

annual report | **2015**





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Letter of Transmittal

To
All Shareholders
Securities and Exchange Commission
Registrar of Joint Stock Companies & Firms
Dhaka Stock Exchange Ltd.
Chittagong Stock Exchange Ltd.

Subject: Annual Report for the year ended December 31, 2015.

Dear Sir,

We are delighted to forward a copy of the Annual Report together with the Audited Financial Statement for the year ended December 31, 2015.

Sincerely Yours,



Iftekhar Ali Khan
Managing Director

Notice Of The 20th Annual General Meeting

Notice is hereby given that **20th Annual General Meeting (AGM)** of the Shareholders of Bay Leasing & Investment Limited will be held on **Tuesday May 31,2016** at **11.00 A.M** at the Institution of Diploma Engineers, Bangladesh, IDEB Bhaban, 160/A Kakrail VIP Sarak, Dhaka-1000 to transact the following business:

AGENDA

01. To receive, consider and adopt the Profit and Loss Account of the Company for the year ended 31st December 2015 and Balance Sheet as of that date together with the reports of the Directors and Auditors thereon.
02. To declare dividend for the Shareholders out of the profits for the year ended 31st December 2015 as recommended by the Board of Directors.
03. To elect /re-elect Directors in place of those who shall retire by rotation as per the Articles of Association of the Company.
04. To re-appoint Auditors of the Company for the year 2016 and to fix-up their remuneration.
05. Miscellaneous, if any, with the permission of the chair.

Dated, Dhaka
May 02, 2016

By order of the Board

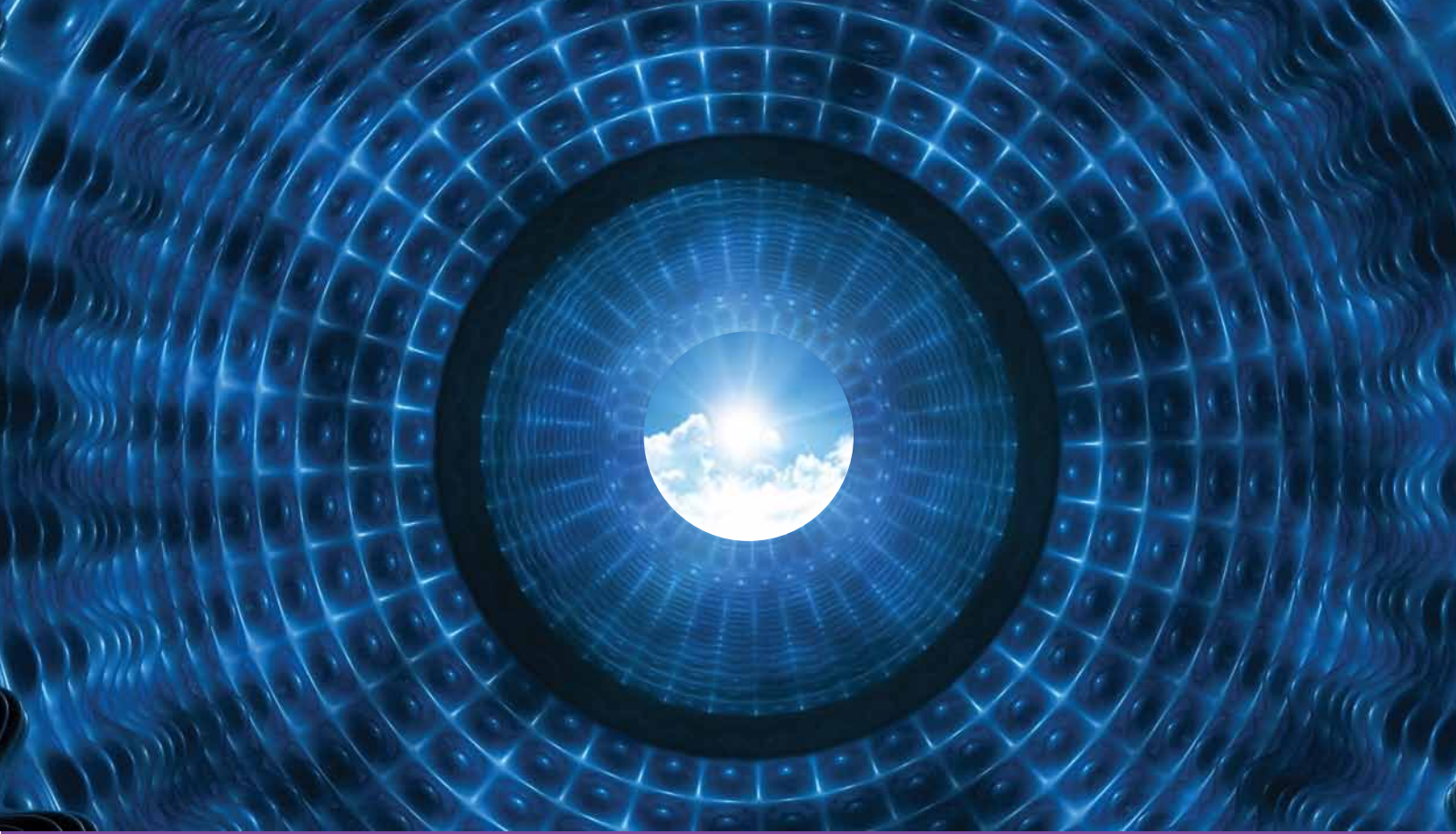


M. Maniruz Zaman Khan
SVP & Company Secretary

Notes:

01. May 12 ,2016 has been as "Record Date".
02. The Board of Directors have recommended 15% cash Dividend for the year ended 31st December 2015.
03. The Shareholders whose names would appear in the Depository (CDBL) on the Record Date (Thursday May12, 2016) shall be entitled to the dividend and attend the AGM.
04. A shareholders of the company is entitled to attend and vote in the AGM or may appoint a Proxy to attend the meeting and vote in his/her/their behalf. The Proxy Form duly completed and stamped with TK.20.00 (Revenue Stamp) must be submitted at the registered office of the Company at least 48 hours before the time fixed for the meeting.
05. Shareholders (other than a company) who fails to update E-Tin in his/her BO Account before the Record Date, disbursement of dividend will be subject to deduction of Advance Income Tax (AIT) @ 15% instead of 10% as per amended Section 54 of the Income Tax Ordinance,1984.
06. For convenience, the shareholders and proxies are requested to record their entry at the entrance of AGM on 31th May,2016 between 10.30 a.m and 11.00 a.m.

No benefit or gift in cash or kind shall be given to the shareholders for attending the 19th Annual General Meeting as per Bangladesh Securities and Exchange Commission's Circular No. SEC/CMRRCD/2009-193/154 dated October 24,2013.



Our VISION

To be recognized as the most preferred multi-product financial institution for the communities we serve.



Our MISSION

We strive to innovate and offer a plethora of financial products and services.

We endeavor to enrich the lives of people we touch by sharing, caring in our quest for excellence.

We aim to build impressive economic value for our stakeholders through the strength of satisfied customers and consistently produce superior operating results.

Bay Leasing *at a* GLANCE

Bay Leasing & Investment Limited (BLIL) was incorporated as a public limited company in February 1996 and the company obtained Bangladesh Bank's license as a non-banking financial institution in May 1996. Since its inception, guided by the Financial Institutions Act of 1993, BLIL has been running its operations in a professional manner under the valuable guidance and leadership of its Board of Directors. The employees have been serving the company with great loyalty, sincerity, commitment and dedication, and this is also reflected in the company's employee turnover rate which is the lowest in the industry. The customer portfolio of BLIL is strong and well-diversified. A vast number of entrepreneurs have been benefited immensely through long-term relationships with BLIL. The shares of Bay Leasing are listed and traded both in Dhaka and Chittagong Stock Exchanges and have been rated as top turnover leaders.

Bay Leasing & Investment Limited, with a view to providing excellent service has

already launched a wide range of consumer products such as Profit Take Home Plan, Win-Win Plan, Double Money Plan, Triple Money Plan, Super DPS Plan, Millionaire Plan and Flexi Savings Plan. Moreover, SME Loans & Women Entrepreneur Loans are gaining momentum. In response to various types of need of the business houses of the country, BLIL provides financing such as Lease Finance, Term Loan, Working Capital, Project Finance, Bridge Finance, Mortgage Loans, Factoring etc.

BLI Securities Limited (BLISL), an associate of Bay Leasing & Investment Limited is among the top brokerage houses in Bangladesh. BLISL renders its services from its Head Office and multiples branches. The Merchant Banking Division has been separated as per regulatory suggestion in the previous year and a wholly owned subsidiary under the name BLI Capital Limited has been established and currently in operation.

BLI Securities Limited an associate concern of Bay Leasing & Investment Limited is among the top brokerage houses in Bangladesh and renders their services from its Head Office and branches.

The Merchant Banking Division has been separated as per regulatory suggestion in the previous year and a wholly owned subsidiary under the name **BLI Capital Limited** has commenced its operation in Dhaka.



Core VALUES

Accountability

We take full responsibility of our actions that influence the lives of our customers and fellow workers.

Commitment

We are committed to roll out a wide range of products, services and other initiatives that impact the lives of both within and outside the organization.

Integrity

We strive to act with honesty and integrity without compromising the truth.

Team Work

We believe in individual commitments to a group effort towards a common vision.

Service Excellence

We aim to provide the best quality service to our clients each passing day in our quest for excellence.

Corporate INFORMATION



Registered Name of the Company	: Bay Leasing & Investment Limited
Legal Form	A Public Limited Company Incorporated in Bangladesh Under the Companies Act 1994, Listed in Dhaka Stock Exchange & Chittagong Stock Exchange. Licensed as a Non Banking Financial Institution Under the Financial Institutions Act of 1993.
Company Registration Number	: C - 30251(1477)/96
Bangladesh Bank License Number	: আঃ প্রঃ (অ-ব্যাংকিং) : বিভাগ/ঢাকা/১৩/৯৬
Trade License No.	: 0411406
Tin No.	: 446777288121
No. of Branch	: 01
Corporate Head Office	: Bay Leasing & Investment Limited Eunoos Trade Center, Level-18 52-53 Dilkusha C/A, Dhaka-1000. Tel: 9592501-5, Fax: 9592500
Auditor	: Syful Shamsul Alam & Co. Chartered Accountants Paramount Heights (Level-6) 65/2/1 Box Culvert Road Purana Palton, Dhaka - 1000
Tax Advisor	: A.Wahab & Co. Chartered Accountants Hotel Purbani, Annex-2 (4th Floor) 1, Dilkusha C/A, Dhaka
Legal Advisor	: HASAN & ASSOCIATES DCC Building (6th Floor) 65-66 Motijheel C/A, Dhaka-1000 AZAD & COMPANY K.R.Plaza (6th Floor) 31, Purana Paltan, Dhaka-100. NAYAN & ASSOCIATES Meherba Plaza Suite No. 13-E (13th Floor), 33, Topkhana Road, Palton Dhaka, Bangladesh. NOOR-UL-MATIN Islam Chamber, 9 th Floor 125/A, Motijheel C/A, Dhaka-1000.

Membership	: DCCI (Dhaka Chamber of Commerce Industry). Bangladesh Leasing & Finance Companies Associations. Bangladesh Association of Publicly Limited Company. Bangladesh Merchant Bankers Association.
Company Email	: info@blilbd.com
Company Web Site	: http://www.blilbd.com
Bankers	: Bank Alfalah Limited Bank Asia Ltd BASIC Bank Limited Dhaka Bank Limited Dutch Bangla Bank Ltd. EXIM Bank Limited IFIC Bank Limited Jamuna Bank Ltd Janata Bank Ltd. Mercantile Bank Ltd. Mutual Trust Bank Limited National Bank Limited National Credit & Commerce Bank Ltd. Premier Bank Ltd. Pubali Bank Limited Shahjalal Islami Bank Ltd Southeast Bank Limited Standard Bank Limited The City Bank Limited Uttara Bank Limited Eastern Bank Limited Modhumati bank Limited Prime Bank Ltd. United Commercial Bank Limited
Associate Company	: BLI Securities Limited Head Office 22, Bir Uttam M A Rob Sarak, 4th Floor Dhanmondi R/A, Dhaka-1205 Motijheel Branch Printers' building (5th & 7th Floor), 5 rajuk Avenue, Motijheel, Dhaka-1000. Dilkusha Branch Eunoos Trade Centre, 52-53 Dilkusha C/A, Dhaka-1000. Dhanmondi Extension Office Rangs Panorama (4th floor), 80 Shatmosjid Road, Dhanmondi, Dhaka-1209.
Subsidiary Company	: BLI Capital Limited. Eunoos Trade Center, Level – 18 52-53 Dilkusha C/A, Dhaka-1000
Branch of BLIL	: Principal Branch Eunoos Trade Centre, Level-18 52-53 Dilkusha C/A, Dhaka-1000.

Bay Leasing STORY

Bay Leasing & Investment Limited (BLIL) was incorporated as a public limited company in February 1996 and the company obtained Bangladesh Bank's license as Non-Banking Financial Institution (NBFI) in May 1996. Since its inception, guided by the Financial Institutions Act of 1993, BLIL has been running its operations in a professional manner under the valuable guidance and leadership of its Board of Directors. The employees have been serving the company with great loyalty, sincerity, commitment and dedication, and this is also reflected in the company's employee turnover rate which is the lowest in the industry. The customer portfolio of BLIL is strong and well-diversified. A vast number of entrepreneurs have been benefited immensely through long-term relationships with BLIL. The shares of Bay Leasing are listed and traded both in Dhaka and Chittagong Stock Exchanges and have been rated as top turnover leaders.

BLIL offers a wide range of deposit and lending products properly suited to fulfill the unique needs of different Individuals, Retail corporates, Development Organizations and Social Entrepreneurs. Primary focus in lending is now geared towards Small and Medium Enterprises (SME), Women Entrepreneurs and environment-friendly business units. The culture of thinking green and acting green is being emphasized in BLIL's business & working environment and at the same time being mindful and sensitive to the natural environment in our daily life.



BLIL'S MILESTONES

- Bangladesh Bank approval for opening Mawna Branch Nov. 03, 2015
- Bangladesh Bank approval for opening Principal Branch November 02, 2014
- Relocation of head office to own premises at Eunoos Trade Center September 28, 2014
- Commencement of business operations of BLI Capital Limited July 01, 2013
- SEC approval for Marcent Bank subsidiary- BLI Capital Limited November 07, 2012
- Agreement with Bangladesh Bank for JICA refinance scheme June 11, 2012
- Agreement with Bangladesh Bank for ADB refinance scheme January 24, 2012
- Approval to Issue Right share August 04, 2010
- Listed in Stoke Exchange (DSE & CSE) April 12, 2009
- Public Offer (IPO) opening date for subscription January 18, 2009
- Agreement with CDBL December 07, 2008
- January 09, 2002 – SEC approval for brokerage house
- July 24, 1996 – First Annual General Meeting
- July 03, 1996 - First Lease Agreement Signed
- June 25, 1996 – Registration of Marchant Bank Wing
- May 27, 1996 – Commencement of Commercial Operation
- May 25, 1996 – Bangladesh Bank License as NBF1
- May 19, 1996 - Certificate for Commencement of Business
- February 07, 1996 – Incorporation as a Public Limited Company

Financial Highlights

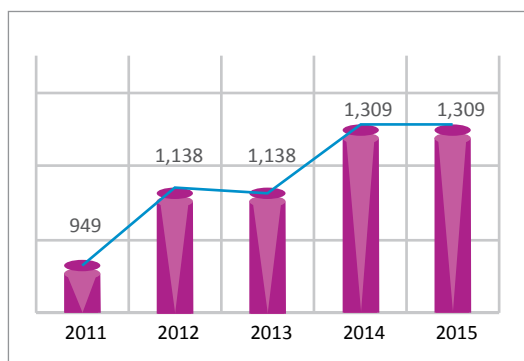
Figures in million

Particulars		2015	2014	2013	2012	2011
Lease, Term & Other Finance		7,869.13	6,394.00	4,865.31	4,299.59	3,969.09
Investments		1,620.24	1,377.55	1,073.91	981.34	1,170.31
Fixed Assets		1,043.18	1,051.78	920.96	766.56	779.23
Other Assets		347.99	474.54	540.59	531.05	512.26
Total Assets		11,189.73	9,568.89	7,714.53	6,784.04	6,624.51
Term Deposits		3,695.32	2,760.76	1,806.51	1,436.43	1,037.97
Long Term Liabilities		3,032.62	1,176.56	1,103.56	713.54	907.13
Share Capital		1,309.07	1,309.07	1,138.32	1,138.32	948.60
Shareholders Equity		2,737.63	2,841.87	2,897.21	2,908.56	2,980.20
Operating Revenue		959.15	889.40	821.89	718.27	779.79
Financial Expenses		699.98	607.08	560.47	501.12	423.44
Operating Expenses		77.76	65.39	53.82	55.49	55.52
Profit before Taxation		162.77	185.73	189.13	119.60	300.83
Net profit after Tax		95.93	138.17	137.52	82.11	263.21
Current Ratio (Times)		1.14	1.16	1.00	1.01	1.09
Debt/Equity Ratio		2.82	1.84	1.09	1.09	1.09
Return on Equity		3.50%	4.86%	4.75%	2.82%	8.83%
Return on Assets		1.64%	1.94%	2.27%	1.78%	4.54%
Dividend	Cash	15%	15%	17%	15%	15%
	Stock	-	-	15%	-	20%
Net Asset Value per Share		20.91	21.71	25.45	25.55	31.42
EPS		0.73	1.06	1.21	0.72	2.77

Key Performance Indicators

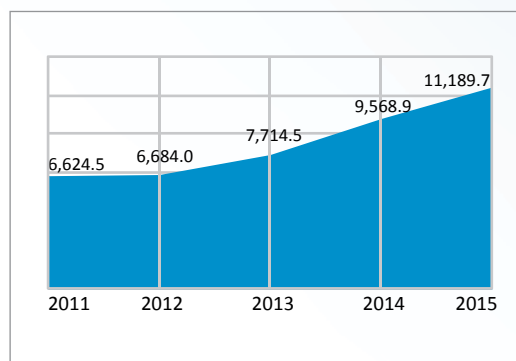
Paid-up Capital

BDT in million



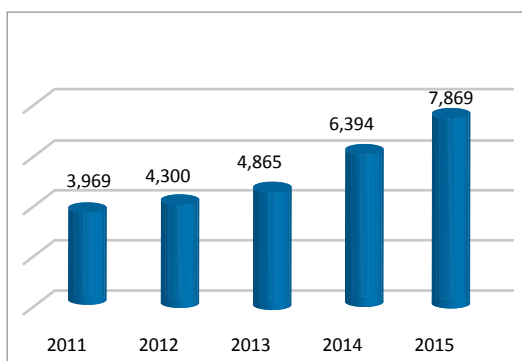
Total Assets

BDT in million



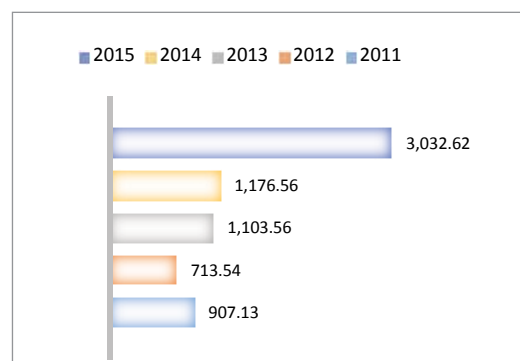
Loan & Advances

BDT in million



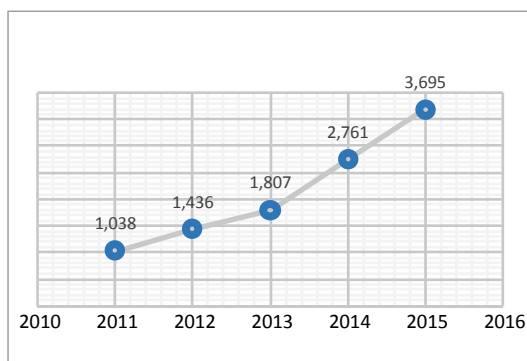
Long Term Liabilities

BDT in million



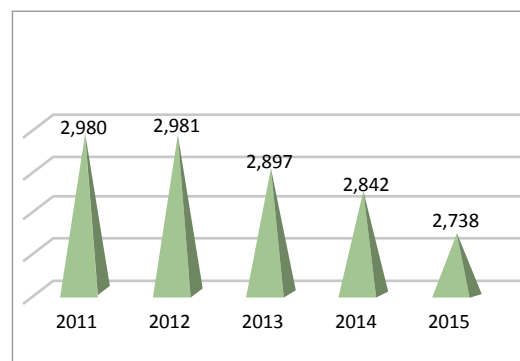
Term Deposits

BDT in million



Shareholders' Equity

BDT in million





Products & SERVICES

Deposit Product Range

- > **BLI** "Super DPS"
- > **BLI** "Win Win"
- > **BLI** "Flexi Savings"
- > **BLI** "Millionaire"
- > **BLI** "Profit Take Home"
- > **BLI** "Double Money"
- > **BLI** "Triple Money"
- > **BLI** "Profit Any Time"



Asset Product Range

- > **BLI** "SME Finance"
- > **BLI** "Lease Finance"
- > **BLI** "Term Loans"
- > **BLI** "Revolving Loans"
- > **BLI** "Bridge Finance"
- > **BLI** "Project Finance"
- > **BLI** "Working Capital"
- > **BLI** "Corporate Finance"
- > **BLI** "Syndications"
- > **BLI** "Consumer Loans"
- > **BLI** "Real Estate Finance"
- > **BLI** "Auto Loans"
- > **BLI** "House Building Loans"
- > **BLI** "Women Entrepreneur Loans"

HELP LINE
019 7676 8686





g & Investment Limited.

anning, Weaving, Dyeing, RMG, Automobile,
, Agriculture and Shipping.



Board of DIRECTORS

Chairman

Dr. Maswooda Ghani

Directors

Prof. Suraiya Begum

Mr. Tarik Sujat

Mr. Zubayer Kabir

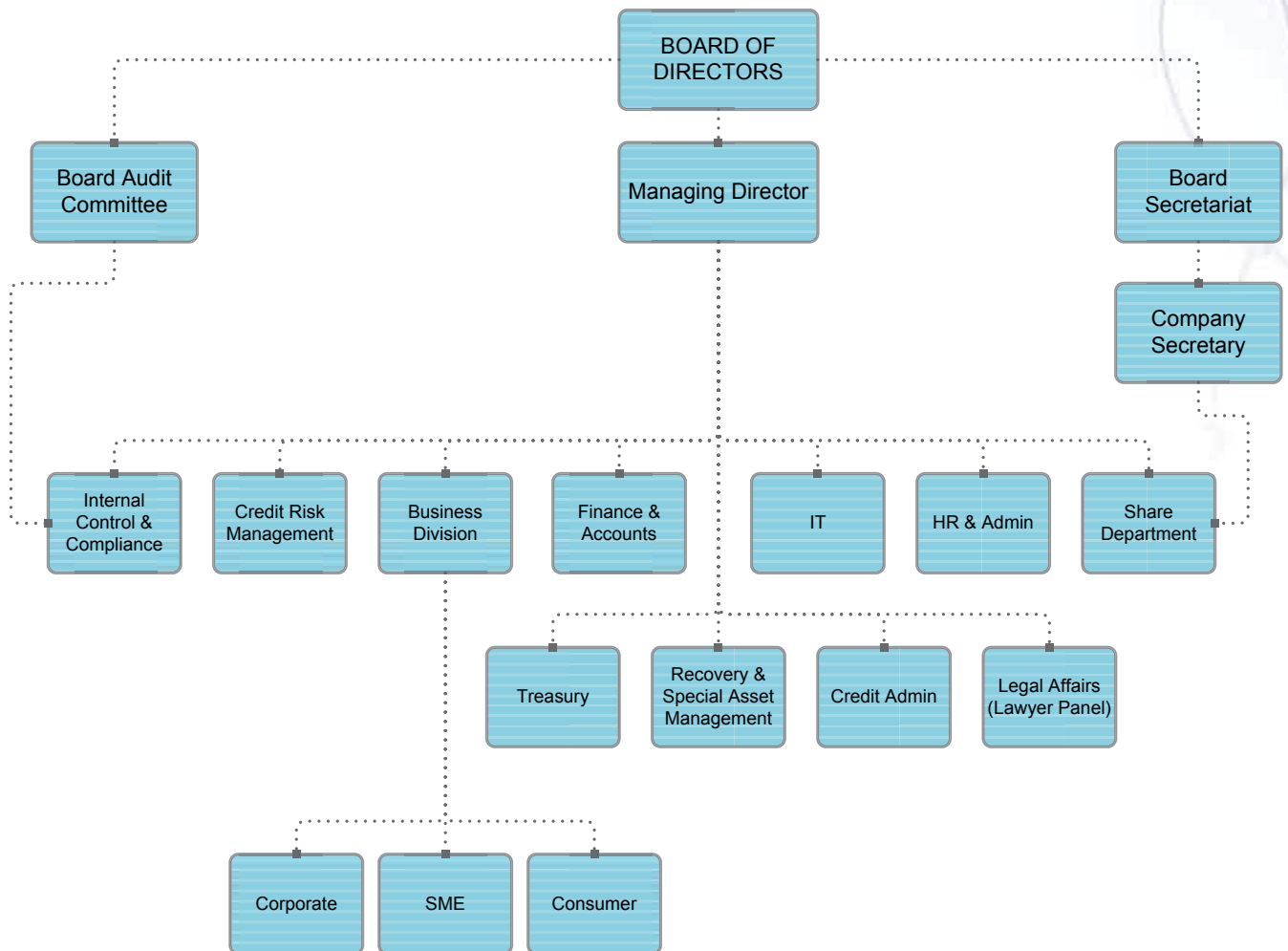
Independent Director

Mr. Sheikh Abdul Hafiz

Mr. Zakir Ahmed Khan

Prof. Shahid Uddin Ahmed

Organogram



Corporate Office Team



Corporate Office Team

Mr. Iftekhar Ali Khan

- **Managing Director**

Mr. Md. Lutfur Rahman

- **Executive Vice President**

Head of Business & Treasury

Mr. M. Maniruz Zaman Khan

- **Senior Vice President**

Head of Finance & Company Secretary

Mr. Mohammad Rashedul Islam

- **Senior Assistant Vice President**

Head of SME & ICT

Mr. ShabbirMinhaz Chowdhury

- **Assistant Vice President**

In charge Recovery Department

Mr. Ms. Sharmin Akhter

- **Assistant Vice President**

In charge Share Department

Mr. Md. Sameer Sazzad

- **Assistant Vice President**

Head of ICC & CRM

Corporate Office Team

Mr. Md. Tareq Miah

- Senior Principal Officer
Credit Admin & Operations

Mr. Md. Zabed Miah

- Senior Principal Officer
Asset Administration

Mr. Md. EnayetKabir

- Senior Principal Officer
Finance Department

Mr. Samir Saha

- Senior Principal Officer
ICC Department

Mr. Pronob Kumar Das

- Senior Principal Officer
Recovery Department

Mr. ShahidulHaque Ahmed

- Senior Principal Officer
HR & Administration

Mr. Mahade Hasan Bhuyan

- Principal Officer
Corporate Credit Division

Mr. Nawshad Md. Aziz Arman

- Executive Officer
SME Department

Mr. Md. NafiBorhan

- Executive Officer
Treasury Department

Mr. Md. Arifur Rahman

- Senior Officer
Credit Operations

Mr. SaifulArefin

- Senior Officer
ICT Department

Ms. LutfunNaharLita

- Officer
Credit Operations

Ms. Tamanna Ahmed

- Front Desk Officer



Principal Branch Team

Principal Branch Team

Mr. Rashed Al Islam

- Senior Assistant Vice President
Branch Manager

Ms. Aklima Akhi

- Senior Principal Officer
ICC Department

Ms. Nasrin Akter

- Executive Officer
SME Department

Mr. Abu Shofian

- Executive Officer
Liability Product Marketing

Mr. Md. Shibli

- Executive Officer
SME & Retail Finance

Mr. Mohammad Genius Sattar

- Executive Officer
Corporate & SME Finance

Ms. Mahmuda Shahnaz

- Officer
Credit Operation

Ms. Supriya Sarker

- Officer
Customer service



BLI Capital Ltd.– Merchant Bank Subsidiary Team

Mr. Md. Lutfur Rahman
Mr. Mohammed Mofizul Islam (Haider)

Mr. Ahmed MehfuzMoin

Mr. S. M. Tanveer Hossain
Mr. Tufayel Ahmed
Mr. Md. Moniruzzaman
Ms. MithunDatta
Ms. Barsha Chowdhury
Mr. Rakeen Rahman

- **Managing Director (On deputation)**
- **Vice President**
Head of Operations
- **Senior Assistant Vice President**
Company Secretary
- **Principal Officer**
- **Executive Officer**
- **Senior Officer**
- **Senior Officer**
- **Trainee Officer**
- **Trainee Officer**



Committees

Board Audit Committee

Mr. Sheikh Abdul Hafiz FCA	: Chairman
Prof. Suraiya Begum	: Member
Mr. Tarik Sujat	: Member
Mr. ZubayerKabir	: Member
Mr. Zakir Ahmed Khan (Independent Director)	: Member

Management Committee

Mr. Iftekhar Ali Khan	: Chairman
Mr. Md. Lutfur Rahman	: Member
Mr. M. Maniruz Zaman Khan	: Member
Mr. Mohammad Rashedul Islam	: Member
Mr. Rashed Al Islam	: Member
Mr. ShabbirMinhaz Chowdhury	: Member
Ms. Sharmin Akhter	: Member
Md. Sameer Sazzad	: Member
Md. Mahade Hasan Bhuyan	: Member Secretary

Credit Committee

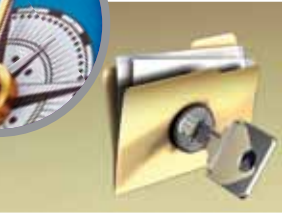
Mr. Iftekhar Ali Khan	: Chairman
Mr. Md. Lutfur Rahman	: Member
Mr. M. Maniruz Zaman Khan	: Member
Mr. Mohammad Rashedul Islam	: Member
Mr. Rashed Al Islam	: Member
Mr. Md. Sameer Sazzad	: Member
Md. Mahade Hasan Bhuyan	: Member Secretary

Central Compliance Unit

Mr. Mr. Md. LutfurRahman	: CAMLCO
Mr. Samir Saha	: Member
Mr. Mohammad NafiBorhan	: Member

BASEL Implementation Unit (BIU)

Mr. Iftekhar Ali Khan	: Head of BIU
Mr. Samir Saha	: Member
Mr. EnayerKabir	: Member



Committees

ALCO

Mr. Iftekhar Ali Khan	: Chairman
Mr. Md. LutfurRahman	: Member
Mr. M. Maniruz Zaman Khan	: Member
Mr. Mohammad Rashedul Islam	: Member
Mr. Rashed Al Islam	: Member
Mr. Md. Sameer Sazzad	: Member
Mr. EnayerKabir	: Member
Mr. Samir Saha	: Member Secretary

Risk Management Forum (RMF)

Mr. Iftekhar Ali Khan	: Chief Risk Officer
Mr. Md. LutfurRahman	: Member
Mr. M. Maniruz Zaman Khan	: Member
Mr. Mohammad Rashedul Islam	: Member
Mr. Samir Saha	: Member

Risk Analysis Unit (RAU)

Mr. Md. Sameer Sazzad	: Unit Head
Mr. Tareq Miah	: Member
Ms. AklimaAkhi	: Member
Mr. Nawshad Md. Aziz Arman	: Member
Mr. Md. Airfur Rahman	: Member

Integrity Committee

Mr. Maniruz Zaman Khan	: Unit Head
Mr. Md. ArifurRahman	: Member
Ms. LutfunNaharLita	: Member

Green Banking Unit

Mr. Md. Lutfur Rahman	: Unit Head
Mr. Mohammad Rashedul Islam	: Member
Mr. Rashed Al Islam	: Member
Mr. Md. Sameer Sazzad	: Member
Mr. Md. Mahade Hasan Bhuyan	: Member secretary



Dr. Maswooda Ghani
Chairman



Chairman's Address

Bismillahir Rahmanir Rahim

Dear Shareholders

It's my pleasure to welcome you all to the 20th Annual General Meeting of Bay Leasing & Investment Limited (BLIL). In spite of having an atmosphere of democratic discomfort and internationally exposed social mishaps, the overall macroeconomic condition of Bangladesh has reflected sustainable scenario during most of 2015. While in competition with Banks/ NBFIs due to their lower lending rate and aggressive business policies, BLIL has successfully managed to keep the sustainable pace in business while maintaining the quality of business portfolio.

