

HALF YEARLY REPORT

June 30, 2018



ENGAGING COMMUNITIES
SPREADING

HAPPINESS

IDLC Finance Limited

Financial Statements

as at and for the period ended June 30, 2018

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

	<u>Note</u>	<u>30.06.2018</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	1,342,743,589	1,095,727,369
		1,343,173,589	1,096,112,369
Balance with other banks and financial institutions	4		
Inside Bangladesh	4(a)	16,651,434,656	13,631,778,315
Outside Bangladesh	4(b)	-	-
		16,651,434,656	13,631,778,315
Money at call and short notice	5	-	-
Investments	6		
Government		-	-
Others		6,539,503,132	7,922,749,192
		6,539,503,132	7,922,749,192
Loans and advances	7		
Loans, cash credit, overdraft etc.		78,838,349,242	71,498,548,035
Bills purchased and discounted		-	-
		78,838,349,242	71,498,548,035
Fixed assets including land, building, furniture and fixtures	8(c)	604,920,198	662,791,925
Other assets	9	1,460,453,415	874,963,255
Non-banking assets		-	-
Total Assets		105,437,834,233	95,686,943,091
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	10	14,425,854,278	11,400,359,336
Deposits and other accounts	11		
Current accounts and other accounts etc.		-	-
Bills payable		-	-
Savings bank deposits		-	-
Term deposits		66,091,424,183	59,853,619,702
Bearer certificate of deposits		-	-
Other deposits		2,396,245,183	2,238,814,210
		68,487,669,366	62,092,433,912
Other liabilities	12	9,946,475,064	9,596,670,976
Total Liabilities		92,859,998,708	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		4,401,826,341	4,421,469,765
Total Equity attributable to equity holders of the company		12,577,832,442	12,597,475,866
Non-controlling interest		3,083	3,001
Total Liabilities and Shareholders' equity		105,437,834,233	95,686,943,091

	<u>Note</u>	<u>30.06.2018</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		37,136,546	91,601,562
Irrevocable letters of credit		-	-
Bills for collection		-	-
Indemnity bond		-	-
Corporate guarantee		750,000,000	750,000,000
		787,136,546	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		1,565,981,419	1,184,170,146
		1,565,981,419	1,184,170,146
Total Off-Balance Sheet items including contingent liabilities		2,353,117,965	2,025,771,708
Net Assets Value (NAV) per share	35	33.36	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, July 29, 2018

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

	Note	Jan to Jun'18	Jan to Jun'17	Apr to Jun'18	Apr to Jun'17
		Taka	Taka	Taka	Taka
Interest income	19	5,207,976,620	4,325,046,633	2,815,952,445	2,237,944,354
Interest on deposits and borrowings etc.	20	(3,191,415,477)	(2,309,841,314)	(1,767,521,547)	(1,172,599,093)
Net interest income		2,016,561,143	2,015,205,319	1,048,430,898	1,065,345,261
Investment income	21	414,021,020	526,096,916	149,397,695	193,076,831
Commission, exchange and brokerage	22	261,639,313	360,308,590	152,827,655	139,111,728
Other operating income	23	206,261,910	253,730,795	89,848,170	118,652,435
Total operating income		2,898,483,386	3,155,341,620	1,440,504,418	1,516,186,255
Salaries and allowances	24	613,844,620	626,196,041	311,996,462	316,007,752
Rent, taxes, insurance, electricity etc.	25	111,244,671	108,919,777	57,335,585	58,020,664
Legal expenses	26	8,037,983	16,575,971	4,000,604	7,165,251
Postage, stamp, telecommunication etc.	27	19,520,689	18,530,614	9,850,912	10,112,127
Stationery, printing, advertisements etc.	28	85,312,116	78,645,372	35,035,609	42,262,717
Managing Director's salary and benefits	29	6,430,000	6,430,000	3,090,000	3,090,000
Directors' fees	30	1,000,068	1,171,954	668,008	766,106
Auditors' fees	31	635,000	704,311	260,000	466,811
Charges on loan losses		-	-	-	-
Depreciation and repair of Company's assets	32	90,711,668	101,605,931	45,789,241	49,835,017
Other expenses	33	187,569,137	200,046,034	92,778,209	103,162,946
Total operating expenses		1,124,305,952	1,158,826,005	560,804,630	590,889,391
Profit before provision		1,774,177,434	1,996,515,616	879,699,788	925,296,865
Provision for loans and investments	12.6(ii)				
General provision		55,955,655	53,401,048	25,667,910	22,527,073
Specific provision		35,225,770	89,666,082	5,636,640	18,988,306
Provision for diminution in value of investments		128,691,142	-	99,818,358	(437,761)
Other provisions		-	-	-	-
Total provision		219,872,567	143,067,130	131,122,908	41,077,618
Total profit before taxation		1,554,304,867	1,853,448,486	748,576,880	884,219,246
Provision for taxation		442,795,869	684,275,679	187,681,312	316,490,767
Net profit after taxation		1,111,508,998	1,169,172,807	560,895,568	567,728,479
Attributable to:					
Shareholders of the Company		1,111,508,916	1,169,172,341	560,895,520	567,728,374
Non-controlling interest		82	466	48	105
		1,111,508,998	1,169,172,807	560,895,568	567,728,479
Retained surplus		1,111,508,916	1,169,172,341	560,895,520	567,728,374
Earnings Per Share (EPS)	34	2.95	3.20	1.49	1.55

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

Sd/-
Chairman

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Director

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CEO & Managing Director

Sd/-
Chief Financial Officer

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Company Secretary

Dhaka, July 29, 2018

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

	<u>30.06.2018</u>	<u>30.06.2017</u>
	<u>Taka</u>	<u>Taka</u>
A) Cash flows from operating activities		
Interest received	4,975,823,256	4,263,029,867
Interest paid	(2,761,427,366)	(2,518,414,425)
Dividend received	69,094,632	75,095,932
Fees and commission received	261,639,313	360,308,590
Paid to employees and suppliers	(1,044,089,853)	(1,073,767,103)
Payment of income tax	(510,916,231)	(496,573,024)
Received from other operating activities	547,392,215	697,674,387
Cash generated from operating activities before changes in operating assets and liabilities	1,537,515,966	1,307,354,223
Increase/(decrease) in operating assets and liabilities		
Lease receivable	330,075,043	(33,494,915)
Long-term finance	(6,380,054,644)	(5,631,596,078)
Real estate finance	(1,702,968,090)	(2,085,171,689)
Car loan	257,787,328	177,640,369
Personal loan	(20,479,612)	6,984,355
Loan against deposit	(124,483,533)	103,149,059
Margin loan to portfolio investors	501,844,398	(422,927,864)
Short term finance	(53,922,388)	4,803,125
Other assets	(500,936,506)	(314,155,216)
Term and other deposits	6,395,235,454	4,974,154,659
Net drawdown of short term loan	4,055,000,000	3,025,000,000
Payable and accrued expenses	(286,617,923)	129,244,868
Deferred liability-employee gratuity	12,755,568	26,326,869
Portfolio investors' fund	(335,386,742)	103,474,648
Interest suspense account	(43,433,094)	42,188,658
	2,104,415,260	105,620,847
Net cash flows from/(used in) operating activities	3,641,931,226	1,412,975,070
B) Cash flows from investing activities		
Purchase of fixed assets	(25,607,427)	(82,095,688)
Disposal of fixed assets	7,059,136	17,846,578
Net proceeds of investment in securities	1,383,246,060	(1,029,349,454)
Net cash flows from/(used in) investing activities	1,364,697,769	(1,093,598,564)
C) Cash flows from financing activities		
Drawdown of term loans	797,419,051	1,162,602,735
Repayment of term loans	(1,826,924,108)	(2,156,773,117)
Proceeds from right issue	-	2,513,671,860
Dividend paid	(710,406,377)	(735,521,063)
Net cash flows from/(used in) financing activities	(1,739,911,434)	783,980,416
D) Net increase/(decrease) in cash and cash equivalents (A+ B + C)	3,266,717,561	1,103,356,922
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)	17,994,608,245	12,456,696,124
Cash and cash equivalents at end of the period		
Cash in hand (including foreign currencies) (Note-3.1)	430,000	376,000
Balance with Bangladesh Bank and its agent bank(s) (Note-3.2)	1,342,743,589	1,096,064,956
Balance with other banks and financial institutions (Note-4)	16,651,434,656	11,360,255,168
Money at call and short notice (Note-5)	-	-
	17,994,608,245	12,456,696,124
Net operating cash flow per share (Note-36)	9.66	3.75

