
ANNUAL REPORT

2011



**FAS Finance
& Investment
Limited**

Let Your Dreams Come True

FAS Finance & Investment Limited honored

With ICAB Awards for
Best Published Accounts and
Reports 2010

These achievements are the recognitions of our continuous efforts towards transparency in disclosure of information and adherence to accounting practices in line with national and international standards

The Institute of Chartered Accountants of Bangladesh



11 TH ICAB NATIONAL AWARDS FOR BEST PUBLISHED ACCOUNTS AND REPORTS-2010

Certificate of Appreciation

Certified that FAS Finance & Investment Limited participated in the 11th ICAB National Awards for Best Published Accounts and Reports 2010 Competition organized by the Institute of Chartered Accountants of Bangladesh through its Review Committee for Published Accounts and Reports (RCPAR) and has been awarded Certificate of Merit in the Financial Sector-Non Banking.

This Certificate of Appreciation has been awarded on the 04th day of October 2011 as a mark of recognition of excellence in the presentation of the entity's published accounts and reports for the year 2010.


Anwaruddin Chowdhury FCA

Chairman, Review Committee for Published Accounts and Reports


Parveen Mahmud FCA

President

- 1 Gari-Bari Loan Mela
- 2 Lease Finance
- 3 Term Finance
- 4 House Finance
- 5 SME Finance
- 6 Education Tour & Training Programme



Photo Gallery



All Shareholders,
Bangladesh Bank,
Securities and Exchange Commission,
Registrar of Joint Stock Companies & Firms,
Dhaka Stock Exchange Limited, and
Chittagong Stock Exchange Limited.

Dear Sir (s):

ANNUAL REPORT FOR THE YEAR ENDED DECEMBER 31, 2011

Enclosed please find a copy of the Annual Report together with the Audited Financial Statements including Consolidated and Separate Balance Sheet as at December 31, 2011 and Income Statements, Cash Flow Statements and changes in equity statements for the year ended December 31, 2011 along with notes thereon of FAS Finance & Investment Limited and its subsidiary (FAS Capital Management Limited) for your Kind information and record.

We also enclose a separate Profit and Loss Account of our Merchant Banking Operation for the year ended December 31, 2011 as per the requirement of Securities and Exchange Commission (Merchant Banker and Portfolio Manager) Rule 1996.

Thank you.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Fardose Jahan'.

Fardose Jahan
Company Secretary

Letter of Transmittal

Notice of the 15th annual general meeting



Notice is hereby given that the 15th Annual General Meeting of the Shareholders of FAS Finance & Investment Limited will be held at the Hotel Abakash, Bangladesh Parjatan Corporation, Mohakhali C/A, Dhaka-1212 on Thursday, June 28, 2012 at 11:00 a.m. to transact the following business:

AGM 2012-15-01 To receive, consider and adopt the Directors' Report and Audited Accounts for the year ended December 31, 2011 and the Auditors' Report thereon.

AGM 2012-15-02 To declare dividend for the year ended December 31, 2011.

AGM 2012-15-03 To elect/re-elect Directors as per Articles of Association of the Company.

AGM 2012-15-04 Appointment of auditors for the term until the next Annual General Meeting and fix their remuneration.

By order of the Board of Directors

Dated, Dhaka
June 12, 2012


(Fardose Jahan)
Company Secretary

NOTES :

1. The Record Date for the purpose was on May 08, 2012
2. The members whose name will appear in the Depository/Share Register on the Record Date (May 08, 2012) will be eligible to attend and vote at the AGM.
3. A member eligible to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote his/her behalf. The proxy form, duly filled-in and affixed with revenue stamp of Tk.10/- must be submitted to the Registered Office (Suvastu Imam Square (4th floor), 65 Gulshan Avenue, Gulshan, Dhaka-1212) of the Company, at least 48 (forty eight) hours before the scheduled time of the Meeting.
4. For the sake of convenience, members are requested to submit their queries on the Director's Report and Audited Accounts, if any, at the Registered Office of the Company preferably 3 days before the date of the Annual General Meeting.
5. Admission into the Meeting Room will be allowed on production of the Attendance Slip attached with the Proxy Form.



Letter of Transmittal
Notice of the 15th Annual General Meeting

About FAS

- 01 Our Vision, Mission, Strategic Objectives
- 02 FAS Core Values
- 03 FAS principles of Professional Ethics
- 04 FAS at a Glance
- 05 Financial Products & Services of FAS
- 06 Corporate Information
- 08 Milestones of FAS

Management information

- 09 Board of Directors
- 10 Committees of the Board & Management
- 13 Management and Executives

Governance

- 14 Statement of Risk Management
- 15 Statements on Corporate Governance
- 16 Corporate Social Responsibility (CSR) at FAS
- 17 Report of the Audit Committee

Financial Performance

- 20 Performance Indicators
- 22 Key Operating and Financial Highlights
- 23 Financial Highlights as required by the Bangladesh Bank

Management Discussion

- 24 Chairman's Review
- 25 CEO & Managing Director's Review
- 27 Directors' Report to the Shareholders

Financial Statements of the Group

- 33 Auditors' Report to the shareholders of FAS
- 35 Consolidated Statement of Financial Position
- 37 Consolidated Statement of Comprehensive Income
- 38 Consolidated Statement of Cash Flows
- 39 Consolidated Statement of Changes in Shareholders Equity

Financial Statements of FAS Finance & Investment Limited

- 40 Statement of Financial Position
- 42 Statement of Comprehensive Income
- 43 Statement of Cash Flows
- 44 Statement of Changes in Shareholders Equity
- 45 Liquidity Statement

Financial Statements of FAS Capital Management Limited

- 91 Statement of Financial Position
- 93 Statement of Comprehensive Income
- 94 Statement of Cash Flows
- 95 Statement of Changes in Equity

Stakeholder's Corner

Proxy Form
Attendance slip



Our Vision

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

Our mission

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

Overall Strategic Objectives

Be one of the market leaders of the industry Achieve excellence in customer service next to none and superior to all competitors be a high quality distributor of financial products and services

Provide customized financial services to specific clients in both leasing and merchant banking services to build the company as multi-product non bank financial institution for different segment of the market Maximize profitability and sustain steady growth

Maximize benefit and satisfaction of the customer

Maximize the welfare of the society through employment, training, grant etc. reflecting our social responsibility.



For our Customers

To provide the most courteous and efficient service in every aspect of its business.

To be innovative in the development of new products and services

For our Employees

By promoting their well-being through attractive remuneration and fringe benefits

By promoting good staff morale through proper staff training and development, and provision of opportunities for career development

For our Shareholders

By forging ahead and consolidating its position as a stable and progressive financial institution

By generating profits and fair return on their investment

For our Community

By assuming our role as a socially responsible corporate citizen in a tangible manner

By adhering closely to national policies and objectives thereby contributing towards the progress of the nation

By upholding ethical values and best practices Constantly seeking to improve performance by aligning our goals with stakeholders' expectations.



Individuals acting in a professional capacity take on an additional burden of ethical responsibility. For example, professional associations have codes of ethics that prescribe required behavior within the context of a professional practice such as medicine, law, accounting, or engineering. These written codes provide rules of conduct and standards of behavior based on the principles of Professional Ethics, which include:

Objectivity and Independence

The principle of our objectivity imposes the obligation to be impartial, intellectually honest, and free of conflicts of interest. Independence precludes relationships that may appear to impair a member's objectivity in rendering attestation services.

Our members often serve multiple interests in many different capacities and must demonstrate their objectivity in varying circumstances. Members in public practice render attest, tax, and management advisory services. Other members prepare financial statements in the employment of others, perform internal auditing services, and serve in financial and management capacities in industry, education, and government. They also educate and train those who aspire to admission into the profession. Regardless of service or capacity, Our members are protecting the integrity of their work, maintain objectivity, and avoid any subordination of their judgment.

Due diligence / duty of care

Our members also have a continuing responsibility to cooperate with each other to improve the art of accounting, maintain the public's confidence, and carry out the profession's special responsibilities for self-governance. The collective efforts of all members are required to maintain and enhance the traditions of the profession.

Integrity/ Confidentiality

To maintain and broaden public confidence, members of our Company performs all professional responsibilities with the highest sense of integrity.

The Public Interest

The members of our company have accepted the obligation to act in a way that will serve the public interest, honor the public trust, and demonstrate commitment to professionalism.

Scope and Nature of Services

Members of our Company in public practice are observing the Principles of the Code of Professional Conduct in determining the scope and nature of services to be provided.



FAS Finance & Investment Limited (FAS) was incorporated on 4th March 1997 sponsored by a group of Renowned & dedicated Bangladeshi industrialists and businessmen. Primarily, FAS received license from Securities & Exchange Commission (SEC) to act as a Merchant Banker. Subsequently it obtained license on 17th September 2001 from Bangladesh Bank as a Non-Banking Financial Institution (NBFi). The authorize capital of the company is Tk. 2100.00 million and the paid up capital of the company is Tk. 516.64 Million.

Financial Products and Services of FAS are:



01. Lease Financing
02. Transport Financing
03. Term Financing
04. Project Financing
05. House Financing (Real Estate Finance)
06. Small & Medium Enterprise Financing (SME Finance)
07. Working Capital Financing
08. Factoring
09. Deposit Mobilization
 - I. Term Deposit Schemes
 - a. Monthly Benefit Scheme
 - b. Quarterly benefit Scheme
 - c. Yearly benefit Scheme
10. Merchant Banking Activities:
 - i. Securities Trading in Secondary Market
 - ii. Investor's Portfolio Management
 - iii. Issue Management
 - iv. Underwriting of Issues
 - v. Financial Consultancy
 - vi. Project Counseling

Corporate 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, listed with Dhaka Stock Exchange and Chittagong Stock Exchange having incorporated in Bangladesh on 4th March, 1997 under Companies Act of 1994
Corporate Head Office	Suvastu Imam Square (4th Floor) 65, Gulshan Avenue, Gulshan Dhaka-1212 PABX : 9860273, 9860594, 8825949 Fax: 88-02-9860594
Company Email	info@fasbd.com
Company Website	www.fasbd.com/ffil
Narsingdi Branch	Index Plaza (Mezzanine Floor) Bowakur Station Road Narsingdi, Phone: 9451657 E-mail: nar.fcml@gmail.com
Chittagong Branch	IFCO Complex (6th floor), 1147/A CDA Avenue, East Nasirabad, P.S.-Khulshi, Chittagong. Phone : 031-2552873 Fax : 880-31-2552874 E-mail: ctg.mbd@gmail.com
Sylhet Branch Zinda Bazar, Sylhet.	City Centre Shopping Complex (8th Floor), Phone : 0821-2831622-24 Fax : 2831625 E-mail : fas.sylhet@gmail.com
Accounting Year End	December 31

Auditors	M.J. Abedin & Co Chartered Accountants National Plaza (3rd Floor) 109, Bir Uttam C.R. Datta Road, Dhaka-1205
Legal Advisor	Md. Khaliur Rahman (Nasir), M.A, MBA & LL.B Advocate, Supreme Court of Bangladesh
TIN No.	003 -201 -4669
VAT Registration No.	5101098077
Trade License No.	0921401
Tax Consultant	R.R. Associates Associated Consultant Mokbul Plaza (4th floor), 10/3, Arambag, Motijheel C/A, Dhaka-1000
IT Consultants	Mr. S.A.H. Ismail, CEO NREACH -Net (Pvt.) Ltd.
Company Secretary	Fardose Jahan
Principal Bankers	Pubali Bank Limited, Uttara Bank Ltd. Mutual Trust Bank Limited
Major Stock Broker	Khaja Equity Limited Stock & Security Linkway Limited
Memberships	Bangladesh Leasing & Finance Companies Association Bangladesh Association of Publicly Listed Companies
Forum	International Business Forum of Bangladesh
Chambers of Commerce & Industry	Dhaka Chamber of Commerce & Industry Chittagong Chamber of Commerce & Industry Bangladesh Malaysia Chamber of Commerce & Industry India-Bangladesh Chamber of Commerce & Industry

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

Milestones of FAS



Management information

Board of Directors

Chairman

Mr. Abdul Matlub Ahmad

Managing Director

Md. Mofiz Uddin Chowdhury

Company Secretary

Fardose Jahan

Directors

Mrs. Selima Ahmad

Mrs, Shannaz Ahmad

Mr. Nasim Ali Khan

Syed Monowar Ali

Mr. Sirajul Islam

Mr. Asaduzzaman Chaudhury

Mr. Mukitir Rahman Bhuiyan
- Independent Director

Committee of the Board & Management



Executive Committee

Mr. Abdul Mallub Ahmad	Chairman
Mr. Nasim Ali Khan	Member
Mr. Syed Monowar Ali	Member
Mr. Sirajul Islam	Member
Mrs. Selima Ahmad	Member

Audit Committee

Mr. Nasim Ali Khan	Chairman
Mr. Syed Monowar Ali	Member
Mr. Sirajul Islam	Member
Mrs. Selima Ahmad	Member
Mrs. Shanaz Ahmad	Member

Management Committee	Composition
<p>Management Committee: (MANCOM)</p> <ol style="list-style-type: none"> 1. Md. Mofiz Uddin Chowdhury, Managing Director 2. Mr. Nasim Ali Khan, CEO 3. Mr. Abdul Halim, EVP 4. Mr. Abdul Maleque, SVP 5. Mr. Akhtar Hossain, SVP & CFO 6. Mr. A.K.M Shamsheer Ali, PO 7. Ms. Fardose Jahan, Company Secretary 	<p>President Member Member Member Member Member Member</p>
<p>Credit Risk Management Committee:</p> <ol style="list-style-type: none"> 1. Md. Mofiz Uddin Chowdhury, Managing Director 2. Mr. Abdul Halim, EVP 3. Mr. Abdul Maleque, SVP 4. Mr. Morshid Alam, Sr. Officer 5. Mrs. Mahru Tanzina Hoque, Officer 	<p>President Member Member Member Member</p>
<p>Assets Liability Management Committee:</p> <ol style="list-style-type: none"> 1. Md. Mofiz Uddin Chowdhury, Managing Director 2. Mr. Abdul Halim, EVP 3. Mr. Akhtar Hossain, SVP & CFO 4. Mr. A.K.M Shamsheer Ali, PO 5. Mr. Neaz Ahmmed Faruqi, Sr. Officer 6. Mr. Biplob Chandra Karmakar, Sr. Officer 	<p>President Member Member Member Member Member</p>
<p>Internal Control & Compliance Committee: (ICC)</p> <ol style="list-style-type: none"> 1. Md. Mofiz Uddin Chowdhury, Managing Director 2. Mr. Abdul Halim, EVP 3. Mr. Abdul Maleque, SVP 4. Mr. Akhtar Hossain, SVP & CFO 5. Mr. Neaz Ahmmed Faruqi, Sr. Officer 	<p>President Member Member Member Member</p>
<p>Information Technology development Committee (IT):</p> <ol style="list-style-type: none"> 1. Md. Mofiz Uddin Chowdhury, Managing Director 2. Mr. Abdul Halim, EVP 3. Mr. Md. Shazzad Hossain Nadim, Sr. Officer 4. Mr. Ziaur Rahman, Officer 5. Mr. Mohammad Shaharuzzaman Babu, Officer 	<p>President Member Member Member Member</p>

Management Committee	Composition
<p>Anti money laundering Committee:</p> <ol style="list-style-type: none"> 1. Md. Mofiz Uddin Chowdhury, Managing Director 2. Mr. Abdul Halim, EVP 3. Mr. Abdul Maleque, SVP 4. Mr. Akhtar Hossain, SVP & CFO 5. Mr. Dipak Saha , Sr. Officer 6. Mr. Mohammad Shaharuzzaman Babu, Officer 	<p>President</p> <p>Member</p> <p>Member</p> <p>Member</p> <p>Member</p> <p>Member</p>
<p>Basel-II Committee:</p> <ol style="list-style-type: none"> 1. Md. Mofiz Uddin Chowdhury, Managing Director 2. Mr. Abdul Halim, EVP 3. Mr. Abdul Maleque, SVP 4. Mr. Akhtar Hossain, SVP & CFO 5. Ms. Fardose Jahan, Company Secretary 6. Mr. Dipak Saha, Sr. Officer 7. Mr. Md.Shazzad Hossain Nadim, Sr. Officer 	<p>President</p> <p>Member</p> <p>Member</p> <p>Member</p> <p>Member</p> <p>Member</p> <p>Member</p>
<p>Human Resource Committee:</p> <ol style="list-style-type: none"> 1. Md. Mofiz Uddin Chowdhury, Managing Director 2. Mr. Abdul Halim, EVP 3. Mr. Abdul Maleque, SVP 4. Ms. Fardose Jahan, Company Secretary 	<p>President</p> <p>Member</p> <p>Member</p> <p>Member</p>
<p>Management Information Committee :(MIS)</p> <ol style="list-style-type: none"> 1. Md. Mofiz Uddin Chowdhury, Managing Director 2. Mr. Abdul Halim, EVP 3. Mr. A.K.M Shamsheer Ali, PO 4. Mr. Md.Shazzad Hossain Nadim, Sr. Officer 5. Mr. Mohammad Shaharuzzaman Babu, Officer 	<p>President</p> <p>Member</p> <p>Member</p> <p>Member</p> <p>Member</p>



Managing Director & Chief Executive Officer

Md. Mofiz Uddin Chowdhury

Executive Vice President & head of Credit Administration

Mr. Abdul Halim

Senior Vice President & Chief Financial Officer

Mr. Akhtar Hossain

Senior Vice President & Internal Control & Compliance

Mr. Abdul Maleque

Company Secretary

Fardose Jahan

Branch Managers

Mr. Mehdi Redwan Chowdhury

Mr. Md. Junaaid Aziz

Mr. Md. Kamrul Hossain

Risk is a state of uncertainty where some possibilities involve in 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 system to address risks concerning credit, market, liquidity operations.

Credit Risk

Credit risk is the risk of loss due debtor's non-payment of 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 extensions of credits require risk analysis including an extensive evaluation of 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 coverage of invested asset;
- | Strong monitoring defaulted clients;
- | Legal Action
- | Follow up 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 2011 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 the product to attract the depositors and the response of 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 cannot be traded quickly enough in the market to prevent a loss or make the required profit. It arises from 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 & long term obligation as well as investment requirement ASSET LIABILITY MANAGEMENT COMMITTEE (ALCO), also oversee liquidity position and recommend appropriate measures to encounter the 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 the company or from external events.

To address operational risks the 'FAS' has established and appropriate 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 take initiative to establish and Operational Risk Management Department (ORMD) to address Operational Risk and to frame & implement policies, process & 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.

Corporate governance is the set of processes, customs, policies, laws and institutions affecting the Way 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 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 nine (9) including one independent Directors and its Chief Executive as ex - officio. The Board acts independently without any influence collectively and assesses performance of the Company as well as the management.

As the brain of the Company, the Board discharges their duties responsibilities under the law effectively and efficiently and ensure the highest possible standard of ethics and uphold best interest of the stakeholders where the company conducted its operation. The 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 Officer of the company are filled by the different individuals. The Chairman is elected by the Directors, among them as per articles of association of the company. The respective roles and responsibilities of the Chairman and Managing Director are clearly defined by the Board of Directors.

The Board appointed Mr. Mukitir Rahman Bhuiyan as Independent Directors of the company on June 01, 2011 in their 83rd 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 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.

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 relation with our clients. Their trust on us is the key indicator of our business operation in the days ahead. We realized our quick and friendly customer service and outstanding customer care that will reflect on our business goals. Our up front disclosures policy, transparency, integrity, accountability and creative measure are endeavor to deliver our clients

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

Education is a per-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 student of H.S.C level. The student who have been studying at H.S.C level after passing S.S.C examination in the current year are eligible to apply for scholarship of this level. The scholarships are renewable for the entire academic period of H.S.C level. Already ten scholarships have been award in the level.

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

Apart from the financial benefits, Management of FAS pursues a policy of employee's training both on off the job in home and abroad to increase skills and to build up 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. Ss our business is mainly service our products and services are not harmful for the environment at all. However, we are fully aware to the best practices in the environmental matter such as our premises, equipments and use effluent disposal. we appraise project which may have critical environmental implications. Analyze and generally ignore/avoid investment where high volume of environmental risk is considered . FAS always practice the environmental legislations.

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

audit committee of FAS Finance & Investment Limited , formed in 2008 in the 58th Meeting of the Board of Directors held on May 06, 2008 aimed to public accountability and strong corporate governance. It plays a key role with respect to the integrity of the entity's financial information, its system of internal controls, and the legal and ethical conduct of management and employees. An audit committee's responsibility will vary depending upon the entity's complexity, size, and requirements. Typical audit committee responsibilities include approving the overall audit scope, recommending the appointment of the external auditor, overseeing the entity's financial statement and internal controls, helping to ensure that the audit is conducted in a cost-effective manner, and risk management oversight.

Composition of the Committee

According to the SEC's corporate governance guidelines, the Board appointed Audit Committee Comprising of the following Directors of the Company who possesses commendable knowledge on Finance and accounts:

- | | |
|-------------------------|------------|
| 1. Mr. Nasim Ali Khan | - Chairman |
| 2. Mr. Syed Monowar Ali | - Member |
| 3. Mr. Sirajul Islam | - Member |
| 4. Mrs. Selima Ahmad | - Member |
| 5. Mrs. Shahnaz Ahmad | - Member |

The Company Secretary of the Company is the Secretary of the Audit Committee.

Internal Control & Compliance concurrently reports to Managing Director & CEO as well as to the Audit Committee

Meeting of the Audit Committee

The Committee normally meets quarterly, but an emergency meeting of the Committee may be called, if required. Committee reviews the financial reporting process, the system of internal control and management of financial & operational risks through the audit process.

Roles & Responsibilities of the Committee

In addition to any other responsibility, which may be assigned from time to time by the Board, the audit committee is responsible for the following matters:

- i) Financial Reporting:
 1. To improve the financial reporting quality, focus on changes in accounting practices, significant adjustments resulting from audit and compliance with accounting standards;
 2. To review the annual financial statements and determine whether those are complete and consistent with the accounting standards set by the regulatory authority;
 3. To discuss the Company's major financial risk exposures and the steps Management has taken to monitor and control such exposures;
 4. To assist in financial planning and budgeting as per financial audit.

Internal Control and Compliance:

- ▣ To appraise, improve and reinforce the control environment;
- ▣ To review Company's system risk analysis and ensure that they work in a cost effective manner;
- ▣ To introduce and maintain sound financial reporting system;
- ▣ To review whether internal control strategies, processes recommended by internal and external auditors have been implemented by the Management;
- ▣ To guide implementation of Corporate Governance in the Company

External audit

MJ Abedin & Co., Chartered Accountant a renowned audit firm in Bangladesh and independent member of Moore Stephens International Limited (www.moorestephens.com), acted as the external auditors to the company throughout the year. The external auditors are not engaged on any material non-audit work.

