

Annual Report 2024



Bangladesh Industrial Finance Company Limited

Sustainability Report

Since inception, we have consistently positioned ourselves as a sustainable organization. This has been achieved through our steadfast commitment to social responsibility, sound financial discipline, prudent decision-making and the highest standards of ethics and integrity.

As a financial institution, our deeply embedded moral values enable us to cultivate strong, lasting relationships with our stakeholders and the broader community. These enduring partnerships strengthen our foundation for sustainable growth and long-term advancement.

By virtue of our business model, we are uniquely placed to support our customers and stakeholders in addressing social and environmental challenges, while promoting responsible investment for future generations. Through these efforts, we contribute to the resilience and sustainable development of local markets as well as the national economy.

The sustained success of our customers, clients, and stakeholders ultimately secures our own future and remains the cornerstone of our long-term sustainability.

Letter of Transmittal

All Shareholders
Bangladesh Bank
Registrar of Joint Stock Companies & Firms
Bangladesh Securities and Exchange Commission
Dhaka Stock Exchange PLC and
Chittagong Stock Exchange PLC.

Dear Sir(s),

Annual Report for the year ended December 31, 2024.

On behalf of the Board of Directors of the Company, we are pleased to present the Annual Report 2024 together with the audited Financial Statements for the year ended December 31, 2024 (from January 01, 2024 to December 31, 2024). This Annual Report contains all relevant information and disclosures as required by the concerned regulatory authorities.

We sincerely hope that the contents of this Report will provide you with meaningful insights and valuable perspectives on the Company's performance and overall activities during the year under review.

Thanking you.

Sincerely yours,



Anisur Kanaman
Company Secretary

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Notice of the 29th Annual General Meeting

Notice is hereby given that Pursuant to the judgment of the Honorable High Court Division (Statutory Original Jurisdiction) of the Supreme Court of Bangladesh in Company Matter No. 2047 of 2025 dated December 09, 2025 (Certified copy of Judgment received on 05.01.2026), the Board of Directors of Bangladesh Industrial Finance Company Limited (BIFC) in its 246th Meeting held on February 16, 2026 at 3 p.m. decided that the 29th Annual General Meeting (pending AGM for the year 2024) of the Company will be held by using Hybrid System (physical presence at the AGM venue and virtually by using online digital platform) on Tuesday 7th April 2026 at 12:00 p.m. at "Institution of Diploma Engineers, Bangladesh" IDEB Bhaban, 160/A, Kakrail VIP Road, Dhaka (pursuant to BSEC Order no. BSEC/CMRRCD/2009-193/08 dated March 10, 2021 to transact the following business:

Agenda:

1. To consider and adopt the Directors' Report and the Auditors' Report to the Shareholders accompanied by audited financial statements for the year ended on December 31, 2024;
2. To declare Dividend for the year ended December 31, 2024;
3. To elect/re-elect directors;
4. To appoint auditor for the year 2025 and to fix their remuneration;
5. To appoint Compliance Auditor as per Corporate Governance code for the year 2025 and to fix their remuneration; and
6. To transact any other business of the Company with the permission of the Chair.

By the order of the Board of Directors

Sd/-

Anisur Rahaman
Company Secretary

March 15, 2026

Notes:

- i. As notified earlier the "Record Date" was fixed on Tuesday, 15th July, 2025. The shareholders whose names appeared in the Register of Shareholders of the Company and/or in the Depository on the Record Date will be eligible to attend and vote in the 29th AGM through physical or paper ballot at the venue of General Meeting or through electronic ballot or any e-voting system using online platform;
- ii. A member entitled to attend and vote at the General Meeting may appoint a Proxy to attend and vote in his/her stead. The Proxy Form, duly stamped with Tk.20.00 (Revenue Stamp), must be deposited at the Registered Office of the Company, not later than 48 hours before the time fixed for the meeting;
- iii. Pursuant to the BSEC notification link of the soft copy of the Annual Report for the year 2024 has been sent to the email address of the shareholders available in their BO account maintained with the depository and also available in the Website of the Company at **www.bifcol.com**;
- iv. Admission to the meeting room will be strictly on production of the attendance slip sent with the Notice as well as verification of signature of Member(s) and/or Proxy-holder(s);
- v. The Shareholders will join the AGM physically or virtually through the link **https://bifcol29.bdvirtualagm.com**. The Shareholders will be able to submit their questions/comments and vote electronically 24 (twenty four) hours before commencement of the AGM and also during the AGM. For logging into the system, the Shareholders need to put their 16 digit Beneficiary Owner's ID/Folio Number and other credentials as proof of their identity through visiting the said link;
- vi. No gift or benefit in cash or kinds shall be paid/offered to the shareholders as per Circular No. SEC/CMRRCD/2009-193/154, dated October 24, 2013 of BSEC to attend the AGM.

We encourage the Shareholders to login into the system prior to the meeting. Please allow ample time to login and establish your connectivity. For any IT related guidance, Shareholders may contact vide email: nawaz@bifcol.com, Mobile number: 01712519160, zesmin@bifcol.com.

Vision and Mission

Vision:

Our vision is to become a leading financial institution and earn the trust and confidence of society through integrity, professionalism, and excellence in all our services.

Mission:

- To nurture, develop and train a professional workforce, transforming them into a self-motivated team that is recognized as a strategic asset of the organization.
- To ensure the equitable distribution of resources across the country, promoting balanced growth and inclusive development for all segments of society.
- To innovate and offer products that is well-suited to the needs of the time and evolving demands of our clients and the market.
- To ensure steady growth while delivering a consistent and reliable return on investment for our stakeholders.

Social Responsibility

We are committed to caring for and contributing to our communities, fostering social well-being, supporting sustainable development, and creating a positive impact in the lives of the people we serve.

Performance

We measure results objectively and reward achievement, recognizing performance, encouraging excellence, and motivating our team to reach higher standards.

Integrity

We uphold trustworthiness and business ethics, conducting all our activities with integrity, transparency, and accountability to earn and maintain the confidence of our stakeholders.

Respect

We cherish every individual, valuing their unique contributions, respecting their perspectives, and fostering an inclusive environment where everyone can thrive.

Innovation

We encourage creativity, inspiring innovative thinking and empowering individuals to explore new ideas that drive growth and excellence.

Teamwork

We work together to succeed, fostering collaboration, teamwork, and mutual support to achieve our shared goals.

COMPANY INFORMATION

Name of the company : Bangladesh Industrial Finance Company Limited
Legal Form : A public limited company incorporated in Bangladesh on August 10, 1996 under the companies Act 1994 and listed in Dhaka Stock Exchange PLC and Chittagong Stock Exchange PLC.

Commencement of Business : March 02, 1998
Registered Office : Police Plaza Concord (Tower-2), Level-8, Plot # 02, Road # 144, Gulshan-1, Dhaka-1212, Bangladesh.

PABX : 09611888333, 55045123-5
Fax : +88-02-55045128
E-mail : info@bifcol.com
Website : www.bifcol.com
Chairman : Mr. Ikteder Ahmed
Managing Director (C.C.) : Mr. Md. Anwarullah Sadeq
Auditor : Ahsan Manzur & Co., Chartered Accountants House # 373 (2nd floor), Road # 28, Mohakhali DOHS, Dhaka, Bangladesh.

Tax Advisor : K.M. Hasan & Co.
Chartered Accountants
Hometown Apartment (7th, 8th & 9th floor)
87 New Eskaton Road, Dhaka-1000, Bangladesh.

Branch

Chattogram Branch

Akhteruzzaman Center (5th Floor)
Chattogram-4100
PABX: +02-333-317256, +02-333-313233
09611888451
Fax: +02-333-317242
E-mail: bifcctg@bifcol.com

Uttara Branch

Flat # B1, House # 46, 1st Floor, Road # 03,
Sector # 11, Uttara, Dhaka-1230.
Tel: +88-02-8991431, 09611888455
Fax: +88-02-8991682
Email: bifcuttara@bifcol.com

Narayanganj Branch

52/1, S.M. Maleh Road (1st Floor),
Tanbazar, Narayanganj
Tel: +02-224-433817, 09611888453
Fax: +02-224-433897
E-mail: bifcnganj@bifcol.com

No. of Employees: : 40

Stock Summary

Authorized capital : BDT 4000.00 million
Paid-up-capital : BDT 1006.80 million
Face value per share : BDT 10.00

Company Milestones

Incorporation of the Company	August 10	1996
License from Bangladesh Bank	February 19	1998
Commencement of Business	March 02	
Sanction of First lease proposal	October 06	
Execution of first lease agreement	October 07	
First letter of credit opened	April 08	1999
First credit line from bank	May 31	
First syndicated lease participation	August 18	2002
Relocation of registered and head office	November 16	2003
Initial Public Offering	August 20	2006
First trade of share	November 15	
First branch opened	December 03	2009
Completion of 12 years in service	March 02	2010
Second branch opened	October 16	2011
Change of face value and market lot of share	November 29	
Third branch opened	December 28	
Permission for Issuing Rights Share from Bangladesh Securities and Exchange Commission (BSEC)	September 23	2014
Corporate Head Office From Dilkusha to Gulshan	April 10	2017

BOARD OF DIRECTORS

Mr. Iktedar Ahmed, Chairman
Nominated Director, Merrill & Forbes Inc., USA

Mr. Mahmudul Hasan
Nominated Director of Five Continents Credit Limited, Hongkong

Mr. Ansar Uddin Ahmed
Independent Director

Mr. Shafique-ul Azam
Independent Director

Mr. Md. Anwarullah Sadeq
Managing Director (Current Charge)

Profile of the Directors



Mr. Ikteder Ahmed

Chairman and Nominated Director of Merrill & Forbes Inc., USA

Mr. Ikteder Ahmed was elected as the Chairman of the Board of Directors of Bangladesh Industrial Finance Company Limited (BIFC) by the Shareholders of the Company in the 26th AGM held on November 15, 2023. He is an L.L.B. (Hons.) and L.L.M. from the University of Dhaka with brilliant performance. He obtained Post Graduation on Juvenile Justice Administration in 1997 from the United Nations Asia and Far East Institute for Prevention of Crime and Treatment of Offenders, Tokyo, Japan, on International Labour Standards for Judges, Lawyers and Legal Educators in 2002 from the International Training Centre, Turin, Italy of International Labour Organization in Collaboration with University of Turin, Italy and on Intellectual Property Rights in 2006 from World Intellectual Property Organizations Worldwide Academy, Geneva, Switzerland.

He joined the Bangladesh Civil Service (Judicial) Cadre in the year 1981 and worked as Assistant Judge, Joint District Judge, Additional District and Sessions Judge and District and Sessions Judge in the hierarchy of the parent department while worked as Deputy Director (Law), Ansar and VDP; Deputy Secretary (Law), Election Commission Secretariat; Directory Judicial Administration Training Institute; Secretary, Law Commission; Chairman, Court of Settlement; Registrar General, Supreme Court of Bangladesh and Chairman, Minimum Wages Board on deputation. He went on voluntary retirement on February 8, 2011 in protest against certain injustice.

He visited Australia, Bahrain, Canada, China, Denmark, Finland, France, Germany, Hong Kong, India, Indonesia, Iran, Italy, Japan, Kenya, Macau, Malaysia, Mozambique, Myanmar, Nepal, Netherlands, Norway, Oman, Pakistan, Quarter, Russia, Saudi Arabia, Singapore, South Africa, Sri Lanka, Sweden, Switzerland, Thailand, United Arab Emirates and United Kingdom.



Mr. Mahmudul Hasan

Nominated Director of Five Continents Credit Limited, Hongkong

Mr. Mahmudul Hasan, a nominated Director of Five Continents Credit Limited, Hongkong, is Head of Marketing Paper World Limited. He has completed Master's Degree from London College of Accountancy. He likes to travel and reading books.



Mr. Ansar Uddin Ahmed
Independent Director

Mr. Ansar Uddin Ahmed was born in a respectable Muslim family in the District of Laxmipur on May Day, 1952. Mr. Ahmed's father was a retired government High School Headmaster and his mother was a homemaker.

He studied for the Graduation & Postgraduate Degrees at the Dhaka University during 1969-73. During this period of life he joined the liberation war of Bangladesh and shouldered the responsibility of Deputy District Commander of the Laxmipur zone of the BLF (Mujib Bahini).

After completion of studies, he joined the Central Bank of Bangladesh as Assistant Director in 1976. He served for Bangladesh Bank about 25 years. During this period, he was General Manager (Director) of the Departments of Currency Management & Accounting, Agricultural Credit and Banking Regulations & Policy Department. During his period of service in the Central Bank, he passed both parts of the Banking Diploma Examinations, secured the post-graduate diploma degree in Personnel Management and obtained the Post-graduation Degree in Financial Economics from the University of Wales, UK in 1986.

Afterwards, he joined the largest private sector bank, Pubali Bank PLC, as the Deputy Managing Director in early 2000 and served for more than 3 years. Subsequently he moved to National Housing Finance PLC and Bangladesh Industrial Finance Company Limited (BIFC) as Managing director in the years 2003 and 2008 respectively. Lastly, he served as an Independent Director of BD Finance PLC, a leading leasing company from 2013 to 2018.



Mr. Shafique-ul-Azam
Independent Director

Mr. Shafique-ul-Azam, an Independent Director of the Board of Directors of Bangladesh Industrial Finance Company Limited (BIFC), is a notable and incisive expert in Finance & Development with over three decades of experience. He is also the Chairman of the Risk Management Committee and Member of the Executive Committee, and the Audit Committee. Mr. Azam is the Managing Director of BD Venture Limited, the country's first venture capital company. He earned his graduation with honors in Economics and an MBA in Marketing from IBA, University of Dhaka; He started his career in MIDAS as a Junior Project Management Officer in 1986. He served for MIDAS Financing PLC as Managing Director for the period from 2010 to 2019.

While he was in MIDAS Financing PLC he represented the company to the Board of BD Venture Limited, Fin Excel Limited. He has vast experience in small, medium and micro enterprise financing and entrepreneurship development. He conducted many training as a facilitator and lead facilitator on Small Enterprise Development, Micro Enterprise Development and Micro Credit Management to the mid-level and senior officials of different NGOs, Banks, and International Institutions, like BRAC, PROSHIKA, Department of Women Affairs, Sonali Bank PLC, Janata Bank PLC, ITDG, etc.



Mr. Md. Anwarullah Sadeq
Managing Director (Current Charge)

Mr. Md. Anwarullah Sadeq started his service in Bangladesh Industrial Finance Company Limited as a Senior Principal Officer, Chattogram Branch on November 08, 2009. He currently serves as the Deputy Managing Director (DMD) and holds the current charge of the office of the Managing Director since July 03, 2023. Prior to joining BIFC, Mr. Sadeq worked at Phoenix Finance & Investment Limited and Premier Leasing & Finance Limited. He has more than 24 years of experience in the NBFIs sectors and gained valuable knowledge and skills.

Mr. Sadeq holds a master's degree in Accounting and he also completed MBA degree major in Marketing. He finished a chartered accountancy course from a reputed firm Toha Anwar Rouf & Co., Chartered Accountants. Throughout his career, Mr. Sadeq participated in various seminars, workshops, and training courses to enhance his knowledge and skills.

Committees

BIFC operates its state of affairs through various committees composed by the Board of directors and the management with the objective to establish transparency and effectiveness.

Composition of the different sub-committee of the Board of Directors of BIFC is shown below:

Executive Committee (EC)

The Executive Committee consists of the following 3 (three) members of the Board of Directors:

Name	Status in the Company	Status in the Committee
Mr. Ikteder Ahmed	Chairman & Nominated Director	Chairman
Mr. Ansar Uddin Ahmed	Independent Director	Member
Mr. Shafique-Ul-Azam	Independent Director	Member

Audit Committee

The Audit Committee consists of the following 3 (three) members of the Board of Directors:

Name	Status in the Company	Status in the Committee
Mr. Ansar Uddin Ahmed	Independent Director	Chairman
Mr. Shafique-Ul-Azam	Independent Director	Member
Mr. Mahmudul Hasan	Nominated Director	Member

The report of the audit committee is presented in the page no. 32-33.

Risk Management Committee

The Risk Management Committee consists of the following 3 (three) members of the Board of Directors

Name	Status in the Company	Designation
Mr. Shafique-Ul-Azam	Independent Director	Chairman
Mr. Ansar Uddin Ahmed	Independent Director	Member
Mr. Mahmudul Hasan	Nominated Director	Member

The management of Bangladesh Industrial Finance Company Limited (BIFC) has several committees to operate the company smoothly.

The status of the different existing sub-committees of the Management is furnished below:

(A) MANAGEMENT COMMITTEE (MANCOM)

Sl.	Name	Designation & Department	Position in the Committee
1	Mr. Md. Anwarullah Sadeq	Managing Director (Current Charge)	Chairman
2	Mr. Mohiuddin Ahmed	SVP & CFO	Member
3	Mr. Anisur Rahaman	AVP, CS & Head of Business	Member Secretary
4	Mr. Md. Zahidul Islam	SPO, In-charge, SAM & Uttara Branch	Member
5	Ms. Homaira Sharafat Neza	SPO, Head of Treasury & Liability	Member

Committees - Continued

The Management Committee of BIFC is a high-level group of top officials, headed by the Managing Director. The committee is included functional heads, responsible for executing company strategy and overseeing daily operations. It bridges the gap between strategic vision and operational reality, ensuring departments are aligned, risks are managed, and financial, legal and operational goals are met.

(B) MANAGEMENT CREDIT COMMITTEE (MCC)

Sl.	Name	Designation & Department	Position in the Committee
1	Mr. Md. Anwarullah Sadeq	Managing Director (Current Charge)	Chairman
2	Mr. Anisur Rahaman	AVP, CS & Head of Business	Member Secretary
3	Mr. Md. Zahidul Islam	SPO, In-charge SAM & Ultra Branch	Member
4	Mr. Shaikh Moshir Rahman	Principal Officer, In-charge of CAD & CRM	Member
5	Ms. Amena Khatun	Senior Officer, In-charge SME	Member

The Management Credit Committee (MCC) of BIFC is headed by the Managing Director and responsible for reviewing, approving and monitoring loans and credit facilities to manage credit risk, ensure policy compliance and evaluate the probability of repayment. In addition, the Credit Committee may carry out additional responsibilities that are specifically empowered by the Board. The Credit approval limit of MCC is reviewed by the Board of Directors from time to time.

(C) ASSET LIABILITY MANAGEMENT COMMITTEE (ALCO)

Sl.	Name	Designation & Department	Position in the Committee
1	Mr. Mohiuddin Ahmed	SVP & CFO	Chairman
2	Mr. Anisur Rahaman	AVP, CS & Head of Business	Member Secretary
3	Ms. Homaira Sharafat Neza	SPO, Head of Treasury & Liability	Member

The principal responsibility of ALCO is to maintain optimum balance between assets and liability in terms of value, tenor and liquidity.

(D) ICC COMMITTEE

Sl.	Name	Designation & Department	Position in the Committee
1	Mr. Anisur Rahaman	AVP, CS & Head of Business	Chairman
2	Mr. Mohiuddin Ahmed	SVP & CFO	Member
3	Mr. Md. Shahriar Kobir	Principal Officer, Head of ICC Department	Member Secretary

The main objective of the Internal Control and Compliance Committee (ICC) are:

- Observe efficiency and effectiveness of activities (performance objectives)
- Ensure reliability, completeness and timeliness of financial and management information (information objectives)
- Compliance with applicable laws and regulations (compliance objectives) and accountability to the Board.

Committees - Continued

(E) CENTRAL COMPLIANCE UNIT (CCU)

Sl.	Name	Designation & Department	Position in the Unit
1	Mr. Anisur Rahaman	AVP, Company Secretary & Head of Business	CAMLCO
2	Mr. Md. Shahriar Kobir	Principal Officer, Head of ICC Department	D-CAMLCO & Member Secretary
3	Mr. Md. Zahidul Islam	SPO, In Charge Special Asset Management and Uttara Branch	BAMLCO Uttara Branch
4	Mr. Muradur Rahman	SPO, In Charge of Chattogram Branch	BAMLCO Chattogram Branch
5	Mr. Md. Ripon Biswas	Senior Officer, In Charge of Narayanganj Branch	BAMLCO Narayanganj Branch
6	Mr. Mohiuddin Ahmed	SVP & CFO	Member
7	Ms. Homaira Sharafat Neza	SPO, Head of Treasury & Liability	Member

Central Compliance Unit addresses various issues which are definition of customer for KYC purpose, process and timing of customer due diligence (CDD), defining and identifying beneficial owner, politically exposed person related issues, employee screening mechanism and awareness program for the customer. The Unit also ensures to preserve records of any customer's account at list 05 years and report any suspicious transaction to Bangladesh Bank immediately.

The Member Secretaries of the committees will arrange meeting at regular interval by giving prior notice with specific agenda. Minutes of the meetings are to be recorded timely and preserved in respective files with due care. The extracts of the minutes of the meetings will have to be sent to respective departments for necessary action at their end. Implement status of the previous meetings will have to be submitted by the concern Member Secretary.

(F) ICT COMMITTEE

Sl.	Name	Designation & Department	Position in the Committee
1	Mr. Mohiuddin Ahmed	SVP & CFO	Chairman
2	Mr. Anisur Rahaman	AVP, Company Secretary & Head of Business	Member
3	Mr. Md. Zulfikar Ali	SPO, In-charge Human Resources & Administration	Member
4	Mr. Md. Shahnawaz	Principal Officer, In-charge of ICT	Member Secretary

The main objective of the Information and Communication Technology Committee is to establish a standard ICT security policy & security management and

- To help the Company for security and stable setup of its ICT platform;
- To establish a secure environment for processing of the data;
- To identify information security risk and their management;
- To communicate the responsibilities for the protection of information;
- To prioritize information and information systems those need to be protected;
- To aware and train the uses associated with managing the ICT Infrastructure;
- To explain procedure for periodic review of the policy and security measures.

Committees - Continued

(G) RECRUITMENT & PROMOTION COMMITTEE

Sl.	Name	Designation & Department	Position in the Committee
1	Mr. Md. Anwarullah Sadeq	Managing Director (C.C.)	Chairman
2	Mr. Mohiuddin Ahmed	SVP & CFO	Member
3	Mr. Anisur Rahaman	AVP, CS & Head of Business	Member
4	Mr. Md. Zulfikar Ali	SPO, In-charge Human Resources & Administration	Member Secretary

The committee is a formal body responsible for selecting, evaluating and recommending personnel for appointment or advancement, ensuring adherence to merit and seniority. The committee is vital for ensuring that both direct recruitment and internal promotions are transparent and follow established a corporate regulation.

(H) PROCUREMENT AND DISPOSAL OFF COMMITTEE

Sl.	Name	Designation & Department	Position in the Committee
1	Mr. Mohiuddin Ahmed	SVP & CFO	Chairman
2	Mr. Anisur Rahaman	AVP, CS & Head of Business	Member
3	Mr. Md. Shahnawaz	Principal Officer, ICT	Member
4	Mr. Md. Zulfikar Ali	SPO, In-charge Human Resources & Administration	Member Secretary

The committee is liable for procurement & disposal of the company's stationeries items and fixed assets.

(I) WILLFUL DEFAULTER IDENTIFICATION UNIT

Sl.	Name	Designation	Position in the Committee
1	Mr. Anisur Rahaman	AVP, CS & Head of Business	Chairman
2	Mr. Mohiuddin Ahmed	SVP & CFO	Member
3	Mr. Md. Zahidul Islam	SPO, In-charge, Special Asset Management & Uttara Branch	Member Secretary
4	Mr. Md. Shahriar Kobir	Principal Officer, Head of ICC Department	Member
5	Mr. Shaikh Moshir Rahman	Principal Officer, In charge of CAD & CRM	Member
6	Mr. Md. Ashrafuzzaman	Senior Officer, Legal Department	Member

The Unit identifies willful defaulters of the company and report to the Bangladesh Bank.

CHAIRMAN'S MESSAGE

Dear Valued Shareholders,

Distinguished Members of the Board of Directors, Esteemed Guests, Ladies and Gentlemen,

Assalamu Alaikum,

I welcome you all to the 29th Annual General Meeting of Bangladesh Industrial Finance Company Limited (BIFC).

You are aware that the detrimental challenges faced by Bangladesh Industrial Finance Company Ltd. (BIFC) began in 2016, following a hostile takeover led by the notorious S. Alam and P.K. Halder-supported board, which continued until 2020. The period saw several damaging developments:

- Core business operations were effectively suspended, with low-cost deposits replacing high-cost funds.
- A down payment of BDT 120 crore against stressed clients was not properly applied toward restructuring, seemingly intended to negatively impact BIFC's CIB report.
- The S. Alam supported Board and Management failed to execute restructuring plans, resulting in a significant increase in non-performing loans (NPLs) and erosion of depositor confidence.
- Despite recoveries and restructuring proposals, delayed or ignored decisions led to severe asset-liability mismatches and extensive reputational damage.

As a result, interest income from loans and investments has declined drastically. Consequently, all key financial indicators of the Company deteriorated significantly and reached an abnormal state by the end of the year 2024.

Pursuant to the Order dated 31st August 2023 passed by the honorable Company Bench of the High Court Division, Supreme Court of Bangladesh in Company Matter no.32/2020 the present Board was formed in the 26th AGM held on November 15, 2023. Simultaneously the Audit Committee, Executive Committee & Risk Management Committee of the Board of Directors were reconstituted and all the Committees of the management are functioning well.

After taking over Charge as Chairman of BIFC, special directives were given to the Management to lay maximum emphasis on monitoring and recovery of defaulted loans with a view to reducing non-performing loans/ leases. With this end in view, a Recovery Team was formed to monitor the defaulting clients on a daily basis and recovery from delinquent and stuck up clients is expected to increase within a reasonable time. Besides, the defaulters are being called at our office at regular intervals and after series of meetings/ discussions, some of them have responded positively to reschedule their liabilities with BIFC. Other defaulters are also being chased regularly to sit with us for rescheduling.

As on 31st December 2024, the loan portfolio of BIFC stood at BDT 763.59 crore, of which the Non-Performing Loan (NPL) ratio was 97.27%.

As a part of an initiative to recover these loans an amount of Tk. 619.58 crore distressed loan, which is 81% of the total portfolio are in a process of restructuring. Bangladesh Bank has kindly granted their approval for the restructuring of the said BDT 619.58 crore for 10-year period, with an initial down payment of BDT 62.27 crore under a Reconstruction Plan-2024 of BIFC. In accordance with this approval, BIFC has already completed all necessary documentation with the client.

I strongly believe that once the loan transfer process is completed BIFC will be able to resume its core business activities and the company will become a profitable company gradually.

On behalf of the Board of Directors, I would like to express my sincere appreciation to the Governor of Bangladesh Bank and the officials of its Department of Financial Institutions and Markets for their consultative approach, guidance, cooperation, and continued support throughout the year.

I also convey my heartfelt gratitude to the officials of the Bangladesh Securities and Exchange Commission, Dhaka Stock Exchange PLC, Chittagong Stock Exchange PLC and Registrar of Joint Stock Companies & Firms for their ongoing cooperation and constructive support.

My sincere thanks are extended to our valued shareholders and clients, as well as to my fellow members of the Board of Directors, for their unwavering support and collaboration. I would also like to express my deep appreciation to the Management team for their leadership and professional expertise and to our dedicated employees for their commitment and hard work.

Finally, I remain confident that BIFC will continue its journey of sustainable growth and create lasting value for all stakeholders in the years ahead.



Ikhteder Ahmed

Chairman, Bangladesh Industrial Finance Co. Ltd.

Former Senior District Judge &

The Registrar General of the Supreme Court of Bangladesh

Managing Director's (Current Charge) Message

Dear Valued Shareholders,

Assalamu Alaikum,

Apart from the banking sector, Non-Bank Financial Institutions (NBFIs) in Bangladesh play a vital role in the country's economic development through effective and efficient financial intermediation. Bangladesh Industrial Finance Company Limited (BIFC), incorporated as a Public Limited Company in August 1996 and licensed by Bangladesh Bank in February 1998 as an NBF. BIFC was consistently provided innovative, customized, prompt and cost-effective financial solutions, contributing to the socio-economic growth of the country while upholding the highest standards of business ethics and customer satisfaction. But due to hostile take over of BIFC by an infamous group of people the core business activities of BIFC have been suspended since 2016.

The present Board of Directors of BIFC was constituted by High Court Order dated 31st August 2023, passed by the Honorable Company Bench of the High Court Division of Supreme Court of Bangladesh (Company Matter No. 32/2020). All the sub-committees of the Board like Executive Committee, Audit Committee and Risk Management Committee were reconstituted and all management committees are now functioning effectively.

Several initiatives have been undertaken to address these challenges. The status of each loan account has been thoroughly identified and reviewed. Duties have been clearly segregated among the CRM Department, Recovery Department and Legal Department to expedite the recovery process. Strong monitoring units comprising the CAD and SAM teams have been established to enhance and accelerate overall recovery efforts. The Company has also initiated and completed all necessary legal actions against defaulting borrowers in accordance with applicable laws and regulations.

Upon the successful restructuring of BDT 619.58 crore of loans, representing approximately 81% of BIFC's total portfolios, BIFC will be positioned to repay individual depositors in full, alongwith accrued interest, while gradually reducing its asset-liability gap and BIFC will be able to turn around.

