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notice of the 12th annual general meeting

The Twelfth Annual General Meeting of the Shareholders of Infrastructure Development Company Limited will be held on **Tuesday, 24 November 2009** at **7:30 p.m.** at Dhaka Sheraton Hotel, Dhaka.

Agenda for the meeting are :

1. To consider and adopt Board of Directors' report of the Company and the Accounts of the Company with Auditors' Report thereon for the year ended on 30 June 2009.
2. To declare dividends of the Company for the FY 2008-2009.
3. To consider increase of Company's paid up capital to Tk. 66 crore.
4. To elect Director(s) in place of those retire in accordance with the regulations 79, 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 2009-2010.
6. Any other business.

You are requested to kindly attend the meeting.

By order of the Board of Directors



(S. M. Formanul Islam)
Company Secretary

Dated, Dhaka
05 November 2009

board of directors



M Musharraf Hossain Bhuiyan
Chairman, IDCOL and
Secretary, Economic Relations Division



Dr. M. Fouzul Kabir Khan
Director, IDCOL and
Former Secretary, Power Division



Kazi M. Aminul Islam
Director, IDCOL and
Former Secretary, Chief Advisor's Office



Dr. Mohammad Tareque
Director, IDCOL and
Secretary, Finance Division



Maj. Gen. Amjad Khan Chowdhury (Retd.)
Director, IDCOL and
CEO, PRAN Group



Latifur Rahman
Director, IDCOL and
Chairman, Transcom Group



Rashed Maksud Khan
Director, IDCOL and
Former President, Thai-Bangladesh
Chamber of Commerce and Industries



Islam Sharif
Executive Director and CEO

Islam Sharif
Executive Director and CEO

S. M. Monirul Islam
General Manager (Accounts and Admin)

Md. Enamul Karim Pavel
Assistant Director (Loans)

Saif Ush Shaherin
Internal Auditor

Farzana Rahman
Senior Investment Officer

Rashed Minhaz
Senior Investment Officer (Marketing)

Mohammad Wahidur Rahman
Senior Investment Officer (Technical)

M. Miran Hossain
Investment Officer

Tasrina Zaman
Investment Officer

Md. Mahfuzur Rahman
Investment Officer (Technical)

Tamiz Uddin Mullick
Accounts Officer

S. M. Formanul Islam
Director (Legal) and Company Secretary

Nazmul Haque
Director (Investment)

Md. Nazmul Haque Faisal
Senior Programme Manager (NDBMP)

Hirak Al-Hammad
Senior Investment Officer (Technical)

Nusrat Rob
Senior Accounts Officer

Md. Mizanur Rahman
Accounts Officer

Farhan Reza
Loan Officer

Md. Mainul Hoque
Legal Counsel

Farzana Hussain
Investment Officer (Technical)

Sadia Haque
Loan Officer

Registered Office

UTC Building, Leve-16
8 Panthapath, Kawranbazar
Dhaka-1215, Bangladesh
Tel : 9114385, 8111235
8117526, 9143157
Fax : 8116663
www.idcol.org

Legal Advisors

A. J. Mohammad Ali
Huq & Company
Law Associates
Law Valley
Syed Ishtiaq and Associates

Business Hours

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

Auditors

S. F. Ahmed & Co.
Chartered Accountants
House-25, Road-13A, Block-D
Banani, Dhaka-1213

Bangladesh Bank

Head Office, Dhaka-1000
Motijheel, Dhaka-1000

The City Bank Ltd.

Kawranbazar Branch, Dhaka-1215

BRAC Bank Ltd.

Dhaka

Standard Chartered Bank Ltd.

Dhaka

Mutual Trust Bank Ltd.

Dhaka

Jamuna Bank Ltd.

Dhaka

First Security Islami Bank Ltd.

Dhaka

The Premier Bank Ltd.

Dhaka

Delta Brac Housing Finance Corporation Ltd.

Dhaka

Janata Bank Ltd.

Sher-e-Bangla Nagar Branch, Dhaka-1207
Local Office, Dhaka-1000

Prime Bank Ltd.

Kawranbazar Branch, Dhaka-1215

Dhaka Bank Ltd.

Dhaka

National Credit & Commerce Bank Ltd.

Dhaka

Bank Alfalah Ltd.

Dhaka

One Bank Ltd.

Dhaka

Standard Bank Ltd.

Dhaka

EXIM Bank Ltd.

Dhaka

Shahjalal Islami Bank Ltd.

Dhaka

IDLC Finance Ltd.

Dhaka

Infrastructure Development Company Limited (IDCOL)

Directors Report to the Shareholders as required by section 184 of the Companies Act, 1994

Report of the Directors for the period 01 July 2008 to 30 June 2009

Dear Shareholders,

The Directors of your Company have the pleasure of submitting before you their annual report together with the audited accounts of your Company for the year ended on 30 June 2009.

Overview of the country's financial sector

Despite global economic challenges and number of natural disasters hitting the country, the economic and financial performance of Bangladesh in FY2008-2009 was resilient. The growth momentum was maintained and foreign currency reserves increased.

The Bangladesh economy achieved a growth of 5.9 percent in FY2009 slightly lower than 6.21 percent of FY 2008 mainly due to global economic slowdown. This performance was facilitated by 4.6 percent growth in agriculture, 5.9 percent growth in industry sector and 6.3 percent growth in service sector. Per capita GDP in FY 2009 reached to USD 621 and per capita GNI rose to USD 690. The inflation stood at 6.7 at the end of June 2009 compared to 9.93 percent at the end of June 2008.

The export earnings of the country stood at USD 15.56 billion, which was 10.31 percent higher than the export earnings (USD 14.11 billion) in FY 2007-08. This growth in export is mainly due to increase in Knitwear (16.21%), Woven Garments (14.54%), Textile fabrics (14.65%), Pharmaceuticals (6.21%), and Chemical fertilizer (53.63%) exports. Imports in FY2009 rose by only 4.1%, mainly due to sharp fall in imports of food items and capital machinery. As a result, the trade deficit narrowed to \$4.7 billion in FY2009, from \$5.3 billion in FY2008.

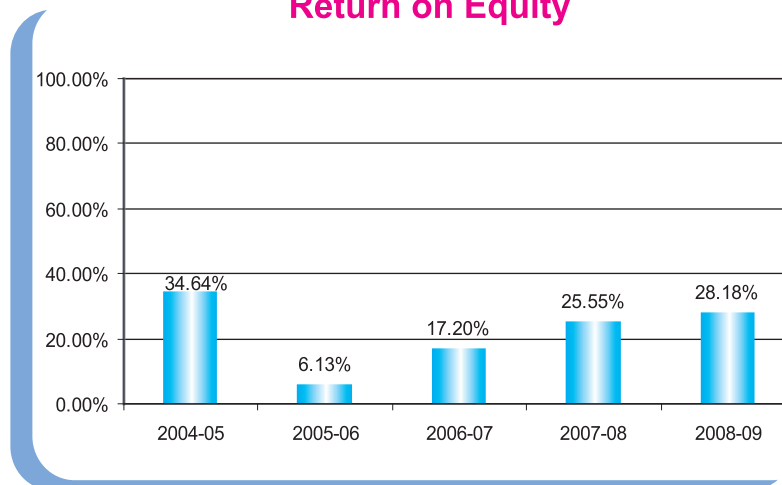
Remittance inflows from non-resident Bangladeshi were USD9.68 billion at the end of FY 2009, with an increase by 22.32 percent. As a result overall balance of payment showed a notable surplus of USD 2.1 billion. The gross foreign exchange reserve held by Bangladesh Bank stood at USD 7.5 billion at the end of FY 2009. The nominal rate of Taka-USD exchange rate remained mostly stable during the fiscal year with a slight depreciation from BDT 68.52 per USD to BDT 69.1 per USD at the end of June 2009.

Operational Performance of IDCOL

During the year, the Company's paid up capital was increased from BDT 400 million to BDT 500 million and the loan portfolio was diversified covering various infrastructure sectors like power, telecommunication, IT etc. With a 147.5 percent increase in asset base, your Company achieved after tax income growth by nearly 52 percent. Shareholders equity also experienced more than 32% growth over the last year.

During the reporting period, the Company maintained the role of market leader in private sector energy and infrastructure financing in Bangladesh. Most of the revenues during the period came from interests on loans and advances and income from renewable energy projects. Profitability indicators show a downward trend in ROA in 2009 pertaining to the acquisition of substantial amount of assets during the last quarter of the reporting period and the cap on the corporate lending rate set by the Bangladesh Bank at 13%. However, the ROE exhibited an upward trend with 28% in 2009

Return on Equity

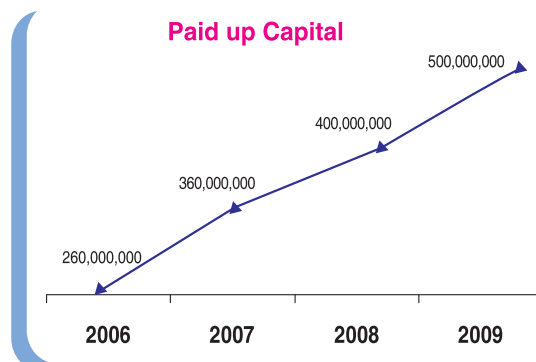


Company activities and achievements

Major activities and achievements of the Company during this period are discussed below.

Increase of Company's paid up capital

An additional amount of BDT 100 million from the retained earnings of the last fiscal has been used to raise the paid up capital of the company to BDT 500 million. With a vision to become the national development finance institution, IDCOL is committed to make its capital structure as per global standards as soon as practicable. The Company plans to further increase its paid-up capital up to its authorised limit of BDT 1,000 million using each year's retained earnings.



Status of IDCOL loans

As of 30 June 2009, IDCOL did not have any classified loan. All loans were current in terms of recovery, except for Panama Hilli Port Link Ltd. and Panama Sonamasjid Port Link Ltd. who did not repay loans that fell due on 15 June 2009. However, the projects were being closely monitored by the Lenders. Necessary actions under the Finance and Security documents would be taken against the borrowers if they fail to settle their outstanding in a short period of time. During the period, DNS Satcomm Limited and Malancha Holdings Limited fully prepaid their loans.

Monitoring of Meghnaghat Power Ltd. (MPL) loan

During the reporting period, the Company effectively monitored its loans to MPL. All principal repayments, interests and fees due under the loan agreements were duly received. IDCOL, on behalf of the Government, received USD 6.74 million as interest, USD 5.13 million as principal repayment under its senior and subordinated loans, and USD 0.19 million as IDCOL monitoring fees.

IDCOL solar program

During this period, 15 Partner Organizations (POs) of IDCOL installed about 1,15,060 solar home systems in the rural areas of Bangladesh leading the total number of installation to 320,000. IDCOL disbursed BDT 1,162 million as credit and BDT 300 million as grant to all POs. IDCOL also received BDT 84 million as principal repayment, BDT 103 million as interest on behalf of the Government and BDT 100 million as IDCOL fees under the program.

National Domestic Biogas and Manure Programme

A total of 9,200 domestic size biogas plants have been constructed under the program of which 4,000 have been constructed during the reporting period. A total of 12 villages have been declared as Biogas Villages (each village having more than 20 biogas plants) under the program. The program is being implemented by 22 POs. IDCOL received BDT 2.43 million as interest and BDT 1.67 million as fees under the program during the reporting period.

IDCOL's biomass programme

The 250kW biomass gasification based power plant of Dreams Power Ltd. is operating successfully. About 300 households as well as small and medium commercial enterprises are being supplied electricity by the Project. IDCOL received BDT 0.31 million as interest from this Project in the reporting year. Moreover, an amount of BDT 6.7 million has been approved as additional loan to the Project for financing its further expansion of which BDT 3.2 million has been disbursed during the reporting period.

Financing of 33.75 MW Summit Power Limited expansion project

IDCOL earlier approved a term loan of BDT 200 million out of BDT 1,250 million syndicated term loan facility arranged for the project. During the reporting period, IDCOL received BDT 18.25 million as interest and BDT 29.19 million as principal repayment.