- ❑ Appraisal or valuation services or fairness opinions;
- ❑ Financial information systems design and implementation;
- ❑ Book-keeping or other services related to the accounting records or financial statements;
- ❑ Broker-dealer services;
- ❑ Actuarial services; and
- ❑ Internal audit services;

Independence of External Auditor

As a policy, the Committee would not allow the external auditors to perform any work that they may subsequently need to audit, or which might otherwise create a conflict of interests. The Committee also monitors the balance between audit and non-audit related functions to ensure that auditor independence can be shown to be Maintained. The Chief Financial Officer is permitted to engage the external auditors on matters that do not create such conflicts. The Audit Committee appraised the expertise, resources, independence and objectivity of external auditor and also reviewed their effectiveness as external auditors before reaching the recommendation to the Board that their re-election should be proposed to shareholders.

Resolutions of the Audit Committee meeting:

The Committee met four times during 2011 to carry out the following tasks:

- ❑ The Audit Committee reviewed the financial statements for the year ended December 31, 2011;
- ❑ Reviewed and discussed the Management Letter, by external auditor **MJ Abedin & Company**, for the year ended December 31, 2011 on the annual audit on financial statements of FAS Finance & Investment Limited;
- ❑ The expression of interest sent by the audit firm was reviewed by the Audit Committee and recommended to re-appointment of **MJ Abedin & Company**, Chartered Accountants, as auditor of the Company for the year 2012
- ❑ Reviewed and discussed the Bangladesh Bank Inspection Report 2010 and, management's responses to the report;
- ❑ Reviewed various reports of Internal Control & Compliance Department on operational, financial procedures and branch activities;
- ❑ The Committee reviewed the status report of Audit Plan 2010;
- ❑ The comprehensive Internal Audit Plan for 2012 was also reviewed by the Committee. Based on the review and above discussions, the Audit Committee is of the view that the internal control and compliance procedures are adequate to present a true and fair view of the activities and financial status of the company and to ensure that its assets are safeguarded properly.

Internal and External Auditor:

- ❑ To improve the communication of Internal and External Auditors and maintenance of independency of these two groups;
- ❑ Chairman of the Committee must ensure the direct access to any employee record as the Internal or External Auditor's request;
 1. To review periodically the remuneration and the performance of the External Auditors;
 2. To assure the uncompromising independency of External Auditors;
 3. To promote the efficacy of Internal Audit and support it;
 4. To receive on behalf of the Board relevant extracts from internal audit reports and draw the Attention of the Managing Director & CEO and the Board, if any matters to them;
 5. To seek advice regarding the latest development of accounting and auditing in international arena.

Reporting to the Board & the Shareholders

The Committee reports to the Board following each meeting. In addition, the Committee also provides:

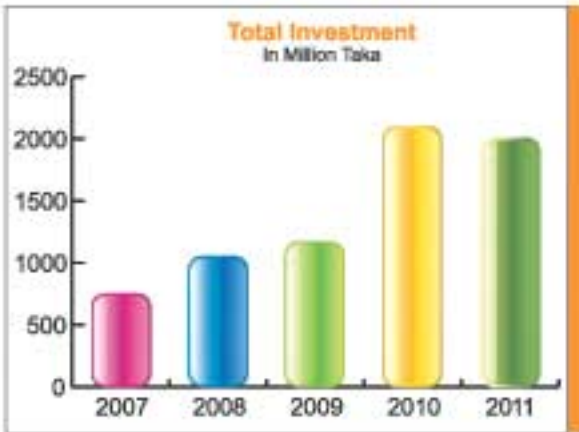
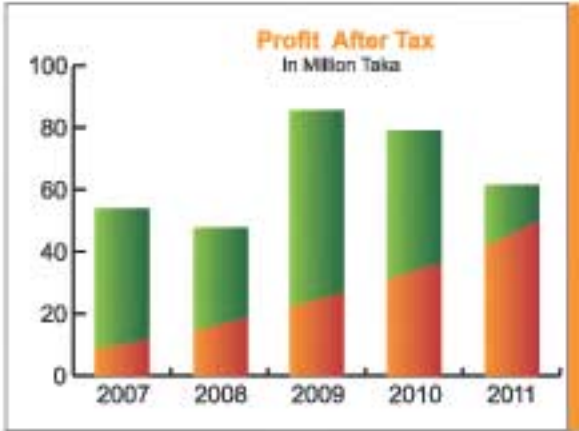
1. Copies of minutes of the Meeting to the Board;
2. A report annually to the Board/ Shareholders;
3. Additional report to the Board, if required.

Acknowledgement

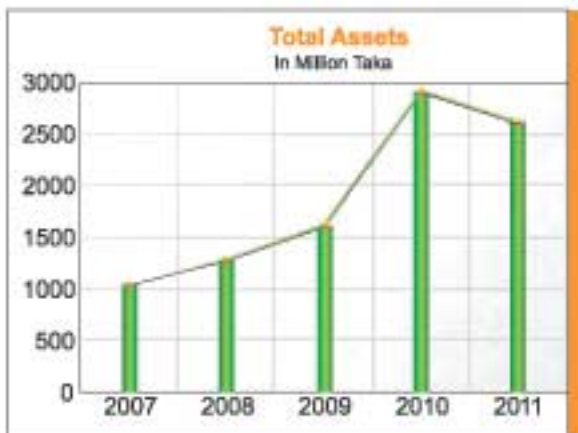
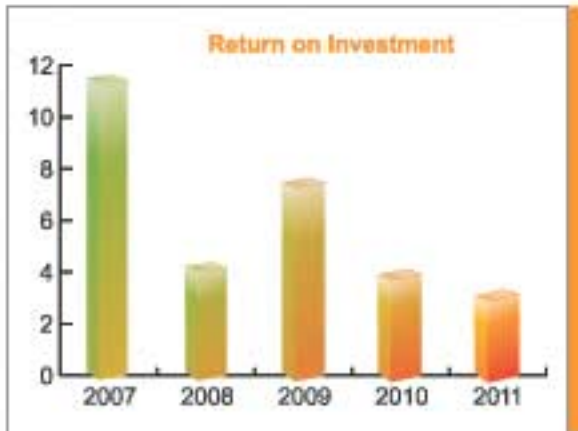
The Board Audit Committee expressed its sincere thanks to the members of the Board, Management and the Auditors for their support in carrying out its duties and responsibilities effectively.



Mr. Nasim Ali Khan
Chairman
Audit Committee



Performance Indicators





Key Operating and financial data

(Taka in Million)

Operating Result		2011	2010	2009	2008	2007
Net operating income	BDT in Million	141.42	66.47	95.52	85.89	98.24
Non operating income	BDT in Million	71.06	150.95	54.30	27.65	19.16
Profit before tax	BDT in Million	110.33	84.70	124.65	68.53	85.53
Provision for tax	BDT in Million	48.76	5.54	39.05	20.85	31.81
profit after tax	BDT in Million	61.57	79.15	85.60	47.68	53.72

Balance Sheet		2011	2010	2009	2008	2007
Total investment portfolio	BDT in Million	2009.94	2101.87	1173.05	1057.58	753.04
Total assets	BDT in Million	2621.18	2910.42	1611.93	1284.8	1047.77
Financial Liabilities	BDT in Million	1248.68	1579.22	809.84	626.41	491.79
Total liabilities	BDT in Million	1807.27	1958.09	1052.63	764.23	574.88
Shareholders Equity	BDT in Million	1013.91	952.34	559.29	520.57	472.89
Share outstanding	No. in Million	51.66	44.93	39.07	39.07	39.07

Financial Ratio		2011	2010	2009	2008	2007
Debt Equity ratio	In times	1.59	2.06	1.88	1.47	1.22
Return on equity	%	6.07%	8.31%	15.31%	9.16%	11.36%
Financial Expense Coverage	In times	1.55	1.85	2.8	2.11	3.24
Provision for doubtful Assets to total investment	BDT in Million	115.71	135.95	46.68	30.21	9.68
Net Assets value per share (NAV)	Per Share	19.62	21.2	12.45	13.33	12.11
Earning Per Share (EPS)	Per Share	1.19	1.76	1.9	1.22	1.37
Cash Dividend (Per Share)	%	0	0	0	12%	0
Stock Dividend (Bonus Share)	%	5%	15%	15%		

* 5% Stock Dividend proposed by Board.

Financial Highlights as required by the Bangladesh Bank

Sl. No.	Particulars	Amount in Taka		
		31-Dec-11	31-Dec-10	Change in %
1	Paid up capital	516,643,800	449,255,500	15.00
2	Total capital	843,138,807	844,865,532	(0.20)
3	Capital surplus/deficit	343,138,807	344,865,532	(0.50)
4	Total assets	2,621,180,633	2,910,423,303	(9.94)
5	Total deposits	312,885,648	516,815,144	(39.46)
6	Total loans, advances and leases	1,759,917,761	1,875,685,044	(6.17)
7	Total contingent liabilities and commitments	-	120,000,000	(100)
8	Credit deposit ratio	562.48%	362.93%	54.98
9	Percentage of classified loans, advances and leases	9.28%	21.77%	(57.36)
10	Profit after tax and provision	61,574,383	79,154,129	(22.21)
11	Classified loans, advances and leases during the period	163,381,549	408,385,279	(59.99)
12	Provisions kept against classified loans	66,354,480	105,147,518	(36.89)
13	Provision surplus/deficit	6,605,130	75,913	8,600.92
14	Cost of fund	17.18%	13.62%	26.14
15	Interest earning assets	2,042,596,006	2,273,435,903	(10.15)
16	Non-interest earning assets	578,584,627	636,987,400	(9.17)
17	Return on investment (ROI)	3.16%	3.93%	(19.61)
18	Return on asset (ROA)	2.23%	3.50%	(36.40)
19	Incomes from investment	69,778,030	98,549,940	(29.20)
20	Earning per share	1.19	1.53	(22.21)
21	Net income per share	1.19	1.53	(22.21)
22	Price earning ration (Times)	48.25	59.55	(18.98)



CHAIRMAN'S STATEMENT

Bismillahir Rahmanir Rahim

Dear valued Shareholders, Directors, Ladies and Gentleman,
Assalamu Alaikum

It is indeed my great pleasure, on behalf of the Board of Directors of FAS Finance & Investment Limited, to welcome you all at the 15th Annual General Meeting (AGM) of the Company. I take this opportunity to express my heartiest gratitude and thanks for your continued support and teamwork. Your kind co-operation and valued advice have always been a great source of our inspiration.

As all of us are aware, the year 2011 witnessed unprecedented challenges caused by the consequences of global financial crisis at the international, national and enterprise level. Though worst hit economics of the world are on the path of recovery but sustainability of this recovery process is still shaky.

You are aware that Bangladesh Bank pay particular attention to a retrenchment monetary policy in the year 2011. As a result market liquidity was under pressure. Despite liquidity constraints and meltdown in the capital market FAS achieved a good financial result during the past year.

Considering the overall position of the Company, the Board has been pleased to recommend 5% stock dividend to the shareholders for the year 2011. The Board of Directors recommended for raising paid up capital by issuing rights share at the rate of 02(two) [R]:01(one), i.e. two rights shares for every 01(one) existing share held at Tk.20/- each (including premium of Tk.10/-) on paid up capital, which enable the Company to fulfill the requirement of Tk. 100.00 crore paid up Capital as per Bangladesh Banks requirements.

In 2011, Company's Board of Directors appointed one new Managing Director. He has played a significant role in top management of banking & financial sector in Bangladesh Bank and retired as Executive Director on 2010. His long career in Banking & finance must be helpful to achieve our trust.

Finally, I would like to convey my appreciation to the fellow directors for their generous support during the year 2011. I also would like to convey my deep gratitude to our respected regulatory agencies of the Government, In particular, Bangladesh Bank, the Ministry of Finance, the Securities & Exchange Commission, the Registrar of Joint Stock Companies and Firms, the two Stock Exchanges, viz., Dhaka Stock Exchange and Chittagong Stock Exchange Limited and Central Depository Bangladesh Ltd., all the Well-wishers, shareholders, and all other stakeholders for their continual support and untiring effort along with guidance in our mission for excellence.

At last but not least, I thank you all once again for placing your trust and confidence in us. I look forward to seeing you all next year and wish you success in all your endeavors.

Warm regards,

Sincerely,

Abdul Matlub Ahmad
Chairman



CEO & Managing Director's Review

ASSALAMU ALAIKUM

It gives me immense pleasure in welcoming all of you to the auspicious fifteenth Annual General Meeting of FAS Finance & Investment Limited. I express my sincere thanks to you for your continued support and co-operation for the company's consistent satisfactory performance.

Financial Industry of BD has been facing challenges in terms of liquidity, volatility and stiff completion. In the process FAS has to face a number of challenges during the year 2011. This is my pleasure to let you know that despite many constraints faced by FAS and the industry as a whole, the year 2011 has turned out to be another successful year for the company.

The percentage of non- performing loan has been further reduced from 21.77 to 9.28 in 2011, mainly through strengthening the credit & collection teams and relevant processes. FAS has continued with its prudential policy of building adequate provisions for doubtful accounts and further losses. It must be mentioned that this provisioning policy is significantly more conservative than the minimum required by regulators and followed by almost all competitors. The company's tax policies are also extremely conservative with well provisions having been made for all conceivable contingencies.

FAS focuses on strengthening and enhancing its risk management culture and internal control processes rather than increasing capital to cover up weak risk management and control practices. The company has been generating most of its incremental capital from retained profit (Stock dividend and statutory reserve transfer etc.)

Over the years FAS has built a merit-based working environment which is free of discrimination and is focused on maintaining the highest standard of corporate governance and ethics. FAS has always sought to differentiate itself through its human resources and in 2011, the company continued to invest heavily in the development and growth of staff, because we believe that capacity building is another vital issue to ensure optimum contribution to the company. It is dependent on the professional capabilities of the employees, upholding professional ethics, transparency in the operational policies, guidelines and availability of modern infrastructural facilities. In 2011, we imparted a number of training to our employees. Improve quality of working environment, effective remuneration and incentive system have been implemented in line with the profitability and performance standard of the employees. The human resources as well as other resources have been restructured and re-engineered along with the business and operational process. FAS has completed a very challenging as well as a successful year in 2011. Consolidated / the operating results during 2011 are summarized below:-

Taka in Million

Particulars	2011	2010
Operating income	212.48	217.42
Operating expenses	66.16	43.45
Total operating profit	146.32	173.97
Profit before income tax	110.33	84.70
Net profit after income tax	61.57	79.15
Earning per share	1.19	1.53

Our objectives for 2012 are outlined below:-

- Maintain capital base regulatory requirement.
- Maintain NPL Ratio below 5%
- Achieve return on equity above 20%
- Deliver on corporate social responsibility and ensure strong community involvement.
- Employee friendly practices in corporate governance and further develops compliance process.
- Offer long-term shareholder value through increases in dividend and stock price appreciation.

FAS has a long 15 years history and each time it has faced challenges in course of its progress in the global economic and regulatory environment and it has emerged stronger. I am confident that with the same sprit that has guided us throughout our history and the continued commitment of everyone in our organization we will once again overcome the challenges and FAS will firmly move along a path to profitability for the future.

On behalf of the management of the company, I express my deepest appreciation and gratitude to our Central Bank, other regulators, shareholders, customers, auditors and all other stakeholders for their continued guidance and support without which today's achievement might not come into being.



Md. Mofizuddin Chowdhury
Managing Director & CEO

BOARD OF DIRECTORS' REPORT



Dear Shareholders, Assalamu Alaikum Wa-Rahmatullah

We are pleased to submit herewith the 15th annual report of the Company together with the audited financial statements for the year ended December 31, 2011 and the auditors' report thereon.

The principal activities of the Company are:

- Mid to long term financing in the form of lease, term loan and home loan.
- Working capital finance in the form of credit sale financing against accounts receivable, short term revolving loan and work order financing.
- Investment products in the form of deposits.

There was no significant change in the nature of these activities during the year 2011.

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 its business in other business segments in the year 2011. The investment under lease finance of the company stands at TK. 189.28 million at the end of 2011.

Term Finance:

The core product of FAS is 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 stand at TK. 445.90 Million at the end of 2011.

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 2011 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 include services in the area of merchant banking, portfolio management and stock brokerage.

Merchant Banking:

During the year 2011 Merchant Banking Division (MBD) focused on providing portfolio Management services to our valued clients and underwriting services as well. The number of customers went beyond 1405, portfolio size reached about

TK.194.36 Crore and average daily trade volume was TK. 2.24 Crore, As per Bangladesh Bank circular dated 14th October 2009 Financial Institution would not 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 " which is going to obtain license from Securities & Exchange Commission (SEC) with an authorized capital TK. 100 crore and paid up capital of TK. 10 crore. MBD made net operating profit/loss of (TK.5.37) crore. FAS capital Management Limited also created its own investment portfolio valued at TK 8.70 Crore in 2011 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 minimize risk.

Portfolio Management:

FAS is providing services all over the county 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.

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 2011 was TK. 1005.37 Million as against TK. 996.08 million in 2010, Which recorded a growth of 0.93 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 own 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.

Statement of Directors on financial reports

- a) The financial statements together with the notes thereon have been drawn up in conformity with the Companies Act, 1994 and Securities and Exchange Rules, 1987. These statements present fairly the Company's statement of affairs, the result of its operation, cash flow, and statement of changes in equity.
- b) Proper books of accounts of the Company have been maintained.
- c) Appropriate Accounting Policies have been consistently applied in preparation of the financial statements except those referred to in the financial statements and that the accounting estimates are based on reasonable and prudent judgment.
- d) The presentation of Financial Statements has been made in accordance with the Bangladesh Bank DFIM circular no. 11 dated December 23, 2009.
- e) The International Accounting Standards, as applicable in Bangladesh, have been followed in preparation of the financial statements.
- f) Internal Control System is sound in design and has been effectively implemented and monitored.
- g) There are no significant doubts about the ability of the Company to continue as going concern.

Company's summarised key operating and financial data for last five years is shown before Pursuant to the clause 5 of the SEC Notification No. SEC/CMRRCD/2006-158/Admin/02-08 dated February 20, 2006 we attach the Company's compliance status as **annexure -III**.

Refinance 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 & medium enterprise. Under the auspices of the scheme, the Company has secured for new has experienced entrepreneurs 31.24 million taka worth of credit from Bangladesh Bank at usual bank rate during 2011, which helped reduction of the company's capital cost. The Company is hopeful of obtaining more funds under this scheme in future.

Recovery

According to Bangladesh Bank categorization for nonperforming loan / industry practice of loan Classification for Fis, NPL in the same period stood at Taka 163,381,549 which is merely 9.28% of the Total outstanding loans. FAS maintain required provision against loans and any other accounts that are considered by Management as doubtful of recovery. Needless to say, these are the best figures in the industry. Also note worthy is the fact that during its entire tenure since inception. That is a testament to the quality of the loan portfolio of the Company and also speaks volumes for its recovery strength.

SHAREHOLDING PATTERN

Shareholding patterns of the Company as at the end of the year 2011 is shown in **Annexure I** of this report.

BOARD MEETINGS AND ATTENDANCE BY THE DIRECTORS

During the year ended on December 31, 2011 at total 20 Board Meetings were held and attendance by the Directors are summarized in **Annexure II** of this report.

PROPOSED DIVIDEND

The Board proposed stock dividend @ 5% for the year 2011.

DIRECTORS

Under sections 104 & 105 of the Articles of Association of the Company, the following three Directors will retire from the office of the Company in the 26th Annual General Meeting:

Mrs. Selima Ahmad

Mrs. Shahnaz Ahmad

Mr. Serajul Islam

They are also eligible for re-election.

AUDITORS

MJ Abedin & Company became a member of the Moore Stephens International Limited (www.moorestephens.com). Acted as the external auditors to the company throughout the year.

STATUS OF COMPLIANCE

Status of compliance with the conditions imposed by the Securities and Exchange Commission's Notification No. SEC/CMRRCD/2006-158/Admin/02-08 dated February 20, 2006 is enclosed as **Annexure III**.

On behalf of the Board of Directors,



Abdul Matlub Ahmad
Chairman

Shareholding pattern as at December 31,2011

Annexure-1

Name of the shareholders	Position	Total Nos. of Share	% of Shareholding
Mr. Abdul Matlub Ahmad	Chairman	2,539,200	4.91
Mrs. Selima Ahmad	Director	2,174,190	4.21
Mr. Sirajul Islam	Director	218,210	0.42
Mr. Asaduzzaman Chaudhury	Director	145,480	0.28
Mr. Nasim Ali Khan	Director	1,454,750	2.82
Ms. Shahnaz Ahmad	Director	1,454,750	2.82
Mr. Syed Monowar Ali	Director	1,454,750	2.82
Central Properties Ltd.	Sponsor	6,612,500	12.80
Nikita & Co. Ltd.	Sponsor	6,612,500	12.80
Capital Service Center Ltd.	Sponsor	6,612,500	12.80
Bangladesh National Car Ltd	Sponsor	1,781,570	3.45
Mr. Abdul Marib Ahmad	Sponsor	1,292,770	2.50
Mr. Mahmudul Hoque Shamim	Sponsor	243,240	0.47
Mr. Enamul Hoque	Sponsor	218,210	0.42
Mr. Altaf Hossain	Sponsor	145,470	0.28
Ms. Shahin Ara	Sponsor	105,320	0.20
Mr. Mukitir Rahman Bhuiyan	Independent Director	-	-
General Public	Shareholder	18,598,970	36.00
Total		51,664,380	100.00

Share Held by

- i) 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	No. of shares
Central Properties Ltd.	6,612,500
Nikita & Co. Ltd.	6,612,500
Capital Service Center Ltd.	6,612,500

Annexure-2

Name of the Director	Meeting attended
Mr. Abdul Matlub Ahmad	20
Mrs. Selima Ahmad	15
Mrs. Shahnaz Ahmad	16
Mr. Nasim Ali Khan	16
Mr. Syed Monowar Ali	16
Mr. Sirajul Islam	20
Mr. Mukitir Rahman Bhuiyan	3

* Leave of absence was granted in all cases of non-attendance .

