



ANNUAL REPORT 2001



Industrial and Infrastructure Development Finance Company Limited

Annual Report 2001



Industrial and Infrastructure Development
Finance Company Limited

Chamber Building (6th Floor), 122-124, Motijheel C/A, Dhaka-1000, Bangladesh
Tel : 9559311-12, 9553387, 9553254, Fax : 9568987

CONTENTS

<i>Notice of AGM</i>	3
<i>Shareholding Structure</i>	4
<i>Board of Directors</i>	5
<i>Management</i>	6
<i>Auditors</i>	6
<i>Legal advisors</i>	6
<i>Bankers</i>	7
<i>Report of the Board of Directors</i>	9
<i>Auditors' Report</i>	13
<i>Balance Sheet</i>	14
<i>Profit & Loss Statement</i>	15
<i>Cash Flow Statement</i>	16
<i>Notes to the Financial Statements</i>	17
<i>Proxy Form</i>	27

NOTICE OF THE 1ST ANNUAL GENERAL MEETING

Notice is hereby given that the 1st Annual General Meeting of **Industrial and Infrastructure Development Finance Company Limited** will be held on Wednesday, 27 March 2002, at 11.0 am at the Company's Registered Office, Chamber Building (6th floor), 122-124 Motijheel C/A, Dhaka-1000, Bangladesh to transact the following businesses:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the period ended 31 December 2001
2. To elect Directors of the Company
3. To appoint auditors for the year 2002 and to fix their remuneration
4. To transact any other business with the permission of the Chair

By order of the Board


Nandan Kumar Paul
Company Secretary

Dated, Dhaka
10 March 2002

NOTES

1. The Register of Members and Share Transfer Book of the Company will remain closed from 14 March 2002 to 27 March 2002 (both days inclusive). During the period no transfer will be effective. The transfer is subject to approval of Bangladesh Bank.
2. A member entitled to attend & vote at the General Meeting may appoint a proxy to attend and vote in his/her behalf. The proxy form duly filled in & stamped, must be deposited at least 48 hours before the time scheduled for holding the General Meeting.
3. Members are requested to notify change of address, if any, to the Company.

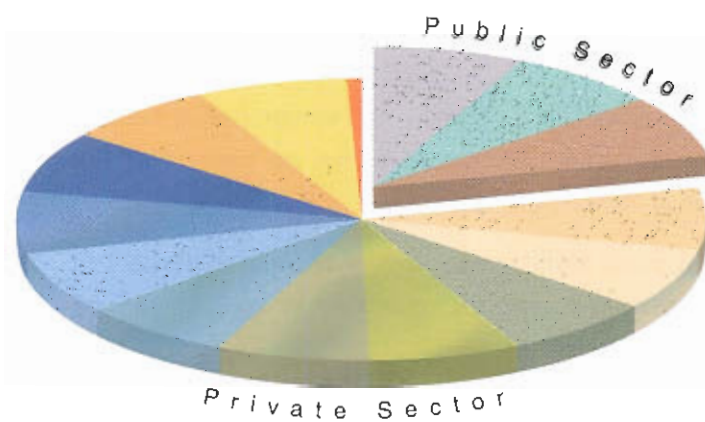
SHAREHOLDING STRUCTURE

1. Public Sector (21.2766%)

- a. Janata Bank (7.0922%)
- b. Sonali Bank (7.0922%)
- c. Investment Corporation of Bangladesh (7.0922%)

2. Private Sector (78.7234%)

- a. Arab Bangladesh Bank Limited (7.0922%)
- b. Bank Asia Limited (7.0922%)
- c. BRAC Bank Limited (7.0922%)
- d. The City Bank Limited (7.0922%)
- e. Mutual Trust Bank Limited (7.0922%)
- f. National Bank Limited (7.0922%)
- g. One Bank Limited (7.0922%)
- h. Southeast Bank Limited (7.0922%)
- i. Eastland Insurance Co. Limited (7.0922%)
- j. National Life Insurance Co. Limited (7.0922%)
- k. Pragati Insurance Limited (7.0922%)
- l. Md. Matiul Islam (0.7092%)



