

**Industrial Promotion and Development
Company of Bangladesh Limited**

Unaudited financial statements as at and
for the third quarter ended September 30, 2016

IPDC of Bangladesh Limited
Condensed Balance Sheet (Un-audited) as at September 30, 2016

As at	Note	Figures in Taka	
		September 30 2016	December 31 2015
PROPERTY AND ASSETS			
Cash			
In hand (including foreign currencies)		195,000	150,000
Balance with Bangladesh Bank and its agent bank(s)		178,795,010	82,047,426
Balance with other banks and financial institutions	2	1,264,029,031	1,063,034,059
		1,443,019,041	1,145,231,485
Investments			
Others	3.1	637,515,914	187,048,680
		637,515,914	187,048,680
Loans, cash credits, overdrafts, etc.	4	16,023,332,530	6,415,776,969
Fixed assets including land, building, furniture and fixtures	5	205,879,640	207,043,649
Other assets	6	372,694,844	243,385,260
Non financial institutional assets	7	3,752,405	3,752,405
TOTAL ASSETS		18,686,194,374	8,202,238,448
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks and financial institutions	8	5,788,189,348	227,064,552
Term deposits	9	8,892,965,116	4,544,692,563
Other liabilities	10	1,277,860,587	955,869,475
Total liabilities		15,959,015,051	5,727,626,590
Shareholders' equity			
Paid up capital	11	1,515,005,670	1,262,504,730
Share premium	12	167,014,000	167,014,000
Statutory reserve	13	368,789,759	332,758,289
Assets revaluation reserve	14	127,086,739	127,086,739
Retained earnings	15	549,283,155	585,248,100
Total shareholders' equity		2,727,179,323	2,474,611,858
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		18,686,194,374	8,202,238,448
Off-balance sheet items			
Letters of guarantee	16	4,472,000	11,612,000

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, 2016

Figures in Taka

For the third quarter ended September 30	Note	January to September		Third quarter	
		2016	2015	2016	2015
PARTICULARS					
Interest income	17	988,782,172	594,752,250	414,752,469	200,919,953
Interest paid on deposits and borrowings etc.	18	550,135,309	282,278,581	248,544,204	93,668,303
Net interest income		438,646,863	312,473,669	166,208,265	107,251,650
Investment income	19	31,831,335	48,708,537	15,758,844	13,764,576
Commission, exchange and brokerage	20	24,030,369	4,374,466	9,134,595	1,831,177
Other operating income	21	101,330,694	25,848,904	4,370,200	5,067,644
Total operating income		595,839,261	391,405,576	195,471,905	127,915,048
Salary and allowances	22	92,695,287	67,075,621	37,512,411	21,743,395
Rent, taxes, insurance, electricity, etc.	23	14,974,477	10,429,965	6,476,310	3,575,556
Legal and other professional expenses	24	10,813,208	9,147,907	3,401,976	3,027,394
Postage, stamp, telecommunications, etc.	25	2,782,105	2,429,857	990,763	850,353
Stationery, printings, advertisements, etc.	26	26,622,369	6,856,612	8,976,022	2,031,049
Managing Director's salary and allowances	27	8,086,497	7,985,406	2,695,499	2,695,499
Directors' fees	28	2,040,682	2,907,988	760,330	910,253
Depreciation and repair of Company's assets	29	23,253,729	20,530,078	8,410,857	7,103,162
Other expenses	30	20,280,922	12,099,006	7,120,489	3,354,636
Total operating expenses		201,549,275	139,462,438	76,344,657	45,291,297
Profit before provision		394,289,986	251,943,138	119,127,248	82,623,751
Provision for loans and advances	31	14,128,530	211,735	-	(19,001,649)
Other provisions		-	-	-	-
Total provision		14,128,530	211,735	-	(19,001,649)
Profit before tax		380,161,455	251,731,403	119,127,248	101,625,400
Current tax	10.4	118,984,481	95,089,116	46,416,650	30,331,509
Deferred tax	32	8,609,510	(2,705,389)	300,483	(4,410,795)
Total tax expenses		127,593,991	92,383,727	46,717,133	25,920,714
Net profit after tax		252,567,465	159,347,676	72,410,116	75,704,686
Earnings per share (EPS)	33	1.67	1.05	0.48	0.50

