



Mahfel Huq & Co.
Chartered Accountants

The first registered accounting firm in independent Bangladesh

FAS FINANCE & INVESTMENT LIMITED
INDEPENDENT AUDITOR'S REPORT
AND
FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED DECEMBER 31, 2021

Members of



FAS Finance & Investment Limited

**INDEPENDENT AUDITOR'S REPORT
AND**

FINANCIAL STATEMENTS

As at and for the year ended December 31, 2021

MAHFEL HUQ & CO.

CHARTERED ACCOUNTANTS

BGIC Tower (4th Floor),

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Independent Auditor's Report to the Shareholders' of FAS Finance & Investment Limited

Report on the Audit of the consolidated and separate Financial Statements

Qualified Opinion

We have audited the consolidated financial statements of FAS Finance & Investment Limited and its subsidiary as well as the separate financial statements of FAS Finance & Investment Limited (the "Company"), which comprise the consolidated and separate balance sheet as at 31 December 2021, and along with the consolidated and separate profit and loss accounts, the consolidated and separate statement of changes in equity and the consolidated and separate cash flow statement for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, except for the effect described in the Basis for Qualified Opinion paragraph the accompanying consolidated financial statements and separate financial statements of the company give a true and fair view of the consolidated balance sheet and the separate balance sheet of the company as at 31 December 2021, and of its consolidated and separate profit and loss accounts and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), and comply with the Financial Institutions Act, 1993, the Rules and regulations issued by Bangladesh Bank, the company act 1994, and other applicable laws and regulations.

Basis for Qualified Opinion

1. According to Financial Institution Regulations 1994 and FID Circular No. 06 November, 2003 and DFID Circular No. 03, Dated: 21 June, 2020 the company should maintain Cash Reserve Ratio (CRR) at a rate of 1.5% of 'Term or Fixed Deposit', but company is not able to maintain such provision which is the violation of above rules and regulations.
2. In reference to the BSEC directive no. BSEC/CMRRCD/2009-193/217/Admin/90, dated: May 21, 2019, the directors and sponsor of the listed security must hold jointly 30% of paid-up capital. However, the directors and sponsors of the company do not hold 30% shares jointly.

Emphasis of Matter

1. The company has been incurring loss for several years and in accumulation loss was BDT – 6,808,859,449 for the year ended 31st December, 2021 and, as of that date the Company's total liabilities exceeded its total assets by BDT 4,967,787,422. In such circumstances, the newly restructured Board of Directors nominated by the Bangladesh Securities and Exchange



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Commission (BSEC) are in a process to implement multiple business plans for the revival of this company.

2. Reference to the Note no. 13 to the financial statements, Tax deducted at source amount BDT 234,913,551, VAT deducted at source amount BDT 4,700,075 which has been kept as payable has been shown at BDT 239,613,626. however, the company have not deposited the Tax deducted at source & VAT deducted at source duly in the government treasury. This is a non-compliance of Income tax ordinance, 1984.
3. As per Bangladesh Bank letter reference no. DFIM (C) 1054/10/2022-2808 dated: 29 September 2022, the shortfall of loan loss provision for classified loan stood at BDT 8,728,177,464, among which FAS finance had kept BDT 728,177,464 as loan loss provision for the year ended 31 December 2021 and the rest BDT 8,000,000,000 will be deferred from 2022 to 2029.
4. According to BSEC directive dated January 14, 2021 if any dividend remains unpaid or unclaimed for a period of three years then this fund should be transferred to the BSEC prescribe fund, no such transaction is taken place.
5. Reference to the note no. 10.00 to the financial statement the company had shown BDT 44,665,893 Under "non-financial institutions assets" as per IFRS-5 "Non-current Assets held for sale and discontinued operations". However, such asset is being treated as asset held for sale since last ten years, which is a non-compliance of International Financial Reporting Standard the IFRS 05 Non-current Assets held for Sale and Discontinued Operations requires to sold out the noncurrent asset within one year from the date of classification as "non-current asset held for sales" in addition the assets cannot be sold at book value, therefore there is significant indication of impairment as per IAS-36. The company has been overstating its assets as well as profits.
6. We physically visited a number of mortgage property against loan, which control were seized by anti- corruption commission. As a result, we are in doubt about the right to sell these properties by FAS Finance & Investment Ltd. In addition, the rent from those properties is not being collected by FAS Finance & Investment Ltd.
7. At the year-end, the current account balance with subsidiary company (FAS Capital Management Ltd.) does not agree due to unrecognized liability of BDT 3,590,663 by the company. However, in the subsequent period the company recognized the liability amounting BDT. 3,590,663.
8. During the audit, we could not confirm the share capital amount in the financial statements with Schedule-X, as the company has yet to update its annual return to the Registrar of Joint Stock Companies & Firms (RJSC).
9. Organization holds Foreign Currency for the IPO refund amounting BDT 7,469,630. The amount has not been disclosed in the Financial Statements.



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We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Emphasis of Matter Paragraph of Subsidiary

We draw your attention to the policy note.

1. According to the section 9 of the IFRS 16 (Leases), the Company shall assess whether the contract is, or contains a lease. As per section 23 and 29 of the IFRS 16, the Company shall measure the right-of-use assets and as per section 26 and 36, the Company shall measure the lease liability. However, in our audit, it reveals that the standards in this regard were not being followed.
2. With reference to note no. 6, interest income from TDR and related TDS unable to check from TDR statements due to absence of TDR statements. However, the respective financial Institution has issued balance confirmation certificate (third party confirmation).
3. Reference to the Note #19 to the financial statements, Commission Income BDT 600,000 which previous year income Non-Compliance of IFRS which has a retrospective effect as previous year Income was understated.

Key Audit Matters

Risk	Our response to the risk
Measurement of provision for loans and advances	
<p>The process for estimating the provision for loans and advances portfolio associated with credit risk is significant and complex</p> <p>For the individual analysis, these provisions consider the estimates of future business performance and the market value of collateral provided for credit transactions.</p> <p>For the collective analysis, these provisions are manually processed that deals with voluminous</p>	<p>We tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> • Tested the credit appraisal, loan disbursement procedures, monitoring and provisioning process; • Identification of loss events, including early warning and default warning indicators; • Reviewed quarterly classification of loans (CL);



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<p>databases, assumptions and calculations for the provision estimates of complex design and implementation.</p> <p>At year end of 2021 for loans and advances of BDT 2,683,842,110.</p> <p>We have focused on the following significant judgements and estimates which could give rise to material misstatement or management bias:</p> <ul style="list-style-type: none"> • Completeness and timing of recognition of loss events in accordance with criteria set out in FID circular no 08, dated 03 August 2002, FID circular no. 03, dated 03 may 2006 and FID circular no. 03 dated 29 April 2013; • For individually assessed provisions, the measurement of the provision may be dependent on the valuation of collateral, estimates of exit values and the timing of cash flows; • Provision measurement is primarily dependent upon key assumptions relating to probability of default, ability to repossess collateral and recovery rates; 	<p>Our substantive procedures in relation to the provision for loans and advances portfolio comprised the following:</p> <ul style="list-style-type: none"> • Reviewed the adequacy of the companies general and specific provisions; • Assessed the methodologies on which the provision amounts based, recalculated the provisions and tested the completeness and accuracy of the underlying information; • Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh bank guidelines.
<p>See note no. 13.1 of financial statements</p>	

Measurement of deferred tax	
<p>In 2021, the Company reports net deferred tax liabilities (DTL) amounted to BDT 58,107,408.</p> <p>Significant judgement is required in relation to deferred tax assets/liabilities as their recoverability is dependent on forecasts of future profitability over a number of years.</p>	<p>We obtained an understanding, evaluated the design and tested the operational effectiveness of the Group's key controls over the recognition and measurement of DTLs and the assumptions used in estimating the Group's future taxable income.</p> <p>We also assessed the completeness and accuracy of the data used for the estimations of future taxable income.</p> <p>We involved tax specialists to assess key assumptions, controls, recognition and measurement of DTL's.</p>



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	Finally assessed the appropriateness and presentation of disclosures against IAS 12 Income Tax.
See note no. 13.3 to the financial statements	
Interest Income on Lease, loans, and advances	
Recognition of interest income has significant and wide influence on financial statements. Recognition and measurement of interest income have been involvement of complex IT environment. We have identified recognition of interest income from loans and advances as a key audit matter because this is one of the key performance indicators of the company and therefore there is an inherent risk of fraud and error in recognition of interest by management to meet specific targets or expectations.	We tested the design and operating effectiveness of key controls over recognition and measurement of interest on loans and advances. We performed test of operating effectiveness on automated control in place to measure and recognize interest income. We have also performed substantive procedure to check whether interest income is recognized completely and accurately. We assessed the appropriateness and presentation of disclosure against relevant accounting standards and Bangladesh Bank guidelines.
See note no. 22 and 22 (a) to the financial statements	
IT systems and controls	
Our audit procedures have a focus on IT systems and controls due to the pervasive nature and complexity of the IT environment, the large volume of transactions processed in numerous locations daily and the reliance on automated and IT dependent manual controls. Our areas of audit focus included user access management, developer access to the production environment and changes to the IT environment. These are key to ensuring IT dependent and application-based controls are operating effectively.	We tested the design and operating effectiveness of the Company's IT access controls over the information systems that are critical to financial reporting. We tested IT general controls (logical access, changes management and aspects of IT operational controls). This included testing that requests for access to systems were appropriately reviewed and authorized. We tested the Company's periodic review of access rights and reviewed requests of changes to systems for appropriate approval and authorization. We considered the control environment relating



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	to various interfaces, configuration and other application layer controls identified as key to us audit.
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Other matter

In 2019 the company had faced loan scams which had caused the company to suffer huge losses, afterwards in 2021 to protect investors' interest; the BSEC had nominated five independent directors who are in a process to implement multiple business plans for the revival of this company.

Other Information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditor's report thereon. We have not been provided the Director's report and other information contained within the annual report except the financial statements to the date of our auditor's report. We expect to obtain the remaining reports of the Annual report the date of our auditor's report. Management is responsible for the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Our opinion on the financial statements does not cover other information and we do not express any form of assurance conclusion thereon.

Responsibilities of Management and Those Charged with Governance for the consolidated and separate Financial Statements and Internal Controls

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements of the Group and also separate financial statements of the Company 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. The Financial Institutions Act, 1993 and the Bangladesh Bank guidelines require the managements to ensure effective internal audit, internal control and risk management functions of the Company. The management is also required to make a self-assessment on the effectiveness of anti-fraud internal controls and report to Bangladesh Bank on instances of fraud and forgeries.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless



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management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's and the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group's and the Company to cease to continue as a going concern.



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- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other Legal and Regulatory Requirements

In accordance with the International Financial Reporting Standards (IFRS), the Companies Act, 1994, we also report that:

- (i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- (ii) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books;
- (iii) the company's statement of financial position and statement of profit or loss and other comprehensive income together with the annexed notes dealt with by the report are in agreement with the books of account and returns; and
- (iv) the expenditures incurred were for the purpose of the Company's business for the year;

Dhaka, 17 October 2022

Md. Abdus Satter Sarkar, FCA

ICAB Enrollment No. 1522

For and on behalf of,

Mahfel Huq & Co., Chartered Accountants

Firm registration no. P-46323

DVC: 2210231522A5797185

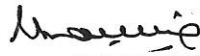
FAS Finance & Investment Limited
Consolidated Balance Sheet
As at December 31, 2021

Particulars	Notes	Amount in Taka	
		31-Dec-2021	31-Dec-2020
PROPERTY AND ASSETS			
Cash	2 (a)	104,087	610,419
In hand (including foreign currencies)		28,552	45,789
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)		75,535	564,630
Balance with other banks and financial institutions	3 (a)	1,293,796,476	1,086,432,604
In Bangladesh		1,293,796,476	1,086,432,604
Outside Bangladesh		-	-
Money at call and on short notice	4 (a)	-	-
Investments	5 (a)	37,952,546	65,378,561
Government		-	-
Others		37,952,546	65,378,561
Loans, advances and leases		19,302,103,918	19,165,497,994
Loans, cash credits, overdrafts, and leases etc.	6 (a)	19,302,103,918	19,165,497,994
Fixed assets including premises, furniture and fixtures			
Annexure-1 (a)	8 (a)	354,514,685	387,281,871
Other assets	9 (a)	579,419,522	606,547,832
Non-Financial Institution's assets	10 (a)	44,665,893	44,665,893
Total Assets		21,612,557,127	21,356,415,174
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions, and agents	11 (a)	8,235,815,871	7,694,054,103
Deposits and other accounts	12 (a)	9,162,294,448	8,589,493,098
Fixed deposits	12 (a)	9,157,293,448	8,584,964,098
Other deposits	12 (a)	5,001,000	4,529,000
Others liabilities	13 (a)	9,194,942,519	7,071,611,320
Total Liabilities		26,593,052,838	23,355,158,521
Capital/Shareholders' Equity		(4,967,787,422)	(1,997,013,518)
Paid-up capital	14	1,490,773,640	1,490,773,640
Statutory reserve	15	205,579,082	205,579,082
Other reserve	16	315,000	315,000
Revaluation reserve	17	154,136,204	157,990,554
Retained earnings	18 (a)	(6,808,859,449)	(3,851,671,794)
Other Components of Equity		(9,731,899)	-
Non-Controlling Interest		(12,708,289)	(1,729,829)
Total Liabilities and Shareholders' Equity		21,612,557,127	21,356,415,174
Net asset value per share		(33.32)	(13.40)



Particulars	Notes	Amount in Taka	
		31-Dec-2021	31-Dec-2020
OFF-BALANCE SHEET ITEMS			
Contingent Liabilities		-	-
Acceptances and endorsements		-	-
Letters of guarantee		-	-
Irrevocable letters of credit		-	-
Bills for collection		-	-
Other contingent liabilities		-	-
Other commitments		-	-
Documentary credits and short term trade-related transactions		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments	19 (a)	-	-
Total		-	-
Other memorandum items	20 (a)	773,724,007	756,510,979

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



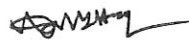
Mr. Mohammed Nurul Amin
Independent Director & Chairman



Dr. Muhammad Saifuddin Khan
Independent Director



Mr. A. F. Shabbir Ahmad
Managing Director (Current Charge)



Mr. A.K.M. Mojibul Haque
Company Secretary (CC)



Mr. Md. Abdul Bari Sarker
SVP & CFO

Signed as per annex report on even date.



Md. Abdus Satter Sarkar, FCA
ICAB Enrollment No. 1522
For and behalf of
Mahfel Huq & Co., Chartered Accountants
Firm Registration No. P-46323
DVC: 2210231522AS797185

Place: Dhaka
Dated: 17 October 2022




FAS Finance & Investment Limited
Consolidated Profit and Loss Accounts
For the year ended 31 December 2021


Particulars	Notes	Amount in Taka	
		31-Dec-2021	31-Dec-2020
OPERATING INCOME			
Interest income	22 (a)	295,163,400	79,569,899
Less: Interest paid on deposits and borrowings, etc.	23 (a)	1,920,403,722	1,852,155,359
Net interest income		(1,625,240,322)	(1,772,585,460)
Investment income	24 (a)	6,448,731	18,044,502
Commission, exchange and brokerage	25 (a)	600,000	-
Other operating income	26 (a)	41,785,738	2,606,590
		48,834,468	20,651,092
Total operating income (a)		(1,576,405,854)	(1,751,934,368)
OPERATING EXPENSES			
Salary and allowances	27 (a)	54,223,573	69,239,502
Rent, taxes, insurance, electricity, etc.	28 (a)	3,097,925	3,468,567
Legal expenses	29 (a)	162,392	724,500
Postage, stamps, telecommunication, etc.	30 (a)	1,335,713	1,469,487
Stationery, printings, advertisements, etc.	31 (a)	2,550,744	624,042
Chief executive's salary & fees		4,949,677	5,600,000
Directors' fees	32 (a)	1,575,900	639,150
Auditors' fees	33 (a)	1,471,350	276,000
Depreciation and repairs of FI's assets	34 (a)	32,613,326	35,265,403
Other expenses	35 (a)	11,231,415	14,154,828
Total operating expenses (b)		113,212,015	131,461,479
Profit before provision (c=a-b)		(1,689,617,868)	(1,883,395,847)
Provision against loans, advances and leases	36 (a)	1,286,113,698	300,876,016
Provision for diminution in value of investments	37 (a)	-	(5,602,650)
Other provisions		6,690,262	-
Total provision (d)		1,292,803,960	295,273,366
Profit before taxation (c-d)		(2,982,421,828)	(2,178,669,213)
Provision for taxation	38 (a)	531,627	3,570,094
Current tax		2,932,435	2,978,186
Deferred tax		(2,400,809)	591,908
Net profit after taxation		(2,982,953,455)	(2,182,239,307)
Attributable:		(2,982,953,455)	(2,182,239,307)
Shareholders of the company		(2,971,974,995)	(2,178,025,051)
Non-Controlling Interest		(10,978,460)	(4,214,256)
Appropriations		-	-
Statutory reserve	15	-	-
General reserve		-	-
Dividend, etc.		-	-
Retained surplus		(2,971,974,995)	(2,178,025,051)




Unrealized Gain or Loss investment in share		(9,731,899)	
Total Other Comprehensive Income		(2,981,706,894)	
Earnings per share-EPS	40(a)	(19.94)	(14.61)


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


Mr. Mohammed Nurul Amin
 Independent Director & Chairman


Dr. Muhammad Saifuddin Khan
 Independent Director



Mr. A. F. Shabbir Ahmad
 Managing Director (Current Charge)


Mr. A.K.M. Mojibul Haque
 Company Secretary (CC)


Mr. Md. Abdul Bari Sarker
 SVP & CFO

Signed as per annex report on even date.

Place: Dhaka
 Dated: 17 October 2022


Md. Abdus Satter Sarkar, FCA
 ICAB Enrollment No. 1522
 For and behalf of
 Mahfel Huq & Co., Chartered Accountants
 Firm Registration No. P-46323
 DVC: 2210231522AS797185



FAS Finance & Investment Limited
Consolidated Statement of Changes in Shareholders' Equity
For the Year ended 31 December 2021

Particulars	Paid-up capital	Statutory reserve	Revaluation reserve	Other reserve	Other Component of Equity	Retained earnings	Total	Non Controlling Interest	Total
Balance as at 01 January 2021	1,490,773,640	205,579,082	157,990,554	315,000		(3,851,671,794)	(1,997,013,518)	(1,729,829)	(1,998,743,347)
Prior year adjustment						10,932,990	10,932,990	-	10,932,990
Net profit after taxation for the year	-	-	-	-		(2,971,974,995)	(2,971,974,995)	(10,978,460)	(2,982,953,455)
Unrealized Gain or Loss investment in share					(9,731,899)		(9,731,899)		(9,731,899)
Transfer of revaluation reserve			(3,854,350)			3,854,350	-		-
Balance as at 31 December 2021	1,490,773,640	205,579,082	154,136,204	315,000	(9,731,899)	(6,808,859,449)	(4,967,787,422)	(12,708,289)	(4,980,495,711)

Amount in Taka

Consolidated Statement of Changes in Shareholders' Equity
For the Year ended 31 December 2020

Particulars	Paid-up capital	Statutory reserve	Revaluation reserve	Other reserve	Other Component of Equity	Retained earnings	Total	Non Controlling Interest	Total
Balance as at 01 January 2020	1,490,773,640	205,579,082	162,047,765	315,000		(1,677,703,954)	181,011,533	2,484,427	183,495,960
Prior year adjustment									
Restated Balance	1,490,773,640	205,579,082	162,047,765	315,000		(1,677,703,954)	181,011,533	2,484,427	183,495,960
Net profit after taxation for the year	-	-	-	-		(2,178,025,051)	(2,178,025,051)	(4,214,256)	(2,182,239,307)
Transfer of revaluation reserve			(4,057,211)			4,057,211	-		-
Balance as at 31 December 2020	1,490,773,640	205,579,082	157,990,554	315,000		(3,851,671,794)	(1,997,013,518)	(1,729,829)	(1,998,743,347)

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

Muhammad Nurul Amin
Mr. Mohammed Nurul Amin
Independent Director & Chairman

Mr. A. F. Shabbid Ahmad
Mr. A. F. Shabbid Ahmad
Managing Director (Current Charge)

Mr. A.K.M. Mojibul Haque
Mr. A.K.M. Mojibul Haque
Company Secretary (CC)

Dr. Muhammad Saifuddin Khan
Dr. Muhammad Saifuddin Khan
Independent Director

Mr. Md. Abdul Bari Sarker
Mr. Md. Abdul Bari Sarker
SVP & CFO

Md. Abdus Satter Sarkar, FCA
ICAB Enrollment No. 1522
For and behalf of
Mahfel Huq & Co., Chartered Accountants
Firm Registration No. P-46323

Place: Dhaka

Dated: 17 October 2022



DVC: 2210231522 AS797185

FAS Finance & Investment Limited
Consolidated Cash Flow Statement
For the Year ended 31 December 2021

