Independent Auditor's Report
and
Audited Consolidated and Separate Financial Statements
of
IDLC Finance PLC. and its Subsidiaries
As at and for the year ended 31 December 2024

Independent Auditor's Report
To the Shareholders of IDLC Finance PLC.

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated financial statements of IDLC Finance PLC. and its subsidiaries (the "Group") as well as the separate financial statements of IDLC Finance PLC. (the "Company"), which comprise the consolidated and separate balance sheets as at 31 December 2024 and the consolidated and separate profit and loss accounts, the consolidated and separate statements of changes in equity and the consolidated and separate cash flow statements for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Group and separate financial statements of the Company give a true and fair view of the consolidated financial position of the Group and separate financial position of the Company as at 31 December 2024, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as explained in note 2.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below our description of how our audit addressed that matter is provided in that context.

We have fulfilled the responsibilities described in the auditor's responsibilities for the audit of the financial statements section of our report, including in relation to those matters.

Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatements of the financial statements. These results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

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Tax & Company Affairs Office: Ivory Krishnachura (5th Floor), 3/1-E, Purana Paltan, Dhaka-1000, Bangladesh; ☎ +880-2-9551103, 9584925, aqasemtax@aqcbd.com

Description of key audit matters	Our response to key audit matters
Measurement of provision for loans, advances and leases	
With reference to Note 12.6 to the Financial Statements, the process for calculating the provision for loans, advances and leases portfolio associated with credit risk is significant and complex. The Company calculates provision for loans, advances and leases by considering various factors such as rate of provision, loan category, expiry date, outstanding balance, interest suspense amount, value of eligible collateral as per DFIM Circular No. 04 dated 26 July 2021 and its subsequent amendments. According to DFIM Circular Letter No. 33 dated 19 December 2021, NBFIs must keep an extra 2% (percent) special provision for the borrowers who have availed Payment by Deferral (PBD) facilities. The Company has kept a special provision of BDT 95.56 million as of 31 December 2024 to comply with the circular. In Bangladesh, non-performing loans have been increasing day by day. NBFIs need to maintain provisions for additional non-performing loans in line with the Bangladesh Bank's guidelines. The Company identifies impaired loan accounts and calculates required provisions manually. Furthermore, management has incentive to maintain lower provisions for loans and advances to overstate profit. Considering these factors, we have considered measurement of provision for loans, advances and leases as significant risk as well as a key audit matter. At the year end of 2024 the Group reported total gross loans, advances and leases of BDT 113,968.91 million (2023: BDT 115,656.33 million) and in 2024 the Company reported total gross loans, advances and leases of BDT 112,847.81 million (2023: BDT 113,339.34 million) whereas at the year end of 2024 the Group reported total provision for loans, advances and leases of BDT 3,889.85 million (2023: BDT 3,769.93 million) and the Company reported total provision for loans, advances and leases of BDT 3,872.13 million (2023: BDT 3,730.88 million).	We tested the design and operating effectiveness of key controls focusing on the following: • Credit appraisal, loan disbursement procedures, monitoring and provisioning process; • Identification of loss events, including early warning and default warning indicators; • Review of quarterly Classification of Loans (CL). Our substantive procedures in relation to the provision for loans, advances and leases portfolio comprised the following: • Reviewed the adequacy of the general and specific provisions and loan classification disclosures in the financial statements in line with related Bangladesh Bank guidelines; • Tested the inputs in computation of provision in terms of testing the accuracy of underlying information; • Assessed the methodologies on which the provision amounts based (value of eligible securities, interest suspense), recalculated the provisions for loans, advances and leases; • Checked the adequacy of the Company's general and specific provisions; • Evaluated the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines; and We assessed the appropriateness and presentation of disclosure against relevant accounting standards and Bangladesh Bank guidelines
See note no 12.6 to the financial statements	

Recognition of interest income on loans, advances and leases	
Recognition of interest income has significant and wide influence on financial statements. Recognition and measurement of interest income have involved complex IT environments. We identify recognition of interest income from loans, advances and leases as a key audit matter because this is one of the key performance indicators of the Company and therefore there is an inherent risk of fraud and error and overstatement in recognition of interest by management to meet specific targets or expectations. Bangladesh Bank introduced the SMART rate through DFIM Circular No. 07 dated 20 June 2023. However, the SMART-based interest rate system has been abolished according to DFIM Circular No. 05 dated 06 October 2024. FIs are now free to determine the interest/profit rates for loans, leases, investments, and deposits based on the demand for funds and the supply of available funds.	We tested the design and operating effectiveness of key controls over recognition and measurement of interest on loans, advances and leases focusing on the following: • Reviewing transfer of interests to the income account in line with the Bangladesh Bank's guideline; • Reviewed the grounds for approval for the transfer of interest to the income account. We performed test of operating effectiveness on automated control in place to measure and recognize interest income. We have also performed substantive procedure to check whether interest income is recognized completely and accurately in line with time-to-time movement of interest rate published by Bangladesh Bank. However, due to the current uncertainty of the overall economic situation both in Bangladesh and Globally there are inherent risk that the judgment applied by Management in assessing recoverability of interest income from classified loans may be different than the actual situation in future.
See note no 19 to the financial statements	
Adequacy of income tax provision	
At year end of 2024 the Group reported provision for income tax of BDT 7,466.64 million (2023: BDT 5,962.35 million) and the Company has reported provision for income tax of BDT 4,639.75 million (2023: BDT 3,377.60 million).	We obtained an understanding, evaluated the design and tested the operational effectiveness of the Company's key controls over the recognition and measurement of income tax provision and the assumptions used in estimating various allowable and disallowable items to determine taxable income. We also assessed the completeness and accuracy of the data used to prepare year-wise tax position summary for all pending tax assessments/appeals. We have reviewed the assessment/ appeal orders to determine whether the current tax provision is adequate for the potential tax liability.
See note no 12.2 to the financial statements	

IT systems and controls	
Our audit procedures have a focus on IT systems and controls due to the pervasive nature and complexity of the IT environment, the large volume of transactions processed in numerous locations daily and the reliance on automated and IT dependent manual controls. Our areas of audit focus included user access management, developer access to the production environment and changes to the IT environment. These are key to ensuring IT dependent and application-based controls are operating effectively.	We tested the design and operating effectiveness of the Company's IT access controls over the information systems that are critical to financial reporting. We tested IT general controls (logical access, changes management and aspects of IT operational controls). This included testing that requests for access to systems were appropriately reviewed and authorized. We tested the Company's periodic review of access rights and reviewed requests of changes to systems for appropriate approval and authorization. We considered the control environment relating to various interfaces, configurations and other application layer controls identified as key to our audit. We performed the Tests of IT General Controls to evaluate the Application Development and Database, Hosting Platforms and segregation of incompatible duties relevant to application and database change management.

Other Matter

The Financial Statements of the subsidiaries namely IDLC Securities Limited, IDLC Investments Limited and IDLC Asset Management Limited have been audited by us. There is a restatement in the Financial Statements of IDLC Investments Limited. The consolidated financial statements for the same period incorporate these restated figures from the subsidiary. Notably, the restatement does not have a material impact on the consolidated financial statements.

Other Information

Management is responsible for the other information. The other information comprises all of the information in the Annual Report other than the consolidated and separate financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this audit's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements of the Group and also separate financial statements of the Company in accordance with IFRSs as explained in note 2, and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994, the Securities and Exchange Rules, 2020, the Finance Company Act, 2023 and the rules and regulations issued by Bangladesh Bank, we also report that:

i. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;

ii. in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books;

iii. the consolidated and separate balance sheet and consolidated and separate profit and loss account together with the annexed notes dealt with by the report are in agreement with the books of account and returns;

iv. the expenditures incurred were for the purpose of the Company's business for the year;

v. the financial statements of the Group and the Company have been drawn up in conformity with the Finance Company Act, 2023 and in accordance with the accounting rules and regulations which were issued by Bangladesh Bank to the extent applicable to the Company;

vi. adequate provisions have been made for loans, advances, leases, investment and other assets which are, in our opinion, doubtful of recovery and Bangladesh Bank's instructions in this regard have been followed properly;

vii the financial statements of the Group and the Company conform to the prescribed standards set in the accounting regulations which were issued by Bangladesh Bank after consultation with the professional accounting bodies of Bangladesh;

viii. the records and statements which were submitted by the branches have been properly maintained and recorded in the financial statements;

ix. statements sent to Bangladesh Bank have been checked on sample basis and no inaccuracy has come to our attention;

x. taxes and other duties were collected to be and deposited in the Government treasury by the Company as per Government instructions found satisfactory based on test checking;

xi. nothing has come to our attention that the Company has adopted any unethical means i.e. 'window dressing' to inflate the profit and mismatch between the maturity of assets and liabilities;

xii. proper measures have been taken to eliminate the irregularities mentioned in the inspection report of Bangladesh Bank and the instructions which were issued by Bangladesh Bank and other regulatory authorities have been complied properly as disclosed to us by management;

xiii based on our work as mentioned above under the auditor's responsibility section, the internal control and the compliance of the Company is satisfactory, and effective measures have been taken to prevent possible material fraud, forgery and internal policies are being followed appropriately;

xiv. the Company has complied with relevant laws pertaining to capital, reserve and net worth, cash and liquid assets and procedure for sanctioning and disbursing loans/leases found satisfactory;

xv. we have reviewed over 80% of the risk weighted assets of the Company and we have spent around 3,500 person hours for the audit of the books and accounts of the Company;

xvi. the Company has complied with relevant instructions which were issued by Bangladesh Bank relevant to classification, provisioning and calculation of interest suspense;

xvii all other issues which in our opinion are important for the stakeholders of the Company have been adequately disclosed in the audit report.

Ziaur Rahman Zia FCA
Partner

A. Qasem & Co.
Chartered Accountants
Enrolment No:1259
FRC Enlistment No.: CAF-001-129

DVC: 2504301259AS102488

Dhaka, Bangladesh.
Dated: 30 April 2025

IDLC Finance PLC. and its Subsidiaries
Consolidated Balance Sheet as at December 31, 2024

	Note	31.12.2024 BDT	31.12.2023 BDT
PROPERTY AND ASSETS			
Cash	3		
In hand (including foreign currencies)	3.1	420,000	420,000
Balance with Bangladesh Bank and its agent (including foreign currencies	3.2	1,342,569,718	1,298,197,218
		1,342,989,718	**1,298,617,218**
Balance with other banks and financial institutions	4		
Inside Bangladesh	4(a)	10,914,886,886	16,482,645,389
Outside Bangladesh	4(b)	-	-
		10,914,886,886	**16,482,645,389**
Money at call and short notice	5	-	500,000,000
Investments	6		
Government		13,378,438,729	4,796,439,173
Others		5,164,127,607	4,992,741,845
		18,542,566,336	**9,789,181,018**
Loans, advances and leases	7		
Loans, cash credit, overdraft etc.		113,968,907,390	115,656,328,366
Bills purchased and discounted		-	-
		113,968,907,390	**115,656,328,366**
Fixed assets including land, building, furniture and fixtures	8(c)	**1,538,321,444**	**1,431,003,501**
Other assets	9	**2,588,976,415**	**1,958,487,713**
Non-banking assets		-	-
Total Assets		**148,896,648,189**	**147,116,263,206**
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	10	**27,831,818,346**	**32,251,864,181**
Deposits and other accounts	11		
Current accounts and other accounts etc.		-	-
Bills payable		-	-
Savings bank deposits		-	-
Term deposits		83,907,240,444	80,465,410,270
Bearer certificate of deposits		-	-
Other deposits		3,289,878,141	3,159,627,264
		87,197,118,585	**83,625,037,535**
Other liabilities	12	**13,806,630,925**	**12,521,033,707**
Total Liabilities		**128,835,567,856**	**128,397,935,422**
Capital/Shareholders' equity			
Paid-up capital	13	4,156,984,840	4,156,984,840
Share premium	14	1,260,585,930	1,260,585,930
Statutory reserves	15	4,143,351,989	3,808,756,195
General reserves	16	1,000,000,000	1,000,000,000
Dividend equalisation reserves	16 (a)	500,000,000	500,000,000
Capital reserves	16 (b)	253,928,032	211,351,296
Retained earnings		8,746,225,780	7,780,645,890
Total Equity attributable to equity holders of the company		**20,061,076,571**	**18,718,324,151**
Non-controlling interest		**3,762**	**3,632**
Total Liabilities and Shareholders' equity		**148,896,648,189**	**147,116,263,206**

A. QASEM & CO. CHARTERED ACCOUNTANTS DHAKA

	Note	31.12.2024 BDT	31.12.2023 BDT
OFF-BALANCE SHEET ITEMS			
Contingent liabilities	17.1		
Acceptances and endorsements		-	-
Letters of guarantee		-	32,126,400
Irrevocable letters of credit		-	-
Bills for collection		-	-
Indemnity bond		-	-
Corporate guarantee		750,000,000	750,000,000
		750,000,000	782,126,400
Other commitments			
Documentary credits and short term trade related transactions		-	-
Forward assets purchased and forward deposits placed		-	-
Un-drawn note issuance and revolving underwriting facilities		-	-
Un-drawn formal standby facilities, credit lines		-	-
Un-disbursed contracted loans and leases		-	-
		-	-
Total Off-Balance Sheet items including contingent liabilities		750,000,000	782,126,400
Net Assets Value (NAV) per share	37	48.26	45.03

These Financial Statements should be read in conjunction with the annexed notes
This is the consolidated balance sheet referred to in our separate report of even date.

A. Qasem & Co.
Chartered Accountants
FRC Enlistment No.: CAF-001-129

Farooq Sobhan
Director

Md. Zakir Hossain
Director

Jamal Uddin
CEO & Managing Director

Mohammad Mostafizur Rahman
Director

Ziaur Rahman Zia FCA
Partner
ICAB Enrollment No: 1259

DVC No 2504301259AS102488
Dhaka, 30 APR 2025

Abul Fazal Mohamed Rubayat
Company Secretary

A. QASEM & CO. GULSHAN DHAKA CHARTERED ACCOUNTANTS

IDLC Finance PLC. and its Subsidiaries

Consolidated Profit and Loss Account for the year ended December 31, 2024

	Note	2024 BDT	2023 BDT
Interest Income & Financing Income	19	14,776,517,731	12,551,039,972
Interest paid & Profit distributed on Deposits, Placements & Borrowings etc.	20	(9,969,715,229)	(7,556,142,243)
Net Interest Income & Financing Income		4,806,802,502	4,994,897,728
Investment income	21	1,432,814,686	294,633,118
Commission, exchange and brokerage	22	403,824,137	357,688,331
Other operating income	23	612,761,202	704,528,559
Total operating income		7,256,202,527	6,351,747,737
Salaries and allowances	24	1,932,666,068	1,862,205,904
Rent, taxes, insurance, electricity etc.	25	67,846,502	63,576,309
Legal expenses	26	17,904,889	18,551,018
Postage, stamp, telecommunication etc.	27	54,326,991	56,067,666
Stationery, printing, advertisements etc.	28	171,282,805	210,038,446
Managing Director's salary and benefits	29	14,670,083	12,600,004
Directors' fees	30	4,307,050	1,928,335
Auditors' fees	31	1,264,136	1,145,600
Charges on loan losses		-	-
Depreciation and repair of Company's assets	32	306,171,761	267,720,153
Other expenses	33	477,097,009	461,946,090
Total operating expenses		3,047,537,294	2,955,779,524
Profit before provision		4,208,665,233	3,395,968,213
Provision for loans and investments	12.6(ii)		
General provision		6,018,759	(1,392,153)
Specific provision		612,651,116	998,582,826
Provision for diminution in value of investments		81,386,067	(12,228,395)
Other provisions		-	-
Total provision		700,055,941	984,962,278
Total profit before taxation		3,508,609,292	2,411,005,935
Provision for taxation			
Current tax expense	12.2	1,504,292,516	1,166,637,070
Release from previous year's excess provision	12.2	-	(266,919,512)
Deferred tax expense/(income)	Annex B	1,520,201	(2,274,983)
		1,505,812,716	897,442,575
Net profit after taxation		2,002,796,576	1,513,563,360
Attributable to:			
Shareholders of the Company		2,002,796,446	1,513,563,256
Non-controlling interest		130	104
		2,002,796,576	1,513,563,360
Appropriations to:			
Statutory reserves		334,595,794	218,723,461
General reserves		-	-
Capital reserves	16 (b)	42,576,736	176,841,669
Dividend etc.		-	-
		377,172,530	395,565,130
Retained surplus		1,625,623,916	1,117,998,126
Earnings Per Share (EPS)	36	4.82	3.64

These Financial Statements should be read in conjunction with the annexed notes
This is the consolidated profit & loss account referred to in our separate report of even date.

A. Qasem & Co.
Chartered Accountants
FRC Enlistment No.: CAF-001-129

Farooq Sobhan
Director

Md. Zakir Hossain
Director

Mohammad Mostafizur Rahman
Director

M. Jamal Uddin
CEO & Managing Director

Ziaur Rahman Zia FCA
Partner
ICAB Enrollment No: 1259

QASEM & CO. GULSHAN DHAKA CHARTERED ACCOUNTANTS

DVC No: 2504301259AS102486
Dhaka, 30 APR 2025

Abul Fazal Mohamed Rubayat
Company Secretary

IDLC Finance PLC. and its Subsidiaries

Consolidated Cash Flow Statement

For the year ended December 31, 2024

	2024 BDT	2023 BDT
A) Cash flows from operating activities		
Interest Income & Financing Income received	14,256,534,861	12,446,731,296
Interest & Profit paid	(9,699,439,047)	(7,494,317,308)
Dividend received	150,373,395	118,203,334
Fees and commission received	403,824,137	357,688,331
Paid to employees and suppliers	(2,796,190,434)	(2,721,201,854)
Payment of income tax	(1,186,671,008)	(1,926,203,916)
Received from other operating activities	1,886,946,250	873,150,070
Cash generated from operating activities before changes in operating assets and liabilities	**3,015,378,154**	**1,654,049,952**
Increase/(decrease) in operating assets and liabilities		
Lease receivable	(294,833,682)	354,373,562
Long-term finance	2,438,638,303	(7,347,937,343)
Real estate finance	752,521,202	(1,294,001,744)
Car loan	(21,591,639)	(118,034,533)
Personal loan	10,278,173	19,893,447
Loan against deposit	(139,308,471)	(66,452,007)
Margin loan to portfolio investors	1,195,892,218	367,718,239
Short term finance	(203,741,699)	(987,821,517)
Ijarah Muntahiah Bi Tamlik	(1,307,864,287)	-
Murabahah	(108,813,416)	-
Sale & Lease Back	(284,131,728)	-
Other assets	(460,129,829)	(200,274,979)
Term and other deposits	3,572,081,051	3,379,000,954
Drawdown of term loans	11,438,089,764	18,141,512,095
Repayment of term loans	(15,242,135,598)	(12,657,369,121)
Net drawdown of short term loan	(616,000,000)	(10,260,000,000)
Payable and accrued expenses	(354,100,463)	(325,060,618)
Deferred liability-employee gratuity	12,143,302	1,275,716
Portfolio investors' fund	23,631,937	(93,411,343)
Net defined benefit obligation/plan assets	57,911,119	-
Remeasurement gain/(loss)	(36,496,300)	-
Deferred tax liability	21,175,594	(34,837,329)
Interest suspense account	32,087,808	101,522,993
	485,303,358	(11,019,903,529)
Net cash flows from/(used in) operating activities	**3,500,681,512**	**(9,365,853,577)**
B) Cash flows from investing activities		
Purchase of fixed assets	(161,042,336)	(135,070,019)
Disposal of fixed assets	13,808,516	18,234,399
Net proceeds of investment in securities	(8,753,385,317)	(1,098,724,589)
Net cash flows from/(used in) investing activities	**(8,900,619,138)**	**(1,215,560,209)**
C) Cash flows from financing activities		
Dividend paid	(623,448,376)	(626,065,746)
Net cash flows from/(used in) financing activities	**(623,448,376)**	**(626,065,746)**
D) Net increase/(decrease) in cash and cash equivalents (A+ B + C)	(6,023,386,002)	(11,207,479,532)
E) Effects of exchange rate changes on cash and cash equivalents	-	-
F) Cash and cash equivalents at beginning of the year	18,281,262,607	29,488,742,138
G) Cash and cash equivalents at end of the year (D+E+F)	12,257,876,604	18,281,262,607
Cash and cash equivalents at end of the year		
Cash in hand (including foreign currencies) (Note-3.1)	420,000	420,000
Balance with Bangladesh Bank and its agent bank(s) (Note-3.2)	1,342,569,718	1,298,197,218
Balance with other banks and financial institutions (Note-4)	10,914,886,886	16,482,645,389
Money at call and short notice (Note-5)	-	500,000,000
	12,257,876,604	18,281,262,607
Net operating cash flow per share (Note-38)	**8.42**	**(22.53)**

These Financial Statements should be read in conjunction with the annexed notes

A. QASEM & CO. CHARTERED ACCOUNTANTS

IDLC Finance PLC. and its Subsidiaries
Consolidated Statement of Changes in Equity
For the year ended December 31, 2024

Particulars	Attributable to equity holders of the Company								Non-controlling interest BDT	Total equity BDT
	Paid-up capital BDT	Share premium BDT	Statutory reserves BDT	General reserves BDT	Dividend equalisation reserves BDT	Capital reserves BDT	Retained earnings BDT	Total BDT		
Balance at January 1, 2024	4,156,984,840	1,260,585,930	3,808,756,195	1,000,000,000	500,000,000	211,351,296	7,780,645,890	18,718,324,151	3,632	18,718,327,783
Changes in accounting policy	-	-	-	-	-	-	-	-	-	-
Restated balance	4,156,984,840	1,260,585,930	3,808,756,195	1,000,000,000	500,000,000	211,351,296	7,780,645,890	18,718,324,151	3,632	18,718,327,783
Surplus/(deficit) on account of revaluation of properties	-	-	-	-	-	-	-	-	-	-
Surplus/(deficit) on account of revaluation of investments	-	-	-	-	-	-	-	-	-	-
Currency translation differences	-	-	-	-	-	-	-	-	-	-
Remeasurement gain/(loss)	-	-	-	-	-	-	(36,496,300)	(36,496,300)	-	(36,496,300)
Net gain and losses not recognised in the profit and loss accounts	-	-	-	-	-	-	(36,496,300)	(36,496,300)	-	(36,496,300)
Net profit for the year 2024	-	-	-	-	-	-	2,002,796,446	2,002,796,446	130	2,002,796,576
15% cash dividend (for 2023)	-	-	-	-	-	-	(623,547,726)	(623,547,726)		(623,547,726)
Appropriation to reserves	-	-	334,595,794	-	-	42,576,736	(377,172,530)	-	-	-
Balance at December 31, 2024	4,156,984,840	1,260,585,930	4,143,351,988	1,000,000,000	500,000,000	253,928,032	8,746,225,780	20,061,076,571	3,762	20,061,080,333

IDLC Finance PLC. and its Subsidiaries
Consolidated Statement of Changes in Equity
For the year ended December 31, 2023

Particulars	Attributable to equity holders of the Company								Non-controlling interest BDT	Total equity BDT
	Paid-up capital BDT	Share premium BDT	Statutory reserves BDT	General reserves BDT	Dividend equalisation reserves BDT	Capital reserves BDT	Retained earnings BDT	Total BDT		
Balance at January 1, 2023	4,156,984,840	1,260,585,930	3,590,032,734	1,000,000,000	46,500,000	34,509,627	8,020,995,930	18,109,609,061	3,540	18,109,612,601
Prior year's adjustment	-	-	-	-	-	-	(281,300,440)	(281,300,440)	(12)	(281,300,452)
Restated balance	4,156,984,840	1,260,585,930	3,590,032,734	1,000,000,000	46,500,000	34,509,627	7,739,695,490	17,828,308,621	3,528	17,828,312,149
Surplus/(deficit) on account of revaluation of properties	-	-	-	-	-	-	-	-	-	-
Surplus/(deficit) on account of revaluation of investments	-	-	-	-	-	-	-	-	-	-
Currency translation differences	-	-	-	-	-	-	-	-	-	-
Net gain and losses not recognised in the profit and loss accounts	-	-	-	-	-	-	-	-	-	-
Net profit for the year 2023	-	-	-	-	-	-	1,513,563,256	1,513,563,256	104	1,513,563,360
15% cash dividend (for 2022)	-	-	-	-	-	-	(623,547,726)	(623,547,726)	-	(623,547,726)
Appropriation to reserves	-	-	218,723,461	-	453,500,000	176,841,669	(849,065,130)	-	-	-
Balance at December 31, 2023	4,156,984,840	1,260,585,930	3,808,756,195	1,000,000,000	500,000,000	211,351,296	7,780,645,890	18,718,324,151	3,632	18,718,327,783

These Financial Statements should be read in conjunction with the annexed notes

A. QASEM & CO. CHARTERED ACCOUNTANTS

IDLC Finance PLC.
Balance Sheet as at December 31, 2024

	Note	31.12.2024 BDT	31.12.2023 BDT
PROPERTY AND ASSETS			
Cash	3		
In hand (including foreign currencies)	3.1	325,000	325,000
Balance with Bangladesh Bank and its agent (including foreign currencies)	3.2	1,342,569,718	1,298,197,218
		1,342,894,718	1,298,522,218
Balance with other banks and financial institutions	4		
Inside Bangladesh	4(a)	9,509,245,682	15,432,552,420
Outside Bangladesh	4(b)	-	-
		9,509,245,682	15,432,552,420
Money at call and short notice	5	-	500,000,000
Investments	6		
Government		9,133,474,749	3,199,742,978
Others		2,306,251,865	2,116,407,760
		11,439,726,614	5,316,150,738
Loans, advances and leases	7		
Loans, cash credit, overdraft etc.		112,847,812,851	113,339,341,609
Bills purchased and discounted		-	-
		112,847,812,851	113,339,341,609
Fixed assets including land, building, furniture and fixtures	8(c)	1,420,911,812	1,341,759,332
Other assets	9	6,262,001,382	5,648,445,788
Non-banking assets		-	-
Total Assets		142,822,593,059	142,876,772,104
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	10	27,913,507,632	32,383,374,860
Deposits and other accounts	11		
Current accounts and other accounts etc.		-	-
Bills payable		-	-
Savings bank deposits		-	-
Term deposits		84,379,223,529	82,401,917,639
Bearer certificate of deposits		-	-
Other deposits		3,289,878,141	3,159,627,264
		87,669,101,670	85,561,544,903
Other liabilities	12	11,602,541,435	10,309,229,957
Total Liabilities		127,185,150,737	128,254,149,720
Capital/Shareholders' equity			
Paid-up capital	13	4,156,984,840	4,156,984,840
Share premium	14	1,260,585,930	1,260,585,930
Statutory reserves	15	4,143,351,989	3,808,756,195
General reserves	16	1,000,000,000	1,000,000,000
Dividend equalisation reserves	16 (a)	500,000,000	500,000,000
Retained earnings		4,576,519,564	3,896,295,420
Total Equity		15,637,442,322	14,622,622,385
Total Liabilities and Shareholders' equity		142,822,593,059	142,876,772,104

A. QASEM & CO. CHARTERED ACCOUNTANTS DHAKA

	Note	31.12.2024 BDT	31.12.2023 BDT
OFF-BALANCE SHEET ITEMS			
Contingent liabilities	17.1		
Acceptances and endorsements		-	-
Letters of guarantee		-	32,126,400
Irrevocable letters of credit		-	-
Bills for collection		-	-
Indemnity bond		-	-
Corporate guarantee		750,000,000	750,000,000
		750,000,000	782,126,400
Other commitments			
Documentary credits and short term trade related transactions		-	-
Forward assets purchased and forward deposits placed		-	-
Un-drawn note issuance and revolving underwriting facilities		-	-
Un-drawn formal standby facilities, credit lines		-	-
Un-disbursed contracted loans and leases		-	-
		-	-
Total Off-Balance Sheet items including contingent liabilities		750,000,000	782,126,400
Net Assets Value (NAV) per share	37	37.62	35.18

These Financial Statements should be read in conjunction with the annexed notes
This is the balance sheet referred to in our separate report of even date.

A. Qasem & Co.
Chartered Accountants
FRC Enlistment No.: CAF-001-129

Farooq Sobhan
Director

Md. Zakir Hossain
Director

Md Jamal Uddin
CEO & Managing Director

Mohammad Mostafizur Rahman
Director

Ziaur Rahman Zia FCA
Partner
ICAB Enrollment No: 1259

Abul Fazal Mohamed Rubayat
Company Secretary

DVC No 2504301259AS102488
Dhaka, 30 APR 2025

A. QASEM & CO. GULSHAN DHAKA CHARTERED ACCOUNTANTS

IDLC Finance PLC.

Profit and Loss Account for the year ended December 31, 2024

	Note	2024	2023
		BDT	BDT
Interest Income & Financing Income	19	14,492,224,840	12,169,998,342
Interest paid & Profit distributed on Deposits, Placements & Borrowings etc.	20	(10,103,103,694)	(7,724,873,893)
Net Interest Income & Financing Income		4,389,121,146	4,445,124,449
Investment income	21	1,208,378,064	175,350,074
Commission, exchange and brokerage	22	26,101,403	19,265,455
Other operating income	23	601,167,354	698,001,905
Total operating income		6,224,767,968	5,337,741,883
Salaries and allowances	24	1,635,153,983	1,589,384,150
Rent, taxes, insurance, electricity etc.	25	52,709,232	49,995,891
Legal expenses	26	10,106,994	11,687,096
Postage, stamp, telecommunication etc.	27	47,969,487	49,693,479
Stationery, printing, advertisements etc.	28	158,862,086	198,419,285
Managing Director's salary and benefits	29	14,670,083	12,600,004
Directors' fees	30	3,233,450	1,233,135
Auditors' fees	31	919,136	800,600
Charges on loan losses		-	-
Depreciation and repair of Company's assets	32	254,590,288	219,477,492
Other expenses	33	416,915,417	397,131,978
Total operating expenses		2,595,130,155	2,530,423,110
Profit before provisions		3,629,637,812	2,807,318,773
Provision for loans and investments	12.6(ii)		
General provision		17,787,283	3,776,985
Specific provision		561,260,488	995,301,571
Provision for diminution in value of investments		108,467,101	6,699,490
Other provision		-	-
Total provision		687,514,872	1,005,778,046
Total profit before taxation		2,942,122,941	1,801,540,728
Provision for taxation			
Current tax expense	12.2	1,262,146,681	976,497,653
Release from previous year's excess provision	12.2	-	(266,919,512)
Deferred tax expense/(income)	Annex B	6,997,291	(1,654,717)
		1,269,143,972	707,923,424
Net profit after taxation		1,672,978,968	1,093,617,303
Statutory reserves		334,595,794	218,723,461
General reserves		-	-
Dividend etc.		-	-
		334,595,794	218,723,461
Retained surplus		1,338,383,175	874,893,843
Earnings Per Share (EPS)	36	4.02	2.63

These Financial Statements should be read in conjunction with the annexed notes
This is the profit & loss account referred to in our separate report of even date.

