

# Annual Report 2009



**Fidelity Assets & Securities Company Limited**  
*Your Trusted Financial Partner*

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## NOTICE OF THE 13TH ANNUAL GENERAL MEETING

Notice is hereby given that the 13th Annual General Meeting of the Shareholders of Fidelity Assets & Securities Company Limited will be held at the **Trust Milonayaton, 545, Puratan Biman Bandar Sarak, Dhaka Cantonment, Dhaka** on **Wednesday, June 16, 2010 at 11:30 a.m.** to transact the following business:

- |                |   |
|----------------|---|
| AGM 2010-13-01 | To receive, consider and adopt the Director's Report and Audited Accounts for the year ended December 31, 2009 and the Auditor's Report thereon.  |
| AGM 2010-13-02 | To declare Dividend for the year ended December 31, 2009.   |
| AGM 2010-13-03 | To elect Directors as per Articles of Associations of the Company.  |
| AGM 2010-13-04 | To consider the appointment of Auditors for the year 2010 and fix their remuneration.   |
| AGM 2010-13-05 | To approve issuance of Convertible Coupon Bonds of BDT 100 crore under private placement and to the shareholders as Rights, instead of Zero Coupon Bond (ZCB) decided earlier subject to approval of the regulatory authority(ies). |
| AGM 2010-13-06 | To transact any other business with the permission of the Chair.  |

By order of the Board of Directors

Dated, Dhaka  
May 19, 2010

Sd/-  
(Md. Wahiduzzaman)  
VP & Company Secretary

### NOTES :

1. The "**Record date**" has been fixed on **May 10, 2010**.
2. A member eligible to attend the Annual General Meeting may appoint a proxy to attend on his/her behalf. Proxy form must be affixed with revenue stamp of Taka 10.00 and submitted to the Registered Office of the Company not later than 48 hours before the time fixed for the Annual General Meeting.
3. The Shareholders whose names appear in the 'Register of Members' of the Company or in the CDBL on the Record Date i.e. May 10, 2010 shall be entitled to attend the meeting.
4. Members are requested to notify change of address, if any, through their respective Depository Participants well in time.
5. Admission into the meeting venue will be allowed on production of the Attendance Slip attached with the proxy form.

## FIDELITY ASSETS & SECURITIES COMPANY LIMITED

# NOTICE OF THE EXTRA-ORDINARY GENERAL MEETING

Notice is hereby given to all shareholders of Fidelity Assets & Securities Company Limited (FAS) that an Extra-Ordinary General Meeting of the Company will be held on June 16, 2010 Wednesday at 11:00 a.m at the Trust Milonayaton, 545, Puratan Biman Bandar Sarak, Dhaka Cantonment, Dhaka to transact the following business and to consider and if thought fit, to pass, with or without modification, the following resolutions as Special Resolution(s):

### 1. TO INCREASE THE AUTHORIZED CAPITAL OF THE COMPANY:

It is proposed that the authorized Capital of the Company be increased from Tk. 50,00,00,000.00 (Taka fifty crore) only divided into 50,00,000 (fifty lac) ordinary shares of Tk. 100.00 (Taka one hundred) each to Tk. 210,00,00,000.00 (Taka two hundred and ten crore) only divided into 2,10,00,000 (two crore ten lac) ordinary shares of Tk. 100.00 (Taka one hundred) each.

#### A. AMENDMENT OF CLAUSE # V OF THE MEMORANDUM OF ASSOCIATION

Existing Clause # V	Proposed Amendment
The Authorized Share Capital of the Company is Tk. 50,00,00,000 (Fifty Crore) divided into 50,00,000 (Fifty lac) ordinary shares of Tk. 100.00 (Taka one hundred) each with the right and privileges and condition attached thereto as are provided by Memorandum of Association of the Company for the time being power to increase and reduce the capital of the Company and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions in such manner as may be permitted by the Companies Act, 1994 or provided by the Articles of Association of the Company for the time being.	The Authorized Share Capital of the Company is Tk. 2,10,00,00,000 (Taka two hundred ten Crore) divided into 2,10,00,000 (two crore ten lac) ordinary shares of Tk. 100.00 (Taka one hundred) each with the right and privileges and condition attached thereto as are provided by Memorandum of Association of the Company for the time being power to increase and reduce the capital of the Company and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions in such manner as may be permitted by the Companies Act, 1994 or provided by the Articles of Association of the Company for the time being.

#### B. AMENDMENT OF CLAUSE # 04 OF THE ARTICLES OF ASSOCIATION

Existing Clause # 4	Proposed Amendment
The authorized share capital of the Company is Tk. 50.00 Crore (Taka Fifty Crore) divided into 50,00,000 ordinary shares of Tk. 100/- each with power to increase or reduce the capital and to divide the shares in different classes and attach thereto any special rights or privileges or conditions as regards dividends, repayment of capital, voting otherwise or to consolidate or subdivide the shares.	The authorized share capital of the Company is Tk. 210.00 Crore (Taka two hundred ten crore) divided into 2,10,00,000 ordinary shares of Tk. 100/- each with power to increase or reduce the capital and to divide the shares in different classes and attach thereto any special rights or privileges or conditions as regards dividends, repayment of capital, voting otherwise or to consolidate or subdivide the shares.

## FIDELITY ASSETS & SECURITIES COMPANY LIMITED

### 2. AMENDMENT OF CLAUSE # 4 (01) OF THE ARTICLES OF ASSOCIATION.

Existing Clause # 4 (01)	Proposed Amendment
The Share in the company shall be held by the following groups of share holders: Sponsor/Group – A - 64% (Approximately) General Public/Group - B - 36% (Approximately)	There will be no category of share

### 3. NAME CHANGE OF THE COMPANY

#### A. AMENDMENT OF THE MEMORANDUM OF ASSOCIATION

Existing Clause	Proposed Amendment
The name of the Company is FIDELITY ASSETS & SECURITIES COMPANY LIMITED	The name of the Company is FAS FINANCE & INVESTMENT LIMITED

#### B. AMENDMENT OF CLAUSE # 04 OF THE ARTICLES OF ASSOCIATION

Existing Clause - 07	Proposed Amendment
"Company" means "FIDELITY ASSETS & SECURITIES COMPANY LIMITED" a public limited company incorporated under the Act, having its registered office in Bangladesh.	"Company" means "FAS FINANCE & INVESTMENT LIMITED" a public limited company incorporated under the Act, having its registered office in Bangladesh.

### 4. SEPARATION OF MERCHANT BANK DIVISION.

The Merchant Bank Division be separated and be formed a Subsidiary Company for Merchant Banking Operation subject to approval of regulatory authorities.

By order of the Board of Directors

Dated, Dhaka  
May 19, 2010

Sd/-  
(Md. Wahiduzzaman)  
VP & Company Secretary

#### NOTES :

1. The 'Record date' has been fixed on **May 10, 2010**.
2. A member eligible to attend the Extra Ordinary General Meeting may appoint a proxy to attend on his/her behalf. Proxy form must be affixed with revenue stamp at Taka 10.00 and submitted to the Registered Office of the Company not later than 48 hours before the time fixed for the Extra Ordinary General Meeting.
3. The Shareholders whose names appear in the Register of Members of the Company or in the CDBL on the Record Date i.e. May 10, 2010 shall be entitled to attend the meeting.
4. Members are requested to notify change of address, if any, through their respective Depository Participants well in time.
5. Admission into the meeting venue will be allowed on production of the Attendance Slip attached with the proxy form.
6. The proposed amendments in the Memorandum & Articles of Association are subject to the approval of the regulatory authorities.



## Our Vision

Become a market leader by providing innovative, integrated financial services and to create best value to our Shareholders.

## Our Mission

Develop the company into an ideal and unique financial institution by providing with excellent financial products and customer services to all our customers- corporate and individual not excluding the high paced pro-active participant of Corporate Social Responsibility (CSR).

## Our Objectives

- Be one of the market leaders of the industry
- Achieve excellence in customer service next to none and superior to all competitors
- Be a high quality distributor of financial products and services
- Provide customized financial services to specific clients in both leasing and merchant banking services
- To build the company as multi-product non bank financial institution for different segment of the market
- Maximize profitability and sustain steady growth
- Maximize benefit and satisfaction of the customer
- Maximize the welfare of the society through employment, training, grant etc. reflecting our social responsibility.



## Why Are We Different ?

- \* Up Front Disclosure
- \* Personalized Services
- \* Competitive Interest Rate
- \* Easy & Simple Process
- \* No Hidden Cost
- \* Quick and Friendly Customer Service
- \* Outstanding Customer Care

## Our Bankers

Mutual Trust Bank Limited.  
Exim Bank Ltd.  
Pubali Bank Limited  
Bank Asia Ltd.  
Trust Bank Limited  
Uttara Bank Ltd.  
Southeast Bank Limited  
Dutch-Bangla Bank Ltd.  
Islami Bank Bangladesh Ltd.  
Jamuna Bank Ltd.  
Janata Bank Ltd.  
Social Islami Bank Ltd.  
Standard Chartered  
The City Bank Ltd.  
Prime Bank Ltd.  
First Security Islami Bank Ltd.  
HSBC  
ICB Islami Bank Ltd.  
Mercantile Bank Ltd.

## Memberships

Association :  
Bangladesh Leasing & Finance Companies Association  
Forum :  
International Business Forum of Bangladesh  
Chambers of Commerce & Industry  
Dhaka Chamber of Commerce & Industry  
Chittagong Chamber of Commerce & Industry  
Bangladesh Malaysia Chamber of Commerce & Industry  
India-Bangladesh Chamber of Commerce & Industry



## FAS at a Glance

Fidelity Assets & Securities Company Limited (FAS) was incorporated on 4th March 1997 sponsored by a group of renowned & dedicated Bangladeshi industrialists and businessmen. Primarily, FAS received license from Securities & Exchange Commission (SEC) to act as a Merchant Banker. Subsequently it obtained license on 17th September 2001 from Bangladesh Bank as a Non-Banking Financial Institution (NBF). The authorize capital of the company is Tk. 500.00 million and the paid up capital of the company is Tk. 390.657 million. Capital base of the company has been strengthened further consequent upon issuance of 14,06,350 ordinary shares at Tk. 100/- each at par amounting to Tk. 140.635 million through Initial Public Offering (IPO) in the year 2007.

### Financial Products and Services of FAS are:

1. Lease Financing
2. Transport Financing
3. Term Financing
4. Project Financing
5. House Financing (Real Estate Finance)
6. Small & Medium Enterprise Financing (SME Finance)
7. Working Capital Financing
8. Factoring
9. Deposit Mobilization
  - i. Term Deposit Schemes
    - a. Monthly Benefit Scheme
    - b. Quarterly benefit Scheme
    - c. Yearly benefit Scheme
10. Merchant Banking Activities:
  - i. Securities Trading in Secondary Market
  - ii. Investor's Portfolio Management
  - iii. Issue Management
  - iv. Underwriting of Issues
  - v. Financial Consultancy
  - vi. Project Counseling





## Chronicles

4th March 1997	:	Incorporation of the Company
22nd January 1998	:	Licensed as Merchant Bank
18th August 2001	:	Converted into a Public Limited Company
17th September 2001	:	Licensed as Non-Banking Financial Institute
27th September 2001	:	Licensed for Principal Branch
27th December 2001	:	First Lease Agreement Signed
27th December 2001	:	Commencement of public deposit mobilization
11th September 2002	:	First Credit Line Agreement Signed
11th June 2003	:	Commencement of home loan
14th February 2007	:	Licensed for Chittagong Branch
3rd May 2007	:	Credit Rating by CRAB
18th July 2007	:	Licensed for Narsingdi Branch
31st July 2007	:	Approval of Prospectus by SEC
2nd August 2007	:	Publication of Prospectus
28th October 2007	:	Subscription opens
5th December 2007	:	Allotment of IPO Share
9th January 2008	:	Listing with DSE & CSE
16th January 2008	:	First trading of shares in DSE & CSE
9th July 2008	:	Licensed for Sylhet Branch



## Photo Gallery



Honourable Chairman speech in the 12th AGM



12th Annual General Meeting held on  
25th June, 2009



Registration of Shareholder AGM-2008



SME Finance



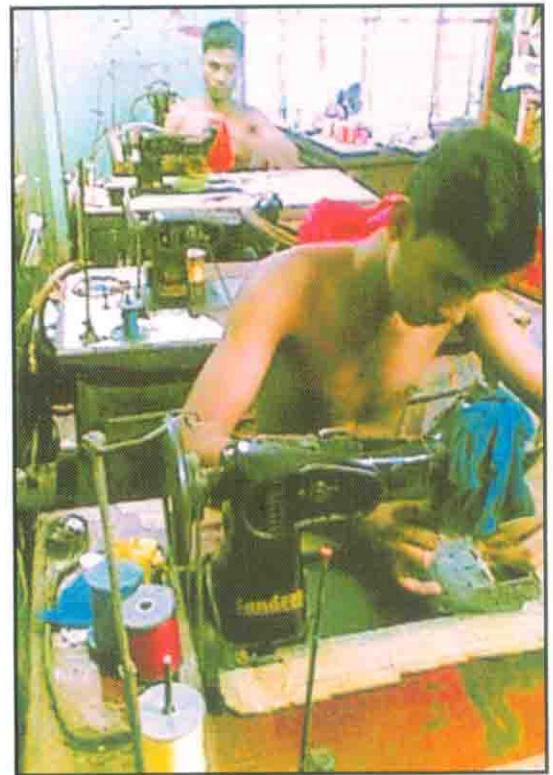
SME Finance



Commercial Building Project



Commercial Cum Residential Project



Readymade Garments Projects



## Board of Directors

### Chairman

Mr. Abdul Matlub Ahmad

### Directors

Mrs. Selima Ahmad

Mr. Syed Monwar Ali

Ms. Shahnaz Ahmad

Mr. Nasim Ali Khan

Mr. Asaduzzaman Chaudhury

Mr. Md. Serajul Islam

### Independent Director

Mr. Harun-Ur-Rashid, FCA

### Ex-Officio Director

Mr. Mohammed N. S. Kabir

### Company Secretary

Mr. Md. Wahiduzzaman



## Committees

### Executive Committee

Abdul Matlub Ahmad  
Chairman  
Selima Ahmad  
Member  
Mohammed N. S. Kabir  
Member  
Md. Abdul Maleque  
Member

### Audit Committee

Abdul Matlub Ahmad  
Chairman  
Selima Ahmad  
Member  
Syed Monowar Ali  
Member  
Mohammed N. S. Kabir  
Member

### Asset Liability Management Committee

Mohammed N. S. Kabir  
Managing Director & CEO  
Md. Akhtar Hossain  
Vice President & CFO  
Md. Wahidzaman  
Sr. Asstt. Vice President & Company Secretary  
Md. Maniruzzaman Akan  
Asstt. Vice President

### Risk Management Committee

Mohammed N. S. Kabir  
Managing Director & CEO  
Md. Akhtar Hossain  
Vice President & CFO  
Md. Wahidzaman  
Sr. Asstt. Vice President & Company Secretary

### Credit Risk Management Committee

Mohammed N S Kabir  
Managing Director & CEO  
Md. Akhtar Hossain  
Vice President & CFO  
Md. Wahidzaman  
Sr. Asstt. Vice President & Company Secretary  
Md. Maniruzzaman Akan  
Asstt. Vice President

### Internal Control & Compliance Committee

Mohammed N. S. Kabir  
Managing Director & CEO  
Md. Akhtar Hossain  
Vice President & CFO  
A K M Shamsheer Ali  
Sr. Officer



## FROM THE DESK OF THE CHAIRMAN

Honorable Shareholders, present guests, ladies and gentlemen,

Assalamu Alaikum

On behalf of the Board of Directors, of the Company, I welcome you all to this 13<sup>th</sup> Annual General Meeting to review the successful performance in the year 2009 and the future potentials of our company Fidelity Assets & Securities Company Ltd. (FAS). I gratefully acknowledge and thank you for the continuous support and encouragement you have accorded to the company. I believe your trust and faith in the Company shall bring greater successes in different fields for the Company in the years to come.

The company is committed to abide by the appropriate assessment of its honorable shareholders. A number of steps have been taken by the company with a view to increasing the value of stocks held by the shareholders. These steps include expansion of merchant bank operation, good corporate governance, pursuit of new policies and high dividend payment, etc.

The global economic slump that struck years back still lingers. To meet the challenge of its adverse economic impact, FAS went for expansion of its overall activities. I am very pleased to mention that the company has been continuing to pursue its business expansion activity throughout the year of 2009. The company's actual credit and deposit holding activity had significant growth in 2009. This year persistent economic slump both in domestic and international markets posed difficulties. Nevertheless, FAS gained a pre-tax profit of 12.46 crore on 2009, yielding growth @ 82%. In addition, I would present before you some more information for your appraisal:

Particulars	2009	2008	Growth
Earning Per Share (EPS)	21.91	12.20	79.59%
Price Earning Ratio (Times)	24.14	20.94	15.28%

I am happy to further mention that FAS has played a very significant role in performing its corporate social responsibility during FY 2009. FAS is bound by commitment to serve the society and stand by the general public in weal and woe.

In fine, I thank you all from the depth of my heart and greet every member of the Board of Directors and the general staff for their time, service and prayers for the company at different stages leading to success. Confidence of our shareholders and customers is our source of strength, I am grateful for their total support. I also acknowledge with thanks the support given by the Bangladesh Bank, Securities & Exchange Commission, Registrar of Joint Stock Companies, and other government and regulatory authorities, who accorded us guidelines and cooperation throughout the year. I also acknowledge the praise worthy contributions of my colleagues in the Board of Directors and their relentless cooperation.

Allah Hafez.

**Abdul Matlub Ahammed**  
Chairman



## চেয়ারম্যান মহোদয়ের বাণী

শ্রদ্ধেয় শেয়ার হোল্ডারবৃন্দ, সম্মানিত অতিথিবৃন্দ, ভদ্র মহিলা ও ভদ্রমহোদয়গণ  
আসসালামু আলাইকুম

ফিডেলিটি এসেটস এন্ড সিকিউরিটিজ কোম্পানী লিমিটেড (এফএএস) এর ২০০৯ সালে কোম্পানীর সাফল্য ও ভবিষ্যত সম্ভাবনা পর্যালোচনার উদ্দেশ্যে আমি অভ্যন্তরীণ আনন্দের সাথে এফএএস এর পরিচালনা পর্ষদের পক্ষ থেকে ১৩তম বার্ষিক সাধারণ সভায় আপনাদের স্বাগত জানাচ্ছি। কোম্পানীর প্রতি আপনাদের অব্যাহত সমর্থন এবং অনুপ্রেরণার জন্য আমি আপনাদের প্রতি কৃতজ্ঞতা এবং ধন্যবাদ জ্ঞাপন করছি। আপনাদের বিশ্বাস এবং আস্থা কোম্পানীর আগামী দিনগুলোতে বিভিন্ন ক্ষেত্রে বৃহত্তর সাফল্য বয়ে আনবে।

সম্মানিত শেয়ারহোল্ডারদের যথাযথ মূল্যায়নের জন্য কোম্পানী সম্পূর্ণ প্রতিশ্রুতিবদ্ধ। শেয়ারহোল্ডারদের শেয়ারের প্রাপ্য মূল্য বৃদ্ধিকরনের লক্ষ্যে অত্র প্রতিষ্ঠান নানান পদক্ষেপ গ্রহণ করেছে, যার মধ্যে আছে মার্চেন্ট ব্যাংকের কার্যক্রম প্রসার, উৎকৃষ্ট কর্পোরেট গভর্ন্যান্স, নতুন নতুন পলিসি অনুসরণ এবং উচ্চ ডিভিডেন্ড প্রদান ইত্যাদি।

ইতঃপূর্বে বিশ্বব্যাপী বিরাজিত আর্থিক মন্দা দশা এখনো কাটেনি। বিরাজমান অর্থনৈতিক চাপ মোকাবেলার জন্য এফএএস সার্বিক কর্মকান্ড সম্প্রসারণ করেছে। এটি উল্লেখ করতে পেরে আমি অভ্যন্তরীণ আনন্দিত যে, ২০০৯ সালের গোটা বছরটি ধরেই কোম্পানী তার বিস্তৃতির কার্যক্রম অব্যাহত রেখেছে। ২০০৯ সালের কোম্পানীর প্রকৃত ঋণ ও আমানত গ্রহণ কার্যক্রম তাৎপর্যপূর্ণভাবে বৃদ্ধি পেয়েছে। আভ্যন্তরীণ ও আন্তর্জাতিক ক্ষেত্রে অর্থনৈতিক মন্দা সত্ত্বেও এফএএস ২০০৯ সালে কর পূর্ব ১২.৪৬ কোটি মুনাফা করেছে এবং যার মুনাফার প্রবৃদ্ধির হার ছিল ৮২%। এ ছাড়া আরও কিছু তথ্য আপনাদের জ্ঞাতার্থে উপস্থাপন করছি-

Particulars	2009	2008	Growth
Earning Per Share (EPS)	21.91	12.20	79.59%
Price Earnings Ratio (Times)	24.14	20.94	15.28%

আমি আনন্দের সাথে আরও উল্লেখ করতে চাই যে, কর্পোরেট সোশ্যাল রেসপনসিবিলিটি কার্যক্রমের ক্ষেত্রে এফএএস ২০০৯ সালে গুরুত্বপূর্ণ ভূমিকা পালন করেছে। এফএএস সমাজ এবং সাধারণ জনগনের প্রতিটি সুখ দুঃখের সাথী হতে প্রতিশ্রুতিবদ্ধ।

সবশেষে আমি সবাইকে আন্তরিক ধন্যবাদ জ্ঞাপন করছি এবং কোম্পানীর লক্ষ্য অর্জনের পথে বিভিন্ন পর্যায়ে পরিচালনা পর্ষদ এবং সকল কর্মীবৃন্দের দেয়া, সময় দান ও প্রচেষ্টাকে অভিবাদন জানাই। আমাদের উপর শেয়ারহোল্ডার ও গ্রাহকদের আস্থা আমাদের শক্তির উৎস। তাঁদের সর্বাঙ্গিক সমর্থনের জন্য আমি কৃতজ্ঞ। আমি আরও ধন্যবাদ জানাই বাংলাদেশ ব্যাংক, সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন, রেজিস্ট্রার অব জয়েন্ট স্টক কোম্পানী এবং বিভিন্ন সরকারী ও অন্যান্য নিয়ন্ত্রক কর্তৃপক্ষকে যারা আমাদের সারা বছর ধরে নানাভাবে নিরবচ্ছিন্ন দিক নির্দেশনা এবং সহযোগিতা প্রদান করেছেন। পরিচালনা পর্ষদের কাজে নিয়োজিত আমার সহকর্মীগণও অবিশ্রান্ত সহযোগিতার জন্য বিশেষভাবে প্রশংসার দাবী রাখেন।

আব্বাহ হাফেজ।

আব্দুল মাতলুব আহম্মদ  
চেয়ারম্যান

## FIDELITY ASSETS & SECURITIES COMPANY LIMITED



### From the desk of the Managing Director

Assalamu Alaikum

I have the pleasure to present before you this report about another year of business success and continuous growth of investments of Fidelity Assets & Securities Company Limited.

Our annual growth in 2009 is quite satisfactory compared those of earlier years. Despite of adverse hard market conditions of various kind, we have successfully obtained good results. The gains we have made prove the precision of our appropriate decision-making.

