

A large, rounded square graphic with a thick border. The border is divided into four colored segments: green (top-left), orange (top-right), yellow (bottom-left), and dark blue (bottom-right). Inside the square, the words "annual report" are stacked in a grey, sans-serif font, with "2007" below them in a larger, bold, grey, sans-serif font.

**annual
report
2007**





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IDLC Finance Limited

Bay's Galleria (1st Floor), 57 Gulshan Avenue, Gulshan-1, Dhaka-1212
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Notice of the 23rd Annual General Meeting

Notice is hereby given that the 23rd Annual General Meeting of the shareholders of the Company will be held on March 30, 2007 (Sunday) at 10:30 a.m. at the Bangladesh China Friendship Conference Centre, Agargaon, Dhaka, to transact the following business:

- A0823-01 Adoption of Directors' Report, Auditors' Report and Audited Financial Statements for the year ended December 31, 2007
- A0823-02 Declaration of cash dividend @ Tk. 15 per share (15%) and stock dividend @ 1:4 (one share for every four shares held) for the year ended December 31, 2007
- A0823-03 Election of Directors in place of those who shall retire by rotation in accordance with the provision of Articles of Association of the Company.
- A0823-04 Appointment of Auditors of the Company and fixation of their remuneration.

By order of the Board

H. M. Ziaul Hoque Khan
Company Secretary

Dated: February 19, 2008

NOTES:

1. March 6, 2008 is the Record Date.
2. A shareholder may appoint a proxy to attend and vote in his place by filling proxy form as per Article 103 of the Articles of Association. The proxy form, duly completed and stamped, must be deposited at the office not later than 48 hours before the time scheduled for holding the meeting.
3. Pursuant to Article 81 of the Articles of Association, a corporate member of the Company, by resolution of the Board of Directors or other Governing body of such body corporate, may authorise such person as it thinks fit, to act as representative at any meeting of the members of the Company.



Vision, Mission and Corporate Philosophy

Our Vision

Become the best performing and most innovative financial solutions provider in the country

Our Mission

Create maximum possible value for all our stakeholders by adhering to the highest ethical standards

For our Customers

Relentless pursuit of customer satisfaction through delivery of top quality services

For our Shareholders

Maximize shareholders' wealth through a sustained return on their investments

For our Employees

Provide job satisfaction by making IDLC a centre of excellence with opportunity for career development

For the Society

Contribute to the well being of the society, in general, by acting as a responsible corporate citizen

Our Goal

Long term maximisation of Stakeholders' value

Our Corporate Philosophy

Discharge our functions with proper accountability for all our actions and results and bind ourselves to the highest ethical standards



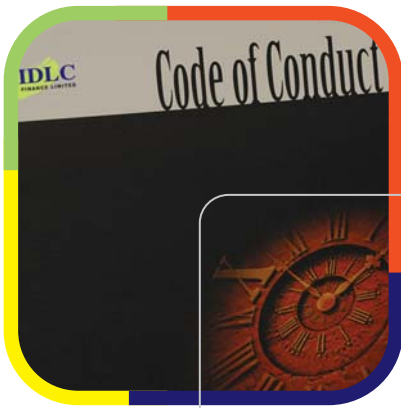
Strategic Objectives

- ▶ Create synergy by combining high quality and strategically balanced portfolios
- ▶ Provide a range of financial products and services to our customers under one roof
- ▶ Strengthening our position in capital market operation
- ▶ Balanced diversification of funding sources
- ▶ Maximize corporate value through sustained high quality growth
- ▶ Strengthening corporate governance practices



IDLC Core Values

- ▶ IDLC always places highest priority to the national interest. Utmost importance is always attached to country's growth and prosperity.
- ▶ IDLC employees are trained with the object of developing good leaders rather than good managers
- ▶ IDLC places emphasis on creativity and innovation to achieve organisational excellence
- ▶ IDLC believes in adherence to the highest ethical standards.



