

# Annual Report 2010



**FAS Finance & Investment Limited**  
Your Trusted Financial Partner

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## NOTICE OF THE 14TH ANNUAL GENERAL MEETING (AGM)

Notice is hereby given that the 14th Annual General Meeting of the Shareholders of **FAS Finance & Investment Limited** will be held on **Thursday, the June 16, 2011 at 10:00 a.m.** at Trust Milonayaton, 545, Puratan Biman Bandar Sarak, Dhaka Cantonment, Dhaka to transact the following business:

- |                |  |
|----------------|--|
| AGM 2011-14-01 | To receive, consider and adopt the financial Statements of the Company for the year ended as on december 31, 2010 together with the reports of Directors and Auditors thereon. |
| AGM 2011-14-02 | To declare Dividend for the year ended December 31, 2010 as recommended by the Board of Directors.   |
| AGM 2011-14-03 | To elect Directors in terms of Articles of Associations of the Company.  |
| AGM 2011-14-04 | To appoint Auditors of the Company for the year 2011 and fixation of their remuneration.   |
| AGM 2011-14-06 | To transact any other business with the permission of the Chair.   |

By order of the Board of Directors

Dated, Dhaka  
May 25, 2011

Sd/  
(Md. Wahiduzzaman)  
Company Secretary

### NOTES :

1. The Record date of the Company is Monday, the April 18, 2011. The Shareholders, whose name will be appeared in the Share register of the Company at the close of business on the record date will be eligible to attend the meeting and qualify for Dividend to be declared at the AGM
2. A member eligible to attend and vote in the Annual General Meeting may appoint a Proxy to attend and vote in his/her behalf. The Proxy Form, duly Signed by the member and stamped with requisite Stamp duly must be submitted at the registered office of the Company not later than 48 hours before the time of the meeting.
3. Admission into the Meeting Room will be allowed on production of the Attendance Slip attached with the Proxy Form.



## 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 service to all our customer-corporate and individual not excluding the high paced pro-active participant of Corporate Social Responsibility (CSR)

## Our Objectives

- u Be one of the market leaders of the industry
- u Achieve excellence in customer service next to none and superior to all competitors
- u Be a high quality distributor of financial products and services
- u Provide customized financial services to specific clients in both leasing and merchant banking services
- u To build the company as multi-product non bank financial institution for different segment of the market
- u Maximize profitability and sustain steady growth
- u Maximize benefit and satisfaction of the customer
- u 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 Bank  
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  
India-Bangladesh Chamber of Commerce & Industry



## FAS at a Glance

FAS Finance & Investment Limited 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 (NBFI). The authorize capital of the company is Tk. 2100.00 million and the paid up capital of the Company is Tk. 449.255 million.

### 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. Activities of FAS Capital Management Limited
  - 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
31th 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



13th Annual General Meeting held on 16th June, 2010



Registration of Shareholders AGM-2009



SME Finance





*SME Finance*



*Readymate Garments*



*Real Estate*



*Construction Equipments*



## 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. Md. Mofizuddin Chowdhury

Dr. Syed Serajul Huq

### Ex-Officio Director

Mr. Mohammed N. S. Kabir

### Company Secretary

Mr. Md. Wahiduzzaman

## Committees

### Executive Committee

Md. Mofizuddin Chowdhury  
Chairman  
Abdul Matlub Ahmad  
Member  
Dr. Syed Serajul Huq  
Member  
Selima Ahmad  
Member  
Mohammed N.S. Kabir  
Member  
Md. Akhtar Hossain  
Member  
Md. Abdul Maleque  
Member

### Audit Committee

Abdul Matub 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  
Sr. Vice President & CFO  
Md. Wahiduzzaman  
Vice President & Company Secretary  
Md. Maniruzzaman Akan  
Sr. Asstt. Vice President

### Risk Management Committee

Mohammed N.S. Kabir  
Managing Director & CEO  
Md. Akhtar Hossain  
Sr. Vice President & CFO  
Md. Wahiduzzaman  
Vice President & Company secretary

### Credit Ris Management Committee

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

### Internal Control & Compliance Committee

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



## From the Desk of the Chairman

Honorable Shareholders, present guests, ladies and gentlemen,  
Peace be upon you.

On behalf of the Board of Directors, of the Company, I welcome you all to this 14th Annual General Meeting to review the successful performance in the year 2010 and the future potentials of our company FAS Finance & Investment Limited. 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 2010. The company's actual credit and deposit holding activity had significant growth in 2010. This year persistent economic slump both in domestic and international markets posed difficulties. Nevertheless, FAS gained a pre-tax profit of 8.47 crore on 2010.

I am happy to further mention that FAS has played a very significant role in performing its corporate social responsibility during FY 2010. FAS is bound by commitment to serve the society and stand by the general public in weal and woe. Education is a pre-requisite for the over all development of the country. Keeping this view in mind, FAS Finance & Investment Limited awards Scholarship for the meritorious and needy students of HSC level. The students who have been studying at HSC level after passing SSC Examination in the current year are eligible to apply for scholarship of this level. The scholarships are renewable for the entire academic period of HSC level. Already 10 scholarships have been awarded in the level.

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.

Abdul Matlub Ahmad  
Chairman



## চেয়ারম্যান মহোদয়ের বাণী

শ্রদ্ধেয় শেয়ার হোল্ডারবৃন্দ, সম্মানিত অতিথিবৃন্দ, ভদ্র মহিলা ও ভদ্রমহোদয়গণ

আসসালামু আলাইকুম

এফএএস ফাইন্যান্স এন্ড ইনভেস্টমেন্ট লিমিটেড এর ২০১০ সালে কোম্পানীর সাফল্য ও ভবিষ্যত সম্ভাবনা পর্যালোচনার উদ্দেশ্যে আমি অত্যন্ত আনন্দের সাথে এফএএস এর পরিচালনা পর্ষদের পক্ষ থেকে ১৪তম বার্ষিক সাধারণ সভায় আপনাদের স্বাগত জানাচ্ছি। কোম্পানীর প্রতি আপনাদের অব্যাহত সমর্থন এবং অনুপ্রেরনার 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 অত্যন্ত আনন্দিত যে, ২০১০ সালের গোটা বছরটি ধরেই কোম্পানী তার বিস্তৃতির কার্যক্রম অব্যাহত রেখেছে। ২০১০ সালের কোম্পানীর প্রকৃত ঋণ ও আমানত গ্রহণ কার্যক্রম তাৎপর্যপূর্ণভাবে বৃদ্ধি পেয়েছে। অভ্যন্তরীণ ও আন্তর্জাতিক ক্ষেত্রে অর্থনৈতিক মন্দা সত্ত্বেও এফএএস ২০১০ সালে কর পূর্ব ৮.৪৭ কোটি মুনাফা করেছে।

আমি আনন্দের সাথে আরও উল্লেখ করতে চাই যে, কর্পোরেট সোশ্যাল রেসপনসিবিলিটি কার্যক্রমের ক্ষেত্রে এফএএস ২০১০ সালে গুরুত্বপূর্ণ ভূমিকা পালন করেছে। এফএএস সমাজ এবং সাধারণ জনগনের প্রতিটি সুখ দুঃখের সাথে হতে প্রতিশ্রুতিবদ্ধ। শিক্ষাই সার্বিক উন্নয়নের চাবিকাঠি, এ কথা যথার্থ শর্তহিসেবে এফএএস ফাইন্যান্স এন্ড ইনভেস্টমেন্ট লিমিটেড উচ্চ মাধ্যমিক পর্যায়ে অধ্যয়নরত গরীব ও মেধাবী ছাত্র/ছাত্রীদের বৃত্তি প্রদান করে আসছে। উক্ত বৃত্তি সম্পূর্ণ উচ্চ মাধ্যমিক পর্যায়ের জন্য নবায়ন যোগ্য। আমরা ১০ জন মেধাবী ও গরীব ছাত্র/ছাত্রীদের বৃত্তি প্রদান করছি।

সবশেষে আমি সবাইকে আন্তরিক ধন্যবাদ জ্ঞাপন করছি এবং কোম্পানীর লক্ষ্য অর্জনের পথে বিভিন্ন পর্যায়ে পরিচালনা পর্ষদ এবং সকল কর্মীবৃন্দের দেয়া, সময়দান ও প্রচেষ্টাকে অভিবাদন জানাই। আমাদের উপর শেয়ারহোল্ডার ও গ্রাহকদের আস্থাই 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।

আব্দুল মাতলুব আহম্মদ

চেয়ারম্যান



## From the Desk of 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 FAS Finance & Investment Limited.

Our annual growth in 2010 is 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 2010 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 7.92 crore and is an indicator of the Company's progressively stronger business status.

Particulars	2010	2009	Charge in %
Total Assets	2,910,423,303	1,611,929,042	80.56
Total Deposits	516,815,144	222,292,121	132.49
Interest earning assets	2,273,435,903	1,381,011,799	64.62
Income from investments	98,549,940	45,054,355	118.74

The money market was still immersed in slump during 2010. 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 2010 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 SME Women Enterpreneur Conference & Products Display program organized by Bangladesh Bank held at Bangladesh Bank Training Academy at Mirpur in Dhaka.

Although the global economic crisis persists, our business outlook for next year seems to be promising. The FAS started the year of 2011 from good position. We are inspired by our vision and potential, and hope to gather more success in the course of 2011.

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 training courses/workshops/seminars for professional improvement of the officers and employees.

Mohammed N. S. Kabir  
Managing Director



## ব্যবস্থাপনা পরিচালকের প্রতিবেদন

আসসালামু আলাইকুম

এফএএস ফাইন্যান্স এন্ড ইনভেস্টমেন্ট লিমিটেড এর আরও একটি বছরের ব্যবসায়িকভাবে সফল ও ধারাবাহিক বিনিয়োগ প্রবৃদ্ধির প্রতিবেদন আপনাদের সামনে উপস্থাপন করতে পেরে আমি আনন্দিত।

বিগত বছর সমূহের তুলনায় ২০১০ সালে আমাদের বার্ষিক প্রবৃদ্ধি সন্তোষজনক। বিভিন্নমুখী কঠিন বাজার পরিস্থিতির মধ্যেও ভাল ফলাফল অর্জনে সক্ষম হয়েছি। অর্জিত ফলাফল আমাদের যথাযথ সিদ্ধান্তের যথার্থতা প্রমাণ করে।


২০১০ বছরটি ছিল এফএএস এর জন্য গুরুত্বপূর্ণ। বিভিন্ন বাধা-বিপত্তি পেরিয়ে আমরা ব্যবসায়িক কার্যক্রমে যথেষ্ট সাফল্য অর্জনে সক্ষম হয়েছি। পুঁজিবাজারে অস্থিরতা, ব্যবসায়িক মন্দাবস্থা ও তারল্য সংকটের মধ্যেও আমরা কর পরবর্তী ৭.৯২ কোটি টাকা মুনাফা অর্জনে সক্ষম হয়েছি যা প্রতিষ্ঠানের ধারাবাহিক দৃঢ় অবস্থানের ইঙ্গিত বহন করে। এছাড়া আরও কিছু তথ্য আপনাদের জ্ঞাতার্থে উপস্থাপন করছি-

Particulars	2010	2009	Charge in %
Total Assets	2,910,423,303	1,611,929,042	80.56
Total Deposits	516,815,144	222,292,121	132.49
Interest earning assets	2,273,435,903	1,381,011,799	64.62
Income from investments	98,549,940	45,054,355	118.74

২০১০ সালেও আর্থিক বাজার মন্দায় নিমজ্জত 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 ২০১০ সালে আমাদের বার্ষিক প্রবৃদ্ধি সন্তোষজনক। এ সবই 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 বাংলাদেশ ব্যাংক আয়োজিত বাংলাদেশ ব্যাংক ট্রেনিং একাডেমী, মিরপুর, ঢাকায় এসএমই মহিলা উদ্যোক্তা সমাবেশ ও পণ্য প্রদর্শনী কর্মসূচীতে অংশ গহণ করি।

বিশ্বব্যাপী অর্থনৈতিক মন্দা সত্ত্বেও আগামী বছর সম্ভাবনাময় বলে মনে হচ্ছে। চমৎকার অবস্থানে থেকে এফএএস ২০১১ সন শুরু করেছে। আমরা আমাদের দূরদর্শন ও সম্ভাবনার বিষয়ে উৎসাহী এবং ২০১১ 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 ব্যবস্থা ও নেয়া হচ্ছে। আমরা আমাদের কর্মকর্তা ও কর্মচারীদের আকর্ষণীয় বেতনভাতা প্রদানের পাশাপাশি পেশাগত উন্নয়নের পর্যাগু সুবিধা রেখেছি। আর সেজন্য কর্মকর্তা কর্মচারীদের পেশাগত উন্নয়নের লক্ষ্যে তাদেরকে প্রয়োজন ভিত্তিক বিভিন্ন প্রশিক্ষণ কর্মশালা/ওয়ার্কশপ/সেমিনারের আয়োজন করে যাচ্ছে।

  
মোহাম্মদ এন. এস. কবির  
ব্যবস্থাপনা পরিচালক

## 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.

FAS Finance & Investment Limited 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-

- Multi layer 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 converge 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.

### 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 2010 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 of from external events.

To address operational risks, FAS has established and 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 and Operational Risk Management Department (ORMD) to address operational risk and to frame & implement polices, 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 stake holders involved and the goals for which the corporation is governed. The principal stake holders are the shareholders, management and the board of directors. Other stake holders include employees, customers, creditors (e.g. banks, bond holders) suppliers, regulators, and the community at a large.

FAS Finance & Investment Limited 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 ten members including two Independent Directors 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 stake holders where the company conducted its operation. The Directors) 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 Office 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. Md. Mofizuddin Chowdhury and Dr. Syed Serajul Huq as Independent Directors of the Company on September 01, 2010 in their 78th 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 stake holders.

## 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 organization with all stakeholders: clients, shareholders, employees and communities.

Our commitment is to build healthy & long-term relationships with our clients. Their trust in 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 up-front disclosure policy, transparency, integrity, accountability, and creative measures are endeavors to deliver our clients.

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

Education is a prerequisite for the overall development of the country. Keeping this view in mind, FAS Finance & Investment Limited awards Scholarships for the meritorious and needy students of HSC level. The students who have been studying at HSC level after passing SSC Examination in the current year are eligible to apply for scholarship of this level. The scholarships are renewable for the entire academic period of HSC level. Already 10 scholarships have been awarded in the level.

As a financial institution, FAS is committed to maintain Human Resources Management uniquely designed to provide high standard of recruitment policy ensuring continuous education (CF) for all employees. The stimulating work environment encourages the workforce to embrace challenges for the future. FAS considers 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 built up the finest team to cope up with the growing business.

Apart from the financial benefits, Management of FAS pursues a policy for employees' 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 of the best practices in the environmental matter such as our premises, equipments and use and effluent disposal. We appraise projects which may have critical environmental implications. Analyze and generally ignore/avoid investment where high volume of environmental risks is considered. FAS always practices the environmental legislations.

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

## Report of the Audit Committee

Audit Committee of FAS Finance & Investment Limited, 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 2010 to discharge the following business:

1. To discuss on the quarterly and half yearly financial statement for the year 2010.
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 2010 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, 2010 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

### প্রিয় শেয়ারহোল্ডার বৃন্দ

আসসালামু আলাইকুম

এফএএস ফাইন্যান্স এন্ড ইনভেস্টমেন্ট লিমিটেড পরিচালনা পর্ষদের পক্ষ থেকে আপনাদের সবাইকে আমাদের ১৪ তম বার্ষিক সাধারণ সভায় স্বাগত জানাচ্ছি এবং ৩১ ডিসেম্বর ২০১০ সালে শেষ হওয়া অর্থবছরের নিরীক্ষিত আর্থিক বিবরণীসহ আমাদের কোম্পানীর বার্ষিক প্রতিবেদন উপস্থাপন করছি।

২০১০ বছরটি ছিল অত্যন্ত প্রতিকূল যার প্রধান কারণ ছিল আন্তর্জাতিক মন্দা পরিস্থিতি। জাতীয় পর্যায়ে চ্যালেঞ্জগুলোর মোকাবেলায় সরকার এবং কেন্দ্রীয় ব্যাংকের ভূমিকা অত্যন্ত সফলভাবে সম্পাদিত হয়। প্রাতিষ্ঠানিক পর্যায়ে অনেক প্রতিষ্ঠানেই তাদের গতিশীলতা এবং বিচক্ষণ সিদ্ধান্ত গ্রহণের মাধ্যমে এই চ্যালেঞ্জকে সফলভাবে মোকাবেলা করে। এফএএস এর অর্থনৈতিক সাফল্য থেকে এটাই প্রতীয়মান হবে যে, আপনাদের প্রতিষ্ঠানটি তেমনই একটি সফল প্রতিষ্ঠান। ২০১০ এ এই কোম্পানীর পোর্টফোলিও দাঁড়ায় ২,০২১.৮৭ মিলিয়ন টাকা এবং করপোরেশন লাভ ৭৯.১৫ মিলিয়ন টাকা। আগের বছরগুলোতে যে ব্যবসা বহুমুখীকরণ শুরু হয় তার ফলাফল এখন শেয়ারহোল্ডাররা পেতে শুরু করেছেন।

### অর্থনৈতিক পরিস্থিতি

দীর্ঘ এক বিশ্ব মন্দার পর বিভিন্ন গুরুত্বপূর্ণ নীতিমালা নির্ধারণ ও সেগুলোর যথার্থ প্রয়োগে অর্থনৈতিক প্রবৃদ্ধি আবার ইতিবাচক হয়ে উঠেছে। যদিও বিভিন্ন শিল্পোন্নত অর্থনীতি এখনও সংগ্রাম করছে। সীমিত সুযোগ ও দৃঢ় চাহিদার কারণে চলমান বৈশ্বিক পরিস্থিতি বাংলাদেশের উপরে ধীর গতিতে প্রভাব ফেলেছে। ২০১০ সালে প্রত্যাশার চেয়ে অর্থনৈতিক প্রবৃদ্ধির হার বেশি ছিল। দেশজ চাহিদা বৃদ্ধির প্রভাব রপ্তানি প্রসারের প্রভাবকে ম্লান করেছে। মূল্যস্ফীতি অনুমানের চেয়ে নিম্নে ছিল। চলতি হিসাবে উদ্ভূতের পরিমাণ অধিকতর ছিল। ২০১০-২০১১ অর্থ বছরে এ প্রবৃদ্ধির হার অব্যাহত থাকবে বলে আশা করা যায় এবং মূল্যস্ফীতিতে ঈষৎ বৃদ্ধি ঘটতে পারে। চলতি হিসাবের উদ্ভূতে বড় ধরনের অধোগতি অনুমিত হয়। প্রবৃদ্ধির হারকে উন্নীত করতে হলে গ্যাস ও জ্বালানী শক্তির স্বল্পতা দূর করা এবং অবকাঠামো উন্নয়নের জন্য দ্রুত কার্যকর পদক্ষেপ গ্রহণ করতে হবে। এফএএস ফাইন্যান্স এন্ড ইনভেস্টমেন্ট লিমিটেড বিদ্যমান মূল্যবোধ ও চলমান ধারার সাথে ভাল 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 প্রদানে উল্লেখ যোগ্য অগ্রগতি সাধন করেছে। এছাড়াও কোম্পানী কর্পোরেট আর্থিক সহায়তার মাধ্যমে ব্যাপক ব্যবসায়িক কর্মকাণ্ডে বহুমুখি বৈচিত্র্য আনয়নে সক্ষম হয়েছে। বর্তমানে দেশে ৫৪টি বাণিজ্যিক ব্যাংক ও ২৯টি আর্থিক প্রতিষ্ঠান তাদের কর্মকাণ্ড পরিচালনা করছে। তারা জাতীয় আয় ও অর্থনীতির সার্বিক বিকাশে ব্যাপক অবদান রাখতে সক্ষম হয়েছে।

Dear Shareholders,

Assalamu Alaikum Wa-Rahmatullah

The Board of Directors of FAS Finance & Investment Limited (FFIL) takes pleasure in welcoming you all to the 14th Annual General Meeting (AGM) and presenting Annual Report along with the audited financial statement and auditors report thereon for the year ended on December 31, 2010.

In the wake of worst economic downturn since the Great Depression, the year 2010 was quite challenging to the global economy. The challenging posed the crisis at national leaves. In Bangladesh, the challenge has been successfully tackled for which credit goes to the government and the Bangladesh Bank. At enterprise level, many companies have tackled the challenges with dynamism and prudent decision-making. FAS Finance & Investment Limited as will be seen from the financial performance is one of such successful companies. During the said financial year, our portfolio size stood at Tk. 2,021.87 million and our net profit hit Tk. 79.15 million. Business diversifications undertaken in previous years have started reaping benefits to our shareholders.

### Economic Situation:

After a deep global recession, economic growth has turned positive, as a wide range of policy interventions has supported demand and reduced uncertainty systemic risk in financial markets. Yet many industrial economics are still struggling. Bangladesh economy was only mildly impacted by the ongoing global slowdown because of the limited exposure strengthened domestic demand.

Growth in FY2010 was better expectations. Inflation came in below the projection, and the current account surplus was higher. For FY2011, this retains the outlook of a moderate uptick in growth, but with a slightly lower forecast for inflation and a larger full in the current account surplus. To raise growth prospect, power and gas shortages need to be eliminated and reforms accelerated. FAS run its business operation in conformity with prevalent values and current trends and 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.

## মানি মার্কেট

মানি মার্কেট এ বছর অক্টোবর পর্যন্ত ছিল অত্যন্ত স্বাভাবিক। তবে নভেম্বর ডিসেম্বর মাস থেকে এটি অস্বাভাবিক আচরণ শুরু করে। মূল্যস্ফীতি সহনীয় পর্যায়ে রাখার জন্য বাংলাদেশ ব্যাংক রক্ষণশীল মুদ্রা নীতি অনুসরণ করে। যেমন সি আর আর কে ৫ শতাংশ থেকে ৬ শতাংশ এবং এস এল আর কে ১৮ শতাংশ - ১৯ শতাংশ এ উন্নীত করা হয়। এর ফলে অতিরিক্ত তারল্যের জায়গায় কঠিন তারল্য সংকট দেখা দেয়। কল মানির ভারিতগড় নভেম্বরে ৩৭ শতাংশ উন্নীত হয়। তবে বাংলাদেশ ব্যাংকের বিচক্ষণ তত্ত্বাবধানের কারণে পরিস্থিতি স্বাভাবিক হয়ে আসে। ২০১০ এ অধিক মুনাফার আশায় ব্যাংক এবং আর্থিক প্রতিষ্ঠানগুলো পুঁজি বাজারে তাদের বিনিয়োগ অনেক বাড়িয়ে দেয়। তবে পরবর্তীতে তারল্য সংকটের কারণে অনেক ব্যাংক এবং আর্থিক প্রতিষ্ঠান তাদের পোর্টফোলিও শেয়ার বিক্রিতে বাধ্য হয়।

## ব্যবসায়ী কার্যক্রম অর্থায়ন ও বিনিয়োগ কার্যক্রম

সুসংগঠিত ও সমন্বিত কর্মপ্রয়াসের মাধ্যমে যে কোন সংকট মোকাবেলাই এফএএস এর দৃঢ় প্রত্যয়। বাংলাদেশের নেতৃস্থানীয় আর্থিক প্রতিষ্ঠান হিসাবে প্রতিষ্ঠা লাভ করা এবং জাতীয় অর্থনীতিতে তাৎপর্যপূর্ণ অবদান রাখাই আমাদের লক্ষ্য। এ বিশ্বাস ব্যবস্থাপনাকে উন্নতর গ্রাহক সেবা প্রদানে উৎসাহিত করেছে। ঋণ পরিচালনায় বাংলাদেশের আর্থ-সামাজিক পরিস্থিতির কথা বিবেচনা করে, প্রতিষ্ঠানটি সূচনাকাল থেকেই বিনিয়োগের সিদ্ধান্ত গ্রহণের ক্ষেত্রে রক্ষণশীল। এফএএস সবসময় বিকেন্দ্রিক ব্যবসা বেছে নেয় যার মধ্যে অন্তর্ভুক্ত থাকে কর্পোরেট, প্রাতিষ্ঠানিক ক্লায়েন্টস এবং এসএমই। দেশের অর্থনীতিতে একটি উল্লেখযোগ্য অবদান রাখছে ক্ষুদ্র ও মাঝারি উদ্যোক্তা (এসএমই)। তবে এই খাতের আর্থিক প্রয়োজনীয়তা সমূহ ও সহনীয় খরচে তহবিলের সহজলভ্যতার মাঝে রয়ে গেছে বেশ বড় একটি ফারাক। এটি চিন্তা করে এসএমই খাতের প্রবৃদ্ধির জন্য এফএএস দিচ্ছে উপযোগী আর্থিক পণ্য। দেশের অর্থনীতিতে একটি উল্লেখযোগ্য অবদান রেখেছে ক্ষুদ্র ও মাঝারি উদ্যোক্তা (এসএমই)।

## লীজ ফিন্যান্স

ঋণ পণ্যে বহুমুখীকরণের অংশ হিসাবে এফএএস লীজ অর্থায়ন প্রকল্প প্রবর্তন করেছে। এফএএস এর প্রধান অর্থায়নমূলক কর্মকাণ্ড হচ্ছে লীজ ফিন্যান্সিং। কোম্পানী মূলধনী যন্ত্রাদী, সরঞ্জাম ও যানবাহন এর জন্য সম্পূর্ণ পে-আউট আর্থিক লীজ দিয়ে থাকে। এফএএস বিভিন্ন ধরনের প্রতিষ্ঠান যেমন উঠতি প্রতিষ্ঠান, ব্লু-চিপ কোম্পানী এবং এসএমই গুলোকে সেবা প্রদান করে থাকে। একটি বিচক্ষণ ব্যবসায়িক মডেল হিসেবে এই প্রতিষ্ঠান তার ব্যবসা বিভিন্ন খাতে বিকেন্দ্রীকরণ করেছে। লীজ ফাইন্যান্স এর আওতায় কোম্পানির ২০১০ এর শেষ পর্যন্ত বিনিয়োগের পরিমাণ ১৫৭.০৭ মিলিয়ন টাকা।

## Money Market

Money Market sector remained stable and liquid till October but it started to behave irrationally in November and December. In a bid to tame the unbridled inflationary pressure on the economy, Bangladesh Bank resorted to restrictive monetary policy through different tools such as raising cash reserve Requirement (CRR) from 5 percent to 6 percent, Statutory Liquidity Requirement (SLR) from 18 percent to 19 percent and capping REPO facility against government bonds and bills. The restrictive measures mopped up excess liquidity resulting in a tight money market. Therefore, the weighted average call rate stood at 37 percent on November 2010 as per Quarterly Economic Trends of Bangladesh Bank. However, the situation was gradually neutralized by Bangladesh Bank through prudent intervention in money market. In 2010, substantial amount of investments has been made in the capital market by Banks and FIs lured by higher profit motive. In order to realign their liquidity position, many Banks and FIs have been forced to substantial sale of portfolio investment in shares resulting in sharp decline of share prices in bourses.