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

IPDC of Bangladesh Limited

Condensed Cash Flow Statement (Un-audited) for the period ended September 30, 2016

	Figures in Taka	
For the period ended September 30	2016	2015
OPERATING ACTIVITIES		
Interest receipts in cash	1,101,481,784	559,237,045
Interest payments in cash	(398,134,330)	(343,403,193)
Dividend receipts in cash	1,522,222	2,749,500
Fee and commission receipts in cash	24,030,369	2,808,358
Recoveries of loan previously written off	100,751,364	24,686,320
Cash payments to employees	(119,481,237)	(71,327,541)
Cash payments to suppliers	(79,164,665)	(51,532,349)
Income taxes paid	(76,737,893)	(11,743,136)
Receipts from other operating activities	17,312,627	33,166,904
Cash generated before change in operating assets and liabilities	571,580,242	144,641,907
Increase/decrease in operating assets and liabilities		
Purchase/sale of trading securities	-	418,184,654
Loans and advances to other banks	85,916,164	65,019,072
Loans and advances to customers	(10,395,283,903)	248,589,923
Other assets	(23,944,639)	(427,573)
Deposits from customers	4,348,272,553	(297,436,476)
Trading liabilities	5,565,373,517	167,437,715
Other liabilities	164,779,284	82,309,401
Net increase/decrease in operating assets and liabilities	(254,887,023)	683,676,715
Net cash from operating activities	316,693,220	828,318,622
INVESTING ACTIVITIES		
Payment for purchase of property, plant and equipment	(15,768,976)	(18,501,597)
Sale proceeds of property, plant and equipment	1,112,033	950,000
Net cash provided/(used) in investing activities	(14,656,943)	(17,551,597)
FINANCING ACTIVITIES		
Receipts/(payments) of long term loan	(4,248,721)	(7,445,616)
Dividends paid in cash	-	(77,180,573)
Net cash provided/(used) in financing activities	(4,248,721)	(84,626,189)
Net increase/(decrease) in cash	297,787,556	726,140,836
Cash and cash equivalents at beginning of period	1,145,231,485	821,582,911
Cash and cash equivalents at end of period	1,443,019,041	1,547,723,747

IPDC of Bangladesh Limited
Condensed Statement of Changes in Shareholders' Equity (Un-audited) for the period ended September 30, 2016

Figures in Taka

	Paid up share capital	Share premium	Statutory reserve	Asset revaluation reserve	Retained earnings	Total
Balance as at January 1, 2016	1,262,504,730	167,014,000	332,758,289	127,086,739	585,248,100	2,474,611,858
Changes in accounting policy	-	-	-	-	-	-
Restated balance	1,262,504,730	167,014,000	332,758,289	127,086,739	585,248,100	2,474,611,858
Net profit for the period	-	-	-	-	252,567,465	252,567,465
Payment of cash dividend	-	-	-	-	-	-
Issuance of stock dividend	252,500,940	-	-	-	(252,500,940)	-
Appropriation made during the year	-	-	36,031,470	-	(36,031,470)	-
Balance as at September 30, 2016	1,515,005,670	167,014,000	368,789,759	127,086,739	549,283,155	2,727,179,323
Balance as at January 1, 2015	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
Payment of cash dividend	-	-	-	-	(57,386,587)	(57,386,587)
Issuance of bonus share	114,773,150	-	-	-	(114,773,150)	-
Balance as at September 30, 2015	1,262,504,730	167,014,000	284,720,219	127,086,739	552,443,492	2,393,769,181

IPDC of Bangladesh Limited

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

As at and for the third quarter ended September 30, 2016

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 February 7, 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 five 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 third quarter ended September 30, 2016 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 December 31, 2015, the year for which the annual financial statements were prepared.

