

TOWARDS A GREENER FUTURE



Financier with a vision

**Infrastructure Development
Company Limited**

ANNUAL REPORT
2013-2014

ANNUAL REPORT **2013-2014**

Infrastructure Development Company Limited

Financier with a vision

Welcome

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Letter of Transmittal

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Notice of The 17th Annual General Meeting

The seventeenth Annual General Meeting of the shareholders of Infrastructure Development Company Limited will be held on Monday, 24 November 2014 at 7:00 p.m. at The Westin Hotel, Portofino (Level-23), Gulshan, Dhaka.

10-11

About IDCOL

IDCOL is a non bank financial institution owned by the GoB engaged in bridging the financing gap for developing medium and large-scale infrastructure and renewable energy projects in Bangladesh. After a decade, the company now stands as the market leader in private sector energy and infrastructure financing in Bangladesh.

12-13

Company Information

UTC Building, Level-16, 8
Panthapath
Kawran Bazar, Dhaka- 1215
G.P.O. Box- 619, Bangladesh
Tel: 9102171-8, Fax:
8116663
E-mail: contact@idcol.org
Website: www.idcol.org

14-15

Vision

To help in ensuring the economic development of the country and to improve the standard of living of the people through sustainable and environment-friendly investments.



16-17

Mission

To catalyze and optimize private sector participation in the promotion, development and financing of infrastructure as well as renewable energy and energy efficient projects in a sustainable manner through public-private-partnership initiatives.

18-19

Core Values

Committed to deliver services to the stakeholders; believes in maintaining transparency and integrity; and dedicated to perform as a development Financial institution.

20-21

IDCOL Milestones

The Company was incorporated in 1997 and received license from Bangladesh Bank as NBFi in 1998. It celebrated the installation of 3 million Solar Home Systems by the Honorable Prime Minister in November 2014.

22-29

Board of Directors

IDCOL is managed by a eight-member independent Board of Directors comprising four senior government Officials, two prominent business personalities, one famous professional practitioner from the private sector and a full-time Executive Director and Chief Executive Officer.

30-47

IDCOL Management

IDCOL has a tiny but highly skilled workforce dedicated towards the accomplishment of company's goals and objectives.



48-57

Directors' Report

IDCOL has a reputation for the highest standards of excellence, quality and reliability in all of its activities, and for respect, honesty and fairness in its dealings with its development partners, partner organizations, colleagues and other constituents.

58-59

Chairman's Statement

This year has been a year of success and accomplishments for IDCOL on the corporate governance, operational and financial fronts. Though faced with numerous challenges, we persisted and continued to achieve significant income and profit growth.

60-63

From The CEO's Desk

The past financial year was a period of success, growth and expansion for IDCOL which is a testament to our dynamic business model, our innovative partners and our hardworking employees.

64-69

Corporate Governance

IDCOL's Board is committed to the Company to achieve superior financial performance and long term prosperity, while meeting stakeholders' expectations of sound corporate governance practices.

70-73

Credit Risk Management

IDCOL strongly believes that Credit Risk Management is an essential component for successful operation of an organization as it refers to the process of risk assessment in order to derive sound investment decision.



74-79

Environmental & Social Compliance

IDCOL recognizes the significance of environmental health and safety and social (E&S) safeguards in infrastructure development and believes in sustainable development.

80-85

Human Resource Management

Our employees are result oriented individuals, who uphold the values of the organization by being creative, open, respectful, ethical and passionate.

86-95

IDCOL Programs And Projects

IDCOL provides long-term and soft loans to viable private sector infrastructure and RE projects. It also channels grants to reduce the cost of RE projects as well as provides technical, logistics, promotional and training support.

96-99

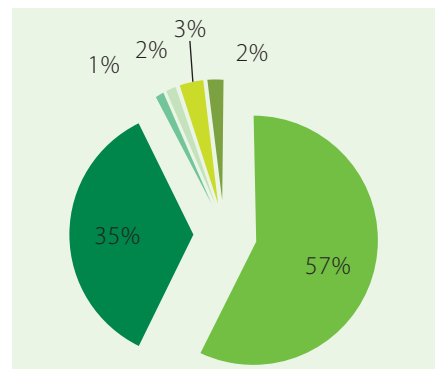
Corporate Social Responsibility at IDCOL

Since its inception, IDCOL has adhered to its social responsibility through making shared value and creating a sustainable impact in the society. Over the years, IDCOL has advanced its commitment to better understand our societies concerns and achieve sustainable business growth.

100-107

Financial Highlights

The Company has earned a profit of BDT 269.09 crore before provision and tax. Out of which an amount of BDT 8.60 crore and BDT 115.21 crore have been provisioned for loans and income tax, respectively.



108-151

Auditor's Report And Audited Financial Statements

The financial statements give a true and fair view of the financial position of Infrastructure Development Company Limited as on 30 June 2014, and of its financial performance and its cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards (BFRSs), Companies Act, 1994 and other applicable laws and regulations.

152-161

Articles

- 2021: Infrastructure challenges and the role of public-private partnership
- Energy Efficiency: why/where/how? Vision

162-165

Awards And Achievements

- The Karlsruhe Sustainable Finance Award 2014
- National Energy Globe Award 2014
- Asia Power & Electricity Award 2014
- Canada Business Award 2012

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IDCOL EVENTS





LETTER OF TRANSMITTAL

All Shareholders,

Subject: Annual Report for the year ended on June 30, 2014

Dear Sir(s),

We are pleased to enclose a copy of the Annual Report together with the Audited Financial Statements including the Statement of Financial Position, Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year ended on June 30, 2014 along with notes thereon for your reference and record.

Yours sincerely,



(M. Maftun Ahmed)
Company Secretary

NOTICE OF THE 17TH ANNUAL GENERAL MEETING

The seventeenth Annual General Meeting of the shareholders of Infrastructure Development Company Limited will be held on Monday, 24 November 2014 at 7:00 p.m. at The Westin Hotel, Portofino (Level-23), Gulshan, Dhaka.

Agenda for the meeting are:

1. To consider and adopt the Board of Directors' report of the Company and the Accounts of the Company with the Auditor's Report thereon for the year ended on 30 June 2014.
2. To declare the dividend of the Company for the FY 2013-2014.
3. To consider the increase of the Company's paid up capital to BDT 385 crore.
4. To elect Director(s) in place of those retiring in accordance with the regulations 79 and 80; and are eligible for re-election in accordance with the regulation 81 of schedule-I of the Companies Act, 1994.
5. To appoint auditor(s) and fixing-up their remuneration for the FY 2014- 2015.
6. To consider increase of honorarium for IDCOL Board of Directors to attend meetings.
7. Any other business.

The meeting will be followed by a dinner at Westin Ballroom of The Westin Hotel, Gulshan, Dhaka at 7:30 p.m.

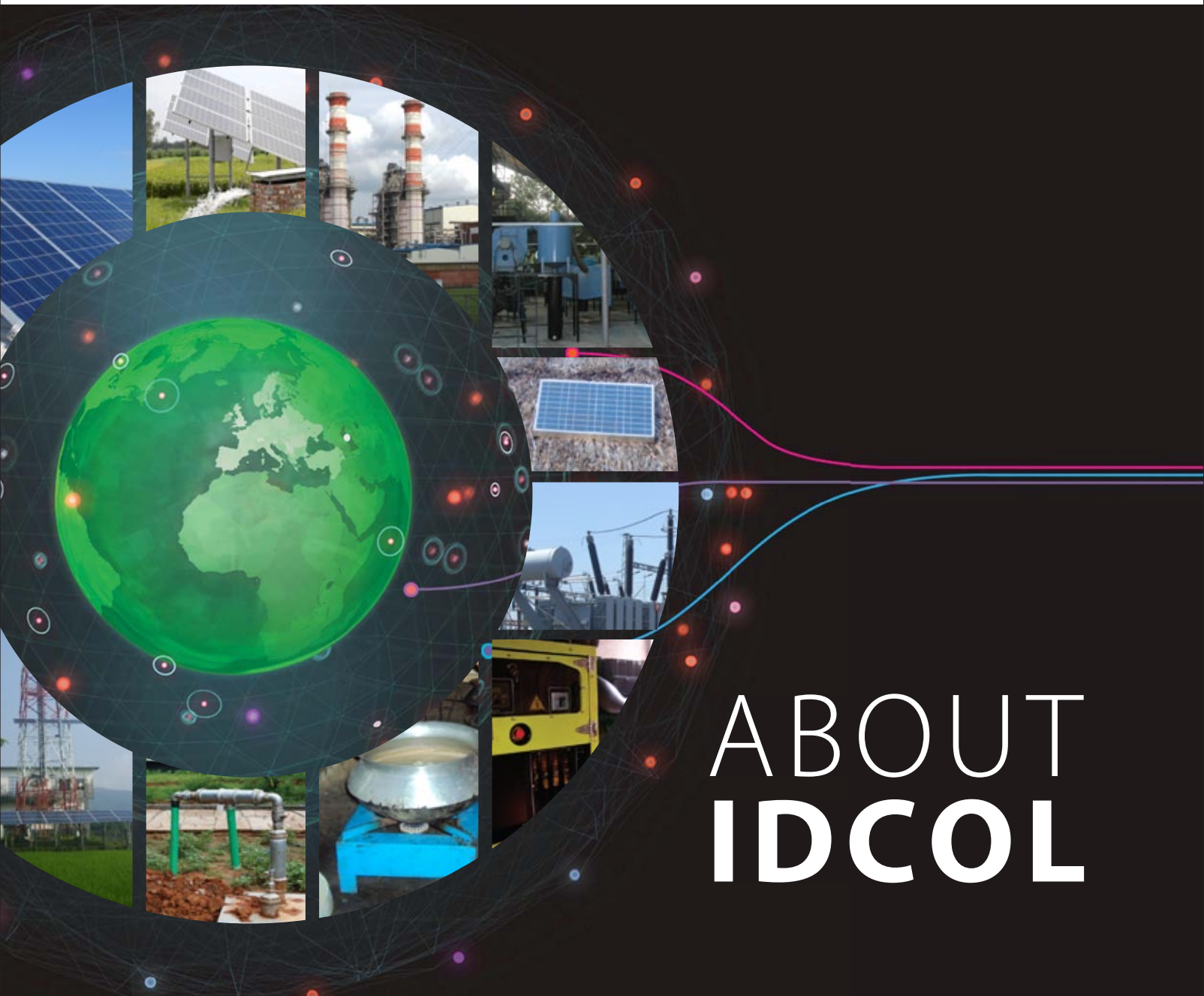
You are requested to kindly attend the meeting.

By order of the Board of Directors



(M. Maftun Ahmed)
Company Secretary





ABOUT **IDCOL**

Infrastructure Development Company Limited (IDCOL) was established on May 14, 1997 by the Government of Bangladesh (GoB). The Company was licensed by Bangladesh Bank as a Non-Bank Financial Institution (NBFI) on January 5, 1998. Since its inception, IDCOL is playing a major role in bridging the financing gap for developing medium and large-scale infrastructure and renewable energy projects in Bangladesh. After a decade, the company now stands as the market leader in private sector energy and infrastructure financing in Bangladesh.



COMPANY INFORMATION

Registered Office

UTC Building, Level-16, 8 Panthapath
Kawran Bazar, Dhaka- 1215
G.P.O. Box- 619, Bangladesh
Tel: 9102171-8, Fax: 8116663
E-mail: contact@idcol.org
Website: www.idcol.org

Business Hours

10:00 a.m. to 6:00 p.m.
Sunday to Thursday

Auditors

M/s ACNABIN
Chartered Accountants

External Legal Panel

M/s A. J. Mohammad Ali & Associates
M/s Huq & Company
M/s Law Associates
M/s Law Valley
M/s Syed Ishtiaq and Associates
M/s Hasan & Associates
M/s Abdur Razzaque & Associates
M/s Khurshid & Associates
M/s Rahman's Chambers
M/s Bhuiyan Islam & Zaidi
M/s Tanjib-ul Alam & Associates
M/s The Practice
M/s Legal Compliance

Bankers

Bangladesh Bank
Janata Bank Limited
Agrani Bank Limited
Prime Bank Limited
Rupali Bank Limited
Commercial Bank of Ceylon PLC
The City Bank Limited
Eastern Bank Limited
Islami Bank of Bangladesh Limited
National Bank Limited
NCC Bank Limited

Constitution and Ownership Form

IDCOL is a non-bank financial institution registered as public limited company under the Companies Act 1994. The share capital of IDCOL is fully subscribed by the Government of Bangladesh.

Sl.	Name	No. of shares	%
1	Economic Relations Division (ERD), Ministry of Finance, Government of the People's Republic of Bangladesh	25,999,000	99.99615
2	Mohammad Mejbahuddin	550	0.00211
3	Dr. Nasiruddin Ahmed	50	0.00019
4	Md. Mozammel Haque Khan	50	0.00019
5	Ghulam Hussain	50	0.00019
6	Md. Nazrul Islam Khan	50	0.00019
7	Nihad Kabir	50	0.00019
8	Fazle Kabir ndc	50	0.00019
9	Monowar Islam ndc	50	0.00019
10	Abdul Haque	50	0.00019
11	Waliur Rahman Bhuiyan	10	0.00003
12	Mahmood Malik	40	0.00015

Credit Rating of IDCOL

Long-term : AA1

Short-term : ST-1

AA1: Financial Institutions rated 'AA' has very strong capacity to meet its financial commitments. It differs from the highest-rated Financial Institutions only to a small degree. AA is judged to be of very high quality and is subject to very low credit risk.

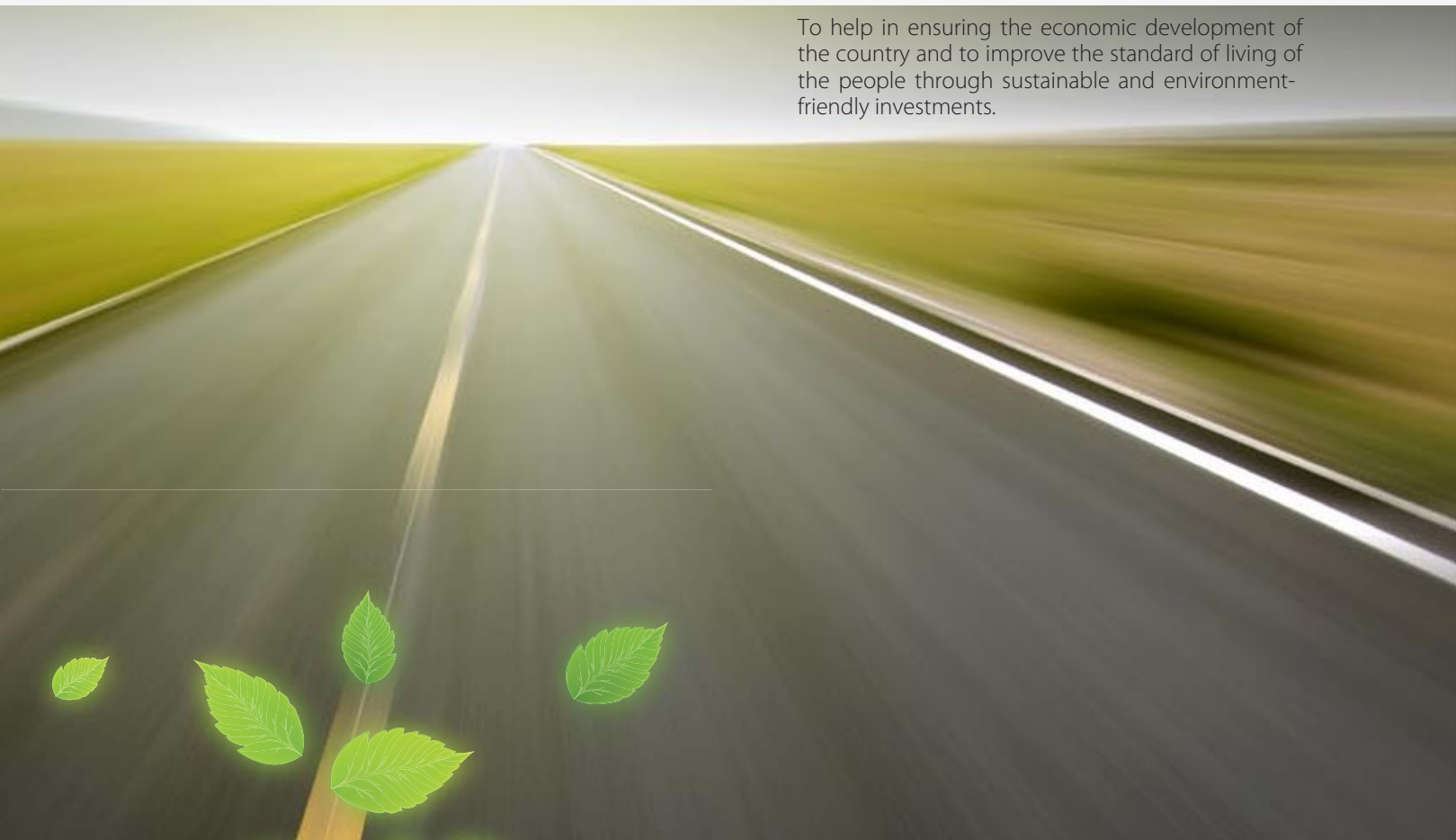
ST-1: Financial Institutions rated in this category are considered to have the highest capacity for timely repayment of obligations. Financial Institutions rated in this category are characterized with excellent position in terms of liquidity, internal fund generation and access to alternative sources of funds is outstanding.

Rated by- Credit Rating Agency of Bangladesh (CRAB)



VISION

To help in ensuring the economic development of the country and to improve the standard of living of the people through sustainable and environment-friendly investments.





MISSION

To catalyze and optimize private sector participation in the promotion, development and financing of infrastructure as well as renewable energy and energy efficient projects in a sustainable manner through public-private-partnership initiatives.





CORE VALUES

Global standards and competence

IDCOL is committed to deliver services to the stakeholders maintaining global standards and competence.

Transparency and integrity

IDCOL believes in maintaining transparency and integrity in all activities performed by the company.

Social responsibility

IDCOL is dedicated to perform as a development financial institution that articulates and discharges social responsibility.



IDCOL Milestones


1997	
14-May	Incorporation of the Company
14-Nov	Signing of Project Agreement for USD 225 million with the International Development Association (IDA) under Private Sector Infrastructure Development Project (PSIDP)
1998	
5-Jan	Licensing from Bangladesh Bank as NBF
2001	
11-Apr	Financing of the 1 st Independent Power Plant (IPP) Project- 450 MW Meghnaghat Power Ltd.
2002	
16-Jul	Signing of Project Agreement with the International Development Association (IDA) under Rural Electrification and Renewable Energy Development Project (REREDP)
16-Jul	Signing of Financing Agreement for USD 7 million with the Global Environmental Facility (GEF) under the REREDP
2003	
1-Jan	Commencement of the Solar Home System (SHS) Program
2004	
14-Dec	Financing of the 1 st ever Satellite Earth Station project in Bangladesh
2005	
6-Sep	Inauguration of the installation of 50,000 SHSs by the Honorable Prime Minister
22-Sep	Start of working as a full-fledged financial institution with the financing of 11.6 MW captive power plant of Shah Cement Power Ltd.
2006	
5-Jan	Financing of the 1 st ever land ports operated through the private sector on Build, Operate and Transfer (BOT) arrangement
28-Feb	Commencement of the National Domestic Biogas and Manure Program (NDBMP)
20-Mar	Signing of Financing Agreement with the GIZ-German Development Cooperation under Renewable Energy Project
2007	
15-Feb	Extending BDT 30 million to Ranks Telecom Ltd., the largest private sector PSTN operator of the country
19-Dec	Signing of the 1 st Emission Reduction Purchase Agreement in Bangladesh
26-Dec	Signing of Financing Agreement for EUR 25 million with the KFW-German Financial Cooperation under Renewable Energy Project
30-Nov	Signing of Financing Agreement for USD 165 million with the Asian Development Bank (ADB) under Public Private Infrastructure Development Facility (PPIDF)

2008	
2-Dec	Launching of Shonchalok Facility for the Information and Communication Technology (ICT) sector
2009	
28-Oct	Extending BDT 260 million to Fiber@Home Ltd. for setting up the first nationwide telecommunication transmission network of Bangladesh
26-Nov	Signing of Financing Agreement for USD 18 million with the Islamic Development Bank under Improving Rural Households Livelihood through Solar Energy Project
20-Dec	Financing of the 1 st solar based irrigation project
2010	
23-Mar	Investing BDT 1 billion in senior, secured, non-convertible bond of Orascom Telecom Bangladesh Ltd.
1-Apr	Opening of the 1 st Regional Office under the SHS Program
8-Apr	Financing of the Central Effluent Treatment Plant at CEPZ
12-Apr	Financing of the 1 st solar based mini-grid project
2012	
18-Feb	Inauguration ceremony for the installation of 1 million new Solar Home Systems and 20,000 Biogas plants under IDCOL Renewable Energy Programs by the Honorable Prime Minister
26-Jun	Registration with UNFCCC to avail CDM benefits under the SHS Program
2013	
12-May	Celebration of the installation of 2 million Solar Home Systems and launching of the installation of 1 million Improved Cook Stoves (ICS) Project by the Honorable Prime Minister
2014	
5-Nov	Celebration marking the installation of 3 million Solar Home Systems by the Honorable Prime Minister





BOARD OF **DIRECTORS**



IDCOL is managed by a eight-member independent Board of Directors comprising four senior government officials, two prominent business personalities, one famous professional practitioner from the private sector and a full-time Executive Director and Chief Executive Officer.



BOARD OF DIRECTORS



Sitting From Left

Mr. Mahmood Malik

Executive Director & CEO

Mr. Mohammad Mejbahuddin

Chairman, IDCOL

Ms. Nihad Kabir

Director, IDCOL

Mr. Mahbub Ahmed

Director, IDCOL



Standing From Left

Mr. Abdul Haque

Director, IDCOL

Mr. Monowar Islam ndc

Director, IDCOL

Mr. Md. Nazrul Islam Khan

Director, IDCOL

Mr. Waliur Rahman Bhuiyan, OBE

Director, IDCOL



DIRECTORS' PROFILE



Mr. Mohammad Mejbahuddin

Chairman, IDCOL

Mr. Mohammad Mejbahuddin joined as Secretary in the Economic Relations Division, Ministry of Finance in January 2014.

Having joined the civil service in 1983, Mr. Mejbahuddin held several important positions in different Ministries and Divisions of the government. Prior to joining the civil service, he was a faculty in the Department of Public Administration at University of Dhaka from 1981 to 1983.

Prior to the current position, Mr. Mejbahuddin served in the Implementation Monitoring and Evaluation Division (IMED) of Ministry of Planning as Secretary and played key roles in ensuring efficiency and effectiveness of public expenditure through monitoring of project implementation. He had played an instrumental role in operationalizing the electronic government procurement (e-GP) system in some of the major procuring entities of the government. Mr. Mejbahuddin was also Secretary in the Energy and Mineral Resources Division and contributed to development and implementation of policies in the sector to improve sector governance and increase the supply of primary energy in Bangladesh.

Mr. Mohammad Mejbahuddin graduated from the Department of Public Administration, University of Dhaka. He was also a Hubert H. Humphrey Fellow in 1988-89.



Mr. Mahbub Ahmed

Director, IDCOL

Mr. Mahbub Ahmed has joined as Senior Secretary, Finance Division, Ministry of Finance in July 2014.

Prior to joining the current position, Mr. Ahmed served as the Senior Secretary, Ministry of Commerce; Secretary, Ministry of Youth and Sports; Additional Secretary, Finance Division; Joint Secretary, Ministry of Primary and Mass Education and Deputy Secretary, Cabinet Division. He also served in different positions in the Department of Taxes and in the National Board of Revenue (NBR).

Mr. Ahmed possesses skill and expertise in different areas including Macro Economic Management; Domestic Resource Mobilization: Policy and Enforcement; Coordination, Administration and Financial Management of different programs; Resource Allocation and Budget Management; Negotiation and Conflict Resolution; Coordination activities between Government and Development partners; Development Project Planning and Implementation Monitoring; Program and Project Appraisal, Analysis and Evaluation and Data Analysis and Preparation of Technical Reports.

Mr. Mahbub Ahmed obtained his BSS (Hons.) and MSS in Economics from University of Dhaka. Later, he completed Hubert H. Humphrey Fellowship under Fulbright Exchange Program of USA Government in Finance and Development Economics at the American University, Washington D.C. in 1992-93.



Mr. Md. Nazrul Islam Khan

Director, IDCOL

Mr. Md. Nazrul Islam Khan, popularly known as N I Khan; was born in Maswimnagor of Jessore district under Monirampur Upazila in 1956. He is a British Council Scholar educated in Plant Science & Law and trained as civil servant but has an aptitude in innovation diffusion.

He is one of the leading innovators and early adopter among senior Civil Servants. Among his many innovations, "Multimedia Classroom and teacher led Content Development" made hard to learn topics easier and less time consuming at one-tenth cost. Another initiative- "Learning and Earning" enhanced the position of Bangladesh to be among the top three freelance destinations that have turned unemployment into self employment; and that within three years. The "Elected Students Council" at the Primary School level is the first of its kind in Bangladesh aiming at inculcating democratic values at the early stage of life with a hope that this would continue till the end especially as political beings.

Mr. Md. Nazrul Islam Khan was the General Secretary of "Swandipon", a literacy movement to educate hundreds of thousands of education deprived people in Rajshahi District. He was decorated with the National Award for Primary Education for outstanding contribution in Primary and Mass Education and the Care IFFD gold Medal for contribution in infrastructure.

Among others, his colorful assignments include Private Secretary to the Prime Minister and to the Leader of the Opposition; Director General, Primary and Mass Education; Joint Secretary (Secondary), Ministry of Education and Additional Deputy Commissioner for both Dhaka and Rajshahi. He is currently working as the Secretary of the Ministry of Education.



Mr. Monowar Islam ndc

Director, IDCOL

Mr. Monowar Islam, Secretary, Power Division, Ministry of Power, Energy and Mineral Resources, the Government of Bangladesh, was born in 1957 in Chittagong, Bangladesh. He completed his undergraduate and graduate program in Public Administration from the University of Chittagong. He joined the Bangladesh Civil Service in 1982 in BCS (Administration) Cadre.

He served the Bangladesh Secretariat at policy formulation, field administration and policy implementation levels. He worked for the Ministry of Food, Ministry of Public Administration, Ministry of Finance (Economic Relations Division), Cabinet Division, Ministry of Science and Technology, Ministry of Environment and Forests as Assistant Secretary, Senior Assistant Secretary, Deputy Secretary and Joint Secretary. He was Director General of the Department of Environment and the Department of Narcotics Control. He worked for the World Conservation Union and UNDP as Project Manager of National Capacity Self-Assessment for Sustainable Environmental Management Project. He also worked as Upazila Nirbahi Officer at Monohardi, Narsingdi and Additional Divisional Commissioner in Sylhet Division.





Ms. Nihad Kabir

Director, IDCOL

Ms. Nihad Kabir is an advocate of the Supreme Court of Bangladesh. She is the Senior Partner of Syed Ishtiaq and Associates, a leading law firm of the country.

Ms. Nihad Kabir was called to the Bar from Grays Inn in England. She has a B.A. (Hons.) degree in law, an LLM and an MA degree, all from the University of Cambridge, England.

Her previous positions included- Vice President of the Metropolitan Chamber of Commerce and Industry; and member of the National Education Policy Committee of Bangladesh.

She is a Committee Member of the Bangladesh Employers' Federation, member of the Company Law Reform Committee and the World Bank South Asia Region's Chief Economist's Advisory Council. Ms. Nihad Kabir is an Independent Director on the Board of BRAC Bank Limited, Apex Adelchi Footwear Limited and Square Pharmaceuticals Limited. She is also on the Board of, among others, South Asia Center for Policy Studies (SACEPS), Palli Karma-Sahayak Foundation (PKSF) and BKash.



Mr. Abdul Haque

Director, IDCOL

Mr. Abdul Haque was born in Falkamuri, Barura, Comilla in 1952. He is the Managing Director of Haq's Bay Automobiles Ltd. (ISO 9001:2000 accredited Co.) and the Proprietor of Haq's Bay Service Centre and Haq's Bay CNG Conversion Works.

His other positions include- Director, Asia Pacific General Insurance Co. Ltd; Honorary Consul, Consulate of the Republic of Djibouti in Bangladesh; Director, The Federation of Bangladesh Chambers of Commerce and Industry (FBCCI); Chairman, Standing Committee on Budget, Customs Duties, VAT, Taxes & Tariff, FBCCI; Advisor, Japan Bangladesh Chamber of Commerce & Industry (JBCCI); Chairman, Projukti Peeth (Socio-Economic Dev. Centre); Chairman, Munshi Jinnat Ali Welfare Trust; Founding member, Independent University, Bangladesh; Founding chairman, Shaher Banu Ideal School, Falkamuri.

His previous positions included- Member, Advisory Board, Strategic Transport Plan for Dhaka (STP); Board Member, Bangladesh Road Transports Authority (BRTA); Director, Janata Bank; Director, Teletalk Bangladesh Ltd.; Executive Member, SAARC Chamber of Commerce and Industry; President, Japan Bangladesh Chamber of Commerce & Industry (JBCCI); Co-Chairman, Japan Bangladesh Committee of Commercial and Economic Co-operation; President, Bangladesh Reconditioned Vehicles Importers & Dealers Association.

He was recognized as a Commercially Important Person (CIP) for the year 2011.



Mr. Waliur Rahman Bhuiyan, OBE

Director, IDCOL

Mr. Waliur Rahman Bhuiyan was born in 1952 and he obtained his Masters in Economics and MBA from the University of Dhaka.

He joined Linde Bangladesh Limited (formerly known as BOC) in 1975, spent his entire professional life in the organization and opted for early retirement in 2011 due to health reasons.

In 2007, he was decorated with the Order of British Empire (OBE) by Her Majesty the Queen of Great Britain and in 2008 he was appointed Honorary Consul General of Finland in Bangladesh.

Mr. Bhuiyan's former positions include- Managing Director, BOC Bangladesh Limited (1998-2011); Adviser, Linde Bangladesh Limited (2011-2012); President, Foreign Investors' Chamber of Commerce & Industry (FICCI) (1999-2001, 2001-2003, 2007-2009); Member, Bangladesh Better Business Forum; Director, Biman Bangladesh Airlines; Director, Chittagong Stock Exchange and Academic Council Member, BRAC University.

Mr. Bhuiyan's current positions are- Honorary Consul General of Finland in Bangladesh; Executive Board Member, International Chamber of Commerce (ICC); Director, Linde Bangladesh Limited; Director, ACI Limited; Director, Eastland Insurance Company Limited; Chief Adviser, Friendship (NGO) and Adviser, Robi Axiata Limited.



Mr. Mahmood Malik

Executive Director & CEO

Mr. Malik, started his career as a banker with the American Express Bank, Bangladesh in 1992 as Relationship Manager for Institutional Banking and joined Standard Chartered Bank (SCB) in 1995. In 2003 he moved to Standard Chartered Bank, Dubai as the Regional Head of Transaction Sales for Financial Institutions for Middle East and South Asia. Before joining SCB in Dubai he was head of Financial Institution for SCB in Bangladesh. He also served as the Managing Director of Bangladesh Industrial Finance Company Limited (BIFC) and Industrial and Infrastructure Development Finance Company (IIDFC). In August, 2012 Mr. Mahmood Malik joined Infrastructure Development Company Limited (IDCOL) as its Executive Director and CEO.

Mr. Malik has extensive experience in multinational, private sector domestic and international banking. He has an MBA in International Business and Marketing from the University of Houston, Texas, USA.





IDCOL MANAGEMENT

IDCOL has a tiny but highly skilled workforce dedicated towards the accomplishment of company's goals and objectives.



THE TEAM





TOP MANAGEMENT



Mr. S. M. Formanul Islam

Deputy CEO

Mr. S. M. Formanul Islam started his career at IDCOL in 2001 as a legal counsel engaged by the PricewaterhouseCoopers (PwC) Securities LLC, U.S.A. PwC had been providing resident investment advisory services to IDCOL until April 2002. In May 2002, IDCOL absorbed Mr. Islam as a full-time in-house legal counsel once its contract for services with PwC was over. Before being appointed as the Deputy CEO in August 2012, Mr. Islam served at IDCOL in different positions including, Head of Legal Department; Company Secretary; and Director Legal Affairs and Financial Relations. He has undertaken several trainings home and abroad on Public-Private Partnership, project finance, micro-finance and legal documentation. He is a highly skilled legal counsel and financial advisor in the field of infrastructure investments, especially, in IPPs, Telecom, ICT, Ports and Renewable Energy projects. He was instrumental in raising funds for IDCOL's renewable energy programs and led the Company in many loan negotiations with the government and development partners. In addition to his routine work at IDCOL, Mr. Islam served as the founding Company Secretary of Bangladesh Infrastructure Finance Fund Limited (BIFFL) at the request of the Ministry of Finance.

Mr. Islam did his Bachelor of Laws (LL.B) from the University of Calcutta, India and Master of Laws (LL.M) from the Bond University, Australia. A Lee Kuan Yew fellow, Mr. Islam completed his Master of Public Management (MPM) program offered by Lee Kuan Yew School of Public Policy of the National University of Singapore in collaboration with the Harvard Kennedy School of Government.



Mr. S. M. Monirul Islam

CFO & Head of Operations

Mr. S. M. Monirul Islam joined IDCOL in 1998 and worked as a key resource person of the Company since its inception. Mr. Islam holds substantial wealth of experience in financial management and he is an expert in managing funds received from development partners like The World Bank, ADB, IDB, KfW, GIZ, SNV, GPOBA, SIDA etc.

Apart from financial management, Mr. Islam has been involved in project negotiation and procurement activities. His expertise also includes monitoring and evaluation, project management, administration, HR and IT management activities.



Mr. Nazmul Haque

Director (Investment) & Head of Advisory

Mr. Nazmul Haque joined IDCOL in 2003 and was involved in structuring and financing of many large infrastructure projects in sectors like power, telecom, toll roads, ports, ICT etc. Many of these projects were first of its kind in Bangladesh and vital for the national development. Mr. Haque also played a significant role in IDCOL's large renewable energy program.

Mr. Haque is a leading expert in Project Appraisal Techniques and Financial Modeling and a key resource person in IDCOL's external training and capacity building initiatives. He has conducted training programs and presented papers in various international symposiums and conferences in Asia, Europe, North America and Africa. Currently, under the newly established Advisory Unit, Mr. Haque is working on replicating IDCOL's success stories in infrastructure and renewable energy development in a number of emerging African countries.



Mr. Md. Enamul Karim Pavel

Head of Renewable Energy

Mr. Md. Enamul Karim Pavel joined IDCOL in 2004 and played a key role in development and implementation of IDCOL's renewable energy programs/projects i.e. solar home system program, solar irrigation pump program, domestic biogas program, improved cook-stoves program, solar mini-grid, biogas and biomass based electricity projects etc. IDCOL's solar home systems program is the largest off-grid renewable energy program in the world, which is providing electricity to 9% population of the country living in off-grid areas of rural Bangladesh. He is leading the renewable energy team to promote other renewable energy technologies in Bangladesh.

Mr. Pavel regularly negotiates with the development partners to arrange necessary financing for IDCOL's activities. He also maintains liaison with relevant ministries/departments of the Government of Bangladesh. He is an expert in financing modeling and a faculty in financing modeling course regularly offered by IDCOL. As an expert in renewable energy financing he trained officials from various African countries. Earlier, he also worked as the Head of Loan Department in addition to renewable energy activities.

Before joining IDCOL, he served in various administrative positions in the Government of Bangladesh and as a Marine Engineer in Bangladesh Shipping Corporation.



RENEWABLE ENERGY **DEPARTMENT**





Sitting from left:

Mr. A F M Shahed

Assistant Monitoring Manager, ICS Program

Mr. Sirajul Arefin Shibly

AM, Promotion and Capacity Building

Ms. Sadia Hoque

Assistant Relationship Manager, SHS Program

Ms. Farzana Rahman

Vice President & Unit Head (Investment), RE

Mr. Md. Enamul Karim Pavel

Head of Renewable Energy

Mr. Md. Wahidur Rahman

AVP & Unit Head (Technical), RE

Dr. Ahmedul Hye Chowdhury

Environmental Specialist, RE

Mr. Shibli Mohammad Faiz

Senior Relationship Officer, Biogas Program

Standing from left:

Mr. Ayman Karim

Investment Officer, RE

Mr. Abu Md. Iqramul Hasan

Monitoring Officer, SHS Program

Mr. Mukaddim Sarwar

Monitoring Officer, Biogas Program

Mr. Md. Abdullah Al Matin

Technical Officer, RE Projects

Ms. Amani Rahman

Investment Officer, RE

Ms. Fariha Jannat

Relationship Officer, SHS Program

Mr. Dipta Majumder

Technical Officer, RE

Mr. Md. Abdullah Hell Baki

Monitoring Officer, ICS Program

Mr. Asif Hasan

Relationship Officer, Biogas Program

Mr. Md. Rasel Ahmed

Officer, Promotion and Capacity Building

Not in the picture:

Ms. Syeeda Yeasmeen Meer

Investment Officer, RE

Mr. Kuntal Kumar Ghosh

Relationship Officer, SHS Program

Mr. Junaed Tazdik

Monitoring Officer, SHS Program

Mr. Kazi Ahsan Uddin

Monitoring Officer, RE Projects

INFRASTRUCTURE **DEPARTMENT**





Sitting from left:

Mr. Md. Shaheenur Rahman
Unit Head, Small & Medium Infrastructure

Mr. Nazmul Haque
Director (Investment) & Head of Advisory

Mr. Tanvir A Siddiqui
Vice President & Unit Head, Large Infrastructure

Mr. Raihan Uddin Ahmed
Environmental Specialist, Infrastructure

Standing from left:

Mr. Khandker Md. Readwanul Hoque
Senior Investment Officer, Infrastructure

Ms. Farzana Prianka
Officer, Investment Advisory

Mr. Mohammad Rashedul Islam
Investment Officer, Large Infrastructure

Not in the picture:

Mr. Mashref UI Hoque
Senior Investment Officer, Agency

Mr. Yusuff Reffaie
Investment Officer, Large Infrastructure

LEGAL & COMPLIANCE **DEPARTMENT**





Sitting from left:

Ms. Ferdous Rahman

Officer, Legal Affairs

Mr. Nazmul Haque Faisal

Assistant Vice President, Corporate Affairs

Mr. S. M. Formanul Islam

Deputy CEO

Mr. Md. Sohel Rana

Vice President (Internal Audit)

Mr. Md. Shaikat Azad

Senior Officer, Compliance

Not in the picture:

Mr. M. Maftun Ahmed

Company Secretary

Ms. Mehrabin Hosain

Officer, Legal Affairs

FINANCE & ACCOUNTS **DEPARTMENT**





Sitting from left:

Mr. M. Mizanur Rahman

Unit Head, Accounts & Financial Planning

Mr. S. M. Monirul Islam

Chief Financial Officer & Head of Operations

Mr. Md. Ziaul Alam

Unit Head, Financial Reporting & Control

Standing from left:

Mr. Tawhid Faraj

Officer, Finance and Accounts

Ms. Nahida Akter

Officer, Finance and Accounts

Mr. Shek Mijanur Rahman

Assistant Manager, Finance & Accounts

Mr. Md. Imrul Hasan

Officer, Finance and Accounts

Not in the picture:

Mr. Sakib Ahmed

Officer, Finance and Accounts

CREDIT ADMINISTRATION AND RISK MANAGEMENT **DEPARTMENT**





Sitting from left:

Mr. Farhan Reza

Unit Head, Credit Administration

Mr. Zabir Ibne Raquib

Officer, Credit Administration

Mr. Ashraf Hossain Bhuiyan

Officer, Credit Administration

Not in the picture:

Ms. Merina Kashem

VP & Unit Head, Credit Risk Management

OPERATIONS **DEPARTMENT**





Sitting from left:

Mr. Mohammad Rashedul Islam

Assistant Manager, IT & MIS

Mr. S. M. Monirul Islam

Chief Financial Officer & Head of Operations

Ms. Aurpa Deb Nath

Officer, HR

Standing from left:

Mr. Md. Maidul Islam

Officer, Procurement

Mr. Ashrafuzzaman Khan

Administrative Officer



The background of the page features a close-up photograph of a pair of hands gently cupping a mound of dark, rich soil. Several bright green leaves are scattered around the hands, some resting on the soil and others floating in the air. The lighting is soft, highlighting the texture of the skin and the granules of the earth.

DIRECTORS' **REPORT**

IDCOL has a reputation for the highest standards of excellence, quality and reliability in all of its activities, and for respect, honesty and fairness in its dealings with its development partners, partner organizations, colleagues and other constituents.