As the Chief Executive, I assure you that we are fully committed to transforming BIFC into a leading institution through the effective utilization of our workforce and a spirit of teamwork. We firmly believe that this Company belongs to all of us, and Insha'Allah, with unity, dedication, and perseverance; we will achieve our desire goals.

In conclusion, I take this opportunity to express my sincere gratitude to our honorable Chairman, esteemed members of the Board, regulators, shareholders, valued stakeholders, and our dedicated employees for their continued support and guidance. We are also deeply grateful to our customers for their trust and patronage. BIFC remains firmly committed to working tirelessly to fulfill the expectations of all our stakeholders in the years ahead.



Md. Anwarullah Sadeq

Managing Director (Current Charge)

Directors' Report

Dear Shareholders,
Assalamu Alaikum,

On behalf of the Board of Directors, I take the privilege and honor to welcome you all at the 29th Annual General Meeting of Bangladesh Industrial Finance Company Limited (BIFC) and to present the Annual Report together with the audited Financial Statements of the Company for the year ended on December 31, 2024. It may be mentioned that the Directors' Report of the Company has been prepared in compliance with Section 184 of the Companies Act 1994, BSEC's Notification No. SEC/CMRRCD/2016-158/ 134/Admin/80 dated June 03, 2018 and the Listing Regulations of Dhaka and Chittagong Stock Exchanges PLC and other applicable rules and regulations of the regulatory bodies.

Overview of the Economy of the Country

Bangladesh's economy is poised to encounter substantial hurdles in the second half of FY24 as it grapples with the pressing need to curb inflation, stabilize the exchange rate, rebuild foreign exchange reserves, and restore public confidence in the banking system. The landscape is further complicated by the growing concern of non-performing loans (NPLs), sluggish economic activity, and a slowdown in deposit and credit growth, all of which present formidable challenges for the banking sector. The post-pandemic economic recovery has been sluggish in Bangladesh, with real GDP growth of 4.22 percent in FY24.

The industrial sector, which historically grows faster than other sectors, shows some potential for recovery despite sluggish private credit growth and a rising unemployment rate. Conversely, the agriculture sector has suffered significant losses due to severe floods. Weakened aggregate demand resulting from fiscal austerity, elevated uncertainty, and a tighter policy mix could further hinder the recovery of lost growth momentum.

Despite the slower deposit growth, public sector credit growth of 18.1 percent in December 2024 surpassed the projected growth rate of 14.2 percent. This significant increase is attributed to higher credit demand from the government, attempting to meet its spending needs, as revenue collection has fallen significantly below target. Overall, domestic credit growth exceeded the projected trajectory for December 2024, largely driven by the robust increase in public sector credit, thereby crowding out the availability of credit for the private sector.

Despite various monetary and fiscal tightening measures, inflation remained persistently high, staying above 10 percent for an extended period. However, the impact of these policies is beginning to show, as the point-to-point inflation rate eased in December 2024 and again in January 2025, dropping to 9.94 percent from 11.38 percent in November 2024, mainly due to a decline in food inflation.

The International Monetary Fund (IMF) projects global growth to remain mediocre at 3.3 percent for the years 2024 and 2025, which may pose additional challenges for Bangladesh's economic recovery efforts. Although there has been a recent decline in global commodity prices, new spikes are emerging due to rising shipping costs, intensified protectionist policies and increasing geo-economic fragmentation alongside geopolitical tensions.

As per the World Economic Outlook released by the IMF in October 2024 and updated in January 2025, global GDP growth, which was 3.3 percent in 2023, is projected to decline slightly to 3.2 percent in 2024, before increasing again to 3.3 percent in 2025. This growth is expected to be constrained by several factors, including high borrowing costs, reduced fiscal support, structural challenges, demographic shifts, sluggish productivity growth, the prolonged Russia-Ukraine conflict and rising geopolitical and geo-economic tensions.

For advanced economies, GDP growth was 1.7 percent in 2023 and was anticipated to remain steady at this level in 2024, with a modest increase to 1.9 percent in 2025. This growth will be driven by strong momentum in the United States, bolstered by robust consumption, non-residential investment, improved export performance and strong domestic demand in the euro area.

Emerging markets and developing economies are expected to slow down, with growth projected to decrease from 4.4 percent in 2023 to 4.2 percent in 2024. This slowdown is primarily attributed to ongoing

Directors' Report - Continued

weaknesses in China's real estate sector, low consumer confidence, and the fading of pent-up demand in India that had built up during the pandemic. However, in South Asia, India is predicted to sustain robust GDP growth, exceeding 6.0 percent by 2025. Conversely, Bangladesh's growth forecast has been downgraded due to the continued impact of political unrest.

In Asia and the Pacific, inflation has decreased and remains significantly lower than in other regions. This improvement is mainly due to effective monetary tightening, temporary price controls and subsidies, which have alleviated the impact of commodity price fluctuations. By the end of 2023, inflation in most emerging economies had already in policy targets, and other economies in this region are expected to reach these targets by 2025.

As per data from the Bangladesh Bureau of Statistics (BBS), the point-to-point CPI inflation rate in December 2024 eased to 10.89 percent compared to the previous month in November 2024, which was recorded at 11.38 percent. In December 2023, the point-point inflation was 9.41 percent. 12 Month CPI-based average headline inflation rose to 10.22 percent in November 2024, which was 9.48 percent in December 2023. Food inflation was 12.92 percent in December 2024, which was 0.88 percent lower than 13.80 percent in November 2024. Whereas, the non-food inflation was 9.26 percent in December 2024, which is also 0.13 percent lower than 9.39 percent in November 2024.

The wage earner remittances inflows have surged by 27.60 percent during July to December 2024, as compared to the growth of 2.9 percent during July-December, 2023, aided by various policy support measures like Government cash incentives, accessible agent banking and Mobile Financial Services (MFS).

Whereas, the non-food inflation was 9.26 percent in December, 2024, which was also 0.13 percent lower than 9.39 percent in November, 2024. The wage earner remittances inflows have surged by 27.60 percent during July to December 2024, as compared to the growth of 2.9 percent during July-December 2023, aided by various policy support measures like Government cash incentives, accessible agent banking and Mobile Financial Services (MFS).

At the end of December 2024, the foreign exchange reserve stood at USD 2,140.00 Crore, which was USD 2,187.00 Crore in December, 2023.

Financial Sector Scenario

As the country enters a new era, Bangladesh Bank is seizing the opportunity to implement essential reforms in the financial sector. The interim government is decisively driving significant changes in microeconomic management and taking definitive steps to restore trust in the banking sector. Bangladesh Bank has outlined clear and forward-looking strategies emphasizing its commitment to maintaining low and stable inflation while ensuring sustained economic growth and financial stability.

The Banking sector in Bangladesh has been facing a liquidity crunch since June 2021, which has continued throughout the first half of the FY25. This tight liquidity situation is due to several factors, including sale of foreign exchange in the interbank market by Bangladesh Bank out of its reserves in support of the exchange rate of Taka, slow loan recovery, a high volume of nonperforming loans (NPLs), sluggish deposit growth despite rising and attractive interest rates on deposits, and increased cash holding by the public stemming from a lack of confidence in the banking sector. Additionally, the implementation of a contradictory monetary policy to control Inflation has further limited the liquidity in the banking sector.

In response to the declining liquidity, the Bangladesh Bank has taken several measures to relieve the pressure on the banking sector during the first half of the FY25. These measures include (i) granting unrestricted access to the Standing Lending Facility (SLF) and facilitating full allotment of repo facilities for banks and non-banks, (ii) allowing liquidity-deficient banks to borrow from the inter-bank money market with Bangladesh Bank guarantee, and (iii) providing special liquidity support to certain banks facing operational difficulties.

To further address the structural problems within the banking sector and under take necessary structural reforms, Bangladesh Bank has established three specialized task forces. The first task force is dedicated to

Directors' Report - Continued

implementing comprehensive banking sector reforms, with a strong emphasis on improving governance and risk management practices. The second task force aims to strengthen Bangladesh Bank's capacity and restructure its operations with a view to enforcing the banking regulations and improving compliance. The third task force is focused on recovering stolen assets and managing the non-performing assets of banks by establishing an asset management company.

In the year 2024, the capital market of Bangladesh experienced a tumultuous period characterized by a relentless downtrend, primarily fueled by a decline in investors' confidence. The landscape grew increasingly complex following political upheaval, which prompted sweeping changes within the Bangladesh Securities and Exchange Commission (BSEC). The newly appointed leadership in BSEC has responded with a series of assertive measures, including imposing significant fines on individuals and entities found guilty of capital market misconduct. In addition, they have established multiple investigative committees tasked with uncovering the underlying causes of market instability and identifying those responsible for undermining its integrity. Beyond punitive actions, the BSEC has also formed a specialized Task Force with a focused mission: revitalizing the capital market, restoring investors' trust, and upholding the principles of good governance. This multifaceted approach aims to stabilize the current market conditions and foster a more robust and resilient financial ecosystem that can inspire renewed confidence among investors.

But, during the year 2024, the capital market of Bangladesh underwent notable fluctuations mainly due to economic challenges, including high inflationary exchange rate pressures and economic uncertainties at home and abroad. Most of the investors remain inactive to understand the market as like as previous year.

Dhaka Stock Exchange PLC (DSE) started the year 2024 with 6,246 points in January 2024. Subsequently, the said index decreased gradually and reached 5,328 points on 30 June 2024. The year 2024 ended with the DSE General Index at 5,216 points as of 31 December 2024, which is 16.50% lower than that of 31 December 2023. On the other hand, Chittagong Stock Exchange PLC (CSE) started the year 2024 with 18,523 points General Index, which decreased to 15,066 points in June 2024 and gradually decreased to 14,473 points as of 31 December 2024, which is 21.85% lower than that of the previous year.

Dear Shareholders,

Non-Bank Finance Companies (NBFCs) play a pivotal role in all aspects of the economy, from the Capital Market, Home Loan, Auto Loan, SME Loan, to long-term Industrial Investment to fill the needs of the entrepreneurs, not placing themselves parallel to the Commercial Banks rather complementary to Banks. NBFCs have become an alternative source of financing for many entrepreneurs and an integral part of the Bangladesh financial market over the years. NBFCs have been playing a crucial role by providing additional financial services that cannot usually be provided by banks. The NBFCs, with more multifaceted products and services, have taken their place in the competitive Financial Market to satisfy the changing demands of customers. NBFCs also play an important role in the Capital Market as well as in the Real Estate sector of Bangladesh, like Banks. Most of the NBFCs have separate subsidiaries to operate merchant banking activities. The NBFCs are supervised by the Bangladesh Bank through a risk-based supervisory system. This helps NBFCs to attach thousands of people who are playing vital role in the economy with the help of loans from NBFCs. As regards the development process of Bangladesh, NBFCs have become prominent alongside the Banking Sector due to the proactive role and continuous support of the Bangladesh Bank. Starting from the leasing business, NBFCs have diversified their operations into multiple business lines over the years and expanded to term lending, equity financing and Venture Capital Financing, etc.

The NBFCs have been suffering from a liquidity crunch since the first half of 2018, which has continued to date. Total Loans and Lease Finance of all NBFCs stood at around TK.73,338 crore as on 31 December 2024, as against total deposit liability of TK.44,727 Crore as on the same date.

But still, the industry has a long way to go since NBFCs still do not enjoy the level playing field with Commercial Banks. NBFCs find it difficult to attract deposits even after offering higher interest rates than those of Banks to ease their fund constraints since the depositors have traditionally developed a greater reliance on Banks and

Directors' Report - Continued

Government Deposit Schemes than NBFCs to put their funds. Besides, NBFCs have only term deposit products and continue to have their dependence on Banks for their main source of funds, which also act as competitors to NBFCs, having the advantage of low cost of funds. On the other hand, Commercial Banks offer a similar rate of interest to the NBFIs like other general Customers against their term deposits and credit lines. So, high Cost of funds is a great impediment to the growth of NBFCs. Increasing of non-performing loans (NPLs) is another major challenge besides the liquidity crisis for the country's financial sector. 37.50% Corporate Tax rate is also higher compared to Commercial Banks. To address the NPLs and liquidity stress, Finance Companies urgently need Bangladesh Bank's support in overcoming legal and operational challenges in loan recovery and collections as well as for sustaining the growth of NBFCs.

The weighted average inter-bank Call Money rate was significantly increased to 10.07 percent over a six-month period to December 2024, as against 8.84 percent in December 2023. NBFCs are allowed to collect funds from the inter-bank Call Money Market up to 30% of their Equity only.

Principal Activities of BIFC

Bangladesh Industrial Finance Company Limited (BIFC) could not engage itself in operational activities in the year 2024, even though it was engaged in financing the following sectors of the industry previously:

Lease Finance
Term Finance
Syndicate on Finance
Real Estate Finance
SME Finance

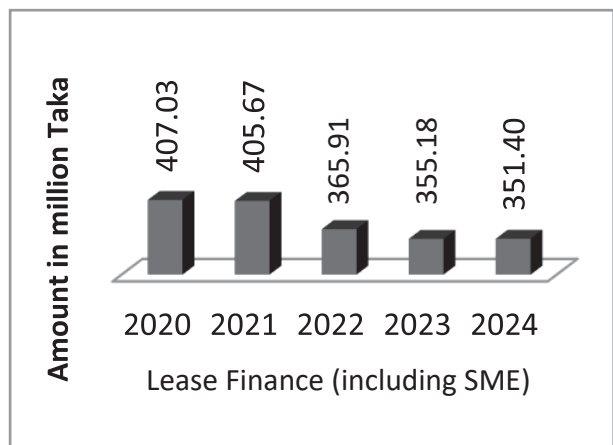
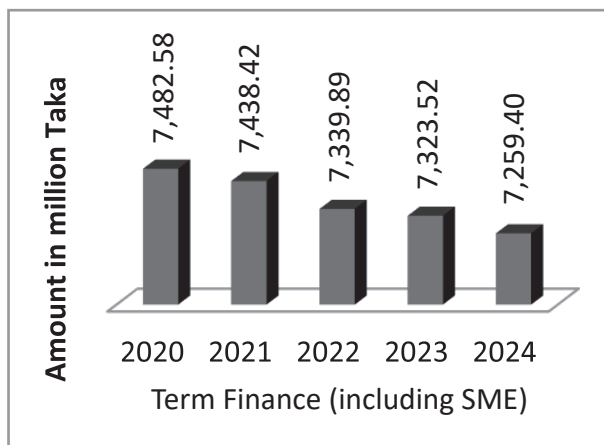
Equity Participation
Work Order Finance
Personal Loan
Term Deposit Mobilization
Transact on in Listed Securities

BIFC's Performance in 2024

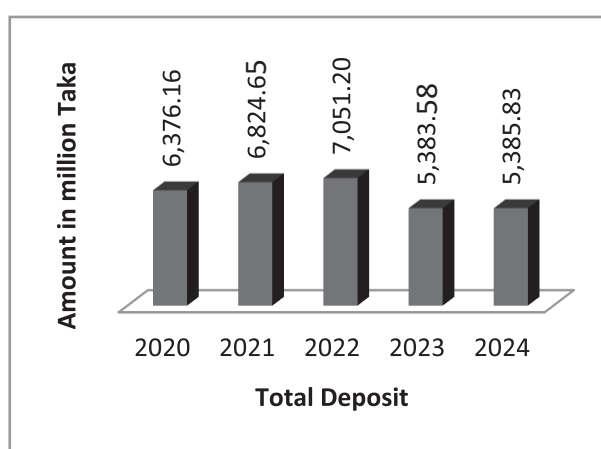
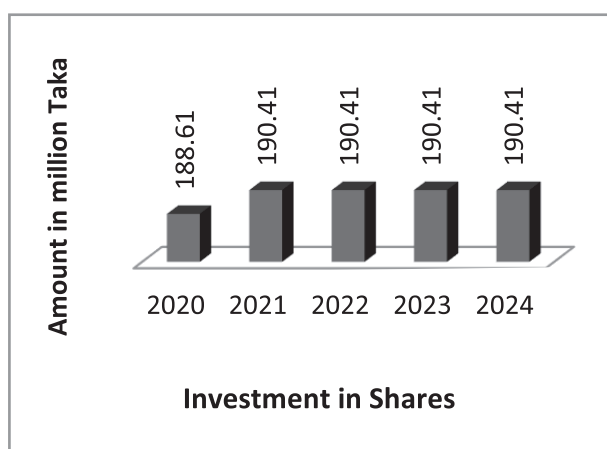
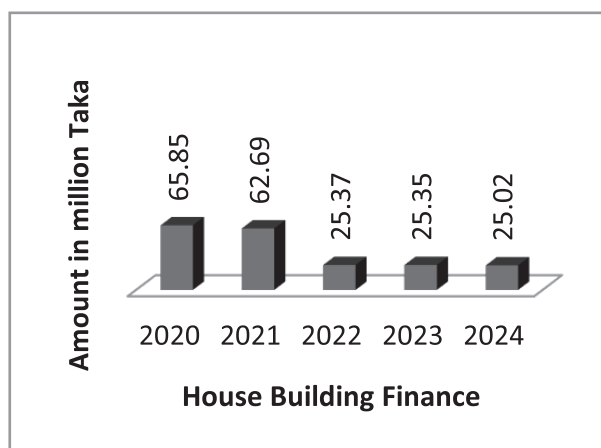
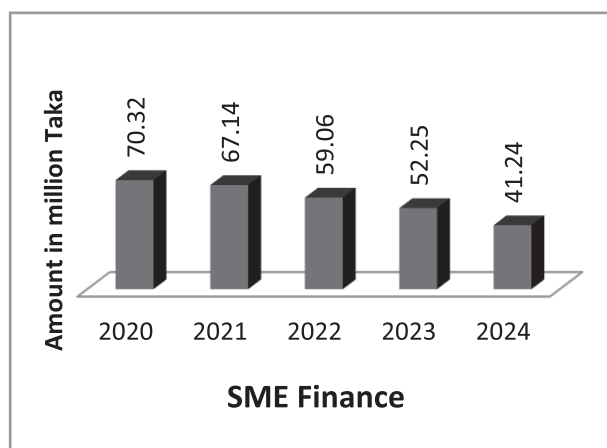
As the majority of the borrowers did not pay any defaulted loan amount during the year 2024, liquidity constraints prevented the Company from making fresh disbursements, debt servicing and repayments. However, all-out efforts were made to run the Company by mobilizing deposits and recovering non-performing loans.

Portfolio Status

Graphical presentations of portfolio status as of the reporting date (year-end) of the previous 5 years are depicted below. It may be mentioned here that even though no fresh disbursement was made during the year 2024, the outstanding amount increased due to interest charges and decreased due to collections.



Directors' Report - Continued



Deposit Mobilization

BIFC collects deposits from the surplus units of the society in different forms. The deposit scheme of BIFC includes monthly/quarterly/half-yearly/yearly income schemes, double money scheme, monthly savings scheme (MSS), etc. The deposit base of the company stood at Tk. 5,385.83 million as on 31 December, 2024 compare to Tk. 5,383.58 million of the previous year, increased 0.04 percent due to capitalization of interest.

Geographical Segmentation

BIFC provides services to its customers through its four Branches located at Gulshan, Uttara (Dhaka), Narayanganj and Chattogram.

Financial Performances of BIFC

The company's before and after tax profit/(loss) for the year 2024 were BDT (670.28) million and BDT (670.90) million respectively compared to BDT (569.07) million and BDT (569.40) million respectively in the previous year.

The financial position of BIFC is summarized as under:

	31.12.2024	31.12.2023
Operational Income	(675,539,462)	(482,558,632)
Operational Expenses	57,651,176	58,192,564
Profit/(Loss) before provision	(733,190,638)	(540,751,196)
Provision for loans, advances, leases & Investments	(62,906,937)	28,315,483

Directors' Report - Continued

Profit before Tax	(670,283,701)	(569,066,679)
Provision for Income Tax	619,007	329,853
Profit after Tax	(670,902,708)	(569,396,532)
Retained earnings from previous years (Restated)	(13,583,580,130)	(13,014,183,603)
Dividend for last year	-	-
Statutory Reserve	154,713,730	154,713,730
General Reserve	10,364,681	10,364,681
Profit available for common stockholders	(14,254,482,838)	(13,583,580,135)
Directors recommended for appropriation:	-	-
Proposed Dividend	-	-
Retained Earnings	(14,254,482,838)	(13,583,580,135)
Earnings per share	(6.66)	(5.66)

Sources of Fund

BIFC utilized the previously raised/collected funds and did not borrow any money under any credit line during the year 2024.

Dividend

The Company incurred a loss, and the total equity of the company was negative in the year 2024 and as such, the Board of Directors recommended 'No Dividend'. No cash or bonus share dividend was declared as an interim dividend during the year 2024.

Risk Management

BIFC has different committees for risk management. Credit Committee and Asset & Liability Management Committee (ALCO), consisting of BIFC's senior management, regularly appraise issues relating to market, credit, and liquidity so as to identify and execute appropriate measures to address and mitigate associated risks. BIFC has an approved Asset Liability Management (ALM) Policy. The Credit Risk Management (CRM) department independently examines projects from a risk-weighted point of view and assists the relevant departments in setting business development priorities in line with BIFC's risk appetite, while rationalizing the risk-return trade-off derived from the related risk exposure. The CRM team clearly points out exceptionally high-risk sectors and illegal lending types that the company does not entertain under any environmental, social or ethical considerations of such projects.

At the individual exposure level, a credit risk grading is used to encourage the safety and soundness of the company by making informed decisions. At the portfolio level, the company follows the quality of the loan by analyzing risk transfer and trends in the non-performing ratios of different lending portfolios on a regular basis. Such indicators prompt timely decisions by the relevant risk management committees in preserving the quality of the loans and advances. BIFC's Credit Administration Department (CAD) and Internal Control and Compliance (ICC) Department are responsible for assessing operational risk across the company as a whole, ensuring an appropriate framework to identify and manage operational risks.

Internal Control

The internal control system is designed to manage rather than eliminate the risk of achieving business objectives. Internal control aims at providing reasonable and not absolute assurance against material misstatements or loss. The internal audit department of the company as well as the board reviews the internal control system and its effectiveness. There are policies and procedures in place to ensure compliance with internal control and the prescribed laws and regulations. These policies and procedures are updated from time to time in tandem with changes to the business environment or regulatory guidelines.

Directors' Report - Continued

Corporate Governance

The Board of Directors of BIFC has adopted effective Corporate Governance practices as one of its priorities to conduct its business and operational activities. When conducting the Company's business activities, all efforts of BIFC are to ensure adequate protection of its shareholders and other stakeholders at all times.

Dear Shareholders,

During the period from January 01, 2023, to November 14, 2023, Mr. Justice (Retd.) Moyeenul Islam Chowdhury was the Court-appointed Chairman and Independent Director of Bangladesh Industrial Finance Company Limited as per the Order dated December 17, 2020, passed by the Hon'ble High Court Division of the Supreme Court of Bangladesh in the Company Matter No. 32/2020. Therefore, the undersigned has been nominated as Director representative of foreign shareholder of the company, Merrill & Forbes Inc. and elected as the Chairman of the Company in the 227th Board Meeting of the Company held on November 15, 2023 and approved the same by Bangladesh Bank on January 03, 2024.

Directors

It is to be noted that as per the Order Nos. 8 & 12 dated December 17, 2020 and September 27, 2021 respectively passed by the Hon'ble High Court Division of the Supreme Court of Bangladesh in the Company Matter No. 32 of 2020, the Board of Directors of BIFC was reconstituted. The incumbent Court-appointed interim Board handed over the charge to new Directors elected in the 26th Annual General Meeting of the Company held on November 15, 2023 which was approved by Bangladesh Bank on January 03, 2024, pursuant to the Order dated 31.08.2023 passed by the Hon'ble High Court Division of the Supreme Court of Bangladesh in Company Matter No. 32 of 2020. Accordingly, on December 31, 2023 the members of the Board of Directors of BIFC was as follows:

Sl.	Name	Designation
1.	Mr. Ikteder Ahmed	Nominated Director of Merrill & Forbes Inc.
2.	Mr. Mahmudul Hasan	Nominated Director of Five Continents Credit Ltd.
3.	Mr. M Nazrul Islam	Independent Director
4.	Mr. Ansar Uddin Ahmed	Independent Director
5.	Mr. Shafique-Ul-Azam	Independent Director
6.	Mr. Md. Anwar Hossain, FCA	Independent Director
7.	Professor Md. Musfiqur Rahman, PhD, FCMA	Independent Director
8.	Mr. Mohammad Ariful Islam	Independent Director

Kindly note that at present the 29th AGM of the company for the 2024 is pending.

Further to be noted that the present members of the Board of Directors of BIFC are as follows:

Sl.	Name	Designation
1.	Mr. Ikteder Ahmed	Nominated Director of Merrill & Forbes Inc.
2.	Mr. Mahmudul Hasan	Nominated Director of Five Continents Credit Ltd.
3.	Mr. Ansar Uddin Ahmed	Independent Director
4.	Mr. Shafique-Ul-Azam	Independent Director

Appointment of Independent Director

Mr. Md. Anwar Hossain, FCA, resigned from the office of the Independent Director of BIFC. In compliance with Bangladesh Securities and Exchange Commission's (BSEC) notification relating to "Corporate Governance" the Board of Directors appointed Mr. Md. Abdul Wadud, FCA, as Independent Director in place of Mr. Anwar Hossain, FCA to fill in the casual vacancy so occurred. Approval for appointment of the above independent Director is sought in this 29th Annual General Meeting (AGM).

Resignation of Directors

The following Directors resigned from the Board of Directors of BIFC in the year 2024:

1. Mr. Mohammad Ariful Islam, Independent Director in the 231st Board Meeting Held on July 01, 2024, of BIFC;
2. Mr. Md. Anwar Hossain, FCA, Independent Director in the 232nd Meeting Held on August 25, 2024 of BIFC;
3. Professor Md. Musfiqur Rahman, PhD, FCMA, Independent Director in the 243rd Meeting held on December 10, 2025; and
4. Mr. Md. Abdul Wadud, FCA, Independent Director in the 243rd Meeting held on December 10, 2025.

Directors' Report - Continued

Election/re-election of Directors

In terms of Article 114 and 115 of the Articles of Association of the company, the Director Mr. Mahmudul Hasan, nominee of Five Continents Credit Ltd., Hongkong who is due to retire by rotation in the 29th Annual General Meeting and being eligible has offered himself for re-election. Accordingly, it is recommended that, the above Director be re-elected in the 29th Annual General Meeting of the company.

Statement of Directors on Financial Reports

- a) The financial statements together with the notes thereon have been drawn up in conformity with the Companies Act, 1994 and the Securities and Exchange Rules, 1987. These statements fairly present the Company's statement of affairs, the result of its operation, cash flow and statement of changes in equity.
- b) Proper books of accounts of the Company have been maintained.
- c) Appropriate Accounting Policies have been consistently applied in preparation of the financial statements, except those referred to in the financial statements and the accounting estimates are based on reasonable and prudent judgment.
- d) The presentation of Financial Statements has been made in accordance with the Bangladesh Bank DFIM circular No.11 dated December 23, 2009.
- e) International Accounting Standards (IAS), Bangladesh Accounting Standard (BAS), International Financial Reporting Standards (IFRS) as applicable in Bangladesh, have been followed in the preparation of the financial statements and any departure there from has been adequately disclosed in note 2.1 of the financial statements.
- f) The Internal Control System is sound in design and has been effectively implemented and monitored.
- g) Directors have felt that it is appropriate to adopt the going concern assumption in preparing the financial statements for the year 2024.
- h) There is no significant deviation from the operating result of the last year.
- i) No dividend has been recommended by the Board of Directors of the Company as an interim dividend.

Audit Information

The Directors who have held office at the date of this Directors' report confirm, so far as the Directors are aware, that:

- There is no relevant audit information of which the Company's auditors are unaware; and
- The Directors have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant information and to establish that the Company's auditors are aware of that information.

Statutory Auditors

The auditors of the Company, Ahsan Manzur & Co., Chartered Accountants, completed the audit of the financial statements for the year ended on December 31, 2024. They completed a consecutive two-year audit successfully. As per the stipulation of FID Circular No. 03, dated March 02, 1999, they are eligible for re-appointment. They have expressed their willingness to be appointed as the Auditor of the company. Accordingly the Board of Directors of BIFC appointed Ahsan Manzur & Co., Chartered Accountants as the auditor of the company for the year 2025, subsequently the same was approved by Bangladesh Bank.

Compliance Auditor

As per the Corporate Governance Code of Bangladesh Securities and Exchange Commission dated June 3, 2018, a professional is required to be appointed for certifying compliance with the Corporate Governance Code by the shareholders for the year 2025 in the Annual General Meeting. The Board of Directors recommended the appointment of FAMES & R, Chartered Accountants as the Compliance Auditor for the year 2025. The matter will be placed before the shareholders in the 29th Annual General Meeting for approval.

Directors' Report - Continued

Board Meeting and Attendance

During the year, 8 Board Meetings were held. The attendance of the Directors is shown in Annexure I.

Shareholding Pattern

The shareholding pattern as per clause 1.5 (xxiii) of the BSE2C Notification No. BSEC/CMRRCD/2006-158/207/admin/80 dated June 3, 2018, is shown in Annexure-II.

Key Operating and Financial Data

The summarized key operating and financial data of the Company for the last five years are shown in Annexure-III.

Related Party Transactions

Disclosure of all related party transactions, including the basis for such transactions, has been provided in Note 46.3 at page 111 & 112 of this Annual Report.