BOARD OF DIRECTORS

Chairman

Mr. Md. Matiul Islam

Vice Chairman

Mr. M. Syeduzzaman, Bank Asia Limited

Directors

Mr. Yussuf Abdullah Harun, Southeast Bank Limited

Mr. Fazle Hasan Abed, BRAC Bank Limited

Mr. Syed Manzur Elahi, Mutual Trust Bank Limited

Mr. Deen Mohammad, The City Bank Limited

Mr. Habibullah, National Bank Limited

Mr. C.M. Koyes Sami, Arab Bangladesh Bank Limited

Mr. Robiul Hossain, Sonali Bank

Mr. Murshid Kuli Khan, Janata Bank

Mr. Mirza Ejaz Ahmed, One Bank Limited

Mr. Md. Ziaul Haque Khondker, Investment Corporation of Bangladesh

Mr. M. Haider Chowdhury, National Life Insurance Co. Limited

Mr. Abdul Monem, Pragati Insurance Limited

Mr. Ghulam Rahman, Eastland Insurance Co. Limited

Managing Director

Mr. AKM Nozmul Haque

Company Secretary

Nandan Kumar Paul



MANAGEMENT

Mr. AKM Nozmul Haque, Managing Director
Mr. Nandan Kumar Paul, AVP and Company Secretary
Mr. ABM Serajul Haque, Manager- Operations
Mr. Mohammad Monir Uddin, Senior Executive- Operations
Mr. HM Nazmul Ahad, Executive- Operations
Ms. Mehfuza Murshed, Office Secretary
Ms. Doly Paul, Receptionist



REGISTERED OFFICE

Chamber Building (6th floor)
122-124, Motijheel C/A
Dhaka-1000
Tel.: 9559311-12, 9553254
Fax: 880-2-9568987

BUSINESS HOURS

9.00 a.m. to 4.00 p.m.
Saturday to Wednesday
9.00 a.m. to 2.00 p.m.
Thursday only

AUDITORS

M/S S. F. Ahmed & Co.
Chartered Accountants
House # 25, Road # 13A, Block # D
Banani, Dhaka-1213

LEGAL ADVISORS

Lee, Khan & Associates
Barristers, Attorney & Advocates
City Heart, Suite # 5/8
67, Naya Paltan (4th floor)
Dhaka-1000

