

annual report 2011



Bay Leasing & Investment Limited

SECURE YOUR FUTURE



annual report 2011

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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 Dec 31, 2011.

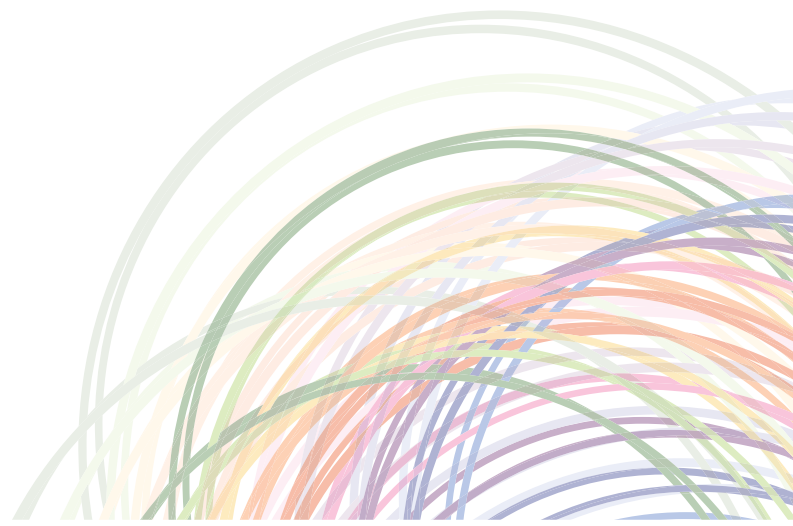
Dear Sir,

We are delighted to forward a copy of the Annual Report together with the Audited Financial Statement for the year ended Dec 31, 2011.

Sincerely Yours,



Iftekhar Ali Khan
Managing Director



Notice of the 16th Annual General Meeting

Notice is hereby given that 16th Annual General Meeting of the Shareholders of Bay Leasing & Investment Limited will be held on May 05, 2012 Saturday at 10.30 a.m at Bashudhara Convention Center-2, Umme Kulsum Road, Block-C, Bashundhara R/A, Dhaka to transact the following business:

AGENDA

1. To receive and adopt the Directors' Report, Auditors Report and Audited Financial Statements for the year ended December 31, 2011.
2. To declare dividend for the year ended 31st December 2011.
3. To elect Directors in place of those who shall retire by rotation in accordance with the provisions of Articles of Association of the Company.
4. To appoint Auditors of the Company for the year 2012 and to fix their remuneration.
5. To transact any other business with the permission of the Chair.

Dhaka,

April 15, 2012

By Order of the Board



M. Maniruz Zaman Khan
SAVP & Company Secretary

Notes:

1. The Board of Directors have recommended dividend @ 20% in the form of Bonus Shares and 15% Cash Dividend for the year ended 31st December 2011 subject to approval in the 16th Annual General Meeting
2. The record date has been fixed on April 11, 2012. The Shareholders, whose names will appear in the Share Register of the Company on the record date, will be eligible to attend the meeting and receive dividend.
3. A shareholder eligible to attend and vote in the AGM may appoint Proxy to attend and vote in his/her behalf. The Proxy Form duly completed and stamped must be deposited at the registered office of the Company not later than 72 hours before the time fixed for the meeting.
4. Admission into the meeting room will be allowed on production of the Attendance Slip attached with the Proxy Form.



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 endeavour 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 stakeholder's through the strength of satisfied customers and consistently produce superior operating results.

Bay Leasing at a Glance

Bay Leasing & Investment Limited is a public limited company which started its journey in February, 1996 as a non-banking financial institution and guided under the Financial Institutions Act of 1993. From its inception Bay Leasing & Investment Limited ran its operations in a professional manner under the able guidance and leadership of its Board of Directors. The employees are fully committed and dedicated to its growth and have been very loyal. On account of this the employee turnover of Bay Leasing & Investment Limited is the lowest in the industry. The customer portfolio is well diversified and a vast number of entrepreneurs have been benefited immensely through long term relationships.

The shares of Bay Leasing are listed and traded both in Dhaka and Chittagong Stock Exchanges and has been rated as one the top 10 turnover leaders.

In the quest for excellence in service Bay Leasing & Investment Limited has recently 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. SME Loans & Women Entrepreneur Loan are gaining momentum and efforts are underway to offer new products and services to corporate clients too.

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 is being separated as per regulatory suggestion and shortly, a wholly owned subsidiary under the name BLI Capital Limited will commence 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

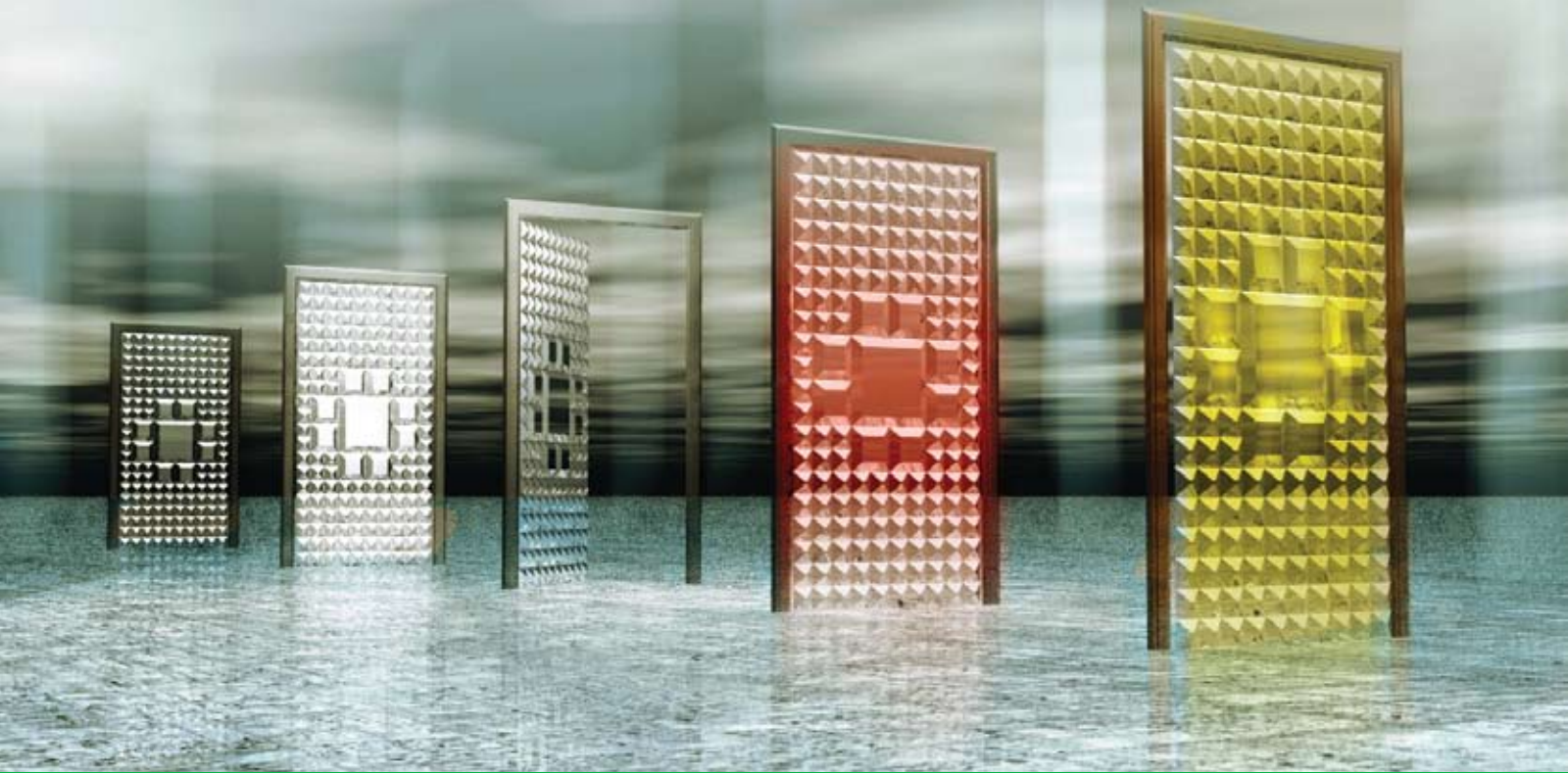
We aim to provide the best quality service to our clients each passing day in our quest for excellence.



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. Licenced 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	: 246-200-3993/LTU, Dhaka
Corporate Head Office	: Bay Leasing & Investment Limited Printers Building (7th Floor) 5, Rajuk Avenue, Motijheel, Dhaka - 1000. Tel: 9565026, 9568599, Fax: 9565027
Auditors	: Pinaki & Company 2/4, Nawab Habibullah Road (1st Floor), Shahbag, 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 The Law Lyceum Eastern View (11th Floor), Room No. 11/10 50, DIT Ext. Road, Naya paltan, Dhaka-100.
Memberships	: Dhaka Chamber of Commerce Industry. Bangladesh Leasing & Finance Companies Associations Bangladesh Association of Publicly Limited Company Bangladesh Merchant Bankers Association

Company Web Site	:	info@blilbd.com
Company Email	:	http://www.blilbd.com
Bankers	:	<p>Bank Alfalah Limited Bank Asia Ltd BASIC Bank Limited Dhaka Bank Limited Dutch Bangla Bank Ltd. EXIM Bank Limited First Security Bank Ltd. 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</p>
Associate Company	:	<p>BLI Securities Limited. Head Office 22, Bir uttam M A Rob Sarak, 4th Floor Dhanmondi R/A, Dhaka-1205</p> <p>Motijheel Branch Printers' building (5th & 7th Floor), 5 rajuk Avenue, Motijheel, Dhaka-1000.</p> <p>Dilkusha Branch Eunoos Trade Centre, 52-53 Dilkusha C/A, Dhaka-1000.</p> <p>Dhanmondi Extension Office Rangs Panorama (4th floor), 80 Shatmosjid Road, Dhanmondi, Dhaka-1209.</p>
Subsidiary Company	:	<p>BLI Capital Limited. Proposed Merchant Bank Eunoos Trade Center 52-53 Dilkusha C/A, Dhaka-1000.</p>



Company Milestones

February 7, 1996	Incorporation as a Public Limited Company.
May 19, 1996	Certificate for Commencement of Business.
May 25, 1996	Bangladesh Bank License as NBFIL.
May 27, 1996	Commencement of Commercial Operation.
July 3, 1996	First Lease Agreement Signed.
July 24, 1997	First AGM Held.
June 25, 1998	Registered as Merchant Banking.
December 7, 2008	Agreement With CDBL.
April 12, 2009	Listed in DSE & CSE.
August 4, 2010	Approval to issue Rights Shares.



Financial Highlights

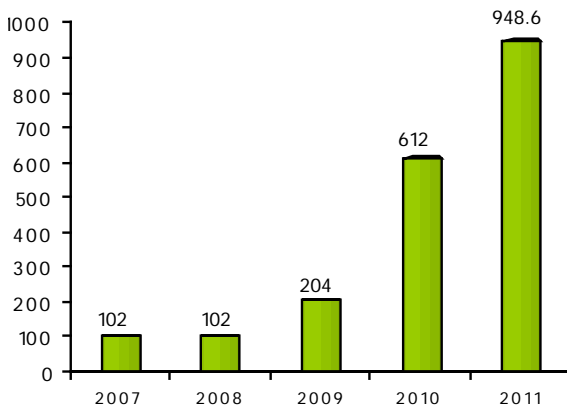
Figures in million

Particulars	2011	2010	2009	2008	2007
Lease, Term & Other Finance	3,969.09	3,585.07	3,436.60	2,526.99	2,365.93
Investments	1,170.31	985.73	750.68	408.32	426.09
Fixed Assets	779.23	404.17	384.17	193.55	188.68
Other Assets	512.26	367.95	466.48	598.31	361.75
Total Assets	6,624.51	6,667.76	5,222.47	3,903.19	3,445.38
Term Deposits	1,037.97	827.97	1,503.54	1,414.89	1,361.65
Long Term Liabilities	907.13	1,634.35	2,055.60	2,179.67	2,165.19
Share Capital	948.60	612.00	204.00	102.00	102.00
Shareholders Equity	2,980.20	2,489.11	803.27	422.25	377.70
Operating Revenue	779.79	1,334.00	706.37	484.17	417.29
Financial Expenses	423.44	445.82	448.21	418.46	293.93
Operating Expenses	55.52	43.73	33.99	14.47	12.62
Profit before Taxation	300.83	709.84	188.59	45.02	78.84
Net profit after Tax	263.21	614.84	156.62	45.02	78.84
Current Ratio (Times)	1.09	1.24	1.20	1.10	1.05
Debt/Equity Ratio	1.09	1.68	5.50	8.07	8.12
Return on Equity	8.83%	24.70%	19.50%	10.66%	20.87%
Return on Assets	4.54%	10.65%	3%	1.15%	2.29%
Dividend					
Cash	15%	10%	-	30%	25%
Stock	20%	55%	50%	-	-
Net Asset Value per Share	31.42	407	394	414	370
EPS	2.77	11.2	7.68	4.41	7.73

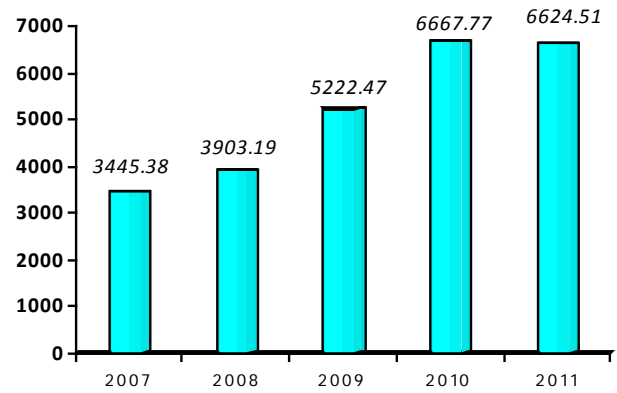


Key Performance Indicators

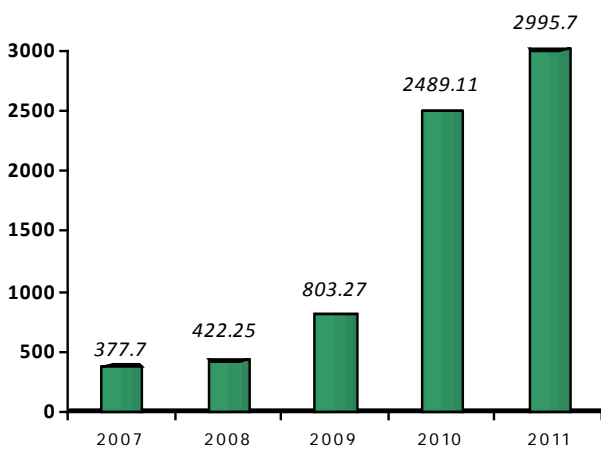
Paid-up Capital
BDT in million



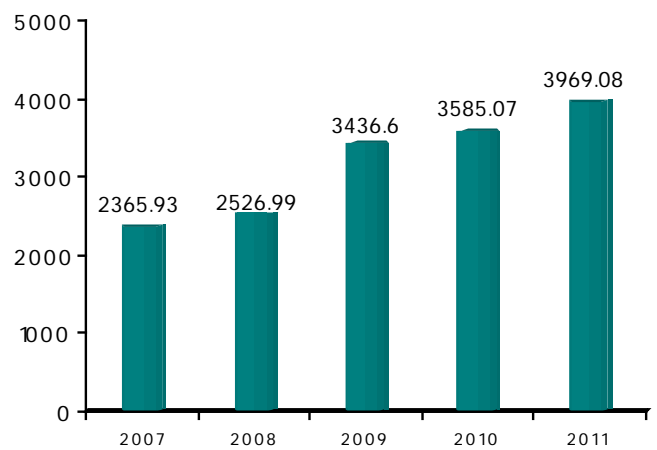
Total Assets
BDT in million



Shareholders' Equity
BDT in million



Loans & Advances
BDT in million





Products & Services

Lease Finance

Term Finance

Revolving Loans

Bridge Finance

Project Finance

Working Capital

Syndications

Real Estate Finance

SME Finance

Work Order Finance

Women Entrepreneur Loans

Consumer Loans

Auto Loans

House Building Loans

Profit Take Home Plan

Double Money Plan

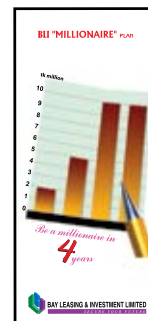
Triple Money Plan

Millionaire Plan

Super DPS Plan

Win Win Plan

Flexi Savings Plan



Project Snapshots



A few snapshots of projects funded by Bay Leasing & Investment Limited.

We have diversified investments in the area of Spinning, Weaving, Dyeing, RMG, Automobile, Fast Food, Printing, Furniture's, Poultry, Real Estate, Agriculture etc.