Particulars	Amount in Taka	
	31-Dec-2021	31-Dec-2020
Cash flows from operating activities		
Interest receipts	185,089,127	127,052,489
Interest payments	(255,073,523)	(173,799,329)
Dividend receipts	6,584,467	1,925,942
Fee and commission receipts	600,000	-
Previous Year Adjustment	(1,131,187)	-
Recoveries on loans previously written off	-	1,994,945
Payments to employees	(58,710,747)	(69,434,892)
Income taxes paid	(16,127,978)	(16,863,341)
Receipts from other operating activities	38,158,352	14,110,135
Payment for other operating activities	(45,700,547)	(15,402,334)
Operating profit before changes in operating assets & liabilities	(146,312,036)	(130,416,385)
Increase/decrease in operating assets and liabilities		
Loans, advances and leases to customers	517,367,517	367,049,184
Other assets	74,766,228	(35,686)
Deposit from other FI's	36,014,346	(3,926,243)
Deposit from customers	(331,537,701)	(151,794,400)
Other liabilities to customer	(55,713,055)	(27,944,620)
Trading liabilities (short-term borrowing)	(201,842,359)	-
Other liabilities	(145,171)	485,608
	38,909,805	183,833,843
Net cash from/(used in) operating activities (a)	(107,402,231)	53,417,458
Cash flows from investing activities		
Purchase/sale of trading securities, shares, bonds, etc.	21,576,027	37,461,384
Purchase/sale of property, plant and equipment	(2,208,056)	(967,775)
Net cash used in investing activities (b)	19,367,971	36,493,609
Cash flows from financing activities		
Increase/(decrease) of long-term borrowings	294,891,800	(55,694,213)
Net cash flow from financing activities (c)	294,891,800	(55,694,213)
Net increase/(decrease) in cash (a+b+c)	206,857,540	34,216,854
Effects of exchange rate changes on cash and cash equivalents		
Cash and cash equivalents at beginning of the year	1,087,043,023	1,052,826,169
Cash and cash equivalents at end of the year*	1,293,900,563	1,087,043,023



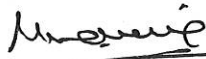
***Cash and cash equivalents at end of the year**

Cash in hand and balance with Bangladesh Bank
Balance with other banks

104,087	610,419
1,293,796,476	1,086,432,604
1,293,900,563	1,087,043,023

Net operating cash flow per share-NOCFPS 41.a (0.72) 0.36

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



Mr. Mohammed Nurul Amin
Independent Director & Chairman



Dr. Muhammad Saifuddin Khan
Independent Director



Mr. A. F. Shabbir Ahmad
Managing Director (Current Charge)



Mr. A.K.M. Mojibul Haque
Company Secretary (CC)



Mr. Md. Abdul Bari Sarker
SVP & CFO



Md. Abdus Satter Sarkar, FCA
ICAB Enrollment No. 1522
For and behalf of
Mahfel Huq & Co., Chartered Accountants
Firm Registration No. P-46323
DVC: 2210231522A5797185

Place: Dhaka
Dated: 17 October 2022



FAS Finance & Investment Limited

Balance Sheet

As at December 31, 2021

Particulars	Notes	Amount in Taka	
		31-Dec-2021	31-Dec-2020
PROPERTY AND ASSETS			
Cash	2	100,519	577,697
In hand (including foreign currencies)	2.1	24,984	13,067
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)	2.2	75,535	564,630
Balance with other banks and financial institutions	3	1,265,379,599	1,084,845,035
In Bangladesh	3.1	1,265,379,599	1,084,845,035
Outside Bangladesh		-	-
Money at call and on short notice	4	-	-
Investments	5	12,933,450	14,432,507
Government	5.1	-	-
Others	5.2	12,933,450	14,432,507
Loans, advances and leases		19,279,293,580	19,190,799,108
Loans, cash credits, overdrafts, and leases etc.	6	19,279,293,580	19,190,799,108
Bills purchased and discounted	7	-	-
Fixed assets including premises, furniture and fixtures (Annex-1)	8	344,538,432	374,953,497
Other assets	9	792,981,953	824,134,736
Non-Financial Institution's assets	10	44,665,893	44,665,893
Total Assets		21,739,893,426	21,534,408,473
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	11	7,891,711,610	7,301,735,107
Deposits and other accounts	12	9,550,453,793	9,094,036,379
Fixed deposits	12.1	9,545,452,793	9,089,507,379
Other deposits	12.1	5,001,000	4,529,000
Others liabilities	13	8,585,004,932	6,832,600,784
Total Liabilities		26,027,170,335	23,228,372,270
Capital/Shareholders' Equity		(4,287,276,909)	(1,693,963,797)
Paid-up capital	14	1,490,773,640	1,490,773,640
Statutory reserve	15	205,579,082	205,579,082
Other reserve	16	315,000	315,000
Revaluation reserve	17	154,136,204	157,990,554
Retained earnings	18	(6,136,949,648)	(3,548,622,073)
Other Components of Equity		(1,131,187)	-
Total Liabilities and Shareholders' Equity		21,739,893,426	21,534,408,473
Net asset value per share		(28.76)	(11.36)



Particulars	Notes	Amount in Taka	
		31-Dec-2021	31-Dec-2020

OFF-BALANCE SHEET ITEMS

Contingent Liabilities

Acceptances and endorsements

Letters of guarantee

Irrevocable letters of credit

Bills for collection

Other contingent liabilities

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

Other commitments

Documentary credits and short term trade-related transactions

Forward assets purchased and forward deposits placed

Undrawn note issuance and revolving underwriting facilities

Undrawn formal standby facilities, credit lines and other commitments

19

-	-
-	-
-	-
-	-
-	-

Total

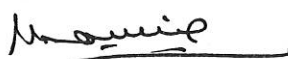
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Other memorandum items

20

-	-
-	-

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



Mr. Mohammed Nurul Amin
Independent Director & Chairman



Dr. Muhammad Saifuddin Khan
Independent Director



Mr. A. F. Shabbir Ahmad
Managing Director (Current Charge)



Mr. A.K.M. Mojibul Haque
Company Secretary (CC)



Mr. Md. Abdul Bari Sarker
SVP & CFO

Signed as per annex report on even date.



Md. Abdus Satter Sarkar, FCA

ICAB Enrollment No. 1522

For and behalf of

Mahfel Huq & Co., Chartered Accountants

Firm Registration No. P-46323

DVC: **N/A**

Place: Dhaka

Dated: 17 October 2022



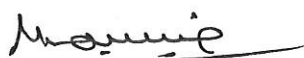
FAS Finance & Investment Limited
Profit and Loss Accounts
For the Year ended 31 December 2021

Particulars	Notes	Amount in Taka	
		31-Dec-2021	31-Dec-2020
OPERATING INCOME			
Interest income	22	323,016,359	205,588,558
Less: Interest paid on deposits and borrowings, etc.	23	1,770,680,164	1,825,521,000
Net interest income		(1,447,663,805)	(1,619,932,442)
Investment income	24	(118,204)	13,937,861
Commission, exchange and brokerage	25	-	-
Other operating income	26	333,022	1,770,202
		214,817	15,708,063
Total operating income (a)		(1,447,448,988)	(1,604,224,379)
OPERATING EXPENSES			
Salary and allowances	27	49,316,951	64,283,277
Rent, taxes, insurance, electricity, etc.	28	2,429,672	3,196,602
Legal expenses	29	111,392	724,500
Postage, stamps, telecommunication, etc.	30	1,131,850	1,271,291
Stationery, printings, advertisements, etc.	31	2,439,704	611,697
Chief executive's salary & fees		4,949,677	5,600,000
Directors' fees	32	1,320,000	546,000
Auditors' fees	33	1,442,600	230,000
Depreciation and repairs of FI's assets	34	30,155,206	32,314,435
Other expenses	35	9,980,934	12,827,508
Total operating expenses (b)		103,277,986	121,605,310
Profit before provision (c=a-b)		(1,550,726,973)	(1,725,829,689)
Provision against loans, advances and leases	36	1,036,992,592	300,876,016
Provision for diminution in value of investments	37	-	1,707,507
Other provisions	13.09	6,690,262	-
Total provision (d)		1,043,682,854	302,583,523
Profit before taxation (c-d)		(2,594,409,827)	(2,028,413,212)
Provision for taxation	38	(520,395)	3,316,953
Current tax	13.2	1,940,096	2,750,902
Deferred tax	13.3	(2,460,491)	566,051
Net profit after taxation		(2,593,889,432)	(2,031,730,165)
Appropriations		-	-
Statutory reserve	15	-	-
General reserve		-	-
Dividend, etc.		-	-
Retained surplus		(2,593,889,432)	(2,031,730,165)



Other Comprehensive Income		(1,131,187)	-
Total Other Comprehensive Income		(2,595,020,619)	(2,031,730,165)
Earnings per share-EPS	40	(17.40)	(13.63)

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



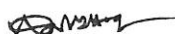
Mr. Mohammed Nurul Amin
Independent Director & Chairman



Dr. Muhammad Saifuddin Khan
Independent Director



Mr. A. F. Shabbir Ahmad
Managing Director (Current Charge)



Mr. A.K.M. Mojibul Haque
Company Secretary (CC)



Mr. Md. Abdul Bari Sarker
SVP & CFO

Signed as per annex report on even date.



Md. Abdus Satter Sarkar, FCA
ICAB Enrollment No. 1522
For and behalf of
Mahfel Huq & Co., Chartered Accountants
Firm Registration No. P-46323
DVC: **N/A**

Place: Dhaka
Dated: 17 October 2022



FAS Finance & Investment Limited
Statement of Changes in Shareholders' Equity
For the year ended 31 December 2021

Particulars	Paid-up capital	Statutory reserve	Revaluation reserve	Other Components of Equity	Other reserve	Retained earnings	Total
Balance as at 01 January 2021	1,490,773,640	205,579,082	157,990,554		315,000	(3,548,622,073)	(1,693,963,797)
Prior year Adjustment	-	-	-		-	1,707,507	1,707,507
Net profit after taxation for the year	-	-	-		-	(2,593,889,432)	(2,593,889,432)
Unrealized Gain or Loss investment in share	-	-	-	(1,131,187)	-	-	(1,131,187)
Transfer of revaluation reserve	-	-	(3,854,350)		-	3,854,350	-
Balance as at 31 December 2021	1,490,773,640	205,579,082	154,136,204	(1,131,187)	315,000	(6,136,949,648)	(4,287,276,909)

For the Year ended 31 December 2020

Particulars	Paid-up capital	Statutory reserve	Revaluation reserve	Other Components of Equity	Other reserve	Retained earnings	Total
Balance as at 01 January 2020	1,490,773,640	205,579,082	162,047,765	-	315,000	(1,520,949,119)	337,766,368
Net profit after taxation for the year	-	-	-	-	-	(2,031,730,165)	(2,031,730,165)
Transfer of revaluation reserve	-	-	(4,057,211)	-	-	4,057,211	-
Balance as at 31 December 2020	1,490,773,640	205,579,082	157,990,554	-	315,000	(3,548,622,073)	(1,693,963,797)

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

Mohammed Nurul Amin
Mr. Mohammed Nurul Amin
Independent Director & Chairman

Mr. A. F. Shabbir Ahmad
Mr. A. F. Shabbir Ahmad
Managing Director (Current Charge)

Saifuddin
Dr. Muhammad Saifuddin Khan
Independent Director

Mr. A.K.M. Mojibul Haque
Mr. A.K.M. Mojibul Haque
Company Secretary (CC)

Mr. Md. Abdul Bari Sarker
Mr. Md. Abdul Bari Sarker
SVP & CFO



Md. Abdus Satter Sarker, FCA
ICAB Enrollment No. 1522
For and behalf of
Mahfel Huq & Co., Chartered Accountants
Firm Registration No. P-46323
DVC: **N/A**

Place: Dhaka
Dated: 17 October 2022

FAS Finance & Investment Limited

Cash Flow Statement

For the year ended 31 December 2021

Particulars	Amount in Taka	
	31-Dec-2021	31-Dec-2020
Cash flows from operating activities		
Interest receipts	212,942,086	185,043,819
Interest payments	(105,349,965)	(202,574,840)
Dividend receipts	17,532	1,132,302
Previous year adjustment	(1,131,187)	-
Recoveries on loans previously written off	-	1,994,945
Payments to employees	(53,804,125)	(64,478,667)
Payments to suppliers	-	-
Income taxes paid	(16,127,978)	(6,217,618)
Receipts from other operating activities	(2,936,007)	10,175,702
Payment for other operating activities	(42,859,965)	(13,406,030)
Operating profit before changes in operating assets & liabilities	(9,249,609)	(88,330,387)
Increase/decrease in operating assets and liabilities		
Loans, advances and leases to customers	534,957,934	354,208,756
Other assets	(34,675)	-
Deposit from other FI's	(499,999)	(3,926,243)
Deposit from customers	(346,017,753)	(197,251,119)
Other liabilities to customer	20,081,392	(27,944,620)
Trading liabilities (short-term borrowing)	(316,064,256)	-
Other liabilities	(145,171)	(200,000)
	(107,722,528)	124,886,774
Net cash from/(used in) operating activities (a)	(116,972,137)	36,556,387
Cash flows from investing activities		
Purchase/sale of trading securities, shares, bonds, etc.	4,249,779	49,449,000
Purchase/sale of property, plant and equipment	(2,112,056)	(967,775)
Net cash used in investing activities (b)	2,137,723	48,481,225
Cash flows from financing activities		
Increase/(decrease) of long-term borrowings	294,891,800	(51,452,174)
Dividend paid	-	-
Net cash flow from financing activities (c)	294,891,800	(51,452,174)
Net increase/(decrease) in cash (a+b+c)	180,057,386	33,585,438
Effects of exchange rate changes on cash and cash equivalents		
Cash and cash equivalents at beginning of the year	1,085,422,732	1,051,837,294
Cash and cash equivalents at end of the year*	1,265,480,118	1,085,422,732



Cash and cash equivalents at end of the year

Cash in hand and balance with Bangladesh Bank
Balance with other banks
Treasury bills
Prize bond

100,519	577,697
1,265,379,599	1,084,845,035
-	-
-	-
<u>1,265,480,118</u>	<u>1,085,422,732</u>

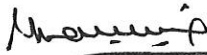
Net operating cash flow per share-NOCFPS

41

(0.78)

0.25

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



Mr. Mohammed Nurul Amin
Independent Director & Chairman



Dr. Muhammad Saifuddin Khan
Independent Director



Mr. A. F. Shabbir Ahmad
Managing Director (Current Charge)



Mr. A.K.M. Mojibul Haque
Company Secretary (CC)



Mr. Md. Abdul Bari Sarker
SVP & CFO



Md. Abdus Satter Sarkar, FCA

ICAB Enrollment No. 1522

For and behalf of

Mahfel Huq & Co., Chartered Accountants

Firm Registration No. P-46323

DVC: **N/A**

Place: Dhaka

Dated: 17 October 2022



FAS Finance & Investment Limited
Liquidity Statement
(Asset and Liability Maturity Analysis)
As at 31 December, 2021

Particulars	Amount in Taka					Total
	Up to 1 month	1-3 months	3-12 months	1-5 years	More than 5 years	
Assets						
Cash in hand (including balance with Bangladesh Bank)	24,984	-	75,535	-	-	100,519
Balance with other banks and financial institution	14,534,821	1,250,844,778	-	-	-	1,265,379,599
Money at call and on short notice	-	-	-	-	-	-
Investments	234,411	468,822	2,109,696	10,120,521	-	12,933,450
Loan, advances and leases	27,595,541	55,463,058	249,683,521	947,130,935	17,999,420,525	19,279,293,580
Fixed assets including premises, furniture and fixture	-	-	-	-	344,538,432	344,538,432
Other assets	-	-	-	-	792,981,953	792,981,953
Non-Financial Institution's assets	-	-	-	-	44,665,893	44,665,893
Total assets	42,389,757	1,306,776,658	251,868,752	957,251,456	19,181,606,803	21,739,893,426
Liabilities						
Borrowings from Bangladesh Bank, other banks, financial institutions and agents	90,155,926	126,622,095	2,165,685,011	5,509,248,578	-	7,891,711,610
Deposits and other accounts	491,943,913	1,192,570,758	7,758,107,167	105,297,275	2,534,680	9,550,453,793
Provision and other liabilities	150,522,341	481,528,921	851,267,974	7,101,685,696	-	8,585,004,932
Total liabilities	732,622,180	1,800,721,774	10,775,060,152	12,716,231,549	2,534,680	26,027,170,335
Net liquidity excess/(shortage)	(690,232,423)	(493,945,116)	(10,523,191,400)	(11,758,980,093)	19,179,072,123	(4,287,276,909)



FAS Finance & Investment Limited
Notes to the financial statements
As at and for the year ended 31 December 2021

1.0 Legal status and Nature of the Company:

FAS Finance & Investment Limited (formerly named as Fidelity Assets & Securities Company Limited) is a Non-Banking Financial Institution (NBFI) formed under the Financial Institutions Act, 1993. FAS Finance & Investment Limited (FFIL) was incorporated as a Private Limited Company on 04 March 1997 under the Companies Act, 1994 and was converted into Public Limited Company on 18 August 2001. Initially the Company was registered as a Merchant Bank with the Bangladesh Securities and Exchange Commission on 22 January 1998. It started lease financing operation after obtaining license from Bangladesh Bank on 17 September 2001. FAS Finance & Investment Limited (FFIL) obtained license for principal branch vide Bangladesh Bank letter dated September 26, 2001 and 1st lease agreement & commencement of public deposit mobilization commenced on December 27, 2001. FAS Finance & Investment Limited (FFIL) obtained license for Chattogram, Narsingdi and Sylhet branches under section 4(1) of the Financial Institution Act, 1993 on 14 February 2007, 18 July 2007 and 09 July 2008 respectively. The Company is listed with both Dhaka and Chittagong Stock Exchanges (09 January 2008). It launched its first trading of shares in Dhaka and Chittagong Stock Exchange on 16 January 2008.

The Head Office of FAS Finance & Investment Limited (FFIL) is situated at Suvastu Imam Square (4th & 5th floor), 65 Gulshan Avenue, Gulshan, Dhaka-1212.

Subsidiary Company:—

FAS Finance & Investment Limited (former Fidelity Assets & Securities Company Limited) started its activity as a Merchant Bank in 1997. In the year 2019 BSEC (letter no. BSEC/CMRRCD/2009-193/217/Admin/90 Dated 21 May 2019) instructed to form a separate subsidiary company for Merchant Banking within 30th September, 2010. Accordingly a separate subsidiary Merchant Banking Company named as FAS Capital Management Limited (FCML) was formed. Due to formulation of a new Merchant Banking Company FAS Finance and Investment Limited transferred the entire investment portfolio amounting Tk.97.20 crore to FAS Capital Management Limited. The FAS Capital Management Limited applied on 26.09.10 to BSEC in order to transfer the Merchant Banking license in favor of the newly formed subsidiary company and got the license from BSEC on 16 May 2012.

The FAS Finance & Investment Limited acquired 97.20% shares of its subsidiary: "FAS Capital Management Limited" (24,300,000 shares of Tk.10 each). The subsidiary is a private limited company, incorporated with the Registrar of Joint Stock Companies vide registration no. C-87541/10 dated 13th October 2010 under the companies Act, 1994.

1.01 Financial Activities:

a) Lease financing:

FAS Finance & Investment Limited provides lease finance under simple terms and conditions for acquisition of capital machineries for industrial undertakings, industrial equipments, office equipments, medical equipments and construction equipments etc.



b) Transport financing:

FAS Finance & Investment Limited has a significant presence in Commercial Transport Sector. We provide various trade & commercial entities to procure vehicles to operate commercially. Also we provide corporate financing to the reputed Dealer or Distributor of the commercial vehicle to their operators. Besides this corporate clients may also apply to acquire vehicles for official purpose under the scheme.

c) Term financing:

FAS Finance & Investment Limited provides loan to the customers within the period of series from one year to five years or more in the manufacturing industries. The Company also extends financing in the processing industries of the agricultural products depending on the nature of a product, profitability of the project and socioeconomic factors. The range of finance can be between one year to five years or more based on the cash flow analysis.

d) Project financing:

FAS Finance & Investment Limited offers financing of long term infrastructure and industrial projects based upon a complex financial structure under its project financing scheme where the projects seem to be financially sound. FAS Finance & Investment Limited also participated in syndicated loan with other FIs/Banks.

e) House financing (Real Estate Finance):

FAS Finance & Investment Limited provides loans for construction of house both land owner & developer, purchase of flat & renovation of existing house/flat to different classes of people in the country at a competitive rate of interest. At present, the Company is providing loan facility to the client for a maximum period of fifteen years. FAS Finance & Investment Limited also provides financing for the construction of housing project.

f) Small and Medium Enterprise (SME) refinancing:

FAS Finance & Investment Limited provides finance in the SME sectors from its own sources & in some cases under refinance scheme of Bangladesh Bank after compliance with the terms and conditions. It also encourages women entrepreneurs by providing loan facilities under this scheme as per the rules and regulations given by Bangladesh Bank as per ACSPD circular no. 08, dated 26 May 2008.

i) Finance to other sectors:

FAS Finance & Investment Limited also encourages providing loans to cottage & micro industries, services sector, small, medium & micro businesses.

ii) Service sector financing:

FAS Finance & Investment Limited extends finance in the form of short term loan as well as long term loans to different service providing companies ranging from large categories to medium, SME & micro level businesses.

g) Working capital financing:

Working capital gives investors an idea of the companies underlying operational efficiency. Upon measuring the company's efficiency & its short-term financial needs FAS Finance & Investment Limited provides working capital to some selective business enterprise to meet-up their both short & long term liabilities. By availing this finance from FAS Finance & Investment Limited the borrower company is able to pay off their short & long term liability which keeps the business running smoothly.

h) Factoring:

FAS Finance & Investment Limited is offering to purchase accounts receivable (i.e. invoice) at discount under its purchasing option of financial assets.



i) Deposit mobilization:

FAS Finance & Investment Limited has got a number of deposit products like Term Deposits ageing from 3 months to 1 year, double money benefit scheme, monthly earner scheme & deposit pension scheme etc. The company provides attractive interest rates the different firms, companies, Banks, NBFIs and individual depositors.

1.02 Significant accountings policies and basis of preparation of financial statements:

1.02.01 Statement of compliance:

The financial statements have been prepared in accordance with International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) as adopted in Bangladesh by the Institute of Chartered Accountants of Bangladesh, except the circumstances where local regulations differ, and the Companies Act, 1994, the Financial Institutions Act, 1993, Securities and Exchange Rules, 1987 & the (Listing) Regulations, 2015 of Dhaka & Chittagong Stock Exchanges and other applicable laws and regulations.