1.4. Accounting policies and method of computations

For preparing the third quarter ended financial statements, the accounting policies and methods in consistent with those used in the financial statements prepared for the year ended December 31, 2015 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 2015 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	
		September 30 2016	December 31 2015
2. Balance with other banks and financial institutions			
Name of Bank/FI			
<i>Current deposit accounts</i>			
Commercial Bank of Ceylon PLC		-	41,980
Uttara Bank Ltd.		-	2,583
United Commercial Bank Ltd.		19,796	29,707
AB Bank Ltd.		1,120,559	17,225
Standard Chartered Bank		1,237,757	9,832
Prime Bank Ltd.		19,508,032	96,682
Social Islami Bank Ltd.		-	1,850
Bank Alfalah Ltd.		-	1,451
Dhaka Bank Limited		122,976,180	-
		144,862,324	201,310
<i>Short term deposit accounts</i>			
Dutch-Bangla Bank Ltd.		11,345,970	867,822
Prime Bank Ltd.		27,082,579	27,985,260
AB Bank Ltd.		1,681,448	1,590,275
Standard Chartered Bank		36,388	39,586
Mercantile Bank Ltd.		7,209,859	1,201,820
Al-Arafah Islami Bank Ltd.		-	3,768
BRAC Bank Ltd.		261,581	11,312,262
Dhaka Bank Limited		2,851,536	45,330,394
United Commercial Bank Ltd.		136,927	62,097
		50,606,288	88,393,284
<i>Short term placement</i>			
National Bank of Pakistan		250,000,000	250,000,000
International Leasing and Financial Service Limited		100,000,000	-
Lanka Bangla Finance Ltd.		-	75,000,000
		350,000,000	325,000,000
<i>Short term deposit accounts (in foreign currency)</i>			
AB Bank Ltd.		1,367	62,184
		1,367	62,184
<i>Fixed deposit accounts</i>			
Prime Bank Ltd.		26,401,209	225,585,004
Dhaka Bank Ltd.		129,069,391	124,860,000
AB Bank Ltd.		396,329,739	107,860,627
EXIM Bank Ltd.		50,000,000	100,000,000
National Bank of Pakistan		16,758,713	16,071,650
The City Bank Ltd.		-	50,000,000
Union Bank Ltd.		-	25,000,000
Janata Bank Ltd.		-	-
Standard Bank Ltd.		100,000,000	-
		718,559,052	649,377,281
		1,264,029,031	1,063,034,059
3. Investments			
Other investments	3.1	637,515,914	187,048,680
		637,515,914	187,048,680

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

As at	Note	Figures in Taka	
		September 30 2016	December 31 2015
3.1 Other investments			
In ordinary shares - Listed		7,000,000	7,000,000
In ordinary shares - Unlisted		4,500,000	4,500,000
In cumulative redeemable preference shares		315,548,680	63,048,680
Investment in shares		327,048,680	74,548,680
In corporate bonds		310,467,234	112,500,000
		637,515,914	187,048,680

Details of other investments are shown in Annexure - A.

4. Loans, leases and advances

Long term loan		5,122,508,845	2,090,171,422
Lease finance		1,891,937,090	1,177,043,033
Short term loan		6,287,486,536	2,323,608,983
Mortgage finance		1,125,529,408	190,873,203
Channel finance		561,148,108	135,033,555
Auto loan		745,419,989	403,632,792
Secured retail loan		92,820,918	79,241,371
Personal Loan		165,043,643	-
Staff loan		31,437,994	16,172,610
		16,023,332,530	6,415,776,969

All loans, leases and advances are within Bangladesh.

5. Fixed assets including premises, furniture and fixtures

Land		129,240,000	129,240,000
Building		20,922,500	20,922,500
Motor vehicles		31,214,198	28,799,037
Furniture and fixtures		36,093,198	34,154,874
Equipment and appliances		70,440,187	65,794,704
Accounting software		16,398,750	16,398,750
		304,308,833	295,309,865
Less: Accumulated depreciation		98,429,193	88,266,216
		205,879,640	207,043,649

Details of fixed assets are shown in Annexure - B.