The year 2009 was important to FAS. Overcoming many hurdles and handicaps, we were able to secure enough success in our business activity. Instability in capital market, business slump, and liquidity crisis notwithstanding, we have successfully managed to secure a post-tax profit worth 8.56 crore, which in turn led to 79.53% income growth, and is an indicator of the Company's progressively stronger business status. Besides, I have some more information to present before you:-

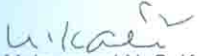
Particulars	2009	2008	Growth
Total Assets	1,611,929,042	1,284,797,992	25.46%
Total Deposits	222,292,121	6,472,378	3,334.47%
Profit after tax and provision	85,603,363	47,681,376	79.53%
Interest earning assets	1,434,283,030	1,110,363,570	29.17%
Return of Investment	7.46	4.18	78.57%
Income from investments	45,054,355	22,493,848	100.30%

The money market was still immersed in slump during 2009. The participants in the capital market were amazed more by the harshness of the economic slump than by its longevity. Under these circumstance the evolved and existing environment of the capital market remain patently challenging. Our annual growth in 2009 was satisfactory compared with the preceding years. It was the result of our business strategy, hard-work, and cooperation of customers. Our activity was aimed at delivery of quality service as per demand of customers. For the presentation and extension of our products and services, we participated in a fair of financial institutions held at Hotel Sheraton last year.

Although the global economic crisis persists, our business outlook for next year seems to be promising. The FAS started the year of 2010 from an excellent position. We are inspired by our vision and potential, and hope to gather more success in the course of 2010.

FAS is always careful in developing efficient human resource to reach the target of the company. For the betterment of the Company we are always making arrangements for proper guidance and incentives to burgeon the merit of our personnel. We offer attractive pay and allowance to our personnel. At the same time, we provide ample opportunity for professional development. And for that purpose, the company is continuously organizing as required different training courses/workshops/seminars for professional improvement of the officers and employees.

Thanking You.

  
 Mohammed N. S. Kabir  
 Managing Director & CEO





ব্যবস্থাপনা পরিচালক মহোদয়ের প্রতিবেদন

আসসালামু আলাইকুম

ফিডেলিটি এসেটস এন্ড সিকিউরিটিজ কোম্পানী লিমিটেড-এর আরও একটি বছরের ব্যবসায়িকভাবে সফল ও ধারাবাহিক বিনিয়োগ প্রবৃদ্ধির প্রতিবেদন আপনাদের সামনে উপস্থাপন করতে পেরে আমি আনন্দিত।

বিগত বছর সমূহের তুলনায় ২০০৯ সালে আমাদের বার্ষিক প্রবৃদ্ধি বেশ সন্তোষজনক। বিভিন্নমুখী কঠিন বাজার পরিস্থিতির মধ্যেও ভাল ফলাফল অর্জনে সক্ষম হয়েছি। অর্জিত ফলাফল আমাদের যথাযথ সিদ্ধান্তের যথার্থতা প্রমান করে।

২০০৯ বছরটি ছিল এফএএস এর জন্য গুরুত্বপূর্ণ। বিভিন্ন বাধা-বিপত্তি পেরিয়ে আমরা ব্যবসায়িক কার্যক্রমে যথেষ্ট সাফল্য অর্জনে সক্ষম হয়েছি। পূঁজিবাজারে অস্থিরতা, ব্যবসায়িক মন্দাবস্থা ও তারল্য সংকটের মধ্যেও আমরা কর পরবর্তী ৮.৫৬ কোটি টাকা মুনাফা এবং ৭৯.৫৩% আয় প্রবৃদ্ধি অর্জনে সক্ষম হয়েছি যা প্রতিষ্ঠানের ধারাবাহিক দৃড় অবস্থানের ইঙ্গিত বহন করে। এ ছাড়া আরও কিছু তথ্য আপনাদের জ্ঞাতার্থে উপস্থাপন করছি-

Particulars	2009	2008	Growth
Total Assets	1,611,929,042	1,284,797,992	25.46%
Total Deposits	222,292,121	6,472,378	3,334.47%
Profit after tax and provision	85,603,363	47,681,376	79.53%
Interest earning assets	1,434,283,030	1,110,363,570	29.17%
Return of Investment	7.46	4.18	78.57%
Income from investments	45,054,355	22,493,848	100.30%

২০০৯ সালেও আর্থিক বাজার মন্দায় নিমজ্জিত ছিল। আর্থিক বাজারে অংশগ্রহনকারীরা যত না আর্থিক মন্দার স্থায়িত্বের জন্য বিস্মিত হন ততোধিক বিস্মিত হন মন্দার প্রকটতার কারণে, এ অবস্থায় আর্থিক বাজারে সৃষ্ট ও বিদ্যমান পরিবেশ চ্যালেঞ্জিং বলেই মনে হচ্ছে। গত কয়েকটি বছরের তুলনায় ২০০৯ সালে আমাদের বার্ষিক প্রবৃদ্ধি সন্তোষজনক। এসবই আমাদের ব্যবসায়িক কৌশল, শ্রম ও গ্রাহকদের সহযোগিতার ফল। গ্রাহকবৃন্দের চাহিদামত গুণগত সেবা প্রদানই ছিল আমাদের কার্যক্রমের লক্ষ্য। আমাদের পন্য ও সেবার পরিচিতি ও প্রসারের লক্ষ্যে গত বছর হোটেল শেরাটনে আর্থিক প্রতিষ্ঠান সমূহের জন্য আয়োজিত একটি মেলায় আমরা অংশ গ্রহন করি।

বিশ্বব্যাপী অর্থনৈতিক মন্দা সত্ত্বেও আগামী বছর সম্ভাবনাময় বলে মনে হচ্ছে। চমৎকার অবস্থানে থেকে এফএএস ২০১০ সন শুরু করেছে। আমরা আমাদের দূরদর্শন ও সম্ভাবনার বিষয়ে উৎসাহী এবং ২০১০ সনের গতি-পরিক্রমায় আরও সফলতার বিষয়ে জানতে পারব বলে আশা রাখি।

প্রতিষ্ঠানের লক্ষ্য অর্জনের জন্য উপযুক্ত মানব সম্পদ তৈরিতে এফএএস সবসময়ই যত্নশীল। কোম্পানির উন্নতিকল্পে কর্মকর্তা ও কর্মচারীদের মেধার পূর্ণ বিকাশে কার্যকর নির্দেশনা ও উৎসাহ প্রদানের ব্যবস্থাও নেয়া হচ্ছে। আমরা আমাদের কর্মকর্তা ও কর্মচারীদের আকর্ষণীয় বেতনভাতা প্রদানের পাশাপাশি পেশাগত উন্নয়নের পর্যাপ্ত সুবিধা রেখেছি। আর সেজন্য কর্মকর্তা কর্মচারীদের পেশাগত উন্নয়নের লক্ষ্যে তাদেরকে প্রয়োজন ভিত্তিক বিভিন্ন প্রশিক্ষণ কর্মশালা/ওয়ার্কশপ/সেমিনারের আয়োজন করে যাচ্ছে।

ধন্যবাদ।

মোহাম্মদ এন. এস. কবির  
ব্যবস্থাপনা পরিচালক ও সিইও

## Statement of Risk Management

Risk is a state of uncertainty where some possibilities involve a loss, catastrophe, or other undesirable outcome. Risk management is activity directed towards the assessing, mitigating and monitoring of risks.

Fidelity Assets & Securities Company Limited (FAS) is the fastest growing non-banking financial institution work under the guidelines of Bangladesh Bank. As per Bangladesh Bank FID circular no. 10 dated September 18, 2005 for management of core risks, FAS has considered extensive guidelines for its core risks management. Besides, we have several committees and well structured risk management system to address risks concerning credit, market, liquidity and operations.

### Credit Risk

Credit risk is the risk of loss due to debtor's non-payment of a loan or other line of credit either the principal or interest or both. It is the risk of loss associated with client's inability to fulfill its payment obligation. Our policies, applicable laws and regulations prevailing the extension of credit require risk analysis including an extensive evaluation of the purpose of the credit and the ability of client and willingness of repayment.

At FAS the following measures are in place to mitigate the credit risk –

- Multilayer approval process;
- Maximum exposure limit to sector or group;
- Maximum exposure limit in relation to asset;
- CIB clearance report for each client;
- Report of payment performance of customers from earlier loan portfolio before the disbursement;
- Sufficient insurance coverage of invested asset;
- Strong monitoring for defaulted clients;
- Legal action;
- Follow up of compliance of credit policies;
- Regular review of performance of the industry exposure.

We have four members' credit risk management committee chaired by the Managing Director & CEO and three other departmental head. After reviewing the proposal, Executive Committee if within their approval authority may recommend to the Board for approval. The credit risk management committee scrutinize projects from risk weighted point of view and assist the management to create a high quality credit portfolio that maximize returns from risk assets.

### Market Risk

Market risk is the risk that the value of an investment will decrease due to moves in some market factors. Those are:-

Equity Risk - the risk that stock price will change.

Interest Rate Risk - the risk that interest rate will change.

Currency Risk - the risk that foreign exchange rate will change.

Commodity Risk - the risk that commodity price will change.

The year 2009 was a year of challenge as far as the market risk was concerned. Unstable interest rate structure, unavailability of surplus fund with banks & subsequently high interest rate could result in increase/high financial cost of the company. On the diversification policy of funding source, FAS has launched few deposit schemes as its debt product to attract the depositors & the response is encouraging. The Asset Liability Management Committee (ALCO) of the company meets to assess the changes of interest rate structure, market conditions, carry out asset liability maturity gap analysis and subsequently suggest the re-pricing of products & thereby takes effective measures to monitor and control interest rate risk.

## Liquidity Risk

Liquidity risk is the risk that a given security or asset can not be traded quickly enough in the market to prevent a loss or make the required profit. It arises from the mismatch of maturities of assets and liabilities.

Generally, liquidity requirements of FAS are managed on regular basis by the treasury Department which has the responsibility to ensure that sufficient funds are available to meet short term & long term obligation as well as investment requirement. The Asset Liability Management Committee (ALCO) also oversee the liquidity position and recommend appropriate measures to encounter this risk.

## Operational Risk

Operational risk is the potential loss resulting from inadequate or failed internal process, human and systems, compliance requirements, to protect interests of company or from external events.

To address operational risks, FAS has established an appropriate internal control system. Internal Control & Compliance Committee headed by its Chief Executive regularly meets to assess & identify the factor(s) of failure which caused operational risks.

FAS also takes initiative to establish an Operational Risk Management Department (ORMD) to address operational risk and to frame & implement policies, process and procedures for managing operational risk in all of the company products, activities, processes and systems by identifying and assessing the operational risk inherent in all our products, activities, process and systems.

## Statement on Corporate Governance

Corporate governance is the set of processes, customs, policies, laws, and institutions affecting the way a corporation is directed. Corporate governance also includes the relationship among the many stakeholders involved and the goals for which the corporation is governed. The principal stakeholders are the shareholders, management and the board of directors. Other stakeholders include employees, customers, creditors (e.g. banks, bond holders), suppliers, regulators, and the community at a large.

Fidelity Assets & Securities Company Limited (FAS) is exercising the system of structuring, operating and controlling with a view to achieve long term strategic goals to satisfy shareholders, creditors, employees, customers and suppliers and complying with the legal and regulatory requirements, apart from meeting environmental and local community needs.

We believe in honesty, trust and integrity, openness, performance orientation, responsibility and accountability, mutual respect and commitment to the organization. FAS always preserve the rights of the shareholders & effectively communicate with easily understandable and arrange accessible information to the shareholders and encourage participation in general meetings.

Corporate Governance guidelines issued by the SEC notification no. SEC/CMRRCD/2006-158/Admin/02-08 dated 20th February 2006 and as much as all compliance requirements of Bangladesh Bank DFID Circular No. 07 dated September 20, 2007 has been complied to ensure the best practice of corporate governance in the company.

The Board of FAS comprises nine members including one Independent Director and its Chief Executive as ex-officio. The Board act independently without any influence collectively and assesses the performance of the company as well as the management. As the brain of the company, the Board discharges their duties and responsibilities under the law effectively and efficiently and ensure the highest possible standard of ethics and uphold best interest of the stakeholders where the company conducted its operation. The Director(s) are appointed in the AGM by the shareholders. Any casual vacancy, if arises, is filled up by the Board subject to the condition of Articles of Association of the company and the Companies Act. In addition, one third of the Directors retire by rotation in AGM every year and are then eligible for re-election.

The position of the Chairman and Chief Executive Officer of the company are filled by the different individuals. The Chairman is elected by the Directors among them as per Articles of Association of the company. The respective roles and responsibilities of the Chairman and Managing Director are clearly defined by the Board of Directors.

The Board appointed Mr. Harun-Ur-Rashid FCA, a renowned Chartered Accountant who posses vast knowledge on finance & accounts as Independent Director of the company on August 20, 2008 in their 62nd meeting.

Chief Financial Officer (CFO), Head of Internal Audit and Company Secretary has been appointed and their respective roles, responsibilities and duties are clearly defined as per SEC guidelines. The CFO and Company Secretary attend the meetings of Board of Directors except in such part of the meeting which involves consideration of an agenda relating to the CFO and/or the Company Secretary.

The Executive Committee and Audit Committee are sub-committee of the Board discharges their duties as delegated on them and their activities are reported to Board. Other committees such as Asset Liability Committee, Risk Management Committee, Credit Risk Management Committee and Internal Control & Compliance Committee are authorized to delegation of power to discharge their responsibilities in compliance with all regulatory rules with the highest ethical standard and in the best interest of all its stakeholders.



### Statement of Corporate Social Responsibility

Corporate Social Responsibility (CSR), also known as Corporate Responsibility, Corporate Citizenship, Responsible Business and Corporate Social Opportunity is a form of corporate self-regulation integrated into a business model. Corporate Social Responsibility encompasses the overall relationship of an organization with all stakeholders-clients, shareholders, employees and communities.

Our commitment is to build healthy & long term relationship with our clients. Their trust on us is the key indicator of our business operation in the days ahead. We realize our quick & friendly customer service and outstanding customer care that will reflect on our business goals. Our upfront disclosure policy, transparency, integrity, accountability, and creative measure are endeavor to deliver our clients.

We always recognize our responsibilities to our respected shareholders and we are committed to create value to the shareholders. Through our continuous improvement in the business performance, we are ensuring the valued shareholders, a high standard of return on their investment. We believe on full disclosure of information which could meet the shareholders and related parties requirements and compliance of statutory requirements. Our trust on, a higher standard of Corporate Governance Practice could enrich the net worth of the shareholders.

As a financial institution FAS is committed to maintain Human Resources Management uniquely designed to provide high standard of recruitment policy ensuring continuous education (CE) for all employees. The stimulating work environment encourages the work force to embrace challenges for future. FAS consider its employees as the most valuable resources and focal point of all its operations. It follows a structured recruitment policy, service rules and compensation package for its workforce at all tiers. Since its inception, the company has recruited highly talented professional manpower coupled with fresh university Graduates and build up the finest team to cope up with the growing business.

Apart from the financial benefits, Management of FAS pursues a policy for employee's training both on and off the job in home and abroad to increase skills and to build capacity of its human resources to harness their full potential.

The aim of the company is to attract motivate and retain talented professionals. The company is committed to employee welfare career development. There has been continued investment in skill development with particular reference to marketing and customer service.

We are committed to environmental issues. As our business is mainly service, our products and services are not harmful for the environment. However, we are fully aware to the best practices in the environmental matter such as our premises, equipments and use and effluent disposal. We appraise project which may have critical environmental implications. Analyze and generally ignore/avoid investment where high volume of environmental risks is considered. FAS always practice the environmental legislations.

We also believe in creation of relationship with our lenders, depositors and related parties so that they want to do business with us. FAS give endeavor to create the value of its client's services and itself.

## Report of the Audit Committee

Audit Committee of FAS, formed in 2008 in the 58th meeting of the Board of Directors held on May 06, 2008, comprises four members nominated by the Board of Directors. The committee headed by the Mr. Abdul Matlub Ahmad and operates according to the terms of reference approved by the Board. The committee is directly reportable to the Board.

The committee comprises the following members :

>	Mr. Abdul Matlub Ahmad	Chairman
>	Mrs. Selima Ahmad	Member
>	Mr. Syed Monowar Ali	Member
>	Mr. Mohammed N S Kabir	Member

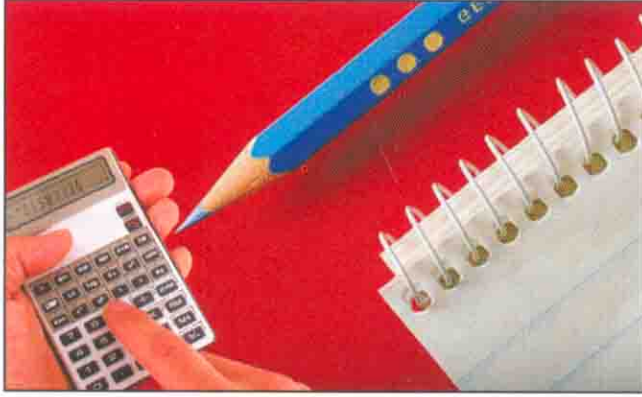
The committee met four times during the year 2009 to discharge the following business:

1. To discuss on the quarterly and half yearly financial statements for the year 2009.
2. To discuss & review regarding external auditor's report and actions taken by the management on various observations.
3. To evaluate the adequacy and effectiveness of the internal control system of the company.
4. To discuss about the role, responsibilities and smooth functioning of internal audit department of the company.
5. To discuss the audit plan for 2009 and its progress report.
6. To discuss on policies and procedures and minimization of cost whereby add value to the company.

The committee discussed on progress of preparation of financial statement for the year ended December 31, 2009 as per IAS as adopted in Bangladesh as BAS and other regulatory rules and provide to the statutory auditors for their audit.



**Abdul Matlub Ahmad**  
Chairman  
Audit Committee



## DIRECTORS' REPORT

**Dear Shareholders,**

Assalamu Alaikum Wa-Rahmatullah

On behalf of the Board of Directors of Fidelity Assets & Securities Company Limited, I welcome you to the Company's 13th Annual General Meeting 2009. It is my pleasure to present before you the Directors' Report alongwith the Audited Financial Statements for the year 2009.

### ECONOMIC SITUATION

The fiscal year of 2009 had to meet several challenges in terms of natural disaster, world economic slump, unstable price of food and oil as well as consumer products in the world market, and also lingering gas and power crisis. Nevertheless, the national economy of Bangladesh was stable on the whole through the year and there was continuity of economic growth.

As you know, Fidelity Assets & Securities Company Limited (FAS) runs its business operations in conformity with prevalent values and current trends and with full commitment to its social and ecological corporate responsibilities as a financial institution. This company has made considerable advancement by extension of credit to small and medium enterprises. In addition, the company has successfully lent assistance to a wide variety of commercial activity through its corporate credit facility.

At present, 54 commercial banks and 29 financial institutes are running operations in the country. They made substantial contributions to the general growth of the national economy and national income. During the fiscal year 2008-2009, available bank rate was 5%, same as the previous year. Due to effective surveillance of Bangladesh Bank, call money market in the fiscal year 2008-2009 was stable.

**প্রিয় শেয়ারহোল্ডারবৃন্দ**

আসসালামু আলাইকুম

ফিডেলিটি এসেটস এন্ড সিকিউরিটিজ কোম্পানী লিমিটেডের পরিচালনা পর্ষদের পক্ষ থেকে কোম্পানীর ২০০৯ ইং সালের বার্ষিক সাধারণ সভায় আপনাদের জানাই সুস্বাগতম। ২০০৯ইং সালের ৩১শে ডিসেম্বর তারিখে সমাপ্ত বৎসরের আর্থিক বিবরণী ও নিরীক্ষা প্রতিবেদনসহ কোম্পানীর ত্রয়োদশতম বার্ষিক প্রতিবেদন আপনাদের সামনে উপস্থাপন করতে পেরে আমি অত্যন্ত আনন্দিত।

**অর্থনৈতিক পরিস্থিতি**

২০০৯ সালের আর্থিক বছরটিতে প্রাকৃতিক দুর্যোগ, বিশ্ব অর্থনৈতিক মন্দা, বিশ্ব বাজারে খাদ্য ও তেলসহ নিত্য প্রয়োজনীয় দ্রব্যমূল্যের অস্থিতিশীলতা এবং অব্যাহত গ্যাস ও বিদ্যুৎ সংকট থাকা সত্ত্বেও বাংলাদেশের অর্থনীতি মোটামুটি স্থিতিশীল ছিল এবং অর্থনীতিতে প্রবৃদ্ধির ধারাবাহিকতা বজায় ছিল।

ফিডেলিটি এসেটস এন্ড সিকিউরিটিজ কোম্পানী লিমিটেড (এফএএস) বিদ্যমান মূল্যবোধ ও চলমান ধারার সাথে তাল রেখে এবং আর্থিক প্রতিষ্ঠানের সামাজিক ও পরিবেশগত দায়িত্বের প্রতি সম্মান রেখে ব্যবসায়িক কার্যক্রম পরিচালনা করে থাকে। অত্র প্রতিষ্ঠান দেশের ক্ষুদ্র ও মাঝারী ধরনের উদ্যোক্তাদের ঋণ সহায়তা কার্যক্রম আরো সম্প্রসারণে অগ্রগতি সাধন করেছে। এছাড়াও কোম্পানী কর্পোরেট আর্থিক সহায়তার মাধ্যমে ব্যাপক ব্যবসায়িক কর্মকাণ্ডে বহুমুখি বৈচিত্র্য আনয়নে সক্ষম হয়েছে।

বর্তমানে দেশে ৫৪টি বানিজ্যিক ব্যাংক ও ২৯টি আর্থিক প্রতিষ্ঠান তাদের কর্মকাণ্ড পরিচালনা করেছে। তারা জাতীয় আয় ও অর্থনীতির সার্বিক বিকাশে ব্যাপক অবদান রাখতে সক্ষম হয়েছে। ২০০৮-২০০৯ অর্থ বছরে পূর্ববর্তী বছরের মতই ব্যাংক রেট ৫% ছিল। বাংলাদেশ ব্যাংকের সক্রিয় নজরদারির ফলে ২০০৮-২০০৯ সনে কলমানি মার্কেট স্থিতিশীল ছিল।

