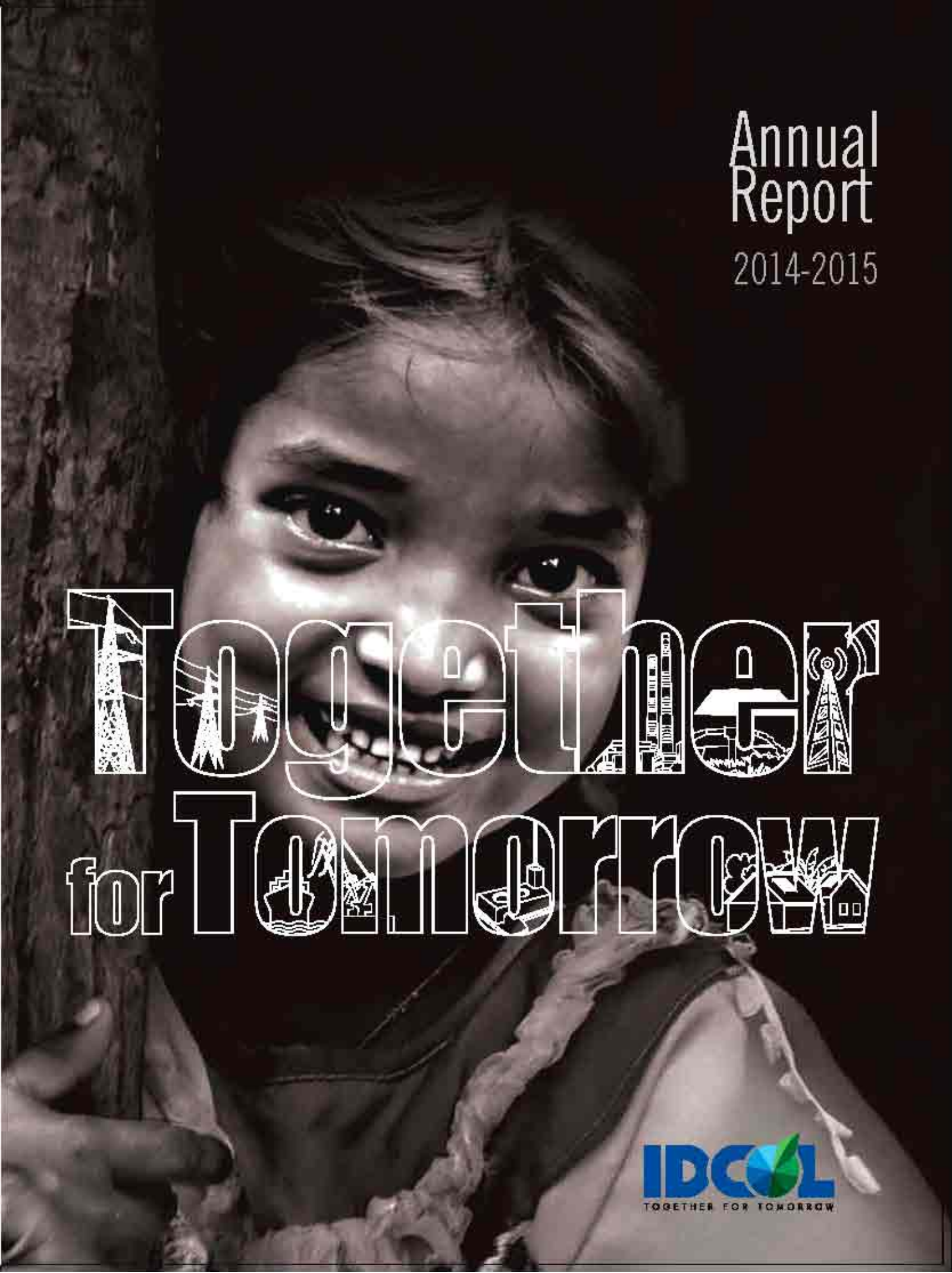
Annual Report 2014-2015



IDCOL
TOGETHER FOR TOMORROW

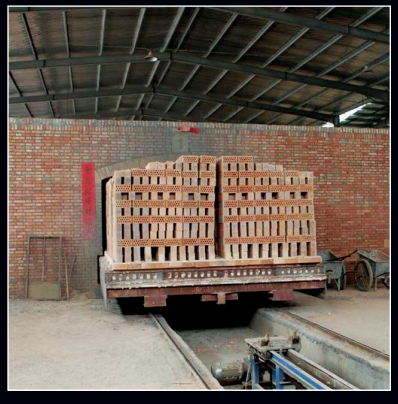
ANNUAL REPORT

2014-2015

Infrastructure Development Company Limited

What's Inside...









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Letter of Transmittal

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Notice of the 18th Annual General Meeting

The eighteenth Annual General Meeting of the shareholders of Infrastructure Development Company Limited will be held on Sunday, 13 December 2015 at 7:00 p.m. at Radisson Blue Water Garden, Dhaka.

10-11
About IDCOL

IDCOL is a Govt. owned non bank financial institution engaged 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.

12-13
Company Information

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

14-15
Vision

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









16-17
Mission

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

18-19
Core Values

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

20-21
IDCOL Milestones

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

22-29
Board of Directors

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

30-47
IDCOL Management

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

48-59
Directors' Report

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









60-61
Chairman's Statement

This year has been a year of success and accomplishments for IDCOL on the corporate governance, operational and financial fronts. Though faced with numerous challenges, we have been able to make reasonable income and profit compared to our competitors in the industry.

62-65
From The CEO's Desk

The year 2014-15 stands witness to yet another year of progress, growth and success of IDCOL. IDCOL's dynamic business model, innovative partners and hardworking employees have collectively paved the path towards ongoing success and growth for the company.

66-73
Corporate Governance

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

74-77
Credit Risk Management

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

78-85
Environmental & Social Compliance

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

86-93
Human Resource Management

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









94-103
IDCOL Programs and Projects

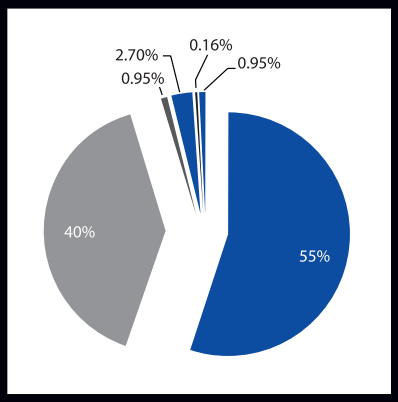
IDCOL is a diversified financial institution providing a wide range of financing products and fee-based services with private-sector infrastructure, renewable energy, and energy effi cient projects as its focus areas.

104-107
Corporate Social Responsibility at IDCOL

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

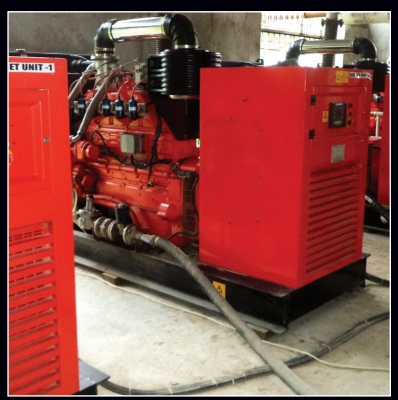
108-115
Financial Highlights

The Company has earned a profit of BDT 2,655 million before provision and tax. Out of which an amount of BDT 217 million and BDT 1,145 million have been provisioned for loans and income tax, respectively.









116-165
Auditor's Report and Audited Financial Statements

The financial statements give a true and fair view of the financial position of Infrastructure Development Company Limited as on 30 June 2015, and of its financial performance and its cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards (BFRSs), Companies Act, 1994 and other applicable laws and regulations.

166-177
Events and Achievements

LETTER OF TRANSMITTAL

All Shareholders,

Subject: Annual Report for the year ended on June 30, 2015

Dear Sir(s),

We are pleased to enclose a copy of the Annual Report together with the Audited Financial Statements including the Balance Sheet, Profit and Loss Account, Statement of Changes in Equity and Statement of Cash Flows for the year ended on June 30, 2015 along with notes thereon for your reference and record.

Yours sincerely,



(M. Maftun Ahmed)
Company Secretary

NOTICE OF THE 18th ANNUAL GENERAL MEETING

The eighteenth Annual General Meeting of the shareholders of Infrastructure Development Company Limited will be held on Sunday, 13 December 2015 at 7:00 p.m. at Radisson Blue Water Garden, Dhaka.

Agenda for the meeting are:

1. To consider and adopt the Board of Directors' report of the Company and the Accounts of the Company with the Auditor's Report thereon for the year ended on 30 June 2015.
2. To declare the dividend of the Company for the FY 2014-2015.
3. To elect Director(s) in place of those retiring in accordance with the regulations 79 and 80; and are eligible for re-election in accordance with the regulation 81 of schedule-I of the Companies Act, 1994.
4. To appoint auditor(s) and fixing-up their remuneration for the FY 2015- 2016.

Special agenda for the meeting:

1. To consider increase of company's paid up capital from Tk. 385 million to Tk. 500 million and authorized capital from Tk. 500 million to Tk. 1,000 million.
2. Any other business.

The meeting will be followed by a dinner at Grand Ballroom of the Radisson Blue Water Garden, Dhaka at 7:30 p.m.

You are requested to kindly attend the meeting.

By order of the Board of Directors

(M. Maftun Ahmed)
Company Secretary

About IDCOL









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

COMPANY INFORMATION

Registered Office	UTC Building, Level-16, 8 Panthapath Kawran Bazar, Dhaka- 1215 G.P.O. Box- 619, Bangladesh Tel: 9102171-8, Fax: 8116663 E-mail: contact@idcol.org Website: www.idcol.org
Business Hours	10:00 a.m. to 6:00 p.m. Sunday to Thursday
Auditors	M/s ACNABIN Chartered Accountants
External Legal Panel	Huq & Company Syed Ishtiaq & Associates Sadat Sarwat & Associates Law Valley Hasan & Associates Tanjib Ul Alam & Associates Abdur Razzaque & Associates Rahman's Chambers Bhuiyan, Islam & Zaidi & Associates Ahmed & Farooq LP DFDL Bangladesh Lex Juris Vertex Chambers Law Sift MNA Shakhawat Hossain & Associates Azad & Company ACNABIN Chartered Accountants (for tax related advise only) Lawyers & Jurists
Bankers	Bangladesh Bank Janata Bank Limited Agrani Bank Limited Prime Bank Limited Rupali Bank Limited Commercial Bank of Ceylon PLC The City Bank Limited Eastern Bank Limited Islami Bank of Bangladesh Limited National Bank Limited NCC Bank Limited Trust Bank Limited

Constitution and Ownership Form

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

Sl.	Name	No. of Shares	%
1	Economic Relations Division (ERD), Ministry of Finance, Government of the People's Republic of Bangladesh	38,499,000	99.99740
2	Mohammad Mejbahuddin	550	0.00143
3	Dr. Nasiruddin Ahmed	50	0.00013
4	Md. Mozammel Haque Khan	50	0.00013
5	Ghulam Hussain	50	0.00013
6	Md. Nazrul Islam Khan	50	0.00013
7	Nihad Kabir	50	0.00013
8	Fazle Kabir ndc	50	0.00013
9	Monowar Islam ndc	50	0.00013
10	Abdul Haque	50	0.00013
11	Waliur Rahman Bhuiyan	10	0.00002
12	Mahmood Malik	40	0.00010

Credit Rating of IDCOL

Long-term : AAA

Short-term : ST-1

AAA : Financial Institutions rated 'AAA' have extremely strong capacity to meet its financial commitments. These companies are judged to be of the highest quality, with minimal credit risk.

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

Rated by : Credit Rating Agency of Bangladesh (CRAB).

Vision

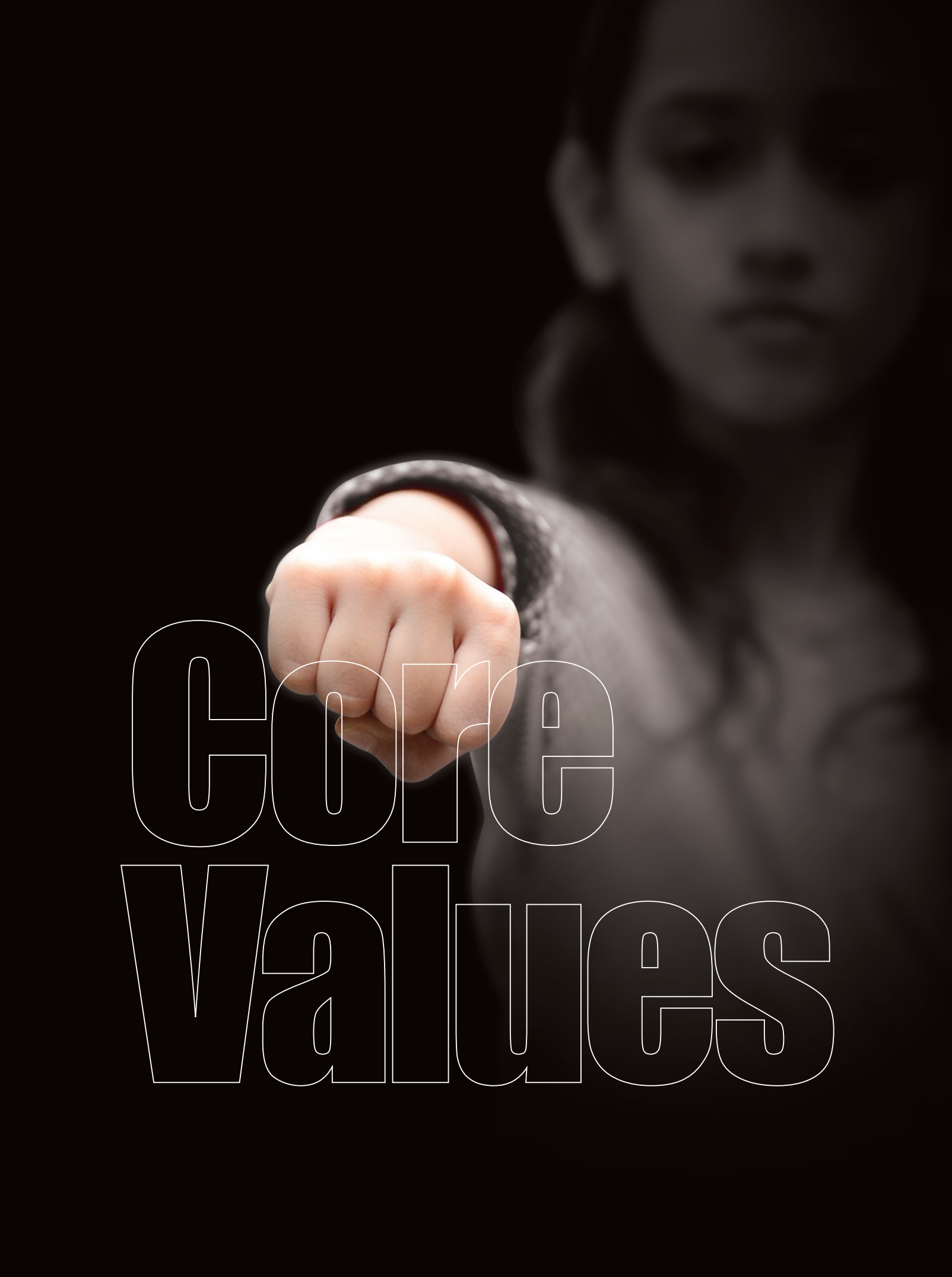


To help ensure economic development of the country and improve standard of living of the people through sustainable and environment-friendly investments.

Mission



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


Core
Values

Global standards and competence

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

Transparency and integrity

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

Social responsibility

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

IDCOL Milestones

1997	
14-May	Incorporation of the Company
14-Nov	Signing of Project Agreement for USD 225 million with the International Development Association (IDA) under Private Sector Infrastructure Development Project (PSIDP)

1998	
5-Jan	Licensing from Bangladesh Bank as NBFI

2001	
11-Apr	Financing of the 1st Independent Power Plant (IPP) Project - 450 MW Meghnaghat Power Ltd.

2002	
16-Jul	Signing of Project Agreement with the International Development Association (IDA) under Rural Electrification and Renewable Energy Development Project (REREDP)
16-Jul	Signing of Financing Agreement for USD 7 million with the Global Environmental Facility (GEF) under the REREDP

2003	
1-Jan	Commencement of the Solar Home System (SHS) Program

2004	
14-Dec	Financing of the 1st ever Satellite Earth Station project in Bangladesh

2005	
6-Sep	Inauguration of the installation of 50,000 SHSs by the Honorable Prime Minister
22-Sep	Start of working as a full-fledged financial institution with the financing of 11.6 MW captive power plant of Shah Cement Power Ltd.

2006	
5-Jan	Financing of the 1st ever land ports operated through the private sector on Build, Operate and Transfer (BOT) arrangement
28-Feb	Commencement of the National Domestic Biogas and Manure Program (NDBMP)
20-Mar	Signing of Financing Agreement with the GIZ-German Development Cooperation under Renewable Energy Project

2007	
15-Feb	Extending BDT 30 million to Ranks Telecom Ltd., the largest private sector PSTN operator of the country
19-Dec	Signing of the 1st Emission Reduction Purchase Agreement in Bangladesh
26-Dec	Signing of Financing Agreement for EUR 25 million with the KFW-German Financial Cooperation under Renewable Energy Project
30-Nov	Signing of Financing Agreement for USD 165 million with the Asian Development Bank (ADB) under Public Private Infrastructure Development Facility (PPIDF)

2008	
2-Dec	Launching of Shonchalok Facility for the Information and Communication Technology (ICT) sector

2009	
28-Oct	Extending BDT 260 million to Fiber@Home Ltd. for setting up the first nationwide telecommunication transmission network of Bangladesh
26-Nov	Signing of Financing Agreement for USD 18 million with the Islamic Development Bank under Improving Rural Households Livelihood through Solar Energy Project
20-Dec	Financing of the 1st solar based irrigation project

2010	
23-Mar	Investing BDT 1 billion in senior, secured, non-convertible bond of Orascom Telecom Bangladesh Ltd.
1-Apr	Opening of the 1st Regional Office under the SHS Program
8-Apr	Financing of the Central Effluent Treatment Plant at CEPZ
12-Apr	Financing of the 1st solar based mini-grid project

2012	
18-Feb	Inauguration ceremony for the installation of 1 million new Solar Home Systems and 20,000 Biogas plants under IDCOL Renewable Energy Programs by the Honorable Prime Minister
26-Jun	Registration with UNFCCC to avail CDM benefits under the SHS Program

2013	
12-May	Celebration of the installation of 2 million Solar Home Systems and launching of the installation of 1 million Improved Cook Stoves (ICS) Project by the Honorable Prime Minister

2014	
5-Nov	Celebration marking the installation of 3 million Solar Home Systems by the Honorable Prime Minister

2015	
Jan-Mar	Three Solar PV based mini-grid projects under IDCOL financing went into commerical operation
2-Apr	IDCOL received the first ever CDM fund in Bangladesh under the United Nations Framework Convention on Climate Change (UNFCC)
15-Sep	IDCOL received NBR award as country's third (3rd) highest tax paying company

Board of Directors



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

BOARD OF DIRECTORS





Sitting From Left

Mr. Mahmood Malik
Executive Director & CEO

Mr. Mohammad Mejbahuddin
Chairman, IDCOL

Ms. Nihad Kabir
Director, IDCOL

Mr. Mahbub Ahmed
Director, IDCOL

Standing From Left

Mr. Abdul Haque
Director, IDCOL

Mr. Monowar Islam ndc
Director, IDCOL

Mr. Md. Nazrul Islam Khan
Director, IDCOL

Mr. Waliur Rahman Bhuiyan, OBE
Director, IDCOL

DIRECTORS' PROFILE



Mr. Mohammad Mejbahuddin

Chairman, IDCOL

Mr. Mohammad Mejbahuddin is the Senior Secretary of the Economic Relations Division (ERD), Ministry of Finance. He joined as the Secretary, ERD in January 2014.

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

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

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



Mr. Mahbub Ahmed

Director, IDCOL

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

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

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

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

Mr. Md. Nazrul Islam Khan

Director, IDCOL



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

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

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

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

Mr. Monowar Islam ndc

Director, IDCOL



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

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

DIRECTORS' PROFILE



Ms. Nihad Kabir

Director, IDCOL

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

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

Her previous positions include - Vice President of the Metropolitan Chamber of Commerce and Industry; member of the National Education Policy Committee of Bangladesh; and member of the Pay and Services Commission, Government of Bangladesh.

She is a Committee Member of Metropolitan Chamber of Commerce and Industry, Dhaka, and Chairman of BRAC EPL Investments Limited and BRAC EPL Stock Brokerage Limited. She is a Director on the Board of BRAC Bank Limited, and Independent Director Apex Adelchi Footwear Limited and Square Pharmaceuticals Limited. She is also on the Board of, among others, Palli Karma-Sahayak Foundation (PKSF) and bKash. She is the Secretary General of Ain o Salish Kendro, a pro-bono legal aid, mediation and advocacy center.



Mr. Abdul Haque

Director, IDCOL

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

His other positions include - Honorary Consul, Consulate of the Republic of Djibouti in Bangladesh; Special Adviser, External Affairs, Dhaka SHOO-KOO-KAI, Japanese Commerce & Industry Association in Dhaka; Director, Infrastructure Development Company Ltd.; Director, Asia Pacific General Insurance Co. Ltd; Chairman, Standing Committee on Budget, Customs Duties, VAT, Taxes & Tariff, FBCCI; Chairman, Projukti Peeth (Socio-Economic Dev. Centre); Chairman, Munshi Jinnat Ali Welfare Trust; Founding Member, Independent University, Bangladesh; Founding chairman, Shaher Banu Ideal School & College, Barura, Comilla.

His previous positions include - Director, The Federation of Bangladesh Chambers of Commerce and Industry (FBCCI); President, Japan Bangladesh Chamber of Commerce & Industry (JBCCI); Member Advisory Board, Strategic Transport Plan for Dhaka (STP); Board Member, Bangladesh Road Transports Authority (BRTA); Director, Janata Bank; Director, Teletalk Bangladesh Ltd.; Executive Member, SAARC Chamber of Commerce and Industry; Co-Chairman, Japan Bangladesh Committee of Commercial and Economic Co-operation; President, Bangladesh Reconditioned Vehicles Importers & Dealers Association. He was recognized as a Commercially Important Person (CIP) for the year 2012.

Mr. Waliur Rahman Bhuiyan, OBE

Director, IDCOL



Born in 1952, Mr. Bhuiyan obtained a Masters in Economics and an MBA from University of Dhaka and joined Linde Bangladesh Limited (former BOC) in 1975, spent his entire professional life in the organization and opted for early retirement in 2011 due to health reasons.

In the year 2007 he was decorated with the Order of British Empire (OBE) by Her Majesty The Queen of Great Britain.

Mr. Bhuiyan's former positions include - Managing Director, BOC Bangladesh Limited; Adviser, Linde Bangladesh Limited; President, Foreign Investors' Chamber of Commerce & Industry (FICCI); Executive Committee Member, Metropolitan Chamber of Commerce & Industry (MCCI); Executive Committee Member, Bangladesh Employers' Federation (BEF); Member, Bangladesh Better Business Forum; Steering Committee Member, British Business Group; Director, Biman Bangladesh Airlines; Director, Chittagong Stock Exchange; Academic Council Member, BRAC University; Honorary Consul General of Finland to Bangladesh.

Mr. Bhuiyan's current positions are - Director, Linde Bangladesh Limited; Director, ACI Limited; Director, Eastland Insurance Company Limited; Executive Board Member; International Chamber of Commerce (ICC).

Mr. Mahmood Malik

Executive Director & CEO



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

Mr. Malik has extensive banking experience in home and abroad. He has an MBA in International Business and Marketing from the University of Houston, Texas, USA.


IDCOL
Management

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

THE TEAM





TOP MANAGEMENT



Mr. S. M. Monirul Islam

Chief Financial Officer & Head of Operations

Mr. S. M. Monirul Islam joined IDCOL in 1998 and worked as a key resource person of the Company since its inception. Mr. Islam holds substantial wealth of experience in financial management and he is an expert in negotiating and managing funds from the government and various development partners. He has been managing, apart from the company's own resources, about USD1 billion of development funds, in the forms of credit and grant, raised from development partners like The World Bank, Asian Development Bank (ADB), Islamic Development Bank (IDB), UK Department for International Development (DFID), German Development Bank (KFW), German Development Cooperation (GIZ), SNV - Netherlands Development Organisation, Global Partnership on Output Based Aid (GPOBA), Swedish International Development Cooperation Agency (SIDA), U.S. Agency for International Development (USAID), Bangladesh Climate Change Resilience Fund (BCCRF), etc.

Mr. Islam has been trained, home and abroad, on financial management and reporting, project financing, financial modeling, procurement, project evaluation and monitoring, prevention of money laundering and terrorist financing, micro-finance and ICT. Mr. Islam has led several delegations to different overseas forums and events and represented the organization as well as the country. He presented key notes and addressed a number of national and international seminars and workshops. Mr. Islam is a key person in designing and implementing promotion and capacity building initiatives under the development programs of the organization.

Apart from financial management, Mr. Islam also oversees the operations activities of the organization which include procurement, administration, people management and ICT.



Mr. Nazmul Haque

Director (Investment) & Head of Advisory

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

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

Mr. Md. Enamul Karim Pavel

Head of Renewable Energy



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

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

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

Mr. M. Maftun Ahmed

Company Secretary, IDCOL



Mr. M. Maftun Ahmed joined IDCOL in 2011 and worked as a key resource person of the company. He has vast experiences in company affairs and human resource management as he worked in different institutions over the years. He is involved in organizing the Board and other statutory meetings of the company and has performed all the company affairs under the Companies Act 1994. He is also responsible to supervise the implementation of compliance of different directives and regulations required by the Board of Directors. In addition, he works as a liaison with various regulatory bodies i.e. Bangladesh Bank, Auditors and Registrar of Joint Stock Companies, etc. He also oversees and manages the overall internal and external compliance issues and human resource management of the company.

M. Maftun Ahmed has completed M.Com (Accounting) from University of Rajshahi in 1997. He has completed MBA (Fin. & Banking) from a private University in 2009. In addition, he obtained MAAT from The Association of Accounting Technicians of Bangladesh in 2009.

Before joining IDCOL, Mr. Ahmed served as Company Secretary at Infrastructure Investment Facilitation Company (IIFC) from 2001 to 2011.

RENEWABLE ENERGY DEPARTMENT





Sitting from left:

Mr. Sirajul Arefin Shibly
Assistant Manager, Promotion & Capacity Building

Ms. Sadia Hoque
Relationship Manager, SHS Program

Dr. Ahmedul Hye Chowdhury
Environmental Specialist, Renewable Energy

Mr. Md. Enamul Karim Pavel
Head of Renewable Energy

Ms. Farzana Rahman
Unit Head, Other Renewable Energy

Mr. Md. Wahidur Rahman
Unit Head (Technical), Renewable Energy

Mr. Md. Serajul Hossain
Unit Head, SHS Program

Standing from left:

Mr. Dipta Majumder
Senior Officer, Technical

Mr. Md. Abdullah Hell Baki
Monitoring Officer, ICS Program

Mr. Md. Raihan Shourov
Investment Officer, Renewable Energy

Mr. Shibli Mohammad Faiz
Assistant Relationship Manager, Biogas Program

Mr. Asif Hasan
Senior Relationship Officer, Biogas Program

Ms. Syeeda Yeasmeen Meer
Senior Investment Officer, Renewable Energy

Mr. Md. Mahfuzur Rahman
Assistant Manager, Renewable Energy

Ms. Amani Rahman
Senior Investment Officer, Renewable Energy

Mr. Rasel Ahmed
Senior Officer, Promotion & Capacity Building

Mr. Junaed Tazdik
Senior Monitoring Officer, SHS Program

Mr. Mokaddim Jashim Bhuiyan
Monitoring Officer, SHS Program

Mr. Kazi Ahsan Uddin
Monitoring Officer, Renewable Energy

Not in the picture:

Mr. A F M Shahed
Manager, Monitoring, ICS Program

Mr. Md. Abdullah Al Matin
Senior Officer, Technical

Mr. Mukaddim Sarwar
Senior Monitoring Officer, Biogas Program

Ms. Fariha Jannat
Relationship Officer, SHS Program

Mr. Md. Samir Abdullah Chowdhury
Relationship Officer, SHS Program

Ms. Kamrunnahar Nitol
Relationship Officer, Biogas Program

Ms. Sanjidaa Hoque
Relationship Officer, ICS Program

Mr. Asif Shahriar
Relationship Officer, SHS Program

Ms. Mithila Sanhita Majumder
Relationship Officer, SHS Program

INFRASTRUCTURE DEPARTMENT





Sitting from left:

Mr. Mashref Ul Haque
Assistant Manager, Investment

Md. Shaheenur Rahman
Unit Head, Small & Medium Infrastructure

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

Mr. Tanvir A Siddiqui
Unit Head, Large Infrastructure

Ms. Farzana Prianka
Senior Officer, Investment Advisory

Standing from left:

Mr. Md. Mehedi Hasan, CFA
Senior Investment Officer,
Small & Medium Infrastructure

Mr. Md. Ashraf Ul Islam
Senior Investment Officer,
Small & Medium Infrastructure

Mr. Azizul Quadir
Senior Investment Officer,
Large Infrastructure

Mr. Mohamad Rashedul Islam
Investment Officer, Large Infrastructure

Mr. Md. Ashadur Rahman Bhuiyan
Senior Investment Officer,
Small & Medium Infrastructure

Not in the picture:

Md. Raihan Uddin Ahmed
Environmental Specialist, Infrastructure

LEGAL & COMPLIANCE DEPARTMENT





Sitting from left:

Ms. Mehrabin Hosain
Senior Officer, Legal Affairs

Mr. M. Maftun Ahmed
Company Secretary and Unit Head, Compliance

Ms. Ferdous Rahman
Senior Officer, Legal Affairs

Standing from left:

Mr. Nazmul Haque Faisal
Unit Head, Corporate Affairs

Mr. Md. Shaikat Azad
Assistant Manager, Compliance

Mr. Md. Sohel Rana
Unit Head, Internal Audit

Not in the picture:

Ms. Nusrat Khan
Officer, Compliance

FINANCE & ACCOUNTS DEPARTMENT





Sitting form left:

Mr. Md. Ziaul Alam, ACA
Unit Head, Financial Reporting & Control

Mr. S. M. Monirul Islam
CFO & Head of Operations

Mr. M. Mizanur Rahman
Unit Head, Accounts and Financial Planning

Mr. Shek Mijanur Rahman
Assistant Manager

Standing from left:

Mr. Tawhid Faraj
Senior Officer

Mr. Sakib Ahmed
Senior Officer

Ms. Nahida Akter
Senior Officer

Mr. Md. Imrul Hasan
Senior Officer

CREDIT MANAGEMENT DEPARTMENT





Sitting from left:

Mr. Farhan Reza
Unit Head, Credit Administration

Mr. Zabir Ibne Raquib
Senior Officer, Credit Administration

Ms. Merina Kashem
Unit Head, Credit Risk Management

Mr. Ashraf Hossain Bhuiyan
Officer, Credit Administration

OPERATIONS DEPARTMENT





Sitting from left:

Mr. M. Maftun Ahmed
Company Secretary and Unit Head, Compliance

Mr. S. M. Monirul Islam
CFO & Head of Operations

Mr. Mohammad Rashedul Islam
Assistant Manager, IT & MIS

Standing from left:

Mr. Md. Maidul Islam
Senior Officer, Procurement

Mr. Ashrafuzzaman Khan
Senior Administrative Officer

Not in the picture:

Ms. Mehnaz Mono
Assistant Manager,
Human Resource Management

Directors' Report



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

Directors' Report

Dear Shareholders,

The Board of Directors of Infrastructure Development Company Limited (IDCOL) takes the pleasure to present the Annual Report and the Audited Financial Statements of the company for the year ended on 30th June, 2015.

The Directors have given relevant disclosures and explanations regarding issues which are important to ensure compliance, good governance practices and transparency. We hope that this report will provide all required information about the company's performance during the financial year of 2014-2015.

1. The Global Economy

The world economy is finally emerging from the worst financial and economic crisis of the past 80 years and returning to a pre-crisis situation: large interest rate spreads for public debt in hard-hit countries are falling; banking systems seem more robust, even if financial reform has not yet been completed; and access to credit, while still limited, is slowly recovering. However, this resurgence is moving at a less decisive pace than it has after previous downturns, and heightened risks looming on the horizon could derail the global recovery. Much of the growth in recent years has taken place because of the extraordinary and bold monetary policies in countries such as the United States, Japan, and the United Kingdom. As the economy improves in these countries, a normalization of monetary policy with tightening financial conditions could have an impact on both advanced and emerging economies.

Overall, growth prospects in advanced economies are better than they have been in recent years, albeit very unevenly distributed. The recovery in the United States seems to be comfortably grounded with strong output and employment figures. Japan's economy seems to be waking up after two decades of stagnation. In Europe the picture is more mixed, with many countries now recording stronger growth and returning to trend growth rates, while some others continue to suffer from weak growth driven by protracted internal demand, high unemployment, and financial fragmentation. Emerging economies are forecasted to grow more modestly than they did in the past. After several years of doing very well and leading global growth, their performance is being affected by a changing environment characterized by greater difficulty accessing capital as well as lower prices for the commodities that fueled past growth.

Global growth in 2014 was a modest 3.4%[1], reflecting a pickup in growth in advanced economies relative to the previous year and a slowdown in emerging market and developing economies. While the GDP of advanced economies grew by 29% in 2014 as compared to 2013, the growth rate in the developing countries decreased by 8%. Global growth is projected at 3.3% in 2015, marginally lower than in 2014, with a gradual pickup in advanced economies and a slowdown in emerging market and developing economies. In 2016, growth is expected to strengthen to 3.8%[2].

