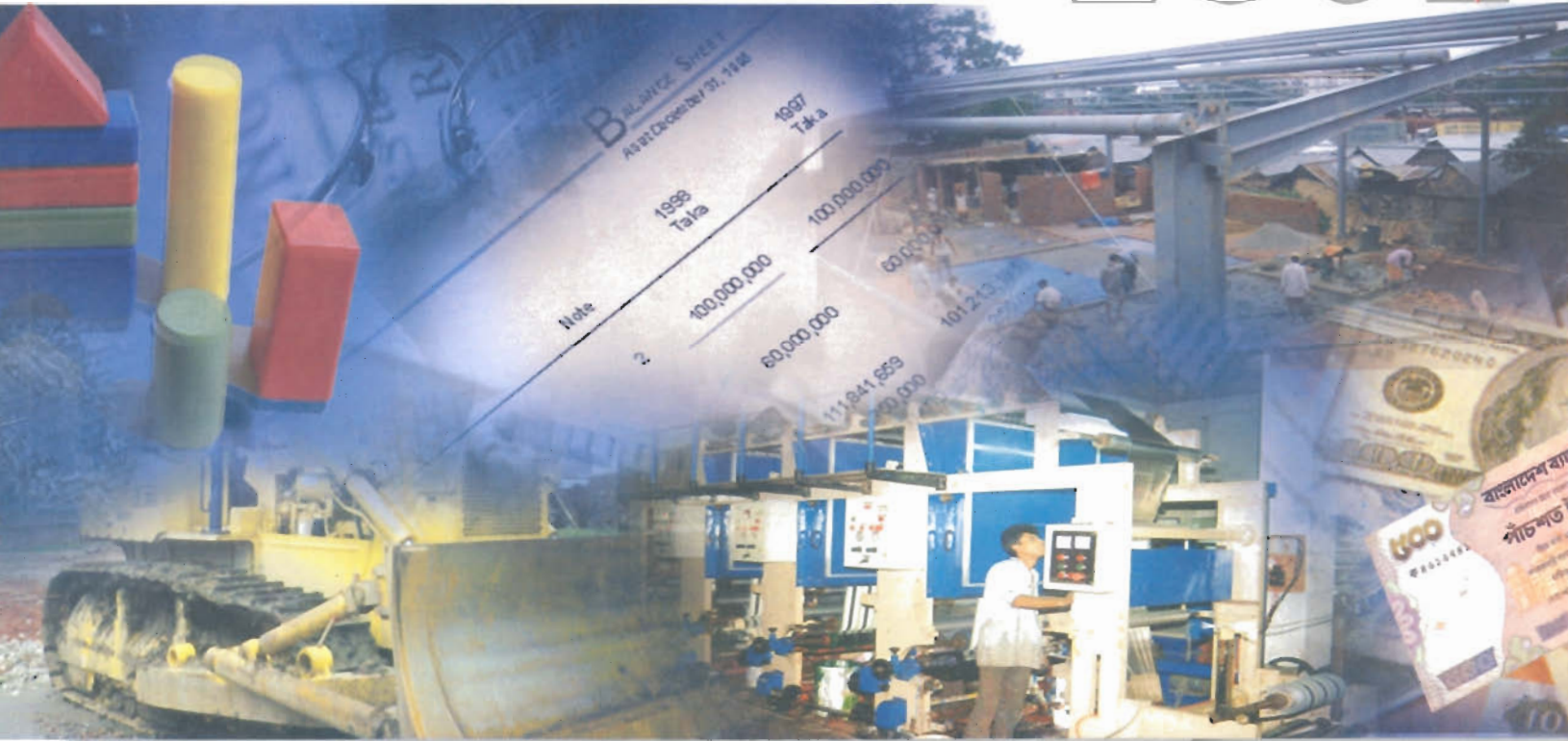


# ANNUAL REPORT 2002



Industrial and Infrastructure Development Finance Company Limited

**How it all started**

The history of rent relations is more than four thousand years long. It is as rich and diverse, as the history of mankind itself. However the fundamental principles of rent relations of those years have very much in common with what may seem a novelty nowadays. We offer you a brief overview of the evolution of this sphere of relations tracking the key stages of its development.

**The first deal**

Nobody in the world knows the exact date when the first rent deal in the history of mankind was concluded. Nevertheless, the first material evidence about such types of activity goes back to approximately 2000 B. C. During 1984 excavations of the Sumer city of Ur, scientists found prototypes of first rent contracts. Those were clay tablets on which parties to the contract fixed the obligations on transfer, on certain terms, for usage and possession in exchange for a fixed payment, agricultural stock, right to use water sources etc. The clay tablets told scientists that, as a rule, first lessors were priests living in the temples of the city of Ur.

**The first leasing company**

Scientists found evidence that roughly in 400 - 450 B. C. in an ancient city of Nippur to the South East of Babylon the Murashu family opened the first leasing company known in the history of mankind. The Murashu family was the unsurpassed leader on the market of leasing services in the Persian Empire. They specialized in land leasing, but also offered a number of accompanying products: leasing of cattle, agricultural equipment and sale of sowing materials on the payment by installment basis.

The year 1954 is believed to be the year modern leasing was born, i. e. when conventional rent received certain additional feature, which subsequently generated huge growth of the given sector in the developed Western economies. This was about the opportunity of the lessee's using accelerated depreciation of the subject of rent for taxation purposes.

Indeed, the entire history of development of the leasing sector in the West demonstrates that accelerated depreciation for taxation purposes is one of the main attributes, making conventional rent distinct from leasing. Combined with accelerated depreciation, rent allows leasing companies to conditionally pass profit from accelerated depreciation on to lessees, which results in reduced cost of financial rent. (Source : Internet)

**Bangladesh Context**

Chapter V of Bangladesh Bank Order 1972 defined non-banking financial institutions and incorporated the regulatory powers of the Central Bank in relation to these institutions. The concept of non-banking, however, owed its origin to the Reserve bank of India Act of 1934, which was the mother act of all central banking institutions in the sub-continent. The State Bank of Pakistan Act was based on this mother act, so also was the Bangladesh Bank Order 1972.

The non-banking financial institutions (NBFIs) in fact were envisaged to be DFIs in the private sector. The BSB and BSRS, successors to IDBP and PICIC, however, were not considered as DFIs and Bangladesh Bank had little supervisory functions over them. In the later years, these two institutions were given license under the Banking Companies Act to help mobilization of resources, which brought them directly under the supervisory control of Bangladesh Bank.

IPDC is the first non-banking financial institution (NBFI) in the private sector of the country. Birth of IPDC was quickly followed by IDLC, SABINCO, UAE- Bangladesh Investment Company, United Leasing etc. None of these institutions were accepting deposits of any kind and therefore did not come under the control of Bangladesh Bank. In a later phase the Financial Institutions Act, 1993 was promulgated authorising Bangladesh Bank to issue licence, regulate, control, monitor and supervise the functions of NBFIs.

