IPDC Finance Limited

Financial statements (Un-audited) as at and for the quarter ended 31 March 2017

AMAR STOCK

IPDC Finance Limited

Balance Sheet (Un-audited)

As at	Note	31 March 2017 Taka	31 December 2016 Taka
Property and assets			
Cash	2		
In hand (including foreign currencies)		295,000	270,000
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)		242,590,940	226,125,597
		242,885,940	**226,395,597**
Balance with other banks and financial institutions	3	1,770,161,466	1,632,372,469
		1,770,161,466	**1,632,372,469**
Money at call and short notice		-	-
Investments	4	565,732,580	565,732,580
		565,732,580	**565,732,580**
Loans, advances and leases			
Loans, cash credits, overdrafts, etc.	5	23,869,489,086	19,480,595,090
		23,869,489,086	**19,480,595,090**
Fixed assets including land, building, furniture and fixture	6	247,296,896	233,614,078
Other assets	7	485,080,148	434,487,396
Non financial institutional assets	8	3,752,405	3,752,405
Total assets		**27,184,398,521**	**22,576,949,615**
Liabilities and shareholders' equity			
Liabilities			
Borrowings from other banks, financial institutions and agents	9	2,028,412,623	1,141,448,941
Deposits and other accounts	10	20,755,152,699	17,179,190,416
Other liabilities	11	1,562,763,758	1,481,196,639
Total liabilities		**24,346,329,080**	**19,801,835,996**
Shareholders' equity			
Paid up capital	12	1,515,005,670	1,515,005,670
Share premium	13	167,014,000	167,014,000
Statutory reserve	14	393,375,601	393,375,601
Assets revaluation reserve	15	124,501,939	124,501,939
Retained earnings	16	638,172,231	575,216,409
Total shareholders' equity		**2,838,069,441**	**2,775,113,619**
Total liabilities and shareholders' equity		**27,184,398,521**	**22,576,949,615**
Off-balance sheet items			
Contingent liabilities			
Letters of guarantee	17	39,882,913	30,046,913
Total contingent liabilities		**39,882,913**	**30,046,913**
Other commitments		-	-
Total other commitments		-	-
Total off-balance sheet items including contingent liabilities		**39,882,913**	**30,046,913**

The annexed notes from 1 to 37 and Annexures A and B are an integral part of these financial statements.

Chairman | Director | Managing Director & CEO | Chief Financial Officer | Company Secretary

AMAR STOCK

IPDC Finance Limited

Profit and Loss Account (Un-audited)

For the quarter ended 31 March Particulars	Note	2017 Taka	2016 Taka
Interest income	18	576,833,051	240,483,076
Less: Interest paid on deposits and borrowings,etc.	19	337,362,120	118,156,295
Net interest income		**239,470,931**	**122,326,781**
Investment income	20	13,865,999	5,012,573
Commission, exchange and brokerage	21	14,657,148	4,874,422
Other operating income	22	3,943,420	4,236,326
Total operating income		**271,937,498**	**136,450,102**
Salary and allowances	23	53,148,317	25,098,458
Rent, taxes, insurance, electricity, etc.	24	7,251,157	3,930,874
Legal expenses	25	3,480,789	3,160,152
Postage, stamp, telecommunications, etc.	26	1,187,137	852,052
Stationery, printing, advertisements, etc.	27	33,283,308	7,039,486
Managing Director's salary and allowances	28	2,187,999	2,187,999
Directors' fees	29	726,862	742,374
Auditors' fees	30	126,506	126,504
Charges on loan loss		-	-
Depreciation and repair of assets	31	11,189,895	6,967,329
Other expenses	32	13,220,182	7,075,752
Total operating expenses		**125,802,152**	**57,180,980**
Profit before provision		**146,135,346**	**79,269,122**
Provision for loans and advances	33	25,347,006	(22,050,872)
Provision/(reversal) for diminution in value of investments	34	-	-
Total provision		**25,347,006**	**(22,050,872)**
Profit before tax		**120,788,340**	**101,319,994**
Provision for taxation			
Current tax expense	11.4	58,299,489	32,874,274
Deferred tax expense/ (income)	35	(466,971)	8,054,069
		57,832,518	**40,928,343**
Net profit after tax		**62,955,822**	**60,391,651**
Earnings per share (EPS)	36	**0.42**	**0.40**

The annexed notes from 1 to 37 and Annexures A and B are an integral part of these financial statements.

Chairman | Director | Managing Director & CEO | Chief Financial Officer | Company Secretary

AMARSTOCK

IPDC Finance Limited

Cash Flow Statement (Un-audited)