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

As at	Note	Figures in Taka	
		September 30 2016	December 31 2015
6. Other assets			
Stationery, stamps, printing materials in stock		109,881	95,156
Advance rent and advertisement		4,994,989	2,823,489
Interest accrued on investment but not collected		45,970,699	19,319,193
Security deposits		8,610,580	1,990,560
Preliminary, formation, renovation and prepaid expenses		971,987	200,569
Others	6.1	312,036,708	218,956,293
		372,694,844	243,385,260
6.1 Others			
Advance tax		285,506,272	208,768,379
Deferred tax asset	6.1.2	387,932	7,701,603
Sundry assets	6.1.1	24,938,376	2,486,311
Miscellaneous Receivables		1,204,128	
		312,036,708	218,956,293
6.1.1 Sundry assets			
City corporation tax		228,694	166,324
Hosna Centre Owners' Association		583,050	583,050
Advance others		24,126,632	1,736,937
		24,938,376	2,486,311
6.1.2 Deferred tax asset			
<i>i) Deductible temporary difference</i>			
Gratuity provision		-	18,699,452
Tax rate		-	40.00%
Deferred tax asset		-	7,479,781
<i>ii) Deductible temporary difference</i>			
Property, plant and equipment		969,831	554,556
Net taxable temporary differences		969,831	554,556
Tax rate		40.00%	40.00%
Deferred tax assets		387,932	221,822
Total deferred tax assets (i+ii)		387,932	7,701,603
<i>Movement of deferred tax asset is as follows:</i>			
Opening balance		7,701,603	6,240,947
Add: (Expense)/income		(7,313,671)	1,460,656
Closing balance		387,932	7,701,603
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			
<i>Secured Overdraft</i>			
Name of Bank/FI			
Prime Bank Ltd.			10,273,385
Dhaka Bank Limited		216,139,348	10,492,446
AB Bank Limited			-
Total overdraft		216,139,348	20,765,831

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

As at	Note	Figures in Taka	
		September 30 2016	December 31 2015
<i>Call loan</i>			
AB Bank Limited		70,000,000	-
BASIC Bank		100,000,000	-
Agrani Bank Limited		-	-
Mutual Trust Bank Limited		80,000,000	-
Total call loan		250,000,000	-
<i>Treasury Borrowing from Bank</i>			
AB Bank Limited		200,000,000	-
Janata Bank Limited		400,000,000	-
BRAC Bank Limited		1,100,000,000	-
The City Bank Limited		500,000,000	200,000,000
Social Islami Bank Limited		600,000,000	-
Eastern Bank Limited		430,000,000	-
Modhumoti Bnak Limited		500,000,000	-
Pubali Bank Limited		300,000,000	-
Sonali Bank Limited		350,000,000	-
Mercantile Bank Limited		200,000,000	-
Midland Bank limited		250,000,000	-
United Commercial Bank Limited		240,000,000	-
		5,070,000,000	200,000,000
<i>Treasury Borrowing from NBFIs</i>			
Infrastructure Development Company Limited		150,000,000	-
Bangladesh Infrastructure Finance Fund Limited		100,000,000	-
		250,000,000	-
Total short term loan		5,320,000,000	200,000,000
<i>Unsecured long term loan</i>			
The UAE-Bangladesh Investment Company Ltd.	Long Term	-	2,711,221
Refinancing scheme under JICA assisted ESPDSME	Long Term	2,050,000	3,587,500
Total long term loan		2,050,000	6,298,721
		5,788,189,348	227,064,552

