

IPDC of Bangladesh Limited
Condensed Interim Financial Statements (Un-audited)
As at and for the first quarter ended 31 March 2014

IPDC of Bangladesh Limited
Condensed Interim Balance Sheet (Un-audited)

As at	Note	31 March 2014	Figures in Taka 31 December 2013
PROPERTY AND ASSETS			
Cash			
In hand (including foreign currencies)		120,001	50,542
Balance with Bangladesh Bank and its agent bank(s)		114,726,740	154,996,460
Balance with other banks and financial institutions	2	584,104,181	546,533,211
		698,950,922	701,580,213
Investments			
Government	3.2	415,000,000	415,000,000
Others	3.3	505,970,869	505,970,869
		920,970,869	920,970,869
Loans, leases, cash credits, overdrafts, etc.	4	5,569,745,885	5,745,510,743
Fixed assets including premises, furniture and fixtures	5	113,628,737	107,827,295
Other assets	6	297,061,957	279,282,330
Non financial institutional assets	7	3,752,405	3,752,405
TOTAL ASSETS		7,604,110,776	7,758,923,855
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks and financial institutions	8	172,057,962	413,976,376
Term deposits	9	4,463,918,819	4,427,093,408
Other liabilities	10	884,801,739	852,883,256
Total liabilities		5,520,778,520	5,693,953,040
Shareholders' equity			
Paid up capital	11	1,043,392,350	1,043,392,350
Share premium	12	167,014,000	167,014,000
Statutory reserve	13	251,618,993	251,618,993
Assets revaluation reserve	14	13,585,980	13,585,980
Retained earnings	15	607,720,933	589,359,492
Total shareholders' equity		2,083,332,256	2,064,970,815
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		7,604,110,776	7,758,923,855
Off-balance sheet items			
Letters of guarantee	16	5,590,000	5,590,000

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

Sd/-
Dilip Kumar Mandal
 Chief Financial Officer

Sd/-
Mominul Islam
 Managing Director & CEO

IPDC of Bangladesh Limited
Condensed Interim Profit and Loss Account (Un-audited)

Figures in Taka

For the first quarter ended 31 March	Note	2014	2013
PARTICULARS			
Interest income	17	225,832,921	220,736,469
Interest paid on deposits and borrowings etc.	18	142,508,517	159,844,614
Net interest income		83,324,404	60,891,855
Investment income	19	22,759,967	21,723,064
Commission, exchange and brokerage	20	983,827	3,272,129
Other operating income	21	951,295	109,155
Total operating income		108,019,493	85,996,202
Salary and allowances	22	20,257,845	18,060,377
Rent, taxes, insurance, electricity, etc.	23	2,905,341	2,693,849
Legal expenses	24	2,781,933	2,483,347
Postage, stamp, telecommunications, etc.	25	757,322	672,616
Stationery, printings, advertisements, etc.	26	1,909,373	1,620,270
Managing Director's salary and allowances	27	1,457,499	1,457,499
Directors' fees	28	867,968	778,631
Depreciation and repair of Company's assets	29	5,072,747	4,850,918
Other expenses	30	4,543,317	4,054,623
Total operating expenses		40,553,345	36,672,130
Profit before provision		67,466,148	49,324,073
Provision for loans and leases		17,629,104	8,255,203
Other provisions		-	2,680,750
Total provision	31	17,629,104	10,935,953
Profit before tax		49,837,044	38,388,120
Current tax	10.4	32,112,249	24,251,503
Deferred tax	32	(636,646)	(64,142)
Total tax expenses		31,475,603	24,187,361
Net profit after tax		18,361,441	14,200,759
Earnings per share (EPS)	33	0.18	0.14

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

Sd/-
Dilip Kumar Mandal
Chief Financial Officer

Sd/-
Mominul Islam
Managing Director & CEO

IPDC of Bangladesh Limited
Condensed Interim Cash Flow Statement (Un-audited)