Board of Directors'

Chairman

Dr. Maswooda Ghani

Directors'

Mr. Tariq Sujat

Mr. Zubayer Kabir

Mr. A K M Azizur Rahman

Mrs. Hamida Hossain

Mrs. Fatema Zahir Majumder

Mrs. Hasnat Ara Begum

Mrs. Zahan Ara Begum

Mr. Zakir Ahmed Khan

(Independent Director)

Managing Director

Iftekhar Ali Khan



The Management

Iftekhar Ali Khan

Managing Director

Md.Lutfur Rahman

Senior Vice President

Head of Corporate & Treasury

M.Maniruz Zaman Khan

Vice President

Head of Finance & Company Secretary

Md. Mofizul Islam

Senior Assistant Vice President

Head of Merchant Banking Division

Ahmed Mehfuz Moin

Assistant Vice President

Portfolio Manager, Merchant Banking Division

Shabbir Minhaz Chowdhury

Assistant Vice President

In-Charge Recovery Department

Mohammad Rashedul Islam

Assistant Vice President

In-Charge SME & IT Division

Ms. Sharmin Akhter

Senior Principal Officer

In charge, Share Department

Principal Officers

Mr. Enayet Kabir

- Finance Department

Mr. Samir Saha

- Compliance Department

Ms. Aklima Akhi

- Internal Auditor

Mr. Abul Kalam Azad

- Legal Department

Mr. Pronob Kumar Das

- Recovery Department

Mr. Tareq Miah

- Collections Department

Mr. Zabed Miah

- Estate Department

Mr. Saleh Rahman

- Merchant Banking

Executive Officers

Md. Firoz Ahammed

- HR Department

Md. Mahade Hasan Bhuyan

- Corporate/SME Department

Mr. Shoilesh Kumar Roy

- Product Marketing Division

Committees

Board of Audit Committee

Mr. Tarik Sujat	-	Chairman
Mr. Zubayer Kabir	-	Member
Mrs. Hasnat Ara Begum	-	Member
Mrs. Jahan Ara Begum	-	Member
Mr. Zakir Ahmed Khan (Independent Director)	-	Member
Mr. M. Maniruz Zaman Khan	-	Member Secretary

Management Committee

Mr. Iftekhar Ali Khan	-	Chairman
Mr. Lutfur Rahman	-	Member
Mr. M. Maniruz Zaman Khan	-	Member
Mr. Md. Mofizul Islam	-	Member
Mr. Shabbir Minhaz Chowdhury	-	Member
Ms. Sharmin Akhter	-	Member
Mr. Abul Kalam Azad	-	Member
Mr. Md. Mahade Hasan Bhuyan	-	Member Secretary

Credit Committee

Mr. Iftekhar Ali Khan	-	Chairman
Mr. Lutfur Rahman	-	Member
Mr. M. Maniruz Zaman Khan	-	Member
Mr. Abul Kalam Azad	-	Member
Mr. Md. Mahade Hasan Bhuyan	-	Member Secretary

Central Compliance Unit

Mr. Iftekhar Ali Khan	-	CAMLCO
Mr. Lutfur Rahman	-	Member
Mr. Samir Saha	-	Member

Basel Implementation Unit

Mr. Iftekhar Ali Khan	-	Head of BIU
Mr. Samir Saha	-	Member
Mr. Enayet Kabir	-	Member



Dr. Maswooda Ghani
Chairman

Chairman's Address

Bismillahir Rahmanir Rahim

Dear Shareholders,
Assalamualaikum

I am highly delighted to welcome you all to the 16th Annual General Meeting of your company, Bay Leasing & Investment Ltd. (BLIL). Firstly, I would like to put it in a record to express my heartfelt thanks and appreciation for your inspiration and continued support for Bay Leasing. You are well aware that BLIL started its journey in the year 1996 and since then it has positioned and responded quickly to varied market trends and opportunities. One of the pioneers to move into merchant banking operations which saw success over the years. Bay Leasing & Investment Ltd. got listed both in Dhaka Stock Exchange and Chittagong Stock Exchange in 2009.

Our national economy experienced roller coaster journey in the year 2011 including tight liquidity position, high inflation rate, high interest rate, depreciation of taka and continued downturn of our capital market in spite of various government initiatives. These components have direct impact on operational performance of financial institutions.

In response to these negative trends we moved forward cautiously and conservatively to protect the highest interest of the shareholders and focused on sustainable business development. Our initiatives for sustainable business development include new risk management framework to ensure asset quality in accordance with BASEL-II requirements, operational procedure improvements and expansion of our customer base. To implement proper corporate governance we have appointed an independent director, Mr. Zakir Hossain, a well known technocrat and also established an Audit committee to guide and formulate policies on the ICC and Audits.

The company's net profit after tax was 263.21 million for the year 2011. Net investment portfolio including Lease and Term Finance of the company as on 31st December 2011 stood at TK.3,969.09 from last year's 3,585.07 million.

We are very optimistic that our economy will turnaround soon and we will be able to continue our success in the forthcoming years.

Finally, I take this opportunity to thank my fellow members in the Board of Directors for their guidance, support and prudent counsel, all our esteemed shareholders for their unflinching faith in the Board and the Management, all regulatory bodies i.e Bangladesh Bank, SEC, DSE, CSE, CDBL for their continuous support and lastly, all employees of BLIL for their significant contribution to the growth of the Company.



Dr. Maswooda Ghani
Chairman



Iftekhar Ali Khan
Managing Director



Managing Director's Message

Bismillahir Rahmanir Rahim

Dear Shareholders,

It gives me immense pleasure to welcome you all to the 16th Annual General Meeting of Bay Leasing & Investment Ltd. and present the Annual Report for the year 2011. While the global economy recovered significantly from the ongoing recession, our national economy experienced ups and downs due to conflicts between Government's Fiscal & Monetary Policies and various targeted groups' interest within the national economy. While we have achieved a moderate GDP growth of 6.3% in the year 2011 but we experienced high inflation, lending and deposit rate, tight liquidity position, depreciation of Taka at the end of the year. These resulted in slowed growth of industry expansion, exports and domestic credits of the country.

This year we have achieved an operating profit of BDT. 300.83 million. Our total lending portfolio stood at BDT. 3,969.09 million and core deposit portfolio was 1,037.97 million with a growth rate of 11.22% and 25.36% respectively.

Amidst volatile financial situations we adopted a conservative approach targeting more customer base especially through SME financing and core liability marketing which we are expecting to reduce our risk exposure by diversification of customers and business segments. To achieve this we launched a separate SME business unit with a dedicated 'Women Entrepreneurs' help desk'. Factoring Services and financing against work orders are being looked into quite seriously as we expect to reduce our maturity profile mismatch in our portfolio. We also established a new Risk Management framework to cover up the Core Risks of Financial Institutes and completed all necessary steps to implement BASEL-II from January, 2012. To achieve service efficiency and operational process improvement we are under process of implementing a new software "Optima Solution – Investment Banking" and with state-of-the-art technology we will be able to provide our customers better and faster service, online statements and SMS notification with the ultimate aim of retaining our clients. We are also striving to improve our brand image continuously through direct and indirect marketing as well as other promotional activities. All these efforts will culminate in increased profitability vis-à-vis increased value to our stakeholders.

To conclude, I express my sincere gratitude to the Board of Directors, Customers and shareholders for their trust and support. I also extend my sincere thanks to the Bangladesh Bank, SEC, DSE, CSE, CDBL for their continued co-operation and help. A final note of special thanks to all my colleagues for their loyalty and hard work.



Iftekhhar Ali Khan
Managing Director



Shareholders in attendance at the 15th AGM



A shareholder speaking at the 15th AGM

Directors' Report

Dear Shareholders

The Board of Directors of Bay Leasing & Investment Limited takes the opportunity to welcome you all to the 16th Annual General Meeting of the Shareholders and present before you the Annual Report of the company along with the audited financial statements and auditor's report for the year ended December 2011, for consideration and approval of our valued shareholders. The audited financial statements were approved by the Board of Directors of the company on April 01, 2012.

We present 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 2011 was a significant year for Bay Leasing & Investment Ltd. in the face of severe liquidity crisis which prevailed during the year, downtrend of the of capital market of the country, high inflation and high interest rate. Yet Bay Leasing & Investment Ltd. managed to post a reasonably healthy profit for the year 2011.

Global Economy

The scorecard of the global economy in the year 2011 was a mixed one. The Output growth slowed considerably during 2011, 3.7%, from the 5.0% rate achieved in 2010. Growth was unevenly distributed: lower income countries - those with per capita incomes below \$30,000 per year - averaged 4.1% growth, while higher income countries - with per capita incomes above \$30,000 - averaged 2.2% growth. China (+9.5%), Argentina (+8.0%), India (+7.8%), Nigeria (+6.9%), and Turkey (+6.6%) recorded the biggest GDP gains. But yet developing countries remain vulnerable to downturns in the developed economies.

Persistent high unemployment remains the Achilles heel of economic recovery in most developed countries. The unemployment rate averaged 9.1% percent in the year 2011. Although unemployment rate for young workforce (15-24 years) always remained higher but the proportion is much higher than usual which about 18% is now.

The global money supply, narrowly defined, rose 11%, and broadly defined money increased roughly 8%, as central banks continued efforts to keep interest rates low. The global budget deficit was narrowed to roughly \$3 trillion - 4.2% of World GDP, as governments tried to rein in spending and slow the rise of public debt.

Inflation has increased worldwide during 2011, driven by a number of factors, particularly the adverse supply-side shocks that have pushed up food and oil prices and strong demand in large developing economies as a result of rising incomes. Reflationary monetary policies in major developed economies have also contributed to upward pressure.

The problems stalking the global economy are multiple and interconnected. The most pressing challenges lie in addressing the continued jobs crisis and declining prospects for economic growth, especially in the developed countries. The sovereign debt has also become a major impact in the global economy. The problem is especially concentrated on Euro zone. Tsunami in Japan, flood in Thailand and other natural calamities caused economic downturn in South East Asia.

However, year 2011 had shown a significant progress in e-based business transaction and mobile money transfer especially in Africa and South East Asia.

A vast population has come under the banking facility in these regions through improvement of the technology. Women empowerment, Green Banking, improvement in Health and Food technology has shown the mankind a new hope to ensure a better living to all.

Bangladesh Economy

Economists agree that the long-term prospects for the Bangladesh economy are quite good. A highly competitive garment sector, a labor force with steadily increasing skills, and a flexible, competitive financial system all promise future growth and poverty reduction. However, even though the long run promises uplift and improvement there are bumps on the way. After global recession year 2009 and 2010 were recovery years for Bangladesh when Bangladesh managed to turnaround from the ongoing recession showing alignment with long run promises. But in the year 2011 Bangladesh is experiencing high inflation rate that has been accelerating over the past three years; a speculative share market bubble that has burst, leaving the capital market confused and pricing uncertain; and a serious energy shortage that forced the government to turn to expensive fuel oil fired plants as a temporary measure. The weakening world economy is resulting in slowing exports.

Bangladesh achieved a total GDP (PPP) of \$282.5 billion (est.) in the year 2011 with a real growth rate of 6.3% which is slightly lower than the previous year's 6.4%. Inflation rate (consumer prices) was 10.7% in 2011 much higher than 8.1% for year 2010. GDP Per capita income (PPP) showed improvement from \$1,600 (2010 est.) to \$1,700 (2011 est.). Unemployment rate also slightly reduced from 5.1% (2010 est.) to 5.0% (2011 est.). It may be mentioned here that about 40% of the population is underemployed; many participants in the labor force work only a few hours a week, at low wages.

Money Market

Stock of Narrow Money as well as Broad Money increased to \$16.27 billion (31 December 2011 est.) from \$14.12 billion (31 December 2010 est.) and to \$59.86 billion (30 October 2011 est.) from \$56.44 billion (31 December 2010 est.) respectively. The aggregated Stock of domestic credit stood at \$73.69 billion (31 December 2011 est.) from \$64.71 billion (31 December 2010 est.)

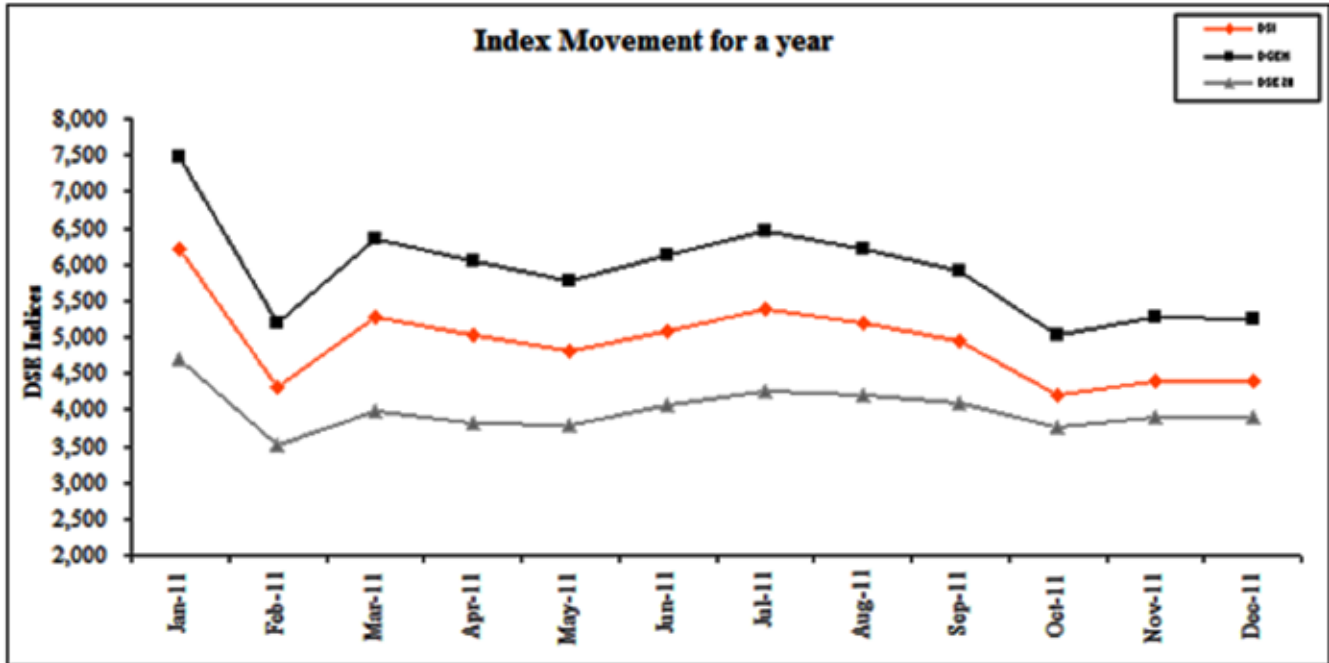
The nominal exchange rate devalued. It was TK.81.85 per US\$ at the end of Nov 2011 whereas it was TK.70.75 per US\$ at end of December 2010. In the face of tightened Monetary Policy since July 2011 commercial lending rate increased to weighted average(w.a.) of 13.87% (Dec 2011) higher from 12.20% (Dec 2010). Deposit rate also rose sharply from w.a. of 7.32% (Dec 2010) to 10.56% (Dec 2011). The discount rate of Bangladesh Bank remained constant at 5%. The consequence is the reducing of the growth of domestic credit. This reduced growth of private credit has been made even slower as the government is taking a much larger share of the increases of domestic credit to meet its growing deficit. The high lending rates are reducing profitability of companies and discouraging new investments. As most loans in Bangladesh are structural variable rates, the rates have gone up on project loans even though the loan was negotiated in the past.

This throws investments in disarray. All of this lead to reduced real investment reduced manufacturing output and less construction.

Capital Market

Bangladesh Share market Year 2011 continued its bearish movement round the whole year. At the end of year 2010 the DGEN index was 8290.41 which continued to fall ending with 5257.61 in the end of year 2011. Total turnover also reduced significantly from 38,717.41 to 6,152.98 million. Government took various measures including stimulus packages but all the efforts could not prop up the index and turnover.





14 new IPO was issued in the year 2011 amounting a total of BDT. 19,914.15 million.

The market stabilization fund (MSF) was conceived by the Bangladesh Association of Banks (BAB) in late October 2011 as a method to increase liquidity in the market and increase share prices, worth BDT 50 billion (\$ 667 million). Banks have reportedly kept buying shares despite suffering from liquidity crisis themselves, and not selling any shares.

Risk management

BLIL adopts rigorous risk management process to minimize risks in its business process. It abides by the guidelines of Bangladesh Bank as well as its own risk management framework for the four core risk factors identified by Bangladesh Bank which are as follows:

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

Financial Performance of Bay Leasing

Despite of economic fluctuation of the national economy Bay Leasing has been able to record a moderate and satisfactory performance in the year 2011 which are summarized below:

Loans & Advances

The total portfolio of the company stood at Tk.3,969.09 Million at the end of year 2011 with a growth rate of 10.71% against the previous year.

Sources of Funds

To reduce dependency on Banks company focuses on enhancing the core deposit. Consequently, the total public deposit was Tk.1,037.97 million at the end of year 2011 respective to the previous year that increased 25.36%. The borrowing from banks, other financial institutes and agents was Tk.1,890.39 million at the end of year 2011 respective to the previous year that reduced by 20.52%.



Shareholders' Equity

The Authorized Capital of the Company was Tk.1000.00 million and paid-up Capital was Tk. 948.60 million as of December 31, 2011. The Capital and Reserve of the Company in 2011 stood at Tk. 2850.34 million. The Capital and Reserve of the Company as on 31st December, 2011 are appended below:

Shareholders' Equity

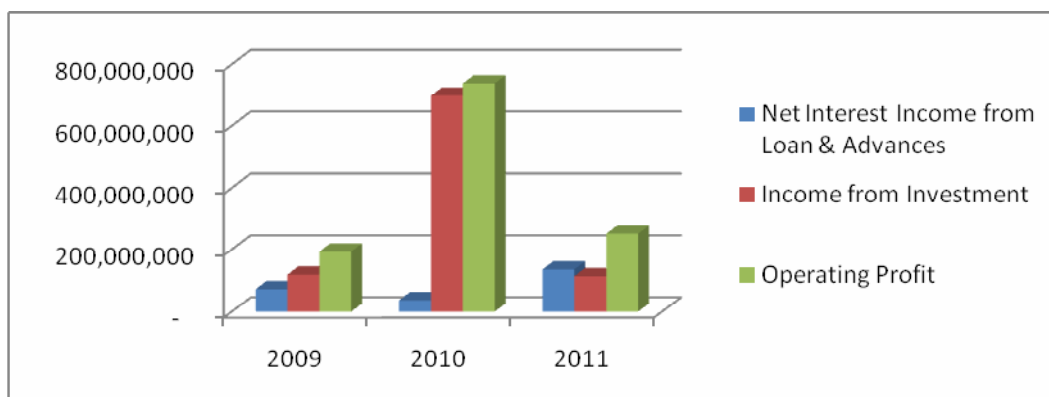
The Authorized Capital of the Company was Tk.1000.00 million and paid-up Capital was Tk. 948.60 million as of December 31, 2011. The Capital and Reserve of the Company in 2011 stood at Tk. 2850.34 million. The Capital and Reserve of the Company as on 31st December, 2011 are appended below:

a) Core Capital (Tier- (Capital)	Taka In Million	
	2011	2010
Paid -Up Capital	948.60	612.00
Statutory Reserve	314.94	254.74
Share premium	581.40	918.00
General Reserve	250.00	250.00
Retained Earnings	475.51	411.03
Total Core Capital	2570.45	2445.77
b) Supplementary Capital (Tier- II Capital)		
General Provision for Unclassified Loan	75.02	83.15
General Provision on off - Balance Sheet Items	-	-
General Provision on off -Shore Banking Units	-	-
Revaluation gain/loss on investments	-	-
Assets Revolution Reserve	204.87	43.35
Total Supplementary Capital	279.89	126.50
Total	2850.34	2572.26

Operating Revenue & Profit

As we have depicted, the year 2011 was a bumpy year for the economy of Bangladesh and also our financial and operational performances were also influenced by the impact of the national economy. We prudently utilized our resources to get the maximum benefits for our shareholders as well as protect their interests from uncertain business risk.

Since our capital market was bearish this year against bullish market last year our profitability was impacted by market behavior. But our mainstream business of Loans and Advances moderately which is a good sign for a sustainable business in the long run. The following table depicts the components of operating profit.



