annual 2011 report



Industrial and Infrastructure Development Finance Company Limited





leading financial institution of the country, IIDFC was promoted by 10 banks, 3 insurance companies and ICB under the leadership of Mr. Md. Matiul Islam. With a Board of Directors comprising of top level bankers and former senior civil servants, the main emphasis of IIDFC is promotion and financing of investments in large infrastructure and industrial projects. IIDFC's debut in the capital market was through floatation of convertible zero coupon bonds, a new and innovative financial instrument. Its presence in the capital market is through its two subsidiaries—one for merchant banking operation and the other for brokerage services.

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IIDFC COMMITMENTS

Our Commitments to the Nation

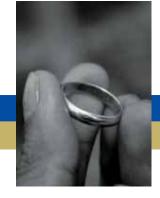
- To contribute to the Country's economic growth in all possible ways.
- → To accelerate the process of industrialization.
- To promote projects for removing infrastructure deficiencies.
- → To help banish power outage permanently.
- ♠ To promote SME as a major engine of growth.
- To promote employment and expand self employment opportunities.
- To promote low-cost housing projects for the urban middle class.
- To promote Bangladesh as a desired destination for foreign investors.
- To assist in the reduction of Green-House Gas Emission.
- To promote viable Renewable Energy projects.



Our Commitment to the Shareholders

To maximize shareholders' wealth strictly complying guidelines of the regulators.





Our Commitments to Clients

- To provide superior and prompt customer service.
- To offer quality-rich and price-competitive finance solution to the clients.
- To respond quickly to the needs of the entrepreneurs in an honest, credible and timely manner.
- Promote and serve equipment leasing and finance industry through partnership with the clients.
- To maintain transparency, fairness, confidentiality and timeliness.
- To maintain dignity and high ethical standard at all levels of management.

Our Commitments to Employees

Help build and enhance core values of professional excellence.

To provide a congenial and supportive work place for the employees with appropriate compensation package.

NOTICE OF THE 11[™] ANNUAL GENERAL MEETING

Notice is hereby given to all shareholders of the Company that the 11th Annual General Meeting of Industrial and Infrastructure Development Finance Company Limited will be held on Wednesday, September 05, 2012 at 11.00 a.m. at Chamber Building (6th floor), 122-124 Motijheel C/A, Dhaka-1000 Bangladesh to discuss the following businesses:

- 1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31 December 2011 and Auditors' Report & Directors' report thereon;
- 2. To elect Directors of the Company.
- 4. To appoint auditors for the year 2012 and fix their remuneration.
- 5. To transact any other business with the permission of the Chair.

By order of the Board

Md. Shamim Ahamed Company Secretary

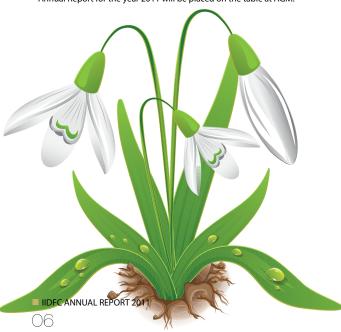
Dated, Dhaka August 12, 2012

NOTES:

- 1. Members holding shares on the date of the Annual General Meeting will be entitled to the Dividend, if any, declared in that Annual General Meeting.
- 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. (A PROXY FORM is attached).
- 3. Members are requested to notify change of address, if any, to the Company.

Enclosure: Financial Statement for the year-2011*

* Annual Report for the year 2011 will be placed on the table at AGM.



MILESTONE EVENTS

2000 Dec 19: Hincorporated with RJSC, Bangladesh.

2001 Jan 23: Bangladesh Bank issues license.

Jan 25: † 1st meeting of the Board of Directors.

Aug 22: • 1st Lease Finance Agreement.

Oct 15: | 1st Direct Finance Agreement.

2003 First Ever Zero Coupon Bonds launched by IIDFC.

Sanctioning of 1st SME Loan.

2004 Syndication of 1st commercial loan for BRAC for BDT 100 crore.

Term Loan Syndication for Warid Telecom International Ltd. [BDT 300 Crore] signed in Abu Dhabi.

in Abu Dhabi.

➡ Term Loan Syndication for SUMMIT Uttaranchol & Purbanchol Power Company Ltd. (BDT 395 Crore).

Opening of 1st Branch in Chittagong.

Commencing operation of Brokerage Services.

Working Capital Loan Syndication for BSRM Iron & Steel Co. Ltd. (BDT 178.80 Crore)

Sales agreement with the World Bank & Govt. of Denmark for 250,000 tons of Carbon Emission Reduction (CER) to be delivered by Brick Manufacturing Industries using HHK technology.

Acquisition of South Asia Capital Limited, a merchant banking company and formation of IIDFC Capital Limited.

Introduction of first ever ACI Convertible Zero Coupon Bond in Bangladesh (BDT 100 Crore).

IIDFC awarded "HSBC-Daily Star Climate Change Mitigation Award-2010" for developing the best climate change mitigation project in the Country- December 01, 2010.

First ever conversion of term loan of BDT 3,122.20 million into redeemable cumulative preference shares of Summit Group's Summit Uttaranchal Power Company Ltd. (SUPCL), and Summit Purbanchal Power Company Ltd. (SPPCL) in September 2010.

Syndication of Sinha Power Generation Company Ltd., a 50 MW rental powerplant for BDT 2,348.50 million-December 2010.

NSIC Signing Ceremony: An agreement of mutual cooperation was signed between IIDFC Ltd. and National Small Industries Corporation Ltd. (NSIC), India for the development of small industries in Bangladesh.

UNFCC accorded registration of the first ever CDM Project in the brick sector of Bangladesh, HHK (bundle-1), on August 18, 2011 with IIDFC acting as the bundling agent.

🕴 A 9 day SME Technology Fair -2011 organized by IIDFC and NSIC, India held on October 9-16, 2011.

2009

2006

2008

2010



Registered Head Office

Chamber Building (6th & 7th Floor), 122-124, Motijheel C/A, Dhaka-1000, Bangladesh

Phone: 9559311-12, 9553387, 9553254, 9553090, Fax: 880-2-9568987, Website: www.iidfc.com

Chittagong Office

C & F Tower (4th floor), 1222, Sk. Mujib Road, Agrabad C/A, Chittagong, Bangladesh Telephone: 031-2516693

Fax: 031-2516694

Subsidiaries

IIDFC Securities Ltd.

Eunoos Trade Centre (Level-7), 52-53 Dilkusha C/A,

Dhaka -1000, Bangladesh

Phone: 9560526 Fax: 9570756

IIDFC Capital Limited

Eunoos Trade Centre (Level-7), 52-53 Dilkusha C/A,

Dhaka -1000, Bangladesh Phone: 9514641, 9514637-8 Fax: 9514641, Email: icl@iidfc.com

Auditors

Hoda Vasi Chowdhury & Co. Chartered Accountants BTMC Bhaban (8th level) 7-9 Kawran Bazar Dhaka- 1215

Business Hours

Unless Otherwise advised by Bangladesh Bank 10.00 a.m. to 6.00 p.m Sunday to Thursday

OUR BANKERS

BRAC Bank Limited Head Office

IFIC Bank Limited Federation Branch, Nayapaltan Branch

Pubali Bank Limited Principal Branch

Shahjalal Islami Bank Limited Foreign Exchange Branch

Trust Bank Limited Dhanmondi Branch

Mercantile Bank Limited Main Branch

Bank Asia Limited Shantinagar Branch, Principal Branch

Uttara Bank Limited Local Office

Prime Bank Limited Foreign Exchange Branch

Bank Alfalah Limited Gulshan Branch

NCC Bank Limited Foreign Exchange Branch

Mutual Trust Bank Limited Principal Branch

Social Islami Bank Limited Principal Branch

Commercial Bank of Ceylon PLC Motijheel Office

National Bank Limited Karwan Bazar Branch

Dhaka Bank Limited Islamic Banking Branch

United Commercial Bank Limited Foreign Exchange Branch

Jamuna Bank Limited Sonargaon Road Branch

BASIC Bank Limited Main Branch

The Premier Bank Limited Elephant Road Branch

Bangladesh Commerce Bank Limited Green Road Branch

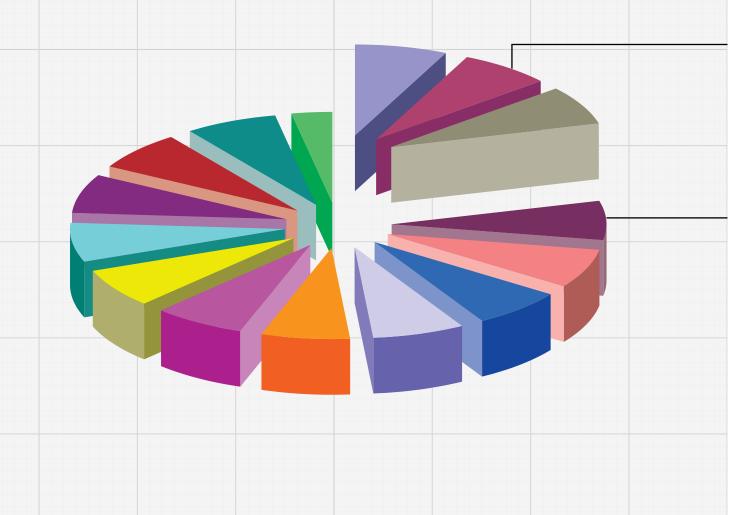
Dutch Bangla Bank Limited Dhanmondi Branch

Standard Bank Limited Principal Branch





SHAREHOLDING STRUCTURE



SHAREHOLDING STRUCTURE



	Sonali Bank Ltd.	6.9256%
Public Sector	Janata Bank Ltd.	6.9256%
	Investment Corporation of Banglades	h 6.9256%
	Total	20.7768%
Private Sector	■ AB Bank Ltd.	6.9256%
	Bank Asia Ltd.	6.9256%
	■ BRAC Bank Ltd.	6.9256%
	■ The City Bank Ltd.	6.9256%
	Mutual Trust Bank Ltd.	6.9256%
	National Bank Ltd.	6.9256%
	ONE Bank Ltd.	6.9256%
	Southeast Bank Ltd.	6.9256%
	■ Pragati Insurance Ltd.	6.9256%
	■ Eastland Insurance Co. Ltd.	6.9256%
	National Life Insurance Co. Ltd.	6.9256%
	Mr. Md. Matiul Islam	3.0415%
	Total	79,2232%
	Grand Total	100%



BOARD OF DIRECTORS

Chairman	Mr. Md. Matiul Islam
Vice Chairman	Mr. M. Syeduzzaman Bank Asia Limited
Directors	Mr. S M Aminur Rahman Managing Director, Janata Bank Limited
	Mr. Pradip Kumar Dutta * Managing Director & CEO, Sonali Bank Limited
	Mr. Anis A. Khan Managing Director & CEO, Mutual Trust Bank Limited
	Mr. Syed Mahbubur Rahman Managing Director & CEO, BRAC Bank Limited.
	Mr. Neaz Ahmed Managing Director, National Bank Limited
	Dr. Zaidi Sattar Independent Director, Southeast Bank Limited
	Mr. Md. Fayekuzzaman Managing Director, Investment Corporation of Bangladesh
	Mr. Sohail R K Hussain Additional Managing Director, The City Bank Limited
	Mr. Asoke Das Gupta ** Vice-Chairman, ONE Bank Limited
	Mr. Mahmudul Huq Taher Chairman, National Life Insurance Co. Limited
	Mr. Ghulam Rahman Executive Director, Eastland Insurance Company Limited
Managing Director	Mr. Md. Asaduzzaman Khan
Representatives of other Promoters	Mr. Fazlur Rahman President & Managing Director, AB Bank Limited

Mr. M. J. Azim

Mr. Md. Shamim Ahamed

Managing Director, Pragati Insurance Limited

Company Secretary

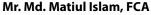
^{*} Mr. Md. Humayun Kabir, Ex-Managing Director of Sonali Bank Ltd., Retired on 25.06.2012 ** Mr. Arif Quadri, Ex-SEVP & Head of Compliance and Audit & RMU of ONE Bank Ltd., Retired on 13.06.2012

CHAIRMAN IIDFC

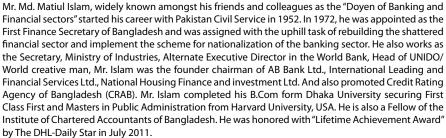


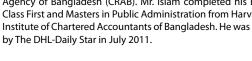
Mr. Md. Matiul Islam

Brief Profile of the Directors



Chairman

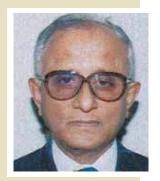




Mr. M. Syeduzzaman

Vice-Chairman

Mr. M. Syeduzzaman is a former Finance Secretary, Planning Secretary, Secretary for External Resources Division and former Minister for Finance, Government of Bangladesh. He obtained M.SC (Physics) from Dhaka University and M.A. (Development Economics) from Williams College, Williamstown, Massachusetts, USA. He is also a Nuffield Foundation Fellow (London, UK)-Study of Exchange and Trade System of the United Kingdom. Mr. Syeduzzaman joined the Civil Service of Pakistan in 1956, and worked as Secretary, Ministry of Planning & Planning Commission and Secretary External Resources Division from 1973-1976, Secretary, Ministry of Finance, from 1976-1977 and 1982-1983. During 1984-1987 he became the Principal Finance Secretary and Advisor to the President in charge of the Ministry of Finance, then as a regular Cabinet Minister in charge of the Ministry of Finance (also in charge of the Ministry of Planning in addition, during this period). He had been Member, Board of Governors of Bangladesh Agricultural Research Institute (BARI) and Bangladesh Rice Research Institute (BRRI) during 1976-1977 & 1982—83 and Alternate Executive Director, World Bank, for Bangladesh, Bhutan, India and Sri Lanka during 1977-82. He had been Governor of the IMF, the World Bank, the Asian Development Bank, the Islamic Development Bank and IFAD at various times during 1975-87. He was also Chairman, Board of Governors, Islamic Development Bank during 1984-85. He had also been Member, Board of Trustees, International Food Policy Research Institute (IFPRI), Washington, Advisor, Ministry of Finance, Government of Kuwait. He is former Chairman of BOC, Bangladesh Ltd and Bank Asia Limited.Presently, he is Chairman, Credit Rating Agency of Bangladesh Limited, Member, 2020 Initiative, International Advisory Board of IFPRI, Member, Board of Trustees, International Rice Research Institute (IRRI), Los Banos, The Philippines and Member, Board of Trustees of Center for Policy Dialogue.



Mr. S.M. Aminur Rahman

Director

Mr. S.M. Aminur Rahman is an MBA from IBA, Dhaka University. He hails from Sonargaon, under Narayangonj district. He has outstanding contribution in promoting the banking sector. He started his career in the Sonali Bank as a Senior Officer in 1976. Mr Rahman was Managing Director of the then Janata and Sonali Bank, Director of CDBL (Central Depository Bangladesh Limited) and Bangladesh Commerce Bank Ltd. Presently he is the CEO & MD of Janata Bank Ltd., Chairman of BAFEDA (Bangladesh Foreign Exchange Dealer's Association), JEC (Janata Exchange Company Srl), Italy and Audit Committee of IIDFC (Industrial and Infrastructure Development Company Limited), Director of ICB (Investment Corporation of Bangladesh), JCIL (Janata Capital and Investment Limited) and IIDFC, Council Member of BIBM (Bangladesh Institute of Bank Management), Fellow Member of IBB (Institute of Bankers Bangladesh) and Committee Member of the Bretton Woods Committee, USA.





Mr. Pradip Kumar Dutta

Directo

During his long 35 years of service in the Banking Sector, Mr. Pradip Kumar Dutta served in Sonali Bank, Bangladesh Krisi Bank (BKB) and Rajshahi Krisi Unnayan Bank (RAKUB) in different capacities . Starting his career with Sonali Bank in 1977 as Probationary Officer Mr. Dutta worked in different departments including General Banking, General Advance, SME, Foreign Trade Finance, Industrial Credit Division etc. He was also the Head of Principal Office as Deputy General Manager. Mr. Dutta was promoted to the position of General Manager in 2003 and posted at Bangladesh Krisi Bank where he served until March 2005 and then he was again transferred to Sonali Bank, Head Office to look after as many as twenty departments including Industrial Project Financing Division, International Trade and Finance, Central Accounts Division, Treasury Management, Information Technology, SME, Marketing and Development Division, Foreign Remittance Division, Rural Credit Division, Disciplinary and Appeal Division etc. He was promoted to the position of Deputy Managing Director (DMD) in November 11, 2008 and served until 17 July 2010 when he was promoted as Managing Director, Rajshahi Krisi Unnayan Bank (RAKUB). Currently Mr. Dutta is the Managing Director & CEO of Sonali Bank Ltd. from 17 June 2012.



Mr. Anis A. Khan

Director

Mr. Anis A. Khan (AAK) is Managing Director & CEO, since April 15, 2009, of Mutual Trust Bank Limited (MTB), one of Bangladesh's leading private sector banks. Prior to joining MTB, AAK headed the country's largest multiproduct financial institution (non-banking), and one of its premier merchant/ investment banks, IDLC Finance Limited (IDLC), for six years, as its CEO & Managing Director. A career banker, Anis earlier served for 21 years, in a multitude of roles, with the then Grindlays Bank p.l.c., ANZ Grindlays Bank and Standard Chartered Bank (SCB), both in Bangladesh and abroad. He is a member of the Chamber Committee of the Metropolitan Chamber of Commerce & Industry, Dhaka (MCCI) and chairs its Tarriff and Taxation Sub-Committee. He is a Director of Bangladesh Rating Agency Limited. He serves on the Board of Governors of the Association of Bankers, Bangladesh and Bangladesh Institute of Bank Management. Mr. Anis is a Life Member of the Institute of Bankers, Bangladesh and Fellow of the Institute of Personnel Management, Bangladesh. Mr. Khan qualified to join the Bangladesh Civil Service after passing the BCS Examination 1982. His academic and professional qualifications include masters degrees and post graduate diplomas in law, human resource management and French and Spanish languages.



Mr. Syed Mahbubur Rahman

Director

Mr. Syed Mahbubur Rahman, Managing Director & CEO of BRAC Bank Limited has been in this position since May 2010. Before that he served as the Deputy Managing Director of the bank. Prior to joining BRAC Bank Limited, he served at Prime Bank Limited as the Deputy Managing Director. He also worked with IDLC Finance Limited, Standard Chartered Bank, ANZ Grindlays Bank and CitiBank, NA in different capacities. He started his career in Saudi Bangladesh Agriculture and Industrial Investment Co. (SABINCO) Besides being the Managing Director & CEO of BRAC Bank Limited, he also is the Director of BRAC EPL Investments Limited, BRAC EPL Brokerage Limited, Industrial and Infrastructure Development Finance Company Limited (IIDFC) and Dun & Bradstreet Bangladesh Ltd. He has 22 years of experiences in Banking & Finance Institutions. During his banking career, he attended numerous trainings, seminars and workshops on different aspects of banking held both in the country and abroad. Mr. Mahbubur Rahman obtained his MBA from Institution of Business Administration, University of Dhaka. He was also a theater activist and took part in many plays.



Mr. Neaz Ahmed

Director

An eminent banking professional, Mr. Neaz Ahmed completed B.A. (Hon's), M.A. in Economics from Dhaka University and started his career with ANZ Grindlays Bank in 1978. He joined IFIC Bank Ltd. in 1997 where he worked in different capacities and looked after the departments of Marketing, IT, Logistic and International Division. He joined Premier Bank Ltd. as DMD in 2010 and worked there untill 2004 when he has appointed as Managing Director of Southeast Bank Ltd. Currently he is the Managing Director of National Bank Ltd. from December, 2010.



Dr. Zaidi Sattar

Director

Dr. Sattar started his career as a Lecturer in Economics, Dhaka University in 1968; joined the Civil Service of Pakistan in 1969 and served in various positions in the districts and the Ministries of Bangladesh since 1971. In mid-career, he left for the USA for higher studies in Development Economics. In 1984, after completing his Ph.D in Economics from Boston University, he joined the Faculty of Catholic University of America, Washington D.C., in the Department of Economics and Business, where he taught until 1992. Returning to Bangladesh in June 1992, he served as World Bank Advisor on tariffs and customs reform to the National Board of Revenue (1992-95) and later as UNDP consultant Macroeconomist at the Planning Commission (1995-96). He joined the World Bank, Dhaka Office, in 1996 where he served as Senior Economist, South Asia Region, Poverty Reduction and Economic Management until his retirement in September 2007. Between October 2007 and December 2008, he served as Vice-Chancellor, The Millennium University, Dhaka. Dr. Sattar is a founder Chairman of PRI which began its journey in December 2008. Dr. Sattar has some 40 publications in international and national journals and numerous papers presented on trade policy, private sector development and growth issues at national and international conferences. He is recognized as a leading expert on trade and tax policy issues in Bangladesh . He frequently offers policy advice to the Government of Bangladesh on trade, industry and macroeconomic policy issues. He also lectures on campuses, makes keynote presentations in seminars and workshops, and contributes op ed pieces in local journals and newspapers. He is a life member of Bangladesh Economic Association, and Director of the following institutions: Southeast Bank Ltd., Industrial and Infrastructure Development Finance Company (IIDFC), Venture Investment Partners Bangladesh Ltd. (VIPB), and Chittagong Stock Exchange Ltd.



Mr. Md. Fayekuzzaman

Director

Mr. Md. Fayekuzzaman is the Managing Director of Investment Corporation of Bangladesh (ICB) and Chairman, ICB Capital Management Limited. He is also the Member, Board of Directors of Bangladesh Institute of Capital Market (BICM), Standard Bank Limited, Bangladesh Development Bank Ltd. (BDBL), British American Tobacco Bangladesh Ltd. (BATB), Linde Bangladesh Ltd., GlaxoSmithKline Bangladesh Ltd., Renata Limited, ACI Limited, National Tea Company Ltd., Central Depository Bangladesh Ltd., (CDBL), Dhaka Stock Exchange Ltd., The Institute of Bankers, Bangladesh; Credit Rating Agencies of Bangladesh Ltd., (CRAB), Credit Rating Information and Services Ltd. (CRISL) and Apex Tannery Ltd. Mr. Zaman, born in Gopalganj in 1953, obtained B.Com Hons., M. Com in Management. He completed his Post Graduation studies in Investment Planning, Appraisal and Management of Development Finance Institution in Bradford University, Bradford, United Kingdom. He also attended Cambridge Leadership Program organized by the University of Cambridge, United Kingdom and Leadership Essential Program arranged by the Columbia University, USA. Mr. Zaman has experience of about 27 (twenty seven) years in Commercial and Investment Banking. Prior to the present position, he had been Deputy Managing Director of Agrani Bank Ltd. From 2007 to 2010. Befor that he was the General Manager of ICB.



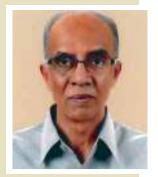
Mr. Sohail R. K. Hussain

Mr. Sohail Reza Khaled Hussain joined The City Bank in 2007 as DMD and Head of Business, overseeing the various business divisions of the bank namely Corporate Banking, Retail Banking, Treasury & Capital Markets and SME Banking. As Additional Managing Director his functional designation is Chief Business Officer. Before joining The City Bank, he looked after corporate banking, small and medium enterprise (SME) and treasury of Eastern Bank Limited (EBL). He joined the EBL in 2001 as part of the restructuring team and successfully established the bank's corporate banking division. After completing MBA from the Institute of Business Administration (IBA) of University of Dhaka, Mr. Sohail joined ANZ Grindlays Bank (subsequently Standard Chertered Grindlays Bank) in 1990 as a Management Trainee and continued till 2001. He was the Head of Large Local Corporate Unit of the combined ANZ & Standard Chartered bank in his last position in the organization. Mr. Sohail also represents The City Bank in the Boards of IIDFCL and Venture Investment Partners Bangladesh. He is a member of DCCl as Co-convenor in Financial Institution & Services.



Mr. Asoke Das Gupta Director

Mr. Asoke Das Gupta is the vice chairman of ONE Bank Ltd. He is a reputed businessman of the Country. He is the Chief Executive of IMTREX and the Managing Director of Uniroyal Trade Ltd. He is also Chairman of Uniroyal Securities Limited & Ocunova Eye Hospital. Mr. Das Gupta a Graduate under Dhaka University. He has successfully participated in many short courses on Personnel Management & Industrial Relations, Psychology in Administration, and Marketing Planning Analysis & Control from IBA, BMDC & ILO jointly. He traveled UK, USA, China, South Korea, Hong Kong, Singapore, Thailand, India, Pakistan and Many other countries for business purposes.



Mr. Mahmudul Huq Taher
Director

Mr. Mahmudul Huq Taher, is the Chairman of National Life Insurance Co. Ltd. He was one of the Prime movers in the creation of the Company in the year 1985. During his long attachment with the Company, he served in various capacities such as Chairman of Executive Committee, Audit Committee, Claim Committee and Investment committee. Mr. M.H. Taher started his business prominently in import and wholesale distribution outlet in the year 1962 and over the time, he has become one of the successful & respectable business personality. He is the owner of many Trading Establishment in Dhaka, Chittagong and other places of Bangladesh. He is also the Chairman of Feni Clinic & Feni Central Hospital Ltd. Mr. M.H. Taher is a diehard Social worker. He has been associated with a good number of Philanthropic Organization. He is also actively associated with SIWD Bangladesh-a Pioneer National Organization working for Mentally Retarded Persons. He has actively participated in the war of Liberation



Mr. Ghulam RahmanDirector

Mr. Ghulam Rahman has been working as an Executive Director of Eastland Insurance Company Limited since 1994. He started his career with United Bank Limited (UBL) in the year 1962 to till 1982 holding various positions. He worked as VP of National Bank Limited (NBL) and EVP of NCIL currently known as NCCB. He is a Commerce Graduate.



Mr. Md. Asaduzzaman Khan

Director (Ex Officio)

Mr. Md. Asaduzzaman Khan, a career central banker, joined IIDFC as Managing Director in July 2008. Prior to his joining, he was the Executive Director of Bangladesh Bank where he served more than 32 years and worked in important departments including Banking Regulations and Policy Department (BRPD), Foreign Exchange Policy Department (FEPD), and Bank Supervision Departments. Mr. Khan was appointed as Administrator of the taken over problem-ridden Oriental Bank Ltd. (now ICB Islamic Bank Ltd.) and successfully helped smooth transition of the Bank with new owners and new management under central bank's reconstitution scheme within a short period of 18 months. A Diplomaed Associate of the Institute of Bankers, Bangladesh (DAIBB), Mr. Khan completed his B.A. (Hons) and M.A. in Economics from the University of Dhaka and also did M.A. in Banking and Finance from the University of Wales, UK. Mr. Khan is also the Member Representative and Director of IIDFC Securities Ltd.

Audit Committee of the Board

Mr. S M Aminur Rahman

Managing Director, Janata Bank Ltd. Chairman

Mr. Pradip Kumar Dutta

Managing Director & CEO, Sonali Bank Ltd. Member

Mr. Md. Fayekuzzaman

Managing Director, ICB Member

Mr. Neaz Ahmed

Managing Director, National Bank Ltd. Member

Mr. Mahmudul Haq Taher

Chairman, National Life Insurance Co. Ltd. Member



COMMITTEES OF IIDFC

SME Committee	 Mr. Md. Matiul Islam, Chairman Mr. Md. Asaduzzaman Khan, Managing Director Mr. Md. Khalilur Rahman, Additional Managing Director Mr. Md. Rafiqul Islam, Head of Credit Mr. Md. Russel Shahrior, Senior Vice President-SME Mr. Md. Shamim Ahamed, VP-CFO & Company Secretary
Credit Risk Management Committee	 Mr. Md. Asaduzzaman Khan, Managing Director Mr. Md. Khalilur Rahman, Additional Managing Director Mr. Md. Rafiqul Islam, Head of Credit Mr. Md. Russel Shahrior, Senior Vice President- SME Mr. Md. Shamim Ahamed, VP-CFO & Company Secretary Mr. Sami Huda, Vice President- Corporate Finance
Asset Liability Management Committee (ALCO)	 Mr. Md. Asaduzzaman Khan, Managing Director Mr. Md. Khalilur Rahman, Additional Managing Director Mr. Md. Rafiqul Islam, Head of Credit Mr. Md. Shamim Ahamed, VP-CFO & Company Secretary Ms. Shahnaj Sultana, AVP-Head of Treasury
Central Compliance Unit	 Mr. Md. Khalilur Rahman, Additional Managing Director Mr. Md. Rafiqul Islam, Head of Credit Mr. Md. Shamim Ahamed, VP-CFO & Company Secretary Mr. Md. Noor-ul-Alam, Manager, ICC

SENIOR MANAGEMENT TEAM (SMT)



IIDFC Ltd.

Mr. Md. Asaduzzaman Khan, Managing Director

Mr. Md. Khalilur Rahman, Additional Managing Director

Mr. Kh. Shafigur Rahman, EVP-Structured Finance

Mr. Md. Rafiqul Islam, Head of Credit

Mr. Md. Russel Shahrior, Senior Vice President- SME

Mr. Md. Shamim Ahamed, Vice President-CFO & Company Secretary

Mr. Sami Huda, Vice President-Corporate Finance

Mr. Ahmmed Ashique Mahmud, Vice President, Structured Finance

Mr. Shahanur Rashid, AVP-Structured Finance

Mr. Md. Junnur Rahman, Head of Monitoring & Legal Affairs

Mr. Syed Abed Hasan, AVP-Finance & Accounts

Mr. Md. Nizam Uddin Chowdhury, AVP & Head of Chittagong Branch

Ms. Shahnaj Sultana, AVP-Head of Treasury

IIDFC Capital Ltd.

