



**Internship Report
On
“Performance Evaluation of Some Selective NBFIs (LankaBangla
Finance Limited, IPDC Finance Limited & IDLC Finance Limited)”**

Submitted to:

**Department of Business Administration
Faculty of Business studies
Sonargaon University (SU)
Green road, Dhaka-1215**

Submitted By:

**Fardina Rahman Bably
ID: BBA1801013080
Program: BBA
Major: Finance
Department of Business Administration
Faculty of Business studies
Sonargaon University (SU)
Dhaka-1215**



Sonargaon University (SU)
Dhaka-1215

Internship Report on

Performance Evaluation of Some Selective NBFIs (LankaBangla Finance Limited, IPDC Finance Limited & IDLC Finance Limited)

Supervised By:

Md. ShahbubAlam

Lecturer

Department of Business Administration
Sonargaon University (SU)
Dhaka-1215

Submitted By:

Fardina Rahman Bably

ID: BBA1801013080

Program: BBA (Major: Finance)

Department of Business Administration
Sonargaon University (SU)
Dhaka-1215

**Submitted for the Partial Fulfillment of the Requirements for the Degree the
Bachelor of Business Administration**

Date of Submission: 15 January 2022

LETTER OF TRANSMITTAL

January 15, 2022

To
Md. Shahbub Alam
Lecturer,
Department of Business Administration
Sonargaon University, Dhaka

Subject: Submission of the Project Report.

Dear Sir,

With due respect, I would like to inform you that, It is my pleasure to present this Report on “**Performance Evaluation of Some Selective NBFIs (LankaBangla Finance Limited, IPDC Finance Limited & IDLC Finance Limited)**” as a requirement for completing my Bachelor of Business Administration. I enjoyed preparing the report through it was challenging to finish within the given time. In preparing this report, I have tried my level best to include all the relevant information related to Financial Performance of Some Selective NBFIs which is LankaBangla Finance Limited, IPDC Finance Limited & IDLC Finance Limited.

I have a strong belief the report will fulfill your expectation and I have tried to give my best effort so that I can prepare a solid report as per your instruction. I would be very grateful if you accept my report. Your kind consideration & cooperation will be highly appreciated.

Sincerely yours,

Fardina Rahman Bably

ID: BBA1801013080

Department of Business Administration
Sonargaon University (SU)

CERTIFICATE OF SUPERVISOR

This is to certify that Fardina Rahman Bably student of BBA bearing Department of Business Administration. Sonargaon University (SU), Dhaka. ID No: BBA1801013080, Major in Finance. She has completed the project report on “Performance Evaluation of Some Selective NBFIs (LankaBangla Finance Limited, IPDC Finance Limited & IDLC Finance Limited)” under my supervision which is the fulfillment of the partial requirement of obtaining a BBA degree.

I wish her every success in his future endeavors.

Md. Shahbub Alam

Lecturer

Department of Business Administration

Faculty of Business Studies

Dhaka-1215

DECLARATION OF STUDENT

I am Fardina Rahman Bably, student of Department of Business Administration; ID: BBA1801013080 from Sonargaon University hereby declare that the internship report on “Performance Evaluation of Some Selective NBFIs (LankaBangla Finance Limited, IPDC Finance Limited & IDLC Finance Limited)” has been submitted as the requirement for the degree of Bachelor of Business Administration.

I hereby declared that this project report or any part of it has not been submitted elsewhere for the award.

Sincerely yours,

Fardina Rahman Bably
ID 1801013080
Batch 2018
Department of Business Administration
Sonargaon University

ACKNOWLEDGEMENT

At first, all praises belongs to the mighty Allah who has created me & has given me opportunities & strength to work with people. With deep interest I had started my work. My “Project Report” is a formal part of BBA under the Department of Business Administration of Sonargaon University.

It is indeed a great pleasure and honor on my side to have the opportunity to submit this report on “**Performance Evaluation of Some Selective NBFIs (LankaBangla Finance Limited, IPDC Finance Limited & IDLC Finance Limited)**”. This report is considered as an honest effort to develop my practical and personal knowledge, which adds to theoretical part of my study. The people without whom I could never been able to submit my report is the following mentioned irrespective of my any importance in order.