2. The Local Economy

The Bangladesh economy continues to maintain its GDP growth during FY 2014-2015 with a growth rate of 6.51%[3], 6% higher than that of 6.12%[4] in FY 2012-2013. FY 2014-15 started off amid few political hiccups. Notwithstanding continued prevalence of an atmosphere of political instability, Bangladesh's fiscal year 2014-15 ended with a number of macroeconomic positives including lower inflation, declining interest rate, stable exchange rate, manageable fiscal deficit, positive balance of payment and augmented foreign exchange reserves. However, export and revenue growth were low compared to earlier periods. The low level of global commodity prices including that of oil has also provided some respite in terms of resources needed to meet subsidy demands.

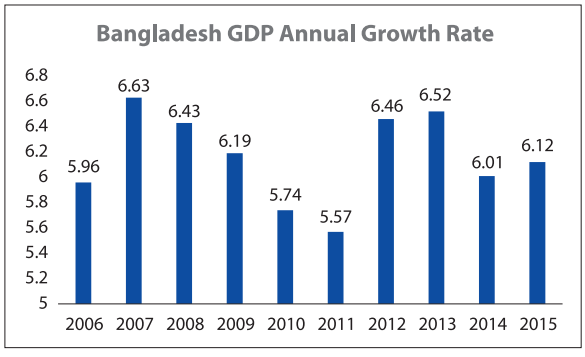
Bangladesh performed well during 2014-15 compared to the previous year. It has kept its fiscal deficit under control (3.4% of GDP), and has not built up high levels of government debt (35% of GDP). Inflation concerns dissipated specially in the second half of 2014 with falling import prices of essential oil and other commodity imports. The point to point inflation rate as of June 2014 was 6.97% which saw a downfall to 6.25% in June 2015 according to Bangladesh Bank. Moreover, Bangladesh made remarkable progress in the achievement of the Millennium Development Goals (MDG), especially in the areas of poverty reduction, food security, health, education and gender equity.

1 "IMF World Economic Outlook (WEO), April 2015" (https://www.imf.org/external/pubs/ft/weo/2015/01/pdf/c1.pdf)

2 "IMF World Economic Outlook (WEO), July 2015" (http://www.imf.org/external/pubs/ft/weo/2015/update/02/)

3 "Bangladesh Economic Review 2014-15" (http://www.mof.gov.bd/en/budget/15_16/ber/bn/Chapter-2%20%28Bangla 2015%29%20final.pdf)

4 http://www.tradingeconomics.com/bangladesh/gdp-growth



On the downside, trade deficit for the outgoing fiscal is poised to surpass all previous records although fuel prices went down by half. The deficit widened because of the sharp rise in imports. The deficit stood at $8.5 billion at the end of April 2015, which is 25% more than last fiscal. The high trade gap has also caused a high deficit in balance of payments (BoP). Balance of payment deficit stands at $2 billion during 2014-15, as opposed to $1.55 billion surplus during 2013-14.

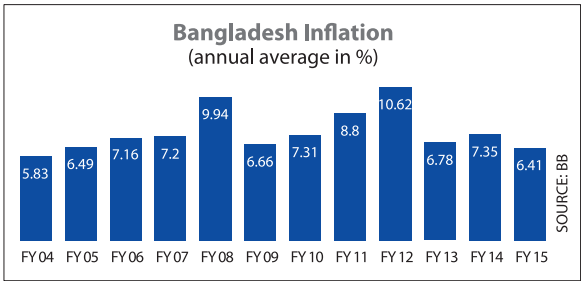
Bangladesh's key growth drivers – remittances and garment exports faced significant headwinds through the last year, but remained in positive territory this fiscal year. As the eighth largest recipient country of remittances in the world, Bangladesh relies on such inflows to drive consumer spending. At 8.1%[5] of GDP, remittances have more than offset the trade deficit and have been a major contributor to the country's current account in recent years. Remittance inflow in FY 2014-15 stands at $15.31 billion, the highest in the country's history. Remittance inflow rose by 7.6% from $14.23 billion in 2013-14, according to Bangladesh Bank (BB) statistics.

On the external side, despite a challenging global environment, export growth has remained resilient, mostly on account of strong performance of the readymade garment sector. In FY 2014-15, over 81% of exports of the country were RMG products. However, while most currencies have depreciated against the dollar, the dollar-taka ratio has remained stable. Hence, Bangladeshi products have become relatively less competitive in the international market. The country's foreign exchange (reserves) is in a strong situation due to a stable growth in export earnings and remittance. Foreign exchange reserves crossed the USD25 billion mark as compared to USD 21.5 billion in FY 2013-14[6], setting a new record for the emerging South Asian nation. With current level of reserves, Bangladesh will be able to afford seven months of imports.

3. Economic Indicators

Inflation

The annual average inflation of Bangladesh for FY 2014-15 reached 6.41%, the lowest in 11 years, against the target of 6.5%. Bangladesh Bank has been maintaining a moderately restrained monetary approach to safeguard macroeconomic stability and keep inflation in check, while allowing adequate space for private sector credit growth. In addition to prudent management of monetary policy, fall in international oil prices, depressed global commodity markets, favorable agricultural production and continuous improvement in domestic distribution system have all contributed in containing the inflation rate and meeting the inflation target for FY 2014-15.



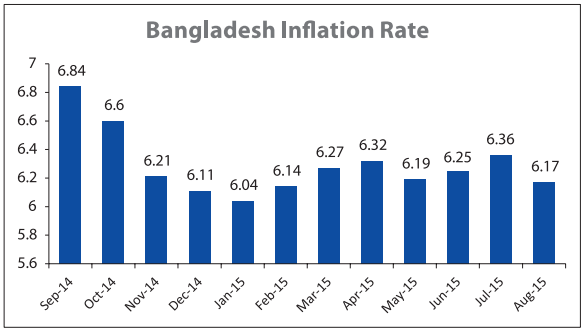
Annual average inflation gradually declined throughout FY2014-15 from 7.04% in July 2014 to reach 6.25% in June 2015. However, while food inflation followed a declining trend, non-food inflation increased. Annual average food inflation decreased from 8.6% in June 2014 to 6.69% at the end of the fiscal year. In contrast, non-food inflation increased from 5.5% to 5.98% during the same period.

Inflation reached 6.25% in June, up by 6 basis points from the previous month, because of a hike in prices caused by increased demand on the occasion of Ramadan. Food and non-food inflation was 6.32% and 6.15% respectively in June.

The government has set the inflation target at 6.2% for the new fiscal year. Factoring in the declining trend in food and energy price in the international markets along with satisfactory domestic agricultural production and supportive monetary policy, the government expects that the general inflation in Bangladesh will ease substantially in the new fiscal year.

5 https://www.bb.org.bd/mediaroom/notice/msrapril2015.pdf

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

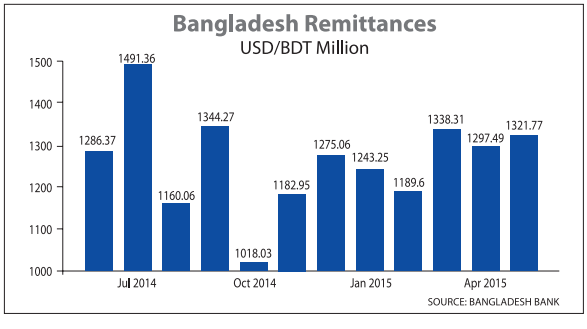


SOURCE: BANGLADESH BUREAU OF STATISTICS

Remittance

Remittances sent by Bangladeshis working abroad reached $15.31 billion, a record in the country's history, in the fiscal year (FY) 2014-15, marking a 7.6% growth over the previous fiscal. In FY 14, the inflow of remittance decreased by 1.61% to $14.23 billion from $14.46 billion a year ago due to political turmoil and static trend in manpower export.

In the wake of recent reopening of the labour market in Saudi Arabia and global economic recovery, remittance inflow in Bangladesh is expected to rise even more in the coming days. Moreover, the stable exchange rate of the Bangladesh Taka (BDT) against the US dollar has also helped achieve the steady growth of inward remittance.

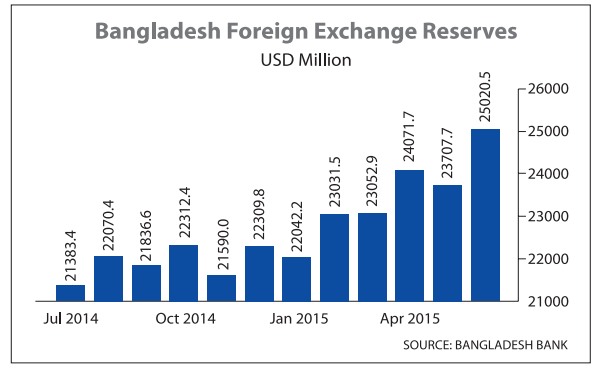


The central bank earlier took a series of measures, including creation of mass awareness to encourage expatriate Bangladeshis to send their hard-earned money home through the banking channel instead of the illegal "hundi" system, which helped in boosting the country's foreign-exchange reserves during 2014 and made the country eighth-largest remittance corridor.

Foreign Exchange Reserve

The FY 2014-15 witnessed a new record in Bangladesh's foreign exchange reserve. Foreign exchange reserve soared to over USD 25.02 billion during the period. The foreign reserve of the country during the last fiscal was USD 21.5 billion. Stable remittance inflow is considered, as the major contributor in the recent forex reserve hike.

The inflow of remittance rose by 7.6% in the first nine months of FY 2014-15 while the country had experienced a fall of 13% in remittance earnings during the same period last year. The number of manpower export into the middle-eastern countries rose by 30% to 25,883 in February, just after the Ministry of Labour of Saudi Arabia overturned the ban on the recruitment of Bangladeshi manpower, compared to 19,928 in the same period of the last year. The country received remittance of $6.68bn in July to March of the fiscal year 2014-15 from the gulf countries compared to $6.21bn in the same period of 2013-14, according to the Bangladesh Bank data.



Currently, Bangladesh is ranked second in South Asia in forex reserve, right behind India, which has a reserve of $339.99bn. Having large foreign exchange reserves will allow the Bangladesh Bank to avoid volatility in exchange rates during the next fiscal year. Moreover, the reserves are sufficient to meet the country's import bills for seven months. (Bangladesh Bank)

4. Millennium Development Goal

The Millennium Development Goals (MDG), set forth in the UN Millennium Declaration 2000, are a set of numerical and time-bound targets to be achieved by 2015, taking 1990 as the base year. Half way through the target year, Bangladesh has successfully achieved 5 of the 8 MDGs, according to the General Economics Division (GED) of the Planning Commission.

Following the UN Millennium Declaration, Bangladesh well-tuned the MDGs into its long-term and mid-term development plans and now is reaping the benefits of it in different socio-economic arena. The latest publication of Bangladesh MDGs Progress Report 2014 shows that Bangladesh has achieved remarkable progress in the areas of poverty alleviation, ensuring food security, primary school enrolment, gender parity in primary and secondary level education, lowering the infant and under-five mortality rate and maternal mortality ratio,

improving immunization coverage, and reducing the incidence of communicable diseases.

Despite being a densely populated country, Bangladesh could achieve this success as the political authority, particularly at the highest level, championed the cause of fulfilling MDG targets. In fact, the achievement of the social goals under the MDGs is now at the center of public policy in Bangladesh as in most other developing countries.

However, there are some areas which are yet to achieve the desired targets. These are employment generation, primary school completion and adult literacy rates, creation of decent wage employment for women, presence of skilled health professionals at delivery, forest coverage, and Information and Communication Technology (ICT).

At least two impediments are obvious. One is the country's institutional inability to effectively implement policies and programs, lack of transparency and accountability, and, above all, poor law and order conditions. The other constraint is that of limited domestic resources that will fall far short of the requirement to implement programmers to achieve the MDGs. Moreover, the country will need a lot more resources to achieve some non-MDG targets such as the development of infrastructure, improved management of power and ports, and achievement of a better investment climate, without which economic growth and consequently poverty alleviation efforts will suffer.

5. Infrastructure Scenario

Bangladesh, with its vision to become a middle income country by 2021, needs prudent actions to steer the economy towards accelerated progress. In order to achieve the required 8%-10% GDP growth rate to fulfill Vision 2021, ensuring adequate infrastructure is crucial. The infrastructure of the country is currently insufficient to keep pace with the growing economy.

The World Bank (2013) estimated that Bangladesh needs to invest USD 74-100 billion in infrastructure until 2020. Bangladesh has to raise its investment in infrastructure to 10 percent of gross domestic product from the current level of two per cent to accelerate its economic expansion to 7.5%-8%, according to the World Bank. Even with a decrease in lending rates, infrastructure investment could not take off owing to unfavourable business climate arising from regulatory issues, complex dispute settlement mechanism and power and energy crisis. A mix of investing in infrastructure stock and implementing supportive reforms will enable Bangladesh to close its infrastructure gap.

In terms of budgetary allocation, although the infrastructure sector has seen one of the highest increases in recent times, the effectiveness of this amount, however, would depend on how the money is capitalized. If the money is used to build new roads, railways, etc. the possibility of a greater fiscal multiplier would be created. Moreover, a significant share of the infrastructure investment in the near and medium term will have to come from the private sector. Some sectors such as energy and telecom have drawn a lot more private sector interests than others. In transport, the private sector preference appears to be partnering with the public sector through Public Private Partnerships (PPP) while it prefers to invest by itself in telecommunications as well as energy.

The government of Bangladesh and IDCOL has already achieved remarkable progress in infrastructure development through this public-private partnership (PPP) model in electricity generation. In order to facilitate the development of core sector public infrastructure and services that are essential for the people of Bangladesh, the Government issued the Policy and Strategy for Public Private Partnership (PPP) in August 2010. The governments Vision 2021 goal incorporates the PPP program to ensure higher growth and provide enhanced public services in a fiscally sustainable manner.

6. Renewable Energy Scenario

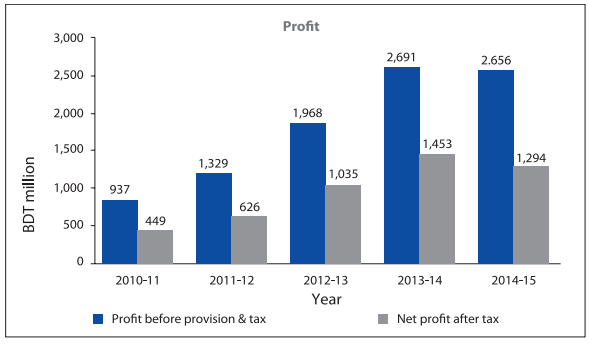
Given the global climate change scenario and carbon trading prospect, renewable energy has emerged as an alternative source of energy solution around the world. Bangladesh has enormous potential in developing renewable energy from different sources, ie, solar energy, biomass, and biogas. Other renewable energy sources include wind, bio-fuel, gasohol, geothermal, wave and tidal energy, which are expected to be explored in the future. In line with the international trend, the Government of Bangladesh has taken a systematic approach towards renewable energy development. As part of its initiatives, the Government has adopted Renewable Energy Policy (REP) in 2008 and formed a focal point called Sustainable and Renewable Energy Development Authority (SREDA) for coordinating the activities related to the development of renewable energy technologies and financing mechanisms. The policy envisions 5% of total power generation from renewable energy sources by 2015 and 10% by 2020.

IDCOL is committed to play a pioneering role in attaining this vision of the government. Government is considering to enact the SREDA Act, which will replace the REP 2008. IDCOL is implementing and financing several renewable energy programs and projects, the likes of which include IDCOL's Solar Home System program, Biogas programs, solar irrigation pumps, solar powered solution for telecom BTSs, solar power based mini grid, biogas and biomass based electricity, etc.

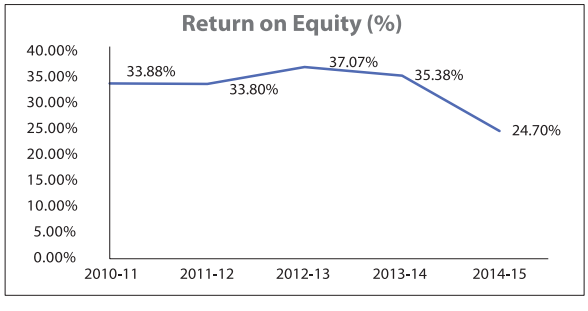
Besides, Bangladesh Bank has created a revolving fund of BDT 2 billion for refinancing of renewable energy projects, e.g– solar energy, biogas, etc. through commercial banks and financial institutions at concessionary terms and conditions.

7. Operational performance of IDCOL

During the reporting period, the total revenue of the company was BDT 4097 million out of which BDT 460 million was interest from infrastructure projects, BDT 1811 million was interest from renewable energy projects, BDT 117 million was fees income from project finance, BDT 39 million fees income from renewable energy projects and BDT 1630 million was interest income from short-term investments. During the same period, the company's operating and interest expenses were BDT 1442 million and profit before tax and provision was BDT 2656 million. Provision of BDT 216 million has been made for loans and advances and BDT 1145 million for tax. Retained earnings at the end of the reporting period was BDT 1390 million.



The Board has proposed payment of BDT 180 million as cash dividends to government and issuance of bonus share of BDT 1150 million to increase Company's paid up capital from BDT 3850 million to BDT 5000 million leaving a balance of 59.9 million as retained earnings to be carried forward to FY 2015-16. During the year, an additional amount of BDT 1250 million from the retained earnings of the last fiscal has been used to raise the paid up capital of the company to BDT 3850 million. With a vision to become the national development finance institution, IDCOL is committed to making its capital structure as per global standards as soon as practicable. IDCOL's loan portfolio was diversified covering various infrastructure sectors like power, telecommunication, tourism etc. The after tax income of the company stood at BDT 1290 million as opposed to BDT 1450 million last year, a decrease by almost 11%. However, given that the reduction in growth has occurred mainly due to an increase in operating expenses corresponding to an increase in organizational capacity, it is expected that the company would be able to enjoy significant revenue growths in the years to come. Shareholder's equity also experienced more than 27.6% growth over the last year. During the reporting period, the company maintained the role of the market leader in private sector energy and infrastructure financing in Bangladesh. Most of the revenues during the period came out of income from interests on loans and advances. Even with 27.9% increase in asset base and 27.6% increase in equity, the profitability indicators fared well with the ROA and ROE being 2.07% and 24.70% respectively. Even though the ROA and ROE of the company has gone down by 0.9% and 10.7% respectively as compared to the last fiscal year, it should be noted that the ROA is still above the market average and the ROE is the highest among similar financial institutions. It is expected that the expansion in the asset and equity base of the company would enable it to reap the benefits in the form of enhanced returns in the years to come.



Increasing concentration on particular sectors and supply of unsecured/part-secured loan to support GOB's initiative for development by IDCOL over the years are facing regulatory & sustainability challenges in terms of capital adequacy, stress testing, and market liquidity. Moreover, gradual development to a full functional NBFI with limited product line & funding sources has also catalyzed the matter. Hence, to ensure sustainable growth and align with the future prospect, IDCOL has initiated process for appointing an international consultant for strategic planning and positioning of the company considering the future outlook. Besides, IDCOL is also

exploring for multiple avenues of funding sources, in addition to the current use of DFI credit lines through MOF, and bi-laterally negotiating with the DFI and commercial credit lines in this regard.

In the meanwhile, IDCOL has enhanced its eligible sector for financing, added new business units & lending windows, and reinforced corporate governance environment with dedicated risk manager and segmentation of various task with dedicated units. Under the infrastructure window, to reposition under the changed dynamics of infrastructure landscape, IDCOL added separate business units to cater dedicated segments and increased its focus on energy efficiency and PPP & advisory services. On the other hand, under the renewable energy window, IDCOL focused on investment in solar-based irrigation and mini-grids, in addition to solar home system and other programs.

8. Infrastructure Project

During the financial year, IDCOL demonstrated impressive business growth in its infrastructure portfolio by disbursing USD 84 million, highest ever disbursement in a single financial year under the infrastructure window since its inception. Like previous years, the primary focus of investment was in power sector, where a total of USD 75 million was disbursed to 3 (three) power projects, having generation capacities ranging from 55 MW to 335 MW. Additionally, among non-power sectors USD 5.9 million was disbursed to an IGW operator and a total of BDT 229 million was disbursed to a used/waste PET bottle recycling plant, a mini-grid project, and a solar BTS project.

As part of its sector diversification strategy, IDCOL appraised various non-power projects and approved BDT 400 million to a tertiary care general hospital in Chittagong along with a total of USD 30 million for financing a first of its kind private sector river container terminal in Munshigonj and a hotel operated by a renowned international hotel chain in Dhaka. Furthermore, in addition to conducting regular training on project financing and financial model, a national workshop on financing of energy efficient brick manufacturing projects was arranged as part of IDCOL's commitment for capacity and awareness building in the sector.

9. Renewable Energy Projects

9.1 IDCOL Solar Home System Program

During the reporting period, 45 participating organizations (PO) of IDCOL installed 605,217 Solar Home Systems (SHSs) in the rural areas of Bangladesh, leading the total number of installation to 37,37,415. IDCOL during the fiscal year also signed agreements with 11 additional POs increasing the total number of POs to 56. Till date, IDCOL disbursed USD 537 million (BDT 41,790 million) as credit and channeled USD 75 million (BDT 5793 million) as grant to all POs.

During the period, IDCOL also received over BDT 1698.6 million as principal repayment, earned BDT 1732.1 million as interest income during the period and BDT 25.7 million as monitoring fees.

9.2 IDCOL Biogas Program

As of June 2015, a total of 38,929 domestic sized biogas plants have been constructed under the program. During the reporting period, 5,385 plants have been constructed by the partner organizations. Till date, IDCOL provided refinancing facility of 465 million and channeled BDT 563.9 million as grant to the POs under the program.

During the year, IDCOL earned BDT 19 million as interest, BDT 16 million as principal repayment, and BDT 12.2 million as monitoring fees.

9.3 IDCOL Improved Cook Stove Program

IDCOL launched the 'Improved Cook Stove Program' in 2013. With the funding support from the World Bank. The objective of the program is to reduce the use of cooking fuel as well as ensure reduction of Indoor Air Pollution (IAP) through promoting supply of higher efficiency cook-stoves. The Program is being implemented through 41 POs working in in 182 upazilas. About 74,540 ICS have been installed under the program during FY 2014-15.

During the year, IDCOL earned BDT 1 million as monitoring fees from the program. The total grant amount disbursed for the program during the year is BDT 30.7 million.

9.4 Other Renewable Energy Projects

During the fiscal year 2014-15, IDCOL approved loan and grant financing for a total of 10 solar mini-grid projects. The combined capacity of these 10 mini-grids is 1,614.5 kWp. Once operational, these mini-grids have the potential to meet the electricity requirements of more than 6,825 households and commercial entities located in the isolated, off-grid areas of the country. Moreover, during the reporting period, three of the previously approved solar mini-grid projects of IDCOL went into commercial operation. In addition, IDCOL has also approved

financing for 275 solar irrigation pumps during the period. The reporting fiscal witnessed the achievement of commercial operation of 110 solar irrigation pumps under IDCOL financing.

During the period, a total of BDT 289 million has been disbursed for renewable energy projects, of which BDT 64 million has been provided as loan and BDT 225 million as grant.

10. Status of IDCOL loans

As of 30 June 2015, overall collection rate of IDCOL loans is around 91.2%. There were in total fifteen classified loan accounts of which ten were in bad, two were in doubtful and three were in sub-standard category. IDCOL had already initiated necessary legal measures against six of its classified borrowers to recover the due. The remaining classified loan accounts were closely monitored and necessary actions under the finance and security documents would be taken against the borrowers if they fail to settle their outstanding amount.

11. Private Sector Infrastructure Development Project (PSIDP)

During the reporting period, the company effectively monitored its loans to Meghnaghat Power Limited (MPL). All principal repayments, interests and fees due under the loan arrangements were duly received. IDCOL, on behalf of the government, received USD 3.66 million as interest and USD 9.51 million as principal repayment. IDCOL also earned USD 106,521 as monitoring fees.

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

During the reporting period, IDCOL, on behalf of the Government, received BDT 57 million as interest and BDT 478 million as principal repayment. IDCOL further earned monitoring fees of BDT 1.8 million.

13. Short Term Investment

During the reporting period, IDCOL earned an amount of BDT 1,630 million from balance with banks and financial institutions, out of which BDT 19.7 million from short term bank deposit, BDT 1,596.9 million from fixed deposit and BDT 13.7 million from call money lending.

14. IDCOL's debt service performance

During the reporting period, performance of IDCOL under all the loans were current. IDCOL made a total debt service of BDT 1,530 million under various projects.

Sl No	Project	Interest and Fees (BDT million)	Principal (BDT million)
1	REREDP funded by IDA	672	191
2	PPIDF funded by ADB	353	170
3	JICA	144	-
4	improving Rural Households' Livelihoods through Solar Energy Project in Bangladesh funded by IDB	147	84
	Total	1,169	361

15. Classified loan status

The percentage of classified loans decreased from 0.80% in 2013-2014 to 0.67 percent in 2014-2015 which can be attributed to the efficiency of the IDCOL team.

16. Our Regional Offices

IDCOL has 13 regional offices in Dhaka, Chittagong, Rangpur, Sylhet, Khulna, Barisal, Bogra, Borguna, Barhmanbaria, Faridpur, Mymensingh and Laxmipur under its renewable energy programs. Each of these offices are managed by a regional supervisor and some technical inspectors. Currently, a total of 221 technical inspectors and field auditors are conducting physical verification and managing operations of SHS, biogas plants, ICS, other renewable energy initiatives, training activities financed by IDCOL and monitoring collection efficiency of unit offices of the partner organizations. In order to meet the organizational needs and to face future challenges, the executives and officers of the company regularly participate in various national and international training courses, seminars and workshops.

17. Corporate Advisory

Following its success in disseminating renewable energy in Bangladesh and expertise in financing infrastructure projects, IDCOL has established a dedicated advisory unit to provide knowledge support to various local/foreign institutions. The level of expertise that IDCOL has developed through its renewable energy sector is unique and exclusive, not just in Bangladesh, but in rest of the world as well. A number of countries have expressed interest in replicating the model of IDCOL SHS Program in their respective countries. Considering the huge demand in international market, IDCOL has started providing corporate advisory services on rural electrification and renewable energy program implementation to different countries.

During the year, IDCOL arranged experience sharing sessions and on-the-job training on renewable energy activities of IDCOL for a 44-member delegation team

from Ethiopia in three phases. The teams comprised of professional staffs and higher officials from Development Bank of Ethiopia, the country's largest investor in the renewable energy sector, and their collaborating organizations. IDCOL also conducted 1 (one) project finance course and 2 (two) courses on financial modelling during the financial year. A total of 83 domestic participants from both the government and private sectors took part in these courses. Furthermore, as an initiative towards encouraging investors to incorporate energy efficiency in their business model, IDCOL arranged a full-day workshop on 'Investment in Energy Efficient Brick Manufacturing Projects' which was inaugurated by Dr. Atiur Rahman, Governor of Bangladesh Bank. The workshop was attended by officials from financial institutions, government organizations, development partners, brick field owners, and potential entrepreneurs.

18. Internal Control

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

The newly formed Credit Risk Management unit of IDCOL has been actively working towards the company's adherence to a strong risk management framework. The unit is responsible for providing independent credit risk assessment and assisting the management in strengthening the company risk strategy and in effect improving the quality of credit portfolio. The Company was maintaining centralized credit risk management through CRM Committee which was responsible for identifying relevant risks and required mitigation of the proposed loans. Supporting departments i.e. Credit Administration Department, Environment Department and Legal Department was actively involved for managing risk avenues i.e. overdue management, CIB report analysis, environmental risk management, legal risk management, etc.

19. Directors' responsibilities of preparation of financial statements

The Companies Act requires the Directors to prepare financial statements for each financial year that gives a true and fair view on the state of affairs of the Company and the Group at the end of the financial year and on the profit or loss of the Group and the Company for the financial year. The Directors are responsible for preparing the Company's financial statements in accordance with the applicable laws and regulations. They have to select appropriate accounting policies, apply them consistently, make judgments and estimates that are reasonable and prudent and state whether applicable accounting standards have been followed. The Board confirms that the financial statements have been prepared under the applicable laws and regulations and as per requirements of regulatory authorities and provide the auditors with every opportunity to take whatever steps and undertake whatever inspections the auditors consider to be appropriate for the purpose of enabling them to give their audit report.

20. Going Concern

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

21. Directors' statement pursuant to the disclosure and transparency

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

- That in the preparation of the annual accounts for the year ended 30 June 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- That such accounting policies have been selected and have been applied consistently and judgment and estimates have been made that they are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as on 30 June 2015, and of the profit of the Company for the year ended on that date;
- That proper and sufficient care has been taken for the maintenance of adequate accounting records, in accordance with the provisions of the Companies Act 1994, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The annual accounts have been prepared on a going concern basis

22. Director's meeting & attendance

During the year ended 30 June 2015, a total of 14 (fourteen) Board meetings were held. During this

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

23. Directors retirement, re-appointment and biographies

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

a) Mr. Mohammad Mejbahuddin
b) Mr. Md. Nazrul Islam Khan
c) Mr. Waliur Rahman Bhuiyan

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

24. Corporate Governance

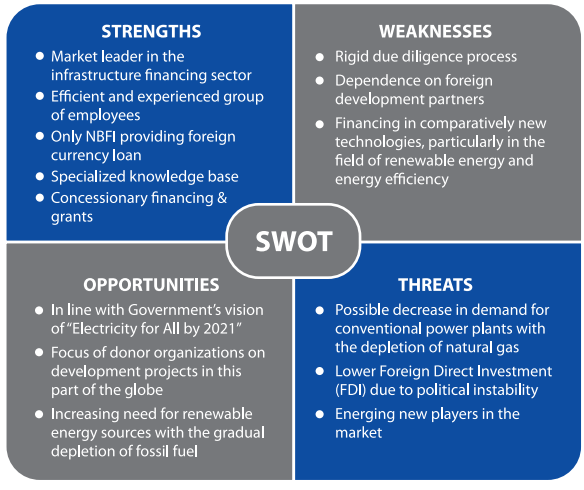
IDCOL has been practicing the principles of sound corporate governance. In addition to this, the Board lays strong emphasis on transparency, accountability and integrity. The board remains committed to guiding the strategic development of the group and supports the principle of collective responsibility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

25. Framework



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

26. SWOT Analysis of IDCOL



Strengths

- IDCOL is the market leader in the infrastructure financing sector. This enables IDCOL to operate in a large scale while enjoying significant economies of scale.
- IDCOL provides concessionary financing and channels grants to eligible projects.
- An efficient and experienced group of employees which ensures faster response to the development initiatives from different sectors.
- IDCOL is the only organization in NBFI sector that provides foreign currency loan.
- Specialized knowledge base in infrastructure and renewable energy sector.

Weaknesses

- Due diligence process required by IDCOL for rendering lengthier approval of a particular project is relatively rigid than other organizations.
- Too much dependence on foreign development appraisal process organizations such as the World Bank, KfW, GIZ, ADB, IDB, GEF, GPOBA, USAID, DFID, JICA, SNV, etc.
- Renewable energy technologies such as solar mini-grid, solar irrigation, biogas based electricity plants are still quite new and unfamiliar to the people.

Opportunities

- Given the government's vision of "Electricity for all by 2021", including 10% from renewable sources, utilization of renewable energy technologies must play a pivotal role especially in off-grid electrification.
- New concepts like carbon financing have huge potential for investment in Bangladesh through IDCOL.
- International donor organizations are moving more to Bangladesh with funding for development projects.
- As traditional sources of electricity like – gas and coal are going to be depleted in near future, the need for more renewable energy source will boost up in coming years.
- Increased focus of the government on Public Private Partnership (PPP) presents opportunities for IDCOL to invest through PPP.

Threats

- Natural gas, the primary raw material for power plants and many such infrastructure projects, is scarce in our country. According to Petrobangla, natural gas reserve is likely to be depleted by 2020.
- In today's economy, foreign direct investment (FDI) in the country is very low due to political instability. It indicates political threats.
- More players are emerging in the field of private sector infrastructure and RE financing.

27. Business Ethics

The day-to-day business activities are conducted in a fair, honest and ethical manner at IDCOL. Every person connected with IDCOL has individual responsibility for maintaining an ethical and healthy workplace. Managers and leaders throughout the company are additionally responsible for fostering a proper environment and encouraging ethical practices. IDCOL has a reputation for the highest standards of excellence, quality and reliability in all its activities, and for respect, honesty and fairness in its dealings with the development partners, partner organizations, colleagues and other constituents. The continued success and future growth depend on the maintenance of these standards.

28. Major Events

The fiscal year marked the installation of 3 million Solar Home Systems under IDCOL financing. The Hon'ble Prime Minister Sheikh Hasina did the honors of inaugurating an event marking the celebration of this achievement. The event took place on 5th November, 2014 at Pan Pacific Sonargaon Hotel, Dhaka. Finance Minister Mr. Abul Maal Abdul Muhith, PM's Adviser Dr. Tawfiq-E-Elahi Chowdhury, State Minister for Power, Energy & Mineral Resources Nasrul Hamid and World Bank country director Mr. Johannes CM Zutt were also present as special guests in the event.

IDCOL with its aspiring targets to be achieved by 2018, partnered with new Partner Organizations (POs) during this fiscal under its existing renewable energy programs. IDCOL signed agreements with 11 new Partner Organizations to finance 6 million solar home systems (SHS) in Bangladesh by 2018. With a target of financing 1 million improved cook stoves (ICS) and 0.1 million domestic biogas plants by 2018, IDCOL signed agreements with 11 new POs under its Improved Cook Stove (ICS) Program and 16 POs under its Domestic Biogas Program.

IDCOL also undertook to finance a number of solar mini-grid and solar irrigation projects during the fiscal year. Financing Agreements for 8 (eight) solar mini-grid projects and 199 solar irrigation pumps have been signed during the year.

IDCOL signed an agreement with Lakdhanavi Bangla Power Limited (LBPL) to extend USD 15 million term loan to LBPL for setting up a 52.2 MW Dual Fuel Power Plant at Jangalia, Comilla. In addition to IDCOL, four other Sri Lankan lenders – National Development Bank PLC (NDB), Sampath Bank PLC (Sampath), Commercial Bank of Ceylon PLC (CBC), and Hatton National Bank PLC (HNB) will extend USD 8 million, USD 6 million, USD 3 million and USD 3 million, respectively. The power plant later commenced commercial operations from 28 December 2014.