For the first quarter ended 31 March	Note	2014	2013
Figures in Taka			
OPERATING ACTIVITIES			
Interest receipts in cash		175,909,008	192,988,825
Interest payments in cash		(175,046,995)	(140,453,499)
Dividend receipts in cash		1,411,233	2,524,305
Fee and commission receipts in cash		1,063,894	3,237,629
Recoveries of loan previously written off		550,000	-
Cash payments to employees		(17,130,009)	(16,559,232)
Cash payments to suppliers		(13,705,622)	(13,558,552)
Income taxes paid		(1,242,135)	(398,759)
Receipts from other operating activities	34	9,009,910	8,622,572
Cash generated before change in operating assets and liabilities		(19,180,716)	36,403,288
Increase/decrease in operating assets and liabilities			
Purchase/sale of trading securities		-	3,736,104
Loans, advances and leases to other banks		(21,163,823)	12,467,212
Loans, advances and leases to customers		219,275,053	(513,836,447)
Other assets	35	702,258	(2,847,994)
Deposits from customers		36,825,411	281,091,779
Trading liabilities		(239,778,153)	160,620,285
Other liabilities	36	33,066,292	25,342,312
Net increase/decrease in operating assets and liabilities		28,927,039	(33,426,748)
Net cash from operating activities		9,746,323	2,976,539
INVESTING ACTIVITIES			
Payment for purchase of property, plant and equipment		(10,235,353)	(4,076,335)
Sale proceeds of property, plant and equipment		-	95,200
Net cash provided/(used) in investing activities		(10,235,353)	(3,981,135)
FINANCING ACTIVITIES			
Receipts/(payments) of long term loan		(2,140,261)	(1,901,593)
Dividends paid in cash		-	-
Net cash provided/used) in financing activities		(2,140,261)	(1,901,593)
Net increase/(decrease) in cash		(2,629,291)	(2,906,189)
Cash and cash equivalents at beginning of quarter		701,580,213	527,965,477
Cash and cash equivalents at end of quarter	37	698,950,922	525,059,289

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

IPDC of Bangladesh Limited
Condensed Interim Statement of Changes in Shareholders' Equity (Un-audited)

Figures in Taka

	Paid up share capital	Share premium	Statutory reserve	Asset revaluation reserve	Retained earnings	Total
For the first quarter ended 31 March 2014						
Opening balance	1,043,392,350	167,014,000	251,618,993	13,585,980	589,359,492	2,064,970,815
Changes in accounting policy	-	-	-	-	-	-
Restated balance	1,043,392,350	167,014,000	251,618,993	13,585,980	589,359,492	2,064,970,815
Net profit for the quarter	-	-	-	-	18,361,441	18,361,441
Closing balance	1,043,392,350	167,014,000	251,618,993	13,585,980	607,720,933	2,083,332,256
For the first quarter ended 31 March 2013						
Opening balance	1,043,392,350	167,014,000	223,222,211	13,585,980	580,111,599	2,027,326,140
Changes in accounting policy	-	-	-	-	-	-
Restated balance	1,043,392,350	167,014,000	223,222,211	13,585,980	580,111,599	2,027,326,140
Net profit for the quarter	-	-	-	-	14,200,759	14,200,759
Closing balance	1,043,392,350	167,014,000	223,222,211	13,585,980	594,312,358	2,041,526,899

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

1. Reporting entity

1.1. Company profile

With a mandate to promote economic growth in the country, Industrial Promotion and Development Company of Bangladesh Limited (IPDC) 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 December 3, 2006 in both the Dhaka Stock Exchange Ltd. and the Chittagong Stock Exchange Ltd. in Bangladesh. The company has four branch offices located at Dhaka, Chittagong and Sylhet.

1.2. Nature of business of the Company

IPDC specializes in providing long term and short term financing, project financing, lease financing, mortgage financing, channel financing, equity participation, syndication finance, SME and MME finance, asset backed securitization through issuance of zero-coupon bond and related consultancies to both local and foreign private investments in Bangladesh. 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 first quarter ended 31 March 2014 have been prepared under historical cost convention following accrual basis of accounting and based on Bangladesh Accounting Standard (BAS) 34: *Interim Financial Reporting* and should be read in conjunction with the financial statements as at for the year ended 31 December 2013, the year for which the annual financial statements were prepared.

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 2013 have been followed.

1.5. Post Balance Sheet events

No other material event occurred after the balance sheet date, which could materially affect the amounts or disclosures in these financial statements.

1.6. Rounding off and rearrangement of figures

Figures have been rounded off to the nearest Taka and 2013 figures have been reclassified/rearranged, where necessary, to conform to current period presentation.

IPDC of Bangladesh Limited**Notes to the Condensed Interim Financial Statements (Un-audited)**

