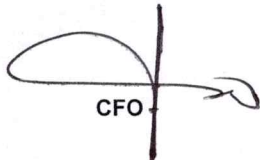


FINANCIAL STATEMENTS (Un-audited)
OF
INTERNATIONAL LEASING AND FINANCIAL SERVICES LTD.
For The 1st Quarter Ended March 31, 2025

INTERNATIONAL LEASING AND FINANCIAL SERVICES LIMITED AND ITS SUBSIDIARIES
Consolidated Balance Sheet
As at March 31, 2025

(Figures in BDT)

Particular	Notes	Mar 31, 2025	Dec 31, 2024
PROPERTY AND ASSETS			
Cash	3(a)	422,944	395,430
In hand (including foreign currencies)		392,813	122,015
Balance with Bangladesh Bank and its agent bank (s) (including foreign currencies)		30,131	273,415
Balance with banks and other financial institutions	4(a)	3,491,489,546	3,491,517,422
In Bangladesh		3,491,489,546	3,491,517,422
Outside Bangladesh		-	-
Money at call and short notice		-	-
Investments	5(a)	741,349,662	747,339,745
Government		252,346,680	252,346,680
Others		489,002,982	494,993,065
Leases, loans and advances	6(a)	41,866,974,863	41,821,276,433
Leases		1,247,854,114	1,354,206,543
Loans, cash credits, overdrafts, etc.		40,619,120,749	40,467,069,890
Fixed assets including premises, furniture and fixtures	7(a)	6,060,570	5,672,748
Intangible Asset	7.1 (a)	6,589,852	7,182,400
Other assets	8(a)	2,370,322,498	2,367,810,191
Non - financial institutional assets		-	-
Total assets		48,483,209,935	48,441,194,369
LIABILITIES AND CAPITAL			
Liabilities			
Borrowing from banks, other financial institutions and agents	9(a)	15,501,336,411	15,490,335,490
Deposits and other accounts		30,094,548,275	30,139,973,383
Term deposits	10.1(a)	29,707,274,718	29,750,391,327
Other deposits	10.2	387,273,557	389,582,057
Other liabilities	11(a)	50,601,888,939	49,905,902,809
Total liabilities		96,197,773,625	95,536,211,681
Capital / Shareholders' equity		(47,714,585,380)	(47,095,039,155)
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(a)	(50,388,872,665)	(49,769,326,440)
Non-controlling / minority interest	15	21,689	21,843
Total liabilities and Shareholders' equity		48,483,209,935	48,441,194,369
Net asset value per share	16(a)	(215.11)	(212.32)


CFO


Company Secretary(CC)


Managing Director


Director


Director


Chairman

INTERNATIONAL LEASING AND FINANCIAL SERVICES LIMITED AND ITS SUBSIDIARIES

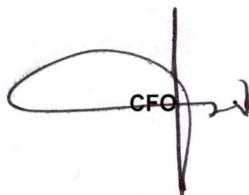
Consolidated Balance Sheet

As at March 31, 2025

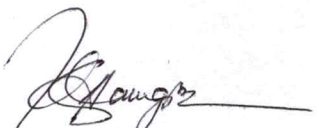
Particular	Notes	Mar 31, 2025	Dec 31, 2024
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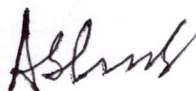
CONSOLIDATED OFF-BALANCE SHEET ITEMS

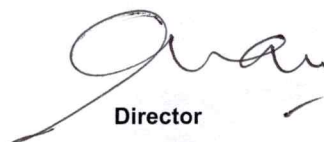
Contingent liabilities	17	500,000,000	500,000,000
Acceptances and endorsements		-	-
Letters of guarantee	17.1	500,000,000	500,000,000
Other commitments		-	-
Total Off-Balance Sheet items including contingent liabilities		500,000,000	500,000,000


CFO


Company Secretary(CC)


Managing Director

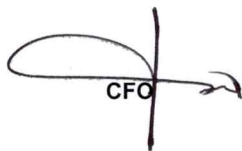

Director


Director


Chairman

INTERNATIONAL LEASING AND FINANCIAL SERVICES LIMITED AND ITS SUBSIDIARIES
Consolidated Profit & Loss Account (Un- Audited)
For the Period Ended 31 March 2025

		(Figures in BDT)	
Particular	Notes	Mar 31, 2025	Mar 31, 2024
OPERATING INCOME			
Interest income	19(a)	6,109,712	101,163,226
Interest expense on deposits and borrowings etc.	20(a)	(388,310,029)	(448,133,443)
Net interest income		(382,200,317)	(346,970,217)
Investment income	21(a)	3,907,792	9,781,537
Commission, fees, exchange and brokerage	22(a)	7,902,303	16,184,637
Other operating income	23(a)	7,220	301,912
Total operating income (A)		(370,383,002)	(320,702,131)
OPERATING EXPENSES			
Salaries and allowances	24(a)	23,872,447	25,059,843
Rent, taxes, insurance & electricity	25(a)	10,188,168	9,744,981
Legal expenses	26(a)	634,769	767,758
Postage, stamp & telecommunication	27(a)	624,931	566,991
Stationery, printing & advertisements	28(a)	299,782	210,971
Managing Director's salary and benefits	29	1,250,000	937,097
Chairman remuneration	29(ii)	600,000	900,000
Directors' fees & meeting expenses	30(a)	186,800	514,380
Auditors' fees	31(a)	45,994	43,119
Depreciation, amortization & repair of assets	32(a)	2,194,896	1,909,170
Other expenses	33(a)	5,790,725	6,725,443
Total operating expenses (B)		45,688,512	47,379,753
Profit before provision & tax (C=A-B)		(416,071,514)	(368,081,884)
Provision against leases, loans and advances	34(a)	201,430,941	42,053,710
Provision for other assets		-	-
Provision for diminution in value of investments	35(a)	28,433	(4,259)
Total provision (D)		201,459,374	42,049,451
Total profit before tax (C-D)		(617,530,888)	(410,131,335)
Provision for tax	36(a)	2,015,490	2,779,588
Net profit after tax		(619,546,378)	(412,910,922)
Non-controlling / minority interest		(154)	(220)
Net profit attributable to shareholders of the Company		(619,546,224)	(412,910,702)
Retained surplus		(619,546,224)	(412,910,702)
Earnings per share (EPS)	37(a)	(2.79)	(1.86)


CFO


Company Secretary(CC)


Managing Director


Director


Director


Chairman

INTERNATIONAL LEASING AND FINANCIAL SERVICES LIMITED AND ITS SUBSIDIARIES
Consolidated Cash Flow Statement (un-audited)
For the Period Ended 31 March 2025

(Figures in BDT)

Particular	Mar 31, 2025	Mar 31, 2024
A) Cash flows from operating activities		
Interest receipts in cash	(373,109,730)	23,992,136
Interest payments	(84,791,322)	(275,665,235)
Dividend receipts	8,813,478	8,813,478
Fees, commission & brokerage receipts in cash	13,361,391	13,407,391
Recoveries of loans previously written off	(49,450)	-
Cash payments to employees	(25,788,158)	(25,096,939)
Income taxes paid	(3,936,892)	(3,936,892)
Receipts from other operating activities	123,564	301,912
Payments for other operating activities	(20,716,974)	(21,966,292)
Cash generated from/(used in) operating activities before changes in operating assets and liabilities	(486,094,092)	(280,150,442)
Increase / (decrease) in operating assets and liabilities		
Leases, loans and advances to banks and other FIs	-	-
Leases, loans and advances to customers	48,558,881	300,239,990
Other assets	(14,041,723)	(88,649,682)
Deposits from other banks / borrowings	(510,061)	(56,546,028)
Deposits from customers	(45,425,108)	(375,999,821)
Other liabilities account of customers	(2,308,500)	-
Other liabilities	428,529,857	535,538,081
Net Increase / (decrease) in operating assets and liabilities	414,803,346	314,582,540
Net cash from/(used in) operating activities	(71,290,747)	34,432,098
B) Cash flows from investing activities		
Proceeds from sale of securities	16,828,414	30,672,454
Payments for purchases of securities	(16,828,414)	(16,828,414)
Net change against purchase/sale of fixed assets	-	-
Receipts/(Payments) against lease obligation	-	-
Net cash from/(used in) investing activities	-	13,844,040
C) Cash flows from financing activities		
Receipts of long term loan	(265,954,923)	76,983,532
Repayment of long term loan	-	-
Net draw down/(payment) of short term loan	-	(128,417,087)
Dividend paid	-	-
Net Cash from/(used in) financing activities	(265,954,923)	(51,433,555)
D) Net increase / (decrease) in cash and cash equivalents (A+ B + C)	(337,245,670)	(3,157,417)
E) Effects of exchange rate changes on cash and cash equivalents	-	-
F) Cash and cash equivalents at beginning of the period	3,491,912,852	3,829,158,160
G) Cash and cash equivalents at end of the period (D+E+F)	3,154,667,182	3,826,000,743
Cash and cash equivalents at end of the period represents		
Cash in hand (including foreign currencies)	392,813	407,644
Balance with Bangladesh Bank and its agent bank (s) (including foreign currencies)	30,131	53,356
Balance with banks and other financial institutions (notes 4 (a))	3,491,489,546	3,825,539,744
Total Cash and cash equivalents as of Sep 30	3,491,912,490	3,826,000,743
Net Operating Cash Flows Per Share (NOCFPS)	(0.32)	0.16

CFO

Company Secretary(CC)

Managing Director

Director

Director

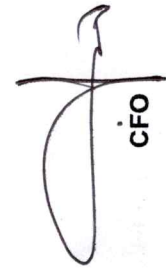
Chairman

INTERNATIONAL LEASING AND FINANCIAL SERVICES LIMITED AND ITS SUBSIDIARIES
Consolidated Statement of Changes in Shareholders' Equity (un-audited)

For the Period Ended 31 March 2025

(Figures in BDT)

Particulars	Paid-up Capital	Statutory Reserve	Retained Earnings	Total	Non-controlling / minority interest	Total
Balance as at December 31, 2024	2,218,102,460	456,184,825	(49,769,326,440)	(47,095,039,155)	22,539	(47,095,016,616)
Stock dividend for the year 2024	-	-	-	-	-	-
Profit transferred to reserve	-	-	-	-	-	-
Retained surplus for the Period of 2025	-	-	(619,546,224)	(619,546,224)	(154)	(619,546,378)
Balance as at March 31, 2025	2,218,102,460	456,184,825	(50,388,872,665)	(47,714,585,380)	22,385	(47,714,562,995)
Balance as at December 31, 2023	2,218,102,460	456,184,825	(41,115,869,258)	(38,441,581,973)	22,603	(38,441,559,370)
Stock dividend for the year 2023	-	-	-	-	-	-
Profit transferred to reserve	-	-	-	-	-	-
Retained surplus for the Period of 2024	-	-	(412,910,858)	(412,910,858)	(64)	(412,910,922)
Balance as at March 30, 2024	2,218,102,460	456,184,825	(41,528,780,116)	(38,854,492,831)	22,539	(38,854,470,292)


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Company Secretary(CC)


