RIGHTS SHARE OFFER DOCUMENT

Date: March 27 2013

Rights Offer of **34,320,000** Ordinary Shares of Tk.**10.00** each issuing at par totaling Tk. **343,200,000.00** offered on the basis of **1** (one) rights share for **2** (two) existing shares held on the record date.

RECORD DATE FOR ENTITLEMENT OF RIGHTS OFFER

Record Date	**April 24, 2013**
Subscription	**Opens on: May 19, 2013**
	Closes on: June 13, 2013
Within Banking Hours	

CREDIT RATING STATUS

	Rating Year	Long Term	Short Term
Entity Rating	2010	A	ST-3
Date of Rating	July 25, 2011		
Rating Assigned By: Credit Rating Information And Services Limited (CRISL)			

MANAGER TO THE ISSUE

AAA CONSULTANTS & FINANCIAL ADVISERS LTD.
PARTNERSHIP OF TRUST

Amin Court (4th Floor), Suite # 403-405
31, Bir Uttam Shahid Ashfaqus Samad Road
(Previous 62-63, Motijheel C/A) Dhaka-1000
Phone: +88029559602, +88029567726, Fax: 880-2-9558330
Web-site: www.aaawebbd.com, **E-mail:** info@aaawebbd.com

FULLY UNDERWRITTEN BY

Alpha Capital Management Limited National Scout Bhaban (5th Floor), 70/1 Inner Circular Road, Kakrail, Dhaka-1000	**Banco Finance & Investment Limited** Baitul View Tower (11th floor), 56/1 Purana Paltan, Dhaka-1000
BMSL Investment Limited Shadharan Bima Tower (7th Floor), 37 Dilkusha C/A, Dhaka-1000	**FAS Capital Management Limited** Suvastu Imam Square(4th floor), 65, Gulshan Avenue, Gulshan, Dhaka-1212
Union Capital Limited Noor Tower (5th Floor), 1/F Free School Street 73 Sonargaon Road, Dhaka-1205	**AAA Consultants & Financial Advisers Ltd.** Amin Court (4th Floor), Suit # 403-405, 31, Bir Uttam Shahid Ashfaquus Samad Road, 62-63, Motijheel C/A, Dhaka-1000

BANKERS TO THE ISSUE

National Bank Limited	**Social Islami Bank Limited**
BRAC Bank Limited	**Mutual Trust Bank Limited**
Investment Corporation of Bangladesh (ICB)	

NATIONAL HOUSING FINANCE AND INVESTMENTS LIMITED

Registered Office: National Plaza (7th & 8th Floor)
109, Bir Uttam C.R. Datta Road (Ex. Sonargaon Road), Dhaka-1205
Phone: (88-02) 9670612-4, 9677181-2, **Fax**: (88-02) 9671016
Web: **www.nationalhousingbd.com**

As per provision of the Depository Act, 1999 and regulation made there under, rights shares shall only be issued in dematerialized condition. An applicant must apply for allotment of rights shares mentioning his/her Beneficiary Owner (BO) Account number in the application form.

TABLE OF CONTENTS

DEFINITION AND ELABORATION OF THE ABBREVIATED WORDS AND TECHNICAL TERMS USED IN THE RIGHTS SHARE OFFER DOCUMENT

ACRONYM		ELABORATION
AAA	:	AAA Consultants & Financial Advisers Ltd.
Allotment	:	Allotment of Share
BB	:	Bangladesh Bank
Commission	:	Bangladesh Securities and Exchange Commission
Companies Act	:	Companies Act, 1994 (Act. No. XVIII of 1994)
CSE	:	Chittagong Stock Exchange Limited
DSE	:	Dhaka Stock Exchange Limited
EPS	:	Earnings Per Share
Issue	:	Rights Issue
Issue Manager	:	AAA Consultants & Financial Advisers Ltd.
Issuer Company	:	National Housing Finance And Investments Limited
NAV	:	Net Assets Value
Offering Price	:	Price of the Securities of National Housing Finance And Investments Limited
Registered Office	:	Head Office of the Company
RI	:	Rights Issue
Rights Issue Rule	:	Securities and Exchange Commission (Rights Issue) Rules, 2006
RJSC	:	Registrar of Joint Stock Companies & Firms
NHFIL	:	National Housing Finance And Investments Limited
BSEC	:	Bangladesh Securities and Exchange Commission
Securities	:	Shares of National Housing Finance And Investments Limited
Securities Market	:	The Share Market of Bangladesh
Sponsor	:	The Sponsor Shareholder of NHFIL
Stockholder	:	Shareholder
Subscription	:	Application Money

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Web: www.nationalhousingbd.com

RIGHTS ISSUE OF SHARES

March 30, 2013

Dear Shareholder(s)

We are pleased to offer you an opportunity to participate in Rights Issue of Shares of National Housing Finance And Investments Limited (NHFIL). The honorable shareholders of NHFIL in the 13th Annual General Meeting held on April 18, 2012 approved rights issuance of **34,320,000** ordinary shares of Tk. 10.00 each totaling **Tk. 343,200,000.00** at **1 (one) [R] : 2 (two)** ratio i.e. 1 (one) Rights share for 2 (two) existing shares held on the record date for entitlement. The purpose of issuance of Rights Share is to strengthen capital base as well as increase the investment portfolio of the company.

National Housing Finance And Investments Limited has been able to continue its growth in term of business activities and services through efficient conducting of investible funds and human resources by the management under the direction of the Board of Directors as well as patronization and active participation of all our valued shareholders and customers. NHFIL has earned a Net Operating Income of Tk. 212,459,849.00 for the period ended from 01 January 2011 to 31 December 2011. The Board of Directors of your company consider that NHFIL prospects for upcoming years are very good and the funds to be raised by the Right Issue will enable the Company to grow in terms of all round growth and maximize the wealth of shareholders.

To maintain further growth and increase the capital base of the company, we hope, you would come forward with your full support and assistance to make the offer a success.

A self- explanatory Right Offer Document prepared in the light of the Securities and Exchange Commission (Right Issue) Rules, 2006 of the Securities and Exchange Commission is enclosed herewith for your kind information and evaluation.

On behalf of the Board of Directors,

Sd/-
Md. Abdur Rob
Managing Director

THE RIGHTS OFFER

The Company

National Housing Finance And Investments Limited (NHFIL) a private sector housing finance company incorporated in Bangladesh on 18 August 1998 as a public limited company under the Companies Act 1994. On 29 December 1998, the Company received license from the Bangladesh Bank to operate as a Non-Bank Financial Institution (NBFI) under the Financial Institutions Act 1993. It started operations in June 1999 with an authorized capital of Tk. 2,000.00 million divided into 200.00 million ordinary shares of Tk. 10.00 each and a paid up capital of Tk. 572.00 million.

NHFIL floated its shares in 2008 to general investor through Initial Public Offering (IPO) and was subsequently listed with the Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited.

The Company provides loans for construction of houses, purchase of flats or houses, extension and improvement of existing houses or flats, and purchase of housing plots. Other business objectives of the Company include investment and fixed deposit products for both individuals and corporate bodies. With a view to providing finance for peoples' basic need for shelter, enhance housing stock of the country, and promote affordable home ownership. The Company also provides Lease Finance & Term Loan facility to the corporate and other small and medium clients (SMEs). Generally Lease finance offer to procure Capital Machinery/Factory Equipment, Generator, Medical Equipment, Car, Buses, Sea vehicles etc.

The Rights Issue

National Housing Finance And Investments Limited plans to increase paid-up capital through issuance of Rights Shares. The Board of Directors in the meeting held on March 17, 2012, recommended for issuance of Rights Share at **1(one) [R]: 2(two)** ratio i.e. 1 (one) Rights Share for 2 (two) existing share held on the record date as on **April 24, 2013**.

Issue Price

The Issue Price per share has been fixed in the 13th Annual General Meeting (AGM) of the Company held on **April 18, 2012** at Tk.10.00 each totaling **Tk. 343,200,000.00** offered on the basis of **1(one) [R]: 2(two)** ratio i.e. 1 (one) Rights Share for 2 (two) existing share held on the record date as on **April 24, 2013**.

RISK FACTORS AND MANAGEMENT'S STRATEGY FOR MITIGATION

Investment always associates with some internal/external risk factors and among factors, some can be averted, others are beyond control. The management of National Housing Finance And Investments Limited (NHFIL) considers some risk factors involving their business. The risk of NHFIL is defined as the possibility of losses, financial or otherwise. The risk management of the Company covers core risk areas of the company, viz, interest rate risk, credit risk, liquidity risk, industry risk, market and technology related risk, exchange rate risk, operational risk, capital adequacy risk, risk from the competitors, change in regulatory policies, change in government policies, Change in economic and political conditions, assets quality risk, history of non-operation, if any etc. The prime objective of the risk management is that, the Company evaluates and takes well calculated business risks and thereby safeguarding the company's capitals, 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:

INTEREST RATE RISK

Increase in interest rates on borrowing could narrow / eliminate the spread, or result in a negative spread, and hence, may have a material adverse effect on the Company's business, financial condition and/or results of operations.

Although the consequences of unusual and abrupt increase in borrowing rate cannot be avoided but the Company offers its products at variable rates which in turn minimizes exposure to such risks.

CREDIT RISK

Credit risk is the risk arising from the uncertainty of an obligor's ability to perform its contractual obligations. Credit risk could stem from both on-and off-balance sheet transactions. An institution is also exposed to credit risk from diverse financial instruments such as trade finance products and acceptances, foreign exchange, financial futures, swaps, bonds, options, commitments and guarantees.

NHFIL as a financial institution cannot fully eliminate credit risk but risk can be managed to optimized the risk adjusted return. NHFIL manages the credit risk both at individual account level as well as at portfolio level. NHFIL established multi-tier approval process, independent Credit Risk Management (CRM) Unit. CRM Unit ensure in depth analysis of the borrower in view of managerial capacity, financial strength, industry prospect and macroeconomic scenario. The credit committee regularly meets to review new credit proposal as well as performance of existing portfolio.

LIQUIDITY RISK

Liquidity risk usually arises if the lessee default in repayment of their lease obligations or if they find a more attractive investment opportunity out of fund accumulated for repayment.

The risks outlined above are usual in the leasing industry and those are handled by stipulation of higher rate of delinquent charge and foreclosure of securities offered.

INDUSTRY RISK

The Company is operating in a highly competitive market. Some of the competitors have more resources than those of the Company. It is difficult to predict in advance the move of the competitors in the coming years.

The Company is always cautious in offering its products and services at competitive terms and conditions which in turn minimizes its industry risk exposure.

MARKET AND TECHNOLOGY- RELATED RISK

MARKET RISK

Market risk is the risk of loss arising from changes or adverse movements in the level of market prices of rates of financial instruments. Market risk comprises of interest rate risk, exchanges rate risk and equity risk.

NHFIL key objective of market risk management is managing the effects of adverse market movements on the company's earnings and capital effectively. NHFIL trading market risk rises mainly from the market making, arbitraging and proprietary trading activities to earn benefits from market opportunities.

TECHNOLOGY RISK

In the global market of 21st century developed technology obsoletes the old services/product strategy. So the existing technology is not sufficient enough to cope up with future trends and needs.

The management of NHFIL puts strong importance on upgrading NHFIL's ICT continuously. Integrated leasing and accounting software for the operation of leasing and term finance, credit card software are also in place in NHFIL. The Company is planning to establish Digester Recovery System to recover database of the Company if any natural digester happened.

EXCHANGE RATE RISK

The Company operates in the domestic housing finance and leasing industry of Bangladesh. Neither the borrowing nor the financing of the Company is any way connected with fluctuation of foreign exchange rate. Hence, the Company does not have any exposure to such risks.

OPERATIONAL RISK

Risks in the form of classified debts originating from the borrowers' end due to their management failure, financial imprudence, unfavorable shift in market for their products and services, negative external and uncontrollable impact on the industry in which the borrower operates, civil disturbances or natural and environmental calamities and hazards disrupting the borrowers' ability to conduct businesses as usual.

Such risks exist in the industry of the Company's operation. The Company scrutinizes all of its clients and the associated risks systematically using up to date risk evaluation techniques and thereby have been able to maintain good asset quality so far and expects the same in the future. Some other systematic (Market) risks might arise from the external environment of the Company, similar to any other financial institutions.

CAPITAL ADEQUACY RISK

Capital adequacy risk where the NBFI's doesn't have sufficient capital and reserves to do the business or to absorb unexpected losses arising out from credit, market and operational activities.

Capital management policy is crafted to ensure that, the Company maintains an adequate level of capital to support growth strategies and meets regulatory requirements and market expectations. NBFI's in Bangladesh will be required to comply Basel II Accord by 2012, which will result in changes to capital adequacy requirements. The Basel II Accord will affect the risk weightings of different types of assets including minimizing market and operational risk. This in turn will have a direct effect on the Company's capital adequacy ratio. Bangladesh Bank is in the process of establishing detailed methodologies and procedures to suit the domestic market.

The proposed issue of Rights Shares shall enhance the capital base of the company, thus to help address capital adequacy risk.

RISK FROM THE COMPETITORS

Commercial Banks are leaders of the lending market. It is estimated that, more than 90% market share of credit market is held by commercial banks. With the advantage of lower cost of fund, commercial banks may increase the market competition.

Commercial banks focus in providing mid-term and short term financing. Although commercial banks are currently the largest term loan providers, NBFI's play an important role in terms of advising, structuring and syndicating term loans for projects with special needs. NHFIL has some advantages over commercial banks in this regard, such as flexibility of some terms of leading, quick disbursement, leasing and equity investment and the ability to syndicate/arrange fund from domestic sources. This strategic edge, coupled with a strong customer oriented approach, has created demand for NHFIL financing despite the fact that, company changes a bit higher rates than the commercial banks due to higher cost of fund.

CHANGE IN REGULATORY POLICIES

Bangladesh Bank may increase the Statutory Liquidity Requirement (SLR) of NBFI's, which may create fund constrains for NHFIL.

NHFIL has substantial bank deposits as assets, which is accepted by Bangladesh Bank as SLR. As such, any change in SLR rate may not have impact upon the company.

CHANGE IN GOVERNMENT POLICIES

The business activities of NHFIL is fully controlled by policies, rules and regulation framed by government, that is policies related to electricity price fixation, demand & supply and distribution is fully under the control of Government. So, government policies in this regard may impact business operation of NHFIL.

The Company operates under Company's Act-1994, Financial Institution Act, 1993, Taxation Policy adopted by NBR, Security and Exchange Commission (SEC)'s Rule and Rules adopted by other regulatory organizations. Any abrupt changes of the policies formed by those bodies will impact the business of the Company adversely. Unless adverse policies are taken, which may materially affect the industry as a whole; the business of the Company will not be affected.

CHANGE IN ECONOMIC AND POLITICAL CONDITIONS

The performance of the Company may be affected due to unavoidable circumstances in Bangladesh, as such political turmoil, war, terrorism, political unrest in the country may adversely affect the economy in general. Moreover, Natural disasters like Cyclone, Tide, and Earthquake may hamper normal performance of power generation.

The risk due to changes in global or national policies is beyond control for any company. Yet the Company is well prepared for adoption of policies and preventive measures as and when required to reduce the risk. But severe natural calamities, which sometimes are unpredictable and unforeseen, have the potential to disrupt normal operations of NHFIL. Political unrest leading to strikes, hortals etc. certainly plays negative impact in any business. But electricity service being considered a daily necessity & in consideration of its use by all irrespective of their political thoughts is always kept out of obstructions

ASSETS QUALITY RISK

Additional provisioning may be required due to deterioration in asset quality that will reduce the profit as well as the dividend of the Company.

Management of National Housing Finance And Investments Limited recognizes the risk and has so far demonstrated its ability to maintain reserves as per Bangladesh Bank guideline and proper management of its portfolio.

HISTORY OF NON-OPERATION, IF ANY

Is there any history for the Company to become non-operative from its commercial operation?

National Housing Finance And Investments Limited commences its business in 1998 and it has no history of non-operation till now. The Company has an independent body that is operated by its Memorandum & Articles of Association and other applicable laws Implemented by the Government. Besides, the company's financial strength is satisfactory. It has very experienced Board of Directors and Management team to make the Company more efficient and stronger for commercial operations. So, the chance of becoming non-operative for NHFIL is minimum.

DATE OF OPENING AND CLOSING OF SUBSCRIPTION LISTS

Subscription opens for the rights shares offer on **May 19, 2013** and subscription closes for the rights shares offer on **June 13, 2013**.

DECLARATION REGARDING UTILIZATION OF PREVIOUS FUND (IPO)

This is to declare that **National Housing Finance And Investments Limited** went to IPO in the year 2008 for issuance of 500,000 Ordinary Shares of Tk.100.00 each at par totaling Tk. 50,000,000.00 in compliance with relevant statutory requirements. The Company raised the fund to strengthen the capital base and expand business operation. The entire fund thus raised has been used for investing and lending.

Sd/-
Sayed Ahmed, ACMA
FAVP & Head of Finance

Sd/-
Md. Abdur Rob
Managing Director

PURPOSE OF THE RIGHTS ISSUE

This is to declare that the objective behind issuance of Rights Shares of **National Housing Finance And Investments Limited** is to strengthen the capital base of the Company to comply with capital adequacy requirement as per Bangladesh Bank. The proceeds received from rights shares will be invested to increase the lending portfolio as well as to pay off high cost borrowings.

Purpose	Amount in Tk.
Term Deposit Repayment:	
Bangladesh Development Bank Limited	50,000,000.00
Business Expansion:	
Lease Finance	70,000,000.00
Term Finance	100,000,000.00
House Finance	80,000,000.00
Share Investment	43,200,000.00
Total	**343,200,000.00**

Sd/-
Sayed Ahmed, ACMA
FAVP & Head of Finance

Sd/-
Md. Abdur Rob
Managing Director

5 (FIVE) YEARS INFORMATION REGARDING AGM HELD AND DIVIDEND DECLARED BY THE COMPANY

Accounting year	Date of AGM held & Dividend declared	Declared Dividend Rate (%)
2007	14 August 2008	Stock- Nil Cash- 12.50%
2008	15 June 2009	Stock- Nil Cash- 12.50%
2009	10 June 2010	Stock-Nil Cash- 17.50%
2010	29 June 2011	Stock-10% Cash-10%
2011	18 April 2012	Stock-20% Cash-Nil

HIGHLIGHTS OF THE COMPANY

Registered Name	National Housing Finance And Investments Limited
Legal Form	Public Limited Company under Companies Act, 1994
Incorporation of the Company	August 18, 1998
Commencement of Business	August 18, 1998
Registration Number	C-36097(397)/98
Date of Bangladesh Bank License	December 29, 1998
Authorized capital of the Company	BDT 2,000 million
Paid up capital of the Company	BDT 572 million
Listing on Dhaka Stock Exchange	December 23, 2008
Listing on Chittagong Stock Exchange	November 11, 2008
First Mortgage Loan	June 16, 1999
First Lease Finance	February 22, 2004
Opening of Motijheel Branch	August 18, 2001
Opening of Chittagong Branch	April 06, 2004
Opening of Gulshan Branch	June 01, 2004
Opening of Bogra Branch	April 19, 2009

Total equity structure of the Company as on December 31, 2011 is shown below:-

(Amount in BDT)

Capital/Shareholders' Equity	December 31, 2011
Paid up capital	572,000,000
Statutory reserve	181,707,595
Retained earnings	120,259,779
Total Shareholders' Equity	**873,967,374**
Number of Shares of Tk. 10.00 each outstanding*	**68,640,000**
Equity based value per Share/NAV per Share	**12.73**

*** Considering 20% Stock Dividend on 2011**

FINANCIAL HIGHLIGHTS OF THE PREVIOUS YEARS

(Amount in BDT)

Particulars	31.12.2011	31.12.2010	31.12.2009	31.12.2008	31.12.2007
Paid-up Capital	572,000,000	520,000,000	520,000,000	520,000,000	470,000,000
Total Equity	873,967,374	809,706,799	738,695,234	699,651,039	620,290,288
Profit after Tax	116,260,575	162,011,566	104,044,195	88,110,751	74,350,633
Number of Shares (Tk. 100.00)	6,864,000*	5,200,000	5,200,000	5,200,000	4,700,000
Number of Shares (Tk. 10.00)	68,640,000*	52,000,000	52,000,000	52,000,000	47,000,000
Face Value	100.00	100.00	100.00	100.00	100.00
NAV Per Share	127.33	155.71	142.05	134.54	131.98
EPS	16.93	31.16	20.01	18.50	18.59
Face Value	10.00	10.00	10.00	10.00	10.00
NAV Per Share	12.73	15.57	14.20	13.45	13.20
EPS	1.69	3.11	2.00	1.85	1.86
Dividend	Cash: N/A	Cash: 10%	Cash: 17.50%	Cash: 12.50%	Cash: 12.50%
	Stock: 20%	Stock: 10%	Stock: Nil	Stock: Nil	Stock: Nil
Cash flow from Operating activities	(697,968,199)	217,629,095	(1,391,883,892)	797,760,237	674,010,791

*** Considering 20% Stock Dividend on 2011**

MARKET PRICE PER SHARE OF THE COMPANY FOR LAST 6 (SIX) MONTHS

(Amount in BDT)

Date	Market Performance	
	Face Value	Price
Market price per shares as on 30 December 2012	10.00	37.50
Market price per shares as on 29 November 2012	10.00	36.20
Market price per shares as on 31 October 2012	10.00	38.80
Market price per shares as on 30 September 2012	10.00	46.00
Market price per shares as on 30 August 2012	10.00	47.10
Market price per shares as on 30 July 2012	10.00	45.10
Average Market Price per Share	**10.00**	**41.78**

(Source: DSE Monthly Review)

EXISTING SERVICES RENDERED BY THE COMPANY

National Housing Finance And Investments Limited has already launched various products and services since inception. The principal products and services of the Company are mentioned below:

I. **Mortgage Loan:** The Company offers mortgage financing for construction, development and purchase of houses, plots, apartments, real estates, commercial spaces etc. Repayment occurs in the form of Equated Monthly Installments (EMI) comprising of principal and interest. The Company offers mortgage financing for a maximum of 15 years and the interest rate for the EMIs are reviewed based on the prevailing market interest rate.