# Annual Report 2002



**Industrial and Infrastructure Development Finance Company Limited**  
Chamber Building (6th Floor), 122-124, Motijheel C/A, Dhaka-1000, Bangladesh.  
Tel : 880-2-955 9311-12, 955 3387, 955 3254, Fax : 880-2-956 8987

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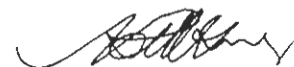


# Notice of the 2ND Annual General Meeting

Notice is hereby given that the 2nd Annual General Meeting of Industrial and Infrastructure Development Finance Company Limited will be held on Wednesday, 19 March 2003, at 11.00 a.m. at the Company's Registered Office, Chamber Building (6th floor), 122-124 Motijheel C/A, Dhaka-1000, Bangladesh to discuss the following businesses :

1. To Confirm the proceedings of the 1st Annual General Meeting held on Wednesday, 27 March 2002
2. To receive, consider and adopt Directors' Report, Auditors' Report and the Audited Financial Statements of the Company for the year ended 31 December 2002
3. To elect Directors of the Company
4. To declare dividend for the year 2002
5. To appoint auditors for the year 2003 and to fix their remuneration
6. To transact any other business with the permission of the Chair

By order of the Board



Nandan Kumar Paul  
Company Secretary

Dated, Dhaka  
03 March 2003

## Notes

1. The Register of Members and Share Transfer Book of the Company will remain closed from 06 March 2003 to 19 March 2003 (both days inclusive). During the period no transfer will be effective. The transfer is subject to approval of Bangladesh Bank.
2. Members holding shares on the date of the Annual General Meeting will be entitled to the Dividend to be declared in that Annual General Meeting.
3. A member entitled to attend & vote at the Annual 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 Annual General Meeting. (A PROXY FORM is available in the Annual Report)
4. Members are requested to notify change of address, if any, to the Company.

Enclosed :

1. Proceedings of the 1st Annual General Meeting
2. Annual Report 2002

# Shareholding STRUCTURE

## Public Sector (21.2766%)

Janata Bank (7.0922%)

Sonali Bank (7.0922%)

Investment Corporation of Bangladesh (7.0922%)

## Private Sector (78.7234%)

Arab Bangladesh Bank Limited (7.0922%)

Bank Asia Limited (7.0922%)

BRAC Bank Limited (7.0922%)

The City Bank Limited (7.0922%)

Mutual Trust Bank Limited (7.0922%)

National Bank Limited (7.0922%)

One Bank Limited (7.0922%)

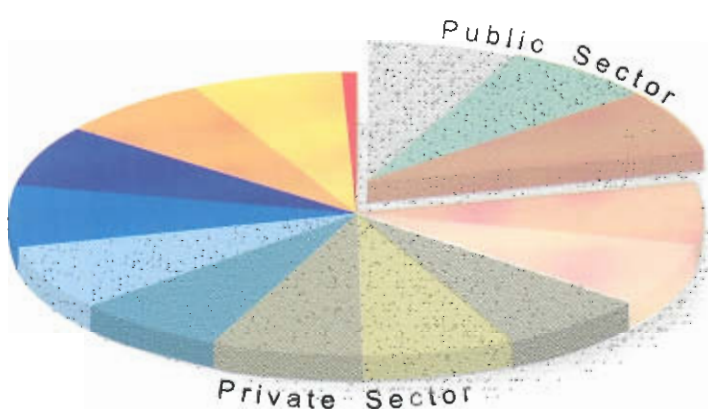
Southeast Bank Limited (7.0922%)

Eastland Insurance Co. Limited (7.0922%)

National Life Insurance Co. Limited (7.0922%)

Pragati Insurance Limited (7.0922%)

Md. Matiul Islam (0.7092%)



- Md. Matiul Islam
- Pragati Insurance Limited
- National Life Insurance Co. Limited
- Eastland Insurance Co. Limited
- Southeast Bank Limited
- One Bank Limited
- National Bank Limited
- Mutual Trust Bank Limited
- The City Bank Limited
- BRAC Bank Limited
- Bank Asia Limited
- Arab Bangladesh Bank Limited
- Investment Corporation of Bangladesh
- Janata Bank
- Sonali Bank

# 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. Abu Taher Miah, National Bank Limited

Mr. Abu Haniff Khan, 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. Moazzam Hossain, Pragati Insurance Limited

Mr. Ghulam Rahman, Eastland Insurance Co. Limited

## **Managing Director**

Mr. A K M Nozmul Haque

## **Company Secretary**

Mr. Nandan Kumar Paul



Members of the Board of Directors as of 31 December 2002



# Management

Mr. A K M Nozmul Haque, *Managing Director*  
Mr. Nandan Kumar Paul, *AVP and Company Secretary*  
Mr. A B M Serajul Haque, *Manager - Operations*  
Mr. Mohammad Monir Uddin, *Senior Executive - Operations*  
Ms. Zufa Mehrubeen Huq, *Management Trainee - Accounts*  
Ms. Mehfuza Murshed, *Office Secretary*  
Ms. Doly Paul, *Receptionist*  
Mr. Sameer Ahmad, *Consultant*



## 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

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



# Bankers

## **Arab Bangladesh Bank Limited**

Principal Branch  
Motijheel, Dhaka-1000

## **Bank Asia Limited**

Principal Office  
Motijheel, Dhaka-1000

## **The City Bank Limited**

Principal Branch  
Dilkusha, Dhaka-1000

## **Janata Bank**

Janata Bhaban Corp. Br.  
Motijheel, Dhaka-1000

## **Mutual Trust Bank Limited**

Principal Branch  
Motijheel, Dhaka-1000

## **National Bank Limited**

Principal Branch  
Dilkusha, Dhaka-1000

## **ONE Bank Limited**

Principal Branch  
Dilkusha, Dhaka-1000

## **Sonali Bank**

Local Office  
Motijheel, Dhaka-1000

## **Southeast Bank Limited**

Principal Branch  
Dilkusha, Dhaka-1000

- A. Lease Finance** : Lease Financing for industrial equipment, machinery, infrastructure and other productive assets.
- B. Term Lending** : Medium to Long Term Loans to Financially viable industrial undertaking and infrastructure projects in the power and telecommunication sector, oil & gas exploration, roads & highways, bridges, river and air transport etc.
- Short Term Finance to successful industrial enterprises.
- C. Equity Support** : Equity Support either directly or through equity fund administered by Bangladesh Bank to financially viable & approved projects.
- D. Financial Packages** : Financial Packaging for acquisition or taking over of public sector enterprises, financial or otherwise, slated for privatization.
- E. Merchant Banking (Subject to SEC permission) :**
- ✿ Issue management
  - ✿ Underwriting/Bridge financing
  - ✿ Mutual fund

IIDFC offers a competitive price considering the market conditions, financial and political risks and other relevant factors. The company follows flexible policies in this respect.

