

IDLC Finance Limited

Financial Statements

as at and for the period ended March 31, 2019

IDLC Finance Limited and its Subsidiaries
Consolidated Balance Sheet (Un-audited) as at March 31, 2019

	<u>Note</u>	<u>31.03.2019</u> <u>BDT</u>	<u>31.12.2018</u> <u>BDT</u>
PROPERTY AND ASSETS			
Cash			
In hand (including foreign currencies)	3		
In hand (including foreign currencies)	3.1	442,931	434,090
Balance with Bangladesh Bank and its agent (including foreign currencies)	3.2	2,591,296,535	2,564,995,968
		2,591,739,466	2,565,430,058
Balance with other banks and financial institutions			
Inside Bangladesh	4		
Inside Bangladesh	4(a)	11,696,019,644	13,670,184,483
Outside Bangladesh	4(b)	-	-
		11,696,019,644	13,670,184,483
Money at call and short notice			
	5	-	-
Investments			
Government	6	-	-
Others		5,690,565,374	7,300,477,507
		5,690,565,374	7,300,477,507
Loans and advances			
Loans, cash credit, overdraft etc.	7	87,296,289,597	83,934,280,017
Bills purchased and discounted		-	-
		87,296,289,597	83,934,280,017
Fixed assets including land, building, furniture and fixtures			
	8(c)	522,588,832	552,025,946
Other assets			
	9	1,677,432,486	1,143,290,024
Non-banking assets			
		-	-
Total Assets		109,474,635,399	109,165,688,035
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents			
	10	10,771,142,146	12,496,240,919
Deposits and other accounts			
Current accounts and other accounts etc.	11	-	-
Bills payable		-	-
Savings bank deposits		-	-
Term deposits		71,087,281,081	70,257,701,507
Bearer certificate of deposits		-	-
Other deposits		2,498,081,743	2,455,047,719
		73,585,362,824	72,712,749,226
Other liabilities			
	12	12,242,046,763	10,319,370,941
Total Liabilities		96,598,551,733	95,528,361,086
Capital/Shareholders' equity			
Paid-up capital	13	3,770,507,800	3,770,507,800
Share premium	14	1,260,585,930	1,260,585,930
Statutory reserves	15	2,416,541,850	2,416,541,850
General reserves	16	1,000,000,000	1,000,000,000
Dividend equalisation reserves		46,500,000	46,500,000
Retained earnings		4,381,944,901	5,143,188,211
Total Equity attributable to equity holders of the company		12,876,080,481	13,637,323,791
Non-controlling interest			
		3,185	3,158
Total Liabilities and Shareholders' equity		109,474,635,399	109,165,688,035

	<u>Note</u>	<u>31.03.2019</u> <u>BDT</u>	<u>31.12.2018</u> <u>BDT</u>
OFF-BALANCE SHEET ITEMS			
Contingent liabilities			
Acceptances and endorsements	17.1	-	-
Letters of guarantee		25,000,000	11,853,790
Irrevocable letters of credit		-	-
Bills for collection		-	-
Indemnity bond		-	-
Corporate guarantee		750,000,000	750,000,000
		775,000,000	761,853,790
Other commitments			
Documentary credits and short term trade related transactions	17.2	-	-
Forward assets purchased and forward deposits placed		-	-
Un-drawn note issuance and revolving underwriting facilities		-	-
Un-drawn formal standby facilities, credit lines		-	-
Un-disbursed contracted loans and leases		1,781,786,805	1,774,929,398
		1,781,786,805	1,774,929,398
Total Off-Balance Sheet items including contingent liabilities		2,556,786,805	2,536,783,188
Net Assets Value (NAV) per share	35	34.15	36.17

The annexed notes from 1 to 37 form an integral part of these consolidated financial statements.

Sd/-
Chairman

Sd/-
Director

Sd/-
CEO & Managing Director

Sd/-
Chief Financial Officer

Sd/-
Company Secretary

Dhaka, May 13, 2019

IDLC Finance Limited and its Subsidiaries
Consolidated Profit and Loss Account (Un-audited) for the period ended March 31, 2019

	<u>Note</u>	<u>31.03.2019</u> <u>Taka</u>	<u>31.03.2018</u> <u>Taka</u>
Interest income	19	3,036,432,436	2,392,024,175
Interest on deposits and borrowings etc.	20	(1,954,854,145)	(1,423,893,930)
Net interest income		1,081,578,291	968,130,245
Investment income	21	70,397,366	264,623,325
Commission, exchange and brokerage	22	129,612,469	108,811,658
Other operating income	23	107,758,690	116,413,740
Total operating income		1,389,346,816	1,457,978,968
Salaries and allowances	24	343,682,132	301,848,158
Rent, taxes, insurance, electricity etc.	25	57,419,148	53,909,086
Legal expenses	26	4,853,712	4,037,379
Postage, stamp, telecommunication etc.	27	10,457,593	9,669,776
Stationery, printing, advertisements etc.	28	27,576,368	50,276,507
Managing Director's salary and benefits	29	3,400,000	3,340,000
Directors' fees	30	450,576	332,060
Auditors' fees	31	288,750	375,000
Charges on loan losses		-	-
Depreciation and repair of Company's assets	32	44,726,137	44,922,427
Other expenses	33	89,454,929	94,790,928
Total operating expenses		582,309,346	563,501,321
Profit before provision		807,037,470	894,477,647
Provision for loans and investments	12.6(ii)		
General provision		18,401,654	30,287,745
Specific provision		132,435,875	29,589,130
Provision for diminution in value of investments		(146,516,895)	28,872,784
Other provisions		-	-
Total provision		4,320,634	88,749,659
Total profit before taxation		802,716,836	805,727,988
Provision for taxation			
Current tax expense	12.2	249,211,126	255,114,557
Deferred tax income	9.4	(4,928,737)	-
		244,282,389	255,114,557
Net profit after taxation		558,434,447	550,613,431
Attributable to:			
Shareholders of the Company		558,434,420	550,613,397
Non-controlling interest		27	34
		558,434,447	550,613,431
Retained surplus		558,434,420	550,613,397
Earnings Per Share (EPS)	34	1.48	1.46

The annexed notes from 1 to 37 form an integral part of these consolidated financial statements.

Sd/-
Chairman

Sd/-
Director

Sd/-
CEO & Managing Director

Sd/-
Chief Financial Officer

Sd/-
Company Secretary

Dhaka, May 13, 2019

IDLC Finance Limited and its Subsidiaries
Consolidated Cash Flow Statement (Un-audited)
for the period ended March 31, 2019

	<u>31.03.2019</u>	<u>31.03.2018</u>
	<u>Taka</u>	<u>Taka</u>
A) Cash flows from operating activities		
Interest received	2,990,715,452	2,265,083,897
Interest paid	1,789,831,198	(1,367,520,865)
Dividend received	44,510,401	29,714,265
Fees and commission received	129,612,469	108,811,658
Paid to employees and suppliers	(543,783,055)	(523,206,734)
Payment of income tax	(203,550,653)	(235,572,882)
Received from other operating activities	131,575,206	348,911,016
Cash generated from operating activities before changes in operating assets and liabilities	4,338,911,017	626,220,355
Increase/(decrease) in operating assets and liabilities		
Lease receivable	172,585,896	246,459,238
Long-term finance	(2,215,183,815)	(4,618,913,441)
Real estate finance	(1,471,336,576)	(844,002,680)
Car loan	74,436,139	155,724,757
Personal loan	(7,072,272)	(21,165,700)
Loan against deposit	(137,034,893)	39,559,793
Margin loan to portfolio investors	24,196,898	270,568,731
Short term finance	268,417,250	(40,063,712)
Other assets	(559,443,684)	(777,860,065)
Term and other deposits	872,613,598	138,893,282
Net drawdown of short term loan	(1,650,000,000)	805,000,000
Payable and accrued expenses	(3,241,892,444)	413,441,352
Deferred liability-employee gratuity	13,291,432	6,522,249
Portfolio investors' fund	(42,196,267)	191,544,123
Deferred tax liability	(136,458)	-
Interest suspense account	84,234,382	27,483,665
	(7,814,520,816)	(4,006,808,409)
Net cash flows from/(used in) operating activities	(3,475,609,798)	(3,380,588,054)
B) Cash flows from investing activities		
Purchase of fixed assets	(10,442,817)	(13,690,983)
Disposal of fixed assets	3,424,089	4,770,998
Net proceeds of investment in securities	1,609,912,133	1,146,261,778
Net cash flows from/(used in) investing activities	1,602,893,404	1,137,341,793
C) Cash flows from financing activities		
Drawdown of term loans	692,656,051	120,697,500
Repayment of term loans	(767,754,823)	(1,080,438,140)
Dividend paid	(40,265)	-
Net cash flows from/(used in) financing activities	(75,139,037)	(959,740,640)
D) Net increase/(decrease) in cash and cash equivalents (A+ B + C)	(1,947,855,431)	(3,202,986,901)
E) Effects of exchange rate changes on cash and cash equivalents	-	-
F) Cash and cash equivalents at beginning of the year	16,235,614,541	14,727,890,684
G) Cash and cash equivalents at end of the period (D+E+F)	14,287,759,110	11,524,903,783
Cash and cash equivalents at end of the period		
Cash in hand (including foreign currencies) (Note-3.1)	442,931	430,000
Balance with Bangladesh Bank and its agent bank(s) (Note-3.2)	2,591,296,535	1,433,196,354
Balance with other banks and financial institutions (Note-4)	11,696,019,644	9,891,277,429
Money at call and short notice (Note-5)	-	200,000,000
	14,287,759,110	11,524,903,783
Net operating cash flow per share (Note-36)	(9.22)	(8.97)

The annexed notes from 1 to 37 form an integral part of these consolidated financial statements.

IDLC Finance Limited and its Subsidiaries
Consolidated Statement of Changes in Equity (Un-audited)
for the period ended March 31, 2019

<u>Particulars</u>	Attributable to equity holders of the Company						<u>Non-controlling interest</u> BDT	<u>Total equity</u> BDT	
	<u>Paid-up capital</u> BDT	<u>Share premium</u> BDT	<u>Statutory reserves</u> BDT	<u>General reserves</u> BDT	<u>Dividend equalisation reserves</u> BDT	<u>Retained earnings</u> BDT			<u>Total</u> BDT
Balance at January 1, 2019	3,770,507,800	1,260,585,930	2,416,541,850	1,000,000,000	46,500,000	5,143,188,211	13,637,323,791	3,158	13,637,326,949
Dividend for 2018:									
35% cash dividend	-	-	-	-	-	(1,319,677,730)	(1,319,677,730)	-	(1,319,677,730)
Changes in accounting policy	-	-	-	-	-	-	-	-	-
Restated balance	3,770,507,800	1,260,585,930	2,416,541,850	1,000,000,000	46,500,000	3,823,510,481	12,317,646,061	3,158	12,317,649,219
Surplus/(deficit) on account of revaluation of properties	-	-	-	-	-	-	-	-	-
Surplus/(deficit) on account of revaluation of investments	-	-	-	-	-	-	-	-	-
Currency translation differences	-	-	-	-	-	-	-	-	-
Net gain and losses not recognised in the profit and loss accounts	-	-	-	-	-	-	-	-	-
Net profit for the 1st quarter ended 2019	-	-	-	-	-	558,434,420	558,434,420	27	558,434,447
Appropriation to reserves	-	-	-	-	-	-	-	-	-
Balance at March 31, 2019	3,770,507,800	1,260,585,930	2,416,541,850	1,000,000,000	46,500,000	4,381,944,901	12,876,080,481	3,185	12,876,083,666
Balance at March 31, 2018	3,770,507,800	1,260,585,930	2,098,412,371	1,000,000,000	46,500,000	3,840,930,822	12,016,936,923	3,035	12,016,939,958

