545,477
Up to 1 month	362,265,101	122,645,711
Over 1 month but within 3 months	1,245,982,181	727,566,430
Over 3 months but within 1 year	3,344,495,731	2,660,316,797
Over 1 year but within 5 years	1,775,715,378	3,178,452,067
Over 5 years but within 10 years	1,316,652,111	273,852,550
Over 10 years	-	-
	<b>16,041,589,340</b>	<b>15,076,379,032</b>

**Total (a+b)**

<b>29,288,758,998</b>	<b>28,173,817,234</b>
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(Figures in BDT)

December 31, 2023	December 31, 2022
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**10.1(a) Consolidated term deposits**

International Leasing and Financial Services Limited  
Term deposits  
Adjustment for consolidation

29,288,758,998	28,173,817,234
29,288,758,998	28,173,817,234
-	-
<b>29,288,758,998</b>	<b>28,173,817,234</b>

**10.2 Other deposits**

This represents deposits received against lease and direct finance on signing of the agreement which are subject to repayment/adjustment on expiry of the agreement. The company receives security deposits under two categories of non-interest bearing and interest bearing security deposit. Details are shown below:

Non-interest bearing security deposits

Leases	21,817,445	25,321,369
Time loans	11,591,017	16,506,617
Home loans	58,171	58,171
Work order loans	441,127	441,127
	<b>33,907,759</b>	<b>42,327,283</b>

Interest bearing security deposits

<b>357,000,597</b>	<b>480,468,856</b>
<b>390,908,357</b>	<b>522,796,140</b>

**10.2.1 Maturity analysis of other deposits**

Payable on demand	-	-
Up to 1 month	481,532	643,995
Over 1 month but within 3 months	3,195,858	4,274,102
Over 3 months but within 1 year	17,467,858	23,361,303
Over 1 year but within 5 years	252,635,711	337,871,965
Over 5 years but within 10 years	117,127,398	156,644,775
Over 10 years	-	-
	<b>390,908,357</b>	<b>522,796,140</b>

**11 Other liabilities**

Deferred liability-employees' gratuity (note- 11.1)	14,091,859	11,500,577
Training fund (note-11.2)	354,771	354,771
Un-claimed refund warrant/dividend (note- 11.3)	5,164,760	5,164,761
Interest suspense account (note-11.4)	8,845,265,737	9,530,049,613
Payables & accrued expenses (note-11.5)	5,974,533,909	4,952,249,005
Liability for right of use assets	6,158,814	11,842,934
Provision for leases, loans and advances (note - 11.6)	24,110,470,980	23,678,215,424
Provision for diminution in value of investments	9,773,952	4,073,952
Provision for other assets	2,632,790,911	2,358,100,550
Provision for income tax (note- 11.7)	969,335,038	969,335,038

<b>42,567,940,730</b>	<b>41,520,886,625</b>
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**11.1 Deferred liability-employees' gratuity**

Balance as at January 01, 2023	11,500,577	10,822,690
Add: provision made during the year	2,591,282	1,853,512
Less: payment made during the year	-	(1,175,625)
<b>Balance as at December 31, 2023</b>	<b>14,091,859</b>	<b>11,500,577</b>





(Figures in BDT)

December 31, 2023	December 31, 2022
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- 11.2 Training Fund represents administration cost received from Royal Danish Embassy for operation of private sector development project funded by DANIDA. As per agreement, such cost incurred by ILFSL & received from DANIDA can only be spent for the purpose of employees' training.

**11.3 Un-claimed refund warrant/dividend**

Un-claimed refund warrant	716,194	716,194
Un-claimed dividend	4,448,567	4,448,567
	<b>5,164,760</b>	<b>5,164,761</b>

The amount represents refund warrants issued to the unsuccessful investors and dividend warrant issued to the shareholders which were not presented to the bank within December 31, 2015. It is anticipated that it will take some more time to liquidate this liability fully.

**11.4 Interest suspense account**

Balance as at January 01, 2023	9,530,049,613	9,091,278,483
Add: suspended during the year	(684,783,877)	438,771,130
Less: realized during the year	-	-
Less: written off during the year	-	-
<b>Balance as at December 31, 2023</b>	<b>8,845,265,737</b>	<b>9,530,049,613</b>

Lease income earned and income from loans, overdue for three months (or equivalent, i.e. 90 days) or more for leases/loans up to 5 years tenure and for six months (or equivalent, i.e. 180 days) or more for leases/loans of more than 5 years tenure is not recognized as revenue and credited to interest suspense account. Suspended interests are recognized as revenue and credited in the statement of comprehensive income on realization basis. Product wise amount of suspended interest as on December 31 are given below:

Leases	146,552,046	168,731,341
Loans	8,694,618,881	9,361,318,273
	<b>8,841,170,928</b>	<b>9,530,049,613</b>

**11.5 Payables & accrued expenses**

**a) Interest payables**

Interest payable on bank overdraft	276,256,810	285,582,258
Interest payable on call borrowing	56,210,948	29,250,375
Interest payable on REPO liability	37,300,042	39,000,043
Interest payable on term borrowing	667,172,387	351,051,932
Interest payable on borrowing under refinancing scheme (note-11.5.1)	-	20,958
Interest payable on deposits from banks and FIs	3,490,251,693	2,954,900,658
Interest payable on deposits from other than banks and FIs	38,792,075	61,659,992
	<b>4,565,983,955</b>	<b>3,721,466,215</b>

**b) Other payables**

Payable for fractional bonus & right share	1,719,785	1,719,785
Payable for Tax/VAT deducted at source	1,346,756,131	1,173,837,168
Liability for expenses & other payables	50,691,339	45,843,138
Payable for Private Sector Development (PSD) program (note- 11.5.2)	9,382,699	9,382,699
	<b>1,408,549,953</b>	<b>1,230,782,790</b>
<b>Total (a+b)</b>	<b>5,974,533,909</b>	<b>4,952,249,005</b>







(Figures in BDT)

December 31, 2023	December 31, 2022
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**11.5.1 Interest payable on borrowing under refinancing scheme**

Fund from Bangladesh Bank for SME financing	-	20,958
Fund from Bangladesh Bank for housing financing	-	-
Fund from RPGCL for DCFP financing	-	-
	-	<b>20,958</b>

**11.5.2** This represents rental received on monthly basis from the clients financed under PSD program funded by DANIDA which is refundable to the Royal Danish Embassy on quarterly basis.

