

**IPDC of Bangladesh Limited**  
**Condensed Interim Financial Statements (Un-audited)**  
**As at and for the third quarter ended September 30, 2015**

**IPDC of Bangladesh Limited**  
**Condensed Balance Sheet (Un-audited) as at September 30, 2015**

		Figures in Taka	
As at	Note	30 September 2015	31 December 2014
<b>PROPERTY AND ASSETS</b>			
<b>Cash</b>			
In hand (including foreign currencies)		150,000	150,000
Balance with Bangladesh Bank and its agent bank(s)		105,349,387	84,621,526
Balance with other banks and financial institutions	2	1,442,224,360	736,811,385
		<b>1,547,723,747</b>	<b>821,582,911</b>
<b>Investments</b>			
Government	3.2	-	415,000,000
Others	3.3	296,852,882	300,037,536
		<b>296,852,882</b>	<b>715,037,536</b>
Loans, cash credits, overdrafts, etc.	4	5,322,025,204	5,676,790,793
Fixed assets including land, building, furniture and fixtures	5	212,895,937	224,130,901
Other assets	6	324,584,124	302,568,585
Non financial institutional assets	7	3,752,405	3,752,405
<b>TOTAL ASSETS</b>		<b>7,707,834,299</b>	<b>7,743,863,131</b>
<b>LIABILITIES AND CAPITAL</b>			
<b>Liabilities</b>			
Borrowings from other banks, financial institutions and agents	8	556,832,400	398,377,801
Term deposits	9	3,699,954,411	3,997,390,887
Other liabilities	10	1,057,278,307	1,056,286,355
<b>Total liabilities</b>		<b>5,314,065,118</b>	<b>5,452,055,043</b>
<b>Shareholders' equity</b>			
Paid up capital	11	1,262,504,730	1,147,731,580
Share premium	12	167,014,000	167,014,000
Statutory reserve	13	284,720,219	284,720,219
Assets revaluation reserve	14	127,086,739	127,086,739
Retained earnings	15	552,443,493	565,255,550
<b>Total shareholders' equity</b>		<b>2,393,769,181</b>	<b>2,291,808,088</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>7,707,834,299</b>	<b>7,743,863,131</b>
<b>Off-balance sheet items</b>			
Letters of guarantee	16	5,590,000	5,590,000

Sd/-	Sd/-	Sd/-	Sd/-	Sd/-
_____ Chairman	_____ Director	_____ Managing Director & CEO	_____ CFO	_____ Company Secretary

**IPDC of Bangladesh Limited**  
**Condensed Profit and Loss Account (Un-audited) for the third quarter ended September 30, 2015**

Figures in Taka

For the third quarter ended September 30	Note	January to September		Third quarter	
		2015	2014	2015	2014
<b>PARTICULARS</b>					
Interest income	17	596,318,359	663,690,454	201,560,373	215,830,820
Interest paid on deposits and borrowings etc.	18	282,576,298	399,188,198	93,749,216	122,909,608
<b>Net interest income</b>		<b>313,742,061</b>	<b>264,502,256</b>	<b>107,811,157</b>	<b>92,921,211</b>
Investment income	19	48,708,537	66,889,998	13,764,576	21,641,835
Commission, exchange and brokerage	20	2,808,358	3,906,064	1,190,757	977,894
Other operating income	21	25,848,904	29,480,873	5,067,644	19,679,249
<b>Total operating income</b>		<b>391,107,860</b>	<b>364,779,191</b>	<b>127,834,135</b>	<b>135,220,189</b>
Salary and allowances		67,075,621	61,908,225	21,243,395	18,991,630
Rent, taxes, insurance, electricity, etc.	22	10,429,965	9,680,945	3,575,556	3,369,977
Legal expenses	23	8,768,995	9,759,691	2,648,482	4,561,715
Postage, stamp, telecommunications, etc.	24	2,429,857	2,324,724	850,353	804,471
Stationery, printings, advertisements, etc.	25	6,856,612	7,937,598	2,031,049	3,033,769
Managing Director's salary and allowances		7,985,406	5,647,497	3,195,499	2,732,499
Directors' fees	26	2,907,988	2,823,191	910,253	1,161,645
Depreciation and repair of Company's assets	27	20,530,078	18,463,328	7,103,162	7,397,601
Other expenses	28	12,180,197	11,064,929	3,652,632	3,578,100
<b>Total operating expenses</b>		<b>139,164,719</b>	<b>129,610,128</b>	<b>45,210,381</b>	<b>45,631,407</b>
<b>Profit before provision</b>		<b>251,943,141</b>	<b>235,169,063</b>	<b>82,623,754</b>	<b>89,588,783</b>
Provision for loans, leases and investment	29	211,735	28,826,814	(19,001,649)	(4,675,880)
<b>Total provision</b>		<b>211,735</b>	<b>28,826,814</b>	<b>(19,001,649)</b>	<b>(4,675,880)</b>
<b>Profit before tax</b>		<b>251,731,406</b>	<b>206,342,249</b>	<b>101,625,403</b>	<b>94,264,663</b>
Current tax		95,089,116	105,258,023	30,331,509	46,828,800
Deferred tax		(2,705,389)	907,748	(4,410,795)	450,878
<b>Total tax expenses</b>		<b>92,383,727</b>	<b>106,165,771</b>	<b>25,920,714</b>	<b>47,279,678</b>
<b>Net profit after tax</b>		<b>159,347,680</b>	<b>100,176,479</b>	<b>75,704,690</b>	<b>46,984,985</b>
<b>Earnings per share (EPS) (Restated Y2014)</b>	30	1.26	0.79	0.60	0.37