A. Qasem & Co.
Chartered Accountants
FRC Enlistment No.: CAF-001-129

Farooq Sobhan
Director

Md. Zakir Hossain
Director

Ziaur Rahman Zia FCA
Partner
ICAB Enrollment No: 1259

N. Jamal Uddin
CEO & Managing Director

Mohammad Mostafizur Rahman
Director

DVC No: 2504301259AS102488
Dhaka, 30 APR 2025

A. QASEM & CO. GULSHAN DHAKA CHARTERED ACCOUNTANTS

Abul Fazal Mohamed Rubayat
Company Secretary

IDLC Finance PLC.

Cash Flow Statement for the year ended December 31, 2024

	2024 BDT	2023 BDT
A) Cash flows from operating activities		
Interest Income & Financing Income received	14,179,619,870	12,004,304,368
Interest & Profit paid	(9,832,827,512)	(7,663,048,958)
Dividend received	250,247,275	60,967,621
Fees and commission received	26,101,403	19,265,455
Paid to employees and suppliers	(2,384,830,847)	(2,336,765,565)
Payment of income tax	(976,362,115)	(1,724,831,053)
Received from other operating activities	1,343,663,117	864,903,465
Cash generated from operating activities before changes in operating assets and liabilities	**2,605,611,191**	**1,224,795,334**
Increase/(decrease) in operating assets and liabilities		
Lease receivable	(294,833,682)	354,373,562
Long-term finance	2,438,638,303	(7,347,937,343)
Real estate finance	752,521,202	(1,294,001,744)
Car loan	(21,591,639)	(118,034,533)
Personal loan	10,278,173	19,893,447
Loan against deposit	(139,308,471)	(66,452,007)
Short term finance	(203,741,699)	(987,821,517)
Ijarah Muntahiah Bi Tamlik	(1,307,864,287)	-
Murabahah	(108,813,416)	-
Sale & Lease Back	(284,131,728)	-
Other assets	(443,196,721)	(388,179,421)
Term and other deposits	2,107,556,767	3,551,266,717
Drawdown of term loans	11,438,089,764	18,141,512,095
Repayment of term loans	(15,291,956,992)	(12,703,327,170)
Net drawdown of short term loan	(616,000,000)	(10,260,000,000)
Payable and accrued expenses	(253,161,613)	(358,761,594)
Net defined benefit obligation/plan assets	63,273,987	-
Remeasurement gain/(loss)	(34,611,305)	-
Deferred tax liability	21,903,833	(28,606,998)
Interest suspense account	32,087,808	101,522,993
	(2,134,861,716)	(11,384,553,515)
Net cash flows from/(used in) operating activities	**470,749,475**	**(10,159,758,181)**
B) Cash flows from investing activities		
Purchase of fixed assets	(115,313,818)	(122,726,704)
Disposal of fixed assets	12,654,358	13,638,070
Net proceeds of investment in securities	(6,123,575,877)	429,926,115
Net cash flows from/(used in) investing activities	**(6,226,235,337)**	**320,837,481**
C) Cash flows from financing activities		
Dividend paid	(623,448,376)	(626,065,746)
Net cash flows from/(used in) financing activities	**(623,448,376)**	**(626,065,746)**
D) Net increase/(decrease) in cash and cash equivalents (A+B+C)	**(6,378,934,237)**	**(10,464,986,446)**
E) Effects of exchange rate changes on cash and cash equivalents	-	-
F) Cash and cash equivalents at beginning of the year	**17,231,074,638**	**27,696,061,084**
G) Cash and cash equivalents at end of the year (D+E+F)	**10,852,140,400**	**17,231,074,638**
Cash and cash equivalents at end of the year		
Cash in hand (including foreign currencies) (Note-3.1)	325,000	325,000
Balance with Bangladesh Bank and its agent bank(s) (Note-3.2)	1,342,569,718	1,298,197,218
Balance with other banks and financial institutions (Note-4)	9,509,245,682	15,432,552,420
Money at call and short notice (Note-5)	-	500,000,000
	10,852,140,400	17,231,074,638
Net operating cash flow per share (Note-38)	**1.13**	**(24.44)**

These Financial Statements should be read in conjunction with the annexed notes



IDLC Finance PLC.
Statement of Changes in Equity
For the year ended December 31, 2024

Particulars	Paid-up capital BDT	Share premium BDT	Statutory reserves BDT	General reserves BDT	Dividend equalisation reserves BDT	Retained earnings BDT	Total BDT
Balance at January 1, 2024	4,156,984,840	1,260,585,930	3,808,756,195	1,000,000,000	500,000,000	3,896,295,420	14,622,622,385
Changes in accounting policy	-	-	-	-	-	-	-
Restated balance	**4,156,984,840**	**1,260,585,930**	**3,808,756,195**	**1,000,000,000**	**500,000,000**	**3,896,295,420**	**14,622,622,385**
Surplus/(deficit) on account of revaluation of properties	-	-	-	-	-	-	-
Surplus/(deficit) on account of revaluation of investments	-	-	-	-	-	-	-
Currency translation differences	-	-	-	-	-	-	-
Remeasurement gain/(loss)	-	-	-	-	-	(34,611,305)	(34,611,305)
Net gain and losses not recognised in the profit and loss accounts	-	-	-	-	-	(34,611,305)	(34,611,305)
Net profit for the year 2024	-	-	-	-	-	1,672,978,968	1,672,978,968
15% cash dividend (for 2023)	-	-	-	-	-	(623,547,726)	(623,547,726)
Appropriation to reserve	-	-	334,595,794	-	-	(334,595,794)	-
Balance at December 31, 2024	**4,156,984,840**	**1,260,585,930**	**4,143,351,989**	**1,000,000,000**	**500,000,000**	**4,576,519,564**	**15,637,442,322**

IDLC Finance PLC.
Statement of Changes in Equity
for the year ended December 31, 2023

Particulars	Paid-up capital BDT	Share premium BDT	Statutory reserves BDT	General reserves BDT	Dividend equalisation reserves BDT	Retained earnings BDT	Total BDT
Balance at January 1, 2023	4,156,984,840	1,260,585,930	3,590,032,734	1,000,000,000	46,500,000	4,098,449,304	14,152,552,807
Changes in accounting policy	-	-	-	-	-	-	-
Restated balance	**4,156,984,840**	**1,260,585,930**	**3,590,032,734**	**1,000,000,000**	**46,500,000**	**4,098,449,304**	**14,152,552,807**
Surplus/(deficit) on account of revaluation of properties	-	-	-	-	-	-	-
Surplus/(deficit) on account of revaluation of investments	-	-	-	-	-	-	-
Currency translation differences	-	-	-	-	-	-	-
Net gain and losses not recognised in the profit and loss accounts	-	-	-	-	-	-	-
Net profit for the year 2023	-	-	-	-	-	1,093,617,303	1,093,617,303
15% cash dividend (for 2022)	-	-	-	-	-	(623,547,726)	(623,547,726)
Appropriation to reserves	-	-	218,723,461	-	453,500,000	(672,223,461)	-
Balance at December 31, 2023	**4,156,984,840**	**1,260,585,930**	**3,808,756,195**	**1,000,000,000**	**500,000,000**	**3,896,295,420**	**14,622,622,385**

These Financial Statements should be read in conjunction with the annexed notes

A. QASEM & CO. CHARTERED ACCOUNTANTS

IDLC Finance PLC.
Liquidity statement
As at December 31, 2024

Particulars	Not more than 1 month term	1-3 months term	3-12 months term	1-5 years term	Above 5 years term	Total
	BDT	BDT	BDT	BDT	BDT	BDT
Assets						
Cash in hand (including balance with Bangladesh Bank)	325,000	-	-	1,342,569,718	-	1,342,894,718
Balance with other banks and financial institutions	1,793,281,301	5,013,227,819	2,478,974,726	223,761,837	-	9,509,245,682
Money at call and short notice	-	-	-	-	-	-
Investments	1,401,732,158	2,769,632,687	508,587,391	192,278,688	6,567,495,690	11,439,726,614
Loans and advances	3,959,366,717	8,798,581,996	31,917,942,551	43,857,306,905	24,314,614,682	112,847,812,851
Fixed assets including land, building, furniture and fixtures	8,053,958	15,912,917	66,897,133	416,560,291	913,487,513	1,420,911,812
Other assets	196,722,515	479,424,176	627,161,656	858,704,963	4,099,988,071	6,262,001,382
Non-banking assets	-	-	-	-	-	-
Total assets	**7,359,481,649**	**17,076,779,595**	**35,599,563,458**	**46,891,182,401**	**35,895,585,956**	**142,822,593,059**
Liabilities						
Borrowing from Bangladesh Bank, other banks and financial institutions & its agents	1,366,611,677	3,528,364,198	11,231,988,394	10,324,879,687	1,461,663,677	27,913,507,632
Deposits	4,755,172,489	10,934,945,589	13,914,048,669	53,041,222,041	5,023,712,883	87,669,101,670
Other accounts	-	-	-	-	-	-
Provision and other liabilities	319,312,488	638,776,917	6,134,230,557	4,510,221,472	-	11,602,541,435
Total liabilities	**6,441,096,653**	**15,102,086,704**	**31,280,267,620**	**67,876,323,200**	**6,485,376,559**	**127,185,150,737**
Net Liquidity Gap	**918,384,995**	**1,974,692,891**	**4,319,295,838**	**(20,985,140,799)**	**29,410,209,397**	**15,637,442,322**

These Financial Statements should be read in conjunction with the annexed notes

A. QASEM & CO. CHARTERED ACCOUNTANTS DHAKA

IDLC Finance PLC. and its Subsidiaries
Notes to the consolidated and separate financial statements
As at and for the year ended December 31, 2024

1. Company and its activities

1.1 Legal status and nature of the Company

IDLC Finance PLC. (The Company "IDLC") was incorporated in Bangladesh as a public limited company on May 23, 1985 under the Companies Act, 1913 in its earlier name of Industrial Development Leasing Company of Bangladesh Limited. The Company changed its name in August 2007. The registered office of the company is situated at Bay's Galleria (1st Floor), 57 Gulshan Avenue, Gulshan 1, Dhaka. The Company is registered as a Financial Institution under the Finance Company Act, 2023, governed by Bangladesh Bank (the Central Bank of Bangladesh). The Company went for public issue of its shares in 1993. Its shares are listed in both the Stock Exchanges in Bangladesh.

Bangladesh Bank vide their published gazette no. DFIM(L)/1053/12/2023-4133 dated December 12, 2023, has informed that the name of the Finance company 'IDLC Finance Limited' has been changed to 'IDLC Finance PLC.' with immediate effect.

1.2 Principal activities and nature of operation

When incorporated, the Company started with lease and term financing, as its core businesses. It expanded its activities into 'Short-Term Finance' (factoring of accounts receivable and work order financing) and 'Real Estate Finance' operations in 1997. It also started car loan and personal loan services to individuals in 2004 and 2007, respectively. Now, the company has evolved itself as multiproduct financial institution and holds a strong and diversified footing in Corporate, SME and Retail segments. Not only does IDLC provide diversified loan products to small business and women entrepreneur, they also provide home loans and affordable housing solutions. IDLC also provides loan solutions to corporate clients including providing green banking solutions. After COVID-19, to fulfill the market gap and spread financial inclusivity, IDLC also launched Digital Financing Solutions in 2021 through partnership with Bkash.

The company obtained permission from Bangladesh Bank to operate Islamic Finance Window on 24th August 2022, vide letter No.-DFIM (L)1053/12/2022–2402 . It started its pilot run of its Islamic Finance Window from March 2024.

1.3 Subsidiary companies

1.3.1 IDLC Securities Limited (IDLC SL)

IDLC Securities Limited, a wholly owned subsidiary company (99.99%) of IDLC Finance PLC., was incorporated on April 19, 2006 as a private limited company under Companies Act, 1994. The Company had started its operation from September 2006. The main objective of the Company is to act as a member of stock exchanges to operate the Central Depository System (CDS) and to carry on the business of brokers, jobbers or dealers in stocks, shares, securities, commodities, commercial papers, bonds, obligations and debentures etc.

1.3.2 IDLC Investments Limited (IDLC IL)

As required by the Bangladesh Securities & Exchange Commission (BSEC), the Company formed a separate subsidiary (99.99%) on May 19, 2010 in the name and style of "IDLC Investments Limited" to transfer its merchant banking activities. As per Securities and Exchange Commission (Merchant Banker and Portfolio Manager) Rules, 1996, the services of issue management, portfolio management, underwriting of shares and securities advisory services fall under the purview of merchant banking operation. The Company obtained license from the Bangladesh Securities and Exchange Commission (BSEC) on August 02, 2011 and commenced its business on August 16, 2011.



1.3.3 IDLC Asset Management Limited (IDLC AML)

IDLC Asset Management Limited (IDLC AML), another wholly owned subsidiary company (99.99%) of IDLC Finance PLC., was incorporated on November 19, 2015 as a private limited company under Companies Act, 1994.

The main objective of the Company is to carry out the business of asset management, primarily, through launching and managing mutual funds to cater diverse needs of investors. Beside institutional fund management IDLC AML also facilitates alternative investments in terms of private equity and venture capital.

2. Basis of preparation and significant accounting policies

2.1 Statement of compliance

The consolidated financial statements and separate financial statements of the Company have been prepared on a going concern basis following accrual basis of accounting except for cash flow statement which is stated at market value in accordance with International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) as adopted in Bangladesh by the Institute of Chartered Accountants of Bangladesh, except the circumstances where local regulations differ, and the Financial Reporting Act 2015, the Companies Act, 1994, the Finance Company Act, 2023, Securities and Exchange Rules, 1987 & the (Listing) Regulations, 2015 of Dhaka & Chittagong Stock Exchanges and other applicable laws and regulations.

The presentation of the financial statements has been made as per the requirements of DFIM Circular No: 11, dated December 23, 2009 issued by the Department of Financial Institutions and Markets (DFIM) of Bangladesh Bank. The activities and accounting heads mentioned in the prescribed form, which are not applicable for the financial institutions, have been kept blank in the financial statements.

The requirements of accounting standards as per IFRS that have been departed to comply with Bangladesh Bank requirements have been disclosed in detail in **note-2.3 & Annexure-C.**

However, this departure with IFRS has been made by following all of the relevant provisions of IAS-1 and the details disclosures are given in **note-2.3 & Annexure-C** by following the provision of Para 20 of IAS-1 (Presentation of Financial Statements).

2.2 Basis of measurement

This financial statements have been prepared based on International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) and no adjustment has been made for inflationary factors affecting the financial statements. The accounting policies, unless otherwise stated, have been consistently applied by the Company and are consistent with those of the previous year.

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

Bangladesh Bank (the local Central Bank) is the prime regulatory body for Financial Institutions 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 in **Annexure-C** along with financial impact where applicable.

2.4 Significant accounting policies

Same disclosed accounting policies and methods of computation have been followed in these Financial Statements as were applied in the preparation of the financial statements of IDLC Finance PLC. & Group as at and for the year ended 31 December 2023.



2.5 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 at December 31, 2024;
b) Consolidated and Separate Profit and Loss Account for the year ended December 31, 2024;
c) Consolidated and Separate Statement of Cash Flows for the year ended December 31, 2024;
d) Consolidated and Separate Statement of Changes in Equity for the year ended December 31, 2024;
e) Liquidity Statement as at December 31, 2024;
f) Notes to the Consolidated and Separate Financial Statements ast at and for the year ended December 31, 2024.

2.6 Directors' responsibility statement

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

2.7 Date of authorisation

The Board of directors has authorised this financial statements for public issue on 17 April 2025.

2.8 Presentation and functional currency and level of precision

The financial statements are presented in Bangladesh Taka (BDT) currency, which is the Company's functional currency. All financial information presented in BDT has been rounded off to the nearest BDT.

2.9 Use of estimates and judgments

The preparation of financial statements in conformity with International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses. It also requires disclosures of contingent assets and liabilities at the date of the financial statements.

The most critical estimates and judgments are applied to the following:

- Provision for impairment of loans, leases and investments
- Gratuity
- Useful life of depreciable assets

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

However, the estimates and underlying assumptions are reviewed on an ongoing basis and the revision is recognised in the period in which the estimates are revised. In accordance with the guidelines as prescribed by IAS 37: "Provisions, Contingent Liabilities and Contingent Assets", provisions are recognized in the following situations:

Provisions

Provisions are liabilities that are uncertain in timing or amount. Provisions are recongnized when the Group has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.



Contingent Liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or the Group has a present obligation as a result of past events but is not recognized because it is not likely that an outflow of resources will be required to settle the obligation; or the amount cannot be reliably estimated. Contingent liabilities normally comprise legal claims under arbitration or court process in respect of which a liability is not likely to occur.

Contingent Assets

A contingent asset is possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Contingent assets are never recognized, rather they are disclosed in the financial statements when they arise.

2.10 Basis of consolidation of operations of subsidiaries

The financial statements of the Company and its subsidiaries, as mentioned in note No. 1.3.1, 1.3.2 and 1.3.3 have been consolidated in accordance with International Financial Reporting Standard (IFRS) 10 "Consolidated Financial Statements". The consolidation of the financial statements have been made after eliminating all material inter company balances, income and expenses arising from 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 taxation pertaining to non-controlling shareholders being deducted as 'Non-controlling Interest'.

All assets and liabilities of the Company and of its subsidiaries are shown in the consolidated balance sheet. The interest of non-controlling shareholders of the subsidiary are shown separately in the consolidated balance sheet under the heading 'Non-controlling Interest'.

2.11 Branch accounting

The Company has over forty branches, with no overseas branch as on December 31, 2024. Accounts of the branches are maintained at the head office from which these accounts are drawn up.

2.12 Accounting for term finance & other finances

Books of accounts for term finance operation are maintained based on the accrual method of accounting. Outstanding loans, along with the accrued interest thereon, for short-term finance, and unrealised principal for long-term finance, real estate finance, car loans and other finances are accounted for as term finance assets of the Company. Interest earnings are recognised as operational revenue periodically.



2.13 Accounting policy for Leases (IFRS 16)

IDLC as a lessee

IDLC 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, IDLC '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 IDLC 's estimate of the amount expected to be payable under a residual value guarantee, or if IDLC 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.

IDLC presents right of use assets in **Annexure A** and lease liabilities in **note-12.1** separately.

A. QASEM & CO. CHARTERED ACCOUNTANTS

2.14 Accounting for Margin Loan

Margin Loan to Portfolio investors is given at an agreed ratio (not more than the ratio prescribed by BSEC) between investor's deposit and loan amount to purchase securities against respective investor account. The new investor are to maintain the margin as per set rules and regulations. The margin is monitored on daily basis as it changes due to changes in market price of share. If the margin falls below the minimum requirement, the investors are required to deposit additional fund to maintain the margin as per rules otherwise the securities are sold to bring the margin to the required level.

2.15 Investment in securities

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 closing of the year on an aggregate portfolio basis is made in the financial statements as required by Bangladesh Bank FID Circular No. 08 Dated 03 Aug 2002.

As per 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. In case of valuation of investment in government bonds (Note-6), we have followed amortised cost method, as it meets both of the following assessment criteria:
i) Business model assessment: The asset is held within a business model whose objective is to hold the financial asset in order to collect contractual cash flows; and

ii) Contractual cash flow assessment: The contractual terms of the financial asset give rise to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding on a specified date.

2.16 Property and equipment

i) Recognition and measurement

Own assets

Items of own fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the assets to its working condition for its intended use as per International Accounting Standard (IAS) 16: "Property, Plant and Equipment".

ii) Subsequent expenditure on Fixed assets

Subsequent expenditure is capitalised only when it increases the future economic benefit from the assets and that cost can be measured reliably. All other expenditures are recognised as an expense as and when they are incurred.

iii) Depreciation

Depreciation is charged to amortise the cost of assets, over their estimated useful lives, using the straight-line method in accordance with IAS-16: "Property, Plant and Equipment". Full depreciation is charged on additions irrespective of date in the month in which the related assets are put into use and no depreciation is charged from the month of disposal. Asset category wise depreciation rates are as follows:

Particulars of Property, Plant & Equipment	Rates (Yearly)
Furniture and fixtures	12.50%
Building	2.50%
Electrical equipment	20.00%
Curtain and carpets	33.33%
Office equipment	20.00%
Office decoration	20.00%
Telephone and telex	33.33%
Motor vehicles	25% & 12.5%
Computers	20.00%
Software (Office Operation)	33.33%
Software (Business Operation)	20.00%
Right-of-use Asset	Lease term

A. QASEM & CO. CHARTERED ACCOUNTANTS

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the profit and loss account.

Depreciation methods, useful lives and residual values, if any are reviewed at the balance sheet date.

2.17 Intangible assets and amortisation of intangible assets

Recognition & Measurement

Intangible assets comprise the value of computer software. Intangible assets acquired separately are measured on initial recognition at cost and are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

Amortisation

Amortisation is calculated using the straight line method to write down the cost of intangible assets to their residual values over their estimated useful lives based on the management best estimates of 3 or 5 years.

Subsequent expenditure

Subsequent expenditure on software assets is capitalised only when it increases the future economic benefits in the specifications to which it relates. All other expenditures are expensed as incurred.

2.18 Revenue recognition

Revenue is only recognised when it meets the following five steps model framework as per IFRS 15: "Revenue from Contracts with Customers"

a) identify the contract (s) with a customers;
b) identify the performance obligations in the contract;
c) determine the transaction price;
d) allocate the transaction price to the performance obligations in the contract;
e) recognise revenue when (or as) the entity satisfies a performance obligation.

Interest income from loans and other sources is recognised on an accrual basis of accounting and where applicable, on the basis of instruction from Bangladesh Bank considering on the future risk of recovery. Late payment fee is recognised on certainty basis.

Lease income

Finance lease income is allocated over the lease term on a systematic and rational basis. This income allocation is based on a pattern reflecting a constant periodic return on net investment in the finance lease. The unearned lease income is recognised on installment date as revenue on an accrual basis over the terms of the lease. However, lease income is not recognised if capital or interest receivable is in arrears for more than three months.

Interest on real estate finance

Interest on real estate finance is recognised as revenue on an accrual basis and no interest on real estate finance is accounted for as revenue where any portion of capital or interest is in arrear for more than nine months.

Interest on term loans and short term finance

Interest on term loan and short term finance is recognised as revenue on an accrual basis and interest income on term loan is not recognised where any portion of interest is in arrear for more than three months.

Portfolio management fee

Portfolio management fees are recognised on the market value of the clients' portfolio on monthly basis and charged to client's balance on quarterly basis.

Issue management & Corporate advisory fee

Issue management and corporate advisory fees are recognised according to the stage of completion of services as agreed and defined in issue management and corporate advisory agreement between company and clients.



Brokerage commission

Brokerage commission is recognised as income when selling or buying order is signed and trade is executed.

Dividend income

Dividend is recognised as income when the right to receive income is established.

Profit or loss on sale of securities

Profit or loss arising from the sale of securities is accounted for only when the securities are sold/offloaded.

Fee based revenues

Fees on services rendered by the company are recognised as and when services are rendered.

Mutual fund management fees

As per the Securities and Exchange Commission (Mutual Fund) Rules, 2001, the Fund shall pay a management fee based on following criteria:

a. 2.50 percent per annum of the weekly average NAV up to BDT 5.00 crore (Five crore BDT);

b. 2.00 percent per annum for additional amount of the weekly average NAV up to BDT 25.00 crore (Twenty Five crore BDT) over BDT 5.00 crore (Five crore BDT);

c. 1.50 percent per annum for additional amount of the weekly average NAV up to BDT 50.00 crore (Fifty crore BDT) over BDT 25.00 crore (Twenty Five crore BDT); and

d. 1.00 percent per annum for additional amount of the weekly average NAV over BDT 50.00 crore (Fifty crore BDT), accrued and payable quarterly at the end of the period.

Mutual fund formation fee

As per the Securities and Exchange Commission (Mutual Fund) Rules, 2001, the Fund shall pay Mutual Fund Formation fee to the Asset Management Company as mentioned in the Published Prospectus of the Fund approved by Bangladesh Securities and Exchange Commission.

Mutual fund Pre-scheme formation fee

As per BSEC Directive vide ref no.: SEC/CMRRCD/2009 – 193/ 160 dated 28 May 2014, Asset Manager can accrue management fees from scheme of the Mutual Fund for the period starting from the registration date of the scheme to pre-trade period according to the Rule 65(2).

2.19 Interest suspense account

Lease income earned, interest on term finance (car loans, personal loans) overdue beyond three months period and interest on real estate finance overdue beyond nine months period and interest on short term finance overdue beyond permitted credit term plus ninety days period are not recognised as revenue and are credited to the interest suspense account.

2.20 Accounts receivable

Accounts receivable at the balance sheet date is stated at amounts which are considered realisable. Specific allowance is made for receivable considered to be doubtful for recovery.

2.21 Securitization

Securitization of various leases/loans result in sale of these assets to Special Purpose Vehicles ('SPVs'), which, in turn issue securities to investors. Financial assets are partially or wholly derecognised when the control of the contractual rights in the securitized assets are lost.



2.22 Borrowing cost

Borrowing costs are recognised as expense in the year in which they are incurred unless capitalisation is permitted under International Accounting Standard (IAS) 23: "Borrowing Costs".

2.23 Cash flow statements

Cash flow statements are prepared using the direct method as stipulated in International Accounting Standard (IAS) 7: "Cash Flow Statements", and in accordance with the instruction of Bangladesh Bank.

2.24 Conversion of foreign currency transactions

Foreign currency transactions are translated into BDT at rates prevailing at the respective dates of transactions, while foreign currency monetary assets at the end of the year are reported at the rates prevailing on the balance sheet date. Exchange gains or losses arising out of the said conversions are recognised as income or expense for the year after netting off.

2.25 Provision for doubtful accounts and future losses

Provision has been made at estimated rates on outstanding exposures, based on aging, continuous review of the receivables and in accordance with policy and instructions from Bangladesh Bank. A general provision has been made by the company to cover unforeseen losses on all leases and loans excluding those for which a specific provision has been kept. The provision is considered adequate to meet any probable future losses.

2.26 Write-off

Write-off describes a reduction in recognised value. It refers to the recognition of the reduced or zero value of an asset. Generally it refers to an investment for which a return on the investment is now impossible or unlikely. The item's potential return is thus cancelled and removed from ("written-off") the Company's balance sheet.

Recovery against debts written-off/provided for is credited to revenue. Income is recognized where amounts are either recovered and/or adjusted against securities/properties or advances there-against or are considered recoverable.

2.27 Employees' benefit obligation

2.27.1 Defined contribution plan

The Company operates a contributory provident fund scheme for its permanent employees. Provident fund is administered by a Board of Trustees and is funded by equal contributions both by the employees and the Company at a predetermined rate. The contributions are invested separately from the Company's asset.

2.27.2 Defined benefit plan

The Company also operates a funded gratuity scheme (which is a defined benefit scheme as specified in IAS 19). Gratuity fund is administered by a Board of Trustees and Company contributions are invested separately from company assets. Employees are entitled to gratuity benefit after completion of minimum years of service with the Company. The Company is contributing to the fund as prescribed by actuarial valuation report. The gratuity is calculated on the last basic pay and is payable at the rate of below table:

Duration of the services	Amount entitled of receive
For services from 05 to below 10 years	One month's basic pay for each year of service.
For services from 10 to below 15 years	One & a half month's basic pay for each year of service .
For services from 15 years & above	Two month's basic pay for each year of service

2.27.3 Other employees benefit obligation

The Company operates a group life insurance scheme for its permanent employees.

The Company also has real estate loan for its permanent employees. Employees are entitled to real estate loan after completion of minimum five years of services with the Company. In case of lateral entry, there are few exceptions also.



2.28 Taxation

Tax expense comprises of current and deferred tax.

2.28.1 Deferred tax

The Company accounts for deferred tax as per International Accounting Standard (IAS) 12: "Income Taxes". Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. It is measured at the tax rates that are expected to be applied to the temporary differences when they reverse based on the laws that have been enacted or substantively enacted by the date of reporting of the financial statements.

The Company provides disclosures based on the classes of assets and liabilities related to the temporary differences. Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax liabilities are recognized for all taxable temporary differences and it is probable that temporary differences will not reverse in the foreseeable future. Both the Deferred tax assets and liabilities are reviewed at each reporting date considering the probability of benefit or detriment realizable. Deferred tax assets and liabilities are not offset and are presented separately as per Bangladesh Bank directive.

2.28.2 Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any, in accordance with provisions of Income Tax Act 2023. It is measured using tax rates enacted or substantively enacted at the reporting date. Applicable tax rate for the Company for the year 2024 are mentioned below:

Regular business tax rate	Rates
IDLC Finance PLC.- Publicly traded Financial institution	37.50%
IDLC SL- Private Limited company	25.00%
IDLC IL- Merchant Bank	37.50%
IDLC AML- Private Limited company	25.00%

Other business tax rate	Rates
Dividend income	20.00%
Asset Management fee of Mutual funds	15.00%
Capital gain on sale of fixed assets	15.00%
Capital gain on sale of marketable securities	15.00%

The Company's existing accounting policy for uncertain income tax treatments is consistent with the requirements of IFRIC 23 Uncertainty over Income Tax Treatments, which became effective on 1 January 2019.

2.29 Impairment of long-lived assets

The Company reviews 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. 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.

2.30 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, cash at bank, term deposits and investment in call loan that are readily convertible to a known amount of cash (with less than three months maturity) and that are subject to an insignificant risk of change in value.

2.31 Bank loans

Bank loans are recorded at the proceeds received. Interest on bank loans is accounted for on accrual basis and charged to profit and loss account.



2.32 Earnings Per Share (EPS)

The Company calculates earnings per share in accordance with International Accounting Standard (IAS) 33: "Earnings Per Share" which has been shown in the face of the Profit and Loss Account and the computation is stated in note 36.

2.33 Related party disclosure

As per International Accounting Standard (IAS) 24: "Related Party Disclosures", parties are considered to be related if one of the party 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 its related parties. Related party disclosures have been given in note 40.

2.34 Statutory reserves

As per clause no 6 of Financial Institutions Regulations, 1994, Financial Institution is required to transfer at least 20% of it's profit after tax and before appropriation of dividend in a particular year, if the financial institution's sum of Share Premium Account (if any) and Statutory Reserves is less than the required paid up capital of that financial institution. Accordingly to DFIM Circular no 05, dated July 24, 2011, required capital for financial institution should not be less than BDT 100 crore or minimum capital required based on risk-weighted asset. Accordingly, 20% of current year's profit after tax has been transferred to Statutory Reserves Account.