Board Meeting & Attendance

Corporate Governance Compliance Report

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

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

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

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

We have audited the accompanying financial statements of **FAS Finance & Investment Limited** which comprise Consolidated Statement of Financial Position as at 31 December 2011 and Consolidated Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and also financial statements of FAS Finance & Investment Limited which comprise the Statement of Financial Position as at 31 December 2011 and the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows and a summary of significant accounting policies and explanatory notes thereto.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRSs), the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of these financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

Except for the effect on financial statements of the matters discussed in note – 6(b), in our opinion, the financial statements prepared in accordance with Bangladesh Financial Reporting Standards (BFRSs), give a true and fair view of the state of the Company's affairs as on 31 December 2011 and the results of its Statement of Comprehensive Income and its Cash Flow for the year then ended and comply with the Financial Institutions Act 1993, the rules and regulations issued by the Bangladesh Bank, the Companies Act 1994, 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 purposes of our audit and made due verification thereof;
- b. in our opinion, proper books of account as required by law have been kept by the company so far as it appeared from our examination of those books and proper returns adequate for the purposes of our audit have been received from branches not visited by us ;
- c. the Company's Consolidated Statement of Financial Position and Statement of Comprehensive Income together with the annexed notes 1 to 43 dealt with by the report are in agreement with the books of account and returns;
- 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 purpose of the Company's business;
- f. the financial statements have been drawn up in conformity with the Financial Institutions Act 1993 and in accordance with the accounting rules and regulations issued by the Bangladesh Bank to the extent applicable to the company;
- g. adequate provisions have been made for leases and advances which considered to be doubtful of recovery;
- h. the financial statements confirm to the prescribed standards set in the accounting regulations issued by the Bangladesh Bank after consultation with the professional accounting bodies of Bangladesh;
- i. the records and the statements submitted by the branches have been properly maintained and consolidated in the financial statements;
- j. the information and explanations required by us have been received and found satisfactory;
- k. the company has followed the instructions issued by the Bangladesh Bank in the matters of lease / advance classification, provisioning and suspension of interest and
- l. the Company has complied with the relevant laws pertaining to reserves and maintenance of liquid assets.

Dated , Dhaka
24 April 2012


M. J. ABEDIN & CO
Chartered Accountants


FAS FINANCE & INVESTMENT LIMITED
Consolidated Statement of Financial Position
as at 31 December 2011

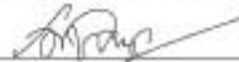
	Notes	Amount in Taka	
		31-Dec-11	31-Dec-10
<u>PROPERTY AND ASSETS</u>			
Cash:	2 (a)	2,407,059	2,693,053
In hand (including foreign currencies)		8,843	18,773
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)		2,400,216	2,674,280
Balance with other banks and financial institutions	3 (a)	33,546,986	280,447,400
In Bangladesh		33,546,986	280,447,400
Outside Bangladesh		-	-
Money at call and on short notice	4 (a)	-	-
Investments	5 (a)	240,032,047	225,285,856
Government		-	-
Others		240,032,047	225,285,856
Loans, advances and leases		1,788,481,860	1,832,652,389
Loans, cash credits, overdrafts, and leases etc	6 (a)	1,788,481,860	1,832,652,389
Bills purchases and discounted	7 (a)	-	-
Fixed assets including premises, furniture and fixtures	8 (a)	370,472,624	399,623,186
Others assets	9 (a)	173,060,784	266,406,477
Non-Financial Institution's assets	10 (a)	53,271,231	53,271,231
Total Assets		2,661,272,591	3,060,379,592
<u>LIABILITIES AND CAPITAL</u>			
Liabilities			
Borrowings from other banks, financial institution, and agents	11 (a)	935,796,856	1,062,405,736
Deposits and other accounts	12 (a)	312,885,648	516,815,144
Current deposits and other accounts		-	-
Bills payable		-	-
Savings bank deposits		-	-
Short-term deposit		-	-
Fixed deposits	12.1	312,885,648	516,815,144
Bearer certificates of deposit		-	-
Others deposits		-	-
Others liabilities	13 (a)	448,591,402	496,291,053
Total liabilities		1,697,273,906	2,075,511,933
Capital / Shareholders' equity		962,450,979	962,361,528
Paid-up capital	14	516,643,800	449,255,500
Statutory reserve	15	78,861,879	66,547,002
Other reserve	16	315,000	315,000
Revaluation reserve	17	290,935,886	313,888,244
Retained earnings	18 (a)	75,694,414	132,355,782
Minority interest		1,547,706	22,506,131
Total liabilities and shareholders' equity		2,661,272,591	3,060,379,592
Net asset value per share	41 (a)	18.63	18.63


FAS FINANCE & INVESTMENT LIMITED
Consolidated Statement of Comprehensive Income
for the year ended 31 December 2011

	Notes	Amount in Taka	
		31-Dec-11	31-Dec-10
OPERATING INCOME			
Interest income	22 (a)	347,124,985	173,920,068
Less: Interest paid on deposit and borrowings, etc.	23 (a)	199,247,745	99,884,758
Net interest income		147,877,240	74,035,310
Investment income	24 (a)	46,797,432	99,406,903
Commission, exchange and brokerage	25 (a)	165,156	10,154,244
Other operating income	26 (a)	28,100,471	77,521,707
		75,063,059	187,082,854
Total operating income (a)		222,940,299	261,118,164
OPERATING EXPENSES			
Salary and allowances	27 (a)	17,951,990	14,697,152
Rent, taxes, insurance, electricity, etc.	28 (a)	2,957,315	2,368,981
Legal expenses	29 (a)	517,562	566,217
Postage, stamps, telecommunication, etc.	30 (a)	1,863,197	971,587
Stationery, printing, advertisement, etc.	31 (a)	1,761,458	1,197,818
Chief executives salary & fees		4,580,226	4,752,000
Director's fees	32 (a)	470,000	167,500
Auditor's fees	33 (a)	110,000	80,000
Charge on loan losses		-	-
Depreciation and repairs of assets	34 (a)	33,993,163	9,258,097
Other expenses	35 (a)	15,340,044	18,401,912
Total operating expenses (b)		79,344,955	52,469,264
Profit before provision (c=a-b)		143,595,344	208,648,900
Provision against loans, advances and Leases	36 (a)	75,098,396	86,256,687
Provision for diminution in value of investments	37 (a)	10,891,290	18,021,679
Other provisions		-	-
Total provision (d)		85,989,686	104,278,366
Profit before taxation (c-d)		57,605,658	104,370,534
Provision for taxation	38 (a)	49,738,609	12,685,752
Current tax		52,005,190	12,685,752
Deferred tax		(2,266,581)	-
Net profit after taxation		7,867,049	91,684,782
Attributable:		7,867,049	91,684,782
Shareholders of the company		9,478,269	89,178,651
Minority Interest		(1,611,220)	2,506,131
Appropriations		12,314,877	15,830,826
Statutory reserve	15.00	12,314,877	15,830,826
General reserve		-	-
Dividend, etc.		-	-
Retained surplus		(2,838,608)	73,347,825
Earnings per share (EPS)	40(a)	0.18	1.73


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


Abdul Matiub Ahmad
 Chairman


Md. Mofiz Uddin Chowdhury
 Managing Director & CEO


Md. Akhtar Hossain
 SVP & CFO

As per our separate part of
 even date annexed.



M. J. ABEDIN & CO
 Chartered Accountants

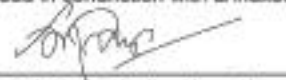
Dated, Dhaka
 24 April 2012

FAS FINANCE & INVESTMENT LIMITED
Consolidated Statement of Cash Flows
for the year ended 31 December 2011

	Amount in Taka	
	31-Dec-11	31-Dec-10
A. Cash flows from operating activities		
Interest receipts	280,685,289	166,832,172
Interest payments	(186,997,389)	(101,050,059)
Dividend receipts	871,644	1,266,700
Fee and commission receipts	4,768,000	577,951
Recoveries on loans previously written off	-	-
Payments to employees	(19,690,813)	(17,925,603)
Payments to suppliers	-	-
Income taxes paid	(12,559,909)	(38,224,989)
Receipts from other operating activities	74,046,259	175,689,910
payment for other operating activities	(24,135,321)	(23,748,803)
Operating profit before changes in operating assets & liabilities	116,987,760	163,417,279
Increase/decrease in operating assets and liabilities		
Statutory deposit	-	-
Trading securities	-	-
Loans, advances and leases to FI's	-	-
Loans, advances and leases to customers	(52,714,245)	(737,741,328)
Other assets	(26,680,391)	(1,022,000)
Deposit from other banks	(190,000,000)	290,000,000
Deposit from customers	(14,365,464)	4,050,755
Other liabilities to customer	(12,494,710)	8,488,122
Trading liabilities (short-term borrowing)	16,282,432	212,581,716
Other liabilities	7,523	90,311,034
	(279,944,855)	(133,331,701)
Net cash from/ (used in) operating activities	(162,957,095)	30,085,578
B. Cash flows from investing activities		
Purchase/Sale of government securities	-	-
Purchase/Sale of trading securities, shares, bonds, etc.	85,046,873	(223,347,490)
Purchase/Sale of property, plant and equipment	(4,053,655)	(8,199,045)
Purchase/Sale of Subsidiaries	(17,000,000)	20,000,000
Net cash used in investing activities	63,993,018	(211,546,535)
C. Cash flows from financing activities		
Increase/(decrease) of long-term borrowings	(148,222,331)	256,635,997
Dividend paid	-	(938)
Net cash flow from financing activities	(148,222,331)	256,635,059
Net increase/ (decrease) in cash (a+b+c)	(247,186,408)	75,174,102
Effects of exchange rate changes on cash and cash equivalents		
Cash and cash equivalents at beginning of the year	283,140,453	207,966,351
Cash and cash equivalents at end of the year*	35,954,045	283,140,453
*Cash and cash equivalents at end of the year		
Cash in hand and balance with Bangladesh Bank	2,407,059	2,683,053
Balance with other banks	33,546,986	280,447,400
Money at call and short notice	-	-
Treasury bills	-	-
Prize bond	-	-
	35,954,045	283,140,453

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


Abdul Matlub Ahmad
Chairman


Md. Mofiz Uddin Chowdhur
Managing Director & CEO


Md. Akhtar Hossain
SVP & CFO

As per our separate report of even date annexed.

Dated, Dhaka
24 April 2012

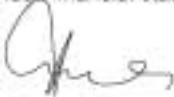

M. J. ABEDIN & CO
Chartered Accountants

FAS FINANCE & INVESTMENT LIMITED
Consolidated Statement of Changes in Shareholders' Equity
for the year ended 31 December 2011

Amount in Taka

Particulars	Paid-up capital	Statutory reserve	Revaluation reserve	Capital reserve	Retained earning	Total
Balance as at 01 January 2011	449,255,500	66,547,002	313,888,244	315,000	132,355,782	962,361,528
Effects of changes in accounting policy	-	-	-	-	-	-
Prior year adjustment	-	-	-	-	(9,388,818)	(9,388,818)
Restated balance	449,255,500	66,547,002	313,888,244	315,000	122,966,964	952,972,710
Net profit after taxation for the year					9,478,269	9,478,269
Transfer to statutory reserve		12,314,877			(12,314,877)	-
Stock dividend - 2010	67,388,300				(67,388,300)	-
Transfer of depreciation charged to profit and loss Account			(22,952,358)		22,952,358	
Balance as at 31 December 2011	516,643,800	78,861,879	290,935,886	315,000	75,694,414	962,450,979
Balance as at 31 December 2010	449,255,500	66,547,002	313,888,244	315,000	132,355,782	962,361,528

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



Abdul Matlub Ahmad
Chairman



Md. Mofiz Uddin Chowdhury
Managing Director & CEO



Md. Akhtar Hossain
SVP & CFO

As per our separate report of even date annexed.



M. J. ABEDIN & CO
Chartered Accountants

Dated, Dhaka
24 April 2012

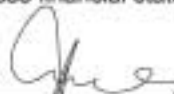
FAS FINANCE & INVESTMENT LIMITED
Statement of Financial Position
as at 31 December 2011

	Notes	Amount in Taka	
		31-Dec-11	31-Dec-10
<u>PROPERTY AND ASSETS</u>			
Cash:	2.00	2,406,201	2,692,213
In hand (including foreign currencies)	2.01	5,985	17,933
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)	2.02	2,400,216	2,674,280
Balance with other banks and financial institutions	3.00	30,246,798	168,872,145
In Bangladesh	3.01	30,246,798	168,872,145
Outside Bangladesh		-	-
Money at call and on short notice	4.00	-	-
Investments	5.00	153,025,246	146,186,501
Government	5.01	-	-
Others	5.02	153,025,246	146,186,501
Loans, advances and leases		1,759,917,761	1,875,685,044
Loans, cash credits, overdrafts, and leases etc	6.00	1,759,917,761	1,875,685,044
Bills purchases and discounted	7.00	-	-
Fixed assets including premises, furniture and fixtures	8.00	364,642,970	394,344,356
Others assets	9.00	257,670,426	269,371,813
Non-Financial institution's assets	10.00	53,271,231	53,271,231
Total assets		2,621,180,633	2,910,423,303
<u>LIABILITIES AND CAPITAL</u>			
Liabilities			
Borrowings from other banks, financial institution, and agents	11.00	935,796,856	1,062,405,736
Deposits and other accounts	12.00	312,885,648	516,815,144
Current deposits and other accounts		-	-
Bills payable		-	-
Savings bank deposits		-	-
Short-term deposit		-	-
Fixed deposits	12.01	312,885,648	516,815,144
Bearer certificates of deposit		-	-
Others deposits		-	-
Others liabilities	13.00	358,586,740	378,865,417
Total Liabilities		1,607,269,244	1,958,086,297
Capital/Shareholders' equity		1,013,911,389	952,337,006
Paid-up capital	14.00	516,643,800	449,255,500
Statutory reserve	15.00	78,861,879	66,547,002
Other reserve	16.00	315,000	315,000
Revaluation reserve	17.00	290,935,886	313,888,244
Retained earnings	18.00	127,154,824	122,331,260
Total liabilities and shareholders' equity		2,621,180,633	2,910,423,303
Net asset value per share	41.00	19.62	18.43

FAS FINANCE & INVESTMENT LIMITED
Statement of Comprehensive Income
for the year ended 31 December 2011

	Notes	Amount in Taka	
		31-Dec-11	31-Dec-10
<u>OPERATING INCOME</u>			
Interest income	22.00	340,668,722	166,612,393
Less: Interest paid on deposit and borrowings, etc.	23.00	199,247,745	99,884,758
Net Interest income		141,420,977	66,727,635
Investment income	24.00	69,778,030	98,549,940
Commission, exchange and brokerage	25.00	-	5,559,244
Other operating income	26.00	1,282,765	46,583,796
		71,060,795	150,692,980
Total operating income (a)		212,481,772	217,420,615
<u>OPERATING EXPENSES</u>			
Salary and allowances	27.00	11,372,828	11,708,902
Rent, taxes, insurance, electricity, etc.	28.00	2,524,210	2,278,343
Legal expenses	29.00	496,902	536,217
Postage, stamps, telecommunication, etc.	30.00	761,819	830,431
Stationery, printing, advertisement, etc.	31.00	1,354,176	1,113,160
Chief executives salary & fees		4,580,225	4,752,000
Director's fees	32.00	470,000	137,500
Auditor's fees	33.00	80,000	70,000
Charge on loan losses		-	-
Depreciation and repairs of FI's assets	34.00	32,670,683	8,908,665
Other expenses	35.00	11,850,103	13,118,385
Total operating expenses (b)		66,160,947	43,453,803
Profit before provision (c=a-b)		146,320,825	173,966,812
Provision against loans, advances and Leases	36.00	25,088,396	76,295,807
Provision for diminution in value of investments	37.00	10,891,290	12,972,452
Other provisions		-	-
Total provision (d)		35,989,686	89,268,259
Profit before taxation (c-d)		110,331,139	84,698,553
Provision for taxation	38.00	48,756,756	5,544,424
Current tax	13.02	51,023,337	5,544,424
Deferred tax	13.03	(2,266,581)	-
Net profit after taxation		61,574,383	79,154,129
Appropriations		12,314,877	15,830,826
Statutory reserve	15.00	12,314,877	15,830,826
General reserve		-	-
Dividend, etc.		-	-
Retained surplus		49,259,506	63,323,303
Earnings per share (EPS)	40.00	1.19	1.53

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



Abdul Matlub Ahmad
Chairman


Md. Mofiz Uddin Chowdhury
Managing Director & CEO


Md. Akhtar Hossain
SVP & CFO

As per our separate report of even date annexed.

Dated, Dhaka
24 April 2012

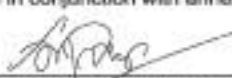

M. J. ABEDIN & CO
Chartered Accountants

FAS FINANCE & INVESTMENT LIMITED
Statement of Cash Flows
for the year ended 31 December 2011

	Amount in Taka	
	31-Dec-11	31-Dec-10
A. Cash flows from operating activities		
Interest receipts	115,170,942	121,040,535
Interest payments	(186,997,389)	(101,050,059)
Dividend receipts	400,594	1,266,700
Fee and commission receipts	-	6,691,945
Recoveries on loans previously written off	-	-
Payments to employees	(13,969,471)	(16,510,195)
Payments to suppliers	-	-
Income taxes paid	(6,620,451)	(38,143,092)
Receipts from other operating activities	70,525,201	144,054,036
payment for other operating activities	(17,729,519)	(18,899,392)
Operating profit before changes in operating assets & liabilities	(38,420,093)	98,450,478
Increase/decrease in operating assets and liabilities		
Statutory deposit	-	-
Trading securities	-	-
Loans, advances and leases to FI's	-	-
Loans, advances and leases to customers	245,955,209	(716,517,772)
Other assets	(27,009,371)	(275,296)
Deposit from other banks	(190,000,000)	290,000,000
Deposit from customers	(14,365,464)	4,050,755
Other liabilities to customer	(12,494,710)	8,488,122
Trading liabilities (short-term borrowing)	16,282,432	212,581,716
Other liabilities	(7,869)	(2,369,740)
	16,370,227	(204,042,215)
Net cash from/ (used in) operating activities	(21,049,866)	(105,591,737)
B. Cash flows from investing activities		
Purchase/Sale of government securities	-	-
Purchase/Sale of trading securities, shares, bonds, etc.	49,884,444	(101,178,397)
Purchase/Sale of property, plant and equipment	(2,523,606)	(6,266,918)
Purchase/Sale of Subsidiaries	(17,000,000)	(80,000,000)
Net cash used in investing activities	30,360,838	(187,445,315)
C. Cash flows from financing activities		
Increase/(decrease) of long-term borrowings	(148,222,331)	256,635,997
Dividend paid	-	(938)
Net cash flow from financing activities	(148,222,331)	256,635,059
Net increase/ (decrease) in cash (a+b+c)	(138,911,359)	(36,401,993)
Effects of exchange rate changes on cash and cash equivalents		
Cash and cash equivalents at beginning of the year	171,564,358	207,966,351
Cash and cash equivalents at end of the year*	32,652,999	171,564,358
*Cash and cash equivalents at end of the year		
Cash in hand and balance with Bangladesh Bank	2,406,201	2,692,213
Balance with other banks	30,246,798	168,872,145
Money at call and short notice	-	-
Treasury bills	-	-
Prize bond	-	-
	32,652,999	171,564,358

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


Abdul Maslub Ahmed
 Chairman


Md. Mofiz Uddin Chowdhury
 Managing Director & CEO


Md. Akhtar Hossain
 SVP & CFO

As per our separate report of even date annexed.


M. J. ABEDIN & CO
 Chartered Accountants

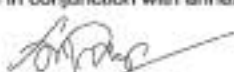
Dated, Dhaka
 24 April 2012

FAS FINANCE & INVESTMENT LIMITED
Statement of Cash Flows
for the year ended 31 December 2011

	Amount in Taka	
	31-Dec-11	31-Dec-10
A. Cash flows from operating activities		
Interest receipts	115,170,942	121,040,535
Interest payments	(186,997,389)	(101,050,059)
Dividend receipts	400,594	1,266,700
Fee and commission receipts	-	6,691,945
Recoveries on loans previously written off	-	-
Payments to employees	(13,969,471)	(16,510,195)
Payments to suppliers	-	-
Income taxes paid	(6,620,451)	(38,143,092)
Receipts from other operating activities	70,525,201	144,054,036
payment for other operating activities	(17,729,519)	(18,899,392)
Operating profit before changes in operating assets & liabilities	(38,420,093)	98,450,478
Increase/decrease in operating assets and liabilities		
Statutory deposit	-	-
Trading securities	-	-
Loans, advances and leases to FI's	-	-
Loans, advances and leases to customers	245,955,209	(716,517,772)
Other assets	(27,009,371)	(275,296)
Deposit from other banks	(190,000,000)	290,000,000
Deposit from customers	(14,365,464)	4,050,755
Other liabilities to customer	(12,494,710)	8,488,122
Trading liabilities (short-term borrowing)	16,282,432	212,581,716
Other liabilities	(7,869)	(2,369,740)
	16,370,227	(204,042,215)
Net cash from/ (used in) operating activities	(21,049,866)	(105,591,737)
B. Cash flows from investing activities		
Purchase/Sale of government securities	-	-
Purchase/Sale of trading securities, shares, bonds, etc.	49,884,444	(101,178,397)
Purchase/Sale of property, plant and equipment	(2,523,606)	(6,266,918)
Purchase/Sale of Subsidiaries	(17,000,000)	(80,000,000)
Net cash used in investing activities	30,360,838	(187,445,315)
C. Cash flows from financing activities		
Increase/(decrease) of long-term borrowings	(148,222,331)	256,635,997
Dividend paid	-	(938)
Net cash flow from financing activities	(148,222,331)	256,635,059
Net increase/ (decrease) in cash (a+b+c)	(138,911,359)	(36,401,993)
Effects of exchange rate changes on cash and cash equivalents		
Cash and cash equivalents at beginning of the year	171,564,358	207,966,351
Cash and cash equivalents at end of the year*	32,652,999	171,564,358
*Cash and cash equivalents at end of the year		
Cash in hand and balance with Bangladesh Bank	2,406,201	2,692,213
Balance with other banks	30,246,798	168,872,145
Money at call and short notice	-	-
Treasury bills	-	-
Prize bond	-	-
	32,652,999	171,564,358

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


Abdul Maslub Ahmed
 Chairman


Md. Mofiz Uddin Chowdhury
 Managing Director & CEO


Md. Akhtar Hossain
 SVP & CFO

As per our separate report of even date annexed.