Sd/-	Sd/-	Sd/-	Sd/-	Sd/-
_____ Chairman	_____ Director	_____ Managing Director & CEO	_____ CFO	_____ Company Secretary

**IPDC of Bangladesh Limited**  
**Condensed third quarter Cash Flow Statement (Un-audited)**

Figures in Taka

For the third quarter ended 30 September	Note	2015	2014
<b>OPERATING ACTIVITIES</b>			
Interest receipts in cash		559,237,045	695,045,266
Interest payments in cash		(343,403,193)	(385,370,173)
Dividend receipts in cash		2,749,500	16,108,578
Fee and commission receipts in cash		2,808,358	3,906,064
Recoveries of loan previously written off		24,686,320	27,699,900
Cash payments to employees		(71,327,541)	(69,847,783)
Cash payments to suppliers		(51,532,349)	(47,105,677)
Income taxes paid		(11,743,136)	(17,348,018)
Receipts from other operating activities	31	33,166,904	37,095,036
<b>Cash generated before change in operating assets and liabilities</b>		<b>144,641,907</b>	<b>260,183,193</b>
<b>Increase/decrease in operating assets and liabilities</b>			
Purchase/sale of trading securities		418,184,654	-
Loans, advances and leases to other banks		65,019,072	32,362,569
Loans, advances and leases to customers		248,589,923	430,137,214
Other assets	32	(427,573)	(1,126,712)
Deposits from customers		(297,436,476)	(205,330,341)
Trading liabilities		167,437,715	(369,819,507)
Other liabilities	33	82,309,401	115,650,987
<b>Net increase/decrease in operating assets and liabilities</b>		<b>683,676,715</b>	<b>1,874,210</b>
<b>Net cash from operating activities</b>		<b>828,318,622</b>	<b>262,057,403</b>
<b>INVESTING ACTIVITIES</b>			
Proceeds from repayment of securities			107,500,000
Payment for purchase of property, plant and equipment		(18,501,597)	(15,195,452)
Sale proceeds of property, plant and equipment		950,000	1,280,000
<b>Net cash provided/(used) in investing activities</b>		<b>(17,551,597)</b>	<b>93,584,548</b>
<b>FINANCING ACTIVITIES</b>			
Receipts/(payments) of long term loan		(7,445,616)	(465,333)
Dividends paid in cash		(77,180,573)	(25,869,551)
<b>Net cash provided/(used) in financing activities</b>		<b>(84,626,189)</b>	<b>(26,334,884)</b>
<b>Net increase/(decrease) in cash</b>		<b>726,140,836</b>	<b>329,307,067</b>
<b>Cash and cash-equivalents at beginning of year</b>		<b>821,582,911</b>	<b>701,580,213</b>
<b>Cash and cash-equivalents at end of the third quarter</b>	34	<b>1,547,723,747</b>	<b>1,030,887,280</b>

