

IDLC Finance Limited

Financial Statements

as at and for the period ended June 30, 2019

IDLC Finance Limited and its Subsidiaries
Consolidated Balance Sheet (Un-audited) as at June 30, 2019

	<u>Note</u>	<u>30.06.2019</u> <u>BDT</u>	<u>31.12.2018</u> <u>BDT</u>
PROPERTY AND ASSETS			
Cash	3		
In hand (including foreign currencies)	3.1	433,623	434,090
Balance with Bangladesh Bank and its agent (including foreign currencies)	3.2	1,970,162,617	2,564,995,968
		1,970,596,240	2,565,430,058
Balance with other banks and financial institutions	4		
Inside Bangladesh	4(a)	20,267,886,545	13,670,184,483
Outside Bangladesh	4(b)	-	-
		20,267,886,545	13,670,184,483
Money at call and short notice	5	-	-
Investments	6		
Government		-	-
Others		5,523,949,327	7,300,477,507
		5,523,949,327	7,300,477,507
Loans and advances	7		
Loans, cash credit, overdraft etc.		87,305,677,684	83,934,280,017
Bills purchased and discounted		-	-
		87,305,677,684	83,934,280,017
Fixed assets including land, building, furniture and fixtures	8(c)	506,081,416	552,025,946
Other assets	9	1,850,513,731	1,143,290,024
Non-banking assets		-	-
Total Assets		117,424,704,944	109,165,688,035
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	10	21,853,987,633	12,496,240,919
Deposits and other accounts	11		
Current accounts and other accounts etc.		-	-
Bills payable		-	-
Savings bank deposits		-	-
Term deposits		69,306,164,064	70,257,701,507
Bearer certificate of deposits		-	-
Other deposits		2,483,946,807	2,455,047,719
		71,790,110,871	72,712,749,226
Other liabilities	12	10,411,626,061	10,319,370,941
Total Liabilities		104,055,724,565	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		4,874,841,614	5,143,188,211
Total Equity attributable to equity holders of the company		13,368,977,194	13,637,323,791
Non-controlling interest		3,184	3,158
Total Liabilities and Shareholders' equity		117,424,704,944	109,165,688,035

	<u>Note</u>	<u>30.06.2019</u> <u>BDT</u>	<u>31.12.2018</u> <u>BDT</u>
OFF-BALANCE SHEET ITEMS			
Contingent liabilities			
17.1			
Acceptances and endorsements		-	-
Letters of guarantee		-	11,853,790
Irrevocable letters of credit		-	-
Bills for collection		-	-
Indemnity bond		-	-
Corporate guarantee		750,000,000	750,000,000
		750,000,000	761,853,790
Other commitments			
17.2			
Documentary credits and short term trade related transactions		-	-
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		1,113,724,060	1,774,929,398
		1,113,724,060	1,774,929,398
Total Off-Balance Sheet items including contingent liabilities		1,863,724,060	2,536,783,188
Net Assets Value (NAV) per share	35	35.46	36.17

The annexed notes from 1 to 38 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, July 25, 2019

IDLC Finance Limited and its Subsidiaries
Consolidated Profit and Loss Account (Un-audited) for the period ended June 30, 2019

	<u>Note</u>	<u>Jan to Jun'19</u> <u>Taka</u>	<u>Jan to Jun'18</u> <u>Taka</u>	<u>Apr to Jun'19</u> <u>Taka</u>	<u>Apr to Jun'18</u> <u>Taka</u>
Interest income	19	6,384,819,831	5,207,976,620	3,348,387,395	2,815,952,445
Interest on deposits and borrowings etc.	20	(4,030,592,582)	(3,191,415,477)	(2,075,738,437)	(1,767,521,547)
Net interest income		2,354,227,249	2,016,561,143	1,272,648,958	1,048,430,898
Investment income	21	88,246,137	414,021,020	17,848,771	149,397,695
Commission, exchange and brokerage	22	206,161,397	261,639,313	76,548,928	152,827,655
Other operating income	23	204,644,628	206,261,910	96,885,938	89,848,170
Total operating income		2,853,279,411	2,898,483,386	1,463,932,595	1,440,504,418
Salaries and allowances	24	692,473,216	613,844,620	348,791,084	311,996,462
Rent, taxes, insurance, electricity etc.	25	116,339,564	111,244,671	58,920,416	57,335,585
Legal expenses	26	12,545,239	8,037,983	7,691,527	4,000,604
Postage, stamp, telecommunication etc.	27	20,956,170	19,520,689	10,498,576	9,850,912
Stationery, printing, advertisements etc.	28	64,697,161	85,312,116	37,120,793	35,035,609
Managing Director's salary and benefits	29	6,790,000	6,430,000	3,390,000	3,090,000
Directors' fees	30	945,595	1,000,068	495,019	668,008
Auditors' fees	31	577,500	635,000	288,750	260,000
Charges on loan losses		-	-	-	-
Depreciation and repair of Company's assets	32	87,848,632	90,711,668	43,122,495	45,789,241
Other expenses	33	174,239,066	187,569,137	84,784,137	92,778,209
Total operating expenses		1,177,412,143	1,124,305,952	595,102,797	560,804,630
Profit before provision		1,675,867,268	1,774,177,434	868,829,798	879,699,788
Provision for loans and investments	12.6(ii)				
General provision		20,379,026	55,955,655	1,977,372	25,667,910
Specific provision		149,557,800	35,225,770	17,121,925	5,636,640
Provision for diminution in value of investments		(91,927,996)	128,691,142	54,588,899	99,818,358
Other provisions		-	-	-	-
Total provision		78,008,830	219,872,567	73,688,196	131,122,908
Total profit before taxation		1,597,858,438	1,554,304,867	795,141,602	748,576,880
Provision for taxation					
Current tax expense	12.2	552,227,206	442,795,869	303,016,080	187,681,312
Deferred tax income	9.4	(5,699,927)	-	(771,190)	-
		546,527,279	442,795,869	302,244,890	187,681,312
Net profit after taxation		1,051,331,159	1,111,508,998	492,896,712	560,895,568
Attributable to:					
Shareholders of the Company		1,051,331,133	1,111,508,916	492,896,713	560,895,520
Non-controlling interest		26	82	(1)	48
		1,051,331,159	1,111,508,998	492,896,712	560,895,568
Retained surplus		1,051,331,133	1,111,508,916	492,896,713	560,895,520
Earnings Per Share (EPS)	34	2.79	2.95	1.31	1.49

The annexed notes from 1 to 38 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, July 25, 2019

IDLC Finance Limited and its Subsidiaries
Consolidated Cash Flow Statement (Un-audited)
for the period ended June 30, 2019

	<u>30.06.2019</u>	<u>30.06.2018</u>
	<u>Taka</u>	<u>Taka</u>
A) Cash flows from operating activities		
Interest received	6,249,379,666	4,975,823,256
Interest paid	(3,814,296,211)	(2,761,427,366)
Dividend received	48,519,412	69,094,632
Fees and commission received	206,161,397	261,639,313
Paid to employees and suppliers	(1,101,556,781)	(1,044,089,853)
Payment of income tax	(391,238,417)	(510,916,231)
Received from other operating activities	240,377,081	547,392,215
Cash generated from operating activities before changes in operating assets and liabilities	1,437,346,147	1,537,515,966
Increase/(decrease) in operating assets and liabilities		
Lease receivable	501,173,240	330,075,043
Long-term finance	(1,841,359,127)	(6,380,054,644)
Real estate finance	(2,087,686,933)	(1,702,968,090)
Car loan	99,571,401	257,787,328
Personal loan	(5,649,691)	(20,479,612)
Loan against deposit	(265,176,399)	(124,483,533)
Margin loan to portfolio investors	291,447,161	501,844,398
Short term finance	84,235,865	(53,922,388)
Other assets	(719,736,726)	(500,936,506)
Term and other deposits	(922,638,355)	6,395,235,454
Net drawdown of short term loan	5,345,000,000	4,055,000,000
Payable and accrued expenses	(69,538,313)	(286,617,923)
Deferred liability-employee gratuity	27,610,465	12,755,568
Portfolio investors' fund	(391,937,154)	(335,386,742)
Deferred tax liability	(241,016)	-
Interest suspense account	69,209,465	(43,433,094)
	<u>114,283,883</u>	<u>2,104,415,260</u>
Net cash flows from/(used in) operating activities	<u>1,551,630,030</u>	<u>3,641,931,226</u>
B) Cash flows from investing activities		
Purchase of fixed assets	(33,013,155)	(25,607,427)
Disposal of fixed assets	7,096,596	7,059,136
Net proceeds of investment in securities	1,776,528,180	1,383,246,060
Net cash flows from/(used in) investing activities	1,750,611,621	1,364,697,769
C) Cash flows from financing activities		
Drawdown of term loans	8,691,119,177	797,419,051
Repayment of term loans	(4,678,372,464)	(1,826,924,108)
Dividend paid	(1,312,120,120)	(710,406,377)
Net cash flows from/(used in) financing activities	2,700,626,593	(1,739,911,434)
D) Net increase/(decrease) in cash and cash equivalents (A+ B + C)	6,002,868,244	3,266,717,561
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)	<u>22,238,482,785</u>	<u>17,994,608,245</u>
Cash and cash equivalents at end of the period		
Cash in hand (including foreign currencies) (Note-3.1)	433,623	430,000
Balance with Bangladesh Bank and its agent bank(s) (Note-3.2)	1,970,162,617	1,342,743,589
Balance with other banks and financial institutions (Note-4)	20,267,886,545	16,651,434,656
Money at call and short notice (Note-5)	-	-
	<u>22,238,482,785</u>	<u>17,994,608,245</u>
Net operating cash flow per share (Note-36)	<u>4.12</u>	<u>9.66</u>

