

**Independent Auditors' Reports
on
Consolidated and Separate Financial
Statements
of
IIDFC PLC
For the year ended 31 December 2023**

IIDFC PLC
Independent Auditors' Report & Financial Statements
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For the year ended 31 December 2023

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Independent Auditor's Report To the Shareholders of IIDFC PLC.

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated financial statements of IIDFC PLC. and its subsidiaries (the "Group") as well as the separate financial statements of IIDFC PLC. (the "Company"), which comprise the consolidated and separate balance sheets as at 31 December 2023 and the consolidated and separate profit and loss accounts, consolidated and separate statements of changes in equity and 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 the separate financial position of the Company as at 31 December 2023, and of 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 # 2.0.

Emphasis of Matters

- The Company has significant risk of going concern due to having no business operation during this year, erosion of paid-up capital fully and because of negative shareholders' equity significantly as follows:

Particulars	Taka
Shareholders' Equity including Minority Interest for IIDFC - Stand alone	(3,391,110,804)
Shareholders' Equity including Minority Interest for IIDFC - Consolidated	(3,316,945,901)

The Company has a significant amount of liabilities which may be difficult to pay from operations unless the internal fund is managed otherwise.

Our opinion is not modified in respect of these matters.

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 Auditors' 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 consolidated and separate financial statements for the year 2023. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Measurement of Provision for Loans and Advances

Risk	Our response to the risk
<p>The process for estimating the provision for loans and advances portfolio associated with credit risk is significant and complex.</p> <p>For the individual analysis, these provisions consider the estimates of future business performance and the market value of collateral provided for credit transactions.</p> <p>For the collective analysis, these provisions are manually processed that deals with voluminous databases, assumptions and calculations for the provision estimates of complex design and implementation.</p> <p>At year end the Company reported total gross loans and advances of TK. 10,026,448,002 (2022: TK. 11,784,441,057) and provision for loans and advances and others of Tk. 4,419,268,522 (2022: Tk. 3,622,459,262).</p>	<p>We tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> • Tested the credit appraisal, loan disbursement procedures, monitoring and provisioning process; • Identification of loss events, including early warning and default warning indicators; • Reviewed quarterly classification of loans (CL); <p>Our substantive procedures in relation to the provision for loans and advances portfolio comprised the following:</p> <ul style="list-style-type: none"> • Reviewed the adequacy of the company's general and specific provisions; • Assessed the methodologies on which the provision amounts based, recalculated the provisions and tested the completeness and accuracy of the underlying information; • Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.

Legal and Regulatory Matters

Risk	Our response to the risk
<p>We focused on this area because the Company and its subsidiaries (the "Group") operate in a legal and regulatory environment that is exposed to significant litigation and similar risks arising from disputes and regulatory proceedings. Such matters are subject to many uncertainties and the outcome may be difficult to predict.</p> <p>These uncertainties inherently affect the amount and timing of potential outflows with respect to the provisions which have been established and other contingent liabilities.</p> <p>Overall, the legal provision represents the Group's best estimate for existing legal matters that have a probable and estimable impact on the Group's financial position.</p>	<p>We obtained an understanding, evaluated the design and tested the operational effectiveness of the Group's key controls over the legal provision and contingencies process.</p> <p>We enquired to those charged with governance to obtain their view on the status of all significant litigation and regulatory matters.</p> <p>We enquired of the Group's internal legal counsel for all significant litigation and regulatory matters and inspected internal notes and reports. We also received formal confirmations from external counsel.</p> <p>We assessed the methodologies on which the provision amounts are based, recalculated the provisions, and tested the completeness and accuracy of the underlying information.</p> <p>We also assessed the Group's provisions and contingent liabilities disclosure.</p>



IT Systems and Controls

Risk	Our response to the risk
<p>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.</p> <p>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.</p>	<p>We tested the design and operating effectiveness of the Group'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 Group's periodic review of access rights.</p> <p>We inspected requests of changes to systems for appropriate approval and authorization. We considered the control environment relating to various interfaces, configuration and other application layer controls identified as key to our audit.</p> <p>Where deficiencies were identified, we tested compensating controls or performed alternate procedures. In addition, we understood where relevant, changes were made to the IT landscape during the audit period and tested those changes that had a significant impact on financial reporting.</p>

Other Information

Management is responsible for the other information. The other information comprises all of the information included 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 financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor'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 02, 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 the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the 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 the 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 auditors' 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 the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated and separate 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 auditors' report. However, future events or conditions may cause the Group and the 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; and
- 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 auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994, the Securities and Exchange Rules, 1987, the 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 accounts as required by law have been kept by the Company so far as it appeared from our examination of those books;
- (iii) The consolidated balance sheet and consolidated 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 statement of 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 statement of the company conform to the prescribed standards set in the accounting regulations which were issued by Bangladesh Bank after consultation with the professional accounting bodies of Bangladesh;
- (viii) The records and statements which were submitted by the branches have been properly maintained and recorded in the financial statements;
- (ix) Statement sent to Bangladesh Bank have been checked on sample basis and no inaccuracy has come to our attention;
- (x) Taxes and other duties were collected and deposited in the Government treasury by the company as per Government instructions found satisfactory based on test checking;
- (xi) Nothing has come to our attention that the company has adopted any unethical means i.e., 'window dressing' to inflate the profit and mismatch between the maturity of assets and liabilities;
- (xii) Proper measures have been taken to eliminate the irregularities mentioned in the inspection report of Bangladesh Bank and the instructions which were issued by Bangladesh Bank and other regulatory authorities have been complied properly as disclosed to us by management;
- (xiii) Based on our work as mentioned above under the auditor's responsibility section, the internal control and the compliance of the company is satisfactory, and effective measures have been taken to prevent possible material fraud, forgery and internal policies are being followed appropriately;



- (xiv) The company has complied with relevant laws pertaining to capital, reserve and net worth, cash and liquid assets and procedure for sanctioning and disbursing loans/leases found satisfactory;
- (xv) We have reviewed over 80% of the risk weighted assets of the company and we have spent around 1,144 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) The company has complied with the Finance Company Act, 2023 in preparing these financial statements; and
- (xviii) All other issues which in our opinion are important for the stakeholders of the company have been adequately disclosed in the audit report.

Signed for & on behalf of
Basu Banerjee Nath & Co.
Chartered Accountants



Dipok Kumar Roy, FCA
ICAB Enrollment No. 1334
Partner

Basu Banerjee Nath & Co.
Chartered Accountants

DVC : 2409091334AS122809

Dhaka;

Date: 09 SEP 2024



IIDFC PLC
Consolidated Balance Sheet
As at 31 December 2023

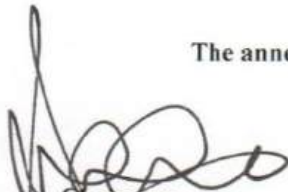
Particulars	Notes	Amount in Taka	
		31 December 2023	31 December 2022
<u>PROPERTY & ASSETS</u>			
Cash	3.a		
In Hand (including foreign currencies)		103,461	112,837
Balance with Bangladesh Bank and its Agent Bank(s) (including foreign currencies)		74,144,309	92,821,301
		74,247,770	92,934,138
Balance with Other Banks and Financial Institutions	4.a		
Inside Bangladesh		826,488,485	676,816,217
Outside Bangladesh		-	-
		826,488,485	676,816,217
Money at Call and Short Notice	5.00	-	-
Investments	6.a		
Government		973,071	-
Others		856,260,816	980,373,021
		857,233,887	980,373,021
Loans & Advances	7.a		
Lease Receivables		1,427,884,605	1,633,159,672
Advance for Lease Finance		44,339,980	44,339,980
Direct/ Term Finance		8,215,970,770	9,697,487,072
Secured Overdraft		13,784,471	58,968,131
Bills Discounted and Purchased		111,843,632	106,241,692
Margin Loans		2,127,161,088	2,123,347,400
		11,940,984,546	13,663,543,947
Fixed assets including premises, furniture & fixtures etc.	8.a	63,065,678	50,211,189
Other Assets	9.a	1,813,990,101	1,891,620,622
Non-banking assets	10.00	4,987,820	12,287,820
Total Assets		15,580,998,287	17,367,786,954
<u>LIABILITIES & CAPITAL</u>			
Borrowings from other banks, financial institutions & agents	11.a	5,745,760,661	6,015,408,395
Deposits & Other Accounts	12.a		
Current Deposits & Other Accounts, etc.		-	-
Bills Payable		-	-
Savings Bank Deposits		-	-
Term Deposits		5,277,396,725	6,470,220,111
Bearer Certificate of Deposits		-	-
Other Deposits		2,166,731	2,196,515
		5,279,563,456	6,472,416,625
Other Liabilities	13.a	7,872,620,068	6,495,021,779
Total Liabilities		18,897,944,185	18,982,846,800
Capital/ Shareholders' Equity			
Paid up Capital	14.00	1,737,770,680	1,737,770,680
Statutory Reserve	15.00	371,950,483	371,950,483
General Reserve	16.a	68,465,915	68,206,552
Share Money Deposit	17.00	-	-
Stock Dividend	18.a	-	-
Retained Earnings	19.a	(5,495,285,357)	(3,793,140,303)
Total Equity attributable to Shareholder of the Company		(3,317,098,278)	(1,615,212,587)
Non-controlling Interest	19.a.3	152,377	152,742
Total Liabilities & Shareholders' Equity		15,580,998,287	17,367,786,954



IIDFC PLC
Consolidated Balance Sheet
As at 31 December 2023

Particulars	Notes	Amount in Taka	
		31 December 2023	31 December 2022
<u>OFF-BALANCE SHEET ITEMS</u>			
Contingent liabilities	20.00		
Letters of guarantee		200,562,022	200,562,022
Letters of credit		-	-
Irrevocable letter of credit		-	-
Bills for collection		-	-
Other contingent liabilities		-	-
		<u>200,562,022</u>	<u>200,562,022</u>
Others commitments:			
Money at call and short notice		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
		<u>-</u>	<u>-</u>
Total off-balance sheet items including contingent liabilities		<u>200,562,022</u>	<u>200,562,022</u>

The annexed notes from 1.00 to 45.00 form an integral part of these financial statements


Chairman



Director


Managing Director


Company Secretary

Signed in terms of our report of even date

Signed for & on behalf of
Basu Banerjee Nath & Co.
Chartered Accountants


Dipank Kumar Roy, FCA
ICAB Enrollment No. 1334
Partner
Basu Banerjee Nath & Co.
Chartered Accountants
DVC : 2409091334 AS 122 809

Dhaka;
Date: 09 SEP 2024



IIDFC PLC
Consolidated Profit & Loss Account
For the year ended 31 December 2023

Particulars	Notes	Amount in Taka	
		31 December 2023	31 December 2022
A. OPERATING INCOME			
Interest income	21.a	289,247,544	507,987,421
Interest paid on deposits, borrowings etc.	22.a	(986,327,884)	(1,018,678,024)
Net interest income		(697,080,341)	(510,690,603)
Income from investment	23.a	(11,876,344)	60,125,491
Commission, exchange and brokerage	24.a	91,323,090	115,642,375
Other operating income	25.a	92,422,220	48,401,416
Total operating income		(525,211,374)	(286,521,321)
B. OPERATING EXPENSES			
Salaries & allowances	26.a	191,237,373	259,346,676
Rent, taxes, insurance, electricity etc.	27.a	18,501,954	19,345,915
Legal expenses	28.a	7,326,935	8,497,650
Postage, stamp, telecommunications etc.	29.a	5,839,664	6,353,444
Stationery, printing, advertisement etc.	30.a	5,097,125	6,410,265
Managing director's salary and fees	31	7,578,480	7,550,313
Directors' fees	32.a	1,375,800	2,080,400
Auditor's fees	33.a	920,000	1,012,920
Loans & advances written-off	34.a	6,303,063	70,908,577
Repair, depreciation and amortization of company's assets	35.a	29,006,896	31,660,784
Other expenses	36.a	44,451,861	46,972,133
Total operating expenses		317,639,152	460,139,077
C. Profit/(Loss) before provision (A-B)		(842,850,526)	(746,660,398)
D. Provision for loans & advances	37.a		
Specific provision		892,483,146	1,087,863,058
General provision		(41,957,098)	1,435,325
Provision for diminution in value of investments		(5,525,825)	14,465,677
Other provision		(10,197,470)	1,049,281,548
Total provision		834,802,753	2,153,045,609
E. Profit/(Loss) before taxes (C-D)		(1,677,653,279)	(2,899,706,006)
F. Provision for tax:			
Current tax	38.a	24,567,984	30,495,654
Deferred tax		(335,206)	2,369,660
Total provision		24,232,778	32,865,314
G. Profit/(Loss) after taxes (E-F)		(1,701,886,057)	(2,932,571,320)
Attributable to:			
Shareholders of the company		(1,701,899,278)	(2,932,584,907)
Non-controlling interest		13,221	13,587
		(1,701,886,057)	(2,932,571,320)
Less: Appropriations			
Statutory reserve		-	-
General reserve		-	-
Retained surplus/(Deficit)		(1,701,886,057)	(2,932,571,320)
Earnings per share (EPS)	39.a	(9.79)	(16.88)

The annexed notes from 1.00 to 45.00 form an integral part of these financial statements






Chairman Director Managing Director Company Secretary

Signed in terms of our report of even date

Signed for & on behalf of
Basu Banerjee Nath & Co.
Chartered Accountants

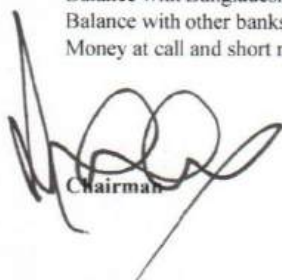

Dipak Kumar Roy, FCA
ICAB Enrollment No. 1334
Partner
Basu Banerjee Nath & Co.
Chartered Accountants
DVC: 2409091334AS 122 809

Dhaka:
Date: 09 SEP 2024



IIDFC PLC
Consolidated Cash Flow Statement
For the year ended 31 December 2023

Particulars	Notes	Amount in Taka	
		31 December 2023	31 December 2022
A CASH FLOW FROM OPERATING ACTIVITIES			
Interest receipts in cash		264,657,192	421,009,537
Interest payments in cash		(1,031,351,543)	(1,063,516,351)
Dividend receipts in cash		18,064,141	26,293,495
Cash payments to employees		(183,686,832)	(248,258,947)
Cash payments to suppliers		(7,117,759)	(9,108,408)
Income taxes paid		(27,627,683)	(33,526,299)
Receipts from other operating activities		149,559,249	190,782,164
Payments for other operating activities		(92,723,285)	(77,599,579)
Cash generated from operating activities		(910,226,520)	(793,924,388)
Increase/(Decrease) in operating assets and liabilities			
Statutory deposits			
Loans and advances		1,711,275,477	2,229,312,363
Changes in other assets		92,420,306	217,418,513
Borrowings from other banks		(321,794,171)	664,024,819
Borrowings from other corporate and financial institutions		113,526,471	(2,015,377,023)
Deposits from customers		(1,285,823,386)	(687,019,537)
Changes in other liabilities		561,265,430	339,151,399
		870,870,127	747,510,534
Net cash (used in)/from operating activities		(39,356,393)	(46,413,854)
B CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from sale of securities		107,971,355	697,367,603
Payments for purchase of securities		64,634,243	(504,051,033)
Purchase of property, plant and equipment		(6,001,957)	(19,861,277)
Payment against lease obligation		-	-
Proceeds from sale of property, plant and equipment		3,738,650	3,876,693
Net cash used in investing activities		170,342,293	177,331,986
C CASH FLOW FROM FINANCING ACTIVITIES			
Dividend paid		-	-
Share Money Deposit		-	-
Net cash from/(used in) financing activities		-	-
D Net increase/(decrease) in cash and cash equivalents (A+B+C)		130,985,900	130,918,132
E Effects of exchange rate changes on cash and cash equivalents		-	-
F Cash and cash equivalents at beginning of the year		769,750,355	638,832,224
G Cash and cash equivalents at end of the year (D+E+F)		900,736,255	769,750,355
Cash and cash equivalents at end of the year			
Cash in hand		103,461	112,837
Balance with Bangladesh Bank and its agent bank(s)		74,144,309	92,821,301
Balance with other banks and financial institutions		826,488,485	676,816,217
Money at call and short notice		-	-
		900,736,255	769,750,355


Chairman



Director


Managing Director


Company Secretary

Signed in terms of our report of even date

Signed for & on behalf of
Basu Banerjee Nath & Co.
Chartered Accountants


Dipak Kumar Roy, FCA
ICAB Enrollment No. 1334
Partner
Basu Banerjee Nath & Co.
Chartered Accountants

DVC: 2909091334A5122809

Dhaka;

Date: 09 SEP 2024



IIDFC PLC
Consolidated Statement of Changes in Equity
For the year ended 31 December 2023

Amount in BDT

Particulars	Paid-up Capital	Statutory Reserve	General Reserve	Retained Earnings	Proposed Stock Dividend	Share Money Deposit	Non-controlling Interest	Total
Balance as on 1 January 2023	1,737,770,680	371,950,483	68,206,552	(3,793,140,303)	-	-	152,742	(1,615,059,345)
Changes in accounting policy	-	-	-	-	-	-	-	-
Restated balance	1,737,770,680	371,950,483	68,206,552	(3,793,140,303)	-	-	152,742	(1,615,059,345)
Surplus/(deficit) on account of revaluation of properties	-	-	-	-	-	-	-	-
Net profit for the year	-	-	-	(1,701,886,057)	-	-	-	(1,701,886,057)
Transfer to Non-controlling Interest (NCI)	-	-	-	366	-	-	(366)	-
Transferred to statutory reserve	-	-	-	-	-	-	-	-
Transferred to general reserve	-	-	259,363	(259,363)	-	-	-	-
Balance as at 31 December 2023	1,737,770,680	371,950,483	68,465,915	(5,495,285,357)	-	-	152,377	(3,316,945,901)


