



Growth & Sustainability

FAS Finance & Investment Limited has been working together to bring its growth & sustainability for more than a decade to make powerful the industry and national economy. During the last decade, we have observed a remarkable upsurge of concern about the sustainability of economic development over the long run. As a result considerable effort has been invested in the design of an analytical framework that can be used to think about policies that promote sustainable growth. Sustainable growth is the realistically attainable growth that a company could maintain without running into problems. A business that grows too quickly may find it difficult to fund the growth. FFIL built a strong dynamic leadership to face the challenges and ensuring growth & sustainability by the way of profit maximization and moving together to achieve the company's vision.

Passage of FAS Finance & Investment Limited

FAS Finance & Investment Limited (FFIL) is a registered Public Limited Company established in 1997 under the Companies Act. 1994. Primarily, the company received license from Bangladesh Securities & Exchange Commission (BSEC) to act as a Merchant Bank in 1998. Subsequently the FFIL obtained license from Bangladesh Bank in 2001 as a first generation Non-Banking Financial Institution (NBFI) under the Financial Institutions Act. 1993 with the belief of innovation, integration in financial services and creation of best value to the Shareholders. FFIL is sponsored by a group of renowned & dedicated Bangladeshi industrialists and businessmen with the initial paid up capital of Tk. 21.34 million against Authorized Capital of Tk. 500 million. At present the paid up capital stands at Tk. 1490.77 million against Authorized Capital of Tk. 2100 million.

FFIL has been progressively growing over 19 years by providing prompt and high quality services to diverse group of customers within its territory. FFIL is dedicated to broaden the depth and width of its services while maintaining high asset quality. Incessant development and providing financial solutions in Industrial Finance, Transport Finance, Home Loan, SME Finance, Corporate Finance, and other potential sectors are the significant concern of FFIL since its inception. As a part of endeavors to capitalize the competitive advantages through widening the financial services, FFIL also offers factoring loan against receivables, finance to women entrepreneurs, green financing as well as lucrative deposit schemes.

FFIL is a publicly traded Company listed with Dhaka & Chittagong Stock Exchanges, and regulated by Bangladesh Securities and Exchange Commission FFIL maintains the Investor Relations Department to meet up the shareholders' complaints (if any) regarding any inconvenience. In addition to part of Money Market, FFIL is also involved with capital market through its subsidiary as "FAS Capital Management Limited" of the Country. FAS Capital Management Limited, a wholly owned subsidiary Company of FAS Finance & Investment Limited, was incorporated as Private Limited Company in Bangladesh in 2010 under the Companies Act. 1994 and received license from Bangladesh Securities and Exchange Commission in 2012. FAS Capital Management Limited provides issue management, portfolio management, and other allied services with advisory support to the investors as and when required, even any uncalled situation.

Letter of Transmittal

**All Shareholders
Bangladesh Bank
Registrar of Joint Stock Companies & Firms
Bangladesh Securities & Exchange Commission
Dhaka Stock Exchange Ltd.
Chittagong Stock Exchange Ltd.**

Subject: Annual Report for the year ended 31 December 2022

Dear Sir,

We are pleased to enclose a copy of the Annual Report together with the Audited Financial Statements including Balance Sheet as at December 31, 2022, Profit and Loss Account, Cash Flow Statement and Statement of Changes in Equity for the year ended on that date along with notes thereon for your kind information and record.

Thank you.

Sincerely yours,



Md. Ayinuddin, FCS
Company Secretary



Notice of the 26th Annual General Meeting

Notice is hereby given that the 26th Annual General Meeting (AGM) of the shareholders of FAS Finance & Investment Limited will be held on Thursday, December 21, 2023 at 11.00 a.m. virtually through the link <https://fasfin26thagm.digitalagmbd.net> using Digital Platform to transact the following proceedings:

AGENDA

01. To receive and adopt the Directors' Report, Auditors' Report and Audited Financial Statements of the Company for the year ended December 31, 2022;
02. To declare Dividend for the year ended December 31, 2022;
03. To elect/re-elect Directors;
04. To appoint the Statutory Auditors till next Annual General Meeting for auditing the Financial Statements for the year ended December 31, 2023 and to fix their remuneration;
05. To appoint the Auditors for auditing Corporate Governance for the year ended December 31, 2023 and to fix their remuneration;

By order of the Board

Md. Ayinuddin, FCS

Company Secretary

Dated: November 30, 2023

Notes

1. November 26, 2023 is the 'Record Date' to determine the Shareholders' entitlement to the dividend and their eligibility to attend and vote at the meeting.
2. The Board of Directors recommended 'No Dividend' for the year ended December 31, 2022.
3. Pursuant to the Bangladesh Securities and Exchange Commission (BSEC) Order No. SEC/SRMIC/94-231/25 dated July 08, 2020 the 26th Annual General Meeting of the Company shall be conducted via live webcast by using Digital Platform.
4. Link for joining the Annual General Meeting through Digital Platform and detail login process will be notified to the Shareholders through mobile SMS and e-mail. Full login/participation process for the Digital Platform Meeting will also be available in the Company's official website: www.fasbd.com
5. A member eligible to attend and vote at the Annual General Meeting may appoint a proxy to attend, speak and vote or abstain from voting in his/her/its/their stead. The Proxy Form duly completed and stamped must be deposited at the Registered Office of the Company no later than 72 hours before the time set for holding the meeting.
6. Pursuant to the Bangladesh Securities and Exchange Commission (BSEC) Notification No. BSEC/CMRRCD/2006-158/208/Admin/81, dated 20 June 2018, the soft copy of the Annual Report 2022 will be sent to the email addresses of the Members available in their Beneficial Owner (BO) accounts maintained with the Depository. The soft copy of the Annual Report of 2022 will also be available in the Company's website: www.fasbd.com

N.B: Members may please note that no gift or benefits in cash or kind shall be given at the AGM as per BSEC's notification dated 24 October 2013.

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Business Philosophy

FFIL's business philosophy outlines our Vision, Mission and Strategy along with our Guiding Principles and expectations of leaders. It outlines in a simple way who we are, what we stand for and how we get things done. It's easy for employees to understand and incorporate in their day-to-day work.

Our Vision

To become a premier financial institution for providing innovative and credible financial products & services for every community of our country.

Our Mission

1. To inspire & enable customers for making healthy business relationships of mutual benefit and create customers' loyalty, shareholders' value and employees' satisfaction.
2. To strengthen capital base and to secure a sustainable business growth on long term basis.
3. To maintain strong risk management & compliance, high underwriting standards and internal control using best banking practices, including timely recovery of all loans.
4. To contribute to the development of our community by providing wide variety of financial products, services and solutions with special emphasis to CMSME.
5. To introduce and maintain state of the art technology for enhancing digitalization, further tailoring of financial services ensuring quick delivery of customers' need.

Our Objectives

1. Raising of Capital base of Tk. 500 crore in long term (phase by phase) from multiple sources through issuance of bonds/right shares etc. jointly by Treasury and Accounts departments under the guidance of company secretariat.
2. Launching new & customized products and services (for deposit, credit & others) by Treasury/Credit department and promoting it in co-ordination with corporate branding department.
3. Expansion of credit & investment portfolio comprising of a balanced mix of quality credit/investment by Tk. 1000 crore in long term with special focus on CMSME sector with a view to increasing profitability of the company led by credit department.
4. Deposit being considered as the blood stream of any financial institution, extensive promotional campaign & marketing drive to be given by all departments led by top management to increase the deposit to Tk. 2000 crore within next 5-7 years.
5. Following comprehensive recovery guidelines by Special Asset Management department, to facilitate systematic & timely recovery of all kinds of loan in order to arrest from non-performing as well as to bring that to below 10% within 2029.

Core Values

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 Employee:

- 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.

CORPORATE DIRECTORY

Registered Name of the Company	: FAS Finance & Investment Limited
Company Registration Number	: C-32457
Bangladesh Bank License	: FID(L)/27(1)/2001
Legal Form	: Incorporated in 1997 with RJSCB as a Public Limited Company under the Companies Act. 1994 and issuer listed by securities with Dhaka Stock Exchange & Chittagong Stock Exchange.
Corporate Head Office	: Suvastu Imam Square (4th & 5th Floor), 65, Gulshan Avenue, Gulshan-1, Dhaka-1212, Phone : +88 -02-58815841, FAX : +88 02 9860531
Company E-mail	: info@fasbd.com
Company Website	: www.fasbd.com
Chattogram Branch	: Aktaruzzaman Centre, (9th floor), 21/22, Agrabad Commercial Area Chattogram-4100, E-mail: Chattogram@fasbd.com
Sylhet Branch	: Feroz Centre (4 th Floor), Chouhatta, Sylhet Sadar, Sylhet-3100, E-mail: sylhet@fasbd.com
Narsingdi Branch	: Index Plaza (Basement Floor), Station Road Bowakur, Narsingdi. E-mail: narsingdi@fasbd.com
Managing Director (CC)	: Mr. A. F. Sahbbir Ahmad
Chief Financial Officer	: Mr. Md. Abdul Bari Sarker
Company Secretary	: Md. Ayinuddin, FCS
Accounting Year End	: 31 December
Authorized Capital	: Tk. 2,100,000,000/-
Paid-up Capital	: Tk. 1,490,773,640/-
No. of Employee	: 32
Auditors (For Financial Statements)	: K.M. ALAM & CO. Chartered Accountants 46 Mohakhali C/A (12th floor), Dhaka-1212.
Auditors (For CG Guidelines Compliances)	: Saiful Enayets Associates Cost & Management Accountants House # 53, Road # 03, Sector # 3, Uttara, Dhaka-1230, Bangladesh, Phone; +880255087069, Cell:+8801911-753415 01716446036, Email: saifur.sea@gmail.com web:www.saifurenayet.com
TIN	: 142726239751
VAT Registration No.	: 000467229
Trade License No.	: 03-027573

Principal Bankers	: Al-Arafah Islami Bank Ltd. Bank Asia Ltd. BASIC Bank Ltd. Dhaka Bank Ltd. Dutch Bangla Bank Ltd. Mercantile Bank Ltd. Midland Bank Ltd. Mutual Trust Bank Ltd. NCC Bank Ltd. NRB Bank Ltd. NRB Commercial Bank Ltd Prime Bank Ltd. Social Islami Bank Ltd. South Bangla Agriculture & Commerce Bank Ltd. State Bank of India The Premier Bank Ltd. Uttara Bank Ltd. Woori Bank
Stock Brokers	: Khwaja Equity Services Limited Stock & Bond Limited KHB Securities Limited International Leasing Securities Limited Be Rich Limited
Memberships	: Bangladesh Leasing & Finance Companies Association (BLFCA) Bangladesh Association of Publicly Listed Companies (BAPLC) The Institute of Bankers, Bangladesh (IBB)

Historical Record of Dividend Payments

Sl. No	Shareholding position of the Company	No. of Shares	Balance	Paid up capital in Tk.
1	Initial Subscription	1,500,200	1,500,200	150,020,000
2	Right Share	850,000	2,350,200	235,020,000
3	10% Bonus Share for the year 2006	150,020	2,500,220	250,022,000
4	Issuing IPO 2007	1,406,350	3,906,570	390,657,000
5	12% Cash for the year 2008	3,906,570	3,906,570	390,657,000
6	15% Bonus Share for the year 2009	585,985	4,492,555	44,925,550
7	15% Bonus Share for the year 2010 (Split of share @Tk. 100 to Tk.10)	6,738,830	51,664,380	516,643,800
8	5% Bonus Share for the year 2011	2,583,219	54,247,599	542,475,990
9	5% Bonus Share for the year 2012	3,254,855	57,502,454	575,024,550
10	Right Share and 5.20% Cash for the year 2013	54,247,599	111,750,053	1,117,500,530
11	10% Cash for the year 2014	111,750,053	111,750,053	1,117,500,530
12	10% Bonus Share for the year 2015	11,175,005	122,925,058	1,229,250,580
13	5% Bonus Share for the year 2016	6,146,253	129,071,311	1,290,713,110
14	10% Bonus Share for the year 2017	12,907,131	141,978,442	1,419,784,420
15	5% Bonus Share for the year 2018	7,098,922	149,077,364	1,490,773,640

Sector Wise Investment

Taka in million

Sl. No	Sector Wise Investment	Investment in 2022	% in 2022
1	Trade and Commerce	857.65	46.60
2	Garments & Accessories	54.17	2.94
3	Textile	23.46	1.28
4	Food & Beverage	0.96	0.05
5	Jute & Jute Products	5.98	0.33
6	Plastic Rubber Industries	0.25	0.01
7	Leather and Leather products	0.88	0.05
8	Iron, Steel & Engineering	0	0.00
9	Chemicals & Pharmaceuticals	154.98	8.42
10	Paper, Printing & Packaging	13.84	0.75
11	Ship Manufacturing Industry	26.46	1.44
12	Electronics & Electrical	8.37	0.45
13	Power, Gas, Water & Sanitary Services	6.66	0.36
14	Transport & Aviation	177.61	9.65
15	Others	1.23	0.07
16	Agriculture	24.72	1.34
17	Home loan	231.73	12.59
18	Merchant Banking	250.25	13.60
19	Services	0.087	0.01
20	Consumer Finance	1.06	0.06
Total		1840.35	100.00

Financial Highlights as required by Bangladesh Bank

Sl. No	Particulars		Taka in Million	
			31-Dec-2022	31-Dec-2021
1	Paid up capital	Taka in Million	1,490.77	1,490.77
2	Total capital	Taka in Million	(11,361.52)	(4,290.40)
3	Capital surplus/deficit	Taka in Million	(12,361.52)	(5,323.62)
4	Total assets	Taka in Million	20,827.32	21,739.89
5	Total deposits	Taka in Million	10,173.01	9,550.45
6	Total loans, advances and leases	Taka in Million	18,403.52	19,279.29
7	Credit deposit ratio	%	180.91	201.87
8	Percentage of classified loans, advances and leases	%	99.51	88.92
9	Profit after tax and provision	Taka in Million	(6,322.50)	(2,593.89)
10	Classified loans, advances and leases during the year	Taka in Million	18,313.30	17,143.32
11	Provisions kept against classified loans	Taka in Million	5810.59	2,600.88
12	Provision surplus/deficit	Taka	6,960.00	8,000.00
13	Cost of fund	%	11.01	10.61
14	Interest earning assets	Taka in Million	19,972.20	20,800.71
15	Non-interest earning assets	Taka in Million	855.12	939.19
16	Return on investment (ROI)	%	(33.52)	(13.48)
17	Return on asset (ROA)	%	(29.71)	(12.02)
18	Income from investment	Taka in Million	279.84	(0.12)
19	Earnings per share	Taka	(42.41)	(17.40)
20	Net income per share	Taka	(42.41)	(17.40)
21	Price earning ratio (Times)	Times	(0.14)	(0.40)

Five Years Financial Summary

Taka in Million

Operating Year	2022	2021	2020	2019	2018
Total Assets	2,087.32	21,739.89	21,534.41	20,270.24	18,777.76
Total Liability	32,115.17	26,027.17	23,228.37	19,932.47	16,975.26
Financial Liabilities	18,478.73	17,442.17	16,395.77	15,703.49	15,067.67
Investment Portfolio	18,403.52	19,279.29	19,190.80	17,928.10	15,353.56
Term Deposit Balance	10,173.01	9,550.45	9,089.51	8,943.85	8,374.90
Operating Income	(1,553.72)	(1,447.45)	(1,604.22)	(251.21)	257.61
Operating Expenses	1,310.03	103.28	121.60	130.39	135.91
Financial Expenses	1,665.73	1,770.68	1,825.52	1,974.15	1,823.24
Profit Before Tax	(6,317.71)	(2,594.41)	(2,028.41)	(1,457.67)	42.82
Net Profit After Tax	(6,322.50)	(2,593.89)	(2,031.73)	(1,464.73)	(25.81)
Debt to Equity (times)	(2.85)	(16.47)	(11.69)	109.58	9.40
Financial Expenses Coverage (Times)	(1.72)	0.18	(1.11)	(0.74)	0.02
ROA (%)	(29.71)	(12.02)	(9.72)	(7.50)	(0.14)
Earnings Per Share (Tk.)	(42.41)	(17.40)	13.63	(9.83)	(0.17)
Dividend Per Share (%)	-	-	-	-	5
P/E Ratio (Times)	(0.14)	(0.40)	(0.51)	(0.68)	(77.97)
Dividend Yield (%)	-	-	-	-	0.62
Dividend Payout Ratio (%)	-	-	-	-	(29.41)
No. of Shares	149.08	149.08	149.08	149.08	141.98
Year End Market Price Per Share (Tk.)	5.80	7.00	6.60	6.70	13.50
NAV Per Share (Tk.)	(75.72)	(28.76)	(11.36)	2.27	12.09
Shareholders' Equity	(11,287.85)	(4,287.28)	(1,693.96)	337.77	1,802.50

Message from the Chairman



Dear Shareholders,

Assalamu Alaikum

I extend a warm welcome to all shareholders at the 26th Annual General Meeting of FAS Finance Investment Limited. It is an honor to present the Annual Report for the financial year ending on 31 December 2022, along with the Auditors' Report.

Before delving into our affairs, let's review the global economic landscape. Global growth is projected to decline from 3.2 percent in 2022 to 2.7 percent in 2023 due to various challenges, including the aftermath of the COVID-19 pandemic, the Russia-Ukraine crisis, and unrest in the Middle-East. These factors have led to a cost-of-living crisis and tightening financial conditions worldwide, impacting energy trade and oil prices.

Despite these challenges, Bangladesh's economy has shown resilience to post-pandemic consequences. After a fall in GDP growth, the country rebounded to 6.94 percent in FY 2020-21 and 7.10 percent in FY 2021-22. However, the Russia-Ukraine crisis has impacted economic growth, with a projected GDP growth of 6.03 percent in FY 2022-23.

Turning to performance of the company, the year 2022 presented difficult challenges, including a lack of trust in the NBFIs sector, a rising NPL rate, and poor performance in subsidiaries due to a bearish stock market. Fresh lending was halted in mid-2019 due to liquidity issues and the same scenario prevailed in 2022. Total loans, advances and leases were Tk.1840.35 Crore and total NPL amount of Tk. 1831.33 Crore which is 99.51% of total loan. Significant provision against non-performing loans and subsidiary losses had to be added to the yearly operational loss of Tk. 212.85 crore as reflected in the financial statements. Despite all these adversities, our principle was to honor the encashment request of our depositors. In the year 2022, we had to sustain huge withdrawal pressures from our depositors and paid Tk. 10.10 Crore to small individual depositors. I appreciate the patience of depositors for not getting the matured amount at a time.

Though, we are not in a position to provide any good news at this moment but we are confident to overcome these adverse situations by ensuring our all-out efforts and expecting to achieve some improvement in near future.

We recognise the efforts of the present Management of the Company to recover BDT 22.46 crore from the defaulted loan accounts in the reporting year. Moreover, all sorts of legal measures have been taken by the Management to recover from the defaulter clients specially from the large corporate and individual clients. Since, legal proceedings against few of those large clients are in final stage for judgment under the respective Court, we are expecting positive impact in coming years by recovering a mentionable sum of amount from the defaulter clients which will reduce existing high NPL ratio.

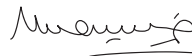
The Board of Directors has derived explicit guidelines for adopting a comprehensive plan for emphasizing on recovery from both medium and large-scale loans, put greater emphasis on improving the overall asset quality of the company and to ensure the prompt repayment of depositors' money as much as possible.

I admit that next year might be more challenging for the company but we have confidence to overcome this adverse situation. We are committed to utilize all sorts of resources and strategy to regain our earlier reputation by turning back this company into profitability again through taking measures for reviving the company as elaborated in the Directors Report

I express gratitude to the regulators and shareholders for their support. I express thanks to my colleagues in the Board for their wonderful co-operation. As we approach the 26th Annual General Meeting, I anticipate and welcome your active participation. Your thoughtful inputs will undoubtedly contribute to the continuous improvement of the company in the days to come. Together, we can navigate challenges and work towards the revival of our company.

Thank you for your ongoing trust and support.

Thanking you,



Mohammed Nurul Amin
Chairman

Corporate Governance

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Shareholder's Information as on December 31, 2022

BRIEF PROFILE OF THE DIRECTORS



Mr. Mohammed Nurul Amin
Independent Director & Chairman

Mr. Mohammed Nurul Amin joined in FAS Finance & Investment Limited (FFIL) as Independent Director & Chairman on May 31, 2021. In his 41 years of experiences in Banking, Mr. Amin took the responsibility of Managing Director & CEO of Meghna Bank Ltd. in June 2014 & serve up to December, 2017 and he is former Managing Director & CEO for 09 (nine) years at NCC Bank Ltd. He started his career in Janata Bank Ltd. as Senior Officer in 1977 and in 1983, he joined in National Bank Ltd., first Private Bank in the country. Mr. Mohammed Nurul Amin obtained his Honorurs and Masters in Economics in 1973 and 1974 respectively from University of Dhaka. Besides, he received higher education and different trainings on Banking from home and abroad. He was the Chairman of Association of Bankers' Bangladesh (ABB), Primary Dealers' Bangladesh Ltd. (PDBL) and Bangladesh Foreign Exchange Dealers Association (BAFEDA). He is the only CEO of Banks who held the position of Chairman of these 03(three) organization. He was a Senate Member of University of Dhaka from 2010 to 2013. Presently he is a fellow of Institute of Bankers, Bangladesh (IBB).

Mr. Amin is associated with various social activities including Rotary International & Bangladesh Red Crescent Society. Mr. Amin was born in 1954 and hails from Laxmipur.

Mr. Md. Salim
Independent Director

Mr. Md. Salim is appointed as an Independent Director of FAS Finance & Investment Limited by Bangladesh Securities & Exchange Commission (BSEC). He is nominated Director of FAS Capital Management Ltd. He is also appointed as Independent Director of Alhaj Textile Mills Ltd. by Bangladesh Securities & Exchange Commission (BSEC). He has completed B.Com (Hon's) Finance in 1993 and M.Com Banking in 1995 from University of Dhaka. He is also Gold Medalist for his academic excellence. He has 15 years teaching experience from University of Dhaka, under Banking & Insurance Department. He has also 5 years teaching experience from Jagannath University, under Management Information and Accounting System Department. He has also completed professional degree Banking Diploma (Part I & II). Written many articles on Banking in nationally and internationally reputed Journals and publications. He has 20 years banking experience also. Lastly he was Deputy Managing Director (DMD) of a State Owned Bank. Currently he is also pursuing Doctorate of Business Administration, under Business Faculty University of Dhaka. Presently Mr. Md. Salim is serving as a Senior Faculty Member of Bangladesh Academy for Securities Markets (Academic Wing of BSEC).





Professor Dr. Muhammad Saifuddin Khan

Independent Director

Professor Dr. Muhammad Saifuddin Khan joined as an Independent Director of FAS Finance & Investment Limited on May 31, 2021. Currently, Dr. Khan is working as an Professor of Finance in the Department of Finance, University of Dhaka, Bangladesh. During his long & esteemed 15 years teaching career he taught at the University of Dhaka, Bangladesh; University of Sydney, Australia; University of Technology Sydney, Australia, and University of Western Sydney, Australia. His teaching areas are Corporate Finance, Financial Management, Portfolio Management, Investment Analysis, Financial Markets & Institutions, Commercial Bank Management, Management of Financial Institutions, Financial Statement & Analysis and Valuation, etc. His research interest focuses on Financial Institutions, Banking Regulation, Corporate Finance, Capital Markets, and Corporate Governance. Dr. Khan started his career in Premier Bank Ltd. as Management Trainee Officer in 2004. Dr. Khan joined as a Lecturer in the Department of Finance, University of Dhaka in 2006. So far, he has 13 research articles published in peer-reviewed national and international indexed journals. He has received many national & international awards, scholarships, and research grants. Currently, Dr. Khan is working as Placement Director and Student Adviser at the Department of Finance, University of Dhaka. Currently, he is also working as an Independent Director of Dhaka Regency Hotel & Resort Ltd. appointed by the High Court Division, Supreme Court of Bangladesh. Dr. Khan is also working as Independent Director of Al-haj Textile Mills Ltd. and Bangladesh Welding Electrodes Ltd. appointed by the Bangladesh Securities and Exchange Commission.

Dr. Khan completed his B.B.A. & M.B.A. in Finance from the Department of Finance, University of Dhaka. He completed Master of Commerce in Finance from the University of Melbourne, Australia. Later on, Dr. Khan earned his Ph.D. in Finance from the University of Technology Sydney, Australia. He is also an Ad hoc Reviewer for Journal of Financial Stability, Review of Accounting Studies, Managerial Finance, North American Journal of Economics and Finance, and Journal of Banking & Financial Services. Dr. Khan is an Editorial Board Member of the International Journal of Accounting & Finance Review and the Indian Journal of Finance and Banking.



Dr. Syed Abdulla Al Mamun, FCMA, CSRS
Independent Director

Dr. Syed Abdulla Al Mamun FCMA CSRS joined FAS Finance and Investment Limited as Independent Director on May 31, 2021. Dr. Mamun is currently working as Chief Executive Officer (CEO) of The Bangladesh Rating Agency Limited (a subsidiary of Dun & Bradstreet SAME). He is also the Independent Director, and Chairman of Audit & Finance Committee of Board of Director, North-West Power Generation Company Limited.

Dr. Mamun earned his PhD in Finance from School of Management, Asian Institute of Technology (AIT), Thailand. He completed BBA (Accounting) and MBA (Strategic Management Accounting) from Department of Accounting and Information Systems, University of Dhaka. Dr. Mamun is a certified professional Cost & Management Accountant (CMA) and Fellow member (FCMA) of Institute of Cost & Management Accountants of Bangladesh (ICMAB), a statutory professional accounting body in Bangladesh, and also a Certified Sustainable Reporting Specialist (CSRS), Institute of Certified Sustainability Practitioners (ICSP), Indonesia.

As an inquisitive finance professional, he has more than 15 years of professional experience in Business Strategy, Financial Analysis, Industry Analysis and Business Research Areas. Earlier, he worked in Credit Rating information and Services Limited (CRISL) more than a decade with multiple roles including Deputy CEO, industry analyst, member of rating committee and Director of CRISL School of Finance. In addition, he worked as consultant of different projects including International Financial Corporation (IFC), World Bank, Japan International Cooperation Agency (JICA), SNV Netherland, UNCDF. Dr. Mamun also teaches Finance & Accounting Courses in different reputed local and international institutions including Asian Institute of Technology (AIT), Thailand; Indian Institute of Management (IIM) Amritsar as Visiting Professor; University of Utara Malaysia (UUM), Malaysia; Institute of Business Administration (IBA) University of Dhaka; North South University (NSU); Brac Business School and Islami Bank Training & Research Academy of Islami Bank Bangladesh Limited (IBBL).

His research-interest focuses on Corporate Governance, Strategic Finance, Fintech, Intellectual Capital, Family Business, Business Strategy, Special Economic Zone and Sustainability. He has more than 35 research articles published in peer reviewed national and international journals. His book titled "Internal Corporate Governance in an Emerging Economy: Impact on the Performance of Financial Institutions in Bangladesh" published from Germany.

Dr. Mamun is also engaged in professional community leadership and currently the Councilor and Vice Chairman of Dhaka Branch Council (DBC) of ICMAB, a statutory professional accounting Institution in Bangladesh under ministry of Commerce. He is also Life Member Alumni of Dhaka University Accounting Alumni and Bangladesh Accounting Association (BAA).



Brigadier General Abu Sayeed Mohammad Ali (Retd.)

Independent Director

Mr. Abu Sayeed Mohammad Ali has joined at FAS Finance & Investment Ltd. as Independent Director on May 31, 2021. In his long 33 years of service in Bangladesh Army, Mr. Ali held leadership position at various level both at national and multinational environment, Staff and Instructional assignments including head of institutions. Having experience of over 18 years of Leadership position as Acting Division Commander, Multinational sector in UN, Bridge Commander, Commandant of Army school of Education & Administration, Deputy Sector Commander of Military Observer Group in UN, Commanding Officer of Artillery Unit, Officer Commanding of Artillery & Infantry Minor Unit. He completed his three Master's Degree in Strategic Studies, Business Studies & Defense Studies respectively from National Defense University, China, South East University & National University of Bangladesh. He also obtained M Phil degree from Bangladesh University of Professionals (BUP). He was a faculty member at Bangladesh Military Academy (BMA) and National Defence College (NDC), Mirpur. He received Distinguished Instructor insignia from National Defense College, Mirpur and Bangladesh Military Academy. In his career he attended various Military training and Courses of opera-

tional and strategic level. He also received Special Responsibility of Secretary General (UN), Force Commander and Senior Military Observer's COMMENDATION for outstanding contribution for promoting Global peace in Haiti, East Timor and Congo under BLUE Helmets.

A. F. Shabbir Ahmad

Managing Director (Current Charge)

Mr. A. F. Shabbir Ahmad joined FAS Finance & Investment Ltd. as Deputy Managing Director recently. He is a career banker having more than 28 years of diversified banking experience in home and abroad to his credit. He started career with Arab Bangladesh Bank Limited (now AB Bank Limited) as Probationary Officer and subsequently worked for several private commercial Banks in different capacities. He held positions as Head of Branch and as Head of different Divisions/Departments at Head Office of the banks last being Chief Operating Officer of Meghna Bank Limited.

Mr. Ahmad attended a good number of trainings, workshops and seminars at home and abroad. He obtained his Bachelor and Masters in Finance from University of Dhaka.



Committees of Board of Directors

Board of Directors

Mr. Mohammed Nurul Amin, Independent Director & Chairman

Professor Dr. Muhammad Saifuddin Khan Independent Director

Brigadier General Abu Sayeed Mohammad Ali (Retd.), Independent Director

Dr. Syed Abdulla Al Mamun, FCMA, CSRS Independent Director

Mr. Md. Salim, Independent Director

Audit Committee of the Board of Directors

Professor Dr. Muhammad Saifuddin Khan, Chairman

Dr. Syed Abdulla Al Mamun FCMA, Member

Md. Salim, Member

Executive Committee

Brigadier General Abu Sayeed Mohammad Ali (Retd.), Chairman

Professor Dr. Muhammad Saifuddin Khan, Member

Dr. Syed Abdulla Al Mamun FCMA, Member

Management Committees

Management Committee (MANCOM)

Designation	Position
Managing Director & CEO	Chairman
Deputy Managing Director	Member
Chief Financial Officer	Member
Head of ICC	Member
Company Secretary	Member
Head of Special Asset Management	Member
Head of Credit Administration	Member
Head of Credit Risk Management	Member
Head of Treasury	Member
Head of HR & Admin.	Member Secretary
Head of Credit	Member
Head of IT	Member

Anti-Money Laundering (AML) Committee

Designation	Position
Managing Director & CEO	Chairman
Chief Financial Officer CAMLCO	Member
Head of ICC DCAMLCO	Member Secretary
Head of Treasury	Member
Head of Credit Risk Management	Member
Head of Liability Marketing	Member
Manager, Principal Branch	Member

Basel-II Committee

Designation	Position
Managing Director & CEO	Chairman
Deputy Managing Director	Member
Chief Financial Officer	Member Secretary
Head of Credit Administration	Member
Head of Treasury	Member

Management Information Systems (MIS) Committee

Designation	Position
Managing Director & CEO	Chairman
Chief Financial Officer	Member
Head of IT	Member Secretary
Head of Credit Administration	Member
Head of Treasury	Member
Head of HR & Admin	Member
Head of Liability Operation	Member
Head of ICC	Member

Assets Liability Management (ALCO) Committee

Designation	Position
Managing Director & CEO	Chairman
Deputy Managing Director	Member
Head of Treasury	Member Secretary
Chief Financial Officer	Member
Head of ICC	Member
Head of Credit Administration	Member
Head of Liability Marketing	Member
Head of Credit Risk Management	Member
Head of Liability Operation	Member

Risk Management Forum (RMF)

Designation	Position
Deputy Managing Director	Chairman
Head of Risk Management	Member
Chief Financial Officer	Member
Head of ICC	Member
Head of Credit Risk Management	Member Secretary
Head of Treasury	Member

Sustainable Finance Committee (SFC)

Designation	Position
Deputy Managing Director	Chairman
Chief Financial Officer	Member
Head of ICC	Member
Head of Credit	Member
Head of Credit Risk Management	Member Secretary
Head of HR & Admin.	Member
Head of SME	Member

National Integrity Strategy Committee

Designation	Position
Deputy Managing Director	Chairman
Chief Financial Officer	Member
Head of ICC	Member
Company Secretary	Member
Head of HR & Admin	Member Secretary

Recruitment/Selection Committee

Designation	Position
Managing Director & CEO	Chairman
Chief Financial Officer	Member
Company Secretary	Member
Head of HR & Admin.	Member Secretary

Internal Control & Compliance (ICC) Committee

Designation	Position
Head of ICC	Chairman
Chief Financial Officer	Member
Company Secretary	Member
Head of HR & Admin.	Member Secretary
Head of Credit Administration	Member

Purchase Committee

Designation	Position
Deputy Managing Director	Chairman
Chief Financial Officer	Member
Head of ICC	Member
Head of HR & Admin.	Member Secretary

National Integrity Strategy (NIS) Implementation Cell

Designation	Position
Head of ICC	Head of Unit
Head of HR & Admin.	Member Secretary
Head of SME	Member
Head of IT	Member

ICT Steering Committee

Designation	Position
Managing Director & CEO	Chairman
Chief Financial Officer	Member
Head of ICC	Member
Head of Credit Risk Management	Member
Head of HR & Admin.	Member
Head of IT	Member Secretary

Credit Review Committee

Designation	Position
Deputy Managing Director	Chairman
Head of Credit	Member
Chief Financial Officer	Member
Head of Special Asset Management	Member
Head of Credit Administration	Member
Head of Credit Risk Management	Member Secretary

Sustainable Finance Unit (SFU)

Designation	Position
Head of Credit Administration	Head of Unit
Head of HR & Admin.	Member
Head of Credit Risk Management	Member Secretary
Head of SME	Member

Directors' Report

Bismillahir Rahmanir Rahim

Dear Shareholders

Assalamu Alaikum Wa Rahmatullah.

On behalf of the esteemed Board of Directors and the dedicated Management, it is my distinct honor to extend a heartfelt welcome to all participants of the 26th Annual General Meeting of our Company. We are excited to present the Directors' Report, the Auditors' Report, and the Audited Financial Statements for the year ended 31 December 2022, including the Auditors' Report thereon. These documents are presented for the careful consideration and approval of our esteemed Shareholders, ensuring compliance with the provisions of Section 184 of the Companies Act 1994, Rule 12 (and the schedule thereunder) of the Securities and Exchange Commission Rules 1987, BSEC Notification on Corporate Governance Code dated 3rd June 2018, and IAS-1: Presentation of Financial Statements as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB). The Board of Directors officially approved these reports in its 295th Board of Directors meeting held on 29th November 2023. The Directors have made relevant disclosures and explanations on specific matters, emphasizing compliance, transparency, and good governance practices. We believe that this detailed report will offer valuable insights into the Company's performance over the past year.

Economic Review of The Financial Year 2022

• Review of World Economy

The global economic landscape, as outlined in the review, is undoubtedly facing a challenging and complex scenario. Several key factors contribute to the current state of the world economy.

The global economy is currently undergoing a significant and unexpected slowdown, exacerbated by the highest inflation rates in several decades. This cost-of-living crisis is further complicated by tightening financial conditions, Russia's invasion of Ukraine, and the persistent challenges posed by the ongoing COVID-19 pandemic. According to the International Monetary Fund (IMF), global growth is projected to decelerate from 6.0 percent in 2021 to 3.2 percent in 2022 and further to 2.7 percent in 2023. These growth rates mark the lowest since 2001, with the exception of the global financial crisis and the acute phase of the COVID-19 pandemic. Moreover, global inflation is anticipated to increase from 4.7 percent in 2021 to 8.8 percent in 2022, followed by a decline to 6.5 percent in 2023 and 4.1 percent by 2024. To restore price stability, it is recommended that monetary policy remains consistent, while fiscal policy should focus on alleviating the cost-of-living pressures, maintaining a tight stance aligned with monetary policy.

Implementing structural reforms that enhance productivity and ease supply constraints is also crucial in combating inflation. Lastly, multilateral cooperation plays a pivotal role in expediting the green energy transition and preventing economic fragmentation.

• Review of Bangladesh Economy Review

Amid the global recovery from COVID-19 and the disruptions caused by the Russia-Ukraine war, Bangladesh's economy is demonstrating resilience, actively accelerating its real GDP growth by overcoming economic challenges. The full resumption of economic activities has been a key factor in sustaining this growth. Despite potential setbacks, such as the loss of export demand and the consequent rise in global food, fuel, and commodity prices, Bangladesh has effectively managed import costs, leading to an increase in inflation and exchange rates. Notably, the country has outperformed other South Asian nations, maintaining robust output growth even in the face of repeated economic disruptions observed in 2021.

According to estimates by the Bangladesh Bureau of Statistics (BBS), the real GDP growth for FY22 stands at an impressive 7.25 percent, surpassing the growth recorded in FY21. The economic impact of infrastructure projects, particularly the diversified prospects of the Padma Bridge, is expected to act as a catalyst for achieving the desired GDP growth in the ongoing fiscal year. However, global economic challenges, including a turbulent inflation trend, are evident in 2022. The IMF's upward revision of global inflation, driven by factors like rising food and energy prices and lingering supply-demand imbalances, is anticipated to reach 7.2 percent in advanced economies and 9.9 percent in emerging market and developing economies.

The point-to-point inflation rate in Bangladesh increased from 5.64 percent in June 2021 to 7.56 percent in June 2022. This uptick is partly attributed to the robust increase in import payments, fueled by recent commodity price hikes in international markets. Despite the deficit of USD 5.38 billion in the overall balance of payments during FY22, Bangladesh's domestic credit movement remained aligned with the programmed path. Private sector credit growth was particularly noteworthy, supported by the faster recovery of economic activities following the relaxation of COVID-19 related restrictions.

In contrast, public sector credit growth fell slightly below the target, influenced by inflows from foreign sources and the mobilization of idle money from state-owned banks. Nevertheless, public sector credit growth rose to 29.1 percent, while private sector credit recorded a remarkable surge of 13.7 percent. The assessment of asset quality, measured by the ratio of gross non-performing loans (NPLs) to total loans and net NPLs to net total loans, indicates a standing NPL ratio of 9.0 percent for the overall banking sector as of June 2022.

Despite challenges, policy measures, including a classification freeze and consequence of soft repayment facilities in response to the COVID-19 pandemic, have been instrumental in maintaining stability.

Money Market Scenario

The money market scenario in Bangladesh during the fiscal year 2022 (FY22) was characterized by moderate volatility, marked by fluctuations in the interbank call money rate and liquidity shortages within the banking sector. This volatility was influenced by the rebound program of the economy following the pandemic. The Bangladesh Bank (BB) responded to these conditions by raising the Repo rate twice in FY22. Initially, the Repo rate was increased by 25 basis points in May 2022, moving from 4.75 percent to 5.00 percent. Subsequently, in June 2022, the BB further revised the Repo rate upward by 50 basis points, setting it at 5.50 percent, up from the initial 5.00 percent. Throughout FY22, the Reverse Repo rate remained unchanged at 4.00 percent.

Capital Market Activities

The capital market, considered the second-largest segment of the financial system, contributes to accelerating economic growth by providing long-term funds. The Dhaka Stock Exchange (DSE), Chittagong Stock Exchange (CSE), and their affiliates constitute this market. The total number of listed securities on the DSE increased from 609 in June 2021 to 659. To diversify investors' portfolios through risk-free investment in government securities, the Bangladesh Securities and Exchange Commission (BSEC) initiated trial trading on 10 October 2022 in both stock exchanges. Furthermore, to attract international investors, a memorandum of understanding (MoU) was signed between the BSEC and the Securities and Commodities Authority (SCA) of the United Arab Emirates, exploring opportunities for dual listing, bond issuance, joint subscription, and commodities exchange in both countries. Additionally, the Bangladesh Bank (BB) granted banks additional time to adjust their investments to comply with the capital market exposure limit. The DSE broad index (DSEX) and market capitalization both experienced rapid growth during July-September of FY22. However, DSEX witnessed a decline in October-November, followed by a rise in December-January of FY22. From February-June of FY22, DSEX followed a downward trend. In terms of market capitalization, it exhibited an almost similar pattern as DSEX. After the first half of FY22, DSEX and market capitalization stood at 6756.7 and BDT 5422.0 billion, respectively. Following the downward drift, DSEX and market capitalization reached 6376.9 and BDT 5177.8 billion at the end of FY22.

Present Situation of FFIL

The company is facing financial crisis for last few years. Unavailability of new deposit due to negative image of the company for huge Non-Performing Loan as well as overall scenario of the NBFIs sector are the main obstacle for smooth functioning. The present Board is working to create a better future for the company by way of formulating a revival plan.

Challenges of FFIL

- Making payment against matured deposits timely.
- Service and repayment of borrowings.
- Recovery of loan as nearly total portfolio is in default due to irregular lending and larger portion is not covered by collateral.
- Negative equity of subsidiary company with an insignificant amount of market value.
- Non-availability of government and institutional funds.

Steps Taken by Current Board:

The new board of your company is working relentlessly to bring back the business-as-usual scenario in the company. The following tasks have been completed and the new Board is in the process of exploring ways for the company to start business overcoming the challenges:

- New Vision and Mission has been set
- Annual General Meetings have been completed properly
- Revival Plan has been formulated with the help of professionals.
- Recovery Plan has been set as priority for expediting recovery of bad loans;
- New Product Guideline "My Loan" has been introduced
- Efficiency of staff has been improved through rationalizing manpower
- Various measures taken to reduce operation cost.
- Rationalization of office space has been carefully done to reduce rented spaces at Head Office and Branch to reduce rent expenditure.
- Financial Statements have been prepared to ensure factual representation by including all unreported/concealed financial figures
- "FinUltimus" Core Financial Solution has been implemented to ensure proper recording of financial transactions to safeguard misappropriation
- Internal Control system has been improved to bring a compliance culture.
- Several investigation/audits were conducted to identify irregularities. Legal steps have been processed against persons involved in corruption.
- Activities of subsidiary, FCML, has been streamlined with proper reflection of irregularities in the Balance Sheet.
- Good governance in terms of discipline, behavior and ethical standard etc. has been put in place.

Revival of FFIL

01. To create positive wave in the market to regain our IMAGE by way of fresh branding with new promotional ideas for business development with the inclusion of big/new shareholders to the Board of Directors. Thanks to Bangladesh Securities and Exchange Commission (BSEC) for timely action in respect of Board Reconstruction.

02. Require some fund by way of issuance of Bond or any other instrument for fresh financing in SME/Retail businesses as well as to pay back the depositors funds.
03. Started process to sell out the mortgaged properties from the classified loan accounts and pursuing all related activities for releasing attachment through Court and also to sell of the unused assets/properties of our company.

Outlook 2023

2023 was predicted to be another challenging year for our economy. Board considers outlook and adopted changes where required in course of business in 2023. We had to recognize a number of challenges, which includes increased competition, and slow recovery due to adverse investment climate, volatility in capital & money market. We will for sure consider these factors in business growth. The Board is moving forward with a prospect of reviving the company by way of formulating a revival plan. A professional firm is working to suggest various ways of reviving the company. Board is in dialogue with the regulators in order to find out a negotiated way of rebuilding the company. Board is hopeful that with the approval of regulators a revival plan can be implemented for the company which will protect the interest of shareholders, depositors and other stakeholders.

Financial performance summary of FAS Finance & Investment Limited

Key operating and financial data of last 5 (five) years as required by BSEC is shown under the heading of Five Years Financial Summary in page no. 10 of this Annual Report.

Performance of the company was affected mainly due to its liquidity crisis caused by lack of market confidence. Mobilization of new fund to make fresh investment was extremely difficult. Recovery of bad loans were also very challenging given the overall condition including post COVID-19 scenario. As you are aware, almost all loans were irregularly sanctioned in earlier days and the persons behind the loans are either absconding or behind the bars. This has made recovery situation more difficult.

After reconstitution of the Board, the newly appointed Board members took measures to assess the actual position of the company in order to find out ways of reviving the company. Following is the summary of the measures taken by the new Board and related outcome:

1. A special audit has been conducted by a professional firm in line of the requirement of regulators.
2. Quite a few internal investigations were also conducted to find out details of anomalies surfaced time to time.
3. All financial irregularities, detected till completion of audit activities of year 2022, was booked in the accounts or Financial Statements suitably so that actual financial position is reflected.
4. A robust core financial software has been implemented to maintain transparency and accuracy in books of accounts.

5. Legal steps have been taken against borrowers and responsible officials where irregularity/anomalies were detected and it is continuing.
6. So far 26 loan accounts with total amount of Tk.12.54 crore have been approved for final settlement and further 26 loan accounts for amount of Tk. 12.56 crore have been fully settled. Total amount of recovery against bad loans stood at Tk. 38.68 Crore and unclassified loans stood at Tk.20.46 crore since June 2021.

Financial Review

During 2022, the Company generated revenue of BDT 9.21 Crore but the year concluded with loss from operation of BDT 713.24 Crore this was mainly because of maintaining provision BDT 312.85 Crore and not adding of interest from non-performing loan of BDT 1831.33 Crore, The financial result of the Company for the year 2022 with a comparison of 2021 is summarized below:

The Financial result of the Company for the year 2022 with a Comparison of 2021

Particulars	In million		
	2022	2021	Growth
Interest Income	11.07	32.3	65.73
Net Interest Income	-155.50	-144.77	-7.412
Other Income	0.13	0.02	-550
Operating Income	-155.37	-144.74	-7.344
Operating Expenses	131.00	10.33	-1168
Profit before Provision	-286.37	-155.07	-84.67
Provision	345.39	104.37	-230.9
Profit before Taxation	-631.77	-259.44	-143.5
Profit after Taxation	-632.25	-259.39	-143.7

Risk Management

At FFIL, we believe that getting risk management right is an essential component of success. The identification, evaluation and management of risks together with the way we respond to changes in the external operating environment are keys to sustainable growth.

Corporate and Financial Reporting Framework

- The Directors of FFIL, in conforming to the BSEC Notification No. SEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018, confirm compliance with the financial reporting framework for the following:
- The financial statements, prepared by the management of FFIL make a fair presentation of its activities, operational details and results, cash flow information and changes in equity structure.
- Proper books and accounts of the Company have been maintained.
- Appropriate accounting policies, including International Accounting Standards (IAS)/Bangladesh Accounting Standards (BAS)/International Financial Reporting Standards (IFRS)/Bangladesh Financial Reporting Standards (BFRS), as applicable in Bangladesh, have been consistently applied in preparation of the financial statements. Any change or deviation has been adequately disclosed.

FAS Finance & Investment Limited

- Accounting estimates are based on reasonable and prudent judgment.
- Internal control processes have been properly designed and implemented.
- Minority shareholders have been duly protected as have effective means of redress.
- Comparative analyses of significant deviations have been highlighted and reasons have been explained in the respective sections.