29. Contribution to the national exchequer and the economy

During the year 2014-2015, the company contributed a total amount of BDT 1,134 million as corporate tax, BDT 13.3 million as Tax Deducted at Source (TDS), BDT 22.3 million as VAT and BDT 180 million as dividend to the government, in total BDT 1,349.6 million was paid to the national exchequer. IDCOL received the National Board of Revenue (NBR) Award during the year for being the third highest tax paying company of the country. By adopting a responsible behavior, as well as through sustainability added-value approach, IDCOL contributes most effectively in social, environmental and economic progress.

30. Responsibility Towards Civil Society

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

31. AUDITORS

ACNABIN Chartered Accountants have been appointed as auditors for the Company's accounts for the Financial Year 2014-2015. The Financial Institutions Act 1993 stipulated that an auditor of a financial institution cannot be appointed for more than three consecutive years. Section 210 (10) of the Companies Act 1994 also gives authority to shareholders of the company to fix the auditor's remuneration. So, the board recommended appointing ACNABIN Chartered Accountants as the auditors at a remuneration of BDT 247,354.

32. ACKNOWLEDGEMENT

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

By order of the Board



Date: 05 November 2015 Chairman



Chairman's Statement

On behalf of the Board of Directors, I am pleased to present the Annual Report along with the audited accounts of our company for the year ended on 30 June 2015. This year has been a year of success and accomplishments for IDCOL on the corporate governance, operational and financial fronts. Though faced with numerous challenges, we have been able to make reasonable income and profit compared to our competitors in the industry.

Overall Performance

Our strong financial performance was reflected in our performance during the year. Even with a 25.72% rise in operating expenses owing to an expansion in organizational capacity and introduction of competitive pay structure in IDCOL, the company demonstrated profit before tax of BDT 2,656 million which is slightly lower than last year. It is expected that IDCOL will be reaping the benefits from enhanced organizational capacity and a pool of dedicated employees in the form of increased income and profit in the coming years. We achieved a competitive 2.07% return on assets while our total assets increased to BDT 62,452 million from BDT 48,843 million last year. Shareholders' equity has also increased from BDT 4,106 million to BDT 5,240 million.

Board of Directors

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

Sustainability and Responsibility

By running a successful business and transforming the lives of many people, we make a positive contribution to the economic and social well-being of our country. We employed around 479 employees till date and contributed around BDT 1,325 million (out of which BDT 180 million is payable) to the national exchequer last fiscal year in the form of tax and cash dividend.

Our People

It is important to thank all our employees whose tremendous hard work has been the driving force behind our performance. IDCOL has a friendly and cooperative work environment and its success is a resultant effect of team effort. As you will see in the following pages, the overall theme of this year's annual report is 'Together for Tomorrow' which is central to the delivery of our strategy. As we look to the future, concerns over the health of many of the world's major economies continue. It is difficult to predict how strong these economic headwinds could become. However, we approach 2015/16 with the confidence that our clear strategy, focused set of market leading businesses and strong balance sheet will enable further progress in the infrastructure and renewable energy sector in Bangladesh. I believe that challenges will present opportunities and that IDCOL is well placed to make the most of them.

Strategic Direction

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

IDCOL is in need of diversifying its current loan portfolio as part of its risk management strategy. Steps are underway to develop and implement a Strategic Business Plan (SBP) for IDCOL that is expected to ensure long-term sustainability of its operations.

Acknowledgement

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



From the CEO's Desk

The year 2014-15 stands witness to yet another year of progress, growth and success of IDCOL. IDCOL's dynamic business model, innovative partners and hardworking employees have collectively paved the path towards ongoing success and growth for the company. IDCOL's goal is to ensure economic prosperity through sustainable and environment-friendly investments in the infrastructure and renewable energy sectors of the country. Investment in infrastructure development and renewable energy technology is an essential ingredient of enhancement of industrial activities, poverty alleviation and socioeconomic development.

Infrastructure development

The Global Competitiveness Report 2014-2015, published by World Economic Forum, assigned Bangladesh an infrastructure ranking of 127 among 144 countries. According to the said report, Bangladesh improved by only 0.08 points in terms of infrastructure, compared to 2013-2014, and still suffers from acute shortage of adequate infrastructure. As such, the Sixth Five Year Plan (SFYP 2011-2015) identifies the need for increased investment in infrastructure sector from current 2% to 6% of GDP, in order to fulfill the government's Vision 2021 of transforming Bangladesh from a low-income economy to a middle income one. Unfortunately, a key impediment to the government's vision is the fact that the fiscal resources of the public sector is not quite sufficient to upgrade the infrastructure to the desired level. As such, private sector participation is crucial for need assessment, project implementation and, most importantly, financing.

For more than a decade, IDCOL has been working in close co-operation with various development partners, bridging the gaps between government's infrastructure development targets and financing requirements. IDCOL has directly supported the government's infrastructure development agenda by sourcing requisite long-term funds for infrastructure financing. Some of IDCOL's recent projects in the infrastructure sector includes approval of USD 10 million to a 120,000 TEU River Container Terminal, BDT 400 million to a Tertiary Care General Hospital, and USD 20 million to a 149-key hotel. Additionally, during the year, IDCOL disbursed a total of USD 75 million to 3 (three) previously approved power projects, BDT 99.28 million to a used/waste PET bottle recycling plant, BDT 100 million to a mini-grid project and around BDT 29.62 million to a solar BTS project.

Renewable energy (RE)

According to the World Renewable Energy Congress, the world population will be in excess of 12 billion by the year 2100[1]. If technological progress and innovation continue at the present rate, the demand for energy by then is going to grow five times[2]. Given the usage of fossil fuel continues to grow at the current rate, the world might as well be headed for temperature rise of 4°C or even 6°C, a recent UN analysis reveals. This rise in global temperature would translate into damaging sea level rises, extreme weather conditions and food insecurity. Thus, it has become more crucial than ever to increase percentage of renewable energy in today's energy generation mix which is currently predominated by generation from oil, natural gas and coal. Bangladesh has enormous potential in generating power from renewable sources, especially from solar energy.

IDCOL has played a pioneering role in this regard. Through its flagship program, the Solar Home System (SHS) Program, IDCOL has contributed extensively towards the generation of electricity and the reduction of CO_2 emission and kerosene consumption. Under this program, IDCOL has financed installation of 3.8 million SHS with a total electricity generation capacity of 125 MW. Till date, the SHS Program of IDCOL has achieved the reduction of 582,032 ton of CO_2 emission and reduced kerosene consumption by 273,113 ton/year. IDCOL is also financing and implementing other renewable energy programs which include the Biogas Program and Improved Cook Stoves (ICS) Program. With a target of installing 60,000 biogas plants and 1 million improved cook stoves by 2018, IDCOL has thus far achieved installation of 38,929 biogas plants and 74,540 improved cook stoves.

With a view to finding alternative means of electrification for the off-grid areas and to reduce pressure on grid electricity, IDCOL is also extending financing for other renewable energy projects such as solar irrigation pump, solar minigrid, biogas/biomass based power plant etc. After achieving the milestone of installing 3 million SHS throughout the country, IDCOL expects to create a green revolution in the agricultural sector of the country through its solar irrigation program. Such projects are directly contributing to the Government of Bangladesh's climate change adaptation vision.

1 http://www.theenergycollective.com/geoffrey-styles/2149186/how-would-we-provide-enough-energy-11-billion-people

2 http://www.wrenuk.co.uk/

Financing Energy Efficiency

Our mission is to accelerate investment in sustainable clean energy as a means to combat climate change, create green jobs, reduce energy use, increase our national energy security and stimulate our economy. As a part of our goal to finance energy efficiency, we have undertaken the Green Brick Program through which we hope will gradually replace all traditional brick kilns of the country with modern and environment-friendly technologies. After introducing the use of energy efficient LED lights in the country through its SHS program, IDCOL is now working towards enabling people to conserve and make efficient use of scarce energy resources at a larger scale. IDCOL has taken initiatives to introduce energy efficient appliances such as fans, televisions, refrigerators, etc. under its solar mini-grid projects with a view to enable people to do more with less energy.

Operating Results

This year, company's Profit before tax and provision was BDT 2,656 million, which is 1% lower than BDT 2,690 million last year. Income from IDCOL Solar Home System (SHS) program has decreased during the current year due to market saturation and uneven competition from the market where poor quality SHSs are offered at a lower price. This, coupled with an increase in operating expenses owing to expansion of the organization's capacity, has contributed to the reduction in profit during the year. It is expected that IDCOL will be reaping the benefits of increased organizational capacity in the form of greater returns for the company in the subsequent years. Moreover, income from other renewable energy and infrastructure projects are expected to grow given that a number of such projects have been approved recently and number of projects are currently in IDCOL's pipeline.

Company's net profit after tax was BDT 1,294 million, which is 11% lower than BDT 1,453 million last year. This decrease in profit is mainly due to an increase in operating expenses owing to an expansion of the organization's capacity in the form increase in manpower and office space. It is expected that IDCOL will be reaping the benefits of increased organizational capacity in the form of greater returns for the company in the subsequent years. Another contributing factor here is the reduction in income from IDCOL Solar Home System (SHS) program due to market saturation and uneven competition from the market where poor quality SHSs are offered at a lower price. However, income from other renewable energy and infrastructure projects are expected to grow given that a number of such projects have been approved recently. Moreover, a number of projects are currently in IDCOL's pipeline.

Our Return on Asset during the year stood at 2.07% as opposed to 2.97% in the previous year, whereas the Return on Investment during the year stood at 3.60% compared to 4.99% last year. This is owing to an increase in both asset and equity base of the company by 27.9% and 27.6%, respectively and a simultaneous decrease in net income by 11%. However, comparative financial analysis shows that IDCOL currently belongs to the top among similar financial institutions in terms of return on equity and return on investment. The numbers tell our story even in the face of many challenges, we have been successful in maintaining commendable position in the industry. It needs to be re-emphasized that IDCOL is committed to growing revenues through prudent investments, operational excellence and innovation.

Organizational Growth

In order to cope up with the increase in business while maintaining the exception level of diligence at IDCOL, we have added new departments, to ensure proper services, timely completion of tasks and better penetration to focused markets. At the same time, expansion of the work force has led to greater specialization in different areas resulting in more accountability and greater focus on individual tasks.

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

Challenges and Opportunities

While it is generally agreed that private sector involvement is key to infrastructure development in Bangladesh, the coordination among public and private sectors still remains a challenge. Therefore, while lack of financing is often hailed as the core hindrance, a major challenge faced by the sector is the lack of a strong framework for developing high

quality, bankable projects. With regards to financing, the major challenge infrastructure sector faces is that local currency loans are often too expensive and offered for too short a period. Nevertheless, the opportunities in the infrastructure sector are plenty as clearly demonstrated in the power and telecom sectors. Significant government support to incentivize private investment in infrastructure such as tax holiday, import duty exemption, investment repatriation, sovereign guarantee, and dedicated local infrastructure fund sources make Bangladesh a lucrative location for further investment.

In the sector of renewable energy, one major challenge is high upfront investment cost. There are currently teams of solar energy and irrigation engineers working on strategies to reduce this cost and make it more affordable to end users. Another factor is that renewable energy projects require high grant support to become competitive with fossil fuel based technologies which is not a sustainable solution in the long run. Bangladesh has a lot of opportunities in the renewable energy sector compared to other developing countries. IDCOL's initiatives focuses on the technical and capacity-building aspects of renewable energy, which will continue to bring about women welfare, income generation, child education and capacity building of local entrepreneurs. We have used our innovative financial schemes involving the community at grass roots level to help rural people procure renewable energy systems for their livelihood activities and income generation. IDCOL with its various initiatives will continue to act as a role model and demonstrate that renewable energy applications can be scaled up economically and rapidly to provide an affordable and climate-friendly energy solution for the rural poor.

Looking Forward

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

IDCOL aims to play the pioneering role not only with regard to providing suitable financial mechanisms for supporting renewable energies but also for energy efficiency measures. In this regard, IDCOL is working towards implementing global practices with regard to energy conservation and energy efficiency in the country. Given that the IDCOL SHS program is on the verge of the maturity stage and further expansion of the program seems to be challenging, IDCOL is now focusing on other parameters of the program such as increasing collection efficiency and introducing product diversification.

Our humble submission

Relationship with the government, the multilateral and bilateral development agencies and all our suppliers and partners is fundamental to our success. IDCOL's perception as a transparent and trustworthy partner is derived from its commitment to integrity. We are sincere in dealing with our stakeholders and the communities where we have an impact. I would like to end my message by thanking all our valued development partners i.e. the World Bank, ADB, JICA, SNV, KfW, GIZ, IDB, USAID, GPOBA, DFID, GEF and above all the Government of Bangladesh for their continuous support towards IDCOL. I also wish to convey my deep gratitude to all our partners who form an extensive network of valuable business resources and ensure delivery of excellent performance. I appreciate our Board, which consists of successful individuals with diverse set of skills and experiences, for its continuous support and guidance. Finally, my utmost gratitude goes to my fellow colleagues for their united efforts, diligence, commitment and their ability to embrace change. In our journey towards excellence, it has been a highly rewarding experience to be recognized and acknowledged by local and international organizations. Recently, IDCOL was awarded the Second Prize of the 'ICMAB Best Corporate Award 2014' in the category of "Best Corporate in the Non-Bank Financial Institution Sector'. Also, IDCOL received the National Board of Revenue (NBR) Award as the 3rd highest tax paying company of the country during the fiscal year 2014-15. All these stands testament to our accomplishments during the year.

The future is challenging but full of exciting opportunities. I envision a progressive and strategic role played by IDCOL as it continues to excel in its current operations, explores innovative ideas and fosters valuable business relationships.



Corporate Governance

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

Corporate Governance

Board of Directors

Committees of the Board

- Audit Committee
- Credit Committee
- Organization Committee

Committees of the Management

- Management Committee
- Asset Liability Management Committee
- Credit Risk Management Committee
- Risk Management Forum
- Risk Analysis Unit
- Internal Control and Compliance Unit
- Internal Audit Department
- IT & MIS Department
- Integrity Committee
- Green Banking

Corporate Governance

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

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

Board of Directors

Composition

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

Role & Responsibilities

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

The Board duly complies with the guidelines issued by Bangladesh Bank regarding the responsibility and accountability of the Board, its Chairman and Chief Executive, vide DFIM Circular No. 7 dated September 25, 2007.

The Board of Directors is in full control of the Company's affairs and is also fully accountable to the shareholders. They firmly believe that the success of the Company largely depends on the credible corporate governance practices adopted by the Company. Taking this into consideration, the Board of Directors of IDCOL set out its strategic focus and oversees the business and related affairs of the Company. The Board also formulates the strategic objectives and policy framework for the Company. In discharging the above responsibilities, the Board caries out, inter alia, the following functions as per the charter of the Board and Bangladesh Bank's DFIM Circular No. 7, dated September 25, 2007.

Committees of the Board

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

1. Audit Committee
2. Credit Committee
3. Organization Committee

Audit Committee

Composition

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

The members are:

1. Mr. Mahbub Ahmed, Director
2. Mr. Waliur Rahman Bhuiyan, Director
3. Ms. Nihad Kabir, Director
4. Mr. Abdul Haque, Director

Role & Responsibilities

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

This Committee is responsible –

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

Credit Committee

Composition

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

Members of the committee are:

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

Role & Responsibilities

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

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

Organization Committee

Composition

The Organization Committee of IDCOL is a four-member committee represented by Chairman, IDCOL, Secretary, Economic Relations Division, Secretary, Power Division, one director nominated from private sector and CEO, IDCOL.

Members of the committee are:

1. Mr. Mohammad Mejbahuddin, Chairman
2. Mr. Monowar Islam ndc, Director
3. Ms. Nihad Kabir, Director
4. Mr. Mahmood Malik, Executive Director and CEO

Role & Responsibilities

The Committee is responsible for overseeing the overall Human Resources strategy and policies of the Company, which is designed to provide:

- A rich supply of high caliber employees with the capability to lead the business now and in the future.
- Diversity of employees to reflect the available talent in the market place and consumer demographics.
- Training and development that will equip employees with the skills and knowledge to perform their duties efficiently.
- A high performance culture and employee engagement that will drive organization success.
- A level and composition of reward and recognition for employees that:
  - 0 will attract, retain and motivate employees with the requisite skills and expertise towards high performance;
  - 0 is linked to Company and individual performance;
  - 0 maintains the integrity of the Company's remuneration strategies and practices;
  - 0 provides appropriate alignment between shareholder interests and employee interests;
  - 0 provides a framework for undertaking reviews of remuneration proposals; and
  - 0 is compliant with current governance and legislative requirements related to remuneration practices.
- The committee will guide, advise, review and recommend initiatives related to corporate matters within the following areas:
  - Organization Structure (Organogram)
  - Staff Manual
  - Compensation
  - Human Resource Development
  - Performance Management
  - Succession Plan
  - Other matter that may be delegate by the Board from time to time

Committees of the Management

Management Committee

Composition

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

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

Role & Responsibilities

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

Asset Liability Management Committee

Composition

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

1. Mr. Mahmood Malik, Executive Director & CEO
2. Mr. S. M. Monirul Islam, Chief Financial Officer and Head of Operations
3. Mr. Nazmul Haque, Director (Investment) and Head of Advisory

4. Mr. Md. Enamul Karim Pavel, Head of Renewable Energy

Role & Responsibilities

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

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

Credit Risk Management (CRM) Committee

Composition

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

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

Role & Responsibilities

The functions of the CRM Committee will be as under:

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

Risk Management Forum

Composition

Risk Management Forum is headed by the Chief Financial Officer and Head of Operations of the Company. The forum consists of the following members:

1. Mr. S. M. Monirul Islam, Chief Financial Officer and Head of Operations
2. Mr. Nazmul Haque, Director (Investment) and Head of Advisory
3. Mr. Md. Enamul Karim Pavel, Head of Renewable Energy
4. Ms. Merina Kashem, Unit Head, Credit Risk Management

Role & Responsibilities

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

- designing overall risk management strategy of the FI;
- communicating views of the board and senior management regarding the Risk Management Culture and Risk Appetite all over the organization;
- preparing risk management policies and procedures;
- monitoring the prescribed/threshold limits of Risk Appetite set by the regulator and/or by the organization itself;
- developing, testing, and observing the use of models to measure and monitor the risks;

- developing and overseeing implementation of stress testing;
- overseeing the Capital Management functions in accordance with the Risk Based Capital Adequacy measurement accord i.e. BASEL-II /III;
- determining the most cost-effective way to minimize the risks;
- highlighting the risky portfolios and deficiencies of the company on timely manner and reporting these analyses to the Executive Director & CEO as well as the Board of Directors with specific recommendations and suggestions;
- reviewing the market conditions, identifying the external threats and providing with recommendations for precautionary measures accordingly; and
- developing overall information system/MIS to support risk management functions of the organization.

Risk Analysis Unit

Composition

The unit consists of the following members:

1. Mr. M. Maftun Ahmed, Company Secretary
2. Mr. Md. Sohel Rana, Internal Auditor
3. Ms. Merina Kashem, Unit Head, Credit Risk Management
4. Mr. Farhan Reza, Unit Head, Credit Administration

Role & Responsibilities

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

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

Internal Control and Compliance Unit

Composition

Internal Control and Compliance unit is headed by the Chief Financial Officer and Head of Operations of the Company. The unit consists of the following members:

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

Role & Responsibilities

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

Internal Audit Department

Composition

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

1. Md. Sohel Rana, Internal Auditor

Role & Responsibilities

The Internal Audit Department has the following responsibilities:

- Working with Board committees and management to ensure that a system is in place to identify and analyze all major risks, on a regular basis;
- Planning, organizing and carrying out the internal audit function including the preparation of an audit plan which fulfils the responsibility of the department;
- Providing management, audit committee and the Board with opinions on the internal controls in the organization;

- Carrying out an independent appraisal of the effectiveness of the policies, procedures and standards by which the financial, physical and information resources of the organization are managed; and
- Adding value by acting as a facilitator in business risk management and carrying out value for money reviews, thereby assisting the management and the Board in the effective discharge of their responsibilities;
- The Internal Auditor will report directly to the Board or Board committees;

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

IT & MIS Department

Composition

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

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

Role & Responsibilities

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



Credit Risk Management

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

Credit Risk Management

IDCOL has a comprehensive Credit Risk Management (CRM) framework detailing lending process, risk identification, measurement, grading, and reporting along with mitigation techniques, specifying management of problem accounts, documentation and legal issues. The Company has developed the said framework in line with Bangladesh Bank guideline on Credit Risk Management dated 21 July 2005 and incorporating internal policies and taking into consideration of industry best practices. IDCOL, in addition to the Bangladesh Bank guideline, also complies with risk management criteria of its Development Partners. To implement this framework it has developed independent Credit Risk Management Unit (CRM Unit) in year 2014.

IDCOL effectively manage its credit risk through policies and procedures established by the Board of Directors. The responsibility is clearly segregated between origination of business, approval, documentation, disbursement and recovery to ensure better risk management, internal control, transparency and accountability. Board of Directors has the ultimate authority to approve or decline any credit proposal and to delegate authority to the management. It has structured credit approval process to ensure detail and in-depth project due diligence addressing associated risks and possible mitigations. Credit approval process pass through the following steps:

1. After receiving credit application, relevant Business Unit discuss the proposal in the CRM Committee Meeting for management consent and subsequently place it before the Board for go/no-go decision.
2. After receiving clearance from the Board, Business Unit conduct detailed project due diligence including financial feasibility study, technical analysis, risk analysis, project environmental and legal impact etc. and submit report to CRM Unit for independent risk assessment.
3. CRM Unit conduct risk assessment, provide feedback for necessary amendment in the appraisal report. CRM Unit submit its observations and recommendations to the CRM Committee to assist the Committee to evaluate the proposal.
4. CRM Committee review the proposal, if satisfied, recommend the same to the Credit Committee.
5. Credit Committee upon satisfaction, recommend the project to the Board.
6. Business Unit present the project to the Board and the Board, upon satisfaction, take final investment decision.
7. The Board, however, may delegate certain approval authorities to other Board Committees and/or to the management from time to time.

IDCOL not only conduct due diligence during approval stage but also monitor the financed projects over the tenor to predict upcoming risks and to take possible risk measures. To monitor project status, quarterly reporting is done by the business units and is assessed by CRM unit. During the year 2014, IDCOL experienced affected growth in its financed programs due to political turmoil during the end of year 2013. Also risk has been observed due to growing competition in the market, natural calamity, tendency of fraud in the borrowers, etc for which IDCOL has taken necessary careful measures.

IDCOL risk management guideline covers principles of risk management and the processes of reporting to carefully handle the upcoming risks. Risk is managed in two levels: operational level and management level. Risk is identified in the operation level, then are reported to the risk management team, subsequently the team notify management about the identified risks along with the taken mitigation measures or seek management support to deal with the identified risks where clear guideline is not present.

Company has developed different formats to record risks so that it can monitor the risk management procedure and can identify where there is a scope of improvement.

IDCOL uses Asset Risk Rating Policy i.e. Credit Risk

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

The Company also have strong monitoring process in place to observe portfolio health through quarterly report on overdue and documentation status. It conducts quarterly management meetings for determining milestones so that overdue position can be controlled.

IDCOL continuously endeavors to improve the internal credit risk rating methodologies and credit risk management policies and practices, to reflect the true credit risk of the portfolio and to have proper control on the risk management in the Company.



Environmental & Social Compliance

IDCOL recognizes the significance of environmental health safety and social safeguards in its financing activities. However this year we have highlighted IDCOL's environmental compliance in its renewable energy initiatives.

Environmental and Social Safeguards compliance in Renewable Energy initiative of IDCOL

Overview:

The major objective of Infrastructure Development Company Limited (IDCOL) is to increase the access to clean energy in rural areas through renewable energy. It is supporting:

(i) Increase access to electricity in rural areas through renewable energy;

(ii) large-scale dissemination of more efficient cook stoves and fuels for cooking; and

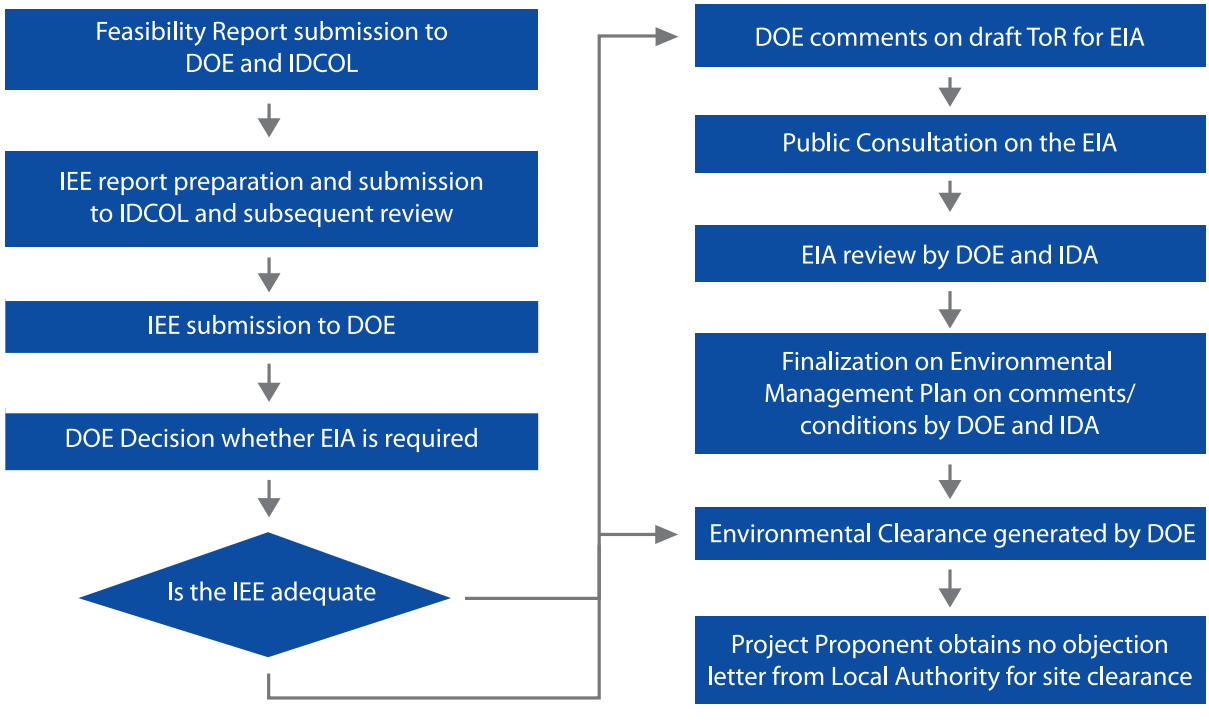
(iii) improve technical and institutional efficiency in the power sector.

Earlier, IDCOL has an Environmental and Social Management Framework (ESMF) to identify the likely environmental and social impacts, propose suitable mitigation measures and implementation of these measures for its renewable energy projects.

The main objective of the ESMF is to ensure that activities under the proposed operations, which will address the following issues:

- Avoid, or minimize potential negative environmental and social impacts as a result of either individual subprojects or their cumulative effects;
- Enhance positive environmental and social outcomes;
- Protect environmentally sensitive areas from additional disturbance from project interventions;
- Protect human health;
- Compensate the GHG emission during operation of SHS due to Lead-acid battery;
- Ensure compliance with Environmental Conservation Rules (ECR), 1997 and safeguard policies and standards of the World Bank, ADB, JICA and KfW;
- Maintain gender neutral attitudes in construction and operation of sub-projects;
- Ensure the compliance of Labour Law 2006 and ILO requirements (as are applicable) by all entrepreneurs associated with the IDCOL Renewable Energy initiatives.
- Ensure women's participation in sub-project activities according to the skills and requirements.

From the following Figure 1, we can get an idea of considering ESMF issues in a project with an effective environmental clearance approaches in IDCOL and DOE (Department of Environment).



Identification of Risks and Impacts:

The ESMF has been developed for the renewable energy operation to ensure due diligence, to avoid any environmental degradation issues for the project – Solar Home System (SHS) component, and other renewable energy component including mini-grid, solar irrigation, domestic biogas, improved cook stove and biogas and biomass gasification based power projects.

All components/projects with IDCOL's (Renewable Energy) involvement yield positive environmental impacts. The primary environmental, health, and safety issues involve gathering information about how the projects' equipment are manufactured, installed, and ultimately disposed-off. So, proper consideration of all environmental and social factors during design and implementation is of extreme concern.

In case of Solar Home System, there is an environmental issue of Sulphur Dioxide (SO_2) emission and other gaseous substance during operation phase. Moreover, there is issue of significant emission of Lead oxide (PbO), Hydrogen sulfide (H_2S), etc gaseous substances during battery manufacturing and recycling process.

Maintenance-free battery is used for mini-grid project, there is no air pollution during operation phase, but during recycling – there is risk of pollution. Ensuring proper disposal of expired PV panel (which contained aluminum, hydrochloric acid, silicon, and phosphine) is also appearing as a prime requirement for Environmental Health and Safety (EHS) context. Also, the possibility of GHG emission during manufacturing, operation and recycling of lead-acid batteries could be a matter of concern. So, required measures need to be adopted to mitigate as well as compensate.

In the context of social views – no land acquisition or displacement of people from public or private lands is permitted under IDCOL's renewable energy projects.

However, if indigenous populations (IPs) may come in contact with the project, the transactions with the IPs will be commercial in nature with willing-buyer willing-seller basis. Consultations with the IPs are done in their local languages to be able to persuade them to buy the products/services that the project is supporting.

The following major actions has been undertaken under the existing ESMF of ongoing projects under IDCOL finance in respect of environmental and social compliances:

Impacts	Mitigation Measures taken by IDCOL	IDCOL Achievements
SHS – Construction and Operational Phase: 1. Improper management of expired batteries may lead to environmental pollution and health safety concern. 2. During manufacturing of lead-acid battery, there is significant risk of environmental and health safety hazards.	✔ IDCOL has prepared "Policy Guidelines on Disposal of Warranty Expired Battery". The customers, POs, and manufactures should comply with this policy fully. ✔ IDCOL has introduced the tracking mechanism of proper disposal of expired battery. ✔ IDCOL has deployed 12 solar inspectors spreading over in 12 regional offices with coverage of the entire country to exclusively monitor the management of expired battery. ✔ There is a financial incentive for POs and recyclers for recycling the expired battery properly.	 More than 3.74 million Solar Home Systems have been installed all over Bangladesh till July 2015, which replaced 7.5 million of kerosene lamps and therefore reduce 841,000 tons of Carbon Dioxide (CO_2) per year.

	✔ IDOCL has required all battery suppliers and expired battery recyclers under SHS program to be ISO 14001:2004 and OHSAS 18001:2007 compliant in addition of the requirements of the DOE. At present there are 17 battery suppliers and 4 expired battery recyclers, who have complied with these requirements. ✔ IDCOL arranges quarterly EHS compliance meeting to raise awareness about EHS and assess the implementation of required EHs standards. ✔ Installation of effluent treatment plant (ETP) and air treatment plant (ATP) have been made mandatory for en-listed battery suppliers and expired battery recyclers	
Solar Irrigation – Construction and Operational Phase: 1. Adverse Impact on ecosystem will not occur in general circumstances. However, moderate change in land use including tree clearing may be required depending on project site. 2. Excessive water use may cause impact on hydrology.	✔ IDCOL has introduced a special environmental and social screening template, which covers most of the relevant aspects. ✔ IDCOL has emphasized the project to prepare a proper way to pump-up water and use plan reference from experience in the surrounding areas and results of hydrological surveys. ✔ IDCOL has conducted a survey by an expert about the water availability in various potential areas.	 156 solar irrigation pumps have been in operational by the end of July 2015, which replaced 513 tons of diesel burn shallow pumps; therefore reduces 1,232 tons of Carbon Dioxide (CO_2) each year.
Mini grid – Construction and Operational Phase: 1. Mini-grid requires a considerable piece of land, there is scope of disturbance to site specific ecosystem in the Project area. 2. Due to operation of diesel fueled back-up generator there could be temporal noise and SOx emissions concern.	To address the possible adverse impacts, IDCOL has made mandatory for project sponsor to prepare a detailed environmental impact assessment (ESIA). In this regard, IDCOL has introduced a well-structured ToR for ESIA.	 Ten solar mini-grid (all projects located in isolated island in Bangladesh) have been approved by IDCOL, 1.6 MW of electricity will be generated. At this time four projects have been in operational mode.
Improve Cook Stoves	IDCOL has required basic environmental and health compliance of manufacturing, operation and maintenance of ICS.	 90,000 Improve cooking systems have been installed by the end of July 2015, which reduces 164,700 tons of Carbon Dioxide (CO_2) each year.

Gasification of Biomass – Construction and Operational Phase: 1. Impact on ecosystem will not occur in ordinary circumstances. However, tree clearing may be required depending on project site. 2. Smoke from biomass gasification plant may cause air pollution. The smoke and dust may include hazardous substances and cause health disturbance to the workers.	**IDCOL** has required a detail environmental impact assessment and the proper implementation of Environmental Management Plan (EMP).	 One biomass based power project has been approved by IDCOL. 400 kW of electricity will be generated and Calcium Carbonate (CaCO3) and about 918 tons of Silica will be produced as byproduct.
Biogas Based Power Generation – Operational Phase: Waste water will be digested in the system, the environmental load will be reduced. However, improper slurry management may cause water pollution.	**IDCOL** has required the project to install sufficient facilities and conduct the proper maintenance.	 Nine biogas-power generation projects have been approved by IDCOL. Approximately 600 kW of electricity and about 1000 tons of organic fertilizer will be produce as byproduct. Currently, five projects have been in operational mode.

Organizational Capacity and Competency:

IDCOL has gained experience in implementing environmental management framework by complying with the safeguards requirement of the World Bank (WB), Asian Development Bank (ADB) and the Department of Environment (DOE). IDCOL has established an independent Environment and Social Safeguards Management Unit (ESMU) to institutionalize the environmental and social management in its operation.

Training and Capacity Building of Stakeholders

From the inception, IDCOL prioritizes to build up the importance of awareness and capacity building of all RE stakeholders on various issues in relevant with Environmental health and safety (EHS). Considering the response from the stakeholders, IDCOL is considering to arrange such type of events on a regular basis.