IDLC Finance Limited
Balance Sheet (Un-audited) as at March 31, 2019

	<u>Note</u>	<u>31.03.2019</u> <u>Taka</u>	<u>31.12.2018</u> <u>Taka</u>
PROPERTY AND ASSETS			
Cash	3		
In hand (including foreign currencies)	3.1	330,000	330,000
Balance with Bangladesh Bank and its agent (including foreign currencies)	3.2	2,591,296,535	2,564,995,968
		2,591,626,535	2,565,325,968
Balance with other banks and financial institutions	4		
Inside Bangladesh	4(a)	10,272,438,305	12,496,696,308
Outside Bangladesh	4(b)	-	-
		10,272,438,305	12,496,696,308
Money at call and short notice	5	-	-
Investments	6		
Government		-	-
Others		2,173,306,853	2,792,871,764
		2,173,306,853	2,792,871,764
Loans and advances	7		
Loans, cash credit, overdraft etc.		85,795,813,951	82,409,607,473
Bills purchased and discounted		-	-
		85,795,813,951	82,409,607,473
Fixed assets including land, building, furniture and fixtures	8(c)	474,698,007	499,135,123
Other assets	9	5,060,246,394	4,418,113,871
Non-banking assets		-	-
Total Assets		106,368,130,044	105,181,750,507
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	10	10,771,142,146	12,246,240,919
Deposits and other accounts	11		
Current accounts and other accounts etc.		-	-
Bills payable		-	-
Savings bank deposits		-	-
Term deposits		72,547,487,331	71,338,071,965
Bearer certificate of deposits		-	-
Other deposits		2,498,081,743	2,455,047,719
		75,045,569,074	73,793,119,684
Other liabilities	12	10,395,512,317	8,113,798,073
Total Liabilities		96,212,223,537	94,153,158,676
Capital/Shareholders' equity			
Paid-up capital	13	3,770,507,800	3,770,507,800
Share premium	14	1,260,585,930	1,260,585,930
Statutory reserves	15	2,416,541,850	2,416,541,850
General reserves	16	1,000,000,000	1,000,000,000
Dividend equalisation reserves		46,500,000	46,500,000
Retained earnings		1,661,770,927	2,534,456,251
Total Equity		10,155,906,507	11,028,591,831
Total Liabilities and Shareholders' equity		106,368,130,044	105,181,750,507

	<u>Note</u>	<u>31.03.2019</u> <u>Taka</u>	<u>31.12.2018</u> <u>Taka</u>
OFF-BALANCE SHEET ITEMS			
Contingent liabilities			
Acceptances and endorsements	17.1	-	-
Letters of guarantee		25,000,000	11,853,790
Irrevocable letters of credit		-	-
Bills for collection		-	-
Indemnity bond		-	-
Corporate guarantee		750,000,000	750,000,000
		775,000,000	761,853,790
Other commitments			
Documentary credits and short term trade related transactions	17.2	-	-
Forward assets purchased and forward deposits placed		-	-
Un-drawn note issuance and revolving underwriting facilities		-	-
Un-drawn formal standby facilities, credit lines		-	-
Un-disbursed contracted loans and leases		1,781,786,805	1,774,929,398
		1,781,786,805	1,774,929,398
Total Off-Balance Sheet items including contingent liabilities		2,556,786,805	2,536,783,188
Net Assets Value (NAV) per share	35	26.94	29.25

The annexed notes from 1 to 37 form an integral part of these financial statements.

Sd/-
Chairman

Sd/-
Director

Sd/
CEO & Managing Director

Sd/-
Chief Financial Officer

Sd/-
Company Secretary

Dhaka, May 13, 2019

IDLC Finance Limited
Profit and Loss Account (Un-audited) for the period ended March 31, 2019

	Note	<u>31.03.2019</u> <u>Taka</u>	<u>31.03.2018</u> <u>Taka</u>
Interest income	19	2,970,637,402	2,351,288,012
Interest on deposits and borrowings etc.	20	(1,980,955,841)	(1,434,155,504)
Net interest income		989,681,561	917,132,508
Investment income	21	19,169,995	164,642,675
Commission, exchange and brokerage	22	1,999,999	953,804
Other operating income	23	105,763,264	114,909,331
Total operating income		1,116,614,819	1,197,638,318
Salaries and allowances	24	275,363,064	249,439,222
Rent, taxes, insurance, electricity etc.	25	46,617,607	43,642,779
Legal expenses	26	3,974,768	3,096,431
Postage, stamp, telecommunication etc.	27	8,500,003	7,587,705
Stationery, printing, advertisements etc.	28	20,007,489	41,717,128
Managing Director's salary and benefits	29	3,400,000	3,340,000
Directors' fees	30	340,400	211,600
Auditors' fees	31	201,250	287,500
Charges on loan losses		-	-
Depreciation and repair of Company's assets	32	38,105,262	38,893,462
Other expenses	33	78,595,923	86,409,501
Total operating expenses		475,105,766	474,625,328
Profit before provisions		641,509,053	723,012,990
Provision for loans and investments	12.6(ii)		
General provision		19,076,072	31,994,353
Specific provision		132,435,875	64,847,249
Provision for diminution in value of investments		(140,801,565)	-
Other provision		-	-
Total provision		10,710,382	96,841,602
Total profit before taxation		630,798,671	626,171,388
Provision for taxation			
Current tax expense	12.2	187,608,096	230,928,198
Deferred tax expenses/(income)	9.4	(3,801,831)	-
		183,806,265	230,928,198
Net profit after taxation		446,992,406	395,243,190
Retained surplus		446,992,406	395,243,190
Earnings Per Share (EPS)	34	1.19	1.05

The annexed notes from 1 to 37 form an integral part of these financial statements.

Sd/-
Chairman

Sd/-
Director

Sd/-
CEO & Managing Director

Sd/-
Chief Financial Officer

Sd/-
Company Secretary

Dhaka, May 13, 2019

IDLC Finance Limited
Cash Flow Statement (Un-audited) for the period ended March 31, 2019

	<u>31.03.2019</u>	<u>31.03.2018</u>
	<u>Taka</u>	<u>Taka</u>
A) Cash flows from operating activities		
Interest received	2,923,353,293	2,245,617,974
Interest paid	(1,636,041,612)	(1,377,782,439)
Dividend received	27,954,748	4,049,894
Fees and commission received	1,999,999	953,804
Paid to employees and suppliers	(441,713,277)	(439,580,425)
Payment of income tax	(166,398,756)	(202,428,254)
Received from other operating activities	108,026,692	265,212,719
Cash generated from operating activities before changes in operating assets and liabilities	817,181,086	496,043,273
Increase/(decrease) in operating assets and liabilities		
Lease receivable	172,585,896	246,459,238
Long-term finance	(2,215,183,815)	(4,618,913,441)
Real estate finance	(1,471,336,576)	(844,002,680)
Car loan	74,436,139	155,724,757
Personal loan	(7,072,272)	(21,165,700)
Loan against deposit	(137,034,893)	39,559,793
Loan to subsidiaries	-	574,400,000
Short term finance	268,417,250	(40,063,712)
Other assets	(678,476,620)	19,142,511
Term and other deposits	1,252,449,389	146,150,996
Net drawdown of short term loan	(1,400,000,000)	805,000,000
Payable and accrued expenses	495,039,222	(332,940,538)
Deferred liability-employee gratuity	9,771,056	4,846,056
Interest suspense account	84,234,382	27,483,665
	(3,552,170,842)	(3,838,319,057)
Net cash flows from/(used in) operating activities	(2,734,989,756)	(3,342,275,784)
B) Cash flows from investing activities		
Purchase of fixed assets	(9,269,658)	(11,887,306)
Disposal of fixed assets	1,876,105	4,770,999
Net proceeds of investment in securities	619,564,911	459,473,264
Net cash flows from/(used in) investing activities	612,171,357	452,356,956
C) Cash flows from financing activities		
Drawdown of term loans	692,656,051	120,697,500
Repayment of term loans	(767,754,823)	(1,080,438,140)
Dividend paid	(40,265)	-
Net cash flows from/(used in) financing activities	(75,139,037)	(959,740,640)
D) Net increase/(decrease) in cash and cash equivalents (A+B+C)	(2,197,957,436)	(3,849,659,468)
E) Effects of exchange rate changes on cash and cash equivalents	-	-
F) Cash and cash equivalents at beginning of the year	15,062,022,276	13,772,759,352
G) Cash and cash equivalents at end of the period (D+E+F)	12,864,064,840	9,923,099,884
Cash and cash equivalents at end of the period		
Cash in hand (including foreign currencies) (Note-3.1)	330,000	330,000
Balance with Bangladesh Bank and its agent bank(s) (Note-3.2)	2,591,296,535	1,433,196,354
Balance with other banks and financial institutions (Note-4)	10,272,438,305	8,289,573,530
Money at call and short notice (Note-5)	-	200,000,000
	12,864,064,840	9,923,099,884
Net operating cash flow per share (Note-36)	(7.25)	(8.86)

The annexed notes from 1 to 37 form an integral part of these financial statements.

IDLC Finance Limited
Statement of Changes in Equity (Un-audited)
for the period ended March 31, 2019

<u>Particulars</u>	<u>Paid-up capital</u> BDT	<u>Share premium</u> BDT	<u>Statutory reserves</u> BDT	<u>General reserves</u> BDT	<u>Dividend equalisation reserves</u> BDT	<u>Retained earnings</u> BDT	<u>Total</u> BDT
Balance at January 1, 2019	3,770,507,800	1,260,585,930	2,416,541,850	1,000,000,000	46,500,000	2,534,456,251	11,028,591,831
Dividend for 2018:							
35% cash dividend	-	-	-	-	-	(1,319,677,730)	(1,319,677,730)
Changes in accounting policy	-	-	-	-	-	-	-
Restated balance	3,770,507,800	1,260,585,930	2,416,541,850	1,000,000,000	46,500,000	1,214,778,521	9,708,914,101
Surplus/(deficit) on account of revaluation of properties	-	-	-	-	-	-	-
Surplus/(deficit) on account of revaluation of investments	-	-	-	-	-	-	-
Currency translation differences	-	-	-	-	-	-	-
Net gain and losses not recognised in the profit and loss accounts	-	-	-	-	-	-	-
Net profit for the 1st quarter ended 2019	-	-	-	-	-	446,992,406	446,992,406
Appropriation to reserve	-	-	-	-	-	-	-
Balance at March 31, 2019	3,770,507,800	1,260,585,930	2,416,541,850	1,000,000,000	46,500,000	1,661,770,927	10,155,906,507
Balance at March 31, 2018	3,770,507,800	1,260,585,930	2,098,412,371	1,000,000,000	46,500,000	1,657,181,525	9,833,187,626

IDLC Finance Limited and its Subsidiaries
Selected Explanatory notes to the consolidated and separate financial statements (Un-Audited)
As at and for the period ended March 31, 2019

1. Company and its activities

1.1 Legal status and nature of the Company

IDLC Finance Limited (The Company "IDLC") was incorporated in Bangladesh as a public limited company on May 23, 1985 under the Companies Act, 1913 in its earlier name of Industrial Development Leasing Company of Bangladesh Limited. The Company changed its name in August 2007. The registered office of the company is situated at Bay's Galleria (1st Floor), 57 Gulshan Avenue, Gulshan 1, Dhaka. The Company is registered as a Financial Institution under the Financial Institutions Act, 1993, governed by Bangladesh Bank (the Central Bank of Bangladesh)

The Company went for public issue of its shares in 1993. Its shares are listed in both the Stock Exchanges in Bangladesh.

1.2 Principal activities and nature of operation

When incorporated, the Company started with lease and term financing, as its core businesses. It expanded its activities into 'Short-Term Finance' (factoring of accounts receivable and work order financing) and 'Real Estate Finance' operations in 1997. It also started car loan and personal loan services to individuals in 2004 and 2007, respectively. Now, the company has evolved itself as multiproduct financial institution.

1.3 Subsidiary companies

1.3.1 IDLC Securities Limited (IDLC SL)

IDLC Securities Limited, a wholly owned subsidiary company (99.99%) of IDLC Finance Limited, was incorporated on April 19, 2006 as a private limited company under Companies Act, 1994. The Company had started its operation from September 2006. The main objective of the Company is to act as a member of stock exchanges to operate the Central Depository System (CDS) and to carry on the business of brokers, jobbers or dealers in stocks, shares, securities, commodities, commercial papers, bonds, obligations and debentures etc.

1.3.2 IDLC Investments Limited (IDLC IL)

As required by the Bangladesh Securities & Exchange Commission (BSEC), the Company formed a separate subsidiary (99.99%) on May 19, 2010 in the name and style of "IDLC Investments Limited" to transfer its merchant banking activities. As per Securities and Exchange Commission (Merchant Banker and Portfolio Manager) Rules, 1996, the services of issue management, portfolio management, underwriting of shares and securities advisory services fall under the purview of merchant banking operation. The Company obtained license from the Bangladesh Securities and Exchange Commission (BSEC) on August 02, 2011 and commenced its business on August 16, 2011.

1.3.3 IDLC Asset Management Limited (IDLC AML)

IDLC Asset Management Limited (IDLC AML), another wholly owned subsidiary company (99.99%) of IDLC Finance Limited, was incorporated on November 19, 2015 as a private limited company under Companies Act, 1994.

The main objective of the Company is to carry out the business of asset management, primarily, through launching and managing mutual funds to cater diverse needs of investors. Beside institutional fund management IDLC AML also aims to facilitate alternative investments in terms of private equity and venture capital.

2. Basis of preparation and significant accounting policies

2.1 Statement of compliance

The consolidated financial statements and separate financial statements of the Company have been prepared on a going concern basis following accrual basis of accounting except for cash flow statement and investment in marketable securities which are stated at market value in accordance with International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) as adopted in Bangladesh by the Institute of Chartered Accountants of Bangladesh, except the circumstances where local regulations differ, and the Companies Act, 1994, the Financial Institutions Act, 1993, Securities and Exchange Rules, 1987 & the (Listing) Regulations, 2015 of Dhaka & Chittagong Stock Exchanges and other applicable laws and regulations.