Compliance and conviction

FFIL is careful about compliance of all applicable laws and regulations and does not adhere to any non-compliance of regulatory requirements with exception in CRR maintaining, any loan default by the company or its directors or senior management.

Related Party Transactions

Disclosure of all related party transactions, including basis for such transactions, has been provided in Note. 44 on page no. 131-133

Subsidiary Company

FAS Finance & Investment Limited has one fully owned subsidiary company, namely, FAS Capital Management Limited a full-fledged merchant bank. FAS Capital Management Limited was incorporated on 13 October 2010. During the year 2021, FAS Finance & Investment Limited did not receive any dividend from the Subsidiary Company. Separate audited financial statements of the subsidiary company are given on pages 145 to 161 of this Annual Report.

Declaration of Dividend

The Company will not be paying any dividend for the year 2022. As per Article-89, Schedule-I of the Companies Act. 1994, dividend shall be declared out of profit i.e. from current year's profit and from previous years' retained profit. Since the Company is carrying negative balance of accumulated profit, the Board of Directors in its 294th meeting held on 05 November 2023 recommended "No Dividend" for the year 2022.

The Board also states that no bonus shares or stock dividend has been paid during the year or will be paid in future as interim dividend.

Details of the dividend declared during the financial year are disclosed in Note 45.07 of the Notes to the Financial Statements on page no. 136 of this annual report.

Annual General Meeting

The notice of the 26th Annual General Meeting is given on page no. 2 of this Annual Report.

Directors' Meeting, Attendance & Remuneration

During the year 2022 a total 24 meetings were held. The Directors including the Independent Directors are not entitled

to get any remuneration other than fees for attending in the Board/Committee meetings. An amount of BDT 8,000.00 was paid to each Director for attending each Board/Committee meeting.

The details of attendance of the members Board meeting & remuneration paid to them in 2022 is presented on page 134-135 of this Annual Report

Regulatory Compliance

FAS Finance & Investment Limited is well aware of its regulatory compliance and has always followed applicable regulations rigorously. FAS Finance & Investment Limited has a dedicated compliance team for ensuring regulatory compliance across all the businesses and operations. They are responsible for identification and assessment and compliance related matters from a regulatory compliance perspective and monitoring and reporting. We ensure that these are periodically reviewed in line with the changing scenario and taking into account modifications if any in the regulatory guidelines.

Auditors

The present Statutory Auditors M/S. Mahfel Huq & Co., Chartered Accountants, is completing their year term at the end of this (26th) AGM. The Board in its 295th Meeting held on November 29, 2023 recommended the shareholders to appoint M/S. K.M. ALAM & Co., Chartered Accountants as statutory auditors of the company until completion of 27th AGM of the company and to audit the financials of the Company for the period ended December 2023 at a remuneration of BDT 2,50,000/- Excluding VAT subject to approval from Bangladesh Bank.

Status of Compliance on Corporate Governance

Corporate Governance status of compliance with the conditions imposed by the Bangladesh Securities and Exchange Commission's Notification No. BSEC/ CMRRCD/ 2006-158/207/Admin/80 dated June 03, 2018 issued under Section 2CC of the Securities and Exchange Commission Ordinance 1969 and DFIM Circular No. 07, dated September 25, 2007, issued by Bangladesh Bank is enclosed in the subsequent section of the Directors' Report.

Certificate from the practicing professional on the compliance of conditions on corporate governance

The Board in its 295th meeting held on November 29, 2023 recommended for approval of the shareholders in the 26th AGM to re-appoint M/S. Saifur Enayet & Associates, Cost & Management Accountants to audit the compliances of Corporate Governance Guidelines for the year 2023 at a remuneration of BDT 25,000/- Excluding VAT. They conducted corporate governance audit for the year 2022 as approved in last AGM.

Shareholding Pattern

FFIL's shareholding pattern as on December 31, 2022, is disclosed as per the new CGC of BSEC in this annual report on page no. 118.

Qualified opinion and Emphasis of matters

You have noticed that the Statutory auditors of the company made qualified opinion and put some emphasis matters in the auditor's report. You are aware that lot of unscrupulous activities occurred earlier in this company and the financial impacts were not properly reflected. The new Board took different steps and made all such hidden items exposed. This has made the financial numbers too much negative in all aspects. Net worth of the company is negative and due to liquidity scenario CRR could not be maintained. Because of the two issues our auditors made their opinion qualified. The new Board is working on finding ways for revival of the company through arranging fresh capital and/or long-term borrowing to improve the financials and liquidity to address these key matters. Similarly, due to wrong doing of some corrupt persons in the past, few findings became matter of concern which were mentioned by the auditors in the Emphasis of matters. Board will obviously keep those in the focus while taking steps of reviving the company so that the matters can be eliminated.

Going Concern

Companies and other entities are experiencing the impact of difficult or uncertain economic conditions in varying degrees. The effects of such economic conditions may be significant in the area of financial reporting, in particular, the Directors' assessment of the Company's ability to continue as a going concern. Going concern is a fundamental principle underlying the preparation of the financial statements of a listed company. Bangladesh Accounting Standards require Directors to consider whether there are material uncertainties that would lead to significant doubt about a company's ability to continue for foreseeable period. BSEC requires the listed companies to make adequate disclosures in the financial report about the going concern of a listed company. The financial statements of the FAS Finance & Investment Limited have been prepared on a going concern basis. In making this assessment, the Directors have considered a wide range of information relating to present and future conditions covering principal activities, strategic directions and challenges and uncertainties together with a review of the income statement, financial position and risk profile. In addition, the Directors have considered the prospect of implementing a restructure and revival plan for the company together with forecasted financials and the outcome of various stress tests in making their assessment. After assessment, the Directors are satisfied that the Company has adequate resources to continue its operation for the foreseeable future and therefore continue to adopt the going concern basis in preparing the financial statements.

Directors to Retire and Re-Appointment

Bangladesh Securities & Exchange Commission (BSEC) vide their letter/order dated May 31, 2021 restructured the Board of the Company by appointing 05 new Independent Directors in the Board without any member who were in the Board earlier. As per Corporate Governance Code 2018, retirement and appointment/re-appointment is not required for any Independent Director. As such no Directors is retiring and all Directors at present will continue to hold office.

Acknowledgement

The Board of Directors of the Company would like to extend their sincere thanks and gratitude to its stakeholders for assistance and guidance from time to time. The Directors of the Company acknowledge their gratitude to its customers, financiers, Bangladesh Bank, Bangladesh Securities & Exchange Commission (BSEC), Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE) and other regulatory authorities for their guidance and support to the Company and the co-operation extended by the Auditors, and the devoted efforts put in by the Company's employees at all levels to uphold the Company's performance.

For and on behalf of the Board of Directors.



Mohammed Nurul Amin
Chairman

Audit Committee Report

The Composition of the Committee

In accordance with the currently accepted Best Practice and Corporate Governance Guidelines, the Board appointed Audit Committee comprising of the following Directors of the Company:

1. Professor Dr. Muhammad Saifuddin Khan, Chairman
2. Dr. Syed Abdulla Al Mamun FCMA, Member
3. Md. Salim, Member

The Audit Committee of the Company has been formed according to the Bangladesh Bank guidelines on Internal Control and Compliance framework vide DFIM circular no 13, dated October 26, 2011, and the Guidelines on Corporate Governance Code issued by Bangladesh Securities and Exchange Commission (BSEC) dated June 3, 2018.

Terms of Reference

The Terms of Reference of the Audit Committee clearly defines the roles and responsibilities of the Audit Committee. The Terms of Reference are periodically reviewed and revised with the concurrence of the Board of Directors. The Audit Committee is responsible to and reports to the Board of Directors. The Role and functions of the Committee are further regulated by the rules governing the Audit Committee as specified by the "Corporate Governance Code" issued by the Bangladesh Securities and Exchange Commission (BSEC) and Guidelines on Corporate Governance & Responsibilities of Audit Committee issued by Bangladesh Bank.

Role of Audit Committee

The Audit Committee on behalf of the Board of Directors attempts to ensure effective implementation of the processes set out in the business plan and policies. The major role of the Audit Committee is to monitor and review the effectiveness of the internal control system. The Audit Committee is also responsible to ensure the integrity of the Financial Statements so that it provides a true and fair view of the state of affairs of the Company. In addition, the Audit Committee reviews and, when appropriate, makes recommendations to the Board on business risks, internal control, and compliance. The Committee satisfies itself, by means of suitable steps and appropriate information that proper and satisfactory internal control systems are in place to identify the risks so that Company's business is conducted in a sound manner.

Activities

The Committee carried out the following activities during the year 2022:

1. Financial Reporting

The Committee supports the Board of Directors to discharge their responsibility for the preparation of Financial Statements that reflect a true and fair view of the financial performance and financial position based of the Company's accounting records and in terms of the Bangladesh Accounting Standards, by:

- Reviewing the systems and procedures to ensure that all transactions are completely and accurately recorded in the books of account.
- Reviewing the effectiveness of the financial reporting system in place to ensure reliability of the information provided to the stakeholders.
- Reviewing the Accounting Policies and to determine the most appropriate accounting policies after consideration of all choices available.
- Strict adherence and compliance with the Bangladesh Accounting Standards and recommended best accounting practices.
- Reviewing the Annual Report and Accounts and the Interim Financial Statements prepared for publication, prior to submission to the Board. Having assessed the internal financial controls, the Committee is of the view that adequate controls and procedures are in place to provide reasonable assurance that the Company's assets are safeguarded and that the financial position is well monitored.

2. Regulatory Compliance

The Company's procedures in place to ensure Compliance with Mandatory Bangladesh Bank's instructions and statutory requirements were under close scrutiny. The Committee monitors the due compliance with all requirements through the quarterly statements submitted by the Internal Audit Department. The Committee monitors the due compliance with all requirements through the quarterly statements submitted by the Internal Audit Department. The Committee monitors due compliance with all relevant Laws, Regulations, and timely settlements of Statutory dues.

3. Internal Audit Function

The Audit Committee approves the terms of reference of internal audit and reviews the effectiveness of the internal audit function. In line with leading practice, it provides independent and reasonable, but not absolute, assurance that the FFIL system of risk management, control, and governance

processes, as designed and implemented by senior management, are adequate and effective. Internal Audit reports on the adequacy of the system of internal controls to the Audit Committee and management, but does not form any part of the system of internal controls. Internal Audit has implemented risk-based audit processes. Audit work is prioritized and scoped according to an assessment of risk exposures, including not only financial risks, but operational, compliance and strategic risks as well. The work undertaken by Internal Audit includes the audit of the Company's system of internal controls over its key operations, review of security and access controls for the Company's computer systems, review of control processes within and around new products and system enhancements, and review of controls over the monitoring of market, liquidity, and credit risks.

Internal Audit also participates in major new system developments and special projects, to help evaluate risk exposures and to help ensure that proposed compensating internal controls are adequately evaluated on a timely basis. It also ascertains that the internal controls are adequate to ensure prompt and accurate recording of transactions and proper safeguarding of assets, and that the Company complies with laws and regulations, adheres to established policies and takes appropriate steps to address control deficiencies. The Audit Committee is responsible for the adequacy of the internal audit function, its resources and its standing, and ensures that processes are in place for recommendations raised in internal audit reports to be dealt with in a timely manner and outstanding exceptions or recommendations are closely monitored. Internal Audit reports functionally to the Audit Committee and administratively to the Managing Director, and has unfettered access to the Audit Committee, Board and senior management, as well as the right to seek information and explanations. The Audit Committee approves the appointment and removal of the Head of Internal Audit.

4. External Audit

The Committee met with the Auditors prior to commencement and at the conclusion of the Annual Audit to discuss the audit scope, approach and methodology to be adopted and the findings of the audit. The Committee subsequently reviewed the external auditor's findings in order to be satisfied that appropriate action is being taken. Non-Executive Directors had separate meetings with

Auditors to ensure they had no cause to compromise on their independence. Auditor's' Management Letter together with the Managements response thereto and the Audited Financial Statements were reviewed with the

Auditors. The Committee reviewed the non-audit services provided by the Auditors to ensure that such services do not fall within the restricted services and provision of such services does not impair the External Auditor's independence and objectivity.

5. Internal Controls

The Board believes, with the concurrence of the Audit Committee, that the system of internal controls, including financial, operational and compliance controls and risk management systems, maintained by the Company's management and that was in place throughout the financial year and up to and as of the date of this report, is adequate to meet the needs of the company in its current business environment. The system of internal controls provides reasonable, but not absolute, assurance that the Company will not be adversely affected by any event that could be reasonably foreseen as it strives to achieve its business objectives. However, the Board also notes that no system of internal controls can provide absolute assurance in this regard, or absolute assurance against the occurrence of material errors, poor judgment in decision making, human error, losses, fraud or other irregularities.

6. Corporate Governance Report

As required by the provisions of Corporate Governance Guidelines issued by the Bangladesh Securities & Exchange Commission (BSEC) through notification Number: SEC/CMRRCD/2006-158/207/Admin/80, dated; 03 June 2018 Corporate Governance for Licensed Financial Institutions in Bangladesh, Annual Corporate Governance Report for 2022 is provided on page no. 41 to 53. The external auditors have performed procedures set out by the Bangladesh Securities and Exchange Commission (BSEC), to meet the compliance requirement of the Corporate Governance directive.

7. Ethics and Good Governance

The highest standards in Corporate Good Governance and strict adherence to the requirements of FFIL's Code of Ethics are ensured through close monitoring. Through the Code of Ethics, all levels of staff have been educated and encouraged to resort to whistle-blowing, when they suspect wrong doings or other improprieties. The Committee also ensures that appropriate procedures are in place to conduct independent investigations into all such incidents.

Based on the above review and 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.



Professor Dr. Muhammad Saifuddin Khan
Chairman
Audit Committee of the Board of Directors

Chairman's Statement on Corporate Governance

How we govern ourselves as a Financial Institution is as important as anything else we do. Being an ethical company is about much more than simply adhering to the letter of the law. But it's an important step. We aim to achieve and maintain the highest standards of business integrity, ethics and professionalism across all of our activities.

The Board is accountable to the Company's shareholders for the good conduct of the Group's affairs. This report explains how the Group applies the Corporate Governance issued by the BSEC and Bangladesh Bank. In continuation of the strong monitoring the BSEC restructured the entire Board of the Company in the month of May 2021 and the newly reconstituted Board jointly working with all regulators to reshape and revive the Company once again for support the economy of the country and regain the company images again.

The Directors are committed to maintaining the highest standards of corporate governance, which they believe are fundamental in discharging their stewardship responsibilities.

The Board confirms that the Company has, throughout the period under review, complied with all provisions set out in corporate governance guidelines.

As part of its commitment to sustainable operations at every level, FAS Finance & Investment Limited operates within a clearly defined governance framework that defines all governance and compliance aspects of the Company.

The Board of Directors strongly believes in the importance of good Corporate Governance in maintaining Company's reputation and solid foundation. The Board will continue to ensure good Corporate Governance to provide the requisite leadership, policy, strategy and internal controls in order to continue to deliver and sustain company's value propositions. This benefits our stakeholders while at the same time ensuring continuing momentum towards reaching FAS Finance & Investment Limited aspirations to be a leading financial institution.

FAS Finance & Investment Limited is committed to the principles of excellence in corporate governance and ethics. This commitment is evidenced by the following practices that are in place at FAS Finance & Investment Limited:

- A Board with all non-executive members being independent of Management;

- Clear separation of the role of the Chairman of the Board and the Managing Director & CEO;
- The Audit Committee and Executive Committee comprises solely of Non-Executive Directors;
- Inclusion of the Independent Directors in the Board Audit Committee;
- An Independent Director is in the Chair of the Audit Committee;
- A code of ethics and business conduct;
- Maintaining the basic principles of Corporate Governance;
- Published Charter for the Board and all of its Committees;
- Certification from an independent professional on the compliance of the conditions of BSEC's Notification Corporate Governance Code of 3 June 2018;
- A set of corporate values - integrity, trust, teamwork, openness, transparency, excellence and resilience communicated to all employees;
- The members of the Board Audit Committee possesses knowledge on internal control, financial and administrative matters;
- The Audit Committee meets regularly with/without the presence of the Executive Management;
- An established system of internal control with appropriate check and balance;
- Ensure transparency in financial reporting and adequate disclosures.

For FAS Finance & Investment Limited, Corporate Governance is not a mere statement of compliance. We aim to achieve and maintain the highest standards of business integrity, ethics and professionalism across the Group. We believe that good governance, in its broadest sense, is a competitive advantage. To maximize shareholders' value on a sustainable basis, principles of good governance must extend beyond the Board of Directors into every segment of business activities. Indeed, a foundation of ethics, integrity and good governance guides all of our activities across our diverse operations.

Thank you.



Muhammed Nurul Amin
Chairman

Statement on Internal Control

Responsibility

As per the Bangladesh Bank's DFIM Circular No. 07, dated; 25-09-2007, DFIM Circular Letter No. 09, dated; 08-10-2007, DFIM Circular Letter No. 18, dated; 26-10-2011 and DFIM Circular Letter No. 06, dated; 17-06-2012, which clearly define the Responsibility of the Board of Directors on Internal Control of the Company.

To ensure this, the Company has taken proper and sufficient care in installing a system of internal control, which is reviewed, evaluated and updated on an ongoing basis. The internal control and compliance department of the Company conducts periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed.

- The Board Sub Committees are established to assist the Board in ensuring:
 - the effectiveness of the FFIL's daily operations.
 - that FFIL's operations are in accordance with the corporate objectives and strategies.
 - that the operations of the Company are in line with the annual budget as well as the policies and business directions that have been approved by the Board.
- The Internal Audit Division of the Company checks for compliance with policies and procedures and the effectiveness of the internal control systems and highlights significant findings in respect of any non-compliance. Audits are carried out on majority of units and branches, the frequency of which is determined by the level of risk assessed by the internal audit, to provide an independent and objective report on operational and management activities of these units and branches. The annual audit plan is reviewed and approved by the Audit Committee and the findings of the audits are submitted to the Audit Committee for review at their periodic meetings.
- The Audit Committee of the Company reviews internal control issues identified by the Internal Audit Division, the external auditors, regulatory authorities and management; and evaluates the adequacy and effectiveness of the risk management and internal control systems. They also review the internal audit function with particular emphasis on the scope of audits and quality of the same. The minutes of the Audit Committee meetings are tabled for the information to the Board on a periodic basis. Further details of the activities undertaken by the Audit Committee of the Company are set out in the Audit Committee Report on page no. 26 to 27.

- The Risk Management Forum (RMF) is established to assist the Board to oversee the overall management of principal areas of risk of the Company. The Risk Management Forum which includes representation from all key business and operating units of the Company, assists the Board with the implementation of policies advocated at the Board Audit Committee.
- Board Executive Committees have also been established with appropriate empowerment to ensure effective management and supervision of FFIL's core areas of business operations and investments.

The Company adopted the International Accounting Standards Comprising IAS & IFRS. Since adoption of such International Accounting Standards, progressive improvements on processes to comply with new requirements of recognition, measurement, classification and disclosure are being made whilst, further strengthening of processes will take place pertaining to impairment of loans and advances and financial statement disclosures. They also recognized the need to introduce an automated financial reporting process to more effectively comply with the requirements of recognition, measurement, classification and disclosures of financial instruments. The assessment did not include subsidiaries of the Company. The recommendations made by the external auditors in connection with the internal control system in previous years were reviewed during the year and appropriate steps have been taken to implement those.

Confirmation

Based on the above processes, the Board confirms that the financial reporting system of the Company has been designed to provide a reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes has been done in accordance with Bangladesh Accounting Standards and regulatory requirements of the Bangladesh Bank and Bangladesh Securities and Exchange Commission.



Md. Mizanur Rahman Khan

VP & Head of ICC

Disclosures under Pillar-III Market Discipline -2022

A) Scope of application

Qualitative Disclosures:

- (a) The name of the top corporate entity in the group to which this guidelines applies.

FAS Finance & Investment Limited (FFIL)

- (b) An outline of differences on the basis of consolidation for accounting and regulatory purposes, with a brief description of the entities within the group (a) that are fully consolidated; (b) that are given a deduction treatment; and (c) that are neither consolidated nor deducted (e.g. where the investment is risk-weighted).

The FFIL has one subsidiary: FAS Capital Management Ltd. which is fully consolidated.

- (c) Any restrictions, or other major impediments, on transfer of funds or regulatory capital within the group.

Not applicable.

Quantitative Disclosures:

- (d) The aggregate amount of capital deficiencies in all subsidiaries not included in the consolidation that are deducted and the name(s) of such subsidiaries.

Not applicable.

B) Capital structure

Qualitative Disclosures

- (a) Summary information on the terms and conditions of the main features of all capital instruments, especially in the case of capital instruments eligible for inclusion in Tier 1 or in Tier 2.

Tier 2 capital includes:

- i) General provision up to a limit of 1.25% of Risk Weighted Asset (RWA) for Credit Risk;
- ii) Revaluation reserves:
50% Revaluation reserve for fixed assets;
45% Revaluation reserve for securities;
- iii) All other preference shares.

Conditions for maintaining regulatory capital:

The calculation of Tier 1 capital, and Tier 2 capital, shall be subject to the following conditions:

- i) The amount of Tier 2 capital will be limited to 100% of the amount of Tier 1 capital.
- ii) 50% of revaluation reserves for fixed assets and 45% of revaluation reserves for securities are eligible for Tier 2 capital.

Quantitative Disclosures:

- (b) The amount of Tier 1 capital, with separate disclosure of:

Particulars	Crore Taka
Paid up capital	149.08
Non-repayable share premium account	0.00
Statutory reserve	20.56
General reserve	0.03
Retained earnings	(1315.08)
Minority interest in subsidiaries	(0.00)
Non-cumulative irredeemable preference shares/Others	1.58
Dividend equalization account	0.00
Total Tier 1 capital	(1143.83)

(c)	The total amount of Tier 2 capital	7.68
(d)	Other deductions from capital	
(e)	Total eligible capital	(1136.15)

C) Capital Adequacy

Qualitative Disclosures

- (a) A summary discussion of the FI's approach to assessing the adequacy of its capital to support current and future activities.

Risk Weighted Assets (RWA) and Capital Adequacy Ratio (CAR)

FFIL has adopted Standardized Approach for computation of Capital Charge for Credit Risk and Market Risk while Basic Indicator Approach for Operational Risk. Total Risk Weighted Assets (RWA) of the Company is determined by multiplying the capital charge for market risk and operational risk by the reciprocal of the minimum capital adequacy ratio and adding the resulting figures to the sum of risk weighted assets for credit risk. Total RWA is then used as denominator while total Eligible Regulatory Capital as on numerator to derive Capital Adequacy Ratio.

Strategy to achieve the required Capital Adequacy:

- Rigorous monitoring of overdue loans to bring those under 90 days overdue
- Financing clients having good rating as per Company's policy Using benefit of credit risk mitigation by taking eligible collaterals against transactions.
- Focusing more to increase the spread between loan /leases and deposits loan and thus increasing retained earnings
- Raise fresh capital by issuing bonus share/ right/Bond /Preference Share or any other lawful means.

Quantitative Disclosures

Amount in crore Taka

(b) Capital requirement for Credit Risk	73.06
(c) Capital requirement for Market Risk	0.64
(d) Capital requirement for Operational Risk	(16.51)

(e) Total and Tier 1 capital ratio:

For consolidated group	
CAR on Total capital basis (%)	(223.36)
CAR on Tier 1 capital basis (%)	(224.69)
For stand alone	
CAR on Total capital basis (%)	(198.69)
CAR on Tier 1 capital basis (%)	(200.03)

D) Credit Risk

Qualitative Disclosures

(a) The general qualitative disclosure requirement with respect to credit risk, including:

Definitions of past due and impaired (for accounting purposes)

As per the Bangladesh Bank's Prudential Guideline on Capital Adequacy and Market Discipline for Financial Institutions, the unsecured portion of any claim or exposure (other than claims secured by residential property) that is past due for 90 days or more, net of specific provisions (including partial write-off) will be risk weighted as per risk weights of respective balance sheet exposures. For the purpose of defining the net exposure of the past due loan, eligible financial collateral (if any) may be considered for Credit Risk Mitigation.

Description of approaches followed for specific and general allowances and statistical methods;

General provisions are maintained according to the relevant Bangladesh Bank Guideline and Specific provisions are maintained as per the guidelines approval of Bangladesh Bank.

Discussion of the FI's credit risk management policy. Implementation of various strategies to minimize risk: To encounter and mitigate credit risk, the following control measures are taken place at FFIL:

- Vigorous monitoring and follow up by fully dedicated recovery and collection team
 - Strong follow up of compliance of credit policies by appraiser and credit department Taking collateral, performing valuation and legal vetting on the proposed collateral by members of our own dedicated technical and legal department as well as enlisted third party for valuation.
- Seeking legal opinion from external lawyers for any legal issues if required
- Regular review of market situation and industry exposures

- Insurance coverage for funded assets.
In addition to the best industry practices for assessing, identifying and measuring risks, FFIL also considers Guideline for Managing Core Risks of Financial Institutions issued by Bangladesh Bank for management of risks.

Separation of Corporate/SME Department & CRM Department

As a structured financial institution FFIL has separated Corporate/SME Financing Department & CRM Department and doing their responsibilities and duties independently. While Corporate/SME Department originates the credit proposal with all formalities & finding, the CRM Department assesses the risk areas and its mitigating factors. CRM Department of the company also place their findings & observations before the relationship manager of the Corporate/SME Department before taking approval from the concerned authority. Corporate/SME Department takes steps immediately according to the recommendation of the CRM Department & places the memo to the Credit Committee/EC/Board for approval/decision/recommendations.

Credit Administration Department

An independent Credit Administration Department is in place, at FFIL, to scrutinize all loans from risk-weighted point of view and assist the management in creating a high quality portfolio and maximize returns from assets. The Credit department suggests for administrator mitigations and ensures that adequate security documents are in place before sanction of loan and before disbursement of loans.

Recovery and Legal Affairs Department

FFIL has a strong team of recovery & monitoring operation and follow up of court cases. For managing NPL cases the loan files are placed to Recovery & Legal affairs Department to directly monitor, put into action and intensify recovery and settlement drives through dedicated internal recovery officers. In case of need suits are filed in Artho Rin Adalat as well as under NI act to expedite the recovery drive.

Independent Internal Compliance Department

Appropriate internal control measures are in place at FFIL. An Internal Compliance Department has been established to ensure compliance with all internal guidelines, Bangladesh Bank guidelines, operational procedures and adequacy of internal control and documentation procedures.

Credit Evaluation

To mitigate credit risk, FFIL search for credit reports from Credit Information Bureau (CIB) of Bangladesh Bank. The report is scrutinized by Credit Admin Department and Loan Operation Department to understand the liability condition and repayment behavior of the client. Depending on the reports, opinions are taken from the concerned related parties for better understanding about client's credit worthiness.

Credit Approval Process

To ensure both speedy service and mitigation of credit risk, the approval process is maintained through a multilayer system.

Depending on the size of the loan, a multilayer approval system is designed. All the proposals are originated from the concerned Branch/department of Head office (corporate/SME) and if recommended by them the same is routed through CRM department and Credit committee for their comments/ recommendation. Thereafter approval from the BOD/EC is obtained.

Early Warning System`

Performance of loans is regularly monitored to trigger early warning system to address the loans and advances whose performance show any deteriorating trend. It helps the company to grow its credit portfolio with ultimate objective of protecting the interest of the stakeholders.

Methods used to measure Credit Risk

As per the directives of Bangladesh Bank, 'The Standardize Approach' is applied by the company to measure its Credit Risk.

Quantitative Disclosures

(b) Total gross credit risk exposures broken down by major types of credit exposure.

Particulars	Core Taka
Loans	1815.31
Leases	25.04
Total	1840.35

(c) Geographical distribution of exposures, broken down in significant areas by major types of credit exposure.

Area	Core Taka
Dhaka	1823.64
Chittagong	16.22
Sylhet	0.49
Total	1840.35

(d) Industry or counterparty type distribution of exposures, broken down by major types of credit exposure.

Sector	Core Taka
Trade and Commerce	857.65
Garments & Accessories	54.17
Textile	23.46
Food & Beverage	0.96
Jute & Jute Products	5.98
Plastic Rubber Industries	0.25
Leather and Leather products	0.88
Iron, Steel & Engineering	0
Chemicals & Pharmaceuticals	154.98
Paper, Printing & Packaging	13.84
Ship Manufacturing Industry	26.46
Electronics & Electrical	8.37

Sector	Core Taka
Power, Gas, Water & Sanitary Services	6.66
Transport & Aviation	177.61
Others	1.23
Agriculture	24.72
Home loan	231.73
Merchant Banking	250.25
Services	0.087
Consumer Finance	1.06
Total	1840.35

(e) Residual contractual maturity breakdown of the whole portfolio, broken down by major types of credit exposure.

Particulars	Core Taka
Repayment on demand	0.00
Not more than 3 months	1261.68
Over 3 months but not more than 1 year	127.127
Over 1 year but not more than 5 years	438.97
Over 5 years	12.573
Total	1840.35

(f) Gross Non Performing Assets (NPAs)

Non Performing Assets (NPAs) to Outstanding Loans & advances

Movement of Non Performing Assets (NPAs)

Particulars	Core Taka
Opening balance	1714.33
Additions	104.02
Reductions	12.98
Closing balance	1831.33

Movement of specific provisions for NPAs

Particulars	Core Taka
Opening balance	260.09
Additions	313.99
Reductions	6.98
Closing balance	581.06

Note: Bangladesh Bank vide their letter No-DFIM(C) 1054/10/2022-2808 dated September 29, 2022 has given NOC for maintaining required provision of Tk. 800.00Crore in 8 (Eight) years from the year 2022-2029@ Tk.100.00 Crore per year. In line of the approval, Tk. 104.00Crore against Tk.100.00 Crore has been provided as deferral of provision of the year 2022. As such the residual balance for Tk. 696.00 Crore only is remaining for next 7 (Seven) Years.

Furthermore, Bangladesh Bank vide their letter No. DFIM (C) 1054/10/2023-3613 dated October 19, 2023 has directed to maintain further provision of Tk. 280.75 Crore, which has been maintained in full accordingly.

E) Equities: Banking book positions

(a) The general qualitative disclosure requirement with respect to equity risk, including:

Qualitative Disclosures

Differentiation between holdings on which capital gains are expected and those taken under other objectives including for relationship and strategic reasons. Discussion of important policies covering the valuation and accounting of equity holdings in the banking book positions. This includes the accounting techniques and valuation methodologies used, including key assumptions and practices affecting valuation as well as significant changes in these practices.

Quoted shares are valued at cost prices and if the total cost of a particular share is lower than the market value of that particular share, then provision are maintained as per terms and conditions of regulatory authority.

Mutual funds have been valued at 85% of latest published NAV available as on December, 2017. On the other, unquoted share is valued at cost price or book value as per latest audited accounts.

Quantitative Disclosures

(b) Value disclosed in the balance sheet of investments, as well as the fair value of those investments, for quoted securities, a comparison to publicly quoted share values where share price is materially different from fair value.

Particulars	Cost Price	Market Price
Quoted shares	0.63	3.20
Unquoted shares	0.00	0.00

Quantitative Disclosures

(c) The cumulative realized gains (losses) arising from sales and liquidations in the reporting period.

Particulars	Core Taka
Cumulative realized gains (losses)	0.02

(d)

Total unrealized gains (losses)	(0.19)
Total latent revaluation gains (losses)	-
Any amounts of the above included in Tier 2 capital.	-

(e) Capital requirements broken down by appropriate equity groupings, consistent with the FI's methodology, as well as the aggregate amounts and the type of equity investments subject to any supervisory provisions regarding regulatory capital requirements.

Specific Risk- Market value of investment in equities is BDT 3.20 crore. Capital Requirement is 10% of the said value which stand to BDT 0.32 crore.

General Risk- Market value of investment in equities is BDT 3.20 crore. Capital Requirement is 10% of the said value which stand to BDT 0.32 crore.

F) Interest rate in the banking book

Qualitative Disclosures

(a) The general qualitative disclosure requirement including the nature of interest risk and key assumptions, including assumptions regarding loan prepayments and behavior of non-maturity deposits.

Interest rate risk in the banking book arises from mismatches between the future yield of assets and their funding cost. Assets Liability Committee (ALCO) monitors the interest rate movement on a regular basis.

FFIL measures the interest rate risk by calculating maturity gap between Risk Sensitive Assets (RSA) and Risk Sensitive Liabilities (RSL) i.e. a positive maturity gap affect company's profitability positively with the increment of interest rate and negative maturity gap affects company's profitability adversely with the increment of interest rate.

Quantitative Disclosures

(b)The increase (decline) in earning or economic value (or relevant measure used by management) for upward and downward rate shocks according to management's method for measuring interest rate risk broken down by currency (as relevant).

Maturity wise Distribution of Assets-Liabilities

Particulars	1 to 30/31 day (one month)	Over 1 month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year
A. Total Rate Sensitive Liabilities (A)	689.67	41.64	74.12	118.09	634.43
B. Total Rate Sensitive Assets (B)	47.54	20.24	8.28	39.29	45.59
C. Mismatch	-642.19	-21.39	-65.64	-78.80	-568.84
D. Cumulative Mismatch	-642.13	-663.52	-729.36	-808.17	-1397.01
E. Mismatch (%)	-93.11%	-51.38%	-88.82%	66.73%	-92.81%

Interest Rate Risk - Increase in Interest Rate

Magnitude of Shock	Interest Rate Risk		
	Minor 2%	Moderate 4%	Major 6%
Change in the Value of Bond Portfolio	0.00	0.00	0.00
Net Interest Income	-20.48	-40.96	-61.45
Revised Regulatory Capital	-713.59	-733.99	-754.39
Risk Weighted Assets	974.06	974.06	974.06
Revised CAR (%)	-73.26%	-75.35%	-77.45%

G) Market risk

Qualitative Disclosures

(a) Views of BOD on trading/investment activities
All the Market Risk related policies/guidelines are duly approved by BOD. The BOD sets limit and review and updates the compliance on regular basis aiming to mitigate the Market risk.

Methods used to measure Market risk

Market Risk is the probability of losing assets in balance sheet and off- balance sheet position arising out of volatility in market variables i.e. interest rate, exchange rate and prices of securities. In order to calculate the market risk for trading book purposes the company uses Standardized (rule based) Approach where capital charge for interest rate risk, price and foreign exchange risk is determined separately.

Market Risk Management system Policies and processes for mitigating market risk

A Policy for managing Market Risk has been set out by the Board of Directors of the company where clear instructions has been given on Loan Deposit Ratio, Whole Sale Borrowing Guidelines, Medium Term Funding, Maximum Cumulative Outflow, Liquidity Contingency Plan, Local Regulatory Compliance, Recommendation / Action Plan etc. Treasury manages the Market Risk with the help of Asset Liability Management Committee (ALCO) and Asset Liability Management (ALM) Desk in the following fashion:

Interest Risk Management

Treasury Division reviews the risks of changes in income of the Company as a result of movements in market interest rates. In the normal course of business, FFIL tries to minimize the mismatches between the duration of interest rate sensitive assets and liabilities. Effective Interest Rate Risk Management is done as under:

Market analysis

Market analysis over interest rate movements are reviewed by the Treasury of the company. The type and level of mismatch interest rate risk of the company is managed and monitored from two perspectives, being an economic value perspective and an earning perspective.

GAP analysis

ALCO has established guidelines in line with central Bank’s policy for the management of assets and liabilities, monitoring and minimizing interest rate risks at an acceptable level. ALCO in its regular monthly meeting analyzes Interest Rate Sensitivity by computing GAP i.e. the difference between Rate Sensitive Assets and Rate Sensitive Liability and take decision of enhancing or reducing the GAP according to prevailing market situation aiming to mitigate interest rate risk.

Continuous Monitoring

Company’s treasury manages and controls day-to-day trading activities under the supervision of ALCO that ensures continuous monitoring of the level of assumed risks.

Equity Risk Management

Equity Risk is the risk of loss due to adverse change in market price of equities held by the Company. Equity Risk is managed by the following fashion:

FFIL minimizes the Equity Risks by Portfolio diversification as per investment policy of the company. The entire portfolio is managed by FFIL Investments Limited.

Quantitative Disclosures

(b) The capital requirements for Market Risk:

Interest rate risk	-
Equity position risk	3.20
Foreign Exchange Position and Commodity risk (if any).	-

H) Operational Risk:

Qualitative disclosure:

(a) Views of Board on system to reduce Operational Risk:

All the policies and guidelines of internal control and compliances are duly approved by the Board. The Board delegates its authority to Executive Committee and to MANCOM members as per company policy of delegation of authority. Audit Committee of the Board directly oversees the activities of internal control and compliance as per good governance guideline issued by Securities and Exchange Commission.

Performance gap of executives and staffs

FFIL’s recruitment strategy is based on retaining and attracting the most suitable people at all levels of the business and this is reflected in our objective approach to recruitment and selection. The approach is based on the requirements of the job (both now and in the near future), matching the ability and potential of the individual. Qualification, skills and competency are our basis for nurturing talent. We are proud to state that favorable job responsibilities are increasingly attracting greater participation from different level of employees in the FFIL family. We aim to foster a sense of pride in working for FFIL and to be the employer of choice. As such there exists no performance gap in FFIL.

Potential external events

No such potential external event exists to raise operational risk of FFIL at the time of reporting.

Policies and procedures for mitigating operational risk:

FFIL has also established Internal Control and Compliances Department (ICC) to address operational risk and to frame and implement policies to encounter such risks. ICC assesses operational risk across the Company as a whole and ensures that an appropriate framework exists to identify, assess and manage operational risk.

Approach for calculating capital charge for operational risk:

Operational risk is defined as the risk of loss resulting from inadequate or failed internal processes, people and system or from external events. FFIL uses basic indicator approach for calculation capital charge against operational risk i.e. 15% of average positive annual gross income of the company over last three years.

Quantitative Disclosures:

(b) Capital requirement for operational risk:

Capital requirement for operational risk:	-16.51
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Statement on Ethics and Compliance

Acknowledgement

FAS Finance & Investment Limited remains committed to upholding the highest standards of ethics and compliance by its employees. Good governance and sound ethical practices are deeply embedded in our culture. We will continue to strengthen our position to remain as a highly-compliant and well-governed financial institution in Bangladesh.

Our Approach

As governance and regulatory requirements in the financial industry continues unabated, financial institutions are coming under intense pressure to implement good governance practices and manage compliance risk while pushing for improvements to the bottom-line. Compliance risk within the FFIL Financial Group is defined as the risk of impairment to the organization's business model, reputation and financial condition from failure to meet laws and regulations, internal policies and the expectations of stakeholders.

FFIL pays close attention to the moral concerns in order to make the right ethical decisions on a day-to-day basis over and above observing the law, one of the basic professional requirements for the NBFIs. We at FFIL believe that the upholding of an ethical culture in financial sector is of critical interest to the customers, employees, regulators alike and to the NBFIs itself as a secured, reliable and efficient financial sector system in one of the pillars of economic stability of any country. Hence, nurturing an ethical culture is of utmost importance for financial institutions, like any other organization. Our core ethical values include honesty, integrity, fairness, responsible citizenship, and accountability.

Code of Ethics & Principles of Conduct

True spirit of ethical practices is at the core of what FFIL secures in the course of business. We fondly believe that our achievement can only be sustained by creating effective corporate governance, professionalism among its staff and strictly adhering to rules and regulations designed in high ethical standard. Key areas of our efforts are:

1. Fair Treatment of Customers

FFIL ensures that customers are treated fairly and without prejudice that fosters good support and helps to build long-term sustainable business relationship.

2. Privacy and Security of Client Information

As per our 'Code of Conduct', all information gathered from customers/clients during the course of providing service is to be considered confidential unless it is clearly stated otherwise.

3. Transparency and Accuracy of Financial, Tax and Other Reporting

Employees of FFIL must ensure that information / reporting relating to their customer is readily available, accurate and transparent.

4. Interaction in Print, Electronic and Social Media

All media (Print, electronic and social) inquiries are forwarded to representatives of corporate communication department or any authorized personnel to initiate contact with the media on behalf of the organization.

5. Ethics against Discriminatory Harassment

FFIL Management ensures strict compliance with antidiscrimination and harassment policy whereby the wrongdoer may be subjected to the full range of disciplinary actions up to and including termination of his /her employment as well as may be tried by the prevailing laws of the country.

6. Kickback & Secret Commission

FFIL employees must not receive payment or compensation of any kind from any customer/ vendor/ supplier, except as authorized under the organization's business. In particular, FFIL Strictly prohibits the acceptance of secret commission from suppliers and clients.

7. Personal Investment and Insider Trading

It is also prohibited for FFIL Employees to take part in trading of publicly traded securities and investments for personal gain if they possess material non-public information about the security or the issuer.

8. Conduct towards Female Colleagues

Any harassment or discriminatory behavior directed at female employees in the form of derogatory or provocative comments, physical violence, horseplay / inappropriate jokes, unwanted physical contact, use of epithet, comments or innuendo, obscene or harassing telephone calls, e-mails, letters, notes or other forms of communication, and any other conduct that may create a hostile working environment is strictly prohibited. In some cases can lead to termination of employment.

9. Workplace Security & Safety

One of the primary concerns of FFIL is to maintain a healthy and productive work environment by ensuring the safety and security of office premises.

Compliance Governance

At the apex of Compliance is the Board, which oversees and provides strategic direction for compliance in the Group.

Statement on Corporate Governance

Corporate governance is the system by which companies are directed and controlled. The Boards of Directors are responsible for the overall corporate governance. FFIL believes compliance to be one of its key priorities and is continuously working to strengthen and improvement of its corporate governance with the aim to have sustainable growth, transparency, accountability, development of corporate values and to meet the expectation of shareholders, customers, regulators and other key stakeholders.

In pursuing the Corporate Objectives, we have committed to the highest level of governance and strive to foster a culture that values and rewards exemplary ethical standards, personal and corporate integrity and mutual respect. The Board of Directors, led by the Chairman, is responsible for the governance of FFIL, and developing effective Governance Framework to meet challenges, both in the short and long term. The Board is committed to reviewing and improving our systems to provide transparency and accountability, and initiate transformational changes whenever necessary to ensure best practices are maintained and enhanced according to the principles of Corporate Governance.

Corporate Governance Framework

FFIL's corporate governance framework is based on the principles of accountability, transparency, ethical management and fairness. A philosophy of sound governance is entrenched across the business. The directors recognize that good governance, achieved through an ethical culture, competitive performance, effective control and legitimacy, can create sustainable value and enhance long-term equity performance. The following Acts, Regulations and Circulars have been used:

Sl. No.	Particulars
1	The Companies Act, 1994
2	The Financial Institutions Act, 1993
3	The Code of the best Practice on Corporate Governance issued by the Bangladesh Securities and Exchange Commission (SEC) vide Notification No. BSEC/CMRRCD/2006-158/ 207 /Admin/80 Dated June 3, 2018.
4	Bangladesh Bank circular DFIM Circular No. 07, dated; 25 September, 2007.
5	Listing Regulations of Dhaka Stock Exchange and Chittagong Stock Exchange

Code of Conduct: defines the FFIL's ethical values and professional standards that the Board and all employees are required to follow, including an emphasis that employees must adhere to all relevant laws, regulations, and policies in order to maintain and strengthen our reputation for integrity, fair dealing and measured risk taking.

Organizational Guidelines and Regulations: define the responsibilities and sphere of authority of the various bodies within the company, as well as the relevant reporting procedures.

Corporate Governance Guidelines: summarize certain principles promoting the function of the Board and its committees and the effective governance of the company.

The Board

The primary role of the Board is to protect and enhance long-term shareholder value. It sets the overall strategy for FFIL and supervises executive management. It also ensures that good corporate governance policies and practices are implemented within the company. In the course of discharging its duties, the Board acts in good faith, with due diligence and care, and in the best interests of the Company and its shareholders. The Board of Director of FFIL comprises of members from diverse professional and educational background having knowledge and experience in Finance, Accounting, Economics, Medical, Law, Business Studies, Business Administration amongst others. The short biographies of the board of directors is set out in the Profile of the Board of Directors section of this annual report.

Representation of Non-Executive Directors & Independent Directors

FFIL's Board comprises five (5) Non-Executive Directors (NEDs) and all are the Independent Directors. All the Directors bring forth independent judgment and considerable knowledge to perform their roles effectively. As per Bangladesh Securities and Exchange Commission (BSEC), Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 Dated June 3, 2018, at least one-fifth of the total Directors of the Board shall be Independent Directors. Thus, in compliance we have all Independent Director in the Board of the Company, having no share or interest in FFIL. Independence of the respective Independent Directors is confirmed during selection and appointment of the Directors and they remain committed to continue with such independence throughout their tenure.

Responsibilities of the Board of Directors

The board has overall responsibility for the Organization. The responsibilities of the board of Directors include:

- Setting overall strategic direction of the company
- Review and approval of business strategy
- Review and approval of budget
- Review of performance against financial and strategic objectives
- Approval of internal policies and guidelines
- Approval of financial statements
- Understanding risk and setting risk appetite
- Ensuring good governance
- Appointment of Managing Director & CEO and fixation of benefits

Company's Policy on Appointment of Directors

The Board of Directors has the following duties and responsibilities in connection with the selection and appointment of new directors; -

- Regularly review the size and composition of the Board and the mix of expertise, skills, experience and perspectives that may be desirable to permit the Board to execute its functions;
- Identify any competencies not adequately represented and determine the process necessary to be assured that a candidate nominated by the shareholders with those competencies is selected;
- The Directors are appointed by the shareholders in the Annual General Meeting (AGM). Casual vacancies, if any, are filled by board in accordance with the stipulation of the Companies Act 1994 and the Articles of Association of FAS Finance & Investment Limited.
- Any change in the members of the Board requires intimation to the Bangladesh Bank, Bangladesh Securities and Exchange Commission (BSEC) and the stock exchanges. Directors usually serve three year terms, which the Board considers an appropriate length of time for directors to immerse themselves fully in the Company's affairs and gain sufficient understanding of the Company's operations so as to make an effective contribution as a Director.

Chairman

Role of the Chairman

The Chairman runs the Board. The Chairman serves as the primary link between the Board and the management and works with the Managing Director and CEO and the Company Secretary to set the agenda for Board meetings. It is the Chairman's responsibility to provide leadership to the Board and ensure that the Board works effectively and discharges its responsibilities as Directors of the Company.

The role and responsibilities of the Chairman of the Board is defined and set by the Board.

The Chairman's primary role is to ensure that the Board is effective in its task of setting and implementing the Company's direction and strategy. The Chairman is selected by the Board. The principal features of the role of the Chair comprise the followings:

- Providing leadership to the Board
- Taking responsibility for the Board's composition and development
- Ensuring sufficient provision of information available to the Board
- Planning and conducting Board meetings effectively
- Getting all Directors involved in the Board's work
- Ensuring the Board's focus on key tasks
- Engaging the Board in assessing and improving its performance
- Overseeing the induction and development of Directors
- Supporting the Managing Director and CEO.