II. **Lease Finance:** The Company also provides Lease Finance facility to the corporate and other small and medium clients. Generally Lease Finance offer to procure Capital Machinery/Factory Equipment, Generator, Medical Equipment, Car, Buses, Sea vehicles etc. Based on the types of the Capital Machinery/Equipment's and time for erection, installation and commissioning, moratorium period are always considered. Generally lease finance range from 2 to 5 years with competitive interest rate.

III. **Term Loan:** The Company also offers term loans of different tenures at competitive rates to the satisfaction of its clients

IV. **Working Capital and Work Order Finance:** The Company offers working capital and work order finance to various borrowers to grow their businesses.

V. **SME Finance:** The Company offers 4 (four) different kinds of products under the SME Finance. These are:

a. **Women Entrepreneur scheme:**

i. **Jagoron Nari:** The Company offers the product for small entrepreneurs under Bangladesh Bank refinance scheme (attractive interest rate). The entrepreneurs are offered to enjoy less than Tk.1.00 million.

ii. **Kristy:** The Company offers the product for Medium Entrepreneur under Bangladesh Bank refinance scheme (attractive interest rate). The entrepreneurs are offered to enjoy not more than Tk.5.00 million.

b. **Other than women Entrepreneur scheme:**

i. **Sonirvor:** The Company offers the product for small entrepreneur (other than women) under regular interest rate. The entrepreneurs are offered to enjoy the loan facility from Tk.5.00 million to Tk.50.00 million.

ii. **Jagoron:** The Company offers the product for Medium Entrepreneur (only for Industry & Service sector). The entrepreneurs are offered to enjoy loan facility from Tk.5.00 million to Tk.50.00 million.

Besides this we also offer Agro based processing Industry Loan under Bangladesh Bank refinance scheme (attractive interest rate). The entrepreneurs are offered to enjoy loan facility from Tk.5.00 million to Tk.50.00 million.

VI. **Deposit Schemes:** The Company offers various deposit schemes in accordance with its clients' suitability and needs effective from 1st April 2005. Income Account, Term Deposit Account and Double Money Account are the lucrative deposit schemes of The Company as described below:

a) **Income Account:** This scheme offers a fixed monthly, quarterly, or half-yearly income on the deposit for a period of two years with a minimum deposit requirement of Tk.100,000. The depositors are offered to enjoy a regular cash flow during the term keeping their deposit intact, which is receivable at the end of the term.

b) **Term Deposit Account:** It offers attractive return to the depositors on a minimum deposit of Tk.50,000. The principal along with interest are paid at the end of maturity which ranges from 1 to 3 years. This scheme is attractive to the depositors as they can earn higher return due to the interest compounded over the periods till maturity.

c) **Double Money Account:** Depositors are offered to double their deposit in 96 months with a minimum deposit of Tk. 50,000 in this scheme of the Company.

d) **Monthly Savings Scheme:** It allows people to save in affordable installments and enjoy an attractive return at the end of the tenure. The savings tenure are of 3 and 5 years.

e) **Millionaire Savings Scheme:** It offers the depositors to save in equal installments in every month until seven or ten years. At the end of the savings tenure, the depositor becomes millionaire.

BOARD OF DIRECTORS

Name	Occupation	Designation	Address	
			Present (Business)	Permanent
Mr. Latifur Rahman Representing Bangladesh Lamps Ltd.	Business	Chairman	Sadar Road Mohakhal, Dhaka-1206	NE (J)-4, Road # 83 Gulshan-2, Dhaka-1212
Mr. Neaz Ahmed Representing National Bank Ltd.	Service	Director	18, Dilkusha C/A Dhaka - 1000	Flat- 5A, House- 17, Road- 65, Gulshan-2 Dhaka.
Mr. Muminul Haque Chowdhury Representing Borak Travels (Pvt.) Ltd.	Service	Director	51B, Kemal Ataturk Avenue Banani Dhaka-1213	6/9, Block# C, Lalmatia Dhaka-1207
Mr. Azmal Hossain Representing Eastern Insurance Co. Ltd.	Business	Director	Hashem Paper Mill Rahman Chamber, 12-13, Motijheel C/A, Dhaka-1000	House: CEN (F) 8, Road # 104, Gulshan, Dhaka
Mr. Mahmudul Huq Taher Representing National Life Insurance Co. Ltd.	Business	Director	NLI Tower, 54 Kazi Nazrul Islam Avenue, Karwan Bazar, Dhaka-1215	49/A/1 Shiddersori Circular Road (3rd floor), Dhaka
Mr. M Azmal Hoque Representing Eastland Insurance Co. Ltd.	Service	Director	13, Dilkusha C/A, Dhaka - 1000	102, Park Road Baridhara, Dhaka
Mr. Mizanur Rahman Representing Shaw Wallace Bangladesh Ltd.	Service	Director	Rupayan Centre (15th Floor) 72 Mohakhali C/A, Dhaka	Apt # 4D, Ataturk Tower 22 Kamal Ataturk Avenue, Banani Dhaka-1213
Mr. Md. Kabir Reza Representing Square Pharmaceuticals Ltd.	Service	Director	Square Centre 48, Mohakhali C/A Dhaka-1000	Sheltech Niribili, 210/2 Elephant Road Apartment # 5D 5th Floor, Dhaka
Mr. Syed Ali Jowher Rizvi	Business	Director	Summit Corporation Summit Centre 18, Kawran Bazar, Dhaka-1215	House # (A)15, Road # 117, Gulshan, Dhaka
Mr. Syed Monjurul Islam Representing IFIC Bank Ltd.	Service	Director	8, Rajuk Avenue, Dhaka-1000	8, Rajuk Avenue, Dhaka-1000
Mr. Md. Rezaul Karim Representing Shadharan Bima Corporation	Service	Director	33, Dilkusha C/A, Dhaka-1000	33, Dilkusha C/A, Dhaka-1000
Professor Imran Rahman	Service	Independent Director	University of Libarel Arts Bangladesh, House 56, Rd 4A Dhanmondi, Dhaka	9, Eskaton Garden, Dhaka- 1209
Mr. Md. Abdur Rob	Service	Managing Director (Ex-officio)	National Plaza (7th floor) 109, Bir Uttam C.R. Datta Road Dhaka-1205	Vill.- Modhusudanpur, P.S.- Sudharam, P.O. & Dist. Noakhali.

MANAGEMENT & EXECUTIVES

Sl. No.	Name Of Executives	Address	Educational Qualification	Designation	Place of Posting
1	Mr. Md. Abdur Rob	National Plaza (7th floor) 109, Bir Uttam C.R. Datta Road, Dhaka-1205	M.Com. (Management), Dhaka University	Managing Director	Head Office
2	Mr. Md. Kamal Pasha	National Plaza (7th floor) 109, Bir Uttam C.R. Datta Road, Dhaka-1205	M.A. (Economics)	Vice President	Head Office
3	Mr. Shital Chandra Saha	National Plaza (7th floor) 109, Bir Uttam C.R. Datta Road, Dhaka-1205	MBA (DU), M.S.S. (Public Administration)	Vice President & Head of Lease	Head Office
4	Mr. Md. Abdul Baten	Modina Tower (3rd floor), 805/A, CDA Avenue, Chittagong	MSc. (Marine Science)	AVP & Head of Chittagong Branch	Chittagong Branch
5	Mr. Md. Nazrul Islam	National Plaza (7th floor) 109, Bir Uttam C.R. Datta Road, Dhaka-1205	M.Com. (Finance), DU	AVP & Head of Recovery	Head Office
6	Mr. Altafur Rahman	National Plaza (7th floor) 109, Bir Uttam C.R. Datta Road, Dhaka-1205	L.L.B & L.L.M. (USA)	FAVP & Head of Legal	Head Office
7	Mr. Sayed Ahmed	National Plaza (7th floor) 109, Bir Uttam C.R. Datta Road, Dhaka-1205	M.Com. (Accounting), ACMA	FAVP & Head of Finance	Head Office
8	Mr. Md. Sarwar Kamal	National Plaza (7th floor) 109, Bir Uttam C.R. Datta Road, Dhaka-1205	M.Com (Accounting), ACS	FAVP & Company Secretary	Head Office
9	Mr. Mahbubur Rashid Al Amin	National Plaza (7th floor) 109, Bir Uttam C.R. Datta Road, Dhaka-1205	M.Com. (Management), MBA (Finance)	FAVP & Head of operation	Head Office
10	Mr. Abu Naser Md. Ahad Sarker	Jamil Shopping Center (3rd floor) Borogola, Bogra-Rangpur Road, Bogra-5800	MBA (Management)	FAVP & Head of Bogra Branch	Bogra Branch
11	Ms. Sabiha Kashmiri	Fazlur Rahman Centre (2nd floor) 72, Dilkusha C/A, Dhaka- 1000	M.Com. (Accounting), DU	Manager & Head of Motijheel Branch	Motijheel Branch
12	Mr. Kabir Hossain	Bashati Avenue (4th floor) House-NW(H)-10, Road- 53, Gulshan- 2, Dhaka-1212	MBA (Finance)	Deputy Manager & Head of Gulshan Branch	Gulshan Branch

CORPORATE INFORMATION: DECEMBER 31, 2011

NATIONAL HOUSING FINANCE AND INVESTMENTS LIMITED

Registered Office: National Plaza (7th & 8th Floor)
109, Bir Uttam C.R. Datta Road (Ex. Sonargaon Road), Dhaka-1205
Phone: (88-02) 9670612-4, 9677181-2, **Fax**: (88-02) 9671016, **Web**: www.nationalhousingbd.com

Date of Incorporation	:	August 18, 1998
Date of Commencement	:	August 18, 1998
Listing with Dhaka Stock Exchange	:	December 23, 2008
Listing with Chittagong Stock Exchange	:	November 11, 2008
Authorized Capital	:	Tk. 2,000 million
Paid-up-Capital	:	Tk. 572.00 million
Shareholders' Equity	:	Tk. 873.96 million
Net Operating Income	:	Tk. 212.45 million
Total Assets	:	Tk. 5,088.51 million
Number of Employees	:	86 Nos.

MANAGING DIRECTOR

Md. Abdur Rob

COMPANY SECRETARY

Md. Sarwar Kamal, ACS

AUDITOR

Syful Shamsul Alam & Co
Chartered Accountants
Corporate Office : Paramount Heights (Level-6)
65/2/1, Box Culvert Road, Purana Paltan, Dhaka-1000

LEGAL ADVISERS

Mr. Abdul Quddus
Advocate Supreme Court
Law & Remedy, City Heart, (4th floor), Suite No.5/7, 67 Naya Paltan, Dhaka 1000

Mr. Masudur Rahman
Barrister at Law
Apartment No. C-4, Keari Taj, House No 14, Road No. 6, Dhanmondi R/A, Dhaka 1205

Mr. Abdur Razzaque
Barrister at Law
Abdur Razzaque & Associates, Suite No.5/1, City Heart, (4th floor), 67 Naya Paltan, Dhaka 1000

Mr. Morshed Ahmed Khan Masud
Barrister-at -law
Suite No.802, Rahat Tower (7th floor), 14 Biponon C/A, Link Road, West, Banglamotor, Dhaka 1000

Mr. Omar Sadat
Barrister at Law, Sadat Sarwat & Associates
House No 28, Road No. . 23 (Ground floor), Gulshan -1, Dhaka 1212

Mr. Md. Nuruzzaman
Bar at Law
Apartment No. 1, House No 47, Road No. . 1, Dhanmondi, Dhaka 1205

Mr. Abdullah Mahmud Hassan
Advocate Bangladesh Supreme Court
33, Ka-Razar Dewri, Dhaka -1100

BANKERS TO THE ISSUE OF RIGHTS ISSUE OF NATIONAL HOUSING FINANCE AND INVESTMENTS LIMITED

National Bank Limited

Agrabad Br. Chittagong	Elephant Road Br. Dhaka	Kawran Bazar Br. Dhaka	Mohakhali Br. Dhaka	S.K. Mojib Road Br. Chittagong
Anderkillah Br. Chittagong	Foreign Exchange Br. Dhaka	Malibagh Br. Dhaka	Motijheel Br. Dhaka	Uttara Br. Dhaka
Dhanmondi Br. Dhaka	Gulshan Br. Dhaka	Mirpur Br. Dhaka	New Eskaton Br. Dhaka	Z.H. Sikder M.C. Br. Dhaka

Social Islami Bank Limited

Principal Br. Dhaka	Sylhet Br. Sylhet	Babu Bazar Br. Dhaka	Foreign Exchange Br. Dhaka	Mirpur Br. Dhaka
Agrabad Br. Chittagong	Rajshahi Br. Rajshahi	Begum Rokeya Sarani Br. Dhaka	Dhanmondi Br. Dhaka	Dania Rasulpur Br. Dhaka
Khulna Br. Khulna	Gulshan Br. Dhaka	Panthapath Br. Dhaka	Uttara Br. Dhaka	Comilla Br. Comilla

BRAC Bank Limited

Agrabad Br. Chittagong	Bogra Br. Bogra	Graphics Building Br. Dhaka	Mirpur Br. Dhaka	Rampura Br. Dhaka
Asad Gate Br. Dhaka	CDA Avenue Br. Chittagong	Jessore Br. Jessore	Narayangonj Br. Narayanganj	Shyamoli Br. Dhaka
Barisal Br. Barisal	Eskaton Br. Dhaka	Khulna Br. Khulna	Nawabpur Br. Dhaka	Uttara Br. Dhaka

Mutual Trust Bank Limited

Agrabad Br. Chittagong	Dilkusha Br. Dhaka	Khatungonj Br. Chittagong	Pallabi Br. Dhaka	Progati Sarani Br. Dhaka
Banani Br. Dhaka	Fulbaria Br. Dhaka	Mohammadpur Br. Dhaka	Panthapath Br. Dhaka	Sylhet Br. Sylhet
Dhanmondi Br. Dhaka	Gulshan Br. Dhaka	MTB Corporate Center Br. Dhaka	Principal Br. Dhaka	Uttara Model Town Br. Dhaka

Investment Corporation of Bangladesh (ICB)

Head Office, Dhaka	Rajshahi Br., Rajshahi	Barishal Br., Barishal	Bogra Br., Bogra	
Chittagong Br., Chittagong	Khulna Br., Khulna	Sylhet Br., Sylhet	Local Office, Dhaka	

JUSTIFICATION OF THE ISSUE PRICE OF RIGHTS SHARES

The rights issue price at Tk. 10.00 each per share is justified as per the guidelines of the Securities and Exchange Commission as given in the table below:

PRICING OF NHFIL ON THE BASIS OF FIXED PRICE METHOD	
Valuation Methods	**Offer Price (Taka)**
Net Assets Value per Share (NAV)	**12.73**
Average Market Price per Share	**41.78**

NET ASSETS VALUE (NAV) PER SHARE:

	Particulars	December 31, 2011 Taka
A	**PROPERTY & ASSETS**	
	Cash:	
	In hand (Including foreign currencies)	38,389
	Balance with Bangladesh Bank and its agent bank(s) (Including foreign currencies)	40,954,505
		40,992,894
	Balance with banks and other financial institution:	
	In Bangladesh	434,597,785
	Outside Bangladesh	-
		434,597,785
	Money at call and on short notice	**20,000,000**
	Investments:	
	Government Securities	-
	Others	9,614,706
		9,614,706
	Loans, advances and leases:	
	Loans, cash credits, overdraft etc.	4,146,522,165
	Bills purchased and discounted	-
		4,146,522,165
	Fixed assets including premises, furniture and fixtures	**36,777,546**
	Other assets	**400,011,407**
	Non-financial institution assets	**-**
B	**TOTAL ASSETS**	**5,088,516,504**
C	**LIABILITIES AND CAPITAL**	
	Liabilities:	
	Borrowing from banks, other financial institutions and agents	**1,471,023,289**
	Deposits and other accounts:	
	Current deposits and other accounts etc.	1,397,597,624
	Bills payable	-
	Savings bank deposits	-
	Fixed deposits	750,000,000
	Bearer certificate of deposits	-
	Other deposits	39,815,664
		2,187,413,288
	Other Liabilities	**556,112,553**
D	**TOTAL LIABILITIES**	**4,214,549,130**
E=(B-D)	**NET ASSETS**	**873,967,374**
F	**Number of Shares of Tk. 10.00 each outstanding***	**68,640,000**
G=E/F	**NET ASSETS VALUE PER SHARE (NAV)**	**12.73**

*** Considering 20% Stock Dividend on 2011**

NAV is also equivalent to the Equity Based Value per share which is depicted below:

Capital/Shareholders' Equity	December 31, 2011
Paid up capital	572,000,000
Statutory reserve	181,707,595
Retained earnings	120,259,779
Total Shareholders' Equity	**873,967,374**
Number of Shares of Tk. 10.00 each outstanding*	**68,640,000**
Equity based value per Share/NAV per Share	**12.73**

* **Considering 20% Stock Dividend on 2011**

AVERAGE MARKET PRICE PER SHARE:

(Source: DSE Monthly Review) (Amount in BDT)

Date	Market Performance	
	Face Value	Price
Market price per shares as on 30 December 2012	10.00	37.50
Market price per shares as on 29 November 2012	10.00	36.20
Market price per shares as on 31 October 2012	10.00	38.80
Market price per shares as on 30 September 2012	10.00	46.00
Market price per shares as on 30 August 2012	10.00	47.10
Market price per shares as on 30 July 2012	10.00	45.10
Average Market Price per Share	**10.00**	**41.78**

(Considering Taka 10.00 per share)

LENGTH OF TIME DURING WHICH THE ISSUER HAS CARRIED ON BUSINESS [Rule-8(j)]

National Housing Finance And Investments Limited (NHFIL) is a listed Non-Banking Financial Institution (NBFI) was incorporated on August 18, 1998 under the Companies Act, 1994 and obtained its license as Non-Banking Financial Institution from Bangladesh Bank under the ambit of the Financial Institution Act, 1993 on December 29, 1998. The Company commenced its business on August 18, 1998 and has successfully completed almost 15 (Fifteen) years of operation.