The annexed notes from 1 to 38 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 June 30, 2019

<u>Particulars</u>	<u>Attributable to equity holders of the Company</u>							<u>Non-controlling interest</u> Taka	<u>Total equity</u> Taka
	<u>Paid-up capital</u> Taka	<u>Share premium</u> Taka	<u>Statutory reserves</u> Taka	<u>General reserves</u> Taka	<u>Dividend equalisation reserves</u> Taka	<u>Retained earnings</u> Taka	<u>Total</u> Taka		
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 half year ended 2019	-	-	-	-	-	1,051,331,133	1,051,331,133	26	1,051,331,159
Appropriation to reserves	-	-	-	-	-	-	-	-	-
Balance at June 30, 2019	3,770,507,800	1,260,585,930	2,416,541,850	1,000,000,000	46,500,000	4,874,841,614	13,368,977,194	3,184	13,368,980,378
Balance at June 30, 2018	3,770,507,800	1,260,585,930	2,098,412,371	1,000,000,000	46,500,000	4,401,826,341	12,577,832,442	3,083	12,577,835,525

IDLC Finance Limited
Balance Sheet (Un-audited) as at June 30, 2019

	<u>Note</u>	<u>30.06.2019</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	1,970,162,617	2,564,995,968
		1,970,492,617	2,565,325,968
Balance with other banks and financial institutions	4		
Inside Bangladesh	4(a)	19,234,425,717	12,496,696,308
Outside Bangladesh	4(b)	-	-
		19,234,425,717	12,496,696,308
Money at call and short notice	5	-	-
Investments	6		
Government		-	-
Others		1,984,395,247	2,792,871,764
		1,984,395,247	2,792,871,764
Loans and advances	7		
Loans, cash credit, overdraft etc.		86,072,452,301	82,409,607,473
Bills purchased and discounted		-	-
		86,072,452,301	82,409,607,473
Fixed assets including land, building, furniture and fixtures	8(c)	459,415,032	499,135,123
Other assets	9	5,066,404,868	4,418,113,871
Non-banking assets		-	-
Total Assets		114,787,585,782	105,181,750,507
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	10	21,853,987,633	12,246,240,919
Deposits and other accounts	11		
Current accounts and other accounts etc.		-	-
Bills payable		-	-
Savings bank deposits		-	-
Term deposits		70,928,882,814	71,338,071,965
Bearer certificate of deposits		-	-
Other deposits		2,483,946,807	2,455,047,719
		73,412,829,621	73,793,119,684
Other liabilities	12	8,892,631,989	8,113,798,073
Total Liabilities		104,159,449,243	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		2,134,000,959	2,534,456,251
Total Equity		10,628,136,539	11,028,591,831
Total Liabilities and Shareholders' equity		114,787,585,782	105,181,750,507

	<u>Note</u>	<u>30.06.2019</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		-	11,853,790
Irrevocable letters of credit		-	-
Bills for collection		-	-
Indemnity bond		-	-
Corporate guarantee		750,000,000	750,000,000
		750,000,000	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		1,113,724,060	1,774,929,398
		1,113,724,060	1,774,929,398
Total Off-Balance Sheet items including contingent liabilities		1,863,724,060	2,536,783,188
Net Assets Value (NAV) per share	35	28.19	29.25

The annexed notes from 1 to 38 form an integral part of these financial statements.

Sd/-
Chairman

Sd/-
Director

Sd/-
CEO & Managing Director

Sd/-
Chief Financial Officer

Sd/-
Company Secretary

Dhaka, July 25, 2019

IDLC Finance Limited
Profit and Loss Account (Un-audited) for the period ended June 30, 2019

	Note	<u>Jan to Jun'19</u> Taka	<u>Jan to Jun'18</u> Taka	<u>Apr to Jun'19</u> Taka	<u>Apr to Jun'18</u> Taka
Interest income	19	6,235,113,456	5,092,788,088	3,264,476,054	2,741,500,076
Interest on deposits and borrowings etc.	20	(4,085,263,271)	(3,216,181,947)	(2,104,307,430)	(1,782,026,443)
Net interest income		2,149,850,185	1,876,606,141	1,160,168,624	959,473,633
Investment income	21	29,167,116	239,687,695	9,997,121	75,045,020
Commission, exchange and brokerage	22	4,903,061	20,638,763	2,903,062	19,684,959
Other operating income	23	199,689,111	203,854,391	93,925,847	88,945,060
Total operating income		2,383,609,473	2,340,786,990	1,266,994,654	1,143,148,672
Salaries and allowances	24	562,073,615	503,398,464	286,710,551	253,959,242
Rent, taxes, insurance, electricity etc.	25	94,053,974	91,185,881	47,436,367	47,543,102
Legal expenses	26	10,964,202	6,546,455	6,989,434	3,450,024
Postage, stamp, telecommunication etc.	27	17,080,135	15,365,579	8,580,131	7,777,873
Stationery, printing, advertisements etc.	28	53,605,206	72,662,253	33,597,717	30,945,125
Managing Director's salary and benefits	29	6,790,000	6,430,000	3,390,000	3,090,000
Directors' fees	30	717,600	708,400	377,200	496,800
Auditors' fees	31	402,500	460,000	201,250	172,500
Charges on loan losses		-	-	-	-
Depreciation and repair of Company's assets	32	74,749,609	78,337,914	36,644,347	39,444,452
Other expenses	33	142,875,912	164,131,704	64,279,989	77,722,203
Total operating expenses		963,312,753	939,226,650	488,206,987	464,601,322
Profit before provisions		1,420,296,720	1,401,560,340	778,787,667	678,547,350
Provision for loans and investments	12.6(ii)				
General provision		22,033,004	58,573,290	2,956,932	26,578,937
Specific provision		132,729,513	70,483,889	293,638	5,636,640
Provision for diminution in value of investments		(94,961,518)	77,055,469	45,840,047	77,055,469
Other provision		-	-	-	-
Total provision		59,800,999	206,112,648	49,090,617	109,271,046
Total profit before taxation		1,360,495,721	1,195,447,692	729,697,050	569,276,304
Provision for taxation					
Current tax expense	12.2	444,977,051	396,777,167	257,368,955	165,848,969
Deferred tax expenses/(income)	9.4	(3,703,767)	-	98,064	-
		441,273,284	396,777,167	257,467,019	165,848,969
Net profit after taxation		919,222,437	798,670,525	472,230,031	403,427,335
Earnings Per Share (EPS)	34	2.44	2.12	1.25	1.07

The annexed notes from 1 to 38 form an integral part of these financial statements.

Sd/-
Chairman

Sd/-
Director

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CEO & Managing Director

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Chief Financial Officer

Sd/-
Company Secretary

Dhaka, July 25, 2019

IDLC Finance Limited
Cash Flow Statement (Un-audited) for the period ended June 30, 2019