Declaration and Certification of Managing Director and Chief Financial Officer

Pursuant to clause 1.5 (xxvi) of BSEC Notification No. BSEC/CMRRCD/2006-158/207/admin/80 dated June 3, 2018, the Declaration and Certification of Managing Director (Current Charge) and Chief Financial Officer is provided in Annexure-IV.

Brief resume of the Directors who will seek re-appointment/approval in the AGM

Brief resume of the Directors as per clause 1.5 (xxiv) of the BSEC Notification No. BSEC/CMRRCD/2006-158/207/admin/80 dated June 3, 2018 and BSEC Notification No. BSEC/CMRRCD/2009-193/3/Admin/104 dated February 5, 2020 are provided in page no. 10-11 of this Annual Report.

The shareholders may elect/re-elect the directors of the company in the 29th Annual General Meeting.

Report on the Activities of the Audit Committee

Pursuant to clause 5.7 of the BSEC Notification No. BSEC/CMRRCD/2006-158/207/admin/80 dated June 3, 2018, we attach herewith the Company's compliance status shown in annexure-V.

Certification on Compliance of Corporate Governance Code

Certificate from a professional on compliance with the conditions as per clause 9(1) of the Corporate Governance Code is shown in annexure-VI.

Dear Shareholders

The Board of Directors sincerely acknowledges the support of all stakeholders, whose satisfaction remains central to BIFC's activities. The invaluable cooperation received from our clients, Bangladesh Bank, Banks and Financial Institutions, Bangladesh Securities and Exchange Commission, Dhaka Stock Exchange PLC, Chittagong Stock Exchange PLC, the National Board of Revenue, the Registrar of Joint Stock Companies and Firms, and other concerned agencies has not only facilitated our operations but also enabled the continuation of BIFC's day-to-day activities during an unprecedentedly challenging period. We deeply appreciate everyone's cooperation, support and guidance.



Ikhtedar Ahmed

Chairman
Bangladesh Industrial Finance Co. Ltd.
Former Senior District Judge &
The Registrar General of the Supreme Court of Bangladesh

Data source:

1. World Economic Outlook, 2024.
2. Asian Development Bank, Asian Development Outlook 2024
3. Bangladesh Bank Annual Report 2023-2024.

Annexure-‘I’

Directors’ Attendance in the Board of Directors Meeting during the year 2024

Name of Directors	Nominated by	Number of meetings held	Number of meetings attended	%
Mr. Ikteder Ahmed, Chairman	Nominated Director of Merill & Forbes Inc.	08	08	100%
Mr. Mahmudul Hasan	Nominated Director of Five Continents Credit Limited	08	06	75%
Mr. M. Nazrul Islam	Independent Director	08	08	100%
Mr. Ansar Uddin Ahmed	Independent Director	08	06	75%
Mr. Shafique-ul-Azam	Independent Director	08	08	100%
Mr. Md. Musfiqur Rahman, PHD, FCMA	Independent Director	08	08	100%
Mr. Anwar Hossain, FCA	Independent Director	08	04	50%
Mr. Mohammad Ariful Islam	Independent Director	08	04	50%
Mr. Md. Abdul Wadud, FCA	Independent Director	01	01	100%

Pattern of Shareholding

Sl.	Shareholders	Position	No. of Shares	%
	Parent/Subsidiary/Associate Companies	N/A	N/A	N/A
ii)	Director/Sponsor/Top Executive			
1	Five Continents Credit Limited, Hongkong	Sponsor & Director	19,519,318	19.39
2	Mr. A.N.M. Jahangir Alam	Sponsor	2,028,633	2.01
3	Mr. Mohiuddin Ahmed	Sponsor	1,875,789	1.86
4	Mr. Rais Uddin Ahmed	Sponsor	1,276,333	1.27
5	Mr. Abdul Aziz Khan	Sponsor	1,226,326	1.22
6	Merrill & Forbes Inc., USA	Director	12,685,266	12.60
7	Mr. Ikteder Ahmed	Nominated Director of Merrill & Forbes Inc., USA	Nil	Nil
8	Mr. Mahmudul Hasan	Nominated Director of Five Continents Credit Ltd.	Nil	Nil
9	Mr. M Nazrul Islam	Independent Director	Nil	Nil
10	Mr. Ansar Uddin Ahmed	Independent Director	Nil	Nil
11	Mr. Shafique-Ul-Azam	Independent Director	Nil	Nil
12	Professor Md. Musfiqur Rahman, PhD, FCMA	Independent Director	Nil	Nil
13	Mr. Md. Anwarullah Sadeq & his spouse & minor child	Managing Director (Current Charge)	Nil	Nil
14	Mr. Mohiuddin Ahmed & his spouse & minor child	Chief Financial Officer	Nil	Nil
15	Mr. Anisur Rahaman & his spouse & minor child	Company Secretary	Nil	Nil
16	Mr. Md. Shahriar Kobir & his spouse & minor child	Head of ICC	Nil	Nil
Sub Total:			38,611,665	38.35
iii)	Executives			
1	Mr. Muradur Rahman	SPO, In Charge of Chattogram Branch	Nil	Nil
2	Mr. Md. Zahidul Islam	SPO, In Charge, SAM and Uttara Branch	Nil	Nil
3	Mr. Md. Zulfikar Ali	SPO, In-charge HR & Administration	Nil	Nil
4	Ms. Homaira Sharafat Nezaad	SPO, Head of Treasury & Liability	Nil	Nil
iv)	Shareholding 10% or more voting right			
1	Tees Mart Inc., USA	Institution	18,135,256	18.01
v)	Others		43,933,023	43.64
Total :			100,679,944	100.00

FINANCIAL HIGHLIGHTS

Particulars	2020	2021	2022	2023	2024
A. Balance sheet					
Shareholders' equity	(10,306,626,579)	(10,756,122,297)	(11,519,546,621)	(12,025,876,255)	(12,696,778,958)
Paid up capital	1,006,799,440	1,006,799,440	1,006,799,440	1,006,799,440	1,006,799,440
Share money deposit	362	362	362	362	362
Other reserve & surplus	(11,313,426,381)	(11,762,922,099)	(12,526,346,423)	(13,032,676,057)	(13,703,578,760)
Total liability	19,359,528,381	19,794,430,035	20,442,034,702	20,840,801,547	21,383,249,378
Long term borrowings	3,140,032,332	3,436,826,929	3,713,720,368	3,713,536,156	3,703,747,111
Term deposit	6,376,155,007	6,824,646,977	7,051,203,915	5,383,582,976	5,385,834,627
Other deposit	7,815,585	7,815,585	7,762,044	7,577,940	1,228,812
Money at call and short notice	140,000,000	140,000,000	140,000,000	140,000,000	140,000,000
Other liabilities	9,695,525,457	9,385,140,544	9,529,348,375	11,596,104,475	12,152,438,828
Total liabilities & equity	9,052,901,802	9,038,307,738	8,922,488,081	8,814,925,292	8,686,470,420
Total assets	9,052,901,802	9,038,307,738	8,922,488,081	8,814,925,292	8,686,470,420
Lease finance	407,028,373	405,676,443	365,914,725	355,157,454	351,403,414
Term finance	7,548,426,720	7,501,114,813	7,365,260,825	7,348,870,288	7,284,427,462
Investment in share	188,605,790	190,411,213	190,411,213	190,411,213	190,413,132
Investment in FDR	-	-	-	-	-
Other assets	908,840,919	941,105,269	1,000,901,318	920,486,337	860,226,412
B. Income statement					
Operating revenue	84,768,642	39,177,137	83,042,839	11,065,424	104,425,070
Non operating revenue	-	-	-	-	-
Financial expenses	864,481,915	890,684,808	795,473,568	493,624,056	779,964,532
Depreciation on fixed assets	2,625,551	2,249,952	1,931,983	1,662,255	1,432,964
General and administrative expenses	44,650,468	47,283,785	51,326,502	51,878,661	51,303,468
Other operational expenses	5,173,126	4,925,697	5,201,689	4,651,648	4,914,744
Operational Profit	(832,162,418)	(905,967,105)	(770,890,903)	(540,751,196)	(733,190,638)
Provision for loans, advances, leases and investments	(17,411,901)	78,844,550	(7,964,836)	28,315,483	(62,906,937)
Profit before tax	(814,750,517)	(984,811,655)	(762,926,067)	(569,066,679)	(670,283,701)
Income tax	508,612	235,038	498,257	329,853	619,007
Net profit after tax	(815,259,129)	(985,046,693)	(763,424,324)	(569,396,532)	(670,902,708)
C. Business performance					
Lease & loan contracts (Taka in million)	3.85	0.17	0.60	9.25	2.1
Growth (%)	(89)	(96)	253	1442	(77)
Number of lease & loans	15	2	1	20	3
Lease & loan execution (Taka in million)	3.85	0.17	0.60	9.25	2.1
Growth (%)	(89)	(96)	253	1442	(77)
Number of leases & loans	15	2	1	20	3
D. Financial ratios					
Current ratio (in times)	0.29	0.34	0.10	0.32	(0.27)
Debt equity ratio (in times)	(1.88)	(1.84)	(0.947)	(1.73)	(0.73)
Profit margin before tax (%)	(1,014.82)	(2788.85)	(918.71)	(51.43)	(6.42)
Financial expenses coverage ratio (in times)	(0.94)	(1.14)	(0.959)	(1.15)	(0.86)
Return on equity (%) (after tax)	(80.98)	(97.84)	6.63	0.05	0.05
Earnings per share (in Tk.) (Restated)	(8.10)	(9.78)	(7.58)	(5.66)	(6.66)
Dividend					
Cash (%)	Nil	Nil	Nil	Nil	Nil
Stock (%)	Nil	Nil	Nil	Nil	Nil

Declaration by Managing Director and Chief Financial Officer

February 04, 2026

The Board of Directors

Bangladesh Industrial Finance Company Limited (BIFC)
Police Plaza Concord (Tower-2), Level-8
Gulshan-1, Dhaka-1212.

Subject: Certificate on Financial Statements for the year ended on December 31, 2024.**Dear Sirs,**

Pursuant to the condition No. 1(5)(xxvi) imposed vide the Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80, dated June 3, 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

1. The Financial Statements of Bangladesh Industrial Finance Company Ltd. for the year ended on December 31, 2024 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh and any departure there from has been adequately disclosed;
2. The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
3. The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
4. To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
5. Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
6. The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that:

- i) We have reviewed the financial statements for the year ended on December 31, 2024 and that to the best of our knowledge and belief:
 - a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b) these statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- ii) There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the Company's Board of Directors or its members.

Sincerely yours,



Md. Anwarullah Sadeq
Managing Director (C.C)



Mohiuddin Ahmed
Chief Financial Officer

Report on the activities of the Audit Committee

Role of Audit Committee

The Audit Committee (hereinafter referred to as “the Committee”), on behalf of the Board of Directors, strives to ensure the effective implementation of the processes outlined in the Company’s Business Plan and Policies. The primary role of the Committee is to monitor and review the effectiveness of the internal control system.

The Committee is also responsible for ensuring the integrity of the financial statements, so that they present a true and fair view of the Company’s State of Affairs. In addition, it reviews and where appropriate, makes recommendations to the Board regarding business risks, internal controls, and compliance matters.

The Committee satisfies itself through appropriate steps and access to relevant information that proper and satisfactory internal control systems are in place, enabling identification and management of risks and ensuring that the Company’s business is conducted in a sound and prudent manner.

Purpose of the Committee

The Committee is a sub-committee formed by the Board of Directors of the Company to oversee internal controls and organizational effectiveness. Its Terms of Reference are defined by the Board. The primary purpose of the Committee is to assist the Board in the following matters:

- Evaluate the performance of the Company’s internal control functions;
- Ensure compliance with all legal and regulatory requirements;
- Provide recommendations on reporting, control and compliance matters;
- Offer independent monitoring and guidance and when necessary, direct executive management decisions;
- Conduct independent reviews to ensure control over financial reporting and other operational matters; and
- Assess whether the financial statements present a true and fair view of the Company’s affairs and are prepared in accordance with regulatory guidelines.

Structure of the Committee:

As per DFIM Circular no.01, dated 29th February 2024 and BSEC notification no. BSEC/CMRRC/2006-158/ 207/Admin/80, dated June 03, 2018, the Audit Committee of the Board of Directors of BIFC has been formed consisting of following:

Name	Status in the Company	Status in the Committee
Mr. Ansar Uddin Ahmed	Independent Director	Chairman
Mr. Shafique -Ul-Azam	Independent Director	Member
Mr. Mahmudul Hasan	Nominated Director	Member

The Company Secretary acts as the Secretary of the committee.

Terms of Reference

The Terms of Reference of the Committee clearly define its roles and responsibilities. These Terms of Reference are periodically reviewed and revised with the concurrence of the Board of Directors. The Committee is accountable to, and reports directly to, the Board of Directors.

The roles and functions of the Committee are further governed by the rules specified under the ‘Conditions on Corporate Governance’ issued by the Bangladesh Securities and Exchange Commission (BSEC), as well as the relevant guidelines issued by Bangladesh Bank.

Scope of work

The Committee is authorized to monitor and review the effectiveness of the Company’s internal audit and compliance function in the context of the Company’s overall risk management system. The Committee performs its activities within the Terms of Reference of the Committee and is empowered to seek information from any Director or employee of the Company from time to time as it thinks fit. The Committee presents a summary of its activities to shareholders and other interested parties by means of this report Duties and Responsibilities. The Duties and Responsibilities of the Committee are:

Review of Financial Statements

The Committee is authorized to monitor and review the effectiveness of the Company’s internal audit and compliance functions within the context of the Company’s overall risk management framework. The Committee conducts its activities in accordance with its Terms of Reference and is empowered to seek information from any Director or employee of the Company as it deems necessary.

The Committee presents a summary of its activities to shareholders and other interested parties.

Internal Audit & Compliance

The Committee reviews the Internal Audit & Compliance plans to ensure the adequacy, consistency and coverage of the Company's risk management framework. In particular, the Committee oversees the following activities:

- Review and ensure that the Internal Audit & Compliance Department possesses the necessary competency and qualifications to fulfill its mandate.
- Examine status reports from the Internal Audit & Compliance Department and confirm that appropriate actions have been taken to implement its recommendations.
- Recommend broader reviews when deemed necessary based on issues identified during audits or compliance checks.
- Request and review special audits whenever required to address specific concerns or risks.

External Audit

Ahsan Manzur & Co. Chartered Accountants, a partnership firm registered in Bangladesh was responsible as External Auditor to the company for the year 2024. The External Auditors are not engaged by the company on any material non-audit work such as:

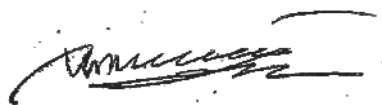
- Appraisal or valuation services or fairness opinions;
- Financial information systems design and implementation;
- Book-keeping or other services related to the accounting records or financial statements;
- Broker/dealer services;
- Actuarial services;
- Internal audit services; and
- Any other services that the audit committee determines.

No partner or employees of external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company.

Principal activities of audit committee were as follows

- Reviewed the company's draft financial statements for the year ended on December 31, 2024;
- Recommended and advised the Board on appointment of external auditor for the year 2024 and their audit fee;
- Recommended and advised the Board on appointment of Compliance Auditor for the year 2024 and their audit fee;
- Analyzed and reviewed the periodic reports on internal control and compliance reported by the internal auditor;
- Analyzed and reviewed the risk assessment report on clients and credit risk administration evaluation report;
- Reviewed the report on pending legal cases filed against the defaulting clients and recommended further courses of action;
- Analyzed and reviewed the periodic financial statements including Quarterly Financial Statements;
- Reviewed the management report of the external auditors and scrutinized the management responses and courses of action adopted;
- Reviewed Bangladesh Bank Inspection Report on the inspection along with company's reply and recommended required compliance by the management to the observations made in this report.

Based on the above deliberations and reviews, the Board Audit Committee is of the opinion that the Company's internal control and compliance procedures are adequate to ensure a true and fair view of the Company's activities and financial position, while effectively safeguarding its interests.



Chairman Audit Committee

Report to the Shareholders of Bangladesh Industrial Finance Company Limited

on

Compliance with the Corporate Governance Code

We have examined the compliance status to the Corporate Governance Code of Bangladesh Industrial Finance Company Limited for the year ended 31st December 2024.

This Code relates to the Notification No. BSEC/CMMRRCD/2006-158/207/Admin/80 dated: 3 June 2018 of the Bangladesh Securities and Exchange Commission.

Such compliance with the Corporate Governance Code is the responsibility of the Company. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of the Corporate Governance Code.

This is a scrutiny and verification and independent audit on compliance of the condition of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by Institute of Chartered Secretariats of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of the Corporate Governance Code.

We state that we have obtained all the information and explanations which is required and after due scrutiny and verification thereof, we report that in our opinion:

- a) The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above-mentioned Corporate Governance Code issued by the Commission; except condition no. 06 which could not be complied with due to Primary Regulation's circular as referred to and explained by the Company as stated in Annexure-C
- b) The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;
- c) Proper books and records have been kept by the company as required under the Companies Act,1994, the securities laws and other relevant laws; and
- d) The Governance of the company is satisfactory except as stated in the remarks column in the Corporate Governance Code check list.

However, this report is not endorsement of the quality of content in the Annual Report of the Company for the year ended 31st December, 2024.



Partner
FAMES & R
Chartered Accountants

Dated: March 05, 2026

Place: Dhaka

Corporate Governance Compliance Report
Status of compliance with the conditions imposed
By Bangladesh Securities and Exchange Commission's Notification No.
BSEC/CMRRCD/2006-158/207/Admin/80, dated 3 June 2018 issued under section 2CC of the
Securities and Exchange Ordinance, 1969 (XVII of 1969)
(Report under Condition No. 9.00) is presented below:

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1.0	Board of Directors			
1(1)	The total number of members of a company's Board of Directors (hereinafter referred to as "Board") shall not be less than 5 (five) and more than 20 (twenty).	✓		The Board of Directors of Bangladesh Industrial Finance Company Limited is comprised of 07 (Seven) Directors as per 235 th board of directors meeting.
1.2	Independent Directors			
1.2(a)	All companies shall have effective representation of independent directors on their Boards, so that the Board, as a group, includes core competencies considered relevant in the context of each company; for this purpose, the companies shall comply with the following-At least 2 (two) directors or one-fifth (1/5) of the total number of directors in the company's Board, whichever is higher, shall be independent directors; any fraction shall be considered to the next integer or whole number for calculating number of independent director(s);	✓		There are 05 (Five) Independent Directors in the Board of Bangladesh Industrial Finance Company Limited as on 31 st December 2024.
1(2)(b)	Without contravention of any provision of any other laws, for the purpose of this clause an "independent director (ID)" means a director-			
1(2)(b)(i)	Who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company	✓		
1(2)(b)(ii)	Who is not a sponsor of the company or is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent	✓		

Status of Compliance with the Corporate Governance Code - Continued

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
	(1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the company: Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members			
1(2)(b)(iii)	Who has not been an executive of the company in immediately preceding 2 (two) financial years	✓		
1(2)(b)(iv)	Who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies	✓		
1(2)(b)(v)	Who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange	✓		
1(2)(b)(vi)	Who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market	✓		
(2)(b)(vii)	Who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code	✓		
1(2)(b) (viii)	Who is not independent director in more than 5 (five) listed companies	✓		
1(2)(b)(ix)	Who has not been reported as a defaulter in the latest Credit Information Bureau (CBI) report of Bangladesh Bank for non-payment of any loan or advance or obligation to a bank or a financial institution: and"	✓		
1(2)(b)(x)	Who has not been convicted for a criminal offence involving moral turpitude;	✓		
1(2)(c)	The independent director(s) shall be appointed by the Board and	✓		The total number of independent director(s)

Status of Compliance with the Corporate Governance Code - Continued

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
	approved by the shareholders in the Annual General Meeting (AGM): Provided that the Board shall appoint the independent director, subject to prior consent of the Commission, after due consideration of recommendation of the Nomination and Remuneration Committee (NRC) of the company;			(ID) are Five (5), out of which 1 (one) ID has been appointed by 233 th board of directors meeting and approved by Bangladesh Bank.
1(2)(d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days; and	✓		
1(2)(e)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) tenure only: Provided that a former independent director may be considered for reappointment for another tenure after a time gap of one tenure, i.e., three years from his or her completion of consecutive two tenures [i.e. six years]: Provided further that the independent director shall not be subject to retirement by rotation as per the Companies Act, 1994). Explanation: For the purpose of counting tenure or term of independent director, any partial term of tenure shall be deemed to be a full tenure.	✓		
1.3	Qualification of Independent Director			
1(3)(a)	Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to the business;	✓		
1(3)(b)	Independent director shall have following qualifications:			
1(3)(b)(i)	Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk. 100.00 million or any			No appointment was made under this category.

Status of Compliance with the Corporate Governance Code - Continued

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
	listed company or a member of any national or international chamber of commerce or registered business association; or			
1(3)(b)(ii)	Corporate Leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid-up capital of Tk. 100.00 million or of a listed company; or	✓		
1(3)(b)(iii)	Former or existing official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or Law: Provided that in case of appointment of existing official as independent director, it requires clearance from the organization where he or she is in service; or”	✓		
1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law:	✓		
1(3)(b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification;	✓		
1(3)(c)	The independent director shall have at least 10 (ten) years of	✓		

Status of Compliance with the Corporate Governance Code - Continued

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
	experiences in any field mentioned in clause (b)			
1(3)(d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission			No such instance was noted during the year.
1.4	Duality of chairperson of the Board of directors and Managing Director or chief Executive Officer:			
1(4)(a)	The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals;	✓		
1(4)(b)	The Managing Director (MD) and/or Chief Executive Officer(CEO) of a listed company shall not hold the same position in another listed company;	✓		
1(4)(c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company;	✓		
1(4)(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer;	✓		
1(4)(e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.			No such matter arose during the year.
1.5	The Directors' Report to Shareholders			
1(5)(i)	An industry outlook and possible future developments in the industry;	✓		
1(5)(ii)	The segment-wise or product-wise performance;	✓		
1(5)(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	✓		

Status of Compliance with the Corporate Governance Code - Continued

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(5)(iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable;			The business is related with interest income, operating expenses and net profit.
1(5)(v)	A discussion on continuity of any extraordinary activities and their implications (gain or loss);			No such matter arose during the year.
1(5)(vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	✓		
1(5)(vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments;			Not Applicable
1(5)(viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing, etc.;			Not Applicable
1(5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements;	✓		
1(5)(x)	A statement of remuneration paid to the directors including independent directors;	✓		
1(5)(xi)	A statement that the financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;	✓		
1(5)(xii)	A statement that proper books of account of the issuer company have been maintained;	✓		
1(5)(xiii)	A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;			As per the auditor's report, except for qualified points no. 04 & 08, appropriate accounting policies have been applied in the preparation of the financial statements and that the accounting

Status of Compliance with the Corporate Governance Code - Continued

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
				estimates are based on reasonable and prudent judgment.
1(5)(xiv)	A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed;			As per the auditor's report, except for qualified points no. 04 & 08, International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed.
1(5)(xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored;	✓		
1(5)(xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;	✓		
1(5)(xvii)	A statement that there is no significant doubt upon the issuer company's ability to continue as a going concern, if the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed;			Although the issuer company believes there are no significant concerns regarding its ability to operate as a going concern, the auditor's report expresses a qualified opinion about the financial statements of the company. Further the balance of total shareholders equity is negative.
1(5)(xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and	✓		

Status of Compliance with the Corporate Governance Code - Continued

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
	the reasons thereof shall be explained;			
1(5)(xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized;	✓		
1(5)(xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year;	✓		
1(5)(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;	✓		
1(5)(xxii)	The total number of Board meetings held during the year and attendance by each director;	✓		08 Board Meetings were held during the year.
1(5)(xxiii)	A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:			
1(5)(xxiii)(a)	Parent or Subsidiary or Associated companies and other related parties (name-wise details)			Not Applicable
1(5)(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name-wise details);	✓		
1(5)(xxiii)(c)	Executives; and	✓		
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details);	✓		
1(5)(xxiv)	In case of the appointment or reappointment of a director, a disclosure on the following information to the shareholders:			
1(5)(xxiv)(a)	A brief resume of the director;	✓		
1(5)(xxiv)(b)	Nature of his or her expertise in specific functional areas; and	✓		
1(5)(xxiv)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the Board;	✓		
1(5)(xxv)	A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on:			
1(5)(xxv) (a)	Accounting policies and estimation for preparation of financial statements;	✓		
1(5)(xxv)(b)	Changes in accounting policies and estimation, if any, clearly describing the effect on financial performance	✓		

Status of Compliance with the Corporate Governance Code - Continued

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
	or results and financial position as well as cash flows in absolute figure for such changes;			
1(5)(xxv) (c)	Comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediately preceding five years explaining reasons thereof;	✓		
1(5)(XXV)(d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	✓		
1(5)(xxv) (e)	Briefly explain the financial and economic scenario of the country and the globe;	✓		
1(5)(xxv) (f)	Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; and	✓		
1(5)(xxv) (g)	Future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM;	✓		
1(5)(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A ;	✓		
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C ;	✓		
1(5)(xxviii)	The Directors' report to the shareholders does not require to include the business strategy or technical specification related to products or services, which have business confidentiality."	✓		
1.6	Meetings of the Board of Directors			
	The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant	✓		

Status of Compliance with the Corporate Governance Code - Continued

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
	Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.			
1.7	Code of Conduct for the Chairperson, other Board members and Chief Executive Officer			
1(7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company;			Complied as per the prudential guidelines given by Bangladesh Bank.
1(7)(b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency.			Complied as per the prudential guidelines given by Bangladesh Bank.
2	Governance of Board of Directors of Subsidiary Company:			
2(a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company;			Not Applicable
2(b)	At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company;			Not Applicable
2(c)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company;			Not Applicable
2(d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also;			Not Applicable
2(e)	The Audit Committee of the holding company shall also review the financial statements, in particular			Not Applicable

Status of Compliance with the Corporate Governance Code - Continued

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
	the investments made by the subsidiary company.			
3	Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS).			
3(1)(a)	Appointment-The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC);	✓		
3(1)(b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals;	✓		
3(1)(c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time: “Provided that CFO or CS of any listed company may appointed for the same position in any other listed or non- listed company under the same group for reduction of cost or for technical expertise, with prior approval of the Commission: Provided further that the remuneration and perquisites of the said FO or CS shall be shared by appointing companies proportionately;	✓		
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	✓		
3(1)(e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).	✓		
3.2	Requirement to attend Board of Directors’ Meetings			
	The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board: Provided that the CS, CFO and/or the HIAC	✓		

Status of Compliance with the Corporate Governance Code - Continued

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
	shall not attend such part of a meeting of the Board which involves consideration of an agenda item relating to their personal matters.			
3.3	Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)			
3(3)(a)	The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief:	✓		
3(3)(a)(i)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and	✓		
3(3)(a)(ii)	These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;	✓		
3(3)(b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members;	✓		
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	✓		
4	Board of Directors' Committee			
4(i)	For ensuring good governance in the company, the Board shall have at least following sub-committees: Audit Committee; and	✓		
4(ii)	Nomination and Remuneration Committee.			Financial Institutions are allowed to establish only two Board subcommittees- an Executive Committee and an Audit Committee, as per Bangladesh Bank's DFIM Circular No. 18, dated October 26, 2011. In contrast, BSEC Notification No.