DIRECTORS' REPORT

Dear Shareholders,

The Board of Directors of Infrastructure Development Company Limited (IDCOL) takes the pleasure to present the Annual Report and the Audited Financial Statements of the company for the year ended on 30th June, 2014.

The Directors have given relevant disclosures and explanations regarding issues which are important to ensure compliance, good governance practices and transparency. We hope that this report will provide the insights of the company's performance during the financial year of 2013-2014.

1. The Global Economy

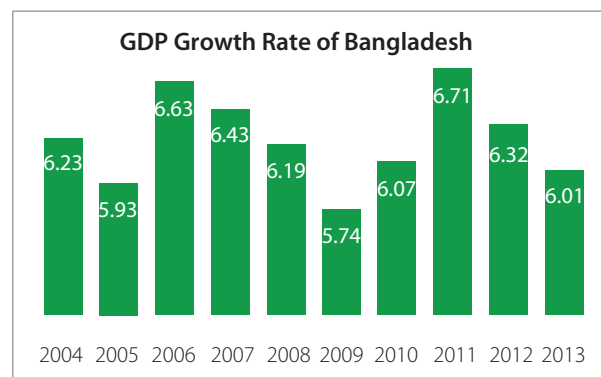
Global growth remains in low gear, with world gross product (WGP) growing at 2.4 percent¹ in 2013. In a departure from previous developments since the Great Economic Crisis, the developed economies have recently gained some pace in economic growth, while the emerging market economic growth have slowed by an average of 0.25 percent². Under-performance in the world economy was however observed across almost all regions and major economic groups. Most economies continued struggling in an uphill battle against the lingering effects of the financial crisis, grappling in particular with the challenges of taking appropriate fiscal and monetary policy actions. A number of emerging economies, which have already experienced a notable slowdown in the past two years, encountered new headwinds during 2013 on both international and domestic fronts. However, the euro area has finally come out of protracted recession, with gross domestic product (GDP) for the region as a whole returning to growth, while few large economies, including China, seem to have backstopped a further slowdown and are poised to strengthen. WGP is poised to grow at a pace of 2.8 and 3.2 percent in 2014 and 2015³.

2. The Local Economy

The Bangladesh economy continues to maintain its GDP growth during FY 2013-2014 with a growth rate of 6.1 percent⁴ which is 0.1 percent higher than that of 6.0 percent⁵ in FY 2012-2013. During the first half of the current fiscal (FY14), economic activity was affected by unrest and uncertainty in the run up to the January 2014 general elections.

However, GDP growth is again gathering momentum: rising trends of manufacturing output and export growth along with increased production of major crops are expected to help sustain adequate industrial and agricultural growth in FY14 and beyond. Besides, resilient domestic demand, a vibrant rural economy and rebound in global growth will bolster the service sector's growth dynamism. At the same time, a relatively stable political environment and ongoing structural and institutional reforms in the fiscal, monetary and financial arena accompanied by a continued growth-supportive fiscal stance are likely to boost private investment. Although food inflation has spiked up in recent months due to disruptions in supply, non-food inflation has declined steadily.

On the whole, pragmatic fiscal policy along with moderately restrained monetary stance and currency appreciation resulted in a headline inflation of 7.44 percent⁶ in February 2014. On the fiscal front, the slowing down of economic activity amidst political uncertainty and lower import growth, have contributed to lower than targeted tax revenue so far. These effects, however, are expected to unwind gradually with various reforms being pursued by the government in a bid to increase revenue mobilization. Besides, the effect of revenue shortfall has been offset by better control on expenditure which is helping the country to stay largely on track to meet the fiscal target of an overall budget deficit (excluding grant) of 4.6 percent⁷ for FY 2014.



1. "The Economy-World Development Index 2013" (<http://data.worldbank.org/sites/default/files/wdi-2013-ch4.pdf>)

2. "IMF-World Economic Outlook 2013" (<http://www.imf.org/external/pubs/ft/weo/2013/update/02/pdf/0713.pdf>)

3. "UN- World Economic Situation and Prospects 2014" (<http://www.un.org/en/development/desa/publications/wesp-mid-2014.html>)

4. "Asian Development Bank" (<http://www.adb.org/countries/bangladesh/economy>)

5.6. "Bangladesh Bank- Monetary Policy Review" (http://www.bangladesh-bank.org/pub/halfyearly/monetaryprev/feb14/mpr_feb2014.pdf)

7. "Centre for Policy Dialogue- An analysis of the national budget for FY 2013-14" (<http://www.cpd.org.bd/downloads/Budget%20FY14.pdf>)

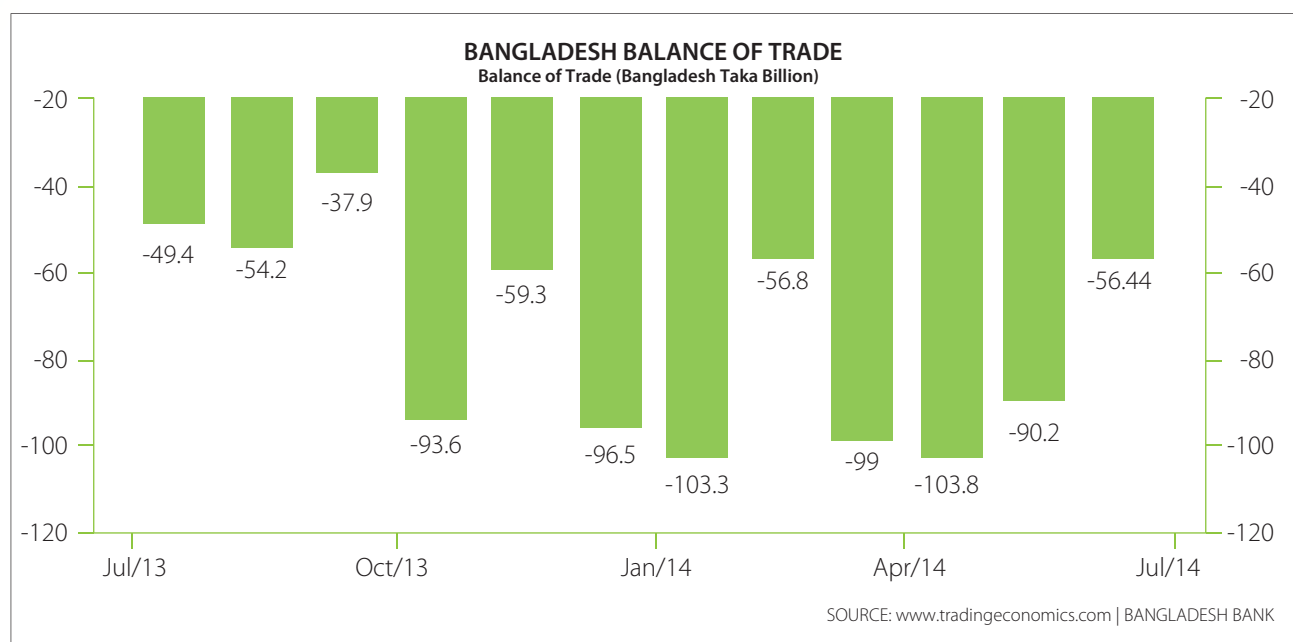
On the external side, despite a challenging global environment, export growth has remained resilient, mostly on account of strong performance of the readymade garment sector. Remittance growth has turned negative recently reflecting mainly a temporary decline in worker remittances from the Mideast countries. The exchange rate remains stable with foreign exchange reserves hovering around US\$ 21.5 billion as of June 2014⁸.

3. Balance of Payments

The country's exports earnings marked a robust growth of 12.56 percent⁹ during Jul-May FY14 compared with the same period of the previous fiscal year despite a series of adverse developments in the domestic front. Total earnings from exports stood at USD 30.06 billion¹⁰ during Jul-Jun 14 against

USD 27.03 billion¹¹ in Jul-May FY 13. One of the biggest challenges facing Bangladesh last year was the suspension of the Generalized System of Preference (GSP) facilities by the US Trade Representatives on the backdrop of workplace collapse tragedy. The recent interagency review led by the office of the USTR has concluded that Bangladesh has made some important progress, but must do more to address the worker rights and worker safety issues to regain the GSP facility. On the other hand, import payments stood at USD 19.91 billion during the first half of the fiscal year. Overall, current account balance (CAB) recorded a surplus of USD 1.55 in FY14.

The overall picture for FY14 shows a deficit of USD 6.81 billion in trade balance, USD 4.19 billion in service account, USD 2.37 billion in primary income account while a healthy surplus of



USD 14.91 billion in the secondary income (of which more than 95% was remittance from abroad) which contributed to the surplus CAB¹².

4. Inflation

Bangladesh Bank has been maintaining a moderately restrained monetary approach to safeguard macroeconomic stability and keep inflation in check, while allowing adequate space for private sector credit growth. It is also looking for sound implementation of macro-prudential policies based on a formal framework and adequate legal backing with a

view to strengthening the resilience of the financial sector to any kind of unfavorable development.

Point-to-point inflation rate, which hovered between 7.50 percent and 7.44 percent since January 2014, came down to 6.97 percent in June, beating the target rate of 7 percent for FY14¹³. This drop is largely attributed to a fall in food inflation to 8.0 percent in June 14 from 9.09 percent in May. Disruption in supply due to continued strikes and blockades since the beginning of FY14 however led average food inflation to rise. On the other hand, non-food inflation moderated throughout the year before marginally rising in June, increasing to

8. "Bangladesh Bank (<http://www.bangladesh-bank.org/econdata/intreserve.php>)"

9. "FICCI-News Bulletin" (http://www.ficci.org.bd/assets/20140830_234456_Bulletin_June14.pdf)

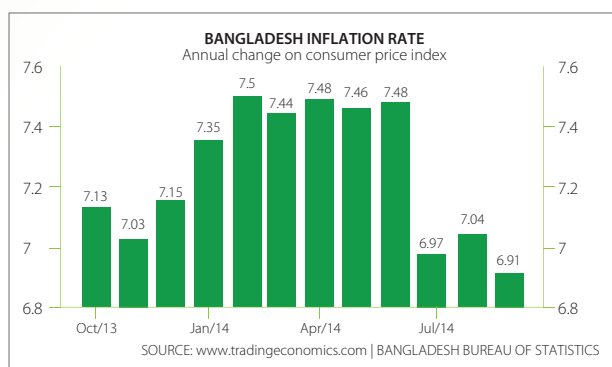
10. "Export Promotion Bureau" (<http://www.epb.gov.bd/quarterlyexportdata.php>)

11. "Bangladesh Bank" (http://www.bangladesh-bank.org/econdata/import/imp_pay_overall.php)

12. "Bangladesh Bank"

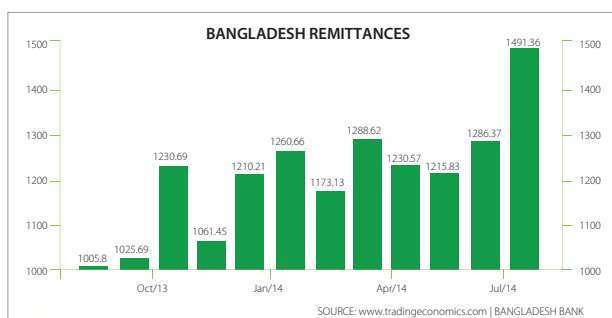
13. Bangladesh Bank Q4 Report for FY14

5.45 percent from 5.16 percent in the previous fiscal year. Furthermore, hike in power tariff also contributed to inflation remaining on the higher side. However, the Central Bank has recently raised the capital adequacy ratio for banks by 50 basis points, which is expected to withdraw excess liquidity from the market and thus reduce inflationary pressure. Factoring in the declining trend in food and energy price in the international markets along with satisfactory domestic agricultural production and supportive monetary policy, the government expects that the general inflation in Bangladesh will ease substantially in the new fiscal year.



5. Remittance

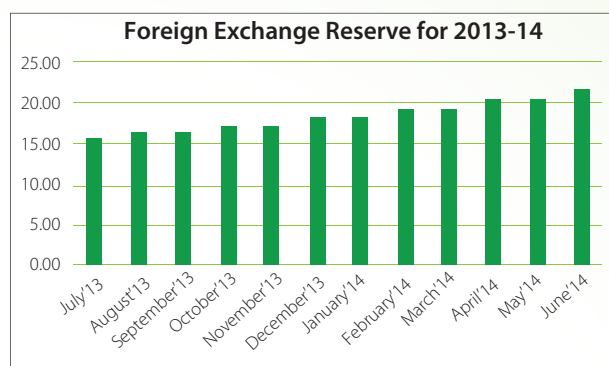
The inflow of workers' remittance saw a reverse trend as it fell by 1.6 percent in FY14 compared to FY13. The decline in remittance income was mainly due to a fall in inflow of USD 712.3 million from Saudi Arabia, where legalization of work permits for expatriate workers were ongoing. However, the fall in remittance receipt was cushioned as the inflow of from USA increased by USD 463.5 million over the same period. Overseas employment for Bangladeshi workers increased by 11 percent in Q4 FY14 as a total of 111,889 Bangladeshi migrated compared with 100,714 in the corresponding period in FY 13. (Bangladesh Bank)



6. Foreign Exchange Reserve

The combination of a sizeable current account surplus and a moderate surplus in the financial and capital account contributed to maintaining a still large, though smaller relative to last year, surplus in the overall BOP position and a consequent build-up of external foreign exchange reserve. Foreign exchange reserve stood at USD 15.3 billion at the end of the last fiscal year. In the current fiscal year with the decline in trade deficit together with an inflow in the capital

and financial account, foreign exchange reserve has increased consistently and stood at USD 21.5 billion on 30th June 2014. (Bangladesh Bank)



7. Millennium Development Goal

Bangladesh had 28 Millennium Development Goal (MDG) targets, out of which 3 have already been achieved and it is in the process of achieving 11 more MDG goals. According to the General Economics Division Planning Commission report, Bangladesh has achieved remarkable progress in the areas of poverty alleviation, primary school enrolment, gender parity in primary and secondary level education. It has been able to lower the infant and under-five mortality rate and maternal mortality ratio. However, the report indicates that there are several challenges ahead such as improving quality of primary education, increasing share of education in government budget and increasing coverage and improving quality of adolescent and adult literacy programs. Bangladesh still needs to ensure adequate coverage of 'Most at Risk' Population, enhance technical and managerial capacity and improve strategic information management system. In case of environment, some of the important challenges are efficient use of forest resources, lack of facilitating technology, lack of proper regulation and adequate enforcement that reveal the gaps in expected fisheries sector development, lack of information in the areas of chemical fertilizer consumption and energy mix, and developing water efficient agricultural practices. Bangladesh is one of the 18 highlighted countries of the South that have achieved greater gains in Human Development Index between 1990 and 2012 than expected from their previous performances. However, in order to reach the Middle Income Country status by 2021, Bangladesh should take steps to ensure distribution of economic opportunities across all population groups, especially those who are at the bottom of the pyramid.

Bangladesh needs to diversify its export products and enhance manufacturing-based export revenue to accelerate economic growth. Some of the major challenges that need to be addressed are the political complexity and frequent widespread violence, weak economic governance, limited success in attracting foreign direct investments in the manufacturing sector, lack of land, power, port, and transportation facilities etc. In addition, inadequate infrastructure remains a major bottleneck to growth, which urgently needs to be addressed.

8. Infrastructure Scenario

In the next few years, Bangladesh will need to modernize its infrastructure and expand its groundwork in the energy, telecommunication, transportation sectors etc. in order to meet the demands of the increasing population. Mobilizing financial resources to bring about those changes will be a challenge for the government as it will require policy reforms. However as the country's fiscal situation is increasingly difficult and it has limited tax resources, the government has formulated an investment strategy to attract FDI to infrastructure via public-private partnerships. The government of Bangladesh and IDCOL has already achieved remarkable progress in infrastructure development through this public-private partnership (PPP) model in electricity generation. In order to facilitate the development of core sector public infrastructure and services that are essential for the people of Bangladesh, the Government issued the Policy and Strategy for Public Private Partnership (PPP) in August 2010. The governments Vision 2021 goal incorporates the PPP program to ensure higher growth and provide enhanced public services in a fiscally sustainable manner.

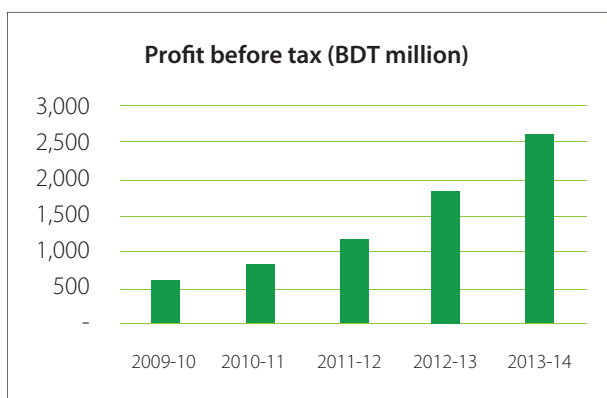
9. Renewable Energy Scenario

Given the global climate change scenario and carbon trading prospect, renewable energy has emerged as an alternative source of energy solution around the world. Bangladesh has enormous potential in developing renewable energy from different sources, ie, solar energy, biomass, and biogas. Other renewable energy sources include wind, bio-fuel, gasohol, geothermal, wave and tidal energy, which are expected to be explored in the future. In line with the international trend, the Government of Bangladesh has taken a systematic approach towards renewable energy development. As part of its initiatives, the Government has adopted Renewable Energy Policy (REP) in 2008 and formed a focal point called Sustainable and Renewable Energy Development Authority (SREDA) for coordinating the activities related to the development of renewable energy technologies and financing mechanisms. The policy envisions 5 percent of total power generation from renewable energy sources by 2015 and 10 percent by 2020. IDCOL is committed to play a pioneering role in attaining this vision of the government. Government is considering to enact the SREDA Act, which will replace the REP 2008. IDCOL is implementing and financing several renewable energy programs and projects, the likes of which include IDCOL's Solar Home System program, Biogas programs, solar irrigation pumps, solar powered solution for telecom BTSs, solar power based mini grid, biogas and biomass based electricity, etc.

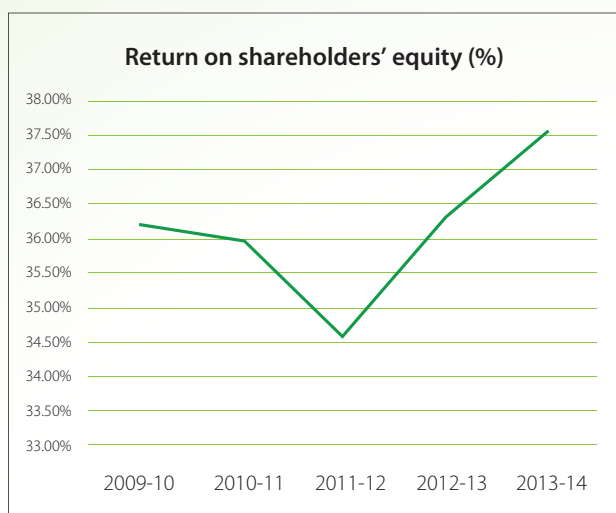
Besides, Bangladesh Bank has created a revolving fund of BDT 2 billion for refinancing of renewable energy projects, e.g- solar energy, biogas, etc through commercial banks and financial institutions at concessionary terms and conditions.

10. Operational performance of IDCOL

During the reporting period, the total revenue of the company was BDT 387 crore out of which BDT 47.4 crore was interest from infrastructure projects, BDT 174.4 crore was interest from renewable energy projects, BDT 11.8 crore was fees income from project finance, BDT 5.2 crore fees income from renewable energy projects and BDT 135.8 crore was interest income from short-term investments. During the same period, the company's operating and interest expenses were BDT 117.87 crore and profit before tax and provision was BDT 269 crore. Provision of BDT 8.6 crore has been made for loans and advances and BDT 115 crore for tax. While, retained earnings at the end of the reporting period was BDT 151 crore.



The Board has proposed payment of BDT 16 crore as cash dividends to government and issuance of bonus share of BDT 125 crore to increase Company's paid up capital from BDT 260 crore to BDT 385 crore leaving a balance of 9.58 crore as retained earnings to be carried forward to FY 2014-15. During the year, an additional amount of BDT 88 crore from the retained earnings of the last fiscal has been used to raise the paid up capital of the company to BDT 260 crore. With a vision to become the national development finance institution, IDCOL is committed to making its capital structure as per global standards as soon as practicable. The company plans to further increase its paid-up capital up to its authorized limit of BDT 500 crore using each year's retained earnings. IDCOL's loan portfolio was diversified covering various infrastructure sectors like power, telecommunication, tourism etc. With a 31.16 percent increase in asset base, the company achieved after tax income growth by nearly 40.32 percent. Shareholder's equity also experienced more than 47 percent growth over the last year. During the reporting period, the company maintained the role of the market leader in private sector energy and infrastructure financing in Bangladesh. Most of the revenues during the period came out of income from interests on loans and advances. Profitability indicators in terms of ROA reached 2.97 percent and while ROE was 35.38 percent during the year against previous year's 2.78 percent and 37.07 percent respectively.



11. Infrastructure Project

During the financial year, IDCOL has expanded its portfolio of investments by investing in key infrastructure projects that will play a vital role in the development of the country. IDCOL has approved the financing of USD 30 million to Summit Meghnaghat Power Company Ltd. for implementing a 335 MW combined cycle power plant. In addition to that, IDCOL has also approved USD 15 million for the implementation of a 52.5 MW HFO based power plant of Lagdhanavi Bangla Power Plant Ltd. Furthermore, IDCOL has also approved financing of BDT 15 crore to Panigram Resort Ltd., a boutique eco-resort.

IDCOL also extended dollar loan facility to Barakatullah Electro Dynamics Limited (BEDL) for setting up a 51 MW natural gas based fuel type power project. In addition to that, IDCOL also extended working capital facility equivalent to USD 5.9 million to BanglaTrac Communications Limited (BTCL). Under its green bricks program, IDCOL extended concessionary loan facility of BDT 388.15 million to Baridhara Corporation Limited (BCL) and BDT 337.67 million to Pretty Auto Bricks Limited (PABL). IDCOL also extended term loan facilities to Engreen Limited for providing Solar Diesel Hybrid Solutions for off-grid BTSs and Rahimafrroz Renewable Energy Limited (RREL) for performing EPC operation to set up a 400 KW minigrid at remote haor area of Sylhet.

12. Renewable Energy Projects

12.1 IDCOL Solar Home System Program

During the reporting period, 47 participating organizations of IDCOL installed 803,654 Solar Home Systems (SHSs) in the rural areas of Bangladesh, leading the total number of installation to 31,32,198. Till date, IDCOL disbursed USD 481 million (BDT 3,619.6 crore) as credit and channeled USD 75 million (BDT 527.1 crore) as grant to all POs.

During the period, IDCOL also received over BDT 409 crore as principal repayment, earned BDT 172.56 crore as interest income during the period and BDT 5.07 crore as

monitoring fees.

12.2 IDCOL Biogas Program

As of June 2014, a total of 33,578 domestic sized biogas plants have been constructed under the program. During the reporting period, 4,977 plants have been constructed by the partner organizations. Till date, IDCOL provided refinancing facility of 43.58 crore and channeled BDT 30.66 crore as grant to the POs under the program.

During the year, IDCOL earned BDT 14.29 crore as interest, BDT 4.61 crore as principal repayment, and BDT 18.42 lac as monitoring fees.

12.3 Other Renewable Energy Projects

Some of the notable other renewable energy projects financed by IDCOL during the reporting period are 141 kWp solar mini-grid projects of Hydron Bangladesh Pvt. Ltd. and Shouro Bangla Limited, 100 kWp mini-grid power projects of Green Housing and Energy Ltd., 158.3 kWp mini-grid power project of GRAM er Alo and 148.5 kWp mini-grid power project of AVA Development Society. In addition to that, IDCOL has also approved financing for four biogas based power generation projects and 161 solar irrigation projects. During the period, a total of BDT 111.17 million has been disbursed for other RE projects, of which BDT 94.77 million has been provided as loan and BDT 16.40 million as grant.

13. Status of IDCOL loans

As of 30 June 2014, overall collection rate of IDCOL loans is around 95% percent. There were in total sixteen classified loan accounts of which thirteen were in bad, two were in doubtful and one was in sub-standard category. IDCOL had already initiated necessary legal measures against six of its classified borrowers to recover the due. The remaining classified loan accounts were closely monitored and necessary actions under the Finance and Security documents would be taken against the borrowers if they fail to settle their outstanding amount.

14. Private Sector Infrastructure Development Project

During the reporting period, the company effectively monitored its loans to Meghnaghat Power Limited (MPL). All principal repayments, interests and fees due under the loan arrangements were duly received. IDCOL, on behalf of the government, received USD 4.27 million as interest and USD 5.81 million as principal repayment. IDCOL also earned USD 114,300 as monitoring fees.

15. Rural Electrification and Renewable Energy Development Project (REREDP)

During the reporting period, IDCOL, on behalf of the Government, received BDT 6.61 crore as interest and BDT 44.58 crore

as principal repayment. IDCOL further earned monitoring fees of BDT 0.27 crore.

16. Short Term Investment

During the reporting period, IDCOL earned an amount of BDT 135.7 crore from balance with bank & FIs, out of which BDT 3.21 crore from short term bank deposit, BDT 131.3 crore from fixed deposit and BDT 1.22 crore from call money lending.

17. IDCOL's debt service performance

During the reporting period, performance of IDCOL under all the loans were current. IDCOL made a total debt service of BDT 93.8 crore under various projects.

SL	Project	Principal (BDT crore)	Interest and Fees (BDT Crore)
1	REREDP funded by IDA	54	-
2	PPIDF funded by ADB	32	4
3	JICA	5	-
	Total	90.3	3.5

18. Classified loan status

The percentage of classified loans decreased from 0.81 percent in 2012-2013 to 0.80 percent in 2013-2014 which can be attributed to the efficiency of the IDCOL team.

19. Our Regional Offices

IDCOL has 13 regional offices in Dhaka, Chittagong, Rangpur, Sylhet, Khulna, Barisal, Bogra, Borguna, Barhmanbaria, Faridpur, Mymensingh and Laxmipur under its RE programs. Each of these offices are managed by a regional supervisor and some technical inspectors. Currently a total of 192 technical inspectors and field auditors are conducting physical verification and managing operations of SHS, biogas plants, ICS, other RE initiatives, training activities financed by IDCOL and monitoring collection efficiency of unit offices of the partner organizations. In order to meet the organizational needs and to face future challenges, the executives and officers of the company regularly participate in various national and international training courses, seminars and workshops.

20. Corporate Advisory

IDCOL's Solar Home System program is the fastest and largest off grid rural electrification program in the world. Under IDCOL's SHS program, over three million SHSs have been already installed throughout the nation, and IDCOL now stands as the market leader in private sector energy financing in Bangladesh. The level of expertise that IDCOL has developed through its renewable energy sector is unique and exclusive, not just in Bangladesh, but in rest of the world as well. A number of countries have expressed interest in replicating the model of IDCOL SHS Program in their respective countries. Considering the huge demand in international market, IDCOL has started providing corporate

advisory services on rural electrification and renewable energy program implementation to different countries. During the year, IDCOL arranged three training programs for officials of Uganda and Sub-Saharan African nations, under which 28 government and private sector officials from these countries were trained. Furthermore, IDCOL also conducted 2 project financing course and 1 course on financing modelling during the financial year, in which over 75 domestic participants from both the government and private sector were trained.

21. Internal Control

The role of the internal audit committee is to provide independent assurance that an organization's risk management, governance and internal control processes are operating effectively. Internal auditors deal with matters that are integral to the survival and prosperity of any organization. Management will follow up on the status of actions on recommendations made by the internal control. The board reviews regular reports from the management on key operating statistics, legal and regulatory matters. The Board also approves any amendments to the company's policies. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we consider necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

During the financial year of 2013-14, a new department namely Credit Risk Management was added to our institution. The department has been developed to adhere to sound implementation of a strong risk management framework within the organization. The Company was maintaining centralized credit risk management through CRM Committee which was responsible for identifying relevant risks and required mitigation of the proposed loans. Supporting departments i.e. Credit Administration Department, Environment Department and legal department was actively involved for managing risk avenues i.e. overdue management, CIB report analysis, environmental risk management, legal risk management etc. IDCOL being the company who practices continuous development process has established separate Credit Risk Management department for improvement of its credit portfolio and for strengthening its risk strategy. This department would be providing independent credit risk assessment and would assist the management in developing a quality credit portfolio.

22. Directors' responsibilities of preparation of financial statements

The Company law requires the Directors to prepare financial statements for each financial year that gives a true and fair view on the state of affairs of the Company and the Group at the end of the financial year and on the profit or loss of the Group and the Company for the financial year. The Directors are responsible for preparing the Company's financial

Statements in accordance with the applicable laws and regulations. They have to select appropriate accounting policies, apply them consistently, make judgments and estimates that are reasonable and prudent and state whether applicable accounting standards have been followed. The Board confirms that the financial statements have been prepared under the applicable laws and regulations and as per requirements of regulatory authorities and provide the auditors with every opportunity to take whatever steps and undertake whatever inspections the auditors consider to be appropriate for the purpose of enabling them to give their audit report.

23. Going Concern

The financial statements have been prepared on a going concern basis assuming that the entity is able to continue as a viable entity for the foreseeable future and that there is no material uncertainty.

24. Directors' statement pursuant to the disclosure and transparency

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements:

- That in the preparation of the annual accounts for the year ended 30 June 2014, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- That such accounting policies have been selected and have been applied consistently and judgment and estimates have been made that they are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as on 30 June 2014, and of the profit of the Company for the year ended on that date;
- That proper and sufficient care has been taken for the maintenance of adequate accounting records, in accordance with the provisions of the Companies Act, 1994, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The annual accounts have been prepared on a going concern basis

25. Director's meeting & attendance

During the year ended 30 June 2014, a total of thirteen Board meetings were held. During this period, the aggregate attendance of the directors recorded was more than 80 percent. The core activities of the Board were carried out in scheduled meetings of the Board and its Committees. Those meetings were timed to link to key events in the company's corporate calendar and regular reviews conducted of specific business areas. Additional meetings and conference calls were arranged to consider matters which require decisions outside the scheduled meetings.

26. Directors retirement, re-appointment and biographies

As per Article 67 of the Articles of Association of the company, the following Directors will retire in the sixteenth Annual General Meeting and being eligible offered themselves for re-election as per Article 69 of the Articles of Association of the company:

- Mr. Monowar Islam ndc
- Ms. Nihad Kabir
- Mr. Abdul Haque

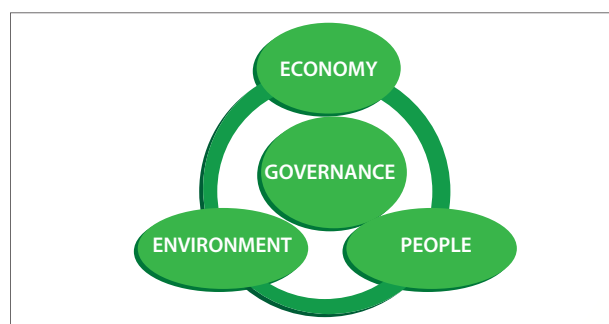
Biographies of the aforesaid Directors and the names of the company where they have interest are mentioned in the Annual Report.

27. Corporate Governance

IDCOL has been practicing the principles of sound corporate governance. In addition to this, the Board lays strong emphasis on transparency, accountability and integrity. The board remains committed to guiding the strategic development of the group and supports the principle of collective responsibility for the success of the company. A separate detailed report on Corporate Governance is included as part of the Annual Report.

28. Framework

We have a solid Governance framework through which we maintain our environmental, social and economic performance. All these components are essential for sustainable development and the future well-being of the nation. The component central to the framework governance, provides corporate direction and sets company principles and values that guide our business practices.



29. Business Ethics

Our goal is to ensure that our day-to-day business activities are conducted in a fair, honest and ethical manner. Every person connected with IDCOL has individual responsibility for maintaining an ethical and healthy workplace. Managers and leaders throughout the company are additionally responsible for fostering a proper environment and encouraging ethical practices. IDCOL has a reputation for the highest standards of excellence, quality and reliability in all our activities, and for respect, honesty and fairness in our

dealings with our development partners, partner organizations, colleagues and other constituents. Our continued success and future growth depend on the maintenance of these standards.

30. Major Events

During the year, IDCOL has teamed up with Bangladesh University of Engineering and Technology (BUET) for establishing the country's first ever photovoltaic Testing Laboratory. IDCOL will fund around \$550,000 for establishing the project. The PV testing lab will be implemented by the Electrical and Electronics (EEE) Engineering department of BUET. Besides, IDCOL will also assist BUET to comply this laboratory as an ISO/IEC 17025 accredited Photovoltaic Testing Laboratory who will be able to give accreditation for major solar equipment in the future with a view to improving the efficiency and performance of solar energy programs in Bangladesh.

In continuation towards its aim of improving the livelihood of the people of the country, IDCOL signed agreement with 29 Partner Organizations to finance 1 million improved cook stoves (ICS) in Bangladesh by 2017. The signing ceremony was held at Ruposhi Bangla Hotel on 13th December 2013. The Executive Director and CEO of IDCOL, Mr. Mahmood Malik was present at the signing ceremony along with other IDCOL officials, representatives from the World Bank and Head of POs.

31. Contribution to the national exchequer and the economy

During the year 2013-2014, the company contributed a total amount of BDT 115.21 crore as Corporate tax, BDT 0.33 crore as TDS, BDT 1.56 crore as VAT and BDT 14 crore as dividend to the government, in total BDT 131.10 crore was paid to the national exchequer. By adopting a responsible behavior, as well as through sustainability added-value approach, IDCOL contributes most effectively in social, environmental and economic progress.

32. Responsibility Towards Civil Society

As a responsible corporate citizen, IDCOL strives to play a positive role in society, by building a culture that promotes employee volunteering, and through corporate giving to support the communities in which we operate. We are also committed to sharing our business expertise by helping to build better understanding of the needs of individuals and the society at large.

33. AUDITORS

ACNABIN Chartered Accountants have been appointed as auditors for the Company's accounts for the Financial Year 2013-2014. The Financial Institutions Act, 1993 stipulated that an auditor of a financial institution cannot be appointed for more than three consecutive years. Section 210 (10) of the Company's Act, 1994 also gives authority to shareholders of the company to fix the auditor's remuneration. So, the board recommended appointing ACNABIN Chartered Accountants as the auditors at a remuneration of BDT 247,354.

34. ACKNOWLEDGEMENT

I would like to express my gratitude to our development partners, partner organizations and the Board for their continuous assistance, guidance and confidence in IDCOL. My sincere thanks go to the Management team and all the employees for their hard work, commitment and integrity which have brought the company to this level.

By order of the Board

Date: 13 November 2014



Chairman





CHAIRMAN'S STATEMENT



On behalf of the Board of Directors, I am pleased to present the Annual Report along with the audited accounts of our company for the year ended on 30 June 2014. This year has been a year of success and accomplishments for IDCOL on the corporate governance, operational and financial fronts. Though faced with numerous challenges, we persisted and continued to achieve significant income and profit growth.

Overall Performance

Our strong financial performance was reflected in the profit before tax of BDT 269.09 crore which is about 36.70 percent higher than last year. We achieved a competitive 2.97 percent return on assets while our total assets increased to BDT 48,843 million from BDT 37,240 million last year.

Board of Directors

The ultimate goal of the IDCOL Board is to collectively and effectively lead the company in delivering long term sustainable success for the benefit of all of our shareholders. I believe we have achieved this through a Board that contains the right mix of individuals, each with the relevant experience, skills and determination to take the company forward.

Sustainability and Responsibility

By running a successful business and transforming the lives of many people, we make a positive contribution to the economic and social well-being of our country. We employed around 307 employees till date and contributed around BDT 1,312 million to the national exchequer last fiscal year in the form of tax and cash dividend.

Our People

It is important to thank all our employees whose tremendous hard work has been the driving force behind our performance. IDCOL has a friendly and cooperative work environment and its success is a resultant effect of team effort. As you will see in the following pages, the overall theme of this year's annual report is 'Towards a greener future' which is central to the delivery of our strategy. As we look to the future, concerns over the health of many of the world's major economies continue.

It is difficult to predict how strong these economic headwinds could become. However, we approach 2013/14 with the confidence that our clear strategy, focused set of market leading businesses and strong balance sheet will enable further progress in the infrastructure and renewable energy sector in Bangladesh. I believe that challenges will present opportunities and that IDCOL is well placed to make the most of them.

Strategic review

IDCOL is positioned to continue to perform well, with a highly diversified business model, supported by a strong financial position, diligent oversight and trusted reputation. We are constantly exploring new technologies and identifying number of growth opportunities to diversify our investment portfolio and expand our coverage.

Acknowledgement

Our commitment above all is to safely develop affordable energy vital to economic growth. We have the right people with competitive skills, a unique and diversified project portfolio, successful investment strategies and a culture committed to being the market leader that is most admired for its people, partnership and performance. We have strategically positioned ourselves to create enduring value for the communities where we operate and for our respected stakeholders who place their trust in us. Overall, the past year has proven to be a year of excellent performance for IDCOL. This success can be attributed to our consistent strategy, talented management team, supportive stakeholders and dedicated team of employees. The Board remains confident that IDCOL will continue to achieve greater success in the years ahead.





FROM THE **CEO'S DESK**



The past financial year was a period of success, growth and expansion for IDCOL which is a testament to our dynamic business model, our innovative partners and our hardworking employees. IDCOL's goal is to ensure economic prosperity through sustainable and environment-friendly investments in the infrastructure and renewable energy sectors of the country. Investment in infrastructure development and renewable energy technology is an essential ingredient of enhancement of industrial activities, poverty alleviation and socioeconomic development.

infrastructure development

According to the Global Competitiveness Report 2013-2014, infrastructure ranking of Bangladesh is 132 among 148 countries. According to Vision 2021, the government envisages to transform Bangladesh from a low-income economy to a middle-income one, which requires increased investment in infrastructure sector from current 2% to 6% of GDP. However, the level of investments required to upgrade the infrastructure to the desired level is beyond the fiscal resources of the public sector. Hence, the private sector participation is required for need assessment, project implementation and, most importantly, financing. Over the years, bilateral and multilateral agencies have provided loans and technical assistance to IDCOL which directly supported the government's infrastructure development agenda by ensuring long-term funds for infrastructure financing. Some of IDCOL's recent projects include approval of US\$ 30 million for the 335 MW combined cycle power plant of Summit Meghnaghat Power Company Ltd., US\$ 15 million for 52.5 MW HFO power plant of Lagdhanavi Bangla Power Plant Ltd. and BDT 150 million for the boutique eco-resort of Panigram Resort Ltd.

Renewable energy (RE)

According to the World Renewable Energy Congress, the world population will be in excess of 12 billion by the year 2100. If technological progress and innovation continue at the present rate, the demand for energy by then is going to grow five times. Given that the usage of fossil fuel will grow at the current rate, global temperature will increase by 2° Celsius by 2020, leading to increased risk of desertification, flooding in lowland areas and overall climate change all

over the world. In order to safeguard our planet and create a healthy environment for the future generation, we must all actively utilize renewable energy in our daily life. Bangladesh has enormous potential in developing renewable energy from different sources, especially from solar energy. IDCOL is implementing and financing several renewable energy programs which include Solar Home System (SHS) Program, Biogas Program, Improved Cookstoves (ICS) Program and other renewable energy projects such as solar irrigation pump, solar minigrid, biogas/biomass based power plant etc. Already IDCOL achieved a milestone in implementing over 3 million SHS throughout the country, and expects to create a green revolution in the agricultural sector of the country through its solar irrigation program.

Financing Energy Efficiency

Our mission is to accelerate investment in sustainable clean energy as a means to combat climate change, create green jobs, reduce energy use, increase our national energy security and stimulate our economy.

As a part of our goal to finance energy efficiency, we have undertaken the Green Brick Program through which we hope will gradually replace all traditional brick kilns of the country with modern and environment-friendly technologies.

Operating Results

This year, IDCOL's Net Profit before Tax was around BDT 260.4 crore, which is 39.73 percent higher than BDT 186.4 crore last year. Our Return on Assets increased from 2.78 percent to 2.97 percent, indicating effective conversion of the company's investment into income. Return on Investment has increased from 4.16 percent to 5.03 percent, which shows that investment



gains compared favorably to investment costs. Comparative financial analysis shows that IDCOL currently holds the top rank among similar financial institutions in terms of total assets, profit before tax and provision and return on equity. The numbers tell our story—we have three successive years of moving up in key operating metrics and we have built a multiyear record of increasing earnings and cash flows. It needs to be re-emphasized that IDCOL is committed to growing revenues through prudent investments, operational excellence and innovation.