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

As at	Note	Figures in Taka	
		September 30 2016	December 31 2015
9. Deposits and other accounts			
Inter-bank deposits		-	-
Customer Deposits		8,892,965,116	4,544,692,563
Customer deposits		8,892,965,116	4,544,692,563
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 and investments	10.1	226,036,539	211,908,008
Cumulative interest and dividend suspense	10.2	38,439,452	36,275,580
Provision for gratuity	10.3	-	18,699,452
Dividend payable		13,280,444	13,275,600
Provision for corporate tax	10.4	542,032,799	423,048,318
Receipts against lease	10.5	72,291,017	36,718,793
Provision for finance charge	10.6	314,413,787	162,412,807
Withholding tax and VAT		4,008,241	5,698,047
Liabilities for special accounts	10.7	46,780,890	34,868,505
Provision for expense	10.8	13,019,742	6,702,530
Deferred tax liabilities	10.9	7,358,925	6,063,086
Payable for purchase of office equipment		198,751	198,750
		1,277,860,587	955,869,475
10.1 Cumulative provision for loans, advances and investment			
Provision for loans, leases and advances		209,184,429	199,098,264
Provision for investments in shares		16,852,110	12,809,744
		226,036,539	211,908,008
10.2 Cumulative interest and dividend suspense			
Interest suspense against loans, leases and advances		35,332,918	33,169,046
Dividend suspense against cumulative preference shares		3,106,534	3,106,534
		38,439,452	36,275,580
10.3 Provision for gratuity			
Opening balance		18,699,452	14,684,582
Add: Provision made during the period		6,021,834	6,613,463
		24,721,286	21,298,045
Less: Payment/transfer during the period		24,721,286	2,598,593
Closing balance		-	18,699,452
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 40.00% on its business income.			
Opening balance		423,048,318	408,103,589
Add: Provision made during the period		118,984,481	105,822,441
Less: Adjustment during the period		-	90,877,712
Net Provision during the period		118,984,481	14,944,729
Closing balance		542,032,799	423,048,318

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

As at	Note	Figures in Taka	
		September 30 2016	December 31 2015
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		36,718,793	46,364,536
Add: Receipts during the period		50,094,641	4,883,328
		86,813,433	51,247,864
Less: Adjusted during the period		14,522,417	14,529,071
Closing balance		72,291,016	36,718,793
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		313,949,703	162,361,812
Accrued interest expenses on long term borrowings		7,403	50,995
Accrued interest expenses on call borrowings		57,639	-
Accrued interest expenses on bank borrowings		399,042	-
		314,413,787	162,412,807
10.7 Liabilities for special accounts			
Account payable special account - IPO		1,118,356	1,118,356
Account payable special account - DEG		17,826,118	16,750,973
Account payable special account - other		27,836,416	16,999,176
		46,780,890	34,868,505
10.8 Provision for expenses			
Legal fees		4,094,199	2,990,614
Office services		5,949,857	1,177,766
Promotion and publicity		2,403,272	1,572,240
Office rent		107,910	107,910
Professional fees		464,505	348,000
Audit fees		-	506,000
		13,019,742	6,702,530
10.9 Deferred tax liabilities			
<i>Deferred tax liability on land & building</i>			
Revaluation reserve on building		-	-
Taxable temporary differences on building		5,473,313	5,464,716
Tax rate		40.00%	40.00%
Deferred tax liability		2,189,325	2,185,886
<i>Revaluation reserve on land</i>			
Revaluation reserve on land		129,240,000	129,240,000
Tax rate		4.00%	-
Deferred tax liability		5,169,600	3,877,200
Total deferred tax liability on revaluation		7,358,925	6,063,086
Total Deferred tax liabilities		7,358,925	6,063,086
Movement of deferred tax liabilities is as follows:			
Opening balance		6,063,086	6,415,064
Revaluation Adjustment		-	-
Add: Charged/(released) to profit and loss account	32	1,295,839	(351,978)
Closing balance		7,358,925	6,063,086