Lead auditor and skill certification (ISO 14001:2004 and OHSAS 18001:2007) training program for battery manufacturers and recycling facilities.





Lead auditor and skill certification (ISO 14001:2004 and OHSAS 18001:2007) training program for battery manufacturers and recycling facilities.

Monitoring, Reports and Disclosure:

IDCOL believes in transparency and free flow of information. In this regard, it is following a structured monitoring and review process of disclosing the relevant information on environmental and social safeguards of RE project. The monitoring program has been shown in below:

Project Component	Monitoring and Reporting Issue	Frequency of Monitoring	Disclosure
Solar Home System	Environmental and health safety (EHS) compliances of all IDCOL en-listed battery recycling plants with their effectiveness of ESMF implementation	Half-yearly	IDCOL website
	EHS compliances of all IDCOL en-listed battery suppliers with their effectiveness of ESMF implementation	Monthly (manufacturing plant of two suppliers in each month)	IDCOL website
	Basic EHS compliance of POs with emphasis on taking care of environmental and safety compliance during storage, collection and distribution of lead acid battery, PV panel and other accessories	Quarterly (at the least two branch offices of three separate POs)	IDCOL website
	Expired battery collection and distribution of new battery	Quarterly (collect monthly report from POs and battery recyclers and compile it quarterly)	IDCOL website
	Quarterly EHS Compliance meeting at IDCOL for raising awareness of battery recyclers and manufacturers and assess their status of EHS implementation based on the submitted quarterly report	Quarterly (all battery recyclers and suppliers will attend the quarterly meeting, submit Compliance Report and share findings, IDCOL will arrange awareness raising presentation and so on.)	IDCOL website
Solar Irrigation	Basic environmental, social and health safety compliance assessment of solar irrigation project under construction/operation	Half-yearly (at least three operational projects in each six months)	IDCOL website
	Assessment of suitability of project site in respect of basic environmental and social aspects for each new solar irrigation project as is to be installed	Once for each project during appraisal process	
Mini-Grid	Basic environmental, social and health safety compliance assessment including implementation of EMP of solar mini-grid project under construction/operation	Half-yearly (at least two operational projects in each six months)	IDCOL website
	Assessment of the suitability of project site in respect of basic environmental and social aspects for each new mini-grid project	Once for each project during appraisal process	
ICS	Basic environmental and health compliance of manufacturing, operation and maintenance of ICS	Half-yearly (at the least three ICS manufacturing plant of three POs)	

Holistic Approach about Global Environmental Pollution

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

Grievance Redress

IDCOL has set-up a Call Center, which is being operated by two full-time officials. The prime responsibility of this call center is to note the grievances raised by the SHS, Bio-Gas, ICS customer and to adopt required measures to solve the grievances with due priority. The effectiveness of response of this call center is monitored by the senior officials on a regular basis.

Relevant Issues under Consideration

IDCOL is trying to achieve excellence on Environmental and Social perspective. So, in addition of adopted measures, it is emphasizing on the following issue:

Energy efficiency – The key objective of IDCOL's ICS Program is to increase the energy efficiency of the stoves to save fuel wood. IDCOL has developed a roadmap for incrementally increasing energy efficiency of the stoves to be disseminated under the program. To achieve the efficiency as per the roadmap IDCOL has signed a contract with Department of Chemical Engineering, BUET for conducting R&D on efficiency improvements.



Human Resource Management

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

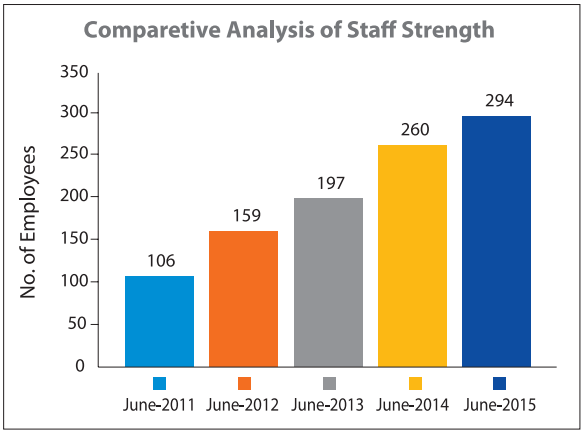
Human Resource Management

Our Human Capital

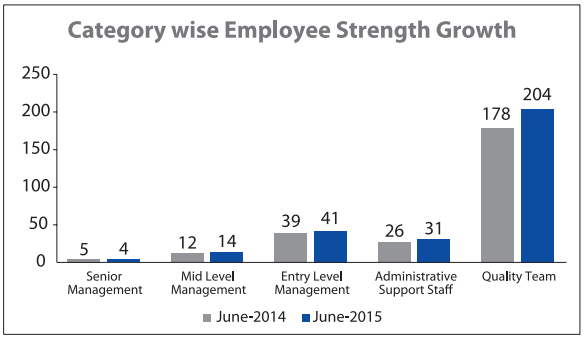
We believe employees are the most important assets of our organization. Our employees are result oriented individuals, who uphold the values of the organization by being creative, open, respectful, ethical and passionate. Here talent is rewarded, ambition is stoked and pride is earned. The way we stand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

Reflection of the Past Years

Since its inception, IDCOL's HR strategy focused on getting the right internal structures and processes in place, investing in employee development and engagement and supporting business growth and development. Getting the right internal structures and processes in place, IDCOL has seen rapid and significant growth over the past five fiscal years, with employee numbers increasing from 106 to 294. This increase generated a need for ensuring that the organizational structure and processes were fit to face the challenges and opportunities of the future.



Our category wise employee strength growth is shown below:



Core Values at Work

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

Strategic HR Management

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

Highlights of our People Practices Strategy

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

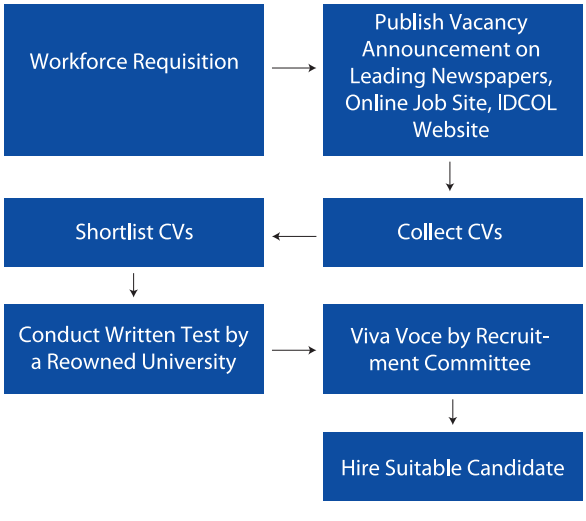
1. **A well balanced work place**: Here employees are provided with a challenging, rewarding, enjoyable and fulfilling career; whereas employees are assisted in balancing their career, home and personal life through supportive human resource policies and management approaches.
2. **A place for continuous learning and development**: We foster learning as a way of life, encourage creativity and actively promote and invest in the skill and knowledge development of every employee.
3. **A well reputed organization that ensures service excellence:** We embrace best practices and we ensure service excellence by effectively managing change and objectively measuring performance for continuous improvement.



IDCOL Officials celebrating IDCOL Fish Fest 2015

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

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



Flow Diagram of Recruitment Process

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

Competitive Employee Benefits Package

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

Training and Development

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



IDCOL Officials at Shenzhen Tsinghua University Graduate School for visiting the development and testing facility of different Solartech Products in Shenzhen, China



IDCOL Officials visiting Solartech Renewable Energy Co. Ltd. Head Office and Research Center at Shenzhen, China



IDCOL Officials visiting Renewable Energy Projects at Shenzhen Tsinghua University Graduate School, Shenzhen, China

Career Development

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



IDCOL Official attending educational program and seminar on Smart Energy Networking organized by the Ministry of Trade, Industry & Energy, Republic of Korea



IDCOL Official attending Promotion and Dissemination of Biogmass Utilization Technology organized jointly by JICA and Hiroshima University in Hiroshima Prefecture, Japan

Diversity Management

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

Vigorous Workplace

At IDCOL we respect dignity of the individual and right of employees to freedom of association. Hence, we conduct our operations with honesty, integrity, openness, and with respect for the human rights and interests of our employees.

At IDCOL we leverage on the dynamics of our collective skills, knowledge and experience to achieve the best for the company. Our employees are guided to adopt best practices, methods and approaches in everything they do, so that we can remain competitive in the market.

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

Well-being and Safety

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









Birthday celebration program of IDCOL offi cials

The Year Ahead

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

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



IDCOL Officials are celebrating



Pohela Boishakh 1422



Programs & Projects

IDCOL is a diversified financial institution providing a wide range of financing products and fee-based services in private-sector infrastructure, renewable energy, and energy efficient projects as its focus areas. IDCOL's key businesses include project finance, corporate finance, debt and equity arrangement, grant & technical assistance, training & capacity building and advisory services.

Infrastructure

15% National Electricity Generation

Power projects financed by IDCOL generate more than 1500 MW of electricity

USD 200+ Million Investment in Conventional Power Generation

An aggregate investment of USD 221 million has been made to 12 power plants, ranging from rental to IPP, engine based to combined cycle, HSD to natural gas

USD 60+ Million Investment in Telecom Sector

An aggregate investment of USD 64 million has been made to mobile & PSTN operator, ANS and BWA service provider, IGW and ICX service provider, etc.

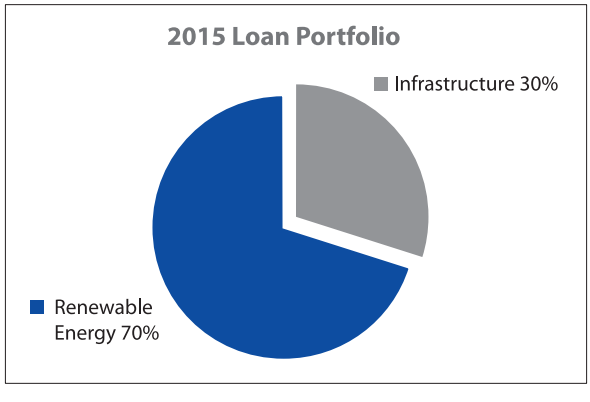
Pioneer in Private Sector Port Financing

IDCOL financed two land ports and also considering to finance one river-based port initiated by the private sector

Portfolio Diversification

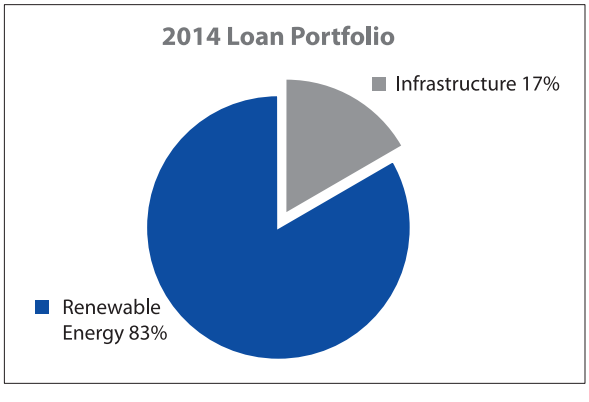
IDCOL recently added social and tourism infrastructure and infrastructure backward linkage projects to its eligible sector for financing

IDCOL is playing a pivotal role in the aggregate national development of the country by providing long term multicurrency financing to medium and large scale infrastructure and PPP projects. Till June 2015, IDCOL's aggregate investment through infrastructure department crossed USD 285 million, of which 77% was investment in power sector, 22% in telecom sector, and the rest in other sectors.



At the end of this financial year, the infrastructure loan portfolio reached over BDT 10 billion and currently consists of 30% of the total loan portfolio of the company. Also, the infrastructure window posted an aggregate income of BDT 577.92 million, which was 24% of the total operating income of the company.

Like the previous years, focus was maintained on physical infrastructure primarily the power sector. Simultaneously, as part of its portfolio diversification strategy, the infrastructure financing window was expanded to include social & tourism infrastructure as well as infrastructure backward linkage projects.



During this financial year, long term loan equivalent to approximately USD 84 million was extended to the following clients:

Client	Sector	Disbursed Amount
Summit Meghnaghat Power Company Limited	Power	USD 30 million
Regent Energy and Power Limited	Do	USD 30 million
Lakdhanavi Bangla Power Limited	Do	USD 15 million
Bangla Trac Communications Limited	Telecommunications	USD 5.9 million
Rahimafrooz Renewable Energy Limited	Renewable Energy	BDT 100 million
Bangladesh Petrochemical Company Limited	Waste Recycling	BDT 99.28 million
Engreen Limited	Renewable Energy	BDT 29.62 million

During the same period, appraisals were conducted and term loans sanctioned to a tertiary care general hospital in Chittagong, a first of its kind private sector river container terminal in Munshigonj, and a hotel operated by a renowned international hotel chain in Dhaka.

To deliver its services in a more efficient and focused manner, the infrastructure department recently reorganized its service windows into three separate units – Large Infrastructure Unit, Small & Medium Infrastructure Unit, and PPP & Advisory Unit. As on 30 June 2015, the department had a total of 10 employees including the department head.



A snapshot of the river terminal facility of Summit Alliance Port Limited, having an annual container handling capacity of 120,000 TEUs. The first-of-its-kind private sector river terminal is located at Mekhterpur, Munshiganj.

Photo Courtesy: Summit Alliance Port Limited



A glimpse of Summit Meghnaghat Power Company Limited, a 305~335 MW dual fuel (HFO/Gas) combined cycle power plant located at Meghnaghat, Narayanganj.

Photo Courtesy: Summit Meghnaghat Power Company Limited

Renewable Energy

3.74 Million SHSs

The 3.74 million Solar Home Systems (SHS) installed under IDCOL SHS program provide clean electricity solution to 17 million rural people living in the off-grid areas of Bangladesh.

39,000 Biogas Plants

IDCOL has financed construction of over 39,000 domestic biogas plants which provides clean energy solution to more than 196,000 rural people of the country.

445 Solar Irrigation Pumps

IDCOL has financed 445 solar irrigation pumps of which 188 are already in operation.

9 Biogas Based Power Projects

IDCOL has financed 9 biogas based power plants, having total capacity of 618 KW.

16 Solar Mini Grids

IDCOL has approved financing for 16 solar mini-grid projects of which 7 are in operation and providing grid quality electricity in remote rural areas.

2 Biomass Based Power Plants

IDCOL financed two rice-husk based power plants having total capacity of 650 KW.

138 Solar Powered Telecom BTSs

IDCOL has financed solar powered solution for 138 telecom BTSs in off-grid areas.

In its drive towards promoting alternative sources of energy, IDCOL finances projects and programs that utilize various forms of renewable sources. Through startup subsidy, concessionary credit, and capacity development support, IDCOL complements the Government's mission of generating 5% of the country's total electricity from renewable sources by 2015 and 10% by 2020.

IDCOL Solar Home System (SHS) Program

IDCOL SHS program is one of the largest and fastest growing off-grid electrification programs in the world. Till date, about 3.74 million SHSs have been installed under the program in the off-grid rural areas of Bangladesh. As a result, 17 million beneficiaries are getting solar electricity which is around 11% of the total population of Bangladesh. IDCOL has a target to finance 6 million SHS by 2018, with an estimated generation capacity of 198 MW of electricity.

IDCOL initially received credit and grant support from the World Bank and GEF to start the program. Later, GIZ, KfW, ADB, IDB, GPOBA, JICA, USAID and DFID came forward with additional financial support for expansion of the SHS Program.



IDCOL implements SHS program through its 56 partners known as Participating Organizations (POs) i.e. Non-Governmental Organizations, Micro Finance Institutions, and/or private sector companies. IDCOL provides subsidy and concessionary credit on limited/non-recourse basis to the POs who in turn

extend similar facilities to the households. IDCOL also provides promotional supports, conducts rigorous training programs and manages the overall implementation and quality of the program.

Every month, more than 50,000 new houses come out of darkness using solar home systems of the program. The program replaces 179,520 tons of kerosene having an estimated value of USD 153 million per year. The program has contributed towards creation of more than 75,000 direct jobs, annual CO_2 reduction of 424,008 ton and development of local support industries. Moreover, it has relieved the government from opportunity cost of more than USD 1.3 billion as otherwise would be required to extend grid connection to the households.

Due to SHSs, students now benefit from extended hours of studies at night in better lighting condition, small businesses enjoy extended operating hours and women feel more secured at night. Information on education, health, safety and weather are also easily accessible through television and mobile phones.

IDCOL Biogas Program

IDCOL has been implementing its domestic biogas program in Bangladesh since 2006 with support from SNV Netherlands and KfW. In 2012, the World Bank also joined to support the program under its Household Energy initiatives. Till date, IDCOL has financed construction of over 39, 000 biogas plants all over the country through its 39 partner organizations which provides clean energy solution to more than 196,000 rural people of the country.



Biogas plants not only provide gas for cooking purpose but also produce organic fertilizer for the crops. The slurry produced as byproduct of biogas plants is also an alternate and cheaper food source for fish. The existing 39,000 biogas plants saves 14,809 tons of chemical fertilizer worth USD 4.6 million by producing more than 98,727 tons of organic fertilizer per year. The program provides an alternate, environmental friendly source of energy which has lowered usage of firewood by approximately 37,682 ton a year.

Till date, the program has created 2,000 direct and 5,000 indirect jobs at IDCOL and PO levels, from inspectors to masons to loan recovery agents. Furthermore, it has developed local support industries i.e. manufacturers of stoves, center pipes, gas valves, etc. Use of biogas enables households to cut down expenditure on energy for cooking. This allows them to generate savings which can be used for other necessities.

Solar Irrigation Program

Solar based irrigation system is an innovative, economic and environment friendly solution for the agro-based economy of Bangladesh. The program is intended to provide irrigation facility to off-grid areas and thereby reduce dependency on fossil fuel. Till date, IDCOL has approved 445 solar irrigation pumps



of which 168 are already in operation. The remaining pumps will come into operation shortly. IDCOL has a target to finance 50,000 solar irrigation pumps by 2025. The World Bank, KfW, GPOBA, JICA, USAID, ADB and Bangladesh Climate Change Resilience Fund (BCCRF) are supporting this initiative.

Solar Mini-Grid Projects

Solar PV based mini-grid project is installed in remote areas of the country where possibility of grid expansion is remote in near future. The project provides grid quality electricity to households and nearby village markets and thereby encourages commercial activities in the project areas. So far,



IDCOL has approved financing for 16 mini-grid projects of which 4 are already in operation and 3 would be going into operation shortly. IDCOL has a target to finance 50 solar mini-grid projects by 2017. The World Bank, KfW, GPOBA, JICA, USAID, ADB and DFID are providing financing support in these projects.

Biogas Based Electricity Projects

IDCOL has so far financed 9 biogas based power plants, the largest one having a capacity of 400kW. The plants uses poultry litters as feed material in the digesters for generation of gas which, in turn, is used for generation of electricity. Establishment of biogas based electricity plants in the poultry farms reduces dependency on fossil fuel by running captive generators. This also ensures bio-security and proper



litter management in these farms. Moreover, slurry produced in the digesters as byproduct is a good bio-fertilizer. IDCOL has a target to finance 130 such projects within 2018.

Biomass Gasification based Power Projects

IDCOL provided concessionary loans and grant support to two rice-husk based power plants, first



one with a capacity of 250 kW at Kapasia, Gazipur and the second one with a capacity of 400 kW at Thakurgaon. Both the plants use rice husk as fuel for power generation.

Solar Powered Solution for Telecom BTS

IDCOL has financed solar powered solution for 138 telecom BTSs in off-grid areas of Bangladesh. With



over 3,000 BTSs located in off-grid areas and many others suffering from frequent power outages, solar powered solutions provide a novel approach to provide continuous power to telecom BTSs, ensuring uninterrupted voice and data connectivity.

Energy Efficiency

BDT 4 Billion Financing Support

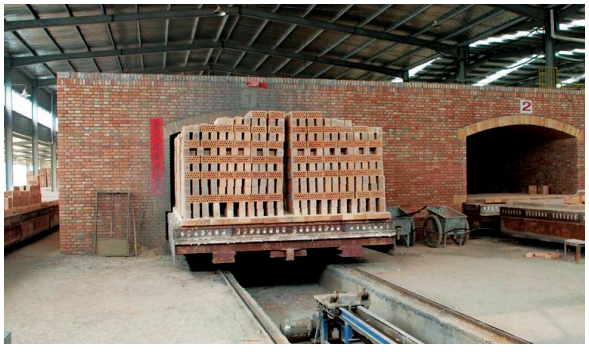
IDCOL has earmarked BDT 4 billion as soft loan for investment in environment friendly brick kilns

89,235 Improved Cook Stove (ICS)

More than 89,235 (ICS) have been installed under IDCOL ICS program which will result in up to 50% less firewood consumption compared to traditional stoves.

Green Brick Program

To support the government's initiative to gradually replace the country's polluting FCK based brick sector with energy efficient and environment friendly ones, IDCOL launched its 'Green Brick Program' in 2013 with a plan to invest BDT 4 billion by 2016 for setting



up modern brick kilns using latest state of the art technology. IDCOL provides long term concessionary financing to encourage potential sponsors to set up environment friendly brick kilns. In this regard, already BDT 530 million has been approved for 2 tunnel kiln brick projects, with aggregate daily production capacity of 300,000 bricks. The projects are expected to go into commercial operation shortly.

Improved Cook Stove Program

According to a survey by World Health Organization (WHO) in Bangladesh, more than 50,000 people including 5,000 children die every year due to different diseases arise from indoor air pollution. Women and children are mostly affected by such pollution. To reduce the indoor pollution, IDCOL launched Improved Cook Stoves (ICS) Program in 2013 with financing support from the World Bank. The primary objective of the program is to establish a strong supply side along with demand creation among the rural community.

Under the program IDCOL provides institutional development grant and technical assistance to its 41 partner organizations. Till date, approximately 89,235 ICS have been installed under the program. Through partnership with the World Bank, IDCOL plans to install 1 million ICSs throughout Bangladesh by 2018.



Others

In addition to the Brick and ICS program, IDCOL has ventured into other energy efficiency sectors by disbursing BDT 100 million for an energy efficient PET Bottle recycling project against a total fund approval of BDT 226 million. The project has already went into partial operation and when fully operational, the project will produce around 13000 -15000 Metric Tons of plastic resins (i.e. food grade, fiber grade and flakes) each year and will sell the same at approximately 15~20% lower price compared to current market price.

Moreover, IDCOL is keen to expand its energy efficiency financing in sectors like: BMRE or installation of energy efficient equipment in industries, non-fired bricks, paper and plastic recycling and other relevant sectors.

Advisory Services

Trained 1200 Professionals

IDCOL trained more than 1200 professionals under its Training and Capacity Building Program.

Supported 9 African Countries

IDCOL arranged Experience Sharing Programs on its Renewable Energy Activities for 9 delegation from Uganda, Sudan, Guinea, Ethiopia, Mali, Gambia, Niger, Senegal, and Mauritania.

Following its success in disseminating renewable energy in Bangladesh and expertise in financing infrastructure projects, IDCOL has established a dedicated advisory unit to provide knowledge support to various local/foreign institutions.

Training & Capacity Building

Since 1999, IDCOL has been organizing training courses on Project Finance and Financial Modeling. So far, IDCOL has arranged twenty one Project Finance and fourteen Financial Modeling Training courses. The courses are designed for officials from government organizations, banks and financial institutions project sponsors and development companies, international organizations and consulting firms. Till date, IDCOL trained more than 1200 professionals under its Training and Capacity Building program. IDCOL has plans to launch additional training programs on Public Private Partnership and Renewable Energy Finance soon.



Corporate Advisory Services

IDCOL provides business related support services to the industry stakeholders based on specialized knowledge, best practices, and technology. The corporate advisory services include but not limited to project due diligence support to banks/ financial institutions, advisory support on new product development, policy formulation support to government, project feasibility analysis, bid document preparation support to the private sector etc. So far, IDCOL has signed advisory contracts with Bangladesh Infrastructure Finance Fund Limited (BIFFL), IDLC Finance Limited, and Acorn Infrastructure Services Ltd. (AISL), Green Energy and Environment (UK) Ltd. In future IDCOL is planning to provide advisory services related to Debt and Equity Financing options, Business Valuation and Modeling, Corporate Restructuring, Mergers and Acquisition services etc.

Experience Sharing Program



A number of emerging countries all over the world are interested to replicate IDCOL renewable energy model in their respective countries. Considering the huge demand in international market, IDCOL has started providing advisory services and on the job training on rural electrification and renewable energy program implementation to different countries.

So far, IDCOL has arranged Experience Sharing Program for 9 delegation teams from Uganda, Sudan, Guinea, Ethiopia, Mali, Gambia, Niger, Senegal, and Mauritania. More than hundred senior government and private sector officials were trained under such program.



Corporate Social Responsibility

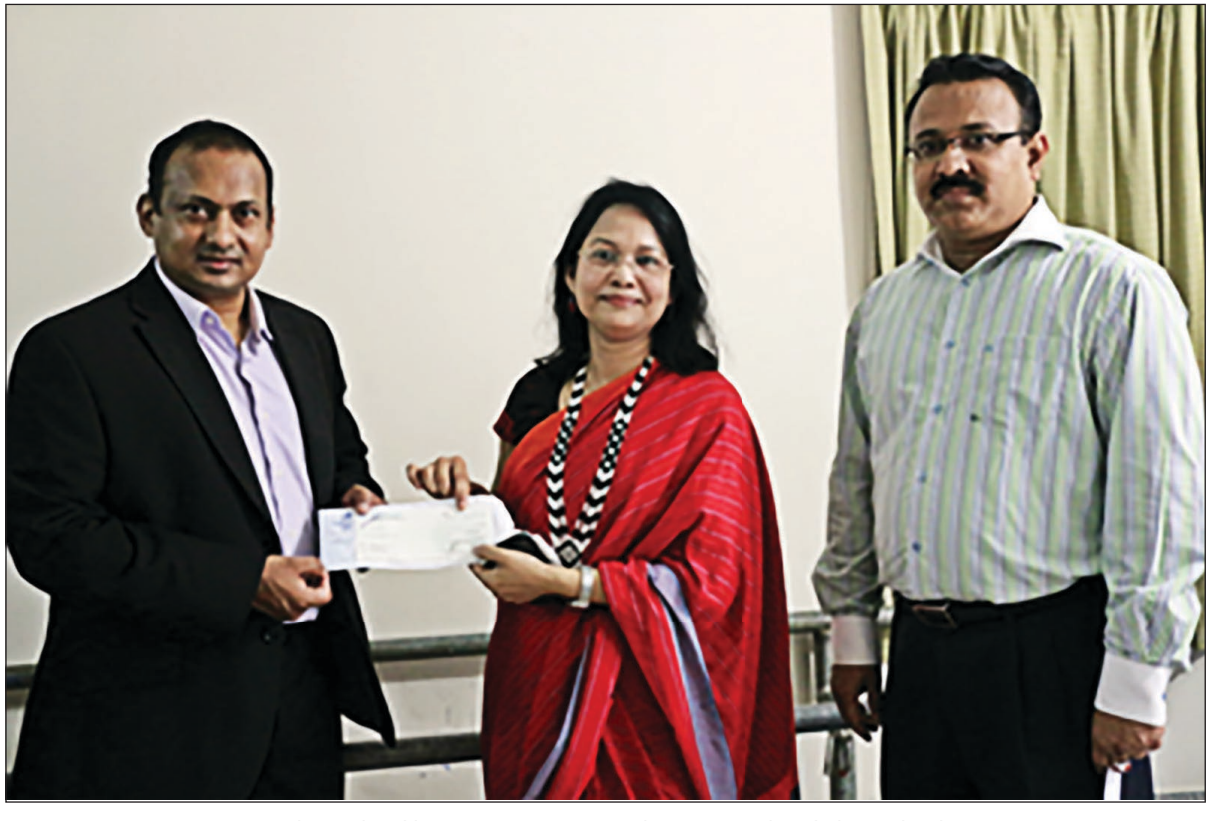
Since its inception, IDCOL has adhered to its social responsibility through making shared value and creating a sustainable impact in the society. Over the years, IDCOL has advanced its commitment to better understand our societies concerns and achieve sustainable business growth.

Corporate Social Responsibility Initiatives by Infrastructure Development Company Limited (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 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. After a decade, the company now stands as the market leader in infrastructure and renewable energy financing in Bangladesh.

IDCOL is a multi-donor funded organization and environment is a prime concern of the organization while financing any project. Before financing, IDCOL assesses the environmental issues related to the project and suggests the sponsors to take the necessary steps to address the issues. IDCOL follows a number of guidelines to ensure compliance with the Environmental Risk Management (ERM) guideline of Bangladesh Bank, Environment Conservation Rules (ECR), 1997 of the Department of Environment and the Environmental and Social safeguard Framework (ESSF) of IDCOL established as per the requirements of development partners.

IDCOL donated BDT 1 million to SEID Trust for the development in the education of the underprivileged children with autism, intellectual and multiple disabilities. SEID Trust provides



Pic: Mr. Mahmood Malik, Executive Director and CEO, IDCOL handed over the cheque to Ms. Dilara Satter Mitu, Managing Trustee, SEED Trust.

services to more than 450 underprivileged children through its 3 community therapy Centre's located in Mohammadpur, Rayer Bazar and Kamrangirchar. These Centers are effective for developing skills of disable children. Now, many of these children are studying in general schools and are capable of different handicraft skills including block-batik, sewing clothes, painting etc. SEID Trust is helping these children to be independent and enabling them to achieve a better future.

In continuation of its CSR activities IDCOL, in association with its employees and partner organizations, contributed 3,495 warm blankets amounting TK. 1,000,000/- in Prime Minister's Relief Fund on 20th January 2015.



Financial Highlights

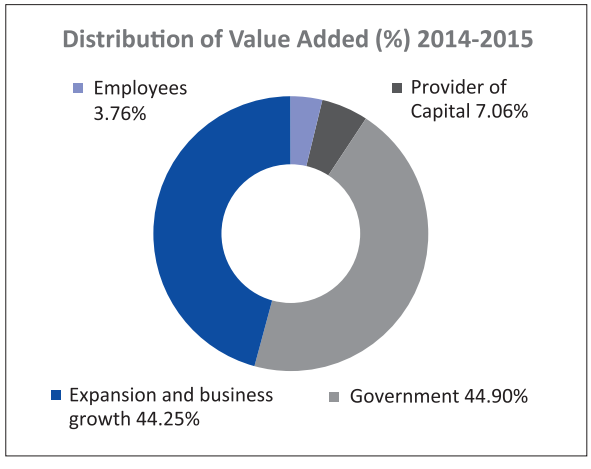
The Company has earned a profit of BDT 2,655 million before provision and tax. Out of which an amount of BDT 217 million and BDT 1,145 million have been provisioned for loans and income tax, respectively. Profit before provision and tax in FY 2014-15 is 1.32% less than that in FY 2013-14 while net profit after tax in FY 2014-15 is 10.92% less than that in FY 2013-14. Growth in assets is 27.86% in FY 2014-15 while shareholder's equity has a growth of 27.62% in the reporting period.

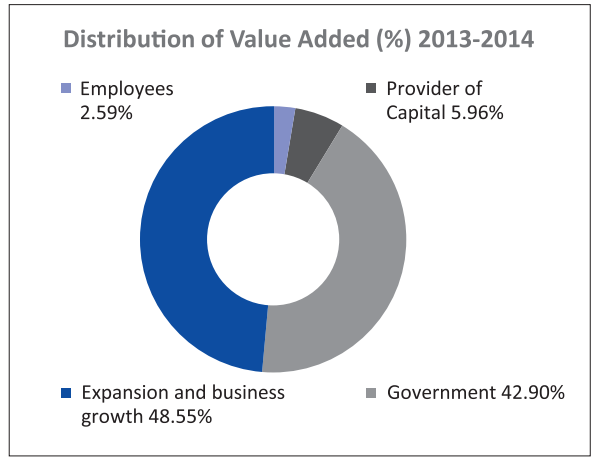
VALUE ADDED STATEMENT

For the year ended June 30, 2015

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

Particulars	2014-2015		2013-2014	
	Amount (Taka)	%	Amount (Taka)	%
Value added				
Net interest income	2,630,263,239	103.17%	2,533,463,202	94.34%
Fees earned	156,001,094	6.12%	170,536,115	6.35%
Investment income	-	0.00%	47,850,000	1.78%
Other income	38,879,493	1.52%	74,053,692	2.76%
Operating expense except salary & allowances, depreciation	(59,096,307)	-2.32%	(54,451,823)	-2.03%
Provision for loan, advances & investments	(216,555,364)	-8.49%	(86,022,119)	-3.20%
Total value added by the company	**2,549,492,155**	**100%**	**2,685,429,067**	**100%**
Distribution of Value added				
Employees				
As salary & allowances	95,761,139	3.76%	69,599,532	2.59%
Provider of Capital				
Dividend to ordinary shareholders	180,000,000	7.06%	160,000,000	5.96%
Dividend to preference shareholders	-	0.00%	-	0.00%
Government				
Income tax	1,144,839,327	44.90%	1,152,167,776	42.90%
Expansion and business growth				
Retained earnings	1,114,123,604	43.70%	1,292,739,544	48.14%
Depreciation & amortization	14,768,085	0.58%	10,922,215	0.41%
Total distribution	**2,549,492,155**	**100%**	**2,685,429,067**	**100%**





ECONOMIC VALUE ADDED (EVA) STATEMENT

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

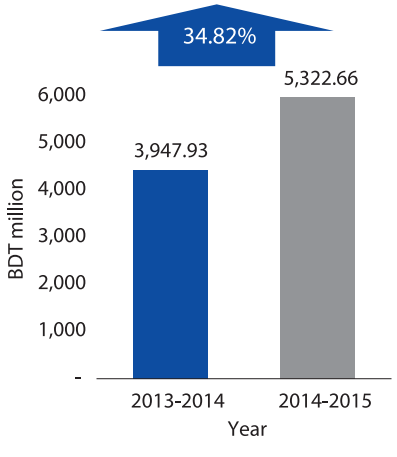
Economic Value-Added is the surplus generated by an entity after meeting an equitable charge towards providers of capital. It is the post-tax return on capital employed (adjusted for the tax shield on debt) less the cost of capital employed. Companies which earn higher returns than cost of capital create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

EVA has been calculated by the following formula:

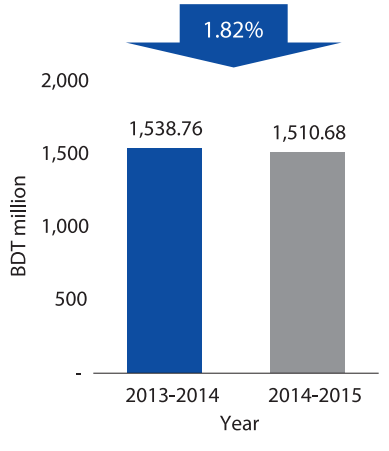
EVA = Net Operating Profit - Taxes - Cost of Capital

Particulars	Amount in BDT	
	2014-2015	2013-2014
Net operating profit	2,655,518,295	2,690,929,428
Tax expense	1,144,839,327	1,152,167,776
Net operating profit after tax (NOPAT)	1,510,678,968	1,538,761,652
Charges for capital		
Capital employed	5,322,655,263	3,947,934,953
Average cost of capital (%)	2.95%	2.69%
Capital Charge	157,018,330	106,199,450
Economic Value Added	1,353,660,638	1,432,562,202
Capital employed as on June 30		
Shareholder's equity	5,239,965,036	4,105,841,432
Accumulated provision for doubtful accounts and future losses	758,029,711	541,474,347
Average shareholders' equity	5,322,655,263	3,947,934,953

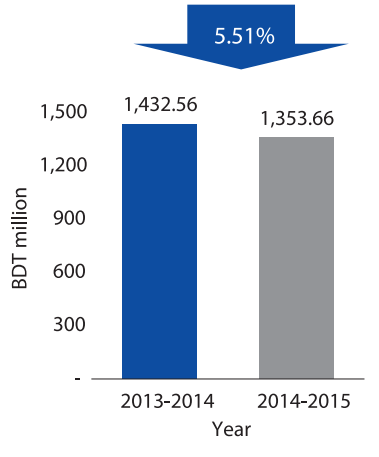
Average shareholders' equity



Net operating profit after tax (NOPAT)



Economic Value Added



Statement on Financial Statements by CEO and CFO

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

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

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

(i) We have reviewed financial statements for the year and that to the best of our knowledge and belief:

   a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   b) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws;

(ii) There are, to the best of knowledge and belief, no transaction entered into by the Company during the year which are fraudulent, illegal or violation of the Company's code of conduct;

(iii) Proper books of account as required by law have been kept by the Company;

(iv) The expenditure incurred was for the intended purposes of the Company's business and projects;

(v) Adequate provisions have been made for loans and advances and other assets which are, in our opinion, doubtful of recovery.