Organizational Growth

In order to cope up with the increase in business while maintaining the exception level of diligence at IDCOL, we have added new departments, to ensure proper services, timely completion of tasks and better penetration to focused markets. At the same time, expansion of the work force has led to greater specialization in different areas resulting in more accountability and greater focus on individual tasks. Our newly formed credit risk management unit is playing a vital role in protecting company's investments by independent risk assessment & recommendation to the investment teams.

IDCOL's HR strategy and our track record as a responsible employer help us attract the top talents from the market. We invest in our employees to ensure their long-term commitment to the company. Our goal is to maximize individual potential, increase commercial effectiveness, reinforce the company's culture, expand our employee's professional opportunities, and help them contribute positively to the greater communities. Our employees undertake trainings in countries like Japan, Germany, China etc. to bring home the knowledge and skill set required for implementing the pioneering projects that IDCOL undertakes.

Challenges and Opportunities

While it is generally agreed that private sector involvement is key to infrastructure development in Bangladesh, the coordination among public and private sectors remains rudimentary. Therefore, while lack of financing is often hailed as the core hindrance, a major challenge faced by the sector is the lack of a strong framework for developing high quality, bankable projects. With regards to financing, the major challenge infrastructure sector faces is that local currency loans are often too expensive and offered for too short a period. Nevertheless, the opportunities in the infrastructure sector are plenty as clearly demonstrated in the power and telecom sector. Significant government support to incentivize private investment in infrastructure i.e. tax holiday, import duty exemption, investment repatriation, sovereign guarantee, and dedicated local infrastructure fund sources make Bangladesh a lucrative location for further investment. In renewable energy, one major challenge is high upfront investment cost. There are currently teams of solar energy and irrigation engineers working on strategies to reduce this cost and make it more affordable to end users. Another factor is that lot of our projects are based on grants which is not a sustainable solution in the long run. Bangladesh has a lot of opportunities in the renewable energy sector compared to other developing countries. IDCOL's initiatives focuses on the technical and capacity-building aspects of renewable energy, which will continue to bring about women welfare, income generation, child education and capacity building of local entrepreneurs. We have used our innovative financial schemes involving the community at grass roots level to help rural people procure renewable energy systems for their livelihood activities and income generation. IDCOL with its various initiatives will continue to act as a role model and demonstrate that renewable energy applications can be scaled up economically and rapidly to provide an affordable and climate-friendly energy solution for the rural poor.

Looking Forward

IDCOL is expanding its investment horizon to include more infrastructure and renewable energy sector projects. We are also undertaking projects to make sustainable improvements in social infrastructure mainly through investments in education, health and tourism sectors. In addition, our success in financing large infrastructure projects and renewable energy dissemination has encouraged local companies as well as other developing countries to replicate similar programs in their respective countries. We continue to provide knowledge and capacity building support to local companies as well as other countries for sustainable business development.

Our humble submission

Relationship with the government, the multilateral and bilateral development agencies and all our suppliers and partners is fundamental to our success. IDCOL's perception as a transparent and trustworthy partner is derived from its commitment to integrity. We are sincere in dealing with our stakeholders and the communities where we have an impact. I would like to end my message by thanking all our valued development partners i.e. the World Bank, ADB, JICA, SNV, KfW, GIZ, IDB, USAID, GPOBA, DFID, GEF and above all the Government of Bangladesh for their continuous support towards IDCOL. I also wish to convey my deep gratitude to all our partners who form an extensive network of valuable business resources and ensure delivery of excellent performance. I appreciate our Board, which consists of successful individuals with diverse set of skills and experiences, for its continuous support and guidance. Finally, my utmost gratitude goes to my fellow colleagues for their united efforts, diligence, commitment and their ability to embrace change. In our journey towards excellence, it has

been a highly rewarding experience to be recognized and acknowledged by local and international organizations. Recently, IDCOL received the Karlsruhe Sustainable Finance Award 2014; National Energy Globe Award 2014; and Asia Power & Electricity Award 2014 for its outstanding performance in sustainable project financing. The future is challenging but full of exciting opportunities. I envision a progressive and strategic role played by IDCOL as it continues to excel in its current operations, explores innovative ideas and fosters valuable business relationships.





CORPORATE GOVERNANCE

IDCOL's Board is committed to the Company to achieve superior financial performance and long term prosperity, while meeting stakeholders' expectations of sound corporate governance practices.



CORPORATE GOVERNANCE

Corporate governance is a set of policies, processes and procedures guiding the way a corporation is directed and controlled. It covers stakeholders, the relationship between them, the company and the strategic vision of the company. The governance structure specifies the distribution of rights and responsibilities among different stakeholders of the corporation and specifies the rules and procedures for making decisions in corporate affairs. Corporate governance provides the structure through which corporations set and pursue their objectives, while reflecting the context of the social, regulatory and market environment. It is a mechanism for monitoring the actions, policies and decisions of the corporation.

Corporate governance protects the interests of all stakeholders while respecting duty of the Board and Management to oversee affairs of the company and promote long-term growth and profitability.

Board of Directors Composition

IDCOL is managed by an eight member independent Board of Directors comprising four senior government officials and three prominent entrepreneurs from the private sector nominated by the Government and an appointed full time Executive Director & Chief Executive Officer.

Role & Responsibilities

The Board is committed to the Company to achieve superior financial performance and long term prosperity, while meeting stakeholders' expectations of sound corporate governance practices. The Board determines the corporate governance structure of the Company. As with all business activities, the Board is proactive in respect of corporate governance and puts in place those arrangements which it considers are in the best interest of the Company and its shareholders and consistent with its responsibilities to other stakeholders.

The Board duly complies with the guidelines issued by Bangladesh Bank regarding the responsibility and accountability of the Board, its Chairman and Chief Executive, vide DFIM Circular No. 7 dated September 25, 2007. The Board of Directors is in full control of the Company's affairs and is also fully accountable to the shareholders. They firmly believe that the success of the Company largely depends on the credible corporate governance practices adopted by the Company. Taking this into consideration, the Board of Directors of IDCOL set out its strategic focus and oversees the business and related affairs of the Company. The Board also formulates the strategic objectives and policy framework for the Company. In discharging the above responsibilities, the

Board carries out, inter alia, the following functions as per the charter of the Board and Bangladesh Bank's DFIM Circular No. 7, dated September 25, 2007.

Committees of the Board

The IDCOL Board may form special Committees comprising Board members or any other members from outside of the Company for special purposes. The following are the existing committees of the IDCOL Board-

1. Audit Committee
2. Credit Committee
3. Recruitment and Promotion Committee

Audit Committee Composition

IDCOL has a three-member Audit Committee comprising the Secretary of Finance Division as the Chairman and two private sector Directors of the Company.

The members are:

1. Mr. Mahbub Ahmed, Director
2. Ms. Nihad Kabir, Director
3. Mr. Abdul Haque, Director

Role & Responsibilities

The Audit Committee assures the independence of IDCOL's internal control functions and audit activities in compliance with the requirements established in Development Credit Agreement, Agency and Administration Agreement, various Project Agreements and Boards' decisions.

This Committee is responsible-

1. to monitor the integrity of the company's financial statements and announcements;
2. to review internal financial control;
3. to monitor and review the internal audit function;
4. to recommend the appointment or replacement of external auditors and review the effectiveness of their work;
5. to develop and implement policies on the use of the auditors for non-audit services.

Credit Committee Composition

The seven-member committee is currently headed by the Secretary, Finance Division. The other six members are – Secretary, Ministry of Education, Secretary, Power division, three members from the private sector Directors of the IDCOL Board and the CEO, IDCOL.

Members of the committee are:

1. Mr. Mahbub Ahmed, Director
2. Mr. Md. Nazrul Islam Khan, Director
3. Mr. Monowar Islam ndc, Director

4. Ms. Nihad Kabir, Director
5. Mr. Waliur Rahman Bhuiyan, Director
6. Mr. Abdul Haque, Director and
7. Mr. Mahmood Malik, Executive Director and CEO

Role & Responsibilities

Credit Committee of IDCOL is primarily responsible for reviewing all project appraisal reports before submission to the Board for approval. The Committee reviews loan proposals and make recommendations to the Board. The approval of this Committee is mandatory before these documents are submitted to the Board for final approval. The Credit Committee shall analyze the credit proposal to see whether the proposal is consistent with IDCOL's credit policies and credit norms, guidelines/regulations of Bangladesh Bank, relevant laws etc. and has been presented by following all the required formalities. The Committee, in the light of its analysis, shall consider the positive and negative sides of the proposal and shall give its opinion/recommendation.

The Credit Committee also makes recommendations for pricing of all IDCOL loans. Besides, the Committee also provides guidance to the IDCOL Board with regard to IDCOL's role as lender of last resort in private sector infrastructure projects implemented in Bangladesh. It is to be mentioned here that the Credit Committee shall only give recommendation /opinion about a proposal; credits will be finally approved by the IDCOL Board.

Recruitment and Promotion Committee Composition

The Recruitment and Promotion Committee of IDCOL is a seven-member committee represented by Chairman, IDCOL, Secretary, Economic Relations Division, Secretary, Ministry of Education, Secretary, Power Division, three directors nominated from private sector and CEO, IDCOL.

Members of the committee are:

1. Mr. Mohammad Mejbahuddin, Chairman
2. Mr. Md. Nazrul Islam Khan, Director
3. Mr. Monowar Islam ndc, Director
4. Ms. Nihad Kabir, Director
5. Mr. Waliur Rahman Bhuiyan, Director
6. Mr. Abdul Haque, Director and
7. Mr. Mahmood Malik, Executive Director and CEO

Role & Responsibilities

The Committee deals with the recruitment and promotion related activities. The Committee is responsible for reviewing and making recommendations to the Board regarding all new recruitments and promotions of personnel within IDCOL, including the following:

1. selection of new officials and making recommendations to the board;
2. making recommendations to the board regarding promotions of staff and officials within IDCOL; and
3. making recommendations to the board regarding revisions in organizational structure and pay scale of IDCOL staff and officials.

Committees of the Management Management Committee Composition

The Board delegates responsibility for the day-to-day management of the Company to the Management Committee. The Executive Director & CEO is the Chairman of the Committee. The committee consists of the following members:

1. Mr. Mahmood Malik, Executive Director & CEO
2. Mr. S. M. Formanul Islam, Deputy CEO
3. Mr. S. M. Monirul Islam, Chief Financial Officer and Head of Operations
4. Mr. Nazmul Haque, Director (Investment) and Head of Advisory
5. Mr. Md. Enamul Karim Pavel, Head of Renewable Energy
6. Mr. M. Maftun Ahmed, Company Secretary

Role & Responsibilities

The Board delegates responsibility for the day-to-day management of the Company to the Management Committee. The Committee is responsible for ensuring that the business is operating effectively within the strategy and risk appetite agreed by the Board. Responsibility of the Committee includes all aspects of the ongoing operation of IDCOL. The Committee time-to-time delegates day-to-day operations to the Executive Officer.

Asset Liability Management Committee Composition

The committee comprises of the senior management of the company. Members of the committee are:

1. Executive Director & CEO
2. Deputy CEO
3. Chief Financial Officer and Head of Operations
4. Director (Investment) and Head of Advisory
5. Head of Renewable Energy

Role & Responsibilities

The functions of the Asset Liability Management Committee will be as under:

- To assume overall responsibilities of Money Market activities.



- To manage liquidity and interest rate risk of the Financial Institutions.
- To understand the risk elements involved within the business.
- To understand the market position and competition etc.
- To provide inputs to the Treasurer regarding market views and to update the balance sheet movement.
- To deal with the dealer's authorized limit.

Credit Risk Management (CRM) Committee Composition

The CRM Committee evaluates all projects/proposals of financing activities of the Company from the risk point of view. Headed by the CEO, the committee consists of the following members:

1. Executive Director & CEO
2. Deputy CEO
3. Chief Financial Officer and Head of Operations
4. Director (Investment) and Head of Advisory
5. Head of Renewable Energy

Role & Responsibilities

The functions of the CRM Committee will be as under:

- be responsible for the implementation of the credit risk policy/ strategy approved by the Board;
- monitor credit risk and ensure compliance with limits approved by the Board;
- recommend to the Board, for its approval, clear policies on standards for presentation of credit proposals, financial covenants, rating standards and benchmarks;
- taking decisions in terms of capital allocation and defining limits in line with the risk strategy;
- decide delegation of credit approving powers, prudential limits on large credit exposures, standards for facility collateral, portfolio management, facility review mechanism, risk concentrations, risk monitoring and evaluation, pricing of facilities, provisioning, regulatory/legal compliance, etc.;
- lay down risk assessment systems, develop MIS, monitor quality of facility/investment portfolio, identify problems, correct deficiencies and undertake facility review/audit; and
- undertake portfolio evaluations and conduct comprehensive studies on the environment to test the resilience of the facility portfolio.

Risk Management Forum Composition

Risk Management Forum is headed by the Deputy CEO of the Company. The forum consists of the following members:

1. Mr. S. M. Formanul Islam, Deputy CEO
2. Mr. S. M. Monirul Islam, Chief Financial Officer and Head of Operations
3. Mr. Nazmul Haque, Director (Investment) and Head of Advisory
4. Mr. Md. Enamul Karim Pavel, Head of Renewable Energy
5. Ms. Farzana Rahman, Unit Head (Investment), Other Renewable Energy

Role & Responsibilities

The role and responsibilities of the forum will be as under:

- designing overall risk management strategy of the FI;
- communicating views of the board and senior management regarding the Risk Management Culture and Risk Appetite all over the organization;
- preparing risk management policies and procedures;
- monitoring the prescribed/threshold limits of Risk Appetite set by the regulator and/or by the organization itself;
- developing, testing, and observing the use of models to measure and monitor the risks;
- developing and overseeing implementation of stress testing;
- overseeing the Capital Management functions in accordance with the Risk Based Capital Adequacy measurement accord i.e. BASEL-II /III;
- determining the most cost-effective way to minimize the risks;
- highlighting the risky portfolios and deficiencies of the company on timely manner and reporting these analyses to the Executive Director & CEO as well as the Board of Directors with specific recommendations and suggestions;
- reviewing the market conditions, identifying the external threats and providing with recommendations for precautionary measures accordingly; and
- developing overall information system/MIS to support risk management functions of the organization.

Risk Analysis Unit Composition

The unit consists of the following members:

1. Mr. M. Maftun Ahmed, Company Secretary
2. Mr. Md. Sohel Rana, Internal Auditor
3. Mr. Farhan Reza, Unit Head (Credit Administration)

Role & Responsibilities

Risk Analysis Unit will be responsible solely to identify and analyze all sorts of risks appropriately and timely. The role and responsibilities of the unit are-

- collecting all relevant data related to the risk indicators from different models and information system at the earliest;
- assessing the quality, completeness and correctness of those data;
- identifying and quantifying the risks and their exposures to material loss;
- preparing Risk Management Paper (RMP) in monthly basis; and
- conducting periodic Stress Testing.

Internal Control and Compliance Unit

Composition

Internal Control and Compliance unit is headed by the Deputy CEO of the Company. The unit consists of the following members:

1. Mr. S. M. Formanul Islam, Deputy CEO
2. Mr. S. M. Monirul Islam, Chief Financial Officer and Head of Operations
3. Mr. Md. Enamul Karim Pavel, Head of Renewable Energy
4. Mr. M. Maftun Ahmed, Company Secretary

Role & Responsibilities

The unit is mainly responsible for establishing and maintaining adequate internal control systems to ensure compliance of the Company, developing internal control process, procedures and policies to ensure that the company's business activities and associated risks are well managed.

Internal Audit Department

Composition

The department is mainly responsible for establishing and maintaining adequate internal control mechanism and ensure compliance with the policies and procedure of the Company. Currently, an Internal Auditor works under the department. The Internal Auditor is-

1. Md. Sohel Rana, Internal Auditor

Role & Responsibilities

The Internal Audit Department has the following responsibilities:

- Working with Board committees and management to ensure that a system is in place to identify and analyze all major risks, on a regular basis;

- Planning, organizing and carrying out the internal audit function including the preparation of an audit plan which fulfils the responsibility of the department;
- Providing management, audit committee and the Board with opinions on the internal controls in the organization;
- Carrying out an independent appraisal of the effectiveness of the policies, procedures and standards by which the financial, physical and information resources of the organization are managed; and
- Adding value by acting as a facilitator in business risk management and carrying out value for money reviews, thereby assisting the management and the Board in the effective discharge of their responsibilities;
- The Internal Auditor will report directly to the Board or Board committees;

The CEO, IDCOL or Deputy CEO will supervise the work of Internal Auditor in terms of making periodical reports to the Board or Board committees.

IT & MIS Department

Composition

Information Technology and Management Information Systems is an integral part of the Corporate Governance. A full-fledged department ensures adequate IT and MIS infrastructure and its security. The department includes the following members:

1. Mr. S. M. Monirul Islam, Chief Financial Officer and Head of Operations
2. Mr. Mohammad Rashedul Islam, Senior IT Officer
3. Mr. Murshed Ahmed, Junior IT Officer

Role & Responsibilities

The IT & MIS Department's primary objective is to streamline the management information systems with the strategic direction of the Company. In this regard, implementation of the organizational structure with well-defined roles for the responsibility of information, business processes, applications, infrastructure, etc. generates value for the stakeholders while mitigating the risks associated with incorrect deployment and use of Information-Technology.





CREDIT RISK **MANAGEMENT**

IDCOL strongly believes that Credit Risk Management is an essential component for successful operation of an organization as it refers to the process of risk assessment in order to derive sound investment decision.



CREDIT RISK MANAGEMENT

IDCOL strongly believes that Credit Risk Management is an essential component for successful operation of an organization as it refers to the process of risk assessment in order to derive sound investment decision.

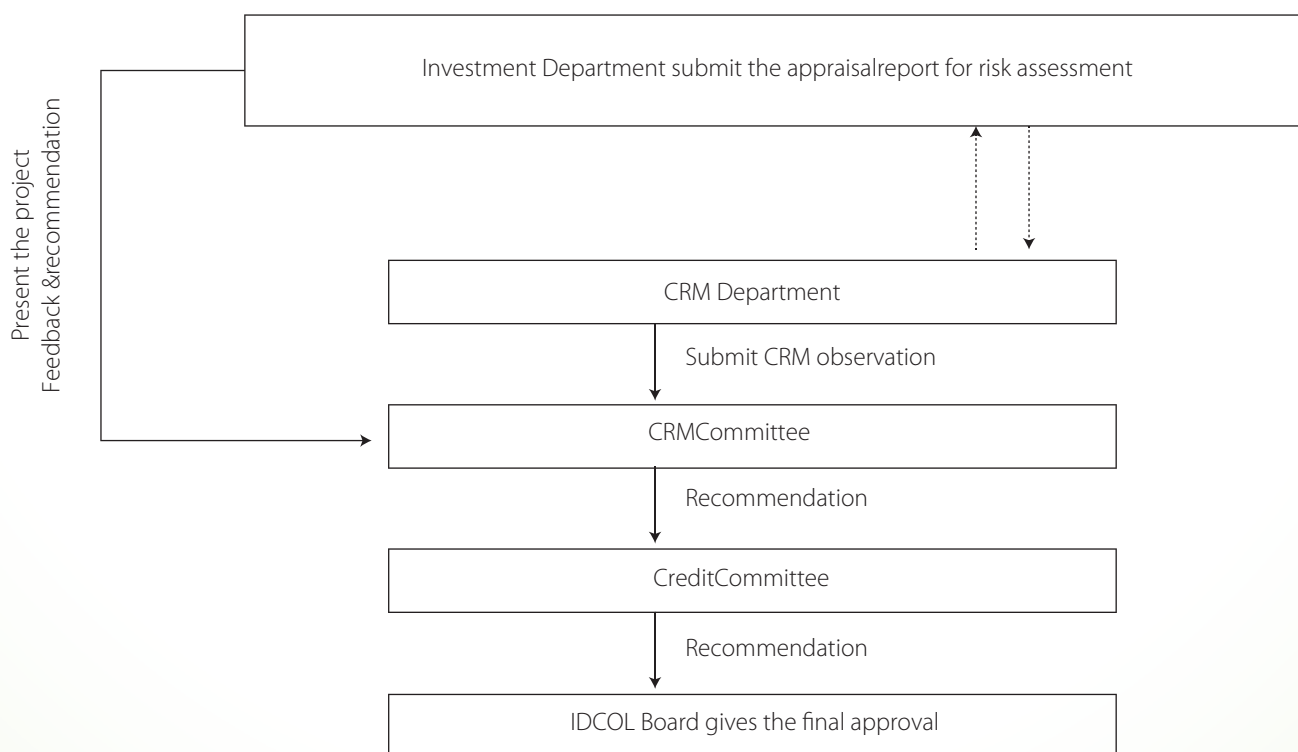
The Company maintains round the year practice on Credit Risk Management by adopting the spirit of Credit Risk Policy Manual which has been developed internally following the Guidelines for Managing Core Risks of Financial Institutions issued the Bangladesh Bank and Industry best practices.

In IDCOL credit risk is managed through a framework set by policies and procedures developed by Management and approved by the Board. The responsibility is clearly segregated between origination of business and approval of the transaction in order to maintain the independence and integrity of the credit decision-making process. The project appraisal team, after completing their detailed due diligence of the project, submits the completed project appraisal report to Credit Risk Management (CRM) department. After

the risk assessment of CRM, the project is submitted to CRM committee headed by CEO and comprising of functional unit heads. Once approved by the CRM Committee, it goes to Credit Committee for their review and approval. Final approval authority rests on the IDCOL Board.

Till year 2014, the Investment Teams used to present the projects directly to the CRM Committee for their assessment. At the end of fiscal year 2014, IDCOL developed a dedicated CRM department to analyze loan applications thoroughly and to provide independent risk assessment & recommendation to the investment teams, to scrutinize projects from a risk-weighted perspective and assists the management in creating a high-quality credit portfolio that maximize returns from risk assets.

IDCOL credit approval process is designed with the aim of combining an appropriate level of authority for timely and effective decision-making. The approval process flowchart is as below:



Flowchart of Approval Process

IDCOL follows Risk management in a basic five-step process. First, identify the sources of risk. Second, measure how important the risk is. Third, come up with strategies to limit or eliminate the risk. Fourth, implement the strategies. Finally, continue to monitor the sources of risk to determine whether the strategies are effective or need revision.

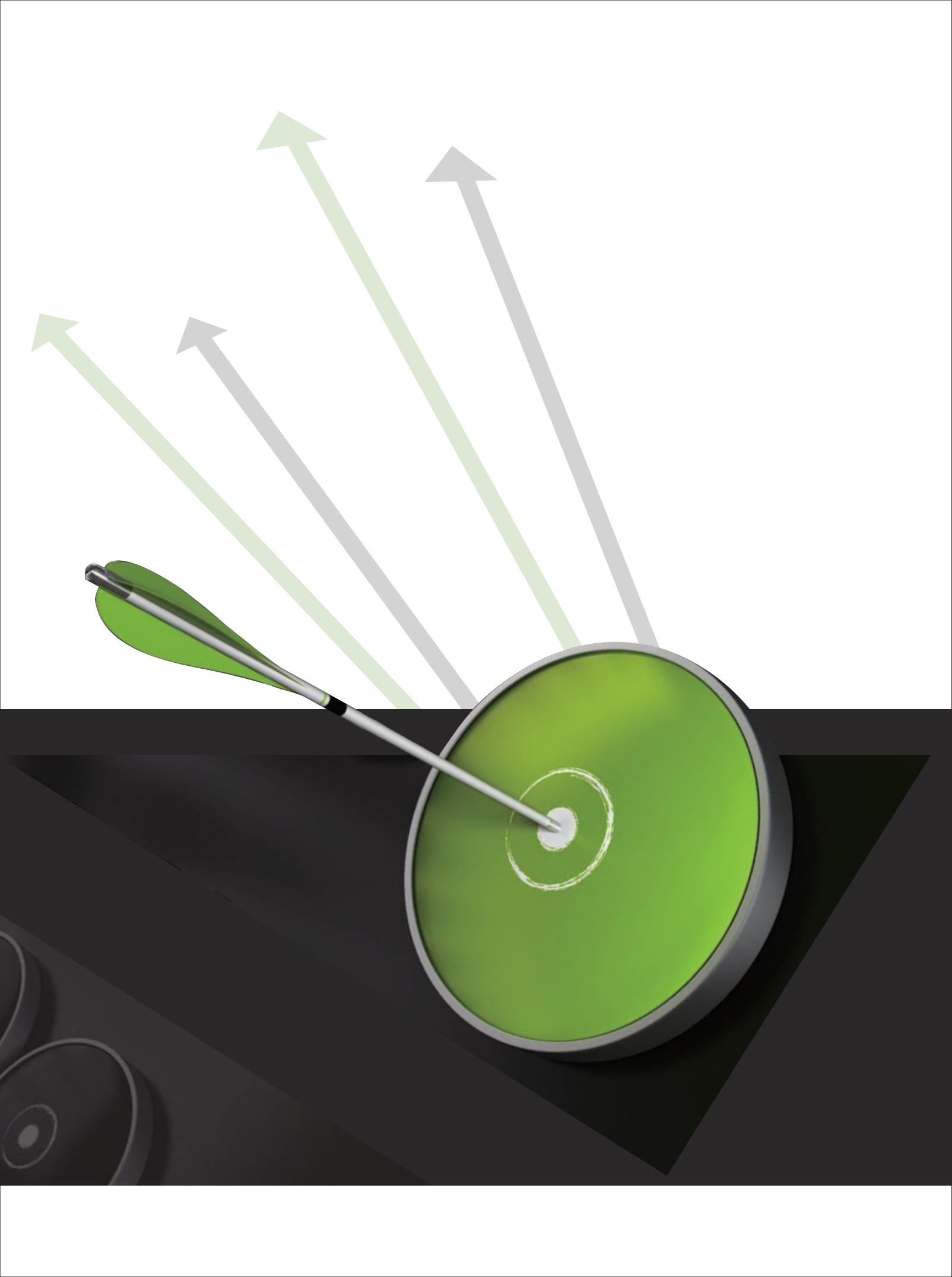
The Company uses Asset Risk Rating Policy i.e. Credit Risk Grading (CRG) scale to both new and existing borrowers. It consists of 8 categories, of which categories 1 to 5 represent various grades of acceptable credit risk and 6 to 8 represent unacceptable credit risk. Any client whose rating is equal and above 6, may not be considered for the loan. CRM department is committed to review CRG at least once in a year and periodical review as and when required. This process allows the management to monitor changes and trends in risk levels and manage risks to optimize returns.

As part of continuous endeavor to improve Risk Assessment-Process, CRM department initiated the followings:

- Developing Credit Memorandum to be prepared by the Investment Teams while submitting the proposals to CRM.
- Revision of Credit Approval Process by inserting CRM department in the process flow.
- Developing Quarterly Monitoring Report to be prepared by Investment Teams to ensure proper follow up on the progress of the approved projects.
- Developing Quarterly Monitoring Report to be prepared by Loan Department to ensure proper follow up being done for on-time payment collection and documentation completion.

CRM also actively participates in the on-going review process of Credit Risk Policy Manual to improve policies to cope up with changing business scenario and regulatory requirement. The Company continuously endeavors to improve the internal credit risk rating methodologies and credit risk management policies and practices, to reflect the true credit risk of the portfolio and to have proper control on the risk management in the Company.







ENVIRONMENTAL & SOCIAL **COMPLIANCE**

IDCOL recognizes the significance of environmental health and safety and social (E&S) safeguards in infrastructure development and believes in sustainable development.



Commitment To E&S Compliant Development Initiatives



1. Policy

Infrastructure Development Company Limited (IDCOL) has a mandate of bridge financing for developing medium to large-scale infrastructure and renewable energy projects in Bangladesh. IDCOL recognizes the significance of environmental health and safety and social (E&S) safeguards in infrastructure development and believes in sustainable development. So, it has adopted the following policy:

- a) mainstream environmental and social (E&S) considerations in appraising and financing infrastructure projects to avoid/minimize adverse impacts and risks to the environment and people that may be affected;
- b) ensure compliance with all relevant E&S policy and legislative requirements and laws of the lands with which it engages and remain responsive to the E&S requirements of international best practices;
- c) avoid/minimize land acquisition and resettlement through selection of appropriate locations and design of projects;
- d) where land acquisition is unavoidable, compensate replacement value of such acquired land/property will be paid before displacement or replace with land having equal value and quality together with other facilities such as housing and basic infrastructure facilities; and
- e) ensure protection of vulnerable groups, such as the economically and socially disadvantaged, women, children, physically handicapped and indigenous people such as adivasi populations and take appropriate measures to restore their livelihood as relevant.

2. Guidelines

To ensure satisfactory compliance of E&S safeguards, IDCOL has adopted two detailed guidelines. These guidelines are-

- I. Environmental and Social Safeguards Framework (ESSF), which is applicable in large and medium infrastructure projects. It has been developed in compliance with the guidelines of Department of Environment (DOE). In addition, it is also in compliance with the Safeguards Policy Statement, 2009 of Asian Development Bank (ADB) and IFC EHS Guidelines.
- II. In case of renewable energy project, IDCOL has adopted an Environmental and Social Safeguards Management Framework (ESMF). This is in compliance with the requirement of DOE. It is also compatible with the E&S safeguards of ADB, The World Bank, Japan International Co-operation Agency, KfW and so on.

3. Institutional Arrangement

In ensuring the satisfactory implementation of E&S compliances, IDCOL has adopted two approaches, which are-

Active approach-As an active approach, it has deployed two full time Environmental Specialists of which one is in charge of renewable energy projects and another one is dedicated for medium and large infrastructure projects.

Passive approach-As an institute IDCOL is committed for sustainable development of which the prime condition is to ensure E&S safeguards in its operation. As a result, IDCOL management has ensured the satisfactory orientation on E&S in all tiers of operation and management.

From the following Figure 1, we get an overview of considering E&S issues in different phases of a project cycle with an effective integration of both active and passive approaches in IDCOL, which focuses on medium and large infrastructure projects. This balance integration of active and passive approaches has not only ensured E&S compliant development interventions but also it has enhanced the security of IDCOL's investment to a greater extent.

ESSF Operational Procedures for Refinance/Existing Projects

- ESSMU shall disclose to the project proponent-ESSF procedures; Requirement of PEAR/IPSA; ToR for EIA/IEE/RP/ADP reports; Site visit requirement; Conditions precedent and subsequent to disbursement

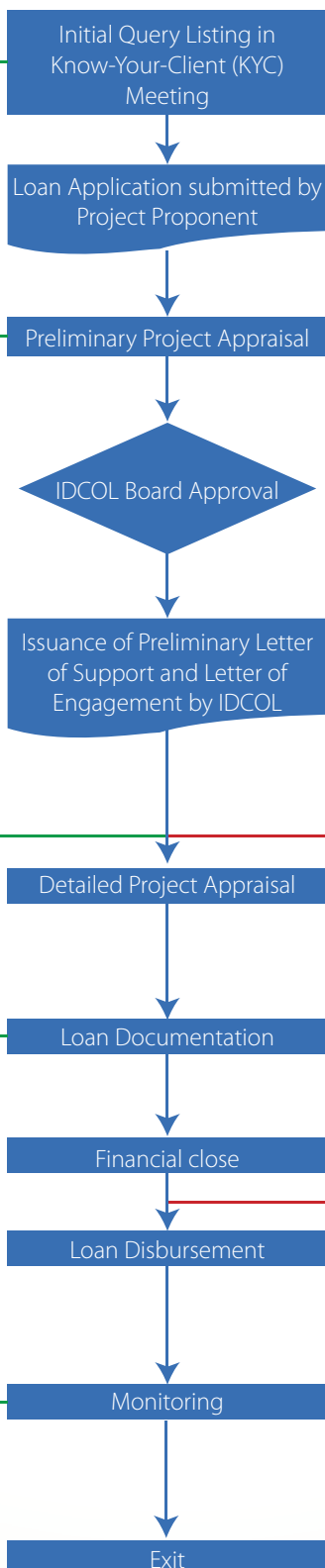
- Check against the prohibited investment activities list
- Environmental and social risk rating
- Site visit for High risk projects
- Project proponent shall submit the EIA and EMP reports
- Preliminary Environmental Appraisal Report (PEAR)
- Initial Poverty and Social Assessment (IPSA)
- In-principle approval of project proponent on conditions in PEAR/IPSA
- PEAR & IPSA sent ADB for approval of high risk project

- ESSMU shall conduct EDD and prepare the CAP
- Public Consultation to be conducted by project proponent where required for High risk projects

- Covenants to be inserted on IDCOL's ESSF requirements

- Environmental Clearance Certificate to be submitted by project proponent before commencement of operations
- Half yearly/annual monitoring reports on implementation of EMP/RP/ADP
- Monitoring of select High risk projects by ESSMU

IDCOL's Business Process



ESSF Operational Procedures for New Projects

- ESSMU shall disclose to the project proponent- ESSF procedures; Environmental and social risk rating; Requirement of PEAR/IPSA; ToR for EIA/IEE/ADP reports; Site visit requirement; Conditions precedent and subsequent to disbursement

- Check against the prohibited investment activities list
- Environmental and social risk rating
- Site visit for High risk projects
- Preliminary Environmental Appraisal Report (PEAR)
- Initial Poverty and Social Assessment (IPSA)
- In-principle approval of project proponent on conditions in PEAR/IPSA
- PEAR & IPSA sent ADB for approval of high risk project

- EIA/IEE and EMP and RP/ADP submitted by project proponent
- Public Consultation where required for High risk projects by project proponent

- Covenants to be inserted on IDCOL's ESSF requirements

- Location Clearance Certificate to be submitted by project proponent

- Environmental Clearance Certificate to be submitted by project proponent before commencement of operations
- Half yearly/annual monitoring reports on implementation of EMP/RP/ADP
- Monitoring of select High risk projects by ESSMU

4. Corporate Advisory Service

While attending in various national and international trainings, IDCOL has achieved satisfactory in-house strengths in dealing E&S compliances of various sector including renewable energy, power, telecommunication, tourism and so on. So, it has felt the necessity of disseminating the learning. Accordingly, it has started to conduct environmental impact assessment for various projects on a commercial basis through Corporate Advisory Service. In regard of such initiative, IDCOL could be considered as a pioneer financial institution in Bangladesh. The relevant stakeholders including the DOE has appreciated this initiative



Photograph 2: Leading ISO Consultant Dr. Murphy is in a capacity building session at IDCOL

5. Recognition

IDCOL's strength on E&S safeguards has also been acknowledged in international communities as well. Being selected by World Resources Institute (WRI) of USA, IDCOL is serving as a Technical Working Group (TWG) Member with the responsibility of revising the GHG Action and Policy Standards. Being satisfied with IDCOL's expertise, later on it has been selected as Pilot Tester, which is a global recognition of IDCOL's strength in dealing advanced environmental issues. In this assignment IDCOL is working with WRI, World Business Council for Sustainable Development (WBCSD), The World Bank, IFC and so on.

Considering the competence, IDCOL has recently been selected as a TWG Member in formulating GHG Accounting and Risk Management Guidance for Financial Intermediaries. This is a joint initiative of UNEP FI and GHG Protocol, USA. In this assignment IDCOL is working with WRI, WBCSD, the World Bank, J P Morgan, Bank of America, BNP Paribas, Deutsch Bank, Bank of Australia, Bank of Gothenburg, UBS and so on. In addition, IDCOL has already developed a working relationship with Population-Environment Research Network (PERN). PERN is an initiative of National Aeronautics and Space Administration (NASA), USA.

6. Capacity Building of Stakeholders

From the inception, IDCOL prioritizes the importance of capacity building of stakeholders including peer FIs. In this regard, the two courses are worth mentioning—Financial Modelling and Project Financing. In addition, being compliant with the vision of Bangladesh Bank, it has already arranged a number of informal sessions for peer FIs and other stakeholders to raise awareness and enhance basic understanding on various issues in relevant with EHS. Considering the response of the participants, IDCOL is considering to arrange such type of events on a regular basis.

7. Research and Development

In addition to complying with the existing national guidelines and relevant best practices, IDCOL formulates various measures/policies, which seem to be relevant to ensure sustainable development. Some of them are depicted as follows:

ISO Consultant De-listing criteria—Globally ISO certificates are considered as an evidence of reliability. But there is scope to be misled by unexpected practice of some ISO Certification bodies. In this regard, IDCOL has developed ISO Consultant De-listing Criteria, which has been well acknowledged by the ISO certification bodies.

Guideline of Introducing New project Component-In general IDCOL adopts the IFC and ADB exclusion list of projects. But it feels that due to development of technology and variation of market demand, there is risk of entertaining a project which is not included in these exclusion list but can emerge as significant environmental threat. In this regard, IDCOL has introduces Guidelines on Introducing New Project Component. It is basically a bridge of knowledge of academicians, govt., development partners and general people about potential impacts on a latest technology/project.

8. Holistic Approach about Global Environmental Pollution

IDCOL is committed to reduce environmental pollution not only at national level but also at global context. In this regard it has adopted a holistic approach. For example, in case of imported lead-acid battery and PV panel, it has made mandatory for the suppliers to submit the environmental clearance certificate issued by the respective agency of the manufacturing country, complying with ISO 14001, OHSAS 18001 standards; and above all submission of EHS Compliance Report of the manufacturing plant. The main objective of this approach is to ensure that the expatriate manufacturing plant is considering the EHS compliance with due importance.

9. Disclosure and Grievance Redress

IDCOL believes in transparency and free flow of information. In this regard, it is following a structured process of disclosing the relevant information on E&S safeguards of its projects. In case of project visit, IDCOL has made it a regular practice for the respective official to discuss with local community including representative of civil society and provide them the

contact, which offers the adversely affected parties (if there is any) an opportunity to put their grievances. As a result so far no significant grievances has been recorded about any IDCOL funded project.

In addition, for renewable energy projects IDCOL has set-up a Call Centre, which is being operated by two full-time officials. The prime responsibility of this Call Centre is to note the grievances raised by the SHS customer and to adopt required measures to solve the grievances with due priority. The effectiveness of response of this Call Centre is monitored by the senior officials on a regular basis.

10. Relevant Issues under Consideration

IDCOL is trying to achieve excellence on E&S. So, in addition of adopted measures, it is considering the following two issues.

Energy efficiency- IDCOL realizes the importance of energy efficiency. It is in the process of preparing the Energy Efficient Guidelines, while will facilitate energy efficient behavior of officials and energy efficient operation as an institute.

Climate Change Policy- IDCOL is working with the Government of Bangladesh as well as development partners on climate change aspect. In this regard, an in-house Climate Change Policy can be useful to address climate change issue in its day to day operation. This will not only make its investment more resilient to the adverse impact of climate change but also will facilitate the availability of the service even at a more climate vulnerable scenario. IDCOL is considering to adopt a Climate Change Policy with due importance.







HUMAN RESOURCE **MANAGEMENT**

Our employees are result oriented individuals, who uphold the values of the organization by being creative, open, respectful, ethical and passionate.

HUMAN RESOURCE MANAGEMENT

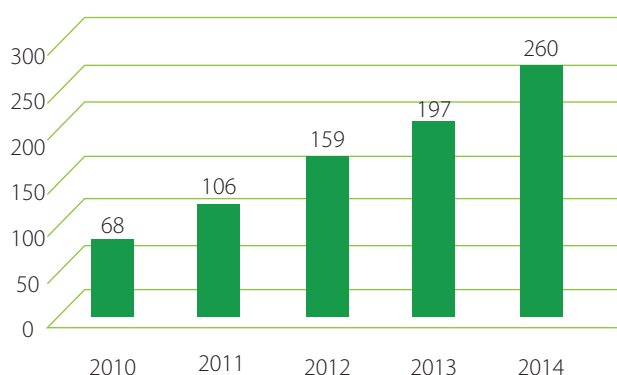
Our Human Capital

We believe employees are the most important assets of our organization. Our employees are result oriented individuals, who uphold the values of the organization by being creative, open, respectful, ethical and passionate. Here talent is rewarded, ambition is stoked and pride is earned. The way we stand up for our people helps us to stand out from the competition.

Reflection of the Past Years

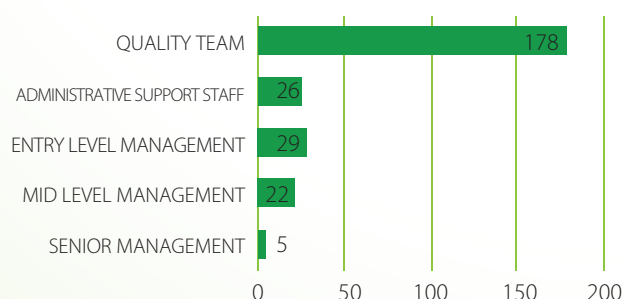
Since its inception, IDCOL's HR strategy focused on getting the right internal structures and processes in place, investing in employee development and engagement and supporting business growth and development. Getting the right internal structures and processes in place IDCOL has seen rapid and significant growth over the past five fiscal years, with employee numbers increasing from 68 to 260. This increase generated a need for ensuring that the organizational structure and processes were fit to face the challenges and opportunities of the future.