For the quarter ended 31 March	2017 Taka	2016 Taka
A) Cash flows from operating activities		
Interest received	588,203,036	170,713,256
Interest paid	(322,937,649)	(129,374,559)
Dividend received	6,348,878	-
Fee and commission received	14,657,148	4,874,422
Recoveries of loan previously written off	3,666,320	4,021,726
Payment to employees	(55,336,316)	(41,272,660)
Payment to suppliers	(79,613,478)	(21,975,203)
Income taxes paid	(48,228,246)	(21,270,209)
Receipt from other operating activities	277,100	10,022,984
Payment for other operating activities	-	-
Cash generated from/(used in) operating activities before changes in operating assets and liabilities	**107,036,793**	**(24,260,243)**
Changes in operating assets and liabilities		
Statutory deposits	-	-
Sale of trading securities	-	-
Loans and advances to other banks	22,511,552	24,556,959
Loans and advances to customers	(4,434,145,516)	(2,034,598,209)
Other assets	2,196,219	(1,285,367)
Deposits from other banks and financial institutions	1,300,000,000	1,150,000,000
Deposits from customers	2,275,962,283	810,267,476
Other liability accounts of customers	-	-
Trading liabilities	851,577,432	406,482,865
Other liabilities	11,900,461	38,932,717
Cash received/(paid) from operating assets and liabilities	**30,002,431**	**394,356,441**
Net cash from operating activities	**137,039,224**	**370,096,198**
B) Cash flows from investing activities		
Proceeds from sale of securities	-	-
Payments for purchase of securities	-	-
Net increase in purchase of property, plant and equipment	(18,146,134)	(639,902)
Sale proceeds of property, plant and equipment	-	-
Net cash (used in)/ from investing activities	**(18,146,134)**	**(639,902)**
C) Cash flows from financing activities		
Receipts from issue of loan and debt securities	-	-
Payments for redemption of loan and debt securities	-	-
Receipts from issue of ordinary share	-	-
Receipts/(payments) of long term loan	35,386,250	(3,223,720)
Dividends paid in cash	-	-
Net cash (used in)/ from financing activities	**35,386,250**	**(3,223,720)**
D) Net increase in cash (A+B+C)	**154,279,340**	**366,232,576**
E) Effect of changes in exchange rate over cash and cash equivalents	-	-
F) Cash and cash equivalents at 1 January	1,858,768,066	1,145,231,485
G) Cash and cash equivalents at the end of quarter (D+E+F)	**2,013,047,406**	**1,511,464,061**

IPDC Finance Limited Dhaka

IPDC Finance Limited

Statement of Changes in Shareholders' Equity (Un-audited)
For the quarter ended 31 March 2017

Particulars	Paid up capital Taka	Share premium Taka	Statutory reserve Taka	Assets revaluation reserve Taka	Retained earnings Taka	Total Taka
Balance as at 1 January 2017	1,515,005,670	167,014,000	393,375,601	124,501,939	575,216,409	2,775,113,619
Surplus/(deficit) on account of revaluation of assets	-	-	-	-	-	-
Surplus/(deficit) on account of revaluation of investments	-	-	-	-	-	-
Deferred tax liability	-	-	-	-	-	-
Currency translation differences	-	-	-	-	-	-
Net gain/(loss) not recognised in the profit and loss account	-	-	-	-	-	-
Net profit for the quarter ended 31 March 2017	-	-	-	-	62,955,822	62,955,822
Dividend	-	-	-	-	-	-
Issuance of bonus share	-	-	-	-	-	-
Issuance of share capital	-	-	-	-	-	-
Appropriation during the period	-	-	-	-	-	-
Balance as at 31 March 2017	**1,515,005,670**	**167,014,000**	**393,375,601**	**124,501,939**	**638,172,231**	**2,838,069,441**
Balance as at 1 January 2016	1,262,504,730	167,014,000	332,758,289	127,086,739	585,248,100	2,474,611,858
Surplus/(deficit) on account of revaluation of assets	-	-	-	-	-	-
Surplus/(deficit) on account of revaluation of investments	-	-	-	-	-	-
Deferred tax liability	-	-	-	-	-	-
Currency translation differences	-	-	-	-	-	-
Net gain/(loss) not recognised in the profit and loss account	-	-	-	-	-	-
Net profit for the quarter ended 31 March 2016	-	-	-	-	60,391,651	60,391,651
Dividend	-	-	-	-	-	-
Issuance of bonus share	252,500,940	-	-	-	(252,500,940)	-
Issuance of share capital	-	-	-	-	-	-
Appropriation during the period	-	-	-	-	-	-
Balance as at 31 March 2016	**1,515,005,670**	**167,014,000**	**332,758,289**	**127,086,739**	**393,138,811**	**2,535,003,509**

IPDC Finance Limited Dhaka

1. Reporting entity

1.1. Company profile

With a mandate to promote economic growth in the country, IPDC Finance Limited (Formerly named as Industrial Promotion and Development Company of Bangladesh Limited) hereinafter also referred as "IPDC" or the "Company" was incorporated in Bangladesh in 1981 as the premier private sector long term lending institution with the Registrar of Joint Stock Companies and Firms, Dhaka. The Company also registered itself as a financial institution under the Financial Institutions Act, 1993 on 7 February 1995. The registered office of the Company is situated at Hosna Center (4th Floor), 106 Gulshan Avenue, Dhaka, Bangladesh. The Company became a listed company on 3 December 2006 with both the Dhaka Stock Exchange and the Chittagong Stock Exchange in Bangladesh. The Company has nine branch offices located at Gulshan, Dhanmondi, Motijheel, Uttara, Chittagong, Narayangonj, Bogra, Gazipur and Sylhet.

1.2. Nature of business of the Company

The Company specialises in providing long term and short term financing, project financing, lease financing, channel finance, work order finance, mortgage finance, equity financing, syndication finance and Small & Medium Enterprises (SME) finance. In 2006, the Company also started retail business to increase its activities in retail segment.