Chief Financial Officer

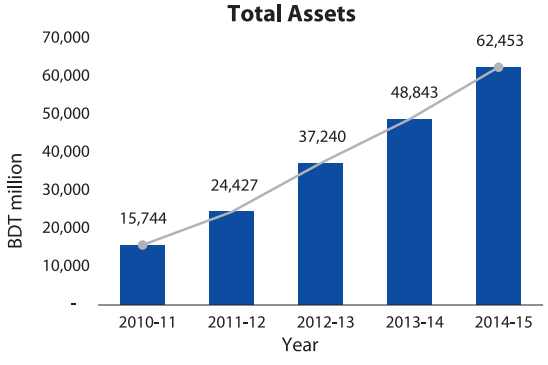
Executive Director & CEO

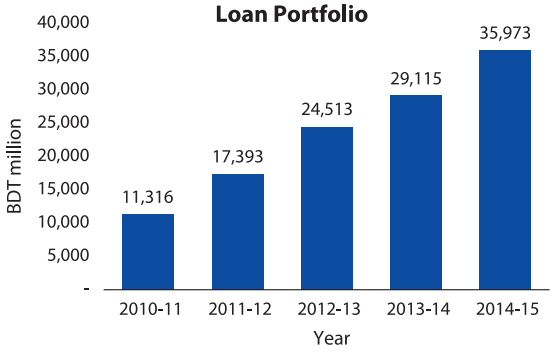
Key Operating and Financial Highlights

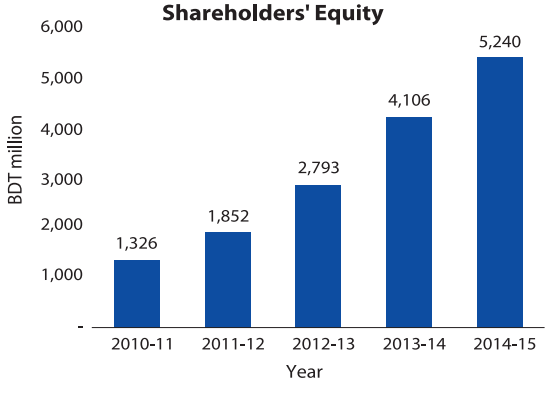
Particulars	2010-11	2011-12	2012-13	2013-14	2014-15
Financial Performance (BDT million):					
Long-term Investment	800	800	400	-	-
Short term Investment	3,023	4,442	9,337	13,932	22,111
Loan Portfolio	11,316	17,393	24,513	29,115	35,973
Power	2,630	4,040	2,904	3,850	9,612
Ports	132	203	82	101	96
Telecommunication	1,214	1,866	968	434	593
IT and services	392	603	299	229	139
Renewable Energy	6,878	10,572	20,074	24,261	25,177
Others	70	110	186	239	355
Total assets	15,744	24,427	37,240	48,843	62,453
Total Liabilities	14,417	22,575	34,431	44,737	57,213
Total equity	1,326	1,852	2,793	4,106	5,240
Net current assets	3,087	4,504	10,599	18,216	23,542
Operational Performance (BDT million):					
Total Revenue	1,249	1,810	2,851	3,870	4,097
Operating income	1,001	1,399	2,123	2,826	2,825
Operating expenses	65	70	156	135	170
Financial expenses	247	411	727	1,044	1,272
Profit before provision & tax	937	1,329	1,968	2,691	2,656
Profit before tax	849	1,194	1,864	2,605	2,439
Net profit after tax	449	626	1,035	1,453	1,294
Year to year profit growth	52%	39%	65%	40%	-11%
Financial Ratios:					
Debt equity ratio (Times)	10.33	11.24	11.33	10.17	10.06
Debt ratio (%)	87.00%	85.20%	84.97%	85.45%	84.42%
Current ratio (Times)	9.83	5.08	11.51	11.93	9.53
Return on assets (%)	2.85%	2.56%	2.78%	2.97%	2.07%
Return on Investment (%)	3.71%	3.44%	4.16%	4.99%	3.60%
Return on shareholders' equity (%)	33.88%	33.80%	37.07%	35.38%	24.70%
Profit Margin (%)	35.99%	34.59%	36.31%	37.54%	31.59%
Opex as % of Operating Income	6.45%	5.00%	7.35%	4.78%	6.00%
Earnings per share (BDT)	11.67	16.26	26.89	37.73	33.61
% of Classified Loans	1.17%	2.32%	0.81%	0.80%	1.58%
Equity Statistics:					
Number of shares (No.)	8,700,000	12,000,000	17,200,000	26,000,000	38,500,000
Paid up Capital (BDT million)	870	1,200	1,720	2,600	3,850
Shareholders' equity (BDT million)	1,326	1,852	2,793	4,106	5,240

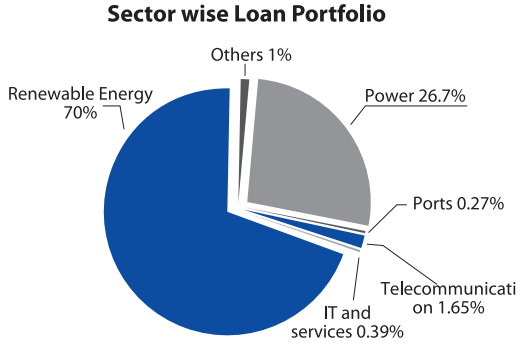
Key financial and operating highlights of IDCOL

1. Financial position of the company:

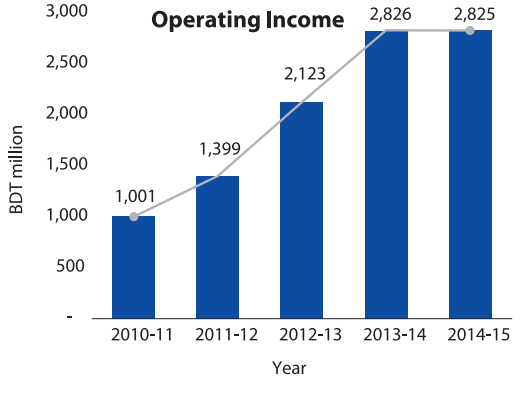


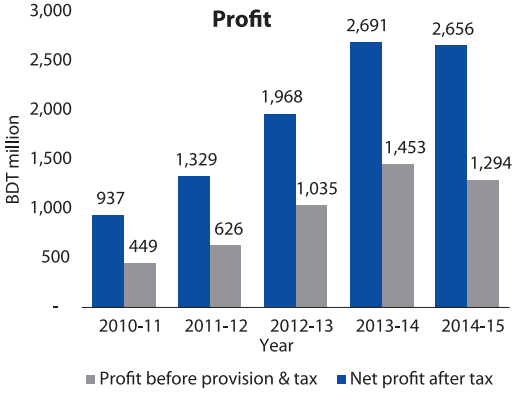


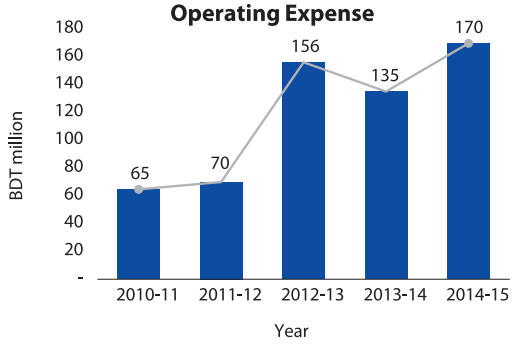


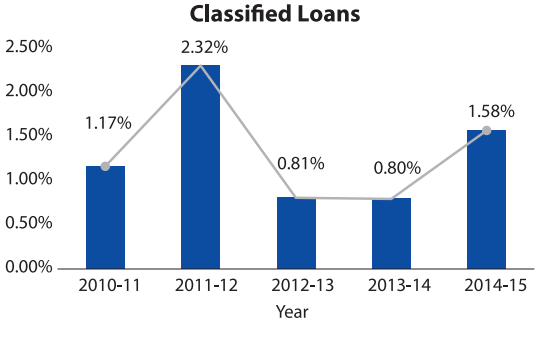


2. Operating performance of the company:

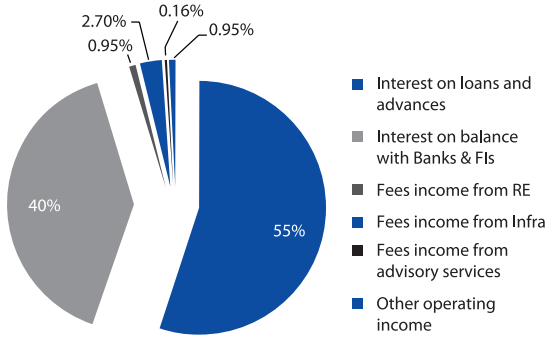




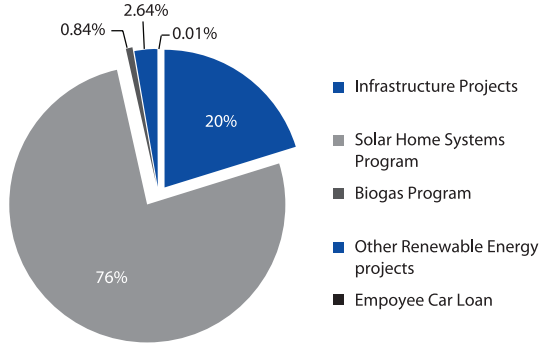




Revenue-2015

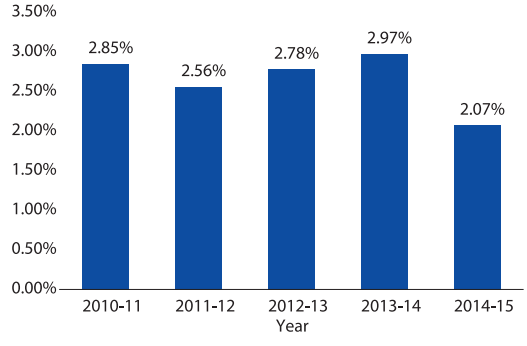


Interest Income-2015

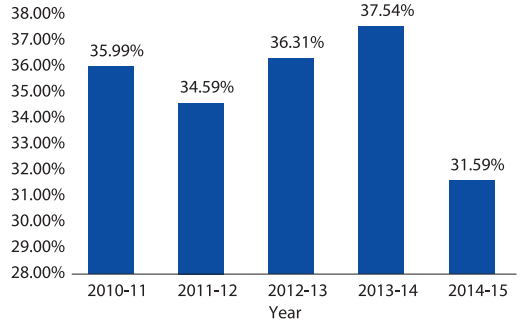


3. Financial Ratios:

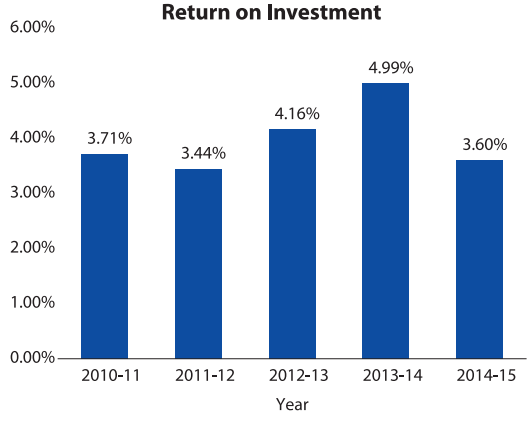
Return on Assets



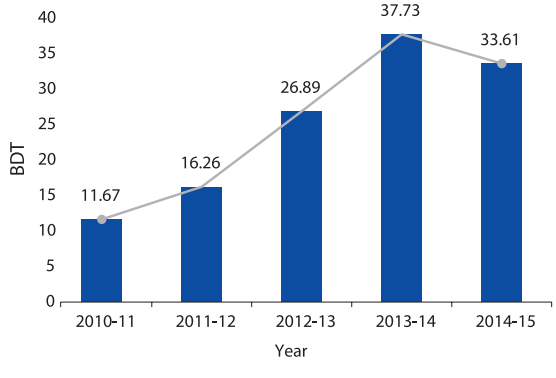
Profit Margin



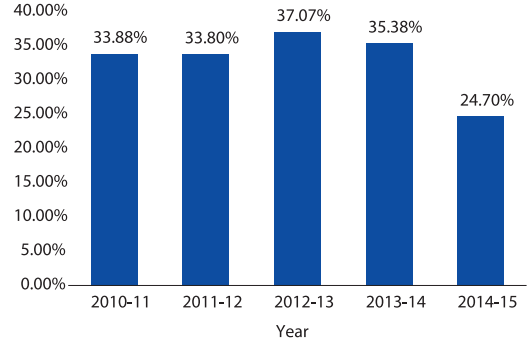
Return on Investment



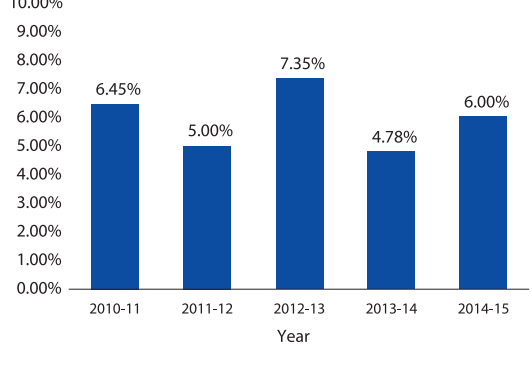
EPS



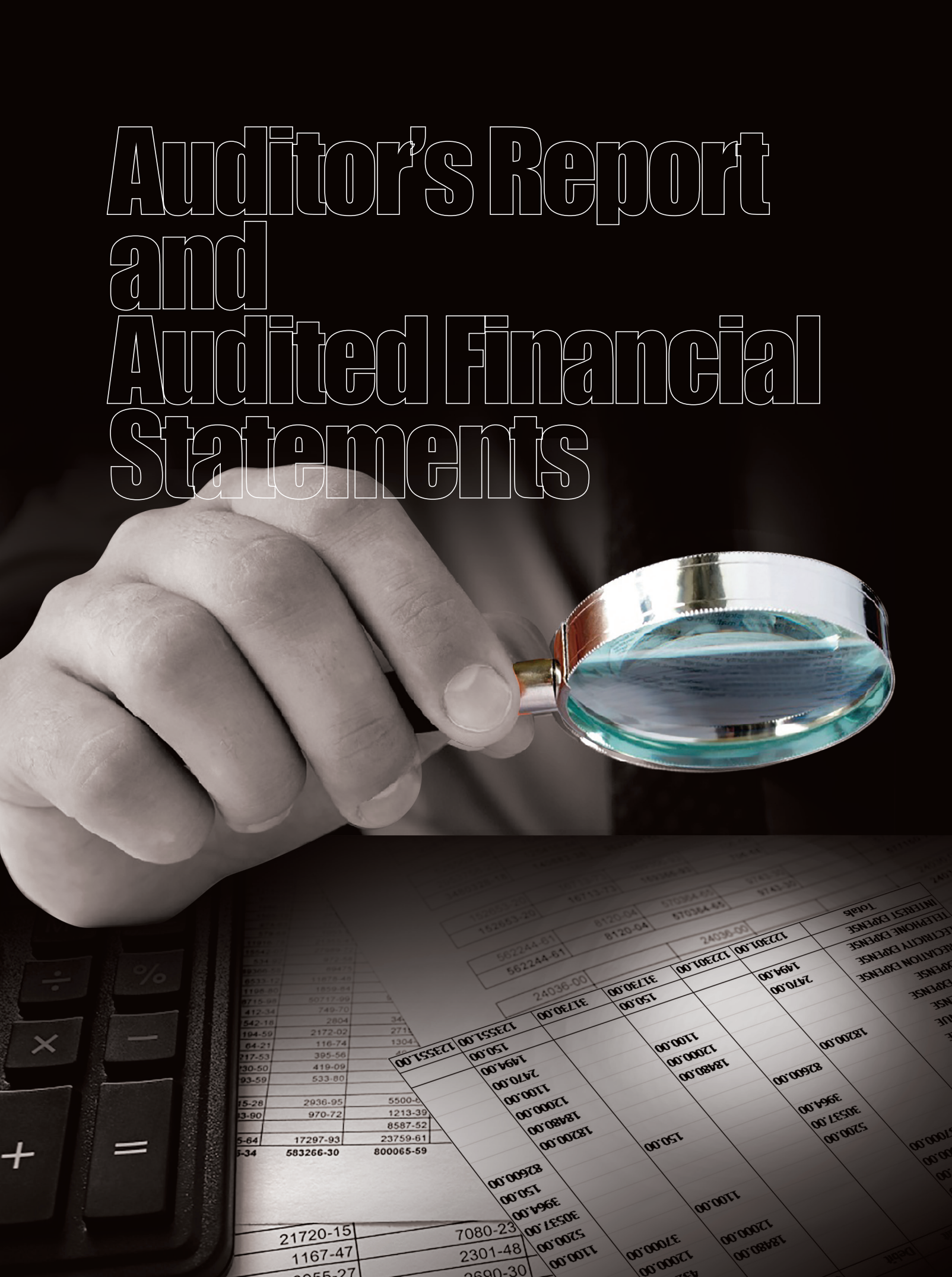
Return on Equity



Opex as% of Operating Income



Auditor's Report and Audited Financial Statements



The financial statements give a true and fair view of the financial position of Infrastructure Development Company Limited as on 30 June 2015, and of its financial performance and its cash flows for the year then ended in accordance with Bangladesh Accounting Standards (BASs) and Bangladesh Financial Reporting Standards (BFRSs), Companies Act, 1994 and other applicable laws and regulations.

Auditor's Report

To the Shareholders of Infrastructure Development Company Limited

We have audited the accompanying financial statements of Infrastructure Development Company Limited (IDCOL), which comprise the balance sheet as at 30 June 2015 and the profit and loss account, statement of changes in equity, cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statement

Management of IDCOL is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRSs), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of Infrastructure Development Company Limited as at 30 June 2015, and of its financial performance and its cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards (BFRSs), Companies Act, 1994 and other applicable laws and regulations.

Report on Other Legal and Regulatory Requirements

The financial statements comply with the Company's Act 1994, Financial Institution Act 1993, rules and regulation issued by Bangladesh Bank and other applicable laws and regulations.

We also report that:

i. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;

ii. in our opinion, proper books of account as required by law have been kept by the company so far as it appeared from our examination of those books;

iii. the Company's statement of financial position and statement of comprehensive income dealt with by the report are in agreement with the books of account;

iv. the expenditure incurred and payments made were for the purpose of the company's business;

v. the financial position of the Company as at 30 June 2015 and the profit for the year then ended have been properly reflected in the financial statements and these financial statements have prepared in accordance with the generally accepted accounting principles;

vi. the financial statements have been drawn up in conformity with the Financial Institutions Act 1993 and in accordance with the accounting rules and regulations issued by the Bangladesh Bank to the extent applicable to the company;

vii. adequate provisions have been made for loan and advances and other assets which are, in our opinion, doubtful of recovery;

viii. the information and explanations required by us have been received and found satisfactory;

ix. the company has complied with relevant laws pertaining to reserves and found satisfactory;

x. the financial statements of the Company conform to the prescribed standards set in the accounting regulations issued by Bangladesh Bank after consultation with the professional accounting bodies of Bangladesh; and

xi. we have reviewed over 80% of the risk weighted assets of the Company and we spent over 2100 man hours for the audit of books and accounts of the Company.

Dhaka
05 November 2015

ACNABIN
Chartered Accountants

Infrastructure Development Company Limited

Balance Sheet

as on 30 June 2015

	Notes	Amount in Taka	
		30.06.2015	30.06.2014
PROPERTY & ASSETS			
Cash	3	**48,018,487**	**1,039,057,602**
Cash in Hand		18,250	23,825
Balance with Bangladesh Bank and its agent bank		48,000,237	1,039,033,776
Balance with other banks and financial institutions	4	**23,529,001,806**	**17,364,848,317**
In Bangladesh		23,529,001,806	17,364,848,317
Outside Bangladesh		-	-
Money at call and short notice	5	**100,000,000**	-
Investments	6	-	-
Government securities		-	-
Others		-	-
Loans and advances		**35,973,387,375**	**29,115,022,925**
Loans, cash credit, overdraft etc.	7	35,973,387,375	29,115,022,925
Bill purchased and discounted		-	-
Fixed assets including land, building, furniture and fixtures	8	**66,899,512**	**50,623,532**
Other assets	9	**2,735,614,075**	**1,273,464,184**
Non-banking assets		-	-
Total assets		**62,452,921,254**	**48,843,016,561**
LIABILITIES & CAPITAL			
Liabilities:			
Borrowings from other banks and financial institutions	10	52,722,868,002	41,737,714,264
Deposit and other accounts		-	-
Other liabilities	11	4,490,088,217	2,999,460,866
Total liabilities		**57,212,956,219**	**44,737,175,129**
Capital/Shareholders' equity:			
Paid-up Capital	12	3,850,000,000	2,600,000,000
Statutory reserve		-	-
Retained earnings		1,389,965,036	1,505,841,432
Total shareholders' equity		**5,239,965,036**	**4,105,841,432**
Total liabilities and shareholders' equity		**62,452,921,254**	**48,843,016,561**

Infrastructure Development Company Limited

Off Balance Sheet Items

as on 30 June 2015

	Notes	Amount in Taka	
		30.06.2015	30.06.2014
Contingent Liabilities:		-	-
Acceptances and Endorsements		-	-
Letters of Guarantee		-	-
Irrevocable Letters of Credit		-	-
Bills for Collection		-	-
Other Contingent Liabilities		-	-
Other commitments:		-	-
Documentary credit and short term trade-related transactions		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
Total Off-Balance Sheet Items		-	-

The annexd notes 1-33 form an intregal part of these satetements.

Company Secretary **Executive Director & CEO** **Director** **Director** **Chairman**

This is the balance sheet referred to in our separate report of even date

Dhaka
05 November 2015

ACNABIN
Chartered Accountants

Infrastructure Development Company Limited

Profit and Loss Account

for the year ended 30 June 2015

	Notes	Amount in Taka	
		2014-15	2013-14
Operating income			
Interest income	14	3,902,226,746	3,577,189,374
less: Interest on deposits, borrowings etc	15	1,271,963,507	1,043,726,172
Net interest income		**2,630,263,239**	**2,533,463,202**
Investment income	16	-	47,850,000
Fees, Commission & brokerage	17	156,001,094	170,536,115
Other operating income	18	38,879,493	74,053,692
Total operating income (A)		**2,825,143,826**	**2,825,903,009**
Operating expenses			
Salaries and allowances	19	60,344,244	40,905,718
Rent, taxes, insurance, electricity etc.	20	3,457,547	1,692,156
Legal expenses	21	351,910	170,820
Postage, stamp, telecommunication etc.	22	852,843	768,349
Stationery, printing, advertisement etc.	23	5,695,805	4,241,595
Chief Executive's salary and fees	24	10,245,629	9,733,849
Directors' fees	25	1,167,250	770,500
Auditors' fees	26	158,177	112,434
Depreciation and repair of Company's assets	27	14,701,419	10,855,548
Other operating expenses	28	72,650,707	65,722,612
Charges on loan losses	29	-	-
Total operating expenses (B)		**169,625,531**	**134,973,580**
Profit/(Loss) before provision & Tax (C) = (A - B)		**2,655,518,295**	**2,690,929,429**
Provision for loans and advances	30	216,555,364	86,022,119
Total provision (D)		**216,555,364**	**86,022,119**
Net profit/(loss) before Tax (E)=(C -D)		**2,438,962,931**	**2,604,907,310**
Tax expenses	31	1,144,839,327	1,152,167,776
Net profit/(loss) after tax		**1,294,123,604**	**1,452,739,534**
Appropriation:			**-**
Statutory reserve		-	-
General reserve		-	-
Retained surplus		**1,294,123,604**	**1,452,739,534**
Earnings Per Share (EPS)	32	**33.61**	**37.73**

The annexd notes 1-33 form an integral part of these financial satetements.

Company Secretary **Executive Director & CEO** **Director** **Director** **Chairman**

This is the balance sheet referred to in our separate report of even date

Dhaka
05 November 2015

ACNABIN
Chartered Accountants

Infrastructure Development Company Limited

Cash Flow Statement

for the year ended 30 June 2015

		Amount in Taka	
		2014-2015	2013-2014
A.	**Cash flows from operating activities**		
	Interest received	3,902,226,746	3,577,189,374
	Interest paid	(1,271,963,507)	(1,043,726,172)
	Investment income received	-	47,850,000
	Fees and commission received	156,001,094	170,536,115
	Paid to employees and suppliers	(154,901,810)	(123,762,582)
	Receipts from other operating activities	28,917,587	68,352,516
	Cash generated from operating activities before changes in operating assets and liabilities	**2,660,280,110**	**2,696,439,251**
	(Increase)/decrease in operating assets and liabilities		
	Decrease /(Increase) advances, deposits and prepayments	(23,155,233)	(36,134,576)
	Decrease /(Increase) advances income tax	(1,437,352,251)	(1,109,208,636)
	Decrease /(Increase) accounts receivables	(46,804,334)	(114,536,413)
	Decrease /(Increase) deferred expenses	66,666	66,667
	Decrease /(Increase) Loans and advances	(6,858,364,450)	(4,342,014,054)
	Increase / (Decrease) interest suspense account	198,382,182	(26,642,590)
	Increase / (Decrease) payables and accrued expenses	(194,197,215)	775,588,906
	Increase / (Decrease) Unearned Revenue- Monitoring Fees	533,319	-
	Increase / (Decrease) employees' gratuity fund	(4,699,048)	6,504,038
		(8,365,590,364)	**(4,846,376,658)**
	Net cash flows from operating activities	**(5,705,310,255)**	**(2,149,937,407)**
B.	**Cash flows from investing activities**		
	Acquisition of fixed assets	(8,580,260)	(7,834,957)
	Investment	-	400,000,000
	Proceeds from sale of assets	1,851,150	-
	Net cash flows from investing activities (B)	**(6,729,110)**	**392,165,043**
C.	**Cash flows from financing activities**		
	Loan from Government of Bangladesh	10,985,153,738	10,097,081,155
	Dividend paid	-	(140,000,000)
	Net cash flows from financing activities	**10,985,153,738**	**9,957,081,155**
D	**Net increase in cash and cash equivalents (A+B+C)**	**5,273,114,374**	**8,199,308,792**
E	**Cash and cash equivalents at the beginning of the year**	**18,403,905,919**	**10,204,597,127**
F	**Cash and cash equivalents at the end of the year (D+E)**	**23,677,020,293**	**18,403,905,919**
	Cash and cash equivalents at end of the year		
	Cash in hand (including foreign currencies)	18,250	23,825
	Money at call and short notice	100,000,000	-
	Balance with Bangladesh Bank and its agent banks	48,000,237	1,039,033,776
	Balance with other banks and financial institutions	23,529,001,806	17,364,848,317
		23,677,020,293	**18,403,905,919**

Company Secretary **Executive Director & CEO** **Director** **Director** **Chairman**

Dhaka
05 November 2015

ACNABIN
Chartered Accountants

Infrastructure Development Company Limited

Statement of Changes in Equity

as on 30 June 2015

Amount in Taka

Particulars	Paid up Capital	Statutory Reserve	Retained earnings	Total shareholders' equity
Balance as at 01 July 2014	2,600,000,000	-	1,505,841,432	4,105,841,432
Changes in accounting policy	-	-	-	-
Restated balance	**2,600,000,000**	**-**	**1,505,841,432**	**4,105,841,432**
Increase/Decrease of revaluation of properties	-	-	-	-
Increase/Decrease of revaluation of investment	-	-	-	-
Currency transaction differences	-	-	-	-
Net gains and losses not recognized in the income statement	-	-	-	-
Net profit for the year	-	-	1,294,123,604	1,294,123,604
Bonus shares	1,250,000,000	-	(1,250,000,000)	-
Cash dividend	-	-	(160,000,000)	(160,000,000)
Statutory Reserve	-	-	-	-
Balance as at 30 June 2015	**3,850,000,000**	**-**	**1,389,965,036**	**5,239,965,036**

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

Company Secretary | **Executive Director & CEO** | **Director** | **Director** | **Chairman**

Dhaka
05 November 2015

ACNABIN
Chartered Accountants

Infrastructure Development Company Limited

Liquidity Statement

(Asset and Liability Maturity Analysis)

as on 30 June 2015

	Up to 01 month	1 - 3 months	3 - 12 months	1 - 5 years	More than 5 years	Total
	Taka	Taka	Taka	Taka	Taka	Taka
Assets:						
Cash in hand (including balance with Bangladesh Bank)	48,018,487	-	-	-	-	48,018,487
Balance with other banks and financial institutions	1,418,434,024	13,461,500,000	8,649,067,782	-	-	23,529,001,806
Money at call and short notice	100,000,000	-	-	-	-	100,000,000
Investments	-	-	-	-	-	-
Loans and advances	224,393,191	4,385,017,515	8,381,100,459	19,475,906,928	3,506,969,280	35,973,387,376
Fixed assets	-	-	-	-	66,899,512	66,899,512
Other assets	253,000	3,655,608	26,20,849,956	107,425,715	3,429,796	2,735,614,075
Non-banking assets	-	-	-	-	-	-
Total assets	**1,791,098,702**	**17,850,173,122**	**19,651,018,197**	**19,583,332,643**	**3,577,298,589**	**62,452,921,254**
Liabilities:						
Borrowings from Government of Bangladesh	-	107,450,714	1,166,197,553	13,297,656,126	38,151,563,609	52,722,868,002
Deposits	-	-	-	-	-	-
Other Accounts	-	-	-	-	-	-
Provision and other liabilities	-	79,990,718	2,680,064,844	662,207,540	1,067,825,115	4,490,088,217
Total liabilities	**-**	**187,441,432**	**3,846,262,397**	**13,959,863,666**	**39,219,388,724**	**57,212,956,219**
Net Liquidity Gap	**1,791,098,702**	**17,662,731,690**	**15,804,755,800**	**5,623,468,977**	**(35,642,090,134)**	**5,239,965,036**

Infrastructure Development Company Limited

Notes to the financial statements

for the year ended 30 June 2015

1. Background:

1.1 Legal Status and nature of the company:

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

1.2 Principal activities:

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

Infrastructure Projects

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

Renewable Energy Projects

Under renewable energy program, IDCOL is implementing projects in four major areas- solar home systems (SHS), domestic biogas plants, improved cook stoves (ICS), and small-scaled renewable energy based power plants.

IDCOL started its SHS Program in 2003 with an initial target to finance 50,000 SHSs with financial assistance from the World Bank and GEF. Subsequently, a number of development partners participated in the program by providing refinancing and grant support. IDCOL provides soft loans and channels grants for the development of rural infrastructure, i.e. renewable energy. Under the program, IDCOL has a target to finance 6 million Solar Home Systems (SHS) by 2018. IDCOL's SHS Program is one of the fastest growing off-grid renewable energy program in the world. It has brought significant change in lives in remote rural areas of Bangladesh through providing access to electricity.

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

IDCOL launched the 'Improved Cook Stove (ICS) Program' in May 2013 with the initial target to install 1 million ICSs across the country by 2018. Under the program, IDCOL provides institutional development grant and technical assistance to its partner organizations (POs). IDCOL's principal objective is commercialization of ICS, which would allow the ICS market to develop and flourish after the completion of the Program.