## OPERATIONAL PROGRAMME

### Financing & Investment Operation:

The Management always believes that any crises can be conquered by working in a team spirit. This belief encouraged the management to ensure better customer service. Considering the socio-economic conditions in lending operation, since inception the company always tried to be conservative while making any investment decision. As a reflection of our corporate vision, FAS always prefers the segmented business proposition which includes corporate, institutional clients and SME. SMEs are making a significant country's economy; but there is an enormous gap between the sectors need and admittance to funds with reasonable cost. Keeping this in mind, FAS is offering tailored financial products for the growth of SME sectors. Small and medium Enterprise (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.

### Lease Finance:

As part of diversification of credit products, FAS has introduced lease financing. The main financial activity of FAS is lease finance. The company offers full payout financial lease of financing machinery, equipment and vehicles. FAS provide services to customers of different segments include growing companies, blue-chip companies and SMEs. Though as prudent business model the company has diversified it business in other business segments in the year 2010. The investment under lease finance of the company stands at Tk. 157.07 million at the end of 2010.

## টার্ম ফিন্যান্স

এফএএস অন্যতম প্রধান সেবা পণ্য টার্ম ফিন্যান্স। ব্যবসায়ের ধরণ এবং প্রয়োজনের উপর ভিত্তি করে ব্যবসায়িক শিল্প ও এসএমই খাতে ১২ থেকে ৬০ মাসের জন্য টার্ম ফিন্যান্স দেওয়া হয়। ২০১০ সালে টার্ম ফিন্যান্স খাতে কোম্পানী প্রবৃদ্ধি ছিল ৪১.১১ শতাংশ এবং বিনিয়োগ ছিলো ৫১৩.২৪ মিলিয়ন টাকা।

## পুঁজি বাজার কার্যক্রম

এফএএস এর কার্যাবলী বহুমুখী করার লক্ষ্যে এফএএস পুঁজিবাজার কার্যক্রম শুরু করেছে। পুঁজি বাজার কার্যক্রমে এফএএস রয়েছে ১০ বছরের অভিজ্ঞতা। ২০১০ সাল পুঁজি বাজার কার্যক্রমের ক্ষেত্রে উর্দ্ধমুখী একটি বছর ছিল। পুঁজি বাজার থেকে দীর্ঘমেয়াদী অর্থ সংগ্রহে কোম্পানী কর্পোরেট গ্রাহকদেরকে অনেক প্রকার সেবা প্রদান করে থাকে। মার্চেন্ট ব্যাংকিং পোর্টফোলিও ব্যবস্থাপনা এবং ষ্টক ব্রোকারেজ ক্ষেত্রগুলোতে এফএএস সেবা প্রদান করে থাকে।

## মার্চেন্ট ব্যাংকিং অপারেশন

২০০৮ সাল থেকে মার্চেন্ট ব্যাংকিং উইং তার বিনিয়োগকারীদের জন্য পোর্টফোলিও ম্যানেজমেন্ট এবং আন্ডার রাইটিং সেবা প্রদান করে আসছে। তারই ফলশ্রুতিতে বিনিয়োগকারীর সংখ্যা ১৫২০ এবং পোর্টফোলিও এর পরিমাণ ২৯৩ কোটিতে পৌঁছিয়েছে। বর্তমানে দৈনিক গড় লেনদেনের পরিমাণ প্রায় ১৫ কোটি টাকা। ২০০৯ সালে ১৪ই অক্টোবর বাংলাদেশ ব্যাংকের সার্কুলার অনুযায়ী কোন ব্যাংক এবং আর্থিক প্রতিষ্ঠান আলাদা সাবসিডিয়ারী কোম্পানী ছাড়া কোন মার্চেন্ট ব্যাংকিং কার্যক্রম পরিচালনা করতে পারবে না। এই সার্কুলার মোতাবেক এফএএস ফাইন্যান্স এন্ড ইনভেস্টমেন্ট লিমিটেড এর পরিচালনা পর্ষদ এফএএস ক্যাপিটাল ম্যানেজমেন্ট লিমিটেড নামে আলাদা একটি সাবসিডিয়ারী কোম্পানী প্রতিষ্ঠা করার সিদ্ধান্ত নিয়েছে যাহার অনুমোদিত মূলধন ১০০ কোটি টাকা এবং পরিশোধিত মূলধন ১০ কোটি টাকা। ১লা অক্টোবর ২০১০ থেকে ৩১ ডিসেম্বর ২০১০, এই ৩ মাসে মার্চেন্ট ব্যাংকিং উইং ১.২৫ কোটি টাকা কর পরবর্তী মুনাফা করেছে। ২০১০ সালে পুঁজিবাজারে এফএএস ক্যাপিটাল ম্যানেজমেন্ট লিমিটেড তার নিজস্ব ৭.৯১ কোটি টাকার বিনিয়োগ কোষ দিয়ে প্রতিষ্ঠানের অবস্থানকে আরো সুদৃঢ় করেছে। আধুনিক বিনিয়োগ নীতির সাথে সামঞ্জস্য রেখে আমরা আমাদের পুঁজিবাজারের বিনিয়োগ কৌশলে পরিবর্তন এনেছি যাতে ঝুঁকির পরিমাণ কম এবং একটি বিচ্ছিন্ন বিনিয়োগ কোষ তৈরীতে সাহায্যক হয়।

## পোর্টফোলিও ব্যবস্থাপনা

সমাজের সকল স্তরের মানুষের প্রতি দায়িত্ব পালনের কথা বিবেচনা করে এফএএস সারাদেশের আপামর জনগণকে সেবা প্রদান করে আসছে। এফএএস এর রয়েছে পোর্টফোলিও ব্যবস্থাপনা সেবা যেখানে এর প্রোডাক্ট লাইনে মার্জিন লেনের সুবিধা রয়েছে। পোর্টফোলিও এ্যাকাউন্টের লেনদেন করা হয় গ্রাহকদের বুদ্ধি বিবেচনায়।

## Term Finance:

The core product of FAS in Term finance. Term finance is available for commercial, industrial, SME sectors, period ranging from 12 to 60 months depending on the business nature and need. The company's investment under term finance registered a growth 41.11 percent in 2010 which stands at Tk. 513.24 million at the end of 2010.

## Capital Market operation:

With a view to expansion of the FAS activities, FAS started its capital market operation. FAS has several years of experience in capital market activity. Year 2010 was an emergency year for capital market operations. The company provides a broad range of services to the corporate clients supporting them in raising long term funds from capital market. FAS offering includes services in the area of merchant banking, portfolio management and stock brokerage.

## Merchant Banking:

During the year 2008 Merchant Bank Wing (MBW) focused on providing Portfolio Management services to our valued clients and underwriting services as well. The number of customers went beyond 1520, portfolio size reached about Tk. 293.00 Crore and average daily trade volume was Tk. 15.00 Crore. As per Bangladesh Bank circular dated 14th October 2009, Financial Institution would conduct Merchant banking operation without constituting a separate subsidiary company. In compliance with this circular the Board of Directors of the Company decided to form a Subsidiary Company in the name and style "FAS Capital Management Limited" with an authorized capital Tk. 100 crore and paid up capital of Tk. 10 crore. From 1st October 2010 to 31 December 2010 MBW made net operating profit of Tk. 1.25 crore. FAS Capital Management Limited also created its own investment portfolio valued at Tk. 7.91 crore in 2010 with a view to strengthening its position in the capital market. We redefined capital market investment strategy in line with modern investment techniques to create a diversified investment portfolio and to minimize risk.

## Portfolio Management:

FAS is providing services all over the country keeping in mind the responsibilities to the society in which it works. FAS has portfolio management services having margin loan facilities in its product line. The transaction of portfolio accounts is made at the discretion of the customers.

## পোর্টফোলিও ঋণ

শেয়ার ও সিকিউরিটিজ ক্রয়ের জন্য এফএএস পোর্টফোলিও গ্রাহকদের মার্জিনলোন সুবিধা দিয়ে থাকে। ২০১০ এর ডিসেম্বর এ মোট বকেয়া পোর্টফোলিও ঋণের পরিমাণ ছিলো ৯৯৬.১২ মিলিয়ন টাকা যা এর আগের বছর ছিল ২৩৮.৪৫ মিলিয়ন টাকা, এক্ষেত্রে প্রবৃদ্ধি ৩১৭.৭৪ শতাংশ। উপরোল্লিখিত পরিমাণটি হল বিভিন্ন পোর্টফোলিও গ্রাহককে দেয়া মোট ইনভেস্টরস্ পোর্টফোলিও ঋণ, যা তাদেরকে দেয়া হয়েছে নিজেদের ডিপোজিট এর বিপরীতে স্টক এক্সচেঞ্জ-এ তালিকাভুক্ত শেয়ার কেনার জন্যে। মার্জিন লোন একাউন্টের অধীনে কেনা শেয়ারগুলোর উপর দেয়া ঋণ শেয়ার লিয়েনকৃত হিসাবে সম্পূর্ণ নিরাপদ।

## শেয়ার এবং সিকিউরিটিজ-এ বিনিয়োগ

বিগত বছরসমূহে আমাদের প্রতিষ্ঠানটি অত্যন্ত দক্ষতার সহিত দায়িত্ব পালন করেছে। এ বছরও তার ব্যতিক্রম নয়। তালিকাভুক্ত কোম্পানীসমূহের শেয়ার এবং সিকিউরিটিতে বিনিয়োগের জন্য এফএএস একটি নিজস্ব পোর্টফোলিও রয়েছে যা বিভিন্ন খাতের সিকিউরিটিতে পূর্ণাঙ্গভাবে বিকেন্দ্রীকৃত। বেশিরভাগ ক্ষেত্রে মৌলিকভাবে দৃঢ় সিকিউরিটিতে বিনিয়োগ এবং বিকেন্দ্রীকরণের মাধ্যমে বিনিয়োগের ঝুঁকি সর্বনিম্ন করা হয়। বিগত বছর সমূহে আমাদের মার্চেন্ট ব্যাংক ডিভিশন অত্যন্ত দক্ষতার সঙ্গে দায়িত্ব পালন করেছে। এ বছরও তার ব্যত্যয় ঘটেনি।

## ব্যাংকিং এ্যারেঞ্জমেন্টস

আমাদের দূরদৃষ্টিতে ও লক্ষ্যে গ্রাহক সন্তুষ্টি ও আমাদের আন্তরিক অংশগ্রহণ প্রাধান্য পায় বলেই কোম্পানীর সম্পদ বৃদ্ধি ও শেয়ারের ঈর্ষণীয় পর্যায়ে পৌঁছেছে। বিভিন্ন বাণিজ্যিক ব্যাংক এফএএস এর উপর তাদের আস্থা অক্ষুণ্ণ রেখেছে, যার ফল হল প্রতিযোগিতামূলক হারে ঋণ সুবিধা। নিজেদের কার্যক্রমে অর্থায়ন করার জন্য ব্যাংক সমূহ থেকে বিভিন্ন রকমের ঋণ সুবিধার মাধ্যমে কোম্পানীটির ২০১০ সালে পর্যন্ত ঋণের স্থিতি ৮৬৮.০৩ মিলিয়ন টাকা এবং চুক্তির শর্ত অনুযায়ী ২০১০ সালে ২১১.৫১ মিলিয়ন টাকা ঋণ ফেরত দিয়েছে। এ ছাড়াও কোম্পানী এসএমই রি-ফিন্যান্সিং স্বীম এর আওতায় বাংলাদেশ ব্যাংকের কাছ থেকে অর্থলাভ করছে।

## ডিপোজিট মোবাইলিজেসন

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। ২০১০ এর ডিসেম্বর পর্যন্ত মোট ডিপোজিটের পরিমাণ ছিল ৫১৬.৮২ মিলিয়ন টাকা।

## ক্রেডিট রেটিং

আপনাদের কোম্পানী ক্রেডিট রেটিং এন্ড ইনফরমেশন সার্ভিসেস লিমিটেড (ক্রিসল) কর্তৃক ২০১০ সালের জুন মাসের আর্থিক প্রতিবেদনের উপর ভিত্তি করে দীর্ঘমেয়াদে BBB+ এবং স্বল্পমেয়াদে ST-3 রেটিং প্রাপ্ত হয়েছে। এই রেটিং আর্থিক দায় পরিশোধে যথাযথ নিরাপত্তা নির্দেশ করে।

## Portfolio Credit:

FAS provides margin loan facilities to its portfolio customers for purchase of shares and securities. The amount of portfolio loan outstanding as on December 2010 was Tk. 996.12 million as against Tk 238.45 million in 2009, which recorded a growth of 317.74 percent. The above amount represents the aggregate investor's portfolio loan extended to different portfolio customers for purchasing shares listed in the stock exchanges against their deposit. Loans are fully secured by way of lien on shares purchased under margin loan account.

## Investment in Share and Securities:

Our Company has been delivering this service very efficiently and skillfully over the preceding year, and this year was no exception. FAS maintains its won portfolio for investment in listed companies shares and securities. These are fully diversified with different sectors of securities. The risk of investment being minimized through diversification and investing mostly in fundamentally strong securities. Our merchant bank division has been delivering this service very efficiently and skillfully over the preceding years, and this year was no exception.

## Banking Arrangements

In line with our vision and mission we always work for customer's satisfaction and involvement, which result in maximization of wealth and adding value to the shares of FAS. 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 activates, the balance of which is Tk. 868.03 million upto 2010, and it has already repaid credit of Tk. 211.51 million in 2010 in accordance with agreed terms and conditions. In addition, the company has also secured fund from Bangladesh Bank under SME refinancing scheme.

## Deposit Mobilization:

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 depositor's 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 2010 stood at Tk. 516.82 million

## Credit Rating

Your company was adjudged credit rating of BBB+ for long term and ST-3 for short term by credit Rating and Information and Services Ltd. (CRISL) based on financial reports of June 01, 2010. Such rating represents adequate safety for timely repayment of financial obligations.



## শেয়ারহোল্ডিং কাঠামো

২০১০ সালের ৩১ শে ডিসেম্বর পর্যন্ত কোম্পানীর বিদ্যমান শেয়ার হোল্ডিং কাঠামোর বর্ণনা সংযোজন- ১ এ দৃষ্টব্য।

## বোর্ড এর সভাসমূহ এবং পরিচালকদের উপস্থিতি

৩১ শে ডিসেম্বর ২০১০ এ শেষ হওয়া বছরে বোর্ড এর মোট ৭ (সাত) টি সভা হয়েছে এবং সভাগুলোতে পরিচালক উপস্থিতি ছিল নিম্নরূপ-

পরিচালকদের নাম	সভায় উপস্থিতি
জনাব আব্দুল মাতলুব আহম্মদ	৭
মিসেস সেলীমা আহম্মদ	৬
জনাব সৈয়দ মনোয়ার আলী	৪
মিসেস শাহনাজ আহাম্মদ	৫
জনাব নাসিম আলী খান	৪
জনাব আসাদুজ্জামান চৌধুরী	-
জনাব মোঃ সিরাজুল ইসলাম	১
ড. সৈয়দ সিরাজুল হক পিএইচডি	৪
জনাব মোঃ মফিজ উদ্দিন চৌধুরী	১

সভায় অনুপস্থিত পরিচালকবৃন্দের ছুটি মঞ্জুরকৃত।

## আর্থিক ফলাফল

নীচে ২০০৯ এবং ২০১০ অর্থবছরের আর্থিক ফলাফলের একটি তুলনামূলক হিসাব দেওয়া হলঃ

বিবরণ	(টাকা)	
	২০১০	২০০৯
ব্যবসায়িক আয়	২১৭,৪২০,৬১৫	১৭১,১৯৪,৭২০
ব্যবসায়িক ব্যয় ও সংস্থান	(১৩২,৭২২,০৬২)	(৪৬,৫৪০,৫০০)
কর পূর্ব মুনাফা	৮৪,৬৯৮,৫৫৩	১২৪,৬৫৪,২২০
কর বরাদ্দ	(৫,৫৪৪,৪২৪)	(৩৯,০৫০,৮৫৭)
কর পরবর্তী মুনাফা	৭৯,১৫৪,১২৯	৮৫,৬০৩,৩৬৩
হালনাগাদ রক্ষিত উদ্ধৃত	৫৯,০০৭,৯৫৭	৪৯,১২৩,৭৬৭
প্রাপ্য মুনাফা	১৩৮,১৬২,০৮৬	১৩৪,৭২৭,১৩০
সঞ্চয় উদ্ধৃতির জন্য পরিচালকদের সুপারিশ		
বিধিবদ্ধ রিজার্ভে জমা	১৫,৮৩০,৮২৬	১৭,১২০,৬৭৩
প্রস্তাবিত নগদ ডিভিডেন্ড		
প্রস্তাবিত বোনাস শেয়ার	৬৭,৩৮৮,৩২৫	৫৮,৫৯৮,৫০০
রক্ষিত উদ্ধৃতির ইজা	৫৪,৯৪২,৯৩৫	৫৯,০০৭,৯৫৭
মোট	১৩৮,১৬২,০৮৬	১৩৪,৭২৭,১৩০

## প্রস্তাবিত ডিভিডেন্ড

কোম্পানীর পরিচালনা পর্ষদ ২০১০ সালে শেয়ারহোল্ডারদের জন্য ১৫ শতাংশ স্টক ডিভিডেন্ড ঘোষণা করেছে। শেয়ারহোল্ডাররা প্রতি (১০০) টি শেয়ারের বিপরীতে (১৫) টি বোনাস শেয়ার পাবে।

## Shareholding Pattern:

Shareholding structure of the company maintained till 31 December 2010 is giving in Annexure-1.

## Board Meetings and Attendance:

The board held total eight (07) meetings in the year ending on 31 December 2010, and attendance of directors in the meetings was as follows:

Name of Directors	Attendance in meeting
Mr. Abdul Matlub Ahmad	7
Mrs. Selima Ahmad	6
Mr. Sayed MonwarAli	8
Mrs. ShahnazAhamed	5
Mr. Nasim Ali Khan	4
Mr. Asaduzzaman Chaudhury	0
Mr. Md. Sirajul Islam	1
Dr. Syed Serajul Huq Ph.D	4
Mr. Md. Mofiz Uddin Chowdhury	1

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

## Financial Results

A comparative statement of financial outcome of the 2009 and 2010 years is given below:

Particulars	(Taka)	
	2010	2009
Operating Income	217,420,615	171,194,720
Operating expenses & provision	(132,722,062)	(46,540,500)
Profit before tax	84,698,553	124,654,220
Provision for taxation	(5,544,424)	(39,050,857)
Profit after tax	79,154,129	85,603,363
Retained Surplus brought forward	59,007,957	49,123,767
Available profit	138,162,086	134,727,130
Directors recommendation for appropriation of accumulated surplus		
Transferred to Statutory Reserve	15,830,826	17,120,673
Proposed cash dividend		
Proposed bonus share	67,388,325	58,598,500
Retained surplus carried forward	54,942,935	59,007,957
Total	138,162,086	134,727,130

## Proposed Dividend

In 2010, 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.

## কুপন বন্ড

এফএএস ফাইন্যান্স এন্ড ইনভেস্টমেন্ট লিমিটেড ২.৫ বছর মেয়াদী ১০০ কোটি টাকার সমমূল্যের ১০০% রূপান্তর যোগ্য কুপন বন্ড ইস্যু করবে। ১০০টি বন্ডের একটি লট যার প্রতিটি বন্ডের অভিহিত মূল্য ১০০ টাকা নির্ধারণ করা হয়েছে। RPO-র নিয়ম অনুসারে, ৪৫% বন্ড রাইটস অফার হিসাবে বর্তমান শেয়ারহোল্ডারগণকে, ৪৫% IPO-র মাধ্যমে জনসাধারণের এবং অবশিষ্ট ১০% private placement এর মাধ্যমে প্রস্তাব করা হবে।

১০.০০ (দশ) কোটি টাকার Private Placement-এর জন্য ইতিমধ্যে আমরা সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের অনুমোদন পেয়েছি।

দীর্ঘমেয়াদী “১০০% রূপান্তর যোগ্য কুপন বন্ড” এর জন্য Credit Rating Information and Services Limited (CRISL) দ্বারা রেটিংকৃত কোম্পানীর প্রাপ্ত বন্ড রেটিং AA- (Indicative).

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 সালে রিফাইন্যান্সিং স্কিম চালু করেছে। নতুন ও অভিজ্ঞ শিল্প উদ্যোক্তাদের এ স্কিমের অধীনে ২০১০ সালে কোম্পানী মোট ৪১.৭৮ 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।

## কোম্পানীর দৃষ্টিভঙ্গী ও আর্থিক প্রতিবেদন কাঠামোঃ

- ব্যক্তি, প্রাতিষ্ঠানিক বিনিয়োগকারী ও ব্যাংক হতে অর্থ সংগ্রহ এবং প্রদত্ত ঋণ আদায় করে বিনিয়োগযোগ্য তহবিলের পরিমাণ বৃদ্ধি।
- নতুন নতুন কর্মসূচী গ্রহণ করে কোম্পানীর কর্মক্রম বহুমুখীকরণ ও ব্যবসা সম্প্রসারণ।
- বিনিয়োগযোগ্য তহবিলের সংগ্রহ ব্যয় কমানো।
- পরিচালন ব্যয় ন্যূনতম পর্যায়ে আনয়ন।
- অনুকূল পরিবেশে দ্রুত এবং উন্নত সেবা প্রদানের মাধ্যমে গ্রাহক সন্তুষ্টি সর্বোচ্চ পর্যায়ে উন্নীতকরণ এবং অন্যান্য আর্থিক প্রতিষ্ঠানের সাথে প্রতিযোগিতায় সুবিধাজনক অবস্থান গ্রহণ।

## মানব সম্পদ

প্রতিষ্ঠানের অব্যাহত প্রবৃদ্ধি সহ টেকসই সাফল্যের জন্য দক্ষ ও পেশাগত উৎকর্ষ সম্পন্ন মানব সম্পদের বিকল্প নেই। মানবসম্পদ বিকাশের কৌশলের মূল লক্ষ্য হল প্রতিষ্ঠানের টেকসই প্রবৃদ্ধি সুনিশ্চিত করা এবং গ্রাহক, শেয়ারহোল্ডার, ষ্টক হোল্ডার, কর্মকর্তা ও কর্মচারীবৃন্দ এবং সমাজে মূল্যবোধ বিকাশের জন্য দক্ষ মানব সম্পদের ব্যবস্থা করা। এফএএস সর্বদা মেধা, দক্ষতার ও কার্যসম্পাদনের উপর ভিত্তি করে কর্মচারীদের মূল্যায়ন করে থাকে। তাই সারা বছরে প্রতিকূল অর্থনৈতিক অবস্থা বিরাজ করা সত্ত্বেও ২০১০ সালে এফএএস ব্যবসা ও মূলধন প্রবৃদ্ধি ছিল উল্লেখযোগ্য।

## Coupon Bond

FAS Finance & Investment Limited will issue 100% convertible Coupon Bonds equivalence sum of Tk. 100.00 crore having a tenor of 2.5 years. The face value of the bond has been fixed at Tk. 100 having market lot of 100 bonds. Under Repeat Public Offering (RPO) Rule, 45% of the bond will be offered to the existing shareholders as rights offer, 45% to the public under IPO and remaining 10% will be offered through private placement.

In this connection we obtained permission from Securities & Exchange Commission for private placement of Tk. 10.00 crore.

Credit Rating Information and Services Limited (CRISL) has assigned “AA- (Indicative) rating to “100% Convertible Coupon Bond” in the long term.

## 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, 41.78 million taka worth of credit from Bangladesh Bank at usual bank rate during 2010, which helped reduction of the company's capital cost. The company is hopeful of obtaining more funds under this scheme in future

## Corporate outlook and financial report framework:

- Raise money and borrow from banks, individuals and corporate investors to increase the amount of invest able fund.
- Diversify operation and extend business periphery by undertaking new projects.
- Diminish collection cost of invest able funds.
- Bring the controllable cost to the minimum level.
- 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.
- Careful selection of customers for diminishing risk and intensive surveillance of financed projects.