Managing Director


Director


Director

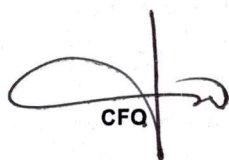

Chairman

INTERNATIONAL LEASING AND FINANCIAL SERVICES LIMITED

Balance Sheet
As at March 31, 2025


(Figures in BDT)

Particular	Notes	Mar 31, 2025	Dec 31, 2024
PROPERTY AND ASSETS			
Cash	3	349,368	338,240
In hand (including foreign currencies)	3.1	319,237	64,825
Balance with Bangladesh Bank and its agent bank (s) (including foreign currencies)	3.2	30,131	273,415
Balance with banks and other financial institutions	4	3,340,544,722	3,339,599,227
In Bangladesh	4.1	3,340,544,722	3,339,599,227
Outside Bangladesh		-	-
Money at call and short notice	5	269,175,094	269,175,094
Investments	5(i)	252,346,680	252,346,680
Government	5(ii)	16,828,414	16,828,414
Others		-	-
Leases, loans and advances	6	41,437,223,845	41,393,353,866
Leases	6.1.1	1,247,854,114	1,354,206,543
Loans, cash credits, overdrafts, etc.	6.1.2	40,189,369,731	40,039,147,323
Fixed assets including premises, furniture and fixtures	7	1,847,175	1,961,165
Intangible Asset		6,589,852	7,182,400
Other assets	8	3,525,773,635	3,523,765,241
Non - financial institutional assets		-	-
Total assets		48,581,503,691	48,535,375,233
LIABILITIES AND CAPITAL			
Liabilities			
Borrowing from banks, financial institutions and agents	9	14,748,617,013	14,749,035,323
Deposits and other accounts	10	30,094,548,275	30,139,973,383
Term deposits	10.1	29,707,274,718	29,750,391,327
Other deposits	10.2	387,273,557	389,582,057
Other liabilities *	11	50,699,939,649	50,037,030,290
Total liabilities		95,543,104,937	94,926,038,996
Capital / Shareholders' equity		(46,961,601,246)	(46,390,663,761)
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	(49,635,888,531)	(49,064,951,046)
Total liabilities and Shareholders' equity		48,581,503,691	48,535,375,233
Net asset value per share	16	(211.72)	(209.15)


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Company Secretary(CC)


Managing Director


Director


Director



Chairman

INTERNATIONAL LEASING AND FINANCIAL SERVICES LIMITED

Balance Sheet

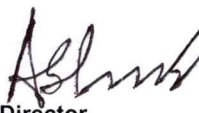
As at March 31, 2025


Particular	Notes	Mar 31, 2025	Dec 31, 2024
OFF-BALANCE SHEET ITEMS			
Contingent liabilities	17	500,000,000	500,000,000
Acceptances and endorsements		-	-
Letters of guarantee	17.1	500,000,000	500,000,000
Other commitments		-	-
Total Off-Balance Sheet items including contingent liabilities		500,000,000	500,000,000


CFO


Company Secretary(CC)


Managing Director


Director


Director


Chairman

INTERNATIONAL LEASING AND FINANCIAL SERVICES LIMITED

Profit & Loss Account

For the Period Ended 31 March 2025

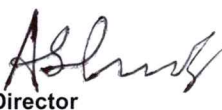
(Figures in BDT)

Particular	Notes	Mar 31, 2025	Mar 31, 2024
OPERATING INCOME			
Interest income	19	42,673,403	138,041,000
Interest expense on deposits and borrowings etc.	20	(380,907,882)	(437,621,913)
Net interest income		(338,234,478)	(299,580,913)
Investment income	21	-	-
Commission, fees, exchange and brokerage	22	5,000	51,000
Other operating income	23	(48,580)	129,768
Total operating income (A)		(338,278,059)	(299,400,146)
OPERATING EXPENSES			
Salaries and allowances	24	15,662,685	15,284,370
Rent, taxes, insurance & electricity	25	7,574,421	6,923,827
Legal expenses	26	585,369	767,758
Postage, stamp & telecommunication	27	442,672	374,803
Stationery, printing & advertisements	28	257,807	93,861
Managing Director's salary and benefits	29	1,250,000	937,097
Chairman remuneration	29(i)	600,000	900,000
Directors' fees & meeting expenses	30	70,400	412,500
Auditors' fees	31	-	-
Depreciation, amortization & repair of assets	32	1,066,222	1,635,277
Other expenses	33	3,712,743	4,779,942
Total operating expenses (B)		31,222,318	32,109,436
Profit before provision & tax (C=A-B)		(369,500,377)	(331,509,581)
Provision against leases, loans and advances	34	201,430,941	42,053,710
Provision for diminution in value of investments	35	-	-
Provision for off balance sheet exposure		-	-
Provision for other assets	34	-	-
Total provision (D)		201,430,941	42,053,710
Total profit before tax (C-D)		(570,931,318)	(373,563,291)
Provision for tax	36	6,166	(1,333,755)
Net profit after tax		(570,937,484)	(372,229,536)
Retained surplus		(570,937,484)	(372,229,535.97)
Earnings per share (EPS)	37	(2.57)	(1.68)


CFO


Company Secretary(CC)


Managing Director


Director

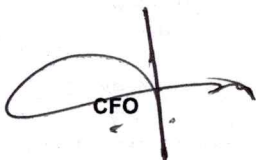

Director


Chairman

INTERNATIONAL LEASING AND FINANCIAL SERVICES LIMITED

Cash Flow Statement
For the Period Ended 31 March 2025

Particular	(Figures in BDT)	
	Mar 31, 2025	Mar 31, 2024
A) Cash flows from operating activities		
Interest receipts in cash	(388,905,120)	8,196,745
Interest payments	(21,606,628)	(212,480,541)
Dividend receipts	-	-
Fees and commission receipts in cash	5,000	51,000
Recoveries of loans previously written off	(49,450)	-
Cash payments to employees	(16,912,685)	(16,221,467)
Income taxes paid	-	-
Receipts from other operating activities	(48,580)	129,768
Payments for other operating activities	(13,595,642)	(14,844,961)
Cash generated from/(used in) operating activities before changes in operating assets and liabilities	(441,113,106)	(235,169,456)
Increase / (decrease) in operating assets and liabilities		
Leases, loans and advances to banks and other FIs	-	-
Leases, loans and advances to customers	43,869,979	264,319,434
Other assets	(2,008,395)	(87,338,463)
Deposits from other banks / borrowings	-	-
Deposits from customers	(45,425,108)	(375,999,821)
Other liabilities account of customers	(2,308,500)	-
Other liabilities	369,960,800	485,084,039
Net Increase / (decrease) in operating assets and liabilities	364,088,776	286,065,189
Net cash from/(used in) operating activities	(77,024,330)	50,895,734
B) Cash flows from investing activities		
Proceeds from sale of securities	16,828,414	16,828,414
Payments for purchases of securities	(16,828,414)	(16,828,414)
Net change against purchase/sale of fixed assets	-	-
Receipts against lease obligation	-	-
Net cash from/(used in) investing activities	-	-
C) Cash flows from financing activities		
Receipts of long term loan	(265,954,923)	486,567,055
Repayment of long term loan	0.48	-
Net draw down/(payment) of short term loan	-	(128,417,087)
Dividend paid	-	-
Net Cash from/(used in) financing activities	(265,954,923)	358,149,969
D) Net increase / (decrease) in cash and cash equivalents (A+ B + C)	(342,979,253)	409,045,702
E) Effects of exchange rate changes on cash and cash equivalents	-	-
F) Cash and cash equivalents at beginning of the period	3,683,873,343	3,273,919,690
G) Cash and cash equivalents at end of the period (D+E+F)	3,340,894,090	3,682,965,392
Cash and cash equivalents at end of the period represents		
Cash in hand (including foreign currencies)	319,237	350,686
Balance with Bangladesh Bank and its agent bank (s) (including foreign currencies)	30,131	53,356
Balance with banks and other financial institutions {notes 4 (1)}	3,340,544,722	3,682,561,350
Total Cash and cash equivalents as of Particular	3,340,894,090	3,682,965,392
Net Operating Cash Flows Per Share (NOCFPS)	(0.35)	0.23


CFO


Company Secretary(CC)


Managing Director


Director


Director


Chairman

INTERNATIONAL LEASING AND FINANCIAL SERVICES LIMITED
Statement of Changes in Shareholders' Equity
For the Period Ended 31 March 2025

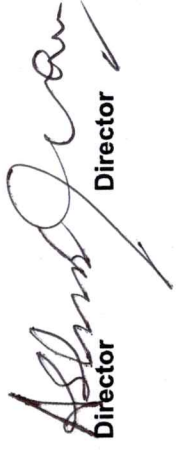
(Figures in BDT)

Particulars	Paid-up Capital	Statutory Reserve	Retained Earnings	Total
Balance as at December 31, 2024	2,218,102,460	456,184,825	(48,220,349,974)	(45,546,062,689)
Stock dividend for the year 2024	-	-	-	-
Profit transferred to reserve	-	-	-	-
Capital Revaluation Surplus/(Deficit) for Subsidiary	-	-	(912,732,499)	(912,732,499)
Retained surplus for the Period of 2025	-	-	(570,937,484)	(570,937,484)
Balance as at March 31, 2025	2,218,102,460	456,184,825	(49,704,019,958)	(47,029,732,673)
Balance as at December 31, 2023	2,218,102,460	456,184,825	(40,736,103,620)	(38,061,816,335)
Stock dividend for the year 2023	-	-	-	-
Profit transferred to reserve	-	-	-	-
Retained surplus for the Period of 2024	-	-	(372,229,536)	(372,229,536)
Balance as at March 30, 2024	2,218,102,460	456,184,825	(41,108,333,156)	(38,434,045,871)


CEO


Company Secretary(CC)


Managing Director


Director


Chairman

INTERNATIONAL LEASING AND FINANCIAL SERVICES LIMITED AND ITS SUBSIDIARIES
Notes to the consolidated financial statements
For the Year Ended March 31, 2025

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 and Nature of Operation

The company provides financial service to customers which includes lease finance, term finance, short term finance, work order finance, project finance, real estate finance, factoring of accounts receivables, SME loan, women entrepreneurship loan, 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

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 Components of the Financial Statements

The financial statements comprise of (As per DFIM Circular No. 11, Dated 23 December 2009);

- a) Consolidated and Separate Balance Sheet as of March 31, 2025;
- b) Consolidated and Separate Profit and Loss Account for the year ended March 31, 2025;
- c) Consolidated and Separate Statement of Cash Flows for the year ended March 31, 2025;
- d) Consolidated and Separate Statement of Change in Equity for the year ended March 31, 2025;
- e) Notes to the Consolidated and Separate Financial Statements as at and for the year ended March 31, 2025.

2.3 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.

2.3.1 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

2.3.2 Provision on leases/loans and advances

As per IAS 36 an entity should undertake the impairment of assets 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 DFIM circular no.04, dated July 26, 2021, 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".

2.3.3 Other comprehensive income

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.

2.3.4 Recognition of interest in suspense

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 DFIM circular no.04, dated July 26, 2021 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.