M. J. ABEDIN & CO
 Chartered Accountants

Dated, Dhaka
 24 April 2012

FAS FINANCE & INVESTMENT LIMITED
Statement of Changes in Shareholders' Equity
for the year ended 31 December 2011

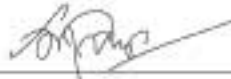
Amount in Taka

Particulars	Paid-up capital	Statutory reserve	Revaluation reserve	Other reserve	Retained earning	Total
Balance as at 01 January 2011	449,255,500	66,547,002	313,888,244	315,000	122,331,260	952,337,006
Effects of changes in accounting policy	-	-	-	-	-	-
Restated balance	449,255,500	66,547,002	313,888,244	315,000	122,331,260	952,337,006
Net profit after taxation for the year	-	-	-	-	61,574,383	61,574,383
Transfer to statutory reserve	-	12,314,877	-	-	(12,314,877)	-
Stock dividend - 2010	67,388,300	-	-	-	(67,388,300)	-
Transfer of Depreciation Charged to profit and loss account	-	-	(22,952,358)	-	22,952,358	-
Balance as at 31 December 2011	516,643,800	78,861,879	290,935,886	315,000	127,154,824	1,013,911,389
Balance as at 31 December 2010	449,255,500	66,547,002	313,888,244	315,000	122,331,260	952,337,006

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



Abdul Matlub Ahmad
Chairman



Md. Mofiz Uddin Chowdhury
Managing Director & CEO



Md. Akhtar Hossain
SVP & CFO

As per our separate report of even date annexed.

Dated, Dhaka
24 April 2012



M. J. ABEDIN & CO
Chartered Accountants

FAS FINANCE & INVESTMENT LIMITED
Liquidity Statement
(Asset and Liability Maturity Analysis)
as at 31 December 2011

Particulars	Amount in Taka					Total
	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	
Assets						
Cash in hand (including balance with Bangladesh Bank)	2,406,201	-	-	-	-	2,406,201
Balance with other banks and financial institution	2,418,440	27,828,358	-	-	-	30,246,798
Money at call and on short notice	-	-	-	-	-	-
Investments	-	137,725,246	-	15,300,000	-	153,025,246
Loan, advances and leases	218,723,645	154,835,922	675,975,087	601,897,372	108,485,735	1,759,917,761
Fixed assets including premises, furniture and fixture	-	-	-	7,035,275	357,607,695	364,642,970
Other assets	11,167	7,194,745	30,013,056	123,451,458	97,000,000	257,670,426
Non-banking assets	-	-	-	53,271,231	-	53,271,231
Total assets	223,559,453	327,584,271	705,988,143	800,955,336	563,093,430	2,621,180,633
Liabilities						
Borrowings from Bangladesh Bank, other banks, financial institutions and agents	15,067,719	70,340,107	470,983,081	379,405,949	-	935,796,856
Deposits and other accounts	190,000	100,472,598	208,364,842	2,754,847	103,361	312,885,648
Provision and other liabilities	14,504,533	791,376	14,549,389	328,741,140	-	358,586,740
Total liabilities	29,762,552	171,604,083	694,897,312	710,901,936	103,361	1,607,269,244
Net Liquidity Excess/(shortage)	193,796,901	155,980,188	11,090,831	90,053,400	562,990,069	1,013,911,389

FAS FINANCE & INVESTMENT LIMITED
Notes to the financial statements
as at and for the year ended 31 December 2011

1.00 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 with which FAS Capital Management Ltd. is carrying its business. FAS Finance & Investment Limited was incorporated as a Private Limited Company on 04 March 1997 under the Companies Act, 1994 and 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 obtained license for principal branch vide Bangladesh Bank letter dated September 26, 2001 and 1st lease agreement & commencement of public deposit mobilization commenced on December 27, 2001. It also commenced 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 2007, 18 July 2007 and 09 July 2008 respectively. The Company is listed with both Dhaka and Chittagong Stock Exchanges (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 with Bangladesh Bank approval letter no. DIFM (L) 1053/80/2008-832 dated 29 April 2008.

Subsidiary Company

FAS Finance & Investment Ltd. (Former Fidelity Assets & Securities Co. Ltd.) started its activity as a Merchant Bank in 1997. In the year 2010 SEC (letter No. SEC/Reg/MD- Policy/Part-VI/2008/286 Dated 28 July 2010) instructed to form a separate subsidiary company for Merchant Banking alone within 30th September, 2010. Accordingly the then management formed a separate subsidiary-Merchant Banking Company named as FAS Capital Management Ltd. and applied on 26.09.10 to SEC in order to transfer the Merchant Banking license in favor of the newly formed subsidiary company. Simultaneously the management of the FAS Finance & Investment Ltd. transferred the entire investor's portfolio amounting Tk.97.20 crore to FAS Capital Management Ltd.

Since then the FAS Capital has been working as a full pledged subsidiary company with capital of Tk.10.00 Crore but with an investment liability of Tk.97.20 Crore.

It may be mentioned here that FCML has not yet received the merchant Banking license from SEC in its own name.

The FAS Finance and Investment Limited acquired 97% shares of "FAS Capital Management Limited" (formerly Fidelity Assets & Securities Company Limited) (9,700,000 shares of Tk.10 each totaling Tk.9.70 crore). The subsidiary is a private limited company incorporated with the Registrar of Joint Stock Companies vide registration no. C-87541/10 dated 13th October 2010 under the Companies Act, 1994.

1.01 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 is one of the fastest growing financing Company 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 to 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 offer 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.

1.02 Significant accounting policies

1.02.1 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).

1.02.2 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.

1.02.3 Basis of measurement

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

1.02.4 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 lessee are accounted for as receivable of the Company. The interest portion accrued is recognized as revenue as per BAS-17.

(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 whenever these are received. Such income comprises of the following components of the FFIL;

- i) Appraisal and documentation fees;
- ii) Service charges;
- iii) Late payment charges;
- iv) Processing fees;
- v) Settlement charges; and
- vi) Miscellaneous.

(e) 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 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; if any.

1.02.5 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.

1.02.6 Depreciation on fixed assets

Fixed assets are depreciated based on diminishing balance method at different rates varying from 10% to 20% per annum.

Addition to fixed assets are depreciated for the full year irrespective of date of acquisition of assets at the applicable rates while no depreciation is charged on any items in the year of its disposal.

Rates of depreciation applied are shown below :

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

1.02.7 Investment

Investment is carried in Financial Statement at cost. Provision is made for diminishing in value of investment.

1.02.8 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 in stallments;
- (ii) Investments and interests which include overdue rentals and installments have not been 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 & in stallments	Classification	Provision of percentage
1-2 rentals/installments (up to 2 months)	Standard	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%

1.02.9 Provision for diminution in value of investment in shares and bonds

Provision has been made for diminution in value of investment in shares and bonds.

1.02.10 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 received.

1.02.11 Taxation

The applicable tax rate for financial institutions is 42.5%. Assessments, before high court are pending for the assessment years 2001-2002, 2002-2003, 2003-2004, 2006-2007, 2007-2008 and 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 & 2011-2012.

1.02.12 Statutory reserve

This represents 20% of net profit after tax which is set aside in compliance with clause 6 of the Financial Institution Regulations, 1994.

1.02.13 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.

1.02.14 Current maturity

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

1.02.15 Reporting period

These financial statements cover for the year from 01 January 2011 to 31 December 2011.

1.02.16 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.

1.02.17 Cash and cash equivalents

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

1.02.18 Director of the Company

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

1.02.19 Comparative information

Comparative information has been disclosed in respect of the year 2010 for all numerical information in the financial statements for understanding of current year financial statements.

1.02.20 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;

1.02.21 (i) Provident fund

The Company operates a contributory provident fund scheme for its employees, which is recognized by the National Board of Revenue under Clause 2(1) of the First Schedule Part B of the Income tax Ordinance, 1984 of (XXXVI) effective from 31 August 2008. Both the company and employees are contribution to the fund

1.02.22 (ii) Gratuity fund

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) effective from 25 November 2008. The gratuity is paid on the basis of the last basic pay and is payable at the rate of two month's basic pay for every completed year of service.

1.02.23 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.

1.02.24 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.

1.02.25 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.

1.02.26 Foreign currency transaction

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"

1.02.27 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.

1.02.28 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:

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

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

		Amount in Taka	
		as at	
		31-Dec-11	31-Dec-10
2.00	Cash		
	Cash in hand (including foreign currency) <i>(Note -2.01)</i>	5,985	17,933
	Balance with Bangladesh Bank and its agent bank(s) (including foreign currency) <i>(Note -2.02)</i>	2,400,216	2,674,280
		2,406,201	2,692,213
2.01	Cash in hand (including foreign currency)		
	Local currency	5,985	17,933
	Foreign currency	-	-
		5,985	17,933
2.02	Balance with Bangladesh Bank and its agent bank(s) (including foreign currency)		
	Bangladesh with Bangladesh Bank		
	Local currency	2,400,216	2,674,280
	Foreign currency	-	-
		2,400,216	2,674,280
	Agent Bank of Bangladesh Bank	-	-
		2,400,216	2,674,280
2.03	Statutory deposits		
2.03.1	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 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:		
2.03.02	Cash reserve ratio (CRR)		
	Required reserve	658,025	779,193
	Actual reserve maintained	2,400,216	4,008,814
	Surplus	1,742,191	3,229,621
2.03.03	Statutory liquidity ratio (SLR)		
	Required reserve	4,155,506	10,576,767
	Actual reserve maintained	16,924,808	48,614,831
	Surplus	12,769,302	38,038,064
	Total required reserve	4,813,531	11,355,960
	Total actual reserve maintained	19,325,024	52,623,645
	Surplus	14,511,493	41,267,685
2 (a)	Consolidated cash		
	(i) Cash in hand (including foreign currency)		
	FAS Finance & Investment Limited <i>(Note -2.01)</i>	5,985	17,933
	FAS Capital Management Limited	858	840
		6,843	18,773

		Amount in Taka	
		as at	
		31-Dec-11	31-Dec-10
(ii) Balance with Bangladesh Bank and its agent bank(s) (including foreign currency)			
FAS Finance & Investment Limited (Note -2.02)		2,400,216	2,674,280
FAS Capital Management Limited		-	-
		2,400,216	2,674,280
		2,407,059	2,693,053
3.00 Balance with other banks and financial institutions			
In Bangladesh (Note - 3.01)		30,246,798	168,872,145
Outside Bangladesh		-	-
		30,246,798	168,872,145
3.01 In Bangladesh			
Current deposits			
Bank Asia Limited, Scotia Branch, Dhaka	CD-0733002967	8,362	9,502
Dutch-Bangla Bank Limited, Gulshan Branch, Dhaka	CD-01161100006323	2,750	3,400
EXIM Bank Limited, Gulshan Branch, Dhaka	CD-00711100035678	58	58
HSBC, Dhaka Branch, Dhaka	CD-001-212592-011	6,665	4,049
Islami Bank Bangladesh Limited, Foreign Exchange Corporate Br.	AWCA-20501060100819118	98,077	98,887
Islami Bank Bangladesh Limited, Foreign Exchange Corporate Br.	AWCA-205010901008	4,885	20,771
Jamuna Bank Limited, Mohakhali Branch, Dhaka	CD-0001-0210002904	19,271	-
Janata Bank Limited, Corporate Branch, Dhaka	CD-001018418	6,833	7,983
Mutual Trust Bank Limited, Shyhet Branch, Sylhet	CD-0023-021000-2846	343	1,492
Pubali Bank Limited, Mohakhali Branch, Dhaka	CD-36779010115917	22,507	1,530,907
Social Islami Bank Limited, Principal Branch, Dhaka	CD-0002-13300035421	6,577	8,015
Southeast Bank Limited, Gulshan Branch, Dhaka	CD-11100012031	1,624	317,942
Standard Bank Limited	CD-00933010415	9,425	18,934
Standard Chartered Bank, Gulshan Branch, Dhaka	CD-01-5647253-01	4,302	-
State Bank of India	CD-05420232420001	18,925	660
Uttara Bank Limited, Corporate Branch, Dhaka	CD-21-2029	-	-
Woorl Bank Limited	CDA-923915855	2,207,846	-
		2,418,440	2,022,600
Short term deposit			
Bank Asia Limited, Scotia Branch, Dhaka	STD-00738000873	217,790	210,789
Dutch Bangla Bank Limited, Gulshan Branch, Dhaka	STD-011612000000974	2,496,793	11,402,873
Dutch Bangla Bank Limited, CDA Avenue Branch, CTG	STD-012912000000707	6,892	134,444
EXIM Bank Limited, Gulshan Branch, Dhaka	STD-00713100099008	3,918,805	90,360
First Security Islami Bank Ltd., Dilkusha Branch, Dhaka	STD-131-0090-1512	1,101,351	1,020,533
First Security Islami Bank Ltd., Ring Road Branch, Dhaka	STD-131-0090-1535	810,340	722,435
HSBC, Dhaka Branch, Dhaka	STD-001212992-067	3,084	481,396
ICB Islamic Bank Limited, Gulshan Branch, Dhaka	STD-002500050251	19,920	63,044
Mutual Trust Bank Limited, Gulshan Branch, Dhaka	STD-0022-320000131	1,346,139	17,158,172
Mutual Trust Bank Limited, CD Avenue Branch, CTG	STD-0009-32-0000889	1,278,459	2,206,312
Mutual Trust Bank Limited, Shyhet Branch, Sylhet	STD-0023-032000-0578	1,067,480	1,235,364
Prime Bank Limited, Mohakhali Branch, Dhaka	STD-11031020000875	186,320	85,595,184
Pubali Bank Limited, Narshingdi Branch, Narshingdi	STD-0722102000518	1,666,795	1,896,817
Standard Chartered Bank, Gulshan Branch, Dhaka	STD-02-5647253-01	463,447	43,695,656
Trust Bank Limited, Principal Branch, Dhaka	STD-002-320000779	24,214	852,624
Uttara Bank Limited, Corporate Branch, Dhaka	STD-41-132	382,437	83,542
Woorl Bank Limited	NDA-923500195	12,838,092	-
		27,828,358	166,849,545
Savings deposit		-	-
Fixed deposit		-	-
		30,246,798	168,872,145

		Amount in Taka	
		as at	
		31-Dec-11	31-Dec-10
3.01.1	Account-wise/grouping of balance with other banks and financial institutions		
	Current deposits	2,418,440	2,022,600
	Short term deposit	27,828,358	166,849,545
	Savings deposit	-	-
	Fixed deposit	-	-
		<u>30,246,798</u>	<u>168,872,145</u>
3.01.2	Maturity grouping of balance with other banks		
	Repayable-on demand	2,418,440	2,022,600
	- up to 3 months	27,828,358	166,849,545
	- over 3 months but below 1 year	-	-
	- over 1 year but below 5 years	-	-
	- over 5 years	-	-
		<u>30,246,798</u>	<u>168,872,145</u>
3 (a)	Consolidated balance with other banks and financial institutions		
	(i) In Bangladesh:		
	FAS Finance & Investment Limited (<i>Note - 3.01</i>)	30,246,798	168,872,145
	FAS Capital Management Limited [<i>Note 3(a) (i)</i>]	3,300,188	111,575,255
		<u>33,546,986</u>	<u>280,447,400</u>
	(ii) Outside Bangladesh:		
	FAS Finance & Investment Limited	-	-
	FAS Capital Management Limited	-	-
		-	-
		<u>33,546,986</u>	<u>280,447,400</u>
3 (a) (i)	Bank balance of FAS Capital Management Limited		
	Dutch Bangla Bank Ltd. Gulshan Branch STD-116.120.1505	497,949	570,861
	Jamuna Bank Ltd. Mohakhali Branch STD-0320000467	243,528	43,896
	Mercantile Bank Ltd. Mohakhali Branch SND-011313100000420	362,865	150,432
	Mutual Trust Bank Ltd. Gulshan Branch STD-0022-0320000793	82,229	5,035
	Prime Bank Ltd. Mohakhali Branch STD-11031050015284	9,604	94,566,515
	Prime Bank Ltd. Gulshan Branch STD-11831060023968	113,521	1,000,408
	SCB, Gulshan Branch SND-02-1111079-01	259,127	-
	SCB, Gulshan Branch STD-02-5547253-02	410,835	114,148
	SCB, Gulshan Br. CD-01-5547253-02	4,771	2,334,887
	The City Bank Ltd. Gulshan Branch STD-3101221158001	413,208	114,023
	The City Bank Ltd. Gulshan Branch STD-310191238001	603,410	12,087,908
	The City Bank Ltd. Narsingdi (Br.) STD-310109238002	289,321	587,142
	Woori Bank Ltd.-Gulshan Br. NDA-923000208	9,820	-
	Total	<u>3,300,188</u>	<u>111,575,255</u>

		Amount in Taka	
		as at	
		31-Dec-11	31-Dec-10
4.00	Money at call and on short notice		
	With banks	-	-
	With financial institutions	-	-
		-	-
4 (a)	Consolidated money at call and on short notice		
	FAS Finance & Investment Limited <i>(Note 4.00)</i>	-	-
	FAS Capital Management Limited	-	-
		-	-
5.00	Investments		
5.01	In Government securities		
	Treasury bills	-	-
	National investment bonds	-	-
	Bangladesh bank bills	-	-
	Government notes/bonds	-	-
	Prize bonds	-	-
	Others	-	-
		-	-
5.02	Other investments		
	Preference shares	-	-
	Ordinary shares (Quoted and Unquoted) <i>(Note 5.02.1)</i>	153,025,246	144,612,191
	Debentures	-	-
	Bonds <i>(Note 5.02.2)</i>	-	1,574,310
	Zero coupon bond	-	-
	Other investments	-	-
	Gold, etc.	-	-
		153,025,246	146,186,501
		153,025,246	146,186,501
5.02.1	Ordinary shares (Quoted and Unquoted)		
	Quoted		
	Aftab Automobiles	8,023,582	-
	Aims 1st Mutual Fund	10,697,770	-
	Arab Bangladesh Bank Ltd.	2,016,973	8,109,154
	Agrani Insurance Company Ltd.	-	23,139
	Al-Arafah Islami Bank Ltd.	-	31,070
	Asia Insurance Limited	-	1,711,720
	Asia Pacific Insurance Ltd.	8,811	9,750
	Bank Asia Ltd.	-	430
	Bangladesh General Insurance Co. Ltd.	16,989	2,672,400
	Bay Leasing & Investment Ltd.	102,608	-
	Bangladesh Finance & Investment Ltd.	28,845	-
	BD Welding Electrodes	65,967	-
	Bangladesh Industrial Finance Company	-	2,871,390

	Amount in Taka	
	as at	
	31-Dec-11	31-Dec-10
Beach Hatchery Ltd.	-	2,797,812
City Bank Ltd.	13,006	1,073,531
CMC Kamal Textile Ltd	366	3,297
Confidence Cement Ltd.	672,912	-
Continental Insurance Company Ltd.	-	5,752,922
Daiffodil Computers Ltd.	216,450	455,378
Delta Brac Housing Finance Corp. Ltd.	1,896,991	-
DBH First Mutual Fund	-	997,635
Dhaka Bank Ltd.	3,361	3,262,850
EBL First Mutual Fund	10,136,333	2,259,107
Exim Bank Limited	1,796,275	1,209,188
Fareast Islami Life Insurance Company Ltd.	2,153,407	-
First Security Islami Bank Ltd.	13,524,334	1,705,404
Fu-Wang Foods Ltd.	712,955	900,266
Global Insurance Company Ltd.	-	1,799,920
Golden Son Ltd.	-	418,140
Grameen One: Scheme Two	-	4,224,506
Grameen Phone Ltd.	72,312	-
Jamuna Bank Ltd.	-	3,601,595
Jamuna Oil Company Ltd.	-	-
Karnapuli Insurance Company Ltd.	-	1,913
Khulna Power Company Ltd.	-	7,839,930
Lanka Bangla Finance Ltd.	9,886,389	-
Maksons Spinning Mills Ltd.	-	10,155
Malek Spinning Mills Ltd.	72,252	7,924,472
Mercantile Bank Ltd.	-	2,013,159
Meghna Life Insurance Co. Ltd.	4,224,817	-
M.I. Cement Factory	4,241	-
Mutual Trust Bank Ltd.	79,781	2,248,414
National Credit & Commerce Bank Ltd.	915,162	1,454,704
Navana CNG Ltd.	511,792	-
Niloy Cement Industries Ltd.	67,847	67,847
Nitol Insurance Company Ltd.	9,808,648	3,916,695
Northern General Insurance Company Ltd.	70,833	50,903
Ocean Containers Ltd.	-	1,794,666
One Bank Limited	714,335	1,491
Padma Oil Company Ltd.	3,302,618	3,361,188
Paragon Leather Ltd.	890	890
Peoples Insurance Company Limited	-	6,388,665
Peoples Leasing & Financial Services	44,284	-
PHP First Mutual Fund	339,864	-
Premier Leasing International Ltd.	7,717,537	9,838,471
Prime Finance & Investment Ltd.	13,337	-
Prime Islami Life Insurance Company	614,151	-
Progressive Life Insurance Company Limited	1,993,882	-
Pubali Bank Ltd.	-	1,350,989

		Amount in Taka	
		as at	
		31-Dec-11	31-Dec-10
	RAK Ceramics (Bangladesh) Ltd.	42,279	5,568
	Rupali Life Insurance Company Limited	12,155,153	-
	R.N. Spinnin Mills Ltd.	-	5,191,036
	Saiham Textile Mills Ltd.	16,916	-
	Sandhaani Life Insurance Co. Ltd	11,559,153	-
	Shahjalal Islami Bank Ltd.	15,814	1,003,098
	Sonargaon Textile Ltd.	1,992,098	-
	Square Pharmaceuticals Ltd	15,526,992	-
	Summit Alliance Port Ltd.	-	2,637,786
	Social Islami Bank Com an Ltd.	-	7,156
	Sonar Bangla Insurance Company Ltd.	-	1,481,421
	Southeast Bank Limited	-	76,989
	Standard Bank Ltd.	1,493,175	-
	Standard Insurance Limited	81,644	-
	Titas Gas Transmission & Dist. Co. Ltd.	-	1,414,758
	United Airways (Bangladesh) Ltd.	31,905	30,000,000
	Union capital Ltd.	1,414,321	-
	United Commercial Bank Ltd.	15,815	34,856
	Uttara Finance	837,074	-
	Uttara Bank Ltd.	-	8,604,367
		137,725,246	144,612,191
	A schedule of investments in share is given in <i>Annexure - 2</i> .		
	Unquoted:		
	Shahjibazar Power Company Ltd.	15,300,000	-
		153,025,246	144,612,191
5.02.2	Bonds		
	IBBLP Bond	-	1,574,310
		-	1,574,310
5.03	Maturity grouping		
	Repay able-on demand	-	-
	- up to 3 months	137,725,246	116,186,501
	- over 3 months but below 1 year	-	30,000,000
	- over 1 ear but below 5 years	15,300,000	-
	- over 5 years	-	-
		153,025,246	146,186,501
5 (a)	Consolidated investments		
	(i) In Government securities		
	FAS Finance & Investment Limited	-	-
	FAS Capital Management Limited	-	-
		-	-
	(ii) Other investments		
	FAS Finance & Investment Limited (<i>Note - 5.02</i>)	153,025,246	146,186,501
	FAS Capital Management Limited [<i>Note - 5 (a) (i)</i>]	87,006,801	79,099,355
		240,032,047	225,285,856
		240,032,047	225,285,856

