

THIRD QUARTERLY FINANCIAL STATEMENTS

September 30, 2018



ENGAGING COMMUNITIES
SPREADING

HAPPINESS

IDLC Finance Limited

Financial Statements

as at and for the period ended September 30, 2018

IDLC Finance Limited and its Subsidiaries
Consolidated Balance Sheet (Un-audited) as at September 30, 2018

	<u>Note</u>	<u>30.09.2018</u> <u>Taka</u>	<u>31.12.2017</u> <u>Taka</u>
PROPERTY AND ASSETS			
Cash	3		
In hand (including foreign currencies)	3.1	430,000	385,000
Balance with Bangladesh Bank and its agent (including foreign currencies)	3.2	1,323,788,613	1,095,727,369
		1,324,218,613	1,096,112,369
Balance with other banks and financial institutions	4		
Inside Bangladesh	4(a)	21,059,248,067	13,631,778,315
Outside Bangladesh	4(b)	-	-
		21,059,248,067	13,631,778,315
Money at call and short notice	5	-	-
Investments	6		
Government		-	-
Others		7,395,577,895	7,922,749,192
		7,395,577,895	7,922,749,192
Loans and advances	7		
Loans, cash credit, overdraft etc.		79,588,115,656	71,498,548,035
Bills purchased and discounted		-	-
		79,588,115,656	71,498,548,035
Fixed assets including land, building, furniture and fixtures	8(c)	571,423,661	662,791,925
Other assets	9	1,304,426,174	874,963,255
Non-banking assets		-	-
Total Assets		111,243,010,067	95,686,943,091
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	10	15,196,521,236	11,400,359,336
Deposits and other accounts	11		
Current accounts and other accounts etc.		-	-
Bills payable		-	-
Savings bank deposits		-	-
Term deposits		70,040,859,432	59,853,619,702
Bearer certificate of deposits		-	-
Other deposits		2,393,180,016	2,238,814,210
		72,434,039,448	62,092,433,912
Other liabilities	12	10,324,608,928	9,596,670,976
Total Liabilities		97,955,169,613	83,089,464,224
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	2,098,412,371	2,098,412,371
General reserves	16	1,000,000,000	1,000,000,000
Dividend equalisation reserves		46,500,000	46,500,000
Retained earnings		5,111,831,202	4,421,469,765
Total Equity attributable to equity holders of the company		13,287,837,303	12,597,475,866
Non-controlling interest		3,151	3,001
Total Liabilities and Shareholders' equity		111,243,010,067	95,686,943,091

	<u>Note</u>	<u>30.09.2018</u> <u>Taka</u>	<u>31.12.2017</u> <u>Taka</u>
OFF-BALANCE SHEET ITEMS			
Contingent liabilities			
	17.1		
Acceptances and endorsements		-	-
Letters of guarantee		13,836,203	91,601,562
Irrevocable letters of credit		-	-
Bills for collection		-	-
Indemnity bond		-	-
Corporate guarantee		750,000,000	750,000,000
		763,836,203	841,601,562
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		1,726,324,497	1,184,170,146
		1,726,324,497	1,184,170,146
Total Off-Balance Sheet items including contingent liabilities		2,490,160,700	2,025,771,708
Net Assets Value (NAV) per share	35	35.24	33.41

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, October 14, 2018

IDLC Finance Limited and its Subsidiaries
Consolidated Profit and Loss Account (Un-audited) for the period ended September 30, 2018

	Note	Jan to Sep'18 Taka	Jan to Sep'17 Taka	Jul to Sep'18 Taka	Jul to Sep'17 Taka
Interest income	19	8,123,241,208	6,573,644,400	2,915,264,588	2,248,597,767
Interest on deposits and borrowings etc.	20	(5,039,763,019)	(3,541,457,472)	(1,848,347,542)	(1,231,616,158)
Net interest income		3,083,478,189	3,032,186,928	1,066,917,046	1,016,981,609
Investment income	21	689,402,157	913,525,703	275,381,137	387,428,787
Commission, exchange and brokerage	22	431,383,146	560,838,667	169,743,833	200,530,077
Other operating income	23	308,360,429	358,164,404	102,098,519	104,433,609
Total operating income		4,512,623,921	4,864,715,702	1,614,140,535	1,709,374,082
Salaries and allowances	24	942,258,971	965,327,232	328,414,351	339,131,191
Rent, taxes, insurance, electricity etc.	25	167,606,873	166,044,591	56,362,202	57,124,814
Legal expenses	26	10,803,014	20,368,339	2,765,031	3,804,868
Postage, stamp, telecommunication etc.	27	28,885,663	28,030,389	9,364,974	9,499,775
Stationery, printing, advertisements etc.	28	103,177,890	96,014,902	17,865,774	17,369,531
Managing Director's salary and benefits	29	9,520,000	9,520,000	3,090,000	3,090,000
Directors' fees	30	1,433,088	1,722,594	433,020	550,640
Auditors' fees	31	939,440	1,088,061	304,440	371,250
Charges on loan losses		-	-	-	-
Depreciation and repair of Company's assets	32	125,571,317	145,580,650	34,859,649	43,974,719
Other expenses	33	258,473,710	299,991,471	70,904,573	99,945,437
Total operating expenses		1,648,669,966	1,733,688,229	524,364,014	574,862,224
Profit before provision		2,863,953,955	3,131,027,473	1,089,776,521	1,134,511,857
Provision for loans and investments	12.6(ii)				
General provision		61,530,535	50,543,877	5,574,880	(2,857,171)
Specific provision		102,229,397	89,824,181	67,003,627	158,099
Provision for diminution in value of investments		172,291,685	-	43,600,543	-
Total provision		336,051,617	140,368,058	116,179,050	(2,699,072)
Total profit before taxation		2,527,902,338	2,990,659,415	973,597,471	1,137,210,930
Provision for taxation		706,388,411	1,181,886,147	263,592,542	497,610,468
Net profit after taxation		1,821,513,927	1,808,773,268	710,004,929	639,600,462
Attributable to:					
Shareholders of the Company		1,821,513,777	1,808,772,707	710,004,861	639,600,367
Non-controlling interest		150	561	68	95
		1,821,513,927	1,808,773,268	710,004,929	639,600,462
Retained surplus		1,821,513,777	1,808,772,707	710,004,861	639,600,367
Earnings Per Share (EPS)	34	4.83	4.90	1.88	1.73

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, October 14, 2018

IDLC Finance Limited and its Subsidiaries
Consolidated Cash Flow Statement (Un-audited)
for the period ended September 30, 2018

	<u>30.09.2018</u>	<u>30.09.2017</u>
	<u>Taka</u>	<u>Taka</u>
A) Cash flows from operating activities		
Interest received	7,917,786,750	6,490,967,445
Interest paid	(4,145,265,200)	(3,377,243,544)
Dividend received	98,861,460	118,281,275
Fees and commission received	431,383,146	560,838,667
Paid to employees and suppliers	(1,529,086,995)	(1,607,656,529)
Payment of income tax	(820,054,758)	(790,128,050)
Received from other operating activities	892,793,907	1,144,582,309
Cash generated from operating activities before changes in operating assets and liabilities	2,846,418,310	2,539,641,573
Increase/(decrease) in operating assets and liabilities		
Lease receivable	262,303,143	213,541,320
Long-term finance	(6,304,635,621)	(5,338,381,575)
Real estate finance	(2,570,482,186)	(2,807,728,943)
Car loan	349,518,077	342,962,320
Personal loan	(40,852,143)	9,230,897
Loan against deposit	(189,603,606)	17,841,776
Margin loan to portfolio investors	468,546,448	(754,631,973)
Short term finance	117,870,254	(15,646,111)
Other assets	(406,240,448)	(114,822,364)
Term and other deposits	10,341,605,536	12,331,060,152
Net drawdown of short term loan	5,725,000,001	1,875,000,000
Payable and accrued expenses	(457,756,639)	56,192,013
Deferred liability-employee gratuity	9,210,238	22,991,196
Portfolio investors' fund	65,268,626	304,015,566
Interest suspense account	(12,253,770)	21,438,154
	7,357,497,909	6,163,062,429
Net cash flows from/(used in) operating activities	10,203,916,219	8,702,704,002
B) Cash flows from investing activities		
Purchase of fixed assets	(34,436,474)	(129,770,987)
Disposal of fixed assets	12,328,985	21,830,740
Net proceeds of investment in securities	527,171,297	(1,889,219,920)
Net cash flows from/(used in) investing activities	505,063,808	(1,997,160,167)
C) Cash flows from financing activities		
Drawdown of term loans	957,207,939	1,725,377,303
Repayment of term loans	(2,886,046,039)	(3,380,910,327)
Proceeds from right issue	-	2,513,671,860
Dividend paid	(1,124,565,931)	(1,123,830,248)
Net cash flows from/(used in) financing activities	(3,053,404,031)	(265,691,412)
D) Net increase/(decrease) in cash and cash equivalents (A+ B + C)	7,655,575,996	6,439,852,423
E) Effects of exchange rate changes on cash and cash equivalents	-	-
F) Cash and cash equivalents at beginning of the period	14,727,890,684	11,353,339,202
G) Cash and cash equivalents at end of the period (D+E+F)	22,383,466,680	17,793,191,625
Cash and cash equivalents at end of the period		
Cash in hand (including foreign currencies) (Note-3.1)	430,000	385,000
Balance with Bangladesh Bank and its agent bank(s) (Note-3.2)	1,323,788,613	1,100,060,626
Balance with other banks and financial institutions (Note-4)	21,059,248,067	16,392,745,999
Money at call and short notice (Note-5)	-	300,000,000
	22,383,466,680	17,793,191,625
Net operating cash flow per share (Note-36)	27.06	23.08