Financing of Ranks Tel PSTN project

BDT 14 million has been disbursed to Ranks Tel PSTN project during the period. IDCOL earlier approved a term loan of BDT 50 million out of BDT 900 million syndicated term loan facility arranged for the project. During the reporting period, IDCOL received BDT 1.03 million as interest payment from the project.

Financing of GrameenPhone cellular network expansion project

An amount of BDT 125 million has been disbursed for GrameenPhone cellular network expansion project during the period. Earlier, IDCOL sanctioned a term loan of BDT 150 million to this project. Interest payment of BDT 15.72 million has been received by IDCOL during the period.

Financing of 34.5 MW power plant at Dhaka EPZ

An investment of BDT 200 million has been made by IDCOL for the development and operation of a 34.5MW power plant by Malancha Holdings Limited (MHL) at Dhaka Export Processing Zone. The company received BDT 29.08 million as interest payment during the period.

Financing of a CNG refuelling station

IDCOL approved financing of a CNG refuelling station at Kouchakuri, Mirpur, Gazipur by Thermex Trade Limited. BDT 31.65 million has been approved by IDCOL for this project of which BDT 13.6 million has been disbursed during the period. IDCOL has received interest payment of BDT 3.06 million during the period.

Financing of four small power plants with total capacity of 110 MW

BDT 600 million has been disbursed by IDCOL as term loan out of a syndicated term loan facility of BDT 3,955 million to Summit Purbanchol Power Company Limited (SPPCL) and Summit Uttaranchol Power Company Limited (SUPCL). IDCOL has received interest payment of BDT 26 million during the period.

Financing of 50-kW biogas based electricity generation plant of Rashid Krishi Khamar Limited

An amount of BDT 0.4 million has been disbursed for the electricity generation plant of Rashid Krishi Khamar Limited during the period. IDCOL sanctioned a term loan of BDT 0.8 million and 1.6 million grant to the project.

Financing of 34.5 MW rental power plant of Venture Energy Resources Limited

An amount of BDT 193 million has been disbursed to Venture Energy Resources Limited for their 34.5 MW rental power project at Bhola during the period. Interest payment of BDT 6.7 million has been received by IDCOL during the period.

Financing of 51-MW rental power plant of Barakatullah Eelectro Dynamics Limited

IDCOL arranged an amount of BDT 1250 million syndicate term loan facility for the project of which IDCOL's participation was BDT 500 million. An amount of BDT 363 million has been disbursed under the loan and interest payments of BDT 19.30 million have been received by IDCOL during the reporting period.

Financing of IT enabled services industry under Shonchalok

An amount of BDT 9.2 million has been channelled to the IT enable services industry through a credit line to Premier Bank Ltd. under the Shonchalok program and BDT 0.14 million has been received as interest payment during the reporting period.

Financing of Inland Container Depot and Container Freight Station

BDT 150 million has been sanctioned by IDCOL as term loan out of a syndicated term loan facility of BDT 640 million to BM Company Limited (BMCL) for inland container depot and container freight station project.

Short-term Investment

During the reporting period, IDCOL earned an amount of BDT 106 million from fixed deposit investments and call money transactions.

Contribution to exchequer

Since its inception in 1997, IDCOL had paid BDT 421 million as corporate income tax to the national exchequer out of which BDT 178 million have been paid during the reporting period.

Other activities

With assistance from U.S. Agency for International Development (USAID), IDCOL and United States Energy Association (USEA) jointly organised a workshop on Clean Energy Applications (CEA). 30

IDCOL observed 'Biogas Week 2009' to promote the National Domestic and Biogas Manure Program. During the week, 12 villages, with more than 20 biogas plants in each village, have been declared as Biogas Villages. Begum Matia Chowdhury, Minister for Agriculture, People's Republic of Bangladesh inaugurated the program.

Under IDCOL's solar and biogas programs, about 16,000 direct jobs have been created for diploma engineers, technicians, masons, local youths and other professionals.

A total of 50 professionals from banks and financial institutions, corporate houses, government agencies etc. have been trained on project finance and financing modelling in 2 training programs.

Personnel

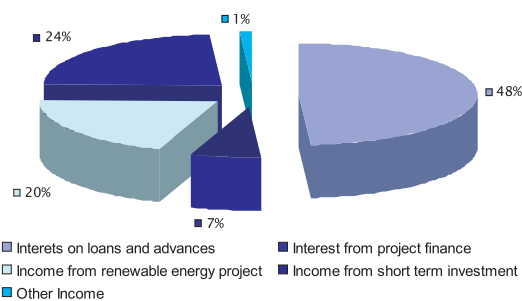
Led by an Executive Director and CEO, the IDCOL team comprises a Company Secretary and Director (Legal), a Director (Investment), a General Manager (Accounts & Administration), an Assistant Director (Loans), a Senior Manager (NDBMP), three Senior Investment Officers, one Senior Accounts Officer, five Investment Officers, two Loan Officers, two Accounts Officers and one Legal Counsel. In order to meet the organizational needs and to face future challenges, the executives and officers of the company regularly participated in various training courses, seminars and workshops. In order to cope with the expanded work volume of the Company, four new officers have been recruited during the year. Mr. Islam Sharif joined IDCOL as the CEO in place of Mr. M. Ehsanul Haque.

Accounts

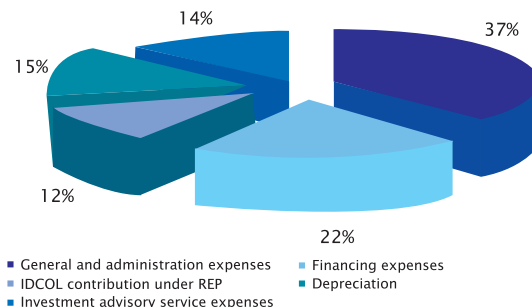
During the reporting period, the total revenue of the Company was BDT 445.5 million out of which BDT 29 million was received as fee income from the projects financed; BDT 88.2 million as income from renewable energy projects; BDT 217.6 million as interest on loans and advances; and BDT 105.7 million as income from short-term investments.

During the same period, the Company's operating expenses were BDT 27.8 million. Overall, during the reporting period the Company has earned, before tax and provision, a profit of BDT 417.7 million. Provision for loans and advances of BDT 26.6 million and provision for tax of BDT 178.2 million have been made. The retained earning of the Company at the commencement of the reporting period was BDT 108.0 million, out of which BDT 100 million had been used to increase Company's paid-up capital. Retained earning at the end of the reporting period was BDT 221 million. The Board has proposed payment of BDT 50 million as dividends to the Government and issuance of bonus share of BDT 170 million to increase Company's paid up capital to BDT 670 million leaving a balance of BDT 1 million as retained earning to be carried forward to the Financial Year 2009-2010.

Operating Income 2009



Operating Expenses 2009



Auditors

Shareholders had appointed M/s. S. F. Ahmed & Co. as auditors for the Company's accounts for the Financial Year 2008-2009.



11th Annual General Meeting of IDCOL



IDCOL handovers Dividend cheque to Honourable Finance Advisor

Significant events during post-reporting period

- ❑ GTZ has signed a Financing Agreement with IDCOL to provide EURO 2.2 million grant to IDCOL for 50,000 solar home systems.
- ❑ The World Bank has signed a Financing Agreement with the Government to provide USD 100 million to IDCOL for financing installation of 300,000 solar home systems and other renewable energy programs.
- ❑ IDCOL has been proposed to act as the Coordinating/ Managing Entity to avail CDM benefits for the Efficient Lighting Initiative Programme of the Government under which 10.5 million incandescent bulbs will be replaced with compact fluorescent lamps (CFLs) with financial support from the World Bank.
- ❑ The Credit Rating Agency of Bangladesh Limited (CRAB) conducted a credit rating of IDCOL for the period up to September 2009 and retained AA1 rating in the long term and ST-1 rating in the Short Term for IDCOL.

An amount of BDT 300 million for a Broadband Wireless Access Network project by Bangla Lion Communications Limited has been sanctioned.

An amount of BDT 200 million for a Nationwide Telecommunication Transmission Network (NTTN) Project by Fiber@Home Limited has been sanctioned.

An amount of BDT 64.40 million for a 400-kW Biomass gasification based Power Plant and Precipitated Silica Production Plant by Sustainable energy and Agro Resources Limited has been sanctioned.

BDT 1.05 million has been sanctioned for a Solar Irrigation Pump Project of Grameen Shakti.

IDCOL has floated a Request for Proposal (RFP) for selecting prospective investor(s) to set up solar photovoltaic module manufacturing /assembling facilities in Bangladesh

Finally, I would like to offer my sincere thanks to the members of the Board of Directors for their guidance and the officers and employees of the Company for their hard work for smooth operation of the Company during the year 2008-2009. I also offer my thanks and gratitude to the shareholders for their cooperation in running the Company.

Date : 05 November 2009

By order of the Board



Chairman

Auditors' report to the shareholders of Infrastructure Development Company Limited

We have audited the accompanying Balance Sheet of Infrastructure Development Company Limited as of 30 June 2009 and the related Profit and Loss Statement, Statement of Changes in Shareholders' Equity, Cash Flow Statement and Notes thereto for the year then ended. The preparation of these financial statements and notes thereto is the responsibility of the Company's management. Our responsibility is to express an independent 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 plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements, prepared in accordance with Bangladesh Accounting Standards (BAS), exhibit a true and fair view of the state of the Company's affairs as at 30 June 2009 and of the results of its operations and cash flows for the year then ended and have been drawn up in accordance with the requirements of Companies Act, 1994 and other applicable laws and regulations.

We also report that :

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books;
- c) the Balance Sheet and Profit and Loss Statement dealt with by the report are in agreement with the books of account; and
- d) the expenditure incurred and payments made thereof were for the purposes of the Company's business for the year.

House 25, Road 13A, Block D
Banani, Dhaka 1213, Bangladesh
Dhaka, 10 November 2009


S. F. AHMED & CO
Chartered Accountants

balance sheet

as at 30 June 2009

Source of funds

Shareholder's equity

	Notes	2009 Taka	2008 Taka
Share capital	3	500,000,000	400,000,000
Proposed dividend		60,000,000	40,000,000
Retained earnings		161,001,060	108,097,071
		721,001,060	548,097,071
Grant from the Donors	4	7,859,020	5,475,427
Interest suspense account		12,205,020	-

Long term liabilities:

Loan from Government of Bangladesh	5	4,239,638,741	1,411,046,393
Deferred liability - gratuity	6	262,282	266,682
		4,239,901,023	1,416,788,502
		4,980,966,123	1,964,885,573

Application of funds

Fixed assets:

At cost less depreciation	7	22,384,933	16,838,688
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Deferred expenses:

Capitalization of investment advisory service expenses	8	18,996,894	22,797,185
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Loans and advances (non-current portion)	9	3,018,918,920	983,124,004
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Current assets:

Loans and advances (current portion)	9	394,745,188	238,152,696
Advance, deposits and prepayments	10	148,751,578	89,770,596
Other receivables	11	112,578,842	31,574,049
Short term investment	12	970,000,000	459,500,000
Cash and bank balances	13	482,917,185	246,826,585
		2,108,992,793	1,065,823,926

Less: Current liabilities:

Accruals and creditors	14	7,681,912	1,573,207
Provision for corporate income tax	15	180,645,505	122,125,023
		188,327,417	123,698,230

