ANNUAL REPORT 2024

Your Partner in Business

ইসলামিক ফাইন্যান্স এন্ড ইনভেস্টমেন্ট পিএলসি.

Islamic Finance and Investment PLC.

Based on Islamic Shariah, the first of its kind in Bangladesh

IFI PLC.

Your Partner in Business

Your Partner in Business

Interest is clearly forbidden in the Quran.

Allah says, “Those who consume interest will rise on the Day of Resurrection like him, whom the devil touches and makes crazy.” (Surah Al-Baqarah 2:275)

“Allah destroys interest and increases charity.”
(Surah Al-Baqarah 2:276)

“If you do not give up interest, there is a declaration of war against Allah and his Messenger.”
(Surah Al-Baqarah 2:279)

However, if someone repents and gives up interest, it is permissible to take back his capital. “Do not wrong anyone, and you will not be wronged.”

So, in Islam, interest is economic oppression that destroys blessings and increases injustice in society. Its alternative is lawful trade, good conduct, and mutual assistance.

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এসো সঞ্চয় করি

মুদারাবা লাখপতি ডিপোজিট স্কীম

বছর	মাসিক কিস্তি	প্রদেয় অর্থ (১ লক্ষ)
৫ বছর	১,২৮০.০০	১০০,০০০.০০
৬ বছর	১,০১০.০০	১০০,০০০.০০
৭ বছর	৮৫০.০০	১০০,০০০.০০
৮ বছর	৭০০.০০	১০০,০০০.০০
১০ বছর	৫০০.০০	১০০,০০০.০০
১২ বছর	৩৮০.০০	১০০,০০০.০০
১৫ বছর	২৫০.০০	১০০,০০০.০০
২০ বছর	১৫০.০০	১০০,০০০.০০

মুদারাবা মিলিয়নিয়ার ডিপোজিট স্কীম

বছর	মাসিক কিস্তি	প্রদেয় অর্থ (১০ লক্ষ)
২ বছর	৩৭,৬০০.০০	১,০০০,০০০.০০
৩ বছর	২৩,৭০০.০০	১,০০০,০০০.০০
৫ বছর	১২,৮০০.০০	১,০০০,০০০.০০
৬ বছর	১০,১০০.০০	১,০০০,০০০.০০
৭ বছর	৮,৪৫০.০০	১,০০০,০০০.০০
৮ বছর	৬,৯৮০.০০	১,০০০,০০০.০০
১০ বছর	৪,৯৫০.০০	১,০০০,০০০.০০
১২ বছর	৩,৭৮০.০০	১,০০০,০০০.০০
১৫ বছর	২,৫০০.০০	১,০০০,০০০.০০
২০ বছর	১,৩৫০.০০	১,০০০,০০০.০০

মুদারাবা কোটিপতি ডিপোজিট স্কীম

বছর	মাসিক কিস্তি	প্রদেয় অর্থ (১ কোটি)
৫ বছর	১২৮,০০০.০০	১০,০০০,০০০.০০
৬ বছর	১০০,৬০০.০০	১০,০০০,০০০.০০
৭ বছর	৮৪,৩০০.০০	১০,০০০,০০০.০০
৮ বছর	৭০,০০০.০০	১০,০০০,০০০.০০
১০ বছর	৪৯,৫০০.০০	১০,০০০,০০০.০০
১২ বছর	৩৭,৬০০.০০	১০,০০০,০০০.০০
১৫ বছর	২৪,৮০০.০০	১০,০০০,০০০.০০
২০ বছর	১৩,৪০০.০০	১০,০০০,০০০.০০

মুদারাবা ওমরাহ ও পেশাজীবি ডিপোজিট স্কীম

সময়	মাসিক কিস্তি (১০০০)	মাসিক কিস্তি (২০০০)	মাসিক কিস্তি (৩০০০)	মাসিক কিস্তি (৪০০০)	মাসিক কিস্তি (৫০০০)	মাসিক কিস্তি (১০,০০০)
১ বছর	১২,৭০৮.০০	২৫,৪১৬.০০	৩৮,১২৪.০০	৫০,৮৩১.০০	৬৩,৫৩৯.০০	১২৭,০৭৯.০০
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মুদারাবা ডক্টরস’ ডিপোজিট স্কীম

সময়	মাসিক কিস্তি (১০০০)	মাসিক কিস্তি (২০০০)	মাসিক কিস্তি (৩০০০)	মাসিক কিস্তি (৪০০০)	মাসিক কিস্তি (৫০০০)	মাসিক কিস্তি (১০,০০০)
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২ বছর	২৬,৮৩৫.০০	৫৩,৬৭১.০০	৮০,৫০৬.০০	১০৭,৩৪১.০০	১৩৪,১৭৬.০০	২৬৮,৩৫৩.০০
৩ বছর	৪২,৫০৫.০০	৮৫,০১১.০০	১২৭,৫১৬.০০	১৭০,০২১.০০	২১২,৫২৬.০০	৪২৫,০৫৩.০০

মুদারাবা পেনশন, হজ্জ, মোহর, গৃহনির্মাণ, হায়ার এডুকেশন, বিবাহ সঞ্চয় আত্‌ফাল (স্কুল ব্যাংকিং), ক্যাশ ওয়াক্‌ফ, স্পেশাল ডিপোজিট স্কীম

সময়	মাসিক কিস্তি (৫০০)	মাসিক কিস্তি (১০০০)	মাসিক কিস্তি (২০০০)	মাসিক কিস্তি (৩০০০)	মাসিক কিস্তি (৪০০০)	মাসিক কিস্তি (৫,০০০)	মাসিক কিস্তি (১০,০০০)
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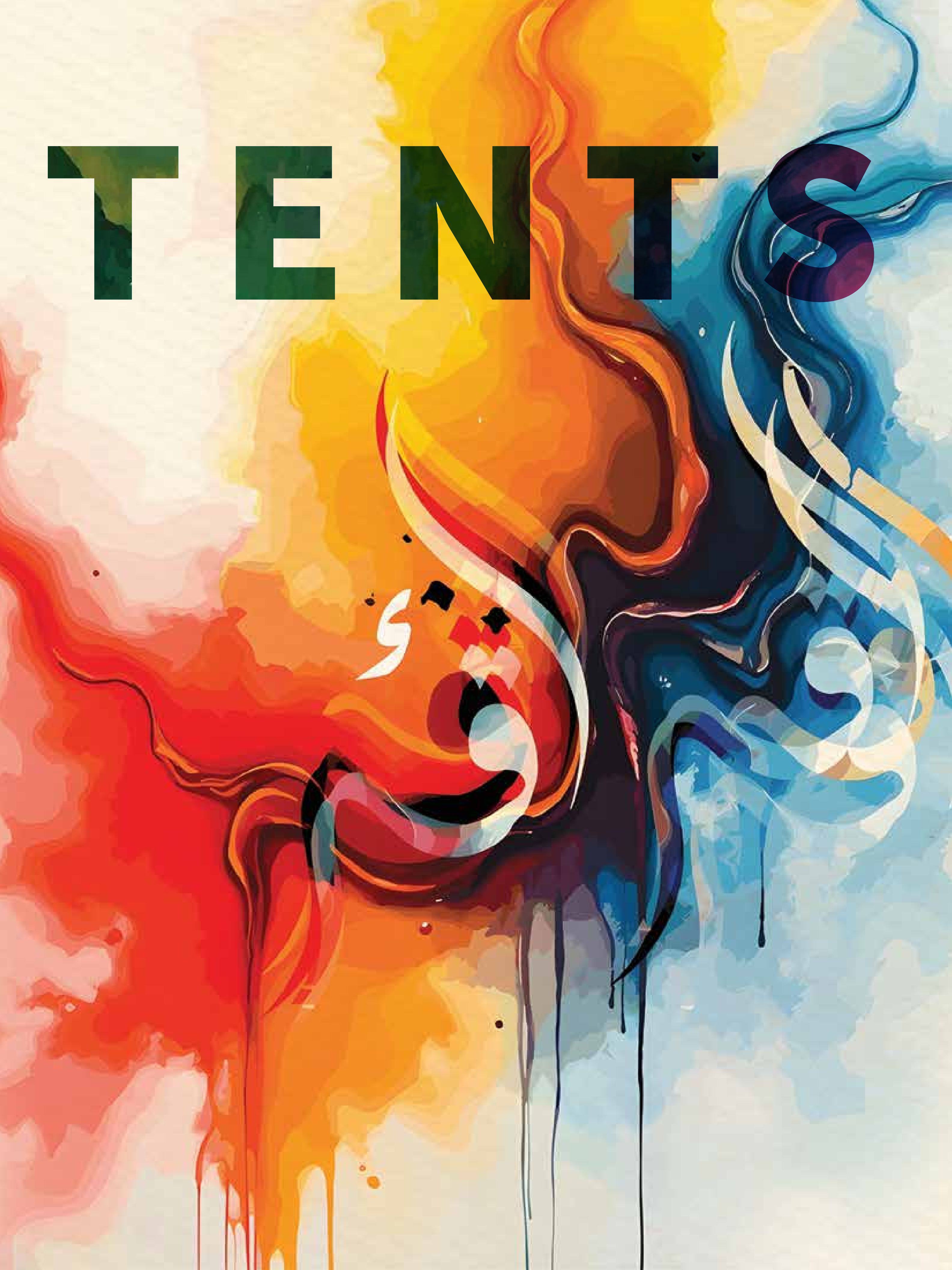
১৫ বছর	২০৪,৪৭৪.০০	৪০৮,৯৪৮.০০	৮১৭,৮৯৬.০০	১,২২৬,৮৪৪.০০	১,৬৩৫,৭৯২.০০	২,০৪৪,৭৪০.০০	৪,০৮৯,৪৮০.০০
১৮ বছর	২৯৯,৩২০.০০	৫৯৮,৬৪১.০০	১,১৯৭,২৮৩.০০	১,৭৯৫,৯২৫.০০	২,৩৯৪,৫৬৭.০০	২,৯৯৩,২০৯.০০	৫,৯৮৬,৪১৮.০০
২০ বছর	৩৮০,৮৫৩.০০	৭৬১,৭০৬.০০	১,৫২৩,৪১৩.০০	২,২৮৫,১২০.০০	৩,০৪৬,৮২৪.০০	৩,৮০৮,৫৩৪.০০	৭,৬১৭,০৬৯.০০

Table of CON

TENTS



Our **Philosophy**

The philosophy of IFIPLC is to develop the company into an ideal and unique financial institution. The sponsors' perception is that IFIPLC should be quite different from other privately managed financial institution in Bangladesh. IFIPLC is the 'FIRST' Non Bank Financial Institution of the country based on Islamic Shariah. The philosophy of IFIPLC is to grow as a leader in the industry rather than a follower. The leadership will be in the area of services, constant effort being made to add new dimension so that clients can get "Something Extra" in the matter of services to commensurate with the needs and requirements of the country's growing society and developing economy.

Letter of Transmittal

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

Subject: Annual Report for the year ended December 31, 2024.

Dear Sir (s),

On behalf of the Board of Directors of Islamic Finance and Investment PLC, the undersigned is pleased to present a copy of the Annual Report for the year ended December 31, 2024 together with the Audited Financial Statements including Balance Sheet, Income Statement, Cash Flow Statement and Statement of changes in Equity for the year ended December 31, 2024 along with notes thereon for your kind information and record.

Sincerely yours,

Md. Ramzan Hossain, ACS
FVP & Company Secretary

OUR MISSION

- To build a strong and dynamic institution to make a viable alternative to conventional system;
- To provide quality products and services to the clients with sincerity, honesty and care;
- To maximize clients' and shareholders' value with stable growth;
- To apply Shariah principles and maintain the highest level of ethical standard and transparency in all business transactions;
- To provide a congenial work atmosphere to create and attract competent work force; and
- To be socially responsible and make effective contribution to national development.

OUR VISION

- To be a leader in financial area of Bangladesh with Islamic values.

OUR GOAL

Our Goal is to:

- Create the value for our Customers, Stakeholders and Employees.
- Establish strong regional presence with Islamic ideas.
- Respond quickly to new prospects.

STRATEGIC OBJECTIVES

- To introduce new products and services with Islamic values through diversification and customization of existing products and services to ensure maximum market coverage.
- To provide employees with high motivation, extensive opportunities for learning and career development, competitive pay and benefits and congenial environment where diversity is valued.
- To create sustainable economic value for stakeholders.
- To conduct business in a socially responsible manner under Islamic principle.
- To elevate ethical and business standard with high corporate governance.

CORE VALUES

We understand that Corporate Responsibility is crucial to our commitment to delivering better outcomes for our customers, people, partners, community and the nation.

Islamic Finance and Investment PLC. meets the challenges of financial year 2017 with strategies and actions that reflects its values. The following eight key values drive IFIPLC management and employees in delivering such excellent result to the stakeholders.

Quality Service

Our commitment to service excellence is reflected in the pledge we make to our clients and each other to provide and inspire high professional quality services and to assure that we deliver outstanding value to our clients. We pledge to actively listen and learn about our clients' business and industries and identify client need, concerns and opportunities. By understanding and anticipating the changing needs of our clients, we can develop creative strategies to adapt our services with those needs.

Excellent Teamwork

Our goal is to create 'One Team' – everyone focused on the fulfillment of the company's purpose. Without a team, our time and efforts are limited. But our team does more than set us free, our team makes possible excellent service. As a Client First Company, we measure everything we do by the three keys of Honesty, Competence and Care. By applying the three keys, we know that each client is best served. They can trust what our team says, they can rely on our work and they know we care about them.

Honesty and Integrity

We believe that ethical conduct results from a culture of integrity. The values that build the foundation for our ethical culture underpin our management processes.

Ensuring ethical and lawful outcomes starts with clearly defining and articulating our expectations towards the ethical behavior of our associates, embodied in our Code of Conduct.

Harmony in Relationship

Our people know and respect all employees as complete individuals with their own personal relationships, interest and challenges and communicate openly and inclusively. We have the privilege to encourage positive social connection and enjoyment in the workplace which in turn reflects positively on the organization's performance.

Efficiency at Work

Efficiency is the backbone of every company. In today's business economy, efficiency is more important than ever. It relies on time management, costs and the production of quality services to clients. At IFIPLC, our dedicated efficient professionals work diligently with our clients to achieve optimal satisfaction. We continuously evaluate all aspects of efficiency within our organization in order to stay competitive and keep up with the demands of consumers.

Ownership Responsibility

At IFIPLC, we understand the Corporate Responsibility is crucial to our commitment to delivering better outcomes for our customers, people partners, community and the nation. It's our commitment to undertaking responsible product and service development and marketing, meeting our customer service commitments and empowering our customers to handle their finances with confidence. We understand the links between the strength of our organization and the communities and environment on which we depend. We make decision aimed at achieving good social and environmental outcomes, for our benefit and for the benefit for our stakeholders.

Glory of Belongingness

We have a strong sense of belongingness within the organization that leads with an inspirational mission and purpose that aligns and creates an emotional connection with all employees. We directly and decisively deal with behavior that is not in line with our values, especially if it occurs with someone in a leadership position.

Transparency at Job

Transparency needs to be core to company values. IFIPLC established standards for creating transparency at work place. We ensure that high-level priorities are communicated to all team members so everyone understands what they're working toward. We exercise a simple list of responsibilities instead of a complicated organization chart so that each employee can take ownership of a specific set of tasks. As a result, everyone else on the team is aware of what everyone else is working on and who they need to ask for guidance, deliverables, and sign-off. We recognize where to draw the line. Transparency isn't about knowing everyone's business, it's about making sure everyone has the information they need to do their jobs effectively.

Guiding **Principles**

- Islamic Approach
- Customer Need
- Employment Generation
- Corporate Environment
- Guidance
- Transparency
- Accountability
- Risk Management

Our **Commitments**

- Clients
- Partners
- Society
- Shareholders
- Employees
- Corporate Social Responsibility

Nature of the **Business**

The main objective of Islamic Finance and Investments PLC. is to allocate scarce financial resources to capital investment through funding in capital machinery/equipment of the existing industrial enterprises to stimulate the industrial development of the country and also to provide financial assistance through leasing to all level of entrepreneurs. The Company has also diversified its products and services to such other areas as housing and real estate, SME finance, bridge financing, short term, midterm and long term loan to cater to divergent needs of the economy.

Overview of the **Company**

Name of the Company	**ISLAMIC FINANCE & INVESTMENT PLC.**
Legal Form	Islamic Finance and Investment PLC is a financial institution incorporated in Bangladesh on February 27, 2001 as a Public Limited Company under the Companies Act, 1994. The Company obtained its license from Bangladesh Bank on April 12, 2001 as required under Section 4(1) of the Financial Institutions Act, 1993. The company went for public issue in 2005 and its share are listed with both Dhaka Stock Exchange PLC. and Chittagong Stock Exchange PLC.
Commencement of Business	February 27, 2001
Head Office	Impetus Center (3rd Floor), 242/B Tejgaon-Gulshan Link Road, Tejgaon I/A. Dhaka-1208.
Registered Office	Impetus Center (3rd Floor), 242/B Tejgaon Gulshan Link Road, Tejgaon I/A, Dhaka-1208.
Chairman	Abul Quasem Haider
Managing Director	Md. Nurul Azim
Auditor	Zoha Zaman Kabir Rashid & Co. Chartered Accountants
Bankers	Islami Bank Bangladesh PLC. Al-Arafah Islami Bank PLC. Exim Bank PLC. Shahjalal Islami Bank PLC. Social Islami Bank PLC. South East Bank PLC. (Islami Banking Branch) Dutch Bangla Bank PLC. Bank Al-Falah PLC. Pubali Bank PLC. Bank Asia PLC. (Islami Banking Branch) Union Bank PLC.
Tax Advisor	K.M. Hasan & Co. Chartered Accountants
No. of Branch	07
No. of Employees	104
Telephone No. (Head Office	+88 02 226603274
Website	www.ifilbd.com
Central Email	info@ifilbd.com
Stock Summery	
Authorized Capital	Tk.250 crore
Paidup Capital	Tk.140.33 crore
Face Value of Share	Tk.10/-

Chowmuhani Branch
Holding # 309-310, (2nd floor),
(Trust Bank Building)
Feni Road, Chowmuhani, Noakhali
Phone: 02-334492511, 02-334493400.
Mob: 01766-665794 (Manager)
E-mail: ifilchwb@ifilbd.com

Bogra Branch
Abdul Hannan Center (1st Floor)
Holdings No-20 (11)
Shahid Tareque Sarak, Katnerpara, Bogra.
Phone:-02-589905435, 02-589905505.
Mob: 01766665816(Manager)
E-mail: ifilbogra@ifilbd.com

Uttara Branch
Troyee Bhaban
House # 34 (2nd Floor),
Sonargaon Janapath Road
Sector # 11,
Uttara, Dhaka-1230.
Phone:-88-02-48952734,
02-48961226.
Mob: 01766665795 (Manager)
E-mail: ifiluttara@ifilbd.com

Gazipur Branch
Reaz Tower (2nd Floor)
Reza Nagor, Tangail Road
Joydevpur Chowrasta, Gazipur-1702
Phone: 09639848384
Mob: 01313 494423 (Manager)
Email: ifilgazipur@ifilbd.com

Chattogram Branch
Sultan Bhaban (1st Floor)
163, S.K, Mujib Road, Agrabad, Chittagong.
Phone: 02-333323683
Mob: 01766665811 (Manager in Charge)
E-mail: ifilctg@ifilbd.com

Narayanganj Branch
Tokyo Plaza-1, (2nd Floor)
69/6, Banga Bhandhu Road, DIT,
Narayanganj.
Phone:-02-47650196, 02-47650197.
Mob: 01713-118741(Manager)
E-mail: n.gonj@ifilbd.com

HEAD OFFICE & REGISTERED OFFICE
Impetus Centre (3rd floor)
242/B, Gulshan Tejgaon Link Road
Tejgaon I/A, Dhaka-1208
Phone:- +88 02 226603274
E-mail: info@ifilbd.com
Website : www.ifilbd.com

Principal Branch
Bhuiya Center
68, Dilkusha C/A, Dhaka-1000.
Phone:-88-02-223385604
(Hunting)
Fax: 88-02-223390925
Mob: 01766665758(Manager)
E-mail: ifilpb@ifilbd.com

Milestone of the Company

2000
- Letter of Intent Issued by Bangladesh Bank

2001
- Date of Incorporation
- Bangladesh Bank's Permission
- Permission of Principal Branch
- Start of Business Operation
- Permission of new Registered Office
- New Registered Office opened

2002
- Inauguration by Honorable President of Bangladesh
- Permission of Chittagong Branch
- Chittagong Branch Operation Started

2004
- Permission of Bogra Branch

2005
- Operation of Bogra Branch started
- Listing in Chittagong Stock Exchange
- IPO Issue
- Listing in Dhaka Stock Exchange
- Share Trading Started in Stock Exchanges

2006
- Permission of Narayanganj Branch

2007
- Operation of Narayanganj Branch started
- Permission of Uttara Branch

2008
- Operation of Uttara Branch started
- Permission of Nayabazar Branch
- Operation of Nayabazar Branch Started

2010
- 1R:2 Rights Issue
- Trade Opening of Mutual Fund Sponsored by IFIPLC

2011
- Shifting of Head Office
- Enhancement of Authorized Capital

2012
- 1R:3 Rights Issue

2013
- Shifting of Uttara Branch to own premise

2014
- Shifting of Bogra Branch to own premise

2015
- Signing of Sale Agreement for purchasing premises for Corporate Office

2017
- Launching New Logo

2018
- Permission of Gazipur Branch
- Operation of Gazipur Branch Started
- Permission of Chowmuhani Branch
- Operation of Chowmuhani Branch Started

2019
- Shifting of Head Office to Own Premises (Tejgaon I/A)

2020
- Approval of 'IFIPLC Mudaraba Non-Convertible Fully Redeemable Subordinated Bond of Tk. 300.00 Crore'
- Shifting of Principal Branch to own Premises

NOTICE OF THE 24th ANNUAL GENERAL MEETING

Notice is hereby given that the 24th Annual General Meeting (AGM) of the shareholders of Islamic Finance and Investment PLC. (IFIPLC) will be held on Thursday, August 28, 2025 at 11.00 a.m. in hybrid system (Physically at RAOWA Complex, Eagle Hall, VIP Road, Mohakhali, Dhaka- 1206 and online) to transact the following businesses:

Ordinary Business:

01. Adoption of Directors' Report, Auditors' Report, and Audited Financial Statements for the year ended December 31, 2024;
02. Declaration of Dividend for the year 2024 as recommended by the Board;
03. Election of Directors;
04. Appointment of Auditors of the Company until the conclusion of the next Annual General Meeting (AGM) and fixation of their remuneration; and
05. Appointment of auditors for certification on the compliance on conditions of the Corporate Governance Code (CGC) for 2025 of the Company and fixation of their remuneration.

By order of the Board

Md. Ramzan Hossain, ACS
Company Secretary

Date: July 31, 2025

Notes:

1. The Members whose name appeared in the Register of Members of the company and/or in the Depository Register on "Record Date" i.e. July 28, 2025 are eligible to attend/participate/join and vote in the 24th Annual General Meeting (AGM)through Hybrid System;
2. A Shareholder may appoint a proxy to attend and vote in his/her place by filling 'Proxy Form' at this hybrid system AGM. The 'Proxy Form' duly filled, signed and stamped at BDT 100/-, must be deposited at the registered office or send through e-mail to shareholder@ifilbd.com not later than 48 hours before the time scheduled for holding the AGM.
3. The link for participating in the AGM through hybrid system will be notified to the e-mail address provided in the Beneficiary Owners (BO) account of the respective shareholders held with Depository Participant (DP);
4. The shareholders will join the hybrid AGM through the link. They will be able to submit their questions/comments electronically 24 (twenty-four) hours before holding the AGM through the link and also during the Annual General Meeting. In order to login for the hybrid AGM, the shareholders need to click on the link and provide their 16 digit Beneficiary Owners (BO) account number or Folio number and number of share;
5. The shareholders may login to the system prior to starting of the meeting at 10:00 a.m. on August 27, 2025 (Wednesday). The link will activate at 11:00 a.m. (Bangladesh Time) on August 28, 2025. For any IT related guidance and help regarding the login process, the respected members may contact at +8801766665768, +8801766665780;
6. The soft copy of the Annual Report 2024 will be forwarded to the e-mail addresses of the shareholders available in their Beneficiary Owners (BO) account maintained with Depository Participant (DP). The Annual Report 2024 and proxy form will be available in the company's website at www.ifilbd.com;
7. Shareholders and proxies interested to attend physically are requested to record their entry in the venue of AGM well in time.

N.B: Members may please note that no gift or benefits in cash or kind shall be given at the AGM.

24th Annual General Meeting	Hybrid	Thursday, August 28, 2025	at 11:00 a.m.

Management Discussion & **Analysis**

Significant accounting policies, estimates and assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported amount of assets and liabilities, income and expenses. The estimates and underlying assumptions are based on historical experience and various other factors that are believed to be reasonable under the prevailing circumstances. Actual result could differ from estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions of the accounting estimates are recognized in the period in which the estimates are revised. Significant areas requiring the use of management estimates in these financial statements relate to the useful life of depreciable assets and provisions for loans/leases. However, assumptions and judgments made by management in the application of accounting policies that have significant effect on the financial statements are not expected the result in material adjustment to the carrying amounts of assets and liabilities in the next year.

Risk and uncertainty for use of estimates

The preparation of financial statements in conformity with International Accounting Standards (IASs) and International Financial Reporting Standards (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 International Accounting Standard 37: Provisions, Contingent Liabilities and Contingent Assets, provisions are recognized in the following situations:

a) When the company has an obligation as a result of past events;

b) When it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and

c) Reliable estimate can be made of the amount of the obligation.

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

Bangladesh Bank is the prime regulatory body for all Finance Companies in Bangladesh. Some requirements of Bangladesh Bank contradict with those of IAS/IFRS. As such the Company has departed from those contradictory requirements of IAS/IFRS in order to comply with the rules and regulations of Bangladesh Bank.

Financial Performance during 2024

Operating Profit in the year 2024 stood at BDT (151.06) million against BDT 132.44 million of 2023 which has been decreased by 214.06%. Profit/(Loss) before Tax of 2024 is BDT (1,692.95) million against previous year's BDT (178.72) million. Profit/(Loss) after Tax of 2024 stood at BDT (1,715.15) million against BDT (230.23) million of 2023. Earnings per Share (EPS) of 2024 are (12.22) against previous year's EPS (1.64). In the year 2024 Cumulative Retained Earnings stood at BDT (1,945.38) million.

Profit & Loss account

(Figures in Million BDT)

Particulars	Year- 2024	Year- 2023	Growth %
Profit on Investment	854.38	1,097.13	(22.13%)
Profit Paid on Deposits, Borrowings etc.	815.77	764.04	6.77 %
Net Investment Income	38.61	333.09	(88.41%)
Income from Investment in Securities (Shares)	5.79	11.75	(50.69%)
Other operating income	5.82	2.34	149.30%
Total Operating income	50.23	347.17	(85.53%)
Total Operating expense	201.29	214.74	(6.26%)
Operating profit	(151.06)	132.44	(214.06%)
Provision for Investment and Shares	1,541.89	311.16	395.53%
Profit/(Loss) before Tax (PBT)	(1,692.95)	(178.72)	847.25%
Profit/(Loss) after Tax (PAT)	(1,715.15)	(230.23)	644.97%
Earnings Per Share (EPS)	(12.22)	(1.64)	644.97%
Retained Earnings	1,945.38	23.02	(8,350.81%)

Financial Position Analysis

Investment portfolio has stood at BDT 9522.48 million in 2024 against BDT 10752.69 million in 2023. Deposit Portfolio (other than Lease deposit) has stood at BDT 7496.82 million in 2024 against BDT 8775.79 million in 2023.

Balance Sheet

(Figures in Million BDT)

Particulars	Year 2024	Year 2023	Growth %
Unclassified Investment	3945.29	7075.53	(44.24%)
Classified Investment	5577.19	3677.17	51.67%
Total Investment Portfolio	9522.48	10752.69	(11.44%)
Total Assets	12039.40	13583.42	(11.37%)
NPL %	58.57%	34.20%	71.26%
Borrowings from other Banks, FIs	312.54	550.57	(43.23%)
Total Deposit	7496.82	8775.79	(14.57%)
Bank & FI Deposit	1883.95	2268.32	(16.95%)
Core Deposit	5612.87	6507.47	(13.75%)
Total Shareholders' equity	28.17	1743.31	(98.38%)
Net Asset Value (NAV) per share	0.20	12.42	(98.39%)

Cash Flow Analysis

(Figures in Million BDT)

Particulars	Year- 2024	Year- 2023	Growth %
Net cash flows from Operating Activities	(109.56)	(53.82)	103.56%
Net cash flows from Investing Activities	6.81	17.57	(61.23%)
Net cash flows from Financing Activities	(240.03)	(70.14)	(242.22%)
Net Operating cash flow per share (NOCFPS)	(0.78)	(0.38)	103.56 %

NOCFPS for the year ended 31 December 2024 is BDT (0.78), which was BDT (0.38) for the year ended 31 December 2024. The primary reason behind this variance is net growth of deposit compare to the previous year.

Capital Adequacy

Total Capital/Shareholders' Equity decreased by 98.38% to BDT 28.17 million in the year 2024 against BDT 1,743.31 million of 2023. Capital Adequacy Ratio (CAR) in the year 2024 stood at 1.33% which has decreased by 92.03% compared to previous year (Minimum required rate of CAR is 10%).

(Figures in Million BDT)

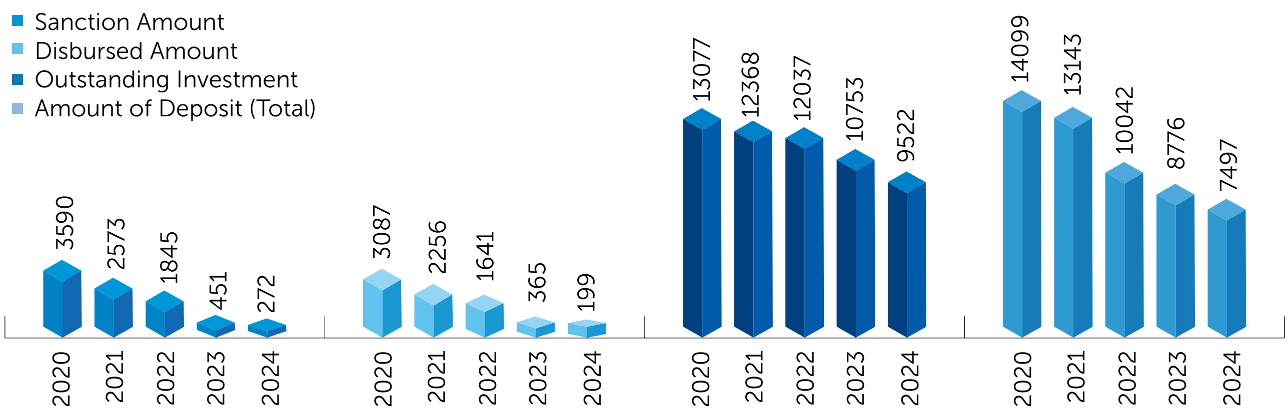
Particulars	Year- 2024	Year- 2023	Growth %
Tire – I Capital (Core Capital)	28.17	1,743.31	(98.38%)
Tire – II Capital (Supplementary Capital)	118.49	119.88	(1.16%)
Total eligible capital	146.66	1,863.19	(92.13%)
Total Risk weighted Assets (RWA)	1,106.79	1,116.46	(0.87%)
Capital Adequacy Ratio (CAR) in %	1.33	16.69	(92.03%)

Performance at a Glance

Business Performance

(Figures in Million BDT)

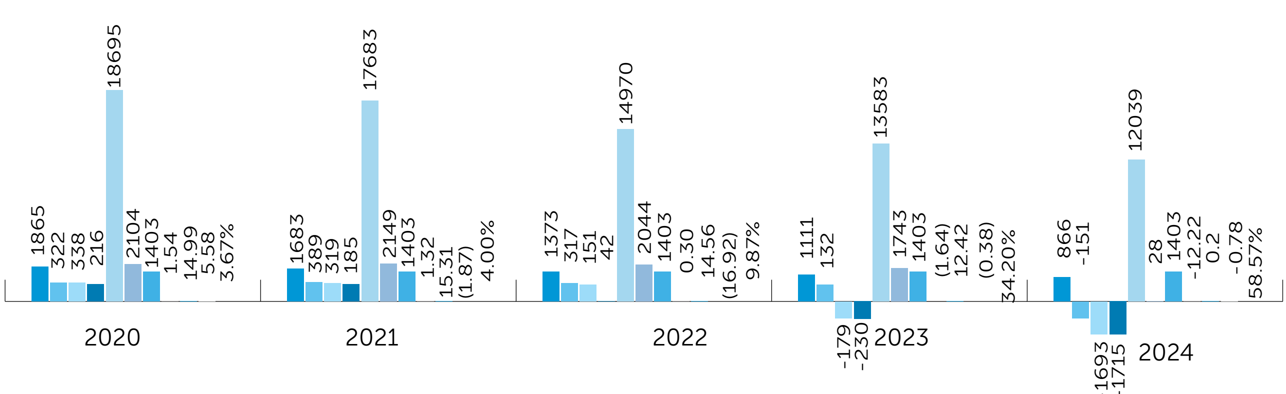
Particulars	2020	2021	2022	2023	2024
Sanction Amount	3590	2573	1845	451	272
Disbursed Amount	3087	2256	1641	365	199
Outstanding Investment	13077	12368	12037	10753	9522
Amount of Deposit (Total)	14099	13143	10042	8776	7497



Financial Performance

(Figures in Million BDT)

Particulars	2020	2021	2022	2023	2024
Operating Revenue	1865	1683	1373	1111	866
Operating Profit	322	389	317	132	-151
Profit Before Tax	338	319	151	-179	-1693
Profit After Tax	216	185	42	-230	-1715
Total Assets	18695	17683	14970	13583	12039
Share Holders' Equity	2104	2149	2044	1743	28
Paid up Capital	1403	1403	1403	1403	1403
Earning Per Share (EPS)	1.54	1.32	0.30	(1.64)	-12.22
Net Assets Value Per Share (NAVPS)	14.99	15.31	14.56	12.42	0.2
Net Operating Cash Flow Per Share (NOCFPS)	5.58	(1.87)	(16.92)	(0.38)	-0.78
NPL %	3.67%	4.00%	9.87%	34.20%	58.57%



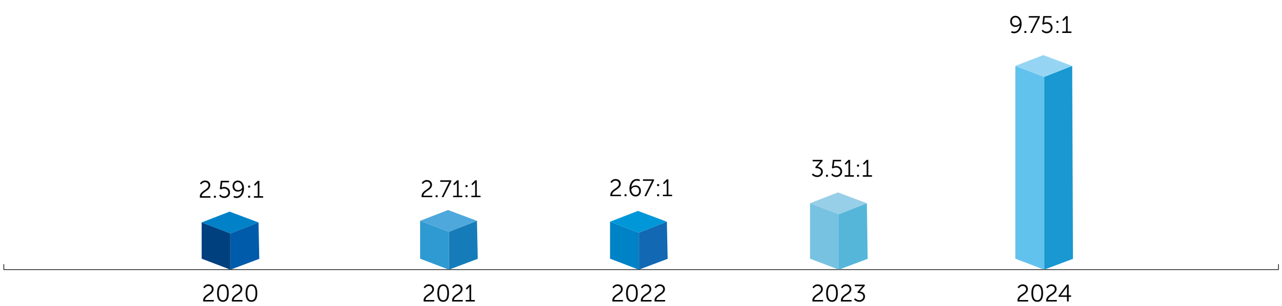
Financial Ratio

(Figures in Million BDT)

Particulars	2020	2021	2022	2023	2024
Debt Equity Ratio	2.59:1	2.71:1	2.67:1	3.51:1	9.75:1
Return on Average Assets (%)	1.20%	1.02%	0.26%	-1.61%	-13.39%
Return on Average Equity (%)	10.44%	8.71%	2.01%	-12.16%	-193.64%
Profit Margin on Operating Income (%)	38.13%	32.69%	8.34%	-66.32%	-3414.59%
Capital Adequacy (%)	15.31%	16.34%	17.50%	16.69%	1.33%
Current Ratio	1.13:1	1.17:1	1.15:1	1.15:1	1.16:1
Net Worth to Total Assets (%)	11.25%	12.15%	13.65%	12.83%	0.23%
Return on Average Investment - ROI (%)	1.65%	1.43%	0.34%	-1.99%	-16.65%
Price Earning Ratio (P/E)	12.36	19.69	65.60	-12.01	-0.89
Dividend Pay out - DP	0.65	0.76	1.67	-	-
Dividend	10% C	10.50% C	5% C	Nil	Nil

Debt Equity Ratio

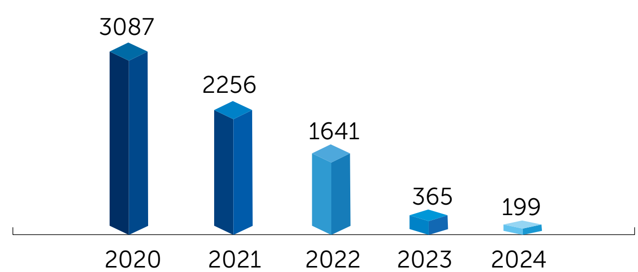
(Figures in Million BDT)



Facility wise Disbursement

(Figures in Million BDT)

Particulars	2020	2021	2022	2023	2024
Lease	7	75	56	17	0
HPSM	2107	1313	929	116	97
Bai Muajjal	974	868	656	232	102
Total	**3087**	**2256**	**1641**	**365**	**199**



DEPOSIT: (Category wise):

(Figures in Million BDT)

Particulars	Schemes		% of Change	MTDR		% of Change
	2023	2024		2023	2024	
Total Deposit	521.35	360.38	-30.88%	8254.44	7136.44	-13.54%

A summary of operating result of IFIPLC. as on December 2024 vis-a-vis the position of December 2023 is shown below:-

Particulars	2023	2024
Total Income	1111.21	866.00
Less: Total Expenditure	978.78	1,017.06
Profit before Provision & Taxation	132.44	-151.06
Less: Provision for Investment, Shares	311.16	1,541.89
Profit before Taxation	-178.72	-1,692.95
Less: Provision for Taxation	51.51	22.19
Profit After Tax (PAT)	-230.23	-1,715.15

Value Added Statement

For the year ended 31 December 2024

The value added statement represents the value created by Islamic Finance and Investment PLC through operational activities and shows how it was distributed among major stakeholders of the Company (Shareholders, Government & Employees) to meet certain obligations. A portion of added value has also been retained in the company for future investment and expansion.

Particulars	2024	2023
Net investment income	38,611,163	333,088,014
Other operating income	11,618,830	14,086,237
Management Expenses (excluding Salary, allowances and Depriciation)	(32,020,861)	(38,761,066)
Loan loss & provision	(1,541,892,108)	(311,159,302)
Total Value added by the company	**(1,523,682,976)**	**(2,746,117)**

Value added distributed to:		
Employees- Salaries & allowances	154,233,420	158,574,527
Govt.- Taxes	22,193,623	51,509,268
Share holders-Retained earnings	(21,945,377,307)	(230,231,340)
Expansion & Growth:		
Statutory Reserve	-	-
Depreciation	15,035,948	17,401,428
Total	**(21,753,914,316)**	**(2,746,117)**
Number of Shares	140,326,670	140,326,670
Value added per share	**(155.02)**	**(0.02)**
Number of Employees	104	112
Value added per employee	**(209,172,253)**	**(24,519)**

Market Value Added Statement

For the year ended 31 December 2024

Market Value Added Statement reflects the company's performance evaluated by the market through the share price. This amount is derived from the difference between market capitalization and book value of the shares oustanding. It signifies the enhancement of financial solvency as perceived by the market.

Particulars	2024	2023
Face value per share	**10**	**10**
Market value per share as on 31 December	**10.90**	**19.70**
Number of shares outstanding	140,326,670	140,326,670
Total market capitalization	1,529,560,703	2,764,435,399
Book value of paid up capital	1,403,266,700	1,403,266,700
Market Value Addition	**126,294,003**	**1,361,168,699**

Economic Value Added Statement

For the year ended 31 December 2024

Economic value added (EVA) is the financial performance measure that attempts to evaluate the real economic profit of an organization. It provides a measurement of a company's economic success (or faliure) over a period of time. EVA is calculated as (NPAT-Cost of average equity). EVA of IFIPLC. tabulated below for the year 2024 & 2023.