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 September 30, 2018

<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, 2018	3,770,507,800	1,260,585,930	2,098,412,371	1,000,000,000	46,500,000	4,421,469,765	12,597,475,866	3,001	12,597,478,867
Dividend for 2017:									
30% cash dividend	-	-	-	-	-	(1,131,152,340)	(1,131,152,340)	-	(1,131,152,340)
Changes in accounting policy	-	-	-	-	-	-	-	-	-
Restated balance	3,770,507,800	1,260,585,930	2,098,412,371	1,000,000,000	46,500,000	3,290,317,425	11,466,323,526	3,001	11,466,326,527
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 third quarter ended 2018	-	-	-	-	-	1,821,513,777	1,821,513,777	150	1,821,513,927
Appropriation to reserves	-	-	-	-	-	-	-	-	-
Balance at September 30, 2018	3,770,507,800	1,260,585,930	2,098,412,371	1,000,000,000	46,500,000	5,111,831,202	13,287,837,303	3,151	13,287,840,454
Balance at September 30, 2017	3,770,507,800	1,260,585,930	1,782,004,350	1,000,000,000	46,500,000	4,269,531,316	12,129,129,396	2,946	12,129,132,342

IDLC Finance Limited
Balance Sheet (Un-audited) as at September 30, 2018

	<u>Note</u>	<u>30.09.2018</u> <u>Taka</u>	<u>31.12.2017</u> <u>Taka</u>
PROPERTY AND ASSETS			
Cash	3		
In hand (including foreign currencies)	3.1	330,000	285,000
Balance with Bangladesh Bank and its agent (including foreign currencies)	3.2	1,323,788,613	1,095,727,369
		1,324,118,613	1,096,012,369
Balance with other banks and financial institutions	4		
Inside Bangladesh	4(a)	19,911,101,909	12,676,746,983
Outside Bangladesh	4(b)	-	-
		19,911,101,909	12,676,746,983
Money at call and short notice	5	-	-
Investments	6		
Government		-	-
Others		2,754,364,853	3,213,212,864
		2,754,364,853	3,213,212,864
Loans and advances	7		
Loans, cash credit, overdraft etc.		78,825,598,293	70,665,633,916
Bills purchased and discounted		-	-
		78,825,598,293	70,665,633,916
Fixed assets including land, building, furniture and fixtures	8(c)	516,911,985	597,256,072
Other assets	9	4,385,951,068	4,362,120,314
Non-banking assets		-	-
Total Assets		107,718,046,721	92,610,982,518
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	10	15,026,521,236	11,230,359,336
Deposits and other accounts	11		
Current accounts and other accounts etc.		-	-
Bills payable		-	-
Savings bank deposits		-	-
Term deposits		71,289,425,909	60,538,332,988
Bearer certificate of deposits		-	-
Other deposits		2,393,180,016	2,238,814,210
		73,682,605,925	62,777,147,198
Other liabilities	12	8,357,406,381	8,034,379,208
Total Liabilities		97,066,533,542	82,041,885,742
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	2,098,412,371	2,098,412,371
General reserves	16	1,000,000,000	1,000,000,000
Dividend equalisation reserves		46,500,000	46,500,000
Retained earnings		2,475,507,078	2,393,090,675
Total Equity		10,651,513,179	10,569,096,776
Total Liabilities and Shareholders' equity		107,718,046,721	92,610,982,518

	<u>Note</u>	<u>30.09.2018</u> <u>Taka</u>	<u>31.12.2017</u> <u>Taka</u>
OFF-BALANCE SHEET ITEMS			
Contingent liabilities			
Acceptances and endorsements	17.1	-	-
Letters of guarantee		13,836,203	91,601,562
Irrevocable letters of credit		-	-
Bills for collection		-	-
Indemnity bond		-	-
Corporate guarantee		750,000,000	750,000,000
		763,836,203	841,601,562
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		1,726,324,497	1,184,170,146
		1,726,324,497	1,184,170,146
Total Off-Balance Sheet items including contingent liabilities		2,490,160,700	2,025,771,708
Net Assets Value (NAV) per share	35	28.25	28.03

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, October 14, 2018

IDLC Finance Limited
Profit and Loss Account (Un-audited) for the period ended September 30, 2018

	Note	<u>Jan to Sep'18</u> <u>Taka</u>	<u>Jan to Sep'17</u> <u>Taka</u>	<u>Jul to Sep'18</u> <u>Taka</u>	<u>Jul to Sep'17</u> <u>Taka</u>
Interest income	19	7,945,734,343	6,436,047,901	2,852,946,255	2,209,076,446
Interest on deposits and borrowings etc.	20	(5,090,680,800)	(3,537,774,675)	(1,874,498,853)	(1,231,033,779)
Net interest income		2,855,053,543	2,898,273,226	978,447,402	978,042,667
Investment income	21	300,215,563	438,934,754	60,527,868	182,154,121
Commission, exchange and brokerage	22	28,263,328	15,173,186	7,624,565	3,293,186
Other operating income	23	301,872,143	349,393,416	98,017,752	99,175,908
Total operating income		3,485,404,577	3,701,774,582	1,144,617,587	1,262,665,882
Salaries and allowances	24	770,146,717	783,619,748	266,748,253	268,814,348
Rent, taxes, insurance, electricity etc.	25	137,458,068	135,402,792	46,272,187	47,386,653
Legal expenses	26	8,658,160	18,075,553	2,111,705	2,880,261
Postage, stamp, telecommunication etc.	27	23,020,751	22,467,796	7,655,172	7,582,317
Stationery, printing, advertisements etc.	28	85,689,873	76,962,316	13,027,620	9,274,707
Managing Director's salary and benefits	29	9,520,000	9,520,000	3,090,000	3,090,000
Directors' fees	30	987,881	1,242,356	279,481	349,200
Auditors' fees	31	628,190	788,061	168,190	258,750
Charges on loan losses		-	-	-	-
Depreciation and repair of Company's assets	32	106,352,050	128,896,920	28,014,136	38,196,484
Other expenses	33	221,954,260	260,393,075	57,822,556	81,104,307
Total operating expenses		1,364,415,950	1,437,368,617	425,189,300	458,937,027
Profit before provisions		2,120,988,627	2,264,405,965	719,428,287	803,728,855
Provision for loans and investments	12.6(ii)				
General provision		64,320,272	45,365,290	5,746,982	(5,524,905)
Specific provision		130,987,516	89,824,181	60,503,627	158,099
Provision for diminution in value of investments		121,174,867	-	44,119,398	-
Total provision		316,482,655	135,189,471	110,370,007	(5,366,806)
Total profit before taxation		1,804,505,972	2,129,216,494	609,058,280	809,095,661
Provision for taxation		590,937,229	838,338,952	194,160,062	312,624,681
Net profit after taxation		1,213,568,743	1,290,877,542	414,898,218	496,470,980
Earnings Per Share (EPS)	34	3.22	3.49	1.10	1.34

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, October 14, 2018

IDLC Finance Limited
Cash Flow Statement (Un-audited) for the period ended September 30, 2018

	<u>30.09.2018</u> <u>Taka</u>	<u>30.09.2017</u> <u>Taka</u>
A) Cash flows from operating activities		
Interest received	7,760,704,369	6,362,717,969
Interest paid	(4,599,149,444)	(3,584,389,263)
Dividend received	27,987,919	42,491,992
Fees and commission received	28,263,328	15,173,186
Paid to employees and suppliers	(1,260,703,619)	(1,326,657,287)
Payment of income tax	(619,634,548)	(615,818,084)
Received from other operating activities	564,183,837	730,033,586
Cash generated from operating activities before changes in operating assets and liabilities	1,901,651,843	1,623,552,099
Increase/(decrease) in operating assets and liabilities		
Lease receivable	262,303,143	213,541,320
Long-term finance	(6,304,635,621)	(5,338,381,575)
Real estate finance	(2,570,482,186)	(2,807,728,943)
Car loan	349,518,077	342,962,320
Personal loan	(40,852,143)	9,230,897
Loan against deposit	(189,603,606)	17,841,776
Loan to subsidiaries	398,149,692	(860,849,692)
Short term finance	117,870,254	(15,646,111)
Other assets	(16,870,163)	(1,588,835,181)
Term and other deposits	10,905,458,727	12,897,453,902
Net drawdown of short term loan	5,725,000,000	2,045,000,000
Payable and accrued expenses	(455,468,219)	51,823,682
Deferred liability-employee gratuity	4,846,056	7,618,464
Interest suspense account	(12,253,770)	21,438,154
	8,172,980,241	4,995,469,013
Net cash flows from/(used in) operating activities	10,074,632,083	6,619,021,112
B) Cash flows from investing activities		
Purchase of fixed assets	(29,518,079)	(107,000,360)
Disposal of fixed assets	11,903,186	21,173,308
Net proceeds of investment in securities	458,848,011	(356,631,245)
Net cash flows from/(used in) investing activities	441,233,117	(442,458,297)
C) Cash flows from financing activities		
Drawdown of term loans	957,207,939	1,725,377,303
Repayment of term loans	(2,886,046,039)	(3,380,910,327)
Proceeds from right issue	-	2,513,671,860
Dividend paid	(1,124,565,931)	(1,123,830,248)
Net cash flows from/(used in) financing activities	(3,053,404,031)	(265,691,412)
D) Net increase/(decrease) in cash and cash equivalents (A+ B + C)	7,462,461,170	5,910,871,403
E) Effects of exchange rate changes on cash and cash equivalents	-	-
F) Cash and cash equivalents at beginning of the period	13,772,759,352	10,155,642,099
G) Cash and cash equivalents at end of the period (D+E+F)	21,235,220,522	16,066,513,501
Cash and cash equivalents at end of the period		
Cash in hand (including foreign currencies) (Note-3.1)	330,000	285,000
Balance with Bangladesh Bank and its agent bank(s) (Note-3.2)	1,323,788,613	1,100,060,626
Balance with other banks and financial institutions (Note-4)	19,911,101,909	14,666,167,875
Money at call and short notice (Note-5)	-	300,000,000
	21,235,220,522	16,066,513,501
Net operating cash flow per share (Note-36)	26.72	17.55