**5 (a) (i) Ordinary shares (Quoted and Unquoted)
of FAS Capital Management Limited**

Quoted :

Amount in Taka	
as at	
31-Dec-11	31-Dec-10
AB Bank Ltd.	11,521,246
Al-Arafah Islami Bank Ltd.	3,524,416
Asia Pacific General Insurance Company Ltd.	6,026,083
Bangladesh general Insurance Company Ltd.	3,523,488
Bank Asia	895,100
Beach Hatchay Ltd.	232,928
City General Insurance Co. Ltd.	1,227,210
Continental Insurance Ltd.	270,300
Delta Brac Housing Finance Ltd.	9,265,665
Eastern Insurnce co. Ltd.	773,100
Exim Bank Ltd.	1,646,962
Fareast Islami Life Ins. Co. Ltd.	7,460,052
Fu-Wang Ceramic Industries Ltd.	1,950,320
Jamuna Bank Ltd.	20,417
Malek Spinning Mills Ltd.	5,982,886
NCC Bank Ltd.	5,418,011
Paramount Insurnce Company Ltd.	667,660
Premier Bank Ltd.	3,204,040
Premier Leasing International Ltd.	6,099,250
RAK Ceramics Ltd.	926,391
Safko Spinning Mills Ltd.	994,412
Social Islami Bank Ltd.	31,450,110
Sonargaon Textile Mills Ltd	1,083,150
Southeast Bank Ltd.	24,750,934
The City Bank Ltd.	459,995
United Commercial Bank Ltd.	3,316,433
	71,706,801

Unquoted

Shahjibazar Power Company Ltd.	15,300,000
Total	87,006,801

6.00 Loans, advances and leases

1,759,917,761

6.01 Maturity grouping's.

Repayable-on demand	-
- up to 3 months	373,559,567
- over 3 months but below 1year	675,975,087
- over 1year but below 5 years	601,897,372
- over 5years	108,485,735
	1,759,917,761

6.02 Loans, cash credits, overdrafts, and leases etc

In Bangladesh	
Loans-General	1,570,635,589
Cash credits	-
Overdrafts	-
leases	189,282,172
	1,759,917,761
Outside Bangladesh	
	-
	1,759,917,761

1,718,617,029

157,068,015

1,875,685,044

1,875,685,044

**5 (a) (i) Ordinary shares (Quoted and Unquoted)
of FAS Capital Management Limited**

Quoted :

Amount in Taka		
as at		
	31-Dec-11	31-Dec-10
AB Bank Ltd.	-	11,521,246
Al-Arafah Islami Bank Ltd.	-	3,524,416
Asia Pacific General Insurance Company Ltd.	-	6,026,083
Bangladesh general Insurance Company Ltd.	-	3,523,488
Bank Asia	895,100	-
Beach Hatchay Ltd.	-	232,928
City General Insurance Co. Ltd.	1,227,210	-
Continental Insurance Ltd.	270,300	-
Delta Brac Housing Finance Ltd.	-	9,265,665
Eastern Insurnce co. Ltd.	773,100	-
Exim Bank Ltd.	-	1,646,962
Fareast Islami Life Ins. Co. Ltd.	7,460,052	-
Fu-Wang Ceramic Industries Ltd.	-	1,950,320
Jamuna Bank Ltd.	20,417	788,140
Malek Spinning Mills Ltd.	-	5,982,886
NCC Bank Ltd.	-	5,418,011
Paramount Insurnce Company Ltd.	-	667,660
Premier Bank Ltd.	-	3,204,040
Premier Leasing International Ltd.	-	6,099,250
RAK Ceramics Ltd.	-	926,391
Safko Spinning Mills Ltd.	-	994,412
Social Islami Bank Ltd.	31,450,110	518,215
Sonargaon Textile Mills Ltd	1,083,150	-
Southeast Bank Ltd.	24,750,934	14,338,027
The City Bank Ltd.	459,995	1,993,311
United Commercial Bank Ltd.	3,316,433	477,904
	71,706,801	79,099,355

Unquoted

Shahjibazar Power Company Ltd.

15,300,000

-

Total

87,006,801

79,099,355

6.00 Loans, advances and leases

1,759,917,761

1,875,685,044

6.01 Maturity grouping's.

Repayable-on demand	-	-
- up to 3 months	373,559,567	276,325,515
- over 3 months but below 1year	675,975,087	692,861,040
- over 1year but below 5 years	601,897,372	851,914,387
- over 5years	108,485,735	54,584,102
	1,759,917,761	1,875,685,044

6.02 Loans, cash credits, overdrafts, and leases etc

In Bangladesh

Loans-General	1,570,635,589	1,718,617,029
Cash credits	-	-
Overdrafts	-	-
leases	189,282,172	157,068,015
	1,759,917,761	1,875,685,044

Outside Bangladesh

-

-

1,759,917,761

1,875,685,044

		Amount in Taka	
		as at	
		31-Dec-11	31-Dec-10
6.03	Loans, advances & leases on the basis of significant		
	Advance to allied concerns of Directors	28,956,574	58,452,350
	Advance to Chief Executive Officer, Other Executives and Staff	375,995	356,320
	Advances to industries	1,461,443,726	1,558,991,181
	Advance to customer groups	269,141,466	257,885,193
		<u>1,759,917,761</u>	<u>1,875,685,044</u>
6.04	Industry-wise loans, advances and leases		
	Agriculture	5,837,499	19,937,542
	Chemicals & pharmaceuticals	12,891,349	8,649,090
	Electronics & electrical	17,194,588	19,736,131
	Food & beverage	3,780,559	14,748,613
	Garments & accessories	91,542,771	99,986,824
	Glass & ceramics	5,255,460	14,561,816
	Home loan	119,597,818	121,943,903
	Housing companies	212,748,163	217,031,257
	Information technology	1,649,487	8,610,997
	Iron, steel & engineering	1,807,292	7,330,297
	Paper, printing & packaging	26,838,333	16,064,502
	Plastics industries	8,855,827	17,089,560
	Textile	-	3,790,854
	Transport financing	212,138,741	178,092,515
	Others	1,039,779,874	1,128,111,143
		<u>1,759,917,761</u>	<u>1,875,685,044</u>
6.05	Geographical Location-wise (Division)		
	In Bangladesh		
	Dhaka	1,687,354,816	1,797,408,560
	Chittagong	61,006,333	64,945,974
	Sylhet	11,556,612	13,330,510
		<u>1,759,917,761</u>	<u>1,875,685,044</u>
6.06	Classified of Loans, advances and leases		
	Unclassified		
	Standard	1,539,502,227	1,406,371,779
	Special mention account	57,033,985	60,927,986
	Total unclassified loans, advances and leases	<u>1,596,536,212</u>	<u>1,467,299,765</u>
	Classified		
	Sub-standard	9,102,880	46,913,021
	Doubtful	30,862,092	35,468,945
	Bad/Losses	123,416,577	326,003,313
	Total classified loans, advances and leases	<u>163,381,549</u>	<u>408,385,279</u>
		<u>1,759,917,761</u>	<u>1,875,685,044</u>

		Amount in Taka	
		as at	
		31-Dec-11	31-Dec-10
6.07	Particulars of Loans, advances and leases		
i)	Loans considered good in respect of which the FI's is fully secured	1,572,074,529	1,727,524,790
ii)	Loans considered good against which the FI's holds no security other than the debtors' personal guarantee	98,380,840	83,861,665
iii)	Loans considered good and secured by the personal undertaking of one or more parties in addition to the personal guarantee of the debtors	89,462,392	64,298,589
iv)	Loans adversely classified but provision not maintained there against	-	-
		<u>1,759,917,761</u>	<u>1,875,685,044</u>
v)	Loans due by directors or officers of the FI's or any of them either separately or jointly with any other persons	375,995	13,770,350
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	28,956,474	45,038,320
vii)	Maximum total amount of advances, including temporary advances made at any time during the period to directors or managers or officers of the FI's or any of them either separately or jointly with any other persons	47,889,820	17,605,963
viii)	Maximum total amount of advances including temporary advances granted during the period 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	45,038,320	49,518,693
ix)	Due from other FI's	-	-
x)	Amount of classified loans on which interest has not been charged:		
a)	Increase/decrease of provision (specific)	(37,595,395)	96,261,604
b)	Amount of loan written off	71,590,105	-
c)	Amount realized against loan previously written off	-	-

		Amount in Taka	
		as at	
		31-Dec-11	31-Dec-10
	d) Provision kept against loans classified as bad/loss on the date preparing the balance sheet	62,340,025	99,935,420
	e) Interest creditable to interest suspense account	13,176,715	14,055,504
xi)	Written off loan		
	During the period	71,590,105	-
	Cumulative to date (as per Bangladesh Bank guidelines)	71,590,105	-
	The amount of written off loans for which lawsuits have been filed for its recovery	71,590,105	-
6 (a)	Consolidated loans, cash credits, overdrafts, and leases etc		
	(i) In Bangladesh		
	FAS Finance & Investment Limited (<i>Note - 6.02</i>)	1,759,917,761	1,875,685,044
	FAS Capital Management Limited (<i>Note - 6 (b)</i>)	1,005,386,597	996,118,813
		<u>2,765,304,358</u>	<u>2,871,803,857</u>
	Less: Loan to FAS Capital Management Limited	976,822,498	1,039,151,468
		<u>1,788,481,860</u>	<u>1,832,652,389</u>
	(ii) Outside Bangladesh		
	FAS Finance & Investment Limited	-	-
	FAS Capital Management Limited	-	-
		<u>-</u>	<u>-</u>
		<u>1,788,481,860</u>	<u>1,832,652,389</u>
6 (b)	During the financial year ended 2011, due to unusual /unexpected fall down in the share market the market value of securities fell below the receivable amount by Tk. 102,358,238 against which the company provided provision Tk. 59,960,880 which is equivalent to 5.96% of the outstanding loan amount. As per Securities and Exchange Commission (Merchant Banker & Portfolio Manager) Ordinance 1996 the company may keep provision 1% on the outstanding of the total loan.		
7.00	Bills purchases and discounted		
	In Bangladesh	-	-
	Outside Bangladesh	-	-
		<u>-</u>	<u>-</u>
7.01	Maturity grouping		
	Repayable-with in 1 month	-	-
	- over 1 month but within 3 months	-	-
	- over 3 months but within 6 months	-	-
	- over 6 months	-	-
		<u>-</u>	<u>-</u>
7 (a)	Consolidated bills purchases and discounted		
	FAS Finance & Investment Limited (<i>Note - 7.00</i>)	-	-
	FAS Capital Management Limited	-	-
		<u>-</u>	<u>-</u>

		Amount in Taka	
		as at	
		31-Dec-11	31-Dec-10
8.00	Fixed assets including premises, furniture and fixtures		
	Cost:	406,901,387	404,377,781
	Land	86,527,860	86,527,860
	Office building	288,681,678	288,681,678
	Furniture & fixture	4,426,171	3,674,994
	Office decoration	3,651,820	3,506,620
	Office equipment	4,617,081	4,375,981
	Motor vehicles	14,556,489	13,421,560
	Electrical installation	1,581,987	1,484,487
	Computer	2,380,678	2,286,078
	Telephone line & PABX system	427,623	418,523
	Software	50,000	-
	Less: Accumulated depreciation	42,258,417	10,033,425
	Office building	28,868,168	-
	Furniture & fixture	1,140,581	775,515
	Office decoration	967,816	669,593
	Office equipment	1,749,162	1,243,059
	Motor vehicles	7,521,214	5,762,395
	Electrical installation	582,715	406,373
	Computer	1,265,007	1,068,124
	Telephone line & PABX system	156,254	108,366
	Software	7,500	-
	Written down value at the end of the year	364,642,970	394,344,356
8 (a)	Consolidated fixed assets including premises, furniture and fixtures		
	FAS Finance & Investment Limited (<i>Note - 8.00</i>)	364,642,970	394,344,356
	FAS Capital Management Limited	5,829,654	5,278,830
		370,472,624	399,623,186
9.00	Others assets		
	Income generating		
	i) Investment in shares of subsidiar companies		
	- In Banladesh (<i>Note - 9.01</i>)	97,000,000	80,000,000
	- Outside Banladesh	-	-
		97,000,000	80,000,000
	Non-income generating		
	ii) Stationery, stamps, printing, materials, etc.	137,067	114,340
	iii) Advance rent and advertisement	122,914	47,238
	iv) Interest accrued on investment but not collected, commission & brokerage receivable on shares and debenture and income receivable	-	-
	v) Advance agnist purchase of assets	26,340,000	-

		Amount in Taka	
		as at	
		31-Dec-11	31-Dec-10
vi)	Security deposit	1,103,300	1,103,300
vii)	Preliminary, formation and organization expenses, renovation / development and prepaid expenses	4,474,044	3,962,925
viii)	Branch adjustment (net reconciled)	-	-
ix)	Suspense account	-	-
x)	Silver	-	-
xi)	Advance corporate income tax (Note - 9.02)	121,675,248	114,854,797
xii)	Accounts receivable	6,559,852	35,973,047
xiii)	Others	258,001	33,316,166
		<u>160,670,426</u>	<u>189,371,813</u>
		<u>257,670,426</u>	<u>269,371,813</u>
9.01	Investment in shares of subsidiary companies		
	In Bangladesh (Note - 9.01.1)	97,000,000	80,000,000
	Outside Bangladesh	-	-
		<u>97,000,000</u>	<u>80,000,000</u>
9.01.1	Investment in shares of subsidiary companies-in Bangladesh		
	FAS Capital Management Limited	97,000,000	80,000,000
		<u>97,000,000</u>	<u>80,000,000</u>
	Out of the total of 10,000,000 ordinary shares issued and paid up, FAS Finance & Investment Limited holds 9,700,000 ordinary shares of Tk. 10 each.		
9.02	Advance corporate income tax		
	Advance income tax on bank interest	6,997,330	6,435,992
	Advance income tax on dividend	1,084,469	1,025,086
	Advance income tax on FDR interest	-	-
	Advance income tax (LTU)	107,912,398	107,340,668
	Advance income on share placement	5,620,000	-
	Advance income tax on motor vehicle	24,000	16,000
	Advance income tax on underwriting commission	37,051	37,051
		<u>121,675,248</u>	<u>114,854,797</u>
9.02.1	Consolidated advance corporate income tax		
	FAS Finance & Investment Limited (Note - 9.02)	121,675,248	114,854,797
	FAS Capital Management Limited	5,821,355	81,897
		<u>127,496,603</u>	<u>114,936,694</u>
9 (a)	Consolidated others assets		
(i)	Income generating		
	FAS Finance & Investment Limited (Note - 9.00)	97,000,000	80,000,000
	FAS Capital Management Limited	-	-
		<u>97,000,000</u>	<u>80,000,000</u>
	Less: Investment in subsidiary companies (FAS Capital Management Limited)	97,000,000	80,000,000
		-	-

		Amount in Taka	
		as at	
		31-Dec-11	31-Dec-10
(ii) Non-Income generating			
	FAS Finance & Investment Limited (Note - 9.00)	160,670,426	189,371,813
	FAS Capital Management Limited	14,427,934	80,802,564
		<u>175,098,360</u>	<u>270,174,377</u>
	Less: Inter company transactions	2,037,576	3,767,900
		<u>173,060,784</u>	<u>266,406,477</u>
		<u>173,060,784</u>	<u>266,406,477</u>
10.00 Non-Financial Institution's assets			
	Land & building	53,271,231	53,271,231
		<u>53,271,231</u>	<u>53,271,231</u>
	This represents property acquired by the company in satisfaction of the claim.		
10 (a) Consolidated Non-Financial Institution's assets			
	FAS Finance & Investment Limited (Note - 10.00)	53,271,231	53,271,231
	FAS Capital Management Limited	-	-
		<u>53,271,231</u>	<u>53,271,231</u>
11.00 Borrowings from other banks, financial institution and agents			
	In Bangladesh (Note - 11.01)	935,796,856	1,062,405,736
	Outside Bangladesh	-	-
		<u>935,796,856</u>	<u>1,062,405,736</u>
11.01 In Bangladesh			
	SME refinancing loan	138,252,778	194,375,981
	Mutual Trust Bank Limited	385,823,767	431,317,676
	Pubali Bank Limited	149,318,066	186,799,834
	Uttara Bank Limited	262,402,245	249,912,245
		<u>935,796,856</u>	<u>1,062,405,736</u>
11.02 Security against borrowings from other banks, financial institution and agents			
	Secured	797,544,078	868,029,755
	Unsecured	138,252,778	194,375,981
		<u>935,796,856</u>	<u>1,062,405,736</u>
11.03 Maturity grouping's.			
	Repayable-on demand		
	- up to 3 months	85,407,826	71,886,713
	- over 3 months but below 1year	470,983,081	422,616,201
	- over 1year but below 5 years	379,405,949	567,902,822
	- over 5 years	-	-
		<u>935,796,856</u>	<u>1,062,405,736</u>

		Amount in Taka	
		as at	
		31-Dec-11	31-Dec-10
11 (a)	Consolidated borrowings from other banks, financial institution and agents		
	FAS Finance & Investment Limited (<i>Note - 11.00</i>)	935,796,856	1,062,405,736
	FAS Capital Management Limited	976,822,498	1,039,151,468
		1,912,619,354	2,101,557,204
	Less: Loan from FAS Finance & Investment Limited	976,822,498	1,039,151,468
		935,796,856	1,062,405,736
12.00	Deposits and other accounts		
	Current deposits and other accounts	-	-
	Bills payable	-	-
	Savings bank deposits	-	-
	Short-term deposit	-	-
	Fixed deposits (<i>Note - 12.01</i>)	312,885,648	516,815,144
	Bearer certificates of deposit	-	-
	Others deposits	-	-
		312,885,648	516,815,144
12.01	Fixed deposits		
	Deposit from FI's-inside Bangladesh	300,000,000	490,000,000
	Other than FI's-inside Bangladesh	12,885,648	26,815,144
		312,885,648	516,815,144
12.01.1	Maturity analysis of Fixed deposits		
	Deposit from FI's-inside Bangladesh		
	Repayable-on demand		-
	- within 1 month	-	-
	- over 1 months but below 6 months	300,000,000	290,000,000
	- over 6 months but below 1 year	-	200,000,000
	- over 1 year but below 5 years	-	-
	- over 5 year but below 10 years	-	-
		300,000,000	490,000,000
	Other than FI's-inside Bangladesh		
	Repayable-on demand	-	-
	- within 1 month	190,000	-
	- over 1 months but below 6 months	5,840,461	278,730
	- over 6 months but below 1 year	3,996,979	12,706,672
	- over 1 year but below 5 years	2,754,847	13,829,742
	- over 5 year but below 10 years	103,361	-
		12,885,648	26,815,144
		312,885,648	516,815,144

		Amount in Taka	
		as at	
		31-Dec-11	31-Dec-10
12 (a)	Consolidated deposits and other accounts		
	FAS Finance & Investment Limited		
	Current deposits and other accounts	-	-
	Bills payable	-	-
	Savings bank deposits	-	-
	Short-term deposit	-	-
	Fixed deposits <i>(Note 12.01)</i>	312,885,648	516,815,144
	Bearer certificates of deposit	-	-
	Others deposits	-	-
		<u>312,885,648</u>	<u>516,815,144</u>
	FAS Capital Management Limited		
	Current deposits and other accounts	-	-
	Bills payable	-	-
	Savings bank deposits	-	-
	Short-term deposit	-	-
	Fixed deposits	-	-
	Bearer certificates of deposit	-	-
	Others deposits	-	-
		<u>-</u>	<u>-</u>
		<u>312,885,648</u>	<u>516,815,144</u>
13.00	Others liabilities		
	Accumulated provision against loans, advances and leases <i>(Note - 13.01)</i>	90,962,545	122,089,513
	Provision for current tax <i>(Note - 13.02)</i>	162,887,422	111,864,085
	Deferred tax liabilities <i>(Note - 13.03)</i>	40,031	2,306,612
	Interest suspense account <i>(Note - 13.04)</i>	37,488,123	83,386,596
	Accounts payable	791,378	527,806
	Accrued expenses	4,567,285	2,417,999
	Provision for gratuity <i>(Note - 13.05)</i>	1,879,673	1,102,273
	Provision against investments <i>(Note - 13.06)</i>	24,748,297	13,857,007
	Provident fund <i>(Note - 13.07)</i>	-	-
	Leases advance	7,226,478	6,669,743
	Advance installment	12,031,860	7,073,655
	Unclaimed dividend	242,053	242,053
	Salary tax	48,300	-
	Interest payable	12,031,622	5,544,870
	Tax deduction at source	107,742	54,307
	VAT payable	25,360	210,677
	Sundry deposit	3,508,571	21,518,221
		<u>358,586,740</u>	<u>378,865,417</u>

		Amount in Taka	
		as at	
		31-Dec-11	31-Dec-10
13.01	Accumulated provision against loans, advances and leases		
	Provision for classified loans, advances and leases		
	Opening balance	105,147,518	6,091,577
	Fully provided debts written off during the year	(56,225,364)	-
	Recovery of amounts previously written off	-	-
	Specific provision made for the year	17,432,326	99,055,941
	Recoveries and provision no longer required	-	-
	Net charge to Profit and Loss Statement	-	-
	Total provision for classified loans, advances and lease	66,354,480	105,147,518
	Provision for unclassified loans, advances and leases		
	Opening balance	16,941,995	39,702,129
	Provision for the year	7,666,070	-
	Adjustment during the year	-	(22,760,134)
	Total provision for unclassified loans, advances and leases	24,608,065	16,941,995
	Total provision against loans, advances and leases	90,962,545	122,089,513
	Provision for	Required	Maintained
	Classified loans and advances	66,354,480	66,354,480
	Un-classified loans and advances	18,002,935	24,608,065
		84,357,415	90,962,545
			Excess/(Shortage)
			-
			6,605,130
			6,605,130
13.01 (a)	Consolidated provision for classified loans, advances and leases		
	FAS Finance & Investment Limited (<i>Note - 13.01</i>)	90,962,545	122,089,513
	FAS Capital Management Limited	59,960,880	9,960,880
		150,923,425	132,050,393
13.02	Provision for current tax		
	Opening balance	111,864,085	106,319,661
	Provision made during the year	51,023,337	5,544,424
	Adjustment during the year	-	-
		162,887,422	111,864,085
	Income tax provision has been made as per Income Tax Ordinance 1984 and as amended for the time being.		
13.02(a)	Consolidated provision for current tax		
	FAS Finance & Investment Limited (<i>Note - 13.02</i>)	162,887,422	111,864,085
	FAS Capital Management Limited	1,081,566	99,713
		163,968,988	111,963,798

