

ANNUAL REPORT 2013



Industrial and Infrastructure
Development Finance Company Limited

IIDFC



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A conceptual image of a road curving upwards into the sky, ending in an arrowhead, symbolizing growth and progress. The road is dark asphalt with white double lines, curving from the bottom left towards the top center. The background features a bright sun on the horizon, casting rays of light across a blue sky with scattered clouds. The ground on either side of the road is a vibrant green field.

A leading financial institution of the country, IIDFC was promoted by 10 banks, 3 insurance companies, the ICB and Mr. Md. Matiul Islam, the first finance secretary of the Government of Bangladesh. With a Board of Directors comprising of top level bankers and former senior civil servants, the main emphasis of IIDFC is promoting and financing 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.

IIDFC COMMITMENTS



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 13th ANNUAL GENERAL MEETING

Notice is hereby given to all shareholders of the Company that the 13th Annual General Meeting of Industrial and Infrastructure Development Finance Company Limited will be held on Tuesday, June 10, 2014 at 8.00 p.m. at Lakeshore Hotel & Apartments, Road # 41, House # 46, Gulshan # 2, Dhaka # 1212 to discuss the following businesses:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended December 31, 2013 and Auditors' Report & Directors' Report thereon;
2. To declare dividend for the year 2013 as recommended by the Board of Directors;
3. To elect/re-elect Directors of the Company;
4. To appoint auditors for the year 2014 and fix their remuneration; and
5. To transact any other business with the permission of the Chair.

Dated, Dhaka
May 18, 2014

By order of the Board

Md. Shamim Ahamed, FCA
Company Secretary

NOTES:

1. Members holding shares on the date of the Annual General Meeting will be entitled to the Dividend 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 72 hours before commencement of the General Meeting at Chamber Building (6th Floor), 122-124 Motijheel C/A, Dhaka-1000.
3. Members are requested to notify change of address, if any, to the Company.

Milestone EVENTS



2000	Dec 19:	<ul style="list-style-type: none"> • Incorporated with RJSC, Bangladesh.
2001	Jan 23:	<ul style="list-style-type: none"> • Bangladesh Bank issues license.
	Jan 25:	<ul style="list-style-type: none"> • 1st meeting of the Board of Directors.
	Apr 01:	<ul style="list-style-type: none"> • Commercial operation starts.
	Aug 22:	<ul style="list-style-type: none"> • 1st Lease Finance Agreement.
	Oct 15:	<ul style="list-style-type: none"> • 1st Direct Finance Agreement.
2003		<ul style="list-style-type: none"> • First Ever Zero Coupon Bonds launched by IIDFC.
2004		<ul style="list-style-type: none"> • Syndication of 1st commercial loan for BRAC for BDT 100 crore.
2006		<ul style="list-style-type: none"> • Term Loan Syndication for Warid Telecom International Ltd. [BDT 300 Crore] signed in Abu Dhabi. • Sanctioning of 1st SME Loan.
2008		<ul style="list-style-type: none"> • Term Loan Syndication for SUMMIT Uttaranchol & Purbanchol Power Company Ltd. (BDT 395 Crore). • Opening of 1st Branch in Chittagong.
2009		<ul style="list-style-type: none"> • 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. • The Carbon emission from the air-flights of the delegates attending 15th Conference of the Parties in Copenhagen, Denmark, was mitigated by a CDM brick kiln project of IIDFC. A video on the CDM project of IIDFC was shown during the inaugural session of the Conference which was attended by 20,000 delegates from 180 countries on December 07, 2009. • Introduction of first ever ACI Convertible Zero Coupon Bond in Bangladesh (BDT 100 Crore).
2010		<ul style="list-style-type: none"> • IIDFC was 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 power plant 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.
2011		<ul style="list-style-type: none"> • 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.
2012		<ul style="list-style-type: none"> • The CDM project HHK (bundle-2) has been registered with UNFCCC on July 31, 2012. • IIDFC has signed a US\$ 6 million loan facility with the Asian Development Bank on November 15, 2012 to improve energy efficiency of energy intensive industries of Bangladesh.
2013		<ul style="list-style-type: none"> • IIDFC Limited has been mandated as the arranger by Infinity Data and Power Limited (IDPL) to raise syndicated facilities of Term Loan Facility of BDT 583.00 million and Working Capital Facilities of BDT 210.00 million. • IIDFC Limited arranged Syndicated Term Loan of BDT 2180 Million for Sinha Peoples Energy Limited for establishing a 52.5 MW HFO based power generation facility at Katpotti, Munshiganj.

Corporate INFORMATION



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

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: 9514637-8
Fax: 9514641,
Email: icl@iidfc.com

Chittagong Office

C & F Tower (4th floor), 1222,
Sk. Mujib Road, Agrabad C/A,
Chittagong, Bangladesh
Telephone: 031-2516693
Fax: 031-2516694

Auditors

S. F. Ahmed & Co.

Chartered Accountants
House # 51 (2nd Floor)
Road # 09, Block # F
Banani, Dhaka # 1213

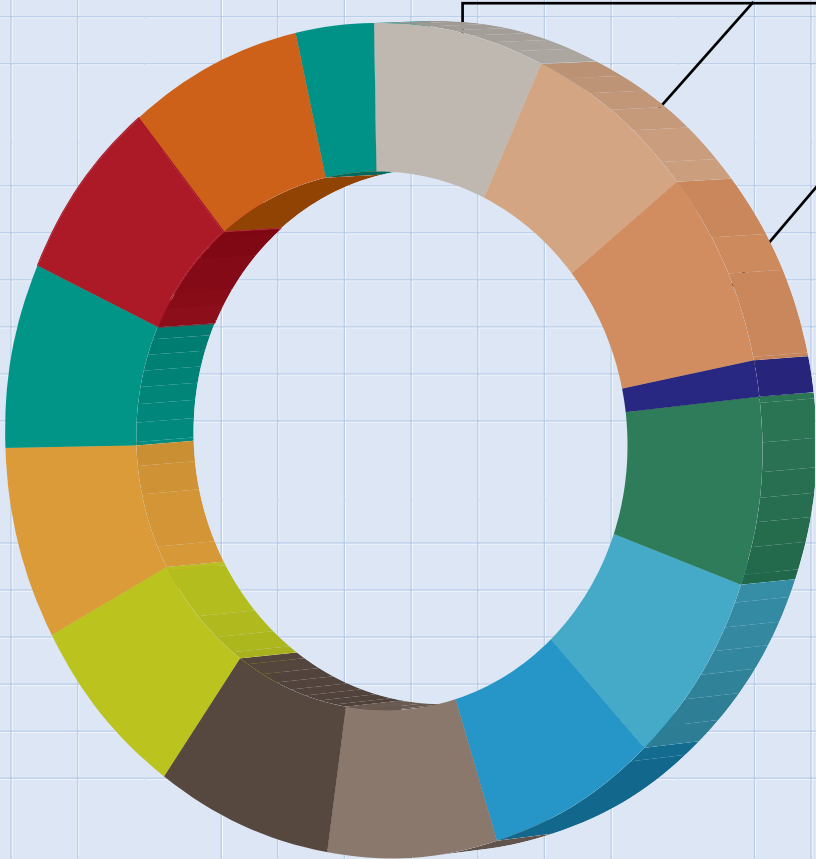
Business Hours

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 / Motijheel 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
Dhaka Bank Limited	Islamic Banking Branch
United Commercial Bank Limited	Foreign Exchange / Bashundhra 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
Southeast Bank Limited	Donia Branch
Jamuna Bank Limited	Dilkusha Branch

SHAREHOLDING STRUCTURE



SHAREHOLDING STRUCTURE

Public Sector

■ Sonali Bank Ltd.	7.33%
■ Janata Bank Ltd.	7.33%
■ Investment Corporation of Bangladesh	7.33%
Total	21.99%

Private Sector

■ AB Bank Ltd.	1.46%
■ Bank Asia Ltd.	7.33%
■ BRAC Bank Ltd.	7.33%
■ The City Bank Ltd.	7.33%
■ Mutual Trust Bank Ltd.	7.33%
■ National Bank Ltd.	7.33%
■ ONE Bank Ltd.	7.33%
■ Southeast Bank Ltd.	7.33%
■ Pragati Insurance Ltd.	7.33%
■ Eastland Insurance Co. Ltd.	7.33%
■ National Life Insurance Co. Ltd.	7.33%
■ Mr. Md. Matiul Islam	3.25%
Total	78.01%
Grand Total	100%

Board of DIRECTORS

Chairman	Mr. Md. Matiul Islam, FCA
Directors	Mr. Asoke Das Gupta Vice-Chairman, ONE Bank Limited
	Mr. S. M. Aminur Rahman CEO & 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. Sohail R K Hussain Managing Director & CEO, The City Bank Limited
	Mr. Md. Mehmood Hosain President & Managing Director, Bank Asia Limited
	Mr. AKM Shafiqur Rahman Managing Director, National Bank Limited
	Mr. Md. Fayekuzzaman Managing Director, Investment Corporation of Bangladesh
	Mr. Morshed Alam Chairman, National Life Insurance Co. Limited
	Mr. Ghulam Rahman Vice Chairman, Eastland Insurance Company Limited
	Mr. Md. Manirul Islam, ABIA Managing Director, Pragati Insurance Limited
Managing Director	Mr. Md. Asaduzzaman Khan
Representatives of other Promoters	Mr. Shamim Ahmed Choudhury President & Managing Director, AB Bank Limited
	Mr. Shahid Hossain Managing Director, Southeast Bank Limited
Company Secretary	Mr. Md. Shamim Ahamed, FCA

Brief profile of the DIRECTORS



Mr. Md. Matiul Islam, FCA
Chairman

Mr. Md. Matiul Islam, widely known amongst his friends and colleagues as the “Doyen of Banking and Financial Sectors” started his career with Pakistan Civil Service in 1952. In 1972, he was appointed as the First Finance Secretary of Bangladesh and was assigned with the uphill task of rebuilding the shattered financial sector and implement the scheme for nationalization of the banking sector. He also worked as the Secretary, Ministry of Industries, Alternate Executive Director in the World Bank, Head of UNIDO/World Bank Cooperative Program, Vienna and Country Director for UNIDO, India. Always a creative man, Mr. Islam was the founder chairman of AB Bank Ltd., International Leasing and Financial Services, National Housing Finance & Investment and the Industrial and Infrastructure Development Finance Company (IIDFC) Limited. He also promoted Credit Rating Agency of Bangladesh (CRAB). Mr. Islam completed his B.Com from Dhaka University securing First Class First and Masters in Public Administration from Harvard University, USA. He is also a Fellow of the Institute of Chartered Accountants of Bangladesh. He was honored with “Lifetime Achievement Award” by The DHL–Daily Star in July 2011.



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 IMTRES and the Managing Director of Uniroyal Trade Ltd. He is also Chairman of Uniroyal Securities Limited & Ocuova 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.

Board of DIRECTORS



Mr. S.M. Aminur Rahman
Director

Mr. S. M. Aminur Rahman hails from Sonargaon, under Narayanganj District. After completion of MBA from Institute of Business Administration (IBA), University of Dhaka in 1973, he started his banking career as a Senior Officer in Sonali Bank in 1976. Mr. Rahman is a well reputed progressive and dynamic banker. He has outstanding contribution in promoting the Banking Sector. Presently he is the CEO & MD of Janata Bank Ltd; Chairman of BAFEDA (Bangladesh Foreign Exchange Dealers' Association), Administration & Finance Committee of IBB (Institute of Bankers Bangladesh), Audit Committee of IIDFC (Industrial and Infrastructure Development Finance Company Limited) and JEC (Janata Exchange Company srl), Italy. Besides he is also the Director of BCBL (Bangladesh Commerce Bank Limited), ICB (Investment Corporation of Bangladesh), JCIL (Janata Capital and Investment Limited), PDBL (Primary Dealers Bangladesh Limited) and IIDFC; Member of Governing Board of BIBM (Bangladesh Institute of Bank Management) and IBB (Institute of Bankers Bangladesh); Fellow Member of IBB and Committee Member of the Bretton Woods Committee, USA. Presently he is also serving as an Adjunct Faculty in the Department of Business Administration, East West University. Mr. Rahman was the Managing Director of the then Janata and Sonali Bank and Director of CDBL (Central Depository Bangladesh Limited). He is a Diplomaed Associate of the Institute of Bankers' Bangladesh and attended training on Small Scale Business Financing in India sponsored by the World Bank. Also attended seminar on Foreign Exchange Orientation in New York and Workshop on correspondent banking in London. Also attended seminar on EURO & International Bankers, New York, USA. Attended workshop on International Banker's Seminar, New York and seminar for Executive in New York. Attended Global Micro Credit Summit in Halifax, Nova Scotia, Canada. Attended Leadership and Innovation Program at Judge Business School, Cambridge University, United Kingdom. Attended Leadership Program at Columbia Business School, Columbia University, USA. Completed Strategic Leadership Program at Said Business School, Oxford University, UK. Mr. Rahman has undergone extensive training programs in home and abroad and visited USA, Canada, UK, Italy, Germany, France, Switzerland, Netherlands, Greece, Turkey, Egypt, Kuwait, Kingdom of Saudi Arabia, Australia, China, U.A.E, Korea, Malaysia, Thailand, Indonesia, Vietnam etc.



Mr. Pradip Kumar Dutta
Director

Mr. Pradip Kumar Dutta was born in a respectable family in Mymensingh on 26 November, 1953. He is the son of Late Jitendra Dutta and Late Amio Bala Dutta. Mr. Dutta did his Masters of Science from Dhaka University in 1974. He started his career with Sonali Bank in 1977 as a Senior Officer. He has served in various positions in Sonali Bank which include Branch Manager, Principal Office Head, General Manager's Office Head and Head of different Operational Divisions at Bank's Head Office. On getting promotion as General Manager he was posted to Bangladesh Krishi Bank (BKB). He served there for a period of one and a half year from September 2003 to March 2005. Then he was again transferred and posted in Sonali Bank where he worked as a General Manager and Deputy Managing Director till he was promoted and posted as Managing Director of Rajshahi Krishi Unnayan Bank (RAKUB) on 18 July, 2010. He worked there till 14 June, 2012 with a break of less than 2 months period. He was appointed the Managing Director and CEO of Sonali Bank Ltd. and has been working since 17 June, 2012. In his career he gained expertise in all types of banking activities having vast practical exposure. He is widely acknowledged for his cooperative attitude and amicable disposition in the banking industry. The Managing Director and CEO of Sonali Bank Limited Mr. Dutta is a man with pleasant personality. During his career as a banker, he attended many trainings, seminars and workshops in home and abroad; visited Japan, UK, USA and many other countries in the world. Presently, he is holding various positions (Ex-Officio) of the other Institutions viz- Director, Sonali Exchange Inc., New York, USA, Sonali Bank (UK) Ltd. London, UK; Primary Dealers Bangladesh Ltd. (PDBL); Investment Corporation of Bangladesh (ICB); Sonali Investment Ltd. (SIL); Bangladesh Commerce Bank Ltd. (BCBL); Central Depository Bangladesh Ltd. (CDBL); Industrial and Infrastructure Development Finance Company Ltd. (IIDFC). He is member, Governing Board, Bangladesh Institute of Bank Management (BIBM) and executive committee, Bangladesh Foreign Exchange Dealers Association (BAFEDA). He is also the Vice-Chairman, Institute of Bankers Bangladesh (IBB).

Brief profile of the DIRECTORS



Mr. Anis A. Khan
Director

Mr. Anis A. Khan (AAK) is Managing Director & CEO, of Mutual Trust Bank Limited (MTB), one of Bangladesh's leading private sector banks since April 15, 2009. 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 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 June 2010. Before that he served as Deputy Managing Director of the Bank. Prior to joining BRAC Bank, he served with Prime Bank as the Deputy Managing Director. He also worked with IDLC Finance, Standard Chartered Bank, ANZ Grindlays Bank and Citibank in different capacities. He started his career with Saudi Bangladesh Agricultural and Industrial Investment Co. (SABINCO). Besides being the Managing Director & CEO of BRAC Bank Limited, he is also the Director of BRAC-EPL Investments, BRAC-EPL Stock Brokerage, BRAC Saajan Exchange (FSA, UK), bKash (mobile financial service), BRAC IT Services Ltd. (biTS), Industrial and Infrastructure Development Finance Company (IIDFC) and The Bangladesh Rating Agency Limited (credit rating agency). He has over 25 years of experience in Banking & Financial Institutions. During his banking career, he attended numerous trainings, seminars and workshops on different aspects of banking held in the country and abroad. Mr. Syed Mahbubur Rahman obtained MBA from the Institute of Business Administration, University of Dhaka. He received 'The Asian Banker Leadership Achievement Award 2011-2013' – arguably the most prestigious accolade for banking leaders in the Asia Pacific region – in recognition of his outstanding and futuristic leadership at BRAC Bank.

Board of DIRECTORS



Mr. Sohail R. K. Hussain

Director

Mr. Sohail Reza Khaled Hussain is the Managing Director and Chief Executive Officer of The City Bank Ltd. (CBL), a first generation private commercial bank of the country. He joined CBL in 2007 as Deputy Managing Director and Head of Business, overseeing the various business divisions of the bank namely Corporate Banking, Retail Banking, Treasury & Capital Markets and SME Banking. He was promoted to Additional Managing Director in February 2011. As Additional Managing Director his functional designation was Chief Business Officer of the Bank. Before joining The City Bank, he looked after corporate banking, small and medium enterprise (SME) and treasury businesses of Eastern Bank Limited (EBL). He joined the EBL in 2001 as a Member of EBL's 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 Chartered Grindlays Bank) in 1990 as a Management Trainee and continued till 2001. He served as Head of Large Local Corporate Unit of the combined ANZ & Standard Chartered Bank in his last assignment in the organization. Mr. Hussain also represents The City Bank Ltd. in the Board of IIDFCL.

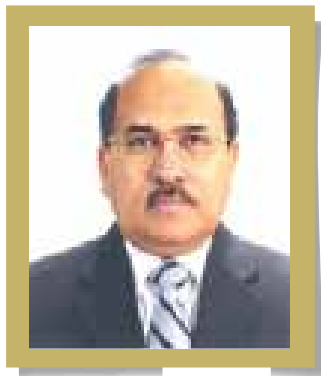


Mr. Md. Mehmood Husain

Director

Mr. Md. Mehmood Husain is holding the position of President & Managing Director of the Bank Asia Ltd. Prior to his joining Bank Asia, he was the Additional Managing Director of Prime Bank Ltd. Mr. Mehmood, an ex-cadet and a post graduate in Economics from the University of Dhaka, started his banking career in 1984 with National Bank as Probationary Officer. He has to his credit 30 years of long and diversified banking experience. While in Prime Bank, he held many important and responsible positions and contributed greatly to the growth of the bank. Mr. Mehmood attended a number of professional workshops and seminars at home and abroad. He is the Joint Secretary of Association of Bankers Bangladesh and life member of Bangladesh Economic Association. A widely travelled person, Mr. Mehmood is associated with various social organizations.

Brief profile of the DIRECTORS



Mr. AKM Shafiqur Rahman

Director

An eminent Banker Mr. AKM Shafiqur Rahman is the Managing Director of National Bank Limited (NBL). Prior to his appointment, he was Additional Managing Director of the same Bank. Mr. Rahman started his career as Probationary Officer in Bangladesh Krishi Bank in the year 1974 and worked as head of different Branches & Divisions up to 1988. He joined NBL on July 30, 1988. He worked in various capacities in the Bank. Mr. AKM Shafiqur Rahman is an M. A. with Honors in Economics. He completed a Certificate Course on 'Program on Investment Appraisal and Management' from Harvard University, USA in 1999. During his long banking career Mr. Rahman widely traveled at home and abroad and attended different seminars, symposiums and also received training over there.



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), the Institute of Bankers, Bangladesh; Credit Rating Agencies of Bangladesh Ltd., (CRAB), Credit Rating Information and Services Ltd. (CRISL), Apex Tannery Ltd. and Apex Footware Ltd. Mr. Zaman, born in Gopalganj in 1953, obtained B. Com Hons. and M. Com degrees in Management. He completed his Post Graduation studies in Investment Planning, Appraisal and Management of Development Finance Institutions from Bradford University, 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 29 (twenty nine) years in Commercial and Investment Banking. Prior to the present position, he had been the Deputy Managing Director of Agrani Bank Ltd. from 2007 to 2010. Before that he was the General Manager of ICB.

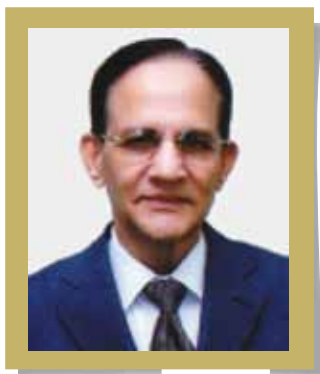
Board of DIRECTORS



Mr. Morshed Alam

Director

Mr. Morshed Alam entered in business arena in the year 1969. He is the founder Chairman of Bengal Group of Industries which is made up of a number of different diversified industries like plastic processing, chemicals, food processing and trading. The Group holds strong leadership position in the plastic sector of the country, the largest manufacturer and exporter of plastic extruded & injection molded products. Mr. Alam has been declared as Commercially Important Person (CIP) by the Government of Bangladesh for his remarkable contribution to the economy. Mr. Alam is the Chairman of National Life Insurance Company Ltd. and National Television Ltd. (RTV). He is the Director of Mercantile Bank Ltd., National Housing Finance and Investments Ltd., Desh General Insurance Co. Ltd., United Hospital Ltd., People's University of Bangladesh, and Bengal Television Ltd. (Channel-52). With his dynamic leadership, the Bengal Group received the Export Trophy both Gold and Silver for several times from the Prime Minister of Bangladesh for its outstanding contribution in export. Mr. Alam is also the founder of many social organizations all over the country. .



Mr. Ghulam Rahman

Director

Mr. Ghulam Rahman is a veteran banker who started his Banking career in the then United Bank Limited in 1961. During his 33 years long banking career, he worked in various banks i.e. United Bank, Janata Bank, National Bank and National Credit and Commerce Bank, mostly in Senior Positions. He resigned from the service of National Credit and Commerce Bank Limited in the year 1994 and joined Eastland Insurance Company Limited as Director Planning. Now, Mr. Rahman has been working as an Executive Vice Chairman of Eastland Insurance Company Limited since September, 2013. He is a Commerce Graduate.

Brief profile of the DIRECTORS



Mr. Md. Manirul Islam
Director

Mr. Md. Manirul Islam is working with Pragati Insurance Limited as Managing Director and CEO since 1st October, 2012. He obtained B.Com (Hon's), M.Com (Accounting) from Dhaka University in 1976 and also obtained BIA Diploma from Bangladesh Insurance Academy in the year 1985. He joined Sadharan Bima Corporation in May 1981 as a Trainee Officer and after successful completion of the probation period he was absorbed as 'Deputy Manager'. He retired voluntarily from Sadharan Bima Corporation on 30th September, 2012 as General Manager. During his service in Sadharan Bima Corporation he worked in various Departments like Underwriting, Claims, Accounts, Re-insurance, Finance & Investment etc. and gathered vast knowledge and experience. He attended in insurance, re-insurance and finance related many seminars, symposiums and workshops. He participated in various professional training courses in home and abroad. Mr. Islam is well associated with various social organizations. He is a councilor of Bangladesh Football Federation (BFF). He was also a Councilor and former Member of the Finance Committee of Bangladesh Cricket Board (BCB).



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 34 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., a Director of IIDFC Capital Ltd. and a Director of ICB Capital Management Ltd.





Audit committee of the BOARD

Mr. S.M. Aminur Rahman |

CEO & 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. AKM Shafiqur Rahman |

Managing Director, National Bank Ltd.
Member

Mr. Asoke Das Gupta |

Vice Chairman, ONE Bank Limited
Member

Committees of IIDFC



SME Committee

1. Mr. Md. Matiul Islam, Chairman
2. Mr. Md. Asaduzzaman Khan, Managing Director
3. Mr. Md. Shamim Ahamed, FCA, SVP-CFO & Company Secretary
4. Mr. Refaet Ullah, AVP, Head of SME Department

Credit Risk Management Committee

1. Mr. Md. Asaduzzaman Khan, Managing Director
2. Mr. Md. Shamim Ahamed, FCA, SVP-CFO & Company Secretary
3. Mr. Sami Huda, SVP- Corporate Finance

Asset Liability Management Committee (ALCO)

1. Mr. Md. Asaduzzaman Khan, Managing Director
2. Mr. Md. Shamim Ahamed, FCA, SVP-CFO & Company Secretary
3. Ms. Shahnaj Sultana, AVP-Head of Treasury

Central Compliance Unit

1. Mr. Md. Shamim Ahamed, FCA, SVP-CFO & Company Secretary
2. Mr. Md. Noor-ul-Alam, ACA, AVP, ICC

Risk Management Forum

1. Mr. Md. Asaduzzaman Khan, Managing Director
2. Mr. Md. Shamim Ahamed, FCA, SVP-CFO & Company Secretary
3. Mr. Sami Huda, SVP- Corporate Finance
4. Mr. Ahmmed Ashique Mahmud, Vice President, Structured Finance
5. Mr. Syed Abed Hasan, Vice President-Finance & Accounts
6. Mr. Md. Noor-ul-Alam, ACA, AVP, ICC
7. Ms. Shahnaj Sultana, AVP, Treasury

Senior MANAGEMENT TEAM (SMT)

IIDFC Ltd.

Mr. Md. Asaduzzaman Khan, Managing Director
Mr. Md. Shamim Ahamed, FCA, SVP-CFO & Company Secretary
Mr. Sami Huda, SVP-Corporate Finance
Mr. Ahmmmed Ashique Mahmud, Vice President, Structured Finance
Mr. Syed Abed Hasan, VP-Finance & Accounts
Mr. Shahanur Rashid, AVP-Structured Finance
Mr. Md. Nizam Uddin Chowdhury, AVP & Head of Chittagong Branch
Mr. Md. Noor-ul-Alam, ACA, AVP, ICC
Ms. Shahnaj Sultana, AVP, Treasury
Mr. Refaet Ullah, AVP, SME
Mr. Md. Junnur Rahman, Head of Monitoring & Legal Affairs

IIDFC Securities Ltd.

Mr. A.T.M. Nasir Uddin, Chief Executive Officer
Mrs. Ashrafun Nessa, Chief Operating Officer
Mr. Mia Mohammad Abdullah, Assistant Vice President

IIDFC Capital Ltd.

Mr. Md. Saleh Ahmed, Chief Executive Officer

IIDFC'S SENIOR MANAGEMENT TEAM



Standing (L-R): Ms. Shahnaj Sultana, Mr. Md. Saleh Ahmed, Mr. Md. Nizam Uddin Chowdhury, Mrs. Ashrafun Nessa, Mr. Shahanur Rashid, Mr. A.T.M. Nasir Uddin, Mr. Md. Junnur Rahman, Mr. Md. Asaduzzaman Khan, Mr. Md. Noor-ul-Alam, Mr. Md. Shamim Ahamed, Mr. Refaet Ullah, Mr. Sami Huda, Mr. Syed Abed Hasan and Mr. Ahmmmed Ashique Mahmud.

IIDFC STAFF MEMBERS



Corporate Finance Department



SME Finance Department

IIDFC STAFF MEMBERS



Structured Finance Department



Finance & Accounts Department

IIDFC STAFF MEMBERS



Legal and Monitoring Department



Treasury Department

IIDFC STAFF MEMBERS



Human Resources Department



Carbon Finance Department

IIDFC STAFF MEMBERS



IT Department



ICC & Risk Management Department



Chittagong Office

IIDFC STAFF MEMBERS



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

The following Services are provided :

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:

The World Bank, as the trustee of the Community Development Carbon Fund, has signed an Emission Reduction Purchase Agreement (ERPA) with IIDFCL which, as the Project Entity, has signed Emission Reduction Transfer Agreements (ERTAs) with the owners of the energy efficient and environment-friendly brick kilns, i.e., sub-projects, included in two CDM projects titled as "Improving Kiln Efficiency in the Brick making Industry in Bangladesh" known as PDD 1 and "Improving Kiln Efficiency in the Brick making Industry in Bangladesh (Bundle-2)" known as PDD 2 for the emission reductions of greenhouse gas to be achieved from the project activity. The Danish Ministry of Energy and Climate Change has also signed an ERPA with IIDFCL for a portion of the said emission reductions to be achieved from the project activities. The brick kilns with Hybrid Hoffman technology, included in the CDM projects, are more energy efficient and less polluting compared to the traditional brick kilns, i.e., Fixed Chimney Kilns (FCK), mushroomed in the country.

The very objective of the projects is to reduce emission of CO₂ significantly and play a part of the global effort of combating global warming and consequent climate change which seems to be a daunting challenge now-a-days. During the year 2011-12, the first CDM project (PDD1) has helped reduce 17,403 ton of CO₂, certified emission reduction, which has been successfully verified by the Designated Operational Entity (DOE) and recently approved by the United Nations Framework Convention on Climate Change (UNFCCC) this year, resulting in carbon credits of worth US\$ 240,000 for distribution among the sub-projects and a part will be retained by IIDFCL. The projects, including PDD1 and PDD2, are expected to further reduce more than 100, 000 ton of CO₂ by December 2015 and earn foreign exchange of worth US\$ 1.3 million approximately.

IIDFCL is currently discussing with the Asian Development Bank (ADB) to sell CERs to be generated from the projects during January 2016 to December 2019.

Apart from reducing greenhouse gas emission, the projects are promoting sustainable practices, such as, round the year employment, occupational health and safety measures and community benefit plan for the workers, periodic doctor's consultation, better environmental management system etc, which are totally non-existent in the seasonal FCKs.

Focus on Energy Efficiency:



During the verification review meeting of CDM brick kiln project

In the energy sector, we are in a dual crisis, one is the extensive use of fossil fuel which has resulted in the scarcity of energy and another is the ever-increasing demand is forcing to generate more power to meet the daily necessities. To cope with the situation, the government has already opted for expensive quick rental power plants which run on either diesel or furnace oil. However, investing in end-use energy efficiency (EE) improvement is often more cost-effective rather than increasing power supply to the services. On the other hand, efficiency improvement has a positive effect on energy security and air pollution abatement. To harness the potential of EE, Carbon Finance Department, IIDFCL, is focusing on improving EE of different industries.

Barriers to EE:

Making a balance between supply of and demand for power needs a long time provided the crisis for gas but EE can play a significant role in the energy starved country. Many industrial facilities in Bangladesh are new which have been established based on the latest technologies with the lowest specific emissions. Yet, many older, inefficient facilities remain in the industries. Upgrading these facilities can deliver significant energy savings and emission reductions. However, lack of financial and technical resources and limitations in the ability of firms, particularly small and medium-sized enterprises, to access and absorb technological information are key barriers to full use of available mitigation options.

Carbon FINANCE

EE might enable companies to save costs, improve their competitiveness and enhance overall productivity. Furthermore there are also opportunities to develop new businesses that enhance efficiency in different sectors in the country.

EE in industries can be attained in different ways, for example cogeneration, which helps in the production of two useful forms of energy, such as steam and electricity, from the same fuel source. Waste heat from industrial boilers can produce steam that helps rotate turbines and generate electricity at a less cost. Replacing inefficient electric motors is another strategy.

There are ways to reduce energy consumption and carbon emissions through EE, which has remained roughly unexplored, to say the least. Although attaining EE might be a potential option; there remain numerous barriers to the adoption of enhanced EE measures too, for example, information barriers, market imperfections and policy distortions impede consumers and businesses from taking opportunities to invest in EE.

Lack of information is one of the major problems and as such, it becomes difficult for one, say in industrial level, to choose the right strategy. It is above all difficult to learn about the performance and costs of energy-efficient technologies and practices, because their benefits are not always observable in the short run. In addition, EE investments are often overlooked because new and unfamiliar technologies are wrongly perceived to be unreliable.

Apart from these, EE investments are often considered as optional maintenance projects which are usually given a lower priority to essential maintenance projects or strategic investments. By and large, top managements of industries do not consider energy-cost savings as a priority.

Investments in EE are often impeded due to the initial cost barrier and difficulties in raising capital, coupled with relatively long payback periods. The inadequacy of traditional financial mechanisms for EE projects are also a challenge. Even if some might have great access to capital, businesses may still be unwilling to accept the larger payback periods of the investment, given the uncertainty about actual energy cost savings.

Removing barriers to EE: Industrial Energy Efficiency Finance Program

In order for a company to be energy efficient, in other words, to reduce its energy costs, it needs to evaluate first how it uses energy. To do so, energy audits need to be conducted. An energy audit is a systematic examination of key applications that consumes energy. The audit finds out where and how energy can be saved by installing energy efficient technology. Translating these figures into a potential monthly saving, the best picture can be drawn with the possible reduction in energy costs once the equipment is installed. Then it becomes much easier for the top management to decide whether they would go for EE in their industry or not.



Chairman of IIDFC Mr. M Matiul Islam speaking at the capacity building workshop on Industrial Energy Efficiency

In this regard, IIDFCL, as an executing agency, has signed a Technical Assistance (TA) agreement with the Asian Development Bank. Under the TA, 120 energy audits have been conducted by a team consisting International experts in six different industrial sectors to identify energy efficiency potentials. The team has identified an overall investment opportunity of US\$ 140 million in 120 industries to save energy of approximately US\$ 46 million per annum.

IIDFCL has also signed a loan agreement of US\$ 6.0 million with ADB to finance potential projects selected through energy audits and some of the projects are currently under consideration of IIDFCL.

RATINGS OF IIDFC



National Credit Ratings Limited

Ratings are based on Audited Financial Statement up to 31st December 2013 along with the other relevant Quantitative as well as Qualitative information provided by the Client up to the Date of Rating Declaration.

Followed Financial Institutions Rating Methodology (Bank & NBFI) of NCR published in our website.

Website: www.ncrbd.com

NBFI

INDUSTRIAL AND INFRASTRUCTURE DEVELOPMENT FINANCE COMPANY LIMITED (IIDFC)

SURVEILLANCE ENTITY RATING - 2014		
Date of Rating Declaration	Long Term	Short Term
25.05.2014	AA (Double A)	ST-2
SURVEILLANCE ENTITY RATING - 2012		
Date of Rating Declaration	Long Term	Short Term
18.10.2012	AA (Double A)	ST-2

Ratings are valid for one year from the date of declaration

RATING RATIONALE

The above ratings reflect IIDFC's established track record, sound equity base with adequate CAR, adequate liquidity in terms of CRR & SLR and improved profitability indicators. The ratings are, however, constrained by risk inherent in investment in securities, negative liquidity gap above one year maturity bucket and increase in impaired lending implies decrease in assets quality.

FINANCIAL DATA (TK IN MILLION)

	2013	2012
Gross Finance	10,767.37	10,304.07
Total Assets	12,817.01	13,278.29
Equity Capital	1,327.35	1,221.62
Total Net Revenue	377.26	221.04
Net Income	102.96	(106.66)
NPL/Gross Advances (%)	4.75	4.92
ROE (%)	8.08	-8.41
NIM (%)	2.41	1.13
Finance / Deposit (%)	191.43	201.78

ASSESSMENT

- The total capital was recorded TK 1,536.35 million where Core Capital (Tier-I) is TK 1,421.52 million and Supplementary Capital (Tier-II) is TK 114.83 million during 2013, representing a capital surplus of TK 403.41 million. Finally the CAR was posted 13.56% which is composed of 12.55% Core Capital (Tier-I) and 1.01% Supplementary Capital (Tier-II).
- The gross lease and advances of the IIDFC and its subsidiaries has increased to TK 10,767.37 million in 2013 from TK 10,304.07 million in 2012, registering a growth of 4.50%. The Non-Performing lease and advances of IIDFC was recorded TK 511.31 million in 2013 from TK 506.65 million in 2012, recording a growth of 0.92%, implies the quality of lease assets has slightly deteriorated in 2013.
- The Net Interest Income increased to TK 286.28 million in 2013 from TK 134.55 million in 2012, showing a growth of 112.77%. Besides, other operating income also increased by 5.19% and stood to TK 90.98 million in 2013 from TK 86.49 million in 2012. IIDFC recorded Net Profit of TK 102.96 million in 2013 against the Net Loss of TK 106.66 million in 2012. ROA increased to 0.79% in 2013 from (0.80%) in 2012 and ROE also increased to 8.08% in 2013 from (8.41%) in 2012.
- The intermediation efficiency has improved during the year 2013, as the net interest margins (NIM) increased to 2.41% in 2013 from 1.13% in 2012. Although the Yield on Assets increased to 14.94% in 2013 from 13.11% in 2012 and the Cost of Funds also increased to 14.79% in 2013 against 13.79% in 2012, the spreads stood to 0.15% in 2013 from negative 0.68% in 2012.
- The company maintained 4.09% of Cash Reserve Requirement (CRR) and 6.28% of Statutory Liquidity Reserve (SLR) during the period ended December 31, 2013. The deposit has increased to TK 5,624.72 million in 2013 from TK 5,106.60 million in 2011, registering a growth of 10.15%. The main source of IIDFC's funding is deposit (43.88%) followed by borrowing (28.92%), non interest bearing liabilities (16.84%) and total equity attributable to shareholder of the company and non-controlling interest (10.36%).