2.35 Determination and presentation of operating segment

After incorporation, the company started with lease and loan as its core financing business. By times, it diversified its business into investment banking business, brokerage business and asset management business. The company has decided it's various operating segment considering nature of segmental business. Thus four operating segments of the Group are reported and presented. Profit and loss account of above operations and other operation have been prepared in accordance with International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS), and results of its operation has been combined, item by item, with the financial results of the Company.

Compliance with International Financial Reporting Standard (IFRS)

As on January 01, 2010, the Company determines and presents operating segments based on information that is internally provided to the Company's Management Committee (ManCom), which is the Company's Chief Operating Decision Maker (CODM). This is due to the adoption of the International Financial Reporting Standard (IFRS) 8 " Operating Segments". Since the adoption of this IFRS only affects presentation and disclosure aspects, there is no impact on the earnings per share.

An operating segment is a component of the Company that engages in business activities from which it may earn revenue and incur expenses, including revenues and expenses that relate to transactions with the Company's other components, whose operating results are regularly reviewed by the Company's ManCom to make decisions about resources allocated to the segments and assess its performance and for which discrete financial information is available.

For the separate financial statements, the Company has determined one reportable segments such as core financing business and for the consolidated financial statements, the subsidiaries of the Company have been determined to be a separate reportable segment in addition to the other segments. Thereafter, for the separate financial statements, the Company has one reportable segment which is core financing business and for the consolidated financial statements, the subsidiaries of the Company (IDLC Securities Limited, IDLC Investments Limited and IDLC Asset Management Limited) have been determined to be three separate reportable segments in addition to the core financing business.

Information about operating segment has been presented in note 34.



2.36 Dividend

Dividend is proposed, paid and recorded in line with all regulatory guidelines and on company policy. DFIM Circular no.01, dated February 24, 2021, and DFIM Circular Letter No. 04, dated March 22, 2021, and BSEC Directive no. BSEC/CMRRCD/2021-386/03, dated January 14, 2021, has been complied with and disclosures presented in Note 12.7

2.36.1 Proposed dividend

Proposed dividend has not been recognised as a liability in the balance sheet in accordance with International Accounting Standard (IAS) 10: "Events After the Reporting Period".

2.37 Events after the reporting period

All material events occurring after the reporting date have been considered and where necessary, adjusted for or disclosed in note 45.

2.38 Minority interest in subsidiaries

A minority interest, which is also referred to as noncontrolling interest (NCI), is ownership of less than 50% of a company's equity by an investor or another company. For accounting purposes, minority interest is a fractional share of a company amounting to less than 50% of the voting shares. Minority interest shows up as a noncurrent liability on the balance sheet of companies with a majority interest in a company, representing the proportion of its subsidiaries owned by minority shareholders. Also, minority interest is reported on the consolidated income statement as a share of profit belonging to minority shareholders.

2.39 Liquidity statement

The liquidity statement has been prepared in accordance with remaining maturity grouping of Assets and Liabilities as of the close of the year as per following basis:

a) Balances with other banks and financial institutions are on the basis of their maturity term & behavioral aspect.
b) Investments are on the basis of their expected liquidation & residual maturity term.
c) Loans, advances and leases are on the basis of their repayment/maturity schedule.
d) Fixed assets are on the basis of their useful lives.
e) Other assets are on the basis of their adjustment terms.
f) Borrowings from other banks and financial institutions as per their maturity/repayment terms.
g) Deposits and other accounts are on the basis of their maturity term and behavioral past trends.
h) Other long term liabilities are on the basis of their maturity terms.
i) Other liabilities are on the basis of their settlement terms & behavioral aspect.



2.40 Status of compliance of International Accounting Standards and International Financial Reporting Standards

In addition to compliance with local regulatory requirements, in preparing the Consolidated Financial Statements and Separate Financial Statements, IDLC applied following IAS and IFRS:

Name of the IAS	IAS No.	Status
Presentation of Financial Statements	1	Applied *
Inventories	2	N/A
Statements of Cash Flow	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 and Equipment	16	Applied
Employee Benefits	19	Applied
Accounting for Government Grants and Disclosure of Government Assistance	20	N/A
The Effects of Changes in Foreign Exchange Rates	21	Applied
Borrowing Costs	23	Applied
Related Party Disclosures	24	Applied
Accounting and Reporting by Retirement Benefit Plans	26	N/A
Separate Financial Statements	27	Applied
Investment in Associates and Joint Ventures	28	N/A
Financial Reporting in Hyperinflationary Economics	29	N/A
Interests in Joint Ventures	31	N/A
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
Investment Property	40	N/A
Agriculture	41	N/A

Name of the IFRS	IFRS No.	Status
Share Based payment	2	N/A
Business combination	3	N/A
Non-current assets held for sale and discontinued operation	5	N/A
Exploration for and Evaluation of Mineral Resources	6	N/A
Financial Instruments: Disclosures	7	Applied *
Operating Segments	8	Applied
Financial Instruments	9	Applied *
Consolidated Financial Statements	10	Applied
Joint Arrangement	11	N/A
Disclosure of Interest in Other Entities	12	N/A
Fair Value Measurement	13	Applied *
Revenue from Contracts with customers	15	Applied
Leases	16	Applied
Insurance contracts	17	N/A

N/A= Not Applicable

* As the regulatory requirements differ with the standards, relevant disclosures have been made in accordance with Bangladesh Bank's requirements (please see note 2.3 & Annexure C).



2.41 BASEL II & its implementation

To cope with the international best practices and to make the capital more risks sensitive as well as more shock resilient, guidelines on 'Basel Accord for Financial Institutions (BAFI)' were introduced on January 01, 2011 on test basis by the Bangladesh Bank. At the end of test run period, Basel Accord regime started and the guidelines namely "Prudential Guidelines on Capital Adequacy and Market Discipline for Financial Institutions (CAMD)" came fully into force from January 01, 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 FIs for the purpose of statutory compliance. As per CAMD guidelines, Financial Institutions should maintain a Capital Adequacy Ratio (CAR) of minimum 10%. In line with CAMD guideline's requirement, IDLC has already formed BASEL Implementation Unit (BIU) to ensure timely implementation of BASEL II accord. Latest status of Capital Adequacy Ratio (CAR) has been shown in note - 13.1

2.42 Risk management

IDLC always concentrates on delivering high value to its stakeholders through appropriate trade-off between risk and return. A well structured and proactive risk management system is in place within the organization to address risks relating to credit, market, liquidity, operations and money laundering and terrorist financing. In addition to the industry best practices for assessing, identifying and measuring risks, IDLC also considers guidelines for managing core risks of financial instructions as issued by the Country's Central Bank, Bangladesh Bank, vide FID Circular No. 10 dated September 18, 2005 for management of risks and, more recently, DFIM Circular No. 03 dated January 24, 2016.

Credit Risk

To encounter and mitigate credit risk, the company employs multilayer approval process; policy for maximum exposure limit of sector or groups; policy for internal risk rating systems and risk based pricing; review of key industry parameters; probability of default (PD) estimation; mandatory search for credit report from Credit Information Bureau; review of past payment performance of customer before financing; annual review of clients; adequate insurance coverage for funded assets; vigorous monitoring and follow up by Special Assets Management Team; strong follow up of compliance of credit policies by Internal Control and Compliance Department (ICCD); taking collateral; obtaining external legal opinion; maintaining neutrality in politics and following arm's length approach in related party transactions; regular review of market situation; default case analysis and industry exposure, etc.

The Credit Evaluation Committee (CEC) regularly meets to review the market and credit risk related to lending and recommend and implement appropriate measures to counter associated risks. The CEC critically reviews projects from risk point of view. An independent Credit Risk Management Department is in place, at IDLC, to scrutinize projects from a risk-weighted point of view and assist the management in creating a high quality credit portfolio and maximize returns from risk assets.

Market Risk

The Asset Liability Management Committee (ALCO) of the Company regularly meets to assess the changes in interest rate, market conditions, carry out asset liability maturity gap analysis, re-pricing of products and thereby takes effective measures to monitor and control interest rate risk. IDLC has also strong access to money market and credit lines at a competitive rate through good reputation, strong earnings, financial strength, good governance and credit rating.

Liquidity Risk

Liquidity requirements are managed on a day-to-day basis by the Treasury Division which is responsible for ensuring that sufficient funds are available to meet short term and long term obligations, even in a crisis scenario, and for maintaining a diversity of funding sources. Treasury Division maintains liquidity based on historical requirements, anticipated funding requirements from operation, current liquidity position, collections from financing and available sources of funds. An optimal match of risk and return is maintained while fulfilling liquidity requirements.



Operational Risk

As per Basel II, Operational risk (OR) refers to the risk of loss resulting from inadequate or failed internal processes, people and systems; or from external events. Basically, it is the risk of financial losses related to breakdown in internal control and corporate governance.

Operational Risk Management (ORM) deals with the risk of a change in value caused by the fact that actual losses incurred for inadequate or failed internal processes, people and systems, or from external events. Operational Risk Management (ORM) proactively assists the businesses, operations & technology, and support functions in enhancing the effectiveness of controls and managing operational risks across products, business lines and regions. Appropriate Operational Risk Management Framework (ORMF) are in place, at IDLC, to address operational risks. The ORM wing assesses operational risk across the company as a whole and ensures that an appropriate framework exists to identify, assess, report and manage operational risk.

Money Laundering and Terrorist Financing Risk

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

a) Business risk which is the risk that IDLC may be used for money laundering or for the financing of terrorism and

b) Regulatory risk which is the risk that IDLC fails to meet regulatory obligations under the Money Laundering Prevention

Act 2012 (subsequently amended in 2015) and the Anti-Terrorism Act 2009 (subsequently amended in 2012 and 2013).

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

a) Internal policies, procedures and controls, which are continually updated as and when required, to identify and report instances of money laundering and terrorism financing;
b) A dedicated structure and sub-structure within the organisation, headed by a Central Compliance Unit (CCU), for proactively managing AML and CFT compliance;
c) Appointment of an AML/CFT Compliance Officer, known as the Chief Anti Money Laundering Officer (CAMLCO), to lead AML/CFT efforts throughout the company;
d) Independent audit functions, including internal and external audit, to test the programs;
e) Ongoing employee training programs.

Additional risks required to be addressed under regulatory requirements

DFIM Circular No.03 of 2016, introduced the Integrated Risk Management Guidelines for Financial Institutions ("the guidelines"). These guidelines supplement, and do not replace, existing risk management guidelines.

The Integrated Risk Management Guidelines for Financial Institutions specify a number of additional risks that financial institutions are now required to manage in a more structured manner. Key among these are:

Strategic Risk

Strategic risk has been defined as the risk of possible losses that might arise from adverse business decisions, substandard execution and failure to respond properly to changes in the business environment. The guidelines set out the respective roles of the board of the directors, senior management and business units in managing strategic risks, identify the steps to be followed in the strategic risk management process and also suggest measures for strategic risk control.

IDLC's strategic risk management efforts are evident from the constantly evolving business model of the company over the years, in alignment with changing market dynamics, risks and opportunities. Being said, the company has a clear strategic vision as to what it wants to be and a mission statement that states what it will do to achieve it. Strategic issues are discussed at a variety of forums including meetings of the Management Committee and of the IDLC Board. IDLC also has a separate Strategic Planning department to assist senior management in this regard. The culmination of all these efforts are reflected in annual Strategy and Budget sessions, where the company sets out its plans for the next year. The company keeps track of internal and external factors to align and update the strategy as and when required, monitors implementation, and evaluates performance for strategic risk management.



Compliance Risk

Compliance risk is defined as the current or prospective risk of legal sanction and/or material financial loss that an organisation may suffer as a result of its failure to comply with laws, its own regulations, code of conduct, and standards of best practice as well as from the possibility of incorrect interpretation of laws or regulations. The guidelines set out the respective roles of the board, senior management and compliance function units in managing compliance risks and also require formulation of a written compliance risk management policy.

Historically, IDLC has always fostered a compliance oriented culture. This has been reinforced in a variety of ways, ranging from formal requirements to sign declarations of compliance with the IDLC code of conduct (which requires compliance with the law & regulations) to repeated communications from senior management stressing the need to do business in a compliant manner. In general, compliance risk management is embedded in the day to day to business processes and practices of the company. Concerned departments are kept informed of latest legal and regulatory requirements by the ICC and Corporate Affairs departments. A consideration of compliance (or any potential non-compliance) with laws and regulations is a standard part of the company's regular decision making processes. Wherever deemed necessary, appropriate legal advice is sought from qualified internal and/or external legal counsel. In addition, compliance with laws and regulations has been introduced as a Key Control Standard (KCS) under the Operational Risk Management self-assessment toolkit. Unit operational risk managers are required to actively consider relevant legal and regulatory compliance requirements using the toolkit.

Reputation Risk

Reputation risk may be defined as the risk of loss arising from damage to an organization's reputation. The guidelines set out the respective roles of the Board and senior management in managing reputation risk and also require financial institutions to implement a sound and comprehensive risk management process to identify, monitor, control and report all reputational risks.

IDLC has already established a set of non-financial reputational risk indicators and put in place a process for monitoring these and any other matters that might give rise to potential reputational risk issues. Till date, no material reputational risk issue involving the company has been identified.

Environmental & Social Risk

As the best financial brand in promoting sustainable business practices, IDLC have adopted Environmental & Social Risk Management System (ESMS) as one of its integral parts of Credit Risk Assessment to compute environmental & social risks from its financial footprints. IDLC is one of the front runners to practice ESMS within its framework, a global standard to minimize environmental & social risks from the organizational activities. Even before the regulatory requirement, IDLC has been vigilant in forming commendable framework for incorporating environmental and social factors in financing decisions. Till 2021, IDLC had its own ESMS system based on the Environmental & Social Risk Management Guideline (2017) by Bangladesh Bank, the Environment Conservation Rules 1997, IFC Performance Standards, and ADB Safeguard Policy for financing. This mentionable efficient ESMS tool, blending the local & international standards, was developed with the co-operation of FMO (Netherlands Development Finance Company). From the year 2022, with the support and guidance of Bangladesh Bank, IDLC is strictly following an Excel based Environmental and Social Risk Due Diligence (ESDD) process. The current ESDD process covers three sections – i) General Risks, ii) Environmental & Health Risks and iii) Social Risks. Moreover, it contains specific notes on ten (10) different vulnerable sectors of Bangladesh. In addition to all these, with the help of an exclusion list, IDLC is contributing to protect the Mother Nature by prohibiting any illegal/high E&S risk associated project financing. IDLC adopted ten(10) UNGC (United Nations Global Compact) principles within its organizational framework as the only member of UNEP FI (United Nations Environment Programme Finance Initiative) from Bangladesh. IDLC is also one of the founding signatories to the Principles for Responsible Banking (6 principles), the Collective Commitment to Climate Action (CCCA) and the Net Zero Banking Alliance (NZBA), global initiatives introduced by UNEP FI, and signed the pledge of Tobacco Free Portfolios as well. Involvement with these initiatives guides IDLC to align its ESMS practices considering Global standards and adopt the best practices through peer learning. A dedicated E&S team is working collaboratively to ensure Environmental & Social Risk Management (ESRM) effectively across IDLC, and capacity building of business units as well as credit risk management officials to seize the opportunities of evolving economy and society towards sustainability. IDLC envisions in 21st century to create value for both society and stakeholders, and remain trustworthy as always amongst investors, customers, employees and society.

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2.43 Custodial Service

IDLC Finance PLC. is a registered Security Custodian vide registration license no SC-06/2007 dated May 24, 2007 issued by Bangladesh Securities and Exchange Commission. To facilitate this service IDLC Finance PLC. has also obtained Custody Depository participant License vide registration license no. BSEC/Registration/ CDBL-DP-414, dated December 17, 2014 issued by Bangladesh Securities and Exchange Commission. The major responsibilities of the Security Custodian are as follows:

- Custody of client's securities;
- Collection, book keeping and communication of gain, income, profit, stake on behalf of clients;
- Collection, communication, dissemination and book keeping of any declaration, published or publicly available information, statement etc. of securities issuer;
- Administer client's security and account.

IDLC Finance PLC. as a Security Custodian confirms that proper internal audit and evaluation process are in place to ensure the following:

- Secure and appropriate custodial service;
- No unwarranted change in the assets, records, agreements etc. occur;
- Each client receives his/her due dividends, bonus share, right share, interest, principal etc. in a timely manner;
- Prevent loss, theft, damage due to natural calamity.

In 2024, IDLC did not enter into any new security custodian agreement.

Since 2020, IDLC Finance PLC. is providing security custodian service to Axiata Investments (Labuan) Limited, Axiata Group Berhad & Bharti International (Singapore) Pte. Limited. These entities hold 4,714,139,961 shares of Robi Axiata Limited in aggregate.

From 2017, IDLC is providing security custodian service to SEAF Bangladesh Ventures LLC for ordinary shares of ADN Telecom Limited whose current holding stands at 1,285,832.

IDLC is also providing security custodian services to RAK Ceramics PJSC, UAE through an agreement entered in 2014. As on December 31, 2023, IDLC Finance PLC. is the custodian of 291,586,597 ordinary shares of RAK Ceramics (Bangladesh) Limited held by RAK Ceramics, PJSC, UAE and 7 individual sponsor shareholders.



		IDLC Finance PLC.		IDLC Group	
		31.12.2024 BDT	31.12.2023 BDT	31.12.2024 BDT	31.12.2023 BDT
3	**Cash**				
3.1	**Cash in hand (including foreign currencies)**				
	In local currency	325,000	325,000	420,000	420,000
	In foreign currency	-	-	-	-
		325,000	325,000	420,000	420,000
3.2	**Balance with Bangladesh Bank and its agent (including foreign currencies)**				
	In local currency	1,342,569,718	1,298,197,218	1,342,569,718	1,298,197,218
	In foreign currency	-	-	-	-
		1,342,569,718	1,298,197,218	1,342,569,718	1,298,197,218
		1,342,894,718	1,298,522,218	1,342,989,718	1,298,617,218

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

Cash Reserve Requirement and Statutory Liquidity Reserve have been calculated and maintained in accordance with Finance Company Act, 2023 & Financial Institutions Regulations, 1994, FID Circular No. 06, dated November 06, 2003, FID Circular No. 02 dated November 10, 2004, DFIM Circular Letter No. 01, dated January 12, 2017 and DFIM Circular Letter No. 03, dated June 21 2020.

Cash Reserve Requirement (CRR) has been calculated at the rate of 1.5% on Total Term Deposits which is preserved in current account maintained with Bangladesh Bank. 'Total Term Deposit' means Term or Fixed Deposit, Security Deposit against Lease/Loan and other Term Deposits, received from individuals and institutions (except Banks & Financial Institutions).

Statutory Liquidity Reserve (SLR) has been calculated at the rate of 5.0% on total liabilities, including CRR of 1.5% on Total Term Deposit, as per DFIM circular no. 03 June 21, 2020. SLR is maintained in liquid assets in the form of cash in hand (notes & coin in BDT), balance with Bangladesh Bank and other Banks and Financial Institutions, unencumbered treasury bill, bond and any other assets approved by Government gazette or by Bangladesh Bank.

a)	**Cash Reserve Requirement**				
	Required reserve	1,270,278,344	1,164,243,767	1,270,278,344	1,164,243,767
	Actual reserve maintained	1,298,486,075	1,229,910,894	1,298,486,075	1,229,910,894
	Surplus/ (deficit)	28,207,731	65,667,127	28,207,731	65,667,127
b)	**Statutory Liquidity Reserves**				
	Required reserve (including CRR)	5,221,503,068	5,310,554,518	5,221,503,068	5,310,554,518
	Actual reserve maintained (including CRR) (note 3.3.1)	5,622,355,377	5,484,164,863	5,622,355,377	5,484,164,863
	Surplus/ (deficit)	400,852,309	173,610,345	400,852,309	173,610,345
3.3.1	**Actual reserve maintained (including CRR)**				
	Dhaka Bank PLC.	2,079,843,138	460,392,871	2,079,843,138	460,392,871
	Shahjalal Islami Bank PLC.	36,603,211	-	36,603,211	-
	The Premier Bank PLC.	166,642,266	420,337,101	166,642,266	420,337,101
	Bangladesh Bank	1,322,593,455	1,171,869,077	1,322,593,455	1,171,869,077
	NRB BANK Limited	277,634,108	764,841,163	277,634,108	764,841,163
	Meghna Bank PLC.	419,968,127	500,000,000	419,968,127	500,000,000
	Modhumoti Bank PLC.	100,000,000	-	100,000,000	-
	Standard Bank Limited	719,286,571	-	719,286,571	-
	Govt. Treasury Bond	499,784,500	-	499,784,500	-
	Export Import Bank of Bangladesh Limited	-	2,166,724,650	-	2,166,724,650
		5,622,355,377	5,484,164,863	5,622,355,377	5,484,164,863
4	**Balance with other banks and financial institutions in Bangladesh**				
4(a)	**Inside Bangladesh:**				
	Current deposits in local currency				
	Woori Bank	953,940	1,007,030	953,940	1,007,030
	Bank Al- Falah Limited	229,850	230,920	229,850	230,920
	One Bank PLC.	-	-	141,115	91,765
	Jamuna Bank PLC.	749,410	3,330	782,436	37,518
	The City Bank PLC.	11,896,498	49,716,176	13,168,188	51,037,342
	National Bank PLC.	799,554	849,916	799,554	849,916
	Islami Bank Bangladesh PLC.	35,442,790	13,599,974	35,442,790	13,599,974
	Bank Asia Limited	43,984,780	35,796,552	43,984,780	35,796,552
	State Bank of India	41,134	41,824	41,134	41,824
	Commercial Bank of Ceylon PLC.	3,243,907	1,694,593	3,364,939	1,748,353
	NCC Bank PLC.	13,482,633	9,339,800	184,587,573	54,876,440
	Citibank N.A	2,413,615	1,979,056	2,413,615	1,979,056
	Standard Chartered Bank	34,970,807	148,665,428	69,614,242	277,837,654
	Mutual Trust Bank PLC.	10,911,507	5,227,200	10,911,507	5,227,200
	Exim Bank Limited	1,164,450	1,659,639	1,164,450	1,659,639
	Dutch Bangla Bank PLC.	26,582,509	33,260,622	26,582,509	33,260,622
	BRAC Bank PLC.	15,912,972	57,501,794	469,569,983	73,155,809
	Dhaka Bank PLC.	24,577,693	18,129,205	293,395,600	18,143,063
	United Commercial Bank PLC.	21,250,886	11,408,223	21,250,886	11,408,223
	NRB Bank Limited	-	-	46,827	47,022
	Mercantile Bank PLC.	11,420,681	12,364,799	11,420,681	12,364,799
	bKash Limited	44,041,067	47,711,189	44,041,067	47,711,189
	Nagad	21,939	-	21,939	-
	IDLC Investments Limited	3,093,285	1,157,881	-	-
		307,185,907	451,345,151	1,233,929,604	642,111,911

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	IDLC Finance PLC.		IDLC Group	
	31.12.2024 BDT	31.12.2023 BDT	31.12.2024 BDT	31.12.2023 BDT
Short-term deposit accounts				
Prime Bank PLC.	13,133,332	16,109,818	13,133,332	16,109,818
The City Bank PLC.	556,947	133,061,696	3,292,809	150,192,738
BRAC Bank PLC.	-	-	-	411,746,109
Southeast Bank PLC.	12,984,432	22,997,069	12,984,432	22,997,069
Citibank N.A.	1,650,658	4,776,375	1,650,658	4,776,375
Standard Chartered Bank	75,905,318	170,053,559	76,022,293	170,524,081
Commercial Bank of Ceylon PLC.	1,027,294,698	25,624,947	1,027,294,698	25,624,947
One Bank PLC.	1,352,943	2,003,730,538	1,352,943	2,003,730,538
NCC Bank PLC.	38,130	11,227,687	198,712	11,423,262
Exim Bank Limited	456,259,934	1,527,394,427	458,985,463	1,856,320,901
NRB Bank Limited	461,277,088	819,099,575	461,277,088	819,099,575
Dhaka Bank PLC.	915,482,365	612,381,769	1,358,640,923	695,738,257
Standard Bank PLC.	2,189,772,140	148,674,348	2,189,772,140	148,674,348
Trust Bank Limited	5,173,598	24,012,321	5,173,598	24,012,321
United Commercial Bank PLC.	270,613	34,274,107	270,613	34,274,107
Meghna Bank PLC.	891,891,287	-	891,891,287	-
Shahjalal Islami Bank PLC.	3,124,996	-	3,124,996	-
Premier Bank PLC.	310,891,297	427,789,032	310,891,297	427,789,032
	6,367,059,776	5,981,207,269	6,815,957,282	6,823,033,478
Fixed Deposits				
BRAC Bank PLC.	-	1,000,000,000	-	1,000,000,000
Community Bank Bangladesh PLC.	-	200,000,000	-	200,000,000
Meghna Bank PLC.	750,000,000	750,000,000	750,000,000	750,000,000
Mutual Trust Bank Limited	-	600,000,000	-	600,000,000
South Bangla Agriculture & Commerce Bank Limited	55,000,000	-	55,000,000	-
Southeast Bank Limited	-	1,000,000,000	-	1,000,000,000
Jamuna Bank PLC.	530,000,000	200,000,000	530,000,000	200,000,000
Citizens Bank PLC	800,000,000	-	800,000,000	-
The City Bank Limited	-	-	15,000,000	-
Dhaka Bank PLC.	500,000,000	4,550,000,000	500,000,000	4,550,000,000
Standard Bank PLC.	100,000,000	-	100,000,000	-
Exim Bank Limited	-	700,000,000	-	700,000,000
Trust Bank Limited	-	-	-	2,500,000
Standard Chartered Bank	-	-	15,000,000	15,000,000
Modhumoti Bank Limited	100,000,000	-	100,000,000	-
	2,835,000,000	9,000,000,000	2,865,000,000	9,017,500,000
	9,509,245,682	15,432,552,420	10,914,886,886	16,482,645,389
4(b) Outside Bangladesh	-	-	-	-
Total balance	9,509,245,682	15,432,552,420	10,914,886,886	16,482,645,389

4.1 Maturity grouping of balance with other banks and financial institutions:

Payable on demand	-	-	1,375,641,205	1,032,592,969
Up to 1 month	1,793,281,301	2,950,263,808	1,793,281,300	2,950,263,808
Over 1 month but not more than 3 months	5,013,227,819	8,961,329,248	5,020,227,819	8,970,829,248
Over 3 months but not more than 6 months	1,525,492,187	840,266,360	1,525,492,187	840,266,360
Over 6 months but not more than 1 year	953,482,539	2,287,182,097	976,482,539	2,295,182,097
Over 1 year but not more than 5 years	223,761,837	393,510,907	223,761,837	393,510,907
Over 5 years	-	-	-	-
	9,509,245,682	15,432,552,420	10,914,886,886	16,482,645,389

5 Money at call and short notice

Export Import Bank of Bangladesh Ltd.	-	500,000,000	-	500,000,000
	-	500,000,000	-	500,000,000

6 Investments

Government securities				
Treasury bill	2,735,801,059	2,154,113,017	2,735,801,059	3,649,531,624
National investment bonds	-	-	-	-
Bangladesh Bank bill	-	-	-	-
Government notes/bonds	6,397,673,690	1,045,629,961	10,642,637,670	1,146,907,550
Prize bonds	-	-	-	-
Others	-	-	-	-
	9,133,474,749	3,199,742,978	13,378,438,729	4,796,439,173
Other investments				
Investment in non marketable ordinary shares (Note 6.1)	7,864,000	7,864,000	143,863,952	7,864,000
Investment in preference shares (Note 6.2)	111,958,000	111,958,000	111,958,000	111,958,000
Investment in debenture and bonds (Note 6.3)	-	-	851,323,985	247,027,415
Investment in venture capital (Note 6.4)	50,000,000	50,000,000	59,000,000	59,000,000
Investment in marketable securities (Note 6.5)	1,675,186,114	1,485,342,008	3,501,737,918	4,095,648,679
Investment in open end mutual fund (Note 6.6)	461,243,751	461,243,751	496,243,751	471,243,751
Other investments	-	-	-	-
Gold etc.	-	-	-	-
	2,306,251,865	2,116,407,760	5,164,127,607	4,992,741,845
	11,439,726,614	5,316,150,738	18,542,566,336	9,789,181,018

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		IDLC Finance PLC.		IDLC Group	
		31.12.2024	31.12.2023	31.12.2024	31.12.2023
		BDT	BDT	BDT	BDT
6.1 Investment in non marketable ordinary shares					
	No. of Shares				
Credit Rating Agency of Bangladesh Limited	52,227	1,719,800	1,719,800	1,719,800	1,719,800
* The Bangladesh Rating Agency Limited (BDRAL)	61,442	6,144,200	6,144,200	6,144,200	6,144,200
Jayson Pharmaceuticals Limited		-	-	99,999,952	-
Akij Takaful Life Insurance PLC		-	-	36,000,000	-
		7,864,000	7,864,000	143,863,952	7,864,000
6.2 Investment in preference shares					
Chaldal Limited		111,958,000	111,958,000	111,958,000	111,958,000
		111,958,000	111,958,000	111,958,000	111,958,000
6.3 Investment in bonds					
Thengamara Mohila Sabuj Sangha (TMSS)		-	-	37,116,279	197,027,415
Renata zero coupon bond		-	-	106,722,971	-
SAJIDA 2nd Zero Coupon Bond Trust		-	-	347,104,242	-
City Auto Rice and Dal Mills Zero Coupon Bond		-	-	310,380,493	-
Bank Asia 1st Perpetual Bond		-	-	50,000,000	50,000,000
Total		-	-	851,323,985	247,027,415
6.4 Investment in venture capital					
IDLC Venture Capital Fund I		50,000,000	50,000,000	59,000,000	59,000,000
Total		50,000,000	50,000,000	59,000,000	59,000,000

* *Previously the name was Dan & Bradstreet Rating Agency Bangladesh Limited*

IDLC Finance PLC. invested BDT 50.00 million in IDLC Venture Capital Fund I, an alternative investment fund. The objective of the fund is to provide superior risk adjusted returns over a medium to long term by investing in high growth companies, with good management and corporate governance through Equity and Equity Linked Instruments. IDLC Asset Management Limited (IDLC AML) also invested BDT 9.00 million in this fund.