Chairman



Director


Managing Director


Company Secretary

Signed in terms of our report of even date

Signed for & on behalf of
Basu Banerjee Nath & Co.
Chartered Accountants


Dipak Kumar Roy, FCA
ICAB/Enrollment No. 1334
Partner

Basu Banerjee Nath & Co.
Chartered Accountants

DVC: 2409091334 AS 122309



Dhaka

DATE: 09 SEP 2024

IIDFC PLC
Balance Sheet
As at 31 December 2023

Particulars	Notes	Amount in Taka	
		31 December 2023	31 December 2022
PROPERTY & ASSETS			
Cash	3.00		
In Hand (including foreign currencies)		45,206	32,074
Balance with Bangladesh Bank and its Agent Banks (including foreign currencies)		-	-
		74,144,309	92,821,301
		74,189,515	92,853,375
Balance with other Banks and Financial Institutions	4.00		
Inside Bangladesh		325,914,554	432,040,340
Outside Bangladesh		-	-
		325,914,554	432,040,340
Money at Call and Short Notice	5.00	-	-
Investments	6.00		
Government		973,071	-
Others		488,161,157	526,098,201
		489,134,228	526,098,201
Loans & Advances	7.00		
Lease Receivables		1,427,884,605	1,633,159,672
Advance for Lease Finance		44,339,980	44,339,980
Direct/ Term Finance		8,428,595,314	9,941,731,582
Secured Overdraft		13,784,471	58,968,131
Bills Discounted and Purchased		111,843,632	106,241,692
		10,026,448,002	11,784,441,057
Fixed assets including premises, furniture & fixtures etc.	8.01	53,586,666	40,159,448
Other Assets	9.00	2,991,407,716	3,075,322,099
Non-Banking Assets	10.00	4,987,820	12,287,820
Total Assets		13,965,668,501	15,963,202,339
LIABILITIES & CAPITAL			
Borrowings from other banks, financial institutions & agents	11.00	5,492,311,930	5,814,106,101
Deposits & Other Accounts	12.00		
Current deposits & Other Accounts, etc.		-	-
Bills Payable		-	-
Savings Bank Deposits		-	-
Term Deposits		5,277,396,725	6,470,220,111
Bearer Certificate of Deposits		-	-
Other Deposits		2,166,731	2,196,515
		5,279,563,456	6,472,416,626
Other Liabilities	13.00	6,584,903,915	5,398,027,030
Total Liabilities		17,356,779,301	17,684,549,757
Capital/ Shareholders' Equity			
Paid-up Capital	14.00	1,737,770,680	1,737,770,680
Statutory Reserve	15.00	371,950,483	371,950,483
General Reserve	16.00	50,800,000	50,800,000
Share Money Deposit	17.00	-	-
Proposed Stock Dividend	18.00	-	-
Retained Earnings	19.00	(5,551,631,967)	(3,881,868,583)
Total Shareholders' Equity		(3,391,110,804)	(1,721,347,419)
Total Liabilities & Shareholders' Equity		13,965,668,501	15,963,202,339



IIDFC PLC
Balance Sheet
As at 31 December 2023

Particulars	Notes	Amount in Taka	
		31 December 2023	31 December 2022
<u>OFF-BALANCE SHEET ITEMS</u>			
Contingent liabilities	20.00		
Letters of guarantee		200,562,022	200,562,022
Letters of credit		-	-
Irrevocable letter of credit		-	-
Bills for collection		-	-
Other contingent liabilities		-	-
		<u>200,562,022</u>	<u>200,562,022</u>
Others commitments:			
Money at call and short notice		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
		-	-
Total off-balance sheet items including contingent liabilities		<u>200,562,022</u>	<u>200,562,022</u>

The annexed notes from 1.00 to 45.00 form an integral part of these financial statements


Chairman



Director


Managing Director


Company Secretary

Signed in terms of our report of even date

Signed for & on behalf of
Basu Banerjee Nath & Co.
Chartered Accountants


Dipak Kumar Roy, FCA
ICAB Enrollment No. 1334
Partner

Basu Banerjee Nath & Co.
Chartered Accountants

DVC: 2409091334 AS122809

Dhaka;

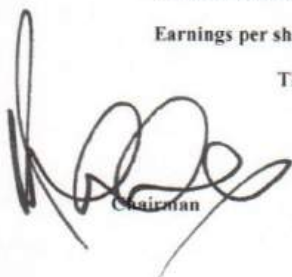
Date: 09 SEP 2024



IIDFC PLC
Profit & Loss Account
For the year ended 31 December 2023

Particulars	Notes	Amount in Taka	
		31 December 2023	31 December 2022
A. OPERATING INCOME			
Interest income	21.00	210,459,997	448,065,657
Interest paid on deposits, borrowings etc.	22.00	(972,565,876)	(1,006,862,849)
Net interest income		(762,105,880)	(558,797,192)
Income from investment	23.00	16,924,626	23,071,888
Commission, exchange and brokerage	24.00	-	-
Other operating income	25.00	83,626,942	39,613,427
Total operating income		(661,554,311)	(496,111,877)
B. OPERATING EXPENSES			
Salaries & allowances	26.00	118,394,269	185,403,284
Rent, taxes, insurance, electricity etc.	27.00	7,392,686	9,369,606
Legal expenses	28.00	6,069,830	6,605,983
Postage, stamp, telecommunications etc.	29.00	3,347,615	4,115,990
Stationery, printing, advertisement etc.	30.00	3,770,144	4,992,418
Managing director's salary and fees	31.00	7,578,480	7,550,313
Directors' fees	32.00	936,000	1,464,000
Auditor's fees	33.00	552,000	679,420
Repair, depreciation and amortization of company's assets	35.00	26,242,076	28,589,298
Other expenses	36.00	31,834,587	31,992,532
Total operating expenses		206,117,688	280,762,844
C. Profit/ (Loss) before provision (A-B)		(867,671,999)	(776,874,721)
D. Provision for loans & advances			
Specific provision	37.00	855,033,146	1,087,863,058
General provision		(42,305,867)	1,435,325
Additional provision as per BB		2,669,252	(2,340,554)
Other provision		(12,866,722)	1,051,622,102
Provision for diminution in value of investments		(5,720,543)	14,248,215
Total provision		796,809,266	2,152,828,147
E. Profit before taxes (C-D)		(1,664,481,265)	(2,929,702,867)
F. Provision for tax			
Current tax	38.00	5,000,000	5,000,000
Deferred tax	38.1	282,120	2,224,788
Total provision		5,282,120	7,224,788
Profit after tax		(1,669,763,385)	(2,936,927,655)
Less: Appropriations		-	-
Statutory reserve		-	-
General reserve		-	-
Retained surplus/(Deficit)		(1,669,763,385)	(2,936,927,655)
Earnings per share (EPS)	39.00	(9.61)	(16.90)

The annexed notes from 1.00 to 45.00 form an integral part of these financial statements


Chairman

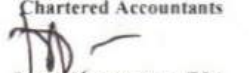

Director


Managing Director


Company Secretary

Signed in terms of our report of even date

Signed for & on behalf of
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Chartered Accountants

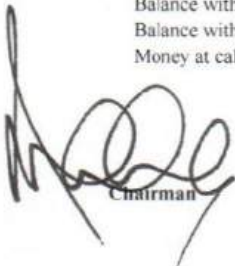

Dipak Kumar Roy, FCA
ICAB Enrollment No. 1334
Partner
Basu Banerjee Nath & Co.
Chartered Accountants
DVC: 2409091334A5122809



Dhaka;
Date: 09 SEP 2024

IIDFC PLC
Statement of Cash Flows
For the year ended 31 December 2023

Particulars	Notes	Amount in Taka	
		31 December 2023	31 December 2022
A CASH FLOW FROM OPERATING ACTIVITIES:			
Interest receipts in cash		172,473,567	340,662,049
Interest payments in cash		(992,853,846)	(1,021,400,298)
Dividend receipts in cash		9,312,618	16,570,275
Cash payments to employees		(125,972,749)	(192,953,597)
Cash payments to suppliers		(7,117,759)	(9,108,408)
Income taxes paid		(7,156,052)	(8,307,787)
Receipts from other operating activities		91,238,950	46,115,040
Payments for other operating activities		(67,312,507)	(50,825,007)
Cash generated from operating activities		(927,387,778)	(879,247,733)
Increase/(decrease) in operating assets and liabilities			
Statutory deposits			
Loans and advances to other customers		1,757,993,055	2,141,653,100
Changes in other assets		83,914,383	194,711,972
Borrowings from Other Banks		(321,794,171)	664,024,819
Borrowings from other Corporate & FIs		93,000,000	(1,880,000,000)
Deposits from customers		(1,285,823,386)	(711,908,046)
Changes in other liabilities		390,067,619	328,098,367
		717,357,501	736,580,212
Net Cash from Operating Activities		(210,030,277)	(142,667,522)
B CASH FLOW FROM INVESTING ACTIVITIES:			
Investments In Subsidiary		-	-
Proceeds from sale of securities		107,971,355	697,367,603
Payments for purchase of securities		(21,540,918)	(433,232,957)
Purchase of property, plant and equipment		(4,235,812)	(12,041,399)
Payment against lease obligation		-	-
Proceeds from sale of property, plant and equipment		3,046,006	3,830,173
Net cash used in investing activities		85,240,631	255,923,420
C CASH FLOW FROM FINANCING ACTIVITIES:			
Dividend paid		-	-
Share Money Deposit		-	-
Net cash from financing activities		-	-
D Net increase/(decrease) in cash and cash equivalents (A+B+C)		(124,789,646)	113,255,898
E Effects of exchange rate changes on cash and cash equivalents		-	-
F Cash and cash equivalents at beginning of the year		524,893,715	411,637,817
G Cash and cash equivalents at end of the year (D+E+F)		400,104,069	524,893,715
Cash and cash equivalents at end of the year			
Cash in hand		45,206	32,074
Balance with Bangladesh Bank and its agent bank(s)		74,144,309	92,821,301
Balance with other banks and financial institutions		325,914,554	432,040,340
Money at call and short notice		-	-
		400,104,069	524,893,715


Chairman

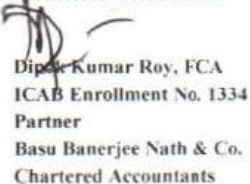

Director


Managing Director


Company Secretary

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Chartered Accountants


Dipak Kumar Roy, FCA
ICAB Enrollment No. 1334
Partner
Basu Banerjee Nath & Co.
Chartered Accountants

DVC: 2409091334A5122809



Dhaka;
Date: 09 SEP 2024


HIDFC PLC

Statement of Changes in Equity

For the year ended 31 December 2023


Amount in BDT

Particulars	Paid-up Capital	Statutory Reserve	General Reserve	Retained Earnings	Proposed Stock Dividend	Share Money Deposits	Total
Balance as on 1 January 2023	1,737,770,680	371,950,483	50,800,000	(3,881,868,583)	-	-	(1,721,347,419)
Changes in accounting policy	-	-	-	-	-	-	-
Restated balance	1,737,770,680	371,950,483	50,800,000	(3,881,868,583)	-	-	(1,721,347,419)
Share Money Deposit	-	-	-	-	-	-	-
Right Share Issue	-	-	-	-	-	-	-
Net profit for the year	-	-	-	(1,669,763,385)	-	-	(1,669,763,385)
Transferred to statutory reserve	-	-	-	-	-	-	-
Transferred to general reserve	-	-	-	-	-	-	-
Balance as at 31 December 2023	1,737,770,680	371,950,483	50,800,000	(5,551,631,967)	-	-	(3,391,110,304)


Chairman

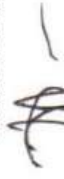

Director


Managing Director


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Chartered Accountants



Dipak Kumar Roy, FCA
ICAB Enrollment No. 1334
Partner

Basu Banerjee Nath & Co.
Chartered Accountants

DVC: 2409091334A5122809



Dhaka

Date: 09 SEP 2024

IIDFC PLC


Liquidity Statement

For the year ended 31 December 2023

Amount in BDT

Particulars	Up to 1 month maturity	1-3 months maturity	3-12 months maturity	1-5 years maturity	More than 5 years maturity	Total
ASSETS:						
Cash	45,206	-	-	-	-	45,206
Balances with Bangladesh Bank	74,144,309	-	-	-	-	74,144,309
Balances with other Banks	123,609,748	92,731,550	77,818,539	31,754,717	-	325,914,554
Money at Call and on Short Notice	-	-	-	-	-	-
Investments	172,750,375	111,778,683	129,302,248	75,302,922	-	489,134,228
Loans and Advances	965,272,473	2,587,004,985	3,540,825,397	2,114,566,862	818,778,285	10,026,448,002
Property, Plant & Equipment	3,801,402	12,059,019	22,906,920	14,819,326	-	53,586,666
Other Assets	250,150,538	487,419,073	1,008,091,691	640,503,495	605,242,919	2,991,407,716
Non-Banking Assets	-	-	-	4,987,820	-	4,987,820
Total assets	1,589,774,050	3,290,993,311	4,778,944,795	2,881,935,142	1,424,021,204	13,965,668,501
LIABILITIES:						
Borrowing from other banks, Fin. Ins. & Agents	1,074,508,122	1,130,913,845	1,391,341,705	934,185,902	961,362,356	5,492,311,930
Deposit and other accounts	287,744,468	1,362,751,035	2,089,680,486	1,354,703,727	184,683,740	5,279,563,456
Provision and other liabilities	223,676,407	778,311,169	1,272,937,519	1,262,274,473	3,047,704,347	6,584,903,915
Total liabilities	1,585,928,997	3,271,976,049	4,753,959,710	3,551,164,102	4,193,750,443	17,356,779,301
Net liquidity gap	3,845,053	19,017,262	24,985,085	(669,228,963)	(2,769,729,240)	(3,391,110,804)


Chairman


Director


Managing Director


Company Secretary

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Signed for & on behalf of
Basu Banerjee Nath & Co.
Chartered Accountants


Dipak Kumar Roy, FCA
ICAB Enrollment No. 1334
Partner

Basu Banerjee Nath & Co.
Chartered Accountants
DVC: 2409091334 AS 122809



Dhaka

Date: 09 SEP 2024

IIDFC PLC and its Subsidiaries
Notes to the Consolidated and Separate Financial Statements
As at and for the year ended 31 December 2023

1.00 Reporting entity and its activities

1.01 Company's profile

IIDFC PLC, a public limited company was incorporated on 19th December, 2000 as a development financial institution to boost investment specially in the spectrum of industrial and infrastructure development. The Company was licensed by Bangladesh Bank on the 23rd January, 2001 to start financing business in Bangladesh. The registered office of the Company is situated at Chamber Building (2nd, 6th & 7th Floor), 122-124, Motijheel C/A, Dhaka-1000, Bangladesh.

1.02 Principal activities and nature of operation

IIDFC offers financial services that include promotion and term financing of financially viable industrial undertakings & infrastructure projects, lease financing for all type of machineries and equipment including vehicles for industrial and commercial purposes, financial packaging for syndicated fund arrangement including cross-border syndication, acquisition or takeover of public sector enterprises, financial or otherwise, stated for privatization and SME financing. The Company is also involved in factoring finance, work-order finance, bill discounting and home loan etc.

1.03 Subsidiary Companies

IIDFC Securities Limited

IIDFC Securities Limited (the Company), a wholly owned subsidiary company of IIDFC was incorporated as a public limited company in Bangladesh bearing certificate of incorporation no. C-83521/10 dated 28/03/2010 under the Companies Act-1994 having its registered office at PFI Tower (Level-3), 56-57, Dilkusha C/A, Dhaka-1000.

The main objectives of the Company for which it was established are to carry out of the business of securities management and stock brokerage, custodian services, investment and asset management, portfolio management, capital market operations and other non-banking financial services including advisory services, mergers and acquisitions, equity investment, joint venture sourcing, corporate finance and restructuring, financial and socio economic consultancy, corporate research and project, studies, privatization and other related services.

IIDFC Capital Limited

IIDFC Capital Limited (the Company) is a public company, limited by shares was incorporated in Bangladesh on 30th November 1995 vide certificate of incorporation no. C-H.C 2097 in the name of South Asia Capital Limited which was acquired by IIDFC a non-banking financial institution on 10th December 2009 and renamed as IIDFC Capital Limited. The principal activities of the Company for which it was established include the business of issue management, portfolio management, corporate counselling, investment counselling, capital structuring, etc.

2.00 Basis of preparation and significant accounting policies

2.01 Basis of preparation

The Financial Statements have been prepared on the basis of going concern concept and basically on accrual method under historical cost convention in accordance with Generally Accepted Accounting Principles (GAAP) and after due compliance with International Accounting Standards(IAS)/International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and adopted by The Institute of Chartered Accountants of Bangladesh (ICAB) vide letter no 1/I/CAB-2017 dated 14 December 2017, the Finance Company Act, 2023, the Companies Act, 1994 and other applicable laws and regulations.

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 and investment in marketable securities which are recorded in cost price(Comparing with market value) in accordance with International Accounting Standards (IAS) and International Financial Reporting Standards (IFRSs) as adopted in Bangladesh by the Institute of Chartered Accountants of Bangladesh, except the circumstances where local regulations differ, and the Companies Act, 1994, the Finance Company Act, 2023, Bangladesh Securities and Exchange Commission guidelines 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 23 December 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. 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-2.01.01 by following the provision of IAS-1 (Presentation of Financial Statements).