ANALYSTS :

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PROFILE

- Industrial and Infrastructure Development Finance Company Limited (hereinafter called as 'IIDFC' or 'The Company') was incorporated on December 19, 2000 as a Public Limited Company and commenced commercial operation on April 1, 2001. IIDFC offers various products and services namely Finance and Investment product, Deposit Schemes, Advisory Services, Carbon Finance, Brokerage Services and Merchant Banking.
- The Registered and Corporate Head Office is located at Chamber Building (6th & 7th floor), 122-124 Motijheel C/A, Dhaka - 1000. IIDFC operates with one Branch located at Chittagong.

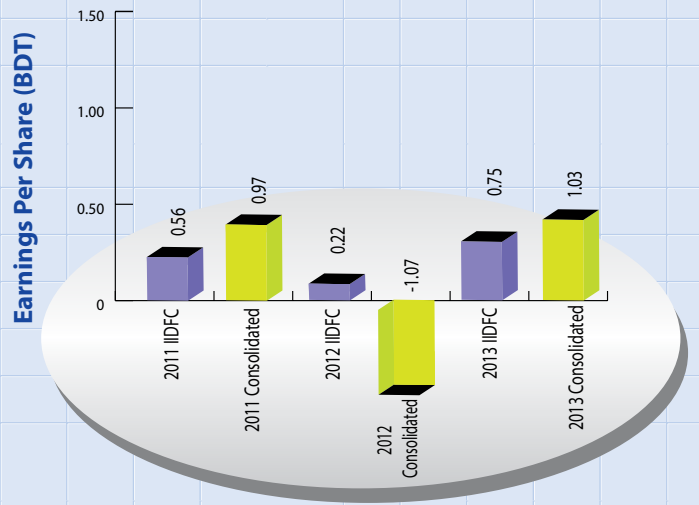
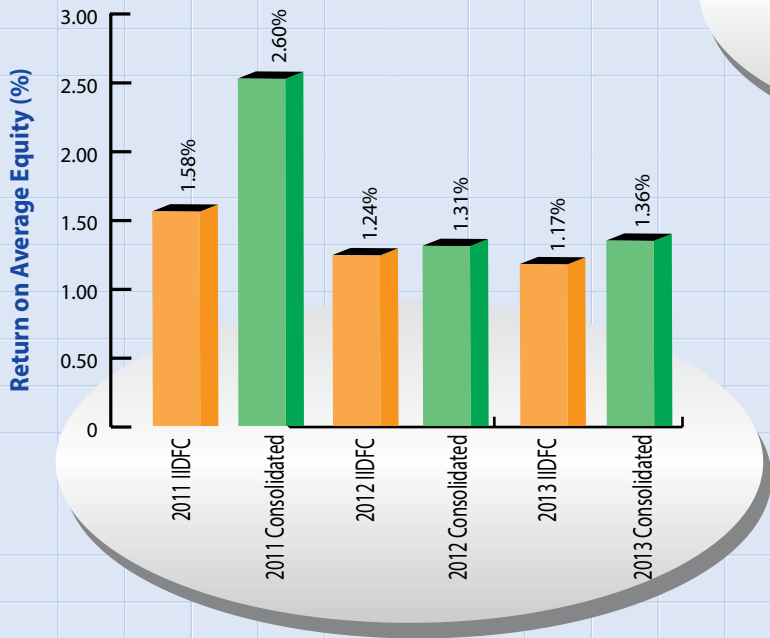
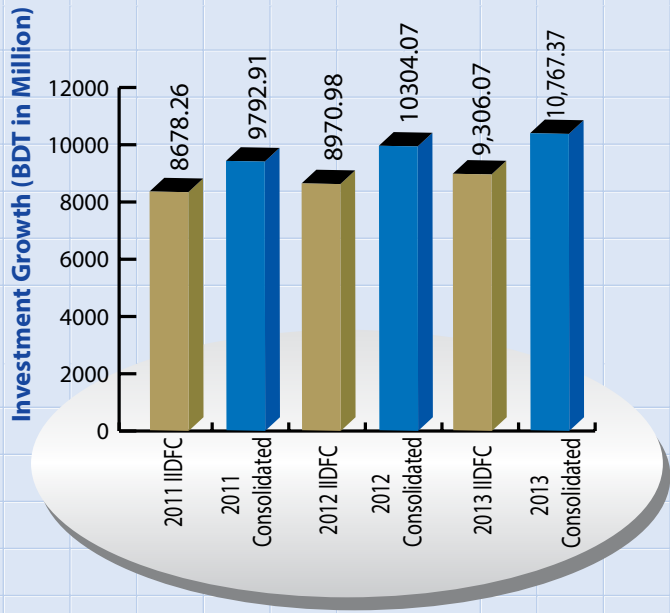
FINANCIAL HIGHLIGHTS

BDT in Million

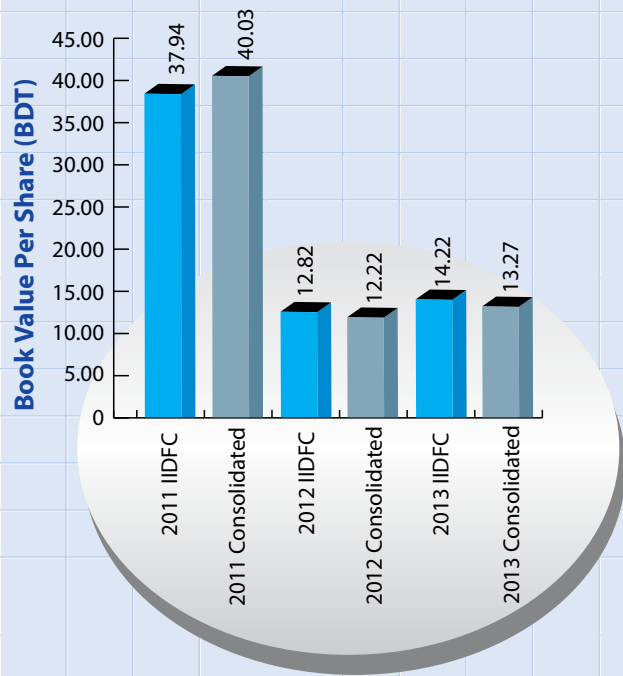
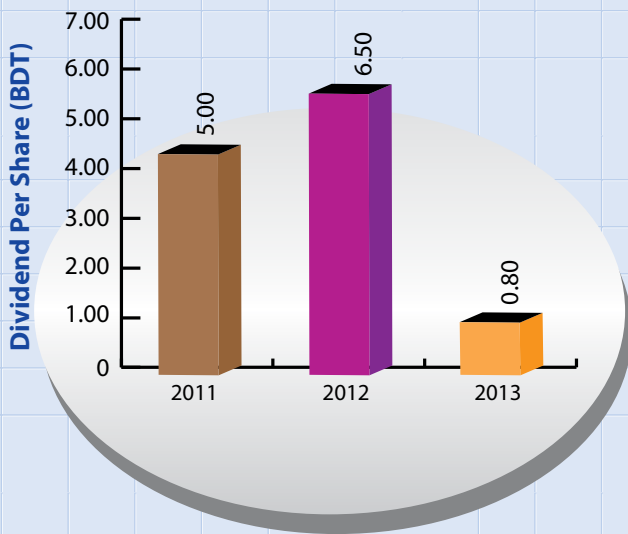
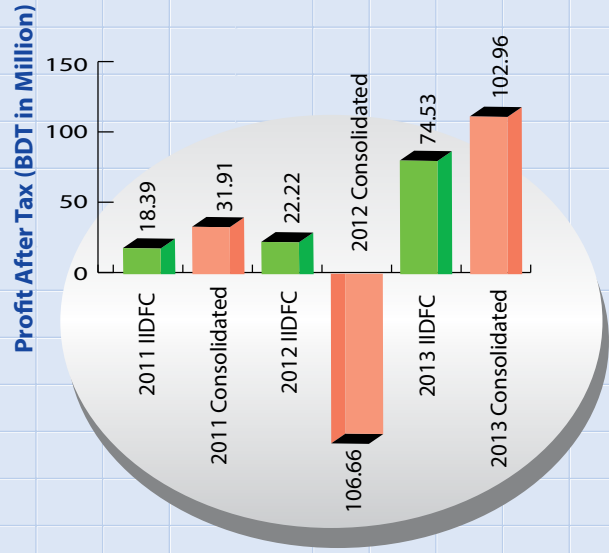
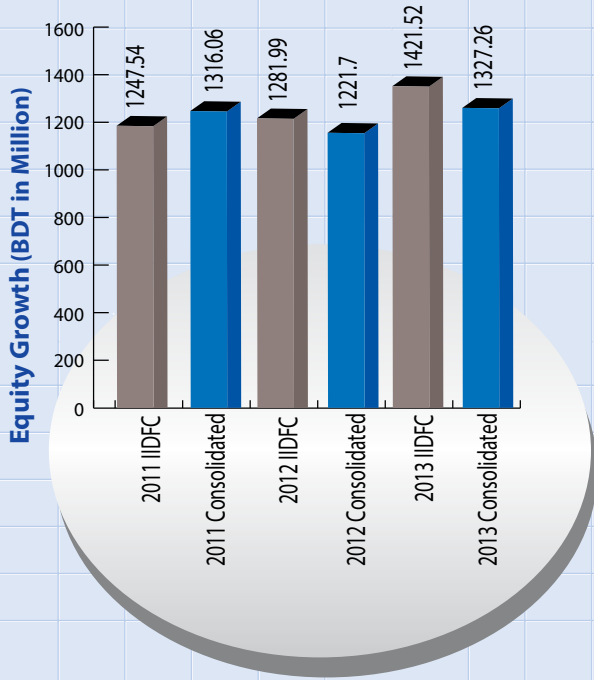
Particulars/Year	2013		2012		2011	
	Consolidated	IIDFCL	Consolidated	IIDFCL	Consolidated	IIDFCL
Profit and Loss Account						
Operational Revenue	1,811.60	1,667.13	1,601.25	1,588.80	1,594.96	1,316.08
Operational Expenses	1,669.42	1,574.61	1,628.24	1,511.16	1,406.19	1,245.55
Operating Profit	142.18	92.52	(26.99)	77.64	188.77	70.53
Profit after Tax	102.96	74.53	(106.66)	22.22	31.92	18.39
Balance Sheet						
Total Leases, Loans & Advances	10,767.37	9,306.07	10,304.07	8,970.98	9,792.91	8,678.26
Provision for Investments	410.54	312.50	394.07	295.50	349.64	260.58
Leased Finance/Advances	2,600.90	2,600.90	2,496.81	2,766.40	2,766.40	2,807.58
Direct/Term finance	5,155.35	6,705.18	5,052.33	6,474.17	4,357.34	5,911.86
Margin loan	3,011.12	-	2,754.93	-	2,669.17	-
Investment in Shares	363.13	193.08	343.55	204.29	318.03	113.62
Shareholders' Equity	1,327.26	1,421.52	1,221.70	1,281.99	1,316.07	1,247.55
Reserve & Surplus	327.26	421.52	221.70	281.99	691.29	622.86
Paid up Capital	1,000.00	1,000.00	1,000.00	1,000.00	328.78	328.78
Total nos. of Shares (in quantity)	100,000,000	100,000,000	10,000,000	10,000,000	3,287,800	3,287,800
Ratios						
Book Value Per Share (BDT)	13.27	14.22	12.22	12.82	40.03	37.94
Earnings Per Share (BDT)	1.03	0.75	(1.07)	0.22	0.97	0.56
Dividend Per Share (BDT)	-	0.80	-	6.50	-	5.00
Return on Average Equity (%)	1.36	1.17	1.31	1.24	2.60	1.58

* Due to change in denomination of face value of share from BDT 100 to BDT 10 the figures are restated, where applicable.

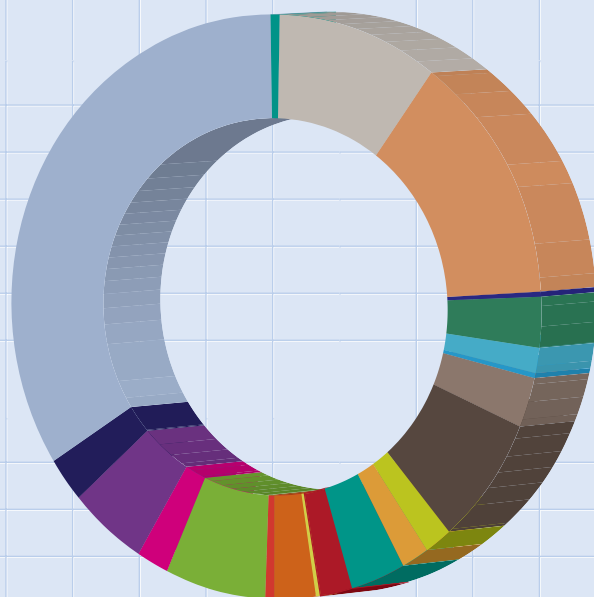
FINANCIAL HIGHLIGHTS



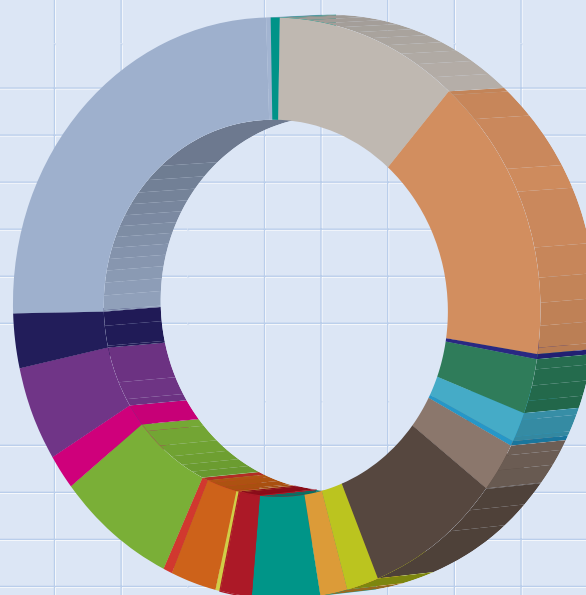
FINANCIAL HIGHLIGHTS



SECTOR-WISE EXPOSURE



Year 2013
Consolidated



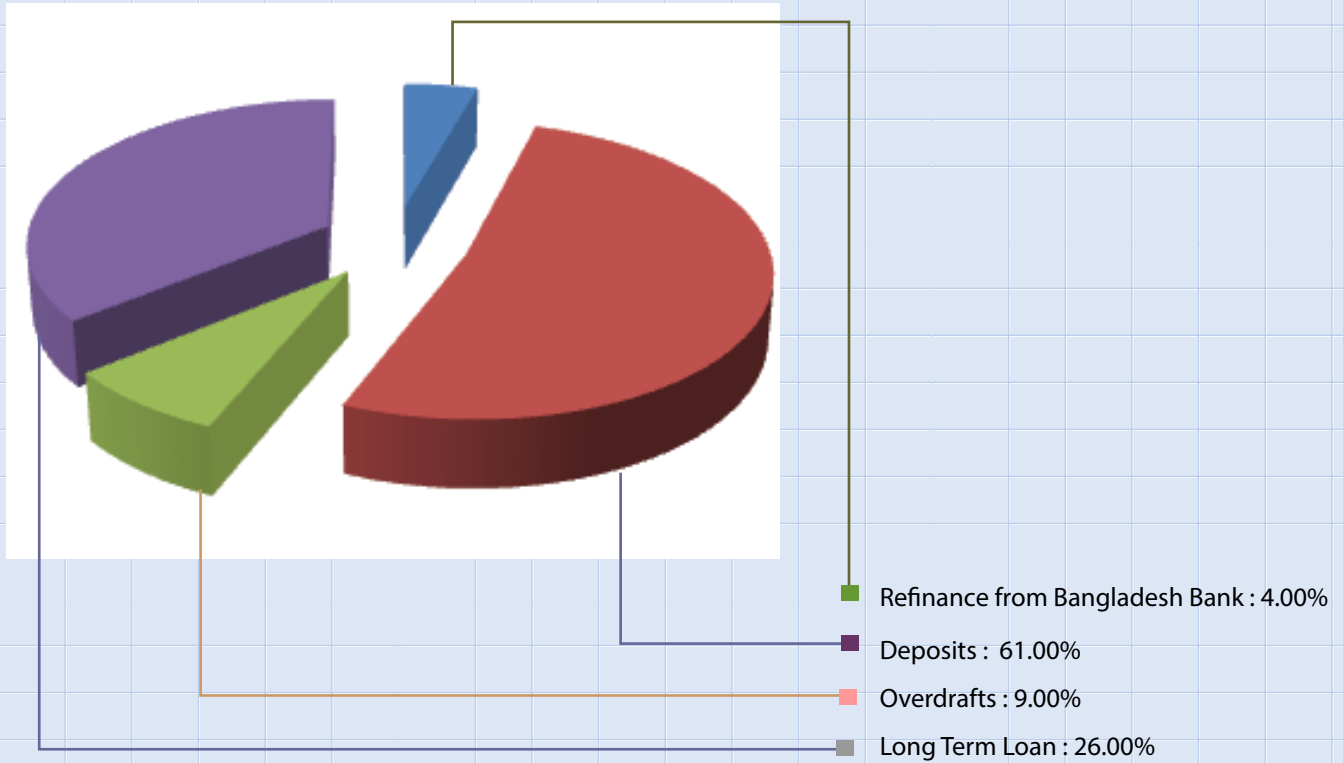
Year 2013
IIDFC

Amount in Taka

Sector-wise Loans & Advances:

	Year 2013 Consolidated		Year 2013 IIDFC	
■ Agriculture Sector	65,971,560	0.61%	65,971,560	0.71%
□ Industrial Sector:				
■ Textiles	931,531,520	8.65%	931,531,520	10.01%
■ Garments	785,940,130	7.30%	785,940,130	8.45%
■ Jutes & Jute Related Goods	94,604,020	0.88%	94,604,020	1.02%
■ Food Items Producer/ Processing Industries	96,588,680	0.90%	96,588,680	1.04%
■ Plastic Industries	125,526,330	1.17%	125,526,330	1.35%
■ Lather & Lather Goods	17,636,130	0.16%	17,636,130	0.19%
■ Iron, Steel and Engineering	330,170,090	3.07%	330,170,090	3.55%
■ Chemical and Pharmaceuticals	605,413,690	5.62%	605,413,690	6.51%
■ Cement/Clinker and Allied Industries	70,408,730	0.65%	70,408,730	0.76%
■ Service Sector (Hotel, Hospital, Clinic, Tourism, etc)	269,353,094	2.50%	269,353,094	2.89%
■ Paper, Printing & Packaging	308,030,870	2.86%	308,030,870	3.31%
■ Telecommunication and IT Industries	380,752,460	3.54%	380,752,460	4.09%
■ Glass and Ceramic Industries	12,342,190	0.11%	12,342,190	0.13%
■ Shipping and Building Industries	326,536,810	3.03%	326,536,810	3.51%
■ Electronics and Electrical Goods	253,253,840	2.35%	253,253,840	2.72%
■ Power, Gas, Water and Sanitary	380,010,940	3.53%	380,010,940	4.08%
■ Transport and Communication	290,874,160	2.70%	290,874,160	3.13%
■ Real Estate and Housing	447,209,140	4.15%	447,209,140	4.81%
■ Merchant Banking	301,674,030	2.80%	301,674,030	3.24%
■ Others	4,673,538,064	43.40%	3,212,246,031	34.52%
Total	10,767,366,478	100.00%	9,306,074,445	100.00%

SOURCES OF FUND



Earning Spread

Year	Average Rate of Return	Average Cost of Borrowing	Earning 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%
2012	17.96%	14.82%	3.14%
2013	17.62%	13.67%	3.95%



Directors' Report

Dear Shareholders,

1. *I have the honour to present to you the financial performance of IIDFC, the parent Company, as well as its two subsidiaries, namely IIDFC Securities and IIDFC Capital Ltd. during FY 2013 covering the period from January 01 to December 31, 2013.*

**Operating & Net
Profit of IIDFC Ltd.**

2. *The after-tax profit of the parent Company in 2013 was Tk. 74.53 million due to (i) significantly low fee income by the Structured Finance Department, (ii) waiver of Tk. 80.00 million of interest charges against some delinquent borrowers, (iii) provision for diminution in the value of investments of Tk. 17.00 million and (iv) no return on equity investments of more than Tk. 1,090.00 million in the two subsidiaries.*

DIRECTORS' REPORT

Operating & Net Profit of IIDFC Securities Ltd.

3. In 2013, IIDFC Securities Limited earned an operating profit of Tk. 48.09 million after (i) providing for 70% of the negative equity, (ii) adjustment of Tk. 11.51 million reflecting the fair value of capital market investment and (iii) providing for Tk. 9.04 million on account of corporate tax. The Retained Earning of the company stood at Tk. 27.54 million as against net loss of Tk. 31.88 million in the year before. However, as the Company did not maintain 100% provision against the negative equity, no dividend could be declared for the year 2013 as per BSEC Guidelines.

Operating & Net Profit of IIDFC Capital Ltd.

4. Performance of the other subsidiary i.e. IIDFC Capital Limited was also not satisfactory. However, as against the net loss of Tk. 97.00 million in 2012, the subsidiary earned a marginal profit of Tk. 8.94 lac during 2013 resulting in the reduction of accumulated loss from Tk. 133.83 million to Tk. 132.94 million. The loss suffered by the subsidiary company was on account of high negative equity on margin loan and unrealized interest income.

Corporate Finance Dept.

5. The portfolio of the Corporate Finance Department, the main operational arm of the parent company, registered an increase of Tk. 177.85 million during 2013 as compared to 2012 i.e. increase in the portfolio from Tk. 6,868.43 million to Tk. 7,046.27 million. The operating profit of the department was Tk.166.97 million and the pre-tax profit of Tk. 49.69 million in 2013 as against Tk. 27.26 million in 2012. The department's profitability was adversely affected due to political turmoil and instability in financial as well as capital market etc.

SME Finance Dept.

6. Up to the end of the year 2013, the SME Department had the total portfolio of Tk. 1,965.61 million on account of SME Loan, Work Order, Factoring Finance as well as Home Loan. The operational profit of the department was Tk. 46.57 million and the pre-tax profit was Tk. 13.86 million.

Structured Finance Dept.

7. As stated earlier, the performance of the Structured Finance Department during 2013 was discouraging. In 2012, the department's revenue earning was Tk. 7.10 million and in 2013 the department ended with revenue earning of only Tk. 9.90 million. The reasons for lower earnings of non-funded income of the department were the economic slowdown coupled with political unrest which prompted big entrepreneurs to refrain from making big investments.

Treasury Department

8. Treasury Department's performance was comparatively better in 2013. The department succeeded in mobilizing funds at a lower cost resulting in lowering the cost of funds. The fund arranged by the department during the year was Tk. 275.27 crore which ensured timely disbursement of funds against approved projects and proposals.

The focus of the department during the year was increased fund collection from retail customers and reduction of dependence on high cost bank borrowings. This strategy is being implemented successfully by the department as would appear from the fact that out of total borrowings of Tk. 561.81 crore as at the end of 2013, 72% was mobilized from retail depositors and the balance 28% was bank borrowings. It is creditable that even with only a few deposit associates, the department was able to mobilize new deposits of Tk. 100.27 crore and renewed old deposits of another Tk. 117.76 crore in 2013. Moreover, other employees of IIDFC collected new deposits of Tk. 35.36 crore.

DIRECTORS' REPORT

The total of bank borrowings and deposits stood at Tk. 921.93 crore as on December 31, 2013 as against Tk. 983.26 crore of last year, recording a reduction of bank and deposit liability by 6.65%. Borrowing composition as on December 31, 2013 was 39% from banks and 61% from retail and corporate customers as against 48% and 52% respectively in 2012.

Human Resources

9. In December 2013, the number of employees of the company was 82 as against 88 a year ago. Despite new recruitment of about 6 employees in various positions, the number of employees decreased due to resignation of 12 executives from Structured Finance, SME, IT, Monitoring, Administration, Accounts & Finance Division. Apart from following a comprehensive recruitment process for identifying the best among the available candidates, we allow our employees to participate in training programmes offered by Bangladesh Bank, BBTA, ACTVA, BIAC, ADB, BLFCA etc. During 2013, as many as 14 staff members participated in the various training programmes to upgrade their professional skill and knowledge.

Equity & Paid-up Capital

10. The Shareholders' Equity, which was Tk. 1,321.99 million on December 31, 2012, stood at Tk. 1,421.52 million as on December 31, 2013. The profit before provisioning increased from Tk. 77.64 million in FY 2012 to Tk. 92.53 million in 2013.

Financial Performance

11. The summary of the key financials of the company as on 31 December, 2013 as against those of 31 December, 2012 is as follows :

Figures in Taka

Particulars	2013	2012
Profit before provision & tax	92,528,642	77,640,208
Less: Provision for Loans and Advances	17,000,001	34,923,226
Less: Provision for Tax	1,000,000	20,500,000
Profit after provision & tax	74,528,641	22,216,982
Add: Retained earnings brought forward	25,289,413	223,779,431
Profit available for appropriation	99,818,054	245,996,413
Less: Appropriations:		
Statutory Reserve	14,905,728	6,500,000
General Reserve	300,000	500,000
Proposed/Interim Dividend	80,000,000	213,707,000
	95,205,728	220,707,000
Retained earnings, carried forward	4,612,326	25,289,413

Dividend for the year 2013

12. The Directors recommend 8% dividend for 2013 as fully Paid-up Bonus Shares.

Retirement and Re-election of Directors

13. 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 13th Annual General Meeting:

Serial	Name	Nominated by
01	Mr. S.M. Aminur Rahman	Janata Bank Limited
02	Mr. Md. Fayekuzzaman	Investment Corporation of Bangladesh
03	Mr. Anis A. Khan	Mutual Trust Bank Limited
04	Mr. Asoke Das Gupta	ONE Bank Limited

DIRECTORS' REPORT

All of the above directors are eligible for re-election and have expressed their interest for being re-elected as directors. The Board may recommend for their re-appointment as Directors and also recommend appointment of another new Director, namely, Mr. Md. Manirul Islam representing Pragati Insurance Limited. The issue may be placed before the AGM for necessary approval.

Auditors

14. In its 12th Annual General Meeting, the Shareholders appointed M/s. S.F. Ahmed & Co., Chartered Accountants, as the Auditors of the Company for the year 2013 until the conclusion of 13th Annual General Meeting. Being eligible for reappointment, the existing Auditors, M/s. S.F. Ahmed & Co., Chartered Accountants offered themselves for reappointment. The Board recommended to appoint M/s. S.F. Ahmed & Co., Chartered Accountants as the Auditors of the Company until completion of the next Annual General Meeting at a remuneration of Tk. 172,500/-.

Appreciation

15. The directors would like to express their gratitude to the esteemed shareholders, valued clients, the Bangladesh Bank, the Bangladesh 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.

Thank you,

On behalf of Board of Directors


Md. Matiul Islam
Chairman



Foreword

Managing Director

The year 2013 was one of the most challenging periods for the banks and financial institutions in Bangladesh. Prolonged political unrests exacerbated by unprecedented violence, arsons, destruction of property and blockade of roads and railways, put the economy virtually on the limbo for a long while. Erratic supply of electricity and gas also took a heavy toll on the country's growth potentials. The collapse of Rana Plaza that killed over 1,100 garment workers threatened to spell disaster for the burgeoning apparel industry which has served as a linchpin for the economic growth over the last two decades. Frequent financial scams of unprecedented magnitude involving both private and state owned banks played no small parts to severely dampen the momentum for financing new investment by the banks and non-bank financial institutions. The World Bank's ambivalence with regard to financing of our dream bridge over Padma dashed our hopes of accelerating the pace of growth through integration of the country's transport networks. All these adverse factors cast their inevitable shadows on the growth of GDP which slipped to 6.03% in FY 13 from a robust growth of 6.23% in the preceding year.

Liquidity crunch which constrained new investments in 2011 and much of 2012 substantially eased in 2013. Call money rates which experienced high volatility in 2012 with rates climbing as high as 20 percent in January 2013 fell to 6% for banks and 7% for NBFIs at the close of the year. The drop in call money rates is attributed to subdued growth of bank credit by 14.97% compared to growth of bank deposits by 17.80% as on 31 October 2013. The banks' quests for investment outlets for their idle funds through the short term call money market contributed to the decline of the call money rate as well as the overall pattern of borrowing and lending in the money market.

Paradoxically, cheap money in the money market has not helped the cause of the NBFIs. While the uncertain political scenario has shaken the confidence of the entrepreneurs and businessmen to borrow money for new investment, the banks are desperately looking for avenues to invest their idle money. In pursuance of this objective, they are trying to lure clients away from rival banks and the NBFIs by offering lower interest rates and softer terms. The resulting exodus of good clients from the NBFIs is seriously impairing the latter's growth of investment portfolio and profitability. On the other hand, less credit worthy borrowers of the NBFIs who could not secure berths in the commercial banks remain an anathema for the NBFIs as a potential source of loan default.

In the backdrop of these heavy odds, it gives us no small measure of pleasure that IIDFC navigated the rough terrain of the country's financial landscape strongly with courage and ended the year with significantly better results than it did in 2012. The credit, of course, goes to almost all the departments of the company, and the team spirit shown by the staff to reach a higher level of excellence in its operation under the close supervision of the Senior Management Team (SMT) and the overall guidance provided by the board.

Although the company's portfolio grew at a modest rate of 3.74% over the previous year, after tax profit recorded a significant growth of 235.41% over 2012 - from a mere BDT 2.22 crore to BDT 7.45 crore in 2013. The increased profit is attributed to higher interest income, lower administrative and other costs, improvement of the quality of loans on account of reduction of NPLs, lower cost of provision against classified loans etc. Earning per share which was only BDT 0.22 in 2012, increased to BDT 0.75 in 2013. Net asset value also recorded an increase from BDT 13.22 to BDT 14.22 in 2013.

Our corporate and SME departments worked with usual diligence to improve the quality of portfolio during the year by inducting new and quality customers and retaining the good ones by allowing them interest reduction on case to case basis. To clean our loan investment portfolio of the non-performing loans the company's Board of Directors approved the arrangement for interest waiver for some of the delinquent borrowers in exchange for once for all settling their outstanding dues.

In 2013, our accounts and internal control and compliance department did a commendable job by updating the existing software in order to bring it in conformity with the international norms and generally accepted principles of accounting. The management deeply acknowledges their contributions. Our treasury spent a relatively comfortable year because they did not have to bear much stress to mobilize fresh deposits/ funds from the banks and the corporates. Our deposit team is comparatively small but they did also bring substantial fund for the company. Other employees also did their parts to join hands with the deposits team for mobilizing deposits for the company.

Although the company's earnings from fees and commissions showed slight improvement over those of the last year, the performance of the Structured Finance Department was not as satisfactory as we would have wished. Recently, the team has been reorganized under a new leadership and a set of talented officers. The department is likely to do far better in 2014. It is worth mentioning that among the NBFIs, IIDFC was the first which developed necessary skill and expertise in syndication financing techniques so much so that the project sponsors, large and medium, used to seek our assistance to procure their funds. Our carbon finance department, although small in size, has successfully completed two CDM (Clean Development Mechanism) projects in brick manufacturing sector by introducing environment friendly HHK technology and the sale proceeds of Carbon Emission Reductions (CERs) is expected to be received in the first half of 2014. The department is also closely working with the ADB for implementing energy efficiency initiatives in the industrial sector of Bangladesh under technical and financial assistance of ADB.

Our two subsidiaries- IIDFC Securities Ltd and IIDFC Capital Ltd- which were badly affected by the stock market crash in 2011, are now trying hard to come out of the quagmire and showed signs of recovery during 2013. IIDFC securities made an after tax profit of BDT 2.75 crore after keeping 70% provision against negative margin loan balances (as against 20% set by BSEC), while IIDFC capital made a modest profit of BDT 8.94 lac in 2013 after keeping 74% provision. These two companies incurred losses to the tune of BDT 3.19 crore and BDT 9.70 crore respectively in 2012.

IIDFC draws its strength from the collective wisdom and the professionalism of the learned Board of Directors most of whom are managing directors of different banks and financial institutions. The graceful presence of the company's chairman, Mr. M Matiul Islam, with his rich experience in the civil service and financial arena has infused vibrancy and dynamism in running the company. I personally owe him a debt of gratitude for his guidance to overcome the odds that at times seemed too difficult to surmount.

Finally, I would like to express my thanks and gratitude to the members of the Board of Directors for giving me the opportunity and support in running this institution. I deeply appreciate my colleagues for giving me necessary support and cooperation to achieve the company's cherished goal to reach newer heights every year. My sincere thanks and gratitude also go to our valued customers, without whose support, cooperation and trust in us, no achievement could have been possible. I am also thankful to our lenders, depositors, regulators, the government and all other stakeholders for their strong and continuous support and cooperation.


(Md. Asaduzzaman Khan)
Managing Director

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Auditors' Report to
the
Shareholders
of IIDFC Limited

AUDITORS' REPORT TO THE SHAREHOLDERS OF INDUSTRIAL AND INFRASTRUCTURE DEVELOPMENT FINANCE COMPANY LIMITED

Report on the Consolidated and Separate Financial Statements

We have audited the accompanying consolidated financial statements of Industrial and Infrastructure Development Finance Company (IIDFC) Limited and its subsidiaries, ('the Group'), as well as the separate financial statements of Industrial and Infrastructure Development Finance Company (IIDFC) Limited ('the Company') which comprise the consolidated and the separate statement of financial position (Balance Sheet) as at 31 December 2013 and the consolidated and the separate statement of comprehensive income (Profit & Loss Account), statements of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

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 separate 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 separate 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 separate 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 separate 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 separate 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 separate 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 separate 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 Consolidated Financial Position of the group and separate financial position of the company as at 31 December 2013 and of the results of its Consolidated and Separate financial performance and consolidated and separate statement of 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.

Report on Other Legal and Regulatory Requirements:

In accordance with companies Act 1994, Securities and Exchange Rules 1987, the Financial Institutions Act 1993 as amended in 2013 and the rules and regulations issued by Bangladesh Bank, we also report the following:

- (i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- (ii) in our opinion, proper books of account as required by law have been kept by IIDFC Limited Group and the Company so

AUDITORS' REPORT

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 IIDFCL's consolidated and separate statement of financial position (Balance Sheet) and statement of comprehensive income (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 IIDFCL's business;
- (v) the financial position of IIDFC Limited as at 31 December 2013 and the profit for the year then ended have been properly reflected in the financial statements and 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;
- (vi) 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;
- (vii) adequate provisions have been made for advances and other assets which are, in our opinion, doubtful of recovery;
- (viii) the information and explanations required by us have been received and found satisfactory;
- (ix) the IIDFC Limited has no overseas branches;
- (x) 80% of the risk-weighted assets have been audited;
- (xi) We have spent approximately 825 man hours for the audit of books & accounts of IIDFC.

Dated, Dhaka;
05 May, 2014

S. F. Ahmed

S.F. Ahmed & Co.

Chartered Accountants

BALANCE SHEET

Ref.