## FIDELITY ASSETS & SECURITIES COMPANY LIMITED

OPERATIONAL PROGRAMME	ব্যবসায়িক কার্যক্রম
<p><b>Financing &amp; Investment Operation</b></p> <p>Taking into account the socio-economic condition of Bangladesh in relation to credit administration, the institute from the very beginning has been conservative in its decision-making. FAS always chooses diversified clientele consistent with its corporate vision, which includes corporate clients, institutional clients and SME's. Small and Medium Enterprises (SME) have made significant contribution to the economy of the country. Our aim is to establish the Company as a leading financial institution of Bangladesh and make significant contribution to the national economy.</p>	<p><b>অর্থায়ন ও বিনিয়োগ কার্যক্রম</b></p> <p>ঋণ পরিচালনায় বাংলাদেশের আর্থ-সামাজিক পরিস্থিতির কথা বিবেচনা করে প্রতিষ্ঠানটি প্রথম থেকেই বিনিয়োগের সিদ্ধান্ত গ্রহণের ক্ষেত্রে রক্ষণশীল। আমাদের কর্পোরেট ভিশন এর সাথে সঙ্গতি রেখে এফএএস সর্বদা নানা ধরনের ঋণের বেছে নেয় যার মধ্যে অন্তর্ভুক্ত থাকে কর্পোরেট ও প্রাতিষ্ঠানিক খাতক এবং ক্ষুদ্র ও মাঝারি উদ্যোক্তা। দেশের অর্থনীতিতে একটি উল্লেখযোগ্য অবদান রেখেছে ক্ষুদ্র ও মাঝারি উদ্যোক্তা (এসএমই)। বাংলাদেশের নেতৃস্থানীয় আর্থিক প্রতিষ্ঠান হিসাবে প্রতিষ্ঠা লাভ করা এবং জাতীয় অর্থনীতিতে তাৎপর্যপূর্ণ অবদান রাখাই আমাদের লক্ষ্য।</p>
<p><b>Lease Finance</b></p> <p>Lease financing is the main financial activity of FAS. The institute offers its services of full pay-out financial lease to various enterprises, e.g. growing firms, blue-chip companies and SME's for industrial capital machinery, medical equipment, transport and other logistical supports. Based on the principle 'repay liability from income', credit repayment is conveniently scheduled. The company has made notable investments in 2009 under lease finance option.</p>	<p><b>লীজ ফিন্যান্স</b></p> <p>এফএএস এর প্রধান অর্থায়নমূলক কর্মকাণ্ড হচ্ছে লীজ ফিন্যান্সিং। শিল্প উদ্যোক্তাদের মূলধন, যন্ত্রাদি, চিকিৎসা সরঞ্জাম, যানবাহন এবং অন্যান্য সামগ্রী সংগ্রহের জন্য সম্পূর্ণ পে-আউট আর্থিক লীজ দিয়ে এফএএস বিভিন্ন ধরনের প্রতিষ্ঠান যেমন উঠতি প্রতিষ্ঠান, ব্লু-চিপ কোম্পানী এবং এসএমই সমূহকে সেবা প্রদান করে থাকে। আয় থেকে দায় শোধ এই নীতির ভিত্তিতে ক্রমান্বয়ে গৃহীত ঋণ পরিশোধের সুযোগ দেওয়া হয়। লীজ ফিন্যান্স এর আওতায় কোম্পানী ২০০৯ সালে উল্লেখযোগ্য হারে বিনিয়োগ করেছে।</p>
<p><b>Term Finance</b></p> <p>FAS maintains a complete credit policy of its own which forms the guideline of its credit operation. Term Finance is one of the major services of this company, that applies to trade, industry and SME sectors with repayment period allowed from 12 to 60 months depending on the nature and needs of business. Finance is provided for support to experienced industrial entrepreneurs and businessmen.</p>	<p><b>টার্ম ফিন্যান্স</b></p> <p>এফএএস এর একটি পূর্ণাঙ্গ ঋণদান নীতিমালা রয়েছে যার অনুসরণে যাবতীয় ঋণদান কার্যক্রম পরিচালিত হয়। অত্র প্রতিষ্ঠানের অন্যতম সেবা পন্য টার্ম ফিন্যান্স। ব্যবসায়ের ধরণ এবং প্রয়োজনের উপর ভিত্তি করে বাণিজ্যিক, শিল্প ও এসএমই খাতে ১২ থেকে ৬০ মাসের জন্য টার্ম ফিন্যান্স দেওয়া হয়। অভিজ্ঞ শিল্প উদ্যোক্তা ও ব্যবসায়ীদের সহায়তার জন্য অর্থায়ন বরাদ্দ করা হয়।</p>
<p><b>Capital Market Operation</b></p> <p>The capital market of the country has gone through structural reforms. With the introduction of Information and Communication Technology and its progressive improvements, the country's capital market is also showing visible improvements. Even then, compared to the capital markets of developed economies, our capital market lacks maturity. Nevertheless congenial atmosphere for investment now exists in the capital market, and ordinary investors are becoming more knowledgeable about judging the risks and opportunities of investment in stocks. FAS has several years of experience in capital market activity. Apart from that, other available FAS services are available in the fields of merchant banking, portfolio management and stock brokerage.</p>	<p><b>পুঁজি বাজার কার্যক্রম</b></p> <p>দেশের পুঁজি বাজারে কাঠামোগত পরিবর্তন সাধিত হয়েছে। প্রবর্তিত তথ্য ও যোগাযোগ প্রযুক্তির ক্রমোন্নতির সাথে সাথে দেশের পুঁজি বাজারেও উন্নতি পরিলক্ষিত হচ্ছে। তা হলেও উন্নত অর্থনীতির পুঁজি বাজারের তুলনায় আমাদের পুঁজি বাজার এখনও অপরিপক্ব। তথাপি বর্তমানে পুঁজি বাজারে বিনিয়োগের চমৎকার পরিবেশ বিরাজমান এবং সাধারণ বিনিয়োগকারীদের মধ্যে সন্তোষ ও ঝুঁকি বিবেচনা করে বিনিয়োগ করার মতো জ্ঞান বৃদ্ধি পাচ্ছে।</p> <p>পুঁজি বাজার কার্যক্রমে এফএএস এর রয়েছে কয়েক বছরের অভিজ্ঞতা। এ ছাড়া মার্চেন্ট ব্যাংকিং, পোর্টফোলিও ব্যবস্থাপনা এবং ষ্টক ব্রোকারেজ ক্ষেত্রগুলোতে এফএএস সেবা প্রদান করে থাকে।</p>
<p><b>Merchant Banking</b></p> <p>FAS has public issue management, underwriting and consultancy services. Fidelity Assets &amp; Securities Company Ltd. is the first merchant banker of the country who obtained license as a financial institution from Bangladesh Bank for such financial services. In 2009, the company participated in a number of underwriting and Pre-IPO placement projects.</p>	<p><b>মার্চেন্ট ব্যাংকিং</b></p> <p>এফএএস এর রয়েছে পাবলিক ইস্যু ম্যানেজমেন্ট, আন্ডাররাইটিং এবং পরামর্শদান সেবাসমূহ। ফিডেলিটি এসেটস এন্ড সিকিউরিটিজ কোম্পানী লিঃ দেশের প্রথম মার্চেন্ট ব্যাংকার যারা অর্থায়ন ব্যবসার নিমিত্তে বাংলাদেশ ব্যাংক থেকে আর্থিক প্রতিষ্ঠান হিসাবে লাইসেন্স পায়। ২০০৯ সালে কোম্পানীটি আন্ডাররাইটিং এবং প্রি-আইপিও প্রেসমেন্ট এর বেশ কয়েকটি প্রকল্পে অংশগ্রহণ করেছে।</p>



## FIDELITY ASSETS & SECURITIES COMPANY LIMITED

<p><b>Portfolio Management</b> Portfolio Management service is one of the major components of FAS activity, where the company offers margin loan facility in its product line. Transactions in the portfolio accounts are made in accordance with customers' own judgment.</p>	<p><b>পোর্টফোলিও ব্যবস্থাপনা</b> এফএএস এর রয়েছে পোর্টফোলিও ব্যবস্থাপনা সেবা, যেখানে এর প্রোডাক্ট লাইনে মার্জিন লোন এর সুবিধা রয়েছে। পোর্টফোলিও একাউন্টের লেনদেন করা হয় গ্রাহকদের বুদ্ধিবিবেচনা অনুযায়ী।</p>
<p><b>Portfolio Credit</b> FAS offers to potential individual or corporate investors of the capital market access to its margin loan facility for portfolio customers enabling them to purchase shares and securities. Amount of portfolio credit upto December 2009 stood at 238.45 million takas compared to 28.59 million in 2008. In this case the growth is 734%. The above amount is the total investors portfolio credit as given to different portfolio customers, which was advanced against their own deposits for purchasing shares listed in stock exchange. The credit given for shares purchased under margin loan account is completely secured as shares are under lien.</p>	<p><b>পোর্টফোলিও ঋণ</b> পূঁজিবাজারের সম্ভাবনাময় বিনিয়োগকারী ব্যক্তি ও প্রাতিষ্ঠানিক বিনিয়োগকারীকে শেয়ার ও সিকিউরিটিজ ক্রয়ের জন্য এফএএস পোর্টফোলিও গ্রাহকদের মার্জিন লোন সুবিধা দিয়ে থাকে। ২০০৯ এর ডিসেম্বর পর্যন্ত মোট পোর্টফোলিও ঋণের পরিমাণ ছিল ২৩৮.৪৫ মিলিয়ন টাকা যা, ২০০৮ এ ছিল ২৮.৫৯ মিলিয়ন টাকা। এক্ষেত্রে বৃদ্ধি ৭৩৪%। উপরোল্লিখিত পরিমাণটি হল বিভিন্ন পোর্টফোলিও গ্রাহকদের দেয়া মোট ইনভেস্টরস্ পোর্টফোলিও ঋণ, যা তাদেরকে দেয়া হয়েছে নিজেদের ডিপোজিট এর বিপরীতে স্টক এক্সচেঞ্জে তালিকাভুক্ত শেয়ার কেনার জন্য। মার্জিন লোন একাউন্টের অধীনে কেনা শেয়ারগুলোর উপর দেয়া ঋণ শেয়ার লিয়েনকৃত হিসাবে সম্পূর্ণ নিরাপদ।</p>
<p><b>Investment in Shares and Securities</b> FAS maintains an exclusive portfolio for investment in shares and securities of enlisted companies, which is well assorted in securities of different heads. In most cases, risk in investment is minimized by investing basically in firm securities and by dispersal. Our merchant bank division has been delivering this service very efficiently and skilfully over the preceding years, and this year was no exception.</p>	<p><b>শেয়ার এবং সিকিউরিটিজ- এ বিনিয়োগ</b> তালিকাভুক্ত কোম্পানী সমূহের শেয়ার এবং সিকিউরিটিতে বিনিয়োগ করার জন্য এফএএস এর একটি নিজস্ব পোর্টফোলিও রয়েছে যা বিভিন্ন খাতের সিকিউরিটিতে পূর্ণাঙ্গভাবে বিবেচনাকৃত। বেশির ভাগ ক্ষেত্রে মৌলিকভাবে দৃঢ় সিকিউরিটিতে বিনিয়োগ এবং বিবেচনাকরণের মাধ্যমে বিনিয়োগের ঝুঁকি সর্বনিম্ন করা হয়। বিগত বছর সমূহে আমাদের মার্চেন্ট ব্যাংক ডিভিশন অত্যন্ত দক্ষতার সঙ্গে দায়িত্ব পালন করেছে। এ বছরও তার ব্যত্যয় ঘটেনি।</p>
<p><b>Banking Arrangements</b> Various commercial banks continue to place solid confidence on FAS. As a result, we could obtain credit facility at competitive rates. The company has successfully secured credit from banks under different credit facility scheme for financing its own activities, the balance of which is 354.66 million takas upto 2009, and it has already repaid credit of 153.65 million takas in 2009 in accordance with agreed terms and conditions. In addition, the company has also secured fund from Bangladesh Bank under SME refinancing scheme.</p>	<p><b>ব্যাংকিং এয়ারেঞ্জমেন্টস</b> বিভিন্ন বানিজ্যিক ব্যাংক এফএএস এর উপর তাদের আস্থা অক্ষুণ্ন রেখেছে, যার ফল হল প্রতিযোগিতামূলক হারে ঋণ সুবিধা। নিজেদের কার্যক্রমে অর্থায়ন করার জন্য ব্যাংক সমূহ থেকে বিভিন্ন রকমের ঋণ সুবিধার মাধ্যমে কোম্পানীটির ২০০৯ সাল পর্যন্ত ঋণের স্থিতি ৩৫৪.৬৬ মিলিয়ন টাকা এবং চুক্তির শর্ত অনুযায়ী ২০০৯ সালে ১৫৩.৬৫ মিলিয়ন টাকা ঋণ ফেরত দিয়েছে। এ ছাড়াও কোম্পানী এসএমই রি-ফিন্যান্সিং স্কীম এর আওতায় বাংলাদেশ ব্যাংকের কাছ থেকে অর্থলাভ করেছে।</p>
<p><b>Deposit Mobilization</b> FAS uses its own various deposit schemes to collect term deposits from corporate bodies and individual persons. Competitive interest rate, attractive savings scheme, effective pursuit of deposit collection, good customer service and, above all, confidence of customers have been contributing factors to remarkable growth in deposit collection by the company. We have, therefore, amongst our depositors various institutions as well as members of the public. Total amount of deposit upto December 2009 stood at 222.29 million takas.</p>	<p><b>ডিপোজিট মোবাইলাইজেশন</b> এফএএস নিজেদের বিভিন্ন ডিপোজিট স্কীমগুলোর মাধ্যমে কর্পোরেট এবং স্বতন্ত্র ব্যক্তিদের কাছ থেকে টার্ম ডিপোজিট গ্রহণ করে থাকে। প্রতিযোগিতামূলক সুদের হার, আকর্ষণীয় সঞ্চয় প্রকল্প, ডিপোজিট সংগ্রহের কার্যকর প্রচেষ্টা, উৎকৃষ্ট গ্রাহকসেবা এবং সর্বোপরি গ্রাহকদের আস্থা ডিপোজিট সংগ্রহের উল্লেখযোগ্য প্রবৃদ্ধি অর্জনে অবদান রেখেছে। তাই জমাকারীদের মধ্যে আছে বিভিন্ন প্রতিষ্ঠান সমূহ এবং জনসাধারণ। ২০০৯ এর ডিসেম্বর পর্যন্ত মোট ডিপোজিটের পরিমাণ ছিল ২২২.২৯ মিলিয়ন টাকা।</p>
<p><b>Shareholding Pattern</b> Shareholding structure of the company maintained till 31 December 2009 is given in Annexure- 1.</p>	<p><b>শেয়ারহোল্ডিং কাঠামো</b> ২০০৯ সালের ৩১শে ডিসেম্বর পর্যন্ত কোম্পানীর বহাল শেয়ার হোল্ডিং কাঠামোর বর্ণনা সংযোজন-১ পত্রে দ্রষ্টব্য।</p>

## FIDELITY ASSETS & SECURITIES COMPANY LIMITED

### Board Meetings and Attendance

The board held total eight (08) meetings in the year ending on 31 December 2009, and attendance of directors in the meetings was as follows:

Name of Directors	Attendance in meeting
Mr. Abdul Matlub Ahmad	08
Mrs. Selima Ahmad	07
Mr. Sayed Monwar Ali	05
Mrs. Shahnaz Ahamed	05
Mr. Nasim Ali Khan	04
Mr. Asaduzzaman Chaudhury	00
Mr. Md. Sirajul Islam	03
Mr. Harun-Ur-Rashid	05

Leave of absence of directors not present in the meeting were duly obtained.

### বোর্ড এর সভাসমূহ এবং পরিচালকদের উপস্থিতি

৩১শে ডিসেম্বর ২০০৯ এ শেষ হওয়া বছরে বোর্ড এর মোট ০৮ (আট)টি সভা হয়েছে এবং সভাগুলোতে পরিচালক উপস্থিতি ছিল নিম্নরূপ-

পরিচালকদের নাম	সভায় উপস্থিতি
জনাব আব্দুল মাতলুব আহম্মদ	০৮
মিসেস সেলিমা আহম্মদ	০৭
জনাব সৈয়দ মনোয়ার আলী	০৫
মিসেস শাহনাজ আহম্মদ	০৫
জনাব নাসিম আলী খান	০৪
জনাব আসাদুজ্জামান চৌধুরী	০০
জনাব মোঃ সিরাজুল ইসলাম	০৩
জনাব হারুন উর রশীদ	০৫

সভায় অনুপস্থিত পরিচালকদের ছুটি মঞ্জুরকৃত।

### Financial Results

A comparative statement of financial outcome of the years 2009 and 2008 is given below:

(Taka)			(টাকা)		
Particulars	2009	2008	বিবরণ	২০০৯	২০০৮
Operating Income	171,194,720	115,132,540	ব্যবসায়িক আয়	১৭১,১৯৪,৭২০	১১৫,১৩২,৫৪০
Operating expenses & provision	(46,540,500)	(46,601,572)	ব্যবসায়িক ব্যয় ও বরাদ্দ	(৪৬,৫৪০,৫০০)	(৪৬,৬০১,৫৭২)
Profit before tax	124,654,220	68,530,968	কর পূর্ব লভ্যাংশ	১২৪,৬৫৪,২২০	৬৮,৫৩০,৯৬৮
Provision for taxation	(39,050,857)	(20,849,592)	কর বরাদ্দ	(৩৯,০৫০,৮৫৭)	(২০,৮৪৯,৫৯২)
Profit after tax	85,603,363	47,681,376	কর পরবর্তী লভ্যাংশ	৮৫,৬০৩,৩৬৩	৪৭,৬৮১,৩৭৬
Retained Surplus brought forward	49,123,767	57,857,506	হালনাগাদ রক্ষিত উদ্ধৃত	৪৯,১২৩,৭৬৭	৫৭,৮৫৭,৫০৬
Available profit	134,727,130	105,538,882	প্রাপ্য লভ্যাংশ	১৩৪,৭২৭,১৩০	১০৫,৫৩৮,৮৮২
Directors recommendation for appropriation of accumulated surplus			সঞ্চয় উদ্ধৃতির জন্য পরিচালকদের সুপারিশ		
Transferred to Statutory Reserve	17,120,673	9536,275	বিধেয় রিজার্ভে জমা	১৭,১২০,৬৭৩	৯৫৩৬,২৭৫
Proposed cash dividend		46,878,840	প্রস্তাবিত নগদ ডিভিডেন্ড		৪৬,৮৭৮,৮৪০
Proposed bonus share @ 15%	58,598,550		প্রস্তাবিত বোনাস শেয়ার	৫৮,৫৯৮,৫৫০	
Retained surplus carried forward	59,007,907	49,123,767	রক্ষিত উদ্ধৃতির ইজা	৫৯,০০৭,৯০৭	৪৯,১২৩,৭৬৭
Total	134,727,130	105,538,882	মোট	১৩৪,৭২৭,১৩০	১০৫,৫৩৮,৮৮২

### Proposed Dividend

In 2009, the Board of Directors of the company declared 15% stock dividend for shareholders. The shareholders shall receive fifteen (15) bonus shares against every hundred (100) shares held by them.

### প্রস্তাবিত ডিভিডেন্ড

কোম্পানীর পরিচালনা পর্ষদ ২০০৯ সালে শেয়ারহোল্ডারদের জন্য ১৫ শতাংশ স্টক ডিভিডেন্ড ঘোষণা করেছেন। শেয়ারহোল্ডাররা প্রতি ১০০(একশত)টি শেয়ারের বিপরীতে ১৫(পনের)টি বোনাস শেয়ার পাবেন।

### Re-finance Scheme of Bangladesh Bank

In 2004, Bangladesh Bank introduced re-financing scheme in order to encourage easy access to support/credit for different banks and financial institutions for developing small and medium industries. Under the auspices of the scheme, the company has secured, for new and experienced entrepreneurs, 55.85 million taka worth of credit from Bangladesh Bank at usual bank rate during 2009, which helped reduction of the company's capital cost. The company is hopeful of obtaining more funds under this scheme in future.

### বাংলাদেশ ব্যাংকের রিফাইন্যান্স স্কিম হতে আর্থিক সহায়তা

বাংলাদেশ ব্যাংক বিভিন্ন ব্যাংক ও আর্থিক প্রতিষ্ঠানের মাধ্যমে ক্ষুদ্র এবং মাঝারী শিল্প উন্নয়নের জন্য সহজ শর্তে আর্থিক সহায়তা / ঋণ প্রদানকে উৎসাহিত করার লক্ষ্যে ২০০৪ ইং সালে রিফাইন্যান্সিং স্কিম চালু করেছে। নতুন ও অভিজ্ঞ শিল্প উদ্যোক্তাদের জন্য এ স্কিমের অধীনে ২০০৯ সালে কোম্পানী মোট ৫৫.৮৫ মিলিয়ন টাকা বাংলাদেশ ব্যাংক থেকে প্রচলিত ব্যাংক রেটে ঋণ পেয়েছে যা কোম্পানীর মূলধন ব্যয় হ্রাস করেছে। কোম্পানী এ স্কিমের মাধ্যমে ভবিষ্যতে আরো তহবিল প্রাপ্তির আশা করছে।

## FIDELITY ASSETS & SECURITIES COMPANY LIMITED

### Corporate outlook and financial report framework

- a) Diversify operation and extend business periphery by undertaking new projects.
- b) Raise customer satisfaction upto the highest level through delivery of fast and quality service in favorable environment, and take a convenient position in competition with other financial institutions.
- c) Raise money and borrow from banks, individuals and corporate investors to increase the amount of investable fund.
- d) Careful selection of customers for diminishing risk and intensive surveillance of financed projects.
- e) Diminish collection cost of investable funds.
- f) Bring the controllable cost to the minimum level.

### কোম্পানির দৃষ্টিভঙ্গী ও আর্থিক প্রতিবেদন কাঠামো

- ক) নতুন নতুন কর্মসূচী গ্রহণ করে কোম্পানীর কার্যক্রম বহুমুখীকরণ ও ব্যবসা সম্প্রসারণ।
- খ) অনুকূল পরিবেশে দ্রুত এবং উন্নত সেবা প্রদানের মাধ্যমে গ্রাহক সন্তুষ্টি সর্বোচ্চ পর্যায়ে উন্নতীকরণ এবং অন্যান্য আর্থিক প্রতিষ্ঠানের সাথে প্রতিযোগিতায় সুবিধাজনক অবস্থান গ্রহণ।
- গ) ব্যাংক, ব্যক্তি এবং প্রাতিষ্ঠানিক বিনিয়োগকারী হতে অর্থ সংগ্রহ এবং ঋণ আদায় করে বিনিয়োগযোগ্য তহবিলের পরিমাণ বৃদ্ধি।
- ঘ) ঝুঁকি কমানোর জন্য সতর্কতার সাথে গ্রাহক নির্বাচন এবং অর্থায়িত প্রকল্প সমূহের উপর নিবিড় নজরদারি।
- ঙ) বিনিয়োগযোগ্য তহবিলের সংগ্রহ ব্যয় কমানো।
- চ) নিয়ন্ত্রনযোগ্য খরচ ন্যূনতম পর্যায়ে আনয়ন।

### Human Resources

We earnestly believe that our workers are our resource. FAS employs personnel who are skilled and eligible. It trains the workforce for enabling them in delivery of service. 15 officers from Bangladesh Bank, SEDF and other institutions participated in our training courses and workshops during 2009. In December 2008, the number of FAS personnel was 44. It was 53 in December 2009. This expansion of the ambit of human resource of the Company happened in consequence of business expansion.

### মানব সম্পদ

আমরা একান্তভাবে বিশ্বাস করি যে, আমাদের কর্মীবৃন্দ আমাদের সম্পদ। এফএএস দক্ষ, যোগ্যতাসম্পন্ন প্রার্থীদের নিয়োগদান করে থাকে। সেবা প্রদানে সক্ষমতা তৈরীর জন্য কর্মীবৃন্দকে প্রশিক্ষণ দেয়। ২০০৯ সালে বাংলাদেশ ব্যাংক, এসইডিএফ সহ বিভিন্ন প্রতিষ্ঠান থেকে ১৫ কর্মকর্তা আমাদের প্রশিক্ষণ ও কর্মশালায় অংশ নিয়েছেন। ২০০৮ সালে ডিসেম্বরে এফএএস কর্মকর্তা-কর্মচারীর সংখ্যা ছিল ৪৪ জন যা ২০০৯ ডিসেম্বরে হয়েছে ৫৩ জন। ব্যবসা সম্প্রসারণের ফলশ্রুতিতে কোম্পানির মানব সম্পদের পরিধি এই বিস্তৃতি ঘটে।

### Directors

Under sections 104 & 105 of the Articles of Association of the company, one third of the Directors are required to retire from the Board every year and equal number of directors are to be elected/re-elected. As such, the following directors will retire this year from the Board:

- 1) Mrs. Selima Ahmad
- 2) Mrs. Shahnaz Ahmed
- 3) Mr. Nasim Ali Khan

Since they are eligible for reelection, they expressed their arduous to be reelected:

### পরিচালকবৃন্দ

কোম্পানীর আর্টিকেল অব অ্যাসোসিয়েশন অনুযায়ী ১০৪ ও ১০৫ নং ধারায় (১/৩) এক তৃতীয়াংশ পরিচালককে পর্যায়ক্রমে প্রতিবছর অবসর গ্রহণ করার বিধান রয়েছে। তদনুসারে সমসংখ্যক পরিচালক নির্বাচিত কিংবা পুনর্নির্বাচিত হবেন। সে মোতাবেক নিম্নবর্ণিত পরিচালকবৃন্দ এ বছর পর্যদ থেকে অবসরগ্রহণ করবেন।

- ১) মিসেস সেলীমা আহাম্মদ
- ২) মিসেস শাহনাজ আহাম্মদ
- ৩) জনাব নাসিম আলী খান

পুনর্নির্বাচিত হবার যোগ্যতা থাকায় তাঁরা পুনরায় নির্বাচিত হওয়ার জন্য আগ্রহ প্রকাশ করছেন।

### Compliance of SEC Notification

FAS has aptly complied with the code prepared by SEC for financial institutions. Compliance with International Accounting Standard as applicable in Bangladesh and keeping proper record of Books of Accounts have been ensured, and relevant accounting rules in preparation of financial statement have been duly observed.