# HIGHLIGHTS

	31 December 2001	31 December 2002
--	------------------	------------------

## Business Performances :

No. of Projects Approved :	12	30
Finance Approved (in million Taka) :	333.50	549.33
No. of Contracts Signed:	4	30
Amount of Contracts Signed (in million Taka) :	105.60	631.65
Fund Disbursed (in million Taka) :	41.76	421.20

## Financial Performances :

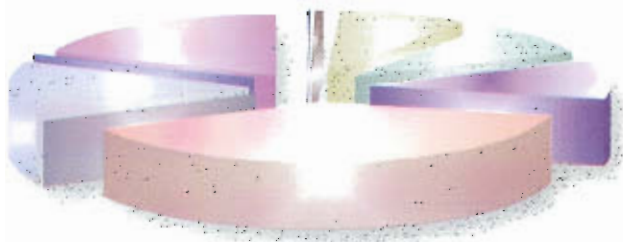
Operational Revenue	3.32	111.53
Financial Expenses	2.23	44.59
Operating Profit	(5.26)	22.34
Net Profit	4.30	19.75
Provision for bad & doubtful debts	0.22	4.03
Leased Assets	39.46	343.61
Direct Finance	1.91	80.45
Shareholders' Equity	145.30	165.06

\* Figures in million taka

## Ratios :

Return on Total Assets (%)	0	5.50
Return on Capital Employed (%)	0	11.78
Return on Equity (%)	2.96	11.95
Earning Per Share (EPS) Tk.	3.05	14.01
Dividend Per Share (DPS) Tk.	0	10.00
Book Value Per Share (Tk.)	103.20	120.05

## Sector wise Portfolio

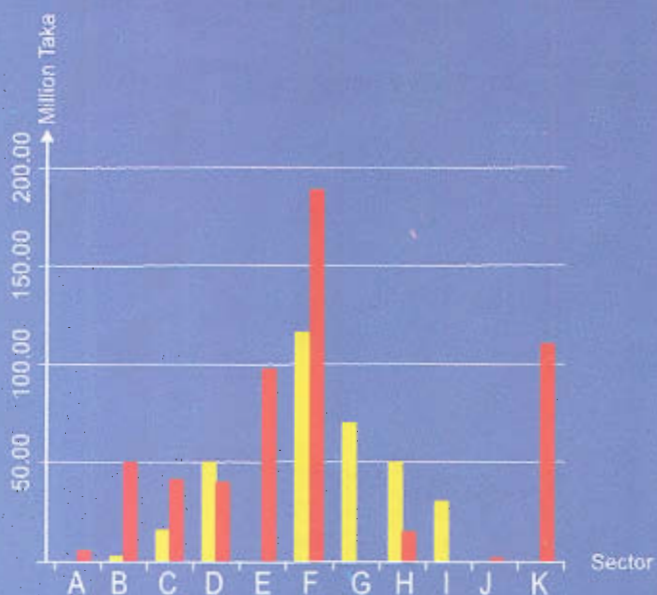


- Agrobased Industries (0.33%)
- Chemical, petroleum, Plastic & Rubber Products (0.51%)
- Constructions (8.63%)
- Electricity, Water & Sewerage Industries (8.56%)
- Engineering, Basic Metal & Metal Products (10.51%)
- Jute, Cotton & Wearing Industries (38.75%)
- Non metallic industrial products (0.00%)
- Paper, Paper Products & Printing Industries (13.97%)
- Professional & Self Employed Persons (0.12%)
- Transport & Communications (18.62%)

IIDFC Annual Report 2002

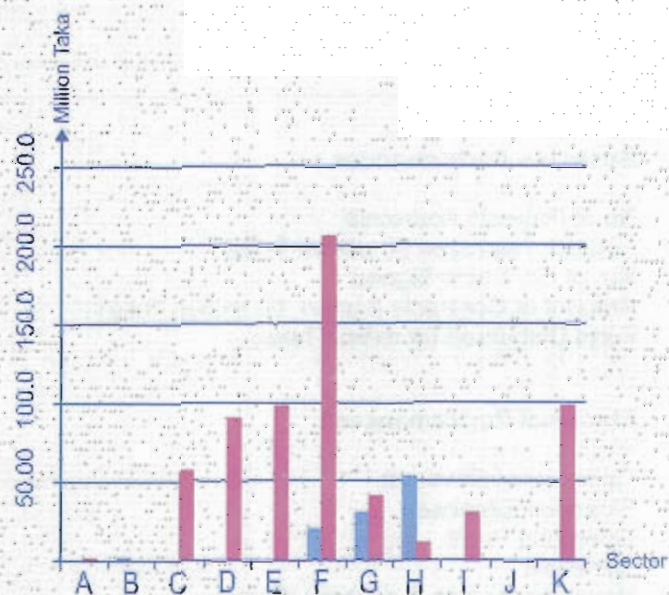
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■ 2002  
■ 2001

▲ Fund Approved

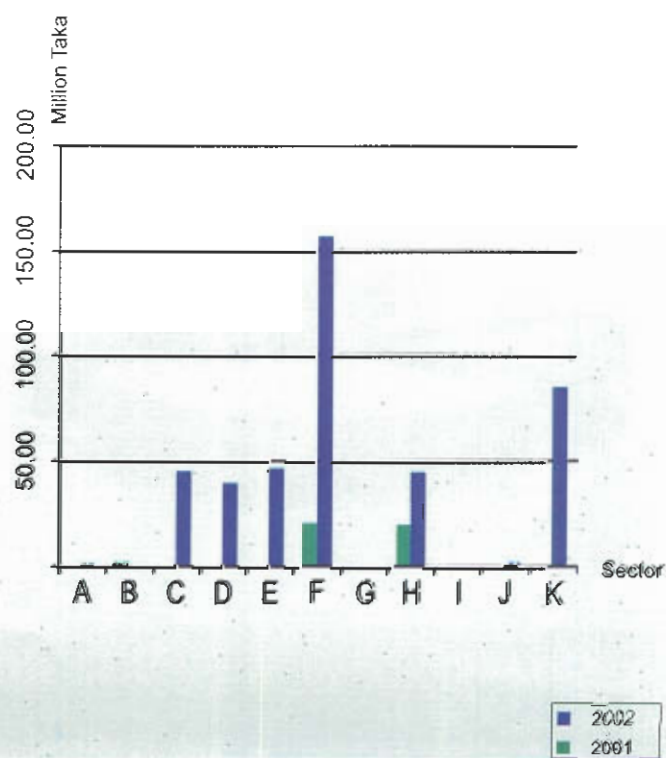


■ 2002  
■ 2001

▲ Agreement Signed

▼ Fund Disbursed

- A Agrobased Industries
- B Chemical, petroleum, Plastic & Rubber Products
- C Constructions
- D Electricity, Water & Sewerage Industries
- E Engineering, Basic Metal & Metal Products
- F Jute, Cotton & Wearing Industries
- G Non metallic industrial products
- H Paper, Paper Products & Printing Industries
- I Private Educational Institutions
- J Professional & Self Employed Persons
- K Transport & Communications



■ 2002  
■ 2001

# DIRECTORS' REPORT



I, on behalf of the Board of Directors, welcome you all to the 2<sup>nd</sup> Annual General Meeting of the Company. I also have the pleasure of presenting the audited Balance Sheet, Profit and Loss Statement and Cash Flow Statement for the year 2002 along with the Auditors' Report thereon.