Net current assets

		1,920,665,376	942,125,696
		4,980,966,123	1,964,885,573

See annexed notes

for Infrastructure Development Company Limited


Chairman


Director


Director


Executive Director and CEO


Company Secretary

Dhaka, 10 November 2009


S. F. AHMED & CO
Chartered Accountants

profit and loss account

for the year ended 30 June 2009

	Notes	2009 Taka	2008 Taka
Income			
Interest on loans and advances	16	217,684,916	119,358,732
Income from project finance	17	29,039,382	20,431,954
Income from renewable energy projects	18	88,215,761	102,552,599
Income from short term investment	19	105,744,069	36,975,695
Other income	20	4,828,076	6,675,875
		445,512,204	285,994,855
Less : Expenses			
General and administrative expenses	21	10,385,385	9,920,973
IDCOL contribution under REP	22	3,408,317	2,603,909
Financing expenses	23	6,071,290	-
Depreciation	7	4,112,571	2,736,438
Amortisation of IA service expenses	8	3,800,291	4,560,531
		27,777,854	19,821,851
Profit before provision		417,734,350	266,173,004
Provision for loans and advances	9.1	26,612,190	178,139
Profit before tax		391,122,160	265,994,865
Less: Provision for income tax		178,218,171	125,933,579
Profit after tax		212,903,989	140,061,286
Retained earnings, brought forward		108,097,071	48,035,785
Profit available for appropriation		321,001,060	188,097,071
Less: Appropriation			
Proposed cash dividend		60,000,0000	40,000,000
Bonus share issued		100,000,000	40,000,000
Retained earnings, carried forward to balance sheet		161,001,060	108,097,071

See annexed Notes

for Infrastructure Development Company Limited


Chairman


Director


Director


Executive Director and CEO


Company Secretary

Dhaka, 10 November 2009


S. F. AHMED & CO
Chartered Accountants

for the year ended 30 June 2009

Amounts in Taka

Particulars	Share capital	Proposed dividend	Retained earnings	Total
Balance at 30 June 2007	360,000,000	30,000,000	48,035,785	438,035,785
Increase of Bonus shares during the year	40,000,000	-	(40,000,000)	-
Profit after tax for the year 2007-2008	-	-	140,061,286	140,061,286
Dividend paid in cash	-	(30,000,000)	-	(30,000,000)
Proposed cash dividend -	-	40,000,000	(40,000,000)	-
Balance at 30 June 2008	400,000,000	40,000,000	108,097,071	548,097,071
Increase of Bonus shares during the year	100,000,000	-	(100,000,000)	-
Profit after tax for the year 2008-2009	-	-	212,903,989	212,903,989
Dividend paid in cash	-	(40,000,000)	-	(40,000,000)
Proposed cash dividend -	-	60,000,000	(60,000,000)	-
Balance at 30 June 2009	500,000,000	60,000,000	161,001,060	721,001,060

for Infrastructure Development Company Limited


Chairman


Director


Director


Executive Director and CEO


Company Secretary

Dhaka, 10 November 2009


S. F. AHMED & CO
Chartered Accountants

cash flow statement

for the year ended 30 June 2009

A. Cash flow from operating activities

	2009 Taka	2008 Taka
Profit before tax and provision	417,734,350	266,173,004
Adjustment for non-cash items:		
Grant income	(1,899,935)	(1,470,136)
Depreciation	4,112,571	2,736,438
Gratuity (net off payment)	(4,400)	209,696
Amortization of IA service expenses	3,800,291	4,560,531
	6,008,527	6,036,529
Income tax paid for previous years	(119,697,689)	(84,376,147)
Change in working capital	304,045,188	187,833,386
(Increase)/decrease in loans and advances (current portion)	(156,592,492)	(80,870,822)
(Increase)/decrease in advances, deposits and prepayments	(58,980,982)	(28,748,082)
(Increase)/decrease in receivables	(81,004,793)	(3,697,286)
(Increase)/decrease in short term investment	(510,500,000)	(219,500,000)
Increase/(decrease) in accruals and creditors	18,313,726	(4,244,570)
	(788,764,541)	(337,060,760)
Net cash used in operating activities	(484,719,353)	(149,227,374)

B. Cash flow from investing activities

Acquisition of fixed assets	(5,375,289)	(177,956)
Dividend paid	(40,000,000)	(30,000,000)
Net cash used in investing activities	(45,375,289)	(30,177,956)

C. Cash flow from financing activities

Loan from Government of Bangladesh	2,828,592,348	510,337,403
Loans and advances	(2,062,407,106)	(172,300,023)
Net cash provided by financing activities	766,185,242	338,037,380

Net increase in cash (A+B+C)

Opening cash and bank balances	246,826,585	88,194,535
Closing cash and bank balances	482,917,185	246,826,585

for Infrastructure Development Company Limited


Chairman


Director


Director


Executive Director and CEO


Company Secretary

Dhaka, 10 November 2009


S. F. AHMED & CO
Chartered Accountants

Notes to the financial statements for the year ended 30 June 2009

1. Background

The Infrastructure Development Company Limited (IDCOL), a non-bank financial institution, was incorporated in Bangladesh on 14 May 1997 as a government owned public limited company under the Companies Act 1994 with assistance from the World Bank under Private Sector Infrastructure Development Project (PSIDP). 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. IDCOL has access to resources provided by the World Bank, Asian Development Bank, GTZ, KfW, SNV-Netherlands Development Organisation, Islamic Development Bank and the Government of Bangladesh to place in projects across a range of infrastructure sectors and has been mandated to provide long-term senior and subordinated debt financing to viable infrastructure projects in the private sector for power generation, gas and gas related infrastructure, toll roads and bridges, water supply, urban environmental services, ports, telecommunications, renewable energy and other similar projects for the development of infrastructure of the country.

It also channels grants and provides soft loans for the development of rural infrastructure i.e. renewable energy. Under PSIDP, IDCOL advanced US\$80 million as loan to 450 MW Meghnaghat Power Ltd. Project, reflows receipt from which was used to finance a telecom and a satellite earth station project. Since 2002, IDCOL is implementing part of the Rural Electrification and Renewable Energy Development Project (REREDP). The project is being jointly funded by International Development Association (IDA) and Global Environment Facility (GEF), GTZ, KfW, Asian Development Bank (ADB), and Islami Development Bank (IDB). Under the project, IDCOL has a target to finance 1,000,000 Solar Home Systems (SHS) and few wind, micro-hydro and biomass projects through its participating organisations (POs) working in rural areas.

In the year 2006, IDCOL undertook another project called National Domestic Biogas and Manure Programme (NDBMP) with assistance from SNV-Netherlands and KfW, Germany. Under this project, IDCOL through its PO's intends to finance about 37,269 domestic size biogas plants in the remote rural areas of the country by the year 2012. In addition, IDCOL, from the reflows of its earlier loans and government contribution, has financed several projects including power plants, telecom projects, IT projects, land ports and CNG refuelling station.

The Board of Directors of IDCOL comprises senior government officials and prominent business personalities from the private sector and a full time Executive Director and CEO.

2. Significant accounting policies

2.1 Basis of accounting

The financial statements of the Company under reporting have been prepared under historical cost convention in accordance with generally accepted accounting principles as laid down in the International Accounting Standards (IASs) applicable to the company so far as adopted by the Institute of Chartered Accountants of Bangladesh as Bangladesh Accounting Standards (BASs).

The reported financial statements, i.e. Balance Sheet, Profit and Loss Statement, Cash Flow Statement and Statement of Changes in Shareholder's Equity 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., realisation 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 24.

2.2 Fixed assets and depreciation

Fixed assets are stated at cost less depreciation. Depreciation on additions or disposal of fixed assets is charged in full for the year, 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 other office equipment	25%
Vehicle	20%

2.3 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.

2.4 Exchange fluctuations and gains or losses thereon

Monetary assets and liabilities at the balance sheet date have been retranslated into Bangladesh Taka at the rate prevailing on that date. Gain/losses arising on fluctuations of exchange rate is credited/charged to profit and loss account.

2.5 Investment advisory service expenses

According to the investment advisory (IA) service agreement entered into between IDCOL and PricewaterhouseCoopers Securities LLC (PwC) on 1 March 1999, it was agreed that PwC will provide certain advisory services to IDCOL and that expenses borne by PwC will be recovered by raising invoices at regular intervals. IA service expenses are meant to generate future economic benefits to the company and therefore, had been capitalized. These expenses are being amortized at a rate of 16.67% per year.

3. Share capital

Shareholding position:

20

4. Grant from the donors

This represents a grant of capital assets namely computer, equipment, furniture, fixtures and vehicle, received from the World Bank and SNV-Netherlands Development Organisation under PSIDP, REREDP and NDBMP during the year which are not returnable and for which IDCOL owes no liability to them. The amount has been arrived at as under:

	2009 Taka	2008 Taka
Opening balance	11,793,631	9,788,940
Add: Addition during the year	4,283,528	2,004,691
	16,077,159	11,793,631
Less: Adjustment for depreciation		
Opening balance of depreciation	6,318,204	4,848,068
Depreciation charge during the year	1,899,935	1,470,136
	8,218,139	6,318,204
Closing balance	7,859,020	5,475,427

5. Loan from Government of Bangladesh

Opening balance		
Technical assistance	156,917,583	156,917,583
On lending	1,254,128,810	743,791,406
	1,411,046,393	900,708,989
Add: borrowing during the period		
Technical assistance	-	-
On lending	2,828,592,348	510,337,404
	2,828,592,348	510,337,404
Closing balance	4,239,638,741	1,411,046,393

According to various loan agreements, IDCOL borrows fund from the GoB at different terms and conditions for on lending to infrastructure and renewable energy projects. Sources of these funds are: (i) IDA credit under Private Section Infrastructure Development Project (PSIDP), (ii) IDA credit under Rural Electrification and Renewable Energy Development Project (REREDP), (ii) ADB loan under Public Private Infrastructure Development Facility (PPIDF).

6. Deferred liability - gratuity

	2009 Taka	2008 Taka
Opening balance	266,682	56,986
Add: Provision during the year	371,300	209,696
	637,982	266,682
Less: Paid during the year	375,700	-
Closing balance	262,282	266,682

As per section 4.7 of IDCOL administrative manual, staff members are entitled to receive a gratuity equal to their last basic salary drawn for each year of completed service and is payable at the end of service contract.

7. Fixed assets

Amounts in Taka

Asset category	Cost		Rate (%)	Depreciation			Net book value at 30 June 2009
	Balance at 01 July 2008	Addition during the year		Total at 01 July 2008	Charge for the year	Adjustments	
				Total at 30 June 2009			
Office space	19,412,311	-	10	19,412,311	1,032,102		9,288,919
Furniture, fixtures and decoration	2,421,594	2,002,830	10	4,424,424	305,676		2,751,089
Interior decoration at UTC building	1,368,029		10	1,368,029	80,781		727,027
Office furnishing for CEO/ED	200,000	200,000	10	200,000	20,000		180,000
Computer and other office equipment	6,515,169	2,106,798	25	8,621,967	1,258,150		3,774,449
Vehicles	2,906,976	5,529,189	20	8,436,165	1,415,862		5,663,449
Total at 30 June 2009	<u>32,824,079</u>	<u>9,838,817</u>		<u>42,462,896</u>	<u>4,112,571</u>	<u>20,000</u>	<u>22,384,933</u>
Total at 30 June 2008	<u>30,772,988</u>	<u>2,251,091</u>		<u>32,824,079</u>	<u>2,736,438</u>	<u>131,556</u>	<u>16,838,688</u>

notes

	2009 Taka	
8. Capitalisation of IA service expenses		
Opening balance	22,797,185	27,357,716
Less: Amortisation	3,800,291	4,560,531
Closing balance	18,996,894	22,797,185

Amortisation of capitalisation of IA service expenses has been charged as expenses.

9. Loan and advances

IDCOL has financed power projects, land port projects, telecom projects, ICT projects, CNG refuelling station project, biomass and biogas based power projects, as of 30 June 2009, as detailed below:

Opening balance	1,233,612,828	980,441,982
Add: disbursement during the year	2,617,796,643	482,000,969
	3,851,409,471	1,462,442,951
Less: repayment during the year	411,002,065	225,187,070
Add: interest charged on special mention account	12,205,020	3,643,053
	3,452,612,426	1,233,612,828
Less: provision against loan (note 9.1)	38,948,318	12,336,128
	3,413,664,108	1,221,276,700
Less: current maturity	394,745,188	238,152,696
Closing balance	3,018,918,920	983,124,004

9.1 Provision against loans

As per Bangladesh Bank FID circular nos. 08 dated 3 August 2002, 11 dated 31 October 2005, and 03 dated 3 May 2006, provisions @ 1% and 5% are required to be made on standard loans and special mention account, respectively, based on the length of overdue of respective loans. Details of provision are given as under.