Besides, IDCOL has been financing various small-scaled renewable energy projects including solar PV based irrigation pumps, solar PV based micro-grid projects, biomass gasification based power projects, biogas based power plants, solar powered solution for telecom BTS etc. IDCOL has a target to finance 1,556 solar irrigation pumps, 50 solar based mini-grid and 60 biogas and biomass based power projects by 2018.

Corporate Advisory Services

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

1.3 Resources

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

2. Significant Accounting Policies and Basis of Preparation

2.1 Basis of accounting

The financial statements of the Company have been prepared under historical cost convention in accordance with generally accepted accounting principles as laid down in the International Financial Reporting Standards (IFRS) applicable to the company as adopted by the Institute of Chartered Accountants of Bangladesh as Bangladesh Financial Reporting Standards (BFRS). The reported financial statements, i.e. Balance Sheet, Profit and Loss Account, Statement of Changes in Shareholder's Equity and Cash Flow Statement were prepared by capturing the transactions of Infrastructure Development Company Limited. The financial statements of projects accounts are being maintained and prepared separately showing movement of funds, i.e. loans and grants received from various donors, lenders, etc., realization of principal and interest from borrowers, loan and grants disbursed to borrowers, repayment of loans to donors, lenders, etc. These projects accounts are being audited and reported separately. The consolidated movement of funds of these projects are shown in note # 33.

2.2 Statement of compliance

The financial statements of IDCOL are prepared in accordance with Bangladesh Financial Reporting Standards (BFRS) and the requirements of the Financial Institution Act 1993, the rules and regulations issued by Bangladesh Bank, the Companies Act 1994. In case any requirement of the Financial Institution Act 1993, and provisions and circulars issued by Bangladesh Bank differ with those of BFRS, the requirements of the Financial Institution Act 1993, and provisions and circulars issued by Bangladesh Bank shall prevail.

2.3 Other comprehensive income

BFRS: As per BAS 1 elements of Other Comprehensive Income (OCI) can be presented in a separate statement i.e. Other Comprehensive Income or can be included in a Single Statement of Comprehensive Income.

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

2.4 Cash flow statement

BFRS: The Cash flow statement can be prepared using either the direct method or the indirect method. The presentation is selected to present these cash flows in a manner that is most appropriate for the business or industry. The method selected is applied consistently.

Bangladesh Bank: As per DFIM circular no. 11 of 23 December 2009, cash flow is the mixture of direct and indirect methods. Money at call on short notice presented on the face of the balance sheet, and treasury bills, prize bonds are shown in investments.

2.5 Provision on loans and advances

BFRS: As per BAS 39 an entity should start the impairment assessment by considering whether objective evidence of impairment exist for financial assets that are individually significant. For financial assets which are not individually significant, the assessment can be performed on an individual or collective (portfolio) basis.

Bangladesh Bank: As per Bangladesh Bank circular (FID Circular no. 08 dated 03 August 2002 and FID Circular no. 03 dated 03 March 2006), a general provision at 1% for standard loan and 5% for SMA loans, should be maintained regardless of objective evidence of impairment. And, specific provision for sub-standard loan, doubtful loans and bad/losses should be provided at 20%, 50% and 100% respectively for loans and advances depending on the duration of overdue. Also a general provision at 1% should be provided for all off balance sheet exposure. Such provision policies are not specifically in line with those prescribed by BAS 39.

2.6 Cash and cash equivalent

BFRS: Cash and cash equivalent items should be reported as cash item as per BAS 7.

Bangladesh Bank: Some cash and cash equivalent items which includes 'money at call and short notice', is not shown as cash and cash equivalents.

2.7 Recognition of interest in suspense

BFRS: Loans and advances to customers are generally classified as 'loans and receivables' as per BAS 39 and interest income is recognized through effective interest rate method over the term of the loan. Once a loan is impaired, interest income is recognized in profit and loss account on the same basis based on revised carrying amount.

Bangladesh Bank: As per FID circular no. 08 dated 03 August 2002, once a loan is classified, interest on such loans are not allowed to be recognized as income, rather the corresponding amount needs to be credited to an interest in suspense account, which is presented as liability in the balance sheet.

2.8 Financial instruments: presentation and disclosure

In several cases Bangladesh Bank guidelines categorize, recognize, measure and present financial instruments differently from those prescribed in BAS 39. As such full disclosure and presentation requirements of BFRS 7 and BAS 32 cannot be made in the financial statements.

2.9 Presentation of intangible asset

BFRS: An intangible asset must be identified and recognized, and the disclosure must be given as per BAS 38.

Bangladesh Bank: There is no regulation for intangible assets in DFIM circular no. 11 of 23 December 2009.

2.10 Off-balance sheet items

BFRS: There is no concept of off-balance sheet items in any BFRS; hence there is no requirement for disclosure of off-balance sheet items on the face of the balance sheet.

Bangladesh Bank: As per DFIM circular no. 11 of 23 December 2009, off balance sheet items (e.g. Letter of credit, Letter of guarantee etc.) must be disclosed separately on the face of the balance sheet.

2.11 Use of estimate and judgements

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

2.12 Functional and Presentation Currency

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

2.13 Revenue Recognition

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

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

2.14 Property, plant and equipment

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

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

2.15 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.

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

Transactions in foreign currencies are recorded in the books at the exchange rate prevailing on the date of the transaction. Monetary assets and liabilities in foreign currencies at the date of statement of financial position are translated into taka at the exchange rate prevailing at that date. Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit and loss account as per ISA/BAS 21: the effects of changes in foreign exchange rates.

2.17 Earning per Share (EPS)

As per BAS - 33, the company presents its basic earnings per share (EPS) for its ordinary shares. EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the company by the weighted average number of ordinary shares outstanding during the year.

2.18 Related party disclosure

As per Bangladesh Accounting Standards (BAS 24) , parties to be related if one of the party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. All transactions were carried out in the ordinary course of business on an arm's length basis, no related party transactions were incurred during this financial year.

2.19 Employee benefits:

Defined contribution plan(provident fund)

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

Defined benefit plan(gratuity)

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

2.20 Internal Audit

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

2.21 Fraud and Forgeries

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

2.22 Disclosure for BAS & BFRS Compliance:

	Name of the BAS	BAS #	Compliance status
1	Presentation of Financial Statements	1	Applied
2	Inventories	2	N/A
3	Statements of Cash Flow	7	Applied*
4	Accounting Policies, Changes in Accounting Estimates and Errors	8	Applied
5	Events after the Balance Sheet Period	10	Applied
6	Construction Contracts	11	N/A
7	Income Taxes	12	Applied
8	Property, Plant and Equipment	16	Applied
9	Leases	17	N/A
10	Revenue	18	Applied
11	Employee Benefits	19	Applied
12	Accounting for Government Grants and Disclosure of Government Assistance	20	Applied
13	The Effects of Changes in Foreign Exchange Rates	21	Applied
14	Borrowing Costs	23	Applied
15	Related Party Disclosures	24	Applied
16	Accounting and Reporting by Retirement Benefit Plans	26	N/A
17	Separate Financial Statements	27	Applied
18	Investment in Associates and Joint Ventures	28	N/A
19	Financial Reporting in Hyperinflationary Economies	29	N/A
20	Financial Instruments: Presentation	32	Applied *
21	Earnings per share	33	Applied
22	Interim Financial Reporting	34	Applied
23	Impairment of Assets	36	Applied
24	Provisions, Contingent Liabilities and Contingent Assets	37	Applied
25	Intangible Assets	38	Applied
26	Financial Instruments: Recognition and Measurement	39	Applied *
27	Investment Property	40	N/A
28	Agriculture	41	N/A

	Name of the BFRS	BFRS #	Compliance status
1	First-time Adoption of IFRS	1	N/A
2	Share Base payment	2	N/A
3	Business combination	3	N/A
4	Insurance Contracts	4	N/A
5	Non-current assets held for sale and discontinued operation	5	N/A
6	Exploration for and Evaluation of Mineral Resources	6	N/A
7	Financial Instruments: Disclosures	7	Applied *
8	Operating Segments	8	Applied
9	Financial Instruments	9	N/A
10	Consolidated Financial Statements	10	Applied
11	Joint Arrangement	11	N/A
12	Disclosure of Interest in Other Entities	12	N/A
13	Fair Value Measurement	13	Applied

** As the regulatory requirements differ with the standards, relevant disclosures are made in accordance with Bangladesh Bank's requirements*

2.23 Basis of measurement

The financial statements have been prepared in accordance with Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS). The accounting policies, unless otherwise stated, have been consistently applied by the company and are consistent with those of the previous year.

2.24 Risk Management

In IDCOL, a well-structured and proactive risk management system is working within the company to address and management of the risks relating to credit, market, liquidity and operations along with the guidelines for managing core risks of financial institutions issued by the Bangladesh Bank (Central Bank), vide FID circular No. 10 dated September 18, 2005.

2.24.1 Credit Risk

Credit risk is being managed through a framework set by policies and procedures developed by the management and approved by the IDCOL board. The approval process contributes in mitigating credit risk. Every proposal is reviewed by Credit Risk Management Unit, Credit Risk Management Committee, Credit Committee and Board of Directors as a part of risk governance in IDCOL. Moreover, IDCOL has a Credit Risk Manual implemented in accordance with guideline provided by Bangladesh Bank.

The responsibility is clearly segregated between origination of business and approval of the transaction in order to maintain the independence and integrity of the credit decision-making process. The project appraisal team after completing their detailed due diligence of the project submits the completed project appraisal report to Credit Risk Management (CRM) department. After the risk assessment of CRM, the project is submitted to CRM committee headed by CEO and comprising of functional unit heads. Once approved by the CRM Committee, it goes to Credit Committee for their review and approval and final approval obtained from the IDCOL Board.

2.24.2 Market Risk

Market risk arises from the fluctuation of returns caused by the macroeconomic factors that affect the overall performance of the financial market and organization as well. The Asset Liability Management Committee reviews the market trend of interest rates and matches the interest risks of the assets so that it can meet its obligations without making any losses. It also ensures that IDCOL has appropriate capital to cover potential losses from exposures to changes in interest rates. IDCOL management make sure that lending and borrowing currency will always be same so that company does not have to bear any foreign currency risk.

2.24.3 Liquidity Risk

IDCOL has established strategies, policies and practices to manage liquidity risk in accordance with the risk tolerance and to ensure sufficient liquidity. The Asset Liability Management Committee (ALCO) of IDCOL actively monitors and controls liquidity risk exposures.

2.24.4 Operational Risk

Managing operational risks requires timely and accurate information as well as a strong control culture. To do so, IDCOL has established an internal control & compliance unit to address operational risks and to frame and implement policies to encounter such risks. IDCOL also provides training for capacity building of the employees, ensures active participation of the senior management in identifying and mitigating key operational risks, maintains proactive communication between our revenue-producing units and our independent control and support functions and has built a network of systems throughout the firm to facilitate the collection of data used in analyzing and assessing our operational risk exposure.

2.24.5 Money Laundering Risk

A separate Central Compliance Unit (CCU) of IDCOL has been established which is responsible for managing money laundering risks following guidance notes on Prevention of Money Laundering and Terrorist Financing issued by Bangladesh Bank.

2.24.6 Information Technology and Communication Risk

IDCOL has a full-fledged department which ensures adequate IT and MIS infrastructure and its security. It streamline the management information systems with the strategic direction of the Company while mitigating the risks associated with incorrect deployment and use of Information-Technology.

		Notes	Amount in Taka	
			30.06.2015	30.06.2014
3.0	**CASH**			
	Cash in hand	3.1	18,250	23,825
	Balance with Bangladesh Bank and its agent bank	3.2	48,000,237	1,039,033,776
			48,018,487	**1,039,057,602**
3.1	Cash in Hand			
	Local Currency		18,250	23,825
	Foreign Currencies		-	-
			18,250	23,825
3.2	Balance with Bangladesh Bank and its agent bank			
	Bangladesh Bank balance in local currency		48,000,237	44,226,101
	Bangladesh Bank balance in foreign currency			994,807,675
			48,000,237	1,039,033,776
3.3	Cash Reserve Ratio (CRR)			
	Required reserve @ 2.5% of average balance of term deposit		-	-
	Actual reserve		-	-
	Surplus		-	-
3.4	Statutory Liquidity Ratio (SLR)			
	Required reserve @ 5% of average liabilities excluding funds from banks/FIs		-	-
	Actual Reserve held		-	-
	Surplus		-	-
	Total Surplus		-	-

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

4.0	**Balance with other banks and financial institutions**			
	Inside Bangladesh		23,529,001,806	17,364,848,317
	Local currency			
	Current and short-term deposits in local currency	4.1	1,015,765,369	3,326,156,595
	Fixed deposits in local currency	4.2	20,403,000,000	12,861,000,000
	Foreign currency			
	Current and short-term deposits in foreign currency	4.3	402,668,655	106,890,217
	Fixed deposits in foreign currency	4.4	1,707,567,782	1,070,801,505
	Outside Bangladesh		-	-
			23,529,001,806	**17,364,848,317**
4.1	Current and short-term deposits in local currency			
	Janata Bank Ltd.	4.1.a	732,912,811	771,731,729
	The City Bank Ltd.	4.1.b	36,851,174	85,289,023
	Prime Bank Ltd.	4.1.c	1,750,935	8,346,225
	National Credit and Commerce Bank Ltd.	4.1.d	1,168,377	2,424,769,936
	National Bank Ltd.	4.1.e	116,389	198,666
	Islami Bank Bd. Ltd.	4.1.f	190,398	194,547
	Agrani Bank Ltd.	4.1.g	4,310,688	6,960,033
	Eastern Bank Ltd.	4.1.h	238,464,597	28,666,438
			1,015,765,369	3,326,156,595

		Notes	Amount in Taka	
			30.06.2015	30.06.2014
4.1.a	Janata Bank Limited			
	Accounts under donor funded projects			
	IDA -5158-BD : REREDP-II		134,180,211	666,392,194
	IDA -5514-BD : Additional Financing REREDP-II		444,076,083	-
	IDB -151-BD		7,619,808	7,592,245
	Company accounts			
	STD Account		147,036,708	97,747,289
			732,912,811	771,731,729
4.1.b	The City Bank Limited			
	Accounts under donor funded projects			
	KfW - 2006.65.612 -NDBMP		35,509,371	83,518,592
	Company accounts			
	Imprest account		1,341,803	1,770,430
			36,851,174	85,289,023
4.1.c	Prime Bank Limited			
	Company accounts			
	Salary account		912,486	6,709,807
	Accounts for Regional Offices			
	Barisal		41,757	161,479
	Bogra		139,947	198,553
	Chittagong		18,807	137,361
	Dhaka		308,610	387,649
	Faridpur		80,623	190,598
	Rangpur		96,650	160,770
	Khulna		93,638	200,553
	Mymensingh		58,417	199,455
			1,750,935	8,346,225
4.1.d	National Credit and Commerce Bank Limited			
	Revolving fund account under projects			
	PPIDF: ADB 2453-BAN (SF)		892,141	2,424,381,107
	Accounts for Regional Offices			
	Brahmanbaria		135,652	198,365
	Laxmipur		140,584	190,464
			1,168,377	2,424,769,936
4.1.e	National Bank Limited			
	Accounts for Regional Office			
	Sylhet		116,389	198,666
			116,389	198,666
4.1.f	Islami Bank Bangladesh Limited			
	Accounts for Regional Office			
	Borguna		190,398	194,547
			190,398	194,547
4.1.g	Agrani Bank Limited			
	Accounts under donor funded projects			
	P-075 : JICA		4,310,688	6,960,033
			4,310,688	6,960,033

		Notes	Amount in Taka	
			30.06.2015	30.06.2014
4.1.h	Eastern Bank Limited			
	Revolving fund account under projects			
	P-075 : JICA		238,464,597	28,666,438
			238,464,597	28,666,438
4.2	Fixed deposits in local currency			
	Fixed deposit receipt (three months' term) with:			
	Al-Arafah Islami Bank Ltd.		400,000,000	100,000,000
	Bank Asia Ltd.		100,000,000	-
	Dhaka Bank Ltd.		750,000,000	750,000,000
	Eastern Bank Ltd		280,000,000	-
	Eastern Bank Ltd. (JICA revolving fund account)		120,000,000	-
	EXIM Bank Ltd.		1,230,000,000	750,000,000
	First Security Islamic Bank Ltd.		550,000,000	443,500,000
	IFIC Bank Ltd.		810,000,000	335,000,000
	Jamuna Bank Ltd.		750,000,000	749,000,000
	Mercantile Bank Ltd.		1,170,000,000	450,000,000
	Mutual Trust Bank Ltd.		714,000,000	636,000,000
	National Bank Ltd.		1,100,000,000	630,000,000
	NCC Bank Ltd.		100,000,000	579,000,000
	One Bank Ltd.		550,000,000	647,000,000
	Premier Bank Ltd.		500,000,000	250,000,000
	Prime Bank Ltd.		239,500,000	750,000,000
	Shahjalal Islamic Bank Ltd.		718,000,000	700,000,000
	Southeast Bank Ltd.		950,000,000	416,000,000
	Standard Bank Ltd.		870,000,000	586,000,000
	Trust Bank Ltd.		1,250,000,000	560,000,000
	United Commercial Bank Ltd.		410,000,000	721,000,000
	AB Bank Ltd.		-	643,500,000
	BASIC Bank Ltd.		-	540,000,000
	Janata Bank Ltd.		-	500,000,000
	Rupali Bank Ltd.		-	310,000,000
	Fixed deposit receipt (six months' term) with:			
	AB Bank Ltd.		1,250,000,000	-
	Al-Arafah Islami Bank Ltd.		200,000,000	-
	Bank Al Falah Ltd.		420,000,000	-
	DBH Fin Corp. Ltd.		300,000,000	150,000,000
	First Finance		50,000,000	50,000,000
	Habib Bank Ltd		100,000,000	-
	IDLC Finance Ltd.		300,000,000	150,000,000
	IFIC Bank Ltd.		377,000,000	-
	Lanka-Bangla Finance Ltd.		100,000,000	50,000,000
	National Bank Ltd.		150,000,000	-
	NCC Bank Ltd.		429,500,000	-
	NCC Bank Ltd. (PPIDF-1 revolving fund)		1,065,000,000	-
	One Bank Ltd.		500,000,000	-
	People Leasing		50,000,000	50,000,000

		Notes	Amount in Taka	
			30.06.2015	30.06.2014
	Prime Finance & Investment Ltd.		150,000,000	150,000,000
	Pubali Bank Ltd.		810,000,000	-
	Union Capital Ltd.		150,000,000	150,000,000
	United Commercial Bank Ltd.		340,000,000	-
	Uttara Finance Ltd.		100,000,000	-
	Reliance Finance Ltd.		-	65,000,000
			20,403,000,000	12,861,000,000
4.3	Current and short-term deposits in foreign currency			
	Janata Bank Ltd.		213,234,366	106,890,217
	Commercial Bank of Ceylon (PPIDF-1 revolv. fund)		111,624,564	-
	JBL Opt A/c PPIDF II SF 36000464		77,809,725	-
			402,668,655	106,890,217
4.4	Fixed deposits in foreign currency			
	Fixed deposit receipt (One/six months' term) with:			
	Janata Bank Ltd.		373,440,000	-
	Commercial Bank of Ceylon		1,147,407,782	1,070,801,505
	Dhaka Bank Ltd.		186,720,000	-
			1,707,567,782	1,070,801,505
4.5	Maturity grouping of Balance			
	Up to one month		1,418,434,024	6,234,140,692
	More than one month but less than three months		13,561,500,000	8,930,500,000
	More than three months but less than one year		8,549,067,782	2,200,207,625
	More than one year but less than five years		-	-
	More than five years		-	-
			23,529,001,806	17,364,848,317
5.0	**Money at call and short notice**			
	Jamuna Bank Ltd.		100,000,000	-
			100,000,000	**-**
6.0	**Investments**			
	Government		-	-
	Others	6.1	-	-
			-	-
6.1	Others			-
	Investment in bonds			-
	Opening Balance		-	400,000,000
	Add: Investment made during the year		-	-
	Less: Principal recovered during the year		-	(400,000,000)
			-	-
6.2	Maturity Grouping of Investments			
	Upto one month		-	400,000,000
	More than one month but Less than three months		-	-
	More than three months but less than one year		-	-
	More than one year but less than five years		-	-
	More than five years		-	-
			-	**400,000,000**

		Notes	Amount in Taka	
			30.06.2015	30.06.2014
7.0	**Loans and advances**			
	Inside Bangladesh			
	Long-term finance	7.1	35,425,601,652	28,847,617,062
	Short term financing	7.2	3,400,716	7,540,140
	Interest on loans and advances	7.3	544,385,007	259,865,723
			35,973,387,375	29,115,022,925
	Outside Bangladesh		-	-
			35,973,387,375	**29,115,022,925**

*In the last year, Interest on loans and advances was reported under Other Assets category. But as per Bangladesh Bank requirement interest on loans and advances is reported under loans and advances category in the current year and previous year figures is rearranged accordingly.

7.1	Long-term finance:			
	Opening balance on 1 July		28,847,617,062	24,508,831,130
	Add: Disbursement made during the year		12,772,613,253	9,380,563,468
	Add: Interest Capitalization during the year		133,502,457	-
			41,753,732,772	33,889,394,598
	Less: Realization during the year		(6,328,131,120)	(5,041,77 7,536)
	Balance at 30 June		35,425,601,652	28,847,617,062
7.1.1	Sector wise disclosure of long term finance			
	Infrastructure loan		10,591,825,060	4,796,142,262
	Renewable energy project	7.1.1a	24,822,682,143	24,045,381,818
	Employee car loan		11,094,449	6,092,982
			35,425,601,652	28,847,617,062
7.1.1a	Renewable energy project			
	Solar home system		23,810,035,258	23,368,747,690
	Biogas program		344,887,578	287,775,355
	Other renewable energy project		667,759,307	388,858,773
			24,822,682,143	24,045,381,818
7.2	Short term financing			
	Opening balance on 1 July		7,540,140	4,312,018
	Add: Disbursement made during the year		9,929,400	12,056,400
			17,469,540	16,368,418
	Less: Realization during the year		(14,068,824)	(8,828,278)
	Balance at 30 June		3,400,716	7,540,140
7.3	Interest on loan and advance			
	Interest on infrastructure loan		188,123,936	70,206,298
	Interest on renewable energy loan	7.3.1	356,261,071	189,659,425
			544,385,007	259,865,723
7.3.1	Interest on renewable energy loan			
	Solar Home System project		338,499,984	169,796,038
	Biogas project		3,629,682	3,151,061
	Other renewable energy project		14,131,405	16,712,326
			356,261,071	189,659,425
7.4	Large Loan Disclosure			
	Grameen Shakti		7,900,694,357	8,398,892,298
	Rural Services Foundation		3,457,916,517	3,733,734,659
	Summit Meghnaghat Power Ltd.		2,357,731,548	-
	Regent Energy Power Lt.		2,285,157,747	-
	ECPV Chittagong Limited		2,167,285,942	2,360,271,525
	Quantum Power Systems Limited		1,398,654,184	1,204,313,212

		Notes	Amount in Taka	
			30.06.2015	30.06.2014
	Lakdhanavi Bangla Power Ltd.		1,169,485,559	-
	Bright Green Energy Foundation		1,069,541,254	890,404,625
	Hilful Fuzul Samaj Kallyan Sangstha		1,117,788,159	1,068,150,814
	Rural Development Foundation		1,018,832,959	848,667,298
			23,943,088,226	18,504,434,431
7.5	Particulars of Loans, Advances and leases			
	a) Loan considered good in respect of which the FI is fully secured		8,937,269,580	7,233,369,658
	b) Loan considered good in respect of which the FI is partially secured		27,036,117,795	21,881,653,267
	c) Loan considered good for which the FI holds no other security than the debtor's personal security.		-	-
	d) Loan considered good for which the FI holds no other security than the debtor's personal security.		-	-
	e) Loan considered good and secured by the personal security of one of more parties in addition to the personal security of the debtors.		-	-
	f) Loan adversely classified for which no provision is created.		-	-
			35,973,387,375	29,115,022,925
	g) Loan due by directors or officers of the FI or any of them either separately of jointly with any other persons.		11,094,449	6,092,982
	h) Loan due by companies and firms in which the directors of the FI have interest as directors, partners or managing agent or in case of private companies as members.		-	-
	i) Maximum total amount of advances including temporary advances made at any time during the year to directors and managers or officers of the FI or any of them either severally or jointly with any other persons.		-	-
	j) Maximum total amount of advances including temporary advances made at any time during the year to the companies or firms in which the directors of the FI have interest as directors partners r managing agents or in case of private companies as members.		-	-
	k) Due from other Bank/FI companies.		-	-
	l) Classified loans advances and leases			
	i) Classified loans, advances and leases on which interest has not been charged		204,651,525	232,077,618
	ii) Provision on doubtful loans, advances and leases		3,489,390	16,740,556
	Provision on bad loans, advances and leases		177,877,824	198,596,505
	Total provisions charged during the year		181,367,214	215,337,062
	iii) Amount written off loans, advances and leases		-	-
	Total amount realised against loans and leases previously written off		-	-
	iv) Provision kept against loans and advances classified as bad debts		-	-
	v) Interest credited to Interest Suspense Account		365,038,417	29,712,588
	vi) Cumulative amount of written off loans, advances and leases			
	Opening Balance		-	-
	Amount written off during the year		-	-
			-	-

		Notes	Amount in Taka	
			30.06.2015	30.06.2014
7.6	Maturity grouping of loans and advances			
	Upto one month		224,393,191	181,612,391
	More than one month but less than three months		4,385,017,514	3,549,009,275
	More than three months but less than one year		8,381,100,459	6,783,234,769
	More than one year but less than five years		19,475,906,928	15,762,804,620
	More than five years		3,506,969,282	2,838,361,870
			35,973,387,375	29,115,022,925
7.7	Disclosure for significant concentration			
	a) Advances to allied concerns of Directors		-	-
	b) Advances to Chief Executive and other executives		11,094,449	6,092,983
	c) Advances to customers' group		-	-
	i) Power		9,612,276,311	3,850,055,278
	ii) Ports		96,449,620	100,935,023
	iii) Telecommunication		593,050,196	434,148,653
	iv) IT and services		139,375,090	229,308,694
	v) Renewable energy		25,176,931,955	24,261,220,090
	d) Industrial loans		-	-
	e) Other loans		344,209,753	233,262,204
			35,973,387,375	29,115,022,925
7.8	Geographical Location - wise Loans and Advances			
	Inside Bangladesh		35,973,387,375	29,115,022,925
	Dhaka Region		12,322,669,410	7,283,493,898
	Chittagong Region		8,953,442,554	7,736,406,805
	Khulna Region		3,720,097,373	3,564,206,942
	Rajshahi Region		1,728,109,267	1,750,165,384
	Barisal Region		4,146,438,271	4,119,119,907
	Rangpur Region		1,822,807,238	1,634,705,658
	Sylhet Region		3,279,823,262	3,026,924,331
	Outside Bangladesh		-	-
			35,973,387,375	29,115,022,925
7.9	Classification of loans and advances			
	Unclassified:			
	Standard		31,250,816,602	27,934,161,914
	Special Mention Account		4,154,105,573	948,586,818
			35,404,922,175	28,882,748,732
	Classified:			
	Sub-Standard		363,813,675	196,575
	Doubtful		7,574,823	33,481,113
	Bad or loss		197,076,702	198,596,505
			568,465,200	232,274,193
			35,973,387,375	29,115,022,925

		Notes	Amount in Taka	
			30.06.2015	30.06.2014
7.9.1	Particulars of required provision for loans and advances			

Status	Base for provision	Rate (%)		
General provision	35,200,360,604			
Standard loans/ advances	30,971,056,392	1%	309,710,564	276,742,962
Interest receivable on standard loan	279,760,210	1%	2,797,602	1,925,667
Special mention account(SMA)	3,949,544,002	5%	197,477,200	47,429,341
			509,985,366	326,097,970
Specific provision	518,242,257			
Sub-standard	333,385,653	20%	66,677,131	39,315
Doubtful	6,978,780	50%	3,489,390	16,740,556
Bad/loss	177,877,824	100%	177,877,824	198,596,505
			248,044,345	215,376,377
Total provision required as on 30 June			758,029,711	541,474,347
Movement of provision of loans and advances				
Balance as on 01 July			541,474,347	455,452,228
Provision made during the year			216,555,364	86,022,119
Adjustment during the year			-	-
Balance as on 30 June			758,029,711	541,474,347
7.10 Net Loans and advances				
Closing outstanding balance			35,973,387,375	29,115,022,925
Less: Interest suspense (Note 11.3)			(265,676,275)	(67,294,093)
Provision for loans and advances (Note 7.9.1)			(758,029,711)	(541,474,347)
Net loans and advances			**34,949,681,389**	**28,506,254,485**
7.11 Disclosure of disbursement of loan from donor funded projects during the year				
A. PSIDP and REREDP funded by IDA		Annex -A		
Loan extended from reflows under PSIDP (Credit No. 2995-BD)			1,078,370,000	770,846,000
Loan extended from reflows under REREDP (Credit No. 3679-BD)			307,200,000	177,000,000
Sub Total			1,385,570,000	947,846,000
B. REREDP-II funded by IDA (Credit # 5158)		Annex - B		
a) Refinancing to Partner Organizations (POs)			2,245,903,888	5,061,378,124
b) Loan to other renewable projects			109,698,035	19,047,819
Sub Total			2,355,601,923	5,080,425,943
C. Additional REREDP-II funded by IDA (Credit # 5514)		Annex-C		
Refinancing to Participating Organizations (POs)			1,068,454,477	-
Loan to other renewable energy projects			-	-
Sub Total			1,068,454,477	-
D. PPIDF funded by ADB (Loan No. 2453-BAN)		Annex-D		
Refinancing to POs under Renewable Energy Project (REP)			-	-
Sub Total			-	-
E. PPIDF funded by ADB (Loan No. 2454-BAN)		Annex-D		
Loan to large infrastructure projects (LIP)			4,042,080,000	595,980,000
Sub Total			4,042,080,000	595,980,000
F. REDP funded by JICA (Loan# BD-P75)		Annex-E		
Refinancing to Participating Organizations (POs)			2,318,660,128	2,947,044,919
Sub Total			2,318,660,128	2,947,044,919
Grand Total			11,170,366,528	9,571,296,862

		Notes	Amount in Taka	
			30.06.2015	30.06.2014
8	**Fixed assets including land, building, furniture and fixtures**			
	Cost			
	Opening balance on 1 July		99,794,962	82,916,269
	Add: Purchased during the year		31,845,148	20,283,127
	Less: Disposal during the year		(4,440,550)	(3,404,434)
	Closing balance on 30 June		127,199,560	99,794,962
	Depreciation			
	Opening balance on 1 July		49,171,430	41,364,864
	Add: Charged during the year		14,701,419	10,855,548
	Less: Adjustment during the year		(3,572,801)	(3,048,982)
	Accumulated balance on 30 June		60,300,048	49,171,430
	Written Down Value		**66,899,512**	**50,623,532**

* During FY 2013-2014, the amount of asset reported under the head "Computer & Computer Equipment was stated properly. However, the accumulated depreciation under this category included an amount of BDT 849,734 which was supposed to be charged against Other Office Equipment head. This issue has been addressed and accordingly rearranged under the category of accumulated depreciation for Other Office Equipment head for the current fiscal year.

Details of fixed assets are given in **Annexure -G**

9	**OTHER ASSETS**			
	Advances, deposits and prepayments	9.1	108,261,619	85,106,386
	Advance income tax	9.2	2,299,872,796	879,593,498
	Accounts receivables	9.3	324,049,863	277,245,529
	Deferred Tax Asset	9.4	3,429,796	31,452,105
	Deferred expenses	9.5	-	66,666
			2,735,614,075	**1,273,464,184**
9.1	Advances, deposits and prepayments			
	Advance:			
	Advance for SHS project		2,967,387	9,202,132
	Advance NDBMP project expense		23,633,746	14,186,099
	Advance under PUREP		177,220	-
	Advance for other RE projects		68,458	-
	Advance subsidy- NDBMP		54,255,938	47,429,999
	Book for project finance course		845,490	845,490
	Directors remuneration		5,000	5,000
	ELIB project expenses		1,392,712	2,864,819
	Rental advance		10,478,625	7,300,000
	Salary advance		7,001	30,491
	Training expenses/travelling advances		14,430,042	3,242,356
			108,261,619	85,106,386
9.2	Advance income tax			
	Opening balance		879,593,498	1,567,404,019
	Add: Advance tax (Including TDS) paid during the year		1,437,352,251	1,109,208,636
	Less: Adjustment with Provision for Tax		(17,072,953)	(1,797,019,157)
			2,299,872,796	879,593,498

		Notes	Amount in Taka	
			30.06.2015	30.06.2014
9.3	Accounts receivables			
	Administration fees under renewable energy projects		13,313,372	798,529
	Fees and other receivable from infra. Project		16,766,173	3,787,886
	Fees and other receivable from advisory services		22,500	-
	Interest receivable on fixed deposit (FDR)		258,636,846	229,087,032
	Others		17,677,528	13,401,366
	Receivable under RE projects		17,152,022	30,155,716
	Training fees		15,000	15,000
	Receivable under REP-RO	9.3.1	466,422	-
			324,049,863	**277,245,529**
9.3.1	Receivable under REP -Regional Office (RO)			
	Receivable under REP-Barguna		28,109	-
	Receivable under REP-Brahmanbaria		29,857	-
	Receivable under REP-Bogra		27,650	-
	Receivable under REP- Barisal		38,530	-
	Receivable under REP-Chittagong		48,023	-
	Receivable under REP-Dhaka		37,878	-
	Receivable under REP-Dhaka-Biogas		26,686	-
	Receivable under REP-Faridpur		30,301	-
	Receivable under REP-Khulna		28,897	-
	Receivable under REP-Laxmipur		45,006	-
	Receivable under REP-Mymensingh		36,349	-
	Receivable under REP-Rangpur		26,519	-
	Receivable under REP-Sunamgonj		62,617	-
			466,422	-
9.4	Deferred tax			
	Opening balance		31,452,105	41,404,748
	Provision/(reversal) during the year		(28,022,309)	(9,952,643)
	Closing balance	Annex-F	3,429,796	31,452,105
9.5	Deferred expenses			
	Furnishing grants		-	66,666
			-	66,666
10	**Borrowings from other banks, financial institutions and agents**			
	Inside Bangladesh			
	Unsecured long-term loans from the Government of Bangladesh			
	IDA financing under PSIDP- (Credit# 2995) (Rearranged)*	10.1	5,635,561,863	4,557,191,863
	IDA financing under REREDP (Rearranged)*	10.2	25,810,949,235	22,271,000,486
	ADB financing under PPIDF (Loan # 2353, 2454, 3045 & 3046)	10.3	13,498,970,048	8,372,425,256
	IDB financing under REP (Credit # 151)	10.4	1,177,438,548	1,261,451,198
	KfW financing under NDBMP (Credit # 2006.65.612)	10.5	259,879,471	259,879,471
	JICA financing under REDP (Credit # P 75)	10.6	6,340,068,838	5,015,765,990
			52,722,868,002	41,737,714,264
	Outside Bangladesh		-	-
			52,722,868,002	**41,737,714,264**

*In last year, Borrowings from other Banks & FIs included an amount of BDT 313,872,915 inadvertently reported as borrowings under "IDA financing under PSIDP- (Credit# 2995) which has been rearranged under "IDA financing under REREDP" in the current year.