During the period under report, your Company, which started its journey only two years ago, registered a steady growth. The year 2002 was the first full year of operation of the company and was the year of consolidation. In a market where at least twenty other non-banking financial institutions had been actively operating long before we opened our doors and where the commercial banks also have opened windows for lease financing, it was not easy to register progress in terms of number of sanctions, the rate of disbursement and above all, the profitability of operation.

The Company operates both in the area of direct finance through term lending as also financing

through leasing technique, which is the current trend of financing assets. Of the total disbursement of Tk 42.00 crore during FY 2002, only around Tk 8.00 crore constituted direct finance and the balance disbursements were under lease financing under which the depreciation allowance claimed by the company is a deductible charge.

Another interesting feature that has emerged recently in the area of long term financing of high-value assets is the syndication or co-financing arrangement. Your company participated in the syndication arrangement proposed by other institutions and also initiated syndication proposals working as lead managers. This new trend and development has helped your company to operate with very little administrative and overhead costs. The salary and allowances of the staff members including that of the Managing Director was below Tk 40.00 lacs during 2002. Our Staff members deserve congratulations for their hard and dedicated work. Our staffing policy should be: a small, efficient and contended workforce. Income from treasury operation during FY 2002 was Tk 44.32 lac, which was a creditable achievement.

Average cost of funds is an important determinant of profits. During FY2002, our average cost of funds was 9.41% mainly due to the fact that our average cost of deposits was 12½ %. As you are aware, Bangladesh Bank and the Securities and



# DIRECTORS' REPORT

Exchange Commission have approved issue of Zero Coupon Bond by the Company, successful marketing of which would have favorable impact on our cost of funds and increased profitability in the future years. We shall also be able to become market leaders in arranging funds for investments in large industrial and infrastructure projects.

The Directors' take pleasure in summarizing below the financial result of the company dealt with in detail with explanations in the enclosed audited Financial Statements:

Figures in Taka

Particulars	31-Dec-02	31-Dec-01
Profit after tax	19,712,398	4,302,132
Add- Retained earnings brought forward	1,441,705	-
Profit available for appropriation	21,154,103	4,302,132
<b>Appropriations :</b>		
Statutory reserve	4,139,573	860,427
General reserve	1,500,000	2,000,000
Dividend @ Tk.10 for each share of Tk. 100 fully paid up	14,100,000	-
	19,739,573	2,860,427
Retained earnings transferred to Reserve and Surplus	<b>1,414,530</b>	<b>1,441,705</b>

## Retirement and re-election of Directors :

By operation of Article 99 of the Company's Articles of Association, the following Directors of the Company retire from office at this 2nd Annual General Meeting and being eligible offer themselves for re-election :

Sl.	Name	Representing
1	Mr. M. Syeduzzaman	Bank Asia Limited
2	Mr. Yussuf Abdullah Harun	Southeast Bank Ltd.
3	Mr. Fazle Hasan Abed	BRAC Bank Limited
4	Mr. Syed Manzur Elahi	Mutual Trust Bank Ltd.
5	Mr. Zainul Haque Sikder	National Bank Limited



# DIRECTORS' REPORT

**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 2003.

We would like to express our grateful thanks to the esteemed shareholders, clients, Government Departments & Agencies for the co-operation extended to us and to the company's dedicated management staff for their hard work and commitment to the Company.

Thank you,

On behalf of the Board of Directors



**Md. Matiul Islam**  
Chairman

**To the shareholders**

We have audited the accompanying Balance Sheet of INDUSTRIAL AND INFRASTRUCTURE DEVELOPMENT FINANCE COMPANY LIMITED as at 31 December 2002, the related Profit and Loss Statement and Cash Flow Statement along with the explanatory notes thereto for the year then ended. 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 at 31 December 2002 and of the results of its operations and its Cash Flow for the year 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 & Co.

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

# Balance

# SHEET

as at 31 December 2002

	Notes	31 December 2002	31 December 2001
		Taka	Taka
<b>SOURCES OF FUNDS :</b>			
Shareholders' Fund			
Share capital	3	141,000,000	141,000,000
Reserves & surplus	4	9,914,530	4,302,132
Proposed dividend		14,100,000	-
		165,014,530	145,302,132
Revenue Suspension	5	130,378	-
Deferred Liability	6	157,600	-
Long-term Liabilities			
Lease rental deposit	7	20,541,260	3,041,454
Security deposit	8	3,481,540	-
		24,022,800	3,041,454
<b>Capital Employed</b>		<b>189,325,308</b>	<b>148,343,586</b>
<b>APPLICATION OF FUNDS :</b>			
Fixed Assets-at cost less accumulated depreciation	9	1,189,908	1,334,750
Leased Assets-net of current maturity			
Leased Assets-at cost less accumulated depreciation	10	264,735,245	19,637,933
Advances for leased assets	11	11,190,315	19,763,284
		275,925,560	39,401,217
Direct Finance-net of current maturity	12	70,853,589	1,365,665
		346,779,149	40,766,882
Provision for bad & doubtful debts		(4,250,000)	(216,130)
		342,529,149	40,550,752
Current Assets			
Leased assets-current maturity	10	67,684,890	62,067
Direct finance-current maturity	12	9,599,392	547,359
Advances, deposits & prepayments	13	2,799,324	820,795
Sundry receivables	14	11,471,904	5,609,959
Term placement	15	150,000,000	-
Cash & cash equivalents	16	625,341,911	432,795,058
		866,897,421	439,835,238
<b>Less: Current Liabilities</b>			
Term deposit	17	350,000,000	-
Short-term & call loan	18	650,000,000	330,000,000
Liabilities for expenses	19	20,454,201	2,843,858
Liabilities for other finance	20	712,274	45,372
Provision for taxation	21	124,695	1,100,000
Net (Deficit)/Surplus in Current Assets		1,021,291,170	333,989,230
		(154,393,749)	105,846,008
Deferred Revenue Expenditures	22	-	612,076
<b>Net Assets</b>		<b>189,225,308</b>	<b>148,343,586</b>