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 September 30, 2018

<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, 2018	3,770,507,800	1,260,585,930	2,098,412,371	1,000,000,000	46,500,000	2,393,090,675	10,569,096,776
Dividend for 2017:							
30% cash dividend	-	-	-	-	-	(1,131,152,340)	(1,131,152,340)
Changes in accounting policy	-	-	-	-	-	-	-
Restated balance	3,770,507,800	1,260,585,930	2,098,412,371	1,000,000,000	46,500,000	1,261,938,335	9,437,944,436
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 third quarter ended 2018	-	-	-	-	-	1,213,568,743	1,213,568,743
Appropriation to reserve	-	-	-	-	-	-	-
Balance at September 30, 2018	3,770,507,800	1,260,585,930	2,098,412,371	1,000,000,000	46,500,000	2,475,507,078	10,651,513,179
Balance at September 30, 2017	3,770,507,800	1,260,585,930	1,782,004,350	1,000,000,000	46,500,000	2,418,336,131	10,277,934,211

IDLC Finance Limited and its Subsidiaries
Notes to the consolidated and separate financial statements (Un-Audited)
As at and for the period ended September 30, 2018

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 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 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 of IDLC Finance Limited, was incorporated on November 19, 2015 as a private limited company under Companies Act, 1994. The registered office of the Company is situated at South Avenue Tower (5th Floor), 7 Gulshan Avenue, Gulshan 1, Dhaka. It is a subsidiary Company of IDLC Finance Limited that holds 99.99% ownership of the company.

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 as Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS), 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 Bangladesh Accounting Standards (BASs) and Bangladesh Financial Reporting Standards (BFRSs) 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 October 14, 2018.

	IDLC Finance Limited		IDLC Group	
	30.09.2018	31.12.2017	30.09.2018	31.12.2017
	Taka	Taka	Taka	Taka
3 Cash				
3.1 Cash in hand (including foreign currencies):				
In local currency	330,000	285,000	430,000	385,000
In foreign currency	-	-	-	-
	330,000	285,000	430,000	385,000
3.2 Balance with Bangladesh Bank and its agent (including foreign currencies)				
In local currency	1,323,788,613	1,095,727,369	1,323,788,613	1,095,727,369
In foreign currency	-	-	-	-
	1,323,788,613	1,095,727,369	1,323,788,613	1,095,727,369
	1,324,118,613	1,096,012,369	1,324,218,613	1,096,112,369
4 Balance with other banks and financial institutions in Bangladesh				
4(a) Inside Bangladesh:				
Current deposits in local currency				
Woori Bank	18,647	15,927	18,647	15,927
Bank Al- Falah Limited	4,280	5,430	4,280	5,430
One Bank Limited	-	-	4,590,088	8,645,318
Jamuna Bank Limited	8,390	8,390	8,390	8,390
The City Bank Limited	26,448,304	38,884,706	26,448,304	38,884,706
National Bank Limited	10,099,519	3,949,086	10,099,519	3,949,086
Bank Asia Limited	13,387,793	13,098,902	13,387,793	13,098,902
State Bank of India	12,688,779	4,700,049	12,688,779	4,700,049
Commercial Bank of Ceylon PLC	8,514,552	3,586,580	8,919,348	3,925,605
Citibank N.A	222,337,887	134,980,349	222,337,887	134,980,349
Standard Chartered Bank	(494,194,864)	(1,084,422,501)	(604,567,221)	(733,627,887)
Mutual Trust Bank Limited	3,635,654	170,695,065	3,635,654	170,695,065
Exim Bank Limited	1,745,945	5,980,591	1,745,945	5,980,591
Dutch Bangla Bank Limited	42,426,877	32,387,903	42,426,877	32,387,903
BRAC Bank Limited	(88,303,269)	1,275,452	(75,718,912)	15,082,664
Dhaka Bank Limited	(10,295,281)	14,570,753	(10,295,281)	14,570,753
NRB Bank Limited	-	-	88,908	3,048,006
Mercantile Bank Limited	621,168	2,290,910	621,168	2,290,910
IDLC Investments Limited	7,504,724	9,586,771	-	-
	(243,350,895)	(648,405,637)	(343,559,827)	(281,358,233)
Short-term deposit accounts				
Prime Bank Limited	305,983	7,989,445	305,983	7,989,445
Dutch Bangla Bank Limited	-	-	1,341,252	3,472,106
The City Bank Limited	1,374,757,697	(34,098)	1,374,757,697	(34,098)
BRAC Bank Limited	-	-	22,758,523	38,049,436
Southeast Bank Limited	4,875,805	9,769,680	4,875,805	9,769,680
Citibank N.A.	16,065	90,303,317	16,065	90,303,317
Standard Chartered Bank	89,892	923,270,021	91,769	923,803,070
Commercial Bank of Ceylon	2,203,830	3,850,090	4,418,532	34,602,618
One Bank Limited	3,607,946,497	-	3,609,733,880	42,405,043
NCC Bank Limited	-	-	965,551,351	445,409,692
Exim Bank Limited	3,464,255,888	-	3,464,255,888	-
Eastern Bank Limited	-	-	-	777,653
NRB Bank Limited	1,148	4,165	1,149	88,586
	8,454,452,804	1,035,152,620	9,448,107,893	1,596,636,548
Fixed Deposits				
Al-Arafah Islami Bank Limited	900,000,000	700,000,000	900,000,000	700,000,000
AB Bank Limited	200,000,000	-	200,000,000	-
Meghna Bank Limited	1,450,000,000	750,000,000	1,450,000,000	750,000,000
Union Bank Limited	300,000,000	1,100,000,000	300,000,000	1,100,000,000
ONE Bank Limited	2,500,000,000	2,000,000,000	2,500,000,000	2,000,000,000
Jamuna Bank Limited	-	1,450,000,000	-	1,450,000,000
Social Islami Bank Limited	1,000,000,000	1,400,000,000	1,000,000,000	1,400,000,000
Mercantile Bank Limited	-	500,000,000	-	500,000,000
The City Bank Limited	-	1,290,000,000	-	1,290,000,000
Dhaka Bank Limited	3,000,000,000	2,000,000,000	3,000,000,000	2,000,000,000
NRB Global Bank Limited	-	450,000,000	-	450,000,000
Standard Bank Limited	1,150,000,000	450,000,000	1,150,000,000	450,000,000
Union Finance Limited	-	-	13,200,000	-
Export Import Bank of Bangladesh Limited	900,000,000	-	900,000,000	-
Meridian Finance & Investment Limited	-	200,000,000	-	200,000,000
Trust Bank Limited	-	-	2,500,000	2,500,000
Standard Chartered Bank	-	-	24,000,000	24,000,000
IPDC Finance Limited.	300,000,000	-	515,000,001	-
	11,700,000,000	12,290,000,000	11,954,700,001	12,316,500,000
	19,911,101,909	12,676,746,983	21,059,248,067	13,631,778,315
4(b) Outside Bangladesh	-	-	-	-
Total balance	19,911,101,909	12,676,746,983	21,059,248,067	13,631,778,315

	IDLC Finance Limited		IDLC Group	
	30.09.2018	31.12.2017	30.09.2018	31.12.2017
	Taka	Taka	Taka	Taka
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	7,864,000	7,864,000
Investment in debenture and bonds (Note 6.2)	654,750,000	774,750,000	977,663,872	952,536,324
Investment in marketable securities (Note 6.3)	1,891,750,853	2,230,598,864	6,210,050,023	6,762,348,868
Investment in open end mutual fund (Note 6.4)	200,000,000	200,000,000	200,000,000	200,000,000
Other investments	-	-	-	-
Gold etc.	-	-	-	-
	<u>2,754,364,853</u>	<u>3,213,212,864</u>	<u>7,395,577,895</u>	<u>7,922,749,192</u>
	<u>2,754,364,853</u>	<u>3,213,212,864</u>	<u>7,395,577,895</u>	<u>7,922,749,192</u>

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
* Previously the name was Dan & Bradstreet Rating Agency Bangladesh Limited					
		<u>7,864,000</u>	<u>7,864,000</u>	<u>7,864,000</u>	<u>7,864,000</u>

6.2 Investment in bonds

Mercantile Bank Limited	180,000,000	240,000,000	180,000,000	240,000,000
The City Bank Limited	234,750,000	234,750,000	234,750,000	234,750,000
United Commercial Bank Limited	240,000,000	300,000,000	240,000,000	300,000,000
Paramount Textile Limited	-	-	163,732,439	-
Impress-Newtex Composite Textile Limited	-	-	159,181,432	177,786,324
Total	<u>654,750,000</u>	<u>774,750,000</u>	<u>977,663,872</u>	<u>952,536,324</u>

6.3 Investment in marketable securities

Investment in marketable securities (Note 6.3.1)	1,888,049,253	2,230,598,864	6,202,108,743	6,762,348,868
Investment in Initial Public Offering (Note 6.3.2)	3,701,600	-	7,941,280	-
	<u>1,891,750,853</u>	<u>2,230,598,864</u>	<u>6,210,050,023</u>	<u>6,762,348,868</u>

6.3.1 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
	Taka	Taka	Taka	Taka
Mutual Funds	65,047,280	54,970,940	111,722,824	89,600,390
Banks	830,061,913	784,696,958	1,808,103,921	1,604,315,186
Textiles	231,590	695,831	790,370	2,329,494
Pharmaceuticals & Chemicals	29,406,922	28,577,085	199,439,358	190,759,492
Fuel & Power	141,976,403	141,884,281	1,283,096,704	1,350,166,665
Financial Institutions	9,999,990	9,999,990	9,999,990	9,999,990
Cement	-	-	554,698,347	556,790,626
Telecom	316,070,807	254,007,356	878,153,047	741,727,889
Food & Allied	-	-	243,858,620	244,188,739
Engineering & Others	495,254,348	484,145,604	1,112,245,562	1,088,957,767
	<u>1,888,049,253</u>	<u>1,758,978,046</u>	<u>6,202,108,743</u>	<u>5,878,836,239</u>

6.3.2 Investment in Initial Public Offering

	IDLC Finance Limited		IDLC Group	
	30.09.2018	31.12.2017	30.09.2018	31.12.2017
	Taka	Taka	Taka	Taka
	3,701,600	-	7,941,280	-

6.4 Investment in open end mutual fund

IDLC Finance Limited (IDLC FL) invested TK. 200,000,000 as the sponsor in two open-ended mutual funds. IDLC Asset Management Limited (IDLC AML) is the fund manager of these mutual fund. The objective of those fund is to provide attractive risk adjusted returns to the unit holders by investing the proceeds in the Capital Market and Money Market.