IDLC Code of Conduct and Ethical Principles

In accordance with approved and agreed Code of Conduct, IDLC employees shall:

- act with integrity, competence, dignity and in an ethical manner when dealing with customers, prospects, colleagues, agencies and public
- act and encourage others to behave in a professional and ethical manner that will reflect positively on IDLC employees, their profession and on IDLC, at large.
- strive to maintain and improve the competence of all in the business
- use reasonable care and exercise independent professional judgement
- not restrain others from performing their professional obligations
- maintain knowledge of and comply with all applicable laws, rules and regulations
- disclose all conflicts of interest
- deliver professional services in accordance with IDLC policies and relevant technical and professional standards
- respect the confidentiality and privacy of customers, people and others with whom they do business
- not engage in any professional conduct involving dishonesty, fraud, deceit or misrepresentation or commit any act that reflects adversely on their honesty, trustworthiness or professional competence

IDLC employees have an obligation to know and understand not only the guidance contained in the Code of Conduct, but also the spirit on which it is based.



History - Key Milestones

May 23, 1985	Incorporation of the Company
February 22, 1986	Commencement of Leasing business
May 18, 1986	Signing of first lease agreement
October 01, 1990	Establishment of branch in Chittagong, the main port city
March 20, 1993	Listed on the Dhaka Stock Exchange
September 10, 1994	Licensed by Bangladesh Bank for deposit taking
February 07, 1995	Licensed as a Non-Banking Financial Institution under the Financial Institutions Act, 1993
July 02, 1995	Licensed by Bangladesh Bank as an off-shore financier in the Export Processing Zones
November 25, 1996	Listed on the Chittagong Stock Exchange
May 27, 1997	Commencement of Home Finance and Short Term Finance operations
January 22, 1998	Licensed as a Merchant Banker by the Securities and Exchange Commission
January 15, 1999	Commencement of Corporate Financing and Merchant Banking operations
January 29, 2004	Opening of the first retail focused branch at Dhanmondi
June 29, 2004	Opening of Gulshan Branch
November 22, 2004	Launching of Investment Management Services "Cap Invest"
February 7, 2005	Issuance of First Securitised Zero Coupon Bonds by IDLC Securitisation Trust 2005
February 27, 2005	Signing of a MoU for strategic alliance between IDLC and SBI Capital Markets Limited, India
September 18, 2005	Launching of Local Enterprise Investment Centre (LEIC), a centre established for the development of SMEs with the contribution of the Canadian International Development Agency (CIDA) of the Government of Canada
January 2, 2006	Opening of SME focused branch at Bogra
April 6, 2006	Opening of Branch at Uttara
May 18, 2006	Opening Merchant Banking branch in the port city Chittagong
July 1, 2006	Relocation of Company's Registered and Corporate Head Office at own premises at 57, Gulshan Avenue
September 18, 2006	Commencement of operation of IDLC Securities Limited, a wholly owned subsidiary of IDLC
March 14, 2007	Launching of Discretionary Portfolio Management Services "Managed Cap Invest"
August 5, 2007	Company name changed to IDLC Finance Limited from Industrial Development Leasing Company of Bangladesh Limited
December 3, 2007	IDLC Securities Limited Chittagong Branch commenced operation
December 18, 2007	IDLC Securities Limited DOHS Dhaka Branch opened



Board of Directors

Corporate Structure

Chairman

Anwarul Huq, Deputy Chairman, Reliance Insurance Limited.

- Nominated by Reliance Insurance Limited

Directors

Ahmed Rajeeb Samdani, Director, The City Bank Limited

- Nominated by the City Bank Limited

Rubel Aziz, Director, The City Bank Limited.

- Nominated by the City Bank Limited

Md. Habibur Rahman Mollah, FCA, General Manager, Transcom Electronics Limited.