		Amount in Taka	
		as at	
		31-Dec-11	31-Dec-10
13.03	Deferred tax liabilities		
	Opening balance	2,306,612	2,306,612
	Provision made during the year	-	-
	Adjustment during the year	(2,266,581)	-
		<u>40,031</u>	<u>2,306,612</u>
13.03.(a)	Consolidated deferred tax liabilities		
	FAS Finance & Investment Limited <i>(Note - 13.03)</i>	40,031	2,306,612
	FAS Capital Management Limited	-	-
		<u>40,031</u>	<u>2,306,612</u>
13.04	Interest suspense account		
	Opening balance	83,386,596	19,434,838
	Transfer during the year	46,733,168	104,710,727
	Recovery during the year	(77,266,900)	(40,758,969)
	Written off during the year	(15,364,741)	-
		<u>37,488,123</u>	<u>83,386,596</u>
13.05	Provision for gratuity		
	Opening balance	1,102,273	574,339
	Provision made during the year	777,400	527,934
	Adjustment during the year	-	-
		<u>1,879,673</u>	<u>1,102,273</u>
13.06	Provision against investments		
	Opening balance	13,857,007	884,555
	Provision made during the year	10,891,290	12,972,452
	Adjustment during the year	-	-
		<u>24,748,297</u>	<u>13,857,007</u>
13.06(a)	Consolidated provision against investments		
	FAS Finance & Investment Limited <i>(Note - 13.06)</i>	24,748,297	13,857,007
	FAS Capital Management Limited	5,049,227	5,049,227
		<u>29,797,524</u>	<u>18,906,234</u>
13.07	Provident fund		
	Opening balance	-	-
	Provision made during the year	777,266	775,224
	Adjustment during the year	(777,266)	(775,224)
		<u>-</u>	<u>-</u>

		Amount in Taka	
		as at	
		31-Dec-11	31-Dec-10
13 (a)	Consolidated other liabilities		
	FAS Finance & Investment Limited (<i>Note - 13.00</i>)	358,586,740	378,865,417
	FAS Capital Management Limited	92,042,238	121,193,536
		<u>450,628,978</u>	<u>500,058,953</u>
	Inter company transactions	(2,037,576)	(3,767,900)
		<u>448,591,402</u>	<u>496,291,053</u>
14.00	Share capital	<u>516,643,800</u>	<u>449,255,500</u>
14.01	Authorized capital		
	210,000,000 ordinary shares of Taka 10 each	<u>2,100,000,000</u>	<u>2,100,000,000</u>
14.02	Issued, Subscribed and paid-up Capital		
	3,906,5700 ordinary shares of Taka 10 each issued for cash	390,657,000	390,657,000
	585,9850 Bonus shares of Taka 10 each issued as dividend for 2009	58,598,500	58,598,500
	673,8830 Bonus shares of Taka 10 each issued as dividend for 2010	67,388,300	-
		<u>516,643,800</u>	<u>449,255,500</u>

	Amount in Taka			
	31-Dec-11	31-Dec-10	31-Dec-11	31-Dec-10
14.03 Percentage of shareholding				
Bangladeshi sponsors	64.00	64.00	330,654,100	287,525,300
Foreign sponsors	-	-		
Financial institutions	14.27	8.67	73,731,600	38,931,700
Employees	-	-		
General public	21.73	27.33	112,258,100	122,798,500
	100	100	516,643,800	449,255,500

14.04 Classification of shareholders by holding

Holding	Number of holders		% of total holding	
	2011(Face value@Tk.10)	2010(Face value@Tk.100)	31-Dec-11	31-Dec-10
up to 500 Shares	1,471	4,273	0.61%	9.80%
501 to 5,000 Shares	2,821	328	7.22%	10.76%
5001 to 10,000 Shares	203	21	2.76%	3.31%
10001 to 20,000 Shares	123	17	3.27%	5.68%
20001 to 30,000 Shares	49	4	2.35%	2.18%
30001 to 40,000 Shares	18	2	1.20%	1.58%
40001 to 50,000 Shares	15	2	1.31%	2.23%
50001 to 100,000 Shares	27	2	3.66%	2.56%
100001 to 1000,000 Shares	27	10	77.63%	61.92%
Over 1,000,000 Shares	-	-	-	-
Total	4,754	4,659	100%	100%

No. of Shares		Value of Shares	
31-Dec-11	31-Dec-10	31-Dec-11	31-Dec-10
314,290	4,402,220	3,142,900	44,022,200
3,728,760	4,833,860	37,287,600	48,338,600
1,424,850	1,485,280	14,248,500	14,852,800
1,688,460	2,551,520	16,884,600	25,515,200
1,213,670	977,510	12,136,700	9,775,100
618,460	709,800	6,184,600	7,098,000
678,400	1,000,000	6,784,000	10,000,000
1,892,730	1,148,420	18,927,300	11,484,200
40,104,760	27,816,940	401,047,600	278,169,400
51,664,380	44,925,550	516,643,800	449,255,500

14.05 Capital adequacy ratio (CAR)

In terms of Bangladesh Bank DFIM circular no. 09 dated 04 November 2009, required capital of the Company at 31 December 2011 was of Taka 500,000,000 as against available core capital of Taka 673,062,799 and supplementary capital of Tk. 170,076,008 making a total of Tk. 843,138,807 thereby showing a surplus capital of Tk. 343,138,807 at that date. Details are shown below:

Core capital (Tier I)

Paid-up capital	516,643,800	449,255,500
Statutory reserve	78,861,879	66,547,002
General reserve	315,000	315,000
Retained earnings	75,694,414	132,355,782
Minority interest in Subsidiaries	1,547,706	22,506,131
	<u>673,062,799</u>	<u>670,979,415</u>

Supplementary capital (Tier II)

General provision on unclassified loans and advances	24,608,065	16,941,995
Provision for off-balance sheet exposure	-	-
Exchange equalisation account	-	-
Asset revaluation reserve	145,467,943	156,944,122
	<u>170,076,008</u>	<u>173,886,117</u>

(A) Total Capital	843,138,807	844,865,532
(B) Required Capital	500,000,000	500,000,000
(C) Surplus (A-B)	<u>343,138,807</u>	<u>344,865,532</u>

Capital adequacy ratio:

On core Capital	17.81%	13.68%
On supplementary capital	4.50%	3.54%
On total Capital	<u>22.31%</u>	<u>17.22%</u>

14.06 Name of the Directors, sponsors shareholders and their shareholding (including holdings of general public) as on 31 December 2011

Sl. No.	Name	Position	Total Nos. of Share	Value of Shares	% of Shareholding
1	Mr. Abdul Matub	Chairman	2,539,200	25,392,000	4.91%
2	Mrs. Selima Ahmad	Director	2,174,190	21,741,900	4.21%
3	Mr. Serajul Islam	Director	218,210	2,182,100	0.42%
4	Mr. Asaduzzaman	Director	145,480	1,454,800	0.28%
5	Mr. Nasim Ali Khan	Director	1,454,750	14,547,500	2.82%
6	Ms. Shahnaz Ahmad	Director	1,454,750	14,547,500	2.82%
7	Mr. Syed Monowar Ali	Director	1,454,750	14,547,500	2.82%
8	Central Properties Ltd.	Sponsor	6,612,500	66,125,000	12.80%
9	Nikita & Co. Ltd.	Sponsor	6,612,500	66,125,000	12.80%
10	Capital Service Center	Sponsor	6,612,500	66,125,000	12.80%
11	Bangladesh National Car	Sponsor	1,781,570	17,815,700	3.45%
12	Mr. Abdul Marib Ahmad	Sponsor	1,292,770	12,927,700	2.50%
13	Mr. Mahmudul Hoque	Sponsor	243,240	2,432,400	0.47%
14	Mr. Enamul Hoque	Sponsor	218,210	2,182,100	0.42%
15	Mr. Altaf Hossain	Sponsor	145,470	1,454,700	0.28%
16	Ms. Shahin Ara	Sponsor	105,320	1,053,200	0.20%
17	Mr. Mukitir Rahman Bhuiyan	Independent Director	-	-	0.00%
18	Initial Public Offer (IPO)	Shareholder	18598970	185,989,700	36.00%
Total			51,664,380	516,643,800	100.00%

		Amount in Taka	
		as at	
		31-Dec-11	31-Dec-10
15.00	Statutory reserve		
	Opening balance	66,547,002	50,716,176
	Addition during the year	12,314,877	15,830,826
		<u>78,861,879</u>	<u>66,547,002</u>
16.00	Other reserve		
	Capital reserve (<i>Note - 16.01</i>)	315,000	315,000
		<u>315,000</u>	<u>315,000</u>
16.01	Capital reserve		
	Opening balance	315,000	315,000
	Addition during the year	-	-
		<u>315,000</u>	<u>315,000</u>
17.00	Revaluation Reserve		
	Land (<i>Note - 17.01</i>)	84,364,660	84,364,660
	Office building (<i>Note - 17.02</i>)	206,571,226	229,523,584
		<u>290,935,886</u>	<u>313,888,244</u>
17.01	Revaluation reserve-Land		
	Opening balance	84,364,660	-
	Addition during the year	-	84,364,660
		<u>84,364,660</u>	<u>84,364,660</u>
17.02	Revaluation reserve-Office building		
	Opening balance	229,523,584	-
	Addition during the year	-	229,523,584
		<u>229,523,584</u>	<u>229,523,584</u>
	Depreciation on increased value due to revaluation	(22,952,358)	-
		<u>206,571,226</u>	<u>229,523,584</u>
18.00	Retained earnings		
	Opening balance	122,331,260	117,606,457
	Net profit after taxation	61,574,383	79,154,129
	Transfer to statutory reserve	(12,314,877)	(15,830,826)
	Stock dividend paid-2009	-	(58,598,500)
	Stock dividend paid-2010	(67,388,300)	-
	Depreciation on increased value due to revaluation	22,952,358	-
		<u>127,154,824</u>	<u>122,331,260</u>
18 (a)	Consolidated retained earnings		
	Opening balance	132,355,782	117,606,457
	Net profit after taxation	9,478,269	89,178,651
	Prior year adjustment	(9,388,818)	-
	Transfer to statutory reserve	(12,314,877)	(15,830,826)
	Stock dividend paid-2009	-	(58,598,500)
	Stock dividend paid-2010	(67,388,300)	-
	Depreciation on increased value due to revaluation	22,952,358	-
		<u>75,694,414</u>	<u>132,355,782</u>

19.00 Letters of guarantee

Stock & Bond Limited

Amount in Taka	
as at	
31-Dec-11	31-Dec-10
-	120,000,000
-	<u>120,000,000</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-100, 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.

19 (a) Consolidated letters of guarantee

FAS Finance & Investment Limited (Note - 19.00)

FAS Capital Management Limited

-	120,000,000
-	-
-	<u>120,000,000</u>

20.00 Other memorandum items

-	-
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20 (a) Consolidated other memorandum items

FAS Finance & Investment Limited (Note - 20.00)

FAS Capital Management Limited (Note - 20.01.1)

-	-
1,943,619,395	2,931,976,383
<u>1,943,619,395</u>	<u>2,931,976,383</u>

20.01.1 Other memorandum items of FAS Capital Management Limited

Customers' stocks of securities-Merchant Banking Wing

1,943,619,395	2,931,976,383
<u>1,943,619,395</u>	<u>2,931,976,383</u>

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

21.00 Profit and loss account**Income**

Interest, discount and similar income

Dividend income

Fees, commission and brokerage

Gains less losses arising from investment securities

Gains less losses arising from dealing in foreign currencies

Other operating income

Gains less losses arising from dealing securities

Income from non-banking assets

Profit less losses on interest rate changes

Expenses

Interest, fee and commission

Losses on loans and advances

Administrative expenses

Other operating expenses

Depreciation on FI's assets

411,729,517	317,305,373
340,668,722	166,612,393
400,594	1,266,700
-	5,559,244
69,377,436	97,283,240
1,282,765	-
-	46,583,796
-	-
-	-
-	-
265,408,692	143,338,561
199,247,745	99,884,758
-	-
22,085,852	21,594,335
11,850,103	13,118,385
32,224,992	8,741,083
<u>146,320,825</u>	<u>173,966,812</u>

		Amount in Taka	
		for the year	
		2011	2010
22.00	Interest income		
	Interest on loans, advance and leases	335,055,345	164,230,499
	Interest on placement with other banks and financial institution	5,613,377	2,381,894
	Interest on foreign currency balance	-	-
		<u>340,668,722</u>	<u>166,612,393</u>
22 (a)	Consolidated interest income		
	FAS Finance & Investment Limited (<i>Note - 22.00</i>)	340,668,722	166,612,393
	FAS Capital Management Limited	167,788,651	45,791,637
		<u>508,457,373</u>	<u>212,404,030</u>
	Inter company interest income	(161,332,388)	38,483,962
		<u>347,124,985</u>	<u>173,920,068</u>
23.00	Interest paid on deposits, borrowing, etc.		
	Interest on deposits	66,932,720	26,171,992
	Interest on borrowings	132,315,025	73,712,766
	Interest on foreign bank accounts	-	-
		<u>199,247,745</u>	<u>99,884,758</u>
23 (a)	Consolidated interest paid on deposits, borrowing, etc.		
	FAS Finance & Investment Limited (<i>Note - 23.00</i>)	199,247,745	99,884,758
	FAS Capital Management Limited	161,332,388	38,483,962
		<u>360,580,133</u>	<u>138,368,720</u>
	Inter company interest expenses	(161,332,388)	38,483,962
		<u>199,247,745</u>	<u>99,884,758</u>
24.00	Investment income		
	Interest on treasury bills	-	-
	Gain on sale of shares	69,377,436	97,283,240
	Dividend on shares	400,594	1,266,700
	Interest on debenture	-	-
	Interest on treasury bonds	-	-
	Gain on treasury bills and treasury bonds	-	-
	Interest on other bonds	-	-
		<u>69,778,030</u>	<u>98,549,940</u>
24 (a)	Consolidated investment income		
	FAS Finance & Investment Limited (<i>Note - 24.00</i>)	69,778,030	98,549,940
	FAS Capital Management Limited	(22,980,598)	856,963
		<u>46,797,432</u>	<u>99,406,903</u>
25.00	Commission, exchange and brokerage		
	Commission	-	5,559,244
	Exchange gain/(loss)	-	-
	Brokerage	-	5,559,244

		Amount in Taka	
		for the year	
		2011	2010
25 (a)	Consolidated Commission, exchange and brokerage		
	FAS Finance & Investment Limited <i>(Note - 25.00)</i>	-	5,559,244
	FAS Capital Management Limited	165,156	4,595,000
		<u>165,156</u>	<u>10,154,244</u>
26.00	Other operating income		
	Application fees	24,000	494,014
	Appraisal fees	12,000	205,522
	Documentation charge	74,500	1,401,467
	Legal fees	12,000	237,870
	Mortgage inspection fee	13,130	73,963
	Office rent	887,500	1,217,000
	Portfolio management fee	-	13,779,688
	Residual value	13,456	15,000
	Sale of application form	2,100	12,250
	Service charge	240,279	1,088,957
	Settlement fees	-	28,058,065
	Miscellaneous income	3,800	-
		<u>1,282,765</u>	<u>46,583,796</u>
26 (a)	Consolidated other operating income		
	FAS Finance & Investment Limited <i>(Note - 26.00)</i>	1,282,765	46,583,796
	FAS Capital Management Limited	28,416,841	31,537,911
		<u>29,699,606</u>	<u>78,121,707</u>
	Inter company office rent	(1,599,135)	(600,000)
		<u>28,100,471</u>	<u>77,521,707</u>
27.00	Salary and allowances		
	Basic salary, provident fund contribution and all other allowances	10,443,199	10,963,882
	Festival and incentive bonus	929,629	745,020
		<u>11,372,828</u>	<u>11,708,902</u>
27 (a)	Consolidated salary and allowances		
	FAS Finance & Investment Limited <i>(Note - 27.00)</i>	11,372,828	11,708,902
	FAS Capital Management Limited	6,579,162	2,988,250
		<u>17,951,990</u>	<u>14,697,152</u>
28.00	Rent, taxes, insurance, electricity, etc.		
	Rent, rates and taxes	718,968	590,884
	Insurance premium	797,704	125,963
	Electricity, gas and water, etc	1,007,538	1,561,496
		<u>2,524,210</u>	<u>2,278,343</u>
28 (a)	Consolidated rent, taxes, insurance, electricity, etc.		
	FAS Finance & Investment Limited <i>(Note 28.00)</i>	2,524,210	2,278,343
	FAS Capital Management Limited	733,105	708,638
		<u>3,257,315</u>	<u>2,986,981</u>
	Inter company office rent	(300,000)	(600,000)
		<u>2,957,315</u>	<u>2,386,981</u>

		Amount in Taka	
		for the year	
		2011	2010
29.00	Legal expenses		
	Professional & legal fees	364,602	477,817
	Appraisal fees	132,300	58,400
		<u>496,902</u>	<u>536,217</u>
29 (a)	Consolidated legal expenses		
	FAS Finance & Investment Limited (<i>Note 29.00</i>)	496,902	536,217
	FAS Capital Management Limited	20,660	20,000
		<u>517,562</u>	<u>556,217</u>
30.00	Postage, stamps, telecommunication, etc.		
	Telephone & fax	331,235	295,805
	Internet	298,759	414,026
	Postage and stamp	131,825	120,600
		<u>761,819</u>	<u>830,431</u>
30 (a)	Consolidated postage, stamps, telecommunication, etc.		
	FAS Finance & Investment Limited (<i>Note 30.00</i>)	761,819	830,431
	FAS Capital Management Limited	901,378	141,156
		<u>1,663,197</u>	<u>971,587</u>
31.00	Stationery, Printing, advertisement, etc.		
	Printing	253,691	232,579
	Stationery & Photocopy	109,611	199,036
	Publicity and advertisement	990,874	681,545
		<u>1,354,176</u>	<u>1,113,160</u>
31 (a)	Consolidated stationery, printing, advertisement, etc.		
	FAS Finance & Investment Limited (<i>Note - 31.00</i>)	1,354,176	1,113,160
	FAS Capital Management Limited	407,282	84,658
		<u>1,761,458</u>	<u>1,197,818</u>
32.00	Director's fees		
	Directors' fees	470,000	137,500
	Meeting expenses	-	-
		<u>470,000</u>	<u>137,500</u>
32 (a)	Consolidated director's fees		
	FAS Finance & Investment Limited (<i>Note - 32.00</i>)	470,000	137,500
	FAS Capital Management Limited	-	30,000
		<u>470,000</u>	<u>167,500</u>
33.00	Auditor's fees		
	Statutory	80,000	70,000
	Third quarter Audit Fee	-	-
	Half yearly	-	-
		<u>80,000</u>	<u>70,000</u>

		Amount in Taka	
		for the year	
		2011	2010
33 (a) Consolidated auditor's fees			
	FAS Finance & Investment Limited (<i>Note - 33.00</i>)	80,000	70,000
	FAS Capital Management Limited	30,000	10,000
		<u>110,000</u>	<u>80,000</u>
34.00 Depreciation and repairs of FI's assets			
	Depreciation		
	Office building	28,868,168	4,796,602
	Furniture & fixture	365,066	385,033
	Office decoration	298,223	366,325
	Office equipment	506,103	659,970
	Motor vehicles	1,758,819	1,914,792
	Electrical installation	176,342	190,255
	Computer	196,883	270,037
	Telephone line & PABX system	47,888	56,819
	Software	7,500	101,250
		<u>32,224,992</u>	<u>8,741,083</u>
	Repairs		
	Motor vehicle repair and maintenance	445,691	167,782
		<u>445,691</u>	<u>167,782</u>
		<u>32,670,683</u>	<u>8,908,865</u>
34 (a) Consolidated depreciation and repairs of assets			
	FAS Finance & Investment Limited (<i>Note - 34.00</i>)	32,670,683	8,908,865
	FAS Capital Management Limited	1,322,480	349,232
		<u>33,993,163</u>	<u>9,258,097</u>
35.00 Other expenses			
	AGM expenses	1,100,411	408,893
	Bank charge and excise duty	180,048	278,564
	Books, newspaper and periodicals	37,322	38,480
	Business promotion	3,434,214	2,417,180
	Corporate social responsibility	109,438	182,258
	CDBL charge	1,801	3,730,859
	Documentation charge	52,900	69,400
	Fine	1,000,000	-
	Entertainment	147,233	892,400
	Fees, subscription and donation	911,777	1,695,466
	Fuel, oil , lubricants & staff bus exp.	283,989	254,797
	Medical expenses	8,080	120,511
	Meeting Exp	2,500	-
	Office maintenance	907,409	744,071
	Portfolio management fees	1,299,135	-
	Registration and renewal	35,708	109,312
	Service charge	450,575	-
	Security service	371,815	319,100
	Server rental	-	168,000
	Share transfers price	471,401	-
	Software maintenance	-	182,927
	Staff bus exp	80	18,070
	Staff welfare, training and education	202,947	329,893
	TA & DA	836,120	1,158,204
	Utensil & cookeries	5,200	-
		<u>11,850,103</u>	<u>13,118,385</u>

		Amount in Taka	
		for the year	
		2011	2010
35 (a) Consolidated other expenses			
	FAS Finance & Investment Limited (Note - 35.00)	11,850,103	13,118,385
	FAS Capital Management Limited	4,789,076	5,283,527
	Less: Inter company transaction	(1,299,135)	-
		<u>15,340,044</u>	<u>18,401,912</u>
36.00 Provision against loans, advances and leases			
	On un-classified loans	7,666,070	(22,760,134)
	On classified loans	17,432,326	99,055,941
		<u>25,098,396</u>	<u>76,295,807</u>
36 (a) Consolidated provision against loans, advances and leases			
	FAS Finance & Investment Limited (Note - 36.00)	25,098,396	76,295,807
	FAS Capital Management Limited	50,000,000	9,960,880
		<u>75,098,396</u>	<u>86,256,687</u>
37.00 Provision for diminution in value of investments			
	On quoted shares	10,891,290	12,972,452
		<u>10,891,290</u>	<u>12,972,452</u>
37 (a) Consolidated provision for diminution in value of investments			
	FAS Finance & Investment Limited (Note - 37.00)	10,891,290	12,972,452
	FAS Capital Management Limited	-	5,049,227
		<u>10,891,290</u>	<u>18,021,679</u>
38.00 Provision for taxation			
	Current tax	51,023,337	5,544,424
	Deferred tax	(2,266,581)	-
		<u>48,756,756</u>	<u>5,544,424</u>
38 (a) Consolidated provision for taxation			
	Current tax		
	FAS Finance & Investment Limited (Note - 38.00)	51,023,337	5,544,424
	FAS Capital Management Limited	981,853	7,141,328
		<u>52,005,190</u>	<u>12,685,752</u>
	Deferred tax		
	FAS Finance & Investment Limited	(2,266,581)	-
	FAS Capital Management Limited	-	-
		<u>(2,266,581)</u>	<u>-</u>
		<u>49,738,609</u>	<u>12,685,752</u>

	Amount in Taka for the year	
	2011	2010
39.00 Appropriations		
Retained earnings-brought forward	122,331,260	117,606,457
Less: Adjustment for prior year	-	-
Add: Post-tax profit for the year	61,574,383	79,154,129
	183,905,643	196,760,586
Depreciation on increased value due to revaluation	22,952,358	-
Less: Stock dividend-2009	-	58,598,500
Less: Stock dividend-2010	67,388,300	-
Transferred to:	12,314,877	15,830,826
Statutory reserve	12,314,877	15,830,826
General reserve	-	-
Proposed dividend	-	-
	127,154,824	122,331,260
40.00 Earnings per share		
Earning attributable to ordinary shareholders (Net profit after tax)	61,574,383	79,154,129
Weighted average number of ordinary shares outstanding	51,664,380	51,664,380
Earnings per share	1.19	1.53

Earning per share as shown on the face of Statement of Comprehensive Income is calculated in accordance with BAS-33: Earning per share (EPS).