BOARD OF DIRECTORS

Chairman

Mr. Md. Matiul Islam

Vice Chairman

Mr. M. Syeduzzaman, Bank Asia Limited

Directors

Mr. Yussuf Abdullah Harun, Southeast Bank Limited

Mr. Fazle Hasan Abed, BRAC Bank Limited

Mr. Syed Manzur Elahi, Mutual Trust Bank Limited

Mr. Deen Mohammad, The City Bank Limited

Mr. Habibullah, National Bank Limited

Mr. C.M. Koyes Sami, Arab Bangladesh Bank Limited

Mr. Robiul Hossain, Sonali Bank

Mr. Murshid Kuli Khan, Janata Bank

Mr. Mirza Ejaz Ahmed, One Bank Limited

Mr. Md. Ziaul Haque Khondker, Investment Corporation of Bangladesh

Mr. M. Haider Chowdhury, National Life Insurance Co. Limited

Mr. Abdul Monem, Pragati Insurance Limited

Mr. Ghulam Rahman, Eastland Insurance Co. Limited

Managing Director

Mr. AKM Nozmul Haque

Company Secretary

Nandan Kumar Paul



BANKERS

Bank Asia Limited

Principal Office
Dhaka-1000

Janata Bank

Janata Bhaban Corp. Br.
Motijheel, Dhaka-1000

Sonali Bank

Local Office, Dhaka-1000

Arab Bangladesh Bank Limited

Principal Branch, Dhaka-1000

The City Bank Limited

Principal Office, Dhaka-1000

National Bank Limited

Principal Branch, Dhaka-1000

Mutual Trust Bank Limited

Principal Branch, Dhaka-1000

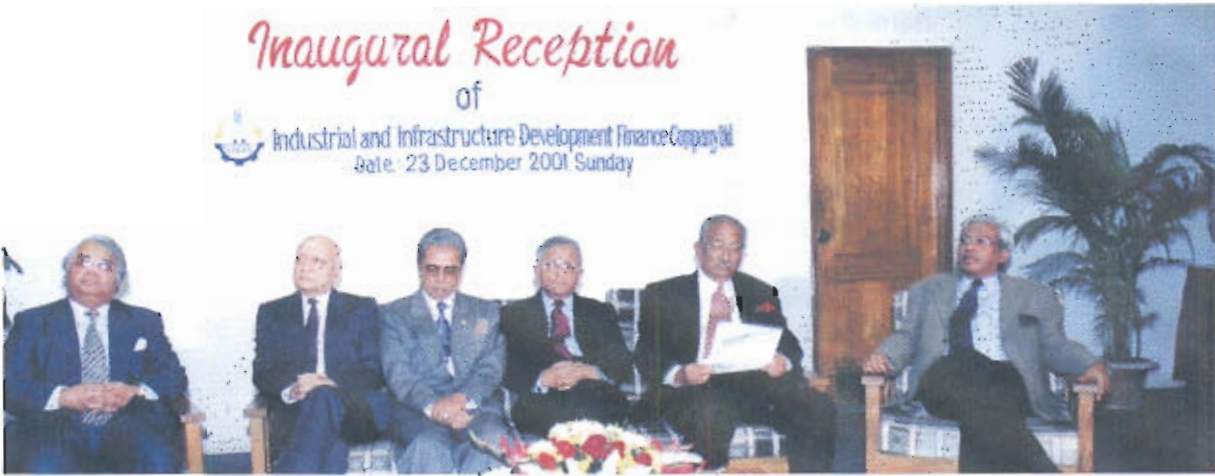
One Bank Limited

Principal Branch, Dhaka-1000

Southeast Bank Limited

Principal Branch, Dhaka-1000

A PARTIAL VIEW OF THE INAUGURAL RECEPTION



REPORT OF THE BOARD OF DIRECTORS



1. I, on behalf of the Board of Directors, welcome you all to the **1st Annual General Meeting** of the Company and have the pleasure of presenting their Report, along with audited Balance Sheet, Profit & Loss Statement, Cash Flow Statement for the period ended 31 December 2001 and the Auditors' Report there on.

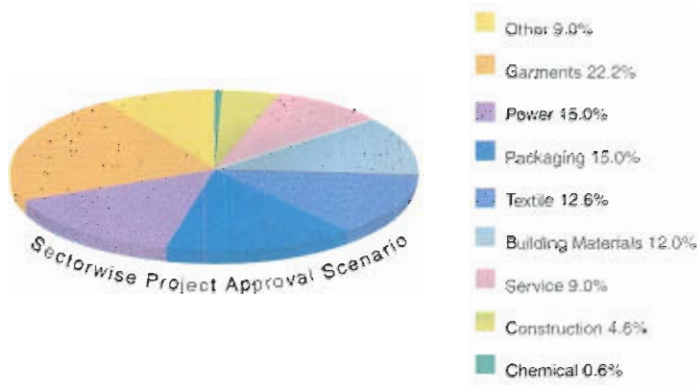
2. Business Environment

IIDFC was launched on April 01, 2001 with the aim of playing a promotional and development role in industrial and infrastructure sectors in Bangladesh. To this end, it would collaborate with other financial and development institutions in the country and abroad to identify and promote new areas of investments. The consequences of the September 11, 2001 events in the USA along with the continuous shrinking environment in many economies around the Globe has materially affected the country's export business, reduced remittances that resulting in negative impact on in the country's foreign currency reserves. To boost up the country's economic and financial scenario, the government has taken several initiatives like reduction of Bank Rate, interest rate on savings instruments, cash incentives on export and devaluation of Taka. Following the reduction in Bank Rate, the commercial banks also reduced their lending rates. The Government has earlier withdrawn the tax exemption allowed on the income of leasing companies vide SRO # 182/Law/98 dated: 19-08-1998 and also withdrew both Initial Depreciation allowance & Extra Shift Depreciation allowance vide Finance Act, 1998. But, there has not been any arrangement for the NBFIs to raise resources on reasonable terms. So, with the current gloomy economic scenario and absence of incentives from the Government, it has been very difficult to carry on the financing business with ease. IIDFC is facing this situation soon after it started operations, but the Company remains convinced that the environment will gradually improve nationally and internationally.