2.3.5 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.

2.3.6 Financial guarantees

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 are included within other liabilities.

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.

2.3.7 Cash and cash equivalent

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.

2.3.8 Non-Financial institution Assets

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.

2.3.9 Cash flow statement

As per (IAS-7) 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.

2.3.10 Balance with Bangladesh Bank: (Cash Reserve Requirement)

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.

2.3.11 Off-balance sheet items

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

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

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.

2.4 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.

2.5 Going Concern Basis of Accounting

This financial statements have been prepared on the basis an assessment of the Companies ability to continue as a going concern. Bangladesh Finance has neither any intention nor any legal or regulatory compulsion to liquidate or curtail materially the scale of any of its operations. the key financial parameters (including liquidity, profitability, asset quality, provision sufficiency and capital adequacy) of the Company continued to exhibit a healthy trend for a couple of years. Besides, the management is not aware of any material uncertainties that may cast significant doubt upon the organization's ability to ncontinue as a going concern.

2.6 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.

2.7 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 IFRS-10, "Consolidation of 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".

2.8 Branch accounting

The company has three branches in Chittagong, Uttara, Sylhet and no overseas branch as on March 31, 2025. Accounts of the branch are maintained at head office from which these accounts are drawn up.

2.9 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.

2.10 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 2025.

2.11 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.

2.12 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.

2.13 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.

2.14 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.

2.15 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.

2.16 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.

2.16.1 Revenue recognition (IFRS-15, Revenue from Contract with Customer)

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.

2.16.2 Income from lease (IFRS 16, "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 DFIM circular no.04, dated July 26, 2021 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.

2.16.3 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 DFIM circular no.04, dated July 26, 2021 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.

2.16.4 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 DFIM circular no.04, dated July 26, 2021 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.

2.16.5 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.

2.16.6 Income from investment in shares**Dividends (IFRS 15, "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.

2.16.7 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.

2.16.8 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 DFIM circular no.04, dated July 26, 2021. 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 International Accounting Standard-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 DFIM circular no.04, dated July 26, 2021 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

Pursuant to International Accounting Standard (IAS) 12 Income Taxes, Deferred tax is provided for all temporary timing differences arising between the tax base of assets and liabilities and their carrying value for financial reporting purposes. Adequate provision has been made in calculating temporary timing differences.

2.25 Impairment of assets (IAS-36)

The company reviewed long-lived assets for impairment whenever events or 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 International 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, 2025 to 31 March 2025.

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:

- a) Business risk i.e. the risk that ILFSL may be used for money laundering or terrorism financing and
- b) 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 a place a strict compliance program consisting of the following components:

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

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
Income Taxes	12	Applied
Property, Plant & Equipment	16	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
Separate Financial Statements	27	Applied
Investments in Associates	28	N/A
Financial Reporting in Hyper-inflationary Economics	29	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
Financial Instruments	9	Applied (*)
Consolidated Financial Statements	10	Applied
Joint Arrangement	11	N/A
Disclosure of Interests in other Entities	12	N/A
Fair Value Measurement	13	Applied (*)
Regulatory Deferral Accounts	14	N/A
Revenue from Contract with Customer	15	Applied
Leases	16	Applied

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)

3	Cash		
3.1	Cash in hand		
	In local currency	319,237	64,825
	In foreign currency	-	-
		<u>319,237</u>	<u>64,825</u>
3.2	Balance with Bangladesh Bank and its agent bank(s)		
	With Bangladesh Bank		
	In local currency	30,131	273,415
	In foreign currency	-	-
		<u>30,131</u>	<u>273,415</u>
	With Sonali Bank Ltd. as agent of Bangladesh Bank	-	-
		<u>30,131</u>	<u>273,415</u>
	Total (3.1+3.2)	<u>349,368</u>	<u>338,240</u>
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)	257,250,657	251,321,774
	Cash reserve in average maintained with Bangladesh bank	245,720	280,112
	Surplus / (deficit)	<u>(257,004,937)</u>	<u>(251,041,662)</u>
	b) Statutory Liquidity Reserve		
	Required reserve (5% of average total liabilities of December)	873,361,217	920,345,737
	Liquidity reserve in average maintained including CRR	1,187,999,296	1,190,113,010
	Surplus / (deficit)	<u>314,638,079</u>	<u>269,767,274</u>
	The surplus mostly comprises of deposits maintained with banks kept under lien against various facilities.		
3(a)	Consolidated Cash		
	Cash in hand		
	International Leasing and Financial Services Limited	319,237	64,825
	International Leasing Securities Limited	11,159	12,324
	IL Capital Limited	62,417	44,866
		<u>392,813</u>	<u>122,015</u>
	Balance with Bangladesh Bank and its agent bank(s)		
	International Leasing and Financial Services Limited	30,131	273,415
		<u>30,131</u>	<u>273,415</u>
		<u>422,944</u>	<u>395,430</u>
4	Balance with banks and other financial institutions		
	In Bangladesh (note-4.1)	3,340,544,722	3,339,599,227
	Outside Bangladesh	-	-
		<u>3,340,544,722</u>	<u>3,339,599,227</u>



4.1 In Bangladesh

a) Current deposits

Al-Arafah Islami Bank Limited	608	608
Basic Bank Limited	4,535	4,535
Bank Asia Limited	159,587	159,587
One Bank Limited	424,521	55,812
Dutch Bangla Bank Limited	6,306,094	6,306,094
Eastern Bank Limited	82,890	289,206
Jamuna Bank Limited	98,526	98,526
Mercantile Bank Limited	84,320	84,320
Mutual Trust Bank Limited	(5,632,082)	(5,632,082)
Shahjalal Islami Bank Limited	949,436	949,436
South East Bank Limited	103,007	103,007
Standard Bank Limited	63,364	63,364
NCC Bank Limited	14,667,890	3,030,390
Woori Bank Limited	58,178	58,178
Dhaka Bank Limited	147,818	147,818
UCB Limited	13,968	13,968
The City Bank Limited	26,782,975	(3,706,039)
	44,315,633	2,026,727

b) Short-term deposit

AB Bank Limited	91,473	91,473
Bank Alfalah Limited	22,275,533	22,761,260
Bank Asia Limited	(30,673,675)	(30,673,675)
BRAC Bank Limited	-	-
Dhaka Bank Limited	4,660,185	4,660,185
Midland Bank Limited	89,190	89,190
Madhumoti Bank	17,733	17,733
Eastern Bank Limited	29,878,712	70,736,396
The Premier Bank Limited	61,046	61,046
South East Bank Limited	342,459	342,459
Uttara Bank Limited	3,242	3,242
Jamuna Bank Limited(IPO)	1,120,209	1,120,209
South Bangla Agriculture And Commercial Bank Limited	443	443
	27,866,550	69,209,962

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	-	-
	3,268,362,539	3,268,362,539
Total (a+b+c)	3,340,544,722	3,339,599,227

4.2 Maturity grouping of balance with banks and other financial institutions

On demand	44,315,633	2,429,792
Up to 1 month	27,866,550	69,209,962
Over 1 month but not more than 3 months	1,334,073,360	1,334,073,360
Over 3 months but not more than 6 months	528,736,679	528,333,614
Over 6 months but not more than 1 year	1,405,552,500	1,405,552,500
Over 1 year but not more than 5 years	-	-
Over 5 years	-	-
	3,340,544,722	3,339,599,227



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

Inside Bangladesh		
International Leasing and Financial Services Limited	3,340,544,722	3,339,599,227
International Leasing Securities Limited	124,447,891	123,596,210
Balance with banks and other financial institutions	124,447,891	123,596,210
Adjustment for consolidation	-	-
IL Capital Limited	26,496,933	28,321,985
Balance with banks and other financial institutions	26,496,933	28,321,985
Adjustment for consolidation	-	-
	3,491,489,546	3,491,517,422
Outside Bangladesh	-	-
	3,491,489,546	3,491,517,422

5 Investments

Investment classified as per nature:

(i) Government securities

Bangladesh Govt. Treasury Bonds (note-5.1)

252,346,680	252,346,680
252,346,680	252,346,680

(ii) Other investment

Shares (note-5.2)

16,828,414	16,828,414
16,828,414	16,828,414
269,175,094	269,175,094

Total (i+ii)

5.1 Bangladesh Govt. Treasury Bonds

2 years Bangladesh Govt. Treasury Bonds
20 years Bangladesh Govt. Treasury Bonds

252,046,680	252,046,680
300,000	300,000
252,346,680	252,346,680

5.2 Investment in shares

a) Quoted

BDTHAI
NIALCO Alloys Limited
PRAGATILIF
ROBI
BEXIMCO PHARMA LTD.
BEXIMCO LTD.
LR Global BD Mutual Fund One

553,104	553,104
-	-
1,070,253	1,070,253
8,286,051	8,286,051
950,648	950,648
970,337	970,337
4,998,022	4,998,022
-	-

b) Un-Quoted

Total (a+b)

16,828,414	16,828,414
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5.3 Maturity grouping of investments

On demand
Up to 1 month
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

-	-
16,828,414	16,828,414
-	-
-	-
-	-
252,046,680	252,046,680
300,000	300,000
269,175,094	269,175,094

5(a) Consolidated investments

a) Government securities
International Leasing and Financial Services Limited
International Leasing Securities Limited
IL Capital Limited

252,346,680	252,346,680
-	-
-	-
252,346,680	252,346,680



b) Other investment
International Leasing and Financial Services Limited
International Leasing Securities Limited
IL Capital Limited

16,828,414	16,828,414
350,266,839	358,313,010
121,907,729	119,851,641
489,002,982	494,993,065
741,349,662	747,339,745

Total (a+b)

6 Leases, loans and advances

6.1 Broad category-wise break up

Inside Bangladesh

Leases (note-6.1.1)
Loans, cash credits, overdrafts, etc. (note-6.1.2)

1,247,854,114	1,354,206,543
40,189,369,731	40,039,147,323
41,437,223,845	41,393,353,866

Outside Bangladesh

41,437,223,845	41,393,353,866
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6.1.1 Leases

Net investment in leases (note - 6.1.1.1)
Advances for leases (note -6.1.1.2)
Accounts receivables
Principal
Interest
Other payables

700,171,053	700,980,674
-	-
664,873,806	665,289,998
398,924,284	406,976,629
265,949,522	271,317,753
(117,190,745)	(12,064,129)
1,247,854,114	1,354,206,543

6.1.1.1 Net investment in leases

Gross lease receivable
Less: Unearned lease income
Net lease receivable

743,636,320	744,496,201
43,465,267	43,515,526
700,171,053	700,980,674

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

-	-
-	-
-	-

6.1.1.3 Maturity grouping of leases

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

4,498,975	4,882,415
9,501,244	10,311,019
29,220,998	31,711,452
122,838,418	133,307,722
344,094,079	373,420,617
737,700,400	800,573,318
1,247,854,114	1,354,206,543



6.1.2 Loans, cash credits, overdrafts, etc

Time loan (note-6.1.2.1)	36,163,709,481	36,024,110,712
Work order & factoring (note-6.1.2.2)	189,765,670	190,245,009
Home loan (note-6.1.2.3)	21,249,620	20,903,291
Other loans (note-6.1.2.4)	3,814,085,400	3,802,610,221
Staff loan (note-6.1.2.5)	559,560	1,278,090
	40,189,369,731	40,039,147,323

