THIRD QUARTERLY FINANCIAL STATEMENTS

September 30, 2018



ENGAGING COMMUNITIES
SPREADING

HAPPINESS

IDLC Finance Limited

financing happiness

IDLC Finance Limited

Financial Statements

as at and for the period ended September 30, 2018

AMAR STOCK

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

	Note	30.09.2018 Taka	31.12.2017 Taka
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**

	Note	30.09.2018 Taka	31.12.2017 Taka
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

AMAR STOCK

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

	30.09.2018 Taka	30.09.2017 Taka
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

Particulars	Attributable to equity holders of the Company							Non-controlling interest	Total equity
	Paid-up capital	Share premium	Statutory reserves	General reserves	Dividend equalisation reserves	Retained earnings	Total		
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	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

	Note	30.09.2018 Taka	31.12.2017 Taka
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**

AMARSTOCK

	Note	30.09.2018 Taka	31.12.2017 Taka
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	**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

AMAR STOCK

IDLC Finance Limited

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	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

	30.09.2018 Taka	30.09.2017 Taka
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

Particulars	Paid-up capital Taka	Share premium Taka	Statutory reserves Taka	General reserves Taka	Dividend equalisation reserves Taka	Retained earnings Taka	Total 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 seperate 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 Taka	31.12.2017 Taka	30.09.2018 Taka	31.12.2017 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 Taka	31.12.2017 Taka	30.09.2018 Taka	31.12.2017 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.	-	-	-	-
		2,754,364,853	3,213,212,864	7,395,577,895	7,922,749,192
		2,754,364,853	**3,213,212,864**	**7,395,577,895**	**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	1,719,800
* The Bangladesh Rating Agency Limited (BDRAL)	61,442	6,144,200	6,144,200	6,144,200	6,144,200
		7,864,000	**7,864,000**	**7,864,000**	**7,864,000**

** Previously the name was Dan & Bradstreet Rating Agency Bangladesh Limited*

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	**654,750,000**	**774,750,000**	**977,663,872**	**952,536,324**

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	-
	1,891,750,853	**2,230,598,864**	**6,210,050,023**	**6,762,348,868**

6.3.1 Investment in marketable securities

Details of marketable securities are given below:

	IDLC Finance Limited		IDLC Group	
Business Segments	**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
	1,888,049,253	**1,758,978,046**	**6,202,108,743**	**5,878,836,239**

		IDLC Finance Limited		IDLC Group	
		30.09.2018 Taka	31.12.2017 Taka	30.09.2018 Taka	31.12.2017 Taka
6.3.2	**Investment in Initial Public Offering**	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 manger 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	31.12.2017	30.09.2018	31.12.2017
	Taka	Taka	Taka	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
	78,825,598,293	70,665,633,916	79,588,115,656	71,498,548,035
Outside Bangladesh	-	-	-	-
	78,825,598,293	**70,665,633,916**	**79,588,115,656**	**71,498,548,035**
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	**4,366,517,421**	**4,628,820,564**	**4,366,517,421**	**4,628,820,564**
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	**45,547,474,632**	**39,242,839,011**	**45,547,474,632**	**39,242,839,011**

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	**24,031,999,372**	**21,461,517,186**	**24,031,999,372**	**21,461,517,186**
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	**1,509,004,778**	**1,858,522,855**	**1,509,004,778**	**1,858,522,855**
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	**133,709,514**	**92,857,372**	**133,709,514**	**92,857,372**

		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
		1,332,289,862	1,356,423,222	1,537,372,206	1,564,865,244
	Disposal/Adjustments during the year/period	(27,624,613)	(53,651,439)	(29,994,613)	(61,929,512)
		1,304,665,249	1,302,771,783	1,507,377,593	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	103,712,331	145,839,286	119,582,971	164,225,017
		809,228,042	744,302,774	959,726,778	886,823,651
	Disposal/Adjustments during the year/period	(21,474,778)	(38,787,063)	(23,772,846)	(46,679,844)
		787,753,264	705,515,711	935,953,932	840,143,807
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
		4,385,951,068	**4,362,120,314**	**1,304,426,174**	**874,963,255**
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	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
		222,005,452	**182,287,683**	**1,028,056,958**	**578,936,375**
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
		197,836,574	**213,723,589**	**216,930,797**	**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.

		IDLC Finance Limited		IDLC Group	
		30.09.2018 Taka	31.12.2017 Taka	30.09.2018 Taka	31.12.2017 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 EnterpriseRefinancing 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 Taka	31.12.2017 Taka	30.09.2018 Taka	31.12.2017 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**				
	Provision				
	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**
	Advance tax				
	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
		6,386,339,227	5,766,704,679	7,446,307,530	6,626,252,771
	Less: Adjustment during the year/period	-	-	-	-
		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 Taka	31.12.2017 Taka	30.09.2018 Taka	31.12.2017 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 % of holding	30.09.2018 Number of shares	30.09.2018 Taka	31.12.2017 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**

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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
		8,576,085,377	7,239,549,257	9,552,386,940	8,406,173,174
	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
		6,455,096,750	4,975,143,292	6,688,432,985	5,275,145,701
		2,120,988,627	**2,264,405,965**	**2,863,953,955**	**3,131,027,473**
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
		8,217,961,987	**6,832,490,663**	**8,713,781,905**	**7,368,888,828**
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
		1,038,749,359	**1,066,264,212**	**1,270,613,285**	**1,309,655,683**
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	-	-
		6,930,227,972	**5,826,451,036**	**7,051,632,836**	**5,932,113,281**
	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
		7,945,734,343	**6,436,047,901**	**8,123,241,208**	**6,573,644,400**
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
		5,090,680,800	**3,537,774,675**	**5,039,763,019**	**3,541,457,472**

		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 Taka	30.09.2017 Taka	30.09.2018 Taka	30.09.2017 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**

AMARSTOCK

	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**

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

AMARSTOCK

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