	<u>30.06.2019</u> <u>Taka</u>	<u>30.06.2018</u> <u>Taka</u>
A) Cash flows from operating activities		
Interest received	6,096,142,772	4,866,906,850
Interest paid	(3,868,966,900)	(2,947,167,637)
Dividend received	27,954,748	18,098,909
Fees and commission received	4,903,061	20,638,763
Paid to employees and suppliers	(897,701,716)	(869,571,729)
Payment of income tax	(282,303,621)	(419,918,395)
Received from other operating activities	210,257,386	421,712,079
Cash generated from operating activities before changes in operating assets and liabilities	1,290,285,731	1,090,698,840
Increase/(decrease) in operating assets and liabilities		
Lease receivable	501,173,240	330,075,043
Long-term finance	(1,841,359,127)	(6,380,054,644)
Real estate finance	(2,087,686,933)	(1,702,968,090)
Car loan	99,571,401	257,787,328
Personal loan	(5,649,691)	(20,479,612)
Loan against deposit	(265,176,399)	(124,483,533)
Loan to subsidiaries	-	682,549,692
Short term finance	84,235,865	(53,922,388)
Other assets	(669,323,497)	(13,793,906)
Term and other deposits	(380,290,063)	6,551,191,897
Net drawdown of short term loan	5,595,000,000	4,125,000,000
Payable and accrued expenses	247,457,697	(288,118,563)
Deferred liability-employee gratuity	19,542,111	9,692,111
Interest suspense account	69,209,465	(43,433,094)
	1,366,704,069	3,329,042,242
Net cash flows from/(used in) operating activities	2,656,989,800	4,419,741,083
B) Cash flows from investing activities		
Purchase of fixed assets	(26,843,017)	(21,967,343)
Disposal of fixed assets	3,646,165	7,034,137
Net proceeds of investment in securities	808,476,517	419,251,640
Net cash flows from/(used in) investing activities	785,279,665	404,318,434
C) Cash flows from financing activities		
Drawdown of term loans	8,691,119,177	797,419,051
Repayment of term loans	(4,678,372,464)	(1,826,924,108)
Dividend paid	(1,312,120,120)	(710,406,377)
Net cash flows from/(used in) financing activities	2,700,626,593	(1,739,911,434)
D) Net increase/(decrease) in cash and cash equivalents (A+B+C)	6,142,896,058	3,084,148,083
E) Effects of exchange rate changes on cash and cash equivalents	-	-
F) Cash and cash equivalents at beginning of the period	15,062,022,276	13,772,759,352
G) Cash and cash equivalents at end of the period (D+E+F)	21,204,918,334	16,856,907,435
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)	1,970,162,617	1,342,743,589
Balance with other banks and financial institutions (Note-4)	19,234,425,717	15,513,833,846
Money at call and short notice (Note-5)	-	-
	21,204,918,334	16,856,907,435
Net operating cash flow per share (Note-36)	7.05	11.72

The annexed notes from 1 to 38 form an integral part of these financial statements.

IDLC Finance Limited
Statement of Changes in Equity (Un-audited)
for the period ended June 30, 2019

<u>Particulars</u>	<u>Paid-up capital</u> Taka	<u>Share premium</u> Taka	<u>Statutory reserves</u> Taka	<u>General reserves</u> Taka	<u>Dividend equalisation reserves</u> Taka	<u>Retained earnings</u> Taka	<u>Total</u> Taka
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 half year ended 2019	-	-	-	-	-	919,222,437	919,222,437
Appropriation to reserve	-	-	-	-	-	-	-
Balance at June 30, 2019	3,770,507,800	1,260,585,930	2,416,541,850	1,000,000,000	46,500,000	2,134,000,959	10,628,136,539
Balance at June 30, 2018	3,770,507,800	1,260,585,930	2,098,412,371	1,000,000,000	46,500,000	2,060,608,860	10,236,614,961

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 June 30, 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 25 July 2019.

2.4 Reporting

This half yearly 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	
	30.06.2019	31.12.2018	30.06.2019	31.12.2018
	BDT	BDT	BDT	BDT
3 Cash				
3.1 Cash in hand (including foreign currencies)				
In local currency	330,000	330,000	433,623	434,090
In foreign currency	-	-	-	-
	330,000	330,000	433,623	434,090
3.2 Balance with Bangladesh Bank and its agent (including foreign currencies)				
In local currency	1,970,162,617	2,564,995,968	1,970,162,617	2,564,995,968
In foreign currency	-	-	-	-
	1,970,162,617	2,564,995,968	1,970,162,617	2,564,995,968
	1,970,492,617	2,565,325,968	1,970,596,240	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	2,942	5,832	2,942	5,832
Bank Al- Falah Limited	10,000	1,460	10,000	1,460
One Bank Limited	-	-	81,126,264	3,295,766
Jamuna Bank Limited	7,240	7,240	7,240	7,240
The City Bank Limited	45,837,879	19,100,962	45,837,879	19,100,962
National Bank Limited	456,051	12,048,186	456,051	12,048,186
Bank Asia Limited	24,487,816	12,609,106	24,487,816	12,609,106
State Bank of India	45,504	13,345,504	45,504	13,345,504
Commercial Bank of Ceylon PLC	9,078,536	507,076	9,251,441	1,620,138
Citibank N.A	(164,552,292)	162,608,798	(164,552,292)	162,608,798
Standard Chartered Bank	(270,865,561)	(936,536,798)	(24,281,518)	(501,109,222)
Mutual Trust Bank Limited	10,449,078	(1,719,021)	10,449,078	(1,719,021)
Exim Bank Limited	2,711,631	3,655,870	2,711,631	3,655,870
Dutch Bangla Bank Limited	45,854,712	30,182,492	45,854,712	30,182,492
BRAC Bank Limited	40,633,644	23,901,508	41,877,856	44,576,133
Dhaka Bank Limited	21,604,582	5,062,481	21,604,582	5,062,481
United Commercial Bank Limited	10,275,241	-	10,275,241	-
NRB Bank Limited	-	-	194,133	190,901
Mercantile Bank Limited	1,959,203	1,157,719	1,959,203	1,157,719
NCC Bank Limited	6,420,007	-	41,382,027	-
IDLC Investments Limited	(21,814,307)	106,347,259	-	-
	(237,398,094)	(547,714,326)	148,699,790	(193,359,655)
Short-term deposit accounts				
Prime Bank Limited	150,136	1,078,215	150,136	1,078,215
Dutch Bangla Bank Limited	-	-	4,465,904	5,957,617
The City Bank Limited	2,214,546,919	58,991,780	2,214,546,919	58,991,780
BRAC Bank Limited	-	-	17,302,826	18,686,987
Southeast Bank Limited	29,314,074	9,891,608	29,314,074	9,891,608
Citibank N.A.	71,190,130	321,351	71,190,130	321,351
Standard Chartered Bank	455,815	(20,606)	506,735	(18,699)
Commercial Bank of Cylon	5,263,333	6,154,568	7,448,136	10,430,301
One Bank Limited	5,226,113,426	1,446,866,126	5,355,500,047	1,454,233,015
NCC Bank Limited	-	-	93,029,246	374,459,810
Exim Bank Limited	3,904,789,957	1,281,127,581	4,261,232,580	1,637,350,766
NRB Bank Limited	21	11	22	12
	11,451,823,811	2,804,410,634	12,054,686,755	3,571,382,763
Fixed Deposits				
Al-Arafah Islami Bank Limited	-	900,000,000	-	900,000,000
AB Bank Limited	200,000,000	200,000,000	200,000,000	200,000,000
Meghna Bank Limited	1,250,000,000	750,000,000	1,250,000,000	750,000,000
South Bangla Agriculture & Commerce Bank Limited	70,000,000	90,000,000	70,000,000	90,000,000
ONE Bank Limited	2,400,000,000	2,200,000,000	2,400,000,000	2,200,000,000
Southeast Bank Limited	250,000,000	500,000,000	250,000,000	500,000,000
Jamuna Bank Limited	500,000,000	1,550,000,000	500,000,000	1,550,000,000
Dhaka Bank Limited	2,000,000,000	3,000,000,000	2,000,000,000	3,000,000,000
Standard Bank Limited	350,000,000	750,000,000	350,000,000	750,000,000
Export Import Bank of Bangladesh Limited	1,000,000,000	-	1,000,000,000	-
IPDC Finance Limited	-	300,000,000	10,000,000	317,661,375
Trust Bank Limited	-	-	2,500,000	2,500,000
Standard Chartered Bank	-	-	32,000,000	32,000,000
	8,020,000,000	10,240,000,000	8,064,500,000	10,292,161,375
	19,234,425,717	12,496,696,308	20,267,886,545	13,670,184,483
4(b) Outside Bangladesh	-	-	-	-
Total balance	19,234,425,717	12,496,696,308	20,267,886,545	13,670,184,483

	IDLC Finance Limited		IDLC Group	
	30.06.2019	31.12.2018	30.06.2019	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	167,863,976	107,864,000
Investment in preference shares (Note 6.2)	83,992,500	-	83,992,500	-
Investment in debenture and bonds (Note 6.3)	360,000,000	420,000,000	594,760,711	738,434,071
Investment in marketable securities (Note 6.4)	1,332,538,747	2,165,007,764	4,427,332,140	6,254,179,436
Investment in open end mutual fund (Note 6.5)	200,000,000	200,000,000	250,000,000	200,000,000
Other investments	-	-	-	-
Gold etc.	-	-	-	-
	1,984,395,247	2,792,871,764	5,523,949,327	7,300,477,507
	1,984,395,247	2,792,871,764	5,523,949,327	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	-	-	-	159,999,976	100,000,000
* Previously the name was Dan & Bradstreet Rating Agency Bangladesh Limited	-	-	-	-	-
		7,864,000	7,864,000	167,863,976	107,864,000