6.5 Investment in marketable securities				
Investment in marketable securities (Note 6.5.1)	1,675,186,114	1,485,342,008	3,493,358,567	3,984,481,845
Investment in Initial Public Offering (Note 6.5.2)	-	-	-	101,359,952
Investment in DPM PLS Scheme	-	-	8,379,351	9,806,882
	1,675,186,114	1,485,342,008	3,501,737,918	4,095,648,679

6.5.1 Investment in marketable securities

Details of marketable securities are given below:

	IDLC Finance PLC.		IDLC Group	
Business Segments	Cost price	Market price at the end of the year	Cost price	Market price at the end of the year
	BDT	BDT	BDT	BDT
Mutual Funds	13,378,078	5,088,906	13,378,078	5,088,906
Banks	960,605,533	1,123,882,291	1,663,022,802	1,859,452,601
Pharmaceuticals & Chemicals	691,202,513	341,527,661	1,379,632,747	968,637,362
Financial Institutions	9,999,990	2,778,329	9,999,990	2,778,329
Telecom	-	-	204,954,938	187,113,995
Food & Allied	-	-	173,370,573	131,207,468
Engineering & Others	-	-	48,999,439	49,403,822
	1,675,186,114	1,473,277,187	3,493,358,567	3,203,682,483

All investments in marketable securities are valued on an aggregate portfolio basis, at cost value, at the balance sheet date. Market price for securities not listed as on reporting date, has been shown at cost for calculation purpose. As on December 31,2024 there was BDT 289.68 million unrealised loss on consolidated investment in marketable securities and BDT 201.91 million unrealised loss on investment by IDLC Finance PLC. in marketable securities. We have been booking provision for the unrealized loss (if any) of share investment as per Bangladesh Bank circular and BSEC rules.



	IDLC Finance PLC.		IDLC Group	
	31.12.2024 BDT	31.12.2023 BDT	31.12.2024 BDT	31.12.2023 BDT
6.5.2 Investment in Initial Public Offering				
Jayson Pharmaceuticals Limited	-	-	-	99,999,952
Sikder Insurance Company Limited	-	-	-	1,360,000
	-	-	-	101,359,952
6.6 Investment in open end mutual fund				
IDLC Balanced Fund	145,962,952	145,962,952	145,962,952	145,962,952
IDLC Growth Fund	137,539,466	137,539,466	137,539,466	137,539,466
IDLC Asset Management Shariah Fund	167,741,333	167,741,333	172,741,333	172,741,333
Mercantile Bank Unit Fund	10,000,000	10,000,000	10,000,000	10,000,000
IDLC Income Fund	-	-	5,000,000	5,000,000
IDLC Nagorik SDG Fund	-	-	25,000,000	-
	461,243,751	461,243,751	496,243,751	471,243,751

IDLC Finance PLC. has invested BDT 283.50 million as the sponsor in the IDLC Balanced Fund and IDLC Growth Fund. IDLC Finance PLC. has also invested BDT 167.74 million in the IDLC Asset Management Shariah Fund. IDLC Asset Management Limited (IDLC AML), as the sponsor, has invested BDT 35.00 million in the IDLC Asset Management Shariah Fund, the IDLC Income Fund, and the IDLC Nagorik SDG Fund. All of these are open-ended mutual funds, and IDLC Asset Management Limited (IDLC AML) is the fund manager. IDLC Finance PLC. has also invested BDT 10.00 million in the Mercantile Bank Unit Fund. The objective of these funds, other than the shariah fund, is to generate returns annually through investments in a range of fixed-income securities, including government securities, investment-grade corporate bonds, and money market instruments, while maintaining the optimum balance of yield, safety, and liquidity. The funds intend to distribute the profit among the investors in the form of dividends as well as capital appreciation.
On the other hand, the objective of the Shariah fund is to generate profit by investing in a portfolio of Shariah-compliant securities vetted by the Shariah Advisory Board.

6.7 Maturity grouping of investments				
On demand	-	-	703,255,761	-
Up to 1 month	1,401,732,158	316,831,643	1,488,432,158	2,709,934,557
Over 1 month but not more than 3 months	2,769,632,687	2,882,911,335	2,857,520,187	2,944,644,506
Over 3 months but not more than 6 months	401,765,898	-	1,692,474,417	1,285,914,622
Over 6 months but not more than 1 year	106,821,493	-	553,937,910	612,029,489
Over 1 year but not more than 5 years	192,278,688	1,946,585,760	2,889,586,233	2,056,835,846
Over 5 years	6,567,495,690	169,822,000	8,357,359,670	179,822,000
	11,439,726,614	5,316,150,738	18,542,566,336	9,789,181,018
7 Loans, advances and leases				
Inside Bangladesh:				
Lease receivable (Note 7.1)	3,792,268,902	3,497,435,220	3,792,268,902	3,497,435,220
Long-term finance (Note 7.2)	67,707,383,393	70,146,021,695	67,707,383,393	70,146,021,695
Real estate finance (Note 7.3)	30,863,357,906	31,615,879,108	30,863,357,906	31,615,879,108
Car loans (Note 7.4)	2,510,731,240	2,489,139,600	2,510,731,240	2,489,139,600
Personal loan (Note 7.5)	56,468,419	66,746,592	56,468,419	66,746,592
Short term finance (Note 7.6)	3,113,564,760	2,909,823,061	3,113,564,760	2,909,823,061
Loan against deposit (LAD)	868,212,171	728,903,700	868,212,171	728,903,700
Margin loan to portfolio investors (Note 7.7)	-	-	1,121,094,539	2,316,986,757
Ijarah Muntahiah Bi Tamlik (Note 7.8)	1,307,864,287	-	1,307,864,287	-
Murabahah (Note 7.9)	108,813,416	-	108,813,416	-
Sale & Lease Back (Note 7.10)	284,131,728	-	284,131,728	-
Interest/Profit Receivables (Note-7.11)	2,235,016,630	1,885,392,633	2,235,016,630	1,885,392,633
	112,847,812,851	113,339,341,609	113,968,907,390	115,656,328,366
Outside Bangladesh	-	-	-	-
	112,847,812,851	113,339,341,609	113,968,907,390	115,656,328,366
7.1 Lease receivable				
Balance at January 1	3,497,435,220	3,851,808,782	3,497,435,220	3,851,808,782
Add: Addition during the year	1,848,766,972	1,185,904,317	1,848,766,972	1,185,904,317
	5,346,202,192	5,037,713,099	5,346,202,192	5,037,713,099
Less: Realisation/adjustment during the year	1,553,933,291	1,540,277,879	1,553,933,291	1,540,277,879
Balance at the year end	3,792,268,902	3,497,435,220	3,792,268,902	3,497,435,220
7.1a Lease receivable				
Gross lease receivable	4,636,279,654	4,037,981,243	4,636,279,654	4,037,981,243
Less: Unearned lease income	844,010,752	540,546,023	844,010,752	540,546,023
Lease receivable	3,792,268,902	3,497,435,220	3,792,268,902	3,497,435,220

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7.1.1 Aging analysis of lease receivable

	31.12.2024		31.12.2023	
	Amount in BDT.	% of total	Amount in BDT.	% of total
Up to one year	1,384,801,189	36.52	1,462,682,876	41.82
Above one year to three years	1,682,024,695	44.35	1,515,257,888	43.32
Above three years to five years	725,443,018	19.13	519,494,456	14.85
More than five years	-	-	-	-
	3,792,268,902	100.00	3,497,435,220	100.00

	IDLC Finance PLC.		IDLC Group	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
	BDT	BDT	BDT	BDT
7.2 Long-term finance				
Balance at January 1	70,146,021,695	62,798,084,352	70,146,021,695	62,798,084,352
Add: Disbursement during the year	40,547,207,880	50,788,202,131	40,547,207,880	50,788,202,131
	110,693,229,575	113,586,286,483	110,693,229,575	113,586,286,483
Less: Realisation/adjustment during the year	42,985,846,182	43,440,264,788	42,985,846,182	43,440,264,788
Balance at the year end	67,707,383,393	70,146,021,695	67,707,383,393	70,146,021,695
7.3 Real estate finance				
Balance at January 1	31,615,879,108	30,321,877,364	31,615,879,108	30,321,877,364
Add : Disbursement during the year	6,267,250,027	8,743,591,728	6,267,250,027	8,743,591,728
	37,883,129,135	39,065,469,092	37,883,129,135	39,065,469,092
Less: Realisation/adjustment during the year	7,019,771,229	7,449,589,984	7,019,771,229	7,449,589,984
Balance at the year end	30,863,357,906	31,615,879,108	30,863,357,906	31,615,879,108

This represents loans to individuals, employees under the Company's real estate loan scheme and corporate bodies for purchase and construction of apartments and homes in urban areas for periods ranging from 5 to 20 years.

7.3.1 Aging analysis of real estate finance

	31.12.2024		31.12.2023	
	Amount in BDT.	% of total	Amount in BDT.	% of total
Up to one year	2,365,395,326	7.66	3,150,393,949	9.96
Above one year to three years	4,305,656,004	13.95	5,753,420,480	18.20
Above three years to five years	4,236,976,451	13.73	5,615,406,494	17.76
More than five years	19,955,330,125	64.66	17,096,658,185	54.08
	30,863,357,906	100.00	31,615,879,108	100.00

	IDLC Finance PLC.		IDLC Group	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
	BDT	BDT	BDT	BDT
7.4 Car loans				
Balance at January 1	2,489,139,600	2,371,105,067	2,489,139,600	2,371,105,067
Add : Disbursement during the year	1,020,655,000	1,095,605,000	1,020,655,000	1,095,605,000
	3,509,794,600	3,466,710,067	3,509,794,600	3,466,710,067
Less: Realisation/adjustment during the year	999,063,361	977,570,467	999,063,361	977,570,467
Balance at the year end	2,510,731,240	2,489,139,600	2,510,731,240	2,489,139,600
7.5 Personal loan				
Balance at January 1	66,746,592	86,640,039	66,746,592	86,640,039
Add : Disbursement during the year	28,944,138	31,643,800	28,944,138	31,643,800
	95,690,730	118,283,839	95,690,730	118,283,839
Less: Realisation/adjustment during the year	39,222,311	51,537,247	39,222,311	51,537,247
Balance at the year end	56,468,419	66,746,592	56,468,419	66,746,592
7.6 Short term finance				
Factoring of account receivable	3,113,564,760	2,909,823,061	3,113,564,760	2,909,823,061
7.7 Margin loan to portfolio investors				
Balance at January 1	-	-	2,316,986,757	2,684,704,996
Add : Disbursement during the year	-	-	1,030,418,978	1,285,570,448
	-	-	3,347,405,735	3,970,275,443
Less: Realisation/adjustment during the year	-	-	2,226,311,196	1,653,288,687
Balance at the year end	-	-	1,121,094,539	2,316,986,757

Margin loan to portfolio investors are provided by the subsidiaries of the Company as part of their normal business activities and the Group considers this as having similar characteristics of retail/personal lending. Based on detailed review, the Group noted that shortfall, if any on individual client's portfolio and margin lending exposure are temporary in nature and any potential shortfall is expected to be recouped in near future. Moreover, the Group is also continuing its recovery efforts by requesting those clients to bring in additional fund to cover shortfall. Nevertheless, the Group is closely monitoring this matter and if it becomes obvious that additional provision will be required, then it shall be provided for in due course.



	IDLC Finance PLC.		IDLC Group	
	31.12.2024 BDT	31.12.2023 BDT	31.12.2024 BDT	31.12.2023 BDT
7.8 Ijarah Muntahiah Bi Tamlik				
Balance at January 1	-	-	-	-
Add : Disbursement during the year	1,327,647,518	-	1,327,647,518	-
	1,327,647,518	-	1,327,647,518	-
Less: Realisation/adjustment during the year	19,783,232	-	19,783,232	-
Balance at the year end	1,307,864,287	-	1,307,864,287	-
7.9 Murabahah				
Balance at January 1	-	-	-	-
Add : Disbursement during the year	199,400,000	-	199,400,000	-
	199,400,000	-	199,400,000	-
Less: Realisation/adjustment during the year	90,586,585	-	90,586,585	-
Balance at the year end	108,813,416	-	108,813,416	-
7.10 Sale & Lease Back				
Balance at January 1	-	-	-	-
Add : Disbursement during the year	302,756,584	-	302,756,584	-
	302,756,584	-	302,756,584	-
Less: Realisation/adjustment during the year	18,624,856	-	18,624,856	-
Balance at the year end	284,131,728	-	284,131,728	-
7.11 Interest/Profit Receivables				
Lease receivable	67,928,088	66,075,382	67,928,088	66,075,382
Long-term finance	1,416,063,265	1,241,465,021	1,416,063,265	1,241,465,021
Real estate finance	629,085,272	506,359,746	629,085,272	506,359,746
Car loan	27,574,987	18,073,599	27,574,987	18,073,599
Personal loan	529,032	551,065	529,032	551,065
Loan against deposit (LAD)	33,531,865	24,563,293	33,531,865	24,563,293
Short term finance	48,180,098	28,304,526	48,180,098	28,304,526
Ijarah Muntahiah Bi Tamlik	3,969,835	-	3,969,835	-
Murabahah	6,439,709	-	6,439,709	-
Sale & Lease Back	1,714,479	-	1,714,479	-
	2,235,016,630	1,885,392,633	2,235,016,630	1,885,392,633
7.12 Net loans, advances and leases				
Gross performing loans, advances and leases (Note-7)	112,847,812,851	113,339,341,609	113,968,907,390	115,656,328,366
Less:				
Interest suspense (Note-12.5)	794,866,208	762,778,400	794,866,208	762,778,400
Provision for loans and advances/investments (Note-12.6 (i))	4,534,757,444	4,223,376,973	5,016,251,361	4,702,018,787
	5,329,623,652	4,986,155,373	5,811,117,569	5,464,797,187
	107,518,189,199	108,353,186,236	108,157,789,820	110,191,531,179
7.13 Residual maturity grouping of loans, advances and leases				
Repayable on demand	3,959,366,717	3,815,648,520	3,959,366,717	3,815,648,520
Over 1 month but not more than 3 months	8,798,581,996	10,167,532,640	8,798,581,996	10,167,532,640
Over 3 months but not more than 1 year	31,917,942,551	31,615,238,976	33,039,037,090	33,932,225,733
Over 1 year but not more than 5 years	43,857,306,905	47,617,601,892	43,857,306,905	47,617,601,892
Over 5 years	24,314,614,682	20,123,319,581	24,314,614,682	20,123,319,581
	112,847,812,851	113,339,341,609	113,968,907,390	115,656,328,366

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	IDLC Finance PLC.		IDLC Group	
	31.12.2024 BDT	31.12.2023 BDT	31.12.2024 BDT	31.12.2023 BDT
7.14 Loans, advances and leases on the basis of significant concentration				
a) Loans, advances and lease to the institutions in which Directors have interest	-	-	-	-
b) Loans, advances and lease to Chief Executive and other senior executives	37,109,560	17,556,328	37,109,560	17,556,328
c) Loans, advances and lease to customer groups:				
i) Real estate finance	31,012,776,894	31,651,792,063	31,012,776,894	31,651,792,063
ii) Car loan	2,538,306,227	2,507,213,200	2,538,306,227	2,507,213,200
iii) Personal loan	40,333,576	49,931,292	40,333,576	49,931,292
iv) Loan against deposit (LAD)	679,681,983	469,344,097	679,681,983	469,344,097
v) Small and medium enterprises	25,416,214,883	23,824,248,022	25,416,214,883	23,824,248,022
vi) Special program loan (BB refinancing scheme)	12,899,650,470	16,041,989,282	12,899,650,470	16,041,989,282
vii) Staff loan	424,078,827	422,656,508	424,078,827	422,656,508
viii) Industrial loans, advances and leases (Note- 7.14 (d))	36,950,454,870	36,848,620,756	36,950,454,870	36,848,620,756
ix) Other loans and advances	2,849,205,561	1,505,990,062	3,970,300,100	3,822,976,819
	112,810,703,291	113,321,785,281	113,931,797,830	115,638,772,038
	112,847,812,851	113,339,341,609	113,968,907,390	115,656,328,366
d) Details of Industrial loans, advances and leases				
i) Agricultural industries	4,207,729,664	3,208,993,086	4,207,729,664	3,208,993,086
ii) Textiles, Apparels & Accessories	9,751,947,150	9,708,163,102	9,751,947,150	9,708,163,102
iii) Food and beverage	1,235,677,288	1,906,894,286	1,235,677,288	1,906,894,286
iv) Pharmaceuticals	2,254,004,633	1,314,734,085	2,254,004,633	1,314,734,085
v) Leather & leather products, chemicals	346,827,778	291,680,023	346,827,778	291,680,023
vi) Power, energy & engineering	530,887,138	440,607,002	530,887,138	440,607,002
vii) Real estate & Home appliances, cement, ceramics	11,288,709,782	11,801,251,465	11,288,709,782	11,801,251,465
viii) IT & services	1,141,547,540	1,623,109,106	1,141,547,540	1,623,109,106
ix) Transportation	2,057,829,774	1,994,694,176	2,057,829,774	1,994,694,176
x) Other industries	4,135,294,122	4,558,494,425	4,135,294,122	4,558,494,425
	36,950,454,870	36,848,620,756	36,950,454,870	36,848,620,756

7.15 Loans, advances and leases -geographical location-wise

Inside Bangladesh:				
Urban				
Dhaka	74,168,324,952	73,562,620,639	75,289,419,491	75,879,607,396
Chattogram	6,672,924,453	6,867,165,152	6,672,924,453	6,867,165,152
Bogura	2,593,351,719	2,613,876,356	2,593,351,719	2,613,876,356
Sylhet	1,624,631,234	1,800,029,862	1,624,631,234	1,800,029,862
Savar	3,848,638,088	4,216,288,220	3,848,638,088	4,216,288,220
Cumilla	2,877,918,728	2,775,100,197	2,877,918,728	2,775,100,197
Jashore	2,418,218,183	2,640,717,213	2,418,218,183	2,640,717,213
Narsingdi	1,200,454,266	1,214,532,854	1,200,454,266	1,214,532,854
Bhulta	1,242,095,464	1,339,185,098	1,242,095,464	1,339,185,098
Khulna	1,378,338,157	1,616,851,005	1,378,338,157	1,616,851,005
Natore	1,099,939,573	1,136,496,963	1,099,939,573	1,136,496,963
Kushtia	1,720,317,834	1,797,951,025	1,720,317,834	1,797,951,025
Habiganj	1,495,702,462	1,547,385,060	1,495,702,462	1,547,385,060
Mymensingh	2,284,687,937	1,944,764,020	2,284,687,937	1,944,764,020
Rangpur	1,372,990,809	1,586,415,676	1,372,990,809	1,586,415,676
Chowmuhani	2,333,812,748	2,280,282,561	2,333,812,748	2,280,282,561
Barishal	1,843,607,605	1,882,374,854	1,843,607,605	1,882,374,854
Rajshahi	1,098,110,789	1,040,291,172	1,098,110,789	1,040,291,172
Faridpur	1,114,912,056	1,103,289,761	1,114,912,056	1,103,289,761
Dinajpur	458,835,794	373,723,921	458,835,794	373,723,921
	112,847,812,851	113,339,341,609	113,968,907,390	115,656,328,366
Outside Bangladesh:	-	-	-	-
	112,847,812,851	113,339,341,609	113,968,907,390	115,656,328,366

7.16 Details of large loan/investments

Large loan clients with outstanding amount and classified loans / investments exceeding 15% of total capital of the financial institution. Total capital of the financial institution was BDT 15,637.44 million as at 31 December 2024 (BDT 14,622.62 million in 2023). Client wise details of large loans have been presented in below:

Number of clients	1
Amount of outstanding loans and advances	2,908,765,860
Amount of classifed loans and advances	Nil



		IDLC Finance PLC.		IDLC Group	
		31.12.2024 BDT	31.12.2023 BDT	31.12.2024 BDT	31.12.2023 BDT
7.17	Particulars of loans, advances and leases				
i)	Loans, advances and leases considered good in respect of which the financial institution is fully secured	4,241,549,993	5,792,108,608	5,362,644,532	8,109,095,365
ii)	Loans, advances and leases considered good against which the financial institution holds no security other than the debtors' personal guarantee	2,057,762,611	5,068,716,069	2,057,762,611	5,068,716,069
iii)	Loans, advances and leases considered good secured by the personal undertaking of one or more parties in addition to the personal guarantee of the debtors	106,548,500,247	102,478,516,932	106,548,500,247	102,478,516,932
		112,847,812,851	113,339,341,609	113,968,907,390	115,656,328,366
iv)	Loans, advances and leases adversely classified; provision not maintained there against	-	-	-	-
v)	Loans, advances and leases due by directors or officers of the financial institution or any of them either separately or jointly with any other persons [Note-7.14 (b) & (c) (vii)]	461,188,387	440,212,836	461,188,387	440,212,836
vi)	Loans, advances and leases due from companies or firms in which the directors of the financial institution have interest as directors, partners or managing agents or in case of private companies, as members	-	-	-	-
vii)	Maximum total amount of advances including temporary advances made at any time during the year to directors or managers or officers of the financial institution or any of them either separately or jointly with any other person	461,188,387	440,212,836	461,188,387	440,212,836
viii)	Maximum total amount of advances including temporary advances granted during the year to the companies or firms in which the directors of the financial institution have interest as directors, partners or managing agents or in the case of private companies, as member	-	-	-	-
ix)	Due from bank and financial institutions	738,213,346	1,085,055,582	738,213,346	1,085,055,582
x)	Classified loans, advances and leases				
	a) Classified loans, advances and leases on which interest has not been charged (Note-7.18)	5,022,761,095	5,058,657,873	5,190,287,734	5,155,362,602
	b) Provision kept for the year	877,347,942	1,095,657,516	938,738,570	1,099,269,762
	Provision released during the year	(189,833,070)	(89,879,470)	(238,682,629)	(114,307,484)
	Total provisions charged during the year (Note-12.6(ii))	687,514,872	1,005,778,046	700,055,941	984,962,278
	c) Amount of written off loans, advances and leases	376,134,401	13,456,279	385,823,367	256,639,011
	Total amount realised against loans and leases previously written off	85,554,677	89,731,287	85,554,677	89,731,287
	d) Provision kept against loans and advances classified as bad debts	2,578,007,964	2,380,910,376	2,578,007,964	2,380,910,376
	e) Interest credited to Interest Suspense Account (Note-12.5)	794,866,208	762,778,400	794,866,208	762,778,400
xi)	Cumulative amount of written off loans, advances and leases				
	Balance at January 1	1,745,765,378	1,732,309,099	1,732,309,096	1,475,670,085
	Amount written off during the year	376,134,401	13,456,279	385,823,367	256,639,011
		2,121,899,779	1,745,765,378	2,118,132,464	1,732,309,096
	The amount of written off loans, advances and leases for which law suits have been filed	2,119,559,962	1,744,307,390	2,119,559,962	1,744,307,390

xii) IDLC Finance PLC, through DFIM Circular No. 04, dated April 03, 2024, titled "Identification & Finalization of Willful Defaulters and Measures to be Taken against them," established a dedicated unit on April 28, 2024, under the supervision of the GM & Head of Operations. This unit is responsible for identifying and reporting willful loan defaulters while strictly adhering to the criteria, process flow and timeline outlined in the circular.

As of December 31, 2024, the dedicated unit has identified several borrowers from various business segments who meet the criteria (outlined in the circular) of willful loan defaulters. After conducting proper due diligence and obtaining approval from the FI's competent authority, the necessary reports have been submitted to the Credit Information Bureau (CIB) of Bangladesh Bank. Additionally, quarterly reports have been submitted to the Department of Financial Institutions and Markets (DFIM) of Bangladesh Bank in the prescribed format.

IDLC will proceed with the next course of action as per Sections 6(6) and 6(7) of DFIM Circular No. 04, dated April 03, 2024, subject to Bangladesh Bank's decision regarding the appeals submitted by the respective willful defaulters, if any.

7.18 Classification of loans, advances and leases

Unclassified				
Standard including staff loan	106,102,154,865	106,473,159,980	107,055,722,764	108,693,442,008
Special Mention Account (SMA)	1,722,896,891	1,807,523,756	1,722,896,891	1,807,523,756
	107,825,051,756	108,280,683,736	108,778,619,655	110,500,965,764
Classified				
Sub-standard	656,679,365	990,775,063	824,206,004	1,087,479,792
Doubtful	707,510,560	709,518,920	707,510,560	709,518,920
Bad/Loss	3,658,571,170	3,358,363,890	3,658,571,170	3,358,363,890
	5,022,761,095	5,058,657,873	5,190,287,734	5,155,362,602
	112,847,812,851	113,339,341,609	113,968,907,390	115,656,328,366



			IDLC Finance PLC.		IDLC Group	
			31.12.2024	31.12.2023	31.12.2024	31.12.2023
			BDT	BDT	BDT	BDT
7.19 (a) Particulars of required provision for loans, advances and leases						
Status	**Base for provision**	**Rate (%)**				
General Provision						
Loans and leases SME-STD (Excluding SMA)	32,568,599,334	0.25%	81,421,498	100,390,209	81,421,498	100,390,209
Loans and leases (Excluding SMA)	72,139,978,614	1.00%	721,399,786	651,751,727	737,326,975	681,234,785
Loan/lease to the Subsidiaries/Sister Concerns, Brokerage House, Merchant Banks, Stock dealers	-	2.00%	-	162	-	162
Special mention account (SMA)-SME	516,248,572	0.25%	1,290,621	-	1,290,621	-
Special mention account (SMA)	1,305,643,979	5.00%	65,282,199	81,375,930	65,282,199	81,375,930
			869,394,105	833,518,028	885,321,294	863,001,086
Special Reserve						
Extra provision for providing COVID related circular advantage	4,778,082,879	2.00%	95,561,658	113,329,187	95,561,658	113,329,187
Specific provision						
Sub Standard-SME	366,440,974	5.00%	18,322,049	-	18,322,049	-
Sub Standard	213,073,897	20.00%	42,614,779	139,880,132	44,402,123	149,453,699
Doubtful-SME	234,740,815	20.00%	46,948,163	-	46,948,163	-
Doubtful	228,552,440	50.00%	114,276,220	263,238,935	114,276,220	263,238,935
Bad/ Loss	2,578,007,964	100.00%	2,578,007,964	2,380,910,376	2,578,007,964	2,380,910,376
			2,800,169,175	2,784,029,443	2,801,956,519	2,793,603,010
Required provision for loans, advances and leases			**3,765,124,937**	**3,730,876,659**	**3,782,839,470**	**3,769,933,282**
Other provision						
Off-Balance Sheet Exposure	750,000,000	1.00%	7,500,000	7,821,264	7,500,000	7,821,264
Other Asset	313,058,082	100.00%	313,058,082	271,415,224	509,759,144	416,841,059
			320,558,082	279,236,488	517,259,144	424,662,323
Required provision for diminution in value of investments			320,568,439	213,263,826	459,716,435	507,423,182
Total provision required			4,406,251,459	4,223,376,973	4,759,815,050	4,702,018,787
Total provision maintained (Note - 12.6 (i)) & 7.19 (b)			4,534,757,444	4,223,376,973	5,016,251,361	4,702,018,787
Excess/(short) provision at the end of the year			128,505,986	-	256,436,311	-

7.19 (b) Particulars of kept provision for loans, advances and leases						
Status	**Base for provision**	**Rate (%)**				
General Provision						
Loans and leases SME-STD (Excluding	32,568,599,334	0.25%	81,421,498	100,390,209	81,421,498	100,390,209
Loans and leases (Excluding SMA)	72,139,978,614	1.00%	721,399,786	651,751,727	737,326,975	681,234,785
Loan/lease to the Subsidiaries/Sister	-	2.00%	-	162	-	162
Special mention account (SMA)-SME	516,248,572	0.25%	1,290,621	-	1,290,621	-
Special mention account (SMA)	1,305,643,979	5.00%	65,282,199	81,375,930	65,282,199	81,375,930
			869,394,105	833,518,028	885,321,294	863,001,086
Special Reserve						
Extra provision for providing COVID	4,778,082,879	2.00%	95,561,658	113,329,187	95,561,658	113,329,187
Sub Standard-SME	122,544,048	5.00%	6,127,202	139,880,132	7,914,546	149,453,699
Sub Standard	456,970,823	20.00%	91,394,165	-	91,394,165	-
Doubtful-SME	-	20.00%	-	-	-	-
Bad / Loss	2,578,007,964	100.00%	2,578,007,964	2,380,910,376	2,578,007,964	2,380,910,376
			2,907,175,958	2,784,029,443	2,908,963,302	2,793,603,010
Kept provision for loans, advances and leases			**3,872,131,720**	**3,730,876,659**	**3,889,846,253**	**3,769,933,282**
Other provision						
Off-Balance Sheet Exposure	750,000,000	1.00%	7,500,000	7,821,264	7,500,000	7,821,264
Other Asset	333,394,797	100.00%	333,394,797	271,415,224	530,095,859	416,841,059
			340,894,797	279,236,488	537,595,859	424,662,323
Kept provision for diminution in value of investments			321,730,927	213,263,826	588,809,249	507,423,182
Total provision maintained (Note - 12.6 (i))			4,534,757,444	4,223,376,973	5,016,251,361	4,702,018,787

Base for provision calculation includes waiver of the requirement of provisioning for the un-classified loans provided under the IPFF project as approved by Bangladesh Bank.



		IDLC Finance PLC.		IDLC Group	
		31.12.2024 BDT	31.12.2023 BDT	31.12.2024 BDT	31.12.2023 BDT
8	**Fixed assets including land, building, furniture and fixtures**				
a.	Cost				
	Balance at 01 January	2,834,098,728	2,723,611,261	3,211,848,409	3,100,428,891
	Addition during the year	293,849,019	169,916,444	364,217,076	189,737,532
		3,127,947,747	2,893,527,704	3,576,065,485	3,290,166,423
	Disposal/Adjustments during the year	(216,883,912)	(59,428,976)	(254,557,422)	(78,318,014)
	Balance at the year end	2,911,063,836	2,834,098,728	3,321,508,063	3,211,848,409
b.	Accumulated depreciation				
	Balance at 01 January	1,492,339,396	1,349,843,326	1,780,844,908	1,614,159,125
	Charged during the year	210,299,308	193,657,545	251,346,859	234,577,670
		1,702,638,704	1,543,500,871	2,032,191,767	1,848,736,795
	Disposal/Adjustments during the year	(212,486,680)	(51,161,475)	(249,005,148)	(67,891,887)
	Balance at the year end	1,490,152,024	1,492,339,396	1,783,186,619	1,780,844,908
c.	Written down value (a-b)	**1,420,911,812**	**1,341,759,332**	**1,538,321,444**	**1,431,003,501**

A schedule of fixed assets including land, building, furniture and fixtures is given in Annexure-A

9	**Other assets**				
	Investment in subsidiary companies (Note - 9.1)	4,099,999,790	4,099,999,790	-	-
	Accounts receivable (Note - 9.2)	735,730,793	502,074,533	985,919,702	717,486,355
	Advances, deposits and prepayments (Note - 9.3)	1,216,912,056	872,686,047	1,318,587,274	997,582,428
	Deferred tax asset (Annexure B)	209,358,742	173,685,418	270,462,439	229,411,931
	Investment in stock exchanges (Note - 9.4)	-	-	14,007,000	14,007,000
		6,262,001,382	**5,648,445,788**	**2,588,976,415**	**1,958,487,713**
9.1	**Investment in subsidiary companies**				
	IDLC Securities Limited (Note- 9.1.1)	1,649,999,900	1,649,999,900	-	-
	IDLC Investments Limited (Note- 9.1.2)	2,199,999,900	2,199,999,900	-	-
	IDLC Asset Management Limited (Note- 9.1.3)	249,999,990	249,999,990	-	-
		4,099,999,790	**4,099,999,790**	-	-

9.1.1 Out of the total of 20,000,000 ordinary shares issued and paid up, IDLC Finance PLC. holds 19,999,992 (including bonus shares issued in 2008, 2009 and 2010) ordinary shares of BDT 100 each.