	2009	2010	2011
Net Interest Income from Loan & Advances	72,519,706	37,070,226	116,734,808
Income from Investment	118,839,058	698,410,192	113,933,616
Operating Profit	193,347,578	738,287,209	233,259,838

Earning Per share (EPS)

We have achieved a moderate profitability this year. Our EPS were 2.77 and 6.48 for the year 2011 and 2010 accordingly. Due to the depression in the economy it decreased by 57%.

Provision for Tax

The provision for tax was Tk.37.62 million at the end of year 2011 which was Tk.95.00 million at the previous year.

Human Capital

Bay Leasing & Investment Ltd. always maintains the highest ethical standard and codes in doing business. The employee turnover ratio of BLIL is extremely low in comparison to the industry average. In the year 2011 employee turnover ratio for BLIL was only 4%.

Training & Workshops

Bay Leasing & Investment Ltd. provides its employee extensive training programs to cope up with complicated financial business operations. The training programs include both In-house and external training provided by regulatory authorities, prominent training providers like IFC, SEDF etc. Employees are also highly encouraged to participate in various related workshops, seminars and fairs organized by chamber bodies and other professional institutes.

Employee welfare & facilities

BLIL offers its employees a highly competitive remuneration package. It provides its employees various facilities like Home Loan, Car Loan, Personal Loan to fulfill the basic employee needs.

Information Technology

BLIL has taken initiatives to refurbish its IT infrastructure. It is in progress soon to launch integrated software for all of its departments and reports to regulatory authorities as well as better and prompt service to its customers. It is also planning to provide online based 24/7 statement services to its customers.

BASEL – II:

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 was issued by Central Bank.

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.

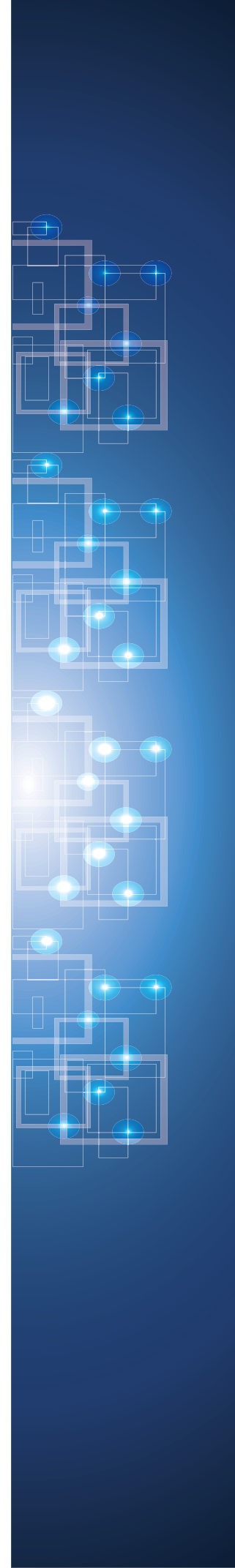
Pillar – III (Market Discipline)

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. Iftekhar Ali Khan	Managing Director	Head of BIU
02.	Mr. Samir Saha	Principal Officer	Member
03.	Md. Enayet Kabir	Principal Officer	Member

Quantitative Disclosure:

Particulars	Tk. In Crore
A. Eligible Capital:	Amount
1. Tier-1 Capital	257.05
2. Tier-2 Capital	27.99
3. Total Eligible Capital (1+2)	285.03
B. Total Risk Weighted Assets (RWA)	943.41
C. Capital Adequacy Ratio (CAR) (A3/B)*100	30.21
D. Core Capital to RWA (A1/B)*100	27.25
E. Supplementary Capital to RWA (A2/B)*100	2.97
F. Minimum Capital Requirement (MCR) 10% of RWA	94.34

Money Laundering Risk:

Money laundering risk refers to loss of reputation and expenses incurred as penalty for being negligent in prevention of money laundering. Bay Leasing is committed to protect itself from money laundering activities. Besides the compliance of legal obligation, Bay Leasing considers Prevention of Money Laundering as one of its core business values. We have Central Compliance Unit (CCU) to oversee the Anti Money Laundering activities. The management has separate and dedicated personnel for surveillance of Anti Money Laundering functions. Training and awareness programs are continuously held to make all employees alert about the issue. Bay Leasing has properly assigned responsibilities and developed CAMLCO at Head Office.

In course of day-to-day operation, the company takes a series of action to minimize money laundering risks as follows:

1. Improve capacity building through proper training of staff.
2. Monitor suspicious transactions and retain formal record of it..
3. Hold regular meetings on the issue to update all staff.
4. Review and update KYC profile on periodical basis.
5. Categorize KYC profile of customers on the basis of risks.
6. The company reviews unusual activities through Cash Transaction Report (CTR) and Suspicious Transaction Report (STR) and reports them to the regulator.

Internal Control & Compliance:

Internal Control & Compliance mechanisms and actions are taken to correct/rectify deficiencies in operations as and when as they are identified. 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:

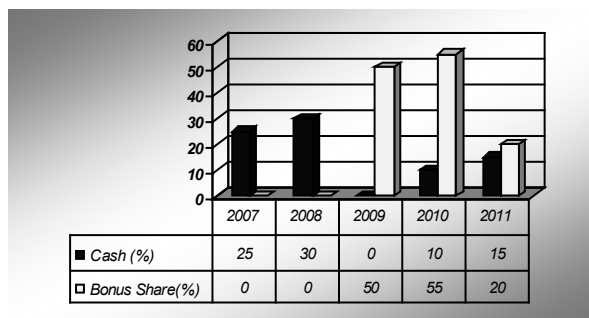
- To find out whether the books of accounts and financial statements are properly drawn in accordance with the Financial Act 1993, IAS and BAS & other Regulatory Bodies.
- To detect and prevent fraud and errors.
- To detect operational weakness of the company.
- To provide proper guidance to the human 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 (SMEs) is a vital sector for the country's economic development. It is also a priority sector as identified by Bangladesh Bank and the Bangladesh Government. To participate in the country's development BLIL commenced a SME business division with dedicated women entrepreneur help desk as per regulator's requirements. Bay Leasing is steadily increasing the SME portfolio and endeavoring to utilize refinance facilities offered by Bangladesh Bank.

Declaration of Dividend

The Board of Directors in its meeting held on 1st April, 2012 recommended 20% bonus share and Cash dividend of 15% for the year 2011. The shareholders of our company always received satisfactory dividend. The rates of Cash Dividend and Stock Dividend declared by the Company since 2007 are shown below:



Directors

As per article 126 of the article of association, one third of the total member's number of the directors shall retire from their office and accordingly the following directors retire and being eligible, offered themselves for re-election:

1. Mrs. Hamida Hossain
2. Mrs. Hasnat Ara Begum
3. Mr. Zubayer Kabir

Appointment of Auditor

M/s. Pinaki & company, Chartered Accountants were appointed external auditors of the company for the year 2011 at the 15th Annual General Meeting. They have audited the books of accounts for the period covering 1st January 2011 to 31st December 2011.

However, since they are eligible to perform as Auditor for a period of 3 (three) years in line with regulatory guidelines, M/s. Pinaki & Company have expressed their desire to continue as Auditor of Bay Leasing & Investment Ltd.

Note of Appreciation

The undersigned and the Board of Bay Leasing & Investment Limited warmly appreciates 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 unstinted support and co-operation. My special thanks and sincere appreciation on behalf of the Board to the management and members of the staff for their hard work, dedication and loyalty towards the company.

Finally, my deep acknowledgement and thanks goes to all 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.

On behalf of the Board of Directors,



Dr. Maswooda Ghani
Chairman

প্রায় ১৬০০ মার্কিন ডলার (২০১০ সালে) থেকে বেড়ে প্রায় ১৭০০ মার্কিন ডলারে (২০১১ সালে) উন্নিত হয়েছে। বেকারত্বের হার ও বিগত বছরের বিপরীতে সামান্য কমে প্রায় ৫.১ শতাংশ থেকে ৫.০ শতাংশে এসেছে। উল্লেখ্য যে, মোট জনগোষ্ঠীর প্রায় ৪০ শতাংশ কর্মজীবী, যদিও শ্রমজীবী মানুষের একটি বড় অংশ সপ্তাহে মাত্র কয়েক ঘন্টা এবং স্বল্প পারিশ্রমিকে কাজ করেন।

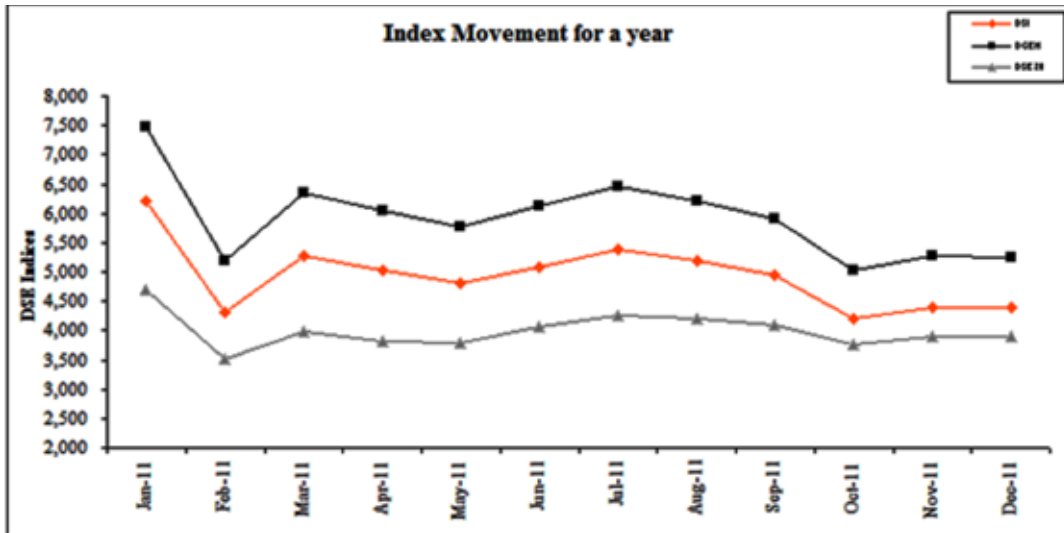
গ্যিৱি

ন্যারো ও ব্রড দুই ধরনের মুদ্রার মজুদই বেড়েছে। ন্যারো মুদ্রার মজুদ ১৪.১২ বিলিয়ন মার্কিন ডলার (৩১ ডিসেম্বর, ২০১০) থেকে ১৬.২৭ বিলিয়ন মার্কিন ডলারে (৩১ ডিসেম্বর, ২০১১) এসে দাঁড়িয়েছে। আর ব্রড মুদ্রার মজুদ ৫৬.৪৪ বিলিয়ন মার্কিন ডলার (৩১ ডিসেম্বর, ২০১০) থেকে ৫৯.৮৬ বিলিয়ন মার্কিন ডলারে (৩০ অক্টোবর, ২০১১) এসে দাঁড়িয়েছে। আভ্যন্তরীণ ঋণের সমন্বিত মজুদ ৭৩.৬৯ বিলিয়ন মার্কিন ডলারে (৩১ ডিসেম্বর, ২০১১) পরিণত হয়েছে, যা ৩১ ডিসেম্বর, ২০১০ তারিখে ৬৪.৭১ বিলিয়ন মার্কিন ডলার ছিলো।

মুদ্রার বিনিময় হার অবমূল্যায়িত করা হয়েছে। মুদ্রার সর্বনিম্ন বিনিময় হার ২০১১ এর নভেম্বরের শেষদিকে ছিলো ডলার প্রতি ৮১ টাকা ৮৫ পয়সা, যা ২০১০ এর ডিসেম্বরের শেষদিকে ডলার প্রতি ৭০ টাকা ৭৫ পয়সা ছিলো। অর্থ সংকোচন নীতির ফলে বাণিজ্যিক ঋণের হার বৃদ্ধি পেয়েছে। যার ভরযুক্ত গড় (weighted average) ২০১১ এর ডিসেম্বরে ১৩.৮৭ শতাংশ এবং ২০১০ এর ডিসেম্বরে ১২.২০ শতাংশ ছিলো। পাশাপাশি জমার হার ও বৃদ্ধি পেয়েছে, ভরযুক্ত গড় ২০১০ এর ডিসেম্বরে ৭.৩২ শতাংশ থেকে ২০১১ এর ডিসেম্বরে ১০.৫৬ শতাংশে এসে দাঁড়িয়েছে। বাংলাদেশ ব্যাংকের বাটার হার ৫ শতাংশেই স্থির রয়েছে।

ক'ৱলুজ গ্যক

বাংলাদেশের শেয়ার বাজার ২০১১ সাল জুড়েই অব্যাহত পতনের ধারায় ছিলো। ২০১০ সালের শেষদিকে ডিএসই জেনারেল ইনডেক্স ছিল ৮২৯০.৪১ যা ২০১১ এর শেষে ৫২৫৭.৬১ ইনডেক্স এ পরিণত হয়। মোট লেনদেনের পরিমাণ ও উল্লেখযোগ্যভাবে কমে গিয়ে ৩৮,৭১৭.৪১ থেকে ৬,১৫২.৯৮ মিলিয়ন এ নেমে আসে। সরকার প্রণোদনামূলক প্যাকেজসহ বিভিন্ন পদক্ষেপ গ্রহণ করে, কিন্তু এর কোনটিই ইনডেক্স এবং লেনদেন বাড়াতে পারেনি।



মোট ১৯,৯১৪.১৫ মিলিয়ন টাকার ১৪টি নতুন আইপিও বাজারে আসে। বাজারের তারল্য ও শেয়ারের দাম বৃদ্ধির লক্ষ্যে বাংলাদেশ এসোসিয়েশন অব ব্যাংকস ২০১১ এর অক্টোবরের শেষদিকে এসে ৫০ বিলিয়ন টাকার (৬৬৭ মিলিয়ন মার্কিন ডলারের) বাংলাদেশ ফান্ড এর বিষয়ে চিন্তা করে। তারল্যসংকটে পড়া সত্ত্বেও ব্যাংকগুলো নিজেরাই উল্লেখযোগ্যভাবে শেয়ার কিনছে এবং কোন শেয়ারই বিক্রি করছে না।

স্ক e'e'icbv

বে লীজিং ব্যবসায়িক প্রক্রিয়ায় কঠোর ঝুঁকি ব্যবস্থাপনা গ্রহণ করে। ঝুঁকি ব্যবস্থাপনার জন্য আমরা বাংলাদেশ ব্যাংক কর্তৃক চিহ্নিত চারটি মূল ঝুঁকি ব্যবস্থাপনার পাশাপাশি নিজস্ব ঝুঁকি ব্যবস্থাপনার জন্য আলাদা কাঠামো বিন্যাস করেছি। বাংলাদেশ ব্যাংক কর্তৃক চারটি মূল ঝুঁকি হচ্ছেঃ

১. ক্রেডিট রিস্ক।
২. এসেট - লায়াবিলিটি রিস্ক।



৩. ইন্টারনাল কন্ট্রোল এন্ড কম্প্লায়েন্স রিস্ক
৪. মানি লভারিং রিস্ক।

Aw_R ch#j vPbv

জাতীয় অর্থনীতিতে চড়াই উৎরাই সত্ত্বেও বে লীজিং ২০১১ সালে সন্তোষজনক আর্থিক সাফল্য লাভে সক্ষম হয় যা নিচে সংক্ষেপে তুলে ধরা হলোঃ

FY I jvR A_#qb

কোম্পানী ঋণ ও লীজ অর্থায়নে মোট বিনিয়োগ ১০.৭১ শতাংশ বৃদ্ধি পেয়ে ২০১১ মোট বিনিয়োগ দাঁড়ায় ৩,৯৬৯.০৯ মিলিয়ন টাকা।

Znwtj i Drm

ব্যাংকের উপর থেকে নির্ভরশীলতা কমানোর জন্য বে লীজিং ব্যক্তিগত আমানত সংগ্রহের জন্য জোরদার প্রচেষ্টা অব্যাহত রাখে ফলে কোম্পানীর আমানত ২৫.৩৬% বৃদ্ধি পেয়ে মোট আমানতের পরিমাণ দাঁড়ায় ১,০৩৭.৯৭ মিলিয়ন। অপরদিকে ব্যাংক, আর্থিক প্রতিষ্ঠান ও অন্যান্য লগ্নিকারী প্রতিষ্ঠান হতে মোট ঋণের পরিমাণ দাঁড়ায় ১,৮৯০.৩৯ মিলিয়ন।

gj ab I wvrf

২০১১ সালের ৩১শে ডিসেম্বর তারিখে কোম্পানীর অনুমোদিত মূলধনের পরিমাণ ১০০০.০০ মিলিয়ন টাকা এবং পরিশোধিত মূলধন ছিল ৯৪৮.৬০ মিলিয়ন টাকা। আলোচ্য বছরে কোম্পানীর মূলধন ও রিজার্ভের পরিমাণ ২৮৫০.৩৪ মিলিয়ন টাকা।

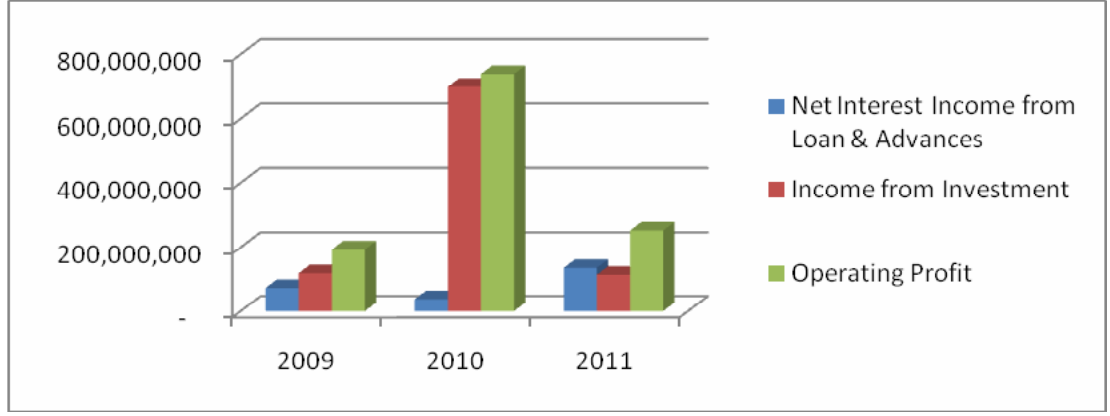
৩১শে ডিসেম্বর ২০১১ তারিখে মূলধন তহবিল এর পরিমাণ নিম্নরূপঃ