## Human Resources:

Competent and high quality work force is pre-condition for continuous growth and success of the Company and to achieve the same we keep improving the skill, knowledge and productivity of the employees. The HR strategy of the Company is to ensure sustainable growth in business and to create confidence and value for our Customers, Shareholders, Stakeholders, Employees and the Society by providing efficient manpower. FAS always judge the merit of officials on the basis of their performance. So, In 2010 FAS archived strong growth in terms of capital and

আমরা একান্তভাবে বিশ্বাস করি যে, আমাদের কর্মীবৃন্দ আমাদের সম্পদ। এফএএস দক্ষ, যোগ্যতাসম্পন্ন প্রার্থীদের নিয়োগদান করে থাকে। সেবা প্রদানে সক্ষমতা তৈরীর জন্য কর্মীবৃন্দকে প্রশিক্ষণ দেয়। ২০১০ সালে বাংলাদেশ ব্যাংক, এসইডিএফ সহ বিভিন্ন প্রতিষ্ঠানে আমাদের প্রতিষ্ঠান থেকে ২০ কর্মকর্তা প্রশিক্ষণ ও কর্মশালায় অংশ নিয়েছেন। ২০০৯ সালে ডিসেম্বরে এফএএস কর্মকর্তা-কর্মচারীর সংখ্যা ছিল ৫৩ জন যা ২০১০ ডিসেম্বরে হয়েছে ৫৯ জন। ব্যবসা সম্প্রসারণের ফলশ্রুতিতে কোম্পানির মানব সম্পদের পরিধির এই বিস্তৃতি ঘটে।

#### পরিচালকবৃন্দ

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

- ১) জনাব আব্দুল মাতলুব আহমাদ
- ২) জনাব সৈয়দ মনোয়ার আলী
- ৩) জনাব আসাদুজ্জামান চৌধুরী

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

#### এসইসির নোটিফিকেশন এর পরিপালন

আর্থিক প্রতিষ্ঠান এবং মার্চেন্ট ব্যাংক এর 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।

#### নিরীক্ষক নিয়োগ

কোম্পানীর নিরীক্ষক মেসার্স জোহা জামান কবির রশিদ এন্ড কোং, চার্টার্ড একাউন্ট্যান্টস ২০১০ অর্থ বছরের জন্য কোম্পানীর অডিট কার্য সম্পন্ন করেছেন। যোগ্য বিবেচিত হওয়া সাপেক্ষে, তাঁরা আমাদের কোম্পানীর ২০১১ সালের অডিট কার্যক্রম পরিচালনা করার জন্য আবেদন করেছেন। পরিচালকবৃন্দ অডিট কমিটির সুপারিশক্রমে মেসার্স জোহা জামান কবির রশিদ এন্ড কোং, চার্টার্ড একাউন্ট্যান্টসকে ২০১১ সালের জন্য অডিটর হিসেবে নিয়োগের জন্য সুপারিশ করেছেন।

#### কর্পোরেট গভর্নেন্স

ভবিষ্যৎ চলার পথে কোম্পানীর দক্ষতার বিষয়ে কোন উল্লেখযোগ্য সংশয় নেই। অভ্যন্তরীণ নিয়ন্ত্রণ পদ্ধতি প্রগাঢ়ভাবে নির্ধারণ করা আছে যা যথাযথভাবে প্রয়োগ এবং পরিপালন করা হয়। 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, অভ্যন্তরীণ নিয়ন্ত্রণ নির্দেশিকা ও তথ্যপ্রযুক্তি নির্দেশিকা তৈরী করছে। এ বিষয়ে পৃথকভাবে বিস্তারিত শিডিউল সংযোজিত। (সংযোজন-II)

business size despite unfavorable economic condition prevailed round the year. We earnestly believe that our workers are our resource. FAS employ personnel who are skilled and eligible. It trains the workforce for enabling them in delivery of service. 20 officers from our organization has participated in training courses and workshops during 2010 of Bangladesh Bank & SEDF. In December 2009, the number of FAS personnel was 53. It was 59 in December 2010. This expansion of the ambit of human resource of the Company happened in consequence of business expansion.

#### 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) Mr. Abdul Matlub Ahmad
- 2) Mr. Syed Monowar Ali
- 3) Mr. Asaduzzaman Chaudhury

Since they are eligible for reelection, they expressed their ardors to be reelected.

#### 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 report of Books of Accounts have been ensured, and relevant accounting rules in preparation of financial statement have been duly observed.

#### Auditors:

M/S Zoha Zaman Kabir Rashid & Co., Chartered Accountants, has carried out the Company for the FY 2010. Being eligible, they have applied to continue our Company's Audit works for the year 2011 also. The Directors endorse recommendation of the Audit Committee for re-appointment of M/S. Zoha Zaman Kabir Rashid & Co., Chartered Accountants as the auditors of the company for the year 2011.

#### Corporate Governance:

There are no significant doubts upon the Company's ability to continue as a going concern. The system of internal control is sound in design and has been effectively implemented and monitored. Our regulatory body's 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.

## ভবিষ্যত পরিকল্পনা

ভবিষ্যৎ ব্যবসা ও স্থিতিশীল প্রবৃদ্ধি ধরে রাখার লক্ষ্যে এফএএস বেশ কিছু পদক্ষেপ গ্রহণ করেছেন। নিজস্ব ব্যবসায়িক কৌশলে আগামী দিন গুলোতে আমাদের কাছে সর্বোচ্চ গুরুত্ব পাবে পুঁজি বাজারে একটি যথাযথ অবস্থান তৈরি করা। এ জন্য কোম্পানী সফল ব্যবসায়িক পদ্ধতি অবলম্বনের মাধ্যমে প্রতিনিয়ত গ্রাহক সেবার মান বৃদ্ধি সহ কর্মীবাহিনীর কর্মদক্ষতা বৃদ্ধি করে চলেছে। আমাদের ব্যবসায়ের প্রসার পরিকল্পনার অংশ হিসাবে দেশের বিভাগীয় ও জেলা শহরে মার্চেন্ট ব্যাংকের কার্যক্রম শুরু করার সিদ্ধান্ত হয়েছে। তবে আমরা আমাদের বিদ্যমান শাখাগুলোর কার্যক্রমের মূল্যায়ন করছি।

## কৃতজ্ঞতা

এ মর্মে কোম্পানীর প্রতি অব্যাহত সমর্থন ও সহযোগিতা প্রদানের জন্য সম্মানিত গ্রাহক, সম্পদ গচ্ছিতকারী, ঋণদাতা, ব্যাংকার, পোষক ও ব্যবসায়ী সহযোগীদের আন্তরিক অভিনন্দন ও কৃতজ্ঞতা জানাচ্ছে পরিচালনা পর্ষদ। পাশাপাশি বাংলাদেশ ব্যাংক, সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন (এসইসি), ঢাকা স্টক এক্সচেঞ্জ (ডিএসই), চট্টগ্রাম স্টক এক্সচেঞ্জ (সিএসই), রেজিস্ট্রার অব জয়েন্ট স্টক কোম্পানিজ অ্যান্ড ফার্মস, জাতীয় রাজস্ব বোর্ড (এনবিআর) এবং অন্যান্য নিয়ন্ত্রক সংস্থাসমূহকে বিভিন্ন সময়ে দেয়া তাদের সাহায্য, সহযোগিতা, মূল্যবান দিকনির্দেশনা এবং পরামর্শ প্রদানের জন্য গভীর কৃতজ্ঞতা প্রকাশ করছে পরিচালনা পর্ষদ। একই সাথে নিরীক্ষণের কাজ যথাসময়ে সম্পন্ন করার জন্য মেসার্স জোহা জামান কবির রশিদ এন্ড কোম্পানীকে ধন্যবাদ জ্ঞাপন করছে এই পর্ষদ। কোম্পানীর পরিচালনা পর্ষদ কোম্পানীর সকল কর্মকর্তা কর্মচারীদের ও অভিনন্দন জানাচ্ছে। তাদের আন্তরিক প্রচেষ্টা এবং গ্রাহক, শেয়ারহোল্ডার ও শুভানুধ্যায়ীদের অব্যাহত সমর্থন ও সহায়তায় এ সাফল্য অর্জন সম্ভব হয়েছে।

পরিচালনা পর্ষদের পক্ষে



(আব্দুল মাতলুব আহম্মাদ)  
চেয়ারম্যান

## 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. Before those steps, we have appreciated the operations of our existed branches.

## Acknowledgement

The Board of Directors takes this opportunity of expressing its heart-felt appreciation and gratitude to the valued clients, depositors, lenders, bankers, patrons and business partners for their continued support and cooperation. The Board also expresses its deep gratitude to Bangladesh Bank, Securities & Exchange Commission (SEC), Dhaka Stock Exchange (DSE), Chittagong Stock Exchange (CSE), Register of Joint Stock Companies and Firms, National Board of Revenue (NBR) and other regulatory bodies for their help, assistance, valuable guidance and advice being extended to the Company from time to time. The Board also thanks M/s Zoha Zaman Kabir Rashid & Co., the Auditors of the Company, for their efforts for timely completion of audits. The Directors also hereby congratulate all officers and employees of the Company, and acknowledge that the success of the Company is owed to their sincere efforts, and to the continuous support and assistance of the customers, shareholders and well-wishers of the Company.



(Abdul Matlub Ahmad)  
Chairman

## Annexure - I

### Pattern of Share holding

The pattern of shareholding of FAS Finance & Investment Limited as on December 31, 2010 as per Clause 1.4 (k) of the SEC Notification No. SEC/CMRRCD/2006-158/Admin/02-08 dated February 20, 2006.

(1) Share holding 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	220,800
Mrs. Selima Ahmad	Director	189,060
Mr. Syed Monwar Ali	Director	126,500
Ms Shahnaz Ahmad	Director	126,500
Mr. Nasim Ali Khan	Director	126,500
Mr. Asaduzzaman Chaudhury	Director	12,650
Mr. Md. Serajul Islam	Director	18,975
Mr. Dr. Syed Serajul Huq	Independent Director	Nil
Mr. Md. Mofizuddin Chowdhury	Independent Director	Nil

- 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.	575,000
Nikita & Co. Ltd.	575,000
Capital Service Center Ltd.	575,000

## 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 "Comply or Explain" basis is given below:

Condition 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 Account	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)	Share holding 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	

**Annexure - II**  
**Corporate Governance Compliance Report**

Condition 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 Committe Chairman	Complied	
3.3 (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 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	
3.32	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	

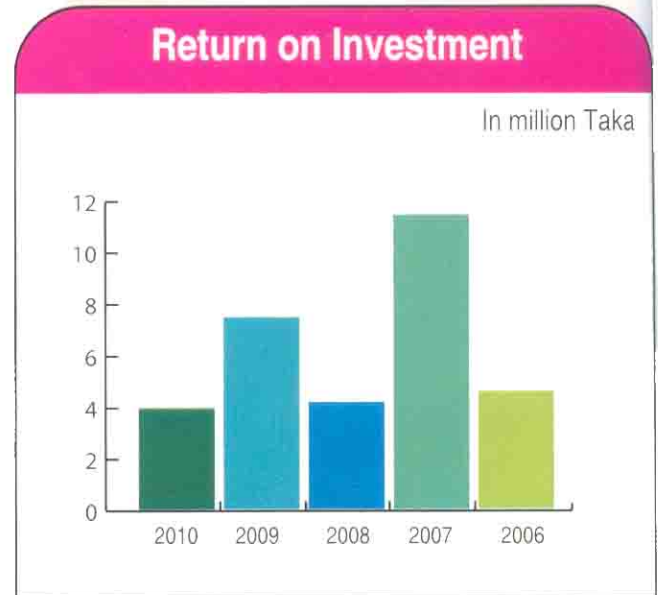
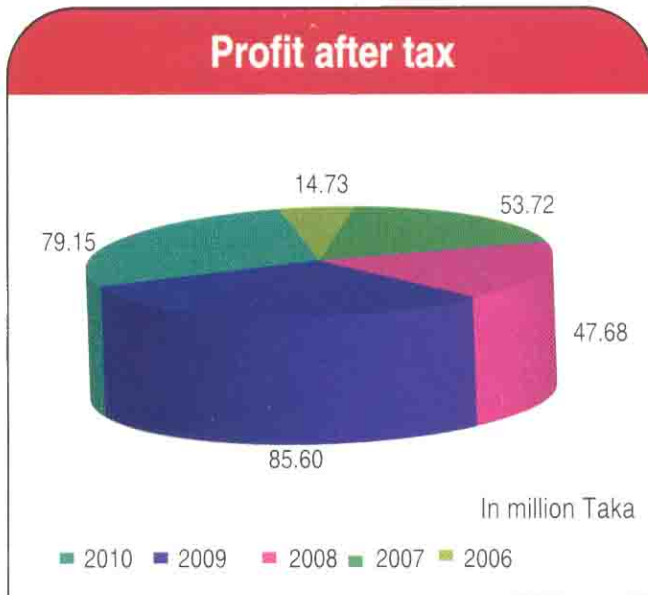
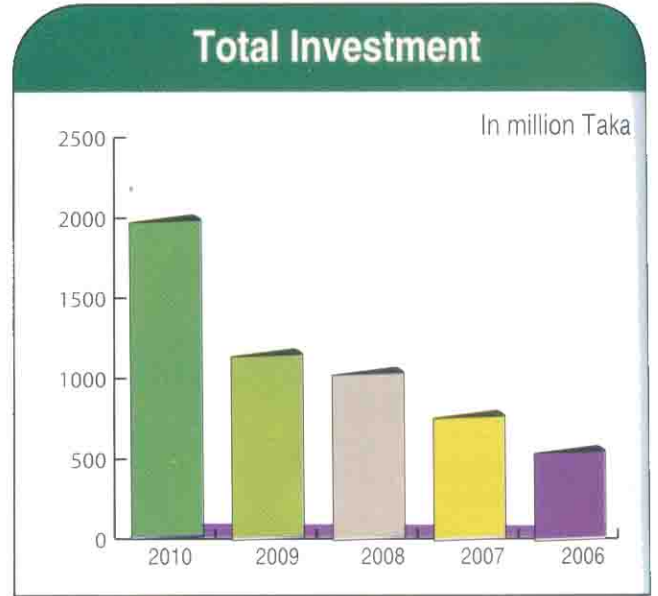
## Key Operation and Financial Data

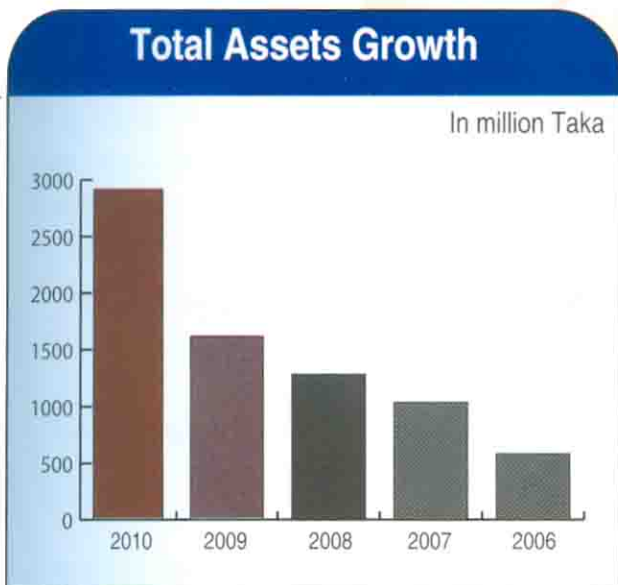
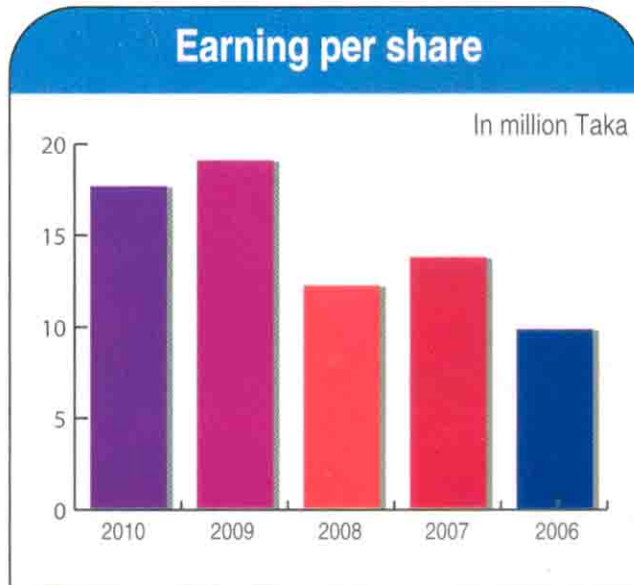
(Taka in million)

Particulars	2010	2009	2008	2007	2006
Operating Result					
Operating Revenue	217.42	171.19	115.13	128.19	50.75
Operating Expenses & Provisions	132.72	46.54	46.6	42.66	24.93
Profit before tax	84.70	124.65	68.53	85.53	25.82
Provision for tax	5.55	39.05	20.85	31.81	11.08
Profit after tax	79.15	85.60	47.68	53.72	14.73
Balance Sheet					
Total investments portfolio	2,021.87	1,173.05	1,057.58	748.80	563.18
Total assets	2,910.42	1,611.93	1,284.8	1,038.00	585.67
Net current assets	316.61	310.06	200.67	275.73	46.13
Provision for doubtful debts	135.95	46.68	30.21	9.68	6.88
Total liabilities	1,958.09	1,052.63	764.23	565.18	307.14
Shareholder's equity	952.34	559.29	520.57	472.89	278.53
Statutory reserve	66.55	50.72	33.59	24.05	13.31
No. of shares outstanding	4,492,555	3,906,570	3,906,570	3,906,570	1,500,200
Total share under lock-in	-	2,500,220	2,500,220	2,500,220	Nil
Financial Ratios					
Debt--equity ratio (in times)	2.06	1.88	1.47	1.20	1.10
Current ratio (in times)	1.31	1.63	1.65	2.28	1.51
Return on equity (after tax) (%)	8.31	15.31	9.16	11.36	5.29
Return on Investment %	3.93	7.46	4.18	11.42	4.58
Net assets value per share	211.98	124.49	133.26	121.05	185.66
Earning per share (Taka per share)	17.62	19.05	12.20	13.75	9.82
Cash dividend (Taka per share)			12%*	Nil	Nil
Stock dividend		15%	Nil	Nil	Nil
Number of branches	3	3	3	2	Nil

\* Proposed Stock Dividend 15%







**AUDITORS` REPORT TO THE SHAREHOLDERS  
OF  
FAS FINANCE & INVESTMENT LIMITED**

We have audited the accompanying Financial Statements of FAS Finance & Investment Limited (The Non-Banking Financial Institution) which comprise Statement of Financial Position as on December 31, 2010 and the related Statement of Comprehensive Income, Statement of Cash Flows, Statement of Changes in Shareholders' Equity and notes thereof for the year then ended. We have also audited the Consolidated Statement of Financial Position as of December 31, 2010 and the related Consolidated Statement of Comprehensive Income, Consolidated Statement of Cash Flows, Consolidated Statement of Changes in Shareholders' Equity and notes to the Consolidated Financial Statements of FAS Finance & Investment Limited and its Subsidiary 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 Consolidated Financial Statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Consolidated Financial Statements. An audit also includes assessing the accounting principles used and significant accounting estimates made by management, as well as evaluating the overall Consolidated Financial Statements presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the Consolidated Financial Statements along with notes there on prepared in accordance with Bangladesh Accounting Standards (BAS), give a true and fair view of the state of the Company's affairs as of December 31, 2010 and the results of its operations and its cash flows for the year then ended and comply with Companies Act 1994, Financial Institutions Act 1993, the Securities and Exchange Rules 1987, the rules and regulations issued by the Bangladesh Bank and other applicable laws and regulations.

We also report that:

- a) we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the 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;
- c) the Company's Consolidated **Statement** of Financial Position and Statement of Comprehensive Income together with the annexed **notes** thereto dealt with by this report are in agreement with the books of account;

- d) the financial position of the Company as at December 31, 2010 and the profit for the year have been properly reflected in the Consolidated Financial Statements and the Consolidated Financial Statements have been prepared in accordance with Generally Accepted Accounting Principles in Bangladesh;
- e) the Consolidated Financial Statements have been drawn up in conformity with the rules and regulations issued by the Bangladesh Bank;
- f) the expenditure incurred and payments made were for the purposes of the Company's business;
- g) the information and explanations required by us have been received and found satisfactory;
- h) adequate provision has been made for leases, loans and advances considered to be classified;
- i) the records and statements submitted by the branch have been properly maintained and consolidated in the financial statements; and
- j) the Company has complied with the relevant laws pertaining to reserves and maintenance of liquid assets.

Dated: Dhaka  
March 30, 2011.

  
**Zoha Zaman Kabir Rashid & Co.**  
Chartered Accountants

# FAS Finance & Investment Limited

## Consolidated Statement of Financial Position


As at December 31, 2010


Particulars	Notes	Amount in Taka	
		At 31 Dec, 2010	At 31 Dec, 2009
<b>PROPERTY AND ASSETS</b>			
<b>Cash:</b>	2 (a)	2,693,053	1,030,554
In hand (including foreign currencies)		18,773	3,431
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)		2,674,280	1,027,123
<b>Balance with other banks and financial institutions</b>	3 (a)	<b>280,447,400</b>	<b>206,935,797</b>
In Bangladesh		280,447,400	206,935,797
Outside Bangladesh		-	-
<b>Money at call and on short notice</b>	4 (a)	-	-
<b>Investments</b>	5 (a)	225,285,856	120,253,600
Government		-	-
Others		225,285,856	120,253,600
<b>Loans, advances and leases</b>		<b>1,832,652,389</b>	<b>1,052,791,848</b>
Loans, cash credits, overdrafts, and leases etc	6 (a)	1,832,652,389	1,052,791,848
Bills purchases and discounted	7 (a)	-	-
<b>Fixed assets including premises, furniture and fixtures (Annexure-1)</b>	8 (a)	399,623,186	85,017,549
<b>Others assets</b>	9 (a)	<b>266,406,477</b>	<b>92,628,463</b>
<b>Non-Financial Institution's assets</b>	10 (a)	<b>53,271,231</b>	<b>53,271,231</b>
<b>Total Assets</b>		<b>3,060,379,592</b>	<b>1,611,929,042</b>
<b>LIABILITIES AND CAPITAL</b>			
<b>Liabilities</b>			
<b>Borrowings from other banks, financial institution, and agents</b>	11 (a)	<b>1,062,405,736</b>	<b>587,545,574</b>
<b>Deposits and other accounts</b>	12 (a)	<b>516,815,144</b>	<b>222,292,121</b>
Current deposits and other accounts		-	-
Bills payable		-	-
Savings bank deposits		-	-
Short-term deposit		-	-
Fixed deposits	12.1	516,815,144	222,292,121
Bearer certificates of deposit		-	-
Others deposits		-	-
<b>Others liabilities</b>	13 (a)	<b>496,291,053</b>	<b>242,796,714</b>
<b>Total Liabilities</b>		<b>2,075,511,933</b>	<b>1,052,634,409</b>
<b>Capital/Shareholders' Equity</b>		<b>962,361,528</b>	<b>559,294,633</b>
Paid-up capital	14	449,255,500	390,657,000
Statutory reserve	15	66,547,002	50,716,176
Other reserve	16	315,000	315,000
Revaluation reserve	17	313,888,244	-
Retained earnings	18 (a)	132,355,782	117,606,457
<b>Minority interest</b>		<b>22,506,131</b>	<b>-</b>
<b>Total Liabilities and Shareholders' Equity</b>		<b>3,060,379,592</b>	<b>1,611,929,042</b>
<b>Net asset value per share</b>		<b>214.21</b>	<b>124.49</b>

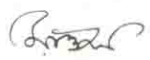
Particulars	Notes	Amount in Taka	
		At 31 Dec, 2010	At 31 Dec, 2009
<b>OFF-BALANCE SHEET ITEMS</b>			
<b>Contingent Liabilities</b>		120,000,000	70,000,000
Acceptances and endorsements		-	-
Letters of guarantee	19 (a)	120,000,000	70,000,000
Irrevocable letters of credit		-	-
Bills for collection		-	-
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>120,000,000</b>	<b>70,000,000</b>
<b>Other memorandum items</b>	20 (a)	<b>2,931,976,383</b>	<b>492,134,761</b>

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

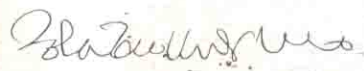
  
Abdul Matlub Ahmad  
Chairman

  
Mohammed N.S. Kabir  
Managing Director & CEO

  
Md. Akhtar Hossain  
SVP & CFO

  
Md. Wahiduzzaman  
VP & Company Secretary

Dated: Dhaka  
30 March 2011

  
Zoha Zaman Kabir Rashid & Co.  
Chartered Accountants

**FAS Finance & Investment Limited**  
**Consolidated Statement of Comprehensive Income**  
**For the Year Ended 31 December, 2010**

Particulars	Notes	Amount in Taka	
		2010	2009
<b>OPERATING INCOME</b>			
Interest Income	22 (a)	173,663,179	181,065,176
Less: Interest paid on deposit and borrowings, etc.	23 (a)	99,884,758	74,625,908
<b>Net Interest income</b>		<b>73,778,421</b>	<b>106,439,268</b>
Investment income	24 (a)	99,406,903	45,054,355
Commission, exchange and brokerage	25 (a)	10,154,244	1,152,500
Other operating income	26 (a)	77,778,596	18,548,597
		<b>187,339,743</b>	<b>64,755,452</b>
<b>Total operating income (a)</b>		<b>261,118,164</b>	<b>171,194,720</b>
<b>OPERATING EXPENSES</b>			
Salary and allowances	27 (a)	14,697,152	11,628,141
Rent, taxes, insurance, electricity, etc.	28 (a)	2,386,981	2,893,949
Legal expenses	29 (a)	506,480	349,607
Postage, stamps, telecommunication, etc.	30 (a)	971,587	660,117
Stationery, Printing, advertisement, etc.	31 (a)	1,197,818	979,595
Chief executives salary & fees		4,752,000	3,843,000
Director's fees	32 (a)	167,500	92,500
Auditor's fees	33 (a)	129,737	59,500
Charge on loan losses		-	-
Depreciation and repairs of assets	34 (a)	9,111,433	3,275,399
Other expenses	35 (a)	18,548,576	6,290,709
<b>Total operating expenses (b)</b>		<b>52,469,264</b>	<b>30,072,517</b>
<b>Profit before provision (c=a-b)</b>		<b>208,648,900</b>	<b>141,122,203</b>
Provision against loans, advances and Leases	36 (a)	86,256,687	18,911,136
Provision for diminution in value of investments	37 (a)	18,021,679	(2,443,153)
Other provisions		-	-
<b>Total provision (d)</b>		<b>104,278,366</b>	<b>16,467,983</b>
<b>Profit before taxation (c-d)</b>		<b>104,370,534</b>	<b>124,654,220</b>
<b>Provision for taxation</b>	38 (a)	<b>12,685,752</b>	<b>39,050,857</b>
Current tax		12,685,752	36,744,245
Deferred tax		-	2,306,612
<b>Net profit after taxation</b>		<b>91,684,782</b>	<b>85,603,363</b>
<b>Attributable:</b>		<b>91,684,782</b>	<b>85,603,363</b>
Shareholders of the company		89,178,651	85,603,363
Minority interest		2,506,131	-
<b>Appropriations</b>		<b>15,830,826</b>	<b>17,120,673</b>
Statutory reserve	15	15,830,826	17,120,673
General reserve		-	-
Dividend, etc.		-	-
<b>Retained surplus</b>		<b>73,347,825</b>	<b>68,482,690</b>
<b>Earnings per share (EPS)</b>		<b>19.85</b>	<b>19.05</b>