National Economy & BLIL

The overall economy of Bangladesh has experienced considerable number of macroeconomic advantages in the form of declining interest rate, stable exchange rate, lower inflation, positive balance of payments, controllable fiscal deficit and augmented foreign exchange reserves. The low level of global commodity prices including that of oil has also provided some respite in terms of resources needed to meet subsidy demands. The excess liquidity in financial sector as well as the monetary and fiscal policy of Bangladesh Bank have forced the Banks and NBFIs to reduce their lending rate at single digit. This has ensured access of lower cost fund to emerging businesses to facilitate them with lower cost of production. However, on the contrary the financial institution with higher cost of funds have faced a tremendous pressure in maintaining the portfolio with better quality while ensuring the standard level of risk management. The chart of contributors in GDP growth, published from Bangladesh Bureau of Statistics (BBS), shows that out of total 6.51% GDP growth in FY15, the Service sector has contributed 3.02% whereas the manufacturing sector has contributed 1.93% only. The commodity wise import statistics recorded by customs shows negative % in import of Capital Machinery (-7.49%), Clinker (-10.47%), Raw Cotton (-6.74%), Plastics and rubber articles thereof (-5.89%), Food Grains (-19.67%) etc. Except of food grains, all the other components indicate slower industrial expansion whereas the negative import of food grains shows that the country is getting to the level of food security and food self-sufficiency. With these ground reality, BLIL has successfully managed to secure profit in the year 2015 while maintaining a good business portfolio.

Financial Position & Performance

In the year 2015, BLIL struggled much to cope with changing economic environment and reported a stable financial position. Reported operating profit is BDT 181.40 million (consolidated) in 2015. At the end of 2015, BLIL's total investment portfolio was BDT 7,869 million reflecting a 23.06% increase compared to that of the year 2014.



Risk Management

Risk is the main cause of uncertainty in any organization. Focusing and identifying various risks and managing them is vital in any financial institution. BLIL has lately developed an Environmental Risk Management Manual and BLIL regularly updates its core risk management manuals with a view to managing the changing risk types. The company's risk management guidelines are revised and updated inclining with the updated guidelines and circulars of Bangladesh Bank. BLIL's strong information systems as well as highly qualified personnel ensure efficient risk assessment, risk management, and prompt decision making. The Credit Committee members are equipped with training and experiences in order to assess the risks of the proposals. BLIL management always keeps their focus on secured lending to the right borrowers and furthermore, the loan default rate has been kept low over the year.

Sources of Fund

The primary sources of fund are the term deposits from individuals and institutions along with the capital components. BLIL also manages low cost of funds from various re-finance schemes from Bangladesh Bank, JICA, ADB.

Compliance & Governance

BLIL also considers its social responsibility as one of the primary components to benefit society while benefitting itself. In 2015, BLIL completed several activities in order to support different communities which have been reported in the CSR Report. Independent Internal Control and Compliance division of BLIL works to ensure the accountability and transparency along with the objective of reducing anomalies and conflicts of interest. BLIL complies with the corporate governance requirements as well. The compliance division of BLIL ensures that BLIL complies with all the applicable regulations and adopts changing regulatory guidelines.

Promoting SME and Women Entrepreneurs

Almost 90% of the entire private sector of Bangladesh falls under the category of small and medium enterprises. SMEs play much significant role in reducing unemployment rate and fostering economic growth. Every year, SME sector of Bangladesh contributes a good portion in Bangladesh's GDP. Access to finance is vital to the development of SME sector. To promote SME industry, the SME division of BLIL not only gives loans, but also provides advocacy to increase the beneficiaries' capacity as well as operating efficiency. Women Entrepreneur Dedicated Desk of BLIL has been dedicated in sanctioning loans to the women entrepreneurs being subsequently refinanced by Bangladesh Bank at a low interest rate. BLIL disbursed 11.13% of the total lending portfolio to the small and medium enterprises in the year 2015.



Concluding note

Despite different obstacles, it is encouraging to note that the economy of Bangladesh is growing. I expect that BLIL along with its subsidiary BLI Capital Limited will continue performing better in the years ahead. I would like to express my sincere appreciation to the Governor of the Central Bank of Bangladesh and the officials at the Department of Financial Institutions and Markets, for their continued support. I would also like to take this opportunity to thank my fellow members of the Board of Directors for their guidance, support and prudent counsel, all our esteemed shareholders for their unflinching faith on the Board and the Management, and the BSEC, DSE, CSE, CDBL, RJSC for their continuous support. It has always been a privilege to work with the Board, the Management team, all the employees along with the business partners. I would like to extend my thanks to everyone for their contribution to BLIL and for their sincere commitment towards serving the company and its valued customers.

M. Ghani

Dr. Maswooda Ghani
Chairman



Iftkhar Ali Khan
Managing Director



Managing Director's Message

Dear Valued Shareholders

Assalamu Alaikum.

At the outset, I would like to express my deepest thanks to you for your continuous support to our organization and I am pleased to present a brief summary of Bay Leasing and Investment Ltd. (BLIL) and our major achievements along with overall performance during the year 2015. Bay Leasing has successfully completed 20 years since its incorporation in February 1996. Every year is a challenge and this year was no different as well. However, despite significant challenges, we have spent another year with sustained earnings and strengthened our relationship. Our concentration on 2015 was on business expansion as well as customer diversification which enhanced the organization's scope of operation and achievements throughout the year. This is my immense pleasure to present the Annual Report 2015 of BLIL to you. Our core banking operations strengthened this year creating significant growth in loan disbursements and deposit collection resulting in higher growth in operating income. But due to continuing sluggish capital market trend, we conservatively took measures & increased provisioning quite cautiously to avoid any major business setback.

Economic Review 2015

Due to significant challenges like geopolitical upheaval, the global economy is still struggling to fully recover. Bangladesh's GDP growth is already more than six percent despite civil unrest, political instability, and depressed demand of private investment. Despite all these, Bay Leasing along with BLI Capital Ltd. has been running its operation in a stable manner. Global Competitiveness Index 2015-16, developed by the World Economic Forum disclosed that Bangladesh secured the 107th position in 2015-16 whereas the position was 109th in 2014-15 and 110th in 2013-14. This marginal improvement in last year indicates that there was an impact of the shock of global crisis along with national issues like unstable political environment. Bangladesh has already been showing positive changes in infrastructure, macroeconomic stability, higher education, goods market efficiency, financial market sophistication, market size, and innovation but on the other hand is still struggling in factors like its labor market efficiency, technological readiness, etc. In spite of having considerable number of macroeconomic advantages in the form of declining interest rate, stable exchange rate, lower inflation, positive balance of payments, and controllable fiscal deficit, the year 2015 was a challenging year in terms of industrial expansion. The major contributor in GDP growth is the service sector i.e. 3.02% out of total GDP growth of 6.51% which also indicates sluggish growth in manufacturing/ industrial sector. There were negative % in the import of Capital Machinery (-7.49%), Clinker (-10.47%), Raw Cotton (-6.74%), Plastics and rubber articles thereof (-5.89%). In order to be a middle-income country by 2021 as aspired, Bangladesh's GDP growth rate requires to be within 7.5 to 8 percent. Ensuring public and private investment, creating productive employment opportunities along with improved labor skills, establishing well-planned urbanization process, maintaining microeconomic stability, improving energy and infrastructure condition, adapting climate change, etc. will ensure the sustainable domestic economy as well as inclusive growth. Since Bangladesh is now in tough competition with countries like Vietnam, Myanmar and others, enhancing the country's own capacity has become imperative and pivotal issue.

The world has seen much focus on economic progress and mankind has made giant steps in its journey through time. The side-effects of the development process have, however, also been equally enormous loss of biodiversity, climatic change, environmental damage, etc. Environmental issue such as restoration of nature's face of beauty have also become more important as the world has progressed economically. Bangladesh is a low carbon emitting country even among the developing countries, likely to be one of the worst sufferers of Global Warming. It is experienced that climate change has already enhanced the frequency and intensity of floods, droughts and cyclones in Bangladesh, and would have negative impact on water resources, land, crop agriculture and food security, fisheries and livestock, forestry and bio-diversity, and human health as well. As per the Quarterly Review Report (Oct – Dec 2015) on Green Banking Activities of Banks & Financial Institutions and Green Refinance Activities of Bangladesh Bank published from Sustainable Finance Department, Bangladesh Bank, the total allocation of fund for Green Banking Activities in the form of Green Finance, Climate Risk Fund as well as Marketing, Training and Capacity Building, was BDT 333,741 million. The report shows that 38.82% of the fund



i.e. BDT 129,587 million has been utilized out of which BDT 129,332 million has been utilized through different Banks and NBFIs in the form of refinancing the green projects. Bay Leasing, as a participant in this green banking initiative, has also put the utmost effort to play a unique position in an economic system that can affect production, services, business and other activities through their financing activities and thus may contribute to removing polluted environment.

Financial Review

Analyzing the financial condition of the company we find that the consolidated operating income of BLIL for the year 2015 is BDT 259.17 million. Consolidated Operating Profit for 2015 is BDT 181.40 million. Consolidated restated Earnings per Share (EPS) stood at BDT 0.73 in 2015. At the end of the year 2015, the lending portfolio of BLIL stood at BDT 7869 million, an increase of 23.06% as compared to that of the year 2014. The deposit portfolio for 2015 is BDT 3695.32 million which was BDT 2760.76 million in 2014. This substantial growth of 33.85% in deposit base represents the confidence reposed by clients and state holders of BLIL.

Risk Management

Every financial institution, big or small, diverse or focused, assumes risk as part of their essential activity as an enterprise. In fact, the capability of foreseeing risk and taking preventive actions are one of the key terms that brings success to these organizations, and thereby carries a lot of value. BLIL is committed to ensure that all risk management policies and practices are ingrained in its business operations. The credit risk management addresses areas of market, credit and operational risk and seeks to minimize the risks generated by the activities of the company. Guidelines of core risk areas are in place and updated periodically. Appropriate internal control measures have been implemented overseen by the Internal Control and Compliance (ICC) department. The Asset Liability Management Committee (ALCO) conducts periodic reviews to assess prevailing market conditions, re-price products and revise interest rates. Company's policies/guidelines on Credit Risk Management and Money Laundering & Terrorist Financing prevention have been updated based on latest guidelines and circulars of Bangladesh Bank. A separate Risk Assessment Report has been prepared to identify every possible risk areas and to get them included in the Risk Register. Under the guideline of Bangladesh Bank, all these risk factors have been assigned with appropriate risk score, risk appetite level and applicable treatment/action plans. BLIL management views Money Laundering and Terrorist Financing prevention as an integral part of core risk management strategy and as a duty bound to comply with rules and regulation of money laundering prevention and practices.

Information & Communication Technology (ICT)

To increase the pace of work and the quality of services, BLIL upgrades its ICT resources in a timely manner. At present, the ICT Department of BLIL is working continuously to increase the efficiency and effectiveness of the ICT initiatives. In order to build own capacity, steps are already underway to place more emphasis on in-house ICT Solutions and Software programs and become less dependent gradually on external ICT vendors. We have already developed and implemented a core banking software platform which has streamlined our business process and equipped for improved Management Information System (MIS).

Human Resource Development & Employee Turnover

We all know that employees are a company's greatest asset. It's my pleasure to inform that we have recently updated our HR policy under the title "Human Resource Policy of Bay Leasing & Investment Limited" to try to accommodate all the possible HR related aspects to establish a workplace with better corporate governance. The employees of BLIL are highly trained to perform their job responsibilities. As a part of human resource development, BLIL arranges in-house training programs at a regular basis in order to enhance employees' capacity and potential. In the year 2015, the employees of BLIL participated in multiple training programs organized by Bangladesh Bank, JICA and IFC. Trained,



highly satisfied and motivated employees of BLIL play a vital role in BLIL's success. The employee turnover ratio was below 5% in the year 2015 reflecting high employee satisfaction in the company. Moreover, efficient personnel have been recruited during the year 2015 to strengthen the overall capacity of our workforce. BLIL puts much emphasis on retaining and rewarding good employees.

Social Responsibility

Considering social responsibility as a major duty, BLIL has already been helping the underprivileged section of the populace. To note a few, BLIL employees distributed warm clothes to the people living in northern part of Bangladesh to protect them from adverse weather in winter and distributed funds to poor in rural areas as charity.

Green Initiatives

BLIL encourages the reduction of carbon footprint. Before disbursing loans to the clients, BLIL management tries to ensure that proper measures are taken by the client in order to reduce any negative effect on the environment. The management also scrutinizes critically the chances of businesses falling under the red category according to the Environment Conservation Rules, 1997. Therefore, environmental risk management system is properly integrated with the credit risk management system in the process of disbursing loans to the clients. This is to be noted that the employees of BLIL have gained awareness regarding environmental issues. Considering environmental responsibilities, BLIL has already adopted initiatives like recycling office inventories, installing power efficient technology, avoiding bottled water, sharing office equipment, initiating in-house plantation programs etc.

Expectation in 2016

BLIL has already proven its ability to cope with changing environment as well as creating new opportunities. In 2015, BLIL tried to focus on ensuring sustainability in business as well as maintaining the quality. I would like to hope that the situation in 2016 will be under control and the economy of Bangladesh will be more stable in upcoming days of the year. It may be noted that the scope of business activities is expanding gradually and I am optimistic that BLIL will be successful to boost up its performance trend in the year 2016. I am also hopeful about our ability to show significant progress in the industry. In 2016, we have already planned to invest heavily in expanding our products and services, which, we believe, will enhance not only the scope of our operation but also contribute to the overall benefit of the company and all its shareholders. Recently we have got approval from Bangladesh Bank to open our Mawna Branch at Sreepur, Gazipur which would also widen our horizon to grab more business opportunities. We believe that our new products and services will fulfill demand of more people and help us enhancing the diversity of our customer portfolio.

Acknowledgement

To conclude, I would like to express my sincere gratitude to the Board of Directors, Customers and Shareholders for their trust guidance and wise counsel. I would also extend my sincere thanks to the Bangladesh Bank, BSEC, DSE, CSE, CDBL, RJSC for their continued help and cooperation at all times. Lastly, I take this opportunity to thank all of my colleagues for their loyalty, sincerity, commitment and relentless hard work.

Iftekhhar Ali Khan
Managing Director



Board of Directors at the 19th AGM



Shareholders' attendance at the 19th AGM



Director's Report

Dear Shareholders

On behalf of the Board of Directors of Bay Leasing & Investment Limited, I am delighted to welcome you in the 20th Annual General Meeting of the Company. The Board of Directors of Bay Leasing & Investment Limited takes great pleasure in presenting the Annual Report 2015 of the company along with the audited financial statements and auditor's report for the year ended December 2015, for consideration and approval of the valued shareholders. The audited financial statements were approved by the Board of Directors of the company on April 20, 2016. The Board presents this Annual Report in compliance with the Companies Act 1994, Financial Institutions Act 1993 and guidelines issued by Securities and Exchange Commission, Bangladesh Bank and other regulatory authorities. Year 2015 was a mixed year for BLIL. The first quarter was comprised of severe political crisis whereas the other quarters were peaceful but yet cautionary movements by private sector investment resulted high liquidity in the financial market. Yet Bay Leasing & Investment Ltd. managed to post a reasonably sustainable profit for the year 2015.

Global Economy

Global growth did not meet the expectation in 2015 slowing to 2.4% from 2.6% in 2014. The disappointing performance was mainly due to a continued deceleration of economic activity in emerging and developing economies amid weakening commodity prices, global trade, and capital flows. Going forward, global growth is projected to edge up, but at a slower pace than envisioned in the June 2015 forecast, reaching 2.9 percent in 2016 and 3.1 percent in 2017-18.

Three key transitions continue to influence the global outlook: (1) the gradual slowdown and rebalancing of economic activity in China away from investment and manufacturing toward consumption and services, (2) lower prices for energy and other commodities, and (3) a gradual tightening in monetary policy in the United States in the context of a resilient U.S. recovery as several other major advanced economy central banks continue to ease monetary policy.

Overall growth in China is evolving broadly as envisaged, but with a faster-than-expected slowdown in imports and exports, in part reflecting weaker investment and manufacturing activity. These developments, together with market concerns about the future performance of the Chinese economy, are having spillovers to other economies through trade channels and weaker commodity prices, as well as through diminishing confidence and increasing volatility in financial markets. Manufacturing activity and trade remain weak globally, reflecting not only developments in China, but also subdued global demand and investment more broadly—notably a decline in investment in extractive industries. In addition, the dramatic decline in imports in a number of emerging market and developing economies in economic distress is also weighing heavily on global trade.

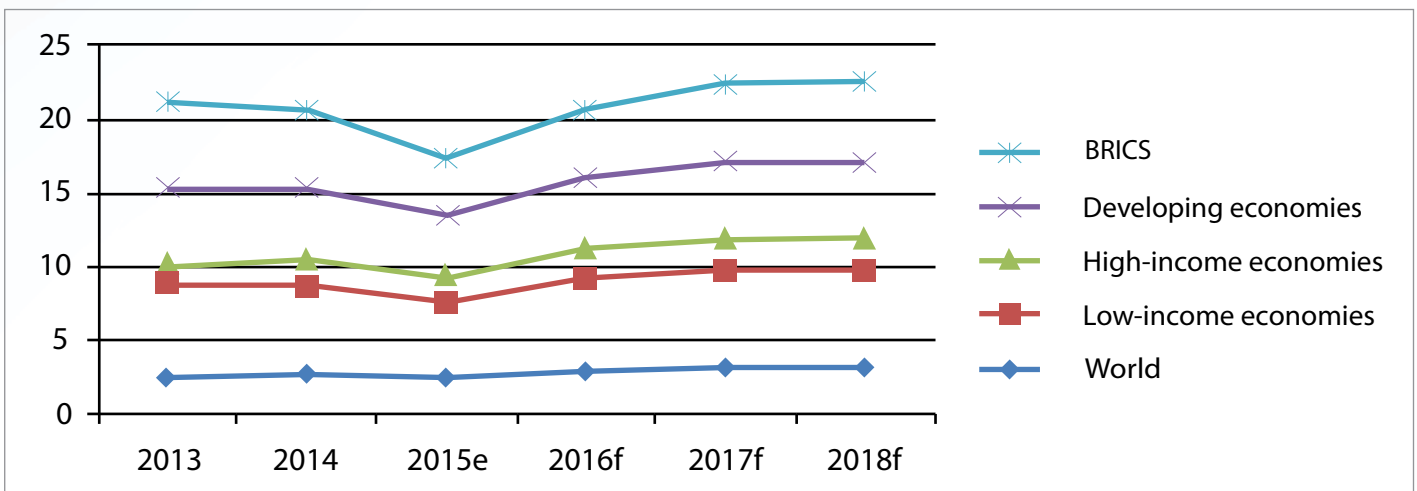
Oil prices have declined markedly since September 2015, reflecting expectations of sustained increases in production by Organization of the Petroleum Exporting Countries (OPEC) members amid continued global oil production in excess of oil consumption. Futures markets are currently suggesting only modest increases in prices in 2016 and 2017. Prices of other commodities, especially metals, have fallen as well.

Country groups	Real GDP Growth (%)					
	2013	2014	2015e	2016f	2017f	2018f
Aggregates						
World	2.4	2.6	2.4	2.9	3.1	3.1
Low-income economies	6.4	6.1	5.1	6.2	6.6	6.6
High-income economies	1.2	1.7	1.6	2.1	2.1	2.1
Developing economies	5.3	4.9	4.3	4.8	5.3	5.3
BRICS	5.7	5.1	3.9	4.6	5.3	5.4

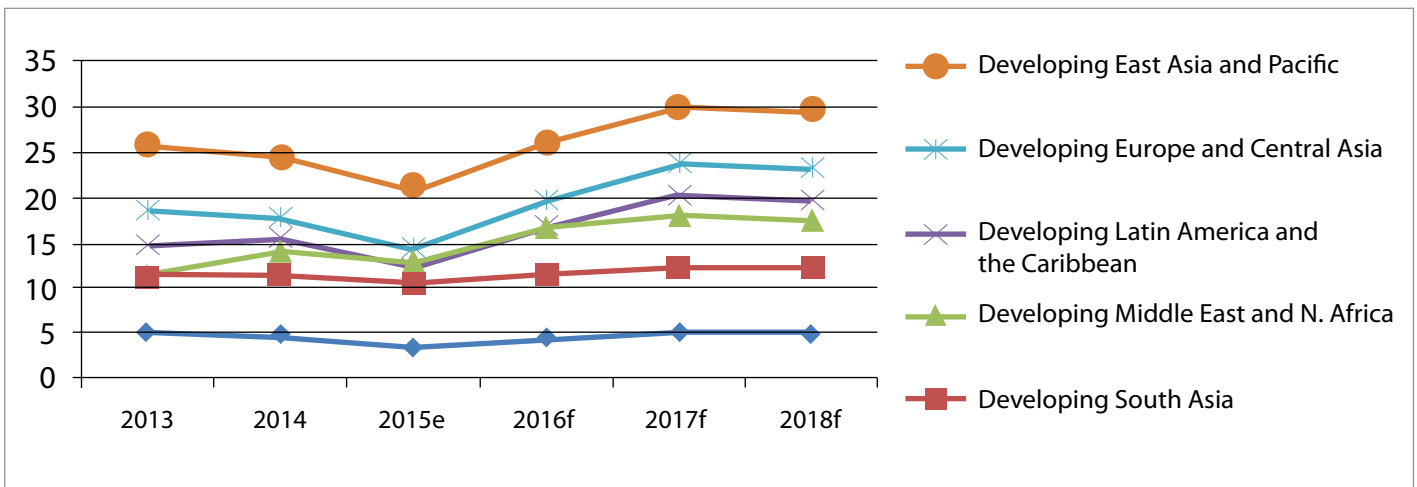


Real GDP Growth (%)						
Country groups	2013	2014	2015e	2016f	2017f	2018f
Regions/economies						
Developing Sub-Saharan Africa	4.9	4.6	3.4	4.2	4.7	4.7
Developing South Asia	6.2	6.8	7	7.3	7.5	7.5
Developing Middle East and N. Africa	0.6	2.5	2.5	5.1	5.8	5.1
Developing Latin America and the Caribbean	3	1.5	-0.7	0.1	2.3	2.5
Developing Europe and Central Asia	3.9	2.3	2.1	3	3.5	3.5
Developing East Asia and Pacific	7.1	6.8	6.4	6.3	6.2	6.2

Source: World Bank



Source: World Bank



Source: World Bank

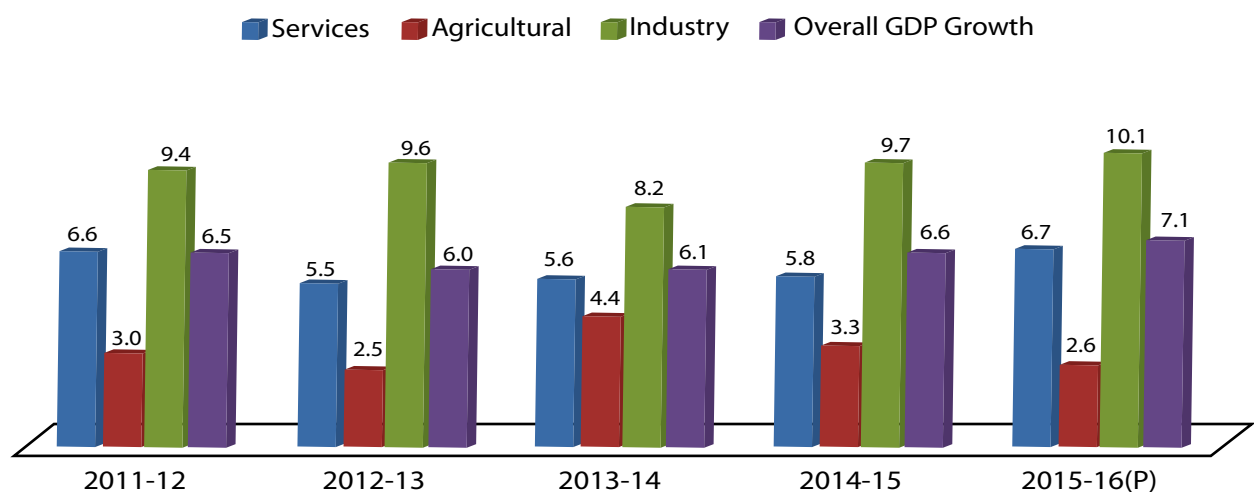


Bangladesh Economy

Bangladesh had mixed experiences in different economic indicators in the year 2015. The first quarter was with violent political instability resulting disruption in transportation and services while the rest of the year, experienced stability in the political arena, creating a favorable atmosphere for the economy. Declining global oil price also had positive impacts on our economy. Despite these important positive indicators, the investment did not grow at expected level. Public sector investment in Bangladesh takes place mostly through the Annual Development Programme (ADP). While private sector investment is not doing well, which is evident from the drop in imports of raw material and capital machineries. Summarized important economic indicators in furnished below:

Selected economic indicators (%)	2015	2016 forecast	2017 forecast
GDP Growth	6.6	6.7	6.9
Inflation	6.4	6.2	6.5
Current Account Balance (Shares of GDP)	-0.8	0.5	-1.0
Remittance Inflow	7.6		
Export	3.35		
Import	11.26		

Contributions of Different Sectors in Bangladesh's GDP



Source: Bangladesh Bureau of Statistics

In recent years, gloomy financial sector resulted into low demand for money, excess liquidity, and increasing loan impairment in the banking institutions which even generated bigger problems like slow private investment rate, borrowers' inability to repay the loans on time, etc.