3. Operational Activities

There are 45 commercial banks, 7 specialized banks and 25 non-banking financial institutions in the Country. Most of NBFIs are involved in 'leasing, hire purchase and installment' as part of their main operations. Despite unfavorable situations in the financial market, the company's attainments are as follows:

- a. No of Projects approved: 12 (Twelve)
 - i. For Lease Financing: 6 (Six)
 - ii. For Direct Financing: 6 (Six)
- b. No. of Agreement signed: 4 (Four)
 - i. For Lease Financing: 3 (Three)
 - ii. For Direct Financing: 1 (One)
- c. Amount of Finance Approved:
 - i. Lease finance: Tk. 192.0 Million
 - ii. Direct finance: Tk. 141.5 Million
- d. Amount of fund disbursed:
 - i. Lease financing: Tk. 39.76 Million
 - ii. Direct finance: Tk 2.0 Million



The Board on 25-June-2001 approved the first project finance. The first lease finance agreement was signed on 22-Aug-2001 and the direct finance agreement signed on 15-Oct-2001.



First financing agreement signing ceremony



First operational transaction

4. Financial Results and Appropriation

The Directors take pleasure in reporting the financial results for the year and recommend appropriation as follows:

Particulars	Taka
Profit Before Providing for Tax	5,402,132
Less: Provision for Taxation	1,100,000
Net Profit After Tax	4,302,132
Less-Appropriations:	2,860,427
Statutory Reserve	860,427
General Reserve	2,000,000
Retained Earnings	1,441,705

5. Directors

By operation of Articles 99 of the Company's Articles of Association, all the Directors except Managing Director of the Company retire from office at this 1st Annual General Meeting and being eligible offer themselves for re-election.

6. Auditors

Messrs S.F.Ahmed & Co., Chartered Accountants, House # 25, Road # 13A, Block-D, Banani, Dhaka-1213 retire and being eligible offer themselves for re-appointment for the year 2002.

We would like to express our heartfelt thanks to the esteemed Shareholders, Clients, Government Departments & Agencies and Bangladesh Bank for the co-operation and support extended and to the company's dedicated team of human resources for their hard work and commitment to reach the goal of the Company.

Thanking you all in deed,

On behalf of the Board of Directors



Md. Matiul Islam
Chairman

AUDITORS' REPORT

to the shareholders

We have audited the accompanying Balance Sheet of INDUSTRIAL AND INFRASTRUCTURE DEVELOPMENT FINANCE COMPANY LIMITED as of 31 December 2001, the related Profit and Loss Statement for the period from 23 January 2001 to that date and Cash Flow Statement along with the explanatory notes thereto for the period from 19 December 2000 to that date. The preparation of these financial statements is the responsibility of the company's management. Our responsibility is to express an independent opinion on these financial statements based on our audit.

- We conducted our audit in accordance with International Standards on Auditing as adopted in Bangladesh. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- In our opinion, the financial statements, prepared in accordance with International Accounting Standards as adopted in Bangladesh, give a true and fair view of the state of the company's affairs as of 31 December 2001 and of the results of its operations and its Cash Flow for the period then ended and comply with the Companies Act, 1994 and other applicable laws and regulations.

We also report that:

- (a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- (b) 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; and
- (c) the company's Balance Sheet and Profit and Loss Statement dealt with by the report are in agreement with the books of account.

House # 25, Road # 13A
Block-D, Banani, Dhaka
Bangladesh

Date, Dhaka
27, February, 2002

S. F. Ahmed
S. F. Ahmed & Co.
Chartered Accountants

Industrial and Infrastructure Development Finance Company Limited

BALANCE SHEET as at 31-Dec-2001

	Notes	Taka
SOURCES OF FUNDS		
Shareholders' Fund		
Share Capital	8	141,000,000
Reserves & Surplus	9	4,302,132
Shareholders' Equity		145,302,132
Long-term Liabilities		
Lease Rental Deposit	10	3,041,454
	Total	148,343,586
APPLICATION OF FUNDS		
Fixed Assets	11	1,334,750
Leased Assets	12	19,700,000
Advance for Lease Assets	13	19,763,284
Direct Finance	14	1,913,024
Current Assets		
Advance, Deposits & Prepayments	15	820,795
Other Receivables- FDRs interest	16	5,609,959
Deferred Revenue Expenditures	17	612,076
Cash & Cash Equivalents	18	432,795,058
		439,837,888
Less: Current liabilities		
Short-term Loan (Unsecured)	19	220,000,000
Loan From Treasury Operations	20	110,000,000
Liability for Financial Charges	21	2,212,055
Creditors for Expenses	22	474,350
Provisions for Expenses	23	157,453
Provision for Taxation	24	1,100,000
Liability for AIT Deductions	25	32,962
Liability for VAT Deductions	26	12,410
Statutory Provision for Financing	27	216,130
		334,205,360
Net Current Assets		105,632,528
	Total	148,343,586