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



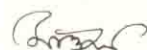
**Abdul Matlub Ahmad**  
Chairman



**Mohammed N.S. Kabir**  
Managing Director & CEO

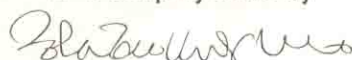


**Md. Akhtar Hossain**  
SVP & CFO



**Md. Wahiduzzaman**  
VP & Company Secretary

Dated: Dhaka  
30 March 2011



**Zoha Zaman Kabir Rashid & Co.**  
Chartered Accountants

# FAS Finance & Investment Limited

## Consolidated Statement of Cash Flows

For the Year Ended 31 December, 2010

Particulars	Amount in Taka	
	2010	2009
<b>Cash Flows From Operating Activities</b>		
Interest receipts	166,575,283	154,737,389
Interest payments	(101,050,059)	(61,279,791)
Dividend receipts	1,266,700	2,801,186
Fee and commission receipts	577,951	459,144
Recoveries on loans previously written off	-	-
Payments to employees	(17,925,603)	(13,632,702)
Payments to suppliers	-	-
Income taxes paid	(38,224,989)	(16,185,392)
Receipts from other operating activities	175,946,799	60,201,412
payment for other operating activities	(23,748,803)	(16,463,076)
<b>Operating profit before changes in operating assets &amp; liabilities</b>	<b>163,417,279</b>	<b>110,638,170</b>
<b>Increase/decrease in operating assets and liabilities</b>		
Statutory deposit	-	-
Trading securities	-	-
Loans advances and leases to FI's	-	-
Loans advances and leases to customers	(737,741,328)	(107,538,163)
Other assets	(1,022,000)	(2,377,301)
Deposit from other banks	290,000,000	200,000,000
Deposit from customers	* 4,050,755	15,395,000
Other liabilities to customer	8,488,122	19,301,458
Trading liabilities (short-term borrowing)	212,581,716	(20,960,603)
Other liabilities	90,311,034	(40,654)
	<b>(133,331,701)</b>	<b>103,779,737</b>
<b>Net cash from/ (used in) operating activities (a)</b>	<b>30,085,578</b>	<b>214,417,907</b>
<b>Cash Flows From Investing Activities</b>		
Purchase/Sale of government securities	-	-
Purchase/Sale of trading securities, shares, bonds, etc.	(223,347,490)	5,673,155
Purchase/Sale of property, plant and equipment	(8,199,045)	(5,716,979)
Purchase/Sale of Subsidiaries	20,000,000	-
<b>Net cash used in investing activities (b)</b>	<b>(211,546,535)</b>	<b>(43,824)</b>
<b>Cash Flows from Financing Activities</b>		
Increase/(decrease) of long-term borrowings	256,635,997	(12,555,796)
Dividend paid	(938)	(46,635,849)
<b>Net cash flow from financing activities (c)</b>	<b>256,635,059</b>	<b>(59,191,645)</b>
<b>Net increase/ (decrease) in cash (a+b+c)</b>	<b>75,174,102</b>	<b>155,182,438</b>
<b>Effects of exchange rate changes on cash and cash equivalents</b>		
<b>Cash and cash equivalents at beginning of the year</b>	<b>207,966,351</b>	<b>52,783,913</b>
<b>Cash and cash equivalents at end of the year*</b>	<b>283,140,453</b>	<b>207,966,351</b>
<b>*Cash and cash equivalents at end of the year</b>		
Cash in hand and balance with Bangladesh Bank	2,693,053	1,030,554
Balance with other banks	280,447,400	206,935,797
Money at call and short notice	-	-
Treasury bills	-	-
Prize bond	-	-
	<b>283,140,453</b>	<b>207,966,351</b>

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



**Abdul Matlub Ahmad**  
Chairman




**Mohammed N.S. Kabir**  
Managing Director & CEO



**Md. Akhter Hossain**  
SVP & CFO



**Md. Wahiduzzaman**  
VP & Company Secretary

  
**Zoha Zaman Kabir Rashid & Co.**  
Chartered Accountants

Dated: Dhaka  
30 March 2011

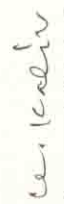



**FAS Finance & Investment Limited**  
Consolidated Statement of Changes in Shareholder's Equity  
For the Year Ended 31 December, 2010

Particulars	Amount in Taka					
	Paid-up capital	Statutory reserve	Revaluation reserve	Capital reserve	Retained earning	Total
Balance as at 01 January 2010	390,657,000	50,716,176	-	315,000	117,606,457	559,294,633
Effects of changes in accounting policy	-	-	-	-	-	-
<b>Restated Balance</b>	<b>390,657,000</b>	<b>50,716,176</b>	<b>-</b>	<b>315,000</b>	<b>117,606,457</b>	<b>559,294,633</b>
Surplus/deficit on account of revaluation of properties	-	-	313,888,244	-	-	313,888,244
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	-	-	-	-	-	-
Transfer to statutory reserve	-	15,830,826	-	-	(15,830,826)	-
Dividend-2009	58,598,500	-	-	-	(58,598,500)	-
Issue of share capital	-	-	-	-	-	-
<b>Balance as at 31 December 2010</b>	<b>449,255,500</b>	<b>66,547,002</b>	<b>313,888,244</b>	<b>315,000</b>	<b>132,355,782</b>	<b>962,361,528</b>
<b>Balance as at 31 December 2009</b>	<b>390,657,000</b>	<b>50,716,176</b>	<b>-</b>	<b>315,000</b>	<b>117,606,457</b>	<b>559,294,633</b>


These financial statements should be read conjunction with the annexed notes

  
Abdul Matlub Ahmad  
Chairman

  
Mohammed N.S. Kabir  
Managing Director & CEO

  
Md. Akhtar Hossain  
SVP & CFO

  
Md. Wahiduzzaman  
VP & Company Secretary

  
Zoha Zaman Kabir Rashid & Co.  
Chartered Accountants

# FAS Finance & Investment Limited

## Statement of Financial Position

As at December 31, 2010

Particulars	Notes	Amount in Taka	
		At 31 Dec, 2010	At 31 Dec, 2009
<b>PROPERTY AND ASSETS</b>			
<b>Cash:</b>	2	2,692,213	1,030,554
In hand (including foreign currencies)	2.1	17,933	3,431
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)	2.2	2,674,280	1,027,123
<b>Balance with other banks and financial institutions</b>	3	168,872,145	206,935,797
In Bangladesh	3.1	168,872,145	206,935,797
Outside Bangladesh		-	-
<b>Money at call and on short notice</b>	4	-	-
<b>Investments</b>	5	146,186,501	120,253,600
Government	5.1	-	-
Others	5.2	146,186,501	120,253,600
<b>Loans, advances and leases</b>		1,875,685,044	1,052,791,848
Loans, cash credits, overdrafts, and leases etc	6	1,875,685,044	1,052,791,848
Bills purchases and discounted	7	-	-
<b>Fixed assets including premises, furniture and fixtures (Annexure-1)</b>	8	394,344,356	85,017,549
<b>Others assets</b>	9	269,371,813	92,628,463
<b>Non-Financial Institution's assets</b>	10	53,271,231	53,271,231
<b>Total Assets</b>		<u>2,910,423,303</u>	<u>1,611,929,042</u>
<b>LIABILITIES AND CAPITAL</b>			
<b>Liabilities</b>			
<b>Borrowings from other banks, financial institution, and agents</b>	11	1,062,405,736	587,545,574
<b>Deposits and other accounts</b>	12	516,815,144	222,292,121
Current deposits and other accounts		-	-
Bills payable		-	-
Savings bank deposits		-	-
Short-term deposits		-	-
Fixed deposits	12.1	516,815,144	222,292,121
Bearer certificates of deposit		-	-
Others deposits		-	-
<b>Others liabilities</b>	13	378,865,417	242,796,714
<b>Total Liabilities</b>		<u>1,958,086,297</u>	<u>1,052,634,409</u>
<b>Capital/Shareholders' Equity</b>		952,337,006	559,294,633
Paid-up capital	14	449,255,500	390,657,000
Statutory reserve	15	66,547,002	50,716,176
Other reserve	16	315,000	315,000
Revaluation reserve	17	313,888,244	-
Retained earnings	18	122,331,260	117,606,457
<b>Total Liabilities and Shareholders' Equity</b>		<u>2,910,423,303</u>	<u>1,611,929,042</u>
<b>Net asset value per share</b>		211.98	124.49

<u>Particulars</u>	<u>Notes</u>	<u>Amount in Taka</u>	
		<u>At 31 Dec, 2010</u>	<u>At 31 Dec, 2009</u>
<b>OFF-BALANCE SHEET ITEMS</b>			
<b>Contingent Liabilities</b>		<b>120,000,000</b>	<b>70,000,000</b>
Acceptances and endorsements		-	-
Letters of guarantee	19	120,000,000	70,000,000
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>120,000,000</b>	<b>70,000,000</b>
<b>Other memorandum items</b>	20	-	<b>492,134,761</b>

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




**Abdul Matlub Ahmad**  
Chairman



**Mohammed N.S. Kabir**  
Managing Director & CEO



**Md. Akhtar Hossain**  
SVP & CFO



**Md. Wahiduzzaman**  
VP & Company Secretary

Dated: Dhaka  
30 March 2011



**Zoha Zaman Kabir Rashid & Co.**  
Chartered Accountants

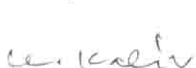
# FAS Finance & Investment Limited

## Statement of Comprehensive Income For The Year Ended 31 December, 2010


Particulars	Notes	Amount in Taka	
		2010	2009
<b>OPERATING INCOME</b>			
Interest Income	22	166,355,504	181,065,176
Less: Interest paid on deposit and borrowings, etc	23	99,884,758	74,625,908
<b>Net Interest income</b>		<b>66,470,746</b>	<b>106,439,268</b>
Investment income	24	98,549,940	45,054,355
Commission, exchange and brokerage	25	5,559,244	1,152,500
Other operating income	26	46,840,685	18,548,597
		<b>150,949,869</b>	<b>64,755,452</b>
<b>Total operating income (a)</b>		<b>217,420,615</b>	<b>171,194,720</b>
<b>OPERATING EXPENSES</b>			
Salary and allowances	27	11,708,902	11,628,141
Rent, taxes, insurance, electricity, etc.	28	2,278,343	2,893,949
Legal expenses	29	486,480	349,607
Postage, stamps, telecommunication, etc.	30	830,431	660,117
Stationery, Printing, advertisement, etc.	31	1,113,160	979,595
Chief executives salary & fees		4,752,000	3,843,000
Director's fees	32	137,500	92,500
Auditor's fees	33	119,737	59,500
Charge on loan losses		-	-
Depreciation and repairs of FI's assets	34	8,908,865	3,275,399
Other expenses	35	13,118,385	6,290,709
<b>Total operating expenses (b)</b>		<b>43,453,803</b>	<b>30,072,517</b>
<b>Profit before provision (c=a-b)</b>		<b>173,966,812</b>	<b>141,122,203</b>
Provision against loans, advances and Leases	36	76,295,807	18,911,136
Provision for diminution in value of investments	37	12,972,452	(2,443,153)
Other provisions		-	-
<b>Total provision (d)</b>		<b>89,268,259</b>	<b>16,467,983</b>
<b>Profit before taxation (c-d)</b>		<b>84,698,553</b>	<b>124,654,220</b>
<b>Provision for taxation</b>	38	<b>5,544,424</b>	<b>39,050,857</b>
Current tax	13.2	5,544,424	36,744,245
Deferred tax	13.3	-	2,306,612
<b>Net profit after taxation</b>		<b>79,154,129</b>	<b>85,603,363</b>
<b>Appropriations</b>		<b>15,830,826</b>	<b>17,120,673</b>
Statutory reserve	15	15,830,826	17,120,673
General reserve		-	-
Dividend, etc.		-	-
<b>Retained surplus</b>		<b>63,323,303</b>	<b>68,482,690</b>
<b>Earnings per share (EPS)</b>		<b>17.62</b>	<b>19.05</b>

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


  
Abdul Matlub Ahmad  
Chairman

  
Mohammed N.S. Kabir  
Managing Director & CEO

  
Md. Akhtar Hossain  
SVP & CFO

  
Md. Wahiduzzaman  
VP & Company Secretary

Dated: Dhaka  
30 March 2011

  
Zoha Zaman Kabir Rashid & Co.  
Chartered Accountants

# FAS Finance & Investment Limited

## Statement of Cash Flows

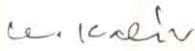
For The Year Ended 31 December, 2010


Particulars	Amount in Taka	
	2010	2009
<b>Cash Flows From Operating Activities</b>		
Interest receipts	120,783,646	154,737,389
Interest payments	(101,050,059)	(61,279,791)
Dividend receipts	1,266,700	2,801,186
Fee and commission receipts	6,691,945	459,144
Recoveries on loans previously written off	-	-
Payments to employees	(16,510,195)	(13,632,702)
Payments to suppliers	-	-
Income taxes paid	(38,143,092)	(16,185,392)
Receipts from other operating activities	144,310,925	60,201,412
payment for other operating activities	(18,899,392)	(16,463,076)
<b>Operating profit before changes in operating assets &amp; liabilities</b>	<b>98,450,478</b>	<b>110,638,170</b>
<b>Increase/decrease in operating assets and liabilities</b>		
Statutory deposit	-	-
Trading securities	-	-
Loans advances and leases to FI's	-	-
Loans advances and leases to customers	(716,517,772)	(107,538,163)
Other assets	(275,296)	(2,377,301)
Deposit from other banks	290,000,000	200,000,000
Deposit from customers	4,050,755	15,395,000
Other liabilities to customer	8,488,122	19,301,458
Trading liabilities (short-term borrowing)	212,581,716	(20,960,603)
Other liabilities	(2,369,740)	(40,654)
	<b>(204,042,215)</b>	<b>103,779,737</b>
<b>Net cash from/ (used in) operating activities (a)</b>	<b>(105,591,737)</b>	<b>214,417,907</b>
<b>Cash Flows From Investing Activities</b>		
Purchase/Sale of government securities	-	-
Purchase/Sale of trading securities, shares, bonds, etc.	(101,178,397)	5,673,155
Purchase/Sale of property, plant and equipment	(6,266,918)	(5,716,979)
Purchase/Sale of Subsidiaries	(80,000,000)	-
<b>Net cash used in investing activities (b)</b>	<b>(187,445,315)</b>	<b>(43,824)</b>


Particulars	Amount in Taka	
	2010	2009
<b>Cash Flows from Financing Activities</b>		
Increase/(decrease) of long-term borrowings	256,635,997	(12,555,796)
Dividend paid	(938)	(46,635,849)
<b>Net cash flow from financing activities (c)</b>	<b>256,635,059</b>	<b>(59,191,645)</b>
<b>Net increase/ (decrease) in cash (a+b+c)</b>	<b>(36,401,993)</b>	<b>155,182,438</b>
<b>Effects of exchange rate changes on cash and cash equivalents</b>		
Cash and cash equivalents at beginning of the year	207,966,351	52,783,913
<b>Cash and cash equivalents at end of the year*</b>	<b>171,564,358</b>	<b>207,966,351</b>
<b>*Cash and cash equivalents at end of the year</b>		
Cash in hand and balance with Bangladesh Bank	2,692,213	1,030,554
Balance with other banks	168,872,145	206,935,797
Money at call and short notice	-	-
Treasury bills	-	-
Prize bond	-	-
	<b>171,564,358</b>	<b>207,966,351</b>

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

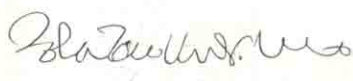
  
Abdul Matlub Ahmad  
Chairman

  
Mohammed N.S. Kabir  
Managing Director & CEO

  
Md. Akhtar Hossain  
SVP & CFO

  
Md. Wahiduzzaman  
VP & Company Secretary

Dated: Dhaka  
30 March 2011

  
Zoha Zaman Kabir Rashid & Co.  
Chartered Accountants

**FAS Finance & Investment Limited**  
Consolidated Statement of Changes in Shareholder's Equity  
For The Year Ended 31 December, 2010

Particulars	Amount in Taka					
	Paid-up capital	Statutory reserve	Revaluation reserve	Capital reserve	Retained earning	Total
Balance as at 01 January 2010	390,657,000	50,716,176	-	315,000	117,606,457	559,294,633
Effects of changes in accounting policy	-	-	-	-	-	-
<b>Restated Balance</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>
Surplus/deficit on account of revaluation of properties	-	-	313,888,244	-	-	313,888,244
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	-	-	-	-	-	-
Transfer to statutory reserve	-	15,830,826	-	-	79,154,129	79,154,129
Dividend-2009	58,598,500	-	-	-	(15,830,826)	-
Issue of share capital	-	-	-	-	(58,598,500)	-
<b>Balance as at 31 December 2010</b>	<b>449,255,500</b>	<b>66,547,002</b>	<b>313,888,244</b>	<b>315,000</b>	<b>122,331,260</b>	<b>952,337,006</b>
<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 conjunction with the annexed notes.



**Abdul Matlub Ahmad**  
Chairman



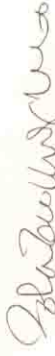
**Mohammed N.S. Kabir**  
Managing Director & CEO



**Md. Akhtar Hossain**  
SVP & CFO



**Md. Wahiduzzaman**  
VP & Company Secretary



**Zoha Zaman Kabir Rashid & Co.**  
Chartered Accountants

**FAS Finance & Investment Limited**  
**Liquidity Statement**

(Asset and Liability Maturity Analysis)

As at December 31, 2010

Amount in Taka

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)	2,692,213	-	-	-	-	2,692,213
Balance with other banks and financial institution	2,022,600	-	166,849,545	-	-	168,872,145
Money at call and on short notice	-	-	-	-	-	-
Investments	-	-	146,186,501	-	-	146,186,501
Loan, advances and leases	251,002,404	25,323,111	692,861,040	851,914,387	54,584,102	1,875,685,044
Fixed assets including premises, furniture and fixture	-	-	-	7,659,165	386,685,191	394,344,356
Other assets	18,110	36,379,410	6,832,335	146,141,958	80,000,000	269,371,813
Non-banking assets	-	-	-	53,271,231	-	53,271,231
<b>Total Assets</b>	<b>255,735,327</b>	<b>61,702,521</b>	<b>1,012,729,421</b>	<b>1,058,986,741</b>	<b>521,269,293</b>	<b>2,910,423,303</b>
<b>Liabilities</b>						
Borrowings from Bangladesh Bank, other banks, financial institutions and agents	16,851,543	55,035,170	422,616,201	567,902,822	-	1,062,405,736
Deposits and other accounts	-	278,730	502,706,672	13,829,742	-	516,815,144
Provision and other liabilities	7,620,174	527,806	7,923,387	362,794,050	-	378,865,417
<b>Total Liabilities</b>	<b>24,471,717</b>	<b>55,841,706</b>	<b>933,246,260</b>	<b>944,526,614</b>	<b>-</b>	<b>1,958,086,297</b>
<b>Net Liquidity Excess/(shortage)</b>	<b>231,263,610</b>	<b>5,860,815</b>	<b>79,483,161</b>	<b>114,460,127</b>	<b>521,269,293</b>	<b>952,337,006</b>

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



**Abdul Matlub Ahmad**  
Chairman



**Md. Akhtar Hossain**  
SVP & CFO



**Md. Wahiduzzaman**  
VP & Company Secretary



**Zoha Zaman Kabir Rashid & Co.**  
Chartered Accountants

Dated: Dhaka  
30 March 2011



# **FAS Finance & Investment Limited**

## **Notes to the Financial Statements For the Year Ended December 31, 2010**

### **1.01 Legal status and Nature of the Company:**

FAS Finance & Investment Limited (formerly named as 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. FFIL licensed for principal branch vide Bangladesh Bank letter dated September 26, 2001 and 1st lease agreement & commencement of public deposit mobilization on December 27, 2001. It also commenced for home loan on 11 June 2003. FFIL 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 FAS Finance & Investment Limited (FFIL) 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.

### **Subsidiary Companies**

The company is holding a subsidiary company named "FAS Capital Management Limited" (formerly Fidelity Assets & Securities Company Limited) with an equity interest of 80% (8,000,000 shares of Tk.10 each totaling Tk.8.00 crore) in the subsidiary company. The subsidiary is a private limited company incorporated with the Registrar of Joint Stock Companies and Firms (RJSC) vide registration no. C-87541/10 dated 13th October 2010 under the companies Act, 1994.

### **1.02 Financial Activities**

#### **a Lease financing**

FFIL provide 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.

#### **b) Transport financing**

FFIL are 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**

FFIL 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**

FFIL 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, FFIL contributes as sponsor or syndicate member of the projects.

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

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

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

FFIL provide 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.

**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**

FFIL 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 FFIL that can help pay down credit lines or accounts payable, freeing up money for growth opportunities.

**h) Factoring**

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

**i) Deposit mobilization**

FFIL provide 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 are stated as under;

**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 No.	Amount	1 year and above	6 (six) months
1	Tk 1.00 lac to Tk. 49.00 lac	10.00%	9.50%
2	Above Tk. 50.00 lac to 99.00 lac	10.25%	10.00%
3	Above Tk. 1.00 to 1.99 crore	10.75%	10.50%
4	Tk. 2.00 crore Above	11.25%	11.00%

**Significant accountings policies**

**1.3 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).

**1.4 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.

**1.5 Basis of measurement**

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

**1.6 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 of 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) Other operational income**

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

Appraisal and documentation fees;  
Service charges;  
Late payment charges;  
Processing fees;  
Settlement charges; and  
Miscellaneous.

**1.7 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 of bringing the assets within the operating condition for its intended use inclusive of inward freight, duties and non-refundable taxes.

**1.8 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 asset 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.

**1.9 Depreciation on fixed assets**

Fixed assets are depreciated based on diminishing balance method at deferent rates varying from 10% to 20% per annum throughout the estimated useful lives of the assets.

Addition to fixed assets are depreciated for the full year irrespective of date of acquisition of assets at the applicable rates while no deprecation is charged on any items in the year of its disposal. Depreciation is calculated on the cost of fixed asset in order to write off such amount over the estimated useful lives of such assets.

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

SI 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	Telephone line & PABX system	15%
9	Software	15%

#### 1.10 Provision on lease, house loan and term finance

Provision has been made at an estimated rate on outstanding exposures based on lease receivables and other financing(s) against aging of 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 of classification and rate of percentages for provision thereon.

#### Lease or Loan upto 5 years

Limit of overdue rentals & installments	Classification	Provision of 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%

#### 1.11 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.

#### 1.12 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. 08, dated 03, August 2002 and FID circular no. 03, dated 03 May 2006 of Bangladesh Bank. Suspended interest is recognized as revenue when it is being received.

#### 1.13 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 2010 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, 2008-2009 and 2009-2010. Return submitted but assessment order has not yet been received for 2010-2011.

#### **1.14 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.

#### **1.15 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.

#### **1.16 Current maturity**

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

#### **1.17 Reporting period**

These financial statements cover one year from 01 January 2010 to 31 December 2010.

#### **1.18 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.

#### **1.19 Cash and cash equivalents**

Statement of Cash Flows is prepared principally in accordance with BAS-7 "Statement of Cash Flows" 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 Statement of Cash Flows 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.

#### **1.20 Director of the Company**

At the end of the year under audit, there were nine 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.

## 1.21 Comparative information

Comparative information has been disclosed in respect of the year 2009 for all numerical information in the financial statements for understanding of current year's financial statements.

## 1.22 Employees benefits

There were two benefit schemes for FFIL 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;

### 1.22 (i) Provident funds

The Company operates a contributory provident fund scheme for its employees, which is recognized by the National Board of Revenue under Clause 2(1) of the First Schedule Part B of the Income tax Ordinance, 1984 of (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.

### 1.22 (ii) Gratuity funds

The Company extends gratuity benefits to its employees, which is recognized by the National Board of Revenue under clause 2(1) 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.

## 1.23 Related party disclosure (BAS -24)

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.