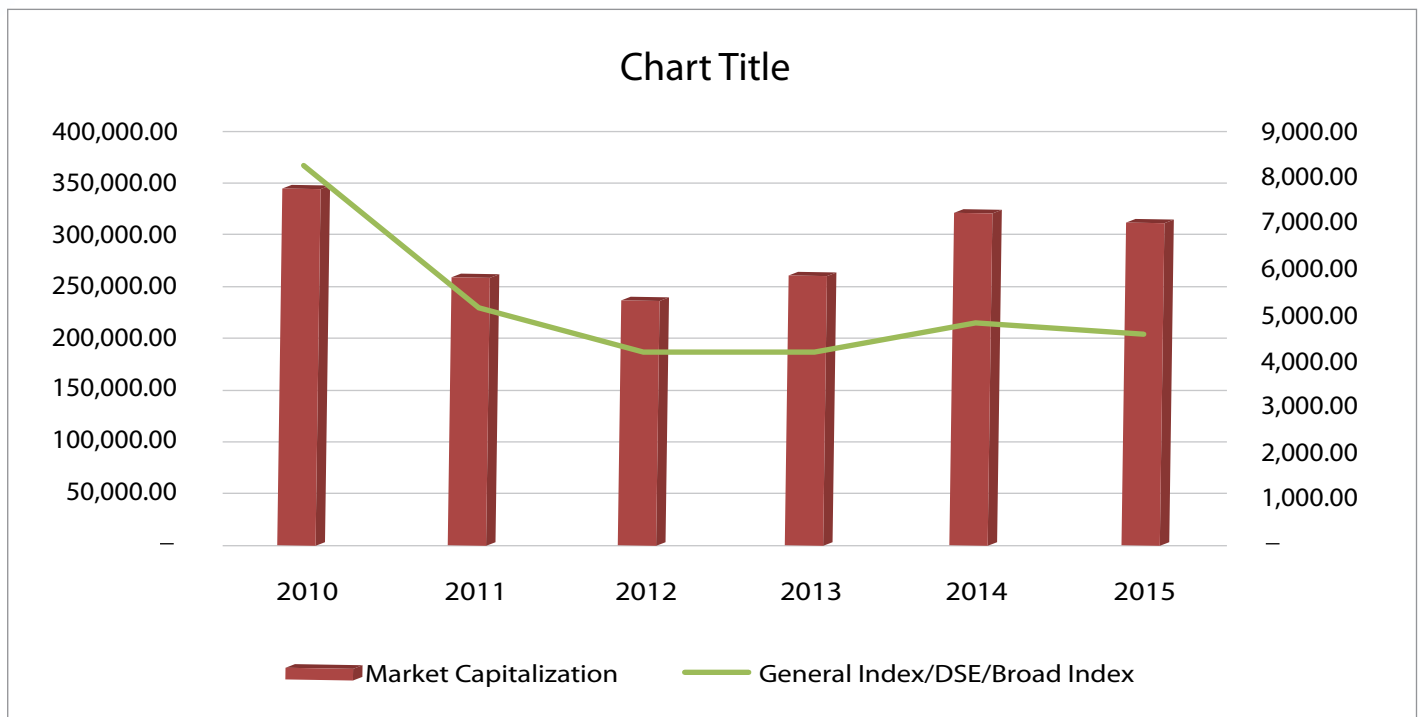


Capital Market

Capital market of Bangladesh continues its bearish nature in 2015. Yearly performance for 2010-2014 and monthly performance for year 2015 are furnished below:

Annual Capital Market Developments (DSE)					
Calendar Year	Enlisted issues (Incl. Mutual Funds/Deb.)	(In Crore Taka)			General Index/DSE/Broad Index
		Issued Capital & Debentures	Market Capitalization	Turnover during the year	
2010	445	66,436.00	347,250.20	400,991.28	8,290.41
2011	501	87,890.50	261,673.00	156,055.63	5,257.61
2012	515	94,987.60	240,356.00	100,108.49	4,219.31
2013	529	99,978.50	264,779.00	95,269.21	4,266.55
2014	546	105,492.60	325,925.00	11,885.15	4,864.96
2015	562	110,608.10	315,976.00	9,161.20	4629.64

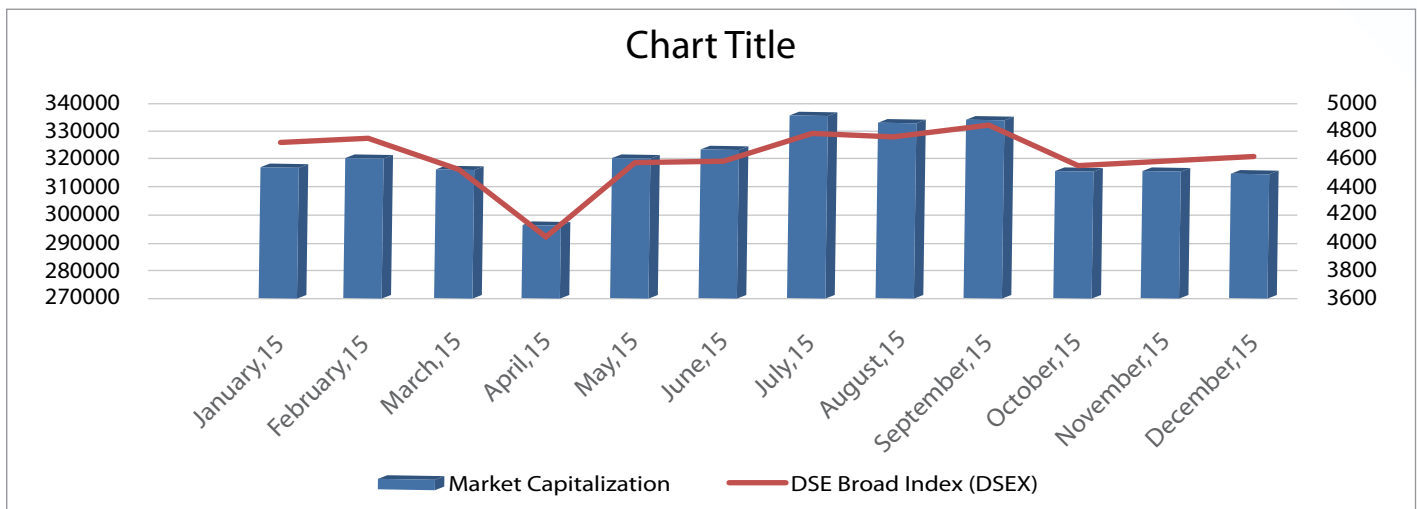
Source : Bangladesh Bank





Monthly capital market developments (DSE)					
End Month	Enlisted issues (Incl. Mutual Funds/Deb.)	(In Crore Taka)			DSE Broad Index (DSEX)
		Issued capital and debentures	Market capitalization	Turnover during the month	
January, 15	548	105,777.60	317,770.00	5,569.85	4724.05
February, 15	549	106,368.50	321,718.00	5,360.31	4763.22
March, 15	551	106,980.50	317,229.00	6,139.25	4530.48
April, 15	553	107,623.40	297,347.00	7,756.12	4047.29
May, 15	555	108,208.80	322,007.00	12,781.55	4586.95
June, 15	555	109,195.30	324,731.00	10,061.01	4583.11
July, 15	555	109,238.40	337,006.00	9,827.27	4792.31
August, 15	556	109,296.00	334,523.00	12,935.40	4768.67
September, 15	557	109,680.20	335,550.00	8,370.21	4852.08
October, 15	558	109,965.00	316,891.00	7,335.71	4564.49
November, 15	559	110,119.70	316,645.00	7,841.99	4581.00
December, 15	562	110,608.10	315,976.00	9,161.20	4629.64

Source : Bangladesh Bank



Risk management

BLIL adopts rigorous risk management process in order to minimize risk in its business process. BLIL has been maintaining a proper balance between appropriate risk management strategies and circumspect investment growth. It abides by the guidelines of Bangladesh Bank as well as its own risk management framework for the core five factors identified by Bangladesh Bank which are as follows:

1. Credit Risk
2. Environmental Risk
3. Asset – Liability management Risk
4. Internal Control and Compliance Risk
5. Money Laundering Risk.



Financial Performance of BLIL

Despite the economic fluctuation of the national economy BLI has been able to record a moderate and satisfactory performance in the year 2014 which are summarized below:

Loans & Advances

The total portfolio of the company stood at BDT. 7869.13 Million at the end of year 2015 with a growth rate of 23.07% against the previous year.

Sources of Funds

To reduce dependency on Banks, the company focuses on enhancing the core deposit. Consequently, the total deposit was BDT. 3695.32 million at the end of year 2015 which is 33.85% more than the previous year.

Shareholders' Equity

The Authorized Capital of the company was BDT.3000.00 million and paid-up Capital was BDT.1309.07 million as of December 31, 2015. The Capital and Reserve of the Company in 2015 stood at Tk. 2596.29 million. The Capital and Reserve of the Company as on 31st December, 2015 are appended below:

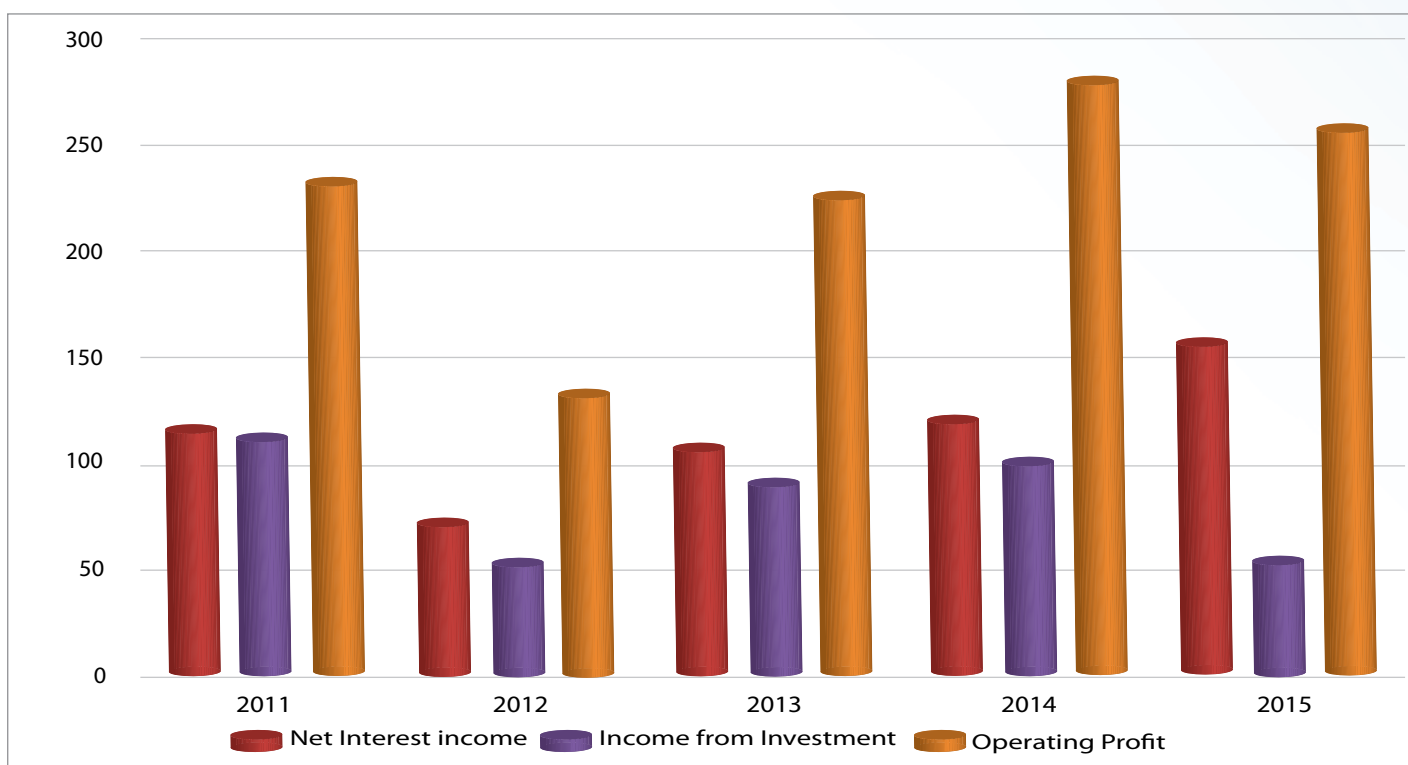
Particulars	BDT in Million	
	2015	2014
a) Core Capital (Tier- (Capital)		
Paid -Up Capital	1309.07	1309.07
Statutory Reserve	443.26	410.97
Share premium	220.93	220.93
General Reserve	250.00	250.00
Retained Earnings	72.87	210.70
Total Core Capital	2296.13	2401.67
b) Supplementary Capital [Tier- II Capital]		
General Provision for Unclassified Loan	95.27	69.28
General Provision on off - Balance Sheet Items	-	-
General Provision on off -Shore Banking Units	-	-
Revaluation gain/loss on investments	-	-
Assets Revolution Reserve	204.87	204.87
Total Supplementary Capital	300.14	274.16
Total	2596.29	2675.82



Operating Revenue & profit

As we have depicted the year 2015 was a most challenging year for the Bangladesh economy and BLIL's financial and operational performances had impacts of this as well. In this adverse situation, we prudently utilized our resources and capacity to get the maximum benefits for our shareholders as well as to protect their interests from any uncertain business risks.

Since our capital market has been bearish over past few years, our profitability has been being impacted by ongoing market behavior. But our mainstream business of Loans and Advances has improved which is a positive sign for our a sustainable business in the long run. The following table depicts the components of operating profit.



In BDT Million

Years	Net interest Income	Income from Investment	Operation Profit
2011	116.73	113.93	233.26
2012	73.89	55.10	134.29
2013	108.23	92.52	227.32
2014	122.43	102.62	282.33
2015	159.19	54.73	259.17

Earnings Per share (EPS)

Our EPS was 0.73 and 1.05 for the year 2015 and 2014 respectively. EPS has marginally decreased this year.

Provision for Tax

Provision for tax at the end of the year 2015 was BDT. 66.85 million which was BDT. 47.55 million in December 31, 2014, an increase of 40.59%.



Human Capital

BLIL recognizes that its employees are its most valuable asset. The company always tries to ensure a healthy workplace environment. It provides positive working conditions which can lead to employee satisfaction and enhanced productivity. BLIL values its employees' contributions and adopts different policies to reward them. The employee turnover ratio of BLIL is extremely low in comparison to the industry average. In the year 2014, employee turnover ratio for BLIL was only 3.45%.

Training & Workshops

The changing nature of work and the workplace environment require a skilled, knowledgeable workforce with employees who are adaptive, flexible, dynamic, energetic, and focused on the future. Bay Leasing & Investment Ltd. provides its employee extensive training programs in order to enable them to cope up with ongoing rapid changes around. Employees of Bay Leasing & Investment Ltd. participate in both In-house and external training programs provided by regulatory authorities, prominent training providers such as IFC, SEDF etc. Employees are also highly encouraged to participate in various relevant workshops, seminars and fairs organized by chamber bodies and other professional institutes.

Capital Adequacy and Market Discipline

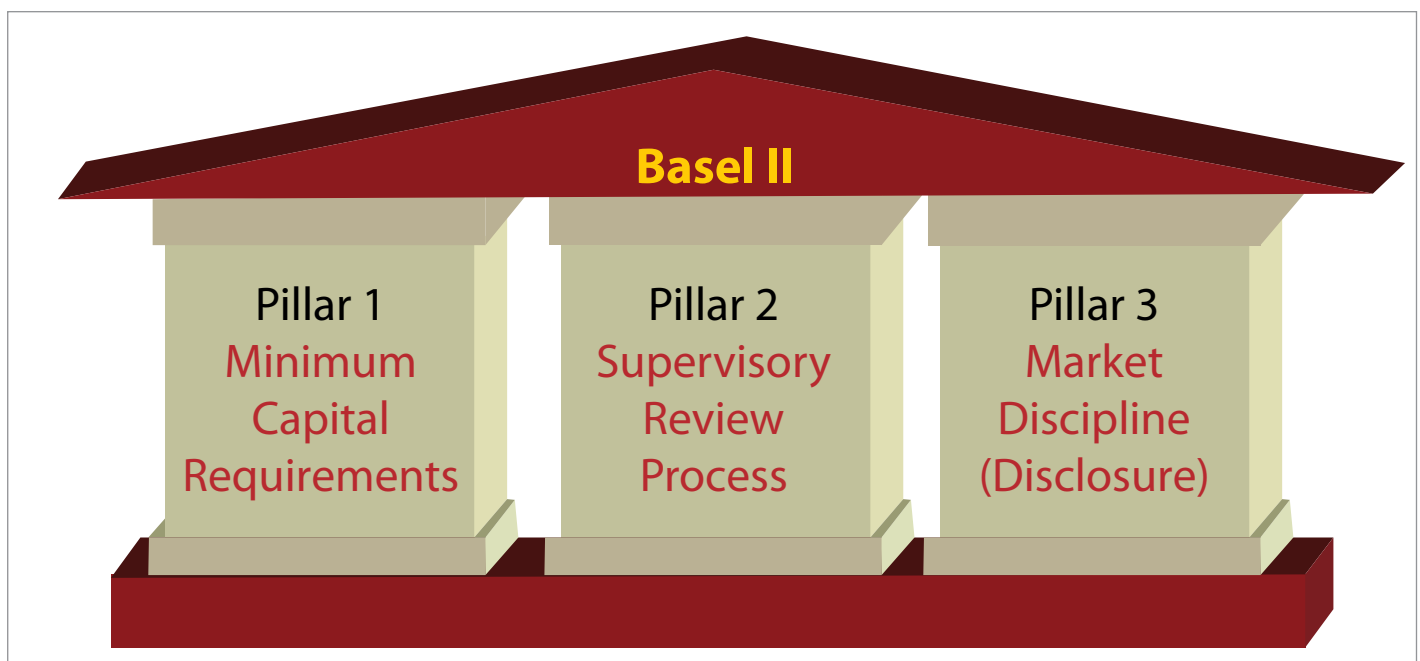
The BASEL-II framework was introduced to ensure that financial institutions maintain capital to cover all types of risks not just Credit Risk as required in BASEL- I. BASEL-II accord dictates that FI should maintain capital to cover Credit Risk, Market Risk and Operational Risk. The BASEL-II accord is based on three mutually reinforcing pillars.

The first pillar is about Minimum Capital Requirement (MCR), second pillar is about Supervisory Review Process (SRP) and the last is about Market Discipline. This accord outlines the level of capital required by an FI against various types of risks including Credit, Market and Operational risk based on the risk profile of the organization.

To make the FI's capital more risk sensitive as well as to build the industry more shock absorbent and stable, Prudential Guidelines on Capital Adequacy and Market Discipline (CAMD) for Financial Institutions.

The instructions regarding Minimum Capital Requirement, Supervisory Review Process (SRP) and Disclosure Requirement as stated in the CAMD guidelines have to be followed by all FI's for the purpose of statutory compliance.

Structured of BASEL – II





Pillar – I (Minimum Capital Requirement)

Calculating the Minimum Capital Requirement (MCR) considering the different risk such as Credit Risk, Market Risk and Operational Risk

According to Bangladesh Bank’s instruction, all FI have to maintain regulatory Capital Adequacy Ratio (CAR) at minimum 10%. To give effect to the purpose, Regulatory Capital is categorized into three tiers.

Tier-1 Capital: Called Core Capital comprises of highest quality of capital elements that consists of Paid up capital, Non repayable share premium, statutory reserve, general reserve, retained earnings, Minority interest in subsidiaries, non-cumulative irredeemable preference shares & Dividend equalizations account.

Tier- 2 Capital: Called Supplementary capital represents other elements which fall short of some of the characteristics of the overall strength of an FI and consists of:

- General provision up to a limit of 1.25% of Risk Weighted Assets (RWA) for Credit risk.
- Revaluation reserve for fixed assets
- Revaluation reserve for securities
- All other preference shares.

Pillar – II (Supervisory Review Process)

This pillar is based on the principle that capital adequacy is not just a compliance matter and it is equally important that the FI should have a robust risk management framework. The pillar II has two key elements:

- a. An FI specific internal assessment and management of capital adequacy.
- b. Supervisory review of this internal capital assessment and the robustness of risk management processes, systems and controls.

Pillar – II (Market Discipline)

Bolstering market discipline through enhanced disclosure is a fundamental part of the accord. Effective disclosure is essential to ensure that market participants can better understanding FI’s risk profiles and the adequacy of their capital. The accord provides detailed guidance on the disclosure required for each of the methodology given in pillar - I.

Formation of Basel Implementation Unit (BIU)

The Basel Implementation Unit (BIU) of Bay Leasing & Investment Limited has been formed as per Basel – II Guideline of Bangladesh Bank. The Basel Implementation Unit (BIU) at Head Office will be headed by Managing Director. He will examine the report received from the Basel Implementation Desk (BID) of the Risk Management Department who manages the Basel activities.

The Basel Implementation Unit (BIU) consisting of three members has been formed at Head office headed by Managing Director. The members of the unit are:

Sl.	Name	Designation	Designation (CCU)
01.	Mr. Iftekhhar Ali Khan	Managing Director	Head of BIU
02.	Mr. Samir Saha	Principal Officer	Member
03.	Md. EnayetKabir	Principal Officer	Member



Minimum Capital Requirement (MCR) under prudential Guidelines on Capital Adequacy and Market Discipline for Financial Institutions (CAMD)

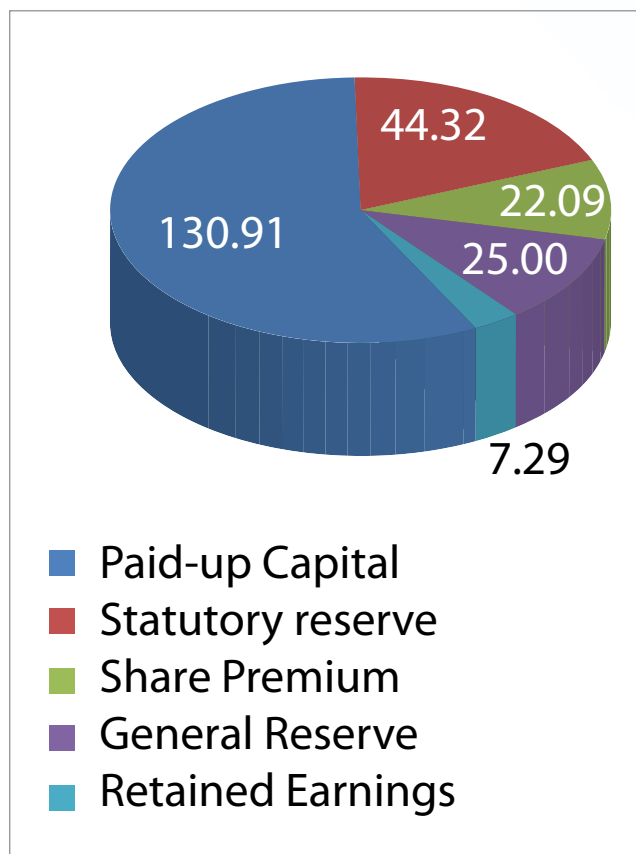
Particulars	Amount in Crore	
	2015	2014
A. Eligible Capital:		
1.Tier-1 Capital	229.61	253.00
2.Tier-2 Capital	30.01	33.54
3.Total Eligible Capital (1+2)	259.63	286.54
B. Total Risk Weighted Assets (RWA)	1380.28	1304.74
C. Capital Adequacy Ratio (CAR) (A3/B)*100	18.81%	21.96%
D. Core Capital to RWA (A1/B)*100	16.64%	19.39%
E. Supplementary Capital to RWA (A2/B)*100	2.17%	2.57%
F. Minimum Capital Requirement (MCR) 10% of RWA	138.03	130.47

Eligible Capital

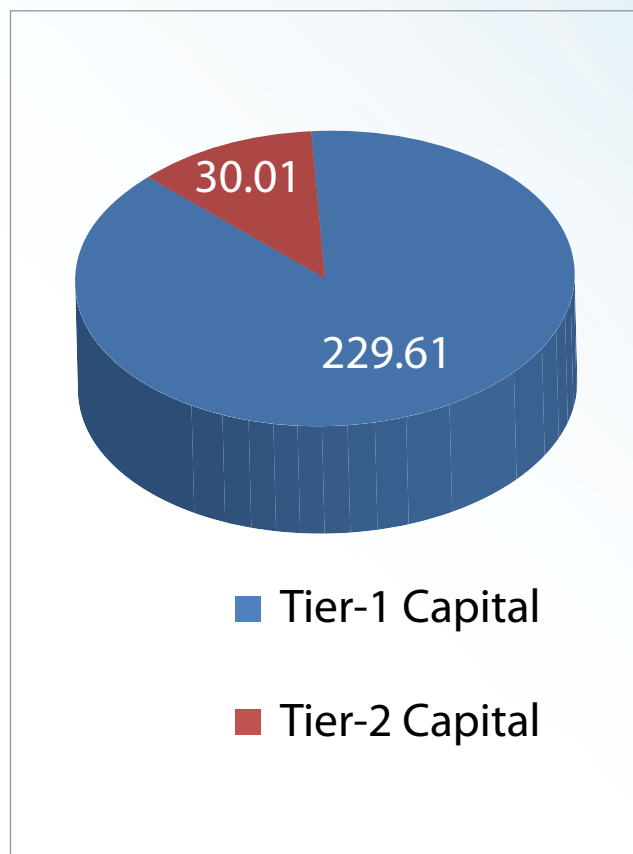
Particulars	2015	2014
Paid up capital	130.91	130.91
Statutory reserve	44.32	40.51
Non-repayable share premium account	22.09	22.91
General reserve	25.00	25.00
Retained earnings	7.29	34.49
Minority interest in subsidiaries	-	-
Non-cumulative irredeemable preference shares	-	-
Dividend equalization account	-	-
Total Tier-1 (Core Capital)	229.61	253.00
Deductions from Tier-1 Capital	-	
Tier-2 (Supplementary Capital)		
General Provision(Unclassified loans up to specified limit+SMA+off Balance Sheet exposure)	9.52	13.05
Asset Revaluation Reserves up to 50%	20.49	20.49
Tier-2 Capital	30.01	33.54
Total Eligible Capital (1+2)	259.62	286.54



Consolidated Tier 1 Capital



Consolidated Total Capital



Risk Weighted Assets (RWA)

Particulars	2015	2014
A. Credit Risk:	1005.52	1044.72
On-Balance sheet	1005.52	1044.72
Off-Balance sheet	-	-
B. Market Risk	334.46	218.82
C. Operational Risk	40.30	41.20
Total Risk Weighted Assets	1380.28	1304.74

Anti-Money Laundering/Combating the Financing of Terrorism:

Money Laundering has been identified as a major threat to the financial services community. It is important that the management of Bay Leasing consider the prevention of money laundering as part of their core risk management strategies and not simply treat it as a stand-alone requirement that is being imposed by the legislation.



As financial organizations are committed to the prevention of money laundering, the management of BLIL has taken the following program:

- Formation of Central Compliance Unit (CCU) at Corporate Office headed by Chief Anti Money Laundering Compliance Officer (CAMLCO).
- Formation of Branch Compliance Unit (BCU) at Principal Branch headed by Branch Anti Money Laundering Compliance Officer (BAMLCO).
- Know Your Customer (KYC) have now become an integral part of an account relationship. They are mandatory and a vital reference point to all account relationships.
- Appropriate customer identification, record keeping and primary points of consideration. The company has a policy to keep all related documents/records for a minimum of five years even after closure of account.
- Workshops and seminars have been attended by the staffs to upgrade their skills on AML procedures.

Internal Control & Compliance:

Internal Control & Compliance mechanisms and actions are taken to correct/rectify deficiencies as they are identified. Internal Control & Compliance is not only for getting things done but also to assure that they are done properly.

ICC plays a vital role in building up a culture of transparency and accountability. Internal Control & Compliance Unit of Bay Leasing is an integral part of Management and a foundation for safe and sound operation. To reduce the operational risks of the company the unit conducts regular audit/inspection on the business affairs.

The Division also ensures implementation of various instructions given by the regulatory bodies the Board of Directors, Executive Committee of the Board and the Board Audit Committee of the company.

The general and specific objectives of the ICCU are:

To find out whether the books of accounts and financial statements are properly drawn in accordance with the Financial Act 1993, IAS and BAS & other Regulatory Bodies.

To detect and prevent fraud and errors.

To detect operational weakness of the company.

To provide proper guidance to the human resources of the company to perform their duties well.

To provide guidance for training up the personal of the company on the basis of common error and lapses committed by them in day to day operations.

To provide Board and Management with the information whether there is any deviation from the set principals, policies & objectives.