As at	Note	Figures in Taka	
		31 March 2014	31 December 2013
2. Balance with other banks and financial institutions			
Name of Bank/FI	Type of A/c		
Commercial Bank of Ceylon Plc	CD A/c	43,250	43,250
The Hongkong and Shanghai Banking Corporation Ltd.	CD A/c	1,026	1,026
Uttara Bank Ltd.	CD A/c	2,583	2,583
United Commercial Bank Ltd.	CD A/c	87,849	34,027
AB Bank Ltd.	CD A/c	18,950	18,950
Standard Chartered Bank	CD A/c	386,916	180,742
Bank Alfalah Ltd.	CD A/c	1,451	1,451
Mercantile Bank Ltd.	CD A/c	585,126	-
		1,127,150	282,029
Dutch Bangla Bank Ltd.	STD A/c	420,808	278,727
Prime Bank Ltd.	STD A/c	31,671,108	301,108
AB Bank Ltd.	STD A/c	1,568,943	1,568,943
Standard Chartered Bank	STD A/c	104,622	179,857
Al-Arafah Islami Bank Ltd.	STD A/c	5,299	5,299
BRAC Bank Ltd.	STD A/c	656,355	565,832
Mercantile Bank Ltd.	STD A/c	27,948	42,189
AB Bank Ltd.	STD A/c -FC	62,403	62,403
		34,517,487	3,004,358
Mercantile Bank Ltd.	FDR	52,700,001	52,700,001
Southeast Bank Ltd	FDR	16,556,637	-
National Bank Ltd.	FDR	-	15,678,816
Prime Bank Ltd.	FDR	123,845,544	122,168,007
Dhaka Bank Ltd.	FDR	105,357,363	102,700,000
AB Bank Ltd.	FDR	50,000,000	50,000,000
United Commercial Bank Ltd.	FDR	-	50,000,000
EXIM Bank Ltd.	FDR	50,000,000	50,000,000
ONE Bank Ltd.	FDR	-	50,000,000
Trust Bank Ltd.	FDR	50,000,000	50,000,000
		448,459,544	543,246,824
National Bank of Pakistan	Placement	100,000,000	-
		548,459,544	543,246,824
		584,104,181	546,533,211
3. Investments			
Government securities	3.2	415,000,000	415,000,000
Other investments	3.3	505,970,869	505,970,869
		920,970,869	920,970,869
3.1 Classification of investments			
Held for trading (HFT)		204,100,000	204,100,000
Held to maturity (HTM)		210,900,000	210,900,000
		415,000,000	415,000,000
Other investments		505,970,869	505,970,869
		920,970,869	920,970,869
3.2 Government securities			
15-year treasury bonds		242,600,000	242,600,000
20-year treasury bonds		172,400,000	172,400,000
		415,000,000	415,000,000

IPDC of Bangladesh Limited**Notes to the Condensed Interim Financial Statements (Un-audited)**

As at	Note	Figures in Taka	
		31 March 2014	31 December 2013
3.3 Other investments			
In ordinary shares - Listed		7,000,000	7,000,000
In ordinary shares - Unlisted		11,670,869	11,670,869
In cumulative redeemable preference shares		337,300,000	337,300,000
Investment in shares		355,970,869	355,970,869
In corporate bonds		150,000,000	150,000,000
		505,970,869	505,970,869

Details of other investments are shown in Annexure - A.

4. Loans, leases and advances

Long term loan		2,976,650,571	3,233,775,052
Lease finance		1,706,255,082	1,741,016,638
Short term loan		232,278,730	239,746,912
Mortgage finance		72,549,364	48,652,699
Channel finance		202,528,981	163,595,841
Auto loan		208,385,038	187,788,787
Secured retail loan		147,773,555	108,657,099
Staff loan		23,324,564	22,277,715
		5,569,745,885	5,745,510,743

All loans, leases and advances are within Bangladesh.

5. Fixed assets including premises, furniture and fixtures

Land and building		75,684,163	75,684,163
Motor vehicles		31,374,745	31,374,745
Furniture and fixtures		29,556,751	29,550,148
Equipment and appliances		37,883,265	37,591,445
Accounting software		2,398,750	2,398,750
		176,897,674	176,599,251
Less: Accumulated depreciation		93,613,858	89,798,816
		83,283,816	86,800,435
Capital work in progress (Hardware & Software)		30,344,921	21,026,860
		113,628,737	107,827,295

Details of fixed assets are shown in Annexure - B.

6. Other assets

Dividend receivable on cumulative preference shares		18,846,978	11,398,845
Stationery, stamps, printing materials in stock		76,431	97,715
Advance rent and advertisement		6,961,350	7,552,593
Interest accrued on investment but not collected		28,883,638	20,287,647
Security deposits		716,160	716,160
Preliminary, formation, renovation and prepaid expenses		1,595,853	400,227
Others	6.1	239,981,547	238,829,143
		297,061,957	279,282,330

6.1 Others

Advance tax		229,007,119	227,764,984
Deferred tax asset	6.1.2	5,734,636	5,645,244
Sundry assets	6.1.3	5,239,792	5,418,915
		239,981,547	238,829,143

IPDC of Bangladesh Limited**Notes to the Condensed Interim Financial Statements (Un-audited)**

As at	Note	Figures in Taka	
		31 March 2014	31 December 2013

6.1.2 Deferred tax asset

Deferred tax asset has been recognized in accordance with the Bangladesh Accounting Standard (BAS) 12: *Income Taxes* based on deductible 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 asset is as follows:

Deductible temporary difference

Gratuity provision	13,493,262	13,282,926
Tax rate	42.50%	42.50%
Deferred tax asset	5,734,636	5,645,244

Movement of deferred tax asset is as follows:

Opening balance	5,645,244	4,697,206
Add: (Expense)/income	89,392	948,038
Closing balance	5,734,636	5,645,244