The presentation of the financial statements has been made as per the requirements of DFIM Circular No: 11, dated December 23, 2009 issued by the Department of Financial Institutions and Markets (DFIM) of Bangladesh Bank. The activities and accounting heads mentioned in the prescribed form, which are not applicable for the financial institutions, have been kept blank in the financial statements.

1.02.02 Components of the financial statements:

The financial statements comprise of (As per DFIM Circular No. 11, Dated 23 December

1. Consolidated and Separate Balance Sheet as at December 31, 2021
2. Consolidated and Separate statement of Profit and Loss for the year ended December 31,
3. Consolidated and Separate Statement of Cash Flows for the year ended December 31, 2021;
4. Consolidated and Separate Statement of Changes in Equity for the year ended December 31, 2021;
5. Liquidity Statement for the year ended December 31, 2021;
6. Notes to the Consolidated and Separate Financial Statements for the year ended December 31,

1.02.03 Disclosure of deviations from few requirements of IAS/IFRS due to mandatory compliance with Bangladesh Bank's requirement:

Bangladesh Bank (the local Central Bank) is the prime regulatory body for Financial Institutions in Bangladesh. Some requirements of Bangladesh Bank's rules and regulations contradict with those of financial instruments and general provision standards of IAS and IFRS. As such the company has departed from those contradictory requirements of IAS/IFRS in order to comply with the rules and regulations of Bangladesh Bank, which are disclosed in Annexure-4 along with financial impact where applicable.

1.02.04 Directors' responsibility statement:

The Board of Directors takes the responsibility for the preparation and presentation of these financial statements as per section 183 of companies Act 1994.

1.02.05 Changes in significant accounting policies

During the year 2021, the Company has not adopted any change of accounting estimates and consistently applies same accounting estimates for the year of 2020.

1.02.06 Consistency:

In accordance with the IFRS framework for the presentation of financial statements together with IAS 1 and IAS 8, FAS Finance & Investment Limited applies the accounting disclosure principles consistently from one period to the next. In case of selecting and applying new accounting policies, changes in accounting policies applied and correction of errors, the amounts involved are accounted for and disclosed retrospectively in accordance with the requirement of IAS-8.



1.02.07 Basis of consolidation:

The Consolidated Financial Statements include the Financial Statements of FAS Finance and Investment Ltd and its Subsidiary, FAS Capital Management Limited made up to end of the reporting year. The consolidated Financial Statements have been prepared in accordance with International Financial Reporting Standards (IFRS)-10: Consolidated Financial Statements. The Consolidated Financial Statements are prepared to a common reporting year ended 31 December 2021.

1.02.08 Compliance with local laws:

The financial statements have been prepared in compliance with the requirements of the Companies Act 1994, the Financial Institution Act 1993, Guidelines from Bangladesh Bank, the Bangladesh Securities and Exchange Ordinance 1969, the Bangladesh Securities and Exchange Rules 1987, the Listing Regulations of Dhaka and Chittagong Stock Exchange and other relevant local laws and regulations as applicable for its operation.

1.02.09 Materiality of financial statements:

Each material item as considered by management significant has been presented separately in the financial statements wherever applicable.

1.02.10 Statement of Cash Flows:

Statement of cash flows has been prepared in accordance with the template provided with DFIM circular no.-11, Date-23 December 2009 and accordance with IAS 7 "Statement of Cash Flows".

1.02.11 Statement of Changes in Equity:

Statement of Changes in Equity is prepared principally in accordance with IAS-1 "Presentation of Financial Statements" and under the guidelines of Bangladesh Bank's DFIM Circular No.11 dated December 23, 2009.

1.02.12 Liquidity statements:

The liquidity statement of assets and liabilities as on the reporting date has been prepared on the following basis:

- a) Cash in hand (including balance with Bangladesh Bank)
- b) Balance with other banks and financial institutions
- c) Money at call and on short notice
- d) Investments
- e) Loans, advances and leases
- f) Fixed assets including premises, furniture and fixtures
- g) Other assets
- h) Non-Financial Institution's assets
- i) Borrowings from Bangladesh Bank, other banks, financial institutions and agents
- j) Deposits and other accounts
- k) Other liabilities

1.02.13 Status of compliance of International Accounting Standards and International Financial Reporting Standards:

In addition to compliance with local regulatory requirements, in preparing the Consolidated Financial Statements and Separate Financial Statements, FAS Finance & Investment Limited applied following IAS and IFRS:

Sl.	Name of IAS	IAS No.	Status
1	Presentation of Financial Statements	1	Partially Complied
2	Inventories	2	Not Applicable
3	Statement of Cash Flows	7	Partially Complied



4	Accounting Policies, Changes in Accounting Estimates and Errors	8	Complied
5	Events after the Reporting Period	10	Complied
6	Income Taxes	12	Partially Complied
7	Property, Plant and Equipment	16	Complied
8	Employee Benefits	19	Complied
9	Accounting for Government Grants and	20	Not Applicable
10	The Effects of Changes in Foreign Exchange	21	Complied
11	Borrowing Costs	23	Complied
12	Related Party Disclosures	24	Complied
13	Accounting and Reporting by Retirement Benefit	26	Not Applicable
14	Separate Financial Statements	27	Complied
15	Investments in Associates and Joint Ventures	28	Not Applicable
16	Financial Reporting in Hyperinflationary	29	Not Applicable
17	Interests in Joint Ventures	31	Not Applicable
18	Financial Instruments: Presentation	32	Partially Complied
19	Earnings per share	33	Complied
20	Interim Financial Reporting	34	Complied
21	Impairment of Assets	36	Complied
22	Provisions, Contingent Liabilities and Contingent	37	Complied
23	Intangible Assets	38	Complied
24	Investment Property	40	Not Applicable
25	Agriculture	41	Not Applicable
Sl.	Name of IFRS	IFRS No.	Status
1	First-time Adoption of International Financial	1	Not Applicable
2	Share Based payment	2	Not Applicable
3	Business combinations	3	Complied
4	Insurance Contracts	4	Not Applicable
5	Non-current Assets Held for Sale and	5	Not Applicable
6	Exploration for and Evaluation of Mineral	6	Not Applicable
7	Financial Instruments: Disclosures	7	Partially Complied
8	Operating Segments	8	Complied
9	Financial Instruments	9	Partially Complied
10	Consolidated Financial Statements	10	Complied
11	Joint Arrangements	11	Not Applicable
12	Disclosure of Interests in Other Entities	12	Complied
13	Fair Value Measurement	13	Partially Complied
14	Regulatory Deferral Accounts	14	Not Applicable
15	Revenue from Contracts with customers	15	Complied
16	Leases	16	Complied



Partially Complied standards are those requirements which are different from those of Bangladesh Bank. Annexure-4 contains details about such departure from IFRS requirements to comply with Bangladesh Bank.

1.02.14 Use of estimates and judgments:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses. It also requires disclosures of contingent assets and liabilities at the date of the financial statements.

Provisions and accrued expenses are recognized in the financial statements in line with the International Accounting Standard (IAS) 37 "Provisions, Contingent Liabilities and Contingent Assets" when

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

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. However, the estimates and underlying assumptions are reviewed on an ongoing basis and the revision is recognized in the period in which the estimates are revised.

1.02.15 Contingent asset and contingent liability:

The Company does not recognize any Contingent Asset and Contingent Liability; but discloses the existence of contingent liability in the financial statements. A contingent liability is a probable obligation that arises from the past events and whose existence will be confirmed by the occurrence of uncertain future events beyond the control of the Company or a present obligation that is not recognized because of outflow of resources is not likely or obligation cannot be measured reliably.

1.02.16 Current maturity:

Current maturity of long term debts, lease receivables, term financing and house financing has been shown in the financial statements.

1.02.17 Reporting period:

These financial statements cover for the period from 01 January 2021 to 31 December 2021.

1.02.18 Director of the Company:

At the end of the year under audit, there were Five Directors (excluding MD & CEO) in the Board of Directors of the Company excluding the Managing Director. The Managing Director is the Chief Executive and Ex-officio Director of the Company.

1.02.19 Comparative information:

Comparative information has been disclosed in respect of the year 2020 for all numerical information in the financial statements for understanding of current year financial statements.

1.02.20 Presentational and reporting currency:

The presentation of financial statements has been made in accordance with the DFIM No. 11 dated 23 December 2009 of Bangladesh Bank. These financial statements have been prepared in Bangladesh Taka (BDT) which is the Company's functional currency. All financial information presented in Taka has been rounded off to the nearest Taka. The financial statements are stated in Taka unless or otherwise signified.



1.02.21 Assets and basis of their valuations:

a) Fixed assets:

Fixed assets are capitalized at cost of acquisition and subsequently stated at cost/ valuation less accumulated depreciation in compliance with the Benchmark treatment of IAS-16 "Property, Plant and Equipment". The cost of acquisition of assets comprises purchase price and any direct attributable cost of bringing the assets within the operating condition for its intended use inclusive of inward freight, duties and non-refundable taxes; if any.

b) Subsequent expenditure of fixed assets:

Subsequent expenditure is capitalized only when it increases the future economic benefit from the assets and that cost can be measured reliably. All other expenditures are recognized as an expense as and when they are incurred.

c) Disposal of fixed assets:

On disposal of fixed assets, the cost and accumulated depreciation are eliminated from the fixed assets schedule and gain or loss on such disposal is reflected in the profit and loss account, which is determined with reference to the net book value of the assets and net sale proceeds.

d) Depreciation on fixed assets:

Fixed assets are depreciated based on diminishing balance method ((except Right of Use Assets) at different rates varying from 5% to 20% per annum.

Additions of fixed assets are depreciated when it is available for use at the applicable rates and depreciation is charged up to the date of disposal.

Rates of depreciation applied are shown below:

Sl. No.	Category of assets	Rate of depreciation
1	Office buildings	5%
2	Furniture and fixtures	10%
3	Office decoration	10%
4	Office equipment	15%
5	Motor vehicles	20%
6	Electrical installation	15%
7	Computer	15%
8	Telephone line & PABX system	15%
9	Software	15%
10	Right of use assets	Equal Monthly Lease period

Depreciation of right of use assets:

Leased assets in the use and possession of the Company are depreciated in the books of the Company over the lease terms. The principal portions of lease installment paid or due are charged as depreciation in the year to which it relates.

Intangible assets:

Intangible assets comprise the value of computer software. Intangible assets acquired separately are measured on initial recognition at cost and are carried at cost less accumulated amortization and accumulated impairment losses if any.



1.02.22 Other assets:

Any assets which do not appear as separate line item in the face of the balance sheet of the company are categorized as other assets as per DFIM circular No # 11 dated 23 December 2009 issued by Department of Financial Institutions and Market of Bangladesh Bank.

Other assets include advance office rent, payment of advance income tax for which assessment of tax has not been closed yet and all other financial assets, fees and other unrealized income receivable advance for operation and investment in subsidiaries etc. However, investment in subsidiaries is eliminated at time of consolidation in accordance with IFRS -10 'Consolidated Financial Statements'.

1.02.23 Investment:

Investment is carried in Financial Statement at cost. Provision is made for diminishing in value of investment.

1.02.24 Cash and cash equivalents:

Cash and cash equivalents consist of cash in hand and cash at bank, that are readily convertible to known amount of cash and that are subject to an insignificant risk of change in value.

1.02.25 Off balance sheet exposures:

Under general operating transactions, liabilities against acceptance and endorsements, Letters of guarantee, irrevocable letters of credit, Bills for collection, Other contingent liabilities & Commitments have been given and claims exist there against, have been shown as off balance sheet items.

1.02.26 Authorized Share capital:

Authorized Capital is the maximum amount of Share Capital that the Company is authorized by its Memorandum and Article of Association to issue to shareholders.

1.02.27 Paid-up Capital:

Paid up capital represents total amount of shareholders' capital that has been paid in full by the ordinary shareholders. Holders of Ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at shareholders meeting.

1.02.28 Revaluation reserve:

Revaluation reserve arises from the revaluation of property, plant and equipment, when the market price of property, plant and equipment increased significantly from the carrying value. When an asset's carrying amount is increased as a result of revaluation, the increase amount should be credited directly to equity under the heading of revaluation surplus/reserve as per IAS-16 "Property, Plant and Equipment". The Company revalued its land and building during the year 2010 and there arises revaluation surplus of Tk. 313,888,244. The revaluation was done by G.K.Adjusters Ltd.

1.02.29 Borrowings from other banks, financial institutions and agents:

Bank and financial institution borrowings include interest bearing borrowings, which are brought to account at gross value of the outstanding as on 31 December 2021.



1.02.30 Provision for taxation:

Provision for current year income tax has been made @ 37.50% as prescribed in the Finance Act, 2021. The accounting profit has made by the company after considering some of add back to income and disallow of expenditure as per income tax laws in compliance with IAS-12. Assessments completed up to 2017-2018 but some years settlements are pending due to legal issues. In assessment year: 1998-1999 to 2003-2004 tax clearance certificates have been issued in favor of FAS Finance & Investment Limited. Assessment year: 2004-2005, 2005-2006 & 2008-2009 are pending at appeal stage in NBR. High Court Order already received for the assessment year: 2006-2007, 2007-2008, 2009-2010, 2010-2011 & 2011-2012 order also given in favoring FAS Finance & Investment Ltd. By the honorable Appellate Division of Supreme Court. Assessment year: 2012-2013, 2013-2014, 2014-2015, 2015-2016 are pending at High Court stage. Assessment year: 2016-2017 has been completed under section 82BB. A decision has already been taken by the authority for 2nd appeal against assessment order year 2017-2018 of Income tax Authority. 2018-2019 & 2019-2020 are in assessment stage.

1.02.31 Deferred taxation:

Deferred tax is recognized on temporary (taxable and deductible) differences between the carrying amount of assets and liabilities in the balance sheet and the amount attributed to such assets and liabilities for tax purposes. Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantially enacted at the balance sheet date. The impact on the account of changes in the deferred tax assets and liabilities is recognized in the profit and loss account as per IAS-12 "Income Taxes" at the year end. Deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the assets can be utilized.

1.02.32 Non-controlling Interest:

Minority interest is the equity in a subsidiary not attributable, directly or indirectly, to parent. As per IFRS-10 'Consolidated Financial Statements' company presents Non-controlling Interest (NCI) separately in Financial Statements.

1.02.33 Provision on lease, house loan and term finance:

Provision has been made at an estimated rate on outstanding exposures based on lease receivables and other financing(s) against aging of receivables as per FID circular no. 08, dated 03 August 2002 and subsequent to the time it is revised in FID circular no. 11, dated 31 October 2005, FID circular no. 03, dated 03 May 2006, FID circular no. 06, dated 20 August 2006 and DFIM circular no. 03, dated 29 April 2013 of Bangladesh Bank. The provision is considered adequate to meet probable losses. These have been shown under other liabilities in the balance sheet with corresponding effect given in the revenue account over the years.

Basis of classification and rate of percentages for provision thereon:

Lease or Loan up to 5 years:

Limit of overdue rentals & installments	Classification	Provision of percentage
1-2 rentals/installments (up to 2 months) for SM	Standard	0.25%
1-2 rentals/installments (up to 2 months) other than SME	Standard	1%
3-5 rentals/installments (3 to 5 months)	SMA	5%
6-11 rentals/installments (6 to 11 months)	Sub-standard	20%
12-17 rentals/installments (12 to 17 months)	Doubtful	50%
18 and above rentals/installments (18 months and above)	Bad/Loss	100%



Lease or Loan above 5 years:

Limit of overdue rentals & installments	Classification	Provision of percentage
1-5 rentals/installments (up to 5 months) for SM	Standard	0%
1-5 rentals/installments (up to 5 months) other than SME	Standard	1%
6-11 rentals/installments (6 to 11 months)	SMA	5%
12-17 rentals/installments (12 to 17 months)	Sub-standard	20%
18-23 rentals/installments (18 to 23 months)	Doubtful	50%
24 and above rentals/installments (24 months and above)	Bad/Loss	100%

House Loan up to 5 years:

Limit of overdue rentals & installments	Classification	Provision of percentage
1-8 rentals/installments (up to 8 months) for SM	Standard	0%
1-8 rentals/installments (up to 8 months) other than SME	Standard	1%
9-11 rentals/installments (9 to 11 months)	SMA	5%
12-17 rentals/installments (12 to 17 months)	Sub-standard	20%
18-23 rentals/installments (18 to 23 months)	Doubtful	50%
24 and above rentals/installments (24 months and above)	Bad/Loss	100%

House Loan above 5 years:

Limit of overdue rentals & installments	Classification	Provision of percentage
1-8 rentals/installments (up to 8 months) for SM	Standard	0%
1-8 rentals/installments (up to 8 months) other than SME	Standard	1%
9-17 rentals/installments (9 to 17 months)	SMA	5%
18-23 rentals/installments (18 to 23 months)	Sub-standard	20%
24-35 rentals/installments (24 to 35 months)	Doubtful	50%
36 and above rentals/installments (36 months and above)	Bad/Loss	100%

1.02.34 Provision for diminution in value of investment in shares and bonds:

Provision has been made for diminution in value of investment in shares and bonds.

1.02.35 Interest suspense account:

In compliance with Bangladesh Bank FID Circular No. 08, dated 03 August 2002, FID Circular No. 11, dated 31 October 2005, and FID Circular No. 06, dated 20 August 2006, interests on leases, loans and advances overdue beyond three months (in case of loan duration is within 5 years) and overdue beyond six months (in case of loan duration is more than 5 years) are not recognized as revenue and credited to interest suspense account. Interests on mortgage finance overdue beyond nine months are not recognized as revenue and credited to interest suspense account.



1.02.36 Borrowing cost:

Borrowing costs are recognized as expense in the year in which they are incurred unless capitalization is permitted under International Accounting Standard (IAS) 23: "Borrowing Costs".

1.02.37 Liabilities and provisions:

All material liabilities and provisions have been included in the financial statements

- (i) When the company has a present obligation, legal or constructive result of a past event;
- (ii) When it is probable that an outflow of resources embodying economic benefits will be required to settle that obligation; and
- (iii) When a reliable estimate can be made of the amount of the obligation.

1.02.38 Write off:

The company follows the guidelines of Bangladesh Bank duly write off its loans/leases.

Recovery against written-off loans/leases is credited to revenue. Income is recognized where amounts are either recovered and/or adjusted against securities/properties or advances there-against or are considered recoverable.

1.02.39 Risk management:

Risk is defined as the possibility of losses, financial or otherwise. Risk management of the Company covers core risk areas of Companies credit risk, liquidity risk, market risk that also includes foreign exchange risk, interest rate risk and equity risk, operational risk and reputation risk arising from operational inefficiencies. The prime objective of the risk management is that the Company evaluates and takes well calculative business risks and thereby safeguarding the Company's capital, its financial resources and profitability from various business risks through its own measures and through implementing Bangladesh Bank's guidelines and following some of the best practices as under:

Credit risk:

It arises mainly from lending, trade finance, and leasing and treasury businesses. This can be described as potential loss arising from the failure of a counter party to perform as per contractual agreement with the Company. The failure may result from unwillingness of the counter party or decline in his / her financial condition. Therefore, the Company's credit risk management activities have been designed to address all these issues.

The Company has segregated duties of the officers / executives involved in credit related activities. Separate Corporate / SME / Retail divisions have been formed at Head Office which is entrusted with the duties of maintaining effective relationship with customers, marketing of credit products, exploring new business opportunities etc. Moreover, credit approval, administration, monitoring and recovery functions have been segregated. For this purpose, three separate units have been formed within the Credit Risk Management (CRM) Division. These are (a) Credit Risk Management Unit (b) Credit Administration Unit and (c) Credit Monitoring and Recovery Unit. Credit Risk Management Unit is entrusted with the duties of maintaining asset quality, assessing risk in lending, sanctioning credit, formulating policy / strategy for lending operation, etc.

A thorough risk assessment is done before sanction of any credit facility at risk management units. The risk assessment includes borrower risk analysis, financial analysis, industry analysis, historical performance of the customer, security of the credit facility etc. The assessment process starts at the relationship level and ends at Credit Risk Management Unit when it is approved / declined by the competent authority.



Liquidity risk:

The object of liquidity risk management is to ensure that all foreseeable funding commitments and deposit withdrawals can be met when due. To this end, the Company is maintaining a diversified and stable funding base comprising of core retail and corporate deposits and institutional balance. Management of liquidity and funding is carried out by Treasury Department under the leadership of the management as per approved policy guidelines.

Market risk:

The exposure of market risk of the Company is restricted to interest rate risk and equity risk.

Interest rate risk:

Interest rate risk may arise either from trading portfolio and non-trading portfolio. The trading portfolio of the Company consists of Government treasury bills and bonds of different maturities. Interest rate risk arises from mismatches between the future yield of an asset and their funding cost.

Portfolio risk:

Portfolio risk arises from movement in market value of equities held.

Operational risk:

Operational risk may arise from error and fraud due to lack of internal control and compliance. Management through Internal Control and Compliance Division controls operational procedure of the Company. Internal Control and Compliance Division undertakes year call and special audit of the Company for review of the operation and compliance of statutory requirements. The Audit Committee of the Board subsequently reviews the reports of the Internal Control and Compliance Division.

Implementation of BASEL –II:

To comply with International Best Practice and to make the Company's Capital more risk-sensitive as well as to build the Financial Industry more shock absorbent and stable, Bangladesh Bank provide revised regulatory capital framework "Risk Based Capital Adequacy" for Company's which is effected from January 2012.

- a. Standardized Approach for calculating Risk Weighted Assets (RWA) against Credit Risk;
 - b. Standardized (Rule Based) Approach for calculating Risk Weighted Assets (RWA) against
 - c. Basic Indicator Approach for calculating Risk Weighted Assets (RWA) against Operational Risk;
- Under the Standard Approach of the Risk Based Capital Adequacy Framework (BASEL-II) credit rating is to be determined on the basis of risk profile assessed by the External Credit Assessment Institutions (ECAIs).

As per CDMD guideline, Financial Institutions should maintain a Capital Adequacy Ratio (CAR) of minimum 10% of Risk Weighted Assets (RWA).