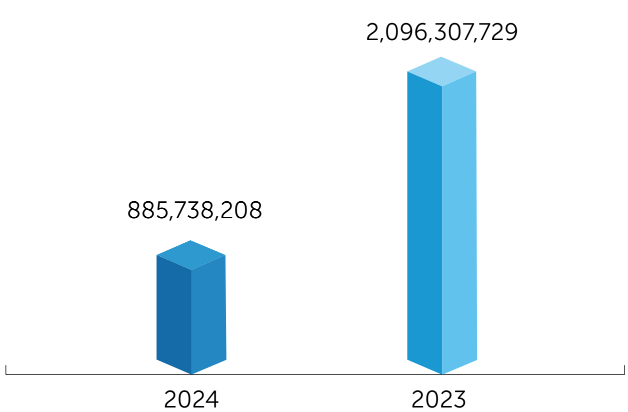
Amount in Taka

Particulars	2024	2023
Shareholders Equity as on 31 Dec.(capital & reserve)	28,165,224	1,743,311,191
Provision for loan losses	2,290,432,483	748,590,375
Total	**2,318,597,707**	**2,491,901,566**
Average equity	**885,738,208**	**2,096,307,729**
Cost of Equity (Capital Charge): Govt Sanchayapatra Rate (Poribar Sanchayapatra-One Year) -9.50%	84,145,130	179,883,310

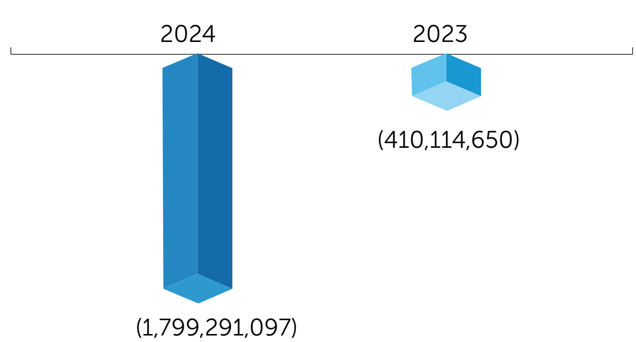
EVA

Particulars	2024	2023
Total Return	866,001,149	1,111,212,809
Profit Paid on Deposit & Operating Expenses	(1,017,061,385)	(978,775,579)
Loan loss & provision	(1,541,892,108)	(311,159,302)
Income Tax	(22,193,623)	(51,509,268)
Capital Charge (as above)	(84,145,130)	(179,883,310)
Economic Value Added (EVA) during the year	**(1,799,291,097)**	**(410,114,650)**

Average equity

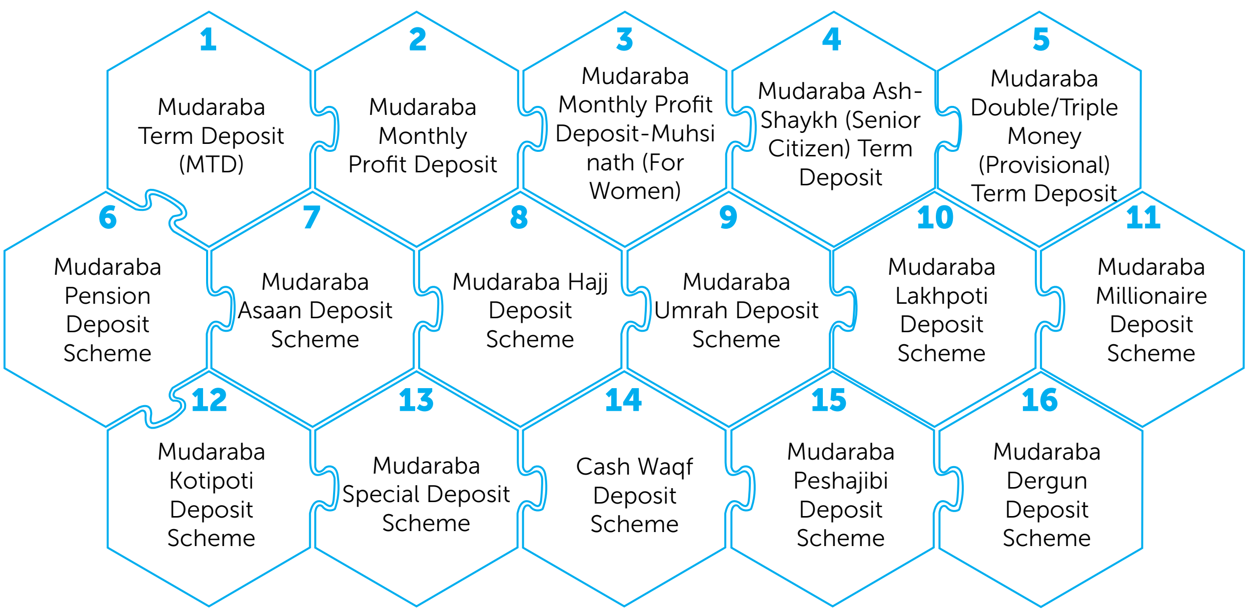


Economic Value Added (EVA) during the year



PRODUCTS & SERVICES

Islamic Finance and Investment PLC (IFIPLC.), in strict adherence to the principles of Islamic Shariah, relevant banking and financing laws, Bangladesh Bank guidelines and its internal policy framework, mobilizes deposits exclusively under the Mudaraba principle. Mudaraba is a Shariah-compliant partnership where one party, the Sahib al-Mal (capital provider), entrusts capital to another party, the Mudarib (fund manager), who undertakes business operations using that capital. Any profit generated is distributed between the parties according to a pre-agreed ratio, whereas financial losses are borne solely by the Sahib al-Mal, except in cases of proven negligence or misconduct by the Mudarib. Importantly, the Mudarib is not entitled to any fixed remuneration for their services and may only receive a share of the profits. Deposits collected under this model are known as Mudaraba Deposits, embodying the risk-sharing, ethical, and interest-free essence of Islamic finance. Deposits accepted under this framework are termed Mudaraba Deposits, reflecting their nature as investment-based, risk-sharing financial instruments rather than conventional, interest-bearing accounts. Through this model, IFIPLC. not only fulfills the requirements of Shariah-compliant banking but also promotes ethical financing by eliminating riba (interest), encouraging transparency, and fostering a partnership-based financial culture



Investment Modes & Facilities:

According to the principles of Islamic Shariah, as well as applicable banking and financing laws, guidelines issued by Bangladesh Bank, and the internal policies of Islamic Finance and Investment PLC (IFIPLC.), the institution does not engage directly finance in money. Instead, IFIPLC. operates strictly within the framework of asset-backed financing, wherein all financing activities are conducted through the procurement and transfer of ownership of real assets or raw materials. This ensures full compliance with the prohibition of riba (interest) in Islamic finance and upholds the principles of risk-sharing and trade-based transactions. IFIPLC's investment and financing operations are structured around approved Shariah-compliant modes, involving lawful commodities. This approach reinforces the ethical foundation of Islamic finance by tying all financial dealings to real economic activity and asset ownership, in contrast to speculative or interest-based lending.The fund of IFIPLC. is mainly invested in the following modes:

1. Bai-Murabaha Muajjala
2. Ijara/ Lease
3. Hire Purchase under Shirkatul Melk (HPSM) for Real Estate and General.

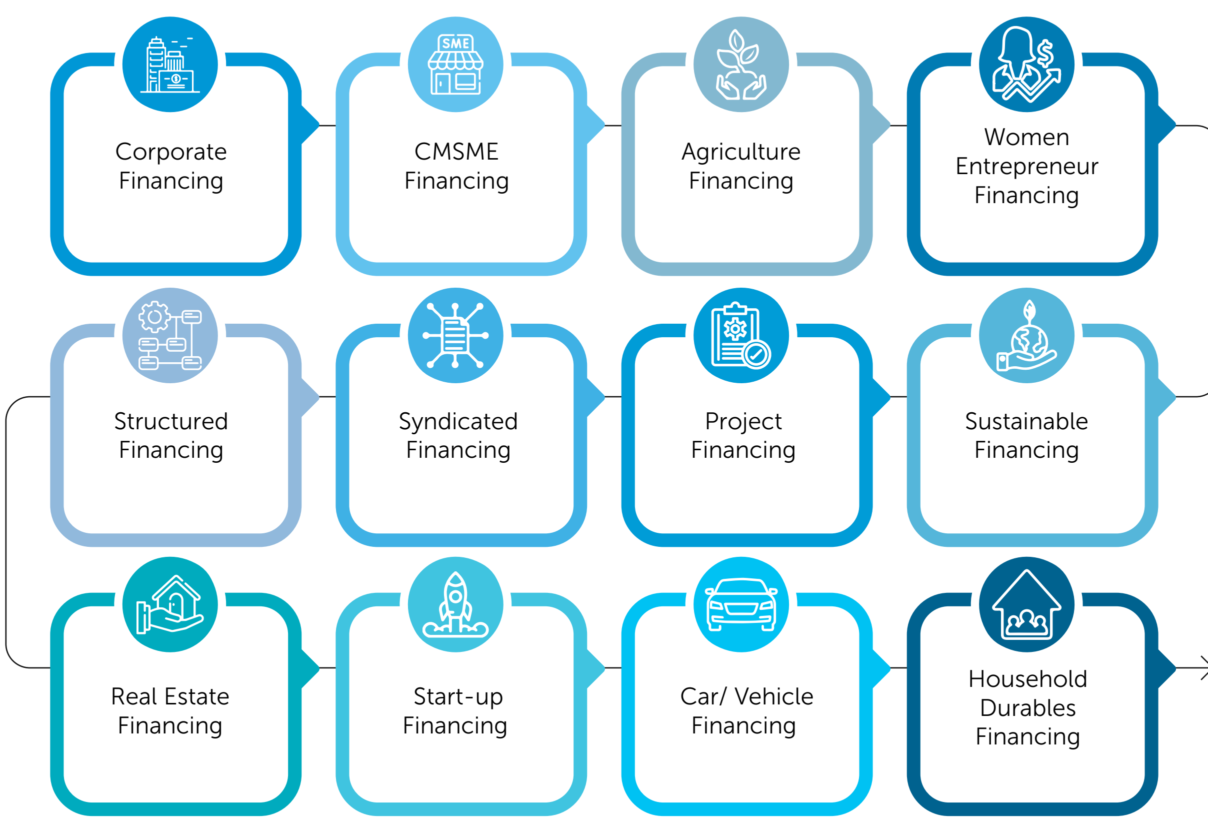
1. Bai-Murabaha Muajjala: Contractual buying and selling at a mark-up profit is called Murabaha. In this case, the client requests the Bank/Finance Company to purchase certain goods for him. The Bank purchases the goods as per specification and requirement of the client. The client receives the goods on payment of the price which includes mark-up profit as per contract. Under this mode of investment the purchase/cost price and profit are to be disclosed separately. "Bai-Muajjal" means sale for which payment is made at a future fixed date or within a fixed period. In short, it is a sale on Credit. It is a contract between a buyer and a seller under which the seller sells certain specific goods (permissible under Shariah and Law of the country), to the buyer at an agreed fixed price payable at a certain fixed future date in lump sum or within a fixed period by fixed installments. The seller may also sell the goods purchased by him as per order and specification of the buyer. In Bank's perspective, Bai-Muajjal is treated as a contract between the Bank and the Client under which the bank sells to the Client certain specified goods, purchased as per order and specification of the Client at an agreed price payable within a fixed future date in lump sum or by fixed installments.

2. Ijara/ Lease: The mode under which any asset owned by the bank/finance company, by creation, aquisition/or building-up is rented out is called Ijara or leasing. In this mode, the leasee pays the Bank/finance company rents at a determined rate for using the assets/properties and returns the same to the Bank/finance company at the expiry of the agreement. The Bank/finance company retains absolute ownership of the assets/properties in such a case. However, at the end of the leased period, the asset may be sold to the client at an agreed price.

3. Hire Purchase under Shirkatul Melk (HPSM): Hire Purchase under Shirkatul Melk (HPSM) is a special type of contract; it is the combination of three separate contracts: Shirkat, Ijarah & Sale.

- **Shirkatul Melk:** Shirkat refers to partnership. Shirkatul Melk means share in ownership. When two or more persons supply equity, purchase an asset, own the same jointly, share the benefit as per agreement and bear the loss in proportion to their respective equity, the contract can be defined as 'Shirkatul Melk' contract.

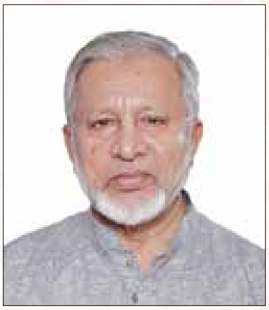
Under these basic shariah modes of investment, IFIPLC. provides the following investment facilities:



Brief Profile of The **Board of Directors**

1. Abul Quasem Haider
   Chairman
2. Mostanser Billa
   Vice Chairman
3. K.B.M. Moin Uddin Chisty
   Vice Chairman
4. Anis Salahuddin Ahmad
   Director
5. Asgar Haider
   Director
6. Julia Rahman
   Director
7. Shayema Akter, FCA
   Independent Director
8. Md. Nurul Azim
   Managing Director

1-2



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Abul Quasem Haider
Chairman

Janab Abul Quasem Haider was born on 1st April, 1954 in a respectable muslim family at Sandwip, Chattogram. He obtained 1st class in M.Sc with B.Sc (Hon's), from University of Dhaka, he achieved Ph.D degree from Edward University, USA. He is one of the founder of "Youth Group" one of the reputed business house in the country. He was also the founder Chairman of "Youth Group". Presently he is the Chairman of Youth Spinning Mills Limited, Youth Hatchery & Agro Ltd., Youth Real Estate Ltd., Multimode Resource Ltd., and Chowdhury Apparel (Pvt) Ltd. He is the founder Chairman of Australian International School, Eastern University and Islamic Finance and Investment PLC.

Janab Abul Quasem Haider is the author of many books related to business and social development. He is the editor of Dainik Ajker Awaz and weekly Panorama. He is also the proprietor of a publication house named Lekhalekhi.

Janab Abul Quasem Haider is the founder Chairman of Sekander Safia Foundation and Youth Foundation. He is also founder of Abul Quasem Haider Mohila College, Sandwip and Sekander Safia Dakhil Madrasa, Sandwip. Apart from that he is a life member of Chattogram Samity, Dhaka, Bangla Academy, Dhaka, Asiatic Society and Sandwip Samity, Dhaka and lifetime Registered Graduate of Dhaka University. He is the former Vice-President of FBCCI, BGMEA and BTMA. Janab Abul Quasem Haider was former Founder Vice-Chairman of Association of Private Universities of Bangladesh. He achieved many awards like Palak award 1998, CIP medal 1998, Atish Dipankar Medal 2001. He is also the founder of many Masjid, Madrasa, School, College and Social welfare institutions. Janab Abul Quasem Haider was senate member of Dhaka University during 2003-2005.

He introduced "Abul Quasem Haider Shikhkha Unnayan Britti" in University of Dhaka, University of Chittagong, Eastern Unsiversity, Dakhkhin Sandwip College, Chattogram, Uttar Sandwip College, Chattogram, Purbo Sandwip High School, Chattogram, Public High School, Sandwip, Chattogram and AYM Saidul Haque Foundation, Chattogram with total amounting to Tk. 8.00 lac in the form of FDR with the allocation of Tk. 1.00 lac each in the above educational institution from which stipend are given from the profit portion of the FDR among the meritorious students yearly.

Janab Abul Quasem Haider is present Chairman of Islamic Finance and Investment PLC. and also member of Executive Committee of IFIPLC.

Mostanser Billa
Vice Chairman

Janab Mostanser Billa is a very reputed Businessman and Industrialist. He is a Director of Youth Group and associated with Youth Spinning Mills Ltd. with the responsibilities as Managing Director. He is also Director of International Holdings Ltd. under which Australian International School (AUSIS) a reputed English Medium School.

He is associated with many Masjid, Madrasa and School. Janab Mostanser Billa is a Vice-Chairman of Islamic Finance and Investment PLC. and also member of Audit Committee of IFIPLC.

K.B.M. Moin Uddin Chisty
Vice Chairman

Janab K.B.M. Moin Uddin Chisty was born in a respectable Muslim family in Cumilla. He engaged himself in business after obtaining MBA degree. He is the Chairman of Trustee Board of Victoria University of Bangladesh. Janab Chisty is holding the post of Treasurer of Bangladesh Private University Association for long. He is the Chairman and Managing Director of Global Human Resources Development Limited and Global Finance and Capital Management. Apart from that, Janab K.B.M. Moin Uddin Chisty is the proprietor of Global Institution of Business and Technology and Diamond Trade International. He has travelled many countries of the world for business purpose. He is also actively involved with many social and cultural organization. Janab K.B.M. Moin Uddin Chisty is the Vice-Chairman of Islamic Finance and Investment PLC. and also member of Audit Committee and Risk Management Committee of IFIPLC.

Anis Salahuddin Ahmad

Director

Janab Anis Salahuddin Ahmad has recently assumed the position of Managing Director of the company. Mr. Anis received his higher diploma from Italy and Jakarta after returning he joined in the hospitality industry for a short period In 1986. Mr. Ahmad joined a garments buying house and in that, capacity started traveling extensively to Europe and the Far East. This helped him gain substantial experience and insight of the trade. Mr. Anis involved into the business arena in 1996 and joined Youth Group of Companies. Over the years, Mr. Anis built a prolific business career by dint of his dynamic engagement in textile trading and other manufacturing businesses. He sits on the board of Australian International School and Islamic Finance and Investment PLC.

Janab Anis is a renowned philanthropist and is associated with many social welfare organizations and activities, A strong sense of discipline and ethics are the guiding principles of Mr. Anis business philosophy.

Janab Anis is a Chairman of Risk Management Committee of Islamic Finance and Investment PLC. and also member of Audit Committee of IFIPLC.

Asgar Haider

Director

Janab Asgar Haider was born in a respectable Muslim family in 1988. Mr. Haider is known as an entrepreneur, philanthropist and sportsperson among contemporaries. Mr. Haider involved himself in the business with the lone composite textile business of Youth Group and parts with several Power & Energy projects. He continuously flourishes his knowledge of energy business prospects in the Country and engaged himself in Oil & Gas sector. He is sponsor of Shahjibazar Power Co. Ltd. and also the proud Sponsor of several other companies.

Janab Haider has been very generous to the underprivileged people of his community. He is one of the members of a social organization in Sandwip.

Janab Haider is an avid promoter of sports. He has been the host of several corporate sports leagues in the country and played in those leagues in person. Mr. Haider graduated with an MBA from the USA. He is a Chartered Member of the Chartered Institute of Logistics and Transport and a Life Member of the American Alumni Association. He was awarded the Business Leader of South Asian Leadership Awards Bangladesh in 2019.

Janab Haider is a Chairman of Executive Committee of Islamic Finance and Investment PLC. (IFIPLC) and also a Member Risk Management Committee of IFIPLC.

Julia Rahman
Director

Mrs. Julia Rahman, wife of Late Mazibur Rahman Khan was born in a respectable Muslim family in 1968. In the professional life, she is a reputed personality in the field of business and industry. She is the honorable Chairman of Olympic Cement Ltd., Olympic Fiber Ltd., Olympic Shipping Ltd., Olympic Agro Ltd., Olympic Properties Ltd. She also proprietor of Sunflower Money Exchange Corporation and M/s Rahman Traders.

Apart from that she is a life member of Anjumane Rahmania Islam, Barisal and life member of Gulshan North Club.

Mrs. Julia Rahman involved in social works in related with development of rural women, orphan child and Socio-Economic Development of the poor peoples.

Mrs. Julia Rahman is a Director of Islamic Finance and Investment PLC and also a member of Executive Committee of IFIPLC.

Shayema Akter, FCA
Independent Director

Mrs. Shayema Akter FCA was born on 1st November, 1977 in a respectable Muslim family. She has more than 20 years of professional exposure in her background. She joined S.F. Ahmed & Co. Chartered Accountants 1998 to till date. At present she holds the position of Senior Director of the said reputed CA Firm. She Has extensive experience in Statutory audit, independent review of financial statements, Review engagement, Performing agreed-upon procedures and Integrated fiduciary review to Public and Private Sectors (Special audit, Management audit, Performance audit, Internal Audit, Management Audit, Business Advisory, Due Diligence, Mergers & Acquisitions, Valuation, Management Consultancy and Business Process Outsourcing (BPO) etc.

Mrs. Shayema Akter FCA is a fellow member of the Institute of Chartered Accountants of Bangladesh (ICAB), she is also member of the Institute of Internal Auditors (IIA), International Systems Audit and Control Association (ISACA), USA, Association of Certified Fraud Examiners (ACFE), USA. She completed her Master of Commerce in Management from Jagannath University

She is an Independent Director of Islamic Finance and Investment PLC and Chairman of the Audit Committee of IFIPLC.

Md. Nurul Azim
Managing Director

Janab Md. Nurul Azim joined Islamic Finance and Investment PLC. (IFIPLC), the first Islamic Shariah-based Financial Institution of the country, as the Managing Director on April 6, 2025.

Before joining IFIPLC., Janab Md. Nurul Azim was the Additional Managing Director (AMD) and Deputy Managing Director (DMD) of SBAC Bank PLC.

Janab Md. Nurul Azim has 24 years of deep and diverse experience in banking sector. He began his banking career in 2001 at The Premier Bank, then progressed through positions of increasing responsibility at Southeast Bank, National Bank and most recently SBAC Bank PLC. There, he served, as Chief Risk Officer (CRO) and Chief Business officer (CBO).

Over 24 years, he strengthened his expertise within various banking sector like Credit Division, Foreign Trade Division, General banking, Law and Recovery Division, Credit Administration, Audit, Financial Administration.

Janab Azim has been recognized as the best 'Branch Manager' several times during his service at National Bank and SBAC Bank PLC.

Academically, Janab Azim is a Master's degree holder from Rabindra Bharati University, West Bengal, India.

Janab Azim received training courses on Prevention of Money Laundering and Combating the Financing of Terrorism, Green Banking and Green Financing, Environmental Risk Management, Branch Management, Financing Small and Medium Enterprises, Credit Management, Investment and Merchant Banking, Lending Risk Analysis, etc. from various reputed institutions of the country.

Throughout his career, Janab Azim has successfully participated in various seminar, training and workshop on economics and banking in Singapore, China, Turkey, Indonesia, Malaysia, and Thailand. He also take classes at various institutions as an instructor on credit, foreign trade and various banking topics.

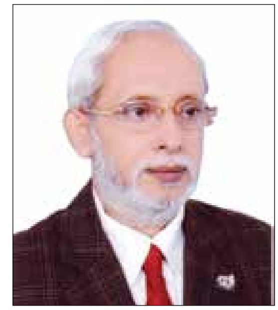
Sponsors other than **Directors**

1. Shibbir Mahmud
2. Anwar Hossain Chowdhury
3. Md. Fazlul Hoque
4. Feroz Alam (Deceased)
5. Mazibur Rahman Khan (Deceased)
6. Rezakul Haider (Deceased)
7. Ms Cherry (Pvt.) Ltd represented by Md. Shamsuzzaman
8. Md. Shafiqul Islam (Deceased)
9. Syed Tawfiq Hossain Ali
10. Mohmmed Zainul Abedin
11. Bakhtiar Uddin
12. S.M. Bakhtiar Alam
13. Iqbalur Rahman
14. Liaquat Hossain Moghul
15. Kazi Mahbuba Akhter
16. M. Mehdi Hasan
17. A.K.M Sakhawat
18. Afzalur Rahman

Executive Committee

1. Asgar Haider
   Chairman
2. Abul Quasem Haider
   Member
3. Julia Rahman
   Member

1-2



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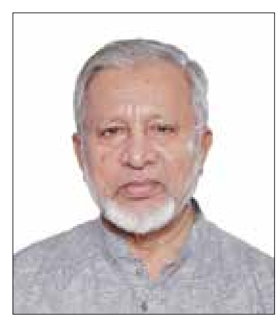
Audit Committee

1. Shayema Akter, FCA
   Chairman
2. Mostanser Billa
   Member
3. K.B.M. Moin Uddin Chisty
   Member
4. Anis Salahuddin Ahmad
   Member

1-2



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Risk Management Committee

1. Anis Salahuddin Ahmad
   Chairman
2. K.B.M. Moin Uddin Chisty
   Member
3. Asgar Haider
   Member

1-2

3

Shariah Supervisory Committee

1. Prof. Maulana Muhammad Mansurur Rahman
   Chairman (Faqeeh)
2. Abul Quasem Haider
   Member (Founder Chairman of IFIPLC)
3. Maulana Ruhul Amin Khan
   Member (Faqeeh)
4. Dr. Maulana Mustaq Ahmed
   Member (Faqeeh)
5. Hafez Maulana Mufti Shabbir Ahmed
   Member (Faqeeh)
6. Prof. Maulana Anowarus Salam
   Member (Faqeeh)
7. Md. Nurul Azim
   Member (Managing Director)
8. Hafez Md. Abdul Hannan
   Member Secretary of Shariah Supervisory Committee (Faqeeh)

Others Committee

Management Committee (MANCOM)

Asset Liability Management Committee (ALCO)

Investment Risk Management Committee (IRMC)

ICT Steering Committee

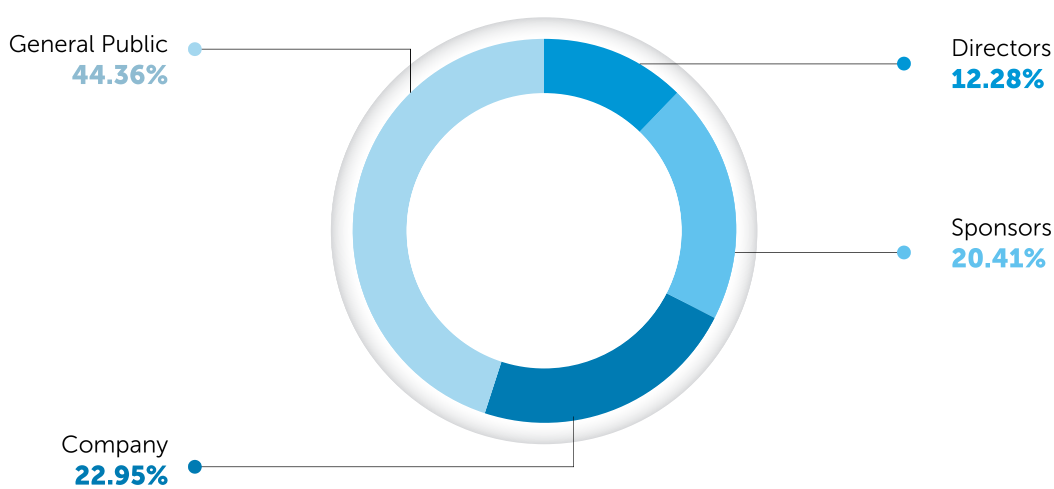
Shareholding Statement

Shareholding composition of the company as on 31 December, 2024 was as follows:

Sl. No.	Shareholders	No. of Shares	Taka	%
Holding by Sponsors and Directors				
1	Directors	17,233,299	172,332,990.00	12.28
2	Sponsors	28,634,234	286,342,340.00	20.41
	Sub-Total (a)	**45,867,533**	**458,675,330.00**	**32.69**
Holding by other Shareholders				
1	Company	32,201,122	322,011,220.00	22.95
2	General Public	62,258,015	622,580,150.00	44.36
3	Non-Resident Bangladeshi	-	-	-
	Sub-Total (B)	**94,459,137**	**944,591,370.00**	**67.31**
	Grand Total (A+B)	**140,326,670**	**1,403,266,700.00**	**100**

Pariticulars	%
Directors	12.28
Sponsors	20.41
Company	22.95
General Public	44.36

Shareholding Composition of IFIPLC as on 31 December, 2024



Directors' Report & Other Reports

আল্লাহ ব্যবসাকে করেছেন হালাল
আর সুদকে করেছেন হারাম!

Message From the *Chairman*

Abul Quasem Haider
Chairman

IFIPLC has a long successful history of professionalism & business ethics which is based on a well developed culture of accountability, transparency, fairness and good governance.

Bismillahir Rahmanir Rahim

Distinguished Shareholders:

Assalamu Alaikum Wa-rahmatullah.

It gives me immense pleasure to welcome you all at the 24th Annual General Meeting of Islamic Finance and Investment PLC. (IFIPLC). On behalf of the Board of Directors I would like to express my sincere thanks to the respected shareholders for their support and co-operation towards the Company during the year and I also extend my thanks and felicitations to the Honorable Members of the Board of Directors of the Company for their presence and active support during this difficult time.

IFIPLC has a long successful history of professionalism & business ethics which is based on a well developed culture of accountability, transparency, fairness and good governance. Our company has been able to build resilient power to overcome any kind of stress emanating from internal & external factors.

Finance Companies all over the country have faced some macroeconomic challenges. Globally, 2024 continued to be a year of complex economic adjustments. The global GDP maintained a modest growth rate of 3.2%, but this number belied a wide range of divergences across economies. Inflationary pressures, rising interest rates, supply chain realignments, and geopolitical conflicts especially in Eastern Europe and the Middle East have posed significant challenges to international trade, capital flows, and investor confidence.

Central banks worldwide walked a tightrope between taming inflation and supporting growth. While inflation is expected to moderate to around 5.9% globally, the cumulative effects of monetary tightening and high borrowing costs have slowed investment momentum and increased consumer distress.

For Bangladesh, the ripple effects of global volatility have not spared us. With GDP growth tapering to an estimated 5.6% in FY2023-24, below the pre-pandemic trajectory, the economy remains under pressure from external sector imbalances, persistent inflation (averaging 9.2% by end-2024), and foreign currency constraints. The devaluation of the taka, rising energy prices, and reduced import flows have strained both consumers and businesses. However, this adversity has also underlined the resilience of our economy and the latent strength of our entrepreneurial class. The Government of Bangladesh and the Bangladesh Bank have undertaken several commendable initiatives to stabilize the macroeconomic environment introducing market-based fuel pricing, reducing export subsidies, implementing tighter monetary policies, and launching structural reforms in the banking sector. These measures, although sometimes painful in the short term, are necessary steps toward long-term sustainability.

As the entire financial sector especially Finance Companies are facing prolonged severe liquidity crisis, non-renewal of existing credit facilities and non-approval of new credit facilities by the banks, FDR encashment pressure from depositors and non-payment of installments by borrowers on time, increasing of NPL and provisions etc. have created tremendous pressure on our fund management.

In 2024 IFIPLC has registered a deposit balance of Tk. 7,496.82 million while Investment outstanding stands Tk. 9,522.48 million. Operating Profit stands at Tk. (151.06) million. Earnings Per Share (EPS) stands at Tk. (12.22). On the other hand, Net Asset Value (NAV) stands at Tk. 0.20 Per Share. Net Operating Cash Flow Per Share (NOCFPS) stands at Tk. (0.78) Classified Investment stands 58.57%. Top 10 defaulters holding 55.85.% of total portfolio of Classified Investment. Total Provision against investments at the end of 2024 stood at Tk.2,255.61million. During 2024, IFIPLC disbursed total Tk.198.70 million. As of 31 December 2024, the Capital Adequacy Ratio (CAR) of the company according to Basel II guidelines is 1.33%.

Our main goal for the year 2025 is to align our strategies and product remodeling with the changes in the market and economic conditions. We are giving significant importance to efficiently managing nonperforming investments, maximizing resource efficiency, and expanding our reach to ensure our customers have access to financing. We anticipate the year to be more stable and predictable, providing us with an opportunity to showcase our financial and brand strength throughout the year. It is my belief that the Company will be able to deliver on its commitment to grow sustainably and generate reasonable returns by pursuing a prudent and dynamic business strategy in the upcoming year.

Finally, I express my sincere thanks to Government of Bangladesh, Bangladesh Bank, Bangladesh Securities and Exchange Commission, National Board of Revenue and all other regulatory bodies for their continuous guidance, co-operation and support.

I also express my cordial thanks to the Board of Directors, members of different committees, employees, shareholders and all other stakeholders for their commitment, cooperation and support. Together we shall achieve our goal of 2025, In sha Allah.

Thanking you,

Ma-assalam,

Abul Quasem Haider
Chairman

ইসলামিক ফাইন্যান্স এন্ড ইনভেস্টমেন্ট পিএলসি.

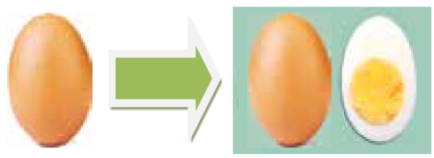
Islamic Finance and Investment PLC.

Your Partner in Business

Based on Islamic Shariah, the first of its kind in Bangladesh

এসো সঞ্চয় করি

মুদারাবা দেড়গুণ ডিপোজিট স্কীম



* আকর্ষণীয় মুনাফায় ৩ বছর ৩ মাস ৩ দিনে দেড়গুণ।

মুদারাবা দ্বিগুন স্কীম (সম্ভাব্য)

* আকর্ষণীয় মুনাফায় ৫ বছর ৫ মাস ৫ দিনে দ্বিগুণ।

মুদারাবা তিনগুন স্কীম (সম্ভাব্য)

* আকর্ষণীয় মুনাফায় ৮ বছর ৮ মাস ৮ দিনে তিনগুণ।

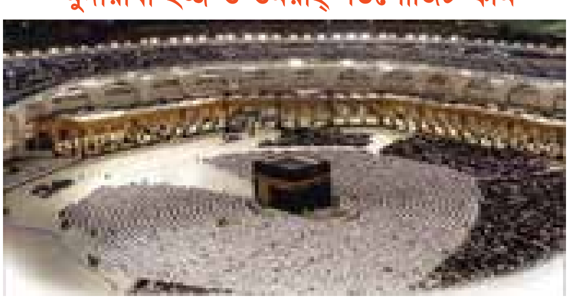
মুদারাবা ডক্টরস' ডিপোজিট স্কীম

* আকর্ষণীয় মুনাফায় গ্রাহক ইচ্ছামতো যেকোন সময় যেকোন পরিমান অর্থ জমা করতে পারবেন।

মুদারাবা 'মুহ্‌সিনাত' (শুধুমাত্র নারীদের জন্য)

* আকর্ষণীয় মুনাফায় মাসিক মুনাফা ভিত্তিক মেয়াদী আমানত যার জমার পরিমাণ সর্বনিম্ন ১ লক্ষ টাকা, সর্বোচ্চ ২৫ লক্ষ টাকা ।

মুদারাবা হজ্জ ও ওমরাহ্‌ ডিপোজিট স্কীম



* আকর্ষণীয় মুনাফায় মাসিক আমানতের পরিমাণ সর্বনিম্ন ১ হাজার টাকা থেকে শুরু যার বিপরীতে অর্থ উত্তোলনের সুবিধা শতকরা ৮০ ভাগ।

মুদারাবা আসান ডিপোজিট স্কীম

* আকর্ষণীয় মুনাফায় গ্রাহক ইচ্ছামতো যেকোন সময় যেকোন পরিমান অর্থ জমা করতে পারবেন যার বিপরীতে অর্থ উত্তোলনের সুবিধা শতকরা ৮০ ভাগ।

bKash নগদ বিকাশ ও নগদের মাধ্যমে লেনদেন আপনার এসকল সঞ্চয় উদ্যোগকে আরো সহজ করে দিয়েছে।

প্রধান কার্যালয়ঃ ইস্পেটাস সেন্টার (৪র্থ তলা), ২৪২/বি, তেজগাঁও-গুলশান লিংক রোড, তেজগাঁও, ঢাকা-১২০৮
ফোনঃ ০২-২২৬৬০৩২৭০-৭৬, ফ্যাক্সঃ ০২-২২৬৬০৩২৭৯, ই-মেইলঃ info@ifilbd.com ওয়েবঃ www.ifilbd.com

প্রধান শাখা	চট্টগ্রাম শাখা	উত্তরা শাখা	বগুড়া শাখা	নারায়ণগঞ্জ শাখা	গাজীপুর শাখা	চৌমুহনী শাখা
ফোনঃ ২২৩৩৮৫৬০৪	ফোনঃ ২৩৩৩৩২৩৬৮৩	ফোনঃ ৪৮৯৫২৭৩৪	ফোনঃ ৫৮৯৯০৫৪৩৫	ফোনঃ ২৪৭৬০১৯৬	ফোনঃ ৯৬৩৯৮৪৮৩৮৪	ফোনঃ ৩৩৪৪৯২৫১১

Message From the Managing Director

Md. Nurul Azim
Managing Director

In order to arrest NPL, our focus is not only to reduce existing NPL portfolio, but also to avoid further addition of NPL. In this regard, we have strengthened our frontlines, recovery and monitoring teams, deployed external sources where found suitable, strengthened our legal team, thereby intensified recovery drive which brought in defaulting clients under negotiation.

Bismillahir Rahmanir Rahim

Distinguished Shareholders:

Assalamu Alaikum Wa-rahmatullah.

By the grace of Almighty Allah, it is my pleasure to welcome you all here today at this 24th Annual General Meeting of Islamic Finance and Investment PLC (IFIPLC). I would like to express my gratitude and regards to all of you for your continued support and patronization over the years.

As we present our Annual Report for 2024, I reflect on a year defined by global uncertainty, local economic adjustment, and deep institutional introspection. Yet, amidst these challenges, IFIPLC has emerged not weakened, but refocused poised for transformation, resilience, and sustainable growth.

We live in a world of growing complexities. The global economy in 2024 remained under strain from persistent inflationary pressure, war-induced disruptions, geopolitical fragmentation, and a heightened cost of capital. At the same time, climate urgency, digital acceleration, and the shifting preferences of consumers and investors have dramatically altered the operating canvas for financial institutions across markets. These transitions are neither temporary nor peripheral they represent a fundamental reshaping of the financial industry.

Bangladesh, too, faced formidable headwinds. Growth moderated, inflation remained stubbornly high, and liquidity challenges reverberated across the banking and nonbank financial institution (NBFI) sectors. Nevertheless, at IFIPLC , we have chosen not merely to survive these shocks, but to respond to them with strategy, structure, and an unwavering commitment to sustainable, inclusive progress.

The global economy in 2024 continued to experience dislocation. Although pandemic recovery progressed in many advanced economies, inflation proved more persistent than expected, with global consumer prices driven higher by energy costs, input shortages, and wage pressures. In response, major central banks including the U.S. Federal Reserve, the European Central Bank, and others tightened monetary policy through multiple interest rate hikes.

In this environment, Bangladesh continued to exhibit structural resilience, but not without sacrifice. Real GDP growth moderated to 6.1% in FY 2022–23, well below the decade's highs, reflecting the compounded impact of global demand contraction, import restrictions, and inflation that averaged 9.48% over the year. Domestic consumption slowed, export growth decelerated, and investor confidence in the capital market remained subdued.

Remittance inflows, although stable in absolute terms, were insufficient to cover a widening current account deficit. The foreign exchange reserve declined further as external debt repayments grew and the taka experienced depreciation. Liquidity stress intensified across financial institutions, and the cost of funds increased in tandem with market-based interest rate adjustments.

The enactment of the Finance Companies Act 2023 introduced structural reforms for NBFIs but also introduced transitional challenges, particularly in deposit mobilization and regulatory compliance.

Islamic Finance and Investment PLC passed a critical & challenging year 2024 with constant pursuit for good governance and sustainability. IFIPLC like other NBFIs have been facing critical challenges like increasing non-performing investments, advances & leases leading to negative impact on cash-flow as well as liquidity, profitability in the year 2024 . Due to boost of Non Performing Investments IFIPLC faces unfavorable financial collision in the year 2024. But IFIPLC is fully committed to restoring profitability through recoveries, operational excellence, and responsible lending practices.

In 2024 IFIPLC has registered a deposit balance of Tk. 7,496.82 million while Investment outstanding stands Tk. 9,522.48 million. Operating Profit stands at Tk. (151.06) million. Earnings Per Share (EPS) stands at Tk. (12.22). On the other hand, Net Asset Value (NAV) stands at Tk. 0.20 Per Share. Net Operating Cash Flow Per Share (NOCFPS) stands at Tk. (0.78) Classified Investment stands 58.57%. Top 10 defaulters holding 55.85.% of total portfolio of Classified Investment. Total Provision against investments at the end of 2024 stood at Tk.2,255.61 million. During 2024, IFIPLC disbursed total Tk.198.70 million. As of 31 December 2024, the Capital Adequacy Ratio (CAR) of the company according to Basel II guidelines is 1.33%.

In order to arrest NPL, our focus is not only to reduce existing NPL portfolio, but also to avoid further addition of NPL. In this regard, we have strengthened our frontlines, recovery and monitoring teams, deployed external sources where found suitable, strengthened our legal team, thereby intensified recovery drive which brought in defaulting clients under negotiation. As part of our core strategic objective of maintaining quality asset, we will focus on the following strategies to restrict and curb the NPL ratio in 2025:

- Performance focused model for relationship managers to ensure regular payment of clients;
- Closely monitoring legal cases for rapid settlement through legal procedure; and
- Implementing adequate internal procedures using Early Warning Indicators (EWI).

I would like to express my gratitude to all the Members of the Board of Directors of IFIPLC who have always extended their valuable guidance and strategic advices. On behalf of Management of the Company, I also express my gratitude to all our Honorable Shareholders and Valued Customers for their continued trust and support. We would like to express our firm commitment to overcome the challenges within next few years. Finally, I would like to take the privilege to express my sincere thanks and gratitude to the Regulatory Authorities including Bangladesh Bank, BSEC, NBR, DSE, CSE, RJSC&F and our Auditors for their continued support, guidance, advice, and co-operation.

Thanking you,

Ma-assalam,

Md. Nurul Azim
Managing Director

Directors' Report

to the Shareholders of Islamic Finance and Investment PLC.

Dear shareholders,

On behalf of the Board of Directors of Islamic Finance and Investment PLC, I feel privileged to welcome you all here today in this 24th Annual General Meeting of the Company and to present the 24th Annual Report inclusive of the audited Financial Statements of the Company for the year ended December 31, 2024 and the Auditor's Report thereon, for consideration and approval of the esteemed shareholders. Thank you all for your presence here today, and for your continued support and encouragement that is crucial to the continued existence and success of our Company.

This report has been prepared in compliance with Section 184 of the Companies Act 1994, BSEC's Notification dated June 03, 2018, the Listing Regulations of Dhaka and Chittagong Stock Exchanges and the guidelines provided by Bangladesh Bank and other regulatory authorities. The Financial Statements were reviewed and approved by the Board of Directors of the Company on June 30, 2025.

Relevant disclosures and explanations relating to certain issues have been given by the Directors, which they consider important to ensure transparency and good governance practices. We believe that it is comprehensive enough to understand the operational procedures and overall performance of the company at a glance during the year under reporting.

Global Developments

The global economy in 2024 followed a cautious recovery path, marked by inflationary pressures, monetary tightening, and geopolitical uncertainties. Central banks worldwide continued to focus on stabilizing inflation, maintaining cautious monetary policies. Global trade faced disruptions due to ongoing conflicts and supply chain issues, yet some regions, particularly Asia, demonstrated resilience.

The year was defined by several key economic movements. Inflation remained a central concern, though its pace slowed in many regions as monetary policies took effect. The US Federal Reserve and the European Central Bank maintained a cautious approach, with some signals of easing by year-end. Geopolitical tensions, including the continued Russia-Ukraine war and instability in the Middle East causing energy price fluctuations and trade uncertainties; affecting global investment confidence. Supply chains saw gradual improvement, yet bottlenecks in key raw materials and commodities persisted. Additionally, the rise of artificial intelligence and digital trade continued reshaping financial markets, labor dynamics, and investment patterns, contributing to market volatility.

The global GDP trend indicated steady but moderate growth, which however has been declining marginally over the last 3 years. According to the IMF, global GDP was at 6.7% in 2023 and is projected at 5.8% in 2024. Asia-Pacific remained a key driver of global economic growth, despite challenges. China's economic slowdown, due to its property market crisis and regulatory tightening, affected regional trade, reducing demand for imports and impacting supply chains. While technology and digital service export thrived, traditional manufacturing sectors faced challenges due to weaker global demand and evolving trade policies.

The outlook for 2025 suggests a phase of cautious economic recovery. While uncertainties persist, easing inflation and gradual monetary policy shifts may create a more stable environment for sustainable growth.

Economy of Bangladesh

Bangladesh's economy in 2024 navigated a challenging landscape shaped by ongoing global uncertainties, inflationary pressures, and monetary tightening. While economic growth remained positive, the country faced persistent inflation, liquidity concerns, and exchange rate volatility. The central bank implemented policy adjustments to stabilize macroeconomic conditions, including a contractionary monetary policy and fiscal measures aimed at ensuring economic resilience. With gradual global recovery and domestic policy interventions, the country aimed to sustain steady economic growth while addressing ongoing financial vulnerabilities.

Global economic developments significantly influenced Bangladesh's economic performance in 2024. The slowdown in major economies affected export demand, particularly in the RMG sector, while geopolitical tensions and global inflation impacted import costs.

Against this backdrop, Bangladesh's GDP growth in FY24 was estimated at 4.22% (reflecting a slowdown compared to previous years. The moderate growth rate was influenced by tight monetary policies, subdued global demand, and cautious investment sentiment due to transition in political regime.

Inflation remained a major concern throughout 2024, with the twelve-month average inflation rate reaching 10.34%. Point-to point inflation, which peaked at 11.66% in mid-2024, showed signs of easing towards the year-end as monetary tightening took effect. While policy measures helped in curbing inflationary pressures, the high cost of living remained a challenge for households and businesses. (Source: Bangladesh Bank).

Public sector credit, which experienced a 2.2% de-growth in the first half of 2024, grew significantly at 18.18% in Dec'24 (y-o-y), reflecting increased government borrowing amid fiscal constraints. In contrast, private sector credit growth slowed to 7.3% y-o-y for the same period (Source: Bangladesh Bank), as businesses faced higher borrowing costs due to increased interest rates. In addition, weakening of taka further increased cost of doing business, and resultantly heightened inflation. The Bangladesh Bank's efforts to maintain exchange rate stability through market-driven adjustments played a crucial role in shaping liquidity trends and overall financial conditions in 2024. While economic pressures persisted, strategic policy measures aimed at long term stability and resilience provided a foundation for future growth.

Financial Industry Overview

The financial services sector of Bangladesh in 2024 navigated a complex economic landscape shaped by global uncertainties, rising inflation, and domestic policy adjustments. While both the banking and non-banking financial institutions (NBFIs) faced liquidity constraints, policy measures aimed at stabilizing inflation and exchange rate fluctuations played a crucial role in shaping industry trends.

Liquidity conditions remained tight with rising deposit rates and a cautious lending environment and both banks and NBFIs experienced higher funding costs. The withdrawal of the lending rate cap under the SMART (Six Month Moving Average Rate of Treasury Bill) framework led to a rise in lending rates, discouraging borrowing and slowing down credit growth, particularly in the private sector. NBFIs saw a 3.14% (y-o-y) increase in total loans and advances as of end of 2024, with 2.61% growth seen in the last quarter of 2024 (Source: Bangladesh Bank, NBFI Statistics, October to December 2024).

Non-performing loans (NPLs) remained a pressing issue for both banks and non-banking financial institutions. While banking sector's classified loan ratio reached 20.20% by December 2024, NPL ratio of NBFIs as of September 2024 had already reached a record high of approximately 35.52% of their total disbursed loans. (Latest available data for NBFI-source: The Daily Star, January 07, 2025).

Despite these challenges, the sector remains resilient, supported by policy interventions and ongoing reforms. While short-term difficulties persist, structural adjustments aim to create a more sustainable and stable financial system in the long run.

Capital Market Overview

In 2024, Bangladesh's capital market experienced volatility amid macroeconomic and political uncertainties. The Dhaka Stock Exchange (DSEX) index declined by 16.49%, closing at 5,216 points by the end of December 2024. This reflects investor caution and the impact of high interest rates. Despite this, Daily Average Turnover (DAT) grew by 9.34% year-on-year, reaching BDT6.32bn, with fluctuations throughout the year. The removal of the floor price initially fueled bullish trend, but persistent high policy rates dampened market momentum. Investors increasingly shifted towards government securities to capitalize on higher risk-free returns, reducing liquidity in the equity market. Political developments in mid-year provided temporary boosts, though activity slowed again by year-end

Company's Overview

Islamic Finance and Investment PLC was established on February 27, 2001 as a first non-banking shariah financial institution in Bangladesh. Now the company's Head Office is situated at Impetus Center (3rd floor), 242/B Tejgaon-Gulshan Link Road, Tejgaon. Dhaka-1208, Bangladesh and it has 7 (seven) branches all over the country.