6.2 Investment in preference shares

Chaldal Limited	83,992,500	-	83,992,500	-
	83,992,500	-	83,992,500	-

6.3 Investment in bonds

Mercantile Bank Limited	120,000,000	180,000,000	120,000,000	180,000,000
United Commercial Bank Limited	240,000,000	240,000,000	240,000,000	240,000,000
Paramount Textile Limited	-	-	137,969,587	155,366,353
Impress-Newtux Composite Textile Limited	-	-	96,791,124	163,067,718
	360,000,000	420,000,000	594,760,711	738,434,071

6.4 Investment in marketable securities

Investment in marketable securities (Note 6.4.1)	1,332,369,337	2,164,334,034	4,425,275,990	6,251,214,676
Investment in Initial Public Offering (Note 6.4.2)	169,410	673,730	2,056,150	2,964,760
	1,332,538,747	2,165,007,764	4,427,332,140	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 period	Cost price	Market price at the end of the period
	BDT	BDT	BDT	BDT
Mutual Funds	65,047,280	53,222,058	111,868,701	90,450,360
Banks	88,341,605	88,981,837	784,088,474	719,849,546
Textiles	75,130	180,312	300,520	721,248
Pharmaceuticals & Chemicals	120,639,135	120,120,334	723,609,623	715,762,913
Fuel & Power	182,235,914	164,455,384	547,103,513	486,114,447
Financial Institutions	9,999,990	9,999,990	35,392,749	33,444,139
Telecom	351,529,013	300,437,672	710,415,023	632,895,489
Cement	-	-	596,658,001	510,055,088
Engineering & Others	514,501,270	509,570,456	915,839,386	855,749,580
	1,332,369,337	1,246,968,043	4,425,275,990	4,045,042,810

As on June 30, 2019 there was BDT 380,233,180 gross loss on consolidated investment in marketable securities and BDT 85,401,294 gross loss on investment by IDLC Finance Limited in marketable securities.

IDLC Finance Limited		IDLC Group	
30.06.2019	31.12.2018	30.06.2019	31.12.2018
BDT	BDT	BDT	BDT
169,410	673,730	2,056,150	2,964,760

6.4.2 Investment in Initial Public Offering

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)	3,775,695,107	4,276,868,347	3,775,695,107	4,276,868,347
Long-term finance (Note 7.2)	50,481,575,355	48,640,216,228	50,481,575,355	48,640,216,228
Real estate finance (Note 7.3)	27,219,078,802	25,131,391,869	27,219,078,802	25,131,391,869
Car loans (Note 7.4)	1,310,231,176	1,409,802,577	1,310,231,176	1,409,802,577
Personal loan (Note 7.5)	153,586,105	147,936,414	153,586,105	147,936,414
Short term finance (Note 7.6)	821,315,332	905,551,197	821,315,332	905,551,197
Loan to subsidiaries (Note 7.7)	-	-	-	-
Loan against deposit (LAD)	1,022,933,170	757,756,771	1,022,933,170	757,756,771
Margin loan to portfolio investors (Note 7.8)	-	-	1,233,225,383	1,524,672,544
Interest receivable (Note-7.9)	1,288,037,255	1,140,084,071	1,288,037,255	1,140,084,071
	86,072,452,301	82,409,607,473	87,305,677,684	83,934,280,017
Outside Bangladesh	-	-	-	-
	86,072,452,301	82,409,607,473	87,305,677,684	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	405,417,830	1,589,662,430	405,417,830	1,589,662,430
	4,682,286,177	6,218,482,994	4,682,286,177	6,218,482,994
Less: Realisation during the period/year	906,591,070	1,941,614,647	906,591,070	1,941,614,647
Balance at period/year end	3,775,695,107	4,276,868,347	3,775,695,107	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	17,911,089,747	31,209,698,141	17,911,089,747	31,209,698,141
	66,551,305,975	70,452,537,152	66,551,305,975	70,452,537,152
Less : Realisation during the period/year	16,069,730,620	21,812,320,924	16,069,730,620	21,812,320,924
Balance at period/year end	50,481,575,355	48,640,216,228	50,481,575,355	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	4,389,143,254	7,382,569,786	4,389,143,254	7,382,569,786
	29,520,535,123	28,844,086,972	29,520,535,123	28,844,086,972
Less : Realisation during the period/year	2,301,456,321	3,712,695,103	2,301,456,321	3,712,695,103
Balance at period/year end	27,219,078,802	25,131,391,869	27,219,078,802	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	248,224,394	361,691,440	248,224,394	361,691,440
	1,658,026,971	2,220,214,295	1,658,026,971	2,220,214,295
Less : Realisation during the period/year	347,795,795	810,411,718	347,795,795	810,411,718
Balance at period/year end	1,310,231,176	1,409,802,577	1,310,231,176	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	38,113,459	94,760,641	38,113,459	94,760,641
	186,049,873	187,618,013	186,049,873	187,618,013
Less : Realisation during the period/year	32,463,768	39,681,599	32,463,768	39,681,599
Balance at period/year end	153,586,105	147,936,414	153,586,105	147,936,414

7.6 Short term finance

Factoring of account receivable	821,315,332	905,551,197	821,315,332	905,551,197
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	IDLC Finance Limited		IDLC Group	
	30.06.2019	31.12.2018	30.06.2019	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	962,300,000	8,413,400,000	-	-
Less : Realisation during the period/year	962,300,000	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	-	-
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	440,000,000	2,675,000,000	-	-
Less : Realisation during the period/year	440,000,000	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	-	-	1,087,496,874	2,872,174,251
Less : Realisation during the period/year	-	-	2,612,169,418	4,935,438,062
Balance at period/year end	-	-	1,378,944,035	3,410,765,518
7.9 Interest Receivables				
Lease receivable	83,995,487	77,832,232	83,995,487	77,832,232
Long-term finance	759,523,739	676,210,534	759,523,739	676,210,534
Real estate finance	372,089,884	320,225,059	372,089,884	320,225,059
Car loan	12,204,751	13,329,194	12,204,751	13,329,194
Personal loan	1,787,280	1,793,519	1,787,280	1,793,519
Loan against deposit (LAD)	56,040,575	40,490,071	56,040,575	40,490,071
Short term finance	2,395,539	10,203,462	2,395,539	10,203,462
	1,288,037,255	1,140,084,071	1,288,037,255	1,140,084,071

	IDLC Finance Limited		IDLC Group	
	30.06.2019	31.12.2018	30.06.2019	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	26,843,017	47,724,871	33,013,155	56,508,623
	<u>1,329,279,558</u>	<u>1,350,496,653</u>	<u>1,541,176,747</u>	<u>1,559,444,355</u>
Disposal/Adjustments during the period/year	(48,616,201)	(48,060,112)	(57,325,461)	(51,280,763)
Balance at period/year end	<u>1,280,663,357</u>	<u>1,302,436,541</u>	<u>1,483,851,286</u>	<u>1,508,163,591</u>
b. Accumulated depreciation				
Balance at 01 January	803,301,418	705,515,711	956,137,646	840,143,807
Charged during the period/year	65,611,037	137,598,412	75,855,362	158,725,831
	<u>868,912,455</u>	<u>843,114,123</u>	<u>1,031,993,008</u>	<u>998,869,638</u>
Disposal/Adjustments during the period/year	(47,664,130)	(39,812,705)	(54,223,138)	(42,731,993)
Balance at period/year end	<u>821,248,325</u>	<u>803,301,418</u>	<u>977,769,870</u>	<u>956,137,645</u>
c. Written down value (a-b)	<u>459,415,032</u>	<u>499,135,123</u>	<u>506,081,416</u>	<u>552,025,946</u>

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)	260,851,132	243,987,618	957,166,628	845,806,562
Advances, deposits and prepayments (Note - 9.3)	771,125,230	193,401,514	805,673,596	215,268,866
Deferred tax asset (Note - 9.4)	34,428,716	30,724,949	72,803,757	67,344,846
Investment in stock exchanges (Note - 9.5)	-	-	14,869,750	14,869,750
	<u>5,066,404,868</u>	<u>4,418,113,871</u>	<u>1,850,513,731</u>	<u>1,143,290,024</u>

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	-	-
	<u>3,999,999,790</u>	<u>3,949,999,790</u>	<u>-</u>	<u>-</u>

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, which is shown as share money deposit in the books of IDLC AML.