	Amount in Taka for the year	
	2011	2010
40 (a) Consolidated earnings per share		
Earning attributable to ordinary shareholders (Net profit after tax & minority interest)	9,478,269	89,178,651
Weighted average number of ordinary shares outstanding	51,664,380	51,664,380
Earnings per share	0.18	1.73

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).

41.00 Net asset value per share

Total asset	2,621,180,633	2,910,423,303
Total liabilities	(1,607,269,244)	(1,958,086,297)
	1,013,911,389	952,337,006
Number of share outstanding	51,664,380	51,664,380
Net asset value per share	19.62	18.43

41 (a) Consolidated net asset value per share

Total asset	2,661,272,591	3,060,379,592
Total liabilities	(1,698,821,612)	(2,098,018,064)
Borrowings from other banks, financial institution,	(935,796,856)	(1,062,405,736)
Deposits and other accounts	(312,885,648)	(516,815,144)
Others liabilities	(448,591,402)	(496,291,053)
Minority interest	(1,547,706)	(22,506,131)
	962,450,979	962,361,528
Number of share outstanding	51,664,380	51,664,380
Net asset value per share	18.63	18.63

42.00 Related Party Transaction

The company carried out a number of transactions with related parties in the normal course of business. The nature of transactions and their values are shown below:

Name of the Related Party	Transaction Nature	Relationship	Balance as on 31-Dec-11
Central Properties Ltd.	House Finance 0019/HL/2008	Sponsor Shareholder	28,314,003
Nitol Insurance Co. Ltd	Lease Finance 0778/LS/2009	Sponsor Shareholder	642,571
Mrs. Saleha Begum	House Finance 0079/HL/2010	Spouse of Mr. Md. Mofizuddin Chowdhury, Managing Director	1,100,000
Niloy Cement Ind. Ltd.	Share Investment From Secondary Market	Sponsor Shareholder	67,847
Nitol Motors	Accounts Receivable	Shareholder	1,200,000
Nitol Insurance Co. Ltd	Share Investment From Secondary Market	Sponsor Shareholder	9,808,648

43.00 General

43.01 Expenditure incurred on employees

<u>Salary Range</u>	<u>Permanent Basis</u>	<u>Contractual Basis</u>
Below Tk.3,000	Nil	Nil
Above Tk.3,000	43	3

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

43.02 Claims

	<u>31-Dec-11</u>	<u>31-Dec-10</u>
(a) Claim against the company not acknowledged as debts(Income Tax)	43,865,082	43,865,082
(b) Claim by the company not acknowledged as receivable.	Nil	Nil

43.03 Proposal of dividend

The Board of Directors 105th Board meeting, agenda no.04 held on 24 April 2012 recommended stock dividend @ 5% on 516,64,380 shares. This will be considered for approval of the shareholders at the 15th Annual General Meeting to be held on 28th June 2012.

43.04 Figures of the previous years have been rearranged, where necessary, to conform to current period presentation.

43.05 Approval of the Financial Statements

These financial statements were authorized for issue in accordance with a resolution of the company's board of directors on 24 April 2012 on its 105th Board meeting



Abdul Matlub Ahmad
Chairman



Md. Mofiz Uddin Chowdhury
Managing Director & CEO



Md. Akhtar Hossain
SVP & CFO

Dated, Dhaka
24 April 2012

FAS FINANCE & INVESTMENT LIMITED
Fixed Assets Schedule
as on 31 December 2011

Particulars	Cost			Rate of Dep.	Depreciation			Written Down Value as on 31-Dec-11
	Balance as on 01-Jan-11	Addition during the year	Adj./disposal during the year		Balance as on 31-Dec-11	Addition during the year	Adj./disposal during the year	
Land	86,527,860	-	-		-	-	-	86,527,860
Office building	288,681,678	-	-	10%	28,868,168	-	28,868,168	259,813,510
Furniture & fixture	3,674,994	751,177	-	10%	365,066	-	1,140,581	3,285,590
Office decoration	3,506,820	145,200	-	10%	689,593	-	967,816	2,684,004
Office equipment	4,375,981	241,100	-	15%	1,243,059	-	1,749,162	2,867,919
Motor vehicles	13,421,560	1,134,929	-	20%	5,762,395	-	7,521,214	7,035,275
Electrical installation	1,484,487	97,500	-	15%	406,373	-	582,715	999,272
Computer	2,266,078	94,600	-	15%	1,066,124	-	1,265,007	1,115,671
Telephone line & PABX system	418,523	9,100	-	15%	106,366	-	156,254	271,369
Software	-	50,000	-	15%	-	7,500	-	42,500
Balance at 31 December 2011	404,377,781	2,523,606	-		10,033,425	32,224,992	42,258,417	364,642,970
Balance at 31 December 2010	92,541,014	316,105,685	4,266,918		8,741,083	6,231,123	10,033,425	394,344,356

Note:

- (a) Depreciation on fixed assets has been charged at rates varying from 10% to 20% on diminishing balance method.
- (b) Full year depreciation has been charged on addition of fixed assets.
- (c) The board of director's has approved the revaluation report of the immovable properties of the company from Tk.61,321,294 to Tk.375,209,538 resulting into a valuation surplus of Tk.313,888,244. The revaluation is conducted by surveyor G.K. Adjusters Ltd.

FAS FINANCE & INVESTMENT LIMITED
Consolidated Fixed Assets Schedule
as on 31 December 2011

Particulars	Cost			Rate of Dep.	Depreciation			Written Down Value as on 31-Dec-11
	Balance as on 01-Jan-11	Addition during the year	Adj./disposal during the year		Balance as on 31-Dec-11	Addition during the year	Adj./disposal during the year	
Land	86,527,860	-	-		-	-	-	86,527,860
Office building	288,681,678	-	-	10%	28,868,168	-	28,868,168	259,813,510
Furniture & fixture	4,705,315	1,145,785	-	10%	5,851,100	504,983	1,306,256	4,544,844
Office decoration	4,144,046	324,240	-	10%	4,468,286	378,276	1,063,805	3,404,481
Office equipment	5,275,231	735,650	-	15%	6,010,881	710,115	1,986,896	4,023,985
Motor vehicle	14,850,560	1,134,929	-	20%	15,985,489	2,030,329	7,864,174	8,121,315
Electrical installation	1,484,487	97,500	-	15%	1,581,987	176,342	582,715	999,272
Computer	2,810,685	412,700	-	15%	3,223,385	320,338	1,406,135	1,815,250
Telephone line & PABX system	510,587	74,851	-	15%	585,418	71,040	182,858	402,560
Software	868,750	128,000	-	15%	996,750	144,626	177,204	819,546
Balance at 31 December 2011	409,859,179	4,053,655	-		413,912,834	33,204,216	43,440,210	370,472,624
Balance at 31 December 2010	92,541,014	321,587,083	4,268,918		409,859,179	8,943,651	6,231,123	399,623,186

Amount in Taka

Note:

- (a) Depreciation on fixed assets has been charged at rates varying from 10% to 20% on diminishing balance method
(b) Full year depreciation has been charged on addition of fixed assets.

FAS Finance & Investment Limited
Investments in Shares and Bonds
as at 31 December 2011

Shares (quoted)

Particulars	Number of shares	Market price per share /Taka	Total Market Price/Taka	Book value	Provisions
Altab Automobiles	40,920	141.90	5,806,548	8,023,582	2,217,034
Aims 1st Mutual Fund	160,500	39.80	6,387,900	10,697,770	4,309,870
Arab Bangladesh Bank Ltd.	27,150	68.30	1,854,345	2,016,973	162,628
Asia Pacific Insurance Ltd.	150	42.30	6,345	8,611	2,465
Bangladesh General Insurance Co. Ltd.	300	49.30	14,790	16,989	2,199
Bay Leasing & Investment Ltd.	1,000	70.10	70,100	102,606	32,508
Bangladesh Finance & Investment Ltd.	300	62.80	18,840	28,845	10,005
BD Welding Electrodes	1,000	48.40	48,400	65,967	17,567
CMC Kamal Textile Ltd	41	40.10	1,654	366	-
Confidence Cement Ltd.	4,360	124.50	542,620	672,912	130,092
Daffodil Computers Ltd.	15,026	21.90	329,069	216,450	-
Delta Brac Housing Finance Corp. Ltd.	14,500	91.60	1,328,200	1,896,991	568,791
Dhaka Bank Ltd.	63	44.51	2,804	3,361	557
EBL First Mutual Fund	826,000	10.20	8,425,200	10,136,333	1,711,133
Exim Bank Ltd.	57,200	27.80	1,580,160	1,796,275	206,115
Fareast Islami Life Insurance Company Ltd.	12,240	162.00	1,982,880	2,153,407	170,527
First security bank limited	464,436	26.30	12,214,687	13,524,334	1,309,667
Fu-wang Foods Ltd	15,583	50.80	791,616	712,955	-
Grameen Phone Ltd.	400	163.50	65,400	72,312	6,912
Lanka Bangla Finance Ltd.	58,000	170.20	9,831,200	9,886,389	355,189
M.I. Cement Factory	51	110.51	5,689	4,241	-
Malek Spinning Mills Ltd.	1,100	32.50	35,750	72,252	36,502
Meghna Life Insurance Co. Ltd.	19,450	186.80	3,633,280	4,224,817	591,557
Mutual Trust Bank Ltd.	2,000	34.50	69,000	79,781	10,781
National Credit & Commerce Bank Ltd	28,250	30.40	858,800	915,162	56,362
Navana CNG Ltd	4,700	63.60	302,920	511,792	118,872
Niloy Cement Ind. Ltd.	500	260.75	130,375	67,847	-
Nilol Insurance Company Limited	136,770	51.80	7,084,686	9,808,648	2,723,962
Northern General Insurance Co. Ltd.	1,000	46.60	46,600	70,833	24,233
One Bank Limited	13,500	47.70	643,950	714,336	70,385
Padma Oil Company Ltd.	3,750	733.20	2,749,500	3,302,618	553,118
Paragon Leather Ltd.	39	-	-	890	890
Peoples Leasing & Financial Services	400	69.30	27,720	44,284	16,564
PHP First Mutual Fund	48,000	6.80	326,400	339,864	13,464
Premier Leasing International Ltd	149,200	33.20	4,953,440	7,717,537	2,764,097
Prime Finance & Investment Ltd	100	98.40	9,840	13,337	3,497
Prime Islami Life Ins Co	2,150	212.50	456,875	614,151	157,276
Progressive Life Insurance Company Limited	10,000	166.20	1,662,000	1,993,882	331,882
RAK Ceramics BD Ltd.	400	78.40	31,360	42,279	10,919
Rupali Life Insurance Company Limited	62,600	175.30	10,973,780	12,155,153	1,181,373
Saihem Textile Mills Ltd.	200	60.20	12,040	16,916	4,876
Sandhaani Life Insurance Co. Ltd	56,750	165.50	9,392,125	11,559,153	2,167,028
Shahjalal Islami Bank Limited	400	32.50	13,000	15,614	2,614
Sonargaon Textile Ltd.	42,500	35.10	1,491,750	1,992,098	500,348
Square Pharmaceuticals Ltd	59,160	237.10	14,026,636	15,526,992	1,500,356
Standard Bank Ltd.	43,720	30.20	1,320,344	1,493,175	172,831
Standard Insurance Limited	1,500	42.70	64,050	81,644	17,594
The City Bank Ltd.	240	52.60	12,624	13,006	382
Union Capital Ltd.	18,500	60.50	1,119,250	1,414,321	295,071
United Airways (BD) Ltd.	1,000	23.90	23,900	31,905	8,005
United Commercial Bank Limited	300	43.90	13,170	15,815	2,645
Uttara Finance	5,600	114.20	639,520	837,074	197,554
				137,725,246	24,748,297
Shares (unquoted)					
Shahjibazar Power Company Ltd.	170,000	90.00	15,300,000	15,300,000	-
				15,300,000	-
Grand Total:				153,025,246	24,748,297

FAS Finance & Investment Limited
Financial Highlights
as at 31 December 2011

Sl. No.	Particulars	Amount in Taka		
		31-Dec-11	31-Dec-10	Change in %
1	Paid up capital	516,643,800	449,255,500	15.00
2	Total capital	843,138,807	844,865,532	(0.20)
3	Capital surplus/deficit	343,138,807	344,865,532	(0.50)
4	Total assets	2,621,180,633	2,910,423,303	(9.94)
5	Total deposits	312,885,646	516,815,144	(39.46)
6	Total loans, advances and leases	1,759,917,761	1,875,685,044	(6.17))
7	Total contingent liabilities and commitments	-	120,000,000	(100)
8	Credit deposit ratio	562.48%	362.93%	54.98
9	Percentage of classified loans, advances and leases	9.28%	21.77%	(57.36)
10	Profit after tax and provision	61,574,383	79,154,129	(22.21)
11	Classified loans, advances and leases during the period	163,381,549	408,385,279	(59.99)
12	Provisions kept against classified loans	66,354,480	105,147,518	(36.89)
13	Provision surplus/deficit	6,605,130	75,913	8,600.92
14	Cost of fund	17.18%	13.62%	26.14
15	Interest earning assets	2,042,596,006	2,273,435,903	(10.15)
16	Non-interest earning assets	578,584,627	636,987,400	(9.17)
17	Return on investment (ROI)	3.16%	3.93%	(19.61)
18	Return on asset (ROA)	2.23%	3.50%	(36.40)
19	Incomes from investment	69,778,030	98,549,940	(29.20)
20	Earning per share	1.19	1.53	(22.21)
21	Net income per share	1.19	1.53	(22.21)
22	Price earning ration (Times)	48.25	59.55	(18.98)

**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 at 31 December 2011 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.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRSs), Companies Act 1994, Financial Institutions Act, 1993, the Securities and Exchange Rules 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of these financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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


Opinion

Except for the effect on financial statements of the matter discussed in **note – 5.01**, in our opinion, the Financial Statements prepared in accordance with Bangladesh Financial Reporting Standards (BFRSs), give a true and fair view of the state of the Company's affairs as of 31 December 2011 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;
- 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 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 not 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
24 April, 2012


M. J. ABEDIN & CO
Chartered Accountants

FAS CAPITAL MANAGEMENT LIMITED
Statement of Financial Position
As at 31 December 2011

	Notes	Amount in Taka	
		31-Dec-11	31-Dec-10
<u>PROPERTY AND ASSETS</u>			
Current assets:			
Cash in hand	2.00	858	840
Cash at bank		3,300,188	111,575,255
In Bangladesh	3.00	3,300,188	111,575,255
Outside Bangladesh		-	-
Investment		87,006,801	79,099,355
Investment in shares	4.00	87,006,801	79,099,355
Others		-	-
Loans and advances		1,005,386,597	996,118,813
Margin loan to client	5.00	1,005,370,768	996,087,968
Staff loan		15,829	30,845
Others assets	6.00	14,427,934	80,802,564
Total Current Assets		1,110,122,378	1,267,596,827
Fixed Assets (Annexure-1)	7.00	5,829,654	5,278,830
Total Assets		1,115,952,032	1,272,875,657
<u>LIABILITIES AND CAPITAL</u>			
Liabilities:			
Borrowings from other banks, financial institutions and agents	8.00	976,822,498	1,039,151,468
Current Liabilities		92,042,238	132,929,559
Provision for expenses	9.00	2,747,276	1,874,889
Provision for income tax	10.00	1,081,566	99,713
Sundry creditors	11.00	23,128,289	113,301,785
Bills payable	12.00	-	296,924
Others liabilities	13.00	65,085,107	17,356,248
Total liabilities		1,068,864,736	1,172,081,027
Capital/shareholders' equity		47,087,296	100,794,630
Paid-up capital	14.00	100,000,000	100,000,000
Retained earnings	15.00	(52,912,704)	794,630
Total liabilities and shareholders' equity		1,115,952,032	1,272,875,657

FAS CAPITAL MANAGEMENT LIMITED
Statement of Comprehensive Income
for the year ended 31 December 2011

	Notes	Amount in Taka	
		31-Dec-11	31-Dec-10
<u>OPERATING INCOME</u>			
Interest income	16.00	167,788,651	45,791,637
Less: Interest paid on deposit and borrowings, etc.	17.00	161,332,388	38,483,962
Net interest income		6,456,263	7,307,675
Investment income	18.00	(22,980,598)	856,963
Commission, exchange and brokerage	19.00	165,156	4,595,000
Other operating income	20.00	28,416,841	11,405,273
		5,601,399	16,857,236
Total operating income (a)		12,057,662	24,164,911
<u>OPERATING EXPENSES</u>			
Salary and allowances	21.00	6,579,162	1,633,250
Rent, taxes, insurance, electricity, etc.	22.00	733,105	708,638
Legal expenses	23.00	20,660	20,000
Postage, stamps, telecommunication, etc.	24.00	901,378	141,156
Printing & Stationery	25.00	407,282	84,658
Directors fees		-	30,000
Auditors fees		30,000	10,000
Depreciation of fixed assets	26.00	1,322,480	349,233
Other expenses	27.00	4,789,076	5,283,527
Total operating expenses (b)		14,783,143	8,260,462
Profit before provision (c=a-b)		(2,725,481)	15,904,449
Provision for diminution in value of investments		-	5,049,227
Provisions on margin loan		50,000,000	9,960,880
Total provision (d)		50,000,000	15,010,107
Profit before taxation(c-d)		(52,725,481)	894,342
Provision for taxation		981,853	99,713
Current tax		981,853	99,713
Deferred tax		-	-
Net profit after taxation		(53,707,334)	794,629
Earnings Per Share (EPS)	28.00	(5.37)	0.08

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


 Md. Maniruzzaman Akan
 SAVP


 Abdul Halim
 Director


 Nasim Ali Khan
 CEO

As per our separate report of even date annexed.

Dated, Dhaka
 24 April 2012


 M. J. ABEDIN & CO
 Chartered Accountants

FAS CAPITAL MANAGEMENT LIMITED
Statement of Cash Flows
for the year ended 31 December 2011

	Amount in Taka	
	31-Dec-11	31-Dec-10
A. Cash flows from operating activities		
Interest receipts	167,788,651	45,791,637
Interest payments	(161,332,388)	(38,483,962)
Investment Income	(22,980,598)	856,963
Commission, exchange and brokerage	165,156	4,595,000
Payments to employees	(6,579,162)	(1,633,250)
Other operating income	28,416,841	11,405,273
Payment for other operating activities	(7,224,756)	(6,424,643)
Operating profit before changes in operating assets & liabilities	(1,746,256)	16,107,018
Increase/decrease in operating assets and liabilities		
Margin loan to client	(9,282,800)	(996,087,968)
Other assets (Receivable)	86,374,630	(80,802,564)
Others assets (Staff loan)	15,016	(30,845)
Deposit from customers	(90,173,496)	113,301,785
Borrowing from other bank & financial institute	(62,328,970)	1,039,151,468
Liabilities for expenses	872,387	1,874,889
Other liabilities (Bills payable)	(2,568,065)	2,643,065
	(97,091,298)	80,049,830
Net cash from/ (used in) operating activities	(98,837,554)	96,156,848
B. Cash flows from investing activities		
Purchase/sale of trading securities, shares, bonds, etc.	(7,907,447)	(79,099,355)
Purchase/sale of property, plant and equipment	(1,530,048)	(5,481,398)
Net cash used in investing activities	(9,437,495)	(84,580,753)
C. Cash flows from financing activities		
Proceeds from issue of ordinary share	-	100,000,000
Net cash flow from financing activities	-	100,000,000
Net increase/(decrease) in cash (a+b+c)	(108,275,049)	111,576,095
Effects of exchange rate changes on cash and cash equivalents		
Cash and cash equivalents at beginning of the Year	111,576,095	
Cash and cash equivalents at end of the year	3,301,046	111,576,095

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



Md. Maniruzzaman Akan
SAVP



Abdi Halim
Director



Nasim Ali Khan
CEO

As per our separate report of even date annexed.

Dated, Dhaka
24 April 2012



M. J. ABEDIN & CO
Chartered Accountants

FAS CAPITAL MANAGEMENT LIMITED
Statement of Changes in Equity
For the year ended 31 December 2011

Amount in Taka

Particulars	Paid-up capital	Statutory reserve	Proposed Dividend	Retained earning	Total
Balance as at 01 January 2011	100,000,000	-	-	12,530,653	112,530,653
Effects of changes in accounting policy	-	-	-	-	-
Prior year adjustment				(11,736,023)	(11,736,023)
Restated balance	100,000,000	-	-	794,630	100,794,630
Net profit after taxation for the year	-	-	-	(53,707,334)	(53,707,334)
Transfer to statutory reserve		-	-	-	-
Stock dividend - 2010	-	-	-	-	-
Balance as at 31 December 2011	100,000,000	-	-	(52,912,704)	47,087,296

FAS CAPITAL MANAGEMENT LIMITED
Notes to the Financial Statements
as at and for the year ended 31 December 2011

1.00 Significant accounting policies and other material information

a. Legal form of the enterprise and background of the formulation

FAS Capital Management Limited was incorporated in Bangladesh on 13th October 2010 as a Private Limited Company under the Companies Act, 1994.

FAS Finance & Investment Ltd. (Former Fidelity Assets & Securities Co. Ltd.) started its activity as a Merchant Bank in 1997. In the year 2010 SEC (letter No. SEC/Reg/MD-Policy/Part-VI/2008/286 Dated 26 July 2010) instructed to form a separate subsidiary company for Merchant Banking alone within 30th September, 2010. Accordingly the then management formed a separate subsidiary-Merchant Banking Company named as FAS Capital Management Ltd. and applied on 26.09.10 to SEC in order to transfer the Merchant Banking license in favor of the newly formed subsidiary company. Simultaneously the management of the FAS Finance & Investment Ltd. transferred the entire investor's portfolio amounting Tk. 97.20 crore to FAS Capital Management Ltd.