	IDLC Finance Limited		IDLC Group	
	30.09.2018 Taka	31.12.2017 Taka	30.09.2018 Taka	31.12.2017 Taka
7 Loans and advances				
Inside Bangladesh:				
Lease receivable (Note 7.1)	4,366,517,421	4,628,820,564	4,366,517,421	4,628,820,564
Long-term finance (Note 7.2)	45,547,474,632	39,242,839,011	45,547,474,632	39,242,839,011
Real estate finance (Note 7.3)	24,031,999,372	21,461,517,186	24,031,999,372	21,461,517,186
Car loans (Note 7.4)	1,509,004,778	1,858,522,855	1,509,004,778	1,858,522,855
Personal loan (Note 7.5)	133,709,514	92,857,372	133,709,514	92,857,372
Short term finance (Note 7.6)	659,851,434	777,721,688	659,851,434	777,721,688
Loan to subsidiaries (Note 7.7)	832,200,000	1,230,349,692	-	-
Loan against deposit (LAD)	604,768,369	415,164,763	604,768,369	415,164,763
Margin loan to portfolio investors (Note 7.8)	-	-	1,594,717,363	2,063,263,811
Interest receivable (Note-7.9)	1,140,072,773	957,840,785	1,140,072,773	957,840,785
	<u>78,825,598,293</u>	<u>70,665,633,916</u>	<u>79,588,115,656</u>	<u>71,498,548,035</u>
Outside Bangladesh				
	<u>78,825,598,293</u>	<u>70,665,633,916</u>	<u>79,588,115,656</u>	<u>71,498,548,035</u>
7.1 Lease receivable				
Balance at January 1	4,628,820,564	4,949,942,229	4,628,820,564	4,949,942,229
Add: Addition during the year/period	1,276,301,792	1,708,529,716	1,276,301,792	1,708,529,716
	5,905,122,356	6,658,471,945	5,905,122,356	6,658,471,945
Less: Realisation during the year/period	1,538,604,935	2,029,651,381	1,538,604,935	2,029,651,381
Balance at year/period end	<u>4,366,517,421</u>	<u>4,628,820,564</u>	<u>4,366,517,421</u>	<u>4,628,820,564</u>
7.2 Long-term finance				
Balance at January 1	39,242,839,011	33,044,382,500	39,242,839,011	33,044,382,500
Add: Disbursement during the year/period	22,935,925,006	26,025,645,752	22,935,925,006	26,025,645,752
	62,178,764,017	59,070,028,252	62,178,764,017	59,070,028,252
Less: Realisation during the year/period	16,631,289,385	19,827,189,241	16,631,289,385	19,827,189,241
Balance at year/period end	<u>45,547,474,632</u>	<u>39,242,839,011</u>	<u>45,547,474,632</u>	<u>39,242,839,011</u>
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	21,461,517,186	18,108,222,920	21,461,517,186	18,108,222,920
Add : Disbursement during the year/period	5,204,472,388	8,096,148,345	5,204,472,388	8,096,148,345
	26,665,989,574	26,204,371,265	26,665,989,574	26,204,371,265
Less : Realisation during the year/period	2,633,990,202	4,742,854,079	2,633,990,202	4,742,854,079
Balance at year/period end	<u>24,031,999,372</u>	<u>21,461,517,186</u>	<u>24,031,999,372</u>	<u>21,461,517,186</u>
7.4 Car loans				
Balance at January 1	1,858,522,855	2,369,827,680	1,858,522,855	2,369,827,680
Add : Disbursement during the year/period	275,367,958	455,177,855	275,367,958	455,177,855
	2,133,890,813	2,825,005,535	2,133,890,813	2,825,005,535
Less : Realisation during the year/period	624,886,035	966,482,680	624,886,035	966,482,680
Balance at year/period end	<u>1,509,004,778</u>	<u>1,858,522,855</u>	<u>1,509,004,778</u>	<u>1,858,522,855</u>
7.5 Personal loan				
Balance at January 1	92,857,372	87,957,182	92,857,372	87,957,182
Add : Disbursement during the year/period	71,517,404	47,387,733	71,517,404	47,387,733
	164,374,775	135,344,915	164,374,775	135,344,915
Less : Realisation during the year/period	30,665,261	42,487,543	30,665,261	42,487,543
Balance at year/period end	<u>133,709,514</u>	<u>92,857,372</u>	<u>133,709,514</u>	<u>92,857,372</u>

	IDLC Finance Limited		IDLC Group	
	30.09.2018 Taka	31.12.2017 Taka	30.09.2018 Taka	31.12.2017 Taka
7.6 Short term finance				
Factoring of account receivable	659,851,434	777,721,688	659,851,434	777,721,688
7.7 Loan to subsidiaries				
Balance at January 1	1,230,349,692	260,800,000	-	-
Add : Disbursement during the year/period	5,812,800,000	11,593,399,692	-	-
	7,043,149,692	11,854,199,692	-	-
Less : Realisation during the year/period	6,210,949,692	10,623,850,000	-	-
Balance at year/period end	832,200,000	1,230,349,692	-	-
7.7.1 Loan to IDLC Investments Limited				
Balance at January 1	1,230,349,692	260,800,000	-	-
Add : Disbursement during the year/period	4,192,800,000	10,098,399,692	-	-
	5,423,149,692	10,359,199,692	-	-
Less : Realisation during the year/period	5,090,949,692	9,128,850,000	-	-
Balance at year/period end	332,200,000	1,230,349,692	-	-
7.7.2 Loan to IDLC Securities Limited				
Balance at January 1	-	-	-	-
Add : Disbursement during the year/period	1,620,000,000	1,495,000,000	-	-
	1,620,000,000	1,495,000,000	-	-
Less : Realisation during the year/period	1,120,000,000	1,495,000,000	-	-
Balance at year/period end	500,000,000	-	-	-
7.8 Margin loan to portfolio investors				
Balance at January 1	-	-	2,063,263,811	1,341,971,074
Add : Disbursement during the year/period	-	-	2,083,135,125	7,265,731,928
	-	-	4,146,398,936	8,607,703,002
Less : Realisation during the year/period	-	-	2,551,681,573	6,544,439,191
Balance at year/period end	-	-	1,594,717,363	2,063,263,811
7.9 Interest receivables				
Lease receivable	81,132,402	113,515,497	81,132,402	113,515,497
Long-term finance	662,249,660	511,476,489	662,249,660	511,476,489
Real estate finance	341,417,606	269,372,331	341,417,606	269,372,331
Car loan	14,790,705	17,799,917	14,790,705	17,799,917
Personal loan	1,721,149	1,913,680	1,721,149	1,913,680
Loan against deposit (LAD)	36,533,479	34,730,266	36,533,479	34,730,266
Short term finance	2,227,771	9,032,605	2,227,771	9,032,605
	1,140,072,773	957,840,785	1,140,072,773	957,840,785

	IDLC Finance Limited		IDLC Group	
	30.09.2018 Taka	31.12.2017 Taka	30.09.2018 Taka	31.12.2017 Taka
8 Fixed assets including land, building, furniture and fixtures				
a. Cost				
Balance at January 1	1,302,771,783	1,205,376,097	1,502,935,732	1,376,871,985
Addition during the year/period	29,518,079	151,047,125	34,436,474	187,993,259
	<u>1,332,289,862</u>	<u>1,356,423,222</u>	<u>1,537,372,206</u>	<u>1,564,865,244</u>
Disposal/Adjustments during the year/period	(27,624,613)	(53,651,439)	(29,994,613)	(61,929,512)
	<u>1,304,665,249</u>	<u>1,302,771,783</u>	<u>1,507,377,593</u>	<u>1,502,935,732</u>
b. Accumulated depreciation				
Balance at January 1	705,515,711	598,463,488	840,143,807	722,598,634
Charged during the year/period	103,712,331	145,839,286	119,582,971	164,225,017
	<u>809,228,042</u>	<u>744,302,774</u>	<u>959,726,778</u>	<u>886,823,651</u>
Disposal/Adjustments during the year/period	(21,474,778)	(38,787,063)	(23,772,846)	(46,679,844)
	<u>787,753,264</u>	<u>705,515,711</u>	<u>935,953,932</u>	<u>840,143,807</u>
c. Written down value (a-b)	516,911,985	597,256,072	571,423,661	662,791,925
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)	3,949,999,790	3,949,999,790	-	-
Accounts receivable (Note - 9.2)	222,005,452	182,287,683	1,028,056,958	578,936,375
Advances, deposits and prepayments (Note - 9.3)	197,836,574	213,723,589	216,930,797	236,588,461
Deferred tax asset	16,109,252	16,109,252	40,762,419	40,762,419
Investment in stock exchanges (Note - 9.4)	-	-	18,676,000	18,676,000
	<u>4,385,951,068</u>	<u>4,362,120,314</u>	<u>1,304,426,174</u>	<u>874,963,255</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)	99,999,990	99,999,990	-	-
	<u>3,949,999,790</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 Taka 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 Taka 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 Taka 10 each.				
9.2 Accounts receivable				
Interest receivable	147,267,917	140,307,327	163,752,339	140,529,869
Other receivables	74,737,535	41,980,357	864,304,619	438,406,507
	<u>222,005,452</u>	<u>182,287,683</u>	<u>1,028,056,958</u>	<u>578,936,375</u>
9.3 Advances, deposits and prepayments				
Deposits and prepayments	7,957,426	7,957,426	8,964,241	8,620,606
Advance against expenses	189,879,148	205,766,163	207,966,556	227,967,855
	<u>197,836,574</u>	<u>213,723,589</u>	<u>216,930,797</u>	<u>236,588,461</u>
Advances, deposits and prepayments are considered good but not secured by collateral.				
9.4 Investment in stock exchanges				
DSE membership at cost	-	-	15,225,000	15,225,000
CSE membership at cost	-	-	3,451,000	3,451,000
	<u>-</u>	<u>-</u>	<u>18,676,000</u>	<u>18,676,000</u>