Mr. Md. Saleh Ahmed, Chief Executive Officer-Current Charge

Mr. Md. Mazharul Islam Chowdhury, Assistant Vice President

IIDFC Securities Ltd.

Mrs. Ashrafun Nessa, Chief Operating Officer

Mr. Mia Mohammad Abdullah, Assistant Vice President



Standing (L-R): Mr. Md. Nizam Uddin Chowdhury, Mr. Md. Russel Shahrior, Mrs. Ashrafun Nessa, Ms. Shahnaj Sultana, Mr. Shahanur Rashid, Mr. Md. Rafiqul Islam, Mr. Md. Junnur Rahman, Mr. Md. Asaduzzaman Khan, Mr. Kh. Shafiqur Rahman, Mr. Md. Khalilur Rahman, Mr. Sami Huda, Mr. Md. Saleh Ahmed, Mr. Ahmmed Ashique Mahmud, Mr. Md. Shamim Ahamed & Mr. Syed Abed Hasan.





Corporate Finance Department



SME Finance Department





Structured Finance Department



Finance & Accounts and ICC Department





Monitoring Department



Treasury Department





Human Resource Department



Carbon Finance





Chittagong Office



Deposit Mobilization Team



IIDFC Securities Limited



IIDFC Capital Limited



PRODUCTS & SERVICES



Lease Finance

IIDFC provides lease financing for industrial equipment, capital machinery, vehicles and other productive equipment both for manufacturing and service industries. IIDFC has special interest in infrastructure projects.



Term Lending

Medium to long term loans to service industries, industrial undertakings and infrastructure projects in the power and telecommunication sector, oil & gas exploration, roads & highways, bridges, river roads and air transport etc.



Structured Finance

IIDFC is active in the syndication market and has acted as lead arranger to a number of syndication facilities for large loans arranged by it. Structured Finance encompasses syndicated fund arrangement including cross-border syndication and other financial advisory services.



SME Finance

IIDFC promotes small and medium entrepreneurs in manufacturing and service industries through its SME Finance Scheme. The aim is to provide quality services to the entrepreneurs with potential and innovative ideas.



Factoring and Work Order Finance

Factoring of accounts receivable is an arrangement where finance is provided against the credit invoices of goods or services. This helps the supplier receiving a significant portion of the invoice amount soon after the delivery of goods or services is made. Factoring and work order finances are considered as useful tools of short term finance.



Home Loan

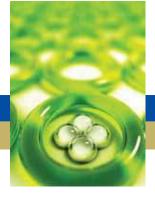
IIDFC has home loan package to meet finance requirement of individual(s) for purchase of apartment/flat, readymade house and for construction of building in six divisional headquarters of the country and in municipal areas of Tongi, Gazipur, Savar & Narayangonj. Besides, we provide home loan finance under "Refinance Scheme for investment in Housing sector" of Bangladesh bank.



Equity Financing

Equity Financing and Venture Capital Financing are the new areas of long term investments where IIDFC plans to give special emphasis in the coming years.

PRODUCTS & SERVICES





Advisory Service

IIDFC provide advisory services to its clients in the fields of corporate finance, merger, acquisition, joint venture, privatization etc.



Deposit Schemes

IIDFC encourages term deposits of 6 months and above as has been allowed by Bangladesh Bank for Non-Banking Financial Institutions. We offer attractive terms and returns to the depositors while giving top most importance to the security of the depositors money. The depositors are also allowed to take loans against deposits.



CDM Project Development

1. Bundling Agent in Small Scale CDM Projects:

Small scale CDM Projects requires bundling of several similar activities (example: a number of HHK technology brick manufacturing plants) into a single CDM project to make the emission reduction amount attractive to the Carbon Market. IIDFC assumes all the responsibility of completing entire process needed for project development, registration and issuance and transfer of CER.

2. CDM Consultant in Large Scale CDM Projects

For large scale single location CDM projects IIDFC is willing to provide its services as CDM Consulting Agency which will carry out the entire CDM process and prepare all documents on behalf of the Project Owner.

3. Coordinating and Managing Entity in Programmatic CDM:

IIDFC will soon launch Programmatic CDM projects as the Coordinating and Managing Entity. The role will be similar to Bundling Agent.

Ongoing Projects:

- 1. Improving Kiln efficiency in the brick making industry in Bangladesh
- 2. Improving Kiln efficiency in the brick making industry in Bangladesh (Bundle-2)

CDM Projects in the Pipeline:

1. Improving Kiln efficiency in the brick making industry in Bangladesh (Bundle-3)

Financing Mitigation Projects

1. CDM Project:

IIDFC provides both short term and long term loans for capital expenditure and Lease Finance for procurement of capital assets to a Green House Gas (GHG) emission reduction projects with an objective to develop a Clean Development Mechanism (CDM) Project under United Nations Framework on Climate Change Convention (UNFCCC) and sell Certified Emission Reductions (CERs) or Verified Emission Reduction (VERs) generated from CDM projects to the International Carbon Market.

2. Energy Efficiency Improvement Project:

IIDFC will finance bankable energy efficiency projects selected through energy audits in industrial sectors like textiles, steel, cement, ceramics, chemicals, and agri-industries.



CARBON FINANCE

Caring Nature and Environment ...

Carbon Finance & CDM project

ncontrolled industrialization, inefficient burning of fossil fuels and consumption of energy have endangered the Global environment as well as the entire human species. The effects of climate change include an upward trend in global mean temperature, sea level rise, and a probable increase in the frequency of some extreme weather events such as drought, changing rain pattern, flood etcetera. Recent IPCC Annual report on Climate Change has identified Bangladesh as one of the most vulnerable countries to Climate Change.

To combat with climate change IIDFC has introduced a new financial product "Carbon Finance" which is a market based mechanism to encourage Climate Change Mitigation. Under such scheme, IIDFC has taken up a Clean Development Mechanism (CDM) project titled as "Improving Kiln Efficiency in the Brick Making Industry in Bangladesh" [Hybrid Hoffman Kiln (HHK) Project] to construct 16 new energy efficient kilns in two bundles to significantly reduce emission of Carbon dioxide (CO2) gas and other local pollutants that are generated by the traditional brick kilns of the country.

IIDFCL, being the first local Financial Institute, entered into Carbon Trading through signing Emission Reduction Purchase Agreement (ERPA) with the World Bank & the Government of Denmark on 25th August, 2009 to sell 189,000 CERs and 60,000 CERs respectively to be generated from these 16 kilns.

It is mentionable here that the first Brick Sector CDM project in Bangladesh HHK (bundle-1) has been registered on August 18, 2011, by UNFCCC and the second Bundle is awaiting registration.

IIDFC's contribution in mitigating GHG emission has been praised both internationally and locally. IIDFC's CDM project has made the 15th Conference of the Parties (COP15) climate neutral by offsetting approximately 40,000 ton (CO2) greenhouse gasses caused by the air flight emission of the 15,000 delegates from 192 countries participating in the Conference of the Parties (COP) of the United Nations Framework Convention on Climate Change (UNFCCC). In 2010, IIDFC was awarded "HSBC-The Daily Star" Climate Change Award-2010.

Emission Reduction Purchase Agreement With the World Bank



Focus on energy efficiency

The bulk of greenhouse gas emissions caused by human activity comes from the energy sector, primarily as a result of burning fossil fuels (coal, oil, and natural gas) to provide electrical power, heat, transportation, and energy for industrial production processes. On the other hand, Bangladesh suffers from a chronic shortage of energy. Gas, the main source of energy, is inadequate to meet demand while power supply is 29% short of demand.

As a result of rapid growth of energy demand, the country is facing a shortage of natural gas. This shortfall in gas supply is seriously hampering operations in all sectors. The situation is not expected to improve soon as production from existing gas fields might decline in the coming days. Securing new sources of energy (e.g., coal, LNG) locally or from abroad will take time due to lack of policy.

Brick making activities in a HHK brick field.



Against this backdrop, there is a growing need for implementing energy efficiency and renewable energy projects in the country. Energy efficiency provides a cost-effective response to energy shortages. On the supply side, existing gas-fired power plants can be made more efficient, and transmission and distribution losses can be reduced. On the demand side, the Government of Bangladesh has initiated efficiency measures in the commercial and residential sectors. Industries should also be a key focus for energy efficiency initiatives: directly and indirectly, industries consume about 50% of Bangladesh's gas. They also consume oil and coal, so energy efficiency in industry can help reduce the country's carbon emissions.

However, energy efficient equipments, unlike traditional equipments, are more capital intensive. In Bangladesh, financial institutions are used to finance projects with technology that has proven track record. In such a scenario, IIDFC has already financed several projects to improve energy efficiency and reduce carbon emission in the brick making sector, and is now willing to diversify its horizon in the Industrial energy efficiency, renewable energy and efficient power production sector.

Bangladesh Industrial Energy Efficiency Finance Program:

As industrial sector continues to grow, energy efficiency on the demand side can improve energy security, increase competitiveness, improve reliability, and reduce energy costs faced by consumers, and reduce local and global emissions. However, reliable information on energy efficiency (EE) improvement from the use of efficient equipments/devices is not readily available and entrepreneurs are naturally cost sensitive, and do not under normal circumstances consider expensive options that may save them energy. Again, energy efficiency does not always imply using more efficient technology but avoiding wastage through rational use of energy through prudent management. It is therefore a necessity of time to identify potential opportunities in Bangladesh for energy efficiency improvements and demand side management (DSM) measures and make reliable information available to both entrepreneurs and financiers.

In this context, IIDFC is expected to receive a Technical Assistance (TA) fund from the Asian Development Bank (ADB) to conduct 120 energy audits in several industries including textiles, steel, cement, ceramics, chemicals, and agri-industries to find bankable energy efficiency projects especially to demonstrate that industrial energy efficiency solutions are commercially viable, and to develop the local energy efficiency expertise amongst financiers and technical solution providers. This technical assistance also aims at monitoring, measurement and verification mechanisms for energy savings achieved on energy efficiency projects; undertaking technical and financial appraisal of energy efficiency projects with regards to the technical feasibility, energy saving potential, cost estimates and implementation arrangements and implementation schedule; and (whenever relevant) structuring performancebased energy saving contracts.



Apart from TA fund, IIDFC is in the process of signing an

agreement with ADB for a line of credit of up to US\$ 6 million under the Bangladesh Industrial energy Efficiency Finance program which will initially target the brick making sector by promoting brick kilns that are 50% more energy efficient than existing kilns. The finance program will further fund bankable energy efficiency projects selected through energy audits.



RATINGS OF IIDFC

Ratings of IIDFC

National Credit Ratings Limited

NBFI

INDUSTRIAL AND INTRASTRUCTURE DEVELOPMENT FINANCE COMPANY LIMITED (HDFC)

	ENTITY RATI	NG
Long Term	Short Term	Date of Rating Declaration
AA	ST-2	July 4, 2011

RATINGS RATIONALE

The above rating reflects IIDFC's satisfactory track record of business performance and sound financial profile demonstrated by healthy ROE, ROA, and NIM. The rating also draw strength from increased risk absorption capacity, sound equity base, adequate CRR & SLR, reasonable maturity gap and significant improvement in operating efficiency during FY10. The rating is influenced by a slight increase of NPL during FY10 compared to the previous year. However, IIDFC has maintained consolidated provision of TK 280.43 million with surplus provision of TK 35.54 million against required provision of TK 244.88 million during FY 10.

ASSESSMENT

- The overall financial performance of IIDFC was good and improved further in FY10 compared to the previous year. Total net revenue of the company stood at TK 1,007,94 million in FY10 against TK 312.5 million in FY09 registering a growth of 222.54%. The company's efficiency ratios have increased during FY10 compared to the previous year.
- The gross finance of the IIDFC increased to TK 9,336.19 million in the FY10 from TK8,336.15 million in the FY09 registering a growth of 12%. The deposit mix of the company is historically dominated by term deposit (88,74% of total deposit).
- The cost of fund has reduced to 10.12 % in FY10 from 12.35% in FY09 but the assets yield has declined to 11.89% in FY10 from 13.96% of FY09. The Company has been able to maintain reasonable maturity gap between assets & liabilities under 1 year maturity buckets and above 5 year maturity bucket.
- IIDFC has adequately maintained the Cash Reserve Requirement and Statutory Liquidity Ratio in FY10. The risk absorption capacity of the company has improved significantly as the equity base increased to TK 1,134.94 million in FY10 from TK 613.10 million of FY09.

PROFILE

- Industrial and Infrastructure Development Finance Company Limited, a public Limited Company was incorporated on December 19, 2000 and was licensed on January 23, 2001 as a Non-Banking Financial Institution under the Financial Intuitions Act, 1993. The principal activities of the IIDFC include diversified financial and capital market products and services. IIDFC operates with one branch located at Chittagong. The first ever Zero Coupon Bond of financial market was launched by IIDFC in 2003. The registered and corporate Head Office of the company is located at Chamber Building (6th & 7th floor), 122-124 Motijheel C/A, Dhaka-1000.
- * The ownership structure of IIDFC comprises of 14 institutions from public sector (20.78%) and private sector (79.22%) as on 31 December, 2010. The Board of Directors of IIDFC comprised of experienced and competent professionals. The Chairman of IIDFC, Mr. Md. Matiul Islam is the only individual sponsor holding 3.04% Shares of the company. Mr. Islam is an Ex-secretary to the Ministry of Finance & Ministry of Industries, Government of Bangladesh, Ex-Alternative Executive Director of the World Bank, Ex-Head of UNIDO/ World Bank, Co-operative Program in Vienna and Country Director for UNIDO India. The management team is headed by the Managing Director, Mr. Md. Asaduzzaman Khan who has 35 years of experience in banking. Prior to joining IIDFC, Mr. Khan served Bangladesh Bank as Executive Director.

FINANCIAL DATA TK (mln)

	FY-10*	FY:49
Shareholder's Equity	1,134.94	613.10
Loans & Advances	9,336.19	8,336.15
Total Assets	12,397.37	9,803.68
Total Net Revenue	1,007.93	312.48
Net Income	521.64	83.95
NPL / Gross Advance %	4.99	4.52
Revenue Spread %	4.16	3,84

^{*}Consolidated figure

Long Term Credit Rating

AA represents

Very Strong capacity for timely servicing of financial obligations offering high safety. Such instructions carry very low risk.

Short Term Credit Rating

ST-2 represents

Strong capacity for timely payment of financial commitments and carry lowest credit risk.



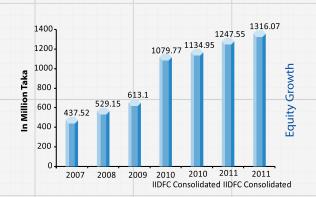
FINANCIAL HIGHLIGHTS

BDT in Million

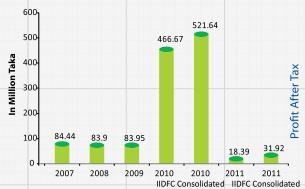
Year

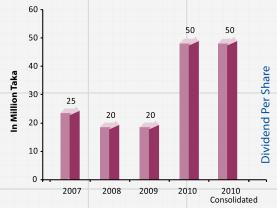
Particulars	20	11	2010		2010		2009 200		2007
	Consolidated	IIDFCL	Consolidated	IIDFCL	IIDFCL	IIDFCL	IIDFCL		
Profit and Loss Account									
Operational Revenue	15,94.96	1316.08	1952.38	1797.29	1213.71	1028.12	772.07		
Operational Expenses	1406.19	1245.55	1222.97	1164.13	1030.31	875.81	629.70		
Operating Profit	188.77	70.53	729.41	633.16	183.40	152.31	142.37		
Profit after Tax	31.92	18.39	521.64	466.67	83.95	83.90	84.44		
Balance Sheet									
Total Leases, Loans & Advances	9792.91	8678.26	9336.19	8718.86	8336.16	6262.74	4984.77		
Provision for Investments	349.64	260.58	286.60	280.43	165.71	102.26	68.28		
Leased Finance/Advances	2,766.40	2,766.40	2807.58	2807.58	3570.53	4506.01	3303.43		
Direct/Term finance	4357.34	5911.86	3988.58	3988.58	3370.90	1756.72	1681.34		
Margin loan	2669.17	-	2540.03	1922.70	1394.73	-	-		
Investment in Shares	318.03	113.62	188.79	168.15	0.03	0.03	0.03		
Shareholders' Equity	1316.07	1247.55	1134.95	1079.77	613.10	529.15	437.52		
Reserve & Surplus	691.29	622.86	674.45	619.48	152.81	134.61	71.90		
Paid up Capital	328.78	328.78	328.78	328.78	328.78	328.78	256.85		
Total nos. of Shares (in quantity)	32,87800	32,87800	3287800	3287800	3287800	3287800	2568456		
Ratios									
Book Value Per Share (BDT)	400.29	379.45	345.20	328.42	186.48	160.94	170.35		
Earnings Per Share (BDT)	9.71	5.59	158.66	141.94	25.53	25.52	32.88		
Dividend Per Share (BDT)			50.00	50.00	20.00	20.00	25.00		
Return on Average Equity (%)	2.60	1.58	59.68	55.13	14.70	17.36	20.63		
Dividend Payout Ratio (%)			31.51	35.23	78.33	78.37	76.03		

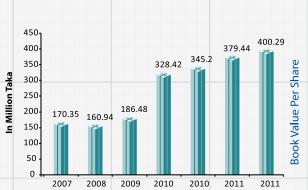
FINANCIAL HIGHLIGHTS

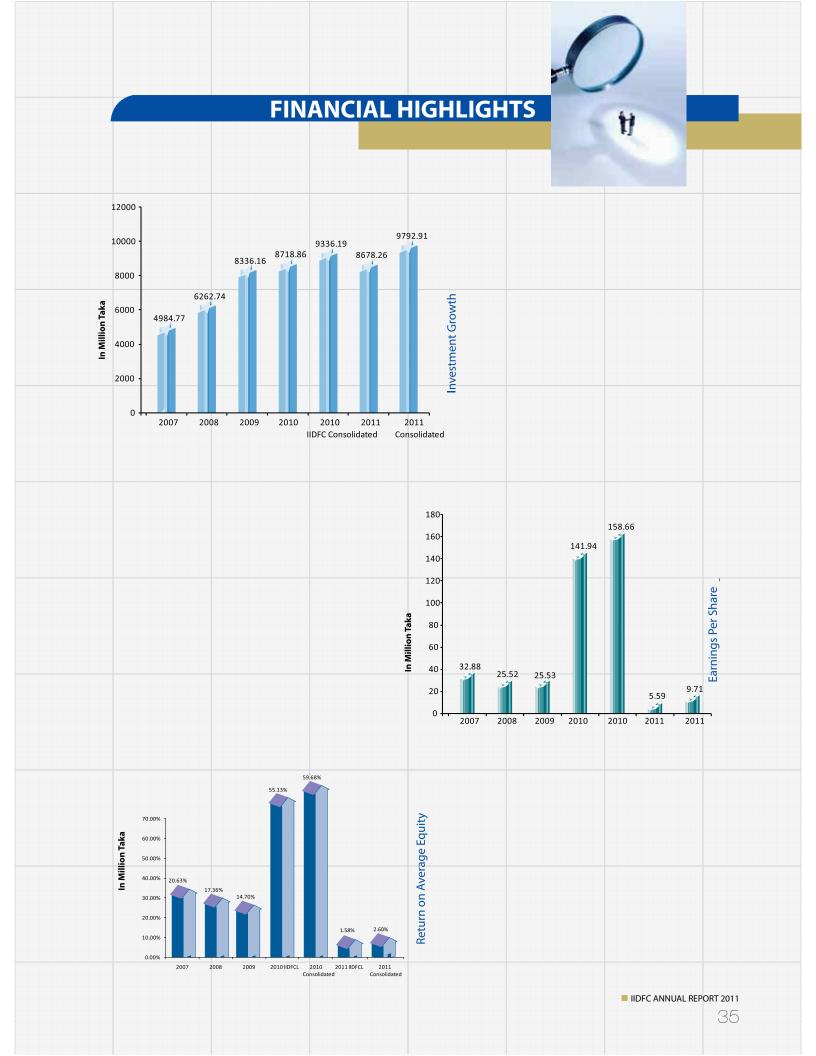


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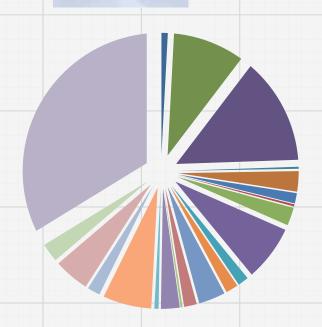




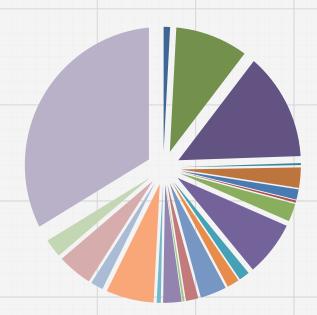








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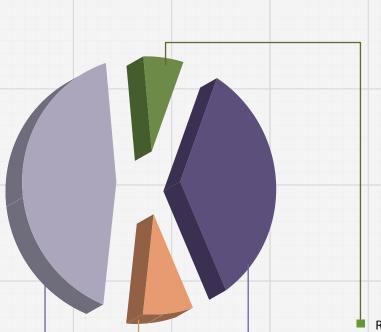
Year 2011 Consolidated

Year 2011 IIDFC

Amount in Taka

Sector-wise Loans & Advances:	Sector-wise Loans & Advances: Year 2011 Consolidated		Year 2011 IIDFC		
■ Agriculture Sector	68,920,021	0.70%	68,920,021	0.79%	
□ Industrial Sector: ■ Textiles	948,440,031	9.68%	948,440,031	10.93%	
■ Garments	1,373,810,012	14.03%	1,373,810,012	15.83%	
Jutes & Jute Related Goods	23,120,001	0.24%	23,120,001	0.27%	
■ Food Items Producer/ Processing Industries	276,350,123	2.82%	276,350,123	3.18%	
■ Plastic Industries	137,960,221	1.41%	137,960,221	1.59%	
■ Lather & Lather Goods	23,110,005	0.24%	23,110,005	0.27%	
■ Iron, Steel and Engeneering	253,640,091	2.59%	253,640,091	2.92%	
■ Chemical and Pharmaceuticals	726,810,002	7.42%	726,810,002	8.38%	
Cement/Clingker and Allied Industries	146,640,124	1.50%	146,640,124	1.69%	
Service Sector (Hotel, Hospital, Clinic, Tourism, etc)	158,670,159	1.62%	158,670,159	1.83%	
■ Paper, Printing & Packaging	348,110,007	3.55%	348,110,007	4.01%	
■ Telecommunication and IT Industries	171,920,006	1.76%	171,920,006	1.98%	
Glass and Ceramic Industries	23,280,051	0.24%	23,280,051	0.27%	
■ Shipping and Building Industries	247,930,151	2.53%	247,930,151	2.86%	
■ Electronics and Electrical Goods	50,900,456	0.52%	50,900,456	0.59%	
Power, Gas, Water and Sanitary	616,940,342	6.30%	616,940,342	7.11%	
Transport and Communication	170,640,432	1.74%	170,640,432	1.97%	
Real Estate and Housing	468,880,437	4.79%	468,880,437	5.40%	
Merchant Banking	251,650,653	2.57%	251,650,653	2.90%	
Others	3,305,188,813	33.75%	2,190,540,342	25.24%	
Total	9,792,912,138	100.00%	8,678,263,667	100.00%	

SOURCES OF FUND



Refinance from Bangladesh Bank: 6.22%

Deposits: 43.84%

Overdrafts: 10.15%

Long Term Loan: 39.79%

Earning Spread

Year	Average Rate	Average Cost	Earning
	of Return	of Borrowing	Spread
2003	15.56%	8.70%	6.86%
2004	15.20%	9.85%	5.35%
2005	14.66%	11.95%	2.71%
2006	15.66%	13.18%	2.48%
2007	15.89%	12.87%	3.02%
2008	16.39%	13.27%	3.12%
2009	16.30%	12.46%	3.84%
2010	15.30%	11.14%	4.16%
2011	15.39%	13.71%	1.68%



Dear Shareholders,

- 1. I have the honor to present to you the financial performance of IIDFC during FY 2011 covering the period from January 01 to December 31, 2011
 - I must admit that the performance during the year was not up to the mark. As against after-tax profit of Tk. 521,643,843 for 2010, the after-tax profit for 2011 is only Tk. 31,915,457. The last year's quantum jump in profit from Tk. 119.95 million in 2009 to Tk. 521,643,843 in 2010 was due to booming stock market and the brisk business conducted by our Brokerage Division. Unfortunately, profit before tax from the brokerage house, which has since become a 100% owned subsidiary, dropped from Tk. 442,660,528 in 2010 to Tk. 93,902,069 in 2011. The sharp fall in the stock price index which came down from 8304 points in January 02, 2011 to 5257 points on 29 December 2011. The loss was on account of non-realization of margin loan and unrealized interest income. However, the net profit from brokerage operation conducted by our subsidiary, namely, IIDFC Securities Ltd. recorded was Tk. 64,892,829 and the Company declared a stock dividend of 25%.



- 3. The result of our merchant banking operation also was dismal. As against Tk. 54.54 million of after-tax profit in 2010, the subsidiary company suffered a net loss of Tk. 51.37 million and almost totally offset the gains in the brokerage operation. After adjustment of last year's retained earnings of Tk. 14,542,000, the net loss amounted to Tk. 36,827,730. Therefore, it was not possible for the company to declare any dividend during the year.
- 4. As regards the Corporate Finance Department, we started the year with a portfolio of Tk. 4920 million and as on December 31, 2011 our portfolio stood at Tk. 7017 million including loan amount of Tk. 1554.5 million extended to the two subsidiary companies. Excluding these loans and taking into account the fresh disbursement under corporate finance was Tk. 1511 million, the Department ended up with the portfolio of Tk. 5462.5 million. The Corporate Finance Department generated profit of Tk. 32.89 million in 2010 as against Tk. 31.11 million in 2011.

SME & Housing

- 5. IIDFC organized a fair under the collaboration agreement between IIDFC and NSIC, India titled as SME Technology Fair held in Dhaka for 9 days from October 9-16, 2011. Around 40 SMEs entrepreneurs both from India and Bangladesh exhibited their products in the fair as well as more than 3,000 visitors visited the fair. The exhibitors from India were primarily from Light engineering, bicycle spare parts, packaging, electrical and other sectors. The fair aimed at local SME entrepreneurs for development of their entrepreneurial and technological skill and to explore establishing of joint venture SME projects in Bangladesh.
- 6. Over the years, the SME Department developed a client base of 474 entrepreneurs with a total portfolio of Tk 1,549.00 million. During the year, a total of Tk. 829.62 million was disbursed against SME clients and 75 new clients were added to the client base. A total of Tk. 386.87 million was disbursed against Work Order and Factoring Finance as compared to Tk. 370.00 million in 2010. A client base of 168 has been developed under home loan since inception and the portfolio stood at Tk. 279.20 million.
- 7. The SME Department generated a profit of Tk. 10.85 million in 2010 against which the profitability for 2011 is Tk. 11.51 million.

Structured Finance Dept.

8. The performance of the Structured Finance Department during FY 2011 was not satisfactory. During FY 2010, it earned a non-funded revenue income of Tk. 89.31 million as against which the earning in 2011 was only Tk. 23.39 million, a drop of Tk. 65.92 million. During FY 2010, the approved syndicated term loan facility was Tk. 5688.50 million as against Tk. 3260 million approved in 2011. It may be mentioned that during the year the Structured Finance Department received mandate for a number of project including Summit Meghnaghat, Rahimafrooz Bangladesh etc. which could not be executed due to liquidity crisis in the money market.

Treasury Dept.

9. Treasury Department conducted a successful funding operation in 2011 in terms of mobilizing funds and lowering the cost of borrowing. Treasury Department arranged funds for a total of Tk. 2349.5 million during the year to ensure timely disbursement by the Corporate Finance, SME Dept. and Home Loan against approved projects.

During the months of November-December in 2011 when the money market faced a turmoil, the treasury played the role of a lender rather than a borrower in the call money market and earned Tk. 41,42,222/- from call money lending.



Our strategy for mobilizing funds was to become increasingly dependent on retail customer deposits and reduce the volume of bank deposits and borrowings, which we have successfully executed. Out of total deposits of Tk. 4224.81 million at the end of 2011, 44% was mobilized from retail depositors and the balance 56% mobilized from over drafts and long term loans from banks as against which in 2010, 38% of deposits were mobilized from retail deposits. With only a few deposit associates, we were able to mobilize new deposits of Tk. 101 crore and successfully secured renewal of another about Tk. 103 crore.

During 2011, IIDFC was able to reduce its maturity gap to a satisfactory level. It would be worthwhile to mention here that our maturity gap was 8.21 months in 2011 as stipulated in the IPFF Eligibility criteria. However, our cost of funds at 13.71% was high compared to the earlier years. This was due to abnormal rise in term borrowings from the bank and interest charged thereon. The average cost of bank borrowing was 15.14% in 2011 which was primarily responsible for increase in the cost of funds. As against which, the average cost was 12.05% in 2010.

Human Resources

- 10. In December 2011, the number of executives in the company was 94 as against 96 a year ago. Despite new recruitment of about 16 employees in various positions, the number of employees decreased due to resignation of some executives from Structured Finance, SME and Corporate Finance Division. Apart from following an elaborate recruitment process for identifying the best among the available candidates, we extensively use the training programmes offered by BBTA, IFC, IDCOL, SEDF, CRAB, ICAB, Bureau Veritias Bangladesh, Keystone Business Support Company Limited, ADB etc. During 2011, as many as 25 staff members participated in the various training programmes to upgrade their professional skill and knowledge.
- 11. The Shareholders Equity, which was Tk. 1079.77 million on December 31, 2010, stood at Tk. 1247.55 million as on December 31, 2011. The increase was on account of enhanced provision for Statutory Reserve, Stock Dividend for 2010, Share Money Deposit against Right Shares and Retained Earnings of 2011. The profit before provisioning decreased from Tk. 633.16 million in FY 2010 to Tk. 70.53 million in 2011.