Comparative Analysis of Staff Strength



Our employee category status as on June 2014 is shown below:

Employee Category



Core Values at Work

- **Strategically focused:** We are strategically focused towards the vision of our organization and we work collectively for the best interests of the organization and the workforce.
- **Result oriented:** We are dedicated to quality, excellence and continuous improvement in our job and we work to ensure that the Company remains competitive in the market.
- **Zero tolerance of corruption and sexual harassment:** We maintain zero tolerance policy on corruption and sexual harassment. We guide our employees to be transparent in performing tasks while respecting the security of confidential and personal information entrusted to the Company.
- **Professionalism:** We adhere to high professional standards of competency and we act with honesty and integrity.
- **Accountability:** We take full responsibility of our assigned tasks and we are accessible to answer anything related to our work.
- **Respectfulness:** We are strongly guided by the norms and values of our Company and we respect individual differences.

Strategic HR Management

It is our strategy to use integrated HR instruments throughout the organization to find, bind and support our employees. As a modern corporation, our policies are guided by the organizational targets as well as social and economic changes. We aim to remain flexible, close to the market and mobile to maintain the success of our employees. We are accordingly consistent while developing our employee's skills and competencies. The mainstays of our HR management are talent management, performance management, rewards management, training and development, retention management and culture management. All these aspects are interlinked and thereby contribute to the overall IDCOL HR strategy.

Highlights of our People Practices Strategy

At IDCOL, we work collectively to achieve organizational excellence by collaborating standard people practices. The highlights of our people practices strategy are given below:

1. **A well balanced work place:** Here employees are provided with a challenging, rewarding, enjoyable and fulfilling career; whereas employees are assisted in balancing their career, home and personal life through supportive human resource policies and management approaches.

2. A place for continuous learning and development:

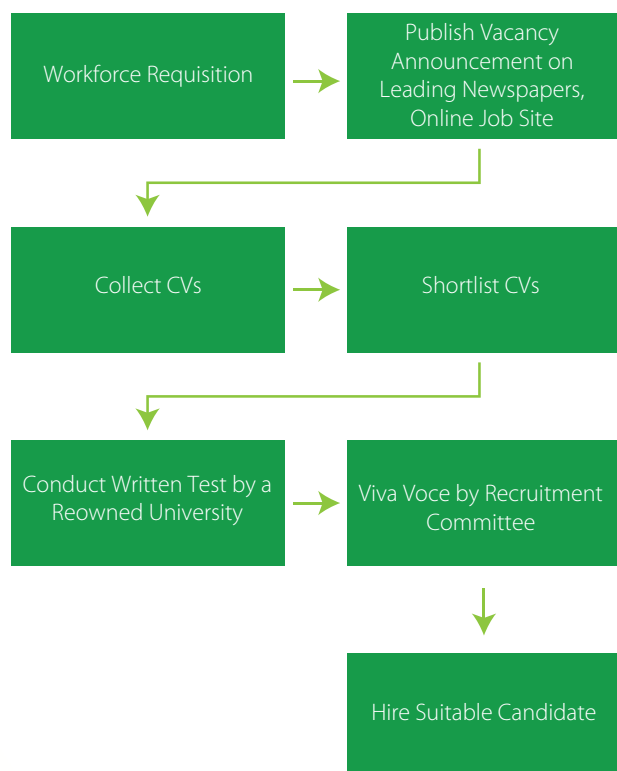
We foster learning as a way of life, encourage creativity and actively promote and invest in the skill and knowledge development of every employee.

3. A well reputed organization that ensures service excellence:

We embrace best practices and we ensure service excellence by effectively managing change and objectively measuring performance for continuous improvement.

Recruitment: The Right People at the Right Place at the Right Time

We believe that the successful recruitment of potential candidates is crucial in order to maintain a vibrant and proficient workforce. The flow diagram of our recruitment process is given below:



At IDCOL, we recruit employees on the sole basis of qualifications and abilities needed for the work to be performed. In this process any direct or indirect solicitation results disqualification of the candidature.

Competitive Employee Benefits Package

Our total compensation package is one of the key factors to the success of our recruitment and retention activities. As an employer, we provide a strong mix of direct compensation and benefits which include: cash compensation, performance bonus, festival bonus, provident fund, gratuity, LFA, hospitalization benefit, group life insurance benefit.

Training and Development

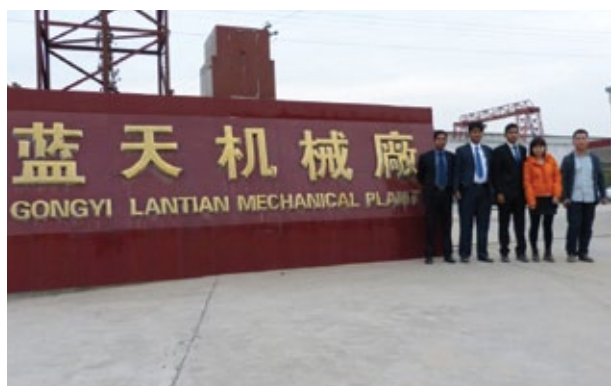
Capacity building of our employees is another key factor; hence we encourage and support our employees to develop their required skills through in-house meeting, outdoor training, seminar and workshop. We also organize exposure visit programs for our employees at home and abroad and during exposure visit programs, we focus on transferring corporate specific know-how and advancing skills of our employees.



IDCOL official attended a workshop on “Preparing for Scaled-up Climate Financing New Business Opportunities for Green Growth” at ADB headquarters in Manila



IDCOL Officials attended seminar in SMA Solar Academy, Germany



IDCOL officials exposure visit in China for supplier selection

Career Development

At IDCOL we offer lifelong learning opportunities to our employees by which they continue to learn and update their skills. By so doing, they become more productive to contribute to the competitiveness of our organization and also enhance their own employability. Lifelong learning and career development are therefore interdependent concepts and mean much more than just training. Thus, we promote lifelong learning program to our employees and aligned with that our career path guidelines allow them to move toward a personally determined and evolving preferred future.

Diversity Management

Diversity is about acknowledging and appreciating all the ways in which people differ, not just the obvious ones of gender, ethnicity and age, but also the less visible differences such as background, personality and work style. We believe diversity is a strategic success factor for our business and therefore, sustainable diversity management has become a crucial factor of our organization. We aim to achieve as much diversity as possible among the workforce, so that homogenous groups of employees can work more productively. In order to promote such diversity, we systematically integrate all aspects of modern HR concepts. IDCOL thereby creates an attractive working environment that allows a balance between professional and personal life.

Vigorous Workplace

At IDCOL we respect dignity of the individual and right of employees to freedom of association. Hence, we conduct our operations with honesty, integrity, openness and with respect for the human rights and interests of our employees. Here we leverage on the dynamics of our collective skills, knowledge and experience to achieve the best for the company. Our employees are guided to adopt best practices, methods and approaches in everything they do, so that we can remain competitive in the market.

We take all allegations of harassment seriously, including sexual, communal etc. and prohibit all forms of discrimination. It is our belief that creating a work environment that enables us to attract, retain and fully engage diverse talents leads to enhanced innovation and creativity in our services.

Well-being and Safety

We are committed to create a safe and healthy working environment for our employees. Hence we take into consideration circumstances related to work, such as working conditions and the environment. For this purpose, we organize numerous employee engagement programs for our employees, such as birthday celebration program, annual retreat program etc.



Birthday celebration program of IDCOL officials



IDCOL officials enjoying themselves at work

The Year Ahead

Planning for our future and creating strategies is an emerging priority for us. The upcoming year will continue to be a time of change for our development. Specific goal and priority includes:

1. **Adopting Best Practices:** As we continue to move forward, we will be looking forward to exploring the market practices and adopting best practices for the Company and this process will continue with our journey.
2. **Updating HR Technology:** We will also focus on updating our existing HR technology in order to adapt global best practices and we will also strive to address gaps that still exist in our current system and procedures.



INFORMATION AND COMMUNICATION TECHNOLOGY **WATER**
TELECOMMUNICATIONS **SPORTS** **SUPPLY**
RENEWABLE ENERGY
ENERGY EFFICIENCY SHIPYARDS AND SHIPBUILDING
GAS AND GAS RELATED INFRASTRUCTURE
TOLL ROADS AND BRIDGES SHIPYARDS AND SHIPBUILDING
MASS TRANSPORTATION SYSTEMS HOTEL AND TOURISM
POWER GENERATION
URBAN ENVIRONMENTAL SERVICES SOCIAL INFRASTRUCTURE



PROGRAMS & **PROJECTS**

IDCOL provides long-term and soft loans to viable private sector infrastructure and RE projects. It also channels grants to reduce the cost of RE projects as well as provides technical, logistics, promotional and training support.



IDCOL PROGRAMS AND PROJECTS

Infrastructure Projects

IDCOL provides long-term debt financing to viable privately-owned and operated infrastructure projects. To be eligible for IDCOL funding, projects must be included in the GoB's priority list and use proven technology. Infrastructure sectors in the current priority list include:

- Power Generation
- Telecommunications
- Information and Communication Technology
- Ports
- Renewable Energy
- Energy Efficiency
- Social Infrastructure
- Gas and Gas related Infrastructure
- Water Supply
- Toll Roads and Bridges
- Shipyards and Shipbuilding
- Hotel and Tourism
- Mass Transportation Systems
- Environmental Services
- Infrastructure Backward Linkage Industry, and
- Other projects approved by IDCOL Board



50 MW Rental power plant of BEDL at Fenchuganj, Sylhet.



Satellite Earth Station of DNS SatComm

Renewable Energy Program

Under Renewable Energy Program, IDCOL's current focus is on four major areas:

- A. Solar Home System (SHS)
- B. Domestic Biogas
- C. Improved Cook Stoves
- D. Other Renewable Energy Projects.

A. IDCOL SHS Program

IDCOL currently promotes SHSs in the off-grid remote rural areas of Bangladesh through its forty-seven (47) Participating Organizations (POs), namely:

1. Grameen Shakti;
2. Rural Services Foundation;
3. HilfulFuzulSamajKalyanSangstha;
4. Srizony Bangladesh;
5. SolarEn Foundation;
6. Bright Green Energy Foundation;
7. RDF;
8. BRAC Foundation;
9. Patakuri Society;
10. AVA;
11. UBOMUS;
12. IDF;
13. TMSS;
14. Rimso Foundation;
15. Shakti Foundation for Disadvantaged Women;
16. BRIDGE;
17. PDBF;
18. DESHA;
19. RISDA;
20. NUSRA;
21. Green Housing & Energy Limited;

22. Panna Rural Development Foundation;
23. REDI;
24. Bengal Renewable Energy Limited;
25. Ingen Technology Limited;
26. Shubashati;
27. Saif Powertec Limited;
28. CMES;
29. PMUK;
30. ADAMS;
31. Jagaroni Chakra Foundation;
32. Sunrim Energy Limited;
33. COAST
34. SDRS;

35. Al-Falah Aam Unnayan Sangstha;
36. HAMKO Corporation Limited;
37. Sun Home Energy Limited;
38. Pally Bikash Kendra;
39. MAKs Renewable Energy Company Limited;
40. Clean Energy Foundation;
41. Rural Development Sangstha;
42. Sancread Welfare Foundation;
43. UDDIPAN;
44. Atmabiswas;
45. Page Development Center;
46. FIVDB; and
47. Pally Shakti Foundation



Solar Home System Financed by IDCOL

SHSs are sold (mostly through micro-credit) by POs to the households and business entities in the remote rural areas of Bangladesh. IDCOL provides refinancing facility to the POs and channels grants to reduce the SHSs' costs as well as support the institutional development of the POs. In addition, IDCOL also provides technical, logistics, promotional and training assistance to the POs.

IDCOL started its SHS Program in 2003 with an initial target to finance 50,000 SHSs with financial assistance from the World Bank and GEF. Subsequently, German Development Cooperation (KfW), German Technical Cooperation (GIZ),



Beneficiaries of IDCOL Solar Home System

Asian Development Bank (ADB), Islamic Development Bank (IDB), Japan International Cooperation Agency (JICA), USAID, KfW, DFID, GPOBA (managed by the World Bank), participated in the program by providing refinancing and grant support. IDCOL now has a revised target of financing 6 million SHSs by 2017. Up to October 2014, a total of 3,357,609 SHSs have been installed under the program. IDCOL's Solar Program is one of the fastest growing renewable energy programs in the world. It has brought significant change in lives in remote rural areas of Bangladesh through providing access to electricity.

B. IDCOL Biogas Program

IDCOL has been implementing the IDCOL Biogas Program in Bangladesh since 2006. Initially, the program started as National Domestic Biogas and Manure Program (NDBMP) with the support from SNV, Netherlands Development Organization and KfW, German Development Cooperation. In 2012 the World Bank also joined to support the program under its Household Energy Initiatives. With the support from the World Bank, IDCOL restructured the Program in 2013. Under this program, IDCOL has a revised target to install

100,000 domestic size biogas plants in Bangladesh by 2018. Gas produced from these plants is being used for cooking purposes in rural households and this is expected to have a positive impact on the environment by preventing deforestation and improving soil fertility. In addition, the slurry, by-product of biogas plants, is a very good organic fertilizer. IDCOL is implementing the program through its 39 lending and Construction Participating Organizations (LCPOs), 2 Construction Participating Organizations (CPOs) and 4 manufacturing Participating Organizations (MPOs), namely:

LCPOs:

1. ADAMS;
2. Bright Green Energy Foundation;
3. Center for Community Development & Research;
4. DESHA;
5. Development of Poor Society;
6. Gram Bikash Kendra;
7. Ghashful;
8. Grameen Motsho O Poshusampad Foundation;
9. Grameen Shakti;
10. Green Housing & Energy Limited;
11. Hossain Biogas and Compost Fertilizer Company Ltd;
12. LPEP Renewable Energy Bangladesh Ltd;
13. MAKS Renewable Energy Co. Ltd;
14. Mohila Bohumukhi Sikkha Kendra;
15. NIRAPAD Engineering;
16. NUSRA;
17. Rahman Renewable Energy Company Ltd;
18. RISDA Bangladesh;
19. Rural Reconstruction Foundation;
20. Rural Services Foundation;
21. Samaj Unnayan Kendra;



IDCOL Biogas Program provides better kitchen condition

C. Improved Cook Stoves (ICS) Program

IDCOL launched the 'Improved Cook Stoves (ICS) Program' on 12 May 2013 with an eventful ceremony, inaugurated by the Honorable Prime Minister of Bangladesh. Through partnership with the World Bank, IDCOL plans to install 1 million ICSs throughout Bangladesh by 2018. The program not only reduces the indoor air pollution in the rural kitchens significantly but also results in up to 50% less firewood consumption compared to traditional stoves.

22. Shubashati;
23. Srizon Bangladesh;
24. WAVE Foundation;
25. National Development Programme;
26. Jagorani Chakra Foundation;
27. Shishu Niloy Foundation;
28. AVA Development Society;
29. Resource Development Foundation;
30. SOJAG;
31. ASHRAI;
32. Rural Development Sangstha;
33. Samaj Unnayan Palli Sangstha;
34. ARS- Bangladesh;
35. Action In Development;
36. IDEAL;
37. Panna Rural Development Foundation;
38. Rural Health Education & Credit Organization; and
39. Bengal Renewable Energy Ltd.

CPOs:

1. Biogas Technology Consulting Services Ltd; and
2. Gram Unnayan Shangstha.

MPOs:

1. Nooreya Biogas Engineering;
2. Advance Engineering;
3. Rathul Engineering; and
4. Nirapad Engineering

An expert level technical standards committee provides guidelines for the project implementation. Up to October 2014, a total of 34,880 plants have been constructed in several districts of the country. IDCOL provides Tk. 13,500 as investment subsidy for each biogas plant and 80% of the plant cost as refinance to the partner organizations for installing biogas plants as per the specifications and standards set by IDCOL.

Under the program IDCOL provides institutional development grant and technical assistance to its partner organizations (POs). IDCOL's principal objective is commercialization of ICS, which would allow the ICS market to develop and flourish after the completion of the Program.

IDCOL aims to achieve this target by implementing a market oriented approach that involves:

- Partnership with non-governmental/private sector organizations (POs)

- Creation of ICS clusters throughout the country and allowing a single PO to operate in each cluster to ensure easy market penetration
- Grant facility to the POs amounting BDT 505.26 per ICS for institutional and market development, while encouraging POs to undertake after-sale servicing
- Technical assistance such as training, publicity campaign, quality assurance program, ICS model testing, etc.
- Development of local entrepreneurship to manufacture ICSs in rural and suburban areas.

IDCOL is implementing the program through its 31 Participating Organizations(POs), namely:

1. Action in Development;
2. Al-Falah Aam Unnayan Sangstha;
3. ARS- Bangladesh;
4. ASHRAI;
5. AVA Development Society;
6. Centre for Mass Education in Science;
7. Desh Gori;
8. DESHA;
9. Esho Jati Gorhi;
10. Ghashful;
11. Grameen Shakti;
12. Green Housing and Energy Limited;
13. Integrated Development Foundation;
14. Jagorani Chakra Foundation;
15. MAKS Renewable Energy Company Limited;
16. Nari Unnayan Forum;

17. Nowzuwan;
18. PAGE Development Centre;
19. Palli Daridro Bimochon Foundation;
20. Rural Development Sangstha;
21. Rural Services Foundation;
22. Sancred Welfare Foundation;
23. Sinnomul Mohila Samity;
24. Social Assistance and Rehabilitation for the Physically Vulnerable;
25. Samaj Unnayan Kendra;
26. Sudipti Somaj Unnayan Sangstha;
27. Supti Mohila Unnayan Sangstha;
28. UDDIPAN;
29. Village Education Resource Center;
30. Voluntary Association for Rural Development;
31. Voluntary Organization for Social Development



IDCOL ICS reduces in-house air pollution

D. Other Renewable Energy Projects

In addition to the above, IDCOL has been financing various other renewable energy projects.

Solar based Irrigation Projects

Solar based irrigation system is an innovative, economic and environment friendly solution for the agro-based economy of Bangladesh. Solar panels utilize daily sunshine to generate electricity which, in turn, runs irrigation pump to provide uninterrupted irrigation. The technology has tremendous potential to reduce the pressure on grid electricity for irrigation purpose.

IDCOL plans to finance 1,550 solar based irrigation pumps by 2017. IDCOL provides subsidy, soft loan and technical support to ensure effective implementation of the initiative. Till date IDCOL has approved 230 solar irrigation pumps out of which 69 are already in operation.



Solar based Irrigation Project of NUSRA at Dhamrai, Dhaka

Solar Mini-grid Projects

IDCOL finances setting up of solar mini-grid projects in off-grid areas. IDCOL has already financed seven such projects located in island and char areas. A 100 kW solar mini-grid project located in a remote island in the Bay of Bengal is now operational. The Project is supplying electricity to adjacent 390 shops, 5 health centers and 5 schools. IDCOL provided soft loan and grant support for the project. By 2016, IDCOL has a target to finance 30 mini-grid projects.



Solar Mini-grid project of PUROBI at Sandwip

Biomass Gasification based Power Projects

IDCOL provided concessionary loans and grant support to two rice-husk based power plants, first one with a capacity of 250 kW at Kapasia, Gazipur and the second one with a capacity of 400 kW at Thakurgaon. Both the plants use rice husk as fuel for power generation. IDCOL has a target to finance 30 biomass based power plants with 200 kW of average capacity.



Rice-husk based Power Plant of Dreams' Power at Gazipur

Biogas based power plants

So far, IDCOL has financed 8 biogas based power plants. The plants use poultry litters as feed material in the digesters for generation of gas which, in turn, is used for generation of electricity. The largest plant with a total capacity of 400 kW uses four 100 kW gas generators. Slurry, produced as byproduct in the digesters, is used for production of bio-fertilizer.



Biogas based power used in Poultry Firm

Solar Powered Solution for Telecom BTS

IDCOL has financed solar powered solution for 98 telecom base transceiver stations (BTSs) in off-grid areas of Bangladesh. There are around 30,000 BTSs in Bangladesh providing quality voice and data services. Out of these BTSs, more than 3,000 are located in the off-grid areas. Moreover, there are many sites where grid connection is available but power outages last for 8-16 hours a day. Solar powered solutions provide continuous power supply to ensure uninterrupted voice and data services. IDCOL has a plan to finance 1,000 such solar powered solutions for BTS.



Solar powered BTS of Grameenphone Ltd.

Corporate Advisory Services

IDCOL has established an advisory wing to provide knowledge support to various local/foreign institutions on infrastructure projects, renewable energy projects, public private partnership, etc. IDCOL has already provided advisory services to delegates from Ethiopia, Ghana, Sudan, Guinea and Uganda. In addition, IDCOL signed a Memorandum of Understanding (MoU) with the Bangladesh Infrastructure Finance Fund Limited to provide necessary support in project due diligence and another one with IDLC Finance Limited to provide advisory services to design and launch new financial products for the suppliers under IDCOL Solar Home System (SHS) Program.



Experience Sharing on Renewable Energy Activities of IDCOL for Honorable Delegates from Guinea

To build capacity of local financiers and entrepreneurs, IDCOL regularly organizes training courses on project finance and financial modeling. These courses are intended to improve the understanding of young bank professionals with regard to the techniques employed in cash flow lending as well as the principles used to make them successful. The courses are also designed for officials representing government organizations, project sponsors and development companies, international organizations and consulting firms. Till date, IDCOL trained more than one thousand professionals in eighteen training courses on project finance, twelve courses on financial modelling, and a special course for officials of Prime Minister's Office and Ministry of Finance on loan evaluation techniques.



18th Project Finance Training Course Arranged by IDCOL

ACHIEVEMENTS OF IDCOL

Financed/Extended:

Power Generation:

- USD 80 million to Meghnaghat 450 MW Combined Cycle Power Plant, the single largest loan provided by a Bangladeshi Financial Institution to the private sector.
- USD 30 million to Energypac Confidence Power Venture Chittagong Limited for establishing a 108 MW power plant at Patiya, Chittagong.
- BDT 600 million to Summit Uttaranchal Power Limited and Summit Pubanchal Power Limited for setting up four small power plants with a total capacity of 110 MW.
- BDT 500 million to Barakatullah Electro Dynamics Limited for setting up a 50 MW rental power plant at Fenchuganj, Sylhet.
- BDT 1,000 million to Quantum Power Systems Limited for setting up two rental power plants with a total capacity of 215 MW at Bheramara, Khutia and Noapara, Jessore.
- BDT 200 million to Malancha Holdings Limited for the installation of a 34.5 MW power plant at Dhaka Export Processing Zone.
- BDT 200 million to Venture Energy Resource Limited for establishing a 34.5 MW rental power plant at Bhola.
- BDT 153.3 million to 33.75 MW expansion plant of Summit Power Limited.
- BDT 120 million to Shah Cement Power Limited, an 11.6 MW power plant.

Ports:

- BDT 80 million for two land port projects, namely Panama Hilli Port Link Limited and Panama Sonamasjid Port Link Limited.

Telecommunications:

- BDT 360 million and USD 10 million to Pacific Bangladesh Telecom Limited (PBTCL) cellular network expansion project.
- BDT 400 million working capital facility for Orascom telecom Bangladesh Limited.
- BDT 300 million to Banglalion Communications Limited for setting up a broadband wireless access network.
- USD 3 million to Bangla Trac Communications Limited for setting up an International Gateway (IGW).
- BDT 260 million to Fiber@Home Limited for setting up a nationwide telecommunication transmission network (NTTN).
- BDT 69 million to Fiber@Home Limited for establishing terrestrial cable landing station.
- BDT 125 million to Grameen Phone Limited cellular network expansion project.

- BDT 50 million to DNS SatComm Satellite Earth Station.
- BDT 30 million to Ranks Telecom Limited PSTN project.
- BDT 1,000 million in senior, secured, nonconvertible bond of Orascom Telecom Bangladesh Limited.
- BDT 500 million in unsecured, senior bond of Grameenphone Limited.

ICT:

- BDT 9.2 million to the IT enabled services industry through a credit line to Premier Bank Ltd. under the Shonchalok program.
- BDT 32.43 million to Click House Studio Limited for production of three-dimensional (3D) animation works.

Gas and Gas Related Infrastructure:

- BDT 31 million to Thermex Trade Limited for setting up a CNG refueling station.

Urban Environmental Services:

- BDT 152.52 million to Chittagong Waste Treatment Plants Private Limited for setting up a Central Effluent Treatment Plant at Chittagong Export Processing Zone.
- USD 541 million refinancing and grants to its POs for the promotion of 2,627,720 Solar Home Systems (approximately) in the remote rural areas of Bangladesh till September 2014.
- USD 9 million refinancing and grants to its POs for the promotion of 21,482 Biogas Plants (approximately) in the remote rural areas of Bangladesh till September 2014.

Other Renewable Energy:

- BDT 46.17 million as loan and grant to Purabi Green Energy Limited for setting up a 100 kW solar photovoltaic based mini grid at Sandwip.
- BDT 21.5 million as loan and grant to Dreams' Power (Pvt.) Limited for installation of 250 kW biomass gasification based power plant and expansion of its distribution network.
- BDT 14.45 million as loan and grant to Rashid Krishi Khamar Limited for setting up a 50 kW biogas based power plant.
- BDT 3.15 million as loan and grant to Grameen Shakti for setting up a 11.2 kW solar PV based submersible water pump at Shapahar, Naogaon.
- BDT 42.83 million to Electro Solar Power Limited for setting up a solar photovoltaic module assembling plant.
- BDT 95 million to Radiant Alliance Limited for setting up a solar photovoltaic module assembling plant.
- BDT 64.00 million to Sustainable Energy and Agro Resources Limited for 400 kW biomass gasification based power plant.

- BDT 123 million to InGen Technology Limited for setting up solar-diesel hybrid power system for 72 base transceiver stations (BTSs) of Grameenphone Ltd.
- BDT 1.74 million as loan to Seed Bangla Foundation for five bio-electricity plants.
- BDT 54.55 million to Phenix Agro Limited for setting-up four 100 kW biogas based electricity generation plants and an organic fertilizer plant.
- BDT 18.07 million to Japan Solartech (Bangladesh) Limited for solar-diesel hybrid power systems at 10 BTS sites of Grameenphone Limited.
- BDT 24 million to Rahimafrooz Renewable Energy Limited for solar-diesel hybrid power systems at 10 BTS sites of Grameenphone Limited and 6 BTS sites of Orascom Telecom Bangladesh Limited.
- BDT 4.65 million loan and BDT 6.20 million grant to Network for Universal Services and Rural Advancement for 5 solar PV based irrigation plants.
- BDT 4.23 million loan and BDT 5.64 million grant to Survivor's-Sancred Solar System Limited for 10 solar PV based irrigation plants.

Waiting for Drawdown:

- USD 30 million to Regent Energy and Power Limited for establishing a 108 MW power plant at Ghorashal, Narshingdi.

Approved during the Financial Year 2013-14:

Power Generation:

- USD 30 million to Summit Meghnaghat Power Company Limited for establishing a 305-335 MW Combined Cycle Dual Fuel (HFO/Gas) power plant at Meghnaghat, Narayanganj.
- USD 15 million to Lakdhanavi Bangla Power Limited for establishing a 52.2 MW Dual Fuel (HFO/Gas) power plant at Jangalia, Comilla.

Telecommunications:

- USD 5.9 million to Bangla Trac Communications Limited for financing long-term working capital requirement.
- BDT 80 million to Fiber@Home Limited for establishing terrestrial cable landing station.

Hotel and Tourism:

- BDT 100 million to Panigram Resort Limited for establishing a 48-key boutique, eco-resort at Chowgacha, Jessore.

Environmental Services:

- BDT 33.13 million to Sigma Engineers Limited for setting up a Central Effluent Treatment Plant at Comilla Export Processing Zone.

Other Renewable Energy:

- BDT 24 million to Rahimafrooz Renewable Energy Limited for solar-diesel hybrid power systems at 10 BTS sites of Grameenphone Limited and 6 BTS sites of Orascom Telecom Bangladesh Limited.

Arranged:

- Syndicated Term Loan Facility of USD 30 million and BDT 2,280 million for 108 MW HFO based power plant of Energypac Confidence Power Venture Chittagong Limited.
- Syndicated Term Loan Facility of BDT 100.07 million for expansion of Central Effluent Treatment Plant at Chittagong EPZ of Chittagong Waste Treatment Plant Private Limited.
- Syndicated Term Loan Facility of BDT 5,330 million for 110 MW Bheramara Power Plant and 105 MW Noapara power plant projects of Quantum Power Systems Limited.
- Syndicated Term Loan Facility of BDT 1,250 million for 51 MW power project of Barakatullah Electro Dynamics Limited.
- Syndicated Term Loan Facility of BDT 205 million for Central Effluent Treatment Plant at Chittagong EPZ of Chittagong Waste Treatment Plant Private Limited.
- Syndicated Equity and Term Loan Facility of BDT 128.3 million for DNS SatComm Satellite Earth Station Project, the single largest ICT infrastructure project of the country in the private sector.
- Syndicated Term Loan Facility of BDT 390 million for Shah Cement Power Ltd.
- Syndicated Term Loan Facility of BDT 265 million for Panama Hilli and Panama Sonamasjid Land port projects.
- Co-arranged USD 30 million for Pacific Bangladesh Telecom Limited expansion project 2006.
- Co-arranged BDT 2,500 million term loan facility for Malancha Holdings Limited power project.
- Co-arranged BDT 920 million term loan facility for Venture Energy Resources power project.
- Co-arranged BDT 3,955 million term loan facility for SUPCL and SPPCL power project.

IDCOL PRODUCTS AND SERVICES

Infrastructure Sector	<ul style="list-style-type: none">• Long-term local and foreign currency loans• Debt and equity arrangement• Agency Services• Corporate advisory services• Short-term local currency loans
Renewable Energy and Energy Efficiency Initiatives	<ul style="list-style-type: none">• Concessionary credit and grant support• Advisory services• Technical assistance and quality assurance• Capacity development of stakeholders• Facilitation in availing CDM benefits
Training Programs	<ul style="list-style-type: none">• Project Finance• Financial Modeling• Renewable Energy







CORPORATE SOCIAL **RESPONSIBILITY**

Since its inception, IDCOL has adhered to its social responsibility through making shared value and creating a sustainable impact in the society. Over the years, IDCOL has advanced its commitment to better understand our societies concerns and achieve sustainable business growth.

CORPORATE SOCIAL RESPONSIBILITY AT IDCOL

Since its inception, IDCOL has adhered to its social responsibility through making shared value and creating a sustainable impact in the society. As a responsible company, IDCOL believes that a business should use its diverse talent and resources to solve critical problems and serve the deprived people of the society. Over the years, IDCOL has advanced its commitment to better understand our societies concerns and achieve sustainable business growth. All of these efforts have a dramatic effect on its corporate social responsibility (CSR) philosophy.

IDCOL CSR Program, initiated in line with the guidance of Bangladesh Bank, is designed to put focus on different CSR activities and ensure transparency. IDCOL envisions to actively foster this social responsibility culture in the near future. To expand and carry out social activities in a focused way, IDCOL has taken the following CSR initiatives:

Support for Underprivileged Children with Disabilities



IDCOL donated BDT 1 million to SEID Trust under its CSR program. The financial support will help the organization for the development especially for education of the underprivileged children with autism, intellectual and multiple disabilities. Mr. Mahmood Malik, Executive Director & CEO, IDCOL handed over the cheque to Dilara Satter Mitu, Managing Trustee, SEID Trust on 13th August 2014.

Blanket Distribution for Cold-ridden People



Bangladesh is usually hit by cold waves accompanied by cold-related diseases every year during December and January. The homeless, older people and infants are the most affected. IDCOL stood by these cold-ridden people of Narayanpur Char in Kurigram last winter by distributing around 3,000 blankets among them as a part of its CSR commitment. Besides, IDCOL provided 150 blankets for an orphanage named "Shishu Shorgo" in Tetulia. The program was jointly coordinated by IDCOL and its Partner Organizations (POs).

Supporting Center for the Rehabilitation of the Paralyzed (CRP)



IDCOL donated BDT 1 million to the Center for the Rehabilitation of the Paralyzed (CRP) under its CSR program. Mr. Mahmood Malik, CEO, IDCOL handed over the cheque to Valerie A. Taylor, Founder and Coordinator, CRP.

Channeling Financing Support to Ensure Energy Access of Rural Poor People

• Solar Home System Program

At present, only 60% of Bangladeshis have access to electricity and per capita generation is only 292 kWh. Every year the demand is increasing at a rate of 10%. The options for addressing the growing energy gap using traditional sources are limited. Without subsidies, off-grid rural households in Bangladesh cannot afford grid connections and most households without access to electricity will not be connected within next 10 years. There is therefore a compelling rationale for greater investment in renewable energy. Renewable energy is still in its infancy in Bangladesh and makes up just 0.5% of total power generation, although the government has set targets of 5% by 2015 and 10% by 2020. While these targets are ambitious, results from IDCOL Solar Home System (SHS) Program give reason for optimism. More than 3 million SHS has been installed till August 2014, making Bangladesh host to the largest and most widely recognized SHS program in the world.

However, scaling up SHS has not been without challenges. The major challenge was to make solar technology affordable to the poor section of society. To resolve the matter, IDCOL has been providing a small portion of SHS cost as subsidy to reduce prices of SHS at the end user level. Till 2013, a fixed amount grant was available to all sized SHS. Thus, poorer customers buying smaller systems has been more benefited from the grant support. Till date, approximately BDT 4,250 million has been provided as buy-down grant under the program. Recently, IDCOL has adopted a policy of reducing the grant amounts gradually with ultimate objective to commercialize SHS. From 2013, this grant is available for smaller sized SHSs only so that the poorer customers can avail this facility.

• Biogas Program

Considering the past experience of Bangladesh in biogas technology, IDCOL believes that a well-designed biogas program would have tremendous potential in Bangladesh. The objective is to roll out a nation-wide domestic biogas program in a manner so that it is technically and financially sustainable. IDCOL started its Biogas Program in 2006 which provides clean energy solution to more than 165,316 rural people in Bangladesh. To overcome the affordability barrier, a fixed subsidy amount of BDT 7,000 was provided to each households upon the successful installation of biogas plant under the program. In October 2008, the subsidy amount was further increased to 9,000. Till May 2013, grant amount of BDT 325 million has been provided under the program

Support in Natural Disaster

In the past, cyclone had some devastating effect on a large number of SHS customers under the Program who live in the cyclone prone areas of Bangladesh. Many of those customers lost their houses as well as their SHS because of such natural calamities. Some of the SHSs were also damaged partly e.g. panel or battery had been damaged. Other natural calamities like flood, flood, earthquake, fire also cause damages to SHS. To mitigate these recurring problem, IDCOL has developed a “Disaster Management Fund” under its SHS Program to support the customers affected by natural disasters. Both IDCOL and its Partner Organizations contribute BDT 10 each for financing of each SHS. The current balance of the fund is BDT 4,35,91,069 of which IDCOL has contributed BDT 3,07,78,260. In 2011, an amount of BDT 39,39,776 was provided to compensate the damage of 2,057 SHSs affected by cyclone Aila.

Like the SHS program, IDCOL Biogas Program has also been affected by natural calamities several times. In order to ensure smooth operation of the biogas plants, IDCOL has recently formed a “Reconstruction and Disaster Management Fund” under its Biogas Program with an initial balance of BDT 3,213,815. For continuation of the Fund, IDCOL and its Partner Organizations individually contribute BDT 50 per biogas plant from June 2014 onwards.





FINANCIAL HIGHLIGHTS



The Company has earned a profit of BDT 269.09 crore before provision and tax. Out of which an amount of BDT 8.60 crore and BDT 115.21 crore have been provisioned for loans and income tax, respectively. Profit before provision and tax in FY 2013-14 is 36.72% higher than that in FY 2012-13 while net profit after tax in FY 2013-14 is 40.29% higher than that in FY 2012-13. Growth in assets is 31% in FY 2013-14 while shareholder's equity has a growth of 47% in the reporting period.

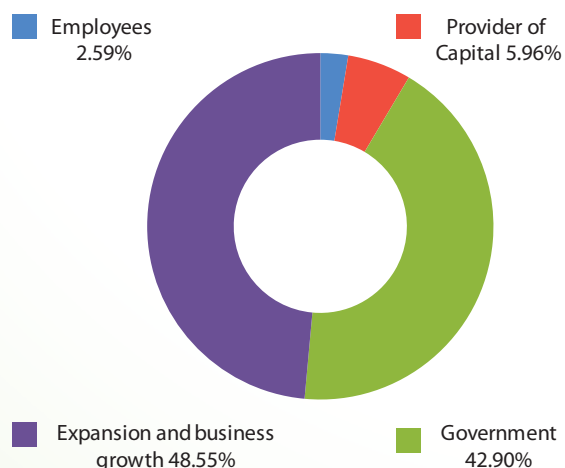
VALUE ADDED STATEMENT

For the year ended June 30, 2014

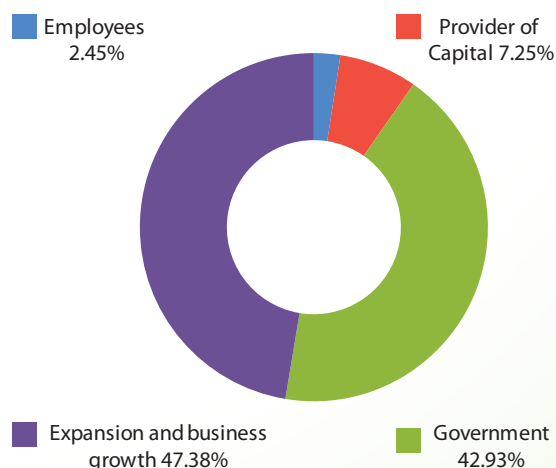
Value added is the wealth IDCOL has created through extending loans and various services. The value added statement shows the total worth created and how the same was distributed to meet various obligations and reward those responsible for its creation. A portion has also been retained in the business for growth and expansion of IDCOL.

Particulars	2013-2014		2012-2013	
	Amount (Taka)	%	Amount (Taka)	%
Value added				
Net interest income	2,533,463,202	94.34%	1,882,902,317	97.54%
Fees earned	170,536,115	6.35%	112,731,153	5.84%
Investment income	47,850,000	1.78%	82,125,000	4.25%
Other income	74,053,692	2.76%	46,046,333	2.39%
Operating expense except salary & allowances, depreciation	(54,451,823)	-2.03%	(89,367,220)	-4.63%
Provision for loan, advances & investments	(86,022,119)	-3.20%	(103,981,941)	-5.39%
Total value added by the company	2,685,429,067	100%	1,930,455,642	100%
Employees				
As salary & allowances	69,599,532	2.59%	47,230,715	2.45%
Provider of Capital				
Dividend to ordinary shareholders	160,000,000	5.96%	140,000,000	7.25%
Dividend to preference shareholders	-	-	-	-
Government				
Income tax	1,152,167,776	42.90%	828,668,690	42.93%
Expansion and business growth				
Retained earnings	1,292,739,544	48.14%	895,552,105	46.39%
Depreciation & amortization	10,922,215	0.41%	19,004,132	0.98%
Total distribution	2,685,429,067	100%	1,930,455,642	100%

Distribution of Value Added (%)
2013-2014



Distribution of Value Added (%)
2012-2013



ECONOMIC VALUE ADDED (EVA) STATEMENT

One of the most useful performance measurements to account for the ways in which business value can be added or lost is Economic Value Added or EVA. Another term for this metric is Economic Profit.

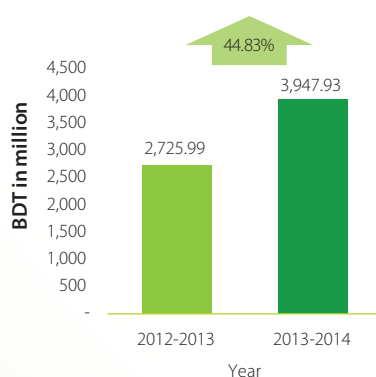
Economic Value-Added is the surplus generated by an entity after meeting an equitable charge towards providers of capital. It is the post-tax return on capital employed (adjusted for the tax shield on debt) less the cost of capital employed. Companies which earn higher returns than cost of capital create value, and companies which earn lower returns than cost of capital are deemed harmful for shareholder value.