6.1.2.1 Time loan

Principal outstanding	21,729,353,733	21,729,353,733
Accounts receivables	14,703,939,262	14,444,004,927
Principal	8,822,363,557	8,597,195,004
Interest	5,881,575,705	5,731,463,336
Other payables	(269,583,514)	(149,247,947)
	36,163,709,481	36,024,110,712

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	(441,127)	38,212
	189,765,670	190,245,009

6.1.2.3 Home loan

Principal outstanding	12,380,785	12,380,785
Accounts receivables	8,927,006	8,628,946
Principal	4,724,888	-
Interest	4,202,117	8,407,024
Other payables	(58,171)	(106,441)
	21,249,620	20,903,291

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	3,125,890,995	3,114,415,816
Principal outstanding	2,443,782,139	2,455,605,900
Interest receivables	682,108,856	658,809,916
Treasury line	688,194,405	688,194,405
Principal outstanding	405,759,797	405,759,797
Interest receivables	282,434,608	282,434,608
	3,814,085,400	3,802,610,221

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	559,560	1,278,090
Accounts receivables	-	-
Principal	-	-
Interest	-	-
	559,560	1,278,090

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

On demand	13,717,298	13,666,024
Up to 1 month	182,277,104	181,595,777
Over 1 month but not more than 3 months	541,466,947	539,443,017
Over 3 months but not more than 1 year	2,472,216,211	2,462,975,403
Over 1 year but not more than 5 years	8,582,100,591	8,550,021,864
Over 5 years	28,397,591,580	28,291,445,238
	40,189,369,731	40,039,147,323

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

- a) Leases, loans and advances to companies or firms in which the Directors of the Company have interests

b) Leases, loans and advances to Chief Executive and other Senior Executives	1,523,453	1,523,453
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- 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	27,766,718	25,502,020
Textile & Garments	8,092,580,375	8,110,329,997
Transport & Communication	1,842,231,226	1,842,251,227
Food production/processing industry	287,352,122	295,730,176
Iron, Steel & Engineering industry	487,372,091	486,990,401
Chemical & Pharmaceuticals	2,471,973,196	2,560,474,803
Service Industry	-	-
Plastic Industry	968,610,773	963,761,111
Paper, Printing packaging	231,428,993	231,460,993
Telecommunication/information technology	1,288,568,303	1,282,252,498
Real Estate & Housing	1,547,988,186	1,550,925,831
Ship and Ship making industry	479,972,564	480,126,564
Education	401,948,178	401,948,178
Hospital and medical equipment	-	-
Trade & Commerce	13,586,813,517	13,582,410,243
Power & Energy	1,702,544,904	1,667,157,871
Cement and Allied industry	352,207,040	379,693,674
Electronics and Electrical products	2,619,587	-
Lather and Lather Goods	393,505,454	482,241,110
Loan Against Deposit	19,503,623	19,073,275
Loans to Brokerage House	1,170,664,922	1,170,808,422
Loans to Other FI/Bank Subsidiaries	1,088,803,280	1,092,955,718
Loans to Own Subsidiaries	2,989,406,940	3,098,985,906
Personal Loan	2,192,621	1,598,392
Others (Cold Storage, Biofuel, Seed, Feed, Agri-related Other Institutions & Services)	845,485,744	840,025,115
Others (Industries)	922,866,035	596,198,135
	41,437,223,845	41,393,353,866



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

Inside Bangladesh	-	-
Government & autonomous bodies	1,041,732,200	1,092,955,718
Financial institutions (private)	-	-
Other public sector	40,395,491,645	40,300,398,148
Private sector	41,437,223,845	41,393,353,866
Outside Bangladesh	-	-
	41,437,223,845	41,393,353,866

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

Inside Bangladesh		
Urban		
Dhaka region	39,881,281,767	39,837,411,789
Chittagong region	1,465,975,218	1,465,975,218
Khulna region	-	-
Rajshahi region	89,966,859	89,966,859
Rangpur region	-	-
Sylhet Region	-	-
	41,437,223,845	41,393,353,866
Rural	-	-
Inside Bangladesh	41,437,223,845	41,393,353,866
Outside Bangladesh	-	-
	41,437,223,845	41,393,353,866

6.3 **Classification of leases, loans and advances**

a) **Unclassified**

Standard	244,431,629	620,906,883
Special mention account (SMA)	7,631,520	322,546,067
	252,063,150	943,452,950

b) **Classified**

Sub-standard	-	8,846,851
Doubtful	59,139,727	150,923,231
Bad / Loss	41,126,020,968	40,290,130,834
	41,185,160,695	40,449,900,916
Total (a+b)	41,437,223,845	41,393,353,866

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
(iii)	Loans considered good and secured by the personal undertaking of one or more parties in addition to the personal guarantee of the debtors	559,560	1,278,090
		18,740,453,082	18,741,171,612
(iv)	Loans adversely classified; provision not maintained there against	-	-
(v)	Loans due from Directors either separately or jointly with any other persons	-	-
(vi)	Loans due from Officers either separately or jointly with any other persons	559,560	1,278,090
(vii)	Loans due from companies or firms in which the Directors have interest as directors, partners or managing agents or in case of private companies, as members	-	-



(viii)	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.	-	-
(ix)	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	-	-
(x)	Due from banking companies and other financial institutions	1,041,732,200	1,092,955,718
(xi)	Classified leases, loans and advances on which interest has not been charged	41,185,160,695	40,449,900,916
	A. Increase/decrease of provision (specific)	4,671,262,253	3,881,018,338
	Amount of debts written-off	973,787,963	973,787,963
	Amount realized against the debts previously written-off	(63,908,543)	(63,859,093)
	B. Provision kept against the debt classified as bad/loss at the end of the reporting period	28,155,499,310	27,919,571,001
	C. Amount of interest creditable to the interest suspense account	9,791,473,672	9,723,916,547
(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
6(a)	Consolidated leases, loans and advances		
	Inside Bangladesh		
	Leases		
	International Leasing and Financial Services Limited	1,247,854,114	1,354,206,543
	Loans, cash credits, overdrafts, etc.		
	International Leasing and Financial Services Limited	37,063,478,736	36,924,731,507
	Loans	40,189,369,731	40,039,147,323
	Adjustment for consolidation	(3,125,890,995)	(3,114,415,816)
	International Leasing Securities Limited	3,545,505,651	3,542,338,383
	IL Capital Limited	10,136,362	-
		41,866,974,863	41,821,276,433
	Outside Bangladesh	-	-
		41,866,974,863	41,821,276,433
7	Fixed assets including premises, furniture & fixtures		
	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	16,902,934	16,902,934
	Furniture & fixtures	31,390,811	31,390,811
	Computer accessories	14,205,718	14,205,718
		207,481,191	207,481,191
	Less: Accumulated depreciation	205,634,016	205,520,026
	Net book value at the end of the year	1,847,175	1,961,165
7.1	Intangible Assets-Computer software		
	Cost	19,281,250	19,281,250
	Less: Accumulated amortization	12,691,398	12,098,850
		6,589,852	7,182,400
7(a)	Consolidated Fixed assets including premises furniture & fixtures		
	Right of use assets	82,845,718	82,845,718
	Motor vehicles	43,263,698	43,263,698
	Office decoration	55,658,375	56,180,648
	Office equipment	25,744,463	25,864,930
	Furniture & fixtures	33,459,931	33,688,010
	Computers & accessories	27,110,790	27,618,312
		268,082,975	269,461,316
	Less: Accumulated depreciation	262,022,405	263,788,568
	Net book value at the end of the year	6,060,570	5,672,748



7.1 (a) Consolidated Intangible Assets-Computer software

Cost	19,281,250	19,281,250
Less: Accumulated amortization	12,691,398	12,098,850
	6,589,852	7,182,400

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)	1,456,469,228	1,456,469,228
	2,706,448,528	2,706,448,528

Non-income generating:

Receivable from/(payable to) Subsidiary (note 8.3)	-	-
Advance, deposit and Prepaid expenses (note-8.4)	8,032,030	8,180,673
Advance corporate tax (note -8.5)	796,191,808	794,040,936
Deferred tax assets (note- 8.6)	15,095,570	15,089,404
Other receivables	5,700	5,700
	819,325,107	817,316,712
	3,525,773,635	3,523,765,241

Outside Bangladesh

	-	-
	3,525,773,635	3,523,765,241

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
	1,249,979,300	1,249,979,300

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	-	1,456,469,228	1,456,469,228
Coupon receivables - treasury bond	-	-	-
		1,456,469,228	1,456,469,228

b) Fees, commission and brokerage receivables

Total (a+b)		1,456,469,228	1,456,469,228
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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	5,365,596	5,475,206
Deposit to Central Depository Bangladesh Limited (CDBL) for telephone	364,000	364,000
Advance to ILFSLPF	(2,000)	(2,000)
Advance for investment in share	678,402	678,402
Advance office rent	1,626,032	1,665,065
Advance for legal expenses	-	-
	8,032,030	8,180,673



8.3.1 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.

8.3.2 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	794,040,936	790,077,156
Advance Tax Paid/ TDS during the year	2,150,871	3,963,780
Less: settlement of previous years' tax liabilities	-	-
Balance as on 31 March 2025	796,191,808	794,040,936

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 Particular	(Taxable)/deductible temporary	
			Mar 31, 2025	Dec 31, 2024
Fixed assets including premises, furniture & fixtures (note-7)	27,869,146	1,847,174	26,021,972	25,907,981
Right of Use Assets	-	-	-	-
Gratuity (note-11.1)	-	(14,232,881)	14,232,881	14,330,428
Differences			40,254,853	40,238,409
Applicable tax rate			37.50%	37.50%
Deferred tax assets during the year			15,095,570	15,089,404

8.6 The change in deferred tax assets is shown below:

Balance as on January 01	15,089,404	16,553,164
Addition/(Adjustment) during the year	6,166	(1,463,761)
Balance as on 31 March 2025	15,095,570	15,089,404

8.7 Maturity grouping of other assets

On demand	-	-
Up to 1 month	-	-
Over 1 month but not more than 3 months	-	8,186,373
Over 3 months but not more than 1 year	8,037,730	2,265,599,568
Over 1 year but not more than 5 years	2,267,756,606	1,249,979,300
Over 5 years	1,249,979,300	3,523,765,241
	3,525,773,635	7,047,530,481

8(a) Consolidated Other assets

Inside Bangladesh		
Income generating:		
International Leasing and Financial Services Limited	1,456,469,228	(1,249,979,300)
Other assets - income generating	2,706,448,528	(1,249,979,300)
Adjustment for consolidation	(1,249,979,300)	-
International Leasing Securities Limited	-	-
IL Capital Limited	-	1,456,469,228
	1,456,469,228	206,489,928

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

819,325,107	76,363,527
819,325,107	-
-	76,363,527
86,576,681	17,660,723
86,576,681	-
-	17,660,723
7,951,481	-
7,951,481	-
-	-
913,853,270	94,024,250
2,370,322,498	300,514,179
-	-
2,370,322,498	300,514,179

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)

930,064,221	930,064,221
506,500,000	506,500,000
5,001	5,001
1,667,542,096	1,667,542,096
6,887,871	7,306,181
11,637,617,825	11,637,617,825
14,748,617,013	14,749,035,323
-	-
14,748,617,013	14,749,035,323

Outside Bangladesh**9.1.1 Bank overdraft**

AL- Arafah Islami Bank Limited

ONE Bank Limited

Pubali Bank Limited

Shahjalal Bank Limited

Wori Bank Limited

BRAC Bank Ltd.