Equity & Paid-up Capital

Financial Performance

12. The financial results of the company during FY 2011 are summarized below:

Figures in Taka

				jures III raka	
		2010			
Particulars	2011	Core Business	Brokerage	Total	
Profit before provision & tax	70,532,139	152,048,928	481,114,433	633,163,361	
Less: Provision for Loans and Advances	18,601,093	37,196,140	38,453,905	75,650,045	
Less: Provision for Tax	33,538,687	70,294,179	20,552,255	90,846,434	
Profit after tax	18,392,359	44,558,609	422,108,273	466,666,882	
Add: Retained earnings brought forward	210,187,072	3,910,190	-	3,910,190	
Profit available for appropriation	228,579,431	48,468,799	422,108,273	470,577,072	
Less: Appropriations					
Statutory Reserve	3,800,000			95,000,000	
General Reserve	1,000,000			1,000,000	
Proposed Dividend	-			164,390,000	
	4,800,000			260,390,000	
Retained earnings, carried forward	223,779,431			210,187,072	



Retirement and Re-election of Directors:

By operation of Article 99 of the Company's Articles of Association, the representative Directors of the following Companies shall stand retired from office at this 11th Annual General Meeting:

Serial	Name	Nominated by	
1	Mr. Md. Matiul Islam	Self	
2	Mr. M. Syeduzzaman	Bank Asia Limited	
3	Dr. Zaidi Sattar	Southeast Bank Limited	
4	Mr. Ghulam Rahman	Eastland Insuran ce Co. Limited	

Dividend

Mr. Md. Matiul Islam and the following Directors representing various Financial Institutions who are eligible for election/re-election have expressed their interest to be elected as Directors in the 11th Annual General Meeting:

Serial	Nam e	Nominated by
1	Mr. Md. Matiul Islam	Self
2	Mr. M. Syeduzzaman	Bank Asia Limited
3	Mr. M. J. Azim	Pragati Insurance Limited
4	Mr. Ghulam Rahman	Eastland Insurance Co. Limited

Auditors

14. In its 10th Annual General Meeting, the shareholders appointed M/s. Hoda Vasi Chowdhury & Co., Chartered Accountants, as the auditors of the Company for the year 2011 until the conclusion of 11th Annual General Meeting at a remuneration of BDT 125,000. Being eligible for reappointment, the existing auditors, M/s. Hoda Vasi Chowdhury & Co., Chartered Accountants, offered themselves for re-appointment. The Board recommended M/s. Hoda Vasi Chowdhury & Co., Chartered Accountants, for further appointment as the auditors of the Company until completion of the next Annual General Meeting.

Appreciation

15. The Directors would like to express their gratitude to the esteemed shareholders, valued clients, the Bangladesh Bank, the Securities and Exchange Commission, the National Board of Revenue, the Registrar of Joint Stock Companies, the Dhaka Stock Exchange and other regulatory bodies for the co-operation extended to the Company during the year. The Directors also express their appreciation of the dedication and hard work of the management team and other staff members of the Company even in this difficult time.

Md. Matiul Islam
Chairman

Acknowledgement from the Managing Director



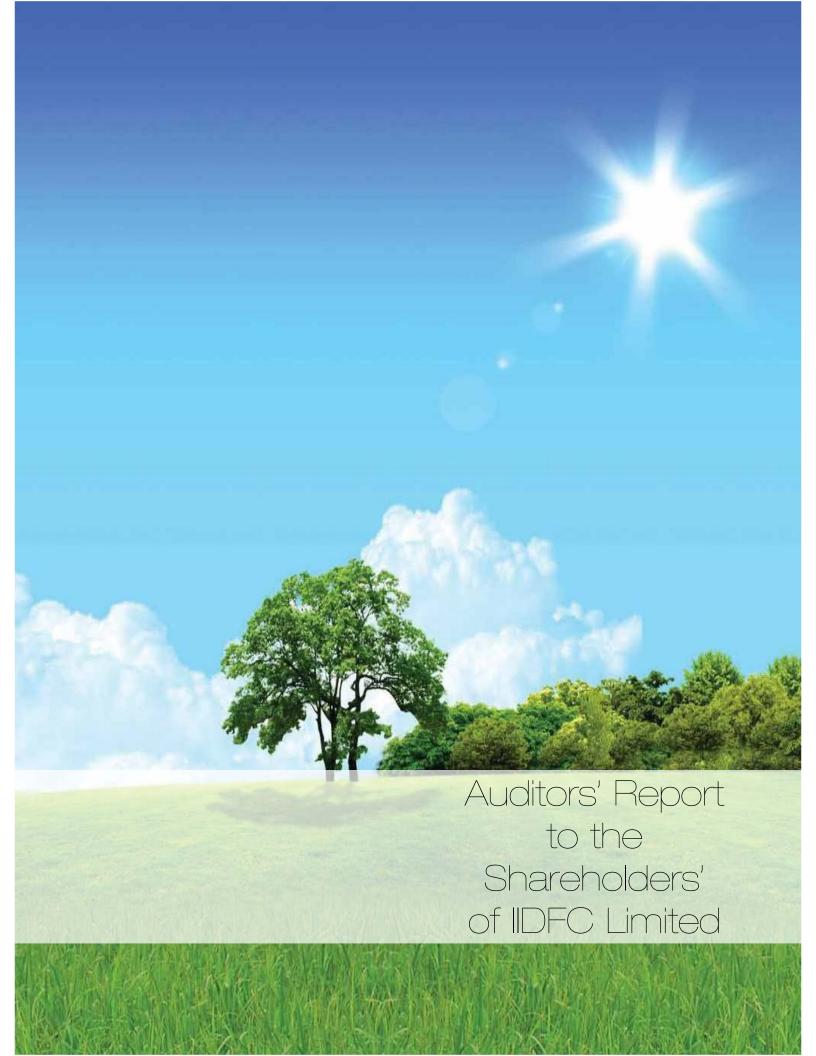
Fortunately, IIDFC weathered the crisis with courage and relative ease compared to our peer in the leasing industry. Our liquidity position did never cross the danger level nor had we to take recourse to the high cost borrowing through treasury line and the call money market to meet clients' obligations. Our Treasury Department deserves credit for their foresight in maintaining a safe cushion to face such emergency situation.

Under these adverse circumstances we could not sustain the past momentum of rapid growth and high profitability in 2011. However, we have switched our focus on collecting funds from banks, the traditional source of supply of funds to NBFIs, to mobilizing funds from the primary source i.e. the individual savers and corporate bodies. Our efforts met with a fair amount of success in mopping up a considerable amount during the year. In the backdrop of continued liquidity constraints in the money market, we will redouble our efforts to mobilize core funds from the individuals and corporate clients in future in order to reduce dependence on banks.

Last year we worked very hard to improve the quality of our portfolio. This was a very challenging task because our clients themselves were also having tough times on account of market illiquidity, shortage of gas and power supply and sluggish business conditions. We strengthened our monitoring and recovery teams and continued to intensify our efforts throughout the year to recover non-performing loans. Our success is reflected by the ratio of the non-performing assets portfolio which came down from 4.99% in 2010 to 4.78% in 2011. The company's rating also improved by one stage from AA3 in 2010 to AA in 2011.

Finally, I would like to thank all the members of our Board, and our honorable Chairman, Mr. M. Matiul Islam, in particular, for their continuous support and cooperation in our stressful journey during the year. My entire team performed well and provided me all sorts of support and cooperation wherever and whenever needed for which I would like to thank them all.. My sincere thanks also go to all of our valued clients, lenders and depositors for their trust in us and the regulators, the government and other stakeholders for their continued support and cooperation.

(Md. Asaduzzaman Khan) Managing Director



AUDITORS' REPORT TO THE SHAREHOLDERS OF IIDFC LTD.



Industrial and Infrastructure Development Finance Company Limited

e have audited the accompanying consolidated financial statements of Industrial and Infrastructure Development Finance Company (IIDFC) Limited and its subsidiary (the "Group") as well as the financial statements of IIDFC "the company" which comprises the balance sheet as at 31 December 2011, profit & loss account, statement of changes in equity, liquidity statement, cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements of the group and the financial statements of the company in accordance with Bangladesh Financial Reporting Standards (BFRS), Financial Institutions Act 1993, the rules and regulations issued by the Bangladesh Bank, the Companies Act 1994, the Securities and Exchanges Rules 1987 and other applicable laws and regulations. This responsibility includes designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of these consolidated financial statements of the group and financial statement of the company that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements of the group and the financial statements of the company based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BSA). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements of the group and the financial statements of the company are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements of the group and the financial statements of the company. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements of the group and the financial statements of the company, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements of the group and the financial statements of the company 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements of the group and the financial statements of the company.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion:

In our opinion, the consolidated financial statements of the group and the financial statements of the company prepared in accordance with Bangladesh Financial Reporting Standards (BFRSs), give a true and fair view of the state of the company's affairs as at 31 December 2011 and of the results of its operations and cash flows for the year then ended and comply with the Financial Institutions Act 1993, The Company's Act 1994, the rules and regulations issued by the Bangladesh Bank, the Securities and Exchanges Rules 1987 and other applicable laws and regulations.



AUDITORS' REPORT

Further to our opinion in the above paragraph, we state that:

- (i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- (ii) in our opinion, proper books of account as required by law have been kept by IIDFC so far as it appeared from our examination of those books and proper returns adequate for the purpose of our audit have been received from branch not visited by us;
- (iii) the IIDFC's Balance Sheet and Profit and Loss Account together with the annexed notes 1 to 43 dealt with by the report are in agreement with the books of account and returns;
- (iv) the expenditure incurred was for the purpose of the IIDFC's business;
- (v) the financial position of IIDFC as at 31 December 2011 and the profit for the year then ended have been properly reflected in the financial statements and the financial statements have been prepared in accordance with the Generally Accepted Accounting Principles;
- (vi) the financial statements have been drawn up in conformity with the Financial Institutions Act, 1993 and in accordance with the accounting rules and regulations issued by the Bangladesh Bank;
- (vii) the financial statements conform to the prescribed standards set in the accounting regulations issued by the Bangladesh Bank after consultation with the professional accounting bodies of Bangladesh;
- (viii) adequate provisions have been made for advances and other assets which are, in our opinion, doubtful of recovery;
- (ix) the information and explanations required by us have been received and found satisfactory;
- (x) the IIDFC has no overseas branches;
- (xi) 80% of the risk-weighted assets have been audited;
- (xii) we have spent approximately 820 man hours for the audit of books & accounts of IIDFC.

Hoda Vasi Chowdhury & Co. Chartered Accountants

Dhaka, 25 June, 2012



BALANCE SHEET

Ref.

IAS 1.51(a)
IAS 1.10(a)

Industrial and Infrastructure Development Finance Company Limited

Balance Sheet

IAS 1.51(c) As at 31 December 2011

Amount in Taka

AS 1			

	PROPERTY & ASSETS	Notes	31-Dec-2011	31-Dec-2010
IAS 1.54, IAS 7.7	Cash In Hand (including foreign currencies) Balance with Bangladesh Bank and its agent Bank(s)	3	17,878	33,481
	(including foreign currencies)		94,475,212	307,436,094
IAS 1.54(d)	Balance with other Banks and Financial Institutions Inside Bangladesh	4	94,493,090 1,498,291,187	307,469,575 1,502,071,100
	Outside Bangladesh		1,498,291,187	1,502,071,100
IAS 1.54(i)	Money at Call and Short Notice	5	30,000,000	50,000,000
IAS 1.54(b)	Investments Government Others	6	113,622,641	168,145,013
IAS 1.54(b)	Loans & Advances Lease Receivables Advance for Lease Finance Direct/Term Finance Secured Overdraft Bills Discounted and Purchased Margin Loan	7	2,484,809,339 281,589,886 5,769,905,162 81,139,488 60,819,792 	168,145,013 2,545,631,167 261,951,279 3,923,024,920 38,514,973 27,040,534 1,922,695,234 8,718,858,107
IAS 1.54(a)	Property, Plant & Equipment	8	35,194,286	48,396,313
IAS 1.55& 1.57(a)	Other Assets	9	1,664,862,827	974,210,806
IAS 1.55& 1.57(a)	Non-Banking Assets		-	-
	Total Assets		12,114,727,698	11,769,150,914
	LIABILITIES & CAPITAL			
IAS 1.54(k)	Borrowings from other Banks, Financial Institutions & Agent	10	5,431,651,977	5,492,980,509
IAS 1.54(m)	Deposits & Other Accounts	11		
	Current Deposits & Other Accounts, etc Bills Payable Savings Bank Deposits Term Deposits Bearer Certificate of Deposits Other Deposits		4,224,814,671 - 14,856,808	3,397,603,896 - 16,813,920
			4,239,671,479	3,414,417,816
IAS 1.55,1.57(a)	Other Liabilities	12	1,195,859,211	1,781,983,517
IAS 1.54(r),1.78(e) IAS 1.54(r),1.78(e) IAS 1.54(r),1.78(e) IAS 1.54(r),1.78(e)	Share Money Deposit Statutory Reserve General Reserve Other Reserve	13 13.2 14 15 16 17	328,780,000 149,383,600 205,700,000 44,000,000 295,902,000 223,779,431 1,247,545,031	328,780,000 201,900,000 43,000,000 131,512,000 374,577,072 1,079,769,072 11,769,150,914
	. ,			



BALANCE SHEET

Ref.

IAS 1.51(a)

IAS 1.10(a) IAS 1.51(c)

Industrial and Infrastructure Development Finance Company Limited

Balance Sheet

As at 31 December 2011

Amount in Taka

IAS 1.55	OFF-BALANCE SHEET ITEMS	Notes	31-Dec-2011	31-Dec-2010
IAS 37.28, 37.86	Contingent Liabilities	19		
	Letters of Guarantee		770,833,980	373,862,506
	Letters of Credit		29,169,185	1,536,500
	Irrevocable Letter of Credit		-	-
	Bills for Collection		-	-
	Other Contingent Liabilities		-	-
			800,003,165	375,399,006
	Others Commitments:			
	Documentary credits & 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 commi	itments	-	-
				-
	Total Off-Balance Sheet items including contingent liabilities	es .	800,003,165	375,399,006

The annexed notes 1 to 43 form an integral part of these financial statements

Md. Matiul Islam

Chairman

Md. Asaduzzaman Khan **Managing Director**

Md. Shamim Ahamed **Company Secretary**

Signed as per annexed report on even date

Dhaka, 25 June, 2012

Hoda Vasi Chowdhury & Co **Chartered Accountants**



CONSOLIDATED BALANCE SHEET

Ref.

IAS 1.10(a)

Industrial and Infrastructure Development Finance Company Limited

Consolidated Balance Sheet

IAS 1.51(c) As at 31 December 2011

Amount in Taka

			7	
IAS 1. (38&39)	PROPERTY & ASSETS No	otes	31-Dec-2011	31-Dec-2010
IAS 1.54, IAS 7.7	Cash In Hand (including foreign currencies) Balance with Bangladesh Bank and its agent Bank(s)	3.a	49,208	63,141
	(including foreign currencies)		94,475,212	307,436,094
IAS 1.54(d)	Balance with other Banks and Financial Institutions	4.a	94,524,420	307,499,235
	Inside Bangladesh Outside Bangladesh		1,670,167,709	1,520,486,010
IAS 1.54(i)	Money at Call and Short Notice	5	1,670,167,709 30,000,000	1,520,486,010 50,000,000
IAS 1.54(b)	Investments Government	6.a	-	-
	Others		318,034,972	188,790,499
IAS 1.54(b)	Loans & Advances	7.a	318,034,972	188,790,499
I/O 1.04(D)	Lease Receivables	7.a	2,484,809,339	2,545,631,167
	Advance for Lease Finance		281,589,886	261,951,279
	Direct/Term Finance Secured Overdraft		4,215,383,149 81,139,488	3,923,024,920 38,514,973
	Bills Discounted and Purchased		60,819,792	27,040,534
	Margin Loan		2,669,170,484	2,540,028,503
			9,792,912,138	9,336,191,376
IAS 1.54(a)	Property, Plant & Equipment	8.a	74,877,173	54,697,077
IAS 1.55& 1.57(a)	Other Assets	9.a	900,683,420	939,705,485
IAS 1.55& 1.57(a)	Non-Banking Assets			
	Total Assets		12,881,199,832	12,397,369,682
	LIABILITIES & CAPITAL			
IAS 1.54(k)	Borrowings from other Banks, Financial Institutions 8	& Agent 10.a	5,711,652,411	5,692,980,509
IAS 1.54(m)	Deposits & Other Accounts	11.a		
	Current Deposits & Other Accounts, etc Bills Payable		-	-
	Savings Bank Deposits		-	-
	Term Deposits		4,229,849,939	3,613,675,552
	Bearer Certificate of Deposits Other Deposits		14.856.808	16,813,920
	Other Deposits		4,244,706,747	3,630,489,472
IAS 1.55,1.57(a)	Other Liabilities	12.a	1,608,775,492	1,938,953,668
	Total Liabilities		11,565,134,649	11,262,423,649
	Capital/Shareholders' Equity			
IAS 1.54(r),1.78(e)	Paid up Capital	13	328,780,000	328,780,000
IAS 1.54(r),1.78(e)	Share Money Deposit	13.2	149,383,600	- 201 000 000
IAS 1.54(r),1.78(e) IAS 1.54(r),1.78(e)	Statutory Reserve General Reserve	14 15.a	205,700,000 61,000,000	201,900,000 43,000,000
IAS 1.54(r),1.78(e)	Other Reserve	16	-	-
IAS 1.54(r),1.78(e)	Stock Dividend	17	295,902,000	131,512,000
IAS 1.54(r),1.78(e) IAS 27.6, 27.26	Retained Earnings Minority Interest	18.a 18.a.1	275,274,555 25,028	429,526,327 227,706
1170 21 10, 21 20	,	10.a.1		
	Total Shareholders' Equity		1,316,065,183	1,134,946,033
	Total Liabilities & Shareholders' Equity		12,881,199,832	12,397,369,682



CONSOLIDATED BALANCE SHEET

Ref.

IAS 1.51(a)

IAS 1.10(a) IAS 1.51(c)

Industrial and Infrastructure Development Finance Company Limited

Consolidated Balance Sheet

As at 31 December 2011

Amount in Taka

IAS 1.55 **OFF-BALANCE SHEET ITEMS** Notes 31-Dec-2011

IAS 37.28, 37.86 Contingent Liabilities

Letters of Guarantee Letters of Credit Irrevocable Letter of Credit Bills for Collection Other Contingent Liabilities

Others Commitments:

Documentary credits & short term trade related transactions Forward assets purchased and forward deposits placed Undrawn note issuance and revolving underwriting facilities Undrawn formal standby facilities, credit lines and other commitments

Total Off-Balance Sheet items including contingent liabilities

770,833,980 29,169,185

800,003,165 375,399,006

19

800,003,165

375,399,006

31-Dec-2010

373,862,506

1,536,500

The annexed notes 1 to 43 form an integral part of these financial statements

Mď. Matiul Islam Chairman

Md. Asaduzzaman Khan Managing Director

Md. Shamim Ahamed **Company Secretary**

Signed as per annexed report on even date

Hoda Vasi Chowdhury & Co **Chartered Accountants**

HadavarichowalluyOlo

Dhaka, 25 June, 2012



PROFIT & LOSS ACCOUNT

Ref.

IAS 1.51(a)	Industrial and Infrastructure Development Finance Company Limted
IAS 1.10(b)	Profit & Loss Account
IAS 1 51(c)	For the year ended 31 December 2011

For the year ended 31 December 2011

Am	ount	in 1	aka
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IAS 1.(388:39)	A. OPERATING INCOME:	Notes	31-Dec-2011	31-Dec-2010
IFRS 7.20(b) IFRS 7.20(b)	Interest Income Interest paid on Deposits, Borrowings etc.	20 21	1,274,465,499 (1,063,802,953)	1,249,086,663 (903,924,355)
IAS 1.85	Net Interest Income		210,662,546	345,162,308
IFRS 7.20(9b) IFRS 7.20(c) IAS 1.85	Income from Investment Commission, Exchange and Brokerage Other Operating Income	22 23 24	10,844,874 - 30,769,094	33,578,779 416,665,083 97,965,874
IAS 1.85	Total Operating Income		252,276,514	893,372,044
	B. OPERATING EXPENSES:			
IAS 1.104 IAS 1.97 IAS 1.97 IAS 1.97 IAS 1.97 IAS 1.97 IAS 1.97 IAS 1.97 IAS 1.98 (d) IAS 1.104 IAS 1.97	Salaries & Allowances Rent, Taxes, Insurance, Electricity etc. Legal Expenses Postage, Stamp, Telecommunications etc. Stationery, Printing, Advertisement etc. Managing Director's Salary and Fees Directors' Fees Auditor's Fees Loans & Advances Written-off Repair and Depreciation of Company's Assets Other Expenses	25 26 27 28 29 30 31 32 33 34	86,375,007 13,820,699 2,156,931 2,462,502 19,548,841 7,352,484 710,000 143,750 18,120,222 10,564,696 20,489,243	90,762,186 29,264,260 2,476,223 5,668,082 10,070,706 7,319,083 592,948 230,190 39,073,975 15,297,888 59,453,142
IAS 1.85	Total Operating Expenses		181,744,375	260,208,683
IAS 1.85	C.Profit/(Loss) Before Provision (A-B)		70,532,139	633,163,361
IAS 1.97	D.Provision for Loans & Advances: Specific Provision General Provision Provision for diminution in value of Investments Other Provision Total Provision	36	10,023,073 8,354,578 223,442 - 18,601,093	62,029,595 12,895,492 724,958 - 75,650,045
IAS 1.85	E.Profit/(Loss) Before Taxes (C-D)		51,931,046	557,513,316
IAS 1.82(d)	F. Provision for Tax: Current Tax Deferred Tax Total Provision	37	33,538,687 - 33,538,687	90,846,434 - 90,846,434
IAS 1.82(f) IAS 1.85 IAS 1.85	G. Profit/(Loss) After Taxes (E-F) Add: Retained earnings brought forward Profit available for appropriation Less: Appropriations Statutory Reserve General Reserve Stock Dividend for 2010		18,392,359 374,577,072 392,969,431 3,800,000 1,000,000 164,390,000 169,190,000	466,666,882 3,910,190 470,577,072 95,000,000 1,000,000 96,000,000
IAS 1.85	Retained Earnings		223,779,431	374,577,072
IAS 33.66	Earnings Per Share (EPS)	38	5.59	141.94

The annexed notes 1 to 43 form an integral part of these financial statements

Md. Matiul Islam Chairman

Md, Asaduzzaman Khan Managing Director

Md.Shamim Ahamed Company Secretary

Hoda Vasi Chowdhury & Co Chartered Accountants

Signed as per annexed report on even date



CONSOLIDATED PROFIT & LOSS ACCOUNT

Ref.

IAS 1.51(a)
IAS 1.10(b)

IAS 1.51(c)

Industrial and Infrastructure Development Finance Company Limited

Consolidated Profit & Loss Account

For the year ended 31 December 2011

Amount in Taka

145.4 (200.20)				Amou	nt in Taka
IAS 1.(38&39)			Notes	31-Dec-2011	31-Dec-2010
	A.	OPERATING INCOME:			
IFRS 7.20(b) IFRS 7.20(b) IAS 1.85		Interest Income Interest paid on Deposits, Borrowings etc. Net Interest Income	20.a 21.a	1,390,405,603 (1,106,753,574) 283,652,029	1,323,871,923 (944,443,419) 379,428,504
IFRS 7.20(b) IFRS 7.20(c) IAS 1.85		Income from Investment Commission, Exchange and Brokerage Other Operating Income	22.a 23.a 24.a	22,692,158 139,529,929 42,332,298	39,189,011 491,348,402 97,965,874
IAS 1.85		Total Operating Income		488,206,415	1,007,931,791
IAS 1.104 IAS 1.97 IAS 1.97 IAS 1.97 IAS 1.97 IAS 1.97 IAS 1.97 IAS 1.98 (d) IAS 1.104 IAS 1.97 IAS 1.98	В.	OPERATING EXPENSES: Salaries & Allowances Rent, Taxes, Insurance, Electricity etc. Legal Expenses Postage, Stamp, Telecommunications etc. Stationery, Printing, Advertisement etc. Managing Director's Salary and Fees Directors' Fees Auditor's Fees Loans & Advances Written-off Repair and Depreciation of Company's Assets Other Expenses Total Operating Expenses	25.a 26.a 27.a 28.a 29.a 30 31.a 32.a 33.a 34.a 35.a	142,321,739 38,036,789 3,159,702 5,711,881 20,830,765 7,352,484 983,150 264,750 18,360,125 18,637,694 43,782,195 299,441,274	97,261,801 33,334,204 2,757,927 6,047,501 10,689,101 7,319,083 626,429 338,690 39,073,975 16,763,117 64,311,041 278,522,869
IAS 1.85	c.	Profit/(Loss) Before Provision (A-B)		188,765,141	729,408,922
IAS 1.97	D.	Provision for Loans & Advances: Specific Provision General Provision Provision for diminution in value of Investments Other Provision Total Provision	36.a	62,902,361 (91,219) 30,852,424 - 93,663,566	62,029,595 19,068,825 724,958 - 81,823,378
IAS 1.85	E.	Profit/(Loss) Before Taxes (C-D)		95,101,575	647,585,544
IAS 1.82(d)	F.	Provision for Tax: Current Tax Deferred Tax Total Provision	37.a	62,501,889 684,229 63,186,118	125,941,701 125,941,701
IAS 1.82(f)	G.	Profit/(Loss) After Taxes (E-F)		31,915,457	521,643,843
IAS 1.85 IAS 1.85		Add: Retained earnings brought forward Profit available for appropriation Less: Appropriations Statutory Reserve General Reserve Stock Dividend for 2010		429,554,033 461,469,490 3,800,000 18,000,000 164,390,000	3,910,190 525,554,033 95,000,000 1,000,000
IAS 1.85		Retained Earnings		186,190,000 275,279,490	96,000,000 429,554,033
		Shareholders of the company		275,274,552	429,526,327
IAS 27.6, 27.26		Minority Interest		4,937	27,706
IAS 33.66		Earnings Per Share (EPS)	38.a	9.71	158.66

The annexed notes 1 to 43 form an integral part of these financial statements

Md. Matiul Islam
Chairman

Md, Asaduzzaman Khan Managing Director

Signed as per annexed report on even date

Md.Shamim Ahamed Company Secretary

HedavarchowdlugOlo

Hoda Vasi Chowdhury & Co Chartered Accountants



CASH FLOW STATEMENT

Ref.

IAS1.51(a) IAS 1.10(d)

IAS 1.51(c)

Industrial and Infrastructure Development Finance Company Limited

Cash Flow Statement

For the year ended 31 December 2011

Amount in Taka

31-Dec-2010

1,240,635,749

(988,545,927)

416,665,083

(382,698,836)

(78,190,821)

659,065,768

(168,114,213)

(32,347,254)

4,759,816

AS 1			

CASH FLOW FROM OPERATING ACTIVITIES:

IAS 7.10 IAS 7.31 Interest receipts in cash IAS 7.31 Interest payments in cash IAS 7.31 Dividend réceipts in cash

IAS 7.14(b) Fees and commission receipts in cash Recoveries of loans previously written-off

IAS 7.14(d) Cash payments to employees IAS 7.14(c) Cash payments to suppliers IAS 7.35 Income taxes paid

IAS 7.14(b) Receipts from other operating activities IAS 7.14(c) Payments for other operating activities Cash generated from operating activities

IAS 7.19(b) Increase/(decrease) in operating assets and liabilities,

Statutory deposits

Purchase of trading securities (treasury bills) Loans and advances to other banks Loans and advances to other customers Other assets Borrowings from Bank

Deposits from other banks/borrowings

Deposits from customers Other liabilities

Net Cash from Operating Activities

CASH FLOW FROM INVESTING ACTIVITIES: IAS 7.10

IAS 7.16(d) Investments in subsidiary IAS 7.23(b) IAS 7.16(a) Proceeds from sale of securities Payments for purchase of securities IAS 7.16(a) Purchase of property, plant and equipment

IAS 7.16(b) Payment against lease obligation

Proceeds from sale of property, plant and equipment

Net cash used in investing activities IAS 7.10

C CASH FLOW FROM FINANCING ACTIVITIES: IAS 7.31

> Dividend paid Share money deposit

Net cash from financing activities

IAS 7 18 D Net increase/(decrease) in cash and cash equivalents (A+B+C)

Effects of exchange rate changes on cash and cash equivalents

Cash and cash equivalents at beginning of the year

Cash and cash equivalents at end of the year (D+E+F)

IAS 7.45 Cash and cash equivalents at end of the year

Cash in hand

Balance with Bangladesh Bank and its agents bank(s) Balance with other banks and financial institutions

Money at call and short notice

Jn.m-Md. Matiul Islam

HN Md, Asaduzzaman Khan Managing Director

1,288,471,178 (900,455,692) 10,348,391 (98,189,039)(41,620,957) (43,510,578) 29,352,237 (54,337,936)

31-Dec-2011

(102,091,099) (8,367,765) (105,406,704) 126,784,837 (83,238,426) 190,057,604 501,195,564

40,594,440 (595,347,123) (61,328,532) (326,974,611)1,158,341,462 (754,102,302) 538,816,666) (348,759,061)

206,310,079 499,885,157 **904,371,347** 1,405,566,911 (300,000,000)

(65,800,000) 54,522,372 (24,446,383) (1,656,926)

(729,394)(37,380,937) (501,190,861)

149,383,600 149,383,600

(236,756,398)

1,859,540,675

1,622,784,277

17,878 94,475,212 1,498,291,187 30,000,000 1,622,784,277

904,376,050

955,164,625

1,859,540,675

33,481 307,436,094 1,502,071,100 50,000,000 1,859,540,675

Md.Shamim Ahamed Company Secretary



CONSOLIDATED CASH FLOW STATEMENT

Ref.