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

As at	Note	Figures in Taka	
		September 30 2016	December 31 2015
11. Share 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>			
151,500,567 number of ordinary shares of Taka 10 each		1,515,005,670	1,262,504,730
Paid up capital is made up of 25,701,400 numbers of ordinary shares paid in cash and 125,799,167 numbers of ordinary shares through issuance of bonus shares.			
11.1 Paid up capital of the company is held as follows:			
<i>Foreign</i>			
Aga Khan Fund for Economic Development (AKFED)		167,441,320	139,534,440
Others			
		167,441,320	139,534,440
<i>Domestic</i>			
BRAC		378,751,410	315,626,180
Ayesha Abed Foundation		151,500,570	126,250,480
RSA Capital Limited		75,750,280	63,125,240
Government of the People's Republic of Bangladesh (GoB)		331,476,640	276,230,540
General Shareholders		410,085,450	341,737,850
		1,347,564,350	1,122,970,290
		1,515,005,670	1,262,504,730
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.			
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		332,758,289	284,720,219
Add: Transferred from profit during the period		36,031,470	48,038,070
Closing balance		368,789,759	332,758,289
14. Assets revaluation reserve		127,086,739	127,086,739
15. Retained earnings			
Opening balance		585,248,100	565,255,550
Add: Post tax profit for the period		252,567,465	240,190,349
		837,815,565	805,445,899
Less: Transfer to statutory reserve during the period		36,031,470	48,038,070
Less: Dividend Payment		-	57,386,579
Less: Issuance of stock dividend		252,500,940	114,773,150
Closing balance		549,283,155	585,248,100
16. Letters of guarantee			
Bank and financial institutions		4,472,000	11,612,000
		4,472,000	11,612,000

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

For the third quarter ended September 30	Note	Figures in Taka	
		2016	2015
17. Interest income			
<i>Interest income on loans, leases and advances</i>			
Interest on lease finance		136,054,052	142,164,513
Interest on long term finance		314,022,617	239,304,582
Interest on short term finance		323,436,060	74,750,237
Interest on channel finance		32,351,108	22,593,085
Interest on mortgage finance		43,083,607	8,932,912
Interest on secured finance		6,155,174	8,189,824
Interest on auto loan		56,684,792	34,233,292
Interest Income on Personal Loan		6,847,199	-
Interest income on staff loan		955,102	1,259,872
		919,589,711	531,428,316
<i>Interest income on balance with other banks and financial institutions</i>			
Interest on fixed deposits		46,018,479	35,761,346
Interest on treasury placements		22,624,792	26,204,403
Interest on STD accounts		549,191	1,358,186
		69,192,462	63,323,934
		988,782,172	594,752,250
18. Interest paid on deposits and borrowings etc.			
Interest expenses on term deposits		522,827,604	264,120,099
Interest expenses on borrowings	18.1	27,307,705	18,158,483
		550,135,309	282,278,581
18.1 Interest paid on borrowings			
Interest expenses on long term loan		153,055	1,045,755
Interest expenses on call loan borrowing		24,457,083	16,968,529
Interest expenses on bank overdrafts		2,697,567	144,199
Interest expenses on Repo borrowings		-	-
		27,307,705	18,158,483
19. Investment income			
Income on Govt. treasury bonds		-	24,356,082
Income on corporate bonds		18,206,090	13,400,685
Income from Govt. bonds and securities		18,206,090	37,756,767
Dividend income on cumulative preference shares		13,376,708	10,716,159
Dividend Income on Listed Shares		23,538	10,598
Dividend Income on Unlisted Shares		225,000	225,000
Capital gain on sale of shares and property		-	13
		31,831,335	48,708,537
20. Commission, exchange and brokerage			
Fees and commission income		24,030,369	4,374,466
Exchange income		-	-
		24,030,369	4,374,466
21. Other operating income			
Transfer price of leased assets		351,544	82,425
Other earnings		384,208	130,160
Loan loss recovery		100,751,364	24,686,320
Income/(loss) on sale of fixed assets		(156,422)	949,999
		101,330,694	25,848,904