### এসইসির নোটিফিকেশন এর পরিপালন

আর্থিক প্রতিষ্ঠানের জন্য এসইসি কর্তৃক প্রকাশিত নীতিমালা এফএএস যথাযথভাবে পরিপালন করছে। বাংলাদেশের জন্য প্রযোজ্য ইন্টারন্যাশনাল একাউন্টিং স্ট্যান্ডার্ডকে অনুসরণ সহ সঠিক ভাবে বুকস অব একাউন্টস সংরক্ষণ নিশ্চিত করা হয়েছে এবং আর্থিক বিবরণী তৈরিতে যথাযথ হিসাব সংক্রান্ত বিধিমালা ধারাবাহিক ভাবে অনুসরণ করা হয়েছে।

### Auditors

The company's Auditor M/S. Huda Vasi Chowdhury & Co., Chartered Accountants has been successful in completing audit of our accounts for three years including 2009. According to provision of the Financial Institution Act, 1993 (Section 24), the company needs to appoint a new auditor for the year 2010. We have already received a number of offers from several chartered accountants stating their interest in performing audit assignment. The Board of Directors after due consideration has accepted the application of M/S. Joha Jaman Kabir Rashid & Co., Chartered Accountants, and recommended them for appointment as auditors for 2010.

### নিরীক্ষক নিয়োগ

কোম্পানীর নিরীক্ষক মেসার্স হুদা ভাসী চৌধুরী এন্ড কোং, চার্টার্ড একাউন্ট্যান্টস ২০০৯ইং সাল সহ তিন বৎসরের নিরীক্ষা কার্যক্রম সফলতার সাথে সম্পন্ন করেছেন। আর্থিক প্রতিষ্ঠান আইন ১৯৯৩ এর ২৪ ধারা অনুযায়ী ২০১০ সালের জন্য নতুন নিরীক্ষক নিয়োগ করা প্রয়োজন। আমরা বেশ কিছু কোম্পানীর তরফ থেকে নিরীক্ষা কার্যে নিযুক্তির আগ্রহ সম্বলিত আবেদন পেয়েছি। পরিচালনা পর্যদ মেসার্স জোহা জামান কবির রশীদ এন্ড কোং, চার্টার্ড একাউন্ট্যান্টস, এর আবেদন গ্রহণপূর্বক ২০১০ইং সালের নিরীক্ষক হিসাবে নিয়োগ প্রদানের জন্য সুপারিশ করেছে।

## FIDELITY ASSETS & SECURITIES COMPANY LIMITED

### Corporate Governance

Our regulatory bodies viz. Bangladesh Bank, SEC, DSE have been issuing guidelines in establishing corporate good governance. Accordingly, the company management has prepared, with a view to good corporate governance, a Code of Employment, Code of Conduct for employees, Credit Risk Guidelines, Management Guidelines, Internal Regulation Guidelines, and a handbook of information technology. Their details are separately scheduled in Annexure- II.

### কর্পোরেট গভর্নেন্স

প্রাতিষ্ঠানিক সুশাসন প্রতিষ্ঠায় আমাদের নিয়ন্ত্রক সংস্থা যথা বাংলাদেশ ব্যাংক, এসইসি, ডিএসই নির্দেশনা প্রদান করে আসছে। সে মোতাবেক কর্তৃপক্ষ সুশাসন প্রতিষ্ঠায় নিয়োগবিধি, এমপ্লয়ীদের আচরণবিধি, ঋণ ঝুঁকি নির্দেশনা, ব্যবস্থাপনা নির্দেশিকা, আভ্যন্তরীণ নিয়ন্ত্রণ নির্দেশিকা ও তথ্যপ্রযুক্তি নির্দেশ তৈরী করেছে। এ বিষয়ে পৃথকভাবে বিস্তৃত শিডিউল সংযোজিত।  
(সংযোজন-II)

### Future Plan

In the years to come, our highest priority will be to establish our appropriate status in the capital market by application of our own business strategy. To reach that target, the company is continuing to apply successful business practices, improve its customer service and develop the skills of workforce. As part of our business expansion plan, we decided to launch merchant bank operation in divisional and district towns of the country and open branches in Khulna and Barisal districts. Before those steps, we have appreciated the operations of our existed branches

### ভবিষ্যত পরিকল্পনা

নিজস্ব ব্যবসায়িক কৌশলে আগামী দিন গুলোতে আমাদের কাছে সর্বোচ্চ গুরুত্ব পাবে পুঁজি বাজারে একটি যথাযথ অবস্থান তৈরী করা। এ জন্য কোম্পানি সফল ব্যবসায়িক পদ্ধতি অবলম্বনের মাধ্যমে প্রতিনিয়ত গ্রাহকসেবার মান বৃদ্ধি সহ কর্মীবাহিনীর কর্মদক্ষতা বৃদ্ধি করে চলেছে। আমাদের ব্যবসায়ের প্রসার পরিকল্পনার অংশ হিসাবে দেশের বিভাগীয় ও জেলা শহরে মার্চেন্ট ব্যাংকের কার্যক্রম শুরুসহ খুলনা ও বরিশালে শাখা খোলার সিদ্ধান্ত হয়েছে। তবে আমরা আমাদের বিদ্যমান শাখাগুলোর কার্যক্রমের মূল্যায়ন করছি।

### Conclusion and acknowledgement

Right from the beginning of its operations, FAS has been able to secure firm faith and trust of its clientele. The company has achieved remarkable growth, the credit for which is goes the combined efforts of FAS workforce, to speedy and timely decision making, sincere service delivery, right utilization of resources, innovations, and in general, to relentless enterprise of company employees. Right directions and recommendations from the government of Bangladesh, Bangladesh Bank, Securities & Exchange Commission, Dhaka Stock Exchange, Chittagong Stock Exchange, and Registrar of Joint Stock Companies have helped the achievement. The Board of Directors of the company therefore expresses its earnest gratetude to all concerned. The Directors also hereby congratulate all officers and employees of the Company, and acknowledge that the success of the Copmany is owed to their sincere efforts, and to the continuous support and assistance of the customers, shareholders and well-wishers of the Company.


### কৃতজ্ঞতা

এফএএস এর কার্যক্রমের শুরু থেকেই গ্রাহকদের মাঝে দৃঢ় আস্থা অর্জনে সক্ষম হয়েছে। এফএএস এর কর্মীবাহিনীর সম্মিলিত প্রয়াস দ্রুত এবং সময়োপযোগী সিদ্ধান্ত গ্রহণ, আন্তরিক সেবা প্রদান, সম্পদের উপযুক্ত ব্যবহার এবং নতুন নতুন প্রকল্প উদ্ভাবন ইত্যাদি গুণে এবং অত্র আর্থিক প্রতিষ্ঠানের কর্মকর্তা-কর্মচারীদের নিরলস উদ্যোগের ফলে কোম্পানি ইতিমধ্যে উল্লেখ্যযোগ্য অগ্রগতি অর্জন করেছে। বাংলাদেশ সরকার, বাংলাদেশ ব্যাংক, সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন, ঢাকা স্টক এক্সচেঞ্জ, চট্টগ্রাম স্টক এক্সচেঞ্জ ও রেজিস্ট্রার অব জয়েন্ট স্টক কোম্পানিজ এর সময়োচিত নির্দেশনা ও পরামর্শ এই অর্জনে সহায়তা করেছে। এ জন্য কোম্পানীর পরিচালনা পর্ষদ সংশ্লিষ্ট সকলের প্রতি আন্তরিক কৃতজ্ঞতা প্রকাশ করেছে। কোম্পানীর পরিচালনা পর্ষদ কোম্পানীর সকল কর্মকর্তা কর্মচারীদেরও অভিনন্দন জানাচ্ছে। তাদের আন্তরিক প্রচেষ্টা এবং গ্রাহক, শেয়ারহোল্ডার ও শুভানুধ্যায়ীদের অব্যাহত সমর্থন ও সহায়তায় এ সাফল্য অর্জন সম্ভব হয়েছে।

পর্ষদের পক্ষ থেকে



(আব্দুল মাতলুব আহম্মদ)  
চেয়ারম্যান

  
(Abdul Matlub Ahmad)  
Chairman

# FIDELITY ASSETS & SECURITIES COMPANY LIMITED

## Annexure - I

### Pattern of Shareholding

The pattern of shareholding of Fidelity Assets & Securities Company Limited as on 31st December 2008, as per Clause 1.4 (k) of the SEC Notification No. SEC/CMRRCD/2006-158/Admin/02-08 dated February 20, 2006 :

(1) Shareholding by Parent / Subsidiary / Associate companies and other related parties : Nil

(2) Shares held by Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children are as follows:

#### a. Shares held by Directors

Name of Directors	Status	No. of Share
Mr. Abdul Matlub Ahmad	Chairman	192000
Mrs. Selima Ahmad	Director	164400
Mr. Syed Monwar Ali	Director	110000
Ms. Shahnaz Ahmad	Director	110000
Mr. Nasim Ali Khan	Director	110000
Mr. Asaduzzaman Chaudhury	Director	11000
Mr. Md. Serajul Islam	Director	16500
Mr. Harun-Ur-Rashid, FCA	Independent Director	50

#### b. i. Shares held by

Chief Executive Officer	:	Nil
Company Secretary	:	Nil
Chief Financial Officer	:	Nil
Head of Internal Audit	:	Nil
Spouse and minor children of above Executives	:	Nil

#### ii. Shareholding by Executives

:

Nil

#### iii. Shareholders holding 10% or above voting interest in the Company :

Name of shareholders	Number of shares
Central Properties Ltd.	500000
Nikita & Co Ltd.	500000
Capital Service Center Ltd.	500000

# FIDELITY ASSETS & SECURITIES COMPANY LIMITED

## Annexure - II

### Corporate Governance Compliance Report

Status of Compliance with the conditions imposed by the Securities and Exchange Commission's (SEC) Notification No. SEC/CMRRCD/2006-158/Admin/02-08 dated 20th February 2006 on "Comply or Explain" basis is given below:

Conditions No.	Title	Compliance Status	Explanation for non-compliance/ comments
1.1	Board's size: Board members should not be less than 5 (five) and more than 20 (twenty)	Complied	
1.2	Number of Independent Director & their appointment	Complied	
1.3	Chairman of the Board and CEO be different persons with different roles & responsibilities	Complied	
1.4	Directors Report to Shareholders to include declaration on :		
(a)	Fairness of Financial Statement	Complied	
(b)	Maintenance of proper books of accounts	Complied	
(c)	Consistent application of Accounting Policies in preparation of Financial Statements	Complied	
(d)	Compliance with Bangladesh Accounting Standards (BAS)	Complied	
(e)	Soundness and efficiency of Internal Control	Complied	
(f)	Ability of the company to continue as a going concern	Complied	
(g)	Significant deviations in operating results from last year	N/A	
(h)	Presentation of key operating and financial data for last three years	Complied	
(i)	Declaration of dividend	Complied	
(j)	Details of Board Meeting and attendance by Directors	Complied	
(k)	Shareholding Pattern	Complied	
2.1	Appointment of CFO, Head of Internal Audit and Company Secretary and defining of their respective roles, responsibilities and duties	Complied	
2.2	Attendance of CFO and the Company Secretary in the Board meeting	Complied	

## FIDELITY ASSETS & SECURITIES COMPANY LIMITED

Conditions No.	Title	Compliance Status	Explanation for non-compliance/ comments
3.00	Formation of Audit Committee	Complied	
3.1 (i)	Number of members of Audit Committee	Complied	
(ii)	Inclusion Independent Director in the Audit Committee	Complied	
(iii)	Fill the casual vacancy in Audit Committee	Not applicable	
3.2 (i)	Selection of Chairman of the Audit Committee	Complied	
(ii)	Qualification & experience of Audit Committee Chairman	Complied	
3.3.1(i)	Reporting on activities of the Audit Committee to the Board	Complied	
(ii)a	Report of conflict of interest to the Board of Directors	Not applicable	
(ii)b	Reporting of any fraud or irregularity or material defect in the internal control system to the Board of Directors	Not applicable	
(ii)c	Reporting of non - compliance of laws to the Board of Directors	Not applicable	
(ii)d	Reporting of any other matter to the Board of Directors	Complied	
3.3.2	Reporting to the SEC by the committee	Not applicable	
3.4	Reporting of activities to the Shareholders and General Investors	Complied	
4.00	External Statutory Auditors not to engage in :		
(i)	Appraisal or Valuation	Complied	
(ii)	Financial Information System	Complied	
(iii)	Book Keeping and other services related to financial statements	Complied	
(iv)	Broker-dealer service	Complied	
(v)	Actuarial services	Complied	
(vi)	Internal Audit	Complied	
(vii)	Any other services that the audit committee determines	Complied	

# FIDELITY ASSETS & SECURITIES COMPANY LIMITED

## Key Operation and Financial Data

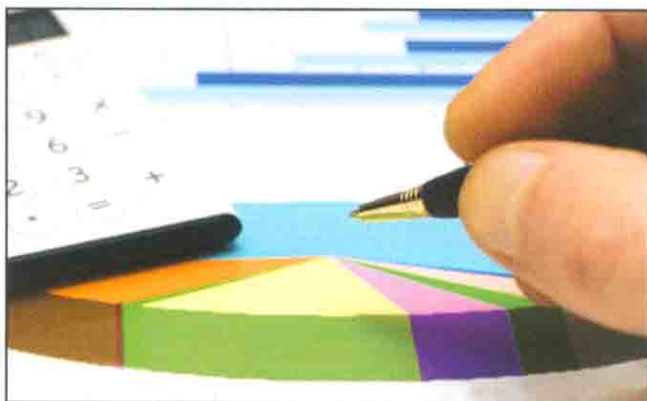
(Taka in million)

	2009	2008	2007	2006	2005
Operating Result					
Operating Revenue	171.19	115.13	128.19	50.75	25.94
Operating Expenses & Provisions	46.54	46.6	42.66	24.93	9.13
Profit before tax	124.65	68.53	85.53	25.82	16.80
Provision for tax	39.05	20.85	31.81	11.08	4.73
Profit after tax	85.6	47.68	53.72	14.73	12.07
Balance Sheet					
Total investments portfolio	1173.05	1057.58	748.80	563.18	144.13
Total assets	1611.93	1284.8	1038.00	585.67	232.80
Net current assets	310.06	200.67	275.73	46.13	89.87
Provision for doubtful debts	46.68	30.21	9.68	6.88	4.70
Total liabilities	1052.63	764.23	565.18	307.14	55.62
Shareholder's equity	559.29	520.57	472.89	278.53	177.17
Statutory reserve	50.72	33.59	24.05	13.31	8.15
No. of shares outstanding	3906570	3906570	3906570	1500200	1500200
Total share under lock-in	2500220	2500220	2500220	Nil	Nil
Financial Ratios					
Debt--equity ratio (in times)	1.88	1.47	1.20	1.10	0.31
Current ratio	1.63	1.65	2.28	1.51	14.18
Return on equity (after tax) (%)	15.31%	9.16%	11.36%	5.29%	6.81%
Return on Investment %	7.46%	4.18%	11.42%	4.58%	11.66%
Net assets value per share	143.17%	133.26	121.05	185.66	118.10
Earning per share (Taka)	21.91%	12.20	13.75	9.82	8.04
Cash dividend (Taka per share)		12%*	Nil	Nil	Nil
Stock dividend		Nil	Nil	Nil	10%
Number of branches	3	3	2	Nil	Nil

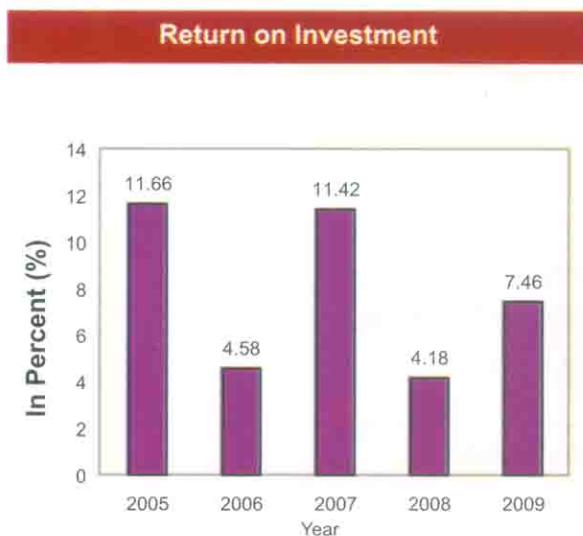
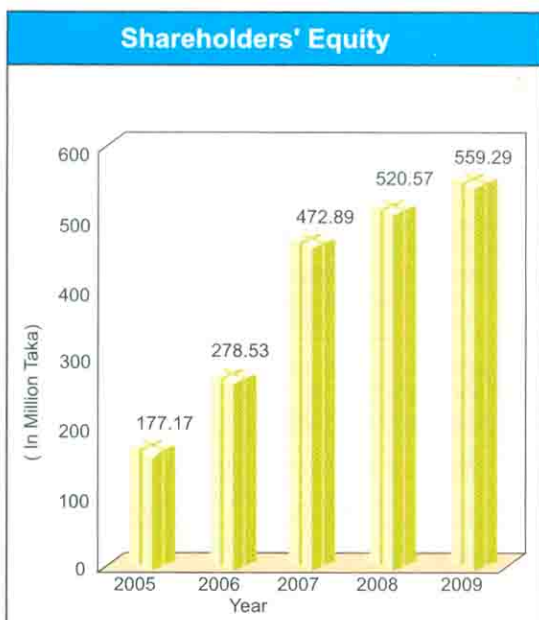
\*Proposed Stock Dividend 15%



# FIDELITY ASSETS & SECURITIES COMPANY LIMITED

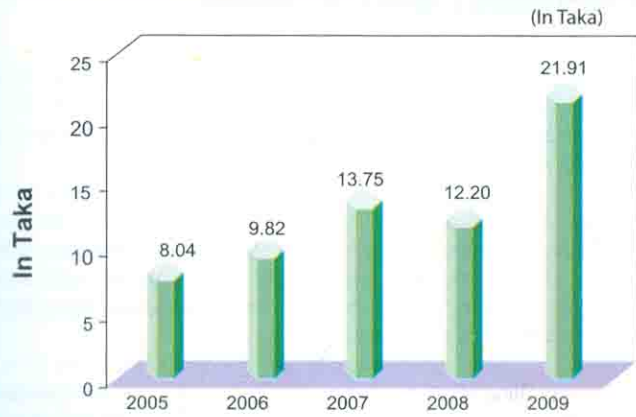


## Ratio's and Progress

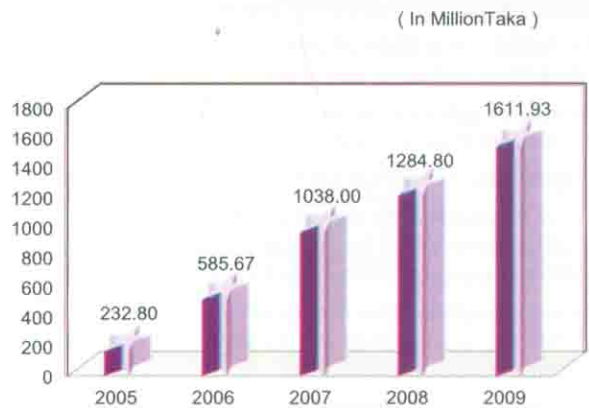


# FIDELITY ASSETS & SECURITIES COMPANY LIMITED

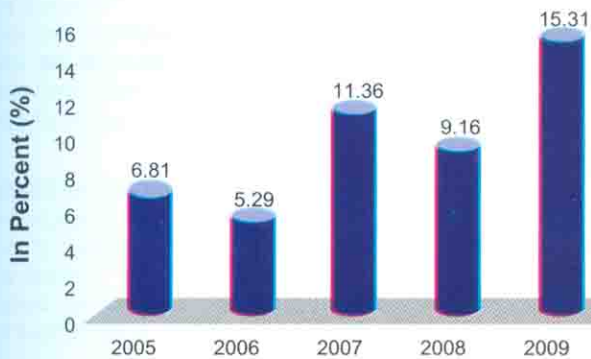
## Earning per Share(EPS)



## Total Assets Growth



## Return on Equity



**Auditors' Report**  
**To the shareholders of**  
**Fidelity Assets & Securities Company Limited**

We have audited the accompanying Balance Sheet of Fidelity Assets & Securities Company Limited as of 31 December 2009 and the related profit and loss account, cash flow statement and statement of changes in equity together with the notes 1 to 40 for the year then ended. The preparation of these financial statements is the responsibility of the company's management. Our responsibility is to express an independent opinion on these financial statements based on our audit.

We conducted our audit in accordance with Bangladesh Standards on Auditing (BSA). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Financial Statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Financial Statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our Opinion, the financial statements prepared in accordance with Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS), give a true and fair view of the state of the company's affairs as of 31 December 2009 and of the results of its operations and its cash flows for the year then ended and comply with the Companies Act 1994, Financial Institutions Act 1993, Securities and Exchange Rules 1987 and other applicable laws and regulations issued by Bangladesh Bank from time to time.

**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 purpose 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 proper returns adequate for the purposes of our audit have been received from branches not visited by us;
- c. the company's balance sheet and profit and loss account together with notes 1 to 40 thereto dealt with by the report are in agreement with the books of account and returns;
- d. the expenditures incurred and payments made were for the purposes of the company's business;
- e. the financial position of the company at 31 December 2009 and the profit for the year then ended have been properly reflected in the financial statements, and the financial statements have been prepared in accordance with Generally Accepted Accounting Principles (GAAP) and applicable International Accounting standards (IAS);
- f. the financial statements have been drawn up in conformity with the Financial Institution Act 1993, Securities and Exchange Commission Act 1993 and in accordance with the accounting rules and regulations issued by Bangladesh Bank to the extent applicable to the company;
- g. adequate provision have been made for leases and advances which are, in our opinion, doubtful of recovery;
- h. the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements;
- i. the information and explanations required by us have been received and found satisfactory; and
- j. the company has followed the instructions required by the Bangladesh Bank in matters of lease/advance, classification, provision and suspense interest account.