**11.6 Provision for leases, loans and advances**

**Movements of provision for leases, loans and advances:**

**a) Specific provision on classified leases, loans and advances**

Balance as at January 01, 2023	23,495,162,132	20,695,740,000
Fully provided debts written off during the year (note- 11.6.1)	-	-
Recovery of amounts previously written off	12,790,202	4,695,800
Net charge to Profit and Loss Account	561,448,175	2,794,726,332
Provision made for the year	561,448,175	2,794,726,332
Recoveries and provision no longer required	-	-
	<b>24,069,400,509</b>	<b>23,495,162,132</b>

**b) General provision on unclassified leases, loans and advances**

Balance as at January 01, 2023	183,053,292	3,516,559,000
Provision made/(no longer required) for the year	(141,982,821)	(3,333,505,708)
	<b>41,070,471</b>	<b>183,053,292</b>
	<b>24,110,470,980</b>	<b>23,678,215,424</b>

**Total (a+b)**

**Break up of provision for leases, loans and advances :**

**a) Specific provision on classified leases, loans and advances**

Sub-standard	616,014,624	1,974,862,802
Doubtful	135,883,171	224,659,562
Bad and loss	23,317,502,714	21,295,639,769
	<b>24,069,400,509</b>	<b>23,495,162,132</b>

**b) General provision on unclassified lease, loans and advances**

Standard	21,257,690	42,976,032
SMA	19,812,781	140,077,260
	<b>41,070,471</b>	<b>183,053,292</b>
	<b>24,110,470,980</b>	<b>23,678,215,424</b>

**Total (a+b)**

Provision for classified and un-classified leases, loans and advances has been made on the basis of analysis of portfolio made by the Management of the Company as per FID Circular # 08 of 2002 as ammended from time to time by the Department of Financial Institutions and Markets (DFIM) of Bangladesh Bank. As per FICL submitted to Bangladesh Bank the required provision as per calculation made under FID Circular was Tk. 501.09 million and actual provision in the books of accounts under this head has been kept at Tk. 501.15 million.





(Figures in BDT)

December 31, 2023	December 31, 2022
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#### 11.6.1 Leases/loans written-off

As per FID Circular No. 03 dated March 15, 2007 of Bangladesh Bank a Financial Institution should write-off its leases/loans to clean-up its financial statements subject to fulfillment of four conditions; (1) leases/loans classified as bad and losses against which 100% provision has been made (2) Approval from the Board of Directors has to be obtained (3) Best endeavor shall be made to recovery of the write-off leases/loans (4) Legal process should be initiated if not started before.

As per said circular the Company has written-off some of its leases/loans as stated below:

	Current	Cummulative	Cummulative
Balance as at January 01, 2023		931,638,515	966,673,963
No. of account written-off	-	50	50
No. of lessee/loanee written-off	-	34	34
Total leases/loans written-off	-	973,787,963	973,787,963
Interest suspense against lessee/loanee written-off	-	108,142,884	108,142,884
Provision adjusted against lessee/loanee written-off	-	865,645,079	865,645,079
Recovery against lessee/loanee written-off	(12,790,202)	(59,334,093)	(46,845,248)
Balance as at December 31, 2023	<b>(12,790,202)</b>	<b>914,453,870</b>	<b>926,942,715</b>

Link Note-23

#### 11.7 Provision for income tax

Balance as at January 01, 2023	969,335,038	969,335,038
Add: provision made during the year	-	-
Less: settlement of previous years tax liability	-	-
<b>Balance as at December 31, 2023</b>	<b>969,335,038</b>	<b>969,335,038</b>

#### 11.8 Maturity analysis of other liabilities

Payable on demand	7,144,758	38,273,036
Up to 1 month	250,932,725	264,395,008
Over 1 month but within 3 months	893,452,437	955,516,130
Over 3 months but within 1 year	1,226,609,247	1,311,815,685
Over 1 year but within 5 years	1,928,162,160	2,062,101,985
Over 5 years but within 10 years	37,214,585,299	33,820,442,563
Over 10 years		
	<b>41,520,886,625</b>	<b>38,452,544,407</b>

#### 11(a) Consolidated other liabilities

International Leasing and Financial Services Limited	42,567,940,730	41,520,886,625
Other liabilities	42,567,940,730	41,520,886,625
Adjustment for consolidation	-	-
International Leasing Securities Limited	306,009,866	411,040,156
Other liabilities	685,799,017	491,808,544
Adjustment for consolidation	(379,789,152)	(80,768,388)
IL Capital Limited	6,134,242	3,513,362
Other liabilities	6,134,242	3,513,362
Adjustment for consolidation	-	-
	<b>42,880,084,838</b>	<b>41,935,440,143</b>







# Zoha Zaman Kabir Rashid & Co.

Chartered Accountants

(Figures in BDT)

December 31, 2023	December 31, 2022
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## 12 Share capital

### 12.1 Authorized

300,000,000 nos. of ordinary shares of taka 10 each

3,000,000,000 3,000,000,000

### 12.2 Issued, subscribed & paid up

11,000,000 Ordinary Shares of Tk. 10 each issued for cash (opening capital & IPO)	110,000,000	110,000,000
81,466,000 Ordinary Shares of Tk. 10 each issued as right share	814,660,000	814,660,000
78,612,600 Ordinary Shares of Tk. 10 each issued as bonus share	786,126,000	786,126,000
8,553,930 Ordinary Shares of Tk. 10 each issued as bonus share	85,539,300	85,539,300
8,981,626 Ordinary Shares of Tk. 10 each issued as bonus share	89,816,260	89,816,260
22,633,698 Ordinary Shares of Tk. 10 each issued as bonus share	226,336,980	226,336,980
10,562,392 Ordinary Shares of Tk. 10 each issued as bonus share	105,623,920	105,623,920
	<b>2,218,102,460</b>	<b>2,218,102,460</b>

The detail history of raising of share capital of the company is given below:

Date	Particulars	Addition in		
		No. of shares	Amount of paid-up capital	Amount of paid-up capital
15-Jan-96	As per MOA & AOA	7	-	700
17-Mar-96	Allotted for cash	10,000	-	1,000,000
24-Nov-96	Allotted for cash	589,993	-	58,999,300
22-Sep-98	Bonus Shares	90,000	-	9,000,000
22-Jun-99	Bonus Shares	138,000	-	13,800,000
29-May-03	Bonus Shares	107,640	-	10,764,000
16-Jun-04	Bonus Shares	327,474	-	32,747,400
12-Jun-05	Bonus Shares	315,778	-	31,577,800
5-Jul-06	Bonus Shares	221,108	-	22,110,800
2-Sep-07	IPO shares	500,000	-	50,000,000
25-May-08	Bonus Shares	230,000	-	23,000,000
31-May-09	Bonus Shares	379,500	-	37,950,000
27-Jun-10	Bonus Shares	2,182,125	-	218,212,500
30-Mar-11	Bonus Shares	3,054,975	-	305,497,500
20-Oct-11	Rights Share	8,146,600	-	814,660,000
30-Nov-11	Share Split to Tk. 10	162,932,000	-	1,629,320,000
10-May-12	Bonus Shares	8,146,600	-	81,466,000
26-May-16	Bonus Shares	8,553,930	-	85,539,300
15-Jun-17	Bonus Shares	8,981,626	89,816,260	89,816,260
5-Jul-18	Bonus Shares	22,633,698	-	226,336,980
22-Aug-19	Bonus Shares	10,562,392	-	105,623,920
<b>Total</b>		<b>221,810,246</b>	<b>89,816,260</b>	<b>2,218,102,460</b>