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
				BSEC/CMRRCD/2006-158/207/Admin/80, dated June 3, 2018, mandates the formation of a Nomination and Remuneration Committee (NRC). However, Bangladesh Bank, through its letter ref. no. DFIM(P)1052/27/2021-2436, dated November 4, 2021, has explicitly stated that Financial Institutions are not permitted to form an NRC
5	Audit Committee			
5(1)	Responsibility to the Board of Directors.	✓		
5(1)(a)	The company shall have an Audit Committee as a subcommittee of the Board;	✓		
5(1)(b)	The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business;	✓		
5(1)(c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	✓		
5(2)	Constitution of the Audit Committee			
5(2)(a)	The Audit Committee shall be composed of at least 3 (three) members;	✓		
5(2)(b)	The Board shall appoint members of the Audit Committee who shall be non-executive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director;	✓		
5(2)(c)	All members of the audit committee should be “financially literate” and at least 1 (one) member shall have accounting or related financial	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
	management background and 10 (ten) years of such experience;			
5(2)(d)	When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 60 (sixty) days from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;”			No such event occurred
5(2)(e)	The company secretary shall act as the secretary of the Committee;	✓		
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director	✓		
5(3)	Chairperson of the Audit Committee			
5(3)(a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director;	✓		
5(3)(b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4) (b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes.			No such situation occurred
5(3)(C)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM): Provided that in absence of Chairperson of the Audit Committee, any other member from the Audit Committee shall be selected to be present in the annual general meeting (AGM) and reason for absence of the	✓		

Status of Compliance with the Corporate Governance Code - Continued

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
	Chairperson of the Audit Committee shall be recorded in the minutes of the AGM.			
5(4)	Meeting of the Audit Committee			
5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year: Provided that any emergency meeting in addition to regular meeting may be convened at the request of any one of the members of the Committee;	✓		
5(4)(b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two-third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.	✓		
5(5)	Role of Audit Committee			
5(5)(a)	The Audit Committee shall: Oversee the financial reporting process;	✓		
5(5)(b)	Monitor choice of accounting policies and principles;	✓		
5(5)(c)	Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;	✓		
5(5)(d)	Oversee hiring and performance of external auditors;	✓		
5(5)(e)	Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	✓		
5(5)(f)	Review along with the management, the annual financial statements before submission to the Board for approval;	✓		
5(5)(g)	Review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval;	✓		
5(5)(h)	Review the adequacy of internal audit function;	✓		

Status of Compliance with the Corporate Governance Code - Continued

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
5(5)(i)	Review the Management's Discussion and Analysis before disclosing in the Annual Report;	✓		
5(5)(j)	Review statement of all related party transactions submitted by the management;	✓		
5(5)(k)	Review Management Letters or Letter of Internal Control weakness issued by statutory auditors;	✓		
5(5)(l)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors; and	✓		
5(5)(m)	Oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission: Provided that the management shall disclose to the Audit Committee about the uses or applications of the proceeds by major category (capital expenditure, sales and marketing expenses, working capital, etc.), on a quarterly basis, as a part of their quarterly declaration of financial results: Provided further that on an annual basis, the company shall prepare a statement of the proceeds utilized for the purposes other than those stated in the offer document or prospectus for publication in the Annual Report along with the comments of the Audit Committee.			Not Applicable
5(6)	Reporting of the Audit Committee			
5(6)(a)	Reporting to the Board of Directors			
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board.		✓	
5(6)(a)(ii)	The Audit Committee shall immediately report to the Board on the following findings, if any:			
5(6)(a)(ii)(a)	report on conflicts of interests;		✓	
5(6)(a)(ii)(b)	Suspected or presumed fraud or irregularity or material defect		✓	

Status of Compliance with the Corporate Governance Code - Continued

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
	identified in the internal audit and compliance process or in the financial statements;			
5(6)(a)(ii)(c)	Suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and		✓	
5(6)(a)(ii)(d)	Any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;		✓	
5(6)(b)	Reporting to the Authorities: If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier.		✓	
5(7)	Reporting to the Shareholders and General Investors			
	Report on activities carried out by the Audit Committee, including any report made to the Board under condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company.			No such situation occurred
6	Nomination and Remuneration Committee (NRC): Unresolved issue. (Could not be complied with due to BRPD circular letter No. Dated October 27, 2013, of Bangladesh Bank)			
6(1)	Responsibility to the Board of Directors			
6(1)(a)	The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board;			Not Applicable
6(1)(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining			Do

Status of Compliance with the Corporate Governance Code - Continued

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
	qualifications, positive attributes, experiences and independence of directors and top-level executive as well as a policy for formal process of considering remuneration of directors, top level executive;			
6(1)(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5) (b).			Do
6(2)	Constitution of the NRC			
6(2)(a)	The Committee shall comprise of at least three members including an independent director;			Do
6(2)(b)	At least 02(two) members of the Committee shall be non-executive directors;			Do
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board;			Do
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee;			Do
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;			Do
6(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;			Do
6(2)(g)	The company secretary shall act as the secretary of the Committee;			Do
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;			Do
6(2)(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or			Do

Status of Compliance with the Corporate Governance Code - Continued

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
	consultancy role or otherwise, other than Director's fees or honorarium from the company.			
6(3)	Chairperson of the NRC			
6(3)(a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;			Do
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;			Do
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders: Provided that in absence of Chairperson of the NRC, any other member from the NRC shall be selected to be present in the annual general meeting (AGM) for answering the shareholder's queries and reason for absence of the Chairperson of the NRC shall be recorded in the minutes of the AGM.			Do
6(4)	Meeting of the NRC			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year;			Do
6(4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;			Do
6(4)(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);			Do
6(4)(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.			Do
6(5)	Role of the NRC			

Status of Compliance with the Corporate Governance Code - Continued

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;			Do
6(5)(b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board			Do
6(5)(b)(i)	Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:			Do
6(5)(b)(i)(a)	The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;			Do
6(5)(b)(i)(b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and			Do
6(5)(b)(i)(c)	Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;			Do
6(5)(b)(ii)	Revising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;			Do
6(5)(b)(iii)	Identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;			Do
6(5)(b)(iv)	Formulating the criteria for evaluation of performance of independent directors and the Board;			Do
6(5)(b)(v)	Identifying the company's needs for employees at different levels and			Do

Status of Compliance with the Corporate Governance Code - Continued

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
	determine their selection, transfer or replacement and promotion criteria; and			
6(5)(b)(vi)	Developing, recommending and reviewing annually the company's human resources and training policies;			Do
6(5)(c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.			Do
7	External or Statutory Auditors.			
7(1)	The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely:-			
7(1)(i)	Appraisal or valuation services or fairness opinions;	✓		
7(1)(ii)	Financial information systems design and implementation;	✓		
7(1)(iii)	Book-keeping or other services related to the accounting records or financial statements;	✓		
7(1)(iv)	Broker-dealer services;	✓		
7(1)(v)	Actuarial services;	✓		
7(1)(vi)	Internal audit services or special audit services;	✓		
7(1)(vii)	Any service that the Audit Committee determines;	✓		
7(1)(viii)	Audit or certification services on compliance of corporate governance as required under condition No. 9(1); and	✓		
7(1)(ix)	Any other service that creates conflict of interest.	✓		
7(2)	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company: Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members.	✓		
7(3)	Representative of external or statutory auditors shall remain present in the Shareholders'	✓		

Status of Compliance with the Corporate Governance Code - Continued

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
	Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders.			
8	Maintaining a website by the Company			
8(1)	The company shall have an official website linked with the website of the stock exchange	✓		www.bifcol.com
8(2)	The company shall keep the website functional from the date of listing.	✓		
8(3)	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	✓		
9	Reporting and Compliance of Corporate Governance			
9(1)	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	✓		
9(2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting.			Corporate Governance auditors of the company for the year ended 31-12-2024 has been appointed by the 235 th board of directors meeting.
9(3)	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not.	✓		

Financial Statements for the year ended December 31, 2024

Independent Auditor's Report
To the Shareholders of Bangladesh Industrial Finance Company Limited (BIFC)
Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the financial statements of Bangladesh Industrial Finance Company Limited (BIFC) (the "Company"), which comprise the balance sheet as at 31 December 2024 and profit and loss account, cash flow statement and statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion section of our report, the accompanying financial statements of the Company present fairly in all materials respect, the financial position of the Company as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Company's Act 1994, and other applicable laws and regulations

Basis for Qualified Opinion

1. The company has been experiencing losses for several years, accumulating a total loss of TK. 14,254,482,838 as of 31 December 2024. As of the same date, the company's total liabilities exceeded its total assets by TK. 12,696,778,958. These conditions or events indicate that a material uncertainty exists on the company's ability to continue its operation in the foreseeable future unless arrangements are made to increase capital or to improve liquidity position by means of facilitating equity support/long term loan.
2. Reference to the Note No. 4.3.1 to the financial statements, according to Section 9 of Finance Company Act 2023 and FID circular No. 06 November 2003 and DFIM circular No. 03, Dated 21 June 2020:
 - i) The company should maintain Cash Reserve Ratio (CRR) at a rate of 1.5% on 'Term or Fixed Deposits' (except from Banks and Financial Institutions) but the company could not maintain such provision noncomplying with above regulation. As on 31 December 2024, CRR represents a deficit amounting to TK. 27,845,681 to comply with CRR requirement.
 - ii) The company is obligated to maintain Statutory Liquidity Reserve (SLR) at a rate of 5% of 'Total Liabilities' (Including CRR of 1.5% on total term deposit) but the company could not maintain such provision in compliance with above regulation. As on 31 December 2024, SLR represents a deficit amounting to TK. 180,796,350 as per the financial statements.
3. The value of Property, Plant, and Equipment, amounting to Tk. 440,000,000 (land value) situated in Motijheel, we could not verify due to the absence of mutation records, demarcation, and Khajna Roshid. According to IAS 16, Paragraph 34, assets should be revalued every three or five years; however, the last revaluation conducted by the management was in 2012.
4. The company has not implemented IFRS 16 (Leases), as disclosed in Note 3.1, resulting in non-compliance with International Financial Reporting Standards (IFRS).
5. According to Note 8.00 and related ledger, unapplied interest amount of Tk. 180,820,575 has been included in the loan balance of Teleplus New York Limited (Agreement No. 01.04.0660), contrary to the guidelines outlined in DFIM Circular No. 04 dated July 26, 2021.
6. According to Note 11.1, the liability status of Term Loans from Bank, Short Term Loan and Money at Call & Short Notice amounting Tk. 3,493,062,402, Tk. 209,713,348 and Tk. 140,000,000 respectively obtained from different banks, could not be confirmed in the absence of statements and official confirmations from the relevant banks.
7. With reference to Note 13, BIFCL had a withholding tax payable amounting to Tk. 72,210,462 as of 31 December 2024, which was required to be deposited into the government exchequer. As per Section 143 of the Income Tax Act 2023, failure to deposit collected or deducted tax may result in additional penalties.

8. As per International Accounting Standards (IAS) 19, Para 55, the company has not applied the actuarial valuation method to determine liabilities for the Gratuity Fund and Pension Fund, thereby violating compliance requirements (see Note 13 for details) and adequacy of provision could not be confirmed.

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 Financial Statements section of our report. We are independent of 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 Qualified Opinion.

Emphasis of matters

We draw the attention to the following matter relates to Financial Statements:

1. Disclosed in Note 46.3, loans, leases, and advances totaling Tk. 6,195,790,768 provided to entities within the Sunman Group Company (Golden Horizon Ltd.) Tk. 586,126,351 and rest amount of Tk. 5,609,664,417 to the other parties, recovery of which guaranteed by Sunman Group Company's total amount to 81.14% of the total outstanding balance of Tk. 7,635,830,876 (Note-8), in contravention of Section 25 of the Finance Companies Act, 2023.
2. According to the BSEC directive dated January 14, 2021, any dividend that remains unpaid or unclaimed for a period of three years must be transferred to the BSEC "Capital Market Stabilization Fund" but the company failed to transfer BDT 4,347,371 of unclaimed dividends to the "Capital Market Stabilization Fund" on time, which in non-compliance with regulations.
3. According to the Companies (Amendment) Act 2020, all public limited companies must add 'PLC' to the end of their company name in order to be recognized as public limited companies. Banks and non-bank financial institutions (NBFI) would have to change the company name and articles of association to adopt the PLC suffix under the Company (Second Amendment) Act 2020. The company has not done anything about this, though.
4. According to DFIM(C) 1054/38/2025-367, dated 29 January 2025, the company must provide the CBS-generated/system-generated trial balance/affairs to the auditor to facilitate the completion of the audit process. The company (BIFCL) has provided us with the system-generated (Fintelligent) trial balance, which is not integrated with branches.
5. We draw attention to Note# 2.01 which states the difference between IFRS and accounting guidelines set out by Bangladesh Bank.

Our audit opinion is not modified on these matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below our description of how our audit addressed that matter is provided in that context. We have fulfilled the responsibilities described in the auditor's responsibilities for the audit of the financial statements section of our report, including in relation to those matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatements of the financial statements. These results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Risk	Our response to the risk
01. Measurement of provision for loans and advances	
<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 of 2024, provision for loans and advances was amounting Tk. 6,667,418,081.</p> <p>We have focused on the following significant judgements and estimates which could give rise to material misstatement or management bias:</p> <ul style="list-style-type: none"> • Completeness and timing of recognition of loss events in accordance with criteria set out in DFIM circular no 04, dated 26 July 2021 and its subsequent amendments. • For individually assessed provisions, the measurement of the provision may be dependent on the valuation of collateral, estimates of exit values and the timing of cash flows. • Provision measurement is primarily dependent upon key assumptions relating to probability of default, ability to repossess collateral and recovery rates; 	<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 companies general and specific provisions and loan classification disclosures in the financial statements in line with related Bangladesh Bank guidelines. • Assessed the methodologies on which the provision amounts basis, recalculated the provisions and tested the completeness and accuracy of the underlying information. • Reviewed the security documents and assessed legal provisions for realization of the secured assets, if required. • Reviewed any specific approval guideline from Bangladesh Bank on provision against loans and advances, if any. • Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.
See note no. 13.1 of financial statements	
02. Borrowing from banks, financial institutions and agents	
<p>The company has borrowing from banks, financial institutions and agents amounting Tk. 3,843,747,111 which are 17.98% of total liabilities which consists Refinance against SME loan from Bangladesh Bank, borrowing, short term long-term borrowing, call borrowing & long-term borrowing.</p>	<p>We reviewed the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> • Check the balance with the ledger • Bank Statement • Bank Confirmation • Call Loan (Statement and Interest Calculation)
See note no 11 to the financial statements	

Risk	Our response to the risk
03. Deposits & Other Accounts	
<p>Term Deposit of Tk. 5,385,834,627 which increased by 0.04% from the last year (2023: Tk. 5,383,582,976).</p> <p>Significant judgment is required for Term Deposit, which has a vice-versa relation with interest income on interest expense on deposits.</p>	<p>We have tested operating effectiveness of key controls on the following:</p> <ul style="list-style-type: none"> • Tested the deposit attraction policy and procedure. • Identification of reinvestment rate of with the combination of deposit receiving rate. • Tested the investment maturities ladder compile with deposit tenure. • Conducted analysis for understanding industry practice on deposit interest rate compare to inflation rate. • Tested penalty practice on early settlement of deposit. • Finally assess the reinvest appropriateness in against of the receiving deposit.
See note no 12.1 to the financial statements	
04. Revenue	
<p>Interest Income amounting to Tk. 99,183,482 and Investment Income amounting to Tk. 2,658,902 are recognized in the Profit & Loss Account of the Company. This was an area of focus for audit and significant audit effort was directed.</p>	<p>Our audit procedures included obtaining our understanding of the process of interest income, investment income, profit on investment ascertaining the balance and the interest charged over the financial year. Additionally,</p> <ul style="list-style-type: none"> • Carried out cut-off testing to ensure the income was recognized in correct period. • Reviewed the carrying balance of the total figure. • Our audit approach was a combination of test of internal control and substantive procedures. • We also tested journal entries recognized to revenue focusing on unusual or irregular transactions. • In addition, we performed substantive analytical to understand how the revenue has trended over the year among other parameters, we performed a detailed testing on transactions around the year-end, ensuring revenues were recognized in the correct accounting period. We also tested journal entries recognized to revenue focusing on unusual or irregular transactions. <p>Evaluate the Company's work to implement "IFRS-15" and assessed whether accounting principles comply with the new accounting standard.</p>
See note no 21 and 23 to the financial statements	

Risk	Our response to the risk
05. Measurement of deferred tax	
<p>In 2024, the Company reports net deferred tax liabilities (DTL) amounted to Tk. 17,600,000.</p> <p>Significant judgement is required in relation to deferred tax assets/liabilities as their recoverability is dependent on forecasts of future profitability over a number of years.</p>	<p>We obtained an understanding, evaluated the design and tested the operational effectiveness of the Company's key controls over the recognition and measurement of DTLs and the assumptions used in estimating the Company's future taxable income.</p> <p>We also assessed the completeness and accuracy of the data used for the estimations of future taxable income.</p> <p>We involved tax specialists to assess key assumptions, controls, recognition and measurement of DTL's.</p> <p>Finally assessed the appropriateness and presentation of disclosures against IAS 12 Income Tax.</p>
See note no. 13.9 to the financial statements	
06. Interest Income on Lease, loans, and advances	
<p>Recognition of interest income has significant and wide influence on financial statements.</p> <p>Recognition and measurement of interest income have been involved of complex IT environment.</p> <p>We have identified recognition of interest income from loans and advances as a key audit matter because this is one of the key performance indicators of the company and therefore there is an inherent risk of fraud and error in recognition of interest by management to meet specific targets or expectations.</p>	<p>We tested the design and operating effectiveness of key controls over the recognition and measurement of interest on loans and advances.</p> <p>We performed a test of operating effectiveness on automated control in place to measure and recognize interest income.</p> <p>We have also performed substantive procedure to check whether interest income is recognized completely and accurately.</p> <p>We have checked the interest recognition criteria as per Bangladesh Bank circular no DFIM 04, 26.07.2021.</p> <p>We assessed the appropriateness and presentation of disclosure against relevant accounting standards and Bangladesh Bank guidelines.</p> <p>However, due to the current uncertainty of the overall economic situation both in Bangladesh and Globally there are inherent risk that the judgment applied by Management in assessing recoverability of interest income from classified loans may be different than the actual situation in future.</p>
See note no. 21 to the financial statements	

Risk	Our response to the risk
07. IT systems and controls	
<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 controls. Our areas of audit focus included user access management, developer access to the system. Environment and changes to the IT environment. These are key to ensuring IT dependent and application-based controls are operating effectively.</p>	<p>The company currently operates an IT systems infrastructure and control framework that is not integrated. This lack of established systems and controls poses several risks to the organization, including but not limited to:</p> <ul style="list-style-type: none"> • Security Vulnerabilities • Operational Inefficiencies • Regulatory and Compliance Risks • Limited Scalability

Other Information

The other information comprises all the information in the Annual Report other than the financial statements and our auditor's report thereon. We have not been provided the Director's report and other information contained within the annual report except the financial statements to the date of our auditor's report. We expect to obtain the remaining reports of the Annual report the date of our auditor's report. Management is responsible for the other information.

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.

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

Responsibilities of Management and those Charged with Governance for the Financial Statements and Internal Controls

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standard and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Financial Institutions Act, 1993 and the Bangladesh Bank guidelines require the managements to ensure effective internal audit, internal control and risk management functions of the Company. The management is also required to make a self-assessment on the effectiveness of anti-fraud internal controls and report to Bangladesh Bank on instances of fraud and forgeries.

In preparing the financial statements, management is responsible for assessing 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 Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the 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, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the 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.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994 and the Securities and Exchange Rules, 2020, the Finance Company Act 2023 and the rules and regulations issued by Bangladesh Bank except as maintained above, 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 do verification thereof.
- (ii) in our opinion, proper books of accounts as required by law has kept by the Company as far as it appeared from our examination of those books.
- (iii) the balance sheet and profit and loss account together with the annexed notes dealt with by the report are in agreement with the books of accounts and returns.
- (iv) the expenditures incurred were for the purpose of the Company's business for the year.

- (v) the financial statements 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, investments and other assets which are, in our opinion, doubtful of recovery and Bangladesh Bank's instructions in this regard have been followed properly.
- (vii) the financial statements of the Company do 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) we have reviewed over 81% of the risk weighted assets of the Company and we have spent around 1,208-person hours for the audit of the books and accounts of the Company.
- (ix) the Company has complied with relevant instructions which were issued by Bangladesh Bank relevant to classification, provisioning and calculation of interest suspense.
- (x) the Company has complied with the 'First Schedule' of the Finance Company Act 2023 in preparing these financial statements; and
- (xi) all other issues which in our opinion are important for the stakeholders of the Company have been adequately disclosed in the audit report.

Other Matter:

The Honorable High Court has directed, via order dated 22 February 2021 under company matter no. 32 a special audit of the company is to be carried out. The result of the special audit have not been incorporated into these financial statements.

Signed for & on behalf of
Ahsan Manzur & Co.
Chartered Accountants
Firm Registration No. with FRC:
CAF-001-127



Md. Abdullah Al Amin, FCA
Partner
Enrollment No: 1463
DVC: 2506261463AS261818

Place: Dhaka, Bangladesh
Date: 26 June, 2025

Bangladesh Industrial Finance Company Limited
Balance Sheet
As at December 31, 2024

		Amount in Taka	
		31-12-2024	31-12-2023
ASSETS			
Cash	4	57,394	228,244
Cash in hand (including foreign currency)	4.1	32,762	62,912
Balance with Bangladesh Bank & its agent bank(s) (including foreign currency)	4.2	24,632	165,332
Balance with other banks and other financial institutions	5	27,248,903	35,685,645
Inside Bangladesh		27,248,903	35,685,645
Outside Bangladesh		-	-
Money at call & short notice	6	-	-
Investments	7	190,413,132	190,411,213
Government		-	-
Others		190,413,132	190,411,213
Loans, advances and leases	8	7,635,830,876	7,704,027,742
Loans, cash credits, overdrafts, etc.	8.a	7,635,830,876	7,704,027,742
Bills purchased and discounted	8.b	-	-
Fixed assets including land, building, furniture & equipments	9	449,854,478	451,287,442
Other assets	10	383,065,637	433,285,006
Non financial institutional assets		-	-
Total assets		8,686,470,420	8,814,925,292
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from banks, other financial institutions & agents	11	3,843,747,111	3,853,536,156
Deposits and other accounts	12	5,387,063,439	5,391,160,916
Current deposits and other accounts, etc.		-	-
Bills payable		-	-
Savings deposits		-	-
Term deposits	12.1	5,385,834,627	5,383,582,976
Bearer certificates of deposits		-	-
Other deposits	12.2	1,228,812	7,577,940
Other liabilities	13	12,152,438,828	11,596,104,475
Total liabilities		21,383,249,378	20,840,801,547
Capital/shareholders' equity			
Total shareholders' equity		(12,696,778,958)	(12,025,876,255)
Paid-up capital	14.2	1,006,799,440	1,006,799,440
Statutory reserve	15	154,713,730	154,713,730
General reserve	16	10,364,681	10,364,681
Asset revaluation reserve	17	385,825,667	385,825,667
Share money deposit		362	362
Stock dividend		-	-
Retained earnings	18	(14,254,482,838)	(13,583,580,135)
Total liabilities & shareholders' equity		8,686,470,420	8,814,925,292

Bangladesh Industrial Finance Company Limited
Balance Sheet
As at December 31, 2024

	Notes	Amount in Taka	
		31-12-2024	31-12-2023
Off- Balance Sheet Items:			
Contingent liabilities			
Acceptances and endorsements		-	-
Letters of guarantee		-	-
Irrevocable letters of credit		-	-
Bills for collection		-	-
Other contingent liabilities		-	-
Other commitments			
Documentary credits and short term trade -related transactions		-	-
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		-	-
Net Assets Value Per Share (NAV)	19	(126.11)	(119.45)

The annexed notes from 1 to 53 and Annexure A, Annexure B, Annexure C and Annexure D are an integral part of these financial statements.



Company Secretary



Managing Director (CC)



Director



Director



Chairman

Signed in terms of our separate report of even date

Signed for and on behalf of
Ahsan Manzur & Co.

Chartered Accountants

Firm Registration No. with FRC: CAF-001-127



Md. Abdullah Al Amin, FCA

Partner

ICAB Enrollment No.: 1463

DVC: 2506261463AS261818

Place: Dhaka, Bangladesh

Date: 26 June, 2025

Bangladesh Industrial Finance Company Limited
Profit & Loss Account
for the year ended December 31, 2024

	Notes	Amount in Taka	
		31-12-2024	31-12-2023
Interest income	21	99,183,482	8,726,465
Less: interest charged on deposits & borrowings etc.	22	779,964,532	493,624,056
Net interest income		(680,781,050)	(484,897,591)
Income from investments	23	2,658,902	1,649,264
Commission, exchange and brokerage	24	-	-
Other operating income	25	2,582,686	689,695
		5,241,588	2,338,959
Total operating income		(675,539,462)	(482,558,632)
Salaries and allowances	26	33,473,402	29,282,238
Rent, taxes, insurance, electricity etc.	27	11,930,414	12,885,716
Legal expenses	28	911,050	2,433,815
Postage, stamps, telecommunication etc.	29	992,733	978,768
Stationery, printing, advertisement etc.	30	317,519	584,045
Chief Executive Officer's salary and other fees	31	-	-
Directors' fees	32	670,000	2,172,000
Auditor's fees	33	372,750	480,000
Losses from loans, advances & leases		-	-
Repairs & depreciation of financial institution's assets	34	4,068,564	4,724,334
Other expenses	35	4,914,744	4,651,648
Total operating expenses		57,651,176	58,192,564
Profit/(Loss) before provision		(733,190,638)	(540,751,196)
Provision for loans, advances & leases	36	(18,439,263)	31,076,643
Provision for diminution in value of investments	37	5,559,441	(33,101)
Other Provisions	38	(50,027,115)	(2,728,059)
Total provision		(62,906,937)	28,315,483
Total profit/(loss) before tax		(670,283,701)	(569,066,679)
Provision for taxation		619,007	329,853
Current Tax Expense		619,007	329,853
Deferred tax expense / (income)		-	-
Net profit/(Loss) after tax		(670,902,708)	(569,396,532)
Appropriations			
Statutory reserve		-	-
General reserve		-	-
Dividend, etc.		-	-
Retained earnings		(670,902,708)	(569,396,532)
Earnings Per Share (EPS)	39	(6.66)	(5.66)

The annexed notes from 1 to 53 and Annexure A, Annexure B, Annexure C and Annexure D are an integral part of these financial statements.


Company Secretary


Managing Director (CC)



Director


Director


Chairman

Signed in terms of our separate report of even date

Signed for and on behalf of
Ahsan Manzur & Co.
Chartered Accountants
Firm Registration No. with FRC: CAF-001-127


Md. Abdullah Al Amin, FCA
Partner
ICAB Enrollment No.: 1463
DVC: 2506261463AS261818

Place: Dhaka, Bangladesh
Date: 26 June, 2025

Bangladesh Industrial Finance Company Limited
Cash Flow Statement
for the year ended December 31, 2024

	Notes	Amount in Taka	
		31-12-2024	31-12-2023
A) Cash flows from operating activities			
Interest received		144,506,286	15,554,463
Interest paid		(79,111,303)	(150,314,451)
Dividend received		2,628,212	1,649,264
Fees & commission received		-	-
Recovery of loans previously written off		-	-
Payments to employees		(33,184,484)	(28,447,261)
Payments to suppliers		(1,188,094)	(295,470)
Cash receipts from other operating activities	40	2,582,686	689,695
Cash payments for other operating activities	41	(21,478,859)	(26,712,872)
Cash generated from / (used in) operating activities before changes in operating assets and liabilities		14,754,444	(187,876,632)
Increase/(decrease) in operating assets and liabilities			
Statutory deposits		-	-
Purchase/sale of trading securities		-	-
Loans, advances & leases to banks & other FIs		-	-
Loans, advances & leases to customers		53,972,722	57,518,640
Other assets	42	2,561,592	436,759
Deposits from banks & other FIs		(660,000)	(2,690,000)
Deposits from other customers		(10,541,806)	65,281,274
Other liabilities account of customer		(6,349,128)	(184,104)
Income tax		(1,724,515)	(902,160)
Trading liabilities		-	-
Other liabilities	43	(50,833,205)	(10,544,254)
Cash generated from / (used in) operating assets and liabilities		(13,574,340)	108,916,155
Net cash flows from/(used in) operating activities		1,180,104	(78,960,477)
B) Cash flows from investing activities			
Proceeds from sale of securities		787,945	-
Payment for purchase of securities		(786,595)	-
Purchase/sale of property, plant & equipments		-	-
Net cash flows from/(used in) investing activities		1,350	-
C) Cash flows from financing activities			
Receipts of long term loan/ issuance of debt securities		-	-
Repayments of loan & redemption of debt securities		(9,789,046)	(184,212)
Net drawdown/(payment) of short term loan		-	-
Receipts from issue of right shares		-	-
Receipts from Share money deposit		-	-
Dividend paid in cash		-	-
Net cash flows from/(used in) financing activities		(9,789,046)	(184,212)
D) Net increase/(decrease) in cash & cash equivalents (A+B+C)		(8,607,592)	(79,144,689)
E) Effects of exchange rate changes on cash & cash equivalents			
		-	-
F) Cash and cash equivalents at the beginning of the year		35,913,889	115,058,578
G) Cash and cash equivalents at the end of the year (D+F)		27,306,297	35,913,889
Break down of cash and cash equivalents at the end of the year:			
Cash in hand (including foreign currency)	4.1	32,762	62,912
Balance with Bangladesh Bank & its agent bank(s)	4.2	24,632	165,332
Balance with other Bank & other financial institutions	5	27,248,903	35,685,645
		27,306,297	35,913,889
Net Operating Cash Flow per Share (NOCFPS)	45	0.01	(0.78)

The annexed notes from 1 to 53 and Annexure A, Annexure B, Annexure C and Annexure D are an integral part of these financial statements.


Company Secretary


Managing Director (CC)


Director


Director


Chairman

Place: Dhaka, Bangladesh
Date: 26 June, 2025

Bangladesh Industrial Finance Company Limited
Statement of changes in equity
for the year ended December 31, 2024

Particulars	Amount in Taka						
	Paid-up capital	Share money deposit	Statutory reserve	General reserve	Asset revaluation reserve	Retained earnings	Total
Balance as on January 01, 2024	1,006,799,440	362	154,713,730	10,364,681	385,825,667	(13,583,580,135)	(12,025,876,255)
Changes in accounting policy							
Prior year adjustment	-	-	-	-	-	5	5
Restated balance	1,006,799,440	362	154,713,730	10,364,681	385,825,667	(13,583,580,130)	(12,025,876,250)
Surplus/deficit on account of revaluation of properties	-	-	-	-	-	-	-
Surplus/deficit on account of revaluation of investments	-	-	-	-	-	-	-
Currency translation differences	-	-	-	-	-	-	-
Net gains/losses not recognized in the income statement	-	-	-	-	-	-	-
Net profit/(loss) for the year	-	-	-	-	-	(670,902,708)	(670,902,708)
Dividend	-	-	-	-	-	-	-
Appropriation during the year	-	-	-	-	-	-	-
Balance as on December 31, 2024	1,006,799,440	362	154,713,730	10,364,681	385,825,667	(14,254,482,838)	(12,696,778,958)

for the year ended December 31, 2023

Particulars	Amount in Taka						
	Paid-up capital	Share money deposit	Statutory reserve	General reserve	Asset revaluation reserve	Retained earnings	Total
Balance as on January 01, 2023	1,006,799,440	362	154,713,730	10,364,681	385,825,667	(13,077,250,501)	(11,519,546,621)
Changes in accounting policy							
Prior year adjustment	-	-	-	-	-	63,066,898	63,066,898
Restated balance	1,006,799,440	362	154,713,730	10,364,681	385,825,667	(13,014,183,603)	(11,456,479,723)
Surplus/deficit on account of revaluation of properties	-	-	-	-	-	-	-
Surplus/deficit on account of revaluation of investments	-	-	-	-	-	-	-
Currency translation differences	-	-	-	-	-	-	-
Net gains/losses not recognized in the income statement	-	-	-	-	-	-	-
Net profit/(loss) for the year	-	-	-	-	-	(569,396,532)	(569,396,532)
Dividend	-	-	-	-	-	-	-
Appropriation during the year	-	-	-	-	-	-	-
Balance as on December 31, 2023	1,006,799,440	362	154,713,730	10,364,681	385,825,667	(13,583,580,135)	(12,025,876,255)

The annexed notes from 1 to 53 and Annexure A, Annexure B, Annexure C and Annexure D are an integral part of these financial statements.