1.3. Basis of Reporting

The financial statements for the quarter ended 31 March 2017 have been prepared under historical cost convention following accrual basis of accounting and based on Bangladesh Accounting Standard (BAS) 34: *Interim Financial Reporting,* Securities and Exchange Rules 1987, Regulations issued by Bangladesh Bank and other applicable laws and regulations.

1.4. Accounting policies and method of computations

For preparing the quarterly financial statements, the accounting policies and methods in consistent with those used in the financial statements prepared for the year ended 31 December 2016 have been followed.

1.5. Post Balance Sheet events

All material events occurring after the balance sheet date have been considered and where necessary, adjusted for or disclosed in note no. 37 of these financial statements.

1.6. Rounding off and rearrangement of figures

Figures have been rounded off to the nearest Taka and 2016 figures have been reclassified/rearranged, where necessary, to conform to current period presentation.

As at		Note	31 March 2017 Taka	31 December 2016 Taka
2.	**Cash**			
	Cash in hand (including foreign currencies)	2.1	295,000	270,000
	Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)	2.2	242,590,940	226,125,597
			242,885,940	**226,395,597**
2.1	**Cash in hand**			
	In local currency		295,000	270,000
	In foreign currency		-	-
			295,000	270,000
2.2	**Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)**			
	Bangladesh Bank			
	In local currency		242,590,940	226,125,597
	In foreign currency		-	-
			242,590,940	226,125,597
	Sonali Bank Limited (as an agent of Bangladesh Bank)		-	-
			242,590,940	226,125,597
3.	**Balance with other banks and financial institutions**			
	In Bangladesh	3.1	1,770,161,466	1,632,372,469
	Outside Bangladesh		-	-
			1,770,161,466	**1,632,372,469**
3.1	**In Bangladesh**			
	In current deposit accounts with			
	Commercial Bank of Ceylon PLC		-	-
	Uttara Bank Limited		-	-
	United Commercial Bank Limited		1,068,031	19,797
	AB Bank Limited		15,500	16,075
	Standard Chartered Bank Limited		5,252,023	393,559
	Prime Bank Limited		14,466,303	80,669,093
	Social Islami Bank Limited		-	-
	Bank Alfalah Limited		-	-
			20,801,857	81,098,524
	Short term deposit accounts with			
	Dutch Bangla Bank Limited		822,542	11,799,723
	Prime Bank Limited		2,581,038	3,924,274
	AB Bank Limited		1,699,750	1,681,448
	Standard Chartered Bank Limited		39,113	39,263
	Mercantile Bank Limited		3,500,077	21,667,676
	AL-Arafah Islami Bank Limited		-	-
	BRAC Bank Limited		953,856	1,772,538
	Dhaka Bank Limited		2,936,702	2,851,536
	United Commercial Bank Limited		177,567	25,136,927
	Eastern Bank Liimited		668,752	-
			13,379,397	68,873,385
	Short term placement			
	National Bank of Pakistan		250,000,000	250,000,000
	LankaBangla Finance Limited		-	-
	International Leasing and Financial Service Limited		100,000,000	100,000,000
			350,000,000	350,000,000
	Short term deposit accounts (in foreign currency) with			
	AB Bank Limited		1,367	1,368
			1,367	1,368
	Fixed deposit accounts with			
	Prime Bank Limited		26,946,310	26,739,346
	Dhaka Bank Limited		131,965,952	131,478,705
	AB Bank Limited		408,978,121	398,162,391
	EXIM Bank Limited		400,000,000	220,000,000
	Union Bank Limited		-	-
	National Bank of Pakistan Limited		14,500,000	14,500,000
	The City Bank Limited		-	-
	Standard Bank Limited		403,588,462	341,518,750
			1,385,978,845	1,132,399,192
	Total		1,770,161,466	1,632,372,469

IPDC Finance Limited

As at		Note	31 March 2017 Taka	31 December 2016 Taka
4.	**Investments**			
	Government securities		-	-
	Other investments	4.2	565,732,580	565,732,580
			565,732,580	**565,732,580**
4.1	**Classification of investments**			
	Held for trading (HFT)		-	-
	Held to maturity (HTM)		-	-
			-	-
	Other investments		565,732,580	565,732,580
			565,732,580	565,732,580
4.2	**Other investments**			
	In ordinary shares:			
	Quoted		7,000,000	7,000,000
	Unquoted		4,500,000	4,500,000
			11,500,000	11,500,000
	Redeemable preference shares		281,265,346	281,265,346
	Investment in shares		292,765,346	292,765,346
	Investment in corporate bonds		272,967,234	272,967,234
			565,732,580	565,732,580
	Details are shown in Annexure - A			
5.	**Loans, advances and leases**			
	Loans, cash credits, overdrafts, etc.	5.1	23,869,489,086	19,480,595,090
	Bills purchased and discounted		-	-
			23,869,489,086	**19,480,595,090**
5.1	**Loans, cash credits, overdrafts, etc.**			
	In Bangladesh:			
	Long term loan		7,409,257,621	6,035,785,190
	Lease finance		3,419,043,248	2,572,948,493
	Short term loan		8,313,499,744	7,341,608,825
	Channel finance		909,151,229	675,928,982
	Mortgage finance		2,233,048,638	1,560,092,489
	Auto loan		1,122,963,970	850,230,573
	Secured retail loan		121,709,233	180,178,435
	Personal loan		296,787,422	227,381,133
	Staff loan		44,027,981	36,440,970
			23,869,489,086	19,480,595,090
	Outside Bangladesh		-	-
			23,869,489,086	19,480,595,090
6.	**Fixed assets including land, building, furniture and fixture**			
	Land		129,240,000	129,240,000
	Building		20,922,500	20,922,500
	Motor vehicles		46,587,998	33,137,998
	Furniture and fixture		54,639,506	54,639,506
	Equipment and appliances		88,380,556	81,212,354
	Accounting software		16,398,750	16,398,750
			356,169,310	335,551,108
	Less: Accumulated depreciation and amortisation		108,872,414	101,937,030
			247,296,896	233,614,078
	Capital work in progress		-	-
			247,296,896	**233,614,078**
	Details are shown in Annexure - B			
7.	**Other assets**			
	Non-income generating other assets			
	Stationery, stamps, printing materials in stock		1,304,338	148,787
	Advance rent and advertisement		4,516,489	4,755,739
	Interest accrued on investment but not collected, commission and brokerage receivable on shares and debentures and other income receivable		58,366,338	50,849,217
	Security deposits		8,664,580	8,664,580
	Preliminary expenses, formation and organisation expenses, renovation/development expenses and prepaid expenses		3,216,163	373,097
	Branch adjustment		-	-
	Suspense account		-	-
	Silver		-	-
	Others	7.1	409,012,240	369,695,976
			485,080,148	**434,487,396**