See Annexed Notes

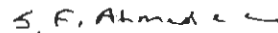

Md. Matiul Islam
Chairman


AKM Nozmul Haque
Managing Director


Nandan Kumar Paul
Company Secretary

Singed in terms of our Report of even date annexed

Dated, Dhaka.
27 February 2002


S. F. Ahmed & Co.
Chartered Accountants

Industrial and Infrastructure Development Finance Company Limited
PROFIT & LOSS STATEMENT for the period from 23-Jan-2001 to 31-Dec-2001

SL	Particulars	Notes	Taka
A	Operational Revenue:		
	Lease rentals		300,000
	Income from lending operations		417,892
	Income from treasury operations		2,514,802
	Other operational income		86,650
			3,319,344
B	Operational Expenses:		
	General & Administrative Expenses	28	6,053,813
	Depreciation on Leased Assets		300,000
	Financial Expenses		2,227,317
	Statutory Provision for Financing	27	216,130
			8,797,260
C	Operating Profit/(Loss) (A-B)		(5,477,916)
	Add: Interest on Term Deposit		9,695,451
	Miscellaneous Income		1,184,597
			10,880,048
D	Profit Before Taxation		5,402,132
E	Provision for Taxation		1,100,000
F	Profit After Tax		4,302,132
G	Less: Appropriations :		
	Statutory Reserve		860,427
	General Reserve		2,000,000
			2,860,427
			Retained Earning
			1,441,705

See Annexed Notes

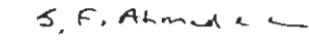

Md. Matiul Islam
 Chairman


AKM Nozmul Haque
 Managing Director


Nandan Kumar Paul
 Company Secretary

Singed in terms of our Report of even date annexed

Dated, Dhaka
 27 February 2002


S. F. Ahmed & Co.
 Chartered Accountants

Industrial and Infrastructure Development Finance Company Limited

CASH FLOW STATEMENT *for the period from 19-Dec-2000 to 31-Dec-2001*

SL	Particulars	Taka
A	CASH FLOW FROM OPERATING ACTIVITIES	3,127,793
	Operating Expenses	(4,849,564)
	Operating Income	318,355
	Non-operating income	7,086,481
	Deferred Revenue Expenditures	(612,076)
	Miscellaneous income	1,184,597
B	CASH FLOW FROM FINANCING ACTIVITIES	471,000,000
	Share Capital	141,000,000
	Short-term Loan (Unsecured)	220,000,000
	Loan Received from Treasury Operations	110,000,000
C	CASH FLOW FROM INVESTING ACTIVITIES	(41,332,735)
	Fixed Assets Purchased	(1,663,500)
	Leased Assets Purchased	(20,000,000)
	Preliminary Expenditures	(213,586)
	Direct Finance- Longterm	(21,676,308)
	Lease Deposits	3,041,454
	Advance, Deposits & Prepayments	(820,795)
D	CASH GENERATED DURING THE PERIOD	A+B+C
	432,795,058	
	Add- Opening Cash and Cash Equivalents	-
	Closing Cash and Cash Equivalents	<u>432,795,058</u>

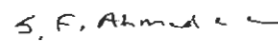

Md. Matiul Islam
 Chairman


AKM Nozmul Haque
 Managing Director


Nandan Kumar Paul
 Company Secretary

Singed in terms of our Report of even date annexed

Dated, Dhaka.
 27 February 2002


S. F. Ahmed & Co.
 Chartered Accountants

1. Introduction

Industrial and Infrastructure Development Finance Company Limited (IIDFC), a public limited company, was incorporated on the 19th Day of December 2000 as development financial Institution to boost up improvement specially in the spectrum of Industrial and Infrastructure Development. The Registered Office of the Company is situated at Chamber Building (6th floor), 122-124 Motijheel C/A. Dhaka-1000, Bangladesh. It was licensed by the Bangladesh Bank under Financial Institutions Act, 1993 on the 23rd day of January 2001 to start financial business in Bangladesh.