1% general provision on standard loan	33,268,013	12,336,128
5% specific provision for special mention account	5,680,305	-
Provision maintained at the end of year	38,948,318	12,336,128
Less: provision made earlier year	12,336,128	12,157,989
Provision made during the year	26,612,190	178,139

10. Advances and deposits

Advances to/for:

Corporate income tax

Salary/car loan

NDBMP expenses

Training /travelling expenses

Cash fund for solar home systems project

Directors' remuneration

Book for project finance course

Deposits:

Telephone

Internet/e-mail

11. Other receivables

Interest on loans and advances

Administration fees under renewable energy projects

Interest on fixed deposits

Interest on REP refinancing

Monitoring and other fees

Training fees

Principal due on loans and advances

Interest on NDBMP refinancing

Others

12. Short term investment

Fixed Deposit Receipt (three months' term) with:

Bank Al Falah Ltd.

NCC Bank Ltd.

One Bank Ltd.

Mutual Trust Bank Ltd.

Standard Bank Ltd

Dhaka Bank Ltd.

Prime Bank Ltd.

Jamuna Bank Ltd.

EXIM Bank Ltd.

BRAC Bank Ltd.

First Security Islami Bank Ltd.

Fixed Deposit Receipt (six months' term) with:

Shahjalal Islami Bank Ltd.

First Security Islami Bank Ltd.

The Premier Bank Ltd.

IDLC Finance Ltd.

Delta Brac Housing Finance Corporation Ltd.

Rate of interest

13%

13%

13.5%

13.1%

10%&12.5%

9.5%

9.5%

10%

9.25%

13%

13%

13%&13.5%

13.6%

13.5%

10%

10%

**2009
Taka****2008
Taka**

146,142,800

88,154,667

1,445,295

416,666

750,000

764,000

229,983

276,423

150,000

90,000

29,000

24,000

-

40,341

148,747,078

89,766,096

2,500

2,500

2,000

2,000

4,500

4,500

148,751,578

89,770,596

47,453,815

13,303,322

25,758,114

1,186,712

24,720,417

7,913,194

10,868,851

1,597,940

3,369,745

3,373,055

49,000

49,000

-

3,919,638

-

74,227

358,900

156,961

112,578,842

31,574,049

100,000,000

100,000,000

100,000,000

80,000,000

100,000,000

-

100,000,000

-

85,000,000

-

50,000,000

100,000,000

50,000,000

100,000,000

40,000,000

-

15,000,000

-

-

79,500,000

30,000,000

-

80,000,000

-

70,000,000

-

50,000,000

-

50,000,000

-

50,000,000

-

970,000,000

459,500,000

13. Cash and bank balances

Cash in hand:

Petty cash

23,288

10,000

Cash at bank with:

Janata Bank, Local Office, (USD A/c)

3,442,312

212,963,802

Janata Bank, Sher-e-Bangla Nagar Branch (STD A/c)

16,783,323

5,405,759

Janata Bank, Local Office (STD A/c)

8,040,481

-

Janata Bank, Local Office (STD A/c)

345,250,000

-

The City Bank Ltd, Kawran Bazar Branch (STD A/c)

1,740,416

4,697,859

Bangladesh Bank (Current A/c)

107,637,365

23,749,165

482,917,185

246,826,585

14. Accruals and creditors

Interest payable to GoB - PPIDF

6,065,080

-

Solar home system project (GEF PDF-B Grant)

494,973

494,973

Payable to participating organisations

308,920

423,327

Income tax on salary/others

254,491

254,491

VAT payable

113,442

6,229

Repair and maintenance

89,320

41,674

Audit fee

68,343

62,700

Due dilligent cost

64,000

142,860

Office maintenance

61,430

30,715

Training expenses

46,350

14,640

Payable to promoters

45,035

45,035

Electricity

30,938

18,300

Office supplies

10,910

10,310

Telephone

10,652

17,760

Books, papers and periodicals

798

800

Others

17,230

9,393

7,681,912

1,573,207

15. Provision for income tax

For the year ended 30 June

2006

1,182,539

1,182,539

2008

1,244,795

120,942,484

2009

178,218,171

-

180,645,505

122,125,023

16. Interest on loans and advances

	2009 Taka	2008 Taka
GrameenPhone Ltd.	62,444,638	12,468,750
Pacific Bangladesh Telecom Ltd.	35,772,191	58,300,484
Malancha Holdings Ltd.	29,276,599	3,463,889
Barakatullah Electro Dynamics Ltd	19,390,535	-
Summit Power Ltd.	18,257,299	18,815,735
Ventur Energy Resources Ltd	15,108,728	-
Summit Purbanchal Power Company Ltd	14,709,307	-
Summit Uttaranchol Power Company Ltd	11,240,682	-
Bangla Trac Communications Ltd	4,584,611	-
RanksTel	3,841,034	1,336,383
Thermax	3,010,681	183,622
Shonchalok	48,611	-
Sonamasjid Port Link Ltd.	-	10,720,234
Shah Cement Power Ltd.	-	9,317,594
Hilli Port Link Ltd.	-	4,752,041
	217,684,916	119,358,732

17. Income from project finance

Income from sponsors	15,660,536	3,494,271
Monitoring fees (note 17.1)	13,133,496	14,304,993
Commitment fees	145,350	111,928
Loan application fees	100,000	367,000
Agency fees on loans & advances	-	1,533,115
Arrangers fees	-	460,000
Extended maturity fees on loans & advances	-	160,647
	29,039,382	20,431,954

17.1 Monitoring fees

This represents monitoring fee payable quarterly on disbursed and outstanding loan amounts of the following projects:

Meghnaghat Power Project (note 17.1.1)	12,539,830	13,062,002
Pacific Bangladesh Telecom Ltd (note 17.1.2)	593,666	1,163,752
DNS SatComm Ltd (note 17.1.3)	-	79,239
	13,133,496	14,304,993

- 17.1.1 Fee @ 0.25% p.a on the loan amount of USD 80 million under article II, section 2.07 of IDCOL Senior Facility Agreement and IDCOL Subordinate Facility Agreement from 24 October 2001.
- 17.1.2 Fee @ 1% p.a. on the loan amount of Tk 260 million under section 11.1.2 of agreement between IDCOL and Pacific Bangladesh Telecom Ltd. (PBTl) from 31 January 2005.
- 17.1.3 Fee @ 0.25% p.a. on the loan amount of Tk. 4.8 million under Section 6.5 of term loan facility agreement between IDCOL and DNS SatComm Ltd. from 14 March 2005.

18. Income from renewable energy project

REREDP administration fees - GEF (note 18.1)	
Fees for administering SHS program - GTZ (note 18.2)	
Fees for administering SHS program - KfW (note 18.2)	
NDBMP administration fees - (note 18.3)	
Interest on REREDP refinancing (note 18.4)	
Interest on NDBMP refinancing (note) 18.5	
Interest on PPIDF refinancing (note 18.6)	
Interest on Bridge finance	
Interest on RKKL	
Other	

2009 Taka	2008 Taka
-	8,489,760
35,532,308	28,071
29,754,102	87,842,536
6,527,853	2,016,263
5,938,412	3,703,793
1,955,154	472,176
8,354,747	-
75,579	-
5,148	-
72,458	-
88,215,760	102,552,599

18.1 REREDP administration fees - GEF

This represents a fee of up to USD 736,000 or equivalent Taka for administering the REP over the 5-years project period. The fee is released based on actual expenses. Thus, the amount has been taken into account as fees for administering Rural Electrification and Renewable Energy Development Project (REREDP) up to 30 June 2009.

18.2 Fees for administering SHS programme - (GTZ and KfW)

This represents fees for administering the SHS programme financed by both GTZ and KfW. Thus, the amount has been taken into account as fees for financing SHSs up to 30 June 2009.

18.3 NDBMP administration fees

This represents fee for administering the National Domestic Biogas and Manure Programme (NDBMP) financed by SNV, Netherlands Development Organization. Thus, the amount has been taken into account as fees for promotion, monitoring and financing biogas plants up to 30 June 2009.

18.4 Interest on REREDP refinancing

As per project agreements, 97% of interest on REREDP refinancing, charged @ 6% per annum, extended to various Participating Organisations working under the project is deposited to GoB accounts. IDCOL receives 3% of said interest for monitoring the refinancing activities.

18.5 Interest on NDBMP refinancing

As per project agreement, IDCOL receives 6% interest per annum, funded by KfW and IDCOL. Thus, the amount has been taken into account as interest for refinancing.

18.6 Interest on PPIDF refinancing

As per project agreements, IDCOL receives 6% interest per annum, funded by ADB and IDCOL. Thus, the amount has been taken into account as interest for refinancing.

19. Income from short term investment

Interest on fixed deposit receipt
Interest on call money

105,332,972	36,763,056
411,097	212,639
105,744,069	36,975,695

20. Other income

	2009 Taka	2008 Taka
Grant income	1,899,935	1,470,136
Exchange gain	1,439,023	-
Bank interest	388,642	3,303,535
Interest on employee car loan	44,592	-
Others	1,055,884	1,902,204
	4,828,076	6,675,875

21. General and administration expenses

Salary and allowances	5,102,229	6,200,186
Advertisement	823,522	165,688
Directors' remuneration	713,000	471,500
Repair and maintenance	624,526	499,349
Meeting expenses	488,614	219,718
Gratuity	371,300	209,696
Maintenance and utility of UTC building	319,980	297,966
Telephone, fax and e-mail	307,991	352,130
Seminar, workshop and roadshows	219,717	75,852
Loss on sale of fixed asset	180,000	68,444
Insurance premium	168,288	43,233
Electricity	159,754	163,757
Office expenses	158,927	92,190
Printing and stationers	152,360	229,548
Bank charge	139,754	76,387
Travelling and conveyance	127,262	48,584
Entertainment	89,065	67,857
Books and periodicals	72,405	58,562
Audit fees	68,343	62,700
Professional and legal fees	60,750	-
Office supplies and maintenance	37,137	89,352
Postage and courier	461	15,454
Exchange loss	-	412,820
	10,385,385	9,920,973

22. IDCOL contribution under REP

This represents part of cost (15% for goods procured locally and 20% for consultants' services and training) of seminars, workshops and other promotional activities for renewable energy programme (REP) incurred by IDCOL for the implementation, promotion, monitoring and evaluation of the REP as an implementing agency.

23. Financing expenses

Borrowing cost under PPIDF	6,065,080	-
Financial closing expenses	6,210	-
	6,071,290	

24. Consolidated movement of funds under off-balance sheet projects

	Notes	2009 Taka	2008 Taka
Fund inflow			
Long term loans:			
Loan from IDA under PSIDP aa	24.1	5,472,000,000	5,472,000,000
Loan from IDA under REREDP	24.2	3,714,764,503	2,748,380,269
Loan from KfW under solar programme	24.2	5,230,801	5,230,801
		9,191,995,304	8,225,611,070
Grants received for project implementation:			
Grant from World Bank (GEF) under REREDP	24.3	445,876,567	419,346,363
Grant from KfW under solar programme	24.3	485,584,571	407,411,118
Grant from GTZ under solar programme	24.3	336,347,179	156,217,339
		1,267,808,317	982,974,820
Principal repayment and interest received from projects:			
Principal repaid by the projects financed under PSIDP	Annex - A	966,242,036	526,293,652
Principal repaid by the projects financed under REREDP	Annex - A	287,740,543	138,815,195
Interest paid by the projects financed under PSIDP	Annex - A	3,423,689,286	2,954,680,868
Interest paid by the projects financed under REREDP	Annex - A	374,837,777	205,182,980
		5,052,509,642	3,824,972,694
Interest from bank accounts		6,037,371	3,382,907
		15,518,350,634	13,036,941,491
Fund outflow			
Loans and advances:			
Projects financed under PSIDP	Annex - A	5,472,000,000	5,472,000,000
Loan to POs under REREDP	Annex - A	3,714,404,626	2,708,865,147
Loan to POs under KfW funded solar programme	Annex - A	5,230,801	5,230,801
		9,191,635,427	8,186,095,948
Grants utilized for project implementation:			
World Bank (GEF) grants provided to POs under REREDP		321,241,848	302,626,769
World Bank (GEF) grants used for project implementation under REREDP		121,002,778	102,350,264
KfW grants provided to POs under solar programme		355,155,392	310,423,593
KfW grants used for project implementation under solar programme		101,484,503	92,157,146
GTZ grants provided to POs under solar programme		257,715,583	104,413,884
GTZ grants used for project implementation under solar programme		68,303,808	37,532,703
		1,224,903,912	949,504,360
On lending by IDCOL from reflows:			
Projects financed from reflows under PSIDP		3,403,860,249	1,378,219,972
Projects financed from reflows under REREDP		425,258,378	207,858,378
Debt service of IDA loans		3,829,118,627	1,586,078,350
Refund, tax and charges		661,829,601	360,506,345
Balance at bank		1,886,241	1,426,091
		608,976,826	1,953,330,397
		15,518,350,634	13,036,941,491

- 24.1 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.
- 24.2 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.
- 24.3 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.