Bangladesh Industrial Finance Company Limited

Liquidity Statement

(Analysis of maturity of assets and liabilities)

As at December 31, 2024

Particulars	Amount in Taka					
	Up to 1 month	1-3 months	3-12 months	1-5 years	Above 5 years	Total
Assets:						
Cash in hand	32,762	-	-	-	-	32,762
Balance with Bangladesh Bank and its agent(s)	-	-	24,632	-	-	24,632
Balance with banks and other financial institutions	6,897,903	20,351,000	-	-	-	27,248,903
Money at call and short notice	-	-	-	-	-	-
Investments	-	72,913,132	-	-	117,500,000	190,413,132
Loans, advances and leases	207,772,321	207,344,242	2,663,919,954	4,074,661,100	482,133,259	7,635,830,876
Fixed assets including premises, furniture and fixtures	-	-	-	-	449,854,478	449,854,478
Other assets	-	1,434,813	74,079,100	303,907,487	3,644,237	383,065,637
Non financial institutional assets	-	-	-	-	-	-
Total assets (A):	214,702,986	302,043,187	2,738,023,686	4,378,568,587	1,053,131,974	8,686,470,420
Liabilities:						
Borrowings from banks, other financial institutions and agents	349,713,348	174,701,688	349,403,376	698,806,753	2,271,121,946	3,843,747,111
Term deposits	18,580,208	161,575,039	646,300,155	1,894,453,514	2,664,925,711	5,385,834,627
Other deposits	-	122,881	245,762	307,203	552,966	1,228,812
Other liabilities	83,154,277	505,675,677	6,862,932,905	1,653,144,759	3,047,531,210	12,152,438,828
Total liabilities (B):	451,447,833	842,075,285	7,858,882,198	4,246,712,229	7,984,131,833	21,383,249,378
Net liquidity gap (A - B):	(236,744,847)	(540,032,098)	(5,120,858,512)	131,856,358	(6,930,999,859)	(12,696,778,958)

The annexed notes from 1 to 53 and Annexure A, Annexure B, Annexure C and Annexure D are an integral part of these financial statements.


Company Secretary


Managing Director (CC)


Director


Director


Chairman

Bangladesh Industrial Finance Company Limited

Notes to the Financial Statements
for the year ended December 31, 2024

1 General information

1.1 Legal status of the Company

Bangladesh Industrial Finance Company Limited (BIFC) is a Non-Banking Financial Institution established under the Financial Institutions Act, 1993. The Company was incorporated as a Public Limited Company on August 10, 1996 under the Companies Act, 1994. It started operation after obtaining License from Bangladesh Bank on February 19, 1998. The Company went for public issue of shares in 2006, and listed with both Dhaka Stock Exchange PLC & Chittagong Stock Exchange PLC in Bangladesh.

The registered office of the company located at Police Plaza Concord (Tower-2), Level-8, Plot-02, Road-144, Gulshan-1, Dhaka-1212. The operations of the company are being carried out through its four branches located in Dhaka, Chattogram and Narayanganj.

1.2 Nature of business activities

The company offers diversified products and services, which include lease finance, term finance, housing finance, syndicated finance, bridge finance, real estate finance, SME finance, bill discounting, work order finance, personal finance, etc. The main focus is to identify and select emerging sector for financing and maintaining quality portfolio.

The company has launched a sound number of attractive deposit schemes to accommodate the requirement of several classes of people. Deposit schemes include Term Deposit, Double Money Deposit, Triple Money Deposit, Periodical Income Deposit, Monthly Saving Scheme (MSS), etc.

2 Basis of preparation and significant accounting policies

2.1 Statement of compliance

The Financial Reporting Council (FRC) was formed as per Financial Reporting Act, 2015. FRC adopted the International Financial Reporting Standard (IFRSs) issued by International Accounting Standard Board (IASB) which need to be followed by public interest entities in preparing their financial statement.

As FRS is yet to be issued by FRC, as per the provisions of FRA (section-69), financial statements of the Company have been prepared in accordance with the International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS) as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB) and, in addition to this, the Company also complied with the requirements of the following laws and regulations from various Government bodies:

- i. The Finance Companies Act, 2023;
- ii. The Companies Act, 1994;
- iii. Bangladesh Securities and Exchange Rules, 2020;
- iv. Bangladesh Securities and Exchange Ordinance, 1969;
- v. (Listing) Regulations, 2015 of Dhaka & Chittagong Stock Exchanges PLC; and
- vi. Other applicable laws and regulations.

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

The requirements of accounting standards as per IFRS that have been departed to comply with Bangladesh Bank requirements have been disclosed here 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 below by following the provision of Para 20 of IAS-1 (Presentation of Financial Statements).

Notes to the Financial Statements-Continued

Sl. No	Nature of Departure	Title of IAS/ IFRS	Treatment of IAS/IFRS	Treatment Adopted as per Bangladesh Bank	Financial or Presentation Effect of the Departure
1	Presentation and disclosure of Financial Statements and Financial Instruments	IAS 1 'Presentation of Financial Statements'	Other Comprehensive Income (OCI) is a component of financial statements or the elements of OCI are to be included in a single Other Comprehensive Income Statement.	Bangladesh Bank has issued templates for financial statements vide DFIM Circular# 11 dated December 23, 2009 which has been followed by all 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.	Presentation of financial statements are not fully aligned with all the requirements of IAS/IFRS.
2	Current/ Non-current distinction	IAS 1 'Presentation of Financial Statements'	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-11, Date-23 December 2009, Bangladesh Bank has issued templates for financial statements which is applicable for all the Financial Institutions. In these templates there is no current and noncurrent segmentation of assets and liabilities	Presentation of financial statements is not fully aligned with all requirements of the IAS/IFRS. Moreover, the liquidity statement shows the current/non-current portion of assets and Liabilities in this regards.
3	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-11, Date-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.	Presentation of financial statements are not aligned with the requirements of IAS 1. There is no financial impact for this departure in the financial statements.
4	None financial institutional asset	IAS 1 "Presentation of Financial Statements"	There is no concept of non-financial institutional assets items in any IFRS. Hence there is no	As per DFIM Circular-11, Date -23 December 2009, non-financial institutional assets	Financial Statements for 2024 and corresponding period of 2023 have been

Notes to the Financial Statements-Continued

			requirement for disclosure of non-financial institutional assets items on the face of balance sheet	must be disclosed separately on the face of the balance sheet.	prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank.
5	Complete set of financial statements	IAS 1 "Presentation of Financial Statements"	As per IAS 1 "Presentation of Financial Statements" complete set of financial statements are: i) statement of financial position, ii) statement of profit or loss and other comprehensive income, iii) statement of changes in equity, iv) statement of cash flows, v) notes, comprising significant accounting policies and other explanatory information, and vi) statement of financial position at the beginning of preceding period for retrospective restatement.	As per DFIM Circular -11, Date- 23 December 2009, complete set of financial statements are i) balance sheet, ii) profit and loss account, iii) statement of cash flows, iv) statement of changes in equity, v) statement of liquidity, vi) notes, comprising significant accounting policies and other explanatory information.	Financial Statements for 2024 and corresponding period of 2023 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank. There is no financial impact for this departure in the financial statements.
6	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-11, Dated-23 December 2009, there is no option for separate line item for intangible asset in the balance sheet. We present intangible asset in the balance sheet as part of fixed assets	Presentation of financial statements is not aligned with requirements of the IAS 1. There is no financial impact for this departure in the financial statements.
7	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	Bangladesh Bank has issued templates for financial statements vide DFIM Circular# 11 dated December	Presentation of financial statements is not fully aligned with the requirements of IAS. Thus items

Notes to the Financial Statements-Continued

			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.	23, 2009 which has been followed by all banks and NBFIs. The templates of financial statements provided detail of presentation of statement of cash flows.	which should be presented as "investment activities-Balance with Bangladesh Bank (BB)" as per IAS is shown as cash & cash equivalent.
8	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 the provision for leases, loans and advances as per BB circular.
9	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-11, Dated-23 December 2009, Cash flow statement has been guided by the Bangladesh Bank which is the mixture of direct and indirect method.	Financial Statements for 2024 and corresponding period of 2023 have been prepared as per guideline (DFIM Circular No. 11 dated 23 December 2009) of Bangladesh Bank.

Notes to the Financial Statements-Continued

10	Measurement of provision for leases, loans and advances (financial assets measured at amortized cost)	IFRS 9 "Financial Instruments"	An entity shall assess at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets 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).	As per DFIM Master circular No. 04 dated 26 July 2021, a general provision at 0.25% to 5% under different categories of unclassified loan (good/standard loans and Special Mention Account (SMA) has to be maintained irrespective of objective evidence of impairment on leases, 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 2024, a cumulative provision against loans, advances and leases stands at Tk. 6,667,418,081.
11	Valuation of Investments in quoted and unquoted shares	IFRS 9 "Financial Instruments"	As per requirements of IFRS 9: classification and measurement of investment in shares and securities will depend on how these are managed (the entity's business model) and their contractual cash flow characteristics. Based on these factors it would generally fall either under "at fair value through profit and loss account" or under "at fair value through other comprehensive income" where any change in the fair value (as measured in	As per FID circular No. 08 dated 03 August 2002 investments in quoted shares and unquoted shares are revalued at the year-end at market price and as per book value of last audited balance sheet respectively. Provision should be made for any loss arising from diminution in value of investment; however, in case of any unrealized gain, no such gain can be recognized and investments are	100% provision has been maintained against unlisted equity investment and adequate provision has been maintained against listed equity investment as per the guidelines of Bangladesh Bank.

Notes to the Financial Statements-Continued

			accordance with IFRS 13) at the year-end is taken to profit and loss account or other comprehensive income respectively.	recognized at cost only.	
12	Recognition of interest income for SMA and classified lease, loans and advances	IFRS 9 "Financial Instruments"	IFRS 9: Loans and advances to customers are generally classified at amortized cost as per IFRS 9 and interest income is recognized by using the effective interest rate method to the gross carrying amount over the term of the loan. Once a loan subsequently become impaired, the entity shall apply the effective interest rate to the amortized cost of these loans and advances.	As per FID circular No. 03, dated 03 May 2006, once an investment on leases, loans and advances is termed as "Special Mention Account (SMA)", interest income from such investments is not allowed to be recognized as income, rather the respective amount needs to be credited as a liability account like: interest suspense account.	At year end, interest suspense account has decreased to BDT 732,009,473 from BDT 750,320,525 Resulting in decrease of BDT 18,311,052 of interest suspense. This amount has been shown as other liabilities in note 13.4.
13	Presentation and disclosure of Financial Statements and Financial Instruments	IFRS-7 "Financial instruments: Disclosures"	IFRS 7 require specific presentation and disclosure relating to all financial instruments.	As per Bangladesh Bank guidelines, financial instruments are categorized, recognized and measured differently from those prescribed in IFRS 7. As such some disclosure and presentation requirements of IFRS 7 have not been made in the accounts.	Financial Statements for 2024 and corresponding period of 2023 have been prepared as per guideline (DFIM Circular No. 11 dated 23 December 2009) of Bangladesh Bank.

Notes to the Financial Statements-Continued

2.2 Going concern assumption

These financial statements have been prepared on the basis of assessment of the BIFC's ability to continue as a going concern. BIFC has neither any intention to cease the operation nor any legal or regulatory compulsion to liquidate or curtail materially its operations.

2.3 Statement of cash flows

The statement of Cash Flows has been prepared in accordance with Bangladesh Bank DFIM Circular No.-11 dated December 23, 2009 which is a mixture of the direct and indirect methods.

2.4 Use of estimates and judgments

The preparation of financial statements in conformity with International Financial Reporting Standards (IFRS), requires management to make estimates and assumptions that affect certain reported amounts and disclosures. The estimates and associated assumptions are based on historical experience and various related factors that are believed to be reasonable under the circumstances, the result of which may differ from these estimates and judgments.

Significant areas requiring the use of management estimates in these financial statements are related to the useful life of depreciable assets and provisions for loans, advances and leases; investment, gratuity and income tax. However, the estimates and underlying assumption are reviewed on an ongoing basis and the actual result is recognized in the period in which the estimates are revised.

2.5 Date of Authorization

The Board of Directors has authorized these financial statements on June 26, 2025.

2.6 Directors' responsibility statement

The Board of Directors is responsible for the presentation of the financial statements under section 183 of the Companies Act, 1994 and as per the provision of 'The Framework for the Preparation and Presentation of Financial Statements'.

2.7 Risk and uncertainty for use of estimates

The preparation of financial statements in conformity with IFRS requires Management to make estimates and assumptions that affect the reported amounts of revenues and expenses, assets and liabilities, and disclosure requirements for contingent assets and liabilities during and the date of the financial statements. These financial statements contained information about the assumptions it made about the future and other major sources of estimation uncertainty at the end of the reporting period that have a significant risk of resulting in a material adjustment to the carrying amount of assets, liabilities, income and expenses within the next financial year. In accordance with the guidelines as prescribed by IAS 37: Provisions, Contingent Liabilities and Contingent Assets, provisions are recognized in the following situations:

- When the company has an obligation as a result of past events;
- When it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- Reliable estimate can be made of the amount of the obligation.

Notes to the Financial Statements-Continued

2.8 Compliance of International Accounting Standards (IAS) International Financial Reporting Standards (IFRS)

IAS No.	Name of IAS	Applicability	Remarks
IAS 1	Presentation of financial statements	Applied with some departures	Note 2.1
IAS 2	Inventories	N/A	
IAS 7	Statement of cash flows	Applied with some departures	Note 2.3
IAS 8	Accounting policies, changes in accounting estimates and errors	Applied	
IAS 10	Events after the reporting period	Applied	
IAS 12	Income taxes	Applied	
IAS 16	Property, plant & equipment	Applied	
IAS 19	Employee benefits	Applied	
IAS 20	Accounting for Government grants	N/A	
IAS 21	The effects of changes in foreign exchange rates	Applied	
IAS 23	Borrowing costs	Applied	
IAS 24	Related party disclosures	Applied	
IAS 26	Accounting and reporting by retirement benefit plans	N/A	
IAS 27	Separate financial statements	N/A	
IAS 28	Investments in associates and joint ventures	N/A	
IAS 29	Financial reporting in hyperinflationary economics	N/A	
IAS 32	Financial instruments: presentation	Applied with some departures	Note 2.1
IAS 33	Earnings per share	Applied	
IAS 34	Interim financial reporting	Applied	
IAS 36	Impairment of assets	Applied	
IAS 37	Provisions, contingent liabilities and contingent assets	Applied	
IAS 38	Intangible assets	Applied	
IAS 39	Financial instruments: recognition and measurement	N/A	
IAS 40	Investment property	N/A	
IAS 41	Agriculture	N/A	

Notes to the Financial Statements-Continued

IFRS No.	Name of IFRS	Applicability	Remarks
IFRS 1	First-time adoption of international financial reporting standards	N/A	
IFRS 2	Share based payment	N/A	
IFRS 3	Business combinations	N/A	
IFRS 5	Non-current assets held for sale and discontinued operations	N/A	
IFRS 6	Exploration for and evaluation of mineral resources	N/A	
IFRS 7	Financial instruments: disclosures	Applied	
IFRS 8	Operating segments	N/A	
IFRS 9	Financial instruments	Applied with some departures	Note 2.1
IFRS 10	Consolidated financial statements	N/A	
IFRS 11	Joint arrangements	N/A	
IFRS 12	Disclosure of interests in other entities	N/A	
IFRS 13	Fair value measurement	Applied with some departures	Note 2.1
IFRS 14	Regulatory Deferral Accounts	N/A	
IFRS 15	Revenue from Contracts with Customers	Applied with some departures	Note 2.1
IFRS 16	Leases	Not applied	Note 3.1
IFRS 17	Insurance Contracts	N/A	

N/A= Not Applicable

As the regulatory requirements differ with some of the standards, relevant disclosures have been made in accordance with Bangladesh Bank's requirements (please see note 2.1).

Notes to the Financial Statements-Continued

2.9 Consistency

In accordance with the IFRS framework for the presentation of financial statements, the company applies the accounting disclosure principles consistently from one period to next period, where selecting and applying new accounting policies, changes in accounting policies applied, correction of errors, the amounts involved are accounted for and disclosed retrospectively in accordance with the requirement of IAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors”.

3 Significant accounting policies

3.1 Accounting for leases

The Company has not recognized ‘Right of Use’ assets and lease liabilities as per IFRS 16. Management has assessed the impact of non implementation of IFRS 16 and has deemed the misstatement to be immaterial.

3.2 Comparatives and reclassification

Comparative information has been disclosed in respect of 2023 for all numerical information in the financial statements and also the narrative and descriptive information when it is relevant for understanding of the current period’s financial statements.

3.3 Accounting for loans

Loans operation consists of term loans, housing finance and staff loans. Books of accounts are maintained based on the accrual method of accounting. However, interest income on Special Mention Account (SMA) and classified loans is not recognized as income but credited to interest suspense account as per Bangladesh Bank circulars and directives.

3.4 Investments

Investment in securities are classified broadly in two categories and accounted for as under:

Investment in quoted shares

Investments in quoted shares (listed securities) are carried at cost. Adequate provision has been made considering each individual investment (where cost is less than market price) as guided by Bangladesh Bank. Unrealized gain is not recognized in the profit and loss account.

Investment in unquoted shares

Investment in unquoted shares/unlisted securities is reported at cost under cost method. Adjustment is given for any shortage of book value over cost for determining the carrying amount of investment in unlisted securities.

Stock dividends received against investment in shares are recorded at zero value in the books of accounts.

3.5 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, cash with Bangladesh Bank and its agent bank(s) and balance with banks and other financial institutions in the form of current deposit, short term deposit and fixed deposits.

3.6 Liquidity statement (asset and liability maturity analysis)

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

- i) Balance with banks and other financial institutions, money at call and short notice, etc. are on the basis of their maturity term.
- ii) Investments are on the basis of their respective maturity.
- iii) Loans, advances and leases are on the basis of their repayment schedule.

Notes to the Financial Statements-Continued

- iv) Fixed assets are on the basis of their estimated useful lives.
- v) Other assets are on the basis of their realization/amortization.
- vi) Borrowing from banks, other financial institutions and agents, etc are as per Management's expectation of the Company's future liquidity position.
- vii) Term deposits and other deposits are on the basis of Management's expectation of the Company's future liquidity position and past trend of withdrawal by the depositors.
- viii) Other liabilities are on the basis of their payment/adjustments schedule.

3.7 Fixed assets including land, building, furniture & equipment

The cost of an item of property, plant and equipment is recognized as an asset if, it is probable that the future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. Company's own fixed assets (except Land) are stated at cost less accumulated depreciation and accumulated impairment losses (if any). Land is stated under the revaluation model. The cost of acquisition of any asset comprises of its purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use as per International Accounting Standard (IAS) 16 "Property, Plant and Equipment".

3.7.1 Subsequent expenditure on fixed assets

Subsequent expenditure, such as repairs and maintenance, on property, plant and equipment is normally charged off as revenue expenditure in the period in which it is incurred. In situation subsequent expenditure is only recognized as an asset when the expenditure improves the condition of the asset beyond its originally assessed standard of performance. All other costs are recognized to the profit and loss account as expenses. All up gradation/enhancement are generally charged off as revenue expenditure unless they bring similar significant additional benefits.

3.7.2 Disposal of fixed assets

On disposal of fixed assets, the cost and accumulated depreciation are eliminated and gain or loss on such disposal is reflected in the profit and loss account, which is determined with reference to the net book value of the assets and net sales proceeds.

3.7.3 Depreciation on fixed assets

Depreciation on Company's own fixed assets is charged to amortize the cost of assets throughout their estimated useful lives, using the reducing balance method- in accordance with International Accounting Standard (IAS) 16 "Property, Plant and Equipment's". Depreciation of an asset begins when it is available for use, ie when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale (or included in a disposal group that is classified as held for sale) in accordance with IFRS 5 and the date that the asset is derecognized. The rates of depreciation used are as under:

Particulars	Rate
Land	Nil
Furniture & fixture	10% p.a
Electrical equipment	15% p.a
Motor vehicle	20% p.a
Office equipment	15% p.a
Interior decoration	10% p.a

Notes to the Financial Statements-Continued

3.8 Impairment of assets

The company's assets are appraised at each balance sheet date for impairment. If there is any indication of impairment, the company estimates the recoverable amount of such assets; impairment losses if any, is recognized in the profit & loss account if the carrying amount of the asset exceeds its recoverable amount.

3.9 Provision for loans, advances and investments

Provision for loans, advances and investments is an estimate of the losses that may be sustained in the investment portfolio. The provision is based on two principles (1) IAS 37: Provision, Contingent Liabilities and Contingent Assets and (2) Bangladesh Bank guidelines. The methodology for measuring the appropriate level of the provision relies on several key elements, which include both quantitative and qualitative factors as set forth in the Bangladesh Bank guidelines. DFIM Master circular No. 04 dated 26 July 2021, is the basis for calculating the provision for loans, advances and investments. Loan classification status during the year ended 31 December 2024 has been determined as per DFIM Master circular No. 04 dated 26 July 2021.

As per Bangladesh Bank circular, a general provision at 0.25% to 5% under different categories of unclassified loan (good/standard loans and Special Mention Account (SMA)) has to be maintained irrespective of objective evidence of impairment on leases, 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.

3.9.1 Write off of loans, advances and investments

In compliance with Bangladesh Bank DFIM circular no. 3 dated 8 April 2015, loans, advances and investment are written off to the extent that (i) there is 100% provision is maintained (ii) against which legal cases are pending and (iii) prior approval of board is required for write off. The item's potential return is thus cancelled and removed ("written off") from the Company's balance sheet. However, these write off will not undermine or affect the claim amount against the borrower. Recovery against the written off is credited to other operational income. Income is recognized where amounts are either recovered and/or adjusted against securities/properties or advances there against or are considered recoverable.

3.10 Other receivable

Other receivable includes accrued IDCP (Interest During Construction Period), accrued interest for delay in payment of rental/installment, accrued interest on fixed deposit. These receivables do not carry any interest and are stated at their nominal value and provision has been maintained against them as per Bangladesh Bank guidelines.

3.11 Provisions and accrued expenses

Provisions and accrued expenses are recognized in the financial statement when the company has a legal or constructive obligation as a result of past event, it is probable that an outflow of economic benefit will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

3.12 Payment of dividend

Interim dividends are recognized when they are paid to shareholders. Final dividend is recognized when it is approved by the shareholders.

The proposed cash dividend is not recognized as a liability in the balance sheet in accordance with the IAS 10 "events after reporting period". Dividend payable to the Company's shareholders are recognized as a liability and deducted from shareholders equity in the period in which the shareholders right to receive payment is established.

Notes to the Financial Statements-Continued

IAS 1 “presentation of financial statements” also requires the dividend proposed after the balance sheet date but before the financial statements are authorized for issue, be disclosed in the notes to the financial statements. Accordingly, the Company has disclosed the same in the notes to the financial statements.

Dividends cannot be declared by the Company until the Capital Adequacy shortfall disclosed in note 14.6 has been adjusted.

3.13 Revenue recognition

As per IFRS 15: Revenue from Contracts with Customers, an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Penal interest is recognized on cash basis as and when it is realised from the client except as disclosed in note 10.5.

3.13.1 Interest Income

Interest income comprises of interest income from lease, loans and advances and interest on placement of fund with banks and other financial institutions. Interest due is recognized on accrual basis using the effective interest method. Interest due over ninety days is not recognized as revenue rather it is recognized as interest suspense. Suspended interest is recognized as income on cash basis when it is received.

3.13.2 Income from leases

The excess of aggregate rentals receivable over the cost of the leased asset constitutes the total unearned lease income. The unearned lease income is recognized as revenue on an accrual basis over the lease terms, as per Bangladesh Bank Guidelines. No lease income is accounted for as revenue where any lease rental is in arrears for 03 (three) months and above. In case of lease account for more than 5 (five) years period, no lease income is accounted for as revenue where any lease rental is in arrears for 06 (six) months and above.

3.13.3 Income from loans, advances

Interest on loans and advances is recognized when interest is accrued. No interest on loans and advances is accounted for as revenue where any portion of capital or interest is in arrears for 03 (three) months and above. In case of loans and advances for more than 5 (five) years period, no interest on loans is accounted for as revenue where any portion of capital or interest is in arrears for 06 (six) months and above.

3.13.4 Dividend income

Dividend income is recognized on cash basis in the period in which the dividend was received.

3.13.5 Capital gain on sale of shares

Capital gain from sale of share/ securities is recognized on realized basis i.e. only when the securities are sold. Unrealized capital gain is not recognized as income.

3.13.6 Fee based revenue

Fee based revenues are recognized as income on cash basis i.e. as and when realized.

3.14 Bank loans

Interest bearing bank loans are recorded at the proceeds received. Interest on bank loans is accounted for on an accrued basis to profit and loss account under the head of financial expense at the implicit rate of interest. The accrued expenses are not added to carrying amounts of the loans.

3.15 Borrowing costs

According to International Accounting Standard 23 “borrowing cost”, all borrowing costs are recognized as expenses in the period in which they are incurred.

Notes to the Financial Statements-Continued

3.16 Interest suspense

As per Bangladesh Bank guidelines, lease income and interest on term finance overdue three months and above period are not recognized as revenue and credited to interest suspense account. In case of lease and loan account more than 5 years period and housing finance, lease income and interest income overdue six months and above period are not recognized as revenue and credited to interest suspense account.

3.17 Contingent liabilities and contingent assets

The company does not recognize contingent liability and contingent assets but discloses the existence of contingent liability in the financial statements in accordance with International Accounting Standard 37 "Provisions, Contingent Liabilities and Contingent Assets". A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by occurrence or non-occurrence of uncertain future events not within the control of the company.

3.18 Workers Profit Participation Fund and Welfare Fund

The company is yet to decide on the applicability of the sections 2 (65) of the Labour Code, 2006 and 232 of the Labor Act, 2006 hence no provision for workers profit participation and welfare fund has been made in the accounts.

3.19 Related party disclosure

The Company has entered into transactions with other parties in normal course of business that fall within the definition of related party as per International Accounting Standard 24 "Related Party Disclosure". The terms of related party transactions are not different from those that could have been obtained from third parties. Related party transactions are disclosed in the note no. 46 of this report.

3.20 Statutory reserve

As per 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 Reserves is less than the required paid up capital of that financial institution. Accordingly to DFIM Circular no 05, dated July 24, 2011, required capital for financial institution should not be less than BDT 100 crore or minimum capital required based on risk-weighted asset. Due to loss for the year 2024 the Company has not transferred any amount to the statutory reserve.

3.21 Earnings per share (EPS)

The Company calculates earnings per share in accordance with International Accounting Standard (IAS) 33 "earnings per share", which has been shown in the face of profit & loss account and the computation is stated in note-39.

3.21.1 Basic earnings per share

This represents earnings for the year attributable to ordinary shareholders. As there was no preference dividend or extra ordinary items, the net profit after tax for the year has been considered as fully attributable to the ordinary shareholders.

3.21.2 Diluted earnings per share

Diluted earnings per share reflects the potential dilution that could occur if additional ordinary shares are assumed to be issued under securities or contracts that entitle their holders to obtain ordinary shares in future, to the extent such entitlement is not subject to unresolved contingencies. Effect of dilution to weighted average number of ordinary shares is given for potential ordinary shares. As at 31 December 2024, there was no scope for dilution and hence no diluted EPS is required to be calculated.

Notes to the Financial Statements-Continued

3.21.3 Weighted average number of ordinary shares outstanding during the year

This represents the number of ordinary shares outstanding at the beginning of the year plus the number of ordinary shares issued during the year multiplied by a time-weighting factor. The time-weighting factor is the numbers of days the specific shares were outstanding as a proportion of the total number of days in the year.

3.22 Income tax

Income tax expense represents the sum of the tax currently payable.

Current tax:

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years or are never taxable or deductible. Company's liability for current tax is calculated using tax rates that have been enacted the reporting period. Due to loss for the year 2024, Company provided tax on dividend income which is higher than the minimum tax as per Income Tax Act 2023.