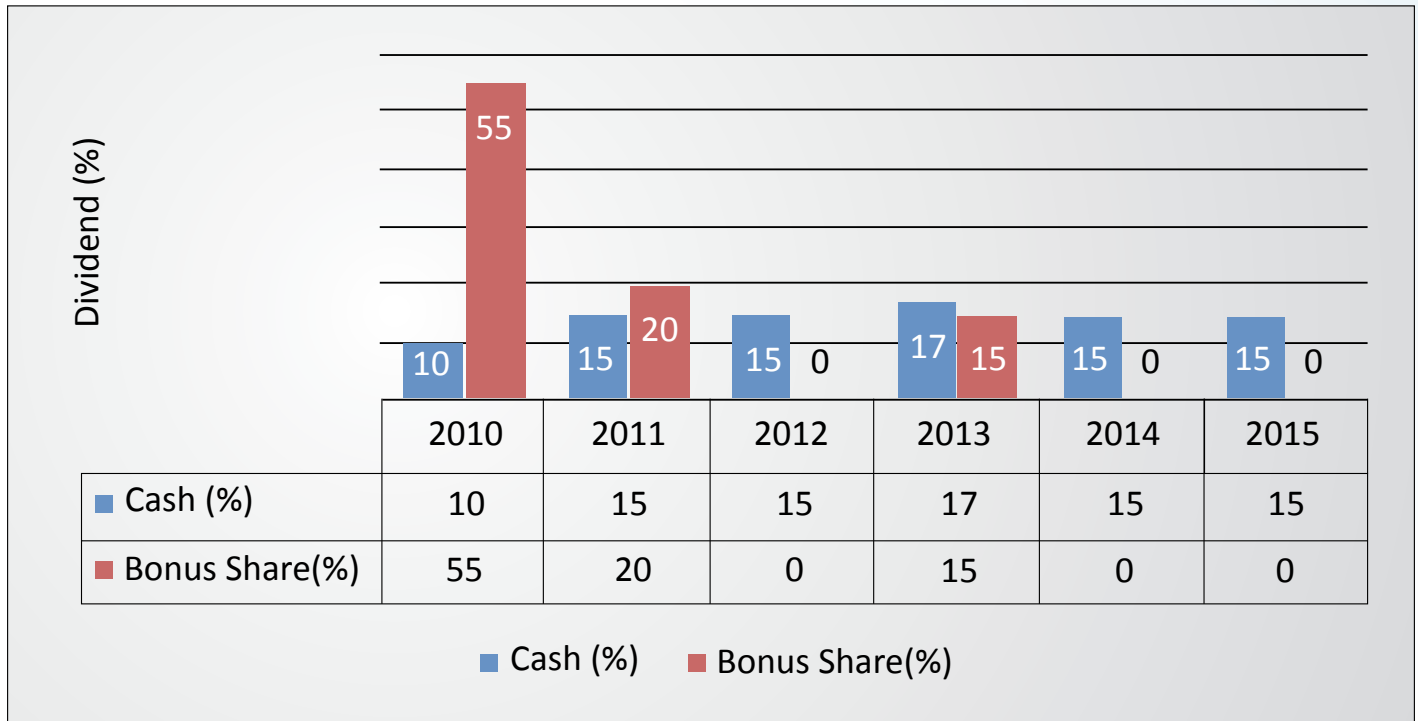
SME

Small and medium enterprises play a vital role in economic growth of Bangladesh. In Bangladesh, almost 90% of the entire private sector lies under the category of small and medium enterprises. SMEs play significant role in reducing unemployment rate and fostering economic growth. Bangladesh Government promotes and supports this industry to increase the effectiveness of the SME businesses. SME sector of Bangladesh contributed up to 25% of Bangladesh's GDP last year. To promote SME industry, the SME division of BLIL not only gives loans, but also provides advocacy to increase their operating efficiency. Women Entrepreneur Dedicated Desk of BLIL is focused on sanctioning loans to the women entrepreneurs and subsequently seek refinance from Bangladesh Bank at a low interest rate. BLIL disbursed 11.13% of the total lending portfolio to the small and medium enterprises in the year 2015.



Declaration of Dividend

The Board of Directors in its meeting held on 30th April, 2015 recommended Cash dividend of 15% for the year 2014. The shareholders of our company always received satisfactory dividends each year. The rates of Cash Dividend and Stock Dividend declared by the Company since 2009 are shown below:



Corporate Governance

The corporate governance status of BLIL is very positive. BLIL complies with the existing corporate governance requirements applicable for the NBFIs in Bangladesh. The corporate governance compliance status is reviewed by an independent 3rd party.

Election and Re-election of Directors

In terms of Article 126 of the Articles of Association, one third of the Directors for the time being or if their number is not three or multiples of three (3) then the number nearest to one third (1/3 rd) shall retire in rotation from office. The number of Directors of the financial institute is 7 (seven). So, two (2) Directors being nearest one-third of seven shall retire in the 20th Annual General Meeting. Accordingly, the following two (2) Directors is due to retire in the 20th Annual General Meeting.

01. Prof.Suraiya Begum
02. Prof.Shahid Uddin Ahmed



In compliance of Notification No.SEC/CMRRCD/2006-158/134/Admin/44 dated 07, August 2012 of Bangladesh Securities and Exchange Commission (BSEC) a brief is appended below about them.

Sl no.	Name	Designation	Entitle Where they have interest
01	Prof. Suraiya Begum	Director	
02.	Prof. Shahid Uddin Ahmed	Independent Director	Independent Director: Argoan Denim Fabrics Ltd.

As Per Article 128 of the articles of association, of the Company the retiring directors are eligible for re-election, hence the Board recommends for re-appointment of the retiring directors in the 20th Annual General Meeting of the Company.

Appointment of new Directors

Three new Directors whose names are given below were inducted in the Board of BLIL in June 2014 to comply with Bangladesh Bank's FID Circular 09/2002

1. Prof. Suraiya Begum (approved in 118th Board meeting held on 22.06.2014)
2. Prof. Shahid Uddin Ahmed (Ph.D) (approved in 117th Board meeting held on 11.06.2014)
3. Mr. Shahid Hossain, representing Southeast Bank Limited.

(approved in 117th Board meeting held on 11.06.2014).

Business Ethics

BLIL believes and encourages a level playing field in its relationship and business. As BLIL is concerned about customer welfare, BLIL understands the need of customers by extending facilities to the right clients on fair terms. To increase the degree of service, a suggestion/complaint box is in place so that the customers can notify the senior/ top management about the problems they face. BLIL maintains strong relationship with corporate clients in running up the business so that all the parties remain in a win-win situation.

Directors' Responsibilities in Preparing Financial Statements

The Directors are responsible for preparing the company's financial statements in accordance with applicable laws and regulations. The Board confirms that the financial statements have been prepared under the applicable laws and regulations as per requirements of regulatory authorities.

Accounting Policies & Maintenance of Books of Accounts

The Directors considered that in preparing the financial statements, the company has used appropriate policies, consistently applied and supported by reasonable and prudent judgments and estimates and that all international accounting standard as adopted by the institute of Chartered Accountants of Bangladesh (ICAB) have been followed. In preparing financial statements, information has been obtained from the books of accounts which have been maintained properly as required by the applicable rules and regulations.



Fairness of Accounts

The Directors accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Financial Reporting Standards (IFRS) and the requirements of Companies Act, 1994. The Directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the company and of their profits for the year ended December 31, 2015.

Directors Statements Pursuant to the Disclosure and Transparency

The Directors confirms that to the best of each director's knowledge and belief:

The financial statements, prepared in accordance with IAS/IFRS and BAS/BFRS as adopted by ICAB, give a true and fair view of the assets, liabilities, financial position and result of the company, and

The management report contained in the operational and financial review includes a fair review of the development and performance of the business and position of the company, together with a description of the principal risks and uncertainties.

The internal control system is properly designed, implemented and effectively monitored.

Report on the Compliance of the Conditions of BSEC's Notification

The directors are required by the BSEC'S notification dated August 07, 2012 to report on the compliance of certain conditions. The notification was issued for the purpose of establishing a framework for ensuring good governance practices in the listed companies for the interest for the investors and the capital market. A statement on the compliance with the BSEC'S conditions is given on the succeeding part of this report.

Appointment of External Auditor

Syful Shamsul Alam & Co., Chartered Accountants were appointed external auditor of the company for the year 2014 at the 18th Annual General Meeting. They have audited the books of accounts for the period covering 1st January 2014 to 31st December 2014.

Note of Appreciation

The undersigned and the Board of Bay Leasing & Investment Limited warmly appreciate the support and express gratitude to Bangladesh Bank, Securities and Exchange Commission. Dhaka Stock Exchange, Chittagong Stock Exchange, Registrar of Joint Stock Companies & Firms, National Board of Revenue and Central Depository Bangladesh Limited for their continued assistance and guidance during the year.

Heartfelt appreciation goes to all our valued customers, partner banks, patrons and well wishers for their generous support and co-operation. My special thanks and sincere appreciation on behalf of the Board goes to the management and members of the staff for their hard work, dedication and loyalty towards the company.

Finally, my sincere appreciaiton and thanks to all of my colleagues of the Board and all respected shareholders for their support and trust in our efforts to enhance the wealth and economic value of Bay Leasing & Investment Limited.

M. Ghani

Dr. Maswooda Ghani
Chairman



Report of the Audit Committee

The role and terms of reference of the Audit Committee is to assist the Board in fulfilling their oversight responsibilities regarding the integrity of Bay Leasing's financial statements, risk management and internal control, internal and external audit functions, compliance with laws and regulations and the external auditors' performance and independence.

Composition and members of the audit Committee

In compliance with Bangladesh bank circular dated October 26, 2011 and Corporate Governance Notification issued by BSEC on 07 August 2012, the Audit Committee was constituted. The present members of the committee are as follows:

Name	Status in the Committee	Status in the Board
Mr. Sheikh Abdul Hafiz FCA	Chairman	Independent Director
Prof. Suraiya Begum	Member	Director
Mr, Tarik Sujat	Member	Director
Mr. Zubayer Kabir	Member	Director
Mr. Zakir Ahmed Khan	Member	Independent Director

As per regulatory guidelines the Company Secretary of Bay Leasing Mr. M. Maniruz Zaman Khan is the secretary of the Audit Committee.

Meetings of the Audit Committee

Four meetings were held during 2015. The Managing Director of Bay Leasing attended the meetings as an invitee and other invitees were the Chief Financial Officer and the relevant heads of divisions.

Terms of Reference of the Audit Committee

- Mr. Sheikh Abdul Hafiz FCA, in his capacity as the Independent Director, shall be the Chairman of the Audit Committee.
- The tenure of office of the Audit Committee shall be for 3 (three) years.
- The Company Secretary shall act as secretary to the Audit Committee.
- The terms of reference of the Audit Committee shall also be as specified in the DFIM Circular and BSEC's Notification of 2012.

Internal Audit

- Received reports from the internal auditors.
- Monitored the performance of the internal audit function.
- Reviewed the internal audit plan.
- Reviewed the appropriate system and controls are in place for effectiveness of internal audit function.
- Monitoring independence of audit work.



External Audit

Syful Shamsul Alam &Co, Chartered Accountants acted as external auditors to the company for the year. The external auditors are not engaged by the company on any non-audit work.

Reporting of the Audit Committee

The audit Committee reported its findings/observations to the Board of Directors. According to BSEC Notification, during the year 2015.

Independence of External Auditor

As a policy, the committee prohibits the external auditors from performing any work that they may subsequently needed to audit or which might otherwise create a conflict of interest. The committee also monitors the balance between audit and non-audit related functions to ensure that the auditors' independence are maintained. The Chief Financial Officer is permitted to engage the external auditors on matters that do not create such conflicts.

The committee considered the independence expertise and objectivity of external auditors and also reviewed their effectiveness as external auditors before submitting the recommendation to the board that their re-election could be proposed to the shareholders.

Acknowledgement

The members of the Audit Committee express their thanks to the Board of Directors and the Management for their cooperation while performing its duties and responsibilities.

Sheikh Abdul Hafiz FCA

Chairman, Audit Committee



Status of Compliance on Corporate Governance

Status of compliance with the conditions imposed by the Bangladesh Securities and Exchange Commission's Notification No SEC/CMRRCD/2006-158/134/Admin/44 dated 07 august, 2012 issued under section 2CC of the Bangladesh Securities and Exchange Ordinance, 1969 is presented below:

Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
1	Board of Directors (BoD)			
1.1	Board's Size: Board's Size(number of board members-minimum 5 and maximum 20)	√		
1.2	Independent Directors			
1.2(i)	At least one fifth (1/5) of the total number of directors shall be Independent directors	√		
1.2(ii)	Independent Director means a director			
1.2(ii) (a)	Who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company	√		
1.2(ii) (b)	Who is not a sponsor of the company and is not connected with the company's any sponsor or director or shareholder who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship. His/her family members also should not hold above mentioned shares in the company	√		
1.2(ii) (c)	Who does not have any other relationship whether pecuniary or otherwise with the company or its subsidiary/associated companies	√		
1.2(ii) (d)	Who is not a member, director or officer of any stock exchange	√		
1.2(ii) (e)	Who is not a shareholder, director or officer of any member of stock exchange or an intermediary of the capital market	√		
1.2(ii) (f)	Who is not a partner or executive or was not a partner or an executive during the preceding 3 (three) years of the companies statutory audit firm	√		
1.2(ii) (g)	Who shall not been an independent director in more than 3 (three) listed companies	√		
1.2(ii) (h)	Who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a bank or a Non-Bank Financial Institution(NBFI)	√		
1.2(ii) (i)	Who has not been convicted for a criminal offence involving moral turpitude	√		
1.2(iii)	Independent Director(s) shall be appointed by the board of directors and approved by the shareholders in the Annual General Meeting(AGM)	√		
1.2(iv)	The post of independent director(s) cannot remain vacant for more than 90(ninety)days	--	--	No vacancy occurred
1.2(v)	The Board shall lay down a code of conduct of all board members and annual compliance of the code to be recorded	√		



Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
1.2(vi)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) term only	√		
1.3	Qualification of Independent director(ID)			
1.3(i)	Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial regulatory and corporate laws and can make meaningful contribution to business	√		
1.3(ii)	Independent Director should be Business Leader/Corporate Leader/ Bureaucrat/University Teacher with Economics or Business Studies or law background/ Professional like Chartered Accountants, Cost & Management Accountants, and Chartered Secretaries. The independent director must have at least 12(twelve) years of corporate management/ professional experiences	√		
1.3(iii)	In special cases the above qualifications may be relaxed subject to prior approval of commission	-	-	Not applicable
1.4	The Chairman of the board and the Chief executive officer: The Chairman of the board and the Chief executive officer (CEO) shall be different individuals. The chairman shall be elected from the directors. The Board of Directors shall clearly define respective roles and responsibilities of the Chairman and the CEO	√		
1.5	The directors' report shall include the following additional statements under section 184 of the companies Act, 1994 (Act No. XVIII of 1994)			
1.5(i)	Industry outlook and possible future developments in the industry	√		
1.5(ii)	Segment-wise or product –wise performance	√		
1.5(iii)	Risk and concerns	√		
1.5(iv)	A discussion on Cost of goods sold, Gross profit Margin and Net Profit Margin	√		
1.5(v)	Discussion on continuity of any Extra-Ordinary gain or loss	--	--	Not applicable
1.5(vi)	Basis for related party transactions-a statement of all related party transactions should be disclosed in the annual report	√		
1.5(vii)	Utilization of proceeds from public issues, right issues and/or through any other instruments			Not applicable
1.5(viii)	An explanations if the financial results deteriorate after the company goes for Initial Public Offering(IPO)			Not applicable
1.5(ix)	If significant variance occurs between quarterly financial performance and annual financial statements the management shall explain about the variance	√		
1.5(x)	Remuneration to directors including independent directors	√		
1.5(xi)	The financial statements present fairly its state of affairs , the result of its operations, cash flows and changes in equity	√		
1.5(xii)	Proper books of account have been maintained	√		



Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
1.5(xiii)	Adaption of appropriate accounting policies & estimates	√		
1.5(xiv)	IAS/BAS/IFRS/BFRS as applicable in Bangladesh have been followed and adequate disclosure for any departure	√		
1.5(xv)	The system of internal control is sound in design and has been effective implemented and monitored	√		
1.5(xvi)	Going Concern (ability to continue as a going concern)	√		
1.5(xvii)	Highlight and explain significant deviations from the last years operating results	√		
1.5(xviii)	Key operating and financial data of at least preceding 5(five) years shall be summarized	√		
1.5(xix)	Reason for non declaration of dividend	-	-	Not applicable
1.5(xx)	The number of board meeting held during the year and attendance by each director	√		
1.5(xxi)	Pattern of shareholding and name wise details (disclosing aggregate number of shares)	√		
1.5(xxi)(a)	Parent/Subsidiary/Associate Companies and other related parties	√		
1.5(xxi)(b)	Directors, Chief Executive Officer(CEO), Company Secretary(CS), Chief Financial Officer(CFO), Head of Internal Audit(HIA) and their spouses and minor children	√		
1.5(xxi)(c)	Top five executives other than mentioned above			Not applicable
1.5(xxi)(d)	Shareholders holding ten percent(10%) or more voting interest in the company			Not applicable
1.5(xxii)	In case of the appointment/re-appointment of a director, disclose			
1.5(xxii)(a)	A brief resume of the director	√		
1.5(xxii)(b)	Nature of his/her expertise in specific functional areas	√		
1.5(xxii)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the board	√		
2.	Chief Financial Officer(CFO) Head of Internal Audit and Company Secretary(CS):			
2.1	Appointment: Appointment of CFO, HIA and CS and defining their respective roles, responsibilities & duties		√	CFO, CS is the same persons. Segregation is under process
2.2	Requirement to attend the Board Meetings: The CFO and the CS shall attend the meeting of the board of directors	√		
3	Audit Committee			
3(i)	The company shall have an Audit Committee as a sub-committee of the BoD	√		
3(ii)	The Audit Committee shall assist the BoD 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	√		



Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
3(iii)	The Audit Committee shall be responsible to the Bod. The duties of the audit committee shall be clearly set forth in writing	√		
3.1	Constitution of the Audit Committee			
3.1(i)	The Audit Committee shall be composed of at least(3)three members	√		
3.1(ii)	The BoD shall appoint members of the audit committee who shall be directors of the company and shall include at least 1(one) Independent Director	√		
3.1(iii)	All members of the audit committee should be “financially literate” and at least 1(one) member shall have accounting or related financial management experience	√		
3.1(iv)	Expiration of the term of service of Audit Committee members making the number lower than 3 (three) and fill up the vacancy(ies) by the board not later than 1(one) month from the date of vacancy(ies)	-	-	No vacancy occurred
3.1(v)	The company secretary shall act as the secretary of the committee	√		
3.1(vi)	The quorum of the audit committee meeting shall not constitute without at least 1(one) independent director	√		
3.2	Chairman of the Audit committee			
3.2(i)	The BoD shall select the chairman of the Audit Committee who shall be an independent director	√		
3.2(ii)	Chairman of the audit committee shall remain present in the AGM	--	--	Will be ensured
3.3	Role of Audit Committee			
3.3(i)	Oversee the financial reporting process	√		
3.3(ii)	Monitor choice accounting policies and principles	√		
3.3(iii)	Monitor Internal Control Risk management process	√		
3.3(iv)	Oversee hiring and performance of external auditors	√		
3.3(v)	Review the annual financial statements before submission to the board for approval	√		
3.3(vi)	Review the quarterly and half yearly financial statements before submission to the board approval	√		
3.3(vii)	Review the adequacy of internal audit function	√		
3.3(viii)	Review statements of significant related party transactions submitted by the management	√		Management Report
3.3(ix)	Review Management Letters/Letter of Internal Control weakness issued by statutory auditors	√		
3.3(x)	Disclosure to the audit committee about the uses /applications of IPO funds by major category (capital expenditure, sales and marketing expenses, working capital etc) on a quarterly basis, as a part of their quarterly declaration of financial results. Further on an annual basis shall prepare a statement of funds utilized for the purposes other than those stated in the prospectus	--	--	Not applicable



Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
3.4	Reporting the Audit Committee			
3.4.1	Reporting to the Board of Directors			
3.4.1(i)	The Audit Committee shall report on its activities to the Board of Directors	√		
3.4.1(ii)	The Audit Committee shall immediately report to the Board of Directors on the following findings if any:-			
3.4.1(ii)(a)	Reporting on conflicts of interest	None		
3.4.1(ii)(b)	Suspected or presumed fraud or irregularity or material defect in the internal control system	None		
3.4.1(ii)(c)	Suspected infringement of laws, including securities related laws, rules and regulations	None		
3.4.1(ii)(d)	Any other matter which shall be disclosed to the Board of Directors immediately	None		
3.4.2	Reporting to the Authorities			
3.4.2	Reporting to BSEC(if any material impact on the financial condition & results of operation, unreasonably ignored by the management)	None		
3.5.	Reporting to the shareholders and General Investor: Reporting to the shareholders of audit committee activities, which shall be signed by the chairman and disclosed in the annual report	√		
4.00	External/Statutory Auditors			
4(i)	Non-engagement in appraisal or valuation services or fairness opinion	√		
4(ii)	Non-engagement in designing and implementation of Financial information systems	√		
4(iii)	Non-engagement in book keeping or other services related to the accounting records or financial statements	√		
4(iv)	Non-engagement in Broker – dealer services	√		
4(v)	Non-engagement in actuarial services	√		
4(vi)	Non-engagement in internal audit services	√		
4(vii)	Non-engagement in any other services that the audit committee determines	√		
4(viii)	No partner or employees of the external audit firms shall possess any share of the company during the tenure of their assignment	√		



Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
5.00	Subsidiary Company			
5(i)	Provision relating to the composition of the BoD of the holding company shall be made applicable to the composition of the BoD of the subsidiary company	√		
5(ii)	At least 1(one) independent director on the BoD of the holding company shall be a director on the BoD of the subsidiary company	√		
5(iii)	The minutes of the board meeting of the subsidiary company shall be placed for review at the following board meeting of the holding company	√		
5(iv)	The minutes of the respective board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also	√		
5(v)	The audit committee of the holding company shall also review the financial statements, in particular the investment made by the subsidiary company	√		
6	The CEO and CFO shall certify to the board that they have reviewed financial statements for the year and that to the best of their knowledge and belief			
6(i)(a)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading	√		
6(i)(b)	These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws	√		
6(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 violation of the company's code of conduct	√		
7(i)	Obtaining certificate from a practicing Professional Accountant/Secretary regarding compliance of conditions of Corporate Governance Guidelines of the BSEC and include in the Annual Report	√		
7(ii)	Directors statements in the directors report whether the company has complied with these conditions	√		



পিনাকী এণ্ড কোম্পানী
Pinaki & Company

Chartered Accountants



CERTIFICATE ON COMPLIANCE OF CORPORATE GOVERNANCE GUIDELINES

We have examined the compliance of conditions of corporate governance guidelines of Bangladesh Securities And Exchange Commission (BSEC) by Bay Leasing & Investment Limited as stipulated in clause 7(i) of the BSEC notification no. SEC/CMRRCD/2006 – 158/134/admin/44 dated August 07, 2012 and SEC/CMRRCD/2006-158/147/Admin/48 dated 21 July, 2013 (the “conditions of corporate governance guidelines”) for the year ended 31st December 2014.

The compliance of conditions of corporate governance guidelines as stated in the aforesaid notification and reporting of the status of compliance is the responsibility of the company’s management. Our examination for the purpose of issuing this certification was limited to the checking of procedures and implementations thereof, adopted by the company for ensuring the compliance of conditions of corporate governance and correct reporting of compliance status on the attached statement on the basis of evidence gathered and representation received.

According to the information and explanations provided by the company, we hereby certify that in our opinion, the company has complied with all the conditions of Corporate Governance Guidelines issued by BSEC.

Pinaki Das
Pinaki Das, FCA
Senior Partner
ICAB Enrolment No. 151
For Pinaki & Company
Chartered Accountants.

Dhaka, April 27, 2016

An Independent Associate Member of Thakur, Vaidyanath Aiyar & Co., Chartered Accountants, New Delhi, India.

Dhaka : AHSANDELL, 2/A, Mymensingh Road (2nd Floor), Shahbag, Dhaka-1000, Bangladesh

Tel # 966-0944, 966-5095, E-mail : pinaki_co@yahoo.com Fax # 88-02-9672726, Mobile # 01711-364850, 01711-106302



LIST OF DIRECTORS SHAREHOLDING POSITION AS ON December 31,2015

Total paid up capital (Taka): 1,309068000

Total number of share : 130,906,800

Shareholding of Sponsor Directors

SL. No.	Name of Sponsor Directors	Status	No.of shares	% of total No. of Paid-up Shares
1	Dr. Maswooda Ghani	Chairman	7,914,300	6.05%
2	Prof.Suraiya Begum	Director	2,808,700	2.15%
3	Mr. Tarik Sujat	Director	2,731,530	2.09%
4	Mr. Zubayer Kabir	Director	2,618,550	2.00%
6	Mr. Sheikh Abdul Hafiz	Independent Director	-	0.00%
5	Mr.Zakir Ahmed khan	Independent Director	-	0.00%
7	Prof.Shahid Uddin Ahmed	Independent Director	-	0.00%
	Total		16,073,080	12.28%

Senior Executives Shareholding position

SL #	Name of Shareholders	Designation	Number of Shares	% of Holdings
1.	Iftekhar Ali Khan	Managing Director	-	-
2.	Md. Lutfur Rahman	Executive Vice President	-	-
3.	M. Maniruz Zaman Khan	Senior Vice President	-	-
4.	Mohammad Rashedul Islam	Senior Assistant Vice President	-	-



Attendance in the Board of Directors meeting during January -2015 to December -2015

SL No	Name of Sponsor Directors/ Shareholders	Status	Total Meeting	Attended	Remarks
1	Dr. Maswooda Ghani	Chairman			The Directors who could not attend any meeting were granted leave of absence
2	Prof. Suraiya Begum	Director			
3	Mr. Tarik Sujat	Director			
4	Mr. Zubayer Kabir	Director			
5	Mr. Zakir Ahmed Khan	Independent Director			
6	Mr. Sheikh Abdul Hafiz	Independent Director			
7	Mr. A.H.M Moazzem Hossain	Independent Director			
8	Prof Shahid Hossain	Independent Director			
9	Mr. Shahid Hossain	Nominee Director of SEBL			



Green Banking Initiatives



Society is facing most complicated issues of climate change. People nowadays are more conversant with global warming and its inherent consequences on human life. So change is the need of the hour for the survival and continuous efforts should be made for the environmental management in a sustainable manner. It is not only the concern of the government and the direct polluters but also of other stakeholders like financial institutions such as NBF, which are playing a fundamental role in the development of the society. Banking activities are not physically related to the environment, but the external impact of their customer activities is substantial. So

NBF adopted green strategies into their operations, buildings, investments and financing strategies.

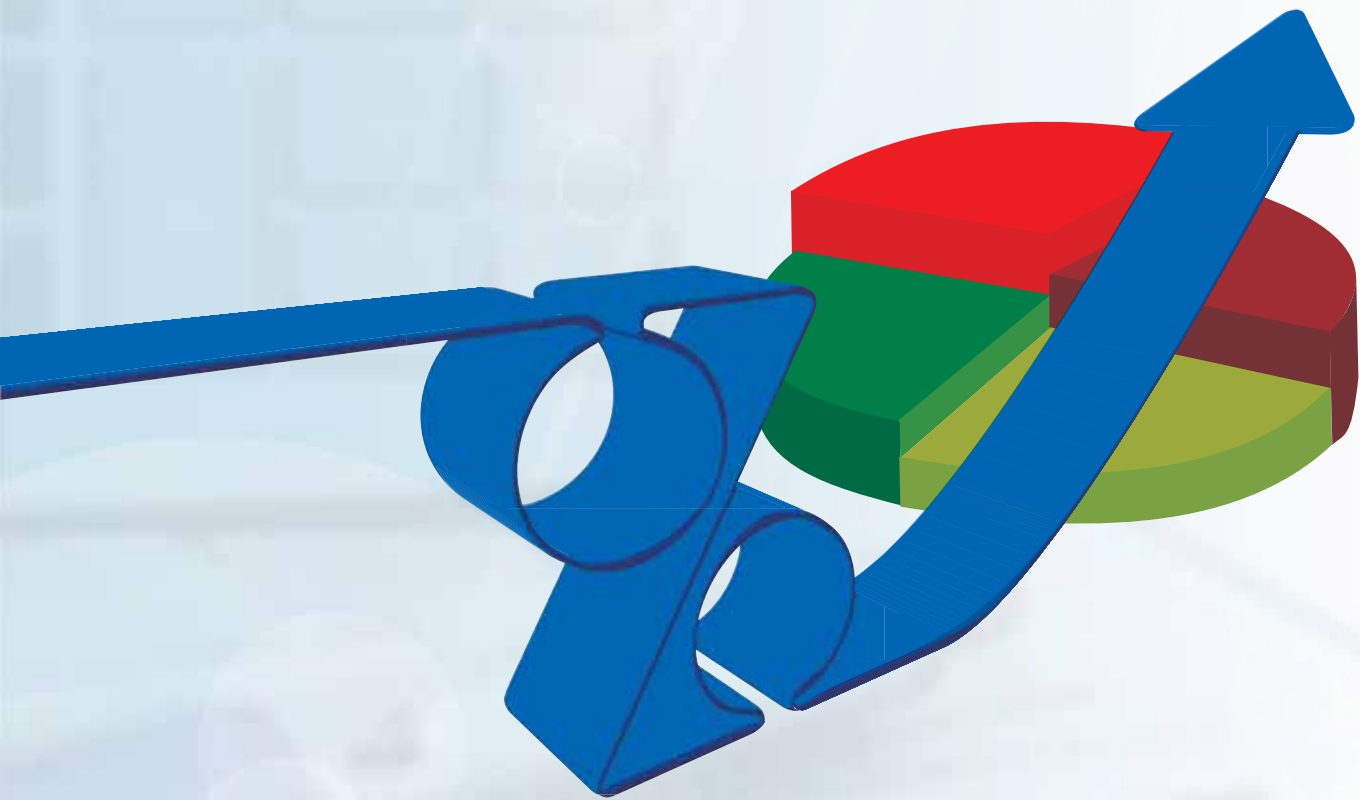
“Green Bank is like a normal bank, which considers all the social and environmental / ecological factors with an aim to protect the environment and conserve natural resources”. It is also known as ethical bank or sustainable bank.