IAS 1.51(a)

IAS 1.10(a)

IAS 1.51(c)

IAS 1. (38&39)

Industrial and Infrastructure Development Finance Company Limited Statement of Financial Position (Balance Sheet)

As at 31 December 2013

	Notes	Amount in Taka	
		31-Dec-2013	31-Dec-2012
PROPERTY & ASSETS			
IAS 1.54, IAS 7.7	Cash		
	In hand (including foreign currencies)	26,370	6,393
	Balance with Bangladesh bank and its agent Bank(s) (including foreign currencies)	171,085,452	173,397,184
		171,111,822	173,403,577
IAS 1.54(d)	Balance with other banks and financial institutions		
	Inside Bangladesh	561,137,574	1,273,382,249
	Outside Bangladesh	-	-
		561,137,574	1,273,382,249
IAS 1.54(i)	Money at call and short notice	-	-
IAS 1.54(b)	Investments		
	Government	-	-
	Others	193,078,230	204,294,169
		193,078,230	204,294,169
IAS 1.54(b)	Loans & advances		
	Lease receivables	2,522,895,245	2,453,096,573
	Advance for lease finance	78,000,001	43,714,000
	Direct/ term finance	6,512,902,942	6,184,092,276
	Secured overdraft	102,653,620	201,673,768
	Bills discounted and purchased	89,622,639	88,406,330
		9,306,074,447	8,970,982,947
IAS 1.54(a)	Property, plant & equipment	19,625,392	26,699,565
IAS 1.54(c)	Intangible asset	411,757	750,942
IAS 1.55& 1.57(a)	Other assets	1,681,019,391	1,848,130,639
IAS 1.55& 1.57(a)	Non-banking assets	-	-
	Total assets	11,932,458,613	12,497,644,088
LIABILITIES & CAPITAL			
IAS 1.54(k)	Borrowings from other banks, financial institutions & agent	3,609,594,009	4,736,254,391
IAS 1.54(m)	Deposits & other accounts		
	Current deposits & other accounts, etc	-	-
	Bills payable	-	-
	Savings bank deposits	-	-
	Term deposits	5,609,726,850	5,096,296,174
	Bearer certificate of deposits	-	-
	Other deposits	8,413,758	8,455,595
		5,618,140,608	5,104,751,769
IAS 1.55,1.57(a)	Other liabilities	1,283,205,942	1,334,648,515
	Total liabilities	10,510,940,559	11,175,654,675
	Capital/ shareholders' equity		
IAS 1.54(r),1.78(e)	Paid up capital	1,000,000,000	1,000,000,000
IAS 1.54(r),1.78(e)	Statutory reserve	227,105,728	212,200,000
IAS 1.54(r),1.78(e)	General reserve	44,800,000	44,500,000
IAS 1.54(r),1.78(e)	Other reserve	-	-
IAS 1.54(r),1.78(e)	Stock dividend	-	-
IAS 1.54(r),1.78(e)	Retained earnings	149,612,326	65,289,413
	Total shareholders' equity	1,421,518,054	1,321,989,413
	Total liabilities & shareholders' equity	11,932,458,613	12,497,644,088

BALANCE SHEET

Ref.

IAS 1.51(a)

IAS 1.10(a)

IAS 1.51(c)

Industrial and Infrastructure Development Finance Company Limited Statement of Financial Position (Balance Sheet)

As at 31 December 2013

Ref.	Description	Notes	Amount in Taka	
			31-Dec-2013	31-Dec-2012
IAS 1.55	OFF-BALANCE SHEET ITEMS			
IAS 37.28, 37.86	Contingent liabilities	19		
	Letters of guarantee		566,911,680	568,436,780
	Letters of credit		-	44,300,000
	Irrevocable letter of credit		-	-
	Bills for collection		-	-
	Other contingent liabilities		-	-
			566,911,680	612,736,780
	Others commitments:			
	Money at call and short notice		-	-
	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		566,911,680	612,736,780

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 FCA

Company Secretary

Signed as per annexed report on even date

Dated, Dhaka;

05 May, 2014



S.F. Ahmed & Co.
Chartered Accountants

PROFIT & LOSS ACCOUNT

Ref.

IAS 1.51(a)

IAS 1.10(b)

IAS 1.51(c)

IAS 1.(38 & 39)


Industrial and Infrastructure Development Finance Company Limited Statement of Comprehensive Income (Profit & Loss Account)

For the year ended 31 December 2013

		Amount in Taka	
		31-Dec-2013	31-Dec-2012
	A. OPERATING INCOME		
IFRS 7.20(b)	Interest income	20 1,637,723,012	1,563,239,555
IFRS 7.20(b)	Interest paid on deposits, borrowings etc.	21 (1,417,202,678)	(1,346,104,126)
IAS 1.85	Net interest income	220,520,334	217,135,429
IFRS 7.20(9b)	Income from investment	22 16,014,284	13,213,158
IFRS 7.20(c)	Commission, exchange and brokerage	23 -	-
IAS 1.85	Other operating income	24 13,402,501	12,344,986
IAS 1.85	Total operating income	249,937,119	242,693,573
	B. OPERATING EXPENSES		
IAS 1.104	Salaries & allowances	25 95,164,771	80,975,858
IAS 1.97	Rent, taxes, insurance, electricity etc.	26 19,151,017	14,942,955
IAS 1.97	Legal expenses	27 2,553,209	4,000,660
IAS 1.97	Postage, stamp, telecommunications etc.	28 2,161,460	2,663,690
IAS 1.97	Stationery, printing, advertisement etc.	29 3,324,906	6,281,142
IAS 1.97	Managing Director's salary and fees	30 7,763,537	6,464,414
IAS 1.97	Directors' fees	31 338,750	540,000
IAS 1.97	Auditor's fees	32 582,250	269,200
IAS 1.98 (d)	Loans & advances written-off	33 -	18,095,008
IAS 1.104	Repair, depreciation and amortization of company's assets	34 7,664,464	9,623,085
IAS 1.97	Other expenses	35 18,704,113	21,197,353
IAS 1.85	Total operating expenses	157,408,477	165,053,365
IAS 1.85	C. Profit before provision (A-B)	92,528,642	77,640,208
IAS 1.97	D. Provision for loans & advances	36	
	Specific provision	20,664,162	20,628,487
	General provision	(8,107,406)	1,466,473
	Provision for diminution in value of investments	4,443,245	12,828,266
	Other provision	-	-
	Total provision	17,000,001	34,923,226
IAS 1.85	E. Profit before taxes (C-D)	75,528,641	42,716,982
IAS 1.82(d)	F. Provision for tax	37	
	Current tax	1,000,000	20,500,000
	Deferred tax	-	-
	Total provision	1,000,000	20,500,000
IAS 1.85	Profit after tax	74,528,641	22,216,982
	Less: Appropriations		
	Statutory reserve	14,905,728	6,500,000
	General reserve	300,000	500,000
		15,205,728	7,000,000
IAS 1.85	Retained surplus	59,322,913	15,216,982
IAS 33.66	Earnings per share (EPS)	38	0.75 0.22

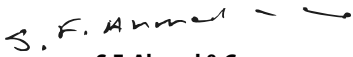
The annexed notes 1 to 43 form an integral part of these financial statements


Md. Matiul Islam
Chairman


Md. Asaduzzaman Khan
Managing Director


Md. Shamim Ahamed FCA
Company Secretary

Signed as per annexed report on even date


S.F. Ahmed & Co.
Chartered Accountants

Dated, Dhaka;
05 May, 2014

■ IIDFC ANNUAL REPORT 2013

CASH FLOW STATEMENT

Ref.
IAS1.51(a)
IAS 1.10(d)
IAS 1.51(c)

Industrial and Infrastructure Development Finance Company Limited Statement of Cash Flow

For the year ended 31 December 2013


		Amount in Taka	
		31-Dec-2013	31-Dec-2012
IAS 1.(38&39)			
IAS 7.10	A CASH FLOW FROM OPERATING ACTIVITIES		
IAS 7.31	Interest receipts in cash	1,677,373,607	1,542,057,355
IAS 7.31	Interest payments in cash	(1,407,150,516)	(1,352,117,429)
IAS 7.31	Dividend receipts in cash	7,173,688	10,493,150
IAS 7.14(d)	Cash payments to employees	(95,170,519)	(94,561,509)
IAS 7.14(c)	Cash payments to suppliers	(12,068,293)	(14,888,821)
IAS 7.35	Income taxes paid	(10,587,419)	(39,303,331)
IAS 7.14(b)	Receipts from other operating activities	14,995,556	12,344,986
IAS 7.14(c)	Payments for other operating activities	(30,424,620)	(26,635,129)
	Cash generated from operating activities	144,141,484	37,389,272
IAS 7.19(b)	Increase/(decrease) in operating assets and liabilities, Statutory deposits		
	Loans and advances to other banks	-	-
	Loans and advances to other customers	(335,091,500)	(292,719,280)
	Other assets	163,048,072	556,035,519
	Borrowings from bank	(1,126,660,382)	(695,397,586)
	Deposit from other banks/borrowings	663,262,891	118,278,747
	Deposit from customers	(149,874,052)	753,202,756
	Other liabilities	(95,303,288)	86,065,360
	Net cash from operating activities	(880,618,259)	525,465,516
		(736,476,775)	562,854,789
IAS 7.10	B CASH FLOW FROM INVESTING ACTIVITIES		
IAS 7.16(d)	Investments in subsidiary	-	(660,000,000)
IAS 7.23(b)	Proceeds from sale of securities	7,247,541	2,720,008
IAS 7.16(a)	Payments for purchase of securities	11,215,939	(90,671,528)
IAS 7.16(a)	Purchase of property, plant and equipment	(487,179)	(888,816)
IAS 7.16(b)	Payment against lease obligation	(1,835,475)	(2,240,304)
	Proceeds from sale of property, plant and equipment	5,799,519	-
	Net cash used in investing activities	21,940,345	(751,080,640)
IAS 7.10	C CASH FLOW FROM FINANCING ACTIVITIES		
IAS 7.31	Dividend paid	-	-
	Issuance of shares	-	12,227,400
	Net cash from financing activities	-	12,227,400
IAS 7.18	D Net increase/(decrease) in cash and cash equivalents (A+B+C)	(714,536,430)	(175,998,451)
	E Effects of exchange rate changes on cash and cash equivalents	-	-
	F Cash and cash equivalents at beginning of the year	1,446,785,826	1,622,784,277
	G Cash and cash equivalents at end of the year (D+E+F)	732,249,396	1,446,785,826
IAS 7.45	Cash and cash equivalents at end of the year		
	Cash in hand	26,370	6,393
	Balance with Bangladesh Bank and its agents bank(s)	171,085,452	173,397,184
	Balance with other banks and financial institutions	561,137,574	1,273,382,249
	Money at call and short notice	-	-
		732,249,396	1,446,785,826


Md. Matiu Islam
Chairman


Md. Asaduzzaman Khan
Managing Director


Md. Shamim Ahamed FCA
Company Secretary

Signed as per annexed report on even date


S.F. Ahmed & Co.
Chartered Accountants

Dated, Dhaka;
05 May, 2014

STATEMENT OF CHANGES IN EQUITY

Ref.


IAS 1.51(a)
IAS 1.10(c)
IAS 1.51(c)

Industrial and Infrastructure Development Finance Company Limited Statement of Changes in Equity For the Year ended 31 December 2013

	Amount in Taka				
Particulars	Paid-up Capital	Statutory Reserve	General Reserve	Retained Earnings	Total
Balance as on 1 January, 2013	1,000,000,000	212,200,000	44,500,000	25,289,413	1,281,989,413
Changes in accounting policy (stock dividend from ICL)	-	-	-	40,000,000	40,000,000
Restated opening balance	1,000,000,000	212,200,000	44,500,000	65,289,413	1,321,989,413
Restated balance (stock dividend from ISL)	-	-	-	25,000,000	25,000,000
Surplus/(deficit) on account of revaluation of properties	-	-	-	-	-
Surplus/(deficit) on account of revaluation of investments	-	-	-	-	-
Currency translation differences	-	-	-	-	-
Net gains and losses not recognized in income statement	-	-	-	-	-
Net profit for the year	-	-	-	74,528,641	74,528,641
Dividend (bonus shares)	-	-	-	-	-
Appropriations made during the year	-	14,905,728	300,000	(15,205,728)	-
Balance as at 31 December, 2013	1,000,000,000	227,105,728	44,800,000	149,612,326	1,421,518,054


Md. Matiul Islam
Chairman


Md. Asaduzzaman Khan
Managing Director


Md. Shamim Ahamed FCA
Company Secretary

Dated, Dhaka:
05 May, 2014

LIQUIDITY STATEMENT

Ref.

IAS 1.51(a)

IAS 1.65

IAS 1.51(c)

Industrial and Infrastructure Development Finance Company Limited Liquidity Statement

As at 31 December 2013

Particulars	Amount in Taka					Total
	Up to 1 month maturity	1-3 months maturity	3-12 months maturity	1-5 years maturity	More than 5 years maturity	
ASSETS:						
Cash	26,370	-	-	-	-	26,370
Balances with Bangladesh Bank	171,085,452	-	-	-	-	171,085,452
Balances with other banks	103,177,555	133,722,776	324,237,243	-	-	561,137,574
Money at call and on short notice	-	-	-	-	-	-
Investments	24,497,778	22,097,778	13,997,778	98,890,833	33,594,063	193,078,230
Loans and advances	1,005,894,445	2,641,694,445	2,501,994,445	1,808,994,445	1,347,496,667	9,306,074,447
Property, plant & equipment	1,877,778	4,466,667	4,877,778	4,533,334	3,869,835	19,625,392
Intangible asset (Computer software's)	68,355	56,051	58,266	96,892	132,193	411,757
Other assets	221,802,133	482,103,452	397,904,567	323,102,345	256,106,894	1,681,019,391
Total assets	1,528,429,866	3,284,141,169	3,243,070,077	2,235,617,849	1,641,199,652	11,932,458,613
LIABILITIES:						
Borrowing from other banks, Fin. Ins. & agents	282,312,345	493,798,921	273,485,184	1,624,065,184	935,932,375	3,609,594,009
Deposit and other accounts	302,610,512	546,253,634	503,845,045	959,510,421	3,305,920,996	5,618,140,608
Provision and other liabilities	134,155,661	239,373,448	264,078,221	260,713,772	384,884,840	1,283,205,942
Total liabilities	719,078,518	1,279,426,003	1,041,408,450	2,844,289,377	4,626,738,211	10,510,940,559
Net liquidity gap	809,351,348	2,004,715,166	2,201,661,627	(608,671,528)	(2,985,538,559)	1,421,518,054



Md. Matiuil Islam

Chairman



Md. Asaduzzaman Khan

Managing Director



Md. Shamim Ahamed FCA

Company Secretary

Dated, Dhaka;

05 May, 2014

CONSOLIDATED BALANCE SHEET

Ref.

IAS 1.51(a)

IAS 1.10(a)

IAS 1.51(c)

IAS 1. (38&39)

Industrial and Infrastructure Development Finance Company Limited Consolidated Statement of Financial Position (Balance Sheet)

As at 31 December 2013

	Notes	Amount in Taka	
		31-Dec-2013	31-Dec-2012
PROPERTY & ASSETS			
IAS 1.54, IAS 7.7	3.a		
Cash			
In hand (including foreign currencies)		50,998	52,746
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)		171,085,452	173,397,184
		171,136,450	173,449,930
IAS 1.54(d)	4.a		
Balance with other banks and financial institutions			
Inside Bangladesh		623,651,271	1,335,867,707
Outside Bangladesh		-	-
		623,651,271	1,335,867,707
IAS 1.54(i)	5		
Money at call and short notice		-	-
IAS 1.54(b)	6.a		
Investments			
Government		-	-
Others		363,128,664	343,552,783
		363,128,664	343,552,783
IAS 1.54(b)	7.a		
Loans & advances			
Lease receivables		2,522,895,245	2,453,096,573
Advance for lease finance		78,000,001	43,714,000
Direct/ term finance		4,963,071,244	4,762,245,295
Secured overdraft		102,653,620	201,673,768
Bills discounted and purchased		89,622,639	88,406,330
Margin loan		3,011,123,729	2,754,932,161
		10,767,366,478	10,304,068,127
IAS 1.54(a)	8.a		
Property, plant & equipment		45,080,417	59,338,865
IAS 1.54(c)	8.1.a		
Intangible asset		1,708,270	2,605,986
IAS 1.55& 1.57(a)	9.a		
Other assets		844,935,828	1,059,405,022
IAS 1.55& 1.57(a)			
Non-banking assets		-	-
		12,817,007,378	13,278,288,420
LIABILITIES & CAPITAL			
IAS 1.54(k)	10.a		
Borrowings from other banks, financial institutions & agent		3,706,865,305	4,961,669,484
IAS 1.54(m)	11.a		
Deposits & other accounts			
Current deposits & other accounts, etc		-	-
Bills payable		-	-
Savings bank deposits		-	-
Term deposits		5,616,305,341	5,098,141,066
Bearer certificate of deposits		-	-
Other deposits		8,413,758	8,455,595
		5,624,719,099	5,106,596,661
IAS 1.55,1.57(a)	12.a		
Other liabilities		2,158,077,264	1,988,326,009
		11,489,661,668	12,056,592,154
Capital/ shareholders' equity			
IAS 1.54(r),1.78(e)	13		
Paid up capital		1,000,000,000	1,000,000,000
IAS 1.54(r),1.78(e)	14		
Statutory reserve		227,105,728	212,200,000
IAS 1.54(r),1.78(e)	15.a		
General reserve		61,800,000	61,500,000
IAS 1.54(r),1.78(e)	16		
Other reserve		-	-
IAS 1.54(r),1.78(e)	17.a		
Stock dividend		-	25,000,000
IAS 1.54(r),1.78(e)	18.a		
Retained earnings		38,353,702	(77,084,463)
IAS 1.54(r),1.78(e)			
Total equity attributable to shareholder of the company		1,327,259,430	1,221,615,537
IAS 27.6, 27.26	18.a.3		
Non-controlling interest		86,280	80,728
		12,817,007,378	13,278,288,420
Total liabilities & shareholders' equity			

CONSOLIDATED BALANCE SHEET

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

Industrial and Infrastructure Development Finance Company Limited Consolidated Statement of Financial Position (Balance Sheet)

As at 31 December 2013

Ref.	Description	Notes	Amount in Taka	
			31-Dec-2013	31-Dec-2012
IAS 1.55	OFF-BALANCE SHEET ITEMS			
IAS 37.28, 37.86	Contingent liabilities	19		
	Letters of guarantee		566,911,680	568,436,780
	Letters of credit		-	44,300,000
	Irrevocable letter of credit		-	-
	Bills for collection		-	-
	Other contingent liabilities		-	-
			566,911,680	612,736,780
	Others commitments:			
	Money at call and short notice		-	-
	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		566,911,680	612,736,780

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

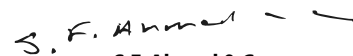

Md. Matiul Islam
Chairman


Md. Asaduzzaman Khan
Managing Director


Md. Shamim Ahamed FCA
Company Secretary

Signed as per annexed report on even date

Dated, Dhaka;
05 May, 2014


S.F. Ahmed & Co.
Chartered Accountants

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 Statement of Comprehensive Income (Profit & Loss Account)


For the year ended 31 December 2013

IAS 1.(38&39)

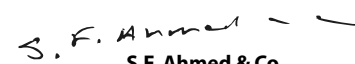
		Amount in Taka	
		31-Dec-2013	31-Dec-2012
	A. OPERATING INCOME		
IFRS 7.20(b)	Interest income	1,720,619,042	1,514,763,580
IFRS 7.20(b)	Interest paid on deposits, borrowings etc.	(1,434,337,488)	(1,380,216,825)
IAS 1.85	Net interest income	286,281,554	134,546,755
IFRS 7.20(b)	Income from investment	34,691,345	9,466,974
IFRS 7.20(c)	Commission, exchange and brokerage	38,250,659	62,411,619
IAS 1.85	Other operating income	18,039,876	14,612,156
IAS 1.85	Total operating income	377,263,434	221,037,504
	B. OPERATING EXPENSES		
IAS 1.104	Salaries & allowances	129,257,408	117,836,684
IAS 1.97	Rent, taxes, insurance, electricity etc.	44,716,082	40,400,917
IAS 1.97	Legal expenses	2,912,935	4,265,483
IAS 1.97	Postage, stamp, telecommunications etc.	4,107,473	5,110,642
IAS 1.97	Stationery, printing, advertisement etc.	3,816,289	6,926,385
IAS 1.97	Managing Director's salary and fees	7,763,537	6,464,414
IAS 1.97	Directors' fees	441,105	683,533
IAS 1.97	Auditor's fees	748,362	405,450
IAS 1.98(d)	Loans & advances written-off	1,657,565	18,095,008
IAS 1.104	Repair, depreciation and amortization of company's assets	15,436,162	18,518,273
IAS 1.97	Other expenses	24,224,148	29,317,052
IAS 1.85	Total operating expenses	235,081,066	248,023,841
IAS 1.85	C. Profit/(Loss) before provision (A-B)	142,182,368	(26,986,337)
IAS 1.97	D. Provision for loans & advances		
	Specific provision	20,664,162	20,628,487
	General provision	(8,107,406)	10,979,337
	Provision for diminution in value of investments	15,950,254	17,768,573
	Other provision	-	-
	Total provision	28,507,010	49,376,397
IAS 1.85	E. Profit/(Loss) before taxes (C-D)	113,675,358	(76,362,734)
IAS 1.82(d)	F. Provision for tax:		
	Current tax	11,315,690	29,734,908
	Deferred tax	(602,267)	564,583
	Total provision	10,713,423	30,299,491
IAS 1.82(f)	G. Profit/(Loss) after taxes (E-F)	102,961,935	(106,662,225)
	Attributable to:		
	Shareholder of the company	102,959,152	(106,655,836)
IAS 27.6, 27.26	Non-controlling interest	2,783	(6,389)
		102,961,935	(106,662,225)
	Less: Appropriations		
	Statutory reserve	14,905,728	6,500,000
	General reserve	300,000	500,000
		15,205,728	7,000,000
IAS 1.85	Retained surplus	87,753,424	(113,655,836)
IAS 33.66	Earnings per share (EPS)	38.a	1.03 (1.07)

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 FCA
Company Secretary


S.F. Ahmed & Co.
Chartered Accountants

Dated, Dhaka;
05 May, 2014

CONSOLIDATED CASH FLOW STATEMENT

Industrial and Infrastructure Development Finance Company Limited Consolidated Statement of Cash Flow For the year ended 31 December 2013

Ref.
IAS1.51(a)
IAS 1.10(d)
IAS 1.51(c)

		Amount in Taka	
		31-Dec-2013	31-Dec-2012
IAS 1.(38&39)			
IAS 7.10	A CASH FLOW FROM OPERATING ACTIVITIES		
IAS 7.31	Interest receipts in cash	1,761,255,748	1,493,860,269
IAS 7.31	Interest payments in cash	(1,399,003,056)	(1,374,203,522)
IAS 7.31	Dividend receipts in cash	24,907,929	9,466,974
IAS 7.14(b)	Fees and commission receipts in cash	38,250,659	62,411,619
IAS 7.14(d)	Cash payments to employees	(130,261,594)	(131,422,335)
IAS 7.14(c)	Cash payments to suppliers	(14,407,547)	5,431,353
IAS 7.35	Income taxes paid	(19,700,492)	(48,472,519)
IAS 7.14(b)	Receipts from other operating activities	19,632,931	14,429,168
IAS 7.14(c)	Payments for other operating activities	(79,151,386)	(85,624,672)
	Cash generated from operating activities	201,523,192	(54,123,665)
IAS 7.19(b)	Increase/(decrease) in operating assets and liabilities, Statutory deposits		
	Loans and advances to other customers	(463,298,351)	(511,155,989)
	Other assets	236,823,620	(119,361,187)
	Borrowings from bank	(1,254,804,179)	(749,982,927)
	Deposits from other banks/Fl	663,262,891	118,278,747
	Deposits from customers	(145,140,453)	743,611,167
	Other liabilities	95,722,407	306,030,630
		(867,434,065)	(212,579,559)
	Net cash from operating activities	(665,910,874)	(266,703,224)
IAS 7.10	B CASH FLOW FROM INVESTING ACTIVITIES		
IAS 7.16(d)	Proceeds from sale of securities	8,190,361	-
IAS 7.23(b)	Payments for purchase of securities	(62,866,521)	(25,517,811)
IAS 7.16(a)	Purchase of property, plant and equipment	(860,797)	(6,009,685)
IAS 7.16(a)	Payment against lease obligation	(1,835,475)	(2,240,304)
IAS 7.16(b)	Proceeds from sale of property, plant and equipment	8,753,390	2,869,132
	Net cash used in investing activities	(48,619,042)	(30,898,668)
IAS 7.10	C CASH FLOW FROM FINANCING ACTIVITIES		
IAS 7.31	Dividend paid	-	-
	Issuance of shares	-	12,227,400
	Net cash from financing activities	-	12,227,400
	D Net increase/(decrease) in cash and cash equivalents (A+B+C)	(714,529,916)	(285,374,492)
IAS 7.18	E Effects of exchange rate changes on cash and cash equivalents	-	-
	F Cash and cash equivalents at beginning of the year	1,509,317,637	1,794,692,129
	G Cash and cash equivalents at end of the year (D+E+F)	794,787,721	1,509,317,637
IAS 7.45	Cash and cash equivalents at end of the year		
	Cash in hand	50,998	52,746
	Balance with Bangladesh Bank and its agents bank(s)	171,085,452	173,397,184
	Balance with other banks and financial institutions	623,651,271	1,335,867,707
	Money at call and short notice	-	-
		794,787,721	1,509,317,637

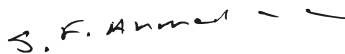

Md. Matiul Islam
Chairman


Md. Asaduzzaman Khan
Managing Director

Signed as per annexed report on even date


Md. Shamim Ahamed FCA
Company Secretary

Dated, Dhaka;
05 May, 2014


S.F. Ahmed & Co.
Chartered Accountants

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Industrial and Infrastructure Development Finance Company Limited Consolidated Statement of Changes in Equity

For the year ended 31 December 2013

Amount in Taka

Ref.	Particulars	Paid-up Capital	Statutory Reserve	General Reserve	Stock Dividend	Retained Earnings	Non-controlling Interest	Total
	Balance as on 1 January, 2013	1,000,000,000	212,200,000	61,500,000	25,000,000	(77,084,463)	80,728	1,221,696,265
IAS 1.106(b)	Changes in accounting policy	-	-	-	-	-	-	-
IAS 1.106	Restated balance	-	-	-	-	-	-	-
IFRIC 1.6(a)	Surplus/(deficit) on account of revaluation of properties	-	-	-	-	-	-	-
IFRIC 1.6(a)	Surplus/(deficit) on account of revaluation of investments	-	-	-	-	-	-	-
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	-	-	-	-	102,961,935	-	102,961,935
IAS 1.106(a)	Transfer to Minority Interest	-	-	-	-	(3,054)	5,552	2,498
IAS 1.106(d)	Restated balance (stock dividend from ISL)	-	-	-	(25,000,000)	25,000,000	-	-
IAS 1.106(d)	Prior year Adjustment of ISL	-	-	-	-	2,685,012	-	2,685,012
IAS 1.106(d)	Appropriations made during the year	-	14,905,728	300,000	-	(15,205,728)	-	-
	Balance as at 31 December, 2013	1,000,000,000	227,105,728	61,800,000	-	38,353,702	86,280	1,327,345,710


Md. Matiul Islam
Chairman


Md. Asaduzzaman Khan
Managing Director


Md. Shamim Ahamed FCA
Company Secretary

Dated, Dhaka;
05 May, 2014

IAS 1.51(a)

Industrial and Infrastructure Development Finance Company Limited

and its subsidiaries

IAS 1.10(e)

Notes to the Financial Statements

IAS 1.51 (c)

For the year ended December 31, 2013

IAS 1.138(a)

1.0 Reporting entity

1.01 Company's profile

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)

1.02 Nature of business of the company

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-border syndication, acquisition or takeover of public sector enterprises, financial or otherwise, stated for privatization and SME financing.

IAS 1.138(b)

1.03 Information regarding Subsidiaries

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 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

IAS 1.117

2.01 Basis of preparation

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, the Financial Institution Act 1993, the Companies Act 1994 and other applicable laws and regulations.

IAS 1.16

Statement of compliance

The consolidated financial statements of the company have been prepared in accordance with BFRS as adopted by the ICAB and 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.

The Group and the financial institution have departed from those contradictory requirements of BFRSs in order to comply with the rules and regulations of Bangladesh Bank which are disclosed below:

2.01.01 Investments in shares and securities

BFRS:

As per requirements of BAS 39 'Financial Instruments: Recognition and Measurement' investments in shares and securities generally falls either under "at fair value through Profit and Loss Account" or under "available for sale" where any change in the fair value at the year-end is taken to Profit and Loss Account or Revaluation Reserve Account respectively.

Bangladesh Bank:

As per FID circular No. 08 dated 03 August 2002 of Bangladesh Bank investments in quoted shares and unquoted shares are revalued at the year end at market price and as per book value of last audited statements of financial position (balance sheet) respectively. Provision should be made for any loss arising from diminution in value of investments.

2.01.02 Provision on loans and advances

BFRS:

As per BAS 39 an entity should start the impairment assessment by considering whether objective evidence of impairment exists for financial assets that are individually significant. For financial assets which are not individually significant, the assessment can be performed on an individual or collective (portfolio) basis.

Bangladesh Bank:

As per FID circular No. 08 dated 03 August 2002, FID circular No. 03, dated 03 May 2006 and FID circular No. 03, dated 29 April 2013 a general provision at 0.25% to 5% under different categories of unclassified loans (good/standard loans) has to be maintained.

2.01.03 Financial instruments - presentation and disclosure

In several cases Bangladesh Bank guidelines categorise, recognise, measure and present financial instruments differently from those prescribed in BAS 39. As such some disclosure and presentation requirements of BFRS 7 'Financial Instruments: Disclosures' and BAS 32 'Financial Instruments: Presentation' cannot be made in the accounts.

2.01.04 Financial guarantees

BFRS:

As per BAS 39 financial guarantees are contracts that require an entity to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument. Financial guarantee liabilities are recognised initially at their fair value, and the initial fair value is amortised over the life of the financial guarantee. The financial guarantee liability is subsequently carried at the higher of this amortised amount and the present value of any expected payment when a payment under the guarantee has become probable. Financial guarantees are included within other liabilities.

Bangladesh Bank:

As per the requirements of DFIM circular No. 11 dated December 23, 2009, financial guarantees such as L/C, L/G will be treated as off balance sheet items. No liability is recognised for the guarantee except the cash margin.

2.01.05 Cash and cash equivalents

BFRS:

Cash and cash equivalents items should be reported as cash item as per BAS 7 'Statement of Cash Flows'.

Bangladesh Bank:

Some cash and cash equivalent items such as 'money at call and on short notice', T-bills, Prize bond are not shown as cash and cash equivalent. Money at call and on short notice is shown as face item in statement of financial position and T-bills, Prize bonds are shown in Investment.

2.01.06 Non banking assets

BFRS:

No indication of non banking assets is found in any BFRSs.

Bangladesh Bank:

As per the requirements of DFIM circular No. 11 dated December 23, 2009, there must exist a face item named Non-banking asset.

2.01.07 Statement of cash flows

BFRS:

Cash flow statement can be prepared either in direct method or in indirect method. The presentation is selected to present these cash flows in a manner that is most appropriate for the business or industry. The method selected is applied consistently.

Bangladesh Bank:

As per the requirements of DFIM circular No. 11 dated December 23, 2009, statement of cash flows is a mixture of direct and indirect method.

2.01.08 Balance with Bangladesh Bank (CRR)

BFRS:

Balance with Bangladesh Bank should be treated as other assets as it is not available for use in day to day operations as per BAS 7.

Bangladesh Bank:

Balance with Bangladesh Bank is treated as cash and cash equivalents.

2.01.09 Off balance sheet items

BFRS:

There is no concept of off balance sheet items in any BFRS; hence there is no requirement of disclosure to off balance sheet items.

Bangladesh Bank:

As per the requirements of DFIM circular No. 11 dated December 23, 2009, off balance sheet items e.g. L/C, L/G must be disclosed separately in the face of the statement financial position (balance sheet).

2.01.10 Disclosure of appropriation of profit

BFRS:

There is no requirement to show appropriation of profit in the face of the statement of comprehensive income.

Bangladesh Bank:

As per the requirements of DFIM circular No. 11 dated December 23, 2009, an appropriation of profit should be disclosed in the face of statement of comprehensive income.

2.01.11 Other comprehensive income

BFRS:

As per BAS 1 'Presentation of Financial Statements', Other Comprehensive Income is a component of financial statements or the elements of Other Comprehensive Income are to be included in a Single Comprehensive Income (OCI) Statement.

Bangladesh Bank:

Bangladesh Bank has issued templates for financial statements which will strictly be followed by all financial institutions. The templates of financial statements issued by Bangladesh Bank do not include Other Comprehensive Income; and the elements of Other Comprehensive Income are also not allowed to be included in a single Other Comprehensive Income (OCI) Statement. As such the company does not prepare the Other Statement of Comprehensive Income. However elements of OCI, if any, are shown in the statement of changes in equity.

2.01.12 Loans and advance net of provision

BFRS:

Loans and advances should be presented as net of provisions.

Bangladesh Bank:

As per the requirements of DFIM circular No. 11 dated December 23, 2009, provision on loans and advances are presented separately as liability and cannot be netted off against loans and advances.

[Also refer to Note-2.17 Compliance of Bangladesh Accounting Standards (BASs) and Bangladesh Financial Reporting Standards (BFRSs)]

IAS 27.12

2.02 Basis of consolidation

The financial statements of the company and its subsidiaries have been consolidated in accordance with Bangladesh Accounting Standard 27 'Consolidated and Separate Financial Statements'.

IAS 27.20

All intra-group balances, transactions, income and expenses are eliminated in full.

Subsidiaries are fully consolidated from the date on which control is transferred to the company. Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

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

2.03 Integral components of financial statements

The Financial Statements of the Company include the following components:

1. Statement of financial position (Balance Sheet) as at 31 December, 2013.
2. Statement of comprehensive income (Profit and Loss A/C) for the year ended 31 December, 2013.
3. Statement of Cash Flows for the year ended 31 December, 2013.
4. Statement of Changes in Equity for the year ended 31 December, 2013.
5. Liquidity Statement as at 31 December, 2013.
6. Notes to the Financial Statements.

IAS 1.122

2.04 Use of estimate & judgments

The preparation of Financial Statements in conformity 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 **2.05 Statement of cash flows**

The cash flow statement has been prepared using the Direct Method as mention in line with Bangladesh Accounting standard 7 'Statement of cash flows'.

IAS 1.27 **2.06 Consistency**

In accordance with the IFRS framework for the presentation of Financial Statements together with Bangladesh Accounting Standard 1 'Presentation of Financial Statements' and Bangladesh Accounting Standard 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 **2.07 Reporting period**

These financial Statements cover one calendar year from January 01 to December 31, 2013.

IAS 1.51(d) (e) **2.08 Presentation currencies**

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

2.09 Books of accounts of branch

The Company has 1 (one) branch so far as on 31 December, 2013. Books of Accounts of the branch have been maintained at the Head Office of the Company.

IAS 1.119 **2.10 Assets and basis of their valuation**

IAS 7.45 **2.10.01 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 **2.10.02 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 30 December, 2013).

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

2.10.03 Loans, advances and provisions

Loans and advances are stated at gross amount. General provisions on unclassified loans and Off-Balance Sheet Items, specific provisions for classified loans and interest suspense account thereon are shown under other liabilities. Provision is made on the basis of quarter end against classified loans and advances review by the management and instruction contained in FID Circular no. 08 dated 3 August 2002, FID circular no. 03 and dated 03 May 2006.

a) Interest on loans and advances

Interest is calculated on a daily product basis but charged and accounted for on accrual basis. Interest is calculated on unclassified loans and advances and recognized as income during the year. Interest on classified loans and advances is kept in suspense account as per Bangladesh Bank instructions and such interest is not accounted for as income until realised from borrowers. Interest is not charged on bad and loss loans as per guidelines of Bangladesh Bank.

b) Provision for loans and advances

Provision for loans and advances are made on quarter basis as well as year-end review by management following instructions contained in FID circular No. 08 dated 03 August 2002, FID circular No. 03, dated 03 May 2006 and FID circular No. 03, dated 29 April issued by Bangladesh Bank. General Provision on unclassified loans and advances and specific provision on classified loans & advances are given below:

c) Rate of provision

Particulars	All loan/lease
Standard-other than SME	1%
Standard-SME	0.25%
Special mention account(SMA)	5%
Sub-standard (SS)	20%
Doubtful (DF)	50%
Bad/loss (BL)	100%

e) Presentation of loans and advances

Loans and advances are shown at gross amount as assets while interest suspense and loan loss provision against classified advances are shown as liabilities in the statement of financial position.

f) Write off loans and advances

Loans and advances/investments are written off as per guidelines of Bangladesh Bank. These written off however will not undermine/affect the claim amount against the borrower. Detailed memorandum records for all such written off accounts are meticulously maintained and followed up.

g) Securities against loan

Working capital and trading loan: Goods are taken as security in the form of pledge and also goods are taken as security in the form of hypothecation along with land and building as mortgage (value not less than 1.50 times covering the loan amount) in the form of collateral security.