Highlights 2024

For the year 2024, the Company suffered Net Loss after Income Tax of Taka 1,715.15 million, which was Net loss of Taka 230.23 million at the end of 31st December 2023;

As on December 31, 2024 the Earnings Per Share of the Company was Taka (12.22) which was Taka (1.64) at the end of the year 2023;

As on December 31, 2024, Total Investments (Loans, Advances and Leases) amounted at Taka 9,522.48 million which was Taka 10,752.69 million as on December 31, 2023;

Total deposits stood at Taka 7,496.82 million as on December 31, 2024 against Taka 8,775.79 million as on December 31, 2023;

As on December 31, 2024, classified investments (loans, advances and leases) stood at Taka 5,577.19 million, which was Taka 3,677.16 million at the end of the year 2023;

As on December 31, 2024, Return on Assets was (13.39) percent, which was (1.61) percent at the end of the year 2023.

Sector Wise Performance

As on 31st December 2024, the sector-wise outstanding position of total portfolios of the Company was as following:

Sl No	Particulars	No. of Accounts	Amount BDT in Million	Percentage (%)
1	Trade and Commerce	127	839.57	8.82
2	Garments and Knitwear	22	361.99	3.80
3	Textile	17	857.38	9.00
4	Food Production, Processing & Rice Mills	39	1,123.36	11.80
5	Jute and Jute-Products	3	39.40	0.41
6	Plastic & Rubber Industry	11	176.92	1.86
7	Leather and Leather-Goods	1	1.31	0.01
8	Iron, Steel and Engineering	26	605.04	6.35
9	Pharmaceuticals and Chemicals	25	80.80	0.85
10	Cement and Allied Industry	3	354.51	3.72
11	Paper, Packaging, Printing, & Allied Industry	21	359.34	3.77
12	Wood, Furniture and Fixture	-	-	-
13	Ship Manufacturing & Breaking	1	0.83	0.01
14	Electronics and Electrical Products	16	583.84	6.13
15	Power, Gas, Petroleum, Water and Sanitary	8	932.85	9.80
16	Transport and Aviation	18	304.67	3.20
17	Agriculture	13	63.92	0.67
18	Housing	119	1,239.09	13.01
19	Tourism, Hospitality & logistics	1	271.58	2.85
20	Health Sector	3	10.77	0.11
21	Tailoring& Laundry	1	0.42	0.00
22	Telecommunication & Information Technology	4	25.91	0.27
23	Consumer Finance	30	56.69	0.60
24	Others	73	1,232.31	12.94
	Total	**582**	**9,522.48**	**100.00**

Key Operating and Financial Data

Key operating and financial information over the last five years of the Company has been presented onpage no. 19 in this Annual Report as per clause no.1 (5) (xix) of the BSEC Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018.

Management Discussion and Analysis

Management discussion and analysis has been presented on page no. 17 in this Annual Report.

Risk Management

Risk and uncertainties are essential elements of the financing business. To mitigate and manage these risks, Islamic Finance and Investment PLC has different committees namely, Management Committee (MANCOM),Investment Risk Management Committee (IRMC), Asset and Liability Committee (ALCO), Risk Management Forum, Risk Management Unit. The committees/units regularly meet to review the market, investment and liquidity risk related factors and recommend and implement suitable measures to counter these risks. Appropriate and effective internal control systems are also in place to address operational risks. The Company has also taken steps to further strengthen its Internal Control and Compliance functions.

Human Resources of the Company

Islamic Finance and Investment PLC continuously reviews its human resource policies and implements effective management policies and practices to enrich its employees. IFIPLC believe that our human resources possess competitive advantage in terms of their experience and professional expertise. Considering this, IFIPLC strive to recruit the best suited persons for the right positions, provide them with adequate training and implement programs to develop and retain them. Islamic Finance and Investment PLC carefully looks into the motivational aspects, health and safety of its employees. Capacity building activities are being encouraged and promoted by the company.

Corporate Social Responsibility (CSR)

IFIPLC is well aware of its responsibilities towards society and has been contributing towards CSR activities for several years. As a corporate citizen of the country, CSR of IFIPLC is economic, environmental and social imperatives to address the expectation of shareholders and stakeholders as well as to meet the regulatory requirements in this regard. IFIPLC with its expertise, strategic thinking, money and manpower, has been displaying the ability to make a significant difference in the society. The objective of CSR activity of IFIPLC is to ensure that CSR activities are skillfully and inextricably woven into the fabric of the IFIPLC's business strategy for overall value creation for all stakeholders. To achieve the status of corporate strategy rather than philanthropy, IFIPLC follows the key objectives which represent important controls. The CSR activities of IFIPLC are the way to perform responsibly on social stability and sustainable prosperity of the communities in which it operates as a corporate citizen. In the year 2024, IFIPLC has taken necessary steps for distribution of readymade "Food Cart" to the under privileged persons for poverty alleviation in the society.

Environmental Issues

IFIPLC is very concerned regarding environmental issues and accordingly it continuously reviews the environment related issues. It ensures that the clearance certificate from the regulators have been obtained at the time of providing lease or loan facilities wherever necessary. We are equally concerned about maintaining good environment in the office.

Corporate and Financial Reporting Framework

The Directors of IFIPLC, in conformity with the BSEC Notification No. SEC/CMRRCD/2006-158/207/Admin/80 dated June 3, 2018; complies with the financial reporting framework for the following:

- The financial statements, prepared by the management of IFIPLC make a fair presentation of its activities, operational details and results, cash flow information and changes in equity structure;
- Proper books and accounts of the Company have been maintained;
- Appropriate accounting policies, including International Accounting Standards (IAS), International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been consistently applied in preparation of the financial statements. Any change or deviation has been adequately disclosed;
- Accounting estimates are based on reasonable and prudent judgment;
- Internal control processes have been properly designed and effectively implemented and monitored; No significant doubt exists upon the Company's ability to continue as a going concern.

MD & CFO's Declaration Certificate:

The MD & CFO's declaration to the Board is appended in Annexure - A on page no. 66 in this Annual Report as per clause no. 1(5) (xxvi) of the BSEC Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018.

Compliance Report on Corporate Governance Code

Status of the compliance of the conditions of Corporate Governance Code imposed by Bangladesh Securities and Exchange Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018, along with a Certificate from a practicing Chartered Secretaries has been enclosed in Annexure- B on page 67 in this Annual Report.

We also enclose a statement of compliance on the good governance guidelines issued by the Bangladesh Bank as Annexure- III on page no. 84 in this Annual Report.

Compliance and Conviction

IFIPLC is in complete compliance of all applicable laws and regulations and does not adhere to any non-compliance of regulatory requirements, any loan default by the company or its directors or senior management.

Related Party Transactions

In the ordinary course of business, a number of transactions with other entities that fall within the definition of related party contained in IAS 24: "Related Party Disclosures". The Company extends leases/loans to related parties including its Directors and related Companies. A statement of related party transactions along with their basis has been presented in Annexure C. Besides, Directors' name and their interest in different organizations are also disclosed in Annexure D attached to the Financial Statements as per clause no. 1 (5) (vi) of the BSEC Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018.

Insider Trading

The members of the board of IFIPLC, or its sub-committee, or its senior management and their family members did not involve in any insider trading and did not violate the provision with regard to insider trading.

Shareholding Pattern

IFIPLC's shareholding Pattern as on December 31, 2024 is shown on page no. 83 in this Annual Report as per clause no. 1(5) (xxiii) of the BSEC Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018.

Board Meeting Attendance & Remuneration of Directors

During the year 2024, a total number of 16 meetings of the Board were held. Attendance by the Directors and remuneration to the Directors has been summarized in Annexure- I of this annual report on page no. 82 as per clause no.1(5) (xxii) & 1(5) (x) of the BSEC Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018.

Contribution to National Exchequer

IFIPLC has made provision of Tk. 22.19 million for corporate tax in 2024. In the year 2024, IFIPLC has paid total Tk. 142.36 million to Government exchequer as VAT, source tax, AIT, excise duty, etc.

Dividend

The Board of Directors recommended no dividend on the ordinary shares of the Company's paid up capital for the year 2024 as the Company incurred Loss. In the year 2024, Islamic Finance and Investment PLC suffered loss of Taka 1,715.15 million and at the end of 2024, retained earnings of the company was a negative figure of Tk 1,945.38 million. As per regulatory requirement, the dividend is payable only out of profits of the company. If there is no profit, there can be no distribution of dividend. The Summary of unclaimed Dividend has been furnished in the 12.05 notes of the Financial Statements.

Interim Dividend

No cash or bonus share dividend was declared as interim dividend during 2024. No Bonus Share shall be declared as interim dividend.

Annual General Meeting

The notice of the 24th Annual General Meeting is given on page no. 16 of this Annual Report.

Directors

Resume and line of expertise

A brief resume of Directors are appended in page no. 25 to 30 in this Annual Report which includes his/her nature of expertise and qualifications.

To elect and re-elect of Directors

As per Article 116 of the Articles of Association of the Company, the following Director will retire from the office of the Company at the 24th Annual General Meeting and being eligible and offered themselves for re-appointment subject to NOC of Bangladesh Bank (1) K.B.M. Moin Uddin Chisty and (2) Asgar Haider

The Board of Directors, in its 352nd meeting held on October 21, 2024, decided to appoint Shayema Akter, FCA as Independent Director in the Board of IFIPLC, and subsequently, Bangladesh Bank, vide their letter no. DFIM(S)1055/69(27)2024-3855 dated November 24, 2024, and Bangladesh Securities and exchange Commission vide their letter no. BSEC/ICAD/CGD/2024/228/part-1/460 dated December 17, 2024, issued NOC regarding the appointment of Shayema Akter, FCA in the Board of IFIPLC as Independent Director.

Committees of the Board

In Compliance with Bangladesh Bank guidelines, IFIPLC, being a Financial Institution (FI) can only form three subcommittees of the Board, as per DFIM Circular No. 01, Dated: February 29, 2024 (prior to this, followed all applicable Bangladesh Bank circulars):

- Audit Committee (AC),
- Executive Committee (EC) and
- Risk Management Committee

No other subcommittee of the Board is permitted by Bangladesh Bank. For ensuring good governance in the company, BSEC has advised that the Board shall have at least two sub-committees

- Audit Committee, and
- Nomination and Remuneration Committee

As per the Bangladesh Bank (Primary regulator for Finance Company), no Finance Company are eligible to comply with conditions for formation of Nomination and Remuneration Committee in accordance with the Corporate Governance Code, 2018 issued by BSEC. Because it is conflicting with the regulation of the Finance Companies Act 2023 and directives of the Bangladesh Bank. The Board has established three permanent Board Subcommittees to assist, advice and make recommendations to the Board on matters falling within their respective responsibilities as per BSEC and Bangladesh Bank guidelines. However Bangladesh Bank through DFIM Circular Letter No. 18, dated May 21, 2024, has allowed that the Audit Committee will perform the roles and responsibilities of the Nomination and Remuneration Committee (NRC) as prescribed by the Corporate Governance Code, 2018,issued by the Bangladesh Securities and Exchange Commission.

Auditors

Appointment/ Re-appointment of External Auditors

The statutory auditors of the Company, Zoha Zaman Kabir Rashid & Co. Chartered Accountants have successfully completed their second year as the statutory auditors of the Company, as appointed at the 23rd Annual General Meeting. As per the stipulation of FID Circular No.03, dated March 02, 1999, they are eligible for re-appointment for three consecutive years. On the basis of the proposal of the Board's Audit Committee, the Board recommends the reappointment of Zoha Zaman Kabir

Rashid & Co. Chartered Accountants, as the auditors of the Company for the year 2025 at a remuneration of Tk. 3,50,000.00 (Tk. Three lac Fifty Thousand) only including Tax and Excluding VAT subject to approval of Bangladesh Bank and the matter to be placed to the Shareholders in the 24th Annual General Meeting of the company for their approval.

Matter of Emphasis by the External Auditors

Our external auditor "Zoha Zaman Kabir Rashid & Co." Chartered Accountants, has given unqualified audit opinion with emphasis of matter on some issues in their audit report for the year 2024. The Management of IFIPLC, placed the matter to the Board in its 363rd meeting held on June 30, 2025. After review and details discussion the Board of Directors advised the Management to take necessary steps to mitigate the issues mentioned in the emphasis of matter paragraph.

Compliance Auditors

The Corporate Governance Auditors Jasmin & Associates, Chartered Secretaries have expressed their interest to be appointed as Corporate Governance Auditors of the Company. Based on the appraisal by the Audit Committee, the Board recommended for the appointment of Jasmin & Associates, Chartered Secretaries as the Corporate Governance Auditors of the Company for the next Term i.e. for the year 2025 at a remuneration of Tk. 35,000.00 (Tk. Thirty Five Thousand) only including Tax and excluding VAT. The matter to be placed to the Shareholders in the 24th Annual General Meeting of the company for their approval.

Going Concern

Going concern is one of the fundamental assumptions in preparation of financial statements. Under the going concern assumption, an entity is normally viewed as continuing in business for the foreseeable future with neither the intention nor the necessary of liquidation, ceasing trading or seeking protection from creditors pursuant to laws or regulations.

The Financial Statements of Islamic Finance and Investment PLC. (IFIPLC) has been prepared on a going concern basis which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business.

IFIPLC, like other Financial Institutions have been facing several challenges for irregular payment of some large investment clients which increases the NPL outstanding. But, our current credit facilities and resources of the Company provide sufficient funds to meet the present requirements of existing businesses and operations. Besides, we negotiating with some of our large default clients and we are confident that significant amount of NPL will reduce within short period of time that will increase our profit and will be impacted positively in our equity.

As the Company has adequate resources to continue its operation for foreseeable future. For this reason, the directors continue to adopt going concern basis in preparing the financial statements. There is no significant doubts upon the company's ability to continue as a going concern.

Acknowledgement

The Board of Directors of the Company would like to extend sincere thanks and gratitude to its Stakeholders, Customers, Financiers, Government of Bangladesh, Bangladesh Bank, Bangladesh Securities and Exchange Commission, Dhaka Stock Exchange PLC., Chittagong Stock Exchange PLC., Registrar of Joint Stock Companies & Firms, National Board of Revenue and other regulatory authorities for their continued guidance, co-operation and support.

The Board of Directors of the Company also likes to express appreciation to the employees for their co-operation, all-out efforts and commitment for salvaging the company and protecting interest of the honorable stakeholders as well. I also extend my heartfelt thanks and gratitude to our honorable shareholders for their trust in the Board of Directors of Islamic Finance and Investment PLC.

May Allah Bless us all. Thanks and Salam.

For and on behalf of the Board of Directors

Abul Quasem Haider
Chairman

শারী'আহ সুপারভাইজরি কমিটির প্রতিবেদন

(৩১ শে ডিসেম্বর, ২০২৪ তারিখে সমাপ্ত বছরের জন্য)

আস্‌সালামু 'আলাইকুম ওয়া রাহ্‌মাতুল্লাহ্‌

সম্মানিত শেয়ারহোল্ডারবৃন্দ !

সমগ্র সৃষ্টি জগতের জীবন-জীবিকার মালিক মহান আল্লাহর জন্যই সমস্ত প্রশংসা। অগণিত দরূদ ও সালাম সর্বশেষ নবী ও রাসূল হযরত মুহাম্মাদ সাল্লাল্লাহু 'আলাইহি ওয়াসাল্লাম-এর প্রতি, যিনি হালাল ও টেকসই অর্থব্যবস্থার জন্য উপহার দিয়েছেন সর্বকালে সর্বময় অনুশীলনযোগ্য উপায়-পদ্ধতি ও সার্বজনীন নীতিমালা, যার রয়েছে অবিরাম সাফল্যের এক অনবদ্য ইতিহাস।

ইসলামিক ফাইন্যান্স এন্ড ইনভেস্টমেন্ট পিএলসি (আইএফআইপিএলসি) বাংলাদেশের প্রথম ইসলামী শারী'আহ্ ভিত্তিক আর্থিক প্রতিষ্ঠান। দেশ-সেরা ইসলামিক স্কলার, ফাক্বীহ্, শারী'আহ্ বিশেষজ্ঞ 'আলিম ও ইসলামী অর্থনীতিবিদগণের সমন্বয়ে এর একটি কার্যকর শারী'আহ্ সুপারভাইজরি কমিটি রয়েছে। শারী'আহ্ সুপারভাইজরি কমিটির পক্ষ থেকে ইসলামিক ফাইন্যান্স এন্ড ইনভেস্টমেন্ট পিএলসি-এর পরিচালনা পর্ষদ, উদ্যোক্তাবৃন্দ ও ব্যবস্থাপনা কর্তৃপক্ষের সকলকে আমাদের সার্বিক কার্যক্রমে তাঁদের একান্ত সহযোগিতা প্রদানের জন্য আন্তরিক মোবারকবাদ জানাচ্ছি, শুভেচ্ছা জানাচ্ছি আইএফআইপিএলসি-এর সর্বস্তরের গ্রাহক ও শেয়ারহোল্ডারগণকে, যাঁদের গভীর আস্থা ও আন্তরিক সহযোগিতায় আইএফআইপিএলসি আজ দেশের শীর্ষস্থানীয় শারী'আহ্ ভিত্তিক আর্থিক প্রতিষ্ঠানের মর্যাদা লাভে সক্ষম হয়েছে।

শারী'আহ্ সুপারভাইজরি কমিটি আইএফআইপিএলসি-এর সামগ্রিক কার্যক্রম, নীতিমালা ও কর্ম-পরিকল্পনাসমূহ ইসলামী শারী'আহ্-এর দৃষ্টিকোন থেকে পর্যবেক্ষণ করে থাকে। ২০২৪ সালে শারী'আহ্ সুপারভাইজরি কমিটির তত্ত্বাবধানে আইএফআইপিএলসি-এর শাখাসমূহ পরিদর্শন ও পরিচালনা সংক্রান্ত বিষয়াদি পর্যালোচনা করা হয়, যাতে প্রতিষ্ঠানের পরিচালনা পর্ষদ, ব্যবস্থাপনা কর্তৃপক্ষ ও শাখা কর্তৃক প্রেরিত বিভিন্ন বিষয়াদি অন্তর্ভুক্ত ছিলো। উক্ত বিষয়াবলী পর্যালোচনান্তে যথাযথ কর্তৃপক্ষকে কুরআন, হাদীস, ইজমা' ক্বিয়াস ও ইসলামী ফিক্বহের আলোকে প্রয়োজনীয় পরামর্শ ও মতামত প্রদান করা হয়েছে।

আইএফআইপিএলসি-এর ব্যবসায়িক কার্যক্রম, আমানত গ্রহণ, বিনিয়োগ প্রদান ও প্রতিষ্ঠানের অন্যান্য কার্যক্রম ইসলামী শারী'আহ্ নীতিমালা অনুসরণ করে পরিচালিত হচ্ছে কি না তা কুরআন, হাদীস, 'ইজমা' কিয়াস ও ইসলামী ফিক্বহ-এর আলোকে যাচাই বাছাইয়ের মাধ্যমে এতোদসংক্রান্ত নীতিমালা প্রস্তুত করে শারী'আহ্ সুপারভাইজরি কমিটি আপনাদের কাছে উপস্থাপন করে থাকে।

২০২৪ অর্থ বছরে আইএফআইপিএলসি-এর শারী'আহ্ সুপারভাইজরি কমিটির তত্ত্বাবধানে সম্পাদিত কার্যাবলীর মধ্যে উল্লেখযোগ্য কয়েকটি সংক্ষেপে নিম্নে উপস্থাপন করা হলো:

১. বিগত অর্থবছরে আইএফআইপিএলসি-এর শাখাসমূহে ও প্রধান কার্যালয়ে শারী'আহ্ নিরীক্ষা পরিচালনাপূর্বক নিরীক্ষা প্রতিবেদন শারী'আহ্ সুপারভাইজরি কমিটির সভায় পেশ করা হয়। কমিটি প্রতিবেদনগুলোর ওপর বিস্তারিত আলোচনা করত: প্রধান কার্যালয় ও শাখাসমূহকে শারী'আহ্ পরিপালনে পরিলক্ষিত ত্রুটি বিচ্যুতি সংশোধনের জন্য দিক নির্দেশনা প্রদান করে;

২. শারী'আহ্ সুপারভাইজরি কমিটি কর্তৃক প্রদত্ত পরামর্শ, দিক নির্দেশনা ও নীতিমালা প্রধান কার্যালয় ও শাখা পর্যায়ে পরিপালনের বিষয়টি শারী'আহ্ সচিবালয়ের মুরাক্বিব সাহেব নিশ্চিত করেন, এতে প্রধান কার্যালয় ও শাখাসমূহে শারী'আহ্ পরিপালন ব্যবস্থা আরো জোরদার হয়েছে;

৩. আইএফআইপিএলসি-এর অন্যতম লক্ষ্য হলো এই প্রতিষ্ঠানের ভাবমূর্তি ও এর অর্জনগুলো দেশের সর্বত্র এবং দেশের বাইরে আন্তর্জাতিক পরিমন্ডলে তুলে ধরা। এ জন্য এর একজন গবেষক রয়েছেন, যিনি বিশ্বের বিভিন্ন দেশের শারী'আহ্ ভিত্তিক ব্যাংক ও আর্থিক প্রতিষ্ঠানের কার্যক্রম, গবেষণাপত্র, প্রোডাক্টসমূহের আলোকে গ্রাহক বান্ধব নিত্য নতুন প্রোডাক্ট উদ্ভাবনের লক্ষ্যে নিরন্তর গবেষণা কার্যক্রম সম্পাদন করে থাকেন;

৪. শারী'আহ্-নীতিমালা ও বিধি-বিধান পরিপালন শতভাগ নিশ্চিতকরণপূর্বক শারী'আহ্ বিষয়ে দক্ষতা অর্জনের জন্য প্রধান কার্যালয় ও শাখাসমূহের জনশক্তিকে যথানিয়মে শারী'আহ্ প্রশিক্ষণ দেয়া হয়েছে;

৫. আইএফআইপিএলসি-এর প্রধান কার্যালয় ও শাখাসমূহে অনুসৃত কর্ম পদ্ধতি পর্যবেক্ষণ, সংশ্লিষ্ট নথিপত্র এবং আর্থিক লেনদেনের নমুনাসমূহ যাচাই বাছাই করে এবং বার্ষিক আর্থিক বিবরণী নিরীক্ষাপূর্বক শারী'আহ্ সুপারভাইজরি কমিটি নিম্নরূপ অভিমত প্রকাশ করেছে যে,

ক. বিগত অর্থবছরে আইএফআইপিএলসি-এর ব্যবসায়িক কার্যক্রম, আর্থিক লেনদেন, এতোদসংক্রান্ত চুক্তিসমূহের নমুনা পর্যালোচনা করে দেখা গেছে যে, তা ইসলামী শারী'আহ্-এর নীতিমালা অনুসরণ করে সম্পন্ন করা হয়েছে;

খ. আইএফআইপিএলসি-এর সকল প্রকার আমানত-গ্রাহকদের মাঝে মুদারাবা নীতিমালা অনুসারে মুনাফা বণ্টন করা হয়েছে। এতে যেসব আমানতকারীর সাময়িক মুনাফার হার (মুনাফা বন্টনকালে) চূড়ান্ত মুনাফার হারের চেয়ে কম ছিলো, মুদারাবার নীতির ভিত্তিতে ওয়েটেজ অনুসারে চূড়ান্ত মুনাফার হার নির্ধারিত হওয়ার পর বর্ধিত মুনাফার অংশ যথানিয়মে তাদের চলতি হিসাবে প্রদান করা হয়েছে;

গ. বিগত অর্থ বছরে কুরআন, হাদীস, ফিক্বহ তথা ইসলামী আইন শাস্ত্রের আলোকে বিনিয়োগ পদ্ধতি সংক্রান্ত কিছু সময়োপযোগী ফাতওয়া প্রদান করা হয়েছে, যার ফলে আমানত ও বিনিয়োগ কার্যক্রম আরো গ্রাহকবান্ধব হয়েছে।

শারী'আহ্ সুপারভাইজরি কমিটি আইএফআইপিএলসি-এর সব ধরনের কার্যক্রমকে শতভাগ শারী'আহ্-পরিপালিত করার জন্য ব্যবস্থাপনা কর্তৃপক্ষকে নিম্নরূপ পরামর্শ প্রদান করছে :

১. আইএফআইপিএলসি-এর সর্বস্তরের জনশক্তিকে ইসলামী অর্থব্যবস্থা তথা ইসলামী শারী'আহ্-এর মৌলিক বিষয়ে বিশেষভাবে দক্ষ ও একনিষ্ঠ করে গড়ে তোলার লক্ষ্যে প্রতিটি শাখা ও প্রধান কার্যালয়ে বছরে একাধিকবার শারী'আহ্ প্রশিক্ষণ কার্যক্রম পরিচালনা করা;

২. ইসলামী অর্থব্যবস্থা সর্বস্তরে প্রসার ও অনুশীলনের জন্য শাখা পর্যায়ে গ্রাহক ও সুধীজনদের অংশগ্রহণে বছরে একাধিকবার ইসলামী অর্থব্যবস্থার ওপর মতবিনিময় সভার ব্যবস্থা করা;

৩. শারী'আহ্ বিষয়ে অধিকতর জ্ঞান অর্জনের জন্য দেশের ও দেশের বাইরের শারী'আহ্ভিত্তিক ব্যাংক ও আর্থিক প্রতিষ্ঠানসমূহের উদ্যোগে আয়োজিত প্রশিক্ষণ কর্মসূচী ও মতবিনিময় সভায় আইএফআইপিএলসি-এর কর্মকর্তাগণের অংশগ্রহণ নিশ্চিত করা এবং সে অভিজ্ঞতা কাজে লাগিয়ে আইএফআইপিএলসি-এর ব্যবসায়িক কার্যক্রমকে আরও সার্বজনীন করা;

৪. ব্যবসা সম্প্রসারণের পাশাপাশি দেশের অপেক্ষাকৃত দরিদ্র জনসমাজের আর্থ-সামাজিক উন্নয়নে চালুকৃত ক্ষুদ্র বিনিয়োগ প্রকল্প গতিশীল করা এবং উন্নয়নমূলক বিভিন্ন প্রকল্প চালুর উদ্যোগ গ্রহণ করা;

মহান আল্লাহ্ আমাদের সকল কার্যক্রম কবুল করুন; দুনিয়া ও আখিরাতে সব ধরনের বিপর্যয় থেকে হেফাজতে রাখুন এবং আইএফআইপিএলসিকে তাঁর রহমত ও বরকতে পরিপূর্ণ করে তুলুন। আমীন।

(প্রফেসর মাওলানা মুহাম্মাদ মনসুরুর রহমান)
চেয়ারম্যান
শারী'আহ্ সুপারভাইজরি কমিটি, আইএফআইপিএলসি

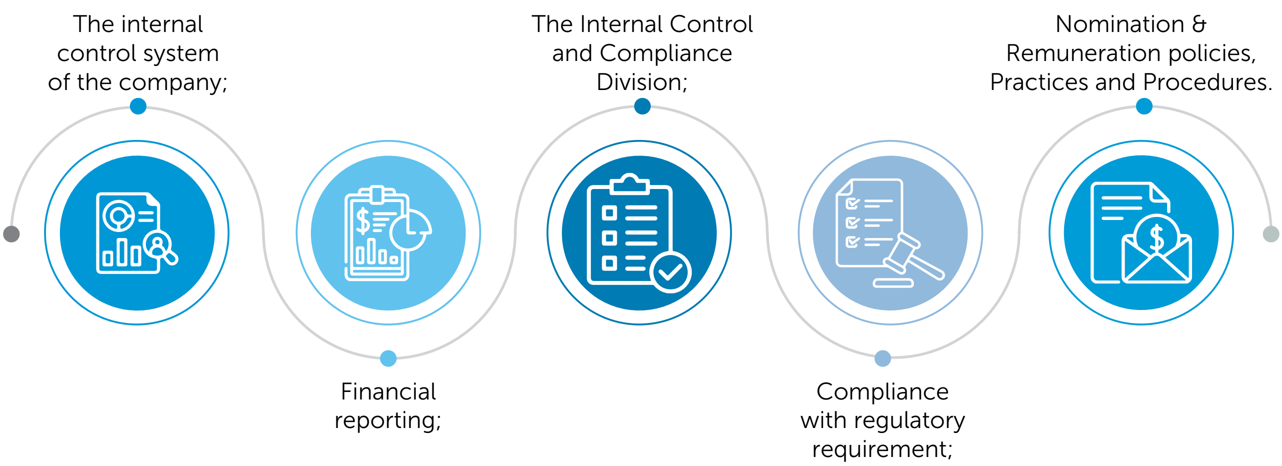
Report of the **Audit Committee**

Muhtaram

Assalamu Alaikum wa-rahmatullah

Scope of work of the Audit Committee

The Audit Committee as a Sub- Committee of the Board of Directors of the Company assists the Board of Directors to ensure that standard of corporate reporting, control and compliance are achieved through effective implementation of the procedure and policies as per regulations. The most significant role of Audit Committee is to monitor and review the effectiveness of the internal control system. The Committee is also responsible to ensure that the financial statements reflect true and fair view of the state of affairs of the Company. The roles and functions of the Audit Committee are regulated by the rules and regulations issued by the Bangladesh Securities and Exchange Commission (BSEC) and Bangladesh Bank from time to time. These include, but are not limited to, exercising oversight over:



Composition of the Committee:

As per corporate governance guideline of Bangladesh Securities and Exchange Commission (BSEC) and as per DFIM circular No. 01, dated February 29, 2024 the Board of Directors of IFIPLC has constituted the Audit Committee consisting of the following 04 (four) members. The particulars of the members of the Audit committee are as follows:

Sl No.	Name of the Directors	Status held in the FI	Status held in the Audit Committee	Educational Qualification
1	** Shayema Akter, FCA	Independent Director	Chairman	M.Com, Qualified Chartered Accountant
2	Anis Salahuddin Ahmad	Director	Member	Diploma in Hospitality Management
3	Mostanser Billa	Director	Member	B.A
4	K.B.M. Moin Uddin Chisty	Director	Member	MBA

*** Shayema Akter, FCA appointed as Chairman of the Audit Committee on 23.06.2025.*

The Company Secretary acts as Secretary of the Audit Committee.

Meetings of the Committee:

During the year 2024, the audit committee met on 07 occasions. Attendance of the members of the committee in the meeting has been illustrated in the attendance statement separately. The Managing Director, Chief Financial Officer (CFO), In-Charge of ICCD attended the meeting on invitation. The Manager of the reporting Branches/Concerned Divisional Head also attended the meeting for necessary clarification of the findings and observations of ICC teams and External Auditors. The minutes of Audit Committee meetings containing various suggestions and recommendations are placed before the Board for information and their guidance on regular basis.

Review of the activities of the Internal Control and Compliance (ICC)

Major activities of the ICC division during the year were as follows:

- Execution of risk-based annual audit plan 2024;
- Conducting investigations as and when required;
- Issuance of timely responses to inquiries by regulators and other government agencies;
- Coordination of regulatory inspections and statutory external audit;
- Management of IFIPLC Complain Cell;
- Monitoring of anti-money laundering (AML) and combating the financing of terrorism (CFT) compliance activities;
- Facilitation of, and participating in, Audit Committee meetings.

In addition to the above regular activities, the division also carried out the following development functions during the year:

Developed system-based pre-audit workflows and checklists to facilitate compliance with recently issued Bangladesh Bank directives in this regard.

All of the above enabled the committee to evaluate major risk areas, issue broad level guidance for management so as to ensure effective controls are in place and to provide accurate, appropriate and timely information to the Board of Directors, regulatory bodies and shareholders.

Independence of External Auditor

As a policy, the Committee prohibits the external auditors from performing any work that they may subsequently need to audit, or which might otherwise create a conflict of interest. The Committee also monitors the balance between audit and non-audit related functions to ensure that auditor independence can be shown to be maintained.

The external auditors are not engaged by the company on any material non-audit work such as:

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

The Audit Committee appraised the expertise, resources, independence and objectivity of the external auditors and also reviewed their effectiveness as external auditors.

Resolutions of the Audit Committee meeting

During the year, the committee performed, amongst others, the following issues were taken up and disposed of:

1) Conducted discussions, with the statutory auditors and with management, on the audited financial statements of the company for the year ended December 31, 2023 before concluding that the audited financial statements provided a true and fair view;

2) Reviewed report of management discussion and analysis 2023 prior to its publication in the Annual Report 2023;

3) Reviewed Investment Account classification process with provision requirement for the year ended December 31, 2023;

4) Reviewed compliance/ further compliance report of Bangladesh Bank's comprehensive inspection report on Head Office of IFIPLC based on the financial statement as of December 31, 2023;

5) The Committee reviewed the inspection reports of the branches and various divisions of Head Office of IFIPLC conducted by Internal Control & Compliance Division from time to time;

6) Recommended for appointment of statutory auditors for the year 2024 and for fixation of their remuneration;

7) Recommended for appointment of auditors for certification on compliance with the conditions of Corporate Governance Guideline (CGG) for the year 2024 and for fixation of their remuneration;

8) Reviewed the quarterly unaudited financial statements of Islamic Finance and Investment PLC for the quarters ended 31 March 2024, 30 June 2024 and 30 September 2024 respectively;

9) Reviewed classification process with provision requirement for the quarters ended on 31 March 2024, 30 June 2024 and 30 September 2024 respectively;

10) Reviewed Management Report issued by Zoha Zaman Kabir Rashid & Co., Chartered Accountants, statutory auditors of the company, based on their annual audit of the financial statements of IFIPLC for the year ended December 31, 2023;

11) Reviewed report of Pre-inspection of investment files and establishment of Dashboard in NBFI's;

12) Reviewed of Draft Internal Control and Compliance Guidelines (Revised) of IFIPLC;

13) Reviewed of Bangladesh Bank FICL Inspection report as on 31/12/2023;

14) Reviewed regarding appointment of Independent Director in the Board of IFIPLC on behalf of NRC committee;

15) Reviewed of further valuation report of some investment clients as per requirement of Bangladesh Bank Comprehensive Inspection report as on 31/12/2022;

16) Reviewed other matters of interest arising during the year ended 31 December 2024;

Acknowledgement:

The Audit Committee expressed their gratitude & thanks to the Board of Directors, Management, Auditors and the Regulatory Authorities for their co-operation and support. The Committee also appreciated all employees of IFIPLC for their sincere efforts and dedication to achieve the goal of the organization during the year.

Ma- assalam

On behalf of the Audit Committee

Shayema Akter, FCA
Chairman, Audit Committee

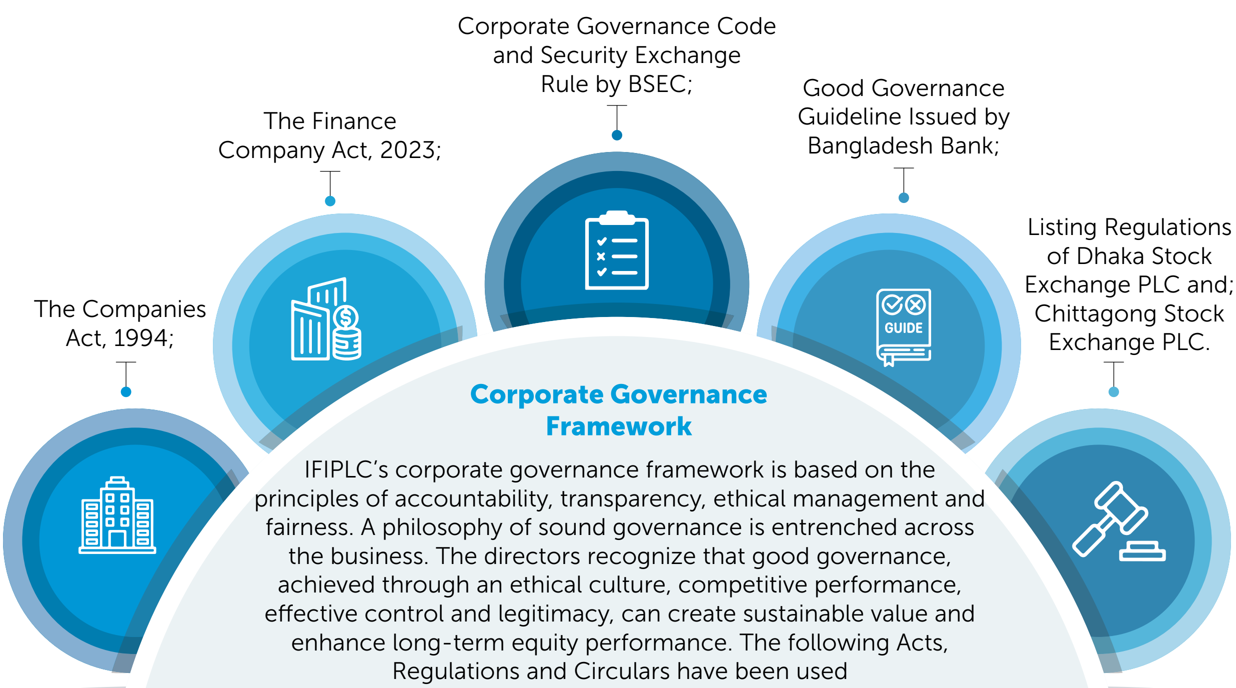
Governance Issues

সৎ পথে উপার্জিত অর্থ থেকে
সৎ বিনিয়োগ করলে তা ইবাদতেরই অংশ।

Statement on **Corporate Governance**

Corporate governance is the system by which companies are directed and controlled. The Boards of Directors are responsible for the overall corporate governance. IFIPLC believes compliance to be one of its key priorities and is continuously working to strengthen and improvement of its corporate governance with the aim to have sustainable growth, transparency, accountability, development of corporate values and to meet the expectation of shareholders, customers, regulators and other key stakeholders.

In pursuing the Corporate Objectives, we have committed to the highest level of governance and strive to foster a culture that values and rewards exemplary ethical standards, personal and corporate integrity and mutual respect. The Board of Directors, led by the Chairman, is responsible for the governance of IFIPLC, and developing effective Governance Framework to meet challenges, both in the short and long term. The Board is committed to reviewing and improving our systems to provide transparency and accountability, and initiate transformational changes whenever necessary to ensure best practices are maintained and enhanced according to the principles of Corporate Governance.



Corporate Governance Practiced by IFIPLC

Corporate Governance structures and principles identify the distribution of rights and responsibilities among different participants in the corporation (such as the board of directors, managers, shareholders, creditors, auditors, regulators and other stakeholders) and include the rules and procedures for making decisions in corporate affairs.

As part of good corporate governance, IFIPLC follows a set of policies and practices for ensuring accountability and transparency in its operations and reporting systems through a set of the relationships amongst the Board, Management and Shareholders to protect the interests of all stakeholders. These policies have been developed in line with best governance practices complying requirements in relevant notifications of the Bangladesh Securities & Exchange Commission and Bangladesh Bank Guidelines in this respect.

Our corporate governance structure comprises the shareholders, the Board, Company Management, Regulatory Authorities, Independent External Auditors and Employees of IFIPLC. Our Stakeholders are individuals or groups that have an interest, claim or stake in the Company, in what we do and in how well we perform.

Corporate Compliance

IFIPLC operates within the legal framework of the Companies Act-1994 and as a finance company, complies with the provisions of the Finance Company Act-2023. It also complies with the directives and guidelines issued from time to time by Bangladesh Securities and Exchange Commission as well as Bangladesh Banks in line with corporate governance.

Composition of Board of Directors in IFIPLC

The number of Board of Directors in IFIPLC is 07 including 01 Independent Directors. Appointment of another independent Director is under process. The Managing Director is the ex-officio Board Member who leads the Management of the Company. He works as the bridge between the Board and the Management of the Company. Independent Directors are the Member of the Board of Directors as per the requirements of Bangladesh Securities and Exchange Commission notification and Bangladesh Bank. The Directors of the Board have share holding position in IFIPLC.

Committees of the Board

In Compliance with Bangladesh Bank guidelines IFIPLC, being a Financial Institution (FI) can only form three subcommittees of the Board, as per DFIM Circular No. 01, Dated: February 29, 2024 (prior to this, followed all applicable Bangladesh Bank circulars):

- Audit Committee (AC);
- Executive Committee (EC) and;
- Risk Management Committee (RMC).

No other subcommittee of the Board is permitted by Bangladesh Bank. For ensuring good governance in the company, BSEC has advised that the Board shall have at least two sub-committees

- Audit Committee, and
- Nomination and Remuneration Committee.

As per the Bangladesh Bank (Primary regulator for Finance Company), no Finance Company are eligible to comply with conditions for formation of Nomination and Remuneration Committee in accordance with the Corporate Governance Code, 2018 issued by BSEC. Because it is conflicting with the regulation of the Finance Company Act 2023 and directives of the Bangladesh Bank. The Board has established three permanent Board Subcommittees to assist, advice and make recommendations to the Board on matters falling within their respective responsibilities as per BSEC and Bangladesh Bank guidelines. The membership of the Board committees, as at the date of authorization of this Annual Report, is set out on the page no. 32-33 of this annual report. However Bangladesh Bank through DFIM Circular Letter No. 18, dated May 21, 2024, has allowed that the Audit Committee will perform the roles and responsibilities of the Nomination and Remuneration Committee (NRC) as prescribed by the Corporate Governance Code, 2018, issued by the Bangladesh Securities and Exchange Commission.

Core Functions of the Committee

Audit Committee (AC)

- Appraising the audit procedures and reviewing the management letter;
- Assessing the managements' compliance with the recommendation made by external auditors;
- Making recommendation about the appointment of external auditors;
- Reviewing rules and regulations set by different regulatory bodies , internal policies and guidelines;
- Reviewing and reporting any rectification or irregularities identified by internal and external auditors and Bangladesh Bank inspection team;
- Carrying out supervisory activities assigned by the board;
- Evaluating its own efficiency regularly;
- Apart from that, the Audit Committee also looks after the functions of the Nomination and Remuneration Committee as per DFIM Circular Letter No. 18, dated May 21, 2024, of Bangladesh Bank.

Executive Committee (EC)

- Reviewing all the operational functions;
- Analyzing and reviewing major standard terms and conditions beyond the management authority as per approved Credit Policy;
- Presenting a summary of approved proposals which are within their approval limit
- Exercising the delegated authority from time to time;
- Might delegate its authority to management as it deems fit from time to time;
- Considering other matters submitted by Managing Director.

Risk Management Committee (RMC)

- Risk assessment and outline risk mitigation strategies;
- Restructuring organizational structure to accommodate risk evasive Environment;
- Development and approval of Risk management policy;
- Outlining information preservation and reporting system;
- Establishment and monitoring of overall risk management policy.

Other Committees

The Managing Director is the Chief Executive who is assisted by different Committees those perform within their delegated authorities and scope of work. The committees are:

- Management Committee (MANCOM)
- Investment Risk Management Committee (IRMC)
- Asset Liability Management Committee (ALMCO)
- Risk Management Forum
- Green Banking Committee
- Tender Committee
- Purchase Committee
- HR Committee
- Liquidity Management Committee
- Investment Review Committee
- ICT Steering Committee
- ICT Security Committee
- IFIPLC Property Management Committee
- Central Compliance Unit (CCU) for Anti Money Laundering
- Integrity Committee
- Central Customer Service and Complain Management Cell
- Sustainable Finance Committee

Responsibilities of the Board of Directors

The board has overall responsibility for the Organization. The responsibilities of the board of Directors include:

- Setting overall strategic direction of the company;
- Review and approval of business strategy;
- Review and approval of budget;
- Review of performance against financial and strategic objectives;
- Approval of internal policies and guidelines;
- Approval of financial statements;
- Understanding risk and setting risk appetite;
- Ensuring good governance;
- Appointment of Managing Director and fixation of benefits.

Company's Policy on Appointment of Directors

IFIPLC always follows the existing rules and regulations as directed by the Bangladesh Bank and BSEC in regard to appointment of Directors. There are two categories of Directors in the Board of IFIPLC one is Share Holder Directors, and another is Independent Directors. After having nomination and recommendation from the relevant members of the Board and followed by necessary approval from Bangladesh Bank and Bangladesh Securities and Exchange Commission (BSEC), a director is appointed in the Board of IFIPLC.