Green is becoming a symbol of Eco consciousness in the world. In response to increasing awareness over the climate change, environmental degradation, urgent measures for sustainable development and as per instruction of Bangladesh Bank Bay Leasing & Investment Ltd. has already established its “Green Banking Policy” and “Green Banking Unit” with the responsibility of developing policies, planning and administering the green banking initiatives of the Bay Leasing & Investment Ltd. Some aspects across the organization are as follows:



Auditors' REPORT

Bay Leasing & Investment Limited





Independent Auditors' Report to the shareholders of Bay Leasing & Investment Limited

We have audited the accompanying consolidated financial statements of Bay Leasing & Investment Limited ("the Company") and its subsidiary (the "Group") as well as the separate financial statements of Bay Leasing & Investments Limited (the "Company"), which comprises the consolidated and separate Balance sheet as at 31 December 2015, consolidated and separate Profit & Loss account, consolidated and separate Statement of Changes in Equity and consolidated and separate Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements of the Group and also the separate financial statements of the Company that give a true and fair view in accordance with Bangladesh Financial Reporting Standards (BFRS) as explained in note 2.3, the Financial Institution Act 1993, the rules and regulations issued by the Bangladesh Bank, the Securities and Exchange Rules 1987, the Companies Act 1994 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements of the Group and also the separate financial statements of the Company that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the consolidated financial statements of the Group and the separate financial statements of the Company give a true and fair view of the consolidated Balance sheet of the Group and the separate Balance sheet of the Company as at 31 December 2015, and of its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards (BFRS) as explained in note 2.3 and comply with the Financial Institution Act 1993, the rules and regulations issued by Bangladesh Bank, the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.



Report on Other Legal and Regulatory Requirements

We also report that:

- i) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof and found satisfactory;
- ii) in our opinion, proper book of account as required by law have been kept by the Company so far as it appeared from our examination of those books;
- iii) financial statements of subsidiary Company of the entity namely BLI Capital Limited has been audited by Pinaki & Company, Chartered Accountants and issued an unqualified opinion;
- iv) the consolidated balance sheet and consolidated profit and loss of the Group and the separate balance sheet and profit and loss statement of the Company together with annexed notes from 1 to 38 dealt with by the report are in agreement with the books of account;
- v) the expenditure incurred was for the purpose of the Group and the Company's business;
- vi) the consolidated financial statements of the Group and those of the Company have been drawn up in conformity with the Financial Institution Act 1993 and in accordance with the accounting rules and regulations issued by the Bangladesh Bank to the extent applicable to the Company;
- vii) the records submitted by the parent company and the subsidiary company have been properly maintained and consolidated in the financial statements;
- viii) adequate provisions have been made as per decision taken in tripartite meeting amongst Inspection Team of Bangladesh Bank, External Auditors and the Management of Bay Leasing & Investment Limited held on February 28, 2016 for leases and advances and other assets which are doubtful of recovery;
- ix) statements sent to Bangladesh Bank has been checked on sample basis and no inaccuracy has come to our attention;
- x) taxes and other duties collected and deposited to Government treasury by the company as per Government instructions found satisfactory;
- xi) nothing has come to our attention that the company has adopted any unethical means i.e. 'window dressing' to inflate the profit and mismatch between the maturity of assets & liabilities;
- xii) proper measures have been taken to eliminate the irregularities mentioned in the inspection report of Bangladesh Bank and the instructions issued by Bangladesh Bank & other regulatory authorities have been found complied;
- xiii) the internal control and compliance of the company is satisfactory, and effective measures have been taken to prevent possible fraud, forgery and internal policies are being followed;
- xiv) the Company has complied with relevant laws pertaining to capital, reserve & net worth, cash & liquid assets and procedure for sanctioning & disbursing loans/leases found satisfactory;
- xv) the consolidated financial statements of the Group and the separate financial statement of the Company conform to the prescribed standards set in the accounting regulations issued by Bangladesh Bank after consultation with the professional accounting body of Bangladesh;
- xvi) we have reviewed over 80% of the risk weighted assets of the Group and the Company during the course of our audit and we have spent over 1,056 person-hours for the audit of books and accounts of the Group and the Company;
- xvii) all other matters which are important for the stake holders of the company have been disclosed in the audit report;

Place : Dhaka
Dated: 20 April, 2016

Syful Shamsul Alam & Co.
Chartered Accountants

Bay Leasing & Investment Limited
Consolidated Balance Sheet
as at December 31, 2015

Particulars	Notes	(Amount in Taka)	
		31-12-2015	31-12-2014
PROPERTY AND ASSETS			
Cash		61,037,685	47,576,093
In hand (including foreign currencies)	3 a	457,555	244,846
Balance with Bangladesh Bank and its agent bank (s) (including foreign currencies)	3.02	60,580,130	47,331,247
Balance with banks and other financial institutions	4 a	248,143,237	223,443,860
In Bangladesh		248,143,237	223,443,860
Outside Bangladesh		-	-
Money at call and short notice	5.00	-	-
Investments	6 a	1,620,244,263	1,377,550,275
Government		-	-
Others		1,620,244,263	1,377,550,275
Lease, loans and advances	7 a	7,869,125,807	6,393,997,999
Lease, loans and advances		7,869,125,807	6,393,997,999
Bills purchased and discounted		-	-
Fixed assets including premises, furniture and fixtures	8 a	1,043,184,319	1,051,782,756
Other assets	9 a	347,994,371	474,538,027
Non - financial institutional assets		-	-
Total Assets		11,189,729,682	9,568,889,010
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from banks, other financial institutions and agents	10.01 a	3,848,504,646	3,207,516,291
Deposits and other accounts	11 a	3,861,721,988	2,874,213,000
Term Deposits		3,646,905,117	2,745,775,742
Flexi Savings		27,000	12,000
Super DPS		8,602,800	5,565,000
Double Money Plan		39,787,879	9,405,000
Bearer certificates of deposit		-	-
Other Deposits		166,399,192	113,455,258
Other liabilities	12 a	741,857,706	645,280,731
Total Liabilities		8,452,084,340	6,727,010,022
Capital / Shareholders' equity			
Paid- up capital	13.02	1,309,068,000	1,309,068,000
Statutory reserve	14.00	443,263,000	410,968,000
Share premium	15.00	220,932,000	220,932,000
General reserve	16.00	250,000,000	250,000,000
Assets revaluation reserve	17.00	409,749,806	409,749,806
Retained surplus	18 a	104,622,112	241,149,976
Total equity attributable to the equity holders of the company		2,737,634,919	2,841,867,782
Non-Controlling Interest	19.00	10,423	11,206
Total Liabilities and Shareholders' Equity		11,189,729,682	9,568,889,010

Bay Leasing & Investment Limited
OFF-BALANCE SHEET ITEMS
as at December 31, 2015

Particulars	Notes	(Amount in Taka)	
		31-12-2015	31-12-2014
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 commitments		-	-
Total Off-Balance Sheet items including Contingent Liabilities		-	-

The annexed notes 1 to 38 form an integral part of these financial statements.

M. Ghani
Chairman

[Signature]
Director

[Signature]
Managing Director

[Signature]
Company Secretary

As per our report of same date.

Dated: 20 April, 2016

[Signature]
Syful Shamsul Alam & Co.
Chartered Accountants

Bay Leasing & Investment Limited
Consolidated Profit & Loss Accounts
For the year ended December 31, 2015

	Notes	(Amount in Taka)	
		31-12-2015	31-12-2014
Interest Income	21 (a)	859,169,744	729,502,214
Interest paid on Deposit, Borrowing etc.	22 (a)	(699,975,723)	(607,076,531)
Net Interest Income		159,194,021	122,425,683
Investment Income	23 (a)	54,729,800	102,620,875
Commission, Exchange and Brokerage Income	24 (a)	23,065,639	36,771,812
Other Operating Income	25 (a)	22,179,717	20,508,007
Total Operating Income (A)		259,169,177	282,326,377
Rent, taxes, insurance, electricity, etc	26 (a)	32,659,898	26,868,587
Legal expenses	27 (a)	6,766,592	4,204,840
Postage, stamp, telecommunication, etc		305,440	156,190
Stationery, Printing, advertisement, etc.	28 (a)	1,783,976	1,307,997
Managing Director's salary and benefits	29 (a)	2,337,591	2,349,773
Director's fees		6,074,857	7,442,094
Auditor's fees	30.00	400,000	395,000
Charges on Loan Losses	31.00	253,000	182,250
Depreciation and repairs of assets		-	-
Other expenses	32 (a)	21,162,062	13,526,667
Total operating expenses (B)	33 (a)	77,761,395	65,394,237
Profit before provision (C=A-B)		181,407,782	216,932,140
Provision against lease, loans, advances	34 (a)	30,000,000	19,841,521
Provision against diminution in value of Investment	35 (a)	(11,365,020)	11,365,020
Other Provision		-	-
Total Provision (D)		18,634,980	31,206,541
Total Profit before taxes (E=C-D)		162,772,802	185,725,599
Provision For Tax	36 (a)	66,847,189	47,554,870
Net Profit after taxation		95,925,613	138,170,729
Net profit after tax attributable to:			
Equity holders of the Company		95,925,596	138,170,723
Non Controlling Interest		17	6
		95,925,613	138,170,729
Appropriations			
Statutory reserve	14	32,295,000	36,998,000
General reserve		-	-
Non-Controlling Interest		17	6
		32,295,017	36,998,006
Retained Surplus		63,630,596	101,172,723
Earning Per Share (EPS)	37 (a)	0.73	1.06

The annexed notes 1 to 38 form an integral part of these financial statements.

M. Ghani
Chairman

[Signature]
Director

[Signature]
Managing Director

[Signature]
Company Secretary

As per our report of same date.

Dated: 20 April, 2016

[Signature]
Syful Shamsul Alam & Co.
Chartered Accountants

Bay Leasing & Investment Limited
Consolidated Cash Flow Statements
For the year ended December 31, 2015

	(Amount in Taka)	
	31-12-2015	31-12-2014
A) Cash flows from operating activities		
Interest receipts in cash	872,812,551	751,249,867
Interest payments	(795,476,684)	(685,901,450)
Dividend receipts	42,527,557	49,011,230
Fees and commission receipts in cash	27,566,675	36,771,812
Cash payments to employees	(38,734,755)	(34,310,681)
Cash payments to suppliers	(2,337,591)	(2,349,773)
Receipts from other operating activities	11,686,902	18,862,697
Payments for other operating activities	(55,514,943)	(13,482,405)
Cash generated from operating activities before changes in operating assets and liabilities	62,529,712	119,851,297
Increase / decrease in operating assets and liabilities		
Other assets	67,883,844	212,983,742
Lease, loans and advances to customers	(1,160,500,033)	(1,340,088,546)
Margin Loan	(153,142,522)	(128,325,658)
Margin Deposit	52,740,120	(37,586,649)
Deposits from other banks / borrowings	565,800,000	760,000,000
Deposits from customers	368,765,054	194,248,202
Payment as Call Loan	(158,950,000,000)	(43,700,000,000)
Receipt as Call Loan	158,760,000,000	43,690,000,000
Other liabilities account of customers	5,347,212	(88,477,317)
	(443,106,325)	(437,246,226)
Net cash used in operating activities	(380,576,613)	(317,394,929)
B) Cash flows from investing activities		
Proceeds from sale of securities	69,143,321	129,779,000
Payments for purchases of securities	(308,720,473)	(382,314,582)
Proceeds from sale of Fixed Assets	-	1,913,299
Received from BLI Capital against advance	24,600,000	-
Purchase of property, plant and equipment	(11,612,425)	(308,843,789)
Net cash used in investing activities	(226,589,577)	(559,466,072)
C) Cash flows from financing activities		
Receipts of long term loan	1,859,553,131	1,335,317,712
Repayment of long term loan	(1,077,178,324)	(754,762,060)
Share Money Deposit	16,327	(11,788)
Net draw down/(payment) of short term loan	47,108,428	433,442,129
Dividend paid	(184,172,403)	(179,874,117)
Net Cash from financing activities	645,327,159	834,111,876
D) Net increase / (decrease) in cash and cash equivalents (A+ B + C)	38,160,969	(42,749,125)
E) Effects of exchange rate changes on cash and cash equivalents	-	-
F) Cash and cash equivalents at beginning of the year	271,019,953	313,769,078
G) Cash and cash equivalents at end of the year	309,180,922	271,019,953
Cash and cash equivalents at end of the year		
Cash in hand (including foreign currencies)	457,555	244,846
Balance with Bangladesh Bank and its agent bank (s) (including foreign currencies)	60,580,130	47,331,247
Balance with banks and other financial institutions (notes 4 (b))	248,143,237	223,443,860
Total	309,180,922	271,019,953

Bay Leasing & Investment Limited

Consolidated Statement of Changes in Equity

For the year ended December 31, 2015

Particulars	Paid-up capital		Share premium		Statutory reserve		General reserve		Assets Revaluation Reserve		Retained earnings		Total		Non-Controlling Interest		Total	
	Taka		Taka		Taka		Taka		Taka		Taka		Taka				Taka	
Balance as at January 01, 2015	1,309,068,000	-	220,932,000	-	410,968,000	-	250,000,000	-	409,749,806	-	241,149,976	-	2,841,867,782	-	11,206	-	2,841,878,988	-
Previous year adjustment	-	-	-	-	-	-	-	-	-	-	(3,798,260)	-	(3,798,260)	-	(800)	-	(3,799,060)	-
Restated balance	1,309,068,000	-	220,932,000	-	410,968,000	-	250,000,000	-	409,749,806	-	237,351,716	-	2,838,069,522	10,406	-	-	2,838,079,928	-
Surplus / deficit on account of revaluation of properties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus / deficit on account of revaluation of investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Currency translation differences	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net gains and losses not recognized in the income statement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net profit after taxation for the year	-	-	-	-	-	-	-	-	-	-	95,925,613	-	95,925,613	-	-	-	95,925,613	-
Transfer from Profit & Loss A/c	-	-	-	-	-	-	-	-	-	-	(17)	-	(17)	-	17	-	-	-
Dividends (Bonus shares)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash Dividend	-	-	-	-	-	-	-	-	-	-	(196,360,200)	-	(196,360,200)	-	-	-	(196,360,200)	-
Appropriation made during the year	-	-	-	-	32,295,000	-	-	-	-	-	(32,295,000)	-	-	-	-	-	-	-
Balance as at December 31, 2015	1,309,068,000	-	220,932,000	-	443,263,000	-	250,000,000	-	409,749,806	-	104,622,112	-	2,737,634,918	10,423	-	-	2,737,645,341	-

Bay Leasing & Investment Limited
Balance Sheet
as at December 31, 2015

Particulars	Notes	(Amount in Taka)	
		31-12-2015	31-12-2014
PROPERTY AND ASSETS			
Cash	3.00	61,030,032	47,568,370
In hand (including foreign currencies)		449,902	237,123
Balance with Bangladesh Bank and its agent bank (s) (including foreign currencies)		60,580,130	47,331,247
Balance with banks and other financial institutions	4.00	188,502,966	167,781,967
In Bangladesh		188,502,966	167,781,967
Outside Bangladesh		-	-
Money at call and short notice	5.00	-	-
Investments	6.00	1,024,736,680	1,067,030,976
Government		-	-
Others		1,024,736,680	1,067,030,976
Lease, loans and advances	7.00	6,390,484,090	5,083,234,224
Lease, loans and advances		6,390,484,090	5,083,234,224
Bills purchased and discounted		-	-
Fixed assets including premises, furniture and fixtures	8.00	855,910,711	866,224,466
Other assets	9.00	1,326,231,189	1,332,513,571
Non - financial institutional assets		-	-
Total Assets		9,846,895,668	8,564,353,574
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from banks, other financial institutions and agents	10.00	2,748,949,712	2,399,813,482
Deposits and other accounts	11.00	3,712,473,514	2,777,704,647
Term Deposits		3,646,905,117	2,745,775,742
Flexi Savings		27,000	12,000
Super DPS		8,602,800	5,565,000
Double Money Plan		39,787,879	9,405,000
Bearer certificates of deposit		-	-
Other Deposits		17,150,718	16,946,905
Other liabilities	12.00	679,588,714	575,420,076
Total Liabilities		7,141,011,940	5,752,938,205
Capital / Shareholders' equity			
Paid- up capital	13.02	1,309,068,000	1,309,068,000
Statutory reserve	14.00	443,263,000	410,968,000
Share premium	15.00	220,932,000	220,932,000
General reserve	16.00	250,000,000	250,000,000
Assets Revaluation reserve	17.00	409,749,806	409,749,806
Retained surplus	18.00	72,870,922	210,697,563
Total Liabilities and Shareholders' Equity		9,846,895,668	8,564,353,574

Bay Leasing & Investment Limited
OFF-BALANCE SHEET ITEMS
as at December 31, 2015

Particulars	Notes	(Amount in Taka)	
		31-12-2015	31-12-2014
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 commitments		-	-
Total Off-Balance Sheet items including Contingent Liabilities		-	-
Net asset value per share		20.67	21.48

The annexed notes 1 to 38 form an integral part of these financial statements.

M. Ghani
Chairman

[Signature]
Director

[Signature]
Managing Director

[Signature]
Company Secretary

As per our report of same date.

Dated: 20 April, 2016

[Signature]
Syful Shamsul Alam & Co.
Chartered Accountants

Bay Leasing & Investment Limited
Profit & Loss Accounts
For the year ended December 31, 2015

	Notes	(Amount in Taka)	
		31-12-2015	31-12-2014
Interest Income	21	784,423,979	610,345,840
Interest paid on Deposit, Borrowing etc.	22	(591,725,403)	(457,767,854)
Net Interest Income		192,698,576	152,577,986
Investment Income	23	45,644,393	87,656,037
Commission, Exchange and Brokerage Income	24	300,000	2,483,203
Other Operating Income	25	12,482,502	14,363,210
Total Operating Income (A)		251,125,471	257,080,436
Salary and allowances	26	25,904,865	19,711,887
Rent, taxes, insurance, electricity, etc	27	4,179,707	3,586,990
Legal & Professional fees		305,440	156,190
Postage, stamp, telecommunication, etc	28	546,748	298,214
Stationery, Printing, advertisement, etc.	29	2,200,590	2,078,645
Managing Director's salary and benefits	29.1	6,074,857	7,442,094
Director's fees	30	400,000	395,000
Auditor's fees	31	195,500	132,250
Charges on Loan Losses		-	-
Depreciation and repairs of assets	32	15,383,568	12,956,415
Other expenses	33	4,459,389	5,495,296
Total operating expenses (B)		59,650,664	52,252,981
Profit before provision (C=A-B)		191,474,807	204,827,455
Provision against lease, loans, advances	34	30,000,000	19,841,521
Provision against diminution in value of Investment	35	-	-
Other Provision		-	-
Total Provision (D)		30,000,000	19,841,521
Total Profit before taxes (E=C-D)		161,474,807	184,985,934
Provision For Tax	36	66,847,189	47,277,496
Net Profit after taxation		94,627,618	137,708,438
Appropriations			
Statutory reserve	14	32,295,000	36,998,000
General reserve		-	-
Dividends		-	-
		32,295,000	36,998,000
Retained Surplus		62,332,618	100,710,438
Earning Per Share (EPS)	37	0.72	1.05

The annexed notes 1 to 38 form an integral part of these financial statements.

M. Ghanji
Chairman


Director


Managing Director


Company Secretary

As per our report of same date.


Syful Shamsul Alam & Co.
Chartered Accountants

Dated: 20 April, 2016

Bay Leasing & Investment Limited
Cash Flow Statements
For the year ended December 31, 2015

	(Amount in Taka)	
	31-12-2015	31-12-2014
A) Cash flows from operating activities		
Interest receipts in cash	690,126,699	544,043,180
Interest payments	(605,040,062)	(448,542,460)
Dividend receipts	42,527,557	34,046,392
Fees and commission receipts in cash	300,000	2,483,203
Cash payments to employees	(31,979,722)	(27,153,981)
Cash payments to suppliers	(2,200,590)	(2,078,645)
Receipts from other operating activities	11,686,902	12,717,900
Payments for other operating activities	(15,328,004)	(7,927,245)
Cash generated from operating activities before changes in operating assets and liabilities	90,092,780	107,588,344
Increase / decrease in operating assets and liabilities		
Other assets	(65,505,231)	(407,864,814)
Lease, loans and advances to customers	(1,160,500,033)	(1,340,088,546)
Deposits from other banks / borrowings	565,800,000	760,000,000
Deposits from customers	368,765,054	194,248,202
Payment as Call Loan	(158,950,000,000)	(43,700,000,000)
Receipt as Call Loan	158,760,000,000	43,690,000,000
Other liabilities account of customers	5,347,212	(86,190,178)
	(476,092,998)	(889,895,336)
Net cash used in operating activities	(386,000,218)	(782,306,992)
B) Cash flows from investing activities		
Proceeds from sale of securities	69,143,321	129,779,000
Payments for purchases of securities	(23,732,189)	(199,339,780)
Proceeds from sale of Fixed Assets	-	1,913,299
Purchase of property, plant and equipment	(4,808,408)	(124,146,850)
Received from BLI Capital against advance	24,600,000	-
Net cash used in investing activities	65,202,724	(191,794,331)
C) Cash flows from financing activities		
Receipts of long term loan	1,859,553,131	1,335,317,712
Repayment of long term loan	(1,077,178,324)	(754,762,060)
Share Money Deposit	16,327	(11,788)
Net draw down/(payment) of short term loan	(243,238,576)	525,222,149
Dividend paid	(184,172,403)	(179,874,117)
Net Cash from financing activities	354,980,155	925,891,896
D) Net increase / (decrease) in cash and cash equivalents (A+ B + C)	34,182,661	(48,209,427)
E) Effects of exchange rate changes on cash and cash equivalents	-	-
F) Cash and cash equivalents at beginning of the year	215,350,337	263,559,764
G) Cash and cash equivalents at end of the year	249,532,998	215,350,337
Cash and cash equivalents at end of the year		
Cash in hand (including foreign currencies)	449,902	237,123
Balance with Bangladesh Bank and its agent bank (s) (including foreign currencies)	60,580,130	47,331,247
Balance with banks and other financial institutions (notes 4 (b))	188,502,966	167,781,967
Total	249,532,998	215,350,337

Bay Leasing & Investment Limited

Statement of Changes in Equity

For the year ended December 31, 2015

Particulars	Paid-up capital		Share premium		Statutory reserve		General reserve		Assets Revaluation Reserve		Retained earnings		Total	
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Balance as at January 01, 2015	1,309,068,000	220,932,000	410,968,000	250,000,000	409,749,806	210,697,563	2,811,415,369							
Short provision of Tax	-	-	-	-	-	(3,799,060)	(3,799,060)							
Restated balance	1,309,068,000	220,932,000	410,968,000	250,000,000	409,749,806	206,898,503	2,807,616,309							
Surplus / deficit on account of revaluation of properties	-	-	-	-	-	-	-							
Surplus / deficit on account of revaluation of investments	-	-	-	-	-	-	-							
Currency translation differences	-	-	-	-	-	-	-							
Net gains and losses not recognized in the income statement	-	-	-	-	-	-	-							
Net profit after taxation for the year	-	-	-	-	-	94,627,618	94,627,618							
Cash Dividend	-	-	-	-	-	(196,360,200)	(196,360,200)							
Appropriation made during the year	-	-	32,295,000	-	-	(32,295,000)	-							
Balance as at December 31, 2015	1,309,068,000	220,932,000	443,263,000	250,000,000	409,749,806	72,870,921	2,705,883,727							




Bay Leasing & Investment Limited

Liquidity Statement

(Analysis of Maturity of Assets & Liabilities)
as at December 31, 2015

Particulars	Up to 1 month	1-3 months	3-12 months	1-5 years	Above 5 years	Total
Assets:						
Cash in hand	449,902	-	-	-	-	449,902
Balance with Bangladesh Bank and its agent	60,580,130	-	-	-	-	60,580,130
Balance with banks and other financial institutions	36,954,226	69,472,566	82,076,174	-	-	188,502,966
Money at call and short notice	-	-	-	-	-	-
Investments	73,435,980	194,852,633	463,702,414	-	292,745,653	1,024,736,680
Leases, loans and advances	209,784,513	759,685,555	2,083,426,871	2,017,456,128	1,320,131,023	6,390,484,090
Fixed assets including premises, furniture and fixtures	-	-	-	-	855,910,711	855,910,711
Other assets	-	-	142,132,445	206,801,690	977,297,054	1,326,231,189
Non banking assets	-	-	-	-	-	-
Total assets (A):	381,204,751	1,024,010,754	2,771,337,904	2,224,257,818	3,446,084,442	9,846,895,669
Liabilities:						
Borrowings from banks, other financial institutions and agents	119,231,058	254,974,550	604,133,250	1,244,296,462	526,314,392	2,748,949,712
Deposits & Other Accounts	259,214,330	731,152,444	2,057,485,960	648,197,789	16,422,991	3,712,473,514
Provision and other liabilities	11,768,456	29,458,611	40,975,440	169,455,020	427,931,188	679,588,715
Total liabilities (B):	390,213,844	1,015,585,605	2,702,594,650	2,061,949,271	970,668,571	7,141,011,941
Net liquidity gap (A - B):	(9,009,093)	8,425,149	68,743,254	162,308,547	2,475,415,871	2,705,883,728





Bay Leasing & Investment Limited

Notes to the financial statements

as at and for the year ended December 31, 2015

1. Company and its activities

1.1 Legal status and nature of the Company

Bay Leasing & Investment Limited, a Public Limited Company was incorporated in Bangladesh on 7th February 1996 under the Companies Act 1994 and Bangladesh Bank granted license to the Company on 25-05-1996 to function as a Non-Banking Financial Institution under the Financial Institutions Act 1993 and the Financial Institutions Regulation of 1994.

The Company also registered itself as a Merchant Bank with the Securities & Exchange Commission on June 25, 1998.

The registered office of the Company is located at Eunoos Trade Centre, Level-18. 52-53 Dilkusha C/A, Motijheel C/A, Dhaka-1000.

1.2 Principal activities and nature of operation

The Company extends lease financing as its core business for all types of machinery and equipment including vehicles for industrial, commercial and private purposes. It has also expanded its activities into term finance, housing finance etc.

1.3 Subsidiary Company

BLI Capital Limited a subsidiary company of The Bay Leasing & Investment Limited Originally being incorporated as a Public Limited Company on 13th day of March 2011 under the Companies Act 1994. Registered office of the company is situated at Eunoos Trade Center, Level-5 (4th Floor), 52-53 Dilkusha C/A, Dhaka-1000.

1.4 Associate Company

Bay Leasing & Investment Limited has two Associate Companies namely Lucky Feed Limited and BLI Securities Limited. Investments in these associates are recognized at cost consistently.

2. Basis of preparation and significant accounting policies

2.1 Statement of compliance

The financial statements have been prepared on a going concern basis following accrual basis of accounting except for cash flow statement in accordance with the Companies Act 1994, the Financial Institutions Act 1993, Securities and Exchange Rules 1987, the Listing Rules of Dhaka and Chittagong Stock Exchanges and International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) as adopted in Bangladesh by the Institute of Chartered Accountants of Bangladesh as Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS), except the circumstances where local regulations differ, 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 of Bangladesh Bank.

The activities and accounting heads mentioned in the prescribed form, which are not applicable for the financial institutions, have been excluded in preparing the financial statements.

2.2 Basis of measurement

This financial statement has been prepared on the basis of Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS) and inflationary factors were not considered in the financial statements. The accounting policies, unless otherwise stated, have been consistently applied by the Company and are consistent with those of the previous year.



2.3 Disclosure of deviations from few requirements of BAS/BFRS due to mandatory compliance of Bangladesh Bank's requirements

Bangladesh Bank (the local Central Bank) is the prime regulatory body for Non-Banking Financial Institutions (NBFI) in Bangladesh. Some requirements of Bangladesh Bank's rules and regulations contradict with those of financial instruments and general provision standards of BAS and BFRS. As such the Company has departed from those requirements of BAS/BFRS in order to comply with the rules and regulations of Bangladesh Bank.

- 2.3.1** 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. As such the Company measures and recognises investment in quoted and unquoted shares at cost if the year-end market value (for quoted shares) and book value (for unquoted shares) are higher than the cost. However as per requirements of BAS 39 investment in shares falls either under "at fair value through profit and loss account" or under "available for sale" where any change in the fair value at the year-end is taken to profit and loss account or revaluation reserve respectively.
- 2.3.2** As per FID circular No. 08 dated 03 August 2002, FID circular No. 03, dated 03 May 2006 and FID circular No. 03 dated 29 April 2013 a general provision at 0.25% to 5% under different categories of unclassified loans (good/standard loans) has to be maintained. However such general provision cannot satisfy the conditions of provision as per BAS 39.
- 2.3.3** Bangladesh Bank has issued templates for financial statements which shall strictly be followed by all banks and NBFIs. The templates of financial statements issued by Bangladesh Bank differ from **BAS 1: Presentation of Financial Statements** so long the templates do not include Other Comprehensive Income (OCI) nor are the elements of Other Comprehensive Income allowed to be included in the Single Comprehensive Income (SCI) Statement. As such the company does not prepare the other comprehensive income statement. However the company does not have any elements of OCI to be presented.

2.4 Directors' responsibility statement

The Board of Directors takes the responsibility for the preparation and presentation of these financial statements.

2.5 Date of authorization

The Board of directors has authorised this financial statements on 20th April, 2016 in the 132th Board of Directors Meeting.

2.6 Presentation and functional currency and level of precision

The financial statements are presented in Bangladesh Taka (BDT) currency, which is the Company's functional currency. All financial information presented in BDT has been rounded off to the nearest BDT.

2.7 Use of estimates and judgments

The preparation of financial statements in conformity with Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS) 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. The most critical estimates and judgments are applied to the following:

- Provision for impairment of loans, leases and investments
- Gratuity
- Useful life of depreciable assets

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. In accordance with the guidelines as prescribed by BAS 37: Provisions, Contingent Liabilities and Contingent Assets, provisions are recognized in the following situations:

Provisions:

Provisions are liabilities that are uncertain in timing or amount. Provisions are recognized when: the Group has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Contingent Liability:

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or the Group has a present obligation as a result of past events but is not recognized because it is not likely that an outflow of resources will be required to settle the obligation; or the amount cannot be reliably estimated. Contingent liabilities normally comprise legal claims under arbitration or court process in respect of which a liability is not likely to occur.