House building loan: Land and building are taken as security in the form of mortgage.

Overdraft: FDRs are taken in pledge. The balance in DPS/JBSPS/SDPS A/C's is taken in "lien".

Public sector loan: In most cases Govt. Guarantee is taken and no security is taken for government loan and Crops loans in agriculture sector.

IAS 16.73

2.10.04 Property, plant and equipment

2.10.04.01 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'.

2.10.04.02 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.

2.10.04.03 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) 2.10.04.04 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.

Sl. No.	Category of Fixed assets	Rate of Depreciation
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.

1.1.1.05 Impairment of property, plant and equipment

The carrying amount of the assets should be reduced to its recoverable amount when carrying amount of an asset is exceeding the recoverable amount of that asset. That reduction is an impairment loss hence recognized as expenses in the statement of comprehensive income (profit and loss account).

2.10.04.06 Intangible assets

IAS 38.24 The Company's intangible assets include the value of computer software.

IAS 38.21 An intangible asset is recognised only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Company.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

IAS 38.88 The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortisation period or method, as appropriate, and they are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is presented as a separate line item in the statement of comprehensive income (profit and loss account).

IAS 38.118(a) Amortisation is calculated using the straight-line method to write down the cost of intangible assets to their residual values over their estimated useful lives as follows:

Computer software 5.6 years

2.10.04.07 Other assets

Other assets include all other financial assets and fees and unrealised income receivable, advance for operating and capital expenditure and stocks of stationery and stamp. Details are shown in Note-9. Receivables are recognised when there is a contractual right to receive cash or another financial asset from another entity.

2.10.04.08 Non-banking assets

Non-banking assets are acquired on account of the failure of a borrower to repay the loan in time after receiving the decree from the court regarding the right and title of the mortgage property. There are no assets acquired in exchange for loan during the period of financial statements.

IAS 1.119 **2.11 Basis for valuation of liabilities and provisions**

IAS 37.85 **2.11.01 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 **2.11.02 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.

2.12 Write-off

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.

2.13 Capital and shareholders' equity

2.13.01 Capital management

The company has a capital management process for measuring, deploying and monitoring its available capital and assessing its adequacy. This capital management process aims to achieve four major objectives; exceed regulatory thresholds and meet long-term internal capital targets, maintain strong credit rating, manage capital levels commensurate with the risk profile of the company and provide the company's shareholder with acceptable returns.

Capital is managed in accordance with the board approved capital management planning from time to time. Senior management develops the capital strategy and oversees the capital management planning of the company. The company's finance and risk management department are key to implementing the company's capital strategy and managing capital. Capital is managed using both regulatory control measure and internal matrix.

2.13.02 Paid up capital

Paid up share capital represents total amount of shareholder capital that has been paid in full by the Government of Bangladesh i.e. ordinary shareholder. In the event of winding-up of the company ordinary shareholder(s) rank after all other shareholders and creditors are fully entitled to any residual proceeds of liquidation.

2.13.03 Statutory reserve

As per the Financial Institution Regulations 1994 it is required for the company to transfer 20% of its current year's profit before tax to reserve until such reserve equals to its paid up capital.

2.13.04 Dividends on ordinary shares

Dividends on ordinary shares are recognised as a liability and deducted from equity when they are approved by the Company's shareholders. Dividends for the year that are approved after the reporting date are disclosed as an event after the reporting date.

2.14 Contingent liabilities and contingent assets

A contingent liability is –

Any possible obligation that arises from the past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or any present obligation that arises from past events but is not recognised because:

- it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognised but disclosed in the financial statements unless the possibility of an outflow of resources embodying economic benefits is reliably estimated.

Contingent assets are not recognised in the financial statements as this may result in the recognition of income which may never be realised.

2.15 Materiality, aggregation and off setting

Each material item as considered by management significant has been displayed separately in the financial statements. No amount has been set off unless the Company has legal right to set off the amounts and intends to settle on net basis. Income and expenses are presented on a net basis only when permitted by the relevant accounting standards.

The values of any asset or liability as shown in the statement of financial position (balance sheet) are not off-set by way of deduction from another liability or asset unless there exist a legal right therefore. No such incident existed during the year.

IAS 1.119

2.16 Revenue recognition

2.16.01 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

2.16.02 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.

2.16.03 Income from structured finance

Income from structured finance is recognized as and when received.

2.16.04 Income from treasury operations

Incomes from treasury operations are recognized on accrual basis.

2.16.05 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.

2.16.06 Dividend income

IAS 18.30(c) Revenue is recognised when the company right to receive the payment is established, which is generally when the shareholders approve the dividend.

2.16.07 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) 2.17 Interest on company loans

Interest bearing company loans are recorded at the proceeds received from a particular company. Interest on company loan is accounted for on accrual basis to Profit and Loss Account under the head of Financial Expenses at the implicit rate of interest. The accrued interest expenses are not added to the carrying amounts of the loans.

IAS 1.117(b) 2.18 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 2.19 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 14 and IFRS 8.

IAS 37 2.20 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 cannot be measured reliably.

IAS 1.65 2.21 Liquidity statements

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

- Balance with other company's 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 company's 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.

2.22 Events after the reporting period

Events after the reporting period that provide additional information about the company's position at the statement of financial position date are reflected in the financial statements in Note no. 42.05 as per Bangladesh Accounting Standards BAS-10: 'Events after the reporting period'.

2.23

Going concern

The accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The accompanying financial statements do not include any adjustments should the company be unable to continue as a going concern.

IAS 1.114(a)

2.24 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:

Sl. 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	Applied
18	Consolidated and Separate Financial Statements	27	Applied
19	Investments in Associates	28	Not Applicable
20	Interest in Joint Ventures	31	Not Applicable

Sl. No.	Name of the BAS	BAS No.	Status
21	Financial Instruments: Presentation	32	Applied
22	Earnings per Share	33	Applied
23	Interim Financial Reporting	34	Applied
24	Impairment of Assets	36	Not Applied
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.

Sl. 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
09	Financial Instruments	9	Partly Applied
10	Consolidated financial statements	10	N/A
11	Joint Arrangements	11	N/A
12	Discloser of interest in other entities	12	N/A
13	Fair value measurement	13	Partly Applied

2.25 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.

2.26 Capital adequacy and market discipline

To cope with the international best practices and to make up the capital more risks sensitive as well as more shock resilient, a road map was issued in August 2010 on implementation of Basel Accord in the FIs. Being well pursuant with the road map, prudential guidelines namely 'Capital Adequacy and Market Discipline for Financial Institutions' had been introduced by Bangladesh Bank from December, 2011. The guidelines came 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 been followed for the purpose of statutory compliance.

As per prudential guideline IIDFC calculated Minimum Capital Requirement (MCR) by dividing the total capital by the sum of risk weighted assets against credit risk, market risk, and operational risk under pillar-I.

Pillar – 1: Minimum capital requirement

Credit Risk

The calculation of capital requirement against credit risk is more elaborate and risk sensitive. The Accord gives a choice of some sophisticated approaches to address risks, and adoption of a Particular approach depends on the risk measurement capabilities and robustness of the systems in place in a Financial Institution. A Standardized Approach

has been the preliminary choice of FIs for the credit risk calculation.

Market risk

Market risk is defined as the risk of losses in on and off-balance-sheet positions arising from movements in market prices. The risks subject to this requirement are:

- The risks pertaining to interest rate related instruments and equities in the trading book;
- Foreign exchange risk and commodities risk throughout the FI.

The capital charges for interest rate related instruments and equities applied to the current trading book items prudently valued by IIDFC. The capital charges for foreign exchange risk and for commodities risk applied to IIDFCs' total currency and commodity positions, subject to some discretion to exclude structural foreign exchange positions.

Operational risk

The accord introduces for the first time a capital charge for operational risk. The framework presents three methods for calculating operational risk capital charges in a continuum of increasing complexity and risk sensitivity. These methods are the Basic Indicator approach (a fixed percentage of gross income amount), Standardized approach (sum of a certain percentage of FI's income in each business line) and Internal Measurement approach (Statistical measure of FIs operational loss based on its historical loss data). But initially, Basic Indicator Approach has been applied for calculating the capital charge against operational risk.

2.27 Stress testing

Stress Testing is an important risk management tool that is used by the Financial Institutions as part of internal risk management and through the Basel II capital adequacy framework, is promoted by Bangladesh Bank. Stress Testing alerts Financial Institutions management to adverse unexpected outcomes related to a variety of risks and provides an Indication of how much capital might be needed to absorb losses should large shock occur. Stress Testing supplements other risk management approaches and measures playing particularly important role in:

- Providing forward-looking assessment of risk;
- Overcoming limitations of models and historical data;
- Supporting external and internal communication;
- Feeding into capital and liquidity planning procedures;
- Informing the setting of an FI's risk tolerance; and
- Facilitating the development of risk mitigation or contingency plans across a range of stressed conditions.

Stress Testing guideline have been issued by Bangladesh bank to provide a structured way of assessing the vulnerability of financial institutions to extreme but plausible market conditions. The guidelines enable institutions to accurately assess risk and define the "risk appetite" of the organization and also provide critical information to senior management for decision around capital allocation and contingency planning.

IIDFC exercise stress testing on its portfolio on quarterly basis and submit its stress testing report as per format prescribed by Bangladesh Bank on regular basis.

NOTES TO THE FINANCIAL STATEMENTS

		Amount in Taka	
		31-Dec-2013	31-Dec-2012
Ref.			
IAS 7.45	3 Cash		
IAS 1.77	Cash in hand (Note 3.1)	26,370	6,393
	Balance with Bangladesh Bank and its agent bank(s) (Note 3.2)	171,085,452	173,397,184
	Total	171,111,822	173,403,577
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	104,607,016	100,578,642
	Actual reserve held	171,085,452	173,397,184
	Surplus / (Deficit)	66,478,436	72,818,542
IAS 1.77	3.4 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	242,515,399	221,584,854
	Actual reserve held (note-3.4.1)	304,834,598	285,538,854
	Surplus / (Deficit)	62,319,199	63,954,000
IAS 1.77	3.4.1 Held for statutory liquidity reserve (SLR)		
	Cash in hand	26,370	6,393
	Balance with Bangladesh Bank and its agent bank(s)	171,085,452	173,397,184
	Balance with other banks and financial institutions (3.4.1.1)	133,722,776	112,135,277
	Total	304,834,598	285,538,854
IAS 1.77	3.4.1.1 Balance with other banks and financial institutions for SLR		
	Social Islami Bank Ltd.	-	26,253,129
	Southeast Bank Ltd.	-	11,093,325
	Commercial Bank of Cylon	-	58,492,268
	Mutual Trust Bank Limited	18,164,049	16,296,555
	Bank Alfalah Ltd.	115,558,727	-
	Prime Bank Ltd.	-	-
	First Security Islami Bank Ltd.	-	-
	Total	133,722,776	112,135,277
IAS 1.77	3.a Consolidated cash		
	IIDFCL	26,370	6,393
	IIDFC Securities Limited	22,994	40,987
	IIDFC Capital Limited	1,634	5,366
	Sub-Total	50,998	52,746
	Balance with Bangladesh Bank and its agent bank(s) (Note 3.2)	171,085,452	173,397,184
	Total	171,136,450	173,449,930

NOTES TO THE FINANCIAL STATEMENTS

IAS 1.77

4

Balance with other banks and financial institutions in Bangladesh

Current accounts

National Credit & Commerce Bank Ltd.	
Pubali Bank Ltd.	
Southeast Bank Ltd.	
Shahjalal Islami Bank Ltd.	
Social Islami Bank Ltd.	
Agrani Bank Ltd.	
BRAC Bank Ltd.	
Commercial Bank of Ceylon Plc	
Dutch Bangla Bank Ltd.	
IFIC Bank Ltd.	
Bank Asia Ltd.	
Bangladesh Development Bank	
Trust Bank	
United Commercial 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.	
Janata Bank Ltd.	
Jamuna Bank Ltd.	
Islami Bank Ltd	
Mutual Trust Bank Ltd.	
National Bank Ltd.	
ONE Bank Ltd.	
Prime Bank Ltd.	
NRB Commercial Bank Ltd.	
Sonali Bank Ltd.	

Sub-Total

Fixed deposits receipts (FDR)

Midland 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.	
NRB Commercial Bank Ltd.	
Standard Bank Ltd.	
Shahjalal Islami Bank Ltd.	
ICB Islamic Bank	

Sub-Total

Grand Total

Amount in Taka	
31-Dec-2013	31-Dec-2012
26,053	17,335
-	2,251
551,316	
-	268
138,823	141,082
5,745	6,895
471	1,003
-	277,237,316
9,425	
4,235	5,385
49,339	
8,791	9,396
2,515	4,425
1,950	
4,047	5,197
802,710	277,430,553
1,043,448	646,798
-	3,500
98,574,733	307,337,739
2,730	3,755
94,968	96,123
1,568,274	5,698,755
7,179	86,406
86	425
253,517	244,526
4,113	5,763
132,930	128,469
19,356	3,630
601,087	418,851
5,010	-
67,414	64,480
102,374,845	314,739,220
30,000,000	-
-	46,253,129
65,154,043	164,304,768
-	56,455,357
30,000,000	31,093,325
-	-
204,641,927	204,641,927
18,164,049	16,296,555
-	50,468,750
10,000,000	-
100,000,000	61,698,665
-	30,000,000
-	20,000,000
457,960,019	681,212,476
561,137,574	1,273,382,249

NOTES TO THE FINANCIAL STATEMENTS

		Amount in Taka	
		31-Dec-2013	31-Dec-2012
	4.1 Maturity grouping of balance with other banks and financial institutions		
	On demand	103,177,555	277,675,079
	Less than 3 months	133,722,776	426,629,971
	More than 3 months but less than 1 year	324,237,243	569,077,199
	More than 1 year but less than 5 years	-	-
	Above 5 years	-	-
	Total	561,137,574	1,273,382,249
IAS 1.77	4.a Consolidated balance with other banks and financial institutions		
	IIDFCL	561,137,574	1,273,382,249
	IIDFC Securities Limited (4.a.1)	57,852,712	61,506,943
	IIDFC Capital Limited (4.a.2)	4,660,985	978,515
	Total	623,651,271	1,335,867,707
IAS 1.77	4.a.1 Bank balance of IIDFC Securities Limited		
	Southeast Bank Ltd.	10,017,420	4,796,751
	Standard Bank Ltd.	3,197,149	275,524
	Bank Asia Ltd.	4,860,632	193,744
	One Bank Ltd.	39,775,802	56,236,865
	Standard Chartered Bank	1,709	4,059
	Exim Bank Ltd.	-	-
	Total	57,852,712	61,506,943
IAS 1.77	4.a.2 Bank balance of IIDFC Capital Limited		
	One Bank Ltd.	4,112,119	842,693
	Southeast Bank Ltd.	476,099	52,574
	BCB	72,767	83,248
	Total	4,660,985	978,515
IAS 1.77	5 Money at call and short notice		
	Banking companies (note-5.1)	-	-
	Non-banking financial institutions	-	-
	Total	-	-
	5.1 Money at call and short notice from banking companies		
	Jamuna Bank Limited	-	-
	AB Bank Limited	-	-
	Total	-	-
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)	45,648,601	62,687,408
	Debenture and bond (Zero coupon bond issued by Bank Asia Ltd.)	14,378,341	12,785,286
	Other investments (Note 6.2)	133,051,288	128,821,475
	Gold etc.	-	-
	Sub Total	193,078,230	204,294,169
	Total investments (A+B)	193,078,230	204,294,169

NOTES TO THE FINANCIAL STATEMENTS

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.

6.2 Other investments

Quoted

	Amount in Taka	
	31-Dec-2013	31-Dec-2012
Opening balance	62,687,408	79,805,208
Add: Addition during the year	78,993	-
Less: Redemption during the year	(17,117,800)	(17,117,800)
	45,648,601	62,687,408
Active Fine	-	1,530,337
AMCL (Pran)	191,006	-
Amra Technologies	774,778	-
Atlas BD	675,652	-
Agni Systems	20,508	-
Aftab Auto	3,600,528	-
Apex Adelchi	-	2,972,324
Asia Insurance	-	391,741
Bank Asia	1,639,595	1,639,595
Bata Shoe	154,740	-
BD Com Online	13,016	-
BSC	1,657,447	-
BEXIMCO LTD.	1,231,796	3,034,315
City Bank	3,054,699	4,189,182
Continental Insurance	638,025	-
Delta Life Insurance	818,299	-
DBH 1st Mutual Fund	1,997,969	-
Dhaka Insurance	151,278	-
Dhaka Bank	1,613,140	1,871,243
EBL	7,581,568	4,831,556
EBL 1st Mutual Fund	3,567,493	-
Eastland Insurance	-	1,907,355
EBLNRBMF (IIDFC own)	6,518,519	8,750,000
Fareast Islami Life	2,065,023	2,065,023
First Lease Inter	-	535,869
GBBPOWER	-	837,318
Hiedleberg Cement Ltd.	2,159,517	-
ICB	1,804,247	8,689,787
ICB EPMF 1st	2,306,946	-
ICB AMCL 3rd NRB	652,520	-
ICB Second NRB MF	627,377	627,376
International Leasing	4,055,245	973,857
Islami Bank	1,451,450	2,547,295
Jamuna Oil	-	1,381,719
Karnafuli Insurance	4,195,393	625,642
Lafarge Cement	5,932,687	-
Lanka Bangla	4,258,457	4,258,458
Meghna Petroleum	1,169,098	6,859,948
Meghna Life Insurance	1,242,265	1,243,000
Mercantile Bank	2,309,374	3,542,576
MJL Bangladesh Ltd.	-	1,119,527
MTBL	15,856	15,856
National Bank	3,129,793	3,729,638
NCC Bank	2,722,953	2,722,954
NLI1STMF	10,000,000	10,000,000
One Bank	2,903,869	5,595,513
Olympic Ltd.	1,211,260	-

NOTES TO THE FINANCIAL STATEMENTS

	Amount in Taka	
	31-Dec-2013	31-Dec-2012
Orion Pharma Ltd.	6,899,271	-
Padma Life	-	342,047
Peoples Insurance	-	773,299
Pioneer Insurance	3,727,431	243,750
Popular Life	1,742,842	4,933,338
Progoti Insurance Ltd.	168,207	-
Prime Islami Life	1,978,304	1,978,303
Premier Cement Mills Ltd.	663,334	-
Rupali Insurance	715,576	-
Republic Insurance	1,006,661	-
Reliance Insurance	-	983,258
RN Spinnings	-	4,354,453
Saiham Cotton	830,568	-
Sandhani life insu	937,264	2,536,572
Sonar Bangla Insurance	820,996	-
SIBL	1,248,069	1,248,070
SEBL 1st MF	10,000,000	10,000,000
Southeast Bank	1,531,894	1,531,894
Square Pharma	-	5,687,978
Standard Bank	1,068	1,068
Tallu Spinning Ltd.	389,559	-
The Dacca Dyeing	253,748	-
Titas Gas	2,654,508	-
UCBL	785,476	290,735
Unique Hotel and Resorts Ltd.	451,575	-
Usmania Glass	23,931	-
United Insurance	-	497,533
Uttara Bank	6,107,623	4,930,172
Sub Total	133,051,288	128,821,475
Unquoted	-	-
Total (Quoted and unquoted)	133,051,288	128,821,475

Market price of quoted investments as on 31st December, 2013:

	Cost Price a	Market Price b	Prov. Required c=b-a
AMCL (Pran)	191,006	188,000	(3,006)
Aamra Technologies	774,778	718,000	(56,778)
Atlas BD	675,652	529,550	(146,102)
Aftab Auto	3,600,528	2,993,100	(607,428)
Agni Systems	20,508	22,900	2,392
Bank Asia Ltd.	1,639,595	1,519,817	(119,778)
	Cost Price a	Market Price b	Prov. Required c=b-a
Bata Shoe	154,740	138,000	(16,740)
BDCOM Online	13,016	15,200	2,184
BEXIMCO LTD.	1,231,796	1,127,000	(104,796)
BSC	1,657,447	1,404,200	(253,247)
City Bank	3,054,699	2,626,000	(428,699)
Continental Insurance	638,025	580,000	(58,025)

NOTES TO THE FINANCIAL STATEMENTS

	Cost Price a	Market Price b	Prov. Required c=b-a
Delta Life Insurance	818,299	800,100	(18,199)
DBH 1st Mutual Fund	1,997,969	1,478,400	(519,569)
Dhaka Insurance	151,278	141,400	(9,878)
Dhaka Bank	1,613,140	1,316,000	(297,140)
EBL	7,581,568	6,431,100	(1,150,468)
EBL 1st Mutual Fund	3,567,493	3,086,804	(480,689)
EBLNRBMF	6,518,519	5,792,881	(725,638)
Fareast Islami Life	2,065,023	1,793,952	(271,071)
Heidelberg Cement	2,159,517	1,903,500	(256,017)
ICB	1,804,247	1,753,931	(50,317)
ICBEPMF1st	2,306,946	1,710,000	(596,946)
ICB AMCL 3rd NRB M	652,520	510,000	(142,520)
ICB Second NRB MF	627,377	384,000	(243,377)
International Leasing	4,055,245	3,254,800	(800,445)
Islami Bank	1,451,450	1,384,000	(67,450)
Karnafuli Insurance	4,195,393	3,766,500	(428,893)
Lafarge Cement	5,932,687	6,030,000	97,313
Lanka Bangla	4,258,457	4,279,275	20,818
Meg. Petroleum	1,169,098	1,055,000	(114,098)
Meghna Life Insurance	1,242,265	1,163,000	(79,265)
Mercantile bank	2,309,374	2,078,900	(230,475)
MTBL	15,856	10,937	(4,919)
National Bank	3,129,793	2,360,000	(769,793)
NCC Bank	2,722,953	1,729,200	(993,753)
NLI1STMF	10,000,000	10,120,000	120,000
One Bank	2,903,869	1,892,224	(1,011,645)
Olympic	1,211,260	1,176,800	(34,460)
Orion Pharma Ltd.	6,899,271	5,987,400	(911,871)
Pioneer Insurance	3,727,431	3,320,000	(407,431)
Popular Life	1,742,842	1,501,181	(241,661)
Pragati Insurance	168,207	161,400	(6,807)
Prime Islami Life	1,978,304	1,330,147	(648,156)
Premier Cement Mil	663,334	597,600	(65,734)
Rupali Insurance	715,576	672,000	(43,576)
Republic Insurance	1,006,661	876,000	(130,661)
Saiham Cotton	830,568	747,000	(83,568)
Sandhani life insu	937,264	866,400	(70,864)
Sonarbangla Ins.	820,996	750,485	(70,511)
SIBL	1,248,069	830,253	(417,817)
SEBL 1st MF	10,000,000	8,690,000	(1,310,000)
Southeast Bank	1,531,894	1,118,750	(413,144)
Standard Bank	1,068	622	(446)
Tallu Spinning	389,559	381,000	(8,559)
The Dacca Dyeing	253,748	246,000	(7,748)
Titas Gas	2,654,508	2,214,000	(440,508)
UCBL	785,476	753,000	(32,476)
Unique Hotel and Resourt	451,575	390,000	(61,575)
Usmania Glass	23,931	28,320	4,389
Uttara Bank	6,107,623	5,053,750	(1,053,873)
Total:	133,051,288	115,779,777	(17,271,511)

NOTES TO THE FINANCIAL STATEMENTS

		Amount in Taka	
		31-Dec-2013	31-Dec-2012
6.3	Maturity grouping of investments		
	On demand	24,497,778	-
	Less than 3 months	23,690,833	3,500,000
	More than 3 months but less than 1 year	13,997,778	61,300,000
	More than 1 year but less than 5 years	97,297,778	139,494,169
	Above 5 years	33,594,063	-
	Total	193,078,230	204,294,169
6.a	Consolidated investments		
	IIDFCL	193,078,230	204,294,169
	IIDFC Securities Limited (note - 6.a.1)	170,050,434	139,258,614
	IIDFC Capital Limited	-	-
	Total	363,128,664	343,552,783
6.a.1	Investment of IIDFC Securities Limited Quoted :		
	6th ICB Mutual Fund	588,720	1,274,823
	AB Bank Limited	1,083,805	680,395
	AIBL 1ST Islamic Mutual Fund	69,083	69,083
	Aims First Mutual Fund	225,000	-
	Asia Insurance Limited	1,790,950	1,790,950
	Bank Asia Limited	8,710,114	8,673,714
	Bangal Windsor Themoplastics Limited	128,800	-
	Bangladesh Export and Import Company Limited	151,820	-
	Bangladesh General Company Limited	818,681	830,084
	BRAC Bank Limited	1,463,307	2,391,488
	BSRM Steel Mills Limited	23,149	23,149
	Central Insurance Company Limited	1,192,740	1,192,740
	City Bank Limited	1,012,365	1,012,365
	Delta Brack Housing Finance Corporation Limited	215,600	215,600
	Delta Life Insurance Company Limited	-	29,000
	DBH 1st Mutual Fund	46,517	32,917
	Dhaka Bank Limited	11,691,731	11,672,131
	Dutch-Bangla Bank Limited	1,165,740	1,224,027
	Eastern Insurance Company Limited	661,200	661,200
	Eastland Insurance Company Limited	1,767,647	1,870,594
	Eastern Bank Limited	1,253,360	425,020
	Envoy Textiles Limited	726,900	-
	EXIM Bank Limited	2,130	2,130
	Fareast Islami Life Insurance Company Limited	14,191,385	14,456,033
	First Lease Finance and Investment Limited	65,200	49,900
	Golden Harvest Agro Industries Limited	420,420	-
	Grameen Mutual Fund Two	93,500	-
	Green Delta Insurance Company Limited	42,883	842,810
	H.R.Textile Mills Limited	891,600	-
	ICB Second NRB Futual fund	708,052	737,250
	IFIC 1ST Mutual Fund	144,256	30,256
	IFIL Islami Mutual Fund -1	83,536	83,536
	International Leasing and Financial Services Limited	300,950	300,950
	Islami Bank Limited	3,755,139	3,975,419
	Islami Insurance Bangladesh Limited	1,521,345	1,856,148
	Karnafuli Insuranc Company Limited	3,205,460	3,047,410
	Lafarge Surma Cement Limited	1,058,758	204,798
	Lanka Bangla Finance Limited	20,342	175,117
	MBL 1ST Mutual Fund	12,000	-

NOTES TO THE FINANCIAL STATEMENTS

	Amount in Taka	
	31-Dec-2013	31-Dec-2012
Meghna Life Insurance Company Limited	394,595	394,595
Mercantile Bank Limited	3,485,236	3,485,236
MJL Bangladesh Limited	7,707	47,436
Mutual Trust Bank Limited	475,702	475,702
National Bank Limited	4,851,669	2,942,090
NCC Bank Limited	3,201,528	3,201,528
ONE Bank Limited	12,329,547	11,760,947
Ocean Container Limited	-	4,105
Paramount Insurance Company Limited	63,400	63,400
Peoples Insurance Company Limited	1,261,184	1,695,007
Phoenix Finance and Investment Limited	76,850	54,200
PHP 1ST Mutual Fund	399,130	349,330
Pioneer Insurance Company Limited	1,399,007	1,299,533
Polular Life First Mutual Fund	225,250	49,250
Pragati Insurance Limited	675,364	675,364
Pragati Life Insurance Limited	18,143,638	18,143,638
Premier Bank Limited	540,300	540,300
Premier Leasing and Finance Limited	216,550	216,550
Prime Bank Limited	337,026	428,609
Prime Islami Life Insurance Limited	8,660,382	8,711,924
Pubali Bank Limited	2,423	2,423
Purabi General Insuranc Company Limited	26,477	1,022,373
Provati Insurance Company Limited	-	55,200
RAK Ceramics(Bangladesh) Limited	3,583,910	3,428,565
Reliance Insurance Limited	2,527,055	2,445,055
Rupali Insurance Company Limited	708,294	671,793
Rupali Life Insurance Company Limited	1,258,785	1,331,800
Sandhani Life Insurance Company Limited	-	418,854
Singer Bangladesh Limited	-	971,307
Square Pharmaceuticals Limited	-	35,260
S. Alam Steels Limited	229,728	126,328
Summit Alliance Port Limited	195,786	191,680
SEBL1ST Mutual Fund	122,651	174,623
Shahjalal Bank Limited	5,055	10,309
Social Islami Bank Limited	2,657,791	2,639,891
Southeast Bank Limited	3,760,574	3,760,574
Square Textiles Limited	690,982	307,204
Standard Bank Limited	2,370,546	2,370,546
Summit Power Limited	677,519	676,160
Takaful Islami Insurance Limited	867,951	867,951
Trust Bank Limited	236,600	161,300
Uttara Bank Limited	3,219,637	3,219,637
Sub-Total	141,190,014	139,258,614
Un-quoted :		
Dhaka Stock Exchange Limited (40% Un-quoted)	28,860,420	-
Sub-Total	28,860,420	-
Total	170,050,434	139,258,614

In pursuance of section 3.1.4 of the scheme of Demutualization of DSE; total 7,215,106 Ordinary Shares of Taka 10 each, we were allotted by DSE in favour of IIDFC Securities. 40% Ordinary Shares credited to BO account of IIDFC Securities Limited and remaining 60% Ordinary Shares were credited to the "DSE Demutualization Blocked Account" maintained by Dhaka Stock Exchange Limited (DSE). The membership cost is adjusted by Taka.72,151,060 of the above mentioned Ordinary Shares and the same amount has been reported as investment in securities (Un-quoted).

NOTES TO THE FINANCIAL STATEMENTS

	Cost Price a	Market Price b	Prov. Required c=b-a
Market price of investments as on 31 December, 2013:			
Details of investment in quoted securities as on 31 December 2013 are as under :			
6th ICB Mutual Fund	588,720	698,250	109,530
AB Bank Limited	1,083,805	817,257	(266,548)
AIBL 1ST Islamic Mutual Fund	69,083	72,000	2,917
Aims First Mutual Fund	225,000	204,500	(20,500)
Asia Insurance Limited	1,790,950	1,346,610	(444,340)
Bank Asia Limited	8,710,114	7,800,450	(909,664)
Bangal Windsor themoplastics Limited	128,800	125,800	(3,000)
Bangladesh Export and import Company Limited	151,820	112,700	(39,120)
Bangladesh General Company Limited	818,681	624,631	(194,050)
BRAC Bank Limited	1,463,307	1,532,885	69,578
BSRM Steel Mills Limited	23,149	17,312	(5,837)
Central Insurance Company Limited	1,192,740	925,411	(267,329)
City Bank Limited	1,012,365	643,269	(369,096)
Delta Brack Housing Finance Corporation Limited	215,600	173,250	(42,350)
DBH 1st Mutual Fund	46,517	39,200	(7,317)
Dhaka Bank Limited	11,691,731	7,567,639	(4,124,092)
Dutch-Bangla Bank Limited	1,165,740	1,047,000	(118,740)
Eastern Insurance Company Limited	661,200	528,240	(132,960)
Eastland Insurance Company Limited	1,767,647	1,420,340	(347,307)
Eastern Bank Limited	1,253,360	1,174,185	(79,175)
Envoy Textiles Limited	726,900	651,600	(75,300)
EXIM Bank Limited	2,130	1,419	(711)
Fareast Islami Life Insurance Company Limited	14,191,385	12,125,280	(2,066,105)
First Lease Finance and Investment Limited	65,200	66,400	1,200
Golden Harvest Agro Industries Limited	420,420	381,930	(38,490)
Grameen Mutual Fund Two	93,500	88,000	(5,500)
Green Delta Insurance Company Limited	42,883	50,107	7,224
H.R.Textile Mills Limited	891,600	824,000	(67,600)
ICB Second NRB Futual fund	708,052	465,600	(242,452)
IFIC 1ST Mutual Fund	144,256	136,356	(7,900)
IFIL Islami Mutual Fund -1	83,536	84,000	464
International Leasing and Financial Services Limited	300,950	158,000	(142,950)
Islami Bank Limited	3,755,139	3,538,992	(216,147)
Islami Insurance Bangladeh Limited	1,521,345	1,476,800	(44,545)
Karnafuli Insuranc Company Limited	3,205,460	1,822,500	(1,382,960)
Lafarge Surma Cement Limited	1,058,758	1,139,000	80,242
Lanka Bangla Finance Limited	20,342	30,590	10,248
MBL 1ST Mutual Fund	12,000	12,600	600
Meghna Life Insurance Company Limited	394,595	331,455	(63,140)
Mercantile Bank Limited	3,485,236	2,832,287	(652,949)
MJL Bangladesh Limited	7,707	7,285	(422)
Mutual Trust Bank Limited	475,702	286,880	(188,822)
National Bank Limited	4,851,669	2,600,744	(2,250,925)
NCC Bank Limited	3,201,528	1,966,886	(1,234,642)
ONE Bank Limited	12,329,547	8,040,652	(4,288,895)
Paramount Insurance Company Limited	63,400	52,080	(11,320)
Peoples Insurance Company Limited	1,261,184	1,367,520	106,336
Phoenix Finance and Investment Limited	76,850	71,082	(5,768)
PHP 1ST Mutual Fund	399,130	319,000	(80,130)
Pioneer Insurance Company Limited	1,399,007	1,374,480	(24,527)
Polular Life First Mutual Fund	225,250	199,602	(25,648)

NOTES TO THE FINANCIAL STATEMENTS

		Amount in Taka	
		31-Dec-2013	31-Dec-2012
Pragati Insurance Limited	675,364	543,649	(131,715)
Pragati Life Insurance Limited	18,143,638	15,040,515	(3,103,123)
Premier Bank Limited	540,300	332,723	(207,577)
Premier Leasing and Finance Limited	216,550	86,000	(130,550)
Prime Bank Limited	337,026	262,108	(74,918)
Prime Islami Life Insurance Limited	8,660,382	5,889,650	(2,770,732)
Pubali Bank Limited	2,423	2,437	14
Purabi General Insurance Company Limited	26,477	36,864	10,387
RAK Ceramics (Bangladesh) Limited	3,583,910	3,225,609	(358,301)
Reliance Insurance Limited	2,527,055	2,454,760	(72,295)
Rupali Insurance Company Limited	708,294	646,464	(61,830)
Rupali Life Insurance Company Limited	1,258,785	1,074,490	(184,295)
S. Alam Steels Limited	229,728	189,200	(40,528)
Summit Alliance Port Limited	195,786	149,137	(46,649)
SEBL1ST Mutual Fund	122,651	126,400	3,749
Shahjalal Bank Limited	5,055	4,704	(351)
Social Islami Bank Limited	2,657,791	1,803,147	(854,644)
Southeast Bank Limited	3,760,574	2,931,125	(829,449)
Square Textiles Limited	690,982	679,266	(11,716)
Standard Bank Limited	2,370,546	1,930,734	(439,812)
Summit Power Limited	677,519	589,056	(88,463)
Takaful Islami Insurance Limited	867,951	780,390	(87,561)
Trust Bank Limited	236,600	198,000	(38,600)
Uttara Bank Limited	3,219,637	2,292,070	(927,567)
Dhaka Stock Exchange Limited (Un-quoted)	28,860,420	28,860,420	-
Dhaka Stock Exchange Limited (Un-quoted)	43,290,640	43,290,640	-
	213,341,074	182,793,614	(30,547,460)

Provision for unrealized loss in investment in securities has been made at 70% of total requirement. As per BSEC's directive no: SEC/CMRRCD/2009-193/155 dated 09 December, 2013, minimum requirement of making such provision is at 20% of total required amount at the end of this accounting year.