**IPDC of Bangladesh Limited**  
**Condensed third quarter ended 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 period ended 30 September 2015						
Opening balance	1,147,731,580	167,014,000	284,720,219	127,086,739	565,255,550	2,291,808,088
Changes in accounting policy	-	-	-	-	-	-
Restated balance	1,147,731,580	167,014,000	284,720,219	127,086,739	565,255,550	2,291,808,088
Net profit for the period	-	-	-	-	159,347,680	159,347,680
5% cash dividend for Y2014	-	-	-	-	(57,386,587)	(57,386,587)
10% issuance of bonus share Y2014	114,773,150	-	-	-	(114,773,150)	-
Closing balance	1,262,504,730	167,014,000	284,720,219	127,086,739	552,443,492	2,393,769,181
For the period ended 30 September 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/(loss) for the period	-	-	-	-	100,176,479	100,176,479
10% issuance of bonus share Y2013	104,339,230	-	-	-	(104,339,230)	-
5% cash dividend Y2013	-	-	-	-	(52,169,618)	(52,169,618)
Closing balance	1,147,731,580	167,014,000	251,618,993	13,585,980	533,027,123	2,112,977,676

## **IPDC of Bangladesh Limited**

Notes to the Condensed third quarter Financial Statements (Un-audited)

As at and for the third quarter ended September 30, 2015

### **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 (4<sup>th</sup> 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 five branch offices located at Dhaka, Chittagong and Sylhet.

#### **1.2. Nature of business of the Company**

IPDC specialises 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 securitisation 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 third quarter ended September 30, 2015 have been prepared under historical cost convention following accrual basis of accounting and based on Bangladesh Accounting Standard (BAS) 34: *Interim Financial Reporting* .

#### **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 December 31, 2014 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 2014 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)**

Figures in Taka

As at	Note	September 30, 2015	December 31, 2014
<b>2. Balance with other banks and financial institutions</b>			
Name of Bank/FI	Type of A/c		
Commercial Bank of Ceylon PLC	CD A/c	41,980	43,250
Uttara Bank Ltd.	CD A/c	2,583	2,583
United Commercial Bank Ltd.	CD A/c	90,504	40,748
AB Bank Ltd.	CD A/c	17,225	18,375
Standard Chartered Bank	CD A/c	-	64,896
Prime Bank Ltd.	CD A/c	-	1,000,040
Social Islami Bank Ltd.	CD A/c	1,850.00	2,500
Bank Alfalah	CD A/c	1,451.00	-
Dhaka Bank Ltd.	CD A/c	18,852	-
		174,445	1,172,392
Dutch-Bangla Bank Ltd.	STD A/c	621,871	4,828,602
Prime Bank Ltd.	STD A/c	110,372,866	26,487,901
AB Bank Ltd.	STD A/c	1,590,275	1,488,859
Standard Chartered Bank	STD A/c	73,125	25,105
Mercantile Bank Ltd.	STD A/c	1,820	168,010
Al-Arafah Islami Bank Ltd.	STD A/c	3,769	5,397
BRAC Bank Ltd.	STD A/c	74,748	385,403
Dhaka Bank Ltd.	STD A/c	2,751,066	-
AB Bank Ltd.	STD A/c -FC	62,184	62,283
		115,551,725	33,451,560
Prime Bank Ltd.	FDR	114,781,384	110,324,933
Dhaka Bank Ltd.	FDR	120,810,000	100,000,000
AB Bank Ltd.	FDR	105,593,181	77,362,500
EXIM Bank Ltd.	FDR	50,000,000	50,000,000
Trust Bank Ltd.	FDR	100,000,000	100,000,000
National Bank of Pakistan	FDR	15,313,625	14,500,000
The City Bank Ltd.	FDR	150,000,000	50,000,000
Southeast Bank Ltd	FDR	97,500,000	-
Mutual Trust bank Ltd	FDR	50,000,000	-
National Credit and Commerce Bank Ltd.	FDR	97,500,000	-
Delta Brac Housing Finance Corp. Ltd.	FDR	100,000,000	-
		1,001,498,190	502,187,433
National Bank of Pakistan	Placement	250,000,000	200,000,000
Lanka Bangla Finance Limited	Placement	75,000,000	-
		1,442,224,360	736,811,385
<b>3. Investments</b>			
Government securities	3.2	-	415,000,000
Other investments	3.3	296,852,882	300,037,536
		296,852,882	715,037,536
<b>3.1 Classification of investments</b>			
Held for trading (HFT)		-	204,100,000
Held to maturity (HTM)		-	210,900,000
		-	415,000,000
Other investments		296,852,882	300,037,536
		296,852,882	715,037,536
<b>3.2 Government securities</b>			
15-year treasury bonds		-	242,600,000
20-year treasury bonds		-	172,400,000
		-	415,000,000

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

Figures in Taka

As at	Note	September 30, 2015	December 31, 2014
<b>3.3 Other investments</b>			
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		128,182,013	131,366,667
Investment in shares		146,852,882	150,037,536
In corporate bonds		150,000,000	150,000,000
		296,852,882	300,037,536

Details of other investments are shown in Annexure - A.