IMPLEMENTATION SCHEDULE [Rule-8(k)]

The proceeds received from rights issue will be invested in the following manner:

Purpose	Amount in Tk.	Implementation Period (Tentative)
Term Deposit Repayment		
Bangladesh Development Bank Limited	50,000,000.00	03 month after receiving the fund
Business Expansion		
Lease Finance	70,000,000.00	03 month after receiving the fund
Term Finance	100,000,000.00	02 month after receiving the fund
House Finance	80,000,000.00	04 month after receiving the fund
Share Investment	43,200,000.00	02 month after receiving the fund
Total	**343,200,000.00**	

Sd/-
Sayed Ahmed, ACMA
FAVP & Head of Finance

Sd/-
Md. Abdur Rob
Managing Director

QUANTIY OF SHARES HELD BY EACH DIRECTOR ON THE DATE OF THE RIGHTS SHARE OFFER DOCUMENT (As on July 31, 2012) [Rule-8(I)]

Sl. No.	Name of Directors	Position	Number of Shares	Percentage (%)
1	**Mr. Latifur Rahman** Representing Bangladesh Lamps Ltd.	Chairman	3,305,340	4.82%
2	**Mr. Neaz Ahmed** Representing National Bank Ltd.	Director	3,305,352	4.82%
3	**Mr. Muminul Haque Chowdhury** Representing Borak Travels (Pvt.) Ltd.	Director	3,305,340	4.82%
4	**Mr. Azmal Hossain** Representing Eastern Insurance Co. Ltd.	Director	3,305,352	4.82%
5	**Mr. Mahmudul Huq Taher** Representing National Life Insurance Co. Ltd.	Director	3,305,352	4.82%
6	**Mr. M Azmal Hoque** Representing Eastland Insurance Co. Ltd.	Director	3,305,352	4.82%
7	**Mr. Mizanur Rahman** Representing Shaw Wallace Bangladesh Ltd.	Director	3,102,000	4.52%
8	**Mr. Md. Kabir Reza** Representing Square Pharmaceuticals Ltd.	Director	3,240,936	4.72%
9	**Mr. Syed Ali Jowher Rizvi**	Director	1,861,200	2.71%
10	**Mr. Syed Monjurul Islam** Representing IFIC Bank Ltd.	Director	3,102,000	4.52%
11	**Mr. Md. Rezaul Karim** Representing Shadharan Bima Corporation	Director	3,305,340	4.82%
12	**Professor Imran Rahman**	Independent Director	Nil	Nil
13	**Mr. Md. Abdur Rob**	Managing Director	Nil	Nil
TOTAL			**34,443,564**	**50.18%**

COMPOSITION OF SHAREHOLDING POSITION OF THE COMPANY (As on July 31, 2012)

Particulars	No. of Shares Held	No. of Shareholders	Total Amount of Shares(BDT)	% of Total Shares
Sponsors & Directors	57,034,588	37	570,345,880	83.09%
General Public	6,733,032	3018	67,330,320	9.81%
Institutions	4,872,380	116	48,723,800	7.10%
Government	Nil	Nil	Nil	Nil
Total	**68,640,000**	**3,171**	**686,400,000**	**100%**

BENEFICIAL OWNERS HOLDING SHARES 5% OR ABOVE

This is to declare that **National Housing Finance And Investments Limited** do not have any share holder who hold 5% or more shares of the Company as per [Rule-8(I)] of the Securities and Exchange Commission (Rights Issue) Rules, 2006.

Sd/-
Md. Sarwar Kamal, ACS
FAVP & Company Secretary

Sd/-
Md. Abdur Rob
Managing Director

PUBLIC LISTED COMPANY UNDER COMMON MANAGEMENT

As per the Securities and Exchange Commission (Rights Issue) Rules, 2006; there is no Public Listed Company under the common Management of National Housing Finance And Investments Limited.

CLASSIFIED INFORMATION & UNDERWRITERS [Rule-8(o)]

Issue Manager	**AAA Consultants & Financial Advisers Ltd.** Amin Court (4th Floor), Suite # 403-405, 31, Bir Uttam Shahid Ashfaquus Samad Road, (Previous 62-63, Motijheel C/A) Dhaka-1000
Auditors	**Syful Shamsul Alam & Co** Chartered Accountants Corporate Office : Paramount Heights (Level-6), 65/2/1, Box Culvert Road, Purana Paltan, Dhaka-1000
Bankers to the Issue	**National Bank Limited**
	Social Islami Bank Limited
	BRAC Bank Limited
	Mutual Trust Bank Limited
	Investment Corporation of Bangladesh (ICB)
Legal Advisers	**Mr. Abdul Quddus** Advocate Supreme Court Law & Remedy, City Heart, (4th floor), Suite No.5/7, 67 Naya Paltan, Dhaka 1000
	Mr. Masudur Rahman Barrister at Law Apartment No C-4, Keari Taj, House No 14, Road No. 6, Dhanmondi R/A, Dhaka 1205
	Mr Abdur Razzaque Barrister at Law Abdur Razzaque & Associates, Suite No. 5/1, City Heart, (4th floor), 67 Naya Paltan, Dhaka 1000
	Mr. Morshed Ahmed Khan Masud Barrister-at -law Suite No.802, Rahat Tower (7th floor), 14 Biponon C/A, Link Road, West, Banglamotor, Dhaka 1000
	Mr. Omar Sadat Barrister at Law, Sadat Sarwat & Associates House No 28, Road No. 23 (Ground floor), Gulshan -1, Dhaka 1212
	Mr. Md. Nuruzzaman Bar at Law Apartment No 1, House No 47, Road No. 1, Dhanmondi, Dhaka 1205
	Mr. Abdullah Mahmud Hassan Advocate Bangladesh Supreme Court 33 Ka-Razar Dewri, Dhaka 1100
Compliance Officer of Issuer	**Md. Sarwar Kamal, ACS** FAVP & Company Secretary
Compliance Officer of Issue Manager	**Tanvir Ul Alam** Assistant Manager

National Housing Finance And Investments Limited is going to offer rights share of **34,320,000** Ordinary Shares at **Tk. 10.00** each at par totaling **Tk. 343,200,000**. As per Securities and Exchange Commission's guideline, the issuer of a listed security making rights issue shall appoint one or more underwriters licensed under সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মার্চেন্ট ব্যাংকার ও পোর্টফোলিও ম্যানেজার) বিধিমালা, ১৯৯৬ to fully underwrite the rights issue on a firm commitment basis. Underwriting commission will be @ 0.10% on the underwritten amount and there will be no additional commission for take-up unsubscribe portion of shares if any.

Name of Underwriters	No. of Shares to be Underwritten	Offer price (BDT)	Total Amount of Underwritten (BDT)
Alpha Capital Management Limited National Scout Bhaban (5th Floor), 70/1 Inner Circular Road, kakrail, Dhaka-1000	2,500,000	10.00	25,000,000.00
BMSL Investment Limited Shadharan Bima Tower (7th Floor), 37/A Dilkusha C/A, Dhaka-1000	2,500,000	10.00	25,000,000.00
Union Capital Limited Noor Tower (5th Floor), 1/F Free School Street, 73 Sonargaon Road, Dhaka-1205	5,000,000	10.00	50,000,000.00
Banco Finance & Investment Limited Baitul View Tower (11th floor), 56/1 Purana Paltan, Dhaka-1000	7,160,000	10.00	71,600,000.00
FAS Capital Management Limited Suvastu Imam Square(4th floor), 65, Gulshan Avenue, Gulshan, Dhaka-1212	8,580,000	10.00	85,800,000.00
AAA Consultants & Financial Advisers Ltd. Amin Court (4th Floor), Suit # 403-405, 31, Bir Uttam Shahid Ashfaquus Samad Road,(Previous 62-63, Motijheel C/A) Dhaka-1000	8,580,000	10.00	85,800,000.00
Total	**34,320,000**	**10.00**	**343,200,000.00**

UNDERWRITERS' OBLIGATION

If and to the extent that the shares offered to the existing shareholders by the Rights Share Offer Document authorized hereunder shall not have been subscribed and paid for in cash in full by the closing date, the Company shall within **10 (ten)** days of the closure of subscription call upon the underwriters **(for full unsubscribed amount)** in writing with a copy of said writing to the Securities and Exchange Commission, to subscribe for shares not subscribed by the closing date and to pay for in cash in full, inclusive of any premium if applicable, for such unsubscribed shares within **15 (fifteen)** days after being called upon to do so. If payment is made by Cheque/Company Draft by the underwriter it will be deemed that the underwriter has not fulfilled his obligation towards his commitment under this Agreement, until such time as the Cheque/Company Draft has been encashed and the Company's account has been credited. In any case, within **7 (seven)** days after the expiry of the aforesaid **15 (fifteen)** days, the Company shall send proof of subscription and payment by the underwriters, to the Commission.

DIRECTORS' TAKE-UP IN THE RIGHTS OFFER [RULE-8(Q)]

Directors are expected to exercise in full their portion of Rights Offer [Rule-8(Q)] is as under:

Sl. No.	Name	Position	Nos. of Shares Held	No. of Rights Share Offered	No. of Rights Share to be Renounced	Reason of Renunciation
1	**Mr. Latifur Rahman** Representing Bangladesh Lamps Ltd.	Chairman	3,305,340	1,652,670	Nil	Nil
2	**Mr. Neaz Ahmed** Representing National Bank Ltd.	Director	3,305,352	1,652,676	Nil	Nil
3	**Mr. Muminul Haque Chowdhury** Representing Borak Travels (Pvt.) Ltd.	Director	3,305,340	1,652,670	Nil	Nil
4	**Mr. Azmal Hossain** Representing Eastern Insurance Co. Ltd.	Director	3,305,352	1,652,676	Nil	Nil
5	**Mr. Mahmudul Huq Taher** Representing National Life Insurance Co. Ltd.	Director	3,305,352	1,652,676	Nil	Nil
6	**Mr. M Azmal Hoque** Representing Eastland Insurance Co. Ltd.	Director	3,305,352	1,652,676	Nil	Nil
7	**Mr. Mizanur Rahman** Representing Shaw Wallace Bangladesh Ltd.	Director	3,102,000	1,551,000	Nil	Nil
8	**Mr. Md. Kabir Reza** Representing Square Pharmaceuticals Ltd.	Director	3,240,936	1,620,468	Nil	Nil
9	**Mr. Syed Ali Jowher Rizvi**	Director	1,861,200	930,600	Nil	Nil
10	**Mr. Syed Monjurul Islam** Representing IFIC Bank Ltd.	Director	3,102,000	1,551,000	Nil	Nil
11	**Mr. Md. Rezaul Karim** Representing Shadharan Bima Corporation	Director	3,305,340	1,652,670	Nil	Nil
12	**Professor Imran Rahman**	Independent Director	Nil	N/A	N/A	N/A
13	**Mr. Md. Abdur Rob**	Managing Director	Nil	N/A	N/A	N/A

(As on July 31, 2012)

TERMS AND CONDITIONS OF THE RIGHTS ISSUE

Basis of the Offer

The Company records its share register of members on **April 24, 2013** for determining the shareholders who are eligible to receive this offer of shares on rights basis. The ordinary shares are now being offered on a rights basis to the shareholders holding shares on the record date at **Tk.10.00** each at par in the ratio of **01(R): 02** i.e. 01 (one) rights share for 02 (two) existing share held on the record date.

Entitlement

As a shareholder of the Company on the record date on **April 24, 2013** the shareholders are entitled to this Rights Offer. Only the holder(s) of a minimum of one fully paid ordinary share is entitled to receive the Rights Offer.

Acceptance of the Offer

A shareholder may accept and apply for the shares hereby offered, wholly or in part by filling in Application - Form A and submitting the same along with the application money to the Bankers to the Issue on or before the Closing Date of subscription of **June 13, 2013**.

Renunciation

A shareholder may renounce all or part of the shares he/she is entitled to in favour of any other person(s) other than an infant or person of unsound mind. He/she can renounce his/her rights/entitlement of shares by signing Renunciation Form-B. Renouncee(s) shall fill in Form-C appropriately.

General

All applications should be made on the printed form provided by the Company in this Rights Share Offer Documents only and should be completed in all respects. Applications which are not completed in all respects or are made otherwise than as herein provided or are not accompanied by the proper application amount of deposit are liable to be rejected and the application money received in respect thereof shall be refunded.

All communications in connection with the application for the Rights Share should be addressed to the Company quoting the registered folio number/BO ID number in the form.

Condition of Subscription

Rights Offer of **34,320,000** Ordinary Shares of **Tk. 10.00** each at par, totaling **Tk. 343,200,000** offered on the basis of **01(R):02** i.e., 1 (One) rights share for 2 (two) existing share held by the Shareholder(s) whose name(s) appeared in the Company's Share Register at the record date as on **April 24, 2013**.

Payment of Share Price

Payments for the full value of Shares applied for shall be made with designated Branches of Bankers to the Issue by Cash/Pay Order/Demand Draft payable to "**National Housing Finance And Investments Limited**" and crossed. The Pay Order/Demand Draft for payment of share price must be drawn on a Company in the same town to which the application form has been submitted.

Subscription	**Opens on: May 19, 2013**
	Closes on: June 13, 2013
Within Banking Hours	

Any changes or extension regarding subscription period will be notified through national dailies.

Lock-in on Rights Share

The Rights Shares of Directors and other shareholders holding 5% or more shares shall be subject to lock-in for a period of three years from the date of closure of the rights share subscription. In the event of renunciation of rights shares by aforesaid persons, the renounced shares shall also be subject to lock-in for the same period shall be operative.

Name of Shareholders	Position	Shareholdings	Percentage (%)	Date of Subscription Close	Expiry Date of Lock-in
Mr. Latifur Rahman Representing Bangladesh Lamps Ltd.	Chairman	3,305,340	4.82%	June 13, 2013	June 12, 2016
Mr. Neaz Ahmed Representing National Bank Ltd.	Director	3,305,352	4.82%	June 13, 2013	June 12, 2016
Mr. Muminul Haque Chowdhury Representing Borak Travels (Pvt.) Ltd.	Director	3,305,340	4.82%	June 13, 2013	June 12, 2016
Mr. Azmal Hossain Representing Eastern Insurance Co. Ltd.	Director	3,305,352	4.82%	June 13, 2013	June 12, 2016
Mr. Mahmudul Huq Taher Representing National Life Insurance Co. Ltd.	Director	3,305,352	4.82%	June 13, 2013	June 12, 2016
Mr. M Azmal Hoque Representing Eastland Insurance Co. Ltd.	Director	3,305,352	4.82%	June 13, 2013	June 12, 2016
Mr. Mizanur Rahman Representing Shaw Wallace Bangladesh Ltd.	Director	3,102,000	4.52%	June 13, 2013	June 12, 2016
Mr. Md. Kabir Reza Representing Square Pharmaceuticals Ltd.	Director	3,240,936	4.72%	June 13, 2013	June 12, 2016
Mr. Syed Ali Jowher Rizvi	Director	1,861,200	2.71%	June 13, 2013	June 12, 2016
Mr. Syed Monjurul Islam Representing IFIC Bank Ltd.	Director	3,102,000	4.52%	June 13, 2013	June 12, 2016
Mr. Md. Rezaul Karim Representing Shadharan Bima Corporation	Director	3,305,340	4.82%	June 13, 2013	June 12, 2016
Professor Imran Rahman	Independent Director	Nil	Nil	N/A	N/A
Mr. Md. Abdur Rob	Managing Director	Nil	Nil	N/A	N/A

Others

The application not properly filled in shall be treated as cancelled and deposited money will be refunded. For any reason, no profit/compensation will be paid on the refunded amount.

The offer will be deemed to have been declined if completed Application Form-A with necessary payments have not been received by **June 13, 2013** or by such later date as may be notified through national dailies to that effect.

MATERIAL CONTRACTS

Bankers to the Issue

National Bank Limited, Social Islami Bank Limited, BRAC Bank Limited, Mutual Trust Bank Limited and Investment Corporation of Bangladesh are the Bankers to the issue who will collect the subscriptions money of the Rights Offer. Commission **@ 0.10%** of the amount collected will be paid to the Bankers to the Issue for the services to be rendered by them. The rights issue subscriptions money collected from the shareholders by the Bankers to the issue will be remitted to the Company's **Short Term Deposit Account (STD) No. 36000394** with **National Bank Limited, Lake Circus Branch, Dhaka**.

Underwriters

Full amount of Rights Offer of National Housing Finance And Investments Limited have been underwritten by **06 (Six)** underwriters as shown in the classified information part of ROD. Each underwriter will be paid underwriting commission **@ 0.10%** of the nominal value of shares underwritten by them out of the rights issue. Simultaneously, with the calling upon an underwriter to subscribe and pay for any number of shares, the Company will pay no additional commission to that underwriter on the nominal value of shares required to be subscribed by them.

Manager to the Issue

AAA Consultants & Financial Advisers Ltd. is appointed as manager to the issue of the rights issue of the Company. Accordingly, an agreement was made between the issue manager and the Company. The Company will pay issue management fee BDT 17.16 lac to the Manager to the Issue.

Vendor's Agreement

National Housing Finance And Investments Limited has not entered into any vendor's agreement except normal course of business.

Contract for Acquisition of Property

The Company acquired no property or made any contract/agreement with any party for acquisition of property after the Balance Sheet Date December 31, 2011.

FORM - A
[rule 5 and rule 8(t)]

DECLARATION (DUE DILIGENCE CERTIFICATE) ABOUT RESPONSIBILITY OF THE ISSUE MANAGER IN RESPECT OF THE RIGHTS SHARE OFFER DOCUMENT OF NATIONAL HOUSING FINANCE AND INVESTMENTS LIMITED

This rights share offer document has been reviewed by us and we confirm after due examination that the rights share offer document constitutes full and fair disclosures about the rights issue and the issuer and complies with the requirements of the Securities and Exchange Commission (Rights Issue) Rules, 2006; and that the issue price is justified under the provisions of the Securities and Exchange Commission (Rights Issue) Rules, 2006.

For AAA Consultants & Financial Advisers Ltd.

Sd/-
(Khwaja Arif Ahmed)
Managing Director & CEO

Place: Dhaka
Dated: April 24, 2012

FORM - B
[rule 6 and rule 8(t)]

DECLARATION (DUE DILIGENCE CERTIFICATE) ABOUT RESPONSIBILITY OF THE UNDERWRITER(S) IN RESPECT OF THE RIGHTS SHARE OFFER DOCUMENT OF NATIONAL HOUSING FINANCE AND INVESTMENTS LIMITED

This rights share offer document has been reviewed by us and we confirm after due examination that the issue price is justified under the provisions of the Securities and Exchange Commission (Rights Issue) Rules, 2006, and also that we shall subscribe for the under-subscribed rights shares within fifteen days of calling thereof by the issuer. The issuer shall call upon us for such subscription within ten days of closure of the subscription lists for the rights issue.

Place: Dhaka

For
(Name of Underwriters)
Union Capital Limited
BMSL Investment Limited
FAS Capital Management Limited
Alpha Capital Management Limited
Banco Finance & Investment Limited
AAA Consultants & Financial Advisers Ltd.

Sd/-
Managing Director(s)

FORM- C

SECURITIES AND EXCHANGE COMMISSION (RIGHT ISSUE) RULE, 2006

[see rule 8(h), 8(i) and 8 (t)]

AUDITORS' REPORT TO THE SHAREHOLDERS

We have audited the accompanying financial statements for year/period ended 31st December 2011 of **National Housing Finance And Investments Limited** in accordance with the International Standards on Auditing as applicable in Bangladesh and we state that we have obtained all the information and explanations which we have required, and after due verification thereof, we report that, in our opinion:

(a) These financial statements have been drawn up in accordance with the requirements of the Financial Institutions Act, 1993, The Securities and Exchange Rules, 1987, as amended, the Companies Act, 1994 and Rules and Regulations issued by the Bangladesh bank and other applicable laws and regulations;

(b) These Financial Statements which are in agreement with the books of account of the Issuer Company give a true and fair view of the state of its affairs as at 31st December 2011 and of the result of its operation and cash flows for the period then ended;

(c) Proper books of account have been kept by the Issuer Company as required by the relevant laws; and

(d) The expenditure incurred was for the purposes of the Issuer Company's business.