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

2.2 Basis of measurement

This financial statements have been prepared based on International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) and no adjustment has been made for inflationary factors affecting the financial statements. The accounting policies, unless otherwise stated, have been consistently applied by the Company and are consistent with those of the previous year.

2.3 Date of authorisation

The Board of directors has authorised this financial statements for public issue on 13 May 2019.

2.4 Reporting

This first quarterly financial report has been prepared based on International Accounting Standard (IAS) - 34: "Interim Financial Reporting".

These interim financial statements should be read in conjunction with the published financial statement for the year ended December 31, 2018, as they provide an update to previously reported information.

2.5 Accounting policies and method of computations

Accounting policies and methods of computations followed in preparing this financial statement are consistent with those used in the annual financial statements, prepared and published for the year ended December 31, 2018.

2.6 Consolidation of operations of subsidiaries

The consolidation of the financial statements have been made after eliminating all material intra group transactions.

The total profits of the Company and its subsidiaries are shown in the consolidated profit and loss account, with the proportion of profit after taxation pertaining to minority shareholders being deducted as 'non-controlling interest'.

2.7 Subsequent events

No material events occurred after the reporting date, non-disclosure of which could affect the ability of the users of this financial statement to make proper evaluation and decision.

2.8 Reclassifications

To facilitate comparison, certain relevant balances pertaining to the previous period have been rearranged/restated/reclassified, whenever considered necessary, to conform to current period's presentation.

	IDLC Finance Limited		IDLC Group	
	31.03.2019 BDT	31.12.2018 BDT	31.03.2019 BDT	31.12.2018 BDT
3 Cash				
3.1 Cash in hand (including foreign currencies)				
In local currency	330,000	330,000	442,931	434,090
In foreign currency	-	-	-	-
	330,000	330,000	442,931	434,090
3.2 Balance with Bangladesh Bank and its agent (including foreign currencies)				
In local currency	2,591,296,535	2,564,995,968	2,591,296,535	2,564,995,968
In foreign currency	-	-	-	-
	2,591,296,535	2,564,995,968	2,591,296,535	2,564,995,968
	2,591,626,535	2,565,325,968	2,591,739,466	2,565,430,058
4 Balance with other banks and financial institutions in Bangladesh				
4(a) Inside Bangladesh:				
Current deposits in local currency				
Woori Bank limited	5,712	5,832	5,712	5,832
Bank Al- Falah Limited	-	1,460	-	1,460
One Bank Limited	-	-	29,814,981	3,295,766
Jamuna Bank Limited	7,240	7,240	7,240	7,240
The City Bank Limited	3,699,728	19,100,962	3,699,728	19,100,962
National Bank Limited	2,232,087	12,048,186	2,232,087	12,048,186
Bank Asia Limited	19,159,521	12,609,106	19,159,521	12,609,106
State Bank of India	45,504	13,345,504	45,504	13,345,504
Commercial Bank of Ceylon PLC	12,212,339	507,076	12,287,261	1,620,138
Citibank N.A	415,178,901	162,608,798	415,178,901	162,608,798
Standard Chartered Bank	(1,003,794,918)	(936,536,798)	(752,030,568)	(501,109,222)
Mutual Trust Bank Limited	4,527,544	(1,719,021)	4,527,544	(1,719,021)
Exim Bank Limited	2,006,263	3,655,870	2,006,263	3,655,870
Dutch Bangla Bank Limited	24,856,276	30,182,492	24,856,276	30,182,492
BRAC Bank Limited	25,851,503	23,901,508	106,204,869	44,576,133
Dhaka Bank Limited	27,618,908	5,062,481	27,618,908	5,062,481
NRB Bank Limited	-	-	193,841	190,901
Mercantile Bank Limited	(3,105,922)	1,157,719	(3,105,922)	1,157,719
NCC Bank Limited	1,208,417	-	327,917,842	-
IDLC Investments Limited	4,263,074	106,347,259	-	-
	(464,027,823)	(547,714,326)	220,619,988	(193,359,655)
Short-term deposit accounts				
Prime Bank Limited	91,717	1,078,215	91,717	1,078,215
Dutch Bangla Bank Limited	-	-	12,017,157	5,957,617
The City Bank Limited	9,628,139	58,991,780	9,628,139	58,991,780
BRAC Bank Limited	-	-	31,706,782	18,686,987
Southeast Bank Limited	4,565,591	9,891,608	4,565,591	9,891,608
Citibank N.A.	(345,674,860)	321,351	(345,674,860)	321,351
Standard Chartered Bank	(31,037,119)	(20,606)	(30,997,187)	(18,699)
Commercial Bank of Cylon	1,671,377	6,154,568	4,006,726	10,430,301
One Bank Limited	2,394,112,494	1,446,866,126	2,405,311,498	1,454,233,015
NCC Bank Limited	-	-	175,303,959	374,459,810
Exim Bank Limited	613,108,778	1,281,127,581	1,034,940,122	1,637,350,766
NRB Bank Limited	11	11	12	12
	2,646,466,128	2,804,410,634	3,300,899,656	3,571,382,763
Fixed Deposits				
Al-Arafah Islami Bank Limited	1,100,000,000	900,000,000	1,100,000,000	900,000,000
AB Bank Limited	200,000,000	200,000,000	200,000,000	200,000,000
Meghna Bank Limited	750,000,000	750,000,000	750,000,000	750,000,000
South Bangla Agriculture & Commerce Bank Limited	90,000,000	90,000,000	90,000,000	90,000,000
ONE Bank Limited	300,000,000	2,200,000,000	300,000,000	2,200,000,000
Southeast Bank Limited	250,000,000	500,000,000	250,000,000	500,000,000
Jamuna Bank Limited	1,550,000,000	1,550,000,000	1,550,000,000	1,550,000,000
Dhaka Bank Limited	3,000,000,000	3,000,000,000	3,000,000,000	3,000,000,000
Standard Bank Limited	50,000,000	750,000,000	50,000,000	750,000,000
Export Import Bank of Bangladesh Limited	500,000,000	-	500,000,000	-
IPDC Finance Limited	300,000,000	300,000,000	350,000,000	317,661,375
Trust Bank Limited	-	-	2,500,000	2,500,000
Standard Chartered Bank	-	-	32,000,000	32,000,000
	8,090,000,000	10,240,000,000	8,174,500,000	10,292,161,375
	10,272,438,305	12,496,696,308	11,696,019,644	13,670,184,483
4(b) Outside Bangladesh	-	-	-	-
Total balance	10,272,438,305	12,496,696,308	11,696,019,644	13,670,184,483

	IDLC Finance Limited		IDLC Group	
	31.03.2019	31.12.2018	31.03.2019	31.12.2018
	BDT	BDT	BDT	BDT
5 Money at call and short notice	-	-	-	-
6 Investments				
Government securities				
Treasury bill	-	-	-	-
National Investment bonds	-	-	-	-
Bangladesh Bank bill	-	-	-	-
Government notes/bonds	-	-	-	-
Prize bonds	-	-	-	-
Others	-	-	-	-
Other investments				
Investment in non marketable ordinary shares (Note 6.1)	7,864,000	7,864,000	167,864,000	107,864,000
Investment in preference shares (Note 6.2)	71,500,000	-	71,500,000	-
Investment in debenture and bonds (Note 6.3)	420,000,000	420,000,000	733,734,662	738,434,071
Investment in marketable securities (Note 6.4)	1,473,942,853	2,165,007,764	4,517,466,712	6,254,179,436
Investment in open end mutual fund (Note 6.5)	200,000,000	200,000,000	200,000,000	200,000,000
Other investments	-	-	-	-
Gold etc.	-	-	-	-
	2,173,306,853	2,792,871,764	5,690,565,374	7,300,477,507
	2,173,306,853	2,792,871,764	5,690,565,374	7,300,477,507

6.1 Investment in non marketable ordinary shares

	No. of Shares				
Credit Rating Agency of Bangladesh Limited	17,198	1,719,800	1,719,800	1,719,800	1,719,800
* The Bangladesh Rating Agency Limited (BDRAL)	61,442	6,144,200	6,144,200	6,144,200	6,144,200
Jayson Pharmaceuticals Limited	-	-	-	160,000,000	100,000,000
* Previously the name was Dan & Bradstreet Rating Agency Bangladesh Limited	-	-	-	-	-
		7,864,000	7,864,000	167,864,000	107,864,000

6.2 Investment in preference shares

Chaldal Limited	71,500,000	-	71,500,000	-
	71,500,000	-	71,500,000	-

6.3 Investment in bonds

Mercantile Bank Limited	180,000,000	180,000,000	180,000,000	180,000,000
United Commercial Bank Limited	240,000,000	240,000,000	240,000,000	240,000,000
Paramount Textile Limited	-	-	146,780,658	155,366,353
Impress-Newtex Composite Textile Limited	-	-	166,954,004	163,067,718
	420,000,000	420,000,000	733,734,662	738,434,071

6.4 Investment in marketable securities

Investment in marketable securities (Note 6.4.1)	1,467,373,783	2,164,334,034	4,505,447,932	6,251,214,676
Investment in Initial Public Offering (Note 6.4.2)	6,569,070	673,730	12,018,780	2,964,760
	1,473,942,853	2,165,007,764	4,517,466,712	6,254,179,436

6.4.1 Investment in marketable securities

Details of marketable securities are given below:

Business Segments	IDLC Finance Limited		IDLC Group	
	Cost price	Market price at the end of the year	Cost price	Market price at the end of the year
	BDT	BDT	BDT	BDT
Mutual Funds	65,047,280	49,007,999	111,868,701	84,886,337
Banks	224,283,860	232,233,000	770,627,947	698,913,443
Textiles	45,745	107,685	172,119,484	137,129,458
Pharmaceuticals & Chemicals	100,752,651	100,822,493	544,882,888	540,161,005
Fuel & Power	224,078,290	215,662,146	620,728,379	575,102,951
Financial Institutions	9,999,996	9,999,996	31,827,105	31,334,469
Telecom	334,439,015	320,359,816	817,930,805	815,601,195
Cement	-	-	627,333,113	575,311,627
Engineering & Others	508,726,946	512,708,011	808,129,510	798,508,413
	1,467,373,783	1,440,901,146	4,505,447,932	4,256,948,898

	IDLC Finance Limited		IDLC Group	
	31.03.2019	31.12.2018	31.03.2019	31.12.2018
	BDT	BDT	BDT	BDT
6.4.2 Investment in Initial Public Offering	6,569,070	673,730	12,018,780	2,964,760
6.5 Investment in open end mutual fund				
IDLC Finance Limited (IDLC FL) invested BDT. 200,000,000 as the sponsor in open-ended mutual fund. IDLC Asset Management Limited (IDLC AML) is the fund manger of this mutual fund. The objective of the fund is to provide attractive risk adjusted returns to the unit holders by investing the proceeds in the Capital Market and Money Market.				
7 Loans and advances				
Inside Bangladesh:				
Lease receivable (Note 7.1)	4,104,282,451	4,276,868,347	4,104,282,451	4,276,868,347
Long-term finance (Note 7.2)	50,855,400,043	48,640,216,228	50,855,400,043	48,640,216,228
Real estate finance (Note 7.3)	26,602,728,445	25,131,391,869	26,602,728,445	25,131,391,869
Car loans (Note 7.4)	1,335,366,438	1,409,802,577	1,335,366,438	1,409,802,577
Personal loan (Note 7.5)	155,008,686	147,936,414	155,008,686	147,936,414
Short term finance (Note 7.6)	637,133,947	905,551,197	637,133,947	905,551,197
Loan to subsidiaries (Note 7.7)	-	-	-	-
Loan against deposit (LAD)	894,791,664	757,756,771	894,791,664	757,756,771
Margin loan to portfolio investors (Note 7.8)	-	-	1,500,475,646	1,524,672,544
Interest receivable (Note-7.9)	1,211,102,278	1,140,084,071	1,211,102,278	1,140,084,071
	85,795,813,951	82,409,607,473	87,296,289,597	83,934,280,017
Outside Bangladesh				
	85,795,813,951	82,409,607,473	87,296,289,597	83,934,280,017
7.1 Lease receivable				
Balance at January 1	4,276,868,347	4,628,820,564	4,276,868,347	4,628,820,564
Add: Addition during the period/year	222,715,434	1,589,662,430	222,715,434	1,589,662,430
	4,499,583,781	6,218,482,994	4,499,583,781	6,218,482,994
Less: Realisation during the period/year	395,301,330	1,941,614,647	395,301,330	1,941,614,647
Balance at period/year end	4,104,282,451	4,276,868,347	4,104,282,451	4,276,868,347
7.2 Long-term finance				
Balance at January 1	48,640,216,228	39,242,839,011	48,640,216,228	39,242,839,011
Add: Disbursement during the period/year	10,888,658,498	31,209,698,141	10,888,658,498	31,209,698,141
	59,528,874,726	70,452,537,152	59,528,874,726	70,452,537,152
Less : Realisation during the period/year	8,673,474,683	21,812,320,924	8,673,474,683	21,812,320,924
Balance at period/year end	50,855,400,043	48,640,216,228	50,855,400,043	48,640,216,228
7.3 Real estate finance				
This represents loans to individuals, employees under the Company's real estate loan scheme and corporate bodies for purchase and construction of apartments and homes in urban areas for periods ranging from 5 to 20 years.				
Balance at January 1	25,131,391,869	21,461,517,186	25,131,391,869	21,461,517,186
Add: Disbursement during the period/year	2,625,015,112	7,382,569,786	2,625,015,112	7,382,569,786
	27,756,406,981	28,844,086,972	27,756,406,981	28,844,086,972
Less : Realisation during the period/year	1,153,678,536	3,712,695,103	1,153,678,536	3,712,695,103
Balance at period/year end	26,602,728,445	25,131,391,869	26,602,728,445	25,131,391,869
7.4 Car loans				
Balance at January 1	1,409,802,577	1,858,522,855	1,409,802,577	1,858,522,855
Add: Disbursement during the period/year	112,198,731	361,691,440	112,198,731	361,691,440
	1,522,001,308	2,220,214,295	1,522,001,308	2,220,214,295
Less : Realisation during the period/year	186,634,870	810,411,718	186,634,870	810,411,718
Balance at period/year end	1,335,366,438	1,409,802,577	1,335,366,438	1,409,802,577
7.5 Personal loan				
Balance at January 1	147,936,414	92,857,372	147,936,414	92,857,372
Add: Disbursement during the period/year	24,065,365	94,760,641	24,065,365	94,760,641
	172,001,779	187,618,013	172,001,779	187,618,013
Less : Realisation during the period/year	16,993,093	39,681,599	16,993,093	39,681,599
Balance at period/year end	155,008,686	147,936,414	155,008,686	147,936,414
7.6 Short term finance				
Factoring of account receivable	637,133,947	905,551,197	637,133,947	905,551,197