IAS1.51(a)

IAS 1.10(d) IAS 1.51(c)

Industrial and Infrastructure Development Finance Company Limited Consolidated Cash Flow Statement

For the year ended 31 December 2011

Amount in Taka

IAS 1.(38&39)			31-Dec-2011	31-Dec-2010
IAS 7.10 IAS 7.31 IAS 7.31 IAS 7.31 IAS 7.14(b) IAS 7.14(c) IAS 7.35 IAS 7.14(c) IAS 7.14(c)	Α	CASH FLOW FROM OPERATING ACTIVITIES: Interest receipts in cash Interest payments in cash Dividend receipts in cash Fees and commission receipts in cash Recoveries of loans previously written-off Cash payments to employees Cash payments to suppliers Income taxes paid Receipts from other operating activities Payments for other operating activities Cash generated from operating activities	1,404,411,282 (1,275,972,624) 11,042,921 139,529,929 (154,135,771) (13,552,963) (43,510,578) 52,068,195 (80,716,149) 39,164,243	1,312,717,884 (1,025,548,524) 4,759,816 491,348,402 - (108,601,287) (7,788,472) (105,485,442) 128,664,753 (91,571,933) 598,495,197
IAS 7.19(b)		Increase/(decrease) in operating assets and liabilities, Statutory deposits Purchase of trading securities (treasury bills) Loans and advances to other banks Loans and advances to other customers Other assets Borrowings from Bank Deposits from other banks/FI Deposits from customers Trading liabilities Other liabilities	(456,720,762) 222,910,963 18,671,902 (326,974,611) 941,191,886 (519,838,841) (120,759,464)	(1,000,032,105) (341,502,885) - 859,065,768 422,381,735 - 610,323,781 550,236,294
		Net Cash from Operating Activities	(81,595,221)	1,148,731,491
IAS 7.16(d) IAS 7.16(d) IAS 7.23(b) IAS 7.16(a) IAS 7.16(a) IAS 7.16(b)	В	CASH FLOW FROM INVESTING ACTIVITIES: Investments in subsidiary Proceeds from sale of securities Payments for purchase of securities Purchase of property, plant and equipment Payment against lease obligation Proceeds from sale of property, plant and equipment Net cash used in investing activities	(129,244,473) (20,180,096) (1,656,926) - (151,081,495)	(188,759,699) (37,444,986) (729,394) (226,934,079)
IAS 7.10 IAS 7.31	c	CASH FLOW FROM FINANCING ACTIVITIES: Dividend paid Share money deposit Net cash from financing activities	149,383,600 149,383,600	
	D	Net increase/(decrease) in cash and cash equivalents (A+B+C)	(83,293,116)	921,797,412
IAS 7.18	E	Effects of exchange rate changes on cash and cash equivalents	-	-
	F	Cash and cash equivalents at beginning of the year	1,877,985,245	956,187,833
	G	Cash and cash equivalents at end of the year (D+E+F)	1,794,692,129	1,877,985,245
IAS 7.45		Cash and cash equivalents at end of the year Cash in hand Balance with Bangladesh Bank and its agents bank(s) Balance with other banks and financial institutions Money at call and short notice	49,208 94,475,212 1,670,167,709 30,000,000 1,794,692,129	63,141 307,436,094 1,520,486,010 50,000,000 1,877,985,245

Md. Matiul Islam

Md, Asaduzzaman Khan Managing Director

Md.Shamim Ahamed Company Secretary

Dhaka, 25 June, 2012





Amount in Taka

	Particulars	Paid-up Capital	Share Money Deposit	Statutory Reserve	General Reserve	Proposed Dividend	Retained Earnings	Total
	Balance as on 1 January, 2011	328,780,000	,	201,900,000	43,000,000	131,512,000	374,577,072	1,079,769,072
IAS 1.106(b)	IAS 1.106(b) Changes in accounting policy	•	•	•	•	•		•
IAS 1.106	Restated balance	•	•	•		•		1
IFRIC 1.6(a)	Surplus/(deficit) on account of revaluation of properties	•	•	•	•	•	•	'
IFRIC 1.6(a)	Surplus/(deficit) on account of revaluation of investments	•	•	•	•	•		1
IFRIC 1.6(a)	Currency translation differences	•	•	•	•	•	•	•
IFRIC 1.6(a)	Net gains and losses not recognized in income statement	•	•	•	•	•	•	•
IAS 1.106(a)	Net profit for the year	•	•	•	•	•	18,392,359	18,392,359
IAS 1.106(d)	IAS 1.106(d) Dividend (bonus shares-2010)	•	•	•	•	164,390,000	(164,390,000)	•
IAS 1.106(d)	IAS 1.106(d) Share money deposit	•	149,383,600	•	•	•		149,383,600
IAS 1.106(d)	IAS 1.106(d) Appropriations made during the year	•	•	3,800,000	1,000,000	•	(4,800,000)	•
	Balance as at 31 December. 2011	328.780.000	149.383.600	205.700.000	44.000.000	44.000.000 295.902.000	223.779.431	1.247,545.031

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Md, Asaduzzaman Khan Managing Director 2

Md.Shamim Ahamed Company Secretary

Md. Matiul Islam Chairman

IAS 1.10(c) IAS 1.51(c)

IAS 1.51(a)

Industrial and Infrastructure Development Finance Company Limited

Statement of Changes in Equity
For the year ended 31 December 2011





Amount in Taka

Industrial and Infrastructure Development Finance Company Limited Consolidated Statement of Changes in Equity For the year ended 31 December 2011

	Particulars	Paid-up Capital	Share Money Deposit	Statutory Reserve	General Reserve	Proposed Dividend	Retained Earnings	Minority Interest	Total
	Balance as on 1 January, 2011	328,780,000	1	201,900,000	43,000,000	131,512,000	429,526,327	227,706	1,134,946,033
IAS 1.106(b)	IAS 1.106(b) Changes in accounting policy	1	1	1		,	1	1	ı
IAS 1.106	Restated balance	1	1	1	1		1	1	ı
JFRIC 1.6(a)	Surplus/(deficit) on account of revaluation of properties		1	1			1	1	ı
JFRIC 1.6(a)	Surplus/(deficit) on account of revaluation of investments		1	1			1	1	ı
JFRIC 1.6(a)	Currency translation differences							1	ı
IFRIC 1.6(a)	IFRIC 1.6(a) Net gains and losses not recognized in income statement		1	1		•	1	1	ı
IAS 1.106(a)	IAS 1.106(a) Net profit for the year		1	1		•	31,915,457	1	31,915,457
IAS 1.106(a)	IAS 1.106(a) Transfer to Minority Interest		1	1		•	22,771	(202,678)	(179,908)
IAS 1.106(d)	IAS 1.106(d) Dividend (bonus shares-2010)			1	1	164,390,000	(164,390,000)	1	1
IAS 1.106(d)	IAS 1.106(d) Share money deposit		149,383,600	1			1	ı	149,383,600
IAS 1.106(d)	Appropriations made during the year	-	-	3,800,000	18,000,000	-	(21,800,000)	-	-
	Balance as at 31 December, 2011	328,780,000	149,383,600	205,700,000		61,000,000 295,902,000	275,274,555	25,028	1,316,065,183

Md, Asaduzzaman Khan Managing Director 12 V

Md.Shamim Ahamed Company Secretary



IAS 1.10(c) IAS 1.51(c) IAS 1.51(a) Ref.



LIQUIDITY STATEMENT

Industrial and Infrastructure Development Finance Company Limited Liquidity Statement As on 31 December 2011

Amount in Taka

Particulars	Up to 1 month maturity	1-3 months maturity	3-12months maturity	1-5 years maturity	More than 5 years maturity	Total
ASSETS:						
Cash	17,878	ı	1	i	ı	17,878
Balances with Bangladesh Bank	94,475,212	ı	ı	ı	ı	94,475,212
Balances with other Banks	478,291,187	400,000,000	620,000,000	ı	ı	1,498,291,187
Money at call and on short notice	30,000,000	ı	1	•	ı	30,000,000
Investments	1	ı	17,117,800	85,589,000	10,915,841	113,622,641
Loans and advances	654,546,030	1,066,843,513	2,894,915,331	2,305,986,892	1,755,971,901	8,678,263,667
Property, Plant & Equipment	000'009	1,200,000	4,500,000	25,660,112	3,234,174	35,194,286
Other Assets	57,067,415	181,110,797	48,822,267	238,439,707	1,139,422,641	1,664,862,827
Non-Banking Assets	-	-	-	-	-	-
Total Assets	1,314,997,722	1,649,154,310	3,585,355,398	2,655,675,711	2,909,544,557	12,114,727,698
LIABILITIES:						
Borrowing from other Banks, Fin. Ins. & Agents	756,782,381	677,896,860	1,436,003,677	1,466,513,241	1,094,455,818	5,431,651,977
Deposit and other accounts	462,401,306	762,370,713	1,790,739,700	705,381,583	518,778,177	4,239,671,479
Provision and other liabilities	95,280,554	204,521,091	357,877,929	479,858,014	58,321,623	1,195,859,211
Total Liabilities	1,314,464,241	1,644,788,664	3,584,621,306	2,651,752,838	1,671,555,618	10,867,182,667
Net Liquidity Gap	533,481	4,365,646	735,092	3,922,873	1,237,988,939	1,247,545,031

Md. Matiul Islam
Chairman

Md, Asaduzzaman Khan Managing Director

12 V

Md.Shamim Ahamed Company Secretary



Ref.

IAS 1.51(a)

IAS 1.10(e)
IAS 1.51 (c)

Industrial and Infrastructure Development Finance Company Limited

Notes To The Financial Statements

For the year ended 31 December 2011

IAS 1.138(a) **1.0 Legal Status and Nature of the Company:**

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

IAS 1.138(b) 1.1 Principal Activities:

IIDFC offers financial services that include promotion and term financing of financially viable industrial undertakings & infrastructure projects, lease financing for all type of machineries and equipments including vehicles for industrial and commercial purposes, financial packaging for syndicated fund arrangement including cross-boarder syndication, acquisition or take over of public sector enterprises, financial or otherwise, slated for privatization and SME financing.

IAS 1.138(b) **1.2 Information regarding Subsidiaries:**

As on 31st December, 2011, IIDFC Ltd. has two subsidiaries to include for preparation of consolidated financial statements as per Bangladesh Accounting Standard 27 'Consolidated and Separate Financial Statements'.

IIDFC Securities Limited:

IIDFC Securities Limited (the Company), a wholly owned subsidiary company of Industrial and Infrastructure Development Finance Company Limited (IIDFC) was incorporated as a private limited company in Bangladesh bearing certificate of incorporation no. C-83521/10 dated 28/03/2010 under the Companies Act 1994 having its registered office at Eunoos Trade Centre (Level 7), 52-53 Dilkusha Commercial Area, Dhaka. The Company has started its operation after getting Stock broker and Stock Dealer license from SEC on 5th January, 2011.

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

IIDFC Capital Limited:

IIDFC Capital Limited (the Company) is a private company, limited by shares was incorporated in Bangladesh on 30 November 1995 vide certificate of incorporation no. C-H.C 2097 in the name of South Asia Capital Limited which was acquired by Industrial and Infrastructure Development Finance Company Limited (IIDFC) a non-banking financial institution on 10 December 2009 and renamed as IIDFC Capital Limited.

The principal activities of the Company for which it was established include the business of issue management, portfolio management, corporate counseling, investment counseling, capital structuring, etc.



IAS 1.112(a) **2.0 Significant Accounting Policies and basis of preparation of Financial Statements:**2.1 Basis of Preparation of 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) and after due compliance with International Accounting Standards (IAS)/International Financial Reporting Standards (IFRS) so far adopted in Bangladesh as Bangladesh Accounting Standards (BAS)/Bangladesh Financial Reporting Standards(BFRS) by the Institute of Chartered Accountants of Bangladesh (ICAB), the Financial Institution Act 1993, the Companies Act 1994 and other applicable laws and regulations.

The presentation of the financial statements has been made as per the requirements of DFIM circular No. 11 dated December 23, 2009 issued by the Department of Financial Institution and Markets of Bangladesh Bank.

Basis of Consolidation of Operation of Subsidiaries:

The financial statements of the Company and its subsidiaries have been consolidated in accordance with Bangladesh Accounting Standard 27 'Consolidated and Separate Financial Statements'. The consolidation of the Financial Statements has been made after eliminating all material inter company balances.

The total profits of the Company and its subsidiaries are shown in the Consolidated Profit and Loss Account with the proportion of profit after taxation pertaining to minority shareholders being deducted as Minority Interest.

All Assets and Liabilities of the Company and its subsidiaries are shown in the Consolidated Balance Sheet. The interest of non-controlling shareholder of the subsidiaries are shown separately in the Consolidated Balance Sheet under the heading Minority Interest.

IAS 1.8 **2.1.1 Integral Components of Financial Statements:**

The Financial Statements of the Company include the following components:

- 1. Balance Sheet as at 31 December, 2011.
- 2. Profit and Loss Statement for the year ended 31 December, 2011.
- 3. Cash Flow Statement for the year ended 31 December, 2011.
- 4. Statement of Changes in Equity for the year ended 31 December, 2011.
- 5. Notes to the Financial Statements.

IAS 1.122 **2.2 Use of Estimate & Judgments:**

The preparation of Financial Statements inconformity with Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses. It also requires disclosures of contingent assets and liabilities at the date of the Financial Statements.

Provisions and accrued expenses are recognized in the Financial Statements in line with the Bangladesh Accounting Standard (BAS) No. 37 'Provisions, Contingent Liabilities and Contingent Assets' when:



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

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which from the basis of making the judgments about carrying values of assets and liabilities which are not readily apparent from other sources. Actual results may differ from these estimates. However, the estimates and underlying assumptions are reviewed on an ongoing basis and the revision is recognized in the period in which the estimates are revised.

IAS 1.111 2.3 Cash Flow Statements:

The cash flow statement has been prepared using the Direct Method as mention in line with Bangladesh Accounting standard 7 'Cash Flow Statements'.

1AS 1.27 2.4 Consistency:

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

IAS 1.36 **2.5 Reporting Period:**

These financial Statements cover one calendar year from January 01 to December 31, 2011.

IAS 1.51(d) (e) **2.6 Presentation currencies:**

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

2.7 Books of Accounts of Branch:

The Company has 1 (one) branch so far as on 31 December, 2011. Books of Accounts of the branch have been maintained at the Head Office of the Company.

IAS 1.119 **2.8 Assets and Basis of their valuation:**

IAS 7.45 **2.8.1 Cash and Cash Equivalents:**

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



IAS 1.54 **2.8.2 Investment in Securities:**

Investment in marketable ordinary shares as well as investment in non-marketable shares have been shown at cost. Full provision for diminution in value of shares has been made as per Bangladesh Bank guidelines. Market value of securities has been determined on the basis of the value of securities at the last trading day of the period (last trading day for the year was 29 December, 2011).

Unrealized gain on investment was not recognized as income in the financial statements.

IAS 16.73 **2.8.3 Property, Plant and Equipment:**

2.8.3.1 Owned Assets:

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

2.8.3.2 Leased Assets:

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

2.8.3.3 Subsequent expenditure on property, plant and equipment:

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

IAS 16.13 (b & c) **2.8.3.4 Depreciation on Property, plant & Equipment:**

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

SI. No	Category of Fixed assets	Rate of Deprecation
01	Motor vehicles	20%
02	Furniture & fixtures	10%
03	Office equipments	18%

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sale proceeds and the carrying amount of the concerned asset and is recognised accordingly in the Profit and Loss Account.



2.8.3.5 Intangible Assets and Amortization of Intangible Assets:

Intangible assets comprise the value of computer software. Intangible assets acquired separately are measured on initial recognized at cost and are carried at cost less accumulated amortization and accumulate impairment losses, if any. Amortization is calculated @ 18% using the straight line method. Subsequent expenditure on software assets are capitalized only when it increases the future economic benefits in the specifications to which it relates. All other expenditures are expensed as incurred.

IAS 1.119 **2.9 Basis for valuation of Liabilities and Provisions:**

IAS 37.85 **2.9.1 Provision for Tax**

IAS 12.46 a. Current Tax:

Provision for Current Tax is made on the basis of the profit for the period as adjusted for taxation purpose in accordance with the provision of Income Tax Ordinance, 1984 and amendments made thereof.

IAS 12. (47&15) **b. Deferred Tax:**

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

IAS 19.120 **2.9.2 Employees' Benefit Obligation: Defined Contribution Plan:**

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

Defined Benefit Plan:

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

Other benefit program for Employees:

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

IAS 1.119 **2.9.3 Provision for Bad & Doubtful Debts:**

Provision has been made as per provisioning policy of Bangladesh Bank vide FID circular no: 8, dated 3rd August, 2002. Specific provision is made against investment when the recovery is in doubt or it value is considered impaired. In addition, 1% general provision has been made against loans, lease and advances. Provision @ 5% on the outstanding amount of loan is kept in 'Special Mention Account' after netting off the amount of interest suspense leases as per FID circular no: 3, dated 3rd May, 2006.



2.10 Write-off of Loans & advances:

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

IAS 1.119 **2.11 Revenue Recognition:**

2.11.1 Income from Lease Finance:

The lease transactions are accounted for under finance lease in line with IAS -17 as adopted by the Institute of Chartered Accountants of Bangladesh. The aggregate lease receivables including un-guaranteed residual value throughout the lease term are recorded as gross receivables while excess of gross receivables over the total acquisition cost including interest during the period of acquiring the lease equipment constitutes the unearned lease income

2.11.2 Income from Direct Finance:

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

2.11.3 Income from Structured Finance:

Income from structured finance is recognized as and when received.

2.11.4 Income from Treasury Operations:

Incomes from treasury operations are recognized on accrual basis.

2.11.5 Income from Margin Loan:

Income from margin loan is recognized on accrual basis. Such income is calculated considering daily margin loan balance of the respective parties.

2.11.6 Other Operational Income:

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

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

IAS 1.117(b) 2.12 Interest on Bank Loans:

Interest bearing bank loans are recorded at the proceeds received from a particular bank. Interest on bank loan is accounted for on accrual basis in Profit and Loss Account under the head of Financial Expenses at the implicit rate of interest. Generally accrued interest expenses are not added to the carrying amounts of the loans if otherwise mentioned in the sanction advice.



IAS 1.117(b) 2.13 Earnings per Share:

Earnings Per Shares is calculated by dividing the profit or loss attributable to ordinary shares of the IIDFC by the weighted average number of ordinary shares outstanding during the year. IIDFC calculates EPS in accordance with Bangladesh Accounting Standard 33 'Earnings Per Share' which has been shown in the profit and loss and computation is stated in Note no. 38.

Diluted Earnings per share is not required to be calculated for the year as there is no scope for dilution during the year.

IFRS 8.2 **2.14 Presentation of Operating Segments:**

There are no reportable operating segments of IIDFC as on reporting date according to the definition of operating segments of IAS/BAS 14 and IFRS 8.

IAS 37 **2.15 Contingent Assets & Liabilities:**

The Company does not recognize contingent liabilities and contingent assets but disclosed the existence of contingent liabilities and assets in the financial statements. A contingent liability is a probable obligation that arises from past events whose existence will be confirmed by occurrence or non-occurrence of uncertain future events not within the control of the company or a present obligation that is not recognized because outflow of resources is not likely or obligation can not be measured reliably.

IAS 1.65 **2.16 Liquidity Statements:**

The liquidity statement has been prepared in accordance with remaining maturity grouping of Assets and Liabilities as of the close of the reporting period as per following bases:

- Balance with other banks and financial institutions are on the basis of their maturity term.
- Investments are on the basis of their residual maturity term.
- Loans and Advances are on the basis of their repayment /maturity schedule.
- Property, plant and equipments are on the basis of their useful lives.
- Other assets are on the basis of their adjustments terms.
- Borrowings from other banks and financial institutions are on the basis of their maturity/repayment schedule.
- · Deposits and other accounts are on the basis of their maturity terms and past behavioral trends.
- Other liabilities are on the basis of their settlement terms.



IAS 1.114(a) **2.17 Compliance Report on Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS)**

The following Accounting and Reporting Standards are applicable for Industrial and Infrastructure Development Finance Company Ltd. and which are followed in preparing the Financial Statements of the Company:

SI. No.	Name of the BAS	BAS No.	Status
01	Presentation of Financial Statements	01	Applied *
02	Inventories	02	Not Applicable
03	Cash Flow Statements	07	Applied
04	Accounting Policies, Changes in		
	Accounting estimates and Errors	08	Applied
05	Events after the Balance Sheet Date	10	Applied
06	Construction Contract	11	Not Applicable
07	Income Taxes	12	Applied
08	Segment Reporting	14	Applied
09	Property, Plant and Equipment	16	Applied
10	Leases	17	Applied
11	Revenue	18	Applied
12	Employee Benefits	19	Applied
13	Accounting for Government Grants		
	and Disclosure of Government		
	Assistance	20	Not Applicable
14	The Effects of Changes in Foreign		
	Exchange Rates	21	Not Applicable
15	Borrowing Costs	23	Not Applicable
16	Related Party Disclosures	24	Applied
17	Accounting and Reporting by		
	Retirement Benefit Plans	26	Not Applicable
18	Consolidated and Separate		
	Financial Statements	27	Applied
19	Investments in Associates	28	Not Applicable
20	Interest in Joint Ventures	31	Not Applicable
21	Financial Instruments: Presentation	32	Applied
22	Earnings per Share	33	Applied
23	Interim Financial Reporting	34	Not Applicable
24	Impairment of Assets	36	Not Applicable
25	Provision, Contingent Liabilities		
	and Contingent Assets	37	Applied
26	Intangible Assets	38	Applied
27	Financial Instruments: Recognition		
	and Measurement	39	Applied
28	Investment Property	40	Not Applicable
29	Agriculture . ,	41	Not Applicable
	-		

^{*} As the regulatory requirements differ with the standards, relevant disclosures are made in accordance with Bangladesh Bank's requirements.



SI. No.	Name of the BFRS	BFRS No	Status
01	First Time adoption of IFRS	1	Not Applicable
02	Share Based Payment	2	Not Applicable
03	Business Combinations	3	Not Applicable
04	Insurance Contracts	4	Not Applicable
05	Non-current Assets held for sales		
	and discontinued operations	5	Not Applicable
06	Exploration for and Evaluation of		
	Mineral Resources	6	Not Applicable
07	Financial Instruments: Disclosures	7	Applied
08	Operating Segments	8	Not Applicable

2.18 Address of Head Office & Branch Office:

Head office is located at Chamber Building (6th & 7th floor), 122-124 Motijheel Commercial Area, Dhaka-1000 and Chittagong Branch is located at C & F Tower (4th floor), 1222 Sheik Mujib Road, Agrabad Commercial Area, Chittagong.

2.19 BASEL II & its Implementation:

To comply with the international best practices and make up the capital more risks sensitive as well as more shock resilient, guidelines on BASEL Accord for Financial Institutions have been introduced form 1 January, 2011 on test basis by Bangladesh Bank. After that the guidelines will come fully into force from 1 January, 2012 with necessary supplements/revisions. Instructions in respect of Minimum Capital Requirement, Adequate Capital and Disclosures Requirement as stated in the guidelines have to be followed by the all financial institutions for the purpose of statutory compliance.

The Company has already taken initiatives to timely implement of BASEL II accord.



Amount in Taka

Ref.	31-Dec-2011	31-Dec-2010
IAS 7.45 3 Cash:		
IAS 1.77 Cash in hand (Note 3.1)	17,878	33,481
Balance with Bangladesh Bank and its agent Bank(s) (Note 3.2)	94,475,212	307,436,094
Total	94,493,090	307,469,575

IAS 1.77 3.1 Cash in Hand

Cash in hand represents the amount under impress system of petty cash to meet petty cash expenses both for head office as well as branch offices.

IAS 1.77 3.2 Balance with Bangladesh Bank:

Balance with Bangladesh Bank is non-interest bearing and maintained to meet the Cash Reserve Requirement (CRR). Cash Reserve Requirement (note 3.3) and Statutory Liquidity Reserve (note 3.4) have been calculated and maintained in accordance with Financial Regulations 1994 and FID Circular No. 06 dated 6th November, 2003 and FID Circular No. 02 dated 10th November, 2004.

IAS 1.77 3.3 Cash Reserve Requirement (CRR)

Cash Reserve Requirement (CRR) has been calculated at the rate of 2.5% on Total Term Deposits which is preserved in current account maintained with Bangladesh Bank in compliance with FID circular no.6 dated 6th November, 2003 and FID Circular No. 02 dated 10th November, 2004. Total Term Deposits means Term or Fixed Deposits, Security Deposit against Lease/Loan and other Term Deposits received from individuals and institutions (except Banks and Financial Institutions).

Required Reserve	85,646,966	48,800,615
Actual Reserve Held	94,475,212	307,436,094
Surplus / (Deficit)	8,828,246	258,635,479

IAS 1.77 3.4 Cash Reserve Requirement (CRR) and Statutory Liquidity Reserve (SLR)

Statutory Liquidity Reserve (SLR) has been calculated at the rate of 5% of total liabilities, including CRR of 2.5% on Total Term Deposits. SLR is maintained in liquid assets in the form of Cash in hand, balance with Bangladesh Bank, balance with other Banks & Financial Institutions, Investment at call, unencumbered Treasury Bills, Prize Bond, Savings Certificates & any other assets approved by Bangladesh Bank.

Required Reserve	190,490,105	118,369,691
Actual Reserve Held (note-3.4.1)	207,518,037	437,697,986
Surplus / (Deficit)	17,027,932	319,328,296
IAS 1.77 3.4.1 Hold for Statutory Liquidity Reserve (SLR)		
Cash in hand	17,878	33,481
Balance with Bangladesh Bank and its agent Bank(s)	94,475,212	307,436,094
Balance with other Banks and Financial Institutions (3.4.1.1)	113,024,947	130,228,411
	207,518,037	437,697,986
IAS 1.77 3.4.1.1Balance with other Banks and Financial Institutions for SLR		
Social Islami Bank Ltd.	45,715,534	20,000,000
Southeast Bank Ltd.	-	55,781,668
Jamuna Bank ltd.	-	29,995,000
Standard Bank Ltd.	-	10,000,000
Bank Alfalah Ltd.	20,540,000	-
Prime Bank Ltd.	30,805,000	-
First Security Islami Bank Ltd.	15,964,413	14,451,743
Total	113,024,947	130,228,411
IAS 1.77 3.a Consolidated Cash:	17.070	
IIDFCL	17,878	33,481
IIDFC Securities Limited	17,403	
IIDFC Capital Limited	13,927	29,660
Sub-Total	49,208	63,141
Balance with Bangladesh Bank and its agent Bank(s) (Note 3.2)	94,475,212	307,436,094
Total	94,524,420	307,499,235



Amount in Taka

31-Dec-2011

31-Dec-2010

Ref.

IAS 1.77 **4** Balance with other Banks and Financial Institutions in Bangladesh:

Current Accounts: National Credit & Commerce Bank Ltd.

Pubali Bank Ltd.

Shahjalal Islami Bank Ltd.

Social Islami Bank Ltd.

Agrani Bank Ltd.

BRAC Bank Ltd.

Commercial Bank of Ceylon Plc

IFIC Bank Ltd.

Islami Bank Ltd.

Uttara Bank Ltd.

Sub-Total

Short-Term Deposit Accounts:

Southeast Bank Ltd.

United Commercial Bank Ltd.

Bank Asia Ltd.

AB Bank Ltd.

Bank Alfalah Ltd.

The City Bank Ltd.

CitiBank N.A.

Janata Bank Ltd.

Mutual Trust Bank Ltd.

National Bank Ltd. ONE Bank Ltd.

Prime Bank Ltd.

Standard Bank Ltd.

Sonali Bank Ltd.

Sub-Total

Fixed Deposits Receipts (FDR):

National Credit & Commerce Bank Ltd.

Social Islami Bank Ltd.

Commercial Bank of Ceylon Plc

IFIC Bank Ltd.

Southeast Bank Ltd.

United Commercial Bank Ltd.

Bank Alfalah Ltd.

Mutual Trust Bank Ltd.

Prime Bank Ltd.

First Security Islami Bank Ltd.

Standard Bank Ltd.

Shahjalal Islami Bank Ltd. Jamuna Bank Ltd.

Exim Bank Ltd.

Lankabangla Finance Ltd.