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 June 30, 2018

<u>Particulars</u>	Attributable to equity holders of the Company						<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 half year ended 2018	-	-	-	-	-	1,111,508,916	1,111,508,916	82	1,111,508,998
Appropriation to reserves	-	-	-	-	-	-	-	-	-
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
Balance at June 30, 2017	3,770,507,800	1,260,585,930	1,782,004,350	1,000,000,000	46,500,000	3,629,930,950	11,489,529,030	2,851	11,489,531,881

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

	<u>Note</u>	<u>30.06.2018</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	1,342,743,589	1,095,727,369
		1,343,073,589	1,096,012,369
Balance with other banks and financial institutions	4		
Inside Bangladesh	4(a)	15,513,833,846	12,676,746,983
Outside Bangladesh	4(b)	-	-
		15,513,833,846	12,676,746,983
Money at call and short notice	5	-	-
Investments	6		
Government		-	-
Others		2,793,961,224	3,213,212,864
		2,793,961,224	3,213,212,864
Loans and advances	7		
Loans, cash credit, overdraft etc.		77,824,729,829	70,665,633,916
Bills purchased and discounted		-	-
		77,824,729,829	70,665,633,916
Fixed assets including land, building, furniture and fixtures	8(c)	546,305,454	597,256,072
Other assets	9	4,454,155,748	4,362,120,314
Non-banking assets		-	-
Total Assets		102,476,059,689	92,610,982,518
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	10	14,325,854,278	11,230,359,336
Deposits and other accounts	11		
Current accounts and other accounts etc.		-	-
Bills payable		-	-
Savings bank deposits		-	-
Term deposits		66,932,093,912	60,538,332,988
Bearer certificate of deposits		-	-
Other deposits		2,396,245,183	2,238,814,210
		69,328,339,095	62,777,147,198
Other liabilities	12	8,585,251,355	8,034,379,208
Total Liabilities		92,239,444,728	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		2,060,608,860	2,393,090,675
Total Equity		10,236,614,961	10,569,096,776
Total Liabilities and Shareholders' equity		102,476,059,689	92,610,982,518

	<u>Note</u>	<u>30.06.2018</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		37,136,546	91,601,562
Irrevocable letters of credit		-	-
Bills for collection		-	-
Indemnity bond		-	-
Corporate guarantee		750,000,000	750,000,000
		787,136,546	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		1,565,981,419	1,184,170,146
		1,565,981,419	1,184,170,146
Total Off-Balance Sheet items including contingent liabilities		2,353,117,965	2,025,771,708
Net Assets Value (NAV) per share	35	27.15	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, July 29, 2018

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

	Note	<u>Jan to Jun'18</u>	<u>Jan to Jun'17</u>	<u>Apr to Jun'18</u>	<u>Apr to Jun'17</u>
		<u>Taka</u>	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>
Interest income	19	5,092,788,088	4,226,971,455	2,741,500,076	2,187,213,815
Interest on deposits and borrowings etc.	20	(3,216,181,947)	(2,306,740,896)	(1,782,026,443)	(1,170,597,068)
Net interest income		1,876,606,141	1,920,230,559	959,473,633	1,016,616,747
Investment income	21	239,687,695	256,780,633	75,045,020	125,865,391
Commission, exchange and brokerage	22	20,638,763	11,880,000	19,684,959	11,880,000
Other operating income	23	203,854,391	250,217,508	88,945,060	117,844,278
Total operating income		2,340,786,990	2,439,108,700	1,143,148,672	1,272,206,416
Salaries and allowances	24	503,398,464	514,805,400	253,959,242	258,330,755
Rent, taxes, insurance, electricity etc.	25	91,185,881	88,016,139	47,543,102	47,262,242
Legal expenses	26	6,546,455	15,195,292	3,450,024	6,535,899
Postage, stamp, telecommunication etc.	27	15,365,579	14,885,479	7,777,873	8,292,980
Stationery, printing, advertisements etc.	28	72,662,253	67,687,610	30,945,125	34,019,387
Managing Director's salary and benefits	29	6,430,000	6,430,000	3,090,000	3,090,000
Directors' fees	30	708,400	893,156	496,800	607,956
Auditors' fees	31	460,000	529,311	172,500	379,311
Charges on loan losses		-	-	-	-
Depreciation and repair of Company's assets	32	78,337,914	90,700,436	39,444,452	44,153,566
Other expenses	33	164,131,704	179,288,767	77,722,203	97,247,572
Total operating expenses		939,226,650	978,431,590	464,601,322	499,919,667
Profit before provisions		1,401,560,340	1,460,677,110	678,547,350	772,286,749
Provision for loans and investments	12.6(ii)				
General provision		58,573,290	50,890,195	26,578,937	23,766,529
Specific provision		70,483,889	89,666,082	5,636,640	18,988,306
Provision for diminution in value of investments		77,055,469	-	77,055,469	-
Other provision		-	-	-	-
Total provision		206,112,648	140,556,277	109,271,046	42,754,835
Total profit before taxation		1,195,447,692	1,320,120,833	569,276,304	729,531,914
Provision for taxation		396,777,167	525,714,271	165,848,969	269,960,626
Net profit after taxation		798,670,525	794,406,562	403,427,335	459,571,288
Earnings Per Share (EPS)	34	2.12	2.17	1.07	1.26

The annexed notes from 1 to 37 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 29, 2018

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

	<u>30.06.2018</u> <u>Taka</u>	<u>30.06.2017</u> <u>Taka</u>
A) Cash flows from operating activities		
Interest received	4,866,906,850	4,158,846,831
Interest paid	(2,947,167,637)	(2,502,572,985)
Dividend received	18,098,909	30,941,992
Fees and commission received	20,638,763	11,880,000
Paid to employees and suppliers	(869,571,729)	(901,939,149)
Payment of income tax	(419,918,395)	(433,503,559)
Received from other operating activities	421,712,079	469,449,354
Cash generated from operating activities before changes in operating assets and liabilities	1,090,698,840	833,102,844
Increase/(decrease) in operating assets and liabilities		
Lease receivable	330,075,043	(33,494,915)
Long-term finance	(6,380,054,644)	(5,631,596,078)
Real estate finance	(1,702,968,090)	(2,085,171,689)
Car loan	257,787,328	177,640,369
Personal loan	(20,479,612)	6,984,355
Loan against deposit	(124,483,533)	103,149,059
Loan to subsidiaries	682,549,692	(663,849,692)
Short term finance	(53,922,388)	4,803,125
Other assets	(13,793,906)	(34,678,621)
Term and other deposits	6,551,191,897	4,941,667,159
Net drawdown of short term loan	4,125,000,000	3,025,000,000
Payable and accrued expenses	(288,118,563)	129,044,332
Deferred liability-employee gratuity	9,692,111	15,199,487
Interest suspense account	(43,433,094)	42,188,658
	3,329,042,242	(3,114,452)
Net cash flows from/(used in) operating activities	4,419,741,083	829,988,033
B) Cash flows from investing activities		
Purchase of fixed assets	(21,967,343)	(61,573,097)
Disposal of fixed assets	7,034,137	17,198,525
Net proceeds of investment in securities	419,251,640	(109,500,902)
Net cash flows from/(used in) investing activities	404,318,434	(153,875,474)
C) Cash flows from financing activities		
Drawdown of term loans	797,419,051	1,162,602,735
Repayment of term loans	(1,826,924,108)	(2,156,773,117)
Proceeds from right issue	-	2,513,671,860
Dividend paid	(710,406,377)	(735,521,063)
Net cash flows from/(used in) financing activities	(1,739,911,434)	783,980,416
D) Net increase/(decrease) in cash and cash equivalents (A+ B + C)	3,084,148,083	1,460,092,975
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)	16,856,907,435	11,615,735,073
Cash and cash equivalents at end of the period		
Cash in hand (including foreign currencies) (Note-3.1)	330,000	276,000
Balance with Bangladesh Bank and its agent bank(s) (Note-3.2)	1,342,743,589	1,096,064,956
Balance with other banks and financial institutions (Note-4)	15,513,833,846	10,519,394,117
Money at call and short notice (Note-5)	-	-
	16,856,907,435	11,615,735,073
Net operating cash flow per share (Note-36)	11.72	2.20