9.1.2 Out of the total of 22,000,000 ordinary shares issued and paid up, IDLC Finance PLC. holds 21,999,999 ordinary shares of BDT 100 each.

9.1.3 Out of the total of 25,000,000 ordinary shares issued and paid up, IDLC Finance PLC. holds 24,999,999 ordinary shares of BDT 10 each.

9.2	**Accounts receivable**				
	Interest & Profit receivable - FDR, SND	34,287,136	68,563,109	35,103,022	68,606,494
	Receivable from investment in bonds/bills	223,298,178	15,920,278	371,542,305	27,255,000
	Accrued Income	18,491,552	18,162,062	18,491,552	18,162,062
	Protested bill	19,906,263	19,906,263	19,906,263	19,906,263
	Litigation & Repossession and other receivables	439,747,663	379,522,821	540,876,560	583,556,536
		735,730,793	**502,074,533**	**985,919,702**	**717,486,355**
9.3	**Advances, deposits and prepayments**				
	Deposits and prepayments	273,401,137	289,332,037	274,577,083	350,332,173
	Advance against expenses	10,502,575	10,775,172	111,001,847	74,671,417
	Project implementation Cost*	933,008,344	572,578,838	933,008,344	572,578,838
		1,216,912,056	**872,686,047**	**1,318,587,274**	**997,582,428**

Advances, deposits and prepayments are considered good but not secured by collateral.
* Project implementation cost comprises of project in progress stages including IDLC tower cost.



	IDLC Finance PLC.		IDLC Group	
	31.12.2024 BDT	31.12.2023 BDT	31.12.2024 BDT	31.12.2023 BDT
9.4 Investment in stock exchanges				
DSE membership at cost	-	-	11,418,750	11,418,750
CSE membership at cost	-	-	2,588,250	2,588,250
	-	-	14,007,000	14,007,000

IDLC Securities Limited has received the following shares from DSE and CSE against the membership under demutualization scheme of the stock exchanges.

Stock exchange	Type of shares	Number of shares	Face value per share
Dhaka Stock Exchange Limited	Floated (53.33%)	2,886,042	10
	Blocked (46.67%)	2,525,287	10
		5,411,329	
Chittagong Stock Exchange Limited	Floated (53.33%)	1,714,932	10
	Blocked (46.67%)	1,500,565	10
		3,215,497	

Valuation of membership has been shown at cost in the accounts.

	IDLC Finance PLC.		IDLC Group	
	31.12.2024 BDT	31.12.2023 BDT	31.12.2024 BDT	31.12.2023 BDT
10 Borrowings from other banks, financial institutions				
Inside Bangladesh (Note- 10.1)	27,913,507,632	32,383,374,860	27,831,818,346	32,251,864,181
Outside Bangladesh	-	-	-	-
	27,913,507,632	32,383,374,860	27,831,818,346	32,251,864,181
10.1 Inside Bangladesh				
Secured Loans				
Secured Short Term Loan				
Citi Bank N.A.	500,000,000	-	500,000,000	-
Woori Bank	234,000,000	-	234,000,000	-
Standard Chartered Bank	3,000,000,000	3,000,000,000	3,000,000,000	3,000,000,000
Total secured short term loan	3,734,000,000	3,000,000,000	3,734,000,000	3,000,000,000
Total secured loans	3,734,000,000	3,000,000,000	3,734,000,000	3,000,000,000
Unsecured loans				
Zero Coupon Bond				
Institutions	655,118,247	1,788,568,599	573,428,961	1,657,057,920
Individuals	69,969,383	152,003,582	69,969,383	152,003,582
	725,087,630	1,940,572,182	643,398,344	1,809,061,502
Unsecured Long-term loans				
Kreditanstalt fÜr Wiederaufbau (KfW)	203,100	13,546,912	203,100	13,546,912
Bank Asia	773,451,453	-	773,451,453	-
SME Foundation	373,218,000	318,767,000	373,218,000	318,767,000
Investment Promotion & Financing Facilities (IPFF)	2,129,774,714	1,788,492,186	2,129,774,714	1,788,492,186
Saudi Bangladesh Industrial & Agricultural Investment Company	115,859,459	216,944,800	115,859,459	216,944,800
Bangladesh Bank Refinance and Prefinancing Schemes	17,611,913,277	21,305,051,781	17,611,913,277	21,305,051,781
	21,004,420,002	23,642,802,679	21,004,420,002	23,642,802,679
Total unsecured long-term loan	21,729,507,632	25,583,374,860	21,647,818,346	25,451,864,181
Unsecured Short Term Loans & Placements				
Short-term loans & Placements				
Standard Bank	1,450,000,000	-	1,450,000,000	-
Mutual Trust Bank PLC.	-	600,000,000	-	600,000,000
One Bank PLC.	-	2,000,000,000	-	2,000,000,000
Jamuna Bank PLC.-Islamic Banking	400,000,000	-	400,000,000	-
Community Bank Bangladesh PLC.	-	200,000,000	-	200,000,000
BRAC Bank PLC.	-	1,000,000,000	-	1,000,000,000
	1,850,000,000	3,800,000,000	1,850,000,000	3,800,000,000
Call Loans				
Shimanto Bank Limited	100,000,000	-	100,000,000	-
Modhumoti Bank Limited	500,000,000	-	500,000,000	-
	600,000,000	-	600,000,000	-
Total unsecured short-term loans & Placements	2,450,000,000	3,800,000,000	2,450,000,000	3,800,000,000
Total Borrowings from other banks, financial institutions & agents	27,913,507,632	32,383,374,860	27,831,818,346	32,251,864,181



	IDLC Finance PLC.		IDLC Group	
	31.12.2024 BDT	31.12.2023 BDT	31.12.2024 BDT	31.12.2023 BDT
10.2 Security against borrowings from other banks and financial institutions				
Secured	3,734,000,000	3,000,000,000	3,734,000,000	3,000,000,000
Unsecured	24,179,507,632	29,383,374,860	24,097,818,346	29,251,864,181
	27,913,507,632	32,383,374,860	27,831,818,346	32,251,864,181

Secured loans are covered by first equitable mortgage of all present and future immovable properties and by floating charges on movable assets of the Company ranking pari-passu among the lenders. The Company has a Pari Passu Security Sharing Agreement (PPSSA) among the secured lenders stipulating the procedure in the sharing of the security provided by the Company. Loans repayable within one year have been placed under current liabilities. Details of loans are as follows:

10.3 Maturity grouping of borrowings from other banks and financial institutions				
Payable on demand	-	-	-	-
Up to 1 month	1,366,611,677	2,185,726,849	1,366,611,677	2,185,726,849
Over 1 month but within 3 months	3,528,364,198	4,808,527,583	3,528,364,198	4,808,527,583
Over 3 months but within 1 year	11,231,988,394	14,239,195,862	11,231,988,394	14,239,195,862
Over 1 year but within 5 years	10,324,879,687	10,403,064,152	10,243,190,401	10,271,553,473
Over 5 years	1,461,663,677	746,860,415	1,461,663,677	746,860,415
	27,913,507,632	32,383,374,860	27,831,818,346	32,251,864,181
11 Deposits and other accounts				
Current accounts and other accounts etc	-	-	-	-
Bills payable	-	-	-	-
Savings bank deposits	-	-	-	-
Term deposits (Note- 11.1)	84,379,223,529	82,401,917,639	83,907,240,444	80,465,410,270
Bearer certificate of deposits	-	-	-	-
Refundable deposits (Note- 11.2)	3,289,878,141	3,159,627,264	3,289,878,141	3,159,627,264
	87,669,101,670	85,561,544,903	87,197,118,585	83,625,037,535
11.1 (a) Term deposits				

This represents deposits received from institutions and individuals for a period not less than three months.

Balance at January 1	82,401,917,639	79,409,711,289	80,465,410,270	77,645,469,684
Add: Deposits received during the year	34,330,370,133	32,882,502,327	34,330,370,133	32,882,502,327
	116,732,287,772	112,292,213,617	114,795,780,403	110,527,972,011
Less: Matured/encashed during the year	33,204,789,795	29,890,295,978	33,204,789,795	29,890,295,978
Inter-company deposit	-	-	(1,464,524,284)	172,265,763
Balance at the year end	83,527,497,977	82,401,917,639	83,055,514,892	80,465,410,270
11.1 (b) Mudarabah Term deposits				
Balance at January 1	-	-	-	-
Add: Deposits received during the year	986,127,010	-	986,127,010	-
	986,127,010	-	986,127,010	-
Less: Matured/encashed during the year	134,401,458	-	134,401,458	-
Inter-company deposit	-	-	-	-
Balance at the year end	851,725,552	-	851,725,552	-
Total Term Deposits & Mudarabah Term Deposits	84,379,223,529	82,401,917,639	83,907,240,444	80,465,410,270

11.1.1 Rate of interest & Profit sharing ratio

Rate of interest on term deposit receipts ranges from 8.50% to 12.25% (2023: 6.25% to 10.25%).
Profit sharing ratio on Mudarabah term deposit ranges from 62.59% to 87% (2023: n/a)

11.2 Refundable deposits

The Company takes deposits from the clients of lease and loan on signing of agreement, refundable at the end of the contract period. Balance at the year end stands as under:

Deposits against loan and lease rental	185,918,746	370,492,001	185,918,746	370,492,001
Deposits against financing as per term of agreements (Security deposits)	3,103,959,395	2,789,135,264	3,103,959,395	2,789,135,264
	3,289,878,141	3,159,627,264	3,289,878,141	3,159,627,264

Security deposits are interest/profit bearing while deposits against loan and lease are non interest/profit bearing.



		IDLC Finance PLC.		IDLC Group	
		31.12.2024 BDT	31.12.2023 BDT	31.12.2024 BDT	31.12.2023 BDT
11.3	**Group-wise break-up of deposits and other accounts**				
	Government	-	-	-	-
	Bank	2,458,572,030	7,200,000,000	2,458,572,030	7,200,000,000
	Other institutions	37,362,855,945	37,937,154,994	36,890,872,860	36,000,647,625
	Individuals	47,847,673,695	40,424,389,910	47,847,673,695	40,424,389,910
		87,669,101,670	85,561,544,903	87,197,118,585	83,625,037,535
11.4	**Maturity analysis of deposits**				
	Maturity analysis of Term deposits/ Mudarabah Term deposits				
	Payable on demand	-	-	-	-
	Up to 1 month	4,713,951,968	4,292,803,400	4,713,951,968	4,292,803,400
	Over 1 month but within 6 months	11,088,671,831	21,111,581,231	10,616,688,747	19,175,073,862
	Over 6 months but within 1 year	12,975,862,975	5,539,214,178	12,975,862,975	5,539,214,178
	Over 1 year but within 5 years	50,588,818,074	51,267,409,158	50,588,818,074	51,267,409,158
	Over 5 years but within 10 years	5,006,544,005	190,909,672	5,006,544,005	190,909,672
	Above 10 years	5,374,676	-	5,374,676	-
		84,379,223,529	82,401,917,639	83,907,240,444	80,465,410,270
	Maturity analysis of Refundable deposit				
	Payable on demand	-	370,492,001	-	370,492,001
	Up to 1 month	41,220,520	36,570,000	41,220,520	36,570,000
	Over 1 month but within 6 months	371,849,618	197,648,451	371,849,618	197,648,451
	Over 6 months but within 1 year	412,609,833	341,067,274	412,609,833	341,067,274
	Over 1 year but within 5 years	2,452,403,967	2,213,282,939	2,452,403,967	2,213,282,939
	Over 5 years but within 10 years	11,794,203	566,600	11,794,203	566,600
		3,289,878,141	3,159,627,264	3,289,878,141	3,159,627,264
12	**Other liabilities**				
	Payable and accrued expenses (Note- 12.1)	5,174,031,666	4,595,250,203	6,122,402,414	5,615,708,388
	Provision for income tax (Note- 12.2)	905,487,609	619,703,043	1,322,524,193	1,004,902,685
	Gratuity Payable (Note- 12.3)	-	-	91,659,035	79,515,732
	Portfolio investors' fund (Note- 12.4)	-	-	256,885,739	233,253,801
	Interest suspense account (Note- 12.5)	794,866,208	762,778,400	794,866,208	762,778,400
	Provision for doubtful accounts and future losses (Note- 12.6 (i))	4,534,757,444	4,223,376,973	5,016,251,361	4,702,018,787
	Unpaid/ Unclaimed dividend (Note- 12.7)	7,481,767	7,382,417	7,481,767	7,382,417
	Net defined benefit obligation (Note-12.8)	63,273,987	-	57,911,119	-
	Deferred tax liability (Annexure B)	122,642,753	100,738,920	136,649,089	115,473,495
		11,602,541,435	10,309,229,957	13,806,630,925	12,521,033,707
12.1	**Payable and accrued expenses**				
	Receipt against loans and leases	508,697,685	541,923,119	508,697,685	541,923,119
	Liabilities for expenses (Note- 12.1.1)	3,466,680,635	2,871,074,377	4,360,463,225	3,830,986,514
	Lease Liability	357,108,006	331,462,547	411,696,163	392,008,594
	Liabilities for other finance	424,345,050	203,360,123	424,345,050	203,360,123
	Accrued interest on Borrowing & Profit distributed on Placements	377,675,858	608,672,366	377,675,858	608,672,366
	Accrued revenue	39,524,432	38,757,672	39,524,432	38,757,672
		5,174,031,666	4,595,250,203	6,122,402,414	5,615,708,388
12.1.1	**Liabilities for expenses**				
	Accounts Payable	19,269,410	9,580,850	828,036,998	900,890,754
	VAT Payable	5,043,309	5,359,549	7,856,039	7,038,910
	Witholding Tax Payable	84,703,196	74,121,294	84,773,124	74,364,680
	Excise Duty Payable	228,833,282	224,420,048	228,833,282	224,420,048
	Accrued Expense	261,073,199	239,321,625	347,432,352	324,895,939
	Accrued Interest & Profit on Term, Mudarabah & Security Deposit	2,867,758,240	2,318,271,011	2,863,531,430	2,299,376,183
		3,466,680,635	2,871,074,377	4,360,463,225	3,830,986,514



		IDLC Finance PLC.		IDLC Group	
		31.12.2024 BDT	31.12.2023 BDT	31.12.2024 BDT	31.12.2023 BDT
12.2	**Provision for income tax**				
	Provision				
	Balance at January 1	3,377,599,457	12,126,177,059	5,962,348,729	14,520,786,914
	Less: Adjustment during the year	-	-	-	-
		3,377,599,457	12,126,177,059	5,962,348,729	14,520,786,914
	Add: Provision made during the year	1,262,146,681	976,497,653	1,504,292,516	1,166,637,070
		4,639,746,138	13,102,674,712	7,466,641,245	15,687,423,984
	Less: Release from previous year's excess provision	-	(266,919,512)	-	(266,919,512)
	Settlement of previous year's tax liability	-	9,458,155,743	-	9,458,155,743
	Balance at the year end	**4,639,746,138**	**3,377,599,457**	**7,466,641,245**	**5,962,348,729**
	Advance tax				
	Balance at January 1	2,757,896,414	10,491,221,104	4,957,446,044	12,489,397,870
	Add: Payment made during the year:				
	Under sections 154 and 173 of ITA, 2023	663,934,378	1,341,167,073	745,416,543	1,438,961,880
	Deduction at source	310,582,737	381,958,980	430,468,103	481,367,095
	Others	1,845,000	1,705,000	16,450,443	5,874,942
		976,362,115	1,724,831,053	1,192,335,088	1,926,203,916
		3,734,258,529	12,216,052,157	6,149,781,132	14,415,601,787
	Less: Adjustment during the year	-	9,458,155,743	5,664,081	9,458,155,743
		3,734,258,529	**2,757,896,414**	**6,144,117,051**	**4,957,446,044**
	Net balance at the year end	**905,487,609**	**619,703,043**	**1,322,524,193**	**1,004,902,685**
12.3	**Gratuity Payable**				
	Balance at January 1	-	-	79,515,732	78,240,017
	Add: Addition during the year	-	-	21,837,853	11,631,513
		-	-	101,353,586	89,871,530
	Less: Payment during the year	-	-	9,694,551.00	10,355,797
	Balance at the year end	-	-	**91,659,035**	**79,515,732**
12.4	**Portfolio investors' fund**				
	This represents the balance of deposits made with the IDLC Investments Limited by the portfolio investors to take margin loan and buy marketable securities. The balance of fund has been arrived at as follows:				
	Balance at January 1	-	-	233,253,801	326,665,144
	Add: Deposit and share sold by clients	-	-	15,759,605,029	3,283,227,812
		-	-	15,992,858,830	3,609,892,956
	Less: Purchase of share and deposit withdraw by clients	-	-	15,735,973,092	3,376,639,155
	Balance at the year end	-	-	**256,885,739**	**233,253,801**
12.5	**Interest suspense accounts**				
	On lease finance	26,114,016	30,189,844	26,114,016	30,189,844
	On real-estate finance	231,010,428	219,065,250	231,010,428	219,065,250
	On term finance	534,039,373	511,569,767	534,039,373	511,569,767
	On car loan	3,047,655	1,779,509	3,047,655	1,779,509
	On personal loan	216,385	174,030	216,385	174,030
	On short term finance	438,351	-	438,351	-
		794,866,208	**762,778,400**	**794,866,208**	**762,778,400**
12.6	**Provision for loans and advances/investments**				
12.6(i)	Balance at January 1	4,223,376,973	3,231,055,206	4,702,018,787	3,730,512,788
	Provision kept against required for the year	877,347,942	1,095,657,516	938,738,570	1,099,269,762
	Special Reserve (released)/charged during the year*	(17,767,530)	(12,855,920)	(17,767,530)	(12,855,920)
	Provision released during the year	(172,065,540)	(77,023,551)	(220,915,099)	(101,451,564)
	Provision charged for the year (Note- 12.6 (ii))	687,514,872	1,005,778,046	700,055,941	984,962,278
	Write off during the year	376,134,401	13,456,279	385,823,367	13,456,279
	Balance at the year end	**4,534,757,444**	**4,223,376,973**	**5,016,251,361**	**4,702,018,787**

* Provision for providing COVID related circular advantage



	IDLC Finance PLC.		IDLC Group	
	31.12.2024 BDT	31.12.2023 BDT	31.12.2024 BDT	31.12.2023 BDT
12.6(ii) Provision charged for the year				
General provision-Regular	35,554,812	16,632,904	23,786,288	11,463,767
Special Reserve	(17,767,530)	(12,855,920)	(17,767,530)	(12,855,920)
Total General provision	17,787,283	3,776,985	6,018,759	(1,392,153)
Specific provision	561,260,488	995,301,571	612,651,116	998,582,826
Provision for diminutions in value of investments	108,467,101	6,699,490	81,386,067	(12,228,395)
Other Provisions	-	-	-	-
	687,514,872	1,005,778,046	700,055,941	984,962,278

Reason for changes in provision charged for the year:

Solo:
Incremental provision of IDLC Finance PLC. for the year ended December 31, 2024 was BDT 688 million, which was BDT 1,006 million in the same period of the previous year. As per the breakdown of incremental provision for loans and investments, the main reason behind the BDT 318 million decrease was the decrease in specific provision by BDT 434 million, increase in general provision by BDT 14 million and increase in provision for dimunition in value of investments by BDT 102 million.

Group:
Incremental provision of IDLC Group for the year ended December 31, 2024 was BDT 700 million, which was BDT 985 million in the same period of previous year. As per the breakdown of incremental provision for loans and investments, the main reason behind the BDT 285 million decrease was the decrease in specific provision during the year by BDT 386 million, increase in general provision by BDT 7 million and increase in provision for dimunition in value of investments by BDT 94 million compared to the same period of previous year.

	IDLC Finance PLC.		IDLC Group	
	31.12.2024 BDT	31.12.2023 BDT	31.12.2024 BDT	31.12.2023 BDT
12.6(iii) Product wise break up of provision				
Lease	176,464,210	157,799,489	176,464,210	157,799,489
Long- term finance	3,022,381,215	2,911,797,669	3,022,381,215	2,911,797,669
Real estate finance	568,160,525	593,176,212	568,160,525	593,176,212
Car loan	36,868,337	37,359,251	36,868,337	37,359,251
Investment in shares	321,730,927	213,263,826	588,809,249	507,423,182
Personal Loan	1,944,397	1,443,556	1,944,397	1,443,556
Short term finance	57,295,596	21,765,731	57,295,596	21,765,731
Loan against Deposit	9,017,440	7,534,751	9,017,440	7,534,751
Other Assets	333,394,797	271,415,224	530,095,859	416,841,059
Off-Balance Sheet Exposure	7,500,000	7,821,264	7,500,000	7,821,264
Margin loan	-	-	17,714,533	39,056,624
	4,534,757,444	4,223,376,973	5,016,251,361	4,702,018,787
12.6(iv) Provision segregation				
Special Reserve	95,561,658	113,329,187	95,561,658	113,329,187
Other than special reserve	4,439,195,787	4,110,047,786	4,920,689,704	4,588,689,600
	4,534,757,444	4,223,376,973	5,016,251,361	4,702,018,787

12.7 Aging analysis of unpaid/unclaimed dividend

I. Unclaimed cash dividend: *				
Upto 1 year	1,782,743	2,187,947	1,782,743	2,187,947
Over 1 year but within 3 years	5,605,900	5,074,380	5,605,900	5,074,380
Over 3 years but within 4 years	32,019	61,105	32,019	61,105
Over 4 years but within 5 years	61,105	58,985	61,105	58,985
Above 5 years	-	-	-	-
	7,481,767	7,382,417	7,481,767	7,382,417
II. Unclaimed stock dividend (Number of stock): **				
Upto 1 year	-	-	-	-
Over 1 year but within 3 years	41,464	82,383	41,464	82,383
Over 3 years but within 4 years	1,553	-	1,553	-
Over 4 years but within 5 years	-	-	-	-
Above 5 years	2,880	15,306	2,880	15,306
	45,897	97,689	45,897	97,689

*As per the Directive No. BSEC/CMRRCD/2021-386/03, dated January 14, 2021, and the Capital Market Stabilization Fund (CMSF) Rules, 2021, dated June 01, 2021, of Bangladesh Securities and Exchange Commission (BSEC) any entitlement dividend which remains unclaimed for a period of 3 (three) years from the date of approval or date of subscription, shall be transferred to the fund named "Capital Market Stabilization Fund" within such time as directed by the Commission or the Fund from time to time. As per CMSF Rules 9(1), we have already deposited unclaimed cash dividends from years 1993 to 2020 amounting to BDT 29,332,185.56 to CMSF, out of which unclaimed dividend amounting to BDT 398,890.92 has been paid to shareholders by CMSF, who claimed. We did not transfer unclaimed cash dividend amounting to BDT 200,397.77 to CMSF because we have received claims from shareholders. From the said claim amount BDT 107,274.06/- has already been settled with the shareholders and rest is under the process of settlement.

As per CMSF Rules 9(3), the Unclaimed additional amount received for the Rights Share issue 2016 subscription amounting to BDT 416,061.00/- has been transferred to CMSF.

**As per CMSF Rules 9(2), Unclaimed Bonus Share dividend from the period 2006 to 2014 and 2020 containing 766,295 shares has been transferred to CMSF. Unclaimed Bonus Share dividend containing 23,060 shares was retained with us, because we have received applications from respective shareholders. Out of which Unclaimed Bonus Share dividend containing 18,627 shares have been transferred to respective shareholders and the rest 4,433 shares are under process of transfer.



12.8 Net defined benefit obligation

Net defined benefit obligation is the net result of post employment benefit plans which is measured as per actuarial valuation under IAS 19 Employee Benefits. Valuation is carried out on Projected unit credit method as recommended by International Accounting Standard (IAS) 19. Under this method, the valuation is done considering both 'future service cost' which an employee shall obtain in normal course of service and past service cost which is the difference between assets built up from past contributions and accrued liabilities (i.e. benefits earned by members as a result of service as of valuation date).

	IDLC Finance PLC.		IDLC Group	
	31.12.2024 BDT	31.12.2023 BDT	31.12.2024 BDT	31.12.2023 BDT
Defined benefit obligation (Note: 12.8.1)	537,843,391	-	540,231,879	-
Fair value of plan assets (Note: 12.8.2)	474,569,404	-	482,320,760	-
	63,273,987	-	57,911,119	-

12.8.1 Defined benefit obligation

The amount of obligation for gratuity fund is determined considering present value of last basic salary multiplied by applicable rates as per service length which is discounted on actuarial financial and demographical assumptions/factors such as interest rate, salary growth rate, mortality rate, probable length of service etc.

Openning Balance	468,746,870	-	477,314,677	-
Current service cost	34,918,288	-	35,197,136	-
Interest expense	54,438,238	-	54,938,744	-
Benefit payments	(75,638,093)	-	(85,110,093)	-
Remeasurements due to change in demographic assumptions	-	-	-	-
Remeasurements due to change in financial assumptions	1,975,266	-	1,987,416	-
Remeasurements due to experience adjustments	53,402,822	-	55,903,999	-
Expense Adjustment	-	-	-	-
	537,843,391	-	540,231,879	-

12.8.2 Fair value of plan assets

IAS 19 prescribes a fair valuation of fund assets and where market price is not available, fair value of the fund assets is estimated. Here, fair value of plan assets is not readily available, hence historical book value (audited) of fund assets is considered as fair value of plan assets of the funds

Openning Balance	480,075,952	-	498,712,590	-
Interest income	44,627,104	-	44,376,143	-
Employer contributions	37,061,892	-	37,700,088	-
Expense Adjustment	(6,272,639)	-	(6,396,568)	-
Benefit payments from plan assets	(75,638,093)	-	(85,110,093)	-
Adjustment - Other Expense	(5,284,812)	-	(6,961,400)	-
	474,569,404	-	482,320,760	-

12.8.3 Remeasurement gain/(loss)

Opening balance	-	-	-	-
Remeasurement (loss) adjustment	(55,378,088)	-	(57,891,415)	-
	(55,378,088)	-	(57,891,415)	-
Less: Deferred Tax (expense)/income	20,766,783	-	21,395,115	-
	(34,611,305)	-	(36,496,300)	-

12.8.4 Net defined benefit liability (asset) reconciliation

Opening balance of net defined benefit liability (asset) (Charged in P&L)	(11,329,082)	-	(21,397,913)	-
Defined benefit cost included in profit or loss	56,286,873	-	59,117,705	-
Total remeasurements value	55,378,088	-	57,891,415	-
Employer contributions	(37,061,892)	-	(37,700,088)	-
Net defined benefit liability (asset) as of end of year	63,273,987	-	57,911,119	-

Significant characteristics of the plan

Plan sponsor	:	IDLC Finance PLC.
Name of the gratuity fund	:	IDLC Finance Limited Employees' Gratuity Fund
Nature of benefits	:	Final salary defend benefit plan
Risks associated with the plan	:	Plan sponsor bears interest rate risks associated of the plan
Vesting criteria	:	5 year of continuous service
Applicable salary	:	Last drawn monthly basic salary
Maximum limit of benefit paid	:	No upper limit on benefit
Basis of gratuity	:	Accrued benefit
Normal retirement age	:	60 years
Benefit calculation	:	- Past service from 5 years to below 10 years: One month's basic pay for each year of service - From 10 years to below 15 years: One & a half month's basic pay for each year of service - From 15 years & above: Two month's basic pay for each year of service



	IDLC Finance PLC.		IDLC Group	
	31.12.2024 BDT	31.12.2023 BDT	31.12.2024 BDT	31.12.2023 BDT
13 Share capital				
Authorised				
1,000,000,000 ordinary shares of BDT 10 each	10,000,000,000	10,000,000,000	10,000,000,000	10,000,000,000
Issued, subscribed and paid-up				
415,698,484 ordinary shares of BDT 10 each	4,156,984,840	4,156,984,840	4,156,984,840	4,156,984,840

Paid-up share capital as on December 31, 2024 comprises the following:

Composition of shareholding:

Sl. No.	Name of the Shareholders	31.12.2024 % of holding	31.12.2024 Number of shares	31.12.2024 BDT	31.12.2023 BDT
1	SPONSORS/DIRECTORS				
	City Bank PLC.	9.00	37,413,699	374,136,990	374,136,990
	City Bank Capital Resources Limited	9.90	41,154,150	411,541,500	411,541,500
	City Brokerage Limited	4.31	17,912,556	179,125,560	179,125,560
	Eskayef Pharmaceuticals Limited	8.00	33,255,878	332,558,780	332,558,780
	Transcraft Limited	4.01	16,683,065	166,830,650	166,830,650
	Bangladesh Lamps Limited	1.32	5,487,218	54,872,180	54,872,180
	Sadharan Bima Corporation	7.62	31,672,060	316,720,600	316,720,600
	Reliance Insurance Limited	7.00	29,098,891	290,988,910	290,988,910
	Mercantile Bank PLC.	3.50	14,549,444	145,494,440	145,494,440
	Mercantile Bank Securities Limited	2.00	8,313,969	83,139,690	83,139,690
		56.66	235,540,930	2,355,409,300	2,355,409,300
2	GENERAL				
	Institutions:				
	Investment Corporation of Bangladesh (ICB)	8.22	34,190,944	341,909,440	340,506,290
	Bangladesh Fund	1.34	5,590,000	55,900,000	55,900,000
	Delta Life Insurance Co. Ltd.	1.29	5,372,595	53,725,950	53,725,950
	Marina Apparels Limited	1.00	4,156,982	41,569,820	41,569,820
	Other Institutions	16.26	67,592,840	675,928,400	668,403,370
	Sub-Total	28.12	116,903,361	1,169,033,610	1,160,105,430
	Individuals:				
	General Public (Individuals)	14.69	61,080,161	610,801,610	593,372,840
	Sub-Total	14.69	61,080,161	610,801,610	593,372,840
3	FOREIGN				
	Institutions & Individuals	0.52	2,174,032	21,740,320	48,097,270
		0.52	2,174,032	21,740,320	48,097,270
	Total Holdings	100.00	415,698,484	4,156,984,840	4,156,984,840

The shares were listed with Dhaka Stock Exchange Limited on March 20, 1993, and with Chittagong Stock Exchange Limited on November 25, 1996, and quoted at BDT 32.70 at Dhaka Stock Exchange Limited and BDT 32.30 at Chittagong Stock Exchange Limited respectively on December 31, 2024.