Internal Capital Adequacy Assessment Process (ICAAP):

Internal Capital Adequacy Assessment Process (ICAAP) represents the Company's own assessment of its internal capital requirements. The Company's approach to calculating its own internal capital requirement has been to take the minimum capital required for credit risk, market risk and operational risk under Pillar-I as the starting point, assess whether this is sufficient to cover those risks and then identify other risks (Pillar-II) and assess prudent level of capital to meet them.

The assessment is undertaken using time series of data and Bangladesh Bank's guidelines on Risk Based Capital Adequacy for Company to assess the likelihood of occurrence and potential impact. Purposes of Internal Capital Adequacy Assessment Process are to:



i) inform the Board of Directors about:

- assessing risks
- initiatives to mitigate identified risks

Capital requirement to support the operations in light of identified risks.

ii) comply with Bangladesh Bank's requirement.

1.02.40 Statutory reserve:

This represents 20% of net profit after tax which is set aside in compliance with clause 6 of the Financial Institution Regulations, 1994.

1.02.41 Employees benefits:

There were two benefit schemes for FAS Finance & Investment Limited employees, provident fund and gratuity fund. Both of these benefit plans are operated in compliance with IAS-19 "Employees Benefits" and stated as under;

1.02.42 Provident fund:

The Company operates a contributory provident fund scheme for its employees, which is recognized by the National Board of Revenue under Clause 2(1) of the First Schedule Part B of the Income tax Ordinance, 1984 of (XXXVI) effective from 31 August 2008. Both the company and employees are contributing to the fund.

1.02.43 Gratuity fund:

The Company extends gratuity benefits to its employees, which is recognized by the National Board of Revenue (NBR) under clause 2(1) of the First Schedule Part-B of the Income Tax Ordinance, 1984 of (XXXVI) effective from 25 November 2008. The gratuity is paid on the basis of the last two basic pay and is payable at the rate of two month's basic pay for every completed year of service.

1.02.44 Earnings per share (IAS -33):

Basic earnings per share:

Basic earnings per share have been calculated in accordance with IAS-33 "Earnings per Share" which has been shown on the face of the profit and loss account. This has been calculated by dividing the basic earnings by the weighted average number of ordinary shares outstanding during the year.

In computing the basic earnings per share during the year January 1, 2021 to December 31, 2021, the total number of shares including the said bonus shares has been considered as the weighted average no. of shares outstanding during the year January 1, 2021 to December 31, 2021 as per IAS-33 "Earnings Per Share".

1.02.45 Related party disclosure (IAS-24):

The Company transacts with related parties. Parties are considered to be related if one party has the ability to control the other or exercise significant influence in making the financial and operating decisions.



1.02.46 Impairment of assets (IAS-36):

The company has assessed at the end of each reporting period or more frequently if events or changes in circumstances indicate that the carrying value of an asset may be impaired, whether there is any indication that an asset may be impaired. If any such indication exists, or when an annual impairment testing for an asset is required, the Company makes an estimate of the assets recoverable amount. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount by debiting to statement of comprehensive account. Fixed assets are reviewed for impairment whenever events or charges in circumstances indicate that the carrying amount of an asset may be impaired. This is in compliance with the requirement of IAS – 36 “Impairment of Assets”.

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

Cash reserve requirement and statutory liquidity reserve have been calculated in accordance with Financial Institution Act, 1993 & Financial Institution Regulations 1994 and FID circular number 06 dated November 06, 2003 and FID circular number 02 dated November 10, 2004. Although the SLR has been maintained as per the requirement but in many occasions the CRR maintained shortfall.

1.02.48 Foreign currency transaction (IAS-21):

Translation in foreign currencies are translated in Bangladesh Taka and recorded at the ruling exchange rates applicable on the date of transaction and in accordance with IAS-21 “The Effects of Changes in Foreign Exchange Rates”

1.02.49 Revenue recognition:

Revenue is only recognized when it meets the following five steps model framework as per IFRS 15: “Revenue from Contracts with Customers”

- a) identify the contract(s) with customers;
- b) identify the performance obligations in the contract;
- c) determine the transaction price;
- d) allocate the transaction price to the performance obligations in the contract;
- e) recognize revenue when (or as) the entity satisfies a performance obligation.

Interest income from loans and other sources is recognized on an accrual basis of accounting.

(a) Lease income:

Finance lease income is allocated over the lease term on a systematic and rational basis. This income allocation is based on a pattern reflecting a constant periodic return on net investment in the finance lease. The unearned lease income is recognized on installment date as revenue on an accrual basis over the terms of the lease. However, lease income is not recognized if capital or interest receivable is in arrears for more than two months for lease finance up to 5 years & for more than five months for lease finance more than 5 years.

(b) Interest on term loans and short term finance:

Interest on term loan and short term finance is recognized as revenue on an accrual basis and interest income on term loan is not recognized where any portion of interest is in arrear for more than two months for term finance up to 5 years & for more than five months for term finance more than 5 years.



(c) Interest on real estate finance:

Interest on real estate finance is recognized as revenue on an accrual basis and no interest on real estate finance is accounted for as revenue where any portion of capital or interest is in arrear for more than 8 months.

(d) Overdue interest:

The overdue interest on lease, term & house finance is recognized when interest is received.

(e) Other operational income:

Other operational income is recognized whenever these are received. Such income comprises of the following components of the FAS Finance & Investment Limited;

- i) Appraisal and documentation fees;
- ii) Miscellaneous.

(f) Dividend income:

Dividend is recognized as income when the right to receive income is established.

1.02.50 Operating expenses:

Major component of operating expenses other than salary and allowances are office rent, printing and stationery, postage and stamp, telecommunication, legal and professional fees and other miscellaneous expenses. All expenses are recognized on accrual basis of accounting.

1.02.51 Events after the reporting period (IAS -10):

As per IAS-10 "Events after the reporting period" Events after the reporting period are those events, favorable and unfavorable, that occur between the end of the reporting period and the date when the financial statements are authorized for issue. Two types of events can be identified:

- (a) Those that provide evidence of conditions that existed at the end of the reporting period (adjusting events after the reporting period); and
- (b) Those that is indicative of conditions that arose after the reporting period (no adjusting events after the reporting period).

There were no materials events have occurred after the reporting period which could affect the values stated in the financial statements.

1.02.52 General:

- a. These financial statements are presented in Taka, which is the Company's functional currency. Figures appearing in these financial statements have been rounded off to the nearest Taka.
- b. Figures of previous year have been rearranged whenever necessary to conform to current year presentation.



Notes	Particulars	Amount in Taka	
		31-Dec-2021	31-Dec-2020
2	Cash		
	Cash in hand (including foreign currency)	2.1 24,984	13,067
	Balance with Bangladesh Bank and its agent bank(s) (including foreign currency)	2.2 75,535	564,630
		<u>100,519</u>	<u>577,697</u>

2.1 Cash in hand (including foreign currency)

Local currency	24,984	13,067
Foreign currency	-	-
	<u>24,984</u>	<u>13,067</u>

Cash in hand was physically counted at the end of the year and found in order.

2.2 Balance with Bangladesh Bank and its agent bank(s) (including foreign currency)

Balance with Bangladesh Bank

Local currency	75,535	564,630
Foreign currency	-	-
	<u>75,535</u>	<u>564,630</u>

Agent Bank of Bangladesh Bank

-	-
<u>75,535</u>	<u>564,630</u>

2.3 Statutory deposits

2.3.1 Cash reserve requirement (CRR) and statutory liquidity reserve (SLR)

Cash reserve requirement and statutory liquidity reserve have been calculated in accordance with Financial Institution Act, 1993 & Financial Institution Regulations 1994 and FID circular number 06 dated November 06, 2003, FID circular number 02 dated November 10, 2004 and DFIM circular number 03 dated June 21, 2020 of Bangladesh Bank.

Cash reserve requirement (CRR) has been calculated at the rate of 1.50% on total term deposits. 'Total term deposit' means term or fixed deposit, security deposit against lease/loan and other term deposits, received from individuals and institutions (except banks & financial institutions).

Statutory liquidity reserve (SLR) has been calculated at the rate of 5.00% on total liabilities (except banks & financial institutions), including CRR of 1.50% on total term deposit. SLR is maintained in liquid assets in the form of cash in hand (notes & coin in BDT), balance with Bangladesh Bank and other banks and financial institutions, investment at call, unencumbered treasury bill, prize bond, savings certificate & any other assets approved by Bangladesh Bank.



Notes	Particulars	Amount in Taka	
		31-Dec-2021	31-Dec-2020
(a)	Cash reserve requirement (CRR)		
	Required reserve	49,661,567	40,739,127
	Actual reserve maintained	61,346	185,064
	Surplus/(shortage)	(49,600,221)	(40,554,063)
(b)	Statutory liquidity reserve (SLR)		
	Required reserve (Including CRR)	307,670,864	258,958,759
	Actual reserve maintained (Including CRR)	275,952,076	1,043,547,948
	Surplus	(31,718,788)	784,589,189
	Total required reserve	307,670,864	258,958,759
	Total actual reserve maintained	275,952,076	1,043,547,948
	Surplus/(shortage)	(31,718,788)	784,589,189
2 (a)	Consolidated Cash		
	i. Cash in hand (including foreign currency)		
	FAS Finance & Investment Limited	2.1 24,984	13,067
	FAS Capital Management Limited	3,568	32,722
		28,552	45,789
	ii. Balance with Bangladesh Bank and its agent bank(s) (including foreign currency)		
	FAS Finance & Investment Limited	2.2 75,535	564,630
	FAS Capital Management Limited	-	-
		75,535	564,630
		104,087	610,419



Notes	Particulars	Amount in Taka	
		31-Dec-2021	31-Dec-2020
3	Balance with other banks and financial institutions		
	In Bangladesh	1,265,379,599	1,084,845,035
	Outside Bangladesh	-	-
		1,265,379,599	1,084,845,035

3.1 In Bangladesh

Current deposits

Bank Name	Branch	A/C No.		
Al-Arafah Islami Bank Ltd.	VIP Road Branch, Nayapaltan, Dhaka	CD-0141020041903	5,743	11,233
First Security Islami Bank Ltd.	Dilkusha Branch, Dhaka	CD-010111100028541	97,189	98,339
Islami Bank Bangladesh Ltd.	Foreign Ex. Cor. Br., Dhaka	AWCA-1090100819116	89,482	91,782
Meghna Bank Ltd.	Principal Branch, Gulshan, Dhaka	CD-110111100000917	18,275	18,965
NRB Bank Ltd.	Corporate Branch, Dhaka	CD-1012010102227	308,058	277,148
Pubali Bank Ltd.	Mohakhali Branch, Dhaka	CD-3677901015917	774,669	7,135,439
Southeast Bank Ltd.	Gulshan Branch, Dhaka	CD-001011100017141	13,328,986	25,022,987
Uttara Bank Ltd.	Corporate Branch, Dhaka	CD-154512200212029	61	61
			14,622,463	32,655,954

Special notice deposit accounts

Bank Name	Branch	A/C No.		
Bank Asia Ltd.	Paltan Branch, Dhaka	SND-04936000058	2,523	203,394
Bank Asia Ltd.	Sonargaon-Janapath Road Branch, Dhaka	SND-07536000033	64,428	64,894
Bangladesh Commerce Bank Ltd.	Principal Branch, Dhaka	SND-00232000082	105,023	104,411
BASIC Bank Limited	Bangshal Branch, Dhaka	SND-0616-01-0000635	4,003	4,989
Dutch Bangla Bank Ltd.	Gulshan Branch, Dhaka	SND-1161200000974	3,724,010	998,375
Dutch Bangla Bank Ltd.	Gulshan Branch, Dhaka	SND-1161200003865	1,262,156	1,287,065
Dutch Bangla Bank Ltd.	CDA Avenue Branch, Chittagong	SND-1291200000707	2	693
EXIM Bank Ltd.	Gulshan Branch, Dhaka	SND-00713100065009	19,936	21,191
First Security Islami Bank Ltd.	Dilkusha Branch, Dhaka	SND-010113100001512	370,958	368,031
First Security Islami Bank Ltd.	Ring Road Branch, Dhaka	SND-013313100000056	306,877	289,442
First Security Islami Bank Ltd.	Dilkusha Branch, Dhaka	SND-010113100002301	2,187	3,270
First Security Islami Bank Ltd.	Dilkusha Branch, Dhaka	SND-13100009342	92,146	91,715
Mercantile Bank Ltd.	Main Branch, Dhaka	SND-110113100002380	543	2,373
Midland Bank Ltd.	Dilkusha Corporate Branch, Dhaka	SND-0001-1090000296	22,724	128,239
Mutual Trust Bank Ltd.	Gulshan Branch, Dhaka	SND-0022-0320000131	92,280	92,471
Mutual Trust Bank Ltd.	CDA Avenue Branch, CTG	SND-0009-0320000889	3,120	8,870
Mutual Trust Bank Ltd.	Sylhet Branch, Sylhet	SND-0023-0320000578	129,007	42,664
NCC Bank Ltd.	Bashundhara Branch, Dhaka	SND-0096-0325000017	7,398	7,286
NCC Bank Ltd.	Gulshan Branch, Dhaka	SND-0012-0325000802	61,537	60,602
NRB Bank Ltd.	Bhulta Branch, Dhaka	SND-1131030002531	4,100	1,546



Notes	Particulars			Amount in Taka	
				31-Dec-2021	31-Dec-2020
	NRB Commercial Bank Ltd.	Principal Branch, Dhaka	SND-010136000000012	39,659	39,659
	One Bank Limited	Ganakbari Branch, Savar	SND-0053000000323	3,306	4,379
	Padma Bank Ltd.	Motijheel Branch, Dhaka	SND-0113000007464	18,600	18,727
	Prime Bank Limited	Dhanmondi Branch, Dhaka	SND-14631090025594	250	-
	Pubali Bank Ltd.	Narsingdi Branch, Narsingdi	SND-0722102000518	176,424	167,128
	Social Islami Bank Ltd.	Begum Rokeya Sarani Br., Dhaka	SND-0131360001027	500,531	531
	South Bangla Agriculture & Commerce Bank Limited	Gulshan Branch, Dhaka	SND-1130000097627	192	1,977
	The Premier Bank Limited	Tejgaon Link Road Br., Dhaka	SND-131000000020	1,133,157	155
	Uttara Bank Ltd.	Corporate Branch, Dhaka	SND-154514100041132	1,925	1,884
	Woori Bank Ltd.	Dhaka Branch, Dhaka	NDA-923000195	7,423	8,688
				8,156,425	4,024,649

Savings deposits

Foreign currency:

Bank Name	Branch Name	A/C No.		
Southeast Bank-EURO,	Gulshan Branch, Dhaka	163-00000-019	-	-
Southeast Bank-Pound,	Gulshan Branch, Dhaka	162-00000-028	-	-
Southeast Bank-Dollar,	Gulshan Branch, Dhaka	151-00000-689	-	-
			-	-

Fixed deposits

International Leasing and Financial Services Limited	673,555,394	586,249,765
Premier Leasing & Finance Limited	459,680,650	432,550,000
Social Islami Bank Limited	29,364,667	29,364,667
Southeast Bank Ltd.	80,000,000	-
	1,242,600,711	1,048,164,432
	1,265,379,599	1,084,845,035

3.1.a Account-wise/grouping of balance with other banks and financial institutions

Current deposits	14,622,463	32,655,954
Special notice deposit accounts	8,156,425	4,024,649
Savings deposits	-	-
Foreign currency	-	-
Fixed deposits	1,242,600,711	1,048,164,432
	1,265,379,599	1,084,845,035

3.1.b Maturity grouping of balance with other banks

Repayable-on demand	14,622,463	32,655,954
-up to 3 months	1,250,757,136	107,625,000
-over 3 months but within 1 year	-	619,639,081
-over 1 year but within 5 years	-	324,925,000
-over 5 years	-	-
	1,265,379,599	1,084,845,035



Notes	Particulars	Amount in Taka	
		31-Dec-2021	31-Dec-2020

3 (a) Consolidated balance with other banks and financial institutions

i. In Bangladesh:

FAS Finance & Investment Limited	3.1.a	1,265,379,599	1,084,845,035
FAS Capital Management Limited	3 (a)i	28,416,877	1,587,569
		<u>1,293,796,476</u>	<u>1,086,432,604</u>

ii. Outside Bangladesh:

FAS Finance & Investment Limited		-	-
FAS Capital Management Limited		-	-
		<u>1,293,796,476</u>	<u>1,086,432,604</u>

3 (a)i Bank balance of FAS Capital Management Limited

Current deposits

Bank Name	Branch	A/C No.		
Woori Bank Ltd., Dhaka Branch, Dhaka		CDA-923920015	-	-
			<u>-</u>	<u>-</u>

Special notice deposit accounts

Bank Name	Branch	A/C No.		
Dutch Bangla Bank Ltd.	Gulshan Branch, Dhaka	SND-116.120.1505	122,824	94,551
Dutch Bangla Bank Ltd.	Gulshan Branch, Dhaka-LRHR	SND-116.120.4323	2,990	1,396
Mutual Trust Bank Ltd.	Gulshan Branch, Dhaka	SND-0022-0320000793	27,818	16,255
One Bank Ltd.	Principal Branch	SND-0013000001743	2,390	18,787
One Bank Ltd.	Principal Branch	SND-0013000001754	5,320	6,241
Social Islami Bank Ltd.	Gulshan Branch, Dhaka	SND-0081360000649	24,656	26,062
The City Bank Ltd.	Gulshan Branch, Dhaka	6002-PIAA	23,339	1,274,289
The City Bank Ltd.	Gulshan Branch, Dhaka	SND-3101221156001	28,178,551	101,207
The City Bank Ltd.	Gulshan Branch, Dhaka	SND-3101221156003	18,551	37,274
Woori Bank Ltd.	Dhaka Branch, Dhaka	NDA-923000208	10,438	11,507
			<u>28,416,877</u>	<u>1,587,569</u>

Fixed deposits

FAS Finance & Investment Limited	388,159,345	504,543,281
	<u>388,159,345</u>	<u>504,543,281</u>
Less: Inter company transaction	(388,159,345)	(504,543,281)
	<u>-</u>	<u>-</u>
Total	<u>28,416,877</u>	<u>1,587,569</u>



Notes	Particulars	Amount in Taka	
		31-Dec-2021	31-Dec-2020
4	Money at call and on short notice		
	With banks	-	-
	With financial institutions	-	-
		-	-
4 (a)	Consolidated money at call and on short notice		
	FAS Finance & Investment Limited	-	-
	FAS Capital Management Limited	-	-
		-	-
5	Investments	12,933,450	14,432,507
5.1	In Government securities		
	Treasury bills	-	-
	Others	-	-
		-	-
5.2	Other investments		
	Preference shares	-	-
	Ordinary shares (Quoted and Unquoted)	12,933,450	14,432,507
		12,933,450	14,432,507
		12,933,450	14,432,507
5.2.a	Ordinary shares (Quoted and Unquoted)		
	Quoted		
	AB Bank Limited	2,551,500	3,611,497
	AND Telecom Limited	-	-
	Esquir Knit Composite Limited	357,000	470,025
	New Line Clothings Limited	-	-
	Niloy Cement Industries Limited	24,950	67,845
	Nitol Insurance Company Limited	-	-
	Runner Automobiles Limited	-	283,140
		2,933,450	4,432,507
	Unquoted		
	Achia Sea Foods Limited	10,000,000	10,000,000
		10,000,000	10,000,000
		12,933,450	14,432,507

(A schedule of investments in share is given in annexure-2)



Notes	Particulars	Amount in Taka	
		31-Dec-2021	31-Dec-2020

5.3 Maturity grouping

Repayable-on demand	-	-
-up to 3 months	703,233	721,625
-over 3 months but within 1 year	2,109,696	2,164,876
-over 1 year but within 5 years	10,120,521	11,546,006
-over 5 years	-	-
	12,933,450	14,432,507

5 (a) Consolidated Investments

i. In Government securities

FAS Finance & Investment Limited	-	-
FAS Capital Management Limited	-	-
	-	-

ii. Other Investments

FAS Finance & Investment Limited	5.2	12,933,450	14,432,507
FAS Capital Management Limited	5 (a)i	25,019,096	50,946,054
		37,952,546	65,378,561
		37,952,546	65,378,561

5 (a)i Ordinary shares (Quoted and Unquoted) of FAS Capital Management Limited

Quoted

AB Bank Limited	5,838,750	11,408,235
AFC Agro Industries Ltd.	562,000	-
Appollo Ispat Complex Limited	-	6,995,376
Beximco Ltd.	1,484,000	-
BSRM Ltd.	1,033,000	-
Continental Insurance Company Ltd.	-	1,054,153
Coppertech Industries Ltd.	-	4,192,588
Crystal Insurance Company Ltd.	-	108,780
Dominage Steel Building Systems Ltd.	-	115,492
Eastland Insurance Company Ltd.	1,935,000	-
Evince Textile Mills Ltd.	-	1,379,646
Exim Bank Ltd.	530,136	-
Far East Knitting & Dyeing Industries Ltd.	780,000	-
Khulna Power Company Ltd.	-	4,435,768
M.L. Dyeing Ltd.	2,446,500	5,015,000
Power Grid Company Ltd.	1,192,000	-
Prime Bank Ltd.	645,000	-
Robi Axiata Ltd.	-	550,980
Saif Powertec Limited	1,915,000	-
Saiham Textile Mills Ltd.	-	7,124,324