6.1.3 Sundry assets

City corporation tax	69,068	138,140
Hosna Centre Owners' Association	583,050	583,050
Advance others	4,587,674	4,697,725
	5,239,792	5,418,915

7. Non financial institutional assets

Freehold land	7.1	3,752,405	3,752,405
		3,752,405	3,752,405

7.1 This represents the 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.

8. Borrowings from other banks, financial institutions and agents

Name of Bank/FI	Type		
Prime Bank Ltd.	SOD	42,455,081	85,176,244
Mercantile Bank Ltd.	SOD	-	47,056,990
		42,455,081	132,233,234
NRB Global Bank Limited	Call Loan	20,000,000	-
Meghna Bank Limited	Call Loan	40,000,000	-
The Farmers Bank Ltd.	Call Loan	50,000,000	50,000,000
Standard Bank Ltd.	Call Loan	-	40,000,000
BASIC Bank Ltd.	Call Loan	-	50,000,000
Dutch-Bangla Bank Ltd.	Call Loan	-	60,000,000
The City Bank Ltd.	Call Loan	-	60,000,000
		110,000,000	260,000,000
Total short term loan		152,455,081	392,233,234
The UAE-Bangladesh Investment Company Ltd.	Long Term	19,602,881	21,743,142
		172,057,962	413,976,376

9. Deposits and other accounts

Inter-bank deposits	-	-
Other deposits	4,463,918,819	4,427,093,408
	4,463,918,819	4,427,093,408

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

IPDC of Bangladesh Limited**Notes to the Condensed Interim Financial Statements (Un-audited)**

As at	Note	Figures in Taka	
		31 March 2014	31 December 2013
10. Other liabilities			
Cumulative provision for loans, leases and investments	10.1	233,868,383	216,239,280
Cumulative interest and dividend suspense	10.2	62,265,381	53,165,131
Provision for gratuity	10.3	13,493,262	13,282,926
Dividend payable		7,013,070	7,088,305
Provision for corporate tax	10.4	257,332,880	225,220,631
Receipts against lease	10.5	36,328,875	36,086,227
Provision for finance charge	10.6	219,532,629	252,071,107
Withholding tax and VAT		6,102,575	7,761,895
Liabilities for special accounts	10.7	24,796,021	22,425,305
Provision for expense	10.8	9,702,179	4,009,842
Deferred tax liabilities	10.9	14,060,833	14,608,087
Payable for purchase of office equipment		305,651	924,520
		884,801,739	852,883,256

10.1 Cumulative provision for loans, advances, leases and investment

Provision for loans, leases and advances		171,232,955	153,895,800
Provision for investments in shares		18,462,819	18,170,869
		189,695,774	172,066,669
Provision for marking to market on Govt. securities		44,172,609	44,172,611
		233,868,383	216,239,280

10.2 Cumulative interest and dividend suspense

Interest suspense against loans, leases and advances		59,158,847	50,147,364
Dividend suspense against cumulative preference shares		3,106,534	3,017,767
		62,265,381	53,165,131

10.3 Provision for gratuity

This represents provision for staff gratuity up to 31 March 2014. The company has provided full provision for gratuity at the rate of one month's basic salary for each completed year of service.

Opening balance		13,282,926	11,052,250
Add: Provision made during the quarter/year		630,336	2,576,676
		13,913,262	13,628,926
Less: Payment during the quarter/year		420,000	346,000
Closing balance		13,493,262	13,282,926

10.4 Provision for corporate tax

Provision for corporate tax has been made on the basis of the profit for the quarter/year as adjusted for taxation purposes in accordance with the provision of Income Tax Ordinance 1984 and amendments thereto. Currently tax rate applicable to the company is 42.50% on its business income.

Opening balance		225,220,631	126,791,790
Add: Provision made during the quarter/year		32,112,249	98,428,841
		257,332,880	225,220,631
Less: Adjustment during the quarter/year		-	-
Closing balance		257,332,880	225,220,631

Assessment of income tax has been finalized with the tax authority for the accounting years up to 2003 and for the accounting year 2005. Final assessment of income tax for accounting years 2004 and 2006 to 2008 are pending with the Appellate Authorities and High Court Division of the Supreme Court. Income tax return for the year 2009, 2010, 2011 and 2012 have been duly submitted under section 82BB (Universal Self Assessment) of Income Tax Ordinance 1984.