2.01.01 Disclosure of departure from few requirements of IFRS due to mandatory compliance of Bangladesh Bank's requirements

SL.	Nature of Departure	Title of IFRS	Treatment of IFRS	Treatment Adopted as per Bangladesh Bank	Financial or Presentation Effect of the Departure
1	Measurement	IFRS 9	An entity shall assess at	As per FID circular No.	In Financial Statements.



	of provision for leases, loans and advances (financial assets measured at amortized cost)	Financial Instruments	the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets measured 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).	08, dated 03 August 2002, FID circular No. 03, dated 03 May 2006 and FID circular No. 03, dated 29 April 2013, DFIM circular No. 04, dated 26 July 2021 a general provision at 0.25% to 5% under different categories of unclassified loans (good/standard loans) 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.	as at 31 December 2023, accumulated provision for leases, loans and advances stand at BDT 3,240.59 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 or 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, DFIM circular No. 02, dated 31 January 2012 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 all shares are less than the cost price of all shares. In Financial Statement, as at 31 December 2023, Provision for diminution in value of investments stands BDT 130.72 million.
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, DFIM circular No. 04, dated 26 July 2021, 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.	As at 31 December 2023, in Financial Statements interest suspense account was BDT 1367.00 million whereas last year was Taka 982.33 million. This amount has been shown in other liabilities



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 2023 and corresponding year 2022 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 lease, loans and advances.	During this year there is no impact in the financial statements due to this departure as the Company did not consider any deductible temporary difference against leases, loans and advances.
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 7 requires 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 IFRS-9. As such some disclosure and presentation requirements of IFRS 7 has not been made in the accounts.	Financial Statements of 2023 and corresponding year 2022 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 of 2023 and corresponding year 2022 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 of Financial Statement	As per Para 60 of IAS-1 "Presentation of Financial statement" An entity shall present current and non-current assets and current and non-current liabilities as separate classification in its statement of financial position.	As per DFIM Circular No. 11, dated 23 December 2009, Bangladesh Bank has issued templates for financial statements which is applicable for all the Financial Institutions. In this templates there is no current and non-current segmentation of assets and liabilities.	Financial Statements of 2023 and corresponding year 2022 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank. Moreover, the liquidity statement shows the aging profile of all financial assets and liabilities from where current/non-current portion of assets and liabilities can be obtained.
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 of 2023 and corresponding year 2022 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank.
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 may 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 provision for unrealized loss (if any) of margin loan in the portfolio at higher rate than the requirement.
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	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	Financial Statements of 2023 and corresponding year 2022 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.



			explanatory information and vi) statement of financial position at the beginning of preceding period for retrospective restatement.	policies and other explanatory information.	
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. However, 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 2023 and corresponding year 2022 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 of 2023 and corresponding year 2022 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 of 2023 and corresponding year 2022 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.

2.01.02 Investments in shares and securities

As per requirements of IFRS-9 'Financial Instruments: Recognition and Measurement' investments in shares and securities generally falls either under "Amortised cost", "at fair value through Profit and Loss Account" or under "FVOCI (Fair Value through Other Comprehensive Income)" where any change in the fair value at the year-end is taken to Profit and Loss Account or Revaluation Reserve Account respectively.

Bangladesh Bank:

As per FID circular No. 08 dated 03 August 2002 & DFIM circular No. 02 dated 31 January 2012 of Bangladesh Bank



Investment in marketable ordinary shares has been shown at cost, on an aggregate portfolio basis. Investment in non-marketable shares also has been valued at cost. Provision should be made for any loss arising from diminution in value of investments.

Relevant disclosure on departure has been presented in the note -2.01.01(2)

2.01.03 Provision on loans and advances

As per IFRS-9 'Financial Instruments' an entity should start the impairment assessment by considering whether objective evidence of impairment exists for financial assets that are individually significant. For financial assets which are not individually significant, the assessment can be performed on an individual or collective (portfolio) basis.

Bangladesh Bank:

As per FID circular No. 08 dated 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/special mention account) has to be maintained.

Relevant disclosure on departure has been presented in the note -2.01.01(1)

2.01.04 Financial instruments - presentation and disclosure

In several cases Bangladesh Bank guidelines categories, recognize, measure and present financial instruments differently from those prescribed in IFR-9. As such some disclosure and presentation requirements of IFRS 7 'Financial Instruments: Disclosures' cannot be made in the accounts.

Relevant disclosure on departure has been presented in the note -2.01.01(6)

2.01.05 Financial guarantees

As per IFRS-9 financial guarantees are contracts that require an entity to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument. Financial guarantee liabilities are recognized initially at their fair value, and the initial fair value is amortized over the life of the financial guarantee. The financial guarantee liability is subsequently carried at the higher of this amortized amount and the present value of any expected payment when a payment under the guarantee has become probable. Financial guarantees are included within other liabilities.

Bangladesh Bank:

As per the requirements of DFIM circular No. 11 dated 23 December 2009, financial guarantees such as L/C, L/G will be treated as off balance sheet items. No liability is recognized for the guarantee except the cash margin.

2.01.06 Cash and cash equivalents

Cash and cash equivalents items should be reported as cash item as per IAS 7 'Statement of Cash Flows'.

Bangladesh Bank:

Some cash and cash equivalent items such as 'money at call and on short notice', T-bills, Prize bond are not shown as cash and cash equivalent. Money at call and on short notice is shown as face item in statement of financial position (Balance sheet) and T-bills, Prize bonds are shown in Investment.

2.01.07 Non-Banking assets

As per the requirements of DFIM circular No. 11 dated 23 December 2009, non-banking assets generally arises from non-payment of receivables (claims) by/from clients which is to be presented separately mentioning the holding period of each types of asset. Presented value of non banking assets will not be more than market price of them and income generating non banking assets will have to be presented separately in the Financial Statements.

2.01.08 Statement of cash flows

Statement of cash flows can be prepared either in "Direct Method" or "Indirect Method". The presentation is selected to present these cash flows in a manner that is most appropriate for the business or industry. The method selected is applied consistently.

Bangladesh Bank:

As per the requirements of DFIM circular No. 11 dated 23 December 2009, statement of cash flows is a mixture of direct and indirect method.

2.01.09 Balance with Bangladesh Bank (CRR)

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

Bangladesh Bank:

Balance with Bangladesh Bank is treated as cash and cash equivalents.

2.01.10 Off-balance sheet items

There is no concept of off balance sheet items in any IFRS; hence there is no requirement of disclosure relating to such items.

Bangladesh Bank:



As per the requirements of DFIM circular No. 11 dated 23 December 2009, off balance sheet items e.g. L/C, L/G must be disclosed separately in the face of the statement financial position (balance sheet).

2.01.11 Disclosure of appropriation of profit

There is no requirement to show appropriation of profit in the face of the statement of comprehensive income.

Bangladesh Bank:

As per the requirements of DFIM circular No. 11 dated 23 December 2009, an appropriation of profit should be disclosed in the face of statement of comprehensive income.

2.01.12 Other comprehensive income

As per IAS 1 'Presentation of Financial Statements', Other Comprehensive Income is a component of financial statements or the elements of Other Comprehensive Income are to be included in a separate Other Comprehensive Income (OCI) Statement.

Bangladesh Bank:

Bangladesh Bank has issued templates for financial statements which will strictly be followed by all financial institutions. The templates of financial statements issued by Bangladesh Bank do not include Other Comprehensive Income; and the elements of Other Comprehensive Income are also not allowed to be included in a single Other Comprehensive Income (OCI) Statement. As such the company does not prepare the Other Statement of Comprehensive Income. However elements of OCI, if any, are shown in the statement of changes in equity.

Relevant disclosure on departure has been presented in the note -2.01.01(13)

2.01.13 Loans and advance net of provision

Loans and advances should be presented as net of provisions.

Bangladesh Bank:

As per the requirements of DFIM circular No. 11 dated 23 December 2009, provision on loans and advances are presented separately as liability and cannot be netted off against loans and advances.

[Also refer to Note-2.17 Compliance of International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs)]

Relevant disclosure on departure has been presented in the note -2.01.01(1)

2.02 Basis of consolidation

The financial statements of the company and its subsidiaries have been consolidated in accordance with International Financial Reporting Standards 10 'Consolidated Financial Statements'.

All intra-group balances, transactions, income and expenses are eliminated in full.

Subsidiaries are fully consolidated from the date on which control is transferred to the company. Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

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 minority shareholders being deducted as Non-controlling interest.

All Assets and Liabilities of the company and its subsidiaries are shown in the consolidated Balance Sheet. The interest of non-controlling shareholder of the subsidiaries are shown separately in the consolidated Balance Sheet under the heading Non-controlling interest.

2.03 Integral components of financial statements

The Financial Statements of the Company comprise of (As per DFIM Circular No. 11 dated 23 December 2009) the following components:

1. Consolidated and Separated Balance Sheet as at December 31, 2023;
2. Consolidated and Separated Profit and Loss A/C for the year ended December 31, 2023;
3. Consolidated and Separated statement of Cash Flows for the year ended December 31, 2023;
4. Consolidated and Separated Statement of Changes in Equity for the year ended December 31, 2023;
5. Liquidity Statement as at December 31, 2023 &
6. Notes to the Consolidated and Separated Financial Statements for the year ended December 31, 2023.

2.04 Use of estimate & judgments

The preparation of Financial Statements in conformity with Generally Accepted Accounting Principles 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.

Provisions and accrued expenses are recognized in the Financial Statements in line with the International Accounting

Standard (IAS) No. 37 'Provisions, Contingent Liabilities and Contingent Assets' when:

- a) the company has a present obligation, legal or constructive result of a past event,
- b) it is probable that an outflow of resources embodying economic benefits will be required to settle that obligation; and
- c) a reliable estimate can be made of the amount of the obligation.

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 from the basis of making the judgments about carrying values of assets and liabilities which 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 recognized in the period in which the estimates are revised.

2.05 Statement of cash flows

The statement of cash flows has been prepared using the Direct Method as mentioned in line with International Accounting Standard 7 'Statement of cash flows'.

2.06 Consistency

In accordance with the IFRS framework for the presentation of Financial Statements together with International Accounting Standard 1 'Presentation of Financial Statements' and International Accounting Standard 8 'Accounting Policies, Changes in Accounting Estimates and Errors', IIDFC applies the accounting disclosure principles consistently from one period to the next.

2.07 Reporting period

These Financial Statements cover one calendar year from 01 January to 31 December 2023.

2.08 Presentation currencies

The figures of the financial statements are presented in Bangladeshi Currency (BDT) and have been rounded off to the nearest integer.

2.09 Books of accounts of branch (including Corporate Branch)

The Company has 4 (four) branches including head office (principal branch) so far as on 31 December 2023. Books of Accounts of the branches are maintained at the Head Office of the Company.

2.10 Assets and basis of their valuation

2.10.01 Cash and cash equivalents

Cash and cash equivalents include notes and coins on hand, unrestricted balances held with Bangladesh Bank highly liquid financial assets.

2.10.02 Investment in securities

Investment in marketable ordinary shares as well as investment in non-marketable shares have been shown at cost. Adequate provision for diminution in value of shares has been made as per Bangladesh Bank guidelines. Market value of securities has been determined on the basis of the value of securities at the last trading day of the period (last trading day for the year was 31 December 2023).

2.10.03 Loans, advances and provisions

Loans and advances are stated at gross amount. General provisions on unclassified loans and Off-Balance Sheet Items, specific provisions for classified loans and interest suspense account thereon are shown under other liabilities. Provision is made on the basis of quarter end against classified loans and advances review by the management and instruction contained in FID Circular no. 08 dated 3 August 2002, FID circular no. 03 and dated 03 May 2006.

a) Interest on loans and advances

Interest is calculated on a daily product basis but charged and accounted for on accrual basis. Interest is calculated on unclassified loans and advances and recognized as income during the year. Interest on classified loans and advances is kept in suspense account as per Bangladesh Bank instructions and such interest is not accounted for as income until realized from borrowers. Interest is not charged on bad and loss loans as per guidelines of Bangladesh Bank.

b) Provision for loans and advances

Provision for loans and advances are made on quarter basis as well as year-end review by management following instructions contained in FID circular No. 08 dated 03 August 2002, FID circular No. 03, dated 03 May 2006 and FID circular No. 03, dated 29 April 2006, DFIM circular No. 04, dated 26 July 2021 issued by Bangladesh Bank. General Provision on unclassified loans and advances and specific provision on classified loans & advances are maintained as per circular issued by Bangladesh Bank as mentioned above at the rate of 0.25% for standard-SME, 1% for standard, 5% for SMA, 20% for SS and 50% for DF and 100% for BL.

c) Presentation of loans and advances

Loans and advances are shown at gross amount as assets while interest suspense and loan loss provision against classified advances are shown as liabilities in the statement of financial position.

d) Write off loans and advances

As per FID Circular No. 03 dated 15 March 2007 & DFIM Circular No. 02 dated 01 April 2019 loans and

advances/investments should be written off. These written off however will not undermine/affect the claim amount against the borrower. Detailed memorandum records for all such written off accounts are meticulously maintained and followed up.

e) Securities against loan

Lease Assets: Assets under the lease agreement is taken as security against lease.

Term Finance: Land, building, machineries and relevant assets are tried to be taken as security.

Working capital and trading loan: Goods are taken as security in the form of pledge and hypothecation along with land and building if any, as mortgage.

House building loan: Land and building are taken as security in the form of mortgage.

Overdraft: FDRs are taken as pledge against the loans taken by clients against their Fixed Deposits.

Public sector loan: In most cases Govt. Guarantee is taken and no other security is taken for government loan and agricultural.

2.10.04 Property, plant and equipment

2.10.04.01 Owned assets

Own property, plant and equipment are stated at cost less accumulated depreciation. The cost of an asset comprises its purchase price and any directly attributable costs associated with bringing the assets to its working condition for its intended use as per International Accounting Standard 16 'Property, Plant and Equipment'.

2.10.04.02 Leased assets

Leasehold assets are accounted for as Finance Lease and capitalized at the inception of the lease at the fair value of the leased property or at the present value of the minimum lease payments, whichever is lower as per International Accounting Standard-17 & IFRS-16 'Leases'. The corresponding obligation under the lease is accounted for as Liability.

2.10.04.03 Subsequent expenditure on property, plant and equipment

Subsequent expenditure is capitalized only when it increases the future economic benefits from the assets. All other expenditures are recognized as an expense as and when they are incurred.

2.10.04.04 Depreciation on property, plant & equipment

Depreciation on fixed assets is charged consistently on straight-line method at following rates throughout the estimated useful life of the assets. On newly acquired assets depreciation is charged for the full year irrespective of date of acquisition while no depreciation is charged on the assets disposed of during the year.

Sl.	Category of Fixed assets	Rate of Depreciation
1	Motor vehicles	20%
2	Furniture & fixtures	10%
3	Office equipment	18%
4	Right-of-use Assets	Lease term

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 concerned asset and is recognized accordingly in the Statement of Comprehensive Income (Profit and Loss Account).

2.10.04.05 Intangible assets

The Company's intangible assets include the value of computer software.

An intangible asset is recognized only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Company.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses.

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortized over the useful economic life. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortization period or method, as appropriate, and they are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is presented as a separate line item in the statement of comprehensive Income (profit and loss account).



Amortization is calculated using the straight-line method to write down the cost of intangible assets to their residual values over their estimated useful lives, like software is amortized over 5 years 6 months.

2.10.04.06 Other assets

Other assets include all other financial assets and fees and unrealized income receivable, advance for operating and capital expenditure and stocks of stationery and stamp. Details are shown in Note-9. Receivables are recognized when there is a contractual right to receive cash or another financial asset from another entity.

2.10.04.07 Non-banking assets

Non-banking assets are acquired on account of the failure of a borrower to repay the loan in time after receiving the decree from the court regarding the right and title of the mortgage property. There are no assets acquired in exchange for loan during the period of financial statements.

2.10.04.08 Right-of- use assets (IFRS-16)

IIDFC recognises a right of use asset and a lease liability from the beginning of 2020. 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 2020) 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 2020), discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, IIDFC'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 IIDFC's estimate of the amount expected to be payable under a residual value guarantee, or if IIDFC 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.

2.11 Basis for valuation of liabilities and provisions

2.11.01 Provision for tax

a. Current tax

Provision for Current Tax is made on the basis of the profit for the period as adjusted for taxation purpose in accordance with the provision of Income Tax Act, 2023 and amendments made thereof.

b. Deferred tax

The company has adopted a policy of recognition of deferred tax in accordance with International Accounting Standard 12 'Income Taxes'. Deferred tax is provided using the liability method for all temporary timing differences between the carrying amount of assets and liabilities for financial reporting purposes and the amount used for tax purposes. The amount of deferred tax is determined at the effective income tax rate prevailing at the Balance Sheet date.

2.11.02 Employees' benefit obligation

Defined contribution plan

The Company started operating from January, 2003 an approved contributory provident fund scheme for its employees as per provident fund rules. The fund consists of subscription of all participatory employees and contribution from the company at a predetermined rate. The fund is administered by a Board of Trustees and invested separately from the Company's assets.

Defined benefit plan

The Company started operating from January, 2002 an approved gratuity scheme as per gratuity rules which is administered by a Board of Trustees and invested separately from the Company's assets.

Other benefit program for employees

The Company operates a group life insurance scheme for its permanent employees. The Company also has loan facilities at reduced rate for its permanent employees.

2.12 Write-off

Write-off describes a reduction in recognized value. It refers to recognized or the zero value of an assets. Generally it refers to an investment for which a return on the investment is now impossible or unlikely. The items potential returns is thus calculated and removed (written-off) from the balance sheet of the Company.