We also certify that the above Issuer Company has declared the following dividend for each of the following five years immediately preceding the issue of rights share offer document under the Securities and Exchange Commission (Rights Issue) Rules, 2006, and that the Company has duly paid off the following amounts of the declared dividend mentioned against respective year:

Financial Year	Date of Dividend Declaration	Rate (%)		Total Amount (Tk.)	Total Paid (Tk.)
		Cash	Stock		
2007	14 August 2008	12.50%	-	58,750,000	58,750,000
2008	15 June 2009	12.50%	-	65,000,000	65,000,000
2009	10 June 2010	17.50%	-	91,000,000	91,000,000
2010	29 June 2011	10.00%	10.00%	104,000,000	52,000,000
2011	18 April 2012	-	20.00%	114,400,000	-

Sd/-

Dated: Dhaka
April 19, 2012

Syful Shamsul Alam & Co
Chartered Accountants

FORM-D

[see rule 8(t)]

DUE DILIGENCE CERTIFICATE BY THE DIRECTORS ABOUT THEIR PERSONAL RESPONSIBILITY IN RESPECT OF THE RIGHTS SHARE OFFER DOCUMENT OF NATIONAL HOUSING FINANCE AND INVESTMENTS LIMITED

This rights share offer document has been prepared, seen, reviewed and approved by us and we collectively and individually accept full responsibility for the accuracy of the information given in the rights share offer document, relevant documents and financial statements submitted to the Commission and others concerned under the Securities and Exchange Commission (Rights Issue) Rules, 2006. We confirm, after making all reasonable enquiries, that all conditions concerning this rights issue and rights share offer document have been met. We further confirm that we have not concealed any information or statement which might have any bearing on the information already made. In case of any default or failure on our part, civil, criminal or administrative action may be taken against us.

Sd/-
Latifur Rahman
Chairman
Representing Bangladesh Lamps Ltd.

Sd/-
Neaz Ahmed
Director
Representing National Bank Ltd.

Sd/-
Syed Monjurul Islam
Director
Representing IFIC Bank Ltd.

Sd/-
Muminul Haque Chowdhury
Director
Representing Borak Travels (Pvt.) Ltd.

Sd/-
Md. Rezaul Karim
Director
Representing Shadharan Bima Corporation

Sd/-
Azmal Hossain
Director
Representing Eastern Insurance Co. Ltd.

Sd/-
Mahmudul Huq Taher
Director
Representing National Life Insurance Co. Ltd.

Sd/-
M Azmal Hoque
Director
Representing Eastland Insurance Co. Ltd.

Sd/-
Mizanur Rahman
Director
Representing Shaw Wallace Bangladesh Ltd.

Sd/-
Md. Kabir Reza
Director
Representing Square Pharmaceuticals Ltd.

Sd/-
Syed Ali Jowher Rizvi
Director

Sd/-
Professor Imran Rahman
Independent Director

Sd/-
Md. Abdur Rob
Managing Director

AUDITORS' REPORT TO THE SHAREHOLDERS OF NATIONAL HOUSING FINACE AND INVESTMENTS LIMITED

Report on Financial Statements

We have audited the accompanying financial statements of **National Housing Finance And Investments Limited**, which comprise the balance sheet as at 31 December 2011 and the related profit and loss account, statement of changes in equity and statement of cash flow and Liquidity Statement for the period then ended, and a summary of significant accounting policies and other explanatory notes. The Financial Statements of the Company as at 31 December 2010 were audited by another auditor, whose report dated 25 April 2011, expressed an unqualified opinion on those statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRSs), Financial Institutions Act 1993, the Companies Act 1994, the Securities and Exchange Rule 1987 and rules and regulations issued by the Bangladesh Bank and other applicable laws and regulations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Opinion:

In our opinion, the financial statements prepared in accordance with Bangladesh Financial Reporting Standards (BFRSs), give a true and fair view of the state of the affairs of the Company as of 31 December 2011 and of their performance and cash flows for the year then ended and comply with the Financial Institutions Act 1993, the Companies Act 1994, Securities and Exchange Rules 1987 and rules and regulations issued by the Bangladesh Bank and other applicable laws and regulations.

We also report that:

(i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 and proper returns adequate for the purpose of our audit ;

(iii) the Company's Balance Sheet and Profit and loss Account together with the annexed notes 1 to 58 dealt with by the report are in agreement with the books of account and returns;

(iv) the expenditure incurred and payments made were for the purpose of the Company's business;

(v) the balance sheet of the Company as at 31 December 2011 and the profit for the year then ended have been properly reflected in the Financial Statements;

(vi) the Financial Statements have been drawn up in conformity with the Financial Institutions Act 1993 and in accordance with the accounting rules and regulations issued by Bangladesh Bank;

(vii) we have reviewed over 80% of the risk weighted assets of the Company and we spent 936 man hours for the audit of books and accounts of the Company;

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

(ix) the information and explanations required by us have been received and found satisfactory.

Sd/-

Place: Dhaka
Date: 17 March 2012

SYFUL SHAMSUL ALAM & CO.
CHARTERED ACCOUNTANTS

NATIONAL HOUSING FINANCE AND INVESTMENTS LIMITED
Balance Sheet
As at December 31, 2011

	Notes	December 31, 2011 Taka	December 31, 2010 Taka
PROPERTY AND ASSETS			
Cash:	4.00		
In hand (including foreign currencies)		38,389	38,912
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)		40,954,505	38,316,645
		40,992,894	**38,355,557**
Balance with banks and other financial institutions:	5.00		
In Bangladesh		434,597,785	801,863,010
Outside Bangladesh		-	-
		434,597,785	**801,863,010**
Money at call and on short notice	6.00	**20,000,000**	15,000,000
Investments:	7.00		
Government securities		-	-
Others		9,614,706	110,125,698
		9,614,706	**110,125,698**
Loans, advances and leases:	8.00		
Loans, cash credits, overdrafts etc.		4,146,522,165	3,987,745,245
Bills purchased and discounted		-	-
		4,146,522,165	**3,987,745,245**
Fixed assets including premises, furniture and fixtures	9.00	**36,777,546**	**34,573,104**
Other assets	10.00	**400,011,407**	**291,724,712**
Non-financial institution assets	11.00	-	-
TOTAL ASSETS		**5,088,516,504**	**5,279,387,326**
LIABILITIES AND CAPITAL			
Liabilities:			
Borrowing from banks, other financial institutions and agents	12.00	**1,471,023,289**	**1,174,919,912**
Deposits and other accounts:	13.00		
Current deposits and other accounts etc.		1,397,597,624	1,295,628,354
Bills payable		-	-
Savings bank deposits		-	-
Fixed deposits		750,000,000	1,470,000,000
Bearer certificate of deposits		-	-
Other deposits		39,815,664	40,103,199
		2,187,413,288	**2,805,731,553**
Other liabilities	14.00	**556,112,553**	**489,029,061**
Total Liabilities		**4,214,549,130**	**4,469,680,526**
Capital/Shareholders' equity:			
Paid up capital	15.00	572,000,000	520,000,000
Statutory reserve	16.00	181,707,595	158,455,480
Retained earnings	17.00	120,259,779	131,251,319
Total Shareholders' equity		**873,967,374**	**809,706,799**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**5,088,516,504**	**5,279,387,326**

	Notes	December 31, 2011 Taka	December 31, 2010 Taka
OFF BALANCE SHEET ITEMS			
Contingent Liabilities:		-	-
Acceptances and endorsements		-	-
Letters of Guarantee		-	-
Irrevocable letters of credit		-	-
Bills for collection		-	-
Tax liability		-	-
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		-	-
TOTAL OFF BALANCE SHEET ITEMS INCLUDING CONTINGENT LIABILITIES		-	-

Accompanying notes from 1 to 58 form an integral part of these financial statements.

Sd/-	Sd/-	Sd/-	Sd/-
Md. Abdur Rob	**Md. Kabir Reza**	**Neaz Ahmed**	**Latifur Rahman**
Managing Director	**Director**	**Director**	**Chairman**

Signed as per our annexed report of even date

Sd/-
Syful Shamsul Alam & Co.
Chartered Accountants

NATIONAL HOUSING FINANCE AND INVESTMENTS LIMITED

Profit and Loss Account

For the year ended December 31, 2011

	Notes	December 31, 2011 Taka	December 31, 2010 Taka
Interest Income	19.00	736,299,766	613,319,848
Interest paid on deposits, borrowings etc.	20.00	476,462,941	362,840,005
Net interest income		**259,836,825**	**250,479,843**
Income from investment	21.00	6,994,053	62,007,766
Commission, exchange and brokerage	22.00	539,790	8,638,138
Other operating income	23.00	10,832,907	5,043,525
		18,366,751	**75,689,430**
Total operating income (A)		**278,203,575**	**326,169,273**
Salaries and allowances	24.02	34,811,324	24,828,225
Rent, taxes, insurance, electricity etc.	24.03	4,446,037	4,519,162
Legal expenses	24.04	1,965,601	1,428,182
Postage, stamps, telecommunication etc.	25.00	1,473,804	2,038,370
Stationery, printing, advertisement etc.	26.00	3,697,580	5,005,586
Managing Director's salary & fees	27.00	5,336,165	4,440,000
Directors' fees and expenses	24.01	409,500	281,350
Auditors' fees	28.00	121,050	90,000
Depreciation on and repairs to institution's assets	29.00	5,349,859	4,404,275
Other expenses	30.00	8,132,806	6,586,932
Total operating expenses (B)		**65,743,726**	**53,622,082**
Profit before provisions (C=A-B)		**212,459,849**	**272,547,191**
Provisions for			
Loans, advances and leases	31.00	(5,248,652)	19,501,197
Diminution in value of investments		-	-
Others		-	-
Total provisions (D)		**(5,248,652)**	**19,501,197**
Total profit before taxation (E=C-D)		**217,708,501**	**253,045,994**
Provisions for taxation (F)	14.07	(101,447,927)	(91,034,428)
Net Profit after taxation (E-F)		**116,260,575**	**162,011,566**
Appropriations:			
Statutory reserve	16.00	23,252,115	32,402,313
General reserve		-	-
Proposed dividend		-	-
		23,252,115	**32,402,313**
Retained surplus	17.00	**93,008,460**	**129,609,252**
Earnings per share	32.00	2.03	2.83

Accompanying notes from 1 to 58 form an integral part of these financial statements.

Sd/-	Sd/-	Sd/-	Sd/-
Md. Abdur Rob	**Md. Kabir Reza**	**Neaz Ahmed**	**Latifur Rahman**
Managing Director	**Director**	**Director**	**Chairman**

Signed as per our annexed report of even date

Sd/-
Syful Shamsul Alam & Co.
Chartered Accountants

NATIONAL HOUSING FINANCE AND INVESTMENTS LIMITED

Statement of Cash Flow

For the year ended December 31, 2011

	Notes	December 31, 2011 Taka	December 31, 2010 Taka
A. CASH FLOWS FROM OPERATING ACTIVITIES			
Interest receipts in cash	33.00	720,192,858	595,055,842
Interest payments	34.00	(475,867,589)	(349,582,659)
Dividend receipts		926,159	2,126,677
Fees and commissions receipts in cash	35.00	539,790	8,638,138
Cash payments to employees	36.00	(40,147,489)	(29,268,225)
Cash payments to suppliers	37.00	(5,556,867)	(7,371,961)
Income taxes paid		(39,601,756)	(32,921,416)
Cash receipts from other operating activities	38.00	16,900,802	64,924,615
Cash payments for other operating activities	39.00	(15,458,057)	(12,940,384)
Cash generated from operating activities before changes in operating assets and liabilities (i)		**161,927,852**	**238,660,627**
Increase/(decrease) in operating assets and liabilities:			
Loans, advances and leases to the client		(168,000,586)	(406,906,095)
Other assets	40.00	(79,723,203)	(37,256,421)
Fixed deposits	41.00	(720,000,000)	352,500,000
Deposits from customers	42.00	101,969,270	87,382,667
Other deposits	42.00	(287,535)	(11,652,020)
Other liabilities	43.00	6,146,003	(5,099,662)
Cash utilized in operating assets and liabilities (ii)		**(859,896,051)**	**(21,031,532)**
Net cash flow from operating activities (i+ii)		**(697,968,199)**	**217,629,095**
B. CASH FLOWS FROM INVESTING ACTIVITIES			
Sale/(investment) in shares		100,510,992	(70,870,698)
Acquisition of fixed assets	9.00	(6,274,057)	(9,404,425)
Net cash flow from investing activities		**94,236,935**	**(80,275,123)**
C. CASH FLOWS FROM FINANCING ACTIVITIES			
Receipt from Issue of ordinary shares		-	-
Loan from banks		296,103,377	114,039,241
Cash dividend for the year 2010 & 2009		(52,000,000)	(91,000,000)
Net cash flow from financing activities		**244,103,377**	**23,039,241**
D. Net increase/(decrease) in cash and bank balances (A+B+C)		**(359,627,888)**	**160,393,213**
E. Effects of exchange rate changes on cash and cash equivalent		-	-
F. Cash and bank balances at beginning of the year		855,218,567	694,825,354
G. Cash and bank balances at closing of the year (D+E+F)		**495,590,679**	**855,218,567**
Cash and bank balances at end of the year:			
Cash in hand (including foreign currencies)		38,389	38,912
Balance with Bangladesh Bank and its agent bank(s) (including foreign currency)		40,954,505	38,316,645
Balance with banks and other financial institutions		434,597,785	801,863,010
Money at call and on short notice		20,000,000	15,000,000
		495,590,679	**855,218,567**

Accompanying notes from 1 to 58 form an integral part of these financial statements.

Sd/-	Sd/-	Sd/-	Sd/-
Md. Abdur Rob	**Md. Kabir Reza**	**Neaz Ahmed**	**Latifur Rahman**
Managing Director	**Director**	**Director**	**Chairman**

NATIONAL HOUSING FINANCE AND INVESTMENTS LIMITED

Statement of Changes in Equity

For the year ended December 31, 2011

Figures in Taka

Particulars	Paid-up Capital	Retained Earnings	Statutory Reserve	Total
As at January 01, 2010	520,000,000	92,642,067	126,053,167	738,695,234
Net profit for the year	-	162,011,566	-	162,011,566
Cash dividend for the year 2009	-	(91,000,000)	-	(91,000,000)
Transfer to statutory reserve	-	(32,402,313)	32,402,313	-
Balance as at December 31, 2010:	**520,000,000**	**131,251,319**	**158,455,480**	**809,706,799**
As at January 01, 2011	520,000,000	131,251,319	158,455,480	809,706,799
Changes in accounting policy	-	-	-	-
Restated balance	520,000,000	131,251,319	158,455,480	809,706,799
Surplus/deficit on account of revaluation of properties	-	-	-	-
Surplus/deficit on account of revaluation of Investments	-	-	-	-
Currency transaction differences	-	-	-	-
Net gain/loss not recognized in the income statement				
Net profit for the year	-	116,260,575	-	116,260,575
Cash dividend for the year 2010	-	(52,000,000)	-	(52,000,000)
Issue of Bonus share	52,000,000	(52,000,000)	-	-
Transfer to statutory reserve	-	(23,252,115)	23,252,115	-
Balance as at December 31, 2011:	**572,000,000**	**120,259,779**	**181,707,595**	**873,967,374**

Accompanying notes from 1 to 58 form an integral part of these financial statements.

Sd/-	Sd/-	Sd/-	Sd/-
Md. Abdur Rob	**Md. Kabir Reza**	**Neaz Ahmed**	**Latifur Rahman**
Managing Director	**Director**	**Director**	**Chairman**

NATIONAL HOUSING FINANCE AND INVESTMENTS LIMITED
Liquidity Statement
(Maturity Analysis of Assets & Liabilities)
As at December 31, 2011

Figures in Taka

Particulars	Up to 1 month	1-3 months	3-12 months	Current Portion	1-5 years	Above 5 years	Total
Asset							
Cash in hand	38,389	-	-	38,389	-	-	38,389
Balance with Bangladesh Bank and its agents	40,954,505	-	-	40,954,505	-	-	40,954,505
Balance with other banks and FIs	34,597,785	-	400,000,000	434,597,785	-	-	434,597,785
Investments	-	9,614,706	-	9,614,706	-	-	9,614,706
Money at call and on short notice	20,000,000	-	-	20,000,000	-	-	20,000,000
Loans, advances and leases	-	162,610,261	362,553,300	525,163,561	1,346,431,800	2,274,926,804	4,146,522,165
Fixed assets	-	-	-	-	-	36,777,546	36,777,546
Other assets	203,991,880	-	195,667,208	399,659,087	-	352,320	400,011,407
Non-financial institution assets	-	-	-	-	-	-	-
Total Asset	**299,582,559**	**172,224,967**	**958,220,508**	**1,430,028,033**	**1,346,431,800**	**2,312,056,670**	**5,088,516,504**
Liabilities							
Borrowing from banks, other financial institutions and agents	45,325,099	79,737,262	644,706,047	769,768,408	505,924,312	195,330,569	1,471,023,289
Deposits and other accounts	310,811,333	497,900,638	1,050,127,369	1,858,839,340	326,871,982	1,701,966	2,187,413,288
Provision & other liabilities	110,760,366	1,459,438	229,496,346	341,716,150	214,396,403	-	556,112,553
Total Liabilities	**466,896,798**	**579,097,338**	**1,924,329,762**	**2,970,323,898**	**1,047,192,697**	**197,032,535**	**4,214,549,130**
Net Liquidity Gap	**(167,314,239)**	**(406,872,371)**	**(966,109,254)**	**(1,540,295,865)**	**299,239,103**	**2,115,024,135**	**873,967,374**

Net result of the liquidity statement represents the "Shareholders' Equity" of NHFIL.

Accompanying notes from 1 to 58 form an integral part of these financial statements.

Sd/-	Sd/-	Sd/-	Sd/-
Md.Abdur Rob	**Md. Kabir Raza**	**Neaz Ahmed**	**Latifur Rahman**
Managing Director	**Director**	**Director**	**Chairman**

NATIONAL HOUSING FINANCE AND INVESTMENTS LIMITED

Notes to the Financial Statements

For the year ended December 31, 2011

1.00 BACKGROUND AND OPERATIONAL ACTIVITIES OF THE COMPANY

1.01 Corporate Information

National Housing Finance And Investments Limited (NHFIL) was incorporated on August 18, 1998 as a public limited company under the Companies Act, 1994, obtaining license from Bangladesh Bank under the Financial Institutions Act, 1993 on December 29, 1998. The main objectives of the Company are to carry on the business of financing the acquisition, construction, development and purchase of houses, plots, apartments, real estates, commercial spaces, etc.

The Company has obtained permission from Bangladesh Bank on June 03, 2003 to enter into lease finance operation keeping housing finance as its core business. The Company extends lease finance for all types of industrial, manufacturing and service equipments including vehicles to individual companies, and corporate houses.

The registered office of the Company is located at, National Plaza (7th & 8th floor), 109, Bir Uttam C.R. Datta Road (Ex-Sonargaon Road), Dhaka -1205.

1.02 Principal Activities of NHFIL

The Company provides loan to the extent of 70.00% of the total purchase price of houses, plots and apartments under usual repayable terms varying from 5 years to 20 years. The properties for which loans are disbursed are kept under registered / equitable mortgage as security. In addition to this NHFIL also involves with other activities such as accepting deposits, SME, lease financing, project financing etc.

2.00 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS

2.01 Basis of Preparation of the Financial Statements

The financial statements of the Company have been prepared in compliance with the Financial Institutions Act 1993 and the subsequent amendment thereof, DFIM Circular no-11 dated 23 December 2009, Bangladesh Accounting Standard (BASs), Bangladesh Financial Reporting Standards (BFRSs), The Companies Act 1994, The Securities and Exchange Ordinance 1969, The Securities and Exchange Rule 1987 and other applicable laws and regulations in Bangladesh.

2.02 Basis of Accounting

The financial statements of the Company have been prepared on accrual basis of accounting, under historical cost convention.

2.03 State of Going Concern

The financial statements of the Company have been prepared on the basis of going concern which reflects the realization of assets and satisfaction of liabilities in the normal course of business.

2.04 Functional and Presentation Currency

The figures of the financial statements are presented in Bangladesh Currency (Taka) and have been rounded off to the nearest Taka, which is the functional currency of NHFIL.

2.05 Use of Estimates and Judgments

The preparation of Financial Statements requires management to make judgments, estimates and assumptions that may affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis and recognized in the period in which the estimates are reviewed.

2.06 Liquidity Analysis

The liquidity analysis have been made on the basis of assets and liabilities as on the reporting date considering the residual maturity term as per the following basis:

a) On the basis of residual maturity term:

  i) Money at call and on short notice

ii) Balance with Banks
iii) Investments
iv) Borrowing from Banks and Financial Institutions
v) Public deposits
vi) Other liabilities

b) Loans and advances on the basis of their repayment schedule

c) Fixed assets on the basis of their estimated useful lives

2.07 Reporting Period

These financial statements have been prepared for the period from January 01, 2011 to December 31, 2011.

2.08 Cash Flow Statement

Cash Flow Statement has been prepared under direct method in accordance with BAS-07.