25. General

- 25.1 Figures in these notes and the accompanying financial statements have been rounded off to the nearest Taka.
- 25.2 Figures relating to the previous year included in this report have been rearranged, wherever considered necessary, to make them comparable with those of the current year without, however, creating any impact on the operating result and value of assets and
- 25.3 In consolidated movement of funds amounts are cumulative and foreign currencies (USD and EURO) are converted into equivalent Bangladesh Taka applying exchange rate of BDT 68.40/USD prevailing at 30 June 2009.

for Infrastructure Development Company Limited


Chairman


Director


Director


Executive Director and CEO


Company Secretary

Dhaka, 10 November 2009


S. F. AHMED & CO
Chartered Accountants

Infrastructure Development Company Limited Notes to the financial statements for the year ended 30 June 2009

Annex - A
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Particulars	Loan disbursed		Principal due		Principal repayment		Principal overdue ¹		Loan outstanding		Interest accrued ²		Interest due		Interest received		ID and other		Interest overdue ³		Interest receivable ⁴	
	USD	BDT	USD	BDT	USD	BDT	USD	BDT	USD	BDT	USD	BDT	USD	BDT	USD	BDT	USD	BDT	USD	BDT	USD	BDT
On-balance sheet loans																						
IDCOL Loans																						
SCPL	-	120,000,000	-	120,000,000	-	120,000,000	-	-	-	-	-	35,273,519	-	35,273,519	-	35,273,519	-	28,425	-	-	-	-
PHPL	-	35,592,951	-	9,837,475	-	1,788,889	-	8,048,586	-	33,804,062	-	9,776,442	-	9,610,463	-	4,984,985	-	-	-	4,625,478	-	4,791,457
PSPL	-	51,163,888	-	14,205,159	-	3,810,517	-	10,394,642	-	47,353,372	-	16,069,133	-	15,830,974	-	8,659,103	-	30,483	-	7,171,872	-	7,410,050
PRTL BDT Loan II	-	100,000,000	-	40,000,000	-	40,000,000	-	-	-	60,000,000	-	29,455,313	-	28,060,313	-	28,060,313	-	-	-	-	-	1,395,000
PRTL USD Loan	-	4,000,000	-	4,000,000	-	4,000,000	-	-	-	6,000,000	-	1,557,471	-	1,513,486	-	1,513,486	-	-	-	-	-	43,984
SPL	-	153,284,672	-	43,795,620	-	43,795,620	-	-	-	109,489,051	-	39,078,823	-	39,078,823	-	39,078,823	-	-	-	-	-	-
RanksTel	-	29,458,995	-	1,104,712	-	1,104,712	-	977,578	-	28,354,283	-	3,753,122	-	2,816,643	-	2,816,643	-	-	-	-	-	936,479
GrameenPhone	-	125,000,000	-	22,059,000	-	22,059,000	-	-	-	102,941,000	-	28,191,165	-	28,191,165	-	28,191,165	-	-	-	-	-	-
Thermax Trade Ltd.	-	31,293,701	-	1,457,333	-	479,756	-	-	-	30,813,946	-	4,654,602	-	4,654,602	-	3,497,744	-	87,730	-	1,156,857	-	1,156,857
MHL	-	200,000,000	-	200,000,000	-	200,000,000	-	-	-	-	-	32,470,833	-	32,470,833	-	32,470,833	-	269,655	-	-	-	-
SPCL	-	361,968,324	-	-	-	-	-	-	-	361,968,324	-	14,709,308	-	14,709,308	-	14,709,308	-	-	-	-	-	-
SUPCL	-	237,991,044	-	-	-	-	-	-	-	237,991,044	-	11,240,682	-	11,240,682	-	11,240,682	-	-	-	-	-	-
VERL	-	200,000,000	-	-	-	-	-	-	-	200,000,000	-	15,087,728	-	6,741,246	-	6,741,246	-	-	-	-	-	8,367,482
GP Bond	-	500,000,000	-	-	-	-	-	-	-	500,000,000	-	46,722,222	-	35,041,667	-	35,041,667	-	-	-	-	-	11,680,556
BDL	-	353,144,267	-	-	-	-	-	-	-	353,144,267	-	19,542,584	-	19,390,535	-	19,390,535	-	-	-	-	-	152,048
BTCL	-	3,000,000	-	-	-	-	-	-	-	3,000,000	-	66,742	-	30,423	-	30,423	-	-	-	-	-	36,318
Shorchtalak	-	5,000,000	-	-	-	-	-	-	-	5,000,000	-	136,111	-	136,111	-	136,111	-	-	-	-	-	12,267
DPL Expansion	-	3,200,000	-	-	-	-	-	-	-	3,200,000	-	12,267	-	12,267	-	-	-	-	-	-	-	5,149
RKKL	-	406,500	-	-	-	-	-	-	-	406,500	-	5,149	-	-	-	-	-	-	-	-	-	148,036
Bridge Financing	-	115,785,687	-	69,764,251	-	69,764,251	-	-	-	46,021,436	-	148,036	-	-	-	-	-	-	-	-	-	-
Sub-total	13,000,000	2,652,290,030	4,000,000	522,223,550	4,000,000	502,802,745	19,420,806	19,420,806	9,000,000	2,120,487,285	1,624,312	306,348,037	1,543,910	283,246,883	1,543,910	270,292,677	416,293	12,954,206	80,303	36,055,381	-	-
Subtotal in equivalent BDT	3,512,490,030	-	-	795,823,550	-	776,402,745	-	19,420,806	-	2,736,087,285	-	417,444,182	-	388,850,310	-	375,896,105	-	416,293	-	12,954,206	-	41,548,078
IDCOL Renewable Energy Programme																						
SHS programme																						
BRAC Foundation	-	30,856,218	-	-	-	-	-	-	-	30,856,218	-	563,078	-	-	-	-	-	-	-	-	-	563,078
HESYS	-	11,858,535	-	-	-	-	-	-	-	11,858,535	-	150,318	-	-	-	-	-	-	-	-	-	150,318
RSF	-	84,536,629	-	-	-	-	-	-	-	84,536,629	-	1,042,308	-	-	-	-	-	-	-	-	-	1,042,308
BRIDGE	-	8,436,784	-	-	-	-	-	-	-	8,436,784	-	95,239	-	-	-	-	-	-	-	-	-	95,239
Grameen Shakti	-	445,297,446	-	-	-	-	-	-	-	445,297,446	-	5,906,602	-	-	-	-	-	-	-	-	-	5,906,602
TMS	-	1,453,138	-	-	-	-	-	-	-	1,453,138	-	16,038	-	-	-	-	-	-	-	-	-	16,038
Srizony Bangladesh	-	15,504,624	-	-	-	-	-	-	-	15,504,624	-	193,873	-	-	-	-	-	-	-	-	-	193,873
UBOMUS	-	9,396,199	-	-	-	-	-	-	-	9,396,199	-	106,241	-	-	-	-	-	-	-	-	-	106,241
COAST Trust	-	6,084,502	-	-	-	-	-	-	-	6,084,502	-	82,663	-	-	-	-	-	-	-	-	-	82,663
IDF	-	6,368,344	-	-	-	-	-	-	-	6,368,344	-	74,475	-	-	-	-	-	-	-	-	-	74,475
Shubashati	-	4,965,489	-	-	-	-	-	-	-	4,965,489	-	60,714	-	-	-	-	-	-	-	-	-	60,714
PDBF	-	2,663,609	-	-	-	-	-	-	-	2,663,609	-	37,281	-	-	-	-	-	-	-	-	-	37,281
PMUK	-	1,547,980	-	-	-	-	-	-	-	1,547,980	-	21,072	-	-	-	-	-	-	-	-	-	21,072
CMES	-	4,824,320	-	-	-	-	-	-	-	4,824,320	-	4,824	-	-	-	-	-	-	-	-	-	4,824
Sub-total	-	633,793,817	-	-	-	-	-	-	-	633,793,817	-	8,354,747	-	-	-	-	-	-	-	-	-	8,354,747
NDBMP																						
SUF	-	1,448,148	-	99,855	-	99,855	-	-	-	1,348,293	-	101,849	-	100,761	-	100,761	-	153	-	-	-	1,088
Grameen Shakti	-	28,764,218	-	1,189,551	-	1,189,551	-	-	-	27,574,667	-	1,637,869	-	1,589,150	-	1,589,150	-	-	-	-	-	48,719
SDS	-	1,287,074	-	44,231	-	44,231	-	-	-	1,242,843	-	69,958	-	69,454	-	69,454	-	228	-	-	-	504
Kamrul Biogas	-	4,793,775	-	254,814	-	254,814	-	-	-	4,538,961	-	286,820	-	278,900	-	278,900	-	1,180	-	-	-	7,920