Since then the FAS Capital has been working as a full pledged subsidiary company with capital of Tk. 10.00 Crore but with an investment liability of Tk. 97.20 Crore.

It may be mentioned here that FCML has not yet received the merchant Banking license from SEC in its own name.

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 (Registration is in the name of FAS Finance and Investment Ltd.)

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; except statement of cash flows

Historical Cost Convention;

Bangladesh Accounting Standards (BAS's);

SEC (Merchant Bankers & Portfolio Manager) Ordinance 1996

SEC Rules 1987

d. Depreciation policy

Depreciation is charged on fixed assets from the following year of acquisition following reducing balance method at the rate varying from 10% to 20% depending on the nature of assets.

e. Statement of cash flows

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

f. Investment

Investment is carried in Financial Statement at cost. Provision is made for diminishing in value of investment.

g. Taxation

For net operating loss provision for income tax has been calculated on the basis of total receipts as minimum tax

h. General

All financial information is presented in taka has been rounded off to the nearest taka. Comparative figures for Balance Sheet have been given.

		Amount in Taka	
		as at	
		31-Dec-11	31-Dec-10
2.00	Cash in hand		
	Cash in Hand	858	840
		858	840
3.00	Cash at bank		
	Bank & Branch Name	Account No.	
	Dutch Bangla Bank Ltd. Gulshan Br.	STD-116.120.1505	497,949
	Jamuna Bank Ltd. Mohakhali Br.	STD-0320000467	243,528
	Mercantile Bank Ltd. Mohakhali Br.	SND-011313100000420	362,865
	Mutual Trust Bank Ltd. Gulshan Br.	STD-0022-0320000793	82,229
	Prime Bank Ltd. Mohakhali Branch	STD-11031050015284	9,604
	Prime Bank Ltd. Gulshan Branch	STD-11831060023968	113,521
	SCB, Gulshan Branch	SND-02-1111079-01	259,127
	SCB, Gulshan Branch	STD-02-5547253-02	410,835
	SCB, Gulshan Branch	CD-01-5547253-02	4,771
	The City Bank Ltd. Gulshan Branch	STD-3101221156001	413,208
	The City Bank Ltd. Gulshan Branch	STD-310191238001	603,410
	The City Bank Ltd. Narsingdi (Br.)	STD-310109238002	289,321
	Woori Bank Ltd. Gulshan Br	NDA-623000208	9,820
		3,300,188	111,575,255
4.00	Investment in share Quoted:		
	Bank	60,892,990	43,430,272
	AB Bank Ltd.	-	11,521,246
	Bank Asia Ltd	895,100	-
	Al-Arafah Islami Bank Ltd.	-	3,524,416
	Exim Bank Ltd.	-	1,646,962
	Jamuna Bank Ltd.	20,418	788,140
	NCC Bank Ltd.	-	5,418,011
	Premier Bank Ltd.	-	3,204,040
	Social Islami Bank Ltd.	31,450,110	518,215
	Southeast Bank Ltd.	24,750,934	14,338,027
	The City Bank Ltd.	459,995	1,993,311
	United Commercial Bank Ltd.	3,316,433	477,904
	Insurance	9,730,661	10,217,231
	Asia Pacific General Insurance Company Ltd.	-	6,026,063
	Paramount Insurance Company Ltd.	-	667,660
	Bangladesh general Insurance Company Ltd.	-	3,523,488
	City General Insurance Co. Ltd.	1,227,210	-
	Continental Insurance Ltd.	270,300	-
	Eastern Insurance co. Ltd.	773,100	-
	Fareast Islami Life Ins. Co. Ltd.	7,460,051	-
	Finance	-	15,364,915
	Delta Brac Housing Finance Ltd.	-	9,265,665
	Premier Leasing International Ltd.	-	6,099,250
	LankaBangla Finance Ltd.	-	-

		Amount in Taka	
		as at	
		31-Dec-11	31-Dec-10
Spinning Mills		1,083,150	6,977,298
Safko Spinninh Mills Ltd.		-	994,412
Malek Spinning Mills Ltd.		-	5,982,886
Saiham textile Mills Ltd.		-	-
Sonargeon Textile Mills Ltd		1,083,150	-
Ceramic		-	2,876,711
Fu-Wang Ceramic Industries Ltd.		-	1,950,320
RAK Ceramics Ltd.		-	926,391
Others		-	232,928
PHP 1st Mutual Fund		-	-
Beach Hatchery Ltd.		-	232,928
Unquoted:		15,300,000	-
Shaji Bazar Power Co. Ltd.		15,300,000	-
Total Investment in Shares		87,006,801	79,099,355

5.00 Margin loan to client Investors A/C:

Be Rich Ltd.	118,312,633	130,852,872
Eminent Securities Ltd.	11,911,508	19,912,775
Far East Shares & Securities Ltd.	58,280,873	41,981,020
International Security Co. Ltd.	9,877,984	8,665,908
Khwaja Equity Services Ltd.	159,456,748	141,248,188
Royal Capital Ltd.	299,397,389	383,208,955
Shah Moh. Sagir & Co. Ltd.	100,817,731	136,928,340
S.R. Capital Ltd.	42,387,460	34,291,022
Stock And Securty Linkway Ltd.	705,893	(127,974,972)
Stock & Bond Ltd.	179,254,514	208,145,476
Syinet Securities Ltd.	24,966,035	18,828,384
	1,005,370,768	996,087,968

5.01 During the financial year ended 2011, due to unusual / unexpected fall down in the share market the market value of securities fell below the receivable amount by Tk. 102,358,238 against which the company provided provision Tk. 59,960,880 which is equivalent to 5.96% of the outstanding loan amount. As per Securities and Exchange Commission (Merchant Banker & Portfolio Manager) Ordinance 1996 the company may keep provision 1% on the outstanding of the total loan.

		Amount in Taka	
		as at	
		31-Dec-11	31-Dec-10
6.00	Others assets		
	Accounts Receivable <i>(Note - 6.01)</i>	56,973	52,426,020
	Advances, Deposits and Prepayments <i>(Note - 6.02)</i>	2,443,456	2,285,653
	Share Application (Shaji Bazar Power Co. Ltd.)	-	15,300,000
	Receivable Underwriting Commission	6,108,150	10,708,994
	Advance Income Tax (AIT)	5,821,355	81,897
		14,427,934	80,802,564
6.01	Accounts receivable		
	Brokerage House <i>(Note - 6.01.1)</i>	52,973	52,267,020
	Receivable Work Station Rent	4,000	159,000
		56,973	52,426,020
6.01.1	Brokerage house		
	Be Rich Ltd.	-	-
	Far East Shares & Securities Ltd.	2,316	9,434,341
	International Securities Co. Ltd.	549	647,724
	Eminent Securities Ltd.	13,353	482,208
	Khwaja Equity Ltd.	11,990	-
	Shah Mohammad Sagir & Co.	-	-
	Stock And Security Linkway Ltd.(P-Investors)	3	13,797,679
	Stock And Security Linkway Ltd.(P-Own)	63	27,769,738
	Stock & Bond Ltd.	-	-
	Synet Securities Ltd.	24,899	135,330
		52,973	52,267,020
6.02	Advances and security deposit		
	Advance <i>(Note - 6.02.1)</i>	1,138,956	1,181,153
	Security deposit <i>(Note - 6.02.2)</i>	1,304,500	1,104,500
		2,443,456	2,285,653
6.02.1	Advance		
	Advance (Kazi Fazlur Rahman)	500,000	500,000
	Office Expenses(Head/Branch Office)	2,271	5,353
	BTCL	15,000	20,000
	Stock & Security Linkway Ltd.	100,800	100,800
	Advance(Sudir Chandra Serker)	515,000	515,000
	S.S Printers & Publications	-	40,000
	Md. Milon Gazi	885	-
	Sk Sarwar	5,000	-
		1,138,956	1,181,153
6.02.2	Security deposit		
	Grameen phone	4,500	4,500
	Office rent	1,100,000	1,100,000
	CDBL-DP	200,000	-
		1,304,500	1,104,500

		Amount in Taka	
		as at	
		31-Dec-11	31-Dec-10
7.00	Fixed Assets		
	A. Value at cost		
	Computer & accessories	842,707	524,607
	Furniture & fixture	1,424,929	1,030,321
	Motor vehicle	1,429,000	1,429,000
	Office decoration	816,466	637,426
	Office equipment	1,393,800	899,250
	Software	946,750	868,750
	Telephone & PABX	157,795	92,044
		7,011,447	5,481,398
	B. Accumulated depreciation		
	Computer & accessories	143,128	19,673
	Furniture & fixture	185,675	25,758
	Motor vehicle	342,960	71,450
	Office decoration	95,989	15,936
	Office equipment	237,734	33,722
	Software	189,704	32,578
	Telephone & PABX	26,603	3,452
		1,181,793	202,568
	Written down value (A-B)	5,829,654	5,278,830
	Details of fixed assets are given in <i>Annexure -1</i> .		
8.00	Borrowings from other banks, financial institutions and agents		
	Bank	-	-
	Financial institutions	976,822,498	1,039,151,468
	Others	-	-
		976,822,498	1,039,151,468
9.00	Provision for expenses		
	Electric bill	251,916	59,070
	Generator bill	140,032	49,568
	Suvastu Imam Square	30,289	-
	Office rent (Head office)	900,000	600,000
	Service charges	239,832	59,958
	Telephone bill	1,377	3,679
	Staff bus expenses	32,231	-
	Audit fees	30,000	10,000
	CDBL charges	120,936	934,444
	Salary & allowances (bonus)	1000863	158,170
		2,747,276	1,874,889
10.00	Provision for income tax		
	Opening balance	99,713	-
	Provision during the year	981,853	99,713
		1,081,566	99,713
	Adjustment during the year	-	-
		1,081,566	99,713

		Amount in Taka	
		as at	
		31-Dec-11	31-Dec-10
11.00	Sundry creditors		
	Be Rich Ltd.	36,305	24,748,516
	Green Land Equities Ltd.	4,559	4,559
	Royal Capital Ltd.	1,601,592	28,907,055
	S.R. Capital Ltd.	294,732	694,253
	Payable to Broker (SF)	20,148,030	20,132,638
	Khwaja Equity Services Ltd.	775,268	14,276,801
	Shah Mohammad Sagir & Co. Ltd	225,382	15,135,253
	Stock & Bond Ltd.	36,625	9,402,710
	Loan & advance	5,796	-
		23,128,289	113,301,785
12.00	Bills payable		
	Legal fees	-	21,000
	Computer & Accessories	-	27,405
	Printing & stationery	-	23,519
	Workstation rent	-	225,000
		-	296,924
13.00	Others liabilities		
	Provision against share investment (<i>Note - 13.01</i>)	5,049,227	5,049,227
	Provision against margin loan (<i>Note - 13.02</i>)	59,960,880	9,960,880
	Interest Payable	-	2,274,304
	Provident fund	-	59,672
	VAT	-	11,627
	Source tax	75,000	538
		65,085,107	17,356,248
13.01	Provision for share investment		
	Opening balance	5,049,227	-
	Provision during the year	-	5,049,227
		5,049,227	5,049,227
	Adjustment during the year	-	-
		5,049,227	5,049,227
13.02	Provision against margin loan		
	Opening balance	9,960,880	-
	Provision during the year	50,000,000	9,960,880
		59,960,880	9,960,880
	Adjustment during the year	-	-
		59,960,880	9,960,880

		Amount in Taka		
		as at		
		31-Dec-11	31-Dec-10	
14.00	Share capital			
14.01	Authorised capital			
	100,000,000 ordinary shares of Tk. 10.00 each	1,000,000,000	1,000,000,000	
		1,000,000,000	1,000,000,000	
14.02	Issued, Subscribed and Paid up Capital			
	Paid-up capital			
	10,000,000 ordinary shares of Tk. 10.00 each	100,000,000	100,000,000	
		100,000,000	100,000,000	
14.03	Percentage of Shareholding			
		2011 (%)	Taka	
	Sponsors	3	3,000,000	
	Financial Institutions	97	97,000,000	
		100	100,000,000	
		2010 (%)	Taka	
	Sponsors	20	20,000,000	
	Financial Institutions	80	80,000,000	
		100	100,000,000	
14.04	Name of the directors, sponsors shareholders & their shareholding			
		Number of Share	Total Value	
			%	
	Mr. Abdul Matlub Ahmed	100,000	1,000,000	1
	Mr. Abdul Halim	100,000	1,000,000	1
	Mr. Sudir Chandra Sarker	100,000	1,000,000	1
	FAS Finance & Investment Ltd.	9,700,000	97,000,000	97
		10,000,000	100,000,000	100
15.00	Retained earnings			
	Opening balance		794,630	-
	Net profit after taxation		(53,707,334)	794,630
			(52,912,704)	794,630
16.00	Interest Income			
	Interest on margin loan (<i>Note - 16.01</i>)	166,678,035	44,990,815	
	Bank interest	1,106,266	728,959	
	Interest on staff loan	4,350	392	
	Interest for late payment	-	71,471	
		167,788,651	45,791,637	
16.01	Interest on margin loan Investors A/C:			
	Be Rich Ltd.	20,389,658	5,396,883	
	Eminent Securities Ltd.	2,266,748	929,225	
	Far East Shares & Securities Ltd.	8,664,448	1,948,671	
	International Security Co. Ltd.	1,553,193	318,467	
	Khwaja Equity Services Ltd.	26,503,694	4,896,491	
	Royal Capital Ltd.	48,513,176	15,917,650	
	Stock & Bond Ltd.	28,987,280	7,884,960	
	Shah Moh. Sagir & Co. Ltd.	18,421,698	5,897,842	
	S.R. Capital Ltd.	6,366,738	1,110,943	
	Synet Securities Ltd.	3,795,662	666,794	
	Stock And Security Linkway Ltd.	1,215,740	22,869	
		166,678,035	44,990,815	

		Amount in Taka for the year	
		2011	2010
17.00	Interest paid on deposit and borrowings, etc.		
	Bank	-	-
	Financial institution	161,332,388	38,483,962
	Others	-	-
		161,332,388	38,483,962
18.00	Investment income		
	Investment in share	(23,451,648)	856,963
	Dividend on shares	471,050	-
		(22,980,598)	856,963
19.00	Commission, exchange and brokerage		
	Underwriting commission	165,156	4,595,000
		165,156	4,595,000
20.00	Other operating income		
	Portfolio management fees (<i>Note - 20.01</i>)	28,386,959	10,842,073
	Documentation fee	19,200	445,200
	Work Station rent	5,000	105,000
	Cheque Dishonour fee	500	13,000
	Other income	5,182	-
		28,416,841	11,405,273
20.01	Portfolio management fees Investors A/C :		
	Be Rich Ltd.	2,960,300	1,194,881
	Eminent Securities Ltd.	316,784	197,646
	Far East Shares & Securities Ltd.	831,126	330,616
	International Security Co. Ltd.	147,514	58,067
	Khwaja Equity Services Ltd.	4,851,976	1,400,408
	Royal Capital Ltd.	8,044,414	3,973,936
	Stock & Bond Ltd.	3,972,432	1,610,681
	Shah Moh. Sagir & Co. Ltd.	2,997,238	1,244,233
	S.R. Capital Ltd.	621,025	191,639
	Synet Securities Ltd.	511,524	153,021
	Stock And Security Linkway Ltd.	2,033,491	486,945
	FAS Finance	1,299,135	-
		28,386,959	10,842,073
21.00	Salary and allowances		
	Basic salary (<i>Note - 21.01</i>)	5,819,985	1,317,543
	Provident fund (<i>Note - 21.02</i>)	229,850	29,836
	Festival bonus (<i>Note - 21.03</i>)	529,347	285,871
		6,579,162	1,633,250

		Amount in Taka	
		for the year	
		2011	2010
21.01	Basic salary		
	Dhaka (Head Office)	4,742,285	1,143,634
	Chittagong (Branch Office)	315,980	57,660
	Narsingdi (Branch Office)	449,947	72,600
	Sylhet (Branch Office)	311,753	43,649
		5,819,965	1,317,543
21.02	Provident fund		
	Dhaka (Head Office)	180,241	25,516
	Chittagong (Branch Office)	15,083	2,370
	Narsingdi (Branch Office)	21,813	1,950
	Sylhet (Branch Office)	12,713	-
		229,850	29,836
21.03	Festival bonus		
	Dhaka (Head Office)	428,196	257,235
	Chittagong (Branch Office)	31,317	9,636
	Narsingdi (Branch Office)	42,417	12,055
	Sylhet (Branch Office)	27,417	6,945
		529,347	285,871
22.00	Rent, taxes, insurance, electricity, etc		
	Office rent (Head Office)	300,000	600,000
	Electric bill (Head Office)	277,993	59,070
	Generator bill (Head Office)	144,244	49,566
	Insurance premium	10,868	-
		733,105	708,638
23.00	Legal expenses		
	Professional fees	20,000	20,000
	Others	660	-
		20,660	20,000
24.00	Postage, stamps, telecommunication		
	Postage & courier	11,810	160
	Internet bill	796,841	120,135
	Telephone & mobile bill	92,727	20,861
		901,378	141,156
25.00	Printing & stationery		
	Dhaka (Head Office)	386,152	83,718
	Narsingdi (Branch Office)	8,885	940
	Chittagong (Branch Office)	11,145	-
	Sylhet (Branch Office)	1,100	-
		407,282	84,658

		Amount in Taka	
		for the year	
		2011	2010
26.00	Depreciation on fixed assets		
	Computer & accessories	123,455	19,872
	Furniture & fixture	139,917	25,758
	Motor vehicle	271,510	71,450
	Office decoration	80,053	15,935
	Office equipment	204,012	33,721
	Software	137,126	32,578
	Telephone & PABX	23,151	3,455
		979,224	202,569
	Repair & maintenance		
	Software Maintenance	186,000	126,000
	Vehicle Maintenance	19,890	-
	Repair & maintenance	137,366	20,664
		343,256	146,664
		1,322,480	349,233
27.00	Other expenses		
	Server rental	252,000	63,000
	Service charge	239,832	59,958
	Register fees	129,418	494,025
	Fuel & lubricants	132,585	8,674
	TA&DA	102,430	82,671
	Spare & accessories	20,400	750
	Business promotion	100,425	10,000
	CDBL charge	2,556,109	4,464,312
	Bank charge & commission	56,610	36,096
	Entertainment (<i>Note - 27.01</i>)	177,085	58,448
	Office maintenance	61,542	830
	Newspaper & periodicals	6,350	300
	Fees & subscription	279,500	4,463
	Garage rent	7,600	-
	Staff fooding	14,714	-
	Staff welfare	49,160	-
	Tour & travels	467,685	-
	Training & development	105,500	-
	VAT expense	14,276	-
	Corporate social responsibility	10,500	-
	Crockery	3,355	-
		4,789,076	5,283,527
27.01	Entertainment		
	Dhaka (Head Office)	139,757	50,371
	Narsingdi (Branch Office)	25,690	8,077
	Chittagong (Branch Office)	10,932	-
	Sylhet (Branch Office)	706	-
		177,085	58,448

		Amount in Taka	
		for the year	
		2011	2010
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	Chittagong (Branch Office)	10,932	-
	Sylhet (Branch Office)	706	-
		177,085	58,448

		Amount in Taka	
		for the year	
		2011	2010
28.00	Basic earning per share (EPS) discloser under BAS 33		
	Net Profit for the year	(53,707,334)	794,629
	Weighted average number of ordinary shares	10,000,000	10,000,000
	Basic earning per share (EPS)	(5.37)	0.08
29.00	Other memorandum items		
	Customers stock of securities- Marchant Banking wing	1,943,619,395	2,931,976,383
		1,943,619,395	2,931,976,383


 Md. Maniruzzaman Akan
 SAVP


 Abdul Halim
 Director


 Nasim Ali Khan
 CEO

Dated, Dhaka
 24 April, 2012


 M. J. ABEDIN & CO
 Chartered Accountants

FAS CAPITAL MANAGEMENT LIMITED
Fixed Assets Schedule
As on 31 December 2011

Particulars	Value At Cost			Rate (%)	Depreciation			Written Down Value as on 31-December-11
	Balance as on 01-Jan-11	Addition during the year	Adjustment/ disposal during the year		Balance as on 31 December 11	Addition during the year	Adjustment/ disposal during the year	
Computer & Accessories	524,607	318,100	-	842,707	123,455	-	143,128	699,579
Furniture & Fixture	1,030,321	394,608	-	1,424,929	139,917	-	165,675	1,259,254
Motor Vehicle	1,429,000	-	-	1,429,000	271,510	-	342,960	1,086,040
Office Decoration	637,426	179,040	-	816,466	80,063	-	95,989	720,477
Office Equipment	899,250	494,550	-	1,393,800	204,012	-	237,734	1,156,066
Software	868,750	78,000	-	946,750	137,126	-	169,704	777,046
Telephone & PABX	92,044	65,751	-	157,795	23,151	-	26,603	131,192
Total	5,481,398	1,530,049	-	7,011,447	979,224	-	1,181,793	5,829,654

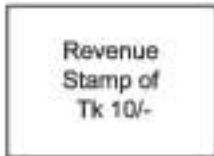
Amount in Taka

FAS FINANCE & INVESTMENT LIMITED

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

PROXY FORM

I/We _____
of _____
being a member of FAS FINANCE & INVESTMENT LIMITED do hereby appoint Mr./Mrs./Mis. _____
_____ or (failing him/ her) of _____
_____ as my/our proxy to attend and vote for me/as and on my/our
behalf at the 15th Annual General Meeting of the company to be held on Thursday, June 28, 2012 at 11.am at hotel
Abakash Bangladesh Parjatan Corporation, Mohakhali, Dhaka.



Signature of Member _____
BO/ ID No. _____
No. of Shares _____

Signature of proxy _____

Note: A member entitled to attend and vote at the General Meeting may appoint a Proxy to attend and vote in his/her
stead. The Proxy Form, duly stamped, must be deposited at the Registered Office (Suvastu Imam Square, 4th floor,
65, Gulshan Avenue, Gulshan, Dhaka-1212) of the Company not later than 48 hours before the time fixed for the
meeting.

FAS FINANCE & INVESTMENT LIMITED

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

ATTENDANCE SLIP

I hereby record my attendance at the 15th ANNUAL GENERAL MEETING of the company being held on Thursday,
June 28, 2012 at 11.am at hotel Abakash Bangladesh Parjatan Corporation, Mohakhali, Dhaka.

Name of Member / Proxy _____

Folio / BO ID No. _____

Signature _____ Dated _____

N. B. Shareholders attending the meeting in person or Proxy are requested to complete the attendance slip and
deposit the same at the entrance of the meeting hall.

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