Responsibilities of the Chairman

The Chairman of the Board shall be responsible for the management, development and effective performance of the Board of Directors and provides leadership to the Board for all aspects of the Board's functions. He will:

- Ensure effective operations of the Board and its committees in conformance with the highest standards of corporate governance;
- Ensure effective communication with shareholders, host Governments and other relevant constituencies and ensure that the views of these groups are understood by the Board;
- Set the agenda, style and tone of Board discussions to promote constructive debate and effective decision making;
- Ensure that all Board Committees are properly established, composed and operated;
- Support the Managing Director and CEO in strategy formulation and, more broadly, provide support and give advice;
- Ensure an effective relationship among Directors, acting as the principal channel for communication and issues relating to business strategy, planned acquisitions and corporate governance;
- Establish a harmonious and open relationship with the Managing Director and CEO;
- Ensure that Board Committees are properly structured and all corporate governance matters are fully addressed;
- Encourage active engagement by all members of the Board.

Separation of Duties between CEO and Chairman

The Chairman of the Board is not the Chief Executive of the Company and are independent of each other, and their roles are autonomous and separate, in accordance with the DFIM Circular No. 07, dated 25.09.2007 and BSEC's Notification Corporate Governance Code dated 03.06.2018.

Managing Director

Role and Responsibilities of the Managing Director

The main duties and responsibilities and authorities of the Managing Directors are as follows:

- Perform duty as delegated by the board;
- Business planning and achieving targets set by the board through execution of business plan;
- Ensure compliance with Financial Institutions Act, 1993 and related guidelines and circulars;
- Appointment and appraisal of all the employees.

Appointment of Managing Director

The Managing Director & CEO is appointed by the Board subject to the consent of the shareholders in the Annual General Meeting (AGM) and approval of Bangladesh Bank.

Annual Evaluation of the CEO by the Board

The Board of Directors evaluates the Managing Director and CEO based on the goals set for him considering the company vision and mission at the beginning of each year. The Board does the performance assessment of CEO annually based on the specific targets as set forth in Annual Budget and long-term strategic goals. The annual financial budget and other job objectives are discussed, reviewed and finalized by the Board at the start of each fiscal year. The Board considers both financial and non-financial goals in both short term and long term while setting targets and doing the performance assessment.

No involvement with any other listed or non listed companies at the same time

As per BSEC's Notification Corporate Governance Code dated 03.06.2018 the Managing Director & CEO do not hold the same or any executive position with any other listed or non listed companies.

Company Secretary

The Company Secretary of the Company, has day-to-day knowledge of the Company's affairs. Company Secretary reports to the Board of Directors and is responsible for providing advice on governance matters.

Role of Company Secretary

In compliance with the Corporate Governance Code, the Company Secretary has defined roles and responsibilities

approved by the Board. The Company Secretary acts as a mediator between the Company, its Board of Directors, stakeholders, the government and regulatory authorities. He has expertise in corporate laws, capital markets, security laws and corporate governance. He also keeps close review of all legislative, regulatory and corporate governance developments that might affect the Company's operations and ensure that the Board is fully briefed on these and that it has regard to them when taking decisions.

The Company Secretary ensures that the best management practices and work ethics are embraced to create value for the Company. He ensures that the concept of stakeholders is in the Board's mind when important and business decisions are being taken, co-ordinates the policies of the Company, fulfills the management function and provides guidance on strategic decisions for the improvement and growth of the Company.

In compliance with the Corporate Governance Code, the Company Secretary has defined roles and responsibilities approved by the Board, which are indicated below:

- To ensure the compliance of the company in relation to financial and legal practices, as well as issues of corporate governance;
- To act as a point of communication between the board of directors and company shareholders, reporting in a timely and accurate manner on company procedures, performance and developments;
- To develop and oversee the systems that ensure the company complies with all applicable codes, as well as its legal and statutory requirements;
- Holding, managing and administering board and committee meetings and general meetings of shareholders;
- Organizing, preparing agendas for, and taking minutes of board meetings, audit committee meetings, executive committee and other committees of the Board, annual general meetings (AGMs) and extra-ordinary general meeting of the shareholders;
- Overseeing maintenance of statutory books, including registers of members, directors and registrar of meeting minutes;
- Dealing with correspondence, ensuring decisions made are communicated to the company stakeholders;
- Contributing to meeting discussions, as and when required, and advising members of the legal, governance, accounting and tax implications of proposed policies;
- Monitoring changes in relevant legislation and the regulatory environment, and taking appropriate action;
- Liaising with external regulators and advisers, such as lawyers and auditors;

FAS Finance & Investment Limited

- Filing statutory returns to regulatory bodies such as RJSC, Bangladesh Bank, Securities & Exchange Commission (SEC), Stock Exchanges, Central Depository System etc;
- Overseeing the preparation of company's statutory annual report and dispatching to stakeholders in timely manner;
- Assist management in corporate tax planning and ensure efficient and effective tax management and compliance with regard to tax withholding and statutory reporting to tax authority;
- Analyze tax implications in new diversified investments and assist management;
- To take competitive tax advantage from different alternative investment options;
- Oversee the filing of annual tax return, liaise with tax consultants time to time and attend hearing to tax office as and when required;
- Statutory reporting to Bangladesh Bank, SEC, NBR and other regulatory bodies under Financial institutions Act, 1993, Companies Act 1994, Securities & Exchange Regulations etc and
- Liaison with the outside parties for company affairs.

No involvement with any other listed or non listed companies at the same time

As per BSEC's Notification Corporate Governance Code dated 03.06.2018 the Company Secretary do not hold the same or any executive position with any other listed or non listed companies.

Access of Head of Audit to the Audit Committee

The Head of Internal Audit and Compliance has the direct access to the Audit Committee.

Role and Responsibility of the Head of Internal Audit

The Head of Internal Audit (HIA) is the key person who is responsible for ensuring the appropriate level of assurance in relation to the operation of internal controls, risk management and governance. Hence, appropriate governance arrangements would include the HIA having direct, unrestricted access to the accountable officer; a service level agreement (or similar) in place; and a strong audit committee in operation.

The duties and responsibilities will also include oversee the following functions:

- (1) Financial reporting including disclosures
- (2) Internal control
- (3) Internal audit
- (4) Compliance with relevant ethical requirements, in particular independence and objectivity

(5) The statutory audit or external audit

(6) Remedial actions

Reporting of Internal Auditor to the Audit Committee

The Company's internal control system was commensurate with its size and business nature. The system minimized operational risks through effective control, systemic review and on-going audit. The internal auditors undertook a comprehensive audit of all functional areas and operations, their findings referred to the Audit Committee of the Board.

The Company internalized its legal and technical appraisal functions to ensure optimum control. The Company's multi-level authorization structure ensured that higher exposure levels were duly authorized by personnel and committees with requisite experience and authority. Training programs and guidelines helped to implement linkage between goals and operations.

The Board has ultimate responsibility for establishing an effective system of internal control. The internal control system holds all business risks, including financial, operational and strategic risks. To mitigate all the risks as well as to establish control environment, the board holds its meeting regularly with comprehensive agenda dealing with all major aspects of business. There is an internal control and compliance department directly reporting to the Board Audit Committee which looks after compliance with the organizational policies by different departments.

FFIL made relevant mandatory disclosure in its financial statements under the regulatory framework, including compliance with the provisions of International Financial Reporting Standards (IFRS) as adopted in Bangladesh, besides that it submits all the reports/statements regularly, which are required to submit to the regulators as well as the other stakeholders of the Company. However, a separate report on Internal Control has been given on page no. of this report.

No involvement with any other listed or non listed companies at the same time

As per BSEC's Notification Corporate Governance Code dated 03.06.2018 the Head of Internal Audit and Compliance do not hold the same or any executive position with any other listed or non listed companies.

Nomination & Remuneration Committee

As per the Corporate Governance Code issued by BSEC, a company needs to form a Nomination and Remuneration Committee (NRC). However, as per the Central Bank's regulation DFIM Circular Letter No. 18 dated 26.10.2011 and DFIM(P)1052/27/2021-2436 dated November 04, 2021, no NBFI can form any Board Subcommittee other than Executive Committee and Audit Committee.

Compliance with Corporate Governance Regulation by Bangladesh Bank and Bangladesh Securities and Exchange Commission

In compliance with the conditions of the Corporate Governance Guidelines issued by Bangladesh Securities and Exchange Commission (BSEC) Notification No. SEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018, MRH Dey & Co., Chartered Accountants examined the compliance with the said conditions of Corporate Governance and certified that FAS Finance & Investment Limited has complied with the conditions of Corporate Governance stipulated in the above mentioned BSEC's notification dated 3 June 2018. The company also provides the compliance checklist as required by Bangladesh Bank.

Communications to Shareholders and Stakeholders

It is the company's policy that all external communication by the Company will:

- Be factual and subject to internal vetting and authorization;
- Not omit material information;
- Express information in a timely, clear and objective manner.

FFIL strongly believes that all stakeholders should have access to complete information on its activities, performance and product initiatives.

Communication through Quarterly Reports

The company reports to its shareholders four times a year through quarterly and half-yearly reports and a detailed Annual Report.

Communication through AGM

All shareholders have the right to attend the Annual General Meeting (AGM) where they can meet and communicate with the Directors and express their views regarding the Company's business, prospects and other matters of interest. The shareholders are always encouraged to attend the meetings or, if they are unable to attend, appoint proxies in that special cases.

Process of Communicating the Schedule

Send all notices of the Annual General Meeting (AGM)/Extraordinary General Meeting (EGM) to the Exchange and simultaneously to the shareholders at least 14 days prior to AGM and 21 days prior to EGM. Hard copies of the Annual Report to the shareholders are also sent as least 14 days before the Annual General Meeting. Notice of the AGM is sent to the Dhaka Stock Exchange (DSE), Bangladesh Securities and Exchange Commission (BSEC), online newspaper and print media. The notice of the AGM is also made available on the company website.

Communication during the AGM

The shareholders, who attend the AGM, have the option to ask questions and give suggestions to the Board members during the AGM. The Managing Director and CEO, on behalf of the Board, answers the queries of the shareholders.

Communication through Website

The Company's website displays, inter-alia, the Annual Reports, half-yearly reports, quarterly reports, product offerings, recent announcements, presentations and event updates. Price Sensitive Information (PSI) are made publicly available as required by the Bangladesh Securities and Exchange Commission (BSEC), Dhaka Stock Exchange Limited (DSE) and the Chittagong Stock Exchange Limited (CSE) and the Bangladesh Bank. In addition to ensuring timely compliance, this also enables dissemination of information to all stakeholders and the public through print and online media.

Remuneration of Directors and Senior Managers

Directors are not entitled to any remuneration other than attending the meeting of the Board and its committees. Bangladesh Bank vide its DFIM Circular No.13 dated November 30, 2015, fixed the maximum remuneration limit to BDT 8,000 per attendance. The Board of FFIL complies with the regulation.

Managing Director's remuneration is set by the Central Bank. Remuneration for senior executives is market-based and competitive to attract, motivate and retain skilled and competent employees. The total remuneration package of senior executives comprises basic pay, car benefits, allowances, performance bonus, retirement benefits (Gratuity and Provident Fund) and other benefits as per company's policies.

Code of Ethics and Business Conduct

The Board promotes ethical and responsible decision making. FFIL has in place a Code of Ethics and Business Conduct that is applicable to all its employees to ensure a high standard of ethical and professional conduct is upheld by all its employees in the performance of their duties and responsibilities.

The Code of Ethics enhance the standard of corporate governance and promote ethical conduct with a view to achieving the following objectives:

- To establish a uniform ethical standard emphasizing conduct free from conflicts of interest; and
- To uphold the spirit of corporate responsibility and accountability in line with the governing laws, regulations and guidelines.

Certificate on Compliance of Conditions of Corporate Governance Guidelines to the Shareholders of FAS Finance and Investment Limited



SAIFUR ENAYET & ASSOCIATES Cost & Management Accountants

Certificate as per condition no. 1(5)(xxvii)

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATION

Report to the Shareholders
of
FAS Finance & Investment Limited
On Compliance on the Corporate Governance Codes
For the year ended on 31st December 2022

We have examined the compliance status to the corporate governance Code by **FAS Finance and Investment Limited** for the year ended on 31st December 2022. This code relates to the Notification No. BSEC/CMRRCD/2006/ 158/207/Admin/80, Dhaka, Dated: 03 June 2018 of the Bangladesh Securities and Exchange Commission.

Such compliance with the Corporate Governance Code is the responsibility of the company. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the condition of the Corporate Governance Code.

This is scrutiny and verification and an independent audit on compliance of the condition of the corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by Institute of Chartered Secretaries of Bangladesh (ICSB) in so far those standards are not inconsistent with any condition of this Corporate Governance Code.

We state that we have obtained all the information explanation, which we have required, and after due scrutiny and verification thereof, we report that, in our opinion.

- (a) The Company has complied with the condition of the Corporate Governance Code as stipulated in the above-mentioned Corporate Governance Code issued by the Commission.
- (b) The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code.
- (c) Proper books and records have been kept by the Bank as required under the Companies Acts, 1994, the securities laws and other relevant laws, and
- (d) The Governance of the company is satisfactory



Place: Dhaka
Date: December 03, 2023

For Saifur Enayet & Associates

Md. Saifur Rahman FCMA
Principal & CEO
Cost & Management Accountants

Status of Compliance with the Corporate Governance Code (CGC) of FAS Finance & Investment Limited for the year ended 31st December 2022

[As per condition No. 1(5) (xxvii)]

Status of compliance with the conditions imposed by the Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80, dated 3 June 2018.

(Report under Condition No. 9.00)

Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
1.00 1.(1)	Board of Directors (BoD) Board Size shall not be less than 5(five) and more than 20(twenty)	✓		5(Five) independent directors has appointed by BSEC as per letter no. SEC/SRMIC/105-2017/146 dated 31/05/2021. However, no latest Form XII not submitted to RJSC by the company.
1.(2)	Independent Director:			
1.2.(a)	At least one-fifth (1/5) of the total number of board of directors shall be Independent Directors (ID)	✓		All Independent Directors are appointed by BSEC
1.2 (b) (i)	IDs do not hold any share or holds less than 1% shares of the total paid-up shares of the Company	-	-	None of the Independent Director holds any share of the company
1.2(b) (ii)	ID is not a sponsor and not connected with any sponsor or director or nominated director or shareholder or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares and his or her family members shall not hold above mentioned shares;	✓	-	
1.2 (b)(iii)	ID has not been an executive of the company in immediately preceding two financial years;	✓	-	-
1.2 (b)(iv)	ID does not have any relationship whether pecuniary or otherwise relationship with the company or its subsidiary/associated companies;	✓		-
1.2 (b)(v)	ID is not a member or TREC holder, director or officer of any stock exchange;	✓		-
1.2 (b)(vi)	ID is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market;	✓		-
1.2 (b)(vii)	ID is/was not a partner or an executive of company's audit firms engaged in Statutory Audit or Internal Audit or Special Audit or Compliance Certification of the Codes during preceding three years;	✓		-

Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
1.2 (b)(viii)	ID shall not be independent director in more than five listed companies;	✓		-
1.2 (b)(ix)	ID has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or NBFIs;	✓		-
1.2 (b)(x)	ID has not been convicted for a criminal offence involving moral turpitude;	✓		-
1.2 (c)	Appointment of ID shall be done by Board and approved by the shareholders in AGM.	✓		-
1.2 (d)	The Post of ID cannot remain vacant more than 90 days.	✓		-
1.2 (e)	The tenure of office of an ID shall be for three(3) years, which may be extended for one(1) tenure only;	✓		-
1.3	Qualification of Independent Director(ID):			
1.3(a)	Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial, corporate laws, regulatory requirements and can make meaningful contribution to the business;	✓		
1.3(b)	Independent director shall have the following qualifications:			
1.3(b)(i)	ID is a Business Leader who is/was a promoter or director of an unlisted company having minimum paid-up capital of One Hundred million or any listed company or a member of any national or international chamber of commerce or business association;	-	-	No such category ID appointed
1.3(b)(ii)	ID is/was a Corporate Leader as top level executive as adopted by the code and a candidate with equivalent position of an unlisted company having minimum paid up capital of Tk. 100.00 million or of a listed company;	✓		Two Independent Directors have such qualification.
1.3(b)(iii)	ID was Former official of government in the position not below 5th Grade of the national pay scale and educational background of bachelor degree in economics or commerce or business or law;	✓		One Independent Director has such qualification.
1.3(b)(iv)	ID is/was University Teacher who has educational background in Economics or Commerce or Business Studies or Law;	✓	-	One of the ID is a university teacher.
1.3(b)(v)	ID is/was a professional or an advocate practicing in the HCD of Bangladesh Supreme Court or a CA, CMA, CFA, CCA, CPA and CS or equivalent qualification;	✓	-	One of the ID is a CMA and holding top position of a multinational credit rating agency.
1 (3) (c)	The ID shall have at least Ten (10) years of experiences in any field mentioned in clause (b);	✓		

Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
1 (3) (d)	Special cases for relaxing qualifications or experiences with prior approval of the Commission;	-	-	No such event occurred
1(4)	Duality of Chairperson of the Board of Directors and Managing Director or CEO:			
1(4)(a)	The Position of the Chairman of the Board and the Managing Director (MD) and/or the Chief Executive Officer (CEO) of the Company shall be filled by different Individuals;	✓		The Chairman of the Board and MD & CEO of the company are different individual
1(4)(b)	MD and/or CEO of a listed Company shall not hold the same position in another listed Company;	✓		
1(4)(c)	The Chairperson of the Board shall be elected from among the non-executive directors;	✓		
1(4)(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or CEO;	✓		
1(4)(e)	In absence of Chairman, the remaining members may elect one from non-executive directors as Chairperson for that particular Board's meeting; the reason of absence shall be duly recorded in the minutes.	N/A	-	No such event occurred
1(5)	Directors' Report to Shareholders:			
1(5)(i)	Industry outlook and possible future developments in the industry;	✓	-	
1(5)(ii)	Segment-wise or product-wise performance;	✓	-	
1(5)(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	✓	-	
1(5)(iv)	A discussion on Cost of Goods Sold, Gross Profit Margin and Net Profit Margin, where applicable;	-	-	Not applicable
1(5)(v)	A discussion on continuity of any extraordinary activities and their implications (gain or loss);	N/A	-	No such matter arose during the year.
1(5)(vi)	A detailed discussion and statement on related party transactions;	✓	-	
1(5)(vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments;	-	-	Not Applicable
1(5)(viii)	Explanation if the financial results deteriorate after the company goes for IPO, RPO, Rights Offer, Direct Listing, etc.;	-	-	Not Applicable
1(5)(ix)	Explanation by the Management if significant variance occurs between Quarterly Financial Performance and Annual Financial Statements;	✓	-	
1(5)(x)	Disclosure for remuneration paid to Directors including Independent Directors	✓	-	
1(5)(xi)	A statement that financial statements prepared by the management of the issuer present fairly	✓		

Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
	its state of affairs, the result of its operations, cash flows, and changes in equity;			
1(5)(xii)	Proper books of account of the issuer company have been maintained;	✓	-	
1(5)(xiii)	Appropriate accounting policies have been consistently applied in preparation to the financial statements and that the accounting estimates are based on reasonable and prudent judgment.	✓	-	
1(5)(xiv)	Followed IAS or IFRS as applicable in preparation of the financial statement and departure therefrom has been adequately disclosed.	✓	-	
1(5)(xv)	The system of internal control is sound in design and has been effectively implemented and monitored.	✓	-	
1(5)(xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;	✓	-	
1(5)(xvii)	There are no significant doubts upon the issuer company's ability to continue as a going concern. If the issuer company is not considered to be a going concern, the fact along with reasons thereof should be disclosed;	✓	-	
1(5)(xviii)	Significant deviations from the last year's operation results of the issuer company shall be highlighted and the reasons thereof should be explained;	✓	-	
1(5)(xix)	Key operating and financial data of at least preceding 5 (Five) years shall be summarized;	✓	-	
1(5)(xx)	Reason for non-declaration of dividend (cash or stock) for the year.	✓	-	
1(5)(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;	N/A	-	
1(5)(xxii)	The number of Board meetings held during the year and attendance by each Director;	✓	-	
1(5)(xxiii)	A report on the pattern of shareholding disclosing the aggregate (name wise details);			
1(5)(xxiii)(a)	Parent/Subsidiary/Associated Companies and other related parties (name wise details);	✓	-	
1(5)(xxiii)(b)	Directors, CEO, Company Secretary, CFO, HIAC and their spouses and minor children (name wise details).	✓	-	
1(5)(xxiii)(c)	Executives (top 5 (five)) salaried employees of the company, other than the Directors, Chief Executive Officer, Company Secretary, Chief	✓	-	

Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
	Financial Officer and Head of Internal Audit and Compliance			
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name wise details);	-	-	Not Applicable
1(5)(xxiv)	In case of the appointment/re-appointment of a director the company shall disclose the following information to the shareholders:			
1(5)(xxiv)(a)	A brief resume of the director.	✓	-	
1(5)(xxiv)(b)	Nature of his/her expertise in specific functional areas;	✓	-	
1(5)(xxiv)(c)	Names of the companies in which the person also holds the directorship and the memberships of committees of the Board;	✓	-	
1(5)(xxv)	Management discussion and analysis signed by CEO/MD presenting detail analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on:			
1(5)(xxv)(a)	Accounting policies and estimation for preparation of financial statements;	✓	-	
1(5)(xxv)(b)	Presenting detailed Changes in accounting policies and estimation as well as cash flows on absolute figure for such changes;	✓	-	
1(5)(xxv)(c)	Comparative analysis (including effects of inflation) of financial performance and position as well as cash flows for current financial year with immediately preceding five years explaining reasons thereof;	✓	-	
1(5)(xxv)(d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	✓	-	
1(5)(xxv)(e)	Briefly explain the financial and economic scenario of the country and globe;	✓	-	
1(5)(xxv)(f)	Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company;	✓	-	
1(5)(xxv)(g)	Future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM;	✓	-	
1(5)(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A ;	✓	-	
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure -B and as per Annexure-C .	✓	-	
1(6)	Meeting of the Board of Directors: Conducting Board meetings and recording the minutes of the meetings and keeping required	✓	-	

Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
	books and records in line BSS as adopted by the ICSB;			
1(7)	Code of Conduct for the Chairperson, other Board members and Chief Executive Officer:			
1(7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC);	N/A	-	As per the Bangladesh Bank Circular BRPD(R-1) 717/2021-5064 dated 16 June 2021 no such committee is possible to form without the instructions from Bangladesh Bank. As per the circular formation of such committee clearly contradicts with the rules of Bank Company Act 1991 and instructions of Bangladesh Bank. So no NRC is formed by the Board.
1(7)(b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior;	N/A	-	
2	Governance of Board of Directors of Subsidiary Company:			
2(a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary Company;	✓	-	
2(b)	At least 1 (One) Independent Director of holding company shall be a director on the Board of subsidiary company;	✓	-	
2(c)	Minutes of subsidiary to be placed in the meeting of holding company;	✓	-	
2(d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also;	✓	-	
2(e)	The Audit Committee of the holding company shall also review the financial statements in particular the investments made by the subsidiary company.	✓	-	
3.0	Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS):			
3.1	Appointment:			
3(1)(a)	The Board shall appoint a MD or CEO, CS, CFO and HIAC;	✓		
3(1)(b)	The positions of the MD or CEO, CS, CFO and HIAC shall be filled by different individuals;	✓		
3(1)(c)	The MD or CEO, CS, CFO, and HIAC of a listed company shall not hold any executive position in any other company at the same time;	✓		
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	✓		
3(1)(e)	MD or CEO, CS, CFO, and HIAC shall not be removed from their position without approval of	✓		

Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
	the Board and be disseminated to the commission and stock exchange(s).			
3 (2)	Requirement to attend Board of Directors' Meetings: MD or CEO, CS, CFO and HIAC shall attend the meetings of the Board;	✓		
3.3	Duties of Managing Director (MD) or Chief Executive Officer (CEO) and CFO:			
3(3)(a)(i)	The statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;	✓		
3(3)(a)(ii)	The statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;	✓		
3(3)(b)	Certification of CEO and CFO that to the best of their knowledge and belief there was no fraudulent, illegal transactions during the year;	✓		
3(3)(c)	The certification of the MD/CEO and CFO shall be disclosed in the Annual Report.	✓		
4.	Board of Directors' Committee:			
4 (i)	Audit Committee	✓		
4 (ii)	Nomination and Remuneration Committee	N/A		
5.	Audit Committee:			
5(1)	Responsibility to the Board of Directors			
5(1) (a)	Company shall have an Audit Committee as a sub-committee of the Board.	✓		
5(1) (b)	Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the Company and in ensuring a good monitoring system within the business;	✓		
5(1) (c)	Audit Committee shall be responsible to the Board. The duties of Audit Committee shall be clearly set forth in writing.	✓		
5.2	Constitution of the Audit committee:			
5(2) (a)	The Audit Committee shall be composed of at least 3 (three) members.	✓		
5(2) (b)	Board shall appoint members of the Audit Committee who shall be non-executive directors of the company excepting Chairperson of the Board and shall include at least one independent director (ID);	✓		
5(2) (c)	All members of the Audit Committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10 years of such experience;	✓		
5(2) (d)	Casual vacancy shall be filled by the board not later than 1(one) month from the date of the vacancy.	✓	-	
5(2) (e)	The Company Secretary shall act as the	✓		

Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
	Secretary of the Audit Committee;			
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director;	✓		
5.3	Chairperson of the Audit Committee:			
5(3)(a)	The Board of Directors shall select 1 (one) member of the Audit Committee to be Chairman of the Audit Committee, who shall be an independent director;	✓		
5(3)(b)	Election of Chairman of the particular meeting in absence of regular Chairperson of Audit Committee recording the reasons of such absence in the minutes.	-	-	No such situation occurred
5(3)(c)	Chairperson of the Audit Committee shall remain present in the AGM.	✓		
5.4	Meeting of the Audit Committee:			
5(4)(a)	The Audit Committee shall conduct at least 4 meetings in a financial year.	✓		
5(4)(b)	Quorum of Audit Committee, presence of 2 or 2/3 members whichever is higher, where the presence of an ID is a must.	✓		
5.5	Role of Audit Committee:			
5(5)(a)	Oversee the financial reporting process;	✓		
5(5)(b)	Monitor choice of accounting policies and principles;	✓		
5(5)(c)	Internal Audit and Compliance process to ensure that it is adequately resourced;	✓		
5(5)(d)	Oversee hiring and performance of external auditors;	✓		
5(5)(e)	Hold meeting with the auditors, review the annual financial statements before submission to the Board for approval or adoption;	✓		
5(5)(f)	Review along with the management, the annual financial statements before submission to the board for approval;	✓		
5(5)(g)	Review along with the management, the quarterly and half-yearly financial statements before submission to the board for approval;	✓		
5(5)(h)	Review adequacy of internal audit function;	✓		
5(5)(i)	Review the management's discussion and analysis before disclosing in the Annual Report;	✓		
5(5)(j)	Review statement of all related party transactions submitted by the management;	✓		
5(5)(k)	Review management letters or letter of Internal Control weakness issued by statutory auditors;	✓		
5(5)(l)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors;	✓		

Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
5(5)(m)	Oversee whether the proceeds raised IPO or RPO or Rights Share Offer have been utilized per the purposes stated in relevant offer document or prospectus approved by the Commission;	N/A	-	
5.6	Reporting of the Audit Committee:			
5.6 (a)	Reporting to the Board of Directors			
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board.	✓		
5(6)(a)(ii)	The audit committee shall immediately report to the board on the following findings, if any:-			
5(6)(a)(ii)(a)	Report on conflicts of interests;	-	-	No such event occurred
5(6)(a)(ii)(b)	Suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process;	-	-	No such event occurred
5(6)(a)(ii)(c)	Suspected infringement of laws, regulatory compliance including securities-related laws, relies on and regulation;	-	-	No such event occurred
5(6)(a)(ii)(d)	Any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;	-	-	No such event occurred
5.6 (b)	Reporting to the Authorities: If any material impact on the financial condition and results of operation, unreasonably ignored by the management;	-	-	No such reportable incidence occurred
5.7	Reporting to the Shareholders and General Investors: Report on the activities carried out by the Audit Committee, including any report made to the Board of Directors under condition 5(6)(a)(ii);	✓		
6	Nomination and Remuneration Committee (NRC):			
6.1	Responsibility to the Board of Directors			
6(1)(a)	The company shall have a NRC as a sub-committee of the Board.	-	-	As per the Bangladesh Bank Circular BRPD(R-1) 717/2021-5064 dated 16 June 2021 no such committee is possible to form without the instructions from Bangladesh Bank.
6(1)(b)	The NRC shall assist the Board in the formulation of the nomination criteria or policy for determining qualifications, positive attributes experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	-	-	
6(1)(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b);	-	-	
6.2	Constitution of the NRC			

Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
6(2)(a)	The Committee shall comprise of at least three members including an independent director (ID);	NA	-	
6(2)(b)	All members of the Committee shall be non-executive directors;	NA	-	
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board;	NA	-	
6(2)(d)	Board shall have authority to remove and appoint any member of the committee;	NA	-	
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;	NA	-	
6(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as an advisor who shall be a non-voting member if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;	NA	-	
6(2)(g)	The company secretary shall act as the secretary of the committee;	NA	-	
6(2)(h)	The quorum of the NRC meeting shall not constitute without the attendance of at least an independent director;	NA	-	
6(2)(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company;	N/A	-	
6.3	Chairperson of the NRC			
6(3)(a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	NA	-	
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;	NA	-	
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders.	NA	-	
6.4	Meeting of the NRC			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year.	NA	-	
6(4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC.	NA	-	

Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
6(4)(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two-third of the members of the Committee, whichever is higher, where the presence of an independent director is must as required under condition No. 6(2)(h).	NA	-	
6(4)(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	NA	-	
6.5	Role of NRC			
6(5)(a)	NRC shall be independent and responsible/accountable to the Board and to the shareholders;	NA	-	
6(5)(b)(i)(a)	NRC shall oversee, formulate & recommend to the Board regarding the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;	NA	-	
6(5)(b)(i)(b)	Relationship of remuneration to performance is clear and meets appropriate performance benchmarks;	NA	-	
6(5)(b)(i)(c)	Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals;	NA	-	
6(5)(b)(ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	NA	-	
6(5)(b)(iii)	Identifying persons who are qualified to become directors and who may be appointed in top-level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;	NA	-	
6(5)(b)(iv)	Formulating criteria for evaluation of performance of independent directors and the Board;	NA	-	
6(5)(b)(v)	Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria;	NA	-	
6(5)(b)(vi)	Developing recommending and reviewing annually the company's human resources and training policies.	NA	-	
6(5)(c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC at a glance in its annual report.	NA	-	
7	External or Statutory Auditors			

Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
7(1)	The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely:-			
7(1)(i)	Appraisal or valuation services or fairness opinions.	✓		
7(1)(ii)	Financial information systems design and implementation.	✓		
7(1)(iii)	Book-keeping or other services related to the accounting records or financial statements.	✓		
7(1)(iv)	Broker-dealer services.	✓		
7(1)(v)	Actuarial services.	✓		
7(1)(vi)	Internal audit services or special services;	✓		
7(1)(vii)	Any other service that the Audit Committee determines;	✓		
7(1)(viii)	Audit or certification services on compliance of corporate governance as required under condition No. 9(1);	✓		
7(1)(ix)	Any other service that may create conflict of interest.	✓		
7(2)	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family shall not hold any shares in the said company.	✓		
7(3)	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders;	✓		
8	Maintaining a website by the company			
8(1)	The company shall have an official website linked with the website of the stock exchange.	✓		
8(2)	The company shall keep the website functional from the date of listing.	✓		
8(3)	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	✓		
9	Reporting and Compliance of Corporate Governance			
9(1)	The company shall obtain a certificate from a practicing Professional Accountant/Secretary (Chartered Accountant/ Cost and Management Accountant / Chartered Secretary) other than its statutory auditor or audit firm on yearly basis regarding the compliance of conditions of the Corporate Governance Code of the Commission and such certificate shall be disclosed in the Annual Report.	✓		
9(2)	The professional who will provide the certificate on compliance of Corporate Governance shall be appointed by the Shareholders in the AGM.	✓		
9(3)	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the Company has complied with these conditions or not.	✓		

CEO and CFO's Declaration

November 05, 2023

The Board of Directors
FAS Finance & Investment Limited
Suvastu Imam Square (4th & 5th floor)
65, Gulshan Avenue, Gulshan
Dhaka-1212.

Subject: Declaration on Financial Statements for the year ended on December 31, 2022.

Dear Sirs,

Pursuant to the condition No. 1(5)(xxvi) imposed vide the Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 Dated June 3, 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

- (1) The Financial Statements of FAS Finance & Investment Limited for the year ended on December 31, 2022 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
- (2) The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
- (3) The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
- (4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
- (5) Our internal auditors could not conduct periodic audits due to various reasons for which opinion cannot be formed that the established policies and procedures of the Company were consistently followed; and
- (6) The management's use of the going concern basis of accounting in preparing the financial statements is appropriate because the present Board is reconstituted by Bangladesh Securities & Exchange Commission with 5 dignified professionals and they are in a process of restructuring the company which resulting positive impact so far, for Which we do believe there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern

In this regard, we also certify that:

- (i) We have reviewed the financial statements for the year ended on December 31, 2022 and that to the best of our knowledge and belief:
 - (a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (b) These statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- (ii) There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.

Sincerely yours,



Mr. A. F. Shabbir Ahmad
Managing Director (Current Charge)



Mr. Md. Abdul Bari Sarker
Senior Vice President & CFO

Statement of Compliance with Good Governance Guideline Issued by Bangladesh Bank

The Statement of compliance with the good governance guidelines issued by the Bangladesh Bank vides DFIM Circular No. 7, dated 25 September 2007 regarding the policies on the responsibility & accountability of the Board of Directors, Chairman & Chief Executive of financial institution. The Board of Directors of the Company has taken appropriate steps to comply with the guidelines. A status report on compliance with those guidelines is stated below:

Sl. No.	Particulars Status of Compliance	Status of Compliance
1.	Responsibilities and authorities of the Board of Directors:	
	(a) Work-planning and strategic management:	
	(i) The Board shall determine the Vision/ Mission of the institute. In order to enhance operational efficiency and to ensure business growth, they shall chalk out strategies and work-plans on annual basis. The Board shall review such strategies on quarterly rests and shall modify accordingly, if required. If any structural modification is required, shall bring those changes with consultation with the management.	Complied
	(ii) The Board shall have its analytical review incorporated in the Annual report as regard to the success/failure in achieving the business and other targets as set out in its annual work-plan and shall apprise the shareholders on future plans and strategies.	Complied
	(iii) The Board will set the Key Performance Indicator (KPI)s for the CEO and other senior executives and will appraise those on half yearly basis.	Complied
	(b) Formation of sub-committee:	
	Executive Committee may be formed in combination with directors of the Company for rapid settlement of the emergency matters (approval of loan/lease application, write-off, rescheduling etc.) arisen from the regular business activities. Except the Executive Committee and Audit Committee, no other committee or sub-committee can be formed, even in temporary basis.	Complied
	(c) Financial management:	
	(i) Annual budget and statutory financial statements shall be adopted finally with the approval of the Board.	Complied
	(ii) Board shall review and examine in quarterly basis various statutory financial statements such as statement of income-expenses, statement of loan/lease, statement of liquidity, adequacy of capital, maintenance of provision, legal affairs including actions taken to recover overdue loan/lease.	Complied
	(iii) Board shall approve the Company's policy on procurement and collection and shall also approve the expenditures according to policy. The Board to the maximum extend shall delegate the authority on the Managing Director and among other top executives for approval of expenditure within budget.	Complied
	(iv) The Board shall adopt the process of operation of bank accounts. To ensure transparency in financial matters, groups may be formed among the management to operate bank accounts under joint signatures.	Complied
	(d) Management of loan/lease/investments:	
	(i) Policy on evaluation of loan/lease/investment proposal, sanction and disbursement and its regular collection and monitoring shall be adopted and reviewed by the Board regularly based on prevailing laws and regulations. Board shall delegate the authority of loan/lease/investment specifically to management preferably on Managing Director and other top executives.	Complied

Sl. No.	Particulars Status of Compliance	Status of Compliance
	(ii) No director shall interfere on the approval of loan proposal associated with him. The director concerned shall not give any opinion on that loan proposal.	Complied
	(iii) Any large loan/lease/investment proposal must be approved by the Board.	Complied
	(e) Risk Management:	
	Risk Management Guideline framed in the light of Core Risk Management Guideline shall be approved by the Board and reviewed by the Board regularly.	Complied
	(f) Internal Control and Compliance Management:	
	An Audit Committee as approved by the Board shall be formed. Board shall evaluate the reports presented by the Audit Committee on compliance with the recommendation of internal auditors, external auditors and Bangladesh Bank Inspection team as well.	Complied
	(g) Human Resource Management:	
	Board shall approve the policy on Human Resources Management and Service Rule. The Chairman and directors of the Board shall not interfere on the administrative job in line with the approved Service Rule. Only the authority for the appointment and promotion of the Managing Director/Deputy Managing Director/ General Manager and other equivalent position shall lie with the Board in compliance with the policy and Service Rule. No director shall be included in any Executive Committee formed for the purpose of appointment and promotion of others.	Complied
	(h) Appointment of CEO:	
	The Board shall appoint a competent CEO for the institution with the prior approval of the Bangladesh Bank and shall approve the proposal for increment of his salary and allowances.	Complied
	(i) Benefits offer to the Chairman:	
	For the interest of the business, the Chairman may be offered an office room, a personal secretary, a telephone at the office and a vehicle subject to the approval of the Board.	Complied
2.	Responsibilities of the Chairman of the Board of Directors:	
	(a) Chairman shall not participate in or interfere into the administrative or operational and routine affairs of the Company as he has no jurisdiction to apply executive power;	Complied
	(b) The minutes of the Board meetings shall be signed by the Chairman;	Complied
	(c) The Chairman shall sign-off the proposal for appointment of Managing Director and increment of his salaries & allowances;	Complied
3.	Responsibilities of Managing Director & CEO:	
	(a) Managing Director shall discharge his responsibilities on matters relating to financial, business and administration vested by the Board upon him. He is also accountable for achievement of financial and other business targets by means of business plan, efficient implementation of administration and financial management;	Complied
	(b) For day to day operations, Managing Director shall ensure compliance with the rules and regulation of the Financial Institutions Act, 1993 and other relevant circulars of Bangladesh Bank;	Complied
	(c) All recruitment/promotion, except those of DMD, GM and equivalent positions shall be vested upon the Managing Director. He shall act such in accordance the approved HR Policy of the institution;	Complied
	(d) Managing Director may re-schedule job responsibilities of employees;	Complied
	(e) Except for the DMD, GM and equivalent positions, power to transfer and to take disciplinary action shall vest to the Managing Director.	Complied
	(f) Managing Director shall sign all the letters/statements relating to compliance of policies and guidelines. However, Departmental/Unit heads may sign daily letters/statements as set out in DFIM circular no. 2 dated 06 January 2009 if so authorized by MD.	Complied

Compliance of Meeting & Remuneration**Board Meeting held during 2022 and attendance of each Director**

Sl. No.	Name	Meeting Held	Meeting Attended	Total (Tk)	%
1	Mr. Mohammed Nurul Amin	24	24	192000	100%
2	Professor Dr. Muhammad Saifuddin Khan	24	24	192000	100%
3	Brigadier General Abu Sayeed Mohammad Ali (Retd.)	24	24	192000	100%
4	Dr. Syed Abdulla Al Mamun, FCMA	24	24	192000	100%
5	Mr. Md. Salim	24	24	192000	100%

Executive Committee (EC) held during 2022 and attendance of each Director

Sl. No.	Name	Meeting Held	Meeting Attended	Total (Tk)	%
1	Brigadier General Abu Sayeed Mohammad Ali (Retd.)	7	7	56000	100%
2	Professor Dr. Muhammad Saifuddin Khan	7	7	56000	100%
3	Dr. Syed Abdulla Al Mamun, FCMA	7	7	56000	100%

Audit Committee (AC) held during 2022 and attendance of each Director

Sl. No.	Name	Meeting Held	Meeting Attended	Total (Tk)	%
1	Professor Dr. Muhammad Saifuddin Khan	5	5	40000	100%
2	Dr. Syed Abdulla Al Mamun, FCMA	5	5	40000	100%
3	Mr. Md. Salim	5	5	40000	100%

Shareholder's Information as on December 31, 2022

Distribution of Shareholdings

Category	Number of Share	% of total Paid up Capital
Sponsor/Director	19,682,870	13.20
Govt.	0	0
Institute	13,447,904	9.02
Foreign	0	0
General Public	115,946,590	77.78
Total	149,077,364	100.00

Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit.

Sl. No.	Designation	Name	Share Hold	% of Holding
1	Managing Director (Current Charge)	Mr. A. F. Shabbir Ahmad	Nil	Nil
2	Chief Financial Officer	Mr. Md. Abdul Bari Sarker	Nil	Nil
3	Company Secretary (CC)	Mr. A.K.M. Mojibul Haque	Nil	Nil
4	Head of Internal Audit	Mr. Md. Mizanur Rahman Khan	Nil	Nil

Executives (top five salaried employees of the company, other than the Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit):

Sl. No	Designation	Name	Share Hold	% of Holding
1	SAVP	Mr. Md. Junaed kha	Nil	Nil
2	FAVP	Mr. Mohammad Asad Iqbal	Nil	Nil
3	FAVP	Mr. Dipak Shaha	Nil	Nil
4	FAVP	Mr. Foize Ahmed	Nil	Nil
5	Senior Principal Officer	Mr. Abdullah Al Kafi	Nil	Nil

Shareholders holding ten percent or more voting interest in the company: Nil

Range of Shareholdings as on 31 December 2022 was as under:

Shareholding Range as on December 31, 2022	Number of holders		% of total holding	
	31-Dec-2022	31-Dec-2021	31-Dec-2022	31-Dec-2021
1-500	2,318	2,434	0.26	0.27
501-5,000	4,438	4,495	6.52	6.52
5,001-10,000	1,114	1,098	5.70	5.80
10,001-20,000	728	760	7.28	7.58
20,001-30,000	290	303	4.94	5.14
30,001-40,000	180	153	4.28	3.67
40,001-50,000	299	117	3.70	3.66
50,001-100,000	215	199	10.76	9.76
100,001-1,000,000	164	170	27.45	49.78
1,000,001 and above	14	1	29.11	7.83
Total	9,760	9,730	100.00	100.00

Dividend Distribution Policy

This policy will be applicable to FAS Finance and Investment Limited ("The Company"). This policy is for payment of dividend to shareholders of the company.

1.00 Introduction

The Dividend Distribution Policy is prepared and adopted in compliance with the provisions of the Directive No. BSEC/CMRRCD/2021-386/03 dated 14 January, 2021 of the Bangladesh Securities and Exchange Commission (BSEC) about dividend declaration, pay off, disbursement and compliance.

The Board of Directors (the Board) will consider the directive while declaring/ recommending dividend on behalf of the Company. In compliance with the said requirements, the Board of Directors of FAS Finance and Investment Limited has approved the policy as stated below. The Board may review and amend this policy from time to time.

2.00 Definitions

"the Act" means Companies Act 1994.

"the Company" means FAS Finance and Investment Limited.

"AGM" means Annual General Meeting.

"Board" means Board of Directors of FAS Finance and Investment Limited.

"Shareholders" means Members whose name is registered in the Member Register of the company.

"Shares" means Ordinary Equity Shares.

3.00 Concept of Dividend

Dividend is the share of the profit that a Company decides to distribute among its Shareholders in proportion to the amount paid-up on shares they hold in the form of Cash and/or Stock (Bonus). The profits earned by the Company can either be retained in the business or can be distributed among the Shareholders as dividend.

4.00 Types of Dividends

The Act deals with two types of dividends - Interim and Final.

- I. Interim dividend is the dividend declared by the Board between two AGMs as and when considered appropriate. The Act authorizes the Board to declare interim dividend during any financial year out of the profits for the financial year in which the dividend is sought to be declared and/or out of the surplus in the profit and loss account.
- II. Final dividend is recommended for the financial year at the time of approval of the annual financial statements as well as appropriation of profit. The Board shall have the power to recommend final dividend to the shareholders for their approval at the AGM of the Company. Dividend recommended by the Board of Directors cannot be changed prior to holding of the AGM.

5.00 Declaration of Dividend

Subject to the provisions of the Act, dividend shall be declared and paid out of:

- a. Profits of the Company for the year for which the dividend is to be paid after setting off carried over previous losses and depreciation not provided in the previous year(s)
- b. Undistributed profits of the previous financial years after providing for depreciation in accordance with law and remaining undistributed.
- c. Out of a & b both.

Before declaration of dividend, the Company may transfer a portion of its profits to reserves of the Company as may be considered appropriate by the Board at its discretion.

In the event of inadequacy or absence of profits in any financial year, the Company may declare dividend out of free reserves subject to the compliance with the Act and Rules.

7.00 PARAMETERS TO BE CONSIDERED FOR DECLARATION OF DIVIDEND:

The Board of Directors of the Company shall consider the following internal or external parameters while recommending dividend:

- i. Financial performance and growth opportunities of the Company;
- ii. Dividend payout trend of the Company;
- iii. Capital Adequacy Ratio (CAR) position of the Company;
- iv. Positive impacts on capital market;
- v. Tax implication;
- vi. Economic factors;
- vii. Any other Regulatory requirements.

For fixing the dividend payout ratio, the Board needs to consider the operating results of the Company and the Shareholders return as well. Dividend should be paid out of divisible profit of the Company. If the eligibility criteria for recommendation of dividend have not been met by the Company or any threshold has been fixed by the Regulators or any restriction has been imposed by the Regulatory Authorities; the Board of Directors of the Company may recommend dividend within the threshold or may not recommend any dividend according to restrictions.

8.0 ENTITLEMENT TO DIVIDEND:

Only the shareholders of the Company whose names appear in the depository register maintained with Central Depository Bangladesh Limited and or members' register of the Company on the record date fixed by the Company shall be entitled to receive the dividend.

9.00 PAYMENT OF DIVIDEND:

Dividend shall be distributed in the following manner and procedures, namely

- i. Company shall pay off the dividend (cash/stock) to the shareholders within 30 days of declaration or approval or record date as the case may be.
- ii. Company shall pay off the cash dividend to the bank account for entitled shareholders as available in the BO account maintained with the depository participant (DP), or the bank account as provided by the shareholder in paper form, through Bangladesh Electronic Funds Transfer Network (BEFTN) or through bank transfer or any electronic payment system as recognized by the Bangladesh Bank, if not possible through BEFTN.
- iii. Dividend of the margin client of stock broker or merchant banker shall pay off to the Consolidated Customer's Bank Account (CCBA) of the stock broker or to the separate bank account of the merchant banker or portfolio manager through BEFTN.
- iv. In case of non-availability of bank account information or not possible to distribute cash dividend through BEFTN or any electronic payment system, Company shall issue cash dividend warrant and shall send it by post to the shareholder.
- v. Company shall credit the stock dividend to the BO account or issue the bonus share certificate of the entitled shareholders.
- vi. Company shall follow the directives/circulars in force of the securities regulator, related to dividend distribution from time to time.