3.00 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied for preparation of this Financial Statements have been applied consistently for both the periods presented herein.

3.01 Authorized Capital

Authorized capital is the maximum amount of share capital that the Company is authorized by its Memorandum and Articles of Association.

3.02 Paid up Capital

Paid up capital represents total amount of shareholders' capital that has been paid in full by ordinary shareholders.

Ordinary shareholders are entitled to vote at shareholders' meeting & receive dividends as declared from time to time.

3.03 Statutory Reserve

Statutory reserve has been maintained @ 20.00% of profit after tax in accordance with provisions of section 9 of the Financial Institutions Act 1993 until such reserve equal to its paid up capital.

3.04 Fixed Assets

Fixed assets are capitalized at cost plus expenses incurred on installation, registration, etc.

3.05 Revenue Recognition

3.05.01 Interest Income

Mortgage Loans

Repayment of housing (mortgage) loans is made by way of Equated Monthly Installments (EMI) which consists of principal and interest. Interest is calculated annually on the outstanding balance at the beginning of the year. EMI commences after disbursement of loan in full. EMI and Pre-EMI interests are recoverable every month from the borrowers, interest on loan due for payment for more than 9 (nine) months are not taken into account.

Lease Finance

The Company follows the finance lease method following BAS 17: Leases to account for lease income. Interest are recognized as and when accrued/earned on the basis of accrual basis of accounting. Interest outstanding for more than 2 (two) months for 5 (five) years loan and more than 5 (five) months for over 5 (five) years loan is not recognized as revenue but recognized as interest suspense complying the requirements by the DFIM of Bangladesh Bank.

Term Finance

Income from term finance is recognized when interest is accrued, but no interest of installments is taken into account that becomes due for more than 2 (two) months for 5 (five) years loan and more than 5(five) months for over 5 (five) years loan but recognized as interest suspense complying the requirements by the DFIM circular of Bangladesh Bank.

Fixed Deposits

Fixed deposits, if not encashed on due date, is considered automatically renewed at the equivalent current rate of interest. Interest on fixed deposits is recognized as income as and when accrued.

3.05.02 Investment Income

Income on investment is recognized on accrual basis.

3.05.03 Fees and Commission Income

Fees and commission comprises application fees and administration fees computed on sanctioned loan amount.

3.05.04 Interest Paid and Other Expenses

Interest paid and other expenses are recognized on accrual basis.

3.05.05 Loan Loss Provision

General provision @ 1.00% on the unclassified loans are made as per policy prescribed by Bangladesh Bank. In addition to Bangladesh Bank's policy for provision against non-performing loans, the Company follows a stringent policy to make provision against its non-performing loans.

3.05.06 Depreciation on Fixed Assets

Depreciation on fixed assets except land is provided on Reducing Balance Method and additions made during the year is charged for the whole year, while no depreciation is charged in the year of disposal. Details calculation of depreciation on Freehold Fixed Assets are shown in note: 9.00 of this report.

3.06 Employee Benefits

3.06.01 Provident Fund

The Company has introduced a Contributory Provident Fund for its eligible employees with effect from January 2002, obtaining necessary approval from the National Board of Revenue, GoB. Provident Fund is administered by a Board of Trustee of the Company. All confirmed employees are contributing 10.00% of their basic salary as subscription of the fund and the Company also contributed at the same rate to the fund. The contributions are invested in compliance with the PF Trust Deed. Members are eligible to get the both contribution after completion of 5(five) years continuous service.

3.06.02 Gratuity Fund

The Company has introduced a Funded Gratuity Scheme in the year 2004 obtaining necessary approval from the National Board of Revenue, GoB. The Gratuity Scheme is administered by a Board of Trustees. Members are eligible to get the gratuity benefit after completion of minimum 5(five) years of confirmed service in the company. Gratuity is calculated on the basis of last basic salary and is payable at the rate of one month's basic pay for every completed year of service.

3.07 Income Tax

3.07.01 Current Tax :

Provision for current year's taxation has been made as per the provision of Income Tax Ordinance 1984 at the ruling rate prescribed in the Finance Act, 2011 and consistent with the past practice.

3.07.02 Deferred Tax

Deferred Tax has been accounted for as per Bangladesh Accounting Standard (BAS)-12: Income Taxes. It arises due to temporary difference, deductible or taxable, for the events or transaction recognized in the income statement. A temporary difference is the difference between the tax base of an asset or liability and its carrying amount/reported amount in the financial statement. Deferred Tax asset or liability is the amount of income tax payable or recoverable in future period (s) recognized in the current period. The Deferred Tax asset/income or liability/expense does not create a legal liability/recoverability to and from the income tax authority.

Provision for Deferred Tax	**December 31, 2011 Taka**	**December 31, 2010 Taka**
Balance as on 1st January	636,224	693,887
Less: provision for deferred tax written back	(268,657)	(57,663)
	367,567	**636,224**

3.08 Earnings Per Share (EPS)

Earnings Per Share (EPS) has been computed by dividing the basic earnings by the weighted average number of ordinary shares outstanding as at December 31, 2011. The Company calculates EPS in accordance with IAS 33: Earnings Per Share, which has been shown on the face of Profit & Loss Account, and the computation of EPS is stated in note 32.00. This represents earnings for the year attributable to ordinary shareholders. As there was no preference dividend, minority interest or extra ordinary items, the net profit after tax for the year has been considered as fully attributable to the ordinary shareholders.

3.09 Dividend

Dividend on ordinary shares are recognized as a liability and deducted from retained earnings after due approval by the shareholders in the respective Annual General Meeting (AGM). Dividend recommended by the Board of Directors for approval of the shareholders for the year 2010 has been stated as post balance sheet events in note 53.00.

3.10 Compliance of Bangladesh Accounting Standard (BAS) & Bangladesh Financial Reporting Standard (BFRS)

The financial statements have been prepared in accordance with the applicable accounting and reporting standards i.e. BAS & BFRS as adopted by the Institute of Chartered Accountant of Bangladesh (ICAB). The following table shows the compliance status of BAS & BFRS for preparation and presentation of the financial statements:

BAS/BFRS	Reference	Status of Compliance
Presentation of Financial Statements	BAS-01	Applied
Inventories	BAS-02	Not Applicable
Cash Flow Statements	BAS-07	Applied
Accounting Policies, Changes in Accounting Estimates & Errors	BAS-08	Applied
Events after the Reporting Period	BAS-10	Applied
Construction Contract	BAS-11	Not Applicable
Income Taxes	BAS-12	Applied
Segment Reporting	BAS-14	Not Applicable
Property, Plant & Equipment	BAS-16	Applied
Leases	BAS-17	Applied
Revenue	BAS-18	Applied
Employee Benefits	BAS-19	Applied
Accounting for Government Grants and Disclosure of Government Assistance	BAS-20	Not Applicable
The Effect of Changes in Foreign Exchange Rates	BAS-21	Not Applicable
Borrowing Costs	BAS-23	Applied
Related Party Disclosure	BAS-24	Applied
Accounting for Investments	BAS-25	Applied
Accounting and Reporting by Retirement Benefit Plans	BAS-26	Not Applicable
Consolidated and Separate Financial Statements	BAS-27	Not Applicable
Investments in Associates	BAS-28	Not Applicable
Disclosure in Financial Statements in Banks & Similar Financial Institutions	BAS-30	Applied
Interest in Joint Venture	BAS-31	Not Applicable
Financial Instruments: Presentation	BAS-32	Not Applicable
Earnings Per Share	BAS-33	Applied
Interim Financial Reporting	BAS-34	Applied
Impairment of Assets	BAS-36	Applied
Provisions, Contingent Liabilities and Contingent Assets	BAS-37	Applied
Intangible Assets	BAS-38	Not Applicable
Financial Instruments: Recognition and Measurement	BAS-39	Applied
Investment Property	BAS-40	Not Applicable
Agriculture	BAS-41	Not Applicable
First Time adoption of IFRS	BFRS-1	Not Applicable
Share Based Payment	BFRS-2	Not Applicable
Business Combination	BFRS-3	Not Applicable
Insurance Contracts	BFRS-4	Not Applicable
Non-current Assets held for Sale and Discontinued Operations	BFRS-5	Not Applicable
Explanation for and Evaluation of Mineral Resources	BFRS-6	Not Applicable
Financial Instruments: Disclosures	BFRS-7	Not Applicable
Operating Segments	BFRS-8	Not Applicable

3.11 Regulatory & Legal Compliances

The Company has complied with the requirements of following regulatory and legal authorities:

a) The Financial Institutions Act, 1993

b) The Companies Act, 1994

c) Rules and Regulations Issued by Bangladesh Bank

d) The Securities and Exchange Rules-1987, The Securities and Exchange Ordinance-1969, The Securities and Exchange Commission Act- 1993, The Securities and Exchange Commission (Public Issue) Rule 2006.

e) The Income Tax Ordinance, 1984

f) The VAT Act, 1991.

		Amount in Tk. 2011	Amount in Tk. 2010
4.00	**CASH**		
	Cash in hand:		
	Local currency	38,389	38,912
	Foreign currencies	-	-
		38,389	**38,912**
	Balance with Bangladesh Bank and its agent Bank:		
	Local currency	40,954,505	38,316,645
	Foreign currencies	-	-
		40,954,505	**38,316,645**
		40,992,894	**38,355,557**

4.01 Cash Reserve Requirement (CRR) and Statutory Liquidity Reserve (SLR)

Cash Reserve Requirement (CRR) and Statutory Liquidity Reserve (SLR) have been calculated and maintained in accordance with section 19 of the Financial Institutions Act 1993, rules 5 of the Financial Institutions Rules 1994 and FID circular # 6 dated November 06, 2003.

The CRR on the Company's term deposits received from public @ 2.5% has been calculated and maintained with Bangladesh Bank in current account and 5% SLR, including CRR, on the total liabilities has been maintained in the form of balance with banks and other financial institutions. Both the reserves maintained by the Company are in excess of the statutory requirements. Details of CRR & SLR maintained by the company are shown in the note: 4.01.01 & 4.01.02.

		2011	2010
4.01.01	**Cash Reserve Requirement (CRR)**		
	Required reserve	36,572,650	32,369,112
	Actual reserve held	40,954,505	38,316,645
	Surplus/(deficit)	**4,381,855**	**5,947,533**
4.01.02	**Statutory Liquidity Reserve (SLR)**		
	Required reserve	140,678,711	139,053,638
	Actual reserve held	475,328,000	392,965,000
	Surplus/(deficit)	**334,649,289**	**253,911,362**
5.00	**BALANCE WITH BANKS AND OTHER FINANCIAL INSTITUTIONS**		
5.01	**In Bangladesh**		
	On current accounts (note: 5.01.01)	192,721	164,425
	On Short Term Deposit (STD) Accounts (note: 5.01.02)	34,405,063	31,698,585
	On Fixed Deposit Account (note: 5.01.03)	400,000,000	770,000,000
		434,597,785	**801,863,010**
	Outside Bangladesh	-	-
		434,597,785	**801,863,010**
5.01.01	**On Current Accounts**		
	A B Bank Ltd.	7,696	7,696
	The City Bank Ltd.	4,774	-
	National Bank Ltd.	153,510	128,750
	United Commercial Bank Ltd.	1,063	-
	Standard Bank Ltd.	4,879	6,029
	Mercantile Bank Ltd.	-	-
	Trust Bank Ltd.	20,800	21,950
		192,721	**164,425**

	Amount in Tk. 2011	Amount in Tk. 2010
5.01.02 On Short Term Deposit (STD) Accounts		
AB Bank Ltd.	683,546	462,162
Bank Asia Ltd.	977,546	3,745,142
National Bank Ltd.	1,070,540	930,833
United Commercial Bank Ltd.	6,897	9,985
Bank Alfalah Bank Limited	980,876	
Jamuna Bank Ltd.	8,560,940	12,621,765
Eastern Bank Ltd.	7,154,956	3,557,816
Dhaka Bank Ltd.	4,330	4,330
HSBC Bank Ltd.	636,605	-
Mercantile Bank Ltd.	3,109,292	5,119
Sonali Bank Ltd.	1,915	163,506
Pubali Bank Ltd.	2,395,641	126,710
Trust Bank Ltd.	744,324	801,655
Islami Bank Ltd.	104,941	102,462
Exim Bank Ltd.	7,350	8,137
Southeast Bank Ltd.	7,411,807	8,133,749
Shahjalal Islami Bank Ltd.	553,558	1,025,215
	34,405,063	**31,698,585**
5.01.03 On Fixed Deposit Account		
City Bank Ltd.	-	200,000,000
PLFS	-	-
Jamuna Bank Ltd.	400,000,000	570,000,000
	400,000,000	**770,000,000**
5.02 Maturity Grouping of Balance with other Banks and Financial Institutions		
On demand	34,597,785	31,863,010
Up to 3(three) months	100,000,000	-
More than 3(three) months but not more than 1(one) year	300,000,000	770,000,000
More than 1(one) year but not more than 5(five) years	-	-
More than 5(five) years	-	-
	434,597,785	**801,863,010**
6.00 MONEY AT CALL AND ON SHORT NOTICE		
With Banking Companies		
	20,000,000	-
	-	-
	20,000,000	**-**
With Non-Banking Financial Institutions		
	-	15,000,000
	-	-
	-	**15,000,000**
	20,000,000	15,000,000
7.00 INVESTMENTS		
Government securities	-	-
Other investments (note: 7.01)	9,614,706	110,125,698
	9,614,706	**110,125,698**
7.01 Other Investments		
Preference Shares	-	8,007,000
Ordinary Shares (note: 7.01.01)	9,614,706	102,118,698
	9,614,706	**110,125,698**

	Amount in Tk. 2011	Amount in Tk. 2010

7.01.01 Ordinary Shares

Name of Company	Face Value	Number of Shares	Cost Value	Market Price	Market Value	Provision for diminution in value of share
MJL Bangladesh Limited	100.63	104	10,465.00	99.90	10,390	(75)
MI Cement	83.16	51	4,241	111.16	5,669	1,428
Westine Hotel	160.00	60,000	9,600,000.00	160.00	9,600,000	0
Total			**9,614,706**		**9,616,059**	**1,353**

Provision not required.

7.01.02 Maturity-wise Grouping

	2011	2010
On demand	9,614,706	102,118,698
Up to 3(three) months	-	-
More than 3(three) months but not more than 1(one) year	-	8,007,000
More than 1(one) year but not more than 5(five) years	-	-
	9,614,706	**110,125,698**

8.00 LOANS, ADVANCES AND LEASES

	2011	2010
Mortgage loans	2,367,272,109	2,374,421,398
Lease finance (note: 8.03)	334,490,748	492,786,110
Term loans	1,032,660,607	868,854,639
Small & Medium Enterprises (note: 8.03)	367,867,826	215,793,203
Loan Against Fixed Deposits	17,961,085	12,826,483
Staff loan (note: 8.07)	26,269,790	23,063,412
	4,146,522,165	**3,987,745,245**

8.01 Net Loans, Advances and Leases

	2011	2010
Gross loans, advances and leases	4,146,522,165	3,987,745,245
Less: Interest suspense (note: 14.03)	(64,754,701)	(60,797,333)
Less: Provision for loans, advances and leases (note: 8.13)	(127,173,559)	(144,917,315)
	3,954,593,905	**3,782,030,597**

8.02 Maturity-wise Grouping

	2011	2010
On demand	-	-
Up to 3(three) months	162,610,261	96,496,182
More than 3(three) months but not more than 1(one) year	362,553,300	385,761,813
More than 1(one) year but not more than 5(five) years	1,346,431,800	1,778,363,612
More than 5(five) years	2,274,926,804	1,727,123,638
	4,146,522,165	**3,987,745,245**

8.03 Lease Finance & SME Loan

	2011	2010
Receivable within 3 months	39,330,342	4,065,261
More than 3(three) months but not more than 1(one) year	72,515,778	96,142,973
More than 1(one) year but not more than 5(five) years	393,383,592	473,529,662
More than 5(five) years	197,128,862	134,841,417
	702,358,574	**708,579,313**

8.04 Loans, Advances and Leases

	2011	2010
In Bangladesh		
Loans	3,444,163,591	3,279,165,932
Leases	702,358,574	708,579,313
Overdraft	-	-
Cash Credit	-	-
	4,146,522,165	**3,987,745,245**
Outside Bangladesh	-	-
	4,146,522,165	**3,987,745,245**

		Amount in Tk. 2011	Amount in Tk. 2010
8.05	**Geographical Location-wise Grouping**		
	In Bangladesh		
	Dhaka division	3,529,140,569	2,990,855,370
	Chittagong division	290,641,215	759,511,871
	Khulna division	-	-
	Sylhet division	-	-
	Barisal division	-	-
	Rajshahi division	326,740,381	237,378,004
		4,146,522,165	**3,987,745,245**
	Outside Bangladesh	-	-
		4,146,522,165	**3,987,745,245**
8.06	**Significant Concentration-wise Grouping**		
	Directors & their related parties	9,751,627	25,841,552
	Staff:		
	Managing Director	3,785,971	4,115,443
	Senior executives	21,136,819	13,385,050
	Others	1,347,000	5,562,919
		26,269,790	**23,063,412**
	Industries:		
	Agricultural loan	57,555,485	-
	Large and medium enterprises	1,008,651,331	1,259,978,864
	Small and cottage	367,867,826	141,625,326
		1,434,074,642	**1,401,604,190**
	Mortgage Loan		
	Home mortgage loan	2,211,998,594	2,171,905,188
	Commercial mortgage loan	121,596,824	140,379,708
	Project mortgage loan	29,676,691	58,136,502
		2,363,272,109	**2,370,421,398**
	Trade & commercial	313,153,997	166,814,693
		4,146,522,165	**3,987,745,245**
8.07	**Staff Loan**		
	Personal loan	11,099,319	9,603,592
	Car loan	1,581,440	1,346,990
	House building loan	13,589,031	12,112,830
		26,269,790	**23,063,412**

8.08 Details of Large Loan

As at 31st December 2011 there was no client with whom amount of outstanding and classified loans, advances and leases exceeded 30.00% of the total capital of the Company. Total capital of the Company was Tk.908.04 million and Tk.844.92 million respectively as at 2011 & 2010 respectively (note: 15.04).