9.2 Accounts receivable

Interest receivable	150,261,181	171,293,681	159,575,138	172,088,157
Other receivables	110,589,951	72,693,937	797,591,490	673,718,405
	<u>260,851,132</u>	<u>243,987,618</u>	<u>957,166,628</u>	<u>845,806,562</u>

9.3 Advances, deposits and prepayments

Deposits and prepayments	16,601,398	8,111,772	17,259,911	8,742,785
Advance against expenses	754,523,832	185,289,742	788,413,685	206,526,081
	<u>771,125,230</u>	<u>193,401,514</u>	<u>805,673,596</u>	<u>215,268,866</u>

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 June 30, 2019 (IDLC FL)	-	-	-	-	-	-
Fixed assets net of depreciation as on June 30, 2019 (IDLC SL)	-	-	-	-	-	-
Fixed assets net of depreciation as on June 30, 2019 (IDLC IL)	-	-	-	-	-	-
Fixed assets net of depreciation as on June 30, 2019 (IDLC AML)	-	-	-	12,038,768	11,195,891	(842,877)
Total	-	-	-	12,038,768	11,195,891	(842,877)
2018						
Assets (excluding land):						
Fixed assets net of depreciation as on December 31, 2018 (IDLC FL)	-	-	-	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 June 30, 2019			-			(295,007)
Deferred tax liability as on December 31, 2018			-			(536,023)
Deferred tax (expenses)/ income accounted for during the period			-			241,016

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 June 30, 2019 (IDLC FL)	432,456,562	517,076,015	84,619,453	-	-	-
* Difference for vehicle	(7,190,457)	-	7,190,457	-	-	-
Fixed assets net of depreciation as on June 30, 2019 (IDLC SL)	-	-	-	24,549,669	47,231,995	22,682,326
Fixed assets net of depreciation as on June 30, 2019 (IDLC IL)	-	-	-	9,482,109	19,617,298	10,135,189
Fixed assets net of depreciation as on June 30, 2019 (IDLC AML)	-	-	-	-	-	-
Total	425,266,105	517,076,015	91,809,910	34,031,778	66,849,293	32,817,515
Liabilities:						
Employee gratuity as on June 30, 2019 (IDLC SL)	-	-	-	36,747,274	-	36,747,274
Employee gratuity as on June 30, 2019 (IDLC IL)	-	-	-	16,632,605	-	16,632,605
Employee gratuity as on June 30, 2019 (IDLC AML)	-	-	-	-	-	-
Total	-	-	-	53,379,879	-	53,379,879
Loss on sale of secondary shares (IDLC SL)	-	-	-	-	-	-
Loss on sale of secondary shares (IDLC IL)	-	-	-	75,367,587	-	75,367,587
Total	-	-	-	75,367,587	-	75,367,587
Grand Total	-	-	-	128,747,466	-	128,747,466

	IDLC Finance Limited			Subsidiaries		
	Carrying amount at balance sheet	Tax base	(Taxable)/deductible temporary difference	Carrying amount at balance sheet	Tax base	(Taxable)/deductible temporary difference
	BDT	BDT	BDT	BDT	BDT	BDT
2018						
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)	-	-	-	-	-	-
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 June 30, 2019	34,428,716	38,375,041
Deferred tax asset as on December 31, 2018	30,724,949	36,619,897
Deferred tax (expenses)/ income accounted for during the period	3,703,767	1,755,144
Net deferred tax (expense)/income	3,703,767	1,996,160

2019: Consolidated deferred tax income was BDT 5,699,927 which includes BDT 3,703,767 for deferred tax income of IDLC Finance Limited, BDT 2,146,304 for deferred tax income of IDLC Securities Limited, BDT 391,159 for deferred tax expense of IDLC Investments Limited and BDT 241,015 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	
	30.06.2019	31.12.2018	30.06.2019	31.12.2018
	BDT	BDT	BDT	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	
	30.06.2019	31.12.2018	30.06.2019	31.12.2018
	BDT	BDT	BDT	BDT
10 Borrowings from other banks, financial institutions				
Inside Bangladesh (Note- 10.1)	21,853,987,633	12,246,240,919	21,853,987,633	12,496,240,919
Outside Bangladesh	-	-	-	-
	21,853,987,633	12,246,240,919	21,853,987,633	12,496,240,919
10.1 Inside Bangladesh				
Secured Loans				
Secured Long-term loans				
Dutch Bangla Bank Limited	1,000,000,000	-	1,000,000,000	-
Woori Bank	896,666,667	93,333,333	896,666,667	93,333,333
	1,896,666,667	93,333,333	1,896,666,667	93,333,333
Total secured long-term loans	1,896,666,667	93,333,333	1,896,666,667	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	1,200,000,000	2,500,000,000	1,200,000,000	2,750,000,000
Commercial Bank of Ceylon Plc	-	535,000,000	-	535,000,000
Total secured short term loan	1,600,000,000	3,595,000,000	1,600,000,000	3,845,000,000
Total secured loans	3,496,666,667	3,688,333,333	3,496,666,667	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
Sk. Akijuddin Limited	2,120,734,357	-	2,120,734,357	-
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
	2,854,446,355	925,358,494	2,854,446,355	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)	160,555,556	80,000,000	160,555,556	80,000,000
Bangladesh Bank (BB Fund-Small Enterprise Refinancing Program)	17,812,280	23,086,110	17,812,280	23,086,110
Bangladesh Bank (Women-Small Enterprise Refinancing Program)	1,388,467,173	1,491,262,084	1,388,467,173	1,491,262,084
Bangladesh Bank (New Entrepreneur Refinancing Scheme)	14,248,514	36,618,976	14,248,514	36,618,976
Bangladesh Bank (Home Loan Refinancing Program)	482,342,116	511,290,606	482,342,116	511,290,606
Bangladesh Bank (Agro Loan Refinancing Program)	521,847,492	745,184,154	521,847,492	745,184,154
Bangladesh Bank (JICA Refinancing Program)	300,766,869	341,717,392	300,766,869	341,717,392
SME Foundation	58,260,000	73,450,000	58,260,000	73,450,000
Investment Promotion & Financing Facilities (IPFF)	540,432,295	576,593,459	540,432,295	576,593,459
Bangladesh Bank Solar Bio Gas & ETP Scheme	328,039,841	232,813,652	328,039,841	232,813,652
Bangladesh Bank Milk Production Scheme	3,000,000	5,400,000	3,000,000	5,400,000
Bangladesh Bank (SMEDP 2)	994,759,969	300,700,000	994,759,969	300,700,000
Saudi Bangladesh Industrial & Agricultural Investment Company Limited	321,479,096	423,114,023	321,479,096	423,114,023
	5,192,874,611	4,912,549,092	5,192,874,611	4,912,549,092
Total unsecured long-term loan	8,047,320,966	5,837,907,586	8,047,320,966	5,837,907,586
Unsecured Short Term Loans				
Short-term loans				
National Credit & Commerce Bank Limited	1,500,000,000	500,000,000	1,500,000,000	500,000,000
South Bangla Agriculture and Commerce Bank Limited	800,000,000	550,000,000	800,000,000	550,000,000
Standard Bank Limited	2,600,000,000	-	2,600,000,000	-
Modhumoti Bank Limited	300,000,000	-	300,000,000	-
Jamuna Bank Limited	200,000,000	-	200,000,000	-
Lankan Alliance Finance Limited	40,000,000	-	40,000,000	-
Southeast Bank Limited	250,000,000	-	250,000,000	-
BRAC Bank Limited	1,500,000,000	-	1,500,000,000	-
NRB Commercial Bank Limited	250,000,000	-	250,000,000	-
	7,440,000,000	1,050,000,000	7,440,000,000	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	410,000,000	420,000,000	410,000,000	420,000,000
Southeast Bank Limited	390,000,000	390,000,000	390,000,000	390,000,000
National Credit & Commerce Bank Limited	-	150,000,000	-	150,000,000
Bank Asia Limited	500,000,000	-	500,000,000	-
Prime Bank Limited	460,000,000	-	460,000,000	-
Uttara Bank Limited	80,000,000	-	80,000,000	-
Jamuna Bank Limited	-	300,000,000	-	300,000,000
Trust Bank Limited	190,000,000	-	190,000,000	-
Mutual Trust Bank Limited	-	200,000,000	-	200,000,000
United Commercial Bank Limited	440,000,000	-	440,000,000	-
NRB Bank Limited	250,000,000	-	250,000,000	-
Agrani Bank Limited	150,000,000	-	150,000,000	-
	2,870,000,000	1,670,000,000	2,870,000,000	1,670,000,000
Total unsecured short-term loans	10,310,000,000	2,720,000,000	10,310,000,000	2,720,000,000
Total Borrowings from other banks, financial institutions & agents	21,853,987,633	12,246,240,919	21,853,987,633	12,496,240,919