BIFC

Sub-Total Grand Total

4.1 Maturity grouping of Balance with other Banks and Financial Institutions:

On demand

Less than 3 months

More than 3 months but less than 1 year

More than 1 year but less than 5 years

Above 5 years

Total

4.a Balance with other Banks and Financial Institutions:

IIDFC Securities Limited (4.a.1)

IIDFC Capital Limited (4.a.2)

Total

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12,437 3,746 4,420,911 14,554 8,045 231,907,905 6,535 24,120 6,347 236,404,603

39,597 4,896 1,776,117 17,430 9,195 156,968 111,776,518 7,610 7,497 113,795,828

71,359,582

194,038,798

280

5,698

96,743

282,853

85,528

59,715

276,688,985

50,000,000

35,898,488

174,115,314

335,597 203,984,408 4,744 96,588 3,217,420 85,408 83,458 6,338 125,102 81,264 10,835,901

82,099 6,338 122,199 99,004 5,285,350 5,164,798

218,918,229

62,001

54,275,000 62,936,798 158,856,875 50,000,000 6,417,682 5,000,000 205,234,880 70,315,672 138,209,594 164,866,007 56,855,847

70,000,000 1,042,968,355 1,498,291,187 155,781,668 5,391,581 172,290,000 52,020,000 99,990,000 170,040,486 61,063,750 50,000,000 29,995,000 5,000,000 50,000,000

1,111,586,287 1,502,071,100

455,322,832 422,968,355 620,000,000

1,498,291,187

1,498,291,187 109,399,698 62,476,824 1,670,167,709

200,209,279 178,860,564 1,123,001,257

1,502,071,100

1,502,071,100 707,492 17,707,418 1,520,486,010



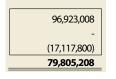
Amount in Taka

IAS 1.77	4.a.1 Bank Balance of IIDFC Securities Limited	31-Dec-2011	31-Dec-2010
IAS 1.77	Southeast Bank Ltd.	272,253	_
	Standard Bank Ltd.	251,751	_
	Bank Asia Ltd.	274,802	707,492
	One Bank Ltd.	103,600,892	-
	Exim Bank Ltd.	5,000,000	-
	Total	109,399,698	707,492
IAS 1.77	4.a.2 Bank Balance of IIDFC Capital Limited		
	One Bank Ltd.	59,602,728	10,676,004
	Southeast Bank Ltd.	2,874,096	7,031,414
	Total	62,476,824	17,707,418
IAS 1.77	5 Money at Call and Short notice:		
	Banking Companies (Note - 5.1)	30,000,000	50,000,000
	Non-Banking Financial Institutions	-	-
	Total	30,000,000	50,000,000
E 1	Money at Call and Short notice from Banking Companies:		
5.1	Jamuna Bank Limited	30,000,000	
	AB Bank Limited	30,000,000	50,000,000
	AD Dalik Littilled	30,000,000	50,000,000
IAS 1.77	6 Investments:		
	A. Government Securities		
	Treasury Bill	-	-
	National Investment Bond	-	-
	Bangladesh Bank Bill	-	-
	Government Notes/Bond	-	-
	Prize bond	-	-
	Others	-	-
	Sub Total	-	-
	B. Other Investments		
	Preference Share (Note 6.1)	70.005.200	06 022 000
	Debenture and Bond	79,805,208	96,923,008
	Other Investments (Note 6.2)	22 017 422	71,222,005
	Gold etc.	33,817,433	/ 1,222,005
	Sub Total	113,622,641	168,145,013
	Julio Iotal	113,022,041	100,145,015
	Total Investments (A+B)	113,622,641	168,145,013

6.1 Preference Share

A term loan of Tk. 114,040,807.81 has been converted into Redeemable Cumulative Preference Shares for which the Issuers (Summit Uttaranchol Power Co. Ltd. and Summit Purbanchol Power Co. Ltd.) had issued 1,141,198 units of preference shares in favor of IIDFC Ltd. Dividend on those preference shares are being paid semi annually on 30th June and 31st December and principal will be repaid through 7 (seven) installments annually on 31st December in each English calendar year. The tenure of redemption of those shares to be expired on 30th September, 2016. The original term loan amount was 100,000,000.00, which was provided at 12 November, 2007.

Opening Balance Add: Addition during the year Less: Redemption during the year







Amount in Taka

Ref.	31-Dec-2011	31-Dec-2010
- Total	0.000	

	31-Dec-2011	31-Dec-2010
Other Investments		
Quoted		
Mercantile Bank Ltd.	197,719	60,628
Mutual Trust Bank Ltd.	15,856	3,900
ONE Bank Ltd.	14,156	1,900
Bank Asia Ltd.	867,789	-
Islami Bank Bangladesh Ltd.	1,753,081	-
Prime Bank Ltd.	66,099	-
Standard Bank Limited	1,068	-
BGIC Ltd.	-	1,563
BSRM Steel Ltd.	-	43,351
BXPHARMA Ltd.	-	887,873
Delta Life Insurance Ltd.	-	173,999
Fareast Islami Life Ins Ltd.	1,463,577	10,089,406
Jamuna Oil Ltd.	-	963,300
Lafarge Cement Ltd.	-	4,888,410
Ocean Container Ltd.	-	1,727,328
Pragati Life Ins. Ltd.	-	9,263,247
Prime Islami Life Ltd.	1,176,312	12,854,315
RAK Ceramics Ltd.	· · -	4,986,182
Rupali Life Ltd.	_	1,329,618
Sandhani life Insurance Ltd.	_	792,098
Titas Gas Ltd.	-	333,722
One Bank Ltd	_	524,529
Power Grid Ltd.	_	711,375
IDLC Finance Ltd.	-	460,000
ICB Second NRB MF	374,999	_
Lanka Bangla	2,886,777	_
Sub Total	8,817,433	50,096,744
Unquoted		
EBL NRB Mutual Fund	5,000,000	5,000,000
MJL BD Ltd.	_	6,125,261
Southeast Bank First Mutual Fund	10,000,000	10,000,000
National Life Insurance Co. First Mutual Fund	10,000,000	_
Sub Total	25,000,000	21,125,261
Total (Quoted and Unquoted)	33,817,433	71,222,005

Market price of Quoted Investments as on 31st December, 2011:

	Cost Price
Mercantile Bank Ltd.	197,719
Mutual Trust Bank Ltd.	15,856
ONE Bank Ltd.	14,156
Standard Bank Limited	1,068
Bank Asia	867,789
Fareast Islami Life Insurance Ltd.	1,463,577
ICB Second NRB MF	374,999
Islami bank	1,753,081
Lankabangla	2,886,777
Prime Bank	66,099
Prime Islami Life	1,176,312
Total	8,817,433

6.3 Maturity grouping of Investments:

On demand Less than 3 months More than 3 months but less than 1 year More than 1 year but less than 5 years Above 5 years Total

-
-
17,117,800
85,589,000
10,915,841
113,622,641

Market Price 418,217 19,886 31,086 888 813,964 1,377,000 282,000 1,798,500 2,723,200 66,750 1,062,500 8,593,991

Prov. R	equired
(220,498)
	(4,030)
	(16,930)
	180
	53,825
	86,577
	92,999
	(45,419)
	163,577
	(651)
	113,812
	223,442

-
56,222,005
17,117,800
83,471,200
11,334,008
168,145,013

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Amount in Taka

6.a Consolidated Investments:

IIDFCL IIDFC Securities Limited (note - 6.a.1)

IIDFC Capital Limited (note - 6.a.2)

Total

Ref.

113,622,641 72,139,073 132,273,258

318,034,972

31-Dec-2011

168,145,013 20,645,486

188,790,499

31-Dec-2010

6.a.1 Investment of IIDFC Securities Limited

Market Price of investments as on 31 December, 2011

Particulars	Cost Price(a)	Market Price(b)	Required Provision
			(b-a)
Bank Asia Ltd	2,793,364	2,683,550	(109,814)
Bangladesh General Insurance Co.(BGIC)	1,500	1,626	126
BRAC Bank Ltd	82,754	77,690	(5,064)
BSRM Steels Ltd	520,027	503,288	(16,739)
Delta Brac Housing Finance Corporation Ltd (DBH)	523,190	503,800	(19,390)
Delta Life Insurance Company Ltd	173,999	369,012	195,013
Fareast Islami Life Insurance Co.Ltd	16,484,035	16,200,810	(283,225)
Green Delta Insurance Company Ltd	156,703	137,160	(19,543)
ICB AMCL Second NRB Mutual Fund	653,335	528,750	(124,585)
Islami Bank Bangladesh Ltd	6,562,939	6,649,000	86,061
Lafarge Surma Cement Ltd	7,057,448	6,357,400	(700,048)
Lanka Bangla Finance Ltd	2,790,428	2,808,300	17,872
Mercantile Bank Ltd.	1,554	1,740	186
MJL Bangladesh Ltd	8,082	8,492	410
Mutual Trust Bank Ltd.	696,650	724,500	27,850
National Bank Ltd	128,522	136,940	8,418
National Credit & Commerce Bank Ltd	518,828	509,200	(9,628)
Ocean Containers Ltd.	4,106	3,690	(416)
One Bank Ltd	465,118	502,281	37,163
Popular Life Insurance Co. Ltd	786,400	740,100	(46,300)
Power Grid Company of Bangladesh Ltd	895,125	756,000	(139,125)
Pragati Insurance Ltd.	293,793	260,040	(33,753)
Pragati Life Insurance Ltd	18,804,286	15,965,486	(2,838,800)
Prime Bank Ltd.	366,575	367,125	550
Prime Islami Life Insurance Ltd	7,315,160	6,623,626	(691,534)
RAK Ceramics (BD) Ltd	4,371	3,841	(530)
Rupali Life Insurance Co. Ltd	275,925	262,950	(12,975)
S. Alam Cold Rolled Steels Ltd	284,237	276,300	(7,937)
Shahjalal Islami Bank Ltd	302,006	279,500	(22,506)
Social Islami Bank Ltd	256,635	262,000	5,365
Singer Bangladesh Ltd	556,357	445,470	(110,887)
Southeast Bank Ltd	89,280	90,300	1,020
Titas Gas Transmission & Distribution Co. Ltd	2,286,341	2,163,200	(123,141)
Total	72,139,073	67,203,167	(4,935,906)



Amount in Taka

31-Dec-2011

31-Dec-2010

8,718,858,107

8,678,263,667

6.a.2 Investment of IIDFC Capital Limited

Market Price of investments as on 31 December, 2011

Particulars	Cost Price(a)	Market Price(b)	Required Provision (b-a)
Aftab Autos Ltd.	4,658,471	3,405,600	(1,252,871)
Al-Arafah Bank Ltd.	909,180	945,000	35,820
Apex Adelchi Footwear Ltd.	3,156,300	2,956,000	(200,300)
Atlas Bangladesh	712,926	666,500	(46,426)
Bay Leasing & Investment Ltd.	10,939,442	8,587,951	(2,351,491)
BEXIMCO Ltd.	7,578,942	5,650,000	(1,928,942)
Beximco Pharmaceuticals Ltd.	1,010,198	936,000	(74,198)
City Bank Ltd.	1,760,915	1,578,000	(182,915)
Confidence Cement Ltd.	3,163,380	2,490,000	(673,380)
Dhaka Electric Supply Company Ltd.	7,908,679	7,093,750	(814,929)
Dhaka Insurance Ltd.	2,587,392	1,908,000	(679,392)
Eastern Bank Ltd.	1,414,824	1,316,000	(98,824)
EBL NRB Mutual Fund	5,000,000	5,250,000	250,000
Fareast Islami Life Insurance Co. Ltd	624,680	534,600	(90,080)
ICB	16,884,508	10,958,625	(5,925,883)
IFIL Islamic Mutual Fund	5,322,444	4,668,300	(654,144)
International Leasing & Financial Serv. Ltd.	11,270,047	7,956,000	(3,314,047)
Islami Bank Ltd.	5,090,162	5,450,000	359,838
Islamic Finance & Investment Ltd.	4,519	3,440	(1,079)
Lafarge Surma Cement Ltd.	3,270,078	2,660,000	(610,078)
Meghna Cement Mills Ltd.	3,940,363	2,792,000	(1,148,363)
Meghna Life Insurance Co. Ltd	5,724,270	5,052,940	(671,330)
M.I. Cement Factory Ltd.	260,921	348,738	87,817
MJL Bangladesh Ltd	4,622,080	4,617,378	(4,702)
Ocean containers Ltd.	5,932	3,690	(2,241)
Popular Life Insurance Co. Ltd.	8,022,221	5,843,090	(2,179,131)
RAK Ceramics (Bangladesh) Ltd.	761	706	(56)
Sandhani Life Insurance	5,553,048	4,137,500	(1,415,548)
Square Pharmaceuticals Ltd	6,239,105	5,571,850	(667,255)
Titas Gas Transmission & Dist. Co. Ltd.	4,467,740	3,819,400	(648,340)
United Leasing	169,732	112,600	(57,132)
Total	132,273,258	107,313,658	(24,959,601)
/ Loans & Advances: Inside Bangladesh:			
Gross Lease Receivables		2,771,831,342	2,755,424,713
Less: Unearned Lease Income		287,022,003	209,793,546
Net Lease Receivables		2,484,809,339	2,545,631,167
Advance for Lease Finance		281,589,886	261,951,279
Direct/Term Finance		5,769,905,162	3,923,024,920
Secured Overdraft		81,139,488	38,514,973
Bills discounted and purchased (note 7.7)		60,819,792	27,040,534
Margin Loan		-	1,922,695,234
Sub Total		8,678,263,667	8,718,858,107
Outside Bangladesh: Gross Lease Receivables			_
Less: Unearned Lease Income		_	-
Net Investment			-
Advance for Lease Finance		-	-
Direct/Term Finance		-	-
Secured Overdraft		-	-
Factoring Finance		-	-
Margin Loan		-	-
Sub Total		-	-

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Total

IAS 1.77 **7**



Amount in Taka

1.65.1.6.1 1.7.1 Maturity grouping of Loans & Advances: On demand Less than 3 months but less than 1 year More than 3 months but less than 1 year More than 1 year but less than 3 years 2.894 1.595 620 1.775 37.795 1.774,973,939 1.795	Ref.			31-Dec-2011	31-Dec-2010
Less than 3 months but less than 1 year	IAS 1.61	7.1 Maturity grouping of Loans & Advances:			
More than 1 year but less than 1 year 2,894,915,331 1,749,973,959 3,866,677,425 1,023,864,171 1,02					
More than 1 year but less than 5 years 2,305,986,892 1,023,864,171 1,0					
Above 5 years 1,755,971,901 8,678,263,667 8,718,858,107 1,023,864,171 1,023,844,171 1,023,844,171 1,023,844,171 1,023,844,171 1,023,844,171 1,023,844,171 1,023,844,171 1,023,844,171 1,023,844,171 1,023,844,171 1,023,844,171 1,023,844,171 1,023,844,171 1,023,844,171 1,023,844,171 1,023,844,171 1,023,844,171 1,023,844,171 1,023,844,17					
FRS 8.20					
FRS 8.20 7.2 Sector/Industry-wise Loans & Advances:		•			
Agricultural Sector		Total		8,678,263,667	8,718,858,107
Agricultural Sector	IFRS 8.20	7.2 Sector/Industry-wise Loans & Advances:	Percentage		
Textiles Garments Garments Jutes & Jute related goods Jute & Jute related goods Food items producer/processing industry Plastic Industries Lather and Lather Goods Iron, Steel and Engineering Chemicals and Pharmaceuticals Cement/Cingker and Allied Industries Service Sector (Hotel, Hospital, Clinic, Tourism, etc.) Paper, Printing and Packaging Telecommunication and IT Industries Service Sector (Hotel, Hospital, Clinic, Tourism, etc.) Paper, Printing and Packaging Telecommunication and IT Industries Shipping and Ship Building Industries Shipping and Ship Shipping S		•		68,920,021	70,033,606
Textiles Garments Garments Jutes & Jute related goods Jute & Jute related goods Food items producer/processing industry Plastic Industries Lather and Lather Goods Iron, Steel and Engineering Chemicals and Pharmaceuticals Cement/Cingker and Allied Industries Service Sector (Hotel, Hospital, Clinic, Tourism, etc.) Paper, Printing and Packaging Telecommunication and IT Industries Service Sector (Hotel, Hospital, Clinic, Tourism, etc.) Paper, Printing and Packaging Telecommunication and IT Industries Shipping and Ship Building Industries Shipping and Ship Shipping S		In directiful Contains			
Same			10.030/	040 440 031	022 665 702
Jutes & Jute related goods Food items producer/processing industry Food items producer/processing industry Plastic Industries 1.59% Plastic Industries 1.59% Lather and Lather Goods Iron, Steel and Engineering 2.29% Cement/Clingker and Allied Industries 8.38% Cement/Clingker and Allied Industries 8.38% Cement/Clingker and Allied Industries 1.69% Service Sector (Hotel, Hospital, Clinic, Tourism, etc.) Paper, Printing and Packaging Telecommunication and IT Industries 1.99% Glass and Geramic Industries 1.99% Glass and Geramic Industries 1.99% Shipping and Ship Building Industries 2.86% Electronics and Electrical Goods 0.59% Shipping and Ship Building Industries 2.86% Electronics and Electrical Goods 0.59% Shipping and Ship Building Industries 1.99% Transport and Communication 1.97% Real Estate and Housing 1.97% Merchant Banking 2.90% Others 2.73,20,001 2.74,728,214,709,222 2.71,728,200,005,66 48,281,557 100,00% 8,678,263,667 8,718,858,107 IFRS 8.20 7.3 Geographical Location-wise Loans & Advances: Inside Bangladesh: Dhaka Division Chittagong Division 1.12% Chasified Standard Special Mention Account (SMA) 5.10,00% Sub Total Industries 100,00% 8,678,263,667 7,763,721,667 3,983,036 3,718,858,107 IAS1,77 7.4 Classified Standard Sub-standard (SS) Doubtful (DF) 8,678,263,667 2,91% 0,55% 0,59% 0,000 0,478,70,000 0,					
Food items producer/processing industry Plastic Industries Lather and Lather Goods Lather and Lather Goods Location Steel and Engineering Chemicals and Pharmaceuticals Chemicals and Pharmaceuticals Cement/Clingker and Alled Industries Service Sector (Hotel, Hospital, Clinic, Tourism, etc.) Paper, Printing and Packaging Telecommunication and IT Industries Glass and Ceramic Industries Glass and Ceramic Industries Shipping and Ship Building Industries Lingbing and Ship Building Industries Power, Gas, Water and Sanitary Transport and Communication Real Estate and Housing Merchant Banking Others Chitagong Division Shipping Shippin					
Plastic Industries					
Lather and Lather Goods Iron, Steel and Engineering 2.92% Iron, Steel and Engineering 2.92% Chemicals and Pharmaceuticals 3.88% Cement/Clingker and Allied Industries Service Sector (Hotel, Hospital, Clinic, Tourism, etc.) Paper, Printing and Packaging Telecommunication and IT Industries Glass and Ceramic Industries Shipping and Ship Building Industries Shipping and Ship Building Industries Shipping and Ship Building Industries Liectronics and Electrical Goods Power, Gas, Water and Sanitary Transport and Communication Telecommunication Total Inside Bangladesh: Dhaka Division Chittagong Division Chittagong Division Shipping and Ship Shipping and Shi					
Iron, Steel and Engineering 2,92% 233,640,091 294,550,816 Chemicals and Pharmaceuticals 8,38% 5,268,10,002 742,936,466 146,640,124 33,225,849 5,277,73,266 146,640,124 33,225,849 18,670,159 243,724,670 243,724,670 243,724,670 243,724,670 243,724,670 243,724,670 243,724,670 243,724,670 243,724,670 243,724,670 243,724,670 243,724,670 243,724,670 243,724,670 243,724,670 243,724,670 243,724,670 243,724,670 243,724,720 243,724					
Chemicals and Pharmaceuticals S.38% Creamt/Clingker and Allied Industries 1.69% 1.69% 1.6640,124 33,222,849 32,228,407 243,724,670 243,724,724,724 243,724,670 243,724,670 243,724,670 243,724,670 243,724,670 243,724,670 243,724,670 243,724,670 243,724,724,724 243,724,670					
Cement/Clingker and Allied Industries 1.69% 146,640,124 33,225,849 243,724,670 253,7201,366 172,799,486 171,920,006 172,799,486 171,920,006 172,799,486 171,920,006 172,799,486 171,920,006 172,799,486 172,799,		, 3			
Service Sector (Hotel, Hospital, Clinic, Tourism, etc.) 1.83% 158,670,159 243,724,670 537,701,366 712,799,486 618s and Ceramic Industries 1.98% 171,920,006 172,799,486 618s and Ceramic Industries 2.86% 23,280,051 94,219,398 158,670,159 23,280,051 94,219,398 158,670,159 23,280,051 94,219,398 158,670,159 179,200,065 172,799,486 172,799,486 172,799,486 172,799,486 172,799,486 172,799,486 172,799,486 172,799,486 172,799,486 172,799,486 172,799,486 172,799,486 172,799,486 172,799,486 172,799,486 172,799,486 172,799,486 172,799,015 170,640,432 182,1557 170,640,432 180,407,777 170,640,432 180,407,777 170,640,432 180,407,777 170,640,432 180,407,777 170,640,432 180,407,777 170,640,432 180,407,777 170,640,432 180,407,777 170,640,432 180,407,777 170,640,432 180,407,777 180,407,407,407 180,407,407 180,407,407 180,407,407 180,407,407 180,407,407 180,407,407 180,407,407 180,407,407 180,407,407 180,407,407 180,407,407 180,407,407 180,407,407 180,407,407 180,407,407 180,407,407 180,407,407 180,407,407,407 180,407,407					
Paper, Printing and Packaging Telecommunication and IT Industries 1,98% 1,198% 1,1920,006 172,799,486 171,920,006 172,99,486 171,990,006 172,99,486 171,990,006 172,99,486 171,990,006 172,99,486 171,990,006 172,99,486 171,990,006 172,99,486 171,990,006 172,99,486 171,990,006 172,99,486 171,990,006 172,99,486 171,990,006 172,99,486 171,990,006 172,99,486 171,990,006 172,99,486 171,990,006 172,99,486 1		3			
Telecommunication and IT Industries 1.98% 171,920,006 172,799,486 Glass and Ceramic Industries 0.27% 5.280,005 94,219,398 5.19ping and Ship Building Industries 2.86% 247,930,151 224,179,304 Electronics and Electrical Goods 0.59% 50,900,456 48,281,557 7.11% 5.0900,456 48,281,557 7.11% 7.11% 7.11% 7.11% 7.10% 7.040,432 585,077,778 7.040,432 5.0900,456 4.08,281,557 7.040,432 5.0900,456 4.08,281,557 7.040,432 5.0900,456 4.08,281,557 7.040,432 5.0900,456 4.08,281,557 7.040,432 5.0900,456 4.08,281,257 7.040,432 5.0900,456 4.08,281,257 7.040,432 5.0900,456 4.08,281,257 7.040,432 5.0900,456 4.08,281,257 7.040,432 5.0900,456 4.08,281,257 7.040,432 5.0900,456 4.08,281,257 7.040,432 5.0900,456 4.08,281,257 7.040,432 5.0900,456 4.08,281,257 7.040,432 5.0900,456 4.08,281,257 7.040,432 5.0900,456 4.08,281,257 7.040,432 5.0900,456 4.0900,456					
Glass and Ceramic Industries 0.27% 23,280,051 94,219,398 Shipping and Ship Building Industries 2.86% 247,930,151 234,179,304 150,000,456 48,281,557 170,000,456 48,281,557 170,000,456 48,281,557 170,000,456 48,281,557 170,000,456 48,281,557 170,000,456 48,281,557 170,000,4032 231,904,912 231,					
Shipping and Ship Building Industries Electronics and Electrical Goods Power, Gas, Water and Sanitary Transport and Communication Real Estate and Housing Merchant Banking Others Total IFRS 8.20 7.3 Geographical Location-wise Loans & Advances: Inside Bangladesh: Dhaka Division Chittagong Division Sub Total IAS1.77 7.4 Classified Standard Standard Standard Standard Standard Standard Sub-standard (SMA) Sub Total IAS1.77 Classified Sub-standard (SS) Doubfful (DF) Bad/Loss (BL) Sub Total Sub Total Sub Total Sub Total Classified Sub-standard (SS) Doubfful (DF) Bad/Loss (BL) Sub Total Sub Total Supposed Sub Total 224,7930,151 50,900,456 50,900,444 48,281,557 50,900,442 48,880,437 384,107,077 48,880,437 384,107,077 48,880,437 384,107,077 48,880,437 384,107,077 384,108,007 38,678,263,667 38,718,858,107 Sub Total Sub T					
Electronics and Electrical Goods					
Power, Gas, Water and Sanitary 7.11% 1.9% 1.97% 1.70,40,432 2.31,904,912 2.31,904,		5			
Transport and Communication Real Estate and Housing Real Estate and Housing Merchant Banking Others Total 7.3 Geographical Location-wise Loans & Advances: Inside Bangladesh: Dhaka Division Chittagong Division Rylhet Division Sub Total Outside Bangladesh Total Outside Bangladesh Total Ducksified Standard Special Mention Account (SMA) Sub Total Ducksified Standard Special Mention Account (SMA) Sub Total Classified Sub-standard (SS) Doubtful (DF) Bad/Loss (BL) Sub Total Total Transport and Communication 1,97% 5,40% 5,40% 468,880,437 48,105 47,104,205,180 47,104,205,180 47,104,205,180 47,104,205,180 47,104,205,180 47,104,205,180 47,104,205,180 47,104,205,180 47,104,205,180 47,104,205,180 47,104,205,180 47,104,205,180 47,104,205,180 47,104,205,180 47,104,205,180 47,104,205,180 47,104					
Real Estate and Housing S.40% Merchant Banking 2.90% 25.24% 25.24% 25.24% 3124,638,263 3.124					
Merchant Banking Others		•			
Others 25.24% 2,190,540,342 3,124,638,262 8,718,858,107		<u> </u>			
Total 100.00% 8,678,263,667 8,718,858,107 FRS 8.20 7.3 Geographical Location-wise Loans & Advances:		3			, ,
Inside Bangladesh:					
Dhaka Division	IFRS 8.20	7.3 Geographical Location-wise Loans & Advances:			
Dhaka Division		Incido Rangladoch			
Chittagong Division Rajshahi Division Sylhet Division Sub Total Outside Bangladesh Total IAS1.77 7.4 Classification of Loans & Advances as per Bangladesh Bank circular: Unclassified Standard Special Mention Account (SMA) Sub Total Sub Total Sub-standard (SS) Doubtful (DF) Bad/Loss (BL) Sub Total Chittagong Division 15.35% 1.12% 97,330,663 139,169,385 143,398,036 119,2796,000 8,678,263,667 97,330,663 139,169,385 143,398,036 1211,153,008 8,718,858,107 1.186,653,578 97,330,663 139,169,385 143,398,036 119,2796,000 8,678,263,667 8,718,858,107 7,913,664,107 369,867,000 8,283,531,107 252,152,000 47,870,000 124,576,000 80,798,000 95,965,000 435,327,000 435,327,000			80.43%	6 980 302 944	7 104 205 180
Rajshahi Division Sylhet Division Sylhet Division Sylhet Division Sub Total Outside Bangladesh Total 100.00% Rajshahi Division Sub Total Outside Bangladesh Total 100.00% Rajshahi Division Sub Total 100.00% 100.00% Rajshahi Tajsha Majsha Sub Total 100.00% 100.00% Rajshahi Division Sub Total 100.00% 100.00% Rajshahi Tajsha Majsha Sub Totaloga Sajsha Sub Totaloga Saj					
Sylhet Division 1.60% 139,169,385 129,706,000 211,153,008 211,153,008 129,706,000 8,678,263,667 8,718,858,107		5 5			
Khulna Division 1.49% 129,706,000 211,153,008 Sub Total 100.00% 8,678,263,667 8,718,858,107 Outside Bangladesh Total 100.00% 8,678,263,667 8,718,858,107 IAS1.77 7.4 Classification of Loans & Advances as per Bangladesh Bank circular: Unclassified Standard 84.85% 7,363,721,667 889,944,000 369,867,000 369,867,000 369,867,000 8,283,531,107 Classified Sub-standard (SS) 2.91% 252,152,000 8,0798,000 80,798,000 80,798,000 80,798,000 80,798,000 95,965,000 95,965,000 435,327,000					
Sub Total 100.00% 8,678,263,667 8,718,858,107 Outside Bangladesh Total 100.00% 8,678,263,667 8,718,858,107 IAS1.77 7.4 Classified Standard 84.85% 7,363,721,667 889,944,000 369,867,000 369,867,000 8,283,531,107 Classified Sub-standard (SS) 2.91% 252,152,000 4,870,000 80,798,000 80,798,000 95,965,000 95,965,000 48,787,000 80,798,000 95,965,000 435,327,000		•			
Total 100.00% 8,678,263,667 8,718,858,107 7.4 Classified Standard 84.85% Special Mention Account (SMA) 10.25% Sub Total 95.11% Classified Sub-standard (SS) Doubtful (DF) Bad/Loss (BL) Sub Total 1.44% Sub Total 4.89% 100.00% 8,678,263,667 8,718,858,107 7,913,664,107 369,867,000 8,253,665,667 252,152,000 47,870,000 124,576,000 435,327,000					
Total 100.00% 8,678,263,667 8,718,858,107 7.4 Classified Standard 84.85% Special Mention Account (SMA) 10.25% Sub Total 95.11% Classified Sub-standard (SS) Doubtful (DF) Bad/Loss (BL) Sub Total 1.44% Sub Total 4.89% 100.00% 8,678,263,667 8,718,858,107 7,913,664,107 369,867,000 8,253,665,667 252,152,000 47,870,000 124,576,000 435,327,000					
AS1.77 T.4 Classification of Loans & Advances as per Bangladesh Bank circular: Unclassified Standard Standard Special Mention Account (SMA) Sub Total Sub-standard (SS)			100 00%	8 678 263 667	8 718 858 107
Unclassified Standard 84.85% 7,363,721,667 889,944,000 369,867,000 369,867,000 369,867,000 8,283,531,107 8,283,531,107 8,283,531,107 252,152,000 47,870,000 80,798,000 80,798,000 80,798,000 95,965,000 80,798,000 95,965,000 435,327,000		iotai		6,078,203,007	6,716,636,107
Standard 84.85% 7,363,721,667 7,913,664,107 Special Mention Account (SMA) 95.11% 889,944,000 369,867,000 Sub Total 95.11% 8,253,665,667 8,283,531,107 Classified 2.91% 252,152,000 258,564,000 80,798,000 80,798,000 80,798,000 80,798,000 95,965,000 95,965,000 435,327,000	IAS1.77	7.4 Classification of Loans & Advances as per Banglado	esh Bank circular:		
Special Mention Account (SMA) 10.25% 889,944,000 369,867,000 Sub Total 95.11% 8,253,665,667 8,283,531,107 Classified 2.91% 2.91% 2.52,152,000 258,564,000 80,798,000 80,798,000 80,798,000 80,798,000 95,965,000 95,965,000 435,327,000 435,327,000		<u>Unclassified</u>			
Sub Total 95.11% 8,253,665,667 8,283,531,107 Classified Sub-standard (SS) 2.91% 252,152,000 258,564,000 80,798,000 80,798,000 80,798,000 80,798,000 80,798,000 95,965,000 95,965,000 95,965,000 435,327,00		Standard	84.85%	7,363,721,667	7,913,664,107
Classified Sub-standard (SS) 2.91% Doubtful (DF) 0.55% Bad/Loss (BL) 1.44% Sub Total 4.89% 252,152,000 258,564,000 80,798,000 95,965,000 424,598,000 435,327,000		Special Mention Account (SMA)	10.25%	889,944,000	369,867,000
Sub-standard (SS) 2.91% Doubtful (DF) 0.55% Bad/Loss (BL) 1.44% Sub Total 4.89% 2.91% 252,152,000 47,870,000 80,798,000 95,965,000 95,965,000 435,327,000		Sub Total	95.11%	8,253,665,667	8,283,531,107
Sub-standard (SS) 2.91% Doubtful (DF) 0.55% Bad/Loss (BL) 1.44% Sub Total 4.89% 2.91% 252,152,000 47,870,000 80,798,000 95,965,000 95,965,000 435,327,000		Classified			
Doubtful (DF) 0.55% 47,870,000 80,798,000 95,965,000 Sub Total 4.89% 424,598,000 435,327,000			2.91%	252,152,000	258,564,000
Bad/Loss (BL) Sub Total 1.44% 4.89% 124,576,000 435,327,000 435,327,000					
Sub Total 4.89% 424,598,000 435,327,000					
Total 100.00% 8,678,263,667 8,718,858,107					
		Total	100.00%	8,678,263,667	8,718.858.107
				0,0.0,203,007	0,7 10,000,107



Amount in Taka

<u>Ref.</u> 31-Dec-2011 31-Dec-2010

7.5 Details of Large Loans & Advances:

As per DFIM circular No.-10, dated 5 September, 2011, Outstanding amount exceeding 15% of total capital of the company is treated as Large Loans & Advances. Total capital of the company was Tk 1,247,818,053.00 as on 31 December, 2011 where as Tk 1,079,769,072.00 as on 31 December, 2010.