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 (40%)	2,886,042	10
	Blocked (60%)	4,329,064	10
		<u>7,215,106</u>	
Chittagong Stock Exchange Limited	Floated (40%)	1,714,932	10
	Blocked (60%)	2,572,398	10
		<u>4,287,330</u>	

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

	IDLC Finance Limited		IDLC Group	
	30.09.2018	31.12.2017	30.09.2018	31.12.2017
	Taka	Taka	Taka	Taka
10 Borrowings from other banks, financial institutions				
Inside Bangladesh (Note- 10.1)	15,026,521,236	11,230,359,336	15,196,521,236	11,400,359,336
Outside Bangladesh	-	-	-	-
	15,026,521,236	11,230,359,336	15,196,521,236	11,400,359,336
10.1 Inside Bangladesh				
Secured long term loans				
Long-term loans				
Woori Bank	119,166,667	213,333,333	119,166,667	213,333,333
Total secured long-term loans	119,166,667	213,333,333	119,166,667	213,333,333
Unsecured long-term loans				
Bond and Debenture				
A. K. Khan & Company Limited	221,932,710	325,316,491	221,932,710	325,316,491
Universal Jeans Limited	176,137,072	258,187,691	176,137,072	258,187,691
Grameen Telecom Trust	109,204,984	160,076,369	109,204,984	160,076,369
Square Pharmaceuticals Limited	88,068,536	129,093,846	88,068,536	129,093,846
Pragati Life Insurance Limited	17,613,707	25,818,769	17,613,707	25,818,769
BETS Consulting Services Limited	17,613,707	25,818,769	17,613,707	25,818,769
Dr. Abdus Shabur	3,522,741	5,163,754	3,522,741	5,163,754
Bangla Telecom Limited	22,405,003	31,124,005	22,405,003	31,124,005
Bangladesh Infrastructure Finance Fund Limited	224,050,028	311,240,055	224,050,028	311,240,055
Delsey Cotton Spinning Mills Ltd.	44,810,006	62,248,011	44,810,006	62,248,011
	925,358,494	1,334,087,760	925,358,494	1,334,087,760
Long-term loans				
Kreditanstalt fÜr Wiederaufbau (KfW)	71,318,636	81,275,994	71,318,636	81,275,994
JICA-FDIPP Fund	80,000,000	-	80,000,000	-
Bangladesh Bank (BB Fund-Small Enterprise Refinancing Program)	22,312,499	33,785,833	22,312,499	33,785,833
Bangladesh Bank (Women-Small Enterprise Refinancing Program)	1,600,189,887	2,312,457,441	1,600,189,887	2,312,457,441
Bangladesh Bank (ADB Fund-Small Enterprise Refinancing Program)	4,875,000	24,478,125	4,875,000	24,478,125
Bangladesh Bank (New Entrepreneur Refinancing Scheme)	52,105,245	101,998,846	52,105,245	101,998,846
Bangladesh Bank (Home Loan Refinancing Program)	528,858,607	570,052,125	528,858,607	570,052,125
Bangladesh Bank (Agro Loan Refinancing Program)	837,434,431	1,243,407,764	837,434,431	1,243,407,764
Bangladesh Bank (JICA Refinancing Program)	397,522,037	564,763,035	397,522,037	564,763,035
SME Foundation	51,950,000	30,000,000	51,950,000	30,000,000
FMO Loan	155,360,000	310,720,000	155,360,000	310,720,000
Investment Promotion & Financing Facilities (IPFF)	580,034,025	602,458,911	580,034,025	602,458,911
Bangladesh Bank Solar Bio Gas & ETP Scheme	34,166,668	2,916,668	34,166,668	2,916,668
Bangladesh Bank Milk Production Scheme	5,400,000	3,400,000	5,400,000	3,400,000
Bangladesh Bank SMEDP02	177,700,000	-	177,700,000	-
Saudi Bangladesh Industrial & Agricultural Investment Company Limited	472,769,039	616,223,500	472,769,039	616,223,500
	5,071,996,075	6,497,938,242	5,071,996,075	6,497,938,242
Total unsecured long-term loan	5,997,354,569	7,832,026,002	5,997,354,569	7,832,026,002
Short-term and Call loans:				
Short-term loans				
Citi Bank N.A.	560,000,000	400,000,000	560,000,000	400,000,000
Bank Alfalah Limited	-	200,000,000	-	200,000,000
Standard Chartered Bank	1,700,000,000	1,550,000,000	1,870,000,001	1,720,000,000
Commercial Bank of Ceylon Plc	-	535,000,000	-	535,000,000
One Bank Limited	-	500,000,000	-	500,000,000
Jamuna Bank Limited	300,000,000	-	300,000,000	-
Standard Bank Limited	850,000,000	-	850,000,000	-
Modhumoti Bank Limited	700,000,000	-	700,000,000	-
National Credit & Commerce Bank Limited	500,000,000	-	500,000,000	-
NRB Commercial Bank Limited	400,000,000	-	400,000,000	-
South Bangla Agriculture and Commerce Bank Limited	850,000,000	-	850,000,000	-
	5,860,000,000	3,185,000,000	6,030,000,001	3,355,000,000
Call Loans				
Agrani Bank Limited	330,000,000	-	330,000,000	-
BASIC Bank Limited	290,000,000	-	290,000,000	-
Dutch Bangla Bank Limited	430,000,000	-	430,000,000	-
Prime Bank Limited	220,000,000	-	220,000,000	-
Janata Bank Limited	150,000,000	-	150,000,000	-
Sonali Bank Limited	380,000,000	-	380,000,000	-
Midland Bank Limited	100,000,000	-	100,000,000	-
National Credit & Commerce Bank Limited	70,000,000	-	70,000,000	-
Trust Bank Limited	150,000,000	-	150,000,000	-
Uttara Bank Limited	600,000,000	-	600,000,000	-
Southeast Bank Limited	330,000,000	-	330,000,000	-
	3,050,000,000	-	3,050,000,000	-
Total short-term and call loans	8,910,000,000	3,185,000,000	9,080,000,001	3,355,000,000
Total Borrowings	15,026,521,236	11,230,359,336	15,196,521,236	11,400,359,336