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 June 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 half year ended 2018	-	-	-	-	-	798,670,525	798,670,525
Appropriation to reserve	-	-	-	-	-	-	-
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
Balance at June 30, 2017	3,770,507,800	1,260,585,930	1,782,004,350	1,000,000,000	46,500,000	1,921,865,151	9,781,463,231

IDLC Finance Limited and its Subsidiaries
Notes to the consolidated and separate financial statements (Un-Audited)
As at and for the period ended June 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 July 29, 2018.

	IDLC Finance Limited		IDLC Group	
	30.06.2018	31.12.2017	30.06.2018	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	1,342,743,589	1,095,727,369	1,342,743,589	1,095,727,369
In foreign currency	-	-	-	-
	1,342,743,589	1,095,727,369	1,342,743,589	1,095,727,369
	1,343,073,589	1,096,012,369	1,343,173,589	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	19,402	15,927	19,402	15,927
Bank Al- Falah Limited	4,855	5,430	4,855	5,430
One Bank Limited	-	-	3,403,402	8,645,318
Jamuna Bank Limited	8,390	8,390	8,390	8,390
The City Bank Limited	3,826,306,689	38,884,706	3,826,306,689	38,884,706
National Bank Limited	7,874,689	3,949,086	7,874,689	3,949,086
Bank Asia Limited	15,160,519	13,098,902	15,160,519	13,098,902
State Bank of India	9,180,169	4,700,049	9,180,169	4,700,049
Commercial Bank of Ceylon PLC	9,739,734	3,586,580	11,154,060	3,925,605
Citibank N.A	81,335,449	134,980,349	81,335,448	134,980,349
Standard Chartered Bank	118,090,373	(1,084,422,501)	356,572,381	(733,627,887)
Mutual Trust Bank Limited	3,197,203	170,695,065	3,197,203	170,695,065
Exim Bank Limited	9,340,819	5,980,591	9,340,819	5,980,591
Dutch Bangla Bank Limited	(9,213,831)	32,387,903	(9,213,831)	32,387,903
BRAC Bank Limited	(48,889,675)	1,275,452	(25,936,345)	15,082,664
Dhaka Bank Limited	7,163,718	14,570,753	7,163,718	14,570,753
NRB Bank Limited	-	-	12,895,508	3,048,006
Mercantile Bank Limited	1,140,991	2,290,910	1,140,991	2,290,910
IDLC Investments Limited	43,890,756	9,586,771	-	-
	4,074,350,250	(648,405,637)	4,309,608,068	(281,358,233)
Short-term deposit accounts				
Prime Bank Limited	1,089,708	7,989,445	1,089,708	7,989,445
Dutch Bangla Bank Limited	-	-	4,267,357	3,472,106
The City Bank Limited	720,343	(34,098)	720,343	(34,098)
BRAC Bank Limited	-	-	19,422,533	38,049,436
Southeast Bank Limited	5,110,353	9,769,680	5,110,353	9,769,680
Citibank N.A.	74,162,378	90,303,317	74,162,378	90,303,317
Standard Chartered Bank	414,266	923,270,021	416,143	923,803,070
Commercial Bank of Ceylon	7,985,400	3,850,090	16,816,772	34,602,618
One Bank Limited	-	-	465,478	42,405,043
NCC Bank Limited	-	-	495,846,174	445,409,692
Eastern Bank Limited	-	-	-	777,653
NRB Bank Limited	1,148	4,165	9,349	88,586
	89,483,596	1,035,152,620	618,326,588	1,596,636,548
Fixed Deposits				
Al-Arafah Islami Bank Limited	800,000,000	700,000,000	800,000,000	700,000,000
LankaBangla Finance Limited	-	-	97,000,000	-
AB Bank Limited	200,000,000	-	200,000,000	-
Meghna Bank Limited	750,000,000	750,000,000	750,000,000	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
Midland Bank Limited	500,000,000	-	500,000,000	-
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	1,200,000,000	450,000,000	1,200,000,000	450,000,000
Export Import Bank of Bangladesh Limited	900,000,000	-	1,150,000,000	-
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.	200,000,000	-	200,000,000	-
	11,350,000,000	12,290,000,000	11,723,500,000	12,316,500,000
	15,513,833,846	12,676,746,983	16,651,434,656	13,631,778,315
4(b) Outside Bangladesh	-	-	-	-
Total balance	15,513,833,846	12,676,746,983	16,651,434,656	13,631,778,315

	IDLC Finance Limited		IDLC Group	
	30.06.2018	31.12.2017	30.06.2018	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)	714,750,000	774,750,000	870,045,146	952,536,324
Investment in marketable securities (Note 6.3)	1,871,347,224	2,230,598,864	5,461,593,986	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.	-	-	-	-
	2,793,961,224	3,213,212,864	6,539,503,132	7,922,749,192
	2,793,961,224	3,213,212,864	6,539,503,132	7,922,749,192

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
* The Bangladesh Rating Agency Limited (BDRAL)	61,442	6,144,200	6,144,200	6,144,200
* Previously the name was Dan & Bradstreet Rating Agency Bangladesh Limited		7,864,000	7,864,000	7,864,000

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	300,000,000	300,000,000	300,000,000	300,000,000
Impress-Newtux Composite Textile Limited	-	-	155,295,146	177,786,324
Total	714,750,000	774,750,000	870,045,146	952,536,324

6.3 Investment in marketable securities

Investment in marketable securities (Note 6.3.1)	1,854,275,994	2,230,598,864	5,441,919,496	6,762,348,868
Investment in Initial Public Offering (Note 6.3.2)	17,071,230	-	19,674,490	-
	1,871,347,224	2,230,598,864	5,461,593,986	6,762,348,868

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	57,519,822	203,133,954	195,889,250
Banks	986,750,339	952,959,128	2,160,837,920	1,947,645,101
Textiles	26,860	167,338	107,440	669,351
Pharmaceuticals & Chemicals	166,098,995	170,501,957	847,907,453	851,365,476
Fuel & Power	106,670	470,415	495,065,340	467,929,368
Financial Institutions	9,999,990	9,999,990	9,999,990	9,999,990
Telecom	442,543,705	409,208,358	1,140,298,223	1,020,480,056
Food & Allied	11,941,650	12,098,450	267,110,578	273,814,886
Engineering & Others	171,760,505	164,295,068	317,458,599	312,266,090
	1,854,275,994	1,777,220,524	5,441,919,496	5,080,059,568

6.3.2 Investment in Initial Public Offering

	IDLC Finance Limited		IDLC Group	
	30.06.2018	31.12.2017	30.06.2018	31.12.2017
	Taka	Taka	Taka	Taka
	17,071,230	-	19,674,490	-