10.0 UTILIZATION OF RETAINED EARNINGS:

The Company would utilize the retained earnings of the Company in a manner which is beneficial to the interest of the Company and its stakeholders, including, but not limited to ensuring maintenance of a healthy level of minimum capital adequacy ratios, meeting the Company's future business growth/expansion and strategic plans or such other purpose the Board may deem fit from time to time in the interest of the Company and its stakeholders.

11.00 UNPAID/UNCLAIMED DIVIDEND:

The Company must not forfeit any unclaimed cash or stock dividend till the claim becomes barred by the law of land in force. Unclaimed dividend is paid off as per procedure set by the Bangladesh Securities and Exchange Commission and the Stock Exchanges.

12.00 Effective Date

This Policy has been approved by the Board of Directors of the Company at its meeting held on 30th January, 20 and shall be effective and applicable for dividend, if any, declared for the Financial Year 2021-2022 onwards.

12.00 Review/Amendment

The Board may amend, repeal, modify or revise any or all provisions of this Policy. However, amendments in the Act or in the Listing Regulations shall be binding even if not incorporated in this Policy.

13.00 Disclosures

This Dividend Distribution Policy shall be disclosed in the Annual Report of the Company and on the Company's website www.fasbd.com If the Company proposes to declare dividend on the basis of any additional parameters apart from those mentioned in the Policy or proposes to change the parameters contained in this Policy, it shall disclose such changes along with the rationale for the same in the Annual Report and on the website.

Management Discussion & Analysis

1. Accounting Policies

The Annual Financial Statements have been prepared on a going concern basis and accrual method under historical cost convention and therefore did not take into consideration of the effect of inflation. The preparation and presentation of the financial statements and the disclosure of information have been made in accordance with the DFIM circular no. 11 dated 23rd December 2009 in conformity with International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS), the Companies Act 1994, the Financial Institutions Act 1993, Securities and Exchange Rules 1987, the Listing Regulations of Dhaka and Chittagong Stock Exchanges and other applicable laws & regulations in Bangladesh. Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.

2. Changes in Accounting Policies

The company applies its accounting policies consistently for similar transactions unless an IFRS requires or permits categorization of items for which different policies may be appropriate. In the year 2022, the company has not adopted any change in accounting policies and estimates. Correction in interest against loan, lease, advance and various deposits were made while transferring financial data to a new Core Financial Solution with due endorsement from statutory auditors.

3. Analysis of Financial Performance

The company is facing numerous challenges due to its legacy for which the financial position is remaining the same. Performance of your Company over the last 5 years is appended in page no. 10 of the Director's Report. Changes over the last year in the key operating and financial position indicators from the financial statements are discussed below:

Financial Highlights:

Sl. No.	Particulars	31st Dec-2022	31st Dec-2021	Changes in %	Reasons for change
1	Paid up Capital	1,49.07	1,49.07	0	No Change
2	Total Eligible Capital (Tier -1 + Tier -2)	-1295.1	-512.49	-152.71	Operating loss & additional provisioning effected in Retained Earnings that impacted on Capital and Equity
3	Capital Surplus/(deficit)	-1395.1	-590.18	-136.39	Due to same reason for increasing deficit.
4	Total Equity	-1284.2	-496.78	(158.51)	The same reason also impacted on Total equity
5	Total Assets	2023.08	2161.26	6.39	Few loans recovered and depreciated on Fixed assets
6	Total Deposits	1017.3	955.04	6.52	Increased due to applying interest.
7	Total Loans, Advances and Leases	1840.35	1927.93	4.54	Decreased due to recovery of Loans and adjustment of interest.
8	Credit Deposit Ratio	180.91%	201.87%	10.38	Decreased due to increase in deposit & decrease in Loan .
9	Percentage of Classified Loans, Advances and Leases	99.51%	88.92%	-11.91	More loans were classified as per Bangladesh quick Summary Report.
10	Profit after Tax and Provision	-632.25	-259.39	-143.75	Additional provisioning increase loss .
11	Classified Loans, Advances and Leases during the year	1831.33	1714.33	-6.82	More loans were classified as per Bangladesh quick Summary Report.
12	Provision kept against Classified loans	581.06	260.09	-123.41	Due to maintaining provision against classified loans.
13	Interest Suspense balance	306.74	304.27	-0.81	Remains almost same.
14	Deferment in Provision	696.00	800.00	13	Yearly Provision made for Tk. 104 Crore.
15	Deferment in Interest Suspense	0	100.25	0	Not further requirement.
16	Provision Surplus/(deficit)	-696	-800	13	Reduced for maintaining proportionate against approved deferral amount.
17	Cost Of Fund	11.01%	10.61%	-3.77	Increased due to upward trend in Market.
18	Interest Earning Assets	1997.22	2080.07	3.98	Due to increase of classified loans.
19	Non Interest Earning Assets	85.51	93.92	8.95	Due to increase of classified loans.
20	Return on Investment (ROI)	-33.52%	-13.48%	-148.66	Due to increase operational loss .
21	Return on Assets (ROA)	-29.71%	-12.02%	-147.17	Due to increase of classified loans.
22	Income from Investment	0.03	-0.01	336.74	Increased income of investment in Capital Market.
23	Earnings Per Share	-42.41	-17.4	-143.74	Due to loss and provisioning .
24	Net Income per Share	-42.41	-17.4	-143.74	Due to loss and provisioning.
25	Net Assets Value per Share (NAV)	-75.72	-33.32	-127.25	Due to loss and provisioning.

4. Comparison of Performance :

Performance of the company is badly affected by financial scam occurred in previous years. It is in a revival phase to overcome liquidity crisis for resumption of business. During the year 2022 we focused on cleansing activity to prepare the ground for revival aiming at business as usual. Regular business activity was however kept on moving in a limited scale where partial payment to individual small depositors were given preference. Very small number of loans were possible to disburse due to making such payments and therefore peer group analysis will not reflect any useful scenario in terms of business and financial position. We will present such analysis in subsequent years.

5. Economic Overview

5.1. Global perspective

Global economy was recovering from the impact of COVID-19 in year 2022 and approached the mid-point for achieving the Sustainable Development Goal by 2030. However, the overlapping shocks of the pandemic, the invasion of Ukraine, and the rapid tightening of global monetary policy are expected to hinder the long-term growth. In addition, the war in Ukraine unleashed a new crisis - disrupting food and energy markets and aggravating food insecurity and malnutrition in many developing countries. As a result, the global GDP growth rate is estimated at 2.9% in 2022, down from 5.9% in 2021. In 2022, global inflation remained high, with an average rate of over 9%; this has prompted rapid and synchronised monetary tightening by the world's major central banks. Quick interest rate hikes by the Federal Reserve of the United States have triggered capital outflows and currency depreciations in developing countries, leading to balance-of-payment pressures and intensifying debt sustainability risks. As a result, debt servicing costs have increased, resulting in fiscal space constraints and higher sovereign credit risks.

The rising interest rates, combined with diminishing purchasing power, have resulted in weaker consumer confidence and investor sentiment, which have further clouded the near-term growth prospects of the global economy. At the same time, global trade has slowed down because there was less demand for consumer goods, supply chains were facing difficulties, and the ongoing war in Ukraine was also affecting trade. Despite facing a variety of challenges, including rising inflation and supply chain disruptions, real GDP growth in the third quarter of 2022 exceeded expectations in many economies, including the United States (1.9%), the euro area (2.3%), and several emerging market and developing economies (4.5%). In part, this was due to stronger-than-anticipated private consumption and investment, as well as greater fiscal support. On the supply side, reduced bottlenecks in logistics and transportation costs eased input prices, leading to a rebound in sectors previously constrained. Additionally, energy market, which was feared to crash due to shocks of Russia-Ukraine war, recovered faster than expected.

5.2. Bangladesh perspective

Bangladesh economy was not an exception and has continued to recover in the year 2022, with a real GDP growth rate of 7.25%, which is slightly higher than the previous fiscal year. This impressive growth rate was based on strong consumption, which increased to 78.44% of GDP from 74.66% in the last fiscal year (FY 21). The manufacturing sector has seen the most significant growth, with a 10.44% increase due to the improved COVID-19 situation and a sudden surge in demand built-up after the pandemic. In addition, the coordination of expansionary and accommodative monetary and fiscal policies played a positive role. The services sector has also seen growth, with a 6.31% increase. The average inflation based on the CPI continued to rise during the second half of 2022, reaching 7.70% by December 2022. This increase was mainly due to rising food and non-food prices, which resulted from higher global commodity prices, supply shocks, higher shipping costs, and the devaluation of BDT against US Dollar. To address the inflationary pressures, Bangladesh Bank has implemented tighter policy measures by increasing policy rates and strengthened supply-side interventions by making financing easier for vulnerable sectors. During second half of 2022, Bangladesh experienced a significant decrease in cumulative import growth, which was negative at 2.20%, while the cumulative export growth stood at 10.58%. Although the import growth was negative in the second half of 2022 compared to the same period last year the total amount of imports (USD 41.2 billion) was much higher than the total amount of exports (USD 27.3 billion) during the same period, resulting in a large trade deficit. Knitwear and woven garments were the key driving factors for the total export growth, having 84.20% share in total exports and 15.56% growth during July-December 2022. Inward remittances helped to offset the trade deficit, which increased by 2.48% to USD 10.5 billion during the second half of 2022. Bangladesh Bank has taken positive measures to uplift the volume of inward remittances. However, the Russia-Ukraine war had adverse effects on the Bangladesh economy, leading to losses of export demand and higher import costs, which depreciated our currency value and increased domestic inflationary pressure. Despite this, the Bangladesh economy has shown strong resilience against COVID-19 shocks, ranking 6th out of 121 countries in the Nikkei Covid-19 Recovery Index (as of 30 June 2022).

5.3 Bangladesh Financial Sector

In 2022, the financial system experienced a tight liquidity situation, as evidenced by the decline in excess liquid assets. This was caused by several factors, such as increased demand following the visible improvement in the COVID-19 situation, higher credit flows to the public and private sectors, high import costs due to elevated commodity prices, and significant depreciation of the local currency. As a result, the interbank call money rate increased to 5.81% by the end of December 2022, up from 4.42% in

June 2022. These factors also led to an uneven increase in both lending and deposit rates, causing the interest rate spread to shrink to 2.93% for banks and 1.15% for NBFIs by December 2022, down from 3.01% and 3.04%, respectively, in January 2022. In December 2022, domestic credit growth showed a slight moderation to 15.1%, a decrease from 16.2% in June 2022. The decline in growth is the result of a decrease in both public and private sector credit growth rates. Specifically, the public sector credit growth rate declined from 29.1% in June 2022 to 26.6% in December 2022, while private sector credit growth rate declined from 13.7% in June 2022 to 12.8% in December 2022. With the end of relaxation of classification rules, the financial sector was seen to be exposed to the non-performing of loans. The NPL ratio of the banking sector reached 9.36% at the end of September 2022 which was 8.12% last year (1.24 percentage point higher). The NPL situation at NBFIs deteriorated even further reaching 24.61% at the end of September 2022 which was 17.62% same period last year (6.99 percentage points higher).

To address these issues, Bangladesh Bank has taken a cautious approach. On the one hand, it has tightened its outlook by increasing the repo rate to 6.00% from 5.75%, increasing the reverse repo rate to 4.25% from 4.00%, and raising the rate ceiling for consumer loans. On the other hand, the central bank is pursuing an accommodative policy stance in its monetary and credit programs to support desired economic growth such as ensuring necessary flow of funds to productive and employment-generating activities, and contain inflationary and exchange rate pressures.

5.4 Risks and Concerns

Since beginning of 2023, the world had to face a unique and turbulent decade amid higher inflation, financial assets devaluation, trade wars, social unrest, and geopolitical confrontation. These risks are being amplified by other developments, including lower debt sustainability, low investment growth, de-globalisation, decline in socio-economic development, and the growing pressure of climate change. Governments and central banks could face inflationary pressures over the next two years, exacerbated by a potential prolonged war in Ukraine, continued supply chain bottlenecks, and economic warfare leading to supply chain decoupling.

A miscalibration between monetary and fiscal policies could lead to liquidity shocks, prolonged economic downturns and debt distress globally. If supply-driven inflation persists, it could lead to high inflation with low growth, also known as stagflation, with severe socioeconomic consequences and exacerbating historically high levels of public debt.

The economy and financial sector of Bangladesh encountered several risks in the year 2023 which may continue in coming year beyond. In the immediate term, the effects of

high inflation, energy and food supply crisis, balance of payment deficit and supply chain disruption induced by the Russia-Ukraine conflict will persist. The foreign exchange reserve may continue to be difficult to manage. The political situation may incline towards a period of uncertainty as the national election draws near.

The financial sector will confront the risks posed by the escalating corporate defaults resulting from the disruptions caused by multifaceted global crises. Particularly, the import dependent businesses may experience significant disruption due to restriction in opening letters of credit. The liquidity situation can be expected to remain tight until the end of the year keeping the cost of capital on the rise. Cost of doing business may also increase. The consumer confidence may decline given high inflation and cost of living which together with rising public debt can lead to low private sector credit growth.

Your Company's risk management process appended as Pillar III: Market Discipline disclosure to this Annual Report illustrates the details of how we are prepared to tackle such risks.

5.5 The year ahead:

The company need to be restructured addressing different requirements. Efforts will be made to get some policy support paving the way of bringing back its liquidity comfort for making payment of depositors and to commence business. The Board of Directors of the company is comprised of 5 dignitaries appointed by Bangladesh Securities and Exchange Commission as Independent Directors. Necessary steps will be taken in respect of above in synchronization with decision of the Board.

As projected earlier by World Bank, global growth showed significantly slowdown in 2023. Major factors behind this trend are synchronized policy tightening aimed at curbing high inflation, deteriorating financial conditions, and ongoing disruptions resulting from war in Ukraine. The United States, the euro area, and China are all experiencing significant weakness, which is exacerbating other challenges faced by emerging market and developing economies (EMDEs).

It is highly expected that economic future of Bangladesh will be relatively secure. However, this depends heavily on duration and intensity of the conflict between Russia and Ukraine, rate hikes by the Federal Reserve and the pace of returning from severity of the Covid-19 outbreak in China. Progress in these three external challenges could even accelerate the country's future economic condition.

Honorable Shareholders, your Company followed the policy of adjustment to the constantly changing macroeconomic conditions and regulatory frame work through periodic review its policy and procedures in the year 2023 and will follow in the coming year also. Business policy will be to expand in a sustainable manner and sectors vulnerable to negative economic

FAS Finance & Investment Limited

shock will be avoided for investment. Collection of defaulted loans and strengthening legal efforts towards this activity will remain in focus. The prime challenge for your Company in 2023 was to achieve desired level of recovery from defaulted loan through completion of legal procedures and to achieve business growth overcoming the liquidity scenario. The challenge will continue in year ahead due to huge irregularity in the total process and administration of the loan, lease and for not being able to come out from liquidity crisis due to overall industry scenario.

Sincerely Yours,

A handwritten signature in black ink, appearing to read 'A. F. Shabbir Ahmad', written over a diagonal line.

A. F. Shabbir Ahmad
Managing Director (Current Charge)

Independent Auditor's Report to the Shareholders' of FAS Finance & Investment Limited

Report on the Audit of the consolidated and separate Financial Statements

Qualified Opinion

We have audited the consolidated financial statements of FAS Finance & Investment Limited and its subsidiary as well as the separate financial statements of FAS Finance & Investment Limited (the "Company"), which comprise the consolidated and separate balance sheet as at 31 December 2022, along with the consolidated and separate profit and loss accounts, the consolidated and separate statement of changes in equity and the consolidated and separate cash flow statement for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, except for the effect described in the Basis for Qualified Opinion section of our report, accompanying consolidated financial statements and separate financial statements of the company give a true and fair view of the consolidated balance sheet and the separate balance sheet of the company as at 31 December 2022, and of its consolidated and separate profit and loss accounts and its consolidated and separate cash flows statement for the year then ended in accordance with International Financial Reporting Standards (IFRSs), as explained in notes 1 to 45.

Basis for Qualified Opinion

1. The company has been incurring losses for several years and in accumulation the total loss was BDT 14,690,880,652 for the year ended 31 December, 2022 and, as of that date the Company's total liabilities exceeded its total assets by BDT 12,842,164,736. These conditions or events indicate that a material uncertainty exists on the company's ability to continue its operation in the foreseeable future unless arrangements are made to increase capital or to improve liquidity position. We note that in such circumstances, some initiatives have already been taken including strategic plan for improving the financial position of the Company.
2. Reference to the Note No. 2.3 to the financial statements, according to Financial Institutions Regulations 1994 and FID Circular No. 06 November 2003 and DFID Circular No. 03, Dated: 21 June 2020, the company should maintain Cash Reserve Ratio (CRR) at a rate of 1.5% of 'Term or Fixed Deposit', but the company is not able to maintain such provision which is the violation of above rules and regulations. As on 31 December 2022, CRR represents a deficit amounting to BDT 48,735,543. The liquidity crisis derived due to no receipts of loan installments sanctioned. On the other hand, the entity presented a deficit of SLR amount to BDT. 67,592,572 as of 31 December 2022, as FAS Finance & Investment Limited (FFIL) has considered Fixed Deposits under note no. 3.1 of the Financial Statements, amount to BDT 1,206,250,181 with two (02) NBFIs namely International Leasing and Financial Services Limited and Premier Leasing & Finance Limited which are passing adverse financial conditions. Moreover, Balance with Banks and other financial institutions under note no. 3 of the Financial Statements, FFIL has invested in the form of FDR aggregating to BDT 1,206,250,181 crore in two (02) NBFIs namely International Leasing and Financial Services Limited and Premier Leasing & Finance Limited which facing adverse financial crisis and the recovery of the deposits is uncertain.

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Qualified Opinion of Subsidiary

- 1) Reference to the Note no. 07.02 to the financial statements, Advances, Deposits and Prepayments amounting to BDT 2,772,996 FAS Capital Management Ltd. has requested a lawyer for filling money suit case against the concerned parties, and they have claimed that the amount has a high in possibility in to be in recovering. However, they were not able to provide sufficient appropriate documents.

Emphasis of matters

1. Bangladesh Bank vide their letter No-DFIM(C) 1054/10/2022-2808 dated September 29, 2022 has given NOC for maintaining required provision of Tk.800.00 Crore in 8 (Eight) years from the year 2022-2029 @ Tk.100.00 Crore per year. In line of the approval, Tk.104.00 against Tk.100.00 Crore has been provided as deferral of provision of the year 2022. As such the residual balance for Tk.696.00 Crore only is remaining for next 7 (Seven) Years. Furthermore, Bangladesh Bank vide their letter No. DFIM (C) 1054/10/2023-3613 dated October 19, 2023 has directed to maintain further provision of Tk. 280.75 Crore, which has been maintained in full accordingly.
2. In reference to the BSEC directive no. BSEC/CMRRCD/2009-193/217/Admin/90, dated: May 21, 2019, the directors and sponsors of the listed security must hold jointly 30% of paid-up capital. However, the directors and sponsors of the company do not hold 30% shares jointly.
3. The company holds Foreign Currency at Southeast Bank-EURO, A/C no: 163-00000-019, amount is EURO 510.50, Southeast Bank-Pound, A/C No: 163-00000-028, which amount is POUND 0 and Southeast Bank-Dollar, A/C no: 163-00000-689, which amount is Dollar 88,177.21 at the Gulshan Branch for the IPO refund amounting to near about BDT 9,146,017. The amount has not been disclosed in the Financial Statements.
4. Reference to the Note no. 13 to the financial statements, Tax deducted at source amounting to BDT 290,022,161, VAT deducted at source amounting to BDT 4,722,695 and Excise duty amounting to BDT 18,809,856 which has been kept as payable (total of above 3 balance is BDT 313,554,712). However, the company has not deposited the Tax deducted at source & VAT deducted at source duly in the government treasury. This is a non-compliance of Income tax act, 2023 Value Added Tax and Supplementary Duty act, 2012 and Excise Duty and Salt act, 1944.
5. We draw attention to interest payables under note no. 13 of the Financial Statements, where FFIL total interest expense payable as on 31 December 2022 amount to BDT 2,217,183,799 which is increased 19.28% from the year 2021 due to non-payment of interest to the beneficiaries for facing financial crisis.
6. According to BSEC directive dated January 14, 2021 if any dividend remains unpaid or unclaimed for a period of three years then this fund should be transferred to the BSEC "Capital Market Stabilization Fund", and the issuer shall publish the year-wise summary of its unpaid or unclaimed dividend on the website. But the company has not paid such unpaid dividends according to the directive.
7. We have significant doubt about the ownerships of the assets held as "Non-current Assets held for sale and discontinued operations" as the ownership by no control over the assets. We physically visited "Rhine OK Market & Real Estate, Middle Birampur Road, Madhabdi" which is the "Non-current Assets held for sale and discontinued operations" used by other people. Some shops in this market, which are registered mortgages, are already selling to other people and providing rent for a long time by managing the Rhine OK market. As a result, we doubt that FAS Finance & Investment Ltd has control over these properties. In addition, the rent from these properties is not being collected by FAS Finance & Investment Ltd. However, FAS Finance and Investment Ltd., However, Bangladesh Bank subsequently allowed the sale of "Rhine OK Market & Real Estate, Middle Birampur Road, Madhabdi". According to Bangladesh Bank Instruction Company has already taken initiative regarding this matter.
8. We physically visited a number of mortgages property against loans that were seized by anti- corruption commission. We have seen that other people have taken rent from those properties instead of seize by Anti-Corruption Commission. As a result, we are in doubt about the right to sell these properties by FAS Finance & Investment Ltd. In addition, the rent from those properties is not being collected by FAS Finance & Investment Ltd.
9. During the audit, we could not confirm the share capital amount in the financial statements with Schedule-X, as the company has yet to update its annual return to the Registrar of Joint Stock Companies & Firms (RJSC) and a new board has set by BSEC.
10. We draw attention to the classified of Loans, advances and leases under note no. 6.6 of the Financial Statements, where 99.51% of Loans, advances and leases are classified. We have reviewed several loan files of FFIL. Due to non-recovery from those loans the entity is suffering with huge, classified loans & liquidity crisis.

11. We draw attention to Capital Adequacy Ratio (CAR) under note no. 14.06 of the Financial Statements, where required capital of the company at the close of the business on 31 December 2022 was amount to Taka 1,000,000,000 crore. However, eligible capital of the company showing negative amount to BDT (12,951,200,864) crore which indicates deficit of capital amount to BDT (13,951,200,864) crore in accordance with DFIM Circular No. 08, dated-02 August 2010 and Prudential Guidelines on Capital Adequacy and Market Discipline (CAMD) for Financial Institutions issued by Bangladesh Bank, the company as a financial institution should maintain a Capital Adequacy Ratio (CAR) of minimum 10% of its Risk Weighted Assets (RWA) where Tier-I. The above-mentioned calculations are made considering Financial Statements Data.
12. According to the Companies (Amendment) Act 2020, all public limited companies must add 'PLC' to the end of their company name in order to be recognized as public limited companies. Banks and non-bank financial institutions (NBFI) would have to change the company name and articles of association to adopt the PLC suffix under the Company (Second Amendment) Act 2020. The company hasn't done anything about this, though.

Emphasis of matters of Subsidiary

The Company has not updated its Schedule X and submitted an annual return to the Registrar of Joint Stock Corporation & Firms (RJSC) which is non-compliant with The Companies Act 1994 Section 36 & Section 190.

Other Matter

In 2019 the company had faced loan scams which had caused the company to suffer huge losses, afterwards in 2021 to protect investors' interest; the BSEC had nominated five independent directors who are in a process to implement multiple business plans for the revival of this company.

Key Audit Matters

Risk	Our response to the risk
Measurement of provision for loans and advances	
<p>The process for estimating the provision for loans and advances portfolio associated with credit risk is significant and complex</p> <p>For the individual analysis, these provisions consider the estimates of future business performance and the market value of collateral provided for credit transactions.</p> <p>For the collective analysis, these provisions are manually processed that deals with voluminous databases, assumptions and calculations for the provision estimates of complex design and implementation.</p> <p>At year end of 2022 for loans and advances of BDT 5,812,314,113.</p> <p>We have focused on the following significant judgements and estimates which could give rise to material misstatement or management bias:</p> <ul style="list-style-type: none"> • Completeness and timing of recognition of loss events in accordance with criteria set out in FID circular no 08, dated 03 August 2002, FID circular no. 03, dated 03 may 2006 and FID circular no. 03 dated 29 April 2013; • For individually assessed provisions, the measurement of the provision may be dependent on the valuation of collateral, estimates of exit values and the timing of cash flows; • Provision measurement is primarily dependent upon key assumptions relating to probability of default, ability to repossess collateral and recovery rates; 	<p>We tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> • Tested the credit appraisal, loan disbursement procedures, monitoring and provisioning process; • Identification of loss events, including early warning and default warning indicators; • Reviewed quarterly classification of loans (CL); <p>Our substantive procedures in relation to the provision for loans and advances portfolio comprised the following:</p> <ul style="list-style-type: none"> • Reviewed the adequacy of the companies general and specific provisions; • Assessed the methodologies on which the provision amounts based, recalculated the provisions and tested the completeness and accuracy of the underlying information; • Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh bank guidelines.

See note no. 13.1 of financial statements	
Measurement of deferred tax	
<p>In 2022, the Company reports net deferred tax liabilities (DTL) amounted to BDT 62,149,739.</p> <p>Significant judgement is required in relation to deferred tax assets/liabilities as their recoverability is dependent on forecasts of future profitability over a number of years.</p>	<p>We obtained an understanding, evaluated the design and tested the operational effectiveness of the Group's key controls over the recognition and measurement of DTLs and the assumptions used in estimating the Group's future taxable income.</p> <p>We also assessed the completeness and accuracy of the data used for the estimations of future taxable income.</p> <p>We involved tax specialists to assess key assumptions, controls, recognition and measurement of DTL's.</p> <p>Finally assessed the appropriateness and presentation of disclosures against IAS 12 Income Tax.</p>
See note no. 13.3 to the financial statements	
Interest Income on Lease, loans, and advances	
<p>Recognition of interest income has significant and wide influence on financial statements.</p> <p>Recognition and measurement of interest income Have been involvement of complex IT environment.</p> <p>We have identified recognition of interest income from loans and advances as a key audit matter because this is one of the key performance indicators of the company and therefore there is an inherent risk of fraud and error in recognition of interest by management to meet specific targets or expectations.</p>	<p>We tested the design and operating effectiveness of key controls over the recognition and measurement of interest on loans and advances.</p> <p>We performed a test of operating effectiveness on automated control in place to measure and recognize interest income.</p> <p>We have also performed substantive procedure to check whether interest income is recognized completely and accurately.</p> <p>We assessed the appropriateness and presentation of disclosure against relevant accounting standards and Bangladesh Bank guidelines.</p>
See note no. 22 and 22 (a) to the financial statements	
IT systems and controls	
<p>Our audit procedures have a focus on IT systems and controls due to the pervasive nature and complexity of the IT environment, the large volume of transactions processed in numerous.</p> <p>Locations daily and the reliance on automated and IT dependent manual controls.</p> <p>Our areas of audit focus included user access management, developer access to the production Environment and changes to the IT environment. These are key to ensuring IT dependent and application-based controls are operating effectively.</p>	<p>We tested the design and operating effectiveness of the Company's IT access controls over the information systems that are critical to financial Reporting.</p> <p>We tested IT general controls (logical access, changes management and aspects of IT operational controls). This included testing that requests for access to systems were appropriately reviewed and authorized. We tested the Company's periodic review of access rights and reviewed requests of changes to systems for appropriate approval and authorization.</p> <p>We considered the control environment relating to various interfaces, configuration and other application layer controls identified as key to us Audit.</p>

Implementation of IFRS 16 Leases	
IFRS 16 modifies the accounting treatment of operating leases at inception, with the recognition of a right of use (ROU) on the leased asset and of a liability for the lease payments over the lease contrast term. With respect to operating leases of premises used by the Company, at inception of the lease, the less or receives a right of using the premises, in exchange of a lease debt, using an implicit discount rate Our key audit matter was focused on all leasing arrangements within the scope of IFRS 16 are identified and appropriately included in the calculation of the transitional impact and specific assumptions applied to determine the discount rates for lease are inappropriate.	In responding to the identi–fied key audit matter, we completed the following audit procedures: Assessed the design and implementation of key controls pertaining to the determination of the IFRS 16 Leases impact on the discount rates applied in determining discount rates applied in determining lease liabilities; Verifi–ed the accuracy of the underlying lease data by agreeing to original contrast and checked the discount accuracy of the IFRS 16 calculations through recalculation of the expected IFRS16 adjustment; Assessed whether the disclosures within the financial statements are appropriate in light of the requirements of IFRS.
See note no. 08 and 13 to the financial statements	

Other Information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditor’s report thereon. We have not been provided the Director’s report and other information contained within the annual report except the financial statements to the date of our auditor’s report. We expect to obtain the remaining reports of the Annual report the date of our auditor’s report. Management is responsible for the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Our opinion on the financial statements does not cover other information and we do not express any form of assurance conclusion thereon.

Responsibilities of Management and Those Charged with Governance for the consolidated and separate Financial Statements and Internal Controls

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements of the Group and also separate financial statements in accordance with International Financial Reporting Standard and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Financial Institutions Act, 1993 and the Bangladesh Bank guidelines require the managements to ensure effective internal audit, internal control and risk management functions of the Company. The management is also required to make a self-assessment on the effectiveness of anti-fraud internal controls and report to Bangladesh Bank on instances of fraud and forgeries.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group’s and the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group’s and the Company’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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 company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group's and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994 and the Securities and Exchange Rules, 2020, the Financial Institutions Act, 1993 and the rules and regulations issued by Bangladesh Bank, we also report that:

- (i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- (ii) in our opinion, proper books of account as required by law have not been kept by the Company so far as it appeared from our examination of those books;
- (iii) the consolidated and separate balance sheet and consolidated and separate profit and loss account together with the annexed notes dealt with by the report are not in agreement with the books of account and returns;
- (iv) the financial statements of the Group and the Company have not been drawn up in conformity with the Financial Institutions Act, 1993 and in accordance with the accounting rules and regulations which were issued by Bangladesh Bank to the extent applicable to the Company;
- (v) Except as mentioned above, adequate provisions have been made for loans, advances, leases, investments and other assets which are, in our opinion, doubtful of recovery and Bangladesh Bank's instructions in this regard have been followed properly;
- (vi) Except as mentioned above, the financial statements of the Company do conform to the prescribed standards set in the accounting regulations which were issued by Bangladesh Bank after consultation with the professional accounting bodies of Bangladesh;
- (vii) we have reviewed over 80% of the risk weighted assets of the Company and we have spent around 1,500 person hours for the audit of the books and accounts of the Company;
- (viii) Except as mentioned above, the Company has complied with relevant instructions which were issued by Bangladesh Bank relevant to classification, provisioning and calculation of interest suspense;
- (ix) the Company has complied with the 'First Schedule' of the Financial Institutions Act, 1993 in preparing these financial statements; and
- (x) all other issues which in our opinion are important for the stakeholders of the Company have been adequately disclosed in the audit report.

Place: Dhaka
Dated: 05 November, 2023



Howlader Mahfel Huq, FCA
Partner
ICAB Enrollment No. 105
Mahfel Huq & Co.
Chartered Accountants
DVC: 2312180105AS578890

FAS Finance & Investment Limited

Consolidated Balance Sheet

As at December 31, 2022

Particulars	Notes	Amount in Taka	
		31-Dec-2022	31-Dec-2021
PROPERTY AND ASSETS			
Cash	2 (a)	177,237	104,087
In hand (including foreign currencies)		26,060	28,552
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)		151,177	75,535
Balance with other banks and financial institutions	3 (a)	1,298,408,755	1,293,796,476
In Bangladesh		1,298,408,755	1,293,796,476
Outside Bangladesh		-	-
Money at call and on short notice	4 (a)	-	-
Investments	5 (a)	73,798,323	37,952,546
Government		-	-
Others		73,798,323	37,952,546
Loans, advances and leases		17,996,940,721	19,302,103,918
Loans, cash credits, overdrafts, and leases etc.	6 (a)	17,996,940,721	19,302,103,918
Bills purchased and discounted	7 (a)	-	-
Fixed assets including premises, furniture and Other assets	8 (a)	301,900,184	354,514,684
Non-Financial Institution's assets	9 (a)	514,964,409	579,419,522
Total Assets	10 (a)	20,230,855,522	21,612,557,127
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions, and agents	11 (a)	8,681,565,668	8,235,815,871
Deposits and other accounts	12 (a)	9,766,861,428	9,162,294,448
Current deposits and other accounts		-	-
Bills payable		-	-
Savings bank deposits		-	-
Fixed deposits	12 (a)	9,761,461,428	9,157,293,448
Bearer certificates of deposit		-	-
Other deposits	12 (a)	5,400,000	5,001,000
Others liabilities	13 (a)	14,659,962,132	9,194,942,519
Total Liabilities		33,108,389,228	26,593,052,838
Capital/Shareholders' Equity*		(12,842,164,736)	(4,967,787,422)
Paid-up capital	14	1,490,773,640	1,490,773,640
Statutory reserve	15	205,579,082	205,579,082
Other reserve	16	315,000	315,000
Revaluation reserve	17	150,474,570	154,136,204
Retained earnings	18 (a)	(14,690,880,652)	(6,808,859,449)
Other Components of Equity (Unrealized gain on Listed Shares)		1,573,624	(9,731,899)
Non-Controlling Interest (2.8% of FCML)		(35,368,971)	(12,708,289)
Total Liabilities and Shareholders' Equity		20,230,855,522	21,612,557,127
Net asset value per share		(86.14)	(33.32)

Particulars	Notes	Amount in Taka	
		31-Dec-2022	31-Dec-2021
OFF-BALANCE SHEET ITEMS			
Contingent Liabilities		-	-
Acceptances and endorsements		-	-
Letters of guarantee		-	-
Irrevocable letters of credit		-	-
Bills for collection		-	-
Other contingent liabilities		-	-
Other commitments		-	-
Documentary credits and short term trade-related transactions		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other	19 (a)	-	-
Total		-	-
Other memorandum items	20 (a)	-	-

The Annexed notes form an integral part of these Financial Statements



Mr. Mohammed Nurul Amin
Independent Director & Chairman



Dr. Muhammad Saifuddin Khan
Independent Director



Mr. A. F. Shabbir Ahmad
Managing Director (Current Charge)



Md. Ayinuddin, FCS
Company Secretary



Mr. Md. Abdul Bari Sarker
Senior Vice President & CFO

Signed as per annex report on even date.



Howlader Mahfel Huq, FCA
Partner
ICAB Enrollment No. 105
Mahfel Huq & Co.
Chartered Accountants
DVC: 2312180105AS578890

Place: Dhaka
Dated: 05 November, 2023

FAS Finance & Investment Limited

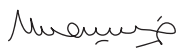
Consolidated Profit and Loss Account

For the Year ended 31 December 2022

Particulars	Notes	Amount in Taka	
		31-Dec-2022	31-Dec-2021
OPERATING INCOME			
Interest income	22 (a)	81,465,844	295,163,400
Less: Interest paid on deposits and borrowings, etc.	23 (a)	1,782,383,577	1,920,403,722
Net interest income		(1,700,917,733)	(1,625,240,322)
Investment income	24 (a)	4,757,368	6,448,731
Commission, exchange and brokerage	25 (a)	200,000	600,000
Other operating income	26 (a)	5,661,542	41,785,738
		10,618,910	48,834,468
Total operating income (a)		(1,690,298,823)	(1,576,405,854)
OPERATING EXPENSES			
Salary and allowances	27 (a)	42,667,235	54,223,573
Rent, taxes, insurance, electricity, etc.	28 (a)	4,752,331	3,097,925
Legal expenses	29 (a)	2,117,557	162,392
Postage, stamps, telecommunication, etc.	30 (a)	1,280,602	1,335,713
Stationery, printings, advertisements, etc.	31 (a)	1,320,947	2,550,744
Chief executive's salary & fees		3,577,500	4,949,677
Directors' fees	32 (a)	1,761,600	1,575,900
Auditors' fees	33 (a)	186,875	1,471,350
Charge on loan losses		-	-
Depreciation and repairs of FI's assets	34 (a)	20,491,731	32,613,326
Other expenses	35 (a)	1,249,491,998	11,231,415
Total operating expenses (b)		1,327,648,375	113,212,015
Profit before provision (c=a-b)		(3,017,947,198)	(1,689,617,868)
Provision against loans, advances and leases	36 (a)	3,806,051,761	1,286,113,698
Provision for diminution in value of investments	37 (a)	-	-
Other provisions		325,488,571	6,690,262
Total provision (d)		4,131,540,332	1,292,803,960
Profit before taxation (c-d)		(7,149,487,530)	(2,982,421,828)
Provision for taxation	38 (a)	5,534,324	531,627

Particulars	Notes	Amount in Taka	
		31-Dec-2022	31-Dec-2021
Current tax		1,506,476	2,932,435
Deferred tax		4,027,848	(2,400,808)
Net profit after taxation		(7,155,021,854)	(2,982,953,455)
Attributable:		(7,155,021,854)	(2,982,953,455)
Shareholders of the Company		(7,132,361,171)	(2,971,974,995)
Non-Controlling Interest		(22,660,682)	(10,978,460)
Appropriations		-	-
Statutory reserve	15	-	-
General reserve		-	-
Dividend, etc.		-	-
Retained surplus		(7,132,361,171)	(2,971,974,995)
Unrealized Gain or Loss In share Investment		11,305,523	(9,731,899)
Total Other Comprehensive Income		(7,121,055,648)	(2,981,706,894)
Earnings per share-EPS	40(a)	(47.84)	(19.94)

The Annexed notes form an integral part of these Financial Statements



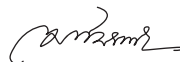
Mr. Mohammed Nurul Amin
Independent Director & Chairman



Dr. Muhammad Saifuddin Khan
Independent Director



Mr. A. F. Shabbir Ahmad
Managing Director (Current Charge)



Md. Ayinuddin, FCS
Company Secretary



Mr. Md. Abdul Bari Sarker
Senior Vice President & CFO

Signed as per annex report on even date.



Howlader Mahfel Huq, FCA
Partner
ICAB Enrollment No. 105
Mahfel Huq & Co.
Chartered Accountants
DVC: 2312180105AS578890

Place: Dhaka
Dated: 05 November, 2023

FAS Finance & Investment Limited

Consolidated Statement of Changes in Shareholders' Equity

For the Year ended 31 December 2022

Particulars	Paid-up capital	Statutory reserve	Revaluation reserve	Other reserve	Other Components of Equity	Retained earnings	Total
Balance as at 01 January 2022	1,490,773,640	205,579,082	154,136,204	315,000	(9,731,899)	(6,808,859,449)	(4,967,787,422)
Prior year adjustment for provision against share Investment	-	-	-	-	-	(753,321,665)	(753,321,665)
Net profit after taxation for the year	-	-	-	-	-	(7,132,361,171)	(7,132,361,171)
Transfer to statutory reserve	-	-	-	-	-	-	-
Unrealized Gain or Loss In Share Investment	-	-	-	-	11,305,523	-	11,305,523
Transfer of revaluation reserve	-	-	(3,661,634)	-	-	3,661,634	-
Balance as at 31 December 2022	1,490,773,640	205,579,082	150,474,570	315,000	1,573,624	(14,690,880,652)	(12,842,164,736)

For the Year ended 31 December 2021

Particulars	Paid-up capital	Statutory reserve	Revaluation reserve	Other reserve	Other Components of Equity	Retained earnings	Total
Balance as at 01 January 2021	1,490,773,640	205,579,082	157,990,554	315,000	-	(3,851,671,794)	(1,997,013,518)
Prior year adjustment for provision against share Investment	-	-	-	-	-	10,932,990	10,932,990
Net profit after taxation for the year	-	-	-	-	-	(2,971,974,995)	(2,971,974,995)
Transfer to statutory reserve	-	-	(3,854,350)	-	-	3,854,350	-
Unrealized Gain or Loss In Share Investment	-	-	-	-	(9,731,899)	-	(9,731,899)
Balance as at 31 December 2021	1,490,773,640	205,579,082	154,136,204	315,000	(9,731,899)	(6,808,859,449)	(4,967,787,422)

The annexed notes form an integral part of these Financial Statements.


Mr. Mohammed Nurul Amin
 Independent Director & Chairman


Dr. Muhammad Saifuddin Khan
 Independent Director


Md. Ayinuddin, FCS
 Company Secretary


Mr. A. F. Shabbir Ahmad
 Managing Director (Current Charge)


Mr. Md. Abdul Bari Sarker
 Senior Vice President & CFO

Place: Dhaka
 Dated: 05 November, 2023

FAS Finance & Investment Limited

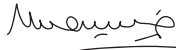
Consolidated Cash Flow Statement

For the Year ended 31 December 2022

Particulars	Amount in Taka	
	31-Dec-2022	31-Dec-2021
Cash flows from operating activities		
Interest receipts	81,465,844	185,089,127
Interest payments	(1,782,383,577)	(255,073,523)
Dividend receipts	4,757,368	6,584,467
Fee and commission receipts	200,000	600,000
Previous Year Adjustment	(753,321,666)	(1,131,187)
Recoveries on loans previously written off	-	-
Payments to employees	(46,244,735)	(58,710,747)
Payments to suppliers	-	-
Income taxes paid	(21,938,248)	(16,127,978)
Receipts from other operating activities	5,661,542	38,158,352
Payment for other operating activities	(39,792,191)	(45,700,547)
Operating profit before changes in operating assets & liabilities	(2,551,595,663)	(146,312,036)
Increase/decrease in operating assets and liabilities		
Loans, advances and leases to customers	1,200,983,886	517,367,517
Other assets	63,353,443	74,766,228
Deposit from other FI's	478,064,852	36,014,346
Deposit from customers	144,489,000	(331,537,701)
Other liabilities to customer	16,621,794	(55,713,055)
Trading liabilities (short-term borrowing)	(278,927,996)	(201,842,359)
Other liabilities	96,874,248	(145,171)
	1,721,459,227	38,909,805
Net cash from/(used in) operating activities (a)	(830,136,436)	(107,402,231)
Cash flows from investing activities		
Purchase/sale of trading securities, shares, bonds, etc.	(17,678,711)	21,576,027
Sale of property, plant and equipment	(38,182,038)	-
Purchase of property, plant and equipment	134,381,935	(2,208,056)
Net cash used in investing activities (b)	78,521,186	19,367,971
Cash flows from financing activities		
Increase/(decrease) of long-term borrowings	756,674,034	294,891,800
Unclaimed Dividend paid to BSEC Fund	(373,356)	-
Net cash flow from financing activities (c)	756,300,678	294,891,800
Net increase/(decrease) in cash (a+b+c)	4,685,428	206,857,540
Effects of exchange rate changes on cash and cash equivalents		
Cash and cash equivalents at beginning of the year	1,293,900,563	1,087,043,023
Cash and cash equivalents at end of the year*	1,298,585,991	1,293,900,563

Particulars	Amount in Taka	
	31-Dec-2022	31-Dec-2021
*Cash and cash equivalents at end of the year		
Cash in hand and balance with Bangladesh Bank	177,237	104,087
Balance with other banks	1,298,408,755	1,293,796,476
Money at call and short notice	-	-
Treasury bills	-	-
Prize bond	-	-
	1,298,585,991	1,293,900,563
Net operating cash flow per share-NOCFPS Note-41.a	(5.57)	(0.72)

The Annexed notes form an integral part of these Financial Statements



Mr. Mohammed Nurul Amin
Independent Director & Chairman



Dr. Muhammad Saifuddin Khan
Independent Director



Mr. A. F. Shabbir Ahmad
Managing Director (Current Charge)



Md. Ayinuddin, FCS
Company Secretary



Mr. Md. Abdul Bari Sarker
Senior Vice President & CFO

Place: Dhaka
Dated: 05 November, 2023

FAS Finance & Investment Limited


Balance Sheet

As at December 31, 2022

Particulars	Notes	Amount in Taka	
		31-Dec-2022	31-Dec-2021
PROPERTY AND ASSETS			
Cash	2	175,391	100,519
In hand (including foreign currencies)	2.1	24,214	24,984
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)	2.2	151,177	75,535
Balance with other banks and financial institutions	3	1,293,462,057	1,265,379,599
In Bangladesh	3.1	1,293,462,057	1,265,379,599
Outside Bangladesh		-	-
Money at call and on short notice	4	-	-
Investments	5	32,040,886	12,933,450
Government	5.1	-	-
Others	5.2	32,040,886	12,933,450
Loans, advances and leases		18,403,517,341	19,279,293,580
Loans, cash credits, overdrafts, and leases etc.	6	18,403,517,341	19,279,293,580
Bills purchased and discounted	7	-	-
Fixed assets including premises, furniture and fixtures (Annexure-1)	8	298,654,389	344,538,432
Other assets	9	754,804,025	792,981,953
Non-Financial Institution's assets	10	44,665,893	44,665,893
Total Assets		20,827,319,981	21,739,893,426
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions, and agents	11	8,305,717,600	7,891,711,610
Deposits and other accounts	12	10,173,007,645	9,550,453,793
Current deposits and other accounts		-	-
Bills payable		-	-
Savings bank deposits		-	-
Fixed deposits	12.1	10,167,607,645	9,545,452,793
Bearer certificates of deposit		-	-
Other deposits	12.1	5,400,000	5,001,000
Others liabilities	13	13,636,444,457	8,585,004,932
Total Liabilities		32,115,169,701	26,027,170,335
Capital/Shareholders' Equity*		(11,287,849,721)	(4,287,276,909)
Paid-up capital	14	1,490,773,640	1,490,773,640
Statutory reserve	15	205,579,082	205,579,082
Other reserve	16	315,000	315,000
Revaluation reserve	17	150,474,570	154,136,204
Retained earnings	18	(13,150,774,901)	(6,136,949,648)
Other Components of Equity (Unrealized gain on Listed Shares)		15,782,888	(1,131,187)
Total Liabilities and Shareholders' Equity		20,827,319,981	21,739,893,426

Particulars	Notes	Amount in Taka	
		31-Dec-2022	31-Dec-2021
Net asset value per share		(75.72)	(28.76)
OFF-BALANCE SHEET ITEMS			
Contingent Liabilities		-	-
Acceptances and endorsements		-	-
Letters of guarantee		-	-
Irrevocable letters of credit		-	-
Bills for collection		-	-
Other contingent liabilities		-	-
Other commitments		-	-
Documentary credits and short term trade-related transactions		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and	19	-	-
Total		-	-
Other memorandum items	20	-	-

The Annexed notes form an integral part of these Financial Statements.