(Figures in BDT)

December 31, 2023	December 31, 2022
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The face value of share has been changed to Tk.10 from Tk.100 each effective from November 20, 2011

Composition of shareholdings as of December 31, 2023

Particulars	No. of shares	No. of shares
<b>a) Sponsor/Corporate Shareholders</b>	<b>92,155,649</b>	<b>92,155,649</b>
Shaw Wallace Bangladesh Limited	38,515,754	38,515,754
Nature Enterprise Limited	18,151,560	18,151,560
BR International Limited	18,086,733	18,086,733
New Tech Enterprise Limited	17,401,602	17,401,602
<b>b) General shareholders</b>	<b>129,654,597</b>	<b>129,654,597</b>
Institutions/corporate	51,202,531	51,719,316
Individual	78,287,926	77,923,356
Non-resident Bangladeshi	164,140	11,925
<b>Total (a+b)</b>	<b>221,810,246</b>	<b>221,810,246</b>

### 12.3 Capital adequacy ratio (CAR)

In terms of section 6 of Financial Institutions Act 1993 with subsequent revisions and section 4 (Gha) of Financial Institutions Regulations 1994, the company as a financial institution is subject to minimum paid up capital requirement of Tk. 1,000 million as stipulated in DFIM Circular no. 05, dated July 24, 2011. As per the requirement, the company has to have a minimum paid up capital of Tk. 1,000 million which is fulfilled by the company as shown below:

Paid up capital (note-12.2)	2,218,102,460	2,218,102,460
	<b>2,218,102,460</b>	<b>2,218,102,460</b>
Minimum required paid up capital	1,000,000,000	1,000,000,000
Excess in paid up capital	<b>1,218,102,460</b>	<b>1,218,102,460</b>

As per DFIM Circular No. 08 dated August 02, 2010 and Prudential Guidelines on Capital Adequacy and Market Discipline (CAMD) for Financial Institutions issued by Bangladesh Bank, the company as a financial institution should maintain a Capital Adequacy ratio (CAR) of minimum 10% of its Risk weighted Assets (RWA) where Tier-I Capital is not less than 5% of the Risk Weighted Assets (RWA). Required capital of the company at the close of the business on December 31, 2015 was Taka 2,262,582,657 as against available core capital of Taka 2,147,569,221 and supplementary capital of Taka 180,136,102 making a total eligible capital of Taka 2,327,705,323 thereby showing a surplus capital of Taka 65,122,666 at that date. Details are shown below:

#### a) Core capital (Tier-I)

Paid-up capital (note-12.2)	2,218,102,460	2,218,102,460
Statutory reserve (note-13)	456,184,825	456,184,825
Retained earnings/surplus (note-14)	(40,736,103,620)	(38,503,127,293)
<b>Total eligible/actual tier-I capital</b>	<b>(38,061,816,335)</b>	<b>(35,828,840,008)</b>







(Figures in BDT)

December 31, 2023	December 31, 2022
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**b) Supplementary capital (Tier-II)**

General Provision	41,070,471	183,053,292
(Unclassified loans up to specified limit+SMA+ off balance sheet exposure)		
<b>Total eligible/actual tier-II capital</b>	<b>41,070,471</b>	<b>183,053,292</b>
<b>A) Total eligible/actual capital maintained (a+b)</b>	<b>(38,020,745,864)</b>	<b>(35,645,786,716)</b>
Total assets including off-balance sheet exposures	-	-
<b>B) Total risk weighted assets</b>	<b>37,120,885,730</b>	<b>33,245,685,994</b>
<b>C) Required capital based on risk weighted assets (10% on B)</b>	<b>3,712,088,573</b>	<b>3,324,568,599</b>
<b>Total capital surplus (A-C)</b>	<b>(41,732,834,437)</b>	<b>(38,970,355,315)</b>
<b>Capital adequacy ratio (CAR) based on Basel II framework</b>	<b>-102.42%</b>	<b>-107.22%</b>

**13 Statutory reserve**

Balance as at January 01, 2023	456,184,825	456,184,825
Addition during the year	-	-
<b>Balance as at December 31, 2023</b>	<b>456,184,825</b>	<b>456,184,825</b>

As per section 9 of the Finance Company Act, 1993 and regulation 6 of the Financial Institutions Regulations 1994, statutory reserve has to keep at least 20% of profit for the year and to be continued to build up at this rate, till the reserve equates the paid up capital of the company unless otherwise advised. Since there is no profit during the year, the LIFSL has not transferred any amount to the Statutory Reserve Fund for this year.

**14 Retained earnings/surplus**

Balance as at January 01, 2023	(38,503,127,293)	(36,870,292,012)
Less: cash dividend for last year	-	-
Less: stock dividend for last year	-	-
	<b>(38,503,127,293)</b>	<b>(36,870,292,012)</b>
Retained surplus for the period/year	(2,232,976,327)	(1,632,835,281)
	<b>(40,736,103,620)</b>	<b>(38,503,127,293)</b>

**14(a) Consolidated retained earnings/surplus**

Balance as at January 01, 2023	(38,661,270,725)	(36,876,124,238)
Less: cash dividend for last year	-	-
Less: stock dividend for last year	-	-
	<b>(38,661,270,725)</b>	<b>(36,876,124,238)</b>
Retained surplus for the period/year	(2,454,598,533)	(1,785,146,487)
Retained surplus transferred from minority for new issuance of shares by subsidiary	-	-
	<b>(41,115,869,258)</b>	<b>(38,661,270,725)</b>





(Figures in BDT)

**15 Non-controlling / minority interest**

**a) Share capital**

International Leasing Securities Limited  
IL Capital Limited

**b) Retained earnings/surplus as at 1st January**

International Leasing Securities Limited  
IL Capital Limited

**c) Retained surplus for the period/year**

International Leasing Securities Limited  
IL Capital Limited

**d) Retained surplus tranferred to parent Co. for new issuance of shares by subsidiary**

e) Cash dividend paid by ILCL

**Balance as at December 31 (a+b+c)**

**16 Net asset value per share**

Total assets  
Total liabilities  
Net asset  
Number of share outstanding  
**Net asset value per share**

**16(a) Consolidated net asset value per share**

Total assets  
Total liabilities  
**Net asset**  
Number of share outstanding  
**Net asset value per share**