	IDLC Finance Limited		IDLC Group	
	30.06.2019	31.12.2018	30.06.2019	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)	70,928,882,814	71,338,071,965	69,306,164,064	70,257,701,507
Bearer certificate of deposits	-	-	-	-
Refundable deposits (Note- 11.2)	2,483,946,807	2,455,047,719	2,483,946,807	2,455,047,719
	73,412,829,621	73,793,119,684	71,790,110,871	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	22,337,261,088	41,936,331,303	22,337,261,088	41,936,331,303
	93,675,333,053	102,474,664,291	92,594,962,595	101,789,951,005
Less: Matured/encashed during the period/year	22,746,450,239	31,136,592,326	22,746,450,239	31,136,592,326
Inter-company deposit	-	-	542,348,292	395,657,172
Balance at period/year end	70,928,882,814	71,338,071,965	69,306,164,064	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 year/period end stands as under:				
Deposits against loan and lease rental	223,361,147	256,306,587	223,361,147	256,306,587
Deposits against financing as per term of agreements (Security deposits)	2,260,585,660	2,198,741,132	2,260,585,660	2,198,741,132
	2,483,946,807	2,455,047,719	2,483,946,807	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)	4,931,846,346	4,471,796,045	5,865,794,878	5,724,736,747
Provision for income tax (Note- 12.2)	2,185,105,297	2,022,431,867	2,418,207,536	2,257,218,747
Deferred liability-employee gratuity (Note- 12.3)	19,542,111	-	74,121,990	46,511,525
Portfolio investors' fund (Note- 12.4)	-	-	208,059,397	599,996,551
Interest suspense account (Note- 12.5)	420,480,871	351,271,406	420,480,871	351,271,406
Provision for doubtful accounts and future losses (Note- 12.6 (i))	1,307,975,228	1,248,174,229	1,396,984,247	1,318,975,417
Unpaid dividend	27,682,136	20,124,526	27,682,136	20,124,526
Deferred tax liability (Note - 9.4)	-	-	295,007	536,023
	8,892,631,989	8,113,798,073	10,411,626,061	10,319,370,941
12.1 Payable and accrued expenses				
Receipt against leases	888,063,401	492,814,517	888,063,401	492,814,517
Liabilities for expenses	3,523,909,082	3,482,710,057	4,453,057,563	4,732,451,978
Liabilities for other finance	519,873,863	496,271,471	524,673,914	499,470,252
	4,931,846,346	4,471,796,045	5,865,794,878	5,724,736,747
12.2 Provision for income tax				
<u>Provision</u>				
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	444,977,051	849,919,592	552,227,206	982,835,113
	9,010,171,942	8,565,194,891	10,442,932,392	9,890,705,186
Settlement of previous year's tax liability	-	-	-	-
Balance at year/period end	9,010,171,942	8,565,194,891	10,442,932,392	9,890,705,186
<u>Advance tax</u>				
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	194,636,583	631,848,670	217,953,136	676,502,387
Deduction at source	87,253,951	143,091,781	172,872,194	329,613,387
Others	413,087	1,117,894	413,087	1,117,894
	282,303,621	776,058,345	391,238,417	1,007,233,668
	6,825,066,645	6,542,763,024	8,024,724,856	7,633,486,439
Less: Adjustment during the year/period	-	-	-	-
	6,825,066,645	6,542,763,024	8,024,724,856	7,633,486,439
Net balance at year/period end	2,185,105,297	2,022,431,867	2,418,207,536	2,257,218,747

	IDLC Finance Limited		IDLC Group	
	30.06.2019 BDT	31.12.2018 BDT	30.06.2019 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 peiod/year	19,542,111	-	27,610,465	9,752,299
Less: Payment during the peiod/year	-	-	74,121,990	52,006,701
Balance at peiod/year end	19,542,111	-	74,121,990	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	-	-	2,818,013,642	8,066,944,138
Less: Purchase of share and deposit withdraw by clients	-	-	3,418,010,193	8,437,943,167
Balance at year/period end	-	-	208,059,397	599,996,551
12.5 Interest suspense accounts				
On lease finance	54,186,153	35,695,541	54,186,153	35,695,541
On real-estate finance	128,100,361	117,578,938	128,100,361	117,578,938
On term finance	233,303,371	191,832,774	233,303,371	191,832,774
On car loan	2,169,069	3,404,606	2,169,069	3,404,606
On personal loan	921,261	980,226	921,261	980,226
On short term finance	1,800,656	1,779,321	1,800,656	1,779,321
	420,480,871	351,271,406	420,480,871	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	194,374,779	571,269,530	227,985,041	639,905,591
Provision released during the year/period	(134,573,780)	(205,135,012)	(149,976,211)	(242,893,167)
Provision charged for the year/period (Note- 12.6 (ii))	59,800,999	366,134,518	78,008,830	397,012,424
Write off during the year/period	-	223,307,352	-	223,307,352
Balance at period/year end	1,307,975,228	1,248,174,229	1,396,984,247	1,318,975,417
12.6(ii) Provision charged for the year/period				
General provision	22,033,004	58,573,290	20,379,026	55,955,655
Specific provision	132,729,513	70,483,889	149,557,800	35,225,770
Provision for diminutions in value of investments	(94,961,518)	77,055,469	(91,927,996)	128,691,142
Other Provisions	-	-	-	-
	59,800,999	206,112,648	78,008,830	219,872,567

	IDLC Finance Limited		IDLC Group	
	30.06.2019 BDT	31.12.2018 BDT	30.06.2019 BDT	31.12.2018 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 June 30, 2019 comprises the following:				
Composition of shareholding:				
Sl. No.	Name of the Shareholders	30.06.2019		31.12.2018
		% of holding	Number of shares	BDT
1 SPONSORS/DIRECTORS				
	The City Bank Limited (CBL) and its subsidiaries	23.21	87,510,575	875,105,750
	The City Bank Limited (CBL)	9.00	33,935,329	339,353,290
	City Bank Capital Resources Limited (CBCRL)	9.90	37,328,028	373,280,280
	City Brokerage Limited	4.31	16,247,218	162,472,180
	Transcom Group	13.33	50,273,164	502,731,640
	Eskayef Pharmaceuticals Limited	8.00	30,164,062	301,640,620
	Transcraft Limited	4.01	15,132,033	151,320,330
	Bangladesh Lamps Limited	1.32	4,977,069	49,770,690
	Sadharan Bima Corporation (SBC)	7.62	28,727,494	287,274,940
	Reliance Insurance Limited	7.00	26,393,553	263,935,530
	Mercantile Bank Limited	5.50	20,737,791	207,377,910
		56.66	213,642,577	2,136,425,770
2 GENERAL				
	Institutions:			
	Investment Corporation of Bangladesh (ICB)	5.04	18,985,569	189,855,690
	Bangladesh Fund	1.35	5,100,000	51,000,000
	Marina Apparels Limited	1.00	3,770,506	37,705,060
	Other Institutions	11.21	42,260,011	388,982,390
	Sub-Total	18.60	70,116,086	701,160,860
	Individuals:			
	General Public (Individuals)	11.55	43,541,649	435,416,490
	Sub-Total	11.55	43,541,649	435,416,490
3 FOREIGN				
	Institutions & Individuals	13.19	49,750,468	497,504,680
		13.19	49,750,468	497,504,680
	Total Holdings	100.00	377,050,780	3,770,507,800
14 Share premium				
	Balance at January 1	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>
15 Statutory reserves				
	Balance at January 1	2,416,541,850	2,098,412,371	2,416,541,850
	Add: Transferred on appropriation of profit	-	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>
16 General reserves				
	Balance at January 1	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>

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:

	IDLC Finance Limited		IDLC Group	
	30.06.2019	31.12.2018	30.06.2019	31.12.2018
	BDT	BDT	BDT	BDT
17.1 Contingent liabilities				
Acceptances and endorsements	-	-	-	-
Letters of guarantee	-	11,853,790	-	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
	750,000,000	761,853,790	750,000,000	761,853,790
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	168,651,412	647,584,179	168,651,412	647,584,179
Real estate finance commitments outstanding at period/year end	945,072,648	1,126,786,809	945,072,648	1,126,786,809
Car loan commitments outstanding at period/year end	-	434,333	-	434,333
Personal loan commitments outstanding at period/year end	-	124,077	-	124,077
Loan Against Deposit commitments outstanding at period/year end	-	-	-	-
	1,113,724,060	1,774,929,398	1,113,724,060	1,774,929,398