## 1.24 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.

## 1.25 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.

## 1.26 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"



## 1.27 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.

## 1.28 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:

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

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

## 2 Cash

Particulars	Notes	Amount in Taka	
		At 31 Dec, 2010	At 31 Dec, 2009
Cash in hand (including foreign currency)	2.1	17,933	3,431
Balance with Bangladesh Bank and its agent bank(s) (including foreign currency)	2.2	2,674,280	1,027,123
		<b>2,692,213</b>	<b>1,030,554</b>

### 2.1 Cash in hand (including foreign currency)

Particulars	Amount in Taka	
	At 31 Dec, 2010	At 31 Dec, 2009
Local currency	17,933	3,431
Foreign currency	-	-
	<b>17,933</b>	<b>3,431</b>

### 2.2 Balance with Bangladesh Bank and its agent bank(s) (including foreign currency)

Particulars	Amount in Taka	
	At 31 Dec, 2010	At 31 Dec, 2009
<b>Bangladesh with Bangladesh Bank</b>		
Local currency	*2,674,280	1,027,123
Foreign currency	-	-
	<b>2,674,280</b>	<b>1,027,123</b>
<b>Agent Bank of Bangladesh Bank</b>	-	-
	<b>2,674,280</b>	<b>1,027,123</b>

### 2.3. Statutory Deposits

#### 2.3.1 Cash reserve requirement/ratio (CRR) and statutory liquidity ratio (SLR)

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' deposit 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 schedule Banks. Both the reserves are maintained by the company in excess of the statutory requirements, as shown below:

#### (a) Cash Reserve Ratio (CRR)

Particulars	Amount in Taka	
	At 31 Dec, 2010	At 31 Dec, 2009
Required reserve	779,193	666,378
Actual reserve maintained	4,008,814	1,027,257
<b>Surplus</b>	<b>3,229,621</b>	<b>360,879</b>

#### (b) Statutory Liquidity Ratio (SLR)

Particulars	Amount in Taka	
	At 31 Dec, 2010	At 31 Dec, 2009
Required reserve	10,576,767	7,968,018
Actual reserve maintained	48,614,831	38,668,829
<b>Surplus</b>	<b>38,038,064</b>	<b>30,700,811</b>

Total required reserve	11,355,960	8,634,396
Total actual reserve maintained	52,623,645	39,696,086
<b>Surplus</b>	<b>41,267,685</b>	<b>31,061,690</b>

## 2 (a) Consolidated Cash

Particulars	Notes	Amount in Taka	
		At 31 Dec, 2010	At 31 Dec, 2009
<b>i. Cash in hand (including foreign currency)</b>			
FAS Finance & Investment Limited	2.1	17,933	3,431
FAS Capital Management Limited		840	-
		18,773	3,431
<b>ii. Balance with Bangladesh Bank and its agent bank(s) (including foreign currency)</b>			
FAS Finance & Investment Limited	2.2	2,674,280	1,027,123
FAS Capital Management Limited		-	-
		2,674,280	1,027,123
		<b>2,693,053</b>	<b>1,030,554</b>

## 3 Balance with other banks and financial institutions

Particulars	Note	Amount in Taka	
		At 31 Dec, 2010	At 31 Dec, 2009
In Bangladesh	3.1	168,872,145	206,935,797
Outside Bangladesh		-	-
		<b>168,872,145</b>	<b>206,935,797</b>

### 3.1 In Bangladesh

Particulars		Amount in Taka	
		At 31 Dec, 2010	At 31 Dec, 2009
<b>Current Deposits</b>			
Bank Asia Limited, Scotia Branch, Dhaka.	CD-0733002967	9,502	10,652
Dutch-Bangla Bank Limited, Gulshan Branch, Dhaka.	CD-01161100006323	3,400	3,900
EXIM Bank Limited, Gulshan Branch, Dhaka.	CD-00711100035678	58	58
HSBC, Dhaka Branch, Dhaka.	CD-001-212992-011	4,049	-
Islami Bank Bangladesh Limited, Foreign Exchange Cor. Branch., Dhaka	AWCA-20501090100819116819116	98,887	99,467
Jamuna Bank Limited, Mohakhali Branch, Dhaka.	CD-0001-0210002904	20,771	22,041
Janata Bank Limited, Corporate Branch, Dhaka.	CD-001018416	7,983	9,133
Mutual Trust Bank Limited, Shylhet Branch, Sylhet.	CD-0023-021000-2846	1,492	2,643
Pubali Bank Limited, Mohakhali Branch, Dhaka.	CD-36779010115917	1,530,907	29,572
Social Islami Bank Limited, Principal Branch, Dhaka.	CD-0002-13300035421	8,015	8,705
Southeast Bank Limited, Gulshan Branch, Dhaka.	CD-11100012031	317,942	317,087
Standard Chartered Bank, Gulshan Branch, Dhaka.	CD-01-5547253-01	18,934	18,073
Standard Chartered Bank, Gulshan Branch, Dhaka.	CD-01-5547253-02	-	104,483
Uttara Bank Limited, Corporate Branch, Dhaka.	CD-21-2029	660	3,446
		<b>2,022,600</b>	<b>629,260</b>

### Short Term Deposit

Bank Asia Limited, Scotia Branch, Dhaka.	STD-00736000673	210,789	203,867
Dutch Bangla Bank Limited, Gulshan Branch, Dhaka.	STD-011612000000974	11,402,873	1,046,456
Dutch Bangla Bank Limited, CDA Avenue Branch, Chittagong.	STD-012912000000707	134,444	-
EXIM Bank Limited, Gulshan Branch, Dhaka.	STD-00713100065009	90,360	270,667
First Security Islami Bank Ltd., Dilkusha Branch, Dhaka.	STD-131-0000-1512	1,020,533	813,251
First Security Islami Bank Ltd., Ring Road Branch, Dhaka.	STD-131-0000-1535	722,435	663,367
HSBC, Dhaka Branch, Dhaka.	STD-001212992-067	481,396	444,804
ICB Islamic Bank Limited , Gulshan Branch, Dhaka.	STD-002500050251	63,044	92,064
Jamuna Bank Limited, Mohakhali Branch, Dhaka.	STD-01-0320000467	-	1,379,828
Mercantile Bank Limited, Mohakhali Branch, Dhaka.	STD-011313100000420	-	70,613
Mutual Trust Bank Limited, Gulshan Branch, Dhaka.	STD-0022-320000131	17,158,172	135,596,302
Mutual Trust Bank Limited, CD Avenue Branch, Chittagong.	STD-0009-32-0000889	2,206,312	1,736,101
Mutual Trust Bank Limited, Shylhet Branch , Sylhet.	STD-0023-032000-0578	1,235,364	1,119,208
Prime Bank Limited, Mohakhali Branch, Dhaka.	STD-11031020003975	85,595,184	1,315,344
Pubali Bank Limited, Narshingdi Branch, Narshingdi.	STD-0722102000518	1,896,817	1,884,466
Standard Chartered Bank, Gulshan Branch, Dhaka.	STD-02-5547253-01	43,695,656	143,264
Standard Chartered Bank, Gulshan Branch, Dhaka.	STD-02-5547253-02	-	8,448,646
City Bank Limited, Gulshan branch, Dhaka.	STD-31002257	-	50,830,146
Trust Bank Limited, Principal Branch, Dhaka.	STD-002-320000779	852,624	136,025
Uttara Bank Limited, Corporate Branch, Dhaka.	STD-41-132	83,542	112,118
		<b>166,849,545</b>	<b>206,306,537</b>

### Savings Deposit

### Fixed Deposit:

-	-
-	-
<b>168,872,145</b>	<b>206,935,797</b>

### 3.1.a Account-wise/grouping of balance with other banks and financial institutions

Particulars	Amount in Taka	
	At 31 Dec, 2010	At 31 Dec, 2009
Current Deposits	2,022,600	629,260
Short Term Deposit	166,849,545	206,306,537
Savings Deposit	-	-
Fixed Deposit	-	-
	<b>168,872,145</b>	<b>206,935,797</b>

### 3.1.b Maturity grouping of balance with other banks

Particulars	Amount in Taka	
	At 31 Dec, 2010	At 31 Dec, 2009
Repayable-on demand	2,022,600	629,260
-up to 3 months	166,849,545	206,306,537
-over 3 months but below 1 year	-	-
-over 1 year but below 5 years	-	-
-over 5 years	-	-
	<b>168,872,145</b>	<b>206,935,797</b>

### 3 (a) Consolidated balance with other banks and financial institutions

Particulars	Notes	Amount in Taka	
		At 31 Dec, 2010	At 31 Dec, 2009
<b>i. In Bangladesh</b>			
FAS Finance & Investment Limited	3.1	168,872,145	206,935,797
FAS Capital Management Limited	3 (a)i	111,575,255	-
		<b>280,447,400</b>	<b>206,935,797</b>
<b>ii. Outside Bangladesh</b>			
FAS Finance & Investment Limited		-	-
FAS Capital Management Limited		-	-
		<b>280,447,400</b>	<b>206,935,797</b>

### 3 (a)i Bank balance of FAS Capital Management Limited

Particulars		Amount in Taka	
		At 31 Dec, 2010	At 31 Dec, 2009
Dutch Bangla Bank Ltd.			
Gulshan Branch	STD-116.120.1505	570,861	-
Jamuna Bank Ltd.			
Mohakhali Branch	STD-0320000467	43,896	-
Mercantile Bank Ltd.			
Mohakhali Branch	SND-011313100000420	150,432	-
Mutual Trust Bank Lt.			
Gulshan Branch	STD-0022-0320000793	5,035	-
Prime Bank Ltd.			
Mohakhali Branch	STD-11031050015284	94,566,515	-
Prime Bank Ltd.			
Gulshan Branch	STD-11831060023968	1,000,408	-
Standard Chartered Bank,			
Gulshan Branch	CD-01-5547253-02	114,148	-
Standard Chartered Bank,			
Gulshan Branch	STD-02-5547253-02	2,334,887	-
The City Bank Ltd.			
Gulshan Branch	STD-3101221156001	114,023	-
The City Bank Ltd.			
Gulshan Branch	STD-310191238001	12,087,908	-
The City Bank Ltd.			
Narshingdi Branch	STD-310109238002	587,142	-
<b>Total</b>		<b>111,575,255</b>	<b>-</b>

### 4 Money at call and on short notice

Particulars	Amount in Taka	
	At 31 Dec, 2010	At 31 Dec, 2009
With banks	-	-
With financial institutions	-	-
	<b>-</b>	<b>-</b>

#### 4 (a) Consolidated money at call and on short notice

Particulars	Note	Amount in Taka	
		At 31 Dec, 2010	At 31 Dec, 2009
FAS Finance & Investment Limited	4	-	-
FAS Capital Management Limited		-	-
		-	-

#### 5 Investments

Particulars	Notes	Amount in Taka	
		At 31 Dec, 2010	At 31 Dec, 2009
<b>5.1 In Government securities</b>			
Treasury bills		-	-
National investment bonds		-	-
Bangladesh bank bills		-	-
Government notes/bonds		-	-
Prize bonds		-	-
Others		-	-
		-	-
<b>5.2 Other Investments</b>			
Preference shares		-	-
Ordinary shares (Quoted and Unquoted)	5.2.a	144,612,191	113,994,294
Debentures		-	-
Bonds	5.2.b	1,574,310	6,259,306
Zero Coupon Bond		-	-
Other investments		-	-
Gold, etc.		-	-
		-	-
		<b>146,186,501</b>	<b>120,253,600</b>
		<b>146,186,501</b>	<b>120,253,600</b>

#### 5.2.a Ordinary shares (Quoted and Unquoted)

Particulars	Amount in Taka	
	At 31 Dec, 2010	At 31 Dec, 2009
<b>Quoted</b>		
AB Bank Ltd.	8,109,154	-
ACI Formulations Ltd.	-	4,021,731
Agrani Insurance Company Ltd.	23,139	-
Al-Arafah Islami Bank Ltd.	31,070	-
Asia Insurance Ltd.	1,711,720	-
Asia Pacific Insurance Ltd.	9,750	-
Bank Asia Ltd.	430	-
Bangladesh General Insurance Company Ltd.	2,672,400	200,000
Bangladesh Industrial Finance Company	2,871,390	1,523,557
Beach Hatchery Ltd.	2,797,812	-
City Bank Ltd.	1,073,531	-
CMC Kamal Textile Ltd	3,297	3,297
Continental Insurance Company Ltd.	5,752,922	1,817,712
Daffodil Computers Ltd.	455,378	67,602
DBH First Mutual Fund	997,635	-
Dhaka Bank Ltd.	3,262,850	1,891,658
EBL First Mutual Fund	2,259,107	1,406,557
Exim Bank Limited	1,209,188	4,900,884
First Security Islami Bank Ltd.	1,705,404	13,245,225
Fu-Wang Foods Ltd.	900,266	-

Global Insurance Company Ltd.	1,799,920	-
Golden Son Ltd.	418,140	-
Grameen One: Scheme Two	4,224,506	2,224,554
IFIC Bank Limited	-	6,818,578
Jamuna Bank Ltd.	3,601,595	-
Jamuna Oil Company Ltd.	-	-
Karnapuli Insurance Company Ltd.	1,913	-
Khulna Power Company Ltd.	7,839,930	-
Lafarge Surma Cement	-	5,773,671
Maksons Spinning Mills Ltd.	10,155	-
Malek Spinning Mills Ltd.	7,924,472	-
Mercantile Bank Ltd.	2,013,159	-
Metro Spinning Ltd	-	299,396
Mutual Trust Bank Ltd.	2,248,414	1,865,046
National Credit & Commerce Bank Ltd.	1,454,704	-
Niloy Cement Industries Ltd.	67,847	135,693
Nitol Insurance Company Ltd.	3,916,695	233,699
Northern General Insurance Company Ltd.	50,903	-
Ocean Containers Ltd.	1,794,666	-
One Bank Limited	1,491	921,753
Padma Oil Company Ltd.	*3,361,188	-
Paragon Leather Ltd.	890	890
Paramount Insurance Company Limited	-	2,357,451
Peoples Insurance Company Limited	6,388,665	264,170
Pragati Life Insurance Company Limited	-	1,178,525
Premier Bank Limited	-	2,017,334
Premier Leasing International Ltd.	9,838,471	-
Prime Bank Ltd.	-	-
Prime Islami Life Insurance Company Limited	-	2,101,987
Progressive Life insurance Company Limited	-	2,105,999
Pubali Bank Ltd.	1,350,989	-
RAK Ceramics (Bangladesh) Ltd.	5,568	-
R.N. Spinning Mills Ltd.	5,191,036	-
Summit Alliance Port Ltd.	2,637,786	-
Shahjalal Islami Bank Ltd.	1,003,098	-
Shinepukur Ceramics Limited	-	719,342
Social Islami Bank Company Ltd.	7,156	11,152,106
Sonar Bangla Insurance Company Ltd.	1,481,421	-
Southeast Bank Limited	76,989	10,385,835
Standard Bank Limited	-	1,990,454
Takaful Islamic Insurance Limited	-	157,973
Titas Gas Transmission & Dist. Co. Ltd.	1,414,758	-
Trust Bank Ltd	-	2,211,615
United Airways (Bangladesh) Ltd.	30,000,000	-
United Commercial Bank Ltd.	34,856	-
Uttara Bank Ltd.	8,604,367	-
	<b>144,612,191</b>	<b>83,994,294</b>

(A schedule of investments in share is given in annexure-2)

#### Unquoted

United Airways (Bangladesh) Limited	-	30,000,000
	<b>144,612,191</b>	<b>113,994,294</b>

( A schedule of investments in share is give in Annexure-3)

## 5.2.b Bonds

### Particulars

IBBLP Bond

Amount in Taka	
At 31 Dec, 2010	At 31 Dec, 2009
1,574,310	6,259,306
<b>1,574,310</b>	<b>6,259,306</b>

## 5.3 Maturity grouping

### Particulars

Repayable-on demand

-up to 3 months

-over 3 months but below 1 year

-over 1 year but below 5 years

-over 5 years

Amount in Taka	
At 31 Dec, 2010	At 31 Dec, 2009
-	-
116,186,501	90,253,600
30,000,000	-
-	30,000,000
-	-
<b>146,186,501</b>	<b>120,253,600</b>

## 5 (a) Consolidated Investments

### Particulars

### Notes

#### i. In Government securities

FAS Finance & Investment Limited

FAS Capital Management Limited

#### ii. Other Investments

FAS Finance & Investment Limited

FAS Capital Management Limited

Amount in Taka	
At 31 Dec, 2010	At 31 Dec, 2009
-	-
-	-
-	-
146,186,501	120,253,600
79,099,355	-
<b>225,285,856</b>	<b>120,253,600</b>
<b>225,285,856</b>	<b>120,253,600</b>

## 5 (aj) Ordinary shares (Quoted and Unquoted) of FAS Capital Management Limited

### Particulars

AB Bank Ltd.

Al-Arafah Islami Bank Ltd.

Asia Pacific General Insurance Company Ltd.

Beach Hatchery Ltd.

Bangladesh General Insurance Company Ltd.

Delta Brac Housing Finance Ltd

Exim Bank Ltd.

Fu-Wang Ceramic Industries Ltd.

Jamuna Bank Ltd.

Malek Spinning Mills Ltd.

NCC Bank Ltd.

Paramount Insurance Company Ltd.

Premier Bank Ltd.

Premier Leasing International Ltd.

RAK Ceramics Ltd.

Safko Spinning Mills Ltd.

Social Islami Bank Ltd.

Southeast Bank Ltd

The City Bank Ltd.

United Commercial Bank Ltd.

**Total**

Amount in Taka	
At 31 Dec, 2010	At 31 Dec, 2009
11,521,246	-
3,524,416	-
6,026,083	-
232,928	-
3,523,488	-
9,265,665	-
1,646,962	-
1,950,320	-
788,140	-
5,982,886	-
5,418,011	-
667,660	-
3,204,040	-
6,099,250	-
926,391	-
994,412	-
518,215	-
14,338,027	-
1,993,311	-
477,904	-
<b>79,099,355</b>	<b>-</b>



## 6 Loans, advances and leases

1,875,685,044 1,052,791,848

### 6.1 Maturity grouping's.

#### Particulars

##### Repayable-on demand

-up to 3 months

-over 3 months but below 1 year

-over 1 year but below 5 years

-over 5 years

#### Amount in Taka

At 31 Dec, 2010	At 31 Dec, 2009
-	106,574,810
276,325,515	212,524,943
692,861,040	170,479,941
851,914,387	501,338,609
54,584,102	61,873,545
<b>1,875,685,044</b>	<b>1,052,791,848</b>

### 6.2 Loans, cash credits, overdrafts, and leases etc

#### Particulars

##### In Bangladesh

Loans-General

Cash credits

Overdrafts

leases

#### Amount in Taka

At 31 Dec, 2010	At 31 Dec, 2009
1,718,617,029	799,710,390
-	-
-	-
157,068,015	253,081,458
<b>1,875,685,044</b>	<b>1,052,791,848</b>

##### Outside Bangladesh

- -

**1,875,685,044** **1,052,791,848**

### 6.3 Loans, Advances & leases on the Basis of Significant

#### Particulars

Advance to allied concerns of Directors

Advance to Chief Executive Officer, Other Executives and Staffs

Advances to industries

Advance to customer groups

#### Amount in Taka

At 31 Dec, 2010	At 31 Dec, 2009
58,452,350	49,518,693
207,553	-
1,558,991,181	419,997,379
257,885,193	583,068,223
<b>1,875,685,044</b>	<b>1,052,791,848</b>

### 6.4 Industry-wise loans, Advances and leases

#### Particulars

Agriculture

Chemicals & pharmaceuticals

Electronics & electrical

Food & beverage

Garments & accessories

Glass & ceramics

Home loan

Housing companies

Information technology

Iron, Steel & Engineering

Paper, Printing & Packaging

Plastics industries

Textile

Transport financing

Others

#### Amount in Taka

At 31 Dec, 2010	At 31 Dec, 2009
19,937,542	18,816,920
8,649,090	2,085,429
19,736,131	8,916,663
14,748,613	17,653,802
99,986,824	85,177,644
14,561,816	13,351,208
121,943,903	197,543,852
217,031,257	122,934,750
8,610,997	21,447,656
7,330,297	4,095,529
16,064,502	19,924,030
17,089,560	11,482,933
3,790,854	8,867,787
178,092,515	204,565,461
1,128,111,143	315,928,184
<b>1,875,685,044</b>	<b>1,052,791,848</b>

## 6.5 Geographical Location-wise (Division)

Particulars	Amount in Taka	
	At 31 Dec, 2010	At 31 Dec, 2009
<b>In Bangladesh</b>		
Dhaka	1,797,408,560	963,575,394
Chittagong	64,945,974	69,917,203
Sylhet	13,330,510	19,299,251
	<b>1,875,685,044</b>	<b>1,052,791,848</b>

## 6.6 Classified of Loans, Advances and leases

Particulars	Amount in Taka	
	At 31 Dec, 2010	At 31 Dec, 2009
<b>Unclassified</b>		
Standard	1,406,371,779	913,536,465
Special mention account	60,927,986	49,606,700
<b>Total unclassified loans, advances and leases</b>	<b>1,467,299,765</b>	<b>963,143,165</b>
<b>Classified</b>		
Sub-standard	46,913,021	46,583,426
Doubtful	35,468,945	30,627,121
Bad/Losses	326,003,313	12,438,136
<b>Total classified loans, advances and leases</b>	<b>408,385,279</b>	<b>89,648,683</b>
	<b>1,875,685,044</b>	<b>1,052,791,848</b>

## 6.7 Particulars of Loans, Advances and leases

i) Loans considered good in respect of which the FI's is fully secured	1,727,524,790	722,644,590
ii) Loans considered good against which the FI's holds no security other than the debtors' personal guarantee	83,861,665	246,623,861
iii) Loans considered good and secured by the personal undertaking of one or more parties in addition to the personal guarantee of the debtors	64,298,589	83,523,397
iv) Loans adversely classified but provision not maintained there against	-	-
	<b>1,875,685,044</b>	<b>1,052,791,848</b>
v) Loans due by directors or officers of the FI's or any of them either separately or jointly with any other persons	13,770,350	207,553
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	45,038,320	49,518,693
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	17,605,963	224,323
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	49,518,693	54,401,774
ix) Due from other FI's	-	-
x) Amount of classified loans on which interest has not been charged:		
a) Increase/decrease of provision (specific)	96,261,604	(372,064)
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	99,935,420	3,673,816
e) Interest creditable to interest suspense account	14,055,504	583,773
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	-	-

## 6 (a) Consolidated loans, cash credits, overdrafts, and leases etc

Particulars	Note	Amount in Taka	
		At 31 Dec, 2010	At 31 Dec, 2009
<b>i. In Bangladesh</b>			
FAS Finance & Investment Limited	6.2	1,875,685,044	1,052,791,848
FAS Capital Management Limited		996,118,813	-
		<b>2,871,803,857</b>	<b>1,052,791,848</b>
Less: Loan to FAS Capital Management Limited		1,039,151,468	-
		<b>1,832,652,389</b>	<b>1,052,791,848</b>
<b>ii. Outside Bangladesh</b>			
FAS Finance & Investment Limited		-	-
FAS Capital Management Limited		-	-
		-	-
		<b>1,832,652,389</b>	<b>1,052,791,848</b>

## 7 Bills purchases and discounted

Particulars	Amount in Taka	
	At 31 Dec, 2010	At 31 Dec, 2009
In Bangladesh	-	-
Outside Bangladesh	-	-
	-	-
	<b>1,832,652,389</b>	<b>1,052,791,848</b>

### 7.1 Maturity grouping

Particulars	Amount in Taka	
	At 31 Dec, 2010	At 31 Dec, 2009
Repayable-with in 1 month	-	-
-over 1 month but within 3 months	-	-
-over 3 months but within 6 months	-	-
-over 6 months	-	-
	-	-

## 7 (a) Consolidated bills purchases and discounted

Particulars	Note	Amount in Taka	
		At 31 Dec, 2010	At 31 Dec, 2009
FAS Finance & Investment Limited	7	-	-
FAS Capital Management Limited		-	-
		-	-

## 8 Fixed assets including premises, furniture and fixtures

Particulars	Annexure-1 Amount in Taka	
	At 31 Dec, 2010	At 31 Dec, 2009
<b>Cost:</b>		
Land	86,527,860	2,163,200
Office building	288,681,678	64,669,571
Furniture & fixture	3,674,994	4,519,440
Office decoration	3,506,620	3,665,511
Office equipment	4,375,981	5,193,004
Motor vehicles	13,421,560	6,916,960
Electrical installation	1,484,487	1,459,387
Computer	2,286,078	2,652,228
Telephone line & PABX system	418,523	401,713
Software	-	900,000
	<b>404,377,781</b>	<b>92,541,014</b>

**Less: Accumulated depreciation**

Office building	-	714,874
Furniture & fixture	775,515	501,619
Office decoration	669,593	430,070
Office equipment	1,243,059	858,192
Motor vehicles	5,762,395	3,847,603
Electrical installation	406,373	216,118
Computer	1,068,124	901,356
Telephone line & PABX system	108,366	53,633
	<b>10,033,425</b>	<b>7,523,465</b>
<b>Written down value at the end of the year</b>	<b>394,344,356</b>	<b>85,017,549</b>

**8 (a) Consolidated fixed assets including premises, furniture and fixtures**

Particulars	Note	Annexure-1 (a) Amount in Taka	
		At 31 Dec, 2010	At 31 Dec, 2009
FAS Finance & Investment Limited	8	394,344,356	85,017,549
FAS Capital Management Limited		5,278,830	-
		<b>399,623,186</b>	<b>85,017,549</b>

**9 Others assets**

Particulars	Notes	Amount in Taka	
		At 31 Dec, 2010	At 31 Dec, 2009
<b>Income Generating</b>			
i) Investment in Shares of subsidiary companies			
-In Bangladesh	9.1	80,000,000	-
-Outside Bangladesh		-	-
		<b>80,000,000</b>	<b>-</b>
<b>Non-Income Generating</b>			
ii) Stationery, stamps, printing, materials, etc.		114,340	128,633
iii) Advance rent and advertisement		47,238	380,233
iv) Interest accrued on investment but not collected, commission & brokerage receivable on shares and debenture and income receivable		-	1,132,701
v) Security deposit		1,103,300	1,096,300
vi) Preliminary, formation and organization expenses, renovation/development and prepaid expenses		3,962,925	5,463,595
vii) Branch adjustment (net reconciled)		-	-
viii) Suspense account		-	-
ix) Silver		-	-
x) Advance corporate income tax	9.2	114,854,797	76,711,705
xi) Accounts receivable		35,973,047	957,435
xii) Others		33,316,166	6,757,861
		<b>189,371,813</b>	<b>92,628,463</b>
		<b>269,371,813</b>	<b>92,628,463</b>

## 9.1 Investment in Shares of subsidiary companies

Particulars	Note	Amount in Taka	
		At 31 Dec, 2010	At 31 Dec, 2009
-In Bangladesh	9.1.a	80,000,000	-
-Outside Bangladesh		-	-
		<b>80,000,000</b>	<b>-</b>

### 9.1.a Investment in Shares of subsidiary companies-In Bangladesh

Particulars	Amount in Taka	
	At 31 Dec, 2010	At 31 Dec, 2009
FAS Capital Management Limited	80,000,000	-
	<b>80,000,000</b>	<b>-</b>

Out of the total of 10,000,000 ordinary shares issued and paid up, FAS Finance & Investment Limited holds 8,000,000 ordinary shares of Tk. 10 each.

## 9.2 Advance corporate income tax

Particulars	Amount in Taka	
	At 31 Dec, 2010	At 31 Dec, 2009
Advance income tax on bank interest	6,435,992	6,169,214
Advance income tax on dividend	1,025,086	885,068
Advance income tax (LTU)	107,340,668	69,636,173
Advance income tax on motor vehicle	16,000	-
Advance income tax on underwriting commission	37,051	21,250
	<b>114,854,797</b>	<b>76,711,705</b>

### 9.2 (a) Consolidated advance corporate income tax

Particulars	Note	Amount in Taka	
		At 31 Dec, 2010	At 31 Dec, 2009
FAS Finance & Investment Limited	9.2	114,854,797	76,711,705
FAS Capital Management Limited		6,897	-
		<b>114,936,694</b>	<b>76,711,705</b>

### 9 (a) Consolidated others assets

Particulars	Note	Amount in Taka	
		At 31 Dec, 2010	At 31 Dec, 2009
<b>i. Income Generating</b>			
FAS Finance & Investment Limited	9	80,000,000	-
FAS Capital Management Limited		-	-
		<b>80,000,000</b>	<b>-</b>
Less: Investment in subsidiary companies (FAS Capital Management Limited)		80,000,000	-
		-	-
<b>ii. Non-Income Generating</b>			
FAS Finance & Investment Limited	9	189,371,813	92,628,463
FAS Capital Management Limited		80,802,564	-
		<b>270,174,377</b>	<b>92,628,463</b>
Less: Inter company transactions		3,767,900	-
		<b>266,406,477</b>	<b>92,628,463</b>
		<b>266,406,477</b>	<b>92,628,463</b>

## 10 Non-Financial Institution's assets

Particulars	Amount in Taka	
	At 31 Dec, 2010	At 31 Dec, 2009
Land & Building	53,271,231	53,271,231
	<u>53,271,231</u>	<u>53,271,231</u>

This represents the asset which has been acquired by the company in satisfaction of the claimed amount towards Rhine Builders Limited and the holding period of the asset will be maximum 5 (five) years in accordance with the decision of the company management.