	IDLC Finance Limited		IDLC Group	
	31.03.2019	31.12.2018	31.03.2019	31.12.2018
	BDT	BDT	BDT	BDT
7.7 Loan to Subsidiaries				
Balance at January 1	-	1,230,349,692	-	-
Add: Disbursement during the period/year	612,300,000	8,413,400,000	-	-
	612,300,000	9,643,749,692	-	-
Less : Realisation during the period/year	612,300,000	9,643,749,692	-	-
Balance at period/year end	-	-	-	-
7.7.1 Loan to IDLC Investments Limited				
Balance at January 1	-	1,230,349,692	-	-
Add: Disbursement during the period/year	522,300,000	5,738,400,000	-	-
	522,300,000	6,968,749,692	-	-
Less : Realisation during the period/year	522,300,000	6,968,749,692	-	-
Balance at period/year end	-	-	-	-
7.7.2 Loan to IDLC Securities Limited				
Balance at January 1	-	-	-	-
Add: Disbursement during the period/year	90,000,000	2,675,000,000	-	-
	90,000,000	2,675,000,000	-	-
Less : Realisation during the period/year	90,000,000	2,675,000,000	-	-
Balance at period/year end	-	-	-	-
7.8 Margin loan to portfolio investors				
Balance at January 1	-	-	1,524,672,544	2,063,263,811
Add: Disbursement during the period/year	-	-	767,146,889	2,872,174,251
	-	-	2,291,819,433	4,935,438,062
Less : Realisation during the period/year	-	-	791,343,787	3,410,765,518
Balance at period/year end	-	-	1,500,475,646	1,524,672,544
7.9 Interest Receivables				
Lease receivable	82,857,685	77,832,232	82,857,685	77,832,232
Long-term finance	720,864,648	676,210,534	720,864,648	676,210,534
Real estate finance	340,685,809	320,225,059	340,685,809	320,225,059
Car loan	12,602,242	13,329,194	12,602,242	13,329,194
Personal loan	1,804,874	1,793,519	1,804,874	1,793,519
Loan against deposit (LAD)	50,958,010	40,490,071	50,958,010	40,490,071
Short term finance	1,329,010	10,203,462	1,329,010	10,203,462
	1,211,102,278	1,140,084,071	1,211,102,278	1,140,084,071

	IDLC Finance Limited		IDLC Group	
	31.03.2019	31.12.2018	31.03.2019	31.12.2018
	BDT	BDT	BDT	BDT
8 Fixed assets including land, building, furniture and fixtures				
a. Cost				
Balance at 01 January	1,302,436,541	1,302,771,783	1,508,163,592	1,502,935,732
Addition during the period/year	9,269,658	47,724,871	10,442,817	56,508,623
	1,311,706,199	1,350,496,653	1,518,606,409	1,559,444,355
Disposal/Adjustments during the period/year	(8,017,311)	(48,060,112)	(10,998,634)	(51,280,763)
Balance at period/year end	1,303,688,888	1,302,436,541	1,507,607,775	1,508,163,591
b. Accumulated depreciation				
Balance at 01 January	803,301,418	705,515,711	956,137,646	840,143,807
Charged during the period/year	33,392,489	137,598,412	38,526,291	158,725,831
	836,693,906	843,114,123	994,663,937	998,869,638
Disposal/Adjustments during the period/year	(7,703,025)	(39,812,705)	(9,644,994)	(42,731,993)
Balance at period/year end	828,990,882	803,301,418	985,018,943	956,137,645
c. Written down value (a-b)	474,698,007	499,135,123	522,588,832	552,025,946
A schedule of fixed assets including land, building, furniture and fixtures is given in Annexure-A				
9 Other assets				
Investment in subsidiary companies (Note - 9.1)	3,999,999,790	3,949,999,790	-	-
Accounts receivable (Note - 9.2)	245,209,560	243,987,618	785,384,257	845,806,562
Advances, deposits and prepayments (Note - 9.3)	780,510,264	193,401,514	805,041,354	215,268,866
Deferred tax asset (Note - 9.4)	34,526,780	30,724,949	72,137,125	67,344,846
Investment in stock exchanges (Note - 9.5)	-	-	14,869,750	14,869,750
	5,060,246,394	4,418,113,871	1,677,432,486	1,143,290,024
9.1 Investment in subsidiary companies				
IDLC Securities Limited (Note- 9.1.1)	1,649,999,900	1,649,999,900	-	-
IDLC Investments Limited (Note- 9.1.2)	2,199,999,900	2,199,999,900	-	-
IDLC Asset Management Limited (Note- 9.1.3)	149,999,990	99,999,990	-	-
	3,999,999,790	3,949,999,790	-	-
9.1.1	Out of the total of 20,000,000 ordinary shares issued and paid up, IDLC Finance Limited holds 19,999,992 (including bonus shares issued in 2008, 2009 and 2010) ordinary shares of BDT 100 each.			
9.1.2	Out of the total of 22,000,000 ordinary shares issued and paid up, IDLC Finance Limited holds 21,999,999 ordinary shares of BDT 100 each.			
9.1.3	Out of the total of 10,000,000 ordinary shares issued and paid up, IDLC Finance Limited holds 9,999,999 ordinary shares of BDT 10 each. During the period Q1 2019, additional BDT 50,000,000 has been invested as equity.			
9.2 Accounts receivable				
Interest receivable	134,949,583	171,293,681	146,786,934	172,088,157
Other receivables	110,259,976	72,693,937	638,597,322	673,718,405
	245,209,560	243,987,618	785,384,257	845,806,562
9.3 Advances, deposits and prepayments				
Deposits and prepayments	19,834,012	8,111,772	20,475,025	8,742,785
Advance against expenses	760,676,252	185,289,742	784,566,329	206,526,081
	780,510,264	193,401,514	805,041,354	215,268,866

Advances, deposits and prepayments are considered good but not secured by collateral.

9.4 Deferred tax

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

Deferred tax liability is arrived at as follows:

	IDLC Finance Limited			Subsidiaries		
	Carrying amount at balance sheet BDT	Tax base BDT	(Taxable)/deductible temporary difference BDT	Carrying amount at balance sheet BDT	Tax base BDT	(Taxable)/deductible temporary difference BDT
2019						
Assets (excluding land):						
Fixed assets net of depreciation as on March 31, 2019 (IDLC FL)	-	-	-	-	-	-
Fixed assets net of depreciation as on March 31, 2019 (IDLC SL)	-	-	-	-	-	-
Fixed assets net of depreciation as on March 31, 2019 (IDLC IL)	-	-	-	-	-	-
Fixed assets net of depreciation as on March 31, 2019 (IDLC AML)	-	-	-	10,525,957	9,384,344	(1,141,613)
Total	-	-	-	10,525,957	9,384,344	(1,141,613)
2018						
Assets (excluding land):						
Fixed assets net of depreciation as on December 31, 2018 (IDLC AML)	-	-	-	11,348,992	9,817,499	(1,531,493)
Total	-	-	-	11,348,992	9,817,499	(1,531,493)
Applicable tax rate for IDLC FL			37.50%			
Applicable tax rate for IDLC AML						35.00%
Deferred tax liability as on March 31, 2019			-			(399,565)
Deferred tax liability as on December 31, 2018			-			(536,023)
Deferred tax (expenses)/ income accounted for during the period			-			136,458

Deferred tax asset is arrived at as follows:

	IDLC Finance Limited			Subsidiaries		
	Carrying amount at balance sheet BDT	Tax base BDT	(Taxable)/deductible temporary difference BDT	Carrying amount at balance sheet BDT	Tax base BDT	(Taxable)/deductible temporary difference BDT
2019						
Assets (excluding land):						
Fixed assets net of depreciation as on March 31, 2019 (IDLC FL)	447,739,537	530,561,116	82,821,579	-	-	-
* Difference for vehicle	(9,249,835)	-	9,249,835	-	-	-
Fixed assets net of depreciation as on March 31, 2019 (IDLC SL)	-	-	-	24,984,526	46,639,779	21,655,253
Fixed assets net of depreciation as on March 31, 2019 (IDLC IL)	-	-	-	11,675,903	22,152,570	10,476,667
Fixed assets net of depreciation as on March 31, 2019 (IDLC AML)	-	-	-	-	-	-
Total	438,489,702	530,561,116	92,071,414	36,660,429	68,792,349	32,131,920
Liabilities:						
Employee gratuity as on March 31, 2019 (IDLC SL)	-	-	-	33,903,401	-	33,903,401
Employee gratuity as on March 31, 2019 (IDLC IL)	-	-	-	15,528,500	-	15,528,500
Employee gratuity as on March 31, 2019 (IDLC AML)	-	-	-	-	-	-
Total	-	-	-	49,431,901	-	49,431,901
Loss on sale of secondary shares (IDLC SL)	-	-	-	-	-	-
Loss on sale of secondary shares (IDLC IL)	-	-	-	84,128,783	-	84,128,783
Total	-	-	-	84,128,783	-	84,128,783
Grand Total	-	-	-	133,560,684	-	133,560,684

2018	IDLC Finance Limited			Subsidiaries		
	Carrying amount at balance sheet BDT	Tax base BDT	(Taxable)/deductible temporary difference BDT	Carrying amount at balance sheet BDT	Tax base BDT	(Taxable)/deductible temporary difference BDT
Assets (excluding land):						
Fixed assets net of depreciation as on December 31, 2018 (IDLC FL)	472,176,653	542,662,941	70,486,287	-	-	-
* Difference for vehicle	(11,446,911)	-	11,446,911	-	-	-
Fixed assets net of depreciation as on December 31, 2018 (IDLC SL)	-	-	-	27,736,205	48,946,378	21,210,173
Fixed assets net of depreciation as on December 31, 2018 (IDLC IL)	-	-	-	13,008,583	22,929,921	9,921,338
Fixed assets net of depreciation as on December 31, 2018 (IDLC AML)	-	-	-	-	-	-
Total	460,729,743	542,662,941	81,933,198	40,744,788	71,876,299	31,131,511
Liabilities:						
Employee gratuity as on December 31, 2018 (IDLC SL)	-	-	-	32,087,130	-	32,087,130
Employee gratuity as on December 31, 2018 (IDLC IL)	-	-	-	14,424,395	-	14,424,395
Employee gratuity as on December 31, 2018 (IDLC AML)	-	-	-	-	-	-
Total	-	-	-	46,511,525	-	46,511,525
Loss on sale of secondary shares (IDLC SL)	-	-	-	-	-	-
Loss on sale of secondary shares (IDLC IL)	-	-	-	88,361,906	-	88,361,906
Total	-	-	-	88,361,906	-	88,361,906
Grand Total	-	-	-	134,873,431	-	134,873,431

Applicable tax rate for IDLC Finance Limited	37.50%	-
Applicable tax rate for IDLC Securities Limited	-	35.00%
Applicable tax rate for IDLC Investments Limited	-	37.50%
Applicable tax rate for IDLC Asset Management Limited	-	35.00%
Applicable tax rate for loss on sale of secondary shares	10.00%	10.00%
Deferred tax asset as on March 31, 2019	34,526,780	37,610,345
Deferred tax asset as on December 31, 2018	30,724,949	36,619,897
Deferred tax (expenses)/ income accounted for during the period	3,801,831	990,448
Net deferred tax (expense)/income	3,801,831	1,126,906

2019: Consolidated deferred tax income was BDT 4,928,737 which includes BDT 3,801,831 for deferred tax income of IDLC Finance Limited, BDT 791,473 for deferred tax income of IDLC Securities Limited, BDT 198,975 for deferred tax income of IDLC Investments Limited and BDT 136,458 for deferred tax income of IDLC Asset Management Limited.