Deferred Tax:

Deferred tax liability has been recognized on revaluation of land as per IAS 12 para 51b.

3.23 Employee benefit

The company maintained the following employee benefit plans in compliance with International Accounting Standard 19 "Employee Benefits":

3.23.1 Provident fund

The company operates a contributory provident fund scheme for its employee which is recognized by the National Board of Revenue (NBR) and administrated by a Board of Trustees. Both the company and employee contribute to the fund on equal basis at a predetermined rate.

3.23.2 Gratuity scheme

The company operates a non-funded gratuity scheme. Employees are entitled to gratuity benefit after completion 5 (five) years satisfactory service. The gratuity is paid on the basis of last basic pay drawn and is payable at the rate of one month's basic pay for every completed year of service. Provision for gratuity is made annually considering all its eligible employees available at the end of the year.

3.23.3 Pension fund

The company operates a non funded superannuation fund scheme. Employees are entitled to the following benefits:

i) Death Benefits: 100% of sum assured on death of an employee as per his/her category during the tenure of service prior to retirement is payable to his/her nominee and/or heirs.

ii) Survival Benefits: 100% of the amount assured on retirement after completion age of 57 years (58th Birthday) and/or being physically incapacitated during his services in the Company as per category of the employees.

3.23.4 Group life insurance scheme

The company has a Group Life Insurance Scheme for all its permanent employees.

3.23.5 Employees hospitalization benefit

The company has an employees' hospitalization benefit scheme for all its permanent employees.

3.23.6 Performance bonus

The employees of the company are entitled to annual performance bonus which is determined on the basis of company as well as individual employee's performance and subject to approval by the Board of Directors of the company.

Notes to the Financial Statements-Continued

3.23.7 Employee personal loan scheme

The company provides personal loan facility to its employee as per loan scheme of the company.

3.23.8 Other benefits

The employees of the company are also entitled to privilege leave encashment benefit, etc.

3.24 Policies and objectives adapted for financial risk management

The policies mentioned in this section are being applied in a very limited manner due to the Company's financial condition.

The Board of Directors guides and formulates the basic philosophy relating to optimal implementation of strategy to cater to the financial risk and capital deployed for investment.

In order to ensure maximum return to shareholders, the Company emphasizes on maintaining strong capital base to attain high credit rating, which enables growth, as well as portray good image and meet the regulatory requirements.

The management of the company takes account to the following factors, which affects the financial risks that are faced from time to time.

3.24.1 Credit risk

Credit risk arises when an obligor fails to perform its obligations under a trading or loan contract or when its ability to perform such obligations is impaired. This risk is compounded if the assigned collateral only covers the claim made to the clients or if its value is variable or uncertain. Credit risk does not arise only when a borrower defaults on payment of a loan but also when its repayment capability declines.

Mitigation Policy

Credit policies are designed to create, monitor and manage credit risk in a manner that complies with all applicable laws and regulations. The credit policies also include utilizing appropriate, accurate and timely tools to measure credit risk and maintaining acceptable levels if overall credit risk for the entire portfolio.

3.24.2 Liquidity risk

Liquidity risk is the current and prospective risk that the company, though solvent, either does not have sufficient financial resources available to meet its liability when they fall due or can secure them only at excessive cost. Liquidity risk arises from the inability to manage unplanned changes in funding sources.

Mitigation Policy

The policy of the company is to maintain and manage the fund in such a manner so that any short- and long-term commitment are not affected due to mismatch of tenure. The risks involved in liquidity are regularly looked after by the Treasury Department as per the guidance of the Asset Liability Management Committee (ALMC) from time to time.

3.24.3 Market risk

Market risk relates to potential loss arising from and adverse change in market risk factors, including commodity prices, interest rates, credit spreads and equity prices.

Mitigation Policy

The Assets Liability Management Committee (ALMC) of the company regularly meets to assess the change 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.

Notes to the Financial Statements-Continued

Apart from major financial risks, the organization also faces non-financial risk among which following are prominent:

3.24.4 Operational risk

Operational risk is the risk of direct or indirect loss or damage resulting from inadequate or failed internal processes or systems or from human error or external events. Operational risk is therefore inherent in all activities within the company.

Mitigation Policy

Appropriate internal control systems can reduce operational risk within acceptable level. The Company established an effective and efficient internal control & compliance department (ICCD) to ensure the implement of policies and statutory requirements to encounter such risk. Internal Control and Compliance committee of the company works to ensure effective and efficient operations, reliable financial reporting and compliance with laws and regulations.

3.24.5 Information and communication technology risk

This risk may arise from malfunction of system, failure of network, lack of knowledge about the use of technology, virus attack, hacking etc.

Mitigation Policy

To manage IT related risk, the company has adopted excellent disaster recovery back up facilities in emergency situation. In addition, the company has check and balance system in every step of its standard procedures of operations.

3.24.6 Strong credit policy formulation by top management

- The Board of Directors of the company guides and formulates the basic philosophy relating to optimal implementation of strategy to cater to the financial risk and capital deployed for investment.
- The Board of Directors has approved the credit policy for the company where major policy guidelines, growth strategy, exposure limits (for particular sector, product, individual company and group) and risk management strategies have been detailed.

3.24.7 Credit manual updated with recent industry information

Credit policy is regularly updated to cope up with the changing global, environmental and domestic economic scenarios.

3.24.8 Thorough credit approval process

Meeting regulatory requirements and industry best practices: All credit facility complies regulatory requirements including Financial Institution Act and Bangladesh Bank guidelines & circulars as amended from time to time. The company considers Guidelines for managing core risks of financial institutions issued by the Country's central bank, Bangladesh Bank; vide FID circular no. 10 dated September 18, 2005 for management of risks.

3.24.9 Multilayer credit evaluation process

To ensure both speedy service and mitigation of credit risk, the approval process is maintained through a multilayer system. Depending on the size of the loan, a multilayer approval system is designed. As smaller loans are very frequent and comparatively less risky, lower sanctioning authority is set to improve the turnaround time and associated risk. Bigger loans require more scrutiny as the associated risk is higher. So sanctioning authority is higher as well.

Notes to the Financial Statements-Continued

3.24.10 Rigorous due diligence process followed

- The Company downloads credit report from the credit information bureau (CIB) of Bangladesh Bank. The report is scrutinized by top management to understand the liability condition and repayment behavior of the client.
- The Company takes banker's opinions from client's banks as well as suppliers' and buyers' opinion to understand the market position and reputation of our proposed customers.
- The Company discourages financing to low net worth or highly leveraged customer; who might jeopardize their repayment commitment or even in worse situation may face liquidity problem.
- The Company evaluates customer repayment performance before providing credit facility though financial analysis, ensure adequate insurance coverage for funded assets, seeking external legal opinion and taking collateral security to reduce risk.
- The Company provides credit facility to productive and legitimate business activities, which are financially viable with strong focus on cash flow generation, have market demand and socially desirable; and will not invest for unproductive purposes or speculative ventures.

During the period under audit the company did not provide any credit facilities due to liquidity crisis.

3.24.11 Constant credit monitoring and recovery process

- **Existence of control mechanism for early warning:** Performance of loans is regularly monitored to trigger early warning system to address the loans and advances whose performance show any deteriorating trend. It enables the company to grow its credit portfolio with ultimate objective to protect the interest of stakeholders.
- **Continuous monitoring by top management:** The Management Credit Committee (MCC) regularly meets to review the market and credit risk related to lending and recommend and implement appropriate measures to counter associated risks. The MCC critically reviews projects considering the current global economic situation and its probable impact on the project.
- **Centralized Credit Administration:** The Company has already established a centralized credit risk management department and a process manual. The Credit Risk Management (CRM) department regularly monitors and follows up credit risk related matter and recommend and implement appropriate measures to counter associated risk. The CRM time to time reviews projects from risk point of view and assists the management in creating a high-quality credit portfolio and maximize return from risk-based assets.

3.25 Basel II & its implementation

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

The Company has a shortfall in Capital Adequacy as stated in note 14.6.

3.26 Reporting period

Financial statements of the company cover twelve months period from January 01, to December 31, consistently.

3.27 Offsetting

No assets or liability has been offsetted or reduced by any other assets unless a legal right for set-off exists and the offsetting presents the expectation as to the realization or settlement of the assets or liability.

3.28 Adoption of Financial Statements

The audited Financial Statements for the year ended December 31, 2021 was adopted by the shareholders in the 26th AGM held on 15 November 2023.

The audited Financial Statements for the year ended December 31, 2022 and for the year ended December 31, 2023 will be adopted by the shareholders in the 27th and 28th AGM.

Notes to the Financial Statements-Continued

Note No.	Particulars	Amount in Taka	
		31-12-2024	31-12-2023
4 Cash	This is made up as follows:		
	Cash in hand (note: 4.1)	32,762	62,912
	Balance with Bangladesh Bank & its agent bank(s) (note: 4.2)	24,632	165,332
		57,394	228,244
4.1 Cash in hand	This is made up as follows:		
	Local currency	32,762	62,912
	Foreign currency	-	-
		32,762	62,912
4.2 Balance with Bangladesh Bank & its agent bank (s)	This is made up as follows:		
	Balance with Bangladesh Bank (note: 4.2.1)	24,632	165,332
	Balance with Bangladesh Bank's agent bank (note: 4.2.2)	-	-
		24,632	165,332
4.2.1 Balance with Bangladesh Bank	This is made up as follows:		
	Local currency	24,632	165,332
	Foreign currencies	-	-
		24,632	165,332
4.2.2 Balance with Bangladesh Bank's agent bank	This is made up as follows:		
	Local currency	-	-
	Foreign currencies	-	-
		-	-
4.3 Cash Reserve Requirement (CRR) and Statutory Liquidity Reserve (SLR)			
	Cash Reserve Requirement (CRR) and Statutory Liquidity Reserve (SLR) has to be calculated and maintained in accordance with Finance Companies Act, 2023, Rule 5 of Financial Institutions Regulations 1994 and instructions contained in FID circular no. 06 dated 06 November 2003, FID circular no. 02 dated 10 November 2004, DFIM circular no. 01 dated 12 January 2017 and DFIM circular no. 03 dated 21 June 2020 issued by Bangladesh Bank.		
	Cash Reserve Requirement (CRR) is required on the total term deposits at the rate of 1.5% has to be calculated and preserved in current account maintained with Bangladesh Bank. Total Term Deposit' means Term or Fixed Deposit, Security Deposit against Lease/Loan and other Term Deposits, received from individuals and institutions (except Banks & Financial Institutions).		
	Statutory Liquidity Reserve (SLR) including Cash Reserve Requirement (CRR) has to be maintained at the rate of 5.00% against total liabilities excluding shareholders' equity, borrowings from Bangladesh Bank and other Bank and Finance Companies in the form of cash in hand (notes and coin in BDT), balance with Bangladesh Bank and other banks and financial institution, investment at call, unencumbered treasury bills, prize bond, savings certificate and any other assets approved by Bangladesh Bank. Both the reserves as maintained by the company are shown below:		
4.3.1 Cash Reserve Requirement (CRR): 1.5% of term deposits (excluding bank & FI deposits):	The Company requires to maintain cash with Bangladesh Bank current account equivalent to 1.50% of Term Deposits other than deposit taken from banks and financial institutions.		
	Required reserve	27,870,313	27,830,538
	Actual reserve held with Bangladesh Bank (Note:4.2)	24,632	165,332
	Surplus / (deficit)	(27,845,681)	(27,665,206)
4.3.2 Statutory Liquidity Reserve (SLR): 5% (including 1.5% CRR) of average liabilities:	The Company requires to maintain SLR equivalent to 5% of total liability including 1.50% of CRR and excluding loans and deposits taken from banks and financial institutions.		
	Required reserve	208,102,647	286,359,179
	Actual reserve held (note: 4.3.3)	27,306,297	35,913,889
	Surplus / (deficit)	(180,796,350)	(250,445,290)
4.3.3 Held for Statutory Liquidity Reserve (SLR):			
	Cash in hand (note: 4.1)	32,762	62,912
	Balance with Bangladesh Bank (note: 4.2)	24,632	165,332
	Balance with other bank and financial institutions (note-5)	27,248,903	35,685,645
	Money at call on short notice (note: 6)	-	-
		27,306,297	35,913,889

Notes to the Financial Statements-Continued

Note No.	Particulars	Amount in Taka	
		31-12-2024	31-12-2023
5	Balance with banks and other financial institutions		
	This is made up as follows:		
	Inside Bangladesh (note: 5.1)	27,248,903	35,685,645
	Outside Bangladesh	-	-
		27,248,903	35,685,645
5.1	Inside Bangladesh		
	This is made up as follows:		
	a) Current deposit account:		
	The City Bank PLC, Uttara Branch, Dhaka	15,007	15,007
	Prime Bank PLC, Motijheel Branch, Dhaka	3,045,511	171,289
	Dutch Bangla Bank PLC, Rampura Branch	618,294	619,714
	Social Islami Bank PLC, Principal Branch, Dhaka	7,555	8,245
		3,686,367	814,255
	b) Short term deposit account:		
	Bank Asia PLC, N. Gonj Branch	1	1
	Bank Asia PLC, Agrabad Branch, Chattagram	1,054	1,054
	Bangladesh Commerce Bank PLC, Principal Office, Dhaka	223,605	221,279
	BASIC Bank PLC, Basundhara Branch, Dhaka	10,421	11,282
	The City Bank PLC, Principal Branch, Dhaka	13,702	13,278
	Dhaka Bank PLC, Local Office, Dhaka	44,486	44,486
	EXIM Bank of BD PLC, Head office Corp. Branch, Dhaka	66,135	32,392,162
	Mutual Trust Bank PLC, Jubly Road Branch, Chattagram	10,961	13,235
	Southeast Bank PLC, Principal Branch, Dhaka	1,228,990	1,205,829
	Uttara Bank PLC, Local Office, Dhaka	683,921	665,542
	Mercentile Bank PLC, Agrabad Branch, Chattagram	215,214	167,903
	Mutual Trust Bank PLC, Agrabad Branch, Chattagram	713,046	135,339
		3,211,536	34,871,390
	c) Fixed deposits:		
	With bank (note: 5.1.1)	-	-
	With other financial institutions (note: 5.1.2)	20,351,000	-
		20,351,000	-
	Total (A+B+C):	27,248,903	35,685,645
5.2	Residual maturity groupings of balance with other banks and financial institutions:		
	Upto 1 month	6,897,903	35,685,645
	More than 1 month but not more than 3 months	20,351,000	-
	More than 3 months but not more than 1 year	-	-
	More than 1 year but not more than 5 years	-	-
	More than 5 years	-	-
		27,248,903	35,685,645
6	Money at call on short notice		
	This is made up as follows:		
	With banks	-	-
	With financial institutions	-	-
		-	-
7	Investments		
	This is made up as follows:		
	In Government securities		
	Treasury bills	-	-
	National investment bonds	-	-
	Bangladesh Bank bills	-	-
	Government notes/bonds	-	-
	Prize bonds	-	-
	Others	-	-
		-	-
	Other investments:		
	Ordinary shares (note 7.1)	190,413,132	190,411,213
	Debenture and bonds	-	-
	Others	-	-
		190,413,132	190,411,213

Notes to the Financial Statements-Continued

Note No.	Particulars	Amount in Taka	
		31-12-2024	31-12-2023
7.1 Ordinary shares	This is made up as follows:		
	Quoted shares (note 7.1.1)	72,913,132	72,911,213
	Unquoted shares (note 7.1.2)	117,500,000	117,500,000
		190,413,132	190,411,213
7.1.1 Quoted shares	This is made up as follows:		
	Name of the Company	31-12-2024	31-12-2023
	Argon Denims Ltd.	8,091,902	8,091,902
	BSRM Steels Limited	44,192,430	44,192,430
	BATBC	2,994,985	2,208,390
	Dhaka Bank PLC	5,072,190	5,072,190
	Grameen One: Scheme Two	1,901,721	1,901,721
	Ifad Autos Ltd.	1,241,529	1,241,529
	Power Grid Company of BD	988,724	988,724
	Square Pharmaceuticals Ltd.	7,037,250	7,037,250
	Standard Bank PLC	1,392,401	1,392,401
	The ACME Lab. Ltd.	-	784,676
		72,913,132	72,911,213
7.1.2 Unquoted shares	This is made up as follows:		
	BanglaLion Communications Ltd.	107,500,000	107,500,000
	GMG Airlines Ltd.	10,000,000	10,000,000
		117,500,000	117,500,000
	The company has invested an amount of Tk. 107,500,000 to BanglaLion Communications Ltd. against 10,750,000 Ordinary Shares of Tk. 10.00 each. BanglaLion Communications Ltd. is a Private Ltd. company which provides wireless internet with latest wireless broadband technology and the Company is one of the sponsor shareholders of BanglaLion Communications Ltd. BIFC holds 5% shares of the total share of BanglaLion Communications Ltd.		
	The company has also invested an amount of Tk.10,000,000 to GMG Airlines Ltd. against 200,000 Ordinary Shares of Tk. 50.00 each including a premium of Tk.40.00 per share. During the year 2012, BIFC received 20,000 shares of Tk.10.00 each from GMG Airlines Ltd. against 10% stock dividend which is recorded at zero value in the books of accounts. So, total shares of GMG Airlines Ltd. stands at 220,000.		
	The Company has maintained 100% provision (note 13.2) against its investments in unquoted shares as per FID Circular no. 08 dated 03 August 2002.		
7.2 Sector wise investments in un-quoted shares at cost	This is made up as follows:		
	Banking companies	6,464,591	6,464,591
	Fuel & power	988,724	988,724
	Manufacturing companies and others	65,459,817	65,457,898
		72,913,132	72,911,213
7.3 Residual maturity groupings of investments	This is made up as follows:		
	Upto 1 month	72,913,132	72,911,213
	More than 1 month but not more than 3 months	-	-
	More than 3 months but not more than 1 year	-	-
	More than 1 year but not more than 5 years	-	-
	More than 5 years	117,500,000	117,500,000
		190,413,132	190,411,213
	(A schedule of investment in shares is given in Annexure- C)		
8 Loans, advances and leases	This is made up as follows:		
	Loans, cash credits, overdrafts, etc. (note: 8.a)	7,635,830,876	7,704,027,742
	Bills purchased and discounted (note: 8.b)	-	-
		7,635,830,876	7,704,027,742

Notes to the Financial Statements-Continued

Note No.	Particulars	Amount in Taka	
		31-12-2024	31-12-2023
8.a	Loans, cash credits, overdrafts, etc.		
	This is made up as follows:		
	Inside Bangladesh		
	Lease finance (note: 8.1)	351,403,414	355,157,454
	Term loans (note: 8.2)	7,252,543,830	7,314,896,867
	Housing finance	25,023,523	25,354,333
	Staff loan (note: 8.3)	6,860,109	8,619,088
	Overdrafts	-	-
	Cash credit	-	-
		7,635,830,876	7,704,027,742
	Outside Bangladesh	-	-
		7,635,830,876	7,704,027,742
8.1	Lease finance		
	This is made up as follows:		
	Gross lease receivable	139,621,854	140,338,447
	Less: Unearned lease income	9,632,535	9,605,767
	Net lease receivables	129,989,319	130,732,680
	Add: Overdue lease rentals	221,414,095	224,424,774
		351,403,414	355,157,454
8.2	Term loans		
	This is made up as follows:		
	Principal outstanding	2,441,785,763	2,502,016,501
	Accounts receivable	4,810,758,067	4,812,880,366
		7,252,543,830	7,314,896,867
8.3	Staff loans		
	This is made up as follows:		
	Housing finance	-	-
	Term loan	6,860,109	8,619,088
		6,860,109	8,619,088
8.4	Residual maturity grouping of loans, advances and leases		
	This is made up as follows:		
	Receivable:		
	On Demand	-	-
	Upto 1 month	207,772,321	102,728,865
	More than 1 month but not more than 3 months	207,344,242	207,344,242
	More than 3 months but not more than 1 year	2,663,919,954	1,002,294,091
	More than 1 year but not more than 5 years	4,074,661,100	5,999,256,156
	More than 5 years	482,133,259	392,404,388
		7,635,830,876	7,704,027,742

Since 97.28% of the loans, advances and leases are classified, residual maturity has been calculated by the Management by taking into account of the recovery forecasts.

8.5 Loans, advances and leases on the basis of significant concentration:

This is made up as follows:

8.5.1	Loans, advances and leases to directors and their allied concerns	-	-
8.5.2	Loans, advances and leases to CEO & Sr. Executives/Officers	6,860,109	8,619,088
8.5.3	Loans, advances and leases to customer groups	7,628,970,767	7,695,408,654

Loans, advances and leases allowed to any individual customer or enterprise or any organization of a group exceeding 15% of the Financial Institution's total capital.
Consequently all the loans allowed by the company is a large loan and hence cannot be disclosed separately.

8.5.4 Loans, advances and Leases on the basis of industrial sectors:

As per Bangladesh Bank circular, sector wise loans and advances are as follows:

Sector	As at 31 December 2024		As at 31 December 2023	
	Amount	Percentage	Amount	Percentage
A. Trade & Commerce (Importers, wholesalers, retail Traders, etc)	1,085,727,707	14.22%	1,102,675,821	14.31%
B. Industry:				
1) Readymade Garments and Knitwear	1,669,330,837	21.86%	1,710,376,078	22.20%
2) Textile Mills	898,505,499	11.77%	884,254,410	11.48%
3) Garments Accessories	7,348,363	0.10%	7,026,996	0.09%
4) Jute Mills and Jute Products	54,846,636	0.72%	54,015,761	0.70%

Notes to the Financial Statements-Continued

Note No.	Particulars	Amount in Taka			
		31-12-2024	31-12-2023		
	Sector	As at 31 December 2024		As at 31 December 2023	
		Amount	Percentage	Amount	Percentage
	5) Food Production and Processing	3,781,910	0.05%	3,781,909	0.05%
	6) Printing & Dyeing Industries	3,894,656	0.05%	6,207,936	0.08%
	7) Plastic Industry	-	-	-	-
	8) Leather and Leather-Goods	-	-	-	-
	9) Steel Engineering & Metal Products	156,685,660	2.05%	82,290,200	1.07%
	10) IT based activities (Call centre, internet services, etc)	2,172,397,251	28.45%	2,144,977,638	27.84%
	11) Road Transport Companies	85,653,759	1.12%	86,041,370	1.12%
	12) Housing	25,023,523	0.33%	79,941,132	1.04%
	13) Cement Manufacturing	36,098,213	0.47%	45,949,062	0.60%
	14) Hotel Tourism & others	176,980,322	2.32%	176,980,322	2.30%
	15) Power (Gas, oil & other fuels)	328,799,082	4.31%	323,516,221	4.20%
	16) Paper, printing, packaging, Manufacturing	165,282,292	2.16%	165,449,973	2.15%
	17) Ship Building & Breaking Industries	327,552,958	4.29%	339,489,795	4.41%
	18) Electronics and Electrical Products	-	-	-	-
	19) Agriculture	-	-	-	-
	C. Others	437,922,209	5.74%	491,053,118	6.36%
	Total	7,635,830,876	100.00%	7,704,027,742	100.00%

8.5.5 Geographical location-wise concentration of loans, advances and leases

This is made up as follows:

Division	As at 31 December 2024		As at 31 December 2023	
	Amount	Composition	Amount	Composition
Dhaka	7,035,783,311	92.14%	7,074,300,027	91.83%
Chittagong	600,047,565	7.86%	629,727,715	8.17%
Total	7,635,830,876	100.00%	7,704,027,742	100.00%

8.6 (A) Grouping of loans, advances and leases as per classification rules of Bangladesh Bank

This is made up as follows:

Unclassified

Standard including staff loans
Special Mention Account (SMA)

207,772,321	231,616,133
-	2,137,638
207,772,321	233,753,771

Classified

Substandard
Doubtful
Bad or loss

-	73,535
-	-
7,428,058,555	7,470,200,436
7,428,058,555	7,470,273,971
7,635,830,876	7,704,027,742

(B) Classification and provisioning of loans and advances including bills purchased and discounted:

Classification / status of loans and advances	Amount of outstanding loans and advances as at 31 December, 2024	Base for provision	% of provision required as per Bangladesh Bank directive	Amount of Provision as at 31 December, 2024	Amount of Provision as at 31 December, 2023
i. General provision					
Standard Non SME including staff loans	207,772,321	207,772,321	1.00%	2,077,723	2,315,564
Standard SME	-	-	0.25%	-	149
Special Mention Account	-	-	5%	-	98,757
				2,077,723	2,414,470
ii. Specific provision					
Sub-standard	-	-	20%	-	14,402
Doubtful	-	-	50%	-	-
Bad/loss	7,428,058,555	6,661,277,694	100%	6,661,277,694	6,678,932,522
				6,661,277,694	6,678,946,924
iii. Special Provision 2%	203,133,187	203,133,187	2%	4,062,664	4,495,950
Total provision required (i+ii+iii)				6,667,418,081	6,685,857,344
Total provision maintained (Note: 13.1)				6,667,418,081	6,685,857,344
Excess/ (Deficit)				-	-

Notes to the Financial Statements-Continued

Note No.	Particulars	Amount in Taka	
		31-12-2024	31-12-2023
8.7 Particulars of loans, advances and leases:			
(i)	Loans considered good in respect of which the Financial Institution is fully secured	164,040,282	26,348,930
(ii)	Loans considered good for which the Financial Institution holds no Security other than the debtor's personal guarantee	7,281,715,717	7,629,730,157
(iii)	Loans considered good which is secured by the personal guarantee of one or more parties in addition to the personal guarantee of the debtors	190,074,877	47,948,655
(iv)	Loans adversely classified; provision not maintained there against	-	-
		7,635,830,876	7,704,027,742
(v)	Loans due by directors or officers of the Financial Institution or any of them either separately or jointly with any other person	6,860,109	8,619,088
(vi)	Loans due from companies or firms in which the directors of the Financial Institution have interest as directors, partners or managing agents or, in case of private companies as members	-	-
(vii)	Maximum total amount of advances, including temporary advances made at any time during the year to directors or managers or officers of the Financial Institution or any of them either separately or jointly with any other persons	2,100,000	10,175,000
(viii)	Maximum total amount of advances, including temporary advances granted during the year to the companies or firms in which the directors of the Financial Institution have interest as directors, partners or managing agents, or in the case of private companies as members	-	-
(ix)	Due from Banking Companies	-	-
(x)	Classified loans for which interest has not been charged (note: 8.6.A)	7,428,058,555	7,470,273,971
	a) Increase/ (decrease) of provision (Note: 8.6 (B)(ii), Closing Balance - Opening Balance)	(17,669,230)	32,192,003
	b) Amount of loans written off	-	-
	c) Amount realised against loans previously written off	-	-
	d) Amount of provision kept against loans classified as bad/loss on the Balance Sheet date (Note: 8.6 (B)(ii))	6,661,277,694	6,678,932,522
	e) Amount of interest credited to the interest suspense account (note: 13.4)	732,009,473	750,320,525
(xi)	Amount of loans written off:		
	Current year	-	-
	Cumulative to date	27,350,760	27,350,760
	The amount of written off loans for which law suit filed	27,350,760	27,350,760
8.b Bills purchased and discounted		-	-
	No bill has been purchased or discounted during the year.		
9 Fixed assets including land, building, furniture & equipments			
	This is made up as follows:		
	A. Cost:		
	Land and land development	440,000,000	440,000,000
	Furniture & fixture	3,766,229	3,766,229
	Electrical appliance	11,793,262	11,793,262
	Motor vehicles	15,280,154	15,280,154
	Interior decoration	11,088,782	11,088,782
	Office equipment	1,261,629	1,261,629
	Intangible assets	-	-
		483,190,056	483,190,056
	B. Accumulated depreciation:		
	Furniture & fixture	2,167,092	1,989,410
	Electrical appliance	8,966,251	8,467,365
	Motor vehicles	14,259,831	14,004,750
	Interior decoration	6,857,249	6,387,078
	Office equipment	1,085,155	1,054,011
	Intangible assets	-	-
		33,335,578	31,902,614

Notes to the Financial Statements-Continued

Note No.	Particulars	Amount in Taka	
		31-12-2024	31-12-2023
C. Written down value at December 31, 2024			
	Land and land development	440,000,000	440,000,000
	Furniture & fixture	1,599,137	1,776,819
	Electrical appliance	2,827,011	3,325,897
	Motor vehicles	1,020,323	1,275,404
	Interior decoration	4,231,533	4,701,704
	Office equipment	176,474	207,618
	Intangible assets	-	-
	Total (A-B):	449,854,478	451,287,442
	For details please refer to Annexure- A		
	The company acquired 11 kathas land located at 65/1, DIT Extension Road, Purana Paltan, Dhaka which was revalued in the year 2012 at 440,000,000 from existing Tk. 36,574,333. Thus the value of the said land increased by Tk. 403,425,667 which was shown as assets revaluation reserve.		
10	Others assets		
	This is made up as follows:		
	A. Income generating other assets:		
	Income receivable	-	-
	B. Non-income generating:		
	Stock of stamp	5,175	44,530
	Advance rent, advertisement etc. (note: 10.1)	1,398,538	1,642,486
	Receivable on sale of shares (note: 10.2)	31,100	3,679
	Security deposits (note: 10.3)	3,644,237	3,644,237
	Prepaid expenditure (note: 10.4)	322,091,625	322,858,090
	Suspense account	11,198	11,198
	Others (note: 10.5)	55,883,764	105,080,786
	Total (A+B):	383,065,637	433,285,006
10.1	Advance rent, advertisement etc.	383,065,637	433,285,006
	These represents rent paid to land-lord in advance for office premises.		
10.2	Receivable on sale of shares		
	This is made up as follows:		
	Anchor Securities Ltd.	1,205	1,205
	LankaBangla Securities Ltd.	29,895	2,474
		31,100	3,679
10.3	Security deposits		
	This is made up as follows:		
	Deposits with BTTB and mobile operator	28,000	28,000
	Deposits with CDBL	400,000	400,000
	Deposits with landlord	3,000,000	3,000,000
	Others	216,237	216,237
		3,644,237	3,644,237
10.4	Prepaid expenditure		
	This is made up as follows:		
	Advance payment for land	2,343,333	2,343,333
	Building construction	10,345,000	10,345,000
	Advance Payment of Tax (Note: 10.4.1)	291,219,154	289,494,639
	Others	18,184,138	20,675,118
		322,091,625	322,858,090
10.4.1	Advance income tax		
	This is made up as follows:		
	Income tax refundable (note: 10.4.1.1)	5,309,867	5,309,867
	Advance income tax (note: 10.4.1.2)	285,909,287	284,184,772
		291,219,154	289,494,639