I express my gratitude and acclaim towards the authority of Sonargaon University and to our honorable **Principal, Abdul Hamid** for providing me such an opportunity. I would like to express my special thanks of gratitude to my respective supervisor **Md. Shahbub Alam, Lecturer, Department of Business Administration, Sonargaon University**. His generous guidance, supervision, endless inspiration, cooperation and valuable advice enabled me to overcome all the quandaries that cropped up during the course of my project report program and while preparing this report.

I also extend my deepest appreciation to all my faculty members of Department of Business Administration, Sonargaon University for their individual contribution and cooperation in advancing this report and hereby completing my BBA program successfully.

Apart from all I humbly thanks to all of my batchmates and friends who have helped and inspired me to complete the project report.

EXECUTIVE SUMMARY

This report is based on “**Performance Evaluation of Some Selective NBFIs (LankaBangla Finance Limited, IPDC Finance Limited & IDLC Finance Limited)**” which is prepared for the partial requirement of the BBA program.. This report is prepared based on secondary data. More specifically on the basis of annual reports (2016-2020) of these NBFIs. The scope of the report is limited to the financial performance analysis of these three market leader NBFIs. There also had some limitations such as collecting all the required information within a short period of time. Due to the COVID-19 situation, it was not possible to collect the data from a primary source for safety purposes. So that it was a big challenge & there was lack of experience & knowledge.

In the second chapter, I tried to give some clear idea about the history, vision, mission, objectives, and core values & SWOT analysis of LankaBangla Finance Limited, IPDC Finance Limited & IDLC Finance Limited. Here I tried to give a brief discussion about these organizations' journey, their short & long term goals, their ability to sustain in the competitive market & their future plan to be extended.

The third chapter provides the idea about the NBFIs of Bangladesh. It actually contains the theoretical overview of the NBFIs. Here I discussed the role of the NBFIs in Bangladesh. It also contains the theoretical overview of the financial performance analysis of the organizations. This helps the understanding of the way making a judgment about the organization's financial performance.

In chapter four, the year-wise financial performance earnings & growth rate of each NBFIs are shown by both table & graph. And the comparative analysis of the performance evaluation & the comparison of growth rate among LankaBangla Finance Limited, IPDC Finance Limited & IDLC Finance Limited. Such as horizontal analysis, vertical analysis, ratio analysis. The ratio analysis represent for liquidity, long term solvency, profitability, operating efficiency. The analysis shows that from the year 2016 to 2020 current ratio LankaBangla Finance Limited struggled to maintain the current ratio especially for the years 2016 to 2020. Here IPDC Finance Limited & IDLC Finance Limited maintained a good current ratio about the liquidity position. The debt ratio of LankaBangla Finance Limited slightly decreased from (0.88-0.87) & IDLC Finance Limited from (0.91-0.90). However, IPDC Finance Limited Increases from 0.70 to 0.91. And, changes in NPM of LankaBangla Finance Limited (49.53%-21.07%), IPDC Finance Limited (37.54%-25.97%). And, IDLC Finance Limited (31.40%-31.61%).

In the last chapter, findings, recommendations and conclusions are given. On the basis of comparative performance analysis of financial performance & the growth rate of five years, it is shown that NBFIs are performing well in this field. Based on the findings I recommend taking necessary steps for improving the NBFIs annual earnings performance. Those, Paid-up capital of all three organizations were increasing trend. So, they should keep focus to increase in order to maintain their solvency.

Table of Contents

Serial No	Contents	Page No
Chapter - 1	Introduction	
1.1	Introduction	1
1.2	Origin of the report	1
1.3	Objectives of the report	2
1.4	Scope of the Study	2
1.5	Methodology	3
1.6	Limitations	4
Chapter - 2	Organizational Overview	
2.1	History	6
2.2	Vision	7
2.3	Mission	7
2.4	Objectives	8
2.5	Core Values	9
2.6	SOWT analysis	10
Chapter - 3	Theoretical Overview	
3.1	Introduction	14
3.2	Definition of NBFIs	15
3.3	Types of NBFIs	16
3.4	Functions of NBFIs	16
3.5	Financial Performance Analysis	20
Chapter - 4	Analysis & Evaluation	
4.1	Liquidity Ratio	21
	Current Ratio	21
4.2	Financial Leverage Ratio	23
	Debt Ratio or Leverage Ratio or Total Debt to Capital Ratio	23
4.3	Profitability Ratio	25
	Return on Asset (ROA)	26