## See Annexed Notes

For Industrial and Infrastructure Development Finance Company Limited




**Md. Matiul Islam**  
Chairman



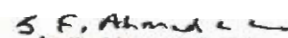
**AKM Nozmul Haque**  
Managing Director

Singed in terms of our Report of even date annexed



**Nandan Kumar Paul**  
Company Secretary

Dated, Dhaka.  
27 February 2003

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

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# Profit & Loss

## STATEMENT

For the year ended 31 December 2002

SL	Particulars	Notes	31 December 2002	31 December 2001
			Taka	Taka
<b>A</b>	<b>Operational Revenue :</b>			
	Lease rentals		65,486,238	300,000
	Income from lending operations		11,233,298	417,892
	Income from treasury operations		32,670,768	2,514,802
	Other operational income		2,096,924	86,650
			111,487,228	3,319,344
<b>B</b>	<b>Operational Expenses :</b>			
	General & administrative expenses	23	10,265,452	5,725,063
	Depreciation on own-used assets		360,242	328,750
	Depreciation on leased assets		34,001,598	300,000
	Financial expenses		44,558,356	2,227,317
			89,185,648	8,581,130
<b>C</b>	<b>Operating Profit (A-B) :</b>		22,301,580	(5,261,786)
	Less : Provision for bad & doubtful debts		4,033,870	216,130
	<b>Profit before other income</b>		18,267,710	(5,477,916)
	<b>Add : Other income</b>			
	Non-operational income		1,187,279	9,695,451
	Miscellaneous income		257,409	1,184,597
			1,444,688	10,880,048
	<b>Profit/(Loss) before taxation</b>		19,712,398	5,402,132
	Less : Provision for taxation		-	1,100,000
	<b>Profit after tax</b>		19,712,398	4,302,132
	Add-Retained earnings brought forward		1,441,705	-
	<b>Profit available for appropriation</b>		21,154,103	4,302,132
	Less : Appropriations			
	Statutory reserve		4,139,573	860,427
	General reserve		1,500,000	2,000,000
	Proposed dividend		14,100,00	-
			19,739,573	2,860,427
	<b>Retained earnings transferred to Reserves and Surplus</b>		1,414,530	1,441,705

### See Annexed Notes

For Industrial and Infrastructure Development Finance Company Limited



Md. Matiul Islam  
Chairman



AKM Nozmul Haque  
Managing Director

Singed in terms of our Report of even date annexed

Dated, Dhaka.  
27 February 2003

IIDFC Annual Report 2002

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Nandan Kumar Paul  
Company Secretary

S. F. Ahmed & Co.

S. F. Ahmed & Co.  
Chartered Accountants




# Cash Flow STATEMENT

for the year ended 31 December 2002

SL	Particulars	31 December 2002	31 December 2001
		<u>Taka</u>	<u>Taka</u>
A	CASH FLOW FROM OPERATING ACTIVITIES :		
	Operational and other revenue	113,062,294	14,199,392
	Operational expenses	(54,054,132)	(8,564,456)
	Payment of corporate tax	(975,305)	-
	Increase/(decrease) in receivables, advance & prepayments	(7,883,441)	(6,430,754)
	Increase/(decrease) in liabilities for expenses & other finance	18,277,245	2,889,230
	<b>Net cash from operating activities</b>	<b>68,469,628</b>	<b>3,127,793</b>
B	CASH FLOW FROM FINANCING ACTIVITIES :		
	Share Capital	-	141,000,000
	Security & term deposits	203,481,540	-
	Lease rental deposits	17,499,806	3,041,454
	Short-term & call loan	320,000,000	330,000,000
	<b>Net cash from financing activities</b>	<b>540,981,346</b>	<b>474,041,454</b>
C	CASH FLOW FROM INVESTING ACTIVITIES :		
	Purchase of fixed assets	(215,400)	(1,663,500)
	Acquisition of leased assets	(346,721,733)	(20,000,000)
	Term lending	(78,539,957)	(1,913,024)
	Advances for leased assets	8,572,969	(19,763,808)
	<b>Net cash used in investing activities</b>	<b>(416,904,121)</b>	<b>(43,339,808)</b>
D	CASH GENERATED DURING THE YEAR/PERIOD : A+B+C	<b>192,546,853</b>	<b>432,795,058</b>
	Add- Opening cash & cash equivalents	432,795,058	-
	Closing cash & cash equivalents	<b>625,341,911</b>	<b>432,795,058</b>

## See Annexed Notes

For Industrial and Infrastructure Development Finance Company Limited

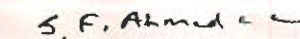
  
Md. Matiul Islam  
Chairman

  
AKM Nozmul Haque  
Managing Director

  
Nandan Kumar Paul  
Company Secretary

Dated, Dhaka.  
27 February 2003

Singed in terms of our Report of even date annexed

  
S. F. Ahmed & Co.  
Chartered Accountants

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# Notes to the FINANCIAL STATEMENTS

for the year ended 31 December 2002

## 1. The Company And Its Activities :

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

IIDFC offers financial services that include promotion and term financing of financially viable industrial undertakings and infrastructure projects, lease financing for all type of machinery and equipment including vehicles for industrial and commercial purposes, financial package for acquisition or taking over of public sector enterprises, financial or otherwise, slated for privatisation.

## 2. Significant Accounting Policies :

### 2.1 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 (GAAP). Accounting principles have been consistently followed.

### 2.2 Revenue Recognition:

#### 2.2.1 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 is maintained as prescribed and 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.

#### 2.2.2 Accounting for Direct Finance:

Accounting for direct finance is maintained based on accrual methods 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.



# Notes to the FINANCIAL STATEMENTS

for the year ended 31 December 2002

## 2.2.3 Accounting for Treasury Operations :

Income from treasury operations is recognised on accrual basis.

## 2.2.4 Other Operational Income :

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

- i. appraisal and documentation fee
- ii. commitment fee
- iii. supervision fee
- iv. delinquent charges, and
- v. miscellaneous receipts.

## 2.3 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 the lessees are depreciated in the books of the Company over lease terms applying interest method with no residual value.

## 2.4 Provision for Bad & Doubtful Debts :

Provision has been made at estimated rates on outstanding exposures based on critical review of possible irrecoverable receivables. The provision is considered adequate to meet possible losses and meet the requirements as per Bangladesh Bank guidelines.