IAS 1.77 7

Loans & advances

Inside Bangladesh

Gross lease receivables		2,869,972,759	2,790,571,806
Less: Unearned lease income		347,077,514	337,475,233
Net lease receivables	27.11%	2,522,895,245	2,453,096,573
Advance for lease finance	0.84%	78,000,001	43,714,000
Direct/ term finance	69.99%	6,512,902,942	6,184,092,276
Secured overdraft	1.10%	102,653,620	201,673,768
Bills discounted and purchased (note 7.8)	0.96%	89,622,639	88,406,330
Sub Total	100.00%	9,306,074,447	8,970,982,947

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	-	-	-
Total	-	9,306,074,447	8,970,982,947

Percentage	Amount in Taka	
	31-Dec-2013	31-Dec-2012
	2,869,972,759	2,790,571,806
	347,077,514	337,475,233
	2,522,895,245	2,453,096,573
	78,000,001	43,714,000
	6,512,902,942	6,184,092,276
	102,653,620	201,673,768
	89,622,639	88,406,330
	9,306,074,447	8,970,982,947
	-	-
	-	-
	-	-
	-	-
	-	-
	-	-
	-	-
	-	-
	-	-
	9,306,074,447	8,970,982,947

NOTES TO THE FINANCIAL STATEMENTS

		Amount in Taka		
		31-Dec-2013	31-Dec-2012	
7.1	Details of loans & advances			
	Lease finance			
	Corporate clients	21.58%	2,007,879,013	2,003,509,129
	Small & medium enterprises (SME)	6.37%	593,016,233	493,301,444
	Sub Total	27.95%	2,600,895,246	2,496,810,573
	Direct / term finance			
	Syndication finance	1.87%	174,302,760	198,465,275
	Corporate clients	53.45%	4,974,329,181	4,866,640,907
	Small & medium enterprises (SME)	11.05%	1,028,781,529	799,104,358
	Home loan	3.43%	319,195,299	303,058,003
	Factoring finance	0.96%	89,622,639	88,406,330
	Secured overdraft	1.10%	102,653,620	201,673,768
	Employee loan	0.18%	16,294,173	16,823,733
	Sub Total	72.05%	6,705,179,201	6,474,172,374
	Grand Total	100%	9,306,074,447	8,970,982,947
IAS 1.61	7.2 Maturity grouping of loans & advances			
	On demand		1,005,894,445	382,021,331
	Less than 3 months		2,641,694,445	1,326,281,992
	More than 3 months but less than 1 year		2,501,994,445	2,455,976,512
	More than 1 year but less than 5 years		1,808,994,445	2,627,631,541
	Above 5 years		1,347,496,667	2,179,071,571
	Total		9,306,074,447	8,970,982,947
IFRS 8.20	7.3 Sector/ industry-wise loans & advances	Percentage	Amount in Taka	
			31-Dec-2013	31-Dec-2012
	Agricultural sector	0.71%	65,971,564	45,891,170
	Industrial sector			
	Textiles	10.01%	931,531,519	666,914,460
	Garments	8.45%	785,940,129	608,215,470
	Jutes & jute related goods	1.02%	94,604,021	82,019,560
	Food items producer/processing industry	1.04%	96,588,678	344,503,090
	Plastic industries	1.35%	125,526,331	118,320,610
	Leather and leather goods	0.19%	17,636,128	19,241,590
	Iron, steel and engineering	3.55%	330,170,086	262,235,350
	Chemicals and pharmaceuticals	6.51%	605,413,685	698,525,730
	Cement/ clingker and allied industries	0.76%	70,408,725	97,050,750
	Service sector (Hotel, hospital, clinic, tourism, etc.)	2.89%	269,353,094	244,004,100
	Paper, printing and packaging	3.31%	308,030,866	377,554,690
	Telecommunication and IT industries	4.09%	380,752,455	400,962,030
	Glass and ceramic industries	0.13%	12,342,186	-
	Shipping and ship building industries	3.51%	326,536,814	204,119,300
	Electronics and electrical goods	2.72%	253,253,844	84,346,190
	Power, gas, water and sanitary	4.08%	380,010,940	431,529,290
	Transport and communication	3.13%	290,874,159	185,460,260
	Real estate and housing	4.81%	447,209,136	400,394,490
	Merchant banking	3.24%	301,674,028	174,752,520
	Others	34.52%	3,212,246,057	3,524,942,297
	Total	100.00%	9,306,074,445	8,970,982,947

NOTES TO THE FINANCIAL STATEMENTS

				Amount in Taka	
				31-Dec-2013	31-Dec-2012
IFRS 8.20	7.4 Geographical location-wise loans & advances				
	Inside Bangladesh				
	Dhaka division	77.64%		7,225,558,497	6,988,020,851
	Chittagong division	18.54%		1,725,224,766	1,592,666,346
	Barishal division	0.99%		92,496,876	161,736,414
	Rajshahi division	1.38%		128,408,102	89,022,076
	Sylhet division	1.30%		120,631,848	132,069,043
	Khulna division	0.15%		13,754,356	7,468,217
	Sub Total	100.00%		9,306,074,445	8,970,982,947
	Outside Bangladesh		-	-	-
	Total	100.00%		9,306,074,445	8,970,982,947
IAS1.77	7.5 Classification of loans & advances as per Bangladesh Bank circular				
	Unclassified	31-Dec-2013	31-Dec-2012	31-Dec-2013	31-Dec-2012
	Standard	84.66%	87.23%	7,878,233,447	7,825,036,817
	Special mention account (SMA)	9.85%	7.13%	916,535,000	639,294,400
	Sub Total	94.51%	94.35%	8,794,768,447	8,464,331,217
	Classified				
	Sub-standard (SS)	1.84%	2.61%	170,990,000	233,837,860
	Doubtful (DF)	1.20%	1.83%	111,701,000	164,232,300
	Bad/ loss (BL)	2.46%	1.21%	228,615,000	108,581,570
	Sub Total	5.49%	5.65%	511,306,000	506,651,730
	Total	100%	100%	9,306,074,447	8,970,982,947
	7.6 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, 421,518,054 as on 31 December, 2013 where as Tk 1,321,989,413 (restated balance) as on 31 December, 2012.				
	Number of clients	-		-	1
	Outstanding amount	-		-	189,223,723
	Classified amount	-		-	-
	Measures taken for recovery	-		-	-
IAS 1.77	7.7 Particulars of loans & advances				
	1. Loans & advances considered good in respect of which the company is fully secured			4,879,247,122	4,537,889,457
	2. Loans & advances considered good against which the company holds no security others than the debtor's personal guarantee			2,366,523,460	2,687,359,881
	3. Loans & advances considered good secured by the personal undertaking of one or more parties in addition to the personal guarantee of the debtors			471,692,720	316,221,208
	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			-	-

NOTES TO THE FINANCIAL STATEMENTS

		Amount in Taka	
		31-Dec-2013	31-Dec-2012
	6. Loans & advances due from companies of firms in which the directors of the company have interest as directors, partners or managing agent or in case of private companies as members	1,588,611,145	1,429,512,401
	7. Maximum total amount of loan & advances including temporary loans & advances made at any time during the year to directors of managers or 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	17,372,741	45,556,682
	b. Amount of loans & advances written off	-	18,095,008
	c. Amount of collection against written off loans & advances	-	-
	d. Interest credited to interest suspense account	32,007,000	(12,877,065)
	11. Loans & advances written off:		
	a. Current year	-	18,095,008
	b. Cumulative to date	88,319,245	88,319,245
	c. Amount of written off loans for which law suits have been filed	88,319,245	88,319,245
IFRS 7.8©	7.8 Bills discounted and purchased		
	Inside Bangladesh	89,622,639	88,406,330
	Outside Bangladesh	-	-
	Total	89,622,639	88,406,330
IAS 1.61	7.9 Maturity grouping of bills discounted and purchased		
	Within 1 month	19,537,714	19,537,714
	Over 1 month but within 3 months	12,973,346	12,973,346
	Over 3 months but within 6 months	47,675,579	47,675,579
	Over 6 months	8,219,691	8,219,691
	Total	88,406,330	88,406,330
	7.a Consolidated loans & advances		
	IIDFCL	9,306,074,447	8,970,982,947
	IIDFC Securities Limited (7.a.1)	2,224,118,304	2,065,052,659
	IIDFC Capital Limited (7.a.2)	787,005,425	689,879,502
		12,317,198,176	11,725,915,108
	Less: Inter company loans & advances		
	IIDFC Securities Limited	1,289,419,065	-
	IIDFC Capital Limited	260,412,633	1,421,846,981
	Total	10,767,366,478	10,304,068,127
	7.a.1 Loans & advance of IIDFC Securities Limited		
	Margin loan	2,224,118,304	2,065,052,659
	7.a.2 Loans & advance of IIDFC Capital Limited		
	Margin loan	787,005,425	689,879,502

NOTES TO THE FINANCIAL STATEMENTS

IAS
16.31

		Amount in Taka	
		31-Dec-2013	31-Dec-2012
8	Property, plant & equipment (Details in Annexure-1)		
	Own finance		
	A. Cost		
	Motor vehicles	16,098,242	19,672,295
	Furniture & fixtures	10,804,205	11,188,882
	Office equipments	27,341,043	28,694,653
	Total	54,243,490	59,555,830
	B. Less: Accumulated depreciation		
	Motor vehicles	11,411,658	12,328,169
	Furniture & fixtures	4,891,236	4,012,489
	Office equipments	18,315,204	16,515,607
	Total	34,618,098	32,856,265
	C. Written down value at the end of the year (A-B)	19,625,392	26,699,565
	Lease finance		
	D. Cost		
	Furniture & fixtures	-	-
	Office equipments	-	-
	Computer softwares	-	-
	Motor vehicles	-	-
	Total	-	-
	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)	19,625,392	26,699,565
8.1	Intangible asset - computer softwares		
	Cost	2,251,026	2,251,026
	Less: Accumulated amortisation	1,839,269	1,500,084
	Net book value at the end of the year	411,757	750,942
8.a	Consolidated property, plant & equipment (Details in Annexure-1.a)		
	IIDFCL	19,625,392	26,699,565
	IIDFC Securities Limited (8.a.1)	21,034,522	26,155,964
	IIDFC Capital Limited (8.a.2)	4,420,503	6,483,336
	Total	45,080,417	59,338,865
8.a.1	Property, plant & equipment of IIDFC Securities Limited		
	A. Cost		
	Motor vehicles	-	-
	Furniture & fixtures	17,985,456	18,254,206
	Office equipments	17,521,519	17,479,384
	Total	35,506,975	35,733,590

NOTES TO THE FINANCIAL STATEMENTS

		Amount in Taka	
		31-Dec-2013	31-Dec-2012
	B. Less: Accumulated depreciation		
	Motor vehicles	-	-
	Furniture & fixtures	5,329,140	3,585,593
	Office equipments	9,143,313	5,992,033
	Total	14,472,453	9,577,626
	C. Written down value at the end of the year (A-B)	21,034,522	26,155,964
8.a.2	Property, plant & equipment of IIDFC Capital Limited		
	A. Cost		
	Motor vehicles	1,250,000	3,662,322
	Furniture & fixtures	4,103,271	4,103,271
	Office equipments	4,947,056	4,808,371
	Total	10,300,327	12,573,964
	B. Less: Accumulated depreciation		
	Motor vehicles	1,249,994	2,664,746
	Furniture & fixtures	1,372,559	962,232
	Office equipments	3,257,271	2,463,650
	Total	5,879,824	6,090,628
	C. Written down value at the end of the year (A-B)	4,420,503	6,483,336
8.1.a	Consolidated intangible asset (Details in Annexure-1.a)		
	IIDFCL	411,757	750,942
	IIDFC Securities Limited	606,513	895,044
	IIDFC Capital Limited	690,000	960,000
	Total	1,708,270	2,605,986
IAS 1.77	9 Other assets		
	Investment in shares of subsidiary companies:		
	In Bangladesh	1,090,800,000	1,065,800,000
	Outside Bangladesh	-	-
	Membership of Dhaka Stock Exchange Ltd.	-	-
	Stationery, stamps, printing materials etc.	-	-
	Advance rent and advertisement	237,370	237,380
	Interest accrued on investment but not collected, commission on shares and debentures and other income receivables	10,293,807	30,187,661
	Security deposits	48,200	48,200
	Preliminary, formation and organization expenses, renovation/ development and prepaid expenses	1,714,970	1,452,289
	Branch adjustment	-	-
	Suspense account	-	-
	Balance with BO account	14,367	1,867
	Others (Note 9.1)	577,910,677	750,403,242
	Total	1,681,019,391	1,848,130,639

NOTES TO THE FINANCIAL STATEMENTS

		Amount in Taka	
		31-Dec-2013	31-Dec-2012
IAS 1.78(b)	9.1 Others		
	Deferred receivables	70,742,967	90,499,708
	Advance for syndication purposes	471,230	471,230
	Advance for generator	-	-
	Advance for rupali bank	-	-
	Advance for suppliers	9,734,884	12,329,785
	Advance for travelling	-	123,354
	Advance tax	372,497,490	361,910,071
	Expenses receivables	8,540	8,540
	Commission on bank guarantee	324,876	324,876
	Advance interest paid	120,513,694	261,430,459
	Accounts receivable for treasury	-	166,181
	Receivables from IIDFC Capital Ltd.	8,000	2,831,033
	Receivables from IIDFC Securities Ltd.	3,608,996	4,255,155
	Receivable from alliance holding	-	16,052,850
	Total	577,910,677	750,403,242
	9.a Consolidated other assets		
	IIDFCL	1,681,019,391	1,848,130,639
	IIDFC Securities Limited (note-9.a.1)	184,716,408	210,660,825
	IIDFC Capital Limited (note-9.a.2)	73,793,172	73,889,324
		1,939,528,971	2,132,680,788
	Less: Inter company assets		
	IIDFC Securities Limited	788,530,496	-
	IIDFC Capital Limited	306,062,647	1,073,275,766
	Total	844,935,828	1,059,405,022
	9.a.1 Other assets of IIDFC Securities Limited		
	Membership of Dhaka Stock Exchange Ltd (DSE)	124,258,580	153,119,000
	Advance rent	2,100,080	2,404,000
	Stamp in hand	3,286	9,120
	Security deposits	577,820	577,820
	Accrued interest on FDR	-	986,111
	Advance tax	51,682,649	42,615,677
	Others	6,093,993	10,949,097
	Total	184,716,408	210,660,825
	9.a.2 Other assets of IIDFC Capital Limited		
	License fee	30,196,209	30,196,209
	Receivable from brokerage houses	1,386,701	651,507
	Security deposits	200,000	200,000
	Preliminary, pre-operating expenses and renovation/development	-	-
	Advance tax	40,330,574	40,284,473
	Deferred tax	-	87,979
	Others	1,679,688	2,469,156
	Total	73,793,172	73,889,324
IFRS 7.7	10 Borrowings from other banks, financial institutions & agent		
	Inside Bangladesh:		
	Refinance against SME loan from Bangladesh Bank	357,333,183	441,917,957
	From other scheduled banks (note - 10.1)	3,252,260,826	4,294,336,434
	Sub Total	3,609,594,009	4,736,254,391
	Outside Bangladesh	-	-
	Total	3,609,594,009	4,736,254,391

NOTES TO THE FINANCIAL STATEMENTS

10.1 From other scheduled banks & financial institutions

Long term loan

	Amount in Taka	
	31-Dec-2013	31-Dec-2012
Exim Bank Ltd.	-	-
Dhaka Bank Ltd.	179,103,155	287,557,983
Prime Bank Ltd.	214,820,450	291,103,359
Bank Asia Ltd.	-	25,661,119
Trust Bank Ltd.	188,676,060	54,751,960
Uttara Bank Ltd.	326,342,386	403,960,163
Mercantile Bank Ltd.	-	78,896,798
Basic Bank Ltd.	-	119,277,005
Shahjalal Islami Bank Ltd.	423,400,733	304,464,053
Brac Bank Ltd.	-	22,185,802
Pubali Bank Ltd.	134,504,179	228,942,431
Bank Alfalah Ltd.	-	10,028,126
National Credit and Commerce Bank Ltd.	64,489,830	81,980,621
United Commercial Bank Ltd.	90,086,601	495,261,797
Commercial Bank of Ceylon Plc.	20,000,012	30,000,008
Mutual Trust Bank Ltd.	-	185,156,554
IFIC Bank Ltd.	-	400,725,598
Premier Bank Ltd.	106,981,221	162,517,252
Social Islami Bank Ltd.	200,000,000	47,186,106
Dutch Bangla Bank Ltd.	300,120,833	78,556,561
Jamuna Bank Ltd	113,678,611	-
Southeast Bank Ltd.	26,041,248	43,409,139
Standard Bank Ltd.	-	117,543,047
The UAE Bangladesh	43,829,030	50,000,000

Sub-Total

2,432,074,349 **3,519,165,482**

Overdraft and money at call short notice

Bank Alfalah Ltd.	179,161,442	179,859,702
IFIC Bank Ltd.	-	52,243,371
Commercial Bank of Ceylon Plc.	50,948,082	426,693,116
Dutch Bangla Bank Ltd.	150,000,000	-
Jamuna Bank Ltd.	76,953	-
Basic Bank Ltd.	90,000,000	-
Standard Bank Ltd.	50,000,000	-
Premier Bank Ltd.	100,000,000	-
Prime Bank Ltd.	-	45,090,625
Pubali Bank Ltd	100,000,000	-
Social Islami Bank Ltd.	-	1,230,319
Standard Bank Ltd.	-	50,053,819
Southeast Bank Ltd.	100,000,000	20,000,000

Sub-Total

820,186,477 **775,170,952**

Grand Total

3,252,260,826 **4,294,336,434**

Security against borrowings from other banks, financial institutions and agents

Secured	3,019,594,009	4,716,254,391
Unsecured	590,000,000	20,000,000

Total

3,609,594,009 **4,736,254,391**

NOTES TO THE FINANCIAL STATEMENTS

		Amount in Taka	
		31-Dec-2013	31-Dec-2012
	Maturity grouping of borrowings from other banks, financial institutions and agents		
	Payable on demand	590,000,000	-
	Up to 1 month	230,186,477	827,212,345
	Over 1 month but within 6 months	1,203,798,921	1,190,341,321
	Over 6 months but within 1 year	625,611,052	716,014,321
	Over 1 year but within 5 years	724,065,184	1,360,665,184
	Over 5 years	235,932,375	642,021,220
	Total	3,609,594,009	4,736,254,391
10.a	Consolidated borrowings from other banks, financial institutions & agent		
	Inside Bangladesh		
	IIDFCL	3,609,594,009	4,736,254,391
	IIDFC Securities Limited (note - 10.a.1)	1,289,419,065	1,297,618,665
	IIDFC Capital Limited (note - 10.a.2)	357,683,929	349,643,409
		5,256,697,003	6,383,516,465
	Less: Inter company borrowings		
	IIDFC Securities Limited	1,289,419,065	-
	IIDFC Capital Limited	260,412,633	1,421,846,981
	Total	3,706,865,305	4,961,669,484
10.a.1	Borrowings of IIDFC Securities Limited		
	Inside Bangladesh		
	IIDFC Ltd.	1,289,419,065	1,257,410,630
	Phoenix Finance & Investments Ltd.	-	-
	One Bank Ltd.	-	40,208,035
	Total	1,289,419,065	1,297,618,665
10.a.2	Borrowings of IIDFC Capital Limited		
	Bangladesh Commerce Bank Limited	-	40,000,000
	IIDFC Limited	260,412,633	164,436,351
	Standard Bank Ltd.	97,271,296	145,207,058
	Total	357,683,929	349,643,409
IFRS 7.7	11 Deposits & other accounts		
	Deposits from banks and financial institutions (note-11.2)	1,537,367,027	874,104,136
	Deposits from customers	4,072,359,823	4,222,192,038
	Sub-Total	5,609,726,850	5,096,296,174
	Other deposit	8,413,758	8,455,595
	Grand Total	5,618,140,608	5,104,751,769
11.2	Deposits from banks and financial institutions		
	Bangladesh Commerce Bank Limited	-	20,000,000
	BRAC Bank Limited	200,000,000	100,000,000
	Delta Brac Housing Finance Corporation Ltd.	2,367,027	9,104,136
	Eastern Bank Ltd.	-	50,000,000
	ICB Islamic Bank Limited	100,000,000	100,000,000
	IFIC Bank Limited	150,000,000	150,000,000
	Janata Bank Limited	100,000,000	100,000,000
	Mercantile Bank Limited	20,000,000	20,000,000
	NRB Bank Ltd.	150,000,000	-
	South Bangla Agriculture and Commerce Bank Ltd.	50,000,000	-
	Shahjalal Islami Bank Limited	160,000,000	-
	Social Islami Bank Limited	280,000,000	150,000,000
	Sonali Bank Limited	-	150,000,000
	United Commercial Bank Limited	325,000,000	25,000,000
		1,537,367,027	874,104,136

NOTES TO THE FINANCIAL STATEMENTS

		Amount in Taka	
		31-Dec-2013	31-Dec-2012
IAS 1.61	11.1 Maturity grouping of deposits & other accounts		
	Payable on demand	-	-
	Up to 1 month	702,610,512	184,810,512
	Over 1 month but within 6 months	2,859,453,634	1,228,707,268
	Over 6 months but within 1 year	690,645,045	770,097,411
	Over 1 year but within 5 years	959,510,421	1,237,210,421
	Over 5 years but within 10 years	405,920,996	1,683,926,157
	Over 10 years	-	-
	Total	5,618,140,608	5,104,751,769
	11.a Consolidated deposits & other accounts		
	IIDFCL	5,609,726,850	5,096,296,174
	IIDFC Securities Limited	-	-
	IIDFC Capital Limited (note-11.a.1)	6,578,491	1,844,892
	Sub Total	5,616,305,341	5,098,141,066
	Other deposit	8,413,758	8,455,595
	Total	5,624,719,099	5,106,596,661
	11.a.1 Deposits & other accounts of IIDFC Capital Limited		
	Deposits from banks	-	-
	Deposits from customers	6,578,491	1,844,892
	Total	6,578,491	1,844,892
IAS 1.77	12 Other liabilities		
	Finance loss reserve (Note 12.1)	312,500,001	295,500,000
	Deferred tax	41,015,079	41,015,079
	Interest suspense account (Note 12.2)	152,007,000	120,000,000
	Lease rental advance	38,720,000	46,096,433
	Provision for current tax (Note 37)	240,947,000	239,947,000
	Liabilities for financial expenses	341,703,371	331,651,209
	Liabilities for expenses	16,814,173	1,005,621
	Liabilities for other finance	128,047,738	240,157,363
	Obligation under finance lease	11,451,580	19,275,810
	Total	1,283,205,942	1,334,648,515
IAS 37.84	12.1 Finance loss reserve		
	Movement of specific provision on classified loans & advances		
	Opening balance	194,059,815	173,431,328
	Less: Provision fully provided loans & advances written-off during the year	-	(18,095,008)
	Add: Recoveries from previously written-off loans & advances	-	-
	Add: Specific provision provided during the year	11,128,304	20,628,487
	Add: Recoveries & provision no longer required	-	18,095,008
	Add: Net charge to profit and loss account	-	-
	Closing balance	205,188,119	194,059,815
	Provision for diminution in value of Investments		
	Opening balance	12,828,266	-
	Add: Provision during the year	4,443,245	12,828,266
	Closing balance	17,271,511	12,828,266
	Movement of general provision on unclassified loans & advances		
	Opening balance	88,611,919	87,145,446
	Add: General provision provided during the year	(1,428,452)	1,466,473
	Closing balance	90,040,371	88,611,919
	Total	312,500,001	295,500,000

NOTES TO THE FINANCIAL STATEMENTS

			Amount in Taka	
			31-Dec-2013	31-Dec-2012
Particulars of required provision for loans and advances				
Status of classification	Base for provision	Rate		
Unclassified (General provision)				
Standard - other than SME	6,712,580,705	1.0%	67,125,807	90,551,312
Standard - SME	1,165,652,742	0.25%	2,914,132	-
Special mention account (SMA)	845,035,000	5.0%	42,251,750	29,847,783
Total	7,557,615,705		112,291,689	120,399,095
Classified (Specific provision)				
Sub-standard (SS)	65,001,000	20.0%	13,000,200	29,677,274
Doubtful (DF)	60,599,000	50.0%	30,299,500	54,340,590
Bad/ loss (BL)	155,803,000	100.0%	155,803,000	89,604,690
Total	281,403,000		199,102,700	173,622,554
Total provision required			311,394,389	294,021,648
Total provision made			312,500,001	295,500,000
Excess provision made			1,105,612	1,478,352
IAS 37.84	12.2	Interest suspense account		
		Opening balance	120,000,000	132,877,065
		Add: Amount transferred to interest suspense account during the year	64,255,647	565,344,525
		Less: Amount recovered from interest suspense account during the year	32,248,647	573,126,582
		Less: Amount written-off during the year	-	5,095,008
		Closing balance	152,007,000	120,000,000
	12.a	Other liabilities		
		IIDFCL	1,283,205,942	1,334,648,515
		IIDFC Securities Limited (note - 12.a.1)	545,307,400	412,500,955
		IIDFC Capital Limited (note - 12.a.2)	333,445,565	248,738,306
			2,161,958,907	1,995,887,776
		Less: Inter company liabilities		
		IIDFC Securities Limited	-	-
		IIDFC Capital Limited	3,881,643	7,561,767
		Total	2,158,077,264	1,988,326,009
	12.a.1	Other liabilities of IIDFC Securities Limited		
		Provision for loans & advances-margin loan	58,886,152	58,995,111
		Provision for current tax	46,947,934	37,532,324
		Provision for deferred tax	390,606	1,366,257
		Payable to clients	54,068,241	28,297,691
		Payable to Southeast Bank Capital Services Ltd.	575,925	6,329,436
		Payable to DSE	756,920	49,799
		Interest suspense account	354,640,778	262,428,642
		Liability for expenses	3,367,312	2,578,081
		Reserve for risk fund	416,667	316,667
		Provision for diminution in value of investments	21,383,222	9,876,213
		Intercompany current account	3,873,643	4,730,734
		Total	545,307,400	412,500,955

NOTES TO THE FINANCIAL STATEMENTS

		Amount in Taka	
		31-Dec-2013	31-Dec-2012
12.a.2	Other liabilities of IIDFC Capital Limited		
	Finance loss reserve	39,151,597	39,578,482
	Deferred tax	-	-
	Interest suspense account	218,306,982	156,018,508
	Provision for diminution in value of investment	-	-
	Current tax	36,301,035	35,400,954
	Liabilities for expenses	945,987	1,459,635
	Liability for financial expenses	38,731,964	13,449,694
	Payable to IIDFC Limited	8,000	2,831,033
	Payable to broker	-	-
	Total	333,445,565	248,738,306
IAS 1.79	13 Share capital		
IAS 1.79(a)(i)	Authorized capital (500,000,000 shares of Tk. 10 each)	5,000,000,000	1,000,000,000
IAS 1.79(a)(ii)	Subscribed & paid up capital: (100,000,000 shares of Tk. 10 each)	1,000,000,000	1,000,000,000
IAS 1.79(a)(ii)	Paid up share capital as on 31 December, 2013 comprises the followings		
	Public sector		
	Name of shareholders	No. of Shares	Value
	Sonali Bank Limited	7,329,110	73,291,100
	Janata Bank Limited	7,329,110	73,291,100
	Investment corporation of bangladesh	7,329,110	73,291,100
		21,987,330	219,873,300
	Private sector		
	AB Bank Ltd.	1,461,300	14,613,000
	Bank Asia Ltd.	7,329,110	73,291,100
	BRAC Bank Ltd.	7,329,110	73,291,100
	City Bank Ltd.	7,329,110	73,291,100
	Mutual Trust Bank Ltd.	7,329,110	73,291,100
	National Bank Ltd.	7,329,110	73,291,100
	ONE Bank Ltd.	7,329,110	73,291,100
	Southeast Bank Ltd.	7,329,110	73,291,100
	Eastland Insurance Co. Ltd.	7,329,110	73,291,100
	National Life Insurance Co. Ltd.	7,329,110	73,291,100
	Pragati Insurance Ltd.	7,329,110	73,291,100
	Mr. Md. Matiul Islam	3,260,270	32,602,700
		78,012,670	780,126,700
		100,000,000	1,000,000,000
			100.00%
IAS1.135(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	1,000,000,000	1,000,000,000
	Required capital as per Bangladesh Bank	1,000,000,000	1,000,000,000
	Excess/(Shortage) capital	-	-
IAS1.135(d)	13.2 Capital adequacy and market discipline		
	As per Capital Adequacy and Market Discipline for Financial Institutions guideline of Bangladesh Bank, IIDFC calculated Minimum Capital Requirement (MCR) by dividing the total capital by the sum of risk weighted assets against credit risk, market risk, and operational risk under pillar-I. IIDFC maintain Capital Adequacy Ratio (CAR) of minimum 10%.		

NOTES TO THE FINANCIAL STATEMENTS

		Amount in Taka	
		31-Dec-2013	31-Dec-2012
Tier-1 (Core Capital)			
	Fully paid-up capital/ capital lien with BB	1,000,000,000	1,000,000,000
	Statutory reserve	227,105,728	212,200,000
	Non-repayable share premium account	-	-
	General reserve	44,800,000	44,500,000
	Retained earnings	149,612,326	65,289,413
	Minority interest in subsidiaries	-	-
	Non- cumulative irredeemable preference shares	-	-
	Dividend equalization account	-	-
	Other (if any item approved by Bangladesh Bank)	-	-
	Sub-Total	1,421,518,054	1,321,989,413
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 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	1,421,518,054	1,321,989,413
2. Tier-2 (Supplementary capital)			
	General provision (Unclassified up to special limit+SMA+ off balance sheet exposure)	114,827,435	122,516,032
	Assets revaluation reserves upto 50%	-	-
	Revaluation reserve for securities upto 50%	-	-
	All other preference shares	-	-
	Other (if any item approved by Bangladesh Bank)	-	-
	Sub-Total	114,827,435	122,516,032
	Deductions, if any	-	-
	Total eligible Tier-2 capital	114,827,435	122,516,032
A	Total capital	1,536,345,489	1,444,505,445
B	Total risk weighted asset	11,329,357,367	12,473,518,457
C	Required capital	1,132,935,737	1,247,351,846
D	Surplus / (Deficit)	403,409,752	197,153,599
	Capital adequacy ratio (CAR)	13.56%	11.58%
	On core capital (Tier-1)	12.55%	10.60%
	On supplementary capital (Tier-2)	1.01%	0.98%

				Amount in Taka	
Total risk weighted asset				31-Dec-2013	31-Dec-2012
SI No.	Particulars				
A.	Credit risk:				
	On balance sheet (From A.1)			10,227,355,805	11,339,673,435
	Off balance sheet (From A.2)			141,727,920	147,138,495
B.	Market risk (From B.1)			266,102,576	257,642,950
C.	Operational risk (From C.1)			694,171,066	729,063,577
	Total RWA (A+B+C)			11,329,357,367	12,473,518,457

NOTES TO THE FINANCIAL STATEMENTS

A.1 Risk weighted asset for credit risk on balance sheet exposer (As at 31 December, 2013)

SI	Exposure type	Rating	Risk Weight	Exposure	RWA
a	Cash		0.00	26,370	-
b	Claims on Bangladesh Government & BB		0.00	171,085,452	-
c	Claims on other Sovereigns & Central Banks		0.00	-	-
d	Claims on Bank for International settlements		0.00	-	-
	International Monetary Fund and European Central Bank			-	0
e	Claims on Multilateral Development Banks (MDBs)			-	-
	i). IBRD, IFC, ADB, AfDB, EBRD, IADB, EIB		0.00	-	-
	EIF, NIB, CDB, IDB, CEDB				
	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 Government) in Bangladesh.	1	0.20	-	-
		2,3	0.50	-	-
		4,5	1.00	-	-
		6	1.50	-	-
		Unrated	0.50	-	-
g	Claims on NBFIs and Banks				
	i). Original maturity over 3 months	1	0.20	95,154,043	19,030,809
		2,3	0.50	229,083,200	114,541,600
		4,5	1.00	-	-
		6	1.50	-	-
		Unrated	1.00	-	-
	ii). Original maturity upto 3 months		0.20	236,900,331	47,380,066
h	Claims on Corporate	1	0.20	673,460,714	134,692,143
		2	0.50	2,018,770,608	1,009,385,304
		3,4	1.00	845,135,127	845,135,127
		5,6	1.50	-	-
		Unrated	1.25	2,358,904,463	2,948,630,579
i	Securitization Exposures	1	0.20	-	-
		2	0.50	-	-
		3	1.00	-	-
		4	3.50	-	-

NOTES TO THE FINANCIAL STATEMENTS

SI	Exposure type	Rating	Risk Weight	Exposure	RWA
j	Claims under Credit Risk Mitigation (From Work Sheet 1(a))	PSE	N/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	1,754,133,462	1,315,600,097
l	Consumer finance		1.00	-	-
m	Claims fully secured by residential property		0.50	211,533,898	105,766,949
n	Claim fully secured by commercial real estate		1.00	-	-
o	1. Past Due Claims (Risk weights are to be assigned net of specific provision)				-
	i). Where specific provisions are less than 20% of the outstanding amount of the past due claim		1.50	845,067,997	1,267,601,996
	ii). Where specific provisions are no less than 20% of the outstanding amount of the past due claim		1.00	246,497,897	246,497,897
	iii). Where specific provisions are more than 50% of the outstanding amount of the past due claim		1.00	228,614,707	228,614,707
	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	71,467,240	71,467,240
	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	36,194,161	27,145,621
p	Capital Market Exposure		1.25	1,223,851,288	1,529,814,110
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	60,026,942	75,033,678
s	Investment in premises, plant and equipment and all other fixed assets		1.00	20,037,149	20,037,149
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	372,497,490	-
	ii) Staff Loan/ Investment		0.20	16,294,173	3,258,835
	iii) Cash items in process of collection		0.20	-	-
	iv) Other Assets (net of specific provision, if any)		1.00	217,721,901	217,721,901
	Total			11,932,458,613	10,227,355,805

NOTES TO THE FINANCIAL STATEMENTS

A.2 Risk weighted asset for credit risk on off balance sheet exposer (As at 31 December, 2013)

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	-	-
c.	Claims on Bank for International settlements International Monetary Fund and European Central Bank		0.00	-	-
	Claims on Multilateral Development Banks (MDBs)				
	i). IBRD, IFC, ADB, AfDB, EBRD, IADB, EIB		0.00	-	-
	EIF, NIB, CDB, IDB, CEDB				
	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 Government) in Bangladesh.	1	0.20	-	-
		2,3	0.50	-	-
		4,5	1.00	-	-
		6	1.50	-	-
		Unrated	0.50	-	-
e.	Claims on NBFIs and Banks				
	i). Maturity over 3 months	1	0.20	-	-
		2,3	0.50	-	-
		4,5	1.00	-	-
		6	1.50	-	-
		Unrated	1.00	-	-
	ii). Maturity upto 3 months		0.20	-	-
f.	Claims on corporate	1	0.20	-	-
		2	0.50	283,455,840	141,727,920
		3,4	1.00	-	-
		5,6	1.50	-	-
		Unrated	1.25	-	-
g.	Claims against retail portfolio & Small Enterprise (Excluding consumer loan)		0.75	-	-
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			283,455,840	141,727,920

A.2.1 Credit conversion factors off - balance sheet exposures (As at 31 December, 2013)

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%	566,911,680.00	283,455,840.00
e).	Commitments with original maturity over one year or less		-	-
f).	Trade related contingencies	20%	-	-
g).	Commitment with original maturity of one year or less		-	-
h).	Other commitments that can be unconditionally cancelled by any time	0%	-	-
i).	Foreign exchange contract		-	-
	Total		566,911,680	283,455,840

NOTES TO THE FINANCIAL STATEMENTS

Amount in Taka	
31-Dec-2013	31-Dec-2012

B.1 Market risk

SI No.	Market Risk	Total Capital Charge	Total Capital Charge
A.	Interest Rate Related Instruments	-	-
B.	Equities	26,610,258	25,764,296
C.	Foreign Exchange Position (if any)	-	-
D.	Commodities (if any)	-	-
	Total	26,610,258	25,764,296

B.1.1 Capital charge on equities

SI No.	Particulars	Amount (Market Value)	RW	Capital Charge	Capital Charge
a.	Specific Risk	133,051,288	10%	13,305,129	12,882,148
b.	General Market Risk	133,051,288	10%	13,305,129	12,882,148
	Total	266,102,576		26,610,258	25,764,296

C.1 Capital charge for operational risk (Basic indicator approach) (As at 31 December, 2013)

SI No.	Operational risk	Year, 2012	Year, 2011	Year, 2010	Capital Charge
		A	B	C	$[(A+B+C)*15\%]/3$
a.	Gross income	242,693,573	252,276,514	893,372,044	69,417,107

IAS 1.77	14 Statutory reserve				
	Opening balance			212,200,000	205,700,000
	Add: Addition during the year			14,905,728	6,500,000
	Closing balance			227,105,728	212,200,000
	The company has transferred 20% of net profit to statutory reserve as per the Financial Institutions Regulations, 1994.				
IAS 1.77	15 General reserve				
	Opening balance			44,500,000	44,000,000
	Add: Addition during the year			300,000	500,000
	Closing balance			44,800,000	44,500,000
	15.a Consolidated general reserve				
	IIDFCL			44,800,000	44,500,000
	IIDFC Securities Limited			17,000,000	17,000,000
	IIDFC Capital Limited			-	-
				61,800,000	61,500,000
	16 Other reserve				
	Opening balance			-	-
	Add: Addition during the year			-	-
	Closing balance			-	-
	17 Stock dividend				
	Opening balance			-	295,902,000
	Add: Interim stock dividend for the year 2012			-	213,707,000
	Less: Converted into paid up capital			-	(509,609,000)
	Closing balance			-	-