2.13 Capital and shareholders' equity

2.13.01 Capital management

The company has a capital management process for measuring, deploying and monitoring its available capital and assessing its adequacy. This capital management process aims to achieve four major objectives: exceed regulatory thresholds and meet

long-term internal capital targets, maintain strong credit rating, manage capital levels commensurate with the risk profile of the company and provide the company's shareholder with acceptable returns.

Capital is managed in accordance with the board approved capital management planning from time to time. Senior management develops the capital strategy and oversees the capital management planning of the company. The company's finance and risk management department are key to implementing the company's capital strategy and managing capital. Capital is managed using both regulatory control measure and internal matrix.

2.13.02 Paid-up capital

Paid up share capital represents total amount of share capital that has been paid in full by the ordinary shareholder. In the event of winding-up of the company, ordinary shareholder (s) rank after all other shareholders and creditors.

2.13.03 Statutory reserve

As per the Financial Institution Regulations 1994, every Non Banking Financial Institution (NBFI) is required to transfer at least 20% of its current year's profit after tax to the statutory reserve fund until such reserve fund equals to its paid up share capital and share premium (if any). To comply the above requirement, IIDFC transferred 20% of net profit to statutory reserve before declaration of dividend.

2.13.04 Dividends on ordinary shares

Dividends on ordinary shares are recognized as a liability and deducted from equity when they are approved by the Company's shareholders. Dividends for the year that are approved after the reporting date are disclosed as an event after the reporting date.

2.14 Contingent liabilities and contingent assets

A contingent liability is –

Any possible obligation that arises from the past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or any present obligation that arises from past events but is not recognized because:

- it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognized but disclosed in the financial statements unless the possibility of an outflow of resources embodying economic benefits is reliably estimated.

Contingent assets are not recognized in the financial statements as this may result in the recognition of income which may never be realized.

2.15 Materiality, aggregation and off setting

Each material item as considered by management significant has been displayed separately in the financial statements. No amount has been set off unless the Company has legal right to set off the amounts and intends to settle on net basis. Income and expenses are presented on a net basis only when permitted by the relevant accounting standards.

The values of any asset or liability as shown in the statement of Financial Position (Balance Sheet) are not off-set by way of deduction from another liability or asset unless there exist a legal right therefore. No such incident existed during the year.

2.16 Revenue recognition

Revenue is only recognised when it meets the following five steps model framework.

- 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.

2.16.01 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 instalment 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.

2.16.02 Income from direct finance

Direct finance operation consists of long term, short term and working capital finance, books of account for which are maintained based on the accrual method of accounting. Interest earnings from direct finance are recognized as operational revenue periodically.

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.

2.16.03 Income from structured finance

Income from structured finance is recognized as and when received.

2.16.04 Income from treasury operations

Incomes from treasury operations are recognized on accrual basis.

2.16.05 Dividend income

Revenue is recognized when the Company's right to receive the payment is established, which is generally at the time of shareholders' approval date for payment of dividend.

2.16.06 Other operating income

Other operational income is recognized as and when received. Such income comprises of the following:

- a. Appraisal and documentation fees;
- b. Commitment fees;
- c. Supervision fees;
- d. Delinquent charge;
- e. Miscellaneous receipts;

f.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.

g.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.

h.Brokerage commission

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

i.Profit or loss on sale of securities and

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

j.Fee based revenues

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

2.17 Interest accrual on loans and leases

Interest income on interest bearing loans and leases are recorded at the time of proceeds received from a particular company. Accrued interest on company loan and leases is accounted for on accrual basis in the Profit and Loss Account under at the implicit rate of interest.

2.18 Earnings per share

Earnings per shares is calculated by dividing the profit or loss attributable to ordinary shares of the IIDFC by the weighted average number of ordinary shares outstanding during the year. IIDFC calculates EPS in accordance with International Accounting Standard -33 'Earnings per Share' which has been shown in the profit and loss account.

Diluted Earnings per share is not applicable for the year as there is no scope for dilution during the year 2023.

2.19 Presentation of operating segments

The segment reporting of IIDFC as per IFRS 8 has been presented in Note -40 named "Operating Segment Report" as on reporting date.

2.20 Contingent assets & liabilities**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.

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.

2.21 Liquidity statements

As per DFIM circular No. 09 dated 20 October 2015 & DFIM circular No. 21 dated 20 December 2011 the liquidity statement has been prepared in accordance with remaining maturity grouping of Assets and Liabilities as of the close of the reporting period as per following bases:

- 

N/A= Not applicable

* As the regulatory requirements differ with the standards, relevant disclosures have been made in accordance with Bangladesh Bank's requirements.

2.25 Address of head office & branch location

Head office is located at Chamber Building (2nd, 6th & 7th floor), 122-124 Motijheel Commercial Area, Dhaka-1000, Chattogram Branch is located at C&F Tower (4th floor), Sheik Mujib Road, Agrabad Commercial Area, Chattogram and Uttara Branch is located at Plam Jemairah (3rd floor), Sonargaon Janapath, Sector-7, Uttara, Dhaka-1230. Narayanganj Branch is at Mid Town Complex (3rd floor), Bangabandhu Road, Narayanganj.

2.26 Capital adequacy and market discipline

To cope with the international best practices and to make up the capital more risks sensitive as well as more shock resilient, a road map was issued in August 2010 on implementation of Basel Accord in the FIs. Being well pursuant with the road map, prudential guidelines namely 'Capital Adequacy and Market Discipline for Financial Institutions' had been introduced by Bangladesh Bank from December, 2011. The guidelines came into force from 1 January, 2012 with necessary supplements/revisions. Instructions in respect of Minimum Capital Requirement, Adequate Capital and Disclosures requirement as stated in the guidelines have been followed for the purpose of statutory compliance.

As per prudential guideline IIDFC calculated Minimum Capital Requirement (MCR) by dividing the total capital by the sum of risk weighted assets against credit risk, market risk, and operational risk under pillar-I.

Pillar – I: Minimum capital requirement

Credit Risk

The calculation of capital requirement against credit risk is more elaborate and risk sensitive. The Accord gives a choice of some sophisticated approaches to address risks, and adoption of a Particular approach depends on the risk measurement capabilities and robustness of the systems in place in a Financial Institution. A Standardized Approach has been the preliminary choice of FIs for the credit risk calculation.

Market risk

Market risk is defined as the risk of losses in on and off-balance-sheet positions arising from movements in market prices. The risks subject to this requirement are:

- The risks pertaining to interest rate related instruments and equities in the trading book;
- Foreign exchange risk and commodities risk throughout the FI.

The capital charges for interest rate related instruments and equities applied to the current trading book items prudently valued by IIDFC. The capital charges for foreign exchange risk and for commodities risk applied to IIDFC's total currency and commodity positions, subject to some discretion to exclude structural foreign exchange positions.

Operational risk

The accord introduces for the first time a capital charge for operational risk. The framework presents three methods for calculating operational risk capital charges in a continuum of increasing complexity and risk sensitivity. These methods are the Basic Indicator approach (a fixed percentage of gross income amount), Standardized approach (sum of a certain percentage of FI's income in each business line) and Internal Measurement approach (Statistical measure of FIs operational loss based on its historical loss data). But initially, Basic Indicator Approach has been applied for calculating the capital charge against operational risk.

2.27 Stress testing

Stress Testing is an important risk management tool that is used by the Financial Institutions as part of internal risk management and through the Basel II capital adequacy framework, is promoted by Bangladesh Bank. Stress Testing alerts Financial Institutions management to adverse unexpected outcomes related to a variety of risks and provides an Indication of how much capital might be needed to absorb losses should large shock occur. Stress Testing supplements other risk management approaches and measures playing particularly important role in:

- Providing forward-looking assessment of risk;
- Overcoming limitations of models and historical data;
- Supporting external and internal communication;
- Feeding into capital and liquidity planning procedures;
- Informing the setting of an FI's risk tolerance; and
- Facilitating the development of risk mitigation or contingency plans across a range of stressed conditions.

Stress Testing guideline have been issued by Bangladesh Bank to provide a structured way of assessing the vulnerability of financial institutions to extreme but plausible market conditions. The guidelines enable institutions to accurately assess risk and define the "risk appetite" of the organization and also provide critical information to senior management for decision around capital allocation and contingency planning.



IIDFC exercise stress testing on its portfolio on quarterly basis and submit its stress testing report as per format prescribed by Bangladesh Bank on regular basis.

2.28 Financial risk management

IIDFC 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 Company 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, IIDFC also considers guidelines for managing core risks of financial institutions issued by the Country's Central Bank, Bangladesh Bank, vide FID Circular No. 10 dated 18 September 2005 for management of risks and, more recently, DFIM Circular No. 03 dated 24 January 2016.

Credit Risk

To encounter and mitigate credit risk the company employed multilayer approval process, policy for maximum exposure limit of sector or groups, policy for customers' assets maximum exposure limit, mandatory search for credit report from Credit Information Bureau, looking into payment performance of customer before financing, annual review of clients, adequate insurance coverage for funded assets, vigorous monitoring and follow up by Special Assets Management Team, strong follow up of compliance of credit policies by Internal Control and Compliance Department (ICCD), taking collateral, seeking external legal opinion, maintaining neutrality in politics and following arm's length approach in related party transactions, regular review of market situation and industry exposure etc.

The Credit Appraisal Committee (CAC) regularly meets to review the market and credit risk related to lending and recommend and implement appropriate measures to counter associated risks. The CAC critically reviews projects from risk point of view. An independent Credit Risk Management Department is in place, at IPDC, 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 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. IIDFC has also strong access to money market and credit lines at a competitive rate through good reputation, strong earnings, financial strength 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 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, available sources of funds and risks and returns.

Operational Risk

Appropriate internal control measures are in place, at IIDFC, to address operational risks. IIDFC has also established an Operational Risk Management (ORM) to address operational risk and to frame and implement policies to encounter such risks. This department assesses operational risk across the Company as a whole and ensures that an appropriate framework exists to identify, assess and manage operational risk. The function of the ORM department is to exercise constant vigilance against erosion of Shareholders' value by identifying, assessing, measuring and managing operational risk resulting from inadequate or failed internal processes, people and systems or from external events.

Money Laundering and Terrorist Financing Risk

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

- (a). Business risk which is the risk that IIDFC may be used for money laundering or for the financing of terrorism and
- (b). Regulatory risk which is the risk that IIDFC 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, IIDFC, 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 the CCU;
- (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 minimum steps to be followed in the strategic risk management process and also suggest measures for strategic risk control.

IIDFC has been managing strategic risks ever since its inception. This is evident from the constantly evolving business model of the company over the years. 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 its vision. Strategic issues are discussed at a variety of forums including meetings of the Management Committee and of the IIDFC Board. Over the past few years, a separate Strategic Planning department has been set up 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. With the introduction of the new guidelines, more changes will be made to the strategic risk management process as and when required.

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, IIDFC 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 IIDFC 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.

Reputation Risk

Reputation risk may be defined as the risk of loss arising from damages 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.

IIDFC 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, IIDFC have adopted Environmental & Social Risk Management System as one of its integral parts of Credit Risk Assessment to compute environmental & social risks from our financial footprints. IIDFC is one of the front runners to add "Environmental & Social Management System (ESMS)" within its framework, a global standard to minimize environmental & social risks from the organizational activities.



Particulars	Notes	Amount in Taka	
		31 December 2023	31 December 2022
3.00 Cash			
Cash in hand (Note 3.1)		45,206	32,074
Balance with Bangladesh Bank and its agent bank (Note 3.2)		74,144,309	92,821,301
Total		74,189,515	92,853,375
3.01 Cash in hand			
Cash in hand represents the amount under "imprest system of petty cash" to meet petty expenses both for head office as well as branch offices.			
3.2 Balance with Bangladesh Bank			
Balance with Bangladesh Bank is a non-interest bearing account maintained with Central Bank to meet the Cash Reserve Requirement (CRR). CRR (note 3.3) and Statutory Liquidity Reserve (note 3.4) have been calculated and maintained in accordance with The Financial Regulations 1994 and FID Circular No. 06 dated 6th November, 2003 and FID Circular No. 02 dated 10th November, 2004.			
3.3 Cash Reserve Requirement (CRR)			
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 06 November 2003, FID Circular No. 02 dated 10 November 2004, DFIM Circular Letter No. 01, dated 12 January 2017 and DFIM Circular Letter No. 03, dated 21 June 2020.			
CRR has been calculated at the rate of 1.50% on Total Term Deposits which is preserved in current account maintained with Bangladesh Bank in compliance with FID Circular No. 02 dated 10th November, 2004 and DFIM Circular Letter No. 03, dated 21 June 2020. Total Term Deposits means Term or Fixed Deposits, Security Deposit against Lease/Loan and other Term Deposits received from individuals and institutions (except Banks and Financial Institutions).			
Required reserve		59,208,704	81,166,730
Actual reserve held		74,144,309	92,821,301
Surplus / (Deficit)		14,935,605	11,654,571
3.4 Statutory Liquidity Reserve (SLR)			
SLR has been calculated at the rate of 5.00% of total demand and time liabilities, including CRR of 1.50% on Total Term Deposits. SLR is maintained in liquid assets in the form of Cash in Hand, balance with Bangladesh Bank, balance with other Banks & Financial Institutions, unencumbered Treasury Bills, Prize Bond, Savings Certificates & any other assets approved by Bangladesh Bank.			
Required reserve		245,937,744	316,645,287
Actual reserve held (Note-3.4.1)		360,981,289	456,663,683
Surplus / (Deficit)		115,043,545	140,018,396
3.4.1 Actual Reserve held for SLR			
Cash in hand		45,206	32,074
Balance with Bangladesh Bank and its agent bank(s)		74,144,309	92,821,301
Balance with other banks and financial institutions (Note-3.4.1.1)		285,818,703	363,810,308
Bangladesh Bank-Tbill		973,071	-
		360,981,289	456,663,683
3.4.1.1 Balance with other banks and financial institutions (SLR)			
NRBC Bank PLC.		44,465,850	41,926,655
Social Islami Bank PLC.		-	55,545,800
Bangladesh Finance & Investment Company Limited		100,000,000	100,000,000
Union Capital Limited		51,352,853	51,352,853
SBAC Bank PLC.		-	24,985,000
Prime Finance & Investment Limited		90,000,000	90,000,000
Union Bank PLC.		-	-
Total		285,818,703	363,810,308
3.a Consolidated cash			
IIDFC PLC		45,206	32,074
IIDFC Securities Limited		51,831	36,372
IIDFC Capital Limited		6,424	44,391
Sub-Total		103,461	112,837
Balance with Bangladesh Bank and its agent bank(s) (Note-3)		74,144,309	92,821,301
Total		74,247,770	92,934,138
4.00 Balance with other Banks and Financial Institutions			
<i>Inside Bangladesh</i>			
Current Accounts:			
NCC Bank PLC.		14,751	21,141
Social Islami Bank PLC.		(1)	128
Sonali bank PLC.		4,503	5,309
Uttara Bank PLC.		27,127	36,848
Midland Bank PLC.		155	155
Trust Bank PLC.		2,501	5,259
Total		49,036	68,839
Short-Term Deposit Accounts			



Particulars	Notes	Amount in Taka	
		31 December 2023	31 December 2022
Southeast Bank PLC.		1,839,721	3,831,338
Social Islami Bank PLC.		66,059	4,198,858
Bank Asia PLC.		31,996,507	60,115,272
AB Bank PLC.		3,360	3,057
City Bank PLC.		-	2,383
Janata Bank PLC.		-	4
Pubali Bank PLC.		237	856
Prime Bank PLC.		6,132,801	9,425
National Bank PLC.		8,130	-
Total		40,046,814	68,161,192
Fixed Deposits Receipts (FDR Placement)			
Bangladesh Finance & Investment Company Limited		100,000,000	100,000,000
Prime Finance & Investment Limited		90,000,000	90,000,000
NRBC Bank PLC.		44,465,850	41,926,655
Union Capital PLC.		51,352,853	51,352,853
SBAC Bank PLC.		-	24,985,000
Social Islami Bank PLC.		-	55,545,800
Total		285,818,703	363,810,308
Sub Total		325,914,554	432,040,340
<i>Outside Bangladesh</i>		-	-
Grand Total		325,914,554	432,040,340
4.01 Maturity grouping of Balance with other Banks and Financial Institutions			
On demand		123,609,748	163,860,119
Less than 3 months		92,731,550	122,927,221
More than 3 months but less than 1 year		77,818,539	103,158,167
More than 1 year but less than 5 years		31,754,717	42,094,833
Above 5 years		-	-
Total		325,914,554	432,040,340
4.a Consolidated Balance with other Banks and Financial Institutions			
IIDFC PLC		325,914,554	432,040,340
IIDFC Securities Limited (Note-4.a.1)		440,769,752	234,158,478
IIDFC Capital Limited (Note-4.a.2)		59,804,179	10,617,400
Total		826,488,485	676,816,217
4.a.1 IIDFC Securities Limited			
Southeast Bank PLC.		570,102	974,753
NCC Bank PLC.		4,530	5,032
IIDFC PLC		-	-
One Bank PLC.		181,853,384	111,684,351
Mercantile Bank PLC.		258,341,736	121,494,342
Total		440,769,752	234,158,478
4.a.2 IIDFC Capital Limited			
Southeast Bank PLC.		9,617,844	1,256,377
One Bank PLC.		50,186,335	9,361,023
Bangladesh Commerce Bank PLC.		-	-
Total		59,804,179	10,617,400



Particulars	Notes	Amount in Taka	
		31 December 2023	31 December 2022
5.00 Money at Call and Short Notice			
Banks		-	-
Non-Bank Financial Institutions		-	-
Total		-	-
6.00 Investments			
Government Securities			
Treasury Bill		973,071	-
National Investment Bond		-	-
Bangladesh Bank Bill		-	-
Government Notes/ Bond		-	-
Prize Bond		-	-
Others		-	-
Sub Total		973,071	-
Other Investments			
Preference Shares		-	-
Debenture and Bond (Note-6.1)		69,816,227	67,596,212
Investments in Shares (Note-6.2)		417,664,930	458,501,989
Investments IPO (Note-6.3)		680,000	-
Gold etc.		-	-
Sub Total		488,161,157	526,098,201
Total investments		489,134,228	526,098,201

6.01 Debenture and Bond

Investment in Debenture and Bond includes investment in the Bond of Golden Harvest Agro Industries Limited.