	Number of clients	2	3
	Outstanding Amount	78,616,717	99,863,950
	Classified Amount	_	_
	Measures taken for recovery	_	
	measures taken for recovery		
IAS 1.77	7.6 Particulars of Loans & Advances:		
1713 1177	Loans & Advances considered good in respect of which the company is fully secured	4,267,944,510	4,796,617,187
	1. Loans & Advances considered good in respect of which the company is fully secured	4,207,944,310	4,790,017,107
	2. Loans & Advances considered good against which the company holds no security		
		2 240 760 475	2 007 066 107
	others than the debtor's personal guarantee	2,349,768,475	2,897,866,107
	3. Loans & Advances considered good secured by the personal undertaking of one or		
		400 630 659	0.42.020.600
	more parties in addition to the personal guarantee of the debtors	490,639,658	843,038,688
	4. Loans & Advances adversely classified for which provision has not been maintained		
	4. Loans & Advances adversely classified for which provision has not been maintained		
	5. Loans & Advances due by the directors or officers of the company or any of them		
	either separately or jointly with any other persons		
	etitlet separately of jointly with any other persons		
6.	Loans & Advances due from companies of firms in which the directors of the company		
0.	·		
	have interest as directors, partners or managing agent or in case of private companies		
	as members	1,569,911,025	181,336,125
7.	Maximum total amount of loan & Advances including temporary Loans & Advances		
	made at any time during the year to directors of managersor officers of the company		
	or any of them either separately or jointly with any other person	-	-
8.	Maximum total amount of Loans & Advances including temporary Loans &		
	Advances granted during the year to the companies of firms in which the directors		
	of the company have interest as directors, partners of managing agents or in the		
	case of private companies, as members	-	-
9.	Due from banking companies	-	-
10.	Amount of classified Loans & Advances on which interest has not been		
	charged as follows:		
	a. (Decrease)/ Increase in provision	(19,852,813)	75,650,044
	b. Amount of Loans & Advances written off	18,120,222	39,073,975
	c. Amount of collection against written of Loans & Advances	· · ·	· · ·
	d. Interest credited to Interest Suspense Account	42,933,390	6,995,984
	a. The less desired to interest suspense recount	12,755,570	0,773,704
11.	Loans & Advances written off:		
	a. Current year	18,120,222	39,073,975
	b. Cumulative to date	70,224,237	52,104,015
	c. Amount of written off loans for which law suits have been filed	70,224,237	52,104,015
	eramount of wheth of found for which law said have been med	7 0,22 1,237	32,101,013
IFRS 7.8©	7.7 Bills Discounted and Purchased:		
	Inside Bangladesh	60,819,792	27,040,534
	Outside Bangladesh		
	Total	60,819,792	27,040,534
IAS 1.61	7.8 Maturity grouping of Bills Discounted and Purchased:		
	Within 1 month	13,441,116	5,975,932
	Over 1 month but within 3 months	8,925,110	3,968,112
	Over 3 months but within 6 months	32,798,769	14,582,362
	Over 6 months	5,654,797	2,514,128
	Total	60,819,792	27,040,534
			27,040,334

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Ref.				31-Dec-2011	31-Dec-2010
	7.a	Consolidated Loans & Advances:			
		IIDFCL		8,678,263,667	8,718,858,107
		IIDFC Securities Limited (7.a.1)		2,024,483,285	
		IIDFC Capital Limited (7.a.2)		644,687,199	617,333,269
		Land Inter Communication (Advances		11,347,434,151	9,336,191,376
		Less: Inter Company Loans & Advances IIDFC Securities Limited	1,304,522,013		
		IIDFC Securities Limited IIDFC Capital Limited	250,000,000	1,554,522,013	
		iibi e capitai Liilited	230,000,000	1,554,522,015	_
		Total		9,792,912,138	9,336,191,376
	7.a.1	Loans & Advance of IIDFC Securities Limited			
		Margin Loan		2,024,483,285	-
	7.a.2	Loans & Advance of IIDFC Capital Limited		644 607 100	
		Margin Loan		644,687,199	617,333,269
IAC 16 21		Draw auto Blant & Francisco aut (Dataile in Annaurum)	1)-		
IAS 16.31	8	Property, Plant & Equipment (Details in Annexure- Own Finance:):		
		A. Cost			
		Motor Vehicles		19,180,295	14,881,279
		Furniture & Fixtures		11,102,297	10,733,337
		Office Equipments		28,411,422	48,519,694
		Computer Softwares		2,224,026	3,930,220
		·			
		Total		60,918,040	78,064,530
	В.	Less: Accumulated depreciation			
		Motor Vehicles		10,320,262	11,255,369
		Furniture & Fixtures		2,924,046	2,395,616
		Office Equipments		11,402,546	14,931,251
		Computer Softwares		1,076,900	1,085,981
		Total		25,723,754	29,668,217
		lotai		25,725,754	25,000,217
	c.	Written down value at the end of the year (A-B)		35,194,286	48,396,313
		Lease Finance:			
		D. Cost			
		Furniture & Fixtures		-	-
		Office Equipments		-	-
		Computer Softwares Motor Vehicles		-	-
		Motor venicles		-	-
		Total		_	_
		iotai			
	E.	Less: Accumulated depreciation			
		Furniture & Fixtures		-	-
		Office Equipments		-	-
		Computer Softwares		-	-
		Motor Vehicles		-	-
		Total		-	-
	F.	Written down value at the end of the year (D-E)			
	G.	Total Property, Plant & Equipment (C+F)		35,194,286	48,396,313
	8.a	Consolidated Property, Plant & Equipment (Details	in Annexure-1.a):		
		UDECL		25.12.122.1	40.004.045
		IIDFCL		35,194,286	48,396,313
		IIDFC Securities Limited (8.a.1)		30,086,732	- 200.761
		IIDFC Capital Limited (8.a.2)		9,596,155	6,300,764
		Total		74,877,173	54,697,077
				77,077,173	



Amount	in Taka
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	MARKE	Amount	III Taka
Ref.		31-Dec-2011	31-Dec-2010
	Property, Plant & Equipment of IIDFC Securities Limited	31 Dec 2011	31 Dec 2010
O.u.	A. Cost		
	Motor Vehicles	-	-
	Furniture & Fixtures	17,601,706	_
	Office Equipments	15,809,685	-
	Computer Softwares	1,562,506	_
	Total	34,973,897	
	B. Less: Accumulated depreciation		
	Motor Vehicles	-	-
	Furniture & Fixtures	1,760,171	-
	Office Equipments	2,845,743	-
	Computer Softwares	281,251	_
	Total	4,887,165	
C.	Written down value at the end of the year (A-B)	30,086,732	
	, , ,		
8.a.2	Property, Plant & Equipment of IIDFC Capital Limited		
	A. Cost		
	Motor Vehicles	3,496,527	3,082,427
	Furniture & Fixtures	4,103,271	1,415,771
	Office Equipments	4,880,627	3,928,691
	Computer Softwares	1,500,000	-
	Total	13,980,425	8,426,889
В.	Less: Accumulated depreciation		
	Motor Vehicles .	1,932,279	1,232,973
	Furniture & Fixtures	551,905	141,578
	Office Equipments	1,630,086	751,574
	Computer Softwares	270,000	-
	Total	4,384,270	2,126,125
c.	Written down value at the end of the year (A-B)	9,596,155	6,300,764
IAS 1.77 9	Other Assets:		
	Investment in shares of subsidiary companies:		
	In Bangladesh	365,800,000	300,000,000
	Outside Bangladesh	-	-
	Membership of Dhaka Stock Exchange Ltd.	_	153,119,000
	Stationery, stamps, printing materials etc.	-	, , <u>-</u>
	Advance rent and advertisement	237,380	4,949,220
	Interest accrued on investment but not collected, commission on shares and		
	debentures and other income receivables	9,005,461	23,011,140
	Security deposits	48,200	613,020
	Preliminary, formation and organization expenses, renovation/development and		
	prepaid expenses	1,119,147	1,029,858
	Branch adjustment	-	-
	Suspense account	-	-
	Balance with BO Account	8,546	
	Others (Note 9.1)	1,288,644,093	491,488,568
	Total	1,664,862,827	974,210,806
IAS 1.78(b)	9.1 Others:		
	Advance to Office Staff	-	154,400
	Deferred Receivables	50,206,306	28,130,368
	Advance for Syndication purposes	467,130	33,214
	Advance for Generator	1,002,600	1,002,600
	Advance for Rupali Bank	125,000	125,000
	Advance for Suppliers	13,621,921	19,407,622
	Advance for Traveling	15,000	608,715
	Advance Tax	322,606,740	279,096,162
	Expenses Receivables	8,540	8,540
	Commission on Bank Guarantee	493,668	582,205
	Advance interest paid	230,860,679	19,837,136
	Accounts Receivable for Treasury	-	-
	Receivables from IIDFC Capital Ltd.	2,474,063	33,467,490
	Receivables from IIDFC Securities Ltd.	666,762,446	-
	Receivables from other Merchant Banks	-	67,378
	Receivables from CDBL	-	2,350,797
	Receivables from DSE	-	106,616,941
	Total	1,288,644,093	491,488,568



IFRS 7.7

Total

Amount in Taka

		Amount in Taka		
_	c Planet A	31-Dec-2011	31-Dec-2010	
9.a	Consolidated Other Assets:	1.664.062.027	074 240 006	
	IIDFCL	1,664,862,827	974,210,806	
	IIDFC Securities Limited (note-9.a.1)	191,205,630	100,068,738	
	IIDFC Capital Limited (note-9.a.2)	80,962,257	294,112,422	
	Less: Inter Company assets	1,937,030,714	1,368,391,966	
	IIDFC Securities Limited 766,752,446			
	IIDFC Capital Limited 269,594,848	1,036,347,294	428,686,481	
	Total	900,683,420	939,705,485	
9.a.1	Other Assets of IIDFC Securities Limited			
	Membership of Dhaka Stock Exchange Ltd (DSE)	153,119,000	-	
	Advance rent	3,557,920	-	
	Stamp in hand	25,840	-	
	Security deposits	584,320	-	
	Accrued interest on FDR	1,265,000	-	
	Others	32,653,550	100,068,738	
	Total	191,205,630	100,068,738	
9.a.2	Other Assets of IIDFC Capital Limited			
	License fee	30,196,209	30,196,209	
	Receivable from brokerage houses	7,982,737	225,573,251	
	Security deposits	200,000	200,000	
	Preliminary, pre-operating expenses and renovation/development	838,098	1,676,196	
	Interest Receivable	-	2,703,125	
	Deferred tax	41.745.212	22.762.641	
	Others	41,745,213	33,763,641	
	Total	80,962,257	294,112,422	
10	Borrowings from other Banks, Financial Institutions & Agent:			
10	Inside Bangladesh:			
	Refinance against SME loan from Bangladesh Bank	601,214,377	619,584,100	
	From other Scheduled Banks (note - 10.1)	4,830,437,600	4,873,396,409	
	Sub Total	5,431,651,977	5,492,980,509	
	Outside Bangladesh Total	<u> </u>	5,492,980,509	
	iotai		3,492,980,309	
10.1	From other Scheduled Banks & Financial Institutions:			
	Exim Bank Ltd.	261 761 070	220 427 010	
	Dhaka Bank Ltd. Prime Bank Ltd.	361,761,978	220,437,810	
		517,178,597	351,921,196	
	Bank Asia Ltd.	50,776,960	83,333,332	
	Trust Bank Ltd.	174,321,050	358,479,779	
	Uttara Bank Ltd.	427,301,465	342,447,798	
	Mercantile Bank Ltd.	52,040,958	70,000,000	
	Basic Bank Ltd.	155,879,863	238,460,395	
	Shahjalal Islami Bank Ltd.	167,056,736	80,657,863	
	Janata Bank Ltd.	52 205 511	122 220 000	
	Brac Bank Ltd	53,395,511	122,239,860	
	Pubali Bank Ltd	213,134,023	285,000,000	
	Bank Alfalah Itd	213,555,278	203,400,217	
	National Bank Ltd		80,176,084	
	National Credit and Commerce Bank Ltd.	138,370,515	89,764,560	
	United Commercial Bank Ltd	252,223,908	96,357,775	
	Jamuna Bank Ltd.	100 6 11 11	53,233,957	
	Commercial Bank of Ceylon Plc	420,946,099	352,882,384	
	Mutual Trust Bank Ltd.	308,926,682	372,076,522	
	IFIC Bank Ltd.	572,546,245	629,510,701	
	Premier Bank Ltd.	200,000,000	129,948,073	
	Social Islami Bank Ltd.	96,782,927	118,867,008	
	Dutch Bangla Bank Ltd.	142,213,770	200,000,000	
	First Security Islami Bank Ltd.	104,271,203	44,702,306	
	Southeast Bank Ltd.	-	101,253,477	
	Standard Bank Ltd.	207,753,832	184,706,751	
	Bangladesh Commerce Bank Ltd.	-	63,538,561	
	Total	4.830.437.600	4.873.396.409	

4,873,396,409

4,830,437,600



Amount in Taka

4,244,706,747

3,630,489,472

	10 5 E.E.		Amount in	1 гака
Ref.	Security against borrowings from other bar	nks. financial institutions and	31-Dec-2011	31-Dec-2010
	agents:	ins), intericted institutions and		
	Secured Unsecured		4,941,651,977 490,000,000	5,492,980,509
	Total		5,431,651,977	5,492,980,509
	Maturity grouping of borrowings from other and agents: Payable on demand	er banks, financial institutions		
	Up to 1 month Over 1 month but within 6 months Over 6 months but within 1 year Over 1 year but within 5 years Over 5 years		756,782,381 1,314,807,435 799,093,102 1,696,513,241 864,455,818	67,544,471 523,648,492 843,860,774 3,875,727,958 182,198,814
	Total		5,431,651,977	5,492,980,509
10.a	Consolidated Borrowings from other Banks Inside Bangladesh:	, Financial Institutions & Agent:		
	IIDFCL		5,431,651,977	5,492,980,509
	IIDFC Securities Limited (note - 10.a.1)		1,356,087,365	-
	IIDFC Capital Limited (note - 10.a.2)		478,435,082	380,000,000
	Loss Inter Company Perrousings		7,266,174,424	5,872,980,509
	Less: Inter Company Borrowings IIDFC Securities Limited	1,304,522,013		
	IIDFC Capital Limited	250,000,000	1,554,522,013	180,000,000
	Total		5,711,652,411	5,692,980,509
10.a.	1Borrowings of IIDFC Securities Limited Inside Bangladesh:			
	IIDFC Ltd		1,304,522,013	-
	Phoenix Finance & Investments Ltd		20,000,000	-
	One Bank Ltd		31,565,352	-
	Total		1,356,087,365	
10.a.	2 Borrowings of IIDFC Capital Limited			
	Bangladesh Commerce Bank Limited		39,877,893	-
	IIDFC Limited		250,000,000	180,000,000
	Standard Bank Ltd		188,557,189	200,000,000
	Total		478,435,082	380,000,000
IFRS 7.7 11	Deposits & other Accounts:			
	Deposits from Banks		755,825,389	1,082,800,000
	Deposits from Customers		3,468,989,282	2,314,803,896
	Sub Total Other Deposit		4,224,814,671 14,856,808	3,397,603,896 16,813,920
	Total		4,239,671,479	3,414,417,816
IAS 1.61	Maturity grouping of Deposits & other Acco	nunte.		
17.5 1.01	Payable on demand	, units.	-	-
	Up to 1 month		468,514,494	105,184,263
	Over 1 month but within 6 months		1,562,276,793	910,721,302
	Over 6 months but within 1 year		984,720,432	353,748,979
	Over 1 year but within 5 years		705,381,583	1,248,560,185
	Over 5 years but within 10 years Over 10 years		518,778,177	796,203,087
11.a	Total Consolidated Deposits & other Accounts:		4,239,671,479	3,414,417,816
	IIDFCL IIDFC Securities Limited		4,224,814,671	3,397,603,896
	IIDFC Capital Limited (note-11.a.1)		5,035,268	216,071,656
	Sub Total		4,229,849,939	3,613,675,552
	Other Deposit		14,856,808	16,813,920

Total



Amount in Taka	a
----------------	---

	Amount in taka			Iana
Ref.			31-Dec-2011	31-Dec-2010
	a.1 Deposits & other Accounts of IIDFC Ca	pital Limited	3. 500 20.1	5. 500 20.0
	Deposits from Banks	F	-	-
	Deposits from Customers		5,035,268	216,071,656
	Total		5,035,268	216,071,656
IAS 1.77 12				
	Finance Loss Reserve (Note 12.1)		260,576,775	280,429,588
	Deferred Tax		41,015,079	41,015,079
	Interest Suspense Account (Note 12.2)		132,877,065	89,943,675
	Lease Rental Advance		59,355,658	63,695,235
	Provision for Current Tax (Note 37)		219,447,000	185,908,313
	Liabilities for Financial Expenses		325,637,906	162,290,645
	Liabilities for Expenses Liabilities for other Finance		2,730,078	18,327,214
	Lease Rental Part		133,985,174	525,673,236 84,944,452
	Payable to IIDFC Securities Ltd.		-	95,418,989
	Reserve for Risk Fund		_	138,806
	Liability to outside trading houses		_	222,626,621
	Obligation under Finance Lease		20,234,476	11,571,664
	Total		1,195,859,211	1,781,983,517
IAS 37.84 12	.1 Finance Loss Reserve:			
	Movement of Specific provision on cla	ssified Loans & Advances:		
	Opening Balance (Adjusted for Brokera	ge House)	163,184,813	92,499,341
	Less: Provision fully provided loans & ad	vances written-off during the year	(18,120,222)	(39,073,975)
	Add: Recoveries from previously written		-	-
	Add: Specific provision provided during		10,246,515	101,103,570
	Less: Recoveries & Provision no longer re		18,120,222	39,073,975
	Add: Net charge to Profit and Loss Accou	ınt		
	Closing Balance		173,431,328	193,602,911
	Mayamant of Canaval provision on un	salassified Laans O. Advantass.		
	Movement of General provision on un Opening Balance (Adjusted for Brokera		78,790,868	73,206,227
	Add: General provision provided during		8,354,578	13,620,450
	Closing Balance	the year	87,145,446	86,826,677
	Total		260,576,775	280,429,588
	Particulars of required provision for L	oans and Advances:		
	Status of Classification	Base for provision Rate		
	Unclassified (General Provision):			
	Standard	7,363,721,667 1.0%	73,637,217	79,136,641
	Special Mention Account (SMA)	840,795,000 5.0%	42,039,750	17,457,250
	Total	8,204,516,667	115,676,967	96,593,891
	Classified (Specific Provision):			,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
	Sub-standard (SS)	144,515,000 20.0%	28,903,000	34,556,400
	Doubtful (DF)	23,934,000 50.0%	11,967,000	32,122,500
	Bad/Loss (BL)	91,918,000 100.0%	91,918,000	81,611,000
	Total	260,367,000	132,788,000	148,289,900
	Total Provision required		248,464,967	244,883,791
	Total Provision made		260,576,775	280,429,588
	Excess Provision made		12,111,808	35,545,797
IAS 37 84 17	.2 Interest Suspense Account:			
13 37,10 1 12	Opening Balance		89,943,675	82,947,691
	Add: Amount transferred to interest susp	pense account during the year	569,508,791	345,406,664
	Less: Amount recovered from interest su		522,997,787	329,510,302
	Less: Amount written-off during the yea		3,577,614	8,900,378
	Closing Balance		132,877,065	89,943,675
	-			



Amount in Taka

328,780,000

3,287,800

100.00%

	W. C. C. C.			
Ref.			31-Dec-2011	31-Dec-2010
	12.a Other Liabilities:			
	IIDFCL		1,195,859,211	1,781,983,517
	IIDFC Securities Limited (Note - 12.a.1)		905,916,665	341,267
	IIDFC Capital Limited (Note - 12.a.2)		177,567,001	105,515,363
	1. 1. 6. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1.		-	-
	Less: Inter Company liabilities	660,000,000	-	-
	IIDFC Securities Limited	668,093,322	670 567 305	54 442 524
	IIDFC Capital Limited	2,474,063	670,567,385	51,113,521
	Total		1,608,775,492	1,938,953,668
12.a.1	Other Liabilities of IIDFC Securities Limited			
12.4.1	Provision for loans & advances-margin loan		E0 3E7 E10	
	Provision for current tax		59,357,510 28,443,271	295,267
	Provision for deferred tax		666,138	293,207
	Payable to clients		55,898,763	
	Payable to Cheffs Payable to Southeast Bank Capital Services Ltd		5,871,789	_
	Payable to DSE		16,046,824	
	Interest suspense account		61,264,875	_
	Liability for expenses		5,121,600	46,000
	Reserve for risk fund		216,667	
	Provision for diminution in value of investments		4,935,906	_
	Intercompany current account		668,093,322	_
	Total		905,916,665	341,267
12.a.2	Other Liabilities of IIDFC Capital Limited			
	Finance Loss Reserve		29,703,219	6,173,333
	Deferred Tax		47,557	29,466
	Interest Suspense Account		50,424,921	-
	Provision for diminution in value of investment		25,693,076	-
	Current Tax		35,390,634	34,770,534
	Liabilities for Expenses		33,751,863	5,216,927
	Payable to IIDFC Limited		2,474,063	33,467,490
	Payable to broker		81,668	25,857,613
	Total		177,567,001	105,515,363
IAS 1.79	13 Share Capital:			
IAS 1./9(a)(i) Authorized Capital			
IAC 1 70/-	(10,000,000 shares of Tk. 100 each)		1,000,000,000	1,000,000,000
IAS 1./9(a)(ii) Subscribed & Paid up Capital:		338 788 888	220 700 000
	(3,287,800 shares of Tk. 100 each, fully paid up)		328,780,000	328,780,000
IAC 1 70/2)(ii) Paid up share capital as on 31 December, 2011 compris	ras tha fallowings		
1A3 1.7 3(a	Public Sector:	ses the followings.		
	Name of Shareholders	No. of Shares	Value	Percentage
	Sonali Bank Limited	227,700	22,770,000	6.93%
	Janata Bank Limited	227,700	22,770,000	6.93%
	Investment Corporation of Bangladesh	227,700	22,770,000	6.93%
	, ,	683,100	68,310,000	20.78%
	Private Sector:			
	AB Bank Ltd.	227,700	22,770,000	6.93%
	Bank Asia Ltd.	227,700	22,770,000	6.93%
	BRAC Bank Ltd.	227,700	22,770,000	6.93%
	City Bank Ltd.	227,700	22,770,000	6.93%
	Mutual Trust Bank Ltd.	227,700	22,770,000	6.93%
	National Bank Ltd.	227,700	22,770,000	6.93%
	ONE Bank Ltd.	227,700	22,770,000	6.93%
	Southeast Bank Ltd.	227,700	22,770,000	6.93%
	Eastland Insurance Co. Ltd.	227,700	22,770,000	6.93%
	National Life Insurance Co. Ltd.	227,700	22,770,000	6.93%
	Pragati Insurance Ltd.	227,700	22,770,000	6.93%
	Mr. Md. Matiul Islam	100,000	10,000,000	3.04%
		2,604,700	260,470,000	79.22%

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Ref. IAS 1.135(d)

13.1 Capital Adequacy

The company is subject to the regulatory capital requirement as stipulated in DFIM circular no. 05 dated 24 July, 2011 of Bangladesh Bank. The capital requirement for Non- banking financial institution is neither ratio-based nor risk based. The regulatory authority requires a Non- banking Financial Institutions to have minimum paid up capital of Tk 1,000.00 million.

Paid up Capital

Stock Dividend (Bonus Share) for the year 2008, 2009 & 2010

Right Issue (Share money Deposit) **Total Capital Maintained**Required Capital

Excess/(Shortage) Capital

328,780,000
295,902,000
624,682,000
149,383,600
774,065,600
1,000,000,000
(225,934,400)

31 Dec-2011

328,780,000	
131,512,000	
460,292,000	
-	
460,292,000	
500,000,000	
(39,708,000)	

31 Dec-2010

13.2 In compliance with DFIM circular No. 09 dated 04 November, 2009 and to meet minimum capital requirement of Basel accord the Board of Directors in its 127th meeting held on 03 January, 2011 approved Right Shares amounting to Tk 149.39 million to increase the paid up capital up to Tk 609.68 million.

Since a lawsuit is carrying on in the High Court division of the Honorable Supreme Court regarding transfer of share, The SEC declined to approve the offer of right issue. So the amount is shown under the head share money deposit.

IAS1.135(d) 13.3 Capital Adequacy as per Basel Accord

1. Tier-1 (Core Capital)

B C As per Pillar-1: Minimum Capital Requirement for Financial Institution of Basel Accord for Financial Institution (BAFI), A Financial Institution should maintain Capital Adequacy Ratio (CAR) of minimum 10%.

1. Hel-1 (Core Capital)	Taka	Taka
Fully Paid-up Capital/Capital lien with BB	774,065,600	laka
		-
Statutory Reserve	205,700,000	-
Non-repayable Share premium account		-
General Reserve	44,000,000	-
Retained Earnings	223,779,431	-
Minority interest in subsidiaries	-	-
Non-Cumulative irredeemable Preference Shares	-	-
Dividend Equalization Account	_	_
Other (if any item approved by Bangladesh Bank)	_	
Sub-total	1,247,545,031	
Jub-total	1,247,343,031	
Deductions from Tier-1(Core Capital)		
Book value of goodwill and any value of any contingent assets which are shown as assets	_	_
Shortfall in provisions required against classified assets	_	_
Shortfall in provisions required against classified assets Shortfall in provisions required against investment in share		
	-	-
Remaining deficit on account of revaluation of investments	-	-
in securities after netting off any other surplus on the securities	-	-
Any investment exceeding the approved limit	-	-
Investments in subsidiaries which are not consolidated	-	-
Other (if any)	-	-
Sub-total	-	-
Total Eligible Tier-1 Capital	1,247,545,031	-
2. Tier-2 (Supplementary Capital)		
General Provision (Unclassified upto special limit+SMA+Off Balance Sheet exposure)	115,676,967	_
Assets Revaluation Reserves upto 50%	113,070,307	_
Revaluation Reserves date 50% Revaluation Reserve for securities upto 50%	_	_
All other preference shares		-
·	-	-
Other (if any item approved by Bangladesh Bank)	115 676 067	-]
Sub-total Deductions, if any	115,676,967	-
Total Eligible Tier-2 Capital	115,676,967	
Total Eligible Her-2 Capital	113,070,907	
Total Capital	1,363,221,998	
	1,505,221,750	
Total Risk Weighted Asset	12,494,329,554	-
Required Capital	1,249,432,955	_
Surplus / (Deficit)	113,789,042	_
Capital Adequacy Ratio (CAR)	10.91%	_
On Core Capital (Tier-1)	9.98%	_
On Supplementary capital (Tier-2)	0.93%	
On Supplementary Capital (Her-2)	0.93%	-

^{*}Dividend for the year 2008 & 2009 has not yet been approved by the Securities and Exchange Commission (SEC) and hence it is not yet been transferred to respective shareholders of the Company.