13.1 Capital Adequacy Ratio (CAR):

As per the Section 4(GHA) of the Financial Institutions Rule, 1994 and subsequently updated vide DFIM Circular No. 5, dated July 24, 2011, the minimum paid-up capital of the Financial Institution (FI) shall be BDT 100 crore; provided that the sum of paid-up capital and reserves shall not be less than the minimum capital required under the Risk-Based Assets of the company, criteria determined by the Bangladesh Bank.

The surplus eligible capital of the company as well as the Group at the close of business on December 31, 2024 were BDT 675.89 crore and BDT 1,107.01 crore, respectively.

Details are as follows:

	IDLC Finance PLC.		IDLC Group	
	31.12.2024 BDT	31.12.2023 BDT	31.12.2024 BDT	31.12.2023 BDT
Core Capital (Tier-1)/Shareholders' Equity				
Paid-up capital (Note-13)	4,156,984,840	4,156,984,840	4,156,984,840	4,156,984,840
Share premium (Note-14)	1,260,585,930	1,260,585,930	1,260,585,930	1,260,585,930
Statutory reserves (Note 15)	4,143,351,989	3,808,756,195	4,143,351,989	3,808,756,195
General reserves (Note 16)	1,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000
Dividend equalization reserves	500,000,000	500,000,000	500,000,000	500,000,000
Capital reserves (Note 16 (b))	-	-	253,928,032	211,351,296
Retained earnings	4,576,519,564	3,896,295,420	8,746,225,780	7,780,645,890
Non-controlling interest	-	-	3,762	3,632
A) Sub-Total	15,637,442,322	14,622,622,385	20,061,080,333	18,718,327,783
Supplementary capital (Tier -II)				
General Provision (Unclassified loans up to specified limit + SMA + off Balance Sheet exposure)*	972,455,762	954,668,480	988,382,951	984,151,537
Assets Revaluation Reserves up to 50%	-	-	-	-
Revaluation Reserve for Securities up to 45%	-	-	-	-
All others preference shares	-	-	-	-
Others (if any other item approved by Bangladesh Bank)	-	-	-	-
B) Sub-Total	972,455,762	954,668,480	988,382,951	984,151,537
C) Total eligible capital	16,609,898,085	15,577,290,864	21,049,463,284	19,702,479,320
Total assets including off-balance sheet exposures	143,572,593,059	143,658,898,504	149,646,648,189	147,898,389,606
D) Total risk weighted assets	98,510,442,205	97,915,397,302	99,794,000,006	102,166,626,598
E) Required capital based on risk weighted assets (10% of D)	9,851,044,221	9,791,539,730	9,979,400,001	10,216,662,660
F) Surplus (C-E)	6,758,853,864	5,785,751,134	11,070,063,284	9,485,816,660
Capital Adequacy Ratio (%)	16.86	15.91	21.09	19.28

*Limited to 1.25% of RWA as per CAMD guideline.



	IDLC Finance PLC.		IDLC Group	
	31.12.2024 BDT	31.12.2023 BDT	31.12.2024 BDT	31.12.2023 BDT
14 Share premium				
Balance at January 1	1,260,585,930	1,260,585,930	1,260,585,930	1,260,585,930
Add: Received during the year	-	-	-	-
Balance at the year end	1,260,585,930	1,260,585,930	1,260,585,930	1,260,585,930

This represents Share Premium amount was received @50% over par value of share @BDT 100 against issue of 75,000 Ordinary Shares during IPO in 1993 and subsequently Share Premium amount was received @100 % over par value of share @BDT 10 per share on 125,683,593 no. of Ordinary Shares in 2017 against Rights Issue (1R: 2).

15 Statutory reserves				
Balance at January 1	3,808,756,195	3,590,032,734	3,808,756,195	3,590,032,734
Add: Transferred on appropriation of profit	334,595,794	218,723,461	334,595,794	218,723,461
Balance at the year end	4,143,351,989	3,808,756,195	4,143,351,989	3,808,756,195

In compliance with the clause no 6 of Financial Institutions Regulations, 1994, Financial Institution is required to transfer at least 20% of it's profit after tax and before appropriation of dividend in a particular year, if the financial institution's sum of Share Premium Account (if any) and Statutory Reserves is less than the paid up capital of that financial institution. Accordingly, 20% of current year's profit after tax has been transferred to Statutory Reserves Account.

16 General reserves				
Balance at January 1	1,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000
Add: Transferred on appropriation of profit	-	-	-	-
Balance at the year end	1,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000

16 (a) Dividend Equalisation Reserves				
Balance at January 1	500,000,000	46,500,000	500,000,000	46,500,000
Add: Transferred from Retained earnings	-	453,500,000	-	453,500,000
Balance at the year end	500,000,000	500,000,000	500,000,000	500,000,000

The Board of Directors of IDLC Finance PLC at its 325th Board Meeting held on April 06, 2023, approved the transfer of BDT 453.5 million to Dividend equalization reserves from Retained earnings.

16 (b) Capital reserves				
Balance at January 1	-	-	211,351,296	34,509,627
Add: Transferred on appropriation of last year's profit	-	-	42,576,736	176,841,669
Balance at the year end	-	-	253,928,032	211,351,296

As per the clause (i) of (e) of Part B [rule (1) (b), rule 5(2)] of the Bangladesh Securities and Exchange Commission (Risk Based Capital Adequacy), Rules, 2019, each registered entity have to maintain a mandatory provision at least @ 10% of profit after tax of last year as 'capital reserve' and the full amount of such reserve shall be accounted for in computing total capital. Accordingly, @10% of profit after tax of last financial year of IDLC Securities Limited & IDLC Investments Limited (from the year 2018 to 2023) has been transferred to capital reserves and also has been accounted for in computing total capital.

A. QASEM & CO. CHARTERED ACCOUNTANTS

	IDLC Finance PLC.		IDLC Group	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
	BDT	BDT	BDT	BDT

17 Business commitments and contingencies

In the normal course of business, the Company makes various commitments and incurs certain contingent liabilities. No material losses are anticipated as a result of these transactions. These contingent liabilities and business commitments are quantified below:

17.1 Contingent liabilities

Acceptances and endorsements	-	-	-	-
Letters of guarantee	-	32,126,400	-	32,126,400
Irrevocable letters of credit	-	-	-	-
Bills for collection	-	-	-	-
Indemnity bond	-	-	-	-
Corporate guarantee (Note - 17.1.1)	750,000,000	750,000,000	750,000,000	750,000,000
	750,000,000	782,126,400	750,000,000	782,126,400

17.1.1 The Company is contingently liable on behalf of IDLC Securities Limited for the guarantees given below in favour of:

Dhaka Stock Exchange Limited	700,000,000	700,000,000	700,000,000	700,000,000
Chittagong Stock Exchange Limited	50,000,000	50,000,000	50,000,000	50,000,000
	750,000,000	750,000,000	750,000,000	750,000,000

17.2 Other commitments

Documentary credits and short term trade related transactic	-	-	-	-
Forward assets purchased and forward deposits placed	-	-	-	-
Un-drawn note issuance and revolving underwriting	-	-	-	-
Un-drawn formal standby facilities, credit lines	-	-	-	-
	-	-	-	-

17.2.1 Capital expenditure commitments

There was no capital expenditure contracted but not incurred or provided for at December 31, 2024 (2023: nil). There was no material capital expenditure authorised by the Board but not contracted for at December 31, 2024 (2023: nil).

17.2.2 Unacknowledged debt

The Company had no claim, legal or others, which has not been acknowledged as debt at the balance sheet date.



		IDLC Finance PLC.		IDLC Group	
		2024	2023	2024	2023
		BDT	BDT	BDT	BDT
18	**Income statement**				
	Income				
	Interest & profit, discount and similar income (Note-18.1)	15,450,355,629	12,284,380,795	16,058,959,023	12,727,469,756
	Dividend income (Note-21)	250,247,275	60,967,621	150,373,395	118,203,334
	Fees, commission and brokerage (Note-22)	26,101,403	19,265,455	403,824,137	357,688,331
	Other operating income (Note-23)	601,167,354	698,001,905	612,761,202	704,528,559
		16,327,871,661	13,062,615,776	17,225,917,756	13,907,889,980
	Expenses				
	Interest paid & Profit distributed on Deposits, Placements & Borrowings etc. (Note-20)	10,103,103,694	7,724,873,893	9,969,715,229	7,556,142,243
	Administrative expenses (Note-18.2)	1,967,915,430	1,939,633,587	2,319,093,426	2,259,255,764
	Other expenses (Note-33)	416,915,417	397,131,978	477,097,009	461,946,090
	Depreciation on assets (Note-32)	210,299,308	193,657,545	251,346,859	234,577,670
		12,698,233,849	10,255,297,003	13,017,252,523	10,511,921,767
	Profit before provision	3,629,637,812	2,807,318,773	4,208,665,233	3,395,968,213
18.1	**Interest & profit, discount and similar income**				
	Interest Income & Financing Income (Note -19)	14,492,224,840	12,169,998,342	14,776,517,731	12,551,039,972
	Gain on sale of marketable securities & DSE share (Note - 21)	23,098,738	1,242,073	(9,641,240)	12,756,731
	Gain on sale of Government Treasury Bond (Note - 21)	205,526,878	1,295,955	204,689,633	2,342,210
	Income from investment in bonds (Note - 21)	729,505,173	111,844,425	1,087,392,898	160,805,843
		15,450,355,629	12,284,380,795	16,058,959,023	12,727,469,756
18.2	**Administrative expenses**				
	Salary and allowances (Note-24)	1,635,153,983	1,589,384,150	1,932,666,068	1,862,205,904
	Rent, taxes, insurance, electricity, etc. (Note-25)	52,709,232	49,995,891	67,846,502	63,576,309
	Legal expenses (Note-26)	10,106,994	11,687,096	17,904,889	18,551,018
	Postage, stamp, telecommunication, etc. (Note-27)	47,969,487	49,693,479	54,326,991	56,067,666
	Stationery, printing, advertisement, etc. (Note-28)	158,862,086	198,419,285	171,282,805	210,038,446
	Managing Director's salary and fees (Note-29)	14,670,083	12,600,004	14,670,083	12,600,004
	Directors' fees (Note-30)	3,233,450	1,233,135	4,307,050	1,928,335
	Auditors' fees (Note-31)	919,136	800,600	1,264,136	1,145,600
	Repair and maintenance of Company's assets (Note-32)	44,290,980	25,819,947	54,824,901	33,142,483
		1,967,915,430	1,939,633,587	2,319,093,426	2,259,255,764
19	**Interest Income & Financing Income**				
	This represents interest income from the following products:				
	Lease finance	398,284,192	344,152,874	398,284,192	344,152,874
	Real estate finance	3,984,228,315	3,222,168,700	3,984,228,315	3,222,168,700
	Term finance	8,055,981,548	6,116,604,170	8,055,981,548	6,116,604,170
	Short term finance	388,612,970	268,373,382	388,612,970	268,373,382
	Car loan	326,581,416	249,681,990	326,581,416	249,681,990
	Personal loan	7,252,570	9,076,961	7,252,570	9,076,961
	Margin loan to portfolio investors	-	-	221,289,278	303,238,188
		13,160,941,011	10,210,058,077	13,382,230,288	10,513,296,265
	Interest & Profit on balance with other banks & financial institutions	1,229,153,217	1,897,057,264	1,292,156,831	1,974,860,706
	Loan against deposit	102,130,612	62,883,001	102,130,612	62,883,001
		14,492,224,840	12,169,998,342	14,776,517,731	12,551,039,972
20	**Interest paid & Profit distributed on Deposits, Placements & Borrowings etc.**				
	Interest & Profit on term deposits & mudarabah term deposits	8,492,527,148	6,023,687,567	8,359,514,370	5,859,139,998
	Interest on borrowings & Profit distributed on Placements	1,338,771,876	1,334,201,243	1,338,948,838	1,334,253,231
	Interest on secured/unsecured zero coupon bonds	95,594,035	197,668,129	87,915,428	186,126,179
	Interest & Profit distributed on security deposits	102,543,765	95,255,676	102,543,765	95,255,676
	Interest on call loan	32,835,111	39,107,042	32,835,111	39,107,042
	Interest on lease rent	31,020,624	34,954,236	37,395,116.57	42,260,118
	Net interest cost (on Gratuity Fund)	9,811,134	-	10,562,601	-
		10,103,103,694	7,724,873,893	9,969,715,229	7,556,142,243



		IDLC Finance PLC.		IDLC Group	
		2024	2023	2024	2023
		BDT	BDT	BDT	BDT
21	**Investment income**				
	Gain on sale of marketable securities	23,098,738	1,242,073	(9,641,240)	12,756,731
	Gain on sale of Government Treasury Bond	205,526,878	1,295,955	204,689,633	2,342,210
	Dividend income	250,247,275	60,967,621	150,373,395	118,203,334
	Income from investment in bonds	729,505,173	111,844,425	1,087,392,898	160,805,843
	Capital Gain from Mutual Fund	-	-	-	525,000
		1,208,378,064	175,350,074	1,432,814,686	294,633,118
22	**Commission, exchange and brokerage**				
	Agency fees	7,280,000	7,342,500	7,280,000	7,342,500
	Arrangement fees	18,494,125	10,098,047	25,494,125	10,098,047
	Advisory fees	-	1,250,000	-	1,250,000
	Commission & brokerage	-	-	261,709,181	245,472,122
	Underwriting commission	-	-	-	35,000
	Documentation fees	-	-	263,000	113,600
	Custodial fees	327,278	574,908	327,278	574,908
	Fees from mutual fund & others	-	-	45,921,341	41,186,862
	Issue management fees	-	-	10,000,000	2,500,000
	Portfolio management fees	-	-	31,289,843	24,580,646
	Corporate advisory fees	-	-	13,263,386	15,570,423
	Settlement charges	-	-	8,275,982	8,964,223
		26,101,403	19,265,455	403,824,137	357,688,331
23	**Other operating income**				
	Application, processing and documentation fees	424,536,076	518,001,597	424,536,076	518,001,597
	Loan settlement and others	55,947,133	60,976,556	55,947,133	60,976,556
	Service charges	3,839,374	6,046,008	3,839,374	6,046,008
	Gain on disposal of fixed assets	8,257,126	5,370,569	8,256,243	7,808,273
	Account opening & BO account maintenance fees	-	-	2,419,000	2,078,500
	IPO service charge	-	-	25,015	16,350
	Revenue from write off collection	85,554,676	89,723,282	85,554,676	89,723,282
	Commission on Corporate Guarantee	2,668,750	2,661,458	2,668,750	2,661,458
	Miscellaneous income	20,364,219	15,222,435	29,514,934	17,216,535
		601,167,354	698,001,905	612,761,202	704,528,559
24	**Salaries and allowances**	1,635,153,983	1,589,384,150	1,932,666,068	1,862,205,904
	Salaries and allowances include the current service cost.				
24.1	**Salaries and allowances**				

Salaries and allowances include annual contribution of BDT 60,334,918 to Provident Fund for of IDLC Finance PLC. and BDT 70,954,452 to Provident Fund of IDLC Group. Details for gratuity fund (Defined benefit plan) have been disclosed in note 12.8 & 12.3.

25	**Rent, taxes, insurance, electricity, etc.**				
	Rent, rate and taxes	3,062,755	3,524,012	8,725,581	8,291,251
	Insurance	6,372,371	3,882,034	6,949,446	4,787,352
	Power and electricity	43,274,106	42,589,845	52,171,475	50,497,706
		52,709,232	49,995,891	67,846,502	63,576,309
25.1	**Disclosure related to Rent, rate and taxes:**				
	Actual rent expenses (inclusive of VAT)	162,544,223	162,923,411	206,178,939	204,598,574
	Less: Reclassification of rent expenses (as per IFRS 16: Leases)	159,481,468	159,399,399	197,453,358	196,307,323
	Rent expenses as reported	3,062,755	3,524,012	8,725,581	8,291,251

In addition to the above mentioned change in rent expense, implementation of IFRS 16 has resulted in charging of depreciation against Right-of-use asset as disclosed in Annexure A and of interest expense on lease rent, as disclosed in Note 20.



		IDLC Finance PLC.		IDLC Group	
		2024	2023	2024	2023
		BDT	BDT	BDT	BDT
26	**Legal expenses**				
	Renewal and registration	4,864,404	4,935,177	6,439,908	6,691,727
	Other professional charges	5,242,590	6,751,919	11,464,981	11,859,291
		10,106,994	11,687,096	17,904,889	18,551,018
27	**Postage, stamp, telecommunication, etc.**				
	Postage	3,691,226	3,845,498	3,874,324	3,963,200
	Telecommunication and internet etc.	44,278,261	45,847,981	50,452,667	52,104,466
		47,969,487	49,693,479	54,326,991	56,067,666
28	**Stationery, printing, advertisements, etc.**				
	Stationery & printing	26,955,386	85,460,041	30,167,582	88,904,402
	Advertisement and publicity	131,906,700	112,959,244	141,115,223	121,134,043
		158,862,086	198,419,285	171,282,805	210,038,446
29	**Managing Director's salary and benefits**				
	Basic pay	7,368,500	6,000,000	7,368,500	6,000,000
	Allowances	4,397,748	3,000,000	4,397,748	3,000,000
	Bonus	2,445,500	2,500,000	2,445,500	2,500,000
	Company's contribution to provident & gratuity fund	458,335	1,100,004	458,335	1,100,004
		14,670,083	12,600,004	14,670,083	12,600,004
30	**Directors' fees**				
	Honorarium for attending meeting*	3,233,450	1,233,135	4,307,050	1,928,335
		3,233,450	1,233,135	4,307,050	1,928,335

30.1 **Directors' fees**

In compliance with condition 12.2 (Ka) of DFIM Circular No 01, dated on February 29, 2024, BDT 10,000 has been paid to the Directors of the Board excluding the CEO & Managing Director for attending per meeting of the Board and its Sub-committees of IDLC Finance PLC.

In compliance with condition 12.2 (Ga) of DFIM Circular No 01, dated on February 29, 2024, and condition 5 (Ka) of DFIM Circular No 02, dated March 13, 2024, the Independent Directors will be entitled to a maximum of BDT 50,000.00 (subject to applicable tax deduction) as fixed remuneration per month other than meeting attendance fee.

* Directors' fee includes BDT 132,000 for Shari'ah Supervisory Committee's Fees for the year 2024.

31	**Auditors' fees**				
	Annual statutory audit fees (including VAT)	919,136	800,600	1,264,136	1,145,600
		919,136	800,600	1,264,136	1,145,600
32	**Depreciation and repair of company's assets**				
	Freehold assets (Annexure-A)	210,299,308	193,657,545	251,346,859	234,577,670
	Repair and maintenance for premises, vehicles, computers and computers accessories	44,290,980	25,819,947	54,824,901	33,142,483
		254,590,288	219,477,492	306,171,761	267,720,153
33	**Other expenses**				
	Bank charges	40,097,073	32,022,707	42,180,741	33,432,180
	Books and periodicals	209,149	187,085	242,528	213,445
	Car expenses	32,318,314	32,630,358	35,380,565	35,505,809
	Donations and subscriptions	483,447	7,340,829	1,113,429	7,660,952
	Medical & welfare expenses	39,041,483	17,701,148	42,806,968	17,979,676
	Entertainment expenses	19,499,771	15,632,685	22,833,525	18,192,969
	Consultancy fees	8,485,676	7,623,586	8,485,676	7,623,586
	Office service expenses	121,522,405	114,177,886	139,477,869	135,595,329
	Salaries & allowance-outsourcing staff	31,337,188	26,590,453	31,337,188	26,590,453
	Training expenses	6,830,452	12,413,272	7,155,519	13,128,071
	Travel and conveyances	28,420,399	32,111,438	30,445,688	33,948,008
	Brokerage Charges	-	-	6,532,059	9,866,984
	CDBL charges	900	7,650	654,205	437,368
	Howla and Laga charge	-	-	20,612,155	18,875,116
	Portfolio Management Charge	10,277,292	9,578,750	-	-
	Sales Incentive	56,770,767	59,162,844	63,621,505	67,412,982
	Repossession fees and others	21,621,101	29,951,287	24,217,390	35,483,161
		416,915,417	397,131,978	477,097,009	461,946,090



34 Operating Segment Report

a) IDLC Finance PLC. & Its subsidiaries:

Revenue and profit	Core financing business	Investment banking business	Brokerage business	Asset management business	Total
	For the year 2024				
External revenue					
Net Interest Income & Financing Income	4,389,121,146	159,159,244	244,966,947	5,876,558	4,799,123,895
Investment income	1,208,378,064	222,295,474	213,033,062	6,786,649	1,650,493,248
Commission and brokerage	26,101,403	69,529,847	261,709,181	56,760,998	414,101,430
Other operating income	601,167,354	223,475	3,102,058	8,268,314	612,761,202
Inter-segment revenue/ expense	-	-	-	-	(220,277,247)
Total Segment Revenue (A)	6,224,767,968	451,208,040	722,811,248	77,692,519	7,256,202,527
Other operating expenses	2,384,830,847	91,307,136	264,409,839	64,877,931	2,805,425,753
Major non-cash expenses:					
Depreciation	210,299,308	8,988,100	25,324,008	7,777,417	252,388,834
Provision for future losses	687,514,872	53,544,398	(33,922,294)	(7,081,034)	700,055,941
Inter-segment expense	-	-	-	-	(10,277,292)
Total Segment Expense (B)	3,282,645,027	153,839,634	255,811,553	65,574,313	3,747,593,235
Reportable segment profit before tax (A-B)	2,942,122,941	297,368,406	466,999,695	12,118,205	3,508,609,292
	For the year 2023				
External revenue					
Net Interest Income & Financing Income	4,445,124,449	226,319,999	304,385,917	7,525,413	4,983,355,778
Investment income	175,350,074	52,203,885	68,333,522	10,287,588	306,175,068
Commission and brokerage	19,265,455	50,502,438	245,472,122	52,027,066	367,267,081
Other operating income	698,001,905	2,028,085	4,417,858	80,712	704,528,559
Inter-segment revenue/ expense	-	-	-	-	(9,578,750)
Total Segment Revenue (A)	5,337,741,883	331,054,406	622,609,418	69,920,779	6,351,747,737
Other operating expenses	2,336,765,565	88,296,409	239,164,881	65,384,348	2,729,611,203
Major non-cash expenses:					
Depreciation	193,657,545	8,988,100	25,324,008	7,777,417	235,747,071
Provision for future losses	1,005,778,046	(16,724,517)	(3,378,141)	(713,109)	984,962,278
Inter-segment expense	-	-	-	-	(9,578,750)
Total Segment Expense (B)	3,536,201,155	80,559,992	261,110,748	72,448,656	3,940,741,802
Reportable segment profit before tax (A-B)	1,801,540,728	250,494,414	361,498,671	(2,527,878)	2,411,005,935

Segment assets and liabilities

	Core financing business	Investment banking business	Brokerage business	Asset management business	Total
	For the year 2024				
External assets					
Total assets	142,822,593,059	4,228,459,786	6,105,030,049	401,557,552	153,557,640,445
Inter-segment assets	(4,103,093,075)	(81,689,286)	(426,638,613)	(49,571,282)	(4,660,992,256)
Total Segment Assets	138,719,499,984	4,146,770,500	5,678,391,435	351,986,270	148,896,648,189
External liabilities					
Total liabilities	127,185,150,737	705,093,692	1,471,019,806	50,647,087	129,411,911,322
Inter-segment liabilities	(573,250,181)	(3,093,285)	-	-	(576,343,466)
Total Segment Liabilities	126,611,900,556	702,000,407	1,471,019,806	50,647,087	128,835,567,856
	For the year 2023				
External assets					
Total assets	142,876,772,104	4,066,582,194	5,968,773,462	392,205,853	153,304,333,614
Inter-segment assets	(4,101,157,671)	(762,443,555)	(1,215,420,533)	(109,048,649)	(6,188,070,408)
Total Segment Assets	138,775,614,433	3,304,138,640	4,753,352,929	283,157,204	147,116,263,206
External liabilities					
Total liabilities	128,254,149,720	640,717,073	1,535,834,853	55,304,533	130,486,006,179
Inter-segment liabilities	(2,086,912,876)	(1,157,881)	-	-	(2,088,070,757)
Total Segment Liabilities	126,167,236,844	639,559,192	1,535,834,853	55,304,533	128,397,935,422



b) IDLC Finance PLC.- Divisional Segment:
Revenue and profit

	For the year 2024				
	Corporate	SME	Consumer	Treasury & Common	Total
Total External revenue	953,100,840	2,194,613,778	788,657,239	2,288,396,111	6,224,767,968
Inter-segment revenue/expense	1,411,450	2,228,472	(3,639,922)	-	-
Total Segment Revenue (A)	954,512,290	2,196,842,250	785,017,316	2,288,396,111	6,224,767,968
Total Segment Expense (B)	365,373,733	1,325,919,555	567,032,861	1,024,318,878	3,282,645,027
Reportable segment profit before tax (A-B)	589,138,557	870,922,696	217,984,455	1,264,077,233	2,942,122,941

	For the year 2023				
	Corporate	SME	Consumer	Treasury & Common	Total
Total External revenue	860,830,998	1,941,123,479	987,584,317	1,548,203,089	5,337,741,883
Inter-segment revenue/expense	1,161,097	1,412,216	(2,598,313)	25,000	-
Total Segment Revenue (A)	861,992,095	1,942,535,695	984,986,004	1,548,228,089	5,337,741,883
Total Segment Expense (B)	512,839,127	1,586,995,038	645,997,175	790,369,816	3,536,201,155
Reportable segment profit before tax (A-B)	349,152,968	355,540,657	338,988,829	757,858,273	1,801,540,728

35 Tax expenses

35.1 Current tax

Provision of current tax has been calculated based on the profit for the year, adjusted according to the taxation rules outlined in the Income Tax Act 2023, along with any subsequent amendments. The applicable tax rate for the Company is 37.50% on taxable income (same as in 2023). Adequate provisions have been made for the years where tax assessments are pending.

35.2 Deferred tax

Deferred tax is provided using the balance sheet method for all temporary differences arising between the tax base of assets and liabilities and their carrying values for financial reporting purposes as per International Accounting Standard (IAS) 12 "Income Taxes".

	IDLC Finance PLC.		IDLC Group	
	2024	2023	2024	2023
	BDT	BDT	BDT	BDT

35.3 Average effective tax rate

The average effective tax rate is calculated below as per International Accounting Standard (IAS) 12: "Income Taxes".

Tax expenses (A) (Note 12.2 & Annex-B)	1,269,143,972	974,842,936	1,505,812,716	1,164,362,087
Accounting profit before tax (B)	2,942,122,941	1,801,540,728	3,508,609,292	2,411,005,935
Average effective tax rate (A÷B)	43.14%	54.11%	42.92%	48.29%

Reason for changes in Average effective tax rate:

Solo:
The effective tax rate of IDLC Finance PLC. has decreased compared to the previous year, primarily due to the provision write-offs related to loans, advances, and investments. This year, the profit before tax has increased by 1,141 million compared to last year, while the average effective tax rate has fallen. Since provision write-offs are tax-deductible, this contributed to the reduction in the effective tax rate. Consequently, the average effective tax rate decreased to 43.14%.

Group:
In the consolidated financial statements, the group's effective tax rate has decreased this year compared to the previous year. The group's profit before tax has increased by 1,098 million, while the average effective tax rate has declined. The primary reason for this decrease is the change in tax rates implemented by the NBR, along with a reduction in provisions, leading to a lower overall effective tax rate for the group. As a result, the average group effective tax rate decreased to 42.92%.

A. QASEM & CO. CHARTERED ACCOUNTANTS

35.3.1 Reconciliation of effective tax rate :

IDLC Finance PLC.	2024		2023	
	%	BDT	%	BDT
Profit before income tax as per profit and loss account		2,942,122,941		1,801,540,728
Income tax as per applicable tax rate	37.50%	1,103,296,103	37.50%	675,577,773
Net inadmissable expenses	7.76%	228,455,397	17.44%	314,236,337
Tax savings from reduced tax rates (ranging from 0% to 20% for exempted investment income, dividend income, capital gains, management fee of mutual funds, sale of stock exchange membership & release from settlement of pending tax cases)	-2.37%	(69,604,818)	-0.74%	(13,316,457)
Effect of deferred tax (income)/expense	0.24%	6,997,291	-0.09%	(1,654,717)
Reported average effective tax rate & total tax expenses	43.14%	1,269,143,972	54.11%	974,842,936

IDLC Group				
Profit before income tax as per consolidated profit and loss account		3,508,609,292		2,411,005,935
Income tax as per applicable tax rate	35.79%	1,255,838,680	36.01%	868,230,146
Net inadmissable expenses	10.48%	367,634,477	14.05%	338,790,921
Tax savings from reduced tax rates (ranging from 0% to 20% for exempted investment income, dividend income, capital gains, management fee of mutual funds, sale of stock exchange membership)	-3.40%	(119,180,641)	-1.67%	(40,383,996)
Effect of deferred tax (income)/expense	0.04%	1,520,201	-0.09%	(2,274,983)
Reported average effective tax rate & total tax expenses	42.92%	1,505,812,716	48.29%	1,164,362,087

	IDLC Finance PLC.		IDLC Group	
	2024	2023	2024	2023
	BDT	BDT	BDT	BDT

36 Earnings Per Share (EPS)

Earnings Per Share as shown in the face of the Profit and Loss Account is calculated in accordance with International Accounting Standard (IAS) 33: "Earnings Per Share".

Basic earnings per share has been calculated as follows:

Earnings attributable to ordinary shareholders (Net profit after tax) (A)	1,672,978,968	1,093,617,303	2,002,796,446	1,513,563,256
Weighted average number of ordinary shares outstanding during the year (B)	415,698,484	415,698,484	415,698,484	415,698,484
Earnings Per Share (A÷B)	4.02	2.63	4.82	3.64

Reason for changes in Earnings Per Share (EPS):

Solo:
EPS of IDLC Finance PLC. for the year ended December 31, 2024 is BDT 4.02, which was BDT 2.63 in the same period of the previous year. The primary reason behind this growth is the increase in Investment income (increased by BDT 1,033 million) Commission, exchange and brokerage (increased by 7 million). Additionally, Provision for loans and investments decreased by BDT 318 million. On the other hand, Net interest income & financing income (decreased by 56 million), Other operating income (decreased by BDT 97 million), Operating expenses (increased by BDT 64 million) and Provision for tax (increased by BDT 561) million. So, the aggregate Net profit after tax increased to BDT 1,673 million (increased by BDT 579 million).