Retirement and Re-election of Directors

In accordance with the section 91(2) of the Companies Act, 1994 and Article no.116 of the Articles of Association of the company one- third of the Directors, are required to retire from the Board every year in Annual General Meeting (AGM), comprising those who have been in office the longest since their last election. A retiring Director shall be eligible for re-election, subject to compliance of Bangladesh Bank Directives from time to time. Complied with proper approval for the appointment, re- appointment, removal process, and prescribed tenure, qualification, and eligibilities of Directors as prescribed by issuing circulars by the Department of Financial Institutions and Markets (DIFM) of Bangladesh Bank. However, as per the governance code of BSEC, independent directors are appointed for tenure of 3 (three) years with renewal option for another term of 3 (three) years. Independent directors are appointed by the board and be approved by the shareholders in the AGM. The following non-executive directors will retire from the board in the upcoming 24th AGM:

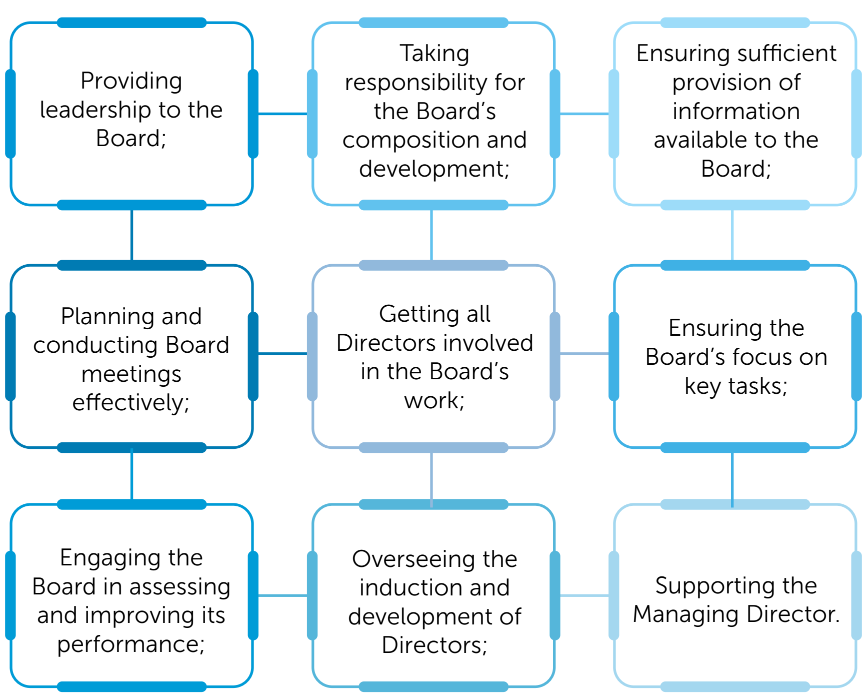
1. K.B.M. Moin Uddin Chisty;
2. Asgar Haider

Appointment of Chairman

Chairman of IFIPLC is selected by the members of the Board for one year.

Role of the Chairman

The Chairman runs the Board. The Chairman serves as the primary link between the Board and the management and works with the Managing Director and the Company Secretary to set the agenda for Board meetings. It is the Chairman's responsibility to provide leadership to the Board and ensure that the Board works effectively and discharges its responsibilities as Directors of the Company. The role and responsibilities of the Chairman of the Board is defined and set by the Board. The Chairman's primary role is to ensure that the Board is effective in its task of setting and implementing the Company's direction and strategy. The Chairman is selected by the Board. The principal features of the role of the Chair comprise the followings:



Responsibilities of the Chairman

The Chairman of the Board shall be responsible for the management, development and effective performance of the Board of Directors and provides leadership to the Board for all aspects of the Board's functions. He will:

1. Ensure effective operations of the Board and its committees in conformance with the highest standards of corporate governance;
2. Ensure effective communication with shareholders, host Governments and other relevant constituencies and ensure that the views of these groups are understood by the Board;
3. Set the agenda, style and tone of Board discussions to promote constructive debate and effective decision making;
4. Ensure that all Board Committees are properly established, composed and operated;
5. Support the Managing Director and CEO in strategy formulation and, more broadly, provide support and give advice;
6. Ensure an effective relationship among Directors, acting as the principal channel for communication and issues relating to business strategy, planned acquisitions and corporate governance;
7. Establish a harmonious and open relationship with the Managing Director;
8. Ensure that Board Committees are properly structured and all corporate governance matters are fully addressed;
9. Encourage active engagement by all members of the Board.

Holding of Board Meetings and Attendance

Usually IFIPLC holds Board meeting at least once a month, to help the Board discharge its responsibilities and functions as mentioned above. The meetings are scheduled in advance and the notice of each Board meeting is given in writing to each Director by the Company Secretary. A detailed disclosure on Board Meeting Frequency and Members' Participation is provided as an Annexure of Directors Report.

Process of holding board meeting

IFIPLC follows the process of the Bangladesh Secretarial Standards (BSS) as adopted by the Institution of Charted Secretaries of Bangladesh (ICSB). The Company Secretary circulates the Notice and agenda to the Board member at least 15 days prior to the scheduled date. Then all relevant Board papers are sent to the Board Members at least 2 working days prior of the meeting. All members are free to access all information if required by them. During the Board Meeting, Company Secretary ensures all requirements & take notes of the meeting and prepare the Minutes of the meeting.

Number of Board Meetings Held in 2024

The number of Directors required to constitute a quorum is six (6), out of the seven (7) Directors. In the year 2024, the Board has conducted total 16 meetings throughout the year.

Directors' Remuneration

Directors are not entitled to any remuneration other than attending the meeting of the Board and its committees. Bangladesh Bank vide its DFIM Circular No. 1, dated February 29, 2024 re-fixed the maximum limit of remuneration to the Directors for attending meetings of the Board and its committees at BDT 10,000 per meeting per Director.

Directors' Report on Preparation and Presentation of Financial Statements and Corporate Governance

The Directors' Report on the preparation and presentation of financial statements and corporate governance serves as a pivotal aspect of our company's transparency and accountability. This report provides shareholders, investors, and stakeholders with valuable insights into the processes, procedures, and principles guiding our financial reporting and governance practices.

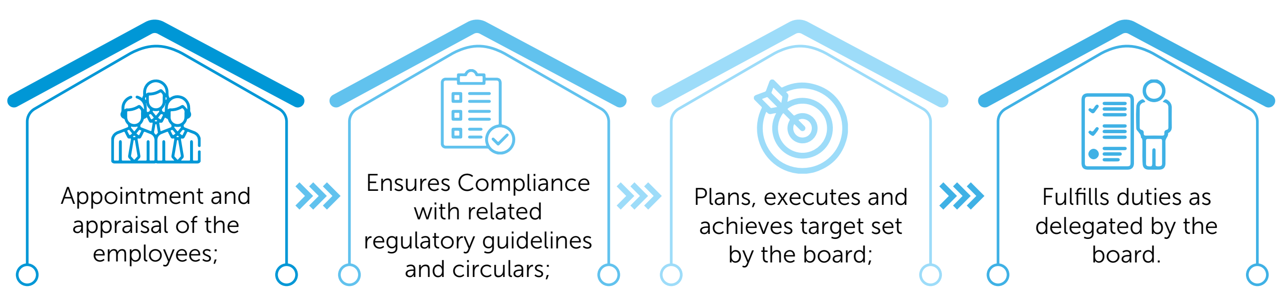
In the chapter titled "Directors' Report", a detailed discussion on the Directors' Report has been presented. This discussion delves into various aspects such as the adherence to accounting standards, the accuracy and integrity of financial reporting, the effectiveness of internal controls, and the company's commitment to corporate governance principles. Within the Directors' Report, emphasis is placed on the meticulous preparation and presentation of financial statements in accordance with applicable accounting standards and regulatory requirements.

Separation of Duties between MD and Chairman

The Chairman of the Board is not the Chief Executive of the Company and are independent of each other, and their roles are autonomous and separate, in accordance with the DFIM Circular No. 01, dated 29.02.2024 and BSEC's Notification Corporate Governance Code dated 03.06.2018.

Roles and Responsibilities of the MD

The MD is appointed by the Board subject to the approval of Bangladesh Bank and the consent of the shareholders in the Annual General Meeting. The MD does not hold the same position in another listed company. Responsibilities of the MD are as follows:



Annual Evaluation of the MD by the Board

The Board of Directors evaluates the Managing Director based on the goals set for him considering the company vision and mission at the beginning of each year. The Board does the performance assessment of MD annually based on the specific targets as set forth in Annual Budget and long-term strategic goals. The annual financial budget and other job objectives are discussed, reviewed and finalized by the Board at the start of each fiscal year. The Board considers both financial and non-financial goals in both short term and long term while setting targets and doing the performance assessment.

Independent Director

Adequate Representation of Non-Executive Directors

Number of Non-Executive Directors: 07

IFIPLC's Board comprises seven (07) Non-Executive Directors (NEDs) including one (1) Independent Directors. All the Non-Executive Directors are Individual shareholders directors except for the Independent Directors. All the Directors bring forth independent judgment and considerable knowledge to perform their roles effectively. The NEDs do not have executive responsibility of running day-to-day affairs of the company; neither they put undue influence in taking operating decision of the company.

Adequate Representation of Independent Directors

Number of Independent Directors: 1

Bangladesh Securities and Exchange Commission (BSEC), Notification No. SEC/CMRRCD/2006-158/207/Admin/80, dated 03 June 2018, amended in October 16, 2023 at least two or one-fifth of the total directors of the Board shall be Independent Directors. As per DFIM Circular No-2 dated March 13, 2024 Financial Institution may appoint at least two (2) Independent Directors in the Board. The composition of the Board of Directors of IFIPLC consists of Seven (07) Directors including one (01) Independent Directors. However appointment of another Independent Director is under process. Independence of the respective Independent Directors is confirmed during selection and appointment of the Directors and they remain committed to continue with such independence throughout their tenure.

Criteria for Appointment of Independent Directors

Independent Directors are appointed in compliance of Corporate Governance Code 2018 of Bangladesh Securities & Exchange Commission (BSEC) and DFIM Circular no. 02 dated March 13, 2024 by Bangladesh Bank and other circulars from time to time.

Role of Independent Directors

Independent Directors, representing the depositors and public, have enormous role in decision making and compliance matters of the organization as members of the Board as well as members/chairman of the sub-committees.

Independence and Non- conflict of Interest of Non executive Directors from Day-to-Day Operations

IFIPLC appoints Independent Directors who do not hold any shares in the company and do not have any family or other relationship with its Board of Directors and its executive management. IFIPLC also ensures compliance with Bangladesh Bank's guidelines and Bangladesh Securities and Exchange Commission's notification relating to appointment of Independent Directors and seeks approval from Bangladesh Securities and Exchange Commission and Bangladesh Bank for appointing a person as an Independent Director which ensures the independence of the Independent Director.

Company Secretary as the bridge between Board and Management

The Board appointed a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC) as per the policy of the company and related rules and regulations. The positions of Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) are held by different individuals and they are proficient in the field of regulatory, financial and corporate laws to carry out their assigned roles, responsibilities and duties.

Company Secretary

The Company Secretary of the Company, who is also the Head of Corporate Affairs, has day-to-day knowledge of the Company's affairs. Company Secretary reports to the Board of Directors and is responsible for providing advice on governance matters.

Role of Company Secretary

In compliance with the Corporate Governance guidelines, the Company Secretary has defined roles and responsibilities approved by the Board. The Company Secretary acts as a mediator between the Company, its Board of Directors, stakeholders, the government and regulatory authorities. He has expertise in corporate laws, capital markets, security laws and corporate governance. He also keeps close review of all legislative, regulatory and corporate governance developments that might affect the Company's operations and ensure that the Board is fully briefed on these and that it has regard to them when taking decisions. The Company Secretary ensures that the best management practices and work ethics are embraced to create value for the Company. He ensures that the concept of stakeholders is in the Board's mind when important and business decisions are being taken co-ordinates the policies of the Company, fulfills the management function and provides guidance on strategic decisions for the improvement and growth of the Company.

Chief Financial Officer

The Chief Financial Officer reports to the CEO and is responsible for providing advice on financial matters. A biography of the Chief Financial Officer is set out in the

Profile of the Management Committee section of this annual report.

Role of CFO

A chief financial officer (CFO) is the senior executive responsible for managing financial operations of the organization, including accounting, financial reporting, tax and business control. The CFO assists the senior management in formulating strategic plans, financial goals and objectives of the company. Major roles of the Chief Financial Officer include:

1. Oversee preparation annual budget, financial and business plans;
2. Help maintain optimum capital structure;
3. Forecast and control operating costs;
4. Oversee preparation of monthly financials with analysis;
5. Oversee preparation of quarterly, half yearly and annual financial Statements;
6. Liaise with the External Auditor and oversee the audit procedure;
7. Ensure compliance with all reporting, accounting and audit requirements imposed by the regulators;
8. Ensure proper tax management and compliance system.

Head of Internal Audit and Compliance (HIAC)

Head of Internal Audit and Compliance reports directly to the Audit Committee of IFIPLC's Board of Directors and is responsible for assessing and mitigation of various control risks.

Role of HIAC

The Head of Internal Audit and Compliance (HIAC) is responsible for IFIPLC's strategic risk-based internal audit plan. Responsibilities include providing reasonable assurance on the effectiveness of the organization's risk management and the strength of internal controls.

Secretarial Standards

The Company has complied with all the Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB).

Disclosure of material Information and Price Sensitive Information

The Board of IFIPLC through the company secretary always ensures to inform all price sensitive information and material information within 2 hours of the decision or immediately upon getting such information to the BSEC and the Stock Exchanges and also ensure immediate publication of such information/decision in two widely circulated daily newspapers, one in Bangla and the other in English and in one on-line news portal for the general public. The communication is done through E-mail/ Fax and by special messenger, and through courier service in special cases. In compliance with the Gazette Notification of Bangladesh Securities and Exchange Commission (BSEC), the Board of Directors adopted a "Principles of Disclosure of Material Information and Price Sensitive Information" and published the Principles on the website of the Company.

Dividend Distribution Policy

According to the directive of Bangladesh Securities and Exchange Commission (BSEC), the Board approved the Dividend Distribution Policy based on company's performance and company's long term objectives. Dividend Distribution Policy is given on page 91 of this report.

Annexure-A

[As per condition No. 1(5)(xxvi)]
Islamic Finance and Investment PLC.
Declaration by Managing Director and CFO

Date: June 27, 2025

The Board of Directors
Islamic Finance and Investment PLC.
Impetus Center (3rd Floor),
242/B Tejgaon-Gulshan Link Road,
Tejgaon I/A, Dhaka-1208.

Subject: Declaration on Financial Statements for the year ended on 31st December 2024.

Dear Sirs,

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

(1) The Financial Statements of Islamic Finance and Investment PLC. for the year ended on 31st December 2024 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the 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 31 December 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,

Mohammad Rashedul Islam ACA
Chief Financial Officer

Md. Nurul Azim
Managing Director

Suraiya Parveen & Associates

(Chartered Secretaries, Financial & Management Consultants)

[Certificate as per condition No.1 (5) (XXVII)]

Report to the Shareholders of
Islamic Finance & Investment PLC on compliance on the Corporate Governance Code

We have examined the compliance status to the Corporate Governance Code by **Islamic Finance & Investment PLC** for the year ended on 31st December 2024. This Code relates to the Notification No. BSEC/CMRRCD/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 an independent audit on compliance of the conditions of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Corporate Governance Code.

We state that we have obtained all the information and explanations, which we have 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;

(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.

Dhaka, Dated
July 15, 2025

Suraiya Parveen & Associates

For Suraiya Parveen & Associates
Chartered Secretaries

Suraiya Parveen, FCS
Chief Executive Officer

Office Address: Razzak Plaza (9th Floor) Suite-10G, 383 Tangi Diversion Road (old), 2 Shahid Tajuddin Ahmmed Sarani (New), Moghbazar, Dhaka-1217, Mobile: 01911-421998, 01713-110408, E-mail: suraiyaparveenfcs@gmail.com, musfiquefcs@gmail.com

Compliance Report on Corporate Governance Code by BSEC

Status of Compliance with the Corporate Governance Code (CGC) as on December 31, 2024.

Annexure –C

[As per Condition No. 1(5) (xxvii)]

Status of compliance with the conditions imposed by the Commission's Notification No. SEC/CMRRCD/2006 158/207/Admin/80, dated 3 June 2018 and subsequent amendments and inclusions, regarding amendment of some conditions, issued under Section 2CC of the Securities and Exchange Ordinance, 1969:

(Report under Condition No. 9)

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1.0	**Board of Directors**			
1(1)	**Size of the Board of Directors:** The number of Boardmembers shall not be less than 5(five) and more than 20(twenty).	√		The Board of Islamic Finance and Investment PLC is comprised of 07 (Seven) members including one (1) Independent Director.
1(2)	**Independent Directors (ID)**			
1(2)(a)	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); Provided that the Board shall appoint at least 1 (One) female Independent Director in the Board of Directors of the company.	√		There are one Independent Directors in IFIPLC Board, namely: Mrs. Shayema Akter FCA and appointment of another Independent Director is under process.
1(2)(b)	Criteria of "Independent 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;	√		The Independent Directors have declared their compliances.
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 (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:	√		Do
1(2)(b)(iii)	Who has not been an executive of the company in immediately preceding 2(two) financial years;	√		Do
1(2)(b)(iv)	Who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies;	√		Do
1(2)(b)(v)	Who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange;	√		Do
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;	√		Do
1(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;	√		Do

Condition No.	Title	Compliance Status (Put √ in the appropriate column) Complied	Not Complied	Remarks (if any)
1(2)(b)(viii)	Who shall not beindependent director in more than 5(five) listed companies;	√		Do
1(2)(b)(ix)	Who has not been reported as a defaulter in the latest Credit Information Bureau (CIB) report of Bangladesh Bank for nonpayment of any loan or advance or obligation to a bank or a Non-Bank Financial Institution (NBFI);	√		Do
1(2)(b)(x)	Who has not been convicted for a criminal offence involving moral turpitude;	√		Do
1(2)(c)	The independent director(s) shall be appointed by the Board and 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."	√		
1(2)(d)	The post of independent director(s) cannot remain vacant for more than 90(ninety) days;	√		
1(2)(e)	The tenure of office of an independent director shall be for a period of 3(three) years, which may be extended for1(one)tenure only:	√		
1(3)	**Qualification of Independent Director(ID)**			
1(3)(a)	Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial, regulatory and corporate laws and can make meaningful contribution to business.	√		There are one Independent Directors in the Company. Chartered Accountant and highly professional.
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 listed company or a member of any national or international chamber of commerce or 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 5thGrade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or Law; or Provided that in cash 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; or	√		
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;	√		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(3)(c)	The independent director shall have at least10 (ten) years of 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.			Not applicable
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.	√		
1(5)	**The Board of the Company shall include the following additional statement of disclosure in the Directors' Report prepared under section 184 of the Companies Act, 1994 (Act No. XVIII of 1994):**			
1(5) (i)	Industry outlook and possible future developments in the industry.	√		
1(5)(ii)	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;	√		
1(5)(iv)	Discussion on Cost of Goods Sold, Gross Profit Margin and Net Profit Margin, where applicable;	√		
1(5) (v)	A discussion on continuity of any extraordinary activities and their implications (gain or loss);	√		No Extra-Ordinary gain or loss experienced during the period under audit.
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;	√		Discussed at Notes to the Financial Statements 'Annexure-C'
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)	Any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements, the management shall explain about the variance on their Annual Report;	√		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
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;	√		
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;	√		
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;	√		
1(5) (xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons there of shall be explained;	√		Discussed in Financial Statement.
1(5) (xix)	AstatementwhereKey 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;	√		The Board of Directors recommended no dividend on the ordinary shares of the Company's paid up capital for the year 2024 as the Company incurred Loss. In the year 2024, Islamic Finance and Investment PLC suffered loss of Taka 1,715.15 million and at the end of 2024, retained earnings of the company was a negative figure of Taka 1,945.38 million. As per regulatory requirement, the dividend is payable only out of profits of the company. If there is no profit, there can be no distribution of dividend.
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;			**N/A**

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(5)(xxii)	The number of Board meetings held during the year and attendance by each director shall be disclosed;	√		Refer to the Directors Report' on page no. 49 of this Annual Report.
1(5)(xxiii)	**The pattern of shareholding shall be reported to disclose the aggregate number of shares (along with name-wise details where stated below) held by:**			
1(5)(xxiii) a)	Parent/Subsidiary/Associated companies and other related parties (name wise details);	√		There is no such company.
1(5)(xxiii) b)	Directors, Chief Executive Officer, Company Secretary, and Chief Financial Officer, Head of Internal Audit 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).			N/A
1(5)(xxiv)	**In case of the appointment /reappointment of a director the company shall disclose the following information to the shareholders:-**			
1(5)(xxiv) (a)	Abrief resume of the director;	√		Brief resume of all the directors have been furnished where (a) (b) & (c) has been mentioned.
1(5)(xxiv) (b)	Nature of his or her expertise in specific functional areas;	√		
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:**			
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 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 immediate 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;			Peer industry data not available
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**;	√		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
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**			
	Conducting Board meetings and recording the minutes of the meetings and keeping required books and records in line 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;			Do.
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.			Do.
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, as there is no subsidiary company.
2(b)	At least 1(one) independent director on the Board of Directors of the holding company shall be a director on the Board of Directors of the subsidiary company;			Do
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;			Do
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;			Do
2(e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.			Do
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)	Appointment			
3.(1)(a)	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);	√		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
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 be 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 CFO 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**			
3(2)	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 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.**	√		
	The Board shall have at least following sub-committees:			
4.(i)	Audit Committee; and	√		

Condition No.	Title	Compliance Status (Put √ in the appropriate column) Complied	Not Complied	Remarks (if any)
4.(ii)	Nomination and Remuneration Committee.			As per the Bangladesh Bank DFIM Circular No. 01, dated 29.02.2024 FI's are allowed to form only Audit Committee, Executive Committee and Risk Management Committee as the Sub Committee of the Company. However, Bangladesh Bank vide their Circular letter No.18 dated 21.05.2024 has allowed that the Audit Committee will look after the responsibilities of NRC Committee.
5.	**Audit Committee**			
5. (1)	Responsibility to the Board of Directors.			
5(1) (a)	The company shall have an Audit Committee as a sub-committee of the Board.	√		
5(1) (b)	The Audit Committee shall assist the Board of Directors 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.	√		The Audit Committee is consisted with 4 (four) 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 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 1(one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;		Not applicable.	
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 independent director.	√		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
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.			Not applicable.
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 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 the Audit Committee**			
5(5) (a)	Oversee the financial reporting process;	√		
5(5) (b)	Monitor choice of accounting policies and principles	√		
5(5) (c)	Monitor Internal Audit and Compliance process	√		
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 quarterly and half yearly 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;	√		
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;	√		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
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;	√		
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)(i)	The Audit Committee shall report on its activities to the Board of Directors.	√		
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;			There is no such incident occurred.
5(6)(a)(ii) (b)	Suspected or presumed fraud or irregularity or material defect identified in the internal audit;			There is no such incident occurred.
5(6)(a)(ii) (c)	Suspected infringement of laws, including securities related laws, rules and regulations;			There is no such incident occurred.
5(6)(a)(ii) (d)	Any other matter which shall be disclosed to the Board of Directorsimmediately;			There is no such incident occurred.
5(6)(b)	**Reporting to the Authorities** Reported to the Board of Directors about anything which has material impact on the financial condition and results of operation.			Not applicable
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 of Directors under condition No.3.4.1 (ii) .			Not applicable

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
6.	**Nomination and Remuneration Committee (NRC).**	√		Bangladesh Bank through DFIM Circular letter No. 18, dated May 21, 2024, has allowed that the Audit Committee will perform the roles and responsibilities of the Nomination and Remuneration Committee (NRC) as prescribed by the Corporate Governance Code, 2018 issued by the Bangladesh Security and Exchange Commission. Accordingly, the terms of Reference (ToR) of the Audit Committee has incorporated all the conditions of the Nomination and Remuneration Committee (NRC) as prescribed the Corporate Governance Code, 2018 issued by the Bangladesh Security and Exchange Commission.
6 (1)	**Responsibility to the Board of Directors**			
6 (1)(a)	Nomination and Remuneration Committee (NRC) as a sub-committee of the Board;	√		Audit Committee is a sub-committee of the Board, which will perform the roles and responsibilities of the Nomination and Remuneration Committee (NRC) as prescribed by the Corporate Governance Code, 2018 issued by the Bangladesh Security and Exchange Commission.
6 (1)(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining 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)	ToR of the NRC shall be clearly set forth in writing covering the areas stated at the condition No.6(5)(b).	√		The terms of Reference (ToR) of the Audit Committee of IFIPLC has incorporated all the conditions of the Nomination and Remuneration Committee (NRC) as prescribed the Corporate Governance Code, 2018 issued by the Bangladesh Security and Exchange Commission.
6 (2)	**Constitution of the NRC**			
6 (2)(a)	The Committee shall comprise of at least three members including an independent director;	√		
6 (2)(b)	At least 02 (two) members of the Committee shall be non-executive directors;	√		DO

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
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;			No such event occurred.
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 consultancy role or otherwise, other than Director's fees or honorarium from the company.	√		DO
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;	√		No such event occurred.
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders:	√		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**			

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)	Devising 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 determine their selection, transfer or replacement and promotion criteria;	√		Do
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;	√		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
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' 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.	√		
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.	√		The agenda will be placed in the 24th Annual General Meeting refer to the AGM on page no. 16 of this Annual Report 2024.
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.	√		
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.	√		

Compliance of section 1(5) (xxii)

Meeting Attended by the Directors of Islamic Finance and Investment PLC during 2024

ANNEXURE-I

Sl	Name of Directors	Board of Directors Meeting			Executive Committee Meeting			Audit Committee Meeting			Risk Management Committee Meeting			Total Remuneration paid for attending the meeting
		Total BOD meeting held during 2024	Meeting Attended	Remuneration paid for attending the meeting	Total EC meeting held during 2024	Meeting Attended	Remuneration paid for attending the meeting	Total AC meeting held during 2024	Meeting Attended	Remuneration paid for attending the meeting	Total RMC meeting held during 2024	Meeting Attended	Remuneration paid for attending the meeting	
				BDT			BDT			BDT			BDT	BDT
1	Abul Quasem Haider	16	11	110000	-	-	-	-	-	-	-	-	-	110000
2	Mostanser Billa	16	10	100000	-	-	-	7	2	20000	-	-	-	120000
3	K.B.M. Moin Uddin Chisty	16	15	146000	1	1	8000	7	2	20000	2	1	10000	184000
4	Anis Salahuddin Ahmad	16	14	136000	-	-	-	7	7	70000	2	2	20000	226000
5	Julia Rahman	16	13	128000	1	1	8000	-	-	-	-	-	-	136000
6	Asgar Haider	16	13	126000	-	-	-	7	1	10000	2	2	20000	156000
7	JanabIrteza Reza Chowdhury	16	16	156000	-	-	-	7	7	70000	-	-	-	226000
8	Shayema Akter	16	1	10000	-	-	-	-	-	-	-	-	-	10000
9	Afzalur Rahman	16	9	86000	1	1	8000	-	-	-	2	1	10000	104000
10	Hossain Mahmud	16	6	58000	-	-	-	7	3	30000	-	-	-	88000
11	Shibbir Mahmud	16	-	-	1	-	-	-	-	-	-	-	-	-
12	A.K.M. Shahidul Haque	16	4	36000	-	-	-	7	1	10000	-	-	-	46000
	Total Remuneration paid			**1092000**			**24000**			**230000**			**60000**	**1406000**

Noted:

- Abul Quasem Haider has been appointed on May 4, 2024;
- Mostanser Billa has been appointed on May 14, 2024;
- Shayema Akter has been appointed on November 24, 2024;
- Shibbir Mahmud has resigned on March 11, 2024;
- Hossain Mahmud has resigned on July 30, 2024;
- A.K.M. Shahidul Haque has resigned on March 29, 2024.

Annexure – II

Compliance of Section 1(5) (xxiii)

The Pattern of Shareholding:

(a) Parent or Subsidiary or Associated Companies and other related party:

Name	Relation	Shares held
Nil	Nil	Nil

(b) Directors, Chief Executive Officer/Managing Director, Company Sectary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children:

Name	Relation	Shares Held (nos)
Abul Quasem Haider	Chairman	28,43,690
Mostanser Billa	Vice-Chairman	28,10,921
K.B.M. Moin Uddin Chisty	Vice-Chairman	29,68,163
Anis Salahuddin Ahmad	Director	29,49,028
Julia Rahman	Director	28,25,162
Asgar Haider	Director	28,36,335
Shayema Akter	Independent Director	None
Md. Nurul Azim	Managing Director	None
Md. Ramzan Hossain ACS	FVP & Company Secretary	None
Mohammad Rashedul Islam ACA	FVP & CFO	None
Mr. Omar Faruk	FAVP & In charge of Internal Control & Compliance (HICC)	None

(c) Executives (top five salaried employees of the company, other than Directors, CEO, CFO, Company Secretary and Head of Internal Audit Compliance):

Designation	Name	Shares Held
SVP, Head of Business	Md. Taufikul Hakim	None
SVP & Manager, Principal Branch	Rashed Imam	None
SVP & Chief HR Officer	Imteeaz Ahmed	None
FAVP & Head of IRMD	SM Mostafizur Rahman	None
AVP & Manager Narayanganj Branch	Md. Abu Bakar Bhuiyan	None

(d) Shareholders holding ten percent (10%) or more voting interest in the company:

Name of Shareholder	Percentage	Shares held (nos.)
Nil	Nil	Nil

Annexure – III

Statement of compliance with the good governance practices guided by Finance Company Act 2023 and the Bangladesh Bank issued circulars, directives and policies. The Board of Directors of the Company has taken appropriate steps to comply with the good governance practices guidelines.

A status report on compliance with those good governance guidelines practices guidelines is stated below:

Sl. No	Particulars		Status of Compliance
1.	**Composition of the Board**		
	(a)	The Board of Directors of the Finance Company shall consist of shareholders Directors, representative Directors on behalf of the shareholders organization and Independent Directors	Complied
	(b)	The number of Directors of the Board of Directors shall be a maximum of 15 (fifteen) persons;	Complied
	(c)	The number of Independent Directors shall be at least 2 (two) persons;	Complied
	(d)	When a natural person is a Director of a Finance Company, no other person nominated by him as an interested party shall be a representative director on the Board of Directors of the said Finance Company	Complied
	(e)	Not more than 01(one) person nominated by him on behalf of any institution or company shall be appointed representative Director on the Board of Directors	Complied
	(f)	No other person can be appointed as a representative Director on behalf of a natural person shareholder on the Board of Directors	Complied
	(g)	Term of office of director of finance company 3 (three) years	Complied
	(h)	No Director shall hold the office of Director for more than 3(three) terms or 9(nine) years consecutively. After that he or she shall not be eligible for re-appointment as a Director of the said finance company until 3(three) years have elapsed from the date of expiry of the said term	Complied
	(i)	Immediately before the coming into force of the Finance Company Act, 2023, if any person has held the office of Director for 3(three) terms or 9(nine) years respectively, the office shall vacate on the expiry of his existing term of office as Director	Complied
	(j)	One-third of the Directors shall retire on the basis of seniority at every Annual General Meeting in compliance with Section 80 of Schedule-1 of the Companies Act, 1994. The retiring Director shall be eligible for re-election	Complied
2	**Eligibility and suitability to be appointed as Director:**		
	(a)	Hold minimum shares as per the regulations of Bangladesh Securities and Exchange Commission	Complied
	(b)	The person concerned should have at least 10(ten) years of management or business or professional experience; no work experience shall be taken in to account until a person attains the age of 10(eighteen) years	Complied
	(c)	The minimum age of the person concerned shall be 30(thirty) years	Complied
	(d)	He or she has not been convicted of a criminal offense or has been or is not involved in fraud, cheating, financial crime or any other illegal activity as per the investigation or inspection report carried out by any agency of the Government of Bangladesh Bank	Complied
	(e)	There is no adverse observation/comment in a court judgment in any civil or criminal case against him or her	Complied
	(f)	He or she has not been convicted of any violation of rules, regulation, policies or rules of any regulatory authority relating to the financial sector	Complied
	(g)	He or she was not associated with any company or establishment, the registration or license of which has been canceled or the establishment has been wound up	Complied
	(h)	He or she or his or her affiliated institution is not a defaulting borrower	Complied
	(i)	He or she is engaged in any other Financial Company or Banking Company or insurance Company or any subsidiary Company of such companies or in the opinion of Bangladesh Bank, any such company or institution which exercises control, joint control of significant influence over such financial company or banking company or insurance Company as on advisor, consultant or in any other profitable position	Complied

Sl. No	Particulars	Status of Compliance
	(j) He or she is not a Director of any such company or several companies, which company or companies together are entitled to vote more than 15(fifteen) percent of the total votes against the total shares of the said finance company	Complied
	(k) He or she is not holding the position of auditor, legal adviser, consultant, salaried employee or otherwise gainful position in the same finance company	Complied
	(l) He or she is not at any time been declared insolvent by a court	Complied
	(m) He or she is a non-tax defaulter either personally or on behalf of his sole proprietorship or his or her partnership organization	Complied
	(n) If employed in any position in the concerned finance company for a period not exceeding 5(five) years after termination of employment	Complied
	(o) If he or she is listed as a willful defaulter by any Finance Company or Bank Company, he or she shall not be eligible to be a Director of any Finance Company until 5(five) years have elapsed after he or she has been exempted from the said listing.	Complied
	(p) Director (or Alternate Director) must be a Graduate, Nominated director must fulfill all prescribed criteria for Independent Director	Complied
3	**Taking prior approval of Bangladesh Bank in case of appointment/re-appointment of Director:**	
	(a) Prior approval of Bangladesh Bank shall be taken in case of appointment or re-appointment or re-appointment or re-appointment as the case may be after selection or nomination of Directors of the Finance Company	Complied
	(b) For obtaining the said prior approval, the Finance Company shall apply to Bangladesh Bank under the signature of the chief Executive/Managing Director within 7(seven) working days of the relevant Board meeting/Annual General Meeting and attach information as per the prescribed form.	Complied
4	**Director Information:**	
	(a) Duly maintain an up to date list of Directors of the Finance Company	Complied
	(b) To send a copy of the list of Directors to Bangladesh Bank and to all Finance Company and Banking Companies after the Director's appointment or removal or at the end of the Directors term	Complied
	(c) A list of the Directors with their portraits shall be displayed on the website of the respective Finance Company and shall be updated regularly	Complied
	(d) After the nomination/appointment or removal of the Chairman of the Finance Company or at the end of his tenure, the updated information shall be sent to Bangladesh Bank	Complied
	(e) Update of the Directors of the Finance Company within 10(ten) days after the end of every quarter to be submitted to Bangladesh Bank's EDW portal through Rational Input Template (RIT). In addition, in case of Director appointment or any change in the Board of Directors of the Finance Company, the said information must be submitted to Bangladesh Bank's EDW portal through RIT	Complied
	(f) The names, addresses and other particulars of the Directors of the Finance Company and their respective Commercial, Financial, Agricultural, industrial and other business and family business interests shall be submitted in writing to the Board of Directors on an annual basis	Complied
5.	**Responsibilities and authorities of the Board of Directors:**	
	The Board of Directors should focus mainly on the policy matters and evaluation of the performance of the institution, such as:	
	(a) Work-planning and strategic management:	
	I. The Board shall determine the Vision/ Mission of the institute. In order to enhance operational efficiency and to ensure business growth, they shall chalk out strategies and work-plans on annual basis. The Board shall review such strategies on quarterly rests and shall modify accordingly, if required. If any structural modification is required, shall bring those changes with consultation with the management.	Complied
	II. The Board shall have its analytical review incorporated in the Annual report as regard to the success/failure in achieving the business and other targets as set out in its annual work-plan and shall apprise the shareholders on future plans and strategies.	Complied

Sl. No	Particulars	Status of Compliance
	III. The Board will set the Key Performance Indicator (KPI)s for the CEO and other senior executives and will appraise those on half yearly basis.	Complied
	(b) Financial management:	
	(i) Annual budget and statutory financial statements shall be adopted finally with the approval of the Board	Complied
	(ii) Board shall review and examine in quarterly basis various statutory financial statements such as statement of income-expenses, statement of loan/lease, statement of liquidity, adequacy of capital, maintenance of provision, legal affairs including actions taken to recover overdue loan/lease	Complied
	(iii) Board shall approve the Company's policy on procurement and collection and shall also approve the expenditures according to policy. The Board to the maximum extend shall delegate the authority on the Managing Director and among other top executives for approval of expenditure within budget	Complied
	(iv) The Board shall adopt the process of operation of bank accounts. To ensure transparency in financial matters, groups may be formed among the management to operate bank accounts under joint signatures	Complied
	(v) The Board shall review from time to time the activities of ALCO as per the guidelines of Bangladesh Bank	Complied
	(c) Management of loan/lease/investments:	
	(i) Policy on evaluation of loan/lease/investment proposal, sanction and disbursement and its regular collection and monitoring shall be adopted and reviewed by the Board regularly based on prevailing laws and regulations. Board shall delegate the authority of loan/lease/investment specifically to management preferably on Managing Director and other top executives.	Complied
	(ii) No director shall interfere on the approval of loan proposal associated with him. The director concerned shall not give any opinion on that loan proposal	Complied
	(iii) Any large loan/lease/investment proposal must be approved by the Board	Complied
	(d) Credit and Risk management:	
	(i) Risk Management Guideline framed in the light of Core Risk Management Guideline shall be approved by the Board and reviewed by the Board regularly.	Complied
	(e) Internal control and compliance management:	
	(i) The Board shall continuously oversee internal controls to ensure satisfactory credit/Investment quality	Complied
	(ii) The internal Audit Function must operate Independently of Management	Complied
	(iii) On a quarterly basis, the Board will review reports from the Audit Committee, addressing recommendations from internal and external auditors, as well as inspection findings from Bangladesh Bank	Complied
	(f) Human resource management:	
	(i) Board shall approve the policy on Human Resources Management and Service Rule. The Chairman and directors of the Board shall not interfere on the administrative job in line with the approved Service Rule	Complied
	(ii) Only the authority for the appointment and promotion of the Managing Director/ Additional Managing Director/Deputy Managing Director and other equivalent position shall lie with the Board incompliance with the policy and Service Rule. No director shall be included in any Executive Committee formed for the purpose of appointment and promotion of others	Complied
	(iii) The Board of Directors will formulate the Code of Conduct and Code of Ethics for officers and staffs at all levels and those officers and staffs will comply the said Code of Conduct and Code of Ethics	Complied
	(g) Appointment of CEO:	
	(i) The Board shall appoint a competent CEO for the institution with the prior approval of the Bangladesh Bank and shall approve the proposal for increment of his salary and allowances	Complied

Sl. No	Particulars		Status of Compliance
	(h) Responsibilities and duties of the Chairman and Director of the Board of Directors:		
	i.	One of the members of the Board of Directors shall be elected as Chairman for a maximum term 2(two) years. He will be eligible for re-election to the post of chairman subject to the tenure of directorship	Complied
	ii.	The Chairman of the Board of Directors or the Chairman of any Committee constituted by the Board or any Director shall not participate in or interfere into the administrative or operational and routine affairs of the company as he/she has no jurisdiction to apply executive power	Complied
	iii.	The minutes of the Board meetings shall be signed by the Chairman	Complied
	iv.	The Chairman shall sign-off the proposal for appointment of Managing Director and increment of his salaries & allowances	Complied
6	**Formation of sub-committee:** An Executive Committee (EC), an Audit Committee (AC) and a Risk Management Committee (RMC) will be formed in combination with members of the Board of Directors of the Company. Except the Executive Committee, Audit Committee and Risk Management Committee, no other committee or sub-committee can be formed even in temporary basis.		Complied
	(a) **Executive Committee:** An Executive Committee of the Board shall be constituted for the purpose of continuing the urgent and day to day or routine activities (approval of loan/ lease application, write-off, rescheduling etc.) arisen from the regular business activities between the meetings of the Board of Directors.		
	Organizational Structure of the Executive Committee:		
	i.	**Appointment of Members:** Members of the Committee shall be nominated by the Board of Directors from among its members	Complied
	ii.	**Size and Composition:** The Committee shall consist of up to five (5) members, including at least one (1) Independent Director	Complied
	iii.	**Chairman:** • One of the members elected as Chairman of the Committee for a term of 3(three) years; • The Chairman of the Board of Directors can also be the Chairman of the Executive Committee	Complied
	iv.	**Tenure:** Committee Members to be nominated for every 3 (three) years subject to tenure of their Directorship	Complied
	v.	**Restriction for family Members:** The Executive Committee shall not include more than one member of the same family	Complied
	vi.	**Secretary to the Committee:** The Company Secretary shall act as the Secretary of the Committee.	Complied
	vii.	**Meeting:** The Committee may arrange for meetings to be held at any time as may be necessary	Complied
	viii.	**Participation by Invitation:** The Committee may invite any IFIPLC official to attend its meetings concerning specific agenda items	Complied
	ix.	**Rectification:** The decision taken by the Committee should be ratified in the next Board meeting	Complied
	(b) **Audit Committee:** The Committee is formed to carry out and adequate system of internal control, assist the Board of Directors in fulfilling its oversight responsibilities related to nomination and remuneration policies, practices and procedures of the company and adequate processes to ensure compliance by the company with all applicable legal and regulatory requirements and company's own policy.		
	Organizational Structure of the Audit Committee:		
	i.	**Appointment of Members:** The members of the Committee are nominated by the Board of Directors from amongst the Directors	Complied
	ii.	**Size and Composition:** The Committee will be constituted with a maximum of 05(five) members	Complied
	iii.	**Chairman:** The Chairman of the Committee shall be elected from amongst the Independent Directors	Complied

Sl. No	Particulars	Status of Compliance
	iv. **Tenure of Chairman:** The tenure of the chairman of the committee shall be 3 (three) years. No individual Director shall serve as Chairman of the Audit Committee for 2(two) consecutive terms	Complied
	(iv) **Restriction for Members of the Executive Committee:** No member of the Executive Committee shall be include as a member of the Audit Committee	Complied
	(v) **Tenure:** Committee Members can be nominated for every 3 (three) years	Complied
	(vi) **Secretary to the Committee:** The Company Secretary shall act as the Secretary of the Committee	Complied
	(vii) **Meeting:** Hold at least four (4) meetings in a year and whenever necessary	Complied
	(c) **Risk Management Committee:** The Committee is formed to assist the Board of Directors to effectively reduce probable risks in implementing strategies and work plans as well as assisting them in properly playing their roles and responsibilities	
	Organizational Structure of the Risk Management Committee:	
	(I) **Appointment of Members:** The members of the committee are nominated by the Board of Directors from amongst the Directors	Complied
	(II) **Size and Composition:** The committee will be constituted with a maximum of 05 (five) members	Complied
	(III) **Chairman:** One of the members shall be elected as the Chairman of the Committee for a term of 3 (three) years	Complied
	(IV) **Tenure:** Committee members can be nominated for every 3 (three) years	Complied
	(IV) **Secretary to the Committee:** The Company Secretary shall perform the secretarial duties of the Committee	Complied
	(I) **Meeting:** Hold at least four (4) meetings in a year and whenever necessary	Complied
7.	**Board of Directors and Subsidiary Committee meeting schedule**	
	(a) The meeting of the Board of Directors of the Finance Company may normally be held 1 (one) in every month or more if necessary	Complied
	(b) According to the Articles of Association (AoA) or Memorandum of Association (MoA) of a Finance Company, the quorum of the meeting of the Board of Directors of the said Finance Company shall be determined	Complied
	(c) Apart from the Directors of the company, only the Managing Director and the Company Secretary will be present in the meeting of the Board of Directors	Complied
	(d) An officer of the finance company may attend the said meeting (not for full-time) only when presenting any matter related to him on the invitation of the Board or the Subsidiary Committee of the Board for special needs.	Complied
	(e) Under no circumstances shall any outsider be present at the meeting of the Board and the meeting of the Subsidiary Committee of the Board	Complied
8.	**Remuneration and other Financial benefits payable to Directors:**	
	(a) The upper limit of the honorarium payable to the Directors for attending the meeting of the Board of Directors/Subsidiary Committee shall be 10,000 (ten thousand) taka	Complied
	(b) The Independent Directors shall be entitled to a fixed remuneration per month subject to an upper limit of Taka 50,000 (Fifty Thousand) (subject to deduction of applicable tax)	Complied
9.	**Independent Directors:**	
	(a) He or she has at least 10 (Ten) years' experience on Management or Business or Service	Complied
	(b) His or her age limit is minimum 45 (Forty- Five) and maximum 75 (Seventy-Five)	Complied
	(c) He or she must be a Graduate or Post Graduate on Economics, Finance, Business Administration, Law or Accounting	Complied
	(d) Ex- Managing Director or Chief Executive Officer of any Bank Company or Finance Company or Chartered Accountant or Cost Management Accountant or Ex- Chief Executive Officer of any reputed Corporate institution	Complied
	(e) Experienced Teacher of Business Administration or Business Studies or Law or Information Technology in any Public or Autonomous or Private University, Lawyer, experienced Banker, experienced officer in Ministry of Commerce, Financial Institutions Division and Finance Department of Ministry of Finance, Ministry of Industries, Ministry of Law	Complied