* This represents the permanent difference related to sedan cars, not plying for hire, owned by IDLC. As per the provisions of Income Tax Ordinance 1984, depreciation on such cars is allowed only up to certain limit of cost (currently BDT. 2.5 million per car) of such cars for tax purpose. Difference for vehicle represents the amount of depreciated cost exceeding such limits.

9.5 Investment in stock exchanges	IDLC Finance Limited		IDLC Group	
	31.03.2019 BDT	31.12.2018 BDT	31.03.2019 BDT	31.12.2018 BDT
DSE membership at cost	-	-	11,418,750	11,418,750
CSE membership at cost	-	-	3,451,000	3,451,000
	-	-	14,869,750	14,869,750

IDLC Securities Limited has received the following shares from DSE and CSE against the membership under demutualization scheme of the stock exchanges.

Stock Exchange	Type of Shares	Number of Shares	Face Value
Dhaka Stock Exchange Limited	Floated (53.33%)	2,886,042	10
	Blocked (46.67%)	2,525,287	10
		5,411,329	
Chittagong Stock Exchange Limited	Floated (40%)	1,714,932	10
	Blocked (60%)	2,572,398	10
		4,287,330	

Valuation of membership has been shown at cost in the accounts.

	IDLC Finance Limited		IDLC Group	
	31.03.2019	31.12.2018	31.03.2019	31.12.2018
	BDT	BDT	BDT	BDT
10 Borrowings from other banks, financial institutions				
Inside Bangladesh (Note- 10.1)	10,771,142,146	12,246,240,919	10,771,142,146	12,496,240,919
Outside Bangladesh	-	-	-	-
	10,771,142,146	12,246,240,919	10,771,142,146	12,496,240,919
10.1 Inside Bangladesh				
Secured Loans				
Secured Long-term loans				
Woori Bank	80,000,000	93,333,333	80,000,000	93,333,333
Total secured long-term loans	80,000,000	93,333,333	80,000,000	93,333,333
Secured Short Term Loan				
Citi Bank N.A.	400,000,000	560,000,000	400,000,000	560,000,000
Standard Chartered Bank	1,500,000,000	2,500,000,000	1,500,000,000	2,750,000,000
Commercial Bank of Ceylon Plc	535,000,000	535,000,000	535,000,000	535,000,000
Total secured short term loan	2,435,000,000	3,595,000,000	2,435,000,000	3,845,000,000
Total secured loans	2,515,000,000	3,688,333,333	2,515,000,000	3,938,333,333
Unsecured loans				
Zero Coupon Bond				
A. K. Khan & Company Limited	173,555,279	221,932,710	173,555,279	221,932,710
Universal Jeans Limited	137,742,285	176,137,072	137,742,285	176,137,072
Grameen Telecom Trust	85,400,217	109,204,984	85,400,217	109,204,984
Square Pharmaceuticals Limited	68,871,142	88,068,536	68,871,142	88,068,536
Pragati Life Insurance Limited	13,774,228	17,613,707	13,774,228	17,613,707
BETS Consulting Services Limited	13,774,228	17,613,707	13,774,228	17,613,707
Dr. Abdus Shabur	2,754,846	3,522,741	2,754,846	3,522,741
Bangla Telecom Limited	18,295,367	22,405,003	18,295,367	22,405,003
Bangladesh Infrastructure Finance Fund Limited	182,953,672	224,050,028	182,953,672	224,050,028
Delsey Cotton Spinning Mills Ltd.	36,590,734	44,810,006	36,590,734	44,810,006
	733,711,998	925,358,494	733,711,998	925,358,494
Unsecured Long-term loans				
Kreditanstalt fr Wiederaufbau (KfW)	60,863,410	71,318,636	60,863,410	71,318,636
Bangladesh Bank (JICA-FDI Fund)	80,000,000	80,000,000	80,000,000	80,000,000
Bangladesh Bank (BB Fund-Small Enterprise Refinancing Program)	19,074,305	23,086,110	19,074,305	23,086,110
Bangladesh Bank (Women-Small Enterprise Refinancing Program)	1,409,777,739	1,491,262,084	1,409,777,739	1,491,262,084
Bangladesh Bank (New Entrepreneur Refinancing Scheme)	24,406,400	36,618,976	24,406,400	36,618,976
Bangladesh Bank (Home Loan Refinancing Program)	498,514,621	511,290,606	498,514,621	511,290,606
Bangladesh Bank (Agro Loan Refinancing Program)	610,246,377	745,184,154	610,246,377	745,184,154
Bangladesh Bank (JICA Refinancing Program)	302,038,296	341,717,392	302,038,296	341,717,392
SME Foundation	73,450,000	73,450,000	73,450,000	73,450,000
Investment Promotion & Financing Facilities (IPFF)	554,012,661	576,593,459	554,012,661	576,593,459
Bangladesh Bank Solar Bio Gas & ETP Scheme	270,135,079	232,813,652	270,135,079	232,813,652
Bangladesh Bank Milk Production Scheme	5,400,000	5,400,000	5,400,000	5,400,000
Bangladesh Bank (SMEDP 2)	762,000,000	300,700,000	762,000,000	300,700,000
Saudi Bangladesh Industrial & Agricultural Investment Company Limited	372,511,260	423,114,023	372,511,260	423,114,023
	5,042,430,148	4,912,549,092	5,042,430,148	4,912,549,092
Total unsecured long-term loan	5,776,142,146	5,837,907,586	5,776,142,146	5,837,907,586
Unsecured Short Term Loans				
Short-term loans				
Pubali Bank Limited	400,000,000	-	400,000,000	-
National Credit & Commerce Bank Limited	-	500,000,000	-	500,000,000
South Bangla Agriculture and Commerce Bank Limited	750,000,000	550,000,000	750,000,000	550,000,000
Standard Bank Limited	300,000,000	-	300,000,000	-
Modhumoti Bank Limited	250,000,000	-	250,000,000	-
	1,700,000,000	1,050,000,000	1,700,000,000	1,050,000,000
Call Loans				
Janata Bank Limited	-	160,000,000	-	160,000,000
United Finance Limited	-	50,000,000	-	50,000,000
Sonali Bank Limited	440,000,000	420,000,000	440,000,000	420,000,000
Southeast Bank Limited	250,000,000	390,000,000	250,000,000	390,000,000
National Credit & Commerce Bank Limited	-	150,000,000	-	150,000,000
Jamuna Bank Limited	-	300,000,000	-	300,000,000
Mutual Trust Bank Limited	-	200,000,000	-	200,000,000
Agrani Bank Limited	90,000,000	-	90,000,000	-
	780,000,000	1,670,000,000	780,000,000	1,670,000,000
Total unsecured short-term loans	2,480,000,000	2,720,000,000	2,480,000,000	2,720,000,000
Total Borrowings from other banks, financial institutions & agents	10,771,142,146	12,246,240,919	10,771,142,146	12,496,240,919

	IDLC Finance Limited		IDLC Group	
	31.03.2019	31.12.2018	31.03.2019	31.12.2018
	BDT	BDT	BDT	BDT
11 Deposits and other accounts				
Current accounts and other accounts etc	-	-	-	-
Bills payable	-	-	-	-
Savings bank deposits	-	-	-	-
Term deposits (Note- 11.1)	72,547,487,331	71,338,071,965	71,087,281,081	70,257,701,507
Bearer certificate of deposits	-	-	-	-
Refundable deposits (Note- 11.2)	2,498,081,743	2,455,047,719	2,498,081,743	2,455,047,719
	75,045,569,074	73,793,119,684	73,585,362,824	72,712,749,226
11.1 Term deposits				
This represents deposits received from institutions and individuals for a period not less than three months.				
Balance at January 1	71,338,071,965	60,538,332,988	70,257,701,507	59,853,619,702
Add: Deposits received during the period/year	17,097,887,592	41,936,331,303	17,097,887,592	41,936,331,303
	88,435,959,558	102,474,664,291	87,355,589,099	101,789,951,005
Less: Matured/encashed during the period/year	15,888,472,227	31,136,592,326	15,888,472,227	31,136,592,326
Inter-company deposit	-	-	379,835,791	395,657,172
Balance at period/year end	72,547,487,331	71,338,071,965	71,087,281,081	70,257,701,507
11.2 Refundable deposits				
The Company takes deposits from the clients of lease and loan on signing of agreement, refundable at the end of the contract period. Balance at December 31 stands as under:				
Deposits against loan and lease rental	242,159,990	256,306,587	242,159,990	256,306,587
Deposits against financing as per term of agreements (Security deposits)	2,255,921,753	2,198,741,132	2,255,921,753	2,198,741,132
	2,498,081,743	2,455,047,719	2,498,081,743	2,455,047,719
Security deposits are interest bearing while deposits against loan and lease are non interest bearing.				
12 Other liabilities				
Payable and accrued expenses (Note- 12.1)	5,307,947,665	4,471,796,045	6,222,600,909	5,724,736,747
Provision for income tax (Note- 12.2)	2,043,641,206	2,022,431,867	2,302,879,219	2,257,218,747
Deferred liability-employee gratuity (Note- 12.3)	9,771,056	-	59,802,956	46,511,525
Portfolio investors' fund (Note- 12.4)	-	-	557,800,284	599,996,551
Interest suspense account (Note- 12.5)	435,505,788	351,271,406	435,505,788	351,271,406
Provision for doubtful accounts and future losses (Note- 12.6 (i))	1,258,884,611	1,248,174,229	1,323,296,051	1,318,975,417
Unpaid dividend	1,339,761,991	20,124,526	1,339,761,991	20,124,526
Deferred tax liability (Note - 9.4)	-	-	399,565	536,023
	10,395,512,317	8,113,798,073	12,242,046,763	10,319,370,941
12.1 Payable and accrued expenses				
Receipt against leases	1,162,309,405	492,814,517	1,162,309,405	492,814,517
Liabilities for expenses	3,762,095,746	3,482,710,057	4,672,666,578	4,732,451,978
Liabilities for other finance	383,542,514	496,271,471	387,624,926	499,470,252
	5,307,947,665	4,471,796,045	6,222,600,909	5,724,736,747
12.2 Provision for income tax				
<i>Provision</i>				
Balance at January 1	8,565,194,891	7,715,275,299	9,890,705,186	8,907,870,073
Less: Adjustment during the year/period	-	-	-	-
	8,565,194,891	7,715,275,299	9,890,705,186	8,907,870,073
Add: Provision made during the year/period	187,608,096	849,919,592	249,211,126	982,835,113
	8,752,802,987	8,565,194,891	10,139,916,312	9,890,705,186
Settlement of previous year's tax liability	-	-	-	-
Balance at year/period end	8,752,802,987	8,565,194,891	10,139,916,312	9,890,705,186
<i>Advance tax</i>				
Balance at January 1	6,542,763,024	5,766,704,679	7,633,486,439	6,626,252,771
Add: Payment made during the year/period:				
Under sections 64 and 74 of ITO, 1984	120,000,000	631,848,670	120,015,000	676,502,387
Deduction at source	46,251,756	143,091,781	83,388,653	329,613,387
Others	147,000	1,117,894	147,000	1,117,894
	166,398,756	776,058,345	203,550,653	1,007,233,668
	6,709,161,781	6,542,763,024	7,837,037,093	7,633,486,439
Less: Adjustment during the year/period	-	-	-	-
	6,709,161,781	6,542,763,024	7,837,037,093	7,633,486,439
Net balance at year/period end	2,043,641,206	2,022,431,867	2,302,879,219	2,257,218,747