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	
	30.06.2018	31.12.2017	30.06.2018	31.12.2017
	Taka	Taka	Taka	Taka
7 Loans and advances				
Inside Bangladesh:				
Lease receivable (Note 7.1)	4,298,745,521	4,628,820,564	4,298,745,521	4,628,820,564
Long-term finance (Note 7.2)	45,622,893,655	39,242,839,011	45,622,893,655	39,242,839,011
Real estate finance (Note 7.3)	23,164,485,276	21,461,517,186	23,164,485,276	21,461,517,186
Car loans (Note 7.4)	1,600,735,527	1,858,522,855	1,600,735,527	1,858,522,855
Personal loan (Note 7.5)	113,336,984	92,857,372	113,336,984	92,857,372
Short term finance (Note 7.6)	831,644,076	777,721,688	831,644,076	777,721,688
Loan to subsidiaries (Note 7.7)	547,800,000	1,230,349,692	-	-
Loan against deposit (LAD)	539,648,296	415,164,763	539,648,296	415,164,763
Margin loan to portfolio investors (Note 7.8)	-	-	1,561,419,413	2,063,263,811
Interest receivable (Note-7.9)	1,105,440,495	957,840,785	1,105,440,495	957,840,785
	<u>77,824,729,829</u>	<u>70,665,633,916</u>	<u>78,838,349,242</u>	<u>71,498,548,035</u>
Outside Bangladesh	-	-	-	-
	<u>77,824,729,829</u>	<u>70,665,633,916</u>	<u>78,838,349,242</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	822,694,179	1,708,529,716	822,694,179	1,708,529,716
	<u>5,451,514,743</u>	<u>6,658,471,945</u>	<u>5,451,514,743</u>	<u>6,658,471,945</u>
Less: Realisation during the year/period	1,152,769,221	2,029,651,381	1,152,769,221	2,029,651,381
Balance at year/period end	<u>4,298,745,521</u>	<u>4,628,820,564</u>	<u>4,298,745,521</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	18,634,246,588	26,025,645,752	18,634,246,588	26,025,645,752
	<u>57,877,085,599</u>	<u>59,070,028,252</u>	<u>57,877,085,599</u>	<u>59,070,028,252</u>
Less: Realisation during the year/period	12,254,191,944	19,827,189,241	12,254,191,944	19,827,189,241
Balance at year/period end	<u>45,622,893,655</u>	<u>39,242,839,011</u>	<u>45,622,893,655</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	3,500,997,625	8,096,148,345	3,500,997,625	8,096,148,345
	<u>24,962,514,811</u>	<u>26,204,371,265</u>	<u>24,962,514,811</u>	<u>26,204,371,265</u>
Less : Realisation during the year/period	1,798,029,535	4,742,854,079	1,798,029,535	4,742,854,079
Balance at year/period end	<u>23,164,485,276</u>	<u>21,461,517,186</u>	<u>23,164,485,276</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	166,932,725	455,177,855	166,932,725	455,177,855
	<u>2,025,455,580</u>	<u>2,825,005,535</u>	<u>2,025,455,580</u>	<u>2,825,005,535</u>
Less : Realisation during the year/period	424,720,053	966,482,680	424,720,053	966,482,680
Balance at year/period end	<u>1,600,735,527</u>	<u>1,858,522,855</u>	<u>1,600,735,527</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	41,904,972	47,387,733	41,904,972	47,387,733
	<u>134,762,344</u>	<u>135,344,915</u>	<u>134,762,344</u>	<u>135,344,915</u>
Less : Realisation during the year/period	21,425,360	42,487,543	21,425,360	42,487,543
Balance at year/period end	<u>113,336,984</u>	<u>92,857,372</u>	<u>113,336,984</u>	<u>92,857,372</u>
7.6 Short term finance				
Factoring of account receivable	831,644,076	777,721,688	831,644,076	777,721,688

	IDLC Finance Limited		IDLC Group	
	30.06.2018	31.12.2017	30.06.2018	31.12.2017
	Taka	Taka	Taka	Taka
7.7 Loan to Subsidiaries				
Balance at January 1	1,230,349,692	260,800,000	-	-
Add : Disbursement during the year/period	3,274,300,000	11,593,399,692	-	-
	4,504,649,692	11,854,199,692	-	-
Less : Realisation during the year/period	3,956,849,692	10,623,850,000	-	-
Balance at year/period end	547,800,000	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	2,944,300,000	10,098,399,692	-	-
	4,174,649,692	10,359,199,692	-	-
Less : Realisation during the year/period	3,626,849,692	9,128,850,000	-	-
Balance at year/period end	547,800,000	1,230,349,692	-	-
7.7.2 Loan to IDLC Securities Limited				
Balance at January 1	-	-	-	-
Add : Disbursement during the year/period	330,000,000	1,495,000,000	-	-
	330,000,000	1,495,000,000	-	-
Less : Realisation during the year/period	330,000,000	1,495,000,000	-	-
Balance at year/period end	-	-	-	-
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	-	-	1,040,406,132	7,265,731,928
	-	-	3,103,669,943	8,607,703,002
Less : Realisation during the year/period	-	-	1,542,250,530	6,544,439,191
Balance at year/period end	-	-	1,561,419,413	2,063,263,811
7.9 Interest Receivables				
Lease receivable	72,648,110	113,515,497	72,648,110	113,515,497
Long-term finance	651,408,192	511,476,489	651,408,192	511,476,489
Real estate finance	325,267,564	269,372,331	325,267,564	269,372,331
Car loan	16,980,422	17,799,917	16,980,422	17,799,917
Personal loan	1,659,455	1,913,680	1,659,455	1,913,680
Loan against deposit (LAD)	33,302,325	34,730,266	33,302,325	34,730,266
Short term finance	4,174,428	9,032,605	4,174,428	9,032,605
	1,105,440,495	957,840,785	1,105,440,495	957,840,785
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	21,967,343	151,047,125	25,607,427	187,993,259
	1,324,739,125	1,356,423,222	1,528,543,159	1,564,865,244
Disposal/Adjustments during the year/period	(17,735,138)	(53,651,439)	(18,005,138)	(61,929,512)
	1,307,003,987	1,302,771,783	1,510,538,021	1,502,935,732
b. Accumulated depreciation				
Balance at January 1	705,515,711	598,463,488	840,143,807	722,598,634
Charged during the year/period	69,654,921	145,839,286	80,216,099	164,225,017
	775,170,632	744,302,774	920,359,906	886,823,651
Disposal/Adjustments during the year/period	(14,472,099)	(38,787,063)	(14,742,084)	(46,679,844)
	760,698,533	705,515,711	905,617,822	840,143,807
c. Written down value (a-b)	546,305,454	597,256,072	604,920,198	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)	291,423,838	182,287,683	1,182,080,549	578,936,375
Advances, deposits and prepayments (Note - 9.3)	196,622,868	213,723,589	218,934,447	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
	4,454,155,748	4,362,120,314	1,460,453,415	874,963,255