Sl. No	Particulars	Status of Compliance
	(f) He or she has not any past, present or future actual or apparent interest in any Finance Company or he or she is not associated with a Finance Company	Complied
	(g) His or her family members will not hold any share of the respective Finance Company or hold any profitable position in the respective Finance Company	Complied
	(h) He or she will not hold the position of Independent Director in any other Finance Company, Banking Company, Insurance Company or any subsidiary company of such companies.	Complied
	(i) He or she has not been convicted of a criminal offense or has been or is not involved in fraud, cheating, financial crime or any other illegal activities	Complied
	(j) There is no adverse observation/comment in a Court judgment in any civil or criminal case against him or her	Complied
	(k) He or she has not been convicted of any violation of rules, regulations, policies or rules of any regulatory authority relating to the financial sector or his or her own profession	Complied
	(l) He or she has not at any time been declared insolvent by a Court	Complied
	(m) He or she is not a loan defaulter.	Complied
	(n) He or she is a non-tax defaulter	Complied
	(o) If he or she is listed as a willful defaulter by any Finance Company or Bank-Company, he or she shall not be eligible to be an Independent Director of any Finance Company until 5 (five) years have elapsed after he or she has been exempted from the said listing	Complied
	(p) He or she has not been convicted of violating any rules, regulations, policies or codes of conduct of any regulatory authority related to the financial sector.	Complied
	(q) He or she was not associated with the ownership of any company/institution whose registration/license has been cancelled or the institution has been defunct.	Complied
	(r) To appoint an Independent Director, prior approval from Bangladesh Bank is required	Complied
	(s) Finance Company will send the information of eligible person to be appointed as an Independent Director for the panel of Bangladesh Bank	Complied
	(t) Finance Company will appoint Independent Director from the said panel subject to prior approval from Bangladesh Bank	Complied
	(u) Finance Company will inform Bangladesh Bank for the expiration of tenure of Independent Director before 30 (Thirty) working days	Complied
10.	**Managing Director:**	
	(a) Eligibilities:	
	(I) He or she has not been convicted of a criminal offense or has been or is not involved in fraud, cheating, financial crime or any other illegal activities	Complied
	(II) There is no adverse observation/comment in a Court judgment in any civil or criminal case against him or her	Complied
	(III) He or she has not been convicted of any violation of rules, regulations, policies or rules of any regulatory authority	Complied
	(IV) He or she was not associated with the ownership of any company/institution whose registration/license has been cancelled or the institution has been defunct.	Complied
	(V) He or she was not employee of any company/institution whose registration/license has been cancelled due to his or her direct or indirect crime	Complied
	(VI) He or She has not been removed/dismissed/demoted from his/her position or relieved of his/her duties as the Chairman or Director or Officer or Employee of any company or organization due to embezzlement, corruption, forgery, or moral turpitude	Complied
	(VII) He or she has not been removed, dismissed, demoted or relieved from his or her position while holding the position of Chief Executive Officer, Chairman, Director, Officer or any other position of any Finance Company or any Banking Company;	Complied
	(VIII) There are no adverse observations against him or her in Bangladesh Bank's offsite or onsite inspections.	Complied
	(b) Financial Transparency/Integrity:	
	(I) He or she is not a defaulter on a loan taken from any Finance Company or Banking Company.	Complied

Sl. No	Particulars	Status of Compliance
	(II) He or she did not stop paying the creditor's dues or was not exempted from collecting the debt through his or her own agreement with the creditor.	Complied
	(III) He or she is not a tax defaulter.	Complied
	(IV) He or she has never been declared bankrupt by a Court.	Complied
	(V) He or she was not involved in any financial irregularities while performing his or her professional duties in any Finance Company or Banking Company.	Complied
	(c) Educational Qualifications and Experience:	
	(I) He or She will hold at least a Master's degree from a recognized university.	Complied
	(II) Minimum 20 (Twenty) years' experience in Finance Company or Banking Company and minimum 2 (Two) years' experience in the preceding previous position of Chief Executive Officer	Complied
	(III) He or she have leadership capacity	Complied
	(d) Professional Involvement:	
	(I) He or she will not hold the position of Director in any Finance Company or Banking Company or Insurance Company or any company which is controlled by those respective companies or any profitable position in the respective companies	Complied
	(II) He or she will not engage in any business	Complied
	(III) His or her doesn't have any business interest in the Finance Company	Complied
	(IV) His or her doesn't have any relation with any organization which is owned by or controlled by any Director of the respective Finance Company	Complied
	(V) His or her family members will not involve in the Board of the respective Finance Company	Complied
	(e) Age Limit:	
	(I) His or her age limit is 65 (Sixty Five) years.	Complied
	(f) Bonus & Remuneration:	
	(I) Performance Bonus not more than BDT 10 (Ten) Lac in a year	Complied
	(II) He or she will be entitled for any remuneration to attend the Board Meeting and its Sub- Committee Meeting	Complied
	(g) Responsibilities of Managing Director:	
	(I) Managing Director shall discharge his responsibilities on matters relating to financial, business and administration vested by the Board upon him. He is also accountable for achievement of financial and other business targets by means of business plan, efficient implementation of administration and financial management;	Complied
	(II) For day to day operations, Managing Director shall ensure compliance with the rules and regulation of the Finance Company Act, 2023 and other relevant circulars of Bangladesh Bank;	Complied
	(III) All recruitment/ promotion, except those of DMD, GM and equivalent positions shall be vested upon the Managing Director. He shall act such in accordance the approved HR Policy of the institution;	Complied
	(IV) Managing Director may re-schedule job responsibilities of employees;	Complied
	(V) Except for the DMD, GM and equivalent positions, power to transfer and to take disciplinary action shall vested to the Managing Director	Complied
	(VI) Managing Director shall sign all the letters/statements relating to compliance of polices and guidelines. However, Departmental/Unit heads may sign daily letters/ statements as set out in DFIM circular no. 2 dated 06 January 2009 if so authorized by MD.	Complied

Dividend Distribution Policy

PURPOSE

The purpose of the policy is to comply with the Directives Ref. No.BSEC/CMRRCD /2021-386/03 dated 14 January 2021.of Bangladesh Securities and Exchange Commission (BSEC).

ENTITLEMENT OF DIVIDEND

Shareholders whose names shall appear in the Members Register of the Company or in the Depository Register of CDBL on the 'Record Date' of the respective year's AGM will be entitled for the dividend.

METHOED OF DIVIDEND

Dividend may be paid in two ways out of available out of cumulative retained earnings (1) Cash dividend and (2) Stock dividend as per decision of shareholders.

PROCESS OF DISTRIBUTION OF CASH DIVIDEND

Cash dividend shall be paid directly to the bank account within 30 (thirty) days from the date of approval by the Shareholders in the AGM subject to comply of circulars/directives of regulatory authority from time to time. Amount of declared cash dividend payable for the concerned year/period shall be kept in a separate bank account as per circular of BSEC or Bangladesh Bank or other regulatory authority from time to time.

MODE OF PAYMENT OF CASH DIVIDEND

i. Through Bangladesh Electronic Funds Transfer Network (BEFTN);

ii. Through bank transfer or any electronic payment system as recognized by the Bangladesh Bank (if not possible through BEFTN);

iii. In case of margin loan and claim by loan provider, through the Consolidated Customer's Bank Account (CCBA). To the separate bank account of the Merchant Banker or Portfolio Manager through BEFTN;

iv. Through Cash Dividend warrant to be sent by post/courier in case of non-availability of information of the shareholder or unit holder; if cannot be send through BEFTN or other electronic mode.

PROCEDURE OF STOCK DIVIDEND DISTRIBUTION

The stock dividend shall be credited within 30 (thirty) days of approval subject to the clearance of the regulatory requirement [if any from the Bangladesh Bank, the Exchange(s) and the Central Depository Bangladesh Limited (CDBL)]:

i. To the BO account of the shareholders;

ii. To the suspense BO Account for undistributed or unclaimed stock dividend/bonus shares. A new Suspense BO Account shall be opened in every year for the respective year's suspense shares. The bonus dividend shall be transferred to the suspense BO account if BO account is not available or BO account is inactive;

iii. The sale proceeds of fractional bonus dividend shall be paid off as per circular of BSEC or Bangladesh Bank or other regulatory authority from time to time,

TAX MATTERS

Tax will be deducted at source as per applicable tax laws and NBR rules, regulations and SRO's.

SUBMISSION OF DIVIDEND DISTRIBUTION COMPLIANCE REPORT

In-compliance with the Dhaka Stock Exchange (Listing) Regulation-2015 and Chittagong Stock Exchange (Listing) Regulation-2015 and other regulatory requirement Islamic Finance and Investment Limited shall submit a Dividend Distribution Compliance Report to BSEC, DSE and CSE within 7 days from the date of completion of dividend distribution of the concerned year. This report shall submit to BSEC, DSE and CSE in a specified format issued by the regulator (s) within stipulated time.

UNPAID OR UNCLAIMED OF UNSETTLED CASH DIVIDEND

If any cash dividend remains unpaid or unclaimed or unsettled including accrued interest (after adjustment of bank charge, if any) thereon for a period of 03 (three) years from the date of declaration or approval or record date, as the case may be, shall be transferred by the Company to the Fund as directed or prescribed by the BSEC:

The Company shall provide detailed information to the manager of the Fund during transfer of cash dividend as directed or prescribed by the BSEC:

If any shareholder claims his/her cash dividend after transfer of such dividend to the Fund, within 15 (fifteen) days of receiving such claim, the Company shall, after proper verification of the claim, recommend to the manager of the Fund to pay off such dividend from the Fund and the manager of the Fund shall pay off such cash dividend to the claimant in accordance with the provisions and procedures as directed or prescribed by the BSEC.

UNCLAIMED OR UNSETTLED STOCK DIVIDEND

If any stock dividend or bonus shares remains unclaimed or unsettled including corporate benefit in terms of bonus shares thereon for a period of 03 (three) years from the date of declaration or approval or record date, as the case may be, shall be transferred in dematerialized form to the BO Account of the Fund as mentioned above.

The Company shall provide detailed information to the manager of the Fund during transfer of stock dividend or bonus shares as directed or prescribed by the BSEC:

If any shareholder claims his/her stock dividend or bonus shares after transfer of such dividend or bonus shares to the BO Account of the Fund, within 15 (fifteen) days of receiving such claim, the Company shall, after proper verification of the claim, recommend to the manager of the Fund to pay off or transfer such stock dividend or bonus shares from the BO Account of the Fund and the manager of the Fund shall pay off or transfer such stock dividend or bonus shares to the claimant's BO Account in accordance with the provisions and procedures as directed or prescribed by the BSEC.

DISCLOSURE OF THE POLICY

The Dividend Distribution Policy shall be disclosed in the Annual Report of the company and also will be available at the website of the company.

CONFLICT IN POLICY

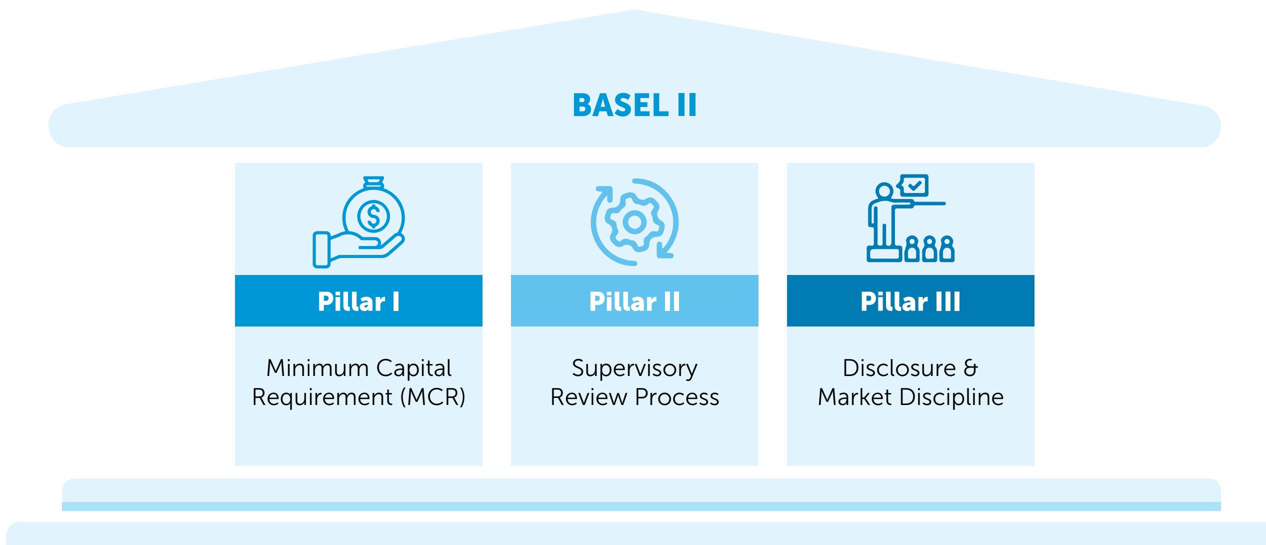
In the event of a conflict between this policy and the extant regulations, the regulations shall prevail.

AMENDMENTS

The Board of Directors shall review and update the policy time to time, if needed.

Disclosures on Capital Adequacy and Market Discipline **(CAMD) – Pillar III**

The following details qualitative and quantities disclosures are provided in accordance with Prudential Guidelines on Capital Adequacy and Market Discipline for Financial Institutions which has been published on December 28, 2011. The purpose of these requirements is to complement the Capital Adequacy requirements and the Pillar III-supervisory review process. These disclosures are intended for market participates to assess key information about the FI's exposures to various risk and to provide a consistent and understandable disclosures framework as per regulatory requirement.



A) Scope of Application

Qualitative Disclosures:

a) These guidelines apply to Islamic Finance and Investment PLC.

b) IFIPLC has no subsidiary companies.

c) Not Applicable.

Quantitative Disclosures:

(a) Not Applicable.

B) Capital Structure

Qualitative Disclosures:

Summary information on terms and conditions of the main features of all capital instruments, especially in the case of capital instruments eligible for inclusion in Tier 1 or Tier 2.

Tier 2 Capital includes:

a) General provision up to a limit of 1.25% of Risk Weighted Asset (RWA) of Credit Risk;

b) Revolution reserves:

- 50% Revaluation reserve for fixed assets;

- 45% Revaluation reserve for Securities;

-10% Revaluation reserve for Equity Instrument;

c) All other preference shares

Conditions for maintaining regulatory capital:

The calculation of Tier 1 capital, and Tier 2 capital, shall be subject to the following conditions:

a) The amount of Tier 2 capital will be limited to 100% of the amount of Tier 1 capital.

b) 50% of revaluation reserves for fixed assets and 45% of revaluation reserves for securities are eligible for Tier 2 capital.

Quantitative Disclosures:

The amount of Tier 1 capital, with separate disclosure of:

Particulars	Amount BDT Crore
Paid up capital	140.33
Non-repayable share premium account	0.07
Statutory reserve	50.16
General reserve	4.64
Retained earning	(194.54)
Dividend equalization account	2.15
A. Total Tire -1 (Core Capital)	**2.82**
B. The total amount of Tier 2 capital	**11.85**
C. Other deductions from capital	**-**
D. Total Eligible Capital (A+B+C)	**14.67**

C) Capital Adequacy

Qualitative Disclosures:

a) A summary discussion of FI's approach to assessing the adequacy of its capital to support current and future activities.

Risk Weighted Assets (RWA) and Capital Adequacy Ratio (CAR)

IFIPLC has adopted Standardized Approach for computation of Capital Charge for Credit Risk and Market Risk while Basic Indicator Approach for Operational Risk. Total Risk Weighted Assets (RWA) of the Company is determined by multiplying the capital charge for market risk and operational risk by the reciprocal of the minimum capital adequacy ratio i.e. 10% and adding the resulting figures to the sum of risk weighted assets for credit risk. Total RWA is then used as denominator while total Eligible Regulatory Capital as on numerator to derive Capital Adequacy Ratio.

Strategy to Achieve the Required Capital Adequacy:

- Rigorous monitoring of overdue loans to bring those under 90 days overdue;
- Asking unrated clients to have credit rating from ECAI's recognized by Bangladesh Bank;
- Financing clients having good rating as per Company's policy;
- Using benefit of credit risk mitigation by taking eligible collaterals against transactions;
- Raise fresh capital by issuing bonus share/ right issue;

Quantitative Disclosures:

Particulars	Amount BDT Crore
b) Capital requirement for Credit Risk	100.20
c) Capital requirement for Market Risk	1.70
d) Capital requirement for Operational Risk	8.77
e) Total and Tier 1 capital ratio	
CAR on Total capital basis (%)	1.33
CAR on Tier 1 capital basis (%)	0.25

D) Investment/Credit Risk

Qualitative Disclosures:

a) The general qualitative disclosure requirement with respect to investment/credit risk including:

- Definitions of past due and impaired (for accounting purposes)

As per the Bangladesh Bank's Prudential Guideline on Capital Adequacy and Market Discipline for Financial Institutions, the unsecured portion of any claim or exposure (other than claims secured by residential property) that is past due for 90 days or more, net of specific provisions (including partial write-off) will be risk weighted as per risk weights of respective balance sheet exposures. For the purpose of defining the net exposure of the past due loan, eligible financial collateral (if any) may be considered for Investment/Credit Risk Mitigation.

- Description of approaches followed for specific and general allowances and statistical methods.

General provisions are maintained according to the relevant Bangladesh Bank Guideline and Specific provisions are maintained as per IFIPLC's internal policy which is much more conservative than Bangladesh Bank Guidelines.

Discussion on FI's Investment/Credit risk management policy:

Implementation of various strategies to minimize risk:

To encounter and mitigate investment/credit risk, the following control measures are taken place at IFIPLC:

- Vigorous monitoring and follow up by fully dedicated recovery and collection team;

- Strong follow up of compliance of credit policies by appraiser and investment/credit department;
- Adequate insurance coverage for funded assets;
- Analysis payment performance of customer before financing;
- Annual review of clients;
- Seeking legal opinion from internal and external lawyer for any legal issues;
- Regular review of market situation and industry exposure;

In addition to the best industry practices for assessing, identifying and measuring risks, IFIPLC also considers Guideline for Managing Core Risks of Financial Institutions issued by Bangladesh Bank for management of risks.

Approved Investment / Credit Policy by the Board of Directors:

The Board of Directors has approved the investment /credit policy for the company where major policy guidelines, growth strategy, exposure limits and risk management strategies have been described/ stated. Investment/Credit policy is regularly updated to cope up with the changing global, environmental and domestic scenarios.

Separate Investment/Credit Risk Management Division:

An independent Investment Risk Management Division is in place, at IFIPLC, to scrutinize all investment/loans from risk-weighted point of view and assist the management in creating a high quality portfolio and maximize returns from assets. The Investment Risk Management Division assesses investment /credit risks and suggests mitigations and ensures that adequate security documents are in place before sanction of investment/ loan and before disbursement of loans.

Special Recovery and Collection Team:

A strong recovery team monitors the performance of the loans and advances, identifies early sign of delinquencies in portfolio and takes corrective measures to mitigate risks, improve loan quality and to ensure recovery of loans in a timely manner including legal actions.

Independent Internal Control and Compliances Department (ICCD)

Appropriate internal control measures are in place at IFIPLC. An Internal Compliance Department has been established to ensure compliance with all internal guidelines, Bangladesh Bank guidelines, operational procedures and adequacy of internal control and documentation procedures.

Investment /Credit Evaluation

To mitigate investment/credit risk, IFIPLC search for credit reports from Credit Information Bureau (CIB) of Bangladesh Bank. The report is scrutinized by Investment Risk Management Division to understand the liability condition and repayment behavior of the client. Depending on the reports, opinions are taken from the concerned related parties for better understanding about client's investment/credit worthiness.

Investment/Credit Approval Process

To ensure both speedy service and mitigation of investment/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 investment/loan are very frequent and comparatively less risky, lower sanctioning authority is set to improve processing time and associated risk. Bigger loans require more scrutiny as the associated risk is higher hence sanctioning authority is higher as well.

Early Warning System

Performance of investment/ loans is regularly monitored to trigger early warning system to address the investment/ loans and advances whose performance show any deteriorating trend. It helps the company to grow its investment/credit portfolio with ultimate objective of protecting the interest of the stakeholders.

Methods used to measure Investment/ Credit Risk

As per the directives of Bangladesh Bank, 'The Standardize Approach' is applied by the company to measure its investment/Credit Risk.

Quantitative Disclosures:

b) Total gross investment/credit risk exposures broken down by major types of investment/credit exposure:

Particulars	Amount BDT Crore
Investment in Leases	262.18
HPSM (Hire purchase Sherkatul Melk)	524.52
Bai Murabaha Muajjala	1.72
Bai Muajjal (General)	163.79
Bai Muajjal HDS (Houe hold durable scheme)	0.04
Total:	**952.25**

c) Geographical distribution of exposures, broken down in significant areas by major types of investment/credit exposure:

Particulars	Amount BDT Crore
Dhaka	639.39
Chattogram	125.80
Bogura	82.23
Narayanganj	87.36
Gazipur	10.64
Chowmuhani	6.83
Total:	**952.25**

d) Industry or counterparty type distribution of exposures, broken down by major types of investment/credit exposure:

Sl	Sector wise break-up of General Investments	Amount BDT Crore
1	**Trade & Commerce**	**83.96**
2	**Industry**	**579.35**
A.	Garments & Knitwear	36.20
B.	Textiles	85.74
C.	Food Production, Processing & Rice Mills	112.34
D.	Jute & Jute products	3.94
E.	Plastic & Rubber Industry	17.69
F.	Leather & Leather goods	0.13
G.	Iron, Steel & Engineering	60.50
H.	Pharmaceuticals & Chemicals	8.08
I.	Cement & Allied Industry	35.45
J.	Paper, Packaging, Printing, Publishing & Allied Industry	35.93
K.	Wood, Furniture & Fixture	-
L.	Glass, Glassware & Ceramic Industry	-
M.	Ship Manufacturing & Breaking	0.08
N.	Electronics & Electrical Products	58.38
O.	Power, Gas, Petroleum, Water & Sanitary	93.29
P.	Transport & Aviation	30.47
Q.	Others	1.12
3.	**Agriculture**	**6.39**
A.	Crops	-
B.	Forestry	0.20
C.	Poultry & Livestock	2.12
D.	Fisheries	0.10
E.	Others (Cold Storage, Biofuel, Seed, Feed, Agri-related Other Institutions & Services)	3.98
4	**Mining & Quarrying**	**-**
5	**Housing**	**123.91**
A.	Individual/Retail Housing	38.13
B.	Project/Commercial Housing	85.78
6	**Financial Corporation**	**-**
A.	Bank	-
B.	Financial Institution	-
C.	Insurance Company	-
D.	NGO	-
E.	Audit & Accounting firm	-
F.	Credit Rating Agency	-
G.	Merchant Banking	-
i.	Loans to Own Subsidiaries	-
ii.	Loans to Other FI/Bank Subsidiaries	-
iii.	Loans to Brokerage House	-
iv.	Other Financial Auxiliaries	-
7.	**Service**	**35.16**
A.	Education, Career & Training (Institutional), Consultancy Supervisory	-
B.	Tourism, Hospitality & Logistics	27.16
C.	Health Sector	1.08
D.	Media, Advertising & Event Management	-
E.	Beautification & Gym	-
F.	Tailoring & Laundry	0.04
G.	Private Survey Institution	-
H.	Restaurant Service, Catering & Online Food Supplier	-
I.	Telecommunication & Information Technology	2.59
J.	Others	4.29
8	**Consumer Finance**	**5.67**
A.	Personal Loan	-
B.	Auto Loan	-
C.	Employee/Staff Loan	5.67
D.	Credit Card	-
E.	Loan Against Deposit	-
9	**Others**	**117.81**
	Grand Total	**952.25**

e) Residual contractual maturity breakdown of the whole portfolio, broken down by major types of investment/credit exposure:

Particulars	Amount BDT Crore
Repayable on demand	-
Not more than 3 months	97.81
Over 3 months but not more than 1 year	150.35
Over 1 year but not more than 5 years	154.21

Particulars	Amount BDT Crore
Over 5 years	549.88
Total:	**952.25**

f) Gross Non Performing Assets (NPA)

Non-Performing Assets (NPAs) to outstanding Investment/ Loans and Advances

Movement of Non-Performing Assets (NPAs)

Particulars	Amount BDT Crore
Opening Balance	367.72
Additions	190.00
Reductions	-
Closing Balance	**557.72**

Movement of Specific Provisions for NPAs:

Particulars	Amount BDT Crore
Opening Balance	60.15
Provisions made during the period	153.56
Write-off	-
Written-back of excess provisions	-
Closing Balance	**213.71**

E) Equities: Banking book position

Qualitative Disclosures:

a) The general qualitative disclosure requirement with respect to equity risk, including:

Differentiation between holdings on which capital gains are expected and those taken under other objectives including for relationship and strategic reasons. Discussion of important policies covering the valuation and accounting of equity holdings in the banking book positions. This includes the accounting techniques and valuation methodologies used, including Key assumptions and practices affecting valuation as well as significant changes in these practices.

Quoted shares are valued at cost prices and if the total cost of a particular share is lower than the market value of that particular share, then provision are maintained as per terms and conditions of regulatory authority. Mutual funds have been valued at 85% of latest published NAV available as on December, 2024. On the other, unquoted share is valued at cost price or book value as per latest audited accounts.

Quantitative Disclosures:

b) Value disclosed in the balance sheet of investments, as well as the fair value of those investments, for quoted securities, a comparison to publicly quoted share values where share price is materially different from fair value.

Particulars	Amount BDT Crore
Quoted shares (Six months Av. Market price)	8.48
Quoted shares (Cost Price)	10.72
Unquoted shares	5.16

c) The cumulative realized gain (losses) arising from sales and liquidations in the reporting period.

Particulars	Amount BDT Crore
Cumulative realized gain(loss)	0.06

d)

Particulars	Amount BDT Crore
Total unrealized gains(Losses)	(3.26)
Total latent revaluation gains(Losses)	-
Any amounts of the above included in Tier 2 Capital	-

e) Capital requirements broken down by appropriate equity groupings, consistent with FI's methodology, as well as the aggregate amounts and the type of equity investments subject to any supervisory provisions regarding regulatory capital.

Specific Risk –Six months Av. Market value of investment in equities is BDT 8.48 crore. Capital requirement is 10% of the said value which stands at BDT 0.85 crore.

General Risk – Six months Av. Market value of investment in equities is BDT 8.48 crore. Capital requirement is 10% of the said value which stands at BDT 0.85 crore.

F) Profit/Interest rate in banking book

Qualitative Disclosures:

a) The general qualitative disclosure requirement including the nature of profit/interest risk and key assumptions, including assumptions regarding loan prepayments and behavior of non-maturity deposits.

Profit/Interest rate risk in the banking book arises from mismatches between the future yield of assets and their funding cost. Assets Liability Committee (ALCO) monitors the profit/interest rate movement on a regular basis.

IFIPLC measures the profit/interest rate risk by calculating maturity gap between Risk Sensitive Assets (RSA) and Risk Sensitive Liabilities (RSL) i.e. a positive maturity gap affect company's profitability positively with the increment of interest rate and negative maturity gap affects company's profitability adversely with the increment of profit/interest rate.

Quantitative Disclosures:

b) The increase (decline) in earning or economic value (or relevant measure used by management) for upward and downward rate shocks according to management's method for measuring profit/interest rate risk broken down by currency (as relevant).

(Amount BDT Crore)

Particulars	Maturity wise Distribution of Assets & Liabilities				
	1 to 30/31 day (One month)	Over 1 month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year
A. Total Rate Sensitive Liabilities (A)	45.70	46.82	47.84	77.17	55.65
B. Total Rate Sensitive Assets (B)	55.62	68.36	70.22	95.72	81.63
C. Mismatch	9.92	21.54	22.38	18.55	25.98
D. Cumulative Mismatch	9.92	31.47	53.85	72.40	98.38
E. Mismatch (%)	21.72%	46.02%	46.79%	24.04%	46.68%

Profit/Interest Rate Risk:

(Amount BDT Crore)

Magnitude of Shock	Minor	Moderate	Major
	2%	4%	6%
Change in the Value of Bond Portfolio (BDT in Crore)	0.00	0.00	0.00
Net Interest Income (BDT in Crore)	1.97	3.94	5.90
Revised Regulatory Capital (BDT in Crore)	16.64	18.61	20.57
Risk Weighted Assets (BDT in Crore)	1106.70	1106.70	1106.70
Revised CAR (%)	1.50%	1.68%	1.86%

G) Market Risk

Qualitative Disclosures:

a) Views of BOD on trading/investment activities

All the Market risk related policies/guidelines are duly approved by BOD. The BOD sets limits, reviews and updates the compliance on regular basis aiming to mitigate market risk.

Method used to measure Market risk:

Market risk is the probability of losing assets in balance sheet and off-balance sheet position arising out of volatility in market variables i.e. profit/interest rate, exchange rate and prices of securities. In order to calculate the market risk for trading book purposes the company uses Standardize (rule based) Approach. Capital charge for profit/interest rate risk and foreign exchange risk is not applicable to our company as because we do not have such balance sheet items.

Market Risk Management System:

A system for managing Market Risk is in place where guideline has been given regarding long-term, short-term funding, liquidity contingency plan, local regulatory compliance etc. Treasury manages the Market risk with the help of Asset Liability Management Committee (ALCO) and Asset Liability Management (ALM) Desk in the following manner:

Profit/Interest Risk Management:

Treasury Department reviews the risk of changes in the income of the company as a result of movements in the market profit/interest rates. In the normal course of business, IFIPLC tries to minimize the mismatches between the duration of profit/interest rate sensitive assets and liabilities. Effective Profit/Interest Rate Risk Management is done as under:

Market analysis:

Market analysis over profit/interest rate movements are reviewed by the Treasury Department of the company. The type and level of mismatch interest rate risk of the company is managed and monitored from two perspectives, being an economic value perspective and earning value perspective.

GAP analysis:

ALCO has established guidelines in line with central bank's policy for the management of assets and liabilities, monitoring and minimizing profit/interest rate risks at an acceptable level. ALCO in its regular monthly meeting analyzes profit/Interest Rate Sensitivity by computing GAP i.e. the difference between rate sensitive assets and rate sensitive liabilities and takes decision of enhancing or reducing the GAP according to prevailing market situation aiming to mitigate profit/ interest rate risk.

Continuous Monitoring:

Company's treasury manages and controls day-to-day trading activities under the supervision of ALCO that ensures continuous monitoring of the level of assured risks.

Equity Risk Management

Equity Risk is the risk of loss due to adverse change in the market place of equities held by the Company.

Equity Risk is managed by the following manner:

IFIPLC minimizes the equity risks by portfolio diversification as per investment policy of the Company.

Quantitative Disclosures:

The capital requirements for Market Risk:

Particulars	Amount BDT Crore
Interest rate risk	-
Equity position risk	1.70
Foreign Exchange Position and	-
Commodity risk (If any)	-

H) Operational Risk

Qualitative Disclosures:

a) Views of Board on the system to reduce Operational Risk

All the policies and guidelines of internal control and compliances are established as per advice of the Board. The Board delegates its authority to Executive Committee and Managing Director. Audit Committee of the Board oversees the activities of internal Control and compliance as per good governance guideline issued by Securities and Exchange Commission.

Performance gap of executives and staff:

IFIPLC's recruitment policy is based on retaining and attracting the most suitable people at all levels of the business and this is reflected in our objective approach to recruitment and selection. The approach is based on the requirements of the job (both now and in future), matching the ability and potential of the individual. Qualification, skills and competency form our basis for nurturing talent. Favorable job responsibilities are increasingly attracting greater participation from different level of employees in the IFIPLC family. We aim to foster a sense of pride in working for IFIPLC and to be the employer of choice. As such there exists no performance gap in IFIPLC.

Potential external events:

No such potential external event exists to raise operational risk of IFIPLC at the time of reporting.

Policies and Procedure for mitigating operational risk.

IFIPLC has established a strong Internal Control Department to address operational risk and to frame and implement policies to deter such risks. Internal Control Department assesses operational risk across the company and ensures that appropriate framework exists to identify, assess and manage operational risk.

Approach to calculating capital charge for operational risk

Operational risk is defined as the risk of loss resulting from inadequate or failed internal processes, people and system or from external events. IFIPLC uses basic indicator approach for calculating capital charge against operational risk i.e. 15% of average positive annual gross income of the company over last three years.

Quantitative Disclosures

Capital requirement for operational risk:

Particulars	Amount BDT Crore
Capital requirement for operational risk:	8.77

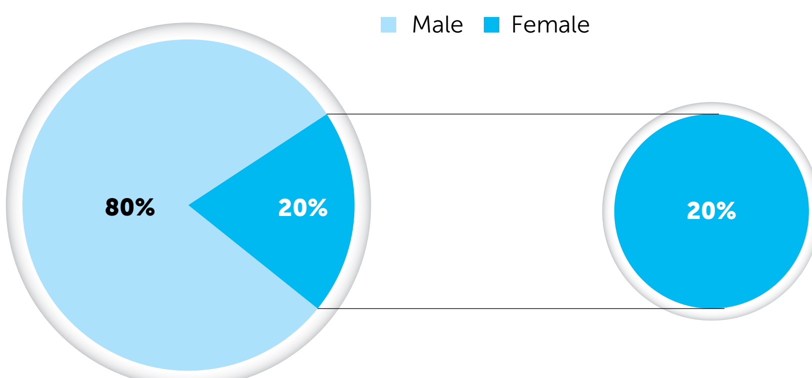
Human Resources

আল্লাহ্ সুদকে নিশ্চিহ্ন করেন
আর দানকে বর্ধিত করেন।

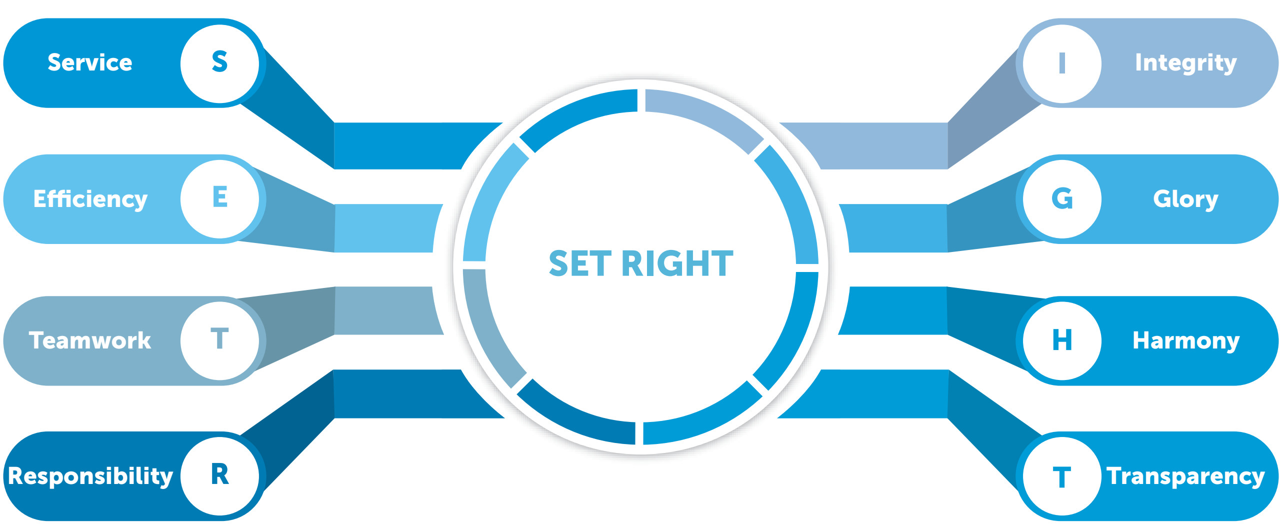
Report on **Human Capital**

Islamic Finance and Investment PLC, the pioneer in shariah based financial Institution in the country considers the well-being of employees of its own and focuses for their Capacity Development. Human Resources Management Division (HRMD) focuses on formulating and implementing a framework for its human resources to attain both short term and long term business goals and outcomes. In the year 2024 HRMD focused on aligning HR Planning with the strategic goals of IFIPLC to ensure that the right talent is available at the right place. Islamic Finance is an equal opportunity employer and promotes a diversified. Culture with congenial work environment for its female employees. Currently 20% of total manpower is female. HRMD not just manage the people administrative functions but also work effectively considering the interest of the employees. It works as strategic partner. HR builds bridge between employer and employee needs through improving the quality of work life. HRMD works for development of human resources to ensure mission of the IFIPLC.

Gender Distribution



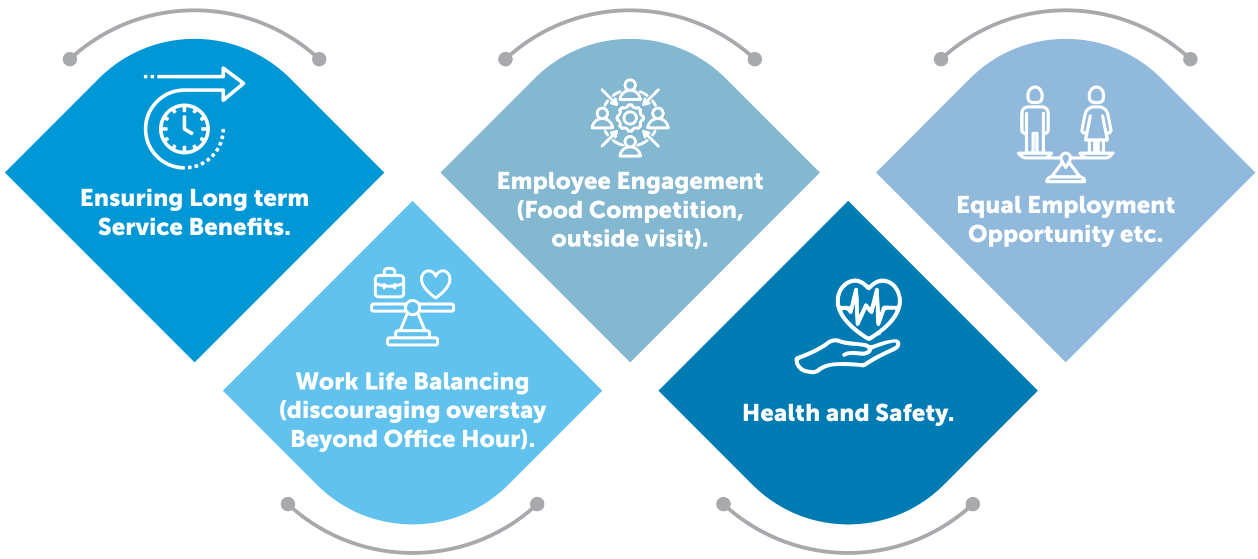
HRMD takes various initiative to ensure the best possible environment for all of its employees for their career growth and organizational development in line with the **IFIPLC Values**



HRMD emphasizes on employee oriented approach in day to day operations. Major functional areas of the Human Resources Management Division are:

Employee Welfare:

At IFIPLC relentless efforts are made to maintain the standard work life balance of the employees through providing all out support and necessary guidance while ensuring they feel valued and motivated. Happy, proactive and loyal employees are the greatest assets of IFIPLC. The management of IFIPLC is always very keen to ensure employee wellbeing and growth by



Compensation & Benefits

IFIPLC committed to offering competitive compensation and benefits packages that attract and retain talent. The compensation and benefits of IFIPLC includes attractive pay packages, Festival Bonus, incentives, performance bonus, Provident Fund, Gratuity Fund, Leave Encashment and many more attractive features. The compensation structure is aligned with the market standards and is reviewed from time to time in order to maintain standards with the industry and the economy of the country.

Training and Development

IFIPLC gives priority in employees developing skills and mindset of its employees. in line with our commitment to continuous learning, the HR Division expanded the scope of its training and development programs in 2024. We offered a range of trainings, workshops covering technical skill, leadership development, shariah knowledge and soft skills. A notable achievement in the 2024 was the successful completion of 26 training programs of different areas like Investment Management, Anti Money Landaring, Banking Lows, Leadership Development, SME Business etc. which contributed to a more skilled and adaptable workforce. HR division prepared the Training Calendar for the 2024 at the beginning of the year on the basis of Training Needs Assessments and conducted the trainings accordingly through internal arrangement in virtual platforms and in physical appearance. Furtheremore, various local outsourced which were conducted by regulatory bodies and organizations were also allowed. We believe these training programs are instrumental in shaping the careers of our employees which ultimately benefits the organization.

HR Compliance

Ensuring compliance with the labor laws and internal policies remained a top priority for the HR Division. We ensure that our employee policies are transparent, fair and readyly available to all the employees. Furthermore, initiatives to update the service rules in alignment with Bangladesh Labor Law, industry practice and regulatory authority has also been taken. Discussion on compliance related topics were made in several occasion to foster a culture of integrity and adherence to legal and regulatory requirements.

Employment

HRMD is responsible for facilitating the overall goals of the organization through effective administration of human capital. HRMD considers employees as the company's most important asset. HR planning is the first step in building an organization's human capital. Subsequently, it is executed in phases. In the employment phase, the goals are to locate and hire the best candidates, on time and within budget. IFIPLC conducts two types of recruitment. One is fresh recruitment and another is lateral/experienced recruitment. For the fresh hiring, we generally engage highly illustrious consultancy firms/ institutions to conduct the assessment professionally.

Performance Management

We emphasize the fair evaluation process to facilitate the career growth of its employees. IFIPLC has established an SMART KPI to evaluate the contribution of all individuals in a transparent manner to assess quantitative and/or qualitative performance. Separate committees monitors the loopholes in performance management process and moderate the assessment to make it more justified and unbiased. While setting and assessing performance, IFIPLC considers various issues like specify jobs, covering a comprehensive range of jobs, align assignment with strategic direction and culture, practicality and easiness to apprehend and use, monitor behaviors, training and development opportunities for improving performance, establish clear communication between supervisors and employees etc.

সঞ্চয় শুধু টাকা জমা নয়,
ভবিষ্যতের নিরাপত্তা।

Senior Management

1. Md. Nurul Azim
   Managing Director
2. Md. Taufikul Hakim
   Senior Vice President & Head of Business
3. Imteeaz Ahmed
   Senior Vice President & Chief HR Officer
4. Rashed Imam
   Senior Vice President & Manager, Principal Branch
5. Md. Ramzan Hossain, ACS
   First Vice President & Company Secretary
6. Mohammad Rashedul Islam ACA
   First Vice President & Chief Financial Officer

1-2

3-4

5-6

Risk Management in IFI PLC.

হালাল ব্যবসায় আছে বরকত,
হারামে আছে ধ্বংস।

RISK MANAGEMENT IN IFIPLC.

IFIPLC places risk management at the heart of its journey toward long-term success. We proactively identify, evaluate and address risks, staying both optimistic and vigilant. Recognizing the lingering effects of a national liquidity crisis, we're actively optimizing our funding strategies and strengthening liquidity plans to maintain a stable capital base.

Our dedicated risk framework is woven into every part of our organization. Senior leadership convenes through an Asset and Liability Committee (ALCO) to assess market, credit and liquidity risks. Meanwhile, our Investment Risk Management (IRM) team independently evaluates risks in projects and investments aligning them with our risk appetite and avoiding ventures that fail to meet our ethical, social, or environmental standards. Our Investment Administration Department (IAD) and Internal Control and Compliance (ICCD) departments are responsible for assessing operational risks across the Company and also ensure an appropriate framework to identify, assess and manage operational risks.