Mr. Mohammed Nurul Amin
Independent Director & Chairman



Dr. Muhammad Saifuddin Khan
Independent Director



Mr. A. F. Shabbir Ahmad
Managing Director (Current Charge)



Md. Ayinuddin, FCS
Company Secretary



Mr. Md. Abdul Bari Sarker
Senior Vice President & CFO

Signed as per annex report on even date.



Howlader Mahfel Huq, FCA
Partner
ICAB Enrollment No. 105
Mahfel Huq & Co.
Chartered Accountants
DVC: 2312180105AS578890

Place: Dhaka
Dated: 05 November, 2023

FAS Finance & Investment Limited

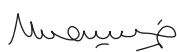
Profit and Loss Account

For the Year ended 31 December 2022

Particulars	Notes	Amount in Taka	
		31-Dec-2022	31-Dec-2021
OPERATING INCOME			
Interest income	22	110,698,660	323,016,359
Less: Interest paid on deposits and borrowings, etc.	23	1,665,732,358	1,770,680,164
Net interest income		(1,555,033,698)	(1,447,663,805)
Investment income	24	279,842	(118,204)
Commission, exchange and brokerage	25	-	-
Other operating income	26	1,035,513	333,022
		1,315,355	214,817
Total operating income (a)		(1,553,718,343)	(1,447,448,988)
OPERATING EXPENSES			
Salary and allowances	27	37,688,400	49,316,951
Rent, taxes, insurance, electricity, etc.	28	3,811,106	2,429,672
Legal expenses	29	1,966,407	111,392
Postage, stamps, telecommunication, etc.	30	1,047,197	1,131,850
Stationery, printings, advertisements, etc.	31	1,271,860	2,439,704
Chief executive's salary & fees	-	3,577,500	4,949,677
Directors' fees	32	1,232,000	1,320,000
Auditors' fees	33	158,125	1,442,600
Depreciation and repairs of FI's assets	34	19,992,500	30,155,206
Other expenses	35	1,239,281,403	9,980,934
Total operating expenses (b)		1,310,026,497	103,277,986
Profit before provision (c=a-b)		(2,863,744,840)	(1,550,726,974)
Provision against loans, advances and leases	36	3,128,472,003	1,036,992,592
Provision for diminution in value of investments	37	-	-
Other Provisions	13.08	325,488,571	6,690,262
Total provision (d)		3,453,960,574	1,043,682,854
Profit before taxation (c-d)		(6,317,705,414)	(2,594,409,828)
Provision for taxation	38	4,797,460	(520,395)
Current tax	13.2	755,129	1,940,096
Deferred tax	13.3	4,042,331	(2,460,491)
Net profit after taxation		(6,322,502,874)	(2,593,889,433)
Appropriations		-	-
Statutory reserve	15	-	-
General reserve		-	-
Dividend, etc.		-	-

Particulars	Notes	Amount in Taka	
		31-Dec-2022	31-Dec-2021
Retained surplus		(6,322,502,874)	(2,593,889,433)
Other Comprehensive Income		16,914,075	(1,131,187)
Total Other Comprehensive Income		(6,305,588,799)	(2,595,020,620)
Earnings per share-EPS	40	(42.41)	(17.40)

The Annexed notes form an integral part of these Financial Statements.



Mr. Mohammed Nurul Amin
Independent Director & Chairman



Dr. Muhammad Saifuddin Khan
Independent Director



Mr. A. F. Shabbir Ahmad
Managing Director (Current Charge)



Md. Ayinuddin, FCS
Company Secretary



Mr. Md. Abdul Bari Sarker
Senior Vice President & CFO

Signed as per annex report on even date.



Howlader Mahfel Huq, FCA
Partner
ICAB Enrollment No. 105
Mahfel Huq & Co.
Chartered Accountants
DVC: 2312180105AS578890

Place: Dhaka
Dated: 05 November, 2023

FAS Finance & Investment Limited

Statement of Changes in Shareholders' Equity

For the Year ended 31 December 2022

Particulars	Amount in Taka						
	Paid-up capital	Statutory reserve	Revaluation reserve	Other Components of Equity	Other reserve	Retained earnings	Total
Balance as at 01 January 2022	1,490,773,640	205,579,082	154,136,204	(1,131,187)	315,000	(6,136,949,648)	(4,287,276,909)
Prior Year Adjustment	-	-	-	-	-	(694,984,013)	(694,984,013)
Balance after Prior Year Adjustment	1,490,773,640	205,579,082	154,136,204	(1,131,187)	315,000	(6,831,933,661)	(4,982,260,922)
Net profit after taxation for the year	-	-	-	-	-	(6,322,502,874)	(6,322,502,874)
Unrealized Gain or Loss Investment in Share	-	-	-	16,914,075	-	-	16,914,075
Transfer to statutory reserve	-	-	(3,661,634)	-	-	3,661,634	-
Balance as at 31 December 2022	1,490,773,640	205,579,082	150,474,570	15,782,888	315,000	(13,150,774,901)	(11,287,849,721)

For the Year ended 31 December 2021

Particulars	Amount in Taka						
	Paid-up capital	Statutory reserve	Revaluation reserve	Other Components of Equity	Other reserve	Retained earnings	Total
Balance as at 01 January 2021	1,490,773,640	205,579,082	157,990,554	-	315,000	(3,548,622,073)	(1,693,963,797)
Prior Year Adjustment	-	-	-	-	-	1,707,507	1,707,507
Net profit after taxation for the year	-	-	-	-	-	(2,593,889,432)	(2,593,889,432)
Unrealized Gain or Loss Investment in Share	-	-	-	(1,131,187)	-	-	(1,131,187)
Transfer to statutory reserve	-	-	(3,854,350)	-	-	3,854,350	-
Balance as at 31 December 2021	1,490,773,640	205,579,082	154,136,204	(1,131,187)	315,000	(6,136,949,648)	(4,287,276,909)

The Annexed notes form an integral part of these Financial Statements.


Mr. Mohammed Nurul Amin
Independent Director & Chairman


Dr. Muhammad Saifuddin Khan
Independent Director


Md. Ayinuddin, FCS
Company Secretary


Mr. A. F. Shabbir Ahmad
Managing Director (Current Charge)


Mr. Md. Abdul Bari Sarker
Senior Vice President & CFO

Place: Dhaka

Dated: 05 November, 2023

FAS Finance & Investment Limited

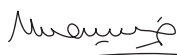
Cash Flow Statement

For the Year ended 31 December 2022

Particulars	Amount in Taka	
	31-Dec-2022	31-Dec-2021
Cash flows from operating activities		
Interest receipts	110,698,660	212,942,086
Interest payments	(1,665,732,358)	(105,349,965)
Dividend receipts	279,842	17,532
Previous Year Adjustment	(694,984,013)	(1,131,187)
Fee and commission receipts	-	-
Recoveries on loans previously written off	-	-
Payments to employees	(41,265,900)	(53,804,125)
Payments to suppliers	-	-
Income taxes paid	(17,773,368)	(16,127,978)
Receipts from other operating activities	1,035,513	(2,936,007)
Payment for other operating activities	(23,109,341)	(42,859,965)
Operating profit before changes in operating assets & liabilities	(2,330,850,965)	(9,249,609)
Increase/decrease in operating assets and liabilities		
Loans, advances and leases to customers	875,776,239	534,957,934
Other assets	52,326,485	(34,675)
Deposit from other FI's	478,064,852	(499,999)
Deposit from customers	144,489,000	(346,017,753)
Other liabilities to customer	34,624,801	20,081,392
Trading liabilities (short-term borrowing)	(379,719,817)	(316,064,256)
Other liabilities	347,971,397	(145,171)
	1,553,532,957	(107,722,528)
Net cash from/(used in) operating activities (a)	(777,318,008)	(116,972,137)
Cash flows from investing activities		
Purchase/sale of trading securities, shares, bonds, etc.	(1,387,436)	4,249,779
Sale of property, plant and equipment	-	-
Purchase of property, plant and equipment	82,305,902	(2,112,056)
Net cash used in investing activities (b)	80,918,466	2,137,723
Cash flows from financing activities		
Increase/(decrease) of long-term borrowings	724,930,228	294,891,800
Dividend paid	(373,356)	-

Particulars	Amount in Taka	
	31-Dec-2022	31-Dec-2021
Net cash flow from financing activities (c)	724,556,872	294,891,800
Net increase/(decrease) in cash (a+b+c)	28,157,329	180,057,386
Effects of exchange rate changes on cash and cash equivalents		
Cash and cash equivalents at beginning of the year	1,265,480,118	1,085,422,732
Cash and cash equivalents at end of the year*	1,293,637,446	1,265,480,118
*Cash and cash equivalents at end of the year		
Cash in hand and balance with Bangladesh Bank	175,391	100,519
Balance with other banks	1,293,462,057	1,265,379,599
Money at call and short notice	-	-
Treasury bills	-	-
Prize bond	-	-
	1,293,637,447	1,265,480,118
Net operating cash flow per share-NOCFPS -Note-41	(5.21)	(0.78)

The Annexed notes form an integral part of these Financial Statements.



Mr. Mohammed Nurul Amin
Independent Director & Chairman



Dr. Muhammad Saifuddin Khan
Independent Director



Mr. A. F. Shabbir Ahmad
Managing Director (Current Charge)



Md. Ayinuddin, FCS
Company Secretary



Mr. Md. Abdul Bari Sarker
Senior Vice President & CFO

Place: Dhaka
Dated: 05 November, 2023

FAS Finance & Investment Limited
Liquidity Statement
(Asset and Liability Maturity Analysis)
As at 31 December, 2022

Particulars	Amount in Taka					Total
	Up to 1 month	1-3 months	3-12 months	1-5 years	More than 5 years	
Assets						
Cash in hand (including balance with Bangladesh Bank)	24,214	-	151,177	-	-	175,391
Balance with other banks and financial institution	175,603,089	-	732,818,657	385,040,311	-	1,293,462,057
Money at call and on short notice	-	-	-	-	-	-
Investments	4,664,411	4,935,377	6,868,700	15,572,398	-	32,040,886
Loan, advances and leases	26,333,551	59,709,730	86,675,413	1,403,416,548	16,827,382,099	18,403,517,341
Fixed assets including premises, furniture and fixture	-	-	-	-	298,654,389	298,654,389
Other assets	-	-	-	-	754,804,025	754,804,025
Non-Financial Institution's assets	-	-	-	-	44,665,893	44,665,893
Total assets	206,625,264	64,645,107	826,513,947	1,804,029,257	17,925,506,406	20,827,319,981
Liabilities						
Borrowings from Bangladesh Bank, other banks, financial institutions and agents	90,327,319	180,186,974	3,299,037,076	2,630,204,716	2,105,961,515	8,305,717,600
Deposits and other accounts	6,581,418,088	610,201,050	2,659,104,592	322,093,235	190,680	10,173,007,645
Provision and other liabilities	1,257,010,799	1,588,055,569	1,957,756,432	7,294,124,094	1,539,497,563	13,636,444,457
Total liabilities	7,928,756,206	2,378,443,593	7,915,898,100	10,246,422,045	3,645,649,758	32,115,169,701
Net liquidity excess/(shortage)	(7,722,130,942)	(2,313,798,486)	(7,089,384,153)	(8,442,392,788)	14,279,856,648	(11,287,849,721)

FAS Finance & Investment Limited

Notes to the Financial Statements

As at and for the year ended 31 December 2022

1.0 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. FAS Finance & Investment Limited (FFIL) 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. Initially the Company was registered as a Merchant Bank with the Bangladesh Securities and Exchange Commission on 22 January 1998. It started lease financing operation after obtaining license from Bangladesh Bank on 17 September 2001. FAS Finance & Investment Limited (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. FAS Finance & Investment Limited (FFIL) obtained license for Chattogram, 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) is situated at Suvastu Imam Square (4th& 5thfloor), 65 Gulshan Avenue, Gulshan, Dhaka-1212.

Subsidiary Company:

FAS Finance & Investment Limited (former Fidelity Assets & Securities Company Limited) started its activity as a Merchant Bank in 1997. In the year 2019 BSEC (letter no. BSEC/CMRRCD/2009-193/217/Admin/90 Dated 21 May 2019) instructed to form a separate subsidiary company for Merchant Banking within 30th September, 2010. Accordingly a separate subsidiary Merchant Banking Company named as FAS Capital Management Limited (FCML) was formed. Due to formulation of a new Merchant Banking Company FAS Finance and Investment Limited transferred the entire investment portfolio amounting Tk.97.20 crore to FAS Capital Management Limited. The FAS Capital Management Limited applied on 26.09.10 to BSEC in order to transfer the Merchant Banking license in favor of the newly formed subsidiary company and got the license from BSEC on 16 May 2012.

The FAS Finance & Investment Limited acquired 97.20% shares of its subsidiary: "FAS Capital Management Limited" (24,300,000 shares of Tk.10 each). 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:

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

b) Transport financing:

FAS Finance & Investment Limited has a significant presence in Commercial Transport Sector. We provide various trade & commercial entities to procure vehicles to operate commercially. Also we provide corporate financing to the reputed Dealer or Distributor of the commercial vehicle to their operators. Besides this corporate clients may also apply to acquire vehicles for official purpose under the scheme.

c) Term financing:

FAS Finance & Investment Limited provides loan to the customers within the period of series from one year to five years or more 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 based on the cash flow analysis.

d) Project financing:

FAS Finance & Investment Limited offers financing of long term infrastructure and industrial projects based upon a complex financial structure under its project financing scheme where the projects seem to be financially sound. FAS Finance & Investment Limited also participated in syndicated loan with other FIs/Banks.

e) House financing (Real Estate Finance):

FAS Finance & Investment Limited provides loans for construction of house both land owner & developer, purchase of flat & renovation of existing house/flat to different classes of people in the country at a competitive rate of interest. At present, the Company is providing loan facility to the client for a maximum period of fifteen years. FAS Finance & Investment Limited also provides financing for the construction of housing project.

f) Small and Medium Enterprise (SME) refinancing:

FAS Finance & Investment Limited provides finance in the SME sectors from its own sources & in some cases under refinance scheme of Bangladesh Bank after compliance with the terms and conditions. It also encourages women entrepreneurs by providing loan facilities under this scheme as per the rules and regulations given by Bangladesh Bank as per ACSPD circular no. 08, dated 26 May 2008.

i) Finance to other sectors:

FAS Finance & Investment Limited also encourages providing loans to cottage & micro industries, services sector, small, medium & micro businesses.

ii) Service sector financing:

FAS Finance & Investment Limited extends finance in the form of short term loan as well as long term loans to different service providing companies ranging from large categories to medium, SME & micro level businesses.

g) Working capital financing:

Working capital gives investors an idea of the companies underlying operational efficiency. Upon measuring the company's efficiency & its short-term financial needs FAS Finance & Investment Limited provides working capital to some selective business enterprise to meet-up their both short & long term liabilities. By availing this finance from FAS Finance & Investment Limited the borrower company is able to pay off their short & long term liability which keeps the business running smoothly.

h) Factoring:

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

i) Deposit mobilization:

FAS Finance & Investment Limited has got a number of deposit products like Term Deposits ageing from 3 months to 1 year, double money benefit scheme, monthly earner scheme & deposit pension scheme etc. The company provides attractive interest rates the different firms, companies, Banks, NBFIs and individual depositors.

1.02 Significant accounting policies and basis of preparation of financial statements:

1.02.01 Statement of compliance:

The financial statements have been prepared in accordance with International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) as adopted by The Financial Reporting Council (FRC), except the circumstances where local regulations differ, and the Companies Act, 1994, the Financial Institutions Act, 1993, Securities and Exchange Rules, 1987 & the (Listing) Regulations, 2015 of Dhaka & Chittagong Stock Exchanges and other applicable laws and regulations.

The presentation of the financial statements has been made as per the requirements of DFIM Circular No: 11, dated December 23, 2009 issued by the Department of Financial Institutions and Markets (DFIM) of Bangladesh Bank. The activities and accounting heads mentioned in the prescribed form, which are not applicable for the financial institutions, have been kept blank in the financial statements.

1.02.02 Components of the financial statements:

The financial statements comprise of (As per DFIM Circular No. 11, Dated 23 December 2009):

1. Consolidated and Separate Balance Sheet as at December 31, 2022;
2. Consolidated and Separate Profit or Loss Accounts for the year ended December 31, 2022;
3. Consolidated and Separate Statement of Cash Flows statement for the year ended December 31, 2022;
4. Consolidated and Separate Statement of Changes in Equity for the year ended December 31, 2022;
5. Liquidity Statement for the year ended December 31, 2022;
6. Notes to the Consolidated and Separate Financial Statements for the year ended December 31, 2022

1.02.03 Disclosure of deviations from few requirements of IAS/IFRS due to mandatory compliance with Bangladesh Bank's requirement:

Bangladesh Bank (the local Central Bank) is the prime regulatory body for Financial Institutions in Bangladesh. Some requirements of Bangladesh Bank's rules and regulations contradict with those of financial instruments and general provision standards of IAS and IFRS. As such the company has departed from those contradictory requirements of IAS/IFRS in order to comply with the rules and regulations of Bangladesh Bank, which are disclosed in Annexure-4 along with financial impact where applicable.

1.02.04 Directors' responsibility statement:

The Board of Directors takes the responsibility for the preparation and presentation of these financial statements as per section 183 of companies Act 1994.

1.02.05 Changes in significant accounting policies

During the year 2022, the Company has not adopted any change of accounting estimates and consistently applies same accounting estimates for the year of 2021.

1.02.06 Consistency:

In accordance with the IFRS framework for the presentation of financial statements together with IAS 1 and IAS 8, FAS Finance & Investment Limited applies the accounting disclosure principles consistently from one period to the next. In case of selecting and applying new accounting policies, changes in accounting policies applied and correction of errors, the amounts involved are accounted for and disclosed retrospectively in accordance with the requirement of IAS-8.

1.02.07 Basis of consolidation:

The Consolidated Financial Statements include the Financial Statements of FAS Finance and Investment Ltd and its Subsidiary, FAS Capital Management Limited made up to end of the reporting year. The consolidated Financial Statements have been prepared in accordance with International Financial Reporting Standards (IFRS)-10: Consolidated Financial Statements. The Consolidated Financial Statements are prepared to a common reporting year ended 31 December 2022.

1.02.08 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 Bangladesh Securities and Exchange Ordinance 1969, the Bangladesh 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.

1.02.09 Materiality of financial statements:

Each material item as considered by management significant has been presented separately in the financial statements wherever applicable.

1.02.10 Statement of Cash Flows:

Statement of cash flows has been prepared in accordance with the template provided with DFIM circular no.-11, Date-23 December 2009 and accordance with IAS 7 "Statement of Cash Flows".

1.02.11 Statement of Changes in Equity:

Statement of Changes in Equity is prepared principally in accordance with IAS-1 "Presentation of Financial Statements" and under the guidelines of Bangladesh Bank's DFIM Circular No.11 dated December 23, 2009.

1.02.12 Liquidity statements:

The liquidity statement of assets and liabilities as on the reporting date has been prepared on the following basis:

- a) Cash in hand (including balance with Bangladesh Bank)
- b) Balance with other banks and financial institutions
- c) Money at call and on short notice
- d) Investments
- e) Loans, advances and leases
- f) Fixed assets including premises, furniture and fixtures
- g) Other assets

- h) Non-Financial Institution's assets
- i) Borrowings from Bangladesh Bank, other banks, financial institutions and agents
- j) Deposits and other accounts
- k) Other liabilities

1.02.13 Status of compliance of International Accounting Standards and International Financial Reporting Standards:

In addition to compliance with local regulatory requirements, in preparing the Consolidated Financial Statements and Separate Financial Statements, FAS Finance & Investment Limited applied following IAS and IFRS:

Sl.	Name of IAS	IAS No.	Status
1	Presentation of Financial Statements	1	Partially Complied
2	Inventories	2	Not Applicable
3	Statement of Cash Flows	7	Partially Complied
4	Accounting Policies, Changes in Accounting Estimates and Errors	8	Complied
5	Events after the Reporting Period	10	Complied
6	Income Taxes	12	Complied
7	Property, Plant and Equipment	16	Complied
8	Employee Benefits	19	Complied
9	Accounting for Government Grants and Disclosure of Government Assistance	20	Not Applicable
10	The Effects of Changes in Foreign Exchange Rates	21	Complied
11	Borrowing Costs	23	Complied
12	Related Party Disclosures	24	Complied
13	Accounting and Reporting by Retirement	26	Not Applicable
14	Separate Financial Statements	27	Complied
15	Investments in Associates and Joint	28	Not Applicable
16	Financial Reporting in Hyperinflationary	29	Not Applicable
17	Interests in Joint Ventures	31	Not Applicable
18	Financial Instruments: Presentation	32	Complied
19	Earnings per share	33	Complied
20	Interim Financial Reporting	34	Complied
21	Impairment of Assets	36	Complied
22	Provisions, Contingent Liabilities and Contingent Assets	37	Complied
23	Intangible Assets	38	Complied
24	Investment Property	40	Not Applicable
25	Agriculture	41	Not Applicable

Sl.	Name of IFRS	IFRS No.	Status
1	First-time Adoption of International Financial Reporting Standards	1	Not Applicable
2	Share Based payment	2	Not Applicable
3	Business combinations	3	Complied
4	Insurance Contracts	4	Not Applicable
5	Non-current Assets Held for Sale and Discontinued Operations	5	Not Applicable
6	Exploration for and Evaluation of Mineral Resources	6	Not Applicable
7	Financial Instruments: Disclosures	7	Partially Complied
8	Operating Segments	8	Complied
9	Financial Instruments	9	Complied
10	Consolidated Financial Statements	10	Complied
11	Joint Arrangements	11	Not Applicable
12	Disclosure of Interests in Other Entities	12	Complied
13	Fair Value Measurement	13	Complied
14	Regulatory Deferral Accounts	14	Not Applicable
15	Revenue from Contracts with customers	15	Complied
16	Leases	16	Complied

Partially Complied standards are those requirements which are different from those of Bangladesh Bank. Annexure-4 contains details about such departure from IFRS requirements to comply with Bangladesh Bank.

1.02.14 Use of estimates and judgments:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses. It also requires disclosures of contingent assets and liabilities at the date of the financial statements.

Provisions and accrued expenses are recognized in the financial statements in line with the International Accounting Standard (IAS) 37 "Provisions, Contingent Liabilities and Contingent Assets" when

- The Company has a legal or constructive obligation as a result of past event.
- It is probable that an outflow of economic benefit will be required to settle the obligation.
- A reliable estimate can be made for the amount of the obligation.

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

1.02.15 Contingent asset and contingent liability:

The Company does not recognize any Contingent Asset and Contingent Liability; but discloses the existence of contingent liability in the financial statements. A contingent liability is a probable obligation that arises from the past events and whose existence will be confirmed by the occurrence of uncertain future events beyond the control of the Company or a present obligation that is not recognized because of outflow of resources is not likely or obligation cannot be measured reliably.

1.02.16 Current maturity:

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

1.02.17 Reporting period:

These financial statements cover for the period from 01 January 2022 to 31 December 2022.

1.02.18 Director of the Company:

At the end of the year under audit, there were Five Directors (excluding MD & CEO) 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 2021 for all numerical information in the financial statements for understanding of current year financial statements.

1.02.20 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.

1.02.21 Assets and basis of their valuations:

a) Fixed assets:

Fixed assets are capitalized at cost of acquisition and subsequently stated at cost/ valuation 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.

b) Subsequent expenditure of fixed assets:

Subsequent expenditure is capitalized only when it increases the future economic benefit from the assets and that cost can be measured reliably. All other expenditures are recognized as an expense as and when they are incurred.

c) Disposal of fixed assets:

On disposal of fixed assets, the cost and accumulated depreciation are eliminated from the fixed assets schedule and gain or loss on such disposal is reflected in the profit and loss account, which is determined with reference to the net book value of the assets and net sale proceeds.

d) Depreciation on fixed assets:

Fixed assets are depreciated based on diminishing balance method (except Right of Use Assets) at different rates varying from 5% to 20% per annum.

Additions of fixed assets are depreciated when it is available for use at the applicable rates and depreciation is charged up to the date of disposal.

Rates of depreciation applied are shown below:

Sl. No.	Category of assets	Rate of
1	Office buildings	5%
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%
10	Right of use assets	Equal Monthly Lease period

Depreciation of right of use assets:

Leased assets in the use and possession of the Company are depreciated in the books of the Company over the lease terms. The principal portions of lease installment paid or due are charged as depreciation in the year to which it relates.

Intangible assets:

Intangible assets comprise the value of computer software. Intangible assets acquired separately are measured on initial recognition at cost and are carried at cost less accumulated amortization and accumulated impairment losses if any.

1.02.22 Other assets:

Any assets which do not appear as separate line item in the face of the balance sheet of the company are categorized as other assets as per DFIM circular No # 11 dated 23 December 2009 issued by Department of Financial Institutions and Market of Bangladesh Bank.

Other assets include advance office rent, payment of advance income tax for which assessment of tax has not been closed yet and all other financial assets, fees and other unrealized income receivable advance for operation and investment in subsidiaries etc. However, investment in subsidiaries is eliminated at time of consolidation in accordance with IFRS -10 'Consolidated Financial Statements'.

1.02.23 Investment:

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

1.02.24 Cash and cash equivalents:

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.

1.02.25 Off balance sheet exposures:

Under general operating transactions, liabilities against acceptance and endorsements, Letters of guarantee, irrevocable letters of credit, Bills for collection, Other contingent liabilities & Commitments have been given and claims exist there against, have been shown as off balance sheet items.

1.02.26 Authorized Share capital:

Authorized Capital is the maximum amount of Share Capital that the Company is authorized by its Memorandum and Article of Association to issue to shareholders.

1.02.27 Paid-up Capital:

Paid up capital represents total amount of shareholders' capital that has been paid in full by the ordinary shareholders. Holders of Ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at shareholders meeting.

1.02.28 Revaluation reserve:

Revaluation reserve arises from the revaluation of property, plant and equipment, when the market price of property, plant and equipment increased significantly from the carrying value. When an asset's carrying amount is increased as a result of revaluation, the increase amount should be credited directly to equity under the heading of revaluation surplus/reserve as per IAS-16 "Property, Plant and Equipment". The Company revalued its land and building during the year 2010 and there arises revaluation surplus of Tk. 313,888,244. The revaluation was done by G.K.Adjusters Ltd.

1.02.29 Borrowings from other banks, financial institutions and agents:

Bank and financial institution borrowings include interest bearing borrowings, which are brought to account at gross value of the outstanding as on 31 December 2022.

1.02.30 Provision for taxation:

Provision for current year income tax has been made @ 37.50% as prescribed in the Finance Act, 2022. The accounting profit has made by the company after considering some of add back to income and disallow of expenditure as per income tax laws in compliance with IAS-12. Assessments completed up to 2017-2018 but some years settlements are pending due to legal issues. Inassessment year: 1998-1999 to 2003-2004 tax clearance certificates have been issued in favor of FAS Finance& Investment Limited. Assessment year: 2004-2005, 2005-2006 & 2008-2009 are pending at appeal stage in NBR. High Court Order already received for the assessment year: 2006-2007, 2007-2008, 2009-2010, 2010-2011 &2011-2012 order also given in favoring FAS Finance & Investment Ltd. By the honorable Appellate Division of Supreme Court. Assessment year: 2012-2013, 2013-2014, 2014-2015, 2015-2016 are pending at High Court stage. Assessment year: 2016-2017 has been completed under section 82BB. A decision has already been taken by the authority for 2nd appeal against assessment order year 2017-2018 of Income tax Authority. 2018-2019 & 2019-2020 are in assessment stage.1.02.31

Deferred taxation:

Deferred tax is recognized on temporary (taxable and deductible) differences between the carrying amount of assets and liabilities in the balance sheet and the amount attributed to such assets and liabilities for tax purposes. Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantially enacted at the balance sheet date. The impact on the account of changes in the deferred tax assets and liabilities is recognized in the profit and loss account as per IAS-12 "Income Taxes" at the year end. Deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the assets can be utilized.

1.02.32 Non-controlling Interest:

Minority interest is the equity in a subsidiary not attributable, directly or indirectly, to parent.As per IFRS-10 'Consolidated Financial Statements' company presents Non-controlling Interest (NCI) separately in Financial Statements.

1.02.33 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. 11, dated 31 October 2005, FID circular no. 03, dated 03 May 2006, FID circular no. 06, dated 20 August 2006 and DFIM circular no. 03, dated 29 April 2013 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.

Basis of classification and rate of percentages for provision thereon:

Lease or Loan up to 5 years:

Limit of overdue rentals & installments	Classification	Provision of percentage
1-2 rentals/installments (up to 2 months) for SME	Standard	0.25%
1-2 rentals/installments (up to 2 months) other than SME	Standard	1%
3-5 rentals/installments (3 to 5 months)	SMA	5%
6-11 rentals/installments (6 to 11 months)	Sub-standard	20%
12-17 rentals/installments (12 to 17 months)	Doubtful	50%
18 and above rentals/installments (18 months and above)	Bad/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) for SME	Standard	0%
1-5 rentals/installments (up to 5 months) other than SME	Standard	1%
6-11 rentals/installments (6 to 11 months)	SMA	5%
12-17 rentals/installments (12 to 17 months)	Sub-standard	20%
18-23 rentals/installments (18 to 23 months)	Doubtful	50%
24 and above rentals/installments (24 months and above)	Bad/Loss	100%

House Loan up to 5 years:

Limit of overdue rentals & installments	Classification	Provision of percentage
1-8 rentals/installments (up to 8 months) for SME	Standard	0%
1-8 rentals/installments (up to 8 months) other than SME	Standard	1%
9-11 rentals/installments (9 to 11 months)	SMA	5%
12-17 rentals/installments (12 to 17 months)	Sub-standard	20%
18-23 rentals/installments (18 to 23 months)	Doubtful	50%
24 and above rentals/installments (24 months and above)	Bad/Loss	100%

House Loan above 5 years:

Limit of overdue rentals & installments	Classification	Provision of percentage
1-8 rentals/installments (up to 8 months) for SME	Standard	0%
1-8 rentals/installments (up to 8 months) other than SME	Standard	1%
9-17 rentals/installments (9 to 17 months)	SMA	5%
18-23 rentals/installments (18 to 23 months)	Sub-standard	20%
24-35 rentals/installments (24 to 35 months)	Doubtful	50%
36 and above rentals/installments (36 months and above)	Bad/Loss	100%

1.02.34 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.

1.02.35 Interest suspense account:

In compliance with Bangladesh Bank FID Circular No. 08, dated 03 August 2002, FID Circular No. 11, dated 31 October 2005, and FID Circular No. 06, dated 20 August 2006, interests on leases, loans and advances overdue beyond three months (in case of loan duration is within 5 years) and overdue beyond six months (in case of loan duration is more than 5 years) are not recognized as revenue and credited to interest suspense account. Interests on mortgage finance overdue beyond nine months are not recognized as revenue and credited to interest suspense account

1.02.36 Borrowing cost:

Borrowing costs are recognized as expense in the year in which they are incurred unless capitalization is permitted under International Accounting Standard (IAS) 23: "Borrowing Costs".

1.02.37 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.

1.02.38 Write off:

The company follows the guidelines of Bangladesh Bank duly write off its loans/leases.

Recovery against written-off loans/leases is credited to revenue. Income is recognized where amounts are either recovered and/or adjusted against securities/properties or advances there-against or are considered recoverable.

1.02.39 Risk management:

Risk is defined as the possibility of losses, financial or otherwise. Risk management of the Company covers core risk areas of Companies credit risk, liquidity risk, market risk that also includes foreign exchange risk, interest rate risk and equity risk, operational risk and reputation risk arising from operational inefficiencies. The prime objective of the risk management is that the Company evaluates and takes well calculative business risks and thereby safeguarding the Company's capital, its financial resources and profitability from various business risks through its own measures and through implementing Bangladesh Bank's guidelines and following some of the best practices as under:

Credit risk:

It arises mainly from lending, trade finance, and leasing and treasury businesses. This can be described as potential loss arising from the failure of a counter party to perform as per contractual agreement with the Company. The failure may result from unwillingness of the counter party or decline in his / her financial condition. Therefore, the Company's credit risk management activities have been designed to address all these issues.

The Company has segregated duties of the officers / executives involved in credit related activities. Separate Corporate / SME / Retail divisions have been formed at Head Office which is entrusted with the duties of maintaining effective relationship with customers, marketing of credit products, exploring new business opportunities etc. Moreover, credit approval, administration, monitoring and recovery functions have been segregated. For this purpose, three separate units have been formed within the Credit Risk Management (CRM) Division. These are (a) Credit Risk Management Unit (b) Credit Administration Unit and (c) Credit Monitoring and Recovery Unit. Credit Risk Management Unit is entrusted with the duties of maintaining asset quality, assessing risk in lending, sanctioning credit, formulating policy / strategy for lending operation, etc.

A thorough risk assessment is done before sanction of any credit facility at risk management units. The risk assessment includes borrower risk analysis, financial analysis, industry analysis, historical performance of the customer, security of the credit facility etc. The assessment process starts at the relationship level and ends at Credit Risk Management Unit when it is approved / declined by the competent authority.

Liquidity risk:

The object of liquidity risk management is to ensure that all foreseeable funding commitments and deposit withdrawals can be met when due. To this end, the Company is maintaining a diversified and stable funding base comprising of core retail and corporate deposits and institutional balance. Management of liquidity and funding is carried out by Treasury Department under the leadership of the management as per approved policy guidelines.

Market risk:

The exposure of market risk of the Company is restricted to interest rate risk and equity risk.

Interest rate risk:

Interest rate risk may arise either from trading portfolio and non-trading portfolio. The trading portfolio of the Company consists of Government treasury bills and bonds of different maturities. Interest rate risk arises from mismatches between the future yield of an asset and their funding cost.

Portfolio risk:

Portfolio risk arises from movement in market value of equities held.

Operational risk:

Operational risk may arise from error and fraud due to lack of internal control and compliance. Management through Internal Control and Compliance Division controls operational procedure of the Company. Internal Control and Compliance Division undertakes year call and special audit of the Company for review of the operation and compliance of statutory requirements. The Audit Committee of the Board subsequently reviews the reports of the Internal Control and Compliance Division.

Implementation of BASEL –II:

To comply with International Best Practice and to make the Company's Capital more risk-sensitive as well as to build the Financial Industry more shock absorbent and stable, Bangladesh Bank provide revised regulatory capital framework "Risk Based Capital Adequacy" for Company's which is effected from January 2012.

- a. Standardized Approach for calculating Risk Weighted Assets (RWA) against Credit Risk;
- b. Standardized (Rule Based) Approach for calculating Risk Weighted Assets (RWA) against Market Risk;
- c. Basic Indicator Approach for calculating Risk Weighted Assets (RWA) against Operational Risk;

Under the Standard Approach of the Risk Based Capital Adequacy Framework (BASEL-II) credit rating is to be determined on the basis of risk profile assessed by the External Credit Assessment Institutions (ECAIs).

As per CDMD guideline, Financial Institutions should maintain a Capital Adequacy Ratio (CAR) of minimum 10% of Risk Weighted Assets (RWA).

Internal Capital Adequacy Assessment Process (ICAAP):

Internal Capital Adequacy Assessment Process (ICAAP) represents the Company's own assessment of its internal capital requirements. The Company's approach to calculating its own internal capital requirement has been to take the minimum capital required for credit risk, market risk and operational risk under Pillar-I as the starting point, assess whether this is sufficient to cover those risks and then identify other risks (Pillar-II) and assess prudent level of capital to meet them.

The assessment is undertaken using time series of data and Bangladesh Bank's guidelines on Risk Based Capital Adequacy for Company to assess the likelihood of occurrence and potential impact. Purposes of Internal Capital Adequacy Assessment Process are to:

- i) inform the Board of Directors about:
 - assessing risks
 - initiatives to mitigate identified risks

Capital requirement to support the operations in light of identified risks.

- ii) comply with Bangladesh Bank's requirement.

1.02.40 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.

1.02.41 Employees benefits:

There were two benefit schemes for FAS Finance & Investment Limited employees, provident fund and gratuity fund. Both of these benefit plans are operated in compliance with IAS-19 "Employees Benefits" and stated as under;

1.02.42 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 contributing to the fund.

1.02.43 Gratuity fund:

The Company extends gratuity benefits to its employees, which is recognized by the National Board of Revenue (NBR) 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 two basic pay and is payable at the rate of two month's basic pay for every completed year of service.

1.02.44 Earnings per share (IAS -33):

Basic earnings per share:

Basic earnings per share have been calculated in accordance with IAS-33 "Earnings per Share" which has been shown on the face of the profit and loss account. This has been calculated by dividing the basic earnings by the weighted average number of ordinary shares outstanding during the year.

In computing the basic earnings per share during the year January 1, 2022 to December 31, 2022, the total number of shares including the said bonus shares has been considered as the weighted average no. of shares outstanding during the year January 1, 2022 to December 31, 2022 as per IAS-33 "Earnings Per Share".

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.

1.02.46 Impairment of assets (IAS-36):

The company has assessed at the end of each reporting period or more frequently if events or changes in circumstances indicate that the carrying value of an asset may be impaired, whether there is any indication that an asset may be impaired. If any such indication exists, or when an annual impairment testing for an asset is required, the Company makes an estimate of the assets recoverable amount. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount by debiting to statement of comprehensive account. Fixed assets are reviewed for impairment whenever events or charges in circumstances indicate that the carrying amount of an asset may be impaired. This is in compliance with the requirement of IAS – 36 "Impairment of Assets".

1.02.47 Cash Reserve Requirement (CRR) and Statutory Liquidity Reserve (SLR):

Cash reserve requirement and statutory liquidity reserve have been calculated in accordance with Financial Institution Act, 1993 & Financial Institution Regulations 1994 and FID circular number 06 dated November 06, 2003 and FID circular number 02 dated November 10, 2004. Although the SLR has been maintained as per the requirement but in many occasions the CRR maintained shortfall.

1.02.48 Foreign currency transaction (IAS-21):

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 IAS-21 "The Effects of Changes in Foreign Exchange Rates"

1.02.49 Revenue recognition:

Revenue is only recognized when it meets the following five steps model framework as per IFRS 15: "Revenue from Contracts with Customers"

- a) identify the contract(s) with customers;
- b) identify the performance obligations in the contract;
- c) determine the transaction price;
- d) allocate the transaction price to the performance obligations in the contract;
- e) recognize revenue when (or as) the entity satisfies a performance obligation.

Interest income from loans and other sources is recognized on an accrual basis of accounting.

(a) Lease income:

Finance lease income is allocated over the lease term on a systematic and rational basis. This income allocation is based on a pattern reflecting a constant periodic return on net investment in the finance lease. The unearned lease income is recognized on installment date as revenue on an accrual basis over the terms of the lease. However, lease income is not recognized if capital or interest receivable is in arrears for more than two months for lease finance up to 5 years & for more than five months for lease finance more than 5 years.

(b) Interest on term loans and short term finance:

Interest on term loan and short term finance is recognized as revenue on an accrual basis and interest income on term loan is not recognized where any portion of interest is in arrear for more than two months for term finance up to 5 years & for more than five months for term finance more than 5 years.

(b) Interest on term loans and short term finance:

Interest on term loan and short term finance is recognized as revenue on an accrual basis and interest income on term loan is not recognized where any portion of interest is in arrear for more than two months for term finance up to 5 years & for more than five months for term finance more than 5 years.

(c) Interest on real estate finance:

Interest on real estate finance is recognized as revenue on an accrual basis and no interest on real estate finance is accounted for as revenue where any portion of capital or interest is in arrear for more than 8 months.

(d) Overdue interest:

The overdue interest on lease, term & house finance is recognized when interest is received.

(e) Other operational income:

Other operational income is recognized whenever these are received. Such income comprises of the following components of the FAS Finance & Investment Limited;

- i) Appraisal and documentation fees;
- ii) Miscellaneous.
- (f) Dividend income:

Dividend is recognized as income when the right to receive income is established.

1.02.50 Operating expenses:

Major component of operating expenses other than salary and allowances are office rent, printing and stationery, postage and stamp, telecommunication, legal and professional fees and other miscellaneous expenses. All expenses are recognized on accrual basis of accounting.

1.02.51 Events after the reporting period (IAS -10):

As per IAS-10 "Events after the reporting period" Events after the reporting period 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 is 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.

1.02.52 General:

a. These financial statements are presented in Taka, which is the Company's functional currency. Figures appearing in these financial statements have been rounded off to the nearest Taka.

b. Figures of previous year have been rearranged whenever necessary to conform to current year presentation.

Notes	Particulars	Amount in Taka	
		31-Dec-2022	31-Dec-2021
2	Cash		
	Cash in hand (including foreign currency)	24,214	24,984
	Balance with Bangladesh Bank and its agent bank(s) (including foreign currency)	151,177	75,535
		175,391	100,519
2.1	Cash in hand (including foreign currency)		
	Local currency	24,214	24,984
	Foreign currency	-	-
		24,214	24,984

Cash in hand was physically counted at the end of the year and found in order.

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

Balance with Bangladesh Bank	151,177	75,535
Local currency	-	-
Foreign currency	151,177	75,535
	-	-
Agent Bank of Bangladesh Bank	151,177	75,535

2.3 Statutory deposits

2.3.1 Cash reserve requirement (CRR) and statutory liquidity reserve (SLR)

Cash reserve requirement and statutory liquidity reserve have been calculated in accordance with Financial Institution Act, 1993 & Financial Institution Regulations 1994 and FID circular number 06 dated November 06, 2003, FID circular number 02 dated November 10, 2004 and DFIM circular number 03 dated June 21, 2020 of Bangladesh Bank.

Cash reserve requirement (CRR) has been calculated at the rate of 1.50% on total term deposits. 'Total term deposit' means term or fixed deposit, security deposit against lease/loan and other term deposits, received from individuals and institutions (except banks & financial institutions).

Statutory liquidity reserve (SLR) has been calculated at the rate of 5.00% on total liabilities (except banks & financial institutions), including CRR of 2.50% on total term deposit. SLR is maintained in liquid assets in the form of cash in hand (notes & coin in BDT), balance with Bangladesh Bank and other banks and financial institutions, investment at call, unencumbered treasury bill, prize bond, savings certificate & any other assets approved by Bangladesh Bank.

(a) Cash reserve requirement (CRR)

Required reserve	48,948,074	49,661,567
Actual reserve maintained	212,531	61,346
Surplus/(shortage)	(48,735,543)	(49,600,221)

Notes	Particulars	Amount in Taka	
		31-Dec-2022	31-Dec-2021
(b) Statutory liquidity reserve (SLR)			
	Required reserve (Including CRR)	342,220,000	307,670,864
	Actual reserve maintained (Including CRR)	274,627,428	275,952,076
	Surplus/(shortage)	(67,592,572)	(31,718,788)
	Total required reserve	342,220,000	307,670,864
	Total actual reserve maintained	274,627,428	275,952,076
	Surplus/(shortage)	(67,592,572)	(31,718,788)
2 (a) Consolidated Cash			
	i. Cash in hand (including foreign currency)		
	FAS Finance & Investment Limited 2.1	24,214	24,984
	FAS Capital Management Limited	1,846	3,568
		26,060	28,552
	ii. Balance with Bangladesh Bank and its agent bank(s) (including foreign currency)		
	FAS Finance & Investment Limited 2.2	151,177	75,535
	FAS Capital Management Limited	-	-
		151,177	75,535
		177,237	104,087

Notes	Particulars	Amount in Taka	
		31-Dec-2022	31-Dec-2021
3	Balance with other banks and financial institutions		
	In Bangladesh	1,293,462,057	1,265,379,599
	Outside Bangladesh	-	-
		1,293,462,057	1,265,379,599
3.1	In Bangladesh		
	Current deposits		
	Bank Name	Branch	A/C No
	Al-Arafah Islami Bank Ltd.,	VIP Road Branch, Nayapaltan, Dhaka	CD-0141020041903
			5,743
	First Security Islami Bank Ltd.,	Dilkusha Branch, Dhaka	CD-010111100028541
			597,189
	Islami Bank Bangladesh Ltd.,	Foreign Ex. Cor. Br., Dhaka	AWCA-1090100819116
			89,482
	Meghna Bank Ltd.,	Principal Branch, Gulshan, Dhaka	CD-110111100000917
			17,355
	NRB Bank Ltd.,	Corporate Branch, Dhaka	CD-1012010102227
			54,058
	Pubali Bank Ltd.,	Mohakhali Branch, Dhaka	CD-3677901015917
			20,319
	Southeast Bank Ltd.,	Gulshan Branch, Dhaka	CD-001011100017141
			50,612,330
	Uttara Bank Ltd.,	Corporate Branch, Dhaka	CD-154512200212029
			61
			51,396,537
			14,622,463
	Special notice deposit accounts		
	Bank Name	Branch	A/C No
	Bank Asia Ltd.,	Paltan Branch, Dhaka	SND-04936000058
		Sonargaon-	
	Bank Asia Ltd.,	Janapath Road Branch, Dhaka	SND-07536000033
		Principal Branch, Dhaka	SND-00232000082
	Bangladesh Commerce Bank Ltd.,		
	BASIC Bank Limited,	Bangshal Branch, Dhaka	SND-0616-01-0000635
			4,003
	Dutch Bangla Bank Ltd.,	Gulshan Branch, Dhaka	SND-1161200000974
			1,918,196
	Dutch Bangla Bank Ltd.,	Gulshan Branch, Dhaka	SND-1161200003865
			744,750
	Dutch Bangla Bank Ltd.,	CDA Avenue Branch, Chittagong	SND-1291200000707
			2
	EXIM Bank Ltd.,	Gulshan Branch, Dhaka	SND-00713100065009
			19,106
	First Security Islami Bank Ltd.,	Dilkusha Branch, Dhaka	SND-010113100001512
			370,958
	First Security Islami Bank Ltd.,	Ring Road Branch, Dhaka	SND-013313100000056
			306,877
	First Security Islami Bank Ltd.,	Dilkusha Branch, Dhaka	SND-010113100002301
			2,187
	First Security Islami Bank Ltd.,	Dilkusha Branch, Dhaka	SND-13100009342
			119,641
	Mercantile Bank Ltd.,	Main Branch, Dhaka	SND-110113100002380
			543
	Midland Bank Ltd.,	Dilkusha Corporate Branch, Dhaka	SND-0001-1090000296
			30,340
	Mutual Trust Bank Ltd.,	Gulshan Branch, Dhaka	SND-0022-0320000131
			213,220
	Mutual Trust Bank Ltd.,	CDA Avenue Branch, CTG	SND-0009-0320000889
			153,131
	Mutual Trust Bank Ltd.,	Sylhet Branch, Sylhet	SND-0023-0320000578
			414,075
	NCC Bank Ltd.,	Bashundhara Branch, Dhaka	SND-0096-0325000017
			7,504
	NCC Bank Ltd.,	Gulshan Branch, Dhaka	SND-0012-0325000802
			62,409
	NRB Bank Ltd.,	Bhulta Branch, Dhaka	SND-1131030002531
			20,769
			4,100

Notes	Particulars	Amount in Taka	
		31-Dec-2022	31-Dec-2021
	NRB Commercial Bank Ltd., Principal Branch, Dhaka	SND-010136000000012 39,659	39,659
	One Bank Limited, Ganakbari Branch, Savar	SND-0053000000323 2,211	3,306
	Padma Bank Ltd., Motijheel Branch, Dhaka	SND-0113000007464 18,509	18,600
	Prime Bank Limited, Dhanmondi Branch, Dhaka	SND-14631090025594 80	250
	Pubali Bank Ltd., Narsingdi Branch, Narsingdi	SND-0722102000518 264,239	176,424
	Social Islami Bank Ltd., Begum Rokeya Sarani Br., Dhaka	SND-0131360001027 1,554,398	500,531
	South Bangla Agriculture & Commerce Bank Limited, Gulshan Branch, Dhaka	SND-1130000097627 3,000	192
	The Premier Bank Limited, Tejgaon Link Road Br., Dhaka	SND-13100000020 161	1,133,157
	Uttara Bank Ltd., Corporate Branch, Dhaka	SND-154514100041132 1,959	1,925
	Woori Bank Ltd., Dhaka Branch, Dhaka	NDA-923000195 6,273	7,423
		6,450,672	8,156,425
	Savings deposits	-	-
	Foreign Currency:		
	Bank Name	Branch Name	A/C No.
	Southeast Bank-EURO	Gulshan Branch, Dhaka	163-00000-019
	Southeast Bank-Pound	Gulshan Branch, Dhaka	163-00000-028
	Southeast Bank-Dollar	Gulshan Branch, Dhaka	163-00000-689
	Fixed deposits		
	International Leasing and Financial Services Limited	719,798,214	673,555,394
	Premier Leasing & Finance Limited	486,451,967	459,680,650
	Social Islami Bank Limited	29,364,667	29,364,667
	Southeast Bank Ltd.	-	80,000,000
		1,235,614,848	1,242,600,711
		1,293,462,057	1,265,379,599

Notes	Particulars	Amount in Taka	
		31-Dec-2022	31-Dec-2021

Note/ Discloser:

Lien on Basic Bank Limited, South Bangla Agricultural Bank (SBAC) Limited, Woori Bank, NRB Bank, and One Bank Limited for taking a loan of BDT.900,000,000.