**17 Contingent liabilities**

**17.1 Letters of guarantee**

Letters of guarantee (local)  
Counter guarantees

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

Banks and other financial institutions  
Others - DSE

December 31, 2023	December 31, 2022
(2,454,598,533)	(1,785,146,487)
-	-
600	600
20,100	20,100
20,700	20,700
(22)	(22)
1,925	1,925
1,903	1,903
(130)	(89)
(410)	25
(540)	(64)
-	-
-	-
22,063	22,539
47,968,137,263	47,512,115,869
86,029,953,600	83,340,959,890
(38,061,816,337)	(35,828,844,021)
221,810,246	221,810,246
(171.60)	(161.53)
48,139,380,897	47,879,574,086
86,580,962,871	83,866,557,527
(38,441,581,974)	(35,986,983,441)
221,810,246	221,810,246
(173.31)	(162.24)
-	-
750,000,000	750,000,000
750,000,000	750,000,000
416,645,146	416,645,146
333,354,854	333,354,854
750,000,000	750,000,000







(Figures in BDT)

December 31, 2023	December 31, 2022
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**18 Statement of comprehensive Income**

**a) Income:**

Interest, discount and similar income (note-18.1)	1,207,671,177	1,425,930,988
Dividend income (note-21.1)	158,570	12,577,480
Fees, commission and brokerage (note- 22)	1,028,056	222,092
Gains less losses arising from dealing in securities	-	-
Gains less losses arising from investment securities	-	-
Gains less losses arising from dealing in foreign currencies	-	-
Income from non-Company assets	-	-
Other operating income (note- 23)	13,212,774	360,545
Profit less losses on interest rate changes	-	-

**1,222,070,577 1,439,091,104**

**b) Expenses:**

Interest, fee and commission, etc. (note- 20)	2,609,680,957	3,048,847,797
Losses on loans and advances	-	-
Administrative expenses (note-18.2)	108,927,396	100,561,650
Other operating expenses (note-33)	17,569,764	15,313,227
Depreciation/amortization on assets (note-32)	5,767,663	8,932,492

**2,741,945,781 3,173,655,166**

**(1,519,875,204) (1,734,564,062)**

**Profit before provisions (a-b)**

**18.1 Interest, discount and similar income**

Interest income - Lease	(22,009,188)	79,390,031
Interest income - term loan	616,024,399	733,243,142
Interest income - work order loan	-	-
Interest income - home loan	(5,326,817)	(103,938)
Interest income- short term loan	283,455,671	277,986,130
Interest income - staff loan	122,786	157,388
Interest income - deposit with banks/FIs	335,365,116	333,412,396
Coupon income - government treasury bonds	39,210	39,210
Gain/(loss) on sale of shares	-	1,806,629

**1,207,671,177 1,425,930,988**

**18.2 Administrative expenses**

Salary and allowances	61,484,370	58,175,785
Rent, taxes, insurance & electricity	32,490,788	25,227,901
Legal expenses	3,541,582	5,374,795
Postage, stamp & telecommunication	1,892,918	1,630,519
Stationery, printing & advertisement	904,311	2,395,739
Managing Director's salary & benefits	4,356,000	3,960,000
Directors' fees	1,652,200	915,200
Auditors' fees	460,000	460,000
Repair of the Company's assets	2,145,227	2,421,711

**108,927,396 100,561,650**





(Figures in BDT)

**19 Interest income**

	December 31, 2023	December 31, 2022
Interest income - lease	(22,009,188)	79,390,031
Interest income - term loan	616,024,399	733,243,142
Interest income - work order & Factoring loan	-	-
Interest income - home loan	(5,326,817)	(103,938)
Interest income - short term loan	283,455,671	277,986,130
Interest income - staff loan	122,786	157,388
Coupon income - government treasury bonds	39,210	39,210
Interest income - fixed deposit with banks & NBFI	334,441,000	332,916,104
Interest income - balance with banks	924,116	496,292
Peoples Leasing Interest	<b>1,207,671,177</b>	<b>1,424,124,358</b>

**19(a) Consolidated interest income**

International Leasing and Financial Services Limited	991,569,104	1,213,491,827
Interest income	1,207,671,177	1,424,124,358
Adjustment for consolidation	(216,102,073)	(210,632,532)
International Leasing Securities Limited	72,182,451	92,170,558
Interest income	72,182,451	92,170,558
Adjustment for consolidation	-	-
IL Capital Limited	1,712,324	1,580,241
Interest income	1,712,324	1,580,241
Adjustment for consolidation	-	-
	<b>1,065,463,879</b>	<b>1,307,242,625</b>

**20 Interest expense on deposits and borrowings etc.**

**a) Interest expense on deposits**

Interest on term deposits, bank and financial institutions	737,042,672	1,116,820,374
Interest on term deposits, other than bank and financial institutions	845,006,360	845,890,692
Direct deposit expenses	900,000	3,787,330
Interest expense on security deposits (interest bearing)	336,629	5,020,767
	<b>1,583,285,661</b>	<b>1,971,519,163</b>

**b) Interest expense on borrowings**

Interest on call borrowing	26,960,573	26,960,573
Interest on short-term borrowing	123,581,262	200,786,441
Interest on long-term borrowing	874,411,067	752,865,902
Interest on borrowing under refinancing scheme	1,442,394	671,211
Interest on bank overdraft	-	96,044,507
	<b>1,026,395,296</b>	<b>1,077,328,634</b>
<b>Total (a+b)</b>	<b>2,609,680,957</b>	<b>3,048,847,797</b>







(Figures in BDT)

December 31, 2023	December 31, 2022
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**20(a) Consolidated Interest expense on deposits and borrowings etc.**

**a) Interest expense on deposits**

International Leasing and Financial Services Limited  
Interest expense on deposits  
Adjustment for consolidation

1,583,285,661	1,971,519,163
1,583,285,661	1,971,519,163
-	-
<b>1,583,285,661</b>	<b>1,971,519,163</b>

**b) Interest expense on borrowings**

International Leasing and Financial Services Limited  
International Leasing Securities Limited  
Interest expense on borrowings  
Adjustment for consolidation  
IL Capital Limited  
Interest expense on borrowings  
Adjustment for consolidation

1,026,395,296	1,077,328,634
58,974,012	69,525,799
275,076,085	280,158,331
(216,102,073)	(210,632,532)
-	-
-	-
-	-
<b>1,085,369,308</b>	<b>1,146,854,432</b>
<b>2,668,654,969</b>	<b>3,118,373,596</b>

**21 Investment income**

Dividend income (note- 21.1)  
Gain/(loss) on bonds & shares

158,570	12,577,480
-	1,806,629
<b>158,570</b>	<b>14,384,109</b>

**21.1 Dividend income**

Dividend income from investment in subsidiary Company  
Dividend income from investment in quoted shares

-	12,498,995
158,570	78,485
<b>158,570</b>	<b>12,577,480</b>

**21(a) Consolidated investment income**

International Leasing and Financial Services Limited  
Investment income  
Adjustment for consolidation  
International Leasing Securities Limited  
IL Capital Limited