	IDLC Finance Limited		IDLC Group	
	31.03.2019 BDT	31.12.2018 BDT	31.03.2019 BDT	31.12.2018 BDT
12.3 Deferred Liability-employee gratuity				
Balance at January 1	-	-	46,511,525	42,254,402
Add: Addition during the period/year	9,771,056	-	13,291,432	9,752,299
Less: Payment during the period/year	-	-	59,802,956	52,006,701
Balance at period/year end	9,771,056	-	59,802,956	46,511,525
12.4 Portfolio investors' fund				
This represents the balance of deposits made with the IDLC Investments Limited by the portfolio investors to take margin loan and buy marketable securities. The balance of fund has been arrived at as follows:				
Balance at January 1	-	-	599,996,551	370,999,029
Add: Deposit and share sold by clients	-	-	1,856,102,427	8,066,944,138
Less: Purchase of share and deposit withdraw by clients	-	-	2,456,098,978	8,437,943,167
Balance at year/period end	-	-	557,800,284	599,996,551
12.5 Interest suspense accounts				
On lease finance	53,422,076	35,695,541	53,422,076	35,695,541
On real-estate finance	121,986,112	117,578,938	121,986,112	117,578,938
On term finance	254,424,692	191,832,774	254,424,692	191,832,774
On car loan	2,958,154	3,404,606	2,958,154	3,404,606
On personal loan	919,848	980,226	919,848	980,226
On short term finance	1,794,906	1,779,321	1,794,906	1,779,321
	435,505,788	351,271,406	435,505,788	351,271,406
12.6 Provision for loans and advances/investments				
12.6(i) Balance at January 1	1,248,174,229	1,105,347,063	1,318,975,417	1,145,270,344
Provision required for the year/period	166,146,939	571,269,530	166,146,939	639,905,591
Provision released during the year/period	(155,436,557)	(205,135,012)	(161,826,305)	(242,893,167)
Provision charged for the year/period (Note- 12.6 (ii))	10,710,382	366,134,518	4,320,634	397,012,424
Write off during the year/period	-	223,307,352	-	223,307,352
Balance at period/year end	1,258,884,611	1,248,174,229	1,323,296,051	1,318,975,417
12.6(ii) Provision charged for the year/period				
General provision	19,076,072	31,994,353	18,401,654	30,287,745
Specific provision	132,435,875	64,847,249	132,435,875	29,589,130
Provision for diminutions in value of investments	(140,801,565)	-	(146,516,895)	28,872,784
Other Provisions	-	-	-	-
	10,710,382	96,841,602	4,320,634	88,749,659

		IDLC Finance Limited		IDLC Group	
		31.03.2019	31.12.2018	31.03.2019	31.12.2018
		BDT	BDT	BDT	BDT
13	Share capital				
	Authorised				
	1,000,000,000 ordinary shares of BDT 10 each	<u>10,000,000,000</u>	<u>10,000,000,000</u>	<u>10,000,000,000</u>	<u>10,000,000,000</u>
	Issued, subscribed and paid-up				
	377,050,780 ordinary shares of BDT 10 each	<u>3,770,507,800</u>	<u>3,770,507,800</u>	<u>3,770,507,800</u>	<u>3,770,507,800</u>
Paid-up share capital as on March 31, 2019 comprises the following:					
Composition of shareholding:					
Sl. No.	Name of the Shareholders	31.03.2019		31.12.2018	
		% of holding	Number of shares	BDT	BDT
1	SPONSORS/DIRECTORS				
	The City Bank Limited (CBL) and its subsidiaries	23.21	87,510,575	875,105,750	875,105,750
	The City Bank Limited (CBL)	9.00	33,935,329	339,353,290	339,353,290
	City Bank Capital Resources Limited (CBCRL)	9.90	37,328,028	373,280,280	373,280,280
	City Brokerage Limited	4.31	16,247,218	162,472,180	162,472,180
	Transcom Group	13.33	50,273,164	502,731,640	502,731,640
	Eskayef Pharmaceuticals Limited	8.00	30,164,062	301,640,620	301,640,620
	Transcraft Limited	4.01	15,132,033	151,320,330	151,320,330
	Bangladesh Lamps Limited	1.32	4,977,069	49,770,690	49,770,690
	Sadharan Bima Corporation (SBC)	7.62	28,727,494	287,274,940	287,274,940
	Reliance Insurance Limited	7.00	26,393,553	263,935,530	263,935,530
	Mercantile Bank Limited	5.50	20,737,791	207,377,910	207,377,910
		56.66	213,642,577	2,136,425,770	2,136,425,770
2	GENERAL				
	Institutions:				
	Investment Corporation of Bangladesh (ICB)	4.83	18,220,858	182,208,580	177,850,200
	Bangladesh Fund	1.35	5,100,000	51,000,000	56,803,740
	Marina Apparels Limited	1.00	3,770,506	37,705,060	37,705,060
	Other Institutions	10.58	39,899,352	398,993,520	388,982,390
	Sub-Total	17.77	66,990,716	669,907,160	661,341,390
	Individuals:				
	General Public (Individuals)	11.85	44,678,394	446,783,940	451,713,770
	Sub-Total	11.85	44,678,394	446,783,940	451,713,770
3	FOREIGN				
	Institutions & Individuals	13.72	51,739,093	517,390,930	521,026,870
		13.72	51,739,093	517,390,930	521,026,870
	Total Holdings	100.00	377,050,780	3,770,507,800	3,770,507,800
14	Share premium				
	Balance at January 1	1,260,585,930	1,260,585,930	1,260,585,930	1,260,585,930
	Add: Received during the period/year	-	-	-	-
	Balance at period/year end	<u>1,260,585,930</u>	<u>1,260,585,930</u>	<u>1,260,585,930</u>	<u>1,260,585,930</u>
15	Statutory reserves				
	Balance at January 1	2,416,541,850	2,098,412,371	2,416,541,850	2,098,412,371
	Add: Transferred on appropriation of profit	-	318,129,479	-	318,129,479
	Balance at period/year end	<u>2,416,541,850</u>	<u>2,416,541,850</u>	<u>2,416,541,850</u>	<u>2,416,541,850</u>
16	General reserves				
	Balance at January 1	1,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000
	Add: Transferred on appropriation of profit	-	-	-	-
	Balance at period/year end	<u>1,000,000,000</u>	<u>1,000,000,000</u>	<u>1,000,000,000</u>	<u>1,000,000,000</u>

17 Business commitments and contingencies

In the normal course of business, the Company makes various commitments and incurs certain contingent liabilities. No material losses are anticipated as a result of these transactions. These contingent liabilities and business commitments are quantified below:

17.1 Contingent liabilities

Acceptances and endorsements	-	-	-	-
Letters of guarantee	25,000,000	11,853,790	25,000,000	11,853,790
Irrevocable letters of credit	-	-	-	-
Bills for collection	-	-	-	-
Indemnity bond	-	-	-	-
Corporate guarantee	750,000,000	750,000,000	750,000,000	750,000,000
	<u>775,000,000</u>	<u>761,853,790</u>	<u>775,000,000</u>	<u>761,853,790</u>

17.2 Other commitments

Documentary credits and short term trade related transactions	-	-	-	-
Forward assets purchased and forward deposits placed	-	-	-	-
Un-drawn note issuance and revolving underwriting	-	-	-	-
Un-drawn formal standby facilities, credit lines	-	-	-	-
Lease and term finance commitments outstanding at period/year end	679,599,183	647,584,179	679,599,183	647,584,179
Real estate finance commitments outstanding at period/year end	1,101,629,212	1,126,786,809	1,101,629,212	1,126,786,809
Car loan commitments outstanding at period/year end	434,333	434,333	434,333	434,333
Personal loan commitments outstanding at period/year end	124,077	124,077	124,077	124,077
Loan Against Deposit commitments outstanding at period/year end	-	-	-	-
	<u>1,781,786,805</u>	<u>1,774,929,398</u>	<u>1,781,786,805</u>	<u>1,774,929,398</u>

	IDLC Finance Limited		IDLC Group	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
	BDT	BDT	BDT	BDT
18 Income statement				
Income				
Interest, discount and similar income (Note-18.1)	2,961,852,649	2,511,880,793	3,062,319,401	2,626,933,235
Dividend income (Note-21)	27,954,748	4,049,894	44,510,401	29,714,265
Fees, commission and brokerage (Note-22)	1,999,999	953,804	129,612,469	108,811,658
Other operating income (Note-23)	105,763,264	114,909,331	107,758,690	116,413,740
	<u>3,097,570,660</u>	<u>2,631,793,822</u>	<u>3,344,200,961</u>	<u>2,881,872,898</u>
Expenses				
Interest on deposits and borrowings etc. (Note-20)	1,980,955,841	1,434,155,504	1,954,854,145	1,423,893,930
Administrative expenses (Note-18.2)	363,117,354	353,170,924	454,328,125	428,415,806
Other expenses (Note-33)	78,595,923	86,409,501	89,454,929	94,790,928
Depreciation on assets (Note-32)	33,392,489	35,044,903	38,526,291	40,294,587
	<u>2,456,061,607</u>	<u>1,908,780,832</u>	<u>2,537,163,491</u>	<u>1,987,395,251</u>
Operating Income	<u>641,509,053</u>	<u>723,012,990</u>	<u>807,037,470</u>	<u>894,477,647</u>
18.1 Interest, discount and similar income				
Interest income (Note -19)	2,970,637,402	2,351,288,012	3,036,432,436	2,392,024,175
Gain on sale of marketable securities & DSE share (Note - 21)	(20,324,753)	138,556,843	6,546,375	208,245,086
Income from investment in bonds (Note - 21)	11,540,000	22,035,938	19,340,590	26,663,974
Income from investment in commercial paper (Note - 21)	-	-	-	-
	<u>2,961,852,649</u>	<u>2,511,880,793</u>	<u>3,062,319,401</u>	<u>2,626,933,235</u>
18.2 Administrative expenses				
Salary and allowances (Note-24)	275,363,064	249,439,222	343,682,132	301,848,158
Rent, taxes, insurance, electricity, etc. (Note-25)	46,617,607	43,642,779	57,419,148	53,909,086
Legal expenses (Note-26)	3,974,768	3,096,431	4,853,712	4,037,379
Postage, stamp, telecommunication, etc. (Note-27)	8,500,003	7,587,705	10,457,593	9,669,776
Stationery, printing, advertisement, etc. (Note-28)	20,007,489	41,717,128	27,576,368	50,276,507
Managing Director's salary and fees (Note-29)	3,400,000	3,340,000	3,400,000	3,340,000
Directors' fees (Note-30)	340,400	211,600	450,576	332,060
Auditors' fees (Note-31)	201,250	287,500	288,750	375,000
Depreciation & repair of Company's assets (Note-32)	4,712,773	3,848,559	6,199,846	4,627,840
	<u>363,117,354</u>	<u>353,170,924</u>	<u>454,328,125</u>	<u>428,415,806</u>
19 Interest income				
This represents interest income from the following products:				
Lease finance	121,543,540	127,945,533	121,543,540	127,945,533
Real estate finance	788,192,356	600,408,360	788,192,356	600,408,360
Term finance	1,572,808,824	1,286,153,251	1,572,808,824	1,286,153,251
Short term finance	25,634,017	27,521,393	25,634,017	27,521,393
Car loan	45,890,983	55,489,449	45,890,983	55,489,449
Personal loan	4,914,694	3,273,498	4,914,694	3,273,498
Margin loan to portfolio investors	-	-	43,784,980	55,426,029
Loan to subsidiaries	807,633	24,585,071	-	-
	<u>2,559,792,047</u>	<u>2,125,376,555</u>	<u>2,602,769,394</u>	<u>2,156,217,513</u>
Interest on balance with other banks and financial institutions	392,926,897	215,690,208	415,744,584	225,585,413
Call loan	-	124,389	-	124,389
Loan against deposit	17,918,458	10,096,860	17,918,458	10,096,860
	<u>2,970,637,402</u>	<u>2,351,288,012</u>	<u>3,036,432,436</u>	<u>2,392,024,175</u>
20 Interest on deposits and borrowings etc.				
Interest on term deposits	1,716,882,691	1,256,052,806	1,689,939,882	1,242,815,789
Interest on borrowings	185,114,727	114,316,255	185,955,840	117,291,698
Interest on secured/unsecured zero coupon bonds	21,839,268	30,062,006	21,839,268	30,062,006
Interest on security deposit	31,986,169	27,954,576	31,986,169	27,954,576
Interest on call loan	25,132,986	5,769,861	25,132,986	5,769,861
	<u>1,980,955,841</u>	<u>1,434,155,504</u>	<u>1,954,854,145</u>	<u>1,423,893,930</u>