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

For the third quarter ended September 30	Note	Figures in Taka	
		2016	2015
21.1 Income/(loss) from sale of fixed assets			
Cost price of the assets sold		6,770,003	1,804,132
Less: Accumulated depreciation		5,501,548	1,804,131
Written down value		1,268,455	1
Sale proceeds		1,112,033	950,000
Income/(loss) from sale of fixed assets		(156,422)	949,999
22. Salary and allowances		92,695,287	67,075,621
23. Rent, taxes, insurance, electricity, etc.			
Office rent		9,343,625	5,687,826
Rates and taxes		187,110	156,414
Insurance		1,491,070	1,330,012
Utilities - electricity, gas, water etc		3,952,672	3,255,713
		14,974,477	10,429,965
24. Legal expenses			
Professional fees		5,092,256	5,575,866
Legal document, court fees etc.		5,720,952	3,572,041
		10,813,208	9,147,907
25. Postage, stamp, telecommunications, etc.			
Postage, stamps etc.		166,506	218,282
Telephone		970,351	712,175
Internet expenses		1,645,248	1,499,400
		2,782,105	2,429,857
26. Stationery, printing, advertisements etc.			
Printing and stationery		1,384,032	1,307,366
Publicity and advertisement		25,238,337	5,549,246
		26,622,369	6,856,612
27. Managing Director's salary and allowances		8,086,497	7,985,406
28. Directors' fees			
Honorarium for attending meeting		993,600	345,000
Incidental expenses for attending meeting		1,047,082	2,562,988
		2,040,682	2,907,988
29. Depreciation and repair on fixed assets			
Depreciation	29.1	15,664,525	16,158,028
Repair and maintenance	29.2	7,589,204	4,372,050
		23,253,729	20,530,078

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

For the third quarter ended September 30	Note	Figures in Taka	
		2016	2015
29.1 Depreciation			
Office building		1,046,124	1,046,124
Motor vehicles		3,742,647	4,296,729
Furniture and fixtures		1,447,518	1,485,172
Equipment and appliances		7,328,239	7,230,005
Accounting software		2,099,997	2,099,998
		15,664,525	16,158,028
Details of depreciation is shown in Annexure - B.			
29.2 Repair and maintenance			
Office premises		264,044	161,164
Vehicles		3,498,012	3,436,888
Office equipments		3,827,148	773,998
		7,589,204	4,372,050
30. Other expenses			
Staff training		2,428,219	1,124,715
Membership fees, subscription and donations		3,362,363	1,473,905
News papers, periodicals, learning materials etc.		128,268	134,099
Traveling, conveyance and hotel expenses		2,429,001	1,357,839
Entertainment and public relation		1,419,438	1,109,806
AGM expenses		3,969,250	3,209,466
Recruitment Expenses		1,078,955	-
Security and cleaning services		2,682,916	2,332,366
Sundry office maintenance		1,868,857	994,934
Other operational expenses		913,655	361,876
		20,280,922	12,099,006
31. Provision for loans, advances, leases and investment			
Provision for loans and advances		14,128,530	211,735
Other - provision for marking to market on Govt. securities		-	-
Provision for loans and advances		14,128,530	211,735
32. Deferred tax expense/(income)			
Expense/(income) on deductible temporary differences	6.1.2	7,313,671	-
Expense/(income) on taxable temporary differences	10.9	1,295,839	1,705,406
		8,609,510	1,705,406

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

For the third quarter ended September 30	Note	2016	Figures in Taka 2015
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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: *Earnings per share* . Details are as follows:

Net profit/(loss) after tax		252,567,465	159,347,676
<i>Weighted average number of shares outstanding during the period</i>			
Number of ordinary shares as at 1 January		126,250,473	-
Issuance of stock dividend		25,250,094	-
		151,500,567	151,500,567
Basic earnings per share (Restated)		1.67	1.05

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. Cash and cash equivalents

Cash in hand		195,000	150,000
Balance with Bangladesh Bank and its agent bank(s)		178,795,010	82,047,426
Balance with other banks and financial institutions		1,264,029,031	1,063,034,059
		1,443,019,041	1,145,231,485

35. 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 third quarter Financial Statements (Un-audited)