Contingent Assets:

A contingent asset is possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Contingent assets are never recognized; rather they are disclosed in the financial statements when they arise.

2.8 Basis of consolidation of operations of subsidiaries

The financial statements of the Company and its subsidiaries have been consolidated in accordance with Bangladesh Financial Reporting Standard 10 “Consolidated Financial Statements”. The consolidation of the financial statement has been made after eliminating all material inter-company balances, income and expenses arising from inter-company transactions. The total profits of the Company and its subsidiary are shown in the consolidated profit and loss account with the proportion of profit after taxation pertaining to non-controlling shareholders being deducted as ‘Non-controlling Interest’. All assets and liabilities of the Company and of its subsidiary are shown in the consolidated balance sheet. The interest of non-controlling shareholders of the subsidiary are shown separately in the consolidated balance sheet under the heading ‘Non-controlling Interest’.

2.9 Accounting for leases

The Company has been following Finance Method of accounting for lease transactions as per BAS-17. In accordance with the said standard, the aggregate lease receivable including un-guaranteed residual value are recorded as gross lease receivable while the excess of gross lease receivable over the total acquisition cost, including interest thereon for acquiring the lease equipment, constitutes the unearned lease income being usually amortized to revenue on a monthly basis over the lease term yielding a constant rate of return over the period.

2.10 Presentation and functional currency and level of precision

The financial statements are presented in Bangladeshi Taka (BDT) currency, which is the Company’s functional currency. All financial information presented in BDT has been rounded off to the nearest BDT.

2.11 Reporting period:

The reporting period of the company cover one calendar year from 1st January 2015 to 31st December 2015.



2.12 Accounting for direct finance

Books of accounts for direct finance operation are maintained on the basis of accrual method of accounting. Outstanding loans, along with the accrued interest thereon, for term finance, and unrealized principal for long-term finance, real estate finance, car loans and other finances are accounted for as direct finance assets of the Company. Interest earnings are recognized as operational revenue periodically.

2.13 Property, Plant and Equipment

Recognition and measurement

Owned assets

Items of own property and equipments are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the assets to its working condition for its intended use as per Bangladesh Accounting Standard (BAS) 16 "Property, Plant and Equipments".

2.14 Subsequent expenditure on property and equipment

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.

2.16 Depreciation

Depreciation is charged to amortize the cost of assets, over their estimated useful lives, using the reducing balance method in accordance with BAS-16 "Property, Plant and Equipment". Full depreciation is charged on additions irrespective of date when the related assets are put into use and no depreciation is charged from the month of disposal. Asset category wise depreciation rates are as follows:

	Rates
Furniture and fixtures	10.00%
Building	2.50%
Electrical Goods	20.00%
Office equipment	15.00%
Office decoration	20.00%
Motor vehicles	20.00%

The difference between the sale proceeds and the carrying amount of an asset is recognized in the profit and loss account as gain or loss on disposal or retirement of an asset.

2.17 Revenue recognition

Revenue is recognized only when it is measurable and probable that the economic benefits associated with the transaction will follow to the company and in accordance with Bangladesh Accounting Standard (BAS) 18 : Revenue unless otherwise mentioned or otherwise guided by the separate BAS/BFRS. Interest income from loans and other sources is recognized on an accrual basis of accounting.

Dividend income and profit or loss on sale of securities:

Dividend is recognized as income when the right to receive income is established whereas profit or loss arising from the sale of securities is accounted for only when the securities are sold/disposed off.

2.18 Accounts receivable

Accounts receivable at the balance sheet date is stated at amounts which are considered realizable. Specific allowance is made for receivable considered to be doubtful for recovery.



2.19 Borrowing cost

Borrowing costs are recognized as expense in the year in which they are incurred unless capitalization is permitted under Bangladesh Accounting Standard (BAS) 23 “Borrowing Costs”.

2.20 Cash flow statements

The cash flow statement is prepared using the direct method as stipulated in Bangladesh Accounting Standard (BAS) 7 “Cash Flow Statements” as prescribed by DFIM circular no. 11 dated December 23, 2009.

2.21 Conversion of foreign currency transactions

Foreign currency transactions are translated into Taka at rates prevailing at the respective dates of transactions, while foreign currency monetary assets at the end of the year are reported at the rates prevailing on the balance sheet date. Exchange gains or losses arising out of the said conversions are recognized as income or expense for the year after netting off as per **BAS 21: The Effects of Changes in Foreign Exchange Rates**.

2.22 Investment in securities

Investment in marketable ordinary shares has been shown at cost. As per DFIM Circular No-02 dated 31-01-2012 provision against loss on investment in Securities Market may be made by netting off gain & loss. As such Bay Leasing & Investment Calculated the provision requirement as per the circular DFIM circular/02, date 31-01-2012 published by Bangladesh Bank. Investment in non-marketable shares has been valued at cost.

2.23 Write off

Write-off describes a reduction in recognized value. It refers to recognition of the reduced or zero value of an asset. Generally it refers to an investment for which a return on the investment is now impossible or unlikely. The item’s recognize value is thus canceled and removed from (“written off”) the Company’s balance sheet. Recovery against debts written off/provided for 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.

2.24 Employees benefit obligation

Bay Leasing & Investment Limited offers a number of benefit plans which includes contributory provident fund & gratuity plan as per **BAS 19: Employee Benefits**.

2.25 Contributory Provident Fund

The company operates a contributory provident fund for its permanent employees. The fund is approved by the National Board of Revenue (NBR), administered separately by a Board of Trustee and is funded by equal contribution from the company and the employees. This fund is invested separately from the company’s assets.

2.26 Gratuity Scheme

Bay Leasing & Investment Limited has a funded gratuity for the qualifying officers and staff member on the retirement from the service of the company at the following rates:

- | | | |
|------|---|---|
| i) | Those who have put in 1-7 years of service | - One Basic pay (last basic pay) for each year of service. |
| ii) | Those who have put in 8-15 years of service | - One and half basic pay (last basic pay drawn) for each year of service. |
| iii) | Those who have put in service of 16 years and above | - Two basic pay (last basic pay drawn) for each year of service. |



2.27 Taxation

Tax expense comprises current and deferred tax.

2.28 Deferred tax

The Company accounts for deferred tax as per Bangladesh Accounting Standard (BAS) 12 “Income Taxes”. Deferred tax is provided using the balance sheet method for all temporary timing differences arising between the tax base (as per assessment) of assets and liabilities and their carrying value for financial reporting purposes. Tax rate prevailing at the balance sheet date is used to determine deferred tax.

2.29 Current Tax

Provision for current tax is made on the basis of the profit for the year as adjusted for taxation purpose in accordance with the provision of Income Tax Ordinance, 1984 and amendments made thereto from time to time.

2.30 Cash and cash Equivalents

This represents cash in hand and cash at bank, the details of which is given in the note No.3.

2.31 Statutory Reserve:

This represents 20% of Profit before tax set aside in compliance with Clause 6 of the Financial Institutions Regulation, 1994.

2.32 Provision for doubtful leases and loan:

The provision has been made at an estimated rate of outstanding exposures based on rental receivable on Lease and Installment Receivable on Loan against Receivable as per Department of Financial Institutions and Markets (DFIM) Circular-08 dated 03-08-2002 of Bangladesh Bank. The Provision is considered adequate to meet probable losses.

2.33 Earning per share (EPS)

The Company calculates earning per share in accordance with “Bangladesh Accounting Standards (BAS) 33 “Earnings Per Share” which has been shown in the face of the Profit and Loss Account and the computation is stated in note 37.

2.34 Related party disclosure

As per Bangladesh Accounting Standards (BAS) 24 “Related Party Disclosures”, parties are considered to be related if one of the parties has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. The Company carried out transactions in the ordinary course of business on an arm’s length basis at commercial rates with its related parties. Related party disclosures have been given in note 38.

2.35 Events after the Reporting Period (BAS-10)

Recommended:

Proposed Dividend:

The Board of Directors, in its 132th meeting, held on 20-04-2016 has recommended 15% Cash dividend for the year 2015. The above is subject to approval of the shareholders in the 20th Annual General Meeting, scheduled to be held on 31st May 2016 at 11.00 a.m. at Institution of Diploma Engineers, Bangladesh (IDEB), IDEB Bhaban, 160/A Kakrail, Dhaka-1000.



2.36 Compliance of Bangladesh Financial Reporting Standards (BFRS)

SI #	Name of BAS/BFRS	Status
01	BAS 1: Presentation of Financial Statements	*Partially Departed
02	BAS 2: Inventories	Not Applicable
03	BAS 7: Statements of Cash Flows	*Partially Departed
04	BAS 8: Accounting Policies, Changes in Accounting Estimates and Errors	Complied
05	BAS 10: Events after the Reporting Period	Complied
06	BAS 11: Construction Contracts	Not Applicable
07	BAS 12: Income Taxes	Complied
08	BAS 16: Property, Plant and Equipments	Complied
09	BAS 17: Leases	Complied
10	BAS 18: Revenue	Complied
11	BAS 19: Employee Benefits	Complied
12	BAS 20: Accounting for Govt. Grants and disclosures of Govt. Assistances	Not Applicable
13	BAS 21: The Effects of Changes in Foreign Exchange Rates	Complied
14	BAS 23: Borrowing Costs	Complied
15	BAS 24: Related Party Disclosures	Complied
16	BAS 26: Accounting and Reporting by Retirement Benefit Plan	Not Applicable
17	BAS 27: Separate Financial Statements	Complied
18	BAS 28: Investments in Associates	Not Complied
19	BAS 32: Financial Instruments: Presentation	*Partially Departed
20	BAS 33: Earnings Per Share	Complied
21	BAS 34: Interim Financial Reporting	Complied
22	BAS 36: Impairment of Assets	Complied
23	BAS 37: Provisions, Contingent Liabilities and Contingent Assets	Complied
24	BAS 38: Intangible Assets	Not Applicable
25	BAS 39: Financial Instrument: Recognition and Measurement	*Partially Departed
26	BAS 40: Investment Property	Not Applicable
27	BAS 41: Agriculture	Not Applicable
28	BFRS 1: First-time adoption of International financial Reporting Standards	Not Applicable
29	BFRS 2: Share-based Payment	Not Applicable
30	BFRS 3: Business Combinations	Not Applicable
31	BFRS 4: Insurance Contracts	Not Applicable
32	BFRS 5: Non-current Assets Held for Sale and Discontinued Operations	Not Applicable
33	BFRS 6: Exploration for and Evaluation of Mineral Resources	Not Applicable
34	BFRS 7: Financial Instruments: Disclosures	Not Applicable
35	BFRS 8: Operating Segments	Complied
36	BFRS 10: Consolidated Financial Statements	Complied
37	BFRS 11: Joint Arrangements	Not Applicable
38	BFRS 12: Disclosure of Interests in Other Entities	Complied
39	BFRS 13: Fair Value Measurement	Complied

***Partially Departed** standards are those requirements of which are different from those of Bangladesh Bank. Note – 1 contains details about such departure from BFRS requirements to comply with Bangladesh Bank.



2.37 Financial risk management

Bay Leasing & Investment Ltd. always concentrates on delivering high value to its stakeholders through appropriate trade off between risk and return. A well structured and proactive risk management system is in place within the Company to address risks relating to credit, market, liquidity and operations. In addition to the industry best practices for assessing, identifying and measuring risks, Bay Leasing & Investment Ltd. also considers guidelines for managing core risks of financial instructions issued by the Country's Central Bank, Bangladesh Bank, vide FID Circular No. 10 dated September 18, 2005 for management of risks.

Credit risk

To encounter and mitigate credit risk the company employed multilayer approval process, policy for maximum sector and group exposure limit, policy for customers maximum asset exposure limit, mandatory search for credit report from Credit Information Bureau, looking into payment performance of customer before financing, annual review of clients, adequate insurance coverage for funded assets, vigorous monitoring and follow up by Special Assets Management Team, strong follow up of compliance of credit policies by Operational Risk Management Department, taking collateral, seeking external legal opinion, maintaining neutrality in politics and following arm's length approach in related party transactions, regular review of market situation and industry exposure etc. The Credit Evaluation Committee (CEC) regularly meets to review the market and credit risk related to lending and recommend and implement appropriate measures to counter associated risks.

Market risk

The Asset Liability Committee (ALCO) of the Company regularly meets to assess the changes in interest rate, market conditions, carry out asset liability maturity gap analysis, re-pricing of products and thereby takes effective measures to monitor and control interest rate risk. Bay Leasing & Investment Ltd. has also strong access to money market and credit lines at a competitive rate through good reputation, strong earnings, financial strength and credit rating.

Liquidity Risk

Liquidity requirements are managed on a day-to-day basis by the Treasury Division which is responsible for ensuring that sufficient funds are available to meet short term obligations, even in a crisis scenario, and for maintaining a diversity of funding sources. Treasury Division maintains liquidity based on historical requirements anticipated funding requirements from operation, current liquidity position, collections from financing, available sources of funds and risks and returns.

Operational Risk

Appropriate internal control measures are in place, Bay Leasing & Investment Ltd, to address operational risks. BLIL has also established an internal control and compliance department (ICCD) to address operational risk and to frame and implement policies to encounter such risks. This department assesses operational risk across the Company as a whole and ensures that an appropriate framework exists to identify, assess and manage operational risk. The function of ICCD is to constant vigilance against leakage of Shareholders value by identify, assess, measure, manage and transfer operational risk resulting from inadequate or failed internal processes, people and system or from external events.

2.38 Others:

- a) There is no claim against the company, which has not been acknowledged as debt in the Balance sheet.
- b) There exist no commitments except those already entered into agreement and are in the process of execution.
- c) There was no contingent liability as on 31-12-2015.
- d) The figures appearing in these accounts have been rounded off to the nearest taka.
- e) Figures of the previous year have been rearranged, wherever considered necessary to conform to current year's presentation.
- f) The number of employees (34 nos.) engaged for the whole year or Part.

Bay Leasing & Investment Limited

Notes to the financial statements

as at and for the year ended December 31, 2015

3.00 Cash :

Particulars	31-12-2015	31-12-2014
Cash in hand	449,902	237,123
Balance with Bangladesh Bank and its agent bank(s)	60,580,130	47,331,247
Total:	61,030,032	47,568,370

3.01 Cash in hand:

The above balance is made up as follows:

Particulars	31-12-2015	31-12-2014
In local currency	449,902	237,123
In foreign currency	-	-
Total:	449,902	237,123

3 a) Consolidated Cash in Hand

Bay Leasing & Investment Ltd.	449,902	237,123
BLI Capital Ltd.	7,653	7,723
Total:	457,555	244,846

3.02 Balance with Bangladesh Bank and its agent bank(s):

The above balance is made up as follows:

Particulars	31-12-2015	31-12-2014
In local currency with Bangladesh Bank	60,580,130	47,331,247
In foreign currency	-	-
Total:	60,580,130	47,331,247

3.03 Statutory Deposits:

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

Cash Reserve Requirement and Statutory Liquidity Ratio have been calculated and maintained in accordance with section 19 of the Financial Institutions Act 1993, rule 5 of the Financial Institutions Rules 1994 and FID circular no. 6 dated November 06,2003 and FID Circular No. 02 dated November 10, 2004.

The Cash Reserve Requirement (Crr) Has Been Calculated At The Rate Of 2.5% On The Company's Time Deposits Which Is Preserved In Current Account Maintained With Bangladesh Bank. Statutory Liquidity Reserve (Slr) Has Been Calculated At The Rate Of 5% On Total Liabilities, Including Crr And Has Been Maintained In The Form Of Balance With Bank's And Other Financial Institutions, Call Money Deposit Etc. Total Time Deposits Means Term Or Fixed Deposit, Security Deposit Against Lease/Loan And Other Term Deposits, Received From Individuals And Institutions (Except Banks And Fi's). Both The Reserves Maintained By The Company Are In Excess Of The Statutory Requirements, As Shown Below:

a) Cash Reserve Requirement:

Required reserve	55,053,762	41,739,000
Actual reserve maintained	60,580,130	47,331,247
Surplus/(deficit)	5,526,368	5,592,247



- b) Statutory Liquidity Reserve:
The above balance is made up as follows:

Particulars	31-12-2015	31-12-2014
Required reserve (including CRR)	117,257,287	94,298,000
Actual reserve maintained including CRR (note-3.04)	249,532,998	215,350,337
Surplus/(deficit)	132,275,711	121,052,337

3.04 Actual reserve maintained (including CRR):

The above balance is made up as follows:

Particulars	31-12-2015	31-12-2014
Cash in hand	449,902	237,123
Balance with Bangladesh Bank and its agent bank(s)	60,580,130	47,331,247
Balance with Banks and other financial institutions (note-4)	188,502,966	167,781,967
Total:	249,532,998	215,350,337

4.00 Balance with banks and other financial institutions:

Particulars	31-12-2015	31-12-2014
In Bangladesh (4.01)	188,502,966	167,781,967
Outside Bangladesh	-	-
Total:	188,502,966	167,781,967

4.01 In Bangladesh:

Current Deposits:

The above balance is made up as follows:

Particulars	31-12-2015	31-12-2014
Bank Alfalah Limited	209,926	215,278
BASIC Bank Limited	9,014	9,836
Bank Asia Ltd.	301	301
United Commercial Bank Ltd	16,654,123	-
Dutch Bangla Bank Ltd.	248,858	69,818
EXIM Bank Limited	26,576	28,876
First Security Bank Ltd.	17,936	19,086
Janata Bank Ltd.	12,382	13,532
Modhomoti Bank Limited	2,940	2,940
Mutual Trust Bank Limited	625	4,425
National Bank Limited	390	390
NCC Bank Limited	8,598	-
Premier Bank Ltd.	1,572	1,572
Social Investment Bank Ltd.	3,780	5,000
Southeast Bank Limited	895,842	109,686
Standard Bank Limited	-	2,710
The City Bank Limited	30,826	31,666
Trust Bank Limited	10,395	11,545
Uttara Bank Limited	66	66
Sub Total:	18,134,150	526,727



Short-term deposits/SND:

In Local Currency:

Jamuna Bank Limited	34,974	35,296
Southeast Bank Limited	11,959,494	2,379,811
Shahjalal Bank Limited	1,752	15,100
	11,996,220	2,430,207
In Foreign Currency:		
Southeast Bank Limited	1,280,243	1,276,416
Sub Total:	13,276,463	3,706,623

Particulars	Amount	Exchange rate	Taka
Dollar	\$13,326.70	78.85	1,050,810
Euro	€ 1,432.90	87.66	125,615
Pound	£873.98	118.79	103,818
			1,280,243
Fixed deposits:			
Dhaka Bank Ltd.		50,000,000	50,000,000
Mercantile Bank Ltd.		66,092,353	66,092,353
National Credit & Commerce Bank Ltd.		41,000,000	21,000,000
Southeast Bank Ltd.		-	26,456,264
Sub Total:		157,092,353	163,548,617
Grand Total:		188,502,966	167,781,967

4 a) Consolidated Balance with banks and other financial institutions:

Bay Leasing & Investment Ltd.	188,502,966	167,781,967
BLI Capital Ltd.	59,640,271	55,661,893
	248,143,237	223,443,860

4.02 Maturity grouping of balance with banks and other financial institutions:

The above balance is made up as follows:

Particulars	31-12-2015	31-12-2014
On demand	-	-
Up to 1 month	36,954,226	38,522,656.00
Over 1 month but not more than 3 months	69,472,566	61,195,488
Over 3 months but not more than 1 year	82,076,174	68,063,823
Over 1 year but not more than 5 years	-	-
Over 5 years	-	-
Total:	188,502,966	167,781,967



6.03 Investment in marketable securities:

The above balance is made up as follows:

Listed Securities

Name of the Company	Qty.	Cost Price	Market price per share on 31-12-2015	Market Price	Provision
Asia Insurance Ltd	156898	5,842,596	14.20	2,227,952	(3,614,644)
Delta Life Insurance	171550	34,471,898	122.20	20,963,410	(13,508,488)
Exim Bank Ltd.	3337546	67,375,231	8.60	28,702,896	(38,672,335)
Fas Finance	17	4,072	11.40	194	(3,878)
Janata Insurance	1150	10,000	11.60	13,340	3,340
Lafarge Surma	82000	11,191,086	74.60	6,117,200	(5,073,886)
Maksons Spinning Mills Ltd	598	11,275	7.80	4,664	(6,611)
Meghna Petroleum Ltd.	119	12,680	152.60	18,159	5,479
Metro Spinnig Limited	1173	8,055	8.00	9,384	1,329
National Life Insurance Co. Ltd.	2889452	346,847,297	248.90	719,184,603	372,337,306
Phonix Finance	67500	1,939,025	20.90	1,410,750	(528,275)
Power Grid Ltd	63250	5,797,598	45.90	2,903,175	(2,894,423)
Pragati General Insurance	72225	8,388,556	27.10	1,957,298	(6,431,259)
Pragati Life Insurance	48403	14,586,250	113.50	5,493,741	(9,092,510)
Prime Bank Ltd	2637624	116,458,302	18.10	47,740,994	(68,717,308)
Southeast Bank Ltd.	7982305	282,224,282	17.60	140,488,568	(141,735,714)
Summit Power	1042630	54,465,448	39.70	41,392,411	(13,073,037)
Titas Gas	525000	53,789,915	47.40	24,885,000	(28,904,915)
United Air	850360	19,743,664	7.30	6,207,628	(13,536,036)
Intech Ltd	30	-	12.20	366	366
NCC Bank Ltd	4881	-	8.90	43,441	43,441
Total		1,023,167,230		1,049,765,173	26,597,943

6 a) Consolidated Investment:

Bay Leasing & Investment Ltd.

BLI Capital Ltd.

	31-12-2015	31-12-2014
Bay Leasing & Investment Ltd.	1,024,736,680	1,067,030,976
BLI Capital Ltd.	595,507,583	310,519,299
Total	1,620,244,263	1,377,550,275

All investments in marketable securities are valued on cost price at the balance sheet date. Provision has not required after net off gain/loss from market price of shares as per DFIM Circular # 02; date: 31.01.2012.



7.00 Lease, loans and advances

Broad category-wise break up:

The above balance is made up as follows:

Particulars	31-12-2015	31-12-2014
Inside Bangladesh		
Lease Finance (note-7.01)	1,363,428,431	1,139,287,261
Term Finance (note-7.02)	4,798,240,920	3,938,215,999
Housing Finance (note-7.03)	228,814,739	5,730,964
	6,390,484,090	5,083,234,224
Outside Bangladesh	-	-
Total:	6,390,484,090	5,083,234,224

7 a) Consolidated Lease, Loans & advances

Bay Leasing & Investment Ltd.

BLI Capital Ltd.

Less: Inter company balance eliminated

	6,390,484,090	5,083,234,224
	2,128,038,728	1,974,896,206
	8,518,522,818	7,058,130,430
	649,397,011	664,132,431
Total:	7,869,125,807	6,393,997,999

7.01 Lease Finance:

The above balance is made up as follows:

Particulars	31-12-2015	31-12-2014
Balance Principal	1,158,148,261	960,727,254
Rental Receivable	205,280,170	178,560,007
Total:	1,363,428,431	1,139,287,261

Details are given below:

Particulars	31-12-2015	31-12-2014
Opening Balance	1,139,287,261	1,193,917,410
Add: Disbursement during the year	367,584,000	68,451,830
Add: Interest and other charges during the year	213,154,105	139,979,455
	1,720,025,366	1,402,348,695
Less: Write-off during the year	-	-
Realization during the year	(356,596,935)	(263,061,434)
Total:	1,363,428,431	1,139,287,261

Movement of Balance Principal:

Particulars	31-12-2015	31-12-2014
Gross lease receivable	2,621,590,166	2,419,752,305
Less: Unearned finance income	1,463,441,905	1,459,025,051
Balance Principal	1,158,148,261	960,727,254



7.02 Term Finance:

The above balance is made up as follows:

Particulars	31-12-2015	31-12-2014
Principal Outstanding	4,504,623,164	3,766,773,809
Interest Receivable	293,617,756	171,442,190
Total:	4,798,240,920	3,938,215,999

Details are given below:

Movement of Outstanding Balance

Particulars	31-12-2015	31-12-2014
Opening Balance	3,938,215,999	2,447,705,930
Add: Disbursement during the year	892,127,511	1,392,470,000
Add: Interest and other charges during the year	556,187,115	1,050,944,318
	5,386,530,625	4,891,120,248
Less: Write-off during the year	-	-
Realization during the year	(588,289,705)	(952,904,249)
Total:	4,798,240,920	3,938,215,999

7.03 Housing Finance:

The above balance is made up as follows:

Particulars	31-12-2015	31-12-2014
Principal Outstanding	228,677,515	5,672,335
Interest Receivable	137,224	58,629
Total:	228,814,739	5,730,964

Movement of Outstanding Balance

Particulars	31-12-2015	31-12-2014
Balance at January 01	5,730,964	6,808,371
Addition during the year	300,700,000	-
Movement of Outstanding Balance	(77,616,225)	(1,077,407)
Balance at December 31	228,814,739	5,730,964

7.04 Classification wise Lease, Loans & Advances

Particulars	31-12-2015	31-12-2014
Unclassified:		
Standard	4,985,684,903	4,244,882,523
SME	284,613,546	180,971,696
Other than SME	4,701,071,357	4,063,910,827
Special Mention Account (SMA)	993,592,136	580,086,000
	5,979,277,039	4,824,968,523
Classified:		
Sub-Standard	171,969,846	73,845,532
Doubtful	86,131,158	65,390,615
Bad/Loss	153,106,047	119,029,554
	411,207,051	258,265,701
Total:	6,390,484,090	5,083,234,224



7.05 Maturity grouping of lease, loans and advances:

The above balance is made up as follows:

Particulars	31-12-2015	31-12-2014
On demand	-	-
Up to 1 month	209,784,513	145,122,668
Over 1 month but not more than 3 months	759,685,555	395,588,204
Over 3 months but not more than 1 year	2,083,426,871	1,325,144,226
Over 1 year but not more than 5 years	2,017,456,128	2,387,766,322
Over 5 years	1,320,131,023	829,612,804
Total:	6,390,484,090	5,083,234,224

7.06 Lease, loans and advances on the basis of significant concentration

Lease, loans and advances to:

Directors of the Company have interests
 Chief Executive and other Senior Executives
 Customers groups

Directors of the Company have interests	-	-
Chief Executive and other Senior Executives	16,015,227	1,230,000
Customers groups	6,374,468,863	5,082,004,224
	6,390,484,090	5,083,234,224

7.07 Number of clients with outstanding amount and classified lease, loans and advances exceeding 15% of total capital (Total capital of the Company was Taka 2,705.88 million as at December 31, 2015 & Tk 2,811.41 million in 2014) of the Company is as follows:

Number of clients	4	2
Amount of outstanding advances	2,312,810,360	1,244,132,433
Amount of classified advances	Nil	Nil
Measures taken for recovery	Not applicable	Not applicable

7.08 Details of large Lease, loans and advances

As per section 14 (1) (Ga) of the Financial Institutions Act 1993, a financial institution can not sanction any loan exceeding 30% of its capital and reserve with out permission of Bangladesh Bank. During the year 2015 BLIL has not disbursed large Lease, loans and advances;

Number of clients	-	-
Amount of outstanding advances	-	-
Amount of classified advances	-	-
Measures taken for recovery	Not applicable	Not applicable

7.09 Industry-wise distribution of lease, loans and advances

	31-12-2015	31-12-2014
1. Agricultural sector	85,169,658	94,790,864
2. Industrial sector:		
a) Textile	615,657,179	557,835,905
b) Garments	581,214,905	563,131,428
c) Jute and jute products	-	-
d) Food production/processing industry	166,140,992	152,457,368



e) Plastic industry	134,899,527	35,012,344
f) Leather & leather products	-	-
g) Iron, Steel & Engineering industry	-	-
h) Chemical & Pharmaceutical	-	-
i) Cement/Concrete and allied industry	115,322,018	27,742,387
j) Service industry	-	-
k) Paper, Printing and packaging industry	355,732,415	334,469,909
l) Telecommunication/information Technology	-	-
m) Glass and ceramic industry	20,571,695	24,589,826
n) Electronics and electrical industry	423,560	498,060
3. Trade & Commerce	930,409,980	338,667,065
4. Power, Gas, Water and sanitary service	28,494,516	44,756,418
5. Transport & Communication	249,107,718	216,032,254
6. Real Estate & Housing	1,564,336,175	1,135,590,482
7. Margin Loan	-	-
8. Others	1,543,003,752	1,557,659,914
Total:	6,390,484,090	5,083,234,224

7.10 Geographical location-wise lease, loans and advances:

The above balance is made up as follows:

Particulars	31-12-2015	31-12-2014
Inside Bangladesh		
Urban		
Dhaka Division	6,327,012,292	5,022,034,224
Chittagong Division	63,471,798	61,200,000
Khulna Division	-	-
Rajshahi Division	-	-
Rangpur Division	-	-
Barisal Division	-	-
Mymensingh Division	-	-
Sylhet Division	-	-
	6,390,484,090	5,083,234,224
Outside Bangladesh	-	-
Total:	6,390,484,090	5,083,234,224

7.11 Particulars of Lease, Loans and Advances

	31-12-2015	31-12-2014
i. Classified loans, advances and leases		
a) Classified loans, advances and leases on which interest has not been credited to income	411,207,051	258,265,701
b) Provision on doubtful leases, loans and advances	95,269,637	69,280,866
Provision on bad loans, advances and leases	106,730,363	102,719,134
Total specific provisions	202,000,000	172,000,000



c) Amount of written off lease, loans and advances	-	341,521
Total amount realised against loans and leases previously written off	1,023,545	476,545
d) Provision kept against loans and advances classified as bad debts	49,473,919	77,838,335
e) Interest credited to Interest Suspense Account	109,392,000	55,328,000

7.12 Cumulative amount of written off loans, advances & leases

As per FID Circular no.03 dated 15 March 2007 of Bangladesh Bank, a financial institution should write-off loans/ lease to clean-up its financial statements subject to fulfilment of the following criteria:

- (i) Loans /leases classified as Bad and Losses against which 100% provision has been made;
- (ii) Approval from the Board of Directors is required;
- (iii) Best endeavors shall be made to recover the written-of loans/ leases and legal process should be initiated if not started before.