IPDC Finance Limited Dhaka

As at	Note	31 March 2017 Taka	31 December 2016 Taka
7.1 Others			
Advance tax		395,371,835	350,294,355
Deferred tax assets	7.1.1	194,370	-
Sundry assets	7.1.2	13,446,035	19,401,621
		409,012,240	369,695,976
7.1.1 Deferred tax assets			
Deferred tax assets have been recognised in accordance with the provision of BAS 12 *Income Taxes* based on temporary difference arising due to difference in the carrying amount of the assets and liabilities in the financial statements and its tax base. Calculation of deferred tax assets is as follows:			
Deductible temporary differences			
Gratuity provision		-	-
Fixed assets excluding land and building		485,925	-
		485,925	-
Tax rate		40.00%	40.00%
Deferred tax assets		194,370	-
Movement of deferred tax assets is as follows:			
Opening balance		-	7,701,603
Credited/ (debited) to profit and loss account during the year		194,370	(7,701,603)
Closing balance		194,370	-
7.1.2 Sundry assets			
City corporation tax		103,954	166,324
Hosna Centre Owners' Society		583,050	583,050
Advance - others		12,759,031	18,652,247
		13,446,035	19,401,621
8. Non financial institutional assets		3,752,405	3,752,405
This represents the mortgaged property (land) acquired from a default client by virtue of verdict given by the competent court and ownership has been transferred in favor of the Company. The land is mutated in the name of the Company.			
9. Borrowings from other banks, financial institutions and agents			
In Bangladesh	9.1	2,028,412,623	1,141,448,941
Outside Bangladesh		-	-
		2,028,412,623	**1,141,448,941**
9.1 In Bangladesh			
Unsecured			
Long term loan			
The UAE-Bangladesh Investment Company Ltd.		-	-
Borrowing under Refinance Project (scheme JICA assisted ESPDSME)		41,648,750	6,262,500
Repo borrowings from Bangladesh Bank		-	-
		41,648,750	6,262,500
Short term loan			
Uttara Bank Limited		300,000,000	-
Mercantile Bank Limited		200,000,000	-
		500,000,000	-
Secured			
Bank overdraft			
Prime Bank Limited		19,927,492	12,662,335
Dhaka Bank Limited		188,806,737	258,516,572
AB Bank Limited		116,297,565	244,027,534
Woori Bank Limited		149,999,552	149,990,000
Bank Alfalah Limited		181,732,527	179,990,000
		656,763,873	845,186,441
Money at call and short notice			
BASIC Bank Limited		-	190,000,000
Southeast Bank Limited		180,000,000	100,000,000
Dutch Bangla Bank Limited		90,000,000	-
Mutual Trust Bank Limited		100,000,000	-
Pubali Bank Limited		100,000,000	-
Sonali Bank Limited		170,000,000	-
Standard Bank Limited		190,000,000	-
		830,000,000	290,000,000
		2,028,412,623	1,141,448,941

As at	Note	31 March 2017 Taka	31 December 2016 Taka
10. Deposits and other accounts			
Inter-bank deposits		-	-
Other deposits		12,285,152,699	10,009,190,416
FDR from Banks & NBFIs		8,470,000,000	7,170,000,000
		20,755,152,699	**17,179,190,416**

There was no unclaimed deposits for ten (10) years and more held by the Company at the reporting date.