Mercantile Bank Limited

Mutual Trust Bank Ltd.

The Premier Bank Limited

555,049,278	555,049,278
65,258,804	65,258,804
118,133,636	118,133,636
61,622,503	61,622,503
130,000,000	130,000,000
-	-
-	-
-	-
-	-
930,064,221	930,064,221

9.1.2 Call borrowing

Janata Bank Ltd.

Sonali Bank Ltd.

259,900,000	259,900,000
246,600,000	246,600,000
506,500,000	506,500,000

9.1.3 REPO liability

Sonali Bank Ltd.

BRAC Bank Ltd.

Janata Bank Limited

-	-
-	-
5,001	5,001
5,001	5,001

9.1.4 Short term borrowing

Bangladesh Development Bank Limited

IPDC of Bangladesh Limited

Meridian Finance Limited

Union capital Limited

11,800,000	12,000,000
12,000,000	307,183,940
307,183,940	250,000,000
250,000,000	308,500,000



South Bangla Agricultural Bank Limited	308,500,000	73,458,156
Fas Finance & Investment Limited	73,458,156	67,000,000
Rupali Bank Limited	67,000,000	148,800,000
NRB Bank Limited	148,800,000	103,100,000
Mercantile Bank Limited	103,100,000	66,900,000
NRB Commercial Bank Limited	66,900,000	150,000,000
National Housing Finance Limited	150,000,000	23,900,000
Premier Leasing And Finance Limited	23,900,000	144,900,000
Bangladesh Commerce Bank Limited	144,900,000	-
	1,667,542,096	1,655,742,096

9.1.5 Borrowing under refinancing scheme

Fund from Bangladesh Bank for SME financing	6,887,871	7,306,181
Fund from Bangladesh Bank for housing financing	-	-
Fund from RPGCL for DCFP financing	6,887,871	7,306,181

9.1.4.1 The above fund has been received from Rupantarita Praktik 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 Compy Limited	125,796,549	1,698,365,109
Al Arafah Islami Bank Limited	1,698,365,109	70,504,880
Bank Asia Limited	70,504,880	142,658,605
Basic Bank Limited	142,658,605	396,351,942
Dutch Bangla Bank Limited	396,351,942	261,530,506
Jamuna Bank Ltd.	261,530,506	6,621,944,228
Mercantile Bank Ltd.	6,621,944,228	136,690,219
Modhumoti Bank Ltd.	136,690,219	1,359,959,431
Premier Bank Ltd.	1,359,959,431	87,419,928
Prime Bank Ltd.	87,419,928	42,360,393
Pubali Bank Ltd.	42,360,393	48,151,368
Shahjalal Islami Bank Ltd.	48,151,368	39,998,282
One Bank Ltd.	39,998,282	215,728,903
Uttara Bank Ltd.	215,728,903	390,157,483
Mutual Trust Bank Limited	390,157,483	-
	11,637,617,825	11,511,821,276

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

Secured	12,567,687,047	2,181,348,277
Unsecured	2,180,929,966	-
	14,748,617,013	2,181,348,277

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	5,001	5,001
Up to 1 month	2,203,166,690	2,203,166,690
Over 1 month but within 3 months	1,522,155,043	1,522,155,043
Over 3 months but within 1 year	10,517,208,589	10,517,208,589
Over 1 year but within 5 years	10,516,790,279	-
Over 5 years	14,748,617,013	14,242,535,323



9(a) Consolidated borrowing from banks, other financial institutions and agents

Inside Bangladesh		
International Leasing and Financial Services Limited	14,748,617,013	14,749,035,323
International Leasing Securities Limited	751,332,280	(2,453,814,253)
Borrowing from banks, other financial institutions and agents	3,195,114,419	(2,455,605,900)
Adjustment for consolidation	(2,443,782,139)	1,791,648
IL Capital Limited	1,387,118	-
Borrowing from banks, other financial institutions and agents	1,387,118	-
Adjustment for consolidation	-	-
	15,501,336,411	12,295,221,071
Outside Bangladesh	-	-
	15,501,336,411	12,295,221,071

10 Deposits and other accounts

Term deposits (note - 10.1)	29,707,274,718	29,750,391,327
Other deposits (note- 10.2)	387,273,557	389,582,057
	30,094,548,275	30,139,973,383

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	13,349,515,888	13,349,571,432
Deposits from other than banks and financial institutions	16,357,758,831	16,400,819,894
	29,707,274,718	29,750,391,327

10.1.1 Maturity analysis of term deposits

a) Deposits from banks and financial institutions

Payable on demand	4,899,707,710	4,899,728,097
Up to 1 month	765,812,144	765,815,330
Over 1 month but within 3 months	3,663,637,642	3,663,652,886
Over 3 months but within 1 year	2,609,542,140	2,609,552,998
Over 1 year but within 5 years	1,410,816,252	1,410,822,122
Over 5 years but within 10 years	-	-
Over 10 years	-	-
	13,349,515,888	13,349,571,432

b) Deposits from other than banks and financial institutions

Payable on demand	8,073,304,112	8,094,556,722
Up to 1 month	365,745,523	366,708,331
Over 1 month but within 3 months	1,257,952,816	1,261,264,320
Over 3 months but within 1 year	3,376,627,599	3,385,516,419
Over 1 year but within 5 years	1,792,775,365	1,797,494,765
Over 5 years but within 10 years	1,491,353,416	1,495,279,337
Over 10 years	-	-
	16,357,758,831	16,400,819,894
	29,707,274,718	28,173,817,234

Total (a+b)

10.1(a) Consolidated term deposits

International Leasing and Financial Services Limited	29,707,274,718	29,750,391,327
Term deposits	29,707,274,718	29,750,391,327
Adjustment for consolidation	-	-
	29,707,274,718	29,750,391,327



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	18,210,745	20,519,245
Time loans	11,562,917	11,562,917
Home loans	58,171	58,171
Work order loans	441,127	441,127

Interest bearing security deposits

	30,272,959	32,581,459
	357,000,597	357,000,597
	387,273,557	389,582,057

10.2.1 Maturity analysis of other deposits

Payable on demand	-	-
Up to 1 month	360,054	360,054
Over 1 month but within 3 months	2,389,626	2,389,626
Over 3 months but within 1 year	13,061,174	13,061,174
Over 1 year but within 5 years	188,902,334	188,902,334
Over 5 years but within 10 years	184,868,868	184,868,868
Over 10 years	-	-
	387,273,557	389,582,057

11 Payables & accrued expenses

Deferred liability-employees' gratuity (note- 11.1)	14,232,881	14,330,428
Training fund (note-11.2)	354,771	354,771
Un-claimed refund warrant/dividend (note- 11.3)	5,164,761	5,164,760
Interest suspense account (note-11.4)	10,126,820,598	10,059,263,473
Payables & accrued expenses (note-11.5)	7,162,396,877	6,803,095,623
Liability for right of use assets	6,158,814	6,158,814
Provision for leases, loans and advances (note - 11.6)	28,191,616,484	27,990,185,543
Provision for diminution in value of investments	8,231,120	8,223,217
Provision for Off Balance Sheet Exposer	5,000,000	5,000,000
Provision for other assets	4,161,624,686	4,161,624,686
Provision for income tax (note- 11.7)	969,335,038	969,335,038
	50,699,939,649	50,037,030,290

11.1 Deferred liability-employees' gratuity

Balance as on January 01	14,330,428	14,091,859
Add: provision made during the year	-	4,337,368
Less: payment made during the year	(97,547)	(4,098,799)
Balance as on 31 March 2025	14,232,881	14,330,428

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
	5,164,761	5,164,761

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 on January 01	10,059,263,473	8,845,265,737
Add: suspended during the year	67,557,125	93,505,814
Add: Bangladesh Bank proposed during the year for FDR & Loan Interest	-	1,120,491,922
Less: realized during the year	-	-
Less: written off during the year	-	-
Balance as at 31 March 2025	10,126,820,598	10,059,263,473

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	141,922,101	146,552,046
Loans	9,649,551,571	9,912,711,427
FDR Interest	335,346,926	-
	10,126,820,598	10,059,263,473

11.5 Payables & accrued expenses**a) Interest payables**

Interest payable on bank overdraft	276,256,810	276,256,810
Interest payable on call borrowing	89,819,333	83,171,521
Interest payable on REPO liability	34,603,913	35,151,293
Interest payable on term borrowing	772,563,561	751,716,785
Interest payable on borrowing under refinancing scheme (note-11.5.1)	-	-
Interest payable on deposits from banks and FIs	4,231,609,630	4,090,747,407
Interest payable on deposits from other than banks and FIs	176,555,247	(15,248,393)
	5,581,408,495	5,221,795,422

b) Other payables

Payable for fractional bonus & right share	1,719,785	1,719,785
Payable for Tax/VAT deducted at source	1,523,161,954	1,520,999,674
Liability for expenses & other payables	46,723,945	49,198,044
Payable for Private Sector Development (PSD) program (note- 11.5.2)	9,382,699	9,382,699
	1,580,988,382	1,581,300,201
Total (a+b)	7,162,396,877	6,803,095,623

11.5.1 Interest payable on borrowing under refinancing scheme

Fund from Bangladesh Bank for SME financing	-	-
Fund from Bangladesh Bank for housing financing	-	-
Fund from RPGCL for DCFP financing	-	-
	-	-

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 on January 01	27,950,418,847	24,069,400,509
Fully provided debts written off during the year (note- 11.6.1)	-	-
Recovery of amounts previously written off	(49,450)	4,525,000
Net charge to Profit and Loss Account	216,054,989	3,876,493,338
Provision made for the year	216,054,989	3,876,493,338
Recoveries and provision no longer required	-	-
Balance as at 31 March 2025	28,166,424,386	27,950,418,847

b) General provision on unclassified leases, loans and advances

Balance as on January 01	17,114,158	41,070,471
Provision made/(no longer required) for the year	(14,574,598)	(23,956,313)
Total (a+b)	2,539,560	17,114,158
	28,168,963,946	27,967,533,005

Break up of provision for leases, loans and advances :

a) Specific provision on classified leases, loans and advances

Sub-standard	-	1,517,239
Doubtful	10,925,076	29,330,607
Bad and loss	28,155,499,310	27,919,571,001
	28,166,424,386	27,950,418,847

b) General provision on unclassified lease, loans and advances

Standard	2,174,339	5,948,578
SMA	365,221	11,165,580
	2,539,560	17,114,158

c) 2% Special Provisin against 15% benefit

	22,652,538	22,652,538
	22,652,538	22,652,538
Total (a+b)	28,191,616,484	27,967,533,005

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.