Dhaka, 05 May, 2010

  
**Chartered Accountants**  
**Hoda Vasi Chowdhury & Co**

# FIDELITY ASSETS & SECURITIES COMPANY LIMITED

## Balance Sheet

As at December 31, 2009

		Amount in Taka	
	Notes	At 31-Dec-09	At 31-Dec-08
<b>PROPERTY AND ASSETS</b>			
<b>Cash:</b>	2	1,030,554	531,267
In hand (including foreign currencies)	2.1	3,431	947
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)	2.2	1,027,123	530,320
Balance with other banks and financial institutions	3	206,935,797	52,252,646
In Bangladesh	3.1	206,935,797	52,252,646
Outside Bangladesh		-	-
Money at call and on short notice	4	-	-
Investments	5	120,253,600	89,060,538
Government	5.1	-	-
Others	5.2	120,253,600	89,060,538
Loans, advances and leases		1,052,791,848	968,519,119
Loans, cash credits, overdrafts and leases etc	6	1,052,791,848	968,519,119
Bills purchases and discounted	7	-	-
Fixed assets including premises, furniture and fixtures	8	85,017,549	23,317,632
Others assets	9	92,628,463	151,116,790
Non-Financial Institution's assets	10	53,271,231	
<b>Total Assets</b>		<b>1,611,929,042</b>	<b>1,284,797,992</b>
<b>LIABILITIES AND CAPITAL</b>			
<b>Liabilities</b>			
<b>Borrowings from other banks, financial institutions and agents</b>	11	587,545,574	619,937,562
Deposits and other accounts	12	222,292,121	6,472,378
Current deposits and other accounts		-	
Bills payable		-	
Savings bank deposits		-	
Short-term deposit		-	
Fixed deposits	12.1	222,292,121	6,472,378
Bearer certificates of deposit		-	
Others deposits		-	
<b>Others liabilities</b>	13	242,796,714	137,817,942
<b>Total Liabilities</b>		<b>1,052,634,409</b>	<b>764,227,882</b>
<b>Capital/Shareholders' Equity</b>		<b>559,294,633</b>	<b>520,570,110</b>
Paid-up capital	14	390,657,000	390,657,000
Statutory reserve	15	50,716,176	33,595,503
Other reserve	16	315,000	315,000
Retained earnings	17	117,606,457	96,002,607
<b>Total Liabilities and Shareholders' Equity</b>		<b>1,611,929,042</b>	<b>1,284,797,992</b>

## FIDELITY ASSETS & SECURITIES COMPANY LIMITED

		Amount in Taka	
Notes	At 31-Dec-09	At 31-Dec-08	
<b>OFF-BALANCE SHEET ITEMS</b>			
<b>Contingent Liabilities</b>			
	70,000,000	20,000,000	
Acceptances and endorsements	-	-	
Letters of guarantee	70,000,000	20,000,000	
Irrevocable letters of credit	-	-	
Bills for collection	-	-	
Other contingent liabilities	-	-	
<b>Other commitments</b>			
Documentary credits and short term trade-related transactions	-	-	
Forward assets purchased and forward deposits placed	-	-	
Undrawn note issuance and revolving underwriting facilities	-	-	
Undrawn formal standby facilities, credit lines and other commitments	-	-	
<b>Total</b>	<b>70,000,000</b>	<b>20,000,000</b>	
<b>Other memorandum items</b>	<b>492,134,761</b>	<b>67,151,626</b>	

These financial statements should be read in conjunction with the annexed notes.

  
Chairman

  
Managing Director

  
Company Secretary

Dhaka, May 5, 2010

  
Chartered Accountants  
Hoda Vasi Chowdhury & Co

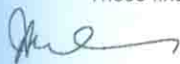
# FIDELITY ASSETS & SECURITIES COMPANY LIMITED

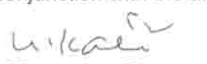
## Profit and Loss Account

For The Year Ended 31 December 2009

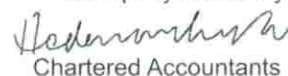
	Notes	Amount in Taka	
		Year ended 31-Dec-09	Year ended 31-Dec-08
<b>OPERATING INCOME</b>			
Interest Income	19	164,918,806	147,467,486
Less: Interest paid on deposit and borrowings, etc.	20	69,402,094	61,577,938
<b>Net Interest income</b>		<b>95,516,712</b>	<b>85,889,548</b>
Investment income	21	45,054,355	22,493,848
Commission, exchange and brokerage	22	-	(36,521)
Other operating income	23	9,241,174	5,194,315
		<b>54,295,529</b>	<b>27,651,642</b>
<b>Total operating income (a)</b>		<b>149,812,241</b>	<b>113,541,190</b>
<b>OPERATING EXPENSES</b>			
Salary and allowances	24	9,482,234	5,961,154
Rent, taxes, insurance, electricity, etc.	25	2,893,949	1,835,482
Legal expenses	26	349,607	579,500
Postage, stamps, telecommunication, etc.	27	651,923	729,842
Stationery, Printing, advertisement, etc.	28	972,779	1,217,007
Chief executive's salary & fees		2,690,100	2,608,000
Director's fees	29	92,500	85,000
Auditor's fees	30	59,500	51,525
Charge on loan losses		-	-
Depreciation and repairs of FI's assets	31	2,023,587	2,046,626
Other expenses	32	5,865,492	9,842,729
<b>Total operating expenses (b)</b>		<b>25,081,671</b>	<b>24,956,865</b>
<b>Profit before provision (c=a-b)</b>		<b>124,730,570</b>	<b>88,584,325</b>
Provision against loans, advances and Lease	33	16,420,427	17,578,654
Provision for diminution in value of investments	34	(2,443,153)	2,942,423
Other provisions		-	-
<b>Total provision (d)</b>		<b>13,977,274</b>	<b>20,521,077</b>
<b>Profit before taxation (other than merchant bank)(c-d)</b>		<b>110,753,296</b>	<b>68,063,248</b>
Profit on merchant banking operations (annexture-1)		13,900,924	467,720
<b>Total Profit before taxation</b>		<b>124,654,220</b>	<b>68,530,968</b>
Provision for taxation		<b>39,050,857</b>	<b>20,849,592</b>
Current tax	13.2	36,744,245	20,849,592
Deferred tax	13.2a	2,306,612	-
<b>Net profit after taxation</b>		<b>85,603,363</b>	<b>47,681,376</b>
<b>Appropriations</b>		<b>17,120,673</b>	<b>9,536,275</b>
Statutory reserve		17,120,673	9,536,275
General reserve		-	-
Dividend, etc.		-	-
<b>Retained surplus</b>		<b>68,482,690</b>	<b>38,145,101</b>
<b>Earnings per share (EPS)</b>	36	21.91	12.20

These financial statements should be read in conjunction with the annexed notes.

  
Chairman

  
Managing Director

  
Company Secretary

  
Chartered Accountants

Dhaka, May 5, 2010

**FIDELITY ASSETS & SECURITIES COMPANY LIMITED**

**Profit and Loss Account**

Merchant Banking Operations

For The Year Ended 31 December 2009

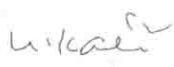
Annexure-1

	Notes	Amount in Taka	
		Year ended 31 Dec, 2009	Year ended At 31 Dec, 2008
<b>Operating Income</b>			
Interest Income	19	16,146,370	459,244
Interest paid on deposits and borrowings, etc.	20	5,223,814	-
<b>Net Interest income</b>		<b>10,922,556</b>	<b>459,244</b>
Investment income	21	-	-
Commission, exchange and brokerage	22	1,152,500	699,067
Other operating income	23	9,307,423	433,039
		10,459,923	1,132,106
<b>Total operating income (a)</b>		<b>21,382,479</b>	<b>1,591,350</b>
<b>Operating Expenses</b>			
Salary and allowances	24	2,145,907	697,529
Rent, taxes, insurance, electricity, etc.	25	-	80,000
Legal expenses	26	-	-
Postage, stamps, telecommunication, etc.	27	8,194	9,979
Stationery, Printing, advertisement, etc.	28	6,816	61,662
Chief executives salary & fees		1,152,900	-
Director's fees	29	-	-
Auditor's fees	30	-	-
Charge on loan losses		-	-
Depreciation and repairs of FI's assets	31	1,251,812	-
Other expenses	32	425,217	274,460
<b>Total operating expenses (b)</b>		<b>4,990,846</b>	<b>1,123,630</b>
<b>Profit before provision (c=a-b)</b>		<b>16,391,633</b>	<b>467,720</b>
Provision against loans & advances	33	2,490,709	-
Other provisions		-	-
<b>Total provision (d)</b>		<b>2,490,709</b>	<b>-</b>
<b>Profit/(Loss) transferred to combined profit and loss account</b>		<b>13,900,924</b>	<b>467,720</b>

These financial statements should be read in conjunction with the annexed notes.



Chairman



Managing Director



Company Secretary



Chartered Accountants  
Hoda Vasi Chowdhury & Co

Dhaka, May 5, 2010

**FIDELITY ASSETS & SECURITIES COMPANY LIMITED**


**Cash Flow Statement**

For The Year Ended 31 December 2009

	Amount in Taka	
	Year ended 31 Dec, 2009	Year ended 31 Dec, 2008
<b>Cash Flows From Operating Activities</b>		
Interest receipts	154,737,389	146,116,711
Interest payments	(61,279,791)	(57,649,343)
Dividend receipts	2,801,186	885,919
Fees and commission receipts	459,144	223,201
Payments to employees	(13,632,702)	(8,986,916)
Income taxes paid	(16,185,392)	(39,338,542)
Receipts from other operating activities	60,201,412	29,066,507
Payment for other operating activities	(16,463,076)	(13,043,829)
<b>Operating profit before changes in operating assets &amp; liabilities</b>	<b>110,638,170</b>	<b>57,273,708</b>
<b>Increase/decrease in operating assets and liabilities</b>		
Loans advances and lease to customers	(107,538,163)	(220,462,274)
Other assets	(2,377,301)	3,341,532
Deposit from other banks	200,000,000	-
Deposit from customers	15,395,000	2,218,378
Other liabilities to customer	19,301,458	(6,957,327)
Trading liabilities (short-term borrowing)	(20,960,603)	22,832,171
Other liabilities	(40,654)	(1,267,232)
<b>Net cash from/ (used in) operating activities (a)</b>	<b>214,417,907</b>	<b>(143,021,044)</b>
<b>Cash Flows From Investing Activities</b>		
Purchase/Sale of trading securities, shares, bonds, etc.	5,673,155	(86,893,215)
Purchase/Sale of property, plant and equipment	(5,716,979)	(12,252,011)
<b>Net cash used in investing activities (b)</b>	<b>(43,824)</b>	<b>(99,145,226)</b>
<b>Cash Flows from Financing Activities</b>		
Increase/(decrease) of long-term borrowings	(12,555,796)	104,785,382
Dividend paid	(46,635,849)	-
<b>Net cash flow from financing activities (c)</b>	<b>(59,191,645)</b>	<b>104,785,382</b>
<b>Net increase/(decrease) in cash (a+b+c)</b>	<b>155,182,438</b>	<b>(137,380,888)</b>
Effects of exchange rate changes on cash and cash equivalents	-	-
Cash and cash equivalents at beginning of the year	52,783,913	190,164,801
Cash and cash equivalents at end of the year*	<b>207,966,351</b>	<b>52,783,913</b>
<b>Cash and cash equivalents at end of the year</b>		
Cash in hand and balance with Bangladesh Bank	1,030,554	531,267
Balance with other banks	206,935,797	52,252,646
	<b>207,966,351</b>	<b>52,783,913</b>

These financial statements should be read in conjunction with the annexed notes.

  
Chairman

  
Managing Director

  
Company Secretary



**Statement of Changes in Equity**  
For The Year Ended 31 December 2009

Particulars	Paid-up capital	Statutory reserve	General reserve	Capital reserve	Retained earning	Total
Balance as at 01 January 2009	390,657,000	33,595,503	-	315,000	96,002,607	520,570,110
Effects of changes in accounting policy	-	-	-	-	-	-
<b>Restated Balance</b>	<b>390,657,000</b>	<b>33,595,503</b>	-	<b>315,000</b>	<b>96,002,607</b>	<b>520,570,110</b>
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 the Profit and Loss Account	-	-	-	-	-	-
Net profit after taxation for the year	-	-	-	-	85,603,363	85,603,363
Dividends (Cash-2008)	-	-	-	-	(46,878,840)	(46,878,840)
Transfer to statutory reserve	-	17,120,673	-	-	(17,120,673)	-
Issue of share capital	-	-	-	-	-	-
<b>Balance as at 31 December 2009</b>	<b>390,657,000</b>	<b>50,716,176</b>	-	<b>315,000</b>	<b>117,606,457</b>	<b>559,294,633</b>

These financial statements should be read in conjunction with the annexed notes.



Chairman



Managing Director



Company Secretary

**FIDELITY ASSETS & SECURITIES COMPANY LIMITED**

**Liquidity Statement**

(Asset and Liability Maturity Analysis)

As at 31 December 2009

Particulars	Up to 1 month's maturity	1-3 month's maturity	3-12 month's maturity	1-5 year's maturity	More than 5 year's maturity	Total
<b>Assets</b>						
Cash in hand (including balance with Bangladesh Bank)	3,431	1,027,123	-	-	-	1,030,554
Balance with other banks and financial institution	629,260	206,306,537	-	-	-	206,935,797
Money at call and on short notice	-	-	-	-	-	-
Investments	-	-	90,253,600	30,000,000	-	120,253,600
Loan, advances and lease	106,574,810	212,524,943	170,479,941	501,338,609	61,873,545	1,052,791,848
Fixed assets including premises, furniture and fixture	751,769	1,489,262	6,574,496	32,073,319	44,128,703	85,017,549
Other assets	411,633	6,757,861	4,253,731	81,205,238	-	92,628,463
Non-Financial Institution's assets	-	-	-	53,271,231	-	53,271,231
<b>Total Assets</b>	<b>108,370,903</b>	<b>428,105,726</b>	<b>271,561,768</b>	<b>697,888,397</b>	<b>106,002,248</b>	<b>1,611,929,042</b>
<b>Liabilities</b>						
Borrowings from Bangladesh Bank, other banks, financial institutions and agents	13,828,268	30,547,663	151,367,222	391,802,421	-	587,545,574
Deposits and other accounts	50,000,000	102,749,033	57,500,000	12,043,088	-	222,292,121
Provision and other liabilities	201,120	46,678,261	38,649,328	157,268,005	-	242,796,714
<b>Total Liabilities</b>	<b>64,029,388</b>	<b>179,974,957</b>	<b>247,516,550</b>	<b>561,113,514</b>	<b>-</b>	<b>1,052,634,409</b>
<b>Net Liquidity Excess/(shortage)</b>	<b>44,341,515</b>	<b>248,130,769</b>	<b>24,045,218</b>	<b>136,774,883</b>	<b>106,002,248</b>	<b>559,294,633</b>

These financial statements should be read in conjunction with the annexed notes.

  
Chairman

  
Managing Director

  
Company Secretary

# FIDELITY ASSETS & SECURITIES COMPANY LIMITED

## Note(s) to the financial statements

as at and for the year ended 31 December 2009

### 1.1 Legal status

Fidelity Assets & Securities Company Limited is a Non-Banking Financial Institution (NBFI) formed under the Financial Institutions Act, 1993. The Company was also registered as a Merchant Bank with the Securities and Exchange Commission on 22 January 1998. The Company was incorporated as a Private Limited Company on 04 March 1997 under the Companies Act, 1994. It was converted into Public Limited Company on 18 August 2001. It started lease financing operation after obtaining license from Bangladesh Bank on 17 September 2001. FAS licensed for principal branch vide Bangladesh Bank letter dated September 26, 2001 and 1<sup>st</sup> lease agreement & commencement of public deposit mobilization on December 27, 2001. It also commenced for home loan on 11 June 2003. FAS obtained license for Chittagong, Narsingdi and Sylhet branches under section 4(1) of the Financial Institution Act, 1993 on 14 February, 18 July 2007 and 09 July 2008 respectively. The Company was listed with both in Dhaka and Chittagong Stock Exchange on 09 January 2008. It launched its first trading of shares in Dhaka and Chittagong Stock Exchange on 16 January 2008.

The Head Office of Fidelity Assets & Securities Company Limited has been shifted from its previous address at 71 Mohakhali Commercial Area (2nd floor), Dhaka-1212 to its new location at Suvastu Imam Square (4th floor), 65 Gulshan Avenue, Gulshan, Dhaka-1212, reference of Bangladesh Bank approval letter no. DIFM (L) 1053/80/2008-832 dated 29 April 2008 shifting of Head Office.

### 1.2 Financial Activities

#### a) Lease financing

FAS provides lease finance under simple terms and conditions for acquisition of capital machineries for industrial undertakings, industrial equipments, office equipments, medical equipments and construction equipments etc.

#### h) Transport financing

FAS is one of the fastest growing financing Company's whose investments in transport financing are substantial. Besides the commercial vehicles, corporate clients may also apply to acquire vehicles for official purpose under this scheme.

#### c) Term financing

FAS provides loan to the customers within the period series from one year to five years in the manufacturing industries. The Company also extends financing in the processing industries of the agricultural products depending on the nature of a product, profitability of the project and socioeconomic factors. The range of finance can be between one year or five years or more (negotiable).

#### d) Project financing

FAS offers financing of long term infrastructure and industrial projects based upon a complex financial structure under its project financing scheme. Where the projects seem to be financially sound, FAS contributes as sponsor or syndicate member of the projects.

#### e) House financing (Real Estate Finance)

The clients are indulged in FAS regardless of their professions and occupations. FAS provides competitive interest rate in flat loan. At present, the Company is providing loan facility to the client for a maximum period of ten years. FAS also provides financing for the construction of a project.

#### f) Small and Medium Enterprise (SME) refinancing

FAS provides refinance in the SME sectors after compliance with the terms and conditions of the Company. It also encourages women entrepreneurs by providing loan facilities under this scheme as per the rules and regulations given guidelines by Bangladesh Bank as per ACSPD circular no. 08, dated 26 May 2008.

## FIDELITY ASSETS & SECURITIES COMPANY LIMITED

### I. Small enterprise

Small enterprise does not include ideally any Public Limited Company and which do not fulfill the following criteria such as;

For service and business concerns

Total fixed assets excluding land and building is within Tk. 50,000 to 5,000,000 and employed personnel are not more than 25.

For manufacturing concern

Total fixed assets excluding land and building is within Tk. 50,000 to 15,000,000 and employed personnel are not more than 50.

### II. Medium enterprise

Medium enterprise does not include ideally any Public Limited Company and which do not fulfill the following criteria such as;

For service and business concerns .

Total fixed assets excluding land and building is within Tk. 5,000,000 to 100,000,000 and employed personnel are not more than 50.

For manufacturing concerns

Total fixed assets excluding land and building is within Tk. 15,000,000 to 200,000,000 and employed personnel are not more than 150.

### g) Working capital financing

FAS offers working capital financing. It is essential to any business for operation and development. It helps to keep the business current and competitive within the market. Any commercial real estate or equipment that produces an income for the business, can obtain working capital financing from FAS that can help pay down credit lines or accounts payable, freeing up money for growth opportunities.

### h) Factoring

FAS is offering. to purchase accounts receivable (i.e. invoice) at discount under its purchasing option of financial assets.

### i) Deposit mobilization

FAS provides attractive interest rate among firms, companies, financial institutions and individual clients. Recently the Company is providing the following schemes for its valued clients. At present, the rates of interest on term deposit receipts is stated as under;

#### I. Interest income on yearly benefit scheme

The clients under this scheme will be entitled to take the interest on their term deposit on yearly basis.

SI	Amount	Period of deposit	Rate of interest
1	Tk 1.00 lac to Tk.50.00 lac	1 Year and above	10.50%
2	Above Tk. 50.00 lac to 1.00 crore	1 Year and above	10.75%
3	Above Tk. 1.00 crore	1 Year and above	11.00%

#### II. Interest income on quarterly benefit scheme (one year and above)

The clients under this scheme will be entitled to take the interest on their term deposit on quarterly basis.

SI no	Amount	Calculated based on per lac	Rate of interest	Amount of yearly interest	Amount of quarterly interest	Tax at source (10%)	Net amount payable
1	Tk. 1.00 lac to Tk. 50.00 lac	100,000.00	10.20%	10,200.00	2,550.00	255.00	2,295.00
2	Above Tk. 50.00 lac to 1.00 crore	100,000.00	10.30%	10,300.00	2,575.00	257.50	2,317.50
3	Above Tk. 1.00 crore	100,000.00	10.40%	10,400.00	2,600.00	260.00	2,340.00

#### III. Interest income on monthly benefit scheme (one year and above)

The clients under this scheme will be entitled to take the interest on their term deposit on monthly basis,

SI no	Amount	Calculated based on per lac	Rate of interest	Amount of yearly interest	Amount of monthly interest	Tax at source (10%)	Net amount payable
1	Tk. 1.00 lac to Tk. 50.00 lac	100,000.00	10.10%	10,100.00	841.67	84.17	757.50

## FIDELITY ASSETS & SECURITIES COMPANY LIMITED

2	Above Tk. 50.00 lac to 1.00 crore	100,000.00	10.20%	10,200.00	850.00	85.00	765.00
3	Above Tk. 1.00 crore	100,000.00	10.25%	10,250.00	854.17	85.42	768.75

### 1.3 Merchant banking activities

FAS is operating merchant banking activities after obtaining license from the Securities & Exchange Commission (SEC) since 1998 and at now its activities are in the following grounds;

- I. Securities trading in secondary market;
- II. Margin loan
- III. Investor portfolio;
- IV. Issue management
- V. Underwriting of issues;
- VI. Financial consultancy; and
- VII. Project counseling.

### Significant accountings policies

#### 1.4 Statement of compliance

The financial statements have been prepared on the basis of going concern concept under historical cost conventions in accordance with Generally Accepted Accounting Principles (GAAP) and after due compliance with Bangladesh Financial Reporting Standards (BFRS) and Bangladesh Accounting Standards (BAS).

#### 1.5 Compliance with local laws

The financial statements have been prepared in compliance with the requirements of the Companies Act 1994, the Financial Institution Act 1993, Guidelines from Bangladesh Bank, the Securities and Exchange Ordinance 1969, the Securities and Exchange Rules 1987, the Listing Regulations of Dhaka and Chittagong Stock Exchange and other relevant local laws and regulations as applicable for its operation.

#### 1.6 Basis of measurement

The financial statements have been prepared on the historical cost basis.

#### 1.7 Revenue recognition

The revenue during the year is recognized as follows complying with all the conditions of revenue recognition as provided in IAS-18.

##### a) Accounting for lease financing

Leased equipments under the possession of leases are accounted for as receivable of the Company. The interest portion accrued is recognized as revenue represented in BAS-17, as adopted for leasing companies and has been given effect in the financial statements.

##### b) Accounting for term financing

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

##### c) Accounting for house financing

Income from house finance is recognized whenever it is received.

##### d) Accounting from merchant banking operations

Income from merchant banking operations is recognized on accrual basis,

##### e) Other operational income

Other operational income is recognized as whenever these are received. Such income comprises of the following components of the FAS;

- I. Appraisal and documentation fees;
- II. Service charges;
- III. Late payment charges;
- IV. Processing fees;
- V. Early settlement charges; and
- VI. Miscellaneous.

## FIDELITY ASSETS & SECURITIES COMPANY LIMITED

### 1.8 Recognition of fixed assets

Fixed assets are capitalized at cost of acquisition and subsequently stated at cost less accumulated depreciation in compliance with the Benchmark treatment of IAS-16 "Property, Plant and Equipment". The cost of acquisition of assets comprises with purchase price and any direct attributable cost or bringing the assets within the operating condition for its intended use inclusive of inward freight, duties and non-refundable taxes.

### 1.9 Subsequent cost of fixed assets

The cost of replacing a part of an item of fixed assets is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. Maintenance expenses of the fixed assets are recognized in the profit and loss account as incurred.

An item of fixed assets is derecognized on its disposal. The gain/loss arising from de-recognition of an asset is determined as the difference between the net disposal proceeds, if any, the carrying amount of the item.

### 1.10 Depreciation on fixed assets

Depreciation on fixed assets is charged for the full year on the basis of diminishing balance method at different rates varying from 10% to 20% per annum throughout the estimated useful lives of the assets. No depreciation on fixed assets is charged in the year of acquisition and full year's depreciation is charged in the year of disposal of fixed assets.