Notes to the Financial Statements-Continued

Note No.	Particulars	Amount in Taka	
		31-12-2024	31-12-2023
10.4.1.1 Income tax refundable			
	Year-wise break-up are as follows:		
	Assesment year	Income year	Amount
	2003-2004	2002	4,042,297
	2004-2005	2003	971,703
	2006-2007	2005	295,867
			<u>5,309,867</u>
			<u>5,309,867</u>
10.4.1.2 Advance income tax			
	Year-wise Break-up are as follows:		
	2005-2006	2004	1,200,331
	2007-2008	2006	7,384,177
	2008-2009	2007	7,878,688
	2009-2010	2008	6,590,386
	2010-2011	2009	8,731,427
	2011-2012	2010	9,013,223
	2012-2013	2011	22,947,016
	2013-2014	2012	14,735,190
	2014-2015	2013	45,975,386
	2015-2016	2014	48,616,179
	2016-2017	2015	102,353,393
	2017-2018	2016	2,290,472
	2018-2019	2017	2,788,510
	2019-2020	2018	870,872
	2020-2021	2019	724,765
	2021-2022	2020	321,311
	2022-2023	2021	331,889
	2023-2024	2022	529,397
	2024-2025	2023	902,160
	2025-2026	2024	1,724,515
			<u>285,909,287</u>
			<u>284,184,772</u>
10.5 Others			
	This is made up as follows:		
	Receivable against IDCP	32,270,833	32,314,496
	Receivable against LPI	23,400,240	72,766,290
	Accrued interest on fixed deposit	212,691	-
		<u>55,883,764</u>	<u>105,080,786</u>
	Provision has been maintained against these assets as per FID Circular no. 08 dated 03 August 2002. See note 13.3.		
11 Borrowings from other financial institutions, banks and agents			
	This is made up as follows:		
	In Bangladesh (note: 11.1)	3,843,747,111	3,853,536,156
	Outside Bangladesh	-	-
		<u>3,843,747,111</u>	<u>3,853,536,156</u>
11.1 In Bangladesh			
	This is made up as follows:		
	Refinance against SME loan from Bangladesh Bank (note: 11.1.1)	971,361	1,155,573
	Term loan from banks	3,493,062,402	3,502,667,235
	Short term loan (note: 11.1.2)	209,713,348	209,713,348
	Money at call & short notice (note: 11.1.3)	140,000,000	140,000,000
		<u>3,843,747,111</u>	<u>3,853,536,156</u>
11.1.1 Bangladesh Bank (BB) introduced a refinance scheme to support the development small enterprise under the scheme Small and Medium Enterprise (SME) by way of providing refinance facilities under the terms and conditions of BB's FID Circular No. 01, dated May 02, 2004. Under this scheme, the company claims the refinance facility from Bangladesh Bank on a quarterly basis, whose repayment was made as per schedule fixed by Bangladesh Bank.			
11.1.2 Short term loan			
	This is made up as follows:		
	Bangladesh Development Bank PLC	200,000,000	200,000,000
	Mercantile Bank PLC	9,713,348	9,713,348
		<u>209,713,348</u>	<u>209,713,348</u>

Notes to the Financial Statements-Continued

Note No.	Particulars	Amount in Taka	
		31-12-2024	31-12-2023
11.1.3 Money at call & short notice			
	This is made up as follows:		
	Agrani Bank PLC	40,000,000	40,000,000
	Sonali Bank Limited	100,000,000	100,000,000
		140,000,000	140,000,000
11.2 Analysis by security against borrowing from other financial institutions, banks and agents			
	This is made up as follows:		
	Secured (note: 11.2.1)	3,493,062,402	3,502,667,235
	Unsecured	350,684,709	350,868,921
		3,843,747,111	3,853,536,156
11.2.1	The loans are secured by first ranking Pari Passu Security Sharing Agreement (PPSSA) among the lenders on all present and future assets both moveable and immovable by deed of Floating Charge and Letter of Hypothecation, which is registered with the Registrar of Joint Stock Companies and Firms.		
11.3 Maturity wise classification of loan			
	This is made up as follows:		
	Repayable on demand	140,000,000	140,000,000
	Within 1 month	209,713,348	209,713,348
	Over 1 month but not more than 3 months	174,701,688	307,196,093
	Over 3 months but not more than 1 year	349,403,376	659,912,783
	Over 1 year but not more than 5 years	698,806,753	2,536,713,932
	Over 5 years	2,271,121,946	-
		3,843,747,111	3,853,536,156
	Borrowings have been classified according to reconstruction plan of BIFC and management assumptions of Company's future liquidity position.		
12 Deposits & other accounts			
	This is made up as follows:		
	Term deposits (note: 12.1)	5,385,834,627	5,383,582,976
	Other deposits (note: 12.2)	1,228,812	7,577,940
		5,387,063,439	5,391,160,916
12.1 Term deposits			
	This is made up as follows:		
	Term deposit from banks and other FIs	3,527,813,790	3,528,213,790
	Term deposit from other than banks & FIs (note: 12.1.1)	1,858,020,837	1,855,369,186
		5,385,834,627	5,383,582,976
12.1.1 Term deposit from other than banks & FIs			
	This is made up as follows:		
	General term deposits	1,784,889,361	1,778,774,352
	Double & triple benefit scheme	72,484,326	76,023,854
	Monthly savings scheme (MSS)	647,150	570,980
		1,858,020,837	1,855,369,186
12.1.2 Residual maturity grouping of deposits & other accounts:			
	This is made up as follows:		
	From Banks & FIs		
	Payable:		
	On demand	-	-
	Upto 1 month	-	-
	In more than 1 month but less than 6 months	176,390,689	176,410,690
	In more than 6 months but less than 1 year	352,781,379	352,821,379
	In more than 1 year but within 5 years	1,058,344,137	1,234,874,827
	In more than 5 years but within 10 years	1,940,297,585	1,764,106,894
		3,527,813,790	3,528,213,790
	From other than Banks & FIs		
	Payable:		
	On demand	-	-
	Upto 1 month	18,580,208	185,536,919
	In more than 1 month but less than 6 months	92,901,042	371,073,837
	In more than 6 months but less than 1 year	185,802,084	463,842,297
	In more than 1 year but within 5 years	836,109,377	834,916,133
	In more than 5 years but within 10 years	724,628,126	-
		1,858,020,837	1,855,369,186
	Unclaimed deposits aging 10 years or more	-	-
	Deposits have been classified according to reconstruction plan of BIFC and management assumptions of Company's future liquidity position.		

Notes to the Financial Statements-Continued

Note No.	Particulars	Amount in Taka	
		31-12-2024	31-12-2023
12.2 Other deposits	This is made up as follows:		
	Other deposits-banks and FIs	-	-
	Other deposits-other than banks & FIs (note: 12.2.1)	1,228,812	7,577,940
		1,228,812	7,577,940
12.2.1 Other deposits-other than Banks & FIs	This is made up as follows:		
	Lease advance	1,228,812	7,299,632
	Security deposits	-	278,308
		1,228,812	7,577,940
12.2.2 Residual maturity grouping of Other deposits-other than banks & FIs	This is made up as follows:		
	Repayable on demand	-	-
	Within 1 month	-	-
	Over 1 month but not more than 3 months	122,881	757,794
	Over 3 months but not more than 1 year	245,762	1,515,588
	Over 1 year but not more than 5 years	307,203	1,894,485
	Over 5 years	552,966	3,410,073
		1,228,812	7,577,940
	Other deposits have been classified according to reconstruction plan of BIFC and management assumptions of Company's future liquidity position.		
13 Other liabilities	This is made up as follows:		
	Provision for loans, advances and leases (note: 13.1)	6,667,418,081	6,685,857,344
	Provision for diminution in value of investments (note 13.2)	158,142,154	152,582,713
	Provision for other assets (note: 13.3)	79,192,011	129,219,126
	Provision for Financial Expenses	3,047,531,210	2,379,294,439
	Interest suspense (note: 13.4)	732,009,473	750,320,525
	Withholding tax payable	72,210,462	69,573,442
	VAT payable	198,195	276,706
	Excise duty payable	10,745,620	8,508,320
	Provision for taxation (note: 13.5)	747,228,204	746,609,197
	Unclaimed Dividend Account (note: 13.6)	4,347,371	4,347,371
	Payable against TDR (note: 13.7)	19,772,669	33,226,126
	Financial expenses payable (note: 13.8)	498,652,179	466,035,721
	Payable against gratuity	12,129,047	12,391,201
	Payable against Pension	7,400,000	7,400,000
	Accrued expenses and other payable	7,023,498	6,394,576
	Sundry deposits	70,838,654	126,467,668
	Deferred Tax liability (note: 13.9)	17,600,000	17,600,000
	Provision for off-balance sheet items	-	-
		12,152,438,828	11,596,104,475
13.1 Provision for loans, advances and leases	This is made up as follows:		
	(a) Specific provision against classified loans, advances and leases:		
	Opening balance	6,678,946,924	6,647,497,933
	Less: Prior year Adjustment	-	-
	Restated Opening Balance	6,678,946,924	6,647,497,933
	Less: Fully provided debts written off during the year	-	-
	Add: Recovery of amounts previously written off	-	-
	Add: Specific provision for the year	-	-
	Less: Provision released or no longer required	-	-
	Add: Net provision charged to profit and loss account	(17,669,230)	31,448,991
	Provision held at the end of the year	6,661,277,694	6,678,946,924

Notes to the Financial Statements-Continued

Note No.	Particulars	Amount in Taka	
		31-12-2024	31-12-2023
	(b) General provision against unclassified loans, advances and leases:		
	Opening balance	2,414,470	2,485,542
	Provision made during the year	(336,746)	(71,072)
	Balance at the end of the year	2,077,724	2,414,470
	(c) Special provision 2%		
	Opening balance	4,495,950	4,797,226
	Provision made during the year	(433,287)	(301,276)
	Balance at the end of the year	4,062,663	4,495,950
	Total (a+b+c):		6,685,857,344
13.2	Provision for diminution in value of investments	6,667,418,081	
	This is made up as follows:		
	Opening balance	152,582,713	152,615,814
	Provision made during the year	5,559,441	(33,101)
	Balance at the end of the year	158,142,154	152,582,713
13.3	Provision for other assets		
	This is made up as follows:		
	Opening balance	129,219,126	131,947,185
	Prior year adjustment	-	-
	Restated opening balance	129,219,126	131,947,185
	Addition/ (adjustment) during the year	(50,027,115)	(2,728,059)
	Closing balance	79,192,011	129,219,126
	Break-up of Provision for Other Assets:		
	Advance payment for land	2,343,333	2,343,333
	Advance payment for Building construction	10,345,000	10,345,000
	Receivable against IDCP	32,270,833	32,314,496
	Receivable against LPI	23,400,240	72,766,290
	Advance against Office Rent	730,200	730,000
	Receivable on sale of shares	1,205	1,205
	Security Deposits	116,237	144,237
	Suspense Account	11,198	11,198
	Advance and Prepaid Expenses-Others	9,973,765	10,563,367
	Total	79,192,011	129,219,126
13.4	Interest suspense		
	This is made up as follows:		
	Opening balance	750,320,525	713,195,133
	Add: Amount transferred during the year	22,682,654	40,120,880
	Less: Amount recovered during the year	40,993,706	2,995,488
	Less: Amount written off during the year	-	-
	Balance at the end of the year	732,009,473	750,320,525
13.5	Provision for taxation		
	This is made up as follows:		
	Balance at the beginning of the year	746,609,197	746,279,344
	Add: Provision made during the year for current year tax	619,007	329,853
	Less: Adjustment	-	-
	Balance at the end of the year	747,228,204	746,609,197
	Year wise break up of provision for taxation:		
	Assessment year	Accounting year	
	2007-2008	2006	111,404
	2008-2009	2007	20,399,529
	2009-2010	2008	14,611,475
	2010-2011	2009	25,000,000
	2011-2012	2010	32,500,000
	2012-2013	2011	69,413,831
	2013-2014	2012	86,981,241

Notes to the Financial Statements-Continued

Note No.	Particulars	Amount in Taka		
		31-12-2024	31-12-2023	
	2014-2015	2013	36,924,104	36,924,104
	2015-2016	2014	454,534,235	454,534,235
	2017-2018	2016	1,572,283	1,572,283
	2018-2019	2017	1,033,408	1,033,408
	2019-2020	2018	761,032	761,032
	2020-2021	2019	1,194,895	1,194,895
	2021-2022	2020	508,612	508,612
	2022-2023	2021	235,038	235,038
	2023-2024	2022	498,257	498,257
	2024-2025	2023	329,853	329,853
	2025-2026	2024	619,007	-
			747,228,204	746,609,197
13.5.1	Due to loss in the year 2024, the Company provided minimum tax as per section 163 of Income Tax Act 2023.			
13.5.2	On February 16, 2024, the Tax Audit Wing of the National Board of Revenue has presented a claim of BDT 1,121,515,854 to the Company in respect of the assessment years 2007-2008 to 2017-2018 (See Annexure-D). However, Management is confident that once these appeals are finally disposed of, there should not be any additional tax demand against the Company and hence no further provision is required.			
13.6	Unclaimed Dividend Account			
	More than 3 years		-	-
	More than 4 years		-	-
	More than 5 years & above		4,347,371	4,347,371
			4,347,371	4,347,371
13.7	Payable against TDR			
	This is made up as follows:			
	Payable against TDR-Bank & FI		2,290,000	2,550,000
	Payable against TDR-Other than Bank & FI		17,482,669	30,676,126
			19,772,669	33,226,126
13.8	Financial expenses payable			
	This is made up as follows:			
	Interest on Term deposits		332,918,312	323,592,275
	Interest on term loan		-	189,646
	Interest on Placement of Fund		116,886,111	100,348,056
	Interest on money at call loan and short notice		48,038,338	41,038,963
	Interest on Short Term Borrowings		-	1,875
	Interest on monthly savings scheme		809,418	864,906
			498,652,179	466,035,721
13.9	Deferred Tax Liability			
	This is made up as follows:			
	Opening balance		17,600,000	17,600,000
	Prior year adjustment		-	-
	Restated opening balance		17,600,000	17,600,000
	Addition/ (adjustment) during the year		-	-
	Closing balance		17,600,000	17,600,000
14	Capital			
14.1	Authorized capital:			
	400,000,000 ordinary shares of Tk. 10 each		4,000,000,000	4,000,000,000
14.2	Issued, subscribed and paid up capital			
	As at December 31, 2024 a total of 100,679,944 ordinary shares of Tk. 10 each were issued, subscribed and fully paid up.		1,006,799,440	1,006,799,440
	The above balance is made up as follows:			
	Opening balance		1,006,799,440	1,006,799,440
	Add. Bonus shares issued during the year		-	-
	Add. Right shares issued during the year		-	-
			1,006,799,440	1,006,799,440

Notes to the Financial Statements-Continued

Note No.	Particulars	Amount in Taka		
		31-12-2024	31-12-2023	
14.3	Mode of allotment of shares:			
	This is made up as follows:			
	Issued against cash	215,608,000	215,608,000	
	Bonus share issued	455,591,630	455,591,630	
	Right Share Issued	335,599,810	335,599,810	
		1,006,799,440	1,006,799,440	
	Year wise allotment of shares are as follows:			
Year	Mode of allotment	No of sharesTk.	Value of shares	Cumulative balance
1996	Cash	500000 10	5,000,000	5,000,000
1998	Cash	2000000 10	20,000,000	25,000,000
2002	Cash	1859240 10	18,592,400	43,592,400
2005	Bonus share	871820 10	8,718,200	52,310,600
2006	Bonus share	6904920 10	69,049,200	121,359,800
2006	Cash	6105610 10	61,056,100	182,415,900
2006	Cash - IPO	11095950 10	110,959,500	293,375,400
2008	Bonus share	2933750 10	29,337,500	322,712,900
2009	Bonus share	3872550 10	38,725,500	361,438,400
2010	Bonus share	8132370 10	81,323,700	442,762,100
2011	Bonus share	11069050 10	110,690,500	553,452,600
2012	Bonus share	5534526 10	55,345,260	608,797,860
2013	Bonus share	3043989 10	30,439,890	639,237,750
2014	Bonus share	3196188 10	31,961,880	671,199,630
2014	Right Share	33559981 10	335,599,810	1,006,799,440
14.4	Group wise paid up share capital:			
	Particulars of shareholders:	Share Holding %	31.12.2024	31.12.2023
A. Sponsor/Directors:				
	Merrill & Forbes Inc., USA (Foreign Shareholder)	12.60	126,852,660	126,852,660
	Five Continents Credit Ltd., Hong Kong (Foreign Shareholder)	19.39	195,193,180	195,193,180
	Mr. Rais Uddin Ahmed	1.27	12,763,330	12,763,330
	Mr. Abdul Aziz Khan	1.22	12,263,260	12,263,260
	Mr. A N M Jahangir Alam	2.01	20,286,330	20,286,330
	Mr. Mohiuddin Ahmed	1.86	18,757,890	18,757,890
		38.35	386,116,650	386,116,650
B. Government		Nil	-	-
C. Institute				
	Pioneer Dresses Limited	5.82	58,538,320	58,538,320
	Sukuza Venture Ltd.	5.46	55,000,000	55,000,000
	Kanchi Venture Ltd.	3.52	35,475,240	35,475,240
	Pragati Life Insurance Ltd.	2.27	22,811,820	22,811,820
	Uttara Finance and Investments Ltd.	1.84	18,500,000	18,500,000
	ICB AMCL Unit Fund	1.19	12,000,000	12,000,000
	Others	4.99	50,094,210	50,094,210
		25.09	252,419,590	252,419,590
D. Foreign				
	Tees Mart Inc., USA	18.01	181,352,560	181,352,560
		18.01	181,352,560	181,352,560
E. General Public				
		18.55	186,910,640	186,910,640
		18.55	186,910,640	186,910,640
		100.00	1,006,799,440	1,006,799,440

None of the CFO, Company Secretary and top five salaried executives of the financial institution has any shareholdings of BIFC as on reporting date.

Notes to the Financial Statements-Continued

Note No.	Particulars	Amount in Taka		
		31-12-2024	31-12-2023	
14.5	Range wise classification of shareholders by holding as at 31-12-2024 as required by regulation 37 and of the listing regulation of Dhaka Stock Exchange PLC and Chittagong Stock Exchange PLC.			
	Shareholding range	No. of Shareholders	No. of Shares	
			% of holdings	
	Less than 500	1,102	158,251	0.16%
	501 to 1,000	398	318,097	0.32%
	1,001 to 10,000	1,034	3,207,553	3.19%
	10,001 to 50,000	208	4,743,159	4.71%
	50,001 to 100,000	38	2,773,712	2.75%
	100,001 to 1,000,000	49	12,499,713	12.42%
	1,000,001 to 5,000,000	8	15,285,787	15.18%
	5,000,001 to 10,000,000	2	11,353,832	11.28%
	10,000,001 to 100,000,000	3	50,339,840	50.00%
	Total :	2,842	100,679,944	100.00%
	The shares of the company were listed in Dhaka Stock Exchange PLC and Chittagong Stock Exchange PLC on 15 November 2006 and traded at Tk. 8.00 at Dhaka Stock Exchange and at Tk. 9.60 at Chittagong Stock Exchange at the end of the year 2024.			
14.6	Capital Adequacy Ratio			
	This is made up as follows:			
	Paid up capital			
	Paid-up capital		1,006,799,440	1,006,799,440
	Required paid up capital		1,000,000,000	1,000,000,000
	Surplus/(Deficit) in paid up capital		6,799,440	6,799,440
	In accordance with Bangladesh Bank's DFIM Circular no. 14 dated 28 December 2011, financial institutions are required to maintain at least 10% Capital Adequacy Ratio (CAR) in line with the guidelines on Capital Adequacy and Market Discipline (CAMD) for financial institutions, which has come fully into force from 1 January 2012. As of 31 December 2023, the CAR of the Company is (143.12)% against the required CAR of 10%. The Company has a shortfall in this regard as follows:			
	A. Tier-1 Capital		(13,082,604,987)	(12,411,702,284)
	Less: Deduction from Tier-1 Capital		-	-
	Eligible Tier-1 Capital (A)		(13,082,604,987)	(12,411,702,284)
	B. Tier-2 Capital (B)		194,990,919	195,327,665
	Less: Deduction from Tier-2 Capital		-	-
	Eligible Tier-2 Capital (B)		194,990,919	195,327,665
	C. Eligible Capital (A+B)		(12,887,614,068)	(12,216,374,619)
	D. Total risk weighted assets		9,001,114,863	8,283,456,954
	E. Minimum capital requirement		1,000,000,000	1,000,000,000
	F. Capital surplus/(deficit) (C-E)		(13,887,614,068)	(13,216,374,619)
	G. Capital adequacy ratio (C/D)		(143.18)	(147.48)
15	Statutory reserve			
	This is made up as follows:			
	Opening balance		154,713,730	154,713,730
	Add: Addition during the year		-	-
			154,713,730	154,713,730
	There has not been any transfer to the statutory reserve during the year because the Company has suffered a loss.			
16	General Reserve			
	This is made up as follows:			
	Opening balance		10,364,681	10,364,681
	Add: Addition during the year		-	-
	Less: Transferred to retained earnings		-	-
			10,364,681	10,364,681

Notes to the Financial Statements-Continued

Note No.	Particulars	Amount in Taka	
		31-12-2024	31-12-2023
17.00 Asset Revaluation Reserve			
	This is made up as follows:		
	Opening balance	385,825,667	385,825,667
	Add: Addition during the year	-	-
	Less: Transferred to retained earnings	-	-
		385,825,667	385,825,667
	BIFC acquired 11 kathas of land located at 65/1, DIT Extension Road, Purana Paltan, Dhaka. The said land was revalued December 24, 2012 from Tk.36,574,333 to Tk.440,000,000. Thus the value of the said land had increased by Tk.403,425,667 on the same date and which was shown as assets revaluation reserve upto 2018. In the year 2019 deferred Tax Liability of Tk.17,600,000.00 was recognised on the revalued amount (BDT 440,000,000 @4.00% as per the Income Tax Ordinance 1984) as per IAS 12 para 51B with retrospective effect and the revaluation reverse stood at Tk.385,825,667 and shown in the Financial Statements from the year 2019.		
18 Retained Earnings			
	This is made up as follows:		
	Opening balance	(13,583,580,135)	(13,077,250,501)
	Add/(Less): Prior year adjustment	5	63,066,898
	Restated opening balance	(13,583,580,130)	(13,014,183,603)
	Less: Cash dividend for last year	-	-
	Less: Stock dividend for last year	-	-
	Add: Transferred from stock dividend	-	-
	Add: Profit/(Loss) for the year	(670,902,708)	(569,396,532)
	Less: Transferred to statutory reserve	-	-
	Less: Transferred to general reserve	-	-
		(14,254,482,838)	(13,583,580,135)
19 Net assets value per share			
	This is made up as follows:		
	Total assets	8,686,470,420	8,814,925,292
	Less: Total liabilities	21,383,249,378	20,840,801,547
	A. Net assets:	(12,696,778,758)	(12,025,876,255)
	Weighted average number of ordinary shares:		
	Opening Ordinary shares	100,679,944	100,679,944
	Bonus shares issued	-	-
	B. Weighted average number of ordinary shares at 31 December	100,679,944	100,679,944
	Net assets value per share (NAV)	(126.11)	(119.45)
20 Profit and loss account			
	This is made up as follows:		
	Income		
	Interest, discount and similar income (note: 21)	99,183,482	8,726,465
	Dividend income (note: 23)	2,628,212	1,649,264
	Commission, exchange and brokerage (note: 24)	-	-
	Gains less losses arising from dealing securities	30,690	-
	Gains less losses arising from investment securities	-	-
	Gains less losses arising from dealing in foreign currencies	-	-
	Income from non-financial institution's assets	-	-
	Other operating income (note: 25)	2,582,686	689,695
	Profit less losses on interest rate changes	-	-
		104,425,070	11,065,423
	Expenses		
	Interest paid on deposits & borrowing (note: 22)	779,964,532	493,624,056
	Losses on loans, advances and leases	-	-
	Administrative expenses	51,303,468	51,878,661
	Other operating expenses (note: 35)	4,914,744	4,651,648
	Depreciation on fixed assets (note: 34.2)	1,432,964	1,662,255
		837,615,708	551,816,620
	Income over expenditure	(733,170,638)	(540,751,196)

Notes to the Financial Statements-Continued

Note No.	Particulars	Amount in Taka	
		31-12-2024	31-12-2023
21 Interest income			
	This is made up as follows:		
	Interest income from loans & leases	96,510,374	7,436,247
	Interest income from money at call & short notice	-	-
	Interest income from placement with banks & other Fis (note: 21.1)	2,673,108	1,290,218
		99,183,482	8,726,465
	BIFCL received a total of Tk. 100,000,000 from the Sunman Group in two instalments of Tk. 50,000,000 each, in December 2021 and January 2022. These payments were made as a down payment for the rescheduling of a loan and were subsequently adjusted against the settlement of certain loan accounts during the current reporting period, based on the client's request. As part of this settlement, an amount of Tk. 20,245,356 was recognized as late payment interest, and Tk. 971,481 was recognized as lease income in the financial statements for the current year.		
	Additionally, suspended interest is recognized as income on a cash basis upon actual receipt. However, lease income of Tk. 6,747,188 received from S.Co Steel Limited, were recorded as income in the current financial year, although they were actually received in 2022 and related to the previous reporting period.		
21.1 Interest income from placement with banks & other Fis			
	This is made up as follows:		
	Interest income from fund placements	1,860,809	-
	Interest income from SND accounts	812,299	1,290,218
		2,673,108	1,290,218
22 Interest charge on deposits & borrowings etc.			
	This is made up as follows:		
	Interest on deposits	404,893,727	142,439,273
	Interest on borrowings (Note-22.1)	375,070,805	351,184,783
		779,964,532	493,624,056
22.1 Interest on borrowings			
	This is made up as follows:		
	Interest on term loan	367,543,207	343,668,392
	Interest on bond	-	-
	Interest on overdraft loan	-	-
	Interest on call loan	7,472,500	7,452,083
	Interest on re-financing loan from Bangladesh Bank	55,098	64,308
		375,070,805	351,184,783
23 Income from Investments			
	This is made up as follows:		
	Capital gain on sale of shares	30,690	-
	Dividend income	2,628,212	1,649,264
		2,658,902	1,649,264
24 Commission, exchange & brokerage			
	This is made up as follows:		
	Commission	-	-
	Exchange earnings	-	-
	Brokerage	-	-
		-	-
25 Other operating income			
	This is made up as follows:		
	Gain on disposal of leased assets	232,000	123,500
	Other income (note: 25.1)	2,350,686	566,195
		2,582,686	689,695
25.1 Other income			
	This is made up as follows:		
	Gain/(loss) on sale of fixed assets	-	-
	Miscellaneous income	2,350,686	566,195
		2,350,686	566,195
	Miscellaneous income represents reimbursement of legal cost.		