We constantly monitor market developments, refine our liquidity management and seek sustainable portfolio growth. With the possibility of broad economic stabilization on the horizon, we're confident that our strategic, disciplined risk approach will enable us to capitalize on emerging opportunities and deliver measurable gains.

Policy Introduction and Implementation

Policy Introduction and Implementation of IFIPLC. has introduced Integrated Risk Management System (IRMS) to address Enterprise Risk Management (ERM) through forming a Risk Management Committee (RMC) consisting 4 (four) members from the Board of Directors as per the guidelines of the Regulators. On the other hand, the Management of IFIPLC. has appointed Risk Officer with related professional degrees, skills and experiences. Different policies, guidelines, processes and procedures relating to capacity building, framework and infrastructure building has been introduced in the recent times.

Understanding the types of risk

IFIPLC as a Finance Company faces a diverse array of risks that can potentially impact operations, financial health, and reputation. These risks can broadly be categorized into several key types:

1. Investment Risk: Our structured investment risk management process as control function, responsible for independent challenge, monitoring and oversight of the investment risk management practices, performed exemplary to ensure that investment risks are properly assessed and transparent and investment decisions are controlled in accordance with IFIPLC's risk appetite, investment policies and standards. Currently IFIPLC. has Board of Directors approved Investment Risk Management Policy to deal with various risk minimization and mitigation process.

2. Concentration Risk: The potential vulnerability of an investment or portfolio due to over reliance on a single asset, borrower, sector, or geographic region.IFIPLC. is maintaining portfolio in terms of a single asset, borrower or sector against set parameters. We make changes in portfolio mix if needed. We also consider changing investment strategy in the long run.

3. Market Risk: Market risk refers to potential losses arising from unfavorable movements in financial market conditions such as interest rates, exchange rates, equity prices and commodity prices that affect the value of its assets, liabilities, and earnings. A thorough process of Market Risk Management has been introduced and practiced by arranging regular meeting of Asset Liability Management Committee (ALCO) in IFIPLC.

4. Liquidity Risk: This risk pertains to the inability of financial institutions to meet their short-term obligations due to mismatches between assets and liabilities. In a country like Bangladesh, where liquidity management can be challenging, this risk requires careful monitoring and proactive management. Treasury Department has been involved actively to participate in the ALCO to address all the issues regarding liquidity management efficiently.

5. Operational Risk: Operational risk arises from failures in internal processes, systems, human errors, or external events. In Bangladesh, operational risk management is critical as institutions expand their digital and technological footprint amidst evolving regulatory frameworks. Currently IFIPLC. has Board of Directors approved ICCD Policy, Anti Money Laundering and Combating Terrorist Financing Policy, Internal Control and Compliance Department (ICCD) and Investment Risk Management Committee (IRMC) to deal with various operational risk mitigation process.

6. Regulatory & Compliance Risk: IFIPLC. has adopted risk management process to address the money laundering risk and combat the terrorist financing risk. IFIPLC is heavily deployed in terms of quality human resources, tools and monitoring to address this risk area.

7. Reputational Risk: Reputational risk at IFIPLC. arises from several interlinked sources: first and foremost is Shariah compliance. Any misalignment such as inconsistent application of Shariah guidelines across branches or miscommunication with its Shariah Advisory Board, can erode stakeholder confidence.IFIPLC. also considers reputational and strategic impacts to make the decisions, taken based on risk assessment, more objective and sustainability.To mitigate reputational risk, IFIPLC. maintains a robust risk management framework encompassing investment risk controls, an established internal control and compliance department and anti–money laundering procedures in full alignment with Bangladesh Bank regulations.

Risk Management Frameworks and Practices

Effective risk management in Bangladesh's financial institutions relies on robust frameworks and practices tailored to the unique challenges and opportunities of the local market. Key components of these frameworks include:

Risk Identification

Comprehensive identification of risks across all areas of operation, utilizing tools such as risk registers and scenario analysis to anticipate potential threats.

Risk Assessment and Measurement

Quantitative and qualitative assessment of risks, including the use of metrics such as Value-at-Risk (VaR) and stress testing to gauge potential impacts on financial stability.

Risk Mitigation Strategies

Development and implementation of strategies to mitigate identified risks, including risk transfer mechanisms such as insurance, hedging strategies, and diversification of portfolios.

Monitoring and Reporting

Continuous monitoring of risk exposure and performance metrics, coupled with robust reporting mechanisms to inform stakeholders and regulatory bodies.

Governance and Oversight

Establishment of clear governance structures and oversight mechanisms to ensure accountability and adherence to risk management policies and procedures.

The Board of Directors and the Management of IFIPLC. in collaboration with Policy and Process support addressing the Risk Management and Governance issues effectively and efficiently while ensuring transparency, accountability in responsibility and above all the rules of law. The Management is working on the process of development considering Sustainability, Environmental and Social Responsibility and Economic Growth of the Country.

Despite significant progress in enhancing risk management practices, financial institutions in Bangladesh face several challenges, these are addressed by IFIPLC. as follows:

Capacity Building

Limited availability of skilled professionals with expertise in advanced risk management techniques poses a challenge to effective risk mitigation. IFIPLC. is keen to recruit knowledgeable, skilled, experienced employees for better future.

Ensuring Accountability

All teams should own respective risks and be responsible for continuous and active management.

Technological Integration

Integration of advanced technologies such as artificial intelligence and machine learning in risk management processes requires substantial investment and expertise. IFIPLC. is looking forward to have fintech related advanced technologies, better MIS system and Information System Audit in near future.

Regulatory Landscape

Evolving regulatory frameworks require continuous adaptation and compliance, adding is complexity to risk management strategies. In a changing scenario IFIPLC. is complying all necessary regulatory compliances in time.

Collaboration and Knowledge Sharing

IFIPLC. is collaborating among financial institutions, regulatory bodies, and international partners to enhance knowledge sharing and best practices in risk management.

Technological Advancements

IFIPLC. is adopting leveraging technological advancements to automate risk assessment processes and enhance predictive capabilities.

Enhanced Training and Education

IFIPLC. is investing in training and grooming of the employees to build a skilled workforce capable of navigating complex risk environments.

CORPORATE SOCIAL RESPONSIBILITY (CSR) STATEMENT

IFIPLC. has long made Corporate Social Responsibility (CSR) a core part of its mission. They actively support the country's socio-economic growth by helping more people participate in and benefit from national progress. The CSR efforts focus on empowering women, youth and underserved groups through donations in key areas like education, training and community engagement.

IFIPLC. has realigned its CSR efforts to deliver on its commitment by empowering communities socially and economically. Their approach ensures these initiatives bolster community development and environmental stewardship in a way that's sustainable.

1
Increasing CSR in Environmental Projects

2
Incorporation in agricultural adaptation projects in CSR.

3
Promoting education and training for literacy

4
Empowering women & marginalized groups.

SUSTAINABLE FINANCE

At IFIPLC., we are committed to advancing sustainable and green finance by integrating environmental and social principles into our investment decisions. As a responsible Finance Company, IFIPLC. recognizes the critical role of finance in addressing climate change, supporting inclusive development, and promoting long-term economic resilience. Our approach emphasizes green investments; such as renewable energy, energy efficiency and sustainable infrastructure while aligning with global frameworks like the UN Sustainable Development Goals (SDGs), Paris Agreement and the Task Force on Climate-related Financial Disclosures (TCFD). Through transparent practices and impact-focused financing, we aim to deliver value to stakeholders while contributing to a more sustainable and equitable future.

OUR SUSTAINABLE FINANCE INITIATIVES

Renewable Energy

At IFIPLC., we recognize the pressing need to transition towards renewable energy sources to ensure long-term environmental sustainability.In response to the escalating challenges posed by depleting natural resources and increasing greenhouse gas emissions, we are committed to investing in clean energy solutions.

Effluent Treatment Plant (ETP)

In line with our commitment to responsible financing, we are actively investing in Effluent Treatment Plants (ETPs), including advanced biological and biochemical systems.These investments are pivotal in mitigating the adverse effects of liquid wastes, such as dyes and chemicals, commonly generated by various industries.

Energy Efficient Technology

In response to the growing need for modernization, we are committed to supporting businesses in adopting advanced energy-efficient solutions.By financing the acquisition of state-of-the-art machinery and automation systems, we aim to help industries reduce electricity consumption, lower operational costs, and increase production capacity.

Sustainable CMSME

Islamic Finance and Investment PLC. (IFIPLC.) plays a pivotal role in fostering sustainable CMSME development in Bangladesh by aligning its financing strategies with global green and inclusive growth goals. With a dedicated Sustainable Finance Unit, IFIPLC. emphasizes green CMSME projects such as agro-processing, eco friendly productions, waste management, renewable energy and women led SMEs.

Cottage, Micro, Small and Medium Enterprises

প্রয়োজনে বিনিয়োগ নাও,
কিন্তু সময়মতো পরিশোধ করো।

COTTAGE, MICRO, **SMALL AND MEDIUM ENTERPRISES**

IFIPLC's proactive engagement with the CMSME sector extends beyond financing. The institution has actively participated in various trade fairs, business expos and promotional programs aimed at connecting CMSME clients with larger markets, expanding the customer base and unlocking growth opportunities. Through these initiatives, CMSMEs have been able to scale their operations, increase productivity and contribute meaningfully to national economic progress. IFIPLC's tailored financial solutions, guided by the principles of Islamic finance, are designed to support entrepreneurs at every stage of their business journey. This deliberate and mission-driven focus on the CMSME sector reflects IFIPLC's long-standing vision to serve as a catalyst for sustainable, broad-based economic empowerment rooted in ethical and Shariah-compliant financial practices.

Financing women entrepreneurs under CMSME

IFIPLC is sincerely working in developing and financing women entrepreneurs for empowerment. To provide best services to women entrepreneurs & easy access to finance, IFIPLC has already established "Women Entrepreneurs Development Unit" under which each branch has a "Dedicated Woman Entrepreneur Help Desk". IFIPLC. invests upto BDT 25.00 lac as per requirement to women entrepreneurs against personal guarantee to ensure the growth of women led enterprises.

Financing New Entrepreneurs in Cottage, Micro and Small Enterprise Sector

In the last few decades, Bangladesh has experienced a boom in start-up culture. These new businesses have not only found success in existing industries but many businesses have helped create new industries altogether and generate employment opportunities in the country. IFIPLC. emphasizes on investing new entrepreneurs through investment by flexible terms.

Financing Agro product processing Industry at rural & suburban areas

IFIPLC prioritizes investment in setting up Agro product processing Industry at rural & suburban areas for employment generation in rural areas as per direction of Bangladesh Bank.

Financing in CMSME clusters

In line with the direction of Bangladesh Bank, IFIPLC. has already identified different CMSME clusters like light engineering, metal working, agro processing, power loom, leather goods and handicraft in different parts of the country where IFIPLC. is trying to invest for boosting cluster investment.

Financing in Start-ups

Islamic Finance and Investment PLC. (IFIPLC.) has taken significant strides in supporting Bangladesh's startup ecosystem through its Shariah-compliant financing platforms tailored to empower early-stage ventures and foster inclusive growth. By prioritizing flexible terms and fast decisions, IFIPLC's startup finance model fosters entrepreneurship, generates jobs and sustains socially responsible growth.

Auditors' Report & Financial Statements

সঠিক জায়গায় বিনিয়োগ,
সাফল্যের প্রথম ধাপ।

Independent Auditor's Report

To the Shareholders of Islamic Finance and Investment PLC

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Islamic Finance and Investment PLC (the "Company"), which comprise the Balance Sheet as of 31 December 2024, Statement of profit and loss accounts, Statement of changes in equity and Cash flow statement for the year then ended, and financial statements, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of financial position of Islamic Finance and Investment PLC as at 31 December 2024 and of its financial performance for the year then ended in accordance with International Accounting Standards (IAS), International Financial Reporting Standards (IFRSs) and comply with the Finance Company Act, 2023, the Rules and Regulations issued by Bangladesh Bank, the Companies Act,1994 and other applicable Laws and Regulations.

Basis for Opinion

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

Emphasis of Matters

- As per the quick summary report issued by Bangladesh Bank on 21.04.2025 and the subsequent letter vide-DFIM(C)1054/13/2025-1980, dated 25 June 2025, as of 31 December 2024, the company had a shortfall of provision against investments of BDT 93.11 Crore which is granted under a deferral facility by Bangladesh Bank for a 05 years' timeframe as per letter reference no. DFIM(C) 1054/13/2024-2050 dated 25 June 2024.

  Moreover, the total outstanding Investment (Loans, Leases and Advances) as of 31 December 2024 is BDT 9,522,483,955 out of which BDT 5,577,194,014 is classified (NPL) which represents 58.57% of total investment. Moreover, out of the total classified investment, BDT 4,566,530,967 is categorized as bad loss which is 81.88% of the classified investment.

- As per Finance Company Act 2023 and Bangladesh Bank's DFIM Circular # 5 dated 24 July 2011, the minimum paid-up capital of a financial institution should be BDT 100 crore. However, it is also specified that the sum of paid-up capital and reserves must not be less than the minimum capital required under the Risk-Based Assets of the company, as determined by the Bangladesh Bank. During the year ended December 31, 2024, the eligible capital of the company is reported as BDT 146,655,149 and Required capital based on risk weighted assets (10% of RWA) is BDT 1,106,788,839. As a result, the company currently has a shortfall of BDT (960,133,690) in meeting the minimum capital requirement set by the regulatory authorities.

- As of 31 December 2024, the company reported a negative Earnings Per Share (EPS) of BDT 12.22. Additionally, the Net Asset Value (NAV) per share has significantly declined to BDT 0.20, compared to BDT 12.42 in the previous year. Moreover, the net equity of the company has reported Taka 2.82 crore. However, if the provision shortfall of BDT 93.11 Crore under deferral facility of Bangladesh Bank is considered the net equity of the bank will be negative of BDT 90.29 crore.

In view of the above facts and as described in Note-2.04, some events or conditions exist that collectively may doubt the Company's ability to continue as a going concern. However, the board and management have strategic plans to overcome the situation and continue as going concerns.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements for 2024. These matters were addressed in the context of the audit of the financial statements, and in forming the auditor's opinion thereon, and we do not provide a separate opinion on these matters. For each matter below our description of how our audit addressed the 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 these 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 risk
Measurement of provision for General Investment (Loans, Leases and Advances)	
The process for estimating the provision for Investment (Loans, Lease and Advances) portfolio associated with credit risk is significant and complex. For the individual analysis, these provisions consider the estimates of future business performance, and the market value of collateral provided for credit transactions. 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. At year end of 2024 the Company reported total gross leases, loans and advances (Investments) of BDT 9,522,483,955 (2023: BDT 10,752,691,436) and it represents 79.09% of total assets. Provision for leases, loans and advances is of BDT 2,255,611,100 (2023: BDT 721,366,092).	We tested the design and operating effectiveness of key controls focusing on the following: • 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); Our substantive procedures in relation to the provision for loans and advances portfolio comprised the following: • Reviewed the adequacy of the companies general and specific provisions in line with Bangladesh Bank guidelines; • Assessed the methodologies on which the provision amounts based, recalculated the provisions and tested the completeness and accuracy of the underlying information; • Assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines; and • Finally compared the amount of loan provision and loan classification disclosed in the financial statements with the quick summary report prepared by Bangladesh Bank. We have verified as compliance of Bangladesh Bank instructions. 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 may be different than the actual situation in future.
See note no 07.08 & 12.02 to the financial statements	

Legal and regulatory matters	
We focused on this area because the company operates in a legal and regulatory environment that is exposed to significant litigation and similar risks arising from disputes and regulatory proceedings such matters are subject to many uncertainties and the outcome may be difficult to predict. These uncertainties inherently affect the amount and timing of potential outflows with respect to the provisions which have been established and others contingent liabilities. Overall, the legal provisions represent the company's best estimate for existing legal matters that have a probable and estimable impact on the company's financial position.	We obtained understanding, evaluated the design and tested the operational effectiveness of the company's key controls over the legal provision and contingencies process. We enquired to those charged with governance to obtain their view on the status of all significant litigation and regulatory matters. We assessed the methodologies on which the provision amounts are based, recalculated the provisions, and tested the completeness and accuracy of the underlying information. We also assessed the company's provisions and contingent liabilities disclosure.
IT systems and controls	
Our audit procedures have a focus on IT systems and controls due to the pervasive nature and complexity of the IT environment; the large volume of transactions processed in numerous locations daily and the reliance on automated and IT dependent manual controls.	We tested the design and operating effectiveness of the Company's IT access controls over the information systems that are critical to financial reporting. We tested IT general controls (logical access, changes management and aspects of IT operational controls). This included testing that requests for access to systems were appropriately reviewed and authorized. We tested the Company's periodic review of access rights and reviewed requests for changes to systems for appropriate approval and authorization. We considered the control environment relating to various interfaces, configuration and other application layer controls identified as key to our audit.

Reporting on other information

Management is responsible for the other information. The other information comprises all the information in the annual report other than the financial and auditors' report thereon.

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

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards (IFRS), 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 Finance Company Act 2023, the Securities and Exchange Rules 2020, the Companies Act 1994 along with the rules & regulations issued by Bangladesh Bank and applicable rules & regulations 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.

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 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 company audit. We remain solely responsible for our audit opinion.

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

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

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

Report on other Legal and Regulatory Requirements

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

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

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

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

iv. the expenditures incurred and payments made 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 as per letter reference no. DFIM(C) 1054/13/2024-2050 dated 25 June 2024 for loans, advances, leases, investment and other assets which are, in our opinion, doubtful of recovery and Bangladesh Banks instructions in this regard have been followed properly;

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

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

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

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

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

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

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

xiv. we have reviewed over 80% of the risk-weighted assets of the Company and we have spent around 2,304 person hours for the audit of the books and accounts of the Company;

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

xvi. the Company has complied with the Finance Company Act, 2023 in preparing these financial statements; and

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

Md. Iqbal Hossain FCA
Senior Partner, Enrolment No.: 0596 (ICAB)
Zoha Zaman Kabir Rashid & Co.
Chartered Accountants
DVC: 2506300596AS353112

Dated: 30 June 2025
Place: Dhaka

Islamic Finance and Investment PLC.

Balance Sheet

As at December 31, 2024

PARTICULARS	Notes	Amount in Taka	
		December 31, 2024	**December 31, 2023**
PROPERTY AND ASSETS			
Cash	3.00	**92,224,147**	**112,700,996**
Cash in hand (including foreign currencies)	3.01	267,279	1,201,549
Balance with Bangladesh Bank & its agent (Including foreign currencies)	3.02	91,956,868	111,499,447
Balance with other Banks and Financial Institutions	4.00	**1,245,814,535**	**1,568,113,156**
In Bangladesh	4.01	1,245,814,535	1,568,113,156
Outside Bangladesh	4.02	-	-
Money at Call on Short Notice	5.00	**-**	**-**
Investments in Shares and Securities	6.00	**158,778,008**	**166,105,270**
Government	6.01	-	-
Others	6.02	158,778,008	166,105,270
Investment	7.00	**9,522,483,955**	**10,752,691,436**
General Investment	7.01	9,522,483,955	10,752,691,436
Bills Purchased and Discounted	7.02	-	-
Fixed Assets including Premises, Furniture and Fixtures	8.00	317,291,067	324,052,587
Other Assets	9.00	702,804,750	659,757,636
Non banking Assets		-	-
Total Assets		**12,039,396,462**	**13,583,421,081**
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other Banks, Financial Institutions and Agents	10.00	312,541,384	550,567,268
Deposits and Other Accounts	11.00	**7,511,771,150**	**8,791,622,666**
Mudaraba Term Deposits	11.01	7,136,444,312	8,254,439,480
Bills Payable		-	-
Lease Deposits	11.02	14,948,771	15,828,656
Bearer Certificates of Deposits		-	-
Deposits under Schemes	11.03	360,378,067	521,354,530
Other Liabilities	12.00	4,186,918,704	2,497,919,956
Total Liabilities		**12,011,231,238**	**11,840,109,890**
Capital/Shareholders' Equity			
Paid-up Capital	13.01	1,403,266,700	1,403,266,700
Share Premium Account	13.06	730,852	730,852
Statutory Reserve	14.00	501,559,603	501,559,603
Other Reserve	15.00	67,985,376	67,985,376
Surplus in Profit & Loss Account	16.00	(1,945,377,307)	(230,231,340)
Total Shareholders' Equity		**28,165,224**	**1,743,311,191**
Total Liabilities & Shareholders' Equity		**12,039,396,462**	**13,583,421,081**

Islamic Finance and Investment PLC.
Off-Balance Sheet Items
As at December 31, 2024

PARTICULARS	Notes	Amount in Taka December 31, 2024	Amount in Taka December 31, 2023
CONTINGENT LIABILITIES	**17.00**		
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		-	-
Un-drawn note issuance and revolving underwriting facilities		-	-
Un-drawn formal standby facilities, credit lines		-	-
Un-disbursed contacted General Investments		-	-
Total Off-Balance Sheet items including contingent liabilities		**-**	**-**
Net Assets Value Per Share (NAVPS)	**37.00**	**0.20**	**12.42**

The accompanying notes form integral parts of these Financial Statements.

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Company Secretary

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Chief Financial Officer

Md. Nurul Azim
Managing Director

Shayema Akter FCA
Independent Director

K.B.M. Moin Uddin Chisty
Vice-Chairman

Abul Quasem Haider
Chairman

Signed as per our annexed report of even date

Md. Iqbal Hossain FCA
Senior Partner, Enrolment No.: 0596 (ICAB)
Zoha Zaman Kabir Rashid & Co.
Chartered Accountants
DVC: 2506300596AS353112

Place: Dhaka;
Dated: 30 June 2025

Islamic Finance and Investment PLC.

Profit and Loss Account

For the year ended 31 December, 2024

Particulars	Notes	Amount in Taka	
		December 31, 2024	December 31, 2023
Profit on Investment	19.00	854,382,319	1,097,126,572
Profit Paid on Deposits, Borrowings etc.	20.00	(815,771,156)	(764,038,558)
Net Investment Income		**38,611,163**	**333,088,014**
Income from Investment in Securities	21.00	5,793,868	11,749,664
Commission, Exchange and Brokerage	22.00	1,494,050	712,298
Other Operating Income	23.00	4,330,912	1,624,275
		11,618,830	**14,086,237**
Total Operating Income		**50,229,993**	**347,174,251**
Salaries and allowances	24.00	147,433,420	151,774,527
Rent, Taxes, Insurances, Electricity etc.	25.00	5,529,344	5,984,258
Legal & Professional Expenses	26.00	956,594	2,244,015
Postage, Stamps, Telecommunication etc.	27.00	1,136,861	1,323,476
Stationery, Printings, Advertisements etc.	28.00	8,251,256	9,379,201
Managing Director's Salary and Allowances	29.00	6,800,000	6,800,000
Directors' Fees	30.00	1,653,500	1,184,000
Auditors' Fees	31.00	402,500	402,500
Depreciation and Repair of Fixed Assets	32.00	15,035,948	17,401,428
Other Expenses	33.00	14,090,806	18,243,616
Total Operating Expenses		**201,290,229**	**214,737,021**
Profit Before Provision		**(151,060,236)**	**132,437,230**
Provision for Loans & Advances	34.00	1,534,245,008	310,370,597
Provision against Off-Balance Sheet Exposures		-	-
Provision for diminution in value of investments	12.03	7,500,000	798,052
Other Provision	12.04	147,100	(9,347)
Total Provision		**1,541,892,108**	**311,159,302**
Total Profit before Taxes		**(1,692,952,344)**	**(178,722,072)**
Provision for Taxation	**35.00**	**22,193,623**	**51,509,268**
Current Tax		22,193,623	51,509,268
Deferred Tax		-	-
Net Profit after Taxation		**(1,715,145,967)**	**(230,231,340)**
Retained Surplus brought forward from previous year	16.00	(230,231,340)	-
		(1,945,377,307)	**(230,231,340)**
Appropriations			
Statutory Reserve		-	-
Dividend Equalization Fund		-	-
Special Reserve Fund		-	-
General Reserve		-	-
Retained Surplus		(1,945,377,307)	(230,231,340)
		(1,945,377,307)	**(230,231,340)**
Earning Per Share (EPS)	**36.00**	**(12.22)**	**(1.64)**

The accompanying notes form integral parts of these Financial Statements.

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Vice-Chairman

Abul Quasem Haider
Chairman

Signed as per our annexed report of even date

Place: Dhaka;
Dated: 30 June 2025

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Islamic Finance and Investment PLC.
Cash Flow Statement
For the year ended 31 December, 2024

	Particulars	Amount in Taka	
		December 31, 2024	December 31, 2023
A.	**Cash Flow from Operating Activities**		
	Investment Profit Receipts	826,071,236	981,085,122
	Profit Paid on Deposits & Borrowings	(812,049,195)	(780,631,073)
	Profit receipts from Bank Deposit	108,541,747	92,629,339
	Dividend receipts	5,093,044	10,554,168
	Fees & Commission receipt	1,494,050	712,298
	Recoveries on Investments previously written off	138,200	2,107,428
	Payments to Employees	(154,214,370)	(158,568,982)
	Payments to Suppliers	(8,244,590)	(9,384,660)
	Payment of income tax	(50,515,580)	(79,543,231)
	Receipts from Investment in securities	643,842	1,242,735
	Receipts from other Operating activities	4,309,912	1,555,275
	Payments for other Operating activities	(24,761,832)	(29,321,769)
	Operating Profit before changes in Operating Assets & Liabilities	**(103,493,536)**	**32,436,650**
	Increase/Decrease in Operating Assets and Liabilities	**(6,066,512)**	**(86,257,574)**
	Investment (Loans and Advances) to Customers	1,148,083,456	1,302,262,370
	Other Assets	380,517	3,166,137
	Deposits from other Banks and Financial Institutions	(384,375,522)	(201,804,873)
	Deposits received from Customers	(895,475,994)	(1,070,974,082)
	Other Liabilities	125,321,031	(118,907,126)
	Net cash flows from/(used in) Operating Activities :	**(109,560,048)**	**(53,820,924)**
B.	**Cash flows from Investing Activities**		
	Sale/(purchases) of securities	7,327,262	5,967,295
	Proceeds from Sale of fixed assets	21,000	12,069,000
	Purchases of Property, Plant & Equipment's	(535,607)	(463,749)
	Net cash flows from/(used in) Investing Activities :	**6,812,655**	**17,572,546**
C.	**Cash flows from Financing Activities**		
	Receipts from loan/(borrowing)	(198,025,884)	44,858,955
	Receipts from issue of debts instruments	(40,000,000)	(40,000,000)
	Unclaimed dividend return to BSEC	(2,208,000)	(3,533,768)
	Dividend Paid to Ordinary Shareholder	205,807	(71,464,200)
	Net cash flows from/(used in) Financing Activities :	**(240,028,077)**	**(70,139,013)**
D.	**Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)**	**(342,775,470)**	**(106,387,391)**
E.	Cash and cash equivalents at the beginning of the year	1,680,814,152	1,787,201,543
F.	**Cash and cash equivalents at the end of the year (D+E)**	**1,338,038,682**	**1,680,814,152**
	Net Operating Cash Flow Per Share (NOCFPS)	**(0.78)**	**(0.38)**

The accompanying notes form integral parts of these Financial Statements.

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

Particulars	Paid-up Capital	Share Premium	Statutory Reserve	Other Reserve				Retained Earnings	Total
				Dividend Equalization Reserve (A)	Special Reserve Fund (B)	General Reserve Fund (C)	Total Other Reserve		
Balance as at January 01, 2024	**1,403,266,700**	**730,852**	**501,559,603**	**12,301,528**	**9,200,000**	**46,483,848**	**67,985,376**	**(230,231,340)**	**1,743,311,191**
Effects of Changes in Accounting Policy	-	-	-	-	-	-	-		-
Dividend Payable						-	-	-	-
Cash Dividend	-	-	-	-	-	-	-	-	-
Issue of Bonus Shares	-		-	-	-	-	-	-	-
Transfer to General Reserve	-	-	-	-	-	-	-	-	-
Restated Balance	**1,403,266,700**	**730,852**	**501,559,603**	**12,301,528**	**9,200,000**	**46,483,848**	**67,985,376**	**(230,231,340)**	**1,743,311,191**
Net profit for the year after taxation	-	-	-	-	-	-	-	(1,715,145,967)	(1,715,145,967)
Issuance of Right Share	-	-	-	-	-	-	-	-	-
Right Share Premium	-	-	-	-	-	-	-	-	-
Share Issue Expenses	-	-	-	-	-	-	-	-	-
Issue of Share Capital	-	-	-	-	-	-	-	-	-
Balance as at December 31, 2024	**1,403,266,700**	**730,852**	**501,559,603**	**12,301,528**	**9,200,000**	**46,483,848**	**67,985,376**	**(1,945,377,307)**	**28,165,224**
Balance as at December 31, 2023	**1,403,266,700**	**730,852**	**501,559,603**	**12,301,528**	**9,200,000**	**46,483,848**	**67,985,376**	**(230,231,340)**	**1,743,311,191**

The accompanying notes form integral parts of these Financial Statements.

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DVC: 2506300596AS353112

Place: Dhaka;
Dated: 30 June 2025

Islamic Finance and Investment PLC.
Liquidity Statement
Assets and Liability Maturity Analysis
As at December 31, 2024

	Upto 1 month	1-3 months	3-12 months	1-5 years	More than 5 years	Total
Assets						
Cash in hand	92,224,147	-	-	-	-	92,224,147
Balance with other Banks and Financial Institutions	355,773,335	620,000,000	270,041,200	-	-	1,245,814,535
Money at Call and Short Notice	-	-	-	-	-	-
Investments in Shares and Securities	2,600,000	2,400,000	92,208,558	61,569,450	-	158,778,008
General Investment	212,235,434	765,858,675	1,503,469,236	1,542,081,501	5,498,839,109	9,522,483,955
Fixed Assets including premises, furniture and fixtures	-				317,291,067	317,291,067
Other Assets	-	-	-	-	702,804,750	702,804,750
Non-banking Assets	-	-	-	-	-	-
Total Assets	**662,832,916**	**1,388,258,675**	**1,865,718,994**	**1,603,650,951**	**6,518,934,926**	**12,039,396,462**
Liabilities						
Borrowing from Bangladesh Bank, other Banks, Financial Institutions and Agents	11,707,342	26,417,300	86,736,200	67,680,542	120,000,000	312,541,384
Deposits Other Accounts	445,315,434	920,105,541	1,241,499,091	851,827,818	4,053,023,266	7,511,771,150
Provision and other liabilities	114,921,973	249,291,704	281,141,400	334,771,726	3,206,791,901	4,186,918,704
Total Liabilities	**571,944,749**	**1,195,814,545**	**1,609,376,691**	**1,254,280,086**	**7,379,815,167**	**12,011,231,238**
Net Liquidity Gap	90,888,167	192,444,130	256,342,303	349,370,865	(860,880,241)	28,165,224

Islamic Finance and Investment PLC.
Notes to the Financial Statements
For the year ended 31 December, 2024

1.00 Background and objectives of the company:

1.01 Legal status

Islamic Finance and Investment PLC. is a non-banking financial institution incorporated in Bangladesh on February 27, 2001 as a public limited company under the Companies Act-1994 together with certificates of commencement of business on even date. The company obtained its license from Bangladesh Bank on April 12, 2001 as required under Section 4(1) of the Financial Institutions Act-1993. The Company went for public issue in 2005 and its shares are listed in both Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited. The registered office of the Company is located at Impetus Center (3rd Floor), 242/B Tejgaon- Gulshan Link Road, Tejgaon I/A, Dhaka-1208. The operation of the company is being carried out through its 07 (Seven) branches.

1.02 Company's activities

The Company extends all types of finance, like Lease, Hire Purchase Sherkatul Melk (HPSM), Bai Muazzal, Household Durable Scheme, Raha-BAIM/HPSM (Comfort), Sahbu Ma Attambil (SOD) - HPSM, Silaa Ul Istihlk etc. and different types of Mudaraba Term Deposits (monthly/quarterly/Half yearly/yearly/Dergoon/Double/Triple etc.), Deposit Mudaraba Muhsinath Monthly Profit and different types of scheme specially Mudaraba Asaan Deposit Scheme, Ath-Faal Deposit Scheme, Mudaraba Umra Deposit Scheme, Mudaraba Peshajibi Deposit Scheme and Mudaraba Doctors Deposit Scheme .

2.00 Basis of preparation

The financial statements are prepared on the historical cost basis and therefore, did not take into consideration the effect of inflation. The financial statements have been prepared and the disclosures of information have been made in accordance with the DFIM circular no-11, dated: December 23, 2009 and requirement of the Financial Reporting Act 2015, the Companies Act-1994, the Finance Company Act 2023, the Securities and Exchange Rules 2020, the (Listing) Regulations of Dhaka Stock Exchange and Chittagong Stock Exchange, Guidelines from Bangladesh Bank, International Accounting Standards (IASs), International Financial Reporting Standards (IFRSs) except the circumstances where local regulation differ and other applicable laws and regulations.

2.01 Responsibility for financial statements

The Board of Directors is responsible for the preparation and presentation of the financial statements of the company as per the provision of the Companies Act-1994. As per Bangladesh Bank DFIM Circular No. 11 Dated 23 December 2009 complete set of The financial statements includes the following components:

a) Balance sheet providing the information on the financial position of the company as at the year end;

b) Profit and loss account providing the information on the financial performance of the company for the year under review;

c) Cash flow statement providing the information to the users on the ability of the company to generate cash & cash equivalents and the utilization of those cash flows;

d) Statement of changes in equity depicting all changes in shareholders' equity during the year

e) Notes to the financial statements comprising accounting policies used for preparation of these financial statements and other notes.

2.02 Significant accounting judgments, estimates and assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported amount of assets and liabilities, income and expenses. The estimates and underlying assumptions are based on historical experience and various other factors that are believed to be reasonable under the prevailing circumstances. Actual result could differ from estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions of the accounting estimates are recognized in the period in which the estimates are revised. Significant areas requiring the use of management estimates in these financial statements relate to the useful life of depreciable assets and provisions for loans/leases. However, assumptions and judgments made by management in the application of accounting policies that have significant effect on the financial statements are not expected the result in material adjustment to the carrying amounts of assets and liabilities in the next year.

2.03 Risk and uncertainty for use of estimates

The preparation of financial statements in conformity with International Accounting Standards (IASs) 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 International Accounting Standard 37: Provisions, Contingent Liabilities and Contingent Assets, provisions are recognized in the following situations:

a) When the company has an obligation as a result of past events;

b) When it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and

c) Reliable estimate can be made of the amount of the obligation.

2.04 Disclosure of Going Concern:

Going concern is one of the fundamental assumptions in preparation of financial statements. Under the going concern assumption, an entity is normally viewed as continuing in business for the foreseeable future with neither the intention nor the necessary of liquidation, ceasing trading or seeking protection from creditors pursuant to laws or regulations.

The Financial Statements of Islamic Finance and Investment PLC. (IFIPLC) has been prepared on a going concern basis which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business.

IFIPLC, like other Financial Institutions have been facing several challenges for irregular payment of some large investment clients which increases the NPL outstanding. But, our current credit facilities and resources of the Company provide sufficient funds to meet the present requirements of existing businesses and operations. Besides, we negotiating with some of our large default clients and we are confident that significant amount of NPL will reduce with short period of time that will increase our profit and will be impacted positively in our equity.

As the Company has adequate resources to continue its operation for foreseeable future. For this reason, the directors continue to adopt going concern basis in preparing the financial statements.

2.05 Materiality and aggregation

Each material class of similar items is presented separately in the financial statements. Items of dissimilar nature or function are presented separately unless they are immaterial as permitted by International Accounting Standards 1: Presentation of Financial statements.

2.06 Offsetting

Assets and liabilities and income and expenses are not set-off unless permitted by the International Accounting Standards (IASs).

2.07 Statement of compliance

The financial statements of Islamic Finance and Investment PLC. include the Balance sheet, Profit and loss account, Cash flow statement, Statement of changes in equity, Liquidity statement and notes to the financial statements.

The Companies Act-1994 provides basic requirements for accounting and reporting applicable to all companies incorporated in Bangladesh. The Bangladesh Securities & Exchange Commission (BSEC) regulates financial reporting practices of listed companies. Listed companies are required to comply with BSEC's accounting and disclosure requirements.

The Rules 1987 as amended in 1997, requires listed companies to follow International Accounting Standards (IASs)/ International Financial Reporting Standards (IFRSs) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB). These financial statements have been prepared and presented in accordance with the approved accounting and reporting standards as applicable in Bangladesh. Approved accounting standards comprise of International Accounting standards (IASs) and International Financial Reporting Standards (IFRSs) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB). As of December 31, 2024 status and applicability of International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) in the case of Islamic Finance and Investment PLC. are as under:

2.08 IAS title of the IAS applicability remarks

Compliance of International Accounting Standard (IAS) & (IFRS)		
Name of the standards	**Ref.**	**Status**
Presentation of Financial Statements	IAS-1	Applied *
Inventories	IAS-2	Not Applicable
Statements of cash flows	IAS-7	Applied *
Accounting Policies, Changes in Accounting Estimates and Errors	IAS-8	Applied
Events after the reporting period	IAS-10	Applied
Construction contracts	IAS-11	Not Applicable
Income taxes	IAS-12	Applied
Property, Plant and Equipment	IAS-16	Applied
Employee Benefits	IAS-19	Applied
Accounting for Government Grants and Disclosure of Government Assistance	IAS-20	Not Applicable
The Effects of Changes in Foreign Exchange Rates	IAS-21	Applied
Borrowing Costs	IAS-23	Applied
Related Party Disclosures	IAS-24	Applied
Accounting and reporting by retirement benefit plans	IAS-26	Not Applicable
Consolidated and Separate Financial Statements	IAS-27	Not Applicable
Investments in Associates	IAS-28	Not Applicable
Financial Reporting in Hyperinflationary Economics	IAS-29	Not Applicable
Interests in Joint Ventures	IAS-31	Not Applicable
Financial Instruments: Presentation	IAS-32	Applied *
Earnings Per Share	IAS-33	Applied
Interim Financial Reporting	IAS-34	Applied
Impairments of Assets	IAS-36	Applied
Provisions, Contingent Liabilities and Contingent Assets	IAS-37	Applied
Intangible Assets	IAS-38	Applied
Investment property	IAS-40	Not Applicable
Agriculture	IAS-41	Not Applicable
First-time adoption of Bangladesh Financial Reporting Standards	IFRS-1	Not Applicable
Share based Payment	IFRS-2	Not Applicable
Business Combination	IFRS-3	Not Applicable
Insurance Contracts	IFRS-4	Not Applicable
Non-current Assets Held for Sale and Discontinued Operations	IFRS-5	Not Applicable
Exploration for and Evaluation of Mineral Resources	IFRS-6	Not Applicable
Financial Instruments: Disclosures	IFRS-7	Applied *
Operating Segments	IFRS-8	Not Applicable
Financial Instruments	IFRS-9	Applied *
Consolidated Financial Statements	IFRS-10	Not Applicable
Joint Arrangements	IFRS-11	Not Applicable
Disclosure of Interest in other Entities	IFRS-12	Not Applicable
Fair Value Measurement	IFRS-13	Applied *
Regulatory Deferral Accounts	IFRS-14	Not Applicable
Revenue from contracts with customers	IFRS-15	Applied
Leases	IFRS-16	Applied
Insurance Contracts	IFRS-17	Not Applicable

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

2.09 Fixed assets:

2.09.01 Freehold assets

The cost of an item of property, plant and equipment is recognized as an asset if, and only 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. Property, plant and equipment's are stated at cost less accumulated depreciation in compliance with the International Accounting Standards (IAS)-16: "Property, Plant and Equipment". The cost of acquisition of an asset comprises its purchase price and any directly attributable cost of bringing the assets to its working condition for its intended use inclusive of inward freight, duties and non-refundable taxes, if any.

2.09.02 Subsequent costs

Subsequent costs are capitalized only when it is probable that the future economic benefits associated with the costs will flow to the entity. Ongoing repairs and maintenance is expensed as incurred.

2.09.03 Disposal of fixed assets including land, building, furniture and fixtures

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.

2.09.04 Depreciation

Depreciation is calculated using the straight line method to amortize the cost of the assets after commissioning, over the period of their expected useful lives, in accordance with the provision of IAS-16 "Property, Plant and Equipment". Depreciation has been charged from the date when the related assets are put into use and depreciation is charged up to the date of disposal. Depreciation is calculated on the cost of assets without having consideration to its residual value. Depreciation and amortization are provided at the following rates:

Particulars	Rate (%)
Interior decoration	10%
Mechanical appliance	20%
Computer & accessories	33.33%
Motor vehicle	20%
Furniture & fixtures	10%
Building	2.50%
Land	Not depreciated
Software	50%
Right-of-use Asset	Lease Term

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

2.09.05 Impairment

The caring amount of the entity's non banking assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets recoverable amount is estimated. However, no such conditions that might be suggestive of a heightened risk of impairment existed at the reporting date.

2.10 Borrowing costs:

All borrowing costs are recognized as expense in the profit or loss account in the period in which they incurred unless capitalization in permitted under International Accounting Standard (IAS)-23: "Borrowing Cost".

2.11 Mudaraba Redeemable Subordinated Bond

IFIPLC has issued Mudaraba Non-convertible Fully Subordinated Bond of BDT 300 crore as per approval of Bangladesh Securities and Exchange Commission Vide Letter No. BSEC/CI/DS-109/2019/03 dated January 07, 2020 and NOC from Bangladesh Bank Vide Letter No. DFIM(BS) 1057/15/2020-729 dated 24 March 2020 and subsequently it has been revised by Bangladesh Bank Vide Letter No. DFIM(BS) 1057/15/2020-7373 dated 18 August 2020. The rate of profit is calculated on the average of 6 Months Mudaraba term Deposit profit rate of full-fledged Shariah based Islamic banks with an additional profit rate of 2.50% per annum to be applied at semi-annually

2.11.1 Usage of Mudaraba Redeemable Subordinated Bond

The fund has been used to extend the investment facility to the existing clients and to extend investment facility to the new clients in different sectors for sustainable business growth.

2.12 Off Balance Sheet Items

IAS-1 " Presentation of Financial Statement

There is no concept of off-balance sheet items in IAS -1, hence there is no requirement for disclosure of off Balance Sheet items on the face of the balance sheet

Treatment adoption as per Bangladesh Bank

As per Bangladesh Bank : DFIM Circular No. 11 dated 23 December 2009 off- balance sheet items (e.g. letter of credit , letter of guarantee etc.) must be disclosed separately on the face the balance sheet. There ia no financial impact in the financial statements for this departure.

2.12.01 Contingent Liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or the Group has a present obligation as a result of past events but is not recognized because it is not likely that an outflow of resources will be required to settle the obligation; or the amount cannot be reliably estimated. Contingent liabilities normally comprise legal claims under arbitration or court process in respect of which a liability is not likely to occur. The company have contingent liability which is shown in note no: 17.00.

2.12.02 Contingent Assets

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

2.13 Provision for General investment

As per DFIM circular No. 04 dated 26 July 2021 (Master Circular: Loan/Lease Classification and Provisioning), DFIM Circular Letter No. 37 dated 04 December 2024 and other related circular of Bangladesh Bank a general provision at 0.25% to 5% under different categories of unclassified loans has to be maintained irrespective of objective evidence of impairment on loans and advances. Also provision for CMSME sub-standard investment, doubtful investments and bad losses has to be provided at 5%, 20% and 100% and for other than CMSME sub-standard investment, doubtful investments and bad losses has to be provided at 20%, 50% and 100% respectively for investments depending on the duration of overdue.

Provision for investment in shares

2.14 Provision for investment in shares

The requirement of DFIM circular no-11, dated: 23 December 2009 contradict with the requirement of International Financial Reporting Standards (IFRSs)-9. As per IFRS-9 investment in shares falls either under "at fair value through profit and loss account" or under "available for sale" where any change in the fair value at the year end is to be taken to profit and loss account or revaluation reserve respectively. Islamic Finance and Investment PLC. followed the guidelines of Bangladesh Bank's circular under which investment in both quoted and unquoted shares were recognized at cost and required provision has been made for the losses arising from diminution in value of investment.