	IDLC Finance Limited		IDLC Group	
	30.06.2018	31.12.2017	30.06.2018	31.12.2017
	Taka	Taka	Taka	Taka
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	-	-
	3,949,999,790	3,949,999,790	-	-
9.1.1	Out of the total of 20,000,000 ordinary shares issued and paid up, IDLC Finance Limited holds 19,999,992 (including bonus shares issued in 2008, 2009 and 2010) ordinary shares of 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	218,548,854	140,307,327	225,083,522	140,529,869
Other receivables	72,874,983	41,980,357	956,997,027	438,406,507
	291,423,838	182,287,683	1,182,080,549	578,936,375
9.3 Advances, deposits and prepayments				
Deposits and prepayments	7,957,426	7,957,426	8,913,439	8,620,606
Advance against expenses	188,665,442	205,766,163	210,021,008	227,967,855
	196,622,868	213,723,589	218,934,447	236,588,461
	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
	-	-	18,676,000	18,676,000
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	
		7,215,106		
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.				
10 Borrowings from other banks, financial institutions				
Inside Bangladesh (Note- 10.1)	14,325,854,278	11,230,359,336	14,425,854,278	11,400,359,336
Outside Bangladesh	-	-	-	-
	14,325,854,278	11,230,359,336	14,425,854,278	11,400,359,336
10.1 Inside Bangladesh				
Secured long term loans				
Long-term loans				
Woori Bank	145,000,000	213,333,333	145,000,000	213,333,333
Total secured long-term loans	145,000,000	213,333,333	145,000,000	213,333,333
Unsecured long-term loans				
Bond and Debenture				
A. K. Khan & Company Limited	272,487,126	325,316,491	272,487,126	325,316,491
Universal Jeans Limited	216,259,624	258,187,691	216,259,624	258,187,691
Grameen Telecom Trust	134,080,967	160,076,369	134,080,967	160,076,369
Square Pharmaceuticals Limited	108,129,812	129,093,846	108,129,812	129,093,846
Pragati Life Insurance Limited	21,625,962	25,818,769	21,625,962	25,818,769
BETS Consulting Services Limited	21,625,962	25,818,769	21,625,962	25,818,769
Dr. Abdus Shabur	4,325,192	5,163,754	4,325,192	5,163,754
Bangla Telecom Limited	26,679,024	31,124,005	26,679,024	31,124,005
Bangladesh Infrastructure Finance Fund Limited	266,790,237	311,240,055	266,790,237	311,240,055
Delsey Cotton Spinning Mills Ltd.	53,358,047	62,248,011	53,358,047	62,248,011
	1,125,361,955	1,334,087,760	1,125,361,955	1,334,087,760

	IDLC Finance Limited		IDLC Group	
	30.06.2018	31.12.2017	30.06.2018	31.12.2017
	Taka	Taka	Taka	Taka
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)	26,039,721	33,785,833	26,039,721	33,785,833
Bangladesh Bank (Women-Small Enterprise Refinancing Program)	1,947,555,090	2,312,457,441	1,947,555,090	2,312,457,441
Bangladesh Bank (ADB Fund-Small Enterprise Refinancing Program)	12,796,875	24,478,125	12,796,875	24,478,125
Bangladesh Bank (New Entrepreneur Refinancing Scheme)	71,958,398	101,998,846	71,958,398	101,998,846
Bangladesh Bank (Home Loan Refinancing Program)	540,478,785	570,052,125	540,478,785	570,052,125
Bangladesh Bank (Agro Loan Refinancing Program)	988,922,209	1,243,407,764	988,922,209	1,243,407,764
Bangladesh Bank (JICA Refinancing Program)	456,188,342	564,763,035	456,188,342	564,763,035
SME Foundation	66,000,000	30,000,000	66,000,000	30,000,000
FMO Loan	155,360,000	310,720,000	155,360,000	310,720,000
Investment Promotion & Financing Facilities (IPFF)	589,530,202	602,458,911	589,530,202	602,458,911
Bangladesh Bank Solar Bio Gas & ETP Scheme	34,750,002	2,916,668	34,750,002	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	521,494,063	616,223,500	521,494,063	616,223,500
	5,745,492,324	6,497,938,242	5,745,492,324	6,497,938,242
Total unsecured long-term loan	6,870,854,278	7,832,026,002	6,870,854,278	7,832,026,002
Short-term and Call loans:				
Short-term loans				
Citi Bank N.A.	400,000,000	400,000,000	400,000,000	400,000,000
Bank Alfalah Limited	-	200,000,000	-	200,000,000
Standard Chartered Bank	2,750,000,000	1,550,000,000	2,850,000,000	1,720,000,000
Commercial Bank of Ceylon Plc	-	535,000,000	-	535,000,000
One Bank Limited	-	500,000,000	-	500,000,000
Standard Bank Limited	600,000,000	-	600,000,000	-
Mercantile Bank Limited	600,000,000	-	600,000,000	-
	4,350,000,000	3,185,000,000	4,450,000,000	3,355,000,000
Call Loans				
Agrani Bank Limited	250,000,000	-	250,000,000	-
BASIC Bank Limited	290,000,000	-	290,000,000	-
United Commercial Bank Limited	500,000,000	-	500,000,000	-
Dutch Bangla Bank Limited	490,000,000	-	490,000,000	-
Prime Bank Limited	320,000,000	-	320,000,000	-
Mutual Trust Bank Limited	280,000,000	-	280,000,000	-
Janata Bank Limited	170,000,000	-	170,000,000	-
Sonali Bank Limited	310,000,000	-	310,000,000	-
Southeast Bank Limited	350,000,000	-	350,000,000	-
	2,960,000,000	-	2,960,000,000	-
Total short-term and call loans	7,310,000,000	3,185,000,000	7,410,000,000	3,355,000,000
Total Borrowings	14,325,854,278	11,230,359,336	14,425,854,278	11,400,359,336
11 Deposits and other accounts				
Current accounts and other accounts etc	-	-	-	-
Bills payable	-	-	-	-
Savings bank deposits	-	-	-	-
Term deposits (Note- 11.1)	66,932,093,912	60,538,332,988	66,091,424,183	59,853,619,702
Bearer certificate of deposits	-	-	-	-
Refundable deposits (Note- 11.2)	2,396,245,183	2,238,814,210	2,396,245,183	2,238,814,210
	69,328,339,095	62,777,147,198	68,487,669,366	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	30,570,435,998	35,652,152,030	30,570,435,998	35,652,152,030
	91,108,768,986	83,215,820,227	90,424,055,700	83,127,082,727
Less: Matured/encashed during the year/period	24,176,675,074	22,677,487,239	24,176,675,074	22,677,487,239
Inter - company deposit	-	-	155,956,443	595,975,786
Balance at year/period end	66,932,093,912	60,538,332,988	66,091,424,183	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	283,958,962	265,089,005	283,958,962	265,089,005
Deposits against financing as per term of agreements (Security deposits)	2,112,286,221	1,973,725,205	2,112,286,221	1,973,725,205
	2,396,245,183	2,238,814,210	2,396,245,183	2,238,814,210
Security deposits are interest bearing while deposits against loan and lease are non interest bearing.				