EVA has been calculated by the following formula:

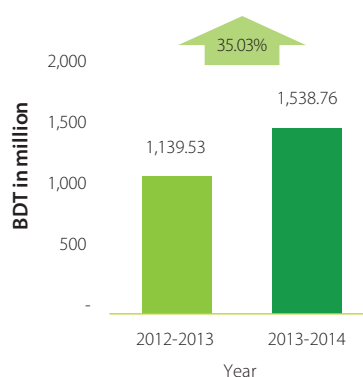
$EVA = \text{Net Operating Profit} - \text{Taxes} - \text{Cost of Capital}$

Particulars	Amount in BDT	
	2013-2014	2012-2013
Net operating profit	2,690,929,428	1,968,202,737
Tax expense	1,152,167,776	828,668,690
Net operating profit after tax (NOPAT)	<u>1,538,761,652</u>	<u>1,139,534,047</u>
Charges for capital		
Capital employed	3,947,934,953	2,725,986,288
Average cost of capital (%)	2.69%	2.68%
Capital Charge	106,199,450	73,056,433
Economic Value Added	1,432,562,202	1,066,477,614
Capital employed as on June 30		
Shareholder's equity	4,105,841,432	2,793,101,899
Accumulated provision for doubtful accounts and future losses	541,474,347	455,452,228
Average shareholders' equity	3,947,934,953	2,725,986,288

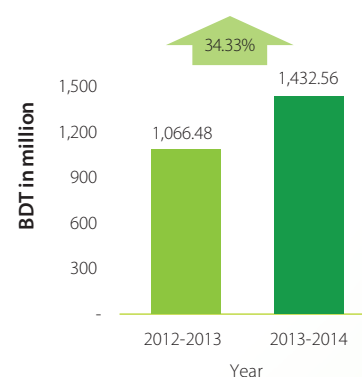
Average shareholders' equity



Net operating profit after tax (NOPAT)



Economic Value Added



Statement on Financial Statements by CEO and CFO

The financial statements of the Infrastructure Development Company Limited (IDCOL) are prepared in compliance with International Accounting Standards (IAS)/Bangladesh Accounting Standards (BAS)/ International Financial Reporting Standards (IFRS)/ Bangladesh Financial Reporting Standards (BFRS) and other applicable laws, rules and regulations.

The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view. The form and substance of transactions and the Company's state of affairs reasonably presented. To ensure this, the Company has taken proper and adequate care in installing a system of internal control and accounting records. Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed. However, there are inherent limitations that should be recognized in weighing the assurance provided by any system of internal controls and accounting.

In this regard, we also certify to the Board that-

- (i) We have reviewed financial statements for the year and that to the best of our knowledge and belief:
 - a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- (ii) There are, to the best of knowledge and belief, no transaction entered into by the Company during the year which are fraudulent, illegal or violation of the Company's code of conduct.
- (iii) Proper books of account as required by law have been kept by the Company;
- (iv) The expenditure incurred was for the intended purposes of the Company's business and projects;
- (v) Adequate provisions have been made for loans and advances and other assets which are, in our opinion, doubtful of recovery.



Executive Director & CEO



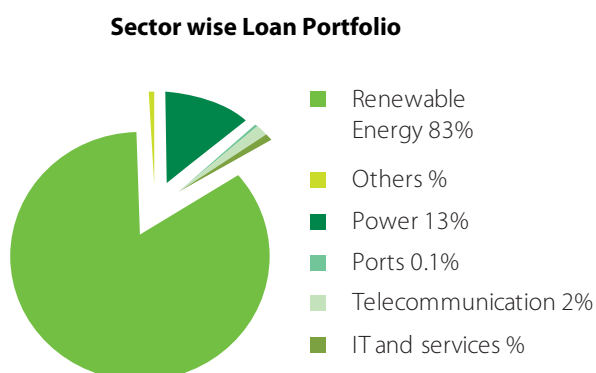
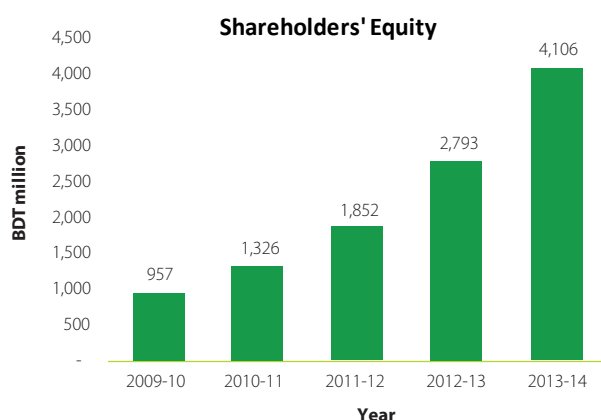
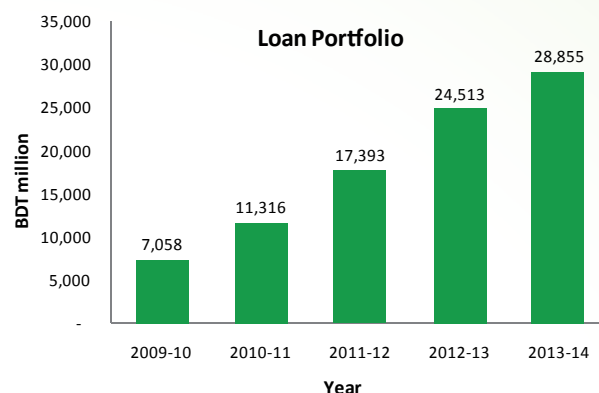
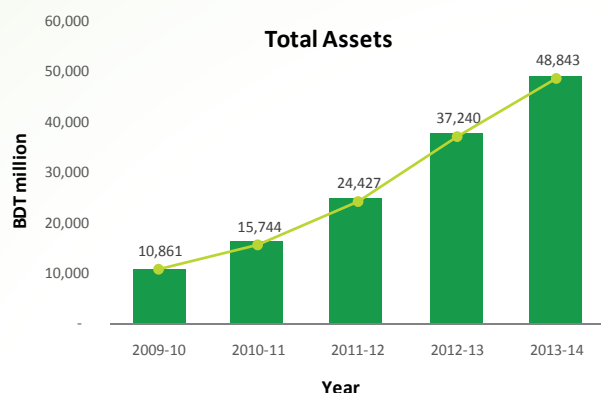
Chief Financial Officer

Key Operating and Financial Highlights

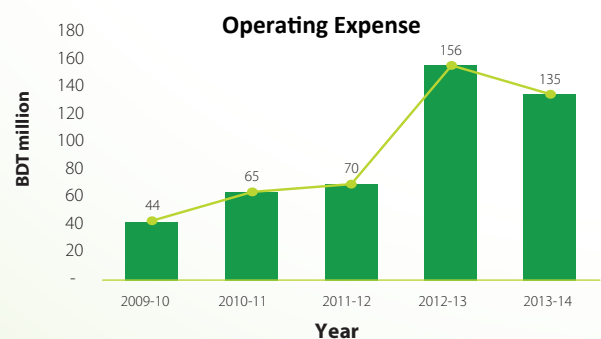
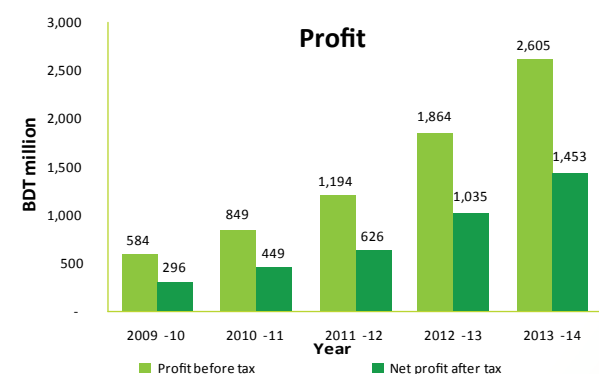
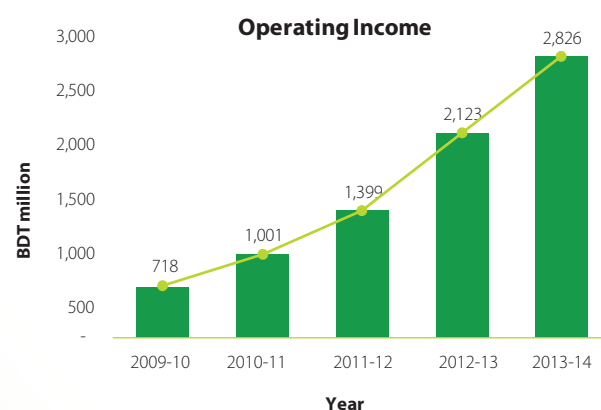
Particulars	2009-10	2010-11	2011-12	2012-13	2013-14
Financial Performance (BDT million):					
Long-term Investment	1,000	800	800	400	-
Short term Investment	1,880	3,023	4,442	9,337	13,932
Loan Portfolio	7,058	11,316	17,393	24,513	28,855
Power	1,640	2,630	4,040	2,904	3,817
Ports	82	132	203	82	82
Telecommunication	757	1,214	1,866	968	431
IT and services	245	392	603	299	224
Renewable Energy	4,290	6,878	10,572	20,074	24,080
Others	43	70	110	186	221
Total assets	10,861	15,744	24,427	37,240	48,843
Total Liabilities	9,904	14,417	22,575	34,431	44,737
Total equity	957	1,326	1,852	2,793	4,106
Net current assets	2,084	3,087	4,504	10,599	18,216
Operational Performance (BDT million):					
Total Revenue	817	1,249	1,810	2,851	3,870
Operating income	718	1,001	1,399	2,123	2,826
Operating expenses	44	65	70	156	135
Financial expenses	99	247	411	727	1,044
Profit before tax	584	849	1,194	1,864	2,605
Net profit after tax	296	449	626	1,035	1,453
Year to year profit growth	39%	52%	39%	65%	40%
Financial Ratios:					
Debt equity ratio (Times)	9.63	10.33	11.24	11.33	10.17
Debt ratio (%)	84.89%	87.00%	85.20%	84.97%	85.45%
Current ratio (Times)	5.98	9.83	5.08	11.51	11.93
Return on assets (%)	2.72%	2.85%	2.56%	2.78%	2.97%
Return on Investment (%)	3.67%	3.71%	3.44%	4.16%	5.03%
Return on shareholders' equity (%)	30.91%	33.88%	33.80%	37.07%	35.38%
Profit Margin (%)	36.20%	35.99%	34.59%	36.31%	37.54%
Opex as % of Operating Income	6.08%	6.45%	5.00%	7.35%	4.78%
Earnings per share (BDT)	44.81	51.64	52.16	60.21	55.87
% of Classified Loans	1.16%	1.17%	2.32%	0.81%	0.80%
Equity Statistics:					
Number of shares (No.)	6,600,000	8,700,000	12,000,000	17,200,000	26,000,000
Paid up Capital (BDT million)	660	870	1,200	1,720	2,600
Shareholders' equity (BDT million)	957	1,326	1,852	2,793	4,106

Key financial and operating highlights of IDCOL

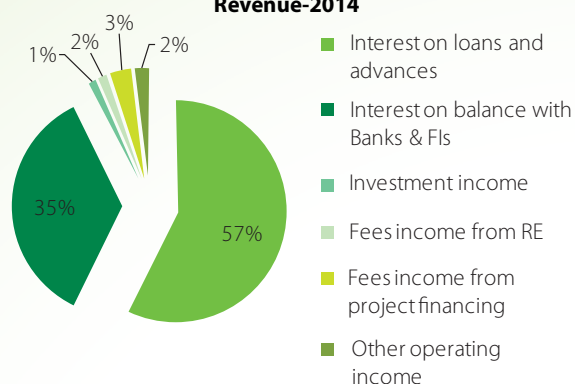
1. Financial position of the company:



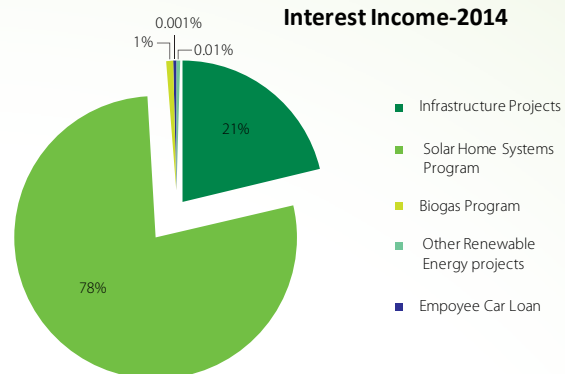
2. Operating performance of the company:



Revenue-2014

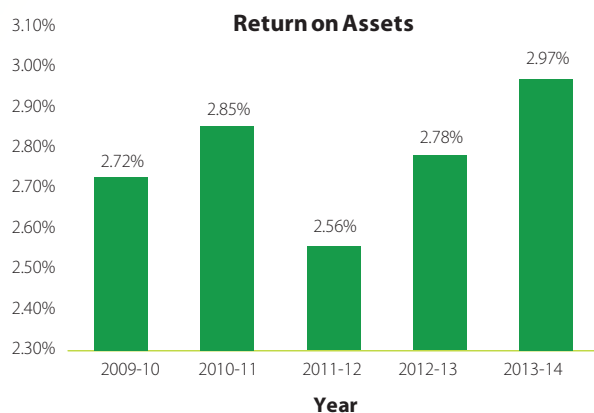


Interest Income-2014

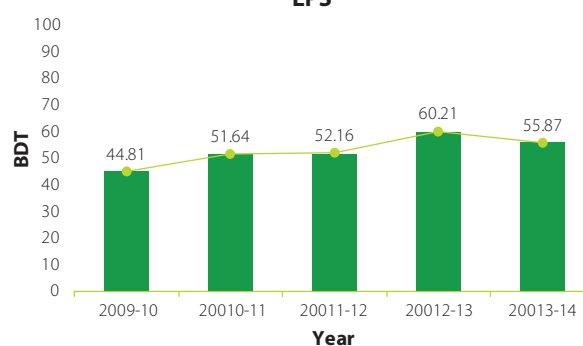


3. Financial Ratios:

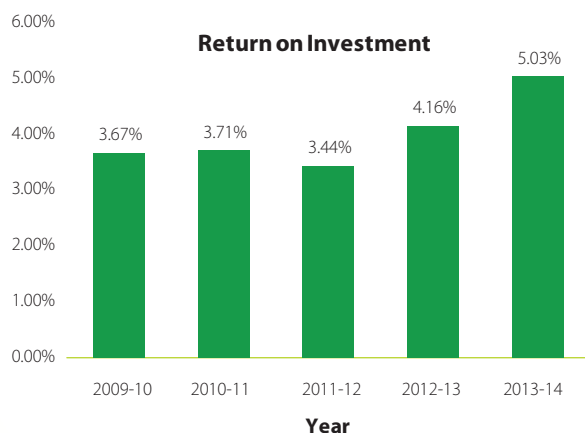
Return on Assets



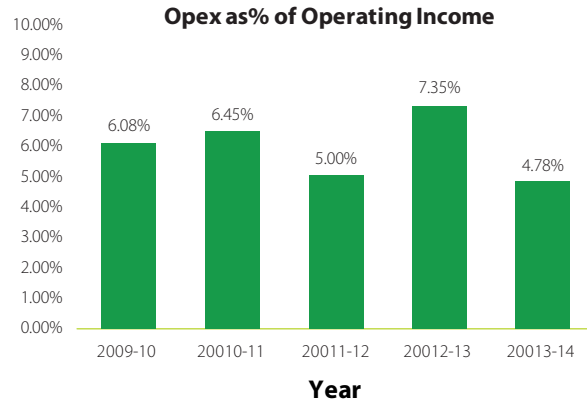
EPS



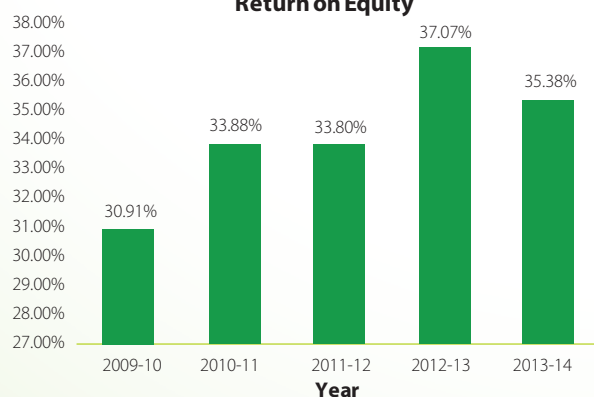
Return on Investment



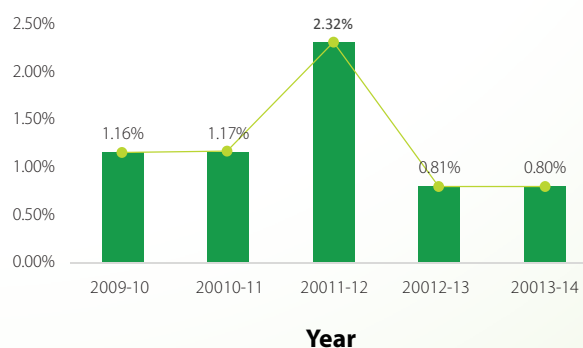
Opex as% of Operating Income



Return on Equity



Classified Loans







AUDITOR'S REPORT & FINANCIAL STATEMENTS

The financial statements give a true and fair view of the financial position of Infrastructure Development Company Limited as on 30 June 2014, and of its financial performance and its cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards (BFRSs), Companies Act, 1994 and other applicable laws and regulations.



AUDITOR'S REPORT

To the Shareholders of Infrastructure Development Company Limited

We have audited the accompanying financial statements of Infrastructure Development Company Limited (IDCOL), which comprise the statement of financial position as at 30 June 2014 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statement

Management of IDCOL is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRSs), 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 give a true and fair view of the financial position of Infrastructure Development Company Limited as on 30 June 2014, and of its financial performance and its cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards (BFRSs), Companies Act, 1994 and other applicable laws and regulations.

Report on Other Legal and Regulatory Requirements

The financial statements comply with the Company's Act, 1994, Financial Institution Act, 1993 and other applicable laws and regulations.

We also report that:

- i. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- ii. in our opinion, proper books of account as required by law have been kept by the company so far as it appeared from our examination of those books;
- iii. the Company's statement of financial position and statement of comprehensive income dealt with by the report are in agreement with the books of account;
- iv. the expenditure incurred and payments made were for the purpose of the company's business;
- v. the financial position of the Company as on 30 June 2014 and the profit for the year then ended have been properly reflected in the financial statements and these financial statements have been prepared in accordance with the generally accepted accounting principles;
- vi. the financial statements have been drawn up in conformity with the Financial Institutions Act 1993 and in accordance with the accounting rules and regulations issued by the Bangladesh Bank to the extent applicable to the company;
- vii. adequate provisions have been made for loan and advances and other assets which are, in our opinion, doubtful of recovery;
- viii. the information and explanations required by us have been received and found satisfactory;
- ix. the company has complied with relevant laws pertaining to reserves and found satisfactory;
- x. the financial statements of the Company conform to the prescribed standards set in the accounting regulations issued by Bangladesh Bank after consultation with the professional accounting bodies of Bangladesh; and
- xi. we have reviewed over 80% of the risk weighted assets of the Company and we spent over 2000 man hours for the audit of books and accounts of the Company.

Dated, Dhaka
12 November 2014


ACNABIN
Chartered Accountants

Infrastructure Development Company Limited

Statement of Financial Position

as on 30 June 2014

	Notes	Amount in Taka	
		30.06.2014	30.06.2013 (Restated)
PROPERTY AND ASSETS			
Cash	3	1,039,057,602	84,090,928
Cash in Hand		23,825	298
Balance with Bangladesh Bank and its agent bank		1,039,033,776	84,090,630
Balance with other banks and financial institutions	4	17,364,848,317	9,920,506,198
In Bangladesh		17,364,848,317	9,920,506,198
Outside Bangladesh		-	-
Money at call and short notice	5	-	200,000,000
Investments	6	-	400,000,000
Government		-	-
Others		-	400,000,000
Loans and advances	7	28,855,157,202	24,513,143,148
Fixed assets including land, building, furniture and fixtures	8	50,623,532	41,551,405
Other assets	9	1,533,329,907	2,080,488,749
Non-banking assets		-	-
Total assets		48,843,016,561	37,239,780,429
LIABILITIES & CAPITAL			
Liabilities:			
Borrowings from other banks and financial institutions	10	41,737,714,264	31,640,633,108
Deposit and other accounts		-	-
Other liabilities	11	2,999,460,866	2,806,045,423
Total liabilities		44,737,175,129	34,446,678,531
Capital/Shareholders' equity:			
Paid-up Capital	12	2,600,000,000	1,720,000,000
Statutory reserve		-	-
Retained earnings		1,505,841,432	1,073,101,898
Total shareholders' equity		4,105,841,432	2,793,101,898
Total liabilities and shareholders' equity		48,843,016,561	37,239,780,429

Infrastructure Development Company Limited

Off Balance Sheet Items

as on 30 June 2014

Contingent Liabilities:

Acceptances and Endorsements
Letters of Guarantee
Irrevocable Letters of Credit
Bills for Collection
Other Contingent Liabilities

Other commitments:

Documentary credit 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

The annexd notes form an intregal part of these satetements.

Notes	Amount in Taka	
	30.06.2014	30.06.2013
	-	-
	-	-
	-	-
	-	-
	-	-
	-	-
	-	-
	-	-
	-	-
	-	-


Chairman


Director



Director


Executive Director & CEO


Company Secretary

As per our report of the same date.

Dhaka
12 November 2014


ACNABIN
Chartered Accountants

Infrastructure Development Company Limited

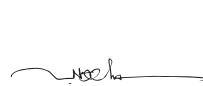
Statement of Comprehensive Income

for the year ended 30 June 2014

	Notes	Amount in Taka	
		30.06.2014	30.06.2013 (Restated)
Operating income			
Interest income	13	3,577,189,374	2,610,309,264
less: Interest expense	14	1,043,726,172	727,406,947
Net interest income		2,533,463,202	1,882,902,317
Investment income	15	47,850,000	82,125,000
Fees, Commission & brokerage	16	170,536,115	112,731,153
Other operating income	17	74,053,692	46,046,333
Total operating income (A)		2,825,903,009	2,123,804,803
Operating expenses			
Salary and allowance	18	40,905,718	13,042,478
Rent, taxes, insurance, electricity etc.	19	1,692,156	1,121,118
Legal expenses	20	170,820	405,398
Postage, stamp, telecommunication etc.	21	768,349	867,974
Stationery, printing, advertisement etc.	22	4,241,595	4,545,234
Chief Executive's salary and fees	23	9,733,849	6,734,890
Directors' fees	24	770,500	467,673
Auditors' fees	25	112,434	107,080
Depreciation and repair of Company's assets	26	10,855,548	7,945,212
Other operating expenses	27	65,722,612	120,365,010
Changes on loan losses	28	-	-
Total operating expenses (B)		134,973,580	155,602,067
Profit/(Loss) before provision & Tax (C) = (A - B)		2,690,929,429	1,968,202,736
Provision for loans and advances	29	86,022,119	103,981,941
Total provision (D)		86,022,119	103,981,941
Net profit/(loss) before Tax (E) = (C - D)		2,604,907,310	1,864,220,795
Tax expense	30	1,152,167,776	828,668,690
Net profit/(loss) after tax		1,452,739,534	1,035,552,106
Appropriation:			
Statutory reserve		-	-
General reserve		-	-
Retained surplus		1,452,739,534	1,035,552,106
Earnings Per Share (EPS)	31	55.87	39.83

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


Chairman


Director


Director


Executive Director & CEO


Company Secretary

As per our report of the same date.



ACNABIN
Chartered Accountants

Dhaka
12 November 2014

Infrastructure Development Company Limited

Statement of Cash Flows

for the year ended 30 June 2014

A. Cash flows from operating activities

Interest received
Interest paid
Investment income received
Fees and commission received
Paid to employees and suppliers
Receipts from other operating activities

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

(Increase)/decrease in operating assets and liabilities

Decrease /(Increase) advances, deposits and prepayments
Decrease /(Increase) advances income tax
Decrease /(Increase) accounts receivables
Decrease /(Increase) deferred expenses
Increase / (Decrease) interest suspense account
Increase / (Decrease) payables and accrued expenses
Increase / (Decrease) employees' gratuity fund

Net cash flows from operating activities

B. Cash flows from investing activities

Acquisition of fixed assets
Investment
Loans and advances

Net cash flows from investing activities

C. Cash flows from financing activities

Loan from Government of Bangladesh
Dividend paid

Net cash flows from financing activities

D. Net increase in cash and cash equivalents (A+B+C)

E. Cash and cash equivalents at the beginning of the year

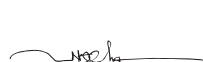
F. Cash and cash equivalents at the end of the year (D+E)

Cash and cash equivalents at end of the year

Cash in hand (including foreign currencies)
Money at call and short notice
Balance with Bangladesh Bank and its agent banks
Balance with other banks and financial institutions

Amount in Taka	
2013-2014	2012-2013
3,577,189,374	2,610,309,264
(1,043,726,172)	(727,406,947)
47,850,000	82,125,000
170,536,115	112,731,153
(123,762,582)	(147,656,855)
68,352,516	43,423,010
2,696,439,251	1,973,524,625
(36,134,576)	(22,414,656)
(1,109,208,636)	(760,124,535)
(114,536,413)	166,462,581
66,667	10,858,921
(26,642,590)	36,682,135
775,588,906	48,004,203
6,504,038	3,280,536
(504,362,604)	(517,250,815)
2,192,076,647	1,456,273,809
(7,834,957)	(7,129,955)
400,000,000	400,000,000
(4,342,014,054)	(7,119,651,413)
(3,949,849,011)	(6,726,781,368)
10,097,081,155	10,828,583,902
(140,000,000)	(120,000,000)
9,957,081,155	10,708,583,902
8,199,308,792	5,438,076,343
10,204,597,127	4,766,520,783
18,403,905,919	10,204,597,126
23,825	298
-	200,000,000
1,039,033,776	84,090,630
17,364,848,317	9,920,506,198
18,403,905,919	10,204,597,127


Chairman


Director


Director


Executive Director & CEO


Company Secretary

As per our report of the same date.


ACNABIN
Chartered Accountants

Dhaka
12 November 2014

Infrastructure Development Company Limited

Statement of Changes in Equity

as on 30 June 2014

Particulars	Amount in Taka			
	Paid up Capital	Statutory Reserve	Retained earnings	Total shareholders' equity
Balance as at 01 July 2012	1,200,000,000	-	651,948,162	1,851,948,162
Adjustment for deferred tax*	-	-	25,601,630	25,601,630
Restated balance	1,200,000,000	-	677,549,792	1,877,549,792
Increase/Decrease of revaluation of properties	-	-	-	-
Increase/Decrease of revaluation of investment	-	-	-	-
Currency transaction differences	-	-	-	-
Net gains and losses not recognized in the income statement	-	-	-	-
Net profit for the year	-	-	1,035,552,106	1,035,552,106
Bonus shares	520,000,000	-	(520,000,000)	-
Cash dividend	-	-	(120,000,000)	(120,000,000)
Statutory Reserve	-	-	-	-
Restated balance as at 30 June 2013	1,720,000,000	-	1,073,101,898	2,793,101,898



Infrastructure Development Company Limited

Statement of Changes in Equity

as on 30 June 2014

Particulars	Paid up Capital	Statutory Reserve	Retained earnings	Amount in Taka Total shareholders' equity
Balance as at 01 July 2013	1,720,000,000	-	1,073,101,898	2,793,101,898
Changes in accounting policy	-	-	-	-
Restated balance	1,720,000,000	-	1,073,101,898	2,793,101,898
Increase/Decrease of revaluation of properties	-	-	-	-
Increase/Decrease of revaluation of investment	-	-	-	-
Currency transaction differences	-	-	-	-
Net gains and losses not recognized in the income statement	-	-	-	-
Net profit for the year	-	-	1,452,739,534	1,452,739,534
Bonus shares	880,000,000	-	(880,000,000)	-
Cash dividend	-	-	(140,000,000)	(140,000,000)
Statutory Reserve	-	-	-	-
Balance as at 30 June 2014	2,600,000,000	-	1,505,841,432	4,105,841,432


Chairman


Director


Director


Executive Director & CEO


Company Secretary
As per our report of the same date.

Dhaka
12 November 2014


ACNABIN
Chartered Accountants

Infrastructure Development Company Limited

Liquidity Statement (Asset and Liability Maturity Analysis)

as on 30 June 2014

Particulars	Up to 01 month	1 - 3 months	3 - 12 months	1 - 5 years	More than 5 years	Total
	Taka	Taka	Taka	Taka	Taka	Taka
Assets:						
Cash in hand (including balance with Bangladesh Bank)	1,039,057,602	-	-	-	-	1,039,057,602
Balance with other banks and financial institutions	6,234,140,692	8,930,500,000	2,200,207,625	-	-	17,364,848,317
Money at call and short notice	-	-	-	-	-	-
Investments	-	-	-	-	-	-
Loans and advances	512,808,829	1,716,800,212	7,156,038,519	18,407,122,467	1,062,387,175	28,855,157,202
Fixed assets	-	-	-	-	50,623,532	50,623,532
Other assets	152,000	122,863,593	1,355,423,658	23,590,551	31,300,105	1,533,329,907
Non-banking assets	-	-	-	-	-	-
Total assets	7,786,159,123	10,770,163,805	10,711,669,802	18,430,713,018	1,144,310,812	48,843,016,561
Liabilities:						
Borrowings from Government of Bangladesh	-	36,240,991	629,297,188	9,211,692,994	31,860,483,091	41,737,714,264
Deposits	-	-	-	-	-	-
Other Accounts	-	-	-	-	-	-
Provision and other liabilities	57,501	311,090,533	1,355,519,690	690,048,529	642,744,613	2,999,460,866
Total liabilities	57,501	347,331,524	1,984,816,878	9,901,741,523	32,503,227,704	44,737,175,130
Net Liquidity Gap	7,786,101,622	10,422,832,281	8,726,852,923	8,528,971,495	(31,358,916,892)	4,105,841,432

Infrastructure Development Company Limited

Notes to the financial statements

for the year ended 30 June 2014

1. Background:

1.1 Legal Status and nature of the company:

The Infrastructure Development Company Limited (IDCOL), a non-bank financial institution, was incorporated in Bangladesh on May 14, 1997 as a government owned public limited company under the Companies Act 1994. The Company was licensed by Bangladesh Bank as a non-bank financial institution (NBFI) on January 5, 1998. The registered office of the Company is located at UTC Building, Level-16, 8 Panthapath, Kawranbazar, Dhaka-1215.

1.2 Principal activities:

Since inception, IDCOL is playing a major role in bridging the financing gap for developing medium and large-scale infrastructure and renewable energy projects in Bangladesh. After a decade, the company now stands as the market leader in private sector energy and infrastructure financing in Bangladesh. The primary objective of the company is to promote significant participation of the private sector in investment and operation, ownership and maintenance of new infrastructure facilities.

Infrastructure Projects

IDCOL provides long-term debt financing to viable privately-owned and operated infrastructure projects. To be eligible for IDCOL funding, projects must be included in the GoB's priority sector and use proven technology. Infrastructure sectors in the current priority sector include power generation telecommunications, information and communication technology, ports, social infrastructure, gas and gas related infrastructure, water supply, toll roads and bridges, shipyards and shipbuilding, hotel and tourism, mass transportation systems, urban environmental services etc.

Renewable Energy Projects

Under renewable energy program, IDCOL is implementing projects in four major areas- solar home systems (SHS), domestic biogas plants, improved cook stoves (ICS), and small-scaled renewable energy based power plants. IDCOL started its SHS Program in 2003 with an initial target to finance 50,000 SHSs with financial assistance from the World Bank and GEF.

Subsequently, a number of development partners participated in the program by providing refinancing and grant support. IDCOL provides soft loans and channels grants for the development of rural infrastructure, i.e. renewable energy. Under the program, IDCOL has a target to finance 6 million Solar Home Systems (SHS) by 2017. IDCOL's SHS Program is one of the fastest growing off-grid renewable energy programs in the world. It has brought significant change in lives in remote rural areas of Bangladesh through providing access to electricity.

IDCOL has been implementing Biogas Program in Bangladesh since 2006. Initially, the program started as National Domestic Biogas and Manure Program (NDBMP) with the support from SNV, Netherlands Development Organisation and KFW, German Development Bank. In 2012, the World Bank also joined to support the program under its Household Energy Initiatives. With the support from KFW and the World Bank, IDCOL restructured the Program in 2013. Under this program, IDCOL has a revised target to install 100,000 domestic size biogas plants in Bangladesh by 2018.

IDCOL launched the 'Improved Cook Stove (ICS) Program' in May 2013 with the initial target to install 1 million ICSs across the country by 2017. Under the program, IDCOL provides institutional development grant and technical assistance to its partner organizations (POs). IDCOL's principal objective is commercialization of ICS, which would allow the ICS market to develop and flourish after the completion of the Program.

Besides, IDCOL has been financing various small-scaled renewable energy projects including solar PV based irrigation pumps, solar PV based micro-grid projects, biomass gasification based power projects, biogas based power plants, solar powered solution for telecom BTS etc. By 2017, IDCOL has a target to finance 1,550 solar irrigation pumps, 50 mini-grid, 450 biogas and biomass based power projects.

Corporate Advisory Services

IDCOL has established an advisory wing to provide knowledge support to various local/foreign institutions on infrastructure projects, renewable energy projects, public private partnership, etc. IDCOL has already

provided advisory services to delegates from Ethiopia, Ghana, Sudan, Guinea and Uganda on renewable energy. In addition, IDCOL signed two different Memorandums of Understanding (MoU) with the Bangladesh Infrastructure Finance Fund Limited (BIFFL) and IDLC Finance Limited to provide necessary support in project due diligence and another one with to provide advisory services to design and launch new financial products for the suppliers under IDCOL Solar Home System (SHS) Program, respectively. Till date, IDCOL trained more than one thousand professionals from local banks and businesses in eighteen training courses on project finance, twelve courses on financial modelling, and a special course for officials of Prime Minister's Office and Ministry of Finance on loan evaluation techniques.

1.3 Resources

IDCOL has access to resources provided by the World Bank (WB), Asian Development Bank (ADB), Japan International Cooperation Agency (JICA), German Development Bank (KfW), Department for International Development (DFID), Islamic Development Bank (IDB), German Development Cooperation (GIZ), United States Agency for International Development (USAID), SNV-Netherlands Development Organisation, and the Government of Bangladesh (GoB) to place in projects across a range of infrastructure and renewable energy projects.

2. Significant Accounting Policies & Basis of Preparation of Financial Statement

2.1 Basis of accounting

The financial statements of the Company have been prepared under historical cost convention in accordance with generally accepted accounting principles as laid down in the International Financial Reporting Standards (IFRSs) applicable to the company as adopted by the Institute of Chartered Accountants of Bangladesh. The reported financial statements, i.e. Statement of Financial Position, Statement of Comprehensive Income, Statement of Changes in Shareholder's Equity and Statement of Cash Flows were prepared by capturing the transactions of Infrastructure Development Company Limited. The financial statements of projects accounts are being maintained

and prepared separately showing movement of funds, i.e. loans and grants received from various donors, lenders, etc., realization of principal and interest from borrowers, loan and grants disbursed to borrowers, repayment of loans to donors, lenders, etc. These projects accounts are being audited and reported separately. The consolidated movement of funds of these projects are shown in Note 32.

2.2 Use of estimate and judgements

The preparation of these financial statements in conformity with Bangladesh Accounting Standards (BASs), Bangladesh Financial Reporting Standards (BFRSs) and Bangladesh Bank guidelines requires management to make judgement, estimates and assumptions that affect the application of accounting policies. Estimates and underlying assumptions are reviewed on an ongoing basis.

2.3 Other comprehensive income

As per BAS 1 elements of Other Comprehensive Income (OCI) can be presented in a separate statement i.e. Other Comprehensive Income or can be included in a Single Statement of Comprehensive Income. The scheduled banks in Bangladesh have been using certain prescribed templates of financial statements (including names of those financial statements) issued by Bangladesh Bank. Those templates do not include 'Other Comprehensive Income' nor are the elements of OCI allowed to be included in a Single Comprehensive Income Statement (Profit and Loss Account, as per BB format). As such the bank does not prepare a separate OCI Statement. However elements of OCI, if any, are shown in the statements of changes in equity."

2.4 Functional and Presentation Currency

These financial statements are using the currency of the primary economic environment in which the company operates (the functional currency) and presentation currency in Bangladesh Taka which is also the functional currency of the company.



2.5 Cash flow statement

The Cash flow statement can be prepared either in direct or in indirect method. But as per Bangladesh Bank (BB) circular (As per BRPD circular 14 dated 25 June 2003) cash flow statement is to be prepared following a mixture of direct and indirect method. Therefore the cash flow statement is prepared as instructed by the local regulator (Bangladesh Bank).

2.6 Revenue Recognition

Interest income from loans and other sources is recognised on an accrual basis of accounting on effective interest method.

Income on investment is recognized on an accrual basis. Investment income includes interest on bonds.

Fees and commission income is recognized on an accrual basis which includes fees received from borrowers of infrastructure financing and administering monitoring activities under renewable energy program.

2.7 Property, plant and equipment

Property, plant and equipment are stated at cost less depreciation. Depreciation is charged on reducing balance method. Depreciation on additions to fixed assets is charged in full for the year and no depreciation is charged for the year in which an asset is disposed, irrespective of the date of acquisition, on reducing balance method. The rates of depreciation are as follows:

Category of assets	Rate of depreciation
Office space	10%
Furniture, fixture and decoration	10%
Computer and computer equipment	30%
Office equipment	10%
Vehicle	20%
Software	30%

2.8 Accounting for grant

Accounting for grant has been made in accordance with Bangladesh Accounting Standards (BAS) - 20 "Accounting for Government Grants and Disclosure of Government Assistance". Grant has been recognized as income to the extent of depreciation on grant funded assets.

2.9 Foreign Currency transactions (Exchange fluctuations and gains or losses)

Transactions in foreign currencies are recorded in the books at the exchange rate prevailing on the date of the transaction. Monetary assets and liabilities in

foreign currencies at the date of statement of financial position are translated into taka at the exchange rate prevailing at that date. Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in the Statement of Comprehensive Income as per ISA/BAS 21: the effects of changes in foreign exchange rates.

2.10 Earning per Share (EPS)

Earnings per share (EPS) is calculated in accordance with Bangladesh Accounting Standard 33: Earnings Per Share, which has been presented in the face of the statement of comprehensive income. The calculation of EPS at 30 June 2014 was based on the profit attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding for the year ended 30 June 2014.

2.11 Provision on loans and advances

As per BAS 39 an entity should start the impairment assessment by considering whether objective evidence of impairment exist for financial assets that are individually significant. For financial assets which are not individually significant, the assessment can be performed on an individual or collective (portfolio) basis. However, As per Bangladesh Bank circular (BRPD Circular no. 14 dated 23 September 2012 and BRPD Circular no. 19 dated 27 December 2012), a general provision at 0.25% under different categories of unclassified (standard/SMA loans) should be maintained regardless of objective evidence of impairment. And specific provision for sub-standard loan, doubtful loans and bad/losses should be provided at 20%, 50% and 100% respective for loans and advances depending on the duration of overdue. Also a general provision at 1% should be provided for all off balance sheet exposure. Such provision policies are not specifically in line with those prescribed by BAS 39.

2.12 Reasons for restatement

Previous year's figures have been restated for adjustment of deferred tax asset.

2.13 Employee benefits:

Defined contribution plan (providend fund)

The company operates a contributory provident fund scheme where employees contribute 10% of their basic salary with equal contribution by the company. The provident fund is considered as defined contribution plan being managed by a Board of Trustees.

Defined benefit plan (gratuity)

The company operates an unfunded gratuity scheme, provision in respect of which is made annually covering all permanent employees. The employees gratuity fund is being considered as defined benefit plan.

2.14 Internal Audit

Internal Audit function plays a crucial role in ongoing assessment and maintenance of internal control, risk management and governance in the organisation. Internal audit team conducts audit in all partner NOG's and IDCOL regional offices. Internal audit use standard approach to determine their respective work plan and actions.

2.15 Fraud and Forgeries

Now a days fraud and forgery appears in diverse form. To prevent fraud and forgeries internal audit team acts independently as the first contact point/information unit. As a counteractive course of action, preventive and corrective measures are recommended to the operation unit to take necessary action. All fraud related issues are recorded in the fraud register in a systematic manner for future reference.

2.16 General

- a) Figures in these notes and the accompanying financial statements have been rounded off to the nearest Taka.
- b) Previous year's figures have been rearranged, where necessary, to conform to current year's presentation.



Infrastructure Development Company Limited

Notes to the financial statements

as on and for the year ended 30 June 2014

	Notes	Amount in Taka	
		30.06.2014	30.06.2013
3.0 CASH			
Cash in hand	3.1	23,825	298
Balance with Bangladesh Bank and its agent bank	3.2	1,039,033,776	84,090,630
		1,039,057,601	84,090,928
3.1 Cash in Hand			
Local Currency		23,825	298
Foreign Currencies		-	-
		23,825	298
3.2 Balance with Bangladesh Bank and its agent bank			
Bangladesh Bank balance in local currency		44,226,100	84,090,630
Bangladesh Bank balance in foreign currency		994,807,675	-
		1,039,033,776	84,090,630
3.3 Cash Reserve Ratio (CRR)			
Required reserve @ 2.5% of average balance of term deposit		-	-
Actual reserve		-	-
Surplus		-	-
3.4 Statutory Liquidity Ratio (SLR)			
Required reserve @ 5% of average liabilities excluding funds from banks/FIs		-	-
Actual Reserve held		-	-
Surplus		-	-
Total Surplus		-	-

* As per Bangladesh Bank # FID (L) 1053/69/4, maintenance of CRR and SLR is exempted for IDCOL.