- Nominated by Transcom Group

Md. Shafiqul Azam, Managing Director, Sadharan Bima Corporation (SBC)

- Nominated by SBC

A. K. M. Shahidul Haque, Additional Managing Director, Mercantile Bank Limited

- Nominated by Mercantile Bank Limited

Lee Dong Jue, Deputy CEO, Korea Development Financing Corporation

- Nominated by Korea Development Financing Corporation

Yongbok Jo, Deputy Managing Director, IDLC Finance Limited

- Nominated by Korea Development Financing Corporation

Choong-Sun Park, General Manager, Investment Banking Division, Kookmin Bank

- Nominated by Kookmin Bank

Monoweruddin Ahmed, Lead Consultant, Monower Associates

-Independent Director

CEO & Managing Director

Anis A. Khan

Brief Profile of the Directors



Mr. Anwarul Huq

Chairman of the Board, nominated by Reliance Insurance Limited

Mr. Anwarul Huq is the Deputy Chairman and Board Member of Reliance Insurance Limited. Mr. Huq is also the Chairman and Chief Executive Officer of Tyser Risk Management (Bangladesh) Limited. He carries vast experience in the insurance business, and is widely known in the insurance industry and business circles. He is also the Honorary Consul General of Greece and Vice-President of Bangladesh Squash Rackets Federation.



Mr. Ahmed Rajeeb Samdani

Director nominated by The City Bank Limited

Mr. Ahmed Rajeeb Samdani is the Managing Director of Golden Harvest Sea Food and Fish Processing Limited, Golden Harvest Agro Industries Limited, Golden Harvest Info Tech Limited, Golden Harvest Commodities Limited, Golden Harvest Organic Aquaculture Holdings Limited, Golden Harvest Scankort GIS Limited and Golden Harvest Logistics Limited. He is also a Director of The City Bank Limited. Mr. Samdani is the founder of TAC Charitable Hospital and TACM Trust.



Mr. Rubel Aziz

Director nominated by The City Bank Limited

An industrial entrepreneur, Mr. Rubel Aziz has been in the business for more than a decade and has set up and successfully executed a good number of industrial undertakings. He is a Managing Director of Partex Beverage Ltd., a franchise of Royal Crown Cola International (RC Cola), Partex Plastics Ltd., Plastic Accessories Ltd., a licensee of BRAIFORM, incorporating Plasti-form and Braitrust and Partex Properties Ltd. He is a Director of The City Bank Ltd. and also Director of a number of companies of Partex Holdings, Janata Insurance Company Ltd. and IBAIS University.



Mr Habibur Rahman Mollah, FCA

Director nominated by Transcom Group

Mr. Md. Habibur Rahman Mollah is a Chartered Accountant with twenty four years of experience in key positions of Finance and Accounts with multi-disciplinary business organisations. He started his career in 1983 and, at present, is working in Transcom Group, one of the largest business conglomerates in the country, as a General Manager.



Mr. A. K. M. Shahidul Haque

Director nominated by Mercantile Bank Limited

Mr. A. K. M. Shahidul Haque is the Additional Managing Director of Mercantile Bank Limited. He completed his B. A (Hons) and M. A. from the University of Dhaka and started his banking career as a Probationary Officer with Rupali Bank Limited in 1977. During his banking career, he held important positions with challenging assignments. Prior to joining Mercantile Bank in 1999, Mr. Haque served Prime Bank Limited and National Bank Limited in different capacities. He attended a number of training programs and workshops, both at home and abroad. He actively participated in the Liberation War of Bangladesh in 1971.



Mr. Md. Shafiqul Azam

Director nominated by Sadharan Bima Corporation (SBC)

Mr. Md. Shafiqul Azam is an Additional Secretary of the Govt. of the People's Republic of Bangladesh on deputation as Managing Director of Sadharan Bima Corporation (SBC). He joined Bangladesh Civil Service Audit and Accounts Cadre in 1981 as an Assistant Controller of Military Accounts. He is an MSS in Public Administration with Honours from University of Dhaka. Mr. Azam is also a nominated Director of Investment Corporation of Bangladesh (ICB), National Housing Finance and Investments Limited (NHFIL), Central Depository Bangladesh Limited (CDBL), Bangladesh Commerce Bank Limited and Dhaka Electric Supply Company Limited (DESCO).