Opening Balance	137,010,447	136,668,926
Amount written off during the year	-	341,521
The amount of written off loans, advances and leases	137,010,447	137,010,447

7.13 Particulars of Required provision for lease, loans & advances

Required provision has been made as per Bangladesh Bank guidelines. As per BB guidelines, provision at the following rates have been made in the financial statements depending on the status of classification (exclusive method).

Investment up to 5 years term	Classification status	Provision (%)
Below 3 months	Standard (SME)	0.25
Below 3 months	Standard (other than SME)	1
3 to 6 months	SMA	5
6 to 11 months	SS	20
12 to 18 months	DF	50
18 months and above	BL	100

Investment up to 5 years term	Classification status	Provision (%)
Below 6 months	Standard (SME)	0.25
Below 6 months	Standard (other than SME)	1
6 to 12 months	SMA	5
12 to 18 months	SS	20
18 to 24 months	DF	50
24 months and above	BL	100

Status	Base for Provision	Rate	Provision	
			31-12-2015	31-12-2014
Unclassified- General Provision				
Standard	4,985,684,903		47,722,247	41,026,590
SM	284,613,546	0.25%	711,534	452,429
Other than SME	4,701,071,357	1.00%	47,010,714	40,574,161
Special Mention Account (SMA)	937,228,156	5.00%	46,861,408	27,159,100
			94,583,655	68,185,690



Classified- Specific provision

Sub-Standard	117,083,852	20.00%	23,416,770	10,422,366
Doubtful	67,679,348	50.00%	33,839,674	14,458,434
Bad/Loss	49,473,919	100.00%	49,473,919	77,838,335
			106,730,363	102,719,134
Required provision for lease, loans & advances			201,314,019	170,904,824
Total provision maintained for lease, loans & advances			202,000,000	172,000,000
Excess provision for lease, loans & advances			685,981	1,095,176

8.00 Fixed assets including premises, furniture and fixtures:

Particulars	31-12-2015	31-12-2014
Cost & Revaluation		
Furniture and fixtures	11,573,157	11,534,257
Office equipment	12,520,288	11,932,780
Office Decoration	18,155,639	18,155,639
Motor Vehicles	14,786,646	10,604,646
Electrical Goods	595,450	595,450
Building	409,675,000	409,675,000
Construction WIP	114,863,400	114,863,400
Land	343,523,396	343,523,396
	925,692,976	920,884,568
Less: Accumulated depreciation	69,782,265	54,660,102
Net book value at the end of the year (Schedule-1)	855,910,711	866,224,466

8 a) Consolidated Fixed Assets

Bay Leasing & Investment Ltd.	855,910,711	866,224,466
BLI Capital Ltd.	187,273,608	185,558,290
	1,043,184,319	1,051,782,756

9.00 Other Assets:

Particulars	Notes	31-12-2015	31-12-2014
Income generating:			
Investment in associate & Subsidiaries	9.01	787,115,000	787,115,000
Interest receivable		4,430,088	5,043,132
Advance against lease finance		2,224,491	-
Receivable from BLI Capital Ltd		418,181,399	442,781,399
Other receivable		468,000	331,500



Non-income generating:

Advance, deposit and Prepaid expenses		7,680,000	5,310,670
Advance corporate tax	9.02	106,080,132	91,886,415
Advance Office Rent		-	-
Stationery & Stamp in hand		33,079	26,455
Security Deposit		19,000	19,000
Advance against Decoration, Preliminary Exp, Development		-	-
Branch Adjustment		-	-
Suspense Account		-	-
		1,326,231,189	1,332,513,571
Outside Bangladesh		-	-
Total:		1,326,231,189	1,332,513,571

9 a) Consolidated Other Assets :

Particulars	31-12-2015	31-12-2014
Bay Leasing & Investment Limited	1,326,231,189	1,332,513,571
BLI Capital Limited	189,934,581	334,795,855
Adjustment for dealing with Subsidiary	(1,168,171,399)	(1,192,771,399)
Total:	347,994,371	474,538,027
	787,115,000	787,115,000

9.01 Investment in Associate / Subsidiaries:

The above balance is made up as follows:

Investment in Associate	31-12-2015	31-12-2014
BLI Securities Limited	10,125,000	10,125,000
Lucky Feed Limited	27,000,000	27,000,000
Total:	37,125,000	37,125,000

Investment in associates recorded under the cost method.

Investment in Subsidiaries:	31-12-2015	31-12-2014
BLI Capital Ltd	749,990,000	749,990,000
Total:	749,990,000	749,990,000

BLIL has one subsidiary company as on reporting date. Consolidated financial statements has been prepared for subsidiary following the requirements of Bangladesh Financial Reporting Standard (BFRS) 10; 'Consolidated Financial Statements'

9.02 Advance corporate tax:

The above balance is made up as follows:

Particulars	31-12-2015	31-12-2014
Balance as on January 01	91,886,415	45,194,024
Addition during the year	63,057,777	46,692,391
Adjustment of previous years' tax liabilities	(48,864,060)	-
Balance as on December 31	106,080,132	91,886,415



Consolidated Advance income tax

Bay Leasing & Investment Ltd.	106,080,132	91,886,415
BLI Capital Ltd.	6,686,389	6,686,389
	112,766,521	98,572,804

10.00 Borrowing from banks, other financial institutions and agents:

Particulars	Notes	31-12-2015	31-12-2014
In Bangladesh	10.01	2,748,949,712	2,399,813,482
Outside Bangladesh		-	-
	Total:	2,748,949,712	2,399,813,482

10.01 In Bangladesh:

The above balance is made up as follows:

Particulars	31-12-2015	31-12-2014
Bank overdraft		
National Credit & Commerce Bank Ltd.	35,627,395	19,020,233
Southeast Bank Ltd.	-	224,979,663
Dhaka Bank Ltd.	59,797,811	97,037,669
Mercantile Bank Ltd.	67,383,500	66,903,930
Mutual Trust Bank Ltd.	168,386,347	219,437,001
Eastern Bank Ltd	19,703,839	-
United Commercial Bank Ltd	100,076,116	-
IFIC Bank Ltd	919,637	67,754,725
	Sub Total (a)	695,133,221
Short term loan/Call Money		
Southeast Bank Ltd.	-	150,000,000
Dutch Bangla Bank Ltd	-	40,000,000
	Sub Total (b)	190,000,000
Long term loan		
Mutual Trust Bank Ltd	180,816,418	101,477,600
Mercantile Bank Ltd.	-	92,924,250
Dutch Bangla Bank Limited	121,758,778	183,405,445
Premier Bank Ltd.	-	60,381,995
Modhumoti Bank Limited	34,140,742	45,378,674
Bank Asia Ltd	132,058,528	178,189,012
Pubali Bank Limited	132,029,678	66,912,214
Prime Bank Ltd	86,023,822	-
NCC Bank Ltd	86,960,562	-
Uttara Bank Limited	761,629,024	466,813,192
Shahjalal Islami Bank Ltd	309,529,963	194,073,709
Standard Bank Ltd	148,252,175	35,469,751
Eastern Bank Ltd	223,815,886	-
The UAE-Bangladesh Investment Co.Ltd.	38,932,519	50,503,473
	Sub Total (c)	1,475,529,315



Bangladesh Bank refinancing

Bangladesh Bank

Sub Total (d)

Total (a+b+c+d)

41,106,972	39,150,946
41,106,972	39,150,946
2,748,949,712	2,399,813,482

10.01 a Consolidated Borrowing from Banks & Other FI's

Bay Leasing & Investment Ltd.

BLI Capital Ltd.

Less: Inter company balance eliminated

Total:

2,748,949,712	2,399,813,482
1,748,951,945	1,471,835,240
4,497,901,657	3,871,648,722
649,397,011	664,132,431
3,848,504,646	3,207,516,291

10.02 Analysis by security against borrowing from banks,

other financial institutions and agents:

The above balance is made up as follows:

Particulars

Secured (assets pledged as security for liabilities)

Unsecured

Total:

	31-12-2015	31-12-2014
Secured (assets pledged as security for liabilities)	162,808,706	182,961,832
Unsecured	2,586,141,006	2,216,851,650
Total:	2,748,949,712	2,399,813,482

The loans are secured by first charge on all present and future floating assets of the Company ranking pari passu among the lenders.

10.03 Maturity grouping of borrowing from banks,

other financial institutions and agents

The above balance is made up as follows:

Particulars

On demand

Up to 1 month

Over 1 month but within 3 months

Over 3 months but within 1 year

Over 1 year but within 5 years

Over 5 years

Total:

	31-12-2015	31-12-2014
On demand	-	190,000,000
Up to 1 month	119,231,058	176,522,441
Over 1 month but within 3 months	254,974,550	302,475,113
Over 3 months but within 1 year	604,133,250	697,562,330
Over 1 year but within 5 years	1,244,296,462	487,731,936
Over 5 years	526,314,392	545,521,662
Total:	2,748,949,712	2,399,813,482

11.00 Deposits and other accounts:

The above balance is made up as follows:

Particulars

Notes

Term deposits

Flexi Savings

Super DPS

Double Money Plan

Bearer certificates of deposit

Other deposits

11.02

Total:

	31-12-2015	31-12-2014
Term deposits	3,646,905,117	2,745,775,742
Flexi Savings	27,000	12,000
Super DPS	8,602,800	5,565,000
Double Money Plan	39,787,879	9,405,000
Bearer certificates of deposit	-	-
Other deposits	17,150,718	16,946,905
Total:	3,712,473,514	2,777,704,647



11 a) Consolidated Deposits and other accounts:

Bay Leasing & Investment Ltd.	3,712,473,514	2,777,704,647
BLI Capital Ltd.	149,248,474	96,508,353
	3,861,721,988	2,874,213,000

11.01 Term deposits:

These represent deposits from individuals and institutions under the Company's term deposit schemes for a period of not less than six months for institutions and one year for individuals.

Deposits from banks and financial institutions	1,505,800,000	940,000,000
Deposits from other than banks and financial institutions	2,141,105,117	1,805,775,742
Total:	3,646,905,117	2,745,775,742

11.1.1 Sector-wise break-up of term deposits:

The above balance is made up as follows:

Particulars	31-12-2015	31-12-2014
Government	-	-
Banks and financial institutions	1,505,800,000	940,000,000
Other public	766,478,339	717,310,593
Private	1,374,626,778	1,088,465,149
Total:	3,646,905,117	2,745,775,742

11.1.2 Maturity analysis of term deposits:

The above balance is made up as follows:

Particulars	31-12-2015	31-12-2014
a) Maturity analysis of deposits from Banks & Financial Institutions		
Payable on demand	-	-
Up to 1 month	150,000,000	30,000,000
Over 1 month but within 3 months	400,000,000	80,000,000
Over 3 months but within 1 year	955,800,000	150,000,000
Over 1 year but within 5 years	-	680,000,000
Over 5 years but within 10 years	-	-
Over 10 years	-	-
Sub Total:	1,505,800,000	940,000,000
b) Maturity Analysis of Deposits from other than Banks and Financial Institutions		
Payable on demand	-	-
Up to 1 month	99,257,616	38,614,522
Over 1 month but within 3 months	321,326,555	111,945,455
Over 3 months but within 1 year	1,085,040,338	887,545,659
Over 1 year but within 5 years	635,480,608	666,454,474
Over 5 years but within 10 years	-	101,215,632
Over 10 years	-	-
Sub Total:	2,141,105,117	1,805,775,742
Grand Total:	3,646,905,117	2,745,775,742



11.02 Other deposits:

The above balance is made up as follows:

Particulars	31-12-2015	31-12-2014
Security deposit	5,105,100	5,900,700
Sundry Deposit (11.2.1)	12,045,618	11,046,205
Total:	17,150,718	16,946,905

11.2.1 Sundry Deposits:

The above balance is made up as follows:

Particulars	31-12-2015	31-12-2014
Lease Advance	7,832,643	6,849,557
Share money deposit	4,212,975	4,196,648
Total:	12,045,618	11,046,205

1.2.2 Maturity analysis of Super DPS, Flexi Savings, Double Money Plan & other deposits:

The above balance is made up as follows:

Particulars	31-12-2015	31-12-2014
Payable on demand	-	-
Up to 1 month	9,956,714	2,507,590
Over 1 month but within 3 months	9,825,889	3,517,098
Over 3 months but within 1 year	16,645,622	8,017,226
Over 1 year but within 5 years	12,717,181	2,578,288
Over 5 years but within 10 years	16,422,991	15,308,703
Over 10 years	-	-
Total:	65,568,397	31,928,905

12.00 Other liabilities:

The above balance is made up as follows:

Particulars	Notes	31-12-2015	31-12-2014
Interest suspense account	12.01	109,392,000	55,328,000
Accrued expenses and payables	12.02	176,071,629	190,001,977
Provision for lease, loans and advances	12.03	202,000,000	172,000,000
Provision for income tax	12.04	133,000,000	113,000,000
Deffered Tax Liability	12.05	4,961,253	3,114,064
Dividend payable	12.06	54,163,832	41,976,035
Total:		679,588,714	575,420,076

Bangladesh Bank FID circular no.3 of 2006 requires that interest on classified loans/ lease will be credited to interest suspense account, instead of crediting the same to income account. In accordance with the above circular interest on various facilities as SMA, SS ,DF and BL has been set-aside in the interest suspense account.



12 a) Consolidated Other Liabilities

Bay Leasing & Investment Ltd.	679,588,714	575,420,076
BLI Capital Ltd.	62,268,992	69,860,655
	741,857,706	645,280,731

12.01 Interest suspense account:

This represents interest receivable on lease, hire purchase, term finance and short term finance outstanding over ninety days as per Bangladesh Bank guidelines.

Particulars	31-12-2015	31-12-2014
Balance on January 01, 2015	55,328,000	43,841,000
Add: Amount trans. to "interest suspense" account during the year	54,064,000	11,487,000
Less: Amount recovered from "interest suspense" account during the year	-	-
Less: Amount written-off during the year	-	-
Balance as on December 31, 2015	Total: 109,392,000	55,328,000

12.02 Accrued expenses and payables:

The above balance is made up as follows:

Particulars	Notes	31-12-2015	31-12-2014
Liabilities For Financial expenses	12.02.1	133,194,225	146,508,884
Liabilities for accrued expenses	12.02.2	367,523	464,018
Liabilities for Provident Fund		-	6,658,464
Liabilities for Gratuity Fund		8,164,524	6,389,380
Others Payable		34,345,357	29,981,231
	Total:	176,071,629	190,001,977

12.02.1 Liabilities For Financial expenses:

The above balance is made up as follows:

Particulars	31-12-2015	31-12-2014
Interest Payable on Term Deposits	126,177,110	144,556,167
Interest Payable on Other Deposit	7,017,115	1,952,717
	Total: 133,194,225	146,508,884

12.02.2 Liabilities for accrued expenses:

The above balance is made up as follows:

Particulars	31-12-2015	31-12-2014
Audit Fee	172,500	132,250
Telephone bill	22,523	28,603
Electricity bill	-	68,640
Credit Rating Fee	172,500	172,500
Legal & Professional Fee	-	15,000
Service Charges	-	39,025
Office Maintenance	-	8,000
	Total: 367,523	464,018



12.03 Provision for lease, loans, advances & Investments:

Management, on the basis of guidelines issued by Bangladesh Bank has computed provisions for loans, advances and leases. Adequate provision has been kept as per BB circular to cover possible future losses.

Particulars	31-12-2015	31-12-2014
General provision on unclassified lease, loans and advances	95,269,637	69,280,866
Specific provision on classified lease, loans and advances	106,730,363	102,719,134
Provision as on 31 December 2015	202,000,000	172,000,000

Movement of General provision;

	31-12-2015	31-12-2014
Balance on January 01, 2015	69,280,866	72,429,814
Add: Provision made during the year	25,988,771	1,095,176
Less: Provision released during the year	-	4,244,124
Provision as on 31 December 2015	95,269,637	69,280,866

Movement of Specific provision ;

	31-12-2015	31-12-2014
Balance on January 01, 2015	102,719,134	82,570,186
Add: Provision made during the year	4,011,229	22,990,469
Less: Provision released during the year	-	2,841,521
Provision as on 31 December 2015	106,730,363	102,719,134

12.04 Provision for Income Tax:

The above balance is made up as follows:

Particulars	31-12-2015	31-12-2014
Balance on January 01	113,000,000	68,000,000
Add: Provision made for the year 2014	-	45,000,000
Provision made for the year 2015	65,000,000	-
Short Provision for the year 2013	3,799,060	-
Less: Settlement of previous years' tax liabilities- F/y 2013	(48,799,060)	-
133,000,000	113,000,000	

12.05 Deferred Tax Liability

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 (BAS) 12 "Income Taxes" and DFIM circular- 07; dated 31-07-2011.

Particulars	31-12-2015	31-12-2014
Balance at January 01	3,114,064	836,568
Addition during the year	1,847,189	2,277,496
Balance at December 31	4,961,253	3,114,064

12.06 Dividend payable

Particulars	31-12-2015	31-12-2014
Balance at January 01	41,976,035	28,335,753
Addition during the year	196,360,200	364,262,400
Paid during the year	(184,172,403)	(350,622,118)
Balance at December 31	54,163,832	41,976,035



13.04 Percentage of shareholding at the closing date:

	No. of shares		Percentage	
	2015	2014	2015	2014
(i) Sponsors & Director				
Foreign	-	-		
Domestic	51,171,425	70,350,656	39.09	53.74
	51,171,425	70,350,656	39.09	53.74
(ii) Corporate Bodies				
Foreign	276,690	276,690	0.21	0.21
Domestic	38,317,933	14,844,546	29.27	11.34
	38,594,623	15,121,236	29.48	11.55
(iii) General public				
Foreign	-	-	-	-
NRB	339,730	-	0.26	-
Domestic	40,801,022	45,434,908	31.17	34.71
	41,140,752	45,434,908	31.43	34.71
Total:	130,906,800	130,906,800	100.00	100.00

13.05 Shareholding range on the basis of shareholding as at December 31, 2015

No. of shares	Number of Shareholders	Total number of shares	Percentage of total holdings
Less than 5000	9090	13,313,036	10.17%
5,001 to 10,000	813	5,869,193	4.48%
10,001 to 20,000	452	6,335,135	4.84%
20,001 to 30,000	139	3,445,903	2.63%
30,001 to 40,000	66	2,272,123	1.74%
40,001 to 50,000	36	1,619,658	1.24%
50,001 to 100,000	82	5,699,088	4.35%
100,001 to 1,000,000	49	13,581,718	10.38%
1,000,001 to 10,000,000	22	78,770,946	60.17%
	10,749	130,906,800	100.00%

14.00 Statutory Reserve:

The above balance is made up as follows:

Particulars	31-12-2015	31-12-2014
Balance as at January 01, 2015	410,968,000	373,970,000
Addition during the year	32,295,000	36,998,000
Balance as at December 31, 2015	443,263,000	410,968,000

As per section 9 of the Financial Institutions Act, 1993 and regulation 6 of the Financial Institutions Regulations 1994, at least 20% of pre-tax profit or Tk. 32,295,000 has to be transferred to Statutory Reserve Fund. During the year the Company has transferred same to the statutory reserved fund.



15.00 Share Premium:

The above balance is made up as follows:

Particulars	31-12-2015	31-12-2014
Balance as at January 01, 2015	220,932,000	391,680,000
Addition during the year	-	-
Less: Premium use against stock dividend	-	(170,748,000)
Balance as at December 31, 2015	220,932,000	220,932,000

16.00 General reserve:

The above balance is made up as follows:

Particulars	31-12-2015	31-12-2014
Balance as at January 01, 2015	250,000,000	250,000,000
Appropriation from current year's profit	-	-
Balance as at December 31, 2015	250,000,000	250,000,000

17.00 Assets Revaluation Reserve:

The above balance is made up as follows:

Particulars	31-12-2015	31-12-2014
Balance as at January 01, 2015	409,749,806	409,749,806
Revaluation during the year	-	-
Adjustment during the year	-	-
Balance as at December 31, 2015	409,749,806	409,749,806

18.00 Adjusted Retained Earnings Balance

The above balance is made up as follows:

Particulars	31-12-2015	31-12-2014
Balance as at January 01, 2015	210,697,563	303,501,525
Dividend for last year	(196,360,200)	(193,514,400)
Short provision of Tax	(3,799,060)	-
Sub total (a)	10,538,303	109,987,125
Net profit after taxation for the year	94,627,618	137,708,438
Appropriation from current years profit:		
Transfer to statutory reserve	(32,295,000)	(36,998,000)
Transfer to General Reserve	-	-
Sub total (b)	62,332,618	100,710,438
Balance as at December 31, 2015	72,870,922	210,697,563
Grand total (a + b)	72,870,922	210,697,563

18 a) Consolidated Retained Earnings

Bay Leasing & Investment Ltd.
 BLI Capital Ltd. (99.9986%)
 Last year adjustment Non-controlling interest

	31-12-2015	31-12-2014
Bay Leasing & Investment Ltd.	72,870,922	210,697,563
BLI Capital Ltd. (99.9986%)	31,751,191	30,453,212
Last year adjustment Non-controlling interest	-	(800)
Balance as at December 31, 2015	104,622,112	241,149,976



19.00 Non-Controlling Interest

Persuant to the Bangladesh Financial Reporting Standard (BFRS) 10, ' Consolidated Financial Statements', non-controlling interest has been presented in the consolidated Balance Sheet within equity, seperately from the equity of the owners of the parent. Non controlling interest is made up as follows:

Particulars	31-12-2015	31-12-2014
Opening balance	11,206	10,363
Add: Previous year's adjustment	(800)	837
Restated opening balance	10,406	11,200
Add: addition during the year	17	6
Closing balance	10,423	11,206
Share Capital	10,000	10,000
Retained Earnings (0.0013%)	423	1,206
	10,423	11,206

20.00 Net asset value per share

The above balance is made up as follows:

Particulars	31-12-2015	31-12-2014
Total asset	9,846,895,668	8,564,353,574
Total liabilities	7,141,011,940	5,752,938,205
	2,705,883,728	2,811,415,369
Number of share outstanding	130,906,800	130,906,800
Net asset value per share	20.67	21.48

20 (a) Consolidated Net asset value per share

Total asset	11,189,729,682	9,568,889,010
Total liabilities	8,452,084,340	6,727,021,228
	2,737,645,342	2,841,867,782
Number of share outstanding	130,906,800	130,906,800
Consolidated Net asset value per share	20.91	21.71

21.00 Interest Income:

The above balance is made up as follows:

Particulars	31-12-2015	31-12-2014
Interest from Lease	214,629,667	169,483,456
Interest from Lease Advance	-	-
Interest from Term Finance	556,187,115	421,913,776
Interest on Fixed Deposits with Banks and Other FI's	12,999,575	18,687,224
Interest on balance with Banks	607,622	261,384
Interest on Call Loan	-	-
Total:	784,423,979	610,345,840



21 (a) Consolidated Interest Income

Bay Leasing & Investment Ltd.	784,423,979	610,345,840
BLI Capital Ltd.	156,932,067	207,206,687
	941,356,046	817,552,527
Less: Inter company balance eliminated	82,186,302	88,050,313
Total:	859,169,744	729,502,214

22.00 Interest paid on Deposit, Borrowing etc.:

The above balance is made up as follows:

Particulars	31-12-2015	31-12-2014
Interest on Call Loan	43,561,917	46,526,430
Interest on Over Draft	31,991,598	29,126,357
Interest on Term Deposits	287,427,978	264,026,139
Interest on Other Deposits	7,530,368	1,461,160
Interest on Term Loan	221,213,542	116,627,768
Total:	591,725,403	457,767,854

22 (a) Consolidated Interest paid on Deposit, Borrowing etc.

Bay Leasing & Investment Ltd.	591,725,403	457,767,854
BLI Capital Ltd.	190,436,622	237,358,990
	782,162,025	695,126,844
Less: Inter company balance eliminated	82,186,302	88,050,313
Total:	699,975,723	607,076,531

23.00 Investment Income:

The above balance is made up as follows:

Particulars	31-12-2015	31-12-2014
Dividend Income	42,527,557	34,046,392
Gain on Investment on Share	3,116,836	53,609,645
Total:	45,644,393	87,656,037

23 (a) Consolidated Investment Income

Bay Leasing & Investment Ltd.	45,644,393	87,656,037
BLI Capital Ltd.	9,085,407	14,964,838
Total:	54,729,800	102,620,875

24.00 Commission, Exchange and Brokerage Income:

The above balance is made up as follows:

Particulars	31-12-2015	31-12-2014
Income from L/C Commission	300,000	2,483,203
Total:	300,000	2,483,203



24 (a) Consolidated Commission, Exchange and Brokerage Income:

Bay Leasing & Investment Ltd.	300,000	2,483,203
BLI Capital Ltd.	22,765,639	34,288,609
Total:	23,065,639	36,771,812

25.00 Other Operating Income:

The above balance is made up as follows:

Particulars	31-12-2015	31-12-2014
Sevice Charge	1,622,726	2,574,905
Gain on sale of Fixed Assets	-	849,710
Early settlement charge	413,853	4,640,002
Documentation Fee	2,560,689	1,534,277
Rental Income	5,070,000	3,978,000
Miscellaneous Income	2,815,234	786,316
Total:	12,482,502	14,363,210

25 (a) Consolidated Other Operating Income

Bay Leasing & Investment Ltd.	12,482,502	14,363,210
BLI Capital Ltd.	9,697,215	6,144,797
Total:	22,179,717	20,508,007

26.00 Salary and allowances

Particulars	31-12-2015	31-12-2014
Salary and Allowance	21,881,590	15,653,663
Festival Bonus	1,157,020	937,045
Incentive Bonus	1,354,616	1,367,612
Insurance Premium	181,639	154,567
Car Allowance	961,000	1,161,000
Medical Allowance	369,000	438,000
Total:	25,904,865	19,711,887

26 (a) Consolidated Salary and allowances

Particulars	31-12-2015	31-12-2014
Bay Leasing & Investment Ltd.	25,904,865	19,711,887
BLI Capital Ltd.	6,755,033	7,156,700
Total:	32,659,898	26,868,587

27.00 Rent, Taxes, Insurance & Electricity:

The above balance is made up as follows:

Particulars	31-12-2015	31-12-2014
Office Rent	808,780	2,426,340
Rates & Taxes	-	317,617
Utility	3,294,979	786,598
Insurance Premium	75,948	56,435
Total:	4,179,707	3,586,990



27 (a) Consolidated Rent, Taxes, Insurance & Electricity

Bay Leasing & Investment Ltd.
BLI Capital Ltd.

	4,179,707	3,586,990
	2,586,885	617,850
Total:	6,766,592	4,204,840

28.00 Postage, stamp, telecommunication, etc

Particulars

Postage & stamp
Telecommunication

	31-12-2015	31-12-2014
	319,380	98,146
	227,368	200,068
Total:	546,748	298,214

28 (a) Consolidated Postage, stamp, telecommunication, etc

Bay Leasing & Investment Ltd.
BLI Capital Ltd.

	546,748	298,214
	1,237,228	1,009,783
Total:	1,783,976	1,307,997

29.00 Stationery, Printing, advertisement, etc.

Particulars

Stationery & Printing
Advertisement

	31-12-2015	31-12-2014
	1,277,035	1,208,010
	923,555	870,635
Total:	2,200,590	2,078,645

29 (a) Consolidated Stationery, Printing, advertisement, etc.

Bay Leasing & Investment Ltd.
BLI Capital Ltd.

	2,200,590	2,078,645
	137,001	271,128
Total:	2,337,591	2,349,773

29 (1) Managing Director's salary and benefits

Decreased amount in 31st December 2015 as compared to 31st December 2014 "special medical benefit" for Tk.22,41,517/= for spouse of Managing Director which carries approval of the Board

30.00 Directors Fee:

The above balance is made up as follows:

Particulars

Directors Fee

	31-12-2015	31-12-2014
	400,000	395,000
Total:	400,000	395,000

Each Director is paid TK. 5,000/- per meeting per attendance.

31.00 Consolidated Auditor's Fees

Particulars

Bay Leasing & Investment Ltd.
BLI Capital Ltd.