158,570	14,384,109
158,570	14,384,109
-	-
4,394,692	29,110,497
5,791,253	11,682,298
<b>10,344,515</b>	<b>55,176,904</b>

**22 Commission, fees, exchange and brokerage**

Processing fees - leases  
Processing fees - term loan  
Processing fees - work order  
Processing fees - home loan  
Guarantee commission

64,113	1,739
963,943	220,353
-	-
-	-
-	-
<b>1,028,056</b>	<b>222,092</b>





(Figures in BDT)

**22(a) Consolidated commission, fees, exchange and brokerage**

	December 31, 2023	December 31, 2022
International Leasing and Financial Services Limited	1,028,056	222,092
International Leasing Securities Limited	44,866,514	89,739,678
Brokerage Income	44,866,514	89,739,678
Adjustment for consolidation		
IL Capital Limited	95,113	205,242
	<b>45,989,683</b>	<b>90,167,012</b>

Consolidated fees, commission and brokerage from International Leasing Securities Limited represents net brokerage income.

**23 Other operating income**

Gain on sale of leased assets	-	-
Gain on sale of fixed assets	7,200	53,381
Income from written-off accounts	12,790,202	-
Miscellaneous income	415,372	307,164
	<b>13,212,774</b>	<b>360,545</b>

**23(a) Consolidated other operating income**

International Leasing and Financial Services Limited	13,212,774	360,545
International Leasing Securities Limited	2,777,251	1,324,468
IL Capital Limited	-	-
	<b>15,990,025</b>	<b>1,685,013</b>

**24 Salary and allowances**

Basic salary and other allowances	53,267,647	50,322,639
Company's contribution to provident fund	2,025,441	2,399,634
Gratuity	2,591,282	1,853,512
	<b>57,884,370</b>	<b>54,575,785</b>

**24(a) Consolidated salary and allowances**

International Leasing and Financial Services Limited	57,884,370	57,275,785
International Leasing Securities Limited	29,992,929	35,968,214
IL Capital Limited	6,145,319	5,970,067
	<b>94,022,618</b>	<b>99,214,066</b>

**25 Rent, taxes, insurance & electricity**

Rent, Rate and taxes	29,895,663	22,930,331
Insurance	-	-
Electricity, gas and water	2,595,126	2,297,570
	<b>32,490,788</b>	<b>25,227,901</b>

**25a) Consolidated rent, taxes, insurance & electricity**

International Leasing and Financial Services Limited	32,490,788	25,227,901
International Leasing Securities Limited	10,607,758	10,399,289
IL Capital Limited	1,312,844	1,310,599
	<b>44,411,390</b>	<b>36,937,788</b>







(Figures in BDT)

	December 31, 2023	December 31, 2022
<b>26 Legal expenses</b>		
Legal expenses	3,316,970	5,161,396
Other professional charges	224,611	213,399
	<b>3,541,582</b>	<b>5,374,795</b>
<b>26(a) Consolidated legal expenses</b>		
International Leasing and Financial Services Limited	3,541,582	5,374,795
International Leasing Securities Limited	123,050	115,000
IL Capital Limited	-	-
	<b>3,664,632</b>	<b>5,489,795</b>
<b>27 Postage, stamp &amp; telecommunication</b>		
Postage, stamp, internet	932,051	755,612
Telephone & Mobile	960,867	874,907
	<b>1,892,918</b>	<b>1,630,519</b>
<b>27(a) Consolidated postage, stamp &amp; telecommunication</b>		
International Leasing and Financial Services Limited	1,892,918	1,630,519
International Leasing Securities Limited	610,890	659,651
IL Capital Limited	307,853	165,402
	<b>2,811,661</b>	<b>2,455,571</b>
<b>28 Stationery, printing and advertisements</b>		
Printing and stationery	485,055	595,478
Publicity and advertisement( Note-28.1)	419,256	1,800,261
	<b>904,311</b>	<b>2,395,739</b>
<b>28(a) Consolidated stationery, printing and advertisements</b>		
International Leasing and Financial Services Limited	904,311	2,395,739
International Leasing Securities Limited	208,255	468,543
IL Capital Limited	24,147	87,735
	<b>1,136,713</b>	<b>2,952,017</b>
<b>29 Managing Director's salary and benefits</b>		
Remuneration	2,613,600	2,376,000
Other benefits	1,742,400	1,584,000
	<b>4,356,000</b>	<b>3,960,000</b>
<b>29(i) Chairman remuneration</b>		
Remuneration	3,600,000	3,600,000
Other benefits	-	-
	<b>3,600,000</b>	<b>3,600,000</b>





(Figures in BDT)

December 31, 2023	December 31, 2022
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**30 Directors' fees & meeting expenses**

Directors' fee for attending board meeting	1,485,000	660,000
Executive Committee members' fee for attending EC meeting	-	79,200
Audit Committee members' fee for attending AC meeting	167,200	176,000
	<b>1,652,200</b>	<b>915,200</b>

No director has been paid any remuneration for any special service rendered other than fees paid for attending meeting of

**30(a) Consolidated directors' fees & meeting expenses**

International Leasing and Financial Services Limited	1,652,200	915,200
International Leasing Securities Limited	241,660	275,566
IL Capital Limited	228,800	386,400
	<b>2,122,660</b>	<b>1,577,166</b>

**31 Auditors' fees**

Statutory audit fee	460,000	460,000
	<b>460,000</b>	<b>460,000</b>

**31(a) Consolidated auditors' fees**

International Leasing and Financial Services Limited	460,000	460,000
International Leasing Securities Limited	115,000	129,375
IL Capital Limited	57,500	59,800
	<b>632,500</b>	<b>649,175</b>

**32 Depreciation, amortization and repair of assets**

**a) Depreciation**

Right of use Assets	-	7,057,233
Motor vehicles	10	398,819
Office decoration	75,036	385,191
Office equipment	325,358	578,109
Furniture & fixtures	47,214	231,951
Computer accessories	40,046	281,189
	<b>487,663</b>	<b>8,932,492</b>

**b) Amortization**

Computer software	5,280,000	-
	<b>5,280,000</b>	<b>-</b>

**c) Repairs**

Office equipment	19,450	149,362
Vehicles	2,125,777	2,272,349
	<b>2,145,227</b>	<b>2,421,711</b>

**Total (a+b+c)**

	<b>7,912,891</b>	<b>11,354,203</b>
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**32(a) Consolidated depreciation, amortization and repair of assets**

**a) Depreciation**

International Leasing and Financial Services Limited	487,663	8,932,492
International Leasing Securities Limited	1,191,611	1,235,210
IL Capital Limited	539,984	680,980
	<b>2,219,258</b>	<b>10,848,682</b>







(Figures in BDT)