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 on January 01		909,928,870	926,942,715
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	(49,450)	(63,908,543)	(63,859,093)
Balance as at 31 March 2025	(49,450)	909,879,420	909,928,870

11.7 Provision for income tax

Balance as on January 01	969,335,038	969,335,038
Add: provision made during the year	-	-
Less: settlement of previous years tax liability	-	-
Balance as at 31 March 2025	969,335,038	969,335,038

11.8 Maturity analysis of other liabilities

Payable on demand	8,724,254	1,465,426
Up to 1 month	306,406,607	51,467,570
Over 1 month but within 3 months	1,090,968,626	183,251,610
Over 3 months but within 1 year	1,497,776,658	251,583,755
Over 1 year but within 5 years	2,354,422,391	395,475,803
Over 5 years but within 10 years	45,441,641,113	7,632,899,502
	50,699,939,649	8,516,143,665

11(a) Consolidated other liabilities

International Leasing and Financial Services Limited	50,699,939,649	50,037,030,290
Other liabilities	50,699,939,649	50,037,030,290
Adjustment for consolidation	-	-
International Leasing Securities Limited	(104,520,821)	(136,298,626)
Other liabilities	577,588,035	522,511,290
Adjustment for consolidation	(682,108,856)	(658,809,916)
IL Capital Limited	6,470,111	5,171,144
Other liabilities	6,470,111	5,171,144
Adjustment for consolidation	-	-
	50,601,888,939	49,905,902,809

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
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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
	2,218,102,460	2,218,102,460

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

Date	Particulars	Addition in		Cumulative	
		No. of shares	Amount of paid-up capital	No. of shares	No. of shares
15-Jan-96	As per MOA & AOA	7	700	7	700
17-Mar-96	Allotted for cash	10,000	1,000,000	10,007	1,000,700
24-Nov-96	Allotted for cash	589,993	58,999,300	600,000	60,000,000
22-Sep-98	Bonus Shares	90,000	9,000,000	690,000	69,000,000
22-Jun-99	Bonus Shares	138,000	13,800,000	828,000	82,800,000
29-May-03	Bonus Shares	107,640	10,764,000	935,640	93,564,000
16-Jun-04	Bonus Shares	327,474	32,747,400	1,263,114	126,311,400
12-Jun-05	Bonus Shares	315,778	31,577,800	1,578,892	157,889,200
5-Jul-06	Bonus Shares	221,108	22,110,800	1,800,000	180,000,000
2-Sep-07	IPO shares	500,000	50,000,000	2,300,000	230,000,000
25-May-08	Bonus Shares	230,000	23,000,000	2,530,000	253,000,000
31-May-09	Bonus Shares	379,500	37,950,000	2,909,500	290,950,000
27-Jun-10	Bonus Shares	2,182,125	218,212,500	5,091,625	509,162,500
30-Mar-11	Bonus Shares	3,054,975	305,497,500	8,146,600	814,660,000
20-Oct-11	Rights Share	8,146,600	814,660,000	16,293,200	1,629,320,000
30-Nov-11	Share Split to Tk. 10	162,932,000	1,629,320,000	162,932,000	1,629,320,000
10-May-12	Bonus Shares	8,146,600	81,466,000	171,078,600	1,710,786,000
26-May-16	Bonus Shares	8,553,930	85,539,300	179,632,530	1,796,325,300
15-Jun-17	Bonus Shares	8,981,626	89,816,260	188,614,156	1,886,141,560
5-Jul-18	Bonus Shares	22,633,698	226,336,980	211,247,854	2,112,478,540
22-Aug-19	Bonus Shares	10,562,392	105,623,920	221,810,246	2,218,102,460
Total		221,810,246	2,218,102,460		

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 Particular

Particulars	No. of shares	% of holding	Amount
a) Corporate	92,155,649	41.55%	921,556,490
Shaw Wallace Bangladesh Limited	38,515,754	17.36%	385,157,540
Nature Enterprise Limited	18,151,560	8.18%	181,515,600
BR International Limited	18,086,733	8.15%	180,867,330
New Tech Enterprise Limited	17,401,602	7.85%	174,016,020
b) Individual	-	-	-
Mrs. Rosy Ahmad	-	-	-
Mr. Jamal Uddin Ahmad	-	-	-
c) General shareholders	129,654,597	58.45%	1,296,545,970
Institutions/corporate	64,131,850	28.91%	641,318,500
Individual	65,367,480	29.47%	653,674,800
Non-resident Bangladeshi	155,267	0.07%	1,552,670
Total (a+b+c)	221,810,246	100%	2,218,102,460

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
	2,218,102,460	2,218,102,460
Minimum required paid up capital	1,000,000,000	1,000,000,000
Excess in paid up capital	1,218,102,460	1,218,102,460

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 March 31, 2024 was Taka 3,954,568,599 as against available core capital of Taka (46,961,601,246) and supplementary capital of Taka 2,539,560 making a total eligible capital of Taka (46,959,061,685) thereby showing a surplus capital of Taka 50,913,630,285 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)	(49,635,888,531)	(49,064,951,046)
Total eligible/actual tier-I capital	(46,961,601,246)	(46,390,663,761)
b) Supplementary capital (Tier-II)		
General Provision	2,539,560	17,114,158
(Unclassified loans up to specified limit+SMA+ off balance sheet exposure)		
Total eligible/actual tier-II capital	2,539,560	17,114,158
A) Total eligible/actual capital maintained (a+b)	(46,959,061,685)	(46,373,549,603)
Total assets including off-balance sheet exposures	-	-
B) Total risk weighted assets	39,545,685,994	39,544,545,055
C) Required capital based on risk weighted assets (10% on B)	3,954,568,599	3,954,454,505
Total capital surplus (A-C)	(50,913,630,285)	(50,328,004,109)
Capital adequacy ratio (CAR) based on Basel II framework	-118.75%	-117.27%



13 Statutory reserve

Balance as on January 01	456,184,825	456,184,825
Addition during the year	-	-
Balance as at 31 March 2025	456,184,825	456,184,825

As per section 9 of the Financial Institutions 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 on January 01	(49,064,951,046)	(40,736,103,618)
Less: cash dividend for last year	-	-
Less: stock dividend for last year	-	-
	(49,064,951,046)	(40,736,103,618)
Retained surplus for the period/year	(570,937,484)	(8,328,847,428)
	(49,635,888,531)	(49,064,951,046)

14(a) Consolidated retained earnings/surplus

Balance as on January 01	(49,769,326,440)	(41,115,869,258)
Less: cash dividend for last year	-	-
Less: stock dividend for last year	-	-
	(49,769,326,440)	(41,115,869,258)
Retained surplus for the period/year	(619,546,224)	(8,653,457,182)
Retained surplus transferred from minority for new issuance of shares by subsidiary	-	-
Balance as at 31 March 2025	(50,388,872,665)	(49,769,326,440)

15 Non-controlling / minority interest

a) Share capital

International Leasing Securities Limited	600	600
IL Capital Limited	20,100	20,100
	20,700	20,700

b) Retained earnings/surplus as at 1st January

International Leasing Securities Limited	(294)	(152)
IL Capital Limited	1,437	1,515
	1,143	1,363

c) Retained surplus for the period/year

International Leasing Securities Limited	(29)	(142)
IL Capital Limited	(125)	(78)
	(154)	(220)

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

e) Cash dividend paid by ILCL	-	-
Balance as at March 31, 2025 (a+b+c)	21,689	21,843

16 Net asset value per share

Total assets	48,581,503,691	48,535,375,233
Total liabilities	95,543,104,937	94,926,038,996
Net asset	(46,961,601,246)	(46,390,663,763)
Number of share outstanding	221,810,246	221,810,246
Net asset value per share	(211.72)	(209.15)

16(a) Consolidated net asset value per share

Total assets	48,483,209,935	48,535,375,233
Total liabilities	96,197,795,314	94,926,038,996
Net asset	(47,714,585,379)	(46,390,663,763)
Number of share outstanding	221,810,246	221,810,246
Net asset value per share	(215.11)	(209.15)

17 Contingent liabilities

17.1 Letters of guarantee

Letters of guarantee (local)	-	-
Counter guarantees	500,000,000	500,000,000
	500,000,000	500,000,000

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

Banks and other financial institutions	166,645,146	221,810,246
Others - DSE	333,354,854	(212)
	500,000,000	221,810,034

18 Statement of comprehensive Income

a) Income:

Interest, discount and similar income (note-18.1)	42,673,403	138,041,000
Dividend income (note-21.1)	-	-
Fees, commission and brokerage (note- 22)	5,000	51,000
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	-	51,000
Other operating income (note- 23)	(48,580)	129,768
Profit /less losses on interest rate changes	-	16,094,440
	42,629,823	154,367,208

b) Expenses:

Interest, fee and commission, etc. (note- 20)	380,907,882	437,621,913
Losses on loans and advances	-	-
Administrative expenses (note-18.2)	26,803,037	26,302,086
Other operating expenses (note-33)	3,712,743	4,779,942
Depreciation/amortization on assets (note-32)	706,539	1,027,407
	412,130,200	469,731,349
	(369,500,377)	(315,364,141)

Profit before provisions (a-b)

18.1 Interest, discount and similar income

Interest income - Lease	6,404,895	342,325
Interest income - term loan	15,936,246	33,785,421
Interest income - work order loan	-	-
Interest income - home loan	864,708	103,903
Interest income- short term loan	-	16,607,736
Interest income - staff loan	9,091	21,471
Interest income - deposit with banks/FIs	7,208,464	87,180,143
Coupon income - government treasury bonds	12,250,000	-
Gain/(loss) on sale of shares	-	-
	42,673,403	138,041,000

18.2 Administrative expenses

Salary and allowances	16,262,685	16,184,370
Rent, taxes, insurance & electricity	7,574,421	6,923,827
Legal expenses	585,369	767,758
Postage, stamp & telecommunication	442,672	374,803
Stationery, printing & advertisement	257,807	93,861
Managing Director's salary & benefits	1,250,000	937,097
Directors' fees	70,400	412,500
Auditors' fees	-	-
Repair of the Company's assets	359,683	607,870
	26,803,037	26,302,086



19 Interest income		
Interest income - Subsidiary	6,404,895	342,325
Interest income - lease	15,936,246	33,785,421
Interest income - term loan	-	-
Interest income - work order & Factoring loan	864,708	103,903
Interest income - home loan	-	16,607,736
Interest income - short term loan	9,091	21,471
Interest income - staff loan	12,250,000	-
Coupon income - government treasury bonds	-	84,297,458
Interest income - fixed deposit with banks & NBFIs	7,208,464	2,882,686
Interest income - balance with banks	42,673,403	138,041,000

19(a) Consolidated interest income

International Leasing and Financial Services Limited	(7,655,019)	85,367,836
Interest income	42,673,403	138,041,000
Adjustment for consolidation	(50,328,422)	(52,673,164)
International Leasing Securities Limited	13,363,288	15,498,296
Interest income	13,363,288	15,498,296
Adjustment for consolidation	-	-
IL Capital Limited	401,442	297,094
Interest income	401,442	297,094
Adjustment for consolidation	-	-
	6,109,712	101,163,226