	IDLC Finance Limited		IDLC Group	
	30.06.2018	31.12.2017	30.06.2018	31.12.2017
	Taka	Taka	Taka	Taka
12 Other liabilities				
Payable and accrued expenses (Note- 12.1)	4,622,573,297	4,567,608,997	5,560,605,663	5,343,166,922
Provision for income tax (Note- 12.2)	1,925,429,392	1,948,570,620	2,213,496,940	2,281,617,302
Deferred liability-employee gratuity (Note- 12.3)	9,692,111	-	55,009,970	42,254,402
Portfolio investors' fund (Note- 12.4)	-	-	35,612,287	370,999,029
Interest suspense account (Note- 12.5)	352,618,275	396,051,369	352,618,275	396,051,369
Provision for doubtful accounts and future losses (Note- 12.6 (i))	1,237,391,157	1,105,347,063	1,291,074,358	1,145,270,344
Unpaid dividend	437,547,122	16,801,159	437,547,122	16,801,159
Deferred tax liability	-	-	510,449	510,449
	8,585,251,355	8,034,379,208	9,946,475,064	9,596,670,976
12.1 Payable and accrued expenses				
Receipt against leases	1,040,704,627	616,546,078	1,040,704,627	616,546,078
Liabilities for expenses	2,989,059,876	2,803,290,053	3,922,472,665	3,575,729,042
Liabilities for other finance	592,808,794	1,147,772,866	597,428,370	1,150,891,802
	4,622,573,297	4,567,608,997	5,560,605,663	5,343,166,922
12.2 Provision for income tax				
<u>Provision</u>				
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	396,777,167	1,065,400,300	442,795,869	1,448,167,284
	8,112,052,466	7,715,275,299	9,350,665,942	8,907,870,073
Settlement of previous year's tax liability	-	-	-	-
Balance at year/period end	8,112,052,466	7,715,275,299	9,350,665,942	8,907,870,073
<u>Advance tax</u>				
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	366,583,425	740,958,309	366,583,425	765,827,621
Deduction at source	52,969,970	96,076,385	143,967,806	291,903,080
Others	365,000	1,180,000	365,000	1,180,000
	419,918,395	838,214,694	510,916,231	1,058,910,701
	6,186,623,074	5,766,704,679	7,137,169,002	6,626,252,771
Less: Adjustment during the year/period	-	-	-	-
	6,186,623,074	5,766,704,679	7,137,169,002	6,626,252,771
Net balance at year/period end	1,925,429,392	1,948,570,620	2,213,496,940	2,281,617,302
12.3 Deferred Liability-employee gratuity				
Balance at January 1	-	-	42,254,402	28,718,149
Add: Addition during the year/period	9,692,111	-	13,079,996	13,760,293
	9,692,111	-	55,334,398	42,478,442
Less: Payment during the year/period	-	-	324,428	224,040
Balance at year/period end	9,692,111	-	55,009,970	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	-	-	3,757,343,729	10,248,279,322
	-	-	4,128,342,758	10,435,723,095
Less: Purchase of share and deposit withdraw by clients	-	-	4,092,730,471	10,064,724,066
Balance at year/period end	-	-	35,612,287	370,999,029
12.5 Interest suspense accounts				
On lease finance	38,438,380	84,677,038	38,438,380	84,677,038
On real-estate finance	125,847,520	122,264,764	125,847,520	122,264,764
On term finance	177,575,831	180,832,816	177,575,831	180,832,816
On car loan	5,344,863	4,440,593	5,344,863	4,440,593
On personal loan	1,031,879	1,412,351	1,031,879	1,412,351
On short term finance	4,379,802	2,423,807	4,379,802	2,423,807
	352,618,275	396,051,369	352,618,275	396,051,369

		IDLC Finance Limited		IDLC Group	
		31.03.2018	31.12.2017	31.03.2018	31.12.2017
		Taka	Taka	Taka	Taka
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	308,240,918	397,524,787	359,876,591	402,169,728
	Provision released during the year/period	(102,128,270)	(169,358,827)	(140,004,024)	(169,358,827)
	Provision charged for the year/period (Note- 12.6 (ii))	206,112,648	228,165,960	219,872,567	232,810,901
	Write off during the year/period	74,068,553	203,975,835	74,068,553	203,975,835
	Balance at year/period end	1,237,391,157	1,105,347,063	1,291,074,358	1,145,270,344
12.6(ii)	Provision charged for the year/period				
	General provision	58,573,290	50,890,195	55,955,655	53,401,048
	Specific provision	70,483,889	89,666,082	35,225,770	89,666,082
	Provision for diminutions in value of investments	77,055,469	-	128,691,142	-
	Other Provisions	-	-	-	-
		206,112,648	140,556,277	219,872,567	143,067,130
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 June 30, 2018 comprises the following:				
	Composition of shareholding:				
Sl. No.	Name of the Shareholders	30.06.2018		31.12.2017	
		% of holding	Number of shares	Taka	Taka
1	<u>SPONSORS/DIRECTORS</u>				
	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)	2.86	10,783,949	107,839,490	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	10.82	40,782,551	407,825,510	449,306,050
	Sub-Total	16.36	61,667,006	616,670,060	602,830,240
	Individuals:				
	General Public (Individuals)	13.88	52,324,111	523,241,110	596,882,550
	Sub-Total	13.88	52,324,111	523,241,110	596,882,550
3	FOREIGN				
	Institutions & Individuals	13.11	49,417,086	494,170,860	434,369,240
		13.11	49,417,086	494,170,860	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

	IDLC Finance Limited		IDLC Group	
	30.06.2018	31.12.2017	30.06.2018	31.12.2017
	Taka	Taka	Taka	Taka
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:				
17.1 Contingent liabilities				
Acceptances and endorsements	-	-	-	-
Letters of guarantee	37,136,546	91,601,562	37,136,546	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
	787,136,546	841,601,562	787,136,546	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	630,451,105	344,407,701	630,451,105	344,407,701
Real estate finance commitments outstanding at year/period end	934,997,904	828,654,280	934,997,904	828,654,280
Car loan commitments outstanding at year/period end	408,333	408,333	408,333	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
	1,565,981,419	1,184,170,146	1,565,981,419	1,184,170,146
	IDLC Finance Limited		IDLC Group	
	30.06.2018	30.06.2017	30.06.2018	30.06.2017
	Taka	Taka	Taka	Taka
18 Income statement				
Income				
Interest, discount and similar income (Note-18.1)	5,314,376,874	4,452,810,096	5,552,903,008	4,776,047,617
Dividend income (Note-21)	18,098,909	30,941,992	69,094,632	75,095,932
Fees, commission and brokerage (Note-22)	20,638,763	11,880,000	261,639,313	360,308,590
Other operating income (Note-23)	203,854,391	250,217,508	206,261,910	253,730,795
	5,556,968,937	4,745,849,596	6,089,898,863	5,465,182,935
Expenses				
Interest on deposits and borrowings etc. (Note-20)	3,216,181,947	2,306,740,896	3,191,415,477	2,309,841,314
Administrative expenses (Note-18.2)	705,440,025	722,650,382	856,520,716	873,721,070
Other expenses (Note-33)	164,131,704	179,288,767	187,569,137	200,046,034
Depreciation on assets (Note-32)	69,654,921	76,492,441	80,216,099	85,058,901
	4,155,408,597	3,285,172,486	4,315,721,429	3,468,667,319
	1,401,560,340	1,460,677,110	1,774,177,434	1,996,515,616
18.1 Interest, discount and similar income				
Interest income (Note -19)	5,092,788,088	4,226,971,455	5,207,976,620	4,325,046,633
Gain on sale of marketable securities (Note - 21)	177,556,911	157,227,252	291,885,691	373,133,521
Income from investment in bonds (Note - 21)	44,031,875	52,522,500	53,040,697	61,778,574
Income from investment in commercial paper (Note - 21)	-	16,088,889	-	16,088,889
	5,314,376,874	4,452,810,096	5,552,903,008	4,776,047,617