	IDLC Finance Limited		IDLC Group	
	30.06.2019	30.06.2018	30.06.2019	30.06.2018
	BDT	BDT	BDT	BDT
18 Income statement				
Income				
Interest, discount and similar income (Note-18.1)	6,236,325,824	5,314,376,874	6,424,546,556	5,552,903,008
Dividend income (Note-21)	27,954,748	18,098,909	48,519,412	69,094,632
Fees, commission and brokerage (Note-22)	4,903,061	20,638,763	206,161,397	261,639,313
Other operating income (Note-23)	199,689,111	203,854,391	204,644,628	206,261,910
	6,468,872,744	5,556,968,937	6,883,871,993	6,089,898,863
Expenses				
Interest on deposits and borrowings etc. (Note-20)	4,085,263,271	3,216,181,947	4,030,592,582	3,191,415,477
Administrative expenses (Note-18.2)	754,825,804	705,440,025	927,317,715	856,520,716
Other expenses (Note-33)	142,875,912	164,131,704	174,239,066	187,569,137
Depreciation on assets (Note-32)	65,611,037	69,654,921	75,855,362	80,216,099
	5,048,576,024	4,155,408,597	5,208,004,725	4,315,721,429
Operating Income	1,420,296,720	1,401,560,340	1,675,867,268	1,774,177,434
18.1 Interest, discount and similar income				
Interest income (Note -19)	6,235,113,456	5,092,788,088	6,384,819,831	5,207,976,620
Gain on sale of marketable securities & DSE share (Note - 21)	(21,687,632)	177,556,911	2,000,086	291,885,691
Income from investment in bonds (Note - 21)	22,900,000	44,031,875	37,726,639	53,040,697
Income from investment in commercial paper (Note - 21)	-	-	-	-
	6,236,325,824	5,314,376,874	6,424,546,556	5,552,903,008
18.2 Administrative expenses				
Salary and allowances (Note-24)	562,073,615	503,398,464	692,473,216	613,844,620
Rent, taxes, insurance, electricity, etc. (Note-25)	94,053,974	91,185,881	116,339,564	111,244,671
Legal expenses (Note-26)	10,964,202	6,546,455	12,545,239	8,037,983
Postage, stamp, telecommunication, etc. (Note-27)	17,080,135	15,365,579	20,956,170	19,520,689
Stationery, printing, advertisement, etc. (Note-28)	53,605,206	72,662,253	64,697,161	85,312,116
Managing Director's salary and fees (Note-29)	6,790,000	6,430,000	6,790,000	6,430,000
Directors' fees (Note-30)	717,600	708,400	945,595	1,000,068
Auditors' fees (Note-31)	402,500	460,000	577,500	635,000
Depreciation & repair of Company's assets (Note-32)	9,138,572	8,682,993	11,993,270	10,495,569
	754,825,804	705,440,025	927,317,715	856,520,716
19 Interest income				
This represents interest income from the following products:				
Lease finance	253,717,900	284,804,562	253,717,900	284,804,562
Real estate finance	1,632,924,568	1,273,166,648	1,632,924,568	1,273,166,648
Term finance	3,349,120,379	2,735,512,269	3,349,120,379	2,735,512,269
Short term finance	51,801,594	57,808,285	51,801,594	57,808,285
Car loan	90,044,387	108,231,500	90,044,387	108,231,500
Personal loan	10,043,236	6,927,687	10,043,236	6,927,687
Margin loan to portfolio investors	-	-	88,503,100	110,778,124
Loan to subsidiaries	1,036,106	32,008,616	-	-
	5,388,688,170	4,498,459,567	5,476,155,164	4,577,229,075
Interest on balance with other banks and financial institutions	802,895,749	573,088,563	865,135,130	609,507,587
Call loan	-	124,389	-	124,389
Loan against deposit	43,529,537	21,115,569	43,529,537	21,115,569
	6,235,113,456	5,092,788,088	6,384,819,831	5,207,976,620
20 Interest on deposits and borrowings etc.				
Interest on term deposits	3,491,204,085	2,767,788,047	3,435,018,701	2,737,883,534
Interest on borrowings	414,374,071	300,467,888	415,888,766	305,605,931
Interest on secured/unsecured zero coupon bonds	70,696,950	58,834,504	70,696,950	58,834,504
Interest on security deposit	65,289,901	56,838,800	65,289,901	56,838,800
Interest on call loan	43,698,264	32,252,708	43,698,264	32,252,708
	4,085,263,271	3,216,181,947	4,030,592,582	3,191,415,477

	IDLC Finance Limited		IDLC Group	
	30.06.2019	30.06.2018	30.06.2019	30.06.2018
	BDT	BDT	BDT	BDT
21 Investment income				
Gain on sale of marketable securities	(21,687,632)	177,556,911	2,000,086	291,885,691
Dividend income	27,954,748	18,098,909	48,519,412	69,094,632
Income from investment in bonds	22,900,000	44,031,875	37,726,639	53,040,697
	29,167,116	239,687,695	88,246,137	414,021,020
22 Commission, exchange and brokerage				
Agency fees	1,954,666	-	1,954,666	-
Arrangement fees	1,669,999	18,750,000	1,669,999	18,750,000
Advisory fees	1,200,000	1,750,176	1,500,000	1,750,176
Commission & brokerage	-	-	151,879,239	174,467,512
Underwriting commission	-	-	1,700,000	-
Documentation fees	-	-	59,000	416,000
Custodial fees	78,396	138,587	78,396	138,587
Fees from mutual fund	-	-	9,016,740	13,322,771
Portfolio management fees	-	-	20,949,183	26,356,920
Corporate advisory fees	-	-	5,427,562	15,102,661
Settlement charges	-	-	11,926,612	11,334,686
	4,903,061	20,638,763	206,161,397	261,639,313
23 Other operating income				
Application, processing and documentation fees	135,297,824	144,555,412	135,297,824	144,555,412
Loan settlement and others	41,337,844	29,851,734	41,337,844	29,851,734
Service charges	3,169,315	9,372,459	3,169,315	9,538,519
Gain on disposal of fixed assets	2,694,093	3,771,098	3,994,272	3,796,083
Account opening & BO account maintenance fees	-	-	1,884,177	382,300
IPO service charge	-	-	42,640	39,780
Revenue from write off collection	10,963,838	9,890,500	10,963,838	9,890,500
Commission on Corporate Guarantee	1,319,792	1,375,694	1,319,792	1,375,694
Miscellaneous income	4,906,405	5,037,494	6,634,926	6,831,888
	199,689,111	203,854,391	204,644,628	206,261,910
24 Salaries and allowances	562,073,615	503,398,464	692,473,216	613,844,620
25 Rent, taxes, insurance, electricity, etc.				
Rent, rate and taxes	73,224,613	68,750,222	91,896,264	85,272,389
Insurance	3,349,450	2,754,129	3,757,970	3,135,701
Power and electricity	17,479,911	19,681,530	20,685,330	22,836,581
	94,053,974	91,185,881	116,339,564	111,244,671
26 Legal expenses				
Renewal and registration	4,604,617	1,637,814	5,350,454	2,523,680
Other professional charges	6,359,585	4,908,641	7,194,785	5,514,303
	10,964,202	6,546,455	12,545,239	8,037,983
27 Postage, stamp, telecommunication, etc.				
Postage	929,081	738,862	1,005,171	1,007,654
Telecommunication and internet etc.	16,151,054	14,626,717	19,950,999	18,513,035
	17,080,135	15,365,579	20,956,170	19,520,689
28 Stationery, printing, advertisements, etc.				
Stationery & printing	24,480,446	30,630,311	26,163,332	32,194,967
Advertisement and publicity	29,124,760	42,031,942	38,533,829	53,117,149
	53,605,206	72,662,253	64,697,161	85,312,116

	IDLC Finance Limited		IDLC Group	
	30.06.2019	30.06.2018	30.06.2019	30.06.2018
	BDT	BDT	BDT	BDT
29 Managing Director's salary and benefits				
Basic pay	3,000,000	3,000,000	3,000,000	3,000,000
Allowances	1,740,000	1,380,000	1,740,000	1,380,000
Bonus	1,750,000	1,750,000	1,750,000	1,750,000
Company's contribution to provident fund	300,000	300,000	300,000	300,000
	6,790,000	6,430,000	6,790,000	6,430,000
30 Directors' fees				
Honorarium for attending meeting	717,600	708,400	945,595	1,000,068
31 Auditors' fees				
Annual statutory audit fees (including VAT)	402,500	345,000	577,500	520,000
Other audit fees (including VAT)	-	115,000	-	115,000
	402,500	460,000	577,500	635,000
32 Depreciation and repair of company's assets				
Freehold assets (Note- 8 (b))	65,611,037	69,654,921	75,855,362	80,216,099
Repair and maintenance for premises, vehicles, computers and computers accessories	9,138,572	8,682,993	11,993,270	10,495,569
	74,749,609	78,337,914	87,848,632	90,711,668
33 Other expenses				
Bank charges	2,665,877	2,986,568	3,197,895	3,308,261
Books and periodicals	130,017	120,603	176,810	166,130
Car expenses	15,074,711	14,816,746	17,260,350	16,940,518
Donations and subscriptions	631,066	516,271	729,909	654,911
Medical & welfare expenses	13,906,646	14,865,030	14,726,737	15,680,645
Entertainment expenses	7,188,059	5,783,617	7,755,858	6,380,419
Consultancy fees	2,148,920	3,406,253	2,148,920	3,406,253
Office service expenses	42,637,592	40,914,562	52,435,037	50,178,405
Training expenses	896,041	3,593,310	1,453,882	4,989,346
Travel and conveyances	12,684,168	10,624,213	13,407,569	11,514,584
CDBL charges	-	-	525,418	491,617
Howla and Laga charge	-	-	20,337,237	29,357,519
Portfolio Management Charge	5,281,932	25,010,777	-	-
Sales Incentive	34,595,812	24,791,411	34,917,205	24,791,411
Repossession fees and others	5,035,071	16,702,343	5,166,239	19,709,118
	142,875,912	164,131,704	174,239,066	187,569,137