IPDC of Bangladesh Limited**Notes to the Condensed Interim Financial Statements (Un-audited)**

As at	Note	Figures in Taka	
		31 March 2014	31 December 2013

10.5 Receipts against lease

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

Opening balance		36,086,227	27,313,330
Add: Receipts during the quarter/year		1,873,237	17,813,748
		37,959,464	45,127,078
Less: Adjusted during the quarter/year		1,630,589	9,040,851
Closing balance		36,328,875	36,086,227

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

10.6 Provision for finance charge

Accrued interest expenses on term deposits		219,120,934	251,696,581
Accrued interest expenses on long term borrowings		159,806	374,526
Accrued interest expenses on call borrowings		251,889	-
		219,532,629	252,071,107

10.7 Liabilities for special accounts

Account payable special account - IPO		1,118,356	1,118,356
Account payable special account - DEG		17,361,225	16,381,424
Account payable special account - other		6,316,440	4,925,525
		24,796,021	22,425,305

10.8 Provision for expenses

Legal fees		2,122,695	1,526,051
Office services		1,623,021	1,503,592
Pay and allowance		4,374,999	-
Promotion and publicity		619,688	239,074
Office rent		86,275	86,275
Professional fees		320,250	212,100
Audit fees		555,251	442,750
		9,702,179	4,009,842

10.9 Deferred tax liabilities*Taxable temporary differences*

Property, plant and equipment		9,456,520	10,744,178
Revaluation reserve on office premises		23,627,792	23,627,792
Net taxable temporary differences		33,084,313	34,371,970
Tax rate		42.50%	42.50%
Deferred tax liabilities		14,060,833	14,608,087

Movement of deferred tax liabilities is as follows:

Opening balance		14,608,087	12,295,227
Less: Charged/(released) to profit and loss account	32	(547,254)	2,312,860
Closing balance		14,060,833	14,608,087

11. Share capital*Authorized*

400,000,000 ordinary shares of Taka 10 each		4,000,000,000	4,000,000,000
<i>Issued, subscribed and fully paid up</i>			
104,339,235 number of ordinary shares of Taka 10 each		1,043,392,350	1,043,392,350

Paid up capital is made up of 25,701,400 numbers of ordinary shares paid up in cash and 78,637,835 numbers of ordinary shares through issuance of bonus shares.

IPDC of Bangladesh Limited**Notes to the Condensed Interim Financial Statements (Un-audited)**

As at	Note	Figures in Taka	
		31 March 2014	31 December 2013
11.1 Paid up capital of the company is held as follows:			
<i>Foreign</i>			
Aga Khan Fund for Economic Development (AKFED)		532,674,670	532,674,670
Others		550	550
		532,675,220	532,675,220
<i>Domestic</i>			
Government of the People's Republic of Bangladesh (GoB)		228,289,710	228,289,710
General Shareholders		282,420,490	282,420,490
Others		6,930	6,930
		510,717,130	510,717,130
		1,043,392,350	1,043,392,350
12. Share premium		167,014,000	167,014,000
Share premium against 1,670,140 number of ordinary shares comprising 280,140 numbers issued in 2004 and 1,390,000 numbers issued in 2006 @ Tk. 100 per share. As at 31 March 2013 total number of shares would be 16,701,400 @ Tk. 10 per share as the Company has 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.			
13. Statutory reserve			
This comprises the cumulative balance of statutory reserve as required by section 9 of the Financial Institutions Act, 1993 and regulation 4(d) and 6 of the Financial Institutions Regulations, 1994.			
Opening balance		251,618,993	223,222,211
Add: Transferred from profit during the quarter/year		-	28,396,782
Closing balance		251,618,993	251,618,993
14. Assets revaluation reserve		13,585,980	13,585,980
In terms of Bangladesh Accounting Standard (BAS) 16: <i>Property, Plant and Equipment</i> , the Company had revalued its office premises by a professionally qualified valuation firm of the country in 2005. Total revaluation surplus of Taka 23,627,792 has been included with value of office premises and Tk. 13,585,980 shown as assets revaluation reserve after adjustment of deferred tax.			
15. Retained earnings			
Opening balance		589,359,492	580,111,599
Add: Post tax profit for the quarter/year		18,361,441	141,983,910
		607,720,933	722,095,509
Less: Transfer to statutory reserve during the quarter/year		-	28,396,782
Less: 10% cash dividend for the year 2012		-	104,339,235
		-	132,736,017
Closing balance		607,720,933	589,359,492
16. Letters of guarantee			
Director		-	-
Government		-	-
Bank and financial institutions		5,590,000	5,590,000
		5,590,000	5,590,000

Letter of guarantee has been issued in favor of Habib Bank Limited, against Titas Gas Transmission and Distribution Company Limited on account of one client, M/s Hossain & Sons.