Notes	Particulars	Amount in Taka	
		31-Dec-2021	31-Dec-2020
	Sea Pearl Beach Tesort & Spa Ltd.	448,000	732,003
	Simtex Industries Limited	4,462,500	7,833,709
	Square Pharma Limited	1,071,500	-
	S.S. Steels Ltd.	378,000	-
	Unilever Consumer Care Ltd.	297,710	-
	Total	25,019,096	50,946,054
6	Loans, advances and leases	19,279,293,580	19,190,799,108
6.1	Maturity wise grouping's		
	Repayable-on demand	-	-
	-not more than 3 months	83,058,599	441,037,669
	-more than 3 months but not more than 1 year	249,683,521	446,201,345
	-more than 1 year but not more than 5 years	947,130,935	1,242,379,921
	-more than 5 years	17,999,420,525	17,061,180,173
		19,279,293,580	19,190,799,108
6.2	Loans, cash credits, overdrafts, and leases etc		
	In Bangladesh		
	Loans-General	19,014,998,812	18,911,711,304
	Cash credits	-	-
	Overdrafts	-	-
	Leases	264,294,768	279,087,804
		19,279,293,580	19,190,799,108
	Outside Bangladesh	-	-
		19,279,293,580	19,190,799,108
6.3	Loans, advances & leases on the Basis of Significant		
	Advance to allied concerns of Directors	-	-
	Advance to chief executive officer, other executives and staffs	-	-
	Advances to industries	18,512,503,593	18,455,939,509
	Advance to customer groups	766,789,987	734,859,599
		19,279,293,580	19,190,799,108
6.4	Industry-wise loans, advances and leases		
	Agriculture	277,529,377	276,102,471
	Cement and allied industry	-	-
	Electronics and electrical products	102,298,896	102,298,896
	Food production and processing industry	8,810,073	8,810,073
	Garments and knitwear	589,903,189	594,707,313



Notes	Particulars	Amount in Taka	
		31-Dec-2021	31-Dec-2020
	Glass, glass ware and ceramic industry	-	-
	Housing	2,447,243,154	2,466,463,297
	Iron, steel and engineering	-	-
	Jute & jute products	102,474,109	180,437,132
	Leather and leather products	9,187,361	9,187,361
	Margin loan	-	-
	Merchant banking	2,391,673,540	2,415,431,689
	Others	188,157,603	198,099,729
	Paper, printing and packaging	160,388,548	160,388,548
	Pharmaceuticals and chemicals	1,546,587,907	1,531,323,158
	Plastic industry	2,460,997	2,582,587
	Power, gas, water and sanitary service	66,554,901	81,344,879
	Ship manufacturing industry	264,573,907	264,573,907
	Telecommunication and information technology	-	-
	Textile	252,905,146	260,097,558
	Trade and commerce	9,073,581,949	8,921,348,775
	Transport and aviation	1,794,962,923	1,717,601,735
		19,279,293,580	19,190,799,108

6.5 Geographical Location-wise (Division)

In Bangladesh

Dhaka	19,141,690,064	19,050,415,742
Chattagram	133,352,079	136,048,439
Sylhet	4,251,437	4,334,927
	19,279,293,580	19,190,799,108

6.6 Classification of loans, advances and leases

Unclassified

Standard	1,939,974,490	2,114,317,393
Special mention account	196,003,597	43,447,887
Total unclassified loans, advances and leases	2,135,978,087	2,157,765,280

Classified

Sub-standard	15,887,116	247,779,679
Doubtful	22,331,187	183,967,515
Bad/Losses	17,105,097,190	16,601,286,634
Total classified loans, advances and leases	17,143,315,493	17,033,033,828
	19,279,293,580	19,190,799,108

6.7 Particulars of loans, advances and leases

i) Loans considered good in respect of which the FI's is fully secured	10,278,929,385	10,464,239,806
ii) Loans considered good against which the FI's holds no security other than the debtors' personal guarantee	5,612,142,687	5,132,962,368
Loans considered good and secured by the personal undertaking of one or more parties in addition to the personal guarantee of the debtors	3,388,221,508	3,593,596,934



Notes	Particulars	Amount in Taka	
		31-Dec-2021	31-Dec-2020
iv)	Loans adversely classified but provision not maintained there against	-	-
		19,279,293,580	19,190,799,108

Note/ Discloser:

Bangladesh Bank vide their letter No-DFIM(C)1054/10/1022-2808 dated September 29, 2022 has given NOC for maintaining required provision of Tk. 872.52 Crore as of the year ended on 31.12.2021. Out of which Tk. 72.52 Crore to be maintained in 2021, for the remaining balance of provision shortfall of Tk. 800.00 Crore a deferral has been allowed for maintaining equally in 8 (eight) years from the year 2022 to 2029. The provision for Tk. 72.52 Crore has been maintained in 2021 and thereby complied.

v)	Loans due by directors or officers of the FI's or any of them either separately or jointly with any other persons	-	-
vi)	Loans due from companies or firms in which the directors of the FI's are interested as Directors, partners or Managing agents or, in case of private companies, as members	-	-
vii)	Maximum total amount of advances, including temporary advances made at any time during the year to directors or managers or officers of the FI's or any of them either separately or jointly with any other persons	-	-
viii)	Maximum total amount of advances including temporary advances granted during the year to the companies or firms in which the Directors of the FI's are interested as Directors, partners or managing agents or, in the case of private companies, as members	-	-
ix)	Due from other FI's	-	-
x)	Amount of classified loans on which interest has not been charged:		
	a) Increase/decrease of provision (specific)	291,695,883	349,160,960
	b) Amount of loan written off	-	-
	c) Amount realized against loan previously written off	-	1,909,513
	d) Provision kept against loans classified as bad/loss on the date preparing the balance sheet	1,872,131,781	1,580,435,898
	e) Interest creditable to interest suspense account	3,042,677,356	2,437,736,413
xi)	Written off loan		
	Opening Balance	241,530,639	243,440,152
	During the year	-	-
	Cumulative to date (as per Bangladesh Bank guidelines)	241,530,639	241,530,639
	The amount of written off loans for which law suits have been filed for its recovery	241,530,639	241,530,639

6 (a) Consolidated loans, cash credits, overdrafts, and leases etc

i. In Bangladesh

FAS Finance & Investment Limited	6.2	19,279,293,580	19,190,799,108
FAS Capital Management Limited		1,736,405,309	1,602,430,956
		21,015,698,889	20,793,230,064
Less: Inter company transaction	11(a)	(1,713,594,971)	(1,627,732,070)
		19,302,103,918	19,165,497,994

ii. Outside Bangladesh



Notes	Particulars	Amount in Taka	
		31-Dec-2021	31-Dec-2020
	FAS Finance & Investment Limited	-	-
	FAS Capital Management Limited	-	-
		-	-
		19,302,103,918	19,165,497,994
7	Bills purchased and discounted		
	In Bangladesh	-	-
	Outside Bangladesh	-	-
		-	-
7.1	Maturity grouping		
	-payable within 1 month	-	-
	-over 1 month but less than 3 months	-	-
	-over 3 months but less than 6 months	-	-
	-6 months or more	-	-
		-	-
7 (a)	Consolidated bills purchased and discounted		
	FAS Finance & Investment Limited	-	-
	FAS Capital Management Limited	-	-
		-	-
8	Fixed assets including premises, furniture and fixtures		
			Annexture-1
	Cost:		
	Land	86,527,860	86,527,860
	Office building	309,082,807	309,082,807
	Furniture & fixture	8,595,471	8,477,221
	Office decoration	8,957,959	8,957,959
	Office equipment	10,453,680	10,453,680
	Motor vehicles	26,710,605	26,678,950
	Electrical installation	2,057,474	2,057,474
	Computer	11,408,348	11,408,348
	Telephone line & PABX system	1,067,650	1,067,650
	Right of use Assets	121,471,352	122,512,515
	Software	638,421	638,421
		586,971,625	587,862,885
	Less: Accumulated depreciation:		
	Office building	147,088,440	138,562,421
	Furniture & fixture	4,919,644	4,512,314
	Office decoration	5,012,395	4,573,999
	Office equipment	6,888,148	6,258,937
	Motor vehicles	18,427,399	16,447,025
	Electrical installation	1,678,912	1,612,107
	Computer	5,929,783	4,962,977
	Telephone line & PABX system	735,369	676,731



Notes	Particulars	Amount in Taka	
		31-Dec-2021	31-Dec-2020
	Right of use Assets	51,323,116	34,909,674
	Software	429,986	393,203
		242,433,193	212,909,388
	Written down value at the end of the year	344,538,432	374,953,497

8 (a) Consolidated fixed assets including premises, furniture and fixtures			Annexure-1 (a)
FAS Finance & Investment Limited	8	344,538,432	374,953,497
FAS Capital Management Limited		9,976,253	12,328,374
		354,514,685	387,281,871

9 Others assets

Income generating

i) Investment in Shares of subsidiary companies

-In Bangladesh

-Outside Bangladesh

9.1

243,000,000	243,000,000
-	-
243,000,000	243,000,000

Non-income generating

ii) Stationery, stamps, printing, materials, etc.

iii) Advance rent and advertisement

iv) Interest accrued on investment but not collected, commission & brokerage receivable on shares and debenture and income receivable

v) Security deposit

vi) Preliminary, formation and organization expenses,

vii) Branch adjustment (net reconciled)

viii) Suspense account

ix) Silver

x) Advance corporate income tax

xi) Accounts receivable

xii) Deferred tax asset

xiii) Others

9.2

183,371	179,751
-	540,000
138,849,749	186,592,689
509,300	509,300
20,656,174	20,086,796
-	-
-	-
-	-
379,182,826	363,054,848
10,600,533	10,171,352
-	-
-	-
549,981,953	581,134,736
792,981,953	824,134,736

9.1 Investment in Shares of subsidiary companies

In Bangladesh

Outside Bangladesh

9.1.a

243,000,000	243,000,000
-	-
243,000,000	243,000,000

9.1.a Investment in Shares of subsidiary companies-In Bangladesh

FAS Capital Management Limited

243,000,000	243,000,000
243,000,000	243,000,000

Out of the total of 25,000,000 ordinary shares issued and paid up, FAS Finance & Investment Limited holds 24,300,000 ordinary shares of Tk. 10 each.



Notes	Particulars	Amount in Taka	
		31-Dec-2021	31-Dec-2020
9.2	Advance corporate income tax (AIT)		
	Advance income tax on bank interest	2,042,434	2,033,696
	Advance income tax on dividend	7,357,281	7,357,281
	Advance income tax (LTU)	311,392,281	308,433,634
	Advance income tax on motor vehicle	1,383,445	1,093,445
	Advance income tax on share placement	5,620,000	5,620,000
	Advance income tax (source Tax)	277,355	277,355
	Advance income tax on FDR Interest	51,110,030	38,239,437
		379,182,826	363,054,848
9.2 (a)	Consolidated advance corporate income tax		
	FAS Finance & Investment Limited	379,182,826	363,054,848
	FAS Capital Management Limited	19,653,053	15,924,412
		398,835,879	378,979,260
9 (a)	Consolidated others assets		
	i. Income generating		
	FAS Finance & Investment Limited	243,000,000	243,000,000
	FAS Capital Management Limited	-	-
		243,000,000	243,000,000
	Less: Investment in subsidiary companies (FAS Capital Management Limited)	(243,000,000)	(243,000,000)
		-	-
	ii. Non-income generating		
	FAS Finance & Investment Limited	549,981,953	581,134,736
	FAS Capital Management Limited	29,694,096	103,875,346
		579,676,049	685,010,082
	Less: Inter company transaction	(256,527)	(78,462,250)
		579,419,522	606,547,832
		579,419,522	606,547,832
10	Non-Financial Institution's assets		
	Land & Building	44,665,893	44,665,893
		44,665,893	44,665,893
10 (a)	Consolidated Non-Financial Institution's assets		
	FAS Finance & Investment Limited	44,665,893	44,665,893
	FAS Capital Management Limited	-	-
		44,665,893	44,665,893
11	Borrowings from other banks, financial institutions and agents		
	In Bangladesh	7,891,711,610	7,301,735,107
	Outside Bangladesh	-	-
		7,891,711,610	7,301,735,107
11.1	In Bangladesh		
	SME Refinancing Loan		-



Notes	Particulars	Amount in Taka	
		31-Dec-2021	31-Dec-2020
	Agrani Bank Limited	70,000,000	70,000,000
	Al-Arafah Islami Bank Limited	579,061,786	556,626,110
	Bangladesh Commerce Bank Limited	263,122,222	237,816,667
	Bangladesh Development Bank Limited	158,768,333	158,500,000
	Bangladesh Infrastructure Finance Fund Limited (BIFFL)	26,900,000	26,900,000
	Bank Asia Limited	195,850,627	152,430,296
	BASIC Bank Limited	450,540,249	428,160,923
	Dhaka Bank Limited	139,587,097	126,448,142
	Fareast Finance & Investment Limited	36,116,092	36,116,092
	ICB Islamic Bank Limited	5,720,444	6,520,444
	International Leasing and Financial Services Limited	402,566,537	399,838,032
	Meghna Bank Limited	53,776,250	52,500,000
	Mercantile Bank Limited	2,007,210,069	1,824,787,905
	Midland Bank Limited	298,573,532	273,500,397
	Mutual Trust Bank Limited	432,377,980	389,342,799
	NCC Bank Limited	105,014,438	97,328,380
	NRB Bank Limited	318,646,907	290,476,042
	NRB Commercial Bank Limited	250,399,440	227,357,542
	One Bank Limited	210,610,078	184,921,658
	Prime Bank Limited	57,870,428	53,491,300
	Rupali Bank Limited	33,066,383	33,066,383
	Social Islami Bank Limited	103,302,895	96,781,658
	Sonali Bank Limited	68,600,000	68,600,000
	South Bangla Agriculture & Commerce Bank Limited	840,754,616	787,490,133
	State Bank of India	51,331,721	47,186,336



Notes	Particulars	Amount in Taka	
		31-Dec-2021	31-Dec-2020
	The Premier Bank Limited	507,875,758	465,325,524
	UAE-Bangladesh Investment Company Limited	6,317,646	7,819,701
	Uttara Bank Limited	211,322,562	195,824,354
	Woori Bank Limited	6,427,520	6,578,289
		<u>7,891,711,610</u>	<u>7,301,735,107</u>

11.2 Security against Borrowings from other banks, financial institutions and agents

Secured	7,891,711,610	7,301,735,107
Unsecured	-	-
	<u>7,891,711,610</u>	<u>7,301,735,107</u>

11.3 Maturity grouping's

Repayable-on demand	-	-
-up to 3 months	216,778,021	306,025,907
-over 3 months but within 1 year	2,165,685,011	3,678,142,707
-over 1 year but within 5 years	5,509,248,578	3,317,566,493
-over 5 years	-	-
	<u>7,891,711,610</u>	<u>7,301,735,107</u>

11 (a) Consolidated borrowings from other banks, financial institutions and agents

FAS Finance & Investment Limited	11	7,891,711,610	7,301,735,107
FAS Capital Management Limited		2,057,699,232	2,020,051,066
		<u>9,949,410,842</u>	<u>9,321,786,173</u>
Less: Inter company transaction	6(a)	(1,713,594,971)	(1,627,732,070)
		<u>8,235,815,871</u>	<u>7,694,054,103</u>

12 Deposits and other accounts

Current deposits and other accounts		-	-
Bills payable		-	-
Savings bank deposits		-	-
Fixed deposits	12.1	9,545,452,793	9,089,507,379
Bearer certificates of deposit		-	-
Others deposits	12.1	5,001,000	4,529,000
		<u>9,550,453,793</u>	<u>9,094,036,379</u>

12.1 Fixed deposits

Deposit from FI's-inside Bangladesh	6,238,340,886	5,729,489,096
Other than FI's-inside Bangladesh	3,312,112,907	3,364,547,283
	<u>9,550,453,793</u>	<u>9,094,036,379</u>

12.1.a Maturity analysis of Fixed Deposits

Deposit from FI's-inside Bangladesh



Notes	Particulars	Amount in Taka	
		31-Dec-2021	31-Dec-2020
	Repayable-on demand	-	-
	-within 1 month	338,587,345	48,081,720
	-over 1 month but within 6 months	1,045,675,957	5,681,407,376
	-over 6 months but within 1 year	4,854,077,584	-
	-over 1 year but within 5 years	-	-
	-over 5 years but within 10 years	-	-
		6,238,340,886	5,729,489,096
	Other than FI's-inside Bangladesh		
	Repayable-on demand	-	-
	-within 1 month	153,356,568	130,082,877
	-over 1 month but within 6 months	146,894,801	2,440,685,213
	-over 6 months but within 1 year	2,904,029,583	643,191,332
	-over 1 year but within 5 years	105,297,275	149,853,181
	-over 5 years but within 10 years	2,534,680	734,680
		3,312,112,907	3,364,547,283
		9,550,453,793	9,094,036,379
12 (a)	Consolidated deposits and other accounts		
	Fixed deposits		
	FAS Finance & Investment Limited	9,545,452,793	9,089,507,379
	FAS Capital Management Limited	-	-
		9,545,452,793	9,089,507,379
	Less: Inter company transaction	(388,159,345)	(504,543,281)
		9,157,293,448	8,584,964,098
	Others deposits		
	FAS Finance & Investment Limited	5,001,000	4,529,000
	FAS Capital Management Limited	-	-
		5,001,000	4,529,000
		9,162,294,448	8,589,493,098
13	Others liabilities		
	Accumulated provision against loans, advances and leases	2,683,842,110	1,646,849,518
	Provision for current tax	449,055,455	447,115,359
	Deferred tax liabilities	58,107,408	60,567,899
	Interest suspense account	3,042,677,356	2,600,642,284
	Accounts payable	168,422	313,593
	Accrued expenses	2,557,323	6,415,506
	Provision for gratuity	8,993,456	6,257,776
	Provision against investments	-	1,707,507
	Provident fund	3,798,131	5,794,082
	Leases advance	1,429,206	1,429,206
	Advance installment	53,427,019	33,953,412
	Lease liabilities-Office premises	87,976,840	92,481,869
	Provision for other assets	83,025,738	76,335,476
	Unclaimed dividend	1,280,660	1,280,660



Notes	Particulars	Amount in Taka	
		31-Dec-2021	31-Dec-2020
	Salary tax	-	663,444
	Interest payable	1,858,790,764	1,701,831,943
	Tax deduction at source	234,913,551	136,164,097
	Vat payable	4,700,075	3,143,520
	Sundry deposit	10,261,418	9,653,633
		8,585,004,932	6,832,600,784

13.1 Accumulated provision for loans, advances and leases

Provision for classified loans, advances and leases

Opening balance	1,624,147,895	1,274,936,984
Fully provided debts written off during the year (-)	-	-
Recovery of amounts previously written off (+)	-	-
Specific provision made for the year (+)	976,728,013	349,210,911
Recoveries and provision no longer required (-)	-	-
Net charge to profit and loss statement (+)	-	-
Total Provision for classified loans, advances and leases	2,600,875,908	1,624,147,895

Provision for unclassified loans, advances and leases

Opening balance	22,701,623	71,036,518
Provision for the year	60,264,579	-
Adjustment during the year	-	(48,334,895)
Total provision for unclassified loans, advances and leases	82,966,202	22,701,623
Total provision against loans, advances and leases	2,683,842,110	1,646,849,518

Provision for	Required	Maintained	Excess/(Shortage)
Classified loans, advances & leases	10,600,875,908	2,600,875,908	(8,000,000,000)
Un-classified loans, advances & leases	82,966,202	82,966,202	(0)
	10,683,842,110	2,683,842,110	(8,000,000,000)

Note/ Discloser:

Bangladesh Bank vide their letter No-DFIM(C)1054/10/1022-2808 dated September 29, 2022 has given NOC for maintaining required provision of Tk. 872.52 Crore as of the year ended on 31.12.2021. Out of which Tk. 72.52 Crore to be maintained in 2021, for the remaining balance of provision shortfall of Tk. 800.00 Crore a deferral has been allowed for maintaining equally in 8 (eight) years from the year 2022 to 2029. The provision for Tk. 72.52 Crore has been maintained in 2021 and thereby complied.

13.1 (a) Consolidated provision against loans, advances and leases

FAS Finance & Investment Limited	13.1	2,683,842,110	1,646,849,518
FAS Capital Management Limited		338,789,879	89,668,773
		3,022,631,989	1,736,518,291



Notes	Particulars	Amount in Taka	
		31-Dec-2021	31-Dec-2020
13.2	Provision for current tax		
	Opening balance	447,115,359	444,364,457
	Add: Provision made during the year	1,940,096	2,750,902
	Less: Adjustment during the year	-	-
		449,055,455	447,115,359

13.2.1 Reconciliation of effective tax rate:

	Effective Tax rate	
Profit before provision and tax		(1,550,726,973)
Tax on net loss @ 37.5%		(581,522,615)
Tax on Divident income@ 20%	-	-
Tax on Gain/(loss) on sale of shares @10%	0.0008%	(11,820)
Minimum Tax @ .6% revenue	-0.1251%	1,940,096
Deductible expenses		
Effective tax rate	-0.1243%	1,928,276

Income tax provision has been made as per Income Tax Ordinance 1984 and as amended for the time being.

13.2 (a) Consolidated provision for current tax

FAS Finance & Investment Limited	13.2	449,055,455	447,115,359
FAS Capital Management Limited		5,205,299	4,212,960
		454,260,754	451,328,319

13.3 Deferred tax

Deferred tax has been calculated based on deductible/taxable temporary difference arising due to difference in the carrying amount of the assets and its tax base in accordance with the provision of International Accounting Standard (IAS) 12 "Income Taxes".