	IDLC Finance Limited		IDLC Group	
	30.09.2018	31.12.2017	30.09.2018	31.12.2017
	Taka	Taka	Taka	Taka
11 Deposits and other accounts				
Current accounts and other accounts etc	-	-	-	-
Bills payable	-	-	-	-
Savings bank deposits	-	-	-	-
Term deposits (Note- 11.1)	71,289,425,909	60,538,332,988	70,040,859,432	59,853,619,702
Bearer certificate of deposits	-	-	-	-
Refundable deposits (Note- 11.2)	2,393,180,016	2,238,814,210	2,393,180,016	2,238,814,210
	73,682,605,925	62,777,147,198	72,434,039,448	62,092,433,912
11.1 Term deposits				
This represents deposits received from institutions and individuals for a period not less than three months.				
Balance at January 1	60,538,332,988	47,563,668,197	59,853,619,702	47,474,930,697
Add: Deposits received during the year/period	38,814,249,575	35,652,152,030	38,814,249,575	35,652,152,030
	99,352,582,563	83,215,820,227	98,667,869,277	83,127,082,727
Less: Matured/encashed during the year/period	28,063,156,654	22,677,487,239	28,063,156,654	22,677,487,239
Inter - company deposit	-	-	563,853,191	595,975,786
Balance at year/period end	71,289,425,909	60,538,332,988	70,040,859,432	59,853,619,702
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	264,277,153	265,089,005	264,277,153	265,089,005
Deposits against financing as per term of agreements (Security deposits)	2,128,902,863	1,973,725,205	2,128,902,864	1,973,725,205
	2,393,180,016	2,238,814,210	2,393,180,016	2,238,814,210
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)	4,740,343,948	4,567,608,997	5,916,579,910	5,343,166,922
Provision for income tax (Note- 12.2)	1,919,873,301	1,948,570,620	2,167,950,954	2,281,617,302
Deferred liability-employee gratuity (Note- 12.3)	4,846,056	-	51,464,640	42,254,402
Portfolio investors' fund (Note- 12.4)	-	-	436,267,655	370,999,029
Interest suspense account (Note- 12.5)	383,797,599	396,051,369	383,797,599	396,051,369
Provision for doubtful accounts and future losses (Note- 12.6 (i))	1,285,157,909	1,105,347,063	1,344,650,153	1,145,270,344
Unpaid dividend	23,387,568	16,801,159	23,387,568	16,801,159
Deferred tax liability	-	-	510,449	510,449
	8,357,406,381	8,034,379,208	10,324,608,928	9,596,670,976
12.1 Payable and accrued expenses				
Receipt against leases	1,069,969,208	616,546,078	1,069,969,208	616,546,078
Liabilities for expenses	3,249,043,538	2,803,290,053	4,424,448,987	3,575,729,042
Liabilities for other finance	421,331,202	1,147,772,866	422,161,715	1,150,891,802
	4,740,343,948	4,567,608,997	5,916,579,910	5,343,166,922
12.2 Provision for income tax				
<i>Provision</i>				
Balance at January 1	7,715,275,299	6,649,874,999	8,907,870,073	7,459,702,789
Less: Adjustment during the year/period	-	-	-	-
	7,715,275,299	6,649,874,999	8,907,870,073	7,459,702,789
Add: Provision made during the year/period	590,937,229	1,065,400,300	706,388,411	1,448,167,284
	8,306,212,528	7,715,275,299	9,614,258,484	8,907,870,073
Settlement of previous year's tax liability	-	-	-	-
Balance at year/period end	8,306,212,528	7,715,275,299	9,614,258,484	8,907,870,073
<i>Advance tax</i>				
Balance at January 1	5,766,704,679	4,928,489,985	6,626,252,771	5,567,342,071
Add: Payment made during the year/period:				
Under sections 64 and 74 of ITO, 1984	514,953,552	740,958,309	514,953,552	765,827,621
Deduction at source	104,270,996	96,076,385	304,691,206	291,903,080
Others	410,000	1,180,000	410,000	1,180,000
	619,634,548	838,214,694	820,054,758	1,058,910,701
Less: Adjustment during the year/period	6,386,339,227	5,766,704,679	7,446,307,530	6,626,252,771
	-	-	-	-
	6,386,339,227	5,766,704,679	7,446,307,530	6,626,252,771
Net balance at year/period end	1,919,873,301	1,948,570,620	2,167,950,954	2,281,617,302

	IDLC Finance Limited		IDLC Group	
	30.09.2018 Taka	31.12.2017 Taka	30.09.2018 Taka	31.12.2017 Taka
12.3 Deferred Liability-employee gratuity				
Balance at January 1	-	-	42,254,402	28,718,149
Add: Addition during the year/period	4,846,056	-	9,534,666	13,760,293
	4,846,056	-	51,789,068	42,478,442
Less: Payment during the year/period	-	-	324,428	224,040
Balance at year/period end	4,846,056	-	51,464,640	42,254,402
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	-	-	370,999,029	187,443,773
Add: Deposit and share sold by clients	-	-	6,338,806,451	10,248,279,322
	-	-	6,709,805,480	10,435,723,095
Less: Purchase of share and deposit withdraw by clients	-	-	6,273,537,825	10,064,724,066
Balance at year/period end	-	-	436,267,655	370,999,029
12.5 Interest suspense accounts				
On lease finance	43,578,127	84,677,038	43,578,127	84,677,038
On real-estate finance	134,523,789	122,264,764	134,523,789	122,264,764
On term finance	199,175,756	180,832,816	199,175,756	180,832,816
On car loan	3,769,328	4,440,593	3,769,328	4,440,593
On personal loan	971,278	1,412,351	971,278	1,412,351
On short term finance	1,779,321	2,423,807	1,779,321	2,423,807
	383,797,599	396,051,369	383,797,599	396,051,369
12.6 Provision for loans and advances/investments				
12.6(i) Balance at January 1	1,105,347,063	1,081,156,938	1,145,270,344	1,116,435,278
Provision required for the year/period	454,395,990	397,524,787	505,512,808	402,169,728
Provision released during the year/period	(137,913,335)	(169,358,827)	(169,461,191)	(169,358,827)
Provision charged for the year/period (Note- 12.6 (ii))	316,482,655	228,165,960	336,051,617	232,810,901
Write off during the year/period	136,671,808	203,975,835	136,671,808	203,975,835
Balance at year/period end	1,285,157,909	1,105,347,063	1,344,650,153	1,145,270,344
12.6(ii) Provision charged for the year/period				
General provision	64,320,272	45,365,290	61,530,535	50,543,877
Specific provision	130,987,516	89,824,181	102,229,397	89,824,181
Provision for diminutions in value of investments	121,174,867	-	172,291,685	-
Other Provisions	-	-	-	-
	316,482,655	135,189,471	336,051,617	140,368,058

		IDLC Finance Limited		IDLC Group	
		30.09.2018	31.12.2017	30.09.2018	31.12.2017
		Taka	Taka	Taka	Taka
13	Share capital				
	Authorised				
	1,000,000,000 ordinary shares of Taka 10 each	10,000,000,000	10,000,000,000	10,000,000,000	10,000,000,000
	Issued, subscribed and paid-up				
	377,050,780 ordinary shares of Taka 10 each	3,770,507,800	3,770,507,800	3,770,507,800	3,770,507,800
Paid-up share capital as on September 30, 2018 comprises the following:					
Composition of shareholding:					
Sl. No.	Name of the Shareholders	30.09.2018		31.12.2017	
		% of holding	Number of shares	Taka	Taka
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)	3.68	13,870,687	138,706,870	52,519,130
	Bangladesh Fund	1.68	6,330,000	63,300,000	63,300,000
	Marina Apparels Limited	1.00	3,770,506	37,705,060	37,705,060
	Other Institutions	10.76	40,552,386	405,523,860	449,306,050
	Sub-Total	17.11	64,523,579	645,235,790	602,830,240
	Individuals:				
	General Public (Individuals)	12.76	48,118,936	481,189,360	596,882,550
	Sub-Total	12.76	48,118,936	481,189,360	596,882,550
3	FOREIGN				
	Institutions & Individuals	13.47	50,765,688	507,656,880	434,369,240
		13.47	50,765,688	507,656,880	434,369,240
	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	3,750,000	1,260,585,930	3,750,000
	Add: Received during the year/period	-	1,256,835,930	-	1,256,835,930
	Balance at year/period end	1,260,585,930	1,260,585,930	1,260,585,930	1,260,585,930
15	Statutory reserves				
	Balance at January 1	2,098,412,371	1,782,004,350	2,098,412,371	1,782,004,350
	Add: Transferred on appropriation of profit	-	316,408,021	-	316,408,021
	Balance at year/period end	2,098,412,371	2,098,412,371	2,098,412,371	2,098,412,371
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 year/period end	1,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000

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	
	30.09.2018	31.12.2017	30.09.2018	31.12.2017
	Taka	Taka	Taka	Taka
17.1 Contingent liabilities				
Acceptances and endorsements	-	-	-	-
Letters of guarantee	13,836,203	91,601,562	13,836,203	91,601,562
Irrevocable letters of credit	-	-	-	-
Bills for collection	-	-	-	-
Indemnity bond	-	-	-	-
Corporate guarantee	750,000,000	750,000,000	750,000,000	750,000,000
	763,836,203	841,601,562	763,836,203	841,601,562
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 year/period end	671,521,088	344,407,701	671,521,088	344,407,701
Real estate finance commitments outstanding at year/period end	1,054,244,999	828,654,280	1,054,244,999	828,654,280
Car loan commitments outstanding at year/period end	434,333	408,333	434,333	408,333
Personal loan commitments outstanding at year/period end	124,077	124,077	124,077	124,077
Loan Against Deposit commitments outstanding at year/period end	-	10,575,755	-	10,575,755
	1,726,324,497	1,184,170,146	1,726,324,497	1,184,170,146