IPDC of Bangladesh Limited
Notes to the Condensed Interim Financial Statements (Un-audited)

For the first quarter ended 31 March	Note	2014	2013
Figures in Taka			
17. Interest income			
<i>Interest income on loans, leases and advances</i>			
Interest on lease finance		61,753,697	59,718,563
Interest on long term finance		116,591,954	118,075,253
Interest on short term finance		8,652,316	10,398,638
Interest on channel finance		6,802,714	4,536,356
Interest on mortgage finance		2,378,101	1,561,315
Interest on secured finance		4,852,226	5,874,927
Interest on auto loan		8,340,356	4,778,412
Interest income on staff loan		465,998	472,878
		209,837,362	205,416,342
<i>Interest income on balance with other banks and financial institutions</i>			
Interest on fixed deposits		13,387,673	5,816,162
Interest on overnight and treasury placements		2,400,000	8,540,764
Interest on STD accounts		207,886	963,201
		15,995,559	15,320,127
		225,832,921	220,736,469
18. Interest paid on deposits and borrowings etc.			
Interest expenses on term deposits		134,175,549	154,135,709
Interest expenses on borrowings	18.1	8,332,968	5,708,905
		142,508,517	159,844,614
18.1 Interest paid on borrowings			
Interest expenses on long term loan		630,907	870,079
Interest expenses on call loan borrowing		7,673,486	833,037
Interest expenses on bank overdrafts		28,575	31,474
Interest expenses on Repo borrowings		-	3,974,315
		8,332,968	5,708,905
19. Investment income			
Income on Govt. treasury bonds		9,400,601	9,400,601
Income on corporate bonds		4,500,000	4,450,820
Income from Govt. bonds and securities		13,900,601	13,851,421
Dividend income on cumulative preference shares		8,859,366	7,871,643
		22,759,967	21,723,064
20. Commission, exchange and brokerage			
Fees and commission income		983,827	3,272,129
Exchange income		-	-
		983,827	3,272,129

IPDC of Bangladesh Limited
Notes to the Condensed Interim Financial Statements (Un-audited)

For the first quarter ended 31 March	Note	Figures in Taka	
		2014	2013
21. Other operating income			
Transfer price of leased assets		13,220	9,057
Other earnings		388,075	4,900
Loan loss recovery		550,000	-
Income/(loss) on sale of fixed assets	21.1	-	95,198
		951,295	109,155
21.1 Income/(loss) from sale of fixed assets			
Cost price of the assets sold		-	2,967,276
Less: Accumulated depreciation		-	2,967,274
Written down value		-	2
Sale proceeds		-	95,200
Income/(loss) from sale of fixed assets		-	95,198
22. Salary and allowances			
Basic salary		7,432,811	7,496,313
House rent allowance		2,417,502	2,157,187
Medical allowance		1,078,947	1,203,283
Bonus		4,374,999	2,570,000
Leave fare assistance		1,217,995	1,202,038
Other allowances		513,657	594,891
Company's contribution to provident fund		643,075	524,230
Gratuity		630,336	598,393
Contractual staffs		1,948,523	1,714,042
		20,257,845	18,060,377
23. Rent, taxes, insurance, electricity, etc.			
Office rent		1,555,717	1,337,592
Rates and taxes		69,072	56,700
Insurance		545,291	543,827
Utilities - electricity, gas, water etc		735,261	755,730
		2,905,341	2,693,849
24. Legal expenses			
Professional fees		1,738,800	2,000,473
Legal document, court fees etc.		1,043,133	482,874
		2,781,933	2,483,347

IPDC of Bangladesh Limited
Notes to the Condensed Interim Financial Statements (Un-audited)

For the first quarter ended 31 March	Note	Figures in Taka	
		2014	2013
25. Postage, stamp, telecommunications, etc.			
Postage, stamps etc.		143,784	101,161
Telephone		187,538	145,455
Internet expenses		426,000	426,000
		757,322	672,616
26. Stationery, printing, advertisements etc.			
Printing and stationery		193,428	223,544
Publicity and advertisement		1,715,945	1,396,726
		1,909,373	1,620,270
27. Managing Director's salary and allowances			
Basic salary		1,050,000	1,050,000
House rent allowance		90,000	90,000
Medical allowance		37,500	37,500
Leave fare assistance		174,999	174,999
Company's contribution to provident fund		105,000	105,000
		1,457,499	1,457,499
28. Directors' fees			
Honorarium for attending meeting		120,750	138,000
Incidental expenses for attending meeting		747,218	640,631
		867,968	778,631
29. Depreciation and repair on fixed assets			
Depreciation	29.1	3,815,042	3,266,848
Repair and maintenance	29.2	1,257,705	1,584,070
		5,072,747	4,850,918
29.1 Depreciation			
Office premises		981,270	981,270
Motor vehicles		1,218,415	310,004
Furniture and fixtures		386,305	915,838
Equipment and appliances		1,129,208	959,893
Accounting software		99,844	99,843
		3,815,042	3,266,848
Details of depreciation is shown in Annexure - B.			
29.2 Repair and maintenance			
Office premises		76,990	35,674
Vehicles		1,012,724	1,198,288
Office equipments		167,991	350,108
		1,257,705	1,584,070