Notes	Particulars	Amount in Taka	
		31-Dec-2021	31-Dec-2020

Deferred tax liability is arrived at as follows:

Particulars	Carrying amount at Accounting base	Carrying amount at Tax base	(Taxable)/ deductible temporary difference	Tax Rate	Deferred tax (Liability)/Asset
			Taka	Taka	Taka
Assets:					
Fixed assets net off depreciation as on December 31, 2021 (Excluding revaluation reserve)	70,690,082	46,545,094	(24,144,988)	37.5%	(9,054,371)
Right of Use Asset	18,488,517	26,273,971	7,785,454	37.5%	2,919,545
Revalued amount of Building	117,172,254	-	(117,172,254)	37.5%	(43,939,595)
Base amount of Land	80,903,546	-	(80,903,546)	4.0%	(3,236,142)
					(53,310,563)
Liabilities:					
Employee gratuity fund as on December 31, 2021	8,993,456	-	(8,993,456)	37.5%	(3,372,546)
Provident fund as on December 31, 2021	3,798,131	-	(3,798,131)	37.5%	(1,424,299)
					(4,796,845)
Total: Deferred tax liability as on December 31, 2021					(58,107,408)
Deferred tax liability as on December 31, 2020					(60,567,899)
Deferred tax (expenses)/Income as on December 31, 2021					2,460,491

Opening Deferred Tax	60,567,899	60,001,848
Deferred Tax Expense/(Income)	(2,460,491)	566,051
Closing Deferred Tax Liability/(Asset)	58,107,408	60,567,899

13.3 (a) Consolidated deferred tax liabilities

FAS Finance & Investment Limited	13.3	58,107,408	60,567,899
FAS Capital Management Limited		(128,311)	(187,994)
		57,979,096	60,379,905



Notes	Particulars	Amount in Taka	
		31-Dec-2021	31-Dec-2020

13.4 Interest suspense account

Opening balance		2,600,642,284	962,601,404
Transfer during the year	(+)	1,212,862,972	2,184,415,364
Recovery during the year	(-)	(770,827,900)	(546,374,484)
Written off during the year	(-)	-	-
		<u>3,042,677,356</u>	<u>2,600,642,284</u>



Notes	Particulars	Amount in Taka	
		31-Dec-2021	31-Dec-2020

13.4 (a) Consolidated interest suspense account

FAS Finance & Investment Limited	13.4	3,042,677,356	2,600,642,284
FAS Capital Management Limited		247,209,890	132,987,993
		3,289,887,246	2,733,630,277

13.5 Provision for gratuity

Opening balance		6,257,776	2,224,973
Add: Provision made during year		3,086,130	4,032,803
Less: Adjustment during the year		(350,450)	-
		8,993,456	6,257,776

13.6 Provision against investments

Opening balance		-	-
Add: Provision made during the year		-	1,707,507
Less: Adjustment during the year		-	-
		-	1,707,507

13.6 (a) Consolidated provision against investments

FAS Finance & Investment Limited	13.6	-	1,707,507
FAS Capital Management Limited		-	9,225,481
		-	10,932,988

N.B: During the year, FAS Finance & Investment and his subsidiary had accounted investment in share in accordance to IFRS-9, para 4.1.2A, 5.7.5. Therefore, there is no provision for any loss in share investment.

13.7 Provident fund

Opening balance		5,794,082	3,989,442
Add: Provision made during the year		3,733,300	4,751,110
Less: Adjustment during the year		(5,729,251)	(2,946,470)
		3,798,131	5,794,082

13.8 Lease liabilities-Office premises

Opening balance		92,481,869	97,805,643
Add: Addition during the year		10,771,607	10,620,818
Less: Adjustment during the year		(15,276,636)	(15,944,592)
		87,976,840	92,481,869

13.8 (a) Consolidated lease liabilities-Office premises

FAS Finance & Investment Limited	13.8	87,976,840	92,481,869
FAS Capital Management Limited		-	1,133,821
		87,976,840	93,615,690



Notes	Particulars	Amount in Taka	
		31-Dec-2021	31-Dec-2020

13.9 Provision for other assets

Opening balance	76,335,476	76,335,476
Add: Addition during the year	6,690,262	-
Less: Adjustment during the year	-	-
	<u>83,025,738</u>	<u>76,335,476</u>



Notes	Particulars	Amount in Taka	
		31-Dec-2021	31-Dec-2020
13. (a) Consolidated other liabilities			
	FAS Finance & Investment Limited 13	8,585,004,932	6,832,600,784
	FAS Capital Management Limited	610,194,115	317,472,786
		9,195,199,046	7,150,073,570
	Less: Inter company transaction 9(a)	(256,527)	(78,462,250)
		9,194,942,519	7,071,611,320
14 Share Capital		1,490,773,640	1,490,773,640
14.1 Authorized Capital			
	210,000,000 ordinary shares of Taka 10 each	2,100,000,000	2,100,000,000
14.2 Issued, subscribed and paid-up Capital			
	39,065,700 ordinary shares of Taka 10 each issued for cash	390,657,000	390,657,000
	5,859,850 bonus shares of Taka 10 each issued for dividend for	58,598,500	58,598,500
	6,738,830 bonus shares of Taka 10 each issued for dividend for	67,388,300	67,388,300
	2,583,219 bonus shares of Taka 10 each issued for dividend for	25,832,190	25,832,190
	3,254,855 bonus shares of Taka 10 each issued for dividend for	32,548,550	32,548,550
	11,175,005 bonus shares of Taka 10 each issued for dividend for	111,750,050	111,750,050
	6,146,253 bonus shares of Taka 10 each issued for dividend for	61,462,530	61,462,530
	12,907,131 bonus shares of Taka 10 each issued for dividend for	129,071,310	129,071,310
	7,098,922 bonus shares of Taka 10 each issued for dividend for	70,989,220	70,989,220
	54,247,599 right shares of Taka 10 each issued	542,475,990	542,475,990
		1,490,773,640	1,490,773,640



14.3 Percentage of shareholding

Group	Percentage of Share		No. of Shares	
	31-Dec-2021	31-Dec-2020	31-Dec-2021	31-Dec-2020
Sponsors/Directors	13.20	13.20	19,682,870	19,682,870
Government	-	-	-	-
Institutions	9.90	16.83	14,758,659	25,094,164
Foreign	-	-	-	-
General public	76.90	69.96	114,635,835	104,300,330
	100.00	100.00	149,077,364	149,077,364

14.4 Classification of Shareholders by holding of share

Shareholding range as on December 31	Number of holders		% of total holding	
	31-Dec-2021	31-Dec-2020	31-Dec-2021	31-Dec-2020
1-500	2,434	2,549	0.27%	0.26%
501-5,000	4,495	3,753	6.52%	5.12%
5,001-10,000	1,098	1,006	5.80%	5.01%
10,001-20,000	760	784	7.58%	7.62%
20,001-30,000	303	303	5.14%	4.99%
30,001-40,000	153	173	3.67%	4.06%
40,001-50,000	117	110	3.66%	3.42%
50,001-100,000	199	219	9.76%	10.24%
100,001-1000,000	170	177	49.78%	26.99%
1,000,001 and above	1	15	7.83%	32.29%
	9,730	9,089	100.00%	100.00%

No. of Shares		Value of Shares	
31-Dec-2021	31-Dec-2020	31-Dec-2021	31-Dec-2020
405,155	385,536	4,051,550	3,855,360
9,712,871	7,632,463	97,128,710	76,324,630
8,653,127	7,470,310	86,531,270	74,703,100
11,297,156	11,367,007	112,971,560	113,670,070
7,657,682	7,433,754	76,576,820	74,337,540
5,464,922	6,046,585	54,649,220	60,465,850
5,451,953	5,105,591	54,519,530	51,055,910
14,548,636	15,265,122	145,486,360	152,651,220
74,207,142	40,235,153	742,071,420	402,351,530
11,678,720	48,135,843	116,787,200	481,358,430
149,077,364	149,077,364	1,490,773,640	1,490,773,640



14.5 Name of the Directors and their shareholding (including holdings of sponsors shareholders and general public) as on 31 December 2021

Sl. No.	Name	Position	Total Nos. of Share	Value of Shares	% of Shareholding
1	Mr. Mohammed Nurul Amin	Chairman & Independent Director	-	-	-
2	Dr. Mohammad Saifuddin Khan	Independent Director	-	-	-
3	Brigadier General Abu Sayeed Mohammad Ali (Retd.)	Independent Director			
4	Dr. Syed Abdulla Al Mamun FCMA	Independent Director	-	-	-
5	Mr. Md. Salim	Independent Director			
6	Mr. Pritish Kumar Sarker	Managing Director & CEO (Ex-Officio)			
7	Reptiles Farm Limited	Director	8,004,150	80,041,500	5.37%
8	P & L International Limited	Director	11,678,720	116,787,200	7.83%
12	Institutions		14,201,847	142,018,470	9.53%
13	General public		115,192,647	1,151,926,470	77.27%
Total			149,077,364	1,490,773,640	100.00%



14.06 Capital adequacy ratio (CAR) As per BASEL-II

- a. In terms of Bangladesh Bank DFIM circular no. 05 dated 24 July 2011, required paid up capital of the Company at 31 December 2012 should be of Taka 1,000,000,000 against which the paid up capital of the company as at 31.12.2021 was Tk. 1,490,773,640.

Consolidated - Capital adequacy ratio :

b.

In terms of Bangladesh Bank DFIM circular no. 14 dated 28 December 2011, required capital of the Company on consolidated basis at the close of business on 31 December 2021 is TK.1,007,860,319 as against available core capital of Tk.: (5,124,900,015) and supplementary capital of Tk. 230,954,207 making a total of Tk. (4,893,945,808) thereby showing surplus/(short) capital/equity of Tk. (5,901,806,127) at that date. Details are shown below:

14.06.01 Core capital (Tier-I)

Paid-up capital	1,490,773,640
Statutory reserve	205,579,082
Non-repayable Share premium account	-
General reserve	315,000
Retained earnings	(6,808,859,448)
Minority Interest in Subsidiaries	(12,708,289)
Non-Cumulative irredeemable Preferences shares	-
Dividend Equalization account	-
Other (if any item approved by BB)	-
Total	(5,124,900,015)

Deductions from Tier-I (Core Capital)

Book value of Goodwill and Value of any contingent assets which are shown as assets	-
Shortfall in provisions required against classified assets irrespective of any relaxation allowed	-
Shortfall in provision required against investment in shares	-
Remaining deficit on account of revaluation of investment in securities after netting off from any other surplus on the securities	-
Any investment exceeding the approved limited	-
Investment in subsidiaries which are not consolidated	-

Increase in equity capital resulting from a securitization exposure	-
Others if any	-

Total**Total Eligible Tier-1 Capital****(5,124,900,015)****14.06.02 Supplementary capital (Tier II)**

General provision on unclassified loans and advances	163,618,004
Provision for off-balance sheet exposure	-
Exchange equalization account	-



Asset revaluation reserves (Up to 50%)	77,068,102
Other	(9,731,899)
Sub total	230,954,207
Applicable Deductions if any	-
Total Eligible Tier-2 Capital	230,954,207
(A) Total Eligible Capital (Tier-1 + Tier-2)	(4,893,945,808)
Total assets including off- balance Sheet items	21,612,557,128
Total risk -weighted assets(RWA)	10,078,603,193
(B) Total Required Capital (10% of Total RWA or MCR, whichever is higher)	1,007,860,319
(C) Surplus / (Shortfall) (A-B)	(5,901,806,127)
Capital adequacy ratio	-48.56%
Risk weighted assets (RWA)	
A. Credit Risk	
On-Balance sheet	10,895,329,664
Off-Balance sheet	-
	10,895,329,664
B. Market Risk	75,905,088
C. Operational Risk	(892,631,559)
Total RWA (A+B+C)	10,078,603,193

A. Credit Risk

On-Balance sheet

Exposure type

Risk weighted assets

a) Cash and Cash Equivalents	-
b) Claims on Bangladesh Government and Bangladesh Bank	-
c) Claims on other Sovereigns & Central bank's	-
d) Claims on banks for International Settlements, International Monetary Fund and European Central	-
e) Claims on Multilateral Development Banks (MDBs):	-
i) IBRD, IFC, ADB, AFDB, EBRD, IADB, EIB, EIF, NIB, CDB, IDB, CEDB	-
ii) Other MDBs	-
f) Claims on Public Sector Entities (other than Government) in Bangladesh (Membership in Stock Exchange)	-
g) Claims on Banks/NBFI	-
i) Maturity over 3 months	639,587,007
ii) Maturity less than 3 months	2,924,493
h) Claims on Corporate (excluding equity exposure)	-
i) Claims under Credit Risk Mitigation	-
j) Claims categorized as retail portfolio & small enterprise (excluding consumer investment)*	159,061
k) Consumer investment (Loan)	6,633,123
l) Claims fully secured by residential property	19,738,818



m)	Claims fully secured by commercial real estate	180,056,680
n)	Past Due Claims (Risk weights are to be assigned net of specific provision):	-
	The claim (other than claims secured by eligible residential property) that is past due for more than 90 days and/or impaired will attract risk weight as	-
	Where specific provisions are less than 20 percent of the outstanding amount of the past due claim.	1,577,491,943
	Where specific provisions are no less than 20 percent of the outstanding amount of the past due claim.	1,510,994,032
	Where specific provisions are more than 50 percent of the outstanding amount of the past due claim.	3,106,536,505
	Claims fully secured against residential property that are past due for more than 90 days and/or impaired specific provision held there-against is less than 20% of outstanding amount	806,731,445
	Investments and claims fully secured against residential property that are past due by 90 days and/or impaired and specific provision held there-against is not less than 20% of outstanding amount	105,196,051
o)	Investments in Capital Market Exposures	2,359,425,003
p)	Investments in venture capital	-
	Unlisted equity investments and regulatory capital instruments issued by other FIS (other those deducted from capital) held in the banking book	-
q)	Investments in premises, plant and equipment and all other fixed assets	354,514,685
s)	Claims on all fixed assets under operating lease	-
t)	All other assets	-
	i) Claims on Gob & BB (advance income tax , reimbursement of patirakha/shanchy patra	-
	ii) Staff Loan / Investment	-
	iii) Cash items in process of collection	-
	iv) other assets	225,340,818
	Risk weighted assets(RWA)	10,895,329,664

Off-Balance Sheet

Exposures types

- | | | |
|----|--|---|
| a) | Claims on Bangladesh Government and Bangladesh Bank (Outward/Inward Bill Lodged) | - |
| b) | Claims on other Sovereigns & Central bank's | - |



c)	Claims on banks for International Settlements, International Monetary Fund and European Central Bank	-
d)	Claims on Multilateral Development Banks (MDBs):	-
	i) IBRD, IFC, ADB, AFDB, EBRD, IADB, EIB, EIF, NIB, CDB, IDB, CEDB	-
	ii) Other MDBs	-
e)	Claims on Public Sector Entities (other than Government) in Bangladesh	-
f)	Claims on NBFIs	-
	i) Maturity over 3 months	-
	ii) Maturity less than 3 months	-
g)	Claims on Corporate (excluding equity exposure)	-
h)	Against retail portfolio & Small Enterprise (excluding consumer investment)	-
i)	Consumer Investment	-
j)	All other assets	-
	Risk weighted assets (RWA)	-
	Total Risk weighted assets (RWA)	10,895,329,664

B. Market Risk

	Capital Charges for Specific Risk	Capital Charge for General Market Risk	Total Capital Charge for Market Risk
A Interest Rate Related Instruments	-	-	-
B Equities	37,952,544	37,952,544	75,905,088
C Foreign Exchange Position	-	-	-
Total(A+B+C)	37,952,544	37,952,544	75,905,088
Risk weighted assets (RWA)	379,525,440	379,525,440	759,050,880

C. Operational Risk

Gross income	(1,785,263,119)
Average gross income	(595,087,706)
Capital charge for operational risk (15% of Average gross income)	(89,263,156)
Risk Weighted Assets	(892,631,559)

For the company (Solo)- Capital adequacy ratio:

In terms of Bangladesh Bank DFIM circular no. 14 dated 28 December 2011, required capital of the Company on solo basis at the close of business on 31 December 2021 is Tk. 1,033,221,747 as against available core capital of Tk. (4,440,281,926) and supplementary capital of Tk. 149,886,146 making a total of Tk. (4,290,395,780) thereby showing surplus capital/(Shortfall) equity of Tk. (5,323,617,527) at that date. Details are shown below:



Core capital (Tier I)	
Paid-up capital	1,490,773,640
Statutory reserve	205,579,082
Non-repayable Share premium account	-
General reserve	315,000
Retained earnings	(6,136,949,648)
Minority Interest in Subsidiaries	-
Non-Cumulative irredeemable Preferences shares	-
Dividend Equalization account	-
Other (if any item approved by BB)	-
Total	(4,440,281,926)
Deductions from Tier-1 (Core Capital)	
Book value of Goodwill and Value of any contingent assets which are shown as assets	-
Shortfall in provisions required against classified assets irrespective of any relaxation allowed	-
Shortfall in provision required against investment in shares	-
Remaining deficit on account of revaluation of investment in securities after netting off from any other surplus on the securities	-
Any investment exceeding the approved limited Investment in subsidiaries which are not consolidated	-
Increase in equity capital resulting from a securitization exposure	-
Others if any	-
Total	-
Total Eligible Tier-1 Capital	(4,440,281,926)
Supplementary capital (Tier II)	
General provision on unclassified loans and advances	73,949,231
Provision for off-balance sheet exposure	-
Exchange equalization account	-
Asset revaluation reserves (Up to 50%)	77,068,102
Other	(1,131,187)
Sub total	149,886,146
Applicable Deductions if any	-
Total Eligible Tier-2 Capital	149,886,146
(A) Total Eligible Capital (Tier-1 + Tier-2)	(4,290,395,780)
Total assets including off- balance Sheet items	21,739,893,426
Total risk -weighted assets(RWA)	10,332,217,468
(B) Total Required Capital (10% of Total RWA or MCR, whichever is higher)	1,033,221,747



(C) Surplus /(Shortfall)(A-B)

Capital adequacy ratio

(5,323,617,527)

-41.52%

Risk weighted assets (RWA)

A. Credit Risk

On-Balance sheet

11,105,265,467

Off-Balance sheet

-

11,105,265,467

B. Market Risk

25,866,900

C. Operational Risk

(798,914,900)

Total RWA (a+b+c)

10,332,217,468

A. Credit Risk

On-Balance sheet

Risk weighted assets

Exposure type

a)	Cash and Cash Equivalents	-
b)	Claims on Bangladesh Government and Bangladesh Bank	-
c)	Claims on other Sovereigns & Central bank's	-
d)	Claims on banks for International Settlements, International Monetary Fund and European Central	-
e)	Claims on Multilateral Development Banks (MDBs):	-
	i) IBRD, IFC, ADB, AFDB, EBRD, IADB, EIB, EIF, NIB, CDB, IDB, CEDB	-
	ii) Other MDBs	-
f)	Claims on Public Sector Entities (other than Government) in Bangladesh (Membership in Stock Exchange)	-
g)	Claims on Banks/NBFI	-
	i) Maturity over 3 months	625,378,568
	ii) Maturity less than 3 months	2,924,493
h)	Claims on Corporate (excluding equity exposure)	-
i)	Claims under Credit Risk Mitigation	-
j)	Claims categorized as retail portfolio & small enterprise (excluding consumer investment)*	159,061
k)	Consumer investment (Loan)	6,633,123
l)	Claims fully secured by residential property	19,738,818
m)	Claims fully secured by commercial real estate	180,056,680
n)	Past Due Claims (Risk weights are to be assigned net of specific provision):	-
	The claim (other than claims secured by eligible residential property) that is past due for more than 90 days and/or impaired will attract risk weight as follows:	-
	Where specific provisions are less than 20 percent of the outstanding amount of the past due claim.	1,577,491,943



Where specific provisions are no less than 20 percent	1,510,994,032
of the outstanding amount of the past due claim.	
Where specific provisions are more than 50 percent of	3,106,536,505
the outstanding amount of the past due claim.	
Claims fully secured against residential property that	806,731,445
are past due for more than 90 days and/or impaired	
specific provision held there-against is less than 20%	
of outstanding amount	
Investments and claims fully secured against	105,196,051
residential property that are past due by 90 days	
and/or impaired and specific provision held there-	
against is not less than 20% of outstanding amount	
 o) Investments in Capital Market Exposures	2,603,420,629
p) Investments in venture capital	-
Unlisted equity investments and regulatory capital	
instruments issued by other FIS (other those deducted	
q) from capital) held in the banking book	
r) Investments in premises, plant and equipment and all other fixed assets	344,538,432
s) Claims on all fixed assets under operating lease	-
t) All other assets	-
i) Claims on Gob & BB (advance income tax ,	-
reimbursement of patirakha/shanchy patra	-
ii) Staff Loan / Investment	-
iii) Cash items in process of collection	-
iv) other assets	215,465,687
Risk weighted assets (RWA)	11,105,265,467

Off-Balance Sheet

Exposures types	
a) Claims on Bangladesh Government and Bangladesh	
Bank (Outward/Inward Bill Lodged)	-
b) Claims on other Sovereigns & Central bank's	-
c) Claims on banks for International Settlements,	
International Monetary Fund and European Central	-
d) Claims on Multilateral Development Banks (MDBs):	-
i) IBRD, IFC, ADB, AFDB, EBRD, IADB, EIB, EIF,	
NIB, CDB, IDB, CEDB	-
ii) Other MDBs	-
e) Claims on Public Sector Entities (other than	
Government) in Bangladesh	-
f) Claims on NBFI	-
i) Maturity over 3 months	-
ii) Maturity less than 3 months	-
g) Claims on Corporate (excluding equity exposure)	-



h)	Against retail portfolio & Small Enterprise (excluding consumer investment)	-
i)	Consumer Investment	-
j)	All other assets	-
	Risk weighted assets (RWA)	-
	Total Risk weighted assets (RWA)	11,105,265,467

B. Market Risk

	Capital Charges for Specific Risk	Capital Charge for General Market Risk	Total Capital Charge for Market Risk
A Interest Rate Related Instruments	-	-	-
B Equities	12933450	12933450	25,866,900
C Foreign Exchange Position	-	-	-
Total (A+B+C)	12,933,450	12,933,450	25,866,900
Risk weighted assets (RWA)	129,334,500	129,334,500	258,669,000

C. Operational Risk

Gross income	-1597829799
Average gross income	(532,609,933)
Capital charge for operational risk (15% of Average gross income)	(79,891,490)
Risk Weighted Assets	(798,914,900)



Notes	Particulars	Amount in Taka	
		31-Dec-2021	31-Dec-2020
15	Statutory reserve		
	Opening balance	205,579,082	205,579,082
	Add: Addition during the year	-	-
		<u>205,579,082</u>	<u>205,579,082</u>
16	Other reserve		
	Capital reserve	315,000	315,000
		<u>315,000</u>	<u>315,000</u>
16.1	Capital reserve		
	Opening balance	315,000	315,000
	Add: Addition during the year	-	-
		<u>315,000</u>	<u>315,000</u>
17	Revaluation Reserve		
	Land	80,903,545	80,903,545
	Office building	73,232,659	77,087,009
		<u>154,136,204</u>	<u>157,990,554</u>
17.1	Revaluation reserve-Land		
	Opening balance	80,903,545	80,903,545
	Add: Addition during the year	-	-
	Prior year adjustment	-	-
		<u>80,903,545</u>	<u>80,903,545</u>
17.2	Revaluation reserve-Office building		
	Opening balance	77,087,009	81,144,220
	Add: Addition during the year	-	-
		77,087,009	81,144,220
	Less: Transfer of revaluation reserve	(3,854,350)	(4,057,211)
		<u>73,232,659</u>	<u>77,087,009</u>
18	Retained earnings		
	Opening balance	(3,548,622,073)	(1,520,949,119)
	Prior year adjustment	1,707,507	
	Net profit after taxation	(2,593,889,432)	(2,031,730,165)
	Transfer to statutory reserve	-	-
	Stock dividend paid-2018	-	-
	Add: Transfer of revaluation reserve	3,854,350	4,057,211
		<u>(6,136,949,648)</u>	<u>(3,548,622,073)</u>



Notes	Particulars	Amount in Taka	
		31-Dec-2021	31-Dec-2020

18 (a) Consolidated retained earnings

Opening balance	(3,851,671,794)	(1,677,703,954)
Prior year adjustment	10,932,990	-
Consolidated net profit after taxation	(2,971,974,995)	(2,178,025,051)
Transfer to statutory reserve	-	-
Stock dividend paid-2018	-	-
Add: Transfer of revaluation reserve	3,854,350	4,057,211
	(6,808,859,449)	(3,851,671,794)

19 Undrawn formal standby facilities, credit lines and other commitments

Leases, loans & advances commitments outstanding	-	-
	-	-

19 (a) Consolidated undrawn formal standby facilities, credit lines and other commitments

FAS Finance & Investment Limited	19	-	-
FAS Capital Management Limited		-	-
		-	-

20 Other memorandum items

Customers' stocks of securities-Merchant Banking Wing	-	-
	-	-

20 (a) Consolidated other memorandum items

FAS Finance & Investment Limited	20	-	-
FAS Capital Management Limited	20 (a)i	773,724,007	756,510,979
		773,724,007	756,510,979

20 (a)i Other memorandum items of FAS Capital Management Limited

Customers' stocks of securities-Merchant Banking Wing	773,724,007	756,510,979
	773,724,007	756,510,979

This amount consists of portfolio investors' investment at cost price.