## 10 (a) Consolidated Non-Financial Institution's assets

Particulars	Note	Amount in Taka	
		At 31 Dec, 2010	At 31 Dec, 2009
FAS Finance & Investment Limited	10	53,271,231	53,271,231
FAS Capital Management Limited		-	-
		<u>53,271,231</u>	<u>53,271,231</u>

## 11 Borrowings from other banks, financial institution and agents

Particulars	Note	Amount in Taka	
		At 31 Dec, 2010	At 31 Dec, 2009
In Bangladesh	11.1	1,062,405,736	587,545,574
Outside Bangladesh		-	-
		<u>1,062,405,736</u>	<u>587,545,574</u>

### 11.1 In Bangladesh

Particulars	Amount in Taka	
	At 31 Dec, 2010	At 31 Dec, 2009
SME refinancing loan	194,375,981	232,882,357
Exim Bank Limited	-	59,377,980
Mutual Trust Bank Limited	431,317,676	156,922,832
Pubali Bank Limited	186,799,834	-
Trust Bank Limited	-	83,277,765
Uttara Bank Limited	249,912,245	55,084,640
	<u>1,062,405,736</u>	<u>587,545,574</u>

### 11.2 Security against Borrowings from other banks, financial institution and agents

Particulars	Amount in Taka	
	At 31 Dec, 2010	At 31 Dec, 2009
Secured	868,029,755	354,663,217
Unsecured	194,375,981	232,882,357
	<u>1,062,405,736</u>	<u>587,545,574</u>

### 11.3 Maturity grouping's.

Particulars	Amount in Taka	
	At 31 Dec, 2010	At 31 Dec, 2009
Repayable-on demand		
-up to 3 months	71,886,713	44,375,931
-over 3 months but below 1 year	422,616,201	151,367,222
-over 1 year but below 5 years	567,902,822	391,802,421
-over 5 years	-	-
	<b>1,062,405,736</b>	<b>587,545,574</b>

### 11 (a) Consolidated borrowings from other banks, financial institution and agents

Particulars	Note	Amount in Taka	
		At 31 Dec, 2010	At 31 Dec, 2009
FAS Finance & Investment Limited	11	1,062,405,736	587,545,574
FAS Capital Management Limited		1,039,151,468	-
		<b>2,101,557,204</b>	<b>587,545,574</b>
Less: Loan from FAS Finance & Investment Limited		1,039,151,468	-
		<b>1,062,405,736</b>	<b>587,545,574</b>

### 12 Deposits and other accounts

Particulars	Note	Amount in Taka	
		At 31 Dec, 2010	At 31 Dec, 2009
Current deposits and other accounts		-	-
Bills payable		-	-
Savings bank deposits		-	-
Short-term deposit		-	-
Fixed deposits	12.1	516,815,144	222,292,121
Bearer certificates of deposit		-	-
Others deposits		-	-
		<b>516,815,144</b>	<b>222,292,121</b>

#### 12.1 Fixed deposits

Particulars	Amount in Taka	
	At 31 Dec, 2010	At 31 Dec, 2009
Deposit from FI's-inside Bangladesh	490,000,000	200,000,000
Other than FI's-inside Bangladesh	26,815,144	22,292,121
	<b>516,815,144</b>	<b>222,292,121</b>

#### 12.1.a Maturity analysis of Fixed Deposits

Particulars	Amount in Taka	
	At 31 Dec, 2010	At 31 Dec, 2009
<b>Deposit from FI's-inside Bangladesh</b>		
Repayable-on demand		-
-within 1 month	-	50,000,000
-over 1 months but below 6 months	290,000,000	150,000,000
-over 6 months but below 1 year	200,000,000	-
-over 1 year but below 5 years	-	-
-over 5 year but below 10 years	-	-
	<b>490,000,000</b>	<b>200,000,000</b>

### Other than FI's-inside Bangladesh

Repayable-on demand	-	-
-within 1 month	-	-
-over 1 months but below 6 months	278,730	5,149,033
-over 6 months but below 1 year	12,706,672	5,100,000
-over 1 year but below 5 years	13,829,742	12,043,088
-over 5 year but below 10 years	-	-
	<b>26,815,144</b>	<b>22,292,121</b>
	<b>516,815,144</b>	<b>222,292,121</b>

### 12 (a) Consolidated deposits and other accounts

Particulars	Note	Amount in Taka	
		At 31 Dec, 2010	At 31 Dec, 2009
<b>FAS Finance &amp; Investment Limited</b>			
Current deposits and other accounts		-	-
Bills payable		-	-
Savings bank deposits		-	-
Short-term deposit		-	-
Fixed deposits	12.1	516,815,144	222,292,121
Bearer certificates of deposit		-	-
Others deposits		-	-
		<b>516,815,144</b>	<b>222,292,121</b>
<b>FAS Capital Management Limited</b>			
Current deposits and other accounts		-	-
Bills payable		-	-
Savings bank deposits		-	-
Short-term deposit		-	-
Fixed deposits		-	-
Bearer certificates of deposit		-	-
Others deposits		-	-
		<b>516,815,144</b>	<b>222,292,121</b>

### 13 Others liabilities

Particulars	Notes	Amount in Taka	
		At 31 Dec, 2010	At 31 Dec, 2009
Accumulated provision against loans, advances and leases	13.1	122,089,513	45,793,706
Provision for current tax	13.2	111,864,085	106,319,661
Deferred tax liabilities	13.3	2,306,612	2,306,612
Interest suspense account	13.4	83,386,596	19,434,838
Accounts payable		527,806	23,643,723
Accrued expenses		2,417,999	3,747,609
Provision for gratuity	13.5	1,102,273	574,339
Provision against investments	13.6	13,857,007	884,555
Provident fund	13.7	-	-
Leases advance		6,669,743	4,775,038
Advance installment		7,073,655	17,957,944
Unclaimed dividend		242,053	242,991
Salary tax		-	47,460
Interest payable		5,544,870	12,874,063
Tax deduction at source		54,307	54,819
Vat payable		210,677	98,841
Sundry deposit		21,518,221	4,040,515
		<b>378,865,417</b>	<b>242,796,714</b>



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

Particulars	Amount in Taka		
	At 31 Dec, 2010	At 31 Dec, 2009	
<b>Provision for classified loans, advances and leases</b>			
Opening balance	6,091,577	16,738,359	
Fully provided debts written off during the year	(-)	-	
Recovery of amounts previously written off	(+)	-	
Specific provision made for the year	(+)	(10,646,782)	
Recoveries and provision no longer required	(-)	-	
Net charge to Profit and Loss Statement	(+)	-	
<b>Total Provision for classified loans, advances and leases</b>	<b>105,147,518</b>	<b>6,091,577</b>	
<b>Provision for unclassified loans, advances and leases</b>			
Opening balance	39,702,129	10,144,211	
Provision for the year	-	29,557,918	
Adjustment during the year	(22,760,134)	-	
<b>Total provision for unclassified loans, advances and leases</b>	<b>16,941,995</b>	<b>39,702,129</b>	
<b>Total provision against loans, advances and leases</b>	<b>122,089,513</b>	<b>45,793,706</b>	
<b>Provision for</b>	<b>Required</b>	<b>Maintained</b>	<b>Excess/(Shortage)</b>
Classified loans and advances	105,147,518	105,147,518	-
Un-classified loans and advances	16,866,082	16,941,995	75,913
	<b>122,013,600</b>	<b>122,089,513</b>	<b>75,913</b>

### 13.2 Provision for current tax

Particulars	Amount in Taka	
	At 31 Dec, 2010	At 31 Dec, 2009
Opening balance	106,319,661	69,575,416
Add: Provision made during the year	5,544,424	36,744,245
Less: Adjustment during the year	-	-
	<b>111,864,085</b>	<b>106,319,661</b>

Income tax provision has been made as per Income Tax Ordinance 1984 and as amended for the time being.

### 13.2 (a) Consolidated provision for current tax

Particulars	Note	Amount in Taka	
		At 31 Dec, 2010	At 31 Dec, 2009
FAS Finance & Investment Limited	13.2	111,864,085	106,319,661
FAS Capital Management Limited		7,141,328	-
		<b>119,005,413</b>	<b>106,319,661</b>

### 13.3 Deferred tax liabilities

Particulars	Amount in Taka	
	At 31 Dec, 2010	At 31 Dec, 2009
Opening balance	2,306,612	-
Add: Provision made during the year	-	2,306,612
Less: Adjustment during the year	-	-
	<b>2,306,612</b>	<b>2,306,612</b>

### 13.3 (a) Consolidated deferred tax liabilities

Particulars	Note	Amount in Taka	
		At 31 Dec, 2010	At 31 Dec, 2009
FAS Finance & Investment Limited	13.3	2,306,612	2,306,612
FAS Capital Management Limited		-	-
		<u>2,306,612</u>	<u>2,306,612</u>

### 13.4 Interest suspense account

Particulars		Amount in Taka	
		At 31 Dec, 2010	At 31 Dec, 2009
Opening balance		19,434,838	19,293,113
Transfer during the year	(+)	104,710,727	68,019,996
Recovery during the year	(-)	(40,758,969)	(67,878,271)
Written off during the year	(-)	-	-
		<u>83,386,596</u>	<u>19,434,838</u>

### 13.5 Provision for gratuity

Particulars		Amount in Taka	
		At 31 Dec, 2010	At 31 Dec, 2009
Opening balance		574,339	5,359
Add: Provision made during year		527,934	568,980
Less: Adjustment during the year		-	-
		<u>1,102,273</u>	<u>574,339</u>

### 13.6 Provision against investments

Particulars		Amount in Taka	
		At 31 Dec, 2010	At 31 Dec, 2009
Opening balance		884,555	3,327,708
Add: Provision made during the year		12,972,452	-
Less: Adjustment during the year		-	(2,443,153)
		<u>13,857,007</u>	<u>884,555</u>

### 13.6 (a) Consolidated provision against investments

Particulars	Note	Amount in Taka	
		At 31 Dec, 2010	At 31 Dec, 2009
FAS Finance & Investment Limited	13.6	13,857,007	884,555
FAS Capital Management Limited		5,049,227	-
		<u>18,906,234</u>	<u>884,555</u>

### 13.7 Provident fund

Particulars		Amount in Taka	
		At 31 Dec, 2010	At 31 Dec, 2009
Opening balance		-	245,758
Add: Provision made during the year		775,224	627,829
Less: Adjustment during the year		(775,224)	(873,587)
		<u>-</u>	<u>-</u>

### 13.(a) Consolidated other liabilities

Particulars	Note	Amount in Taka	
		At 31 Dec, 2010	At 31 Dec, 2009
FAS Finance & Investment Limited	13	378,865,417	242,796,714
FAS Capital Management Limited		121,193,536	-
		<b>500,058,953</b>	<b>242,796,714</b>
Less: Inter company transactions		3,767,900	-
		<b>496,291,053</b>	<b>242,796,714</b>

### 14 Share Capital

Amount in Taka	
At 31 Dec, 2010	At 31 Dec, 2009
<b>449,255,500</b>	<b>390,657,000</b>

#### 14.1 Authorized Capital

21,000,000 ordinary shares of Taka 100 each

Amount in Taka	
At 31 Dec, 2010	At 31 Dec, 2009
<b>2,100,000,000</b>	<b>500,000,000</b>

#### 14.2 Issued, Subscribed and paid-up Capital

3,906,570 ordinary shares of Taka 100 each issued for cash  
585,985 Bonus shares of Taka 100 each issued for dividend

Amount in Taka	
At 31 Dec, 2010	At 31 Dec, 2009
390,657,000	390,657,000
58,598,500	-
<b>449,255,500</b>	<b>390,657,000</b>

#### 14.3 Percentage of shareholding

Particulars	2010 %	2009 %	Amount in Taka	
			At 31 Dec, 2010	At 31 Dec, 2009
Bangladeshi sponsors	64.00	64.00	287,525,300	250,022,000
Foreign sponsors	-	-	-	-
Financial institutions	8.67	13.39	38,931,700	52,298,700
Employees	-	-	-	-
General public	27.33	22.61	122,798,500	88,336,300
	<b>100</b>	<b>100</b>	<b>449,255,500</b>	<b>390,657,000</b>

#### 14.4 Classification of Shareholders by holding

Holding	Number of holders		% of total holding	
	2010	2009	2010	2009
up to 500 Shares	4,273	3,202	9.80%	8.63%
501 to 5,000 Shares	328	297	10.76%	10.85%
5001 to 10,000 Shares	21	17	3.31%	3.28%
10001 to 20,000 Shares	17	16	5.68%	6.02%
20001 to 30,000 Shares	4	2	2.18%	1.10%
30001 to 40,000 Shares	2	1	1.58%	0.86%
40001 to 50,000 Shares	2	-	2.23%	0.00%
50001 to 100,000 Shares	2	5	2.56%	9.84%
100001 to 1000,000 Shares	10	9	61.92%	59.42%
Over 1,000,000 Shares	-	-	-	-
	<b>4,659</b>	<b>3,549</b>	<b>100%</b>	<b>100%</b>

No. of Shares		Value of Shares	
2010	2009	2010	2009
440,222	337,013	44,022,200	33,701,300
483,386	424,050	48,338,600	42,405,000
148,528	128,249	14,852,800	12,824,900
255,152	235,142	25,515,200	23,514,200
97,751	43,002	9,775,100	4,300,200
70,980	33,700	7,098,000	3,370,000
100,000	-	10,000,000	-
114,842	384,302	11,484,200	38,430,200
2,781,694	2,321,112	278,169,400	232,111,200
<b>4,492,555</b>	<b>3,906,570</b>	<b>449,255,500</b>	<b>390,657,000</b>

**14.5 Name of the Directors, sponsors shareholders and their shareholding (including holdings of general public) as on 31st December 2010**

Sl. No.	Name	Position	Total Nos. of Share	Value of Shares	% of Shareholding
01	Mr. Abdul Matlub Ahmad	Chairman	220,800	22,080,000	4.91%
02	Mr Serajul Islam	Director	18,975	1,897,500	0.42%
03	Mr. Asaduzzaman Chowdhury	Director	12,650	1,265,000	0.28%
04	Mr. Nasim Ali Khan	Director	126,500	12,650,000	2.82%
05	Ms. Shahnaz Ahmad	Director	126,500	12,650,000	2.82%
06	Mr. Syed Monowar Ali	Director	126,500	12,650,000	2.82%
07	Mrs. Selima Ahmed	Director	189,060	18,906,000	4.21%
08	Central Properties Ltd.	Sponsor	575,000	57,500,000	12.80%
09	Nikita & Co. Ltd.	Sponsor	575,000	57,500,000	12.80%
10	Capital Service Center Ltd.	Sponsor	575,000	57,500,000	12.80%
11	Bangladesh National Car Ltd.	Sponsor	154,919	15,491,900	3.45%
12	Mr. Abdul Marib Ahmad	Sponsor	112,415	11,241,500	2.50%
13	Mr. Mahmudul Hoque Shamim	Sponsor	21,151	2,115,100	0.47%
14	Mr. Enamul Hoque	Sponsor	18,975	1,897,500	0.42%
15	Mr. Altaf Hossain	Sponsor	12,650	1,265,000	0.28%
16	Mrs Shahin Ara	Sponsor	9,158	915,800	0.20%
17	Dr. Syed Serajul Huq Ph.D	Ind.Director	-	-	0.00%
18	Mr. Md. Mofiz Uddin Chowdhury	Ind.Director	-	-	0.00%
19	General Shareholders	General	1,617,302	161,730,200	36.00%
<b>Total</b>			<b>4,492,555</b>	<b>449,255,500</b>	<b>100.00%</b>

**15 Statutory reserve**

Particulars	Amount in Taka	
	At 31 Dec, 2010	At 31 Dec, 2009
Opening balance	50,716,176	33,595,503
Add: Addition during the year	15,830,826	17,120,673
	<b>66,547,002</b>	<b>50,716,176</b>

**16 Other reserve**

Particulars	Note	Amount in Taka	
		At 31 Dec, 2010	At 31 Dec, 2009
Capital reserve	16.1	315,000	315,000
		<b>315,000</b>	<b>315,000</b>

## 16.1 Capital reserve

Particulars	Amount in Taka	
	At 31 Dec, 2010	At 31 Dec, 2009
Opening balance	315,000	315,000
Add: Addition during the year	-	-
	<b>315,000</b>	<b>315,000</b>

## 17 Revaluation Reserve

Particulars	Notes	Amount in Taka	
		At 31 Dec, 2010	At 31 Dec, 2009
Land	17.1	84,364,660	-
Office building	17.2	229,523,584	-
		<b>313,888,244</b>	<b>-</b>

The board of Directors has approved the revaluation report of the immovable properties of the company from Tk. 6,1,321,294 to Tk. 375,209,538 resulting into a valuation surplus of Tk. 313,888,244. The revaluation is conducted by Surveyor G.K. Adjusters Limited.

### 17.1 Revaluation reserve-Land

Particulars	Amount in Taka	
	At 31 Dec, 2010	At 31 Dec, 2009
Opening balance	-	-
Add: Addition during the year	84,364,660	-
	<b>84,364,660</b>	<b>-</b>

### 17.2 Revaluation reserve-Office building

Particulars	Amount in Taka	
	At 31 Dec, 2010	At 31 Dec, 2009
Opening balance	-	-
Add: Addition during the year	229,523,584	-
	<b>229,523,584</b>	<b>-</b>

## 18 Retained earnings

Particulars	Amount in Taka	
	At 31 Dec, 2010	At 31 Dec, 2009
Opening balance	117,606,457	96,002,607
Net profit after taxation	79,154,129	85,603,363
Transfer to Statutory reserve	(15,830,826)	(17,120,673)
Stock dividend paid-2009	(58,598,500)	-
Cash dividend paid-2008	-	(46,878,840)
	<b>122,331,260</b>	<b>117,606,457</b>

### 18 (a) Consolidated retained earnings

Particulars	Amount in Taka	
	At 31 Dec, 2010	At 31 Dec, 2009
Opening balance	117,606,457	96,002,607
Consolidated net profit after taxation	89,178,651	85,603,363
Transfer to Statutory reserve	(15,830,826)	(17,120,673)
Stock dividend paid-2009	(58,598,500)	-
Cash dividend paid-2008	-	(46,878,840)
	<b>132,355,782</b>	<b>117,606,457</b>

## 19 Letters of guarantee

Particulars	Amount in Taka	
	At 31 Dec, 2010	At 31 Dec, 2009
Stock & Bond Limited	120,000,000	70,000,000
	<u>120,000,000</u>	<u>70,000,000</u>

As per the requirement of Dhaka Stock Exchange Limited (Member's Margin) regulation 2000, guarantee was issued by FAS Finance & Investment Limited (old name Fidelity Assets & Securities Company Limited). bearing no. G-FAS/2010/01 dated 20.10.2010 for Tk. 12.00 (twelve) crore only on behalf of Stock & Bond Ltd. favoring Dhaka Stock Exchange Ltd. as required for Member's Margin. And Stock & Bond Ltd. Swantex Bhaban (3rd floor) 9/i Motijheel C/A, Dhaka-1000, the member of Dhaka Stock Exchange Ltd. membership no. 199 also issue the counter guarantee for Tk. 12.00 (twelve) crore only in favor of FAS Finance & Investment Limited (old name Fidelity Assets & Securities Company Limited). The liability under this guarantee shall be restricted to Tk. 12.00 (twelve) crore only and shall remain valid up to October 19, 2011. In the last year, in the name of the same party a guarantee was of Tk. 7.00 (seven) crore bearing no. G-FAS/2009/02 dated 8th October 2009 which was valid upto 07 October 2010.

### 19 (a) Consolidated letters of guarantee

Particulars	Note	Amount in Taka	
		At 31 Dec, 2010	At 31 Dec, 2009
FAS Finance & Investment Limited	19	120,000,000	70,000,000
FAS Capital Management Limited		-	-
		<u>120,000,000</u>	<u>70,000,000</u>

## 20 Other memorandum items

Particulars	Amount in Taka	
	At 31 Dec, 2010	At 31 Dec, 2009
Customers' stocks of securities-Merchant Banking Wing	-	492,134,761
	<u>-</u>	<u>492,134,761</u>

### 20 (a) Consolidated other memorandum items

Particulars	Notes	Amount in Taka	
		At 31 Dec, 2010	At 31 Dec, 2009
FAS Finance & Investment Limited	20	-	492,134,761
FAS Capital Management Limited	20 (a)i	2,931,976,383	-
		<u>2,931,976,383</u>	<u>492,134,761</u>

### 20 (a) Other memorandum items of FAS Capital Management Limited

Particulars	Amount in Taka	
	At 31 Dec, 2010	At 31 Dec, 2009
Customers' stocks of securities-Merchant Banking Wing	2,931,976,383	-
	<u>2,931,976,383</u>	<u>-</u>

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

## 21 Profit and loss account

Particulars	Amount in Taka	
	2010	2009
<b>Income</b>		
Interest, discount and similar income	166,355,504	181,065,176
Dividend income	1,266,700	2,801,186
Fees, commission and brokerage	5,559,244	1,152,500
Gains less losses arising from investment securities	97,283,240	42,253,169
Gains less losses arising from dealing in foreign currencies	-	-
Other operating income	46,840,685	18,548,597
Gains less losses arising from dealing securities	-	-
Income from non-banking assets	-	-
Profit less losses on interest rate changes	-	-
	<b>317,305,373</b>	<b>245,820,628</b>
<b>Expenses</b>		
Interest, fee and commission	99,884,758	74,625,908
Losses on loans and advances	-	-
Administrative expenses	21,594,335	20,652,277
Other operating expenses	13,118,385	6,290,709
Depreciation on FI's assets	8,741,083	3,129,531
	<b>143,338,561</b>	<b>104,698,425</b>
	<b>173,966,812</b>	<b>141,122,203</b>

## 22 Interest income

Particulars	Amount in Taka	
	2010	2009
Interest on loans, advance and leases	163,973,610	177,859,981
Interest on placement with other banks and financial institution	2,381,894	3,205,195
Interest on foreign currency balance	-	-
	<b>166,355,504</b>	<b>181,065,176</b>

## 22 (a) Consolidated interest income

Particulars	Note	Amount in Taka	
		2010	2009
FAS Finance & Investment Limited	22	166,355,504	181,065,176
FAS Capital Management Limited		45,791,637	-
		<b>212,147,141</b>	<b>181,065,176</b>
Less: Inter company interest income		38,483,962	-
		<b>173,663,179</b>	<b>181,065,176</b>

## 23 Interest paid on deposits, borrowing, etc.

Particulars	Amount in Taka	
	2010	2009
Interest on deposits	26,171,992	9,987,896
Interest on borrowings	73,712,766	64,638,012
Interest on foreign bank accounts	-	-
	<b>99,884,758</b>	<b>74,625,908</b>

**23 (a) Consolidated interest paid on deposits, borrowing, etc.**

<b>Particulars</b>	<b>Note</b>	<b>Amount in Taka</b>	
		<b>2010</b>	<b>2009</b>
FAS Finance & Investment Limited	23	99,884,758	74,625,908
FAS Capital Management Limited		38,483,962	-
		<b>138,368,720</b>	<b>74,625,908</b>
Less: Inter company interest expenses		38,483,962	-
		<b>99,884,758</b>	<b>74,625,908</b>

**24 Investment income**

<b>Particulars</b>	<b>Amount in Taka</b>	
	<b>2010</b>	<b>2009</b>
Interest on treasury bills	-	-
Gain on sale of shares	97,283,240	42,253,169
Dividend on shares	1,266,700	2,801,186
Interest on debenture	-	-
Interest on treasury bonds	-	-
Gain on treasury bills and treasury bonds	-	-
Interest on other bonds	-	-
	<b>98,549,940</b>	<b>45,054,355</b>

**24 (a) Consolidated investment income**

<b>Particulars</b>	<b>Note</b>	<b>Amount in Taka</b>	
		<b>2010</b>	<b>2009</b>
FAS Finance & Investment Limited	24	98,549,940	45,054,355
FAS Capital Management Limited		856,963	-
		<b>99,406,903</b>	<b>45,054,355</b>

**25 Commission, exchange and brokerage**

<b>Particulars</b>	<b>Amount in Taka</b>	
	<b>2010</b>	<b>2009</b>
Commission	5,559,244	1,152,500
Exchange gain/(loss)	-	-
Brokerage	-	-
	<b>5,559,244</b>	<b>1,152,500</b>

**25 (a) Consolidated Commission, exchange and brokerage**

<b>Particulars</b>	<b>Note</b>	<b>Amount in Taka</b>	
		<b>2010</b>	<b>2009</b>
FAS Finance & Investment Limited	25	5,559,244	1,152,500
FAS Capital Management Limited		4,595,000	-
		<b>10,154,244</b>	<b>1,152,500</b>



## 26 Other operating income

Particulars	Amount in Taka	
	2010	2009
Application fees	494,014	4,639,574
Appraisal fees	205,522	493,195
Documentation charge	1,401,467	906,459
Settlement fees	28,314,954	5,973,931
Legal fees	237,870	1,766,696
Mortgage inspection fee	73,963	119,885
Portfolio management fee	13,779,688	3,109,841
Sale of application form	12,250	72,553
Service charge	1,088,957	798,850
Transfer price	8,000	22,613
Residual value	7,000	-
Office rent	1,217,000	645,000
	<b>46,840,685</b>	<b>18,548,597</b>