## 2.5 Liabilities and Provisions :

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

## 2.6 Integral Components of Financial Statements :

The Financial Statements of the Company include the following:

- i. Balance Sheet as at 31 December 2002
- ii. Profit and Loss Statement for the year ended 31 December 2002
- iii. Cash Flow Statement for the year ended 31 December 2002
- iv. Notes to the Financial Statements for the year ended 31 December 2002



SL	Description	31 December 2002	31 December 2001	
		Taka	Taka	
3	Share Capital :			
	Authorised Capital : (10,000,000 shares of Tk. 100 each)	1,000,000,000	1,000,000,000	
	Subscribed & Paid up Capital: (1,410,000 shares of Tk. 100 each, fully paid up in cash)	141,000,000	141,000,000	
	Paid up share capital as on December 31, 2002 comprises the following :			
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
	Arab Bangladesh 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	1,410,000	141,000,000	100%
4	Reserves & Surplus :			
	Statutory Reserve	5,000,00	860,427	
	General Reserve	3,500,000	2,000,000	
	Retained Earnings	1,414,530	1,441,705	
	Total	9,914,530	4,302,132	
5	Revenue Suspension :			
	The Amount of taka 130,378 represents revenue accrued during this year (last year : nil) after issuing legal notice to Multibond Adhesive Co. Ltd., a client for recovery receivable from it. The loan on which revenue has been accrued and suspended is fully secured by mortgage of unencumbered land of a third party arranged by the client and duly registered with the Registrar of Joint stock Companies.			
6	Deferred Liability :			
	The Amount of taka 157,600 represents provision for gratuity computed during this year (last year : nil) at one month last drawn basic salary for each completed year of service or service exceeding 180 days in any year. The amount will be due after completion of 05 years of services, subject to the gratuity rules. From this year onward, provision is being made annually.			

IDFC Annual Report 2002



# Notes to the FINANCIAL STATEMENTS

for the year ended 31 December 2002

SL	Description	31 December 2002	31 December 2001
		Taka	Taka

## 7 Lease Rental Deposit :

The Company takes Rental Deposit from the lessees on signing lease agreement, refundable at the maturity of lease term. Balance at 31 December 2002 is as follows:

Opening Balance	3,041,454	-
Add- Received during year/period	17,499,806	3,041,454
Closing Balance	20,541,260	3,041,454

## 8 Security Deposit :

PHP Power Generation Plant Ltd.  
S. Alam Luxury Chair Coach Services Ltd.

	1,000,000	
	2,481,540	
<b>Total</b>	<b>3,481,540</b>	<b>-</b>

## 9 Fixed Assets as at 31 December 2002 :

Figures in Taka

Particulars	Cost			Depreciation			Net Book Value
	Opening	Additions	Closing	Rate	Opening	Charges	Closing
Motor Vehicles	1,600,000	-	1,600,000	20%	320,000	320,000	640,000
Furniture & Fixture	33,500	91,000	124,500	10%	3,350	12,450	15,800
Office Equipments	-	54,400	54,400	18%	-	9,792	9,792
Softwares	30,000	70,000	100,000	18%	5,400	18,000	23,400
<b>Total</b>	<b>1,663,500</b>	<b>215,400</b>	<b>1,878,900</b>		<b>328,750</b>	<b>360,242</b>	<b>688,992</b>
as at 31 December 2001	-	1,663,500	1,663,500		-	328,750	328,750
							<b>1,334,750</b>

## 10 Leased Assets :

Opening balance	20,000,000	-
Add- Addition during the year/period	346,721,733	20,000,000
	366,721,733	20,000,000

### Less: Accumulated Depreciation

Opening balance	300,000	-
Add- Charged during the year/period	34,001,598	300,000
	34,301,598	300,000
Closing balance	332,420,135	19,700,000

Current Assets (Amortisation within next twelve months)	67,684,890	62,067
Non-current Assets	264,735,245	19,700,000

## 11 Advances for Leased Assets :

These represent disbursements for procurement of leased assets which will be transferred to leased assets upon execution of lease agreements :

Opening Balance	19,763,284	-
Add- Additions during the year/period	11,190,315	19,763,284
	30,953,599	19,763,284
Less: Transfer to Leased Assets	19,763,284	-
Closing Balance	11,190,315	19,763,284

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# Notes to the FINANCIAL STATEMENTS

for the year ended 31 December 2002

SL	Description	31 December 2002 Taka	31 December 2001 Taka
<b>12</b>	<b>Direct Finance :</b>		
i)	Disbursed during the year/period		
	Opening balance	2,000,000	-
	Add- Disbursed during the year	83,013,682	2,000,000
		<u>85,013,682</u>	<u>2,000,000</u>
ii)	Realised during the year/period		
	Opening balance	86,976	-
	Add- Realized during the year/period	4,473,725	86,976
		<u>4,560,701</u>	<u>86,976</u>
	Closing balance (i-ii)	<u>80,452,981</u>	<u>1,913,024</u>
	Current assets (Maturity within next twelve months)	9,599,392	547,359
	Non-current assets	<u>70,853,589</u>	<u>1,365,665</u>
<b>13</b>	<b>Advances, Deposits and Prepayments :</b>		
	Advance against advertisement expenses	11,200	-
	Advance against salary	-	10,000
	Deposits With AKTEL	5,000	-
	Insurance premium	33,738	24,964
	Tax deducted at source from interest	2,749,386	785,831
	<b>Total</b>	<u>2,799,324</u>	<u>820,795</u>
<b>14</b>	<b>Sundry Receivables :</b>		
	Accounts Receivables (Note: 14A)	2,554,881	-
	Other Receivables (Note: 14B)	8,917,023	5,609,959
	<b>Total</b>	<u>11,471,904</u>	<u>5,609,959</u>
<b>14A</b>	<b>Accounts Receivables :</b>		
	Khaleque Knitting & Garments Ind. Ltd.	850,617	-
	Multibond Adhesive Co. Ltd.	381,889	-
	Navana Ltd. - 1	237,975	-
	Shetu International Ltd.	1,084,400	-
	<b>Total</b>	<u>2,554,881</u>	<u>-</u>
<b>14B</b>	<b>Other Receivables :</b>		
	Interest Accrues (Note : 14BB)	7,987,513	5,256,344
	IDCP Receivable (Note : 14BBB)	838,052	353,615
	Expenses Reimbursement Receivable (Note : 14BBBB)	91,458	-
	<b>Total</b>	<u>8,917,023</u>	<u>5,609,959</u>