**4. Loans, cash credits, overdrafts, etc.**

Long term loan		2,304,438,319	2,839,058,571
Lease finance		1,289,348,048	1,413,928,097
Short term loan		997,956,842	697,565,894
Channel finance		165,912,196	256,198,846
Mortgage finance		87,852,539	85,629,338
Auto loan		363,289,727	255,781,377
Secured retail loan		96,017,787	112,777,787
Staff personal loan		17,209,747	15,850,884
		5,322,025,204	5,676,790,793

All loans, leases and advances are within Bangladesh.

**5. Fixed assets including land, building, furniture and fixtures**

Land		129,240,000	129,240,000
Building		20,922,500	20,922,500
Motor vehicles		33,799,037	32,690,044
Furniture and fixtures		34,145,874	33,964,876
Equipment and appliances		63,925,365	63,138,083
Accounting software		16,398,750	16,398,750
		298,431,525	296,354,253
Less: Accumulated depreciation		85,535,588	72,223,352
		212,895,937	224,130,901

Details of fixed assets are shown in Annexure - B.

**6. Other assets**

Dividend receivable on cumulative preference shares		11,656,611	6,969,687
Stationery, stamps, printing materials in stock		75,799	108,849
Advance rent and advertisement		3,130,614	5,187,621
Interest accrued on investment but not collected		28,647,814	23,845,366
Security deposits		2,095,986	1,222,410
Preliminary, formation, renovation and prepaid expenses		618,614	263,162
Others	6.1	278,358,685	264,971,490
		324,584,124	302,568,585

**6.1 Others**

Advance tax		263,883,123	252,139,987
Deferred tax asset		7,475,772	6,240,947
Sundry assets	6.1.1	6,999,791	6,590,556
		278,358,685	264,971,490

**6.1.1 Sundry assets**

City corporation tax		228,694	135,628
Hosna Centre Owners' Association		677,067	583,050
Advance others		6,094,030	5,871,878
		6,999,791	6,590,556



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

Figures in Taka

As at	Note	September 30, 2015	December 31, 2014
<b>7. Non financial institutional assets</b>			
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	37,341,429	59,951,213
Standard Chartered Bank	SOD	47,499	
AB Bank Ltd.	Call Loan	70,000,000	
NRB Global Bank Ltd.	Call Loan	30,000,000	
Mutual Trust Bank Ltd.	Call Loan	90,000,000	-
Standard Bank Ltd.	Call Loan	70,000,000	50,000,000
The City Bank Ltd.	Call Loan	250,000,000	170,000,000
Dhaka Bank Ltd.	Call Loan	-	100,000,000
Total short term loan		547,388,928	379,951,213
The UAE-Bangladesh Investment Company Ltd.	Long Term	5,343,472	12,789,088
Refinancing scheme under JICA assisted ESPDSME		4,100,000	5,637,500
		556,832,400	398,377,801

**9. Term deposits**

Inter-bank deposits		-	-
Other deposits		3,699,954,411	3,997,390,887
		3,699,954,411	3,997,390,887

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

**10. Other liabilities**

Cumulative provision for loans, leases and investments	10.1	226,820,685	226,608,952
Cumulative interest and dividend suspense	10.2	49,568,451	41,438,745
Provision for gratuity	10.3	18,418,067	14,684,582
Dividend Payable		13,332,929	33,126,916
Provision for corporate tax	10.4	503,192,704	408,103,589
Receipts against lease		37,575,160	46,364,536
Provision for finance charge	10.5	170,183,136	231,010,031
Withholding tax and VAT		2,345,429	11,436,305
Liabilities for special accounts	10.6	24,522,406	19,421,867
Provision for expense	10.7	6,176,090	9,762,775
Deferred tax liabilities		4,944,500	6,415,063
Payable for purchase of office equipment		198,751	7,912,993
		1,057,278,307	1,056,286,355

**10.1 Cumulative provision for loans, leases and investments**

Provision for loans, leases and advances	208,649,816	150,916,653
Provision for investments in shares	18,170,869	18,170,869
	226,820,685	169,087,522
Provision for marking to market on Govt. securities	-	57,521,430
	226,820,685	226,608,952

**10.2 Cumulative interest and dividend suspense**

Interest suspense against loans, leases and advances	46,461,917	38,332,211
Dividend suspense against cumulative preference shares	3,106,534	3,106,534
	49,568,451	41,438,745

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

Figures in Taka

As at	Note	September 30, 2015	December 31, 2014
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**10.3 Provision for gratuity**

This represents provision for staff gratuity up to 30 September 2015. 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		14,684,582	13,282,926
Add: Provision made during the period/year		5,262,423	3,713,656
		19,947,005	16,996,582
Less: Payment during the period/year		1,528,937	2,312,000
Closing balance		18,418,067	14,684,582

**10.4 Provision for corporate tax**

Provision for corporate 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. Currently tax rate applicable to the company is 40% on its business income.