## 26 (a) Consolidated Other operating income

Particulars	Note	Amount in Taka	
		2010	2009
FAS Finance & Investment Limited	26	46,840,685	18,548,597
FAS Capital Management Limited		31,537,911	-
		<b>78,378,596</b>	<b>18,548,597</b>
Less: Inter company office rent		600,000	-
		<b>77,778,596</b>	<b>18,548,597</b>

## 27 Salary and allowances

Particulars	Amount in Taka	
	2010	2009
Basic salary, provident fund contribution and all other allowances	10,963,882	
	9,016,612	
Festival and incentive bonus	745,020	2,611,529
	<b>11,708,902</b>	<b>11,628,141</b>

## 27 (a) Consolidated salary and allowances

Particulars	Note	Amount in Taka	
		2010	2009
FAS Finance & Investment Limited	27	11,708,902	11,628,141
FAS Capital Management Limited		2,988,250	-
		<b>14,697,152</b>	<b>11,628,141</b>

## 28 Rent, taxes, insurance, electricity, etc.

Particulars	Amount in Taka	
	2010	2009
Rent, rates and taxes	590,884	716,819
Insurance premium	125,963	282,968
Electricity, gas and water, etc	1,561,496	1,894,162
	<b>2,278,343</b>	<b>2,893,949</b>

**28 (a) Consolidated rent, taxes, insurance, electricity, etc.**

Particulars	Note	Amount in Taka	
		2010	2009
FAS Finance & Investment Limited	28	2,278,343	2,893,949
FAS Capital Management Limited		708,638	-
		<b>2,986,981</b>	<b>2,893,949</b>
Less: Inter company office rent		600,000	-
		<b>2,386,981</b>	<b>2,893,949</b>

**29 Legal expenses**

Particulars	Amount in Taka	
	2010	2009
Professional & legal fees	428,080	197,607
Appraisal fees	58,400	152,000
	<b>486,480</b>	<b>349,607</b>

**29 (a) Consolidated legal expenses**

Particulars	Note	Amount in Taka	
		2010	2009
FAS Finance & Investment Limited	29	486,480	349,607
FAS Capital Management Limited		20,000	-
		<b>506,480</b>	<b>349,607</b>

**30 Postage, stamps, telecommunication, etc.**

Particulars	Amount in Taka	
	2010	2009
Telephone & fax	295,805	264,099
Internet	414,026	223,128
Postage and stamp	120,600	172,890
	<b>830,431</b>	<b>660,117</b>

**30 (a) Consolidated postage, stamps, telecommunication, etc.**

Particulars	Note	Amount in Taka	
		2010	2009
FAS Finance & Investment Limited	30	830,431	660,117
FAS Capital Management Limited		141,156	-
		<b>971,587</b>	<b>660,117</b>

**31 Stationery, Printing, advertisement, etc.**

Particulars	Amount in Taka	
	2010	2009
Printing	232,579	319,949
Stationery & Photocopy	199,036	218,727
Publicity and advertisement	681,545	440,919
	<b>1,113,160</b>	<b>979,595</b>

**31 (a) Consolidated stationery, Printing, advertisement, etc.**

Particulars	Note	Amount in Taka	
		2010	2009
FAS Finance & Investment Limited	31	1,113,160	979,595
FAS Capital Management Limited		84,658	-
		<b>1,197,818</b>	<b>979,595</b>

**32 Director's fees**

Particulars	Amount in Taka	
	2010	2009
Directors' fees	137,500	92,500
Meeting expenses	-	-
	<b>137,500</b>	<b>92,500</b>

**32 (a) Consolidated Director's fees**

Particulars	Note	Amount in Taka	
		2010	2009
FAS Finance & Investment Limited	32	137,500	92,500
FAS Capital Management Limited		30,000	-
		<b>167,500</b>	<b>92,500</b>

**33 Auditor's fees**

Particulars	Amount in Taka	
	2010	2009
Statutory	72,678	59,500
Half yearly	47,059	-
	<b>119,737</b>	<b>59,500</b>

**33 (a) Consolidated Auditor's fees**

Particulars	Note	Amount in Taka	
		2010	2009
FAS Finance & Investment Limited	33	119,737	59,500
FAS Capital Management Limited		10,000	-
		<b>129,737</b>	<b>59,500</b>

**34 Depreciation and repairs of FI's assets**

Particulars	Amount in Taka	
	2010	2009
<b>Depreciation</b>		
Office building	4,796,602	338,625
Furniture & fixture	385,033	421,780
Office decoration	366,325	359,494
Office equipment	659,970	746,481
Motor vehicles	1,914,792	767,339
Electrical installation	190,255	216,118
Computer	270,037	226,061
Telephone line & PABX system	56,819	53,633
Software	101,250	-
	<b>8,741,083</b>	<b>3,129,531</b>
<b>Repairs</b>		
Motor vehicle repair and maintenance	167,782	145,868
	<b>167,782</b>	<b>145,868</b>
	<b>8,908,865</b>	<b>3,275,399</b>

**34 (a) Consolidated Depreciation and repairs of assets**

<b>Particulars</b>	<b>Note</b>	<b>Amount in Taka</b>	
		<b>2010</b>	<b>2009</b>
FAS Finance & Investment Limited	34	8,908,865	3,275,399
FAS Capital Management Limited		202,568	-
		<b>9,111,433</b>	<b>3,275,399</b>

**35 Other expenses**

<b>Particulars</b>	<b>Amount in Taka</b>	
	<b>2010</b>	<b>2009</b>
AM expenses	408,893	498,221
Bank charge and excise duty	278,564	211,652
Books, newspaper and periodicals	38,480	20,175
Business promotion	837,180	955,140
Corporate social responsibility	182,258	-
CABLE charge	3,730,859	-
Documentation charge	69,400	12,500
Entertainment	892,400	815,564
Fees, subscription and donation	1,695,466	515,604
Fuel, oil and lubricants	254,797	161,304
Fund procurement cost	1,580,000	500,000
Medical expenses	120,511	109,091
Misc. exp.	-	100
Office maintenance	744,071	427,317
Registration and renewal	109,312	28,550
Security service	319,100	269,489
Server rental	168,000	252,000
Software maintenance	182,927	18,000
Staff bus exp.	18,070	168,000
Staff welfare, training and education	329,893	345,762
TA & DA	1,158,204	980,012
VAT	-	2,228
	<b>13,118,385</b>	<b>6,290,709</b>

**35 (a) Consolidated Other expenses**

<b>Particulars</b>	<b>Note</b>	<b>Amount in Taka</b>	
		<b>2010</b>	<b>2009</b>
FAS Finance & Investment Limited	35	13,118,385	6,290,709
FAS Capital Management Limited		5,430,191	-
		<b>18,548,576</b>	<b>6,290,709</b>

**36 Provision against loans, advances and leases**

<b>Particulars</b>	<b>Amount in Taka</b>	
	<b>2010</b>	<b>2009</b>
On un-classified loans	(22,760,134)	29,557,918
On classified loans	99,055,941	(10,646,782)
	<b>76,295,807</b>	<b>18,911,136</b>

### 36 (a) Consolidated provision against loans, advances and leases

Particulars	Note	Amount in Taka	
		2010	2009
FAS Finance & Investment Limited	36	76,295,807	18,911,136
FAS Capital Management Limited		9,960,880	-
		<u>86,256,687</u>	<u>18,911,136</u>

### 37 Provision for diminution in value of investments

Particulars	Amount in Taka	
	2010	2009
In quoted shares	12,972,452	(2,443,153)
	<u>12,972,452</u>	<u>(2,443,153)</u>

### 37 (a) Consolidated provision for diminution in value of investments

Particulars	Note	Amount in Taka	
		2010	2009
FAS Finance & Investment Limited	37	12,972,452	(2,443,153)
FAS Capital Management Limited		* 5,049,227	-
		<u>18,021,679</u>	<u>(2,443,153)</u>

### 38 Provision for taxation

Particulars	Amount in Taka	
	2010	2009
Current tax	5,544,424	36,744,245
Deferred tax	-	2,306,612
	<u>5,544,424</u>	<u>39,050,857</u>

### 38 (a) Consolidated provision for taxation

Particulars	Note	Amount in Taka	
		2010	2009
<b>Current tax</b>	38		
FAS Finance & Investment Limited		5,544,424	36,744,245
FAS Capital Management Limited		7,141,328	-
		<u>12,685,752</u>	<u>36,744,245</u>
<b>Deferred tax</b>			
FAS Finance & Investment Limited		-	2,306,612
FAS Capital Management Limited		-	-
		-	2,306,612
		<u>12,685,752</u>	<u>39,050,857</u>

### 39 Appropriations

Particulars	Amount in Taka	
	2010	2009
Retained earnings-brought forward	117,606,457	96,002,607
Less: Adjustment for prior year	-	-
Add: Post-tax profit for the year	79,154,129	85,603,363
	<b>196,760,586</b>	<b>181,605,970</b>
Less: Cash dividend-2008		<b>46,878,840</b>
Less: Stock dividend-2009	<b>58,598,500</b>	
<b>Transferred to:</b>	<b>15,830,826</b>	<b>17,120,673</b>
Statutory reserve	15,830,826	17,120,673
General reserve	-	-
Proposed dividend	-	-
	<b>122,331,260</b>	<b>117,606,457</b>

### 40 Earnings per share

	Amount in Taka	
	2010	2009
Earning attributable to ordinary shareholders (Net profit after tax)79,154,129	85,603,363	
Weighted average number of ordinary shares outstanding	4,492,555	4,492,555
<b>Earnings per share</b>	<b>17.62</b>	<b>19.05</b>

Earning per share as shown in the face of the profit and loss account is calculated in accordance with BAS-33: Earning per share (EPS).

### 40 (a) Consolidated earnings per share

	Amount in Taka	
	2010	2009
Earning attributable to ordinary shareholders (Net profit after tax & minority interest)	89,178,651	85,603,363
Weighted average number of ordinary shares outstanding	4,492,555	4,492,555
<b>Earnings per share</b>	<b>19.85</b>	<b>19.05</b>

Earning per share as shown in the face of the consolidated profit and loss account is calculated in accordance with BAS-33: Earning per share (EPS).

### 41 Related party transactions

Parties are considered to be related if one party has the ability to control the 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 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 December 31, 2010 as follows:

Name of the company	Transaction nature	Relationship	Balance as on December 31, 2010
Central Properties Ltd.	House Finance 0019/HL/2006	Sponsor Shareholder	31,744,018
Central Properties Ltd.	House Finance 0007/HL/2006	Sponsor Shareholder	12,279,278
Nitol Insurance Co. Ltd.	Lease Finance 0778/LS/2009	Sponsor Shareholder	1,015,024
Syed Ahasanul Haque	House Finance 0074/HL/2009	Son of Independent Director	13,414,030
Stock And Security Linkway Limited	Share Trading-secondary market	Mohammed N.S. Kabir, Managing Director & CEO	84,431,342

**42 General**

**42.1 Expenditure incurred on employees**

Employees throughout the year in receipt of remuneration aggregating Taka 36,000 or more per annum  
 Employees throughout the year in receipt of remuneration aggregating less Taka 36,000 or more per annum

	<u>2010</u> <u>Number</u>	<u>2009</u> <u>Number</u>
	37	53
	-	-
	<u>37</u>	<u>53</u>

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

**42.2 Claims**

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

	<u>Amount in Taka</u>	
	<u>31.12.2010</u>	<u>31.12.2009</u>
a)	Nil	Nil
b)	Nil	Nil

**42.3 Proposal of dividend**

The Board of Directors 80th Board meeting , agenda no-4 held on 30 March 2011 recommended to the shareholders a stock dividend (bonus share) @ 15% on 4492555 shares i.e. 673883.25 shares @ Tk. 100 each (amounting to Tk. 67,388,325. This will be considered for approval of the shareholders at the 14th Annual General Meeting to be held on 16 June 2010.

**42.4** Figures of the previous years have been rearranged , where necessary, to conform to current year presentation.

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



**Abdul Matlub Ahmed**  
Chairman



**Mohammad N.S Kabir**  
Managing Director & CEO




**Md. Akhtar Hossain**  
SVP & CFO



**Md. Wahiduzzaman**  
VP & Company Secretary

Dated: Dhaka  
30 March 2011



**Zoha Zaman Kabir Rashid & Co.**  
Chartered Accountants

**FAS Finance & Investment Limited**  
**Consolidated Fixed Assets Schedule**

As on December 31, 2010

Annexure-1 (a)

Particulars	Cost				Rate of Dep.	Depreciation			Written Down Value as on 31.12.2010
	Balance as on 01.01.2010	Addition/Revaluation reserve during the year	Adj./disposal during the year	Balance as on 31.12.2010		Balance as on 01.01.2010	Addition during the year	Adj./disposal during the Year	
Land	2,163,200	84,364,660	-	86,527,860	-	-	-	-	86,527,860
Office building	64,669,571	224,012,107	-	288,681,678	10%	4,796,602	5,511,476	-	288,681,678
Furniture & fixture	4,519,440	1,072,396	886,521	4,705,315	10%	410,791	111,137	801,273	3,904,042
Office decoration	3,665,511	1,235,563	757,028	4,144,046	10%	382,260	126,802	685,528	3,458,518
Office equipment	5,193,004	1,251,080	1,168,853	5,275,231	15%	693,692	275,103	1,276,781	3,998,450
Motor vehicles	6,916,960	7,933,600	-	14,850,560	20%	3,847,603	1,986,242	5,833,845	9,016,715
Electrical installation	1,459,387	25,100	-	1,484,487	15%	216,118	190,255	406,373	1,078,114
Computer	2,652,228	696,433	537,976	2,810,685	15%	901,356	289,710	1,087,797	1,722,888
Telephone line & PABX system	401,713	127,394	18,540	510,567	15%	53,633	60,271	111,818	398,749
Software	900,000	868,750	900,000	868,750	15%	-	133,828	32,578	836,172
<b>Balance at 31 December 2010</b>	<b>92,541,014</b>	<b>321,587,083</b>	<b>4,268,918</b>	<b>409,859,179</b>		<b>7,523,465</b>	<b>8,943,651</b>	<b>6,231,123</b>	<b>399,623,186</b>
<b>Balance at 31 December 2009</b>	<b>27,711,567</b>	<b>64,829,447</b>	<b>-</b>	<b>92,541,014</b>		<b>4,393,934</b>	<b>3,129,531</b>	<b>-</b>	<b>85,017,549</b>

**Note:** Depreciation on fixed assets has been charged at rates varying from 10% to 20% on diminishing balance method. Full year depreciation has been charged on addition on fixed assets.



**FAS Finance & Investment Limited**  
**Fixed Assets Schedule**  
**As on December 31, 2010**

Annexure-1 (a)

Particulars	Balance as on	Addition/Revaluation reserve during the year	Adj./disposal during the year	Balance as on	Rate of Dep.	Addition during the year	Adj./disposal during the Year	Balance as on	Written Down Value as on 31.12.2010
	01.01.2010			31.12.2010				31.12.2010	
Land	2,163,200	84,364,660	-	86,527,860		-	-	-	86,527,860
Office building	64,669,571	224,012,107	-	288,681,678	10%	4,796,602	5,511,476	-	288,681,678
Furniture & fixture	4,519,440	42,075	886,521	3,674,994	10%	385,033	111,137	775,515	2,899,479
Office decoration	3,665,511	598,137	757,028	3,506,620	10%	366,325	126,802	669,593	2,837,027
Office equipment,	51,93,004	351,830	1,168,853	4,375,981	15%	659,970	275,103	1,243,059	3,132,922
Motor vehicles	6,916,960	6,504,600	-	13,421,560	20%	1,914,792	-	5,762,395	7,659,165
Electrical installation	1,459,387	25,100	-	1,484,487	15%	190,255	-	406,373	1,078,114
Computer	2,652,228	171,826	537,976	2,286,078	15%	270,037	103,269	1,068,124	1,217,954
Telephone line & PABX system	401,713	35,350	18,540	418,523	15%	56,819	2,086	108,366	310,157
Software	900,000	-	900,000	-	15%	101,250	101,250	-	-
<b>Balance at 31 December 2010</b>	<b>92,541,014</b>	<b>316,105,685</b>	<b>4,268,918</b>	<b>404,377,781</b>		<b>8,741,083</b>	<b>6,231,123</b>	<b>10,033,425</b>	<b>394,344,356</b>
<b>Balance at 31 December 2009</b>	<b>27,711,567</b>	<b>64,829,447</b>	<b>-</b>	<b>92,541,014</b>		<b>3,129,531</b>	<b>-</b>	<b>7,523,465</b>	<b>85,017,549</b>

**Note:** Depreciation on fixed assets has been charged at rates varying from 10% to 20% on diminishing balance method. Full year depreciation has been charged on addition on fixed Assets.

**FAS Finance & Investment Limited**  
**Investments In Shares and Bonds**

**As At 31 December, 2010**

**Annexure-2**

**Shares (quoted)**

Particulars	Number of shares	Market price per share /Taka	Total Market Price/Taka	Book value
AB Bank Ltd.	5,070	1,580.50	8,013,135	8,109,154
Agrani Insurance Company Ltd.	45	902.00	40,590	23,139
Al-Arafah Islami Bank Ltd.	489	66.80	32,665	31,070
Asia Insurance Ltd.	7,000	232.70	1,628,900	1,711,720
Asia Pacific Insurance Ltd.	65	905.00	58,825	9,750
Bangladesh General Insurance Company Ltd.	30,000	77.00	2,310,000	2,672,400
Bangladesh Industrial Finance Company	2,300	1,117.00	2,569,100	2,871,390
Bank Asia Ltd.	0.49	857.14	420	430
Beach Hatchery Ltd.	24,000	107.50	2,580,000	2,797,812
City Bank Ltd.	1,906	1,000.25	* 1,906,076	1,073,531
CMC Kamal Textile Ltd	330	238.90	78,837	3,297
Continental Insurance Company Ltd.	4,750	1,105.00	5,248,750	5,752,922
Daffodil Computers Ltd.	38,427	38.80	1,490,968	455,378
DBH First Mutual Fund	40,000	16.10	644,000	997,635
Dhaka Bank Ltd.	40,250	76.30	3,071,075	3,262,850
EBL First Mutual Fund	85,000	18.40	1,564,000	2,259,107
Exim Bank Limited	28,987	60.70	1,759,511	1,209,188
First Security Islami Bank Ltd.	40,000	40.60	1,624,000	1,705,404
Fu-Wang Foods Ltd.	7,500	117.00	877,500	900,266
Global Insurance Company Ltd.	1,950	929.75	1,813,013	1,799,920
Golden Son Ltd	13,938	102.30	1,425,857	418,140
Grameen One: Scheme Two	99,000	32.10	3,177,900	4,224,506
Jamuna Bank Ltd.	59,250	55.00	3,258,750	3,601,595
Karnapuli Insurance Company Ltd.	110	98.00	10,780	1,913
Khulna Power Company Ltd.	40,360	112.60	4,544,536	7,839,930
Maksons Spinning Mills Ltd.	221	48.78	10,780	10,155
Malek Spinning Mills Ltd.	70,000	100.40	7,028,000	7,924,472
Mercantile Bank Ltd.	3,000	580.50	1,741,500	2,013,159
Mutual Trust Bank Ltd.	3,137	708.30	2,221,922	2,248,414
National Credit & Commerce Bank Ltd.	20,050	68.80	1,379,440	1,454,704

Niloy Cement Industries Ltd.	500	260.75	130,375	67,847
Nitol Insurance Company Ltd.	3,980	942.75	3,752,145	3,916,695
Northern General Insurance Company Ltd.	50	859.76	42,988	50,903
Ocean Containers Ltd.	8,000	131.20	1,049,600	1,794,666
One Bank Limited	1	1,153.79	1,523	1,491
Padma Oil Company Ltd	2,550	828.10	2,111,655	3,361,188
Paragon Leather Ltd.	39	-	-	890
Peoples Insurance Company Limited	6,000	1,003.25	6,019,500	6,388,665
Premier Leasing International Ltd.	8,000	1,116.50	8,932,000	9,838,471
Pubali Bank Ltd.	12,025	107.40	1,291,485	1,350,989
R.N. Spinning Mills Ltd.	40,000	119.70	4,788,000	5,191,036
RAK Ceramics (Bangladesh) Ltd.	116	171.60	19,906	5,568
Shahjalal Islami Bank Ltd.	13050	79.30	1,034,865	1,003,098
Social Islami Bank Company Ltd.	200	52.80	10,560	7,156
Sonar Bangla Insurance Company Ltd.	1,650	817.50	1,348,875	1,481,421
Southeast Bank Limited	200	600.25	120,050	76,989
Summit Alliance Port Ltd.	11,500	174.10	2,002,150	2,637,786
Titas Gas Transmission & Dist. Co. Ltd.	1,350	999.00	1,348,650	1,414,758
United Airways (Bangladesh) Ltd.	300,000	737.00	221,100,000	30,000,000
United Commercial Bank Ltd.	150	226.70	34,005	34,856
Uttara Bank Ltd.	5,030	1,660.75	8,353,573	8,604,367

**144,612,191**

### Shares (unquoted)

### Bonds

Particulars	Number of shares	Market price per share /Taka	Total Market Price/Taka	Book value
IBBLP Bond	1,660	963.00	1,598,580	1,574,310

**1,574,310**

### Grand Total:

**146,186,501**

# FAS Finance & Investment Limited

## Financial Highlights

As at December 31, 2010

### Annexure-3

Amount in Taka

Sl. No.	Particulars	2010	2009	Change in %
01	Paid up capital	449,255,500	390,657,000	15.00
02	Total assets	2,910,423,303	1,611,929,042	80.56
03	Total deposits	516,815,144	222,292,121	132.49
04	Total loans, advances and leases	1,875,685,044	1,052,791,848	78.16
05	Total contingent liabilities and commitments	120,000,000.00	70,000,000	71
06	Credit deposit ratio	362.93%	473.61%	(23.37)
07	Percentage of classified loans, advances and leases	21.77%	8.52%	155.69
08	Profit after tax and provision	79,154,129	85,603,363	(7.53)
09	Classified loans, advances and leases during the year	408,385,279	89,648,683	355.54
10	Provisions kept against classified loans	105,147,518	6,091,577	1,626.11
11	Provision surplus/deficit	75,913	28,215,937	(99.73)
12	Cost of fund	13.62%	13.28%	2.56
13	Interest earning assets	2,273,435,903	1,381,011,799	64.62
14	Non-interest earning assets	636,987,400	230,917,243	175.85
15	Return on investment (ROI)	3.93%	7.46%	(47.37)
16	Return on asset (ROA)	2.72%	5.31%	(48.79)
17	Incomes from investment	98,549,940	45,054,355	118.74
18	Earning per share	17.62	19.05	(7.53)
19	Net income per share	17.62	19.05	(7.53)
20	Price earning ration (Times)	51.78	27.76	86.50

**AUDITORS' REPORT TO THE SHAREHOLDERS**  
**of**  
**FAS Capital Management Limited**

We have audited the accompanying Statement of Financial Position of FAS Capital Management Limited as of December 31, 2010 and the related Statement of Comprehensive Income, Statement of Cash Flows, Statement of changes in Shareholders' Equity and notes thereof for the year then ended. 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 misstatements. 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 Statements 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), give a true and fair view of the state of the Company's affairs as of December 31, 2010 and the results of its operations and its cash flows for the year then ended and comply with Companies Act 1994, Financial Institutions Act 1993, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

**We also report that:**

- a) we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- h) 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;
- c) the Company's Statement of Financial Position and Statement of Comprehensive Income together with the annexed notes thereto dealt with by this report are in agreement with the books of account;
- d) the Financial Statements have been prepared in accordance with generally accepted accounting principles in Bangladesh;
- e) the expenditure incurred and payments made were for the purposes of the Company's business;
- f) the information and explanations required by us have been received and found satisfactory;
- g) adequate provision has been made on outstanding margin loan; and
- h) the records and statements submitted by the branches have been properly maintained and consolidated in the financial-statement.