4.0 Balance with other banks and financial institutions

Inside Bangladesh		17,364,848,317	9,920,506,198
Local currency			
Current and short-term deposits in local currency	4.1	3,326,156,595	564,594,215
Fixed deposits in local currency	4.2	12,861,000,000	8,500,200,000
Foreign currency			
Current and short-term deposits in foreign currency	4.3	106,890,217	19,284,714
Fixed deposits in foreign currency	4.4	1,070,801,505	836,427,269
Outside Bangladesh		-	-
		17,364,848,317	9,920,506,198
4.1 Current and short-term deposits in local currency			
Janata Bank Ltd.	4.1.a	771,731,729	550,379,387
The City Bank Ltd.	4.1.b	85,289,023	9,450,677
Prime Bank Ltd.	4.1.c	8,346,225	3,561,100
National Credit and Commerce Bank Ltd.	4.1.d	2,424,769,936	194,072
National Bank Ltd.	4.1.e	198,666	182,221
Islami Bank Bd. Ltd.	4.1.f	194,547	183,602
Agrani Bank Ltd.	4.1.g	6,960,033	643,155
Eastern Bank Ltd.	4.1.h	28,666,438	-
		3,326,156,596	564,594,215

	Notes	Amount in Taka	
		30.06.2014	30.06.2013
4.1.a	Janata Bank Limited		
	<u>Accounts under donor funded projects</u>		
	IDA -5013-BD : Second Additional Financing for REREDP	-	3,062,625
	IDA -5158-BD : REREDP-II	666,392,194	2,622,317
	ADB -2453-PPIDF (REP)	-	1,306,597
	ADB -2453-PPIDF (SMIP)	-	-
	IDB -151-BD :	7,592,245	7,859,082
	<u>Company accounts</u>		
	STD Account	97,747,289	535,528,765
		<u>771,731,729</u>	<u>550,379,387</u>
4.1.b	The City Bank Limited		
	<u>Accounts under donor funded projects</u>		
	KFW - 2006.65.612 -NDBMP	83,518,592	8,986,421
	<u>Company accounts</u>		
	Imprest account	1,770,430	464,257
		<u>85,289,023</u>	<u>9,450,677</u>
4.1.c	Prime Bank Limited		
	<u>Company accounts</u>		
	Salary account	6,709,807	2,205,481
	<u>Accounts for Regional Offices</u>		
	Barisal	161,479	193,434
	Bogra	198,553	189,649
	Chittagong	137,361	198,771
	Dhaka	387,649	199,270
	Faridpur	190,598	195,122
	Rangpur	160,770	180,568
	Khulna	200,553	198,805
	Mymensingh	199,455	-
		<u>8,346,225</u>	<u>3,561,100</u>
4.1.d	National Credit and Commerce Bank Limited		
	<u>Revolving fund account under projects</u>		
	PPIDF: ADB 2453-BAN (SF)	2,424,381,107	-
	<u>Accounts for Regional Offices</u>		
	Brahmanbaria	198,365	194,072
	Laxmipur	190,464	-
		<u>2,424,769,936</u>	<u>194,072</u>
4.1.e	National Bank Limited		
	<u>Accounts for Regional Offices</u>		
	Sylhet	198,666	182,221
		<u>198,666</u>	<u>182,221</u>
4.1.f	Islami Bank Bangladesh Limited		
	<u>Accounts for Regional Offices</u>		
	Borguna	194,547	183,602
		<u>194,547</u>	<u>183,602</u>
4.1.g	Agrani Bank Limited		
	<u>Accounts under donor funded projects</u>		
	P-075 : JICA	6,960,033	643,155
		<u>6,960,033</u>	<u>643,155</u>
4.1.h	Eastern Bank Limited		
	<u>Revolving fund account under projects</u>		
	P-075 : JICA	28,666,438	-
		<u>28,666,438</u>	<u>-</u>

	Notes	Amount in Taka	
		30.06.2014	30.06.2013
4.2	Fixed deposits in local currency		
	<i>Fixed deposit receipt (three months' term) with:</i>		
	AB Bank Ltd.	643,500,000	423,500,000
	Agrani Bank Ltd.	-	560,000,000
	Al-Arafah Islami Bank Ltd.	100,000,000	200,000,000
	BASIC Bank Ltd.	540,000,000	550,000,000
	Dhaka Bank Ltd.	750,000,000	450,000,000
	EXIM Bank Ltd.	750,000,000	310,000,000
	First Security Islamic Bank Ltd.	443,500,000	250,000,000
	IFIC Bank Ltd.	335,000,000	-
	Jamuna Bank Ltd.	749,000,000	465,000,000
	Janata Bank Ltd.	500,000,000	550,000,000
	Mercantile Bank Ltd.	450,000,000	210,000,000
	Mutual Trust Bank Ltd.	636,000,000	173,000,000
	National Bank Ltd.	630,000,000	530,000,000
	NCC Bank Ltd.	579,000,000	350,000,000
	One Bank Ltd.	647,000,000	309,500,000
	Premier Bank Ltd.	250,000,000	50,000,000
	Prime Bank Ltd.	750,000,000	445,000,000
	Pubali Bank Ltd.	-	130,000,000
	Rupali Bank Ltd.	310,000,000	250,000,000
	Shahjalal Islamic Bank Ltd.	700,000,000	241,200,000
	Social Islamic Bank Ltd.	-	20,000,000
	Southeast Bank Ltd.	416,000,000	400,000,000
	Standard Bank Ltd.	586,000,000	426,000,000
	Trust Bank Ltd.	560,000,000	-
	United Commercial Bank Ltd.	721,000,000	306,000,000
	<i>Fixed deposit receipt (six months' term) with:</i>		
	DBH Fin Corp. Ltd.	150,000,000	150,000,000
	First Leasing and Finance	50,000,000	50,000,000
	IDLC Finance Ltd.	150,000,000	150,000,000
	Lanka-Bangla Finance Ltd.	50,000,000	100,000,000
	Peoples' Leasing	50,000,000	50,000,000
	Prime Finance & Investment Ltd.	150,000,000	150,000,000
	Reliance Finance Ltd.	65,000,000	65,000,000
	Union Capital Ltd.	150,000,000	136,000,000
	Uttara Finance Ltd.	-	50,000,000
		<u>12,861,000,000</u>	<u>8,500,200,000</u>
4.3	Current and short-term deposits in foreign currency		
	Janata Bank Ltd.	106,890,217	19,284,714
		<u>106,890,217</u>	<u>19,284,714</u>
4.4	Fixed deposits in foreign currency		
	<i>Fixed deposit receipt (One/six months' term) with:</i>		
	Commercial Bank of Ceylon	1,070,801,505	836,427,269
		<u>1,070,801,505</u>	<u>836,427,269</u>
4.5	Maturity grouping of Balance		
	Up to one month	6,234,140,692	583,878,929
	More than one month but less than three months	8,930,500,000	7,599,200,000
	More than three months but less than one year	2,200,207,625	1,737,427,269
	More than one year but less than five years	-	-
	More than five years	-	-
		<u>17,364,848,317</u>	<u>9,920,506,198</u>

		Notes	Amount in Taka	
			30.06.2014	30.06.2013
5.0	Money at call and short notice			
	Jamuna Bank Ltd.		-	200,000,000
			-	200,000,000
6.0	Investments			
	Government		-	-
	Others	6.1	-	400,000,000
			-	400,000,000
6.1	Others			
	Investment in bonds			
	Opening Balance		400,000,000	800,000,000
	Add: Investment made during the year		-	-
	Less: Principal recovered during the year		(400,000,000)	(400,000,000)
			-	400,000,000
IDCOL purchased 100 numbers of senior, secured, non-convertible and coupon bearing bonds of Tk 1(one) crore each issued by Orascom Telecom Bangladesh Limited (OTBL) with 4(four) years maturity at 13.50% interest rate p.a.				
6.2	Maturity Grouping of Investments			
	Upto one month		-	-
	More than one month but Less than three months		-	-
	More than three months but less than one year		-	200,000,000
	More than one year but less than five years		-	200,000,000
	More than five years		-	-
			-	400,000,000
7.0	Loans and advances			
	Inside Bangladesh			
	Long-term finance	7.1	28,847,617,062	24,508,831,130
	Short term financing	7.2	7,540,140	4,312,018
			28,855,157,202	24,513,143,148
	Outside Bangladesh		-	-
			28,855,157,202	24,513,143,148
7.1	Long-term finance:			
	Opening balance on 1 July		24,508,831,130	17,387,091,649
	Add: Disbursement made during the year		9,380,563,468	10,325,094,045
			33,889,394,598	27,712,185,694
	Less: Realization during the year		(5,041,777,536)	(3,203,354,564)
	Balance at 30 June		28,847,617,062	24,508,831,130
7.1.1	Sector wise disclosure of long term finance			
	Infrastructure loan (restated)	7.1.1a	4,796,142,262	4,469,811,854
	Renewable energy project (restated)		24,045,381,818	20,037,199,213
	Employee car loan		6,092,982	1,820,063
			28,847,617,062	24,508,831,130
7.1.1a	Renewable energy project			
	Solar home system		23,368,747,690	19,452,704,302
	Biogas program		287,775,355	246,474,942
	Other renewable energy project (restated)		388,858,773	338,019,968
			24,045,381,818	20,037,199,212
7.2	Short term financing			
	Opening balance on 1 July		4,312,018	6,400,086
	Add: Disbursement made during the year		12,056,400	1,881,000
			16,368,418	8,281,086
	Less: Realization during the year		(8,828,278)	(3,969,068)
	Balance at 30 June		7,540,140	4,312,018

	Notes	Amount in Taka	
		30.06.2014	30.06.2013
7.3	Large Loan Disclosure		
	Grameen Shakti	8,350,427,351	8,124,679,891
	Rural Services Foundation	3,713,977,848	3,475,138,546
	ECPV Chittagong Limited	2,328,900,000	1,733,825,000
	Quantum Power Systems Limited	1,203,794,911	981,767,185
	Hilful Fuzul Samaj Kallyan Sangstha	1,061,782,413	744,572,036
	Srizony Bangladesh	1,049,270,357	997,090,541
	SolarEn Foundation	891,450,846	662,036,274
	Bright Green Energy Foundation	884,829,709	531,671,110
	Rural Development Foundation	843,919,463	606,784,269
	AVA Development Society	727,330,737	478,629,536
		<u>21,055,683,635</u>	<u>18,336,194,388</u>
7.4	Particulars of Loans, Advances and leases		
	a) Loan considered good in respect of which the FI is fully secured	5,191,094,016	4,809,651,886
	b) Loan considered good in respect of which the FI is partially secured	23,664,063,186	19,703,491,262
	c) Loan considered good for which the FI holds no other security than the debtor's personal security.	-	-
	d) Loan considered good and secured by the personal security of one of more parties in addition to the personal security of the debtors.	-	-
	e) Loan adversely classified for which no provision is created.	-	-
		<u>28,855,157,202</u>	<u>24,513,143,148</u>
	f) Loan due by directors or officers of the FI or any of them either separately or jointly with any other persons.	6,092,983	1,820,061
	g) Loan due by companies and firms in which the directors of the FI have interest as directors, partners or managing agent or in case of private companies as members.	-	-
	h) Maximum total amount of advances including temporary advances made at any time during the year to directors and managers or officers of the FI or any of them either severally or jointly with any other persons.	-	-
	i) Maximum total amount of advances including temporary advances made at any time during the year to the companies or firms in which the directors of the FI have interest as directors, partners or managing agents or in case of private companies as members.	-	-
	j) Due from other Bank/FI companies.	-	-
7.5	Maturity grouping of loans and advances	512,808,829	29,023,712
	Upto one month	1,716,800,212	1,578,783,660
	More than one month but less than three months	7,156,038,519	5,740,067,111
	More than three months but less than one year	18,407,122,467	15,280,591,565
	More than one year but less than five years	1,062,387,175	1,884,677,100
	More than five years	<u>28,855,157,202</u>	<u>24,513,143,148</u>
7.6	Disclosure for significant concentration	-	-
	a) Advances to allied concerns of Directors	6,092,983	1,820,061
	b) Advances to Chief Executive and other executives		
	c) Advances to customers' group	3,817,338,192	2,904,708,299
	i) Power	82,312,394	82,312,394
	ii) Ports	431,385,341	967,944,864
	iii) Telecommunication	224,302,476	299,299,178
	iv) IT and services	24,079,690,710	20,073,633,729
	v) Renewable energy	-	-
	d) Industrial loans	214,035,106	183,424,623
	e) Other loans	<u>28,855,157,202</u>	<u>24,513,143,148</u>

			Amount in Taka	
			30.06.2014	30.06.2013
7.7	Geographical Location - wise Loans and Advances			
	Inside Bangladesh		28,855,157,202	24,513,143,148
	Dhaka Region		7,214,155,184	6,751,528,592
	Chittagong Region		7,666,149,970	5,918,496,481
	Khulna Region		3,546,672,735	3,086,588,498
	Rajshahi Region		1,731,433,897	1,480,079,571
	Barisal Region		4,089,659,173	3,518,213,244
	Rangpur		1,600,562,397	1,372,016,981
	Sylhet Region		3,006,523,845	2,386,219,779
	Outside Bangladesh		-	-
			<u>28,855,157,202</u>	<u>24,513,143,148</u>
7.8	Classification of loans and advances			
	Unclassified			
	Standard		27,674,296,190	23,118,942,927
	Special Mention Account		948,586,818	1,195,413,089
			<u>28,622,883,008</u>	<u>24,314,356,016</u>
	Classified			
	Sub-Standard		196,575	1,828,565
	Doubtful		33,481,113	68,986,820
	Bad or loss		198,596,505	127,971,747
			<u>232,274,193</u>	<u>198,787,132</u>
			<u>28,855,157,202</u>	<u>24,513,143,148</u>
7.8.1	Particulars of required provision for loans and advances			
	Status	Base for provision	Rate (%)	
	General provision	28,815,449,736		
	Standard loans/ advances	27,674,296,190	1%	276,742,962
	Interest receivable on standard loan	192,566,728	1%	1,925,667
	Special mention account(SMA)	948,586,818	5%	47,429,341
				<u>326,097,970</u>
	Specific provision	232,274,193		
	Sub-standard	196,575	20%	39,315
	Doubtful	33,481,113	50%	16,740,556
	Bad/loss	198,596,505	100%	198,596,505
				<u>215,376,377</u>
	Total provision required as on 30 June			<u>541,474,347</u>
	Movement of provision of loans and advances			
	Balance as on 01 July			455,452,228
	Provision made during the year			86,022,119
	Adjustment during the year			-
	Balance as on 30 June			<u>541,474,347</u>
7.9	Net Loans and advances:			
	Closing outstanding balance		28,855,157,202	24,513,143,148
	Less: Interest suspense		(67,294,093)	(93,936,683)
	Provision for loans and advances		(541,474,347)	(455,452,228)
	Net loans and advances		<u>28,246,388,762</u>	<u>23,963,754,237</u>



		Notes	Amount in Taka	
			30.06.2014	30.06.2013
7.10	Disclosure of disbursement of loan from donor funded projects during the year			
A.	PSIDP and REREDP funded by IDA Loan extended from reflows under PSIDP (Credit No. 2995-BD) Loan extended from reflows under REREDP (Credit No. 3679-BD) Sub Total	Annex -A	770,846,000 177,000,000 <u>947,846,000</u>	459,846,000 - <u>459,846,000</u>
C.	REREDP funded by IDA (Credit No. 5013-BD) a) Refinancing to Partner Organizations (POs) b) Loan to other renewable projects c) Loan for technical assistance Sub Total	Annex - B	- - - <u>-</u>	6,193,244,593 6,483,142 43,808,946 <u>6,243,536,681</u>
D.	REREDP-II funded by IDA (Credit # 5158) Refinancing to Participating Organizations (POs) Loan to other renewable energy projects Sub Total	Annex-C	5,061,378,124 19,047,819 <u>5,080,425,943</u>	675,152,207 - <u>675,152,207</u>
E.	PPIDF funded by ADB (Loan No. 2454-BAN) Loan to Large infrastructure projects (LIP) Sub Total	Annex-D	595,980,000 <u>595,980,000</u>	1,736,422,000 <u>1,736,422,000</u>
F.	PPIDF funded by ADB (Loan No. 2453-BAN) Refinancing to POs under Renewable Energy Project (REP) Sub Total	Annex-D	- - <u>-</u>	489,168,219 489,168,219 <u>489,168,219</u>
G.	Solar Energy project funded by IDB (Loan No. BD-151) Refinancing to Participating Organizations (POs) Sub Total	Annex - E	- - <u>-</u>	154,524,122 154,524,122 <u>154,524,122</u>
H.	REDP funded by JICA (Loan# BD-P75) Refinancing to Participating Organizations (POs) Sub Total	Annex-F	2,947,044,919 <u>2,947,044,919</u>	1,072,942,965 <u>1,072,942,965</u>
I.	NDBMP funded by Kfw (Project No. 2006.65.612) Refinancing to Participating Organizations (POs) Sub Total	Annex - G	- - <u>-</u>	56,814,575 56,814,575 <u>56,814,575</u>
	Grand Total		<u>9,571,296,862</u>	<u>10,888,406,769</u>
8	Fixed assets including land, building, furniture and fixtures			
	<u>Cost</u>			
	Opening balance on 1 July		82,916,269	67,321,684
	Add: Purchased during the year		20,283,127	16,104,049
	Less: Disposal during the year		(3,404,434)	(509,464)
	Closing balance on 30 June		<u>99,794,962</u>	<u>82,916,269</u>
	<u>Depreciation</u>			
	Opening balance on 1 July		41,364,864	33,766,702
	Add: Charged during the year		10,855,548	7,945,212
	Less: Adjustment during the year		(3,048,982)	(347,050)
	Accumulated balance on 30 June		<u>49,171,430</u>	<u>41,364,864</u>
	Written Down Value		<u>50,623,532</u>	<u>41,551,405</u>

Details of fixed assets are given in **Annexure -I.**

	Notes	Amount in Taka	
		30.06.2014	30.06.2013
9 OTHER ASSETS			
Advances, deposits and prepayments	9.1	85,106,386	48,971,810
Advance income tax	9.2	879,593,498	1,567,404,019
Accounts receivables	9.3	537,111,252	422,574,839
Deferred Tax Asset	9.4	31,452,105	41,404,748
Deferred expenses	9.5	66,666	133,333
		<u>1,533,329,907</u>	<u>2,080,488,749</u>
9.1 Advances, deposits and prepayments			
Advance:			
Advance for SHS project		9,202,132	16,162,980
Advance NDBMP project expense		14,186,099	8,950,604
Advance subsidy- NDBMP		47,429,999	8,351,999
Book for project finance course		845,490	858,300
Directors remuneration		5,000	5,000
ELIB project expenses		2,864,819	1,078,566
Rental advance		7,300,000	9,250,000
Salary advance		30,491	47,320
Training expenses/travelling advance		3,242,356	4,267,039
		<u>85,106,386</u>	<u>48,971,810</u>
Deposit		-	-
Prepayments		-	-
		<u>85,106,386</u>	<u>48,971,810</u>
9.2 Advance income tax			
Opening balance		1,567,404,019	807,279,484
Add: Advance tax (Including TDS) paid during the year		1,109,208,636	760,124,535
Less: Adjustment with Provision for Tax		(1,797,019,157)	-
		<u>879,593,498</u>	<u>1,567,404,019</u>
9.3 Accounts receivables			
Administration fees under renewable energy projects		798,529	1,196,447
Fees and other receivable from infra. Project		3,787,886	16,148,649
Interest receivable	9.3.1	488,952,755	375,205,431
Others		13,401,366	19,962,195
Expenses under RE projects		30,155,716	10,047,116
Training fees		15,000	15,000
		<u>537,111,252</u>	<u>422,574,839</u>
9.3.1 Interest receivable			
Interest on fixed deposit (FDR)		229,087,032	138,255,755
Interest on loans and advances	9.3.1a	259,865,723	236,949,676
		<u>488,952,755</u>	<u>375,205,431</u>
9.3.1a Interest on loan and advance			
Interest on infrastructure loan		70,206,298	96,172,287
Interest on renewable energy loan	9.3.1aa	189,659,425	140,777,389
		<u>259,865,723</u>	<u>236,949,676</u>
9.3.1aa Interest on renewable energy loan			
Solar Home System project		169,796,038	126,172,807
Biogas project		3,151,061	3,625,583
Other renewable energy project		16,712,326	10,978,998
		<u>189,659,425</u>	<u>140,777,389</u>
9.4 Deferred tax			
Opening balance		41,404,748	25,601,630
Provision/(reversal) during the year		(9,952,643)	15,803,118
Closing balance	Annex-H	<u>31,452,105</u>	<u>41,404,748</u>
9.5 Deferred expenses			
Furnishing grants		66,666	133,333
		<u>66,666</u>	<u>133,333</u>

	Notes	Amount in Taka	
		30.06.2014	30.06.2013
10 Borrowings from other banks, financial institutions and agents			
Inside Bangladesh			
Unsecured long-term loans from the Government of Bangladesh			
IDA financing under PSIDP- (Credit# 2995)	10.1	4,243,318,948	3,932,318,948
IDA financing under REREDP	10.2	22,584,873,401	17,308,683,827
ADB financing under PPIDF (Loan # 2353 & 2454)	10.3	8,372,425,256	7,813,188,345
IDB financing under REP (Credit # 151)	10.4	1,261,451,198	1,264,094,948
KfW financing under NDBMP (Credit # 2006.65.612)	10.5	259,879,471	249,067,040
JICA financing under REDP (Credit # P 75)	10.6	5,015,765,990	1,073,280,000
		<u>41,737,714,264</u>	<u>31,640,633,108</u>
Outside Bangladesh		-	-
		<u>41,737,714,264</u>	<u>31,640,633,108</u>

Abbreviations

IDA	: International Development Association (The World Bank)
PSIDP	: Private Sector Infrastructure Development Project
REREDP	: Rural Electrification and Renewable Energy Development Project
ADB	: Asian Development Bank
PPIDF	: Public-Private Infrastructure Development Facility
IDB	: Islamic Development Bank
KfW	: German Financial Cooperation
NDBMP	: National Domestic Biogas and Manure Programme

10.1	IDA financing under PSIDP (Credit # 2995)		
	Balance at July 1	3,932,318,948	3,472,472,948
	Add: Drawdown made during the year	311,000,000	459,846,000
		<u>4,243,318,948</u>	<u>3,932,318,948</u>
	Less: Repayment made during the year	-	-
	Balance at June 30	<u>4,243,318,948</u>	<u>3,932,318,948</u>
10.2	IDA financing under REREDP		
	IDA credit # 4643	5,744,974,525	5,744,974,525
	IDA credit # 3679	1,813,831,293	1,636,831,293
	IDA credit # 5013	9,270,489,433	9,270,489,433
	IDA credit # 5158	5,755,578,151	656,388,576
		<u>22,584,873,401</u>	<u>17,308,683,827</u>
10.2a	IDA credit # 4643		
	Balance at July 1	5,744,974,525	5,744,974,525
	Add: Drawdown made during the year	-	-
		<u>5,744,974,525</u>	<u>5,744,974,525</u>
	Less: Repayment made during the year	-	-
	Balance at June 30	<u>5,744,974,525</u>	<u>5,744,974,525</u>
10.2b	IDA credit # 3679		
	Balance at July 1	1,636,831,293	1,636,831,293
	Add: Drawdown made during the year	177,000,000	-
		<u>1,813,831,293</u>	<u>1,636,831,293</u>
	Less: Repayment made during the year	-	-
	Balance at June 30	<u>1,813,831,293</u>	<u>1,636,831,293</u>
10.2c	IDA credit # 5013		
	Balance at July 1	9,270,489,433	3,021,791,334
	Add: Drawdown made during the year	-	6,248,698,099
		<u>9,270,489,433</u>	<u>9,270,489,433</u>
	Less: Repayment made during the year	-	-
	Balance at June 30	<u>9,270,489,433</u>	<u>9,270,489,433</u>

		Notes	Amount in Taka	
			30.06.2014	30.06.2013
10.2d	IDA credit # 5158			
	Balance at July 1		656,388,576	-
	Add: Drawdown made during the year		5,099,189,575	656,388,576
			<u>5,755,578,151</u>	<u>656,388,576</u>
	Less: Repayment made during the year		-	-
	Balance at June 30		<u>5,755,578,151</u>	<u>656,388,576</u>
10.3	ADB financing under PPIDF (Loan # 2353 & 2454)			
	ADB credit # 2453 -REP	10.3a	5,733,442,481	5,733,444,345
	ADB credit # 2453 -SMIP	10.3b	345,249,165	345,250,000
	ADB credit # 2454 -LIP	10.3c	2,293,733,610	1,734,494,000
			<u>8,372,425,256</u>	<u>7,813,188,345</u>
10.3a	ADB credit # 2453 -REP			
	Balance at July 1		5,733,444,345	5,245,315,165
	Add: Drawdown made during the year		-	488,129,180
			<u>5,733,444,345</u>	<u>5,733,444,345</u>
	Less: Repayment made during the year		1,864	-
	Balance at June 30		<u>5,733,442,481</u>	<u>5,733,444,345</u>
10.3b	ADB credit # 2453 -SMIP			
	Balance at July 1		345,250,000	345,250,000
	Add: Drawdown made during the year		-	-
			<u>345,250,000</u>	<u>345,250,000</u>
	Less: Repayment made during the year		835	-
	Balance at June 30		<u>345,249,165</u>	<u>345,250,000</u>
10.3c	ADB credit # 2454 -LIP			
	Balance at July 1		1,734,494,000	-
	Add: Drawdown made during the year		595,980,000	1,734,494,000
			<u>2,330,474,000</u>	<u>1,734,494,000</u>
	Less: Repayment made during the year		35,107,047	-
	Less: Fair value adjustment		1,633,343	-
	Balance at June 30		<u>2,293,733,610</u>	<u>1,734,494,000</u>
10.4	IDB financing under REP (Credit # 151)			
	Balance at July 1		1,264,094,948	1,158,893,239
	Add: Drawdown made during the year		-	105,201,709
			<u>1,264,094,948</u>	<u>1,264,094,948</u>
	Less: Repayment made during the year		-	-
	Less: Fair value adjustment		2,643,750	-
	Balance at June 30		<u>1,261,451,198</u>	<u>1,264,094,948</u>
10.5	KfW financing under NDBMP (Credit # 2006.65.612)			
	Balance at July 1		249,067,040	186,520,703
	Add: Drawdown made during the year		10,812,430	62,546,338
			<u>259,879,471</u>	<u>249,067,040</u>
	Less: Repayment made during the year		-	-
	Balance at June 30		<u>259,879,471</u>	<u>249,067,040</u>
10.6	JICA financing under REDP (Credit # P 75)			
	Balance at July 1		1,073,280,000	-
	Add: Drawdown made during the year		3,942,485,990	1,073,280,000
			<u>5,015,765,990</u>	<u>1,073,280,000</u>
	Less: Repayment made during the year		-	-
	Balance at June 30		<u>5,015,765,990</u>	<u>1,073,280,000</u>



		Notes	Amount in Taka	
			30.06.2014	30.06.2013
10.7	Maturity-wise grouping			
	Upto one month		-	-
	More than one month but less than three months		36,240,991	-
	More than three months but less than six months		80,082,303	-
	More than six months but less than one year		549,214,886	95,690,226
	More than one year but less than five years		9,211,692,994	5,676,120,186
	More than five years but less than ten years		12,736,350,061	18,680,858,540
	More than ten years		19,124,133,030	7,187,964,156
			<u>41,737,714,264</u>	<u>31,640,633,108</u>
11	OTHER LIABILITIES			
	Payable and accrued expenses	11.1	1,197,428,166	421,839,260
	Provision for income tax	11.2	1,159,288,086	1,814,092,110
	Employees' gratuity fund	11.3	12,769,156	6,265,118
	Interest suspense account	11.4	67,294,093	93,936,683
	Provision for loans and advances	29.0	541,474,347	455,452,228
	Grant assets received from donors	11.6	21,207,017	14,460,023
			<u>2,999,460,866</u>	<u>2,806,045,423</u>
11.1	Payable and accrued expenses			
	Interest payable to GoB	11.1a	347,832,984	208,197,257
	REREDP PO's deposit (Loan # 3679)		129,998,238	140,799,589
	Initial deposit under REREDP (Loan # IDA - 5013 and 5158)		666,543,248	32,452,973
	Security deposit from POs under NDBMP project		23,505,281	21,149,031
	Other miscellaneous		13,429,829	9,721,435
	Contribution to disaster management fund		15,215,280	8,055,090
	Income tax and VAT payable		57,501	16,129
	Audit fee		224,867	214,159
	Solar Home Project (GEF PDF-B Grant)		-	494,973
	Office supplies and maintenance		-	14,847
	Due diligent cost		114,000	114,000
	Maintenance and utilities		461,903	552,603
	Payable to promoters		45,035	45,035
	Training expenses		-	12,140
			<u>1,197,428,166</u>	<u>421,839,260</u>
11.1a	Interest payable to GoB			
	Interest payable to GoB - PPIDF (Credit # 2453 & 2454)	11.1a.1	94,852,911	49,579,734
	Interest payable to GoB - REREDP	11.1a.2	107,406,264	62,016,030
	Interest payable to GoB - IDB (Credit # 151)		111,221,072	88,104,693
	Interest payable to GoB - JICA (Credit # P 75)		34,352,737	8,496,800
			<u>347,832,984</u>	<u>208,197,257</u>
11.1a.1	Interest payable to GoB - PPIDF (Credit # 2453 & 2454)			
	Payable against Credit # 2453 -SMIP		5,130,799	5,034,895
	Payable against Credit # 2453 -REP		78,491,080	40,286,318
	Payable against Credit # 2454 -LIP		11,231,032	4,258,521
			<u>94,852,911</u>	<u>49,579,734</u>
11.1a.2	Interest payable to GoB - REREDP			
	Payable against Credit # 4643		22,501,717.00	22,501,714
	Payable against Credit #5013		36,309,417	36,364,316
	Payable against Credit # 5158		48,595,130	3,150,000
			<u>107,406,264</u>	<u>62,016,030</u>
11.2	Employees' gratuity fund			
	Balance at July 1		6,265,118	2,984,582
	Add: Provision made during the year		6,710,861	3,486,254
			<u>12,975,979</u>	<u>6,470,836</u>
	Less: Settlement made during the year		(206,823)	(205,718)
			<u>12,769,156</u>	<u>6,265,118</u>

	Notes	Amount in Taka	
		30.06.2014	30.06.2013
11.3	Interest suspense account		
	Balance as on 1 July	93,936,683	57,254,548
	Add: Amount transferred to "Interest Suspense" A/c during the year	29,712,588	65,252,240
		123,649,271	122,506,788
	Less: Transferred to Income during the year	(56,355,178)	(28,570,105)
	Amount waived/written off during the year	-	-
		<u>67,294,093</u>	<u>93,936,683</u>
11.4	Grant assets received from donors		
	Balance as on 1 July (Written Down Value)	14,460,023	8,271,667
	Add: Assets received during the year	12,448,170	8,974,094
		26,908,193	17,245,760
	Less: Amortization/disposal made during the year	(5,701,176)	(2,785,737)
		<u>21,207,017</u>	<u>14,460,023</u>
	Donor Wise disclosures of cumulative grant assets		
	Grant assets received from:		
	The World Bank	31,150,804	22,081,039
	KfW-NDBMP	962,023	41,000
	SNV - Netherlands Development Organization	5,708,753	6,356,836
	Total value at cost (a)	<u>37,821,580</u>	<u>28,478,876</u>
	Accumulated amortization:		
	The World Bank	12,471,340	9,943,386
	KfW-NDBMP	280,421	10,250
	SNV - Netherlands Development Organization	3,862,802	4,065,218
	Total amortization (b)	<u>16,614,563</u>	<u>14,018,853</u>
	Written down value (a - b)	<u>21,207,018</u>	<u>14,460,023</u>
12	Paid-up Capital		
	Authorized capital:		
	50,000,000 Ordinary shares @ Tk. 100 each	<u>5,000,000,000</u>	<u>5,000,000,000</u>
	Issued, subscribed and paid-up capital		
	26,000,000 shares @ Taka 100 each	<u>2,600,000,000</u>	<u>1,720,000,000</u>
	Detail of shareholding position of the company		

Name of shareholders	No. of shares as on 30 June 2014	No. of shares as on 30 June 2013		
Economic Relations Division (ERD), Ministry of Finance, Government of the People's Republic of Bangladesh	25,999,000	17,199,000	2,599,900,000	1,719,900,000
Mohammad Mejbahuddin	550	-	55,000	-
Abul Kalam Azad	-	550	-	55,000
Dr. Nasiruddin Ahmed	50	50	5,000	5,000
Md. Mozammel Haque Khan	50	50	5,000	5,000
Ghulam Hussain	50	50	5,000	5,000
Nazrul Islam Khan	50	50	5,000	5,000
Nihad Kabir	50	50	5,000	5,000
Fazle Kabir ndc	50	50	5,000	5,000
Monowar Islam ndc	50	50	5,000	5,000
Abdul Haque	50	50	5,000	5,000
Waliur Rahman Bhuiyan	10	10	1,000	1,000
Mahmood Malik	40	40	4,000	4,000
	26,000,000	17,200,000	2,600,000,000	1,720,000,000



	Notes	Amount in Taka	
		30.06.2014	30.06.2013
13 Interest Income			
Interest on loans and advances	13.1	2,219,276,643	1,704,104,937
Interest on balance with other banks & FIs	13.2	1,357,912,731	906,204,327
		3,577,189,374	2,610,309,264
13.1 Interest on loans and advances			
Interest on infrastructure loan		474,931,665	360,075,581
Interest on Renewable Energy Project loan	13.1.1	1,744,215,590	1,343,912,726
Interest on employee car loan		129,388	116,630
		<u>2,219,276,643</u>	<u>1,704,104,937</u>
13.1.1 Interest on Renewable Energy Project loan			
Solar Home System project		1,725,601,717	1,314,721,527
Biogas project		14,295,425	16,540,100
Other renewable energy project		4,318,448	12,651,099
		<u>1,744,215,590</u>	<u>1,343,912,726</u>
13.2 Interest on balance with other bank & FIs			
Interest on short term bank deposit		32,089,812	1,476,042
Interest on fixed deposit		1,313,636,566	893,831,445
Interest on call money lending		12,186,353	10,896,840
		<u>1,357,912,731</u>	<u>906,204,327</u>
14 Interest Expense			
Borrowing cost under REREDP	14.1	582,218,150	396,697,682
Borrowing cost under PPIDF (Credit # 2453 & 2454)	14.2	363,674,770	284,676,171
Borrowing cost under IDB (Credit # 151)		23,116,379	37,536,294
Borrowing cost under JICA (Credit # P 75)		74,716,873	8,496,800
		1,043,726,172	727,406,947
14.1 Borrowing cost under REREDP			
Interest against Credit # 4643		174,747,340	174,747,337
Interest against Credit #5013		282,038,232	218,800,345
Interest against Credit # 5158		125,432,578	3,150,000
		<u>582,218,150</u>	<u>396,697,682</u>
14.2 Borrowing cost under PPIDF (Credit # 2453 & 2454)			
Interest against Credit # 2453 -SMIP		17,502,258	17,502,257
Interest against Credit # 2453 -REP		309,768,883	255,708,412
Interest against Credit # 2454 -LIP		36,403,629	11,465,502
		<u>363,674,770</u>	<u>284,676,171</u>
15 Investment income			
Orascom Telecom Bond		47,850,000	82,125,000
		47,850,000	82,125,000
16 Fees, Commission & Brokerage			
Fees income from renewable energy project	16.1	52,501,703	26,474,018
Fees income from project finance	16.2	110,045,709	84,939,217
Income from advisory services		7,988,703	1,317,918
		170,536,115	112,731,153
16.1 Fees income from renewable energy project			
Fees for administering SHS program - KfW		-	14,859,184
Fees for administering SHS program - GlZ		7,162,799	1,544,851
Fees for administering SHS program - ADB		27,883,697	-
Fees for administering SHS program - DFID		14,002,505	-
NDBMP administration fees - SNV and KfW		1,842,702	7,694,983
Enlistment of RE equipment		1,610,000	2,375,000
		<u>52,501,703</u>	<u>26,474,018</u>
16.2 Fees income from project finance			
Participation & arrangement fees		66,285,200	53,407,857
Loan application, processing & documentation fees		1,860,525	3,275,750
Due diligence fees		14,084,151	-
Commission income		2,667,459	14,502,309
Commitment charges		8,202,388	3,517,019
Waiver, cancellation & prepayment fees		2,277,611	-
Agency & monitoring Fees		14,668,375	10,236,282
		<u>110,045,709</u>	<u>84,939,217</u>

	Notes	Amount in Taka	
		30.06.2014	30.06.2013
17 Other operating income			
Exchange gain		954,800	33,493,603
Grant income		5,701,176	2,628,426
Others		67,397,715	9,924,304
		74,053,692	46,046,333
18 Salary and allowances			
Salary and allowances		36,333,199	12,133,660
Gratuity		4,572,519	908,818
		40,905,718	13,042,478
19 Rent, taxes, insurance and electricity			
Insurance premium		552,891	336,711
Electricity		480,417	427,417
Holding tax		658,848	356,990
		1,692,156	1,121,118
20 Legal expenses			
Professional and legal fees		170,820	405,398
		170,820	405,398
21 Postage, stamp, telecommunication, etc.			
Postage and courier		39,192	22,029
Telephone, Fax and E-mail		729,157	845,945
		768,349	867,974
22 Stationery, printing, advertisements, etc.			
Printing and stationeries		2,365,058	1,277,669
Advertisement		1,876,537	3,267,565
		4,241,595	4,545,234
23 Chief Executive's salary and benefits			
Salary		3,607,016	2,530,000
Allowances		4,183,675	3,491,890
Bonus		1,582,456	460,000
Company's contribution to provident fund		360,702	253,000
		9,733,849	6,734,890
24 Directors' fees			
Honorarium for attending board meetings		670,000	405,000
Incidental expenses for attending meeting		100,500	62,673
		770,500	467,673
Directors' remuneration for attending each board meeting during the year was Tk. 5,000 per Director.			
25 Auditors' fees		112,434	107,080
		112,434	107,080
26 Depreciation and repair of Company's assets			
Office space		609,446	677,162
Furniture, fixture and decoration		381,936	310,195
Interior decoration at UTC building		1,847,211	1,561,902
Computer & computer equipment		5,011,201	2,145,617
Other office equipment		388,292	-
Software		348,650	498,072
Vehicle		2,268,812	2,752,265
		10,855,548	7,945,212
27 Other operating expenses			
Other office expenses		115,227	85,965
Repair and maintenance	27.1	3,438,969	3,632,074
Maintenance and utility of UTC building		354,752	422,580
Training and exposure visit		1,420,295	662,457
Bank and other charge		1,798,929	1,284,450
Meeting expenses		1,989,497	1,264,067
Office supplies and maintenance		763,726	474,613



	Notes	Amount in Taka	
		30.06.2014	30.06.2013
Conveyance and travelling expense		86,956	106,256
Seminar, workshop and roadshows		550,150	114,400
Entertainment		860,796	412,424
Books and periodicals		77,268	15,310
Recruitment cost		26,412	810,943
Operations and logistics		497,100	365,900
Tuition fee reimbursement		67,150	62,900
Credit rating expenses		287,500	-
Loss on disposal of fixed assets		338,852	-
Corporate social responsibility		1,935,000	-
Corporate advisory		955,774	-
Car Maintenance Allowance		1,033,001	-
Leave Fare Assistance		1,834,288	-
Amortization expense	27.2	66,667	11,058,920
IDCOL contribution under renewable energy programme	27.3	47,224,304	99,591,753
		65,722,612	120,365,010
27.1 Repair and maintenance			
Repair and maintenance expense		1,051,411	1,793,262
Vehicle fuel expense		2,387,558	1,838,812
		3,438,969	3,632,074
27.2 Amortization exp.			
Amortization of Investment Advisory (IA) service expenses		-	10,992,253
Furnishing for CEO/ED		66,667	66,667
		66,667	11,058,920
27.3 IDCOL contribution under renewable energy programme			
Salary and allowances:			
Salary and allowances		16,821,623	24,875,911
Gratuity		2,138,342	2,577,436
		18,959,965	27,453,347
Monitoring expenditure:			
Physical Verification Exp. (Technical)-REP		4,921,344	8,965,912
Collection Efficiency Monitoring Exp-REP		434,032	412,969
		5,355,376	9,378,881
Regional office maintenance expenses:			
Khulna		119,669	169,791
Sunamganj		136,038	351,045
Chittagong		112,730	579,335
Rangpur		166,594	182,993
Barisal		198,894	225,957
Dhaka		552,767	198,663
Bogra		38,297	254,843
Faridpur		43,529	251,212
B. Baria		34,091	411,774
Barguna		33,594	292,742
Laxmipur		163,140	-
Mymensingh		118,805	-
Dhaka Biogas		9,504	-
		1,727,652	2,918,355
Insurance, fees and marketing expenses:			
Insurance		233,628	529,075
Audit, Consultant's fees		112,433	107,079
Advertisement and promotion		186,029	1,278,425
		532,090	1,914,579
Postage, stamp and telecommunication:			
Postage and courier		154,599	107,725
Telephone, Fax and Internet		2,377,635	1,853,113
		2,532,234	1,960,838
Stationery, supplies and printing:			
Stationers and supplies		766,810	343,614
Printing		239,890	869,574
		1,006,700	1,213,188