Opening balance		408,103,589	225,220,631
Add: Provision made during the period/year		95,089,116	182,882,958
		503,192,704	408,103,589
Less: Adjustment during the period/year		-	-
Closing balance		503,192,704	408,103,589

**10.5 Provision for finance charge**

Accrued interest expenses on term deposits		169,972,158	230,412,937
Accrued interest expenses on long term borrowings		210,977	597,094
Accrued interest expenses on call borrowings		-	-
		170,183,136	231,010,031

**10.6 Liabilities for special accounts**

Account payable special account - IPO		1,118,356	1,118,356
Account payable special account - DEG		16,010,115	15,640,920
Account payable special account - other		7,393,935	2,662,591
		24,522,406	19,421,867

**10.7 Provision for expenses**

Legal fees		3,171,720	3,326,751
Office services		678,783	1,850,416
Pay and allowance		-	-
Promotion and publicity		1,004,800	2,165,483
Office rent		222,842	86,275
Professional fees		288,000	1,873,850
Audit fees		378,913	460,000
AGM expenses		-	-
Utility expenses		400,500	-
Travel & hotel expenses		30,532	-
		6,176,090	9,762,775

**11. Paid up capital**

<i>Authorized</i>			
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>			
126,250,473 number of ordinary shares of Taka 10 each	11.1	1,262,504,730	1,147,731,580

Paid up capital is made up of 25,701,400 numbers of ordinary shares paid up in cash and 100,549,073 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	
		September 30, 2015	December 31, 2014

**11.1 Paid up capital of the company is held as follows:**

<i>Foreign</i>			
Aga Khan Fund for Economic Development (AKFED)		644,536,343	585,942,130
Others		660	600
		<u>644,537,003</u>	<u>585,942,730</u>
<i>Domestic</i>			
Government of the People's Republic of Bangladesh (GoB)		276,230,540	251,118,680
General Shareholders		341,736,791	310,669,810
Others		396	360
		<u>617,967,727</u>	<u>561,788,850</u>
		<u>1,262,504,730</u>	<u>1,147,731,580</u>

**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 30 June 2015 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	284,720,219	251,618,993
Add: Transferred from profit during the period/year	-	33,101,226
Closing balance	<u>284,720,219</u>	<u>284,720,219</u>

**14. Assets revaluation reserve** 127,086,739 127,086,739

The Property was last 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, Hoda Vasi Chowdhury & Co (HVC) as professionally qualified valuer has conducted the assignment of valuation for determining the fair value of the Property on 31 December 2014, which has subsequently been incorporated in the financials of 2014 after being adopted in the Board. Total revaluation surplus of Taka 108,294,972 has been included in land and building.

**15. Retained earnings**

Opening balance	565,255,550	589,359,492
Add: Post tax profit for the period/year	159,347,680	165,506,131
	<u>724,603,230</u>	<u>754,865,623</u>
Less: Transfer to statutory reserve during the period/year	-	33,101,226
Less: Dividend during the period/year	57,386,587	52,169,617
Less: Issuance of bonus shares	114,773,150	104,339,230
	<u>172,159,737</u>	<u>189,610,073</u>
Closing balance	<u>552,443,493</u>	<u>565,255,550</u>

**16. Letters of guarantee**

Director	-	-
Government	-	-
Bank and financial institutions	5,590,000	5,590,000
	<u>5,590,000</u>	<u>5,590,000</u>