Rates are furnished in the tabular information's as below;

Sl no	Category of assets	Rate of depreciation
1	Office buildings	10%
2	Furniture and fixtures	10%
3	Office decoration	10%
4	Office equipment	15%
5	Motor vehicles	20%
6	Electrical installation	15%
7	Computer	15%
8	Iron safe	15%
9	Telephone line & PABX system	15%
10	Software	15%

### 1.11 Provision on lease, house loan and term finance etc.

Provision has been made at an estimated rate on outstanding exposures based on lease receivables and other financing(s) against aging or receivables as per FID circular no. 08, dated 03 August 2002 and subsequent to the time it is revised in FID circular no. 03, dated 03 May 2006 and in FID circular no. 06, dated 20 August 2006 of Bangladesh Bank. The provision is considered adequate to meet probable losses. These have been shown under other liabilities in the balance sheet with corresponding effect given in the revenue account over the years. The FID circular's terms and conditions are stated as under;

- I. Leases and term financing running overdue for 6 months and above have been treated as substandard, doubtful and bad & loss depending on non-payment status of rentals or installments;
- II. Investments and interests which include overdue rentals and installments have not being taken into income and shall remain suspended till recovery; and
- III. Basis or classification and rate of percentages for provision thereon.

## FIDELITY ASSETS & SECURITIES COMPANY LIMITED

### Lease or Loan upto 5 years

Limit of overdue rentals & installments	Classification	Provision percentage
1-2 rentals/installments (up to 2 months)	Standards	1%
3-5 rentals/installments (up to 5 months)	SMA	5%
6-11 rentals/installments (6 to 11 months)	Substandard	20%
12-17 rentals/installments (12 to 17 months)	Doubtful	50%
18 and above rentals/installments ( 18 months and above)	Bad and loss	100%

### Lease or Loan above 5 years

Limit of overdue rentals & installments	Classification	Provision of percentage
1-5 rentals/installments (up to 5 months)	Standards	1%
6-11 rentals/installments (up to 11 months)	SMA	5%
12-17 rentals/installments (12 to 17 months)	Substandard	20%
18-23 rentals/installments ( 18 to 23 months)	Doubtful	50%
24 and above rentals/installments ( 24 months and above)	Bad and loss	100%

### House Loan upto 5 years

Limit of overdue rentals & installments	Classification	Provision of percentage
1-8 rentals/installments (up to 8 months)	Standards	1%
9-11 rentals/installments (up to 11 months)	SMA	5%
12-17 rentals/installments (12 to 17 months)	Substandard	20%
18-23 rentals/installments ( 18 to 23 months)	Doubtful	50%
24 and above rentals/installments ( 24 months and above)	Bad and loss	100%

### House Loan above 5 years

Limit of overdue rentals & installments	Classification	Provision of percentage
1-8 rentals/installments (up to 8 months)	Standards	1%
9-17 rentals/installments (up to 17 months)	SMA	5%
18-23 rentals/installments (18 to 23 months)	Substandard	20%
24-35 rentals/installments ( 24 to 35 months)	Doubtful	50%
36 and above rentals/installments ( 36 months and above)	Bad and loss	100%

## FIDELITY ASSETS & SECURITIES COMPANY LIMITED

### 1.12 Provision for diminution in value of investment in shares and bonds

Provision has been made at an estimate on the value of shares and bonds due to fluctuations of market value in terms of economic conditions that exists in the market. Lower cost or market value has been considered to make provision and adjustment of book value of shares and bonds.

### 1.13 Interest suspense account

Income outstanding over ninety days is not recognized as revenue rather it is recognized as interest suspense account as per FID circular no. 03. dated 03 May 2006 of Bangladesh Bank. Suspended interest is recognized as revenue when it is being received.

### 1.14 Taxation

Tax provision has been made at the rate 42.50% on taxable income for the year in terms of the Income Tax Ordinance, 1984 and Finance Ordinance as amendment up to June 2009 without considering probable disallowances and adds backs. Assessments have been prepared up to the assessments year 2009-2010 but reference application before high court are pending for the assessment years 2001-2002, 2002-2003, 2003-2004, 2006-2007, 2007-2008 appeals are pending for assessment years 2004-2005, 2005-2006. and 2008-2009. Return submitted but assessment order has not yet been received for 2009-2010.

### 1.15 Statutory reserve

This represents 20% to its reserve fund before declaration of dividend based on profit after tax set aside in compliance with clause 6 of the Financial Institution Regulations, 1994.

### 1.16 Use of estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make estimate and assumption that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

### 1.17 Current maturity

Current maturity of long term debts, lease receivables, term financing and house financing has been shown in the financial statements.

### 1.18 Reporting period

These financial statements cover one year from 01 January 2009 to 31 December 2009.

### 1.19 Liabilities and provisions

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

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

### 1.20 Cash and cash equivalents

Cash flow statement is prepared principally in accordance with BAS-7 "Cash Flow Statement" and the cash flow from the operating activities have been presented under direct method as prescribed by the Securities and Exchange Rules, 1987 and the considering the provisions of Paragraph 18(b) of BAS which prescribed that Enterprise of changes encourage to report Cash Flow Statement from operating activities using the direct method. Cash and cash equivalents consist of cash in hand and cash at bank, that are readily convertible to known amount of cash and that are subject to an insignificant risk of change in value.



### 1.21 Director of the Company

At the end of the year under audit, there were eight Directors in the Board of Directors of the Company excluding the Managing Director. The Managing Director is the Chief Executive and Ex-officio Director of the Company.

### 1.22 Comparative information

Comparative information has been disclosed in respect of the year 2008 for all numerical information in the financial statements for understanding of current year's financial statements.

### 1.23 Employees benefits

There were two benefit schemes for FAS's employees who are eligible for customizing of provident fund and gratuity fund. Both of these benefits plan are operated in compliance with BAS-19 "Employees Benefits" and stated as under;

#### 1.23 (i) Provident fund

The Company operates a contributory provident fund scheme for its employees, which is recognized by the National Board of Revenue under Clause 2(I) of the First Schedule Part B of the income tax Ordinance, 1984 or (XXXVI) as well as of its operation is considered as effective from 31 August 2008 in accordance with Rule 44 of the Income tax Ordinance, 1984 and executed by a Board of Trustee. Both of the company and employee contribute to the fund on equal basis.

#### 1.23 (ii) Gratuity fund

The Company extends gratuity benefits to its employees, which is recognized by the National Board of Revenue under clause 2(I) of the First Schedule Part-B of the Income tax Ordinance, 1984 of (XXXVI) as well as its operation is considered as effective from 25 November 2008 and executed by the Board of Trustee. Employees are entitled to gratuity benefit after the completion of service. The gratuity is paid on the basis of the last basic pay and is payable at the rate of one month's basic pay for every completed year of service. Provision has been made for gratuity in the books of accounts. Gratuity is paid to the employees at the time of release on cash basis.

### 1.24 Related party disclosure

The Company transacts with related parties. Parties are considered to be related if one party has the ability to control the other or exercise significant influence in making the financial and operating decisions.

### 1.25 Impairment of assets

The carrying amount of non-financial assets is reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated and impairment losses are recognized in profit or loss,

### 1.26 Cash Reserve Requirements and Statutory Liquidity requirements

The Company maintains cash reserve requirements and statutory liquidity reserve with the Bangladesh Bank current account as per FID circular no. 06, dated 06 November 2003 and subsequent in FID circular no. 02, dated 10 November 2004 for statutory cash reserve requirements. The company meets the terms of CRR and SLR in a satisfactory way in accordance with Section -19 of the Financial Institutions Act 1993 and Clause-05 of the Financial Institution Regulations 1994.

### 1.27 Foreign currency translations

Translation in foreign currencies are translated in Bangladesh Taka and recorded at the ruling exchange rates applicable on the date of transaction and in accordance with BAS-21 "The Effects of Changes in Foreign Exchange Rates"

## FIDELITY ASSETS & SECURITIES COMPANY LIMITED

### 1.28 Payment of Dividend

The proposed dividend not recognize as a liability in the balance sheet in accordance with the BAS 10: Events after the balance sheet date. Dividend payable to the company's shareholders are recognized as a liability and deducted from shareholders equity in the period in which the shareholders right to receive payment is established.

BAS 1: Presentation of financial statements also requires the dividend proposed after the balance sheet date but before the financial statements are authorized for issue, be disclosed in the notes to the financial statement. Accordingly, the company has disclosed the same in the notes to the financial statements.

### 1.29 Presentational and reporting currency

The presentation of financial statements has been made in accordance with the DFIM No. 11 dated 23 December 2009 of Bangladesh Bank. These financial statements have been prepared in Bangladesh Taka (BDT) which is the Company's functional currency, All financial information presented in Taka has been rounded off to the nearest Taka. The financial statements are stated in Taka unless or otherwise signified.

### 1.30 Events after balance sheet date

As per BAS -10 "**Events after balance sheet date**" Events after balance sheet date are those events, favorable and unfavorable, that occur between the end of the reporting period and the date when the financial statements are authorized for issue. Two types of events can be identified:

- (a) those that provide evidence of conditions that existed at the end of the reporting period (adjusting events after the reporting period); and
- (b) those that are indicative of conditions that arose after the reporting period (no adjusting events after the reporting period).

There were no material events have occurred after the reporting period which could affect the values stated in the financial statements.

## FIDELITY ASSETS & SECURITIES COMPANY LIMITED

		Amount in Taka	
		At 31 Dec, 2009	At 31 Dec, 2008
<b>2</b>	<b>Cash:</b>		
	Cash in hand (including foreign currency) (note 2.1)	3,431	947
	Balance with Bangladesh Bank and its agent bank(s) (including foreign currency) (note 2.2)	1,027,123	530,320
		<b>1,030,554</b>	<b>531,267</b>
<b>2.1</b>	<b>Cash in hand (including foreign currency)</b>		
	Local currency	3,431	947
	Foreign currency	-	-
		<b>3,431</b>	<b>947</b>
<b>2.2</b>	<b>Balance with Bangladesh Bank and its agent bank(s) (including foreign currency)</b>		
	<b>Bangladesh with Bangladesh Bank:</b>		
	Local currency	1,027,123	530,320
	Foreign currency	-	-
		1,027,123	530,320
	<b>Agent Bank of Bangladesh Bank</b>	-	-
		<b>1,027,123</b>	<b>530,320</b>
<b>2.3</b>	<b>Statutory Deposits</b>		
<b>2.3.1</b>	<b>Cash reserve requirement/ratio (CRR) and statutory liquidity ratio (SLR)</b>		
	Cash reserve requirement/ratio (CRR) and statutory liquidity ratio (SLR) have calculated and maintained in accordance with the Financial Institutions Act 1993; section 19 and FID circular number 06/2003, 2.5% of total term deposit excluding different financial institutions' deposits kept with Bangladesh Bank as CRR and as for SLR 5% of total outside liability except financial institutions' liability, should be kept as cash and with Bangladesh Bank as well as with other scheduled Banks. Both the reserves are maintained by the company in excess of the statutory requirements, as shown below:		
<b>(a)</b>	<b>Cash Reserve Ratio (CRR)</b>		
	Required reserve	666,378	152,790
	Actual reserve maintained	1,027,257	532,521
	<b>Surplus</b>	<b>360,879</b>	<b>379,731</b>
<b>(b)</b>	<b>Statutory Liquidity Ratio (SLR)</b>		
	Required reserve	7,968,018	4,430,670
	Actual reserve maintained	38,668,829	45,971,205
	<b>Surplus</b>	<b>30,700,811</b>	<b>41,540,535</b>
	Total required reserve	8,634,396	4,583,460
	Total actual reserve held with Bangladesh Bank	39,696,086	46,503,726
		<b>31,061,690</b>	<b>41,920,266</b>
<b>3</b>	<b>Balance with other banks and financial institutions</b>		
	In Bangladesh (note 3.1)	206,935,797	52,252,646
	Outside Bangladesh	-	-
		<b>206,935,797</b>	<b>52,252,646</b>

## FIDELITY ASSETS & SECURITIES COMPANY LIMITED

Amount in Taka

### 3.1 Account type -wise

Current Deposits	(note 3.1.1a)
Short Term Deposit	(note 3.1.2a)
Savings Deposit	(note 3.1.3a)
Fixed Deposit	(note 3.1.4a)

Amount in Taka	
At 31 Dec, 2009	At 31 Dec, 2008
629,260	258,389
206,306,537	31,377,952
-	-
-	20,616,305
<b>206,935,797</b>	<b>52,252,646</b>

### 3.1.a In Bangladesh

Name of Banks	Bank A/C NO.	Amount in Taka	
		At 31 Dec, 2009	At 31 Dec, 2008

#### 3.1.1a In current deposit with

Bank Asia Ltd	CD-0733-00-2967	10,652	11,727
Dutch Bangla Bank Ltd.	CD-116-110-6323	3,900	4,400
EXIM Bank Ltd	CD-11-00-3757	58	1,668
Islami Bank Bangladesh Limited	AWCA-205010901008191	99,467	99,660
Jamuna Bank Ltd	CD-021-000-2904	22,041	23,311
Janata Bank Ltd	CD-001018416	9,133	9,518
Mutual Trust Bank Limited-Sylhet	CD-0023-021000-2846	2,643	3,793
Pubali Bank Ltd	CD-001591/New-3677901	29,572	16,341
Social Investment Bank Ltd	CD-133-000-35421	8,705	9,200
Southeast Bank Ltd	CD-11100012031	317,087	34,422
Standard Chartered	CD-01-5547253-01	18,073	24,699
Standard Chartered	CD-01-5547253-02	104,483	15,340
Uttara Bank Ltd	CD-2029	3,446	4,310
<b>Balance for current deposit accounts</b>		<b>629,260</b>	<b>258,389</b>

#### 3.1.1a In short term deposit with

Bank Asia Ltd	STD-00736000673	203,867	141,470
Dutch Bangla Bank Ltd.	STD-116-120-974	1,046,456	1,937,663
EXIM Bank Ltd	STD-131-00-0399	270,667	566,774
First Security Bank Ltd.	STD-131-0000-1512	813,251	2,106,363
First Security Bank Ltd.	STD-131-0000-1535	663,367	104,694
HSBC	STD-001212992-067	444,804	692,452
ICB Bank Limited	STD-002500050251	92,064	-
Jamuna Bank Ltd	STD-01-0320000467	1,379,828	6,303,077
Mercantile Bank Ltd -STD	STD-011313100000420	70,613	1,193,238
Mutual Trust Bank Limited	STD-0320000131	135,596,302	4,756,561
Mutual Trust Bank Limited-CTG	STD-0009-032-0000-889	1,736,101	1,835,675
Mutual Trust Bank Limited-Sylhet	STD-0023-032000-0578	1,119,208	761,481
Prime Bank Ltd	STD-31-00-1453 New :11031020003975	1,315,344	1,016,334
Pubali Bank	STD-722-102-518	1,884,466	2,009,967
Standard Chartered	STD-02-5547253-01	143,264	2,551,354
Standard Chartered	STD-02-5547253-02	8,448,646	4,933,368
The City Bank Limited	STD-31002257	50,830,146	100,821
Trust Bank Ltd	STD-0002-032-0000-779	136,025	246,517
Uttara Bank Ltd	STD-41-132	112,118	120,143
<b>Balance for short term deposit accounts</b>		<b>206,306,537</b>	<b>31,377,952</b>

## FIDELITY ASSETS & SECURITIES COMPANY LIMITED

		Amount in Taka	
		At 31 Dec, 2009	At 31 Dec, 2008
<b>3.1.3a</b>	<b>Savings Deposit</b>	-	-
<b>3.1.4a</b>	<b>Fixed Deposit</b>		
	Export Import Bank Ltd.	-	616,305
	First Security Bank Ltd.	-	20,000,000
		-	<b>20,616,305</b>
	Total Balance at 31 December	<b>206,935,797</b>	<b>52,252,646</b>
<b>3.1.b</b>	<b>Maturity grouping of balance with other banks</b>		
	Repayable-on demand	629,260	258,389
	-up to 3 months	206,306,537	51,377,952
	-over 3 months but below 1 year	-	616,305
	-over 1 year but below 5 years	-	-
	-over 5 years	-	-
		<b>206,935,797</b>	<b>52,252,646</b>
<b>4</b>	<b>Money at call and on short notice</b>	-	-
<b>5</b>	<b>Investments</b>		
<b>5.1</b>	<b>In Government securities:</b>		
	Treasury bills	-	-
	National investment bonds	-	-
	Bangladesh bank bills	-	-
	Government notes/bonds	-	-
	Prize bonds	-	-
	Others	-	-
<b>5.2</b>	<b>Other Investments:</b>		
	Preference shares	-	-
	Ordinary shares (Quoted and Unquoted)	113,994,294	83,240,546
	Debentures	-	-
	Bonds	6,259,306	5,819,992
	Zero Coupon Bond	-	-
	Other investments	-	-
	Gold, etc.	-	-
		<b>120,253,600</b>	<b>89,060,538</b>
		<b>120,253,600</b>	<b>89,060,538</b>
<b>5.2.a</b>	<b>Ordinary shares (Quoted and Unquoted)</b>		
	<b>Quoted</b>		
	ACI Formulations Ltd.	4,021,731	-
	Bank Asia	-	212,266
	Bangladesh General Insurance Company Ltd.	200,000	-
	Bangladesh Industrial Finance Company	1,523,557	-
	City Bank Ltd.	-	6,787,933
	CMC Kamal Textile Ltd	3,297	3,297

## FIDELITY ASSETS & SECURITIES COMPANY LIMITED

Amount in Taka

	At 31 Dec, 2009	At 31 Dec, 2008
Continental Insurance Company Ltd.	1,817,712	-
Daffodil Computers Ltd.	67,602	-
Dhaka Bank Limited	1,891,658	4,107,739
EBL First Mutual Fund	1,406,557	-
Exim Bank Limited	4,900,884	3,400,286
First Security Islami Bank limited	13,245,225	7,148,927
Fu-Wang Foods Limited	-	565,265
Grameen Mutual Fund	2,224,554	-
IFIC Bank Limited	6,818,578	4,242,728
Jamuna Oil Company Ltd.	-	1,114,227
Lafarge Surma Cement	5,773,671	4,834,061
Mercantile Bank Limited	-	4,433,082
Metro Spinning Ltd	299,396	-
Mutuall Trust Bank Limited	1,865,046	5,905,932
NCC Bank Ltd.	-	3,009,822
Niloy Cement Industries Limited	135,693	-
Nitol Insurance Company Limited	233,699	2,969,603
One Bank Limited	921,753	1,188,670
Paragon Leather Ltd.	890	890
Paramount Insurance Company Limited	2,357,451	-
Peoples Insurance Company Limited	264,170	-
Pragati Life Insurance Company Limited	1,178,525	-
Premier Bank Limited	2,017,334	6,309,255
Prime Bank Ltd.	-	2,779,219
Prime Islami Life Insurance Company Limited	2,101,987	-
Progressive Life insurance Company Limited	2,105,999	-
Shahjalal Islami Bank Ltd.	-	2,658,283
Shinepukur Ceramics Limited	719,342	-
Social Islami Bank Company Ltd.	11,152,106	-
Southeast Bank Limited	10,385,835	4,877,606
Standard Bank Limited	1,990,454	6,423,818
Takaful Islamic Insurance Limited	157,973	-
Titas Gas Transmission & Dist. Co. Ltd.	-	871,691
Trust Bank Ltd.	2,211,615	9,395,946
	<b>83,994,294</b>	<b>83,240,546</b>
<b>Unquoted</b>		
United Airways (Bangladesh) Limited	30,000,000	-
	<b>113,994,294</b>	<b>83,240,546</b>
(A schedule of investments in share is given in Annexure-4)		
<b>5.2.b Bonds</b>		
IBBLP Bond	6,259,306	5,819,992
	<b>6,259,306</b>	<b>5,819,992</b>
<b>Grand Total</b>	<b>120,253,600</b>	<b>89,060,538</b>
<b>5.3 Maturity grouping</b>		
Repayable-on demand	-	-
-up to 3 months	90,253,600	89,060,538
-over 3 months but below 1 year	-	-
-over 1 year but below 5 years	30,000,000	-
-over 5 years	-	-
	<b>120,253,600</b>	<b>89,060,538</b>

## FIDELITY ASSETS & SECURITIES COMPANY LIMITED

	Amount in Taka	
	At 31 Dec, 2009	At 31 Dec, 2008
<b>6 Loans, advances and lease</b>	1,052,791,848	968,519,119
<b>6.1 Maturity grouping's.</b>		
The above balance is made up as follows:		
Repayable-on demand	106,574,810	37,242,532
-up to 3 months	212,524,943	94,114,171
-over 3 months but below 1 year	170,479,941	150,995,337
-over 1 year but below 5 years	501,338,609	614,253,188
-over 5 years	61,873,545	71,913,891
	1,052,791,848	968,519,119
<b>6.2 Loans, cash credits, overdrafts, and lease etc</b>		
<b>In Bangladesh</b>		
Loans-General	799,710,390	617,595,258
Cash credits	-	-
Overdrafts	-	-
Lease	253,081,458	350,923,861
	1,052,791,848	968,519,119
<b>Outside Bangladesh</b>		
	-	-
	1,052,791,848	968,519,119
<b>6.3 Loans, Advances &amp; Leases on the Basis of Significant:</b>		
Advance to allied concerns of Directors	49,518,693	54,401,774
Advance to Chief Executive Officer, Other Executives and Staffs	207,553	121,509
Advances to industries	419,997,379	440,722,509
Advance to customer groups	583,068,223	473,273,327
	1,052,791,848	968,519,119
<b>6.4 Advances to Customers for more than 15% of FI's Total Capital:</b>		
Number of clients	1	1
Amount of outstanding advances	115,158,910	134,662,987
Amount of classified advances	-	-
Measures taken for recovery	Not applicable	Not applicable
<b>6.5 Industry-wise loans, Advances and Leases:</b>		
Agriculture	18,816,920	16,740,557
Chemicals & pharmaceuticals	2,085,429	-
Electronics & electrical	8,916,663	8,065,661
Food & beverage	17,653,802	14,766,145
Garments & accessories	85,177,644	68,466,612
Glass & ceramics	13,351,208	9,711,302
Home loan	197,543,852	190,718,659
Housing companies	122,934,750	184,696,545
Information technology	21,447,656	11,051,746
Iron, Steel & Engineering	4,095,529	-
Paper, Printing & Packaging	19,924,030	-
Plastics industries	11,482,933	15,840,265
Textile	8,867,787	10,291,712
Transport financing	204,565,461	359,991,699
Others	315,928,184	78,178,216
	1,052,791,848	968,519,119

## FIDELITY ASSETS & SECURITIES COMPANY LIMITED

	Amount in Taka	
	At 31 Dec., 2009	At 31 Dec., 2008
<b>6.6 Geographical Location-wise (Division)</b>		
<b>In Bangladesh:</b>		
Dhaka	963,575,394	934,004,609
Chittagong	69,917,203	33,528,577
Sylhet	19,299,251	985,933
	<b>1,052,791,848</b>	<b>968,519,119</b>
<b>6.7 Classified of Loans, Advances and Leases:</b>		
<b>Unclassified:</b>		
Standard	913,536,465	796,297,868
Special mention account	49,606,700	57,531,223
<b>Total unclassified loans, advances and leases</b>	<b>963,143,165</b>	<b>853,829,091</b>
<b>Classified:</b>		
Substandard	46,583,426	63,453,681
Doubtful	30,627,121	46,268,967
Bad/Losses	12,438,136	4,967,380
<b>Total classified loans, advances and leases</b>	<b>89,648,683</b>	<b>114,690,028</b>
	<b>1,052,791,848</b>	<b>968,519,119</b>
<b>6.8 Particulars of Loans, Advances and Leases:</b>		
i) Loans considered good in respect of which the FI's is fully secured	722,644,590	529,320,833
ii) Loans considered good against which the FI's holds no security other than the debtors' personal guarantee	246,623,861	348,119,848
iii) Loans considered good and secured by the personal undertaking of one or more parties in addition to the personal guarantee of the debtors	83,523,397	91,078,438
iv) Loans adversely classified but provision not maintained there against	-	-
	<b>1,052,791,848</b>	<b>968,519,119</b>
v) Loans due by directors or officers of the FI's or any of them either separately or jointly with any other persons	207,553	121,509
vi) Loans due from companies or firms in which the directors of the FI's are interested as Directors, partners or Managing agents or, in case of private companies, as members	49,518,693	54,401,774
vii) Maximum total amount of advances, including temporary advances made at any time during the year to directors or managers or officers of the FI's or any of them either separately or jointly with any other persons	224,323	150,244
viii) Maximum total amount of advances including temporary advances granted during the year to the companies or firms in which the Directors of the FI's are interested as Directors, partners or managing agents or, in the case of private companies, as members	54,401,774	57,183,178
ix) Due from other banking companies	-	-
x) Amount of classified loans on which interest has not been charged	-	-