	IDLC Finance Limited		IDLC Group	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
	BDT	BDT	BDT	BDT
21 Investment income				
Gain on sale of marketable securities	(20,324,753)	138,556,843	6,546,375	208,245,086
Dividend income	27,954,748	4,049,894	44,510,401	29,714,265
Income from investment in bonds	11,540,000	22,035,938	19,340,590	26,663,974
	19,169,995	164,642,675	70,397,366	264,623,325
22 Commission, exchange and brokerage				
Arrangement fees	1,999,999	-	1,999,999	-
Advisory fees	-	815,217	300,000	815,217
Commission & brokerage	-	-	101,357,125	76,560,652
Underwriting commission	-	-	1,600,000	1,000,000
Documentation fees	-	-	36,500	254,000
Custodial fees	-	138,587	-	138,587
Fees from mutual fund	-	-	4,640,501	3,348,750
Portfolio management fees	-	-	10,322,085	13,279,515
Corporate advisory fees	-	-	1,100,000	8,303,801
Settlement charges	-	-	8,256,259	5,111,136
	1,999,999	953,804	129,612,469	108,811,658
23 Other operating income				
Application, processing and documentation fees	72,576,988	76,541,164	72,576,988	76,541,164
Loan settlement and others	19,194,349	18,036,408	19,194,349	18,036,408
Service charges	1,758,194	6,785,482	1,758,194	6,905,284
Gain on disposal of fixed assets	1,561,819	2,411,789	2,070,449	2,411,784
Account opening & BO account maintenance fees	-	-	288,802	226,300
IPO service charge	-	-	29,315	19,830
Revenue from write off collection	7,494,853	7,083,845	7,494,853	7,083,845
Commission on Corporate Guarantee	656,250	656,250	656,250	656,250
Miscellaneous income	2,520,811	3,394,393	3,689,490	4,532,875
	105,763,264	114,909,331	107,758,690	116,413,740
24 Salaries and allowances	275,363,064	249,439,222	343,682,132	301,848,158
25 Rent, taxes, insurance, electricity, etc.				
Rent, rate and taxes	36,286,806	34,254,271	45,172,093	42,791,112
Insurance	2,025,978	985,001	2,301,029	1,220,316
Power and electricity	8,304,823	8,403,507	9,946,026	9,897,658
	46,617,607	43,642,779	57,419,148	53,909,086
26 Legal expenses				
Renewal and registration	1,675,897	1,205,000	2,291,341	1,899,698
Other professional charges	2,298,871	1,891,431	2,562,371	2,137,681
	3,974,768	3,096,431	4,853,712	4,037,379
27 Postage, stamp, telecommunication, etc.				
Postage	428,480	307,023	470,309	399,725
Telecommunication and internet etc.	8,071,523	7,280,682	9,987,284	9,270,051
	8,500,003	7,587,705	10,457,593	9,669,776
28 Stationery, printing, advertisements, etc.				
Stationery & printing	6,753,820	12,678,012	7,692,781	13,527,651
Advertisement and publicity	13,253,669	29,039,116	19,883,587	36,748,856
	20,007,489	41,717,128	27,576,368	50,276,507

	IDLC Finance Limited		IDLC Group	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
	BDT	BDT	BDT	BDT
29 Managing Director's salary and benefits				
Basic pay	1,500,000	1,500,000	1,500,000	1,500,000
Allowances	750,000	690,000	750,000	690,000
Bonus	1,000,000	1,000,000	1,000,000	1,000,000
Company's contribution to provident fund	150,000	150,000	150,000	150,000
	3,400,000	3,340,000	3,400,000	3,340,000
30 Directors' fees				
Honorarium for attending meeting	340,400	211,600	450,576	332,060
31 Auditors' fees				
Annual statutory audit fees (including VAT)	201,250	172,500	288,750	260,000
Other audit fees (including VAT)	-	115,000	-	115,000
	201,250	287,500	288,750	375,000
32 Depreciation and repair of company's assets				
Freehold assets (Note- 8 (b))	33,392,489	35,044,903	38,526,291	40,294,587
Repair and maintenance for premises, vehicles, computers and computers accessories	4,712,773	3,848,559	6,199,846	4,627,840
	38,105,262	38,893,462	44,726,137	44,922,427
33 Other expenses				
Bank charges	1,392,186	2,022,264	1,773,534	2,246,524
Books and periodicals	68,238	60,876	85,914	85,995
Car expenses	6,914,537	7,338,326	8,066,925	8,275,368
Donations and subscriptions	534,486	456,204	594,647	511,515
Medical & welfare expenses	8,212,955	7,213,252	8,615,236	7,602,571
Entertainment expenses	4,282,595	2,182,407	4,602,259	2,451,286
Consultancy fees	626,553	1,170,480	626,553	1,170,480
Office service expenses	21,059,189	19,357,284	25,926,277	24,036,565
Training expenses	188,522	1,466,887	556,541	1,784,415
Travel and conveyances	7,364,185	5,359,194	7,679,216	5,875,996
CDBL charges	-	-	364,284	148,626
Howla and Laga charge	-	-	12,044,655	14,408,580
Portfolio Management Charge	9,539,725	13,560,042	-	-
Sales Incentive	16,753,397	12,988,698	16,779,789	12,988,698
Repossession fees and others	1,646,854	13,233,587	1,726,599	13,204,309
	78,595,923	86,409,501	89,454,929	94,790,928

	IDLC Finance Limited		IDLC Group	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
	BDT	BDT	BDT	BDT
34 Earnings Per Share (EPS)				
Earnings Per Share as shown in the face of the Profit and Loss Account is calculated in accordance with International Accounting Standard (IAS) 33: "Earnings Per Share".				
Basic earnings per share has been calculated as follows:				
Earnings attributable to ordinary shareholders (Net profit after tax) (A)	446,992,406	395,243,190	558,434,420	550,613,397
Weighted average number of ordinary shares outstanding during the period (B)	377,050,780	377,050,780	377,050,780	377,050,780
Earnings Per Share (A÷B)	1.19	1.05	1.48	1.46
35 Net Asset Value (NAV) Per Share				
Net Asset (total assets less total liabilities) (A)	10,155,906,507	11,028,591,831	12,876,083,666	13,637,326,949
Total number of ordinary shares outstanding (B)	377,050,780	377,050,780	377,050,780	377,050,780
Net Asset Value per share (NAV) (A÷B)	26.94	29.25	34.15	36.17
36 Net Operating Cash Flows Per Share (NOCFPS)				
Net cash flows from operating activities (A)	(2,734,989,756)	(3,342,275,784)	(3,475,609,798)	(3,380,588,054)
Total number of ordinary shares outstanding (B)	377,050,780	377,050,780	377,050,780	377,050,780
Net operating cash flows per share (NOCFPS) (A÷B)	(7.25)	(8.86)	(9.22)	(8.97)
37 Reconciliation of Net Profit with Cash Flows from Operating Activities				
Net profit after tax	446,992,406	395,243,190	558,434,447	550,613,431
Items not involved in cash movement:				
Add: Depreciation	33,392,489	35,044,903	38,526,291	40,294,587
Add: Provision for loans and investments	10,710,382	96,841,602	4,320,634	88,749,659
Add: Provision for taxation	187,608,096	230,928,198	249,211,126	255,114,557
Add/ (Less): Accrued expenses	344,914,229	56,373,065	3,440,224,023	28,082,451
Add/ (Less): Accrued income	(72,240,149)	(102,070,079)	(10,595,902)	(912,792,970)
Less: Gain on disposal of fixed assets	(1,561,819)	(2,411,789)	(2,070,449)	(2,411,784)
Increase/(Decrease) in Employee gratuity	9,771,056	4,846,056	13,291,432	6,522,249
Increase/(Decrease) in Deferred tax	(3,801,831)	-	(4,928,737)	-
Adjustments to reconcile net profit after tax to net cash provided by operating activities	955,784,859	714,795,145	4,286,412,865	54,172,179
Increase/(decrease) in operating assets and liabilities				
(Increase)/Decrease in Loans & advances	(3,315,188,271)	(4,508,001,745)	(3,290,991,373)	(4,811,833,015)
(Increase)/Decrease in Other assets	(637,108,750)	7,664,948	(589,772,488)	7,992,627
Increase/(Decrease) in Short term borrowings	(1,400,000,000)	805,000,000	(1,650,000,000)	805,000,000
Increase/(Decrease) in Term & other deposits	1,252,449,389	146,150,996	872,613,598	138,893,282
Increase/(Decrease) in Payable and accrued expenses	491,237,391	(332,940,538)	(2,942,359,861)	441,731,966
(Increase)/Decrease in Income tax	(166,398,756)	(202,428,254)	(203,550,653)	(235,572,882)
Increase/(Decrease) in Portfolio investors fund	-	-	(42,196,267)	191,544,123
Increase/(Decrease) in Interest suspense	84,234,382	27,483,665	84,234,382	27,483,665
	(3,690,774,615)	(4,057,070,928)	(7,762,022,663)	(3,434,760,233)
Net cash flows from/(used in) operating activities	(2,734,989,756)	(3,342,275,784)	(3,475,609,798)	(3,380,588,054)

Dhaka, May 13, 2019

Fixed assets including land, building, furniture and fixtures-for 1st quarter end 2019

(Annexure A)

Asset category	Cost				Rate	Depreciation				Written down value at March 31, 2019
	Balance at January 1, 2019	Addition during the period/year	Disposal/ adjustment during the period/year	Balance at March 31, 2019		Balance at January 1, 2019	Charged for the period/year	Adjustment during the period/year	Balance at March 31, 2019	
	BDT	BDT	BDT	BDT	%	BDT	BDT	BDT	BDT	BDT
Free hold assets:										
Land	26,958,470	-	-	26,958,470	-	-	-	-	-	26,958,470
Building	207,519,303	-	-	207,519,303	2.50	31,125,083	1,296,996	-	32,422,079	175,097,224
Furniture and fixtures	93,030,776	1,320,252	(369,658)	93,981,369	12.50	44,819,301	2,431,554	(369,438)	46,881,417	47,099,952
Electrical equipment	79,547,789	524,400	(1,117,988)	78,954,201	20.00	55,443,632	2,293,785	(1,117,973)	56,619,444	22,334,757
Curtain and carpets	5,187,835	24,532	-	5,212,367	33.33	3,815,333	266,464	-	4,081,797	1,130,570
Office equipment	119,904,724	775,191	(395,000)	120,284,914	20.00	91,441,121	3,745,724	(394,990)	94,791,855	25,493,060
Office decoration	148,180,108	2,039,566	(72,000)	150,147,673	20.00	89,073,117	5,475,189	(71,995)	94,476,311	55,671,363
Computers	183,003,184	2,017,318	-	185,020,502	20.00	117,214,737	5,418,468	-	122,633,205	62,387,297
Software (Office Operation)	37,279,545	-	-	37,279,545	33.33	31,806,797	922,280	-	32,729,078	4,550,467
Software (Business Operation)	137,540,494	-	-	137,540,494	20.00	134,968,064	257,242	-	135,225,307	2,315,187
Telephone and telex	12,454,882	254,100	(67,125)	12,641,857	33.33	9,238,162	450,189	(53,395)	9,634,957	3,006,901
Motor vehicles	251,829,432	2,314,300	(5,995,540)	248,148,192	25.00	194,356,070	10,834,598	(5,695,234)	199,495,433	48,652,759
Total as on March 31, 2019	1,302,436,541	9,269,658	(8,017,311)	1,303,688,888		803,301,418	33,392,489	(7,703,025)	828,990,882	474,698,007
Total as on December 31, 2018	1,302,771,783	47,724,871	(48,060,112)	1,302,436,541		705,515,711	137,598,412	(39,812,705)	803,301,418	499,135,123

Consolidated fixed assets including land, building, furniture and fixtures-for 1st quarter end 2019

Asset category	Cost				Rate	Depreciation				Written down value at March 31, 2019
	Balance at January 1, 2019	Addition during the period/year	Disposal/ adjustment during the period/year	Balance at March 31, 2019		Balance at January 1, 2019	Charged for the period/year	Adjustment during the period/year	Balance at March 31, 2019	
	BDT	BDT	BDT	BDT	%	BDT	BDT	BDT	BDT	BDT
Free hold assets:										
Land	26,958,470	-	-	26,958,470	-	-	-	-	-	26,958,470
Building	207,519,303	-	-	207,519,303	2.50	31,125,083	1,296,996	-	32,422,079	175,097,224
Furniture and fixtures	111,681,014	1,460,418	(421,221)	112,720,211	12.50	56,094,737	2,796,286	(417,241)	58,473,782	54,246,428
Electrical equipment	104,850,304	695,558	(1,217,988)	104,327,874	20.00	77,416,347	2,600,135	(1,156,306)	78,860,176	25,467,698
Curtain and carpets	6,575,667	155,836	(50,000)	6,681,503	33.33	4,928,781	320,981	(31,941)	5,217,821	1,463,683
Office equipment	158,067,703	841,859	(395,000)	158,514,562	20.00	124,053,060	4,184,582	(394,990)	127,842,652	30,671,910
Office decoration	179,899,327	2,138,767	(72,000)	181,966,094	20.00	109,636,753	6,484,764	(71,995)	116,049,522	65,916,571
Computers	208,115,976	2,017,318	(857,260)	209,276,034	20.00	136,257,323	6,020,313	(865,175)	141,412,461	67,863,573
Software (Office Operation)	47,519,924	-	-	47,519,924	33.33	39,789,940	1,103,757	-	40,893,697	6,626,227
Software (Business Operation)	142,176,620	162	-	142,176,782	20.00	136,331,515	589,945	-	136,921,460	5,255,322
Telephone and telex	16,076,332	318,600	(189,625)	16,205,307	33.33	12,222,363	559,987	(149,612)	12,632,739	3,572,568
Motor vehicles	298,722,952	2,814,300	(7,795,540)	293,741,712	25.00	228,281,744	12,568,545	(6,557,734)	234,292,555	59,449,157
Total as on March 31, 2019	1,508,163,592	10,442,817	(10,998,634)	1,507,607,775		956,137,646	38,526,291	(9,644,994)	985,018,943	522,588,832
Total as on December 31, 2018	1,502,935,732	56,508,623	(51,280,763)	1,508,163,591		840,143,807	158,725,831	(42,731,993)	956,137,645	552,025,946