Notes	Particulars	Amount in Taka	
		31-Dec-2021	31-Dec-2020
21	Profit and loss account		
	Income		
	Interest, discount and similar income	323,016,359	205,588,558
	Dividend income	-	1,129,636
	Fee, commission and brokerage	-	-
	Gains less losses arising from investment securities	(118,204)	12,808,225
	Gains less losses arising from dealing in foreign currencies	-	-
	Other operating income	333,022	1,770,202
	Gains less losses arising from dealing securities	-	-
	Income from Non-FI's assets	-	-
	Profit less losses on interest rate changes	-	-
		323,231,176	221,296,621
	Expenses		
	Interest, fee and commission	1,770,680,164	1,825,521,000
	Losses on loans, leases and advances	-	-
	Administrative expenses	63,705,006	76,839,843
	Other operating expenses	9,980,934	12,827,508
	Depreciation on FI's assets	29,592,046	31,937,959
		1,873,958,150	1,947,126,310
		(1,550,726,973)	(1,725,829,689)
		-	-
22	Interest income		
	Interest on loans, advances and leases	222,568,018	111,663,675
	Interest on placement with other banks and financial institutions	100,448,341	93,924,883
	Interest on foreign currency balance	-	-
		323,016,359	205,588,558
22 (a)	Consolidated interest income		
	FAS Finance & Investment Limited	323,016,359	205,588,558
	FAS Capital Management Limited	5,847,376	3,059,139
		328,863,735	208,647,697
	Less: Inter company transaction	(33,700,335)	(129,077,798)
		295,163,400	79,569,899
23	Interest paid on deposits, borrowings, etc.		
	Interest on deposits	986,034,530	1,037,787,289
	Interest on borrowings	774,785,105	777,112,893
	Interest on lease liabilities-Office premises	9,860,529	10,620,818
	Interest on foreign bank accounts	-	-
		1,770,680,164	1,825,521,000



Notes	Particulars	Amount in Taka	
		31-Dec-2021	31-Dec-2020

23 (a) Consolidated interest paid on deposits, borrowings, etc.

FAS Finance & Investment Limited	23	1,770,680,164	1,825,521,000
FAS Capital Management Limited		183,423,893	186,519,889
		1,954,104,057	2,012,040,889
Less: Inter company transaction		(33,700,335)	(159,885,530)
		1,920,403,722	1,852,155,359

24 Investment income

Gain/(loss) on sale of shares	24.01	(118,204)	12,808,225
Dividend on shares		-	1,129,636
		(118,204)	13,937,861

Details break-up of gain/(loss) on share investment for the year 2021 has given below:

24.01 Name of Share Investment:	Sales Price	Purchase Price	Gain/(Loss)
AB Bank Ltd.	42,206	73,704	(31,499)
Esquire Knit Com.Ltd.	5,901	11,025	(5,124)
Runner Autom. Ltd.	201,559	283,140	(81,582)
	249,665	367,869	(118,204)

24 (a) Consolidated investment income

FAS Finance & Investment Limited	24	(118,204)	13,937,861
FAS Capital Management Limited		6,566,935	4,106,641
		6,448,731	18,044,502

25 Commission, exchange and brokerage

Commission	-	-
Exchange gain/(loss)	-	-
Brokerage	-	-
	-	-

25 (a) Consolidated Commission, exchange and brokerage

FAS Finance & Investment Limited	25	-	-
FAS Capital Management Limited		600,000	-
		600,000	-

26 Other operating income

Gain/(loss) on sale of fixed assets	5,597	(225,178)
Misc. Income	80,000	-
Processing fees	425	435
Recovery against written off	-	1,994,945
Office rent income	247,000	-
	333,022	1,770,202



Notes	Particulars	Amount in Taka	
		31-Dec-2021	31-Dec-2020

26 (a) Consolidated Other operating income

FAS Finance & Investment Limited	26	333,022	1,770,202
FAS Capital Management Limited		47,290,888	31,728,076
		47,623,910	33,498,278
Less: Inter company transaction		(5,838,172)	(30,891,688)
		41,785,738	2,606,590

27 Salary and allowances

Basic salary, provident fund contribution and all other allowances		45,911,951	59,848,444
Festival and incentive bonus		3,405,000	4,434,833
		49,316,951	64,283,277

27 (a) Consolidated salary and allowances

FAS Finance & Investment Limited	27	49,316,951	64,283,277
FAS Capital Management Limited		4,906,622	4,956,225
		54,223,573	69,239,502

28 Rent, taxes, insurance, electricity, etc.

Rent, rates, taxes and electricity, etc.		2,310,639	2,639,131
Insurance premium		119,033	557,471
		2,429,672	3,196,602

Disclosure related to Rent, rate and taxes:

Actual rent, rates, taxes and electricity, etc.		20,799,156	24,681,373
Less: Reclassification of rent expenses (as per IFRS 16: Lease)		(18,488,517)	(22,042,242)
Rent expenses as reported		2,310,639	2,639,131

In addition to the above mentioned change in rent expense, implementation of IFRS 16 has resulted in charging of depreciation against Right of use assets as disclosed in Annexure-1 and of Interest on Right of use assets as disclosed in Note 23.

28 (a) Consolidated rent, taxes, insurance, electricity, etc.

FAS Finance & Investment Limited	28	2,429,672	3,196,602
FAS Capital Management Limited		668,253	271,965
		3,097,925	3,468,567
Less: Inter company transaction		-	-
		3,097,925	3,468,567



Notes	Particulars	Amount in Taka	
		31-Dec-2021	31-Dec-2020
29	Legal expenses		
	Professional & legal fees	111,392	724,500
		<u>111,392</u>	<u>724,500</u>
29 (a)	Consolidated legal expenses		
	FAS Finance & Investment Limited	111,392	724,500
	FAS Capital Management Limited	51,000	-
		<u>162,392</u>	<u>724,500</u>
30	Postage, stamps, telecommunication, etc.		
	Telephone & fax	502,054	695,087
	Internet	540,291	523,600
	Postage and stamp	89,505	52,604
		<u>1,131,850</u>	<u>1,271,291</u>
30 (a)	Consolidated postage, stamps, telecommunication, etc.		
	FAS Finance & Investment Limited	1,131,850	1,271,291
	FAS Capital Management Limited	203,863	198,196
		<u>1,335,713</u>	<u>1,469,487</u>
31	Stationery, printings, advertisements, etc.		
	Printing	1,137,371	321,615
	Stationery & Photocopy	257,312	178,589
	Publicity and advertisement	1,045,021	111,493
		<u>2,439,704</u>	<u>611,697</u>
31 (a)	Consolidated stationery, printings, advertisements, etc.		
	FAS Finance & Investment Limited	2,439,704	611,697
	FAS Capital Management Limited	111,040	12,345
		<u>2,550,744</u>	<u>624,042</u>
32	Directors' fees		
	Directors' fees	1,320,000	546,000
		<u>1,320,000</u>	<u>546,000</u>



Notes	Particulars	Amount in Taka	
		31-Dec-2021	31-Dec-2020

32 (a) Consolidated Directors' fees

FAS Finance & Investment Limited	32	1,320,000	546,000
FAS Capital Management Limited		255,900	93,150
		1,575,900	639,150

33 Auditors' fees

Statutory audit fees		1,442,600	230,000
		1,442,600	230,000

The audit fee represents the fees for auditing the accounts of the Company for the financial year 2021 & Special Audit & Tax Audit. No other fees was paid to the auditor for any other services.

33 (a) Consolidated Auditors' fees

FAS Finance & Investment Limited	33	1,442,600	230,000
FAS Capital Management Limited		28,750	46,000
		1,471,350	276,000

34 Depreciation and repairs of FI's assets

Depreciation

Office building		8,526,019	8,974,758
Furniture & fixture		407,330	416,429
Office decoration		438,396	487,107
Office equipment		629,211	565,345
Motor vehicles		2,048,616	2,711,211
Electrical installation		66,805	78,594
Computer		966,806	1,137,418
Telephone line & PABX system		58,638	68,986
Right of use Assets		16,413,442	17,454,837
Software		36,783	43,274
		29,592,046	31,937,959

Repairs

Fixed assets repair and maintenance		563,160	376,476
		563,160	376,476
		30,155,206	32,314,435

34 (a) Consolidated Depreciation and repairs of assets

FAS Finance & Investment Limited	34	30,155,206	32,314,435
FAS Capital Management Limited		2,458,120	2,950,968
		32,613,326	35,265,403



Notes	Particulars	Amount in Taka	
		31-Dec-2021	31-Dec-2020
35	Other expenses		
	A.G.M. expenses	200,547	201,250
	Bank charge and excise duty	1,840,659	1,623,328
	Books, newspaper and periodicals	16,713	13,470
	Business promotion	-	10,000
	CDBL charge	3,600	1,800
	Corporate social responsibility	-	500,000
	Entertainment	777,685	380,821
	Fees, subscription and donation	1,378,810	1,668,841
	Fine	1,000,000	4,000,000
	Fuel, oil and lubricants	731,117	938,304
	Miscellaneous expenses/NID verification charge	2,011	-
	Office maintenance	995,922	1,091,298
	Picnic/ Business Conference/ Corporate Day Out	-	-
	Portfolio management fees	14,296	83,956
	Registration and renewal	106,661	107,170
	Security service	1,605,400	1,755,795
	Staff welfare, training and education/Uniform	19,169	90,342
	TA & DA	489,501	361,133
	VAT Expenses	798,843	-
		9,980,934	12,827,508
35 (a)	Consolidated Other expenses		
	FAS Finance & Investment Limited	9,980,934	12,827,508
	FAS Capital Management Limited	1,511,777	1,411,276
		11,492,711	14,238,784
	Less: Inter company transaction	(261,296)	(83,956)
		11,231,415	14,154,828
36	Provision against loans, advances and	13.1	
	On un-classified loans	60,264,579	(48,334,895)
	On classified loans	976,728,013	349,210,911
		1,036,992,592	300,876,016
36 (a)	Consolidated provision against loans, advances and leases		
	FAS Finance & Investment Limited	1,036,992,592	300,876,016
	FAS Capital Management Limited	249,121,106	-
		1,286,113,698	300,876,016
37	Provision for diminution in value of investments	13.6	
	In quoted shares	-	1,707,507
		-	1,707,507



Notes	Particulars	Amount in Taka	
		31-Dec-2021	31-Dec-2020

37 (a) Consolidated provision for diminution in value of investments

FAS Finance & Investment Limited	37	-	1,707,507
FAS Capital Management Limited		-	(7,310,157)
		-	(5,602,650)

38 Provision for taxation

Current tax		1,940,096	2,750,902
Deferred tax		(2,460,491)	566,051
		(520,395)	3,316,953

38 (a) Consolidated provision for taxation

Current tax

FAS Finance & Investment Limited	38	1,940,096	2,750,902
FAS Capital Management Limited		992,339	227,284
		2,932,435	2,978,186

Deferred tax

FAS Finance & Investment Limited		(2,460,491)	566,051
FAS Capital Management Limited		59,683	25,857
		(2,400,809)	591,908
		531,627	3,570,094



Notes	Particulars	Amount in Taka	
		31-Dec-2021	31-Dec-2020

39 Appropriations

Retained earnings-brought forward	(3,548,622,073)	(1,520,949,119)
Less: Adjustment for prior year	-	-
Add: Post-tax profit for the year	(2,593,889,432)	(2,031,730,165)
	(6,142,511,505)	(3,552,679,284)
Add: Depreciation on increased value due to revaluation	3,854,350	4,057,211
Less: Stock dividend-2018	-	-
Transferred to:	-	-
Statutory reserve	-	-
General reserve	-	-
Proposed dividend	-	-
	<u>(6,138,657,155)</u>	<u>(3,548,622,073)</u>

40 Earnings per share

Earning attributable to ordinary shareholders (Net profit after tax)	(2,593,889,432)	(2,031,730,165)
Weighted average number of ordinary shares outstanding	149,077,364	149,077,364
Earnings per share-EPS	<u>(17.40)</u>	<u>(13.63)</u>

Earning per share as shown in the face of the profit and loss account is calculated in accordance with IAS-33: Earning per share (EPS).

Earnings per Share (EPS) have been decreased as compare to the last year mainly due to increase of non-performing loan.

40 (a) Consolidated earnings per share

Earning attributable to ordinary shareholders (Net profit after tax & non-controlling interest)	(2,971,974,995)	(2,178,025,051)
Weighted average number of ordinary shares outstanding	149,077,364	149,077,364
Earnings per share-EPS	<u>(19.94)</u>	<u>(14.61)</u>

Earning per share as shown in the face of the consolidated profit and loss account is calculated in accordance with IAS-33: Earning per share (EPS).

Earnings per Share (EPS) have been decreased as compare to the last year mainly due to increase of non-performing loan.

41 Net operating cash flow per share-NOCFPS

Net cash from operating activities	(116,972,137)	36,556,387
Weighted average number of ordinary shares outstanding	149,077,364	149,077,364
Net operating cash flow per share-NOCFPS	<u>(0.78)</u>	<u>0.25</u>



Notes	Particulars	Amount in Taka	
		31-Dec-2021	31-Dec-2020
41.a	Consolidated Net operating cash flow per share-NOCFPS		
	Net cash from operating activities	(107,402,231)	53,417,458
	Weighted average number of ordinary shares outstanding	149,077,364	149,077,364
	Net operating cash flow per share-NOCFPS	(0.72)	0.36

42 Reconciliation of Net Profit with Cash Flows from Operating Activities

Net profit after tax	(2,593,889,432)	(2,031,730,165)
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Adjustments for non-cash items:

Add: Depreciation	29,592,046	31,937,959
Add: provision for leases, loans, advances & investment	1,043,682,854	302,583,523
Add: provision for taxation	(520,395)	3,316,953
Add/(Less): Accrued expenses	533,780,821	1,490,661,245
Add/(Less): Accrued income	47,742,940	(41,678,103)
Less: Gain on sale of fixed assets	(5,597)	225,178
	1,654,272,669	1,787,046,755

Changes in operating assets and liabilities

(Increase)/Decrease in leases, loans and advances	(88,494,472)	(1,262,696,094)
(Increase)/Decrease in other assets	(3,212,901)	(636,323)
Previous year adjustment	(1,131,187)	
Increase/(Decrease) in short term borrowings	13,222,457	(204,000,288)
Increase/(Decrease) in term & other deposits	456,417,414	144,893,860
Payment of corporate tax	(16,127,978)	(6,217,618)
Increase/(Decrease) in other liabilities	19,936,221	(28,144,620)
Increase/(Decrease) in interest suspense	442,035,072	1,638,040,880
	822,644,626	281,239,797
Net cash from/(used in) operating activities	(116,972,137)	36,556,387

42.a Reconciliation of Net Profit with Cash Flows from Operating Activities (Consolidated)

Net profit after tax	(2,982,953,455)	(2,182,239,307)
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Adjustments for non-cash items:

Add: Depreciation	32,040,167	34,758,703
Add: provision for leases, loans, advances & investment	1,292,803,960	295,273,366
Add: provision for taxation	531,627	3,570,094
Add/(Less): Accrued expenses	481,436,770	1,546,089,011
Add/(Less): Accrued income	47,850,536	(41,893,059)
Less: Gain on sale of fixed assets	(5,597)	225,178
	1,854,657,463	1,838,023,293

Changes in operating assets and liabilities

(Increase)/Decrease in leases, loans and advances	(136,605,924)	(1,313,434,139)
(Increase)/Decrease in other assets	(280,629)	(2,425,386)



Notes	Particulars	Amount in Taka	
		31-Dec-2021	31-Dec-2020
	Increase/(Decrease) in short term borrowings	13,222,457	(204,000,288)
	Previous year adjustment	(1,750,840)	-
	Increase/(Decrease) in term & other deposits	572,801,350	190,350,579
	Payment of corporate tax	(19,856,619)	(16,863,341)
	Increase/(Decrease) in other liabilities	37,106,997	(27,022,826)
	Increase/(Decrease) in interest suspense	556,256,969	1,771,028,873
		1,020,893,761	397,633,472
	Net cash from/(used in) operating activities	(107,402,231)	53,417,458.00
43	Net asset value per share		
	Total assets	21,739,893,426	21,534,408,473
	Total liabilities	26,027,170,335	(23,228,372,270)
		(4,287,276,909)	(1,693,963,797)
	Weighted average number of ordinary shares outstanding	149,077,364	149,077,364
	Net asset value per share (Last year restated)	(28.76)	(11.36)

43 (a) Consolidated net asset value per share

Total assets	21,612,557,127	21,356,415,174
Total liabilities	(26,580,344,549)	(23,353,428,692)
Borrowings from other banks, financial institutions, and agent	(8,235,815,871)	(7,694,054,103)
Deposits and other accounts	(9,162,294,448)	(8,589,493,098)
Others liabilities	(9,194,942,519)	(7,071,611,320)
Non-controlling interest	12,708,289	1,729,829
	(4,967,787,423)	(1,997,013,518)
Weighted average number of ordinary shares outstanding	149,077,364	149,077,364
Net asset value per share (Last year restated)	(33.32)	(13.40)

Net asset value per share-NAV have been decreased as compare to the last year mainly due to increase of non-performing loan



44 Related Party Disclosure

a. Particulars of Directors and their interest in different entities:

Sl. No.	Name of Director	Status in FAS Finance & Investment Limited	Name of the firms/Companies in which interested as proprietor, partner, director, managing agent, guarantor, employee etc.
1	Mr. Mohammed Nurul Amin	Chairman & Independent Director	Nominated Director, FAS Capital Management Limited(FCML) Nominated from FAS Finance &
2	Dr. Mohammad Saifuddin Khan	Independent Director	Associate Professor, Department of Finance, University of Dhaka. Independent Director, Dhaka Regency Hotel & Resort Ltd. Independent Director, Al- Haj Textile Mills Ltd. Independent Director, Bangladesh Welding Electrodes Ltd.
3	Brigadier General Abu Sayeed Mohammad Ali (Retd.)	Independent Director	N/A
4	Dr. Syed Abdulla Al Mamun FCMA	Independent Director	Director, North West Power Generation Company Limited.
5	Mr. Md. Salim	Independent Director	Nominated Director, FAS Capital Management Limited (FCML). Nominated from FAS Finance & Investment Limited. Senior Faculty Member, Bangladesh Academy for Securities Markets (An Academic Wing of BSEC)
6	Mr. Pritish Kumar Sarker	Managing Director & CEO (Ex-Officio)	FAS Capital Management Limited (Nominated Director) Nominated from FAS Finance & Investment Limited.



b. Related Party Transaction

The company carried out a number of transactions with related parties in the normal course of business. The nature of transactions and their values are shown below:

Name of the Related Party	Transaction Nature	Relationship	Balance as at 01-Jan-2021		Addition		Adjustment		Balance as at 31-Dec-2021	
			Taka		Taka		Taka		Taka	
FAS Capital Management Limited	Loan	Subsidiary Company	1,627,732,070		133,614,196		47,751,295		1,713,594,971	
FAS Capital Management Limited	Equity Investment	Subsidiary Company	243,000,000		-		-		243,000,000	
FAS Capital Management Limited	TDR	Subsidiary Company	504,543,281		33,700,335		150,084,267		388,159,349	
FAS Finance & Investment Limited Employee's Contributory Provident Fund	TDR	Common Control	7,919,777		2,048,749		-		9,968,526	
FAS Capital Management Limited Employees Provident Fund	TDR	Common Control	2,282,505		272,962		-		2,555,467	
FAS Capital Management Limited Employees Gratuity Fund	TDR	Common Control	3,490,374		276,726		350,000		3,417,100	

c. Share issued to Directors and Executives without consideration or exercisable at a discount - Nil

d. Lending policy to related parties

Related parties are allowed loans and advances as per General loan policy of the Company.

e. Loans, advances & leases to Directors & their related concern

Name of the Related Party	Transaction Nature	Classification Status	Outstanding Balance	Provision Kept	Security Amount
Nil	Nil	Nil	Nil	Nil	Nil



f. Shares held by Chief Executive Officer, Company Secretary, Chief Financial Officer and Head of Internal Audit

Name	Status	No. of Shares
Mr. Pritish Kumar Sarker	Managing Director & CEO	-
Md. Golam Shaugatul karim	VP & CFO	-
Md. Farukuzzaman	VP & COO	-
Mr. Zahid Mahmud	AVP & Company Secretary	-
Mr. A.K.M. Shamsher Ali	Manager & CFO (CC)	-

g. Shares held by Top five salaried employees other than the Directors, Chief Executive Officer, Company Secretary,

Name	Status	No. of Shares
Mr. Md. Nurul Haque Gazi	Deputy Managing Director	-
Md. Golam Shaugatul karim	VP & CFO	-
Md. Farukuzzaman	VP & COO	-
Mr. Md. Ahasan Rakib	Manager & In-charge, Corporate Finance	-
Mr. Mir Imdadul Haque	Deputy Manager & Head of CRM	-
Mr. Abdulla Al Kafi	Deputy Manager & In-charge IT	-



45 **General**

45.01 **Expenditure incurred on employees**

Salary Range

Below Tk. 8,000
Above Tk. 8,000

31-Dec-2021	
Number of Employees	
Permanent Basis	Contractual Basis
-	-
53	19

Includes all types of benefits paid and provided both in cash and kind other than the reimbursement of expenses incurred for the company's business.