2. Basis of Preparing Financial Statements

The Financial Statements have been prepared on the basis of going concern concept and basically on accrual method under historical cost convention in accordance with Generally Accepted Accounting Principles.

3. Revenue Recognition

a. Accounting for Lease Finance

The Lease Agreements are signed as operating nature of lease financing under the umbrella of Finance Lease term. Accounting for leases are maintained as prescribed & practiced for operating lease financing. According to this practice, leased assets under the possession and use of the lessees are being regularly and consistently accounted for as fixed assets of the Company. Lease rentals receivable periodically are recognized as operational revenue while depreciation on such leased assets is accounted for as operational expenses.

b. Accounting for Direct Finance

Accounting for Direct Finance is maintained based on accrual method of accounting. Outstanding loan along with interest thereon are accounted for as Assets of the Company and interest earnings are recognized as operational revenue periodically.

c. Incomes from Treasury Operations is recognised on accrual basis

d. Other operational income Comprises:

- i) appraisal and documentation fee
- ii) commitment fee
- iii) Supervision fee
- iv) delinquent charges and
- v) miscellaneous receipts

These are recognised as income as and when received

4. **Depreciation on Fixed Assets**

Depreciation on Fixed assets under the Company's use is charged on straight-line method at rates varying from 10% to 20% throughout the estimated useful life of the assets.

Leased assets in the possession and use of lessees are depreciated in the books of the Company over lease terms applying interest method with no residual value.

5. **Integral Parts of the Financial Statements**

The Financial Statements of the Company comprise of the following:

- a. Balance Sheet as at 31 December 2001
- b. Profit and Loss Statement for the period from 23 January 2001 to 31 December 2001
- c. Cash Flow Statement for the period from 19 December 2000 to 31 December 2001
- d. Notes to the Financial Statements for the period from 19 December 2000 to 31 December 2001

6. **Liabilities and Provisions**

All material liabilities and provisions have been included in the financial statements.

7. **Provision for Doubtful Debts**

Because of the 1st year of operation, the Company did not provide for any doubtful debts. Also there is no doubtful debts.

8. **Share Capital**

a. Authorized Capital		
10,000,000 Ordinary Shares of Tk. 100 each		TK, <u>1,000,000,000</u>
b. Issued, subscribed & paid up capital		
1,410,000 Ordinary shares of Tk. 100 each		
fully paid up in cash		Tk. 141,000,000

SL	Description	Taka
----	-------------	------

Paid up share capital as on December 31, 2001 comprises the following

<u>Particulars</u>	<u>No of Shares</u>	<u>Taka</u>	<u>%</u>
i. Public Sector	300,000	30,000,000	21.2766
Sonali Bank	100,000	10,000,000	7.0922
Janata Bank	100,000	10,000,000	7.0922
Investment Corporation of Bangladesh	100,000	10,000,000	7.0922
ii. Private Sector	1,110,000	111,000,000	78.7234
AB Bank Ltd.	100,000	10,000,000	7.0922
Bank Asia Ltd.	100,000	10,000,000	7.0922
BRAC Bank Ltd.	100,000	10,000,000	7.0922
The City Bank Ltd.	100,000	10,000,000	7.0922
Mutual Trust Bank Ltd.	100,000	10,000,000	7.0922
National Bank Ltd.	100,000	10,000,000	7.0922
One Bank Ltd.	100,000	10,000,000	7.0922
Southeast Bank Ltd.	100,000	10,000,000	7.0922
Eastland Insurance Co. Ltd.	100,000	10,000,000	7.0922
National Life Insurance Co. Ltd.	100,000	10,000,000	7.0922
Pragati Insurance Ltd.	100,000	10,000,000	7.0922
Mr. Md. Matiul Islam	10,000	1,000,000	0.7092
Total	<u>1,410,000</u>	<u>141,000,000</u>	<u>100%</u>

9. **Reserve and Surplus**

Statutory Reserve	860,427
General Reserve	2,000,000
Retained Earnings	1,441,705
Total	<u>4,302,132</u>