Opening Balance	67,596,212	70,183,544
Add: Addition/ adjustment during the year	7,220,015	3,412,668
Less: Adjustment during the year	5,000,000	6,000,000
Closing Balance	69,816,227	67,596,212

6.02 Investments in Shares

Quoted Shares

Bank Company	48,351,597	48,351,597
Non-Banking Company	88,072,216	88,072,216
Insurance Company	-	21,421,802
Mutual Fund	-	-
Other Company	231,241,118	250,656,374
Total	367,664,930	408,501,989

Un-quoted Shares

MTB Unit Fund	-	-
HFAML Unit Fund	50,000,000	50,000,000
IDLC Growth Fund	-	-
	50,000,000	50,000,000
Total Investment in Shares	417,664,930	458,501,989

6.03 Investments IPO

Sikder Insurance	680,000	-
	680,000	-

6.04 Cost Price Vs Market Price of Quoted Investments

	31st December 2023		
	Cost Price (A)	Market Price (B)	Required Provision (C=A-B)
Bank Company	48,351,597	32,729,880	15,621,717
Non-Banking Company	88,072,216	54,615,164	33,457,052
Insurance Company	-	-	-
Other Company	231,241,118	149,595,550	81,645,568
Total	367,664,930	236,940,594	130,724,336

All investments in marketable securities are valued on an aggregate portfolio basis, at the lower of cost and market value as at 31st December 2023. At the end of the reporting year, total cost price of the listed securities was BDT. 367,664,930 where as the market price was BDT. 236,940,594 resulting a required provision of BDT 130,724,336.

6.05 Maturity grouping of Investments

On demand	172,750,375	185,805,156
Less than 3 months	111,778,683	120,225,821
More than 3 months but less than 1 year	129,302,248	139,073,645
More than 1 year but less than 5 years	75,302,922	80,993,579
Above 5 years	-	-
Total	489,134,228	526,098,201



Particulars	Notes	Amount in Taka	
		31 December 2023	31 December 2022

6.a Consolidated Investments

IIDFC PLC	489,134,228	526,098,201
IIDFC Securities Limited (Note - 6.a.1)	286,495,741	312,712,673
IIDFC Capital Limited (Note - 6.a.2)	81,603,918	141,562,148
Total	857,233,887	980,373,021

6.a.1 Investment of IIDFC Securities Limited

Quoted Shares

Bank Company	58,081,595	58,081,595
Non-Banking Company	17,685,202	17,685,202
Insurance Company	78,767	7,595,498
Mutual Fund	13,088,874	13,250,000
Other Company	167,702,783	186,241,859
Total	256,637,221	282,854,153

Un-quoted Shares

ICB AMCL2NDNRB Unit Fund	998,100	998,100
Dhaka Stock Exchange Limited	28,860,420	28,860,420
Total Investment in Shares	286,495,741	312,712,673

6.a.1.1 Cost Price Vs Market Price of Quoted Investments

	31st December 2023		
	Cost Price (A)	Market Price (B)	Required Provision (C=A-B)
Bank Company	58,081,595	44,939,492	13,142,103
Non-Banking Company	17,685,202	11,262,733	6,422,469
Insurance Company	78,767	87,201	(8,434)
Mutual Fund	13,088,874	11,083,560	2,005,314
Other Company	167,702,783	129,120,983	38,581,800
Total	256,637,221	196,493,969	60,143,252

6.a.2 Investment of IIDFC Capital Limited

Quoted Shares

Bank Company	-	4,012,662
Non-Banking Company	-	-
Insurance Company	10,745,064	72,071,851
Mutual Fund	-	19,727,311
Other Company	70,858,854	45,750,324
Total	81,603,918	141,562,148

Un-quoted Shares

Total Investment in Shares	81,603,918	141,562,148
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6.a.2.1 Cost Price Vs Market Price of Quoted Investments

	31st December 2023		
	Cost Price (A)	Market Price (B)	Required Provision (C=A-B)
Bank Company	-	-	-
Non-Banking Company	-	-	-
Insurance Company	10,745,064	7,987,410	2,757,654
Mutual Fund	-	-	-
Other Company	70,858,854	49,400,898	21,457,957
Total	81,603,918	57,388,308	24,215,611



Particulars	Notes	Amount in Taka	
		31 December 2023	31 December 2022
7.00 Loans & Advances			
Inside Bangladesh:			
Lease Receivables	14.24%	1,427,884,605	1,633,159,672
Advance for Lease Finance	0.44%	44,339,980	44,339,980
Total Lease Finance	14.68%	1,472,224,585	1,677,499,652
Direct/ Term Finance	84.06%	8,428,595,314	9,941,731,582
Secured Overdraft	0.14%	13,784,471	58,968,131
Bills Discounted and Purchased (Note-7.8)	1.12%	111,843,632	106,241,692
Total Other Finance	85.32%	8,554,223,417	10,106,941,405
Sub Total (Note-7.1)	100.00%	10,026,448,002	11,784,441,057
Outside Bangladesh:			
Gross Lease Receivables	-	-	-
Less: Unearned Lease Income	-	-	-
Net Investment	-	-	-
Advance for Lease Finance	-	-	-
Direct/ Term Finance	-	-	-
Secured Overdraft	-	-	-
Factoring Finance	-	-	-
Margin Loan	-	-	-
Sub Total	-	-	-
Total	100.00%	10,026,448,002	11,784,441,057
7.01 Details of Loans & Advances			
Lease Finance			
Corporate Clients	7.91%	793,542,504	823,645,006
Small & Medium Enterprises (SME)	6.77%	678,682,080	853,854,646
Sub Total	14.68%	1,472,224,584	1,677,499,652
Direct / term finance			
Syndication Finance	25.44%	2,550,454,885	2,708,852,974
Corporate clients	32.42%	3,251,072,736	3,829,121,342
Small & Medium Enterprises (SME)	23.73%	2,379,625,483	3,062,599,070
Home Loan	2.35%	235,342,165	315,328,449
Bills Discounted and Purchased	1.12%	111,843,632	106,241,692
Secured Overdraft	0.14%	13,784,471	58,968,131
Employee Loan	0.12%	12,100,045	25,829,747
Sub Total	85.32%	8,554,223,418	10,106,941,405
Grand Total	100%	10,026,448,002	11,784,441,057
7.02 Maturity grouping of loans & advances			
On demand		965,272,473	1,104,712,031
Less than 3 months		2,587,004,985	3,005,531,884
More than 3 months but less than 1 year		3,540,825,397	4,191,465,113
More than 1 year but less than 5 years		2,114,566,862	2,520,392,781
Above 5 years		818,778,285	962,339,248
Total		10,026,448,002	11,784,441,057
7.03 Sector/ Industry-wise Loans & Advances			
Agricultural sector	4.83%	484,285,896	539,064,450
Industrial sector:			
Textiles	10.40%	1,043,173,042	1,097,767,275
Garments	15.94%	1,598,280,778	1,742,741,471
Jutes & jute related goods	4.86%	487,394,956	238,006,947
Food items producer/processing industry	2.24%	224,485,201	299,322,414
Plastic industries	4.10%	411,099,830	488,065,846
Lather and lather goods	0.27%	26,618,737	36,018,471
Iron, steel and engineering	5.45%	546,042,125	609,190,323
Chemicals and pharmaceuticals	1.90%	190,597,348	244,819,691
Cement/ clinker and allied industries	1.94%	194,410,528	242,584,343
Service sector (Hotel, hospital, clinic, tourism, etc.)	0.73%	73,545,804	517,317,545
Paper, printing and packaging	2.00%	200,909,903	217,083,723
Telecommunication and IT industries	9.21%	923,772,186	1,059,896,517
Glass and ceramic industries	1.17%	117,790,154	150,212,328
Shipping and ship building industries	0.00%	-	-
Electronics and electrical goods	4.45%	446,658,867	558,064,669
Power, gas, water and sanitary	2.80%	280,802,846	286,390,052
Transport and communication	4.05%	406,004,602	473,004,200
Real estate and housing	4.64%	465,027,139	567,405,417
Merchant banking	2.12%	212,836,344	250,885,157
Others	16.88%	1,692,711,715	2,166,600,219



Particulars	Notes	Amount in Taka	
		31 December 2023	31 December 2022

Total	100.00%	10,026,448,002	11,784,441,057
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7.04 Geographical Location-wise Loans & Advances

Inside Bangladesh

Dhaka Division	80.50%	8,071,036,957	9,719,337,223
Chattogram Division	18.42%	1,846,553,853	1,915,932,994
Barisal Division	0.01%	972,678	1,108,172
Rajshahi Division	0.00%	-	22,889,512
Rangpur Division	0.00%	-	-
Sylhet Division	0.00%	-	-
Mymensingh Division	0.13%	12,815,272	30,381,457
Khulna Division	0.95%	95,069,242	94,791,699
Sub Total	100.00%	10,026,448,002	11,784,441,057

Outside Bangladesh

Total	100.00%	10,026,448,002	11,784,441,057
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7.05 Classification of Loans & advances as per Bangladesh Bank circular

Unclassified

	2023	2022	2023	2022
Standard	33.53%	41.64%	3,362,338,891	4,906,464,703
Special Mention Account (SMA)	7.57%	12.00%	758,994,154	1,413,602,333
Sub Total	41.10%	53.63%	4,121,333,045	6,320,067,036

Classified

Sub-standard (SS)	0.37%	3.13%	37,546,495	369,045,692
Doubtful (DF)	0.79%	2.11%	79,229,856	248,739,085
Bad/ Loss (BL)	57.73%	41.13%	5,788,338,606	4,846,589,244
Sub Total	58.90%	46.37%	5,905,114,957	5,464,374,021

Total	100%	100%	10,026,448,002	11,784,441,057
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7.06 Details of Large Loans & Advances

As per DFIM circular No.-10, dated 5 September, 2011, outstanding amount exceeding 15% of total capital of the company is treated as Large Loans & Advances. Total capital of the company was BDT 2,160,521,163 as on 31 December, 2023 whereas BDT 2,160,521,163 as on 31 December, 2022.

Number of Clients	7	6
Outstanding Amount	2,727,576,181	2,489,921,087
Classified Amount	1,181,913,814	737,883,164
Measures taken for recovery	-	-

7.07 Particulars of Loans & Advances

1. Loans & advances considered good in respect of which the company is fully secured	4,803,022,048	5,015,501,026
2. Loans & advances considered good against which the company holds no security others than the debtor's personal guarantee	3,167,920,203	4,039,019,509
3. Loans & advances considered good secured by the personal undertaking of one or more parties in addition to the personal guarantee of the debtors	1,830,569,362	2,459,634,464
4. Loans & advances adversely classified for which provision has not been maintained	-	-
5. Loans & advances due by the directors or officers of the company or any of them either separately or jointly with any other persons	-	-



Particulars	Notes	Amount in Taka	
		31 December 2023	31 December 2022
6. Loans & advances due from companies or firms in which the directors of the company have interest as directors, partners or managing agent or in case of private companies as members		212,836,344	244,456,310
7. Maximum total amount of loan & advances including temporary loans & advances made at any time during the year to directors of managers or officers of the company or any of them either separately or jointly with any other person		12,100,045	25,829,747
8. Maximum total amount of loans & advances including temporary loans & advances granted during the year to the companies of firms in which the directors of the company have interest as directors, partners of managing agents or in the case of private companies, as members		-	-
9. Due from banking companies		-	-
10. Amount of classified loans & advances on which interest has not been charged as follows:			
a. (Decrease)/ increase in provision		812,727,279	1,089,298,384
b. Amount of loans & advances written off		-	-
c. Amount of collection against written of loans & advances		74,356,000	18,101,160
d. Interest credited to interest suspense account		384,666,426	325,364,392
11. Loans & advances written off:			
a. Current year		(103,856,127)	(65,060,690)
b. Cumulative to date		444,082,162	547,938,289
c. Amount of written off loans for which law suits have been filed		444,082,162	547,938,289
7.08 Bills Discounted and Purchased			
Inside Bangladesh		111,843,632	106,241,692
Outside Bangladesh		-	-
Total		111,843,632	106,241,692
7.09 Maturity grouping of Bills Discounted and Purchased			
Within 1 month		2,482,929	2,358,566
Over 1 month but within 3 months		26,864,840	25,519,254
Over 3 months but within 6 months		32,166,229	30,555,111
Over 6 months		50,329,634	47,808,761
Total		111,843,632	106,241,692
7.a Consolidated Loans & Advances			
IIDFC PLC		10,026,448,002	11,784,441,057
IIDFC Securities Limited (Note-7.a.1)		1,532,315,581	1,497,438,699
IIDFC Capital Limited (Note-7.a.2)		594,845,507	625,908,701
		12,153,609,090	13,907,788,457
Less: Inter Company Loans & Advances			
IIDFC Securities Limited		212,624,544	244,244,510
IIDFC Capital Limited		-	-
		212,624,544	244,244,510
Total		11,940,984,546	13,663,543,947
7.a.1 Loans & Advance of IIDFC Securities Limited			
Margin Loan		1,532,315,581	1,497,438,699
7.a.2 Loans & Advance of IIDFC Capital Limited			
Margin loan		594,845,507	625,908,701
8.00 Fixed assets including premises, furniture & fixtures etc.			
Own Finance			
A. Cost			
Motor Vehicles		10,870,000	8,812,000
Furniture & Fixtures		30,825,184	32,941,283
Office Equipments		49,420,469	51,760,446
Right-of-use asset		104,409,599	68,497,432
Total		195,525,252	162,011,161
B. Less: Accumulated Depreciation			
Motor Vehicles		8,249,200	8,812,000
Furniture & Fixtures		21,626,769	20,956,953
Office Equipments		41,669,763	40,164,826
Right-of-use asset		71,846,777	54,259,797



Particulars	Notes	Amount in Taka	
		31 December 2023	31 December 2022
Total		143,392,509	124,193,576
C. Written Down Value at the end of the year (A-B)		52,132,743	37,817,585
Lease Finance			
D. Cost			
Furniture & Fixtures		-	-
Office Equipments		-	-
Motor Vehicles		-	-
Total		-	-
E. Less: Accumulated Depreciation			
Furniture & Fixtures		-	-
Office Equipments		-	-
Motor Vehicles		-	-
Total		-	-
F. Written Down value at the end of the year (D-E)		-	-
G. Total of premises, furniture & fixtures etc. (C+F)		52,132,743	37,817,585
8.01 Intangible asset - computer software (Details in Annexure-1)			
Cost		12,580,818	11,040,818
Add: Addition during the year		367,500	1,540,000
Less: Adjustment during the year		-	-
Less: Accumulated amortization		11,494,395	10,238,955
H. Net book value at the end of the year		1,453,923	2,341,863
I. Grand total of Fixed assets including premises, furniture & fixtures etc.(G+H)		53,586,666	40,159,448
Details of Property, Plant & Equipments has been presented in Annexure-I			
8.a Consolidated fixed assets including premises, furniture & fixtures etc.(Details in Annexure-1.a)			
IIDFC PLC		53,586,666	40,159,448
IIDFC Securities Limited (Note-8 a.1 & 8.1.a)		9,156,366	9,751,002
IIDFC Capital Limited (Note-8 a.2 & 8.1.a)		322,646	300,739
Total		63,065,678	50,211,189
8.a.1 Fixed assets including premises, furniture & fixtures etc. of IIDFC Securities Limited			
A. Cost			
Motor vehicles		-	358,141
Furniture & fixtures		16,485,212	16,352,458
Office equipments		19,468,293	19,358,867
Total		35,953,505	36,069,466
B. Less: Accumulated depreciation			
Motor vehicles		-	358,141
Furniture & fixtures		12,410,941	11,854,133
Office equipments		15,347,987	14,106,190
Total		27,758,928	26,318,464
C. Written down value at the end of the year (A-B)		8,194,577	9,751,002
8.a.2 Fixed assets including premises, furniture & fixtures etc. of IIDFC Capital Limited			
A. Cost			
Motor vehicles		1,250,000	1,250,000
Furniture & fixtures		819,914	819,914
Office equipments		4,047,282	3,954,528
Total		6,117,196	6,024,442
B. Less: Accumulated depreciation			
Motor vehicles		1,250,000	1,249,994
Furniture & fixtures		819,914	819,896
Office equipments		3,724,646	3,653,823
Total		5,794,560	5,723,713
C. Written down value at the end of the year (A-B)		322,636	300,729
8.1.a Consolidated intangible asset (Details in Annexure-1.a)			
IIDFC PLC		1,453,923	2,341,863
IIDFC Securities Limited		961,789	-
IIDFC Capital Limited		10	10