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

Current deposits	51,396,537	14,622,463
Special notice deposit accounts	6,450,672	8,156,425
Savings deposits	-	-
Fixed deposits	1,235,614,848	1,242,600,711
	1,293,462,057	1,265,379,599

3.1.b Maturity grouping of balance with other banks

Repayable-on demand	51,396,537	14,622,463
-up to 3 months	124,206,552	1,250,757,136
-over 3 months but within 1 year	732,818,657	-
-over 1 year but within 5 years	385,040,311	-
-over 5 years	-	-
	1,293,462,057	1,265,379,599

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

i. In Bangladesh:

FAS Finance & Investment Limited	3.1	1,293,462,057	1,265,379,599
FAS Capital Management Limited	3 (a)i	4,946,698	28,416,877
		1,298,408,755	1,293,796,476

ii. Outside Bangladesh:

FAS Finance & Investment Limited	-	-
FAS Capital Management Limited	-	-
	-	-
	1,298,408,755	1,293,796,476

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

Current deposits

Bank Name	Branch Name	A/C No.		
Woori Bank Ltd.,	Dhaka Branch, Dhaka	CDA-923920015	-	-
			-	-

Notes	Particulars	Amount in Taka	
		31-Dec-2022	31-Dec-2021

Special notice deposit accounts

Bank Name	Branch Name	A/C No.		
Dutch Bangla Bank Ltd.,	Gulshan Branch, Dhaka	SND-116.120.1505	31,169	122,824
Dutch Bangla Bank Ltd.,	Gulshan Branch, Dhaka-LRHR	SND-116.120.4323	1,865	2,990
Mutual Trust Bank Ltd.,	Gulshan Branch, Dhaka	SND-0022-0320000793	26,668	27,818
One Bank Ltd.,	Principal Branch	SND-0013000001743	724	2,390
One Bank Ltd.,	Principal Branch	SND-0013000001754	4,332	5,320
Social Islami Bank Ltd.,	Gulshan Branch, Dhaka	SND-0081360000649	23,350	24,656
The City Bank Ltd.,	Gulshan Branch, Dhaka	6002-PIAA	22,042	23,339
The City Bank Ltd.,	Gulshan Branch, Dhaka	SND-3101221156001	4,815,189	28,178,551
The City Bank Ltd.,	Gulshan Branch, Dhaka	SND-3101221156003	12,025	18,551
Woori Bank Ltd.,	Dhaka Branch, Dhaka	NDA-923000208	9,334	10,438
			4,946,698	28,416,877
Fixed deposits				
FAS Finance & Investment Limited			406,146,217	388,159,345
			406,146,217	388,159,345
Less: Inter company transaction			(406,146,217)	(388,159,345)
			-	-
Total			4,946,698	28,416,877

Notes	Particulars	Amount in Taka	
		31-Dec-2022	31-Dec-2021
4	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	-	-
	FAS Capital Management Limited	-	-
		-	-
5	Investments	32,040,886	12,933,450
5.1	In Government securities		
	Treasury bills	-	-
	National investment bonds	-	-
	Bangladesh bank bills	-	-
	Government notes/bonds	-	-
	Prize bonds	-	-
	Others	-	-
		-	-
5.2	Other investments		
	Preference shares	-	-
	Ordinary shares (Quoted and Unquoted)	32,040,886	12,933,450
	Debentures	-	-
	Bonds	-	-
	Zero Coupon Bond	-	-
	Other investments	-	-
	Gold, etc.	-	-
		32,040,886	12,933,450
		32,040,886	12,933,450
5.2.a	Ordinary shares (Quoted)		
	Quoted		
	AB Bank Limited	1,927,233	2,551,500
	BBS Cables Ltd.	261,975	-
	Delta Life In. Co. Ltd.	163,800	-
	Esquir Knit Composite Limited	627,728	357,000
	Golden Harvest Ag. Ind. Ltd.	262,500	-
	Meghna Cement Mills Ltd.	684,600	-
	Niloy Cement Industries Limited	24,950	24,950
	Square Textiles Ltd.	135,000	-
	VSF Thread Dye. Ltd.	233,100	-
	Achia Sea Foods Limited	27,720,000	10,000,000
		32,040,886	12,933,450
		32,040,886	12,933,450
5.3	Maturity grouping		
	Repayable-on demand	-	-
	-up to 3 months	9,599,788	703,233
	-over 3 months but within 1 year	6,868,700	2,109,696
	-over 1 year but within 5 years	15,572,398	10,120,521
	-over 5 years	-	-
		32,040,886	12,933,450
		32,040,886	12,933,450
5 (a)	Consolidated Investments		
	i. In Government securities		
	FAS Finance & Investment Limited	-	-
	FAS Capital Management Limited	-	-
		-	-
	ii. Other Investments		
	FAS Finance & Investment Limited	32,040,886	12,933,450
	FAS Capital Management Limited	41,757,437	25,019,096
		73,798,323	37,952,546
		73,798,323	37,952,546

Notes	Particulars	Amount in Taka	
		31-Dec-2022	31-Dec-2021
5 (a) i	Ordinary shares (Quoted and Unquoted) of FAS Capital Management Limited		
	Quoted		
	AB Bank Limited	4,905,203	5,838,750
	IFIC Bank Ltd.	966,000	-
	Jamuna Bank Ltd.	532,500	-
	Mercantile Bank Ltd.	340,000	-
	One Bank Ltd.	214,200	-
	Union Bank Ltd.	465,000	-
	AFC Agro Industries Ltd.	-	562,000
	Beximco Ltd.	-	1,484,000
	BSRM Ltd.	630,000	1,033,000
	BSRM Steel Ltd.	447,300	-
	BBS Cables Limited	523,950	-
	GPH Ispat Ltd.	1,181,600	-
	Golden Son Ltd.	728,000	-
	Eastland Insurance Company Ltd.	488,000	1,935,000
	Premier Cement Ltd.	393,336	-
	Meghna Cement Mills Ltd.	684,600	-
	Fu-Wang Ceramic Industries Ltd.	174,000	-
	RAK Ceramics Ltd.	429,000	-
	Shinepukur Ceramics Ltd.	215,000	-
	BATBC Limited	4,149,600	-
	Beach Hatchery Ltd.	1,604,000	-
	Golden Harvest Agro Industries Ltd.	525,000	-
	Power Grid Company	524,000	-
	Summit Power Limited	340,000	-
	Titas Gas T & D Company Ltd.	2,863,000	-
	United Power GD Com. Ltd.	233,700	-
	Asia Insurance Ltd.	489,000	-
	Delta Life Insurance Ltd.	273,000	-
	Green Delta Insurance Ltd.	651,000	-
	National Life Insurance Co. Ltd.	915,227	-
	Rupali Insurance Co. Ltd.	530,000	-
	Union Insurance Company Ltd.	746,000	-
	GQ Ball Pen Industries Ltd.	98,200	-
	National Feed Mill Limited	162,000	-
	ACI Formation Ltd.	775,000	-
	ACI Limited	1,092,840	-
	Beximco Pharmaceuticals Ltd.	1,462,000	-
	Marico Bangladesh Ltd.	242,150	-
	Reckitt Benchkiser (BD) Ltd.	952,140	-
	Desh garments Ltd.	157,630	-
	Pacific Denims Limited	665,500	-
	Square Textile Ltd.	337,500	-
	VFS Thread Dying Limited	233,100	-
	Exim Bank Ltd.	520,000	530,136
	FAR East Knitting & Dyeing Industries Ltd.	-	780,000
	M.L. Dyeing Ltd.	2,604,000	2,446,500
	Power Grid Company Ltd.	-	1,192,000
	Prime Bank Ltd.	768,000	645,000
	Saif Powertec Limited	-	1,915,000
	Sea Peari Beach Tesort & Spa Ltd.	-	448,000
	Simtex Industries Limited	4,410,000	4,462,500
	Square Pharma Limited	-	1,071,500
	S.S. Steels Ltd.	-	378,000
	Exim 1st MF	116,162	-
	Unilever Consumer Care Ltd.	-	297,710
	Total	41,757,437	25,019,096
6	Loans, advances and leases	18,403,517,341	19,279,293,580

Reduction in Loans, advances and Leases due to recovery and correction of interest in some accounts (Tk. 84.02 Crore) while migration of business data from old Software to new Software.

Notes	Particulars	Amount in Taka	
		31-Dec-2022	31-Dec-2021
6.1	Maturity wise grouping's		
	Repayable-on demand	-	-
	-not more than 3 months	86,043,281	83,058,599
	-more than 3 months but not more than 1 year	86,675,413	249,683,521
	-more than 1 year but not more than 5 years	1,403,416,548	947,130,935
	-more than 5 years	16,827,382,099	17,999,420,525
		18,403,517,341	19,279,293,580
6.2	Loans, cash credits, overdrafts, and leases etc In Bangladesh		
	Loans-General	18,153,034,611	19,014,998,812
	Cash credits	-	-
	Overdrafts	-	-
	Leases	250,482,730	264,294,768
		18,403,517,341	19,279,293,580
	Outside Bangladesh	-	-
		18,403,517,341	19,279,293,580
6.3	Loans, advances & leases on the Basis of Significant		
	Advance to allied concerns of Directors	-	-
	Advance to chief executive officer, other executives and staffs	-	-
	Advances to industries	17,722,006,568	18,512,503,593
	Advance to customer groups	681,510,772	766,789,987
		18,403,517,341	19,279,293,580
6.4	Industry-wise loans, advances and leases		
	Trade & Commerce	8,576,537,275	9,073,581,949
	Garments & Knitwear	541,692,302	589,903,189
	Textiles	234,643,071	252,905,146
	Food production, Processing & Rice Mills	9,579,959	8,810,073
	Jute & Jute Products	59,820,392	102,474,109
	Plastic & Rubber Industry	2,466,920	2,460,997
	Leather & Leather Goods	8,744,462	9,187,361
	Iron, Steel & Engineering	-	-
	Pharmaceuticals & Chemicals	1,549,809,290	1,546,587,907
	Cement & Allied Industry	-	-
	Paper, Packging, Printing, Publishing & Allied Industry	138,412,990	160,388,548
	Wood, Furniture & Fixture	-	-
	Glass, Glassware & Ceramic Industry	-	-
	Ship Manufacturing & breaking	264,573,907	264,573,907
	Electronics & Electrical Products	83,727,757	102,298,896
	Power, Gas, Petrollium, Water & Sanitary	66,554,901	66,554,901
	Transport & Aviation	1,776,104,097	1,794,962,923
	Others	12,297,444	171,958,226
	Agriculture	247,225,929	277,529,377
	Mining & Quarring	-	-
	Housing	2,317,293,667	2,447,243,154
	Financial Corporation	-	-
	Merchant Banking	2,502,520,574	2,391,673,540
	Service	866,225	711,451
	Consumer Finance	10,646,179	15,487,926
		18,403,517,341	19,279,293,580

Notes	Particulars	Amount in Taka	
		31-Dec-2022	31-Dec-2021
6.5	Geographical Location-wise (Division) In Bangladesh		
	Dhaka	18,236,344,945	19,141,690,064
	Chattagram	162,242,940	133,352,079
	Sylhet	4,929,457	4,251,437
		18,403,517,341	19,279,293,580
6.6	Classification of loans, advances and leases Unclassified		
	Standard	85,269,831	1,939,974,490
	Special mention account	4,950,111	196,003,597
	Total unclassified loans, advances and leases	90,219,942	2,135,978,087
	Classified		
	Sub-standard	552,880	15,887,116
	Doubtful	6,849,220	22,331,187
	Bad/Losses	18,305,895,298	17,105,097,190
	Total classified loans, advances and leases	18,313,297,399	17,143,315,493
		18,403,517,340	19,279,293,580
6.7	Particulars of loans, advances and leases		
i)	Loans considered good in respect of which the FI's is fully secured	10,464,239,806	10,278,929,385
ii)	Loans considered good against which the FI's holds no security other than the debtors' personal guarantee	5,132,962,368	5,612,142,687
iii)	Loans considered good and secured by the personal undertaking of one or more parties in addition to the personal guarantee of the debtors	3,593,596,934	3,388,221,508
iv)	Loans adversely classified but provision not maintained there against	-	-
		18,403,517,341	19,279,293,580
	Note/ Discloser:		
	"Bangladesh Bank vide their letter No-DFIM(C) 1054/10/2022-2808 dated September 29, 2022 has given NOC for maintaining required provision of Tk.800.00 Crore in 8 (Eight) years from the year 2022-2029 @ Tk.100.00 Crore per year. In line of the approval, Tk.104.00 against Tk.100.00 Crore has been provided as deferral of provision of the year 2022. As such the residual balance for Tk. 696.00 Crore only is remaining for next 7 (Seven) Years. Furthermore, Bangladesh Bank vide their letter No. DFIM (C) 1054/10/2023-3613 dated October 19, 2023 has directed to maintain further provision of Tk. 280.75 Crore, which has been maintained in full accordingly."		
v)	Loans due by directors or officers of the FI's or any of them either separately or jointly with any other persons	-	-
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	-	-
vii)	Maximum total amount of advances, including temporary advances made at any time during the year to directors or managers or officers of the FI's or any of them either separately or jointly with any other persons	-	-
viii)	Maximum total amount of advances including temporary advances granted during the year to the companies or firms in which the Directors of the FI's are interested as Directors, partners or managing agents or, in the case of private companies, as members	-	-
ix)	Due from other FI's	-	-
x)	Amount of classified loans on which interest has not been charged:		
	a) Increase/decrease of provision (specific)	1,061,524,136	291,695,883
	b) Amount of loan written off	-	-
	c) Amount realized against loan previously written off	457,000	-
	d) Provision kept against loans classified as bad/loss on the date preparing the balance sheet	2,933,655,917	1,872,131,781
	e) Interest creditable to interest suspense account	3,067,420,978	3,042,677,356
xi)	Written off loan		
	Opening Balance	241,530,639	241,530,639
	During the year	-	-
	Cumulative to date (as per Bangladesh Bank guidelines)	241,073,639	241,530,639
	The amount of written off loans for which law suits have been filed for its recovery	241,073,639	241,530,639

Notes	Particulars	Amount in Taka	
		31-Dec-2022	31-Dec-2021
6 (a)	Consolidated loans, cash credits, overdrafts, and leases etc		
	i. In Bangladesh		
	FAS Finance & Investment Limited	18,403,517,341	19,279,293,580
	FAS Capital Management Limited	1,411,197,662	1,736,405,309
		19,814,715,003	21,015,698,889
	Less: Inter company transaction	(1,817,774,282)	(1,713,594,971)
		17,996,940,721	19,302,103,918
	ii. Outside Bangladesh		
	FAS Finance & Investment Limited	-	-
	FAS Capital Management Limited	-	-
		17,996,940,721	19,302,103,918
7	Bills purchased and discounted		
	In Bangladesh	-	-
	Outside Bangladesh	-	-
		-	-
7.1	Maturity grouping		
	-payable within 1 month	-	-
	-over 1 month but less than 3 months	-	-
	-over 3 months but less than 6 months	-	-
	-6 months or more	-	-
		-	-
7 (a)	Consolidated bills purchased and discounted		
	FAS Finance & Investment Limited	-	-
	FAS Capital Management Limited	-	-
		-	-
8	Fixed assets including premises, furniture and fixtures		Annexure-1
	Cost:		
	Land	86,527,860	86,527,860
	Office building	309,082,807	309,082,807
	Furniture & fixture	9,799,112	8,595,471
	Office decoration	9,405,859	8,957,959
	Office equipment	10,430,378	10,453,680
	Motor vehicles	24,622,605	26,710,605
	Electrical installation	2,350,573	2,057,474
	Computer	11,558,703	11,408,348
	Telephone line & PABX system	1,058,150	1,067,650
	Right of use Assets	23,191,255	121,471,352
	Software	16,638,421	638,421
		504,665,723	586,971,625
	Less: Accumulated depreciation:		
	Office building	155,188,160	147,088,440
	Furniture & fixture	5,319,040	4,919,644
	Office decoration	5,418,149	5,012,395
	Office equipment	7,412,690	6,888,148
	Motor vehicles	17,844,674	18,427,399
	Electrical installation	1,746,687	1,678,912
	Computer	6,756,171	5,929,783
	Telephone line & PABX system	783,786	735,369
	Right of use Assets	4,278,535	51,323,116
	Software	1,263,444	429,986
		206,011,333	242,433,193
	Written down value at the end of the year	298,654,389	344,538,432

Notes	Particulars	Amount in Taka	
		31-Dec-2022	31-Dec-2021
Annexure-1 (a)			
8 (a)	Consolidated fixed assets including premises, furniture and fixtures		
	FAS Finance & Investment Limited	298,654,389	344,538,432
	FAS Capital Management Limited	3,245,794	9,976,253
		301,900,184	354,514,688
9	Others assets		
	Income generating		
	i) Investment in Shares of subsidiary companies		
	-In Bangladesh	243,000,000	243,000,000
	-Outside Bangladesh	-	-
		243,000,000	243,000,000
	Non-income generating		
	ii) Stationery, stamps, printing, materials, etc.	151,443	183,371
	iii) Advance rent and advertisement	-	-
	iv) Interest accrued on investment but not collected, commission & brokerage receivable on shares and debenture and income receivable	84,708,571	138,849,749
	v) Security deposit	509,300	509,300
	vi) Preliminary, formation and organization expenses, renovation/development and prepaid expenses	12,284,825	20,656,174
	vii) Branch adjustment (net reconciled)	-	-
	viii) Suspense account	-	-
	ix) Silver	-	-
	x) Advance corporate income tax	396,956,194	379,182,826
	xi) Accounts receivable	17,193,693	10,600,533
	xii) Deferred tax asset	-	-
	xiii) others	-	-
		511,804,025	549,981,953
		754,804,025	792,981,953
9.1	Investment in Shares of subsidiary companies		
	In Bangladesh	243,000,000	243,000,000
	Outside Bangladesh	-	-
		243,000,000	243,000,000
9.1.a	Investment in Shares of subsidiary companies-In Bangladesh		
	FAS Capital Management Limited	243,000,000	243,000,000
		243,000,000	243,000,000
9.2	Advance corporate income tax		
	Advance income tax on bank interest	2,052,416	2,042,434
	Advance income tax on dividend	7,375,340	7,357,281
	Advance income tax (LTU)	317,317,372	311,392,281
	Advance income tax on motor vehicle	1,653,445	1,383,445
	Advance income tax on share placement	5,620,000	5,620,000
	Advance income tax (source Tax)	279,356	277,355
	Advance income tax on FDR Interest	62,658,265	51,110,030
		396,956,194	379,182,826

Notes	Particulars	Amount in Taka		
		31-Dec-2022	31-Dec-2021	
9.2 (a) Consolidated advance Corporate Income Tax				
	FAS Finance & Investment Limited	9.2	396,956,194	379,182,826
	FAS Capital Management Limited		24,437,586	19,653,053
			421,393,780	398,835,879
9 (a) Consolidated others assets				
i. Income generating				
	FAS Finance & Investment Limited	9	243,000,000	243,000,000
	FAS Capital Management Limited		-	-
			243,000,000	243,000,000
	Less: Investment in subsidiary companies (FAS Capital Management Limited)		(243,000,000)	(243,000,000)
			-	-
ii. Non-income generating				
	FAS Finance & Investment Limited	9	511,804,025	549,981,953
	FAS Capital Management Limited		31,946,154	29,694,096
			543,750,179	579,676,049
	Less: Inter company transaction		(28,785,769)	(256,527)
			514,964,410	579,419,522
			514,964,410	579,419,522
10 Non-Financial Institution's assets				
	Land & Building		44,665,893	44,665,893
			44,665,893	44,665,893
10 (a) Consolidated Non-Financial Institution's assets				
	FAS Finance & Investment Limited	10	44,665,893	44,665,893
	FAS Capital Management Limited		-	-
			44,665,893	44,665,893
11 Borrowings from other banks, financial institutions and agents				
	In Bangladesh	11.1	8,305,717,600	7,891,711,610
	Outside Bangladesh		-	-
			8,305,717,600	7,891,711,610

Notes	Particulars	Amount in Taka	
		31-Dec-2022	31-Dec-2021
11.1	In Bangladesh		
	Al-Arafah Islami Bank Limited	599,785,741	579,061,786
	Bank Asia Limited	203,135,594	195,850,627
	BASIC Bank Limited	450,540,249	450,540,249
	Dhaka Bank Limited	153,976,298	139,587,097
	Mercantile Bank Limited	2,036,129,811	2,007,210,069
	Midland Bank Limited	330,185,320	298,573,532
	Mutual Trust Bank Limited	477,744,469	432,377,980
	NCC Bank Limited	112,880,760	105,014,438
	NRB Bank Limited	346,657,696	318,646,907
	NRB Commercial Bank Limited	269,393,331	250,399,440
	One Bank Limited	207,648,155	210,610,078
	Prime Bank Limited	58,858,673	57,870,428
	Social Islami Bank Limited	109,947,234	103,302,895
	South Bangla Agriculture & Commerce Bank Limited	682,810,090	840,754,616
	State Bank of India	51,331,721	51,331,721
	The Premier Bank Limited	552,997,083	507,875,758
	UAE-Bangladesh Investment Company Limited	3,056,764	6,317,646
	Uttara Bank Limited	233,563,113	211,322,562
	Woori Bank Limited	6,500,238	6,427,520
	Bangladesh Commerce Bank Limited	200,000,000	263,122,222
	Bangladesh Development Bank Limited	158,500,000	158,768,333
	ICB Islamic Bank Limited	4,800,000	5,720,444
	Meghna Bank Limited	53,776,250	53,776,250
	Rupali Bank Limited	33,066,383	33,066,383
	NRB Commerce Bank Ltd.	5,000,000	-
	Mercantile Bank Ltd.	145,000,000	-
	SBAC Bank Ltd.	214,300,000	-
	Bangladesh Infrastructure Finance Fund Limited (BIFFL)	26,900,000	26,900,000
	International Leasing and Financial Services Limited	402,566,536	402,566,537
	Fareast Finance & Investment Limited	36,066,092	36,116,092
	Agrani Bank Limited	70,000,000	70,000,000
	Sonali Bank Limited	68,600,000	68,600,000
		8,305,717,600	7,891,711,610
11.2	Security against Borrowings from other banks, financial institutions and agents		
	Secured	8,305,717,600	7,891,711,610
	Unsecured	-	-
		8,305,717,600	7,891,711,610
11.3	Maturity grouping's		
	Repayable-on demand	-	-
	-up to 3 months	270,514,293	216,778,021
	-over 3 months but within 1 year	3,299,037,076	2,165,685,011
	-over 1 year but within 5 years	2,630,204,716	5,509,248,578
	-over 5 years	2,105,961,515	-
		8,305,717,600	7,891,711,610

Notes	Particulars	Amount in Taka		
		31-Dec-2022	31-Dec-2021	
11 (a) Consolidated borrowings from other banks, financial institutions and agents				
	FAS Finance & Investment Limited	11	8,305,717,600	7,891,711,610
	FAS Capital Management Limited		2,193,622,350	2,057,699,232
			10,499,339,950	9,949,410,842
	Less: Inter company transaction		(1,817,774,282)	(1,713,594,971)
			8,681,565,668	8,235,815,871
12 Deposits and other accounts				
	Current deposits and other accounts		-	-
	Bills payable		-	-
	Savings bank deposits		-	-
	Fixed deposits	12.1	10,167,607,645	9,545,452,793
	Bearer certificates of deposit		-	-
	Others deposits	12.1	5,400,000	5,001,000
			10,173,007,645	9,550,453,793
12.1 Fixed deposits				
	Deposit from FI's-inside Bangladesh		6,716,405,738	6,238,340,886
	Other than FI's-inside Bangladesh		3,456,601,907	3,312,112,907
			10,173,007,645	9,550,453,793
12.1.a Maturity analysis of Fixed Deposits				
Deposit from FI's-inside Bangladesh				
	Repayable-on demand		-	-
	-within 1 month		3,598,113,720	338,587,345
	-over 1 month but within 6 months		326,641,610	1,045,675,957
	-over 6 months but within 1 year		2,510,850,615	4,854,077,584
	-over 1 year but within 5 years		280,799,793	-
	-over 5 years but within 10 years		-	-
			6,716,405,738	6,238,340,886
Other than FI's-inside Bangladesh				
	Repayable-on demand		-	-
	-within 1 month		2,983,304,368	153,356,568
	-over 1 month but within 6 months		283,559,440	146,894,801
	-over 6 months but within 1 year		148,253,977	2,904,029,583
	-over 1 year but within 5 years		41,293,442	105,297,275
	-over 5 years but within 10 years		190,680	2,534,680
			3,456,601,907	3,312,112,907
			10,173,007,645	9,550,453,793
12 (a) Consolidated deposits and other accounts				
Fixed deposits				
	FAS Finance & Investment Limited	12.1	10,167,607,645	9,545,452,793
	FAS Capital Management Limited		-	-
			10,167,607,645	9,545,452,793
	Less: Inter company transaction		(406,146,217)	(388,159,345)
			9,761,461,428	9,157,293,448
Others deposits				
	FAS Finance & Investment Limited	12.1	5,400,000	5,001,000
	FAS Capital Management Limited		-	-
			5,400,000	5,001,000
			9,766,861,428	9,162,294,448

Notes	Particulars	Amount in Taka		
		31-Dec-2022	31-Dec-2021	
13	Others liabilities			
	Accumulated provision against loans, advances and leases	5,812,314,113	2,683,842,110	
	Provision for current tax	449,810,584	449,055,455	
	Deferred tax liabilities	62,149,739	58,107,408	
	Interest suspense account	3,067,420,978	3,042,677,356	
	Accounts payable	5,590,890	168,422	
	Accrued expenses	2,231,742	2,557,323	
	Provision for Gratuity	8,993,456	8,993,456	
	Provident fund	6,764,000	3,798,131	
	Leases advance	-	1,429,206	
	Advance installment	85,024,932	53,427,019	
	Lease liabilities-Office premises	15,311,887	87,976,840	
	Provision for other assets	342,988,949	83,025,738	
	Provision for FDR	1,132,792,026	-	
	Unclaimed dividend	907,304	1,280,660	
	Excise Duty Payable	18,809,856	-	
	Interest payable	2,217,183,799	1,858,790,764	
	Tax deduction at source	290,022,161	234,913,551	
	Interest charged for delay payment of Tax, VAT & Excise duty	98,687,835	-	
	VAT Payable	4,722,695	4,700,075	
	Sundry deposit	14,717,512	10,261,418	
		13,636,444,457	8,585,004,932	
13.1	Accumulated provision for loans, advances and leases			
	Provision for classified loans, advances and leases			
	Opening balance	2,600,875,908	1,624,147,895	
	Fully provided debts written off during the year	(-)	-	
	Recovery of amounts previously written off	(+)	-	
	Specific provision made for the year	(+)	976,728,013	
	Recoveries and provision no longer required	(-)	-	
	Net charge to profit and loss statement	(+)	-	
	Total Provision for classified loans, advances and leases	5,810,590,557	2,600,875,908	
	Provision for unclassified loans, advances and leases			
	Opening balance	82,966,202	22,701,623	
	Provision for the year	-	60,264,579	
	Adjustment during the year	(81,242,646)	-	
	Total provision for unclassified loans, advances and leases	1,723,556	82,966,202	
	Total provision against loans, advances and leases	5,812,314,113	2,683,842,110	
	Provision for	Required	Maintained	
			Excess/(Shortage)	
	Classified loans, advances & leases	12,770,590,557	5,810,590,557	(6,960,000,000)
	Un-classified loans, advances & leases	1,723,556	1,723,556	-
		12,772,314,113	5,812,314,113	(6,960,000,000)
	Note/ Discloser:			
	Bangladesh Bank vide their letter No-DFIM(C) 1054/10/2022-2808 dated September 29, 2022 has given NOC for maintaining required provision of Tk.800.00 Crore in 8 (Eight) years from the year 2022-2029 @ Tk.100.00 Crore per year. In line of the approval, Tk.104.00 against Tk.100.00 Crore has been provided as deferral of provision of the year 2022. As such the residual balance for Tk.696.00 Crore only is remaining for next 7 (Seven) Years. Furthermore, Bangladesh Bank vide their letter No. DFIM (C) 1054/10/2023-3613 dated October 19, 2023 has directed to maintain further provision of Tk. 280.75 Crore, which has been maintained in full accordingly.			
13.1 (a)	Consolidated provision against loans, advances and leases			
	FAS Finance & Investment Limited	5,812,314,113	2,683,842,110	
	FAS Capital Management Limited	1,016,369,637	338,789,879	
		6,828,683,750	3,022,631,989	
13.2	Provision for current tax			
	Opening balance	449,055,455	447,115,359	
	Add: Provision made during the year	755,129	1,940,096	
	Less: Adjustment during the year	-	-	
		449,810,584	449,055,455	

Notes	Particulars	Amount in Taka	
		31-Dec-2022	31-Dec-2021

13.2.1 Reconciliation of effective Tax rate

Particulars			Taxable Amount	Tax rate	Tax Liability
Profit Before Provision & Tax			(2,863,744,840)	0.375	(1,073,904,315)
Business Receipts			Taxable Amount	Minimum Tax	Tax Liability
Interest Income			110,698,660	0.006	664,192
Processing fees			11,350	0.006	68
Documentation Charge			5,000	0.006	30
Office Rent			741,000	0.006	4,446
Transfer Price			12,750	0.006	77
					668,813
Other receipts					
Tax on Dividend			52,495	0.2	10,499
Gain on sale of fixed assets			265,413	0.2	53,083
Tax on Share Investment Income			227,347	0.1	22,735
					86,316
					755,129

13.2 (a) Consolidated provision for current tax

FAS Finance & Investment Limited	13.2	449,810,584	449,055,455
FAS Capital Management Limited		5,956,646	5,205,299
		455,767,230	454,260,754

13.3 Deferred tax

Deferred tax has been calculated based on deductible/taxable temporary difference arising due to difference in the carrying amount of the assets and its tax base in accordance with the provision of Bangladesh Accounting Standard (IAS) 12 "Income Taxes".

Deferred tax liability is arrived at as follows:

Particulars	Carrying amount at Accounting base	Carrying amount at Tax base	(Taxable)/ deductible temporary difference	Tax Rate	Deferred tax (Liability)/ Asset
			Taka	Taka	Taka
Assets:					
Fixed assets net off					
Depreciation as on December 31, 2022 (Excluding	84,063,368	50,122,190	(33,941,178)	37.5%	(12,727,942)
Right of Use Asset	18,912,721	23,191,255	4,278,534	37.5%	1,604,450
Revalued amount of Building	111,313,641	-	(111,313,641)	37.5%	(41,742,615)
Base amount of Land	84,364,660	-	(84,364,660)	4.0%	(3,374,586)
Total of Assets	298,654,390	73,313,445	(225,340,945)		(56,240,693)
Liabilities:					
Employee Gratuity fund as on December 31, 2022	-	8,993,456	(8,993,456)	37.5%	(3,372,546)
Employee Provident fund as on December 31, 2022	-	6,764,000	(6,764,000)	37.5%	(2,536,500)
		15,757,456	(15,757,456)		(5,909,046)
Total:Deferred tax liability as on December 31, 2022			(241,098,401)		(62,149,739)
Deferred tax liability as on December 31, 2021					(58,107,408)
Deferred tax (expenses)/Income as on December 31, 2022					(4,042,331)
Opening Deferred Tax				58,107,408	60,567,899
Deferred Tax Expense/(Income)				4,042,331	(2,460,491)
Closing Deferred Tax Liability/(Asset)				62,149,739	58,107,408

Notes	Particulars	Amount in Taka	
		31-Dec-2022	31-Dec-2021
13.3 (a)	Consolidated Deferred tax liabilities		
	FAS Finance & Investment Limited	62,149,739	58,107,408
	FAS Capital Management Limited	(142,794)	(128,311)
		62,006,945	57,979,097
13.4	Interest suspense account		
	Opening balance	3,042,677,356	2,600,642,284
	Transfer during the year	(+)	24,743,622
	Recovery during the year	(-)	-
	Written off during the year	(-)	-
		3,067,420,978	3,042,677,356
13.4 (a)	Consolidated interest suspense account		
	FAS Finance & Investment Limited	3,067,420,978	3,042,677,356
	FAS Capital Management Limited	-	247,209,890
		3,067,420,978	3,289,887,246
13.5	Provision for Gratuity		
	Opening balance	8,993,456	6,257,776
	Add: Provision made during year	-	3,086,130
	Less: Adjustment during the year	-	(350,450)
		8,993,456	8,993,456
13.6	Provident fund		
	Opening balance	3,798,131	5,794,082
	Add: Provision made during the year	2,965,869	3,733,300
	Less: Adjustment during the year	-	(5,729,251)
		6,764,000	3,798,131
13.7	Lease liabilities-Office premises		
	Opening balance	87,976,840	92,481,869
	Add: Addition during the year	19,070,823	10,771,607
	Less: Adjustment during the year	(91,735,776)	(15,276,636)
		15,311,887	87,976,840
13.7 (a)	Consolidated lease liabilities-Office premises		
	FAS Finance & Investment Limited	15,311,887	87,976,840
	FAS Capital Management Limited	-	-
		15,311,887	87,976,840

Notes	Particulars	Amount in Taka	
		31-Dec-2022	31-Dec-2021
13.8 Provision for other assets			
	Opening balance	83,025,738	76,335,476
	Add: Addition D/Y	335,288,571	6,690,262
		418,314,309	83,025,738
	Less: Adjustment during the year	75,325,360	-
		342,988,949	83,025,738
13. (a) Consolidated other liabilities			
	FAS Finance & Investment Limited	13,636,444,457	8,585,004,932
	FAS Capital Management Limited	1,023,517,675	610,194,115
		14,659,962,132	9,195,199,047
	Less: Inter company transaction	-	(256,527)
		14,659,962,132	9,194,942,519
14 Share Capital		1,490,773,640	1,490,773,640
14.1 Authorized Capital			
	210,000,000 ordinary shares of Taka 10 each	2,100,000,000	2,100,000,000
14.2 Issued, subscribed and paid-up Capital			
	39,065,700 ordinary shares of Taka 10 each issued for cash	390,657,000	390,657,000
	5,859,850 bonus shares of Taka 10 each issued for dividend for 2009	58,598,500	58,598,500
	6,738,830 bonus shares of Taka 10 each issued for dividend for 2010	67,388,300	67,388,300
	2,583,219 bonus shares of Taka 10 each issued for dividend for 2011	25,832,190	25,832,190
	3,254,855 bonus shares of Taka 10 each issued for dividend for 2012	32,548,550	32,548,550
	11,175,005 bonus shares of Taka 10 each issued for dividend for 2015	111,750,050	111,750,050
	6,146,253 bonus shares of Taka 10 each issued for dividend for 2016	61,462,530	61,462,530
	12,907,131 bonus shares of Taka 10 each issued for dividend for 2017	129,071,310	129,071,310
	7,098,922 bonus shares of Taka 10 each issued for dividend for 2018	70,989,220	70,989,220
	54,247,599 right shares of Taka 10 each issued	542,475,990	542,475,990
		1,490,773,640	1,490,773,640

14.3 Percentage of shareholding

Group	Percentage of Share		No. of Shares	
	31-Dec- 2022	31-Dec-2021	31-Dec-2022	31-Dec-2021
Directors *	13.20	13.20	19,682,870	19,682,870
Government	-	-	-	-
Institutions	9.02	9.90	13,447,904	14,758,659
Foreign	-	-	-	-
General Public	77.78	76.90	115,946,590	114,635,835
	100.00	100.00	149,077,364	149,077,364

* Director's Shares are frozen by the Court order. Present Board of Directors Comprises with 5 (Five) Directors appointed by Bangladesh Securities & Exchange Commission.

14.4 Classification of Shareholders by holding of share

Shareholding range as on December 31	Number of holders		% of total holding	
	31-Dec-2022	31-Dec-2021	31-Dec-2022	31-Dec-2021
1-500	2,318	2,434	0.26%	0.27%
501-5,000	4,438	4,495	6.52%	6.52%
5,001-10,000	1,114	1,098	5.70%	5.80%
10,001-20,000	728	760	7.28%	7.58%
20,001-30,000	290	303	4.94%	5.14%
30,001-40,000	180	153	4.28%	3.67%
40,001-50,000	299	117	3.70%	3.66%
50,001-100,000	215	199	10.76%	9.76%
100,001-1000,000	164	170	27.45%	49.78%
1,000,001 and above	14	1	29.11%	7.83%
	9,760	9,730	100.00%	100.00%

No. of Shares		Value of Shares	
31-Dec-2022	31-Dec-2021	31-Dec-2022	31-Dec-2021
390,325	405,155	3,903,250	4,051,550
9,721,654	9,712,871	97,216,540	97,128,710
8,502,661	8,653,127	85,026,610	86,531,270
10,846,462	11,297,156	108,464,620	112,971,560
7,365,444	7,657,682	73,654,440	76,576,820
6,373,557	5,464,922	63,735,570	54,649,220
5,519,260	5,451,953	55,192,600	54,519,530
16,046,348	14,548,636	160,463,480	145,486,360
40,916,128	74,207,142	409,161,280	742,071,420
43,395,525	11,678,720	433,955,250	116,787,200
149,077,364	149,077,364	1,490,773,640	1,490,773,640

14.5 Name of the Directors and their shareholding (including holdings of sponsors shareholders and general public) as on 31 December 2022

Sl. No.	Name	Position	Total Nos. of Share	Value of Shares	% of Shareholding
1	Mr. Mohammed Nurul Amin	Chairman & Independent Director	-	-	-
2	Dr. Mohammad Saifuddin Khan	Independent Director	-	-	-
3	Brigadier General Abu Sayeed Mohammad Ali (Retd.)	Independent Director	-	-	-
4	Dr. Syed Abdulla Al Mamun FCMA	Independent Director	-	-	-
5	Mr. Md. Salim	Independent Director	-	-	-
6	Mr. A.F. Shabbir Ahmad	Managing Director & CEO (Ex-Officio), Current Charge	-	-	-
7	Reptiles Farm Limited	Independent Director	11,678,720	116,787,200	7.83%
8	P & L International Limited	Independent Director	8,004,150	80,041,500	5.37%
9	Institutions		13,447,904	134,479,040	9.02%
10	General public		115,946,590	1,159,465,900	77.78%
	Total		149,077,364	1,490,773,640	100.00%

Notes	Particulars	Amount in Taka 31-Dec-2022
14.06	Capital adequacy ratio (CAR) As per BASEL-II	
a.	In terms of Bangladesh Bank DFIM circular no. 05 dated 24 July 2011, required paid up capital of the Company at 31 December 2012 should be of Taka 1,000,000,000 against which the paid up capital of the company as at 31.12.22 was Tk. 1,490,773,640.	
	Consolidated - Capital adequacy ratio :	
b.	In terms of Bangladesh Bank DFIM circular no. 14 dated 28 December 2011, required capital of the Company on consolidated basis at the close of business on 31 December 2022 is TK. 1,000,000,000 as against available core capital of Tk. (13,028,008,277) and supplementary capital of Tk.76,807,413 making a total of Tk. (12,951,200,864) thereby showing surplus/(short) capital/equity of Tk. (13,951,200,864) at that date. Details are shown below:	
14.06.01	Core capital (Tier-I)	
	Paid-up capital	1,490,773,640
	Statutory reserve	205,579,082
	Non-repayable Share premium account	-
	General reserve	315,000
	Retained earnings	(14,690,880,652)
	Minority Interest in Subsidiaries	(35,368,971)
	Non-Cumulative irredeemable Preferences shares	-
	Dividend Equalization account	-
	Other (if any item approved by BB)	1,573,624
	Total	(13,028,008,277)
	Deductions from Tier-I (Core Capital)	
	Book value of Goodwill and Value of any contingent assets which are shown	-
	Shortfall in provisions required against classified assets irrespective of any	-
	Shortfall in provision required against investment in shares	-
	Remaining deficit on account of revaluation of investment in securities after	-
	Any investment exceeding the approved limited	-
	Investment in subsidiaries which are not consolidated	-
	Increase in equity capital resulting from a securitization	-
	Others if any	-
	Total	-
	Total Eligible Tier-1 Capital	(13,028,008,277)
14.06.02	Supplementary capital (Tier II)	
	General provision on unclassified loans and advances	1,570,129
	Provision for off-balance sheet exposure	-
	Exchange equalization account	-
	Asset revaluation reserves (Up to 50%)	75,237,285
	Revaluation loss on investment - held to maturity (HTM)	-
	Sub total	76,807,414
	Applicable Deductions if any	-
	Total Eligible Tier-2 Capital	76,807,414
	(A) Total Eligible Capital (Tier-1 + Tier-2)	(12,951,200,863)
	Total assets including off- balance Sheet items	20,230,855,522
	Total risk -weighted assets(RWA)	5,798,251,704
	(B) Total Required Capital (10% of Total RWA or MCR, whichever is higher)	1,000,000,000
	(C) Surplus / (Shortfall) (A-B)	(13,951,200,863)
	Capital adequacy ratio	-223.36%
	Risk weighted assets (RWA)	
	A. Credit Risk	
	On-Balance sheet	6,530,094,831
	Off-Balance sheet	-
		6,530,094,831
	B. Market Risk	147,596,646
		(879,439,774)

Notes	Particulars	Amount in Taka 31-Dec-2022
C. Operational Risk		
Total RWA (A+B+C)		5,798,251,704
A. Credit Risk		
On-Balance sheet		
Exposure type		
		Risk weighted assets
a)	Cash and Cash Equivalents	-
b)	Claims on Bangladesh Government and Bangladesh Bank	-
c)	Claims on other Sovereigns & Central bank's	-
d)	Claims on banks for International Settlements, International	-
e)	Claims on Multilateral Development Banks (MDBs):	-
	i) IBRD, IFC, ADB, AFDB, EBRD, IADB, EIB, EIF, NIB,	-
	ii) Other MDBs	-
f)	Claims on Public Sector Entities (other than Government) in Bangladesh (Membership in Stock Exchange)	-
g)	Claims on Banks/NBFI	-
	i) Maturity over 3 months	623,404,378
	ii) Maturity less than 3 months	10,321,212
h)	Claims on Corporate (excluding equity exposure)	74,775,490
i)	Claims under Credit Risk Mitigation	-
j)	Claims categorized as retail portfolio & small enterprise	612,937
k)	Consumer investment (Loan)	1,641,457
l)	Claims fully secured by residential property	-
m)	Claims fully secured by commercial real estate	22,990,733
n)	Past Due Claims (Risk weights are to be assigned net of The claim (other than claims secured by eligible residential property) that is past due for more than 90 days and/or Where specific provisions are less than 20 percent of the Where specific provisions are no less than 20 percent of the Where specific provisions are more than 50 percent of the Claims fully secured against residential property that are Investments and claims fully secured against residential	- - 665,262,227 1,131,636,279 2,742,284,940 875,388,876
o)	Investments in Capital Market Exposures	127,944,108
p)	Investments in venture capital	(186,121,906)
q)	Unlisted equity investments and regulatory capital	-
r)	Investments in premises, plant and equipment and all other fixed assets	301,930,493
s)	Claims on all fixed assets under operating lease	-
t)	All other assets	-
	i) Claims on Gob & BB (advance income tax ,	-
	ii) Staff Loan / Investment	-
	iii) Cash items in process of collection	-
	iv) other assets	138,023,609
Risk weighted assets(RWA)		6,530,094,831
Off-Balance Sheet		
Exposures types		
a)	Claims on Bangladesh Government and Bangladesh Bank	-
b)	Claims on other Sovereigns & Central bank's	-
c)	Claims on banks for International Settlements, International	-
d)	Claims on Multilateral Development Banks (MDBs):	-
	i) IBRD, IFC, ADB, AFDB, EBRD, IADB, EIB, EIF, NIB,	-
	ii) Other MDBs	-
e)	Claims on Public Sector Entities (other than Government) in	-
f)	Claims on NBFI	-
	i) Maturity over 3 months	-
	ii) Maturity less than 3 months	-
g)	Claims on Corporate (excluding equity exposure)	-
h)	Against retail portfolio & Small Enterprise (excluding	-
i)	Consumer Investment	-
j)	All other assets	-
Risk weighted assets (RWA)		-
Total Risk weighted assets (RWA)		6,530,094,831

Notes	Particulars	Amount in Taka 31-Dec-2022
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B. Market Risk

	Capital Charges for Specific Risk	Capital Charge for General Market Risk	Total Capital Charge for Market Risk
A Interest Rate Related Instruments	-	-	-
B Equities	73,798,323	73,798,323	147,596,646
C Foreign Exchange Position	-	-	-
Total(A+B+C)	73,798,323	73,798,323	147,596,646
Risk weighted assets (RWA)	737,983,230	737,983,230	1,475,966,460