Letter of guarantee has been issued in favor of Meghna 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 third quarter ended September 30	Note	Figures in Taka	
		2015	2014
<b>17. Interest income</b>			
<i>Interest income on loans, leases and advances</i>			
Interest on lease finance		142,164,513	180,852,655
Interest on long term finance		239,304,582	331,062,280
Interest on short term finance		74,750,237	21,146,365
Interest on channel finance		24,159,193	25,250,302
Interest on mortgage finance		8,932,912	8,724,239
Interest on secured finance		8,189,824	14,102,747
Interest on auto loan		34,233,292	28,322,445
Interest income on staff loan		1,259,872	1,437,536
		<b>532,994,424</b>	<b>610,898,568</b>
<i>Interest income on balance with other banks and financial institutions</i>			
Interest on fixed deposits		35,761,346	39,214,091
Interest on overnight and treasury placements		26,204,403	12,944,514
Interest on STD accounts		1,358,186	633,282
		<b>63,323,934</b>	<b>52,791,886</b>
		<b>596,318,358</b>	<b>663,690,454</b>
<b>18. Interest paid on deposits and borrowings etc.</b>			
Interest expenses on term deposits		264,120,099	388,717,597
Interest expenses on borrowings	18.1	18,456,199	10,470,601
		<b>282,576,298</b>	<b>399,188,198</b>
<b>18.1 Interest paid on borrowings</b>			
Interest expenses on long term loan		1,045,755	1,700,504
Interest expenses on call loan borrowing		16,968,529	8,384,444
Interest expenses on bank overdrafts		441,915	336,111
Interest expenses on repo borrowings		-	49,542
		<b>18,456,199</b>	<b>10,470,601</b>
<b>19. Investment income</b>			
Income on Govt. treasury bonds		24,356,082	28,475,974
Income on corporate bonds		13,400,685	13,575,342
Income from Govt. bonds and securities		37,756,767	42,051,316
Dividend income on cumulative preference shares		10,716,159	24,163,558
Dividend income on listed shares		10,598	123
Capital gain on sale of shares and property		13	-
		<b>48,708,537</b>	<b>66,889,998</b>
<b>20. Commission, exchange and brokerage</b>			
Fees and commission income	20.1	2,808,358	3,906,064
Exchange income		-	-
		<b>2,808,358</b>	<b>3,906,064</b>

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

For the third quarter ended September 30	Note	Figures in Taka	
		2015	2014
<b>20.1 Fees and commission income</b>			
<i>Fees income</i>			
Appraisal and feasibility study fees		2,808,358	3,906,064
Restructuring/renewal fees		-	-
		2,808,358	3,906,064
Commission		-	-
		2,808,358	3,906,064
<b>21. Other operating income</b>			
Transfer price of leased assets		82,425	38,854
Other earnings		130,160	462,120
Loan loss recovery		24,686,320	27,699,900
Income/(loss) on sale of fixed assets	21.1	949,999	1,279,999
		25,848,904	29,480,873
<b>21.1 Income/(loss) from sale of fixed assets</b>			
Cost price of the assets sold		1,804,132	1,604,000
Less: Accumulated depreciation		1,804,131	1,603,999
Written down value		1	1
Sale proceeds		950,000	1,280,000
Income/(loss) from sale of fixed assets		949,999	1,279,999
<b>22. Rent, taxes, insurance, electricity, etc.</b>			
Office rent		5,687,826	4,810,214
Rates and taxes		156,414	201,133
Insurance		1,330,012	1,638,068
Utilities - electricity, gas, water etc		3,255,713	3,031,530
		10,429,965	9,680,945
<b>23. Legal expenses</b>			
Professional fees		5,196,954	7,247,890
Legal document, court fees etc.		3,572,041	2,511,801
		8,768,995	9,759,691

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

For the third quarter ended September 30	Note	Figures in Taka	
		2015	2014
<b>24. Postage, stamp, telecommunications, etc.</b>			
Postage, stamps etc.		218,282	240,703
Telephone		712,175	776,668
Internet expenses		1,499,400	1,307,353
		<u>2,429,857</u>	<u>2,324,724</u>
<b>25. Stationery, printing, advertisements etc.</b>			
Printing and stationery		1,307,366	1,033,403
Publicity and advertisement		5,549,246	6,904,195
		<u>6,856,612</u>	<u>7,937,598</u>
<b>26. Directors' fees</b>			
Honorarium for attending meeting		345,000	322,000
Incidental expenses for attending meeting		2,562,988	2,501,191
		<u>2,907,988</u>	<u>2,823,191</u>
<b>27. Depreciation and repair on fixed assets</b>			
Depreciation	27.1	16,158,028	14,153,086
Repair and maintenance	27.2	4,372,050	4,310,242
		<u>20,530,078</u>	<u>18,463,328</u>
<b>27.1 Depreciation</b>			
Office premises		1,046,124	2,883,437
Motor vehicles		4,296,731	4,076,208
Furniture and fixtures		1,485,171	1,131,210
Equipment and appliances		7,230,005	4,862,650
Accounting software		2,099,997	1,199,581
		<u>16,158,028</u>	<u>14,153,086</u>
Details of depreciation is shown in Annexure - B.			
<b>27.2 Repair and maintenance</b>			
Office premises		161,164	161,473
Vehicles		3,436,888	3,413,126
Office equipments		773,998	735,643
		<u>4,372,050</u>	<u>4,310,242</u>