Total Risk Weighted Asset

SI No.	Particulars	Amount	Amount
A.	Credit Risk:		
	On Balance Sheet (From A.1)	11,535,999,768	-
	Off Balance Sheet (From A.2)	195,625,414	-
В.	Market Risk (From B.1)	17,187,982	-
C.	Operational Risk (From C.1)	745,516,390	-
	Total RWA (A+B+C)	12,494,329,554	-

A.1 Risk Weighted Asset for credit risk on Balance Sheet exposer

SI	Exposure type	Rating	Risk Weight	Exposure	RWA
а	Cash		0.00	17,878	-
					-
b	Claims on Bangladesh Government & BB		0.00	94,475,212	-
					-
С	Claims on other Sovereigns & Central Banks		0.00	-	-
					-
d	Claims on Bank for International settlements		0.00	-	-
	International Monetary Fund and European				-
	Central Bank				-
					-
e	Claims on Multilateral Development Banks (MDBs)				-
	i). IBRD, IFC, ADB,AfDB, EBRD,IADB, EIB		0.00	_	_
	EIF,NIB, CDB, IDB, CEDB		0.00		
	ii). Other MDBs	1	0.20	-	-
		2,3	0.50	-	-
		4,5	1.00	-	-
		6	1.50	-	-
		Unrated	0.50	-	-
f	Claims on Public Sector Entities (Other than	1	0.20	-	_
	Government) in Bangladesh.	2,3	0.50	_	_
		2,5 4,5	1.00	-	-
		4,5 6	1.50		-
				-	-
		Unrated	0.50	-	-



A.1 Risk Weighted Asset for credit risk on Balance Sheet exposer (Contn'd)

SI	Exposure type	Rating	Risk Weight	Exposure	RWA
g	Claims on NBFIs and Banks				-
	i). Original maturity over 3 months	1	0.20	316,281,468	63,256,293.60
		2,3	0.50	477,379,613	238,689,806.50
		4,5	1.00	-	-
		6	1.50	-	-
		Unrated	1.00	-	-
	ii). Original maturity upto 3 months		0.20	734,630,106	146,926,021.20
h	Claims on Corporate	1	0.20	291,474,094.00	58,294,818.80
		2	0.50	193,733,525.00	96,866,762.50
		3,4	1.00	140,281,378.00	140,281,378.00
		5,6	1.50		-
		Unrated	1.25	5,007,811,155	6,259,763,943.75
i	Securitization Exposures	1	0.20		
		2	0.50		
		3	1.00		
		4	3.50		
j	Claims under Credit Risk Mitigation	PSE	N/A		
	(From Work Sheet 1(a))	NBFIs & Banks	N/A		
		Corporate	N/A		
		Retail & Small	N/A		
		Consumer finance	N/A		
		Residential Property	N/A		
		Commercial Real Estate	N/A		
k	Claims categorized as retail portfolio & Small Enterprises (Excluding Consumer Loan)		0.75	1,338,075,805	1,003,556,853.75
I	Consumer finance		1.00	81,139,488.00	81,139,488.00
m	Claims fully secured by residential property		0.50	292,834,248.00	146,417,124.00
n	Claim fully secured by commercial real estate		1.00	-	-
О	1. Past Due Claims				
	(Risk weights are to be assigned net of specific p	rovision)			
	i). Where specific provisions are less than 20% of the outstanding amount of the past due claim		1.50	889,944,000.00	1,334,916,000.00
	ii). Where specific provisions are no less than 20% of the outstanding amount of the past due claim		1.00	300,022,000.00	300,022,000.00
	iii). Where specific provisions are more than 50% of the outstanding amount of the past due claim		0.50	124,576,000.00	62,288,000.00
		l .		_	INDEC ANNUAL REPORT 201



A.1 Risk Weighted Asset for credit risk on Balance Sheet exposer (Contn'd)

SI	Exposure type	Rating	Risk Weight	Exposure	RWA
	2. Claims fully secured against residential property that are past due for more than 90 days and/or impaired specific provision held there against is less than 20% of the outstanding amount		1.00	-	-
	3. Loans and claims fully secured against residential property that are past due for more than 90 days and/or impaired and specific provision held there- against is more than 20% of outstanding amount		0.75	-	-
р	Capital Market Exposure		1.25	8,817,433	-
q	Investment in venture capital		1.50	-	-
r	Unlisted equity investments and regulatory capital instruments issued by other Fis (other than those deducted from capital) held in the Banking book.		1.25	470,605,208.00	588,256,510.00
S	Investment in premises, plant and equipment and all other fixed assets		1.00	35,194,286.49	35,194,286.49
t	Claims on all fixed assets under operating lease		1.00		-
u	All Other Assets				-
	i). Claims on GOB & BB (eg. Advanced Income Tax, reimbursement of Patirakkha/Shadharon Shanchoy Patra, etc.)		0.00	322,606,740.00	-
	ii) Staff Loan/ Investment		0.20	18,371,974.00	3,674,394.80
	iii) Cash items in process of collection		0.20	-	-
	iv) Other Assets (net of specific provision, if any)		1.00	976,456,087.00	976,456,087.00
	Total			12,114,727,698	11,535,999,768



A.2 Risk Weighted Asset for credit risk on Off - Balance Sheet exposer

SI	Exposure type	Rating	Risk Weight	Exposure	RWA
a.	Claims on Bangladesh Government & BB		0.00		-
b.	Claims on other Sovereigns & Central Banks		0.00		-
	Claims on Bank for International				
	settlements International Monetary Fund and European Central Bank				
c.			0.00		-
	Claims on Multilateral Development Banks (MDBs) i). IBRD, IFC, ADB, AfDB, EBRD, IADB, EIB		0.00		_
	EIF,NIB, CDB, IDB, CEDB		0.00		
	ii). Other MDBs	1	0.20		-
		2,3	0.50		-
		4,5	1.00		-
		6	1.50		-
		Unrated	0.50		-
d.	Claims on Public sector entities (Other than	1	0.20		-
	Government) in Bangladesh.	2,3	0.50		-
		4,5	1.00		-
		6	1.50		-
		Unrated	0.50		-
e.	Claims on NBFIs and Banks	1	0.20		
	i). Maturity over 3 months	1	0.20		-
		2,3 4,5	1.00		-
		6	1.50		_
		Unrated	1.00		-
	ii). Maturity upto 3 months		0.20		_
f.	Claims on corporate	1	0.20	201 250 027	105 635 414
		3,4	0.50 1.00	391,250,827	195,625,414
		5,6	1.50		-
		Unrated	1.25		-
g.	Claims against retail portfolio & Small		0.75		-
	Enterprise (Excluding consumer loan)				
h.	Consumer finance		1.00		-
i.	Claims fully secured by residential property		0.50		-
j.	Claim fully secured by commercial real estate		1.00		-
k.	Investment in venture capital		1.50		-
l.	All other assets		1.00		-
	Total			391,250,827	195,625,414



A.2.1 Credit Conversion Factors Off - Balance Sheet Exposures

SI No.	Market Risk	CCF	Notional Amount	Credit Exposure
a).	Direct Credit Substitutes	100%	-	
b).	Lending of securities or posting of securities as collateral		-	
c).	Other commitment with certain drawdown			
d).	Performance related contingencies	50%	770,833,980.00	385,416,990.00
e).	Commitments with original maturity over one year or less			
f).	Trade related contingencies	20%	29,169,185.00	5,833,837.00
g).	Commitment with original maturity of one year or less			
h).	Other commitments that can be unconditionally cancelled	0%		
	by any time			
i).	Foreign exchange contract		-	
	Total		800,003,165	391,250,827

B.1 Market Risk

SI No.	Market Risk	Total Capital Charge	Total Capital Charge
A.	Interest Rate Related Instruments	-	-
В.	Equities	1,718,798	-
c.	Foreign Exchange Position (if any)	-	-
D.	Commodities (if any)	-	-
	Total	1,718,798	-



B.1.1 Capital Charge on Equities

SI No.	Particulars	Amount (Market Value)	RW	Capital Charge	Capital Charge
a.	Specific Risk	8,593,991	10%	859,399	-
b.	General Market Risk	8,593,991	10%	859,399	-
	Total	17,187,982		1,718,798	

C.1 Capital Charge for Operational Risk (Basic Indicator Approach)

SI No.	Operational Risk	Year, 2010	Year, 2009	Year, 2008	Capital Charge
		А	В	С	[(A+B+C)*15%]/3
a.	Gross Income	871,549,065	368,060,107	251,423,608	74,551,639



Amount in Taka

<u>Ref.</u> IAS 1.77

14 **Statutory Reserve:**

Opening Balance Add: Addition during the year

Closing Balance

201,900,000 3,800,000 **205,700,000**

31-Dec-2011

31-Dec-2010

106,900,000 95,000,000 **201,900,000**

The company has transferred 20% of net profit to statutory reserve as per the Financial Institutions Regulations, 1994.

			,	
IAS 1.77	15	General Reserve:	42,000,000	42,000,000
		Opening Balance Add: Addition during the year	43,000,000	42,000,000 1,000,000
		Closing Balance	44,000,000	43,000,000
		closing bulance		45,000,000
	15.a	Consolidated General Reserve:		
		IIDFCL	44,000,000	43,000,000
		IIDFC Securities Limited	17,000,000	-
		IIDFC Capital Limited		
			61,000,000	43,000,000
	16	Other Reserve:		
		Opening Balance	-	-
		Add: Addition during the year Closing Balance		-
		Closing Balance		
	17	Proposed Dividend:		
		Opening Balance	131,512,000	131,512,000
		Add: Addition during the year	164,390,000	' -
		Closing Balance	295,902,000	131,512,000
IAS 1.77	18	Retained Earnings carried forward	274 577 072	2 010 100
		Opening Balance	374,577,072	3,910,190
		Net profit during the year Less: Statutory Reserve	18,392,359	466,666,882 (95,000,000)
		Less: Statutory Reserve Less: General Reserve	(3,800,000) (1,000,000)	(1,000,000)
		Less: Dividend for the year 2010	(1,000,000)	(1,000,000)
		Closing Balance	223,779,431	374,577,072
		3		
	18.a	Retained Earnings carried forward:		
		IIDFCL	223,779,431	374,577,072
		IIDFC Securities Limited (note-18.a.1)	48,327,791	434,962
		IIDFC Capital Limited (note-18.a.2)	3,172,270	54,542,000
		Sub-Total	275,279,492	429,554,033
		Less: Minority Interest Total	<u>4,937</u> 275,274,555	27,706 429,526,327
		iotai		429,320,327
	18.a.	1 Retained Earnings of IIDFC Capital Limited		
		Opening Balance	54,542,000	-
		Net profit during the year	(51,369,730)	54,542,000
		Closing Balance	3,172,270	54,542,000
	18 -	2 Retained Earnings of IIDFC Securities Limited		
	10.4.	Opening Balance	434,962	_
		Net profit during the year	64,892,829	434,962
		Less: General Reserve	17,000,000	-
		Closing Balance	48,327,791	434,962
1460760	706	A - 2 Mb - otto lista - otto		
IAS 27.6, 2	7.26 18	S.a.3 Minority Interest:	20.001	200.000
		Share Capital (Minority) Retained earnings	20,091 4,937	200,000 27,706
		Closing Balance	25,028	227,706
		Closing balance	25,028	221,700

Name of Subsidiary	Share Capital	Right of IIDFC	IIDFCL	Minority Interest
IIDFC Securities Limited	100,000,000	99.9900%	99,990,000	10,000
IIDFC Capital Limited	305,800,000	99.9967%	305,789,909	10,091

20,091



Amount in Taka

			7tinount in	·unu
Ref. IAS 37.86	19	Contingent Liabilities & Capital Expenditure Commitments:	31-Dec-2011	31-Dec-2010
IA3 37.00	17	Letter of Guarantee:		
		Money for which the company is contingently liable in respect of guarantees given favoring:		
		Directors	-	-
		Government	-	-
		Banks and other Financial Institutions	-	-
		Others	770,833,980	373,862,506
		Sub Total	770,833,980	373,862,506
		Letter of Credit:	20.160.105	1.536.500
		For import of equipments under Lease Finance Sub-total	29,169,185 29,169,185	1,536,500 1,536,500
		Total	800,003,165	375,399,006
		iotai		
	19.1	Capital Expenditure Commitments:		
		There was no capital expenditure contracted but not incurred or provided for as on 3	1 December, 2011. There wa	as no capital expenditures
		authorized by the Board but not contracted as on 31 December, 2011.		
IAS 1.97	20	Interest Income:		
IA3 1.37	20	Interest income from balance with other Banks & Financial Institutions	3,528,260	82,032,844
		Interest income from Lease Finance	371,137,259	420,483,258
		Interest income from Direct/Term Finance	797,459,031	439,002,365
		Interest income from Secured Overdraft	96,815,520	4,642,618
		Interest income from Bills Discounted & Purchased	5,525,429	2,974,946
		Interest income from Margin Loan	-	299,950,632
		Total	1,274,465,499	1,249,086,663
	20.5	Consolidated Interest Income:		
	20.a	IIDFCL	1,274,465,499	1,249,086,663
		IIDFC Securities Limited (note-20.a.1)	287,786,160	787,379
		IIDFC Capital Limited (note-20.a.2)	70,129,161	73,997,881
			1,632,380,820	1,323,871,923
		Less: Inter company transaction		
		IIDFC Securities Limited 199,570,995		
		IIDFC Capital Limited 42,404,222	241,975,217	
		Total	1,390,405,603	<u>1,323,871,923</u>
	20 a	1 Interest Income of IIDFC Securities Limited		
	20.4.	Interest income from margin loan	275,533,985	_
		Interest income from balance with other banks	12,252,175	787,379
		Total	287,786,160	787,379
	20.a.	2 Interest Income of IIDFC Capital Limited		
		Interest income from Margin Loan	67,579,961	67,854,434
		Interest income from balance with other Banks & Financial Institutions	2,549,201	6,143,447
		Total	70,129,161	73,997,881
IFRS 7.20	21	Interest paid on Deposits, Borrowings etc.:		
		Interest on Deposits:		
		Fixed Deposits	386,482,833	193,902,815
		Short-term Deposits	123,675,884	49,104,595
		Other Deposits	570,035	160,160
			510,728,752	243,167,570
		Interest on Borrowings:	FF2 6=4 204	
		For Borrowings from other Banks, Financial Institutions & Agent	553,074,201	660,756,785
		IIDFC Ltd. IIDFC Brokerage Division	553,074,201	474,490,281 186,257,504
		Total	1.063.802.953	903.924.355

Total

903,924,355

1,063,802,953



Amount in Taka

				Allioui	it iii iaka
Ref.				31-Dec-2011	31-Dec-2010
IAS 1.77	21.a	Consolidated Interest paid on Deposits, Borrowii	nas etc.:	31 Dec 2011	31 Dec 2010
1713 1.77	21.4	IIDFCL	igs etc	1,063,802,953	903,924,355
		IIDFC Securities Limited (note-22.a.1)		207,588,364	703,724,333
		IIDFC Capital Limited (note-22.a.1)		77,337,474	40,519,064
		iiDFC Capitai Liffited (flote-22.a.2)			
		Land later and an extension of the		1,348,728,791	944,443,419
		Less: Inter company transaction	100 570 005		
		IIDFC Securities Limited	199,570,995		
		IIDFC Capital Limited	42,404,222	241,975,217	
		Total		1,106,753,574	944,443,419
	21.a.	1 Interest paid on Deposits, Borrowings etc. of IIDF	C Securities Limited		
		Interest on borrowing from IIDFC Ltd		199,570,995	-
		Interest on borrowing from bank & other financial in	stitutions	8,017,369	-
		Total		207,588,364	
	21.a.:	2 Interest paid on Deposits, Borrowings etc. of IIDF			
		Interest on borrowing from bank & other financial in	stitutions	77,337,474	40,507,914
IAS 18.35	22	Income from Investment:			
		Capital Gain		496,483	28,818,963
		Dividend Income		10,348,391	4,759,816
		Total		10,844,874	33,578,779
				-	
	22.a	Consolidated Income from Investment:			
		IIDFCL		10,844,874	33,578,779
		IIDFC Securities Limited		11,675,219	-
		IIDFC Capital Limited		172,065	5,610,232
		Total		22,692,158	39,189,011
	22.a.	1 Income from Investment of IIDFC Securities Limit	ed		
		Dividend income		522,465	_
		Capital gain on investment in securities		11,152,754	_
		Total		11,675,219	
		10141			
	22.a.:	2 Income from Investment of IIDFC Capital Limited			
		Dividend Income		172,065	5,610,232
IFRS 7.20©	23	Commission, Exchange and Brokerage:			
		Commission on Securities trading		_	416,665,083
		Total			416,665,083
		iotai			=======================================
	23 a	Commission, Exchange and Brokerage:			
	_J.a	IIDFCL		_	416,665,083
		IIDFC Securities Limited		107,641,802	410,003,003
		IIDFC Securities Limited IIDFC Capital Limited		31,888,127	74,683,319
		•		139,529,929	491,348,402
		Total		139,329,929	491,340,402
IAS 1.97	24	Other Operating Income:			
IA3 1.97	24	Syndication Fee income		22 200 022	90 309 406
		Bank Guarantee income		23,390,932	80,308,406
				1,950,550	83,799
		Application & Processing Fees		2,316,463	2,720,578
		Transfer Fees		459,204	798,744
		Delinquent Interest		-	4,633,461
		BO account opening fees & charges		-	2,387,750
		Income against CDBL Charges		-	5,935,728
		Notice pay received		290,322	343,685
		Profit from sale of car		1,913,340	-
		Sundry Receipts		-	77,500
		Cancellation charges		448,283	676,223
		Total		30,769,094	97,965,874



Amount in Taka

1.55 1.77 24.a Consolidated Other Operating Income: IIDFCL IIDFC IIDFC IIDFC IIDFC IIDFC IIDFC IIDFC IIDFC Capital Limited (note-24.a.1) 7,464,783 3,202.41 2,703,125 2,703,12				Amoun	t in Taka
IIDPCC 30,709,094 97,905,874 10PCC securities Limited (note-24.a.1) 7,640,783 3,922,421 2,703,125 24,2332,298 2,733,125 20,0668,999 2,703,125 24,2332,298 2,703,125 24,2332,298 2,703,125 24,2332,298 2,703,125 24,231,298 2,703,125 24,231,299 2,703,125 24,231,299 2,703,125 24,231,299 2,703,125 24,200 2,700,298 2,703,125 24,20 Other Operating Income of IIDPC Capital Limited (underwriting commission of margin loan written back Total	Ref.	24 -	Constitute double Constitution to some	31-Dec-2011	31-Dec-2010
IIDFC Securities Limited (note-24.a.1)	IAS 1.//	24.a	• •	20.760.004	07.065.074
IDPC Capital Limited (note-24.a.2) 2,703,125 100,668,099 2,703,125 2,7					97,903,674
Less Inter company income Total 24.332,298 Total 24.332,298 27,903,125 27,905,874 24.332,298 27,905,874 24.332,298 27,905,874 24.332,298 27,905,874 24.332,298 27,905,874 24.332,298 27,905,874 24.332,298 27,905,874 28,1,999 10,000 10,00					2 703 125
Less: Inter company income Total 42,332_28 2703,125 297,965,874 24.33.228 297,965,874 24.33.228 297,965,874 24.33.228 297,965,874 24.33.228 297,965,874 24.33.228 297,965,874 24.33.228 297,965,874 24.33.228 297,965,874 24.33.228 297,965,874 24.33.228 297,965,874 24.33.228 297,965,874 24.33.228 297,965,874 24.33.228 297,965,874 24.32.289 108,075 108,			not e capital Ellinea (note 2 haiz)		
Total			Less: Inter company income	-	
BO & Trading Accounts Maintenance Income 1,656,709 1,656,709 Notice pay received 108,075 1,656,709 1,080,75				42,332,298	
BO & Trading Accounts Maintenance Income 1,656,709 1,656,709 Notice pay received 108,075 1,656,709 1,080,75					
Income against CDBL charges 5,821,999 108,075 10		24.a.	• •	1.656.700	
Notice pay received 108,075 54,000 -					-
Cheque dishonour charges 54,000					-
Income from depreciation adjustment					_
Provision of margin loan written back 7,640,783 - 24.a.2 Other Operating Income of IIDFC Capital Limited Underwriting commission Capital gain from investment in shares Interest on loan to IIDFC CDBI. fee refunded 7,761,125,125,125,125,125,125,125,125,125,12				34,000	
Total				_	_
24.a.2 Other Operating Income of IIDFC Capital Limited Underwriting commission Capital gain from investment in shares Interest on loan to IIDFC CDBL fee refunded Total 25 Salaries & Allowances: Basic Salary Allowances Bonus Company's contribution Provident Fund Group Insurance Retirement benefits & Gratuity Total 25.a.1 Salaries & Allowances: IIDFC Securities Limited (note-25.a.1) IIDFC Sequities Limited (note-25.a.1) IIDFC Capital Limited (note-25.a.2) Total 25.a.2 Salaries & Allowances of IIDFC Securities Limited Basic Salary Allowances Bonus Company's contribution to provident fund Group insurance Retirement benefits & Gratuity IDFC Capital Limited (note-25.a.1) IDFC Capital Limited (note-25.a.2) Total 25.a.1 Salaries & Allowances of IIDFC Securities Limited Basic Salary Allowances Bonus Company's contribution to provident fund Group insurance Retirement benefits & gratuity Total 39,776,900 - 25.a.2 Salaries & Allowances of IIDFC Capital Limited Basic Salary Allowances Bonus Company's contribution rovident fund Group insurance Retirement benefits & gratuity Total 39,776,900 - 25.a.2 Salaries & Allowances of IIDFC Capital Limited Basic Salary Allowances Bonus Retirement benefits & Gratuity Total 16,169,832 7,330,432 Alexandra Allowances Bonus Retirement benefits & Gratuity Total 16,169,832 16,499,615 16,499,615 16,593 184,985 184,98				7.640.783	
Underwriting commission Capital gain from investment in shares Interest on loan to IIDFC CDBL fee refunded Total 3,922,421 2,703,125 IAS 1.104 25 Salaries & Allowances: Basic Salary Allowances Bonus Company's contribution Provident Fund Group insurance Retirement benefits & Gratuity Total 25.a. Consolidated Salaries & Allowances: IIDFCL IIDFC Capital Limited (note-25.a.1) IIDFC Capital Limited (note-25.a.2) Total 25.a. Salaries & Allowances of IIDFC Securities Limited Basic Salary Allowances Bonus Company's contribution to provident fund Group insurance Retirement benefits & Gratuity Total 25.a. Salaries & Allowances: IIDFCL IIDFC Securities Limited (note-25.a.2) Total 25.a. Salaries & Allowances of IIDFC Securities Limited Basic Salary Allowances Bonus Company's contribution to provident fund Group insurance Retirement benefits & gratuity Total 25.a. Salaries & Allowances of IIDFC Securities Limited Basic Salary Allowances Retirement benefits & gratuity Total 25.a. Salaries & Allowances of IIDFC Capital Limited Basic Salary Allowances Retirement benefits & gratuity Total 26. Rent, Rate and Taxes Insurance, Electricity etc.: Rent, Rate and Taxes Insurance III, 1146,943 Insurance III, 146,943 Insurance IIII, 146,943 Insurance IIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIII					
Capital gain from investment in shares Interest on Joan to IIIDFC CDBI. fee refunded 3,2703,125 CDBI. fee refunded 3,3922,421 IAS 1.104 25 Salaries & Allowances: Basic Salary 46,012,539 Allowances 21,705,949 Bonus 111,868,528 Company's contribution Provident Fund 3,128,408 Group Insurance 1,205,871 Total 86,375,007 25.a. Consolidated Salaries & Allowances: IIDFCL BIDFC Securities Limited (note-25.a.1) IIDFC Sequities Limited (note-25.a.2) Total 1,951,203 25.a. Salaries & Allowances of IIDFC Securities Limited Basic Salary Allowances of IIDFC Securities Limited Basic Salary Allowances of IIDFC Securities Limited Basic Salary Allowances of IIDFC Securities Limited Retirement benefits & gratuity 1,951,209 Company's contribution to provident fund 1,961,629 Group insurance Retirement benefits & gratuity 1,755,899 Retirement benefits & gratuity 1,755,900 Bonus 4,647,458 Basic Salary 4,647,458 Basic Salary 7,330,432 Allowances 1,764,458 Basic Salary 1,764,458 Basic Salary 1,764,458 Basic Salary 1,764,458 Basic Salary 1,		24.a.2			
Interest on loan to IIDFC CDBL fee refunded Total 3,922,421 Z,703,125 IAS 1.104 25 Salaries & Allowances: Basic Salary 46,012,539 Allowances 22,705,949 Bonus 11,868,528 Company's contribution Provident Fund 31,28,08 Group Insurance 1,205,871 Total 14,33,712 Consolidated Salaries & Allowances: IIDFC Capital Limited (note-25,a.1) IIDFC Securities Limited (note-25,a.2) Total 19,782,702 Allowances 67,504,006 Bonus 1,205,871 B					-
CDBL fee refunded 1,282,634 3,922,421 2,703,125				1,589,744	-
Total 3,922,421 2,703,125					2,703,125
AS 1.104 25 Salaries & Allowances: Basic Salary 46,012,539 31,399,180 11,868,528 17,453,412 17,453,412 16,169,381 17,263,871 17,263,331 17,263,202 17,263,871 17,263,331 17,263,202					-
Basic Salary A6,012,539 31,399,180 22,705,949 31,399,180 31,399,180 31,399,180 31,399,180 31,399,180 31,399,180 31,399,180 31,399,180 31,399,180 31,399,180 31,205,871 31,205,871 31,205,871 31,205,871 31,205,871 31,205,871 31,205,871 31,205,871 32,205,871 3			Total	3,922,421	2,703,125
Basic Salary A6,012,539 31,399,180 22,705,949 31,399,180 31,399,180 31,399,180 31,399,180 31,399,180 31,399,180 31,399,180 31,399,180 31,399,180 31,399,180 31,205,871 31,205,871 31,205,871 31,205,871 31,205,871 31,205,871 31,205,871 31,205,871 32,205,871 3	IAS 1 104	25	Salaries & Allowances:		
Allowances Bonus Bonus Company's contribution Provident Fund Group Insurance Retirement benefits & Gratuity Total 25.a. Consolidated Salaries & Allowances: IIDFCL IIDFC Securities Limited (note-25.a.1) IIDFC Capital Limited (note-25.a.2) Total 25.a.1 Salaries & Allowances of IIDFC Securities Limited Basic Salary Allowances Bonus Company's contribution to provident fund Group insurance Group insurance Retirement benefits & gratuity Total 25.a.2 Salaries & Allowances of IIDFC Securities Limited Basic Salary Allowances Bonus Company's contribution to provident fund Group insurance Fetigement benefits & gratuity Total 25.a.2 Salaries & Allowances of IIDFC Capital Limited Basic Salary Allowances Retirement benefits & gratuity Total 25.a.2 Salaries & Allowances of IIDFC Capital Limited Basic Salary Allowances Retirement benefits & gratuity Total 26.a.2 Salaries & Allowances of IIDFC Capital Limited Basic Salary Allowances Bonus Bonus Bonus Bonus Basic Salary Allowances Basic Salary Basic Salary Allowances Basic Salary Basic	17.13 1.10 1			46.012.539	36.884.605
Bonus			· · · · · · · · · · · · · · · · · · ·		
Company's contribution Provident Fund Group Insurance Retirement benefits & Gratuity 1,453,712 1,453,712 1,453,712 1,626,818					
Group Insurance Retirement benefits & Gratuity Total 1,205,871			Company's contribution Provident Fund		
Retirement benefits & Gratuity Total 25.a. Consolidated Salaries & Allowances: IIDFCL IIDFC Securities Limited (note-25.a.1) IIDFC Capital Limited (note-25.a.2) Total 25.a.1 Salaries & Allowances of IIDFC Securities Limited Basic Salary Allowances Bonus Company's contribution to provident fund Group insurance Retirement benefits & gratuity Total 25.a.2 Salaries & Allowances of IIDFC Capital Limited Basic Salary Allowances Retirement benefits & Gratuity Total 25.a.2 Salaries & Allowances of IIDFC Capital Limited Basic Salary Allowances Bonus Company's contribution or provident fund 1,961,629 - 25.a.2 Salaries & Allowances of IIDFC Capital Limited Basic Salary Allowances Bonus 4,647,458 Bonus 4,647,458 4,647,458 4,647,458 4,647,458 4,647,458 4,647,458 4,647,458 4,647,458 4,647,458 4,647,458 4,647,458 4,647,458 4,647,458 4,647,458 4,647,458 57,500 Company's contribution Provident Fund Retirement benefits & Gratuity Total 16,169,832 11,146,943 11,146,9					
25.a Consolidated Salaries & Allowances: IIDFCL IIDFC Securities Limited (note-25.a.1) IIDFC Capital Limited (note-25.a.2) 25.a.1 Salaries & Allowances of IIDFC Securities Limited Basic Salary Allowances Bonus Company's contribution to provident fund Group insurance Retirement benefits & gratuity Total 25.a.2 Salaries & Allowances of IIDFC Capital Limited Basic Salary Allowances Retirement benefits & Gratuity Total 25.a.2 Salaries & Allowances of IIDFC Capital Limited Basic Salary Allowances Bonus					
IIDFCL			Total	86,375,007	90,762,186
IIDFCL		25.	Consolidated Salarias 9. Allawaness		
IIDFC Securities Limited (note-25.a.1) 39,776,900 16,169,832 5,499,615 7 total 12,321,739 6,499,615 97,261,801 12,321,739 16,169,832 5,499,615 142,321,739 142,321,739 142,321,739 7,261,801 142,321,739 7,261,801 142,321,739 7,261,801 142,321,739 7,261,801 142,321,739 7,261,801 19,782,702 7,504,006 1,504,006 1,504,006,006 1,50		25.a		86 375 007	00 762 186
IIDFC Capital Limited (note-25.a.2)					90,702,180
Total 142,321,739 97,261,801					6,499,615
25.a.1 Salaries & Allowances of IIDFC Securities Limited Basic Salary Allowances Bonus Company's contribution to provident fund Group insurance Retirement benefits & gratuity Total 25.a.2 Salaries & Allowances of IIDFC Capital Limited Basic Salary Allowances Bonus Book Bonus Book Bonus Book Bonus Book Bonus Book Book Book Book Book Book Book Book			·		
Basic Salary					
Allowance's Bonus Company's contribution to provident fund Group insurance Retirement benefits & gratuity Total 25.a.2 Salaries & Allowances of IIDFC Capital Limited Basic Salary Allowances Bonus Employee recreation Company's contribution Provident Fund Retirement benefits & Gratuity Total 1AS 1.97 26 Rent, Taxes, Insurance, Electricity etc.: Rent, Rate and Taxes Insurance Electricity, Gas and Water Allowances Bonus B		25.a.			
Bonus Company's contribution to provident fund Group insurance Retirement benefits & gratuity Total 25.a.2 Salaries & Allowances of IIDFC Capital Limited Basic Salary Allowances Bonus Employee recreation Company's contribution Provident Fund Retirement benefits & Gratuity Total IAS 1.97 26 Rent, Taxes, Insurance, Electricity etc.: Rent, Rate and Taxes Insurance Electricity, Gas and Water Bonus 11,146,943 619,247 1318,366 2,924,319					-
Company's contribution to provident fund 1,961,629 725,589 1,787,333 1,787,333 1,787,333 1,787,333 1,787,333 1,787,333 1,787,333 1,787,333 1,787,333 1,787,333 1,787,333 1,787,333 1,787,333 1,787,333 1,787,333 1,787,330 1,787,333 1,787,333 1,787,333 1,787,333 1,787,333 1,787,333 1,787,333 1,787,333 1,787,333 1,787,333 1,787,333 1,787,333 1,787,333 1,787,333 1,787,333 1,787,330,432 1,953,309 1,953,3					-
Group insurance Retirement benefits & gratuity Total 25.a.2 Salaries & Allowances of IIDFC Capital Limited Basic Salary Allowances Bonus Employee recreation Company's contribution Provident Fund Retirement benefits & Gratuity Total ASS 1.97 26 Rent, Taxes, Insurance, Electricity etc.: Rent, Rate and Taxes Insurance Electricity, Gas and Water Retirement benefits & Gratuity Total ASS 1.97 Allowances T,330,432 T,30,432 T,30,43					-
Retirement benefits & gratuity					-
Total 39,776,900			•		[]
25.a.2 Salaries & Allowances of IIDFC Capital Limited Basic Salary Allowances Bonus Employee recreation Company's contribution Provident Fund Retirement benefits & Gratuity Total IAS 1.97 26 Rent, Taxes, Insurance, Electricity etc.: Rent, Rate and Taxes Insurance Electricity, Gas and Water 25.a.2 Salaries & Allowances of IIDFC Capital Limited 7,330,432 4,647,458 4,006,957 814,633 57,500 184,985 57,500 16,169,832 26,021,575 318,366 2,924,319					
Basic Salary Allowances Allowances Bonus Employee recreation Company's contribution Provident Fund Retirement benefits & Gratuity Total AS 1.97 AS 1.97 ARE Rent, Taxes, Insurance, Electricity etc.: Rent, Rate and Taxes Insurance Electricity, Gas and Water As 1.97 Basic Salary 7,330,432 4,647,458 4,006,957 814,633 57,500 184,985 57,500 6,499,615 11,146,943 619,247 318,366 2,924,319			10.00		
Allowances Bonus Employee recreation Company's contribution Provident Fund Retirement benefits & Gratuity Total AS 1.97 26 Rent, Taxes, Insurance, Electricity etc.: Rent, Rate and Taxes Insurance Electricity, Gas and Water Allowances 4,647,458 4,006,957 814,633 57,500		25.a.2	•		
Bonus 4,006,957 814,633 Employee recreation 184,985 57,500 Company's contribution Provident Fund 16,169,832 6,499,615 IAS 1.97 26 Rent, Taxes, Insurance, Electricity etc.: Rent, Rate and Taxes 1 11,146,943 18,366 Electricity, Gas and Water 2,054,509 2,924,319					
Employee recreation Company's contribution Provident Fund Retirement benefits & Gratuity Total 184,985 57,500					
Company's contribution Provident Fund					
Retirement benefits & Gratuity Total 16,169,832 6,499,615 18S 1.97 26 Rent, Taxes, Insurance, Electricity etc.: Rent, Rate and Taxes Insurance Electricity, Gas and Water 11,146,943 26,021,575 318,366 Electricity, Gas and Water 2,054,509 2,924,319				184,985	57,500
Total 16,169,832 6,499,615 IAS 1.97 26 Rent, Taxes, Insurance, Electricity etc.: Rent, Rate and Taxes 11,146,943 26,021,575 Insurance 619,247 318,366 Electricity, Gas and Water 2,054,509 2,924,319				-	-
IAS 1.97 26 Rent, Taxes, Insurance, Electricity etc.: Rent, Rate and Taxes Insurance Electricity, Gas and Water Rent, Taxes, Insurance, Electricity etc.: 11,146,943 619,247 318,366 Electricity, Gas and Water 2,054,509 2,924,319			· · · · · · · · · · · · · · · · · · ·	16 160 832	6 499 615
Rent, Rate and Taxes 11,146,943 26,021,575 Insurance 619,247 318,366 Electricity, Gas and Water 2,054,509 2,924,319			10tul	10,103,032	
Insurance 619,247 318,366 Electricity, Gas and Water 2,054,509 2,924,319	IAS 1.97	26			
Electricity, Gas and Water 2,054,509 2,924,319			,		
13,820,699 29,264,260			· · · · · · · · · · · · · · · · · · ·		
			lotal	13,820,699	29,264,260