C. Operational Risk

Gross income	(1,758,879,547)
Average gross income	(586,293,182.33)
Capital charge for operational risk (15% of Average gross income)	(87,943,977)
Risk Weighted Assets	(879,439,774)

For the company (Solo)- Capital adequacy ratio:

In terms of Bangladesh Bank DFIM circular no. 14 dated 28 December 2011, required capital of the Company on solo basis at the close of business on 31 December 2022 is Tk. 1,00,00,00,000 as against available core capital of Tk. (11,438,324,291) and supplementary capital of Tk. 76,807,413 making a total of Tk. (11.361,516,878) thereby showing surplus capital/(Shortfall) equity of Tk. (12,361,516,878) at that date. Details are shown below:

Core capital (Tier I)

Paid-up capital	1,490,773,640
Statutory reserve	205,579,082
Non-repayable Share premium account	-
General reserve	315,000
Retained earnings	(13,150,774,901)
Minority Interest in Subsidiaries	-
Non-Cumulative irredeemable Preferences shares	-
Dividend Equalization account	-
Other (if any item approved by BB)	15,782,888
Total	(11,438,324,291)

Deductions from Tier-1 (Core Capital)

Book value of Goodwill and Value of any contingent assets which	-
Shortfall in provisions required against classified assets irrespective	-
Shortfall in provision required against investment in shares	-
Remaining deficit on account of revaluation of investment in	-
Any investment exceeding the approved limited	-
Investment in subsidiaries which are not consolidated	-
Increase in equity capital resulting from a securitization exposure	-
Others if any	-
Total	-

Total Eligible Tier-1 Capital**(11,438,324,291)****Supplementary capital (Tier II)**

General provision on unclassified loans and advances	1,570,129
Provision for off-balance sheet exposure	-
Exchange equalization account	-
Asset revaluation reserves (Up to 50%)	75,237,285
Revaluation loss on investment - held to maturity (HTM)	-
Sub total	76,807,414

Applicable Deductions if any

-

Total Eligible Tier-2 Capital**76,807,414****(A) Total Eligible Capital (Tier-1 + Tier-2)****(11,361,516,877)****Total assets including off- balance Sheet items****20,827,319,981****Total risk -weighted assets(RWA)****5,718,262,516**

Notes	Particulars	Amount in Taka 31-Dec-2022
	(B) Total Required Capital (10% of Total RWA or MCR, whichever is higher)	1,000,000,000
	(C) Surplus /(Shortfall)(A-B)	(12,361,516,877)
	Capital adequacy ratio	-198.69%
	Risk weighted assets(RWA)	
	A. Credit Risk	
	On-Balance sheet	7,305,624,984
	Off-Balance sheet	-
		7,305,624,984
	B. Market Risk	64,081,772
	C. Operational Risk	(1,651,444,241)
	Total RWA (a+b+c)	5,718,262,516
	A. Credit Risk	
	On-Balance sheet	Risk weighted assets
	Exposure type	
a)	Cash and Cash Equivalents	-
b)	Claims on Bangladesh Government and Bangladesh Bank	-
c)	Claims on other Sovereigns & Central bank's	-
d)	Claims on banks for International Settlements, International	-
e)	Claims on Multilateral Development Banks (MDBs):	-
	i) IBRD, IFC, ADB, AFDB, EBRD, IADB, EIB, EIF, NIB, CDB,	-
	ii) Other MDBs	-
f)	Claims on Public Sector Entities (other than Government) in Bangladesh (Membership in Stock Exchange)	-
g)	Claims on Banks/NBFI	-
	i) Maturity over 3 months	620,931,029
	ii) Maturity less than 3 months	10,321,212
h)	Claims on Corporate (excluding equity exposure)	74,775,490
i)	Claims under Credit Risk Mitigation	-
j)	Claims categorized as retail portfolio & small enterprise (excluding	612,937
k)	Consumer investment (Loan)	1,641,457
l)	Claims fully secured by residential property	-
m)	Claims fully secured by commercial real estate	22,990,733
n)	Past Due Claims (Risk weights are to be assigned net of specific The claim (other than claims secured by eligible residential property) that is past due for more than 90 days and/or impaired Where specific provisions are less than 20 percent of the Where specific provisions are no less than 20 percent of the outstanding amount of the past due claim.	-
	Where specific provisions are more than 50 percent of the	665,262,227
	Claims fully secured against residential property that are past due	1,131,636,279
	Investments and claims fully secured against residential property	2,742,284,940
		875,388,876
		127,944,108
o)	Investments in Capital Market Exposures	573,650,965
p)	Investments in venture capital	-
q)	Unlisted equity investments and regulatory capital instruments	-
r)	Investments in premises, plant and equipment and all other fixed assets	298,684,699
s)	Claims on all fixed assets under operating lease	-
t)	All other assets	-
	i) Claims on Gob & BB (advance income tax , reimbursement of	-
	ii) Staff Loan / Investment	-
	iii) Cash items in process of collection	-
	iv) other assets	159,500,034
	Risk weighted assets (RWA)	7,305,624,984

Notes	Particulars	Amount in Taka	
		31-Dec-2022	31-Dec-2021
Off-Balance Sheet			
Exposures types			
a)	Claims on Bangladesh Government and Bangladesh Bank		-
b)	Claims on other Sovereigns & Central bank's		-
c)	Claims on banks for International Settlements, International		-
d)	Claims on Multilateral Development Banks (MDBs):		-
	i) IBRD, IFC, ADB, AFDB, EBRD, IADB, EIB, EIF, NIB, CDB,		-
	ii) Other MDBs		-
e)	Claims on Public Sector Entities (other than Government) in		-
f)	Claims on NBFI		-
	i) Maturity over 3 months		-
	ii) Maturity less than 3 months		-
g)	Claims on Corporate (excluding equity exposure)		-
h)	Against retail portfolio & Small Enterprise (excluding consumer		-
i)	Consumer Investment		-
j)	All other assets		-
Risk weighted assets (RWA)			-
Total Risk weighted assets (RWA)			7,305,624,984

B. Market Risk

	Capital Charges for Specific Risk	Capital Charge for General Market Risk	Total Capital Charge for Market Risk
A Interest Rate Related Instruments	-	-	-
B Equities	32040886	32040886	64,081,772
C Foreign Exchange Position	-	-	-
Total (A+B+C)	32,040,886	32,040,886	64,081,772
Risk weighted assets (RWA)	320,408,860	320,408,860	640,817,720

C. Operational Risk

Gross income	(3,302,888,481)
Average gross income	(1,100,962,827)
Capital charge for operational risk (15% of Average gross income)	(165,144,424)
Risk Weighted Assets	(1,651,444,241)

15 Statutory reserve

Opening balance	205,579,082	205,579,082
Add: Addition during the year	-	-
	205,579,082	205,579,082

16 Other reserve

Capital reserve	16.1	315,000	315,000
		315,000	315,000

16.1 Capital reserve

Opening balance	315,000	315,000
Add: Addition during the year	-	-
	315,000	315,000

17 Revaluation Reserve

Land	17.1	80,903,545	80,903,545
Office building	17.2	69,571,025	73,232,659
		150,474,570	154,136,204

Notes	Particulars	Amount in Taka	
		31-Dec-2022	31-Dec-2021
17.1 Revaluation reserve-Land			
	Opening balance	80,903,545	80,903,545
	Add: Addition during the year	-	-
	Prior year adjustment	-	-
		80,903,545	80,903,545
17.2 Revaluation reserve-Office building			
	Opening balance	73,232,659	77,087,009
	Add: Addition during the year	-	-
		73,232,659	77,087,009
	Less: Depreciation on increased value due to revaluation	(3,661,634)	(3,854,350)
		69,571,025	73,232,659
18 Retained earnings			
	Opening balance	(6,136,949,648)	(3,548,622,073)
	Prior Year Adjustment	(694,984,013)	1,707,507
	Net profit after taxation	(6,322,502,874)	(2,593,889,432)
	Transfer to statutory reserve	-	-
	Add: Transfer of revaluation reserve	3,661,634	3,854,350
		(13,150,774,901)	(6,136,949,648)
18 (a) Consolidated retained earnings			
	Opening balance	(6,808,859,449)	(3,851,671,794)
	Prior year adjustment	(753,321,665)	10,932,990
	Consolidated net profit after taxation	(7,132,361,171)	(2,971,974,995)
	Transfer to statutory reserve	-	-
	Stock dividend paid	-	-
	Add: Depreciation on increased value due to revaluation	3,661,634	3,854,350
		(14,690,880,652)	(6,808,859,449)
19 Undrawn formal standby facilities, credit lines and other commitments			
	Leases, loans & advances commitments outstanding	-	-
		-	-
19 (a) Consolidated undrawn formal standby facilities, credit lines and other commitments			
	FAS Finance & Investment Limited	19	-
	FAS Capital Management Limited		-
			-
20 Other memorandum items			
	Customers' stocks of securities-Merchant Banking Wing	-	-
		-	-
20 (a) Consolidated other memorandum items			
	FAS Finance & Investment Limited	20	-
	FAS Capital Management Limited	20 (a)i	773,724,007
		752,097,568	773,724,007
20 (a)i Other memorandum items of FAS Capital Management Limited			
	Customers' stocks of securities-Merchant Banking Wing	752,097,568	773,724,007
		752,097,568	773,724,007

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

Notes	Particulars	Amount in Taka	
		31-Dec-2022	31-Dec-2021
21	Profit and loss account		
	Income		
	Interest, discount and similar income	110,698,660	323,016,359
	Dividend income	52,495	-
	Fee, commission and brokerage	-	-
	Gains less losses arising from investment securities	227,347	(118,204)
	Gains less losses arising from dealing in foreign currencies	-	-
	Other operating income	1,035,513	333,022
	Gains less losses arising from dealing securities	-	-
	Income from Non-FI's assets	-	-
	Profit less losses on interest rate changes	-	-
		112,014,015	323,231,176
	Expenses		
	Interest, fee and commission	1,665,732,358	1,770,680,164
	Losses on loans, leases and advances	-	-
	Administrative expenses	51,893,451	63,705,006
	Other operating expenses	1,239,281,403	9,980,934
	Depreciation on FI's assets	18,851,643	29,592,046
		2,975,758,855	1,873,958,150
		(2,863,744,840)	(1,550,726,974)
22	Interest income		
	Interest on loans, advances and leases	9,388,352	222,568,018
	Interest on placement with other banks and financial institutions	101,310,308	100,448,341
	Interest on foreign currency balance	-	-
		110,698,660	323,016,359
22 (a)	Consolidated interest income		
	FAS Finance & Investment Limited	110,698,660	323,016,359
	FAS Capital Management Limited	5,039,083	5,847,376
		115,737,743	328,863,735
	Less: Inter company transaction	(34,271,899)	(33,700,335)
		81,465,844	295,163,400
23	Interest paid on deposits, borrowings, etc.		
	Interest on deposits	779,734,348	986,034,530
	Interest on borrowings	882,646,432	774,785,105
	Interest on lease liabilities-Office premises	3,351,578	9,860,529
	Interest on foreign bank accounts	-	-
		1,665,732,358	1,770,680,164
23 (a)	Consolidated interest paid on deposits, borrowings, etc.		
	FAS Finance & Investment Limited	1,665,732,358	1,770,680,164
	FAS Capital Management Limited	150,923,118	183,423,893
		1,816,655,476	1,954,104,057
	Less: Inter company transaction	(34,271,899)	(33,700,335)
		1,782,383,577	1,920,403,722
24	Investment income		
	Gain/(loss) on sale of shares	227,347	(118,204)
	Dividend on shares	52,495	-
		279,842	(118,204)
24 (a)	Consolidated investment income		
	FAS Finance & Investment Limited	279,842	(118,204)
	FAS Capital Management Limited	4,477,526	6,566,935
		4,757,368	6,448,731

Notes	Particulars	Amount in Taka	
		31-Dec-2022	31-Dec-2021
25	Commission, exchange and brokerage		
	Commission	-	-
	Exchange gain/(loss)	-	-
	Brokerage	-	-
		-	-
25 (a)	Consolidated Commission, exchange and brokerage		
	FAS Finance & Investment Limited	-	-
	FAS Capital Management Limited	200,000	600,000
		200,000	600,000
26	Other operating income		
	Gain on sale of fixed assets	265,413	5,597
	Misc. Income	-	80,000
	Processing fees	11,350	425
	Documentation Charge	5,000	-
	Office Rent	741,000	-
	Residual value	-	247,000
	Transfer Price	12,750	-
		1,035,513	333,022
26 (a)	Consolidated Other operating income		
	FAS Finance & Investment Limited	1,035,513	333,022
	FAS Capital Management Limited	27,834,922	47,290,888
		28,870,435	47,623,910
	Less: Inter company transaction	(23,208,893)	(5,838,172)
		5,661,542	41,785,738
27	Salary and allowances		
	Basic salary, provident fund contribution and all other allowances	35,497,381	45,911,951
	Festival and incentive bonus	2,191,019	3,405,000
		37,688,400	49,316,951
27 (a)	Consolidated salary and allowances		
	FAS Finance & Investment Limited	37,688,400	49,316,951
	FAS Capital Management Limited	4,978,835	4,906,622
		42,667,235	54,223,573
28	Rent, taxes, insurance, electricity, etc.		
	Rent, rates, taxes and electricity, etc.	3,435,379	2,310,639
	Insurance premium	375,727	119,033
		3,811,106	2,429,672
	Disclosure related to Rent, rate and taxes:		
	Actual rent, rates, taxes and electricity, etc.	10,488,516	20,799,156
	Less: Reclassification of rent expenses (as per IFRS 16: Leases)	(7,053,137)	(18,488,517)
	Rent expenses as reported	3,435,379	2,310,639
	"In addition to the above mentioned change in rent expense, implementation of IFRS 16 has resulted in charging of depreciation against Right of use assets as disclosed in Annexure-1 and of Interest on Right of use assets as disclosed in Note 23."		
28 (a)	Consolidated rent, taxes, insurance, electricity, etc.		
	FAS Finance & Investment Limited	3,811,106	2,429,672
	FAS Capital Management Limited	941,225	668,253
		4,752,331	3,097,925
	Less: Inter company transaction	-	-
		4,752,331	3,097,925

Notes	Particulars	Amount in Taka	
		31-Dec-2022	31-Dec-2021
29	Legal expenses		
	Professional & legal fees	1,966,407	111,392
		1,966,407	111,392
29 (a)	Consolidated legal expenses		
	FAS Finance & Investment Limited	1,966,407	111,392
	FAS Capital Management Limited	151,150	51,000
		2,117,557	162,392
30	Postage, stamps, telecommunication, etc.		
	Telephone & Fax	306,610	502,054
	Internet bill	670,582	540,291
	Postage and stamp	70,005	89,505
		1,047,197	1,131,850
30 (a)	Consolidated postage, stamps, telecommunication, etc.		
	FAS Finance & Investment Limited	1,047,197	1,131,850
	FAS Capital Management Limited	233,405	203,863
		1,280,602	1,335,713
31	Stationery, printings, advertisements, etc.		
	Printing	337,573	1,137,371
	Stationery & Photocopy	290,449	257,312
	Publicity and advertisement	643,838	1,045,021
		1,271,860	2,439,704
31 (a)	Consolidated stationery, printings, advertisements, etc.		
	FAS Finance & Investment Limited	1,271,860	2,439,704
	FAS Capital Management Limited	49,087	111,040
		1,320,947	2,550,744
32	Directors' fees		
	Directors' fees	1,232,000	1,320,000
		1,232,000	1,320,000
32 (a)	Consolidated Directors' fees		
	FAS Finance & Investment Limited	1,232,000	1,320,000
	FAS Capital Management Limited	529,600	255,900
		1,761,600	1,575,900
33	Auditors' fees		
	Statutory audit fees	158,125	1,442,600
		158,125	1,442,600
33 (a)	Consolidated Auditors' fees		
	FAS Finance & Investment Limited	158,125	1,442,600
	FAS Capital Management Limited	28,750	28,750
		186,875	1,471,350
34	Depreciation and repairs of FI's assets		
	Depreciation		
	Office building	8,099,718	8,526,019
	Furniture & fixture	399,396	407,330
	Office decoration	405,754	438,396
	Office equipment	524,542	629,211
	Motor vehicles	1,239,041	2,048,616
	Electrical installation	67,775	66,805
	Computer	826,388	966,806
	Telephone line & PABX system	48,417	58,638
	Right of use Assets	6,407,155	16,413,442
	Software	833,457	36,783
		18,851,643	29,592,046
	Repairs		
	Fixed assets repair and maintenance	1,140,857	563,160
		1,140,857	563,160
		19,992,500	30,155,206

Notes	Particulars	Amount in Taka	
		31-Dec-2022	31-Dec-2021
34 (a) Consolidated Depreciation and repairs of assets			
	FAS Finance & Investment Limited	19,992,500	30,155,206
	FAS Capital Management Limited	499,231	2,458,120
		20,491,731	32,613,326
35 Other expenses			
	A.G.M. expenses	161,878	200,547
	Bank charge and excise duty	1,378,225	1,840,659
	Books, newspaper and periodicals	28,772	16,713
	Business promotion	50,000	-
	CDBL charge	15,738	3,600
	Entertainment	728,562	777,685
	Fees, subscription and donation	1,393,800	1,378,810
	Fine	600,000	1,000,000
	Fuel, oil and lubricants	848,273	731,117
	Miscellaneous expenses	-	2,011
	Office maintenance	991,597	995,922
	Portfolio management fees	18,796	14,296
	Registration and renewal	89,459	106,661
	Security service	824,942	1,605,400
	Staff welfare, training and education	3,450	19,169
	TA & DA	542,522	489,501
	Uniform & Liveries	1,260	798,843
	Interest charged for delay payment of Tax, VAT & Excise duty	98,687,835	-
	Expenses Charged against FDR	1,132,792,026	-
	VAT Expenses	124,268	-
		1,239,281,403	9,980,934
35 (a) Consolidated Other expenses			
	FAS Finance & Investment Limited	1,239,281,403	9,980,934
	FAS Capital Management Limited	10,210,595	1,511,777
		1,249,491,998	11,492,711
	Less: Inter Company transaction	-	(261,296)
		1,249,491,998	11,231,415
36 Provision against loans, advances and leases			
	On un-classified loans	(81,242,646)	60,264,579
	On classified loans	3,209,714,649	976,728,013
		3,128,472,003	1,036,992,592
36 (a) Consolidated provision against loans, advances and leases			
	FAS Finance & Investment Limited	3,128,472,003	1,036,992,592
	FAS Capital Management Limited	677,579,758	249,121,106
		3,806,051,761	1,286,113,698
37 Provision for diminution in value of investments			
	In quoted shares	-	-
		-	-
37 (a) Consolidated provision for diminution in value of investments			
	FAS Finance & Investment Limited	-	-
	FAS Capital Management Limited	-	-
		-	-
38 Provision for taxation			
	Current tax	755,129	1,940,096
	Deferred tax	4,042,331	(2,460,491)
		4,797,460	(520,395)
38 (a) Consolidated provision for Taxation			
	Current tax		
	FAS Finance & Investment Limited	755,129	1,940,096
	FAS Capital Management Limited	751,347	992,339
		1,506,476	2,932,435
	Deferred tax		
	FAS Finance & Investment Limited	4,042,331	(2,460,491)
	FAS Capital Management Limited	(14,483)	59,683
		4,027,848	(2,400,808)
		5,534,324	531,627

Notes	Particulars	Amount in Taka	
		31-Dec-2022	31-Dec-2021
39	Appropriations		
	Retained earnings-brought forward	(6,136,949,648)	(3,548,622,073)
	Less: Adjustment for prior year	(694,984,013)	1,707,507
	Add: Post-tax profit for the year	(6,322,502,874)	(2,593,889,432)
		(13,154,436,535)	(6,140,803,998)
	Add: Depreciation on increased value due to revaluation	3,661,634	3,854,350
	Less: Stock dividend	-	-
	Transferred to:	-	-
	Statutory reserve	-	-
	General reserve	-	-
	Proposed dividend	-	-
		(13,150,774,901)	(6,136,949,648)
40	Earnings per share		
	Earning attributable to ordinary shareholders (Net profit after tax)	(6,322,502,874)	(2,593,889,433)
	Weighted average number of ordinary shares outstanding	149,077,364	149,077,364
	Earnings per share-EPS	(42.41)	(17.40)
	The EPS negatively increased due to increase of classified Loans, advances & Leases and also impact on charging additional provisions as per directive of Bangladesh Bank vide their letter No. DFIM (C) 1054/10/2023-3613 dated October 19, 2023.		
	Earning per share as shown in the face of the profit and loss account is calculated in accordance with IAS-33: Earning per share (EPS).		
40 (a)	Consolidated earnings per share		
	Earning attributable to ordinary shareholders (Net profit after tax & non-controlling interest)	(7,132,361,171)	(2,971,974,995)
	Weighted average number of ordinary shares outstanding	149,077,364	149,077,364
	Earnings per share-EPS	(47.84)	(19.94)
	The EPS negatively increased due to increase of classified Loans, advances & Leases and also impact on charging additional provisions as per directive of Bangladesh Bank vide their letter No. DFIM (C) 1054/10/2023-3613 dated October 19, 2023.		
	Earning per share as shown in the face of the profit and loss account is calculated in accordance with IAS-33.		
41	Net operating cash flow per share-NOCFPS		
	Net cash from operating activities	(777,318,008)	(116,972,137)
	Weighted average number of ordinary shares outstanding	149,077,364	149,077,364
	Net operating cash flow per share-NOCFPS	(5.21)	(0.78)
	During the year under report, the business of the Company was running with negative growth resulting cash receipt was poor, the cash in and out flow so transacted mostly were the amount of recovery from the classified loans, advances and leases. So, the NOCFPS shown negatively increased.		
41.a	Consolidated Net operating cash flow per share-NOCFPS		
	Net cash from operating activities	(830,136,436)	(107,402,231)
	Weighted average number of ordinary shares outstanding	149,077,364	149,077,364
	Net operating cash flow per share-NOCFPS	(5.57)	(0.72)
	During the year under report, the business of the Company was running with negative profit resulting poor cash receipt. The cash transacted in and out flow mostly were the amount of recovery from the classified loans, and leases. So, the NOCFPS shown negatively increased.		

Notes	Particulars	Amount in Taka	
		31-Dec-2022	31-Dec-2021
42	Reconciliation of Net Profit with Cash Flows from Operating Activities		
	Net profit after tax	(6,322,502,874)	(2,593,889,433)
	Adjustments for non-cash items:		
	Add: Depreciation	18,851,643	29,592,046
	Add: Provision for leases, loans, advances & investment	3,454,766,499	1,043,682,854
	Add: Provision for taxation	4,797,460	(520,395)
	Add/(Less): Accrued expenses	1,666,454,270	533,780,821
	Add/(Less): Accrued income	54,141,178	47,742,940
	Less: Gain on sale of fixed assets	(265,413)	(5,597)
		5,198,745,637	1,654,272,669
	Changes in operating assets and liabilities		
	(Increase)/Decrease in leases, loans and advances	875,776,239	(88,494,472)
	(Increase)/Decrease in other assets	3,530,302	(3,212,901)
	Previous Year adjustment	(694,984,013)	(1,131,187)
	Comprehensive income against Share Investment	(1,937,112)	-
	Increase/(Decrease) in short term borrowings	(383,589,190)	13,222,457
	Increase/(Decrease) in term & other deposits	622,553,852	456,417,414
	Payment of corporate tax	(17,773,368)	(16,127,978)
	Increase/(Decrease) in other liabilities	40,047,268	19,936,221
	Increase/(Decrease) in interest suspense	(97,184,750)	442,035,072
		346,439,229	822,644,626
	Net cash from/(used in) operating activities	(777,318,008)	(116,972,138)
42.a	Reconciliation of Net Profit with Cash Flows from Operating Activities (Consolidated)		
	Net profit after tax	(7,155,021,854)	(2,982,953,455)
	Adjustments for non-cash items:		
	Add: Depreciation	19,344,376	32,040,167
	Add: Provision for leases, loans, advances & investment	4,131,540,332	1,292,803,960
	Add: provision for Taxation	5,534,324	531,627
	Add/(Less): Accrued expenses	1,666,674,106	481,436,770
	Add/(Less): Accrued income	61,630,876	47,850,536
	Less: Gain on sale of fixed assets	(265,413)	(5,597)
		5,884,458,601	1,854,657,463
	Changes in operating assets and liabilities		
	(Increase)/Decrease in leases, loans and advances	1,305,163,197	(136,605,924)
	(Increase)/Decrease in other assets	28,042,496	(280,629)
	Previous Year adjustment	(753,321,665)	(1,750,840)
	Comprehensive income against Share Investment	(16,146,376)	-
	Increase/(Decrease) in short term borrowings	(383,589,189)	13,222,457
	Increase/(Decrease) in term & other deposits	604,566,980	572,801,350
	Payment of Corporate tax	(21,938,248)	(19,856,619)
	Increase/(Decrease) in other liabilities	22,044,262	37,106,997
	Increase/(Decrease) in interest suspense	(344,394,640)	556,256,969
		440,426,817	1,020,893,761
	Net cash from/(used in) operating activities	(830,136,436)	(107,402,231)
43	Net asset value per share		
	Total assets	20,827,319,981	21,739,893,426
	Total liabilities	32,115,169,701	(26,027,170,335)
		(11,287,849,720)	(4,287,276,909)
	Weighted average number of ordinary shares outstanding	149,077,364	149,077,364
	Net asset value per share (Last year restated)	(75.72)	(28.76)
43 (a)	Consolidated net asset value per share		
	Total assets	20,230,855,522	21,612,557,127
	Total liabilities	(33,073,020,256)	(26,580,344,549)
	Borrowings from other banks, financial institutions, and agents	(8,681,565,668)	(8,235,815,871)
	Deposits and other accounts	(9,766,861,428)	(9,162,294,448)
	Others liabilities	(14,659,962,132)	(9,194,942,519)
	Non-controlling interest	35,368,971	12,708,289
	Net asset value	(12,842,164,734)	(4,967,787,423)
	Weighted average number of ordinary shares outstanding	149,077,364	149,077,364
	Net asset value per share (Last year restated)	(86.14)	(33.32)

Net asset value per share-NAV have been decreased as compare to the last year mainly due to increase of non-performing loan

44 Related Party Disclosure**a. Particulars of Directors and their interest in different entities:**

Sl. No.	Name of Director	Status in FAS Finance & Investment Limited	Name of the firms/Companies in which interested as proprietor, partner, director, managing agent, guarantor, employee etc.
1	Mr. Mohammed Nurul Amin	Chairman & Independent Director	Independent Director, Shahjibazar Power Co. Ltd. & Energypac Power Generation PLC.
2	Dr. Muhammad Saifuddin Khan	Independent Director	Professor, Department of Finance, University of Dhaka. Independent Director, Dhaka Regency Hotel & Resort Ltd., Al-Haj Textile Mills Ltd. and Bangladesh welding Electrodes Ltd.
3	Brigadier General Abu Sayeed Mohammad Ali (Retd.)	Independent Director	Independent Director, Quest BDC PLC, Chief Executive Officer, Radisson Blue Hotel, Chattagram Bay View.
4	Dr. Syed Abdulla Al Mamun, FCMA	Independent Director	Nominated Director of FAS Capital Management Ltd. (FCML) Nominated by FAS Finance & Investment Limited, Director, North West Power Generation Company Limited and Chief Executive Office (CEO) of the Bangladesh Rating Agency Limited.
5	Mr. Md. Salim	Independent Director	Chairman & Nominated Director of FAS Capital Management Limited (FCML) nominated by FAS Finance & Investment Limited. Senior Faculty Member, Bangladesh Academy for Securities Markets (An Academic Wing of BSEC)
6	Mr. A.F Shabbir Ahmad	Managing Director & CEO (Ex-Officio), Current Charge	Nominated Director of FAS Capital Management Limited (FCML) nominated by FAS Finance & Investment Limited

b. 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 at 01-Jan-2021		Addition		Adjustment		Balance as at 31-Dec-2022	
			Taka		Taka		Taka		Taka	
FAS Capital Management Limited	Loan	Subsidiary Company	1,713,594,971		117,984,077		13,804,765		1,817,774,282	
FAS Capital Management Limited	Equity Investment	Subsidiary Company	243,000,000		-		-		243,000,000	
FAS Capital Management Limited	TDR	Subsidiary Company	388,159,345		-		3,000,000		385,159,345	
FAS Finance & Investment Limited Employee's Contributory Provident Fund	TDR		3,798,131		6,309,497		2,987,252		7,120,376	
FAS Capital Management Limited Employees Provident Fund	TDR		2,555,467		139,303		-		2,694,770	
FAS Capital Management Limited Employees Gratuity Fund	TDR		3,417,100		-		157,215		3,259,885	

c. Share issued to Directors and Executives without consideration or exercisable at a discount - Nil

d. Lending policy to related parties

Related parties are allowed loans and advances as per General loan policy of the Company.

e. Loans, advances & leases to Directors & their related concern

Name of the Related Party	Transaction Nature	Classification Status	Outstanding Balance	Provision Kept	Security Amount
Nil	Nil	Nil	Nil	Nil	Nil

f. Shares held by Chief Executive Officer, Company Secretary, Chief Financial Officer

Name	Status	No. of Shares
Mr. A.F Shabbir Ahmad	Managing Director (CC)	-
Mr. Md. Abdul Bari sarker	SVP & CFO	-
Mr. Md. Mizanur Rahman Khan	VP & Head of ICCD	-
Mr. A.K.M Mojibul Haque	FAVP & Company Secretary (CC)	-

g. Shares held by Top five salaried employees other than the Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer and Head of Internal Audit

Name	Status	No. of Shares
Mr. Md. Junaed Kha	SAVP & Head of Special Asset Management	-
Mr. Dipak Saha	FAVP, Finance & Accounts	-
Md. Imran Ali	FAVP, Recovery & Legal	-
Mr. Foize Ahmed	FAVP, Finance & Accounts	-
Mr. Noor Us Sakkain	Senior Principal Officer	-

45 General**45 Expenditure incurred on employees**

Salary Range	31-Dec-2022	
	Number of Employees	
	Permanent Basis	Contractual Basis
Below Tk. 5,000	-	1
Above Tk. 5,000	29	18

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

45.02 Key Management Benefits

Benefits	2022		2021	
	Directors	Executives	Directors	Executives
Salary	Nil	2,973,000	Nil	9,218,000
Festival Bonus	Nil	247,750	Nil	1,284,000
Provident Fund	Nil	355,500	Nil	506,400
Gratuity	Nil	297,300	Nil	844,000
Medical Assistance	Nil	594,600	Nil	1,282,800
Group Insurance	Nil	14,850	Nil	15,850
Conveyance allowance & Transport	Nil	277,800	Nil	385,700
Total:		4,760,800		13,536,750

45.03 Disclosure of director remuneration under para - 4 of schedule XI part II of the companies act 1994 :

Name	Position	2022	2021
Mr. Md. Zahangir Alam	Ex.Chairman & Independent Director	Nil	44,000
Mr. Md. Abul Shahjahan	Ex.Director	Nil	44,000
Mr. Fazlul Hoque Khan	Ex.Director	Nil	44,000
Mr. S.M. Shamsul Alam	Ex.Director	Nil	44,000
Dr. Uddab Mallik	Ex.Director	Nil	17,600
Ms. Soma Ghosh	Ex.Director	Nil	17,600
Mr. S.M.N Nurul Alam Chowdhury	Ex.Director	Nil	8,800
Mr. Pritish Kumar Sarker	Ex. Managing Director & CEO	Nil	4,949,677
Mr. Mohammed Nurul Amin	Chairman & Independent Director	211,200	140,800
Dr. Muhammad Saifuddin Khan	Independent Director	211,200	272,800
Brigadier General Abu Sayeed Mohammad Ali (retd.)	Independent Director	211,200	211,200
Dr. Syed Abdulla Al Mamun, FCMA	Independent Director	211,200	272,800
Mr. Md. Salim	Independent Director	211,200	202,400
Mr. A.F Shabbir Ahmad	Managing Director & CEO (Ex-Officio), Current Charge	3,577,500	-
		4,633,500	6,269,677

45.04 Meeting Fees:**(a) Board Meeting:**

During the year, 24 Board Meetings were held and the following fees were paid:

Name	2022		2021	
	No. of Meeting	Attendance Fees	No. of Meeting Attendance	Attendance Fees
Mr. Md. Zahangir Alam	Nil	Nil	5	44,000
Mr. Md. Abul Shahjahan	Nil	Nil	5	44,000
Mr. Fazlul Hoque Khan	Nil	Nil	5	44,000
Mr. S.M. Shamsul Alam	Nil	Nil	5	44,000
Dr. Uddab Mallik	Nil	Nil	2	17,600
Ms. Soma Ghosh	Nil	Nil	2	17,600
Mr. S.M.N Nurul Alam Chowdhury	Nil	Nil	1	8,800
Mr. Mohammed Nurul Amin	24	211,200	16	140,800
Dr. Muhammad Saifuddin Khan	24	211,200	16	140,800
Brigadier General Abu Sayeed Mohammad Ali (retd.)	24	211,200	16	140,800
Dr. Syed Abdulla Al Mamun, FCMA	24	211,200	16	140,800
Mr. Md. Salim	24	211,200	16	140,800
Taka:		1,056,000		924,000

(b) Audit Committee Meeting Fees:

During the year, 5 Audit Committee Meetings were held and the following fees were paid :

Name	2022		2021	
	No. of Meeting	Attendance Fees	No. of Meeting Attendance	Attendance Fees
Dr. Muhammad Saifuddin Khan	5	44,000	7	61,600
Dr. Syed Abdulla Al Mamun, FCMA	5	44,000	7	61,600
Mr. Md. Salim	5	44,000	7	61,600
Taka:		132,000		184,800

(c) Executive Committee (EC) Meeting Fees:

During the year, 7 Executive Committee Meetings were held and the following fees were paid :

Name	2022		2021	
	No. of Meeting Attendance	Attendance Fees	No. of Meeting Attendance	Attendance Fees
Brigadier General Abu Sayeed Mohammad Ali (retd.)	7	61,600	8	70,400
Dr. Muhammad Saifuddin Khan	7	61,600	8	70,400
Dr. Syed Abdulla Al Mamun, FCMA	7	61,600	8	70,400
Taka:				211,200

45.05 Foreign remittance

There were no foreign remittance during the year 2022.

Contingent Liabilities :

There were no foreign remittance during the year 2022.

45.06 Claims

(a) Claim against the company acknowledge as debts.

(b) Claim by the company not acknowledge as receivable.

31-Dec-2022	31-Dec-2021
Amount in Taka	
151,725,507	160,082,645
149,913,698	106,138,532

45.07 Proposal of Dividend

The Board of Directors 294th Board meeting, held on 05/11/2023 recommended for the shareholders a no dividend @ 0% on 149,077,364 shares. This will be considered for approval of the shareholders at the 26th Annual General Meeting to be held on 21/12/2023.

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

45 Approval of the Financial Statements

These Financial Sttements were authorized for issue in accordance with a resolution of the Company's board of directors on 05/11/2023 on its 294th Board Meeting.

45.10 Post Closing Events

There is no significant event has been occurred for reporting for the period from cut-off date of financial year to the date of signing of the financial statements.

FAS Finance & Investment Limited
Fixed Assets Schedule
 As on December 31, 2022

Annexure-1

a. Cost

Particulars	Cost				Rate of Dep.	Depreciation				Written Down Value as on 31.12.2022
	Balance as on 01.01.2022	Addition during the year	Adj./disposal during the year	Balance as on 31.12.2022		Balance as on 01.01.2022	Addition during the year	Adj./disposal during the year	Balance as on 31.12.2022	
Land	2,163,200	-	-	2,163,200		-	-	-	-	2,163,200
Office building	79,559,223	-	-	79,559,223	5%	2,241,105	-	-	36,978,216	42,581,007
Furniture & fixture	8,595,471	1,226,541	22,900	9,799,112	10%	399,396	-	-	5,319,040	4,480,072
Office decoration	8,957,959	447,900	-	9,405,859	10%	405,754	-	-	5,418,149	3,987,710
Office equipment	10,453,680	96,098	119,400	10,430,378	15%	524,542	-	-	7,412,690	3,017,688
Motor vehicles	26,710,605	-	2,088,000	24,622,605	20%	1,239,041	1,821,766	-	17,844,674	6,777,931
Electrical installation	2,057,474	293,099	-	2,350,573	15%	67,775	-	-	1,746,687	603,886
Computer	11,408,348	159,555	9,200	11,558,703	15%	826,388	-	-	6,756,171	4,802,532
Telephone line & PABX system	1,067,650	-	9,500	1,058,150	15%	48,417	-	-	783,786	274,364
Right of use Assets	121,471,352	19,958,845	118,238,941	23,191,255	0%	6,407,155	53,451,736	-	4,278,535	18,912,721
Software	638,421	16,000,000	-	16,638,421	15%	833,457	-	-	1,263,443	15,374,978
Total	273,083,383	38,182,038	120,487,941	190,777,479		12,993,030	55,273,502		87,801,391	102,976,089

b. Revaluation

Particulars	Cost				Rate of Dep.	Depreciation				Written Down Value as on 31.12.2022
	Balance as on 01.01.2022	Addition during the year	Adj./disposal during the year	Balance as on 31.12.2022		Balance as on 01.01.2022	Addition during the year	Adj./disposal during the year	Balance as on 31.12.2022	
Land	84,364,660	-	-	84,364,660		-	-	-	-	84,364,660
Office building	229,523,584	-	-	229,523,584	5%	5,858,613	-	-	118,209,943	111,313,641
Total	313,888,244	-	-	313,888,244		5,858,613	-	-	118,209,943	195,678,301
Total (a+b) at 31 December 2022	586,971,625	38,182,038	120,487,941	504,665,723		18,851,643	55,273,502		206,011,334	298,654,390
Balance at 31 December 2021	587,862,882	2,125,556	3,016,813	586,971,625		29,592,046	68,241		242,433,193	344,538,432

Note: 1. Depreciation on fixed assets (except Right of Use Assets) has been charged at rates varying from 5% to 20% on diminishing balance method.

2. The Software (FinUltimus) has been transferred from advance to Fixed assets on 31-12-2022 and depreciation ahs been charged on Software @ 25% from 1-9-2022

FAS Finance & Investment Limited
Consolidated Fixed Assets Schedule
 As on December 31, 2022

Annexure-2

a. Cost

Particulars	Cost			Rate of Dep.	Depreciation			Written Down Value as on 31.12.2022
	Balance as on 01.01.2022	Addition during the year	Adj./disposal during the year		Balance as on 31.12.2022	Addition during the year	Adj./disposal during the year	
Land	2,163,200	-	-	-	2,163,200	-	-	2,163,200
Office building	79,559,223	-	-	5%	79,559,223	2,241,106	-	36,978,217
Furniture & fixture	11,594,679	1,226,541	1,329,879	10%	11,491,341	463,968	784,187	6,430,126
Office decoration	17,606,286	447,900	7,831,861	10%	10,222,325	477,279	3,301,364	5,590,886
Office equipment	16,661,475	96,098	4,874,555	15%	11,883,018	702,490	3,570,716	7,856,956
Motor vehicles	26,710,606	-	2,088,000	20%	24,622,606	1,239,041	1,821,766	17,844,674
Electrical installation	2,057,474	293,099	-	15%	2,350,573	67,775	-	1,746,687
Computer	13,415,411	159,555	9,200	15%	13,565,766	907,210	-	8,305,245
Telephone line & PABX system	1,345,370	-	9,500	15%	1,335,870	58,673	-	1,003,392
Right of use Assets	127,309,169	19,958,845	118,238,940	-	57,160,933	6,407,155	53,451,736	10,116,352
Software	3,000,671	16,000,000	-	15%	19,000,671	921,065	-	3,129,248
Total	301,423,564	38,182,038	134,381,935		205,223,667	13,485,763	62,929,769	99,001,784

b. Revaluation

Particulars	Cost			Rate of Dep.	Depreciation			Written Down Value as on 31.12.2022
	Balance as on 01.01.2022	Addition during the year	Adj./disposal during the year		Balance as on 31.12.2022	Addition during the year	Adj./disposal during the year	
Land	84,364,660	-	-	-	84,364,660	-	-	84,364,660
Office building	229,523,584	-	-	5%	229,523,584	5,858,613	-	118,209,943
Total	313,888,244	-	-		313,888,244	5,858,613	-	118,209,943
Total (a+b) at 31 December 2022	615,311,808	38,182,038	134,381,935		260,797,120	19,344,376	62,929,769	217,211,727
Balance at 31 December 2021	587,862,882	2,125,556	3,016,813		163,945,038	37,685,345	5,277,265	390,618,507

Note: Depreciation on fixed assets (except Right of Use Assets) has been charged at rates varying from 5% to 20% on diminishing balance method.