	IDLC Finance Limited		IDLC Group	
	30.09.2018 Taka	30.09.2017 Taka	30.09.2018 Taka	30.09.2017 Taka
18 Income statement				
Income				
Interest, discount and similar income (Note-18.1)	8,217,961,987	6,832,490,663	8,713,781,905	7,368,888,828
Dividend income (Note-21)	27,987,919	42,491,992	98,861,460	118,281,275
Fees, commission and brokerage (Note-22)	28,263,328	15,173,186	431,383,146	560,838,667
Other operating income (Note-23)	301,872,143	349,393,416	308,360,429	358,164,404
	<u>8,576,085,377</u>	<u>7,239,549,257</u>	<u>9,552,386,940</u>	<u>8,406,173,174</u>
Expenses				
Interest on deposits and borrowings etc. (Note-20)	5,090,680,800	3,537,774,675	5,039,763,019	3,541,457,472
Administrative expenses (Note-18.2)	1,038,749,359	1,066,264,212	1,270,613,285	1,309,655,683
Other expenses (Note-33)	221,954,260	260,393,075	258,473,710	299,991,471
Depreciation on assets (Note-32)	103,712,331	110,711,330	119,582,971	124,041,075
	<u>6,455,096,750</u>	<u>4,975,143,292</u>	<u>6,688,432,985</u>	<u>5,275,145,701</u>
	<u>2,120,988,627</u>	<u>2,264,405,965</u>	<u>2,863,953,955</u>	<u>3,131,027,473</u>
18.1 Interest, discount and similar income				
Interest income (Note -19)	7,945,734,343	6,436,047,901	8,123,241,208	6,573,644,400
Gain on sale of marketable securities (Note - 21)	208,993,165	300,416,790	512,289,962	685,334,346
Income from investment in bonds (Note - 21)	63,234,479	77,003,750	78,250,735	90,887,860
Income from investment in commercial paper (Note - 21)	-	19,022,222	-	19,022,222
	<u>8,217,961,987</u>	<u>6,832,490,663</u>	<u>8,713,781,905</u>	<u>7,368,888,828</u>
18.2 Administrative expenses				
Salary and allowances (Note-24)	770,146,717	783,619,748	942,258,971	965,327,232
Rent, taxes, insurance, electricity, etc. (Note-25)	137,458,068	135,402,792	167,606,873	166,044,591
Legal expenses (Note-26)	8,658,160	18,075,553	10,803,014	20,368,339
Postage, stamp, telecommunication, etc. (Note-27)	23,020,751	22,467,796	28,885,663	28,030,389
Stationery, printing, advertisement, etc. (Note-28)	85,689,873	76,962,316	103,177,890	96,014,902
Managing Director's salary and fees (Note-29)	9,520,000	9,520,000	9,520,000	9,520,000
Directors' fees (Note-30)	987,881	1,242,356	1,433,088	1,722,594
Auditors' fees (Note-31)	628,190	788,061	939,440	1,088,061
Depreciation & repair of Company's assets (Note-32)	2,639,719	18,185,590	5,988,346	21,539,575
	<u>1,038,749,359</u>	<u>1,066,264,212</u>	<u>1,270,613,285</u>	<u>1,309,655,683</u>
19 Interest income				
This represents interest income from the following products:				
Lease finance	418,530,603	434,009,416	418,530,603	434,009,416
Real estate finance	1,988,954,668	1,620,714,219	1,988,954,668	1,620,714,219
Term finance	4,227,873,375	3,419,794,460	4,227,873,375	3,419,794,460
Short term finance	85,677,858	71,095,028	85,677,858	71,095,028
Car loan	159,895,607	225,625,409	159,895,607	225,625,409
Personal loan	10,860,840	9,167,103	10,860,840	9,167,103
Margin loan to portfolio investors	-	-	159,839,885	151,707,646
Loan to subsidiaries	38,435,021	46,045,401	-	-
	<u>6,930,227,972</u>	<u>5,826,451,036</u>	<u>7,051,632,836</u>	<u>5,932,113,281</u>
Interest on balance with other banks and financial institutions	981,171,707	570,251,585	1,037,273,708	602,185,839
Call loan	124,389	-	124,389	-
Loan against deposit	34,210,275	39,345,280	34,210,275	39,345,280
	<u>7,945,734,343</u>	<u>6,436,047,901</u>	<u>8,123,241,208</u>	<u>6,573,644,400</u>
20 Interest on deposits and borrowings etc.				
Interest on term deposits	4,396,350,045	2,869,581,394	4,339,055,851	2,869,581,394
Interest on borrowings	456,364,610	443,845,386	462,741,023	447,528,183
Interest on secured/unsecured zero coupon bonds	84,873,251	108,008,829	84,873,251	108,008,829
Interest on security deposit	86,330,700	80,571,219	86,330,700	80,571,219
Interest on call loan	66,762,194	35,767,847	66,762,194	35,767,847
	<u>5,090,680,800</u>	<u>3,537,774,675</u>	<u>5,039,763,019</u>	<u>3,541,457,472</u>

	IDLC Finance Limited		IDLC Group	
	30.09.2018	30.09.2017	30.09.2018	30.09.2017
	Taka	Taka	Taka	Taka
21 Investment income				
Gain on sale of marketable securities	208,993,165	300,416,790	512,289,962	685,334,346
Dividend income	27,987,919	42,491,992	98,861,460	118,281,275
Income from investment in bonds	63,234,479	77,003,750	78,250,735	90,887,860
Income from investment in commercial paper	-	19,022,222	-	19,022,222
	300,215,563	438,934,754	689,402,157	913,525,703
22 Commission, exchange and brokerage				
Agency fees	4,600,000	6,466,666	4,600,000	6,466,666
Arrangement fees	20,725,000	6,456,520	20,725,000	6,456,520
Advisory fees	2,799,741	2,250,000	2,799,741	2,250,000
Commission & brokerage	-	-	306,311,018	433,075,708
Documentation fees	-	-	485,000	665,500
Custodial fees	138,587	-	138,587	-
Fees from mutual fund	-	-	17,896,879	10,346,059
Portfolio management fees	-	-	38,544,452	32,284,594
Corporate advisory fees	-	-	16,102,661	19,839,102
Settlement charges	-	-	23,779,808	49,454,518
	28,263,328	15,173,186	431,383,146	560,838,667
23 Other operating income				
Application, processing and documentation fees	209,601,716	228,731,013	209,848,047	229,269,352
Loan settlement and others	47,685,166	71,047,095	47,685,166	71,047,095
Transfer price/gain at the time of expiry of lease	597,508	1,296,439	597,508	1,296,439
Service charges	10,936,826	16,621,731	10,936,826	16,621,731
Gain on disposal of fixed assets	5,753,346	8,324,120	6,107,219	8,826,523
Account opening & BO account maintenance fees	-	-	2,000,300	2,410,600
IPO service charge	-	-	68,850	42,575
Miscellaneous income	27,297,581	23,373,018	31,116,513	28,650,089
	301,872,143	349,393,416	308,360,429	358,164,404
24 Salaries and allowances	770,146,717	783,619,748	942,258,971	965,327,232
25 Rent, taxes, insurance, electricity, etc.				
Rent, rate and taxes	103,852,105	99,941,553	128,300,150	125,703,633
Insurance	3,630,445	4,812,029	4,155,855	5,219,660
Power and electricity	29,975,518	30,649,210	35,150,868	35,121,298
	137,458,068	135,402,792	167,606,873	166,044,591
26 Legal expenses				
Renewal and registration	2,378,061	6,055,577	3,606,148	7,768,439
Other professional charges	6,280,099	12,019,976	7,196,866	12,599,900
	8,658,160	18,075,553	10,803,014	20,368,339
27 Postage, stamp, telecommunication, etc.				
Postage	1,004,276	691,906	1,128,620	867,677
Telecommunication and internet etc.	22,016,475	21,775,890	27,757,043	27,162,712
	23,020,751	22,467,796	28,885,663	28,030,389
28 Stationery, printing, advertisements, etc.				
Stationery & printing	41,273,676	34,902,675	43,668,244	37,987,244
Advertisement and publicity	44,416,197	42,059,641	59,509,646	58,027,658
	85,689,873	76,962,316	103,177,890	96,014,902

	IDLC Finance Limited		IDLC Group	
	30.09.2018	30.09.2017	30.09.2018	30.09.2017
	Taka	Taka	Taka	Taka
29 Managing Director's salary and benefits				
Basic pay	4,500,000	4,500,000	4,500,000	4,500,000
Allowances	2,070,000	2,070,000	2,070,000	2,070,000
Bonus	2,500,000	2,500,000	2,500,000	2,500,000
Company's contribution to provident fund	450,000	450,000	450,000	450,000
	9,520,000	9,520,000	9,520,000	9,520,000
30 Directors' fees				
Honorarium for attending meeting	987,881	1,242,356	1,433,088	1,722,594
31 Auditors' fees				
Annual statutory audit fees (including VAT)	517,500	517,500	828,750	817,500
Other audit fees (including VAT)	110,690	270,561	110,690	270,561
	628,190	788,061	939,440	1,088,061
32 Depreciation and repair of company's assets				
Freehold assets (Note-8 & 8 (b))	103,712,331	110,711,330	119,582,971	124,041,075
Repair and maintenance for premises, vehicle, computer & computer accessories	2,639,719	18,185,590	5,988,346	21,539,575
	106,352,050	128,896,920	125,571,317	145,580,650
33 Other expenses				
Bank charges	3,581,029	4,702,285	3,978,618	4,967,554
Books and periodicals	198,234	196,509	268,166	247,777
Car expenses	22,002,758	23,178,021	25,284,682	25,889,100
Donations and subscriptions	677,713	466,200	840,952	1,948,882
Medical & welfare expenses	9,927,677	14,001,919	11,138,856	14,974,711
Entertainment expenses	7,815,229	12,956,656	8,711,673	15,096,277
Consultancy fees	3,781,524	5,498,775	3,781,524	5,498,775
Office service expenses	62,396,206	63,802,101	76,274,317	78,941,679
Training expenses	5,656,314	6,733,066	7,417,441	8,892,554
Travel and conveyances	15,669,506	16,640,514	17,432,114	17,180,641
CDBL charges	6,450	900	786,031	985,837
Howla and Laga charge	-	-	21,508,703	34,212,571
Portfolio Management Charge	34,408,200	33,500,190	-	-
Sales Incentive	37,914,256	46,623,924	38,402,053	46,750,577
Repossession fees and others	17,919,164	32,092,015	42,648,580	44,404,536
	221,954,260	260,393,075	258,473,710	299,991,471

	IDLC Finance Limited		IDLC Group	
	30.09.2018	30.09.2017	30.09.2018	30.09.2017
	Taka	Taka	Taka	Taka
34 Earnings Per Share (EPS)				
Earnings Per Share as shown in the face of the Profit and Loss Account is calculated in accordance with Bangladesh Accounting Standard (BAS) 33: "Earnings Per Share".				
Basic earnings per share has been calculated as follows:				
Earnings attributable to ordinary shareholders (Net profit after tax) (A)	1,213,568,743	1,290,877,542	1,821,513,777	1,808,772,707
Weighted average number of ordinary shares outstanding during the year/period (B)	377,050,780	369,474,916	377,050,780	369,474,916
Earnings Per Share (A÷B)	3.22	3.49 *	4.83	4.90 *

As the IDLC Finance Limited issued right share in the year 2017, required adjustments have been made to the weighted average number of shares to reflect Theoretical Ex Right Share Price (TERP) for 2017, as per BAS 33 "Earnings Per Share".