Particulars	Loan disbursed		Principal due		Principal repayment		Principal overdue ¹		Loan outstanding		Interest accrued ²		Interest due		Interest received		LD and other		Interest overdue ¹		Interest receivable ⁴	
	USD	BDT	USD	BDT	USD	BDT	USD	BDT	USD	BDT	USD	BDT	USD	BDT	USD	BDT	USD	BDT	USD	BDT	USD	BDT
On-balance sheet loans																						
NDBMP																						
SOUL		3,033,680		214,560		5,539	-	-		2,819,120	-	241,591	-	239,426	-	239,426	-	266	-	-	-	2,165
Srizony		1,520,089		5,539		10,802	-	-		1,514,550		34,387	-	32,682	-	32,682	-	6	-	-	-	1,705
Sangram		475,948		10,802		17,832	-	-		465,146	-	19,701	-	18,74	-	18,74	-	41	-	-	-	957
Deha		1,427,409		17,832		1,833	-	-		1,409,577	-	47,483	-	43,648	-	43,647	-	241	-	-	-	3,836
PMUK		149,840		1,833		2,256	-	-		148,007	-	8,723	-	8,698	-	8,698	-	5	-	-	-	25
RSF		1,161,386		2,256		-	-	-		1,159,130	-	18,309	-	14,310	-	14,310	-	-	-	-	-	3,999
MBSK		532,645		-		-	-	-		532,645	-	14,696	-	14,607	-	14,607	-	13	-	-	-	89
Hossain Biogas		1,111,522		-		-	-	-		1,111,522	-	18,835	-	15,098	-	15,098	-	-	-	-	-	3,737
ASKS		363,286		-		-	-	-		363,286	-	4,279	-	2,575	-	2,575	-	-	-	-	-	1,704
Rahman Biogas		821,852		-		-	-	-		821,852	-	12,987	-	10,153	-	10,153	-	-	-	-	-	2,833
Shubashati		516,310		-		-	-	-		516,310	-	3,376	-	661	-	661	-	-	-	-	-	2,714
NDS		51,973		-		-	-	-		51,973	-	424	-	-	-	-	-	-	-	-	-	424
Sub-total		47,459,155		1,841,273		1,841,273	-	-		45,617,882	-	2,521,285	-	2,438,867	-	2,438,866	-	2,133	-	-	-	82,419
Total on-balance sheet loans	13,000,000	3,304,543,001		524,064,824		4,000,000	504,644,018	-	19,420,806	9,000,000	2,799,898,983	1,624,212	317,224,090	1,543,910	285,685,750	1,543,910	272,731,544	418,427	-	12,954,206	80,303	44,493,547
Total in equivalent BD		4,193,743,001		797,664,824			778,244,018	-			3,415,498,983	-	428,320,215	-	391,289,177	-	378,334,971	-	-	-	12,954,206	49,985,244
Off-balance sheet loans																						
REDED																						
Srizony Bangladesh		100,243,294		12,189,291		-	-	-		88,054,002	-	14,836,305	-	13,001,183	-	13,001,183	-	910	-	-	-	1,835,122
Grameen Shakti		2,367,534,392		195,017,959		195,017,959	-	-		2,172,516,433	-	300,278,809	-	251,185,423	-	251,185,423	-	418,392	-	-	-	49,093,386
BRAC Foundation		569,210,744		57,750,665		57,750,665	-	-		511,460,079	-	81,140,539	-	70,768,827	-	70,768,827	-	-	-	-	-	10,371,712
COAST Trust		33,543,325		3,416,055		3,416,055	-	-		30,127,270	-	4,833,909	-	4,195,454	-	4,195,454	-	1,153	-	-	-	638,455
TWSS		20,940,978		3,911,519		3,911,519	-	-		17,029,459	-	3,826,422	-	3,482,965	-	3,482,965	-	1,035	-	-	-	343,457
IDF		35,695,696		3,911,213		3,911,213	-	-		31,784,482	-	5,179,661	-	4,474,812	-	4,474,812	-	2,153	-	-	-	704,849
Shubashati		31,075,425		3,062,885		3,062,885	-	-		28,012,540	-	4,451,552	-	3,852,564	-	3,852,565	-	3,384	-	-	-	598,987
CMES		30,172,345		3,984,200		3,984,200	-	-		26,188,145	-	4,573,822	-	3,976,589	-	3,976,589	-	-	-	-	-	597,232
DORP		65,280		65,280		-	-	-		-	-	4,221	-	4,221	-	4,221	-	-	-	-	-	-
BRIDGE		66,763,139		1,083,489		1,083,489	-	-		65,679,650	-	6,518,347	-	5,218,536	-	5,218,536	-	238	-	-	-	1,299,811
UBOMUS		76,843,365		1,958,285		1,958,285	-	-		74,885,080	-	7,673,259	-	6,058,566	-	6,058,566	-	-	-	-	-	1,614,693
PMUK		4,651,485		49,166		49,166	-	-		4,602,319	-	410,251	-	326,923	-	326,923	-	117	-	-	-	83,327
PDBF		21,478,591		125,067		125,067	-	-		21,353,524	-	2,014,123	-	1,556,815	-	1,556,815	-	381	-	-	-	457,308
HFSKS		58,772,698		96,398		96,398	-	-		58,676,300	-	4,516,231	-	3,122,547	-	3,122,547	-	-	-	-	-	1,393,685
Mukti		4,598,081		76,435		76,435	-	-		4,521,646	-	564,939	-	483,549	-	483,549	-	256	-	-	-	81,390
DPL		5,004,650		1,042,635		1,042,635	-	-		3,962,015	-	978,211	-	913,388	-	913,388	-	6,512	-	-	-	64,823
RSF		293,041,941		-		-	-	-		293,041,941	-	20,582,349	-	13,903,422	-	13,903,422	-	-	-	-	-	6,678,927
Sub-total		3,719,635,426		287,740,543		287,740,543	-	-		3,431,894,883	-	462,382,949	-	386,525,783	-	386,525,785	-	434,530	-	-	-	75,857,164
PSIDP																						
MPL Senior	20,000,000		6,154,959		6,154,959		-	-		13,845,041		11,261,177	-	10,899,052		10,899,054		2,053	-	-	-	362,123
MPL-Subordinated	60,000,000		3,870,968		3,870,968		-	-		56,129,032		39,372,841	-	37,859,294		37,859,295		9,359	-	-	-	1,513,546
PBTL BDT Loan		260,000,000		234,000,000		234,000,000	-	-		26,000,000	-	74,201,201	-	73,630,285	-	73,630,286	-	-	-	-	-	570,915
DNS SatComm Ltd.		51,766,551		46,468,629		46,468,629	-	-		-	-	14,356,788	-	14,222,868	-	14,222,868	-	-	-	-	-	-
Sub-total	80,000,000	311,766,551		10,025,927		280,468,629	-	-		69,974,073		50,634,017	-	48,758,346		87,853,153		11,413	-	-	-	1,875,668
Sub-total in equivalent BDT		5,783,766,551		966,242,045		966,242,045	-	-		-	-	4,812,226,593	-	3,422,924,006	-	3,422,924,006	-	-	-	-	-	128,866,630
Total off-balance sheet loans	80,000,000	4,031,401,977		10,025,927		568,209,172	-	-		69,974,073		50,634,017	-	48,758,346		474,378,936		11,413	-	-	-	1,875,668
Total in equivalent BDT		9,503,401,977		1,253,982,588		1,253,982,579	-	-		8,244,121,476	-	1,014,307,713	-	3,809,449,789	-	3,809,449,999	-	1,299,304	-	-	-	204,723,794
Grand total	93,000,000	7,335,944,979		14,025,927		1,092,273,995	-	-		78,974,073		62,579,866	-	50,302,256		760,064,685		11,413	-	-	-	129,920,627
Grand total in equivalent BDT		13,697,144,979		2,051,647,411		2,032,226,597	-	-		11,659,620,459	-	1,442,627,928	-	4,200,738,966	-	4,187,784,971	-	1,717,731	-	-	-	254,709,039

1. Overdue is the amount which is not received on respective payment date under a loan agreement, 2. Interests which are calculated on particular date on accrual basis but not received, 3. Interests which are to be paid on payment date as per agreement.

4. Interests receivable is the amount accrued on particular date, which are to be received on payment dates under loan agreements, 5. 97% of the interest and corresponding Liquidated Damages (LDs) under REREDP is deposited into GoB account, while the rest 3% is IDCOL fees.

ABOUT IDCOL

Infrastructure Development Company Limited (IDCOL) was established on 14 May 1997 by the Government of Bangladesh (GoB). The Company was licensed by Bangladesh Bank as a non-bank financial institution (NBFI) on 5 January 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. The company now stands as the market leader in private sector energy and infrastructure financing in Bangladesh.

MANAGEMENT

IDCOL is managed by an eight-member independent Board of Directors comprising four senior government officials, three prominent entrepreneurs from the private sector and a full time Executive Director and Chief Executive Officer. It has a small and multi-skilled work force comprising economists, financial and market analysts, engineers, lawyers, IT experts and accountants. IDCOL's stakeholders include the government, private sector, NGOs, multilateral institutions, academics and the people of Bangladesh at large.

MISSION AND VALUES

IDCOL's mission is to promote economic development in Bangladesh by encouraging private sector investment in energy and infrastructure projects. IDCOL's values include:

Global standard and competence: IDCOL is committed to deliver financial services to the clients maintaining global standards and competence;

Transparency and integrity: IDCOL believes in maintaining transparency, good governance and integrity in all activities performed by the Company; and

Social responsibility: IDCOL is dedicated to perform as a development financial institution that articulates social responsibility.

RESOURCES

- BDT 500 million as equity.
- IDCOL is a multi-donor funded financing institution and currently manages:
 - ♦ Reflows from USD 80 million loan extended to 450 MW Meghnaghat Power Ltd. project;
 - ♦ USD 61 million received from International Development Association (IDA) and Global Environment Facility (GEF) to provide grants and refinancing for the promotion of renewable energy under the Rural Electrification and Renewable Energy Development Project (REREDP);
 - ♦ EUR 23.27 million from KfW and GTZ for extension of IDCOL's Solar Energy Programme;
 - ♦ EUR 14.9 million from SNV, KfW and other donors for implementing a nationwide domestic biogas and manure programme;

- USD 165 million from Asian Development Bank (ADB) for financing infrastructure and renewable energy projects;
- USD 100 million from the World Bank for IDCOL's Solar Home System (SHS) programme and renewable energy programme.

PRODUCTS AND SERVICES

- Financing and arranging finance for large and medium sized infrastructure projects implemented by the private sector;
- Working as Facility Agent and Security Trustee under projects;
- Refinancing of micro-credit provided by NGOs / MFIs and other private entities for promotion of renewable energy;
- Channelling grants and technical assistance for the promotion of rural infrastructure;
- Providing financial advisory services to both financial institutions and project sponsors;
- Organizing training courses on project finance and financial modelling; and
- Providing "SHONCHALOK" facility - a concessionary loan for the ICT sector.

LENDING TERMS

- IDCOL's rates are generally market based. IDCOL matches lending term of other commercial lenders; and
- IDCOL also offers concessionary loans for rural infrastructure projects.

Large and Medium-Sized Infrastructure Projects

Under its mainstream programme, IDCOL provides long-term senior and subordinated debt financing to viable privately-owned and operated infrastructure projects. To be eligible for IDCOL funding, projects must meet the GOB's priority plan and use proven technology. Infrastructure sectors in the current priority list include:

- Power Generation • Telecommunications • Information and Communication Technology (ICT)
- Ports • Renewable energy • Gas and Gas related Infrastructure • Water Supply
- Toll Roads and Bridges • Urban Environmental Services • Shipyards and shipbuilding • Mass transportation systems
- Other projects as may be approved by IDCOL Board.

Renewable Energy Programme

Under Renewable Energy Programme, IDCOL's current focus is on two major areas:

- (a) Solar Home Systems (SHS)
- (b) Domestic Biogas Plants

In addition to the above, IDCOL has financed a 250 kW biomass gasification-based power plant and a 50 kW biogas based power plant on a pilot basis. Besides, IDCOL has approved financing of a 400 kW biomass gasification-based power plant along with a precipitated silica production plant, and a 11.2 kW solar photovoltaic based submersible water pump.

A. IDCOL Solar Energy Programme

IDCOL currently promotes SHSs in the remote rural areas of Bangladesh through its 15 partner organizations (POs), namely:

- i. Bangladesh Rural Integrated Development For Grub-Street Economy;
- ii. BRAC Foundation;
- iii. Centre For Mass Education in Science;
- iv. COAST Trust;
- v. Grameen Shakti;
- vi. Hilful Fuzul Samaj Kalyan Sangstha;
- vii. Integrated Development Foundation;
- viii. Upokulio Bidyatayon O Mohila Unnayan Shar;
- ix. Padakhep Manbik Unnayan Kendra;
- x. Palli Daridra Bimochan Foundation;
- xi. Rural Services Foundation;
- xii. Shubashati;
- xiii. Srizonny Bangladesh;
- xiv. Thengamara Mahila Shabuj Shangha;
- xv. Mukti Cox'sbazar;

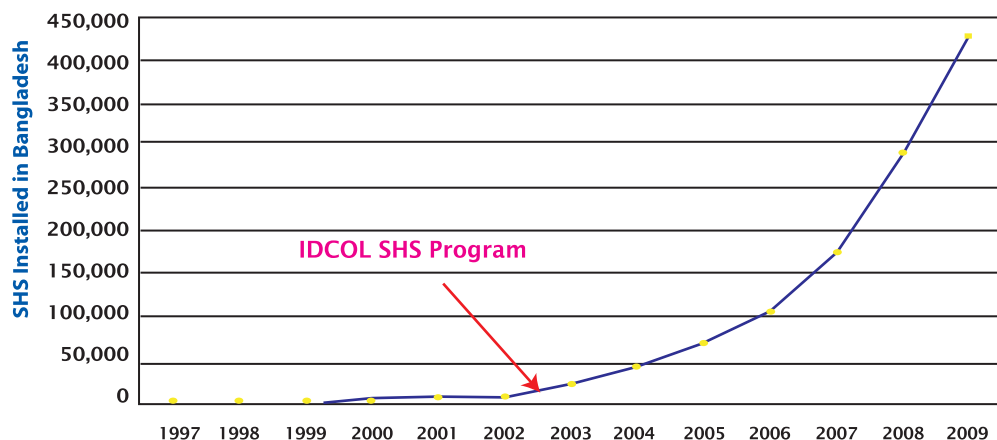


A Solar Home System Financed by IDCOL

For fulfilling the target of 1 million SHS installation by 2012, 8 more POs have been enlisted into the programme.