Mr. Yongbok Jo

Director nominated by Korea Development Financing Corporation (KDFC)

An MBA from Gorge Washington University, USA, Mr. Yongbok Jo joined KDFC in 1985. Mr. Jo completed his B. A. from Seoul National University. During his career in KDFC Mr. Jo held important positions in fund management, lease marketing, marketing planning, business strategy, credit analysis and asset management team.



Mr. Lee Dong Jue

Director nominated by Korea Development Financing Corporation

Mr. Lee Dong Jue completed his MBA from Aju University, Seoul. He is the Chief Executive Officer of Fine Capital Corporation, Seoul and Deputy Chief Executive Officer of Korea Development Financing Corporation (KDFC)



Mr. Choong-Sun Park

Director nominated by Kookmin Bank, South Korea

Mr. Choong-Sun Park is the General Manager of Investment Banking Department of Kookmin Bank of South Korea. He is an MBA from Seoul National University and completed International Career Associates Program (IRPS) from University of California.



Mr. Monoweruddin Ahmed

Independent Director

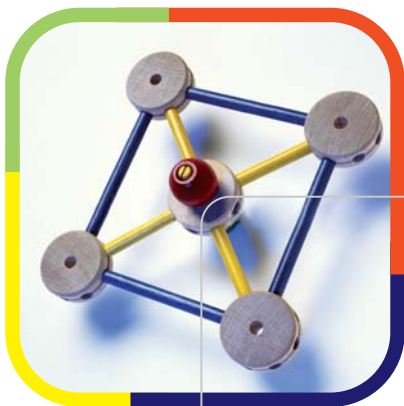
Mr. Monoweruddin Ahmed, having finished his university education, joined the Central Government in 50's as Assistant Central Labour Commissioner, for a stint. Thereafter, he moved to Carew and Company, as Head of Labour Relations, on to GlaxoSmithKline as Head of Personnel. Before retiring from British American Tobacco Company (BAT), he was serving as Member of the Company's Board. Mr. Ahmed, on retirement from BAT, set up Monower Associates, an HR and Management Consulting house, which he currently manages as Lead Consultant. He represented the Bangladesh employers in quite a few ILO conferences in Europe, North Africa, Southeast and South Asian countries.



Mr. Anis A. Khan

Ex Officio

Mr. Anis A. Khan joined the former Grindlays Bank p.l.c. in 1982 and went on to acquire extensive experience in the financial services industry. Prior to joining IDLC in April 2003, he was serving with Standard Chartered Bank (SCB) in a regional role based in Dubai, United Arab Emirates. He qualified for joining the Bangladesh Civil Service (BCS) after passing the BCS Examination in 1982. Mr. Khan is the Chairman of the Bangladesh Leasing & Finance Companies Association. He serves on the Board of the Credit Rating Agency of Bangladesh Limited as a Director nominated by IDLC and on the Board of Chittagong Exchange as a Director nominated by the Government of Bangladesh. He is also a member of the Advisory Committee of the Securities and Exchange Commission, Bangladesh.



Committees

Management Committee

Anwarul Huq
Chairman
Anis A. Khan
Member
Yongbok Jo
Member

Audit Committee

Md. Habibur Rahman Mollah, FCA
Chairman
Anwarul Huq
Member
Ahmed Rajeeb Samdani
Member
Md. Shafiqul Azam
Member
Monoweruddin Ahmed
Member

Credit Evaluation Committee

Anis A. Khan
CEO & Managing Director
Yongbok Jo
Deputy Managing Director
Arif Khan
General Manager
H M Ziaul Hoque Khan
Chief Financial Officer
M. Zamal Uddin
Head of Corporate Division
Ariful Alam Chowdhury
Head of Credit Risk Management Department

Asset Liability Management Committee (ALCO)

Anis A. Khan
CEO & Managing Director
Yongbok Jo
Deputy Managing Director
Arif Khan
General Manager
H M Ziaul Hoque Khan
Chief Financial Officer
Head of business units

Operation Risk Management Committee (ORMC)