	IDLC Finance Limited		IDLC Group	
	30.09.2018	31.12.2017	30.09.2018	31.12.2017
	Taka	Taka	Taka	Taka
35 Net Asset Value (NAV) Per Share				
Net Asset (total assets less total liabilities) (A)	10,651,513,179	10,569,096,776	13,287,840,454	12,597,478,868
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)	28.25	28.03	35.24	33.41

	IDLC Finance Limited		IDLC Group	
	30.09.2018	30.09.2017	30.09.2018	30.09.2017
	Taka	Taka	Taka	Taka
36 Net Operating Cash Flows Per Share (NOCFPS)				
Net cash flows from operating activities (A)	10,074,632,083	6,619,021,112	10,203,916,219	8,702,704,002
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)	26.72	17.55	27.06	23.08

	IDLC Finance Limited		IDLC Group	
	30.09.2018	30.09.2017	30.09.2018	30.09.2017
	Taka	Taka	Taka	Taka
37 Reconciliation of Net Profit with Cash Flows from Operating Activities				
Net profit after tax	1,213,568,743	1,290,877,542	1,821,513,927	1,808,773,268
Items not involved in cash movement:				
Add: Depreciation	103,712,331	110,711,330	119,582,971	124,041,075
Add: Provision for loans and investments	316,482,655	135,189,471	336,051,617	140,368,058
Add: Provision for taxation	590,937,229	838,338,952	706,388,411	1,181,886,147
Add/ (Less): Accrued expenses	491,531,350	(46,614,588)	894,497,819	166,204,553
Add/ (Less): Accrued income	(221,949,756)	(55,034,896)	(631,352,570)	(175,700,559)
Less: Gain On Disposal of Fixed assets	(5,753,346)	(8,324,120)	(6,107,219)	(8,826,523)
Increase/(Decrease) in Employee gratuity	4,846,056	7,618,464	9,210,238	22,991,196
Adjustments to reconcile net profit after tax to net cash provided by operating activities	2,493,375,262	2,272,762,156	3,249,785,193	3,259,737,215
Increase/(decrease) in operating assets and liabilities				
(Increase)/Decrease in Loans & advances	(7,977,732,389)	(8,439,030,008)	(7,907,335,634)	(8,332,812,288)
(Increase)/Decrease in Other assets	15,887,015	(1,614,608,689)	19,657,664	(21,798,760)
Increase/(Decrease) in Short term borrowings	5,725,000,000	2,045,000,000	5,725,000,001	1,875,000,000
Increase/(Decrease) in Term & other deposits	10,905,458,727	12,897,453,902	10,341,605,536	12,331,060,152
Increase/(Decrease) in Payable and accrued expenses	(455,468,213)	51,823,682	(457,756,639)	56,192,013
(Increase)/Decrease in Income tax	(619,634,548)	(615,818,084)	(820,054,758)	(790,128,050)
Increase/(Decrease) in Portfolio investors fund	-	-	65,268,626	304,015,566
Increase/(Decrease) in Interest suspense	(12,253,770)	21,438,154	(12,253,770)	21,438,154
	7,581,256,822	4,346,258,956	6,954,131,026	5,442,966,786
Net cash flows from/(used in) operating activities	10,074,632,083	6,619,021,112	10,203,916,219	8,702,704,002

Sd/-
Chairman

Sd/-
Director

Sd/-
CEO & Managing Director

Sd/-
Chief Financial Officer

Sd/-
Company Secretary

Dhaka, October 14, 2018

Fixed assets including land, building, furniture and fixtures-for third quarter end 2018

(Annexure A)

Asset category	Cost				Rate	Depreciation				Written down value at September 30, 2018
	Balance at January 1, 2018	Addition during the year/period	Disposal/ adjustment during the year/period	Balance at September 30, 2018		Balance at January 1, 2018	Charged for the year/period	Adjustment during the year/period	Balance at September 30, 2018	
	Taka	Taka	Taka	Taka	%	Taka	Taka	Taka	Taka	Taka
Free hold assets:										
Land	26,958,470	-	-	26,958,470	-	-	-	-	-	26,958,470
Building	207,519,303	-	-	207,519,303	2.50	25,937,101	3,890,987	-	29,828,088	177,691,215
Furniture and fixtures	90,315,859	3,510,447	(697,439)	93,128,867	12.50	36,708,013	7,485,325	(662,680)	43,530,658	49,598,210
Electrical equipment	81,037,425	1,922,413	(2,209,638)	80,750,200	20.00	49,808,858	7,064,247	(1,961,893)	54,911,212	25,838,988
Curtain and carpets	4,642,899	848,049	(243,746)	5,247,202	33.33	2,907,215	879,894	(204,374)	3,582,736	1,664,466
Office equipment	121,410,081	3,090,715	(1,482,650)	123,018,146	20.00	82,241,692	11,102,459	(1,482,590)	91,861,561	31,156,585
Office decoration	149,687,850	2,094,356	(442,744)	151,339,461	20.00	72,981,018	16,427,390	(442,689)	88,965,719	62,373,743
Computers	171,402,743	6,506,113	-	177,908,856	20.00	96,037,907	15,849,117	-	111,887,024	66,021,832
Software (Office Operation)	33,042,494	2,019,868	-	35,062,362	33.33	28,168,806	2,737,708	-	30,906,514	4,155,848
Software (Business Operation)	137,540,494	-	-	137,540,494	20.00	133,939,095	771,727	-	134,710,822	2,829,672
Telephone and telex	10,582,494	1,019,918	(543,457)	11,058,955	33.33	8,269,774	1,049,328	(391,742)	8,927,360	2,131,595
Motor vehicles	268,631,671	8,506,200	(22,004,939)	255,132,932	25.00	168,516,231	36,454,150	(16,328,811)	188,641,570	66,491,362
Total as on September 30, 2018	1,302,771,783	29,518,079	(27,624,613)	1,304,665,249		705,515,711	103,712,331	(21,474,778)	787,753,264	516,911,985
Total as on December 31, 2017	1,205,376,097	151,047,125	(53,651,439)	1,302,771,783		598,463,488	145,839,286	(38,787,063)	705,515,711	597,256,072

A(a) Consolidated fixed assets including land, building, furniture and fixtures-for third quarter end 2018

Asset category	Cost				Rate	Depreciation				Written down value at September 30, 2018
	Balance at January 1, 2018	Addition during the year/period	Disposal/ adjustment during the year/period	Balance at September 30, 2018		Balance at January 1, 2018	Charged for the year/period	Adjustment during the year/period	Balance at September 30, 2018	
	Taka	Taka	Taka	Taka	%	Taka	Taka	Taka	Taka	Taka
Free hold assets:										
Land	26,958,470	-	-	26,958,470	-	-	-	-	-	26,958,470
Building	207,519,303	-	-	207,519,303	2.50	25,937,101	3,890,987	-	29,828,088	177,691,215
Furniture and fixtures	108,574,018	3,827,208	(697,439)	111,703,787	12.50	46,372,467	8,832,340	(662,680)	54,542,127	57,161,660
Electrical equipment	105,956,223	2,400,253	(2,209,638)	106,146,838	20.00	70,729,957	7,947,997	(1,961,893)	76,716,061	29,430,777
Curtain and carpets	5,884,508	977,773	(288,746)	6,573,535	33.33	3,820,262	1,024,638	(204,374)	4,640,526	1,933,009
Office equipment	157,519,357	4,678,643	(1,482,650)	160,715,350	20.00	113,287,954	12,271,057	(1,482,590)	124,076,421	36,638,929
Office decoration	181,153,710	2,347,770	(442,744)	183,058,736	20.00	89,501,205	19,462,925	(442,689)	108,521,441	74,537,294
Computers	195,119,528	7,381,708	-	202,501,236	20.00	112,738,036	17,579,340	-	130,317,376	72,183,861
Software (Office Operation)	43,282,873	2,955,011	-	46,237,885	33.33	35,426,043	3,891,540	-	39,317,583	6,920,301
Software (Business Operation)	139,245,597	-	-	139,245,597	20.00	134,116,621	1,027,493	-	135,144,113	4,101,484
Telephone and telex	13,946,953	1,361,908	(618,457)	14,690,404	33.33	10,991,938	1,389,780	(497,117)	11,884,601	2,805,803
Motor vehicles	317,775,191	8,506,200	(24,254,939)	302,026,452	25.00	197,222,225	42,264,874	(18,521,504)	220,965,595	81,060,857
Total as on September 30, 2018	1,502,935,732	34,436,474	(29,994,613)	1,507,377,593		840,143,807	119,582,971	(23,772,846)	935,953,932	571,423,661
Total as on December 31, 2017	1,376,871,985	187,993,259	(61,929,512)	1,502,935,732		722,598,634	164,225,017	(46,679,844)	840,143,807	662,791,925

IDLC FINANCE LIMITED
Other explanatory notes to the accounts (Un-Audited)

Reporting

This third quarterly financial report has been prepared based on Bangladesh Accounting Standard (BAS) - 34: "Interim Financial Reporting".

These interim financial statements should be read in conjunction with the published financial statement for the year ended December 31, 2017, as they provide an update to previously reported information.

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, 2017.

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'.

Earnings Per Share (EPS):

Earnings per share have been calculated based on number of shares outstanding for the period ended September 30, 2018 and profit for the same period. The number of shares outstanding for the period was 377.05 million. Number of shares for the preceding period of 2017 was 369.47 million, which has been calculated based on adjustment factor to reflect Theoretical Ex Right Share Price (TERP) as per BAS 33 "Earnings Per Share".

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.

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.

Sd/-
Chairman

Sd/-
Director

Sd/-
CEO & Managing Director

Sd/-
Chief Financial Officer

Sd/-
Company Secretary

Dhaka, October 14, 2018

IDLC FINANCE LIMITED

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