Dated: Dhaka  
March 24, 2011

  
**Zoha Zaman Kahir Rashid & Co.**  
Chartered Accountants

**FAS Capital Management Limited**  
**Statement of Financial Position**  
**as at December 31, 2010**

**Amount in Taka**  
**At 31 Dec, 2010**

	<u>Notes</u>	
<b><u>PROPERTY AND ASSETS</u></b>		
<b>Current Assets :</b>		
<b>Cash</b>		<b>840</b>
In hand	02	840
Balance with bank(s)		-
<b>Cash at Bank</b>		<b>111,575,255</b>
In Bangladesh	03	111,575,255
Outside Bangladesh		-
<b>Investment</b>		<b>79,099,355</b>
Share Investment	04	79,099,355
Others		-
<b>Loans and advances</b>		<b>996,118,813</b>
Margin Loan to Client	05	996,087,968
Staff Loan		30,845
<b>Others assets</b>	06	<b>80,802,564</b>
<b>Total Current Assets</b>		<b>1,267,596,827</b>
<b>Fixed Assets (Annexure-1)</b>	07	<b>5,278,830</b>
<b>Total Assets</b>		<b>1,272,875,657</b>
 <b><u>LIABILITIES AND CAPITAL</u></b>		
<b>Liabilities</b>		
<b>Borrowings from other banks, financial institutions and agents</b>	08	<b>1,039,151,468</b>
<b>Current Liabilities</b>		<b>121,193,536</b>
Provision for Expenses	09	3,229,889
Provision for Income Tax	10	7,141,328
Sundry Creditors	11	93,169,147
Accounts Payable	12	296,924
Others liabilities	13	17,356,248
<b>Total Liabilities</b>		<b>1,160,345,004</b>
<b>Capital/Shareholders' Equity</b>		<b>112,530,653</b>
Paid-up capital	14	100,000,000
Retained earnings	15	12,530,653
<b>Total Liabilities and Shareholders' Equity</b>		<b>1,272,875,657</b>

**OFF-BALANCE SHEET ITEMS****Contingent Liabilities**

Acceptances and endorsements

Letters of guarantee

Irritable letters of credit

Bills for collection

Other contingent liabilities

NotesAmount in TakaAt 31 Dec, 2010**Other commitments**

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

**Total****Other memorandum items**

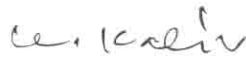
29

2,931,976,383

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



**Abdul Matlub Ahmed**  
Chairman



**Mohammad N.S Kabir**  
Managing Director & CEO



**Md. Akhtar Hossain**  
SVP & CFO



**Md. Maniruzzaman Akan**  
SAVP

Dated : Dhaka  
March 24, 2011



**Zoha Zaman Kabir Rashid & Co.**  
Chartered Accountants


**FAS Capital Management Limited**  
**Statement of Comprehensive Income**  
**for the year ended December 31, 2010**

	<u>Notes</u>	<u>Amount in Taka</u> <u>Year ended</u> <u>31-12-2010</u>
<b>OPERATING INCOME</b>		
Interest Income	16	45,791,637
Less: Interest paid on deposit and borrowings, etc.	17	38,483,962
<b>Net Interest income</b>		<b>7,307,675</b>
Investment income	18	856,963
Commission, exchange and brokerage	19	15,437,073
Other operating income	20	20,695,838
		<b>36,989,874</b>
<b>Total operating income (a)</b>		<b>44,297,549</b>
<b>OPERATING EXPENSES</b>		
Salary and allowances	21	2,988,250
Rent, taxes, insurance, electricity, etc.	22	708,638
Legal expenses	23	20,000
Postage, stamps, telecommunication, etc.	24	141,156
Printing & Stationery	25	84,658
Director's fees		30,000
Auditor's fees		10,000
Depreciation of Fixed Assets	26	202,568
Other expenses	27	5,430,191
<b>Total operating expenses (b)</b>		<b>9,615,461</b>
<b>Profit before provision (c=a-b)</b>		<b>34,682,088</b>
Provision for diminution in value of investments		5,049,227
Provision on Margin Loan		9,960,880
Other provisions		-
<b>Total provision (d)</b>		<b>15,010,107</b>
<b>Total Profit before taxation</b>		<b>19,671,981</b>
<b>Provision for taxation</b>		<b>7,141,328</b>
Current tax		7,141,328
Deferred tax		-
<b>Net profit after taxation</b>		<b>12,530,653</b>
<b>Earnings per Share</b>	28	<b>1.25</b>

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



**Abdul Matlub Ahmed**  
Chairman



**Mohammad N.S Kabir**  
Managing Director & CEO



**Md. Akhtar Hossain**  
SVP & CFO



**Md. Maniruzzaman Akan**  
SAVP

Dated : Dhaka  
March 24, 2011

  
**Zoha Zaman Kabir Rashid & Co.**  
Chartered Accountants



**FAS Capital Management Limited**  
**Statement of Cash Flows**  
**for The Year Ended 31 December 2010**

**Amount in Taka**  
**Year ended**  
**31-12-2010**

**Cash Flows From Operating Activities**

Interest receipts	45,791,637
Interest payments	(38,483,962)
Investment Income	856,963
Commission, exchange and brokerage	15,437,073
Payments to employees	(2,988,250)
Other operating income	20,695,838
payment for other operating activities	(6,424,643)
<b>Operating profit before changes in operating assets &amp; liabilities</b>	<b>34,884,657</b>

**Increase/Decrease in operating assets and liabilities**

Margin loan to client	(996,087,968)
Other Assets (Receivable)	(80,802,564)
Others Assets (Staff loan)	(30,845)
Deposit from customers	93,169,147
Borrowing From other Bank & Financial Institute	1,039,151,468
Liabilities for Expenses	3,229,889
Other liabilities (Bills Payable)	2,643,065
	61,271,192
	<b>96,156,849</b>

**Net cash from/ (used in) operating activities (a)**

**Cash Flows From Investing Activities**

Purchase/Sale of trading securities, shares, bonds, etc.	(79,099,355)
Purchase/Sale of property, plant and equipment	(5,481,398)
<b>Net cash used in investing activities (b)</b>	<b>(84,580,753)</b>

**Cash Flows from Financing Activities**

Proceeds from issue of ordinary share	100,000,000
<b>Net cash flow from financing activities (c)</b>	<b>100,000,000</b>
<b>Net increase/(decrease) in cash (a+b+c)</b>	<b>111,576,095</b>

**Effects of exchange rate changes on cash and cash equivalents**

Cash and cash equivalents at beginning of the Year	-
<b>Cash and cash equivalents at end of the year</b>	<b>111,576,095</b>

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



**Abdul Matlub Ahmed**  
Chairman



**Mohammad N.S Kabir**  
Managing Director & CEO



**Md. Akhtar Hossain**  
SVP & CFO



**Md. Maniruzzaman Akan**  
SAVP



**Zoha Zaman Kabir Rashid & Co.**  
Chartered Accountants

Dated : Dhaka  
March 24, 2011

**FAS Capital Management Limited**  
**Notes to the Financial Statements**  
**for the year ended December 31, 2010**

**01 Significant Accounting Policies and Other Material Information :**

**a. Legal Form of the Enterprise :**

FAS Capital Management Limited was Incorporated in Bangladesh on 30 October 2010 as a private Limited Company under the Companies Act, 1994.

**b. Nature of Business Activities :**

FAS Capital Management Limited was established to cater to the needs of the first growing Capital Market in Bangladesh. It works as a Merchant Bank with a full-fledged merchant banking license from the Securities & Exchange Commission, the appropriate Government Regulatory agency. Merchant banking activities are in following grounds ;

I. Securities trading in secondary market;

II. Margin loan;

III. Investor portfolio;

IV. Issue management;

V. Underwriting of issues;

VI. Financial consultancy;

VII. Project counseling.

**c. Basis of Presentation of Financial statements :**

The following underlying assumptions, measurement base, laws, rules, regulations and Accounting pronouncements have been considered in preparing and presenting the financial statements:

Going Concern;

Accrual;

Historical Cost Convention;

Bangladesh Accounting Standards (BAS's);

SEC (Merchant Bankers & Portfolio Manager) Ordinance 1996 and

SEC Rules 1987.

d. **Depreciation Policy :**

Depreciation on fixed assets is Charged for the three months 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.

Category of assets	Rate of depreciation
Computer & Accessories	15%
Furniture & Fixture	10%
Motor Vehicle	20%
Office Decoration	10%
Office Equipment	15%
Software	15%
Telephone & PABX	15%

e. **Statement of Cash Flows :**

Statement of Cash Flows (Direct Method) has been prepared as per requirement of BAS-07

f. **Taxation :**

Provision for Current Income Tax:

Provision for Income Tax has been calculated on the income of the company @ 37.5% and @10% on Share investment income as applicable for the company as per Income Tax Ordinance.

g. **Investment :**

Investment is carried in Financial Statements at cost

h. **General :**

Figures have been rounded off to the nearest taka.

02 **Cash in hand :**

**At 31 Dec, 2010**  
**Taka**

Cash in Hand  
Total

840

840

03 **Cash at Bank :**

**Account No.**

**Taka**

Dutch Bangla Bank Ltd. Gulshan Branch

STD-116.120.1505

570,861

Jamuna Bank Ltd. Mohakhali Branch

STD-0320000467

43,896

Mercantile Bank Ltd. Mohakhali Branch

SND-011313100000420

150,432

Mutual Trust Bank Ltd. Gulshan Branch

STD-0022-0320000793

5,035

Prime Bank Ltd. Mohakhali Branch

STD-11031050015284

94,566,515

Prime Bank Ltd. Gulshan Branch

STD-11831060023968

1,000,408

Standard Chartered Bank, Gulshan Branch

CD-01-5547253-02

114,148

Standard Chartered Bank, Gulshan Branch

STD-02-5547253-02

2,334,887

The City Bank Ltd. Gulshan Branch

STD-3101221156001

114,023

The City Bank Ltd. Gulshan Branch

STD-310191238001

12,087,908

The City Bank Ltd. Narsingdi Branch

STD-310109238002

587,142

**Total**

**111,575,255**

04	<u>Share Investment :</u>	<u>Quantity</u>	<u>Price</u>	<u>Taka</u>
	AB Bank Ltd.	7210	1597.95	11,521,246
	Al-Arafah Islami Bank Ltd.	55000	64.08	3,524,416
	Asia Pacific General Insurance Company Ltd.	5500	1095.65	6,026,083
	Beach Hatchary Ltd.	2000	116.46	232,928
	Bangladesh General Insurance Company Ltd.	40000	88.09	3,523,488
	Delta Brac Housing Finance Ltd	3250	2850.97	9,265,665
	Exim Bank Ltd.	27000	61.00	1,646,962
	Fu-Wang Ceramic Industries Ltd.	3000	650.11	1,950,320
	Jamuna Bank Ltd.	13500	58.38	788,140
	Malek Spinning Mills Ltd.	52500	113.96	5,982,886
	NCC Bank Ltd.	73750	73.46	5,418,011
	Paramount Insurance Company Ltd.	700	953.80	667,660
	Premier Bank Ltd.	47000	68.17	3,204,040
	Premier Leasing International Ltd.	5000	1219.85	6,099,250
	RAK Ceramics Ltd.	5000	185.28	926,391
	Safko Spinning Mills Ltd.	1350	736.60	994,412
	Social Islami Bank Ltd.	10000	51.82	518,215
	Southeast Bank Ltd.	23800	602.44	14,338,027
	The City Bank Ltd.	2000	996.66	1,993,311
	United Commercial Bank Ltd.	2000	238.95	477,904
	<b>Total</b>			<b>79,099,355</b>

05	<u>Margin Loan to Client :</u>	<u>Taka</u>
	Be Rich Ltd.	130,852,872
	Eminent Securities Ltd.	19,912,775
	Far East Shares & Securities Ltd.	41,981,020
	International Security Co. Ltd.	8,665,908
	Khwaja Equity Services Ltd.	141,248,188
	Royal Capital Ltd.	383,208,955
	Shah Moh. Sagir & Co. Ltd.	136,928,340
	S.R. Capital Ltd.	34,291,022
	Stock And Security Linkway Ltd.	(127,974,972)
	Stock & Bond Ltd.	208,145,476
	Synet Securities Ltd.	18,828,384
	<b>Total</b>	<b>996,087,968</b>

06	<u>Others Assets :</u>	<u>Notes</u>	<u>Taka</u>
	Accounts Receivable	06.01	52,426,020
	Advances, Deposits and Prepayments	06.02	2,285,653
	Share Application (Shaji Bazar Power Co. Ltd.)		15,300,000
	Receivable Underwriting Commission		10,708,994
	Advance Income Tax (AIT)		81,897
	<b>Total</b>		<b>80,802,564</b>

At 31 Dec, 2010

06.01	<u>Accounts Receivable :</u>	<u>Notes</u>	<u>Taka</u>
	Brokerage House	06.01.01	52,267,020
	Receivable Work Station Rent		159,000
	<b>Total</b>		<b>52,426,020</b>
06.01.01	<u>Brokerage House :</u>		<u>Taka</u>
	Eminent Securities Ltd.		482,208
	Far East Shares & Securities Ltd.		9,434,341
	International Securities Co. Ltd.		647,724
	Stock And Security Linkway Ltd.(P-Investors)		13,797,679
	Stock And Security Linkway Ltd.(P-Own)		27,769,738
	Synet Securities Ltd.		135,330
	<b>Total</b>		<b>52,267,020</b>
06.02	<u>Advances and Security Deposit :</u>	<u>Notes</u>	<u>Taka</u>
	Advance	06.02.01	1,181,153
	Security Deposit	06.02.02	1,104,500
	<b>Total</b>		<b>2,285,653</b>
06.02.01	<u>Advance :</u>	<u>Note</u>	<u>Taka</u>
	Office Expenses	06.02.01.01	5,353
	BTCL (4 Line)		20,000
	S.S. Printers & Publications		40,000
	Stock & Security Linkway Ltd.		100,800
	Others		1,015,000
	<b>Total</b>		<b>1,181,153</b>
06.02.01.01	<u>Office Expenses :</u>		<u>Taka</u>
	Dhaka (Head Office)		500
	Narsingdi (Branch Office)		4,853
	<b>Total</b>		<b>5,353</b>
06.02.02	<u>Security Deposit :</u>	<u>Note</u>	<u>Taka</u>
	Grameen Phone		4,500
	Office Rent	06.03.02.01	1,100,000
	<b>Total</b>		<b>1,104,500</b>

At 31 Dec, 2010

06.03.02.01 Office Rent :Taka

Dhaka (Head Office)

500,000

Patuakhali (Proposed Branch)

600,000

**Total****1,100,000**07 Fixed Assets :Taka**Cost:**

Computer &amp; Accessories

524,607

Furniture &amp; Fixture

1,030,321

Motor Vehicle

1,429,000

Office Decoration

637,426

Office Equipment

899,250

Software

868,750

Telephone &amp; PABX

92,044

**Total****5,481,398****Less: Accumulated Depreciation**

Computer &amp; Accessories

19,673

Furniture &amp; Fixture

25,758

Motor Vehicle

71,450

Office Decoration

15,935

Office Equipment

33,722

Software

32,578

Telephone &amp; PABX

3,452

**Total****202,568****Written down value at the end of the year (Annexure-1)****5,278,830**08 Borrowings from other banks, financial institutions and agents :Taka

Bank

-

Financial institutions

1,039,151,468

Others

-

**Total****1,039,151,468**09 Provision for Expenses :Taka

Electric Bill

59,070

Generator Bill

49,568

Office Rent (Dhaka (Head Office))

600,000

Service Charges

59,958

Telephone Bill

3,679

Audit Fees

10,000

CDBL Charges

934,444

Salary &amp; Allowances

7,500

Bonus

1,505,670

**Total****3,229,889**

	<u>Taka</u>
<b>10</b> <b><u>Provision for Income Tax :</u></b>	
Opening Balance	-
Add: Provision during the year	7,141,328
	<u>7,141,328</u>
Less: Adjustment during the year	-
<b>Total</b>	<u><u>7,141,328</u></u>
<b>11</b> <b><u>Sundry Creditors :</u></b>	<u>Taka</u>
Be Rich Ltd.	24,748,516
Green Land Equities Ltd.	4,559
Khwaja Equity Services Ltd.	14,276,801
Royal Capital Ltd.	28,907,055
Shah Mohammad Sagir & Co. Ltd.	15,135,253
S.R. Capital Ltd.	694,253
Stock & Bond Ltd.	9,402,710
<b>Total</b>	<u><u>93,169,147</u></u>
<b>12</b> <b><u>Accounts Payable :</u></b>	<u>Taka</u>
Legal Fees	21,000
Computer & Accessories	27,405
Printing & Stationery	23,519
Workstation Rent	225,000
<b>Total</b>	<u><u>296,924</u></u>
<b>13</b> <b><u>Others Liabilities :</u></b>	<u>Note</u> <u>Taka</u>
Provision against Share Investment	13.01     5,049,227
Provision on Margin loan	9,960,880
Interest Payable	2,274,304
Provident Fund	59,672
VAT Expenses	11,627
Source Tax	538
<b>Total</b>	<u><u>17,356,248</u></u>
<b>13.01</b> <b><u>Provision for Share Investment:</u></b>	<u>Taka</u>
Opening Balance	-
Add: Provision during the year	5,049,227
	<u>5,049,227</u>
Less: Adjustment during the year	-
<b>Total</b>	<u><u>5,049,227</u></u>

Taka

100,000,000

14 Share Capital :14.01 Authorised Capital :

100,000,000 Ordinary Shares of Tk. 10.00 each

1,000,000,000

14.02 Issued, Subscribed and Paid Up Capital :

Paid Up Capital

100,000,000

10,000,000 Ordinary Shares of Tk. 10.00 each

100,000,000

14.03 Percentage of Shareholding :

Particulars	2010 (%)	Taka
Bangladeshi Sponsors	20	20,000,000
Foreign Sponsors	-	-
Financial Institutions	80	80,000,000
Employees	-	-
General Public	-	-
<b>Total</b>	<b>100</b>	<b>100,000,000</b>

14.04 Name of the Directors, Sponsors Shareholders & their Shareholding :

Name	Number of Share	Total Value	%
FAS Finance & Investment Limited	8,000,000	80,000,000	80%
Mr. Abdul Matlub Ahmed	2,000,000	20,000,000	20%
<b>Total</b>	<b>10,000,000</b>	<b>100,000,000</b>	<b>100%</b>

15 Retained earnings :

Taka

Opening balance

-

Net profit after taxation

12,530,653

Transfer to statutory reserve

-

**Total****12,530,653**16 Interest Income :

Note

Taka

Interest on Margin Loan

16.01

44,990,815

Bank Interest

728,959

Interest for Late Payment

71,471

Interest on Staff Loan

392

**Total****45,791,637**



**At 31 Dec, 2010**

**16.01 Interest on Margin Loan :**

	<u>Taka</u>
<i>Be Rich Ltd.</i>	5,396,883
<i>Eminent Securities Ltd.</i>	929,225
<i>Far East Shares &amp; Securities Ltd.</i>	1,948,671
<i>International Security Co. Ltd.</i>	318,487
<i>Khwaja Equity Services Ltd.</i>	4,896,491
<i>Royal Capital Ltd.</i>	15,917,650
<i>Stock &amp; Bond Ltd.</i>	7,884,960
<i>Shah Moh. Sagir &amp; Co. Ltd.</i>	5,897,842
<i>S.R. Capital Ltd.</i>	1,110,943
<i>Synet Securities Ltd.</i>	666,794
<i>Stock And Security Linkway Ltd.</i>	22,869
<b>Total</b>	<b><u>44,990,815</u></b>

**17 Interest paid on deposit and borrowings, etc. :**

	<u>Taka</u>
<i>Bank</i>	-
<i>Financial Institute</i>	38,483,962
<i>Others</i>	-
<b>Total</b>	<b><u>38,483,962</u></b>

**18 Investment Income :**

	<u>Taka</u>
<i>Profit on Share Investment</i>	856,963
<i>Others</i>	-
<b>Total</b>	<b><u>856,963</u></b>

**19 Commission, Exchange and Brokerage :**

	<u>Note</u>	<u>Taka</u>
<i>Portfolio Management Fees</i>	19.01	10,842,073
<i>Underwriting Commission</i>		4,595,000
<b>Total</b>		<b><u>15,437,073</u></b>

		<u>Taka</u>
<b>19.01</b>	<b><u>Portfolio Management Fees :</u></b>	
	Be Rich Ltd.	1,194,881
	Eminent Securities Ltd.	197,646
	Far East Shares & Securities Ltd.	330,616
	International Security Co. Ltd.	58,067
	Khwaja Equity Services Ltd.	1,400,408
	Royal Capital Ltd.	3,973,936
	Stock & Bond Ltd.	1,610,681
	Shah Moh. Sagir & Co. Ltd.	1,244,233
	S.R. Capital Ltd.	191,639
	Synet Securities Ltd	153,021
	Stock And Security Linkway Ltd.	486,945
	<b>Total</b>	<b><u>10,842,073</u></b>
<b>20</b>	<b><u>Other Operating Income :</u></b>	<b><u>Taka</u></b>
	Documentation Fee	445,200
	Settlement Fee	20,132,638
	Work Station Rent	105,000
	Cheque Dishonour Fee	13,000
	<b>Total</b>	<b><u>20,695,838</u></b>
<b>21</b>	<b><u>Salary and Allowances :</u></b>	<b><u>Taka</u></b>
		<b><u>Notes</u></b>
	Basic Salary, Provident fund Contribution and all other allowances	21.01 1,347,379
	Bonus	21.02 1,640,871
	<b>Total</b>	<b><u>2,988,250</u></b>
<b>21.01</b>	<b><u>Basic Salary, Provident fund Contribution and all other allowances :</u></b>	<b><u>Taka</u></b>
	Salary & Allowances	21.01.01 1,317,543
	Provident Fund	21.01.02 29,836
	<b>Total</b>	<b><u>1,347,379</u></b>
<b>21.01.01</b>	<b><u>Salary &amp; Allowances :</u></b>	<b><u>Taka</u></b>
	Dhaka (Head Office)	1,143,634
	Chittagong (Branch Office)	57,660
	Narsingdi (Branch Office)	72,600
	Sylhet (Branch Office)	43,649
	<b>Total</b>	<b><u>1,317,543</u></b>

**21.01.02 Provident Fund :**

Dhaka (Head Office)	25,516
Chittagong (Branch Office)	2,370
Narsingdi (Branch Office)	1,950
<b>Total</b>	<b>29,836</b>

**21.02 Bonus :**

Dhaka (Head Office)	1,612,235
Chittagong (Branch Office)	9,636
Narsingdi (Branch Office)	12,055
Sylhet (Branch Office)	6,945
<b>Total</b>	<b>1,640,871</b>

**22 Rent, Taxes, Insurance, Electricity, etc :**

Office Rent (Head Office)	600,000
Electric Bill (Head Office)	59,070
Generator Bill (Head Office)	49,568
<b>Total</b>	<b>708,638</b>

**23 Legal Expenses :**

Professional Fees	20,000
Others	-
<b>Total</b>	<b>20,000</b>

**24 Postage, Stamps, Telecommunication :**

Postage & Courier	160
Internet Bill	120,135
Telephone & Mobile Bill	20,861
<b>Total</b>	<b>141,156</b>

**25 Printing & Stationery :**

Dhaka (Head Office)	83,718
Narsingdi (Branch Office)	940
<b>Total</b>	<b>84,658</b>

26 Depreciation on Fixed Assets :Taka

Computer & Accessories	19,673
Furniture & Fixture	25,758
Motor Vehicle	71,450
Office Decoration	15,935
Office Equipment	33,722
Software	32,578
Telephone & PABX	3,452
<b>Total</b>	<b>202,568</b>

27 Other Expenses :NotesTaka

Server Rental		63,000
Service Charge		59,958
Registration Fees		494,025
Fuel & Lubricants		8,674
TA&DA		82,671
Spare & Accessories		750
Business Promotion		10,000
CDBL Charge		4,464,312
Software Maintenance		126,000
Bank Charge & Commission		36,096
Entertainmnet	27.01	58,448
Office Maintenance		830
Newspaper & Periodicals		300
Fees & Subscription		4,463
Repair & Maintenance	27.02	20,664
<b>Total</b>		<b>5,430,191</b>

27.01 Entertainmnet :Taka

Dhaka (Head Office)	50,371
Narsingdi (Branch Office)	8,077
<b>Total</b>	<b>58,448</b>

27.02 Repair & Maintenance :Taka

Dhaka (Head Office)	16,534
Narsingdi (Branch Office)	4,130
<b>Total</b>	<b>20,664</b>

At 31 Dec, 2010

28 **Basic Earning Per Share (EPS) Discloser Under BAS 33 :**

Taka

Net Profit for the year	12,530,653
Weighted average number of Ordinary Shares	10,000,000
<b>Basic Earning Per Share (EPS)</b>	<b>1.25</b>

29 **Other Memorandum Items :**

Taka

Customer's stock of securities-Merchant Banking Wing	2,931,976,383
	<b>2,931,976,383</b>

This amount consists of portfolio investors' investments at cost price

30 **General :**

30.01 **Expenditure Incurred on Employees :**

Number

Employment through out the year in receipt of remuneration aggregating Taka. 36,000 or more per annum	20
Employment through out the year in receipt of remuneration aggregating less Taka. 36,000 per annum	-
<b>Total :</b>	<b>20</b>

30.02 **Claims :**

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

**Abdul Matlub Ahmed**  
Chairman

**Mohammad N.S Kabir**  
Managing Director & CEO

**Md. Akhtar Hossain**  
SVP & CFO

**Md. Maniruzzaman Akan**  
SAVP

Dated : Dhaka  
March 24, 2011

**Zoha Zaman Kabir Rashid & Co.**  
Chartered Accountants

**FAS CAPITAL MANAGEMENT LIMITED**

**Schedule of Fixed Assets  
as on December 31, 2010**

Annexure-1

Particulars	Cost			Rate (%)	Depreciation			Written Down Value as on 31.12.2010	
	Balance as on 01.10.2010	Addition during the year	Adjustment/disposal during the year		Balance as on 01.10.2010	Addition during the year	Adjustment/disposal during the year		Balance as on 31.12.2010
Computer & Accessories	-	524,607	-	15	-	19,673	-	19,673	504,934
Furniture & Fixture	-	1,030,321	-	10	-	25,758	-	25,758	1,004,563
Motor Vehicle	-	1,429,000	-	20	-	71,450	-	71,450	1,357,550
Office Decoration	-	637,426	-	10	-	15,936	-	15,936	621,490
Office Equipment	-	899,250	-	15	-	33,722	-	33,722	865,528
Software	-	868,750	-	15	-	32,578	-	32,578	836,172
Telephone & PABX	-	92,044	-	15	-	3,452	-	3,452	88,593
<b>Total</b>	<b>-</b>	<b>5,481,398</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>202,568</b>	<b>-</b>	<b>202,568</b>	<b>5,278,830</b>



## FAS FINANCE & INVESTMENT LIMITED

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

### PROXY FORM

I/We-----  
of-----  
being a member of FAS Finance & Investment 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 14th Annual General Meeting of the Company to be held on **Thursday, June 16, 2011 at 10.00 a.m at Trust  
Milonayaton, 545, Puratan Biman Bandar Sarak, Dhaka Cantonment, Dhaka** and any adjournment therefore.



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.

## FAS FINANCE & INVESTMENT LIMITED

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

### ATTENDANCE SLIP

I do hereby record my attendance at the 14th 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.



## COMPANY INFORMATION

Registered Name of the Company	FAS Finance & Investment 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@yahoo.ca
Narsingdi Branch	Index Plaza (Mezzanine Floor) Bowakur Station Road Narsingdi Phone : 02-9451657-9 Fax : 880-02-9860258 E-mail : triermnsk@yahoo.ca
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@yahoo.ca
Sylhet Branch	City Centre Shopping Complex (8th Floor), Zinda Bazar, Sylhet Phone : 0821-2831622-4 Fax : 0821-2831625 E-mail : triermnsk@yahoo.ca
Accounting Year End	December 31
No. of Employee	59
Auditors	Zoha Zaman Kabir Rashid & Co. Chartered Accountants 65-66, Motijheel C/A Room # 504, Dhaka - 1000.
Legal Advisor	Mr. Md. Khalilur Rahman (Nasir) Advocate, Judges Court, Dhaka.
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

**FAS Finance & Investment Limited**

**Head Office:** Suvastu Imam Square (4th Floor)

65, Gulshan Avenue, Gulshan, Dhaka-1212

Phone: 880-2-9860594, 9860273, 8825949 Fax: 880-2-9860531