■ IIDFC ANNUAL REPORT 2011

■ IIDFC ANNUAL REPORT 2011



Amount in Taka

	100	431	Amoun	t in Taka
Ref.	24	Constituted Book Town Incomes Electricity	31-Dec-2011	31-Dec-2010
IAS 1.77	26.a	Consolidated Rent, Taxes, Insurance, Electricity etc.: IIDFCL	13,820,699	29,264,260
		IIDFC Securities Limited (note-26.a.1)	19,836,625	29,204,200
		IIDFC Capital Limited (note-26.a.2)	4,379,465	4,069,944
		Total	38,036,789	33,334,204
	26.a.	1 Rent, Taxes, Insurance, Electricity etc. of IIDFC Securities Limited		
		Rent, Rates and Taxes	18,396,220	-
		Insurance	60,981 1,379,424	-
		Electricity, Gas and Water Total	19,836,625	
		iotai	17,030,023	
	26.a.	2 Rent, Taxes, Insurance, Electricity etc. of IIDFC Capital Limited		
		Rent, Rates and Taxes	3,463,578	3,497,061
		Insurance	307,782	86,763
		Electricity, Gas and Water	608,105	486,120
		Total	4,379,465	4,069,944
IFRS 7.20©	27	Legal Expenses:		
		Professional charges	985,346	981,098
		Legal Expenses	1,171,585	1,495,125
		Total	2,156,931	2,476,223
	27 -	Consultate di continuo		
	27.a	Consolidated Legal Expenses: IIDFCL	2,156,931	2,476,223
		IIDFC Securities Limited	825,363	2,470,223
		IIDFC Capital Limited	177,408	281,704
		Total	3,159,702	2,757,927
IAS 1.97	28	Postage, Stamp, Telecommunications etc.:	122.752	2 725 425
		Postage and Courier Phone, Fax & Internet	122,758 2,339,744	2,725,485
		Total	2,359,744 2,462,502	2,942,597 5,668,082
		Total		
	28.a	Consolidated Postage, Stamp, Telecommunications etc.:		
		IIDFCL	2,462,502	5,668,082
		IIDFC Securities Limited	2,295,058	270 410
		IIDFC Capital Limited Total	954,321 5,711,881	379,419 6,047,501
		lotti	<u> </u>	
IAS 1.97	29	Stationery, Printing, Advertisement etc.:		
		Printing & Stationery	5,198,758	6,419,897
		Advertisement	14,350,083	3,650,809
		Total	19,548,841	10,070,706
	29.a	Consolidated Stationery, Printing, Advertisement etc.:		
		IIDFCL	19,548,841	10,070,706
		IIDFC Securities Limited	947,020	-
		IIDFC Capital Limited	334,904	618,395
		Total	20,830,765	10,689,101
IAS 1.97	30	Managing Director's Salary and Fees:		
11.0 1.07	20	Basic Salary	3,000,000	3,000,000
		Bonus	1,500,000	1,500,000
		House Rent Allowance	1,500,000	1,500,000
		Medical Allowance	150,000	150,000
		Entertainment Allowance	150,000	150,000
		Car Allowance	751,634	710,162
		Leave Fare Assistance	250,000	250,000
		Group Insurance Earned Leave	50,850	58,921
		House maintenance Allowance	-	
		Total	7,352,484	7,319,083



Amount in Taka

Ref.	24	Directoral Face	31-Dec-2011	31-Dec-2010
IAS 1.97	31	Directors' Fees Directors' Fees	710,000	592,948
		Total	710,000	592,948
		Directors' fees for attending each board meeting are TK. 5,000.00 (Five Thousand) as per February, 2010. Directors have not been paid any fees/remuneration for any special states.		ar. No. 03, dated 24
	31.a	Consolidated Directors' Fees		
		IIDFCL	710,000	592,948
		IIDFC Securities Limited	182,354	
		IIDFC Capital Limited Total	90,796 983,150	33,481 626,429
		iotai	963,130	<u> </u>
IAS 1.97	32	Auditor's Fees:	143,750	230,190
	32.a	Auditor's Fees:		
		IIDFCL	143,750	230,190
		IIDFC Securities Limited	58,500	46,000
		IIDFC Capital Limited	62,500	62,500
		Total	264,750	338,690
	33	Loans & Advances written-off:		
		Loans & Advances written-off	18,120,222	39,073,975
		Interest waived	-	-
		Total	18,120,222	39,073,975
	33.a	Consolidated Loans & Advances written-off:		
		IIDFCL	18,120,222	39,073,975
		IIDFC Securities Limited	239,903	-
		IIDFC Capital Limited	-	-
		Total	18,360,125	39,073,975
IAS 1.104	34	Repair and Depreciation of Company's Assets: Repair of Company's Assets:		
		Furniture & Fixtures	301,309	94,185
		Office Equipments	823,134	1,072,914
		Sub Total	1,124,443	1,167,099
		Depreciation of Company's Assets:		
		Own Assets	9,440,253	14,130,789
		Leased Assets	-	-
		Sub Total	9,440,253	14,130,789
		Total Repair and Depreciation of Company's Assets:	10,564,696	15,297,888
	34.a	Consolidated Repair and Depreciation of Company's Assets:		
		Repair of Company's Assets:		
		IIDFCL	1,124,443	1,167,099
		IIDFC Securities Limited IIDFC Capital Limited	151,242 859,997	-
		iiDFC Capitai Limited	2,135,682	1,167,099
		Depreciation of Company's Assets:		.,,
		IIDFCL	9,440,253	14,130,789
		IIDFC Securities Limited	4,803,614	-
		IIDFC Capital Limited	2,258,145	1,465,229
		Total Repair and Depreciation of Company's Assets:	16,502,012 18,637,694	15,596,018 16,763,117
		iotai nepaii aliu Depreciation oi Company S Assets:	10,037,094	10,/03,11/



Amount in Taka

284,189,698

221,003,580

D- f	\sim	err	24 D - 2044	24 D - 2010
<u>Ref.</u> IAS 1.97	35	Other Expenses:	31-Dec-2011	31-Dec-2010
17.5 1.57	33	Office Maintenance	1,677,827	2,961,221
		Traveling & Conveyance	4,461,548	4,009,830
		Meeting Expenses	1,210,208	1,098,104
		Entertainment	3,973,463	2,057,768
		Car Running & Maintenance Expenses	4,659,981	6,211,844
		Bank Charge & Excise Duty	639,404	640,827
		Interest for Lease Facility	1,656,926	729,394
		Training Expenses	1,179,730	565,458
		Membership Fees & Subscriptions	391,310	362,260
		Books & Periodicals	89,618	83,629
		Laga & Howla Charges	-	33,147,383
		CDBL Charges	-	938,013
		Reserve for Risk Fund	-	100,000
		BO Account Charges	-	
		Fees, License, Renewal & Registration	-	6,547,411
		ADB Project Expenses	549,228	-
		Total	20,489,243	59,453,142
	25.	Consolidated Other Expenses:		
	33.a	IIDFCL	20,489,243	59,453,142
		IIDFC Securities Limited	18,297,441	11,150
		IIDFC Capital Limited	4,995,511	4,846,749
		Total	43,782,195	64,311,041
IAS 37.84	36	Provision for Loans & Advances:		
		Provision for classified Loans & Advances	10,023,073	62,029,595
		Provision for unclassified Loans & Advances	8,354,578	12,895,492
		Provision for diminution in value of Investments	223,442	724,958
		Provision for Off-balance Sheet Items	-	
		Total	18,601,093	75,650,045
	36.a	Provision for Loans & Advances:		
		Provision for classified Loans & Advances	62,902,361	62,029,595
		Provision for unclassified Loans & Advances	(91,219)	19,068,825
		Provision for diminution in value of Investments	30,852,424	724,958
		Provision for Off-balance Sheet Items	-	_
		Total	93,663,566	81,823,378
146 27 04	~=	Providence for Torre		
IAS 37.84	37	Provision for Tax:	for tovation numbers in a	cordance with the
		Provision for Current Tax is made on the basis of the profit for the period as adjusted a provision of Income Tax Ordinance, 1984 and amendments made thereof. The curren		
		income.	t tax rate for the Compan	y is 42.50% on taxable
		income.		
		Provision for Current Tax:		
		Opening Balance	185,908,313	95,061,879
		Add: Provision made during the year	33,538,687	90,846,434
		Less: Settlement during the year	-	-
		Closing Balance	219,447,000	185,908,313
	27.5	Consolidated Provision for Tax:		
	37.a	Opening Balance	221,003,580	95,061,879
		Add: Provision made during the year	221,003,300	73,001,079
		Current Tax 62,501,889	_	
		Deferred Tax 684,229	63,186,118	125,941,701
		Less: Settlement during the year	-	-
		Closing Balance	284,189,698	221.003.580

Closing Balance



Amount in Taka

Ref.

IAS 33.70 38 Earnings Per Share (EPS):

31-Dec-2011

31-Dec-2010

Earnings Per Share (EPS) as shown in the face of Profit and Loss Account is calculated in accordance with Bangladesh Accounting Standards (BAS) No. 33 " Earnings Per Share".

Basic Earnings Per Share has been calculated as follows: Earnings attributable to ordinary shareholders (Net Profit after Tax) Number of ordinary shares outstanding during the year Basic Earnings Per Share (in Taka)

18,392,359 3,287,800 **5.59** 466,666,882 3,287,800 **141.94**

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

38.a Earnings Per Share (EPS):

Earnings per Share (EPS) as shown in the face of Consolidated Profit and Loss Account is calculated in accordance with Bangladesh Accounting Standards (BAS) No. 33 "Earnings Per Share".

Basic Earnings Per Share has been calculated as follows: Earnings attributable to ordinary shareholders (Net Profit after Tax) Number of ordinary shares outstanding during the year Basic Earnings Per Share (in Taka)

31,915,457 3,287,800 **9.71** 521,643,843 3,287,800 **158.66**

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

IAS 24.17 39 Related Party Transactions:

Parties are considered to be related, if one party has the ability to control the other party or exercise significant influence over the other party, in making financial and operational decisions and include associated companies with or without common directors and key management positions. The Company has entered into transactions with other entities in the normal course of business that fall within the definition of related party as per Bangladesh Accounting Standards No. 24' Related Party Disclosure'. Transactions with related parties are executed on the same terms, including interest rate and collateral, as those prevailing at the time of comparable transactions with other customers of similar credentials and do not involve more than normal risk.

Name of the parties	Relation with IIDFC	Nature of Transactions	Outstanding Balance Taka	Outstanding Balance Taka
Southeast Bank Ltd.	Sponsor Shareholder	FDR Placement	6,417,682	55,781,668
Mutual Trust Bank Ltd.	Sponsor Shareholder	FDR Placement	70,315,672	52,020,000
Bank Asia Itd	Sponsor Shareholder	Term Deposit	-	-
BRAC Bank Ltd	Sponsor Shareholder	Term Deposit	-	-
Janata Bank Ltd	Sponsor Shareholder	Term Deposit	100,000,000	100,000,000
Mutual Trust Bank Ltd	Sponsor Shareholder	Term Deposit	-	50,000,000
National Bank Ltd	Sponsor Shareholder	Term Deposit	-	25,650,000
Sonali Bank Ltd.	Sponsor Shareholder	Term Deposit	150,000,000	300,000,000
The City Bank ltd .	Sponsor Shareholder	Term Deposit	10,000,000	140,000,000
National Life Insurance Co. Ltd.	Sponsor Shareholder	Term Deposit	260,800,000	220,800,000
Eastland Insurance Co. Ltd.	Sponsor Shareholder	Term Deposit	24,364,164	5,727,416
Pragati Insurance Company Ltd	Sponsor Shareholder	Term Deposit	-	1,000,000
Bank Asia Ltd.	Sponsor Shareholder	Borrowings	50,776,960	83,333,333
National Bank Ltd.	Sponsor Shareholder	Borrowings	-	80,176,084
BRAC Bank Ltd.	Sponsor Shareholder	Borrowings	53,395,511	122,239,860
Janata Bank Ltd.	Sponsor Shareholder	Borrowings	-	-
Mutual Trust Bank Ltd.	Sponsor Shareholder	Borrowings	308,926,682	372,076,522

1,034,996,671

1,608,804,883



40 Board Meetings:

During the period total 15 board meetings were held.

41 Audit Committee:

a. Particulars of audit committee

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

Name	Status in the Board	Status in the Committee	Other Engagement
Mr. Md. Aminur Rahman	Director	Chairman	Managing Director, Janata Bank Ltd.
Mr. Md. Humayun Kabir	Director	Member	Managing Director, Sonali Bank Ltd.
Mr. Md. Fayekuzzaman	Director	Member	Managing Director, ICB
Mr. Neaz Ahmed	Director	Member	Managing Director, National Bank Ltd.
Mr. Mahmudul Haque Taher	Director	Member	Chairman, National Life Insurance Co. Ltd.

The company Secretary of IIDFC acts as the secretary of the Committee

b. Meetings held by the committee during the year

No. Meeting	Date of Meeting
Fourth (4th)	24-May-11
Fifth (5th)	16-Aug-11
Sixth (6th)	28-Nov-11

c. The audit committee has discussed the following issues during the year 2011:

- i) The audit committee reviewed the Financial Statements for the year ended December 31, 2010.
- ii) Reviewed and discussed the Management Letter provided by the external auditor Hoda Vasi Chowdhury & Co. for the year ended December 31, 2010 on the annual audit of Financial statements of IIDFC Limited.
- iii) Reviewed and approved policy manuals of Accounts and Finance Department and Treasury Departments
- iv) Reviewed and discussed the Bangladesh Bank Inspection Report 2010 and management's response to the report.
- v) Reviewed various reports of internal Control & Compliance Department

42 Others:

42.1 Unacknowledged Debt:

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

42.2 Employees' Information:

A total number of 81 employees were employed in IIDFC as of 31 December, 2011. All the employees received salary more than Tk.36,000.00 p.a. during the period 2011.

IAS 1.98(d) 42.3 Written-off of Accounts:

During the period under review, an amount of Tk. 18,120,222.00 has been written-off from the books of accounts of the company and Tk.39,073,975.00 was written-off in the corresponding previous year.

42.4 Subsequent Events:

No subsequent events are occurred after the balance sheet date.

43 General:

- **43.1** The figures appearing in this financial statements have been rounded off to the nearest integer.
- 43.2 Last year's figures have been rearranged wherever it is found necessary to conform the current year's presentation.

Md. Matiul Islam Chairman **Md. Asaduzzaman Khan** Managing Director Md. Shamim Ahamed Company Secretary

ANNEXURE-1

48,396,313

29,668,217

20,212

15,557,640 14,130,789

78,064,530

202,125

45,717,276 32,549,379

As on 31 December 2010



Annexure - 1

Industrial and Infrastructure Development Finance Company Limited

Ref. IAS 16.73

Fixed Assets Schedule As at 31 December 2011

Figures in Taka

Property, Plant & Equipment - Own Finance

Serial)	COST		-	ACCUMU	ACCUMULATED DEPRECIATION	ECIATION		
, N	Particulars	Opening Balance as at 1 Jan 2011		Additions Sale/Transfer Unring the during the year	Closing Balance as at Rate 31 Dec 2011	Rate	∞	Opening Charged alance as at during the 1 Jan 2011 year	Adjustment Closing during the Balance as year 31 Dec 201	Closing Balance as at 31 Dec 2011	Adjustment Closing Adjustment Balance as at 31 Dec 2011
-	Motor Vehicles	14,631,279	8,603,300	4,054,284	19,180,295 20%	20%	10,993,343	10,993,343 2,822,990 3,496,071	3,496,071	10,320,262	8,860,033
2	Furniture & Fixtures	5,631,295	5,471,002		11,102,297 10%	10%	1,701,270	1,222,776		2,924,046	8,178,251
ю	Office Equipments	14,245,057	14,166,365	1	28,411,422 18%	18%	6,375,384	5,027,162	,	11,402,546	17,008,876
4	4 Computer Softwares	1,964,026	260,000		2,224,026 18%	18%	709,575	367,325		1,076,900	1,147,126
As on 3	As on 31 December 2011	36,47	1,657 28,500,667	4,054,284	60,918,040		19,779,572	19,779,572 9,440,253 3,496,071	3,496,071	25,723,754	35,194,286

Property, Plant & Equipment - Lease Finance

Serial	Particulars		-	COST		ACC	ACCUMULATED DEPRECIATION	PRECIATION		
Š.						Opening				
		Opening	Additions		Closing	Balance as	Charged	Adjustment	Closing	Net Book
		Balance as	During the	During the Sale/Transfer	Balance as at at 1 Jan	at 1 Jan	during the	during the	Balance as at	Value as at 31
		at 1 Jan 2011		Year during the year 31 Dec 2011	31 Dec 2011	2011	year	year	31 Dec 2011	31 Dec 2011 Dec 2011
-	Motor Vehicles	•	ı	•	-	1	1	,	1	
7	Office Equipments	1	1	•	ı	•	1	1	ı	1
3	3 Computer Softwares	1	-	1	-	-	-	-	-	-
As on	As on 31 December 2011	1	1	1	,	1	1		1	1

-
1
1
-
-



ANNEXURE-1a

34,911,637 74,877,174

21,905,697 16,502,011 3,496,071

Annexure - 1.a

Industrial and Infrastructure Development Finance Company Limited

Consolidated Fixed Assets Schedule
As at 31 December 2011

Property, Plant & Equipment - Own Finance

Figures in Taka

Serial	Particulars		ט	COST				ACCUMU	ACCUMULATED DEPRECIATION	CIATION	
No.		* Opening Balance as at	Additions	Sale/Transfer	Closing	Rate	Opening	Charged	Adjustment	Closing	Net Book
		1 Jan 2011	During the Year	During the during the year			Balance as at during the 1 Jan 2011		during the year	during the Balance as at Value as at 31 year 31 Dec 2011	Value as at 31 Dec 2011
-	Motor Vehicles	17,713,706	9,215,100	4,054,284	22,874,522	20%	12,226,316	3,719,995	3,496,071	12,450,240	10,424,282
7	Furniture & Fixtures	7,047,066	25,760,208	1	32,807,274	10%	1,842,848	3,393,274	1	5,236,122	27,571,152
8	Office Equipments	18,173,748	30,927,986	1	49,101,734	18%	7,126,958	8,751,417	1	15,878,375	33,223,359
4	4 Computer Softwares 1,964,026	1,964,026	3,041,255	1	5,005,281	18%	709,575	637,325	1	1,346,900	3,658,381

54,697,077 31,794,342 20,212 15,596,018 16,218,536 86,491,419 202,125 37,647,111 As on 31 December 2010 49,046,433

4,054,284 109,788,811

44,898,546 68,944,549

As on 31 December 2011

Property, Plant & Equipment - Lease Finance

Figures in Taka

Serial	Particulars		S.	COST				ACCUMU	ACCUMULATED DEPRECIATION	CIATION	
ġ		Opening Balance as at 1 Jan 2011	_	Additions Sale/Transfer During the during the year Year	Closing Balance as at 31 Dec 2011	Rate	Opening Balance as at 1 Jan 2011	Charged during the year	Charged Adjustment during the during the year year	Charged during the yearAdjustment during the yearClosing heas at 31 Dec 2011Net Book het Book at 31 Dec 2011	Net Book Value as at 31 Dec 2011
1	Motor Vehicles	ı	-	1	1	1		ı	ı	1	1
2	Furniture & Fixtures	1	ı	ı	ı	ı		1	1	1	•
ю	Office Equipments	ı	1	ı	ı	1	ı	t	ı	ı	ı
4	Computer Softwares	1	ı	•	1				ı	1	
As on	As on 31 December 2011	1	1	1	1	1	ı		ı	1	ı

* Opening balance of cost and depreciation has been restated

As on 31 December 2010



ANNEXURE-2

Annexure-2

Industrial and Infrastructure Development Finance Company Limited Highlights

SI.	Particulars	2011	2010
1.	Paid-up Capital	328,780,000	328,780,000
2.	Total Capital	1,247,545,031	1,116,595,749
3.	Capital Surplus	274,065,600	124,682,000
4.	Total Assets	12,114,727,698	11,769,150,914
5.	Total Deposits	4,239,671,479	3,414,417,816
6.	Total Leases, Loans and Advances	8,678,263,667	8,718,858,107
7.	Total Contingent Liabilities and Commitments	800,003,165	375,399,006
8.	Credit Deposit Ratio	204.69%	255.35%
9.	Percentage of Classified Loans Against Total Loans and Assets	4.89%	4.74%
10.	Profit After Tax and Provision	18,392,359	466,666,882
11.	Amount of Classified Loans During Current Year	424,598,000	134,338,000
12.	Provisions Kept Against Classified Loans	173,431,328	193,602,911
13.	Provision Surplus Against Classified Loans	12,111,808	30,217,669
14.	Cost of Fund	13.71%	12.91%
15.	Interest Earnings Assets	10,206,554,854	10,270,929,207
16.	Non- Interest Earnings Assets	1,908,172,844	1,498,221,707
17.	Return on Investment (ROI)	5.77%	9.88%
18.	Return on Assets (ROA)	5.28%	9.15%
19.	Income from Investment	1,285,310,373	1,282,665,462
20.	Earnings per Share	5.59	141.94
21.	Net Income per Share	5.59	141.94
22.	Price Earnings Ratio	N/A	N/A



SME TECHNOLOGY FAIR 2011

nder the collaboration agreement between IIDFC and NSIC, India a SME Technology Fair organized by IIDFC was held in Dhaka for 9 days from October 9-16, 2011 at the Bangladesh Handball Federation Covered Stadium, Dhaka. The co-organizers were NSIC India, SME Foundation and Bangladesh Federation of Women Entrepreneurs. Ministry of Industries, GOB and Bangladesh Bank patronized the event.

The event was inaugurated by Dr. Masihur Rahman, Adviser of Finance and Planning to the Honorable Prime Minister, Government of the People's Republic of Bangladesh as Chief Guest whereas Dr. Atiur Rahman Governor of Bangladesh Bank graced the occasion as Special Guest.

Entrepreneurs of around 40 SMEs both from India and Bangladesh exhibited their products in the fair which was visited by more than 3,000 visitors. The exhibitors from India were primarily from Light engineering, bicycle spare parts, packaging, electrical and other sectors. The fair created a unique opportunity for the local entrepreneurs entering into joint venture agreements with Indian counter parts, transferring technology or up-gradation of technology, providing expert services as well as training of local entrepreneurs in India. New, prospective and existing entrepreneurs of Bangladesh also got opportunity to look and decide on investment in innovative SME enterprises towards self employment as well as on site advice on financing facilities. During the course of the fair one to one meeting was held with the prospective investors and entrepreneurs.



Chairman Mr. Md. Matiul Islam delivering his inagural speech at the SME technology fair 2011

SME TECHNOLOGY FAIR 2011





Dr. Mashiur Rahman, Adviser to the Honourable Prime Minister on Economic Affairs formally inaugurating the Fair.



Governor, Bangladesh Bank, Dr. Atiur Rahman visiting a stall at the SME Fair.



Deputy Governor, Bangladesh Bank Md. Abul Quasem with IIDFC Officials and entreprenuers at the SME Fair.



SIGNING CEREMONIES



Term Sheet Signing Ceremony for Pacific Bangladesh Telecom Limited



Working Capital Facility Agreement Signing Ceremony of Anwara Mannan Textile Mills Limited

Structure Finance Department

PROJECTS IMPLEMENTED UNDER IIDFC'S SYNDICATION





Sinha Power Generation Company Ltd.



Anwara Mannan Textile Mills Limited



Corporate Finance



Hotel The Cox Today , Cox's Bazar



Circular Knitting Macine of Masco Industries Ltd.



Radiant Pharmaceuticals Ltd.-Lab Equipment

SME Finance





Al-Mostafa Printing & Packaging Ind. Ltd.



AR Plastic Industries Ltd.



Neetol Printing & Packaging Factory