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

For the third quarter ended September 30	Note	Figures in Taka	
		2015	2014
<b>28. Other expenses</b>			
Staff training		1,124,715	1,309,576
Membership fees, subscription and donations		1,473,905	1,589,855
News papers, periodicals, learning materials etc.		134,099	100,201
Traveling, conveyance and hotel expenses		1,357,839	1,679,061
Entertainment and public relation		1,109,806	755,585
AGM expenses		3,209,466	2,294,505
Recruitment expenses		-	55,036
Security and cleaning services		2,332,366	1,904,429
Sundry office maintenance		911,040	891,102
Other operational expenses		526,962	485,579
		<u>12,180,197</u>	<u>11,064,929</u>
<b>29. Provision for loans, advances, leases and investment</b>			
Provision for loans, advances and leases		211,735	28,826,814
Provision for marking to market on Govt. securities		-	-
		<u>211,735</u>	<u>28,826,814</u>
<b>30. Earnings per share (EPS)</b>			
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		159,347,680	100,176,479
<i>Weighted average number of shares outstanding during the period/year</i>			
Number of ordinary shares as at January 1		114,773,159	114,773,159
Bonus shares issued		11,477,315	11,477,315
		<u>126,250,473</u>	<u>126,250,473</u>
Basic earning per share (Restated for Y2014)		1.26	0.79
<b>Diluted earning per share (DEPS)</b>			
No DEPS is required to be calculated for the period as there was no scope for dilution of share during the period.			
<b>31. Receipts from other operating activities</b>			
Transfer price of lease assets		82,425	38,854
Securities income		32,954,319	36,594,062
Income from other operating activities		130,160	462,120
		<u>33,166,904</u>	<u>37,095,036</u>

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

For the third quarter ended September 30	Note	Figures in Taka	
		2015	2014
<b>32. (Increase)/decrease of other assets</b>			
<i>Closing other assets</i>			
Stationery, stamps, printing materials in stock		75,799	118,704
Advance rent and advertisement		3,130,614	5,778,864
Security deposit		2,095,986	1,222,410
Other assets		14,475,563	13,437,361
		<u>19,777,962</u>	<u>20,557,339</u>
<i>Opening other assets</i>			
Stationery, stamps, printing materials in stock		108,849	97,715
Advance rent and advertisement		5,187,621	7,552,593
Security deposit		1,222,410	716,160
Other assets		12,831,509	11,064,159
		<u>19,350,389</u>	<u>19,430,627</u>
		(427,573)	(1,126,712)
<b>33. Increase/(decrease) of other liabilities</b>			
<i>Closing other liabilities</i>			
Provision for current tax		503,192,704	330,478,654
Withholding tax, VAT and excise duty		2,345,429	9,005,351
Others		62,097,565	67,661,040
		<u>567,635,699</u>	<u>407,145,045</u>
<i>Opening other liabilities</i>			
Provision for current tax		408,103,589	225,220,631
Withholding tax, VAT and excise duty		11,436,305	7,761,895
Others		65,786,403	58,511,532
		<u>485,326,298</u>	<u>291,494,058</u>
		82,309,401	115,650,987
<b>34. Cash and cash equivalents</b>			
Cash in hand		150,000	130,000
Balance with Bangladesh Bank and its agent bank(s)		105,349,387	103,450,215
Balance with other banks and financial institutions		1,442,224,360	927,307,065
		<u>1,547,723,747</u>	<u>1,030,887,280</u>
<b>35. Events after the reporting period</b>			
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 third quarter Financial Statements (Un-audited)**

Annexure - A

**Details statement of other investments**

Figures in Taka

Particulars	30 September 2015		31 December 2014	
	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
ACI Godrej Agrovvet Private Ltd.	66,666,667	66,666,667	66,666,667	66,666,667
Confidence Salt Ltd.	7,515,346	7,515,346	10,700,000	10,700,000
Summit Power Company Ltd.	50,000,000	40,000,000	50,000,000	50,000,000
	128,182,013	118,182,013	131,366,667	131,366,667
Investment in shares	146,852,882	134,164,882	150,037,536	147,342,536
<i>In corporate bonds</i>				
Mutual Trust Bank Ltd.	150,000,000	150,000,000	150,000,000	150,000,000
	296,852,882	284,164,882	300,037,536	297,342,536