IPDC of Bangladesh Limited
Notes to the Condensed Interim Financial Statements (Un-audited)

For the first quarter ended 31 March	Note	2014	2013
Figures in Taka			
30. Other expenses			
Staff training		746,950	831,642
Membership fees, subscription and donations		1,049,855	511,381
News papers, periodicals, learning materials etc.		23,035	17,772
Traveling, conveyance and hotel expenses		445,572	577,829
Entertainment and public relation		255,758	231,086
AGM expenses		750,000	750,000
Security and cleaning services		619,661	609,745
Sundry office maintenance		638,262	518,908
Other operational expenses		14,224	6,260
		4,543,317	4,054,623
31. Provision for loans, advances, leases and investment			
Provision for loans, advances and leases		17,629,104	8,255,203
Other - provision for marking to market on Govt. securities		-	2,680,750
		17,629,104	10,935,953
32. Deferred tax expense/(income)			
Expense/(income) on deductible temporary differences	6.1.2	(89,392)	(198,217)
Expense/(income) on taxable temporary differences	10.9	(547,254)	134,075
		(636,646)	(64,142)
33. Earnings per share (EPS)			
Earnings per share (EPS) as shown in the face of the Profit and Loss Account is calculated in accordance with Bangladesh Accounting Standard (BAS) 33: <i>Earnings per share</i> . Details are as follows:			
Net profit/(loss) after tax		18,361,441	14,200,759
<i>Weighted average number of shares outstanding during the quarter/year</i>			
Number of ordinary shares as at 1 January		104,339,235	104,339,235
Bonus shares issued		-	-
		104,339,235	104,339,235
Basic earnings per share		0.18	0.14
Diluted earnings per share (DEPS)			
No DEPS is required to be calculated for the period as there was no scope for dilution of share during the period.			
34. Receipts from other operating activities			
Transfer price of lease assets		13,220	9,057
Securities income		8,608,615	8,608,615
Income from other operating activities		388,075	4,900
		9,009,910	8,622,572

IPDC of Bangladesh Limited
Notes to the Condensed Interim Financial Statements (Un-audited)

For the first quarter ended 31 March	Note	2014	2013
Figures in Taka			
35. (Increase)/decrease of other assets			
<i>Closing other assets</i>			
Stationery, stamps, printing materials in stock		76,431	93,327
Advance rent and advertisement		6,961,350	3,640,481
Security deposit		716,160	716,160
Other assets		10,974,428	12,265,682
		18,728,369	16,715,650
<i>Opening other assets</i>			
Stationery, stamps, printing materials in stock		97,715	52,825
Advance rent and advertisement		7,552,593	4,079,432
Security deposit		716,160	716,160
Other assets		11,064,159	9,019,239
		19,430,627	13,867,656
		702,258	2,847,994
36. Increase/(decrease) of other liabilities			
<i>Closing other liabilities</i>			
Provision for current tax		257,332,880	151,043,293
Withholding tax, VAT and excise duty		6,102,575	5,745,926
Others		61,124,896	45,892,924
		324,560,351	202,682,143
<i>Opening other liabilities</i>			
Provision for current tax		225,220,631	126,791,790
Withholding tax, VAT and excise duty		7,761,895	6,991,938
Others		58,511,532	43,556,103
		291,494,058	177,339,831
		33,066,292	25,342,312
37. Cash and cash equivalents			
Cash in hand		120,001	70,783
Balance with Bangladesh Bank and its agent bank(s)		114,726,740	91,968,849
Balance with other banks and financial institutions		584,104,181	433,019,657
Money at call and short notice		-	-
		698,950,922	525,059,289

38. Events after the reporting period

No other material event occurred after the balance sheet date, which could materially affect the amounts or disclosures in these financial statements.

IPDC of Bangladesh Limited
Notes to the Condensed Interim Financial Statements (Un-audited)

Annexure - A

Details statement of other investments

Figures in Taka

Particulars	31 March 2014		31 December 2013	
	Cost	Market price	Cost	Market price
<i>In ordinary shares - listed</i>				
Bemco Electric Metre Ltd.	7,000,000	4,312,000	7,000,000	4,305,000
	7,000,000	4,312,000	7,000,000	4,305,000
<i>In ordinary shares - unlisted</i>				
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
Ekushey Television Ltd.	7,170,869	7,170,869	7,170,869	7,170,869
	11,670,869	11,670,869	11,670,869	11,670,869
<i>In cumulative redeemable preference shares</i>				
Premium Seed Ltd.	4,000,000	4,000,000	4,000,000	4,000,000
Delta Brac Housing Finance Corporation Ltd.	100,000,000	100,000,000	100,000,000	100,000,000
ACI Godrej Agrovvet Private Ltd.	33,300,000	33,300,000	33,300,000	33,300,000
Confidence Salt Ltd.	20,000,000	20,000,000	20,000,000	20,000,000
Summit Uttaranchol Power Company Ltd.	40,000,000	40,000,000	40,000,000	40,000,000
Summit Purbanchol Power Company Ltd.	40,000,000	40,000,000	40,000,000	40,000,000
ACI Godrej Agrovvet Private Ltd.	100,000,000	100,000,000	100,000,000	100,000,000
	337,300,000	337,300,000	337,300,000	337,300,000
<i>In corporate bonds</i>				
Mutual Trust Bank Ltd.	150,000,000	150,000,000	150,000,000	150,000,000
	505,970,869	503,282,869	505,970,869	503,275,869