	31-12-2015	31-12-2014
	195,500	132,250
	57,500	50,000
Total:	253,000	182,250



32.00 Depreciation and repairs of assets

Particulars	31-12-2015	31-12-2014
Depreciation	15,122,163	12,603,017
Repair of assets	261,405	353,398
Total:	15,383,568	12,956,415

32 (a) Consolidated Depreciation and repairs of assets

Bay Leasing & Investment Ltd.	15,383,568	12,956,415
BLI Capital Ltd.	5,778,494	570,252
Total:	21,162,062	13,526,667

33.00 Other Expenses

The above balance is made up as follows:

Particulars	31-12-2015	31-12-2014
Bank Charges	472,147	265,508
Conveyances & Travelling	131,733	39,256
Credit Rating Fees	172,500	172,500
Office Maintenance	1,285,382	1,098,861
Entertainment Expenses	383,627	844,812
Listing & Other Regulatory Fees	200,000	983,360
AGM & EGM Expenses	732,345	707,844
Subscription & Donation	536,300	1,270,000
Surveyors fee	56,110	5,000
Newspaper & Periodicals	7,245	6,815
Training Fee	482,000	101,340
Total:	4,459,389	5,495,296

33 (a) Consolidated Other Expenses

Bay Leasing & Investment Ltd.	4,459,389	5,495,296
BLI Capital Ltd.	1,558,590	3,465,543
Total:	6,017,979	8,960,839

34.00 Provision against lease, loans and advances:

The above balance is made up as follows:

Particulars	31-12-2015	31-12-2014
On classified loans (Note-12.03)	4,011,229	22,990,469
On un-classified loans (Note-12.03)	25,988,771	(3,148,948)
Total:	30,000,000	19,841,521

34 (a) Consolidated Provision against lease, loans and advances:

Bay Leasing & Investment Ltd.	30,000,000	19,841,521
BLI Capital Ltd.	-	-
Total:	30,000,000	19,841,521



The above incremental provision is on the basis of Company's provisioning policy of maintaining provision for unclassified leases and loans to the extent of 1% of the outstanding receivables and full provision against leases and loans in case of payments outstanding for over six months irrespective of the status of classification. The Company also maintains special provision for regular leases and loans where management has doubt about recovery. The Company is already adequately provisioned as per Bangladesh Bank FID circular no. 14 dated June 26, 2000.

35.00 Provision for Diminution in Value of Investment in Shares:

The above balance is made up as follows:

Particulars	31-12-2015	31-12-2014
Balance 01-01-2015	-	-
(Adjustment)/Addition during the year	-	-
Total:	-	-

35 (a) Consolidated Provision for Diminution in Value of Investment in Shares:

Bay Leasing & Investment Ltd.	-	-
BLI Capital Ltd.	(11,365,020)	11,365,020
Total:	(11,365,020)	11,365,020

36.00 Provision for Tax:

The above balance is made up as follows:

Particulars	31-12-2015	31-12-2014
Current Year Tax	65,000,000	45,000,000
Deferred Tax	1,847,189	2,277,496
Total:	66,847,189	47,277,496

36 (a) Consolidated Provision for Tax:

Bay Leasing & Investment Ltd.	66,847,189	47,277,496
BLI Capital Ltd.	-	277,374
Total:	66,847,189	47,554,870

37.00 Earnings per share (EPS):

Earning per share (EPS) has been computed by dividing the basic earnings by the number of ordinary shares outstanding as on December 31, 2015 as per Bangladesh Accounting Standard (BAS) -33.

The above balance is made up as follows:

Particulars	31-12-2015	31-12-2014
Net profit after tax	94,627,618	137,708,438
Number of ordinary shares outstanding	130,906,800	130,906,800
Earnings per share	0.72	1.05

37 (a) Consolidated Earnings per share (EPS):

Net profit after tax	95,925,613	138,170,729
Number of ordinary shares outstanding	130,906,800	130,906,800
Earnings per share	0.73	1.06



38.00 Related Party Disclosures

38.01 Particulars of Directors of the Company as on December 31, 2015

Sl.no	Name of Directors	Designation	Shareholding status
1	Dr. Maswooda Ghani	Chairman	6.05%
2	Mr. Tarik Sujat	Director	2.09%
3	Mr. Zubayer Kabir	Director	2.00%
4	Prof.Suraiya Begum	Director	2.15%
5	Mr. Zakir Ahmed Khan	Independent Director	0.00%
6	Mr. Sheikh Abdul Hafiz	Independent Director	0.00%
7	Prof. Shahid Uddin Ahmed	Independent Director	0.00%
Total			12.29%

38.02 Name of Directors and their interest in different entities as on December 31, 2015

Sl.no	Name of Directors	Designation	Entities Where they have interest
1	Dr. Maswooda Ghani	Chairman Director	Managing Director: Pushpo Clinic
2	Prof. Suraiya Begum	Director	
3	Mr. Tarik Sujat	Director	CEO Journeyman Colors of Bangladesh One Stop Print Shop Managing Director: MediaScene Ltd. I- Info Media Ltd. Director Desh Television Limited Managing Partner: Journeyman Riddi Consortium
4	Mr. Zubayer Kabir	Director	Managing Director: 1. National Securitiss & Consultants Ltd. 2. Erebus Properties Ltd.
5	Mr. Zakir Ahmed Khan	Independent Director	Advisor: SouthEast Bank Ltd.
6	Mr. Sheikh Abdul Hafiz	Independent Director	Member Governing Body: a) Bangladesh Medical College & Hospital b) Bangladesh Dental College c) Uttara Adhunik Medical College & Hospital d) Member & Past President, ICAB
7	Prof. Shahid Uddin Ahmed (Ph.D)	Independent Director	Independent Director: Argon Denim Fabrics Ltd.



38.03 Related Party Transactions

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

Details of transactions with related parties and balances with them as at December 31, 2015 were as follows:

Name of the related party	Relationship	Nature of transaction	Outstanding receivable/(Payable)	
			2015	2014
BLI Capital Limited	Subsidiary Company	Term Finance	649,397,011	664,132,431
		Receivable	418,181,399	442,781,399
BLI Securities Ltd	Associate Company	Term Deposit	33,476,622	30,295,646
Lucky Feed Ltd	Associate Company	Term Deposit	125,327	115,348
		Term Finance	77,688,793	81,569,225

38.04 Significant contract where FI is party and wherein Directors have interest

As on 31 December 2015 no such contract exists.

Bay Leasing & Investment Limited
Schedule of Fixed Assets
as at December 31, 2015

Schedule-1

Particulars	Balance as on 31.12.2015					Depreciation					Balance as on 31.12.2015		W.D. as on 31.12.2015		
	Cost as on 01.01.2015	Revaluation as on 01-01-2015	Addition during the year	Disposals/ Adjustments during the year	Total	Balance as on 01.01.2015		Charged during the Year		Adjustment for Disposals	Balance as on 31.12.2015		(8+17)=18		
						Cost (1+3-5)=6	Revaluation (2+4)=7	Cost 10	Revaluation 11		Cost 12	Revaluation 13		Cost (10+12-14)=15	Revaluation (11+13)=16
	1	2	3	5	(6+7)=8	9	10	11	12	13	14	(10+12-14)=15	(11+13)=16	17	(8+17)=18
Furniture and Fixtures	11,534,257	-	38,900	-	11,573,157	10%	2,520,637	-	904,491	-	-	3,425,128	-	3,425,128	8,148,029
Office Equipment	11,932,780	-	587,508	-	12,520,288	15%	5,674,032	-	998,663	-	-	6,672,695	-	6,672,695	5,847,593
Office Decoration	18,155,639	-	-	-	18,155,639	20%	5,725,062	-	2,486,115	-	-	8,211,177	-	8,211,177	9,944,462
Motor Vehicles	10,604,646	-	4,182,000	-	14,786,646	20%	5,700,411	-	1,349,647	-	-	7,050,058	-	7,050,058	7,736,588
Electrical Goods	595,450	-	-	-	595,450	20%	581,248	-	2,840	-	-	584,088	-	584,088	11,362
Building	89,005,460	320,669,540	-	-	409,675,000	2.50%	8,572,304	25,886,407	2,010,829	7,369,578	-	10,583,133	33,255,985	43,839,118	365,835,882
Construction WIP	114,863,400	-	-	-	114,863,400	0%	-	-	-	-	-	-	-	-	114,863,400
Land	251,818,744	91,704,652	-	-	343,523,396	0%	-	-	-	-	-	-	-	-	343,523,396
Total	508,510,376	412,374,192	4,808,408	3,429,019	925,692,976		28,773,694	25,886,407	7,752,585	7,369,578	-	6,526,279	33,255,985	69,782,265	855,910,711
2014	387,792,545	412,374,192	124,146,850	3,429,019	920,884,568		26,094,650	18,327,865	5,044,475	7,558,542	2,365,430	28,773,695	25,886,407	54,660,102	866,224,466



Bay Leasing & Investment Limited

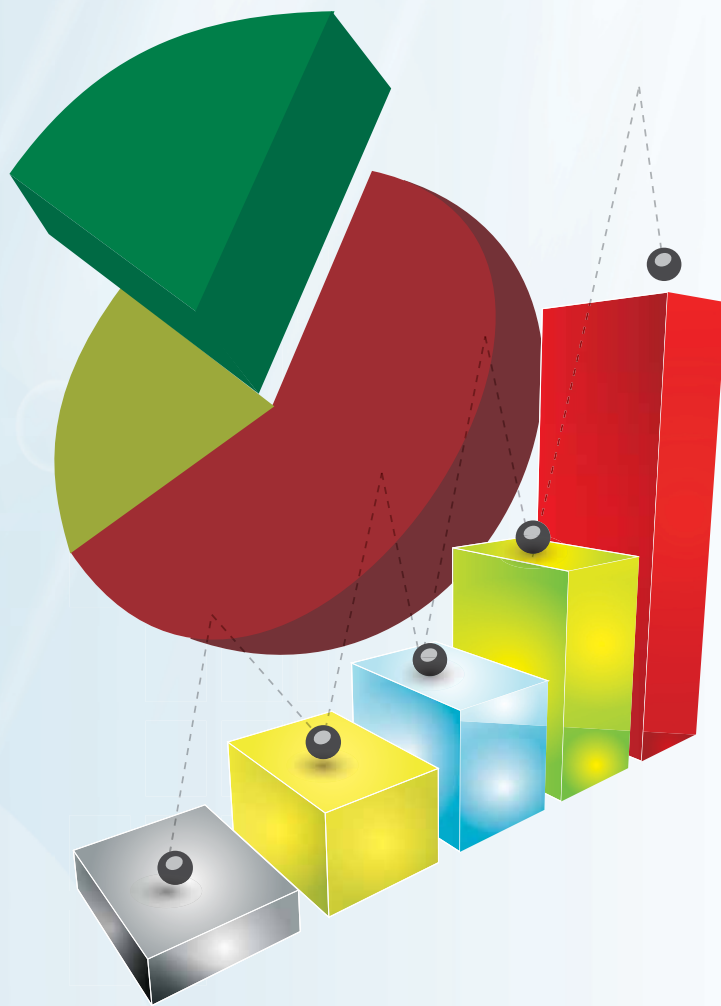
Some Pertinent Highlights

as on December 31, 2015

Sl No.	Particulars	31-12-2015 (Taka)	31-12-2014 (Taka)
1	Paid-up capital	1,309,068,000	1,309,068,000
2	Total Shareholder's Equity	2,705,883,728	2,841,867,782
3	Capital Surplus/(deficit)	1,527,458,462	1,607,001,332
4	Total Assets	9,846,895,668	8,564,353,574
5	Total Deposits	3,712,473,514	2,777,704,647
6	Total Loans and advances	6,390,484,090	5,083,234,224
7	Total Contingent Liabilities and Commitment	-	-
8	Investment Deposit Ratio	1.72	1.83
9	Percentage of Classified Investment against Total Investments	6.43%	5.08%
10	Net Profit after Tax	94,627,618	138,170,729
11	Total Classified Investments	411,207,051	258,265,701
12	Provision Kept against classified Investments	106,730,363	102,719,134
13	Provision Surplus/(deficit)	685,981	1,095,176
14	Cost of Fund	10.14%	12.07%
15	Interest earning Assets	6,578,987,056	6,617,441,859
16	Non-Interest earning Assets	3,267,908,612	1,946,911,715
17	Return on equity	3.50%	4.86%
18	Return on Average Assets	1.64%	1.94%
19	Income from Investment	45,644,393	102,620,875
20	Income Per Share	0.72	1.06
21	Earning Per Share	0.72	1.06
22	Price earning Ratio (P/E Ratio)	28.19	28.21

Auditors' REPORT

BLI Capital Limited





AUDITOR'S REPORT TO THE SHAREHOLDERS OF BLI CAPITAL LIMITED

We have audited the accompanying financial statements of **BLI CAPITAL LIMITED** which comprises the Statement of Financial Position as at December 31, 2015 and the related Statement of Comprehensive Income, Statement of Changes in Shareholders Equity, Statement of Cash Flows for the year then ended and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRS), the companies Act 1994, and other applicable laws and regulations, this responsibility includes designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

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

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

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

In our opinion, the financial statements of BLI CAPITAL LIMITED prepared in accordance with Bangladesh Financial Reporting Standards (BFRS), give a true and fair view of the state of the company's affairs as at December 31, 2015 and its cash flows for the year then ended and comply with the companies Act 1994 and other applicable laws and regulations.

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 been kept by the company so far as it appeared from our examination of those books;
- (iii) The Company's Financial Position and Statement of Comprehensive Income and its Cash Flows dealt with by the report are in agreement with the books of account and returns;
- (iv) The expenditure incurred was for the purpose of the company's business;

Dhaka
Dated: 30 March, 2016

Pinaki & Co
Pinaki & Company
Chartered Accountants

BLI CAPITAL LIMITED.
Statement of Financial Position
as at December 31, 2015

		TAKA	
		31-12-2015	31-12-2014
PROPERTY AND ASSETS			
NON-CURRENT ASSETS			
Property, Plant and Equipment	Note-4	187,273,608	185,558,290
CURRENT ASSETS			
Advance Deposit and Pre-Payments	Note-5	183,240,009	316,629,084
Accounts Receivable	Note-6	6,694,572	18,166,771
Investment In Share	Note-7	595,507,583	310,519,299
Margin Loan		2,128,038,728	1,974,896,206
Cash and cash equivalent	Note-8	59,647,923	55,669,616
TOTAL		3,160,402,423	2,861,439,266
EQUITY AND LIABILITIES			
CAPITAL & RESERVE			
Shareholders equity	Note-9	750,000,000	750,000,000
Retained Earnings	Note-10	31,751,614	30,453,618
NON-CURRENT LIABILITIES			
Loan From Bank & Financial Institution	Note-11	703,902,632	629,695,709
CURRENT LIABILITIES			
Short Term Loan		1,023,842,889	807,702,809
Margin Deposit		149,248,474	96,508,354
Other Payable	Note-12	456,889,794	490,946,736
Provision for Tax	Note-13	26,301,315	26,301,315
Provision against Unrealized loss in Investment In Share		-	11,365,020
Provision against Unrealized loss in Margin Loan		18,465,705	18,465,705
TOTAL		3,160,402,423	2,861,439,266

Signed in terms of our separate report of even date

R. Rehman
Managing Director

Ms. Khan
Director

J. Begum
Director

Pirax & Co
PINAKI & COMPAN
 Chartered Accountants

BLI CAPITAL LIMITED.
Statement of Comprehensive Income
for the year ended December 31, 2015

Income :

Brokerage Settlement Charges
 Gain on Investment in Share
 Dividend Income
 Interest Income
 Documentation Fee
 Underwriting Commission
 Other Income
 Portfolio management Fee

Note-14

TOTAL

Expenses :

Salary & Allowance
 Office Rent
 Registration & Renewal Fee
 Printing & Stationary
 Entertainment
 Internet & Network Charge
 CDBL Charges
 Interest Waiver for Affected Small Investors Scheme
 Repair & Maintenance
 Software maintenance Fee
 Conveyance
 Newspaper
 Electricity Bill
 Courier
 Telephone & Mobile bill
 Awareness Programme
 Car maintenance
 Fuel & Lubricants
 Service Charge(Eunoos Centre)
 Audit Fees
 Bank Charge
 Bank Interest
 Depreciation

Total Expenses

Net Profit/loss Before Provision
 Provision for Investment In Share

Note-15

Provision for Tax

Net profit Transfer to Retained Earnings

TAKA	
31-12-2015	31-12-2014
14,281,586	21,243,454
1,561,464	12,828,945
7,523,943	2,135,893
156,932,067	207,206,687
16,000	127,000
74,988	255,585
9,681,215	6,017,797
8,409,065	12,789,570
198,480,328	262,604,931
6,755,033	7,156,700
2,334,780	617,850
602,518	334,010
137,001	271,128
201,438	188,292
145,723	159,789
1,198,901	2,989,054
-	10,306,348
229,920	51,860
420,725	428,571
4,228	2,180
2,670	5,205
226,605	-
30	1,190
68,232	86,223
58,700	18,200
247,841	254,115
212,034	106,009
25,500	-
57,500	50,000
92,653	262,612
190,436,622	227,052,642
5,088,699	158,268
208,547,352	250,500,246
(10,067,024)	12,104,685
11,365,020	(11,365,020)
1,297,996	739,664
-	277,374
1,297,996	462,290

Examined and found correct


Managing Director


Director


Director


PINAKI & COMPAN
 Chartered Accountants



BLI CAPITAL LIMITED.
Statement of Changes in Equity
for the year ended December 31, 2015

Particulars	Share Capital	Retained Earnings	Total
Balance as at December 31, 2014	750,000,000	30,453,618	780,453,618
During the year	-	1,297,996	1,297,996
Balance as at December 31, 2015	750,000,000	31,751,614	781,751,614

The annex notes form an integral part of these financial statements

Examined and found correct

R. Khan
Managing Director

M. Khan
Director

J. Begum
Director

Pirax & B
PINAKI & COMPAN
 Chartered Accountants

BLI CAPITAL LIMITED.

Statement of Cash Flow

for the year ended December 31, 2015

	TAKA	
	31-12-2015	31-12-2014
A. Cash Flow from operating activities		
Cash receipt from Customer	182,685,852	229,031,623
Cash Received from Others	27,266,675	34,154,789
Cash paid to Suppliers and Others	(46,986,320)	9,122,861
Bank Charge	(92,653)	(262,612)
Bank Interest	(190,436,622)	(227,052,642)
Net Cash flow from operating activities	(27,563,068)	44,994,019
B. Cash Flow from investment activities		
Acquisition of Asset	(6,804,017)	(184,696,939)
Investment in Share	(284,988,284)	(182,974,802)
Net Cash flow from investment activities	(291,792,301)	(367,671,741)
C. Cash Flow from financing activities		
Shareholders equity	-	500,000,000
Mergin Deposit	52,740,120	(37,586,649)
Mergin Loan	(153,142,522)	(128,325,657)
Advance Deposit & Pre-Payment	133,389,075	120,267,071
Loan From Bank & Financial Institutes	290,347,003	(126,216,742)
Net Cash flow from financing activities	323,333,676	328,138,023
D. Net Cash inflow/outflow for the year (A+B+C)	3,978,307	5,460,302
E. Opening Cash and Bank balance	55,669,616	50,209,314
F. Closing Cash and Bank balance (D+E)	59,647,923	55,669,616

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

Examined and found correct


Managing Director


Director


Director


PINAKI & COMPAN
Chartered Accountants



BLI CAPITAL LIMITED.
Notes to the Financial Position
as at December 31, 2015

1. Legal status and nature of the Company

BLI CAPITAL LIMITED. (hereinafter referred to as “the Company”) was incorporated in Bangladesh as a public limited company on 13.04.2011 under the Companies Act 1994 and granted registration number C-91999/11.

1.1 Address of the registered office

The company operates its activities from Eunoos Trade Center, Level –18, 52/53 Dilkusha C/A, Dhaka-1000.

1.2 Nature of Business Activities:

The main object of BLI CAPITAL LIMITED is to carry on the business of merchant banking under the Securities and Exchange (Merchant Banking and Portfolio Management) Regulation 1996.

2. Significant accounting policies

2.1 Statement of Compliance

The financial statements of BLI CAPITAL LIMITED have been prepared in accordance with the Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS), Companies Act 1994 and other applicable laws and regulations.

2.2 Measurement bases used in preparing the Financial Statements

The elements of financial statements have been measured on “Historical Cost” basis, which is one of the most commonly adopted base provided in “the framework for the preparation and presentation of financial statements” issued by the International Accounting Standard Board (IASB).

2.3 Going Concern

Financial statements have been prepared on going concern basis as there was no significant doubt or uncertainty to continue the operation of the company in the foreseeable future.

2.4 Components of financial statements:

According to International Accounting Standard (IAS) – 1, as adopted by ICAB as BAS – 1 “presentation of financial statements” the complete set of financial statements includes the following components:

- i) Statement of Financial Position
- ii) Statement of Comprehensive Income.
- iii) Statement of Changes in Equity
- iv) Statement of Cash flows and
- v) Notes to the Financial Statements.

3. Principal Accounting Policies:

3.1 Cash flow Statement

Cash Flow Statement is prepared in accordance with BAS 7 “Cash Flow Statement”. The cash flow from the operating activities have been presented under Direct Method as prescribed by the Securities and Exchange Rules 1987 and considering the provisions of Paragraph 18(b) of BAS-7 which provides that “Enterprises are encouraged to report Cash Flow from Operating Activities using the Direct Method”.

3.2 Reporting Currency and Level of Precision:

The figures in the financial statements represent Bangladesh Currency (Taka), which have been rounded-off to the nearest Taka.

BLI CAPITAL LIMITED.
Notes to the Financial Position
as at December 31, 2015

No.	Particulars	Taka	
		2015	2014
4.	Property, Plant and Equipment		
	Details of Property, Plant and Equipment and Depreciation as on December 31, 2015 are shown in the annexed Schedule - A. This is arrived at as follows:		
	Written Down Value (a-b)	187,273,608	185,558,290
	Opening Balance - At Cost	186,081,299	165,582,460
	Add: Addition during the year (At Cost)	6,804,017	184,696,939
		192,885,316	350,279,399
	Less : Adjustment during the year	-	164,198,100
	Closing Balance (a)	192,885,316	186,081,299
	Accumulated Depreciation		
	Opening Balance	523,009	364,741
	Add: Charged during the year	5,088,699	158,268
		5,611,708	523,009
	Less : Adjustment during the year	-	-
	Closing Balance (b)	5,611,708	523,009
5.	Advance Deposit and Pre-Payments	183,240,009	316,629,084
	Advance Income Tax	8,927,909	6,686,389
	Advance for Office Space(Rupayan)	164,198,100	309,647,695
	Advance for Office Space(Eunoos Trade Centre)	9,945,000	-
	Advance Against Salary	157,000	295,000
	Advance for Others	12,000	-
5.1	Advance Income Tax	8,927,909	6,686,389
	As per Last Account	6,686,389	5,698,055
	Add:During the Year	2,241,520	988,334
5.2	Advance for Office Space(Rupayan)	164,198,100	309,647,695
	As per Last Account	309,647,695	266,950,000
	Add:Adjustment vide Fixed Asset	-	164,198,100
		309,647,695	431,148,100
	Less:Adjustment During the year	145,449,595	121,500,405
5.3	Advance for Office Space(Eunoos Trade Centre)	9,945,000	-
	As per Last Account	-	-
	Add:During the Year	11,016,000	-
		11,016,000	-
	Less:Adjustment During the year	1,071,000	-



No.	Particulars	Taka	
		2015	2014
9.1	Share holding position	No of shares	% of shareholdings
	Bay Leasing & Investment Limited	74,999,000	99.999
	BLI Securities Limited	100	0.000
	Mrs. Jahan Ara Begum	100	0.000
	Mrs. Rizwana K. Riza	100	0.000
	Mr. Dr. Maswooda Ghani	100	0.000
	Mr. Tarik Sujat	100	0.000
	Mr. Zubayer Kabir	100	0.000
	Mr. Shabbir Kabir	100	0.000
	Mr. Minhaz Mannan Emon	100	0.000
	Mrs. Hasnat Ara Haque	100	0.000
	Mr. Tanveer Harun	100	0.000
	Total	75,000,000	100%
10.	Retained Earnings	31,751,614	30,453,618
	As per last account	30,453,618	29,991,328
	Add: Profit During the year	1,297,996	462,290
11.	Loan From Bank & Financial Institution	703,902,632	629,695,709
	Bay Leasing & Investment Ltd.	629,478,018	629,695,709
	ICB Loan	74,424,614	-
12.	Other Payable	456,889,794	490,946,736
	Bay Leasing & Investment Ltd.	418,181,397	442,781,397
	Devidend payable	500	500
	Rent received in Advance	10,857,000	13,629,000
	Creditor for Expenses	61,698	99,115
	Interest Payable to Bay Leasing	19,903,993	34,436,724
	Interest Payable to ICB	1,302,431	-
	Service Charge (Eunoos Trade Centre)	232,050	-
	Other Payable	6,350,725	-
13.	Provision for Tax	26,301,315	26,301,315
	As per Last Account	26,301,315	26,023,941
	Add: During the year	-	277,374
14.	Other Income	9,681,215	6,017,797
	Interest Income From FDR	5,032,161	5,605,961
	Interest Income From STD A/C	25,154	8,095
	IPO Commission Income	3,900	890
	Rental Income	4,620,000	385,000
	Service Charge	-	17,850

15. Provision against Unrealized Loss In Investment in Share amounting to Taka 11,365,020 for the year ended 2014 has been fully adjusted during the year due to accumulated unrealized gain on investment in share.

BLI CAPITAL LIMITED.
Schedule to the Financial Statements
as on December 31, 2015

Schedule - A

Particulars
Property, Plant and Equipment

Particulars	C O S T			D E P R E C I A T I O N				W.D.V Bal.as.on 31.12.15 Taka	
	Bal.as.on 01.01.15 Taka	Addition Taka	Adjustment Taka	Bal.as.on 31.12.15 Taka	Rate %	Bal.as.on 01.01.15 Taka	Charged Taka		Bal.as.on 31.12.15 Taka
Computer	558,450	-	-	558,450	15%	225,435	49,952	275,387	283,063
Fax Machine	26,000	-	-	26,000	15%	15,782	1,533	17,315	8,685
Chair	73,201	-	-	73,201	10%	25,989	4,721	30,710	42,491
Telephone Set	21,500	13,550	-	35,050	15%	10,379	1,668	12,047	23,003
Internet Modem	40,655	-	-	40,655	15%	17,949	3,406	21,355	19,300
Vacuum Cleaner	17,320	-	-	17,320	15%	7,106	1,532	8,638	8,682
Software	559,903	50,000	-	609,903	15%	131,809	70,464	202,273	407,630
Website	31,700	-	-	31,700	15%	9,490	3,332	12,821	18,879
Micro Oven	7,200	-	-	7,200	15%	3,845	503	4,348	2,852
File Cabinet	95,465	-	-	95,465	10%	17,989	7,748	25,737	69,728
Fan	25,050	-	-	25,050	10%	8,360	1,669	10,029	15,021
Printer	38,600	-	-	38,600	15%	15,033	3,535	18,568	20,032
Networking Switch	8,400	-	-	8,400	15%	3,701	705	4,406	3,994
Photocopier	80,000	-	-	80,000	15%	29,213	7,618	36,831	43,169
Scanner	4,350	-	-	4,350	15%	930	513	1,443	2,907
Cookeris	-	5,500	-	5,500	15%	-	-	-	5,500
Car DM-GA-25-0900	901,000	-	-	901,000	20%	-	180,200	180,200	720,800
Car DM-GA-27-1411	902,000	-	-	902,000	20%	-	180,400	180,400	721,600
Access Control	-	22,000	-	22,000	15%	-	-	-	22,000
Water Cooler	-	13,500	-	13,500	15%	-	-	-	13,500
PABX System	-	32,600	-	32,600	15%	-	-	-	32,600
Furniture & Fixtures	-	153,520	-	153,520	15%	-	-	-	153,520
Office Decoration	-	6,403,347	-	6,403,347	15%	-	-	-	6,403,347
Floor Space(Eunoos Trade Centre)	182,690,505	110,000	-	182,800,505	2.5%	-	4,569,200	4,569,200	178,231,305
Total	186,081,299	6,804,017	-	192,885,316		523,009	5,088,699	5,611,708	187,273,608







Bay Leasing & Investment Limited

SECURE YOUR FUTURE®

Proxy No:.....Date:.....

Authorized Officer Signature

PROXY FORM

I/We.....

Registered BO ID :

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

of.....

being a shareholder of **Bay Leasing & Investment Limited** ("the Company") do hereby appoint Mr./Mrs./Ms.

of.....

as my/our proxy to attend and vote for my/us on my/our behalf at the **20th Annual General Meeting** of the Company to be held on by **Tuesday May 31,2016 at 11.00 A.M** at Institute of Diploma Engineers, Bangladesh (IDEB), IDEB Bhaban , Dhaka-1000

Signed this.....day of 2016.....

SIGNATURE OF THE PROXY



SIGNATURE OF THE SHAREHOLDER

Note:

- i) Signature of the shareholder must be in accordance with specimen signature registered with Depository Participant(s)/Company.
- ii) A Member of the Company entitled to attend and vote at the 20th Annual General Meeting may appoint as a Proxy to attend and vote on his/her/their behalf. The Proxy Form duly signed and stamped must be deposited at the Registered Office of the Company at least 48 hours before the time fixed for the meeting.



Bay Leasing & Investment Limited

SECURE YOUR FUTURE®

Proxy No:.....Date:.....

Authorized Officer Signature

ATTENDANCE SLIP

Name of Shareholder/Proxy.....

Registered BO ID :

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

I hereby record my attendance at the **20th Annual General Meeting** of the Company to be held on by **Tuesday May 31,2016 at 11.00 A.M** at Institute of Diploma Engineers, Bangladesh (IDEB), IDEB Bhaban , Dhaka-1000

SIGNATURE OF THE PROXY

SIGNATURE OF THE SHAREHOLDER

N.B.:

- i) Please present this Slip at the Reception Desk.
- ii) Please note that Annual General Meeting can only be attended by the honourable Shareholders or Properly Constituted Proxy/Attorney/Representative therero of, any friend or children accompanying with honourable shareholder or Proxy/Attorney/Representative will not be allowed to the meeting.