## FIDELITY ASSETS & SECURITIES COMPANY LIMITED

Amount in Taka

	At 31 Dec. 2009	At. 31 Dec. 2008
a) Increase/decrease of provision (specific)	(372,064)	3,604,835
b) Amount of loan written off	-	-
c) Amount realized against loan previously written off	-	-
d) Provision kept against loans classified as bad/loss on the date preparing the balance sheet	3,673,816	4,045,880
e) Interest creditable to interest suspense account	19,434,838	19,293,113
xi) Written off loan	-	-
During the year	-	-
Cumulative to date (as per Bangladesh Bank guidelines)	-	-
Cumulative to date (in amicable settlement)	-	-
	-	-
The amount of written off loans for which lawsuits have been filed for its recovery	-	-
<b>7 Bills purchases and discounted:</b>		
In Bangladesh	-	-
Outside Bangladesh	-	-
	-	-
<b>7.1 Maturity grouping</b>		
The above balance is made up as follows:		
Repayable-with in 1 month	-	-
-over 1 month but within 3 months	-	-
-over 3 months but within 6 months	-	-
-over 6 months	-	-
	-	-
<b>8 Fixed assets including premises, furniture and fixtures</b>		
<b>Cost:</b>		
Land	2,163,200	-
Office Building	64,669,571	3,762,495
Furniture & Fixture	4,519,440	4,297,640
Office Decoration	3,665,511	3,665,511
Office Equipment	5,193,004	5,088,254
Motor Vehicles	6,916,960	6,916,960
Electrical Goods	1,459,387	1,440,787
Computer	2,652,228	2,182,368
Telephone Line & PABX System	401,713	357,552
Software-MBD	900,000	-
	<b>92,541,014</b>	<b>27,711,567</b>
<b>Less: Accumulated depreciation</b>		
Office Building	714,874	376,250
Furniture & Fixture	501,619	79,839
Office Decoration	430,070	70,576
Office Equipment	858,192	111,711
Motor Vehicles	3,847,603	3,080,264
Electrical Goods	216,118	-
Computer	901,356	675,295
Telephone Line & PABX System	53,633	-
	<b>7,523,465</b>	<b>4,393,935</b>
<b>Written down value at the end of the year</b>	<b>85,017,549</b>	<b>23,317,632</b>

## FIDELITY ASSETS & SECURITIES COMPANY LIMITED

		Amount in Taka	
		At 31 Dec. 2009	At 31 Dec. 2008
<b>9 Others assets:</b>			
<b>Income Generating</b>		-	-
<b>Non-Income Generating</b>			
i) Investment in Shares of subsidiary companies			
-In Banglades		-	-
-Outside Bangladesh		-	-
ii) Stationery, stamps, printing, materials, etc.		128,633	120,098
iii) Advance rent and advertisement		380,233	783,000
iv) Interest accrued on investment but not collected, commission & brokerage receivable on shares and debenture and income receivable		1,132,701	1,055,380
v) Security deposit		1,096,300	490,300
vi) Preliminary, formation and organization expenses, renovation/development and prepaid expenses		5,463,595	60,431,016
vii) Branch adjustment (net reconciled)		-	-
viii) Suspense account		-	-
ix) Silver		-	-
x) Advance corporate income tax	9.1	76,711,705	60,526,313
xi) Accounts receivable		957,435	21,630,185
xii) others		6,757,861	6,080,498
		<b>92,628,463</b>	<b>151,116,790</b>
		<b>92,628,463</b>	<b>151,116,790</b>
<b>9.1 Advance corporate income tax</b>			
Advance income tax on bank interest		6,169,214	5,816,147
Advance income tax on dividend		885,068	682,822
Advance income tax (LTU)		69,636,173	54,027,344
Advance income tax on underwriting commission		21,250	-
		<b>76,711,705</b>	<b>60,526,313</b>
<b>10 Non-Financial Institution's assets</b>			
Land & Building		<b>53,271,231</b>	-
<p>This represents the asset which has been acquired by the company in satisfaction of the claimed amount towards Rhine Builders Ltd. and the holding period of the asset will be maximum 5 (five) years in accordance with the decision of the company management</p>			
<b>11 Borrowings from other banks, financial institutions and agents</b>			
In Bangladesh	11.1	587,545,574	619,937,562
Outside Bangladesh		-	-
		<b>587,545,574</b>	<b>619,937,562</b>
<b>11.1 In Bangladesh:</b>			
SME refinancing loan		232,882,357	240,603,553
Bank Asia Limited		-	26,083,163
Exim Bank Limited		59,377,980	77,547,686
Mutual Trust Bank Limited		156,922,832	99,123,890
Pubali Bank Limited		-	29,872,197
Southeast Bank Limited		-	14,963,288
Trust Bank Limited		83,277,765	45,684,278
Uttara Bank Limited		55,084,640	86,059,507
		<b>587,545,574</b>	<b>619,937,562</b>

## FIDELITY ASSETS & SECURITIES COMPANY LIMITED

		Amount in Taka	
		At 31 Dec., 2009	At 31 Dec., 2008
<b>11.2</b>	<b>Analysis by Security</b>		
	Secured	354,663,217	379,334,009
	Unsecured	232,882,357	240,603,553
		<b>587,545,574</b>	<b>619,937,562</b>
<b>11.3</b>	<b>Repayment Pattern</b>		
	Repayable on demand	-	-
	Repayable on maturity	587,545,574	619,937,562
		<b>587,545,574</b>	<b>619,937,562</b>
<b>11.4</b>	<b>Maturity grouping's.</b>		
	The above balance is made up as follows:		
	Repayable-on demand	-	-
	-up to 3 months	44,418,788	64,558,456
	-over 3 months but below 1 year	151,663,412	142,497,651
	-over 1 year but below 5 years	391,463,374	412,881,455
	-over 5 years	-	-
		<b>587,545,574</b>	<b>619,937,562</b>
<b>12</b>	<b>Deposits and other accounts</b>		
	Current deposits and other accounts	-	-
	Bills payable	-	-
	Savings bank deposits	-	-
	Short-term deposit	-	-
	Fixed deposits	222,292,121	6,472,378
	Bearer certificates of deposit	-	-
	Others deposits	-	-
		<b>222,292,121</b>	<b>6,472,378</b>
<b>12.1</b>	<b>Fixed deposits</b>		
	Deposit from FI's -inside Bangladesh	200,000,000	-
	Other than FI's-inside Bangladesh	22,292,121	6,472,378
		<b>222,292,121</b>	<b>6,472,378</b>
<b>12.1.a</b>	<b>Maturity analysis of Fixed Deposits:</b>		
	<b>Deposit from FI's -inside Bangladesh</b>		
	Repayable-on demand	-	-
	-within 1 month	50,000,000	-
	-over 1 months but below 6 months	150,000,000	-
	-over 6 months but below 1 year	-	-
	-over 1 year but below 5 years	-	-
	-over 5 year but below 10 years	-	-
		<b>200,000,000</b>	<b>-</b>
	<b>Other than FI's-inside Bangladesh</b>		
	Repayable-on demand	-	-
	-within 1 month	-	-
	-over 1 months but below 6 months	5,149,033	-
	-over 6 months but below 1 year	5,100,000	-
	-over 1 year but below 5 years	12,043,088	6,472,378
	-over 5 year but below 10 years	-	-
		<b>22,292,121</b>	<b>6,472,378</b>
		<b>222,292,121</b>	<b>6,472,378</b>

## FIDELITY ASSETS & SECURITIES COMPANY LIMITED

Amount in Taka

### 13 Others liabilities

	Note	At 31 Dec., 2009	At 31 Dec., 2008
Accumulated provision against loans, advances and leases	13.1	45,793,706	26,882,570
Provision for current tax	13.2	106,319,661	69,575,416
Deferred tax liabilities	13.2a	2,306,612	-
Interest suspense account	13.3	19,434,838	19,293,113
Accounts payable		23,643,723	5,101,303
Accrued expenses		3,747,609	4,729,217
Provision for gratuity	13.4	574,339	5,359
Provision against investments	13.5	884,555	3,327,708
Provident fund	13.6	-	245,758
Lease advance		4,775,038	2,930,818
Advance installment		17,957,944	1,597,725
Unclaimed dividend		242,991	-
Salary tax		47,460	36,750
Interest payable		12,874,063	1,077,100
Tax deduction at source		54,819	40,324
VAT payable		98,841	31,285
Sundry deposit		4,040,515	2,943,496
		<b>242,796,714</b>	<b>137,817,942</b>

### 13.1 Accumulated provision against loans, advances and leases

#### Provision for classified loans, advances and leases

Opening Balance		16,738,359	1,774,360
Fully provided debts written off during the year	(-)	-	-
Recovery of amounts previously written off	(+)	-	-
Specific provision made for the year	(+)	(10,646,782)	14,963,999
Recoveries and provision no longer required	(-)	-	-
Net charge to Profit and Loss Statement	(+)	-	-
<b>Closing Balance</b>		<b>6,091,577</b>	<b>16,738,359</b>

#### Provision for unclassified loans, advances and leases

Opening Balance		10,144,211	7,529,556
Provision for the year		29,557,918	2,614,655
<b>Closing Balance</b>		<b>39,702,129</b>	<b>10,144,211</b>
<b>Total Closing Balance</b>		<b>45,793,706</b>	<b>26,882,570</b>

Provision for	Required	Maintained	Excess/(Shortage)
Classified loans and advances	6,091,577	6,091,577	-
Un-classified loans and advances	11,486,192	39,702,129	28,215,937
	<b>17,577,769</b>	<b>45,793,706</b>	<b>28,215,937</b>

### 13.2 Provision for current tax

Balance as on 01 January	69,575,416	48,725,824
Add: Provision made during the year	36,744,245	20,849,592
Less: Adjustment during the year	-	-
<b>Closing Balance</b>	<b>106,319,661</b>	<b>69,575,416</b>

## FIDELITY ASSETS & SECURITIES COMPANY LIMITED

		Amount in Taka	
		At 31 Dec., 2009	At 31 Dec., 2008
<b>13.2a</b>	<b>Provision for deferred tax</b>		
	Balance as on 01 January	-	-
	Add: Provision made during the year	2,306,612	-
	<b>Closing Balance</b>	<b>2,306,612</b>	-
<b>13.3</b>	<b>Interest suspense account</b>		
	Opening Balance	19,293,113	1,365,920
	Transfer during the year	(68,019,996)	(26,703,759)
	Recovery during the year	(67,878,271)	(8,776,566)
	Written off during the year	-	-
	<b>Closing Balance</b>	<b>19,434,838</b>	<b>19,293,113</b>
<b>13.4</b>	<b>Provision for gratuity</b>		
	Opening Balance	5,359	-
	Add: Provision made during year	568,980	5,359
	Less: Adjustment during the year	-	-
	<b>Closing Balance</b>	<b>574,339</b>	<b>5,359</b>
<b>13.5</b>	<b>Provision against investments</b>		
	Opening Balance	3,327,708	385,285
	Add: Provision made during the year	(2,443,153)	6,162,908
	Less: Adjustment during the year	-	(3,220,485)
	<b>Closing Balance</b>	<b>884,555</b>	<b>3,327,708</b>
<b>13.6</b>	<b>Provision for provident fund</b>		
	Opening balance	245,758	-
	Add: Provision made during the year	627,829	245,758
	Less: Adjustment during the year	(873,587)	-
		-	<b>245,758</b>
<b>14</b>	<b>Share Capital:</b>		
<b>14.1</b>	<b>Authorized Capital:</b>		
	5,000,000 ordinary shares of Taka 100 each	<b>500,000,000</b>	<b>500,000,000</b>
<b>14.2</b>	<b>Issued, Subscribed and paid-up Capital</b>		
	3,906,570 ordinary shares of Taka 100 each issued for cash	<b>390,657,000</b>	<b>390,657,000</b>

## FIDELITY ASSETS & SECURITIES COMPANY LIMITED

### 14.3 Percentage of shareholding

Categories of shareholders	2009 (%)	2008(%)	At 31st Dec,2009	At 31st Dec,2008
Bangladeshi Sponsors	64.00	64.00	250,022,000	250,022,000
Foreign Sponsors	-	-		
Financial Institutions	13.39	15.75	5,22,98,700	61,523,500
Employees	-	-		
General Public	22.61	20.25	88,336,300	79,111,500
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>390,657,000</b>	<b>390,657,000</b>

### 14.4 Classification of shareholders by holding:

Holding	Number of holder		% of total holding		No. of Share		Value of share	
	2009	2008	2009	2008	2009	2008	2009	2008
Upto 500 shares	3202	5965	8.63	12.29	337,013	480,230	33,701,300	48,023,000
501-5000 shares	297	203	10.85	7.91	424,050	308,935	42,405,000	30,893,500
5001-10000 shares	17	16	3.28	2.75	128,249	107,549	12,824,900	10,754,900
10001-20000 shares	16	13	6.02	5.06	235,142	197,642	23,514,200	19,764,200
20001-30000 shares	2	1	1.10	0.53	43,002	20,700	4,300,200	2,070,000
30001-40000 shares	1	2	0.86	1.73	33,700	67,450	3,370,000	6,745,000
40001-50000 shares	0	0	0.00	0.00	-	-	-	-
50001-100000 shares	5	1	9.84	2.5	384,302	97,752	38,430,200	9,775,200
100001-1000000 shares	9	11	59.42	67.23	2,321,112	2,626,312	232,111,200	262,631,200
Over1000000 shares	0	0	0.00	0	-	-	-	-
<b>Total</b>	<b>3549</b>	<b>6212</b>	<b>100</b>	<b>100</b>	<b>3,906,570</b>	<b>3,906,570</b>	<b>390,657,000</b>	<b>390,657,000</b>

### 14.5 Name of the Directors, sponsors shareholders & their shareholding (including holdings of general public) as on 31st December 2009:

Sl. No.	Name	Position	Total Nos. of Share	Total Value	%
1	Mr. Abdul Matlub Ahmed	Chairman	192000	19,200,000	4.91%
2	Mr Serajul Islam	Director	16500	1,650,000	0.42%
3	Mr. Asaduzzaman Chowdhury	Director	11000	1,100,000	0.28%
4	Mr. Nasim Ali Khan	Director	110000	11,000,000	2.82%
5	Ms. Shahnaz Ahmad	Director	110000	11,000,000	2.82%
6	Mr. Syed Monowar Ali	Director	110000	11,000,000	2.82%
7	Mrs. Selima Ahmed	Director	164400	16,440,000	4.21%
8	Central Properties Ltd.	Sponsor	500000	50,000,000	12.80%
9	Nikita & Co. Ltd.	Sponsor	500000	50,000,000	12.80%
10	Capital Service Center Ltd.	Sponsor	500000	50,000,000	12.80%
11	Bangladesh National Car Ltd.	Sponsor	134712	13,471,200	3.45%
12	Mr. Abdul Marib Ahmad	Sponsor	97752	9,775,200	2.50%
13	Mr. Mahmudul Hoque Shamim	Sponsor	18392	1,839,200	0.47%
14	Mr. Enamul Hoque	Sponsor	16500	1,650,000	0.42%
15	Mr. Altaf Hossain	Sponsor	11000	1,100,000	0.28%
16	Mrs Shahin Ara	Sponsor	7964	796,400	0.20%
	<b>Total</b>		<b>2500220</b>	<b>250,022,000</b>	<b>64.00%</b>
17	Mr. Harun-Ur-Rashid, FCA	Independent Director	50	5,000	0.00%
	<b>Total</b>		<b>2,500,270</b>	<b>250,027,000</b>	<b>64.00%</b>
18	General Public	IPO	<b>1,406,300</b>	<b>140,630,000</b>	<b>36.00%</b>
	<b>Grand Total</b>		<b>3,906,570</b>	<b>390,657,000</b>	<b>100.00%</b>

## FIDELITY ASSETS & SECURITIES COMPANY LIMITED

Amount in Taka

	At 31 Dec, 2009	At 31 Dec, 2008
<b>15</b>		
<b><u>Statutory reserve</u></b>		
Opening Balance	33,595,503	24,059,228
Add: Addition during the year	17,120,673	9,536,275
<b>Closing Balance</b>	<b>50,716,176</b>	<b>33,595,503</b>
<b>16</b>		
<b><u>Other reserve</u></b>		
Capital reserve (note 16.1)	315,000	315,000
	<b>315,000</b>	<b>315,000</b>
<b>16.1</b>		
<b><u>Capital reserve</u></b>		
Opening Balance	315,000	315,000
Add: Addition during the year	-	-
<b>Closing Balance</b>	<b>315,000</b>	<b>315,000</b>
<b>17</b>		
<b><u>Retained earnings</u></b>		
Opening Balance	96,002,607	57,857,506
Net profit after taxation	85,603,363	47,681,376
Transfer to Statutory reserve	(17,120,673)	(9,536,275)
Cash dividend paid-2008	(46,878,840)	-
	<b>117,606,457</b>	<b>96,002,607</b>

## FIDELITY ASSETS & SECURITIES COMPANY LIMITED

		Amount in Taka	
18 <u>Profit and loss account</u>	Year ended 31 Dec, 2009	Year ended 31 Dec, 2008	
<b>Income:</b>			
Interest, discount and similar income	181,065,176	147,926,730	
Dividend income	2,801,186	885,919	
Fees, commission and brokerage	1,152,500	699,067	
Gains less losses arising from investment securities	42,253,169	21,607,929	
Gains less losses arising from dealing in foreign currencies	-	(36,521)	
Other operating income	18,548,597	5,627,354	
Gains less losses arising from dealing securities	-	-	
Income from non-banking assets	-	-	
Profit less losses on interest rate changes	-	-	
	<b>245,820,628</b>	<b>176,710,478</b>	
<b>Expenses:</b>			
Interest, fee and commission	74,625,908	61,577,938	
Losses on loans and advances	-	-	
Administrative expenses	20,652,277	14,038,624	
Other operating expenses	6,290,709	10,117,189	
Depreciation on FI's assets	3,129,531	1,924,682	
	<b>104,698,425</b>	<b>87,658,433</b>	
<b>Profit before provision</b>	<b>141,122,203</b>	<b>89,052,045</b>	
19 <u>Interest income:</u>			
Interest on loans, advance and lease	177,859,981	132,721,611	
Interest on placement with other banks and financial institution	3,205,195	15,205,119	
Interest on foreign currency balance	-	-	
	<b>181,065,176</b>	<b>147,926,730</b>	
<b>Allocation</b>			
Merchant Banking Operation	16,146,370	459,244	
Other than Merchant Banking Operation	164,918,806	147,467,486	
	<b>181,065,176</b>	<b>147,926,730</b>	
20 <u>Interest paid on deposits, borrowing, etc.</u>			
Interest on deposits	9,987,896	684,968	
Interest on borrowings	64,638,012	60,892,970	
Interest on foreign bank accounts	-	-	
	<b>74,625,908</b>	<b>61,577,938</b>	
<b>Allocation</b>			
Merchant Banking Operation	5,223,814	-	
Other than Merchant Banking Operation	69,402,094	61,577,938	
	<b>74,625,908</b>	<b>61,577,938</b>	



## FIDELITY ASSETS & SECURITIES COMPANY LIMITED

Amount in Taka

	Year ended 31 Dec'09	Year ended 31 Dec'08
<b>21 Investment income</b>		
Interest on treasury bills	-	-
Gain on sale of shares	42,253,169	21,607,929
Dividend on shares	2,801,186	885,919
Interest on debenture	-	-
Interest on treasury bonds	-	-
Gain on treasury bills and treasury bonds	-	-
Interest on other bonds	-	-
	<b>45,054,355</b>	<b>22,493,848</b>
<b>Allocation</b>		
Merchant Banking Operation	-	-
Other than Merchant Banking Operation	45,054,355	22,493,848
	<b>45,054,355</b>	<b>22,493,848</b>
<b>22 Commission, exchange and brokerage</b>		
Commission	1,152,500	699,067
Exchange gain/loss	-	(36,521)
Brokerage	-	-
	<b>1,152,500</b>	<b>662,546</b>
<b>Allocation</b>		
Merchant Banking Operation	1,152,500	699,067
Other than Merchant Banking Operation	-	(36,521)
	<b>1,152,500</b>	<b>662,546</b>
<b>23 Other operating income</b>		
Application fees	4,639,574	1,731,235
Appraisal fees	493,195	803,006
Documentation charge	906,459	48,500
Settlement fees	5,973,931	767,292
Legal fees	1,766,696	808,515
Mortgage inspection fee	119,885	9,600
Portfolio management fee	3,109,841	136,606
Sale of application form	72,553	25,500
Service charge	798,850	1,717,336
Transfer price	22,613	1,242,488
Penalty	-	500
Residual Value	-	8,000
Loss on sale of fixed assets	-	(1,831,224)
Workstation rent	645,000	160,000
	<b>18,548,597</b>	<b>5,627,354</b>
<b>Allocation</b>		
Merchant Banking Operation	9,307,423	433,039
Other than Merchant Banking Operation	9,241,174	5,194,315
	<b>18,548,597</b>	<b>5,627,354</b>

## FIDELITY ASSETS & SECURITIES COMPANY LIMITED

Amount in Taka

	Year ended 31 Dec'09	Year ended 31 Dec'08
<b>24 Salary and allowances</b>		
Basic salary, provident fund contribution and all other allowances	9,016,612	6,195,449
Festival and incentive bonus	2,611,529	463,234
	<b>11,628,141</b>	<b>6,658,683</b>
<b>Allocation</b>		
Merchant Banking Operation	2,145,907	697,529
Other than Merchant Banking Operation	9,482,234	5,961,154
	<b>11,628,141</b>	<b>6,658,683</b>
<b>25 Rent, taxes, insurance, electricity, etc.</b>		
Rent, rates and taxes	716,819	1,291,810
Insurance	282,968	73,399
Electricity, gas and water, etc	1,894,162	550,273
	<b>2,893,949</b>	<b>1,915,482</b>
<b>Allocation</b>		
Merchant Banking Operation	-	80,000
Other than Merchant Banking Operation	2,893,949	1,835,482
	<b>2,893,949</b>	<b>1,915,482</b>
<b>26 Legal expenses</b>		
Professional & legal fees	197,607	127,300
Appraisal fees	152,000	452,200
	<b>349,607</b>	<b>579,500</b>
<b>Allocation</b>		
Merchant Banking Operation	-	-
Other than Merchant Banking Operation	349,607	579,500
	<b>349,607</b>	<b>579,500</b>
<b>27 Postage, stamps, telecommunication, etc.</b>		
Telephone & fax	264,099	364,493
Internet	223,128	190,241
Postage and stamp	172,890	185,087
	<b>660,117</b>	<b>739,821</b>
<b>Allocation</b>		
Merchant Banking Operation	8,194	9,979
Other than Merchant Banking Operation	651,923	729,842
	<b>660,117</b>	<b>739,821</b>
<b>28 Stationery, Printing, advertisement, etc.</b>		
Printing	319,949	766,227
Stationery & Photocopy	218,727	353,716
Publicity and advertisement	440,919	158,726
	<b>979,595</b>	<b>1,278,669</b>
<b>Allocation</b>		
Merchant Banking Operation	6,816	61,662
Other than Merchant Banking Operation	972,779	1,217,007
	<b>979,595</b>	<b>1,278,669</b>