Annexure - A

Details statement of other investments

Figures in Taka

Particulars	September 30, 2016		December 31, 2015	
	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
	4,500,000	4,500,000	4,500,000	4,500,000
<i>In cumulative redeemable preference shares</i>				
Premium Seed Ltd.	4,000,000	4,000,000	4,000,000	4,000,000
Confidence Salt Ltd.	3,215,346	3,215,346	5,715,346	5,715,346
ACI Godrej Agrovat Private Ltd.	33,333,334	33,333,334	33,333,334	33,333,334
Summit Power Company Ltd.	-	-	20,000,000	20,000,000
Summit Barisal Power Limited	100,000,000	100,000,000	-	-
Summit Narayanganj Power Unit II Limited	100,000,000	100,000,000	-	-
Star Ceramics Limited	75,000,000	75,000,000	-	-
	315,548,680	315,548,680	63,048,680	63,048,680
<i>In corporate bonds</i>				
Mutual Trust Bank Ltd.	112,500,000	112,500,000	112,500,000	112,500,000
Impress Newtex Composite Textiles Limited	197,967,234	197,967,234	-	-
	310,467,234	310,467,234	112,500,000	112,500,000
	637,515,914	634,827,914	187,048,680	184,353,680

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 September 30, 2016

Fixed assets including land, building, furniture and fixtures

Annexure - B

Figures in Taka

Category of asset	Cost					Depreciation				Carrying amount as at Sep 30, 2016
	Balance as at Jan 1, 2016	Addition during the period	Adjustment during the period	Disposal during the period	Balance as at Sep 30, 2016	Balance as at Jan 1, 2016	Charged during the period	Adjustment during the period	Balance as at Sep 30, 2016	
	Land	129,240,000	-	-	-	129,240,000	-	-	-	
Building	20,922,500	-	-	-	20,922,500	1,394,832	1,046,125	-	2,440,957	18,481,543
Motor vehicles	28,799,037	4,915,161	2,500,000	-	31,214,198	14,753,838	3,742,636	1,666,667	16,829,807	14,384,392
Furniture and fixtures	34,154,874	4,049,737	2,111,413	-	36,093,198	26,176,411	1,436,392	1,760,056	25,852,747	10,240,451
Equipment and appliances	65,794,703	6,804,076	2,158,592	-	70,440,187	39,109,059	7,339,266	2,074,717	44,373,608	26,066,579
Accounting software	16,398,750	-	-	-	16,398,750	6,832,075	2,100,000	-	8,932,075	7,466,675
Balance as at Sep 30, 2016	295,309,864	15,768,974	6,770,005	-	304,308,833	88,266,215	15,664,419	5,501,440	98,429,194	205,879,640

Category of asset	Cost					Depreciation				Carrying amount as at Dec 31, 2015
	Balance as at Jan 1, 2015	Addition during the year	Adjustment during the year	Disposal during the year	Balance as at Dec 31, 2015	Balance as at Jan 1, 2015	Charged during the year	Adjustment during the year	Balance as at Dec 31, 2015	
	Land	129,240,000	-	-	-	129,240,000	-	-	-	
Building	20,922,500	-	-	-	20,922,500	-	1,394,832	-	1,394,832	19,527,668
Motor vehicles	32,690,044	5,413,125	9,304,132	-	28,799,037	14,471,506	5,586,464	5,304,132	14,753,838	14,045,199
Furniture and fixtures	33,964,877	213,998	24,000	-	34,154,875	24,222,977	1,953,434	-	26,176,411	7,978,463
Equipment and appliances	63,138,083	2,656,620	-	-	65,794,703	29,496,790	9,612,269	-	39,109,059	26,685,644
Accounting software	16,398,750	-	-	-	16,398,750	4,032,079	2,799,996	-	6,832,075	9,566,675
Balance as at Dec 31, 2015	296,354,253	8,283,743	9,328,132	-	295,309,864	72,223,352	21,346,995	5,304,132	88,266,215	207,043,649