K) gj gj ab (wvqi -1 gj ab)	vgvj qb Uvkv	
	2011	2010
পরিশোধিত মূলধন	৯৪৮.৬০	৬১২.০০
সংবিধিবদ্ধ রিজার্ভ	৩১৪.৯৪	২৫৪.৭৪
শেয়ার প্রিমিয়াম	৫৮১.৪০	৯১৮.০০
সাধারণ রিজার্ভ	২৫০.০০	২৫০.০০
সংরক্ষিত আয়	৪৭৫.৫১	৪১১.০৩
মোট মূলধন	২৫৭০.৪৫	২৪৪৫.৭৭
খ) বাড়তি মূলধন (টিয়ার -২ মূলধন)		
অশ্রেণীকৃত ঋণের জন্য সংস্থান	৭৫.০২	৮৩.১৫
সাধারণ সংস্থান অফ ব্যালান্স শীট আইটেম	-	-
সম্ভাব্য দায়ের উপর সংস্থান	-	-
বিনিয়োগের পুনঃমূল্যায়নজনিত	-	-
সম্পদ পুনঃমূল্যায়ন রিজার্ভ	২০৪.৮৭	৪৩.৩৫
মোট বাড়তি মূলধন	২৭৯.৮৯	১২৬.৫০
মোট মূলধন ও রিজার্ভ (ক+খ)	২৮৫০.৩৪	২৫৭২.২৬

cwvPvj b Avq I g#vdt

২০১১ সাল ছিল বাংলাদেশের জন্য একটি চড়াই উৎরাইময় বছর যা প্রভূতভাবে আমাদের আর্থিক ও পরিচালনগত ফলাফলকে প্রভাবিত করেছে। যাই হোক শেয়ারহোল্ডারদের সর্বাধিক সুবিধা বিবেচনা করে আমরা আমাদের আর্থিক কার্যক্রমকে এমনভাবে পরিচালনা করেছি যাতে সম্ভাব্য ব্যবসায়িক ঝুঁকি মোকাবেলায় সক্ষম হই।

আমাদের ক্যাপিটাল মার্কেটের মন্দাভাবের কারণে আমাদের মোট মুনাফা গত বছরের তুলনায় কম ছিল যদি আমাদের মূল ব্যবসা অর্থাৎ ঋণ ও লীজ অর্থায়ন হতে আমাদের মুনাফা সন্তোষজনকভাবে বৃদ্ধি পেয়েছে যা আমাদের দীর্ঘমেয়াদী সক্ষমতার পরিচায়ক। নিম্নে আর্থিক পর্যালোচনা ছকাকারে দেয়া হলোঃ



	2009	2010	2011
ঋণ ও অর্থায়ন হতে নীট সুদবাবদ আয়	৭২,৫১৯,৭০৬	৩৭,০৭০,২২৬	১১৬,৭৩৪,৮০৮
বিনিয়োগ হতে মুনাফা	১১৮,৮৩৯,০৫৮	৬৯৮,৪১০,১৯২	১১৩,৯৩৩,৬১৬
পরিচালন মুনাফা	১৯৩,৩৪৭,৫৭৮	৭৩৮,২৮৭,২০৯	২৩৩,২৫৯,৮৩৮

ঋণ ও অর্থায়ন হতে নীট সুদবাবদ আয়

এই বছর আমরা সন্তোষজনক মুনাফা অর্জন করেছি। ২০১১ এবং ২০১০ সালে আমাদের শেয়ার প্রতি উপার্জন ছিল ২.৭৭ টাকা এবং ৬.৪৮ টাকা। দেশের চলমান অর্থনৈতিক মন্দার কারণে আমাদের শেয়ার প্রতি উপার্জন পূর্বের বছরের তুলনায় ৫৭% হ্রাস পায়।

কমিউনিটি

আলোচ্য বছরে আমাদের কর বাবদ সংস্থানের পরিমাণ ৩৭.৬২ মিলিয়ন টাকা যা গত বছর ছিল ৯৫.০০ মিলিয়ন।

গবেষণা

বে লীজিং এন্ড ইনভেস্টমেন্ট লিমিটেড সবসময়ই সর্বোচ্চ পর্যায়ের ব্যবসায়িক নীতিগত আদর্শ ও মূল্যবোধ মেনে চলে। ইভাস্ট্রি গড় এম্প্লয়ী টার্গেট ওভার রেশিও এর তুলনায় বে লীজিং এর এম্প্লয়ী টার্গেট ওভার রেশিও খুবই কম। ২০১১ সালে যা ছিলো মাত্র ৪ শতাংশ।

কর্মী প্রশিক্ষণ

অর্থায়ন ব্যবসায় পরিচালনার জটিলতা গুলোর সাথে মানিয়ে চলার জন্য কর্মীদের উন্নতমানের প্রশিক্ষণ এর ব্যবস্থা করা হয়। বিভিন্ন নিয়ন্ত্রণকারী কর্তৃপক্ষ, আইএফসি, এসইডিএফ এর মতো খ্যাতিমান প্রশিক্ষণ পরিচালক প্রতিষ্ঠানের মাধ্যমে পরিচালিত আন্তর্জাতিক ও বাহ্যিক প্রশিক্ষণ কার্যক্রমের অন্তর্ভুক্ত। কর্মীদেরকে চেম্বারস্ ও অন্যান্য প্রফেশনাল প্রতিষ্ঠান দ্বারা আয়োজিত বিভিন্ন কর্মশালা, সেমিনার ও মেলায় অংশগ্রহণের জন্য উৎসাহিত করা হয়।

এম্প্লয়ী

বে লীজিং এন্ড ইনভেস্টমেন্ট লিমিটেড তার কর্মীদের কে যথাযথ প্রণোদনা দেয়াকে সর্বোচ্চ গুরুত্বের বিষয় মনে করে যাতে কর্মীরা উৎসাহিত হয়ে কোম্পানির উন্নতির জন্য নিরবিচ্ছিন্নভাবে কাজ করে যেতে পারে। প্রতিষ্ঠান তার কর্মীদের মৌলিক চাহিদা পূরণে বিবিধ সুবিধা যেমন গৃহঋণ, কার লোন ও ব্যক্তিগত ঋণ সুবিধা দিয়ে থাকে।

উন্নতি

বে লীজিং এন্ড ইনভেস্টমেন্ট লিমিটেড তার তথ্য-প্রযুক্তিগত ইনফ্রাস্ট্রাকচার উন্নতকরণের উদ্যোগ নিয়েছে। অতিসত্ত্বর সব আন্তর্জাতিক বিভাগসমূহ এবং নিয়ন্ত্রণকারী কর্তৃপক্ষের জন্য ইন্টিগ্রেটেড সফটওয়্যার চালুর উদ্যোগ গ্রহণ করেছে। এটি ভোক্তাদের জন্য আরো উন্নত ও দ্রুত সার্ভিস নিশ্চিত করবে। যা তথ্য-প্রযুক্তিগত উন্নতির পথে প্রতিষ্ঠানকে আরো একধাপ এগিয়ে নিবে। প্রতিষ্ঠান অনলাইন নির্ভর ২৪/৭ স্টেটমেন্ট সার্ভিস চালুরও পরিকল্পনা করেছে।

e'vfmj -2

আর্থিক প্রতিষ্ঠানের কার্যক্রম তদারকির জন্য ব্যাসেল-২ বর্ণিত নীতিমালা ৩টি মূল ভিত্তির উপর প্রতিষ্ঠিতঃ ১. নূন্যতম মূলধন পর্যাপ্ততা, ২. নজরদারিত্ব পর্যালোচনা এবং ৩. বাজার শৃংখলা।

ব্যাসেল-২ কাঠামোর বাস্তবায়ন, প্রতিষ্ঠানের ঝুঁকি ব্যবস্থাপনা ও মূলধন পর্যাপ্ততার ক্ষেত্রে একটি সম্ভাবনাময় ভবিষ্যতের ইংঙ্গিত বহন করে। মূলধন পর্যাপ্ততার উন্নয়ন ঘটাতে প্রয়োজনীয় পদক্ষেপ গ্রহণ করা হয়েছে যাতে ঝুঁকি, পরিচালনা ঝুঁকি ও বাজার ঝুঁকি নিদিষ্ট সময় সীমার মধ্যে মোকাবেলা করা সম্ভব।

e'vfmj -2 Gi MVbZŠ;t

পিলার -১ (মিনিমাম ক্যাপিটাল রিকয়ারম্যান্ট) বাংলাদেশ ব্যাংকের নির্দেশনা অনুসারে সকল আর্থিক প্রতিষ্ঠানকে ১০% হারে মূলধন সংরক্ষণ করতে হবে।

টায়ার -১ ক্যাপিটাল মূলত কোর ক্যাপিটাল যাহার মধ্যে অস্বত্বভুক্ত পরিশোধিত মূলধন, সংবিধিবদ্ধ রিজার্ভ, শেয়ার প্রিমিয়াম, সাধারণ রিজার্ভ ও সংরক্ষিত আয়।

টায়ার-২ ক্যাপিটাল মূলত সাপ্লিমেন্টারী ক্যাপিটাল যাহার মধ্যে অস্বত্বভুক্ত অশ্রেণীকৃত ঋণের জন্য সংস্থান, সম্ভাব্য দায়ের উপর সংস্থান, সম্পদের পূর্ণ মূল্যায়ন রিজার্ভ ও বিনিয়োগের পূর্ণমূল্যায়ন জনিত রিজার্ভ।

পিলার -২ (সুপারভাইজারী রিভিউ প্রসেস) এবং পিলার -৩ (মার্কেট ডিসিপ্লিন)।

বাংলাদেশ ব্যাংকের নিয়ম অনুসারে, ব্যবস্থাপনা পরিচালককে প্রধান করে বে-লীজিং ব্যাসেল ইমপ্লিমেন্টেশন ইউনিট প্রতিষ্ঠা করেছে। ব্যাসেল ইমপ্লিমেন্টেশন ইউনিট নিয়মিত প্রতিবেদন নিরীক্ষা করে এবং তা বাংলাদেশ ব্যাংকে প্রেরণ করে। ব্যাসেল ইমপ্লিমেন্টেশন ইউনিটের সদস্য হচ্ছেঃ

μυgK bs	bvg	c` ex	c` ex(μmmBD)
১	জনাব ইফতিখার আলী খান	ব্যবস্থাপনা পরিচালক	বি.আই.ইউ প্রধান
২	জনাব সমীর সাহা	প্রিন্সিপাল অফিসার	সদস্য
৩	জনাব এনায়েত কবির	প্রিন্সিপাল অফিসার	সদস্য

te-ij wRs Gi e'vfmj -2

wēeiY	‡KwJ UvKug
ক) এলিজিবল ক্যাপিটাল	
১. টায়ার-১ ক্যাপিটাল	২৫৭.০৫
২. টায়ার-২ ক্যাপিটাল	২৭.৯৯
মোট এলিজিবল ক্যাপিটাল (১+২)	২৮৫.০৩
খ) রিস্ক ওয়েটেড এসেট	৯৪৩.৪১
গ) ক্যাপিটাল এডেকয়েসি রেশিও	৩০.২১
ঘ) কোর ক্যাপিটাল এর অনুপাত	২৭.২৫
ঙ) সাপ্লিমেন্টারী ক্যাপিটাল এর অনুপাত	২.৯৭
চ) মিনিমাম ক্যাপিটাল রিকয়ারমেন্ট	৯৪.৩৪

gwb j Ūwis cŪZtiva

মানি লভারিং প্রতিরোধকে বে-লীজিং আইনি বাধ্যবাধকতার পাশাপাশি মূল ব্যবসায়িক মূল্যবোধ হিসেবে বিবেচনা করে। আমাদের পরিচালনা পর্ষদ এবং ব্যবস্থাপনা কর্তৃপক্ষের সংঘবদ্ধ অবস্থান মানি লভারিং প্রতিরোধ আমাদের অঙ্গীকারকে সুদৃঢ় করেছে। অ্যান্টি মানি লভারিং কর্মকান্ড পর্যবেক্ষণ করার জন্য আমাদের রয়েছে স্বয়ং সম্পূর্ণ কেন্দ্রীয় প্রতিপালন বিভাগ।



প্রতিষ্ঠানের কর্মকর্তাদের মানি লন্ডারিং ইস্যুতে সচেতন করতে সর্বদা প্রশিক্ষণ ও কর্মশালা এর ব্যবস্থা করা হয়।

মানি লন্ডারিং প্রতিরোধ কার্যক্রমকে জোরদার করতে কোম্পানী ইতিমধ্যে নিম্নোক্ত পদক্ষেপ গ্রহণ করেছে :-

- ১। নিয়মিত প্রশিক্ষণ ও কর্মশালা আয়োজন করা।
- ২। সন্দেহ জনক লেনদেন গুলোকে সর্বদা পর্যবেক্ষণ করা।
- ৩। প্রতিটি গ্রাহকের কেওয়াইসি নবায়ন ও পরিপূর্ণ করা।
- ৪। সন্দেহ জনক লেনদেনের রিপোর্ট এবং নগদ লেনদেনের রিপোর্ট নির্দিষ্ট সময়ের মধ্যে সংগ্রহ করে পর্যবেক্ষণ করা।
- ৫। নিয়মিত সভা আহ্বানের মাধ্যমে কর্মকর্তাদের উক্ত বিষয়ে অবগত করা।

Arf' šihb ibqšŸ I cwi cvj b

আভ্যন্তরীণ নিয়ন্ত্রণ ও পরিপালন কার্যক্রমের মাধ্যমে কোম্পানীর পরিচালনার ক্ষেত্রে অনিয়ম ও অস্বচ্ছতা প্রতিরোধ করা সম্ভব। যে, কোন কার্যক্রমের ত্রুটি থেকে যেমন ঝুঁকি সৃষ্টি হতে পারে তেমনি সঠিক আভ্যন্তরীণ নিয়ন্ত্রণ ও নিরীক্ষার অভাব থেকে উদ্ভব হতে পারে বড় কোন অনিয়ম। বে-লিজিং এর আভ্যন্তরীণ নিয়ন্ত্রণ ও নিরীক্ষা বিভাগ ব্যবস্থাপনার একটি গুরুত্বপূর্ণ অংশ। আভ্যন্তরীণ নিয়ন্ত্রণ ও নিরীক্ষা শুধু নিয়মিত কর্ম সম্পাদনকেই নির্দেশ করে না বরং তা সম্পাদিত কর্মের যৌক্তিকতা সঠিকতাকে নিরূপণ করে। কোম্পানীর পরিচালনা ঝুঁকি কমানোর জন্য নিয়মিত ভাবে নিরীক্ষার পর্যবেক্ষণ পরিচালনা করা হয়।

নিম্নোক্ত উদ্দেশ্যে আভ্যন্তরীণ নিয়ন্ত্রণ ও পরিপালন বিভাগ গঠন করা হয় :-

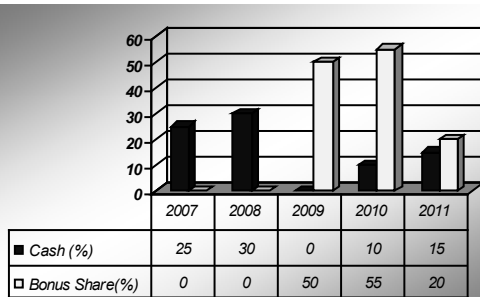
- > অর্থ আইন ১৯৯৩, আইএএস ও বিএএস নির্দেশিত আর্থিক প্রতিবেদন প্রস্তুত করণ।
- > ভুল ও জালিয়াতির চিহ্নিতকরণ ও প্রতিরোধ।
- > কোম্পানীর পরিচালনাগত দুর্বলতা চিহ্নিতকরণ।
- > সঠিক পরিচালনা এবং কর্মকর্তাদের দায়-দায়িত্ব নিশ্চিতকরণ।
- > কর্মকর্তা ও কর্মচারীদের নিয়মিত প্রশিক্ষণের ব্যবস্থা করা।
- > ব্যবস্থাপনা কর্তৃক নির্দেশিত নিয়ম ও নীতির পরিপালন ও প্রতিপালন।

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স্মল এন্ড মিডিয়াম এন্টারপ্রাইজ (এসএমই) সেক্টর দেশের অর্থনৈতিক উন্নতির জন্য একটি গুরুত্বপূর্ণ খাত। এটি বাংলাদেশ ব্যাংক এবং বাংলাদেশ সরকার কর্তৃক ঘোষিত একটি অগ্রাধিকার খাত। দেশের অর্থনৈতিক উন্নয়নে অংশগ্রহণের লক্ষ্যে বে লীজিং একটি স্বতন্ত্র এসএমই ব্যবসা ডিপার্টমেন্ট চালু করেছে। মহিলা উদ্যোক্তাদের সেবা প্রদানের জন্য একটি 'উইমেন এন্টারপ্রেনার হেল্প ডেস্ক' খোলা হয়েছে। বে লীজিং ক্রমান্বয়ে এসএমই ঋণপ্রদানের পরিমাণ বৃদ্ধি করে এবং বাংলাদেশ ব্যাংক হতে স্বল্প সুদে পুনঃঅর্থায়নের মাধ্যমে এসএমই সেক্টরে ব্যবসা আরো সম্প্রসারণের লক্ষ্যে প্রচেষ্টা অব্যাহত রেখেছে।

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আমাদের কোম্পানী পরিচালনা পর্ষদ শেয়ার হোল্ডারদের জন্য উচ্চহারে লভ্যাংশ ঘোষণা করে থাকেন। সেই কারণে আমাদের কোম্পানীর শেয়ারহোল্ডারগণ শেয়ারপ্রতি সন্তোষজনক লভ্যাংশ পেয়ে থাকে। নিচে ২০০৭ সাল থেকে কোম্পানী ঘোষিত লভ্যাংশের হার দেখানো হল :



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কোম্পানী আরটিকেলস অব এসোসিয়েশন এর ১২৬ (র) আরটিকেল অনুসারে পরিচালকগণের এক তৃতীয়াংশ সংখ্যক পরিচালক তাদের দায়িত্ব থেকে অবসর নিবেন এবং সেই অনুসারে নিম্নলিখিত পরিচালকগণ হলেন :

- ১। মিসেস হামিদা হোসেন
- ২। মিসেস হাসনাত আরা বেগম
- ৩। জনাব জুবায়ের কবির।

Status of Compliance on Corporate Governance

Status of compliance of Corporate Governance with the conditions imposed by the Securities and Exchange Commission's Notification No. SEC/CMRRCD/2006-158Admin/20-08 Date February 20, 2006 issued under Section 2CC of the Securities and Exchange Ordinance, 1969:

Condition No.	Title	Compliance Status		Explanation for NonCompliance/ Comments
		Complied	Not Complied	
1.1	Board's size	"		
1.2 (i)	Number of independent Director	"		
1.2 (ii)	Appointment of independent Director	"		
1.3	Chairman of the Board and CEO	"		
1.4 (a)	FS present fairly its state of affairs, result of its operations, cash flows & change in equity	"		
1.4 (b)	Proper books of account maintained	"		
1.4 (c)	Appropriate accounting policies consistent applied in FS preparation & accounting estimates are based on reasonable & prudent judgments	"		
1.4 (d)	IASs, as applicable in Bangladesh followed in FS preparation & any departure adequately disclosed	"		
1.4 (e)	The system of internal control sound in design & effectively implemented & monitored	"		
1.4 (f)	No significant doubt upon its ability to continue as a going concern	"		
1.4 (g)	Reporting of significant deviations from last year in operating results	"		
1.4 (h)	Key operating & financial data of at least preceding three years	"		
1.4 (i)	Dividend declared	"		
1.4 (j)	Number of board meeting held & attendance reporting	"		
1.4 (k)	Pattern of Shareholding	"		
2.1	Appointment of CFO, Head of Internal Audit & Company Secretary	"		
2.2	Requirement to attend Board Meeting	"		

Status of Compliance on Corporate Governance

Condition No.	Title	Compliance Status		Explanation for Non-Compliance/ Comments
		Complied	Not Complied	
3.00	Audit Committee	"		Not Applicable
3.1 (i)	Composition of Audit Committee	"		
3.1 (ii)	Appointment of Audit Committee members	"		
3.1 (iii)	Service & tenure of Audit Committee members	"		
3.2(i)	Selection of Chairman Audit Committee	"		
3.2(ii)	Qualification of Chairman Audit Committee	"		
3.3.1(i)	Reporting of Audit Committee	"		
3.3.1(ii)(a)	Report on conflict of interest	"		
3.3.1(ii)(b)	Suspected or presumed fraud or irregularity or material defect in the internal control system	"		
3.3.1(ii)(c)	Suspects infringement of laws	"		
3.3.1(ii)(d)	Any other matter	"		
3.3.2	Reporting to the Authorities	"		
3.4	Reporting to the Shareholders & General Investors	"		
4.00(i)	Appraisal or valuation services or fairness opinions	"		
4.00(ii)	Financial information system design and implementation	"		
4.00(iii)	Book-keeping or other services related To accounting records of financial statement	"		
4.00(iv)	Broker- dealer services	"		
4.00(v)	Actuarial services	"		
4.00(vi)	Internal Audit services	"		
4.00(vii)	Any other services	"		



Shareholding Pattern as on December 31, 2011

A) Directors Shareholding Position

SL	Name of Directors	No. of Shares	% of Holdings
01.	Dr. Maswooda Ghani	5,735,000	6.05
02.	Mr. A KM Azizur Rahman	725,400	0.76
03.	Mr. Zubayer Kabir	1,860,000	1.96
04.	Mr. Tarik Sujat	1,979,370	2.09
05.	Mrs.Hamida Hossain	503,750	0.53
06.	Mrs. Fatema Zahir Majumder	1,209,000	1.27
07.	Mrs. Hasnat Ara Begum	465,000	0.49
08.	Mrs. Jahan Ara Begum	1,197,370	1.26

B) Senior Executives Shareholding Position

SL	Name of Shareholders	Designation	Number of Shares	% of Holdings
1.	Iftekhar Ali Khan	Managing Director	-	-
2.	Lutfur Rahman	Senior Vice President	-	-
3.	M.Maniruz Zaman Khan	Vice President	-	-
4.	Mofizul Islam	SAVP	-	-

ATTENDANCE IN THE BOARD OF DIRECTORS MEETINGS DURING THE YEAR 2011

Sl. No.	Name of Directors	Total Meeting	Attended	Remarks
01.	Dr. Maswooda Ghani	9	9	The Directors who could not attend any meeting were granted leave of absence
02.	Mr. A KM Azizur Rahman	9	8	
03.	Mr. Zubayer Kabir	9	7	
04.	Mr. Tarik Sujat	9	8	
05.	Mrs.Hamida Hossain	9	3	
06.	Mrs. Fatema Zahir Majumder	9	3	
07.	Mrs. Hasnat Ara Begum	9	9	
08.	Mrs. Jahan Ara Begum	9	9	
09.	Mr. Zakir Ahmed Khan	1	0	



Pertinent Highlights as on December 31, 2011

SL	Particulars	31-12-2011 (Taka)	31-12-2010 (Taka)
1	Authorized Capital	3,000,000,000	1,000,000,000
2	Paid-up capital	948,600,000	612,000,000
3	Total Shareholder's Equity	2,980,200,680	2,489,114,727
4	Capital Surplus/(deficit)	1,906,931,921	2,321,547,904
5	Total Liabilities	3,644,309,560	4,178,650,379
6	Total Assets	6,624,510,240	6,667,765,106
7	Total Deposits	1,146,101,422	1,172,302,155
8	Total Loans and advances	3,969,087,652	3,585,072,906
9	Income from Investment	113,933,616	698,410,192
10	Net Profit after Tax	263,210,018	614,837,524
11	Amount of Classified Investments	165,547,551	161,554,000
12	Percentage of Classified Investment against Total Investments	5.82%	5.91%
13	Provision Kept against classified Investments	181,460,391	240,000,000
14	Provision Surplus/(deficit)	13,711,252	6,164,310
15	Total Contingent Liabilities and Commitment	-	-
16	Investment Deposit Ratio	3.46	3.00
17	Cost of Fund	14.88%	11.55%
18	Interest earning Assets	4,252,540,757	4,901,908,419
19	Non-Interest earning Assets	2,371,969,483	1,765,856,687
20	Net Asset Value Per Share	31.42	26.24
21	Return on equity	8.83%	24.70%
22	Return on Average Assets	4.53%	11.94%
23	Cost/Income Ratio	0.61	0.37
24	Capital Adequacy Ratio	30.21%	-
25	Dividend Cover Ratio	7.91	9.97
26	Earning Per Share	2.77	6.48
27	Price earning Ratio (P/E Ratio)	25.31	26.13



annual report
2011



Auditor's Report



AUDITORS' REPORT TO THE SHAREHOLDERS OF

Bay Leasing And Investment Limited

We have audited the accompanying financial statements of BAY LEASING & INVESTMENT LIMITED which comprise the Balance Sheet as at December 31, 2011 and the related Profit and Loss Accounts, Statement of Cash Flow and Statement of Changes in Equity 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, the Financial Institution Act 1993, Securities and Exchange Commission Rules 1987 and other applicable Laws and Regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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





Opinion

In our opinion, the financial statements present fairly, in all material respects, (or give a true and fair view of) the financial position of **BAY LEASING & INVESTMENT LIMITED** as at December 31, 2011 and (of) its financial performance and its cash flows for the period then ended in accordance with Bangladesh Financial Reporting Standards.

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 BAS and other applicable laws have been kept by the company so far as it appeared from our examination of those books;
- (iii) The Financial Statement have been drawn up in conformity with the Financial Institutions Act, 1993 and rules and regulations issued by Bangladesh Bank to the extent applicable to the company;
- (iv) The Company has followed the instructions issued by Bangladesh Bank in matters of lease/ advance classification, provisioning and suspension of interest;
- (v) The company's Balance Sheet and Profit and Loss Accounts and its Cash Flow dealt with by the report are in agreement with the books of account, returns and supplementary information provided by the management.
- (vi) The expenditure incurred and payments made were for the purpose of the companies business; and
- (vii) The company has complied with the relevant laws pertaining to reserves and maintenance of liquid assets.

Dhaka
Dated : 5th April, 2012

Pinaki & Co
Pinaki & Company
Chartered Accountants



BALANCE SHEET as at December 31, 2011

(Amount in Taka)

PROPERTY AND ASSETS

	Notes	31-12-2011	31-12-2010
Cash	2.00	24,730,426	23,123,888
In hand (including foreign currencies)		490,745	102,352
Balance with Bangladesh Bank and its agent bank (s) (including foreign currencies)		24,239,681	23,021,536
Balance with banks and other financial institutions	3.00	168,888,284	1,301,717,690
In Bangladesh		168,888,284	1,301,717,690
Outside Bangladesh		-	-
Money at call and short notice	4.00	100,000,000	200,000,000
Investments	5.00	1,070,310,526	785,729,227
Government		-	-
Others		1,070,310,526	785,729,227
Lease, loans and advances		3,969,087,652	3,585,072,906
Lease, loans and advances	6.00	3,969,087,652	3,585,072,906
Bills purchased and discounted		-	-
Fixed assets including premises, furniture and fixtures	7.00	779,230,392	404,166,787
Other assets	8.00	512,262,960	367,954,608
Non - financial institutional assets		-	-
Total Assets		6,624,510,240	6,667,765,106

LIABILITIES AND CAPITAL

Liabilities

Borrowing from banks, other financial institutions and agents	9.00	1,890,386,595	2,378,432,276
Deposits and other accounts	10.00	1,146,101,422	1,172,302,155
Term deposits		1,037,237,323	827,967,684
Flexi Savings		46,000	-
Super DPS		685,000	-
Bearer certificates of deposit		-	-
Other deposits		108,133,099	344,334,471
Other liabilities	11.00	607,821,543	627,915,948
Total liabilities		3,644,309,560	4,178,650,379

Capital / Shareholders' equity

Paid- up capital	12.00	948,600,000	612,000,000
Statutory reserve	13.00	314,936,000	254,736,000
Share premium	14.00	581,400,000	918,000,000
General reserve	15.00	250,000,000	250,000,000
Assets Revaluation reserve	16.00	409,749,806	43,344,900
Retained surplus	17.00	475,514,874	411,033,827
Total Shareholders' equity		2,980,200,680	2,489,114,727
Total liabilities and Shareholders' equity		6,624,510,240	6,667,765,106
Net asset value per share	18.00	31.42	26.24

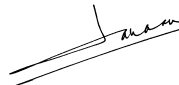
Signed in terms of our separate report of even date



Chairman



Director



Managing Director



Company Secretary



PINAKI & COMPANY
Chartered Accountants

**OFF-BALANCE SHEET ITEMS
as at December 31, 2011**

(Amount in Taka)

	Notes	31-12-2011	31-12-2010
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		-	-

M. Ghani

Chairman

[Signature]

Director

[Signature]

Managing Director

[Signature]

Company Secretary

[Signature]

PINAKI & COMPANY
Chartered Accountants



PROFIT & LOSS ACCOUNTS
For the year ended December 31, 2011

		Amount in Taka	
	Notes	31-12-2011	31-12-2010
Interest Income	19	459,502,093	430,371,383
Interest paid on Deposit, Borrowing etc.	20	(342,767,285)	(393,301,157)
Net Interest Income		116,734,808	37,070,226
Investment Income	21	113,933,616	698,410,192
Commission, Exchange and Brokerage Income	22	29,488	277,471
Other Operating Income	23	2,561,926	2,529,320
Total Operating Income (A)		233,259,838	738,287,209
salary and allowances		14,387,153	13,699,868
Rent, taxes, insurance, electricity, etc	24	4,191,319	2,030,222
Legal expenses		562,532	599,700
Postage, stamp, telecommunication, etc		293,315	166,038
Stationery, Printing, advertisement, etc.		1,967,334	627,469
Managing Director's salary and benefits		4,564,609	3,118,942
Director's fees	25	280,000	220,000
Auditor's fees		135,850	75,000
Charges on loan losses		-	-
Depreciation and repairs of assets		5,648,009	2,459,364
Other expenses	26	11,496,162	15,501,845
Total operating expenses (B)		43,526,283	38,498,448
Profit on Merchant Banking Operation (C)	Annex-I	111,099,451	144,664,763
Profit before provision (D=A-B+C)		300,833,006	844,453,524
Provision against lease, loans, advances & diminution in value of Investment		-	134,616,000
Other Provision		-	-
Total Provision (E)	27	-	134,616,000
Total Profit before taxes (F=D-E)		300,833,006	709,837,524
Provision For Tax			
Current Tax	28	53,000,000	95,000,000
Deferred Tax	8	(15,377,012)	-
Total Tax		37,622,988	95,000,000
Net Profit after taxation		263,210,018	614,837,524
Appropriations			
Statutory reserve	13	60,200,000	142,000,000
General reserve		-	100,000,000
		60,200,000	242,000,000
Retained Surplus		203,010,018	372,837,524
Earning Per Share (EPS)	29	2.77	6.48

Re-Stated

M. Khan

Chairman

[Signature]

Director

[Signature]

Managing Director

[Signature]

Company Secretary

[Signature]

PINAKI & COMPANY
Chartered Accountants



STATEMENT OF CASH FLOW
for the year ended December 31, 2011

(Amount in Taka)

2011 **2010**

A) Cash flows from operating activities

Interest receipts in cash	600,679,580	816,000,992
Interest payments	(456,422,118)	(447,366,388)
Dividend receipts	34,153,146	13,235,564
Fees and commission receipts in cash	29,488	-
Recoveries of loans previously written off	-	-
Cash payments to employees	(18,951,762)	(17,190,428)
Cash payments to suppliers	(2,260,649)	(1,138,213)
Receipts from other operating activities	1,509,203	1,074,672
Payments for other operating activities	(30,882,514)	(16,779,505)

**Cash generated from operating activities
before changes in operating assets and liabilities**

127,854,374 **347,836,694**

Increase / decrease in operating assets and liabilities

Lease, loans and advances to customers	(373,587,298)	(192,302,578)
Other assets	63,668,421	70,718,653
Deposits from other banks / borrowings	(100,010,000)	(620,000,000)
Deposits from customers	309,834,685	(61,633,345)
Payment as Call Loan	(7,250,000,000)	(200,000,000)
Receipt as Call Loan	7,350,000,000	-
Other liabilities account of customers	(60,867,821)	109,102,773

(60,962,013) (894,114,497)

66,892,361 **(546,277,803)**

B) Cash flows from investing activities

Proceeds from sale of securities	330,505,876	2,035,988,202
Payments for purchases of securities	(535,306,705)	(1,385,859,038)
Proceeds from sale of Fixed Assets	1,517,000	-
Purchase of property, plant and equipment	(14,409,145)	(21,875,315)
Margin Deposit	(235,857,760)	188,994,898

Net cash used in investing activities

(453,550,734) **817,248,747**

C) Cash flows from financing activities

Receipts of long term loan	323,321,810	1,044,775,178
Repayment of long term loan	(1,125,878,822)	(959,643,888)
Paid up capital	-	306,000,000
Share Premium	-	765,000,000
Share Money Deposit	(167,662)	(258,249)
Advance to Propose BLI Capital Ltd.	(199,992,000)	-
Net draw down/(payment) of short term loan	314,511,330	(286,519,157)
Dividend paid	(56,359,153)	-
Net Cash from financing activities	(744,564,497)	869,353,884
D) Net increase / (decrease) in cash and cash equivalents (A+ B + C)	(1,131,222,870)	1,140,324,828
E) Effects of exchange rate changes on cash and cash equivalents	-	-
F) Cash and cash equivalents at beginning of the year	1,324,841,579	184,516,751
G) Cash and cash equivalents at end of the year (D+E+F)	193,618,709	1,324,841,579
Net operating cash flow per share	0.71	(5.76)


Chairman

Director

Managing Director

Company Secretary

PINAKI & COMPANY
Chartered Accountants

STATEMENT OF CHANGES IN EQUITY
for the year Ended December 31, 2011

Particulars	Paid-up capital	Share premium	Statutory reserve	General reserve	Assets Revaluation Reserve	Retained earnings	Total
	Taka	Taka	Taka	Taka		Taka	Taka
Balance as at January 01, 2011	612,000,000	918,000,000	254,736,000	250,000,000	43,344,900	411,033,827	2,489,114,727
Short provision of Tax for the year 2009 & 2010						(77,328,971)	(77,328,971)
Restated balance	612,000,000	918,000,000	254,736,000	250,000,000	43,344,900	333,704,856	2,411,785,756
Surplus / deficit on account of revaluation of properties	-	-	-	-	366,404,906	-	366,404,906
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	-	-	-	-	-	263,210,018	263,210,018
Share Premium	-	-	-	-	-	-	-
Dividends (Bonus shares)	336,600,000	(336,600,000)	-	-	-	-	-
Cash Dividend	-	-	-	-	-	(61,200,000)	(61,200,000)
Appropriation made during the year	-	-	60,200,000	-	-	(60,200,000)	-
Balance as at December 31, 2011	948,600,000	581,400,000	314,936,000	250,000,000	409,749,806	475,514,874	2,980,200,680
Balance as at December 31, 2010	612,000,000	918,000,000	254,736,000	250,000,000	43,344,900	411,033,827	2,489,114,727

M. Ghani

Chairman

[Signature]

Director

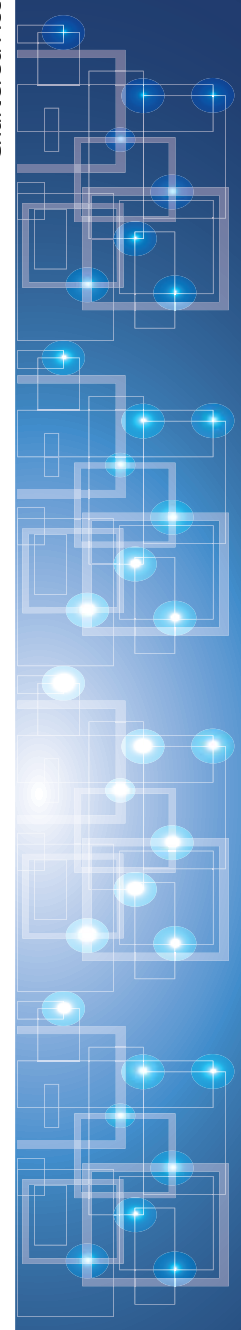
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Managing Director