11. Other liabilities			
Cumulative provision for loans, advances and investments	11.1	268,691,402	243,344,396
Cumulative interest and dividend suspense	11.2	23,244,631	34,614,617
Provision for gratuity	11.3	-	-
Dividend payable		13,280,444	13,280,441
Provision for corporate tax	11.4	636,434,672	581,285,949
Receipts against lease	11.5	118,618,615	96,424,338
Provision for finance charge	11.6	399,671,179	385,246,708
Withholding tax and VAT		7,912,440	10,750,700
Liabilities for special accounts	11.7	40,283,507	47,739,063
Provision for expenses	11.8	37,319,625	53,402,651
Deferred tax liabilities	11.9	7,347,155	7,619,756
Account payable for purchase of fixed asset		9,960,088	7,488,020
		1,562,763,758	**1,481,196,639**
11.1 Cumulative provision for loans, advances and investments			
Specific provision for classified loans and advances	11.1.1	24,958,921	15,060,648
General provision against unclassified loans and advances	11.1.2	226,880,370	211,431,637
Provision for investments	11.1.3	16,852,111	16,852,111
		268,691,402	243,344,396
11.1.1 Specific provision for classified loans and advances			
Opening balance		15,060,648	75,733,987
Specific provision made/(release) for the year	33	9,898,273	(58,496,985)
Fully provided debt written-off during the year		-	(2,176,354)
Closing balance (i)		24,958,921	15,060,648
11.1.2 General provision against unclassified loans and advances			
Opening balance		211,431,637	123,364,277
Provision made during the year	33	15,448,733	88,067,360
		226,880,370	211,431,637
Adjustment during the year		-	-
Closing balance (ii)		226,880,370	211,431,637
Total specific and general provision of loans and advances (i+ii)		251,839,291	226,492,285
11.1.3 Provision for investments			
Opening balance		16,852,111	12,809,744
Provision made/(released) for investment in share	34	-	4,042,367
Provision made/(released) for investment in Govt. securities		-	-
Total provision made/(released) during the year		-	4,042,367
Closing balance		16,852,111	16,852,111
Total specific and general provision of loans, advances and investments		268,691,402	243,344,396
Breakdown of cumulative provision for loans, advances and investment:			
Provision for loans and advances		251,839,291	226,492,285
Provision for investments in equity		16,852,111	16,852,111
Provision for marking to market of Govt. securities		-	-
		268,691,402	243,344,396
11.2 Cumulative interest and dividend suspense			
Interest suspense against loans and advances		20,138,097	31,508,082
Dividend suspense against investment in redeemable preference shares		3,106,534	3,106,535
		23,244,631	34,614,617

IPDC Finance Limited DHAKA

As at	31 March 2017 Taka	31 December 2016 Taka

11.3 Provision for gratuity

Opening balance	-	18,699,452
Provision made during the year	-	9,553,005
	-	28,252,457
Payment made during the year	-	(28,252,457)
Closing balance	-	-

11.4 Provision for corporate tax

Provision for current tax has been made on the basis of the profit for the period as adjusted for taxation purposes in accordance with the provision of Income Tax Ordinance, 1984 and amendments thereto. Current tax rate for the Company is 40% on its business income.

Opening balance	581,285,949	423,048,318
Provision made during the year	58,299,489	158,237,631
	639,585,438	581,285,949
Adjustment made during the year for completed assessments*	3,150,766	-
Closing balance	636,434,672	581,285,949

* Arrear tax payment for Assessment Year 2004-2005

11.5 Receipts against lease

Receipts against lease represent lease deposits received from lessees against finance on the stipulation that the amount will be adjusted with the outstanding rentals/instalments. Lease deposits are made up as under:

Opening balance	96,424,338	36,718,793
Receipts during the year	24,699,517	77,486,689
	121,123,855	114,205,482
Adjusted during the year	(2,505,240)	(17,781,144)
Closing balance	118,618,615	96,424,338

Purpose of taking lease deposits is to secure the finance provided to the clients. No interest is payable on lease deposits.

11.6 Provision for finance charge

Accrued interest expenses on term deposits	399,332,941	384,548,899
Accrued interest expenses on secured overdraft	-	549,271
Accrued interest expenses on long term borrowings	-	-
Accrued interest expenses on call borrowings	203,278	98,750
Accrued interest payable on refinance project	134,960	49,788
	399,671,179	385,246,708

11.7 Liabilities for special accounts

Account payable special account - IPO	1,118,356	1,118,356
Account payable special account - DEG	16,133,894	16,133,894
Account payable special account - other	23,031,257	30,486,813
	40,283,507	47,739,063

11.8 Provision for expenses

Legal expenses	3,454,943	4,643,093
Office services	12,346,675	7,141,177
Promotion and publicity	20,997,651	40,837,971
Office rent	188,850	107,910
Professional fees	205,000	166,500
Audit fees	126,506	506,000
	37,319,625	53,402,651