		Amount in Tk. 2011	Amount in Tk. 2010
8.09	**Grouping as per Classification Rules**		
	Unclassified:		
	Standard including staff loan	3,545,218,500	3,467,301,830
	Special Mention Account	335,089,150	200,673,562
	Classified:	**3,880,307,650**	**3,667,975,392**
	Sub-standard	116,061,300	57,461,485
	Doubtful	41,453,028	22,722,992
	Bad/loss	108,700,187	239,585,376
		266,214,515	**319,769,853**
		4,146,522,165	**3,987,745,245**

	Amount in Tk. 2011	Amount in Tk. 2010
8.10 Loan Type-wise Classified Loan		
Mortgage loans	135,413,805	194,006,893
Lease finance	39,468,482	95,486,944
Term Finance	69,051,554	6,546,539
Small & Medium Enterprises	22,280,674	23,729,477
	266,214,515	**319,769,853**

8.11 Sector-wise Allocation of Loans, Advances and Leases

Government		
Private:		
Mortgage loan	2,336,638,316	2,343,787,605
Industry	334,490,748	492,786,110
Term Finance	1,032,660,607	868,854,639
Commercial loan	30,633,793	30,633,793
SME Loan	367,867,826	215,793,203
Miscellaneous	44,230,875	35,889,895
	4,146,522,165	**3,987,745,245**

8.12 Securities Against Loans, Advances and Leases

Collateral of moveable/immoveable assets	2,929,707,166	3,032,346,605
Fixed Deposit Receipts (FDR)	435,817,210	149,776,483
Fixed Deposit of other banks	-	-
Personal guarantee	780,997,790	805,622,157
Others	-	-
	4,146,522,165	**3,987,745,245**

8.13 Particulars of Required Provision for Loans, Advances and Leases

Status	Outstanding Loans, Advances and Leases as at 31.12.2011	Base for Provision	Rate of Required Provision	Required Provision	Required Provision
For Loans, Advances and					
Unclassified-General					
All unclassified Loans	3,545,218,500	3,407,640,300	1.00%	34,076,403	35,214,568
Special Mention Account (SMA)	335,089,150	337,487,086	5.00%	16,921,409	10,740,324
Sub-total:	**3,880,307,650**	**3,745,127,386**		**50,997,812**	**45,954,892**
Classified-Specific					
Sub-standard	116,061,300	105,413,897	20.00%	21,082,779	5,213,831
Doubtful	41,453,028	3,572,645	50.00%	1,786,323	1,763,126
Bad/Loss	108,700,187	53,306,645	100.00%	53,306,645	91,985,466
Sub-total:	**266,214,515**	**162,293,187**		**76,175,747**	**98,962,423**
Grand-total:	**4,146,522,165**	**3,907,420,573**		**127,173,559**	**144,917,315**

8.14	**Particulars of Loans, Advances and Leases**	Amount in Tk. 2011	Amount in Tk. 2010
	Loans considered good in respect of which the Company is fully secured	4,059,933,523	3,950,348,828
	Loans considered good in respect of which the Company holds no security other than debtors' personal guarantee	11,099,319	9,603,592
	Loans considered good secured by the personal undertaking of one or more parties in addition to the personal guarantee of the debtors	-	-
	Loans adversely classified-no provision made thereof	75,489,323	27,792,825
		4,146,522,165	**3,987,745,245**
	Loans due by directors or officers of the bank or any of them either separately or jointly with any other persons	30,269,790	27,063,412
	Loans due from companies or firms in which the directors or officers of the Company have interest as directors, partners or managing agents or, in case of private companies, as members	4,635,627	21,841,552
	Maximum total amount of advance, including temporary advance made any time during the year to directors or managers or officers of the Company or any of them either separately or jointly with any other persons	-	-
	Maximum total amount of advance, including temporary advances granted during the year to companies or firms in which the directors of the Company are interested as directors, partners or managing agents or, in case of private companies, as members.	-	-
	Due from banks/financial institutions	-	-
	Classified loan for which interest has not been charged:		
	a) Increase/decrease of provision (specific)	(5,248,652)	19,501,197
	b) Loans written off	-	-
	c) Realized from previous written off	-	-
	d) Provision against the loan classified as bad/loss	53,306,645	91,985,466
	e) Amount of interest credited to the interest suspense account	17,591,187	8,601,379
	f) Amount of the loan written off:		
	Current year	-	-
	Cumulative to date	-	-
	g) Total cumulative amount of the written off loans/Leases:		
	Opening balance	-	-
	Amount written off during the year	13,363,749	
	Cumulative to date	13,363,749	-
	Written off loans for which law suit filed	13,363,749	-

8.15 The directors of the Company have not taken any loan from National Housing during the year or there is no outstanding loan balances with any directors of the company.

9.00 FIXED ASSETS INCLUDING PREMISES, FURNITURE AND FIXTURES

Figures in Taka

Particulars	Cost				Rate	Depreciation				Written down value as on 31.12.11	Written down value as on 31.12.10
	Balance as on 01.01.11	Disposed during the year	Addition during the year	Balance as on 31.12.11		Balance as on 01.01.11	Adjust-ments for disposal	Charged during the year	Balance as on 31.12.11		
Land & building	41,565,093	-	-	41,565,093	10%	14,666,635	-	2,462,246	17,128,881	24,436,212	26,898,458
Furniture	6,627,164	-	500,674	7,127,838	10%	2,463,967	-	466,385	2,930,352	4,197,486	4,163,197
Office equipment	7,926,470	75,500	2,113,383	9,964,353	20%	5,436,027	67,393	919,145	6,287,779	3,676,574	2,490,443
Motor vehicle	3,775,500	984,500	4,720,000	7,511,000	20%	2,754,494	827,587	1,116,819	3,043,726	4,467,274	1,021,006
Total:	**59,894,227**	**1,060,000**	**7,334,057**	**66,168,284**		**25,321,123**	**894,980**	**4,964,595**	**29,390,738**	**36,777,546**	**34,573,104**

	Amount in Tk. 2011	Amount in Tk. 2010
10.00 OTHER ASSETS		
Income Generating Other Assets:		
Interest on mortgage loan (note: 10.01)	122,047,515	108,595,914
	-	-
	122,047,515	**108,595,914**
Non-income Generating Other Assets:		
Advance against fixed assets	1,900,000	1,886,000
Security deposits	352,320	352,320
Advance income tax (note: 10.02)	191,337,208	117,355,004
Advance against branch office	2,783	4,741
Advance against office rent	2,430,000	702,000
Advance against Promotion and Publicity	-	325,000
Other receivables (note: 10.03)	81,941,582	62,503,732
	277,963,892	**183,128,798**
	400,011,407	**291,724,712**

10.01 Interest on Mortgage Loan

	2011	2010
Home mortgage loan	110,144,752	98,752,760
Project mortgage loan	5,680,514	6,327,668
Commercial mortgage loan	6,222,249	3,515,486
	122,047,515	**108,595,914**

10.02 Advance Income Tax

	2011	2010
Balance as at 1st January	**117,355,004**	**57,664,095**
Add: Advance tax for the year:		
Tax paid during the year	62,305,113	87,551,749
Tax deducted at source	51,278,846	5,060,576
Less: Adjusted against provision	(39,601,756)	(32,921,416)
	73,982,203	**59,690,909**
Balance as at 31st December	**191,337,208**	**117,355,004**

10.03 Other Receivables

	2011	2010
Additional interest	57,377,814	42,589,999
Cheque dishonored charges	1,941,164	2,249,610
IDCP receivable	999,661	13,342
Accounts receivable	9,934,940	9,039,318
Interest on bank deposits	8,888,888	4,348,612
Interest on Call Money	33,333	101,250
Receivable from Multi Securities	10,570	479
Receivable from ETBL Securities	32,015	1,499,141
Receivable from UFT Co. Ltd	50,000	351
Prepayment interest	-	-
Legal charges receivable	1,779,170	-
Others	894,027	2,661,631
	81,941,582	**62,503,732**

11.00 NON-FINANCIAL INSTITUTION ASSETS

No non-financial institution asset is under the possession of the Company which acquired as claim as at December 31, 2011.

	Amount in Tk. 2011	Amount in Tk. 2010
12.00 BORROWING FROM BANKS, OTHER FINANCIAL INSTITUTIONS AND AGENTS		
Secured		
In Bangladesh:		
Secured Overdraft		
Banking companies:		
United Commercial Bank Ltd.	71,998,905	51,001,614
Bank Alfalah Ltd.	39,716,840	15,740,540
Mercantile Bank Ltd.	-	5
Prime Bank Ltd.	63,283,586	48,094,677
Pubali Bank Ltd.	87,911,608	40,794,873
	262,910,939	**155,631,708**
Non-banking financial institution	-	-
	262,910,939	**155,631,708**
Outside Bangladesh	-	-
Sub-total:	**262,910,939**	**155,631,708**
Term Loan :		
Banking companies:		
Prime Bank Ltd.	82,526,409	112,416,480
National Bank Ltd.	-	-
Premier Bank Ltd.	20,835,298	29,854,739
Trust Bank Ltd.	-	33,666,443
City Bank Ltd.	-	-
Mercantile Bank Ltd.	132,366,819	109,600,162
Pubali Bank Ltd.	103,469,366	26,036,883
Sahahjalal Islami Bank Ltd.	3,933,719	18,756,351
EXIM Bank Ltd.	-	-
Jamuna Bank Ltd.	52,608,549	74,931,405
Standard Bank Ltd.	25,360,598	53,072,726
United Commercial Bank Ltd.	281,355,184	48,956,346
Uttara Bank Ltd.	-	-
	702,455,941	**507,291,534**
Non-banking financial institution	-	-
	702,455,941	**507,291,534**
Outside Bangladesh	-	-
Sub-total:	**702,455,941**	**507,291,534**
Bangladesh Bank Loan:		
SME loan	66,152,996	47,906,892
HML Refinance Scheme	439,503,413	464,089,778
Sub-total:	**505,656,409**	**511,996,670**
Un-secured		
Money at call and on short notice:		
Banking companies:		
Non-banking financial institution	-	-
Sub-total:	**-**	**-**
Total:	**1,471,023,289**	**1,174,919,912**

12.01 Remaining Maturity Grouping of Borrowing

Payable on demand	-	-
Up to 1 (one) month	45,325,099	36,002,480
Over 1(one) month to 3(three) months	79,737,262	48,919,519
Over 3(three) months to 1(one) year	644,706,047	363,076,801
Over 1(one) year to 5(five) years	505,924,312	435,227,455
More than 5(five) years	195,330,569	291,693,657
	1,471,023,289	**1,174,919,912**

13.00 DEPOSITS AND OTHER ACCOUNTS

Customer deposits other than Banks & FI's	1,397,597,624	1,295,628,354
Fixed deposits-Banks & FI's	750,000,000	1,470,000,000
Other deposits (note: 13.02)	39,815,664	40,103,199
	2,187,413,288	**2,805,731,553**

	Amount in Tk. 2011	Amount in Tk. 2010
13.01 Remaining Maturity Grouping of Deposits and Other Accounts		
Payable on demand	-	-
Within 1(one) month	310,811,333	220,000,000
Over 1(one) month to 6(six) months	603,664,603	1,436,541,943
Over 6(six) months to 1(one) year	944,363,404	523,960,744
Over 1(one) year to 5(five) years	326,871,982	490,349,769
Over 5(five) years to 10(ten) years	1,701,966	112,065,816
More than 10(ten) years	-	22,813,281
	2,187,413,288	**2,805,731,553**
13.02 Other Deposits		
EMI deposit	16,726	16,726
Home mortgage loan deposit	3,924,176	2,020,217
Margin deposit	5,920,781	5,100,470
Sundry Customer deposit	-	
Refundable share money deposit	6,265,394	6,285,394
Lease deposit	23,688,587	26,680,392
	39,815,664	**40,103,199**
14.00 OTHER LIABILITIES		
Provision for loans, advances and leases (note: 14.01 & 14.02)	127,173,559	144,917,315
Interest suspense (note: 14.03)	76,920,337	60,797,333
Provision for gratuity (note: 14.04)	1,600,020	839,388
Withholding tax payable	4,554,872	2,510,942
VAT payable	912,057	439,879
Accounts payable	-	219
Provision for current tax (note: 14.05)	229,496,346	167,381,519
Provision for deferred tax (note: 14.06)	367,567	636,224
Interest payable	99,575,805	98,980,453
Accrued expenses (note: 14.09)	278,891	661,954
Unclaimed dividend	3,838,721	1,628,078
Provision for Loss on Assets	500,000	-
Sundry deposit	959,438	1,196,440
Sundry liabilities	9,934,940	9,039,318
	556,112,553	**489,029,061**
14.01 Specific Provision on Loans, Advances and Leases		
Balance as at 1st January	109,702,747	93,992,800
Less: Provision written off	(12,495,104)	-
Provision after written off	97,207,643	93,992,800
Add: Provision made during the year	99,005,237	15,709,947
Less: Provision recovered	(103,115,724)	-
Less: Written off of provision no longer required	-	-
Net charge in the profit & loss account	(4,110,487)	15,709,947
Balance as at 31st December	**93,097,156**	**109,702,747**
14.02 General Provision on Loans, Advances and Leases		
Balance as at 1st January	35,214,568	31,423,318
Add: Provision made during the year	9,273,935	3,791,250
Less: Provision recovered	(10,412,100)	-
Balance as at 31st December	**34,076,403**	**35,214,568**
14.03 Interest Suspense Account		
Balance as at 1st January	60,797,333	52,195,954
Add: Interest suspense charged during the year	74,379,184	8,601,379
Less: Interest suspense realized during the year	(57,387,535)	-
Less: Interest written off	(868,645)	-
Balance as at 31st December	**76,920,337**	**60,797,333**

Write-off of Loans/Leases

As per FID Circular no. 03 dated 15th March 2007 of Bangladesh Bank a financial institution should write-off its loans/leases to clean-up its financial statements subject to fulfillment of the following criteria:

As per Bangladesh Bank guidelines, National Housing Fianance and Investments Limited has written-off its loans/leases as under:

(Figures in BDT)	Amount in Tk. 2011	Amount in Tk. 2010
Balance at 1st January	-	-
Net loans/leases written-off during the year	13,363,749	-
No. of agreements written-off	2	-
No. of clients written-off	2	-
Interest suspense against written-off loans/leases	(868,645)	-
Provision adjusted against written-off loans/leases	(12,495,104)	-
Recovery of loans/leases write-off loans/leases	-	
Balance of loans/leases written-off at 31st December 2011	**13,363,749**	**-**

14.04 Provision for Gratuity

	2011	2010
Balance as at 1st January	839,388	653,775
Add: Provision made during the year	1,600,020	839,388
Less: Payment made during the year	(839,388)	(653,775)
Less: Provision written back during the year	-	-
Balance as at 31st December	**1,600,020**	**839,388**

14.05 Provision for Current Tax

	2011	2010
Balance as on 1st January	167,381,519	109,210,843
Add: Provision made during the year	84,498,156	91,092,091
Less: Excess provision written back	-	-
Add: Short provision up to 2008	17,218,428	-
Less: Adjustment of advance tax for final settlement	(39,601,756)	(32,921,416)
Balance as at 31st December	**229,496,346**	**167,381,519**

14.06 Provision for Deferred Tax

	2011	2010
Balance as at 1st January	636,224	693,887
Less: Provision for deferred tax written back	(268,657)	(57,663)
Balance as at 31st December	**367,567**	**636,224**

14.07 Net Tax Charged in the Profit & Loss Account

	2011	2010
Current tax (note: 14.05)	101,716,584	91,092,091
Less: Deferred tax written back (note: 3.07.02)	(268,657)	(57,663)
	101,447,927	**91,034,428**

14.08 Assessment up to the year ended 31.12.2007 is fully completed.

14.09 Accrued Expenses

	2011	2010
Promotion and publicity	-	205,465
Audit fees	94,050	180,000
Sundry creditors	184,841	276,489
Office general expenses	-	-
	278,891	**661,954**

15.00 SHARE CAPITAL

15.01 Authorized Capital:

	2011	2010
200,000,000 ordinary shares of Tk.10 each	2,000,000,000	2,000,000,000

15.02 Issued, Subscribed and fully Paid-up Capital:

	2011	2010
5,72,00,000 ordinary shares of Tk.10 each	**572,000,000**	**520,000,000**
% of holding:	**% of holding**	**% of holding**
Sponsors	90.31%	90.38%
General public	9.69%	9.62%
	100.00%	**100.00%**
Number of holding:	**Number of holding**	**Number of holding**
Sponsors	566,454,840	4,700,000
General public	5,545,160	500,000
	572,000,000	**5,200,000**

	Amount in Tk. 2011	Amount in Tk. 2010

15.03 Classification of shareholders by holding as required by Regulation 37 of the Listing Regulations of Dhaka Stock Exchange Limited:

Number of shares	No of shareholders	No of shares	% of holding
Less than 500	818	137,600	0.24%
501 to 5,000	937	1,065,960	1.86%
5,001 to 10,000	45	345,450	0.60%
10,001 to 20,000	22	330,920	0.58%
20,001 to 30,000	8	193,300	0.34%
30,001 to 40,000	6	203,800	0.36%
40,001 to 50,000	4	180,900	0.32%
50,001 to 100,000	3	243,100	0.43%
100,001 to 1,000,000	43	9,173,690	16.04%
Above 1,000,000	19	45,325,280	79.24%
Total:	**1905**	**57,200,000**	**100.00%**

The shares of the Company are listed with Dhaka Stock Exchange Ltd. & Chittagong Stock Exchange Ltd.

15.04 Capital Requirement

As per DFIM circular no. 09 dated November 04, 2009 (2008: FID circular no. 02 dated June 29, 2003) of Bangladesh Bank, an NBFI requires to have Tk.50 crore as its minimum capital which shall be deemed to be adequate capital. When the core capital equals or exceeds its minimum capital then the capital shall be treated as adequate capital of NBFI. Core capital consists of paid-up capital, retained earnings, statutory reserve and balance of current year's profit but in case of total capital it includes core capital plus general provision on good loans/leases. Status of the capital has given bellow:

	2011	2010
Core capital (paid-up capital, retained earnings & statutory reserve etc.)	873,967,374	809,706,799
Less: Required minimum capital	(500,000,000)	(500,000,000)
Surplus over minimum required capital	**373,967,374**	**309,706,799**
Core capital (paid-up capital, retained earnings & statutory reserve etc.)	873,967,374	809,706,799
Add: Provision on good loan/leases	34,076,403	35,214,568
Total capital	**908,043,777**	**844,921,367**
Less: Required minimum capital	(500,000,000)	(500,000,000)
	408,043,777	**344,921,367**

16.00 STATUTORY RESERVE

	2011	2010
Balance as at 1st January	158,455,480	126,053,167
Reserve made during the year	23,252,115	32,402,313
Balance as at 31st December	**181,707,595**	**158,455,480**

Statutory reserve has been created at the rate of 20.00% of the net profit of Tk.11,62,60,575 as per Bangladesh Bank's guidelines.

17.00 RETAINED EARNINGS

	2011	2010
Balance as at 1st January	131,251,319	92,642,067
Add: Net profit after tax for the year	116,260,575	162,011,566
	247,511,894	**254,653,633**
Less: Allocations:		
Transferred to statutory reserve	(23,252,115)	(32,402,313)
Issue of Bonus Share	(52,000,000)	-
Cash dividend	(52,000,000)	(91,000,000)
	(127,252,115)	**(123,402,313)**
Balance as at 31st December	**120,259,779**	**131,251,319**

		Amount in Tk. 2011	Amount in Tk. 2010
18.00	**INCOME STATEMENT**		
	Income:		
	Interest, discount and other similar income (note: 19.00)	736,299,766	613,319,848
	Dividend income (note: 21.01)	926,159	2,126,677
	Fees, commission & brokerage (note: 22.00)	539,790	8,638,138
	Gains less losses arising from dealing in securities	-	-
	Gains less losses arising from investment in securities (note: 21.00)	15,377,128	74,690,115
	Gains less losses arising from dealing in foreign currencies	-	-
	Income from non-financial institutions assets	-	-
	Other operating income (note: 23.00)	10,832,907	5,043,525
	Profit less losses on interest rate change	-	-
		763,975,749	**703,818,304**
	Expenses:		
	Interest on borrowing, fees and commission (note: 20.00)	476,462,941	362,840,005
	Losses on loan, advances and leases (note: 31.00)	(5,248,652)	19,501,197
	Administrative expenses	52,261,061	42,630,875
	Other operating expenses (note: 30.00)	8,132,806	6,586,932
	Depreciation on fixed assets (note: 29.00)	5,349,859	4,404,275
		536,958,015	**435,963,284**
		227,017,735	**267,855,019**
19.00	**INTEREST, DISCOUNT AND OTHER SIMILAR INCOME**		
	Interest on mortgage loan:		
	Home mortgage loan	349,823,081	338,377,973
	Commercial mortgage loan	20,200,638	7,750,843
	Project mortgage loan	5,599,144	10,707,450
		375,622,863	**356,836,266**
	Less: Transfer to Interest suspense	(19,336,389)	(8,810,469)
		356,286,474	**348,025,797**
	Interest on lease finance:		
	Industrial equipment	68,101,035	78,923,078
	Vehicles	25,903,940	24,021,868
	Delinquent interest	11,668,341	14,142,925
		105,673,316	**117,087,871**
	Add: Transfer from Interest suspense	1,745,202	209,090
		107,418,518	**117,296,961**
	Interest on term finance	144,895,288	105,168,689
	Interest on fixed deposits	117,280,554	37,285,413
	Interest on short term deposit	6,536,620	1,970,718
	Interest on loan against FDR	2,336,073	2,542,321
	Interest on staff loan	1,546,239	1,029,949
	Discount	-	-
		736,299,766	**613,319,848**
20.00	**INTEREST PAID ON DEPOSITS AND BORROWINGS**		
	Call money interest	595,694	17,686,542
	Secured overdraft interest	30,330,242	17,121,874
	Short term loan interest	2,239,583	377,222
	Term deposit interest	160,850,837	106,630,083
	Term loan interest	89,334,758	58,168,436
	Customer deposit interest - Term Deposit	129,776,997	99,808,892
	Customer deposit interest - Income Account	13,307,209	16,973,629
	Customer deposit interest - Double Money Account	19,301,448	19,755,802
	Customer deposit interest - Triple Money Account	3,900,996	3,552,478
	Interest on security deposit	-	1,410,470
	Customer deposit interest-MSS	614,379	488,581
	Customer deposit interest-MLNR	625,012	401,252
	HML refinance interest	22,896,423	19,035,977
	SME loan interest	2,689,362	1,428,767
		476,462,941	**362,840,005**
21.00	**INCOME FROM INVESTMENT**		
	Dividend on ordinary shares (note: 21.01)	75,415	425,189
	Dividend on preference shares (note: 21.01)	850,744	1,701,488
	Gain on sale of shares	15,377,128	74,690,115
	Loss on sale of shares	(9,309,233)	(14,809,026)
		6,994,053	**62,007,766**

21.01 This represents dividend income Tk.850,744 from investment in preference shares of PHP Power Company Limited and balance Tk.75,415 from ordinary shares.