	IDLC Finance Limited		IDLC Group	
	30.06.2018	30.06.2017	30.06.2018	30.06.2017
	Taka	Taka	Taka	Taka
18.2 Administrative expenses				
Salary and allowances (Note-24)	503,398,464	514,805,400	613,844,620	626,196,041
Rent, taxes, insurance, electricity, etc. (Note-25)	91,185,881	88,016,139	111,244,671	108,919,777
Legal expenses (Note-26)	6,546,455	15,195,292	8,037,983	16,575,971
Postage, stamp, telecommunication, etc. (Note-27)	15,365,579	14,885,479	19,520,689	18,530,614
Stationery, printing, advertisement, etc. (Note-28)	72,662,253	67,687,610	85,312,116	78,645,372
Managing Director's salary and fees (Note-29)	6,430,000	6,430,000	6,430,000	6,430,000
Directors' fees (Note-30)	708,400	893,156	1,000,068	1,171,954
Auditors' fees (Note-31)	460,000	529,311	635,000	704,311
Depreciation & repair of Company's assets (Note-32)	8,682,993	14,207,995	10,495,569	16,547,030
	705,440,025	722,650,382	856,520,716	873,721,070
19 Interest income				
This represents interest income from the following products:				
Lease finance	284,804,562	294,944,244	284,804,562	294,944,244
Real estate finance	1,273,166,648	1,063,889,379	1,273,166,648	1,063,889,379
Term finance	2,735,512,269	2,245,992,385	2,735,512,269	2,245,992,385
Short term finance	57,808,285	45,383,625	57,808,285	45,383,625
Car loan	108,231,500	155,969,663	108,231,500	155,969,663
Personal loan	6,927,687	6,187,360	6,927,687	6,187,360
Margin loan to portfolio investors	-	-	110,778,124	98,402,154
Loan to subsidiaries	32,008,616	25,071,460	-	-
	4,498,459,567	3,837,438,116	4,577,229,075	3,910,768,810
Interest on balance with other banks and financial institutions	573,088,563	361,710,347	609,507,587	386,454,831
Call loan	124,389	-	124,389	-
Loan against deposit	21,115,569	27,822,992	21,115,569	27,822,992
	5,092,788,088	4,226,971,455	5,207,976,620	4,325,046,633
20 Interest on deposits and borrowings etc.				
Interest on term deposits	2,767,788,047	1,858,339,508	2,737,883,534	1,858,339,508
Interest on borrowings	300,467,888	296,612,279	305,605,931	299,712,697
Interest on secured/unsecured zero coupon bonds	58,834,504	74,092,372	58,834,504	74,092,372
Interest on security deposit	56,838,800	53,553,640	56,838,800	53,553,640
Interest on call loan	32,252,708	24,143,097	32,252,708	24,143,097
	3,216,181,947	2,306,740,896	3,191,415,477	2,309,841,314
21 Investment income				
Gain on sale of marketable securities	177,556,911	157,227,252	291,885,691	373,133,521
Dividend income	18,098,909	30,941,992	69,094,632	75,095,932
Income from investment in bonds	44,031,875	52,522,500	53,040,697	61,778,574
Income from investment in commercial paper	-	16,088,889	-	16,088,889
	239,687,695	256,780,633	414,021,020	526,096,916
22 Commission, exchange and brokerage				
Agency fees	-	5,420,000	-	5,420,000
Arrangement fees	18,750,000	6,460,000	18,750,000	6,460,000
Advisory fees	1,750,176	-	1,750,176	-
Commission & brokerage	-	-	174,467,512	284,824,705
Documentation fees	-	-	416,000	509,500
Custodial fees	138,587	-	138,587	-
Fees from mutual fund	-	-	13,322,771	-
Portfolio management fees	-	-	26,356,920	19,413,757
Corporate advisory fees	-	-	15,102,661	10,364,102
Settlement charges	-	-	11,334,686	33,316,526
	20,638,763	11,880,000	261,639,313	360,308,590

	IDLC Finance Limited		IDLC Group	
	30.06.2018	30.06.2017	30.06.2018	30.06.2017
	Taka	Taka	Taka	Taka
23 Other operating income				
Application, processing and documentation fees	144,555,412	166,650,417	144,555,412	166,650,417
Loan settlement and others	29,851,734	48,367,574	29,851,734	48,367,574
Transfer price/gain at the time of expiry of lease	376,698	816,749	376,698	816,749
Service charges	9,372,459	11,571,351	9,538,519	12,151,732
Gain on disposal of fixed assets	3,771,098	6,557,906	3,796,083	7,057,392
Account opening & BO account maintenance fees	-	-	382,300	781,900
IPO service charge	-	-	39,780	22,105
Miscellaneous income	15,926,990	16,253,511	17,721,384	17,882,926
	203,854,391	250,217,508	206,261,910	253,730,795
24 Salaries and allowances	503,398,464	514,805,400	613,844,620	626,196,041
25 Rent, taxes, insurance, electricity, etc.				
Rent, rate and taxes	68,750,222	65,565,163	85,272,389	83,224,762
Insurance	2,754,129	2,754,439	3,135,701	3,033,197
Power and electricity	19,681,530	19,696,537	22,836,581	22,661,818
	91,185,881	88,016,139	111,244,671	108,919,777
26 Legal expenses				
Renewal and registration	1,637,814	5,715,291	2,523,680	6,518,416
Other professional charges	4,908,641	9,480,001	5,514,303	10,057,555
	6,546,455	15,195,292	8,037,983	16,575,971
27 Postage, stamp, telecommunication, etc.				
Postage	738,862	529,617	1,007,654	649,222
Telecommunication and internet etc.	14,626,717	14,355,862	18,513,035	17,881,392
	15,365,579	14,885,479	19,520,689	18,530,614
28 Stationery, printing, advertisements, etc.				
Stationery & printing	30,630,311	25,195,657	32,194,967	26,935,316
Advertisement and publicity	42,031,942	42,491,953	53,117,149	51,710,056
	72,662,253	67,687,610	85,312,116	78,645,372
29 Managing Director's salary and benefits				
Basic pay	3,000,000	3,000,000	3,000,000	3,000,000
Allowances	1,380,000	1,380,000	1,380,000	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
	6,430,000	6,430,000	6,430,000	6,430,000
30 Directors' fees				
Honorarium for attending meeting	708,400	893,156	1,000,068	1,171,954
Incidental expenses for attending meeting	-	-	-	-
	708,400	893,156	1,000,068	1,171,954
31 Auditors' fees				
Annual statutory audit fees (including VAT)	345,000	345,000	520,000	520,000
Other audit fees (including VAT)	115,000	184,311	115,000	184,311
	460,000	529,311	635,000	704,311
32 Depreciation and repair of company's assets				
Freehold assets (Note-8 & 8 (b))	69,654,921	76,492,441	80,216,099	85,058,901
Repair and maintenance:				
For premises & vehicles	3,824,715	3,582,228	4,099,882	4,389,908
For computers and computers accessories	4,858,278	10,625,767	6,395,687	12,157,122
	8,682,993	14,207,995	10,495,569	16,547,030
	78,337,914	90,700,436	90,711,668	101,605,931

	IDLC Finance Limited		IDLC Group	
	30.06.2018	30.06.2017	30.06.2018	30.06.2017
	Taka	Taka	Taka	Taka
33 Other expenses				
Bank charges	2,986,568	4,171,289	3,308,261	4,395,954
Books and periodicals	120,603	129,418	166,130	158,743
Car expenses	14,816,746	15,759,427	16,940,518	17,519,926
Donations and subscriptions	516,271	420,970	654,911	538,801
Medical & welfare expenses	14,865,030	12,543,666	15,680,645	13,172,979
Entertainment expenses	5,783,617	7,127,994	6,380,419	8,600,606
Consultancy fees	3,406,253	4,773,835	3,406,253	4,773,835
Office service expenses	40,914,562	44,682,470	50,178,405	54,633,623
Training expenses	3,593,310	3,683,419	4,989,346	4,021,113
Travel and conveyances	10,624,213	11,814,364	11,514,584	12,889,668
CDBL charges	-	-	491,617	790,821
Howla and Laga charge	-	-	29,357,519	24,407,364
Portfolio Management Charge	25,010,777	20,211,546	-	-
Sales Incentive	24,791,411	33,298,193	24,791,411	33,298,193
Repossession fees and others	16,702,343	20,672,176	19,709,118	20,844,407
	164,131,704	179,288,767	187,569,137	200,046,034

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".