		Notes	Amount in Taka	
			30.06.2015	30.06.2014

Abbreviations

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

10.1	IDA financing under PSIDP (Credit # 2995)			
	Balance at July 1 (Rearranged)		4,557,191,863	4,246,191,863
	Add: Drawdown made during the year		1,078,370,000	311,000,000
			5,635,561,863	4,557,191,863
	Less: Repayment made during the year		-	-
	Balance at June 30		5,635,561,863	4,557,191,863
10.2	IDA financing under REREDP			
	IDA credit # 4643	10.2a	5,553,666,873	5,744,974,525
	IDA credit # 3679 (Rearranged)	10.2b	1,807,158,378	1,499,958,378
	IDA credit # 5013	10.2c	9,270,489,433	9,270,489,433
	IDA credit # 5158	10.2d	8,111,180,075	5,755,578,151
	IDA credit # 5514	10.2e	1,068,454,477	-
			25,810,949,235	22,271,000,486
10.2a	IDA credit # 4643			
	Balance at July 1		5,744,974,525	5,744,974,525
	Add: Drawdown made during the year		-	-
			5,744,974,525	5,744,974,525
	Less: Repayment made during the year		191,307,652	-
	Balance at June 30		5,553,666,873	5,744,974,525
10.2b	IDA credit # 3679			
	Balance at July 1 (rearranged)		1,499,958,378	1,322,958,378
	Add: Drawdown made during the year		307,200,000	177,000,000
			1,807,158,378	1,499,958,378
	Less: Repayment made during the year		-	-
	Balance at June 30		1,807,158,378	1,499,958,378
10.2c	IDA credit # 5013			
	Balance at July 1		9,270,489,433	9,270,489,433
	Add: Drawdown made during the year		-	-
			9,270,489,433	9,270,489,433
	Less: Repayment made during the year		-	-
	Balance at June 30		9,270,489,433	9,270,489,433
10.2d	IDA credit # 5158			
	Balance at July 1		5,755,578,151	656,388,576
	Add: Drawdown made during the year		2,355,601,924	5,099,189,575
			8,111,180,075	5,755,578,151
	Less: Repayment made during the year		-	-
	Balance at June 30		8,111,180,075	5,755,578,151

		Notes	Amount in Taka	
			30.06.2015	30.06.2014
10.2e	GoB Loan_RERED-II (AF)-IDA 5514			
	Balance at July 1		-	-
	Add: Drawdown made during the year		1,068,454,477	-
			1,068,454,477	-
	Less: Repayment made during the year		-	
	Balance at June 30		1,068,454,477	-
10.3	ADB financing under PPIDF (Loan # 2453 & 2454)			
	ADB credit # 2453 -REP	10.3a	5,733,442,481	5,733,442,481
	ADB credit # 2453 -SMIP	10.3b	345,249,165	345,249,165
	ADB credit # 2454 -LIP	10.3c	6,175,328,402	2,293,733,610
	ADB credit # 3045 -OCR	10.3d	1,167,150,000	-
	ADB credit # 3046 -SF	10.3e	77,800,000	-
			13,498,970,048	8,372,425,256
10.3a	ADB credit # 2453 -REP			
	Balance at July 1		5,733,442,481	5,733,444,345
	Add: Drawdown made during the year		-	-
			5,733,442,481	5,733,444,345
	Less: Repayment made during the year		-	1,864
	Balance at June 30		5,733,442,481	5,733,442,481
10.3b	ADB credit # 2453 -SMIP			
	Balance at July 1		345,249,165	345,250,000
	Add: Drawdown made during the year		-	-
			345,249,165	345,250,000
	Less: Repayment made during the year		-	835
	Balance at June 30		345,249,165	345,249,165
10.3c	ADB credit # 2454 -LIP			
	Balance at July 1		2,293,733,610	1,734,494,000
	Add: Drawdown made during the year		4,051,419,254	595,980,000
			6,345,152,864	2,330,474,000
	Less: Repayment made during the year		169,824,462	35,107,047
	Less: Fair value adjustment		-	1,633,343
	Balance at June 30		6,175,328,402	2,293,733,610
10.3d	ADB credit # 3045 -OCR			
	Balance at July 1		-	-
	Add: Drawdown made during the year		1,167,150,000	-
			1,167,150,000	-
	Less: Repayment made during the year		-	-
	Balance at June 30		1,167,150,000	-
10.3e	ADB credit # 3046 -SF			
	Balance at July 1		-	-
	Add: Drawdown made during the year		77,800,000	-
			77,800,000	-
	Less: Repayment made during the year		-	-
	Balance at June 30		77,800,000	-

		Notes	Amount in Taka	
			30.06.2015	30.06.2014
10.4	IDB financing under REP (Credit # 151)			
	Balance at July 1		1,261,451,198	1,264,094,948
	Add: Drawdown made during the year		-	-
			1,261,451,198	1,264,094,948
	Less: Repayment made during the year		84,012,650	-
	Less: Fair value adjustment		-	2,643,750
	Balance at June 30		1,177,438,548	1,261,451,198
10.5	KfW financing under NDBMP (Credit # 2006.65.612)			
	Balance at July 1		259,879,471	249,067,040
	Add: Drawdown made during the year		-	10,812,430
			259,879,471	259,879,471
	Less: Repayment made during the year		-	-
	Balance at June 30		259,879,471	259,879,471
10.6	JICA financing under REDP (Credit # P 75)			
	Balance at July 1		5,015,765,990	1,073,280,000
	Add: Drawdown made during the year		1,478,978,557	3,942,485,990
			6,494,744,548	5,015,765,990
	Less: Repayment made during the year		154,675,710	-
	Balance at June 30		6,340,068,838	5,015,765,990
10.7	Maturity-wise grouping			
	Upto one month		-	-
	More than one month but less than three months		107,450,714	36,240,991
	More than three months but less than six months		337,154,320	80,082,303
	More than six months but less than one year		829,043,233	549,214,886
	More than one year but less than five years		13,297,656,126	9,211,692,994
	More than five years but less than ten years		16,637,821,209	12,736,350,061
	More than ten years		21,513,742,400	19,124,133,030
			52,722,868,003	41,737,714,264
11	**OTHER LIABILITIES**			
	Payable and accrued expenses	11.1	1,003,230,951	1,197,428,166
	Provision for income tax	31	2,259,032,151	1,159,288,086
	Employees' gratuity fund	11.2	8,070,108	12,769,156
	Interest suspense account	11.3	265,676,275	67,294,093
	Provision for loans and advances	30	758,029,711	541,474,347
	Grant assets received from donors	11.4	35,515,702	21,207,017
	Unearned Revenue- Monitoring Fees- MPL		533,319	-
	Dividend payable		160,000,000	-
			4,490,088,217	**2,999,460,866**

		Notes	Amount in Taka	
			30.06.2015	30.06.2014
11.1	Payable and accrued expenses			
	Interest payable to GoB	11.1a	307,085,638	347,832,984
	REREDP PO's deposit (Loan # 3679)		79,842,511	129,998,238
	Initial deposit under REREDP (Loan # IDA - 5013 and 5158)		134,177,709	666,543,248
	Security deposit from POs under NDBMP project		19,436,999	23,505,281
	Other miscellaneous		13,026,465	13,429,829
	Contribution to disaster management fund		5,035,310	15,215,280
	Income tax and VAT payable		1	57,501
	Initial deposit under REREDP (Loan # IDA 5514)		444,453,063	-
	Payable under corporate advisory service		25,048	-
	Payable to IDCOL Staff		148,207	-
	Audit fee		-	224,867
	Due diligent cost		-	114,000
	Maintenance and utilities		-	461,903
	Payable to promoters		-	45,035
			1,003,230,951	1,197,428,166
11.1a	Interest payable to GoB			
	Interest payable to GoB - PPIDF (Credit # 2453 & 2454)	11.1a.1	109,059,551	94,852,911
	Interest payable to GoB - REREDP	11.1a.2	131,999,399	107,406,264
	Interest payable to GoB - IDB (Credit # 151)		1,569,920	111,221,072
	Interest payable to GoB - JICA (Credit # P 75)		52,317,554	34,352,737
	Interest payable to GoB - OCR & SF (Credit # 3045)		5,138,849	-
	Commitment Charge payable and others		7,000,365	-
			307,085,638	347,832,984
11.1a.1	Interest payable to GoB - PPIDF (Credit # 2453 & 2454)			
	Payable against Credit # 2453 -SMIP		5,178,745	5,130,799
	Payable against Credit # 2453 -REP		79,224,482	78,491,080
	Payable against Credit # 2454 -LIP		24,656,324	11,231,032
			109,059,551	94,852,911
11.1a.2	Interest payable to GoB - REREDP			
	Payable against Credit # 4643		20,826,257	22,501,717
	Payable against Credit #5013		34,764,335	36,309,417
	Payable against Credit # 5158		74,944,688	48,595,130
	Payable against Credit # 5514		1,464,119	-
			131,999,399	107,406,264
11.2	Employees' gratuity fund			
	Balance at July 1		12,769,156	6,265,118
	Add: Provision made during the year		8,070,108	6,710,861
			20,839,264	12,975,979
	Less:			
	Settlement made during the year		247,850	206,823
	Transfer to BoT		12,521,306	-
			12,769,156	206,823
			8,070,108	12,769,156
11.3	Interest suspense account			
	Balance as on 1 July		67,294,093	93,936,683
	Add: Amount transferred to "Interest Suspense" A/c during the year		365,038,417	29,712,588
			432,332,510	123,649,271
	Less: Transferred to Income during the year		(166,656,236)	(56,355,178)
	Amount waived/written off during the year		-	-
			265,676,275	67,294,093

		Notes	Amount in Taka	
			30.06.2015	30.06.2014
11.4	Grant assets received from donors			
	Balance as on 1 July (Written Down Value)		21,207,017	14,460,023
	Add: Assets received during the year		23,264,888	12,448,170
			44,471,905	26,908,193
	Less: Amortization/disposal made during the year		(8,956,203)	(5,701,176)
			35,515,702	21,207,017
	Donor Wise disclosures of cumulative grant assets			
	Grant assets received from:			
	The World Bank		53,367,677	31,150,804
	KFW-NDBMP		1,221,623	962,023
	SNV - Netherlands Development Organization		4,125,239	5,708,753
	Total value at cost (a)		58,714,539	37,821,580
	Accumulated amortization:			
	The World Bank		19,899,593	12,471,340
	KfW-NDBMP		526,436	280,421
	SNV - Netherlands Development Organization		2,772,808	3,862,802
	Total amortization (b)		23,198,837	16,614,563
	Written down value (a - b)		35,515,702	21,207,017
12	**Paid-up Capital**			
	Authorized capital:			
	50,000,000 Ordinary shares @ Tk. 100 each		5,000,000,000	5,000,000,000
	Issued, subscribed and paid-up capital			
	38,500,000 shares @ Taka 100 each		3,850,000,000	2,600,000,000

Detail of shareholding position of the company

Name of shareholders	No. of shares as on 30 June 2015	No. of shares as on 30 June 2014	Paid up capital as on 30 June 2015	Paid up capital as on 30 June 2014
Economic Relations Division (ERD), Ministry of Finance, Government of the People's Republic of Bangladesh	38,499,000	25,999,000	3,849,900,000	2,599,900,000
Mohammad Mejbahuddin	550	550	55,000	55,000
Dr. Nasiruddin Ahmed	50	50	5,000	5,000
Md. Mozammel Haque Khan	50	50	5,000	5,000
Ghulam Hussain	50	50	5,000	5,000
Nazrul Islam Khan	50	50	5,000	5,000
Nihad Kabir	50	50	5,000	5,000
Monowar Islam ndc	50	50	5,000	5,000
Abdul Haque	50	50	5,000	5,000
Waliur Rahman Bhuiyan	10	10	1,000	1,000
Mahmood Malik	40	40	4,000	4,000
Mahbub Ahmed	50	-	5,000	-
Fazle Kabir ndc	-	50	-	5,000
	38,500,000	**26,000,000**	**3,850,000,000**	**2,600,000,000**

		Notes	Amount in Taka	
			2014-15	2013-14
13	**Income Statement**			
	Income			
	Interest and similar income (Note-14)		3,902,226,746	3,577,189,374
	Investment income (Note-16)		-	47,850,000
	Fees and commission (Note-17)		156,001,094	170,536,115
	Other Operating income (Note-18)		38,879,493	74,053,692
			4,097,107,333	**3,869,629,181**
	Expenses			
	Interest on deposits and borrowings (Note-15)		1,271,963,507	1,043,726,172
	Administrative expenses (Note-19-26)		82,273,405	58,395,420
	Other Operating expenses (Note-28)		72,650,707	65,722,612
	Depriciation on Assets (Note-27)		14,701,419	10,855,548
			1,441,589,038	**1,178,699,752**
			2,655,518,295	**2,690,929,429**
14	**Interest Income**			
	Interest on loans and advances	14.1	2,271,981,894	2,219,276,643
	Interest on balance with other banks & financial institutes	14.2	1,630,244,852	1,357,912,731
			3,902,226,746	**3,577,189,374**
14.1	Interest on loans and advances			
	Interest on infrastructure loan		459,658,848	474,931,665
	Interest on Renewable Energy Project loan	14.1.1	1,811,225,750	1,744,215,590
	Interest on bridge financing		707,121	-
	Interest on employee car loan		390,175	129,388
			2,271,981,894	2,219,276,643
14.1.1	Interest on Renewable Energy Project loan			
	Solar Home System project		1,732,152,075	1,725,601,717
	Biogas project		19,042,371	14,295,425
	Other renewable energy project		60,031,304	4,318,448
			1,811,225,750	1,744,215,590
14.2	Interest on balance with other bank & Fis			
	Interest on short term bank deposit		17,654,862	32,089,812
	Interest on fixed deposit		1,598,870,379	1,313,636,566
	Interest on call money lending		13,719,611	12,186,353
			1,630,244,852	1,357,912,731
15	**Interest on deposits, borrowings etc.**			
	Borrowing cost under REREDP	15.1	696,497,430	582,218,150
	Borrowing cost under PPIDF	15.2	375,422,548	363,674,770
	Borrowing cost under IDB (Credit # 151)		37,620,029	23,116,379
	Borrowing cost under JICA (Credit # P 75)		162,423,500	74,716,873
			1,271,963,507	**1,043,726,172**
15.1	Borrowing cost under REREDP			
	Interest against Credit # 4643		174,016,515	174,747,340
	Interest against Credit #5013		281,977,386	282,038,232
	Interest against Credit # 5158		235,693,901	125,432,578
	Interest against Credit # 5154		4,809,628	-
			696,497,430	582,218,150

		Notes	Amount in Taka	
			2014-15	2013-14
15.2	Borrowing cost under PPIDF			
	Borrowing cost under PPIDF (Credit # 2453 & 2454)	15.2.1	356,900,975	363,674,770
	Borrowing cost under PPIDF II (Credit # 3045 & 3046)	15.2.2	18,521,573	-
			375,422,548	363,674,770
15.2.1	Borrowing cost under PPIDF (Credit # 2453 & 2454)			
	Interest against Credit # 2453 -SMIP		17,502,215	17,502,258
	Interest against Credit # 2453 -REP		267,747,654	309,768,883
	Interest against Credit # 2454 -LIP		71,651,106	36,403,629
			356,900,975	363,674,770
15.2.2	Borrowing cost under PPIDF II (Credit # 3045 & 3046)			
	Interest against Credit # 3045 - OCR		6,189,016	-
	Interest against Credit # 3046 -SF		317,683	-
	Commitment charge against Credit # 3045 - OCR		12,014,874	-
			18,521,573	-
16	**Investment income**			
	Orascom Telecom Bond		-	47,850,000
			-	**47,850,000**
17	**Fees, Commission & Brokerage**			
	Fees income from renewable energy project	17.1	38,854,696	52,501,703
	Fees income from Infra project	17.2	110,530,689	110,045,709
	Income from advisory services		6,615,709	7,988,703
			156,001,094	**170,536,115**
17.1	Fees income from renewable energy project			
	Fees for administering SHS program - KfW		-	-
	Fees for administering SHS program - GIZ		383,142	7,162,799
	Fees for administering SHS program - ADB		-	27,883,697
	Fees for administering SHS program - DFID		24,433,256	14,002,505
	Fees for administering SHS program - REREDP II		1,011,440	-
	NDBMP administration fees - SNV and KfW		12,156,858	1,842,702
	Enlistment of RE equipment		870,000	1,610,000
			38,854,696	52,501,703
17.2	Fees income from Infra project			
	Participation & arrangement fees		2,760,000	66,285,200
	Loan application, processing & documentation fees		35,271,625	1,860,525
	Due diligence fees		11,477,500	14,084,151
	Commission income		-	2,667,459
	Commitment charges		22,577,140	8,202,388
	Waiver, cancellation & prepayment fees		25,297,140	2,277,611
	Agency & monitoring Fees		13,147,284	14,668,375
			110,530,689	110,045,709

		Notes	Amount in Taka	
			2014-15	2013-14
18	**Other operating income**			
	Exchange gain		6,922,367	954,800
	Deferred Income (Grant Income)		8,956,203	5,701,176
	Others		23,000,923	67,397,715
			38,879,493	**74,053,692**
19	**Salary and allowances**			
	Salary and allowances		55,665,762	36,333,199
	Gratuity		4,678,482	4,572,519
			60,344,244	**40,905,718**
20	**Rent, taxes, insurance and electricity**			
	Rent		1,782,938	-
	Insurance premium		786,308	552,891
	Electricity & Utilities		633,387	480,417
	Holding tax		254,914	658,848
			3,457,547	**1,692,156**
21	**Legal expenses**			
	Professional and legal fees		351,910	170,820
			351,910	**170,820**
22	**Postage, stamp, telecommunication, etc.**			
	Postage and courier		8,134	39,192
	Telephone, Fax and E-mail		844,709	729,157
			852,843	**768,349**
23	**Stationery, printing, advertisements, etc.**			
	Printing and stationeries		1,853,768	2,365,058
	Marketing, promotion & Business dev. Exp		2,870,090	645,718
	Advertisement		971,947	1,230,819
			5,695,805	**4,241,595**
24	**Chief Executive's salary and benefits**			
	Salary		3,871,679	3,607,016
	Allowances		4,359,853	4,183,675
	Bonus		1,626,931	1,582,456
	Company's contribution to provident fund		387,166	360,702
			10,245,629	**9,733,849**
25	**Directors' fees**			
	Honorarium for attending board meetings		1,015,000	670,000
	Incidental expenses for attending meeting		152,250	100,500
			1,167,250	**770,500**

Directors' remuneration for attending each board meeting during the year was Tk. 10,000 per Director.

26	**Auditors' fees**		158,177	112,434
			158,177	**112,434**

		Notes	Amount in Taka	
			2014-15	2013-14
27	**Depreciation and repair of Company's assets**			
	Office space		548,501	609,446
	Furniture, fixture and decoration		398,602	381,936
	Interior decoration at UTC building		2,022,662	1,847,211
	Computer & computer equipment		4,446,017	5,011,201
	Other office equipment		498,837	388,292
	Software		1,103,489	348,650
	Vehicle		5,683,310	2,268,812
			14,701,419	**10,855,548**
28	**Other operating expenses**			
	Repair and maintenance	28.1	3,304,288	3,438,969
	Maintenance and utility of UTC building		452,534	354,752
	Training and exposure visit		1,837,212	1,420,295
	Bank and other charge		2,174,321	1,798,929
	AGM and Other Meeting expenses		1,770,702	1,989,497
	Office supplies and maintenance		640,575	763,726
	Conveyance and travelling expense		318,797	86,956
	Seminar, workshop & roadshows		3,972,088	550,150
	Entertainment		972,613	860,796
	Books and periodicals		174,354	77,268
	Recruitment cost		110,984	26,412
	Operations and logistics		714,200	497,100
	Tution fee reimbursement		78,829	67,150
	Credit rating expenses		287,500	287,500
	Loss on disposal of fixed assets		22,302	338,852
	Corporate social responsibility		2,211,400	1,935,000.00
	Corporate advisory service expense		1,398,073	955,774
	Car Maintenance Expense		2,581,667	1,033,001
	Leave Fare Assistance		3,201,549	1,834,288
	RJSC and SEC Fees		298,407	-
	Stamps and duties		31,681	-
	IT & Automation expense		480,635	-
	Other office expenses		55,000	115,227
	Amortization expense	28.2	66,666	66,667
	IDCOL contribution under renewable energy program	28.3	45,494,330	47,224,304
			72,650,707	65,722,612
28.1	Repair and maintenance expense			
	Vehicle Repair and maintenance		822,280	1,051,411
	Vehicle fuel expense		2,482,008	2,387,558
			3,304,288	3,438,969
28.2	Amortization expense			
	Furnishing for CEO/ED		66,666	66,667
			66,666	66,667

		Notes	Amount in Taka	
			2014-15	2013-14
28.3	IDCOL contribution under renewable energy program			
	Salary and allowances	28.3.1	25,171,266	18,959,965
	Monitoring expenditure	28.3.2	171,640	5,355,376
	Regional office maintenance expenses	28.3.3	-	1,727,652
	Insurance, fees & marketing expenses	28.3.4	479,621	532,090
	Postage, stamp & telecommunication	28.3.5	1,359,009	2,532,234
	Stationery, supplies & printing	28.3.6	920,907	1,006,700
	Other operating expenses	28.3.7	12,356,577	9,950,097
	Disaster management fund under solar program		5,035,310	7,160,190
			45,494,330	47,224,304
28.3.1	Salares and allowances:			
	Salaries and allowances		21,779,640	16,821,623
	Gratuity		3,391,626	2,138,342
			25,171,266	18,959,965
28.3.2	Monitoring expenditure:			
	Physical Verification Exp. (Technical)-REP		141,640	4,921,344
	Collection Efficiency Monitoring Exp-REP		30,000	434,032
			171,640	5,355,376
28.3.3	Regional office maintenance expenses:			
	Khulna		-	119,669
	Sunamganj		-	136,038
	Chittagong		-	112,730
	Rangpur		-	166,594
	Barisal		-	198,894
	Dhaka		-	552,767
	Bogra		-	38,297
	Faridpur		-	43,529
	Brahmanbaria		-	34,091
	Barguna		-	33,594
	Laxmipur		-	163,140
	Mymenshingh		-	118,805
	Dhaka Biogas		-	9,504
			-	1,727,652
28.3.4	Insurance, fees & marketing expenses:			
	Insurance		200,744	233,628
	Audit, Consultant's fees		123,677	112,433
	Advertisement & promotion		155,200	186,029
			479,621	532,090
28.3.5	Postage, stamp & telecommunication:			
	Postage and courier		209,357	154,599
	Telephone, Fax and Internet		1,149,652	2,377,635
			1,359,009	2,532,234
28.3.6	Stationery, supplies & printing:			
	Stationeries & supplies		701,235	766,810
	Printing		219,672	239,890
			920,907	1,006,700

		Notes	Amount in Taka	
			2014-15	2013-14
28.3.7	Other operating expenses:			
	Travelling & Conveyance		562,563	1,035,429
	Entertainment		566,791	595,688
	Meeting Expenses		2,622,070	1,997,737
	Repair & Maintenance		241,042	297,971
	Training, workshop & exposure visits		1,170,547	1,709,683
	Legal and professional fees		3,220,321	3,324,227
	Operations and logistics		89,800	209,350
	Other Expenses		10,000	780,012
	Recruitment Cost-REP		37,765	-
	Books, Periodicals & Newspaper-REP		12,334	-
	Exp for special events under REP		1,888,618	-
	Research & Development-REP		813,757	-
	Leave Fair Assistance - REP		1,120,969	-
			12,356,577	9,950,097
29	**Charges on loan losses**		-	-
			-	-
30	**Provision for loans and advances**			
	Balance as on 1 July		541,474,347	455,452,228
	Add: Recoveries of amount previously written off		-	-
	Provision required and made for the year		216,555,364	86,022,119
			758,029,711	541,474,347
	Less. Written off/waived		-	-
			758,029,711	**541,474,347**
30.1	Provision for loans and advances			
	General provision		509,985,366	326,097,970
	Specific provision		248,044,345	215,376,377
			758,029,711	**541,474,347**
31	**Provision for income tax**			
	Balance at July 1		1,159,288,086	1,814,092,110
	Add: Provision made during the year		1,116,817,018	1,142,215,133
			2,276,105,104	2,956,307,243
	Less: Settlement of previous year's tax liabilities		17,072,953	1,797,019,157
			2,259,032,151	1,159,288,086
	Deferred tax expense	9.4	28,022,309	9,952,643
	Current tax expense		1,116,817,018	1,142,215,133
	Tax expenses		**1,144,839,327**	**1,152,167,776**

		Notes	Amount in Taka	
			2014-15	2013-14
32	**Earnings Per Share (EPS)**			
	Profit attributable to ordinary shareholders			
	Net profit for the year		1,294,123,604	1,452,739,534
	Ordinary shares at 01 July 2014		26,000,000	17,200,000
	Bonus shares issued		12,500,000	8,800,000
	Total number of shares at 30 June 2015		**38,500,000**	**26,000,000**
	Weighted average number of ordinary shares		**38,500,000**	**38,500,000**
	Earnings per share		**33.61**	**37.73**
33	**Consolidated movement of funds under projects**			
	Fund inflow			
	Long term loans:			
	Loan from IDA under PSIDP		6,210,400,000	6,210,400,000
	Loan from IDA under REREDP		3,715,076,936	3,714,764,503
	Loan from KfW under solar program		5,230,801	5,230,801
	Loan from KfW under NDBMP		259,879,471	259,879,471
			10,190,587,208	10,190,274,775
	Grants received for project implementation:			
	Grant from World Bank (GEF, IDA, GPOBA) under REREDP		2,738,436,435	2,534,190,490
	Grant from KfW under solar program		1,178,943,726	1,117,519,300
	Grant from GIZ under solar program		1,043,959,972	1,005,077,380
	Grant provided under JICA-REDP		112,180,796	74,836,208
	Grant provided under ADB-PPIDF		256,712,856	185,726,727
	Grant provided WB under USAID		247,792,668	194,474,129
	Grant provided WB under BCCRF		61,602,779	50,000,000
	Grant provided by DFID		899,215,381	301,982,392
	Grant received under IDA 5158 (HE)		136,801,204	89,751,812
	Grant from KfW under NDBMP		305,749,738	216,667,491
			6,981,395,555	5,770,225,929
	Principal repayment and interest received from projects:			
	Principal repaid by the projects financed under PSIDP		3,969,505,423	3,229,843,162
	Principal repaid by the projects financed under REREDP		2,901,793,963	2,386,065,556
	Interest paid by the projects financed under PSIDP		6,216,518,550	5,932,096,960
	Interest paid by the projects financed under REREDP		1,213,596,504	1,150,083,958
			14,301,414,440	12,698,089,636
	Interest from bank accounts		25,192,995	18,044,109
			31,498,590,197	28,676,634,448
	Fund outflow			
	Loans and advances:			
	Projects financed under PSIDP		6,210,400,000	6,210,400,000
	Loan to POs under REREDP		3,715,065,945	3,714,753,512
	Loan to POs under KfW funded solar program		5,230,801	5,230,801
	Loan to POs under KfW funded NDBMP		227,578,344	227,578,344
			10,158,275,090	10,157,962,657

	Notes	Amount in Taka	
		2014-15	2013-14
Grants utilized for project implementation:			
World Bank (GEF, GPOBA & IDA) grants provided to POs under REREDP		2,200,385,711	2,143,622,247
World Bank (GEF, GPOBA & IDA) grants used for project under REREDP		384,631,043	382,414,344
KfW grants provided to POs under solar program		954,587,290	893,229,503
KfW grants used for project under solar program		210,758,222	210,758,222
GIZ grants provided to POs under solar program		898,001,844	861,414,034
GIZ grants used for project under solar program		147,676,979	147,293,837
ADB grants provided to POs under PPIDF		201,917,025	155,915,724
ADB grants used for project under PPIDF		54,845,950	29,637,042
JICA grants used for project under REDP		111,376,047	50,804,241
USAID grants provided to POs under REREDP		202,137,844	191,723,606
USAID grants used for project under REREDP		217,141	-
BCCRF grants provided to sponsors under REREDP		9,518,337	-
BCCRF grants used for project under REREDP		4,845,735	-
DFID grants provided to POs under RE		860,465,489	287,977,000
DFID grants used for project under RE		39,211,628	14,002,505
Grants provided to POs under IDA 5158 (HE)		55,913,752	25,141,808
Grants used for project under IDA 5158 (HE)		205,892,149	17,625,636
KfW grants provided to POs under NDBMP		257,367,200	180,245,700
KfW grants used for project under NDBMP		102,134,529	73,932,496
		6,901,883,916	5,665,737,945
On lending by IDCOL from reflows:			
Projects financed from reflows under PSIDP		6,280,520,208	5,202,150,208
Projects financed from reflows under REREDP		1,807,158,378	1,499,958,378
		8,087,678,585	6,702,108,585
Debt service of IDA loans		2,265,455,883	2,043,000,996
Refund, tax and charges		31,399,138	24,603,147
Balance at bank		4,053,897,585	4,083,221,118
		31,498,590,197	28,676,634,448

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

33.2 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 program.

33.3 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.

	Notes	Amount in Taka	
		2014-15	2013-14

33.4 **Disclosure for balance at bank accounts maintained under projects**

Bd. Bank Repayment account in USD under IDA Credit# 2995-BD	2,107,265,863	2,259,845,156
Bd. Bank Repayment account in BDT under IDA Credit# 2995-BD	20,523	20,460
Janata Bank CONTASA account # 36002116 under GPOBA grants	749,839	9,375,888
Bd. Bank Repayment A/c in BDT under IDA Credit# 3679-BD	1,843,079,159	1,693,114,438
Janata Bank EURO account # 208 under KfW fund for solar program	9,732	10,171
City Bank BDT account # 31001069 under KfW fund for solar program	509,024	162,518
City Bank BDT account # 31001038 under GIZ fund for solar program	3,692,993	-
Janata Bank CONTASA account # 36002256 under IDA 5158 (HE)	28,514,705	48,030,617
Janata Bank CONTASA account # 36002264 under ADB Grant (SF)	5,361	237,238
Agrani Bank CONTASA account # 373 under JICA-REDP	1,022,076	24,713,054
Ruplai Bank CONTASA account # 240000416 under USAID	45,437,683	3,046,223
Agrani Bank CONTASA account # 3791 under DFID	3,385,297	2,887
Agrani Bank CONTASA account # 0200002715167 under BCCRF	48,451,525	49,999,425
City Bank BDT account # 3101001984003 under NDBMP	38,226,266	(5,337,319)
Janata Bank CONTASA account # 36002272 under ADB Grant (EF)	-	361
	4,120,370,044	**4,083,221,116**

33.5 In consolidated movement of funds, amounts are cumulative and foreign currencies (USD and EURO) are converted into equivalent Bangladesh Taka applying exchange rates of BDT 77.80/USD and BDT 86.63/EURO prevailing at June 30, 2015.

33.6 General

a) Figures in these notes and the accompanying financial statements have been rounded off to the nearest Taka.

b) Previous year's figures have been rearranged, where necessary, to conform to current year's presentation.

c) Cash flow statement rearranged, due to reclasification of loans and advances to operating activities from investing activities.