**b) Amortization**

International Leasing and Financial Services Limited

**c) Repairs**

International Leasing and Financial Services Limited

International Leasing Securities Limited

IL Capital Limited

**Total (a+b+c)**

December 31, 2023	December 31, 2022
5,280,000	-
<b>5,280,000</b>	-
2,145,227	2,421,711
170,334	262,158
894,680	1,108,440
<b>3,210,241</b>	<b>3,792,309</b>
<b>10,709,500</b>	<b>14,640,991</b>

**33 Other expenses**

Fuel expenses for vehicles

Office maintenance

Training expenses

Books, magazines and newspapers

Fees and subscription

Bank charges

Entertainment

Other Expenses

CIB service charge

AGM Expenses

Business development expenses

15th August Activities

Traveling and conveyance expenses

Team Building Program

Seminar

2,145,255	1,679,910
6,177,278	5,150,180
185,369	-
20,127	17,076
1,806,274	3,083,480
1,710,213	1,860,289
2,048,610	1,567,436
512,585	139,633
17,530	10,980
932,107	887,260
-	70,557
344,000	210,000
1,263,740	636,427
374,498	
32,178	
<b>17,569,764</b>	<b>15,313,227</b>

All expenses other than those specifically categorized by Bangladesh Bank through DFIM Circular No. 11 dated December 23, 2009 are shown under the heading of other expenses.

**33(a) Consolidated other expenses**

International Leasing and Financial Services Limited

Other expenses

Adjustment for consolidation

International Leasing Securities Limited

IL Capital Limited

17,569,764	15,313,227
<b>17,569,764</b>	<b>15,313,227</b>
8,563,226	8,871,175
894,701	1,877,138
<b>27,027,691</b>	<b>26,061,540</b>

**34 Provision against leases, loans and advances/Others assets**

**a) Provision against leases, loans and advances**

On classified leases, loans and advances

On un-classified leases, loans and advances

**b) Provision against others Asstes**

On other assets

Less: Deferred for 5 Years

574,238,377	2,799,422,132
(141,982,821)	(3,333,505,708)
<b>432,255,556</b>	<b>(534,083,576)</b>
1,615,290,361	436,385,550
1,340,600,000	-
<b>274,690,361</b>	<b>436,385,550</b>





(Figures in BDT)

**December 31, 2023**   **December 31, 2022**

Provision for classified and unclassified leases, loans and advances has been made on the basis of analysis of portfolio made by the Management of the Company as per FID Circular No. 08 of 2002 and amended from time to time by the Department of Financial Institutions and Markets (DFIM) of Bangladesh Bank. A provision of Tk. 706945916.85 has been made for the year 2023 which is considered to be adequate by the Management of the Company.

Provision shortfall on Fixed Deposit Receipt and Interest on FDR amounting BDT. 134.06 Crore during the year. In this regard we have sought deferral facility for the said shortfall provision to Bangladesh Bank. Subsequently Bangladesh Bank has approved 05 (five) years deferral facility vide Letter Ref. No.: DFIM(C) 1054/19/2024-2491, Dated August 12, 2024. The provision will be equally adjusted from the year 2024 to 2028.

Principal	Outstanding as on 31.12.23	Provision as per Bangladesh Bank	Provision as per ILFSL	(Short)/Excess
FAS Finance & Investment	1,334,073,360	1,052,300,000	438,000,000	614,300,000
Peoples Leasing & Financial Services Limited	1,405,552,500	1,405,600,000	1,405,600,000	-
Premier Leasing Limited	528,736,679	392,200,000	-	392,200,000
	<b>3,268,362,539</b>	<b>2,850,100,000</b>	<b>1,843,600,000</b>	<b>1,006,500,000</b>

Interest	Outstanding as on 31.12.23	Provision as per Bangladesh Bank	Provision as per ILFSL	(Short)/Excess
FAS Finance & Investment	460,400,000	460,400,000	306,100,000	154,300,000
Peoples Leasing & Financial Services Limited	608,100,000	608,100,000	465,800,000	142,300,000
Premier Leasing Limited	52,300,000	52,300,000	14,800,000	37,500,000
	<b>1,120,800,000</b>	<b>1,120,800,000</b>	<b>786,700,000</b>	<b>334,100,000</b>
<b>Total</b>	<b>4,389,162,539</b>	<b>3,970,900,000</b>	<b>2,630,300,000</b>	<b>1,340,600,000</b>

**34(a) Consolidated Provision against leases, loans and advances**

**Against leases, loans and advances**

International Leasing and Financial Services Limited	432,255,556	(534,083,576)
International Leasing Securities Limited	-	-
IL Capital Limited	-	-
	<b>432,255,556</b>	<b>(534,083,576)</b>

**Against others assets**

International Leasing and Financial Services Limited	274,690,361	436,385,550
International Leasing Securities Limited	-	-
IL Capital Limited	-	-
	<b>274,690,361</b>	<b>436,385,550</b>

**35 Provision for diminution in value of investments**

Shares		
Provision for quoted shares	5,700,000	1,090,940
Provision for un-quoted shares	-	-
	<b>5,700,000</b>	<b>1,090,940</b>







(Figures in BDT)

December 31, 2023	December 31, 2022
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**35(a) Consolidated Provision for diminution in value of investments**

Shares		
International Leasing and Financial Services Limited	5,700,000	1,090,940
International Leasing Securities Limited	-	-
IL Capital Limited	-	(1,621)
	<b>5,700,000</b>	<b>1,089,319</b>

**36 Provision for tax**

Current tax	-	-
Deferred tax Assets	455,206	(5,121,696)
	<b>455,206</b>	<b>(5,121,696)</b>

**36.1 Average effective tax rate**

The average effective tax rate is calculated below as per Bangladesh Accounting Standard 12 "Income Tax"

Accounting profit before provision & tax	(1,519,875,204)	(1,734,564,062)
Tax expense	<b>455,206</b>	<b>(5,121,696)</b>
Average effective tax rate	<b>-0.03%</b>	<b>0.30%</b>

**36(a) Consolidated Provision for tax**

International Leasing and Financial Services Limited	455,206	(5,121,696)
International Leasing Securities Limited	14,806,610	22,803,002
IL Capital Limited	1,329,109	2,433,799
	<b>16,590,925</b>	<b>20,115,105</b>

**36(a).1 Consolidated average effective tax rate**

The average effective tax rate is calculated below as per Bangladesh Accounting Standard 12 "Income Tax"

Accounting profit before provision & tax	(1,725,362,230)	(1,861,640,152)
Tax expense	16,590,925	20,115,105
Average effective tax rate	<b>-0.96%</b>	<b>-1.08%</b>

**37 Earning Per Share (EPS)**

Basic earnings per share have been calculated as under:

Earning attributable to ordinary shareholders (profit after tax)	(2,232,976,327)	(1,632,835,281)
Weighted average number of ordinary shares outstanding during the year	221,810,246	221,810,246
<b>Earning per share (EPS)</b>	<b>(10.07)</b>	<b>(7.36)</b>

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

**37(a) Consolidated Earnings Per Share (EPS)**

Basic earnings per share have been calculated as under:

Earning attributable to ordinary shareholders (profit after tax)	(2,454,598,533)	(1,785,146,487)
Weighted average number of ordinary shares outstanding during the year	221,810,246	221,810,246
<b>Earning per share (EPS)</b>	<b>(11.07)</b>	<b>(8.05)</b>





(Figures in BDT)

	December 31, 2023	December 31, 2022
<b>38 Net Operating Cash Flows Per Share (NOCFPS)</b>	(239,165,525)	(298,384,732)
Net cash flows from operating activities	221,810,246	221,810,246
Weighted average number of ordinary shares outstanding during the year	<b>(1.08)</b>	<b>(1.35)</b>
Net Operating Cash Flows Per Share (NOCFPS)		
<b>38(a) Consolidated Net Operating Cash Flows Per Share (NOCFPS)</b>	(281,124,705)	(317,715,063)
Net cash flows from operating activities	221,810,246	221,810,246
Weighted average number of ordinary shares outstanding during the year	<b>(1.27)</b>	<b>(1.43)</b>
Net Operating Cash Flows Per Share (NOCFPS)		
<b>39 Reconciliation of Cash Flows from Operating Activities</b>		
Interest receipts in cash	1,121,129,416	970,294,653
Interest payments	(1,587,396,053)	(2,444,752,190)
Dividend receipts	158,570	12,577,480
Fees, commission & brokerage receipts in cash	1,028,056	222,092
Recoveries of loans previously written off	12,790,202	4,695,800
Cash payments to employees	(62,240,370)	(58,535,785)
Income tax paid	(686,044)	(12,300,145)
Receipts from other operating activities	13,212,774	360,545
Payments for other operating activities	(65,936,790)	(53,739,092)
Increase in lease and loans	(199,294,989)	422,023,389
Increase in deposit and other accounts	983,053,981	541,125,040
Increase in other liabilities	(135,435,828)	596,550,761
Increase in other assets	(319,548,451)	(276,903,266)
Cash flows from operating activities	<b>(239,165,525)</b>	<b>(298,380,719)</b>

**40 Disclosure on Audit committee**

The Audit Committee comprises of the following

Name	Status with the Company	Status with the Committee	Educational Qualification
Md. Enamul Hasan, FCA	Independent Director	Chairman	Fellow of the Institute of Chartered Accountants of Bangladesh.
Mr. Syed Abu Naser Bukhtear Ahmed	Independent Director	Member	MBA from Institute of Business Administration(DU).
Mr. Md. Shafiqul Islam Learned Senior Distric and Sessions Judge (Retired)	Independent Director	Member	LLB, LLM (DU)
Brig. Gen. Md. Meftaul Karim BSP, SPP, BPMS, NDC, PSC (Rtired)	Independent Director	Member	M. A from University of Dhaka
Barrister Md. Ashraf Ali	Independent Director	Member	BA(Hons) in Economics from University of Dhaka and is an Associate of the Institute of Bankers (UK).
Mr. Md Ashaduzzaman	Company Secretary (CC)	Secretary of the Comapany	M. A from UniSa







(Figures in BDT)

December 31, 2023	December 31, 2022
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**41 Related party disclosures**

**41.1 Particulars of directors of the Company as of December 31, 2023**

Sl. No.	Name of Directors	Designation	Shareholding Status
1	Mr. Md. Nazrul Islam Khan	Chairman	Independent Director (Appointed by High-Court)
2	Mr. Syed Abu Naser Bukhtear Ahmed	Director	Independent Director (Appointed by High-Court)
3	Mr. Md. Shafiqul Islam, Learned Senior District and Sessions Judge	Director	Independent Director (Appointed by High-Court)
4	Brigadier General Md. Meftaul Karim, BSP, SPP, BPM, NDC, PSC	Director	Independent Director (Appointed by High-Court)
5	Barrister Md. Ashraf Ali	Director	Independent Director (Appointed by High-Court)
6	Mr. Enamul Hasan, FCA	Director	Independent Director (Appointed by High-Court)
7	Mr. M. A. Hashem	Director	Independent Director
8	Mr. Nasim Anwar, FCA	Director	Nominated by New Tech Enterprise Limited holds 7.85% shares
9	Mr. Muhammed Abul Hashem	Director	Nominated by Shaw Wallace Bangladesh Limited holds 17.36% shares
10	Mr. M. Nurul Alam	Director	
11	Mr. Bashudeb Banerjee	Director	Nominated by BR International Ltd. holds 8.15% shares
12	Mr. Md. Anwarul Kabir	Director	
13	Mr. Md. Nowsherul Islam	Director	Nominated by Nature Enterprise Ltd. holds 8.18% shares
14	Md. Mashiur Rahman	Managing Director (Current Charge)	Not Applicable

**41.2 Name of Directors and their interest in different entities as on December 31, 2023**

Sl. No.	Name of Directors	Status with the Company	Entities where they are Interested
1	Mr. Md. Nazrul Islam Khan	Chairman	<b>Curator:</b> Father of the Nation Bangabandhu Sheikh Mujibur Rahman Memorial Museum.
2	Mr. Syed Abu Naser Bukhtear Ahmed	Independent Director	Independent Director (Appointed by High-Court)
3	Mr. Md. Shafiqul Islam, Learned Senior District	Independent Director	Independent Director (Appointed by High-Court)
4	Brigadier General Md. Meftaul Karim, BSP, SPP, BPM, NDC, PSC (LPR)	Independent Director	Independent Director (Appointed by High-Court)
5	Barrister Md. Ashraf Ali	Independent Director	Independent Director (Appointed by High-Court)
6	Mr. Enamul Hasan, FCA	Independent Director	Independent Director (Appointed by High-Court)





(Figures in BDT)

			December 31, 2023	December 31, 2022
7	Mr. M. A. Hashem	Director	Out of contact	
8	Mr. Nasim Anwar, FCA	Director	Out of contact	
9	Mr. Muhammed Abul Hashem	Director	Out of contact	
10	Mr. M. Nurul Alam	Director	Out of contact	
11	Mr. Bashudeb Banerjee	Director	Out of contact	
12	Mr. Md. Anwarul Kabir	Director	Out of contact	
13	Mr. Md. Nowsherul Islam	Director	Out of contact	
14	Mr. Kazi Alamgir	Managing Director	N/A	

#### 41.3 Transactions with directors and their related entities

Name of the party	Name of the director	Relationship	Nature of transaction	2023	2022
Mr. Nasim Anwar, FCA	Mr. Nasim	Self	Term Deposit	(3,886,506)	(3,886,506)
Mr. Muhammed Abul	Mr.	Self	Term Deposit	(15,123,897)	(15,123,897)
S.W. Shipping Ltd.	Mr. M. Nurul	Director	Term Deposit	(203,613,782)	(203,613,782)
S W Multimedia Limited	Mr. M. Nurul	Director	Term Deposit	(7,190,319)	(7,190,319)
A F Mujibur Rahman	Mr. Mizanur	Trustee	Term Deposit	(346,300,236)	(346,300,236)

#### 42 Events after the reporting period

##### Dividend for the year - 2023

The Board of Directors at their 279 meeting held on September 07, 2024 recommended no dividend to the shareholders.