## FIDELITY ASSETS & SECURITIES COMPANY LIMITED

Amount in Taka

	Year ended 31 Dec'09	Year ended 31 Dec'08
<b>29 Director's fees</b>		
Directors' fees	92,500	85,000
Meeting expenses	-	-
	92,500	85,000
<b>Allocation</b>		
Merchant Banking Operation	-	-
Other than Merchant Banking Operation	92,500	85,000
	92,500	85,000
<b>30 Auditor's fees</b>		
Statutory	59,500	51,525.00
	59,500	51,525.00
<b>Allocation</b>		
Merchant Banking Operation	-	-
Other than Merchant Banking Operation	59,500	51,525
	59,500	51,525
<b>31 Depreciation and repairs of FI's assets</b>		
<b>Depreciation</b>		
Office Building	338,625	376,250
Furniture & Fixture	421,780	113,261
Office Decoration	359,494	152,766
Office Equipment	746,481	131,616
Motor Vehicles	767,339	959,174
Electrical Goods	216,118	4,027
Computer	226,061	186,337
Iron Safe	-	1,251
Telephone Line & PABX System	53,633	-
	<b>3,129,531</b>	<b>1,924,682</b>
<b>Repairs</b>		
Motor vehicle repair	145,868	121,944
	<b>145,868</b>	<b>121,944</b>
	<b>3,275,399</b>	<b>2,046,626</b>
<b>Allocation</b>		
Merchant Banking Operation	1,251,812	-
Other than Merchant Banking Operation	2,023,587	2,046,626
	<b>3,275,399</b>	<b>2,046,626</b>

## FIDELITY ASSETS & SECURITIES COMPANY LIMITED

Amount in Taka

	Year ended 31 Dec'09	Year ended 31 Dec'08
<b>32 Other expenses</b>		
AGM expenses	498,221	692,588
Books, newspaper and periodicals	20,175	31,346
Business promotion	955,140	885,657
Entertainment	815,564	371,346
Fees, subscription and donation	515,604	908,528
Fuel, oil and lubricants	161,304	202,948
VAT	2,228	4,280
Medical expenses	109,091	119,061
Security service	269,489	176,000
Server rental	252,000	168,000
Software maintenance	18,000	38,500
Staff welfare, training and education	345,762	1,285,185
TA & DA	980,012	751,134
Registration and renewal	28,550	42,931
Documentation charge	12,500	47,830
Bank charge and excise duty	211,652	2,925,566
Office maintenance	427,317	589,631
Fund procurement cost	500,000	-
Staff bus rent	168,000	-
Initial public offering	-	874,958
Misc. exp.	100	1,700
	<b>6,290,709</b>	<b>10,117,189</b>
<b>Allocation</b>		
Merchant Banking Operation	425,217	274,460
Other than Merchant Banking Operation	5,865,492	9,842,729
	<b>6,290,709</b>	<b>10,117,189</b>
<b>33 Provision against loans, advances and Lease</b>		
On un-classified loans	29,557,918	2,614,655
On classified loans	(10,646,782)	14,963,999
	<b>18,911,136</b>	<b>17,578,654</b>
<b>Allocation</b>		
Merchant Banking Operation	2,490,709	-
Other than Merchant Banking Operation	16,420,427	17,578,654
	<b>18,911,136</b>	<b>17,578,654</b>
<b>34 Provision for diminution in value of investments</b>		
In quoted shares	(2,443,153)	2,942,423
	<b>(2,443,153)</b>	<b>2,942,423</b>
<b>Allocation</b>		
Merchant Banking Operation	-	-
Other than Merchant Banking Operation	(2,443,153)	2,942,423
	<b>(2,443,153)</b>	<b>2,942,423</b>

## FIDELITY ASSETS & SECURITIES COMPANY LIMITED

Amount in Taka

### 35 Appropriations

Retained earnings-brought forward  
Less: Adjustment for prior year  
Add: Post-tax profit for the year

Less: Cash dividend-2008  
Profit available for distribution

**Transferred to:**

Statutory reserve  
General reserve  
Proposed dividend

	Year ended 31 Dec'09	Year ended 31 Dec'08
	96,002,607	57,857,506
	-	-
	85,603,363	47,681,376
	<b>181,605,970</b>	<b>105,538,882</b>
	<b>46,878,840</b>	-
	<b>134,727,130</b>	<b>105,538,882</b>
	17,120,673	9,536,275
	-	-
	-	-
	<b>17,120,673</b>	<b>9,536,275</b>
	<b>117,606,457</b>	<b>96,002,607</b>
	85,603,363	47,681,376
	3,906,570	3,906,570
	21.91	12.20

### 36 Earnings per share

Profit after taxation  
Number of ordinary shares outstanding  
Earnings per share

Earnings per share (EPS) has been computed by dividing the basic earnings by the number of ordinary shares outstanding as on 31 December 2009 as per Bangladesh Accounting standard (BAS) 33.

### 37 Related party transactions

Parties are considered to be related if one party has the ability to control the other party or exercises significant influence over the other party in making financial and operational decision and include associated companies with or without common Directors and key management positions. The company has entered into transaction with other related entities in normal course of business that fall within the definition of related party as per Bangladesh Accounting standard (BAS) 24; "Related Party Disclosures". Transactions with related parties are executed on the same terms, including interest rate and collateral, as those prevailing at the time for comparable transactions with other customers of similar credentials do not involve more than a normal risk.

Details of transactions with related parties and balances with them as at 31 December 2009 as follows:

Name of the related party	Transaction nature	Relationship	Balance as, at 01 January 2009	Addition	Adjustment	Balance as 31 December 2009
Nitol Pulp & Paper Mills Ltd.	House finance 017/HL	Sponser shareholder	2,644,926	-	2,644,926	-
Central Properties Ltd.	House finance 019/HL/06	Sponser shareholder	36,987,124	-	2,383,709	34,603,415
Central Properties Ltd.	House finance 07/HL/06	Sponser shareholder	14,728,803	-	1,127,634	13,601,169
Nitol Insurance Co. Ltd.	Lease finance 0778/LS	Sponser shareholder	-	1480,000	165,891	1,314,109

## FIDELITY ASSETS & SECURITIES COMPANY LIMITED

Amount in Taka

### 38 Letters of guarantee

	Year ended 31 Dec'09	Year ended 31 Dec'08
Stock & Bond Limited	70,000,000	20,000,000
	<b>70,000,000</b>	<b>20,000,000</b>

As per the requirement of Dhaka Stock Exchange Limited (Member's Margin) regulation 2000, an issuance of guarantee by Fidelity Assets & Securities Company Ltd. bearing no. G-FAS/2009/02 dated 08.10.2009 for Tk. 7.00 (seven) crore only on behalf of Stock & Bond Ltd. favouring Dhaka Stock Exchange Ltd. as required for Member's Margin. And Stock & Bond Ltd. Suntex Bhaban (3rd floor) 9/I Motijheel C/A, Dhaka-100, the member of Dhaka Stock Exchange Ltd. membership no. 199 do hereby issue the counter guarantee for Tk. 7.00 (seven) crore only in favour of Fidelity Assets & Securities Company Ltd. The liability under this guarantee shall be restricted to Tk. 7.00 (seven) crore only and shall remain valid upto October 07,2010. In the last year, the guarantee was of Tk. 2.00 (Two) crore bearing no. G- FAS/2008/01 dated 1st July 2008 which was valid upto 30 June 2009.

### 39 Other memorandum items

Customers' stocks of securities-Merchant Banking Wing	• 492,134,761	67,151,626
	<b>492,134,761</b>	<b>67,151,626</b>

This amount consists of portfolio investors' investments at cost price.

### 40 General

#### 40.1 Expenditure incurred on employees

	Number	Number
Employment through out the year in receipt of remuneration aggregating Taka.36,000 or more per annum	53	44
Employment through out the year in receipt of remuneration aggregating less Taka 36,000 per annum	0	0
	<b>53</b>	<b>44</b>

Includes all types of benefits paid and provided both in cash and kind other than the re-imbursement of expenses incurred for the company's business.

#### 40.2 Claims

a) Claim against the company not acknowledge as debts	Nil	Nil
b) Claim by the company not acknowledge as receivable	Nil	Nil

40.3 Dividend income and gain on sale of invested shares and bonds are stated as "Tax free income" presented in the profit and loss account considered good by management.

#### 40.4 Proposal of dividend

The Board of Directors 74th Board meeting , agenda no-6 held on 24 April 2010 recommended to the shareholders a stock dividend (bonus share) @ 15% on 3,906,570 shares i.e. 58,598,585.50 shares @ Tk. 100 each (amounting to Tk. 58,598,550. This will be considered for approval of the shareholders at the 13th Annual General Meeting to be held on 16 June 2010.

40.5 Figures of the previous years have been rearranged/restated, where necessary, to conform to current year presentation.

These financial statements should be read in conjunctions with the annexed notes

FIDELITY ASSETS & SECURITIES COMPANY LIMITED

**Fixed Assets Schedule**  
As on 31 December 2009

Annexure-2

Particulars	COST				Rate	Depreciation			Written Down Value as on 31.12.2009
	Balance as on 01.01.2009	Addition during the year	Adjustment/disposal during the year	Balance as on 31.12.2009		Balance as on 01.01.2009	Addition during the year	Adjustment/disposal during the year	
Land	-	2,163,200	-	2,163,200	0%	-	-	-	2,163,200
Office Building	3,762,495	60,907,076	-	64,669,571	10%	376,250	338,625	-	714,874
Furniture & Fixture	4,297,640	221,800	-	4,519,440	10%	79,839	421,780	-	501,619
Office Decoration	3,665,511	-	-	3,665,511	10%	70,576	359,494	-	430,070
Office Equipment	5,088,254	104,750	-	5,193,004	15%	111,711	746,481	-	858,192
Motor Vehicles	6,916,960	-	-	6,916,960	20%	3,080,264	767,339	-	3,847,603
Electrical Goods	1,440,787	18,600	-	1,459,387	15%	-	216,118	-	216,118
Computer	2,182,368	469,860	-	2,652,228	15%	675,295	226,061	-	901,356
Telephone Line & PABX System	357,552	44,161	-	401,713	15%	-	53,633	-	53,633
Software-MBD	-	900,000	-	900,000	15%	-	-	-	-
<b>Balance as on 31 December 2009</b>	<b>27,711,567</b>	<b>64,829,447</b>	<b>-</b>	<b>92,541,014</b>		<b>4,393,935</b>	<b>3,129,531</b>	<b>-</b>	<b>7,523,465</b>
<b>Balance as on 31 December 2008</b>	<b>20,445,526</b>	<b>13,052,011</b>	<b>5,785,970</b>	<b>27,711,567</b>		<b>4,423,999</b>	<b>1,924,682</b>	<b>1,954,746</b>	<b>4,393,935</b>

Note: Depreciation on fixed assets has been charged at rates varying from 10% to 20% on Diminishing balance method.  
No Depreciation has been charged on addition on Fixed Assets.

# FIDELITY ASSETS & SECURITIES COMPANY LIMITED

## Cash at Bank As on 31 December 2009

Annexure - 3

Name of Banks	Bank A/C NO.	Amount in Taka	
		At 31 Dec, 2009	At 31 Dec, 2008
<b>In current deposit with</b>			
Bank Asia Ltd	CD-0733-00-2967	10,652	11,727
Dutch Bangla Bank Ltd.	CD-116-110-6323	3,900	4,400
EXIM Bank Ltd	CD-11-00-3757	58	1,668
Islami Bank Bangladesh Limited	AWCA-20501090100819116	99,467	99,660
Jamuna Bank Ltd	CD-021-000-2904	22,041	23,311
Janata Bank Ltd	CD-001018416	9,133	9,518
Mutual Trust Bank Limited-Sylhet	CD-0023-021000-2846	2,643	3,793
Pubali Bank Ltd	CD-001591/New-3677901015917	29,572	16,341
Social Investment Bank Ltd	CD-133-000-35421	8,705	9,200
Southeast Bank Ltd	CD-11100012031	317,087	34,422
Standard Chartered	CD-01-5547253-01	18,073	24,699
Standard Chartered	CD-01-5547253-02	104,483	15,340
Uttara Bank Ltd	CD-2029	3,446	4,310
<b>Balance for current deposit accounts (A)</b>		<b>629,260</b>	<b>258,389</b>
<b>In short term deposit with</b>			
Bank Asia Ltd	STD-00736000673	203,867	141,470
Dutch Bangla Bank Ltd.	STD-116-120-974	1,046,456	1,937,663
EXIM Bank Ltd	STD-131-00-0399	270,667	566,774
First Security Bank Ltd.	STD-131-0000-1512	813,251	2,106,363
First Security Bank Ltd.	STD-131-0000-1535	663,367	104,694
HSBC	STD-001212992-067	444,804	692,452
ICB Bank Limited	STD-002500050251	92,064	-
Jamuna Bank Ltd	STD-01-0320000467	1,379,828	6,303,077
Mercantile Bank Ltd -STD	STD-011313100000420	70,613	1,193,238
Mutual Trust Bank Limited	STD-0320000131	135,596,302	4,756,561
Mutual Trust Bank Limited-CTG	STD-0009-032-0000-889	1,736,101	1,835,675
Mutual Trust Bank Limited-Sylhet	STD-0023-032000-0578	1,119,208	761,481
Prime Bank Ltd	STD-31-00-1453 New:11031020003975	1,315,344	1,016,334
Pubali Bank	STD-722-102-518	1,884,466	2,009,967
Standard Chartered	STD-02-5547253-01	143,264	2,551,354
Standard Chartered	STD-02-5547253-02	8,448,646	4,933,368
The City Bank Limited	STD-31002257	50,830,146	100,821
Trust Bank Ltd	STD-0002-032-0000-779	136,025	246,517
Uttara Bank Ltd	STD-41-132	112,118	120,143
<b>Balance for short term deposit accounts (B)</b>		<b>206,306,537</b>	<b>31,377,952</b>
<b>Balance at 31 December (A+B)</b>		<b>206,935,797</b>	<b>31,636,341</b>
<b>Bangladesh Bank</b>	-	1,027,123	530,320
<b>Balance for Bangladesh Bank account</b>		<b>1,027,123</b>	<b>530,320</b>



## FIDELITY ASSETS & SECURITIES COMPANY LIMITED

### Investments In Shares and Bonds

As at 31 December 2009

Shares (quoted)

Annexure - 4

Particulars	Number of shares	Market price per share /Taka	Total Market Price/Taka	Book value
ACI Formulation Ltd.	23,600	171.20	4,040,320	4,021,731
BGIC	1,000	539.00	539,000	200,000
BIFC	2,850	543.50	1,548,975	1,523,557
CMC Kamal Textile	33	137.25	4,529	3,297
Continental Insurance Company Ltd.	4,000	446.50	1,786,000	1,817,712
Daffodil Computers Ltd.	1,120	51.90	58,128	67,602
Dhaka Bank Ltd.	4,000	483.50	1,934,000	1,891,658
EBL Ist Mutual Fund	52,000	22.90	1,190,800	1,406,557
EXIM Bank Ltd.	13,200	373.75	4,933,500	4,900,884
First Security Islami Bank Ltd.	69,950	218.75	15,301,563	13,245,225
Grameen One-Scheme Two	51,000	37.90	1,932,900	2,224,554
IFIC Bank Ltd.	8,250	920.25	7,592,063	6,818,578
Lafurge Surma Cement	11,200	505.00	5,656,000	5,773,671
Metro Spinning Ltd.	5,000	60.20	301,000	299,396
Mutual Trust Bank Ltd.	4,501	411.75	1,853,287	1,865,046
Niloy Cement Industries Ltd.	1,000	186.75	186,750	135,693
Nitol Insurance Co. Ltd.	500	610.00	305,000	233,699
One Bank Ltd.	2,001	458.00	916,458	921,753
Paragon Leather	39	-	-	890
Paramount Insurance	6,050	390.50	2,362,525	2,357,451
Peoples Insurance Company Ltd.	260	1,002.75	260,715	264,170
Pragati Life Insurance Company Ltd.	500	2,383.00	1,191,500	1,178,525
Premier Bank Ltd.	6,000	330.25	1,981,500	2,017,334
Prime Life Insurance Company Ltd.	1,100	1,966.50	2,163,150	2,101,987
Prograssive Life Insurance Company Ltd.	1,300	1,595.00	2,073,500	2,105,999
Shinepukur Ceramics Ltd.	9,000	78.40	705,600	719,342
Social Islamic Bank	36,000	308.00	11,088,000	11,152,106
South East Bank Ltd.	31,100	333.75	10,379,625	10,385,835
Standard Bank Ltd.	6,000	332.25	1,993,500	1,990,454
Takaful Islami Insurance Company Ltd.	300	516.75	155,025	157,973
Trust Bank Ltd.	5,000	434.00	2,170,000	2,211,615
			<b>86,604,912</b>	<b>83,994,294</b>

Shares (unquoted)

Particulars	Number of shares	Face value/Taka	Book value
United Airways (Bangladesh) Ltd.	300,000	100	30,000,000
			30,000,000

Bonds

Particulars	Number of bonds	Market price per bond /Taka	Total Market Price/Taka	Book value
Islamic Bank Mudaraba Bond	6600	990	6530700	6,259,306

**Grand Total**

**6,259,306**  
**120,253,600**

## FIDELITY ASSETS & SECURITIES COMPANY LIMITED

### Highlights of the overall activities of the Co.

As at 31 December 2009

SI #	Particulars	2009	2008	Change in %
1	Paid up capital	390,657,000	390,657,000	-
2	Total Assets	1,611,929,042	1,284,797,992	25.46
3	Total Deposits	222,292,121	6,472,378	3,334.47
4	Total loans, advances and leases	1,052,791,848	968,519,119	8.70
5	Total contingent liabilities and commitments	70,000,000	20,000,000	250
6	Credit deposit ratio	473.61	14963.88	(96.83)
7	Ratio of classified loans against total loans and advances	8.52	11.84	(28.09)
8	Profit after tax and provision	85,603,363	47,681,376	79.53
9	Loans classified during the year	89,648,683	114,690,028	(21.83)
10	Provision kept against classified loans	6,091,577	16,738,359	(63.61)
11	Provision surplus/(deficit)	28,215,937	193,474	14,483.84
12	Cost of fund	13.28	13.44	(1.19)
13	Interest earning assets	1,434,283,030	1,110,363,570	29.17
14	Non-interest earning assets	177,646,012	174,434,422	1.84
15	Return of Investment (ROI)	7.46	4.18	78.57
16	Return on assets (ROA)	5.31	3.71	1.60
17	Income from Investments	45,054,355	22,493,848	100.30
18	Earnings per share	21.91	12.20	79.68
19	Net income per share	21.91	12.20	79.68
20	Price earnings ratio (Times)	24.14	20.94	15.27

  
Chairman

  
Manager Director

  
Company Secretary



**FIDELITY ASSETS & SECURITIES COMPANY LIMITED**

**FIDELITY ASSETS AND SECURITIES COMPANY LIMITED**

Suvastu Imam Square (4th Floor)  
65, Gulshan Avenue, Gulshan, Dhaka-1212

**PROXY FORM**

I/We-----  
of-----  
being a member of Fidelity Assets & Securities Company Limited do hereby appoint Mr. / Mrs./Miss-----  
-----or ( failing him/her) of-----as my / our proxy to attend and  
vote for me / us and on my / our behalf at the **Extraordinary General Meeting & 13th Annual General Meeting** of the  
Company to be held on **Wednesday, June 16, 2010 at 11.00 a.m & 11.30 a.m at Trust Milonayaton, 545, Puratan Biman  
Bandar Sarak, Dhaka Cantonment, Dhaka** and any adjournment therefore.

Revenue  
Stamp of  
Tk. 10.00

Signature of Member-----  
Folio / BO No. -----  
No. of Shares -----

Signature of proxy-----

**Note:**

- 1) This form of proxy, duly completed and signed, must be deposited **at least 48 hours** before the meeting at the company's registered office.
- 2) Signature of the shareholder(s) should agree with the specimen signature registered with the company and / or Depository Register.

**FIDELITY ASSETS AND SECURITIES COMPANY LIMITED**

Suvastu Imam Square (4th floor)  
65, Gulshan Avenue, Gulshan, Dhaka-1212

**ATTENDANCE SLIP**

I do hereby record my attendance at the **Extraordinary General Meeting & 13th Annual General Meeting** of the Company.

Name of the Member / Proxy-----

Folio / BO No.-----

Signature:-----Date:-----

**Note :** Shareholder(s) attending meeting in person or by proxy are requested to complete the Attendance slip and hand it over at the entrance of meeting hall.

## FIDELITY ASSETS & SECURITIES COMPANY LIMITED

### COMPANY INFORMATION

Registered Name of the Company	Fidelity Assets & Securities Company Limited
Company Registration Number	C-32457(1558) 97
Bangladesh Bank License Number	FID(L)/27
Legal Form	Public Limited Company registered under the Companies Act 1994
Registered Office	Suvastu Imam Square (4th Floor) 65, Gulshan Avenue, Gulshan Dhaka-1212 Phone : 9860273, 9860594, 8825949 Fax : 88-02-9860531 E-mail : triermnsk@fasbd.com
Narsingdi Branch	Index Plaza (Mezzanine Floor) Bowakur Station Road Narsingdi Phone : 02-9451657-9 Fax : 02-9860258 E-mail : triermnsk@fasbd.com
Chittagong Branch	IFCO Complex (6th floor), 1147/A CDA Avenue, East Nasirabad, P.S.-Khulshi, Chittagong. Phone : 880-31-2552872-3 Fax : 880-31-2552874 E-mail : triermnsk@fasbd.com
Sylhet Branch	City Centre Shopping Complex (8th Floor), Zinda Bazar, Sylhet. Phone : 0821-2831622-4 Fax : 0821-2831625 E-mail : triermnsk@fasbd.com
Accounting Year End	December 31
No. of Employee	53
Auditors	Hoda Vasi Chowdhury & Co Chartered Accountants BTMC Bhaban (8th Floor), 7-9, Karwan Bazar, Dhaka-1215
Legal Advisor	Mr. S. A. Quashem, M.Sc. LL.B Advocate, Supreme Court
TIN No.	003-201-4669
VAT Registration No.	5101098077
Trade License No.	0921401
Tax Advisor	R.R. Associates Associated Consultant Mokbul Plaza (4th floor) 10/3, Arambagh, Motijheel C/A Dhaka-1000
IT Consultants	Mr. S.A.H. Ismail, CEO NREACH-Net (Pvt.) Ltd.
Corporate Website	www.fasbd.com
Company Secretary	Md. Wahiduzzaman

**Financial Products and Services of FAS are:**

1. Lease Financing
2. Transport Financing
3. Term Financing
4. Project Financing
5. House Financing (Real Estate Finance)
6. Small & Medium Enterprise Financing (SME Finance)
7. Working Capital Financing
8. Factoring
9. Deposit Mobilization
  - i. Term Deposit Schemes
    - a. Monthly Benefit Scheme
    - b. Quarterly benefit Scheme
    - c. Yearly benefit Scheme
10. Merchant Banking Activities:
  - i. Securities Trading in Secondary Market
  - ii. Investor's Portfolio Management
  - iii. Issue Management
  - iv. Underwriting of Issues
  - v. Financial Consultancy
  - vi. Project Counseling

**Head Office :** Suvastu Imam Square (4th floor)  
65, Gulshan Avenue, Gulshan, Dhaka-1212  
Phone : 880-2-9860594, 9860273, 8825949, Fax : 880-2-9860531