Earnings per share has been calculated as follows:

Earnings attributable to ordinary shareholders (Net profit after tax) (A)	798,670,525	794,406,562	1,111,508,916	1,169,172,341
Weighted average number of ordinary shares outstanding during the year/period (B)	377,050,780	365,624,200 *	377,050,780	365,624,200 *
Earnings Per Share (A÷B)	2.12	2.17	2.95	3.20

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	
	30.06.2018	31.12.2017	30.06.2018	31.12.2017
	Taka	Taka	Taka	Taka
35 Net Asset Value (NAV) Per Share				
Net Asset (total assets less total liabilities) (A)	10,236,614,961	10,569,096,776	12,577,835,525	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)	27.15	28.03	33.36	33.41

	IDLC Finance Limited		IDLC Group	
	30.06.2018	30.06.2017	30.06.2018	30.06.2017
	Taka	Taka	Taka	Taka
36 Net Operating Cash Flows Per Share (NOCFPS)				
Net cash flows from operating activities (A)	4,419,741,083	829,988,033	3,641,931,226	1,412,975,070
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)	11.72	2.20	9.66	3.75

37 Reconciliation of Net Profit with Cash Flows from Operating Activities

	IDLC Finance Limited		IDLC Group	
	30.06.2018 Taka	30.06.2017 Taka	30.06.2018 Taka	30.06.2017 Taka
Net profit after tax	798,670,525	794,406,562	1,111,508,998	1,169,172,807
Items not involved in cash movement:				
Add: Depreciation	69,654,921	76,492,441	80,216,099	85,058,901
Add: Provision for loans and investments	206,112,648	140,556,277	219,872,567	143,067,130
Add: Provision for taxation	396,777,167	525,714,271	442,795,869	684,275,679
Add/ (Less): Accrued expenses	269,014,310	(195,832,089)	429,988,111	(208,573,111)
Add/ (Less): Accrued income	(256,735,865)	(77,507,158)	(750,743,884)	(343,752,771)
Less: Gain On Disposal of Fixed assets	(3,771,098)	(6,557,906)	(3,796,083)	(7,057,392)
Increase/(Decrease) in Employee gratuity	9,692,111	15,199,487	12,755,568	26,326,869
Adjustments to reconcile net profit after tax to net cash provided by operating activities	1,489,414,719	1,272,471,885	1,542,597,245	1,548,518,111
Increase/(decrease) in operating assets and liabilities				
(Increase)/Decrease in Loans & advances	(7,011,496,202)	(8,121,535,466)	(7,192,201,497)	(7,880,613,638)
(Increase)/Decrease in Other assets	17,100,721	(25,344,976)	17,654,014	(32,419,212)
Increase/(Decrease) in Short term borrowings	4,125,000,000	3,025,000,000	4,055,000,000	3,025,000,000
Increase/(Decrease) in Term & other deposits	6,551,191,897	4,941,667,159	6,395,235,454	4,974,154,659
Increase/(Decrease) in Payable and accrued expenses	(288,118,563)	129,044,332	(286,617,923)	129,244,868
(Increase)/Decrease in Income tax	(419,918,395)	(433,503,559)	(510,916,231)	(496,573,024)
Increase/(Decrease) in Portfolio investors fund	-	-	(335,386,742)	103,474,648
Increase/(Decrease) in Interest suspense	(43,433,094)	42,188,658	(43,433,094)	42,188,658
	2,930,326,363	(442,483,852)	2,099,333,981	(135,543,041)
Net cash flows from/(used in) operating activities	4,419,741,083	829,988,033	3,641,931,226	1,412,975,070

Sd/-
ChairmanSd/-
DirectorSd/-
CEO & Managing DirectorSd/-
Chief Financial OfficerSd/-
Company Secretary

Dhaka, July 29, 2018

Fixed assets including land, building, furniture and fixtures-for half year end 2018

(Annexure A)

Asset category	Cost				Rate	Depreciation				Written down value at June 30, 2018
	Balance at January 1, 2018	Addition during the year/period	Disposal/ adjustment during the year/period	Balance at June 30, 2018		Balance at January 1, 2018	Charged for the year/period	Adjustment during the year/period	Balance at June 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	2,593,991	-	28,531,092	178,988,211
Furniture and fixtures	90,315,859	3,468,947	(645,189)	93,139,617	12.50	36,708,013	4,992,162	(610,445)	41,089,730	52,049,887
Electrical equipment	81,037,425	1,312,269	(1,983,638)	80,366,055	20.00	49,808,858	4,757,202	(1,810,898)	52,755,162	27,610,893
Curtain and carpets	4,642,899	564,009	(143,746)	5,063,162	33.33	2,907,215	592,427	(121,049)	3,378,594	1,684,568
Office equipment	121,410,081	3,007,098	(1,482,650)	122,934,529	20.00	82,241,692	7,364,003	(1,482,590)	88,123,105	34,811,424
Office decoration	149,687,850	1,880,799	(442,744)	151,125,904	20.00	72,981,018	10,941,581	(442,689)	83,479,910	67,645,994
Computers	171,402,743	3,964,135	-	175,366,878	20.00	96,037,907	10,614,203	-	106,652,111	68,714,767
Software (Office Operation)	33,042,494	1,277,868	-	34,320,362	33.33	28,168,806	1,846,659	-	30,015,465	4,304,898
Software (Business Operation)	137,540,494	-	-	137,540,494	20.00	133,939,095	514,485	-	134,453,580	3,086,914
Telephone and telex	10,582,494	686,018	(419,232)	10,849,280	33.33	8,269,774	697,481	(298,025)	8,669,231	2,180,049
Motor vehicles	268,631,671	5,806,200	(12,617,939)	261,819,932	25.00	168,516,231	24,740,727	(9,706,404)	183,550,554	78,269,378
Total as on June 30, 2018	1,302,771,783	21,967,343	(17,735,138)	1,307,003,987		705,515,711	69,654,921	(14,472,099)	760,698,533	546,305,454
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 half year end 2018

Asset category	Cost				Rate	Depreciation				Written down value at June 30, 2018
	Balance at January 1, 2018	Addition during the year/period	Disposal/ adjustment during the year/period	Balance at June 30, 2018		Balance at January 1, 2018	Charged for the year/period	Adjustment during the year/period	Balance at June 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	2,593,991	-	28,531,092	178,988,211
Furniture and fixtures	108,574,018	3,777,188	(645,189)	111,706,017	12.50	46,372,467	5,925,365	(610,445)	51,687,387	60,018,630
Electrical equipment	105,956,223	1,539,769	(1,983,638)	105,512,354	20.00	70,729,957	5,334,562	(1,810,898)	74,253,621	31,258,733
Curtain and carpets	5,884,508	578,509	(143,746)	6,319,271	33.33	3,820,262	687,818	(121,049)	4,387,032	1,932,239
Office equipment	157,519,357	4,128,299	(1,482,650)	160,165,006	20.00	113,287,954	8,120,323	(1,482,590)	119,925,686	40,239,320
Office decoration	181,153,710	2,134,213	(442,744)	182,845,179	20.00	89,501,205	12,969,190	(442,689)	102,027,707	80,817,472
Computers	195,119,528	4,518,730	-	199,638,258	20.00	112,738,036	11,745,927	-	124,483,963	75,154,295
Software (Office Operation)	43,282,873	2,213,011	-	45,495,885	33.33	35,426,043	2,592,808	-	38,018,851	7,477,034
Software (Business Operation)	139,245,597	-	-	139,245,597	20.00	134,116,621	684,995	-	134,801,616	4,443,981
Telephone and telex	13,946,953	911,508	(439,232)	14,419,229	33.33	10,991,938	925,420	(318,015)	11,599,343	2,819,886
Motor vehicles	317,775,191	5,806,200	(12,867,939)	310,713,452	25.00	197,222,225	28,635,700	(9,956,399)	215,901,526	94,811,926
Total as on June 30, 2018	1,502,935,732	25,607,427	(18,005,138)	1,510,538,021		840,143,807	80,216,099	(14,742,084)	905,617,822	604,920,198
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

Reporting

This half yearly 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 June 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 365.62 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, July 29, 2018

IDLC FINANCE LIMITED

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