45.02 **Key management benefits**

Benefits	2021		2020	
	Directors	Executives	Directors	Executives
Salary	Nil	9,218,000	Nil	9,059,346
Festival Bonus	Nil	1,284,000	Nil	1,149,000
Provident Fund	Nil	506,400	Nil	1,126,052
Gratuity	Nil	844,000	Nil	945,997
Medical Assistance	Nil	1,282,800	Nil	1,214,800
Group Insurance	Nil	15,850	Nil	68,925
Conveyance allowance & Transport	Nil	385,700	Nil	1,518,845
Total:		13,536,750		15,082,965

45.03 **Disclosure of director remuneration under para - 4 of schedule XI part II of the companies act 1994 :**

Name	Position	2021	2020
Mr. Md. Zahangir Alam	Chairman & Independent Director	44,000	Nil
Mr. Md. Abul Shahjahan	Director	44,000	Nil
Mr. Fazlul Hoque Khan	Director	44,000	Nil
Mr. S. M. Shamsul Alam	Director	44,000	Nil
Dr. Uddab Mallick	Director	17,600	Nil
Ms. Soma Ghosh	Director	17,600	Nil
Mr. S. M. N Nurul Alam Chowdhury	Director	8,800	Nil
Up to 31 May, 2021			
Mr. Mohammad Nurul Amin	Chairman & Independent Director	140,800	Nil
Dr. Muhammad Saifuddin K	Independent Director	272,800	Nil
Brigadier General Abu Sayeed Mohammad Ali (Retd.)	Independent Director	211,200	Nil
Dr. Syed Abdulla Al Mamun FCMA	Independent Director	272,800	Nil



Mr. Md. Salim	Independent Director	202,400	Nil
Mr. Pritish Kumar Sarker	Managing Director & CEO	4,949,677	Nil
Total		6,269,677	0

45.04 Meeting Fees:

(a) Board Meeting:

During the year, 11 Board Meetings were held and the following fees were paid:

Name	2021		2020	
	No. of Meeting Attendance	Attendance Fees	No. of Meeting Attendance	Attendance Fees
Mr. Md. Zahangir Alam	5	44,000	2	17,600
Mr. Md. Abul Shahjahan	5	44,000	2	18,400
Mr. Fazlul Hoque Khan	5	44,000	11	98,400
Mr. S. M. Shamsul Alam	5	44,000	10	89,600
Dr. Uddab Mallick	2	17,600	9	80,800
Ms. Soma Ghosh	2	17,600	8	70,800
Mr. S. M. N Nurul Alam Chowdhury	1	8,800	1	8,800
Up to 31 May 2021				
Mr. Mohammad Nurul Amin	16	140,800	3	26,400
Dr. Muhammad Saifuddin Khan	16	140,800	1	9,200
Brigadier General Abu Sayeed Mohammad Ali (LPR)	16	140,800	-	-
Dr. Sayed Abdulla Al Mamun FCMA	16	140,800	-	-
Md. Salim	16	140,800	-	-
Total	21	924,000		420,000

(b) Audit Committee Meeting Fees:

During the year, 7 Audit Committee Meetings were held and the following fees were paid :

Name	2021		2020	
	No. of Meeting Attendance	Attendance Fees	No. of Meeting Attendance	Attendance Fees
Dr. Muhammad Saifuddin Khan	7	61,600	Nil	Nil
Dr. Syed Abdulla Al Mamun FCMA	7	61,600	Nil	Nil
Mr. Md. Salim	7	61,600	Nil	Nil
Total	7	184,800	0	0



45.05 Foreign remittance

There were no foreign remittance during the year 2021.

Contingent Liabilities :

There were no contingent liabilities during the year 2021.

45.06 Claims

	31-Dec-2021	31-Dec-2020
	Amount in Taka	
(a) Claim against the company acknowledge as debts.	160,082,645	160,082,645
(b) Claim by the company not acknowledge as receivable	106,138,532	106,138,532

45.07 Proposal of dividend

The Board of Directors 245 th Board meeting, held on 21/10/2021 recommended for the shareholders a no dividend @ 0 % on 149,077,364 shares. This will be considered for approval of the shareholders at the 24th Annual General Meeting to be held on 30/11/2021.

45.08 Figures of the previous year have been rearranged, where necessary, to conform to current year

45.09 Approval of the Financial Statements

These financial statements were authorized for issue in accordance with a resolution of the company's board of directors on 21/10/ 2021 on its 245th Board Meeting.

45.10 Post Closing Events :

There is no significant event has been occurred for reporting for the period from cut-off date of financial year to the date of signing of the financial statements.



FAS Finance & Investment Limited
Schedule of Property, Plant & Equipment
As on December 31, 2021

Annex-1
Amount in Taka

a. Cost

Particulars	Cost			Rate of Dep.	Depreciation			Written Down Value as on 31.12.2021
	Balance as on 01.01.2021	Addition during the year	Adj./disposal during the year		Balance as on 01.01.2021	Addition during the year	Adj./disposal during the year	
Land	2,163,200	-	-		-	-	-	2,163,200
Office building	79,559,223	-	-	5%	32,378,052	2,359,059	-	44,822,112
Furniture & fixture	8,477,221	118,250	-	10%	4,512,314	407,330	-	3,675,826
Office decoration	8,957,959	-	-	10%	4,573,999	438,396	-	3,945,564
Office equipment	10,453,680	-	-	15%	6,258,937	629,211	-	3,565,532
Motor vehicles	26,678,950	107,800	76,144	20%	16,447,025	2,048,616	68,241	8,283,206
Electrical installation	2,057,474	-	-	15%	1,612,107	66,805	-	378,562
Computer	11,408,348	-	-	15%	4,962,977	966,806	-	5,478,565
Telephone line & PABX system	1,067,650	-	-	15%	676,731	58,638	-	332,281
Right of use Assets	122,512,515	1,899,506	2,940,669		34,909,674	16,413,442	-	70,148,236
Software	638,421	-	-	15%	393,203	36,783	-	208,435
Total	273,974,638	2,125,556	3,016,813		106,725,019	23,425,085	68,241	143,001,518

b. Revaluation

Particulars	Cost			Rate of Dep.	Depreciation			Written Down Value as on 31.12.2021
	Balance as on 01.01.2021	Addition during the year	Adj./disposal during the year		Balance as on 01.01.2021	Addition during the year	Adj./disposal during the year	
Land	84,364,660	-	-		-	-	-	84,364,660
Office building	229,523,584	-	-	5%	106,184,369	6,166,961	-	117,172,254
Total	313,888,244	-	-		106,184,369	6,166,961	-	201,536,914
Total (a+b) at 31 Decem	587,862,882	2,125,556	3,016,813		212,909,388	29,592,046	68,241	344,538,432
Balance at 31 Decembe	589,406,915	1,610,900	3,154,930		183,258,056	31,937,959	2,286,627	374,953,494

Note: Depreciation on fixed assets (except Right of Use Assets) has been charged at rates varying from 5% to 20% on diminishing balance method.



FAS Finance & Investment Limited
Consolidated Schedule of Property, Plant & Equipments
As on December 31, 2021

Annex-1 (a)

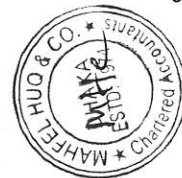
a. Cost

Particulars	Cost			Rate of Dep.	Depreciation			Written Down Value as on 31.12.2021
	Balance as on 01.01.2021	Addition during the year	Adj./disposal during the year		Balance as on 01.01.2021	Addition during the year	Adj./disposal during the year	
Land	2,163,200	-	-		-	-	-	2,163,200
Office building	79,559,223	-	-	5%	32,378,052	2,359,059	-	44,822,112
Furniture & fixture	11,476,429	118,250	-	10%	6,213,181	537,164	-	4,844,334
Office decoration	17,606,286	-	-	10%	7,393,715	1,021,257	-	9,191,314
Office equipment	16,661,475	-	-	15%	9,677,601	1,047,581	-	5,936,293
Motor vehicles	26,678,950	107,800	76,144	20%	16,447,025	2,048,616	68,241	8,283,206
Electrical installation	2,057,474	-	-	15%	1,612,107	66,805	-	378,562
Computer	13,415,411	-	-	15%	6,336,145	1,061,890	-	6,017,376
Telephone line & PABX system	1,345,370	-	-	15%	874,015	70,703	-	400,652
Right of use Assets	128,350,332	1,899,506	2,940,669		39,640,652	17,520,281	-	70,148,236
Software	2,904,671	96,000	-	15%	2,068,332	139,851	-	792,488
Total	302,218,821	2,221,556	3,016,813		122,640,825	25,873,206	68,241	152,977,774

b. Revaluation

Particulars	Cost			Rate of Dep.	Depreciation			Written Down Value as on 31.12.2021
	Balance as on 01.01.2021	Addition during the year	Adj./disposal during the year		Balance as on 01.01.2021	Addition during the year	Adj./disposal during the year	
Land	84,364,660	-	-		-	-	-	84,364,660
Office building	229,523,584	-	-	5%	106,184,369	6,166,961	-	117,172,254
Total	313,888,244	-	-		106,184,369	6,166,961	-	201,536,914
Total (a+b) at 31 December 2021	616,107,065	2,221,556	3,016,813		228,825,194	32,040,167	68,241	354,514,688
Balance at 31 December 2020	617,651,095	1,610,900	3,154,930		196,353,118	34,758,703	2,286,627	387,281,871

Note: Depreciation on fixed assets (except Right of Use Assets) has been charged at rates varying from 5% to 20% on diminishing balance method.



FAS Finance & Investment Limited
Investments in Shares and Bonds
As on December 31, 2021

Annex-2
Amount In Taka

Shares (quoted)

Name of Share	Number of Share	Market Price Per Share	Market Value	Cost of Share	Provision Amount
AB Bank Limited	189,000	13.50	2,551,500	3,537,792	986,292
Esquir Knit Composite Limited	10,200	35.00	357,000	459,000	102,000
Niloy Cement Industries Limited	500	49.90	24,950	67,845	42,895
Runner Automobiles Limited	-	-	-	-	-
				2,933,450	4,064,637
					1,131,187

Shares (unquoted)

Particulars	Number of shares	Market price per share /Taka	Total Market Price/Taka	Book value	Provisions
Achia Sea Foods Limited	1,000,000	10	10,000,000	10,000,000	-
				10,000,000	10,000,000
					-
Grand Total:			12,933,450	14,064,637	1,131,187



Disclosure of deviations from few requirements of IAS/IFRS

Annex-4

SL.	Nature of Departure	Title of IAS/IFRS	Treatment of IAS/IFRS	Treatment Adopted as per Bangladesh Bank	Financial or Presentation Effect of the Departure
1	Measurement of provision for leases, loans and advances (financial assets measured at amortized cost)	IFRS-9 "Financial Instruments"	An entity shall assess at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets measured at amortized cost is impaired. If any such evidence exists, expected credit losses are required to be measured through a loss allowance at an amount equal to: If any such evidence exists, expected credit losses are required to be measured through a loss allowance at an amount equal to: a) the 12-month expected credit losses (expected credit losses) that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or b) full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).	As per FID circular No. 08, dated 03 August 2002, FID circular No. 03, dated 03 May 2006 and FID circular No. 03, dated 29 April 2013, a general provision at 0.25% to 5% under different categories of unclassified loans (good/standard loans and Special Mentioned Accounts (SMA)) has to be maintained irrespective of objective evidence of impairment on lease, loans and advances. Also provision for sub-standard investments, doubtful investments and bad losses has to be provided at 20%, 50% and 100% respectively for investments depending on the duration of overdue.	In separate Financial Statements, an amount of BDT 1036.99 million has been charged as incremental provision for leases, loans and advances for the year 2021. Also, as at 31 December 2021, accumulated provision for leases, loans and advances stand at BDT total 2683.84 million. In consolidated Financial Statements, the same amount is BDT 1286.11 million. Also, as at 31 December 2021, accumulated provision for leases, loans and advances stand at BDT total 3022.63 million.
2	Valuation of Investments in quoted and unquoted shares	IFRS-9 "Financial Instruments"	Investment in shares falls either under at "fair value through profit/loss (FVTPL)" or "fair value through other comprehensive income (FVTOCI)" where any change in the fair value in case of FVTPL at the year-end is taken to profit or loss, and any change in fair value in case of FVTOCI is taken to other comprehensive income.	As per FID circular No. 08, dated 03 August 2002 investments in quoted shares and unquoted shares are revalued at the year end at market price and as per book value of last audited balance sheet respectively. Provision should be made for any loss arising from diminution in value of investment, however in case of any unrealized gain, no such gain can be recognized and investments are recognized at cost only.	During this year, total market value of all shares invested by FAS Finance & Investment Limited is less than the cost price & total market value of all shares it's invested by subsidiary is less than the cost price. As on December 31, 2021 there was BDT 10.93 million gross losses on consolidated investment in marketable securities.
3	Recognition of interest income for SMA and classified lease, loans and advances	IFRS 9 "Financial Instruments"	Income from financial assets measured at amortized cost is recognized through effective interest rate method over the term of the investment. Once a financial asset is impaired, investment income is recognized in profit and loss account on the same basis based on revised carrying amount.	As per FID circular No. 03, dated 03 May 2006, once an investment on leases, loans and advances is termed as "Special Mention Account (SMA)", interest income from such investments are not allowed to be recognized as income, rather the respective amount needs to be credited as a liability account like: interest suspense account.	At the year end, in separate Financial Statements interest suspense account has increased to BDT 2,600.64 million from BDT 962.60 million resulting increase of BDT 1,638.04 million of interest suspense. This amount has been shown in other liabilities in note 13.4
4	Presentation of cash and cash equivalent	IAS 7 "Statement of Cash Flows"	Cash equivalent are short term, highly liquid investments that are readily convertible to known amounts of cash and only include those investments which are for a short tenure like: 3 months or less period. In the light of above, balance with Bangladesh Bank and fixed term deposits should be treated as investment asset rather than cash equivalent as it is illiquid asset and not available for use in day to day operations.	Bangladesh Bank has issued templates for financial statements vide DFIM Circular No. 11, dated 23 December 2009 which will strictly be followed by all banks and NBFIs. The templates of financial statements provided detail presentation for statement of cash flows.	Financial Statements for 2021 and corresponding year 2019 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank.



5	Measurement of deferred tax asset	IAS 12 "Income Taxes"	A deferred tax asset shall be recognized for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized.	As per DFIM circular No. 7, dated 31 July 2011, no deferred tax asset can be recognized for any deductible temporary difference against the provision for lease, loans and advances.	During this year there is no impact in the financial statements due to this departure as the Company did not consider any deductible temporary difference against the provision for leases, loans and advances.
6	Presentation and disclosure of Financial Statements and Financial Instruments	IAS-1 "Presentation of Financial Statements"	Other Comprehensive Income (OCI) is a component of financial statements or the elements of OCI are to be included in a single Other Comprehensive Income statement. IAS 1 requires separate line item for intangible assets on the face of statement of financial position. IFRS 9 and IFRS 7 require specific presentation and disclosure relating to all financial instruments.	Bangladesh Bank has issued templates for financial statements vide DFIM Circular No. 11, dated 23 December 2009 which will strictly be followed by all banks and NBFIs. The templates of financial statements issued by Bangladesh Bank do not include Other Comprehensive Income (OCI) nor the elements of Other Comprehensive Income allowed include in a Single Comprehensive Income Statement. Intangibles assets are not separately presented on the face of statement of financial position; rather it is presented along with the line item of fixed assets. As per Bangladesh Bank guidelines, financial instruments are categorized, recognized and measured differently from those prescribed in IAS 39. As such some disclosure and presentation requirements of IFRS 7 and IAS 32 have not been made in the accounts.	Financial Statements for 2021 and corresponding year 2020 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank
7	Preparation of "Statement of Cash Flows"	IAS 7 "Statement of Cash Flows"	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.	As per DFIM Circular No. 11, dated 23 December 2009, Cash flow statement has been guided by the Bangladesh Bank which is the mixture of direct and indirect method.	Financial Statements for 2021 and corresponding year 2020 have been prepared as per guideline (DFIM Circular No. 11 dated 23 December 2009) of Bangladesh Bank.
8	Current/Non-current distinction	IAS 1 "Presentation of Financial Statements"	As per Para 60 of IAS 1 "Presentation of Financial statement" An entity shall present current and non-current assets and current and non-current liabilities as separate classification in its statement of financial position.	As per DFIM Circular No. 11, dated 23 December 2009, Bangladesh Bank has issued templates for financial statements which are applicable for all the Financial Institutions. In this templates there is no current and noncurrent segmentation of assets and liabilities.	Financial Statements for 2021 and corresponding year 2019 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank. Moreover, the liquidity statement shows the aging profile of all financial assets and liabilities from where current/noncurrent portion of assets and liabilities can be observed.
9	Off-balance sheet items	IAS 1 "Presentation of Financial Statements"	There is no concept of off-balance sheet items in any IFRS, hence there is no requirement for disclosure of off balance sheet items on the face of the balance sheet.	As per DFIM Circular No. 11, dated 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.	Financial Statements for 2021 and corresponding year 2020 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank. There is no financial impact for this departure but there is a disclosure in the financial statements.



10	Complete set of financial statements	IAS 1 "Presentation of Financial Statements"	As per IAS 1: "Presentation of Financial Statements" complete set of financial statements are i) statement of financial position, ii) statement of profit or loss and other comprehensive income, iii) statement of changes in equity, iv) statement of cash flows, v) notes, comprising significant accounting policies and other explanatory information and vi) statement of financial position at the beginning of preceding period for retrospective restatement.	As per DFIM Circular No. 11, dated 23 December 2009, complete set of financial statements are i) balance sheet, ii) profit and loss account, iii) statement of cash flows, iv) statement of changes in equity, v) statement of liquidity, vi) notes, comprising significant accounting policies and other explanatory information.	Financial Statements for 2021 and corresponding year 2020 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank. There is no financial impact for this departure in the financial statements.
11	Intangible asset	IAS 1 "Presentation of Financial Statements"	As per IAS 1: "Presentation of Financial Statements" para 54: the statement of financial position shall include separate line item for intangible assets.	As per DFIM Circular No. 11, dated 23 December 2009, there is no option for separate line item for intangible asset in the balance sheet. We present intangible asset in the balance sheet as part of fixed assets and provide details in annexure-1 & Annexure-1(a) as separate line item.	Financial Statements for 2021 and corresponding year 2020 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank. There is no financial impact for this departure in the financial statements.
12	Other comprehensive income	IAS 1 "Presentation of Financial Statements"	As per IAS 1: "Presentation of Financial Statements" Other Comprehensive Income (OCI) is a component of financial statements or the elements of OCI are to be included in a single OCI statement.	Bangladesh Bank has issued templates for financial statements which will strictly be followed by financial institutions. The templates of financial statements issued by Bangladesh Bank do not include Other Comprehensive Income (OCI) nor are the elements of OCI allowed to be included in a single OCI statement. As such the financial institution does not prepare the other comprehensive income statement. However, elements of OCI, if any, are shown in the statements of changes in equity.	Financial Statements for 2021 and corresponding year 2020 have been prepared as per the guideline and templates issued by Bangladesh Bank. There is no financial impact for this departure in the financial statements.
13	Disclosure of presentation of profit	N/A	There is no requirement to show appropriation of profit in the face of statement of comprehensive income.	As per DFIM circular no 11, dated 23 December 2009, an appropriation of profit should be disclosed in the face of profit and loss account.	Financial Statements for 2021 and corresponding year 2020 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank. There is no financial impact for this departure in the financial statements.