	Notes	Amount in Taka	
		30.06.2014	30.06.2013
Other operating expenses:			
Travelling & Conveyance		1,035,429	478,609
Entertainment		595,688	234,686
Meeting Expenses		1,997,737	1,654,194
Repair & Maintenance		297,971	275,117
Training, workshop & exposure visits		1,709,683	43,134,247
Legal and professional fees		3,324,227	565,000
IT and automation expenses		-	53,872
Operations and logistics		209,350	209,700
Other Expenses		780,012	92,050
		<u>9,950,097</u>	<u>46,697,475</u>
Disaster management fund under solar program:			
IDCOL contribution to the fund		7,160,190	8,055,090
		<u>7,160,190</u>	<u>8,055,090</u>
		<u>47,224,304</u>	<u>99,591,753</u>
28 Changes on loan losses		-	-
		<u>-</u>	<u>-</u>
29 Provision for loans and advances			
Balance as on 1 July		455,452,228	351,470,287
Add: Recoveries of amount previously written off		-	-
Provision required and made for the year		86,022,119	103,981,941
		<u>541,474,347</u>	<u>455,452,228</u>
Less: Written off/waived		-	-
		<u>541,474,347</u>	<u>455,452,228</u>
29.1 Provision for loans and advances			
General provision		326,097,970	292,621,358
Specific provision		215,376,377	162,830,870
		<u>541,474,347</u>	<u>455,452,228</u>
30 Provision for income tax			
Balance at July 1		1,814,092,110	969,620,303
Add: Provision made during the year (restated FY 2012-13)		1,142,215,133	844,471,808
		<u>2,956,307,243</u>	<u>1,814,092,110</u>
Less: Settlement of previous year's tax liabilities		1,797,019,157	-
		<u>1,159,288,086</u>	<u>1,814,092,110</u>
Deferred tax expense	9.4	9,952,643	(15,803,118)
Current tax expense		1,142,215,133	844,471,808
Tax expenses		<u>1,152,167,776</u>	<u>828,668,690</u>
31 Earnings Per Share (EPS)			
Profit attributable to ordinary shareholders			
Net profit for the year		<u>1,452,739,534</u>	<u>1,035,552,106</u>
Weighted average number of ordinary shares			
Ordinary shares at 01 July 2013		17,200,000	12,000,000
Bonus shares issued		8,800,000	5,200,000
Weighted average number of shares at 30 June 2014		<u>26,000,000</u>	<u>17,200,000</u>
Restated weighted average number of shares		<u>26,000,000</u>	<u>26,000,000</u>
Earnings per share		<u>55.87</u>	<u>60.21</u>
Restated earnings per share		<u>55.87</u>	<u>39.83</u>



	Notes	Amount in Taka	
		30.06.2014	30.06.2013
32. Consolidated movement of funds under projects			
Fund inflow			
Long term loans:			
Loan from IDA under PSIDP		6,210,400,000	6,220,000,000
Loan from IDA under REREDP		3,714,764,503	3,714,764,503
Loan from KfW under solar program		5,230,801	5,230,801
Loan from KfW under NDBMP		259,879,471	297,320,550
		10,190,274,775	10,237,315,854
Grants received for project implementation:			
Grant from World Bank (GEF, IDA, GPOBA, BCCRF & USAID) under REREDP		2,534,190,490	2,381,089,932
Grant from KfW under solar program		1,117,519,300	1,117,519,300
Grant from GIZ under solar program		1,005,077,380	707,057,629
Grant provided under JICA-REDP		74,836,208	49,536,000
Grant provided under ADB-PPIDF		185,726,727	25,657,500
Grant provided by WB under USAID		194,474,129	-
Grant provided by WB under BCCRF		50,000,000	-
Grant provided by DFID		301,982,392	-
Grant received under IDA 5158 (HE)		89,751,812	-
Grant from KfW under NDBMP		216,667,491	116,878,069
		5,770,225,929	4,397,738,430
Principal repayment and interest received from projects:			
Principal repaid by the projects financed under PSIDP		3,229,843,162	2,782,865,800
Principal repaid by the projects financed under REREDP		2,386,065,556	1,928,721,895
Interest paid by the projects financed under PSIDP		5,932,096,960	5,609,031,017
Interest paid by the projects financed under REREDP		1,150,083,958	1,054,527,356
		12,698,089,636	11,375,146,069
Interest from bank accounts		18,044,109	19,624,921
		28,676,634,448	26,029,825,274
Fund outflow			
Loans and advances:			
Projects financed under PSIDP		6,210,400,000	6,220,000,000
Loan to POs under REREDP		3,714,753,512	3,714,753,512
Loan to POs under KfW funded solar program		5,230,801	5,230,801
Loan to POs under KfW funded NDBMP		227,578,344	227,578,344
		10,157,962,657	10,167,562,657
Grants utilized for project implementation:			
World Bank (GEF, GPOBA & IDA) grants provided to POs under REREDP		2,143,622,247	2,102,681,147
World Bank (GEF, GPOBA & IDA) grants used for project under REREDP		382,414,344	232,633,046
KfW grants provided to POs under solar program		893,229,503	893,229,503
KfW grants used for project under solar program		210,758,222	210,758,222
GIZ grants provided to POs under solar program		861,414,034	569,969,326
GIZ grants used for project under solar program		147,293,837	139,640,754
ADB grants provided to POs under PPIDF		155,915,724	15,546,725
ADB grants used for project under PPIDF		29,637,042	-
JICA grants used for project under REDP		50,804,241	-
USAID grants provided to POs under REREDP		191,723,606	-
USAID grants used for project under REREDP		-	-
BCCRF grants provided to POs under REREDP		-	-
BCCRF grants used for project under REREDP		-	-
DFID grants provided to POs under RE		287,977,000	-
DFID grants used for project under RE		14,002,505	-
Grants provided to POs under IDA 5185 (HE)		25,141,808	-
Grants used for project under IDA 5185 (HE)		17,625,636	-
KfW grants provided to POs under NDBMP		180,245,700	133,153,000
KfW grants used for project under NDBMP		73,932,496	32,879,846
		5,665,737,945	4,330,491,569

Notes	Amount in Taka	
	30.06.2014	30.06.2013
On lending by IDCOL from reflows:		
Projects financed from reflows under PSIDP	5,202,150,208	4,898,781,438
Projects financed from reflows under REREDP	1,499,958,378	1,322,958,378
	<u>6,702,108,585</u>	<u>6,221,739,816</u>
Debt service of IDA loans	2,043,000,996	1,622,041,725
Refund, tax and charges	24,603,147	5,154,777
Balance at bank	4,083,221,118	3,682,834,730
	<u>28,676,634,448</u>	<u>26,029,825,274</u>

32.1 IDCOL has drawn an amount of USD 80,000,000 as sub loan from the World Bank under IDA Credit No. 2995-BD for financing Meghnaghat 450MW power plant. The loan amount was disbursed to the project company (AES Meghnaghat Ltd.) directly from the World Bank (IDA).

32.2 The World Bank (IDA) and KfW have provided the amount as loan under the project agreements signed among the GoB, donors and IDCOL. This loan is being used for providing refinance to Participating Organizations (POs) under IDCOL solar programme.

32.3 The donors provide two grants, for purchase of SHS: the buy-down grant to lower initial investment cost of SHS (Grant A), and the institutional development grant for institutional development of POs (Grant B). Both the components of grants decline as market expands and becomes commercially viable. In addition to grants for POs, donors also provides grants for project implementation cost which includes; monitoring, supervision, marketing, physical verification of SHS, technical audit, capacity building of POs, consultants' fees, etc.

32.4 Disclosure for balance at bank accounts maintained under projects

Bd. Bank Repayment account in USD under IDA Credit# 2995-BD	2,259,845,156	2,093,892,810
Bd. Bank Repayment account in BDT under IDA Credit# 2995-BD	20,460	20,460
Janata Bank CONTASA account # 36002116 under GPOBA grants	9,375,888	2,011,851
Bd. Bank Repayment A/c in BDT under IDA Credit# 3679-BD	1,693,114,438	1,437,451,259
Janata Bank EURO account # 208 under KfW fund for solar program	10,171	9,644
City Bank BDT account # 31001069 under KfW fund for solar program	162,518	19,946,280
City Bank BDT account # 31001038 under GIZ fund for solar program	-	343,464
Commercial Bank of Ceylon, STD account # 2809005803, GIZ-VII	-	-
Janata Bank CONTASA account # 36002256 under IDA 5158 (HE)	48,030,617	44,736,573
Janata Bank CONTASA account # 36002264 under ADB Grant (SF)	237,238	10,126,457
Janata Bank CONTASA account # 36002272 under ADB Grant (EF)	361	10,848
Agrani Bank CONTASA account # 373 under JICA-REDP	24,713,054	49,630,750
Ruplai Bank CONTASA account # 240000416 under USAID	3,046,223	-
Agrani Bank CONTASA account # 3791 under DFID	2,887	-
Agrani Bank CONTASA account # 3791 under BCCRF	49,999,425	-
EURO account # 01306606-02 under KfW fund for NDBMP	-	565
Closing balance under KfW-NDBMP	(5,337,319)	24,653,770
	<u>4,083,221,118</u>	<u>3,682,834,730</u>

32.5 In consolidated movement of funds, amounts are cumulative and foreign currencies (USD and EURO) are converted into equivalent Bangladesh Taka applying exchange rates of BDT 77.63/USD and BDT 106.32/EURO prevailing at June 30, 2014.

For Infrastructure Development Company Limited


Chairman


Director


Director


Executive Director & CEO


Company Secretary

Infrastructure Development Company Limited

Schedule of Loan disbursement from reflows under PSIDP and REREDP project Funded by IDA

Annexure - A

for the year ended 30 June 2014

Loan extended from reflows under PSIDP (IDA- Credit No. 2995-BD)

Name of Sponsor/POs	Project	Amount in Taka	
		2013- 2014	2012- 2013
ECPVCL	Power Plant	459,846,000	459,846,000
BEDL	Power Plant	311,000,000	-
Sub Total (a)		770,846,000	459,846,000

Loan extended from reflows under REREDP (IDA- Credit No. 3679-BD)

Name of Sponsor/POs	Project	Amount in Taka	
		2013- 2014	2012- 2013
NDBMP Refinancing	IDCOL Biogas Program	177,000,000.00	-
Sub Total (b)		177,000,000.00	-
Grand Total (a +b)		947,846,000	459,846,000

Infrastructure Development Company Limited
Schedule of Loan disbursement from REREDP project
Funded by IDA (Credit # 5013)
for the year ended 30 June 2014

Annexure - B

(a) Refinancing to Partner Organizations (POs)					
SL#	Name of Participating Organizations	Amount in Taka			
		2013-2014		2012-2013	
		SHS(Units)	Amount	SHS(Units)	Amount
1	ADAMS	-	-	1,827	23,599,597
2	AFAUS	-	-	950	20,257,660
3	AVA	-	-	10,837	170,968,500
4	Bangladesh Rural Integrated for Grab-Street Economy	-	-	4,578	61,202,639
5	BGEF	-	-	19,134	276,350,852
6	BRAC Foundation	-	-	5,452	82,467,795
7	Centre for Mass Education in Science	-	-	420	7,584,320
8	DESHA	-	-	7,590	119,576,813
9	GHEL	-	-	6,791	108,951,789
10	Grameen Shakti	-	-	181,555	2,422,566,805
11	Hilful Fuzul Samaj Kallyan Sangstha	-	-	23,000	305,365,711
12	INGEN	-	-	4,565	70,586,213
13	Integrated Development Foundation	-	-	6,996	108,474,494
14	NUSRA	-	-	6,779	102,249,440
15	Padakhep Manabik Unnayan Kendra	-	-	725	10,337,497
16	Palli Daridra Bimochon Foundation	-	-	3,711	62,369,234
17	Patakuri Society	-	-	11,365	142,276,015
18	RDF	-	-	21,505	268,530,851
19	REDI	-	-	4,308	56,156,704
20	RIMSO	-	-	7,119	121,335,033
21	RISDA	-	-	2,162	30,726,500
22	Rural Services Foundation	-	-	52,057	689,160,358
23	Shakti Foundation	-	-	9,567	148,182,550
24	Shubashati	-	-	1,881	32,063,662
25	SolarEn Foundation	-	-	25,650	343,665,066
26	SRIZONY Bangladesh	-	-	13,248	170,815,348
27	Thengamara Mohila Sabuj Sangtha	-	-	6,124	93,158,416
28	Upakulio Biddutayan O Mohila Unnayan Samity	-	-	10,123	138,254,699
29	Xenergia	-	-	442	6,010,032
Sub Total (a)		-	-	450,461	6,193,244,593
(b) Loan to other renewable projects					
1	PUROBI Green Energy Limited (PGEL)	-	-	-	1,523,788
2	Network for Universal Services and Rural Advance- ment (NUSRA)	-	-	-	4,651,854
3	Rural Communication Network and Service Ltd (RCNSL)	-	-	-	307,500
Sub Total (b)		-	-	-	6,483,142
(c) Loan for technical assistance					
1	Training and Workshop	-	-	-	41,791,274
2	Advertisement and Promotion	-	-	-	640,500
3	Goods	-	-	-	1,376,888
4	Repair and maintenance	-	-	-	284
Sub Total (c)		-	-	-	43,808,946
Grand Total (a+b+c)		-	-	-	6,243,536,681

a) Refinancing to Partner Organizations (POs)

IDCOL has extended refinancing facility to the POs to the extent of 70% to 80% of outstanding loans provided by the PO to the customers/households against installation of SHS. These POs, selected by IDCOL in due process, were found eligible during the audit to receive the refinancing facility as per the project agreements.

b) Loan to other renewable projects

This represents the amount extended under for financing of Solar PV based small scaled power plants and irrigation pumps under Remote Area Power Supply System. During the periods, IDCOL has financed a 100-kW solar photovoltaic (PV) based mini grid project implemented by PUROBI Green Energy Limited (PGEL) located at Sandip Island, Chittagong and six solar PV based irrigation pumps of NUSRA and RCNSL.

c) Loan for technical assistance

This represents the amount incurred in connection with carrying out customer education and outreach, design of technician accreditation programs, training and exposure visits, goods and equipments for quality assurance etc. against allocation of SDR 2.5 million (equivalent to USD 4 million) as loan under Category-4.

Infrastructure Development Company Limited
Schedule of Loan disbursement from REREDP- II project
Funded by IDA (Credit # 5158)
for the year ended 30 June 2014

Annexure - C

(a) Loan under SHS Program (Cat-1)					
SL#	Name of Participating Organizations	Amount in Taka			
		2013-2014		2012-2013	
		SHS (Units)	Amount	SHS (Units)	Amount
1	Assiciation for Development Activity of Manifold Social Work	955	13,448,563	-	-
2	Al-Falah Aam Unnayan Sangstha	1,090	22,510,972	286	6,193,624
3	Atmabiswas Souro Shakti Ltd	1,086	14,515,495	156	2,752,835
4	AVA Development Society	17,150	196,956,259	-	-
5	Bright Green Energy Foundation	15,973	179,237,900	-	-
6	BRIDGE	2,345	25,664,947	-	-
7	Clean Energy Foundation	252	2,623,546	-	-
8	Centre For Mass Education in Science	447	8,252,819	27	412,352
9	DESHA	3,942	46,469,320	827	9,993,134
10	Friends in Village Development	572	7,151,580	-	-
11	Green Housing & Energy Limited	2,723	33,499,514	-	-
12	Grameen Shakti	166,749	1,940,936,647	14,089	157,828,865
13	Hamko Corporation Limited	1,092	12,134,674	-	-
14	Hilful Fuzul Samaj Kalyan Sangstha	24,647	264,270,129	3,843	44,702,190
15	Integrated Development Foundation	9,367	99,626,494	-	-
16	Ingen Technology Ltd.	1,901	24,964,763	500	6,860,533
17	Jagorani Chakra Foundation	2,685	33,385,033	286	3,892,020
18	MAKS Renewable energy	1,262	17,088,162	-	-
19	NUSRA	2,368	29,285,525	669	7,916,306
20	Padakhep Manbik Unnayan Kendra	1,377	19,598,009	335	4,902,509
21	PAGE Development Center	527	7,222,255	-	-
22	Patakuri Socieity	19,515	201,780,032	3,442	38,488,529
23	Pally Bikash Kendra	1,145	14,739,356	-	-
24	Palli Daridra Bimochan Foundation	5,392	73,636,831	902	13,225,542
25	Polli Shakti Foundation Limited	104	1,237,207	-	-
26	Panna Rural Development Foundation	6,632	81,457,244	-	-
27	Resource Development Foundation	17,122	175,674,629	6,934	80,219,650
28	Rural Development Sangstha	1,102	15,596,292	66	888,764
29	Rural Energy and Development Initiative	4,855	54,441,795	471	6,521,658
30	Rimso Foundation	7,702	88,899,247	-	-
31	RISDA Bangladesh	8,322	95,039,007	719	9,531,718
32	Rural Services Foundation	49,355	553,064,169	9,091	106,270,653
33	SAIF Powertec Limited	3,149	39,607,774	-	-
34	Sancred Welfare Foundation	502	6,075,373	-	-
35	Samaj Unnayan Palli Sangstha	388	5,316,067	-	-
36	Shakti Foundation for Disadvantaged Women	5,516	65,661,689	912	11,365,657
37	Shubashati	1,638	22,963,985	724	10,740,067
38	SolarEn Foundation	15,419	175,044,478	6,094	72,009,206
39	SRIZONY Bangladesh	9,853	110,694,520	4,256	49,230,472
40	Sun Home Energy Limited	328	3,679,429	-	-
41	SunRim Energy Limited	1,402	14,642,332	-	-
42	Thengamara Mahila Shabuj Shangha	9,217	99,548,869	1,586	18,763,631
43	United Development Initiatives for Programmed Actions	1,422	19,410,776	-	-
44	Upakulio Biddutayan O Mohila Unnayan Samity	6,629	78,288,979	-	-
45	Xenergeia International Ltd	5,440	66,035,438	981	12,442,292
Sub Total (a)		440,659	5,061,378,124	57,196	675,152,207

Infrastructure Development Company Limited
Schedule of Loan disbursement from REREDP- II project
Funded by IDA (Credit # 5158)

Annexure - C

for the year ended 30 June 2014

(b) Loan to other RE Projects (Cat-1)					
SL#	Name of sponsors	Plants	Taka	Plants	Taka
1	Servivor's Sancred Solar System Ltd-Irrigation	8	6,757,163	-	-
2	GHEL-Irrigation	3	2,259,300	-	-
3	Global Resource Augmentation and Management-Irrigation	2	1,016,012	-	-
4	Green Housing and Energy Ltd. Solar Minigrid	1	9,015,344	-	-
	Sub Total (b)	14	19,047,819	-	-
	Grand Total (a+b)		5,080,425,943		675,152,207

a) Loan under SHS Program (Cat-1)

IDCOL has extended refinancing facility to the POs to the extent of 70%-80% of outstanding loans provided by the PO to the customers/households against installation of SHS. These POs, selected by IDCOL in due process, were found eligible during the audit to receive the refinancing facility as per the project agreements.

b) Loan to other renewable projects (Cat-1)

This represents the amount extended under for financing of Solar PV based small scaled power plants and irrigation pumps under Remote Area Power Supply System. During the period, IDCOL has financed a 100-kW solar photovoltaic (PV) based mini grid project implemented by Green Housing & Energy Limited (GHEL) located at Kutubdia Islam, Cox's Bazar and 13 solar PV based irrigation pumps of Servivor's Sancred Solar System Limited, Green Housing and Energy Limited and Global Resource Augmentation and Management.

Infrastructure Development Company Limited
Schedule of Loan disbursement from PPIDF project
Funded by ADB (Loan # 2453 & 2454)
for the year ended 30 June 2014

Annexure - D

a) Refinancing to POs under Renewable Energy Project (Loan # 2453 -REP)

SL#	Name of Participating Organizations	Amount in Taka			
		2013-2014		2012-2013	
		SHS(Units)	Amount	SHS(Units)	Amount
1	BRAC Foundation	-	-	-	-
2	Grameen Shakti	-	-	-	-
3	Hilful Fuzul Samaj Kallyan Sangstha	-	-	7,304	81,626,607
4	Resource Development Foundation	-	-	525	4,274,264
5	Rural Services Foundation	-	-	28,483	368,344,392
6	Solar En-Foundation	-	-	3,006	34,922,956
7	SRIZONY Bangladesh	-	-	-	-
Sub Total (a)		-	-	39,318	489,168,219

b) Loan to Large infrastructure projects (Loan # 2454 -LIP)

Name of Sponsor			
1	Energypac Confidence Power Venture Chittagong Ltd (ECPVCL)	-	595,980,000
	Sub Total (b)	-	595,980,000
Grand Total (a+b)		595,980,000	2,225,590,219

a) Refinancing to POs under ADB Loan # 2453 - REP

IDCOL has extended refinancing facility to the POs to the extent of 80% of outstanding loans provided by the PO to the customers/households against installation of SHS. These POs, selected by IDCOL in due process, were found eligible during the audit to receive the refinancing facility as per the project agreements.

b) Loan to Large infrastructure projects (Loan # 2454 -LIP)

During the year, the above total loan was made to Energypac Confidence Power Venture Chittagong Limited (ECPVCL) under the syndicated term loan facility of USD 70 million (Total project cost is USD 93 million where debt & equity ratio is 70:23) for setting up and operating of a 108 MW HFO power plant and out of the total loan IDCOL will provide USD 30 million. The syndicated loan agreement was signed on 20 November 2012 whereas IDCOL acts as one of the lead arrangers and facility agents. The equivalent USD amount of the above loan is USD 22.3 million.

Infrastructure Development Company Limited
Schedule of Loan disbursement from Solar Energy project
Funded by IDB (Loan # BD- 151)

Annexure - E

for the year ended 30 June 2014

Refinancing to Participating Organizations (POs)					
SL#	Name of Participating Organizations	Amount in Taka			
		2013-2014		2012-2013	
		SHS(Units)	Amount	SHS(Units)	Amount
1	ADAMS	-	-	-	-
2	AFAUS	-	-	-	-
3	AVA	-	-	-	-
4	BGEF	-	-	-	-
5	BRIDGE	-	-	-	-
6	CMES	-	-	-	-
7	DESHA	-	-	-	-
8	GHEL	-	-	-	-
9	Hilful Fuzul	-	-	-	-
10	IDF	-	-	-	-
11	INGEN	-	-	-	-
12	NUSRA	-	-	-	-
13	Padakhep	-	-	-	-
14	PDBF	-	-	533	7,783,683
15	RDF	-	-	-	-
16	REDI	-	-	294	3,966,371
17	RIMSO	-	-	1,181	16,496,445
18	RISDA	-	-	243	3,474,983
19	RSF	-	-	-	-
20	Shakti Foundation	-	-	-	-
21	Shubashati	-	-	-	-
22	SolarEn	-	-	-	-
23	SRIZONY Bangladesh	-	-	6,595	107,623,232
24	TMSS	-	-	776	9,183,642
25	Upakulio Biddutayan	-	-	-	-
26	Xenergeia	-	-	461	5,995,766
	Sub Total	-	-	10,083	154,524,122

IDCOL has extended refinancing facility to the POs to the extent of 80% of outstanding loans provided by the PO to the customers/households against installation of SHS. These POs, selected by IDCOL in due process, were found eligible during the audit to receive the refinancing facility as per the project agreements.

Infrastructure Development Company Limited

Schedule of Loan disbursement from RED project

Funded by JICA (Loan # BD-P 75)

Annexure - F

for the year ended 30 June 2014

Refinancing to Participating Organizations (POs)					
SL#	Name of Participating Organizations	Amount in Taka			
		2013-2014		2012-2013	
		SHS(Units)	Amount	SHS(Units)	Amount
1	ADAMS	1,299	17,272,552	-	-
2	AFAUS	429	8,945,468	308	6,279,112
3	Atmabiswas	1,111	13,776,083	120	2,633,400
4	AVA	10,520	112,083,732	8,882	113,924,838
5	BGEF	22,006	233,185,473	11,226	134,539,930
6	CEF	592	6,595,024	-	-
7	CMES	369	6,743,679	61	1,153,272
8	DESHA	3,056	33,937,835	2,274	27,069,180
9	FIVDB	186	2,306,646	147	2,253,780
10	GHEL	1,345	16,344,924	2,957	43,747,881
11	Grameen Shakti	69,823	771,662,232	14,299	157,260,973
12	Hamko	980	11,892,452	-	-
13	HFSKS	17,754	174,210,586	-	-
14	IDF	7,347	66,661,539	1,998	24,680,375
15	InGen	208	2,504,594	-	-
16	Jagorani	2,507	29,768,068	310	3,963,021
17	NUSRA	2,024	22,787,306	1,450	17,536,141
18	Page	286	3,737,080	-	-
19	Padakhep	884	12,682,788	225	3,286,128
20	Patakuri	13,259	132,222,138	4,980	60,041,171
21	PBK	548	6,878,908	35	528,444
22	PDBF	2,775	33,148,041	534	7,761,184
23	Polli Shakti	395	5,031,670	-	-
24	PRDF	2,926	32,816,914	-	-
25	RDF	14,613	141,001,810	2,013	24,249,902
26	RDS	580	8,139,112	-	-
27	REDI	1,464	16,298,931	1,006	13,196,959
28	RIMSO	6,225	66,822,891	3,152	42,807,959
29	RISDA	5,749	62,954,899	1,788	22,903,609
30	RSF	38,591	411,941,683	18,341	212,276,276
31	Saif powertec	548	6,223,602	-	-
32	Sancred	432	5,194,466	-	-
33	SDRS	316	4,431,602	-	-
34	Shakti Foundation	2,651	29,419,295	3,301	40,573,382
35	Shubashati	383	4,624,980	275	3,960,902
36	SolarEn	12,714	137,337,309	3,367	40,317,860
37	SRIZONY Bangladesh	9,151	97,118,523	1,982	22,707,925
38	Sun Home	1,530	19,277,324	-	-
39	SunRim	499	5,312,078	-	-
40	TMSS	5,588	56,585,210	2,742	31,487,544
41	UBOMUS	4,447	51,434,347	-	-
42	Uddipan	1,309	16,651,366	232	3,723,822
43	Xenergeia	4,358	49,079,759	651	8,077,995
Total		273,777	2,947,044,919	88,656	1,072,942,965

IDCOL has extended refinancing facility to the POs to the extent of 80% of outstanding loans provided by the PO to the customers/households against installation of SHS. These POs, selected by IDCOL in due process, were found eligible during the audit to receive the refinancing facility as per the project agreements, during the audit.

Infrastructure Development Company Limited
Schedule of Loan disbursement NDBMP Project
Funded by KFW (Project # 2006.65.612)
for the year ended 30 June 2014

Annexure - G

Refinancing to Participating Organizations (POs)					
SL#	Name of Participating Organizations	Amount in Taka			
		2013-2014		2012-2013	
		Plant (Units)	Amount	Plant (Units)	Amount
1	ADAMS	-	-	-	-
2	DESHA	-	-	65	1,265,481
3	Ghashful	-	-	47	908,161
4	Gonosasthya Kendra	-	-	3	58,285
5	Gram Bikash Kendra	-	-	34	646,277
6	Grameen Shakti	-	-	2,457	47,225,689
7	NUSRA	-	-	19	361,058
8	PIPASA	-	-	8	113,600
9	RISDA Bangladesh	-	-	15	272,208
10	Rural Reconstruction Foundation	-	-	38	724,130
11	Rural Services Foundation	-	-	165	3,581,628
12	Srizony Bangladesh	-	-	55	1,060,136
13	Padakhep Manabik Unnayan Kendra	-	-	-	-
14	Hilful Fuzul Samaj Kallyan Sangstha	-	-	-	-
15	National Development Society	-	-	-	-
16	Sangram	-	-	-	-
17	Save Our Urban Life (SOUL)	-	-	-	-
18	Shariatpur Development Society	-	-	-	-
19	Mohila Bohumukhi Sikkha Kendra	-	-	-	-
20	Anannyo Samaj Kallyan Sangstha	-	-	-	-
21	Barendra Advancement Integrated Committee	-	-	-	-
22	Bhelabazar Samaj Unnayan Sangstha	-	-	-	-
23	SETU	-	-	-	-
24	Sonali Unnayan Foundation	-	-	-	-
25	Grameen Motsho O Poshusampad Foundation	-	-	-	-
26	Wave Foundation	-	-	32	597,922
	Total	-	-	2,938	56,814,575

IDCOL has extended refinancing facility to the POs to the extent of 80% of outstanding loans provided by the PO to the customers/households against installation of biogas plants. These POs, selected by IDCOL in due process, were found eligible during the audit to receive the refinancing facility as per the project agreements.

Infrastructure Development Company Limited

Deferred tax assets

Annexure - H

Particulars	Carrying amount on balance sheet date	Tax base	Taxable/ (deductible) temporary difference
	Taka	Taka	Taka
Year: 2013-2014			
Fixed assets including land, building, furniture and fixtures	50,623,532	50,623,532	-
Gratuity provision	6,710,861	-	(6,710,861)
Interest Suspense	67,294,093	-	(67,294,093)
Total temporary difference	124,628,486	50,623,532	(74,004,954)
Applicable tax rate			42.5%
Deffered Tax Asset (see note: 11.2)			(31,452,105)
Year: 2012-2013			
Fixed assets including land, building, furniture and fixtures	41,551,405	41,551,405	-
Gratuity provision	3,486,254	-	(3,486,254)
Interest Suspense	93,936,683	-	(93,936,683)
Total temporary difference	138,974,342	41,551,405	(97,422,937)
Applicable tax rate			42.5%
Deffered Tax Asset (see note: 11.2)			(41,404,748)
Year: 2011-2012			
Fixed assets including land, building, furniture and fixtures	33,554,982	33,554,982	-
Gratuity provision	2,984,582	-	(2,984,582)
Interest Suspense	57,254,548	-	(57,254,548)
Total temporary difference			(60,239,130)
Applicable tax rate			42.5%
Deffered Tax Asset			(25,601,630)

Infrastructure Development Company Limited

Annexure - I

Schedule of Fixed Assets

as on 30 June 2014

Amount in Taka

Name of assets	Cost			Rate	Depreciation			Written down value as on 30 June 2014
	Balance as on 1 July 2013	Addition during the year	Disposal during the year		Balance as on 30 June 2014	Charged during the year	Adjustments during the year	Balance as on 30 June 2014
Office space	19,412,311	-	-	10%	13,317,851	609,446	-	13,927,297
Furniture, fixture and decoration	4,035,899	1,027,610	-	10%	1,244,147	381,936	-	1,626,083
Interior decoration at UTC building	16,190,142	4,414,992	-	10%	2,133,026	1,847,211	-	3,980,237
Computer & computer equipment	11,790,880	12,322,460	1,498,718	30%	22,614,622	5,011,201	1,349,428	10,921,820
Other office equipment	6,510,061	2,183,065	1,905,716	10%	4,604,044	388,292	1,699,554	3,292,782
Software	3,326,640	-	-	30%	2,164,473	348,650	-	2,513,123
Vehicle	21,650,336	335,000	-	20%	10,641,276	2,268,812	-	12,910,088
Balance as on 30 June 2014	82,916,269	20,283,127	3,404,434		41,364,864	10,855,548	3,048,982	49,171,430
Balance as on 30 June 2013	67,321,684	16,104,049	509,464		33,766,702	7,945,212	347,050	41,364,864

* Donor funded Grant assets disclosure

Name of assets	Cost			Rate	Depreciation			Written down value as on 30 June 2014		
	Balance as on 1 July 2013	Addition during the period	Disposal during the period		Balance as on 30 June 2014	Charged during the year	Adjustments during the year		Balance as on 30 June 2014	
The World Bank										
Furniture, fixture & decoration	635,100	476,040	-	1,111,140	10%	120,669	99,047	-	219,716	891,424
Interior decoration at UTC building	8,887,334	-	-	8,887,334	10%	888,733	799,860	-	1,688,593	7,198,741
Computer & computer equipment	8,421,990	9,610,093	1,494,638	16,537,445	30%	6,257,894	3,623,932	1,363,674	8,387,188	8,150,258
Other office equipment	2,505,767	1,106,014	962,745	2,649,036	10%	1,758,349	222,978	920,929	1,018,582	1,630,454
Software	810,113	-	-	810,113	30%	511,114	89,700	-	600,814	209,299
Vehicle	820,736	335,000	-	1,155,736	20%	406,625	149,822	-	556,447	599,289
Sub total as on 30 June 2014	22,081,040	11,527,147	2,457,383	31,150,804		9,943,385	4,985,338	2,284,603	12,471,340	18,679,464
Sub total as on 30 June 2013	13,270,206	8,887,334	76,500	22,081,040		7,866,715	2,148,067	71,397	9,943,385	12,137,655

Infrastructure Development Company Limited

Schedule of Fixed Assets

as on 30 June 2014

Annexure - I

Name of assets	Cost			Rate	Depreciation			Written down value as on 30 June 2014	
	Balance as on 1 July 2013	Addition during the period	Disposal during the period		Balance as on 30 June 2014	Charged during the year	Adjustments during the year		Balance as on 30 June 2014
SNV-Netherlands Development Organisation									
Furniture, fixture & decoration	2,186,670	-	-	2,186,670	10%	128,083	-	1,033,919	1,152,751
Computer & computer equipment	1,427,866	-	560,418	867,448	30%	177,542	464,527	676,930	190,518
Other office equipment	783,522	-	87,665	695,857	10%	33,577	70,223	550,647	145,211
Software	398,778	-	-	398,778	30%	41,034	-	303,032	95,746
Vehicle	1,560,000	-	-	1,560,000	20%	65,431	-	1,298,275	261,725
Sub total as on 30 June 2014	6,356,836	-	648,083	5,708,753		445,667	534,750	3,862,802	1,845,951
Sub total as on 30 June 2013	6,744,040	45,760	432,964	6,356,836		465,007	275,653	4,065,218	2,291,618
KfW-Biogas									
Computer & computer equipment	41,000	844,216	-	885,216	30%	262,490	-	272,740	612,476
Other office equipment	-	76,807	-	76,807	10%	7,681	-	7,681	69,126
Sub total as on 30 June 2014	41,000	921,023	-	962,023		270,171	-	280,421	681,603
Sub total as on 30 June 2013	-	41,000	-	41,000		10,250	-	10,250	30,750
Grand total as on 30 June 2014	28,478,876	12,448,170	3,105,466	37,821,580		5,701,176	2,819,353	16,614,562	21,207,018
Grand total as on 30 June 2013	20,014,246	8,974,094	509,464	28,478,876		2,623,324	347,050	14,018,853	14,460,023



ARTICLES

- Vision 2021: Infrastructure challenges and the role of public-private partnership
- Energy Efficiency: why/where/how?



VISION 2021: INFRASTRUCTURE CHALLENGES AND THE ROLE OF PUBLIC-PRIVATE PARTNERSHIP

S. M. Formanul Islam with Amani Rahman

In the 1960s, the then East Pakistan's economy grew by an annual average rate of around 4 percent. About a fifth of that economy was destroyed during the Liberation War of 1971. The nine-month long war had left the country's infrastructure in tatters. Starting with a poor economy crippled by inadequate, broken and dilapidated infrastructure, the country was mocked by its critics as a "bottomless basket." Today the scenario has changed. The country now has credible basis to aspire to become a middle income economy by its 50th birthday. The present government has set that vision to be achieved by 2021. According to the World Bank, this will require increasing GDP growth to 7.5 to 8 percent per year based on accelerated export and remittance growth. Both public and private investment have to increase in infrastructure, industries and agriculture.

In the past decade, the economy has grown at nearly 6 percent per year, despite spate of natural calamities and political instabilities. Poverty dropped by nearly a third, coupled with increased life expectancy, literacy, and per capita food intake. Over the last few years, inflation has remained almost single digit. As a result, according to a recent study, Bangladesh has surpassed its neighbors, including India, in many social development indicators.

Exports have been riding on the blossoming RMG sector which has earned USD 23 billion in 2013. Remittance revenues rose 19.7 per cent to a record monthly high of \$1.4bn in July 2014, boosting the country's GDP outlook, bolstering the current account surplus and helping offset an over-reliance on garment exports. At 8.2 per cent of GDP, remittances have more than offset the trade deficit, counter-balanced the lack of diversification in the export base (which primarily relies on textiles) and are a major contributor to the country's surplus current account position. A recent article in The Economist rightly said, "Bangladesh has become a model of what can be done". Progress achieved so far provides a credible basis for aspiring to be a middle income nation by 2021.

Middle-income status is defined based on nominal Gross National Income (GNI) measured in Atlas dollars. Economies are divided according to 2012 GNI per capita, calculated using the World Bank Atlas method. The income thresholds are: low income—\$1,025 or less; lower middle income—\$1,026 to \$4035; upper middle income—\$4036 to \$12,475; and high income—\$12,476 or more. According to a provisional estimate of the Bangladesh Bureau of Statistics, per capita income grew by 12.9 percent to \$1,190 in the current fiscal to take the country closer to the middle-income bracket. Bangladesh will be regarded a middle-income nation if it achieves at least an average per capita income of \$1,026 for three consecutive years, with the figures being

inflation adjusted. The per capita income last fiscal year was \$1,054. (Source: <http://www.thedailystar.net/mid-income-status-not-far-off-25125>)

A recent World Bank report, "Bangladesh: Towards Accelerated, Inclusive, and Sustainable Growth—Opportunities and Challenges" states that both GDP growth and remittances would play an important role in attaining middle-income status. The report emphasized on more investment in physical infrastructure and human resource development, and creation of enabling environment for flourishing labour intensive economic activities. In order to attain 7.5%-plus GDP growth, Bangladesh will have to enhance manufacturing-based export growth. It will also have to overcome the many hurdles standing on the way, including weak economic governance; overburdened land, power, port, and transportation facilities; and limited success in attracting foreign direct investments in manufacturing. At the end of the day, inadequate infrastructure remains a major bottleneck to the growth of the country.

The "Perspective Plan of Bangladesh (2010-2021): Making Vision 2021 a Reality" (the Plan) is a strategic articulation of the development vision, mission, and goals of the Government in achieving a prosperous Bangladesh by 2021. The Plan lays down the road map for achieving the targets of Vision 2021. The technical framework designed to set the targets for the vision to be realized is provided below:

	Benchmark FY10	Target FY15	Target FY21
Real GDP Growth (%)	6.1	8.0	10.0
CPI inflation (%)	7.5	6.0	5.2
As per cent of GDP			
Gross Investment (%)	24.4	32.5	38.0
Gross National Savings (%)	30.0	32.1	39.1
Total government revenue (%)	10.9	14.6	20.0
Total government expenditure (%)	14.6	19.6	25.0
Exports (billion US\$)	16.2	38.8	82.0
Imports (billion US\$)	21.4	52.8	110.5
Remittances (billion US\$)	10.9	17.8	38.5
Unemployment rate (%)	30.0	20.0	15.0
Poverty (head count, %)	31.5	22.5	13.5

Source: Perspective Plan projections

Following visions for power sector development has been mentioned in the Outline Perspective Plan of Bangladesh (2010-2021):

- Electricity Generation in the country by 2013 - 8500 MW
- Electricity Generation in the country by 2015 - 11,500 MW
- Electricity Generation in the country by 2021 - 20,000 MW
- Electricity for all by 2021

Currently, Bangladesh is among the countries with the lowest per capita energy as well as power consumption rates. Consumption of power is largely related to its availability and economic condition of the people. Expected economic growth cannot happen without provision for power. Therefore, achievement of Vision 2021 will largely depend on increasing per capita energy consumption. Not surprisingly, a developing country like Bangladesh will find it increasingly difficult to invest enough in the power sector due to budgetary constraints. Government certainly has other priority areas such as education, health, social safety net and security topping the development agenda. Here comes the opportunities for PPP, where private funds can be drawn for investment while government needs only to enact appropriate policy/laws and maintain a level playing field where private sector can thrive.