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Company Secretary

Pirax & Co
PINAKI & COMPANY
Chartered Accountants



LIQUIDITY STATEMENT (ANALYSIS OF MATURITY OF ASSETS AND LIABILITIES)
as at December 31, 2011

Particulars	Up to 1 month	1-3 months	3-12 months	1-5 years	Above 5 years	Total
Assets:						
Cash in hand	490,745	-	-	-	-	490,745
Balance with Bangladesh Bank and its agent	24,239,681	-	-	-	-	24,239,681
Balance with banks and other financial institutions	427,093	9,158,838	159,302,353	-	-	168,888,284
Money at call and short notice	100,000,000	-	-	-	-	100,000,000
Investments	130,006,525	162,954,355	436,862,058	340,487,588	-	1,070,310,526
Leases, loans and advances	102,146,548	246,481,627	1,274,950,255	1,919,455,623	426,053,599	3,969,087,652
Fixed assets including premises, furniture and fixtures	-	-	15,750,712	62,136,555	701,343,125	779,230,392
Other assets	21,214,556	37,295,482	-	-	453,752,922	512,262,960
Non banking assets	-	-	-	-	-	-
Total assets (A):	378,525,148	455,890,302	1,886,865,378	2,322,079,766	1,581,149,646	6,624,510,240
Liabilities:						
Borrowings from banks, other financial institutions and agents	196,744,632	176,278,438	784,612,225	561,195,655	171,555,645	1,890,386,595
Deposits & Other Accounts	147,264,079	194,644,896	731,722,471	72,469,976	-	1,146,101,422
Provision and other liabilities	87,732,152	70,415,203	114,985,607	184,718,212	149,970,369	607,821,543
Total liabilities (B):	431,740,863	441,338,537	1,631,320,303	818,383,843	321,526,014	3,644,309,560
Net liquidity gap (A - B):	(53,215,716)	14,551,765	255,545,075	1,503,695,923	1,259,623,632	2,980,200,680

M. Ghoswami

Chairman

[Signature]

Director

[Signature]

Managing Director

[Signature]

Company Secretary

[Signature]

PINAKI & COMPANY
Chartered Accountants



SCHEDULE OF FIXED ASSETS
as at December 31, 2011

Schedule -1

Particulars	Cost as on 01.01.2011	Revaluation as on 01-01-2011	Addition during the year	Revaluation during the year	Disposals/ Adjustments during the year	Balance as on 31.12.2011			Rate of Depreciation	Charged during the Year			Balance as on 31.12.2011			W.D.V. as on 31.12.2011 (4-9)=10	
						Cost (1+2-3)=4	Revaluation	Total		Cost	Revaluation	Total	Cost	Revaluation	Total		
																	5
0	1		2	3													
Furniture and Fixtures	3,114,392		54,834	-	-	3,169,226	-	3,169,226	10%	1,912,661	-	123,737	-	2,036,398	-	2,036,398	1,132,828
Office Equipment	7,389,350		308,411	-	-	7,697,761	-	7,697,761	15%	3,839,299	-	558,049	-	4,397,348	-	4,397,348	3,300,413
Office Decoration	5,348,426		-	-	-	5,348,426	-	5,348,426	20%	4,704,567	-	128,772	-	4,833,339	-	4,833,339	515,087
Motor Vehicles	10,744,031		5,407,300	-	2,006,555	14,144,776	-	14,144,776	20%	3,942,265	-	2,210,539	-	4,643,527	-	4,643,527	9,501,249
Electrical Goods	595,450		-	-	-	595,450	-	595,450	20%	560,778	-	6,934	-	567,712	-	567,712	27,738
Building	89,005,460	33,077,400	-	287,592,140	-	89,005,460	320,669,540	409,675,000	2.50%	-	-	2,225,137	2,624,386	2,225,137	2,624,386	4,849,522	404,825,478
Construction WIP	106,839,100	-	-	-	-	106,839,100	-	106,839,100	0%	-	-	-	-	-	-	-	106,839,100
Land	152,745,248	10,267,500	8,638,600	81,437,152	-	161,383,848	91,704,652	253,088,500	0%	-	-	-	-	-	-	-	253,088,500
Total	375,781,457	43,344,900	14,409,145	369,029,292	2,006,555	888,184,047	412,374,192	800,558,239		14,959,570	-	5,253,168	2,624,386	18,703,461	2,624,386	21,327,847	779,230,392

**Notes to the financial statements
as at and for the year ended December 31, 2011**

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.

1.1.2 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 and merchant banking operations.

1.2 Basis of preparation and significant accounting policies

1.2.1 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.

1.2.2 Basis of measurement

This financial statement has been prepared based on Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS) and no adjustment has been made for inflationary factors affecting 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.

1.3 Date of authorization

The Board of director have approved this financial statement on 01-04-2012 for which submission of final report was delayed by one week beyond scheduled date.

1.4 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.

1.5 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.

Provisions and accrued expenses are recognized in the financial statement in line with the Bangladesh Accounting Standard (BAS) 37 "Provisions, Contingent Liabilities and Contingent Assets" when

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

1.6 Accounting for leases

The Company has been following Finance Method of accounting for lease transactions as per BAS-17. 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.

1.7 Merchant banking operation

As per Securities and Exchange Commission (Merchant Banker and Portfolio Manager) Rules 1996, the services of issue management, portfolio management, underwriting of shares and securities advisory services fall under the purview of merchant banking operation. Accordingly, profit and loss account of merchant banking operation includes revenue from issue management, underwriting and portfolio management services and the Company maintains separate books of accounts for the merchant banking operation as required under the regulations of Securities and Exchange Commission.

1.8 Property, Plant and Equipment

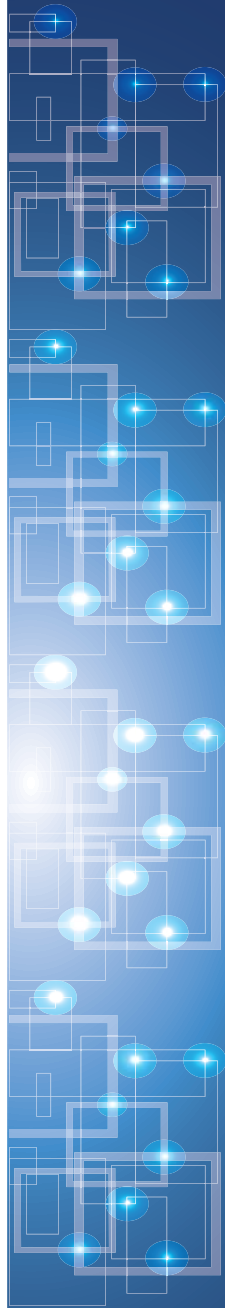
Recognition and measurement

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".

1.8.1 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.





1.8.2 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%
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.

Depreciation methods, useful lives and residual values, if any are reviewed at the balance sheet date.

1.9 Revenue recognition

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/offloaded.

1.10 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.

1.11 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.

1.12 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 has created a provision following the circular published by Bangladesh Bank. Investment in non-marketable shares has been valued at cost. Company also maintaining provision against diminution value of investment in share to net off the gain & loss as per DFIM circular/02, date 31-01-2012.

1.13 Employees benefit obligation

Bay Leasing & Investment Limited offers a number of benefit plans which includes contributory provident fund & gratuity plan.



1.13.1 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.

1.13.2 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) |
| 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. |

1.14 Taxation

Tax expense comprises current and deferred tax.

1.14.1 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 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.

1.14.2 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.

1.15 Cash and cash Equivalent

This represents cash in hand and cash at bank, the details of which is given in the note No.2.

1.16 Statutory Reserve:

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

1.17 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.

1.18 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 29.

1.19 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 30.

1.20 Post Balance Sheet Events (BAS-10)

The board of directors in its 97th Board meeting held on 1st April, 2012 Recommended:

Proposed Dividend:

The Board of Directors, in its 97th meeting, held on 1st April, 2012 has recommended 20% stock dividend and 15% cash dividend for the year 2011. The above is subject to approval of the shareholders in the 16th Annual General Meeting, scheduled to be held on 05-05-2012 at 10:30 a.m. at Bashudhara Convention Centre-2.

1.21 Reporting period:

The financial statements of the company cover one calendar year from 1st January 2011 to 31st December 2011.

1.22 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 31-12-2011.
- 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 engaged for the whole year or Part thereof who received a total remuneration of Tk. 35,500 p.a.

**Notes to the financial statements
as at and for the year ended December 31, 2011**

2.00 Cash : Tk. 24,730,426

The above balance is made up as follows:

Particulars	31-12-2011	31-12-2010
Cash in hand	490,745	102,352
Balance with Bangladesh Bank and its agent bank(s)	24,239,681	23,021,536
Total:	24,730,426	23,123,888

2.01 Cash in hand: Tk. 490,745

The above balance is made up as follows:

Particulars	31-12-2011	31-12-2010
In local currency	490,745	102,352
In foreign currency	-	-
Total:	490,745	102,352

2.02 Balance with Bangladesh Bank and its agent bank(s): Tk. 24,239,681

The above balance is made up as follows:

Particulars	31-12-2011	31-12-2010
In local currency with Bangladesh Bank	24,239,681	23,021,536
In foreign currency	-	-
Total:	24,239,681	23,021,536

2.03 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 term 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 Term 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	22,359,000	15,387,000
Actual reserve maintained	24,239,681	23,021,536
Surplus/(deficit)	1,880,681	7,634,536

b) Statutory Liquidity Reserve:

The above balance is made up as follows:

Particulars	31-12-2011	31-12-2010
Required reserve (including CRR)	54,109,000	44,001,000
Actual reserve maintained including CRR (note-2.04)	193,618,709	1,324,841,578
Surplus/(deficit)	139,509,709	1,280,840,578

2.04 Actual reserve maintained (including CRR):

The above balance is made up as follows:

Particulars	31-12-2011	31-12-2010
Cash in hand	490,745	102,352
Balance with Bangladesh Bank and its agent bank(s)	24,239,681	23,021,536
Balance with Banks and other financial institutions (note-3)	168,888,284	1,301,717,690
Total:	193,618,709	1,324,841,578



3.00 Balance with banks and other financial institutions: Tk. 168,888,284

The above balance is made up as follows:

Particulars

	31-12-2011	31-12-2010
In Bangladesh (3.01)	168,888,284	1,301,717,690
Outside Bangladesh	-	-
Total:	168,888,284	1,301,717,690

3.01 In Bangladesh:

Current Deposits:

The above balance is made up as follows:

Particulars

	31-12-2011	31-12-2010
Bank Alfalah Limited	185,191	171,724
BASIC Bank Limited	11,083	10,949
Dhaka Bank Limited	-	1,176
Dutch Bangla Bank Ltd.	29,302	28,798
EXIM Bank Limited	96,136	98,676
First Security Bank Ltd.	22,776	24,045
IFIC Bank Limited	2,200	3,375
Janata Bank Ltd.	17,040	18,190
Mutual Trust Bank Limited	-	863
National Bank Limited	4,850	4,850
Social Investment Bank Limited	627	2,065
Southeast Bank Limited	-	2,378,426
Standard Bank Limited	5,635	7,285
The City Bank Limited	35,136	35,136
Trust Bank Limited	13,745	13,745
Uttara Bank Limited	3,372	4,522

Sub Total: 427,093 2,803,825

Short-term deposits:

In Local Currency:

Jamuna Bank Limited	810,724	501,131
Mutual Trust Bank Limited	3,555	6,580
Southeast Bank Limited	5,975,388	837,266,239
Shahjalal Bank Limited	31,817	32,163
Sub Total:	6,821,484	837,806,113

In Foreign Currency:

Southeast Bank Limited	1,337,354	1,198,767
Sub Total:	8,158,838	839,004,880

Particulars

	Amount	Exchange rate	Taka
Dollar	\$13,692.20	79.10	1,083,053
Euro	\$1,432.78	102.77	147,247
Pound	£873.98	122.49	107,054
Sub Total:			1,337,354

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.	21,000,000	21,000,000
Southeast Bank Ltd.	23,210,000	322,816,633

Sub Total: 160,302,353 459,908,986

Grand Total: 168,888,284 1,301,717,690



3.02 **Maturity grouping of balance with banks and other financial institutions: Tk. 168,888,284**

The above balance is made up as follows:

Particulars	31-12-2011	31-12-2010
On demand	427,093	58,783,123
Up to 1 month	-	-
Over 1 month but not more than 3 months	9,158,838	84,597,641
Over 3 months but not more than 6 months	48,210,000	-
Over 6 months but not more than 1 year	111,092,353	1,158,336,926
Over 1 year but not more than 5 years	-	-
Over 5 years	-	-
Total:	168,888,284	1,301,717,690

4.00 **Money at call and short notice: Tk. 100,000,000**

i) Investments are as follows:

AB Bank Ltd.

	100,000,000	200,000,000
Total:	100,000,000	200,000,000

5.00 **Investments: Tk. 1,070,310,526**

The above balance is made up as follows:

Particulars	31-12-2011	31-12-2010
Investment classified as per nature:		
Government securities	-	-
Other investment (Note-5.01)	1,070,310,526	785,729,227
Total:	1,070,310,526	785,729,227

5.01 **Other investment**

Particulars	31-12-2011	31-12-2010
Listed Securities	1,067,810,526	783,229,227
Unlisted Securities	2,500,000	2,500,000
Preference Share	-	-
Total:	1,070,310,526	785,729,227

5.02 **Maturity grouping of investments: Tk. 1,070,310,526**

The above balance is made up as follows:

Particulars	31-12-2011	31-12-2010
On demand	15,506,525	62,858,339
Up to 1 month	-	-
Over 1 month but not more than 3 months	52,454,355	94,287,507
Over 3 months but not more than 6 months	164,347,629	-
Over 6 months but not more than 1 year	272,514,429	196,432,306
Over 1 year but not more than 5 years	565,487,588	432,151,075
Over 5 years	-	-
Total:	1,070,310,526	785,729,227

5.03 Investment in shares: Tk. 1,070,310,526

The above balance is made up as follows:

Listed Securities

Name of the Company	Qty.	Cost Price	Market price per share on 31-12-2011	Market Price	Provision
Asia Insurance Ltd	262315	8,613,896	57.70	15,135,576	6,521,680
Exim Bank Ltd.	1600666	53,914,232	27.80	44,498,515	(9,415,717)
Fidelity Assets	115000	9,640,207	57.50	6,612,500	(3,027,707)
Janata Insurance	75	10,000	365.50	27,413	17,413
Khulna Power Plant	180000	18,910,600	62.80	11,304,000	(7,606,600)
Lafarge Surma	1096980	43,799,670	26.60	29,179,668	(14,620,002)
Maksons Spinning Mills Ltd	451	11,275	35.00	15,785	4,510
Meghna Petroleum Ltd.	54	12,680	187.90	10,147	(2,533)
Metro Spinnig Limited	805	8,055	37.30	30,027	21,972
National Life Insurance Co. Ltd.	1631690	309,031,123	364.30	594,424,667	285,393,544
National Tea Company Ltd.	6500	2,398,305	530.00	3,445,000	1,046,695
Power Grid Ltd	57500	5,797,598	63.00	3,622,500	(2,175,098)
Southeast Bank First Mutual Fund	3000000	30,000,000	8.90	26,700,000	(3,300,000)
Southeast Bank Ltd.	7239870	282,218,818	30.10	217,920,087	(64,298,731)
Summit Power	575642	54,465,448	74.40	42,827,765	(11,637,683)
Titas Gas	500000	53,789,915	67.60	33,800,000	(19,989,915)
Prime Bank	1998200	116,458,302	44.50	88,919,900	(27,538,402)
Pragati General Insurance	58170	8,388,555	78.80	4,583,796	(3,804,759)
Pragati Life Insurance	39200	14,586,250	205.90	8,071,280	(6,514,970)
United Air	2321599	45,564,664	23.90	55,486,216	9,921,552
Khulna Power Plant	55698	7,840,150	62.80	3,497,834	(4,342,316)
RAK ceramic Limited	518	24,864	78.40	40,611	15,747
Ocean Container Ltd.	22056	2,325,919	65.90	1,453,490	(872,429)
Total		1,067,810,526		1,191,606,776	123,796,250

Unlisted Securities

Jago Corporation Ltd.	25000	2,500,000	54.00	1,350,000	(1,150,000)
Total		1,070,310,526		1,192,956,776	122,646,250

All investments in marketable securities are valued on cost price at the balance sheet date. Provision has maintained after net off gain/loss from market price of shares as per DFIM Circular # 02; date: 31.01.2012.

6.00 Lease, loans and advances

6.01 Broad category-wise break up: Tk. 3,969,087,652

The above balance is made up as follows:

Particulars

Inside Bangladesh

Lease Finance (note-6.02)	1,354,186,924	1,406,205,371
Term Finance (note-6.03)	1,483,456,422	1,333,341,108
Advance against lease finance (6.04)	3,415,217	1,588
Housing Finance (note-6.05)	7,533,318	7,984,982
Margin Loan	1,120,495,771	837,539,857
	3,969,087,652	3,585,072,906

Outside Bangladesh

Total: **3,969,087,652** **3,585,072,906**

6.02 Lease Finance: Tk. 1,354,186,924

The above balance is made up as follows:

Particulars	31-12-2011	31-12-2010
Balance Principal	1,200,079,381	1,247,104,025
Rental Receivable	154,107,543	159,101,346
Total:	1,354,186,924	1,406,205,371

Details are given below:

Particulars	31-12-2011	31-12-2010
Opening Balance	1,406,205,371	1,350,671,178
Add: Disbursement during the year	196,416,211	214,375,181
Add: Addition during the year	170,190,627	124,116,361
	1,772,812,209	1,689,162,720
Less: Write Off during the year	(55,934,670)	-
Realization during the year	(362,690,615)	(282,957,349)
Total:	1,354,186,924	1,406,205,371

Movement of Balance Principal:

Particulars	31-12-2011	31-12-2010
Gross lease receivable	2,559,120,573	2,534,634,907
Less: Unearned finance income	1,359,041,192	1,287,530,882
Balance Principal	1,200,079,381	1,247,104,025

6.03 Term Finance: Tk. 1,483,456,422

The above balance is made up as follows:

Particulars	31-12-2011	31-12-2010
Principal Outstanding	1,352,922,010	1,276,753,058
Interest Receivable	130,534,412	56,588,050
Total:	1,483,456,422	1,333,341,108

Details are given below:

Movement of Outstanding Balance

Particulars	31-12-2011	31-12-2010
Opening Balance	1,333,341,108	1,370,577,574
Add: Disbursement during the year	433,925,000	175,804,793
Add: Addition during the year	208,133,697	231,376,253
	1,975,399,805	1,777,758,620
Less: Write Off during the year	(12,212,896)	-
Realization during the year	(479,730,487)	(444,417,512)
Total:	1,483,456,422	1,333,341,108

6.04 Advance for leases:

These represent disbursements made to clients for procuring assets under lease. On execution advances are transferred to lease finance.