IPDC Finance Limited Dhaka

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As at	31 March 2017 Taka	31 December 2016 Taka
11.9 Deferred tax liabilities		
i) Taxable temporary differences on furniture and fixture		
Fixed assets including furniture and fixture	-	649,209
Net taxable temporary differences	-	649,209
Tax rate	40.00%	40.00%
Deferred tax liability furniture and fixture	-	259,684
ii) Deferred tax liability on building and land revaluation		
Taxable temporary differences on building	5,443,889	5,476,179
Tax rate	40.00%	40.00%
Deferred tax liability on building	2,177,555	2,190,472
Revaluation reserve on land	129,240,000	129,240,000
Tax rate	4.00%	4.00%
Deferred tax liability on land revaluation	5,169,600	5,169,600
Total deferred tax liabilities on building and land revaluation	7,347,155	7,360,072
Total deferred tax liability (i+ii)	7,347,155	7,619,756
Movement of deferred tax liabilities is as follows:		
Opening balance	7,619,756	6,063,086
Add: Debited to asset revaluation reserve	-	1,292,400
Add: Expense/(income) during the year	(272,601)	264,270
Closing balance	7,347,155	7,619,756
12. Share capital		
Authorised		
400,000,000 ordinary shares of Taka 10 each	4,000,000,000	4,000,000,000
Issued, subscribed and fully paid up		
151,500,567 (2016: 151,500,567) ordinary shares of Tk 10 each	**1,515,005,670**	**1,515,005,670**
Paid up capital as at 31 March 2017 is made up of 25,701,400 ordinary shares paid up in cash and 125,799,167 ordinary shares through issuance of bonus shares.		
12.1 Paid up capital of the company is held as follows		
Foreign		
Aga Khan Fund for Economic Development (AKFED)	167,441,320	167,441,320
	167,441,320	167,441,320
Domestic		
Government of the People's Republic of Bangladesh (GoB)	331,476,640	331,476,640
BRAC	378,751,410	378,751,410
Ayesha Abed Foundation	151,500,570	151,500,570
RSA Capital Limited	75,750,280	75,750,280
General shareholders	410,085,450	410,085,450
	1,347,564,350	1,347,564,350
	1,515,005,670	1,515,005,670
13. Share premium	**167,014,000**	**167,014,000**
Share premium against 280,140 number of ordinary shares issued in 2004 and 1,390,000 number of ordinary shares issued in 2006 @ Tk. 100 per share i.e. at quarter ended 31 March 2017 total number of shares would be 16,701,400 @ Tk. 10 per share as the Company changed the denomination of shares from Tk. 100 to Tk. 10 each in 2011 in compliance with the Bangladesh Securities and Exchange Commission's order number SEC/CMRRCD/2009-193/109 dated 15 September 2011.		
14. Statutory reserve		
This comprises of the cumulative balance of statutory reserve as required by section 9 of the Financial Institutions Act, 1993 and regulations 4(d) and 6 of the Financial Institution Regulations, 1994.		
Opening balance	393,375,601	332,758,289
Transferred from profit during the year	-	60,617,312
Closing balance	**393,375,601**	**393,375,601**

IPDC Finance Limited Dhaka

As at	31 March 2017 Taka	31 December 2016 Taka

15. Assets revaluation reserve

Opening balance	124,501,939	127,086,739
Revaluation during the year		
Land	-	-
Building	-	-
Adjustment of deferred tax liability for revaluation reserve on building	-	-
Deferred tax liability on land revaluation	-	(2,584,800)
	124,501,939	**124,501,939**

IPDC Finance Limited owns real estate property (commercial space including car parking) for its own use as office premises situated at Hosna Center (4th floor), 106 Gulshan Avenue, Dhaka. This property was revalued at fair value in accordance with BAS 16: *Property, Plant and Equipment* which requires regular valuation of property to ensure that the value reflects current market condition.

The property was first revalued in 2005 and since then significant changes took place in local real estate market, as a result with the consent of the Board of Directors of IPDC Finance Limited, Hoda Vasi Chowdhury & Co (HVC) as professionally qualified valuer had conducted the assignment of valuation for determining the fair value of the property, which has subsequently conveyed to management for incorporating in the financials of 2014 after being adopted in the Board.

16. Retained earnings

Opening balance	575,216,409	585,248,100
Net profit after tax for the year	62,955,822	303,086,561
Transfer to statutory reserve	-	(60,617,312)
Dividend	-	-
Issuance of bonus shares	-	(252,500,940)
Closing balance	**638,172,231**	**575,216,409**

17. Letters of guarantee

Director	-	-
Government	-	-
Bank and financial institutions	39,882,913	30,046,913
Others	-	-
	39,882,913	**30,046,913**

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IPDC Finance Limited Dhaka

For the quarter ended 31 March	Note	2017 Taka	2016 Taka
18. Interest income			
Interest income on loans and advances			
Interest on lease finance		81,764,819	39,659,792
Interest on long term loan		188,207,139	75,105,191
Interest on short term loan		169,492,668	68,498,869
Interest on channel finance		21,232,556	6,589,439
Interest on mortgage finance		46,920,997	5,854,830
Interest on secured retail loan		2,690,030	2,634,153
Interest on auto loan		28,799,751	15,631,899
Interest on staff loan		552,592	316,463
Interest on personal loan		8,069,002	123,737
		547,729,554	214,414,373
Interest income on balance with other banks and financial institutions			
Interest on fixed deposits		20,597,631	17,111,776
Interest on overnight and treasury placements		7,767,361	8,801,042
Interest on STD accounts		738,505	155,885
		29,103,497	26,068,703
		576,833,051	**240,483,076**
19. Interest paid on deposits and borrowings etc.			
Interest expenses on term deposits		321,979,446	111,299,389
Interest expenses on borrowings	19.1	15,382,674	6,856,906
		337,362,120	**118,156,295**
19.1 Interest expenses on borrowings			
Local banks and financial institutions			
Interest expenses on short term loan		2,162,500	-
Interest expenses on long term loan		163,453	98,246
Interest expenses on call borrowings		7,853,597	6,506,320
Interest expenses on bank overdrafts		5,203,124	252,340
		15,382,674	6,856,906
Foreign banks and financial institutions			
Interest expenses on long term lines of credit		-	-
		15,382,674	6,856,906
20. Investment income			
Dividend income			
Dividend income on cumulative preference shares		6,277,299	1,656,015
Dividend income on listed shares		-	-
Dividend income on un-listed shares		-	-
		6,277,299	1,656,015
Interest on treasury bills, bonds and debentures			
Interest income on Govt. treasury bonds		-	-
Interest income on corporate bonds		7,588,700	3,356,558
		7,588,700	3,356,558
Capital gain on sale of listed shares		-	-
		7,588,700	3,356,558
		13,865,999	**5,012,573**
21. Commission, exchange and brokerage			
Commission		11,304	47,492
Exchange		-	-
Brokerage	21.1	14,645,844	4,826,930
		14,657,148	**4,874,422**
21.1 Brokerage			
Appraisal, feasibility study fees and documentation fees		14,645,844	4,826,930
Restructuring/renewal fees		-	-
		14,645,844	4,826,930
22. Other operating income			
Transfer price/sale of leased assets		7,200	71,800
Other earnings		269,900	142,800
Loan loss recovery		3,666,320	4,021,726
Gain(loss) sale of fixed assets		-	-
		3,943,420	**4,236,326**