		Amount in Tk. 2011	Amount in Tk. 2010
22.00	**COMMISSION, EXCHANGE AND BROKERAGE**		
	Fees	539,790	8,638,138
	Commission	-	-
	Brokerage	-	-
		539,790	**8,638,138**
23.00	**OTHER OPERATING INCOME**		
	Incidental charges	-	6,869
	Floor rental income	-	-
	Application,processing and documentation fees	9,274,410	11,250
	Delinquent charge-MSS,MLNR etc.	841,820	1,178
	Interest on call Money lending	235,278	2,004,583
	Profit on sale of fixed Assets	194,980	-
	Liabilities no longer payable	-	-
	Documentation charges	303,727	2,492,625
	Cheque dishonored charges	(17,308)	527,020
	Other income	-	-
		10,832,907	**5,043,525**
24.00	**ADMINISTRATIVE EXPENSES**		
24.01	**DETECTORS' FEES AND EXPENSES**		
	This represents fees paid for attending board meetings and other committee meetings @ Tk.5,000/- per attendance per person.	409,500	281,350
		409,500	**281,350**
24.02	**SALARIES & ALLOWANCES**		
	Salary & allowances (note: 24.02.01)	28,527,041	20,893,550
	Provident fund contribution	1,401,169	614,888
	Gratuity	1,480,082	668,988
	Bonus	3,403,032	2,650,800
		34,811,324	**24,828,225**

24.02.01 This includes managerial remuneration of Tk.13.73 million and balance amount Tk.21.08 million is on account of staff salary, bonus and other allowances. During the year, there were 86 employees who individually received Tk. 3,300 or more per month as remuneration. The number of employees including contract based employees were 86 and 83 for the year 2011 & 2010 respectively.

		Amount in Tk. 2011	Amount in Tk. 2010
24.03	**RENT, TAXES, INSURANCE, ELECTRICITY ETC.**		
	Office occupancy cost	3,060,249	3,183,337
	Taxes	39,562	-
	Electricity	608,279	673,043
	Utilities	486,309	463,426
	Insurance (note: 24.03.01)	251,638	199,356
		4,446,037	**4,519,162**

24.03.01 This includes Tk.1,02,861 being premium paid for insurance coverage against damages/loss of the Company's fixed assets by fire, earthquake etc. and Tk. 1,48,777 as group insurance premium.

		Amount in Tk. 2011	Amount in Tk. 2010
24.04	**LEGAL EXPENSES**		
	Legal and professional	934,591	1,135,780
	Membership fees and subscription	1,031,010	292,402
	Fees and forms	-	-
		1,965,601	**1,428,182**
25.00	**POSTAGE, STAMPS, TELECOMMUNICATION ETC.**		
	Postage & courier	781,686	185,310
	Stamps & security paper	524,546	1,037,975
	Telephone, fax & e-mail	167,572	815,085
		1,473,804	**2,038,370**
26.00	**STATIONERY, PRINTING, ADVERTISEMENT ETC.**		
	Printing & stationery	1,448,936	1,570,307
	Promotion & publicity	2,248,644	3,435,279
		3,697,580	**5,005,586**
27.00	**MANAGING DIRECTOR'S SALARY & FEES**		
	Salary & allowances	4,232,877	3,600,000
	Provident fund contribution	303,288	240,000
	Gratuity	-	-
	Bonus	800,000	600,000
		5,336,165	**4,440,000**

		Amount in Tk. 2011	Amount in Tk. 2010
28.00	**AUDITORS' FEES**	**121,050**	**90,000**
29.00	**DEPRECIATION ON AND REPAIRS TO INSTITUTION'S ASSETS**		
	Depreciation:		
	Building	2,462,246	2,735,830
	Furniture	455,852	462,578
	Office equipment	929,678	622,610
	Motor vehicle	1,116,819	255,252
		4,964,595	**4,076,270**
	Repair and maintenance	385,264	328,005
		5,349,859	**4,404,275**
30.00	**OTHER EXPENSES**		
	Traveling and conveyance	537,095	538,172
	Training	50,000	132,100
	Bank charges and excise duty	1,099,913	348,692
	Books and periodicals	50,057	46,925
	Committee meeting fees	250,000	276,000
	Office refreshments	1,053,964	1,001,889
	Motor car	2,205,896	2,130,176
	Sundries	2,714,281	1,959,528
	Software expenses	58,500	66,500
	Penal Interest	1,600	-
	Investment expenses share	111,500	86,950
		8,132,806	**6,586,932**
31.00	**PROVISION FOR LOANS, ADVANCES AND LEASES**		
	For classified loans, advances and leases	(4,110,487)	15,709,947
	For unclassified loans, advances and leases	(1,138,165)	3,791,250
		(5,248,652)	**19,501,197**
32.00	**EARNINGS PER SHARE**		
	a) Earnings attributable to the ordinary shareholders	116,260,575	162,011,566
	b) Number of ordinary shares outstanding during the year	57,200,000	5,200,000
	c) Weighted average number of ordinary shares outstanding during the year	57,200,000	5,200,000
	d) Basic earnings per share (a/c)	**2.03**	**31.16**
	e) Earnings per share (restated)	**2.03**	**2.83**
33.00	**INTEREST RECEIPTS IN CASH**		
	Interest income from loans, advances & leases	753,890,953	621,921,227
	(Increase)/decrease in interest receivable on loans, advances and leases	(13,451,601)	(19,994,624)
	(Increase)/decrease in other receivable	(20,246,493)	(6,870,761)
		720,192,858	**595,055,842**
34.00	**INTEREST PAYMENTS**		
	Total interest expenses (note: 20.00)	476,462,941	362,840,005
	Add: Opening balance of interest payable	98,980,453	85,723,106
	Less: Closing balance of interest payable	(99,575,805)	(98,980,453)
		475,867,589	**349,582,659**
35.00	**FEES AND COMMISSION RECEIPTS IN CASH**		
	Fees, commission and brokerage (note: 22.00)	539,790	8,638,138
	Add: Opening balance of fees, commission and brokerage	-	-
	Less: Closing balance of fees, commission and brokerage	-	-
		539,790	**8,638,138**
36.00	**CASH PAYMENTS TO EMPLOYEES**		
	Staff salaries and allowances (note: 24.02)	34,811,324	24,828,225
	Managing Director's salaries and allowances (note: 27.00)	5,336,165	4,440,000
	Add: Opening balance of staff dues	-	-
	Less: Closing balance of staff dues	-	-
		40,147,489	**29,268,225**
37.00	**CASH PAYMENTS TO SUPPLIERS**		
	Printing, stationary and advertisement etc. (note: 26.00)	3,697,580	5,005,586
	Postage, stamps, telecommunication etc. (note: 25.00)	1,473,804	2,038,370
	Repair & maintenance (note: 29.00)	385,264	328,005
	Add: Opening balance of suppliers dues	219	219
	Less: Closing balance of suppliers dues	-	(219)
		5,556,867	**7,371,961**

		Amount in Tk. 2011	Amount in Tk. 2010
38.00	**CASH RECEIPTS FROM OTHER OPERATING ACTIVITIES**		
	Other operating income (note: 23.00)	10,832,907	5,043,525
	Profit on sale of share (note: 21.00)	15,377,128	74,690,115
	Loss on sale of share (note: 21.00)	(9,309,233)	(14,809,026)
		16,900,802	**64,924,615**
39.00	**CASH PAYMENTS FOR OTHER OPERATING ACTIVITIES**		
	Detectors' fees	409,500	281,350
	Legal expenses	1,965,601	1,428,182
	Auditor's fees	121,050	90,000
	Office occupancy cost	3,060,249	3,183,337
	Taxes	39,562	-
	Electricity	608,279	673,043
	Utilities	486,309	463,426
	Insurance	251,638	199,356
	Other expenses (note: 30.00)	8,132,806	6,586,932
	Add: Opening balance of outstanding payable	661,954	696,712
	Less: Closing balance of outstanding payable	(278,891)	(661,954)
		15,458,057	**12,940,384**
40.00	**(INCREASE)/DECREASE OF OTHER ASSETS**		
	Closing balance:		
	Interest on mortgage loan	-	-
	Loan against fixed deposits	17,961,085	12,826,483
	Advance against fixed assets	1,900,000	1,886,000
	Security deposits	352,320	352,320
	Advance income tax	191,337,208	117,355,004
	Advance against branch office	2,783	4,741
	Advance against office rent	2,430,000	702,000
	Advance against legal and professional fees	-	325,000
	Other receivables	14,641,885	15,450,530
		228,625,281	**148,902,078**
	Opening balance:		
	Interest on mortgage loan		
	Loan against fixed deposits	12,826,483	26,355,038
	Advance against fixed assets	1,886,000	1,886,000
	Security deposits	352,320	351,720
	Advance income tax	117,355,004	57,664,095
	Advance against branch office	4,741	4,234
	Advance against office rent	702,000	607,253
	Advance against legal and professional fees	325,000	325,000
	Other receivables	15,450,530	24,452,317
		148,902,078	**111,645,657**
		79,723,203	**37,256,421**
41.00	**INCREASE/(DECREASE) OF DEPOSITS FROM BANKS**		
	Closing balance:		
	Fixed deposits	750,000,000	1,470,000,000
	Term deposits	-	-
		750,000,000	**1,470,000,000**
	Opening balance:		
	Fixed deposits	1,470,000,000	1,117,500,000
	Term deposits	-	-
		1,470,000,000	**1,117,500,000**
		(720,000,000)	**352,500,000**
42.00	**INCREASE/(DECREASE) OF OTHER DEPOSITS**		
	Closing balance:		
	Customer deposits	1,397,597,624	1,295,628,354
	Lease deposits	-	-
	Other deposits	39,815,664	40,103,199
		1,437,413,288	**1,335,731,553**
	Opening balance:		
	Customer deposits	1,295,628,354	1,208,245,687
	Lease deposits	-	-
	Other deposits	40,103,199	51,755,219
		1,335,731,553	**1,260,000,906**
		101,681,735	**75,730,647**

43.00 INCREASE/(DECREASE) OF OTHER LIABILITIES

	Amount in Tk. 2011	Amount in Tk. 2010
Closing balance:		
Provision for gratuity	1,600,020	839,388
Withholding tax payable	4,554,872	2,510,942
VAT payable	912,057	439,879
Unclaimed dividend	3,838,721	1,628,078
Sundry deposit	959,438	1,196,440
Sundry liabilities	9,934,940	9,039,318
	21,800,049	**15,654,046**
Opening balance:		
Provision for gratuity	839,388	653,775
Withholding tax payable	2,510,942	4,101,673
VAT payable	439,879	105,733
Unclaimed dividend	1,628,078	597,839
Sundry deposit	1,196,440	3,304,143
Sundry liabilities	9,039,318	11,990,544
	15,654,046	**20,753,708**
	6,146,003	**(5,099,662)**

44.00 SANCTION AND DISBURSEMENT

	2011	2010
Sanction	1,373,080,000	1,739,087,769
Disbursement	1,018,094,305	1,510,275,800

45.00 RELATED PARTY DISCLOSURE : DISCLOSURE UNDER BAS-24 "RELATED PARTY DISCLOSURE"

During the year under review, the Company carried out a number of transactions with related parties in there normal course of business. The name of related parties, the nature of transactions and their total value have been set out below:

Name of the related parties	Nature of transaction	Receivable as on 31.12.2011
Union Accessories Ltd.	Term Finance	3,924,050
Alliance Holdings Limited	Term Finance	711,577
Mr. Syed Ali Asghar Rizvi	Project Mortgage Loan	4,000,000
Mr. Syed Zaki Haider Rizvi	Home Mortgage Loan	1,116,000
Mr. Md. Abdur Rob	Home Mortgage Loan	3,785,971

Nature of relationship: Director related

46.00 AUDIT COMMITTEE OF THE BOARD

The audit committee was formed by the Board of Directors of National Housing Finance And Investments Limited in its 112nd meeting held on June 24, 2010. The members of the committee are as under:

SL #	Name	Status with the Company	Status with the Committee	Educational Qualification
01	Mr. Md. Kabir Reza	Director	Chairman	M.Com (Acc.), FCMA
02	Mr. Azmal Hossain	Director	Member	B.Com
03	Mr. Muminul Haque Chowdhury	Director	Member	M.S.(Eco.), N.Y., U.S.A.
04	Mr. Neaz Ahmed	Director	Member	M.A. (Economics) DU
05	Professor Imran Rahman	Independent Director	Member	MBA (IBA), BSC (Eco.) in Math. Economics UK

During the year the committee meet 4(four) times in which among others, the following issues were discussed:

01 Audit and inspection report of Bangladesh Bank Inspection Team and External Auditors of National Housing.
02 Ensuring an effective Internal Control System and Risk Management System.
03 Review the findings of auditors and management response thereto.
04 Stressing on the importance of the regulatory compliance.
05 Review of conflict of interests.
06 Review of the credit policy of the Company.
07 Any other matters which deems necessary.

47.00 EXTERNAL AUDITOR'S COVERAGE

The external auditors of the Company worked about 936 man hours and they reviewed more than 80.00% of Company's Risk Weighted Assets on the Balance Sheet date.

	Amount in Tk. 2011	Amount in Tk. 2010

48.00 HIGHLIGHTS OF OVERALL ACTIVITIES

Highlights of the overall activities of the Company as at and for the year ended 31 December, 2011 are furnished bellow:

SL #	Details	2011	2010
01	Paid-up Capital	572,000,000	520,000,000
02	Total Capital	908,043,777	844,921,367
03	Capital surplus/(deficit)	373,967,374	309,706,799
04	Total assets	5,088,516,504	5,279,387,326
05	Total deposits	2,187,413,288	2,805,731,553
06	Total loans, advances and leases	4,146,522,165	3,987,745,245
07	Total contingent liabilities and commitments	-	-
08	Credit deposit ratio	189.56%	142.13%
09	Percentage of classified loans against total loans and advances	6.42%	8.02%
10	Profit after tax and provisions	116,260,575	162,011,566
11	Amount of classified loans during the year	266,214,515	319,769,853
12	Provisions kept against classified loans	76,175,747	98,962,423
13	Provisions surplus/(deficit)	-	-
14	Cost of fund	12.42%	10.20%
15	Interest earnings assets	4,773,775,066	5,061,685,424
16	Non-interest earnings assets	314,741,438	217,701,902
17	Return on investments (ROI)	8.61%	7.74%
18	Return on assets (ROA)	2.24%	3.29%
19	Income from investments	6,994,053	62,007,766
20	Weighted average earnings per share	2.03	2.83
21	Net income per share	2.03	31.16
22	Price earning ratio	47.08	430.47
23	Return on equity (ROE)	13.81%	20.93%
24	Net asset value per share (NAV)	15.28	14.16

49.00 COMPARATIVE INFORMATION

Last year's figures and account heads have been rearranged to conform current year's presentation in accordance with the Bangladesh Bank DFIM Circular # 11 dated December 23, 2009.

50.00 GEOGRAPHICAL AREA OF OPERATION

Company's geographical area of operation was in Dhaka, Chittagong and Bogra in the year 2011.

51.00 CAPITAL EXPENDITURE COMMITMENT

There was neither any outstanding contract nor any Board authorization for capital expenditure as at December 31, 2011.

52.00 CONTINGENT LIABILITIES

There were no contingent liabilities at the balance sheet date.

53.00 SUBSEQUENT EVENTS-DISCLOSURES UNDER BAS 10: "EVENTS AFTER THE BALANCE SHEET DATE"

No material event has been occurred after the Balance Sheet date, which could materially effect the value of the financial statements. However, the Board of Directors in its meeting held on 17th March 2012 has recommended for declaration of 20% stock dividend i.e. 1(One) shares held for every 5 (five) shares held for the year ended 31December 2011 and for raising paid up capital by issuing rights share i.e. 1(One) right share for every 2(two) shares of Tk. 10.00 each on paid up capital after considering bounus subject to the approval of the shareholders and regulatory authorities in the 13th Annual General Meeting.

54.00 CLAIMS AGAINST THE COMPANY NOT ACKNOWLEDGED AS DEBT

There is no claim at the Balance Sheet date, which has not been acknowledged by the Company.

55.00 CREDIT FACILITY NOT AVAILED

There was no credit facility available to the Company under any contract as on Balance Sheet date other than trade credit available in the ordinary course of business.

56.00 CLOSING PRICE OF SHARE

The Company traded its ordinary shares in CDBL through DSE & CSE on 1st January 2009. The closing market price on the closing of the year was Tk.95.70 and Tk.92.20 respectively in the DSE & CSE.

57.00 The Company had no receivable from the directors on 31.12.2011 except Managing Director.

58.00 Decimal discrepancies adjusted as an where required.

Sd/-	Sd/-	Sd/-	Sd/-
Md. Abdur Rob	**Md. Kabir Reza**	**Neaz Ahmed**	**Latifur Rahman**
Managing Director	**Director**	**Director**	**Chairman**

NATIONAL HOUSING FINANCE AND INVESTMENTS LIMITED

AUDITORS REPORT IN PURSUANCE OF SECTION 135(1) UNDER PARA 24(1) OF PART -II OF THE THIRD SCHEDULE TO THE COMPANIES ACT,1994

we have examined the financial statements of National Housing Finance And Investments Limited for the period ended 31 December 2011 audited by us and those for the years ended 31 December 2008, 31 December 2009 and 31 December 2010 audited by Howlader Yunus & Co. Chartered Accountants and 31 December 2007 audited by M.J.Abedin, Chartered Accountants and in pursuance of section 135(1) under Para 24(1) of Part -II of the Third Schedule to the Companies Act,1994 we report that:

1) The Bank was incorporated on August 18, 1998;

2) The statements of financial position and operating results of the Bank based on the audited financial statements are enclosed herewith and duly certified by us.

3) The Bank declared dividends for the last five years as follows:

Particulers	% of Dividend declared				
	2007	2008	2009	2010	2011
Cash dividend	12.50%	12.50%	17.50%	10.00%	-
Stock dividend	-	-	-	10.00%	20.00%
Total dividend	**13%**	**13%**	**18%**	**20%**	**20%**

4) The Company has no Subsidiary Company.

5) Previous years' figures have been re-arranged to confirm with current year's (2011) presentation, where necessary.