Particulars	Notes	Amount in Taka	
		31 December 2023	31 December 2022
		2,415,722	2,341,873
9.00 Other assets			
Investment in shares of subsidiary companies:			
In Bangladesh		1,534,862,970	1,534,862,970
Outside Bangladesh		-	-
Advance rent and advertisement		-	-
Interest accrued on investment, commissions and other receivables & branch adjustment		37,986,429	107,403,608
Security deposits		65,463	67,463
Preliminary expenses, renovation, development and prepaid expenses		1,117,989	1,672,726
Balance with BO account		114,055	853,144
Others (Note 9.1)		1,417,260,810	1,430,462,188
Total		2,991,407,716	3,075,322,099
9.01 Others			
Interest receivable		314,704,910	321,427,016
Deferred receivable		977,978	1,205,858
Advance for travelling		-	-
Deferred Tax (Note 9.1.1)		3,710,721	4,348,016
Advance for suppliers		6,368,862	6,466,444
Advance tax		699,023,466	691,867,414
Commission on bank guarantee		118,405	118,405
Others receivable		392,356,468	405,029,035
Total		1,417,260,810	1,430,462,188
9.1.1 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".			
9.a Consolidated other assets			
IIDFC PLC		2,991,407,716	3,075,322,099
IIDFC Securities Limited (Note-9.a.1)		339,471,506	328,027,069
IIDFC Capital Limited (Note-9.a.2)		82,973,849	88,134,424
		3,413,853,071	3,491,483,592
Less: Inter company investment			
IIDFC Securities Limited		999,874,970	999,874,970
IIDFC Capital Limited		599,988,000	599,988,000
		1,599,862,970	1,599,862,970
Total		1,813,990,101	1,891,620,622
9.a.1 Other assets of IIDFC Securities Limited			
Cost of TREC holding		85,978,830	85,978,830
Advance rent		1,564,469	1,739,529
Stamp in hand		-	-
Security deposits		468,456	468,456
Advance tax		239,000,100	218,528,469
Others		12,459,651	21,311,785
Total		339,471,506	328,027,069
9.a.2 Other assets of IIDFC Capital Limited			
License fee		30,196,209	30,196,209
Receivable from brokerage houses		-	7,985
Security deposits		200,000	200,000
Advance tax		51,469,790	51,112,061
Deferred tax assets		55,603	61,682
Others		1,052,247	6,556,487
Total		82,973,849	88,134,424
10.00 Non-banking assets		4,987,820	12,287,820
This represents assets owned under the 'Certificate of Ownership' given by the competent court under section 33(7) of Artha Rin Adalat Ain 2003.			
11.00 Borrowings from other banks, financial Institutions & agents			
Inside Bangladesh:			
Refinance against SME and other loans from Bangladesh Bank		1,175,421,599	1,351,417,637
From other scheduled Banks (Note - 11.01)		4,316,890,331	4,462,688,464
Sub Total		5,492,311,930	5,814,106,101
Outside Bangladesh		-	-
Total		5,492,311,930	5,814,106,101
11.01 From other scheduled banks & financial institutions			



Particulars	Notes	Amount in Taka	
		31 December 2023	31 December 2022
Long term loan			
Social Islami Bank PLC.		-	66,339,933
Shahjalal Islami Bank PLC.		452,080,322	481,471,379
Pubali Bank PLC.		909,721,497	928,556,317
Uttara Bank PLC.		363,440,783	417,242,754
NCC Bank PLC.		49,938,449	74,798,262
Trust Bank PLC.		472,774,427	486,049,297
Midland Bank PLC.		122,972,801	137,292,478
National Bank PLC.		69,743,009	-
Sub-Total		2,440,671,286	2,591,750,420
Short term loan, overdraft and money at call & short notice			
Sonali Bank PLC.		77,500,000	82,600,000
Mutual Trust Bank PLC.		571,868,730	509,961,771
SBAC bank PLC.		16,600,000	43,300,000
Lankan Alliance Finance Limited		-	-
Pubali Bank PLC.		201,050,315	201,576,273
City Bank PLC.		806,300,000	817,500,000
NCC Bank PLC.		202,900,000	216,000,000
Sub-Total		1,876,219,045	1,870,938,044
Grand Total		4,316,890,331	4,462,688,464
Security against borrowings from other banks, financial institutions and agents			
Secured		3,563,971,286	3,771,150,420
Unsecured		752,919,045	691,538,044
Total		4,316,890,331	4,462,688,464
Security is 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:			
Maturity grouping of borrowings from other banks, financial institutions and agents			
Payable on demand		1,422,847,053	1,470,902,118
Up to 1 month		996,338,288	1,029,988,497
Over 1 month but within 6 months		742,505,137	767,582,416
Over 6 months but within 1 year		480,469,894	496,697,226
Over 1 year but within 5 years		221,024,785	228,489,649
Over 5 years		453,705,174	469,028,558
Total		4,316,890,331	4,462,688,464
11.a Consolidated borrowings from other banks, financial Institutions & agents			
Inside Bangladesh			
IIDFC PLC		5,492,311,930	5,814,106,101
IIDFC Securities Limited (Note-11.a.1)		443,277,211	401,105,712
IIDFC Capital Limited (Note-11.a.2)		22,796,064	44,441,092
		5,958,385,205	6,259,652,905
Less: Inter company borrowings			
IIDFC Securities Limited		212,624,544	244,244,510
IIDFC Capital Limited		-	-
		212,624,544	244,244,510
Total		5,745,760,661	6,015,408,395
11.a.1 Borrowings of IIDFC Securities Limited			
Inside Bangladesh			
IIDFC PLC		212,624,544	244,244,510
Investment Corporation of Bangladesh		101,104,790	80,467,053
ONE Bank Limited		36,101,050	51,222,592
Mercantile Bank		93,446,827	25,171,557
Total		443,277,211	401,105,712
11.a.2 Borrowings of IIDFC Capital Limited			
IIDFC PLC		-	-
Investment Corporation of Bangladesh (ICB)		22,796,064	44,441,092
Standard Bank Ltd.		-	-
Total		22,796,064	44,441,092
12.00 Deposits & other accounts			
Deposits from banks and financial institutions (Note-12.01)		1,443,000,000	1,350,000,000
Deposits from customers		3,834,396,725	5,120,220,111
Sub-Total		5,277,396,725	6,470,220,111
Other deposit		2,166,731	2,196,515



Particulars	Notes	Amount in Taka	
		31 December 2023	31 December 2022
Grand Total		5,279,563,456	6,472,416,626

IIDFC maintains the highest level of commitment to depositors in terms of repayment, customer service and best returns from their investment.

12.01 Deposits from banks and financial institutions

Agrani Bank PLC.	200,000,000	200,000,000
Prime Finance & Investment Limited	90,000,000	90,000,000
BRAC Bank PLC.	100,000,000	-
City Bank PLC.	-	-
Sonali Bank PLC.	200,000,000	200,000,000
Janata Bank PLC.	200,000,000	200,000,000
Mercantile Bank PLC.	-	-
Shahjalal Islami Bank PLC.	135,000,000	135,000,000
Shimanto Bank PLC.	368,000,000	375,000,000
NCC Bank PLC.	-	-
NRBC Bank PLC.	50,000,000	50,000,000
Bangladesh Finance Limited	100,000,000	100,000,000
Modhumoti Bank PLC.	-	-
	1,443,000,000	1,350,000,000

12.02 Maturity grouping of deposits & other accounts

Payable on demand	-	-
Up to 1 month	287,744,468	352,756,831
Over 1 month but within 6 months	1,362,751,035	1,670,648,062
Over 6 months but within 1 year	2,089,680,486	2,561,818,384
Over 1 year but within 5 years	1,354,703,727	1,660,782,563
Over 5 years but within 10 years	184,683,740	226,410,786
Over 10 years	-	-
Total	5,279,563,456	6,472,416,626

12.a Consolidated Deposits & Other Accounts

IIDFC PLC	5,277,396,725	6,470,220,111
IIDFC Securities Limited	-	-
IIDFC Capital Limited (Note-12 a.1)	-	-
Sub Total	5,277,396,725	6,470,220,111
Other Deposit	2,166,731	2,196,515
Total	5,279,563,456	6,472,416,626

12.a.1 Deposits & Other Accounts of IIDFC Capital Limited

Deposits from Banks	-	-
Deposits from Customers	-	-
Total	-	-

13.00 Other Liabilities

Finance loss reserve (Note 13.01)	4,419,268,522	3,622,459,262
Deferred tax	581,569	936,745
Interest suspense account (Note 13.02)	1,367,005,966	982,339,540
Lease rental advance	11,548,131	16,961,683
Provision for current tax (Note 38)	674,157,489	669,157,489
Liabilities for financial expenses	48,216,974	68,504,944
Liabilities for expenses	38,026,525	27,848,186
Liabilities for other finance	-	-
Lease liability	26,098,739	9,819,181
Total	6,584,903,915	5,398,027,030

13.01 Finance Loss Reserve

Specific Provision on Classified Loans & Advances

Opening Balance	2,288,799,961	1,200,936,903
Less: Provision fully provided loans & advances written-off during the year	-	-
Add: Specific provision provided during the year	855,033,146	1,087,863,058
Closing balance	3,143,833,107	2,288,799,961

Provision for diminution in value of Investments

Opening Balance	136,444,879	122,196,664
Add: Provision during the year	(5,720,543)	14,248,215
Closing Balance	130,724,336	136,444,879

General Provision on unclassified Loans & Advances

Opening balance	104,666,211	103,230,886
Add: General provision provided during the year	(42,305,867)	1,435,325
Closing Balance	62,360,344	104,666,211

Additional provision	34,393,806	31,724,555
Other provision	1,047,956,928	1,060,823,655
Total	4,419,268,522	3,622,459,262



Particulars	Notes	Amount in Taka	
		31 December 2023	31 December 2022

Particulars of required provision for Loans and Advances

Status of classification	Base for provision	Rate		
Unclassified (General provision)				
Standard - other than SME	2,198,585,245	1.0%	21,985,852	30,732,982
Standard - SME	429,327,270	0.25%	1,073,318	2,764,226
Standard - Own or Other brokerage house	212,836,344	2.00%	4,256,727	4,889,126
Special mention account (SMA)	700,888,930	5.0%	35,044,447	66,288,072
Total	3,541,637,789		62,360,344	104,674,406
Classified (Specific provision)				
Sub-standard (SS)	324,348,065	20.0%	64,869,613	96,768,128
Doubtful (DF)	54,450,205	50.0%	27,225,103	201,642,496
Bad/ loss (BL)	3,400,072,372	100.0%	3,400,072,372	2,569,431,044
Total	3,778,870,642		3,492,167,088	2,867,841,668
Required provision for Investments			130,724,336	136,444,879
Additional provision (Note-13.1.a)			34,393,806	31,724,555
Other provision (Note-13.1.b & 13.1.b.1)			1,047,956,928	1,060,823,655
Total provision required			4,767,602,502	4,201,509,163
Total provision made			4,419,268,522	3,622,459,262
Excess/(Shortage) provision made			(348,333,980)	(579,049,901)

IIDFC has kept provision according to the time plan approved by Bangladesh Bank. The rest of the provision required to be kept of BDT 348.33 million will be absorbed by IIDFC during the next one year.

13.1.a Additional provision

Opening Balance	31,724,555	34,065,109
Add: Provision amount during the year	6,808,672	-
Less: Amount closing/adjusted during the year	(4,139,421)	(2,340,554)
Closing Balance	34,393,806	31,724,555

13.1.b Other provision

Opening Balance	36,293,115	9,201,548
Add: Provision amount during the year	-	28,434,558
Less: Amount closing/adjusted during the year	(602,942)	(1,342,991)
Closing Balance	35,690,173	36,293,115

13.1.b.1 Other provision as per Bangladesh Bank
Provision against equity investment in subsidiaries
Provision against deferred receivable
Provision against other assets
Closing Balance

320,000,000	320,000,000
977,973	602,929
691,288,782	703,927,614
1,012,266,755	1,024,530,543

13.02 Interest suspense account

Opening Balance	982,339,540	656,975,148
Add: Amount transferred to interest suspense account during the year	384,666,426	325,364,392
Less: Amount written-off during the year	-	-
Closing Balance	1,367,005,966	982,339,540

IIDFC has kept interest suspense according to the time plan approved by Bangladesh Bank. The rest of the amount of interest suspense required to be kept of BDT 312.40 million will be absorbed by IIDFC during the next one years.

13.a Other Liabilities

IIDFC PLC	6,584,903,915	5,398,027,030
IIDFC Securities Limited (Note-13.a.1)	1,032,329,909	851,309,533
IIDFC Capital Limited (Note-13.a.2)	255,386,244	245,685,216
	7,872,620,068	6,495,021,779

Less: Inter company liabilities
IIDFC Securities Limited
IIDFC Capital Limited

-	-
-	-
7,872,620,068	6,495,021,779

Total

13.a.1 Other Liabilities of IIDFC Securities Limited

Provision for loans & advances-margin loan	70,525,957	39,286,598
Provision for current tax	227,389,272	207,955,655
Payable to clients	377,198,096	225,323,287
Payable to merchant Banks (City Bank Capital, SEB Capital & IIDFC Capital)	-	7,985
Payable to DSE	7,821,275	34,361
Interest suspense account	305,812,720	342,153,310
Liability for expenses	28,934,407	22,194,873



Particulars	Notes	Amount in Taka	
		31 December 2023	31 December 2022
Reserve for risk fund		1,416,667	1,316,667
Provision for diminution in value of investments		13,231,515	13,036,797
Total		1,032,329,909	851,309,533

As per BSEC's directive no. BSEC/SRI/NE/2020/333 dated 27 March 2023 and BSEC/SMMID/NE/2023/840 dated 22 October 2023; loans loss reserve has been maintained including interest suspense for BDT 361,015,521 which is equivalent to 40.93%.

13.a.2 Other liabilities of IIDFC Capital Limited

Finance loss reserve	171,598,330	171,598,330
Provision for diminution in value of investment	10,877,877	10,877,877
Current tax liability	53,810,422	53,676,055
Liability for financial expenses(Portfolio Investors' Fund)	16,146,831	8,578,105
Liability for expenses	1,202,581	954,849
Payable to stock broker	1,750,203	-
Total	255,386,244	245,685,216

Loan loss reserve has been maintained following the BSEC directive no. SEC/CMRRCD/2009-193/196 dated 28 December 2016 and subsequent directive number BSEC/SRI/NE/2020/606 dated 28 December 2022 and BSEC/SMMID/NE/2023/840 dated 22 October 2023.

14.00 Share Capital

Authorized Capital

(500,000,000 shares of Tk. 10 each)

5,000,000,000	5,000,000,000
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Subscribed & Paid-up Capital:

(173,777,068 shares of Tk. 10 each)

1,737,770,680	1,737,770,680
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Paid-up Share Capital as on 31 December, 2020 comprises the followings

Public Sector

Name of Shareholders

No. of Shares	Value	Percentage
Sonali Bank Limited	13,380,903	7.70%
Janata Bank Limited	13,380,903	7.70%
Investment corporation of Bangladesh	13,380,903	7.70%
40,142,709	401,427,090	23.10%

Private sector

AB Bank Ltd.	2,667,923	26,679,230	1.54%
Bank Asia Ltd.	13,380,903	133,809,030	7.70%
BRAC Bank Ltd.	10,449,259	104,492,590	6.01%
City Bank Ltd.	13,380,903	133,809,030	7.70%
Mutual Trust Bank Ltd.	13,380,903	133,809,030	7.70%
National Bank Ltd.	13,380,903	133,809,030	7.70%
ONE Bank Ltd.	13,380,903	133,809,030	7.70%
Southeast Bank Ltd.	10,449,259	104,492,590	6.01%
Eastland Insurance Co. Ltd.	10,449,259	104,492,590	6.01%
National Life Insurance Co. Ltd.	13,380,903	133,809,030	7.70%
Pragati Insurance Ltd.	13,380,903	133,809,030	7.70%
Mr. Md. Matiuil Islam	5,952,338	59,523,380	3.43%
	133,634,359	1,336,343,590	76.90%

Total

173,777,068	1,737,770,680	100.00%
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14.01 Capital adequacy

As per sub-section 3(Ga) of section 4 of the Financial Institutions Regulations 1994 and DFIM Circular No. 05 dated 24 July 2011 and DFIM Circular No. 09 dated 24 June 2014 the minimum paid up capital of the Financial Institution shall be Taka 100 crore. Provided that the sum of paid up capital and reserves shall not be less than the minimum capital determined under the Risk Based Assets of the Company.

Paid up capital	1,737,770,680	1,737,770,680
Required capital as per Bangladesh Bank	1,000,000,000	1,000,000,000
Excess/(Shortage) capital	737,770,680	737,770,680

14.02 Capital adequacy and market discipline

As per Capital Adequacy and Market Discipline for Financial Institutions guideline of Bangladesh Bank, IIDFC calculated Minimum Capital Requirement (MCR) by dividing the total capital by the sum of risk weighted assets against credit risk, market risk, and operational risk under pillar-I. IIDFC maintain Capital Adequacy Ratio (CAR) of minimum 10%.