NOTES TO THE FINANCIAL STATEMENTS

		Amount in Taka	
		31-Dec-2013	31-Dec-2012
17.a	Consolidated stock dividend		
	IIDFC Limited	-	-
	IIDFC Securities Ltd.	-	25,000,000
		-	25,000,000
IAS 1.77	18 Retained earnings		
	Opening balance	65,289,413	223,779,431
	Add: Non-divisible profit (note-18.1)	25,000,000	40,000,000
	Net profit during the year	74,528,641	22,216,982
	Less: Statutory reserve	(14,905,728)	(6,500,000)
	Less: General reserve	(300,000)	(500,000)
	Less: Interim stock dividend for the year 2012	-	(213,707,000)
	Closing balance	149,612,326	65,289,413
18.1	Non-divisible profit		
	Stock dividend from IIDFC Capital Ltd. for the year 2010	-	40,000,000
	Stock dividend from IIDFC Securities Ltd. for the year 2011	25,000,000	-
		25,000,000	40,000,000
	Opening balance of retained earnings has been restated by this amount.		
18.a	Retained earnings carried forward		
	IIDFCL	149,612,326	65,289,413
	IIDFC Securities Limited (note-18.a.1)	21,675,423	(8,548,583)
	IIDFC Capital Limited (note-18.a.2)	(132,936,266)	(133,830,564)
	Sub-Total	38,351,483	(77,089,734)
	Less: Non-controlling interest	(2,219)	(5,271)
	Total	38,353,702	(77,084,463)
18.a.1	Retained earnings of IIDFC Securities Limited		
	Opening balance	(8,548,583)	48,327,791
	Add: Prior year adjustment	2,685,010	-
	Add: Net profit during the year	27,538,996	(31,876,374)
	Less: Stock dividend	-	(25,000,000)
	Closing balance	21,675,423	(8,548,583)
18.a.2	Retained earnings of IIDFC Capital Limited		
	Opening balance	(133,830,564)	(36,827,730)
	Net profit during the year	894,298	(97,002,834)
	Closing balance	(132,936,266)	(133,830,564)
IAS 27.6, 27.26	18.a.3 Non-controlling interest		
	Share capital	88,500	86,000
	Retained earnings	(2,219)	(5,271)
	Closing balance	86,280	80,728

Name of subsidiary company	Amount of share capital	Right of IIDFC	Share of IIDFC	Non-Controlling interest
IIDFC Securities Limited	785,000,000	99.9900%	784,921,500	78,500
IIDFC Capital Limited	305,800,000	99.9967%	305,790,000	10,000
	1,090,800,000		1,090,711,500	88,500

NOTES TO THE FINANCIAL STATEMENTS

		Amount in Taka	
		31-Dec-2013	31-Dec-2012
IAS 37.86	19 Contingent liabilities & capital expenditure commitments		
	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	566,911,680	568,436,780
	Sub Total	566,911,680	568,436,780
	Letter of credit:		
	For import of equipments under lease finance	-	44,300,000
	Sub-Total	-	44,300,000
	Total	566,911,680	612,736,780
	19.1 Capital expenditure commitments		
	There was no capital expenditure contracted but not incurred or provided for as on 31 December, 2013. There was no capital expenditures authorized by the Board but not contracted as on 31 December, 2013.		
IAS 1.97	20 Interest income		
	Interest income from balance with other banks & financial institutions	1,916,229	25,016,003
	Interest income from lease finance	480,377,611	292,282,426
	Interest income from direct/ term finance	1,071,512,436	1,057,872,802
	Interest income from secured overdraft	65,619,578	170,296,893
	Interest income from bills discounted & purchased	18,297,158	17,771,431
	Total	1,637,723,012	1,563,239,555
	20.a Consolidated interest income		
	IIDFCL	1,637,723,012	1,563,239,555
	IIDFC Securities Limited (note-20.a.1)	275,331,413	169,040,317
	IIDFC Capital Limited (note-20.a.2)	66,110,610	15,195,518
		1,979,165,035	1,747,475,390
	Less: Inter company transaction		
	IIDFC Securities Limited	216,141,771	
	IIDFC Capital Limited	42,404,222	
	Total	1,720,619,042	1,514,763,580
	20.a.1 Interest income of IIDFC Securities Limited		
	Interest income from margin loan	269,052,947	161,525,737
	Interest income from balance with other banks	6,278,466	7,514,580
	Total	275,331,413	169,040,317
	20.a.2 Interest income of IIDFC Capital Limited		
	Interest income from margin loan	65,967,601	14,519,148
	Interest income from balance with other banks & financial institutions	143,009	676,370
	Total	66,110,610	15,195,518

NOTES TO THE FINANCIAL STATEMENTS

		Amount in Taka	
		31-Dec-2013	31-Dec-2012
IFRS 7.20	21 Interest paid on deposits, borrowings etc.		
	Interest on deposits		
	Fixed deposits	704,091,882	600,573,666
	Short-term deposits	133,856,021	61,062,963
	Other deposits	161,911	401,813
	Total	838,109,814	662,038,442
	Interest on borrowings		
	For borrowings from other banks, financial institutions & agent		
	Long term loan	518,780,583	588,014,737
	Overdraft facilities	11,976,058	77,944,972
	Money at call and short notice	48,336,223	18,105,975
	Total	1,417,202,678	1,346,104,126
	21.a Consolidated interest paid on deposits, borrowings etc.		
	IIDFCL	1,417,202,678	1,346,104,126
	IIDFC Securities Limited (note-21.a.1)	216,722,666	194,986,705
	IIDFC Capital Limited (note-21.a.2)	58,958,137	71,837,804
	Total	1,692,883,481	1,612,928,635
	Less: Inter company transaction		
	IIDFC Securities Limited	216,141,771	
	IIDFC Capital Limited	42,404,222	
	Total	1,434,337,488	1,380,216,825
	21.a.1 Interest paid on deposits, borrowings etc. of IIDFC Securities Limited		
	Interest on borrowing from IIDFC Ltd .	216,141,771	190,307,588
	Interest on borrowing from bank & other financial institutions	580,895	4,679,117
	Total	216,722,666	194,986,705
	21.a.2 Interest paid on deposits, borrowings etc. of IIDFC Capital Limited		
	Interest on borrowing from bank & other financial institutions	58,958,137	71,837,804
IAS 18.35	22 Income from investment		
	Capital gain	7,247,541	2,720,008
	Interest income from bank asia zero coupon bond	1,593,055	531,019
	Dividend income	7,173,688	9,962,131
	Total	16,014,284	13,213,158
	22.a Consolidated income from investment		
	IIDFCL	16,014,284	13,213,158
	IIDFC Securities Limited	18,677,061	16,056,799
	IIDFC Capital Limited	-	(19,802,983)
	Total	34,691,345	9,466,974
	22.a.1 Income from investment of IIDFC Securities Limited		
	Dividend income	17,734,241	8,958,804
	Capital gain on investment in securities	942,820	7,097,995
	Total	18,677,061	16,056,799
	22.a.2 Income from investment of IIDFC Capital Limited		
	Dividend income	-	-
	Capital gain on investment in securities	-	(19,802,983)
	Total	-	(19,802,983)

NOTES TO THE FINANCIAL STATEMENTS

		Amount in Taka	
		31-Dec-2013	31-Dec-2012
IFRS 7.20	23 Commission, exchange and brokerage		
	Commission on securities trading	-	-
	Total	-	-
	23.a Commission, exchange and brokerage		
	IIDFCL	-	-
	IIDFC Securities Limited	30,222,541	52,078,728
	IIDFC Capital Limited	8,028,118	10,332,891
	Total	38,250,659	62,411,619
IAS 1.97	24 Other operating income		
	Syndication fee income	9,901,979	7,103,332
	Bank guarantee income	298,473	2,625,346
	Application & processing fees	1,517,732	2,020,996
	Transfer fees	303,025	662,825
	Notice pay received	529,410	448,865
	Profit from sale of car	578,255	(1,036,325)
	LC commission	(58,000)	11,079
	Cancellation charges	331,627	508,868
	Total	13,402,501	12,344,986
	24.a Consolidated other operating income		
	IIDFCL	13,402,501	12,344,986
	IIDFC Securities Limited (note-24.a.1)	1,933,999	1,628,538
	IIDFC Capital Limited (note-24.a.2)	2,703,376	638,632
	Total	18,039,876	14,612,156
	24.a.1 Other operating income of IIDFC Securities Limited		
	BO & trading accounts maintenance income	1,634,900	1,531,955
	Income against CDBL charges	-	-
	Notice pay received	272,667	68,583
	Cheque dishonour charges	11,000	17,000
	Others	15,432	11,000
	Total	1,933,999	1,628,538
	24.a.2 Other operating income of IIDFC Capital Limited		
	Underwriting commission	498,000	272,600
	Capital gain from investment in shares	-	-
	Interest on loan to IIDFC	-	326,389
	Non operating income	2,205,376	39,643
	Total	2,703,376	638,632
IAS 1.104	25 Salaries & allowances		
	Basic salary	39,015,276	42,461,410
	Allowances	25,101,591	25,003,943
	Festival bonus	6,491,878	6,182,471
	Incentive bonus	15,500,000	-
	Company's contribution provident fund	4,436,729	3,478,537
	Group insurance	1,426,727	749,256
	Retirement benefits & gratuity	3,192,570	3,100,241
	Total	95,164,771	80,975,858

NOTES TO THE FINANCIAL STATEMENTS

		Amount in Taka	
		31-Dec-2013	31-Dec-2012
25.a	Consolidated salaries & allowances		
	IIDFCL	95,164,771	80,975,858
	IIDFC Securities Limited (note-25.a.1)	27,705,591	26,305,638
	IIDFC Capital Limited (note-25.a.2)	6,387,046	10,555,188
	Total	129,257,408	117,836,684
25.a.1	Salaries & allowances of IIDFC Securities Limited		
	Basic salary	13,419,651	13,309,220
	Allowances	8,072,369	8,035,170
	Bonus	3,984,045	2,203,416
	Company's contribution to provident fund	1,088,807	1,208,673
	Group insurance	632,497	655,691
	Retirement benefits & gratuity	508,222	893,468
	Total	27,705,591	26,305,638
25.a.2	Salaries & allowances of IIDFC Capital Limited		
	Basic salary	3,326,815	5,263,159
	Allowances	1,978,190	3,984,134
	Bonus	497,721	864,796
	Employee recreation	-	-
	Company's contribution provident fund	584,320	443,099
	Retirement benefits & gratuity	-	-
	Total	6,387,046	10,555,188
IAS 1.97	26 Rent, taxes, insurance, electricity etc.		
	Rent, rate and taxes	16,052,735	11,738,402
	Insurance	480,306	674,042
	Electricity, gas and water	2,617,976	2,530,511
	Total	19,151,017	14,942,955
26.a	Consolidated rent, taxes, insurance, electricity etc.		
	IIDFCL	19,151,017	14,942,955
	IIDFC Securities Limited (note-26.a.1)	20,862,198	20,711,889
	IIDFC Capital Limited (note-26.a.2)	4,702,867	4,746,073
	Total	44,716,082	40,400,917
26.a.1	Rent, taxes, insurance, electricity etc. of IIDFC Securities Limited		
	Rent, rates and taxes	19,311,677	19,224,938
	Insurance	59,628	50,623
	Electricity, gas and water	1,490,893	1,436,328
	Total	20,862,198	20,711,889
26.a.2	Rent, taxes, insurance, electricity etc. of IIDFC Capital Limited		
	Rent, rates and taxes	3,990,738	3,869,476
	Insurance	167,442	244,728
	Electricity, gas and water	544,687	631,869
	Total	4,702,867	4,746,073
IFRS 7.20©	27 Legal expenses		
	Professional charges	588,810	2,145,938
	Legal expenses	1,964,399	1,854,722
	Total	2,553,209	4,000,660

NOTES TO THE FINANCIAL STATEMENTS

		Amount in Taka	
		31-Dec-2013	31-Dec-2012
	27.a Consolidated legal expenses		
	IIDFCL	2,553,209	4,000,660
	IIDFC Securities Limited	232,881	92,800
	IIDFC Capital Limited	126,845	172,023
	Total	2,912,935	4,265,483
IAS 1.97	28 Postage, stamp, telecommunications etc.		
	Postage and courier	114,653	117,777
	Phone, fax & internet	2,046,807	2,545,913
	Total	2,161,460	2,663,690
	28.a Consolidated postage, stamp, telecommunications etc.		
	IIDFCL	2,161,460	2,663,690
	IIDFC Securities Limited	1,702,341	2,007,770
	IIDFC Capital Limited	243,672	439,182
	Total	4,107,473	5,110,642
IAS 1.97	29 Stationery, printing, advertisement etc.		
	Printing & stationery	1,966,774	2,270,205
	Advertisement	1,358,132	4,010,937
	Total	3,324,906	6,281,142
	29.a Consolidated stationery, printing, advertisement etc.		
	IIDFCL	3,324,906	6,281,142
	IIDFC Securities Limited	452,565	497,581
	IIDFC Capital Limited	38,818	147,662
	Total	3,816,289	6,926,385
IAS 1.97	30 Managing Director's salary and fees		
	Basic salary	3,000,000	3,000,000
	Festival bonus	500,000	500,000
	Incentive bonus	1,000,000	-
	House rent allowance	1,500,000	1,500,000
	Medical allowance	150,000	150,000
	Entertainment allowance	150,000	150,000
	Car allowance	794,811	713,843
	Leave fare assistance	500,000	-
	Group insurance	50,571	50,571
	Earned leave	-	400,000
	Others	118,155	-
	Total	7,763,537	6,464,414
IAS 1.97	31 Directors' fees		
	Directors' fees	338,750	540,000
	Total	338,750	540,000
	31.a Consolidated directors' fees		
	IIDFCL	338,750	540,000
	IIDFC Securities Limited	64,707	105,885
	IIDFC Capital Limited	37,648	37,648
	Total	441,105	683,533

Directors' fees for attending each board meeting are TK. 5,000.00 (Five Thousand) as per Bangladesh Bank Circular. No. 03, dated 24 February, 2010. Directors have not been paid any fees/remuneration for any special services rendered.

NOTES TO THE FINANCIAL STATEMENTS

		Amount in Taka	
		31-Dec-2013	31-Dec-2012
IAS 1.97	32 Auditor's fees	582,250	269,200
	32.a Auditor's fees		
	IIDFCL	582,250	269,200
	IIDFC Securities Limited	76,667	61,250
	IIDFC Capital Limited	89,445	75,000
	Total	748,362	405,450
	33 Loans & advances written-off		
	Loans & advances written-off	-	18,095,008
	Interest waived	-	-
	Total	-	18,095,008
	33.a Consolidated loans & advances written-off		
	IIDFCL	-	18,095,008
	IIDFC Securities Limited	122,681	-
	IIDFC Capital Limited	1,534,884	-
	Total	1,657,565	18,095,008
IAS 1.104	34 Repair, depreciation and amortizations of company's assets		
	Repair of company's assets:		
	Furniture & fixtures	124,360	523,754
	Softwares	282,000	-
	Office equipments	800,166	466,736
	Sub Total	1,206,526	990,490
	Depreciation of company's assets		
	Own assets	6,118,753	8,209,411
	Sub Total	6,118,753	8,209,411
	Amortisation of company's assets		
	Computer software	339,185	423,184
	Total repair and depreciation of company's assets	7,664,464	9,623,085
	34.a Consolidated repair, depreciation and amortisation of company's assets		
	Repair of company's assets		
	IIDFCL	1,206,526	990,490
	IIDFC Securities Limited	585,153	82,732
	IIDFC Capital Limited	231,000	501,768
	Total	2,022,679	1,574,990
	Depreciation of company's assets		
	IIDFCL	6,118,753	8,209,411
	IIDFC Securities Limited	4,897,419	4,971,712
	IIDFC Capital Limited	1,820,795	2,278,668
	Total	12,836,967	15,459,791
	Amortisation of company's assets		
	IIDFCL	339,185	423,184
	IIDFC Securities Limited	237,331	222,211
	IIDFC Capital Limited	-	838,097
	Total	576,516	1,483,492
	Total repair and depreciation of company's assets	15,436,162	18,518,273

NOTES TO THE FINANCIAL STATEMENTS

		Amount in Taka	
		31-Dec-2013	31-Dec-2012
IAS 1.97	35 Other expenses		
	Office maintenance	1,797,817	1,705,571
	Travelling & conveyance	7,742,211	7,121,237
	Meeting expenses	1,332,927	1,523,471
	Entertainment	168,046	856,326
	Car running & maintenance expenses	4,094,380	5,177,490
	Bank charge & excise duty	591,781	473,409
	Interest for lease facility	1,835,475	2,240,304
	Training expenses	72,500	173,179
	Membership fees & subscriptions	378,000	782,300
	Books & periodicals	76,989	138,840
	Capital issue expenses	85,187	134,058
	PM relief fund	500,000	-
	Eid tips	28,800	-
	ADB project expenses	-	871,168
	Total	18,704,113	21,197,353
	35.a Consolidated other expenses		
	IIDFCL	18,704,113	21,197,353
	IIDFC Securities Limited	4,416,929	6,267,504
	IIDFC Capital Limited	1,103,106	1,852,195
	Total	24,224,148	29,317,052
IAS 37.84	36 Provision for loans & advances		
	Provision for classified loans & advances	20,664,162	20,628,487
	Provision for unclassified loans & advances	(8,107,406)	1,466,473
	Provision for diminution in value of investments	15,950,254	12,828,266
	Provision for off-balance sheet items	-	-
	Total	17,000,001	34,923,226
	36.a Consolidated provision for loans & advances		
	Provision for classified loans & advances	20,664,162	20,628,487
	Provision for unclassified loans & advances	(8,107,406)	10,979,337
	Provision for diminution in value of investments	15,950,254	17,768,573
	Provision for off-balance sheet items	-	-
	Total	28,507,010	49,376,397
IAS 37.84	37 Provision for 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. The current tax rate for the Company is 42.50% on taxable income.		
	Provision for current tax		
	Opening balance	239,947,000	219,447,000
	Add: Provision made during the year	1,000,000	20,500,000
	Less: Settlement during the year	-	-
	Closing balance	240,947,000	239,947,000
	37.a Consolidated provision for tax		
	Opening balance	314,489,189	284,189,698
	Add: Provision made during the year	-	-
	Current tax	11,315,690	-
	Deferred tax	(602,267)	30,299,491
	Less: Settlement during the year	10,713,423	-
	Closing balance	325,202,612	314,489,189

NOTES TO THE FINANCIAL STATEMENTS

IAS 33.70

38 Earnings per share (EPS)

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)

Amount in Taka	
31-Dec-2013	31-Dec-2012
74,528,641	22,216,982
100,000,000	100,000,000
0.75	0.22

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 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)

102,959,152	(106,655,836)
100,000,000	100,000,000
1.03	(1.07)

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.

			Amount in Taka	
			31-Dec-2013	31-Dec-2012
Name of the parties	Nature of Loan/ Lease	Nature of Transactions	Outstanding Balance	Outstanding Balance
			Taka	Taka
Southeast Bank Ltd.	Sponsor Shareholder	FDR Placement	31,594,764	31,740,123
Mutual Trust Bank Ltd.	Sponsor Shareholder	FDR Placement	18,168,162	16,302,318
Bank Asia Ltd .	Sponsor Shareholder	STD	98,624,072	307,337,739
BRAC Bank Ltd .	Sponsor Shareholder	Term Deposit	200,000,000	100,000,000
Janata Bank Ltd.	Sponsor Shareholder	Term Deposit	100,000,000	100,000,000

NOTES TO THE FINANCIAL STATEMENTS

Name of the parties	Nature of Loan/ Lease	Nature of Transactions	Outstanding Balance	Outstanding Balance
			Taka	Taka
Sonali Bank Ltd.	Sponsor Shareholder	Term Deposit	-	150,000,000
Bank Asia Ltd.	Sponsor Shareholder	Borrowings	-	25,661,119
BRAC Bank Ltd.	Sponsor Shareholder	Borrowings	-	22,185,802
Mutual Trust Bank Ltd.	Sponsor Shareholder	Borrowings	185,156,554	185,156,554
			633,543,552	938,383,655

40 Board meetings

During the period total 8 board meetings were held.

No. Meeting	Date of Meeting
155th Meeting	3-Apr-13
156th Meeting	28-Apr-13
157th Meeting	12-Jun-13
158th Meeting	30-Jun-13
159th Meeting	5-Aug-13
160th Meeting	22-Sep-13
161st Meeting	25-Nov-13
162nd Meeting	29-Dec-13

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. Pradip Kumar Dutta	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. Asoke Das Gupta	Director	Member	Vice Chairman, One Bank Limited

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
Tenth (10th)	15-Apr-13
Eleventh (11th)	11-Sep-13
Twelfth (12th)	28-Nov-13
Thirteenth (13th)	19-Dec-13

c. In the meeting amongst other the committee has discussed the following issues during the year 2013

i) The audit committee reviewed the Financial Statements for the year ended December 31, 2012.

ii) Reviewed and discussed the Management Letter provided by the external auditor Hoda Vasi Chowdhury & Co. for the year ended December 31, 2012 on the annual audit of Financial statements of IIDFC Limited.

NOTES TO THE FINANCIAL STATEMENTS

iii) Reviewed and discussed the Bangladesh Bank inspection report on Internal Control and Compliance and management's response to thereon.

iv) Reviewed and discussed the Bangladesh Bank Inspection Report 2012 and management's response to the report.

v) Reviewed various reports of internal Control & Compliance Department

vi) Implementation of Core Risk Management Guidelines including Internal Control and Compliance Risk and status of compliance thereof.

vii) The status of recovery of classified loan and providing the necessary instructing to the management.

viii) Reviewed financial performance of IIDFC all over the year and recommended to take necessary action for improving performance of the company.

42 Others

42.1 Suit status as on 31.12.2013

Name of the client	Agreement No.	Suit value	
Monami Boutiq Ltd., Case No.29 of 2013	DF# 004/2009	2,360,000	Next date 15.04.2014 for Service of Summon
Toree Communications, Case No.87 of 2013	DF#038/2011	6,808,000	Next date 27.04.2014 for Warrant of Arrest
Auto Plus Impex, Session Case No.4764 of 2013	DF# 028/2011	10,000,000	Date 02.02.14 was fixed for trial
Zannath Fashion Ltd., Case No.4765 of 2013	LF#090/2010	729,000	Next Date 23.04.14 for trial
N.D. Printing & Embroidery, Case No.231 of 2013	DF#208/2010	1,800,000	Next Date 22.04.14 for Warrant of Arrest
Ebne Ayaz, Session Case No.4384 of 2013	DF# 056/2008	3,940,000	Next Date 10.03.14 for trial
Fair Embroidery Ltd., Session Case No.11421 of 2013	LF#024/2008 & LF#095/2008	502,071	Next Date 16.03.14
Kalpana Foods Ltd. Case No.428 of 2013	DF#157/2011	634,835	Next Date 22.04.14 for Warrant of Arrest
D-Trac Wood Zone Session Case No.5770 of 2013		564,032	Next Date 16.03.14 for charge
Md. Altaf Hossain, Case No.429 of 2013	HL#006/2008	45,600	Next Date 22.04.14 for Warrant of Arrest
Pharmamech Engineering, C.R. Case No.487	DF#060/2008, LF# 048/2008, LF#048/2008-1 LF# 048/2008-2	41,513,662	Next Date 05.05.14 for Warrant of Arrest
Texcon Accessories, Case No.21-03-2013	DF#090/2008	239,715	Next Date 19.05.14 for Warrant Return
N.D. Printing & Embroidery Ltd., Case No.598 of 2013	DF#208/2010	1,250,000	Next Date 19.05.14 for Warrant Return
N.D. Printing & Embroidery Ltd., Case No.231	DF#208/2010	1,800,000	Next date 22/04/2014 for Warrant of Arrest
Semel Electrical Engineers Ltd., C.R. Case No. 864 of 2013	DF#160/2009	1,459,086	16-02-2013 for committal
M/S. Pindhon, Case No.865 of 2013	DF#136/2010	36,746	16-02-2013 for Warrant of Arrest
Kanta Engineering Ind. Ltd., C.R. Case No. 1004 of 2013	LF#032/2007	948,291	Committed to Session court
Fair Washing Ltd., C.R. Case No. 1110 of 2013	LF#108/2010	3,050,564	Next date 18-03-2014 for Warrant of Arrest
Sweet Homes Holdings Ltd., C.R. Case No.1146 of 2013	DF#106/2010	586,000	24.03.2014 for Service of Summon
Taurus Knitwear Ltd., C.R. Case No.1145 of 2013	LF#069/2007	771,876	Committed to Session Court
Name of the client	Agreement No.	Suit value	

NOTES TO THE FINANCIAL STATEMENTS

Anudip Autos Ltd., Suit No.303 of 2013	LA#017/04	51,529,586	Date 12.02.14 was for WS, Next date for trial
Bangladesh Dresses Ltd. Unit-2 & others, Artha Rin suit No.14/2013	LF# 043/2007	69,877,209	Date 13.02.2014 was fixed for PH
M.A. Zipper & Elastic Industrial & others	LF #080/06	51,358,636	Date 06.02.2014 was fixed for PH
M/s. Mitsumaru Bangladesh Limited, Artha Rin suit No.136/2013	LA# 018/2003	10,896,836	Date 16.02.2014 was fixed for steps
M/S. Ebne Ayaz, Session Case No.282/13	DF# 056/2008		Next date 31-07-2014 for charge
Southern Techno Promotion Ltd., Suit No.266/2013	LF3#092/2008	31,546,327	Next date 25.02.13 for submitting newspaper
Al Moza Fish & Feeds Ltd., suit No.219/2013	DF#127/2008	10,148,805	Date 05.02.2014 was fixed for submitting news paper
Setu Computerized Labels Ltd., suit No.290/12	DF# 093/2008 & 099/2010	20,667,836	Stayed under section 44
R. J. Plastic , suit No.87/13	LF#046/2009	2,762,038	Next date 08-03-2014 for PH
R. J. Plastic , suit No.87/13	LF#046/2009	223,700	Next date 14-03-2014 for PH
New Mac World, Jari suit No.63/2013	DF#084/2008	6,381,757	Next date 11-03-2014 for submitting news paper
Taufiq Packeging Industries, Suit No.284/2013	LF#115/2007-1	2,079,667	Next date 25-02-2014 for submitting news paper
Rima Engineering, suit No.283/2013	LF#007/2010	2,849,586	Next date 24-02-2014 for submitting news paper
Raihan Enterprise, Session Case No.9823/13	LF#069/2010	538,400	Next date 29-02-2014 for warrant of Arrest
Shamsi Lamps Ltd.	LA#054/05	23,905,579	Next date 08-03-2014 for evidence
Md. Babul Hossain, CR Case No.1428/13	HL#023/2011	2,845,582	Next date 06-03-14 for evidence
Kazi Sahin , CR. Case No.1614/13	DF#184/2010	1,161,612	Next date 29-02-2014 for Warrant Return
Jamil Plastic Industries	LF#120/2010	380,901	Next date 25-02-2014 for evidence
M/S Anuka Sign, Session Case No.2019/13	HL#006 2008	142,740	16-03-2014 for evidence

368,336,275

42.2 Unacknowledged debt

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

42.3 Employees' information

A total number of 80 employees were employed in IIDFC as of 31 December, 2013. All the employees received salary more than Tk. 36,000.00 p.a. during the period 2013.

IAS 1.98 (d)

42.4 Written-off of accounts

During the period under review, no loans & advances has been written off where Tk. 18,095,008.00 was written-off in the corresponding previous year.

42.5 Subsequent events

No subsequent events are occurred after the balance sheet date.

42.6 Date of authorization for issue

The Consolidated financial statements as well as separate financial statements were authorized for issue by the Board of Directors on its meeting held on 05 May 2014

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.

Industrial and Infrastructure Development Finance Company Limited

Fixed Assets Schedule

As at 31 December 2013

Property, plant & equipment - own finance

Ref.
IAS 16.73

Serial No.	Particulars	COST				Rate	ACCUMULATED DEPRECIATION				Figures in Taka
		Opening balance as at 1 Jan 2013	Additions during the Year	Sale/transfer during the year	Closing balance as at 31 Dec 2013		Opening balance as at 1 Jan 2013	Charged during the year	Adjustment during the year	Closing balance as at 31 Dec 2013	
1	Motor vehicles	19,672,295	-	3,574,053	16,098,242	20%	2,268,991	3,185,502	11,411,658	4,686,584	
2	Furniture & fixtures	11,188,882	124,114	508,791	10,804,205	10%	1,086,319	207,572	4,891,236	5,912,969	
3	Office equipments	28,694,653	363,065	1,716,675	27,341,043	18%	2,763,443	963,846	18,315,204	9,025,839	
As on 31 December 2013		59,555,830	487,179	5,799,519	54,243,490		6,118,753	4,356,920	34,618,098	19,625,392	
As on 31 December 2012		58,694,014	3,487,391	2,625,575	59,555,830		24,646,854	10,774,738	32,856,265	26,699,565	

Intangible asset - computer softwares

Ref.

Serial No.	Particulars	COST				Rate	AMORTISATION				Figures in Taka
		Opening balance as at 1 Jan 2013	Additions during the Year	Adjustment during the year	Closing balance as at 31 Dec 2013		Opening balance as at 1 Jan 2013	Charged during the year	Adjustment during the year	Closing balance as at 31 Dec 2013	
1	Computer softwares	2,251,026	-	-	2,251,026	18%	339,185	-	1,839,269	411,757	
As on 31 December 2013		2,251,026	-	-	2,251,026		339,185	-	1,839,269	411,757	
As on 31 December 2012		2,224,026	27,000	-	2,251,026		1,076,900	-	1,500,084	750,942	

Annexure - 1.a

Industrial and Infrastructure Development Finance Company Limited Consolidated Fixed Assets Schedule

As at 31 December 2013

Ref. Consolidated property, plant & equipment - own finance

IAS 16.73

Serial No.	Particulars	COST			Rate	ACCUMULATED DEPRECIATION				Figures in Taka
		Opening balance as at 1 Jan 2013	Additions during the Year	Sale/ transfer during the year		Closing balance as at 31 Dec 2013	Opening balance as at 1 Jan 2013	Charged during the year	Adjustment during the year	
1	Motor vehicles	23,532,317	-	5,986,375	17,545,942	20%	2,518,987	4,850,252	12,859,349	4,686,593
2	Furniture & fixtures	33,546,359	130,364	783,791	32,892,932	10%	3,320,401	287,780	11,592,935	21,299,997
3	Office equipments	50,982,407	730,433	1,903,224	49,809,616	18%	6,807,786	1,063,287	30,715,789	19,093,827
As on 31 December 2013		108,061,083	860,797	8,673,390	100,248,490		12,647,174	6,201,319	55,168,073	45,080,417
As on 31 December 2012		104,783,530	5,982,685	2,705,132	108,061,083		17,755,118	2,597,637	48,722,218	59,338,865

Ref. Intangible asset - computer softwares

Serial No.	Particulars	COST			Rate	AMORTISATION				Figures in Taka
		Opening balance as at 1 Jan 2013	Additions during the Year	Adjustment during the year		Closing balance as at 31 Dec 2013	Opening balance as at 1 Jan 2013	Charged during the year	Adjustment during the year	
1	Computer softwares	4,868,281	-	80,000	4,788,281	18%	846,516	28,800	3,080,011	1,708,270
As on 31 December 2013		4,868,281	-	80,000	4,788,281		846,516	28,800	3,080,011	1,708,270
As on 31 December 2012		5,005,281	27,000	164,000	4,868,281		967,055	51,660	2,262,295	2,605,986

Annexure-2

Industrial and Infrastructure Development Finance Company Limited Highlights

Sl.	Particulars	Amount in Taka	
		2013	2012
1	Paid-up capital	1,000,000,000	1,000,000,000
2	Total capital	1,421,518,054	1,321,989,413
3	Capital surplus	421,518,054	321,989,413
4	Total assets	11,932,458,613	12,497,644,088
5	Total deposits	5,618,140,608	5,104,751,769
6	Total leases, loans and advances	9,306,074,447	8,970,982,947
7	Total contingent liabilities and commitments	566,911,680	612,736,780
8	Credit deposit ratio	165.64%	175.74%
9	Percentage of classified loans against total loans and assets	5.49%	5.65%
10	Profit after tax and provision	74,528,641	22,216,982
11	Amount of classified loan during year	511,306,000	506,651,730
12	Provisions kept against classified loans	199,102,700	173,622,554
13	Provision surplus against classified loans	1,105,612	1,478,352
14	Cost of fund	13.67%	14.50%
15	Interest earnings assets	9,867,212,021	10,244,365,196
16	Non- interest earnings assets	2,065,246,592	2,253,278,892
17	Return on investment (ROI)	8.35%	7.13%
18	Return on assets (ROA)	7.28%	6.47%
19	Income from investment	1,653,737,296	1,576,452,713
20	Earnings per share	0.75	0.22
21	Net Income per share	0.75	0.22
22	Price earnings ratio	N/A	N/A

The background of the page is a complex financial chart. It features a grid of dotted lines on a dark blue background. Overlaid on this grid are several data series: a candlestick chart with white and black bars, a solid red line, a solid yellow line, a solid green line, and a dashed blue line. The chart appears to be a technical analysis of stock prices, with the candlesticks showing price movements and the lines representing various indicators or moving averages. The overall aesthetic is that of a professional financial report.

Auditors' Report
to the Shareholders
of

IIDFC Capital Limited



Mohammad Saleh Ahmed, Chief Executive Officer

AUDITORS' REPORT

Auditors' Report to the Shareholders of IIDFC Capital Limited

We have audited the accompanying financial statements of IIDFC Capital Limited (the company), which comprises the statement of financial position (balance sheet) as at 31 December 2013, statement of comprehensive income (income and expenditure statement), statement of cash flows and statement of changes in equity 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 financial statements in accordance with Bangladesh Accounting Standards and Bangladesh Financial Reporting Standards, the Companies Act 1994 and other applicable laws and regulations. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, 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 financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing. Those standards require that we comply with relevant ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements 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 financial statements.

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 financial statements, prepared in accordance with Bangladesh Accounting Standards and Bangladesh Financial Reporting Standards, give a true and fair view of the state of the company's affairs as at 31 December 2013 and of the results its operations and its cash flows for the year then ended and comply with the requirements of Companies Act 1994 and other applicable laws and regulations.

We also report that:

- (a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- (b) in our opinion, proper books of account as required by law have been kept by the company so far as it appeared from our examination of those books; and
- (c) the statement of financial position (balance sheet) and statement of comprehensive income (income and expenditure statement) dealt with by the report are in agreement with the books of account and returns.