Being vulnerable to the impact of climate change, Bangladesh has to focus on sustainable development. The Renewable Energy Policy 2008 of Bangladesh provides that 5% of the total power generated by 2015 shall come from renewable sources, and by 2020 the share of renewable energy in the country's energy mix in the power sector will be 10%. Therefore, according to the policy, by 2021 around 2000MW of electricity shall come from renewable sources. Thus far, under IDCOL's renewable energy programs around 140 MW power is being generated from solar energy. In addition to the 250MW hydro project in Kaptai and some other renewable energy initiatives undertaken by other government and non-governmental organizations might account for not

more than 20 MW of power. Currently, country's total power coming from renewable sources is around 400MW. In order to achieve the renewable energy target under the Renewable Energy Policy 2008, government has to ensure addition of 1600MW electricity from different renewable sources by 2021. Certainly, government alone cannot do that; or does not need to do that. IDCOL's PPP approach has proved to be successful. All government needs to do is to help IDCOL in further expanding its activities in the renewable energy sector i.e. solar irrigation pumps, solar mini-grids, bioelectricity projects etc. With support from the government as well as the development partners IDCOL can easily contribute in achieving the Government's renewable energy target vis-à-vis Vision 2021 of ensuring access to electricity for all.

Innovation and infrastructure matter most for increasing productivity. Infrastructure is also critical for exports and to attract Foreign Direct Investment (FDI). There is no denying the fact that Bangladesh's infrastructure industry is one of the most underdeveloped in the world. According to ADB, the country's physical infrastructure - transport, port, communication, sewage, water and energy etc. - is only better than Nepal and Mongolia's. Bangladesh's relatively low investment to GDP ratio indicates why there is a gap between its actual and potential GDP. The country's inability to attract large investment in its infrastructure sector is primarily responsible for its stagnated investment accounting for low GDP ratio (about 25 per cent) for the past few years.

In the World Economic Forum's Global Competitiveness Report 2009-10, the country's infrastructure competitiveness was ranked 126th out of 133 countries, the lowest ranking among its South Asian neighbors, India (49th), Sri Lanka (79th) and Pakistan (101st). Transport facilities are severely lacking in Bangladesh, causing traffic bottlenecks that drive up the cost of business and goods. Achieving middle-income states will further squeeze transport infrastructure. Therefore, there is a need for huge PPP initiatives undertaken in the transport sector.

Access to infrastructure services in Bangladesh as compared to other south Asian countries

	Telecom Access (per 100 people) (2011)	Electricity Access (% of pop.) (2010)	Access to Improved Sanitation (% of pop.) (2011)	Access to Improved Water (% of pop.) (2011)	Total Road Network (km per 1000 people)	% Paved Roads
Afghanistan	54	30	29	61	1.6	29
Bangladesh	58	47	55	83	0.1	10
Bhutan	69	65	45	97	9.7	40
India	75	75	35	92	3.5	50
Maldives	173	95	98	99	0.3	100
Nepal	47	76	35	88	0.8	54
Pakistan	65	67	47	91	1.5	72
Sri Lanka	104	77	91	93	5.5	81

Source: http://www.worldbank.org/content/dam/Worldbank/document/SAR/Reducing%20Poverty%20by%20Closing%20South%20Asia%27s%20Infrastructure%20Gap_Web.pdf



According to the World Bank report, Bangladesh will need to spend \$7.4 billion to \$10 billion a year until 2020 to bring its power grids, roads and water supplies up to the standard needed to serve its growing population. In total, the country will require between \$74 billion and \$100 billion between 2011 and 2020 or 7.38 percent to 10.02 percent of its gross domestic product to reach its target of achieving middle-income country status by 2021. Investment Requirements in Bangladesh between 2011–2020 is shown below:

(in billion dollars)

	Low	High
Transport	36	45
Electricity	11	16.5
WSS	12	18
Solid Waste	2.1	4.2
Telecom	5.0	5.0
Irrigation	7.7	11.6
Total	74	100

Source: http://www.worldbank.org/content/dam/Worldbank/document/SAR/Reducing%20Poverty%20by%20Closing%20South%20Asia%27s%20Infrastructure%20Gap_Web.pdf

The WB report suggests Bangladesh will have to give the highest priority to its transport sector, as the country needs to spend between \$36 billion and \$45 billion for expanding its communication network. The second component of infrastructure that would require second largest investment is the power sector – requiring investment between \$11 billion and \$16.5 billion. Improving water supply and sanitation will need a flow of investment of \$12 billion to \$18 billion, solid waste management \$2.1 billion to \$4.2 billion, telecom \$5 billion, and irrigation \$7.7 billion to \$11.6 billion until 2020. A major portion of these investment can come from the private sector. The Government just have ensure an enabling environment for PPP.

Long years of under-investment have taken its toll and have resulted in the poor access to basic infrastructure for a large portion of Bangladesh's population. Thus the major challenge that has impeded infrastructure growth of the country is the inability to attract investment in the sector. This problem has much less to do with the structure of industrial incentives than with the overall investment climate and the costs of doing business. The factors adversely affecting investment incentives in infrastructure are well documented in Bangladesh's context: lack of well-designed policies, inadequate legal and regulatory framework, a weak financial system, corrupt and sloppy bureaucracy, lack of transparency and accountability and collection of illegal protection money, to name a few. These factors also inhibit the flow of foreign direct investment, the volume of which remains insignificant despite liberal policies.

According to another World Bank report, total private sector investment commitments in US\$ million during 1990 to 2012 were as follows

	Water Supply and Sanitation	Transport	Energy*	Telecom	Total	% of total PPI**	% of GDP (2007–2012)
Bangladesh	0	0	2	1683	1685	0.47	0.01

Source: World Bank Private Participation in Infrastructure Database.

In order to achieve the Vision 2021, funding commitment will be needed from 3 main stakeholders -the private sector, the public sector and the international development partners. The focus should be on encouraging public-private partnership (PPP) - both local and foreign; and ensure that the right economic and monetary incentives are created for all parties, so that they remain committed and engaged. It is important to be able to attract private sector participation through appropriate allocation of resources, risks and rewards. In this regard the public sector should work in collaboration with the private sector to provide the necessary support so that both the parties may work together in implementing, operating and managing successful infrastructure projects. There are several bi-lateral and multi-lateral development agencies that have been focusing on infrastructure finance in Bangladesh including IDA, ADB, JICA, DEG, KfW, GIZ, UKAID, NORFUND etc. Combined efforts of public, private and NGO sectors will have the greatest effect in infrastructure develop-

ment. However, there are some problems faced by public and private sectors regarding PPP. In addition to alleged inefficiency in bureaucracy, lack of reforms remains the major problem. The sectors such as power and telecom have been able to draw private funds and skills due to some reform that took place in these sectors. IDCOL's off-grid renewable energy program is also a glaring success of PPP initiatives. This was possible because of taking a holistic approach by IDCOL towards the sector. Engagement of all stakeholders in the policy formulation as well as implementation of renewable energy programs was the key. For other sectors, with no dedicated framework, or tailor made law for PPP in place till today, there is every reason for private sector to be tentative in a country with volatile political condition. They also fear that undue bossing, lack of performance based pay, and too much controlling of their counterpart in the name of PPP could jeopardize the fate of private sector.

Conclusion

With 'Vision 2021' in mind the Government has undertaken massive programs for infrastructure development in partnership with the private sector. Around \$525 million has been allocated in the Annual Development Plan (ADP) of the FY 2013/14 for various infrastructure - 17.2% of ADP budget is allocated for Power & Energy and 23.1% for the communication sector.

In order to create an enabling environment for attracting private investments on a sustainable basis, the Government has also initiated a new budgetary modality by introducing PPP budget. The Government has already approved 'Policy & Strategy for PPP, 2010', 'Guidelines & Scheme for PPPTAF 2012' and 'Guidelines for VGF for PPP Projects'. PPP office has been set up under the Prime Minister's Office. IDCOL was established back in 1997 to facilitate private sector investments in infrastructure. Infrastructure Investment Facilitation Center was also established in the same year to develop projects that would be eligible for IDCOL financing. Of late, Bangladesh Infrastructure Finance Fund Limited has been formed as a special purpose vehicle to finance infrastructure projects in the country. The IFF was created under the auspices of Bangladesh Bank to fund PPP projects. These steps definitely reflect the positive attitude of the Government in this regard.

Given the sustained growth of the country for more than a decade and government's firm commitment, achieving Vision 2021 seems to be a foreseeable reality. The country is well poised to be graduated to the status of middle income country by 2021. However, for that to happen PPP has to flourish in all infrastructure sectors. Wider success of PPP will depend on the following:

- The PPP organizations and institutions established by the Government have to work in tandem harnessing each other's potentials.
- The private sector and the NGO sector shall be included both in policy making, articulating implementation strategies and policy implementation.
- Both bureaucrats and private sector need to be sensitized about PPP through more interactions and exposures.
- A fair, competitive and transparent governance system shall be in place.
- The PPP law need to be enacted to give the sector an institutional shape as well as to bring in private sector's trust for long-term investment in the infrastructure sector.
- Investor friendly dispute resolution mechanisms shall be developed and promoted. Dispute resolution institutions need to be established.
- The capital market needs to be revitalized to regain investors' trust.
- Law and order situation need to be improved.
- Political stability has to be ensured.



Energy Efficiency: why/where/how?

Md. Shaheenur Rahman

"Verizon activated Windows sleep features on about 11,000 PCs in a pilot study conducted at 14 company locations in 2008. Based on the trial, Verizon initiated a wider implementation across approximately 185,000 PCs that could save about \$7M per year net of project costs because sleeping PCs and monitors generate less heat, Verizon accordingly anticipated additional annual energy savings from reduced office airconditioning loads. By fully activating monitor and computer power management features on its computers, Verizon achieved energy savings equivalent to that needed to light nearly 88,000 homes in the U.S annually in the year 2009"

That's an example how energy efficiency saving tales are made. And tales become realities in no time. But, first of all, let's try to know about the magic wand of the tale; Energy Efficiency. To define Energy Efficiency, we first need to know the difference between Energy Efficiency & Energy Conservation;

Energy Conservation (EC) is any behavior that results in the use of less energy. Turning the lights off when we leave the room and recycling aluminum cans are both ways of conserving energy. On the other hand, Energy Efficiency (EE) is the use of technology that requires less energy to perform the same function. A compact fluorescent light bulb that uses less energy than an incandescent bulb to produce the same amount of light is an example of energy efficiency. However, the decision to replace an incandescent light bulb with a compact fluorescent is an act of energy conservation.

Knowing EE by definition only at times is not enough to describe its cosmic magnitude. Hence we should know its enormous possibilities and benefits. It's more like the famous quote used by actress 'Gloria Swanson' in the movie Sunset Boulevard (1950) which mentions, "I am big! It's the pictures that got small." So, if we want to get a snapshot of its significance, we can look into 4 broad categories:

- Rising Energy Demand
- Rising Energy Prices
- Climate Change
- Green Job Creation

Rising Energy Demand is a result of businesses, and factories in particular, requiring significant amounts of energy in the form of both electricity and petroleum-based fuels to operate. As economies industrialize, energy demand increases. Also, Transportation is one of the largest consumers of energy in the world, accounting for 58 percent of liquid fuel consumption in OECD countries in 2013. As we move more often, further, and with greater speed, the energy we use in transportation will inevitably increase.

World Energy Demand and Economic Outlook

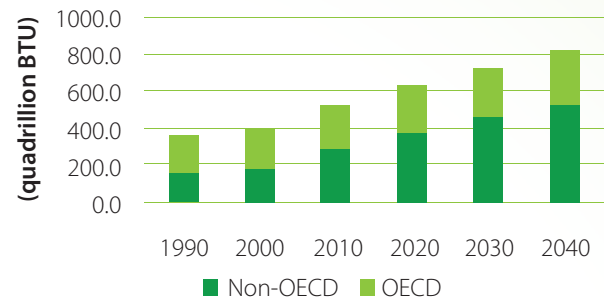
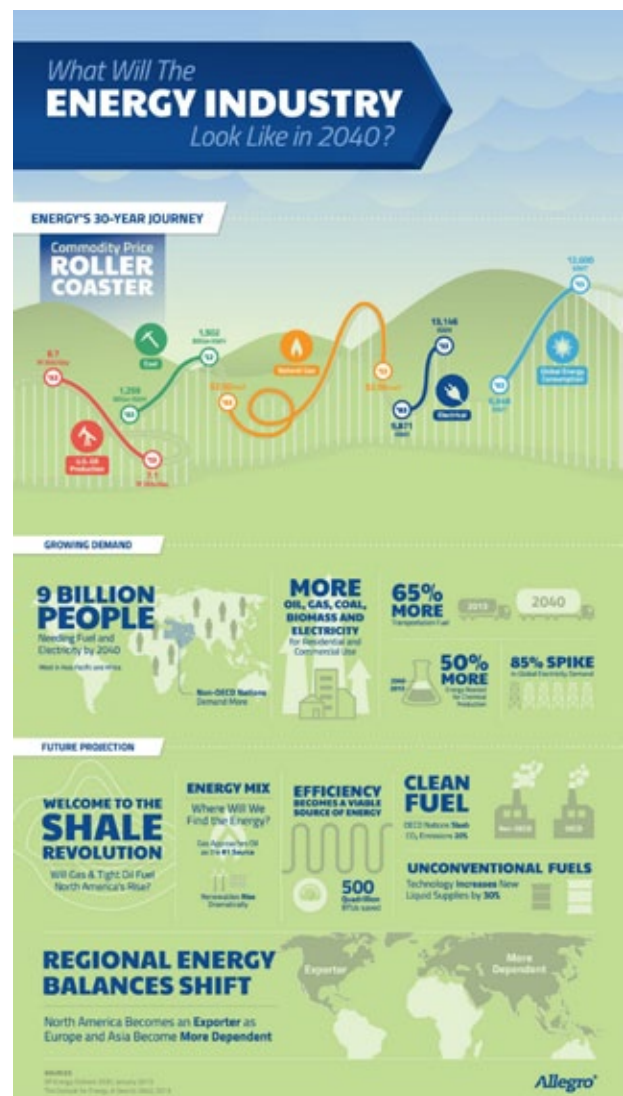


Figure 1: World Energy Demand prediction



Air travel in particular is another heavy user of transportation fuel. As per the expected energy demand predicted by US EIA, the energy demand would be around 800 quadrillion British Thermal Units (BTUs) at the end of 2040 which is 3.5 times the current energy demand of the world (figure 1). They also predict that, by the end of 2040, we would require 65% more transportation fuel and 85% more electricity (figure 2).

With incremental demand comes the issue of up scaling energy price. As per recent statistics, the energy prices have soared at around 150% in the US in last 7 years. Even if we take the case of Bangladesh, we all know that the electricity prices have hiked about 300% in the last 10 years or more and the major increases took place in a span of around 2-3 years. So, at one hand we have to combat with the world's increasing energy demand and on the other hand have to deal with changing energy prices over the years or so. Moreover, if we seriously start thinking about EE from now on, then in the coming 10-20 years, we would not only save a bulk of energy by our own but also can have a control joystick at our hand to pacify the lashing energy prices.

Another mulling over issue related to energy non efficiency is, climate catastrophism. At our conscience or subconscious intent, we have destroyed the nature's balance quite a lot which now these days have started to backfire with serious catastrophic consequences. Even before some years, calamities like Tsunami, Volcanic eruption had very less familiarity but now these days they are page turners in every fortnight issues of newspapers. The extreme use of energy and subsequent emission of huge carbon based particles have depleted a lot of natural eco immunity and has seriously jeopardized the climatic balance of the world resulting in Acid rains, torrential rainfall in abnormal seasons, extreme Ultraviolet (UV) ray exposure etc. if we look over the global carbon footprint (figure 3) analysis, we can see the developed countries have done the major damages over the years on their pathway to development starting from the industrial era to the modern days. Countries like China, Russia, Japan, India & the United States of America comprises the bulk amount of Carbon comparing to the rest of the world. So, these are the countries that must take the EE issue into serious consideration and already we are seeing some of the initiatives by the concerned governments to instigate EE in their countries as well as all over the world. Several of these initiatives include, Save the nature, Save the world, Say Yes to Afforestation and similar type of campaigns in different parts of the world.

Some of the environmental statistics may jolt the conscious minds at times like: world temperature increased 6 degrees in the last 100 years thus melting a major portion of the polar ice portion. The Mount Kilimanjaro's glacial ice has already melted around 80% and is still continuing. From 1993-2000, the world sea levels rose 3 mm per year. At this rate of global warming, the Greenland ice shelves have lost around 200 cubic km per year and having continuing at the same rate, it will lose the volume of ice similar to that of the Mount Everest. Also, since the industrial revolution, the global

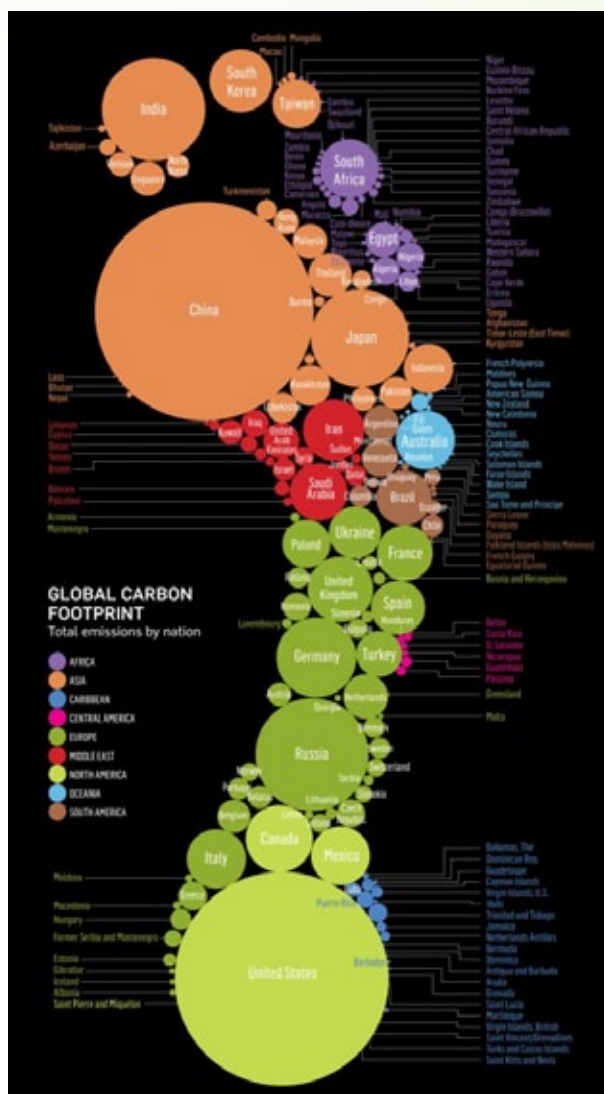


Figure 3: Global Carbon Footprint Mapping

Carbon Dioxide (CO₂) level rose about 40% and this has made the earth's air 30% more acidic from the dawn of the human evolution. So, time has really come to think of EE from now on to secure a better future for the next generations and generations after.

EE also comes up with greater opportunities like creating a handsome number of new green jobs every year. Green job term maybe loosely defined as the job which somewhat concerns with the activities contributing to a greener and sustainable future. Since, the awareness has started to build up among nations, we can see a spike in this job category of 9.1% compared to the traditional job growth of 3.7% over the world in the last 2 years.

So, 'why EE' should now be at least considerably answerable. But, keeping aside the macro perspective, let's focus on Bangladesh at a micro perspective. Bangladesh, a country of 1.5 lac square kilometers area and population of just more than 150 million is still mostly unaware about the concept of

EE. We Bangladeshis are yet to realize that a taka spent on energy efficiency comes with around 6-7 times more energy solutions than a taka invested in fossil fuel energy solutions. But, thanks to the recent government's awakening initiatives that has somehow popularized the concept of EE in the urban areas through with a tiny dosage. As per their mandate, the government of Bangladesh is looking forward to infuse the practice of EE into mass level with the following measures and programs:

- Prepare an Action Plan to ensure Energy Efficiency & Conservation both at supply and demand side, where number of interventions have been identified for implementation with a time-frame work;
- Prepare an Energy Efficiency and Conservation Master Plan by the relevant ministry;
- Declare Country Action Plan for Clean Cook Stove with a vision to replace 30 million inefficient traditional Cook stoves by Clean Cook stoves by 2030;
- Introduce Energy Audit System in the large industries;
- Initiate program for the gradual replacement of inefficient Brick Kilns to efficient Brick Kilns;
- Ascertain targeted program to convert gas driven simple cycle power stations into combined cycle power station;
- Take steps to revise the 'Building Code' inserting energy efficiency and solar energy issues;
- Replace Inefficient Rice Per-Boiling Systems with Improved Rice Per-Boiling System;
- Initiate methods to build awareness amongst the students, by incorporating Energy Efficiency and Renewable Energy issues in the academic curriculum of schools, madrasas and colleges;
- Launch programs to install solar PV system in government, semi government and autonomous organization's rooftop within 3 years;
- Encourage to use CFL/LED bulb and T5 tube light in all ministries and power sector entities;
- Replace conventional street lights with LED and solar lights subsequently;
- Promote public awareness program for energy conservation;
- Gradual discontinuation of incandescent bulbs and electric heaters;
- Limit the use of air conditioners, or keep temperature 25 degrees Celsius and above;
- Introduce energy Star Labeling Program in the electrical appliances through BSTI;
- Discourage the use of neon sign in the markets and shopping malls at night;
- Shut down markets and shopping malls within 8 p.m.

In line with government's various measures, there has been introduction of newer techniques to ensure EE in both the households as well as the industries. Due to my relevance

with the industrial sectors of Bangladesh, in the next couple of paragraphs, I'll try to illuminate on the Industrial energy efficiency aspects mainly. Industrial EE in Bangladesh can be segregated in 2 broad heads, i.e. EE as a part of typical or existing industries and EE as itself a new industry.

When we try to look over our existing industries, we see there are various common machineries or systems which by far every industry encounters with or uses for its production. These common systems can be the focal point at times to insert/add energy efficient apparatus or components to perform the same existing function but in a more energy conserving way. The systems are:

- HVAC Systems
- Air Compressors
- Electrical System & Wirings
- Lighting Systems
- Motors
- Boilers
- Refrigeration Systems
- Drying Systems etc.

If we start with the example of HVAC System which means Heating, Ventilation, And Air Conditioning can provide EE scopes like- Use of Forced Air System rather than Water Heating mechanism to save energy up to 15%-20% and even conditioning, introducing zoned heating rather than central heating, use of Energy recovery systems in the ventilators, designing ductless Cooling System, checking and repairing leakage sections periodically and many more. Some of the mentioned methods even doesn't require adding any new machinery rather than the modification of the existing system and go on from then.

Another common equipment in most of the industries is Air Compressors which consumes a good portion of energy within any facility. These compressors can also produce efficiency scopes such as - Check for balance between supplier pressure & required pressure, introduce heat recovery unit, usage of inlet air filter, avoid using oversized compressor, usage of air receiver/surge tank and check the compressor's V-Belt regularly etc.

Motors are an integral part of most of the industries in not only Bangladesh but also the whole world. A rough calculation estimates that, out of the world's total energy, 24% is consumed only by various types of motors. So, we can perceive the vivid existence of motors in the industrial areas all over the world. Since, motors have this bulk amount of energy consumption tendency, saving energy through EE practices in this area would largely impact the total world energy crisis. The recommended EE methods to introduce can be: Use of Variable Speed Drives, use of Motors with higher life cycle, choosing optimum speed motors, choosing motors with replacement policy, use of Motors with close to optimum voltage capacity, use of Synchronous belts instead of V-belts and so on.

Similarly, to improve the efficiency of the refrigeration systems used by various industries, we can use High-efficiency compressors and improved coil design, choose-electronically commutated motors, Install of Variable speed fans, improve fan blade designs to suit the requirements, improve Evaporator performance, use Anti-sweat heaters, check and improve insulation and gaskets, ensure efficient interior lighting etc.

Apart from the methods mentioned in the earlier paragraphs, there are lots of other ways to introduce EE in other industries which would bring about a drastic change in the industrial sector of our country as well as reshape the energy demand scenario in the coming days. But, for many, yet the methods remain questionable in terms of cost-benefit analysis of their introduction to the existing facility. There's been a faulty presumption in many industries that, these equipment do come with a higher capital costs which may create some problems for the small to medium entrepreneurs. But, the reality is, these EE techniques or systems are generally available at a nominal cost around the world and investment into these type of systems can be recoverable within 2-3 years with the amount of savings that these would ensue. But, yet around, there has been challenges from both the sponsors as well as financiers perspective regarding procurement of such machineries. The major challenges are: Lack of standardization of such EE equipment, High risks involvement with these systems like - Replacement risk, Technical risk, O&M risk etc., limited scope of rectification for any error in choosing the right EE equipment, lack of information/knowledge about these type of EE machineries, hidden cost involvement with introduction of such EE systems like – new manpower involvement, new energy consumption etc. However, due to government's initiatives, everyone is now more focused and oriented to embrace such EE technologies and reflections of such embracing are soon to come by.

Now, let's consider the opportunities of EE itself as a new industry in Bangladesh. Again, there is an effect of the government drive in support of EE, which has time to time popularized some newer type of projects. Now these days,

many entrepreneurs are coming up with breakthrough project ideas and are getting acclaimed for their initiatives locally and globally. The newer types of projects are: Renewable Energy Projects, i.e. Solar Projects, Bio-Gas Project, Wind Turbine Projects etc., Auto Sensor Switch Manufacturing facility, Improved Cook Stove production, LED bulb Assembly Plant, Solid Waste Management, Municipal Waste to Methane and Electricity, Municipal Waste to Compost, Sludge Management, Liquid Waste Management, Tire to Oil manufacturing through Pyrolysis, Compressed Block Brick production, Foam Concrete Block Brick production, Paper Recycling, Plastic Recycling (PP, LDPE, PVC, PET etc.), Producing bag from recycled materials, preparing Non-Woven polypropylene yarn from recycled material, Energy Efficient Palm Oil production plant, Energy Efficient Fired Bricks Technology etc.

The good news is that entrepreneurs and financing partners are perceiving the enormous potentials of EE in the industries of our country and that's why are very much eager to lend their whole hearted support in this regard. Even many donor organizations like – The World Bank, Asian Development Bank, United Nations Development Program, USAID etc. are providing concessionary lending facilities to potential entrepreneurs who are coming up with such type of projects. There are instances of Grant facilities as well to promulgate the benefits of these EE initiatives. Apart from the donor organizations, the local organizations are also coming up with various schemes and facilities to disseminate the EE benefits in to our society. Institutions like, Bangladesh Bank, Infrastructure Development Company Limited (IDCOL) now have devised their own policies to cater such type of projects.

Last but not the least, EE is definitely the key for tomorrow. And the one single key can unlock many serious energy deadbolts in the future. But, the awareness needs to take the shape of a mass hysteria to ensure the ecological balance of the Mother Nature as well as a sustainable future for the coming generations. So, let's all believe in EE and let's **'Conserve Energy to Preserve Energy' because 'Unless We Cherish, We'll definitely Perish'.**







AWARDS & **ACHIEVEMENTS**

- The Karlsruhe Sustainable Finance Award 2014
- National Energy Globe Award 2014
- Asia Power & Electricity Award 2014
- Canada Business Award 2012



For the relentless effort in providing clean energy solution to energy starved people in Bangladesh, IDCOL has been honored with the following prestigious award:

The Karlsruhe Sustainable Finance Award 2014



IDCOL wins the “Karlsruhe Sustainable Finance Award 2014” in the category of “Best Innovation in Sustainable Products and Services” for successful dissemination of solar home systems (SHS) in Bangladesh. Mr. Enamul Karim Pavel, Head of Renewable Energy, IDCOL and Mr. Nazmul Haque, Director (Investment) & Head of Advisory, IDCOL received the award in a prestigious ceremony that took place in the City Hall, Karlsruhe, Germany on 12 June 2014.

National Energy Globe Award 2014



IDCOL Solar Home System Program has been honored with the “National Energy Globe Award Bangladesh”. The winning project is being presented to a global public on www.energyglobe.info since 5 June 2014, the UN’s World Environment Day.

Asia Power & Electricity Award 2014



IDCOL has been awarded "Asia Power & Electricity Award 2014" in the category of "Solar Project of the Year" for its efforts, accomplishments, and positive contributions under the Solar Home System (SHS) Program. Mr. Nazmul Haque, Director (Investment) and Head of Advisory, IDCOL received the award at the Power & Electricity Awards Gala Dinner on 23 April 2014 at the Resorts World Convention Centre, Singapore.

Canada Business Award 2012



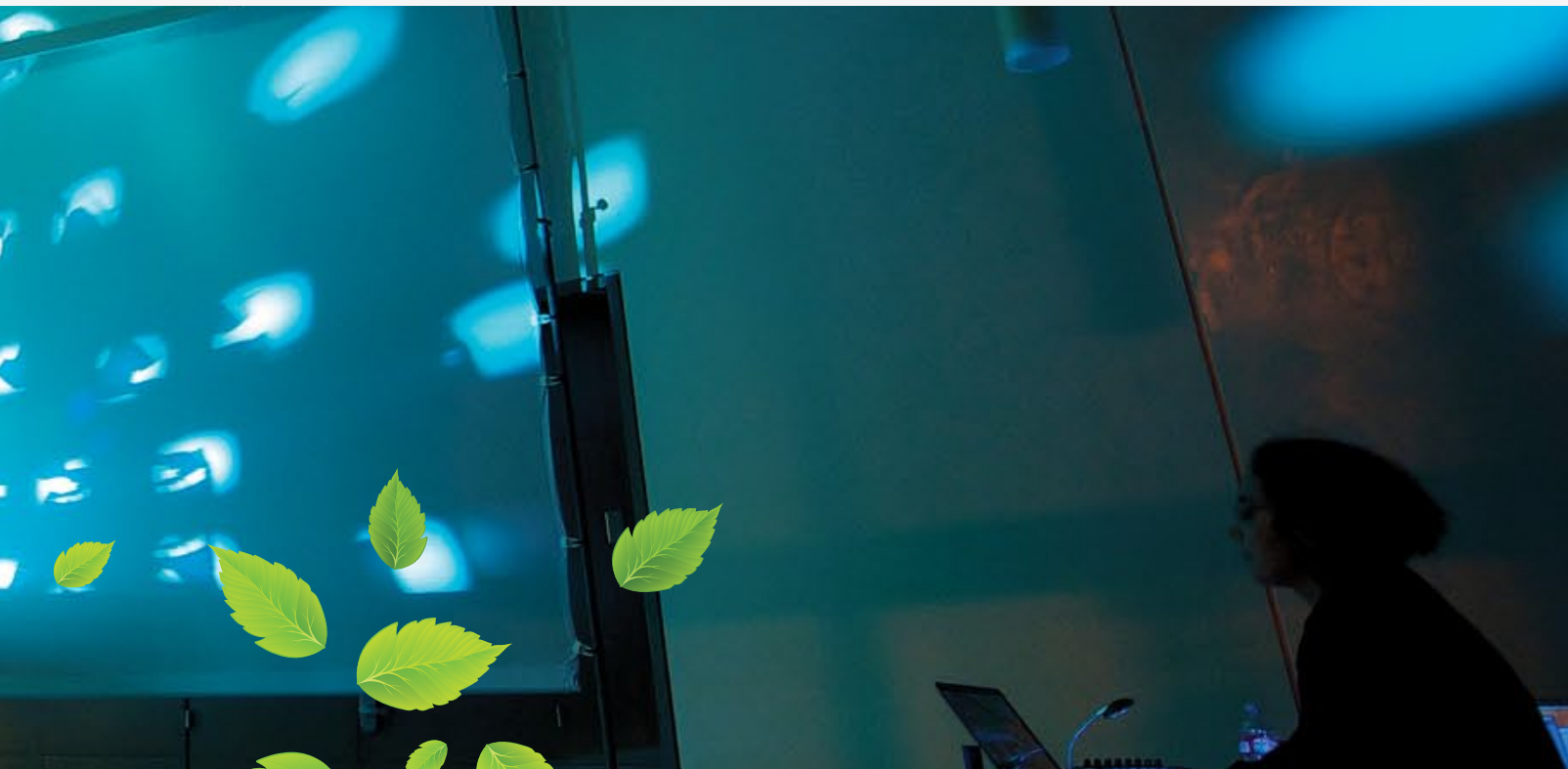
IDCOL received "Canada Business Award 2012" in the category of "Best Green Company of Bangladesh" from Canada Bangladesh Chamber of Commerce and Industry (CBCCI).







IDCOL EVENTS





IDCOL paid Tk 140 million to the government as cash dividend out of net profit of BDT 1,035 million for the FY 2012-2013. Finance Minister Abul Maal Abdul Muhit received the dividend cheque from Mohammad Mejbahuddin, Secretary, ERD, & Chairman, IDCOL, at the dividend payment program. Among others, Mahbub Ahmed, secretary, ERD, were also present at the event.



British High Commissioner, His Excellency Mr. Robert W Gibson, Deputy Head of Mission of German Embassy Dhaka, Dr. Ferdinand Von Weyhe and Deputy Head of Mission Embassy of France in Bangladesh, Babou Kamichetty visited IDCOL's Biogas Program, Solar Home System and Solar Irrigation Program at Dhamrai on 8 September 2014. Mr. Nazmul Haque Faisal, Assistant Director, Corporate Affairs explaining the benefit of biogas and its role to change the household energy sector in Bangladesh.



The Government of Bangladesh signed a \$78.4 million additional financing to further scale-up support for the successful solar home systems (SHS) program of Bangladesh. IDCOL will provide assistance as the implementation agency. The project will help to install an additional 480,000 solar home systems that has emerged as a viable electrification option for areas without grid access to electricity.



IDCOL has arranged a workshop for a five-member delegation from Uganda Energy Credit Capitalisation Company (UECCC) and Centenary Bank, Uganda on the renewable energy activities of IDCOL in Bangladesh during 12-19 May 2014. Under the workshop, the delegates have met several stakeholders of IDCOL renewable energy program and conducted field and factory visits to solar home system, domestic biogas plants, solar irrigation project, and solar PV assembling plant.





IDCOL has teamed up with Bangladesh University of Engineering and Technology (BUET) for establishing the country's first ever photovoltaic Testing Laboratory. IDCOL will fund around \$550,000 for establishing the project. The PV testing lab will be implemented by the Electrical and Electronics (EEE) Engineering department of BUET. Besides, IDCOL will also assist BUET to comply this laboratory as an ISO/IEC 17025 accredited Photovoltaic Testing Laboratory who will be able to give accreditation for major solar equipment in the future with a view to improving the efficiency and performance of solar energy programs in Bangladesh.



IDCOL has recently signed an agreement with Regent Energy and Power Limited (REPL) to extend USD 30 million term loan to REPL for setting up a 108 MW gasbased IPP power plant at Ghorashal, Narsingdi. Mr. Mahmood Malik, Executive Director and CEO of IDCOL and Mr. Yasin Ali, Managing Director of REPL signed the agreement on behalf of their respective organization.



A Term Loan Facility amounting BDT 54.67 million was signed between IDCOL and Engreen Limited (Engreen) on 22 May 2014 at IDCOL Head Office. The facility will be utilized to install solar-diesel hybrid power solution at 40 off-grid BTSs of Banglalink Digital Communications Ltd. to ensure uninterrupted voice and data services as well as reduce operational expenses. The Executive Director & CEO of IDCOL Mr. Mahmood Malik and the Managing Director of Engreen Mr. Md. Mushfiqur Rahman signed the facility agreement on behalf of their respective organizations.



A Term Loan Facility amounting BDT 337.67 million was signed between IDCOL and Pretty Auto Bricks Limited (PABL) on 3 February 2014 at The Westin Dhaka to set up an automatic brick manufacturing project at Kapashiya, Gazipur. The Project will use the most advanced Tunnel Kiln Technology and will have a capacity to manufacture 200,000 bricks per day. The Executive Director & CEO of IDCOL Mr. Mahmood Malik and the Chairman of PABL Mr. Mohammad Ali Talukder signed the Facility Agreement on behalf of their respective organizations.





A Term Loan Facility amounting BDT 388 million was signed between IDCOL and Baridhara Corporation Limited (BCL) on 28 November 2013 to set up an automatic brick manufacturing project at Pirujali, Mirzapur, Gazipur. The Project will use the most advanced Tunnel Kiln Technology and will have a capacity to manufacture 200,000 bricks per day. The Executive Director & CEO of IDCOL Mr. Mahmood Malik and the Managing Director of BCL Mr. Md. Wakil Uddin signed the Facility Agreement on behalf of their respective organizations.



A USD Term Loan Facility amounting 5.9 million was signed between IDCOL and Bangla Trac Communications Limited (BTracCL) on 3 November 2013 for financing of the continuing operation of BTracCL. Mr. Mahmood Malik, Executive Director and CEO of IDCOL and Mr. Tarique E. Haque, Managing Director of BTracCL signed the Agreement on behalf of their respective organizations.



IDCOL signed financing agreement with HYDRON Bangladesh Pvt. Ltd. on 24 December 2013 for setting up a 141 kWp PV based AC mini-grid project at Gorgori Union, Bagha, Rajshahi. Under the Project, Hydron will provide electricity to 45 shops and 998 households.



IDCOL signed financing agreement with GRAM Ltd. (Global Resource Augmentation and Management Ltd.) on 19 November 2013 for setting up a solar irrigation project at Rangpur. Under this project, five solar irrigation pumps will be set up in Badarganj of Rangpur district. The Project, once completed, is expected to provide irrigation facilities to 139 farmers for cultivating around 75 hectares of land.





IDCOL signed Financing Agreement with Green Housing & Energy Limited (GHEL) on 20 January 2014 for setting up a 100 kW solar mini-grid Project at Lemshikhali Union, Kutubdia Island, Cox's Bazar. Under the Project, GHEL will provide electricity to 400 shops and 120 households.



The 16th Annual General Meeting (AGM) of IDCOL was held on 28 December 2013 at Ruposhi Bangla Hotel, Dhaka. Mr. Abul Kalam Azad, then Chairman, IDCOL, and Secretary, Economic Relations Division, presided over the meeting.



IDCOL organized its "13th Financial Modeling Training Program" during 25-26 August 2014 at Lakeshore Hotel. The Executive Director & CEO of IDCOL, Mr. Mahmood Malik inaugurated the program. The program is intended to aid the participants in developing a better understanding regarding project financing issues. 28 professionals from various banks, financial institutions, and NGOs participated in the training program.



IDCOL organized its "19th Project Finance Training Program" during 16-17 April 2014 at Hotel Ruposhi Bangla. The Executive Director & CEO of IDCOL, Mr. Mahmood Malik inaugurated the program. 26 professionals from various banks, financial institutions, and NGOs participated in the training program.



IDCOL organized its 12th Financial Modeling Training Program during 3-4 February 2014 at Hotel Ruposhi Bangla. The Executive Director & CEO of IDCOL, Mr. Mahmood Malik inaugurated the program and Dr. Fouzul Kabir Khan, former secretary of Power Division was the chief guest during the closing ceremony. 34 professionals from various institutions participated in the training program.





IDCOL hosted an Iftar Mahfil including dinner on 14th July 2014 at RAOVA Convention Hall in honor of its stakeholders. A special prayer was offered seeking peace and prosperity of the country and people. IDCOL board members, dignitaries from various government & bilateral organizations, distinguished guests from various financial & concerned institutions attended the iftar party.



IDCOL participated in “Nari Uddokta Somabesh o Ponno Prodorshoni” fair organized by Bangladesh Bank at Hotel Ruposhi Bangla on 13th March 2014 to showcase renewable energy products such as solar home system, biogas plant, improved cook stoves, solar irrigation, solar mini-grid, biogas and biomass based gasification etc.



IDCOL signed agreement with 29 Partner Organizations to finance 1 million improved cook stoves (ICS) in Bangladesh by 2017. The signing ceremony was held at Ruposhi Bangla Hotel on 13th December 2013. The Executive Director and CEO of IDCOL, Mr. Mahmood Malik was present at the signing ceremony along with other IDCOL officials, representatives from the World Bank and Head of POs.



IDCOL participated in “Energy Efficiency Fair” organized by Asian Development Bank (ADB) in collaboration with Industrial and Infrastructure Development Finance Company Ltd (IIIDFC) at Ruposhi Bangla Hotel on 8th May 2014 to showcase its automatic brick kiln projects and improved cook stoves program.



IDCOL organized Annual Retreat 2014 during 28 February- 1st March 2014 at Jamuna Resort, Tangail. The program was attended by all the employees of IDCOL. The retreat was followed by indoor and outdoor games, cultural program and prize giving ceremony.



Note:

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This image shows a full page of white paper with horizontal ruling lines. The lines are evenly spaced and extend across the width of the page, typical of notebook or legal stationery. There are no margins, text, or other markings on the page.



Note:

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

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