**Industrial Promotion and Development Company of Bangladesh Limited**  
**Notes to the Condensed Interim Financial Statements (Un-audited) as at and for the third quarter ended 30 September 2015**

**Fixed assets including land, building, furniture and fixtures**

Annexure - B

Figures in Taka

Category of asset	Cost						Depreciation				Carrying amount as at 30 Sep 2015
	Balance as at 1 Jan 2015	Revaluation Reserve	Addition during the period	Adjustment during the period	Disposal during the period	Balance as at 30 Sep 2015	Balance as at 1 Jan 2015	Charged during the period	Adjustment during the period	Balance as at 30 Sep 2015	
Land	129,240,000	-	-	-	-	129,240,000	-	-	-	-	129,240,000
Building	20,922,500	-	-	-	-	20,922,500	-	1,046,124	-	1,046,124	19,876,376
Motor vehicles	32,690,044	-	5,413,125	-	4,304,132	33,799,037	14,471,506	4,296,731	2,845,793	15,922,444	17,876,592
Furniture and fixtures	33,964,876	-	204,998	24,000	-	34,145,874	24,222,977	1,485,171	-	25,708,148	8,437,726
Equipment and appliances	63,138,083	-	787,281	-	-	63,925,364	29,496,790	7,230,005	-	36,726,795	27,198,569
Accounting software	16,398,750	-	-	-	-	16,398,750	4,032,079	2,099,997	-	6,132,076	10,266,674
	296,354,253		6,405,404	24,000	4,304,132	298,431,525	72,223,352	16,158,028	2,845,793	85,535,587	212,895,937
Capital work in progress - hardware	-	-	-	-	-	-	-	-	-	-	-
Capital work in progress - software	-	-	-	-	-	-	-	-	-	-	-
Balance as at 30 September 2015	296,354,253		6,405,404	24,000	4,304,132	298,431,525	72,223,352	16,158,028	2,845,793	85,535,587	212,895,937

Category of asset	Cost						Depreciation				Carrying amount as at 31 Dec 2014
	Balance as at 1 Jan 2014	Revaluation Reserve	Addition during the period/year	Adjustment during the period/year	Disposal during the period/year	Balance as at 31 Dec 2014	Balance as at 1 Jan 2014	Charged during the period/year	Adjustment during the period/year	Balance as at 31 Dec 2014	
Land	65,088,380	93,233,926	-	29,082,306	-	129,240,000	-	-	-	-	129,240,000
Building	10,595,783	15,061,046	-	4,734,329	-	20,922,500	29,891,554	3,925,081	33,816,635	-	20,922,500
Motor vehicles	31,374,745	-	5,919,299	4,604,000	-	32,690,044	11,484,918	5,490,587	2,503,999	14,471,506	18,218,538
Furniture and fixtures	29,550,148	-	4,488,863	74,135	-	33,964,876	22,741,196	1,548,664	66,883	24,222,977	9,741,899
Equipment and appliances	37,591,445	-	26,779,338	1,232,700	-	63,138,083	23,548,649	7,188,099	1,239,958	29,496,790	33,641,293
Accounting software	2,398,750	-	14,000,000	-	-	16,398,750	2,132,499	1,899,580	-	4,032,079	12,366,671
	176,599,251	108,294,972	51,187,500	39,727,470	-	296,354,253	89,798,816	20,052,011	37,627,475	72,223,352	224,130,901
Capital work in progress - hardware	5,337,695	-	-	5,337,695	-	-	-	-	-	-	-
Capital work in progress - software	15,689,165	-	-	15,689,165	-	-	-	-	-	-	-
Balance as at 31 December 2014	197,626,111	108,294,972	51,187,500	60,754,330	-	296,354,253	89,798,816	20,052,011	37,627,475	72,223,352	224,130,901

**Revaluation of office premises**

The office premises with proportionate land comprising 16,738 square feet of office space on 4th floor of Hosna Center, 106 Gulshan Avenue, Dhaka-1212, including car parking for 15 cars, had been revalued by an independent professional valuer as at 31 December 2005 and subsequently it has been revalued in 31 December 2014 in line with prevailing market price. Accordingly the fair market value of the premises with proportionate land is stated at Tk. 150,162,500 with a revaluation reserve of Tk. 108,294,972 as at 31 December 2014. Additionally, the land and building has been presented separately based on the valuation report from the latest valuation date.