IDLC Finance Limited Dhaka

For the quarter ended 31 March		2017 Taka	2016 Taka
23.	**Salary and allowances**	**53,148,317**	**25,098,458**
24.	**Rent, taxes, insurance, electricity, etc.**		
	Office rent	4,738,002	2,379,507
	Rates and taxes	125,420	62,370
	Insurance	981,569	442,284
	Utilities - electricity, gas, water, etc.	1,406,166	1,046,713
		7,251,157	**3,930,874**
25.	**Legal expenses**		
	Professional fees	524,148	75,500
	Legal document, court fees, etc.	2,956,641	3,084,652
		3,480,789	**3,160,152**
26.	**Postage, stamp, telecommunications, etc.**		
	Postage, stamps etc.	153,096	52,118
	Telephone	724,561	499,800
	Internet expenses	309,480	300,134
		1,187,137	**852,052**
27.	**Stationery, printing, advertisements etc.**		
	Printing and stationery	1,611,172	542,843
	Publicity and advertisement	31,672,136	6,496,643
		33,283,308	**7,039,486**
28.	**Managing Director's salary and allowances**		
	Basic salary	1,545,000	1,545,000
	House rent allowance	180,000	180,000
	Medical allowance	51,000	51,000
	Festival bonus	-	-
	Performance bonus	-	-
	Leave fare assistance	257,499	257,499
	Company's contribution to provident fund	154,500	154,500
	Gratuity	-	-
		2,187,999	**2,187,999**
29.	**Directors' fees**		
	Honorarium for attending meeting	331,200	340,400
	Incidental expenses for attending meeting	395,662	401,974
		726,862	**742,374**

Directors' fees include fees for attending the meetings of the Board, Executive Committee and Audit Committee. Each director was remunerated Tk. 8,000 per meeting in accordance with Bangladesh Bank's DFIM circulars number 13 and 03 dated 30 November 2015. In addition, as per policy the Company also bears travelling, accommodation and other related costs of directors who attend Board Meeting from overseas.

30.	**Auditors' fees**		
	Auditors' remuneration for interim audit	-	-
	Auditors' remuneration for annual audit	126,506	126,504
		126,506	**126,504**

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IPDC Finance Limited Dhaka

For the quarter ended 31 March	Note	2017 Taka	2016 Taka
31. Depreciation and repair of assets			
Depreciation and amortisation	31.1	6,935,384	5,062,877
Repair and maintenance	31.2	4,254,511	1,904,452
		11,189,895	**6,967,329**
31.1 Depreciation and amortisation			
Building		348,708	348,708
Motor vehicles		1,698,570	1,210,473
Furniture and fixture		1,108,860	439,422
Equipment and appliances		3,079,246	2,364,275
Accounting software		700,000	699,999
		6,935,384	5,062,877
Details are shown in Annexure - A.			
31.2 Repair and maintenance			
Office premises		302,175	32,475
Vehicles		2,159,927	1,149,818
Office furniture, fixture and equipment		1,792,409	722,159
		4,254,511	1,904,452
32. Other expenses			
Staff training		1,345,118	1,481,710
Membership fees, subscription and donations		2,885,633	1,343,002
News papers, periodicals, learning materials etc.		50,479	44,206
Recruitment expenses		395,596	156,982
Traveling, conveyance and hotel expenses		1,940,064	552,656
Entertainment and public relation		510,299	585,344
Annual General Meeting expenses		2,613,750	1,200,000
Security and cleaning services		1,832,637	780,459
Sundry office maintenance		790,681	574,981
Other operational expenses		855,925	356,412
		13,220,182	**7,075,752**
33. Provision for loans and advances			
Provision for classified loans and advances		9,898,273	(22,050,872)
Provision for unclassified loans and advances		15,448,733	-
		25,347,006	**(22,050,872)**
34. Provision for diminution in value of investment			
Provision made for investment in share		-	-
Provision made for marking to market on Govt. securities		-	-
		-	-
35. Provision for deferred tax expense/ (income)			
Expense on deductible temporary differences		-	-
Expense/(income) on taxable temporary differences		(466,971)	8,054,069
Revaluation adjustment of previous year through deferred tax		-	-
		(466,971)	**8,054,069**
36. Earnings per share (EPS)			
Basic earnings per share has been calculated by dividing the basic earnings by the weighted average number of ordinary shares outstanding during the quarter ended 31 March 2017 as per BAS 33: *Earnings per share*.			
Net profit after tax		62,955,822	60,391,651
Weighted average number of outstanding shares		151,500,567	151,500,567
Basic earning per share		**0.42**	**0.40**
Diluted Earnings Per Share (DEPS)			
No DEPS is required to be calculated since there was no scope for dilution of share during the period under review.			
37. Events after the reporting period			
No other material event occurred after the reporting period, which could materially affect the amounts or disclosures in these financial statements.			