10. **Lease Rental Deposit**

The Company takes Rental Deposits from the lessees on signing lease agreement, refundable at the maturity of lease term. Balance at 31-Dec-2001 is as follows:

Opening Balance	—
Add- Received during the period	3,041,454
	3,041,454
Less: Transfer to Current Liabilities	—
Closing Balance	<u>3,041,454</u>

Note # 11 :

SCHEDULE OF FIXED ASSETS as at 31st Dec. 2001

Serial	Particulars	C O S T			Depreciation Rates	D E P R E C I A T I O N				Net Book Value
		Opening Balance	Additions	Disposals/ Adjustments		Closing Balance	Opening Balance	Charges	Disposals/ Adjustments	
1	Motor Vehicles	-	1,600,000	-	20%	-	320,000	-	320,000	1,280,000
2	Furniture & Fixture	-	33,500	-	10%	-	3,350	-	3,350	30,150
3	Softwares	-	30,000	-	18%	-	5,400	-	5,400	24,600
	Total taka	-	1,663,500	-		-	328,750	-	328,750	1,334,750

12.	Leased Assets		
	Opening Balance		—
	Add- Addition during the period		20,000,000
		(a)	<u>20,000,000</u>
	Less: Accumulated Depreciation		
	Opening Balance		—
	Add- Charged during the period		300,000
		(b)	<u>300,000</u>
	Closing Balance	Total (a-b)	<u><u>19,700,000</u></u>
13.	Advance for Leased Assets		
	The amount of taka 19,763,284 represents payment made from time to time during moratorium period for the procurement of Lease Assets		
14.	Direct Finance		
	Opening Balance		—
	Add- Disbursed during the period		2,000,000
			<u>2,000,000</u>
	Less: Realized during the Period		86,976
	Closing Balance	Total	<u><u>1,913,024</u></u>
15.	Advance, Deposits and Prepayments		
	Insurance premium		24,964
	Advance against salary		10,000
	AIT deductions from interests		785,831
		Total	<u><u>820,795</u></u>
16.	Other Receivables: Interest on Term Deposit		
	FDRs Interest Accrued		5,123,772
	STD Interest Receivable		132,572
	IDCP Receivable		353,615
		Total	<u><u>5,609,959</u></u>
17.	Deferred Revenue Expenditures		
	The amount of taka 612,076 represents advertisement expenses incurred to mark the Inaugural Reception Ceremony held on 23-December-2001 and remains to be charged to revenue or otherwise, as may be decided later.		

SL	Description	Taka
18.	Cash & Cash Equivalents	
	Cash on Hand	6,329
	Cash at Banks (18A)	103,120,989
	Fixed Term Deposits (18B)	329,542,740
	Bangladesh Bank Current Account	125,000
	Total	<u>432,795,058</u>
18A	Cash at Banks	
	Bank Asia Ltd.	102,864,616
	Janata Bank	19,210
	The City Bank Ltd.	92,317
	Mutual Trust Bank Ltd.	27,379
	National Bank Ltd.	1,159
	One Bank Ltd.	69,313
	Southeast Bank Ltd.	5,307
	Sonali Bank	41,688
	Total	<u>103,120,989</u>
18B	Fixed Term Deposits	
	Bank Asia Ltd.	67,508,091
	Mutual Trust Bank Ltd.	60,512,104
	One Bank Ltd.	70,000,000
	Southeast Bank Ltd.	21,010,589
	Dutch-Bangla Bank Ltd.	90,511,956
	Standard Bank Ltd.	20,000,000
	Total	<u>329,542,740</u>
19.	Short-term Loan (Unsecured)	
	Bank Asia Ltd.	100,000,000
	Arab Bangladesh Bank Ltd.	100,000,000
	IPDC of Bangladesh Ltd.	20,000,000
	Total	<u>220,000,000</u>
20.	Loan From Treasury Operation	
	Bank Asia Ltd.	100,000,000
	Arab Bangladesh Bank Ltd.	10,000,000
	Total	<u>110,000,000</u>