Dhaka, 19th April,2012

Sd/-
SYFUL SHAMSUL ALAM & CO.
Chartered Accountants

Summarized Financial statement for the last 5 years
National Housing Finance And Investments Limited
Balance Sheet

Particulars	Amount in Taka				
	31.12.2011	31.12.2010	31.12.2009	31.12.2008	31.12.2007
PROPERTY & ASSETS					
CASH	40,992,894	38,355,557	38,345,310	43,201,146	24,018,471
Cash in Hand (including foreign currencies)	38,389	38,912	31,789	143,798	45,532
Balance with Bangladesh Bank & its agent Bank (including Foreign Currencies)	40,954,505	38,316,645	38,313,521	43,057,348	23,972,939
BALANCE WITH OTHER BANKS AND FINANCIAL INSTITUTIONS	434,597,785	801,863,010	656,480,044	2,155,064,080	1,209,091,904
In Bangladesh	434,597,785	801,863,010	656,480,044	2,155,064,080	1,209,091,904
Outside Bangladesh	-	-	-	-	-
MONEY AT CALL AND ON SHORT NOTICE	20,000,000	15,000,000	-	-	-
INVESTMENTS	9,614,706	110,125,698	39,255,000	24,021,000	61,826,685
Government	-	-	-	-	-
Others	9,614,706	110,125,698	39,255,000	24,021,000	61,826,685
LOANS AND ADVANCES / INVESTMENTS	4,146,522,165	3,987,745,245	3,568,012,667	3,261,258,099	3,034,845,164
Loans, Cash Credits, Over Draft etc./ Investments	4,146,522,165	3,987,745,245	3,568,012,667	3,261,258,099	3,034,845,164
Bills Purchased and Discounted	-	-	-	-	-
FIXED ASSETS INCLUDING PREMISES, FURNITURE & FIXTURE	36,777,546	34,573,104	29,244,949	28,652,046	31,675,013
OTHER ASSETS	400,011,407	291,724,712	240,429,389	300,281,616	136,964,663
NON-BANKING ASSETS		-		-	
TOTAL ASSETS	**5,088,516,504**	**5,279,387,326**	**4,571,767,358**	**5,812,477,987**	**4,498,421,900**
LIABILITIES & CAPITAL					-
Liabilities					
Borrowings from other banks, financial Institutions and agents	1,471,023,289	1,174,919,912	1,060,880,671	1,087,960,431	949,074,945
DEPOSITS AND OTHER ACCOUNTS	2,187,413,288	2,805,731,553	2,377,500,906	3,530,327,894	2,583,148,913
Current Deposits & Other accounts etc.	1,397,597,624	1,295,628,354	1,208,245,687	1,005,814,705	946,788,026
Bills Payable	-	-	-	-	-
Savings Bank Deposits	-	-	-	-	-
Short Term Deposits	-	-	-	-	-
Fixed Deposits	750,000,000	1,470,000,000	1,117,500,000	2,350,000,000	1,600,000,000
Other Deposits	39,815,664	40,103,199	51,755,219	174,513,189	36,360,887
OTHER LIABILITES	556,112,553	489,029,061	394,690,547	494,538,623	345,907,754
TOTAL LIABILITIES	**4,214,549,130**	**4,469,680,526**	**3,833,072,124**	**5,112,826,948**	**3,878,131,612**
CAPITAL / SHAREHOLDERS' EQUITY					
Paid-up Capital	572,000,000	520,000,000	520,000,000	520,000,000	470,000,000
Statutory Reserve	181,707,595	158,455,480	126,053,167	105,244,328	87,622,178
General Reserve	-	-	-	-	
Revaluation Reserve on Investment	-	-	-	-	-
Surplus in Profit and Loss Account/ Retained earnings	120,259,779	131,251,319	92,642,067	74,406,711	62,668,110
TOTAL SHAREHOLDERS' EQUITY	**873,967,374**	**809,706,799**	**738,695,234**	**699,651,039**	**620,290,288**
Minority Interest	-	-		-	
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY	**5,088,516,504**	**5,279,387,325**	**4,571,767,358**	**5,812,477,987**	**4,498,421,900**
Net Assets value	873,967,374	809,706,800	738,695,234	699,651,039	620,290,288
Number of shares of Tk.10.00 each outstanding	5,720,000	5,200,000	5,200,000	5,200,000	4,700,000
Weigated average Number of shares of Tk.10.00 each outstanding	5,720,000	5,200,000	5,200,000	4,761,644	4,000,000
Net Assets value per share	**152.79**	**155.71**	**142.06**	**134.55**	**131.98**
Net Assets value per share (considering per share Tk.10.00)	15.28	15.57	14.21	13.45	13.20

Dhaka, 19th April,2012

Sd/-
SYFUL SHAMSUL ALAM & CO
Chartered Accountants

Summarized Financial statement for the last 5 years
National Housing Finance And Investments Limited
Profit & Loss Account

Particulars	Amount in Taka				
	31.12.2011	31.12.2010	31.12.2009	31.12.2008	31.12.2007
Interest Income / Profit on Investment	736,299,766	613,319,848	656,866,581	741,157,707	543,078,187
Interest paid on Deposits & Borrowings etc.	476,462,941	362,840,005	425,686,426	511,595,509	368,797,834
Net Interest / Net Profit on Investments	**259,836,825**	**250,479,843**	**231,180,155**	**229,562,198**	**174,280,353**
Investment Income	6,994,053	62,007,766	8,274,109	(11,858,629)	15,304,716
Commission, Exchange Earnings & Brokerage	539,790	8,638,138	7,752,733	5,208,552	4,775,750
Other Operating Income	10,832,907	5,043,525	1,888,174	3,015,588	1,978,827
TOTAL OPERATING INCOME (A)	**278,203,575**	**326,169,273**	**249,095,171**	**225,927,709**	**196,339,646**
Salary & Allowances	34,811,324	24,828,225	21,005,021	17,032,546	12,458,180
Rent, Taxes, Insurance, Electricity etc.	4,446,037	4,519,162	3,892,475	2,543,276	2,230,028
Legal Expenses	1,965,601	1,428,182	1,853,253	953,639	1,247,178
Postage, Stamp, Telecommunication etc.	1,473,804	2,038,370	1,937,595	2,107,909	1,504,172
Stationery, Printing, Advertisement etc.	3,697,580	5,005,586	2,994,480	3,321,896	2,920,435
Managing Director's salary & fees	5,336,165	4,440,000	4,440,000	3,927,630	3,180,000
Directors' Fee & Other benefits	409,500	281,350	207,400	354,200	300,000
Audit Fees	121,050	90,000	90,000	90,000	75,000
Charges on loan losses	-	-	-	-	-
Depreciation and Repair of Bank's Assets	5,349,859	4,404,275	4,404,975	4,181,757	4,362,400
Other Expenses	8,132,806	6,586,932	6,456,118	16,050,466	3,360,851
TOTAL OPERATING EXPENSES (B)	**65,743,726**	**53,622,082**	**47,281,317**	**50,563,319**	**31,638,244**
Profit / (Loss) Before Provision (C) = (A - B)	**212,459,849**	**272,547,191**	**201,813,854**	**175,364,390**	**164,701,402**
Specific Provision	(4,110,487)	15,709,947	3,286,496	36,971,372	9,003,871
General Provision	(1,138,165)	3,791,250	4,114,352	876,794	1,841,942
Provision for Off-Balance Sheet items	-	-	-	-	-
Provision for diminution in value of investments	-	-	-	-	-
Other Provision	-	-	-	-	-
Total Provision (D)	**(5,248,652)**	**19,501,197**	**7,400,848**	**37,848,166**	**10,845,813**
Total Profit / (Loss) before Taxes (E)=(C - D)	**217,708,501**	**253,045,994**	**194,413,006**	**137,516,224**	**153,855,589**
Provision for Taxation	101,447,927	91,034,428	90,368,812	49,405,473	79,504,957
Current Tax	101,716,584	91,092,091	90,442,188	49,504,118	123,639,049
Deferred Tax	(268,657)	(57,663)	(73,376)	(98,645)	(44,134,092)
Net Profit / (Loss) after Taxation :	**116,260,574**	**162,011,566**	**104,044,195**	**88,110,751**	**74,350,633**
Retained earnings brough forward from previous year	27,251,320	1,642,067	9,406,711	3,918,110	3,187,604
Net Profit available for distribution	**143,511,894**	**163,653,633**	**113,450,906**	**92,028,861**	**77,538,237**
Appropriations :					
Statutory Reserve	23,252,115	32,402,313	20,808,839	17,622,150	14,870,127
Proposed Bonus Shares	-	-	-	-	-
Retained Earnings carried forward	**120,259,779**	**131,251,319**	**92,642,067**	**74,406,711**	**62,668,110**
Earning per Share (EPS):	**20.33**	**31.16**	**20.01**	**18.50**	**18.59**
Earning per Share (EPS)(Considering Tk. 10 per share):	**2.03**	**3.12**	**2.00**	**1.85**	**1.86**

Dhaka, 19th April,2012

Sd/-
SYFUL SHAMSUL ALAM & CO
Chartered Accountants

Summarized Financial statement for the last 5 years
National Housing Finance And Investments Limited
Cash Flow Statement

Particulars	Amount in Taka				
	30.09.2011	31.12.2010	31.12.2009	31.12.2008	31.12.2007
A) CASH FLOW FROM OPERATING ACTIVITIES					
Interest receipts in Cash	720,192,858	595,055,842	746,591,217	652,460,873	543,037,392
Interest payments in Cash	(475,867,589)	(349,582,659)	(527,022,063)	(430,111,841)	(341,099,408)
Dividend receipts	926,159	2,126,677	2,597,231	3,244,300	4,169,000
Fee and commission receipts in Cash	539,790	8,638,138	7,752,733	5,208,552	4,775,750
Cash Payments to employees	(40,147,489)	(29,268,225)	(25,445,021)	(20,960,176)	(15,638,181)
Cash Payments to suppliers	(5,556,867)	(7,371,961)	(7,707,568)	(4,021,983)	(6,130,426)
Income taxes paid	(39,601,756)	(32,921,416)	(110,456,215)	(32,921,416)	(20,592,311)
Cash receipts from other operating activities	16,900,802	64,924,615	7,565,052	(12,087,341)	13,114,543
Cash payments for other operating activities	(15,458,057)	(12,940,384)	(12,410,142)	(25,167,188)	(5,831,033)
Cash generated from operating activities before changes in operating assets and liabilities	**161,927,852**	**238,660,627**	**81,465,224**	**135,643,779**	**175,805,326**
Increase / (Decrease) in operating assets and liabilities					
Loans, advances and leases to the client	(168,000,586)	(406,906,095)	(306,754,568)	(226,412,935)	(517,393,455)
Other assets	(79,723,203)	(37,256,421)	(23,057,304)	(62,814,325)	(2,848,109)
Fixed deposits	(720,000,000)	352,500,000	(1,232,500,000)	750,000,000	150,000,000
Deposits from customers	101,969,270	87,382,667	202,430,982	59,026,679	847,266,871
Other Deposits	(287,535)	(11,652,020)	(122,757,970)	138,152,302	13,127,654
Other liabilities	6,146,003	(5,099,662)	9,289,744	4,164,737	8,052,504
Net cash flow from operating activities (A)	**(697,968,199)**	**217,629,095**	**(1,391,883,892)**	**797,760,237**	**674,010,791**
B) CASH FLOW FROM INVESTING ACTIVITIES					
Proceeds from sale of non-trading securities	-	-	-	-	-
Sale/(investment) in shares	100,510,992	(70,870,698)	(15,234,000)	37,805,685	(19,510,185)
Acquisition of fixed assets	(6,274,057)	(9,404,425)	(4,242,220)	(546,558)	(23,978,980)
Net cash flow from investing activities (B)	**94,236,935**	**(80,275,123)**	**(19,476,220)**	**37,259,127**	**(43,489,165)**
C) CASH FLOW FROM FINANCING ACTIVITIES					
Received from issue of ordinary shares	-	-	-	50,000,000	-
Loan from banks	296,103,377	114,039,241	(27,079,760)	138,885,487	(26,181,766)
Dividends paid	(52,000,000)	(91,000,000)	(65,000,000)	(58,750,000)	-
Net cash flow from financing activities (C)	**244,103,377**	**23,039,241**	**(92,079,760)**	**130,135,487**	**(26,181,766)**
D) NET INCREASE/(DECREASE) IN CASH AND BANK BALANCE (A+B+C)	**(359,627,888)**	**160,393,213**	**(1,503,439,872)**	**965,154,851**	**604,339,860**
E) EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	-	-	-	-	-
F) CASH AND BANK BALANCES AT BEGINNING OF THE YEAR	855,218,567	694,825,354	2,198,265,226	1,233,110,375	628,770,515
G) CASH AND CASH EQUIVALENTS AT END OF THE YEAR (D+E+F)	**495,590,679**	**855,218,567**	**694,825,354**	**2,198,265,226**	**1,233,110,375**
CASH AND CASH EQUIVALENTS AT END OF THE YEAR					
Cash in hand (including foreign currencies)	38,389	38,912	31,789	143,798	45,532
Balance with Bangladesh Bank and its agent bank(s)(including foreign currencies)	40,954,505	38,316,645	38,313,521	43,057,348	23,972,939
Balance with other Banks and financial institutions	434,597,785	801,863,010	656,480,044	2,155,064,080	1,209,091,904
Money at Call and Short Notice	20,000,000	15,000,000	-	-	-
	495,590,679	**855,218,567**	**694,825,354**	**2,198,265,226**	**1,233,110,375**

Dhaka, 19th April,2012

Sd/-
SYFUL SHAMSUL ALAM & CO
Chartered Accountants

NATIONAL HOUSING FINANCE AND INVESTMENTS LIMITED

Registered Office: National Plaza (7th & 8th Floor)
109, Bir Uttam C.R. Datta Road (Ex. Sonargaon Road), Dhaka-1205
Phone: (88-02) 9670612-4, 9677181-2, **Fax**: (88-02) 9671016
Web: www.nationalhousingbd.com

Folio/BO Account No :
Name :
Address :

LETTER OF OFFER FOR RIGHTS ISSUE

Dear Shareholder(s)

We are pleased to inform you that the Board of Directors in its **127th** meeting held on **March 17, 2012,** recommended to issue Rights Share @ 01 (one) Rights share for 02 (two) share held, which was approved by the Shareholders in the 13th Annual General Meeting held on April 18, 2012. As a registered Shareholder as on **April 24, 2013** (Record date for entitlement), you are entitled to subscribe your rights share.

If you wish to accept the above Rights Share in full or in part, you are required to submit completed Application Form-A annexed hereto with necessary payments. You may, however, renounce your rights in respect of all or part of your entitlement in favor of others in which case the Renunciation Form-B and Form-C annexed here to be submitted duly filled in by you and the renouncee(s) along with necessary payments.

The rights cannot be exercised for fraction of a share i.e. below full unit of share.

All the payments for accepted shares are to be made in cash or by P.O/DD/Cheque @ **Tk. 10.00** each at par and to be deposited with any of the Branches of Bankers to the Issue during Companying hours from **May 19, 2013** to **June 13, 2013** (both days inclusive). Any extension of time will be notified through national dailies. Payments through P.O/DD/Cheque, must be payable to "**National Housing Finance And Investments Limited**" and must be drawn on a Company in the same town where the Branch of Bankers to the Issue in which the application form has been submitted is situated. It is to be noted that all transactions above **Tk. 1.00** lac must be effected through Demand Draft/Crossed Cheque/Pay Orders.

The offer will be deemed to have been declined if completed Application **Form-A** and/or Renunciation **Form-B** and **Form-C** with necessary payments have not been received by **June 13, 2013** or by such later date as may be notified through national dailies to that effect.

A self-explanatory Rights Share Offer Documents is attached for your kind information and evaluation.

By order of the Board

Sd/-
Md. Abdur Rob
Managing Director

Application Form - A

National Housing Finance And Investments Limited
Registered Office: National Plaza (7th & 8th Floor)
109, Bir Uttam C.R. Datta Road (Ex. Sonargaon Road), Dhaka-1205

Rights Offer of **34,320,000** Ordinary Shares of **Tk. 10.00** each at par totaling **Tk. 343,200,000.00** offered on the basis of **01(R):02** i.e. 01 (one) Rights share for 02 (two) existing share held on the record date **April 24, 2013.**

Subscription	**Opens on: May 19, 2013**
	Closes on: June 13, 2013
Within Banking Hours Both Days Inclusive	

FORM OF ACCEPTANCE AND APPLICATION FOR SHARES

The Managing Director Dated: ………………/………./2013
National Housing Finance And Investments Limited
National Plaza (7th & 8th Floor)
109, Bir Uttam C.R. Datta Road (Ex. Sonargaon Road) Dhaka-1205

Dear Sir,

I/We apply for allotment of ordinary shares indicated below in response to your letter of Rights Offer and Subject to the Memorandum and Articles of Association of the Company. I/We hereby agree to accept the shares as may be allotted to me/us on the terms laid down in the letter of offer and enclose the necessary remittance @ Tk. 10.00 each per share in cash or by Draft/Pay order/Cheque on……………………………………………... dated ………………………………….. drawn on ………………………………………………….. Bank……………………………………………… Branch.

Folio/BO Account No.	No. of Shares held at the close of business on April 24, 2013	No. of Shares offered	No. of Shares Accepted	Total Amount Paid

Yours faithfully,

1. Name (in block letters) :
   Address : Signature

2. Name (in block letters) :
   Address : Signature

BO Account No.																

As per provision of the Depository Act, 1999 and regulations made thereunder, rights share shall only be issued in dematerialized condition. An applicant must apply for allotment of rights shares mentioning his/her Beneficiary Owner (BO) Account number in the application form.

Note: Signature must be the same as furnished earlier. Incomplete or incorrectly filled application form may be rejected.

………

ACKNOWLEDGEMENT RECEIPT OF SHARE MONEY

Received Tk. …………………………………………(Taka……………………………………………………………………………………………)only from

Mr./Ms…………………………………………………………………………Folio/BO Account No………………………………………………………………

for…………………………………………………no.(s) of rights shares of **NATIONAL HOUSING FINANCE AND INVESTMENTS LIMITED** in

Cash/PayOrder/Draft/ChequeNo…………………………………date……………………………………of…………………………………………………Bank

……………………………………………………………………Branch.

Application Sl. No. **(Bank's Seal)** **Signature of Receiving Officer**
Date

Renunciation Form - B

National Housing Finance And Investments Limited
Registered Office: National Plaza (7th & 8th Floor)
109, Bir Uttam C.R. Datta Road (Ex. Sonargaon Road), Dhaka-1205

Rights Offer of **34,320,000** Ordinary Shares of **Tk. 10.00** each at par totaling **Tk. 343,200,000.00** offered on the basis of **01(R):02** i.e. 01 (one) Rights share for 02 (two) existing share held on the record date **April 24, 2013.**

Subscription	**Opens on: May 19, 2013**
	Closes on: June 13, 2013
Within Banking Hours Both Days Inclusive	

FROM OF RENUNCIATION

The Managing Director
National Housing Finance And Investments Limited
National Plaza (7th & 8th Floor)
109,Bir Uttam C.R. Datta Road (Ex. Sonargaon Road) Dhaka-1205

Dated: ………………/………./2013

Dear Sir,

I/We hereby renounce my/our rights to the shares offered to me/us as noted below in favor of person(s) accepting the same and signing in Application by Renouncee(s) and apply for allotment in his/her/their name(s).

Folio/BO Account No.	No. of Shares held at the close of business on April 24, 2013	No. of Shares offered	No. of Shares Accepted	Total Amount Paid

Yours faithfully,

1. Name (in block letters) :
   Address :
   Signature

2. Name (in block letters) :
   Address :
   Signature

Name(s) of Renouncee(s)		BO A/C No.
1	Name:	
2	Name:	

N.B. use photocopy in case of renouncement favoring more than 2 (two) persons

As per provision of the Depository Act, 1999 and regulations made there under, rights share shall only be issued in dematerialized condition. An applicant must apply for allotment of rights shares mentioning his/her Beneficiary Owner (BO) Account number in the application form.

Note: Signature must be the same as furnished earlier. Incomplete or incorrectly filled application form may be rejected.

Renunciation Form - C

National Housing Finance And Investments Limited
Registered Office: National Plaza (7th & 8th Floor)
109, Bir Uttam C.R. Datta Road (Ex. Sonargaon Road), Dhaka-1205

APPLICATION BY RENOUNCEE(S)

The Managing Director Dated: ..../........../2013
National Housing Finance And Investments Limited
National Plaza (7th & 8th Floor)
109,Bir Uttam C.R. Datta Road (Ex. Sonargaon Road) Dhaka-1205

Dear Sir,

As the share holder(s) at pre-page has/have renounced his/her/their rights to the shares offered, in my/our favor, I/We do hereby apply for the number of share noted above as renounced, by making payment of Tk. .... being the value of ....Share @ **Tk. 10.00** each at par.

Yours faithfully,

1	Signature:	2	Signature:
Name (in block letters):		Name (in block letters):	
S/O. D/O. W/O.:		S/O. D/O. W/O.:	
Address:		Address:	
BO No.		BO No.	

N.B. Use photocopy in case of renouncement favoring more than 2 (two) persons.

Signature of the Renouncer(s):	**1**		**2**	

As per provision of the Depository Act, 1999 and regulations made there under, rights share shall only be issued in dematerialized condition. An applicant must apply for allotment of rights shares mentioning his/her Beneficiary Owner (BO) Account number in the application form.

Note: Folio No. is to be mentioned only in case of existing shareholder(s). Incomplete or incorrectly filled application form may be rejected.

....

ACKNOWLEDGEMENT RECEIPT OF SHARE MONEY

Received Tk. ....(Taka...)only from

Mr./Ms..Folio/BO Account No...

for..no.(s) of rights shares of **NATIONAL HOUSING FINANCE AND INVESTMENTS LIMITED** in

Cash/PayOrder/Draft/ChequeNo.......................................date..of...Bank

....Branch.

Application Sl. No. **(Bank's Seal)** **Signature of Receiving Officer**
Date