Tier-1 (Core Capital)

Fully paid-up capital/ capital lien with BB	1,737,770,680	1,737,770,680
Statutory reserve	371,950,483	371,950,483
Non-repayable share premium account (share money deposits)	-	-
General reserve	50,800,000	50,800,000
Retained earnings	(5,551,631,967)	(3,881,868,583)
Minority interest in subsidiaries	-	-
Non-cumulative irredeemable preference shares	-	-
Dividend equalization account	-	-
Other (if any item approved by Bangladesh Bank)	-	-
Sub-Total	(3,391,110,804)	(1,721,347,419)

Deductions from tier-1(Core capital)



Particulars	Notes	Amount in Taka	
		31 December 2023	31 December 2022
Book value of goodwill and any value of any contingent assets which are shown as assets		-	-
Shortfall in provisions required against classified assets		-	-
Shortfall in provisions required against investment in share		-	-
Remaining deficit on account of revaluation of investments		-	-
in securities after netting off any other surplus on the securities		-	-
Any investment exceeding the approved limit		-	-
Investments in subsidiaries which are not consolidated		-	-
Other (if any)		-	-
Sub-Total		-	-
Total eligible Tier-1 capital		(3,391,110,804)	(1,721,347,419)
2. Tier-2 (Supplementary capital)			
General provision (Unclassified up to special limit+SMA+ off balance sheet exposure)		142,992,998	164,812,152
Assets revaluation reserves up to 50%		-	-
Revaluation reserve for securities up to 50%		-	-
All other preference shares		-	-
Other (if any item approved by Bangladesh Bank)		-	-
Sub-Total		142,992,998	164,812,152
Deductions, if any		-	-
Total eligible Tier-2 capital		142,992,998	164,812,152
A Total capital		(3,248,117,806)	(1,556,535,267)
B Total risk weighted asset		11,946,615,800	14,231,872,989
C Required capital		1,194,661,580	1,423,187,299
D Surplus / (Deficit)		(4,442,779,386)	(2,979,722,564)
Capital adequacy ratio (CAR)		-27.19%	-10.94%
On core capital (Tier-1)		-28.39%	-12.10%
On supplementary capital (Tier-2)		1.20%	1.16%
15 Statutory reserve			
Opening balance		371,950,483	371,950,483
Add: Addition during the year		-	-
Closing balance		371,950,483	371,950,483
In compliance with the clause no 6 of Financial Institutions Regulations, 1994, Financial Institution is required to transfer at least 20% of its 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 Reserve is less than the paid up capital of that financial institution.			
16.00 General reserve			
Opening Balance		50,800,000	50,800,000
Add: Addition during the year		-	-
Closing balance		50,800,000	50,800,000
General reserve represents reserve for mitigating general and contingent situation which are unforeseen or uncertain relating to the Company and its stakeholders.			
16.a Consolidated general reserve			
IIDFC PLC		50,800,000	50,800,000
IIDFC Securities Limited		17,501,840	17,242,477
IIDFC Capital Limited		164,075	164,075
		68,465,915	68,206,552
17.00 Share Money Deposit			
Opening balance		-	-
Add: Addition during the year		-	-
Less: Transfer as Right share and include in Paid-up Capital		-	-
Closing balance		-	-
18.00 Stock dividend			
Opening balance		-	-
Add: Stock dividend		-	-
Less: Converted into paid up capital		-	-
Closing balance		-	-
18.a Consolidated stock dividend			
IIDFC PLC		-	-
IIDFC Securities Ltd.		-	-
IIDFC Capital Limited		-	-
		-	-



Particulars	Notes	Amount in Taka	
		31 December 2023	31 December 2022
Interest income from direct/ term finance		282,786,427	421,124,411
Interest income from FDR placement		19,917,690	22,061,913
Interest income from bills discounted & purchased		790,706	2,588,985
Total		210,459,997	448,065,657
21.a Consolidated interest income			
IIDFC PLC		210,459,997	448,065,657
IIDFC Securities Limited (Note-21.a.1)		92,188,394	80,368,405
IIDFC Capital Limited (Note-21.a.2)		13,459,605	11,612,364
		316,107,996	540,046,426
Less: Inter company transaction			
IIDFC Securities Limited		26,860,452	32,059,005
IIDFC Capital Limited		-	-
		26,860,452	32,059,005
Total		289,247,544	507,987,421
21.a.1 Interest income of IIDFC Securities Limited			
Interest income from margin loan		89,453,301	77,973,972
Interest Income from FDR		-	-
Interest Income from Staff loan		4,769	20,917
Interest income from balance with other banks		2,730,324	2,373,516
Total		92,188,394	80,368,405
21.a.2 Interest income of IIDFC Capital Limited			
Interest income from margin loan		13,459,605	11,612,364
Interest income from balance with other banks & financial institutions		-	-
Total		13,459,605	11,612,364
22.00 Interest paid on deposits, borrowings etc.			
Interest on deposits			
Fixed deposits		230,229,975	209,752,191
Short-term deposits		271,407,937	454,579,065
Other deposits		-	-
		501,637,913	664,331,256
Interest on borrowings			
For borrowings from other banks, financial institutions			
Long term loan		293,945,821	255,608,894
Overdraft facilities		66,605,074	59,013,792
Money at call and short notice		108,143,080	25,830,687
		468,693,975	340,453,373
Interest on lease rent		2,233,988	2,078,220
Total		972,565,876	1,006,862,849
22.a Consolidated interest paid on deposits, borrowings etc.			
IIDFC PLC		972,565,876	1,006,862,849
IIDFC Securities Limited (Note-22.a.1)		39,166,800	42,467,311
IIDFC Capital Limited (Note-22.a.2)		1,455,660	1,406,869
		1,013,188,336	1,050,737,029
Less: Inter company transaction			
IIDFC Securities Limited		26,860,452	32,059,005
IIDFC Capital Limited		-	-
		26,860,452	32,059,005
Total		986,327,884	1,018,678,024
22.a.1 Interest paid on deposits, borrowings etc. of IIDFC Securities Limited			
Interest on borrowing from IIDFC Ltd.		26,860,452	32,059,005
Interest on borrowing from bank & other financial institutions		12,306,348	10,408,306
Total		39,166,800	42,467,311
22.a.2 Interest paid on deposits, borrowings etc. of IIDFC Capital Limited			
Interest on borrowing from bank & other financial institutions		-	-
Interest on Demand Loan		1,455,660	1,406,869
Total		1,455,660	1,406,869
23.00 Income from investment			
Capital gain		(1,089,607)	2,175,554
Interest income from Bond & Others		7,220,015	3,412,668
Interest income from Unit Fund and other investment		1,481,600	913,391



Particulars	Notes	Amount in Taka	
		31 December 2024	31 December 2023
Dividend income		9,312,618	16,570,275
Total		16,924,626	23,071,888
23.a Consolidated income from investment			
IIDFC PLC		16,924,626	23,071,888
IIDFC Securities Limited (Note-23.a.1)		1,052,779	31,635,251
IIDFC Capital Limited (Note-23.a.2)		(29,853,749)	5,418,352
Total		(11,876,344)	60,125,491
23.a.1 Income from investment of IIDFC Securities Limited			
Dividend income		3,246,797	2,164,532
Capital gain on investment in securities		(2,194,018)	29,470,719
Total		1,052,779	31,635,251
23.a.2 Income/(Loss) from investment of IIDFC Capital Limited			
Dividend income		671,836	4,317,923
Capital gain/(loss) on investment in securities		(30,525,585)	1,100,429
Total		(29,853,749)	5,418,352
24.00 Commission, exchange and brokerage			
Commission on securities trading		-	-
Total		-	-
24.a Consolidated income from commission, exchange and brokerage			
IIDFC PLC		-	-
IIDFC Securities Limited		88,108,130	111,459,911
IIDFC Capital Limited		3,214,960	4,182,464
Total		91,323,090	115,642,375
25.00 Other operating income			
Syndication fee income		1,304,348	1,275,652
Bank guarantee income		-	-
Carbon finance income		-	17,216,935
Application & processing fees		198,935	309,739
Transfer fees		91,873	71,292
Notice charge		141,470	1,305,932
Profit from sale of fixed assets		808,450	(535,816)
Cancellation charges		-	(625,557)
Other income		81,081,866	20,595,250
Total		83,626,942	39,613,427
25.a Consolidated other operating income			
IIDFC PLC		83,626,942	39,613,427
IIDFC Securities Limited (Note-25.a.1)		7,155,602	8,519,965
IIDFC Capital Limited (Note-25.a.2)		1,639,676	268,024
Total		92,422,220	48,401,416
25.a.1 Other operating income of IIDFC Securities Limited			
BO & trading accounts maintenance income		595,475	652,035
Income against CDBL charges		-	-
Gain on disposal of assets		692,644	46,520
Cheque dishonour charges		23,000	39,000
Others		339,758	223,721
Income from dealer account		5,504,725	7,558,689
Reversal of payable to SBCSL		-	-
Total		7,155,602	8,519,965
25.a.2 Other operating income of IIDFC Capital Limited			
Non Operating Income		1,639,676	268,024
Underwriting commission		-	-
Service Charge & Commission		-	-
Total		1,639,676	268,024
26.00 Salaries & allowances			
Basic salary		61,230,931	91,917,976
Allowances		40,969,637	59,482,726
Festival bonus		9,733,547	12,973,728
Company's contribution provident fund		(6,985,536)	7,143,407
Group insurance		2,445,690	3,885,447
Retirement benefits & gratuity		11,000,000	10,000,000
Total		118,394,269	185,403,284



Particulars	Notes	Amount in Taka	
		31 December 2023	31 December 2022

Salaries and allowances of IIDFC PLC include annual contribution to Provident Fund and Gratuity Fund. This Provident Fund and Gratuity Fund is also applicable for IIDFC group also.

IIDFC PLC 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 a minimum years of service with the Company. The Company is contributing to the fund as per yearly requirement based on present employees status and payment requirement.

26.a Consolidated salaries & allowances

IIDFC PLC	118,394,269	185,403,284
IIDFC Securities Limited (Note-26.a.1)	60,534,443	60,929,018
IIDFC Capital Limited (Note-26.a.2)	12,308,661	13,014,374
Total	191,237,373	259,346,676

26.a.1 Salaries & allowances of IIDFC Securities Limited

Basic salary	20,451,619	17,047,734
Allowances	16,631,514	12,919,909
Bonus	5,003,706	5,675,696
Company's contribution to provident fund	1,815,036	1,448,777
Group insurance	767,416	684,368
Retirement benefits & gratuity	564,560	2,136,723
Leave fare assistance	1,513,221	1,197,370
Leave encashment	930,674	2,901,358
Associate salary	10,984,697	13,878,582
Casual staff salary	1,872,000	2,020,341
Employees recreation	-	1,018,160
Total	60,534,443	60,929,018

26.a.2 Salaries & allowances of IIDFC Capital Limited

Basic salary	5,502,120	5,948,685
Allowances	4,235,029	4,359,187
Bonus	901,676	934,000
Company's contribution provident fund	523,588	472,500
Group Insurance	111,777	236,914
Cleaning staff salary	105,877	90,000
Retirement benefits & gratuity	271,927	467,000
Leave fare assistance	474,910	440,778
Leave encashment	181,757	-
Others	-	65,310
Total	12,308,661	13,014,374

27.00 Rent, taxes, insurance, electricity etc.

Office rent	4,027,461	4,942,149
Rate & taxes	285,948	769,050
Insurance payment	154,842	171,832
Electricity, gas and water	2,924,435	3,486,575
Total	7,392,686	9,369,606

27.1 Disclosure related to office rent:

Actual rent expenses	23,848,429	25,491,156
Less: Reclassification of rent expenses (as per IFRS-16: Leases)	19,820,968	20,549,007
Rent expense as reported	4,027,461	4,942,149

In addition the above mentioned change in rent expense, implementation of IFRS-16 has resulted in charging of depreciation against Right-of-use asset as disclose in Annexure-I and of interest expense on lease rent as disclosed in note-22

27.a Consolidated rent, taxes, insurance, electricity etc.

IIDFC PLC	7,392,686	9,369,606
IIDFC Securities Limited (Note-27.a.1)	9,928,077	8,844,240
IIDFC Capital Limited (Note-27.a.2)	1,181,191	1,132,069
Total	18,501,954	19,345,915

27.a.1 Rent, taxes, insurance, electricity etc. of IIDFC Securities Limited

Rent, rates and taxes	8,821,247	8,075,238
Insurance	21,985	17,210
Electricity, gas and water	1,084,845	751,792
Total	9,928,077	8,844,240

27.a.2 Rent, taxes, insurance, electricity etc. of IIDFC Capital Limited

Rent, rates and taxes	848,700	828,000
Water, gas and other bills	149,043	144,000
Electricity bill	183,448	160,069
Total	1,181,191	1,132,069



Particulars	Notes	Amount in Taka	
		31 December 2023	31 December 2022
28.00 Legal expenses			
Professional charges		1,368,044	1,383,741
Legal expenses		4,701,786	5,222,242
Total		6,069,830	6,605,983
28.a Consolidated legal expenses			
IIDFC PLC		6,069,830	6,605,983
IIDFC Securities Limited		1,147,730	1,396,042
IIDFC Capital Limited		109,375	495,625
Total		7,326,935	8,497,650
29.00 Postage, stamp, telecommunications etc.			
Postage and courier		96,796	119,993
Phone, fax & internet		3,250,819	3,995,997
Total		3,347,615	4,115,990
29.a Consolidated postage, stamp, telecommunications etc.			
IIDFC PLC		3,347,615	4,115,990
IIDFC Securities Limited		2,215,110	1,964,758
IIDFC Capital Limited		276,939	272,696
Total		5,839,664	6,353,444
30.00 Stationery, printing, advertisement etc.			
Printing & stationery		2,358,783	2,634,284
Advertisement		1,411,361	2,358,134
Total		3,770,144	4,992,418
30.a Consolidated stationery, printing, advertisement etc.			
IIDFC PLC		3,770,144	4,992,418
IIDFC Securities Limited		1,243,776	1,191,465
IIDFC Capital Limited		83,205	226,382
Total		5,097,125	6,410,265
31.00 Managing director's salary and fees			
Basic salary		3,630,000	3,630,000
House rent allowance		1,815,000	1,815,000
Medical allowance		181,500	181,500
Entertainment allowance		181,500	181,500
Festival bonus		605,000	605,000
Car allowance (Note-36.1)		840,618	812,451
Group insurance		264,862	264,862
Leave fare assistance		-	-
Earned leave		-	-
Others		60,000	60,000
Total		7,578,480	7,550,313
32.00 Directors' Fees			
Directors' fees		936,000	1,464,000
Others Benefits		-	-
Total		936,000	1,464,000
The Company pays fees to its Directors for attending the Board Meeting and its Committee Meetings as permitted by the Bangladesh Bank. As per DFIM Circular # 03, dated February 24, 2010 Directors/Committee Members have been paid fees @ Tk. 5,000.00 for attending each meeting. At present, Directors/Committee Members are paying fees @ Tk. 8,000.00 for attending each meeting as per DFIM Circular # 13, dated November 30, 2015.			
32.a Consolidated directors' fees			
IIDFC PLC		936,000	1,464,000
IIDFC Securities Limited		211,200	378,400
IIDFC Capital Limited		228,600	238,000
Total		1,375,800	2,080,400
33.00 Auditor's fees		552,000	679,420
33.a Consolidated auditor's fees			
IIDFC PLC		552,000	679,420
IIDFC Securities Limited		166,750	161,000
IIDFC Capital Limited		201,250	172,500
Total		920,000	1,012,920
34.00 Loans & advances written-off			
Loans & advances written-off during the year		-	-
Interest waived		-	-
Total		-	-
34.a Consolidated loans & advances written-off			
IIDFC PLC		-	-



Particulars	Notes	Amount in Taka	
		31 December 2023	31 December 2022
IIDFC Securities Limited		3,890	70,908,577
IIDFC Capital Limited		6,299,173	-
Total		6,303,063	70,908,577

The Statutory Auditor recommends writing off these amounts from the Accounts Receivable to present a more accurate and fair view of the financial position of the company. The write-off is deemed necessary to comply with accounting standards and ensure the integrity of our financial statements. Considering the recommendation of the statutory auditor and recovery prospect, the management placed before the 55th board the proposal for kind approval to write off of BDT 6,299,173 Accounts Receivable as stated above. The Board considered and approved the proposal regarding write off BDT 6,299,173 under Account Receivable as per recommendation of Statutory Auditor.

35.00 Repair, depreciation and amortizations of company's assets

Repair of company's assets:

Furniture & fixtures	27,530	86,010
Software's	145,913	93,400
Office equipments	532,992	534,056
Sub Total	706,435	713,466

Depreciation of company's assets

Depreciation of Fixed assets including premises, furniture & fixtures	24,280,200	26,620,378
Sub Total	24,280,200	26,620,378

Amortization of intangible assets

Computer software	1,255,440	1,255,454
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Total repair and depreciation of company's assets	26,242,076	28,589,298
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35.a Consolidated repair, depreciation and amortization of intangible assets

Repair of company's assets

IIDFC PLC	706,435	713,466
IIDFC Securities Limited	299,520	913,265
IIDFC Capital Limited	126,426	71,085
	1,132,381	1,697,816

Depreciation of Fixed assets including premises, furniture & fixtures

IIDFC PLC	24,280,200	26,620,378
IIDFC Securities Limited	2,268,027	2,034,806
IIDFC Capital Limited	70,847	52,330
	26,619,074	28,707,514

Amortization of intangible assets

IIDFC PLC	1,255,440	1,255,454
IIDFC Securities Limited	-	-
IIDFC Capital Limited	-	-
	1,255,440	1,255,454

Total repair and depreciation of assets	29,006,896	31,660,784
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36.00 Other expenses

Office maintenance	2,582,870	3,081,491
Travelling & conveyance	20,919,345	17,447,634
Meeting expenses	1,394,332	1,696,396
Entertainment	746,932	483,404
Car running & maintenance expenses	1,953,148	2,348,581
Bank charge & excise duty	1,730,286	5,507,312
Training expenses	234,372	685,100
NID Verification Charge	44,552	10,610
Membership fees & subscriptions	374,592	638,667
Books & periodicals	72,608	56,037
Donation and CSR Purpose	75,000	20,000
Project expenses and Others	1,706,551	17,300
Total	31,834,587	31,992,532

36.1 Motor car/Motor cycle maintenance Expense

As per Bangladesh Bank DFIM circular no # 12 dated 18 November 2015, Expenses regarding Motor Car / Motor Cycle maintenance breakup is given below:

During the year 2023, total car maintenance and running cost of the Company was TK. 1,953,148 which was TK. 2,348,581 in the Y2022. The total costs includes fuel cost for running vehicles and maintenance costs for full year.