20 Interest expense on deposits and borrowings etc.

a) Interest expense on deposits

Interest on term deposits, bank and financial institutions	140,862,223	155,988,650
Interest on term deposits, other than bank and financial institutions	211,874,330	240,031,642
Direct deposit expenses	600,000	300,000
Interest expense on security deposits (interest bearing)	-	-
	353,336,554	396,320,291

b) Interest expense on borrowings

Interest on call borrowing	6,647,812	748,905
Interest on short-term borrowing	20,846,776	3,432,813
Interest on long-term borrowing	-	6,647,812
Interest on borrowing under refinancing scheme	76,739	30,472,092
Interest on bank overdraft	-	-
	27,571,328	41,301,622
	380,907,882	437,621,913

Total (a+b)

20(a) Consolidated Interest expense on deposits and borrowings etc.

a) Interest expense on deposits

International Leasing and Financial Services Limited	353,336,554	396,320,291
Interest expense on deposits	353,336,554	396,320,291
Adjustment for consolidation	-	-
	353,336,554	396,320,291

b) Interest expense on borrowings

International Leasing and Financial Services Limited	27,571,328	41,301,622
International Leasing Securities Limited	7,402,147	10,511,530
Interest expense on borrowings	57,730,569	63,184,694
Adjustment for consolidation	(50,328,422)	(52,673,164)
IL Capital Limited	-	-
Interest expense on borrowings	-	-
Adjustment for consolidation	-	-
	34,973,475	51,813,152
	388,310,029	448,133,443



21 Investment income		
Dividend income (note- 21.1)	-	-
Gain/(loss) on bonds & shares	-	-
	<u>-</u>	<u>-</u>
21.1 Dividend income		
Dividend income from investment in subsidiary Company	-	-
Dividend income from investment in quoted shares	-	-
	<u>-</u>	<u>-</u>
21(a) Consolidated investment income		
International Leasing and Financial Services Limited	-	-
Investment Income	-	-
Adjustment for consolidation	-	-
International Leasing Securities Limited	2,140,717	6,384,728
IL Capital Limited	1,767,075	3,396,810
	<u>3,907,792</u>	<u>9,781,537</u>
22 Commission, fees, exchange and brokerage		
Processing fees - leases	5,000	-
Processing fees - term loan	-	51,000
Processing fees - work order	-	-
Processing fees - home loan	-	-
Guarantee commission	-	-
	<u>5,000</u>	<u>51,000</u>
22(a) Consolidated commission, fees, exchange and brokerage		
International Leasing and Financial Services Limited	5,000	51,000
International Leasing Securities Limited	7,448,965	16,094,440
Brokerage Income	7,448,965	16,094,440
Adjustment for consolidation	-	-
IL Capital Limited	448,338	39,197
	<u>7,902,303</u>	<u>16,184,637</u>
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	-	68,000
Income from written-off Link note 11.6.1 & 11.6	(49,450)	-
Miscellaneous income	870	61,768
	<u>(48,580)</u>	<u>129,768</u>
23(a) Consolidated other operating income		
International Leasing and Financial Services Limited	(48,580)	129,768
International Leasing Securities Limited	55,800	172,145
IL Capital Limited	-	-
	<u>7,220</u>	<u>301,912</u>
24 Salary and allowances		
Basic salary and other allowances	14,962,875	14,678,183
Company's contribution to provident fund	699,810	606,187
Gratuity	-	-
	<u>15,662,685</u>	<u>15,284,370</u>



24(a) Consolidated salary and allowances		
International Leasing and Financial Services Limited	16,262,685	16,184,370
International Leasing Securities Limited	5,902,233	7,408,316
IL Capital Limited	1,707,529	1,467,157
	23,872,447	25,059,843
25 Rent, taxes, insurance & electricity		
Rent, Rate and taxes	7,146,266	6,559,256
Insurance	-	-
Electricity, gas and water	428,155	364,571
	7,574,421	6,923,827
25a Consolidated rent, taxes, insurance & electricity		
International Leasing and Financial Services Limited	7,574,421	6,923,827
International Leasing Securities Limited	2,111,764	2,513,586
IL Capital Limited	501,984	307,567
	10,188,168	9,744,981
26 Legal expenses		
Legal expenses	585,369	716,758
Other professional charges	-	51,000
	585,369	767,758
26(a) Consolidated legal expenses		
International Leasing and Financial Services Limited	585,369	767,758
International Leasing Securities Limited	49,400	-
IL Capital Limited	-	-
	634,769	767,758
27 Postage, stamp & telecommunication		
Postage, stamp, internet	256,358	171,775
Telephone	186,314	203,028
	442,672	374,803
27(a) Consolidated postage, stamp & telecommunication		
International Leasing and Financial Services Limited	442,672	374,803
International Leasing Securities Limited	123,913	136,214
IL Capital Limited	58,346	55,975
	624,931	566,991
28 Stationery, printing and advertisements		
Printing and stationery	150,887	56,775
Publicity and advertisement	106,920	37,086
	257,807	93,861
28(a) Consolidated stationery, printing and advertisements		
International Leasing and Financial Services Limited	257,807	93,861
International Leasing Securities Limited	34,955	110,380
IL Capital Limited	7,020	6,730
	299,782	210,971
29 Managing Director's salary and benefits		
Remuneration	600,000	535,484
Other benefits	650,000	401,613
	1,250,000	937,097



29(i) Chairman remuneration

Remuneration	600,000	900,000
Other benefits	-	-
	600,000	900,000

30 Directors' fees & meeting expenses

Directors' fee for attending board meeting	-	412,500
Executive Committee members' fee for attending EC meeting	35,200	-
Audit Committee members' fee for attending AC meeting	35,200	-
	70,400	412,500

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

30(a) Consolidated directors' fees & meeting expenses

International Leasing and Financial Services Limited	70,400	412,500
International Leasing Securities Limited	-	31,480
IL Capital Limited	116,400	70,400
	186,800	514,380

31 Auditors' fees

Statutory audit fee	-	-
	-	-

31(a) Consolidated auditors' fees

International Leasing and Financial Services Limited	-	-
International Leasing Securities Limited	31,624	28,749
IL Capital Limited	14,370	14,370
	45,994	43,119

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

Right of use Assets	-	-
Motor vehicles	-	10
Office decoration	4,240	18,759
Office equipment	58,281	102,423
Furniture & fixtures	7,437	11,803
Computer accessories	44,032	10,011
	113,991	143,007

b) Amortization

Computer software	592,548	884,400
	592,548	884,400

c) Repairs

Office equipment	-	8,031
Vehicles	359,683	599,839
	359,683	607,870

Total (a+b+c)

	1,066,222	1,635,277
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32(a) Consolidated depreciation, amortization and repair of assets**a) Depreciation**

International Leasing and Financial Services Limited	113,991	143,007
International Leasing Securities Limited	217,831	142,306
IL Capital Limited	49,683	50,706
	381,505	336,019

b) Amortization

International Leasing and Financial Services Limited	592,548	884,400
	592,548	884,400



c) Repairs		
International Leasing and Financial Services Limited	359,683	607,870
International Leasing Securities Limited	67,180	5,690
IL Capital Limited	793,980	75,191
	1,220,843	688,751
Total (a+b+c)	2,194,896	1,909,170

33 Other expenses

Fuel expenses for vehicles	263,510	493,836
Office maintenance	1,247,341	1,217,603
Training expenses	-	19,167
Books, magazines and newspapers	3,722	7,531
Fees and subscription	1,200,800	1,388,596
Bank charges	86,379	155,201
Entertainment	432,548	447,844
Other Expenses	78,802	119,132
CIB service charge	9,740	2,310
AGM Expenses	-	-
Business development expenses	-	200,000
Donation	-	-
Traveling and conveyance expenses	181,379	232,465
Team building program	-	-
Seminar & Workshop	-	14,346
Staff Hospitalisation Expenses	102,522	481,911
Financial Literacy Expenses	6,000	-
Incentive Allowance	100,000	-
	3,712,743	4,779,942

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	3,712,743	4,779,942
Other expenses	3,712,743	4,779,942
Adjustment for consolidation	-	-
International Leasing Securities Limited	1,729,338	1,735,500
IL Capital Limited	348,644	210,001
	5,790,725	6,725,443

34 Provision against leases, loans and advances/Others assets

a) Provision against leases, loans and advances		
On classified leases, loans and advances	216,005,539	(5,467,586)
On un-classified leases, loans and advances	(14,574,598)	47,521,296
	201,430,941	42,053,710
b) Provision against others Asstes		
On other assets	-	-
	201,430,941	42,053,710

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. 706945917.23 has been made for the year 2024 which is considered to be adequate by the Management of the Company.

Bangladesh Bank provided provision of Tk.134.06 Crore on FDR Investment by their FICL Audit for the year ended 2023. Against such provision ILFSI claim to BB for not charges such provision vide Letter # IL/2024/MD/1778 dated 30.06.2024. As a result Bangladesh Bank DFIM Letter # DFIM(C)1054/19/2024-2491, dated 12.08.2024 give instruction to charges the provision on equal basis from 2024 to next 5 years in Accounts.Details are given below

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

Against leases, loans and advances		
International Leasing and Financial Services Limited	201,430,941	42,053,710
International Leasing Securities Limited	-	-
IL Capital Limited	-	-
	201,430,941	42,053,710



Against others assets		
International Leasing and Financial Services Limited	-	-
International Leasing Securities Limited	-	-
IL Capital Limited	-	-
	<u>-</u>	<u>-</u>
35 Provision for diminution in value of investments		
Shares	-	-
Provision for quoted shares	-	-
Provision for un-quoted shares	-	-
	<u>-</u>	<u>-</u>
35(a) Consolidated Provision for diminution in value of investments		
Shares	-	-
International Leasing and Financial Services Limited	-	-
International Leasing Securities Limited	28,433	(4,259)
IL Capital Limited	28,433	(4,259)
	<u>28,433</u>	<u>(4,259)</u>
36 Provision for tax		
Current tax	-	-
Deferred tax Assets	6,166	(1,333,755)
	<u>6,166</u>	<u>(1,333,755)</u>
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	(369,500,377)	(331,509,581)
Tax expense	6,166	(1,333,755)
Average effective tax rate	<u>0.00%</u>	<u>0.40%</u>
36(a) Consolidated Provision for tax		
International Leasing and Financial Services Limited	6,166	(1,333,755)
International Leasing Securities Limited	1,629,673	3,451,076
IL Capital Limited	379,651	662,267
	<u>2,015,490</u>	<u>2,779,588</u>
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	(416,071,514)	(368,081,884)
Tax expense	2,015,490	2,779,588
Average effective tax rate	<u>-0.48%</u>	<u>-0.76%</u>
37 Earning Per Share (EPS)		
Basic earnings per share have been calculated as under:		
Earning attributable to ordinary shareholders (profit after tax)	(570,937,484)	(372,229,536)
Weighted average number of ordinary shares outstanding during the year	221,810,246	221,810,246
Earning per share (EPS)	<u>(2.57)</u>	<u>(1.68)</u>
37(a) Consolidated Earnings Per Share (EPS)		
Basic earnings per share have been calculated as under:		
Earning attributable to ordinary shareholders (profit after tax)	(619,546,224)	(412,910,858)
Weighted average number of ordinary shares outstanding during the year	221,810,246	221,810,246
Earning per share (EPS)	<u>(2.79)</u>	<u>(1.86)</u>