	IDLC Finance Limited		IDLC Group	
	30.06.2019	30.06.2018	30.06.2019	30.06.2018
	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)	919,222,437	798,670,525	1,051,331,133	1,111,508,916
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)	2.44	2.12	2.79	2.95

35 Net Asset Value (NAV) Per Share

	IDLC Finance Limited		IDLC Group	
	30.06.2019	31.12.2018	30.06.2019	31.12.2018
	BDT	BDT	BDT	BDT
Net Asset (total assets less total liabilities) (A)	10,628,136,539	11,028,591,831	13,368,980,378	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)	28.19	29.25	35.46	36.17

36 Net Operating Cash Flows Per Share (NOCFPS)

	IDLC Finance Limited		IDLC Group	
	30.06.2019	30.06.2018	30.06.2019	30.06.2018
	BDT	BDT	BDT	BDT
Net cash flows from operating activities (A)	2,656,989,800	4,419,741,083	1,551,630,030	3,641,931,226
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)	7.05	11.72	4.12	9.66

Explanatory note to deviation in NOCFPS:

NOCFPS of IDLC Finance Limited for the period ended June 30, 2019 is BDT 7.05, which was BDT 11.72 during the same period previous year. The primary reason behind this variance is cash generation from term and other deposits, which saw a decline of BDT 6,931 million.

In consolidated financial statement, NOCFPS for the period ended June 30, 2019 is BDT 4.12 which was BDT 9.66 in the same period previous year. The primary reason behind this variance is cash generation from term and other deposits, which saw a decline of BDT 7,318 million.

37 Reconciliation of Net Profit with Cash Flows from Operating Activities

Net profit after tax	919,222,437	798,670,525	1,051,331,159	1,111,508,998
Items not involved in cash movement:				
Add: Depreciation	65,611,037	69,654,921	75,855,362	80,216,099
Add: Provision for loans and investments	59,800,999	206,112,648	78,008,830	219,872,567
Add: Provision for taxation	444,977,051	396,777,167	552,227,206	442,795,869
Add/ (Less): Accrued expenses	216,296,371	269,014,310	(104,297,069)	429,988,111
Add/ (Less): Accrued income	(164,816,697)	(256,735,865)	(259,313,250)	(750,743,884)
Less: Gain on disposal of fixed assets	(2,694,093)	(3,771,098)	(3,994,272)	(3,796,083)
Increase/(Decrease) in Employee gratuity	19,542,111	9,692,111	27,610,465	12,755,568
Increase/(Decrease) in Deffered tax	(3,703,767)	-	(5,699,927)	-
Adjustments to reconcile net profit after tax to net cash provided by operating activities	1,554,235,449	1,489,414,719	1,411,728,505	1,542,597,245
Increase/(decrease) in operating assets and liabilities				
(Increase)/Decrease in Loans & advances	(3,514,891,644)	(7,011,496,202)	(3,223,444,483)	(7,192,201,497)
(Increase)/Decrease in Other assets	(627,723,716)	17,100,721	(590,404,730)	17,654,014
Increase/(Decrease) in Short term borrowings	5,595,000,000	4,125,000,000	5,345,000,000	4,055,000,000
Increase/(Decrease) in Term & other deposits	(380,290,063)	6,551,191,897	(922,638,355)	6,395,235,454
Increase/(Decrease) in Payable and accrued expenses	243,753,930	(288,118,563)	245,355,200	(286,617,923)
(Increase)/Decrease in Income tax	(282,303,621)	(419,918,395)	(391,238,417)	(510,916,231)
Increase/(Decrease) in Portfolio investors fund	-	-	(391,937,154)	(335,386,742)
Increase/(Decrease) in Interest suspense	69,209,465	(43,433,094)	69,209,465	(43,433,094)
	1,102,754,351	2,930,326,363	139,901,525	2,099,333,981
Net cash flows from/(used in) operating activities	2,656,989,800	4,419,741,083	1,551,630,030	3,641,931,226

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

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

Fixed assets including land, building, furniture and fixtures-for half year end 2019

(Annexure A)

Asset category	Cost					Depreciation				Written down value at June 30, 2019
	Balance at January 1, 2019	Addition during the period/year	Disposal/ adjustment during the period/year	Balance at June 30, 2019	Rate	Balance at January 1, 2019	Charged for the period/year	Adjustment during the period/year	Balance at June 30, 2019	
	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	2,593,991	-	33,719,074	173,800,228
Furniture and fixtures	93,030,776	2,140,320	(1,669,987)	93,501,109	12.50	44,819,301	4,876,857	(1,616,168)	48,079,990	45,421,119
Electrical equipment	79,547,789	1,798,187	(5,924,496)	75,421,480	20.00	55,443,632	4,639,639	(5,793,085)	54,290,186	21,131,294
Curtain and carpets	5,187,835	389,809	(2,001,974)	3,575,670	33.33	3,815,333	529,473	(1,980,918)	2,363,888	1,211,782
Office equipment	119,904,724	3,241,990	(22,209,581)	100,937,133	20.00	91,441,121	7,509,343	(22,207,731)	76,742,733	24,194,400
Office decoration	148,180,108	2,039,566	(3,040,964)	147,178,710	20.00	89,073,117	10,997,456	(2,894,117)	97,176,456	50,002,254
Computers	183,003,184	4,091,182	(85,340)	187,009,026	20.00	117,214,737	10,644,927	(85,290)	127,774,374	59,234,652
Software (Office Operation)	37,279,545	492,900	-	37,772,445	33.33	31,806,797	1,737,907	-	33,544,704	4,227,740
Software (Business Operation)	137,540,494	-	-	137,540,494	20.00	134,968,064	514,485	-	135,482,549	2,057,945
Telephone and telex	12,454,882	5,870,013	(5,530,419)	12,794,476	33.33	9,238,162	1,205,033	(5,495,780)	4,947,415	7,847,061
Motor vehicles	251,829,432	6,779,050	(8,153,440)	250,455,042	25.00	194,356,070	20,361,926	(7,591,041)	207,126,955	43,328,087
Total as on June 30, 2019	1,302,436,541	26,843,017	(48,616,201)	1,280,663,357		803,301,418	65,611,037	(47,664,130)	821,248,325	459,415,032
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 half year end 2019

Asset category	Cost					Depreciation				Written down value at June 30, 2019
	Balance at January 1, 2019	Addition during the period/year	Disposal/ adjustment during the period/year	Balance at June 30, 2019	Rate	Balance at January 1, 2019	Charged for the period/year	Adjustment during the period/year	Balance at June 30, 2019	
	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	2,593,991	-	33,719,074	173,800,229
Furniture and fixtures	111,681,014	2,384,006	(1,963,507)	112,101,513	12.50	56,094,737	5,608,858	(1,905,838)	59,797,757	52,303,756
Electrical equipment	104,850,304	3,584,655	(6,048,496)	102,386,463	20.00	77,416,347	5,302,523	(5,855,403)	76,863,467	25,522,996
Curtain and carpets	6,575,667	578,949	(2,051,974)	5,102,642	33.33	4,928,781	639,849	(2,012,859)	3,555,771	1,546,871
Office equipment	158,067,703	5,413,643	(22,373,581)	141,107,765	20.00	124,053,060	8,454,930	(22,371,726)	110,136,264	30,971,501
Office decoration	179,899,327	2,535,385	(3,040,964)	179,393,748	20.00	109,636,753	13,033,161	(2,894,117)	119,775,797	59,617,951
Computers	208,115,976	4,512,492	(942,600)	211,685,868	20.00	136,257,323	11,843,277	(942,465)	147,158,135	64,527,733
Software (Office Operation)	47,519,924	492,900	-	48,012,824	33.33	39,789,940	2,100,860	-	41,890,800	6,122,024
Software (Business Operation)	142,176,620	162	-	142,176,782	20.00	136,331,515	1,158,143	-	137,489,658	4,687,124
Telephone and telex	16,076,332	5,981,913	(5,672,919)	16,385,326	33.33	12,222,363	1,417,038	(5,609,214)	8,030,187	8,355,139
Motor vehicles	298,722,952	7,529,050	(15,231,420)	291,020,582	25.00	228,281,744	23,702,732	(12,631,516)	239,352,960	51,667,622
Total as on June 30, 2019	1,508,163,592	33,013,155	(57,325,461)	1,483,851,286		956,137,646	75,855,362	(54,223,138)	977,769,870	506,081,416
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