Industrial Promotion and Development Company of Bangladesh Limited
Notes to the Financial Statements as at and for the first quarter ended 31 March 2014

Fixed assets including premises, furniture and fixtures

Annexure - B

Figures in Taka

Category of asset	Cost				Balance as at 31 Mar 2014	Rate	Depreciation				Carrying amount as at 31 Mar 2014
	Balance as at 1 Jan 2014	Addition during the period	Adjustment during the period	Disposal during the period			Balance as at 1 Jan 2014	Charged during the period	Adjustment during the period	Balance as at 31 Mar 2014	
Office premises	75,684,163	-	-	-	75,684,163	5.00%	29,891,554	981,270	-	30,872,824	44,811,339
Motor vehicles	31,374,745	-	-	-	31,374,745	20.00%	11,484,918	1,218,415	-	12,703,333	18,671,412
Furniture and fixtures	29,550,148	6,603	-	-	29,556,751	12.50%	22,741,196	386,304	-	23,127,500	6,429,250
Equipment and appliances	37,591,445	291,820	-	-	37,883,265	20.00%	23,548,649	1,129,209	-	24,677,858	13,205,407
Accounting software	2,398,750	-	-	-	2,398,750	50.00%	2,132,499	99,844	-	2,232,343	166,407
	176,599,251	298,423	-	-	176,897,674		89,798,816	3,815,042	-	93,613,858	83,283,816
*Capital work in progress -HW	5,337,695	6,639,380	-	-	11,977,075	-	-	-	-	-	11,977,075
*Capital work in progress -SW	15,689,165	2,678,681	-	-	18,367,846	-	-	-	-	-	18,367,846
	21,026,860	9,318,061	-	-	30,344,921	-	-	-	-	-	30,344,921
Balance as at 31 March 2014	197,626,111	9,616,484	-	-	207,242,595	-	89,798,816	3,815,042	-	93,613,858	113,628,737

*Capital work in progress (both hardware & software) represents the amount paid for procuring and implementing new core banking software.

Category of asset	Cost				Balance as at 31 Dec 2013	Rate	Depreciation				Carrying amount as at 31 Dec 2013
	Balance as at 1 Jan 2013	Addition during the year	Adjustment during the year	Disposal during the year			Balance as at 1 Jan 2013	Charged during the year	Adjustment during the year	Balance as at 31 Dec 2013	
Office premises	75,684,163	-	-	-	75,684,163	5.00%	25,966,473	3,925,081	-	29,891,554	45,792,609
Motor vehicles	20,911,776	19,052,060	8,589,091	-	31,374,745	20.00%	16,896,243	3,160,077	8,571,402	11,484,918	19,889,827
Furniture and fixtures	29,241,775	490,220	181,847	-	29,550,148	12.50%	20,111,348	2,804,735	174,887	22,741,196	6,808,952
Equipment and appliances	33,413,823	5,570,708	1,393,086	-	37,591,445	20.00%	20,734,073	4,207,658	1,393,082	23,548,649	14,042,796
Accounting software	2,398,750	-	-	-	2,398,750	50.00%	1,733,124	399,375	-	2,132,499	266,251
	161,650,287	25,112,988	10,164,024	-	176,599,251		85,441,261	14,496,926	10,139,371	89,798,816	86,800,435
*Capital work in progress -HW	-	5,337,695	-	-	5,337,695	-	-	-	-	-	5,337,695
*Capital work in progress -SW	-	15,689,165	-	-	15,689,165	-	-	-	-	-	15,689,165
	-	21,026,860	-	-	21,026,860	-	-	-	-	-	21,026,860
Balance as at 31 March 2014	161,650,287	46,139,848	10,164,024	-	197,626,111	-	85,441,261	14,496,926	10,139,371	89,798,816	107,827,295

Revaluation of office premises

The office premises with proportionate land comprising 11,661 square feet of office space on 4th floor of Hosna Center, 106 Gulshan Avenue, Dhaka-1212, along with car parking for 15 cars, have been revalued by a professional valuer as at 31 December 2005 in line with prevailing market price as on that date. Accordingly selling price of the premises with proportionate land is stated at Tk. 68,441,292 with a revaluation adjustment of Tk. 23,627,792 as at 31 December 2005.