Anis A. Khan
CEO & Managing Director
Yongbok Jo
Deputy Managing Director
Arif Khan
General Manager
H M Ziaul Hoque Khan
Chief Financial Officer
Head of business units
Head of Treasury

HR and Compensation Committee

Anis A. Khan
CEO & Managing Director
Yongbok Jo
Deputy Managing Director
Arif Khan
General Manager
H M Ziaul Hoque Khan
Chief Financial Officer
M. Jamal Uddin
Head of Corporate Division
Bilquis Jahan
Head of Human Resources

Core Management Committee (MANCOM)

Anis A. Khan
CEO & Managing Director
Yongbok Jo
Deputy Managing Director
Arif Khan
General Manager
H M Ziaul Hoque Khan
Chief Financial Officer
Deputy General Managers



Company Information

Registered Name of the Company

IDLC Finance Limited

Legal Form

A public limited company incorporated in Bangladesh on May 23, 1985 under the Companies Act 1913 and listed with Dhaka and Chittagong Stock Exchanges on March 20, 1993 and November 25, 1996, respectively.

Licensed as Financial Institution under Financial Institutions Act, 1993 on February 7, 1995.

Company Registration No.

C 14218/1992 of 1984-1985

Bangladesh Bank License No.

BCD(Non-banking)/Dhaka/2/1995

Auditors

M/s A. Qasem & Co.

Chartered Accountants, AQC Tower, 57, Dilkusha Commercial Area, Dhaka 1000

Registered Office

Bay's Galleria (1st Floor), 57 Gulshan Avenue, GPO Box No. 3160, Dhaka 1212

Tel: +880 (2) 883 4990 (Auto Hunting), Facsimile: +880 (2) 883 4377, E-mail: mailbox@idlc.com

Corporate Web Site

www.idlc.com

Legal Advisor

Lee Khan and Partners, City Heart, Suite No. 5/8, 67, Naya Paltan, Dhaka 1000

Principal Bankers

The City Bank Limited, Standard Chartered Bank, Citibank NA

Stock Brokers

Lanka Bangla Securities Limited, SES Securities Limited, IDLC Securities Limited

Memberships

Associations

Bangladesh Leasing & Finance Companies Association

Asian Leasing and Finance Companies Association

Bangladesh Merchant Bankers Association

Bangladesh Association of Publicly Listed Companies

Institute

The Institute of Bankers, Bangladesh

Chambers of Commerce & Industry

International Chamber of Commerce - Bangladesh

Foreign Investors Chamber of Commerce & Industry

Metropolitan Chamber of Commerce & Industry

Dhaka Chamber of Commerce & Industry

Bangladesh German Chamber of Commerce & Industry



Management and Executives



Anis A. Khan
CEO & Managing Director



Yongbok Jo
Deputy Managing Director



Mir Tariquzzaman
DGM & Chief Technology Officer



Bilquis Jahan
Deputy General Manager



Arifur Rahman
Deputy General Manager



Irteza A. Khan
Assistant General Manager



Meer Sajed-ul-Baser, ACA
Assistant General Manager



Indrajit Mallick
Assistant General Manager



Ifham Siddiqui
Senior Manager



Md. Saifuddin
Senior Manager



Mohammad Monir Uddin
Senior Manager



Arif Khan, CFA, FCMA
General Manager



H M Ziaul Hoque Khan, FCA
General Manager & CFO



M. Jamal Uddin
Deputy General Manager



Shaikh Kamruzzaman
Deputy General Manager



Bidyut Kumar Saha
Deputy General Manager



Mahmudul Bari
Deputy General Manager



Kh. Asadul Islam
Deputy General Manager



Iqbal Mahmud
AGM & Chief Risk & Compliance Officer



Ariful Alam Chowdhury, CFA
Assistant General Manager



Maksudul Hoque
Senior Manager



Shamim Reza
Senior Manager



A H M Monjur Morshed
Senior Manager



Shafayet Hossain
Senior Manager



Kazi Mahmood Hossain
Senior Manager



Ziaul Huq
Senior Manager