##### Proposed dividend consists of:

Cash	-	-
Bonus share	-	-
	-	-

##### Proposed dividend will be distributed from:

Retained surplus for the year	-	-
Past accumulated retained earnings/surplus	-	-
	-	-

There is no event which may require adjustment or disclosure other than those disclosed

#### 43 Capital expenditure commitments

There was no capital expenditure commitment contracted as at December 31, 2023

#### 44 Claim against Company not acknowledged as debt

There was no such claims against the Company which require to be acknowledged as debt as at December 31, 2023







# Zoha Zaman Kabir Rashid & Co.

Chartered Accountants

(Figures in BDT)

December 31, 2023	December 31, 2022
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45 Number of employees engaged for the whole year and drawing remuneration of Tk. 36,000 and above per annum was 45.

## 46 Interim financial statements

The Company publishes its interim financial statements quarterly as required by the Securities and Exchange Commission.


## 47 Restriction on payment of cash dividend

As per DFIM circular no. 5 dated July 24, 2011 of Bangladesh Bank, a non-banking financial institution cannot declare cash dividend if its capital is below the required level of 1,000 million. The Company has met the requirement of Bangladesh Bank and has no such restriction.

## 48 Approval of the financial statements

These financial statements were authorized for issue by the Board of Directors of the Company on September 07, 2024.

  
Company Secretary(CC)

  
Managing Director

  
Director

  
Chairman



Annexure - A

## INTERNATIONAL LEASING AND FINANCIAL SERVICES LIMITED

Schedule of fixed assets

(Figures in BDT)

SL No	Particulars	COST			DEPRECIATION			Written down value as at December 31, 2023
		Balance as at January 01, 2023	Addition during the Year	Disposal during the Year	Balance as at December 31, 2023	Rate (%)	Charged during the Year	Balance as at December 31, 2023
1	Right of use assets	82,845,718	-	-	82,845,718	20	-	-
2	Motor vehicles	37,688,698			37,688,698	20	10	11
3	Office decoration	24,447,312			24,447,312	15	75,036	(292,169)
4	Office equipment	16,797,946	422,176		17,220,122	20	325,358	(192)
5	Furniture & fixtures	31,390,811			31,390,811	20	47,214	(2,933)
6	Computer accessories	14,258,562	145,731	598,092	13,806,201	33	40,046	315,770
	<b>Total as at December 31, 2023</b>	<b>207,429,047</b>	<b>567,907</b>	<b>598,092</b>	<b>207,398,862</b>	<b>128</b>	<b>487,663</b>	<b>205,381,579</b>
	<b>Total as at December 31, 2022</b>	<b>205,425,653</b>	<b>2,003,394</b>	<b>-</b>	<b>207,429,047</b>	<b>128</b>	<b>8,932,492</b>	<b>204,914,403</b>
								<b>2,514,644</b>

## Schedule of intangible assets

(Figures in BDT)

SL No	Particulars	COST			DEPRECIATION			Written down value as at December 31, 2022
		Balance as at January 01, 2023	Addition during the Year	Disposal during the Year	Balance as at December 31, 2023	Rate (%)	Charged during the Year	Balance as at December 31, 2023
1	Computer Software	3,281,250	16,000,000	-	19,281,250	33	5,280,000	-
	<b>Total as at December 31, 2023</b>	<b>3,281,250</b>	<b>16,000,000</b>	<b>-</b>	<b>19,281,250</b>	<b>33</b>	<b>5,280,000</b>	<b>8,561,250</b>
	<b>Total as at December 31, 2022</b>	<b>3,281,250</b>	<b>-</b>	<b>-</b>	<b>3,281,250</b>	<b>128</b>	<b>-</b>	<b>3,281,250</b>
								<b>-</b>





Annexure -A(a)

## INTERNATIONAL LEASING AND FINANCIAL SERVICES LIMITED AND ITS SUBSIDIARIES

### Schedule of consolidated fixed assets

(Figures in BDT)

	Particulars	COST				DEPRECIATION				Written down value as at December 31, 2023
		Balance as at January 01, 2023	Addition during the Year	Disposal during the Year	Balance as at December 31, 2023	Rate ( %)	Charged during the Year	Adjustment during the Year	Balance as at December 31, 2023	
1	Right of use assets	82,845,718	-	-	82,845,718	20	-	-	82,845,718	-
2	Motor vehicles	43,263,698	-	-	43,263,698	20	10	11	43,263,685	13
3	Office decoration	54,340,160	-	-	54,340,160	15	1,157,167	(292,169)	53,478,128	862,032
4	Office equipment	24,825,065	674,710	-	25,499,775	20	420,597	(192)	23,914,636	1,585,139
5	Furniture & fixtures	33,631,902	36,925	21,615	33,647,212	20	121,113	18,674	33,278,163	369,049
6	Computers & accessories	29,046,656	749,197	1,804,619	27,991,234	33	520,371	1,522,242	26,832,394	1,158,840
	<b>Total as at December 31, 2023</b>	<b>267,953,199</b>	<b>1,460,832</b>	<b>1,826,234</b>	<b>267,587,797</b>		<b>2,219,258</b>	<b>1,248,566</b>	<b>263,612,723</b>	<b>3,975,074</b>
	<b>Total as at December 31, 2022</b>	<b>267,046,227</b>	<b>3,515,973</b>	<b>2,609,000</b>	<b>267,953,199</b>		<b>10,848,682</b>	<b>2,608,999</b>	<b>262,642,031</b>	<b>5,311,168</b>

### Schedule of intangible assets

(Figures in BDT)

SL No	Particulars	COST			DEPRECIATION			Written down value as at December 31, 2022		
		Balance as at January 01, 2023	Addition during the Year	Disposal during the Year	Balance as at December 31, 2023	Rate (%)	Charged during the Year		Adjustment during the Year	Balance as at December 31, 2023
1	Computer Software	3,281,250	16,000,000	-	19,281,250	33	5,280,000	-	8,561,250	10,720,000
	Total as at December 31, 2023	3,281,250	16,000,000	-	19,281,250	33	5,280,000	-	8,561,250	10,720,000
	Total as at December 31, 2022	3,281,250	-	-	3,281,250	128	-	-	3,281,250	-