Notes to the Financial Statements-Continued

Note No.	Particulars	Amount in Taka	
		31-12-2024	31-12-2023
26 Salary & allowances			
	This is made up as follows:		
	Salaries	26,907,723	23,532,114
	Provident fund	1,434,660	1,263,217
	Bonus	2,715,547	2,702,845
	Gratuity	2,415,472	1,784,062
		33,473,402	29,282,238
	As per the Schedule XI of the Companies Act, 1994, the number of employees (including casual employees) engaged for the whole year or part thereof who received a total remuneration of Taka 36,000 per annum or Taka 3,000 per month were 44 at the end of 31 December 2024 as against 37 in 2023.		
27 Rent, taxes, insurance, electricity etc.			
	This is made up as follows:		
	Rent, rates & taxes	10,944,443	11,805,867
	Insurance	158,191	136,925
	Power & electricity	815,860	927,894
	Water & sewerage	11,920	15,030
		11,930,414	12,885,716
28 Legal expenses			
	This is made up as follows:		
	Professional/legal fees	911,050	2,433,815
	Other	-	-
		911,050	2,433,815
29 Postage, stamps, telecommunication etc.			
	This is made up as follows:		
	Postage & courier expenses	7,229	15,281
	Stamp & court fees	50,340	920
	Telephone, fax & e-mail	935,164	962,567
		992,733	978,768
30 Stationery, printing, advertisements etc.			
	This is made up as follows:		
	Printing & stationery	68,094	295,470
	Advertisement and publicity	249,425	288,575
		317,519	584,045
31 Chief executive officer's salary and other fees			
	This is made up as follows:		
	Basic	-	-
	Other allowances	-	-
	Provident fund	-	-
	Bonus	-	-
		-	-
32 Directors' fees			
	This is made up as follows:		
	Meeting fees	670,000	2,172,000
		670,000	2,172,000
	Directors' fees include fees for attending the meetings of the Board, Executive Committee, Audit Committee and AGM. Each director was remunerated Tk. 10,000.00 per meeting in accordance with Bangladesh Bank's DFIM circulars number 02 dated March 13, 2024.		
	In respect of the year 2023, as per the order no. 08 dated December 17, 2020 against Company matter No. 32/2020 passed by the Honorable Company Bench of the High Court Division, Supreme Court of Bangladesh, the Court Appointed Chairman was remunerated Tk.50,000.00 for attending each Board Meeting and Tk.3,00,000.00 for attending each AGM. Other 4 court appointed Independent Directors were remunerated @ Tk.25,000 for attending each meeting and Tk.50,000.00 for attending each AGM. Other Directors were remunerated @ Tk.8,000 for attending each meeting as per Bangladesh Bank DFIM Circular.		
33 Auditor's fees			
	This is made up as follows:		
	Audit fees	337,750	450,000
	Corporate Governance Audit fees	35,000	30,000
		372,750	480,000

Notes to the Financial Statements-Continued

Note No.	Particulars	Amount in Taka	
		31-12-2024	31-12-2023
34	Repair, maintenance & depreciation expenses of financial institution's assets		
	This is made up as follows:		
	Repair, maintenance (note 34.1)	2,635,600	3,062,079
	Depreciation (note 34.2)	1,432,964	1,662,255
		4,068,564	4,724,334
34.1	Repair, maintenance		
	This is made up as follows:		
	Office premises	1,853,734	1,771,652
	Office equipment	331,517	594,044
	Office furniture & fixtures	28,690	3,950
	Vehicles	421,659	692,433
		2,635,600	3,062,079
34.2	Depreciation:		
	This is made up as follows:		
	Land	-	-
	Furniture & fixture	177,682	197,424
	Electrical appliance	498,886	586,923
	Motor vehicles	255,081	318,850
	Interior decoration	470,171	522,417
	Office equipment	31,144	36,641
		1,432,964	1,662,255
	Details of depreciation and amortisation are shown in "Annexure - A"		
35	Other expenses		
	This is made up as follows:		
	Traveling & conveyance	753,710	458,614
	Books and periodicals	5,800	7,445
	Entertainment & public relations	203,972	167,025
	ICT Expenses	13,800	-
	Motor vehicle expenses	891,088	1,247,926
	Govt. Excise duty	22,300	36,300
	Registration/ renewal fee	647,615	579,410
	AGM expenses	140,500	58,183
	Medical expenses	31,784	51,200
	Bank charge	702,350	617,070
	CDBL fee	1,350	106,450
	Miscellaneous expenses	352,475	1,322,025
		4,914,744	4,651,648
36	Provision for loans, advances & leases		
	This is made up as follows:		
	General provision against unclassified loans, advances & leases	(336,746)	(71,072)
	Specific provision against classified loans, advances & leases	(17,669,230)	31,448,991
	Special provision 2%	(433,287)	(301,276)
		(18,439,263)	31,076,643
37	Provision for diminuation in value of investments		
	This is made up as follows:		
	Provisions for dealing securities	-	-
	Provisions for investment securities	5,559,441	(33,101)
		5,559,441	(33,101)
38	Other Provisions		
	This is made up as follows:		
	Provision for other assets	(50,027,115)	(2,728,059)
		(50,027,115)	(2,728,059)

Notes to the Financial Statements-Continued

Note No.	Particulars	Amount in Taka	
		31-12-2024	31-12-2023
39 Earnings per Share (EPS)			
	Earnings per share (EPS) is calculated in accordance with "International Accounting Standard 33. Earnings Per Share", which has been shown on the face of profit & loss account.		
	Basic earnings per share		
	Basic earnings per share has been calculated dividing the Net Profit for the year attributable to Ordinary Shareholders by the weighted average number of Ordinary Shares outstanding during the year.		
	Net Profit Attributable to the Ordinary Shareholders (Net Profit after Tax)	(670,902,708)	(569,396,532)
	Weighted average number of ordinary shares		
	Ordinary shares at 1 January	100,679,944	100,679,944
	Bonus shares issued	-	-
	Right shares issued	-	-
	Weighted average number of ordinary shares at 31 December	100,679,944	100,679,944
	Restated weighted average number of ordinary shares	100,679,944	100,679,944
	Earnings per share	(6.66)	(5.66)
	Diluted earnings per share	-	-
	The dilutive effect relates to the average number of potential ordinary share held under option of convertibility. There was no such dilutive potential ordinary share during the year 2024 and hence no diluted earnings per share is required to be calculated.		
40 Cash receipts from other operating activities			
	This is made up as follows:		
	Gain on disposal of leased assets	232,000	123,500
	Miscellaneous income	2,350,686	566,195
		2,582,686	689,695
41 Cash payments for other operating activities			
	This is made up as follows:		
	Rent, taxes, insurance, electricity, etc.	11,950,313	12,848,216
	Legal expenses	911,050	2,433,815
	Postage, stamp, telecommunication, etc.	992,733	996,539
	Stationery printing, advertisements, etc.	249,425	288,575
	Directors' fees	670,000	2,172,000
	Auditors' fee	275,000	260,000
	Repairs and maintenance	2,635,600	3,062,079
	Traveling & conveyance	753,710	458,614
	Books and periodicals	5,800	7,445
	Entertainment & public relations	195,972	167,025
	ICT Expenses	13,800	-
	Training fee	8,000	-
	Motor vehicle expenses	891,088	1,247,926
	Govt. Excise duty	22,300	36,300
	Registration/ renewal fee	647,615	579,410
	AGM expenses	140,500	58,183
	Medical expenses	31,784	51,200
	Bank charge	702,350	617,070
	CDBL Fee	1,350	106,450
	Miscellaneous expenses	352,469	1,322,025
		21,478,859	26,712,872
42 Other assets			
	This is made up as follows:		
	(Increase)/decrease in stock of stamp	39,355	(32,672)
	(Increase)/decrease in advance rent, advertisement etc.	243,948	(733,398)
	(Increase)/decrease in prepaid expenditure	2,490,980	763,503
	(Increase)/decrease in Suspense account	-	(9,960)
	(Increase)/decrease in Others	-	449,286
	Cash (increase)/ decrease in other assets	2,561,592	436,759

Notes to the Financial Statements-Continued

Note No.	Particulars	Amount in Taka	
		31-12-2024	31-12-2023
43	Other liabilities		
	This is made up as follows:		
	Increase/(decrease) in withholding tax payable	2,637,020	2,224,785
	Increase/(decrease) in VAT payable	(78,512)	(155,524)
	Increase/(decrease) in excise duty payable	2,237,300	(2,498,950)
	Increase/(decrease) in sundry deposits	(55,629,013)	(10,114,564)
	Net increase/ (decrease) in other liabilities	(50,833,205)	(10,544,254)
44	Reconciliation of Net Profit with Cash Flows from Operating Activities		
	Net profit after tax	(670,902,708)	(569,396,532)
	Adjustment for non-cash items:		
	Add/(less): depreciation expenses	1,432,964	1,662,255
	Add/(less): provision for loans, advances and investments	(12,879,822)	31,043,542
	Add/(less): provision for other assets	(50,027,115)	(2,728,059)
	Add/(less): profit/(Loss) on sale of fixed assets	-	-
	Add/(less): capital gain on sale of shares	(30,690)	-
	Add/(less): accrued expenses	701,219,997	344,384,311
	Add/(less): accrued income	45,322,810	6,827,998
	Add/(less): provision for current tax	619,007	329,853
	Total adjustment for non-cash items:	685,657,152	381,519,900
		14,754,444	(187,876,632)
	Changes in operating assets and liabilities:		
	Statutory deposits	-	-
	Purchase/sale of trading securities	-	-
	(Increase)/Decrease in loans, advances and leases to other banks	-	-
	(Increase)/Decrease in loans, advances and leases to customers	53,972,722	57,518,640
	(Increase)/Decrease in other assets	2,561,592	436,759
	Increase/(Decrease) in deposits from other banks and financial institutions	(660,000)	(2,690,000)
	Increase/(Decrease) in deposits from customers	(10,541,806)	65,281,274
	Increase/(Decrease) in other liabilities account of customer	(6,349,128)	(184,104)
	(Increase)/Decrease in Income tax	(1,724,515)	(902,160)
	Trading liabilities	-	-
	Increase/(Decrease) in other liabilities	(50,833,205)	(10,544,254)
	Cash generated from / (used in) operating assets and liabilities	(13,574,340)	108,916,155
	Net cash from operating activities	1,180,104	(78,960,477)
45	Net Operating Cash Flow per Share (NOCFPS)		
	Net cash flows from operating activities (A)	1,180,104	(78,960,477)
	Total number of ordinary shares outstanding (B)	100,679,944	100,679,944
	Net operating cash flows per share (NOCFPS) (A÷B)	0.01	(0.78)

Notes to the Financial Statements-Continued

46 Related Party Disclosures:

46.1 Particulars of Directors

Sl.	Name of the Director	Designation	% of Shares as at December 31, 2024
1	Mr. Ikteder Ahmed (Nominated Director of Merrill & Forbes Inc.,USA)	Chairman	12.60 (Share holding of Merrill & Forbes Inc.)
2	Mr. Mahmudul Hasan (Nominated Director of Five Continents Credit Ltd., Hongkong)	Director	19.39 (Share holding of Five Continents Credit Ltd.)
3	Mr. M Nazrul Islam (Independent Director)	Director	
4	Mr. Ansar Uddin Ahmed (Independent Director)	Director	
5	Mr. Shafique-Ul-Azam (Independent Director)	Director	
6	Professor Md. Musfiqur Rahman, PhD, FCMA (Independent Director)	Director	
7	Mr. Md. Abdul Wadud, FCA (Independent Director)	Director	

46.2 Name of the Directors and their interest in different entities:

Sl.	Name of the Directors	Status in the FI	Name of firms/Companies where they have interest
1	Mr. Ikteder Ahmed (Nominated Director of Merrill & Forbes Inc.)	Chairman	N/A
2	Mr. Mahmudul Hasan (Nominated Director of Five Continents Credit Ltd.)	Director	N/A
3	Mr. M Nazrul Islam (Independent Director)	Director	Far East Knitting & Dyeing Industries Limited
4	Mr. Ansar Uddin Ahmed (Independent Director)	Director	N/A
5	Mr. Shafique-Ul-Azam (Independent Director)	Director	BD Venture Ltd., BDV Asset Management Company Limited
6	Professor Md. Musfiqur Rahman, PhD, FCMA (Independent Director)	Director	E Generation Limited
7	Mr. Md. Abdul Wadud, FCA (Independent Director)	Director	N/A

Notes to the Financial Statements-Continued

46.3 Related Party Transactions:

A. Directly Related:

Name of the Party	Name of Related Party	Relationship	Nature of transaction	Agreement No.	31.12.2024	31.12.2023
Bangladesh International Gateway Ltd.	Mr. Md. Rais Uddin Ahmed	Shareholder	Lease Fianace	01.03.0475	188,232,676	188,232,676
Bangladesh International Gateway Ltd.	Mr. Md. Rais Uddin Ahmed	Shareholder	Term Loan	01.03.0530	24,882,574	24,882,574
Dhaka CNG Limited	Mr. Md. Rais Uddin Ahmed	Shareholder	Term Loan	01.03.0110	-	18,882
Dhaka CNG Limited	Mr. Md. Rais Uddin Ahmed	Shareholder	Term Loan	01.03.0491	134,765,189	134,765,189
Dhaka CNG Limited	Mr. Md. Rais Uddin Ahmed	Shareholder	Term Loan	01.04.0518	109,307,300	109,307,300
Maxnet Online	Mr. Md. Rais Uddin Ahmed	Shareholder	Term Loan	01.03.0441	86,572,394	86,572,394
Maxnet Online	Mr. Md. Rais Uddin Ahmed	Shareholder	Term Loan	01.03.0464	136,650,509	136,650,509
Maxnet Online	Mr. Md. Rais Uddin Ahmed	Shareholder	Term Loan	01.03.0542	97,868,442	97,868,442
Md. Rais Uddin	Mr. Md. Rais Uddin Ahmed	Shareholder	Term Loan	01.03.0430	43,839,702	43,839,702
Rafiq Uddin	Rafiq Uddin	Brother of Shareholder	Term Loan	01.03.0356	13,934,567	13,934,567
			Term Loan	01.03.0382	182,870,134	182,870,134
			Term Loan	01.03.0389	-	2,587,785
			Short Term Loan	01.03.0455	-	2,811,144
Sunman Spining Mills	Major (Retd.) Abdul Mannan Ms. Umme Kulsum Mannan	Owner of Pioneer Dressess Ltd.	Short Term Loan	01.03.0113	-	10,624
Sunman Spining Mills	Major (Retd.) Abdul Mannan Ms. Umme Kulsum Mannan	Owner of Pioneer Dressess Ltd.	Short Term Loan	01.04.0200	-	408,333
Teleplus Newyork Limited	Mr. Md. Rais Uddin Ahmed	Shareholder	Short Term Loan	01.04.0660	446,083,419	446,083,419
Transco Limited	Major (Retd.) Abdul Mannan Ms. Umme Kulsum Mannan	Owner of Pioneer Dressess Ltd.	Short Term Loan	02.03.0019	-	6,181,727
Golden Horizon Limited	Major (Retd.) Abdul Mannan Ms. Umme Kulsum Mannan	Owner of Pioneer Dressess Ltd.	Term Loan	01.03.0442-A	586,126,351	586,126,351
Total					2,051,133,256	2,063,151,751

* Pioneer Dtresses Ltd is one of the Shareholders of BIFC.

B. Major (Retd.) Abdul Mannan has given commitment to recover the below loan as the founder and ex-chairman of BIFC:

Name of the Party	Related By	Relationship	Nature of transaction	Agreement No.	31.12.2024	31.12.2023
Bilal D Mamoon	Bilal D Mamoon		Term Loan	01.04.0486	-	9,252,016
Chowdhury Apparel	Mr. Md. Mohoshin Chowdhury, (Proprietor)		Term Loan	01.03.0465	66,348,159	66,348,159
Click 2 Design Limited	1. Mr. Mohammad Nazmul Bashar (MD) 2. Mr. Rezia Sultana (Director) 3. Mr. Mohammad Sala Uddin Suman (Director)		Term Loan	01.04.0307	190,631,237	190,631,237
			Term Loan	01.04.0396	119,651,825	119,651,825
D. Afrose Sweater Industries Ltd.	1. Mr. Golam Zilani Dider (MD) 2. Mr. Golam Rabbani (Chairman)		Term Loan	01.03.0251	201,638,081	201,638,081
			Term Loan	01.04.0236	524,487,525	524,487,525
			Term Loan	01.04.0252	164,230,282	164,230,282
East Asia Enterprise	Mr. Sala Uddin Sumon (Proprietor)		Term Loan	01.03.0575	73,927,232	73,927,232
M/s Abdullah Brothers	Mr. Md. Aminur Rahman Khan (Proprietor)		Term Loan	01.04.0388	375,797,568	375,797,568
M/S. Alif Enterprise	Mr. Saidur Rahman (Proprietor)		Term Loan	01.03.0377	23,421,109	23,421,109
Rahmania Textile	Mr. Mohiuddin Ahmed	Shareholder	Short Term Loan	01.03.0568	86,248,428	86,248,428
M/s Rahmat Ullah & Company	Mr. Md. Akter Hossain (Proprietor)		Term Loan	01.04.0386	336,505,040	336,505,040
M/s. Telecom Enterprise			Term Loan	01.03.0282	31,608,038	31,608,038
			Term Loan	01.03.0344	35,058,385	35,058,385
			Term Loan	01.03.0379	31,128,469	31,128,469
M/S Textile International	Mr. A F M Bahauddin (Proprietor)		Term Loan	01.04.0260	373,263,983	373,263,983
M/s Yeasmin Traders	Ms. Farida Akter (Proprietor)		Term Loan	01.03.0425	92,368,215	92,368,215
Metro Politon CNG Limited	1. Ms. Moriam Khanam (Chairman) 2. Mr. Akbor Hossain (MD)		Term Loan	01.03.0378	46,692,683	46,692,683
			Term Loan	01.04.0223	38,033,910	38,033,910
Motor Trade Enterprise	Mr. Md. Akter Hossain (Proprietor)		Term Loan	01.03.0557	154,015,035	154,015,035
Runa Properties	Ms. Nahida Akter (Proprietor)		Short Term Loan	01.03.0560	163,914,343	163,914,343
Techno Wi-Fi Services	Ms. Rokeya Ferdous (Proprietor)		Short Term Loan	01.04.0572	83,978,123	83,978,123

Notes to the Financial Statements-Continued

M/S Telecom Service Enterprize	Mr. Serajul Islam (Proprietor)		Short Term Loan	01.04.0259	238,909,124	238,909,124
Telecom Services Limited	1. Mr. Akbar Hossain (Chairman) 2. Md. Aminur Rahman Khan (MD)		Short Term Loan	01.03.0422	83,881,705	83,881,705
Tower Builders	Ms. Moriam Huq Alo (Proprietor)		Short Term Loan	01.01.0369	-	6,823,119
Tower Builders	Ms. Moriam Huq Alo (Proprietor)		Short Term Loan	01.04.0268	354,163,459	354,163,459
United Dresses Ltd.	1. Mr. Akbar Hossain (Chairman & MD) 2. Mr. Abdul Wahab (Director) 3. Mrs. Ayesha Khanom (Director) 4. Mrs. Saleha Khatoon (Director) 5. Mrs. Jahanara Khatoon (Director) 6. Mrs. Rahima Khatoon (Director)		Short Term Loan	01.03.0380	67,887,194	67,887,194
			Short Term Loan	01.03.0519	152,104,149	152,104,149
			Short Term Loan	01.04.0248	34,764,212	34,764,212
	Total:				4,144,657,512	4,160,732,647
	Grand Total:				6,195,790,768	6,223,884,398

- 46.4 Significant Contracts where FI is a party and wherein Directors have interest: Nil
- 46.5 Shares issued to Directors & Executives without consideration or exercisable at discount: Nil
- 46.6 Lending Policies to related parties:
Lending to related parties is effected as per requirements of Finance Companies Act, 2023 Nil
- 46.7 Business other than Banking business with any related concern of the Directors as per Section 18 (2) of the Bank Company Act 1991 Nil

46.8 Investments in Securities of Directors and their related concern:

Name of the Company	Name of Directors	Related by	Nature of Security	Face Value	% of Share holding
BanglaLion Communications Ltd.	Major (Retd.) Abdul Mannan	Ex- Director	Equity Share (Investment)	107,500,000	5

47 Disclosures on the board audit committee

a) Composition of Audit Committee

The Audit Committee consists of the following directors of the Board:

Name	Status with the Company	Status with the Committee
Mr. Md. Abdul Wadud, FCA	Independent Director	Chairman
Professor Md. Musfiqur Rahman, PhD, FCMA	Independent Director	Member
Mr. Mahmudul Hasan	Nominated Director	Member

The Company Secretary is to act as secretary of the board of audit committee.

All the members of the "Board Audit Committee" possess considerable experience and expertise in the banking and financial sector.

b) Meeting of audit committee

During the year 2024, the audit committee of the board held 04 (four) meeting in which among others, the following issues were discussed and decided:

- Analysied and reviewed the Draft Auditor's Report and Financial Statements for the year ended December 31, 2022 and 2023;
- Analysied and reviewed the periodic financial statements including quarterly financial statements;
- Analysied and reviewed the final settlement of loan account;
- Review the draft compliance status to the Corporate Governance Code for the year ended on December 31, 2022;
- Consider and recommend the name of the external auditors for the year ended on 31st December 2023 and 2024 to the Board for appointment in the 28th & 29th AGM and review the audit fee.
- Consider and recommend the name of the Auditor for the Compliance on the Corporate Governance Code for the year ended December 31, 2023 and 2024 to the Board for appointment and review the audit fee.

48 Reporting currency and level of precision

The figures reported in the financial statements are in Bangladeshi Taka, which has been rounded off to the nearest Taka.

49 Foreign Currency Exposure Profile

There were no foreign currency monetary assets or liabilities that would give rise to gains or losses in the profit and loss account.

50 Financial Highlights

Key financial highlights of the company are annexed as **Annexure-B**.

51 Geographical area of operation

BIFC is currently operating in Chittagong and Narayanganj along with its other branches at Uttara and Gulshan in Dhaka.

52 Comparative information

Previous year's figures have been rearranged where considered necessary to conform to current year's presentation without causing any impact on the profit and value of assets and liabilities as reported in the financial statements.

53 Events After Balance Sheet Date:

The Board of Directors in its meeting held on 26 June, 2025 recommended no dividend against per share of Tk. 10.00 each.

Schedule of Fixed Assets for the year ended 31 December, 2024

Particulars	Land	Furniture & Fixture	Electrical Appliance	Motor Vehicles	Interior Decoration	Office Equipment	Total
COST (A)							
Balance at January 01, 2024	440,000,000	3,766,229	11,793,262	15,280,154	11,088,782	1,261,629	483,190,056
Addition during the year	-	-	-	-	-	-	-
Adjustment during the year	-	-	-	-	-	-	-
Balance at December 31, 2024	440,000,000	3,766,229	11,793,262	15,280,154	11,088,782	1,261,629	483,190,056
DEPRECIATION (B)							
Rate (%)	0%	10%	15%	20%	10%	15%	
Balance at January 01, 2024	-	1,989,410	8,467,365	14,004,750	6,387,078	1,054,011	31,902,614
Charged during the year	-	177,682	498,886	255,081	470,171	31,144	1,432,964
Adjustment during the year	-	-	-	-	-	-	-
Balance at December, 31, 2024	-	2,167,092	8,966,251	14,259,831	6,857,249	1,085,155	33,335,578
WDV at December 31, 2024 (A-B)	440,000,000	1,599,137	2,827,011	1,020,323	4,231,533	176,474	449,854,478

Schedule of Fixed Assets for the year ended 31 December, 2023

Particulars	Land	Furniture & Fixture	Electrical Appliance	Motor Vehicles	Interior Decoration	Office Equipment	Total
COST (A)							
Balance at January 01, 2023	440,000,000	3,766,229	11,793,262	15,280,154	11,088,782	1,261,629	483,190,056
Addition during the year	-	-	-	-	-	-	-
Adjustment during the year	-	-	-	-	-	-	-
Balance at December 31, 2023	440,000,000	3,766,229	11,793,262	15,280,154	11,088,782	1,261,629	483,190,056
DEPRECIATION (B)							
Rate (%)	0%	10%	15%	20%	10%	15%	
Balance at January 01, 2023	-	1,791,986	7,880,442	13,685,900	5,864,661	1,017,370	30,240,359
Charged during the year	-	197,424	586,923	318,850	522,417	36,641	1,662,255
Adjustment during the year	-	-	-	-	-	-	-
Balance at December, 31, 2023	-	1,989,410	8,467,365	14,004,750	6,387,078	1,054,011	31,902,614
WDV at December 31, 2023 (A-B)	440,000,000	1,776,819	3,325,897	1,275,404	4,701,704	207,618	451,287,442

FINANCIAL HIGHLIGHTS

(Amount in Taka)

Sl.	Particulars	2024	2023	Growth (%)
1	Paid-up capital (note-14.2)	1,006,799,440	1,006,799,440	-
2	Total capital (note-13.1b, 14.2, 15, 16, 17/2, 18 & SMD)	(12,807,614,069)	(12,216,374,619)	5.49%
3	Capital surplus / (deficit) (note-14.6)	6,799,440	6,799,440	-
4	Total assets	8,686,470,420	8,814,925,292	-1.46%
5	Total deposits (note-12)	5,387,063,439	5,391,160,916	-0.08%
6	Total lease, loans and advances (note-8)	7,635,830,876	7,704,027,742	-0.89%
7	Total contingent liabilities and commitments	-	-	-
8	Credit deposit ratio (sl. no. 6/sl. no. 5) (Times)	1.42	1.43	-0.81%
9	Percentage of classified lease, loans and advances against total loans, advances and leases (note- 8.7)	97.28%	96.97%	0.32%
10	Profit after tax and provision	(670,902,708)	(569,396,532)	17.83%
11	Amount of loans classified during the year (note-8.6.A)	7,428,058,555	7,470,273,971	-0.57%
12	Provisions kept against classified loans (note-13.01.a)	6,661,277,694	6,678,946,924	-0.26%
13	Provision surplus / (deficit)	-	-	-
14	Cost of fund	9.07%	9.56%	
15	Interest earning assets (note-5.1.b+5.1.c+7+8)	7,849,806,544	7,929,310,345	-1.00%
16	Non-interest earning assets (note-4+5.1.a+9+10)	836,663,877	885,614,947	-5.53%
17	Return on investment (ROI) (PAT/(Average equity+Average long term borrowings))	-6.55%	-5.14%	27.47%
18	Return on assets (ROA) ((sl. no. 10/sl. no. 4)	-7.72%	-6.46%	19.57%
19	Income from investment (note-23)	2,658,902	1,649,264	61.22%
20	Earnings per share (Taka) (note:39)	(6.66)	(5.66)	17.67%
21	Net income per share (Taka)	(6.66)	(5.66)	17.67%
22	Price earning ratio (times)	N/A	N/A	N/A

Stock Report of Investment in Shares as on 31.12.2024

Sl. No.	Particulars	Quantity	Price (W.A.)	Purchase Value of Stock	Present Market Price	Market Value of Stock	Price Difference	Gain/Loss	Remarks
A. Quoted Shares:									
1	BATBC	6,100	490.98	2,994,985	367.60	2,242,360	(123.38)	(752,625)	-
2	BSRM Steels Limited	227,700	194.08	44,192,430	50.80	11,567,160	(143.28)	(32,625,270)	-
3	Dhaka Bank Ltd.	334,035	15.18	5,072,190	10.90	3,640,982	(4.28)	(1,431,208)	-
4	Power Grid Company of BD	19,000	52.04	988,724	41.80	794,200	(10.24)	(194,524)	-
5	Square Pharmaceuticals PLC	30,308	232.19	7,037,250	217.70	6,598,052	(14.49)	(439,198)	-
6	Standard Bank PLC	154,607	9.01	1,392,401	6.00	927,642	(3.01)	(464,759)	-
7	Argon Denims Ltd.	271,967	29.75	8,091,902	16.80	4,569,046	(12.95)	(3,522,856)	-
8	Grameen MFO: Scheme 2	100,000	19.02	1,901,721	14.40	1,440,000	(4.62)	(461,721)	-
9	Ifad Autos Ltd.	23,861	52.03	1,241,529	20.60	491,537	(31.43)	(749,992)	-
	Sub Total (A):	1,167,578		72,913,132		32,270,977		(40,642,154)	
B. Un-Quoted Shares:									
1	BanglaLion Communications Ltd.	10,750,000	10.00	107,500,000	-	-	(10.00)	(107,500,000)	-
2	GMG Airlines Ltd.	220,000	45.45	10,000,000	-	-	(45.45)	(10,000,000)	-
	Sub Total (B):	10,970,000		117,500,000		-		(117,500,000)	
	Grand Total (A+B):	12,137,578		190,413,132		32,270,977		(158,142,154)	-

Income tax status

Assessment year (s)	Net Tax Claimed by Tax Authority as per latest assessment	Remarks
2007-2008	5,148,098	Filed reference application before the High Court.
2008-2009	41,395,951	Tax demand as per u/s 83(2)
2009-2010	11,828,794	Trubunal order decision remand for hearing on merit (Tribunal order ITA No-3194/2011-2012, dtd.25.06.2012)
2010-2011	-	Minimum tax to be adjusted.
2011-2012	48,362,253	ADR not agreement not concluded.
2012-2013	68,508,434	Revised assessment order from Appellate Tribunal not received.
2013-2014	347,949,894	Appealed for restoration at Taxes Appellate Tribunal
2014-2015	-	Return submitted under section 82BB.
2015-2016	454,534,235	To be appealed for restoration subject to payment of 10% last assessed Tax.
2016-2017	143,170,025	Applied for certify copy of assessment order.
2017-2018	618,170	Applied for certify copy of assessment order.
2018-2019	-	Return Submitted
2019-2020	-	Return Submitted U/S 82BB of Income Tax Ordinance 1984 (Self Assessment)
2020-2021	-	Return Submitted
2021-2022	-	Return Submitted
2022-2023	-	Return Submitted U/S 180 of Income Tax Act 2023 (Self Assessment)
2023-2024	-	Return Submitted U/S 180 of Income Tax Act 2023 (Self Assessment)
2024-2025	-	Return Submitted U/S 180 of Income Tax Act 2023 (Self Assessment)
Total	1,121,515,854	



Bangladesh Industrial Finance Company Limited

Police Plaza Concord (Tower-2), Level-8, Plot # 02, Road # 144, Gulshan-1, Dhaka-1212, Bangladesh
PABX: +88-02-55045123-5, +09611888333, Fax: +88-02-55045128, Email: info@bifcol.com, Website: www.bifcol.com