6.05 Housing Finance: Tk. 7,533,318

The above balance is made up as follows:

Particulars	31-12-2011	31-12-2010
Principal Outstanding	7,518,820	7,984,982
Interest Receivable	14,498	-
Total:	7,533,318	7,984,982

Movement of Outstanding Balance

Particulars	31-12-2011	31-12-2010
Balance at January 01	7,984,982	5,370,226
Addition during the year	845,627	3,889,000
Realization during the year	(1,297,291)	(1,274,244)
Balance at December 31	7,533,318	7,984,982

6.06 Classification wise Lease, Loans & Advances

Particulars	31-12-2011	31-12-2010
Unclassified:		
Standard	2,841,307,707	2,653,679,890
Special Mention Account (SMA)	962,232,394	769,839,953
	3,803,540,101	3,423,519,843
Classified:		
Sub-Standard	54,198,655	1,766,880
Doubtful	4,391,035	29,843,301
Bad/Loss	106,957,861	129,942,882
	165,547,551	161,553,063
Total:	3,969,087,652	3,585,072,906



6.07 Maturity grouping of lease, loans and advances: Tk. 3,969,087,652

The above balance is made up as follows:

Particulars	31-12-2011	31-12-2010
On demand	-	-
Up to 1 month	102,146,548	59,112,402
Over 1 month but not more than 3 months	246,481,627	89,739,238
Over 3 months but not more than 1 year	1,274,950,255	1,040,102,993
Over 1 year but not more than 5 years	1,919,455,623	1,985,172,223
Over 5 years	426,053,599	410,946,050
Total:	3,969,087,652	3,585,072,906

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

Lease, loans and advances to companies or firms in which the Directors of the Company have interests

Lease, loans and advances to Chief Executive and other Senior Executives

	-	14,751,363
	4,089,303	3,050,000

6.09 Number of clients with outstanding amount and classified lease, loans and advances exceeding 15% of total capital (Total capital of the Company was Taka 2,980.20 million as at December 31, 2011 & Tk 2,489.11 million in 2010) of the Company is as follows:

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

6.10 Industry-wise distribution of lease, loans and advances

1. Agricultural sector	92,231,401	5,507,085
2. Industrial sector:		
a) Textile	912,720,643	1,120,841,224
b) Garments	429,478,309	432,354,863
c) Jute and jute products	-	-
d) Food production/processing industry	59,494,481	46,764,768
e) Plastic industry	10,011,184	-
f) Leather & leather products	-	-
g) Iron, Steel & Engineering industry	-	-
h) Chemical & Pharmaceutical	-	18,784,655
i) Cement/Concrete and allied industry	85,990,151	12,716,553
j) Service industry	-	-
k) Paper, Printing and packaging industry	278,116,159	177,788,736
l) Telecommunication/information Technology	-	-
m) Glass and ceramic industry	49,852,742	-
n) Electronics and electrical industry	1,203,795	-
3. Trade & Commerce	117,163,912	-
4. Power, Gas, Water and sanitary service	66,976,025	84,807,510
5. Transport & Communication	135,412,174	295,075,269
6. Real Estate & Housing	527,582,471	301,683,602
7. Margin Loan	1,120,495,771	837,539,857
8. Others	82,358,434	251,208,784
Total:	3,969,087,652	3,585,072,906

6.11 Geographical location-wise lease, loans and advances: Tk. 3,969,087,652

The above balance is made up as follows:

Particulars	31-12-2011	31-12-2010
Inside Bangladesh		
Urban		
Dhaka Division	3,969,087,652	3,585,072,906
Chittagong Division	-	-
Khulna Division	-	-
Rajshahi Division	-	-
Rangpur Division	-	-
Barisal Division	-	-
Sylhet Division	-	-
	3,969,087,652	3,585,072,906
Outside Bangladesh	-	-
Total:	3,969,087,652	3,585,072,906

6.12 Particulars of Lease, Loans and Advances

Particulars	31-12-2011	31-12-2010
i. Classified loans, advances and leases		
a) Classified loans, advances and leases on which interest has not been charged	106,957,861	129,942,882
b) Provision on doubtful leases, loans and advances	58,771,265	53,538,596
Provision on bad loans, advances and leases	80,602,086	103,309,204
Total specific provisions	139,373,351	156,847,800
c) Amount of written off lease, loans and advances	68,147,566	-
Total amount realised against loans and leases previously written off	-	-
d) Provision kept against loans and advances classified as bad debts	80,602,086	103,309,204
e) Interest credited to Interest Suspense Account	37,799,839	34,807,578
ii. Cumulative amount of written off loans, advances & leases		
Opening Balance	-	-
Amount written off during the year	68,147,566	-
The amount of written off loans, advances and leases	68,147,566	-

6.13 Particulars of Required provision for lease, loans & advances

Required provision has been made on the overdue as per Bangladesh Bank guidelines.

Status	Base for Provision	Rate	Provision	
			31-12-2011	31-12-2010
Unclassified- General Provision				
Standard	2,837,575,290	1.00%	28,375,753	18,171,390
Special Mention Account (SMA)	932,897,822	5.00%	46,644,891	39,999,805
			75,020,644	58,171,195
Classified- Specific provision				
Sub-Standard	51,757,043	20.00%	10,351,409	344,715
Doubtful	3,550,000	50.00%	1,775,000	13,194,076
Bad/Loss	80,602,086	100.00%	80,602,086	103,309,204
			92,728,495	116,847,995
Required provision for lease, loans & advances			167,749,139	175,019,190
Total provision maintained for lease, loans & advances			181,460,391	218,443,699
Excess provision for lease, loans & advances			13,711,252	43,424,509

7.00 Fixed assets including premises, furniture and fixtures: Tk. 779,230,392

The above balance is made up as follows:

Particulars	31-12-2011	31-12-2010
Cost & Revaluation		
Furniture and fixtures	3,169,226	3,114,392
Office equipment	7,697,761	7,389,350
Office Decoration	5,348,426	5,348,426
Motor Vehicles	14,144,776	10,744,031
Electrical Goods	595,450	595,450
Building	409,675,000	122,082,860
Construction WIP	106,839,100	106,839,100
Land	253,088,500	163,012,748
	800,558,239	419,126,357
Less: Accumulated depreciation	21,327,847	14,959,570
Net book value at the end of the year (Schedule-1)	779,230,392	404,166,787



8.00 Other Assets: Tk. 512,262,960

The above balance is made up as follows:

Particulars	Notes	31-12-2011	31-12-2010
Income generating:			
Investment in associate	8.01	52,694,450	55,541,700
Interest receivable		14,564,821	17,921,647
Advance to Propose BLI Capital Ltd.		199,992,000	-
Other receivable		38,346,455	170,859,773
Non-income generating:			
Advance, deposit and Prepaid expenses		60,941,125	46,583,702
Advance corporate tax	8.02	130,326,278	77,043,101
Deferred Tax Assets	8.03	15,377,012	-
Stamp in hand		20,819	4,685
		512,262,960	367,954,608
Outside Bangladesh		-	-
	Total:	512,262,960	367,954,608

8.01 Investment in Associate: Tk. 52,694,450

The above balance is made up as follows:

Particulars	31-12-2011	31-12-2010
BLI Securities Limited	10,125,000	10,125,000
Central Depository Bangladesh	1,569,450	4,416,700
Lucky Feed Limited	27,000,000	27,000,000
Max Fabric Limited	7,000,000	7,000,000
Universal Real Estate Limited	7,000,000	7,000,000
	Total:	52,694,450

8.02 Advance corporate tax: Tk. 130,326,278

The above balance is made up as follows:

Particulars	31-12-2011	31-12-2010
Balance as on January 01	77,043,101	39,799,248
Paid during the year	57,318,590	59,215,349
Settlement of previous years' tax liabilities	(4,035,413)	(21,971,496)
Balance as on December 31	130,326,278	77,043,101

8.03 Deferred Tax Assets

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	Carrying Amount at Balance Sheet	Tax Base	Taxable/ deductible temporary difference
Gratuity	3,752,686	-	3,752,686
Fixed Assets Less revaluation	369,480,586	401,909,105	32,428,519
Total	373,233,272	401,909,105	36,181,205
Applicable Tax Rate			42.50%
Deferred Tax Asset as on December 31, 2011			15,377,012
Deferred Tax Asset as on December 31, 2010			-
Deferred tax income accounted for during the year			15,377,012



9.00 **Borrowing from banks, other financial institutions and agents: Tk. 1,890,386,595**

The above balance is made up as follows:

Particulars	Note	31-12-2011	31-12-2010
In Bangladesh	9.01	1,890,386,595	2,378,432,276
Outside Bangladesh		-	
Total:		1,890,386,595	2,378,432,276

9.01 **In Bangladesh: Tk. 1,890,386,595**

The above balance is made up as follows:

Particulars		31-12-2011	31-12-2010
Bank overdraft			
National Credit & Commerce Bank Ltd.		17,780,578	16,461,688
Southeast Bank Ltd.		255,961,409	1,602,136
Dhaka Bank Ltd.		84,537,477	78,280,673
Mercantile Bank Ltd.		66,991,419	44,346,500
Mutual Trust Bank Ltd.		92,650,915	68,602,299
IFIC Bank Ltd		200,186,395	194,303,567
Sub Total (a)		718,108,193	403,596,863
Short term loan			
Southeast Bank Ltd		-	300,000,000
Sub Total (b)		-	300,000,000
Long term loan			
Mutual Trust Bank Ltd		159,514,505	283,448,811
Mercantile Bank Ltd.		142,606,721	198,472,972
Premier Bank Ltd.		58,902,440	80,339,687
Dhaka Bank Limited		-	11,230,798
BASIC Bank Ltd.		86,744,953	121,897,379
National Bank Ltd.		36,696,908	71,150,767
Bank Asia Ltd		52,301,367	77,552,760
Pubali Bank Limited		88,472,460	131,181,039
Jamuna Bank Ltd		8,150,393	15,797,529
Southeast Bank Ltd.		101,291,449	139,652,377
Uttara Bank Limited		335,396,981	399,202,390
Shahjalal Islami Bank Ltd		57,004,721	78,997,017
Standard Bank Ltd		39,784,601	60,218,505
Sub Total (c)		1,166,867,499	1,669,142,031
Bangladesh Bank refinancing			
Bangladesh Bank		5,410,903	5,693,382
Sub Total (d)		5,410,903	5,693,382
Total (a+b+c+d)		1,890,386,595	2,378,432,276

9.02 **Analysis by security against borrowing from banks, other financial institutions and agents: Tk. 1,890,386,595**

The above balance is made up as follows:

Particulars		31-12-2011	31-12-2010
Secured (assets pledged as security for liabilities)		1,549,653,189	2,079,205,760
Unsecured		340,733,406	299,226,516
Total:		1,890,386,595	2,378,432,276

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

9.03 Maturity grouping of borrowing from banks, other financial institutions and agents

The above balance is made up as follows:

Particulars	31-12-2011	31-12-2010
On demand		
Up to 1 month	196,744,632	356,764,842
Over 1 month but within 3 months	176,278,438	499,470,778
Over 3 months but within 1 year	784,612,225	945,696,426
Over 1 year but within 5 years	561,195,655	570,823,746
Over 5 years	171,555,645	5,676,484
Total:	1,890,386,595	2,378,432,276

10.00 Deposits and other accounts: Tk. 1,146,101,422

The above balance is made up as follows:

Particulars	Notes	31-12-2011	31-12-2010
Term deposits	10.01	1,037,237,323	827,967,684
Flexi Savings		46,000	-
Super DPS		685,000	-
Bearer certificates of deposit		-	-
Other deposits	10.02	108,133,099	344,334,471
Total:		1,146,101,422	1,172,302,154

10.01 Term deposits: Tk. 1,037,237,323

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	129,990,000	230,000,000
Deposits from other than banks and financial institutions	907,247,323	597,967,684
Total:	1,037,237,323	827,967,684

10.1.1 Sector-wise break-up of term deposits: Tk. 1,037,237,323

The above balance is made up as follows:

Particulars	31-12-2011	31-12-2010
Government	-	-
Banks and financial institutions	129,990,000	230,000,000
Other public	400,784,057	245,666,074
Foreign currency	-	-
Private	506,463,266	352,301,610
Total:	1,037,237,323	827,967,684

10.1.2 Maturity analysis of term deposits: Tk. 1,037,237,323

The above balance is made up as follows:

Particulars	31-12-2011	31-12-2010
a) Maturity analysis of deposits from Banks & Financial Institutions		
Payable on demand	-	-
Up to 1 month	29,995,000	4,600,000
Over 1 month but within 3 months	-	827,645
Over 3 months but within 1 year	99,995,000	110,000,000
Over 1 year but within 5 years	-	114,572,355
Over 5 years but within 10 years	-	-
Over 10 years	-	-
Sub Total:	129,990,000	230,000,000

b) Maturity Analysis of Deposits from other than Banks and Financial Institutions

Payable on demand	-	298,984
Up to 1 month	117,269,079	7,520,532
Over 1 month but within 3 months	193,492,293	28,151,224
Over 3 months but within 1 year	535,265,356	179,788,689
Over 1 year but within 5 years	61,220,595	382,208,255
Over 5 years but within 10 years	-	-
Over 10 years	-	-
Sub Total:	907,247,323	597,967,684
Grand Total:	1,037,237,323	827,967,684

10.02 Other deposits: Tk. 108,133,099

The above balance is made up as follows:

Particulars	31-12-2011	31-12-2010
Security deposit	-	175,954
Sundry Deposit (10.2.1)	108,133,099	344,158,517
Total:	108,133,099	344,334,471

10.2.1 Deposits: Tk. 108,133,099

The above balance is made up as follows:

Particulars	31-12-2011	31-12-2010
Lease Advance	6,837,899	6,837,895
Share money deposit	4,330,087	4,497,749
Margin deposit	96,965,113	332,822,873
Total:	108,133,099	344,158,517

10.2.2 Maturity analysis of other deposits: Tk. 108,133,099

The above balance is made up as follows:

Particulars	31-12-2011	31-12-2010
Payable on demand	-	-
Up to 1 month	-	-
Over 1 month but within 3 months	1,152,603	1,721,672
Over 3 months but within 1 year	96,462,115	63,701,877
Over 1 year but within 5 years	10,518,381	278,910,922
Over 5 years but within 10 years	-	-
Over 10 years	-	-
Total:	108,133,099	344,334,471

11.00 Other liabilities: Tk. 607,821,543

The above balance is made up as follows:

Particulars	Notes	31-12-2011	31-12-2010
Interest suspense account	11.01	37,799,839	34,808,178
Accrued expenses and payables	11.02	152,426,908	248,107,770
Provision for lease, loans and advances	11.03	181,460,391	240,000,000
Provision for income tax	11.04	231,293,558	105,000,000
Dividend payable		4,840,847	-
Total:		607,821,543	627,915,948

11.01 Interest suspense account: Tk. 37,799,839

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

Particulars	31-12-2011	31-12-2010
Balance on January 01, 2011	34,808,178	29,993,000
Add: Amount trans. to "interest suspense" account during the year	12,599,618	4,815,178
Less: Amount recovered from "interest suspense" account during the year	-	-
Less: Amount written-off during the year	(9,607,957)	-
Total:	37,799,839	34,808,178

11.02 Accrued expenses and payables: Tk. 152,426,908

The above balance is made up as follows:

Particulars	Notes	31-12-2011	31-12-2010
Liabilities For Financial expenses	11.02.1	71,647,270	104,631,275
Liabilities for accrued expenses	11.02.2	371,634	2,985,736
Liabilities for Provident Fund		3,484,640	3,280,656
Liabilities for Gratuity Fund		3,752,686	3,171,600
Liabilities other than expenses		73,170,678	134,038,503
Total:		152,426,908	248,107,770

11.02.1 Liabilities For Financial expenses: Tk. 71,647,270

The above balance is made up as follows:

Particulars	31-12-2011	31-12-2010
Interest Payable on Term Deposits	71,247,282	104,212,457
Interest Payable on Term Loan	-	191,338
Interest Payable on Call Loan	117,708	-
Excise Duty Payable (TDR)	282,280	227,480
Total:	71,647,270	104,631,275

11.02.2 Liabilities for accrued expenses: Tk. 371,634

The above balance is made up as follows:

Particulars	31-12-2011	31-12-2010
Audit Fee	83,600	75,000
Telephone bill	1,286	13,189
Electricity bill	17,620	19,266
Office Maintenance	20,000	703
Salary	5,556	3,600
Internet bill	979	1,955
Advertisement	177,550	-
Under Writing Commission	-	1,071,000
Newspaper	385	2,123
Listing Fee	-	1,721,500
Legal Fee	-	75,000
Postage & Cables	61,023	-
Water Bill	3,635	2,400
Total:	371,634	2,985,736



11.03 Provision for lease, loans, advances & Investments: Tk. 181,460,391

Particulars	31-12-2011	31-12-2010
Specific provision on classified lease, loans and advances		
Balance on January 01, 2011	156,847,800	77,162,160
Fully provided debts written off during the year	(58,539,609)	-
Recovery of amounts previously written off	-	-
Provision made for the year	-	79,685,640
Recoveries and provision no longer required	(5,579,696)	-
Net charge to Profit and Loss Account	-	-
Total provision on classified lease, loans and advances (a)	92,728,495	156,847,800
General provision on unclassified lease, loans and advances		
Balance on January 01, 2011	83,152,200	28,221,840
Provision made for the year	(8,131,556)	54,930,360
Provision required on unclassified lease, loans and advances (b)	75,020,644	83,152,200
Total provision required on lease, loans and advances (a + b)	167,749,139	240,000,000
Provision surplus/(shortage)	Required	Maintained
On classified lease, loans and advances	92,728,495	156,847,800
On un-classified lease, loans	75,020,644	83,152,200
Total surplus/(Shortage)	167,749,139	240,000,000
	13,711,252	

11.04 Provision for Income Tax: Tk. 231,293,558

The above balance is made up as follows:

Particulars	31-12-2011	31-12-2010
Balance as on January 01	105,000,000	31,971,496
Add: Provision for 2009	26,062,656	-
Provision for 2010	51,266,315	95,000,000
Provision made for the year 2011	53,000,000	-
Less: Settlement of previous years' tax liabilities (2008)	(4,035,413)	(21,971,496)
	231,293,558	105,000,000

12.00 Share Capital:

12.01 Authorized capital

300,000,000 ordinary shares of Taka 10 each	3,000,000,000	1,000,000,000
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12.02 Issued, subscribed and fully paid-up capital

94,860,000 ordinary shares of Taka 10 each	948,600,000	612,000,000
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12.03 Capital adequacy ratio:

In terms of Bangladesh Bank DFIM circulars no. 08 and 14 dated August 02, 2010 and December 28, 2011 respectively; required implementation of Basel Accord Minimum Capital Requirement (MCR) of the Company at the close of business on December 31, 2011 was Taka 943,414,500 as against available Core Capital (Tier-I) of Taka 2,570,450,874 and Supplementary Capital (Tier-II) of Taka 279,895,547 making a Total Eligible Capital of Taka 2,850,346,421 thereby showing a Surplus capital/equity of Taka 1,906,931,921 at that date. Details are shown below:

Core capital (Tier-I)			
Fully paid-up Capital/Capital lien with B B		948,600,000	612,000,000
Statutory Reserve		314,936,000	254,736,000
Non-repayable Share premium account		581,400,000	918,000,000
General Reserve		250,000,000	250,000,000
Retained Earnings		475,514,874	411,033,827
		2,570,450,874	2,445,769,827
Supplementary capital (Tier-II)			
General provision maintained against Unclassified loan		-	-
		75,020,644	83,152,200
General provision on off-balance sheet items		-	-
General provision on off-shore Banking Units		-	-
Revaluation gain / loss on investments		-	-
Assets revaluation reserve		204,874,903	43,344,900
		279,895,547	126,497,100
A. Eligible Capital:		Amount	
1. Tier-1 Capital		2,570,450,874	2,445,769,827
2. Tier-2 Capital		279,895,547	126,497,100
3. Total eligible Capital (1+2)		2,850,346,421	2,572,266,927
B. Total Risk Weighted Assets (RWA)		9,434,145,000	
C. Capital Adequacy Ratio		30.21%	-
D. Core Capital to RWA (A1/B)*100		27.25%	-
E. Supplementary Capital to RWA (A2/B)*100		2.97%	-
F. Minimum Capital Requirement (MCR) 10% of RWA =B11x10%		943,414,500	250,719,023
G) Surplus (A-F)		1,906,931,921	2,321,547,904

12.04 Percentage of shareholding at the closing date:

	No. of shares		Percentage	
	2011	2010	2011	2010
(i) Sponsors & Director				
Foreign	-	-	-	-
Domestic	39,144,730	2,564,500	41.27	41.90
	39,144,730	2,564,500.00	41.27	41.90
(ii) Corporate Bodies				
Foreign	-	-	-	-
Domestic	22,018,550	1,560,155	23.20	25.49
	22,018,550	1,560,155	23.20	25.49
(iii) General public				
Foreign	-	-	-	-
NRB	451,190	27,375	0.48	0.45
Domestic	33,245,530	1,967,970	35.05	32.16
	33,696,720	1,995,345	35.53	32.61
Total:	94,860,000	6,120,000	100.00	100.00

12.05 Shareholding range on the basis of shareholding as at December 31, 2011

No. of shares Shareholders	Number of shares	Total number total holdings	Percentage of
Less than 5000	11906	17,122,350	18.05%
5,001 to 50,000	1206	14,135,930	14.90%
50,001 to 100,000	44	2,936,240	3.10%
100,001 to 200,000	22	3,120,260	3.29%
200,001 to 300,000	14	3,889,070	4.10%
300,001 to 400,000	9	3,013,920	3.18%
400,001 to 500,000	4	1,845,640	1.95%
500,001 to 1,000,000	11	8,107,020	8.55%
1,000,001 to 10,000,000	15	40,689,570	42.89%
	13,231	94,860,000	100.00%

13.00 Statutory Reserve: Tk. 314,936,000

The above balance is made up as follows:

Particulars	31-12-2011	31-12-2010
Balance as at January 01, 2011	254,736,000	112,736,000
Addition during the year	60,200,000	142,000,000
Balance as at December 31, 2011	314,936,000	254,736,000

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. 60,200,000 has to be transferred to Statutory Reserve Fund. During the year the Company has transferred same to the statutory reserved fund.

14.00 Share Premium: Tk. 581,400,000

The above balance is made up as follows:

Particulars	31-12-2011	31-12-2010
Balance as at January 01, 2011	918,000,000	153,000,000
Addition during the year	-	765,000,000
Less: Premium use against stock dividend	(336,600,000)	-
Balance as at December 31, 2011	581,400,000	918,000,000

This represents a premium of Tk.150 per share for issuance of 10,20,000 shares in 2009 amounting to Tk. 153,000,000 & Tk.250 per share over the per value of Tk.100 per share received against the issue of 30,60,000 right shares in 2010 amounting to Tk. 765,000,000. Stock dividend declare @ 55% on 2010 which is adjusting against share premium.

15.00 General reserve: Tk. 250,000,000

The above balance is made up as follows:

Particulars	31-12-2011	31-12-2010
Balance as at January 01, 2011	250,000,000	150,000,000
Appropriation from current year's profit	-	100,000,000
Balance as at December 31, 2011	250,000,000	250,000,000

16.00 Assets Revaluation Reserve: Tk. 409,749,806

The above balance is made up as follows:

Particulars	31-12-2011	31-12-2010
Balance as at January 01, 2011	43,344,900	43,344,900
Revaluation during the year	369,029,292	-
Adjustment during the year	(2,624,386)	-
Balance as at December 31, 2011	409,749,806	43,344,900



17.00 Retained earnings/movement of profit and loss account: Tk. 475,514,874

The above balance is made up as follows:

Particulars	31-12-2011	31-12-2010
Balance as at January 01, 2011	411,033,827	140,196,303
Dividend for last year	(61,200,000)	(102,000,000)
Short provision of Tax for the year 2009 & 2010	(77,328,971)	-
Sub total (a)	272,504,856	38,196,303
Net profit after taxation for the year	263,210,018	614,837,524
Appropriation from current years profit:		
Transfer to statutory reserve	(60,200,000)	(142,000,000)
Transfer to General Reserve	-	(100,000,000)
Sub total (b)	203,010,018	372,837,524
Balance as at December 31, 2011	475,514,874	411,033,827
Grand total (a + b)		

18.00 Net asset value per share

The above balance is made up as follows:

Particulars	31-12-2011	31-12-2010
Total asset	6,624,510,240	6,667,765,106
Total liabilities	3,644,309,560	4,178,650,379
	2,980,200,680	2,489,114,727
Number of share outstanding	94,860,000	94,860,000
Net asset value per share	31.42	26.24

19.00 Interest Income: Tk. 459,502,093

The above balance is made up as follows:

Particulars	31-12-2011	31-12-2010
Interest from Lease	171,147,124	128,526,450
Interest from Lease Advance	10,229,145	6,590,829
Interest from Term Finance	231,495,085	258,773,822
Interest on Fixed Deposits with Banks and Other FI's	37,691,718	14,830,802
Interest on Right Share Subscription Money	-	14,590,032
Interest on balance with Banks	303,141	421,932
Interest on Call Loan	8,565,069	6,497,222
Interest on Subscription Money	70,811	140,294
Total:	459,502,093	430,371,383

20.00 Interest paid on Deposit, Borrowing etc.: Tk. 342,767,285

The above balance is made up as follows:

Particulars	31-12-2011	31-12-2010
Interest on Call Loan	8,318,333	26,150,611
Interest on Over Draft	17,336,248	11,920,568
Interest on Term Deposits	112,145,639	154,452,140
Interest on Term Loan	204,967,065	200,777,838
Total:	342,767,285	393,301,157

21.00 Investment Income: Tk. 113,933,616

The above balance is made up as follows:

Particulars	31-12-2011	31-12-2010
Dividend Income	34,153,146	13,235,564
Gain on Investment on Share	79,780,470	685,174,628
Total:	113,933,616	698,410,192



22.00 Commission, Exchange and Brokerage Income: Tk. 29,488

The above balance is made up as follows:

Particulars	31-12-2011	31-12-2010
Income from L/C Commission	29,488	277,471
Total:	29,488	277,471

23.00 Other Operating Income: Tk. 2,561,926

The above balance is made up as follows:

Particulars	31-12-2011	31-12-2010
Sale of Form	385	100
Service Charge	33,000	-
Gain on sale of Fixed Assets	1,019,722	-
Up Front Charge	1,218,390	1,537,714
Opportunity cost	35,896	394,405
Documentation Fee	154,609	462,053
Miscellaneous Income	99,924	135,048
Total:	2,561,926	2,529,320

24.00 Rent, Taxes, Insurance & Electricity: Tk. 4,191,319

The above balance is made up as follows:

Particulars	31-12-2011	31-12-2010
Office Rent	1,641,211	1,572,510
Utility	2,353,209	342,587
Insurance Premium	196,899	115,125
Total:	4,191,319	2,030,222

25.00 Directors Fee: Tk. 280,000

The above balance is made up as follows:

Particulars	31-12-2011	31-12-2010
Directors Fee	280,000	220,000
Total:	280,000	220,000

26.00 Other Expenses: Tk. 11,496,162

The above balance is made up as follows:

Particulars	31-12-2011	31-12-2010
Bank Charges	185,015	233,476
Conveyances & Travelling	25,194	5,969
Credit Rating Fees	286,250	321,750
Office Maintenance	1,717,358	731,263
Entertainment Expenses	385,570	226,117
Right Share Issue Expense	875,000	5,654,723
Listing & Other Regulatory Fees	4,602,860	3,335,348
AGM & EGM Expenses	3,014,223	3,254,551
Fair Expenses	-	33,680
Subscription & Donation	336,000	1,343,000
Misc. Expenses	3,7300	10,500
Newspaper & Periodicals	10,962	18,559
Training Fee	54,000	332,909
Total:	11,496,162	15,501,845

27.00 Provision against lease, loans and advances & investment in Share: Tk. Nil

The above balance is made up as follows:

Particulars	31-12-2011	31-12-2010
On classified loans	(5,579,696)	58,545,640
On un-classified loans	5,579,696	76,070,360
Total:	-	134,616,000

27.01 Provision for Diminutiation in Value of Investment in Shares: Tk. 21,556,690

The above balance is made up as follows:

Particulars	31-12-2011	31-12-2010
Balance 01-01-2011	(21,556,690)	(10,972,000)
Less: Balance 31-12-2011	-	(21,556,690)
Total:	21,556,690	(10,584,690)

27.02 Provision for Doubtful Leases: Tk. (17,828,195)

The above balance is made up as follows:

Particulars	31-12-2011	31-12-2010
Balance 01-01-2011	(129,443,310)	(54,241,000)
Less: Balance 31-12-2011	(88,731,896)	(129,443,310)
Less: write off Adjustment	(58,539,609)	-
Total:	(17,828,195)	(75,202,310)

27.03 Provision for Loan: Tk. (3,728,495)

The above balance is made up as follows:

Particulars	31-12-2011	31-12-2010
Balance 01-01-2011	(89,000,000)	(40,171,000)
Less: Balance 31-12-2011	(92,728,495)	(89,000,000)
Sub Total:	(3,728,495)	(48,829,000)
Grand Total:	-	(134,616,000)

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 & Company also maintaining provision against diminutiation value of investment in share to net off the gain & loss as per DFIM circular/02, date 31-01-2012.

28.00 Provision for Tax: Tk. 37,622,988

The above balance is made up as follows:

Particulars	31-12-2011	31-12-2010
Current Year Tax	53,000,000	95,000,000
Deferred Tax	(15,377,012)	-
Total:	37,622,988	95,000,000

29.00 Earnings per share (EPS):

The above balance is made up as follows:

Particulars	31-12-2011	31-12-2010
Net profit after tax	263,210,018	614,837,524
Number of ordinary shares outstanding	94,860,000	94,860,000
Earnings per share	2.77	6.48

Re-Stated

Earning per share (EPS) has been computed by dividing the basic earnings by the number of ordinary shares outstanding as on December 31, 2011 as per Bangladesh Accounting Standard (BAS) -33.

30 Related Party Disclosures

30.01 Particulars of Directors of the Company as on December 31, 2011

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	1.96%
4.	Mr. A K M Azizur Rahman	Director	0.76%
5.	Mrs. Fatema Zahir Majumder	Director	1.27%
6.	Mrs. Hasnat Ara Begum	Director	0.49%
7.	Mrs. Jahan Ara Begum	Director	1.26%
8.	Mrs. Hamida Hossain	Director	0.53%
Total			14.42%

30.02 Name of Directors and their interest in different entities as on December 31, 2011

Sl.no	Name of Directors	Designation	Entities Where they have interest
1.	Dr. Maswooda Ghani	Chairman	Managing Director: Pushpo Clinic
2.	Mrs. Fatema Zahir Majumder	Director	-
3.	Mr. A K M Azizur Rahman	Director	Managing Director: 1. Link Way International Ltd. 2. Impala Textile Ltd.
4.	Mrs. Hamida Hossain	Director	Proprietor: Journeyman
5.	Mr. Tarik Sujat	Director	Managing Partner: "JourneymanRiddi Consortium" CEO Color of Bangladesh Managing Director: Media Scen Ltd. Managing Partner: One Stop Print Shop Managing Director: I- Info Media Ltd.
7.	Mr. Zubayer Kabir	Director	Director: 1. Exim Bank Ltd. 2. Cell Bangla Ltd Managing Director: 3. Erebus Properties Ltd.
8.	Mrs. Jahan Ara Begum	Director	-
9.	Mrs. Hasnat Ara Begum	Director	-



**Profit and Loss Statement
Merchant Banking Operations
For the year ended December 31, 2011**

(Amount in Taka)

Particulars	31-Dec-11	31-Dec-10
A. OPERATIONAL REVENUE	203,763,057	202,405,782
Portfolio Management Fee	47,679,893	86,327,732
Income from Margin Loan Manager to the issue	154,959,164	113,707,103
Documentation Charge	-	-
Underwriting Commission	44,000	216,500
	1,080,000	2,154,447
B. OPERATIONAL EXPENSES	11,992,778	5,226,571
Registration & Renewal fees	139,000	105,600
Salary & Bonus	4,782,232	3,490,560
Printing & Stationary	328,321	343,966
Rent, Rates & Taxes	5,291,467	300,000
Entertainment Expenses	255,463	213,523
Repair & Maintenance	52,305	30,317
Internet & Networking Charges	121,888	92,079
Conveyance & Travelling	1,544	2,646
News Paper and periodicals	4,689	4,097
Postage and Cables	1,325	740
Telephone & Fax	83,140	83,574
Legal Expenses	-	3,850
Office Maintenance	577,700	233,557
Training Expenses	5,000	23,458
Car Maintenance & Fuel	161,375	118,653
Bank Charge	101,957	111,865
Depreciation	85,372	68,086
C. FINANCIAL EXPENSES	80,670,828	52,514,448
Service Charge	-	-
Interest	80,670,828	52,514,448
Profit on Merchant Banking Operation A-(B+C)	111,099,451	144,664,763

M. Ghani

Director

[Signature]

Director

[Signature]

Managing Director

[Signature]

Company Secretary

[Signature]

PINAKI & COMPANY

Chartered Accountants



Bay Leasing & Investment Limited

SECURE YOUR FUTURE

Registered Office: Printers Building (7th Floor),
5 Rajuk Avenue, Motijheel C/A, Dhaka-1000.

Proxy Form

I/We _____
of _____
being a shareholder of Bay Leasing & Investment Limited do hereby appoint
Mr./Mrs./Miss _____

(or failing) Mr./Ms _____
of _____ as my/our proxy to attend and vote for my/our behalf at the 16th Annual
General Meeting of the Company to be held on May 05, 2012 at 10.30 am at Dhaka, or at any adjournment thereof or
any ballot to be taken in consequence thereof.

Signed this _____ Signature of proxy _____
day of _____ 2011

Signature of Shareholder

BO ID :

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

No. of Shares _____

Notes :

- 1) This form of proxy, duly completed and signed must be deposited at least 72 hours before the meeting at the Company's registered office. Proxy is invalid if not signed and stamped as explained above.
- 2) Signature of the Shareholder must be in accordance with Specimen Signature recorded with the Company.



Bay Leasing & Investment Limited

SECURE YOUR FUTURE

Attendance

I/We hereby record my/our attendance at the 16th AGM to the Company to be held today, the May 05,2012 at 10.30
am at Bashundhara Convention Center-2, Ummekulsum Road, Block-C, Bashundhara R/A, Dhaka-1229

Name of the Member/Proxy _____

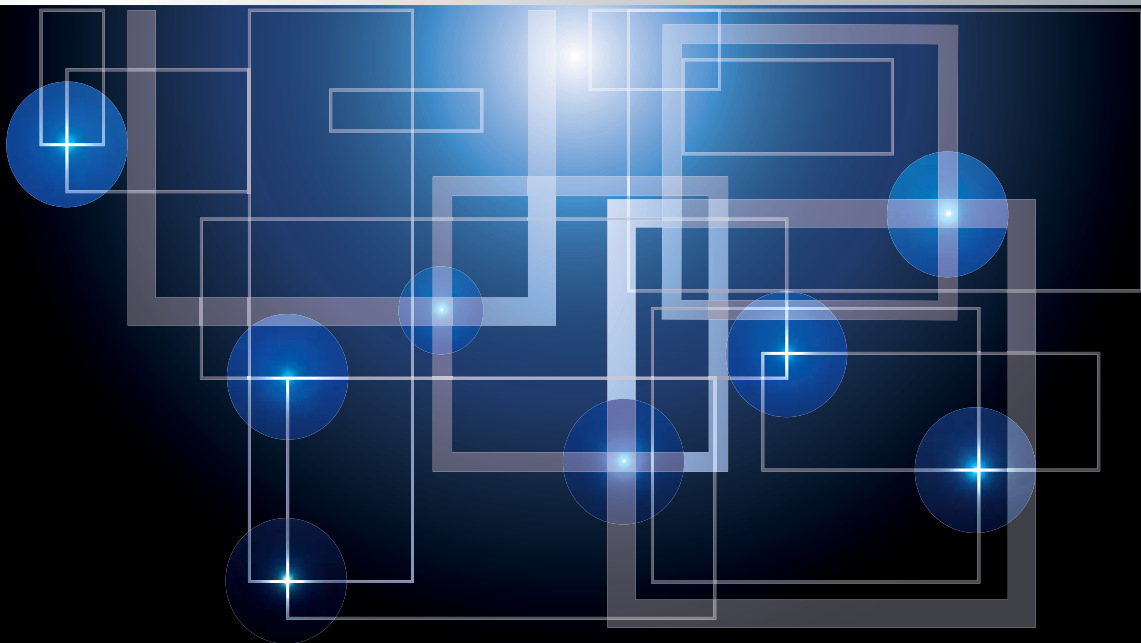
BO ID :

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Signature _____

Date _____

N.B. Shareholders attending the Meeting in person or by proxy are requested to completed Attendance Slip and
deposit the same at the entrance of the Meeting Hall.



PRINTERS BUILDING (7th FLOOR), 5 RAJUK AVENUE, MOTIJHEEL C/A, DHAKA-1000
Tel # 9565026, 9568599, Fax # 880-2-9565027, e-mail: info@blilbd.com, web: www.blilbd.com