SL	Description	Taka
21.	Liability for Financial Charges	
	Bank Asia Ltd.	1,182,466
	Arab Bangladesh Bank Ltd.	1,018,630
	IPDC of Bangladesh Ltd.	10,959
	Total	2,212,055
22.	Creditors for Expenses	
	SF Ahmed & Co.	25,000
	Lee, Khan and Associates	7,500
	Mhadi Enterprise	6,600
	The Independent	94,500
	The Financial Express	78,750
	The Daily Star	210,000
	Weekly Holiday	42,000
	Theme-O-Graph	10,000
	Total	474,350
23.	Provision for Expenses	
	Meeting Expenses	90,000
	Communication Expenses	33,053
	Utilities Expenses	24,800
	Car Running & Maintenance Expenses	9,000
	Books & Periodical Expenses	600
	Total	157,453
24.	Provision for Taxation	
	Provision of Taka 1,100,000 has been made to cover the corporate tax liability for this year based on the best estimate of the management.	
25.	Liability for AIT Deductions	
	IIDFC Officers Salary	22,886
	Lee, Khan & Associates	1,510
	Ahmed Mashuque & Co.	100
	News Paper & News Agencies	8,466
	Total	32,962
26.	Liability for VAT Deductions	
	Lee, Khan & Associates	394
	ACE Workshop & Service	436
	Haq's Bay Automobiles	794
	Mhadi Enterprise	198
	Directors' Fee	10,588
	Total	12,410

SL	Description	Taka
27.	Statutory Provison for Financing	
	It represents the difference between the Provision arraised as per FID circular No. 10 dated 28-11-2000 issued by Bangladesh Bank for provisions required to be made for financing and the provisions for Bad & doubtful debts as estimated by the management to meet probable losses:	
	Provisions as per guidelines of Bangladesh Bank	216,130
	Less: Provisions for doubtful debts	-
		216,130
28.	General & Administrative Expenses	
	Managing Director's Remuneration	1,289,000
	Salaries & allowances	921,400
	Medical & Welfare Expenses	1,420
	Rent, Rates & Taxes	658,898
	Printing & Stationery	180,554
	Office Maintenance	459,925
	Utilities Expenses	169,945
	Communications	104,129
	Local Conveyance	23,202
	Directors' Fee	228,823
	Training Expenses	5,000
	Meeting Expenses	105,185
	Entertainment	21,965
	Car running & Maintenance Expenses	171,471
	Bank Charge & Excise Duty	27,548
	Lease Rentals	492,722
	Legal & Professional Fee	178,415
	Subscription	95,310
	Advertisement & Business Dev. Expenses	305,206
	Books & Periodicals	11,199
	Depreciation on Fixed Assets	328,750
	Insurance Expenses	60,160
	Preliminary Expenses written off	213,586
	Total	6,053,813

29. There is no contingent liability other than letter of Credit and Shipping Guarantee outstanding for importation of lease Equipment amounting to Taka 20,236,716.

30. **Commitment for Lease Rental Expenses**

a. The Company has made commitment for paying lease rental for the following assets:

- i. Motor Car: Tk. 600,000
- ii. Computer, Server and Printer: Tk 478,600
- iii. Office Equipment: Tk. 349,225
- iv. Office Furniture & Fixture: Tk. 411,940
- v. Communication Equipments: Tk. 40,145
- vi. Interior Decoration: Tk. 2,500,000

b. The lease rental for the above assets are as follows:

- i. 48 installments@ Tk. 16,720/- w.e.f. 15-07-2001
- ii. 36 installments@ Tk. 130,800/- w.e.f. 15-10-2001

31. During the year the number of employees drawing Tk. 3,000 or more per month was 7 (Seven).

32. Figures have been rounded off to the nearest Taka.



Md. Matiul Islam
Chairman



AKM Nozmul Haque
Managing Director



Nandan Kumar Paul
Company Secretary

Industrial and Infrastructure Development Finance Company Limited
Chamber Building (6th Floor), 122-124, Motijheel C/A, Dhaka-1000, Bangladesh

PROXY FORM

I/We

of.....

being a member of Industrial and Infrastructure Development Finance Company Limited do hereby

appoint Mr. / Ms

of

as proxy to attend and vote for me/us and on my/our behalf at the 1st Annual General Meeting of the Company to be held on Wednesday, 27 March 2002, at 11.0 am at the Company's Registered Office, Chamber Building (6th floor), 122-124 Motijheel C/A, Dhaka-1000, Bangladesh and any adjournment thereof.

As witness my/our hand this day of 2001

Signature of Shareholder

Signature of Proxy

Revenue
Stamp