# Notes to the FINANCIAL STATEMENTS

for the year ended 31 December 2002

SL	Description	31 December 2002	31 December 2001
		Taka	Taka
<b>14BB</b>	<b>Interest Accrued :</b>		
	Bank Asia Ltd.	3,563,908	1,359,859
	Uttara Finance and Investments Ltd.	1,588,889	
	International Leasing and Financial Services Ltd.	1,437,562	
	Mutual Trust Bank Ltd.	908,057	787,317
	ONE Bank Ltd.	229,375	831,782
	Southeast Bank Ltd.	-	459,035
	Dutch-bangla Bank Ltd.	122,431	1,674,272
	Standard Bank Ltd.	-	11,507
	AB Bank Ltd.	-	132,572
	Sonali Bank Ltd.	52,083	
	First Security Bank Ltd.	50,000	
	EXIM Bank Ltd.	35,208	
	<b>Total</b>	<b>7,987,513</b>	<b>5,256,344</b>
<b>14BBB</b>	<b>Interest During Construction Period (IDCP) Receivable :</b>		
	Hamid Febrics Ltd.	23,926	-
	Shetu International Ltd.	-	353,615
	Spectrum Sweater Industries Ltd.	775,000	-
	Sonargoan Textiles Ltd.	39,126	-
	<b>Total</b>	<b>838,052</b>	<b>353,615</b>
<b>14BBBB</b>	<b>Expenses Reimbursement Receivable :</b>		
	National Housing Finance And Investments Limited	25,878	-
	Sonali Bank	21,860	-
	Janata Bank	21,860	-
	Investment Corporation of Bangladesh	21,860	-
	<b>Total</b>	<b>91,458</b>	<b>-</b>
<b>15</b>	<b>Term Placement :</b>		
	International Leasing & Financial Services Ltd.	50,000,000	
	Uttara Leasing and Financial Services Ltd.	100,000,000	
	<b>Total</b>	<b>150,000,000</b>	<b>-</b>
<b>16</b>	<b>Cash &amp; Cash Equivalents :</b>		
	Cash on Hand	1,191,143	6,329
	Cash At Banks (Note : 16A)	11,017,893	103,245,989
	Fixed Term Deposits (Note : 16B)	613,132,875	329,542,740
	<b>Total</b>	<b>625,341,911</b>	<b>432,795,058</b>
<b>16A</b>	<b>Cash at Banks :</b>		
	Bangladesh Bank Current Account	7,266,181	125,000
	Bank Asia Ltd.	3,729,702	102,864,616
	Janata Bank	19,759	19,210
	Sonali Bank	1,688	41,688
	ONE Bank Ltd.	376	69,313
	Arab Bangladesh Bank Ltd.	96	-
	The City Bank Ltd.	64	92,317
	Mutual Trust Bank Ltd.	23	27,379
	National Bank Ltd.	-	1,159
	Southeast Bank Ltd.	4	5,307
	<b>Total</b>	<b>11,017,893</b>	<b>103,245,989</b>

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# Notes to the FINANCIAL STATEMENTS

for the year ended 31 December 2002

SL	Description	31 December 2002	31 December 2001
		Taka	Taka
<b>16B</b>	<b>Fixed Term Deposits:</b>		
	Bank Asia Ltd.	381,169,125	67,508,091
	Mutual Trust Bank Ltd.	81,963,750	60,512,104
	ONE Bank Ltd.	80,000,000	70,000,000
	First Security Bank Ltd.	50,000,000	
	Southeast Bank Ltd.		21,010,589
	Dutch-Bangla Bank Ltd.	10,000,000	90,511,956
	Standard Bank Limited	-	20,000,000
	EXIM Bank Ltd.	10,000,000	
	<b>Total</b>	<b>613,132,875</b>	<b>329,542,740</b>
<b>17</b>	<b>Term Deposit :</b>		
	Sonali Bank	100,000,000	-
	BRAC	100,000,000	-
	BRAC Bank Ltd.	50,000,000	-
	Janata Bank	50,000,000	-
	Eastern Bank Ltd.	50,000,000	-
	<b>Total</b>	<b>350,000,000</b>	<b>-</b>
<b>18</b>	<b>Short Term and Call Loan</b>		
	Janata Bank	100,000,000	-
	Southeast Bank Ltd.	100,000,000	
	First Security Bank Ltd.	180,000,000	
	Arab Bangladesh Bank Limited.	70,000,000	110,000,000
	Bank Asia Ltd.	50,000,000	200,000,000
	Jamuna Bank Ltd.	100,000,000	
	Sonali Bank	50,000,000	-
	IPDC of Bangladesh Ltd.	-	20,000,000
	<b>Total</b>	<b>650,000,000</b>	<b>330,000,000</b>
<b>19</b>	<b>Liabilities for Expenses :</b>		
	Creditors for Expenses (Note : 19A)	73,100	474,350
	Provision for expenses (Note : 19B)	20,381,101	2,369,508
	<b>Total</b>	<b>20,454,201</b>	<b>2,843,858</b>
<b>19A</b>	<b>Creditors for Expenses :</b>		
	Ali Reza Khan	6,000	-
	Lee, Khan and Partners	7,500	7,500
	Link3 Technologies Ltd.	10,000	
	Mhadi Enterprise	6,600	6,600
	S. F. Ahmed & Co.	40,000	25,000
	The Independent	-	94,500
	The Financial Express		78,750
	The Daily Star		210,000
	Theme-O-Graph		10,000
	Technoheaven Associates	3,000	
	Weekly Holiday		42,000
	<b>Total</b>	<b>73,100</b>	<b>474,350</b>

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# Notes to the FINANCIAL STATEMENTS

for the year ended 31 December 2002

SL	Description	31 December 2002	31 December 2001
		Taka	Taka
<b>19B</b>	<b>Provision for Expenses :</b>		
	Books & periodical expenses	1,650	600
	Communication expenses	15,400	33,053
	Car running & maintenance expenses	12,015	9,000
	Financial charges accrued (Note : 19BB)	19,544,798	2,212,055
	Meeting expenses	159,005	90,000
	Performance bonus	625,500	-
	Utilities expenses	22,733	24,800
	<b>Total</b>	<b>20,381,101</b>	<b>2,369,508</b>
<b>19BB</b>	<b>Financial Charges Accrued :</b>		
	BRAC	7,461,643	-
	Sonali Bank	6,598,630	-
	Southeast Bank Limited	1,680,556	-
	Bank Asia Ltd.	1,297,975	1,182,466
	Eastern Bank Limited	910,417	-
	Janata Bank	750,000	-
	BRAC Bank Limited	686,806	-
	Jamuna Bank Limited	91,867	-
	PHP Power Generation Plant Limited	66,904	-
	Arab Bangladesh Bank Limited	-	1,018,630
	IPDC of Bangladesh Ltd.	-	10,959
	<b>Total</b>	<b>19,544,798</b>	<b>2,212,055</b>
<b>20</b>	<b>Liability for Other Finance :</b>		
	Liability As Lead Manager (Note : 20A)	257,040	-
	L/C Margin Received in Advance	411,636	-
	Liability for AIT Deductions (Note : 20B)	37,520	32,962
	Liability for VAT Deductions (Note : 20C)	6,078	12,410
	<b>Total</b>	<b>712,274</b>	<b>45,372</b>
<b>20A</b>	<b>Liability As Lead Manager :</b>		
	Sonali Bank	128,520	-
	ONE Bank Ltd.	128,520	-
	<b>Total</b>	<b>257,040</b>	<b>-</b>
<b>20B</b>	<b>Liability for AIT Deductions :</b>		
	IIDFC Officers Salary	21,202	22,886
	Lee, Khan & Associates	-	1,510
	Ahmed Mashuque & Co.	-	100
	Top Speed	15,000	-
	Sameer Ahmed	678	-
	News Paper & News Agencies	640	8,466
	<b>Total</b>	<b>37,520</b>	<b>32,962</b>
<b>20C</b>	<b>Liability for VAT Deductions :</b>		
	AOE Workshop & Service	-	436
	DHS Motors Ltd.	1,225	-
	Directors' Fee	4,853	10,588
	Haq's Bay	-	794
	Lee, Khan & Associates	-	394
	Mhadi Enterprise	-	198
	<b>Total</b>	<b>6,078</b>	<b>12,410</b>