36.a Consolidated other expenses

IIDFC PLC	31,834,587	31,992,532
IIDFC Securities Limited	11,571,275	13,328,816
IIDFC Capital Limited	1,045,999	1,650,785
Total	44,451,861	46,972,133

37.00 Provision for loans & advances

Provision for classified loans & advances	855,033,146	1,087,863,058
Provision for unclassified loans & advances	(42,305,867)	1,435,325



Particulars	Notes	Amount in Taka	
		31 December 2023	31 December 2022
Provision for diminution in value of investments		(5,720,543)	14,248,215
Additional provision		2,669,252	(2,340,554)
Other provision (Note 37.1)		(12,866,722)	1,051,622,102
Total		796,809,266	2,152,828,147

37.1 Other provision

Other provision	-	27,109,901
Equity investment in subsidiaries	-	320,000,000
Deferred receivable	(227,890)	602,929
Other assets	(12,638,832)	703,927,614
Off-balance sheet items	-	(18,342)
	(12,866,722)	1,051,622,102

37.a Consolidated provision for loans & advances

Provision for classified loans & advances	892,483,146	1,087,863,058
Provision for unclassified loans & advances	(41,957,098)	1,435,325
Provision for diminution in value of investments	(5,525,825)	14,465,677
Other provision	(10,197,470)	1,049,281,548
Total	834,802,753	2,153,045,609

38.00 Provision for tax

Provisions for current tax has been made on the basis of the profit for the year as adjusted for taxation purposes in accordance with the provisions of The Income Tax Ordinance, 1984 and amendments made thereto. The current tax rate for the Company is 40% on taxable income. Adequate provision has been made for disputed tax against which appeal has been made and decision is pending.

Provision for current tax

Opening balance	669,157,489	664,157,489
Add: Provision made during the year	5,000,000	5,000,000
Less: Settlement during the year	-	-
Closing balance	674,157,489	669,157,489

38.01 Provision for deferred tax

Opening balance	(3,411,274)	(5,636,062)
Add: Provision made during the year (Note-38.02)	282,120	2,224,788
Less: Deferred tax no more required-transferred to current tax	-	-
Less: Settlement during the year	-	-
Closing balance	(3,129,155)	(3,411,274)

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".

38.02 Deferred tax expense/(income)

Change in Deferred Tax Liability	(355,176)	113,818
Change in Deferred Tax Asset	637,295	2,110,969
	282,120	2,224,788

38.a Consolidated provision for tax

Opening balance	925,271,405	892,406,091
Add: Provision made during the year	24,567,984	30,495,654
Add: Deferred tax during the year	(335,206)	2,369,660
	24,232,778	32,865,314
Closing balance	949,504,182	925,271,405

39.00 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)	(1,669,763,385)	(2,936,927,655)
Number of ordinary shares outstanding during the year	173,777,068	173,777,068
Basic earnings per share (in BDT)	(9.61)	(16.90)

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

39.a Consolidated 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)	(1,701,886,057)	(2,932,571,320)
Number of ordinary shares outstanding during the year	173,777,068	173,777,068
Basic earnings per share (in BDT)	(9.79)	(16.88)

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



Particulars	Notes	Amount in Taka	
		31 December 2023	31 December 2022

40.00 Related party transactions

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

Name of the parties	Nature of Loan/Lease	Nature of Transactions	Outstanding Balance 2023 BDT	Outstanding Balance 2022 BDT
AB Bank Ltd.	Sponsor Shareholder	STD/SND Account	3,360	3,057
AB Bank Ltd.	Sponsor Shareholder	Term Deposit	-	-
Bank Asia Ltd.	Sponsor Shareholder	STD/SND Account	31,996,507	60,115,272
BRAC Bank Limited	Sponsor Shareholder	Term Deposit	-	-
Janata Bank Ltd.	Sponsor Shareholder	STD/SND Account	-	4
Janata Bank Ltd.	Sponsor Shareholder	Term Deposit	200,000,000	200,000,000
Mutual Trust Bank Limited	Sponsor Shareholder	Overdraft	571,868,730	509,961,771
Sonali Bank Limited	Sponsor Shareholder	STD/SNS/CD Account	4,503	5,309
Sonali Bank Limited	Sponsor Shareholder	Call Loan	77,500,000	82,600,000
Sonali Bank Limited	Sponsor Shareholder	Term Deposit	200,000,000	200,000,000
Southeast Bank Ltd.	Sponsor Shareholder	SND Account	1,839,721	3,831,338
The City Bank Ltd.	Sponsor Shareholder	STD/SND Account	-	2,383
The City Bank Ltd.	Sponsor Shareholder	Borrowings	806,300,000	817,500,000
The City Bank Ltd.	Sponsor Shareholder	Term Deposit	-	-



41.00 Operating Segment Report

Amount in BDT

Segment Revenue and profit	For the year 2023			
	Core Financing Business	Brokerage House Business	Merchant Banking Business	Total Business as a Group
Revenue income				
Net interest income	(762,105,880)	53,021,595	12,003,944	(697,080,341)
Investment income	16,924,626	1,052,780	(29,853,749)	(11,876,343)
Commission and brokerage	-	88,108,130	3,214,960	91,323,090
Other operating income	83,626,942	7,155,602	1,639,676	92,422,220
Inter-segment revenue	(26,860,452)	-	-	(26,860,452)
Total Segment Revenue (A)	(688,414,763)	149,338,106	(12,995,168)	(552,071,826)
Other operating expenses	153,721,595	60,461,319	21,860,819	236,043,733
Major non-cash expenses				
Depreciation	25,535,640	2,268,027	70,847	27,874,514
Provision for future losses	796,809,266	37,993,487	-	834,802,753
Inter-segment expense adjustment	-	26,860,452	-	26,860,452
Total Segment Expense (B)	976,066,502	127,583,285	21,931,666	1,125,581,453
Reportable segment profit before tax (A-B)	(1,664,481,265)	21,754,821	(34,926,835)	(1,677,653,279)

Revenue and profit	For the year 2022			
	Core Financing Business	Brokerage House Business	Merchant Banking Business	Total Business as a Group
Revenue income				
Net interest income	(558,797,192)	37,901,094	10,205,495	(510,690,602)
Investment income	23,071,888	31,635,251	5,418,352	60,125,491
Commission and brokerage	-	111,459,911	4,182,464	115,642,375
Other operating income	39,613,427	8,519,965	268,024	48,401,416
Inter-segment revenue/interest expense adjustment	(32,059,005)	-	-	(32,059,005)
Total Segment Revenue (A)	(528,170,882)	189,516,221	20,074,336	(318,580,325)
Other operating expenses	220,828,007	127,956,576	17,273,516	366,058,099
Major non-cash expenses				
Depreciation	27,875,832	2,034,806	52,330	29,962,968
Provision for future losses	2,152,828,147	217,462	-	2,153,045,609
Inter-segment expense Adjustment	-	32,059,005	-	32,059,005
Total Segment Expense (B)	2,401,531,986	162,267,849	17,325,846	2,581,125,681
Reportable segment profit before tax (A-B)	(2,929,702,867)	27,248,372	2,748,490	(2,899,706,006)

Segment assets and liabilities	For the year 2023			
	Core Financing Business	Brokerage House Business	Merchant Banking Business	Total Business as a Group
Segment Assets				
Total Assets	13,965,668,501	2,608,260,777	819,556,524	17,393,485,802
Inter-segment assets	(1,812,487,514)	-	-	(1,812,487,514)
Total Segment Assets	12,153,180,987	2,608,260,777	819,556,524	15,580,998,287
Segment Liabilities				
Total liabilities	17,356,779,301	1,475,607,120	278,182,308	19,110,568,729
Inter-segment liabilities	-	(212,624,544)	-	(212,624,544)
Total Segment Liabilities	17,356,779,301	1,262,982,576	278,182,308	18,897,944,185
Total Segment Equity	(5,203,598,314)	1,345,278,201	541,374,216	(3,316,945,901)



Segment assets and liabilities	For the year 2022			
	Core Financing Business	Brokerage House Business	Merchant Banking Business	Total Business as a Group
Segment Assets				
Total Assets	15,963,202,339	2,382,124,293	866,567,803	19,211,894,434
Inter-segment assets	(1,844,107,480)	-	-	(1,844,107,480)
Total Segment Assets	14,119,094,859	2,382,124,293	866,567,803	17,367,786,954
Segment Liabilities				
Total liabilities	17,684,549,757	1,252,415,245	290,126,308	19,227,091,310
Inter-segment liabilities	-	(244,244,510)	-	(244,244,510)
Total Segment Liabilities	17,684,549,757	1,008,170,735	290,126,308	18,982,846,800
Total Segment Equity	(3,565,454,898)	1,373,953,558	576,441,495	(1,615,059,845)

42.00 Board meetings

During the year total number of Board Meetings was 07, which was held at the following dates:

Serial Number	No. Meeting	Date of Meeting
1	250th Meeting	25-Jan-23
2	251st Meeting	26-Feb-23
3	252nd Meeting	5-Apr-23
4	253th Meeting	2-May-23
5	254th Meeting	1-Jun-23
6	255th Meeting	24-Jul-23
7	256th Meeting	30-Aug-23
8	257th Meeting	26-Sep-23
9	258th Meeting	12-Oct-23
10	259th Meeting	30-Oct-23
11	260th Meeting	28-Nov-23
12	261st Meeting	7-Dec-23
13	262nd Meeting	28-Dec-23

43.00 Disclosure on Audit committee

a. Particulars of audit committee

In pursuance of the directives of Bangladesh Bank vide DFIM circular no 10 dated 18 September 2005 & DFIM circular No. 13 dated 26 October 2011, the Board of Directors in its meeting Constituted an Audit Committee. Presently, the Audit Committee members are:

Name	Status in the board	Status in the committee	Other engagement
1. Mr. Md. Abul Hossain	Director	Chairman	Managing Director, ICB
2. Mr. Syed M. Altaf Hussain	Director	Member	Chairman, Pragati Insurance Ltd.
3. Mr. Kamal Uddin Ahmed	Director	Member	Director, Eastland Insurance Company Limited
4. Mr. Md. Abdul Jabber	Director	Member	CEO & Managing Director, Janata Bank PLC.

The company Secretary of IIDFC PLC is acting as the secretary of the Committee

b. Meetings held by the committee during the year

Serial Number	No. Meeting	Date of Meeting
1	50th Meeting	2-May-23
2	51st Meeting	25-Jun-23
3	52nd Meeting	19-Oct-23
4	53th Meeting	13-Dec-23

c. In the meeting amongst other the committee has discussed the following issues during the year 2023

i) The audit committee reviewed the Financial Statements for the year ended 31 December 2022.

ii) Reviewed and discussed the Management Letter provided by the external auditor M/s. M M Rahman & Co. for the year ended 31 December 2022 on the annual audit of Financial Statements of IIDFC PLC.



- iii) Reviewed and discussed the Bangladesh Bank inspection report on Internal Control and Compliance and management's response to thereon.
- iv) Reviewed and discussed the Bangladesh Bank detailed Inspection Report 2021 and management's response to the report.
- v) Reviewed various reports like stress testing, Basel, Risk Management Paper etc. and all reports provided by ICC Department.
- vi) Implementation of Core Risk Management Guidelines including Internal Control and Compliance Risk and status of compliance thereof.
- vii) The status of recovery of classified loan and providing the necessary instruction to the management to reduce NPL.
- viii) Reviewed financial performance of IIDFC all over the year and recommended to take necessary action for improving performance of the company.

44.00 Others Disclosure

44.01 Un-acknowledged debt

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

44.02 Employees' information

A total number of 114 employees were employed in IIDFC as of 31 December 2023. All the employees received salary more than BDT 36,000.00 p.a. during the period 2023.

44.03 Written-off of accounts

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

44.04 Subsequent events

No subsequent events are occurred after the balance sheet date.

44.05 Directors' responsibility statement

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

44.06 Date of authorization for issue

The consolidated financial statements as well as separate financial statements were authorized for issue by the Board of Directors on its meeting held on 22/08/2024.

45.00 General Disclosure

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

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



HDFC PLC
Fixed Assets Schedule
As at 31 December 2023

Fixed assets including premises, furniture & fixtures

Serial No.	Particulars	COST			Rate	DEPRECIATION			Net Book Value as at 31 December 2023
		Balance as at 1 Jan 2023	Additions During the Year	Adjustment during the year		Balance as at 1 Jan 2023	Charged during the year	Adjustment during the year	
1	Motor Vehicles	8,812,000	3,276,000	1,218,000	20%	8,812,000	655,200	1,218,000	2,620,800
2	Furniture & Fixtures	32,941,283	363,119	2,479,218	10%	20,956,953	2,090,150	1,420,334	9,198,415
3	Office Equipments	51,760,446	229,193	2,569,170	18%	40,164,826	3,947,870	2,442,933	7,750,706
4	Right-of-use asset	68,497,432	36,964,602	1,052,435	-	54,259,797	17,586,980	-	32,562,822
As at 31 December 2023		162,011,161	40,832,914	7,318,823		124,193,576	24,280,200	5,081,267	52,132,743
As at 31 December 2022		162,378,883	19,086,685	19,454,407		112,661,616	26,620,378	15,088,418	37,817,585

Intangible Asset - Computer Software

Serial No.	Particulars	COST			Rate	AMORTISATION			Net Book Value as at 31 December 2023
		Balance as at 1 Jan 2023	Additions During the Year	Adjustment during the year		Balance as at 1 Jan 2023	Charged during the year	Adjustment during the year	
1	Computer Software	12,580,818	367,500	-	18%	10,238,955	1,255,440	-	1,453,923
As at 31 December 2023		12,580,818	367,500	-		10,238,955	1,255,440	-	1,453,923
As at 31 December 2022		11,040,818	1,540,000	-		8,983,501	1,255,454	-	2,341,863



IIDFC PLC
Consolidated Fixed Assets Schedule
As at 31 December 2023

Consolidated Fixed assets including premises, furniture & fixtures

Serial No.	Particulars	COST				Rate	DEPRECIATION				Net Book Value as at 31 December 2023
		Balance as at 1 Jan 2023	Additions During the Year	Adjustment during the year	Balance as at 31 December 2023		Balance as at 1 Jan 2023	Charged during the year	Adjustment during the year	Balance as at 31 December 2023	
1	Motor vehicles	10,420,141	3,276,000	1,576,141	12,120,000	20%	10,420,135	655,206	1,576,141	9,499,200	2,620,800
2	Furniture & fixtures	50,113,655	495,873	2,479,218	48,130,310	10%	33,630,982	2,646,976	1,420,334	34,857,624	13,272,686
3	Office equipments	75,073,841	689,671	2,827,468	72,936,044	18%	57,924,839	5,518,788	2,701,231	60,742,396	12,193,648
4	Right-of-use asset	68,497,432	36,964,602	1,052,435	104,409,599	0%	54,259,797	17,586,980	-	71,846,777	32,562,822
As at 31 December 2023		204,105,069	41,426,146	7,935,262	237,595,953		156,235,753	26,407,950	5,697,706	176,945,997	60,649,955
As at 31 December 2022		197,730,700	26,971,179	20,596,810	204,105,069		143,759,060	28,707,514	16,230,821	156,235,753	47,869,316

Intangible Asset

Serial No.	Particulars	COST				Rate	AMORTISATION				Net Book Value as at 31 December 2023
		Balance as at 1 Jan 2023	Additions During the Year	Adjustment during the year	Balance as at 31 December 2023		Balance as at 1 Jan 2023	Amortized during the year	Adjustment during the year	Balance as at 31 December 2023	
1	Computer software's	15,747,649	1,540,413	-	17,288,062	18%	13,405,776	1,466,564	-	14,872,340	2,415,722
As at 31 December 2023		15,747,649	1,540,413	-	17,288,062		13,405,776	1,466,564	-	14,872,340	2,415,722
As at 31 December 2022		14,207,649	1,540,000	-	15,747,649		12,150,322	1,255,454	-	13,405,776	2,341,873



IIDFC PLC
Highlights

Sl.	Particulars	Amount in BDT	
		2023	2022
1	Paid-up capital	1,737,770,680	1,737,770,680
2	Total capital	-3,391,110,804	-1,721,347,419
3	Capital surplus	-5,128,881,484	-3,459,118,099
4	Total assets	13,965,668,501	15,963,202,339
5	Total deposits	5,279,563,456	6,472,416,626
6	Total leases, loans and advances	10,026,448,002	11,784,441,057
7	Total contingent liabilities and commitments	200,562,022	200,562,022
8	Credit deposit ratio	189.91%	182.07%
9	Percentage of classified loans against total loans and assets	58.90%	46.37%
10	Profit after tax and provision	(1,669,763,385)	(2,936,927,655)
11	Amount of classified loan during year	5,905,114,957	5,464,374,021
12	Provisions kept against classified loans	3,143,833,107	2,288,799,961
13	Provision surplus/(Shortage) against classified loans**	(348,333,980)	(579,049,901)
14	Cost of fund	10.40%	9.30%
15	Interest earnings assets	10,352,362,556	12,216,481,397
16	Non- interest earnings assets	3,608,318,126	3,734,433,121
17	Return on investment (ROI)	3.0%	4.1%
18	Return on assets (ROA)	-11.92%	-18.35%
19	Income from investment	227,384,623	471,137,545
20	Earnings per share	(9.61)	(16.90)
21	Net Income per share	(9.61)	(16.90)
22	Price earnings ratio	N/A	N/A

**