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's initial target was to finance 50,000 SHSs with financial assistance from the World Bank and GEF by the end of June 2008. The target was achieved in September 2005, 3 years ahead of schedule and USD 2.0 million below estimated project cost. IDCOL now has a revised target of financing 1,000,000 SHSs by 2012 with additional assistance from the World Bank, KfW, GTZ, ADB, IDB and the Government of Bangladesh (GoB). Up to October 2009, a total of 403,000 SHSs have been installed under the programme. IDCOL's Solar Energy Programme is one of the fastest growing renewable energy programs in the world. It has brought a significant change in lives in the remote rural areas of Bangladesh providing access to electricity.



National Domestic Biogas and Manure Program

With support from SNV, Netherlands Development Organization and KfW, Germany, IDCOL has undertaken another vital project to implement National Domestic Biogas and Manure program (NDBMP). Under this program, 37,269 domestic size biogas plants will be installed in Bangladesh by 2012. 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, being a very good organic fertilizer can also be used to improve soil fertility.

IDCOL is implementing the program through its 24 (twenty-four) construction partner organisations (CPOs), lending and construction organisations (LCPOs), and manufacturing partner organisations (MPOs). Name of those organisation working under NDBMP are:

LCPOs	CPOs
■ Grameen Shakti ■ Srizony ■ SANGRAM ■ RSF ■ DESHA ■ Rahman Biogas ■ SOUL ■ Kamrul Biogas ■ SUF ■ ASKS ■ NDS ■ ARAB ■ RISDA ■ MBSK ■ Subashati ■ Hossain Biogas ■ SDS	■ Change Maker ■ Nirapod Engineering ■ DOPS ■ BONDHON ■ Jahanara Biogas
	MPOs
	■ Advance Engineering ■ NOREEYA Biogas



A biogas plant financed by IDCOL



Agriculture Minister Begum Matia Chowdhury inaugurates Biogas Village in Haluaghat, Mymensingh

To attain the desired programme target, four CPOs and eight LCPOs have recently been enlisted under the program.

A national steering committee and an expert level technical committee provide guidelines for the project implementation. The latter has developed an improved model of biogas plant. Up to October 2009, a total of 9,550 (nine thousand five hundred and fifty) plants have been completed in several districts of the country.

IDCOL provides Tk. 9,000 as investment subsidy to each household for installing biogas plants as per the specifications and standards set forth by IDCOL / SNV. Total project cost is estimated as EUR 23.61 million and will be borne by individual households, SNV, KfW and GoB.

Training Courses

IDCOL 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.

Project finance training course has about twenty modules, covering various subjects such as origin and development of modern project finance, bankability aspects of project agreements, loan agreements, interest rate swap, and issues related to subordinated debt and design of security package.

Financial modeling course is designed to enable the participants to work with financial models as well as constructing new models. While every projects will have unique features, and each spreadsheet its own techniques, certain principles apply generally to the construction of financial models, and these principles are the main focus of this training.

Till date, IDCOL trained more than six hundred professionals in thirteen training courses on project finance, seven courses on financial modelling, and a special course for senior officials of Prime Minister's Office and Ministry of Finance on loan evaluation techniques. IDCOL continued to arrange training programmes on 'Rural Electrification and Renewable Energy Programme Implementation' for Ethiopian Government officials. Recently, at the request of GTZ, IDCOL organized a 3-day training programme on 'Renewable Energy Programme Development' for a 6-member team of various agencies of Ethiopian Government.

IDCOL has been organizing similar programmes for government officials of Ethiopia for last two years. A total of 60 officials were trained under such training programmes.



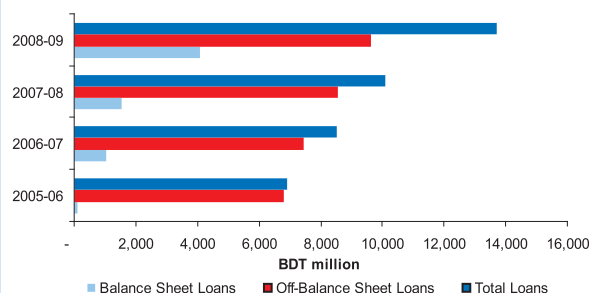
13th training course on Project Finance



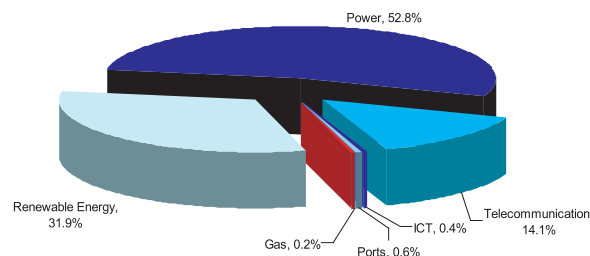
Workshop on Clean Energy Application

FINANCIAL PERFORMANCE

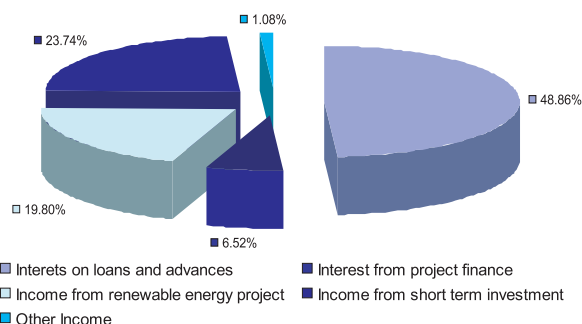
Loan Portfolio



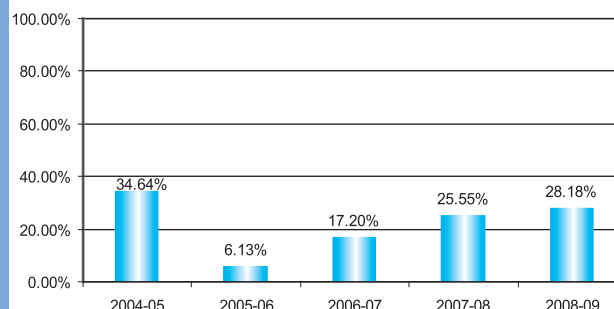
Sectorwise Loan Distribution



Operating Income



Return on Equity



MILESTONES ACHIEVED BY IDCOL

Financed/Extended:

- USD 80 million to Meghnaghat 450MW Combined Cycle Power Plant, the single largest loan provided by a Bangladeshi Financial Institution to the private sector.
- BDT 600 million to Summit Uttaranchal Power Company Limited and Summit Pubanchal Power Company 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 51 MW rental power plant at Fenchuganj, Sylhet.
- BDT 200 million to Malancha Holdings Limited for installation of a 34.5 MW power plant at Dhaka Export Processing Zone.
- BDT 200 million to Venture Energy Resources 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.

financier with a vision

- BDT 80 million for two land port projects, namely Panama Hilli Port Link Limited and Panama Sonamasjid Port Link Limited
- BDT 360 million and USD 10 million to Pacific Bangladesh Telecom Limited cellular network expansion project.
- USD 3 million to Bangla Trac Communications Limited for setting up an international gateway services network.
- BDT 50 million to Ranks Telecom Limited PSTN project
- BDT 250 million to Grameen Phone Limited cellular network expansion project
- BDT 50 million to DNS SatComm Satellite Earth Station.
- BDT 9.2 million to the IT enable services industry through a credit line to Premier Bank Ltd. under the Shonchalok program
- BDT 26.5 million as loan and grant to Dreams' Power (Pvt.) Limited for installation of a 250-kW biomass gasification based power plant and expansion of distribution network.
- BDT 2.4 million as loan and grant to Rashid Krishi Khamar Limited for setting up a 50-kW biogas based power plant.
- BDT 31 million to Thermex Trade Limited for setting up a CNG refuelling station.

Invested :

- BDT 500 million in unsecured, senior bond of Grameen Phone Limited.



51 MW rental power plant of Barakatullah Electro Dynamics Ltd.

Approved:

- BDT 350 million to Banglalion Communications Limited for setting up a wireless broadband network to provide nationwide broadband wireless access.
- BDT 200 million to Fiber@Home Limited for setting up a nationwide telecommunication transmission network.
- BDT 150 million to BM Container Depot Limited for setting up an inland container depot and container freight station at Sitalpur, Sitakunda, Chittagong.
- BDT 200 million to M & H Telecom Limited for setting up an interconnection exchange at Dhaka, Chittagong, and Khulna.
- BDT 64 million to Sustainable Energy and Agro-resource Limited for setting up a 400-kW rice husk gasification based power plant and a precipitated silica production plant.
- BDT 3.18 million loan and grant to Grameen Shakti for setting up a 11.2 kW solar photovoltaic based submersible water pump at Shapahar, Naogaon.
- BDT 500 million refinancing facility to commercial banks and FIs to support IT enabled services industry in Bangladesh.

Disbursed:

- BDT 5,840 million refinancing and grants to its POs for the promotion of 353,097 Solar Home Systems (approximately) in the remote rural areas of Bangladesh till September 2009.
- BDT 130 million refinancing and grants to its POs for the promotion of 8,510 Biogas Plants (approximately) in the remote rural areas of Bangladesh till October 2009.

Arranged:

- 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 1,250 million for 51 rental power project of Barakatullah Electro Dynamics Limited.
- Syndicated Term Loan Facility of BDT 390 million for 11.6 MW power project of 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.
- Co-arranged BDT 2,500 million term loan facility for 34.5 MW power project of Malancha Holdings Ltd.
- Co-arranged BDT 920 million term loan facility for 34.5 MW power project of Venture Energy Resources Ltd.
- Co-arranged BDT 3,955 million term loan facility for four small power plants of SUPCL and SPPCL.
- Co-arranged BDT 528 million term loan facility for interconnection exchange network project of M & H Telecom Ltd.

SPECIALTIES

IDCOL is a unique financial institution because it:

- a. arranges both debt and equity for infrastructure projects;
- b. is able to offer both senior and subordinated loans;
- c. is able to tailor interest rates, loan tenor, and grace period as required by the project;
- d. provides financing in both local and foreign currency;
- e. advises borrower(s) regarding the structure of financing; and
- f. provides credit, grants and technical assistance for promotion of renewable energy in rural areas.



250 kW biomass gasification based power plant



DNS SatComm satellite earth station



450 MW Meghnaghat power plant

Prospects of Renewable Energy in Bangladesh

Infrastructure Development Company Limited (IDCOL) was established as a joint initiative of the Government of Bangladesh (GoB) and the World Bank. On 14 May 1997, it was registered as a public limited company under The Companies Act 1994. IDCOL was licensed by Bangladesh Bank as a Non-Bank Financial Institution (NBFI) on 5 January 1998. Since its inception, IDCOL has been playing a major role in bridging the financing gap in developing medium and large-scale infrastructure as well as renewable energy projects in Bangladesh. Through its participation, IDCOL serves as a catalyst in mobilizing private debt and equity financing in infrastructure projects. In renewable energy projects, however, IDCOL provides subsidy, soft loan and technical support to the private sector with the objective of energizing rural Bangladesh in a sustainable manner.