FAS Finance & Investment LimitedYear Wise unclaimed or Unpaid dividend
As on December 31, 2022

Annexure-3

Sl.No.	Particular of Accounts	Year	Amount in Taka
1	Unclaimed Dividend	2012	255,283
2	Unclaimed Dividend	2013	595,988
3	Unclaimed Dividend	2014	39,855
4	Unclaimed Dividend	2015	2,036
5	Unclaimed Dividend	2016	7,311
6	Unclaimed Dividend	2017	2,892
7	Unclaimed Dividend	2018	3,939
Total			907,304

FAS Finance & Investment LimitedInvestments in Shares and Bonds
As on December 31, 2022

Annexure-4

Shares (quoted)

Name of Share	Number of Share	Market Price Per Share	Market Value	Cost of Share	Provision Amount
AB Bank Limited	194,670	9.90	1,927,233	3,537,792	(1,610,559)
BBS Cables Ltd.	5,250	49.90	261,975	263,048	(1,073)
Delta Life Ins. Co. Ltd.	1,200	136.50	163,800	191,664	(27,864)
Esquir Knit Composite Limited	18,195	34.50	627,728	740,242	(112,514)
Golden Har.Ag. Ind. Ltd.	15,000	17.50	262,500	293,168	(30,668)
Meghna Cement Mills Ltd.	10,500	65.20	684,600	784,124	(99,524)
Niloy Cement Industries Limited	500	49.90	24,950	67,845	(42,895)
Square Textiles Ltd.	2,000	67.50	135,000	139,154	(4,154)
VFS Thread Dye. Ltd.	10,500	22.20	233,100	240,960	(7,860)
Achia Sea Foods Limited	1,100,000	25.20	27,720,000	10,000,000	17,720,000
Grand Total:			32,040,886	16,257,998	15,782,888

FAS Finance & Investment Limited
Financial Highlights
As on December 31, 2022

Annex-5

Sl. No.	Particulars	Amount in Taka		
		31-Dec-2022	31-Dec-2021	Change in %
1	Paid up capital	1,490,773,640	1,490,773,640	-
2	Total Capital	(6,976,965,879)	(4,290,395,780)	62.62
3	Capital surplus/(deficit)	(7,976,965,879)	(5,323,617,527)	49.84
4	Total assets	20,827,319,981	21,739,893,426	(4.20)
5	Total deposits	10,173,007,645	9,550,453,793	6.52
6	Total loans, advances and leases	18,403,517,341	19,279,293,580	(4.54)
7	Total contingent liabilities and commitments	-	-	-
8	Credit deposit ratio	180.91%	201.87%	(10.38)
9	Percentage of classified loans, advances and leases	99.51%	88.92%	11.91
10	Profit after tax and provision	(6,322,502,874)	(2,593,889,433)	143.75
11	Classified loans, advances and leases during the year	18,313,297,399	17,143,315,493	6.82
12	Provisions kept against classified loans	5,810,590,557	2,600,875,908	123.41
13	Provision surplus/deficit	(6,960,000,000)	(8,000,000,000)	(13.00)
14	Cost of fund	11.01%	11.33%	(2.82)
15	Interest earning assets	19,972,195,674	20,800,707,148	(3.98)
16	Non-interest earning assets	855,124,307	939,186,278	(8.95)
17	Return on investment (ROI)	-33.52%	-15.49%	116.31
18	Return on asset (ROA)	-29.71%	-12.80%	132.01
19	Incomes from investment	279,842	(118,204)	(336.74)
20	Earning per share	(42.41)	(17.40)	143.75
21	Net income per share	(42.41)	(17.40)	143.75
22	Price earning ratio (Times)	(0.14)	(0.39)	(64.48)

Disclosure of deviations from few requirements of IAS/IFRS

SL.	Nature of Departure	Title of IAS/IFRS	Treatment of IAS/IFRS	Treatment Adopted as per Bangladesh Bank	Financial or Presentation Effect of the Departure
1	Measurement of provision for leases, loans and advances (financial assets measured at amortized cost)	IFRS-9 "Financial Instruments"	"An entity shall assess at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets measured at amortized cost is impaired. If any such evidence exists, expected credit losses are required to be measured through a loss allowance at an amount equal to: If any such evidence exists, expected credit losses are required to be measured through a loss allowance at an amount equal to: a) the 12-month expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or b) full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)."	"As per FID circular No. 08, dated 03 August 2002, FID circular No. 03, dated 03 May 2006 and FID circular No. 03, dated 29 April 2013, a general provision at 0.25% to 5% under different categories of undclassified loans (good/standard loans and Special Mentioned Accounts (SMA)) has to be maintained irrespective of objective evidence of impairment on lease, loans and advances. Also provision for sub-standard investments, doubtful investments and bad losses has to be provided at 20%, 50% and 100% respectively for investments depending on the duration of overdue."	"In separate Financial Statements, an amount of BDT 3,128.47 million has been charged as incremental provision for leases, loans and advances for the year 2022. Also, as at 31 December 2022, accumulated provision for leases, loans and advances stand at BDT total 5,812.31 million. In consolidated Financial Statements, the same amount is BDT 3,806.05 million. Also, as at 31 December 2022, accumulated provision for leases, loans and advances stand at total BDT 6,828.68 million."
2	Valuation of Investments in quoted and unquoted shares	IFRS-9 "Financial Instruments"	Investment in shares falls either under at "fair value through profit/loss (FVTPL)" or "fair value through other comprehensive income (FVTOCI)" where any change in the fair value in case of FVTPL at the year-end is taken to profit of loss, and any change in fair value in case of FVTOCI is taken to other comprehensive income.	As per FID circular No. 08, dated 03 August 2002 investments in quoted shares and unquoted shares are revalued at the year end at market price and as per book value of last audited balance sheet respectively. Provision should be made for any loss arising from diminution in value of investment; however in case of any unrealized gain, no such gain can be recognized and investments are recognized at cost only.	"During this year, total market value of all shares invested by FAS Finance & Investment Limited is less than the cost price & total market value of all shares it's invested by subsidiary is less than the cost price. As on December 31, 2022 there was BDT 4.76 million gross profit on consolidated investment in marketable securities. Note: 24(a)"

3	Recognition of interest income for SMA and classified lease, loans and advances	IFRS 9 "Financial Instruments"	Income from financial assets measured at amortized cost is recognized through effective interest rate method over the term of the investment. Once a financial asset is impaired, investment income is recognized in profit and loss account on the same basis based on revised carrying amount.	As per FID circular No. 03, dated 03 May 2006, once an investment on leases, loans and advances is termed as "Special Mention Account (SMA)", interest income from such investments are not allowed to be recognized as income, rather the respective amount needs to be credited as a liability account like: interest suspense account.	At the year end, in separate Financial Statements interest suspense account has increased to BDT 3,067.42 million from BDT 3,042.68 million resulting increase of BDT 24.74 million of interest suspense. This amount has been shown in other liabilities in note 13.4
4	Presentation of cash and cash equivalent	IAS 7 "Statement of Cash Flows"	"Cash equivalent are short term, highly liquid investments that are readily convertible to known amounts of cash and only include those investments which are for a short tenure like: 3 months or less period. In the light of above, balance with Bangladesh Bank and fixed term deposits should be treated as investment asset rather than cash equivalent as it is illiquid asset and not available for use in day to day operations."	"Bangladesh Bank has issued templates for financial statements vide DFIM Circular No. 11, dated 23 December 2009 which will strictly be followed by all banks and NBFIs. The templates of financial statements provided detail presentation for statement of cash flows."	Financial Statements for 2022 and corresponding year 2021 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank.
5	Measurement of deferred tax asset	IAS 12 "Income Taxes"	A deferred tax asset shall be recognized for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized.	As per DFIM circular No. 7, dated 31 July 2011, no deferred tax asset can be recognized for any deductible temporary difference against the provision for lease, loans and advances.	During this year there is no impact in the financial statements due to this departure as the Company did not consider any deductible temporary difference against the provision for leases, loans and advances.
6	Presentation and disclosure of Financial Statements and Financial Instruments	IAS-1 "Presentation of Financial Statements"	"Other Comprehensive Income (OCI) is a component of financial statements or the elements of OCI are to be included in a single Other Comprehensive Income statement. IAS 1 requires separate line item for intangible assets on the face of statement of financial position. IFRS 9 and IFRS 7 require specific presentation and disclosure relating to all financial instruments. "	"Bangladesh Bank has issued templates for financial statements vide DFIM Circular No. 11, dated 23 December 2009 which will strictly be followed by all banks and NBFIs. The templates of financial statements issued by Bangladesh Bank do not include Other Comprehensive Income (OCI) nor the elements of Other Comprehensive Income allowed include in a Single	Financial Statements for 2022 and corresponding year 2021 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank

				<p>Comprehensive Income Statement. Intangibles assets are not separately presented on the face of statement of financial position; rather it is presented along with the line item of fixed assets. As per Bangladesh Bank guidelines, financial instruments are categorized, recognized and measured differently from those prescribed in IAS 39. As such some disclosure and presentation requirements of IFRS 7 and IAS 32 have not been made in the accounts."</p>	
7	Preparation of "Statement of Cash Flows"	IAS 7 "Statement of Cash Flows"	<p>The Cash flow statement can be prepared using either the direct method or the indirect method. The presentation is selected to present these cash flows in a manner that is most appropriate for the business or industry. The method selected is applied consistently.</p>	<p>As per DFIM Circular No. 11, dated 23 December 2009, Cash flow statement has been guided by the Bangladesh Bank which is the mixture of direct and indirect method.</p>	<p>Financial Statements for 2022 and corresponding year 2021 have been prepared as per guideline (DFIM Circular No. 11 dated 23 December 2009) of Bangladesh Bank.</p>
8	Current/Non-current distinction	IAS 1 "Presentation of Financial Statements"	<p>As per Para 60 of IAS 1 "Presentation of Financial statement" An entity shall present current and non-current assets and current and non-current liabilities as separate classification in its statement of financial position.</p>	<p>As per DFIM Circular No. 11, dated 23 December 2009, Bangladesh Bank has issued templates for financial statements which are applicable for all the Financial Institutions. In this templates there is no current and noncurrent segmentation of assets and liabilities.</p>	<p>Financial Statements for 2021 and corresponding year 2019 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank. Moreover, the liquidity statement shows the aging profile of all financial assets and liabilities from where current/noncurrent portion of assets and liabilities can be observed.</p>
9	Off-balance sheet items	IAS 1 "Presentation of Financial Statements"	<p>There is no concept of off-balance sheet items in any IFRS; hence there is no requirement for disclosure of off balance sheet items on the face of the balance sheet.</p>	<p>As per DFIM Circular No. 11, dated 23 December 2009, off-balance sheet items (e.g. letter of credit, letter of guarantee etc.) must be disclosed separately on the face of the balance sheet.</p>	<p>"Financial Statements for 2022 and corresponding year 2021 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank. There is no financial impact for this departure but there is a disclosure in the financial statements."</p>

10	Complete set of financial statements	IAS 1 "Presentation of Financial Statements"	<p>"As per IAS 1: "Presentation of Financial Statements" complete set of financial statements are i) statement of financial position, ii) statement of profit or loss and other comprehensive income, iii) statement of changes in equity, iv) statement of cash flows, v) notes, comprising significant accounting policies and other explanatory information and vi) statement of financial position at the beginning of preceding period for retrospective restatement. "</p>	<p>"As per DFIM Circular No. 11, dated 23 December 2009, complete set of financial statements are i) balance sheet, ii) profit and loss account, iii) statement of cash flows, iv) statement of changes in equity, v) statement of liquidity, vi) notes, comprising significant accounting policies and other explanatory information. "</p>	<p>"Financial Statements for 2022 and corresponding year 2021 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank. There is no financial impact for this departure in the financial statements."</p>
11	Intangible asset	IAS 1 "Presentation of Financial Statements"	<p>As per IAS 1: "Presentation of Financial Statements" para 54: the statement of financial position shall include separate line item for intangible assets.</p>	<p>"As per DFIM Circular No. 11, dated 23 December 2009, there is no option for separate line item for intangible asset in the balance sheet. We present intangible asset in the balance sheet as part of fixed assets and provide details in annexure-1 & Annexure-1(a) as separate line item. "</p>	<p>"Financial Statements for 2022 and corresponding year 2021 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank. There is no financial impact for this departure in the financial statements."</p>
12	Other comprehensive income	IAS 1 "Presentation of Financial Statements"	<p>As per IAS 1: "Presentation of Financial Statements" Other Comprehensive Income (OCI) is a component of financial statements or the elements of OCI are to be included in a single OCI statement.</p>	<p>"Bangladesh Bank has issued templates for financial statements which will strictly be followed by financial institutions. The templates of financial statements issued by Bangladesh Bank do not include Other Comprehensive Income (OCI) nor are the elements of OCI allowed to be included in a single OCI statement. As such the financial institution does not prepare the other comprehensive income statement. However, elements of OCI, if any, are shown in the statements of changes in equity. "</p>	<p>"Financial Statements for 2022 and corresponding year 2021 have been prepared as per the guideline and templates issued by Bangladesh Bank. There is no financial impact for this departure in the financial statements. "</p>
13	Disclosure of presentation of profit	N/A	<p>There is no requirement to show appropriation of profit in the face of statement of comprehensive income.</p>	<p>As per DFIM circular no 11, dated 23 December 2009, an appropriation of profit should be disclosed in the face of profit and loss account.</p>	<p>"Financial Statements for 2022 and corresponding year 2021 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank. There is no financial impact for this departure in the financial statements."</p>

Independent Auditor's Report to the Shareholders of FAS Capital Management Limited

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the financial statements of FAS Capital Management Limited (the "Company"), which comprise the Statement of Financial Position as at 31 December 2022, along with the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion

The company has been incurring loss year after year. Its accumulated loss was Tk. 1,553,688,955 for the year ended 31 December 2022 and as of that date the company's total liabilities exceeded its total assets by Tk. 1,317,898,217. These conditions or events indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue its operation in the foreseeable future.

Reference to the Note no. 07.02 to the financial statements, Advances, Deposits and Prepayments amounting to BDT 2,772,996 FAS Capital Management Ltd. has requested a lawyer for filing money suit case against the concerned parties, and they have claimed that the amount has a high in possibility in to be in recovering. But they were not able to provide sufficient appropriate documents.

Emphasis of matter

The Company has not updated its Schedule X and submitted an annual return to the Registrar of Joint Stock Corporation & Firms (RJSC) which is non-compliant with The Companies Act 1994 Section 36 & Section 190.

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Controls

Management is responsible for the preparation and fair presentation of the financial statements of the Company and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994, we also report that:

- (i) We have obtained except as mentioned above, all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- (ii) In our opinion, except as mentioned above, 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;
- (iii) As except as mentioned above, the company's statement of financial position and statement of profit or loss and other comprehensive income together with the annexed notes dealt with by the report are in agreement with the books of account and returns;



Howlader Mahfel Huq, FCA

ICAB Enrollment No. 0105

For and on behalf of,

Mahfel Huq & Co., Chartered Accountants

DVC: 2312180105AS399516

Dhaka,

Date: 05 November, 2023

FAS Capital Management Limited


Statement of Financial Position

As at 31 December, 2022

Particulars	Notes	Amount in BDT	
		31.12.2022	31.12.2021
PROPERTY AND ASSETS:			
Current Assets :			
Cash:		1,846	3,568
In hand	02	1,846	3,568
Balance with bank(s)		-	-
Cash at Bank		4,946,698	28,416,877
In Bangladesh	03	4,946,698	28,416,877
Outside Bangladesh		-	-
Investment		447,903,654	413,178,441
Share Investment	04	41,757,437	25,019,096
Other (TDR)	05	406,146,217	388,159,345
Loans and advances	06	1,411,197,662	1,736,405,309
Others assets	07	31,946,154	35,270,972
Total Current Assets :		1,895,996,014	2,213,275,167
Fixed Assets	08	2,749,349	9,392,201
Intangible Assets	09	496,446	584,054
TOTAL ASSETS		1,899,241,808	2,223,251,421
LIABILITIES AND CAPITAL:			
LIABILITIES:			
Borrowings from other banks, financial institutions and agents	10	2,193,622,350	2,057,699,232
Current Liabilities		1,023,517,675	610,194,115
Provision for Expenses	11	485,883	266,047
Provision for Income Tax	12	5,813,852	5,076,988
Sundry Creditors	13	848,303	18,851,310
Interest Suspense Account		-	247,209,890
Others liabilities	14	1,016,369,637	338,789,879
TOTAL LIABILITIES		3,217,140,025	2,667,893,347
CAPITAL/SHAREHOLDERS' EQUITY		(1,317,898,217)	(444,641,926)
Paid-up Capital	15	250,000,000	250,000,000
Retained earnings	16	(1,553,688,955)	(686,041,216)
Other Components of Equity		(14,209,262)	(8,600,710)
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		1,899,241,808	2,223,251,421

The annexed notes form an integral part of these Financial Statements.


Mahmudul Islam
Chief Executive Officer


A. F. Shabbir Ahmad
Director


Dr. Syed Abdulla Al Mamun FCMA
Director


Md. Salim
Chairman

Signed as per annex report on even date.


Howlader Mahfel Huq, FCA
Managing Partner
ICAB Enrollment No. 0105
For and behalf of
Mahfel Huq & Co., Chartered Accountants.
DVC: 2312180105AS399516


Place: Dhaka
Dated: 05 November, 2023

FAS Capital Management Limited
Statement of Profit or Loss and other Comprehensive Income
For the Period from 01 January 2022 to 31 December, 2022

Particulars	Notes	Amount in BDT	
		31.12.2022	31.12.2021
OPERATING INCOME:			
Interest Income	17	5,039,083	5,847,376
Less: Interest paid on deposit and borrowings, etc.18		150,923,118	183,423,893
Net Interest Income		(145,884,035)	(177,576,517)
Investment income	19	4,477,526	6,566,933
Commission, exchange and brokerage	20	200,000	600,000
Other operating income	21	27,834,922	47,290,890
		32,512,448	54,457,823
Total operating income (a)		(113,371,587)	(123,118,694)
OPERATING EXPENSES			
Salary and allowances	22	4,978,835	4,906,622
Rent, taxes, insurance, electricity, etc.	23	941,225	668,253
Postage, stamps, telecommunication, etc.	24	233,405	203,863
Printing, Stationery & Advertisement	25	49,087	111,040
Audit Fees		28,750	28,750
Directors Fees		529,600	255,900
Legal Expenses		151,150	51,000
Depreciation on Fixed Assets		492,731	2,448,120
Loss on Advance		3,590,663	-
Loss on Disposal on Fixed Assets		4,675,359	-
Repair of Fixed Assets	26	6,500	10,000
Other expenses	27	1,944,573	1,511,777
Total operating expenses (b)		17,621,878	10,195,325
Profit before provision (c=a-b)		(130,993,465)	(133,314,019)
Provision for diminution in value of investments		-	-
Provisions on Margin Loan		677,579,758	249,121,106
Other Provision		-	-
Total provision (d)		677,579,758	249,121,106
Profit before taxation(c-d)		(808,573,223)	(382,435,125)
Provision for taxation		736,864	1,052,022
Current Tax	28	751,347	992,339
Deferred Tax		(14,483)	59,683
Net profit after taxation		(809,310,087)	(383,487,147)
Unrealized Gain or Loss investment in share		(5,608,552)	(8,600,710)
Total Other Comprehensive Income		(814,918,639)	(392,087,857)
Earning Per Share	29	(32.37)	(15.34)

The annexed notes form an integral part of these Financial Statements.


Mahmudul Islam
Chief Executive Officer


A. F. Shabbir Ahmad
Director


Dr. Syed Abdulla Al Mamun FCMA
Director


Md. Salim
Chairman

Signed as per annex report on even date.



Howlader Mahfel Huq, FCA

Managing Partner

ICAB Enrollment No. 0105

For and behalf of

Mahfel Huq & Co., Chartered Accountants.

DVC: 2312180105AS399516

Place: Dhaka

Dated: 05 November, 2023

FAS Capital Management Limited
Statement of Changes in Equity
For the Period ended 31 December, 2022

Particulars	Amount in Taka			
	Share Capital	Other Components of Equity	Retained Earnings	Total
Opening Balance as on 01.01.2022				
Prior year adjustment	250,000,000	(8,600,710)	(686,041,216)	(444,641,926)
Net Profit after Taxation for the Period	-	-	(58,337,652)	(58,337,652)
Unrealized gain or loss in share investment	-	-	(809,310,087)	(809,310,087)
Balance as on 31 December, 2022	250,000,000	(14,209,262)	(1,553,688,955)	(1,317,898,217)

Statement of Changes in Equity
For the Period ended 31 December, 2021

Particulars	Amount in Taka			
	Share Capital	Other Components of Equity	Retained Earnings	Total
Opening Balance as on 01.01.2021				
Prior year adjustment	250,000,000	-	(311,779,550)	(61,779,550)
Net Profit after Taxation for the Period	-	-	9,225,481	9,225,481
Unrealized gain or loss in share investment	-	-	(383,487,147)	(383,487,147)
Balance as on 31 December, 2021	250,000,000	(8,600,710)	(686,041,216)	(444,641,926)

The annexed notes form an integral part of these Financial Statements.



Mahmudul Islam
Chief Executive Officer



A. F. Shabbir Ahmad
Director



Dr. Syed Abdulla Al Mamun FCMA
Director



Md. Salim
Chairman

Place: Dhaka
Dated: 05 November, 2023

FAS Capital Management Limited


Statement of Cash Flows

For the period ended 31 December, 2022

Particulars	Amount in BDT	
	31.12.2022	31.12.2021
Cash Flows From Operating Activities		
Interest receipts	5,039,083	5,847,376
Interest payments	(150,923,118)	(183,423,893)
Investment Income	4,477,526	6,566,933
Commission, exchange and brokerage	200,000	600,000
Payments to employees	(4,978,835)	(4,906,622)
Other operating income	27,834,922	47,290,890
Prior year adjustment	(58,337,652)	624,770
Payment for other operating activities	(17,758,864)	(251,961,688)
Operating profit before changes in operating assets & liabilities	(194,446,938)	(379,362,234)
Increase/Decrease in operating assets and liabilities		
Margin loan to client	325,207,647	(133,974,353)
Other Assets (Receivable)	3,324,818	68,604,374
Deposit from customers	(18,003,007)	14,480,052
Browing from other Bank & Financial Institute	135,923,118	36,514,345
Liabilities for Expenses	219,836	(75,794,447)
Interest Suspense Account	(247,209,890)	114,221,897
Other Liabilities	-	239,895,625
	199,462,522	263,947,494
Net cash from/ (used in) operating activities (a)	5,015,584	(115,414,740)
Cash Flows From Investing Activities		
Purchase/Sale of trading securities, shares, bonds, etc.	(16,738,341)	25,926,958
Others Investment (FDR)	(17,986,872)	116,383,936
Purchase/Sale of property, plant and equipment	6,237,728	(96,000)
Net cash used in investing activities (b)	(28,487,485)	142,214,894
Cash Flows from Financing Activities		
Proceeds from issue of ordinary share	-	-
Net cash flow from financing activities (c)	-	-
Net increase/(decrease) in cash (a+b+c)	(23,471,901)	26,800,154
Cash and cash equivalents at beginning of the Year	28,420,445	1,620,291
Cash and cash equivalents at end of the year	4,948,544	28,420,445

The annexed notes form an integral part of these Financial Statements.


Mahmudul Islam
 Chief Executive Officer


A. F. Shabbir Ahmad
 Director


Dr. Syed Abdulla Al Mamun FCMA
 Director


Md. Salim
 Chairman

Place: Dhaka
 Dated: 05 November, 2023

FAS Capital Management Limited

Notes to the Financial Statements

For the Period from January to December, 2022

01 Significant Accounting Policies and Other Material Information:

a. Legal Form of the Enterprise:

FAS Capital Management Limited is a subsidiary of FAS Finance & Investment Limited, Incorporated in Bangladesh on 13th October 2010 as a Private Limited Company under the Companies Act, 1994. FAS Finance & Investment Limited started its activity as a Merchant Bank in 1997. The Company (Subsidiary) was incorporated as per instruction of BSEC (Letter No. BSEC/Reg./MD-Policy/Part-VI/2008/286 Dated 26 July 2010) to FAS Capital Management Limited to form a separate subsidiary company for Merchant Banking alone within 30th September, 2010. Accordingly the then Management formed a separate subsidiary-Merchant Banking named as FAS Capital Management Limited and applied on 26.09.2010 to BSEC in order to transfer the Merchant Banking License in favor of the newly formed subsidiary company. Simultaneously the Management of the FAS Finance & Investment Limited transferred the entire investor's portfolio amounting Tk. 97.20 crore to FAS Capital Management Limited Since then the FAS Capital Management Limited has been working as a full-pledged subsidiary company with capital of Tk. 25.00 crore.

b. Nature of Business Activities:

The Main Objectives of the company for which it was established are to carry out the business of full-pledged merchant banking activities like Issue Management, Portfolio Management, Underwriting, Corporate Advisory Services, etc.

c. Basis of Presentation Financial statements:

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

1. Going Concern;
2. Accrual; except statement of cash flows
3. Historical Cost Convention;
4. International Accounting Standards (IASs); International Financial Reporting Standard (IFRSs)
5. BSEC (Merchant Bankers & Portfolio Manager) Ordinance 1996
6. BSEC Rules 1987

d. Depreciation Policy :

Depreciation is charged on fixed assets from during the year of acquisition following reducing balance method for full year at the rate varying from 10% to 15% depending on the nature of assets.

Addition of Fixed Assets are depreciated when it is available for use at the applicable rates and depreciation is charged up to the date of disposal.

Rates of depreciation applied are shown below:

SL. No.	Category of Assets	Rate of Depreciation
1	Computer & Accessories	15%
2	Furniture & Fixture	10%
3	Office Decoration	10%
4	Office Equipment	15%
5	Software	15%
6	Telephone & PABX	15%

e. Statement of Cash Flows :

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

f. Investment :

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

g. Taxation:

The Applicable tax rate for Merchant Bank is 37.50 %. The assessment for the assessment year 2022-2023 return has been submitted under Universal Self-Assessment and accordingly, income tax clearance certificates have also been obtained.

h Reporting Period:

These financial statement cover for the year from 01 January 2022 to 31 December, 2022.

i Gratuity Fund:

Gratuity fund provision has been made as per organization's policy.

j Provident Fund:

Provident fund provision has been made as per organization's policy.

k General:

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

l Status of compliance of International Accounting Standards and International Financial Reporting Standards:

In addition to compliance with local regulatory requirements, in preparing the Consolidated Financial Statements and Separate Financial Statements, FAS Finance & Investment Limited applied following IAS and IFRS:

Sl.	Name of IAS	IAS No.	Status
1	Presentation of Financial Statements	1	Partially Complied
2	Inventories	2	Not Applicable
3	Statement of Cash Flows	7	Partially Complied
4	Accounting Policies, Changes in Accounting Estimates and Errors	8	Complied
5	Events after the Reporting Period	10	Complied
6	Income Taxes	12	Complied
7	Property, Plant and Equipment	16	Complied
8	Employee Benefits	19	Complied
9	Accounting for Government Grants and Disclosure of Government	20	Not Applicable
10	The Effects of Changes in Foreign Exchange Rates	21	Not Applicable
11	Borrowing Costs	23	Complied
12	Related Party Disclosures	24	Complied
13	Accounting and Reporting by Retirement Benefit Plans	26	Not Applicable
14	Separate Financial Statements	27	Not Applicable
15	Investments in Associates and Joint Ventures	28	Not Applicable
16	Financial Reporting in Hyperinflationary Economics	29	Not Applicable
17	Interests in Joint Ventures	31	Not Applicable
18	Financial Instruments: Presentation	32	Complied
19	Earnings per share	33	Complied
20	Interim Financial Reporting	34	Not Applicable
21	Impairment of Assets	36	Complied
22	Provisions, Contingent Liabilities and Contingent Assets	37	Complied
23	Intangible Assets	38	Complied
24	Investment Property	40	Not Applicable
25	Agriculture	41	Not Applicable

Sl.	Name of IFRS	IFRS No.	Status
1	First-time Adoption of International Financial Reporting Standards	1	Not Applicable
2	Share Based payment	2	Not Applicable
3	Business combinations	3	Not Applicable
4	Insurance Contracts	4	Not Applicable
5	Non-current Assets Held for Sale and Discontinued Operations	5	Not Applicable
6	Exploration for and Evaluation of Mineral Resources	6	Not Applicable
7	Financial Instruments: Disclosures	7	Complied
8	Operating Segments	8	Not Applicable
9	Financial Instruments	9	Complied
10	Consolidated Financial Statements	10	Not Applicable
11	Joint Arrangements	11	Not Applicable
12	Disclosure of Interests in Other Entities	12	Not Applicable
13	Fair Value Measurement	13	Not Applicable
14	Regulatory Deferral Accounts	14	Not Applicable
15	Revenue from Contracts with customers	15	Complied
16	Leases	16	Not Applicable

		Amount in BDT	
		as at	
		31.12.2022	31.12.2021
02	Cash in hand :		
	Cash in Hand	1,846	3,568
	Total	1,846	3,568
03	Cash at Bank :		
	Account No.		
	Dutch Bangla Bank Ltd. Gulshan Branch	31,169	122,824
	Dutch Bangla Bank Ltd. Gulshan Branch-LRHR	1,865	2,990
	Mutual Trust Bank Ltd. Gulshan Branch	26,668	27,818
	Social Islami Bank Ltd. Gulshan Branch	23,350	24,656
	One Bank Ltd. Principal Branch	724	2,390
	One Bank Ltd. Principal Branch	4,332	5,320
	The City Bank Ltd. Gulshan Branch	4,815,189	28,178,551
	The City Bank Ltd. Gulshan Branch	12,025	18,551
	The City Bank Ltd. Gulshan Branch	22,042	23,339
	Woori Bank Ltd.-Gulshan Br.	9,334	10,438
	Total	4,946,698	28,416,877
04	Share Investment:		
	Bank:		
	AB Bank Ltd.	4,905,203	5,838,750
	Exim bank Ltd.	520,000	530,136
	IFIC Bank Ltd.	966,000	-
	Jamuna Bank Ltd.	532,500	-
	Mercantile Bank Ltd.	340,000	-
	One Bank Ltd.	214,200	-
	Prime Bnak Ltd.	768,000	645,000
	Union Bank Ltd.	465,000	-
		8,710,903	7,013,886
	Cement:		
	Premier cement Ltd.	393,336	-
	Meghna Cement Mills Ltd.	684,600	-
		1,077,936	-
	Ceramics Sector:		
	Fu-Wang Ceramic Industries Ltd.	174,000	-
	RAK Ceramics Ltd.	429,000	-
	Shinepukur Ceramics Limited	215,000	-
		818,000	-
	Engineering:		
	BBS Cables Limited	523,950	-
	BSRM Limited	630,000	1,033,000
	BSRM Steel Limited	447,300	-
	Golden Son Ltd.	728,000	-
	GPH Ispat Limited	1,181,600	-
	SS Steel Ltd	-	378,000
		3,510,850	1,411,000
	Food & Allied:		
	BATBC Limited	4,149,600	-
	Beach Hatchery Ltd.	1,604,000	-
	Golden Harvest Agro Industries Ltd.	525,000	-
		6,278,600	-
	Fuel & Power:		
	Power Grid company	524,000	1,192,000
	Summit Power Limited	340,000	-
	Titas Gas T&D Company Ltd.	2,863,000	-
	Uniliver Consumer Care Ltd.	-	297,710
	United Power GD com. Ltd.	233,700	-
		3,960,700	1,489,710

		Amount in BDT	
		as at	
		31.12.2022	31.12.2021
Insurance:			
Asia Insurance Ltd.		489,000	-
Delta Life Insurance Ltd.		273,000	-
Eastland Insurance Company Ltd.		488,000	1,935,000
Green Delta Insurance Ltd.		651,000	-
National Life Insurance Co. Ltd.		915,227	-
Rupali Insurance Co. Ltd.		530,000	-
Union Insurance Company Ltd.		746,000	-
		4,092,227	1,935,000
Miscellaneous:			
Beximco Ltd.		-	1,484,000
GQ Ball Pen Industries Ltd.		98,200	-
National Feed Mill Limited		162,000	-
		260,200	1,484,000
Mutual Funds			
Exim 1St MF		116,162	-
		116,162	-
Pharmaceuticals & Chemicals:			
ACI Formulation Ltd.		775,000	-
ACI Limited		1,092,840	-
AFC Agro Biotech Ltd.		-	562,000
Beximco Pharmaceuticals Ltd.		1,462,000	-
Marico Bangladesh Ltd.		242,150	-
Reckitt Benchkiser (BD) Ltd.		952,140	-
Square Pharma Ltd.		-	1,071,500
		4,524,130	1,633,500
Services & Real Estate			
Saif Power Ltd.		-	1,915,000
		-	1,915,000
Textile:			
Desh Garments Ltd.		157,630	-
Far East knitting & dyeing Industries Ltd.		-	780,000
M.L Dyeing Limited		2,604,000	2,446,500
Pacific Denims Limited.		665,500	-
Simtex Industries Ltd.		4,410,000	4,462,500
Square Textile Ltd.		337,500	-
VFS Thread Dying Limited		233,100	-
		8,407,730	7,689,000
Travel & Leisure:			
Sea Pearl Beach Resort & Spa Ltd.		-	448,000
		-	448,000
Total		41,757,437	25,019,096
05 Term Deposit Receipt (TDR):			
Opening Balance		388,159,345	504,543,281
Add: Addition D/Y		20,986,872	133,523,828
		409,146,217	638,067,109
Less: Adjustment D/Y		3,000,000	249,907,764
		406,146,217	388,159,345
(All TDRs are maintaining with our Parent Company of FAS Finance & Investment Limited and also disclosed in the Note: 36 Related Party Transaction)			
06 Loans and advances:			
Margin Loan to Client		1,411,197,662	1,736,405,309
		1,411,197,662	1,736,405,309
07 Other Assets :			
Accounts Receivable	7.01	771,420	6,013,894
Advances, Deposits and Prepayments	07.02	2,972,996	2,972,996
Advance Income Tax (AIT)	07.03	24,437,586	20,272,706
Receivable Interest on FDR		3,242,102	5,576,876
Receivable Dividend Income		522,050	434,500
		31,946,154	35,270,972

Amount in BDT	
as at	
31.12.2022	31.12.2021

7.01 Accounts Receivable :

Brokerage House	07.01.01
Receivable From FFIL	
Receivable-Settlement Fees- Broker	
Receivable-CDBL-All Broker	

737,358	664,851
-	3,590,663
34,062	1,758,380
-	-
771,420	6,013,894

07.01.01 Brokerage House :

Khwaja Equity Services Ltd.
NCCB Securities & Financial Services Ltd.
Shah Mohammad Sagir & Co.Ltd

73,206	-
-	699
664,152	664,152
737,358	664,851

07.02 Advances, Deposits and Prepayments

Adv.-Nutriqual Limited
Adv. Office Rent- Patuakhali
Adv.-P & L International Limited
Security Deposit: CDBL-DP
Adv.-ZA Sourcing
Adv.-ZA Sourcing-Security Deposit

826,177	826,177
600,000	600,000
401,819	401,819
200,000	200,000
405,000	405,000
540,000	540,000
2,972,996	2,972,996

N.B: Advance & Deposite and Prepayment BDT 2,772,996 FAS Capital Management Ltd. has sent legal notice to the above parties, the amount has high possibility to be recovered.

07.03 Advance Income Tax (AIT):

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

20,272,706	15,924,412
4,164,880	4,348,294
24,437,586	20,272,706
-	-
24,437,586	20,272,706

08 Fixed Assets:**A. Cost:**

Opening Balance
Add: Addition during the year
Less: Disposal of Fixed Assets

25,977,930	25,977,930
-	-
25,977,930	25,977,930
13,893,995	-
12,083,935	25,977,930

B. Accumulated Depreciation

Opening Balance
Add: Charged during the year
Less: Disposal of Fixed Assets

16,585,730	14,240,678
405,123	2,345,052
16,990,852	16,585,730
7,656,267	-
9,334,586	16,585,730

Written Down Value (A-B)

(Details of the Fixed Assets are shown in Annexure-1)

2,749,349	9,392,201
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09 Intangible Assets**A. Cost:**

Opening Balance
Add: Addition during the year
Less: Disposal of Fixed Assets

2,362,250	2,266,250
-	96,000
2,362,250	2,362,250
-	-
2,362,250	2,362,250

B. Accumulated Depreciation

Opening Balance
Add: Charged during the year
Less: Disposal of Fixed Assets

1,778,197	1,675,129
87,608	103,068
1,865,805	1,778,197
-	-
1,865,805	1,778,197

Written Down Value (A-B)

(Details of the Fixed Assets are shown in Annexure-1)

496,446	584,054
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		Amount in BDT	
		as at	
		31.12.2022	31.12.2021
10	Borrowings from other banks, financial institutions and agents :		
	Bank 10.01	-	-
	Financial institution: 10.02	2,193,622,350	2,057,699,232
	Lease Liability	-	-
	Total	2,193,622,350	2,057,699,232
10.01	Borrowings from other financial institutions :		
		-	-
		-	-
		-	-
10.02	Short Term Portion of Long Term Loan :		
	FAS Finance & Investment Ltd.	1,817,774,282	1,713,594,971
	Investment Corporation of Bangladesh	7,961,271	20,961,271
	International Leasing & Financial Services Ltd.	367,886,797	323,142,990
	Total	2,193,622,350	2,057,699,232
11	Provision for Expenses :		
	Audit Fees	28,750	28,750
	CDBL Charges	27,503	64,797
	BSEC Renewal Fees	230,000	172,500
	Payable to Md. Yeasin Ali	196,365	-
	Payable to TAX & VAT	3,265	-
	Total	485,883	266,047
12	Provision for Income Tax :		
	Provision for Current Tax 12.01	5,956,646	5,205,299
	Provision for Deferred Tax 12.02	(142,794)	(128,311)
	Total	5,813,852	5,076,988
12.01	Provision for Current Tax:		
	Opening Balance	5,205,299	4,212,960
	Add:Provision during the year	751,347	992,339
	Total	5,956,646	5,205,299
	Less:Adjustment during the year	-	-
	Total	5,956,646	5,205,299
12.02	Provision for Deferred Tax:		
	Opening Balance	(128,311)	(187,994)
	Add:Provision during the year	(14,483)	59,683
	Total	(142,794)	(128,311)
	Less:Adjustment during the year	-	-
	Total	(142,794)	(128,311)
13	Sundry Creditors :		
	All Broker-Cash Account	795,352	1,985,061
	Discretionary A/C-BD-0001-FFIL	27,897	8,475
	Discretionary A/C-BD-0002-FFIL	-	113
	Discretionary A/C-BD-0003-FFIL	2,919	3,369
	Discretionary A/C-BD-0004-FFIL	78,344	78,794
	Discretionary A/C-LRHR-Confident	1	143,812
	Discretionary A/C-LRHR-Secure	(72,967)	205,675
	Discretionary A/C-General	7,501	7,501
	Khwaja Equity Services Ltd.	-	16,409,254
	Mika Securities Ltd.	9,256	9,256
	Total	848,303	18,851,310

Amount in BDT	
as at	
31.12.2022	31.12.2021

14 Others Liabilities :				
Provision against Share Investment	14.01	-		-
Provision against Margin loan	14.02	1,016,369,637		338,789,879
		1,016,369,637		338,789,879
14.01 Provision for Share Investment:				
Opening Balance				
Add: Provision during the year				
		-		-
Less: Adjustment during the year		-		-
		-		-
N.B: During the year, FAS capital management had accounted investment in share in accordance to IFRS-9, para 4.1.2A, 5.7.5. Therefore, there is no provision for any loss in share investment.				
14.02 Provision against Margin loan:				
Opening Balance		338,789,879		89,668,773
Add: Provision during the year (As per Directive no: SEC/CMRRCD/2009-193/196, Dated: December 28, 2016)		677,579,758		249,121,106
		1,016,369,637		338,789,879
Less: Adjustment during the year (Write Off)		-		-
		1,016,369,637		338,789,879
15 Share Capital :				
15.01 Authorized Capital :				
100,000,000 Ordinary Shares of Tk. 10.00 each		1,000,000,000		1,000,000,000
15.02 Paid Up Capital :				
Paid Up Capital		250,000,000		250,000,000
25,000,000 Ordinary Shares of Tk. 10.00 each		250,000,000		250,000,000
15.03 Percentage of Shareholding				
	2022(%)	Taka	2021(%)	Taka
Financial Institutions	97.2	243,000,000	97.20	243,000,000
Sponsors	2.8	7,000,000	2.80	7,000,000
	100	250,000,000	100	250,000,000
15.04 Name of Directors, Sponsors Shareholders & their Shareholding				
		Number of Share	Total Value	%
FAS Finance & Investment Ltd.		24,300,000	243,000,000	97.20
Mr. Abdul Matlub Ahmad		100,000	1,000,000	0.40
Mr. Abdul Halim		100,000	1,000,000	0.40
Mr. Sudir Chandra Sarker		100,000	1,000,000	0.40
Mr. Uzzal Kumer Nandi		100,000	1,000,000	0.40
Mr. Md. Masum Kabir		100,000	1,000,000	0.40
Mr. Md. Sha Alam (Liton)		100,000	1,000,000	0.40
Mr. Md. Anaware Hossian		100,000	1,000,000	0.40
Total		25,000,000	250,000,000	100
16 Retained earnings :				
Opening balance		(686,041,216)		(311,779,550)
Prior year adjustment		(58,337,652)		9,225,481
Net Profit after Tax		(809,310,087)		(383,487,147)
		(1,553,688,955)		(686,041,216)
17 Interest Income :				
Interest on Margin Loan		4,470,672		5,505,334
Bank Interest-SND A/c		568,411		342,042
		5,039,083		5,847,376
18 Interest paid on deposit and borrowings, etc. :				
Bank		-		-
Financial Institution		150,923,118		183,355,456
Financial Cost on Lease		-		68,437
		150,923,118		183,423,893
19 Investment Income :				
Capital Gain on Share Investment		3,426,021		6,071,246
Dividend on Shares Investment		1,051,505		495,687
		4,477,526		6,566,933
20 Commission, Exchange and Brokerage :				
Trustee Fee		200,000		600,000
		200,000		600,000

		Amount in BDT	
		as at	
		31.12.2022	31.12.2021
21	Other Operating Income :		
	Portfolio Management Fees	878,837	1,043,641
	Documentation Fee	5,600	37,200
	Interest on FDR	23,208,893	39,896,864
	Settlement Fees	3,472,952	6,058,736
	Interest on Other Income	28,640	27,949
	Work Station Rent	240,000	226,500
		27,834,922	47,290,890
21.01	Portfolio Management Fees :		
	Investor Discretionary Account (IDA) Client	860,041	1,029,345
	Bank Discretionary Account (BDA) Client	18,796	14,296
		878,837	1,043,641
22	Salary and Allowances :		
	Basic Salary and all other allowances	4,222,956	4,140,748
	Provident Fund	143,958	212,160
	Festival Bonus	435,127	376,920
	Leave fare assistance	176,794	176,794
		4,978,835	4,906,622
23	Rent, Taxes, Insurance, Electricity, etc :		
	Office Rent -Service Charge	897,000	299,000
	Electric Bill	-	331,373
	Generator Bill	-	955
	Insurance Premium	44,225	36,925
		941,225	668,253
24	Postage, Stamps, Telecommunication :		
	Internet Bill	153,300	156,100
	Stamp & Notary	1,760	550
	Telephone & Mobile Bill	58,849	46,000
	Postage & Courier	19,496	1,213
		233,405	203,863
25	Printing, Stationery & Advertisement		
	Head Office (Dhaka)	49,087	111,040
		49,087	111,040
26	Repairs		
	Software Maintenance	6,500	10,000
		6,500	10,000
27	Other Expenses :		
	Bank Charge & Commission	28,775	38,948
	CDBL Charge	683,482	149,431
	Conveyance allowance	28,185	35,040
	Cleaning service bill	35,000	75,000
	Entertainment	93,335	24,467
	Earn Leave Expenses	-	-
	Excise Duty Expenses	749,500	742,000
	Fees & Subscription	-	21,000
	Fuel & Lubricant	-	1,472
	Newspaper & Periodicals	1,520	-
	Office Maintenance	29,656	31,297
	Renewal Fees	242,850	244,010
	Repair & Maintenance	35,850	26,110
	Share Transfer Fee	-	47,070
	Service Charge	-	17,250
	Security Service Bill	-	29,700
	Spare & Accessories	14,500	10,120
	VAT Expenses	1,920	1,920
	Wasa Bill	-	16,942
		1,944,573	1,511,777

Amount in BDT	
as at	
31.12.2022	31.12.2021

- 28 Income Tax Expense:**
As per Minimum Tax Rule applicable 82C
Minimum tax should be charged for making provision of current tax, which is as follows:

Business receipts	Minimum Tax rate	Taxable amount	Tax Liabe
Interest Income	0.006	4,470,672	26,824
Portfolio Management fee	0.006	878,837	5,273
Trustee Commission	0.006	200,000	1,200
Documentation fee	0.006	5,600	34
Interest on TDR	0.006	23,208,893	139,253
Settlement Fees	0.006	3,472,952	20,838
Bank Interest	0.006	568,411	3,410
Rental Income	0.006	240,000	1,440
Interest on Other Income	0.006	28,640	172
			198,444

Other receipts

Income on Share Investment	0.1	3,426,021	342,602
Divident Income	0.2	1,051,505	210,301
			552,903

751,347

- 29 Basic earning per share (EPS) discloser under IAS-33**

Net Profit for the year	(809,310,087)	(383,487,147)
Weighted average number of ordinary shares	25,000,000	25,000,000
Basic earning per share (EPS)	(32.37)	(15.34)

(EPS declined against the corresponding previous year due to keep Provisionson Margin Loan of Tk. 677,579,758 against required amount of Tk. 1,049,009,259.)

- 30 Net Assets Value (NAV) per Share**

Total Assets	1,899,241,808	2,223,251,421
Less: Total Outstanding Liabilities	3,217,140,025	2,667,893,347
Net Assets Value	(1,317,898,217)	(444,641,926)
Number of Ordinary Share	25,000,000	25,000,000
	(52.72)	(17.79)

- 31 Net Operating Cash Flow per share**

Net Operating Cash Flow	5,015,584	(115,414,740)
Number of Ordinary Share	25,000,000	25,000,000
	0.20	(4.62)

- 32 Contingent Liability Disclosure**

The Company does not have any liability that fall in the definition of contingent liability as per IAS 37

- 33 Key Management Benefits Disclosure**

The Board of directors of the company are fall in the definition of key management employees.

Particulars	2022		2,021	
	Directors	Executive	Directors	Executive
Remuneration			-	-
Meeting Fee	529,600		255,900	
House Rent		663,812		603,012
Bonus		261,539		159,910
Conveyance		132,752		120,588
Medical		198,832		241,200

Amount in BDT	
as at	
31.12.2022	31.12.2021

34 Audit Fee**Statutory audit fee**

25,000	25,000
--------	--------

Audit Fee is fixed by the Shareholders in the Annual General Meeting and does not include any other remuneration to Auditors.

35 Employees Minimum Pay disclosure

Total Number of Employees

Number of Employees Earn Above Tk. 20,000

Number of Employees Less than Tk. 20,000

4	4
-	-

36 Related Party Disclosure:**a. Particulars of Directors and their Interest in different entities:**

SL. No	Name of Director	Status in FAS Capital Management Limited	Name of the firms/Companies in which interested as proprietor, partner, director, managing agent, guarantor, employee etc.
1	Mr. Mohammed Nurul Amin	Chairman (Nominated by FAS Finance & Investment Ltd.)	Independent Director of FAS Finance & Investment Limited
2	Mr. Md. Salim	Director (Nominated by FAS Finance & Investment Ltd.)	Senior Faculty Member, Bangladesh Academy for Securities Markets (An Academic Wing of BSEC), Independent Director of FAS Finance & Investment Limited and Al-Haj Textile Mills Limited
3	Mr. A. F. Shabbir Ahmad	Director (Nominated by FAS Finance & Investment Ltd.)	N/A
4	Mr. Mahmudul Islam	Chief Executive Officer	N/A

b. 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:

SL. No	Name of Related Party/ Transaction Nature	Balance as on January 01, 2022	Addition D/Y	Adjustment D/Y	Balance as on December 31, 2022
1	FAS Finance & Investment Ltd/ Loan	1,713,594,971	106,179,311	2,000,000	1,817,774,282
2	FAS Finance & Investment Ltd/ Paid-up Capital	243,000,000	-		243,000,000
3	FAS Finance & Investment Ltd/ TDR	388,159,345	20,986,872	3,000,000	406,146,217

FAS CAPITAL MANAGEMENT LIMITED
Schedule of Property, Plant & Equipment
 As on 31 December, 2022

Annexure-1
 Amount in Taka

Particulars	Cost				Rate (%)	Depreciation				Written Down Value as on 31.12.2022	
	Balance as on 01.01.2022	Addition during the year	Adjustment/ disposal during the year	Balance as on 31.12.2022		Balance as on 01.01.2022	Balance After Adjustment	Addition during the year	Adjustment/ disposal during the year		Balance as on 31.12.2022
	2,007,063	-	-	2,007,063		1,468,252	1,468,252	80,822	-		1,549,074
Computer & Accessories	2,007,063	-	-	2,007,063	15	1,468,252	80,822	-	1,549,074	457,989	
Furniture & Fixture	2,999,208	-	1,306,979	1,692,229	10	1,046,514	64,572	784,187	1,111,086	581,143	
Office Decoration	8,648,327	-	7,831,861	816,466	10	101,212	71,525	3,301,364	172,737	643,729	
Office Equipment	6,207,795	-	4,755,155	1,452,640	15	266,318	177,948	3,570,716	444,266	1,008,374	
Telephone & PABX	277,720	-	-	277,720	15	209,350	10,256	-	219,606	58,114	
Right to use of Assets	5,837,817	-	-	5,837,817	-	-	-	-	5,837,817	-	
Balance as on 31 December, 2022	25,977,930	-	13,893,995	12,083,935		3,091,646	405,123	7,656,267	9,334,586	2,749,349	
Balance as on 31 December, 2021	25,977,930	-	-	25,977,930		-	2,345,052	-	16,585,730	9,392,200	

Schedule of Intangible Assets
 As on 31 December, 2022

Particulars	Cost				Rate (%)	Depreciation				Written Down Value as on 31.12.2022	
	Balance as on 01.01.2022	Addition during the year	Adjustment/ disposal during the year	Balance as on 31.12.2022		Balance as on 01.01.2022	Balance After Adjustment	Addition during the year	Adjustment/ disposal during the year		Balance as on 31.12.2022
	2,362,250	-	-	2,362,250		1,778,197	1,778,197	87,608	-		1,865,805
Software	2,362,250	-	-	2,362,250	15	1,778,197	87,608	-	1,865,805	496,445	
Balance as on 31 December, 2022	2,362,250	-	-	2,362,250		1,778,197	87,608	-	1,865,805	496,445	
Balance as on 31 December, 2021	2,266,250	96,000	-	2,362,250		-	103,068	-	1,778,197	584,053	
G.Total (2022)	28,340,180	-	13,893,995	14,446,185	-	4,869,843	492,731	7,656,267	11,200,391	3,245,794	
G.Total (2021)	28,244,180	96,000	-	28,340,180	-	-	2,448,120	-	18,363,926	9,976,254	



FAS Finance & Investment Limited

Corporate Office: Suvastu Imam Square (4th & 5th Floor)
65, Gulshan Avenue, Gulshan-1, Dhaka-1212

Proxy Form

I.....of.....
.....being member of **FAS Finance & Investment Limited**, hereby appoint
Mr/Ms.....
of..... as my
proxy to attend and vote for me and on my behalf at the 26th Annual General Meeting (AGM) of the shareholders of FAS Finance
& Investment Limited will be held on Thursday, December 21, 2023 at 11:00 A.M noon by Virtually through using Digital Platform
or at any adjustment thereof.

Signed this.....

Signature of Proxy.....

Day of.....2023

Revenue
Stamp of Tk
20/-

Signature of Shareholder

BO ID:

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

No. of Shares.....

N.B. Important

- 1. This Proxy Form, duly completed, must be deposited at least 48 hours before the meeting at the Company's Registered Office. Proxy is invalid if not signed and stamped as explained above.
- 2. Signature of the shareholders should agree with the specimen signature registered with the Company.



FAS Finance & Investment Limited

Corporate Office: Suvastu Imam Square (4th & 5th Floor)
65, Gulshan Avenue, Gulshan-1, Dhaka-1212

Attendance Slip

I hereby record my attendance at the 26th Annual General Meeting (AGM) of the shareholders of FAS Finance & Investment Limited will be held on Thursday, December 21, 2023 at 11:00 A.M noon by Virtually through using Digital Platform.

Name of Member/Proxy

BO ID:

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Signature.....

Date.....

N.B. Shareholders attending the meeting in person or by proxy are requested to complete the attendance slip and deposit the same at the registration counter on the day of the meeting.