38 Net Operating Cash Flows Per Share (NOCFPS)		
Net cash flows from operating activities	(77,024,330)	2,708,324,678
Weighted average number of ordinary shares outstanding during the year	221,810,246	221,810,246
Net Operating Cash Flows Per Share (NOCFPS)	(0.35)	12.21
38(a) Consolidated Net Operating Cash Flows Per Share (NOCFPS)		
Net cash flows from operating activities	(71,290,747)	2,546,924,042
Weighted average number of ordinary shares outstanding during the year	221,810,246	221,810,246
Net Operating Cash Flows Per Share (NOCFPS)	(0.32)	11.48
39 Reconciliation of Cash Flows from Operating Activities		
Interest receipts in cash	(388,905,120)	73,446,390
Interest payments	(21,606,628)	(212,480,541)
Dividend receipts	-	-
Fees, commission & brokerage receipts in cash	5,000	51,000
Recoveries of loans previously written off	(49,450)	-
Cash payments to employees	(16,912,685)	(16,221,467)
Income tax paid	-	-
Receipts from other operating activities	(48,580)	129,768
Payments for other operating activities	(13,595,642)	(14,844,961)
Increase in lease and loans	43,869,979	264,319,434
Increase in deposit and other accounts	(45,425,108)	(375,999,821)
Increase in other liabilities	367,652,300	1,827,284,038
Increase in other assets	(2,008,395)	1,162,640,837
Cash flows from operating activities	(77,024,330)	2,708,324,678

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. 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	MBA from Bangladesh University of Professional (BUP)
Barrister Md. Ashraf Ali	Independent Director	Member	LLM (University of Rajshahi)
Mr. Md Ashaduzzaman	Company Secretary (CC)	Secretary of the Comapany	M. A from UniSa

41 Related party disclosures

41.1 Particulars of directors of the Company as of Particular

Sl. No.	Name of Directors	Designation	Shareholding Status
1	Mr. Md. Nazrul Islam Khan	Chairman	Independent Director (Appointed by High-Court)
2	Mr. Md. Shafiqul Islam, Learned Senior District and Sessions Judge (Retd.)	Director	Independent Director (Appointed by High-Court)
3	Brigadier General Md. Meftaul Karim, BSP, SPP, BPM, NDC, PSC (LPR)	Director	Independent Director (Appointed by High-Court)
4	Barrister Md. Ashraf Ali	Director	Independent Director (Appointed by High-Court)
5	Mr. Enamul Hasan, FCA	Director	Independent Director (Appointed by High-Court)



6	Mr. M. A. Hashem	Director	Independent Director
7	Mr. Nasim Anwar, FCA	Director	Nominated by New Tech Enterprise Limited holds 7.85% shares
8	Mr. Muhammed Abul Hashem	Director	Nominated by Shaw Wallace Bangladesh Limited holds 17.36% shares
9	Mr. M. Nurul Alam	Director	
10	Mr. Bashudeb Banerjee	Director	Nominated by BR International Ltd. holds 8.15% shares
11	Mr. Md. Anwarul Kabir	Director	
12	Mr. Md. Nowsherul Islam	Director	Nominated by Nature Enterprise Ltd. holds 8.18% shares
13	Mr. Kazi Alamgir	Managing Director	N/A

41.2 Name of Directors and their interest in different entities as on Particular

Sl. No.	Name of Directors	Status with the Company	Entities where they are Interested
1	Mr. Md. Nazrul Islam Khan	Chairman	Curator: Father of the Nation Bangabandhu Sheikh Mujibur Rahman Memorial Museum.
2	Mr. Md. Shafiqul Islam, Learned Senior District and Sessions Judge (Retd.)	Independent Director	Independent Director (Appointed by High-Court)
3	Brigadier General Md. Meftaul Karim, BSP, SPP, BPM, NDC, PSC (LPR)	Independent Director	Independent Director (Appointed by High-Court)
4	Barrister Md. Ashraf Ali	Independent Director	Independent Director (Appointed by High-Court)
5	Mr. Enamul Hasan, FCA	Independent Director	Independent Director (Appointed by High-Court)
6	Mr. M. A. Hashem	Director	Out of contact and The Directorship was vacated pursuant to the order of the sepreme court of Bangladesh dated 9th August 2023.
7	Mr. Nasim Anwar, FCA	Director	Out of contact and The Directorship was vacated pursuant to the order of the sepreme court of Bangladesh dated 9th August 2023.
8	Mr. Muhammed Abul Hashem	Director	Out of contact and The Directorship was vacated pursuant to the order of the sepreme court of Bangladesh dated 9th August 2023.
9	Mr. M. Nurul Alam	Director	Out of contact and The Directorship was vacated pursuant to the order of the sepreme court of Bangladesh dated 9th August 2023.
10	Mr. Bashudeb Banerjee	Director	Out of contact and The Directorship was vacated pursuant to the order of the sepreme court of Bangladesh dated 9th August 2023.
11	Mr. Md. Anwarul Kabir	Director	Out of contact and The Directorship was vacated pursuant to the order of the sepreme court of Bangladesh dated 9th August 2023.
12	Mr. Md. Nowsherul Islam	Director	Out of contact and The Directorship was vacated pursuant to the order of the sepreme court of Bangladesh dated 9th August 2023.
13	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	Mar 31, 2025	Dec 31, 2024
Mr. Nasim Anwar,	Mr. Nasim Anwar, FCA	Self	Term Deposit	(3,886,506)	(3,886,506)
Mr. Muhammed Abul	Mr. Muhammed Abul	Self	Term Deposit	(15,123,897)	(15,123,897)
S.W. Shipping Ltd.	Mr. M. Nurul Alam	Director	Term Deposit	(203,613,782)	(203,613,782)
S W Multimedia	Mr. M. Nurul Alam	Director	Term Deposit	(7,190,319)	(7,190,319)
A F Mujibur Rahman	Mr. Mizanur Rahman	Trustee	Term Deposit	(346,300,236)	(346,300,236)

42 Capital expenditure commitments

There was no capital expenditure commitment contracted as at March 31, 2025

43 Claim against Company not acknowledged as debt

There was no such claims against the Company which require to be acknowledged as debt as at March 31, 2025

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

45 Interim financial statements

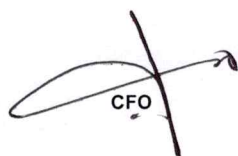
The Company publishes its interim financial statements quarterly as required by the Securities and Exchange Commission.

46 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.

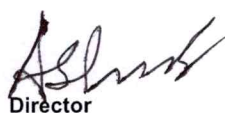
47 Approval of the financial statements

These financial statements were authorized for issue by the Board of Directors of the Company on May 24, 2025.


CFO


Company Secretary(CC)


Managing Director


Director


Director


Chairman

INTERNATIONAL LEASING AND FINANCIAL SERVICES LIMITED
Schedule of fixed assets

(Figures in BDT)

SL No	Particulars	COST			DEPRECIATION				Written down value as at Particular
		Balance as at April 01, 2024	Addition during the Period	Disposal during the Period	Balance as at Particular	Rate (%)	Balance as at April 01, 2024	Charged during the Period	
1	Right of use assets	82,845,718			82,845,718	20	82,845,718	-	-
2	Motor vehicles	37,688,698			37,688,698	20	37,688,698	-	-
3	Office decoration	24,447,312			24,447,312	15	24,334,234	4,240	108,838
4	Office equipment	16,902,934			16,902,934	20	15,737,309	58,281	1,107,345
5	Furniture & fixtures	31,390,811			31,390,811	20	31,242,073	7,437	141,301
6	Computer accessories	14,205,718			14,205,718	33	13,671,994	44,032	489,691
	Total as at March 31, 2025	207,481,191	-	-	207,481,191		205,520,026	113,991	1,847,175
	Total as at March 31, 2024	207,398,862	460,718	378,389	207,481,191		205,381,579	516,836	1,961,165

Schedule of intangible assets

(Figures in BDT)

SL No	Particulars	COST			DEPRECIATION				Written down value as at Particular
		Balance as at April 01, 2024	Addition during the Period	Disposal during the Period	Balance as at Particular	Rate (%)	Balance as at April 01, 2024	Charged during the Period	
1	Computer Software	19,281,250	-	-	19,281,250	33	12,098,850	592,548	6,589,852
	Total as at March 31, 2025	19,281,250	-	-	19,281,250	33	12,098,850	592,548	6,589,852
	Total as at March 31, 2024	3,281,250	16,000,000	-	19,281,250		8,561,250	3,537,600	7,182,400



INTERNATIONAL LEASING AND FINANCIAL SERVICES LIMITED AND ITS SUBSIDIARIES
Schedule of consolidated fixed assets

(Figures in BDT)										
	Particulars	C O S T				DEPRECIATION				Written down value as at Particular
		Balance as at April 01, 2024	Addition during the Period	Disposal during the Period	Balance as at Particular	Rate (%)	Balance as at April 01, 2024	Charged during the Period	Adjustment during the Period	
1	Right of use assets	82,845,718	-	-	82,845,718	20	82,845,718	-	-	82,845,718
2	Motor vehicles	43,263,698	-	-	43,263,698	20	43,263,696	-	0	43,263,696
3	Office decoration	56,180,648	-	522,273	55,658,375	15	53,776,548	102,328	391,680	53,487,197
4	Office equipment	25,864,930	900,000	1,020,467	25,744,463	20	23,831,686	111,195	1,020,447	22,922,433
5	Furniture & fixtures	33,688,010	-	228,079	33,459,931	20	33,354,858	17,517	228,042	33,144,333
6	Computer accessories	27,618,312	-	507,522	27,110,790	33	26,716,062	150,465	507,499	26,359,028
	Total as at March 31, 2025	269,461,316	900,000	2,278,341	268,082,975		263,788,568	381,505	2,147,668	262,022,405
	Total as at March 31, 2024	267,953,199	1,460,832	1,826,234	267,587,797		262,642,031	2,219,258	1,248,566	263,612,723
										3,975,074

Schedule of intangible assets

SL No	Particulars	COST				DEPRECIATION				Written down value as at Particular	
		Balance as at April 01, 2024	Addition during the Period	Disposal during the Period	Balance as at Particular	Rate (%)	Balance as at April 01, 2024	Charged during the Period	Adjustment during the Period		
1	Computer Software	19,281,250	-	-	19,281,250	33	12,098,850	592,548	-	12,691,398	6,589,852
	Total as at March 31, 2025	19,281,250	-	-	19,281,250		12,098,850	592,548	-	12,691,398	6,589,852
	Total as at March 31, 2024	3,281,250	1,600,000	-	19,281,250		8,561,250	3,537,600	-	12,098,850	7,182,400