Group:
In the consolidated financial statement, EPS for the year ended December 31, 2024 is BDT 4.82, which was BDT 3.64 in the same period of the previous year. The primary reason behind this growth is the increase in Investment income (increased by BDT 1,138 million) & Commission exchange & brokerage (increased by BDT 46 million). Additionally, Provision for loans and investments decreased by BDT 285 million. On the other hand, Net interest income & financing income (decreased by 188 million), Other operating income (decreased by BDT 92 million), Operating expenses (increased by BDT 92 million) and the Provision for tax (increased by BDT 608 million). As such, aggregate Net profit after tax increased to BDT 2,003 million (increased by BDT 489 million).

37 Net Asset Value (NAV) Per Share

Net Asset (total assets less total liabilities) (A)	15,637,442,322	14,622,622,385	20,061,080,333	18,718,327,783
Total number of ordinary shares outstanding (B)	415,698,484	415,698,484	415,698,484	415,698,484
Net Asset Value per share (NAV) (A÷B)	37.62	35.18	48.26	45.03

	IDLC Finance PLC.		IDLC Group	
	2024	2023	2024	2023
	BDT	BDT	BDT	BDT

38 Net Operating Cash Flows Per Share (NOCFPS)

Net cash flows from operating activities (A)	470,749,475	(10,159,758,181)	3,500,681,512	(9,365,853,577)
Total number of ordinary shares outstanding (B)	415,698,484	415,698,484	415,698,484	415,698,484
Net operating cash flows per share (NOCFPS) (A÷B)	1.13	(24.44)	8.42	(22.53)

Reason for changes in Net Operating Cash Flows Per Share (NOCFPS):

Solo:
NOCFPS of IDLC Finance PLC. for the year ended December 31, 2024 is BDT 1.13, which was BDT (24.44) in the same period of the previous year. The primary reason behind this variance is the net increase in cash generation from loans and advances by BDT 10,281 million, from term loan & bank borrowing by BDT 352 million, from payable and accrued expenses by BDT 106 million & increase in net cash generation from operating activities by BDT 1,381 million. On the other hand, decrease in cash flow from terms and other deposits by BDT 1,444 million and from other assets & interest suspense accounts by 124 million. As such, aggregate cash outflow from operating activities has increased by BDT 10,631 million during the period ended on December 31, 2024.

Group:
In consolidated financial statement, NOCFPS for the year ended December 31, 2024 is BDT 8.42 which was BDT (22.53) in the same period of the previous year. The primary reason behind this variance is the increase in cash generation from loans & advances by BDT 11,109 million, increase in terms and other deposits by BDT 193 million, increase in term loan, bank borrowing by BDT 356 million and increase in cash generation from operating activities by BDT 1,361 million which is offset by, decrease in payable from accrued expenses by BDT 29 million and decrease in other assets & interest suspense accounts by 329 million. As such, aggregate cash outflow from operating activities has increased by BDT 12,867 million during the period ended on December 31, 2024.



		IDLC Finance PLC.		IDLC Group	
		2024 BDT	2023 BDT	2024 BDT	2023 BDT
39	**Reconciliation of Net Profit with Cash Flows from Operating Activities**				
	Net profit after tax	1,672,978,968	1,093,617,303	2,002,796,576	1,513,563,360
	Items not involved in cash movement:				
	Add: Depreciation	210,299,308	193,657,545	251,346,859	234,577,670
	Add: Provision for loans and investments	687,514,872	1,005,778,046	700,055,941	984,962,278
	Add: Provision for taxation	1,262,146,681	709,578,141	1,504,292,516	899,717,558
	Add/ (Less): Accrued expenses	270,276,182	61,824,935	767,132,856	558,681,609
	Add/ (Less): Accrued income	(583,280,258)	(234,129,685)	(618,057,345)	(17,815,340)
	Less: Gain On Disposal of Fixed assets	(8,257,126)	(5,370,569)	(8,256,243)	(7,808,273)
	Add/ (Less): Remeasurement gain/(loss)	(34,611,305)	-	(36,496,300)	-
	Increase/(Decrease) in Net defined benefit obligation/plan assets	63,273,987	-	57,911,119	-
	Increase/(Decrease) in Employee gratuity	-	-	12,143,302	1,275,716
	Increase/(Decrease) in deferred tax	(13,769,492)	(1,654,716)	(19,874,914)	(2,274,983)
	Adjustments to reconcile net profit after tax to net cash provided by operating activities	3,526,571,818	2,823,301,000	4,612,994,367	4,164,879,595
	Increase/(decrease) in operating assets and liabilities				
	(Increase)/Decrease in Loans & advances	841,152,756	(9,439,980,135)	2,037,044,974	(9,072,261,896)
	(Increase)/Decrease in Other assets	(344,226,009)	(288,806,316)	(321,004,846)	(319,330,661)
	Increase/(Decrease) in Term & other deposits	2,107,556,767	3,551,266,717	3,572,081,051	3,379,000,954
	Increase/(Decrease) in Term loans	(3,853,867,228)	5,438,184,924	(3,804,045,834)	5,484,142,974
	Increase/(Decrease) in Short term borrowings	(616,000,000)	(10,260,000,000)	(616,000,000)	(10,260,000,000)
	Increase/(Decrease) in Payable and accrued expenses	(246,164,321)	(360,416,311)	(849,436,937)	(824,192,275)
	(Increase)/Decrease in Income tax	(976,362,115)	(1,724,831,053)	(1,186,671,008)	(1,926,203,916)
	Increase/(Decrease) in Portfolio investors fund	-	-	23,631,937	(93,411,343)
	Increase/(Decrease) in interest suspense	32,087,808	101,522,993	32,087,808	101,522,993
		(3,055,822,342)	(12,983,059,181)	(1,112,312,855)	(13,530,733,172)
	Net cash flows from/(used in) operating activities	470,749,475	(10,159,758,181)	3,500,681,512	(9,365,853,577)

40 **Related party disclosure**

a. Particulars of Directors and their interest in different entities

SL no.	Name of the Director	Status in IDLC	Name of the firms/companies in which interested is the proprietor, partner, director, managing agent, guarantor, employee etc.	Status in interested entity	(%) of Holding/Interest in the concern as on 31.12.2024
1.	Mr. Aziz Al Mahmood	Chairman	Danish Condensed Milk Bangladesh Limited	Managing Director	75.00%
			Danish Foods Limited	Managing Director	75.00%
			Danish Milk (Bd) Ltd.	Managing Director	75.00%
			Danish Distribution Network Limited	Managing Director	75.00%
			Rubel Steel Mills Limited	Managing Director	75.00%
			Danish Dairy Firm Limited	Managing Director	75.00%
			Suborna Bhumi Housing Limited	Managing Director	50.00%
			Voice Tel Limited	Managing Director	25.00%
			Partex Tissue Limited	Managing Director	70.00%
			Danish Multipurpose Farm Limited	Managing Director	70.00%
2.	Mr. Akhtar Ahmed	Director	-	-	-
3.	Ms. Mahia Juned	Director	City Bank PLC.	Additional Managing Director and Chief Operating Officer & CAMLCO	-
			City Hong Kong Limited	Nominated director of City Bank PLC.	-
4.	Mr. Nurullah Chaudhury	Director	City Bank PLC.	Deputy Managing Director and Head of Corporate and Commercial Banking Division	-
5.	Mr. Md. Kamrul Hassan, FCA	Director	Transcom Group of Companies	Group Chief Financial Officer	-
			Global Appliances Limited	Director	Nominated
			National Asset Management Limited	Director	12.00%
6.	Mr. Wasiful Hoq	Director	Sadharan Bima Corporation	General Manager	-
7.	Mr. Md. Zakir Hossain	Director	Mercantile Bank PLC.	Deputy Managing Director	-
8.	Mr. Farooq Sobhan	Independent Director	CSR Centre and SAJIDA Foundation	Chairman	Non-Profitable
9.	Mr. Md. Khalilur Rahman	Independent Director	-	-	-
10.	Mohammad Mostafizur Rahman	Independent Director	Aerotech Aviation Limited	-	20.00%



b. Significant contract where the Company is party and wherein Directors have Interest - Nil

c. Related party transactions

Parties are considered to be related if one party has the ability to control the other party or exercises significant influence over the other party in making financial and operational decision and include associated companies with or without common Directors and key management positions. The Company has entered into transaction with other related entities in normal course of business that fall within the definition of related party as per International Accounting Standard 24: " Related Party Disclosures." Transactions with related parties are executed on the same terms, including interest rate and collateral, as those prevailing at the time for comparable transactions with other customers of similar credentials and do not involve more than a normal risk.

Details of transactions with related parties and balances with them as at 31 December 2024 were as follows:

Name of the related party	Transaction nature	Relationship	Balance as at January 1, 2024	Addition	Adjustment	Balance at year end December 31, 2024 receivable/ (payable)
			BDT	BDT	BDT	BDT
The City Bank Limited and its subsidiaries	Term Deposit	Sponsor shareholder	(145,365,096)	(5,204,970)	101,915,000	(48,655,066)
Transcom group	Term Deposit	Shareholder	(1,292,107,654)	(217,273,590)	545,163,555	(964,217,690)
Reliance Insurance Limited	Term Deposit	Shareholder	(590,000,000)	(3,958,300)	169,958,300	(424,000,000)
Directors & their families	Term Deposit	Shareholder	(319,028,601)	(103,581,595)	158,251,598	(264,358,597)
IDLC Securities Limited	Term Deposit	Subsidiary	(1,215,420,533)	(670,000,000)	1,460,140,533	(425,280,000)
	Payable to SL	Subsidiary	(9,338,325)	-	7,979,712	(1,358,613)
IDLC Investments Limited	Term Deposit	Subsidiary	(623,042,948)	(22,004,072)	645,047,019	-
	Payable to IL	Subsidiary	(7,889,929)	(22,894,391)	30,784,320	-
IDLC Asset Management	Term Deposit	Subsidiary	(98,043,887)	(41,609,277)	92,950,080	(46,703,085)
	Payable to AML	Subsidiary	(1,385,813)	(6,833,439)	7,704,946	(514,306)
Central Depository Bangladesh Ltd.	Term Deposit	Related Party	(40,000,000)	-	-	(40,000,000)
Partex Tissue Limited	Operational Expenditure	Related Party	-	(1,207,806)	1,207,806	-
Danish Foods Limited	Operational Expenditure	Related Party	-	(867,360)	867,360	-
Danish Milk (Bd) Ltd.	Operational Expenditure	Related Party	-	(1,855,656)	1,855,656	-
Danish Condensed Milk (BD) Ltd. Employees Provident Fund	Term Deposit	Related Party	(49,438,473)	(24,046,919)	-	(73,485,392)
			(4,391,061,260)	(1,121,337,376)	3,223,825,886	(2,288,572,749)

d. Share issued to Directors and executives without consideration or exercisable at a discount - Nil

e. Lending policy to related parties

Related parties are allowed Loans and Advances as per General Loan Policy of the Company.

f. Loans, advances and leases to Directors and their related concern -Nil

g. Investment in the Securities of Directors and their related concern - Nil

41 Receivable from Directors

The company does not have any receivable from Directors as at December 31, 2024.

42 Disclosure on Audit committee

a. Particulars of audit committee

The Audit Committee of the Board was duly constituted by the Board of Directors of the Company in accordance with DFIM Circular no. 13 issued on October 26, 2011 by Bangladesh Bank and in accordance with Bangladesh Securities and Exchange Commission (BSEC) condition No. 5 of the notification No. SEC/CMRRCD/2006-158/207/Admin/80, dated June 3, 2018.

The Audit Committee of the Board of Directors as of 31 December 2024 consisted of the following members of the Board:

Name	Status at the Company	Status at committee
Mr. Farooq Sobhan	Independent Director	Chairman
Mr. Md. Kamrul Hassan, FCA	Director	Member
Ms. Mahia Juned	Director	Member
Mohammad Mostafizur Rahman	Independent Director	Member

The company secretary acts as the Secretary of the Audit Committee

b. Meetings held by the committee during the year by date:	Meeting No	Held on
	95th	28-Feb-2024
	96th	12-Mar-2024
	97th	12-May-2024
	98th	18-Jul-2024
	99th	20-Oct-2024
	100th	11-Dec-2024



c. Six meetings of the audit committee were held during the year 2024 where it carried out the following tasks:

i) Reviewed Bangladesh Bank's Comprehensive Inspection Report on Corporate Head Office of IDLC Finance PLC. as of December 31, 2022 & December 31, 2023;
ii) Conducted discussions, with the statutory auditors and with management, on the audited financial statements of the company and its subsidiaries for the year ended December 31, 2023 before concluding that the audited financial statements provided a true and fair view;
iii) Reviewed Bangladesh Bank's FICL Quick Summary Report on Corporate Head office of IDLC Finance PLC. as of December 31, 2023
iv) Reviewed report of management discussion and analysis 2023 prior to its publication in the Annual Report 2023;
v) Reviewed loan classification process with provision requirement for the year ended December 31, 2023;
vi) Reviewed report of the Audit Committee for 2023 for publication in the Annual Report 2023;
vii) Reviewed and approved Annual Audit Plan 2024 and 2025 respectively
viii) Recommended for appointment of statutory auditors for the year 2024 and for fixation of their remuneration;
ix) Recommended for appointment of auditors for certification on compliance with the conditions of Corporate Governance Guideline (CGG) for the year 2024 and for fixation of their remuneration;
x) Recommended for appointment of Independent Scrutinizer to authenticate the election process and voting result of 39th Annual General Meeting as per the BSEC
xi) Reviewed the quarterly unaudited financial statements of IDLC Finance PLC. and its subsidiaries for the quarters ended on March 31 2024, June 30 2024 and September 30 2024 respectively;
xii) Reviewed classification process with provision requirement for the quarters ended on March 31 2024, June 30 2024 and September 30 2024, respectively
xiii) Reviewed the half-yearly Anti-Money Laundering (AML) activity report of IDLC Finance PLC. for the half years ended June 30, 2024 and December 31, 2024;
xiv) Reviewed the quarterly Internal Control & Compliance reports for the quarters ended on March 31 2024, September 30 2024, respectively
xv) Reviewed Bangladesh Bank's Inspection Reports on SME portfolio of Bhulta, Elephant Road, and Imamganj Branch Of IDLC Finance PLC.
xvi) Reviewed Bangladesh Financial Intelligence Unit's (BFIU) AML/CFT System Check Inspection Reports on Narayanganj and Narsingdi Branch of IDLC Finance PLC. based on December 31, 2023
xvii) Reviewed Quarterly Willful defaulter Report to DFIM and CIB Unit of Bangladesh Bank for the Quarters ended on June 30, 2024 and September 30, 2024
xviii) Reviewed revised "ICT Management and Information Security Policy" Version 6.0 (2024) of IDLC Finance PLC.
xix) Reviewed Bangladesh Bank's Core Risk Inspection Report on IDLC Finance PLC. based on December 31, 2023 and management responses thereon;
xx) Reviewed other matters of interest arising during the year ended 31 December 2024.

43 Foreign remittance

There were no foreign remittance during the year 2024.

44 Number of employees

The Company paid an aggregate amount more than BDT 36,000 per annum to 1,665 employees as a group and solo 1,454, who were in employment for full year or part of the year. (2023: Group- 1,674, Solo- 1,459)

45 Events after the reporting period

45.1 Dividend for the year 2024

The Board of Directors of IDLC Finance PLC. at its 351st Board Meeting held on April 17, 2025, recommended to the shareholders a cash dividend @ 15% i.e. BDT 1.5 per share amounting to BDT 623,547,725.93 and Stock dividend @ 5% i.e. BDT 0.5 per share amounting to BDT 207,849,241.97 based on financial performance of 2024. This will be considered for approval by the shareholders at the 40th Annual General Meeting (AGM) to be held on June 03, 2025.

46 General

46.1 The Company publishes its quarterly accounts as per the Bangladesh Securities and Exchange Commission (BSEC) Notification No. SEC/CMRRCD/2008-183/Admin/03-34, dated September 27, 2009.

46.2 The Company does not have any restriction on distribution and payment of dividends.

46.3 During the year under report, no matters were submitted to a vote of shareholders of the Company.

46.4 Previous year's figures have been rearranged where necessary to conform to current year's presentation.

Farooq Sobhan	Md. Zakir Hossain	Mohammad Mostafizur Rahman	M. Jamal Uddin	Abul Fazal Mohamed Rubayat
Director	Director	Director	CEO & Managing Director	Company Secretary

Dhaka,

A. QASEM & CO. CHARTERED ACCOUNTANTS DHAKA

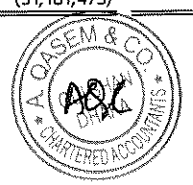
Annexure A

Fixed assets including land, building, furniture and fixtures-for 2024

Asset category	Cost				Depreciation					Written down value at December 31, 2024
	Balance at January 1, 2024	Addition during the year	Disposal/ adjustment during the year	Balance at December 31, 2024	Rate	Balance at January 1, 2024	Charged for the year	Adjustment during the year	Balance at December 31, 2024	
	BDT	BDT	BDT	BDT	%	BDT	BDT	BDT	BDT	BDT
Free hold assets:										
Land	692,515,608	-	-	692,515,608	-	-	-	-	-	692,515,608
Building	207,519,303	-	-	207,519,303	2.50	57,064,997	5,187,983	-	62,252,980	145,266,323
Right-of-use Asset	726,219,402	178,535,201	(154,514,533)	750,240,071		457,582,282	120,124,980	(154,514,533)	423,192,730	327,047,341
Furniture and fixtures	103,758,529	3,685,433	(1,358,992)	106,084,970	12.50	84,914,132	6,813,739	(1,266,020)	90,461,851	15,623,119
Electrical equipment	75,080,203	4,622,116	(1,326,980)	78,375,339	20.00	67,068,826	3,150,683	(986,960)	69,232,549	9,142,790
Curtain and carpets	7,616,938	1,747,362	(219,464)	9,144,836	33.33	5,664,009	1,316,707	(123,613)	6,857,103	2,287,733
Office equipment	94,164,683	4,115,922	(4,882,320)	93,398,284	20.00	92,802,368	4,098,561	(4,881,605)	92,019,324	1,378,961
Office decoration	150,647,510	3,607,592	(2,015,504)	152,239,598	20.00	141,874,184	3,311,728	(2,015,399)	143,170,513	9,069,085
Computers	280,552,504	29,253,472	(3,190,952)	306,615,024	20.00	199,467,634	21,379,566	(3,190,592)	217,656,608	88,958,416
Software (Office Operation)	71,547,758	22,364,665	-	93,912,423	33.33	47,974,238	13,732,754	-	61,706,992	32,205,431
Software (Business Operation)	176,366,570	-	-	176,366,570	20.00	157,912,445	7,765,215	-	165,677,660	10,688,910
Telephone and telex	28,264,669	4,192,833	(978,138)	31,479,365	33.33	22,522,009	3,550,965	(798,470)	25,274,504	6,204,861
Motor vehicles	219,845,052	41,724,423	(48,397,029)	213,172,445	25.00 & 12.50	157,492,274	19,866,426	(44,709,488)	132,649,212	80,523,234
Total December 31, 2024	**2,834,098,728**	**293,849,019**	**(216,883,912)**	**2,911,063,836**		**1,492,339,396**	**210,299,308**	**(212,486,680)**	**1,490,152,024**	**1,420,911,812**

Fixed assets including land, building, furniture and fixtures-for 2023

Asset category	Cost				Depreciation					Written down value at December 31, 2023
	Balance at January 1, 2023	Addition during the year	Disposal/ adjustment during the year	Balance at December 31, 2023	Rate	Balance at January 1, 2023	Charged for the year	Adjustment during the year	Balance at December 31, 2023	
	BDT	BDT	BDT	BDT	%	BDT	BDT	BDT	BDT	BDT
Free hold assets:										
Land	692,515,608	-	-	692,515,608	-	-	-	-	-	692,515,608
Building	207,519,303	-	-	207,519,303	2.50	51,877,014	5,187,983	-	57,064,997	150,454,306
Right-of-use Asset	707,033,689	47,189,739	(28,004,026.21)	726,219,402		362,111,240	118,500,456	(23,029,414)	457,582,282	268,637,120
Furniture and fixtures	101,464,697	4,584,725	(2,290,893)	103,758,529	12.50	77,622,310	9,412,745	(2,120,924)	84,914,132	18,844,397
Electrical equipment	73,568,287	5,235,765	(3,723,849)	75,080,203	20.00	68,049,243	2,621,221	(3,601,639)	67,068,826	8,011,377
Curtain and carpets	6,340,900	1,436,748	(160,710)	7,616,938	33.33	4,669,438	1,098,744	(104,174)	5,664,009	1,952,929
Office equipment	91,663,640	5,185,586	(2,684,543)	94,164,683	20.00	91,432,247	4,042,853	(2,672,732)	92,802,368	1,362,315
Office decoration	151,725,362	5,430,978	(6,508,830)	150,647,510	20.00	145,009,409	3,286,091	(6,421,316)	141,874,184	8,773,326
Computers	232,239,000	48,313,504	-	280,552,504	20.00	184,433,009	15,034,625	-	199,467,634	81,084,871
Software (Office Operation)	44,658,377	26,889,381	-	71,547,758	33.33	42,238,256	5,735,982	-	47,974,238	23,573,520
Software (Business Operation)	176,366,570	-	-	176,366,570	20.00	150,147,229	7,765,215	-	157,912,445	18,454,125
Telephone and telex	24,650,057	4,543,937	(929,325)	28,264,669	33.33	20,469,437	2,826,394	(773,821)	22,522,009	5,742,660
Motor vehicles	213,865,771	21,106,081	(15,126,800)	219,845,052	25.00	151,784,494	18,145,235	(12,437,455)	157,492,274	62,352,778
Total Decemeber 31, 2023	**2,723,611,261**	**169,916,444**	**(59,428,976)**	**2,834,098,728**		**1,349,843,326**	**193,657,545**	**(51,161,475)**	**1,492,339,396**	**1,341,759,332**



A.1 Details of disposals/adjustments- for 2024

Asset category	Cost	Accumulated depreciation	Book value	Sale price/ adjustment	Profit/(loss) on disposal	Mode of disposal	Buyer
	BDT	BDT	BDT	BDT	BDT		
Free hold assets :							
Furniture and fixtures	1,358,992	(1,266,020)	92,972	144,732	51,760	As per policy of the Company	Employees/Outsider
Electrical equipment	1,326,980	(986,960)	340,020	370,251	30,231	As per policy of the Company	Employees/Outsider
Curtain and carpets	219,464	(123,613)	95,851	99,184	3,333	As per policy of the Company	Employees/Outsider
Office decoration	2,015,504	(2,015,399)	105	28,050	27,945	As per policy of the Company	Employees/Outsider
Office equipment	4,882,320	(4,881,605)	715	180,950	180,235	As per policy of the Company	Employees/Outsider
Computers	3,190,952	(3,190,592)	360	122,100	121,740	As per policy of the Company	Employees/Outsider
Telephone and telex	978,138	(798,470)	179,667	188,154	8,487	As per policy of the Company	Employees/Outsider
Motor vehicles	48,397,029	(44,709,488)	3,687,541	11,520,937	7,833,396	As per policy of the Company	Employees/Outsider
Total 2024	62,369,379	(57,972,147)	4,397,231	12,654,358	8,257,126		

A(a) Consolidated fixed assets including land, building, furniture and fixtures-for 2024

Asset category	Cost				Depreciation					Written down value at December 31, 2024
	Balance at January 1, 2024	Addition during the year	Disposal/ adjustment during the year	Balance at December 31, 2024	Rate	Balance at January 1, 2024	Charged for the year	Adjustment during the year	Balance at December 31, 2024	
	BDT	BDT	BDT	BDT	%	BDT	BDT	BDT	BDT	BDT
Free hold assets:										
Land	692,515,608	17,860,843	-	710,376,451	-	-	-	-	-	710,376,451
Building	207,519,303	20,076,823	-	227,596,125	2.50	57,064,997	5,229,809	-	62,294,806	165,301,319
Right-of-use Asset	895,349,897	203,174,739	(184,716,690)	913,807,946		577,096,495	148,956,896	(184,716,690)	541,336,700	372,471,246
Furniture and fixtures	124,658,008	4,032,374	(1,524,220)	127,166,161	12.50	100,430,900	8,349,670	(1,414,868)	107,365,702	19,800,459
Electrical equipment	102,675,961	6,278,907	(3,191,920)	105,762,948	20.00	89,795,196	4,787,437	(2,065,302)	92,517,331	13,245,617
Curtain and carpets	9,841,044	2,019,797	(797,742)	11,063,099	33.33	7,376,088	1,515,600	(447,635)	8,444,052	2,619,047
Office equipment	134,289,044	6,428,433	(5,144,707)	135,572,770	20.00	128,722,285	5,518,964	(5,138,503)	129,102,746	6,470,024
Office decoration	186,002,002	3,927,288	(2,015,504)	187,913,786	20.00	171,055,568	5,551,134	(2,015,399)	174,591,303	13,322,483
Computers	315,780,864	31,224,935	(6,617,922)	340,387,878	20.00	223,346,639	24,711,853	(6,615,412)	241,443,080	98,944,798
Software (Office Operation)	81,976,443	22,364,665	-	104,341,108	33.33	57,487,701	13,795,517	-	71,283,218	33,057,890
Software (Business Operation)	181,291,446	137,729	-	181,429,175	20.00	163,612,420	7,774,397	-	171,386,817	10,042,358
Telephone and telex	32,475,006	4,558,305	(1,253,988)	35,779,323	33.33	26,144,785	3,905,338	(984,171)	29,065,953	6,713,371
Motor vehicles	247,473,786	42,132,237	(49,294,729)	240,311,294	25.00 & 12.50	178,711,835	21,250,245	(45,607,168)	154,354,912	85,956,382
Total December 31, 2024	3,211,848,409	364,217,076	(254,557,422)	3,321,508,063		1,780,844,908	251,346,859	(249,005,148)	1,783,186,619	1,538,321,444



Consolidated Fixed assets including land, building, furniture and fixtures-for 2023

Asset category	Cost				Depreciation					Written down value at December 31, 2023
	Balance at January 1, 2023	Addition during the year	Disposal/ adjustment during the year	Balance at December 31, 2023	Rate	Balance at January 1, 2023	Charged for the year	Adjustment during the year	Balance at December 31, 2023	
	BDT	BDT	BDT	BDT	%	BDT	BDT	BDT	BDT	BDT
Free hold assets:										
Land	692,515,608	-	-	692,515,608		-	-	-	-	692,515,608
Building	207,519,303	-	-	207,519,303	2.50	51,877,014	5,187,983	-	57,064,997	150,454,306
Right-of-use Asset	872,803,305	54,667,512	(32,120,920)	895,349,897		457,590,819	146,402,749	(26,897,073)	577,096,495	318,253,402
Furniture and fixtures	121,862,597	5,905,599	(3,110,188)	124,658,008	12.50	92,065,202	11,249,466	(2,883,768)	100,430,900	24,227,107
Electrical equipment	99,640,026	7,993,972	(4,958,037)	102,675,961	20.00	89,161,812	5,154,624	(4,521,240)	89,795,196	12,880,765
Curtain and carpets	8,228,237	1,861,580	(248,773)	9,841,044	33.33	6,222,081	1,317,051	(163,045)	7,376,088	2,464,956
Office equipment	130,884,937	7,306,584	(3,902,477)	134,289,044	20.00	127,044,013	5,568,799	(3,890,526)	128,722,285	5,566,759
Office decoration	185,783,948	7,680,713	(7,462,659)	186,002,002	20.00	172,483,302	5,670,953	(7,098,688)	171,055,568	14,946,434
Computers	267,100,105	50,896,309	(2,215,550)	315,780,864	20.00	208,346,144	17,215,820	(2,215,325)	223,346,639	92,434,225
Software (Office Operation)	54,898,756	27,077,687	-	81,976,443	33.33	51,702,904	5,784,798	-	57,487,701	24,488,742
Software (Business Operation)	181,291,446	-	-	181,291,446	20.00	155,377,710	8,234,710	-	163,612,420	17,679,026
Telephone and telex	28,746,116	4,991,496	(1,262,605)	32,475,006	33.33	24,045,239	3,165,119	(1,065,573)	26,144,785	6,330,222
Motor vehicles	249,154,510	21,356,081	(23,036,805)	247,473,786	25.00 & 12.50	178,242,885	19,625,599	(19,156,649)	178,711,835	68,761,951
Total December 31, 2023	3,100,428,891	189,737,532	(78,318,014)	3,211,848,409		1,614,159,125	234,577,670	(67,891,887)	1,780,844,908	1,431,003,501



Annexure B- Deferred Tax

Deferred tax has been calculated based on deductible/taxable temporary difference arising due to difference in the carrying amount of the assets and its tax base in accordance with the provision of International Accounting Standard (IAS) 12: "Income Taxes".