Renewable energy is a relatively new concept in Bangladesh. In 2002, IDCOL, with support from the World Bank and Global Environmental Facility (GEF), started implementing the first comprehensive solar home systems (SHS) program in the off-grid areas of Bangladesh. In 2006, with support from SNV, Netherlands Development Organisation and German Financial Cooperation (KfW), IDCOL undertook a nationwide program on domestic biogas. IDCOL also promotes new and emerging renewable energy technologies. So far, it has financed several pilot projects i.e. biomass gasification based power plant, electricity from biogas, solar irrigation pumps etc. Today, IDCOL has emerged as the largest promoter and financier of the renewable energy sector in Bangladesh.

IDCOL Solar Home System (SHS) Program

SHS is a convenient mode of supplying power for small electrical loads such as lights, radio/cassette players, mobile chargers and black and white TV. Started in 2002, IDCOL SHS Program had an initial target to finance installation of 50,000 SHSs by July 2008. The target was achieved in September 2005, almost three years ahead of schedule. IDCOL now has a revised target to finance 1,000,000 SHSs by 2012 with additional financial support from the World Bank, GTZ, KfW, ADB and IDB. Till October 2009, IDCOL financed installation of 403,000 SHSs all over the country. Currently, about 17,000 SHSs are being installed every month under IDCOL's SHS programme.

The programme is being implemented through 15 Partner Organizations (POs) including, Grameen Shakti, BRAC Foundation, Rural Services Foundation (RSF) etc. The role of the POs working under the program is to identify project areas, select potential customers, install the systems, provide maintenance support and extend loans to the households. IDCOL provides subsidies and refinancing facility, sets technical specification for solar equipments, creates awareness, provides training support and monitors PO's performance.

IDCOL provides two types of grants - 'Capital Buy-down Grant' to the households to lower the costs of SHS and 'Institutional Development Grant' to the POs to build up their institutional capacity. The amounts of subsidies decrease in phases with a view to achieving commercialization of SHS programme in Bangladesh.

Households are required to pay minimum 10% of the system cost as down-payment. The remaining amount can be paid either through direct payment or through credit from the POs. Different POs extend credit on different terms and conditions. The loan tenor varies from 1 to 5 years, and interest rate varies from 8% to 12% per annum. IDCOL offers a refinancing facility with 6-10 year maturity, 1-2 year grace period and 6%-8% annual interest rate to its POs.

Till September 2009, 15,000 new jobs have been created under the program. Moreover, the programme annually reduces consumption of about 47 million liters of kerosene and lowers country's foreign currency outgo for import payments. In addition, estimated annual GHG emission reduction by the programme is more than 100,000 tons by 2012.

National Domestic Biogas and Manure Programme

Bangladesh has a great potential for Biogas technology. The cattle population is about 24 million (2005-06), which yield about 240 million kg of cattle wastes per day. These wastes have the potential for production of 8.6 million cubic meter (m³) of biogas. If even 50% of the cattle wastes could be used for biogas production, about 1.44 million biogas plants with capacity of 3 m³ each could be set up. Such a biogas plant can provide the necessary energy requirements for cooking and lighting for a family of 8-10 members. Apart from the energy, the slurry produced as a bi-product from biogas digesters is a very good organic fertilizer.

National Domestic Biogas and Manure Program (NDBMP) is currently the largest biogas program of the country implemented by IDCOL with support from SNV and KfW. Under this program, a total of 37,262 domestic size biogas plants are planned to be constructed by 2012.

Till October 2009, a total of 9,550 biogas plants have been constructed. 24 partner organizations (PO), mostly NGOs and private entrepreneurs, have been engaged in this project implementation.

In a typical IDCOL financed biogas plant, subsidy is BDT 9,000 (USD 130), household's contribution is 15% of the plant cost and the remaining is a micro-credit loan provided by IDCOL's POs at 10% - 12% interest rate (flat) and for a period of maximum two years. Since POs have limited source of fund, IDCOL refinances 80% of the micro-credit loan at 6% interest rate and for a period of seven years with one-year grace period.

Other Renewable Energy and Energy Efficiency Programs

Biomass Gasification Based Power Plants

Bangladesh produces about 40 - 45 million tons of paddy annually which produces 8 - 9 million tons of rice husk, taking a 20% yield of husk. About half of the husk is used for energy applications such as domestic cooking, rice parboiling etc. The remaining 4 million tons of husk may be used for power generation using biomass gasification technology. This amount is sufficient for running power plants equivalent to 400 MW of capacity considering 2 kg of husk consumption per kWh.

IDCOL has recently financed a 250 kW biomass gasification based power plant at Kapasia, Gazipur on a pilot basis. The plant uses rice husk for power generation and supplies grid quality electricity

to 500 households and commercial entities of that area. IDCOL has approved financing of a 400 kW rice husk gasification based power plant along with a precipitated silica production plant. IDCOL has a target to finance 12 biomass gasification based power plants equivalent to 5 MW capacity by 2012.

Biogas Based Power Plants

Biogas generated from poultry and cattle waste can also be used for power generation. Cattle population (24 million) has the potential for 8.6 million m³ of biogas per day. Total poultry population of Bangladesh is 233 million (2005-06) which also has a potential for production of 1.7 million m³ of biogas per day. 50% of this produced biogas has the capacity to run power plants equivalent to 350 MW considering 0.752 m³ of biogas consumption per kWh.

IDCOL has financed a 50 kW biogas based power plant. Electricity generated from the plant will be used to run a poultry farm of 30,000 birds. Liquid bio-fertilizer produced from the plant will be used in crop production and fish farms. Another 250 kW biogas based power plant is being considered for financing by IDCOL. IDCOL has set a target to finance 100 biogas based power plants by 2012.

Solar Irrigation Pumps

IDCOL is in process of financing a 11.2 kW solar photovoltaic based submersible water pump to be located at Shapahar, Naogaon. Once completed, the project is expected to provide irrigation facilities to 12.56 hectares of land owned by 75 farmers. If successful, solar photovoltaic based water pumping solution for irrigation will be implemented in larger scale in Bangladesh

Bangladesh Efficient Lighting Initiative Programme

In order to reduce electricity demand as well as green house gas emissions, the Government of Bangladesh has recently undertaken an Efficient Lighting Initiative Programme under which 10.5 million incandescent bulbs will be replaced with compact fluorescent lamps (CFLs) with financial support from the World Bank. IDCOL has been selected to act as the Coordinating/ Managing Entity to avail CDM benefits for the programme. The first phase of the program is expected to start in February 2010.

Energy sector in Bangladesh is capacity constrained both in terms of energy resources and energy commodities. Natural gas reserves, country's largest source of indigenous fossil fuel and electricity generation, are fast depleting. Considering the present huge power cut-off and scarcity of natural gas, Government has set a target to meet 5% of total power demand by 2015 and 10% of total power demand by 2020 from renewable energy sources. IDCOL's contribution in promoting renewable energy technologies in Bangladesh will definitely supplement the Government's renewable energy target and make it a sustainable energy source for the future.



SHONCHALOK

Information and Communication Technology (ICT) sector has been recognized as a thrust sector of the country by the Government of Bangladesh. Software has been categorized as one of the six ‘high priority’ export sectors. The potential of the ICT sector has been reflected in its 61% average growth rate over the last 5 years. Currently, the BDT 1,224 crore market has about 400 players employing more than 12,000 ICT professionals. While the commitment of the Government to boost the ICT sector is reflected in its policy efforts and the vision of Digital Bangladesh by 2020, availability of finance remains a challenge. Hence, IDCOL designed a facility called “Shonchalok” under which short-term/working capital loans are being channeled through private commercial banks and financial institutions to the software and IT solution providers of Bangladesh.

Purpose

IDCOL aspires to provide supports to the software and IT solution providers of Bangladesh in order to promote and accelerate the growth of software and IT related services industry in Bangladesh for the domestic and international market.

Borrowers

- Members of Bangladesh Association of Software and Information Technology Services (BASIS)
- Members of Bangladesh Computer Samity (BCS)
- Members of any other registered ICT association of Bangladesh upon signing a Memorandum of Understanding (MoU) with IDCOL.

Our Partners

- Mutual Trust Bank Limited ■ Trust Bank Limited
- The Premier Bank Limited ■ United Leasing Company Limited
- Any other bank/financial institution can become a partner subject to signing a Financing Agreement with IDCOL.

Eligibility criteria for Software and IT Firms

A software or IT company will be eligible to draw fund from the facility if it fulfils the following criteria:

- It has proven track record or in the IT business for at least 2 years;
- It is a going concern supported by regular bank transactions;
- It has confirmed and credible work order/contract for bill factoring or export or anything else as may deem fit by the financing Bank/FI ;
- Moreover, the Facility has to be approved by the management of Bank/FI.

Nature of Loans

- Working capital finance against valid work order/contract
- Limit based revolving credit

Loan Amount

- Up to BDT 1 crore at any point of time to an organization (may be revised at periodical intervals).

Interest Rate

- Maximum fixed interest rate would be 11.5% per annum.

Other Loan Terms

- As decided by banks/FIs

Prepayment

- 1% charge on the amount prepaid

Security/collateral

- Assignment of bills ▪ Charge on fixed and floating asset ▪ Corporate guarantee
- Post-dated cheques ▪ Personal guarantee
- Others i.e. third party guarantee

Financing Terms for Banks and FIs

Loan Amount

- Up to BDT 5 crore at any point of time

Interest Rate

- Interest rate for each advance amount will be a fixed rate of 7% p.a.

Loan Tenor

- Maximum 5 years with 6 months' grace period from the first disbursement date

Repayment

- Quarterly installment following level principal method.

Prepayment

- 1% charge on the outstanding loan amount.

Security/collateral

- Bank Guarantee/Letter of Comfort

Contacts

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Trust Bank Limited

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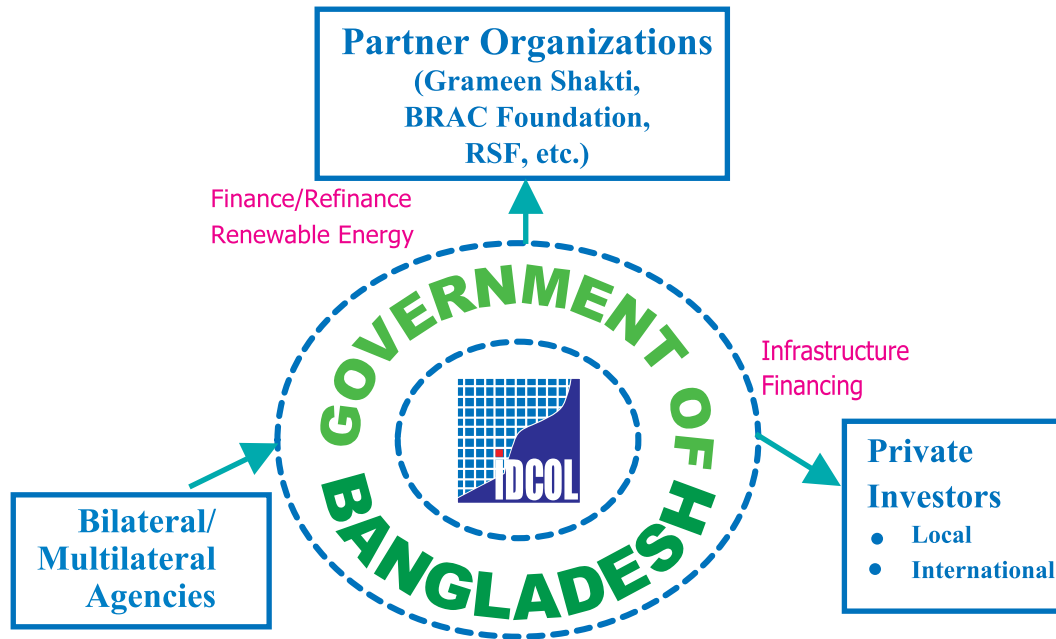
United Leasing Company Limited

Ph: 9662923 Ext. 300

The Premier Bank Limited

Ph: 9887581-4, Ext-129

Stakeholders



Development Partners



The World Bank



ADB, Asian Development Bank



KfW, German Financial Cooperation



IDB, Islamic Development Bank



SNV, Netherlands Development Organisation



GTZ, German Technical Cooperation