2.15 Revenue

As per IFRS-15, revenue is recognized when it meet the following five steps model framework :

a) identify the contract (s) with a customer;

b) identify the performance obligations in the contract;

c) determine the transaction price;

d) allocate the transaction price to the performance obligations in the contract

e) recognize revenue when (or as) the entity satisfies a performance obligation. Interest income from loans and other sources is recognized on an accrual basis of accounting.

Any income which is restricted as per Shariah has not been recognized as revenue, rather transferred to IFIPLC Foundation. This foundation money is spent for charitable purposes as per Foundation Board decision.

2.16 Investment income

2.16.01 Accounting for lease

The company has been following the finance lease method, as per International Financial Reporting Standards (IFRS-16) "Leases" for accounting of lease. The aggregate lease receivables including un-guaranteed residual value are recorded as gross lease receivables while the excess of gross lease receivables over the total acquisition cost and profit during the acquisition period of lease assets, constitutes the unearned lease income. Initial direct cost (if any) in respect of lease are charged in the year in which such cost are incurred.

2.16.02 Accounting for BAIM and HPSM

Income from general investments is accounted for on accrual basis IFIPLC. does not charge any rent during the gestation/interim period of investment against Hire Purchase under Shirkatul Melk (HPSM) mode of investment but it fixes the sale price of the assets at a higher level in such a way to cover its expected rate of return. Such income is recognized on realization basis. Profit/Rent/Compensation accrued on Special Mention Account and Classified Investments are suspended and accounted for as per circulars issued by the Bangladesh Bank in this regard from time to time. Profit on deposits with other Banks & Finance Companies is accounted for on accrual basis.

2.16.03 Sharing of investment income

In case of investment, Mudaraba fund gets preference over cost free fund. The investment income earned through deployment of Mudaraba Fund is shared by the Islamic Finance and Investment PLC. and the Mudaraba depositors at the pre-agreed ratio.

2.16.04 Profit suspense

Profit earned on long term finance, short term finance, housing finance etc. under category of classified and Special Mention Account (SMA) are not recognised as revenue but credited to profit suspense account.

2.16.05 Write-off

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

2.17 Fees and commission

Fees and Commission on services provided by the Islamic Finance and Investment PLC. are recognized as and when the related services are performed.

2.18 Dividend income

Dividend income from investments is accounted for when the right to receive income is established.

2.19 Investments in securities

Revenue from investments in securities is recognized as and when realized from the sale of securities.

2.20 Income tax

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

2.20.01 Current tax

Provision for income tax has been made at best estimated keeping in view the provisions of Income Tax Ordinance 1984 and amendments made thereto from time to time. Applicable tax rate for the Company for the year 2024 will be declared by Finance Company Act 2023. For the purpose of these financial statements, management has assumed that the existing tax rates will be applicable for Income Year 2024 as well, which are mentioned below :

	Rates
Regular business tax rate	37.50%
Other business tax rate	
Dividend income	20.00%
Capital gain on sale of fixed assets	15.00%
Capital gain on sale of marketable securities	15.00%

2.20.02 Deferred tax

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and are accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which such differences can be utilized. Deferred tax is calculated at the tax rates, which are expected to apply in the period when the liability is settled or the asset is realized. Deferred tax is charged or credited to profit and loss account. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and Islamic Finance and Investment PLC. intends to settle its current tax assets and liabilities on a net basis.

2.21 Cash and Cash equivalents

Cash and cash equivalents comprises cash in hand, cash at bank and term deposit that are readily convertible to a known amount of cash and that are subject to an insignificant risk of change in value.

Cash flow statement

The cash flow statements is prepared in compliance with the DFIM circular No: 11, dated December 23, 2009 of Bangladesh Bank.

2.22 Accounting for leases for office rent (IFRS-16)

IFRS-16 has been adopted by the company following modified retrospective approach of adoption with the date of initial application of 01 January 2020. Islamic Finance and Investment PLC, as a lessee, recognises a right-of-use (ROU) asset representing its right to use of the underlying leased assets and corresponding lease liability representing its obligation to make lease payments for office rent agreements. The ROU asset and lease liability are recognised in the financial statements considering the incremental borrowing rate.

The ROU asset is depreciated using the straight line method from the beginning to the end of useful life of the ROU asset or end of the lease term which is earlier and has been recorded in Profit and Loss account as depreciation.

The lease liability is initially measured at the present value of the lease payments that are adjusted for monthly payments and profit on lease obligation is recorded in Profit and Loss account as borrowing cost.

2.23 Statutory Reserves

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

2.24 Workers Profit Participation and Welfare Fund (WPPF)

Establishment of Workers Profit Participation and Welfare Fund (WPPF) is a matter of Banking and Finance Company Sector as a whole. Ministry of Finance through its letter no. 53.00.0000.311.22.002.17-130 dated February 14, 2017 and no: 53.00.0000.311.22.002.17-140 dated February 25,2018 expressed its opinion that Chapter 15 on "Participation in Company Profits by Workers" in the Bangladesh Labor Act, 2006 and amendments made therein on July 22, 2013 should not be applicable for Banks and Finance Companies and requested to the Ministry of Labor and Employment to take necessary steps in this regard as well as not to apply the said chapter of Labor Act, 2006 for Banks and Finance Companies. Therefore, like other Banks and Finance Companies, IFIPLC did not recognize the WPPF.

2.25 Litigation

The company is not a party to any lawsuits except those arising in the normal course of business, which were filed against the default clients for non-performance in investment/instalment repayment. The Company however, provides adequate provisions against the doubtful payments.

2.26 Earnings Per Share (EPS)

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

2.26.01 Diluted Earnings per Share

No diluted earnings per share are required to be calculated for the year, as there was no scope for dilution during the year under review.

2.27 Employees benefit plans

Islamic Finance and Investment PLC. offers a number of benefit plans which includes contributory provident fund and gratuity fund. The accounting and disclosure for employee benefits are made in accordance with International Accounting Standard (IAS)-19: "Employee Benefits".

2.27.01 Contributory provident fund

The Company operates a contributory provident fund for its permanent employees. The fund is approved by the National Board of Revenue (NBR), administered separately by a Board of Trustees and is funded by equal contribution from the Company and the employees. This fund is invested separately from the Company's assets.

2.27.02 Gratuity scheme

Islamic Finance and Investment PLC. has a funded gratuity for all eligible employees who have completed minimum 5 (five) years of continuous service with the Company. This scheme was approved by the National Board of Revenue (NBR) and is administered by an independent Board of Trustee. This fund is invested separately from the Company's assets. Required amount of gratuity is calculated on the basis of last basic depending on the length of service for every completed year as well as proportionate to the fraction period of service as of the end of the respective financial year.

Furthermore, employees who completed 05 years, 08 years, 10 years and above of services are entitled @ 01 month, 1.5 months and 02 months of last basic pay for each completed year respectively.

2.27.03 Employee home loan

He/she has at least 2(two) years' service ahead of his/her retirement otherwise his/her application shall be considered up to the limit of the cash security provided and end service benefits accrued in his/her favour.

For fresh entrants, the employee has rendered at-least 5(five) years confirmed service in IFIPLC.

2.27.04 Employee household durable scheme

Any permanent employee with at least 3 years' service can avail the HDS facility. Period of the facility would be maximum 48 months. The amount shall be adjusted from his/her salary in equal monthly instalments.

2.28 Corporate governance

The company recognizes the importance of high standards of corporate governance and corporate social responsibility. Through regular Board Meeting and documented procedures of independence, the company endeavours to meet the standards expected. The company has taken note of the prescribed measures by the Securities and Exchange Commission in this regard and introduced the concept of Independent Director. An Audit Committee is already in place. The Audit Committee keeps under review the independence and objectivity of the external auditors. The Board is also committed to effective communication among the company and its subsidiaries, investors, regulators and third party interest.

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

Bangladesh Bank is the prime regulatory body for all Finance Companies in Bangladesh. Some requirements of Bangladesh Bank contradict with those of IAS/IFRS. As such the Company has departed from those contradictory requirements of IAS/IFRS in order to comply with the rules and regulations of Bangladesh Bank .

2.30 Risk management

As per Bangladesh Bank definition "The Risk Management" of the finance company includes five core risk areas i.e. Credit Risk Management, Foreign Exchange Risk Management, Asset Liability Management, Prevention of Money Laundering and Establishment of Internal Control and Compliance. The Prime objective of the risk management is that the financial institute takes better calculative business risks at the same time keeping safe the institute's capital, its financial resources and profitability from various risks. A well-structured and proactive risk management system is in place in the company to address risk relating to credit, market, liquidity and operations.

2.30.01 Credit risk management

Risk is inherent in all commercial operation. Credit risk is an obvious factor that needs to be managed. Credit risk is the possibility that a borrower or counter party may fail to meet its obligation pursuance to agreed terms. Credit risk, therefore, arises from the institutes' dealings with or lending to corporate, individuals and other institutes or finance companies. Credit risk management enables Institutes to proactively manage investment portfolios in order to minimize losses and earn an acceptable rate of return for stakeholders.

As a Finance Company IFIPLC's prime objective is to maximize stakeholders' value. Thus the Institute endeavours to maintain a manageable investment portfolio, which is rewarding by taking calculated risk and ensuring quality of investments.

2.30.02 Prevention of money laundering

For prevention of Money Laundering, Money Laundering Prevention Act-2012 has been enacted in Bangladesh. The act gives Bangladesh Bank broad responsibilities for prevention of money laundering and wide-ranging powers to take adequate measures to prevent money laundering, facilitate its detection, monitor its incidence, enforce rules and to act as the prosecuting agency for the breaches of the Act.

Pursuance to Bangladesh Bank instructions/guidelines, the Company instituted an effective Committee and has issued circulars/circular instructions to all the branches of the Company for their guidance and awareness of prevention of Money Laundering, which remain binding upon meticulous compliance.

2.30.03 Internal control and compliance

A financial institute is engaged in diversified and complex financial activities. Since financing involves high risk, the presence of effective internal control system, corporate governance, transparency and accountability is vital to ensure smooth operation of the Institute. The primary objective of internal control system is to help the Institute perform through use of its resources.

Through internal control system, the Institute identifies its weakness and takes appropriate and timely measures to overcome the same. A policy guideline in this regard has been formulated for the Institute with the approval of the Board. Board has constituted the Audit Committee as per internal control and compliance guidelines. The Internal Control and Compliance Department of IFI PLC are properly staffed with adequate skill and knowledge.

2.31 Liquidity statement

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

a) Balances with other banks and financial institutions are on the basis of their term.

b) Investments are on the basis of their expected liquidation & residual maturity term.

c) Loans, advances and leases are on the basis of their repayment/maturity schedule.

d) Fixed assets are on the basis of Bangladesh Bank regulation.

e) Other assets are on the basis of Bangladesh Bank regulation.

f) Borrowings from other banks and financial institutions as per their maturity/repayment terms.

g) Deposits and other accounts are on the basis of their maturity term and behavioral past trends.

h) Other long term liabilities are on the basis of their maturity terms.

i) Other liabilities are on the basis of their settlement terms.

2.32 BASEL II & its implementation

To cope with the international best practices and to make the capital more risks sensitive as well as more shock resilient, guidelines on 'Basel Accord for Financial Institutions (BAFI)' have been introduced from January 01, 2011 on test basis by the Bangladesh Bank. At the end of test run period, Basel Accord regime will be started and the guidelines on BAFI will have come fully into force from January 01, 2012 with its subsequent supplements/revisions. Instructions regarding Minimum Capital Requirement (MCR), Adequate Capital, and Disclosure requirement as stated in these guidelines have to be followed by all financial institutions for the purpose of statutory compliance. In line with Bangladesh Bank requirement, the Company has formed BASEL Implementation Unit (BIU) to ensure timely implementation of BASEL II accord. Latest status of Capital Adequacy Ratio (CAR) has been shown in note - 13.04.

2.33 Events after the Balance Sheet date

All materials events occurring after the balance sheet date are considered and where necessary, adjusted for, or disclosed accordingly.

i) Proposed dividend

The Board of Director at its 363rd meeting of the Board held on June 30, 2025 recommended to the shareholders a dividend no dividend. This will be considered for approval by the shareholders at the 24th Annual General Meeting (AGM).

ii) Date of authorization for issue

These financial statements have been authorized for issue by the Board of Directors (BOD) at its 363rd meeting, Dated: June 30, 2025

2.34 Dividend equalization reserve

The company maintains Dividend Equalization Reserve by appropriating a portion of Retained Earning.

2.35 Special reserve fund

The company has set up Special Reserve Fund by appropriating a portion of Retained Earning.

2.36 Others

a) The financial statements are expressed in Bangladeshi Taka Currency and rounded off to the nearest integer.

b) Previous year's figures have been rearranged where necessary to confirm the current year's presentation.

Note No.	Particulars		Amount in Taka 31-Dec-24	Amount in Taka 31-Dec-23
3.00	**Cash**			
3.01	**Cash in hand**		**267,279**	**1,201,549**
	In local currency		267,279	1,201,549
	In foreign currency		-	-
3.02	**Balance with Bangladesh Bank and its agent (Including foreign currencies)**			
	Bangladesh Bank		**91,956,868**	**111,499,447**
	In local currency		91,956,868	111,499,447
	In foreign currencies		-	-
			91,956,868	**111,499,447**
	Total Cash & Cash Equivalents:		**92,224,147**	**112,700,996**

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

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

Cash Reserve Requirement (CRR) is required to maintain @ 1.5% with Bangladesh Bank in current account on all deposits taken from depositors other than Banks and Financial Institutions.

Statutory Liquidity Requirement (SLR) is require to maintain @ 5% including the CRR of 1.5% on average demand and time liabilities, excluding Bangladesh Bank deposit. Islamic Finance and Investment PLC maintains this reserve mostly in the form of fixed deposits. These fixed deposits are not an investment in nature. As a regulatory requirement to maintain SLR, Islamic Finance and Investment PLC. maintains Fixed Deposits and have shown as cash and cash equivalents.

3.02.2	**Cash Reserve Requirement (CRR): 1.5% of**			
	Average Demand and Time Liabilities			
	Required Reserve		86,255,968	100,794,902
	Actual Reserve held with Bangladesh Bank		98,027,132	114,906,207
	Surplus/(Deficit)		**11,771,164**	**14,111,305**
3.02.3	**Statutory Liquidity Requirement (SLR): 5% of Average Demand and Time Liabilities:**			
	Required Reserve		469,277,636	462,361,185
	Actual Reserve held		1,310,098,203	1,620,869,391
	Surplus/(Deficit)		**840,820,567**	**1,158,508,206**
4.00	**Balance with Other Banks and Financial Institutions**			
	Inside Bangladesh	Note - 4.01	1,245,814,535	1,568,113,156
	Outside Bangladesh	Note - 4.02	-	-
	Total:		**1,245,814,535**	**1,568,113,156**
4.01	**Inside Bangladesh**			
A.	**Current Account**		**11,776,588**	**21,707,902**
	Pubali Bank PLC.		268,590	948,036
	Dutch Bangla Bank PLC.		80,777	473,537

Note No.	Particulars		Amount in Taka 31-Dec-24	31-Dec-23
	Al-Arafa Islami Bank PLC.		8,298,595	17,397,606
	Al-Arafa Islami Bank PLC. (Dividend)		783,029	813,417
	Islami Bank Bangladesh PLC.		2,345,597	2,075,306
B.	**Mudaraba Short Notice Deposits (SND)**		**82,020,021**	**71,405,254**
	Al-Arafa Islami Bank PLC.			
	- Mudaraba Short Notice Deposit		31,088,771	41,793,120
	- Mudaraba Short Notice Deposit (Dividend)		1,412,054	3,383,859
	Bank Al Falah PLC.			
	- Mudaraba Short Notice Deposit		3,441,871	3,441,871
	- Mudaraba Savings Deposit		-	254,098
	Bank Asia PLC.			
	- Mudaraba Special Notice Deposit		-	132,557
	Islami Bank Bangladesh PLC.			
	- Mudaraba Short Notice Deposit		1,674,185	797,094
	Exim Bank PLC.			
	- Mudaraba Short Notice Deposit		23,615,610	8,315,279
	Shahjalal Islami Bank PLC.			
	- Mudaraba Short Notice Deposit		222,481	342,424
	- Mudaraba Savings Deposit		2,803,992	5,040,177
	Social Islami Bank PLC.			
	- Mudaraba Savings Deposit		1,716,103	1,164,390
	- Mudaraba Short Notice Deposit		12,198,748	5,936,222
	South East Bank PLC.			
	- Foreign Currency Account	Note: 4.01.1	304,816	281,315
	- Mudaraba Short term Deposit		467,862	502,960
	- Mudaraba Short Notice Deposit		3,073,528	19,888
C.	**Mudaraba Term Deposits (MTD)**		**1,152,017,926**	**1,475,000,000**
	Social Islami Bank PLC.		410,680,000	425,000,000
	Al-Arafah Islami Bank PLC.		655,000,000	965,000,000
	Hajj Finance Company Limited		86,337,926	85,000,000
	Total: (A+B+C)		**1,245,814,535**	**1,568,113,156**
4.01.1	**South East Bank PLC.**			
	- Foreign Currency Account (US$ 2173.03@120.00)		260,763	239,033
	- Foreign Currency Account (EUR€ 204.53@124.89)		25,544	24,985
	- Foreign Currency Account (GBP£ 122.88@150.624)		18,509	17,297
	Total:		**304,816**	**281,315**
4.02	**Outside Bangladesh (Nostro Accounts)**			
			-	-
			-	-
	Total:		**-**	**-**

Note No.	Particulars		Amount in Taka 31-Dec-24	Amount in Taka 31-Dec-23
4.03	**Maturity-wise Groupings (Inside and Outside Bangladesh)**			
	Payable on Demand		-	-
	Up to 1(one) Month		355,773,335	583,113,156
	Over 1(one) Month but not more than 3 (three) Months		620,000,000	655,000,000
	Over 3 (three) Months but not more than 1 (one) Year		270,041,200	330,000,000
	Over 1 (one) Year but not more than 5 (five) Years		-	-
	Over 5 (five) Years		-	-
			1,245,814,535	**1,568,113,156**
5.00	**Money at call on Short Notice**			
	Financial Institutions		-	-
	Banks		-	-
	Total:		-	-
6.00	**Investments in Shares and Government Securities**			
	Government Security	Note-6.01	-	-
	Treasury Bills		-	-
	3 Years T & T Bond		-	-
	5 Years Treasury Bond		-	-
	10 Years Treasury Bond		-	-
	15 Years Treasury Bond		-	-
	20 Years Treasury Bond		-	-
	Bangladesh Govt. Islamic Investment Bond		-	-
	Prize Bonds		-	-
	Other Investments	Note- 6.02	158,778,008	166,105,270
	Total Investment in Shares & Govt. Securities		**158,778,008**	**166,105,270**
	Maturity Grouping of Investments		**158,778,008**	**166,105,270**
	Payable on Demand		-	-
	Up to 1(one) Month		2,600,000	2,600,000
	Over 1(one) Month but not more than 3 (three) Months		2,400,000	2,400,000
	Over 3 (three) Months but not more than 1 (one) Year		92,208,558	99,535,820
	Over 1 (one) Year but not more than 5 (five) Years		61,569,450	61,569,450
	Over 5 (five) Years		-	-
6.01	**Types of Government Securities**			
	Held to Maturity (HTM) Securities		-	-
	Bangladesh Govt. Islamic Investment Bond		-	-
	Total:		**-**	**-**
6.01.1	**Investment - Government Securities**			
	Treasury Bill		-	-
	2 years Treasury Bills			-
	5 years Treasury Bills		-	-

Note No.	Particulars		Amount in Taka 31-Dec-24	Amount in Taka 31-Dec-23
	Treasury Bond		-	-
	5 years Treasury Bond		-	-
	10 years Treasury Bond		-	-
	15 years Treasury Bond		-	-
	20 years Treasury Bond		-	-
	3 Years T & T Bond		-	-
	Bangladesh Govt. Islamic Investment Bond		-	-
	Prize Bond		-	-
	Total:		-	-
6.02	**Other Investments**			
	Shares & Securities Unquoted	Note: 6.02.01	51,569,450	51,569,450
	Shares & Securities quoted	Note: 6.02.02	107,208,558	114,535,820
	Total:		**158,778,008**	**166,105,270**
6.02.01	**Shares & Securities Unquoted**		**51,569,450**	**51,569,450**
	Central Depository Bangladesh Ltd. (CDBL)		1,569,450	1,569,450
	Capitec IBBL Shariah Unit Fund		50,000,000	50,000,000
			51,569,450	**51,569,450**

6.02.02 Unquoted Share (Annexure-B)

Investment in marketable securities

Business Segments	31-Dec-24		31-Dec-23	
	Cost Price	Market Price	Cost Price	Market Price
Capitec IBBL Shariah Unit Fund	50,000,000	39,750,000	50,000,000	50,000,000
Central Depository Bangladesh Ltd. (CDBL)	1,569,450	1,569,450	1,569,450	1,569,450
Total:	**51,569,450**	**41,319,450**	**51,569,450**	**51,569,450**

6.02.03 Quoted Share (Annexure-B)

Investment in marketable securities

Business Segments	31-Dec-24		31-Dec-23	
	Cost Price	Av. Market Price	Cost Price	Av. Market Price
Bank	-	-	2,353,209	2,124,948
IT Sector	-	-	4,937,113	4,254,472
Miscellaneous	-	-	36,940	65,015
Mutual Funds	10,000,000	4,700,000	10,000,000	6,500,000
Pharmaceuticals & Chemicals	97,208,558	80,142,110	97,208,558	76,625,092
Total:	**107,208,558**	**84,842,110**	**114,535,820**	**89,569,527**

All investments in marketable securities are valued at average cost price as on reporting date and adequate provision has been made in compare with book value and six months average market price. Market price for securities not listed as on reporting date has been shown at cost. As on December 31, 2024 there was Taka 32,917,231/= gross provision maintained on marketable listed and non-listed securities.

Note No.	Particulars		Amount in Taka 31-Dec-24	31-Dec-23
7.00	**Investments**			
	General Investments	Note 7.01	9,522,483,955	10,752,691,436
	Bills Purchased and Discounted		-	-
	Total:		**9,522,483,955**	**10,752,691,436**
7.01	**General Investments**			
	Investments in Leases		2,621,833,521	2,798,495,269
	HPSM (Hire Purchase Sherkatul Melk)		5,245,174,905	5,906,423,210
	BAI-MURABAHA Muajjala		17,208,244	40,455,765
	Bai Muazzal (General)		1,637,916,282	2,006,688,440
	Bai Muazzal HDS (Household Durable Scheme)		351,003	628,752
	Total:		**9,522,483,955**	**10,752,691,436**
7.01.1	**Lease Finance**			
	Principal Outstanding		**2,621,833,521**	**2,798,495,269**
	Principal Outstanding			
	Gross rental receivable		2,881,256,656	3,100,877,940
	Unearned lease income		259,423,135	302,382,671
	Net Investment		**2,621,833,521**	**2,798,495,269**
	Movement of Lease Finance			
	Cost of Lease Assets :			
	Opening balance		3,100,877,941	3,316,303,764
	Addition during the year		-	17,073,800
	Disposal/ Adjustment during the year		219,621,285	232,499,623
	Closing Balance		**2,881,256,656**	**3,100,877,941**
	Unearned Income of Lease Investment			
	Opening balance		302,382,672	360,963,123
	Addition during the year		-	5,193,353
	Disposal/ Adjustment during the year		42,959,537	63,773,804
	Closing Balance		**259,423,135**	**302,382,672**
7.01.2	**Aging analysis of Lease Assets**			
	Not more than 01 (one) year		398,903,382	837,678,357
	More than 01 (one) year and not later than 05 years		290,237,956	653,764,051
	More than 05 (five) years		1,932,692,183	1,307,052,861
	Total:		**2,621,833,521**	**2,798,495,269**
7.01.3	**Maturity Grouping of Investments**			
	Up to 1(one) Month		212,235,434	70,917,769
	Over 1(one) Month but not more than 3 (three) Months		765,858,675	735,021,150
	Over 3 (three) Months but not more than 1 (one) Year		1,503,469,236	3,377,900,853
	Over 1 (one) Year but not more than 5 (five) Years		1,542,081,501	2,474,677,328
	Over 5 (five) Years		5,498,839,109	4,094,174,336
	Total:		**9,522,483,955**	**10,752,691,436**

Note No.	Particulars	Amount in Taka	
		31-Dec-24	31-Dec-23
7.02	**Investments (Broad Categories)**		
	In Bangladesh	**9,522,483,955**	**10,752,691,436**
	General Investments	9,522,483,955	10,752,691,436
		-	-
	Outside Bangladesh	-	-
		9,522,483,955	**10,752,691,436**
7.03	**Significant Concentration**		
	Investments to allied concern of Directors	120,096,564	121,859,446
	Investments to Executives/Officers	56,691,908	65,324,058
	Investments to Customer Groups	740,887,435	1,798,683,964
	Industrial Investment	5,674,426,987	6,070,814,532
	Others	2,930,381,061	2,696,009,436
	Total:	**9,522,483,955**	**10,752,691,436**
7.04	**Geographical Location-wise break-up**		
	Dhaka	6,393,877,680	7,190,377,524
	Chattogram	1,257,964,545	1,295,445,091
	Bogura	822,337,659	889,318,656
	Narayanganj	873,581,207	1,052,932,685
	Gazipur	106,382,158	157,178,223
	Chowmuhani	68,340,706	167,439,257
	Total:	**9,522,483,955**	**10,752,691,436**
7.05	**Sector wise break-up of General Investments:**		
	Trade & Commerce	839,574,049	1,500,981,289
	Industry	-	-
	A. Garments & Knitwear	361,986,008	439,804,996
	B. Textiles	857,376,834	945,045,663
	C. Food Production, Processing & Rice Mills	1,123,362,590	1,351,730,187
	D. Jute & Jute products	39,399,528	66,534,139
	E. Plastic & Rubber Industry	176,923,913	199,582,310
	F. Leather & Leather goods	1,313,915	3,455,850
	G. Iron, Steel & Engineering	605,040,512	636,273,263
	H. Pharmaceuticals & Chemicals	80,803,150	209,960,297
	I. Cement & Allied Industry	354,504,901	426,017,756
	J. Paper, Packaging, Printing, Publishing & Allied Industry	359,335,118	334,481,704
	K. Wood, Furniture & Fixture	-	585,169
	L. Glass, Glassware & Ceramic Industry	-	-
	M. Ship Manufacturing & Breaking	827,254	1,074,314
	N. Electronics & Electrical Products	583,835,651	679,598,391
	O. Power, Gas, Petrollium, Water & Sanitary	932,853,200	454,113,329
	P. Transport & Aviation	304,667,416	284,578,413

Note No.	Particulars	Amount in Taka	
		31-Dec-24	31-Dec-23
	Q. Others	11,244,536	37,978,751
	Agriculture	-	-
	A. Crops	-	-
	B. Forestry	1,950,563	3,744,322
	C. Poultry & Livestock	21,154,262	22,007,079
	D. Fisheries	961,134	1,598,294
	E. Others (Cold Storage, Biofuel, Seed, Feed, Agri-related Other Institutions & Services)	39,849,815	117,084,162
	Mining & Quarrying	-	-
	Housing	-	-
	A. Individual/Retail Housing	381,268,398	408,731,062
	B. Project/Commercial Housing	857,819,022	920,926,008
	Financial Corporation	-	-
	A. Bank	-	-
	B. Finance Company	-	-
	C. Insurance Company	-	-
	D. NGO	-	-
	E. Audit & Accounting firm	-	-
	F. Credit Rating Agency	-	-
	G. Merchant Banking	-	-
	i. Loans to Own Subsidiaries	-	-
	ii. Loans to Other FI/Bank Subsidiaries	-	-
	iii. Loans to Brokerage House	-	-
	H. Other Financial Auxiliaries	-	-
	Service	-	-
	A. Education, Career & Training (Institutional), Consultancy Supervisory	-	-
	B. Tourism, Hospitality & Logistics	271,579,826	270,316,247
	C. Health Sector	10,769,670	96,112,391
	D. Media, Advertising & Event Management	-	-
	E. Beautification & Gym	-	-
	F. Tailoring & Laundry	418,696	839,419
	G. Private Survey Institution	-	-
	H. Restaurant Service, Catering & Online Food Supplier	-	-
	I. Telecommunication & Information Technology	25,909,049	30,948,237
	J. Others	42,914,031	65,798,370
	Consumer Finance	-	-
	A. Personal Loan	-	-
	B. Auto Loan	-	-
	C. Employee/Staff Loan	56,691,908	65,324,058

Note No.	Particulars	Amount in Taka 31-Dec-24	Amount in Taka 31-Dec-23
	D. Credit Card	-	-
	E. Loan Against Deposit	-	-
	Others	1,178,149,006	1,177,465,966
	Total:	**9,522,483,955**	**10,752,691,436**
7.06	**Disclosure on large loan**		
	As per DFIM circular no: 10 dated 05 September 2011, the amount invested to any individual or enterprise or any organisation of a group which is 15% or more of the Companies total capital shall be considered as large loan.		
	Amount of outstanding to the client	9,116,927,058	4,039,823,374
	No. of Customers	134	11
	Classified amount thereon	5,472,010,414	1,277,522,211
	Measures taken for recovery	-	-
7.07	**Classification of General Investments as per Bangladesh Bank Circular**		
	Unclassified		
	Standard-Non SME	2,203,684,591	4,991,635,607
	Standard- SME	533,545,080	1,113,800,472
	Special Mentioned Account (SMA)	1,208,060,270	970,089,579
A	**Total unclassified general investments**	**3,945,289,941**	**7,075,525,658**
	Classified		
	Sub-standard	806,227,381	157,408,116
	Doubtful	204,435,666	549,168,372
	Bad & Loss	4,566,530,967	2,970,589,290
B	**Total classified general investments**	**5,577,194,014**	**3,677,165,778**
	Total General Investments (A+B)	**9,522,483,955**	**10,752,691,436**

7.08 Calculation of required provision for Loans, Advance and Lease as on December 31, 2024.

Nature	Base for Provision 31 December 2024	Rate (%)	31-Dec-24	31-Dec-23
General Provision				
Standard-Non SME	1,870,139,782	1.00%	18,701,398	44,768,641
Standard- SME	489,903,564	0.25%	1,224,759	2,554,331
Special Provision	3,042,898,221	2.00%	60,857,964	61,939,312
Special Mentioned Account (SMA)-Non SME	935,052,434	5.00%	46,752,622	-
Special Mentioned Account (SMA)-SME	9,482,871	0.25%	23,707	47,647,148
	6,347,476,872		**127,560,450**	**156,909,432**
Specific Provision				
Sub-standard-Non SME	807,598,452	20.00%	161,519,690	97,784,413
Sub-standard-SME	60,819,577	5.00%	3,040,979	-
Doubtful-Non SME	117,755,677	50.00%	58,877,839	247,056,161
Doubtful-SME	24,157,174	20.00%	4,831,434	-

Note No.	Particulars			Amount in Taka 31-Dec-24	Amount in Taka 31-Dec-23
	Bad & Loss-Non SME	2,390,502,361	100.00%	2,390,502,361	-
	Bad & Loss-SME	440,390,139	100.00%	440,390,139	1,461,098,475
		3,841,223,380		**3,059,162,442**	**1,805,939,049**
	Total Provision Required			**3,186,722,892**	**1,962,848,481**
	Total Provision Maintained		Note-12.02	2,255,611,100	721,366,092
	Excess/(Short) Provision			**(931,111,792)**	**(1,241,482,389)**

Note:

As on 31 December, 2024 Cumulative Provision Requirement against General Investment stands at Tk.318.67 crore. In 2023 Bangladesh Bank has approved 05 (five) years deferral facility of additional provision Tk.155.18 crore required for the year (2023) vide Letter Ref. No.: DFIM(C)1054/13/2024-2050 dated 25 June, 2024. Accordingly we have prepared the Financial Statements for the year 2024 by provision maintained Tk. 225.56 crore (including deferred Tk.62.08 crore for 2023 and 2024) and deferred the rest Tk.93.11 crore for the next 03 (three) years (2025-2027) as per approval of Bangladesh Bank.

7.09 Particulars of Investments

Particulars	31-Dec-24	31-Dec-23
i) Investments considered good in respect of which the FI is fully secured .	6,250,428,432	6,833,559,266
ii) Investment considered good for which the FI holds no other Security than the debtors personal security .	583,080,754	537,944,447
iii) Investments considered good and secured by the personal security of one or more parties in addition to the personal security of the debtors.	2,688,974,769	3,381,187,723
iv) Investments adversely classified; provision not maintained there against.	-	-
	9,522,483,955	**10,752,691,436**
v) Investments due by directors or executives of the FI or any of them taken either severally or jointly with any other person .	57,740,933	66,711,421
vi) Investments due by companies or firms in which the directors of the FI are interested as directors, partners or managing agents or in case of private companies, as members.	119,047,539	120,472,083
vii) Maximum total amount of Investments, including temporary investments made at any time during the year to directors or managers or officers of the FI or any of them either separately or jointly with any other person .	4,000,000	1,788,000
viii) Maximum total amount of Investments, including temporary investments granted during the year to the companies or firms in which the directors of the FI are interested as directors, partners or managing agents or in the case of private companies, as members .	-	16,500,000
ix) Due from other Banking Companies	-	-
x) Total amount of Classified Advances on which interest is not credited to income .	5,577,194,014	3,677,165,778
a. Movement of classified Investments		
Opening balance	3,677,165,778	1,187,875,940
Increase/ (Decrease) during the year	1,900,028,236	2,489,289,838
	5,577,194,014	**3,677,165,778**
b. Amount of provision kept against Investment Classified as 'Bad/ Loss' on the reporting date of Balance Sheet .	1,972,706,233	537,227,702
c. Profit creditable to the Profit Suspense Acc	444,667,744	253,495,217

Note No.	Particulars		Amount in Taka	
			31-Dec-24	31-Dec-23
	xi) Amount of written off Investments:			
	Opening Balance		39,305,460	41,382,388
	Amount written off during the year		-	-
	Amount for legal charge for written off Account		24,270	30,500
	Amount recovered during the year (Charges)		(33,920)	-
	Amount recovered during the year (Principal)		(104,280)	(2,107,428)
	Cumulative Balance		**39,191,530**	**39,305,460**
8.00	**Fixed Assets Including Premises, Furniture And Fixtures**			
	At cost less accumulated depreciation (Annexure-A)			
	Cost			
	Opening balance		489,788,707	505,977,878
	Addition during the year		7,203,276	463,749
	Disposal/Adjustment during the year		(5,578,083)	(16,652,920)
	Closing balance at cost		**491,413,900**	**489,788,707**
	Depreciation			
	Opening balance		165,736,120	152,760,403
	Addition during the year		13,964,796	16,127,538
	Adjustment during the year		(5,578,083)	(3,151,821)
	Accumulated Depreciation		**174,122,833**	**165,736,120**
	Carrying value		**317,291,067**	**324,052,587**
9.00	**Other Assets**			
	Advance, Deposits & Prepayments	Note-9.01	2,265,461	2,819,488
	Quard against Salary		453,066	270,556
	Accrued Profit Receivable-MTDR		28,543,579	26,788,418
	Dividend receivable		4,120,011	4,063,029
	Stamp on Hand		68,350	77,350
	Advance Income Tax	Note-9.02	667,354,283	625,738,795
	Total:		**702,804,750**	**659,757,636**
9.01	**Advance, Deposits & Prepayments**			
	Security Deposits (Telephone)		58,680	61,180
	Advance against Supplies and legal expenses		1,432,295	1,274,320
	Receivable from Stock Dealer		70,654	100,156
	Advance from Dividend of Mudaraba Investment (IFIPLC Mutual Fund)		703,832	703,832
	Advance for IPO-Book Building System		-	680,000
	Total:		**2,265,461**	**2,819,488**

9.02 Advance Income Tax:

Advance payment of tax represents corporate income tax paid to the Government Exchequer by way of advance tax under section 154 and tax deducted at sources from different heads of income by the third parties and tax paid under section 173 of the Income Tax Act 2023. which would be adjusted with the corporate tax liability of the Company at final settlement/assessment.

Note No.	Particulars		Amount in Taka 31-Dec-24	Amount in Taka 31-Dec-23
	Opening balance		625,738,795	546,195,564
	Add: Addition during the year		22,194,619	30,992,315
	Add: Advance tax paid for previous year		19,420,869	48,550,916
	Total:		**667,354,283**	**625,738,795**
10.00	**Borrowings from Other Banks, Finance Companies and Agents**			
	Inside Bangladesh	Note-10.01	312,541,384	550,567,268
	Outside Bangladesh		-	-
	Total:		**312,541,384**	**550,567,268**
10.01	**Inside Bangladesh**		**312,541,384**	**550,567,268**
	Bangladesh Bank (SME Refinance)		56,550,916	191,516,355
	Bangladesh Bank (BGIIB Bond Fund)		-	-
	Borrowing from AIBL (HPSM General)		135,990,468	199,050,913
	Mudaraba Redeemable Subordinate Bond	Note-10.03	120,000,000	160,000,000
10.02	**Security wise grouping**			
	Secured Borrowing		-	-
	Unsecured Borrowing		312,541,384	550,567,268
	Total:		**312,541,384**	**550,567,268**
10.03	**Mudaraba Redeemable Subordinate Bond**	**No of Units**	**120,000,000**	**160,000,000**
	Agrani Bank Ltd.	48	120,000,000	160,000,000
	Total:	**48**	**120,000,000**	**160,000,000**
10.04	**Nature of repayment**			
	Repayable on Demand		-	-
	Repayable within 01 Month		11,707,342	8,831,286
	Repayable over 01 (one) Month but within 03 (three) Months		26,417,300	116,430,767
	Repayable over 03 (three) Months but within 01 (one) Year		86,736,200	153,464,593
	Repayable over 01 (one) Year but within 05 (five) Years		67,680,542	271,840,622
	Repayable over 05 (five) Years		120,000,000	-
	Total:		**312,541,384**	**550,567,268**
11.00	**Deposits and Other Accounts**			
	Mudaraba Term Deposits	Note-11.01	7,136,444,312	8,254,439,480
	Lease Deposits	Note-11.02	14,948,771	15,828,656
	Deposits under Schemes	Note-11.03	360,378,067	521,354,530
	Total:		**7,511,771,150**	**8,791,622,666**
11.A	**Maturity Analysis (Deposits received from other than Banks)**			
	Repayable on Demand		-	-
	Repayable within 01 Month		445,315,434	478,788,797
	Repayable over 01 (one) Month but within 03 (three) Months		920,105,541	702,117,256
	Repayable over 03 (three) Months but within 01 (one) Year		1,241,499,091	2,709,766,088
	Repayable over 01 (one) Year but within 05 (five) Years		851,827,818	1,375,729,391
	Repayable over 05 (five) Years		4,053,023,266	3,525,221,134
	Total:		**7,511,771,150**	**8,791,622,666**

Note No.	Particulars		Amount in Taka	
			31-Dec-24	31-Dec-23
11.01	**Mudaraba Term Deposits**		**7,136,444,312**	**8,254,439,480**
	Deposits Received from Banks & FI's	Note-11.01.01	1,883,947,492	2,268,323,014
	Deposits Received from Others		5,252,496,820	5,986,116,466
			7,136,444,312	**8,254,439,480**
11.01.01	**Deposits received from Banks & FI's**			
	Islami Bank Bangladesh PLC.		750,000,000	775,000,000
	Al Arafah Islami Bank PLC.		557,971,918	908,323,014
	The Trust Bank PLC.		-	-
	Social Islami Bank PLC.		400,000,000	400,000,000
	Bangladesh Development Bank PLC.		-	-
	Agrani Bank PLC.		90,000,000	100,000,000
	Hajj Finance Company Limited		85,975,574	85,000,000
	Total:		**1,883,947,492**	**2,268,323,014**
11.01.02	**Maturity wise Grouping**			
	Repayable within 01 Month		283,947,492	19,323,014
	Repayable over 01 (one) Month but within 03 (three) Months		560,000,000	365,000,000
	Repayable over 03 (three) Months but within 01 (one) Year		790,000,000	1,884,000,000
	Repayable over 01 (one) Year but within 05 (five) Years		250,000,000	-
	Repayable over 05 (five) Years but within 10 (ten) Years		-	-
	Unclaimed Deposits 10 (ten) Years and above		-	-
	Total:		**1,883,947,492**	**2,268,323,014**
11.02	**Lease Deposits**		**14,948,771**	**15,828,656**
	The Company takes lease deposits from the clients under lease investment which is adjusted at the end of the contract perid.			
11.03	**Deposits Under Schemes**			
	Home Owning Scheme (monthly)		18,122,210	24,808,337
	Higher Education Deposit Scheme		627,539	2,428,012
	Marriage Deposit Scheme		479,771	776,788
	Pension Deposit Scheme		204,987,035	233,468,384
	Hajj Deposit Scheme		14,610,761	16,116,308
	Mudaraba Mohor Deposit Scheme		366,306	344,619
	Mudaraba Special Deposit Scheme		8,251,058	30,642,219
	Mudaraba Lakhpoti Deposit Scheme		2,554,545	5,591,083
	Mudaraba Millionaire Deposit Scheme		16,700,084	25,166,787
	Mudaraba Kotipoti Deposit Scheme		25,894,194	32,323,367
	ATH-FAAL Deposit Scheme		836,762	508,960
	Mudaraba Asaan Deposit Scheme		61,142,089	144,571,666
	Mudaraba Umra Deposit Scheme		4,554,797	4,404,000
	Mudaraba Peshajibi Deposit Scheme		1,250,916	204,000
	Total:		**360,378,067**	**521,354,530**

Note No.	Particulars		Amount in Taka 31-Dec-24	31-Dec-23
12.00	**Other Liabilities**			
	Provision for Profit on Deposits		200,205,107	195,207,611
	Provision for profit on Borrowing		12,802,817	13,970,955
	Provision for profit on Mudaraba Redeemable Bond		1,610,959	1,718,356
	Provision for Income Tax	Note-12.01	749,275,118	735,981,587
	Provision for Expenses		2,939,745	2,835,105
	Provision for AIT, VAT, Tax at source, Excise Duty		10,282,320	21,282,807
	Provision for General Investments	Note-12.02	2,255,611,100	721,366,092
	Provision against Investment in Shares	Note-12.03	32,917,231	25,417,231
	Provision against others Assets	Note-12.04	1,904,152	1,807,052
	Unearned Profit on BAIM		310,304,860	405,215,207
	Employee Welfare Fund		531,783	531,783
	Unclaimed Dividend Account	Note-12.05	2,195,083	4,197,276
	Sundry Deposits		52,731,875	22,351,074
	Security Deposits		14,123,092	17,638,774
	Unrealised Compensation A/C		77,352,636	59,695,096
	Payable against Fixed Asset		540,415	540,415
	IFI Foundation		2,926,518	2,198,183
	Contribution to PF		-	-
	Lease obligation on ROU Assets		13,996,149	12,470,135
	Profit Suspense Account		444,667,744	253,495,217
	Total:		**4,186,918,704**	**2,497,919,956**

12.01	**Provision for Taxation**		
	Opening balance	735,981,587	684,472,319
	Add: Provision made during the year	22,193,623	51,509,268
	Adjustment for different year	(8,900,092)	-
	Closing balance	**749,275,118**	**735,981,587**

A. Current Tax liabilities

Provision for current tax has been made on the basis of the profit for the year as adjusted for taxation purpose in accordance with the provision of Income Tax Act, 2023 and amendments thereto.

Opening balance	718,150,504	666,641,236
Provision made during the year	22,193,623	51,509,268
Adjustment for different year	(8,900,092)	-
Closing Current Tax Liabilities	**731,444,035**	**718,150,504**

B. Deferred Tax Liabilities/(Assets)

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

Provision held at the beginning of the year	17,831,083	17,831,083
Add: Provision made during the year	-	-
Closing Deferred Tax Liabilities/(Assets)	**17,831,083**	**17,831,083**

Note No.	Particulars	Amount in Taka 31-Dec-24	31-Dec-23

Deferred tax calculation for the period is arrived at as follows:

Particulars	Accounting Base	Tax Base	Deductible/ (Taxable)
Asset:			
WDV of fixed assets as per accounts	303,650,244	287,100,336	(16,549,908)
Right-of-use Assets - Office premises	13,640,823	-	(13,640,823)
Liabilities:			-
Lease obligation - Office premises	13,996,149	-	13,996,149
Total:	**331,287,216**	**287,100,336**	**(16,194,582)**
Applicable tax rate			37.50%
Total Deferred tax liability			**(6,072,968)**

Deferred tax expenses for the year

As on 31 December 2024 Deferred Tax Liability stands Tk.6,072,968/= but at the end of the previous year the deferred tax liability balance was Tk.7,090,060/= which resulted the liability reduced by Tk.1,017,092/=, we do not recognized the deferred tax income in our financial statements for the period considering conservative approach and as per Bangladesh Bank guidelines.