For Infrastructure Development Company Limited

Company Secretary **Executive Director & CEO** **Director** **Director** **Chairman**

Annexure-A

Infrastructure Development Company Limited

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

for the year ended 30 June 2015

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

Name of Sponsor/POs	Project	Amount in Taka	
		2014- 2015	2013- 2014
Energypac Confidence Power Venture Chittagong Limited (ECPVCL)	Power Plant	-	459,846,000
Barakatullah Electro Dynamics Limited (BEDL)	Power Plant	-	311,000,000
Summit Meghnaghat Power Company Ltd.	Power Plant	621,120,000	459,846,000
Bangla Trac Comm. Ltd. WC	Telecommunication	457,250,000	311,000,000
Sub Total (a)		**1,078,370,000**	**770,846,000**

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

Name of Sponsor/POs	Project	Amount in Taka	
		2014- 2015	2013- 2014
RREL Contract Finance	Minigrid	100,000,000	-
NDBMP Refinancing	IDCOL Biogas Program	207,200,000	177,000,000
Sub Total (b)		**307,200,000**	**177,000,000**
Grand Total (a +b)		**1,385,570,000**	**947,846,000**

Annexure-B

Infrastructure Development Company Limited

Schedule of Loan disbursement from REREDP- II project

Funded by IDA (Credit # 5158)

for the year ended 30 June 2015

(A) Loan under SHS Program (Cat-1)

SL#	Name of Participating Organizations	Amount in Taka			
		2014 - 2015		2013 - 2014	
		SHS (Units)	Amount	SHS (Units)	Amount
1	Assiciation for Development Activity of Manifold Social Work	327	4,250,058	955	13,448,563
2	Al-Falah Aam Unnayan Sangstha	433	8,235,896	1,090	22,510,972
3	Atmabiswas Souro Shakti Ltd	770	10,880,799	1,086	14,515,495
4	AVA Development Society	9,035	89,987,196	17,150	196,956,259
5	Bright Green Energy Foundation	13,537	139,199,747	15,973	179,237,900
6	Bengal Renewable Energy Limied	5,225	60,045,674	5,440	66,035,438
7	Bangladesh Rural Integrated Development for Grub-Street Economy	-	-	2,345	25,664,947
8	Clean Energy Foundation	636	6,784,999	252	2,623,546
9	Centre For Mass Education in Science	396	6,312,492	447	8,252,819
10	DESHA	2,785	31,174,521	3,942	46,469,320
11	Friends in Village Development	129	1,456,733	572	7,151,580
12	Green Housing & Energy Limited	366	3,676,650	2,723	33,499,514
13	Grameen Shakti	56,978	605,147,723	166,749	1,940,936,647
14	Hamko Corporation Limited	2,054	22,241,916	1,092	12,134,674
15	Hilful Fuzul Samaj Kalyan Sangstha	5,022	49,224,809	24,647	264,270,129
16	Integrated Development Foundation	6,768	60,735,019	9,367	99,626,494
17	Ingen Technology Ltd.	1,577	21,183,995	1,901	24,964,763
18	Jagorani Chakra Foundation	906	10,569,983	2,685	33,385,033
19	MAKS Renewable energy	342	5,041,190	1,262	17,088,162
20	NUSRA	-	-	2,368	29,285,525
21	Padakhep Manbik Unnayan Kendra	865	13,320,544	1,377	19,598,009
22	PAGE Development Center	126	1,623,064	527	7,222,255
23	Patakuri Soceity	9,707	94,961,965	19,515	201,780,032
24	Pally Bikash Kendra	1,689	19,432,824	1,145	14,739,356
25	Palli Daridra Bimochan Foundation	1,776	22,734,912	5,392	73,636,831
26	Polli Shakti Foundation Limited	382	4,097,741	104	1,237,207
27	Panna Rural Development Foundation	9,374	100,460,240	6,632	81,457,244
28	Resource Development Foundation	9,260	91,639,815	17,122	175,674,629
29	Rural Development Sangstha	678	9,493,816	1,102	15,596,292
30	Rural Energy and Development Initiative	2,625	29,014,846	4,855	54,441,795
31	Rimso Foundation	4,461	51,107,634	7,702	88,899,247
32	RISDA Bangladesh	6,412	60,278,179	8,322	95,039,007
33	Rural Services Foundation	20,477	210,251,702	49,355	553,064,169
34	SAIF Powertec Limited	4,596	49,915,151	3,149	39,607,774
35	Sancred Welfare Foundation	968	12,341,302	502	6,075,373
36	Samaj Unnayon Palli Sangstha	3,284	44,677,701	388	5,316,067
37	Shakti Foundation for Disadvantaged Women	1,539	17,225,619	5,516	65,661,689

SL#	Name of Participating Organizations	Amount in Taka			
		2014 - 2015		2013 - 2014	
		SHS (Units)	Amount	SHS (Units)	Amount
38	Shubashati	-	-	1,638	22,963,985
39	SolarEn Foundation	11,227	117,909,780	15,419	175,044,478
40	SRIZONY Bangladesh	-	-	9,853	110,694,520
41	Sun Home Energy Limited	1,260	13,902,434	328	3,679,429
42	SunRim Energy Limited	2,873	29,778,858	1,402	14,642,332
43	Thengamara Mahila Shabuj Shangha	3,300	33,278,183	9,217	99,548,869
44	United Development Initiatives for Programmed Actions	679	8,951,465	1,422	19,410,776
45	Upakulio Biddutayan O Mohila Unnayan Samity	6,715	73,356,713	6,629	78,288,979
	Sub Total (A)	**211,559**	**2,245,903,888**	**440,659**	**5,061,378,124**

(B) Loan to other RE Projects (Cat-1)

SL #	Name of sponsors	Plants	Taka	Plants	Taka
1	Servivor's Sancred Solar System Ltd	2	2,044,980	8	6,757,163
2	GHEL-Irrigation	18	15,087,479	3	2,259,300
3	Global Resource Augmentation and Management	11	4,527,119	2	1,016,012
4	GHEL Minigrid	0	3,221,115	1	9,015,344
5	Hydron Bangladesh Pvt. Ltd.	1	17,338,927	-	-
6	Souro Bangla Ltd.	1	18,114,292	-	-
7	Mazand Consortium Ltd.	5	10,004,660	-	-
8	Zubaida Poultry Ltd	1	2,365,794	-	-
9	Samaj Unnayon Palli Sangstha	3	2,661,330	-	-
10	Kazi & Kazi Tea Estate Ltd.	1	10,906,370	-	-
11	Rahimafrooz Renewable Energy Ltd. (RREL)	3	3,290,770	-	-
12	Solar Electro Bangladesh Ltd. (SEBL)	1	14,691,667	-	-
13	AVA Solar Minigrid	1	5,443,532	-	-
	Sub Total (B)	**48**	**109,698,035**	**14**	**19,047,819**
	Grand Total (A+B)		**2,355,601,923**		**5,080,425,943**

Refinancing to Participating Organizations (POs)

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

Loan to other renewable projects

This represents the amount extended under for financing of Solar PV based small scaled power plants and irrigation pumps under Remote Area Power Supply System. During the period, IDCOL has financed a 141-kW solar photovoltaic (PV) based mini grid project implemented by Hydron Bangladesh Pvt. Ltd. located at Bagha Upozila, Rajshahi; a 141-kW solar photovoltaic (PV) based mini grid project implemented by Souro Bangla Ltd. located at Raipur Upozila Narshingdi; a 177-kW solar photovoltaic (PV) based mini grid project implemented by Solar Electro Bangladesh Pvt. Ltd. located at Monpura, Vola; a 148.5-kW solar photovoltaic (PV) based mini grid project implemented by AVA Development Society located at Godagari, Rajshahi; 2 bioelectricity plant of Zubaida Poultry Ltd. and Kazi & Kazi Tea Estate Ltd.; and 42 solar PV based irrigation pumps of Servivor's Sancred Solar System Ltd.,Green Housing Energy Ltd.,Global Resource Augmentation and Management,Mazand Consortium Ltd.Samaj Unnayon Palli Sangstha (SDRS) and Rahimafrooz Renewable Energy Ltd. (RREL).

Annexure-C

Infrastructure Development Company Limited

Schedule of Loan disbursement from Additional REREDP- II project Funded by IDA (Credit # 5514)

for the year ended 30 June 2015

(A) Loan under SHS Program (Cat-1)

SL#	Name of Participating Organizations	Amount in Taka			
		2014 - 2015		2013 - 2014	
		SHS (Units)	Amount	SHS (Units)	Amount
1	Assiciation for Development Activity of Manifold Social Work	-	-	-	-
2	Al-Falah Aam Unnayan Sangstha	-	-	-	-
3	Atmabiswas Souro Shakti Ltd	46	612,012	-	-
4	AVA Development Society	6,367	69,722,488	-	-
5	Bright Green Energy Foundation	4,580	45,555,112	-	-
6	Bangladesh Rural Integrated Development for Grub-Street Economy	-	-	-	-
7	Bengal Renewable Energy Limited	-	-	-	-
8	Clean Energy Foundation	582	5,851,729	-	-
9	Centre For Mass Education in Science	486	8,229,632	-	-
10	DESHA	1,544	19,740,227	-	-
11	Friends in Village Development	335	3,602,754	-	-
12	Green Housing & Energy Limited	1,906	21,869,384	-	-
13	Grameen Shakti	37,684	441,242,545	-	-
14	Hamko Corporation Limited	-	-	-	-
15	Hilful Fuzul Samaj Kalyan Sangstha	-	-	-	-
16	Integrated Development Foundation	3,279	35,854,495	-	-
17	Ingen Technology Ltd.	2,531	30,986,102	-	-
18	Jagorani Chakra Foundation	710	7,593,553	-	-
19	MAKS Renewable energy	178	2,262,446	-	-
20	NUSRA	1,008	11,244,408	-	-
21	Padakhep Manbik Unnayan Kendra	1,012	14,215,065	-	-
22	PAGE Development Center	436	4,991,200	-	-
23	Patakuri Soceity	4,470	45,276,176	-	-
24	Pally Bikash Kendra	1,084	11,889,792	-	-
25	Palli Daridra Bimochan Foundation	603	8,387,465	-	-
26	Polli Shakti Foundation Limited	396	4,516,318	-	-
27	Panna Rural Development Foundation	3,565	32,550,503	-	-
28	Resource Development Foundation	3,470	34,530,205	-	-
29	Rural Development Sangstha	501	6,514,208	-	-
30	Rural Energy and Development Initiative	906	8,799,341	-	-
31	Rimso Foundation	1,296	14,682,343	-	-
32	RISDA Bangladesh	2,235	19,821,265	-	-
33	Rural Services Foundation	-	-	-	-

SL#	Name of Participating Organizations	Amount in Taka			
		2014 - 2015		2013 - 2014	
		SHS (Units)	Amount	SHS (Units)	Amount
34	SAIF Powertec Limited	3,049	30,594,132	-	-
35	Sancred Welfare Foundation	778	9,816,011	-	-
36	Samaj Unnayon Palli Sangstha	1,441	18,550,928	-	-
37	Shakti Foundation for Disadvantaged Women	312	3,530,327	-	-
38	Shubashati	-	-	-	-
39	SolarEn Foundation	4,099	43,929,788	-	-
40	SRIZONY Bangladesh	-	-	-	-
41	Sun Home Energy Limited	1,449	14,845,604	-	-
42	SunRim Energy Limited	691	6,908,958	-	-
43	Thengamara Mahila Shabuj Shangha	1,922	17,614,597	-	-
44	United Development Initiatives for Programmed Actions	1,025	12,123,364	-	-
45	Upakulio Biddutayan O Mohila Unnayan Samity	-	-	-	-
	Sub Total (A)	**95,976**	**1,068,454,477**	**-**	**-**

Refinancing to Participating Organizations (POs)

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

Annexure-D

Infrastructure Development Company Limited

Schedule of Loan disbursement from PPIDF project Funded by ADB (Loan # 2453 & 2454))

for the year ended 30 June 2015

Financing under Loan # 2453 -REP

SL#	Name of Participating Organizations	Amount in Taka			
		2014 - 2015		2013 - 2014	
		SHS(Units)	Amount	SHS(Units)	Amount
		-	-	-	-
	Sub Total (a)	**-**	**-**	**-**	**-**

Under ADB's loan facility of USD 83 million, a total of 349,199 Solar Home Systems and two medium scaled infrastructure projects were financed by 30 June 2013.

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

	Name of Sponsor		Amount		Amount
1	Energypac Confidence Power Venture Chittagong Limted (ECPVCL)	-	-	-	595,980,000
2	Summit Meghnaghat Power Company Ltd.	-	1,708,080,000	-	-
3	Regent Energy and Power Ltd.	-	2,334,000,000		-
	Sub Total (b)	**-**	**4,042,080,000**	**-**	**595,980,000**

During the year, out of the total loan facility of USD 82 million, an amount of USD 22 million was disbursed to Summit Meghnaghat Power Ltd. (SMPCL) against the total loan facility of USD 30 million to set up a 305-335 dual-fuel combined cycle power plant and USD 30 million was disbursed to Regent Energy and Power Ltd. to set up a 108 MW gas based power plant.

Annexure-E

Infrastructure Development Company Limited

Schedule of Loan disbursement from RED project

Funded by JICA (Loan # BD-P 75)

for the year ended 30 June 2015

Refinancing to Participating Organizations (POs)

SL#	Name of Participating Organizations	Amount in Taka			
		2014 - 2015		2013 - 2014	
		SHS(Units)	Amount	SHS(Units)	Amount
1	ADAMS	45	565,022	1,299	17,272,552
2	AFAUS	181	3,045,944	429	8,945,468
3	Atmabiswas	623	8,488,856	1,111	13,776,083
4	AVA	6,844	64,455,026	10,520	112,083,732
5	BGEF	14,465	149,691,067	22,006	233,185,473
6	CEF	377	3,896,609	592	6,595,024
7	CMES	192	2,869,284	369	6,743,679
8	DESHA	1,609	17,491,474	3,056	33,937,835
9	FIVDB	349	3,802,331	186	2,306,646
10	GHEL	-	-	1,345	16,344,924
11	Grameen Shakti	74,745	857,121,682	69,823	771,662,232
12	Hamko	-	-	980	11,892,452
13	HFSKS	-	-	17,754	174,210,586
14	IDF	3,874	34,065,442	7,347	66,661,539
15	InGen	1,790	21,229,452	208	2,504,594
16	Jagorani	2,111	23,161,483	2,507	29,768,068
17	MAKS	396	4,749,252	-	-
18	NUSRA	1,570	17,377,188	2,024	22,787,306
19	Page	464	5,546,000	286	3,737,080
20	Padakhep	-	-	884	12,682,788
21	Patakuri	5,314	48,757,318	13,259	132,222,138
22	PBK	1,322	14,765,505	548	6,878,908
23	PDBF	2,153	26,784,889	2,775	33,148,041
24	PMUK	577	8,051,746	-	-
25	Polli Shakti	-	-	395	5,031,670
26	PRDF	6,659	65,813,923	2,926	32,816,914
27	PSFL	687	7,219,058	-	-
28	RDF	9,591	95,415,999	14,613	141,001,810
29	RDS	590	8,277,757	580	8,139,112
30	REDI	3,098	33,325,879	1,464	16,298,931
31	RIMSO	4,628	52,596,846	6,225	66,822,891

SL#	Name of Participating Organizations	Amount in Taka			
		2014 - 2015		2013 - 2014	
		SHS(Units)	Amount	SHS(Units)	Amount
32	RISDA	3,747	36,017,290	5,749	62,954,899
33	RSF	30,152	314,758,776	38,591	411,941,683
34	Saif powertec	3,823	39,164,049	548	6,223,602
35	Sancred	924	11,635,568	432	5,194,466
36	SDRS	2,484	32,764,119	316	4,431,602
37	Shakti Foundation	2,955	32,249,785	2,651	29,419,295
38	Shubashati	-	-	383	4,624,980
39	SolarEn	9,107	98,800,396	12,714	137,337,309
40	SRIZONY Bangladesh	-	-	9,151	97,118,523
41	Sun Home	608	6,204,750	1,530	19,277,324
42	SunRim	1,200	11,735,535	499	5,312,078
43	TMSS	4,829	49,808,581	5,588	56,585,210
44	UBOMUS	1,928	20,655,298	4,447	51,434,347
45	Uddipan	1,129	14,113,486	1,309	16,651,366
46	Xenergeia	3,184	33,412,500	4,358	49,079,759
Sub Total (A)		**210,324**	**2,279,885,165**	**273,777**	**2,947,044,919**

Refinancing to Participating Organizations (POs)

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

(B) Disbursement detail under Solar Irrigation program

Sl	Name of PO	Amount in Taka			
		2014 - 2015		2013 - 2014	
		Pumps (Units)	Amount (Taka)	Pumps (Units)	Amount (Taka)
1	AVA	6	5,361,003	-	-
2	RDF	20	33,413,960	-	-
Sub-total (B)		**26**	**38,774,963**	**-**	**-**
Grand Total (A+B)			**2,318,660,128**		**2,947,044,919**

This represents the amount extended for financing of solar irrigation pumps under Remote Area Power Supply System. During the period, IDCOL has financed 26 solar PV based irrigation pumps of AVA Development Society and Rural Development Foundation.

Annexure-F

Infrastructure Development Company Limited

Deferred tax assets

Particulars	Carrying amount on balance sheet date	Tax base	Taxable/ (deductible) temporary difference
	Amount in Taka		
Year: 2014-2015			
Fixed assets including land, building, furniture and fixtures	66,899,511	66,899,511	-
Gratuity provision	8,070,108	-	(8,070,108)
Provision for loans and advances	-	-	-
Total temporary difference	74,969,619	66,899,511	(8,070,108)
Applicable tax rate			42.5%
Deffered Tax Asset (see note: 9.4)			(3,429,796)
Year: 2013-2014			
Fixed assets including land, building, furniture and fixtures	50,623,532	50,623,532	-
Gratuity provision	6,710,861	-	(6,710,861)
Provision for loans and advances	-	-	-
Interest Suspense	67,294,093	-	(67,294,093)
Total temporary difference	124,628,486	50,623,532	(74,004,954)
Applicable tax rate			42.5%
Deffered Tax Asset (see note: 9.4)			(31,452,105)
Year: 2012-2013			
Fixed assets including land, building, furniture and fixtures	41,551,405	41,551,405	-
Gratuity provision	3,486,254	-	(3,486,254)
Provision for loans and advances	-	-	-
Interest Suspense	93,936,683	-	(93,936,683)
Total temporary difference	138,974,342	41,551,405	(97,422,937)
Applicable tax rate			42.5%
Deffered Tax Asset (see note: 9.4)			(41,404,748)

Annexure-G

Infrastructure Development Company Limited

Schedule of Fixed Assets

as on 30 June 2015

Amount in Taka

Name of assets	Cost				Rate	Depreciation				Adjustment for Asset Written off	Written down value as on 30 June 2015
	Balance as on 1 July 2014	Addition during the year	Disposal during the year	Balance as on 30 June 2015		Balance as on 1 July 2014	Charged during the year	Adjustments during the year	Balance as on 30 June 2015		
Office space	19,412,311	-	-	19,412,311	10%	13,927,297	548,501	-	14,475,798	-	4,936,513
Furniture, fixture and decoration	5,063,509	548,590	-	5,612,099	10%	1,626,083	398,602	-	2,024,685	-	3,587,414
Interior decoration	20,605,134	3,601,725	-	24,206,859	10%	3,980,237	2,022,662	-	6,002,899	-	18,203,960
Computer & computer equipment*	22,614,622	2,348,204	841,659	24,121,167	30%	10,072,086	4,446,017	770,975	13,747,128	-	10,374,039
Other office equipment	6,787,410	2,346,249	7,290	9,126,369	10%	4,142,517	498,837	4,522	4,636,832	-	4,489,536
Software	3,326,640	2,864,780	-	6,191,420	30%	2,513,123	1,103,489	-	3,616,612	-	2,574,808
Vehicle	21,985,336	20,135,600	3,591,601	38,529,335	20%	12,910,088	5,683,310	2,797,304	15,796,094	-	22,733,241
Balance as on 30 June 2015	**99,794,962**	**31,845,148**	**4,440,550**	**127,199,560**		**49,171,431**	**14,701,419**	**3,572,801**	**60,300,049**	**-**	**66,899,511**
Balance as on 30 June 2014	**82,916,269**	**20,283,127**	**3,404,434**	**99,794,962**		**41,364,864**	**10,855,548**	**3,048,982**	**49,171,430**	**-**	**50,623,532**

*** Donor funded Grant assets disclosure**

Name of assets	Cost				Rate	Depreciation				Adjustment for Asset Written off	Written down value as on 30 June 2015
	Balance as on 1 July 2014	Addition during the period	Disposal during the period	Balance as on 30 June 2015		Balance as on 1 July 2014	Charged during the year	Adjustments during the year	Balance as on 30 June 2015		
The World Bank											
Furniture, fixture & decoration	1,111,140	194,074	-	1,305,214	10%	219,716	108,550	-	328,266	-	976,948
Interior decoration	8,887,334	3,287,903	-	12,175,237	10%	1,688,593	1,048,664	-	2,737,258	-	9,437,979
Computer & computer equipment	16,537,445	1,917,754	788,415	17,666,784	30%	8,387,188	3,178,911	561,975	10,777,684	52,544	6,836,556
Other office equipment	2,649,036	1,687,777	-	4,336,813	10%	1,018,582	175,318	173,895	1,193,899	-	3,142,914
Software	810,113	2,864,780	-	3,674,893	30%	600,814	922,224	-	1,523,038	-	2,151,855
Vehicle	1,155,736	13,053,000	-	14,208,736	20%	556,447	2,730,458	-	3,286,905	-	10,921,831
Sub total as on 30 June 2015	**31,150,804**	**23,005,288**	**788,415**	**53,367,677**		**12,471,340**	**8,164,125**	**735,870**	**19,847,049**	**52,544**	**33,468,083**
Sub total as on 30 June 2014	**22,081,040**	**11,527,147**	**2,457,383**	**31,150,804**		**9,943,385**	**4,985,338**	**2,284,603**	**12,644,120**	**172,780**	**18,679,464**

Name of assets	Cost				Rate	Depreciation				Adjustment for Asset Written off	Written down value as on 30 June 2015
	Balance as on 1 July 2014	Addition during the period	Disposal during the period	Balance as on 30 June 2015		Balance as on 1 July 2014	Charged during the year	Adjustments during the year	Balance as on 30 June 2015		
SNV											
Furniture, fixture & decoration	2,186,670	-	-	2,186,670	10%	1,033,919	115,275	-	1,149,194	-	1,037,476
Computer & computer equipment	867,448	-	16,224	851,224	30%	676,930	61,627	9,836	722,333	6,388	122,503
Other office equipment	695,857	-	7,290	688,567	10%	550,647	17,012	4,522	560,369	2,768	125,430
Software	398,778	-	-	398,778	30%	303,032	28,724	-	331,755	-	67,023
Vehicle	1,560,000	-	1,560,000	-	20%	1,298,275	-	1,298,275	-	-	-
Sub total as on 30 June 2015	**5,708,753**	**-**	**1,583,514**	**4,125,239**		**3,862,802**	**222,638**	**1,312,633**	**2,763,652**	**9,156**	**1,352,431**
Sub total as on 30 June 2014	**6,356,836**	**-**	**648,083**	**5,708,753**		**4,065,218**	**445,667**	**534,750**	**3,976,135**	**113,333**	**1,845,951**
KfW											
Computer & computer equipment	885,216	147,000	-	1,032,216	30%	272,740	227,843	-	500,583	-	531,633
Other office equipment	76,807	112,600	-	189,407	10%	7,681	18,173	-	25,853	-	163,554
Sub total as on 30 June 2015	**962,023**	**259,600**	**-**	**1,221,623**		**280,421**	**246,015**	**-**	**526,436**	**-**	**695,187**
Sub total as on 30 June 2014	**41,000**	**921,023**	**-**	**962,023**		**10,250**	**270,171**	**-**	**280,421**	**-**	**681,602**
Sub total as on 30 June 2015	**37,821,580**	**23,264,888**	**2,371,929**	**58,714,539**		**16,614,562**	**8,632,779**	**2,048,503**	**23,137,137**	**61,700**	**35,515,702**
Sub total as on 30 June 2014	**28,478,876**	**12,448,170**	**3,105,466**	**37,821,580**		**14,018,853**	**5,701,176**	**2,819,353**	**16,900,676**	**286,113**	**21,207,017**

* During FY 2013-2014, the amount of asset reported under the head "Computer & Computer Equipment" was stated properly. However, the accumulated depreciation under this category included an amount of BDT 849,734 which was supposed to be charged against Other Office Equipment head. This issue has been addressed and accordingly rearranged under the category of accumulated depreciation for Other Office Equipment head for the current fiscal year.



Events & Achievements

A glimpse of last year's events and achievements of IDCOL

Events & Achievements

3 Million Solar Home Systems (SHS) Installation Celebration Program







IDCOL celebrated its achievement of installing 3 million solar home systems (SHS) under its renewable energy program on 5 November 2014 at Pan Pacific Sonargaon Hotel, Dhaka. The Hon'ble Prime Minister Sheikh Hasina inaugurated the program and attended a video-conference with an SHS beneficiary living on a remote island. Finance Minister Mr. Abul Maal Abdul Muhith, PM's Adviser Dr. Tawfiq-E-Elahi Chowdhury, State Minister for Power, Energy & Mineral Resources. Mr. Nasrul Hamid and World Bank's Country Director for Bangladesh, Mr. Johannes Zutt were present as special guests in the event. The celebration program was followed by a 2-day long exhibition titled "IDCOL Green Energy Expo 2014" which showcased the best practices of renewable and energy efficiency technologies in Bangladesh e.g. solar home system, solar irrigation pumps, improved cooking stoves (ICS), energy efficient brick and bio-gas plants etc. A total of 48 organizations including Banks, Non-Banking Financial Institutions (NBFIs), Microfinance Institutions (MFIs), Non-Governmental Organization (NGOs), Foreign Suppliers exhibited their renewable energy and energy efficiency products in the exhibition.

IDCOL Receives NBR Award as Country's 3rd Highest Tax paying Company



National Board of Revenue (NBR) has selected IDCOL as 3rd highest tax paying company in the country among top ten highest tax paying corporate entities. Mr. Adul Maal Abdul Muhith, M.P, Hon'ble Finance Minister, Government of People's Republic of Bangladesh handed over the crests, tax cards and certificates to Mr. Mahmood Malik, Executive Director and CEO, IDCOL on 15 September 2015 at Grand Ballroom of the Pan Pacific Sonargaon Hotel, Dhaka. The program was organized by NBR for celebrating the "National Income Tax Day" in Hotel Sonargaon Ballroom. NBR has been organizing this event very year with a view to recognizing the top tax payers.

IDCOL Solar Home System (SHS) Program Receives CDM Fund in Bangladesh



Bangladesh has become the first country to get funds from the United Nations for its fast growing solar home systems, which are not only lighting up houses in off-grid villages but also showing the world the way to a low-carbon future. The United Nations Framework Convention on Climate Change (UNFCCC) recently issued 212,482 carbon credits worth €1.91 million to IDCOL for reducing the carbon emission through replacing the use of kerosene by solar home systems. Previously 18,373 carbon credit have been issued to IDCOL by UNFCCC.

The IDCOL Solar Home System (SHS) Programme saves 179,520 tonnes of kerosene annually, cutting about 424,008 tonnes of carbon emission every year. In 2007, IDCOL signed an Emission Reduction Purchase Agreement (ERPA) with the World Bank (WB) for potential delivery of 393,203 carbon credit under its SHS program. In 2012, the Program was registered as a CDM Programme of Activities with UNFCCC. As per the agreement, the WB would buy each certified emission reduction unit for EUR 9.The CDM, a mechanism under the Kyoto Protocol, allows companies in industrialized countries to buy carbon credits from developing nations to comply with the requirements for reducing emissions.

IDCOL Wins ICMAB Best Corporate Award 2014





IDCOL won the Second Prize of the 'ICMAB Best Corporate Award 2014' in the category of "Best Corporate in the Non-Bank Financial Institution Sector'. Mr. Abul Maal Abdul Muhith, M.P, Hon'ble Finance Minister, Government of People's Republic of Bangladesh handed over the award to Mr. Mahmood Malik, Executive Director and CEO, IDCOL on 20 January 2015 at Grand Ballroom of the Pan Pacific Sonargaon Hotel, Dhaka.

Signing Ceremony with Lakhdhanavi Bangla Power Limited



IDCOL signed an agreement with Lakdhanavi Bangla Power Limited (LBPL) to extend a USD 15 million term loan to LBPL for setting up a 52.2 MW Dual Fuel Power Plant at Jangalia, Comilla. In addition to IDCOL, four other Sri Lankan lenders – National Development Bank PLC (NDB), Sampath Bank PLC (Sampath), Commercial Bank of Ceylon PLC (CBC), and Hatton National Bank PLC (HNB) will extend USD 8 million, USD 6 million, USD 3 million and USD 3 million, respectively. The power plant later commenced commercial operations from 28 December 2014.

Experience Sharing Program on Renewable Energy Activities of IDCOL for Delegation from Ethiopia







Development Bank of Ethiopia, the country's largest investor in the renewable energy sector, approached IDCOL to arrange experience sharing sessions and on-the-job training on renewable energy activities of IDCOL for a 44-member delegation team from Ethiopia in three phases. The first two groups includes professional staffs from banks and the last group includes higher officials of the bank and other collaborating organizations i.e. Ministry of Water, Irrigation and Energy, VERA International Business PLC, WASASA Microfinance. The program started on November 20, 2014 and continued till February 13, 2015. Along with receiving comprehensive training on operational, financial and technical aspects of IDCOL's renewable energy program, the delegates met several stakeholders of IDCOL renewable energy program and conducted field and factory visits to solar home system, domestic biogas plants, solar irrigation project, and solar PV and battery assembling plant.

Workshop on 'Investment in Energy Efficient Brick Manufacturing Projects'





IDCOL arranged a full-day workshop on 'Investment in Energy Efficient Brick Manufacturing Projects' on 23 April 2015 at Long Beach Suites, Dhaka. Dr. Atiur Rahman, Governor of Bangladesh Bank inaugurated the workshop as the chief guest. A total of 70 participants including officials from banks, financial institutions, government organizations, development partners and consulting farms, brick field owners, potential entrepreneurs participated in the workshop.

IDCOL Extends Support for Research and Development (R&D) Activities on Renewable Energy Activities in Bangladesh



Looking at the increasing importance of renewable energy, IDCOL is willing to support research and development (R&D) activities with a view to improving the existing renewable energy technologies as well as exploring other viable renewable energy options in Bangladesh context. IDCOL has selected 6 proposals for R&D on solar powered rickshaw van, solar powered boat, solar charging stations, DC nano grid, characterization of dye sensitized solar cell using natural dye and solar hydrogen production via water splitting using locally synthesized nanoparticles. The research will be conducted by BRAC University, United International University (UIU), Solar E Technology Australia Pty Ltd., Bangladesh Atomic Energy Commission (BAEC) and Bangladesh University of Engineering & Technology (BUET). The signing ceremony took place at IDCOL on 02 August 2015 where Mr. Mahmood Malik, Executive Director and Chief Executive Officer of IDCOL, Mr. Md. Enamul Karim Pavel, Head of Renewable Energy, IDCOL, Ms. Farzana Rahman, Unit Head (Investment), IDCOL with other officers of IDCOL were present.







Last year, IDCOL organized three training program on Project Finance and Financial Modeling. More than 82 professionals from several bank, financial institutions and private companies were trained under the programs.



Three Solar Mini-grid Projects went into commercial operation during FY 2014-2015 located at Kutubdia Island, Cox's Bazar district; Gorgori union, Rajshahi district and Paratoli Island, Narsingdi district.



IDCOL implemented a pilot project of 100 fiberglass bio-digester biogas plants in partnership with Asian Development Bank (ADB). Unlike conventional brick-cement based plants, fiberglass plants can be constructed throughout the year in minimum time, and can also be relocated. IDCOL is emphasizing on scaling up this efficient technology under its biogas program.



IDCOL signed financing agreement with Baraka Renewable Energy Ltd. (BREL) on 19 May 2015 to set up a 168 kW solar mini-grid Project to be located at Nooner Tek Island in Sonargaon of Narayanganj district. The Project is expected to supply electricity to 688 households and 19 commercial entities.



IDCOL signed financing agreement with Solargao Ltd. on 30 March 2015 to set up a 130 kW solar mini-grid Project to be located at Rupsha Island under Sirajganj Sadar Upazila. The Project is expected to supply electricity to 503 households and 111 commercial entities.



IDCOL signed financing agreement with Mazand Consortium Limited (MCL) for setting up five solar irrigation pumps. Under the Project, MCL will install four pumps in Jessore district and one pump at Jhenaidah, which is expected to provide water to 1,556 bighas of land for irrigation. Total cost of the project is BDT 25.13 crore.



IDCOL signed financing agreement with Solargao Ltd. on 19 November 2014 for setting up 4 solar irrigation pumps at Badarganj, Rangpur district. The project is expected to provide irrigation facilities to 4,110 bighas of land owned by 605 farmers.



IDCOL signed financing agreement with Mazand Consortium Ltd. (MCL) on 7 August 2014 & 15 April 2015 for setting up 21 solar irrigation pumps at Magura, Jessore and Jhenaidah districts.



IDCOL signed financing agreement with Ummi Kulsum Agro. Ltd (UKAL) on 23 October 2014 for setting up a biogas based electricity generation project at Bhuapur Upazila of Tangail district. The project is expected to produce 199 cubic meter of biogas daily to run a 25 kW generator of UKAL.



The 17th Annual General Meeting (AGM) of IDCOL was held on 24 November 2014 at The Westin Hotel Dhaka. Mr. Mohammad Mejbahuddin, Chairman, IDCOL and Secretary, Economic Relations Division presided over the meeting.



IDCOL organized a half-day workshop titled "Networking with Universities/Research Institutes for Research and Technical Support to IDCOL's RE projects" on 30 September 2014 at Surma hall in Pan Pacific Sonargaon Dhaka. 43 participants from different universities in Bangladesh participated in the event.



IDCOL signed participation agreement with 11 new Partner Organizations (POs) on 12 March 2015 to disseminate Improved Cook Stoves (ICS) in Bangladesh.



IDCOL and Centre for Energy Research (CER) of United International University (UIU) signed an agreement on 20 November, 2014 to set up a DC mini-grid project.











1. The Annual Retreat Program of IDCOL was held during 2-3 January 2015 at Hotel Ocean Paradise, Cox's Bazar;
2. Mr. Nazmul Haque, Director (Investment) and Head of Advisory, IDCOL was invited to participate at the 3rd Annual Bangladesh Investment Summit, Asia on 1 September 2015 to speak in the session titled "Overcoming hurdles and obstacles in the PPP framework";
3. Visit of DFID team to beneficiary of IDCOL Solar Home System Program;
4. IDCOL hosted an Iftar Mahfil followed by dinner on 7 July 2015 at RAOWA Convention Hall in honor of its stakeholders;
5. Visit of KfW team to IDCOL financed 141kWp solar hybrid minigrid project at Paratoli, Raipura, Narshingdi;

We Mourn



Mr. Majnu Miah



Mr. Md. Ziaur Rahman

We deeply mourn at the sudden and unexpected death of Mr. Majnu Miah, Deputy Regional Supervisor and Mr. Md. Ziaur Rahman, Training Coordinator (Regional Supervisor) under IDCOL Solar Home System Program.

Mr. Majnu Miah had suffered from an acute hemorrhagic pancreatitis and septic shock and passed away on 29 January 2015. After a few months, IDCOL lost another member of its family, Md. Ziaur Rahman, on 07 August 2015 in a tragic road accident near Mawa Ghat, Munshiganj.

IDCOL family for the eternal peace of their souls and expresses its deepest condolences to the bereaved families.

Note

Note