Dated, 04 March, 2014


S. F. AHMED & CO
Chartered Accountants

STATEMENT OF FINANCIAL POSITION

IIDFC Capital Limited Statement of Financial Position (Balance Sheet) at 31 December 2013

	Notes	Amounts in Taka	
		At 31 Dec 2013	At 31 Dec 2012
ASSETS			
Non-Current Assets			
Property plant and equipment	3	5,110,502	7,443,336
Intangible asset	4	30,196,209	30,196,209
Pre-operating expenses	5	-	-
Deferred tax assets	8	314,515	87,979
Total non-current assets		35,621,226	37,727,524
Current Assets			
Margin loans	6	787,005,425	689,879,502
Advances and receivables	7	42,136,667	42,953,628
Receivable from brokerage houses		1,169,521	651,507
Cash and cash equivalents	9	4,662,618	983,881
Total current assets		834,974,231	734,468,518
Total assets		870,595,457	772,196,042
EQUITY AND LIABILITIES			
Capital and Reserves			
Share capital	10	305,800,000	305,800,000
Retained earnings	11	(132,936,266)	(133,830,564)
Shareholders' equity		172,863,734	171,969,436
Non-Current Liability			
Term loan	12	343,247,578	295,207,058
Total non-current liability		343,247,578	295,207,058
Current Liabilities			
Short term loan	13	14,436,351	54,436,351
Interest suspense account		218,306,982	156,018,509
Accruals and provisions	14	39,677,951	14,909,327
Payable to IIDFC Limited	15	8,000	2,831,033
Provision for taxation	16	36,301,034	35,400,954
Customers' deposits	17	6,578,491	1,844,892
Loan loss provision	18	39,151,596	39,578,482
Accounts payable		23,740	-
Total current liabilities		354,484,145	305,019,548
Total liabilities		697,731,723	600,226,606
Total Shareholders' Equity and Liabilities		870,595,457	772,196,042

for IIDFC Capital Limited


Md. Matiul Islam
Chairman


Mohammad Saleh Ahmed
Chief Executive Officer


Md. Shamim Ahamed
Company Secretary

Signed in terms of our report of even date annexed

Dated, 04 March, 2014


S. F. AHMED & CO
Chartered Accountants

STATEMENT OF COMPREHENSIVE INCOME

IIDFC Capital Limited

Statement of Comprehensive Income (Income and Expenditure Statement)

for the year ended 31 December 2013

	Notes	Amounts in Taka	
		Year ended 31 Dec 2013	Year ended 31 Dec 2012
Interest income	19	70,095,110	15,195,518
Interest waived on loans to small investors	20	(3,984,501)	-
Interest expense	21	(58,958,137)	(71,837,804)
Net interest income		7,152,472	(56,642,286)
Fee and commission income	22	10,310,098	13,376,767
Fee and commission expense	23	(2,281,981)	(3,043,876)
Net fee and commission income		8,028,117	10,332,891
Loss on investment in securities		-	(19,802,982)
Loss on bad loan		(1,534,884)	-
Other operating income	24	498,000	598,989
Total operating income		14,143,705	(65,513,388)
Operating expenses	25	(12,960,445)	(18,526,740)
Depreciation	3	(1,820,794)	(2,278,668)
Amortisation	5	-	(838,098)
Operating profit/(loss)		(637,534)	(87,156,894)
Non-operating income		2,205,376	39,643
Profit/(loss) before provision		1,567,842	(87,117,251)
Loan loss provision	18	-	(9,875,263)
Profit/(loss) before income tax		1,567,842	(96,992,514)
Income tax expense	26	(673,544)	(10,320)
Current tax		900,080	145,856
Deferred tax		(226,536)	(135,536)
Net profit/(loss) after tax		894,298	(97,002,834)

for IIDFC Capital Limited


Md. Matiul Islam
Chairman


Mohammad Saleh Ahmed
Chief Executive Officer


Md. Shamim Ahamed
Company Secretary

Signed in terms of our report of even date annexed

Dated, 04 March, 2014


S. F. AHMED & CO
Chartered Accountants

STATEMENT OF CASH FLOWS

IIDFC Capital Limited Statement of Cash Flows for the year ended 31 December 2013

A. Cash Flows from Operating Activities

Interest and commission receipts
Fee and commission income
Other income/(loss)
Customers' deposits
Payment to employees
Payment of operating expenses
Interest paid
Advances
Current account with IIDFC Limited
Loan to customers
Net cash used in operating activities

B. Cash Flows from Investing Activities

Investment in securities, etc
Acquisition of property, plant and equipment
Sale of property, plant and equipment
Net cash from investing activities

C. Cash Flows from Financing Activities

Term loan
Demand loan
Refund of term loan
Net cash from/(used in) financing activities

Net increase/(decrease) in cash and cash equivalents (A+B+C)
Cash and cash equivalents at beginning of the year
Cash and cash equivalents at end of the year

Amounts in Taka	
Year ended 31 Dec 2013	Year ended 31 Dec 2012
68,417,218	15,195,518
8,028,118	10,332,891
653,459	(19,189,594)
749,098	(3,190,376)
(6,387,046)	(10,555,188)
(7,108,507)	(9,131,657)
(33,675,867)	(85,128,774)
816,961	699,202
(2,823,033)	356,970
(35,765,148)	73,643,419
(7,094,747)	(26,967,589)
-	94,378,241
(290,035)	(173,095)
3,023,000	47,246
2,732,965	94,252,392
95,976,282	-
(40,000,000)	(85,441,542)
(47,935,763)	(43,350,131)
8,040,519	(128,791,673)
3,678,737	(61,506,870)
983,881	62,490,751
4,662,618	983,881

for IIDFC Capital Limited



Md. Matiul Islam
Chairman



Mohammad Saleh Ahmed
Chief Executive Officer



Md. Shamim Ahamed
Company Secretary

Signed in terms of our report of even date annexed

Dated, 04 March, 2014



S. F. AHMED & CO
Chartered Accountants

STATEMENT OF CHANGES IN EQUITY

IIDFC Capital Limited Statement of Changes in Equity for the year ended 31 December 2013


Particulars	Amounts in Taka		
	Share capital	Retained earnings	Total
Year ended 31 December 2012:			
Balance at 01 January 2012	305,800,000	(36,827,730)	268,972,270
Net loss for the year	-	(97,002,834)	(97,002,834)
Balance at 31 December 2012	<u>305,800,000</u>	<u>(133,830,564)</u>	<u>171,969,436</u>
Year ended 31 December 2013:			
Balance at 01 January 2013	305,800,000	(133,830,564)	171,969,436
Net profit for the year	-	894,298	894,298
Balance at 31 December 2013	<u>305,800,000</u>	<u>(132,936,266)</u>	<u>172,863,734</u>



Md. Matiul Islam
Chairman



Mohammad Saleh Ahmed
Chief Executive Officer



Md. Shamim Ahamed
Company Secretary

Signed in terms of our report of even date annexed

Dated, 04 March, 2014



S. F. AHMED & CO
Chartered Accountants

NOTES TO THE FINANCIAL STATEMENTS

IIDFC Capital Limited

Note to the financial statements for the year ended 31 December, 2013

1. Background

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 counselling, investment counselling, capital structuring, etc. It obtained license from Bangladesh Securities and Exchange Commission (BSEC) vide its registration certificate no. MB 41/2010 dated 26 April 2010 to carry out its merchant banking operations.

2. Significant accounting policies

2.1 Basis of preparation of financial statements

The financial statements of the Company under reporting have been prepared under historical cost convention in accordance with generally accepted accounting principles. Wherever appropriate, such principles are explained in the succeeding notes.

2.2 Revenue recognition

a. Interest income

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

b. Fees and commission income

Fee and commission income is recognised when the corresponding service is provided. Fee and commission income presented in the financial statements include the following:

- i) Management fee charged on the market value of customers' portfolios
- ii) Trading commission charged to customers' trading in the secondary capital markets
- iii) Settlement fee charged to customers trading in the secondary capital markets
- iv) Documentation fees charged to clients for opening accounts with the company
- v) Underwriting commission

c. Dividend income

Dividend income is recognised when the right to receive dividend is established. Usually this is the ex-dividend date for equity securities. Dividend income is presented separately in these financial statements.

d. Finance income

Finance income comprises of interest income on savings accounts. Interest income is recognised as it accrues, using the effective interest method.

e. Other operational income

Other operational income is recognized as and when received. Such income comprises of various miscellaneous receipts.

NOTES TO THE FINANCIAL STATEMENTS

2.3 Components of financial statements

- a. Statement of financial position (balance sheet)
- b. Statement of comprehensive income (income and expenditure statement)
- c. Statement of changes in equity
- d. Statement of cash flows
- e. Summary of significant accounting policies and other explanatory notes.

2.4 Property, plant and equipment

These are stated at cost less accumulated depreciation. Cost includes amounts paid to the vendors along with all incidental expenses to install or construct the items of property, plant and equipment.

Depreciation

Depreciation on property, plant and equipment is charged using straight-line method. Full year's depreciation is charged on items in the year of their acquisition and no depreciation is charged in the year of disposal. Rates of depreciation on various classes of property, plant and equipment are as under:

Category of asset	Rate of depreciation (%)
Motor vehicles	20
Furniture and fixtures	10
Office equipment	18
Software	18

2.5 Statement of cash flows

The cash flow statements is prepared using the Direct Method as mentioned in Bangladesh Accounting Standard (BAS) No. 7 "Statement of Cash Flows".

2.6 Intangible assets

This amount was paid to South Asia Capital Limited for acquiring 100% shares of the said Company along with the license issued by BSEC registration certificate no. MB-1.043/98-16 to operate as a full-fledged merchant banker. Subsequently the name of the company was changed to IIDFC Capital Limited as approved by BSEC and issued a new registration certificate no. 41/2010 on 26 April 2010 in the name of IIDFC Capital Limited. The Company started its business on 14 January 2010 in the name of IIDFC Capital Limited.

2.7 Employees' benefit obligation

The Company 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 will be administered by a Board of Trustees and invested separately from the Company's assets.

The Company approved gratuity scheme as per gratuity rules which also will be administered by a Board of Trustees and invested separately from the Company's assets.

NOTES TO THE FINANCIAL STATEMENTS

2.8 Consistency

In accordance with the IFRS framework for the presentation of Financial Statements together with Bangladesh Accounting Standard (BAS) No. 1 "Presentation of Financial Statements" and Bangladesh Accounting Standard (BAS) No. 8 "Accounting Policies, Changes in Accounting Estimates and Errors", IIDFC Capital Limited applies the accounting disclosure principles consistently from one period to the next.

2.9 Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and revenue and expenses. It also requires disclosures of contingent assets and liabilities at the date of the financial statements.

Provisions and accrued expenses are recognised in the financial statements in line with the Bangladesh Accounting Standards (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 form the basis of making the judgements about carrying values of assets and liabilities that 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 recognised in the period in which the estimates are revised.

2.10 Deferred tax

The company has adopted a policy of recognition of deferred tax in accordance with Bangladesh Accounting Standard (BAS) No. 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.

2.11 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.

2.12 Loan loss provision

Provision of classified margin loan has been made @ 74% on the amount as actually required during the year as per directive no: SEC/CMRRCD/2009-193/155 dated 09 December 2013 of BSEC. Where as the option was given to maintain provision @ 20% of total unrealized loss in the same directive.

NOTES TO THE FINANCIAL STATEMENTS

Statement of Financial Position

3. Property, plant and equipment

Cost :

Opening balance

Add : Addition during the year

Less: Disposal during the year

Closing balance (A)

Depreciation :

Opening balance

Less: Adjustment during the year

Add : Charge for the year

Closing balance (B)

Written down value (A-B)

Details are shown in [Annex A](#).

4. Intangible asset

License fee

5. Pre-operating expenses

Opening balance

Add: Addition during the year

Closing balance (A)

Amortisation:

Opening balance

Add: Amortised during the year (note 5.1)

Closing balance (B)

Written down value (A-B)

5.1 This represents amortisation of pre-operating expenses out of Taka 2,514,292 in three years beginning from 2010 as decided in the 8th meeting of Board of Directors of IIDFC Capital Limited held on 30 December 2010.

6. Margin loans

Amounts in Taka	
At 31 Dec 2013	At 31 Dec 2012
14,073,964	13,980,425
318,035	173,095
14,391,999	14,153,520
(2,591,672)	(79,556)
11,800,327	14,073,964
6,630,628	4,384,270
(1,761,597)	(32,310)
4,869,031	4,351,960
1,820,794	2,278,668
6,689,825	6,630,628
5,110,502	7,443,336
30,196,209	30,196,209
2,514,292	2,514,292
-	-
2,514,292	2,514,292
2,514,292	1,676,194
-	838,098
2,514,292	2,514,292
-	-

787,005,425 **689,879,502**

The portfolio management department extends margin loan facilities to customers trading on the secondary capital market in Bangladesh. Margin loans are extended on a ratio based on the equity invested by individual customers. The loan ratio varies based on directives issued time to time by the Bangladesh Securities and Exchange Commission.

NOTES TO THE FINANCIAL STATEMENTS

7. Advances and receivables

	Amounts in Taka	
	At 31 Dec 2013	At 31 Dec 2012
Advances against/to		
Income tax	40,330,574	40,284,473
Receivable from/against		
IIDFC Limited	79,158	1,729,077
Income receivable from yearly accounts maintenance fee	471,368	264,500
IIDFC Securities Limited	505,567	475,578
Security deposit to CDBL	200,000	200,000
Other deposit	550,000	-
	<u>42,136,667</u>	<u>42,953,628</u>

8. Deferred tax

Opening balance	87,979	(47,557)
Add: Additions (note 8.1)	226,536	135,536
Closing balance	<u>314,515</u>	<u>87,979</u>

8.1 Deferred tax assets

Deferred tax assets has been recognised and measured in accordance with the provision of BAS 12: Income Taxes. Deferred tax assets is calculated as under:

Particular	Carrying value of assets/liabilities at 31 Dec 2013	Tax base	Amounts in Taka	
			Taxable/ (deductible) temporary difference at 31 Dec 2013	At 31 Dec 2012
Property plant and equipment	5,110,502	5,714,598	604,096	361,429
Applicable tax rate			37.50%	37.50%
			<u>226,536</u>	<u>135,536</u>

9. Cash and cash equivalents

Cash in hand	1,634	5,366
Bank balance with :		
Southeast Bank Limited	476,098	52,574
ONE Bank Limited	4,112,119	842,693
Bangladesh Commerce Bank Limited	72,767	83,248
	<u>4,662,618</u>	<u>983,881</u>

NOTES TO THE FINANCIAL STATEMENTS

10. Share capital

Authorised capital:

5,000,000 ordinary shares of Taka 100 each

Subscribed and paid up capital:

3,058,000 ordinary shares of Taka 100 each

Paid-up share capital at 31 December 2013 comprises the following:

<u>Name of shareholder</u>	<u>Number of shares</u>	<u>Face value per share</u>	<u>% of shareholding</u>	<u>Value/ Taka</u>
Industrial and Infrastructure Development Finance Company Limited	3,057,900	100	99.997%	305,790,000
M Matiul Islam	100	100	0.003%	10,000
	<u>3,058,000</u>		<u>100%</u>	<u>305,800,000</u>

Amounts in Taka	
At 31 Dec 2013	At 31 Dec 2012
500,000,000	500,000,000
<u>305,800,000</u>	<u>305,800,000</u>

11. Retained earnings

Opening balance

(133,830,564) (36,827,730)

Add: Net profit/(loss) for the year

894,298 (97,002,834)

Closing balance

(132,936,266) (133,830,564)

12. Term loan

IIDFC Limited (note 12.1)

245,976,282 150,000,000

Standard Bank Limited (note 12.2)

145,207,058 188,557,189

Less: Repayment during the year

(47,935,762) (43,350,131)

97,271,296 145,207,058

343,247,578 295,207,058

12.1 The above loan was taken from IIDFC Limited, a related party to the Company with an interest rate ranging from 15% to 17.50% throughout the year. Interest on such loan is being paid quarterly whereas principal amount will be paid at a time.

12.2 The above loan was taken from Standard Bank Limited with an interest rate ranging from 15% to 17% throughout the year. Interest on such loan is being paid quarterly during first year from the date of disbursement, thereafter loan is repayable along with interest on quarterly basis.

NOTES TO THE FINANCIAL STATEMENTS

13. Short term loan

IIDFC Limited	14,436,351	14,436,351
Bangladesh Commerce Bank Limited	-	40,000,000
	14,436,351	54,436,351

14. Accruals and provisions

	At 31 Dec 2013	At 31 Dec 2012
Financial charges	38,731,964	13,449,694
Office rent	619,391	538,601
Withholding income tax	53,266	68,769
Withholding VAT	56,248	66,943
Audit fee	89,445	75,000
Utilities	31,397	34,866
Central Depository Bangladesh Ltd (CDBL) charges	25,587	14,645
Provident fund	43,232	659,825
Professional fees	25,000	-
Others	2,421	984
	39,677,951	14,909,327

15. Payable to IIDFC Limited

Opening balance	2,831,033	2,474,063
Add: Additions during the year	202,284	4,438,379
	3,033,317	6,912,442
Less: Adjustment during the year	3,025,317	4,081,409
Closing balance	8,000	2,831,033

16. Provision for taxation

Opening balance	35,400,954	35,390,634
Add: Provision made during the year (note 26)	900,080	10,320
Closing balance	36,301,034	35,400,954

17. Customers' deposits

Self-margin discretionary account (SMDA)	6,256,351	1,626,603
Non-margin discretionary account (NMDA)	322,140	218,289
	6,578,491	1,844,892

Customer deposits represent uninvested funds lying with the Company's account at the reporting date.

18. Loan loss provision

Opening balance	39,578,482	23,256,347
Add/Less: Provision made during the year	(426,886)	16,322,135
Closing balance	39,151,596	39,578,482

The Company has maintained provision on the loans provided to the clients who have negative equity over their loan as at 31 December 2013 due to persistent fall of all share index. This provision has been maintained in consideration of decline in share prices and compliance with the accounting convention of conservation, though actual loss has not caused as yet since shares have not been disposed off.

NOTES TO THE FINANCIAL STATEMENTS

Statement of Comprehensive Income

Amounts in Taka	
Year ended 31 Dec 2013	Year ended 31 Dec 2012

19. Interest income

Interest on margin loan
Interest on bank deposit

69,952,102	14,519,148
143,008	676,370
<u>70,095,110</u>	<u>15,195,518</u>

The Company charges quarterly interest on margin loan utilised on each portfolio account at the rate 18% based on the amount of deposit made in each portfolio account.

20. Interest waived on loans to small investors

<u>3,984,501</u>	<u>-</u>
------------------	----------

As per memo by circulation dated, 28 October 2013, issued to the board of directors of IIDFC Capital Ltd, it was decided to waive 50% of the interest charged to listed affected small investors of the company during the year 2011. This amount has been adjusted against interest income earned in this year.

21. Interest expense

Term loan
Demand loan

50,001,247	56,345,802
8,956,890	15,492,002
<u>58,958,137</u>	<u>71,837,804</u>

22. Fee and commission income

Management fee (note 22.1)
Settlement fee (note 22.2)
Documentation fee
Yearly account maintenance fee

5,236,701	6,638,307
4,839,897	6,469,960
2,000	4,000
231,500	264,500
<u>10,310,098</u>	<u>13,376,767</u>

22.1 Management fee

Self-margin discretionary account (SMDA)
Non-margin discretionary account (NMDA)

4,517,610	6,404,894
719,091	233,413
<u>5,236,701</u>	<u>6,638,307</u>

Management fee is charged on self margin discretionary accounts and non-margin discretionary accounts for rendering various services, like receipt and delivery of shares, custody of shares, etc. The fee is charged in various rate as per Company's policy.

22.2 Settlement fee

Self-margin discretionary account
Non-margin discretionary account

2,846,356	5,540,046
1,993,541	929,914
<u>4,839,897</u>	<u>6,469,960</u>

This represents the transaction fee realised by the Company on the value of each transaction done through the stock exchange. The fee ranges from 0.30% to 0.40% based on the brokerage house at which the transaction is initiated.

23. Fee and commission expense

Self-margin discretionary account
Non-margin discretionary account

1,263,535	2,504,058
1,018,446	539,818
<u>2,281,981</u>	<u>3,043,876</u>

NOTES TO THE FINANCIAL STATEMENTS

This represents transaction fee paid by the Company to its designated brokerage houses on the value of transactions done through the stock exchange. The rate of fee varies according to the agreement made with each brokerage house by the Company.

24. Other operating income

Underwriting commission
Interest on loan to IIDFC limited

25. Operating expenses

Salary and allowances
Office rent
CDBL charges and registration fee
Postage, stamps, telecommunication, etc
Office utilities
Entertainment
Promotional expenses
Vehicle maintenance
Printing and stationery
Internet expenses
Insurance premium
Professional fees
Directors' fee
Security service expenses
SEC fees and charges
Registration and subscription fee
Audit fee
Office maintenance
Bank charges and commission
Uniform and liveries
Repairs and maintenance (software)
Newspapers, magazines, books and periodicals
Conveyance
Others

26. Provision for corporate income tax

Current tax expense
Deferred tax assets (note 8)

	Amounts in Taka	
	Year ended 31 Dec 2013	Year ended 31 Dec 2012
	498,000	272,600
	-	326,389
	498,000	598,989
	6,387,046	10,555,188
	3,990,737	3,869,476
	321,989	526,448
	122,372	179,582
	544,687	631,869
	67,268	276,002
	72,969	-
	208,779	422,274
	38,818	147,662
	121,300	259,600
	167,442	244,728
	126,845	172,023
	37,647	37,648
	139,490	133,602
	-	200,000
	150,000	150,000
	89,445	75,000
	50,528	73,281
	34,809	45,635
	24,255	-
	231,000	501,768
	10,423	9,313
	7,248	4,692
	15,348	10,949
	12,960,445	18,526,740
	900,080	145,856
	(226,536)	(135,536)
	673,544	10,320

NOTES TO THE FINANCIAL STATEMENTS

27. Related party transactions

During the year, the Company carried out a number of transactions with related parties in the normal course of business. The names of the related parties and nature of these transactions have been set out in accordance with the provisions of BAS 24: Related Party Disclosures, these are detailed below:

Name of party	Relationship	Nature of Transaction	Outstanding Balance (Amounts in Taka)	
			At 31 Dec 2013	At 31 Dec 2012
IIDFC Limited	Parent company	Administrative cost	8,000	2,831,033
		Investment in securities	(79,158)	(1,729,077)
IIDFC Securities Limited	Subsidiary of parent company	Administrative cost	264,647	475,579
		Brokerage service	240,820	87,959

28. Others

- 28.1 These notes form an integral part of the annexed financial statements and accordingly are to be read in conjunction therewith.
- 28.2 Figures in these notes and annexed financial statements have been rounded off to the nearest Taka.
- 28.3 Previous year's figures have been regrouped and/or rearranged wherever considered necessary for the purpose of current year's presentation.

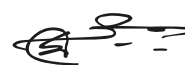
for IIDFC Capital Limited



Md. Matiul Islam
Chairman



Mohammad Saleh Ahmed
Chief Executive Officer



Md. Shamim Ahamed
Company Secretary

Dhaka, Bangladesh
Dated, 04 March, 2014

IIDFC Capital Limited
Fixed Assets Schedule

As at 31 December 2013

Category of asset	Cost				Depreciation				Written down value as on 31 December 2013	
	Balance at 01 January 2013	Addition during the year	Sale/ disposal during the year	Total at 31 December 2013	Rate (%)	To 01 January 2013	Adjustment during the year	Charge for the year 2013		Total to 31 December 2013
Motor vehicles	3,662,322	-	2,412,322	1,250,000	20	2,664,746	(1,664,748)	249,996	1,249,994	6
Furniture and fixtures	4,103,271	-	-	4,103,271	10	962,232	-	410,327	1,372,559	2,730,712
Office equipment	4,808,371	318,035	179,350	4,947,056	18	2,463,650	(96,849)	890,471	3,257,272	1,689,784
Software	1,500,000	-	-	1,500,000	18	540,000	-	270,000	810,000	690,000
Total at 31 December 2013	14,073,964	318,035	2,591,672	11,800,327		6,630,628	(1,761,597)	1,820,794	6,689,825	5,110,502
Total at 31 December 2012	13,980,425	173,095	79,556	14,073,964		4,384,270	(32,310)	2,278,668	6,630,628	7,443,336



Auditors' Report
to the Shareholders
of

**IIDFC Securities
Limited**



A.T.M. Nasir Uddin, Chief Executive Officer



Ashrafun Nessa -Chief Operating Officer

AUDITORS' REPORT

Auditors' Report to the Shareholders of IIDFC Securities Limited

We have audited the accompanying financial statements of IIDFC Securities Limited (the company), which comprise the statement of financial position (balance sheet) as at 31 December 2013, statement of comprehensive income (profit and loss statement), statement of changes in equity and statement of cash flows 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 financial statements in accordance with Bangladesh Financial Reporting Standards and Bangladesh Accounting Standards, the Companies Act 1994 and other applicable laws and regulations. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, 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 financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing. Those standards require that we comply with relevant ethical requirements and plan and perform the audit to obtain a reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements 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 financial statements.

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 financial statements, prepared in accordance with Bangladesh Financial Reporting Standards and Bangladesh Accounting Standards give a true and fair view of the state of the Company's affairs as at 31 December 2013 and of the results of its operations and its cash flows for the year then ended and comply with the requirements of Companies Act 1994, Bangladesh Securities and Exchange Commission Rules 1987 and other applicable laws and regulations.

We also report that:

- (a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- (b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books; and
- (c) the statement of financial position (balance sheet) and statement of comprehensive income (profit and loss statement) dealt with by the report are in agreement with the books of account.

Dated, 08 April 2014



S. F. AHMED & CO

Chartered Accountants

STATEMENTS OF FINANCIAL POSITION

(Balance Sheet)

IIDFC Securities Limited

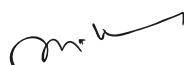
Statement of Financial Position (Balance Sheet)

at 31 December 2013

	Notes	Amounts in Taka	
		At 31 Dec 2013	At 31 Dec 2012
Assets			
Non-current assets			
Property, plant and equipment	4	21,034,522	26,155,964
Intangible assets	5	606,513	895,044
Cost of DSE membership	6	124,258,580	153,119,000
		145,899,615	180,170,008
Current assets			
Investment in securities	7	170,050,434	139,258,614
Loans and advances	8	2,224,118,304	2,065,052,659
Cash and bank balances	9	57,875,706	61,547,930
Advance against corporate income tax	10	51,682,649	42,615,677
Other assets	11	8,775,179	14,926,148
		2,512,502,272	2,323,401,028
Total assets		2,658,401,887	2,503,571,036
Equity and liabilities			
Equity			
Share capital	12	785,000,000	760,000,000
Retained earnings	13	21,675,422	(8,548,584)
General reserve		17,000,000	17,000,000
Stock dividend (bonus shares)	14	-	25,000,000
Total Equity		823,675,422	793,451,416
Non-current liabilities			
Long term loan	15	1,289,419,065	1,237,410,630
Deferred tax liability	16	390,606	1,366,257
		1,289,809,671	1,238,776,887
Current liabilities			
Short-term loan	17	-	60,208,035
Inter-company current account	18	3,873,643	4,730,734
Payable to clients		54,068,241	28,297,691
Accounts payable	19	1,332,845	6,379,235
Accrued expenses	20	3,338,077	1,676,408
Provision for corporate income tax	21	46,947,934	37,532,324
Provision for margin loan	22	413,526,930	321,423,753
Provision for investment in securities	7	21,383,222	9,876,213
Other liabilities	23	445,902	1,218,340
		544,916,794	471,342,733
Total liabilities		1,834,726,465	1,710,119,620
Total equity and liabilities		2,658,401,887	2,503,571,036

See annexed notes

for IIDFC Securities Limited



Md. Matiul Islam
Chairman



Md. Asaduzzaman Khan
Director



A.T.M. Nasir Uddin
Chief Executive Officer



Md. Shamim Ahamed
Company Secretary

Signed in terms of our report of even date annexed



S. F. AHMED & CO
Chartered Accountants

Dated, 08 April 2014

STATEMENTS OF COMPREHENSIVE INCOME

(Income Statement)

IIDFC Securities Limited

Statement of Comprehensive Income (Profit and Loss Statement)

for the year ended 31 December 2013

	Notes	Amounts in Taka	
		Year ended 31 Dec 2013	Year ended 31 Dec 2012
Revenue			
Interest income from margin loan		287,269,756	161,525,737
<u>Less:</u> Interest waived on loan to small investors	24	18,216,809	-
<u>Less:</u> Interest expense on borrowed fund		216,722,666	194,986,705
Net interest income/(loss)		52,330,281	(33,460,968)
Brokerage commission	25	30,222,541	52,078,728
<u>Less:</u> Direct cost	26	2,574,838	4,515,270
		27,647,703	47,563,458
Capital gain on investment in securities		942,820	7,097,995
Income on bank deposit		6,278,466	7,514,580
Dividend income		17,734,241	8,958,804
Other operating income	27	1,933,999	1,628,538
		26,889,526	25,199,917
Total operating income		106,867,510	39,302,407
<u>Less:</u> Operating expenses	28	58,781,626	56,811,702
Operating profit/(loss)		48,085,884	(17,509,295)
Fair value adjustments for fall in values of investment in securities		(11,507,009)	(4,940,307)
Profit/(loss) before provision		36,578,875	(22,449,602)
Provision for margin loan		-	362,399
Profit/(loss) before income tax		36,578,875	(22,087,203)
Provision for taxation			
Current tax		9,415,610	9,089,053
Deferred tax		(375,731)	700,119
		9,039,879	9,789,172
Net profit/(loss) after tax		27,538,996	(31,876,375)
Earnings Per Share (EPS)	29	0.35	(1.09)

for IIDFC Securities Limited


Md. Matiul Islam
Chairman


Md. Asaduzzaman Khan
Director


A.T.M. Nasir Uddin
Chief Executive Officer


Md. Shamim Ahamed
Company Secretary

Signed in terms of our report of even date annexed

Dated, 08 April 2014


S. F. AHMED & CO
Chartered Accountants

STATEMENTS OF CHANGES IN EQUITY

IIDFC Securities Limited Statement of Changes in Equity

for the year ended 31 December 2013

Amounts in Taka

Particulars	Share capital	General reserve	Stock dividend (bonus shares)	Retained earnings	Total
Year 2012:					
Balance at 01 January 2012	100,000,000	17,000,000	-	48,327,791	165,327,791
Stock dividend for the year 2012	-	-	25,000,000	(25,000,000)	-
Shares issued during the year	660,000,000	-	-	-	660,000,000
Net loss for the year	-	-	-	(31,876,375)	(31,876,375)
Balance at 31 December 2012	760,000,000	17,000,000	25,000,000	(8,548,584)	793,451,416
Year 2013:					
Balance at 01 January 2013	760,000,000	17,000,000	25,000,000	(8,548,584)	793,451,416
Stock dividend for the year 2012	25,000,000	-	(25,000,000)	-	-
Prior year's adjustment	-	-	-	2,685,010	2,685,010
Net profit for the year	-	-	-	27,538,996	27,538,996
Balance at 31 December 2013	785,000,000	17,000,000	-	21,675,422	823,675,422

for IIDFC Securities Limited


Md. Matiul Islam
Chairman


Md. Asaduzzaman Khan
Director


A.T.M. Nasir Uddin
Chief Executive Officer


Md. Shamim Ahamed
Company Secretary

Signed in terms of our report of even date annexed

Dated, 08 April 2014


S. F. AHMED & CO
Chartered Accountants

STATEMENTS OF CASH FLOWS

IIDFC Securities Limited Statement of Cash Flows for the year ended 31 December 2013

A. Cash flows from operating activities

Interest receipt	
Interest paid on borrowing	
Brokerage commission receipt	
Dividend receipt	
Capital gains on investment in securities	
Payments to employees	
Income tax paid	
Receipts from other operating activities	
Payments for other operating activities	
Cash generated from/(used in) operating activities before	

Increase/(decrease) in operating assets and liabilities

Other assets	
Inter-company current account	
Disbursement of loans and advances	
Payable to clients	
Accounts payable	
Accrued expenses	
Other liabilities	
Net decrease in operating assets and liabilities	
Net cash from /(used in) operating activities	

B. Cash flows from investing activities

Investment in shares	
Acquisition of property, plant and equipment	
Net cash used in investing activities	

C. Cash flows from financing activities

Issue of share capital	
Payment of term borrowing	
Net cash from/(used in) financing activities	

D. Net changes in cash and cash equivalents (A+B+C)

E. Opening cash and cash equivalents


F. Closing cash and cash equivalents

Amounts in Taka	
Year ended 31 Dec 2013	Year ended 31 Dec 2012
287,269,756	161,525,737
(234,939,475)	(194,986,705)
30,222,541	52,078,728
17,734,241	8,958,804
942,820	7,097,995
(27,705,591)	(26,305,638)
(9,039,879)	(11,697,397)
8,212,465	9,143,118
(40,023,132)	(44,416,701)
32,673,746	(38,602,059)
25,944,416	(7,371,587)
(857,091)	(663,362,588)
(159,065,645)	(40,569,374)
25,770,550	(27,601,072)
(5,046,390)	(15,539,378)
1,661,669	(989,267)
113,962,718	214,076,594
2,370,227	(541,356,672)
35,043,973	(579,958,731)
(30,791,820)	(67,119,541)
275,223	(2,322,199)
(30,516,597)	(69,441,740)
-	660,000,000
(8,199,600)	(58,468,700)
(8,199,600)	601,531,300
(3,672,224)	(47,869,171)
61,547,930	109,417,101
57,875,706	61,547,930

for IIDFC Securities Limited


Md. Matiul Islam
Chairman


Md. Asaduzzaman Khan
Director


A.T.M. Nasir Uddin
Chief Executive Officer


Md. Shamim Ahamed
Company Secretary

Signed in terms of our report of even date annexed

Dated, 08 April 2014


S. F. AHMED & CO
Chartered Accountants

IIDFC Securities Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2013

1. Background

IIDFC Securities Limited (the Company), a fully owned subsidiary company of Industrial and Infrastructure Development Finance Company Limited (IIDFC) was incorporated in Bangladesh as a private limited company on 28 March 2010 under the Companies Act 1994 having its registered office at Dhaka. In compliance with all regulatory requirements, IIDFC Limited formed a fully owned subsidiary on 28 March 2010 in the name of IIDFC Securities Limited and transferred the membership of Dhaka Stock Exchange on 06 June 2010 to the subsidiary.

2. Principal activities

The principal activities of the Company are to carry out the business of stock dealer, stock broker and depository participant (DP) for dealing of shares and securities, commercial papers, bonds, debentures, debenture stocks, etc.

3. Basis of preparation of the financial statements and significant accounting policies

3.1 Accounting estimates

The financial statements of the Company are prepared on a going concern basis under historical cost convention in accordance with generally accepted accounting principles, following Bangladesh Financial Reporting Standards (BFRS) and Bangladesh Accounting Standards (BAS), the Companies Act 1994, Bangladesh Securities and Exchange Commission Rules 1987 and other applicable laws and regulations. Wherever appropriate, such principles are explained in succeeding notes.

3.2 Revenue recognition

Revenue comprise of settlement fees (commission), interest on margin loan and dividends. Details of revenue recognition policy are given as under:

Brokerage Commission is recognised as an income when sale or buy orders of listed securities are executed.

Interest income from margin loan is recognised on an accrual basis. Such income is calculated on the basis of daily product of margin loans to the clients and charged at the end of the quarter.

Dividend is recognised as income when it is actually received.

3.3 Presentation of currencies

The financial statements have been presented in Bangladesh Taka (BDT), the functional currency of the Company. All financial information presented in BDT has been rounded off to the nearest Taka.

3.4 Property, plant and equipment

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

Subsequent costs

The cost of replacing part(s) of an item of property, plant and equipment is recognised in the carrying amount of that item if probable future economic benefits embodied within that part(s) will flow to the Company and its cost can be measured reliably. The cost of items for day-to-day servicing of property, plant and equipment are expensed when incurred.

Depreciation

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

<u>Category of Asset</u>	<u>Rate of Depreciation</u>
Furniture and fixtures	10%
Office decoration	10%
Office equipment	18%

NOTES TO THE FINANCIAL STATEMENTS

3.5 Intangible assets and amortisation of intangible assets

All intangible assets are measured at initially recognised cost and are carried at cost less accumulated amortisation and accumulate impairment losses (if any). Calculation of amortisation @ 18% using the straight line method is followed. If subsequent expenditure on intangible assets increases the future economic benefits in the specifications to which it relates, that expenditure is capitalised, otherwise such expenditures are expensed as incurred.

3.6 Investment in securities

(a) Investment in marketable ordinary shares has been shown at cost, on an aggregate portfolio basis. Investment in non-marketable shares is also valued at cost.

(b) Stock dividend (bonus shares) is added with existing shares with no additional value which results decrease in per unit cost price of the existing shares.

(c) Provision for unrealised loss on investment in securities has been made at 70% of total requirement. As per BSEC's directive no. SEC/CMRRCD/2009-193/155 dated 09 December 2013, minimum requirement of making such provision is 20% of total required amount at the end of this accounting year.

3.7 Provision for margin loan

Provision for margin loan has been made @ 67 % of negative equity of margin loans as on 31 December 2013. As per BSEC's directive no. SEC/CMRRCD/2009-193/155 dated 09 December 2013, minimum requirement of making such provision is 20% of total required amount at the end of this accounting year.

3.8 Provision for current tax

Provision for taxation for the year has been made on the basis of requirements prevailing income tax laws.

3.9 Provision for deferred tax

Deferred tax is recognised using the balance sheet method, providing for temporary differences between carrying amounts of assets and liabilities for financial reporting purposes and amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authorities on the same taxable entity.

3.10 Employees' benefit obligation

Defined contribution plan

The Company operates a Contributory Provident Fund recognised by National Board of Revenue for its permanent employees equally contributed by the employer and employees. The Fund is administered by a separate Board of Trustee.