Annexure-B

SL.	Nature of Departure	Title of IAS/IFRS	Treatment of IAS/IFRS	Treatment Adopted as per Bangladesh Bank	Financial or Presentation Effect of the Departure
1	Measurement of provision for leases, loans and advances (financial assets measured at amortized cost)	IFRS 9 "Financial Instruments"	<p>An entity shall assess at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets measured at amortized cost is impaired.</p> <p>If any such evidence exists, expected credit losses are required to be measured through a loss allowance at an amount equal to:</p> <p>a) the 12-month expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or</p> <p>b) full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).</p>	<p>As per FID circular No. 08, dated 03 August 2002, FID circular No. 03, dated 03 May 2006 and FID circular No. 03, dated 29 April 2013, a general provision at 0.25% to 5% under different categories of unclassified loans (good/standard loans and Special Mentioned Accounts (SMA)) has to be maintained irrespective of objective evidence of impairment on lease, loans and advances.</p> <p>Also provision for sub-standard investments, doubtful investments and bad losses has to be provided at 20%, 50% and 100% respectively for investments depending on the duration of overdue.</p>	<p>In separate Financial Statements, an amount of BDT 10.71 million has been charged as incremental provision for leases, loans and advances, which includes BDT 19.08 million as general provision on good loan for the first quarter end 2019. Also, as at 31 March 2019, accumulated provision for leases, loans and advances stand at BDT 1,258.88 million.</p> <p>In consolidated Financial Statements, the same amount is BDT 4.32 million which includes general provision of BDT 18.40 million. Also, as at 31 March 2019, accumulated provision for leases, loans and advances stand at BDT 1,323.30 million.</p>
2	Valuation of Investments in quoted and unquoted shares	IFRS 9 "Financial Instruments"	<p>Investment in shares falls either under at "fair value through profit/loss (FVTPL)" or "fair value through other comprehensive income (FVTOCI)" where any change in the fair value in case of FVTPL at the year-end is taken to profit of loss, and any change in fair value in case of FVTOCI is taken to other comprehensive income.</p>	<p>As per FID circular No. 08, dated 03 August 2002 investments in quoted shares and unquoted shares are revalued at the year end at market price and as per book value of last audited balance sheet respectively. Provision should be made for any loss arising from diminution in value of investment; however in case of any unrealized gain, no such gain can</p>	<p>During this period, total market value of all shares of IDLC Finance Limited & its subsidiaries is less than the cost price.</p> <p>As on March 31, 2019 there was BDT 248.50 million gross loss on consolidated investment in marketable securities and BDT 26.47 million gross loss on investment by IDLC Finance Limited in marketable securities.</p>

Annexure-B

SL.	Nature of Departure	Title of IAS/IFRS	Treatment of IAS/IFRS	Treatment Adopted as per Bangladesh Bank	Financial or Presentation Effect of the Departure
				be recognized and investments are recognized at cost only.	
3	Recognition of interest income for SMA and classified lease, loans and advances	IFRS 9 "Financial Instruments"	Income from financial assets measured at amortized cost is recognized through effective interest rate method over the term of the investment. Once a financial asset is impaired, investment income is recognized in profit and loss account on the same basis based on revised carrying amount.	As per FID circular No. 03, dated 03 May 2006, once an investment on leases, loans and advances is termed as "Special Mention Account (SMA)", interest income from such investments are not allowed to be recognized as income, rather the respective amount needs to be credited as a liability account like: interest suspense account.	At the period end, in separate Financial Statements interest suspense account has increased to BDT 435.51 million from BDT 351.27 million resulting increase of BDT 84.23 million of interest suspense. This amount has been shown in other liabilities in note 12.5
4	Presentation of cash and cash equivalent	IAS 7 "Statement of Cash Flows"	<p>Cash equivalent are short term, highly liquid investments that are readily convertible to known amounts of cash and only include those investments which are for a short tenure like: 3 months or less period.</p> <p>In the light of above, balance with Bangladesh Bank and fixed term deposits should be treated as investment asset rather than cash equivalent as it is illiquid asset and not available for use in day to day operations.</p>	<p>Bangladesh Bank has issued templates for financial statements vide DFIM Circular No. 11, dated 23 December 2009 which will strictly be followed by all banks and NBFIs.</p> <p>The templates of financial statements provided detail presentation for statement of cash flows.</p>	Financial Statements for the first quarter end 2019 and corresponding period of 2018 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank.
5	Measurement of deferred tax asset	IAS 12 "Income Tax"	A deferred tax asset shall be recognized for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized.	As per DFIM circular No. 7, dated 31 July 2011, no deferred tax asset can be recognized for any deductible temporary difference against the provision for lease, loans and advances.	During this period, the Company did not consider any deductible temporary difference against the provision for leases, loans and advances. Please see note 9.4

Annexure-B

SL.	Nature of Departure	Title of IAS/IFRS	Treatment of IAS/IFRS	Treatment Adopted as per Bangladesh Bank	Financial or Presentation Effect of the Departure
6	Presentation and disclosure of Financial Statements and Financial Instruments	IAS 1 "Presentation of Financial Statements" IFRS 9 "Financial Instruments" & IFRS 7 "Financial Instruments: Disclosure"	Other Comprehensive Income (OCI) is a component of financial statements or the elements of OCI are to be included in a single Other Comprehensive Income statement. IAS 1 requires separate line item for intangible assets on the face of statement of financial position. IFRS 9 and IFRS 7 require specific presentation and disclosure relating to all financial instruments.	Bangladesh Bank has issued templates for financial statements vide DFIM Circular No. 11, dated 23 December 2009 which will strictly be followed by all banks and NBFIs. The templates of financial statements issued by Bangladesh Bank do not include Other Comprehensive Income (OCI) nor are the elements of Other Comprehensive Income allowed to include in a Single Comprehensive Income Statement. Intangibles assets are not separately presented on the face of statement of financial position; rather it is presented along with the line item of fixed assets. As per Bangladesh Bank guidelines, financial instruments are categorized, recognized and measured differently from those prescribed in IAS 39. As such some disclosure and presentation requirements of IFRS 7 and IAS 32 have not been made in the accounts.	Financial Statements for the first quarter end 2019 and corresponding period of 2018 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank.
7	Preparation of "Statement of Cash Flows"	IAS 7 "Statement of Cash Flows"	The Cash flow statement can be prepared using either the direct method or the indirect method. The presentation is selected to present these cash flows in a manner that is most appropriate for the business or industry. The method selected is applied consistently.	As per DFIM Circular No. 11, dated 23 December 2009, Cash flow statement has been guided by the Bangladesh Bank which is the mixture of direct and indirect method.	Financial Statements for the first quarter end 2019 and corresponding period of 2018 have been prepared as per guideline (DFIM Circular No. 11 dated 23 December 2009) of Bangladesh Bank.

Annexure-B

SL.	Nature of Departure	Title of IAS/IFRS	Treatment of IAS/IFRS	Treatment Adopted as per Bangladesh Bank	Financial or Presentation Effect of the Departure
8	Current/Non-current distinction	IAS 1 "Presentation of Financial Statement"	As per Para 60 of IAS 1 "Presentation of Financial statement" An entity shall present current and non-current assets and current and non-current liabilities as separate classification in its statement of financial position.	As per DFIM Circular No. 11, dated 23 December 2009, Bangladesh Bank has issued templates for financial statements which is applicable for all the Financial Institutions. In this templates there is no current and non-current segmentation of assets and liabilities	Financial Statements for the first quarter end 2019 and corresponding period of 2018 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank.
9	Off-balance sheet items	IAS 1 "Presentation of Financial Statements"	There is no concept of off-balance sheet items in any IFRS; hence there is no requirement for disclosure of off-balance sheet items on the face of the balance sheet.	As per DFIM Circular No. 11, dated 23 December 2009, off-balance sheet items (e.g. letter of credit, letter of guarantee etc.) must be disclosed separately on the face of the balance sheet.	Financial Statements for the first quarter end 2019 and corresponding period of 2018 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank. There is no financial impact for this departure but there is a disclosure in the financial statements
10	Impairment of Margin Loan (Loans and receivables)	IFRS 9 "Financial Instruments"	Measurement after initial recognition at amortized cost and recording of changes through profit and loss.	As per Bangladesh Securities and Exchange Commission (BSEC) Circular No. SEC/CMRRCD/2009-193/196 dated 28 December 2016, provisions for the year 2016 on impairment of principal portion of margin loan shall be kept at 20% on each quarter for the five quarters starting from December 2016.	There is no such impact for this. However, we have been maintaining full provision for unrealized loss (if any) of margin loan in the portfolio.
11	Complete set of financial statements	IAS 1 "Presentation of Financial Statements"	As per IAS 1: "Presentation of Financial Statements" complete set of financial statements are	As per DFIM Circular No. 11, dated 23 December 2009, complete set of financial statements are i) balance sheet,	Financial Statements for the first quarter end 2019 and corresponding period of 2018 have been prepared as per guideline (DFIM Circular No. 11,

Annexure-B

SL.	Nature of Departure	Title of IAS/IFRS	Treatment of IAS/IFRS	Treatment Adopted as per Bangladesh Bank	Financial or Presentation Effect of the Departure
			<p>i) statement of financial position, ii) statement of profit or loss and other comprehensive income, iii) statement of changes in equity, iv) statement of cash flows, v) notes, comprising significant accounting policies and other explanatory information and vi) statement of financial position at the beginning of preceding period for retrospective restatement.</p>	<p>ii) profit and loss account, iii) statement of cash flows, iv) statement of changes in equity, v) statement of liquidity, vi) notes, comprising significant accounting policies and other explanatory information.</p>	<p>dated 23 December 2009) of Bangladesh Bank.</p> <p>There is no financial impact for this departure in the financial statements.</p>
12	Intangible asset	IAS 1 "Presentation of Financial Statements"	As per IAS 1: "Presentation of Financial Statements" para 54: the statement of financial position shall include separate line item for intangible assets.	<p>As per DFIM Circular No. 11, dated 23 December 2009, there is no option for separate line item for intangible asset in the balance sheet.</p> <p>We present intangible asset in the balance sheet as part of fixed assets and provide details in annexure-A as separate line item.</p>	<p>Financial Statements for the first quarter end 2019 and corresponding period of 2018 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank.</p> <p>There is no financial impact for this departure in the financial statements.</p>
13	Other comprehensive income	IAS 1 "Presentation of Financial Statements"	As per IAS 1: "Presentation of Financial Statements" Other Comprehensive Income (OCI) is a component of financial statements or the elements of OCI are to be included in a single OCI statement.	Bangladesh Bank has issued templates for financial statements which will strictly be followed by financial institutions. The templates of financial statements issued by Bangladesh Bank do not include Other Comprehensive Income (OCI) nor are the	Financial Statements for the first quarter end 2019 and corresponding period of 2018 have been prepared as per the guideline and templates issued by Bangladesh Bank.

Annexure-B

SL.	Nature of Departure	Title of IAS/IFRS	Treatment of IAS/IFRS	Treatment Adopted as per Bangladesh Bank	Financial or Presentation Effect of the Departure
				<p>elements of OCI allowed to be included in a single OCI statement.</p> <p>As such the financial institution does not prepare the other comprehensive income statement. However, elements of OCI, if any, are shown in the statements of changes in equity.</p>	There is no financial impact for this departure in the financial statements.
14	Disclosure of presentation of profit	N/A	There is no requirement to show appropriation of profit in the face of statement of comprehensive income.	As per DFIM circular no 11, dated 23 December 2009, an appropriation of profit should be disclosed in the face of profit and loss account	<p>Financial Statements for the first quarter end 2019 and corresponding period of 2018 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank.</p> <p>There is no financial impact for this departure in the financial statements.</p>