IDLC Finance Limited Dhaka

IPDC Finance Limited
Details statement of other investments

Annexure - A
Figures in Taka

As at	31 March 2017		31 December 2016	
	Cost Taka	Market value Taka	Cost Taka	Market value Taka
In ordinary shares - quoted				
Bangladesh Electricity Meter Co. Ltd.	7,000,000	-	7,000,000	4,305,000
	7,000,000	-	7,000,000	4,305,000
In ordinary shares - unquoted				
Quality Feeds Ltd.	1,500,000	1,500,000	1,500,000	1,500,000
Alliance Bags Ltd.	3,000,000	3,000,000	3,000,000	3,000,000
	4,500,000	4,500,000	4,500,000	4,500,000
In redeemable preference shares				
Premium Seed Ltd.	4,000,000	-	4,000,000	4,000,000
Confidence Salt Ltd.	2,265,346	2,265,346	2,265,346	2,265,346
Summit Power Company Ltd.	-	-	-	-
ACI Godrej Agrovet Private Ltd.	-	-	-	-
Summit Barisal Power Ltd.	100,000,000	100,000,000	100,000,000	100,000,000
Summit Narayanganj Power Unit II Ltd.	100,000,000	100,000,000	100,000,000	100,000,000
Star Ceramics Ltd.	75,000,000	75,000,000	75,000,000	75,000,000
	281,265,346	277,265,346	281,265,346	281,265,346
In corporate bonds				
Impress Newtex Composite Textiles Ltd.	197,967,234	197,967,234	197,967,234	197,967,234
Mutual Trust Bank Ltd.	75,000,000	75,000,000	75,000,000	75,000,000
	272,967,234	272,967,234	272,967,234	272,967,234
	565,732,580	**554,732,580**	**565,732,580**	**563,037,580**

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IPDC Finance Limited Dhaka

Annexure - B

IPDC Finance Limited

Fixed assets including land, building, furniture and fixture

Figures in Taka

Category of asset	Cost/valuation						Depreciation/amortisation				Carrying amount as at 31 March 2017
	Balance as at 1 January 2017	Revaluation reserve	Addition during the period	Adjustment during the period	Disposal during the period	Balance as at 31 March 2017	Balance as at 1 January 2017	Charged during the period	Adjustment during the period	Balance as at 31 March 2017	
Land	129,240,000	-	-	-	-	129,240,000	-	-	-	-	129,240,000
Building	20,922,500	-	-	-	-	20,922,500	2,789,664	348,708	-	3,138,372	17,784,128
Motor vehicles	33,137,998	-	13,450,000	-	-	46,587,998	15,900,574	1,698,570	-	17,599,144	28,988,854
Furniture and fixture	54,639,506	-	-	-	-	54,639,506	26,492,739	1,108,860	-	27,601,599	27,037,907
Equipment and appliances	81,212,354	-	7,168,202	-	-	88,380,556	47,121,982	3,079,246	-	50,201,228	38,179,328
Accounting software	16,398,750	-	-	-	-	16,398,750	9,632,071	700,000	-	10,332,071	6,066,679
Balance as at 31 December 2016	**335,551,108**	**-**	**20,618,202**	**-**	**-**	**356,169,310**	**101,937,030**	**6,935,384**	**-**	**108,872,414**	**247,296,896**

Category of asset	Cost/valuation						Depreciation/amortisation				Carrying amount as at 31 December 2016
	Balance as at 1 January 2016	Revaluation reserve	Addition during the period	Adjustment during the period	Disposal during the period	Balance as at 31 December 2016	Balance as at 1 January 2016	Charged during the period	Adjustment during the period	Balance as at 31 December 2016	
Land	129,240,000	-	-	-	-	129,240,000	-	-	-	-	129,240,000
Building	20,922,500	-	-	-	-	20,922,500	1,394,832	1,394,832		2,789,664	18,132,836
Motor vehicles	28,799,037	-	11,788,961	-	7,450,000	33,137,998	14,753,838	5,156,736	4,010,000	15,900,574	17,237,424
Furniture and fixture	34,154,874	-	22,596,043	-	2,111,411	54,639,506	26,176,411	2,076,384	1,760,056	26,492,739	28,146,767
Equipment and appliances	65,794,703	-	17,576,243	-	2,158,592	81,212,354	39,109,059	10,087,747	2,074,824	47,121,982	34,090,372
Accounting software	16,398,750	-	-	-	-	16,398,750	6,832,075	2,799,996	-	9,632,071	6,766,679
Balance as at 31 December 2016	**295,309,864**	**-**	**51,961,247**	**-**	**11,720,003**	**335,551,108**	**88,266,215**	**21,515,695**	**7,844,880**	**101,937,030**	**233,614,078**

IPDC Finance Limited Dhaka