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# Notes to the FINANCIAL STATEMENTS

for the year ended 31 December 2002

SL	Description	31 December 2002	31 December 2001
		Taka	Taka
<b>21</b>	<b>Provision for Taxation:</b>		
	Provision for taxation has not been made for the year 2002 since there appears no income tax liability as per computation of taxable income according to income tax laws. The balance has been arrived at as follows:		
		1,100,000	-
		-	1,100,000
	Balance brought forward	1,100,000	1,100,000
	Add- Provision during the period	975,305	
		785,831	
	Less:	189,474	-
	Advance Payment of Income Tax-adjusted Deposited during the period		
	<b>Total</b>	<b>124,695</b>	<b>1,100,000</b>

Against the above balance of Taka 124,695, there has been a further tax demand of Taka 42,953 as per Demand Note for the income year 2001. The remaining balance of Taka 81,742 would be adjusted against future income tax liability.

## **22 Deferred Revenue Expenditures:**

An amount of Taka 612,076 was incurred for advertisement to mark the Inaugural Reception Ceremony held on 23 December 2001. As per decision of the Board of Directors, 50% of the amount has been charged to revenue this year and remaining 50% was shifted on institutional shareholders of the Company, of which Taka 65,580 is yet to be received.

## **23 General & Administrative Expenses:**

Managing Director's remuneration	1,798,000	1,289,000
Salaries & allowances	2,154,289	921,400
Gratuity	157,600	-
Medical & welfare expenses	850	1,420
Rent, rates & taxes	1,128,418	658,898
Printing & stationery	141,365	180,554
Office maintenance	187,180	459,925
Utilities expenses	264,975	169,945
Communications	303,853	104,129
Travelling & conveyance	40,151	23,202
Directors' fee	381,913	228,823
Meeting expenses	163,274	105,185
Entertainment	37,465	21,965
Car running & maintenance expenses	377,112	171,471
Bank charge & excise duty	98,052	27,548
Lease rental	1,770,249	492,722
Legal & professional fee	550,826	178,415
Training expenses	10,000	5,000
Subscription	60,510	95,310
Advertisement & business development expenses	517,571	305,206
Books & periodicals	20,230	11,199
Insurance expenses	101,569	60,160
Preliminary expenses written off	-	213,586
<b>Total</b>	<b>10,265,452</b>	<b>5,725,063</b>



# Notes to the FINANCIAL STATEMENTS

for the year ended 31 December 2002

SL	Description	31 December 2002	31 December 2001
----	-------------	------------------	------------------

## 24. Others :

**a. Contingent Liability :** There is no contingent liability other than letter of credit and shipping guarantee outstanding for import of lease equipment amounting to TK. 5,442,113 and corporate guarantee of Tk. 19,800,000 in favour of a client at the end of the year 2002. There had been no claim that has not been acknowledged as debt at the balance sheet date.

## **b. Commitment for lease rental expenses :**

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

1. Motor car : Taka 600,000
2. Computer, Server & Printer : Taka 478,600
3. Office Equipment : Taka 349,225
4. Office Furniture & Fixture : Taka 411,940
5. Communication Equipment : Taka 40,145
6. Interior Decoration : Taka 2,500,000

ii. The Lease rentals for the above assets are as follows :

1. 48 installments @ Taka 16,720 each w. e. f. 15-07-2001
2. 36 installments @ Taka 130,800 each w. e. f. 15-10-2001

**c. Capital expenditure commitment :** There was no capital expenditure contracted but not incurred or provided for at 31 December 2002.

**d. Contracts and disbursements :** During the year the Company contracted and disbursed the following amounts :

	Contracted/Sanctioned Taka	Executed/Disbursed Taka
Lease Finance	471,652,000	338,148,764
Term Lending	160,000,000	83,013,682
<b>Total</b>	<b>631,652,000</b>	<b>421,162,446</b>

**e. Subsequent events :** No material events occurred after the balance sheet date, non-disclosure of which could affect the ability of the users of the financial statements to make proper evaluation and decisions.


**f. Emoluments and Number of Employees :** During the year the number of employees drawing aggregate amounts of more than Taka 36,000 was 6 (Six). There were only 2 (Two) employees employed for less than full year and each of them drew more than Taka 3,000 per month.


## **g. General :**

i. Figures have been rounded off to the nearest taka

ii. Figures and classifications relating to previous year included in this report have been rearranged and reclassified, wherever considered necessary, to conform the current year's presentation.

For Industrial and Infrastructure Development Finance Company Limited

  
**Md. Matiul Islam**  
Chairman

  
**AKM Nozmul Haque**  
Managing Director

  
**Nandan Kumar Paul**  
Company Secretary

Signed in terms of our Report of even date annexed

# PICTORIALS



Syndicated loan agreement signing ceremony with Spectrum Sweater Industries Ltd.



Financial arrangement ceremony for PHP Power Generation Plant Ltd.



# PICTORIALS



Mr. Md. Matiul Islam, Chairman of IIDFC inaugurating Unit-II of Setu International Ltd.



Interior view of a packaging plant financed by IIDFC.



Signing ceremony of Consortium Loan and Lease Facility for Westmont Power (Bangladesh) Ltd.

# PICTORIALS



Automan Steel Building Systems Ltd., financed by IIDFC is in its operation



A typical pre-fabricated steel building constructed by Automan Steel Building Systems Ltd., a client of IIDFC



IIDFC financed in the Rehabilitation of Dhaka-Sylhet road project



A road construction equipment leased by IIDFC



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 Company Limited do hereby appoint  
Mr./Mrs. ....  
of .....  
as proxy to attend and vote for me/us and on my/our behalf at the 2nd Annual General Meeting of the  
company to be held on Wednesday, 19 March 2003, at 11.00 a.m. 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 ..... 2003.

\_\_\_\_\_  
Signature of Shareholder

\_\_\_\_\_  
Signature of Proxy

**Stamp**



Mrs. Yasmeen Murshed, Chairperson of Scholastica (Pvt.) Ltd. handing over a crest to Mr. AKM Nozmul Haque, Managing Director of IIDFC

Signing ceremony of Syndicated Loan Facility for Scholastica (Pvt.) Ltd.





# ***IIDFC Annual Report 2002***

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