Defined benefit plan

A Gratuity Scheme as per Gratuity rules is administered by a separate Board of Trustees of IIDFC Limited.

Other benefit program for employees

The Company operates a Group Life Insurance scheme for its permanent employees.

3.11 Books of account of branch offices

The Company has 2 (two) branches each at Dhaka and Chittagong. Books of account of the branches are maintained at Head Office based on which the accounts are consolidated.

NOTES TO THE FINANCIAL STATEMENTS

IIDFC Securities Limited

Notes to the Financial Statements for the year ended 31 December 2013

4. Property, plant and equipment

Amounts in Taka

Asset category	Cost			Depreciation			Written down value at 31 Dec 2013
	Balance as at 01 Jan 2013	Addition during the year	Adjustment/transfer/disposal during the year	Balance as at 01 Jan 2013	Charged during the year	Adjustment/Transfer/Disposal during the year	
Furniture and fixtures	4,733,239	6,250	-	946,649	473,949	-	1,420,598
Office decoration	13,520,967	-	275,000	2,638,944	1,349,806	80,208	3,908,542
Office equipment	17,479,385	49,333	7,199	5,992,033	3,153,872	2,592	9,143,313
Total at 31 December 2013	35,733,591	55,583	282,199	9,577,626	4,977,627	82,800	14,472,453
Total at 31 December 2012	33,411,391	2,322,199	-	4,605,914	4,971,712	-	9,577,626

5. Intangible assets

Asset category	Cost			Amortisation			Written down value at 31 Dec 2013
	Balance as at 01 Jan 2013	Addition during the year	Adjustment/transfer/disposal during the year	Balance as at 01 Jan 2013	Charged during the year	Adjustment/Transfer/Disposal during the year	
Computer software	1,398,506	-	80,000	503,462	237,331	28,800	711,993
Total at 31 December 2013	1,398,506	-	80,000	503,462	237,331	28,800	711,993
Total at 31 December 2012	1,562,506	-	164,000	281,251	273,871	51,660	503,462

5.1 Amortisation of intangible assets

	Amounts in Taka	
	For the year 2013	For the year 2012
Amortisation during the year	237,331	273,871
Less: Adjustment during the year	-	51,660
	<u>237,331</u>	<u>222,211</u>

NOTES TO THE FINANCIAL STATEMENTS

Amounts in Taka	
At 31 Dec 2013	At 31 Dec 2012

6. Cost of DSE membership

Opening balance	153,119,000	153,119,000
<u>Less: Transferred to investment in securities</u>	<u>28,860,420</u>	<u>-</u>
Closing balance	<u>124,258,580</u>	<u>153,119,000</u>

In pursuance to section 3.1.4 of the scheme of Demutualisation of DSE, 7,215,106 ordinary shares of Taka 10 each were allotted by DSE in favour of IIDFC Securities Limited. Out of total shares allotted, 2,886,042 ordinary shares of Taka 28,860,920 being 40% of total ordinary shares allotted were issued and credited to BO account of IIDFC Securities Limited for Taka 28,860,920 and value of cost of DSE membership has been adjusted to that extent. The remaining 4,329,064 shares being 60% ordinary shares of Taka 43,290,640 were credited to the "DSE Demutualisation Blocked Account" maintained by Dhaka Stock Exchange Limited (DSE). As per that aforesaid scheme, these 60% shares will be off-loaded in the following manner:

- 25% will be sold to the strategic investors by Dhaka Stock Exchange Ltd.
- Except shares allotted in favour of strategic investors, shares held in blocked account shall be sold to the general public/institutional investors.

The shares under blocked account as indicated above will be recognised and accounted for upon recovery.

7. Investments in securities

Details of investment in securities as on 31 December 2013 are as under :

Quoted:

6th ICB Mutual Fund	588,720	698,250	109,530	1,274,823
AB Bank Limited	1,083,805	817,257	(266,548)	680,395
AIBL 1st Islamic Mutual Fund	69,083	72,000	2,917	69,083
Aims First Mutual Fund	225,000	204,500	(20,500)	-
Asia Insurance Limited	1,790,950	1,346,610	(444,340)	1,790,950
Bank Asia Limited	8,710,114	7,800,450	(909,664)	8,673,714
Bengal Windsor Thermoplastics Limited	128,800	125,800	(3,000)	-
Bangladesh Export Import Company Limited	151,820	112,700	(39,120)	-
Bangladesh General Insurance Company Limited	818,681	624,631	(194,050)	830,084
BRAC Bank Limited	1,463,307	1,532,885	69,578	2,391,488
BSRM Steel Mills Limited	23,149	17,312	(5,837)	23,149
Central Insurance Company Limited	1,192,740	925,411	(267,329)	1,192,740
The City Bank Limited	1,012,365	643,269	(369,096)	1,012,365
Delta Brack Housing Finance Corporation Limited	215,600	173,250	(42,350)	215,600
Delta Life Insurance Company Limited	-	-	-	29,000
DBH 1st Mutual Fund	46,517	39,200	(7,317)	32,917
Dhaka Bank Limited	11,691,731	7,567,639	(4,124,092)	11,672,131
Dutch-Bangla Bank Limited	1,165,740	1,047,000	(118,740)	1,224,027
Eastern Insurance Company Limited	661,200	528,240	(132,960)	661,200
Eastland Insurance Company Limited	1,767,647	1,420,340	(347,307)	1,870,594
Eastern Bank Limited	1,253,360	1,174,185	(79,175)	425,020
Envoy Textiles Limited	726,900	651,600	(75,300)	-

	Amount in Taka			2012 Cost Price
	2013			
	Cost Price (a)	Market Price (b)	Required Provision (c=b-a)	
	588,720	698,250	109,530	1,274,823
	1,083,805	817,257	(266,548)	680,395
	69,083	72,000	2,917	69,083
	225,000	204,500	(20,500)	-
	1,790,950	1,346,610	(444,340)	1,790,950
	8,710,114	7,800,450	(909,664)	8,673,714
	128,800	125,800	(3,000)	-
	151,820	112,700	(39,120)	-
	818,681	624,631	(194,050)	830,084
	1,463,307	1,532,885	69,578	2,391,488
	23,149	17,312	(5,837)	23,149
	1,192,740	925,411	(267,329)	1,192,740
	1,012,365	643,269	(369,096)	1,012,365
	215,600	173,250	(42,350)	215,600
	-	-	-	29,000
	46,517	39,200	(7,317)	32,917
	11,691,731	7,567,639	(4,124,092)	11,672,131
	1,165,740	1,047,000	(118,740)	1,224,027
	661,200	528,240	(132,960)	661,200
	1,767,647	1,420,340	(347,307)	1,870,594
	1,253,360	1,174,185	(79,175)	425,020
	726,900	651,600	(75,300)	-

NOTES TO THE FINANCIAL STATEMENTS

	Amount in Taka			2012
	2013			Cost Price
	Cost Price	Market Price	Required Provision	
(a)	(b)	(c=b-a)		
EXIM Bank Limited	2,130	1,419	(711)	2,130
Fareast Islami Life Insurance Company Limited	14,191,385	12,125,280	(2,066,105)	14,456,033
First Lease Finance and Investment Limited	65,200	66,400	1,200	49,900
Golden Harvest Agro Industries Limited	420,420	381,930	(38,490)	-
Grameen Mutual Fund II	93,500	88,000	(5,500)	-
Green Delta Insurance Company Limited	42,883	50,107	7,224	842,810
H.R.Textile Mills Limited	891,600	824,000	(67,600)	-
ICB AMCL Second NRB Mutual fund	708,052	465,600	(242,452)	737,250
IFIC Bank 1st Mutual Fund	144,256	136,356	(7,900)	30,256
IFIL Islami Mutual Fund I	83,536	84,000	464	83,536
International Leasing and Financial Services Limited	300,950	158,000	(142,950)	300,950
Islami Bank Bangladesh Limited	3,755,139	3,538,992	(216,147)	3,975,419
Islami Insurance Bangladesh Limited	1,521,345	1,476,800	(44,545)	1,856,148
Karnafuli Insurance Company Limited	3,205,460	1,822,500	(1,382,960)	3,047,410
Lafarge Surma Cement Limited	1,058,758	1,139,000	80,242	204,798
Lanka Bangla Finance Limited	20,342	30,590	10,248	175,117
MBL 1st Mutual Fund	12,000	12,600	600	-
Meghna Life Insurance Company Limited	394,595	331,455	(63,140)	394,595
Mercantile Bank Limited	3,485,236	2,832,287	(652,949)	3,485,236
MJL Bangladesh Limited	7,707	7,285	(422)	47,436
Mutual Trust Bank Limited	475,702	286,880	(188,822)	475,702
National Bank Limited	4,851,669	2,600,744	(2,250,925)	2,942,090
NCC Bank Limited	3,201,528	1,966,886	(1,234,642)	3,201,528
ONE Bank Limited	12,329,547	8,040,652	(4,288,895)	11,760,947
Ocean Container Limited	-	-	-	4,105
Paramount Insurance Company Limited	63,400	52,080	(11,320)	63,400
People's Insurance Company Limited	1,261,184	1,367,520	106,336	1,695,007
Phoenix Finance and Investment Limited	76,850	71,082	(5,768)	54,200
PHP 1st Mutual Fund	399,130	319,000	(80,130)	349,330
Pioneer Insurance Company Limited	1,399,007	1,374,480	(24,527)	1,299,533
Popular Life First Mutual Fund	225,250	199,602	(25,648)	49,250
Pragati Insurance Limited	675,364	543,649	(131,715)	675,364
Pragati Life Insurance Limited	18,143,638	15,040,515	(3,103,123)	18,143,638
The Premier Bank Limited	540,300	332,723	(207,577)	540,300
Premier Leasing and Finance Limited	216,550	86,000	(130,550)	216,550
Prime Bank Limited	337,026	262,108	(74,918)	428,609
Prime Islami Life Insurance Limited	8,660,382	5,889,650	(2,770,732)	8,711,924
Pubali Bank Limited	2,423	2,437	14	2,423
Purabi General Insurance Company Limited	26,477	36,864	10,387	1,022,373
Provati Insurance Company Limited	-	-	-	55,200
RAK Ceramics (Bangladesh) Limited	3,583,910	3,225,609	(358,301)	3,428,565
Reliance Insurance Limited	2,527,055	2,454,760	(72,295)	2,445,055
Rupali Insurance Company Limited	708,294	646,464	(61,830)	671,793
Rupali Life Insurance Company Limited	1,258,785	1,074,490	(184,295)	1,331,800
Sandhani Life Insurance Company Limited	-	-	-	418,854
Singer Bangladesh Limited	-	-	-	971,307

NOTES TO THE FINANCIAL STATEMENTS

	Amount in Taka			2012
	2013			Cost Price
	Cost Price	Market Price	Required Provision	
	(a)	(b)	(c=b-a)	
Square Pharmaceuticals Limited	-	-	-	35,260
S. Alam Steels Limited	229,728	189,200	(40,528)	126,328
Summit Alliance Port Limited	195,786	149,137	(46,649)	191,680
Southeast Bank 1st Mutual Fund	122,651	126,400	3,749	174,623
Shahjalal Islami Bank Limited	5,055	4,704	(351)	10,309
Social Islami Bank Limited	2,657,791	1,803,147	(854,644)	2,639,891
Southeast Bank Limited	3,760,574	2,931,125	(829,449)	3,760,574
Square Textiles Limited	690,982	679,266	(11,716)	307,204
Standard Bank Limited	2,370,546	1,930,734	(439,812)	2,370,546
Summit Power Limited	677,519	589,056	(88,463)	676,160
Takaful Islami Insurance Limited	867,951	780,390	(87,561)	867,951
Trust Bank Limited	236,600	198,000	(38,600)	161,300
Uttara Bank Limited	3,219,637	2,292,070	(927,567)	3,219,637
	141,190,014	110,642,554	(30,547,460)	139,258,614
Un-quoted:				
Dhaka Stock Exchange Limited	28,860,420	-	-	-
	170,050,434	110,642,554	(30,547,460)	139,258,614

Provision for unrealised loss on investment in securities has been made at 70% of total requirement. As per BSEC's directive no. SEC/CMRRCD/2009-193/155 dated 09 December 2013, minimum requirement of making such provision is 20% of total required amount at the end of this accounting year.

8. Loans and advances

Margin loan-general (note 8.1)
Margin loan-affected small investors (note 8.2)

Amounts in Taka	
At	At
31 Dec 2013	31 Dec 2012
1,959,471,458	2,065,052,659
264,646,846	-
2,224,118,304	2,065,052,659

8.1 Margin loan-general

This represents loan facilities extended to the customers for trading of listed securities in the secondary capital market in Bangladesh.

8.2 Margin loan-affected small investors

Segregated loan accounts
Interest-free blocked loan accounts
General margin loan accounts

203,470,269	-
18,216,809	-
42,959,768	-
264,646,846	-

Segregated loan accounts: Principal amount of loan as at the end of the year 2011, segregated and rescheduled for repayment by 12 equal quarterly installments at a concessional simple rate of interest of 9% per annum under Government's special incentive package for small investors incurring capital loss in 2011.

Interest free blocked loan accounts: 50% interest amount for the year 2011, segregated and rescheduled for repayment by 12 equal quarterly installments at zero interest under Government's special incentive package for small investors incurring capital loss in 2011.

General margin loan accounts: It is the remaining balance of margin loan after deducting the segregated loan amounts and interest free blocked loan amounts to the affected small investors.

NOTES TO THE FINANCIAL STATEMENTS

9. Cash and bank balances

Cash in hand (note 9.1)	
Bank balances in	
Short-term deposit account (note 9.2)	
Fixed deposit with ONE Bank Ltd	

9.1 Cash in hand

Head office	
Gulshan branch	
Chittagong branch	

9.2 Short-term deposit account

Southeast Bank Ltd	
Standard Bank Ltd	
Bank Asia Ltd	
ONE Bank Ltd	
Standard Chartered Bank	

10. Advance against corporate income tax

Advance tax paid	
Tax deducted at source by DSE (note 10.1)	
Income tax withheld from dividend income	
Income tax withheld from FDR, etc	

10.1 Tax deducted at source by DSE

Stock -Dealer transaction	
Stock-Broker transaction	

The amount has been deducted by Dhaka Stock Exchange Ltd from the transaction amount under Section 53 BBB of the Income Tax Ordinance 1984 is the final tax liabilities of the Company under section 82C of that ordinance.

11. Other assets

Advance against office rent	
Advance against right offer	
Stamp in hand	
Security deposits (note 11.1)	
Accrued interest on FDR	
Others (note 11.2)	

11.1 Security deposits

CDBL	
C&F Tower, Chittagong	
BTCL	
Elite Security Services Ltd	

Amounts in Taka	
At 31 Dec 2013	At 31 Dec 2012
22,994	40,987
57,852,712	21,506,943
-	40,000,000
57,875,706	61,547,930
15,312	23,834
1,166	5,918
6,516	11,235
22,994	40,987
10,017,420	4,796,751
3,197,149	275,524
4,860,632	193,744
39,775,802	16,236,865
1,709	4,059
57,852,712	21,506,943
6,000,000	6,000,000
37,353,807	32,515,136
5,473,010	1,974,003
2,855,832	2,126,538
51,682,649	42,615,677
260,186	250,127
37,093,621	32,265,009
37,353,807	32,515,136
2,100,080	2,404,000
1,849,484	1,662,320
3,286	9,120
577,820	577,820
-	986,111
4,244,509	9,286,777
8,775,179	14,926,148
100,000	100,000
449,820	449,820
15,000	15,000
13,000	13,000
577,820	577,820

NOTES TO THE FINANCIAL STATEMENTS

11.2 Others

Advance to employees	-	22,000
Advance to supplier	-	4,278
Receivable from DSE- broker and dealer (note 11.2.1)	3,987,688	9,197,243
Receivable from clients against CDBL charges	256,821	63,256
	4,244,509	9,286,777

11.2.1 Receivable from DSE - broker and dealer

Receivable from DSE -Broker:

Categories A, B, G & N
Category Z

Receivable from DSE -Dealer:
Categories A, B, G & N

Amounts in Taka	
At 31 Dec 2013	At 31 Dec 2012
-	22,000
-	4,278
3,987,688	9,197,243
256,821	63,256
4,244,509	9,286,777
3,269,388	7,126,543
615,300	7,126,543
3,884,688	7,126,543
103,000	2,070,700
3,987,688	9,197,243

12. Share Capital

12.1 Authorised capital

500,000,000 ordinary shares of Taka 10 each

5,000,000,000	5,000,000,000
785,000,000	760,000,000

12.2 Issued, subscribed and paid-up capital

78,500,000 Ordinary shares of Taka 10 each fully paid-up

Shareholding position of the Company at 31 December was as under:

<u>Name of shareholder</u>	<u>Number of shares</u>	<u>% of holding</u>		
IIDFC Limited	78,487,497	99.984	784,874,970	759,900,000
Mr. Md. Matiul Islam	12,438	0.016	124,380	99,500
Mr. AF Nesaruddin	13	0.000	130	100
Mr. Md. Manirul Islam	13	0.000	130	-
Mr. Md. Jajalul Azim	-	-	-	100
Mr. Faruq Ahmed Siddiqi	13	0.000	130	100
Mr. Md. Khalilur Rahman	13	0.000	130	100
Mr. Md. Shamim Ahamed	13	0.000	130	100
	<u>78,500,000</u>	<u>100.000</u>	<u>785,000,000</u>	<u>760,000,000</u>

NOTES TO THE FINANCIAL STATEMENTS

13. Retained earnings

Opening balance

Add: Prior year's adjustment *

Add/Less: Net profit/(loss) for the year

Less: Stock dividend

Closing balance

Amounts in Taka	
At 31 Dec 2013	At 31 Dec 2012
(8,548,584)	48,327,791
2,685,010	-
(5,863,574)	-
27,538,996	(31,876,375)
21,675,422	16,451,416
-	25,000,000
21,675,422	(8,548,584)

*An amount of Taka 2,085,090 relating to provident fund and gratuity expense was refunded by IIDFC Limited to IIDFC Securities Limited, an another subsidiary company of IIDFC Limited. Besides, an amount of Taka 599,920 was credited to retained earnings as prior year's adjustment for deferred tax.

14. Stock dividend (bonus shares)

Stock dividend @ 25% ie. one bonus share was issued for every four fully paid shares held.

-	25,000,000
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15. Long-term loan

IIDFC Limited (note 15.1)

1,289,419,065	1,237,410,630
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15.1 IIDFC Limited

Term loan-up to 6 years

Term loan-up to 10 years

762,700,860	728,470,316
526,718,205	508,940,314
1,289,419,065	1,237,410,630

The above term loan was taken from IIDFC Limited at an interest rate of 16% per annum. Interest accrued for unpaid installment during the period from 01 December to 31 December 2012 amounting to Taka 1,64,51,569 was not inadvertently shown by the lender institution in the closing loan balance for the year ended 2012 which was taken into account in the current year. Actual closing balance of term loans was Taka 1,253,862,569 as on 31 December 2012.

16. Deferred tax liability

Deferred tax liability has been recognised and measured in accordance with the provision of BAS 12: Income Tax. Deferred tax liability is attributable to the following:

Particulars	Carrying amount of assets/liabilities	Tax base	Taxable/(deductible) temporary difference	Taxable/(deductible) temporary difference
Furniture and fixtures	3,318,891	3,456,156	(137,265)	-
Office decoration	9,337,425	9,662,137	(324,712)	-
Office equipment	8,378,206	7,326,814	1,051,392	2,748,307
Computer software	606,513	154,313	452,200	895,044
	21,641,035	20,599,420	1,041,615	3,643,351
Applicable tax rate			37.5%	37.5%
Deferred tax liability			390,606	1,366,257

NOTES TO THE FINANCIAL STATEMENTS

17. Short-term loan

IIDFC Limited
ONE Bank Ltd

18. Inter-company current account

IIDFC Limited
IIDFC Capital Ltd

19. Accounts payable

Merchant banks (note 19.1)
DSE - broker and dealer (note 19.2)

19.1 Merchant banks

IIDFC Capital Limited
Southeast Bank Capital Services Ltd

19.2 DSE - broker and dealer

DSE broker:
Categories A, B, G and N
Category Z

DSE dealer :
Categories A, B, G and N
Category Z

20. Accrued expenses

Suppliers (note 20.1)
Office rent and service charges
Online and data communication charges
CDBL charges
Audit fees
Legal and professional expenses
Incentive bonus
Electricity bills
Meeting expenses
Security charges
Telephone bills -BTCL
Water and sewerage charges
Fresh water
Plantation
Others

Amounts in Taka	
At 31 Dec 2013	At 31 Dec 2012
-	20,000,000
-	40,208,035
-	60,208,035
3,608,996	4,255,155
264,647	475,579
3,873,643	4,730,734
575,925	6,329,436
756,920	49,799
1,332,845	6,379,235
240,920	87,959
335,005	6,241,477
575,925	6,329,436
18,021	15,545
738,819	96
756,840	15,641
80	1,333
-	32,825
80	34,158
756,920	49,799
37,146	276,500
685,055	838,472
96,329	312,253
260,922	66,956
76,667	69,000
31,945	-
1,996,876	-
46,107	38,070
-	17,648
21,459	21,459
15,602	14,045
13,260	10,920
3,310	9,435
1,650	1,650
51,749	-
3,338,077	1,676,408

NOTES TO THE FINANCIAL STATEMENTS

20.1 Suppliers

Design Source	
Maa Computers	
Jisan Enterprise	
Mr. Mamunur Rashid	
Pragati Insurance Co Ltd	
Bosumoti Express	
Airmont Printing	

21. Provision for corporate income tax

Opening balance	
<u>Less:</u> Settlement of previous tax liability	
<u>Add:</u> Provision made during the year	

Provision for corporate income tax is made on accounting profit for the year after adjustments for taxable allowances and disallowances as per tax laws.

22. Provision for margin loan

General and specific provision (note 22.1)	
Interest suspense account (note 22.2)	

22.1. General and specific provision

General provision

Opening balance	
<u>Less:</u> Adjustment made during the year	
Closing balance (a)	

Specific provision

Opening balance	
<u>Add:</u> Provision made during the year	
<u>Less:</u> Adjustment made during the year	
Closing balance (b)	
Total (a+b)	

22.2 Interest suspense account

Opening balance	
<u>Less:</u> Realised during the year	
<u>Add:</u> Transferred during the year	
Closing balance	

Amounts in Taka	
At 31 Dec 2013	At 31 Dec 2012
-	275,000
-	1,500
1,152	-
10,417	-
2,749	-
6,613	-
16,215	-
37,146	276,500
37,532,324	28,443,271
-	-
37,532,324	28,443,271
9,415,610	9,089,053
46,947,934	37,532,324

58,886,152	58,995,111
354,640,778	262,428,642
413,526,930	321,423,753
-	29,734,569
-	29,734,569
-	-
58,995,111	29,622,941
-	29,372,170
108,959	-
58,886,152	58,995,111
58,886,152	58,995,111
262,428,642	61,264,875
16,295,522	8,568,847
246,133,120	52,696,028
108,507,658	209,732,614
354,640,778	262,428,642

NOTES TO THE FINANCIAL STATEMENTS

23. Other liabilities

Reserve for risk fund
Provision for Gratuity
Others

Amounts in Taka	
At 31 Dec 2013	At 31 Dec 2012
416,667	316,667
-	893,468
29,235	8,205
<u>445,902</u>	<u>1,218,340</u>

Statement of Comprehensive Income

24. Interest waived on loan to small investors

In terms of the 14th Board Meeting of IIDFC Securities Limited the Board decided to waive 50% of the interest charged to affected small investor who have involved share markets for the year 2011. This amount has been adjusted with interest income earned in this year.

Amounts in Taka	
Year ended 31 Dec 2013	Year ended 31 Dec 2012
18,216,809	-

25. Brokerage commission

Commission on securities trading
Commission on sale of mutual fund as selling agent

30,222,316	52,078,728
225	-
<u>30,222,541</u>	<u>52,078,728</u>

26. Direct cost

Laga charges
Howla charges
CDBL charges

1,935,469	3,635,621
444,102	766,696
195,267	112,953
<u>2,574,838</u>	<u>4,515,270</u>

27. Other operating income

BO and trading accounts maintenance income
Notice pay received
Charges for dishonoured cheques
Others

1,634,900	1,531,955
272,667	68,583
11,000	17,000
15,432	11,000
<u>1,933,999</u>	<u>1,628,538</u>

28. Operating expenses

Salaries and allowances (note 28.1)
Rent, insurance, electricity, etc (note 28.2)
Legal and professional expenses
Postage, stamp, telecommunications, etc (note 28.3)
Stationery, printing, advertisement, etc (note 28.4)
Directors' fees (note 28.5)
Auditors' fees
Loans and advances written off
Loss on disposal of assets
Repair and maintenance (note 28.6)
Depreciation (note 28.7)
Other expenses (note 28.8)

27,705,591	26,305,638
20,862,198	20,711,889
232,881	92,800
1,702,341	2,007,770
452,565	497,581
64,707	105,885
76,667	61,250
122,681	-
55,807	-
585,153	82,732
4,897,419	4,971,712
2,023,616	1,974,445
<u>58,781,626</u>	<u>56,811,702</u>

NOTES TO THE FINANCIAL STATEMENTS

28.1 Salaries and allowances

Basic
House rent
Conveyance
Medical
Entertainment
Car allowance
Festival bonus
Company's contribution to provident fund
Group insurance
Incentive bonus
Leave fare assistance
Leave encashment
Retirement benefits and gratuity

28.2 Rent, insurance, electricity, etc

Office rent and service charge
Water and sewerage
Electricity
Fees, renewal and registration
Insurance on fixed assets

28.3 Postage, stamp, telecommunications, etc

Data communication expenses
Internet expenses
Telephone
Mobile
Postage and courier
Stamp charges

28.4 Stationery, printing, advertisement, etc

Printing and stationery
Paper, ribbon and cartridge
Table stationery
Advertisement in newspaper
Business promotion expenses

28.5 Directors' fees

Fees
VAT

Amounts in Taka	
At 31 Dec 2013	At 31 Dec 2012
12,012,907	12,029,016
6,006,455	6,145,842
452,054	489,026
600,641	614,668
163,577	125,634
849,642	660,000
1,987,169	2,203,416
1,088,807	1,208,673
632,497	655,691
1,996,876	-
1,006,059	1,224,836
400,685	55,368
508,222	893,468
27,705,591	26,305,638
19,200,323	18,955,563
321,696	312,780
1,169,197	1,123,548
111,354	269,375
59,628	50,623
20,862,198	20,711,889
844,528	1,128,158
186,936	233,820
120,228	102,951
492,184	475,664
48,042	48,507
10,423	18,670
1,702,341	2,007,770
277,508	423,129
118,352	66,358
1,767	1,062
54,938	5,000
-	2,032
452,565	497,581
55,000	90,000
9,707	15,885
64,707	105,885

NOTES TO THE FINANCIAL STATEMENTS

28.6 Repair and maintenance

Office equipment	
Furniture and fixture	
Decoration and renovation	
Computer software	

28.7 Depreciation

Office equipment	
Office decoration	
Furniture and fixtures	

28.8 Other expenses

Entertainment	
Amortisation of intangible assets (note 5.1)	
Bank charge	
Reserve for risk fund	
Training expenses	
Travelling and conveyance - local	
Newspaper and magazine	
Books and periodicals	
Membership fees and subscriptions	
Office maintenance (note 28.8.1)	

28.8.1 Office maintenance

Sub-staff salary-contractual	
Cleaning charges	
Security charges	
Fresh water	
Plantation	
Purchase of utensils	
Uniform and other apparels	
Others	

Amounts in Taka	
Year ended 31 Dec 2013	Year ended 31 Dec 2012
189,286	48,378
1,094	1,458
625	23,646
394,148	9,250
585,153	82,732
3,153,872	3,146,290
1,269,598	1,352,097
473,949	473,325
4,897,419	4,971,712
369,809	342,191
237,331	222,211
49,999	95,285
100,000	100,000
12,000	12,000
73,220	47,149
13,427	12,631
4,675	9,000
4,700	4,700
1,158,455	1,129,278
2,023,616	1,974,445
716,772	694,550
58,846	58,587
139,484	133,607
58,525	91,910
19,800	19,800
1,120	2,917
64,690	49,800
99,218	78,107
1,158,455	1,129,278

29. Earnings per share (EPS)

Earnings Per Share (EPS) is calculated in accordance with Bangladesh Accounting Standard 33: Earnings Per Share. The calculation of basic earnings per share at 31 December 2013 was based on the profit attributable to ordinary shareholders and weighted average number of ordinary shares outstanding for the year ended 31 December 2013.

Basic earnings per share has been calculated as under:

Earnings attributable to ordinary shareholders net profit/(loss) after tax	
Restated weighted average no. of ordinary shares	
Basic Earnings Per Share -restated	

27,538,996	(31,876,375)
78,500,000	29,135,616
0.35	(1.09)

NOTES TO THE FINANCIAL STATEMENTS

Particulars	Weightage	Amounts in Taka	
		Year ended 31 Dec 2013	Year ended 31 Dec 2012
Share outstanding as on 01 January 2013	365	78,500,000	-
Share outstanding as on 01 January 2012	365	-	10,000,000
Bonus shares issued	365	-	2,500,000
New shares issued September 2012	92	-	16,635,616
		78,500,000	29,135,616
Restated weighted average number of ordinary shares			
Number of ordinary shares at 1 January		78,500,000	10,000,000
Bonus share issued		-	2,500,000
Share issue during the year		-	66,000,000
Weighted average no. of ordinary shares at 31 December		78,500,000	78,500,000
Restated weighted average number of ordinary shares		78,500,000	78,500,000
Earnings per share		0.35	(0.41)
Earnings per share (restated)		0.35	(1.09)

30. Employees' information

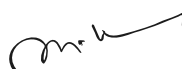
A total number of 37 employees were employed in IIDFC Securities Ltd as on 31 December 2013. All the employees received salary more than Taka 36,000 p.a during the year 2013.

31. General

31.1 Previous year's figures have been regrouped and/or rearranged wherever considered necessary for the purpose of current years presentation.

31.2 These notes form an integral part of the annexed financial statements and accordingly are to be read in conjunction therewith.

for IIDFC Securities Limited



Md. Matiul Islam
Chairman



Md. Asaduzzaman Khan
Director



A.T.M. Nasir Uddin
Chief Executive Officer



Md. Shamim Ahamed
Company Secretary

Dated, 08 April, 2014

IIDFC Securities Limited
Statement of Comprehensive Income (Profit and Loss Statement with Change)
for the year ended 31 December 2013

	Notes	Amounts in Taka		Change	
		Year ended 31 Dec 2013	Year ended 31 Dec 2012		
Revenue					
Interest income from margin loan		287,269,756	161,525,737	125,744,019	77.85%
Less: Interest waived on loan to small investors	24	18,216,809	-	18,216,809	-
Less: Interest expense on borrowed fund		216,722,666	194,986,705	21,735,961	11.15%
Net Interest income/loss		52,330,281	(33,460,968)	85,791,249	256.39%
Brokerage commission	25	30,222,541	52,078,728	(21,856,187)	-41.97%
Less: Direct cost	26	2,574,838	4,515,270	(1,940,432)	-42.97%
		27,647,703	47,563,458	(19,915,755)	-41.87%
Capital gain on investment in securities		942,820	7,097,995	(6,155,175)	-86.72%
Income on bank deposit		6,278,466	7,514,580	(1,236,114)	-16.45%
Dividend income		17,734,241	8,958,804	8,775,437	97.95%
Other operating income	27	1,933,999	1,628,538	305,461	18.76%
		26,889,526	25,199,917	1,689,609	6.70%
Total operating income		106,867,510	39,302,407	67,565,103	171.91%
Less: Operating expenses	28	58,781,626	56,811,702	1,969,924	3.47%
Operating profit/(loss)		48,085,884	(17,509,295)	65,595,179	374.63%
Fair value adjustments for fall in values of investment in securities		(11,507,009)	(4,940,307)	(6,566,702)	132.92%
Profit/(loss) before provision		36,578,875	(22,449,602)	59,028,477	262.94%
Provision for margin loan		-	362,399	(362,399)	-100.00%
Profit/(loss) before income tax		36,578,875	(22,087,203)	58,666,078	265.61%
Provision for taxation					
Current tax		9,415,610	9,089,053	326,557	3.59%
Deferred tax		(375,731)	700,119	(1,075,850)	-153.67%
		9,039,879	9,789,172	(749,293)	-7.65%
Net profit/(loss) after tax		27,538,996	(31,876,375)	59,415,371	186.39%
Earnings Per Share (EPS)	29	0.35	(1.09)	1.44	132.07%

IIDFC Securities Limited
Statement of Financial Position (Balance Sheet with Change)
at 31 December 2013

	Notes	Amounts in Taka		Change	
		At 31 Dec 2013	At 31 Dec 2012		
Assets					
Non-current assets					
Property, plant and equipment	4	21,034,522	26,155,964	(5,121,442)	-19.58%
Intangible assets	5	606,513	895,044	(288,531)	-32.24%
Cost of DSE membership	6	124,258,580	153,119,000	(28,860,420)	-18.85%
		145,899,615	180,170,008	(34,270,393)	-19.02%
Current assets					
Investment in securities	7	170,050,434	139,258,614	30,791,820	22.11%
Loans and advances	8	2,224,118,304	2,065,052,659	159,065,645	7.70%
Cash and bank balances	9	57,875,706	61,547,930	(3,672,224)	-5.97%
Advance against corporate income tax	10	51,682,649	42,615,677	9,066,972	21.28%
Other assets	11	8,775,179	14,926,148	(6,150,969)	-41.21%
		2,512,502,272	2,323,401,028	189,101,244	8.14%
Total assets		2,658,401,887	2,503,571,036	154,830,851	6.18%
Equity and liabilities					
Equity					
Share capital	12	785,000,000	760,000,000	25,000,000	3.29%
Retained earnings	13	21,675,422	(8,548,584)	30,224,006	-353.56%
General reserve		17,000,000	17,000,000	-	0.00%
Stock dividend (bonus shares)	14	-	25,000,000	(25,000,000)	-100.00%
Total Equity		823,675,422	793,451,416	30,224,006	3.81%
Non-current liabilities					
Long term loan	15	1,289,419,065	1,237,410,630	52,008,435	4.20%
Deferred tax liability	16	390,606	1,366,257	(975,651)	-71.41%
		1,289,809,671	1,238,776,887	51,032,784	4.12%
Current liabilities					
Short-term loan	17	-	60,208,035	(60,208,035)	-100.00%
Inter-company current account	18	3,873,643	4,730,734	(857,091)	-18.12%
Payable to clients		54,068,241	28,297,691	25,770,550	91.07%
Accounts payable	19	1,332,845	6,379,235	(5,046,390)	-79.11%
Accrued expenses	20	3,338,077	1,676,408	1,661,669	99.12%
Provision for corporate income tax	21	46,947,934	37,532,324	9,415,610	25.09%
Provision for margin loan	22	413,526,930	321,423,753	92,103,177	28.65%
Provision for investment in securities	7	21,383,222	9,876,213	11,507,009	116.51%
Other liabilities	23	445,902	1,218,340	(772,438)	-63.40%
		544,916,794	471,342,733	73,574,061	15.61%
Total liabilities		1,834,726,465	1,710,119,620	124,606,845	7.29%
Total equity and liabilities		2,658,401,887	2,503,571,036	154,830,851	6.18%



PHOTOGRAPHS FROM IIDFC'S ALBUM

12th Annual General Meeting



PHOTOGRAPHS FROM IIDFC'S ALBUM



PHOTOGRAPHS FROM IIDFC'S ALBUM

Workshop



Workshop on Bangladesh Industrial Energy Efficiency Finance Program at ADB Office in Dhaka

PHOTOGRAPHS FROM IIDFC'S ALBUM

Corporate Financed Projects



CSS Corporation BD Limited, Nasirabad Industrial Area, Chittagong.
(A sister concern Bayezid Steel Mills Ltd.)



Regent Spinning Mills Limited, Boalkhali, Chittagong.
(A concern of Habib Group)

PHOTOGRAPHS FROM IIDFC'S ALBUM

STRUCTURE FINANCE DEPARTMENT

PROJECTS UNDER IIDFC'S SYNDICATION



Term Sheet Signing Ceremony with Infinity Data and Power Limited



Project Site Visit of Sinha Peoples Energy Limited

PHOTOGRAPHS FROM IIDFC'S ALBUM

PROJECTS UNDER SME FINANCE



M. M. Enterprise, Narsingdi.



Sun Bright Knit Wear Limited, Gazipur.



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