	IDLC Finance PLC.			IDLC Group		
	31.12.2024 BDT	31.12.2023 BDT	Deferred tax (expenses)/ income	31.12.2024 BDT	31.12.2023 BDT	Deferred tax (expenses)/ income
Deferred tax assets (Note 9)	209,358,742	173,685,418	35,673,325	270,462,439	229,411,931	41,050,508
Deferred tax liabilities (Note 12)	122,642,753	100,738,920	(21,903,833)	136,649,089	115,473,495	(21,175,594)
Total			13,769,492			19,874,914
Deferred tax asset related to actuarial gain/loss from remeasurement			20,766,783			21,395,115
Deferred tax expense related to profit or loss			(6,997,291)			(1,520,201)
			13,769,492			19,874,914

Deferred tax asset is arrived at as follows:

Particulars	IDLC Finance PLC.			IDLC Group		
	Carrying amount	Tax base	(Taxable)/deductible temporary difference	Carrying amount	Tax base	(Taxable)/deductible temporary difference
	BDT	BDT	BDT	BDT	BDT	BDT
31.12.2024						
Assets (excluding land):						
Fixed assets net of depreciation (Annexure-A)	401,348,863	516,175,186	114,826,323	455,473,747	600,874,774	145,401,026
Difference of vehicle*	(23,081,664)	-	23,081,664	(24,175,229)	-	24,175,229
	378,267,199	516,175,186	137,907,986	431,298,519	600,874,774	169,576,255
Liabilities:						
Loss on sale of secondary shares	-	-	-	79,750,112	-	79,750,112
Lease Liability-Rent	357,108,006	-	357,108,006	411,696,163	-	411,696,163
Gratuity provision (net of payment)	-	-	-	91,659,035	-	91,659,035
Net defined benefit obligation	63,273,987		63,273,987	63,273,987	-	63,273,987
Total	420,381,993	-	420,381,993	646,379,297	-	646,379,297

	IDLC FL	IDLC SL	IDLC IL	IDLC AML
Applicable tax rate for Business or Profession (2024)	37.50%	25.00%	37.50%	25.00%
Applicable tax rate for loss on sale of secondary shares (2024)	15.00%	15.00%	15.00%	15.00%
Deferred tax asset as on December 31, 2024	209,358,742			270,462,439

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Particulars	IDLC Finance PLC.			IDLC Group		
	Carrying amount	Tax base	(Taxable)/deductible temporary difference	Carrying amount	Tax base	(Taxable)/deductible temporary difference
	BDT	BDT	BDT	BDT	BDT	BDT
31.12.2023						
Assets (excluding land):						
Fixed assets net of depreciation (Annexure-A)	380,606,604	495,562,149	114,955,545	420,234,492	565,268,060	145,033,568
Difference of vehicle*	(16,743,021)	-	16,743,021	(17,826,712)	-	17,826,712
Total	**363,863,583**	**495,562,149**	**131,698,566**	**402,407,780**	**565,268,060**	**162,860,279**
Liabilities:						
Loss on sale of secondary shares	-	-	-	47,192,229	-	47,192,229
Lease Liability-Rent	331,462,547	-	331,462,547	392,008,594	-	392,008,594
Gratuity provision (net of payment)	-	-	-	79,515,732	-	79,515,732
Total	**331,462,547**	-	**331,462,547**	**518,716,556**	-	**518,716,556**
			IDLC FL	IDLC SL	IDLC IL	IDLC AML
Applicable tax rate (2023)			37.50%	27.50%	37.50%	27.50%
Applicable tax rate for loss on sale of secondary shares (2023)			10.00%	10.00%	10.00%	10.00%
Deferred tax asset as on December 31, 2023			**173,685,418**			**229,411,931**
Deferred tax liability is arrived at as follows:						
31.12.2024						
ROU-Rent, net of depreciation	327,047,341	-	(327,047,341)	372,471,246	-	(372,471,246)
Net defined plan assets	-	-	-	7,876,195	-	(7,876,195)
Total taxable temporary differences for the year ended	**327,047,341**	-	**(327,047,341)**	**380,347,441**	-	**(380,347,441)**
			IDLC FL	IDLC SL	IDLC IL	IDLC AML
Applicable tax rate			37.50%	25.00%	37.50%	25.00%
Deferred tax liabilities as on December 31, 2024			**122,642,753**			**136,649,089**
31.12.2023						
ROU-Rent, net of depreciation	268,637,120	-	(268,637,120)	318,253,402	-	(318,253,402)
Total taxable temporary differences for the year ended	**268,637,120**	-	**(268,637,120)**	**318,253,402**	-	**(318,253,402)**
			IDLC FL	IDLC SL	IDLC IL	IDLC AML
Applicable tax rate Business or Profession			37.50%	27.50%	37.50%	27.50%
Deferred tax liabilities as on December 31, 2023			**100,738,920**			**115,473,495**

2024: The consolidated deferred tax expense was BDT 1.52 million, which includes BDT 7.00 million for deferred tax expense of IDLC Finance PLC., BDT 8.43 million for deferred tax income of IDLC Securities Limited, BDT 1.15 million for deferred tax expense of IDLC Investments Limited and BDT 1.80 million for deferred tax expense of IDLC Asset Management Limited. Apart from this, consolidated deferred tax income was BDT 21.40 million for remeasurement loss on actuarial valuation, which includes BDT 20.77 million for deferred tax income of IDLC Finance PLC. & BDT 0.63 million for deferred tax expense of IDLC Asset Management Limited

2023: Consolidated deferred tax income was BDT 2.27 million, which includes BDT 1.65 million for deferred tax income of IDLC Finance PLC., BDT 0.90 million for deferred tax income of IDLC Securities Limited, BDT 0.51 million for deferred tax expense of IDLC Investments Limited and BDT 0.24 million for deferred tax income of IDLC Asset Management Limited.

* This represents the permanent difference related to sedan cars, not plying for hire, owned by IDLC. As per the provisions of Income Tax Act 2023, depreciation on such cars is allowed only up to certain limit of cost (currently BDT 3.00 million per car) of such cars for tax purpose. Difference for vehicle represents the amount of depreciated cost exceeding such limits.

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Annexure C - Disclosure of deviations from few requirements of IAS/IFRS due to mandatory compliance with Bangladesh Bank's requirements

SL.	Nature of Departure	Title of IAS/IFRS	Treatment of IAS/IFRS	Treatment Adopted as per Bangladesh Bank	Financial or Presentation Effect of the Departure
1	Measurement of provision for leases, loans and advances (financial assets measured at amortized cost)	IFRS 9 "Financial Instruments"	An entity shall assess at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets me Pasured at amortized cost is impaired. If any such evidence exists, expected credit losses are required to be measured through a loss allowance at an amount equal to: a) the 12-month expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or b) full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).	As per FID circular No. 08, dated 03 August 2002, FID circular No. 03, dated 03 May 2006 and FID circular No. 03, dated 29 April 2013, a general provision at 0.25% to 5% under different categories of unclassified loans (good/standard loans and Special Mentioned Accounts (SMA)) has to be maintained irrespective of objective evidence of impairment on lease, loans and advances. Also provision for sub-standard investments, doubtful investments and bad losses has to be provided at 20%, 50% and 100% respectively for investments depending on the duration of overdue.	In separate Financial Statements, an amount of BDT 687.51 million has been charged as incremental provision for leases, loans and advances, which includes charged of BDT 17.79 million as general provision for the year ended December 31, 2024. Also, as at 31 December 2024, accumulated provision for leases, loans and advances stand at BDT 4,534.76 million. In consolidated Financial Statements, the incremental provision amount is BDT 700.06 million which includes charged/ (released) of general provision of BDT 6.02 million. Also, as at 31 December, 2024, accumulated provision for leases, loans and advances stand at BDT 5,016.25 million.
2	Valuation of Investments in quoted and unquoted shares	IFRS 9 "Financial Instruments"	Investment in shares falls either under at "fair value through profit/loss (FVTPL)' or "fair value through other comprehensive income (FVTOCI)" where any change in the fair value in case of FVTPL at the year-end is taken to profit of loss, and any change in fair value in case of FVTOCI is taken to other comprehensive income.	As per FID circular No. 08, dated 03 August 2002 investments in quoted shares and unquoted shares are revalued at the year end at market price and as per book value of last audited balance sheet respectively. Provision should be made for any loss arising from diminution in value of investment; however in case of any unrealized gain, no such gain can be recognized and investments are recognized at cost only.	During this year, total market value of shares of IDLC Finance PLC. & subsidiaries is less than the cost price. As on December 31, 2024 there was BDT 289.68 million unrealised loss on consolidated investment in marketable securities and BDT 201.91 million unrealised loss on investment by IDLC Finance PLC. in marketable securities. (except investment in government bond & bill)



Annexure C - Disclosure of deviations from few requirements of IAS/IFRS due to mandatory compliance with Bangladesh Bank's requirements

SL.	Nature of Departure	Title of IAS/IFRS	Treatment of IAS/IFRS	Treatment Adopted as per Bangladesh Bank	Financial or Presentation Effect of the Departure
3	Recognition of interest income for SMA and classified lease, loans and advances	IFRS 9 "Financial Instruments"	Income from financial assets measured at amortized cost is recognized through effective interest rate method over the term of the investment. Once a financial asset is impaired, investment income is recognized in profit and loss account on the same basis based on revised carrying amount.	As per FID circular No. 03, dated 03 May 2006, once an investment on leases, loans and advances is termed as "Special Mention Account (SMA)", interest income from such investments are not allowed to be recognized as income, rather the respective amount needs to be credited as a liability account like: interest suspense account.	At the year end, in separate Financial Statements interest suspense account has increased to BDT 794.87 million from BDT 762.78 million resulting in increase of BDT 32.09 million of interest suspense. This amount has been shown in other liabilities in note 12.5
4	Presentation of cash and cash equivalent	IAS 7 "Statement of Cash Flows"	Cash equivalent are short term, highly liquid investments that are readily convertible to known amounts of cash and only include those investments which are for a short tenure like: 3 months or less period. In the light of above, balance with Bangladesh Bank and fixed term deposits should be treated as investment asset rather than cash equivalent as it is illiquid asset and not available for use in day to day operations.	Bangladesh Bank has issued templates for financial statements vide DFIM Circular No. 11, dated 23 December 2009 which will strictly be followed by all banks and NBFIs. The templates of financial statements provided detail presentation for statement of cash flows.	Financial Statements for the year end 2024 and corresponding period of 2023 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank.
5	Measurement of deferred tax asset	IAS 12 "Income Tax"	A deferred tax asset shall be recognized for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized.	As per DFIM circular No. 7, dated 31 July 2011, no deferred tax asset can be recognized for any deductible temporary difference against the provision for lease, loans and advances.	During this period there is no impact in the financial statements due to this departure as the Company did not consider any deductible temporary difference against the provision for leases, loans and advances.



Annexure C - Disclosure of deviations from few requirements of IAS/IFRS due to mandatory compliance with Bangladesh Bank's requirements

SL.	Nature of Departure	Title of IAS/IFRS	Treatment of IAS/IFRS	Treatment Adopted as per Bangladesh Bank	Financial or Presentation Effect of the Departure
6	Presentation and disclosure of Financial Statements and Financial Instruments	IAS 1 "Presentation of Financial Statements" IFRS 9 "Financial Instruments" & IFRS 7 "Financial Instruments: Disclosure"	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. IAS 1 requires separate line item for intangible assets on the face of statement of financial position. IFRS 9 and IFRS 7 require specific presentation and disclosure relating to all financial instruments.	Bangladesh Bank has issued templates for financial statements vide DFIM Circular No. 11, dated 23 December 2009 which will strictly be followed by all banks and NBFIs. The templates of financial statements issued by Bangladesh Bank do not include Other Comprehensive Income (OCI) nor are the elements of Other Comprehensive Income allowed to include in a Single Comprehensive Income Statement. Intangibles assets are not separately presented on the face of statement of financial position; rather it is presented along with the line item of fixed assets. As per Bangladesh Bank guidelines, financial instruments are categorized, recognized and measured differently from those prescribed in IAS 39. As such some disclosure and presentation requirements of IFRS 7 and IAS 32 have not been made in the accounts.	Financial Statements for the year end 2024 and corresponding period of 2023 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank.
7	Preparation of "Statement of Cash Flows"	IAS 7 "Statement of Cash Flows"	The Cash flow statement can be prepared using either the direct method or the indirect method. The presentation is selected to present these cash flows in a manner that is most appropriate for the business or industry. The method selected is applied consistently.	As per DFIM Circular No. 11, dated 23 December 2009, Cash flow statement has been guided by the Bangladesh Bank which is the mixture of direct and indirect method.	Financial Statements for the year end 2024 and corresponding period of 2023 have been prepared as per guideline (DFIM Circular No. 11 dated 23 December 2009) of Bangladesh Bank.
8	Current/Non-current distinction	IAS 1 "Presentation	As per Para 60 of IAS 1 "Presentation of Financial statement" An entity shall present current and non-current	As per DFIM Circular No. 11, dated 23 December 2009, Bangladesh Bank has issued templates for financial statements which is applicable for all the	Financial Statements for the year end 2024 and corresponding period of 2023 have been

A. QASEM & CO. CHARTERED ACCOUNTANTS DHAKA

Annexure C - Disclosure of deviations from few requirements of IAS/IFRS due to mandatory compliance with Bangladesh Bank's requirements

SL.	Nature of Departure	Title of IAS/IFRS	Treatment of IAS/IFRS	Treatment Adopted as per Bangladesh Bank	Financial or Presentation Effect of the Departure
		of Financial Statement"	assets and current and non-current liabilities as separate classification in its statement of financial position.	Financial Institutions. In this templates there is no current and non-current segmentation of assets and liabilities	prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank.
9	Off-balance sheet items	IAS 1 "Presentation of Financial Statements"	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.	As per DFIM Circular No. 11, dated 23 December 2009, off-balance sheet items (e.g. letter of credit, letter of guarantee etc.) must be disclosed separately on the face of the balance sheet.	Financial Statements for the year end 2024 and corresponding period of 2023 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank. There is no financial impact for this departure but there is a disclosure in the financial statements.
10	Impairment of Margin Loan (Loans and receivables	IFRS 9 "Financial Instruments"	Measurement after initial recognition at amortized cost and recording of changes through profit and loss.	As per Bangladesh Securities and Exchange Commission (BSEC) Circular No. SEC/CMRRCD/2009-193/196 dated 28 December 2016, provisions for the year 2016 on impairment of principal portion of margin loan shall be kept at 20% on each quarter for the five quarters starting from December 2016.	There is no such impact for this. However, we have been maintaining full provision for unrealized loss (if any) of margin loan in the portfolio.
11	Complete set of financial statements	IAS 1 "Presentation of Financial Statements"	As per IAS 1: "Presentation of Financial Statements'' complete set of financial statements are i) statement of financial position, ii)statement of profit or loss and other comprehensive income, iii) statement of changes in equity, iv) statement of cash flows, v) notes, comprising significant accounting policies and other explanatory information and vi) statement of financial position at the beginning of preceding period for retrospective restatement.	As per DFIM Circular No. 11, dated 23 December 2009, complete set of financial statements are i) balance sheet, ii) profit and loss account, iii) statement of cash flows, iv) statement of changes in equity, v) statement of liquidity, vi) notes, comprising significant accounting policies and other explanatory information.	Financial Statements for the year end 2024 and corresponding period of 2023 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank. There is no financial impact for this departure in the financial statements.



Annexure C - Disclosure of deviations from few requirements of IAS/IFRS due to mandatory compliance with Bangladesh Bank's requirements

SL.	Nature of Departure	Title of IAS/IFRS	Treatment of IAS/IFRS	Treatment Adopted as per Bangladesh Bank	Financial or Presentation Effect of the Departure
12	Intangible asset	IAS 1 "Presentation of Financial Statements"	As per IAS 1: "Presentation of Financial Statements'' para 54: the statement of financial position shall include separate line item for intangible assets.	As per DFIM Circular No. 11, dated 23 December 2009, there is no option for separate line item for intangible asset in the balance sheet. We present intangible asset in the balance sheet as part of fixed assets and provide details in annexure-A as separate line item.	Financial Statements for the year end 2024 and corresponding period of 2023 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank. There is no financial impact for this departure in the financial statements.
13	Other comprehensive income	IAS 1 "Presentation of Financial Statements"	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 OCI statement.	Bangladesh Bank has issued templates for financial statements which will strictly be followed by financial institutions. The templates of financial statements issued by Bangladesh Bank do not include Other Comprehensive Income (OCI) nor are the elements of OCI allowed to be included in a single OCI statement. As such the financial institution does not prepare the other comprehensive income statement. However, elements of OCI, if any, are shown in the statements of changes in equity.	Financial Statements for the year end 2024 and corresponding period of 2023 have been prepared as per the guideline and templates issued by Bangladesh Bank. There is no financial impact for this departure in the financial statements.
14	Disclosure of presentation of profit	N/A	There is no requirement to show appropriation of profit in the face of statement of comprehensive income.	As per DFIM circular no 11, dated 23 December 2009, an appropriation of profit should be disclosed in the face of profit and loss account	Financial Statements for the year end 2024 and corresponding period of 2023 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank. There is no financial impact for this departure in the financial statements.

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Annexure-D

IDLC Finance PLC.
Islamic Finance Window
Balance Sheet
As at December 31, 2024

Particulars	Notes	31.12.2024 BDT.
PROPERTY AND ASSETS		
Cash		
Cash in hand (including foreign currencies)		-
Balance with Bangladesh Bank and its agent bank(s)	3.00	12,048,494
		12,048,494
Balance with other banks and financial institutions		
Inside Bangladesh	4.00	1,039,433,650
Outside Bangladesh		-
		1,039,433,650
Placements with banks & other financial institutions		-
Investments in share & securities		
Government		-
Others		-
		-
Financing		
General Financing	5.00	1,712,933,453
Bills Purchased and Discounted		-
		1,712,933,453
Fixed assets including land, building, furniture and fixtures		-
Other assets	6.00	7,254,560
Non-banking assets		-
Total assets		**2,771,670,156**
LIABILITIES AND CAPITAL		
Liabilities		
Placements from banks & other financial institutions	7.00	1,850,000,000
Deposits and other accounts		
Mudarabah Savings & Term Deposits	8.00	851,725,552
Other deposits	9.00	19,487,720
		871,213,272
Other liabilities	10.00	77,038,235
Total liabilities		**2,798,251,507**
Capital/shareholders' equity		
Paid-up capital		-
Share premium		-
Statutory reserves		-
General reserves		-
Retained earnings	11.00	(26,581,351)
Total shareholders' equity		**(26,581,351)**
Total liabilities and shareholders' equity		**2,771,670,156**

A. QASEM & CO. CHARTERED ACCOUNTANTS DHAKA

Annexure-D

IDLC Finance PLC.
Islamic Finance Window
Profit and Loss Account
For the year ended December 31, 2024

Particulars	Notes	31.12.2024 BDT.
Financing Income	12.00	44,449,395
Profit & other expenses distributed on Deposits and Placements	13.00	37,223,449
Net Financing Income		**7,225,946**
Income from Investment in shares & securities		-
Commission, exchange and brokerage		-
Other operating income	14.00	233,609
Total operating income		**7,459,556**
Salaries and allowances		13,880,099
Rent, taxes, insurance, electricity etc.		638,673
Legal expenses	15.00	311,878
Postage, stamp, telecommunication etc.	16.00	47,425
Stationery, printing, advertisement etc.	17.00	1,495,740
Shariah Supervisory Committee's Fees	18.00	132,000
Depreciation and repair of assets		-
Other expenses	19.00	907,287
Total operating expenses		**17,413,101**
Profit before provision		**(9,953,546)**
Provision for investments		
General provision		16,627,805
Specific provision		-
Provision for diminution in value of investments		-
Total provision		**16,627,805**
Total profit before taxation		**(26,581,351)**

A. QASEM & CO. CHARTERED ACCOUNTANTS

Annexure-D

IDLC Finance PLC.
Islamic Finance Window
Notes to the financial statements
As at and for the year ended December 31, 2024

1.00 Status of the unit

IDLC Board of Directors, in its 314th meeting on May 31, 2022, approved the proposal for introducing Islamic Finance Window. Subsequently, IDLC applied for Bangladesh Bank's permission on June 07, 2022. IDLC obtained permission for initiating Islamic Banking operations from Bangladesh Bank vide Letter No. DFIM(L)1053/12/ 2022-2402 dated August 24, 2022. IDLC's Islamic financing services were rolled out on March 12, 2024.

1.01 Principal activities/ Islamic Finance operation:

The operation of our Islamic Finance Window is completely separate from the IDLC conventional operation as the former operates its businesses on the basis of Islamic Shariah. Through the Islamic Finance window (IFW), IDLC extends a wide range of Islamic Shariah compliant deposit products such as Mudarabah Monthly Earner Schemes, Mudarabah Quarterly Earner Schemes, Mudarabah Term Deposit, Mudarabah Monthly DPS and investment/financing products such as Ijarah Muntahiah Bittamlik, Murabahah, Sale & Lease Back etc. An appropriate accounting system has also been implemented in order to further reinforce our emphasis on Shariah compliance. In a nutshell, we follow under noted accounting principles, run through a completely separate Islamic Core Banking System (ICBS) named 'Ababil' that we installed before the beginning of IFW operation.

2.00 Significant accounting policies and basis of preparation of financial statements

2.01 Deposit Collection and Profit Sharing Ratio (PSR)

Islamic Finance Window operation usually follows Mudarabah principle for procuring deposit.

All other deposit products follow the Mudarabah principle, which refers to a partnership contract, where one party, known as Rab-ul-Maal, provides capital and the other party, known as Mudarib (entrepreneur) provides skill and manages the business, maintaining Shariah principles. Rab-ul-Maal cannot take part in the management of the business. Profit is shared as per the PSR agreed between the parties at the outset of the deposit account opening, while loss is borne by the Rab-ul-Maal only as the owner of the deposited fund provided there is no negligence from Mudarib's part.

The pre-agreed profit ratio is known as Profit Sharing Ratio (PSR), which may vary based on the product type, tenure and amount. The PSR determines the portion of income for each type of depositor and the IDLC. For example, the PSR of 76:24 would mean that 76% of distributable income is to be shared by the concerned depositors and the rest 24% to be shared by the IDLC. The PSR between each type of Mudarabah depositors and IDLC (Mudarib) are duly disclosed at the time of Account opening and/or beginning of the concerned period. Profit rate is emerged at actual, as derived from the income fetched from deployment of the concerned fund. As such our rate of profit on deposit under Islamic Window is nothing but a post facto expression of the respective agreed sharing ratios. Our profit rate is an output based on the IDLC's earning on investment.

2.02 The PSR declared on Mudarabah deposit products for the year 2024

Types of Mudarabah Deposit	Profit Sharing Ratio (PSR)	
	Client	IDLC
Mudarabah Term Deposit	62.59% - 87%	37.41% - 13%
Mudarabah Monthly Earner Scheme	78%	22%
Mudarabah Quarterly Earner Scheme	78%	22%

2.03 Financing Operation

Financing of Islamic Window are broadly categorized in the following types of Financing Mode :

Murabahah
Murabahah is selling a commodity as per the purchase price with a defined and agreed-upon profit markup. This markup may be a percentage of the selling price or a lump sum.

Ijarah Muntahiah Bittamleek
Ijarah Muntahia Bittamleek is a form of leasing contract which includes a promise by the lessor to transfer the ownership in the leased property to the lessee, either at the end of the term of the Ijarah period or by stages during the term of the contract. IDLC, the lessor, bears the risks associated with the proportion of its ownership in the leased property during the Ijarah period as per the Shariah principles.

Annexure-D

Sale & Lease Back

Sale & Lease Back is a transaction where the owner of an asset sells the asset and then immediately turns around and leases the asset back from the person who purchased it. Here, IDLC is the buyer and the cleint is the seller of the asset and subsequently IDLC is the lessor and the client is the lessee of that asset through separate contracts for the buy-sell and the leasing.

2.04 Income/ Revenue Recognition Principles

IDLC earns income from various sources such as investment income, fees and commission. To recognize all sorts of income, IDLC follows Shariah principle strictly. Usually fees & commission etc. are recognized on actual basis. Recognition of income from investment follows principles as under:

For Murabahah

While creating each deal, in case of Murabahah mode of investment, markup/profit is added to the IDLC purchase cost with a credit to unearned income A/c. Thereafter time apportionment of profit is recognized out of the unearned income amount at the end of each month on accrual basis.

For Ijarah Muntahiah Bittamleek and Sale & Lease Back

In case of Ijarah Muntahiah Bittamleek & Sale & Lease Back mode of investment rent is charged and taken into income account at the end of each month on accrual basis. If the account has a provision of gestation period, generally no income is earned during the period. In this case income starts just after the end of gestation period. However rent is chargeable in spite of gestation, if the delivery of asset is completed in usable condition such as a machine or a set of machinery or ready to use building etc.

2.05 Cost Recognition Principle

Cost in respect of profit shared on deposit is recognized on accrual basis. Monthly accruals in this respect are calculated on the basis of Profit Sharing Ratio. Other costs are also recognized on the accrual basis following the matching concept of Accounting.

To ensure and supervise Shariah compliance in operation, IDLC has a formed a knowledgeable Shariah Supervisory Committee (SSC) comprising renowned Fiqh scholars, Islamic bankers and academicians conversant in Islamic Economics & Finance

2.06 Late Payment Charge

Clients unilaterally undertake to donate a certain amount because of the delay in payment of the due amount on the due date. The amount is accrued under the head Late Payment Charges. The amount so collected will be spent for the allowable charitable purposes as approved by the Shariah Supervisory Committee of IDLC.



Annexure-D

IDLC Finance PLC.
Islamic Finance Window
Notes to the financial statements
As at and for the year ended December 31, 2024

	Particulars	31-12-2024 BDT
3.00	**Balance with Bangladesh Bank and its agent bank(s)**	
	Al Wadiah Current Account	12,048,494
		12,048,494
4.00	**Balance with other banks and financial institutions**	
	Inside Bangladesh - [Note 4.01]	1,039,433,650
	Outside Bangladesh	-
		1,039,433,650
4.01	**Inside Bangladesh**	
	Mudarabah Current Deposit	
	Standard Chartered Bangladesh	69,612,022
	Mudarabah Short Notice Deposit	
	Export Import Bank of Bangladesh PLC.	3,252,842
	Shahjalal Islami Bank PLC.	3,124,996
	Standard Bank PLC.	963,443,790
		969,821,628
		1,039,433,650
5.00	**General Financing**	
	Ijarah Muntahiah Bittamleek [Note - 5.01]	1,307,864,287
	Murabahah [Note - 5.02]	108,813,416
	Sale & Lease Back [Note - 5.03]	284,131,728
	Profit Receivable [Note - 5.04]	12,124,023
		1,712,933,453
5.01	**Ijarah Muntahiah Bittamleek**	
	Balance at January 1	-
	Add : Disbursement during the year	1,327,647,518
		1,327,647,518
	Less: Realisation/adjustment during the year	19,783,232
	Balance at the year end	**1,307,864,287**
5.1.1	**Aging Analysis of Ijarah Muntahiah Bittamleek**	
	Up to one year	142,502,762
	Above one year to three years	601,805,661
	Above three years to five years	502,682,672
	More than five years	60,873,193
		1,307,864,287

A. QASEM & CO. CHARTERED ACCOUNTANTS

Annexure-D

5.02	**Murabahah**	
	Balance at January 1	-
	Add : Disbursement during the year	199,400,000
		199,400,000
	Less: Realisation/adjustment during the year	90,586,585
	Balance at the year end	**108,813,416**
5.2.1	**Aging Analysis of Murabahah**	
	Up to one year	106,970,103
	Above one year to three years	1,843,312
	Above three years to five years	-
	More than five years	-
		108,813,416
5.03	**Sale & Lease Back**	
	Balance at January 1	-
	Add : Disbursement during the year	302,756,584
		302,756,584
	Less: Realisation/adjustment during the year	18,624,856
	Balance at the year end	**284,131,728**
5.3.1	**Aging Analysis of Sale & Lease Back**	
	Up to one year	135,706,859
	Above one year to three years	118,835,723
	Above three years to five years	29,589,146
	More than five years	-
		284,131,728
5.04	**Profit Receivable**	
	Ijarah Muntahiah Bittamleek	3,969,835
	Murabahah	6,439,709
	Sale & Lease Back	1,714,479
		12,124,023
6.00	**Other assets**	
	Profit Receivable from Mudarabah Short Notice Deposits Account	3,353,332
	Advance Corporate Tax	3,190,043
	Charge Receivable	711,185
		7,254,560
7.00	**Placements from banks & other financial institutions**	
	Inside Bangladesh (Note- 7.01)	1,850,000,000
	Outside Bangladesh	-
		1,850,000,000
7.01	**Inside Bangladesh**	
	Standard Bank PLC.	1,450,000,000
	Jamuna Bank PLC. (Islamic Banking)	400,000,000
		1,850,000,000



Annexure-D

8.00	**Mudarabah Savings & Term Deposits**	
	Balance at January 1	-
	Add: Deposits received during the year	986,127,010
		986,127,010
	Less: Matured/encashed during the year	134,401,458
	Balance at the year end	**851,725,552**
8.01	**Maturity analysis of Mudarabah Savings & Term Deposits**	
	Payable on demand	-
	Up to 1 month	37,470,000
	Over 1 month but within 6 months	613,334,124
	Over 6 months but within 1 year	200,306,427
	Over 1 year but within 5 years	615,000
	Over 5 years but within 10 years	-
	Above 10 years	-
		851,725,552
9.00	**Other Deposits**	
	Balance at January 1	-
	Add: Deposits received during the year	19,487,720
		19,487,720
	Less: Matured/encashed during the year	-
	Balance at the year end	**19,487,720**
9.01	**Maturity analysis of Other Deposits**	
	Payable on demand	-
	Up to 1 month	-
	Over 1 month but within 6 months	-
	Over 6 months but within 1 year	-
	Over 1 year but within 5 years	19,487,720
	Over 5 years but within 10 years	-
	Above 10 years	-
		19,487,720
10.00	**Other Liabilities**	
	Unearned Profit	4,056,412
	Late Payment Charge (LPC) Payable	500,932
	Retention Commission Payable	1,072,930
	Payable to IDLC Finance PLC.	16,150,343
	Accounts Payable	2,408,892
	Accrued Profit on Deposit	16,895,538
	Accrued Profit on Short Term Placement	3,655,556
	Customer Settlement Account	15,441,488
	Mutation and PoA	228,340
	Provision for investments	16,627,805
		77,038,235
11.00	**Retained earnings**	
	Balance at January 1, 2024	-
	Add : Net Profit / (Loss) during this period	(26,581,351)
		(26,581,351)



Annexure-D

	Particulars	31-12-2024 BDT
12.00	**Financing Income**	
	Income from Financing [Note - 12.01]	25,772,163
	Income from Mudarabah Short Notice Deposits Account	16,839,732
	Income from Short Term Placement	1,837,500
		44,449,395
12.01	**Income from Financing**	
	Ijarah Muntahiah Bittamleek	13,510,951
	Murabahah	6,984,233
	Sale & Lease Back	5,276,979
		25,772,163
13.00	**Profit & other expenses distributed on Deposits and Placements**	
	Mudarabah Savings & Term Deposits [Note - 13.01]	30,624,027
	Hibah Paid on Mudarabah Savings & Term Deposits	2,325,410
		32,949,437
	Other Deposit	5,567
	Placement from banks & other financial institution	4,268,444
		37,223,449
13.01	**Mudarabah Savings & Term Deposits**	
	Term Deposit	30,612,606
	Monthly Earner Deposit	8,831
	Quarterly Earner Deposit	2,591
		30,624,027
14.00	**Other operating income**	
	Vetting Fee	68,696
	Valuation Fee	62,696
	Title Searching Fee	1,217
	CPV Charge	3,610
	CIB Collection Fee	21,426
	Other Service Fee	5,521
	Stamp Charge	70,443
		233,609
15.00	**Legal Expense**	
	Renewal and Registration	-
	Other Professional Fees	311,878
		311,878
16.00	**Postage, stamp, telecommunication etc.**	
	Communication Expense	47,425
		47,425
17.00	**Stationery, printing, advertisement etc.**	
	Stationery and Printing	96,410
	Advertisement and Publicity	1,399,330
		1,495,740

A. QASEM & CO. CHARTERED ACCOUNTANTS

Annexure-D

18.00 Shariah Supervisory Committee's Fees

Honorarium for attending meeting	132,000
	132,000

18.01 Shariah Supervisory Committee's Fees

As per the respective appointment letter, BDT 8,000 has been paid to each of the Shariah Supervisory Committee (SSC) Members for attending per meeting.

19.00 Other Expense

Bank Charge	173,709
Entertainment	190,294
Books and Periodicals	10,515
Deposit Sales Commission	532,769
	907,287