12.02 Provision for General Investments

Movement of Provision:

Against Classified Investments

	31-Dec-24	31-Dec-23
Opening balance	601,484,361	236,468,864
Less: Adjustment with Unclassified Investment		
Provision made during the year	1,535,636,814	365,015,497
	2,137,121,175	**601,484,361**

Against Unclassified Investments

	31-Dec-24	31-Dec-23
Provision held at the beginning of the year	119,881,731	174,526,631
Less: Adjustment with Classified Investment		(52,731,273)
Less: Special Provision adjusted due to closing of Account		(1,913,627)
Provision made during the year	(1,391,806)	-
	118,489,925	**119,881,731**
Closing balance	**2,255,611,100**	**721,366,092**

Note:

As on 31 December, 2024 Cumulative Provision Requirement against General Investment stands at Tk.329.36 crore. In 2023 Bangladesh Bank has approved 05 (five) years deferral facility of additional provision Tk.155.18 crore required for the year (2023) vide Letter Ref. No.: DFIM(C)1054/13/2024-2050 dated 25 June, 2024. Accordingly we have prepared the Financial Statements for the year 2024 by provision maintained Tk. 236.25 crore (including deferred Tk.62.08 crore for 2023 and 2024) and deferred the rest Tk.93.11 crore for the next 03 (three) years (2025-2027) as per approval of Bangladesh Bank.

12.03 Provision Against Investments in Shares

	31-Dec-24	31-Dec-23
Opening balance	25,417,231	24,619,179
Provision made during the year	7,500,000	798,052
Closing balance	**32,917,231**	**25,417,231**

12.04 Provision for Other Assets

	31-Dec-24	31-Dec-23
Opening balance	1,807,052	1,816,399
Provision made during the year	147,100	
Provision adjust during the year	(50,000)	(9,347)
Closing balance	**1,904,152**	**1,807,052**

Note No.	Particulars	Amount in Taka 31-Dec-24	31-Dec-23
12.05	**Aging analysis of unpaid/unclaimed divided Account**		
	Up to 1 year	-	813,417
	Over 01 year but within 03 years	2,195,083	3,383,859
	Over 03 years but within 04 years	-	-
	Over 04 years but within 05 years	-	
	Above 05 Years		
	Total:	**2,195,083**	**4,197,276**

As per BSEC Directive, No. BSEC/CMRRCD/2021-386/03, dated 14 January 2021, a separate line item for Unclaimed Dividend Account is required to present in the Financial Position. IFIPLC, being a finance company, is required to prepare and present financial statements as per DFIM Circular No. 11, dated 23 December 2009 issued by Bangladesh Bank and according to this circular there is no scope to present Unclaimed Dividend Account as a separate line item in the Financial Position/Balance Sheet. Therefore, a separate line item for unclaimed dividend account is presented in notes to the financial statements under other liabilities.

Note No.	Particulars	31-Dec-24	31-Dec-23
12.05	**Year wise breakup of Unclaimed Dividend Account**		
	Year 2020	-	1,909,282
	Year 2021	1,412,054	1,474,577
	Year 2022	783,029	813,417
	Closing balance	**2,195,083**	**4,197,276**

Note: Unclaimed dividend of previous years' upto 2019 has been transferred to Capital Market Stabilization Fund (CMSF) earlier as per BSEC letter no: SEC/SRMIC/165-2020/Part1/182 dated 19 July 2021.

Note No.	Particulars	31-Dec-24	31-Dec-23
12.06	**Contribution to PF**		
	Opening balance Note: 9.02	-	-
	Provision made during the year	10,036,274	9,941,016
	Transfer to Provident fund & Paid to Employee	(10,036,274)	(9,941,016)
	Closing balance	**-**	**-**
12.07	**Profit Suspense Account**		
	Opening balance	253,495,217	153,016,613
	Add: Amount transferred during the year	437,233,800	360,753,021
		690,729,017	**513,769,634**
	Less: Amount recovered during the year	246,061,273	260,274,417
	Closing balance	**444,667,744**	**253,495,217**

13.00 Capital

Note No.	Particulars	31-Dec-24	31-Dec-23
	Authorized Capital		
	250,000,000 ordinary shares of Taka 10 each.	**2,500,000,000**	**2,500,000,000**
13.01	**Issued, Subscribed and Fully Paid-up Capital**		
	170,00,000 ordinary shares of Tk.10 each issued for cash	170,000,000	170,000,000
	700,000 bonus shares of Tk.10 each issued in 2003	7,000,000	7,000,000
	70,00,000 right shares of Tk.10 each issued in cash 2004	70,000,000	70,000,000
	14,70,000 bonus shares of Tk. 10 each issued in 2004	14,700,000	14,700,000
	13,08,500 bonus shares of Tk.10 each issued in 2005	13,085,000	13,085,000

Note No.	Particulars	Amount in Taka 31-Dec-24	Amount in Taka 31-Dec-23
	43,96,560 bonus shares of Tk.10 each issued in 2008	43,965,600	43,965,600
	79,68,760 bonus shares of Tk.10 each ussued in 2009	79,687,600	79,687,600
	19,921910 right shares of Tk. 10 each issued in cash 2010	199,219,100	199,219,100
	95,62,510 bonus shares of Tk. 10 each issued in 2010	95,625,100	95,625,100
	69,32,824 bonus shares of Tk.10 each issued in 2011	69,328,240	69,328,240
	25,420,354 right shares of Tk.10 each issued in cash 2012	254,203,540	254,203,540
	10,168,141 bonus shares of Tk.10 each issued in 2012	101,681,410	101,681,410
	44,73,982 bonus shares of Tk.10 each issued in 2013	44,739,820	44,739,820
	4,652,941 bonus shares of Tk.10 each issued in 2014	46,529,410	46,529,410
	13,307,413 bonus shares of Tk.10 each issued in 2016	133,074,130	133,074,130
	6,042,775 bonus shares of Tk.10 each issued in 2018	60,427,750	60,427,750
	Closing Balance :	**1,403,266,700**	**1,403,266,700**

13.02 Particulars of Fully Paid-up Share Capital

Particulars	Number of Shares		Percentage (%)	
	31-Dec-24	31-Dec-23	31-Dec-24	31-Dec-23
Sponsor	45,867,533	46,067,533	32.69	32.83
Institutions	32,201,122	33,627,358	22.95	23.96
General Public	62,258,015	60,631,779	44.36	43.21
Total:	**140,326,670**	**140,326,670**	**100.00**	**100.00**

13.03 Classification of Shareholders by Holding as on December 31, 2024

Particulars	Number of Shares	No. of Shares	(%) of Holdings
1-500 Shares	3,576	548,833	0.39
501-5,000 Shares	5,319	11,198,282	7.98
5,001-10,000 Shares	1,122	8,709,848	6.21
10,001-20,000 Shares	655	9,597,099	6.84
20,001-30,000 Shares	241	6,075,789	4.33
30,001-40,000 Shares	137	4,907,733	3.50
40,001-50,000 Shares	76	3,562,038	2.54
50,001-100,000 Shares	127	9,036,752	6.44
100,001-1,000,000 Shares	98	27,189,775	19.38
1,000,001-9999999 Shares	25	59,500,521	42.40
Total:	**11,376**	**140,326,670**	**100.00**

13.04 Capital Adequacy

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

Note No.	Particulars		Amount in Taka 31-Dec-24	31-Dec-23
	Tier – I (Core Capital)			
	Paid up Capital		1,403,266,700	1,403,266,700
	Share Premium account	Note: 13.06	730,852	730,852
	Statutory Reserve	Note: 14.00	501,559,603	501,559,603
	Other reserve	Note: 15.00	67,985,376	67,985,376
	Retained Earnings	Note: 16.00	(1,945,377,307)	(230,231,340)
	Sub Total:		**28,165,224**	**1,743,311,191**
	Tier –II (Supplementary Capital)			
	General Provision (Unclassified Loans up to specified limit + SMA + Off Balance Sheet Exposure)*		118,489,925	119,881,731
	Assets Revaluation Reserves up to 50%		-	-
	Revaluation Reserve for Securities up to 45%		-	-
	All others Preference Shares		-	-
	Other (If any item approved by Bangladesh Bank)		-	-
	Sub Total:		**118,489,925**	**119,881,731**
	A.Total Capital		**146,655,149**	**1,863,192,922**
	B. Required Capital based on risk weighted asset		1,106,788,839	1,116,463,201
	C. Surplus/ (Deficiency) (A - B)		**(960,133,690)**	**746,729,721**
	* Limited to 1.25% of RWA as per CAMD guideline			
13.05	**Minimum Capital Requirement (MCR) under Basel Accord for Financial Institutions (BAFI)**			
	Total Eligible Capital		**146,655,149**	**1,863,192,922**
	Tier - 1 Capital		28,165,224	1,743,311,191
	Tier - 2 Capital		118,489,925	119,881,731
	Total Risk Weighted Assets (RWA)		**11,067,888,392**	**11,164,632,010**
	On Balance Sheet		10,020,888,392	10,562,632,010
	Market Risk		170,000,000	180,000,000
	Operational Risk		877,000,000	422,000,000
	Capital Adequacy Ratio (CAR)		1.33	16.69
	Core Capital to RWA		0.25	15.61
	Supplementary Capital to RWA		1.07	1.07
	Minimum Capital Requirement (10% Of RWA)		**1,106,788,839**	**1,116,463,201**
	Surplus/ (Deficiency)		**(960,133,690)**	**746,729,721**
13.06	**Share Premium Account**			
	Opening Balance		730,852	730,852
	Premium received		-	-
	Bonus Share Issued		-	-
	Share Issue Expenses		-	-
	Closing Balance		**730,852**	**730,852**

The share premium shall be utilized for the purposes as provided in the Securities and Exchange Ordinance-1969 as amended and the Companies Act-1994.

Note No.	Particulars	Amount in Taka 31-Dec-24	Amount in Taka 31-Dec-23
14.00	**Statutory Reserve**		
	Opening Balance	501,559,603	501,559,603
	Addition During the Year	-	-
	Closing Balance	**501,559,603**	**501,559,603**

In compliance with the clause no 6 of Financial Institutions Regulations,1994, Financial Institution is required to transfer at least 20% of its profit after tax and before appropriation of dividend in a particular year, if the financial institution's sum of Share Premium Account (if any) and Statutory Reserves is less than the paid up capital of that financial institution. As the company incurred net loss of Tk. 1,715,145,969 for the year 2024, threfore no amount has been transferred to the statutory reserve in this year.

Note No.	Particulars	31-Dec-24	31-Dec-23
15.00	**Other Reserves**		
	Dividend Equalization Reserve		
	Opening Balance	12,301,528	12,301,528
	Addition During the Year	-	-
	Issued bonus During the Year	-	-
	Closing Balance	**12,301,528**	**12,301,528**
	Special Reserve Fund		
	Opening Balance	9,200,000	9,200,000
	Addition During the Year	-	-
	Issued bonus During the Year	-	-
	Closing Balance	**9,200,000**	**9,200,000**
	General Reserve Fund		
	Opening Balance	46,483,848	82,935,760
	Addition During the Year	-	-
	Issued bonus During the Year	-	(36,451,912)
	Closing Balance	**46,483,848**	**46,483,848**
	Total Other Reserves:	**67,985,376**	**67,985,376**
16.00	**Surplus in Profit & Loss Account**		
	Balance as on 1 January	(230,231,340)	33,711,423
	Less: Prior year adjustment	-	-
	Retained Earnings as on January 01, 2024	**(230,231,340)**	**33,711,423**
	Less: Dividend paid	-	(33,711,423)
	Less: General Reserve	-	-
	Add: Profit after tax for the period	(1,715,145,967)	(230,231,340)
	Less: Transfer to Statutory Reserve	-	-
	Retained Earnings as on December 31, 2024	**(1,945,377,307)**	**(230,231,340)**
	Total Profit before Income Tax	(1,692,952,344)	(178,722,072)
	Provision for Income Tax	22,193,623	51,509,268
	Net Profit after Income Tax for the year	**(1,715,145,967)**	**(230,231,340)**

Note No.	Particulars		Amount in Taka 31-Dec-24	Amount in Taka 31-Dec-23
	Statutory Reserve		-	-
	Dividend Equalization Reserve		-	-
	Special Reserve Fund		-	-
	Retained Earnings Brought forward		(230,231,340)	-
	Total:		**(1,945,377,307)**	**(230,231,340)**

17.00 Business Commitments and contingencies

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

Note No.	Particulars		31-Dec-24	31-Dec-23
17.01	**Contingent Liabilities**			
	Acceptances and Endorsements		-	-
	Letters of Guarantee		-	-
	Irrevocable Letters of Credit		-	-
	Bills for Collection		-	-
	Other Contingent Liabilities		-	-
	Total:		**-**	**-**
17.02	**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		-	-
	Un-disbursed contacted General Investments		-	-
			-	**-**

18.00 Income Statement

Note No.	Particulars		31-Dec-24	31-Dec-23
	Income			
	Profit on Investment	Note-19.00	854,382,319	1,097,126,572
	Investment Income	Note-21.00	5,793,868	11,749,664
	Commission, Exchange & Brokerage	Note-22.00	1,494,050	712,298
	Other Operating Income	Note-23.00	4,330,912	1,624,275
	Total:		**866,001,149**	**1,111,212,809**
	Expenses			
	Profit Paid on Deposits, Borrowings etc.	Note: 20.00	815,771,156	764,038,558
	Administrative expenses		187,325,433	198,609,483
	Depreciation on banking assets		13,964,796	16,127,538
	Total:		**1,017,061,385**	**978,775,579**
	Operating Profit before Provision		**(151,060,236)**	**132,437,230**

Note No.	Particulars		Amount in Taka 31-Dec-24	31-Dec-23
19.00	**Profit on Investment**			
	Profit from General Investment	Note-19.01	744,085,411	1,001,104,326
	Profit on deposits with other Banks and Finance Companies	Note-19.02	110,296,908	96,022,246
	Total:		**854,382,319**	**1,097,126,572**
19.01	**Profit from General Investment**			
	Income from Lease Finance		164,147,572	254,713,246
	Income from HPSM		484,825,980	610,262,532
	Income from BAI-Murabaha Muajjala		3,226,005	10,478,646
	Income from Bai Muazzal (General)		91,841,031	125,579,924
	Bai Muazzal HDS (Household Durable Scheme)		44,823	69,978
	Total:		**744,085,411**	**1,001,104,326**
19.02	**Profit on deposits with other Banks and Finance Companies**			
	Income from Mudaraba Term Deposit		108,555,289	95,267,129
	Income form Bank Depsoit		1,741,619	755,117
	Total:		**110,296,908**	**96,022,246**
20.00	**Profit paid on Deposits & Borrowings etc.**			
	Profit paid on Deposits		773,120,386	723,140,745
	Profit paid on Borrowings		21,653,237	13,177,208
	Profit Paid on IFIPLC Mudaraba Bond		16,143,885	16,475,627
	Profit on Lease obligation		1,450,256	1,329,647
	Profit on Refinance Bangladesh Bank		3,403,392	9,915,331
	Total:		**815,771,156**	**764,038,558**
21.00	**Investment Income**			
	Net gain from Investment in securities	Note: 21.01	643,842	1,242,735
	Dividend Income		5,150,026	10,506,929
	Total:		**5,793,868**	**11,749,664**
21.01	**Gain from Investment in securities**			
	Gain from Investment in securities		1,137,209	1,870,213
	Less: Loss on sale of investmenet in securities		(493,367)	(627,478)
	Total:		**643,842**	**1,242,735**
22.00	**Commission, Exchange & Brokerage**			
	Application fees		16,450	10,200
	Documentation fees		315,370	421,546
	Service charge for accounts statement		36,230	50,400
	Supervision Charge		100,000	
	Transfer Price		1,026,000	230,152
	Total:		**1,494,050**	**712,298**
23.00	**Other Operating Income**			
	Profit on Sales of Fixed Assets	Note-23.01	21,000	69,000
	PF Forfeiture Fund		1,241,091	172,805
	Forclosure fee		2,536,628	887,403

Note No.	Particulars	Amount in Taka 31-Dec-24	31-Dec-23
	Service charge for quard facilities	499,500	326,500
	Other Income	32,693	168,567
	Total:	**4,330,912**	**1,624,275**

PF Forfeiture Fund Tk. 12,41,091/= has been transferred from IFIPLC Employees Provided Fund as per instruction of Financial Reporting Council (FRC) circular no. 179/FRC/FRM/Circular/2020/2 dated 07 July 2020. This Forfeiture Fund have been constituted by the IFIPLC contribution along with profit which was not distributed to the employees due to not continue of service up to 5 years in the organization (as per PF rules of IFIPLC).

Note No.	Particulars	31-Dec-24	31-Dec-23
23.01	**Profit on Sales of Fixed Assets**		
	This represents gain/(loss) on sales of the following fixed assets		
	Cost	170,000	998,000
	Less: Accumulated Depreciation	170,000	998,000
	Written down value	-	-
	Sale proceeds of above fixed assets	21,000	69,000
	Total gain/ (loss) on sales of fixed assets	**21,000**	**69,000**
24.00	**Salaries & Allowances**		
	Basic Salary	50,516,318	54,939,055
	Festival Bonus	9,279,737	9,587,856
	Contribution to Employees Provident Fund	5,018,137	4,970,508
	House Rent	25,505,986	26,284,527
	Conveyance Allowance	4,539,898	4,545,816
	Medical Allowance	10,199,905	10,336,746
	Other Allowances	42,373,439	41,110,019
	Total:	**147,433,420**	**151,774,527**
25.00	**Rent, Taxes, Insurances, Electricity etc.**		
	Rent — Note: 25.01	1,003,056	989,686
	Rates and taxes	398,162	878,099
	Insurance	192,863	214,458
	Lighting, Gas & Water	3,935,263	3,902,015
	Total:	**5,529,344**	**5,984,258**
25.01	**Disclosure relating to Rent**		
	Actual rent expenses	7,690,264	7,587,709
	Less: Reclassification of rent expenses (as per IFRS 16: Leases)	6,687,208	6,598,023
	Rent expenses as reported	**1,003,056**	**989,686**

In addition to the above mentioned change in rent expense, implementation of IFRS 16 has resulted in charging of depreciation against Right-of-use asset as disclosed in Annexure A and of profit charge on lease expenses, as disclosed in Note 20. The reported office rent expenses only include VAT payment on rent.

Note No.	Particulars	31-Dec-24	31-Dec-23
26.00	**Legal & Professional Expenses**		
	Legal & Professional fees	956,594	2,244,015
	Total:	**956,594**	**2,244,015**
27.00	**Postage, Stamps, Telecommunication etc.**		
	Postage & Stamp	285,066	366,320
	Telephone Expenses	851,795	957,156
	Total:	**1,136,861**	**1,323,476**

Note No.	Particulars		Amount in Taka 31-Dec-24	31-Dec-23
28.00	**Stationery, Printing, Advertisement etc.**			
	Printing & Stationery		1,701,627	2,358,893
	Advertisement		1,517,318	2,488,776
	Computer Expenses		5,032,311	4,531,532
	Total:		**8,251,256**	**9,379,201**
29.00	**Managing Director's Salary And Fees**			
	Salary		3,000,000	3,000,000
	Other allowances		3,800,000	3,800,000
	Total:		**6,800,000**	**6,800,000**
	As per the paragraph 17of IAS 24: "Related party Disclosures "regarding key management personnel, Managing Director is the key management personnel. His benefit is given below:			
	(a) Short term employee benefits:		6,800,000	6,800,000
	(b) Post-employment benefits;		-	-
	(c)Other long-term benefits		-	-
	(d) Termination benefits; and		-	-
	(e) Share-based payment		-	-
	Total:		**6,800,000**	**6,800,000**
	Managing Director's salary and fees has been increased significantly compared to the previous year due to the position of Managing Director has been vacant from June 07, 2021 to August 06, 2022.			
30.00	**Directors' Fees**			
	Honorarium for attending meeting		1,406,000	1,184,000
	Monthly Honorarium to Independent Director		247,500	-
	Total:		**1,653,500**	**1,184,000**
31.00	**Auditors' Fees**			
	Annual statutory audit fees (including VAT)		402,500	402,500
	Total:		**402,500**	**402,500**
32.00	**Depreciation And Repair Of Fixed Assets**			
	Depreciation on Fixed Assets	Note-32.01	13,964,797	16,127,538
	Repairs & Maintenance		1,071,151	1,273,890
	Total:		**15,035,948**	**17,401,428**
32.01	**Depreciation on Fixed Assets (Annexure - A)**			
	Building		1,654,661	1,633,862
	Interior Decoration		4,329,212	4,579,703
	Mechanical Appliance		897,393	1,880,404
	Computer & Accessories		245,963	614,431
	Motor Vehicle		302,547	870,638
	Furniture & Fixture		1,133,684	1,182,542
	Software		-	2
	Right-of use-Assets		5,401,336	5,365,956
	Total:		**13,964,796**	**16,127,538**

Note No.	Particulars		Amount in Taka 31-Dec-24	Amount in Taka 31-Dec-23
33.00	**Other Expenses**			
	Bank Charges		1,469,642	2,537,962
	Car & Generator Expenses		1,215,175	1,384,234
	Training Expenses		222,726	170,009
	AGM Expenses		1,362,866	396,787
	Fees & Subscription		2,359,987	3,465,847
	Entertainment Expenses		2,128,047	2,438,340
	Travelling Expenses		327,572	434,358
	Conveyance, Carriage & Freight		833,513	1,183,240
	Business Development		514,623	935,870
	Loss on sale of Fixed Asset	Note-33.01	-	1,501,099
	Shariah Meeting Fee		144,000	96,000
	Newspapers and Magazines		53,774	64,461
	Crockeries & Accessories		53,951	2,900
	Office Maintenance		3,313,391	3,626,109
	Miscellaneous Expenses		91,539	6,400
	Total:		**14,090,806**	**18,243,616**
33.01	**Loss on sale of Fixed Asset**			
	This represents loss on sales of the following fixed assets			
	Cost		-	15,654,920
	Less: Accumulated Depreciation		-	2,153,821
	Written down value		-	13,501,099
	Less: Sale proceeds of above fixed assets		-	12,000,000
	Total loss on sales of fixed assets		**-**	**1,501,099**
34.00	**Provision against Lease, Loans and Investments**			
	Provision against Un Classified Loans	Note-12.02	(1,391,806)	(54,644,900)
	Provision against Classified Loans	Note-12.02	1,535,636,814	365,015,497
	Provision for Loans & Advances		**1,534,245,008**	**310,370,597**
	Provision against Off-Balance Sheet Exposures			
	Provision against Investment in shares	Note-12.03	7,500,000	798,052
	Provision against others Assets	Note-12.04	147,100	(9,347)
	Total:		**1,541,892,108**	**311,159,302**

Note:

As on 31 December, 2024 Cumulative Provision Requirement against General Investment stands at Tk.318.67 crore. In 2023 Bangladesh Bank has approved 05 (five) years deferral facility of additional provision Tk.155.18 crore required for the year (2023) vide Letter Ref. No.: DFIM(C)1054/13/2024-2050 dated 25 June, 2024. Accordingly we have prepared the Financial Statements for the year 2024 by provision maintained Tk. 225.56 crore (including deferred Tk.62.08 crore for 2023 and 2024) and deferred the rest Tk.93.11 crore for the next 03 (three) years as per approval of Bangladesh Bank.

35.00	**Provision for Taxation**			
	Current Tax	Note-35.01	22,193,623	51,509,268
	Deferred Tax		-	-
			22,193,623	**51,509,268**
35.01	**Current Tax**			
	Provision for the year		22,193,623	51,509,268
	Provision for previous year		-	-
			22,193,623	**51,509,268**

Note No.	Particulars	Amount in Taka 31-Dec-24	Amount in Taka 31-Dec-23
	Average effective tax rate		
	The average effect tax rate is calculated below as per International Accounting Standard (IAS 12) 'Income Taxes'		
	Tax expenses for current	22,193,623	51,509,268
	Accounting profit before provision and tax	(151,060,236)	132,437,230
	Average effective rax rate	**-14.69%**	**38.89%**

Reconcilation of effective tax rate	January to December 2024		January to December 2023	
	%	Taka	%	Taka
Tax using the company's tax rate	37.50%	-	37.50%	49,657,325
Net inadmissable expenses	-1.29%	1,947,976	0.33%	433,961
Tax savings from reduced tax rate	-11.43%	17,274,579	-1.60%	(2,127,415)
Difference between accounting and tax depreciation	-1.97%	2,971,068	2.67%	3,545,397
Effect of Deferred tax	0.00%	-	0.00%	-
Effective tax rate	**-14.69%**	**22,193,623**	**38.90%**	**51,509,268**

Note No.	Particulars	31-Dec-24	31-Dec-23
36.00	**Earning Per Share(EPS)**		
	Net Profit after Tax	(1,715,145,967)	(230,231,340)
	Number of Ordinary Shares outstanding	140,326,670	140,326,670
	Earning Per Share (EPS)	**(12.22)**	**(1.64)**

Reason for changes in Earnings Per Share (EPS):

EPS of Islamic Finance and Investment PLC. for the year ended December 31, 2024 is BDT (11.91), which was BDT (1.64) in the previous year. The primary reason behind this significant decrease of EPS is increase of provision for loans, advances and investments and profit suspense and reduced of income from General Investment due to irregular repayment of loan installment.

Note No.	Particulars	31-Dec-24	31-Dec-23
37.00	**Net Asset Value (NAV) per Share**		
	Total Assets	12,039,396,462	13,583,421,081
	Total Liabilities	(12,011,231,238)	(11,840,109,890)
	Net Asset Value (NAV)	**28,165,224**	**1,743,311,191**
	Number of shares outstanding	140,326,670	140,326,670
	Net Asset Value (NAV) per Share	**0.20**	**12.42**

Note: Net asset value (NAV) decreases due to increase of provision for loans, advances and investments and profit suspense and reduced of income from General Investment due to irregular repayment of loan installment at the end result net loss incurred during the year 2024.

Note No.	Particulars	31-Dec-24	31-Dec-23
38.00	**Net operating cash flows per share (NOCFPS)**		
	Net cash flow from Operating Activities	(109,560,048)	(53,820,924)
	Number of Ordinary Shares outstanding	140,326,670	140,326,670
	Net operating cash flows per share (NOCFPS)	**(0.78)**	**(0.38)**

Explanatory note to the deviation in NOCFPS:

NOCFPS for the year ended 31 December 2024 is BDT (0.77), which was BDT (0.38) for the year ended 31 December 2023. NOCFPS decreases due to negative net growth of deposit compare to the previous year.

Note No.	Particulars	31-Dec-24	31-Dec-23
39.00	**Reconciliation of Net Profit with Cash Flows from Operating Activities:**		
	Profit after tax	(1,715,145,967)	(230,231,340)
	Provision for income tax	22,193,623	51,509,268
	Depreciation	13,964,797	16,127,538
	Provision for General Investment	1,534,245,008	310,370,597

Note No.	Particulars	Amount in Taka	
		31-Dec-24	31-Dec-23
	Provision for Diminution in value of investment	7,500,000	798,052
	Other Provision	147,100	(9,347)
	Gain/loss on sale of fixed assets	(21,000)	1,432,099
	Accrual income	(1,812,143)	(3,345,668)
	Accrual for expenses	104,640	(167,027)
	Income tax paid	(50,515,580)	(79,543,231)
	Operating Profit before changes in Operating Assets & Liabilities	**(189,339,522)**	**66,940,941**
	Increase/Decrease in Operating Assets and Liabilities	**79,779,474**	**(120,761,865)**
	Loans and advances	1,148,083,456	1,302,262,370
	Other Assets	380,517	43,166,137
	Deposits from other banks	(384,375,522)	(201,804,873)
	Deposit received from customers	(895,475,994)	(1,070,974,082)
	Other liabilities	211,167,017	(193,411,417)
	Net cash flows from/(used in) operating activities	**(109,560,048)**	**(53,820,924)**

40.00 Number of Employees

The number of employees engaged for the whole year or part thereof who received a total remuneration of BDT 36,000 or above were 99.

41.00 Board Meeting and Directors' remuneration

Each Director was paid Taka 8,000 (January and February) and rest of the months Taka 10,000 for attending each Board meeting in accordance with the Bangladesh Bank's DFIM circular no. 01 dated: 29 February, 2024. No remuneration or special payment was paid to the directors for attending Board meetings or otherwise during the year 2024. During the year under audit sixteen Board of Director's meetings were held.

42.00 Appropriation during the year

In accordance with IAS 1 "Presentation of Financial Statement", the appropriations for the year is reflected in the statement of changes in equity.

43.00 Claims against the company not acknowledged as debt

There was no claim at the balance sheet date.

44.00 Related Party Disclosure

Details are shown in annexure-C

45.00 Name of Directors and their interest in the FI and different entities

Details are shown in annexure-D

46.00 Disclosures on Audit Committee.

The Audit Committee of the Board was duly constituted by the Board of Directors of the Company in accordance with the Bangladesh Bank's DFIM circular no. 13 dated: October 26, 2011 and Bangladesh Securities and Exchange Commission notification ref. no. SEC/CMRRCD/2006-158/129/Admin/43, dated July 03, 2012.

Details are shown in annexure-E

47.00 Income tax Status in Different Years

Details are shown in annexure-F

Islamic Finance and Investment PLC.

Statement of Property, Plant and Equipment

As at December 31, 2024

Annexure A

Amount in Taka

Asset Category	Cost				Rate %	Amortization				Net Book value as at 31.12.2024
	Balance as at 01.01.2024	Addition/ Adjust during the year	Disposal/ Adjust during the year	Balance as at 31.12.2024		Balance as at 01.01.2024	Charged during the year	Disposal/ Adjust during the year	Balance as at 31.12.2024	
Software	3,056,500	-	-	3,056,500	50%	3,056,496		-	3,056,496	4
Sub Total	**3,056,500**	**-**	**-**	**3,056,500**		**3,056,496**	**-**	**-**	**3,056,496**	**4**

Asset Category	Cost				Rate %	Depreciation				Net Book value as at 31.12.2024
	Balance as at 01.01.2024	Addition/ Adjust during the year	Disposal/ Adjust during the year	Balance as at 31.12.2024		Balance as at 01.01.2024	Charged during the year	Disposal/ Adjust during the year	Balance as at 31.12.2024	
Land	235,828,105			235,828,105	-	-			-	235,828,105
Building	81,995,337			81,995,337	2.50%	38,258,052	1,654,661		39,912,713	42,082,624
Interior Decoration	48,506,834	194,700		48,701,534	10%	24,643,424	4,329,212		28,972,636	19,728,898
Furniture & Fixture	15,194,263	23,962	141,700	15,076,525	10%	9,533,598	1,133,684	74,885	10,592,397	4,484,128
Mechanical Appliance	23,925,069	-	65,300	23,859,769	20%	22,659,092	897,393	106,813	23,449,672	410,097
Computer & Accessories	23,802,459	316,945	(37,000)	24,156,404	33.33%	23,509,798	245,963	(11,698)	23,767,459	388,945
Right-of use-Assets	32,863,256	6,667,669	5,408,083	34,122,842		20,488,766	5,401,336	5,408,083	20,482,019	13,640,823
Motor Vehicle	24,616,884			24,616,884	20%	23,586,894	302,547		23,889,441	727,443
Sub Total	**486,732,207**	**7,203,276**	**5,578,083**	**488,357,400**		**162,679,624**	**13,964,796**	**5,578,083**	**171,066,337**	**317,291,063**
Total As at 31.12.2024	**489,788,707**	**7,203,276**	**5,578,083**	**491,413,900**		**165,736,120**	**13,964,796**	**5,578,083**	**174,122,833**	**317,291,067**
Total As at 31.12.2023	**505,977,878**	**463,749**	**16,652,920**	**489,788,707**		**152,760,403**	**16,127,538**	**3,151,821**	**165,736,120**	**324,052,587**

Islamic Finance and Investment PLC.
Satement of Investment in Share
As at December 31, 2024

Annexure B

Sl No.	Name of the Company	Number of Share	Cost Value per share	Total cost Value of Investment	Average Market Value per Share	Market Value of Investment	Provision required
1	Central Depository Bangladesh Ltd- (CDBL)	571,181	2.75	1,569,450	2.75	1,569,450	-
2	Square Pharmaceuticals Limited	364,332	266.81	97,208,558	219.97	80,142,110	(17,066,448)
3	IFIPLC Islamic Mutual Fund-1 (PFI)	1,000,000	10.00	10,000,000	4.70	4,700,000	(5,300,000)
4	CAPITEC-IBBL SHARIAH UNIT FUND	5,000,000	10.00	50,000,000	7.95	39,750,000	(10,250,000)
	Total:			**158,778,008**		**126,161,560**	**(32,616,448)**

Islamic Finance and Investment PLC.

Statement of Related Party Transaction

As at December 31, 2024

Annexure C

Amount in Taka

Sl. No.	Borrower Name	Director Name	Product Group	Sanction Amount	Outstanding Amount	Security Value	Loan Status
1	Swisstex Packaging & Accessories Ltd	Shibbir Mahmud	HPSM (Gen)	14,250,000	16,357,030		BL
2	Swisstex Packaging & Accessories Ltd	Shibbir Mahmud	HPSM (Gen)	20,000,000	23,144,614		BL
3	Mostanser Billa	Mostanser Billa	HPSM (Gen)	2,000,000.00	1,049,025		STD
4	Lucky Star Apparels Ltd.	Kazi Mahbuba Akhter Anwar Hossain Chowdhury	Bai-Muajjal	16,500,000.00	12,852,879		SMA
5	Lucky Star Apparels Ltd.	Kazi Mahbuba Akhter Anwar Hossain Chowdhury	Bai-Muajjal	10,000,000.00	7,138,893		SMA
6	Liaquat Hossain Moghul	Liaquat Hossain Moghul	HPSM (RE)	5,000,000.00	2,506,102		SMA
7	Liaquat Hossain Moghul	Liaquat Hossain Moghul	HPSM (Gen)	3,000,000.00	1,403,764		SS
8	Eastern Ashulia Limited	Liaquat Hossain Moghul	HPSM (RE)	50,000,000.00	55,644,257	13,137,000	SMA
	Total			**120,750,000.00**	**120,096,564**	**13,137,000**	

Islamic Finance and Investment PLC.
Name of the Directors of IFIPLC and their interest in other different entities
For the year ended December 31, 2024

Annexure D

Sl	Name	Status	Company Name	Position
1	Abul Quasem Haider	Chairman	Youth Spinning Mills Ltd.	Chairman
			Youth Hatchery & Agro Ltd.	Chairman
			Youth Real Estate Ltd.	Chairman
			International Australian School.	Member, Board of Directors
			Eastern University	Member , Board of Trustee
			Multimode Resource Ltd.	Chairman
			Chowdhury Apparel (Pvt) Ltd.	Director
2	Mostanser Billa	Vice-Chairman	Youth Spinning Mills Ltd.	Managing Director
			International Holdings Ltd.	Director
3	K.B.M. Moin Uddin Chisty	Vice-Chairman	Victoria University of Bangladesh	President
			Global Human Resources Development Ltd.	Chairman & Managing Director
			Global Finance and Capital Management	Chairman & Managing Director
			Global Institute of Business & Technology.	Proprietor
			Diamond Trade International	Proprietor
4	Anis Salahuddin Ahmad	Director	Shahjibazar Power Co. Ltd.	Chairman
			Patromax Refineary Ltd	Chairman
			Comfit Composite Knit Ltd.	Chairman
			Midland Power Ltd	Director
			Midland East Power Ltd.	Director
			Australian International school.	Director
5	Mrs. Julia Rahman	Director	Olympic Cement Ltd.	Chairman
			Olympic Fiber Ltd.	Chairman
			Olympic Shipping Ltd.	Chairman
			Olympic Agro Ltd.	Chairman
			Olympic Properties Ltd.	Chairman
6	Asgar Haider	Director	Comfit Composite Knit Ltd.	Director
			Shahjibazar Power Co. Ltd.	Director
			Patromax Refineary Ltd	Director
7	Irteza Reza Chowdhury	Independent Director	N/A	N/A
8	Mrs. Shayema Akter	Independent Director	N/A	N/A

Islamic Finance and Investment PLC.
Schedule of Audit Committee
For the year ended December 31, 2024

The Audit Committee of the Board is duly constituted by the Board of Directors of the company in accordance with DFIM Circular No. 01 issued on February 29, 2024 by Bangladesh Bank and in accordance with Bangladesh Securities and Exchange Commission (BSEC) Condition No. 05 of Notification No. SEC/CMRRCO/2006-158/207/Admin/80, dated June 3, 2018. The Audit Committee of the Board of Directors as of December 31, 2024 consisted of the following members of the Board:

Annexure E

Sl. No.	Name	Status held in the FI	Status held in the Audit Committee	Educational Qualification
1.	Irteza Reza Chowdhury	Independent Director	Chairman	MBA
2.	Anis Salahuddin Ahmad	Director	Member	Diploma in Hospitality Management
3.	Mostanser Billa	Director	Member	B.A
4.	K.B.M. Moin Uddin Chisty	Director	Member	MBA

No. of meeting held by the committee during the year 2024:

Sl. No.	Meeting No.	Held on
1.	95th	10.03.2024
2.	96th	16.05.2024
3.	97th	30.06.2024
4.	98th	30.07.2024
5.	99th	19.09.2024
6.	100th	24.10.2024
7.	101st	29.12.2024

Seven meeting of the Audit Committee were held during the year 2024 where it carried out the following tasks:

1. Reviewed of Draft audited financial statements for the year- 2023;
2. Reviewed Compliance report on observation, recommendation and decisions of the Audit Committee;
3. Reviewed of further Compliance status of Bangladesh Bank Comprehensive Inspection report as on 31.12.2022;
4. Reviewed of Draft Internal Control and Compliance Guidelines (Revised) of IFI PLC;
5. Reviewed of further valuation report of some investment clients as per requirement of Bangladesh Bank Comprehensive Inspection report as on 31/12/2022;
6. Reviewed of Audit and Inspection report on Branches as well as various Divisions of Head Office conducted by Internal Control & Compliance Division;
7. Reviewed of Bangladesh Bank FICL Inspection report as on 31/12/2023;
8. Reviewed of Management Report for the year 2023;
9. Proposal for reviewed of re-appointment of External Auditors for the year 2024;
10. Reviewed of 1st quarter, 2nd quarter and 3rd quarter Un-audited Financial Statements for the year 2024;
11. Reviewed regarding appointment of Independent Director in the Board of IFIPLC on behalf of NRC committee;
12. Recommended for appointment of auditors for certification on compliance with the conditions of Corporate Governance Guideline (CGG) for the year 2024 and for fixation of their remuneration;

Islamic Finance and Investment PLC.
Statement of Income Tax Status in Different Years

Annexure F

Financial Year	Assessment Year	Net Profit/ (Loss) as per Accounts (Before Tax)	Tax Provision in Account	Tax Demand by the Tax Authority (Tk.)	Update Position
2008	2009-2010	62,513,786	5,225,973	2,902,139	Case pending with the Honourable High Court Division of the Supreme Court of Bangladesh.
2009	2010-2011	116,579,888	6,291,504	24,530,153	Appeal at Appellate Tribunal
2013	2014-2015	160,154,948	72,949,492	91,990,394	Case pending with the Honorable High Court Division of the Supreme Court of Bangladesh.
2014	2015-2016	261,669,756	65,110,588	118,823,030	Case pending with the Honorable High Court Division of the Supreme Court of Bangladesh.
2015	2016-2017	299,038,646	96,875,250	90,707,748	Documents submit to lawyers for filling Income Tax Reference before the Honorable High Court Division of the Supreme Court of Bangladesh
2019	2020-2021	331,849,385	130,822,448	117,877,101	Last Tax Assessed as per Commissioner of Taxes (Appeal) and Tax Appealate Tribunal Order
2021	2022-2023	319,285,056	134,017,878	133,855,591	Under proses for filling Income Tax Reference before the Honorable High Court Division of the Supreme Court of Bangladesh
2022	2023-2024	151,232,383	109,093,104	-	Return submitted at DCT level
2023	2024-2025	(178,722,072)	51,509,268	-	Return submitted at DCT level
2024	2025-2026	(1,692,952,344)	22,193,623	-	Return Submission Date yet not due
Total		**(169,350,568)**	**694,089,128**	**580,686,156**	

Additional Information for Shareholders

সততা ও ন্যায্যতা
ব্যবসার বরকতের চাবিকাঠি।

Some Mentionable **Project** Financed in 2024

Cement Factory Financed by Principal Branch

Dairy Farm Financed by Chowmuhani Branch

Fast Food Concern Financed under CMSME by Gazipur Branch

Light Engineering Concern Financed under CMSME by Bogura Branch

Women Entrepreneur Financed under CMSME by Chattogram Branch

Green Finance by Uttara Branch

Shipping Industry Financed by Principal Branch

Baby Food Industry Financed by Principal Branch

IFIPLC Album

The Human Resources Management Division of IFIPLC organized a Training on FUTURE OF ISLAMIC FINANCE at its Head Office on February 24, 2024.

IFIPLC celebrates 23rd Anniversary by cutting cake at its Head Office on February 27, 2024.

IFIPLC signed a Memorandum of Understanding (MoU) with Farazy Hospital Limited and Farazy Dental Hospital & Research Center at its Head Office on December 04, 2024.

The Half Yearly Business Review Meeting 2024 of IFIPLC was held at its Head Office on July 16, 2024.

The Reward Giving Ceremony of Boishakhi Deposit Campaign was held at its Head Office on October 09, 2024.

The Human Resources Management Division of IFIPLC organized a Training on LEADERSHIP IN PROBLEM SOLVING & DECISION MAKING at its Head Office on October 17, 2024.

Photos of the 23rd Annual General Meeting **(AGM)**

23rd Annual General Meeting (AGM) is in progress

23rd Annual General Meeting (AGM) is in progress

Shareholders' Note

ইসলামিক ফাইন্যান্স এন্ড ইনভেস্টমেন্ট পিএলসি.

ISLAMIC FINANCE AND INVESTMENT PLC.

Impetus Center (3rd Floor), 242/B Tejgaon-Gulshan Link Road, Tejgaon I/A,Dhaka-1208. Bangladesh

PROXY FORM

I /We ....

of ....

Being a member of Islamic Finance and Investment PLC do hereby appoint

Mr. / Mrs. .... or (failing him/her)

of ....

As my/ our proxy to attend and vote for me/ us and on my / our behalf at the 24th Annual General Meeting (AGM)

of the Company to be held on Thursday, August 28, 2025 at 11:00 a.m. through hybrid system and any adjournment thereof.

Signed this .... Day of 2025

Signature of proxy .... Signature of shareholder ....

Revenue Stamp 100/-

Folio / BO No. ....

Notes:

1) This form of proxy, duly completed and signed, must be deposited at least 48 hours before the meeting at the company's registered office;
2) Signature of the shareholders should agree with the specimen signature registered with the company or Depository Register.

ইসলামিক ফাইন্যান্স এন্ড ইনভেস্টমেন্ট পিএলসি.

ISLAMIC FINANCE AND INVESTMENT PLC.

Impetus Center (3rd Floor), 242/B Tejgaon-Gulshan Link Road, Tejgaon I/A,Dhaka-1208. Bangladesh

ATTENDANCE SLIP

I hereby record my attendance at the 24th ANNUAL GENERAL MEETING (AGM) of the Company being held on Thursday, August 28, 2025 at 11.00 a.m. through hybrid system at RAOWA Complex, Eagle Hall, VIP Road, Mohakhali, Dhaka-1206.

Name of the Member / proxy .... Folio/ BO No.

.... Signature .... Date ....

Note: The scanned copy of **"Proxy Form"** duly signed and affixed with BDT 100 revenue stamp must be sent through email to **shareholder@ifilbd.com** no later than 48 hours before commencement of the AGM. Signature of the shareholder/s should agree with the specimen signature registered with the Company/Depository Participant(s).

Scan to get
our website

Head Office
Impetus Center (3rd Floor)
242/B, Tejgaon-Gulshan Link Road
Tejgaon I/A, Dhaka-1208

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