4.4	Vertical & Horizontal Analysis of Financial Statement	28
4.4.1	Vertical Analysis of Balance Sheet	28
4.4.2	Horizontal Analysis	30
Chapter - 5	Findings, Recommendations and Conclusions	
5.1	Findings	35
5.2	Recommendations	36
5.3	Conclusion	36
	Bibliography	38
	Appendix - 1	39
	Appendix - 2	41

CHAPTER- 1

INTRODUCTION

1.1 Introduction

The primary role of financial institutions is to provide liquidity to the economy and permit a higher level of economic activity than would otherwise be possible. According to the Brookings Institute, banks accomplish this in three main ways: offering credit, managing markets and pooling risk among consumers.

The role of NBFIs is generally to allocate surplus resources to individuals and companies with financial deficits, allowing them to supplement banks. By unbundling financial services, targeting them and specializing in the needs of the individual, NBFIs work to enhance competition in the financial sector.

Examples of nonbank financial institutions include insurance firms, venture capitalists, currency exchanges, some microloan organizations, and pawn shops. These non-banks financial institutions provide services that are not necessarily suited to banks, serve as competition to banks, and specialize in sectors or groups.

As a part of the Project Report of BBA course requirement, I was assigned to do my report on Performance Evaluation of Some Selective NBFIs. Those are LankaBangla Finance Limited, IPDC Finance Limited & IDLC Finance Limited.

This report, "**Performance Evaluation of Some Selective NBFIs (LankaBangla Finance Limited, IPDC Finance Limited & IDLC Finance Limited)**" has been prepared to fulfill the partial requirement of the BBA program as a means Project Paper. While preparing this report, I had a great opportunity to have an in-depth knowledge of all the activities of the Non-Bank Financial Institutions.

1.2 Origin of the report

This report is prepared as per as Project Paper requirement of my Bachelors of Business Administration (BBA) program at National University. I worked on this report on the basis of secondary data which has all been found on the internet. This report is a brief overview of the NBFIs I found all over the internet by myself.

1.3 Objectives of the report

1.3.1 General Objective

The broad objective of the report is to fulfill the partial requirement of the BBA program.

1.3.2 Specific Objective

The following aspects can be listed as the specific objectives for this project on Performance Evaluation of Some Selective NBFIs (LankaBangla Finance Limited, IPDC Finance Limited & IDLC Finance Limited):

- To calculate the financial ratios & identify the areas of concern.
- To understand the implications in analyzing & interpreting the financial ratios.
- To evaluate the financial performance of some selective NBFIs.
- To identify the findings & raise possible recommendations for
- To find out the problems of these NBFIs.

1.4 Scope of the Study

In order to maintain the speed of development of the country's economy now NBFIs must compete in the market place with local institution as well as foreign ones. The presentation of the organizational structure & policy of LankaBangla Finance Limited, IPDC Finance Limited & IDLC Finance Limited. Also, investing the strategies applied by them provide the scope of this report. The scope of this report is limited to the overall description of these non-banking financial institutions, their services, their position in the industry, their financial performance & analysis of the practical progress of their operation. The scope of the study is limited to organizational setup, functions & performances.

- ✓ To obtain theoretical experience about non-banking financial institutions activities by involving such type of program.
- ✓ Recent performance of LankaBangla Finance Limited, IPDC Finance Limited & IDLC Finance Limited in terms of investment, deposit & foreign exchange.

- ✓ To analyze the NBFIs current financial flows performed by LankaBangla Finance Limited, IPDC Finance Limited & IDLC Finance Limited.
- ✓ Having a wide area of gaining knowledge.
- ✓ Information availability because of internet.
- ✓ To learn about the financial performance evaluation by look over the annual reports.

1.5 Methodology

• Topic Selection

I selected the topic. My supervisor Mr. Md. Shahinur Shobhan approved the topic. After selective the topic, I researched all over the internet on Performance Evaluation of Some Selective NBFIs (LankaBangla Finance Limited, IPDC Finance Limited & IDLC Finance Limited) to prepare it well-organized project paper. I have selected the last five years for my analysis. I have collected data & financial papers for these five years to prepare this report.

• Data Sources

To prepare the report, various types of secondary data are used. Like;

- Financial Statements.
- Annual Reports.
- Web Sites.
- Selected NBFIs published document.

• Data Analysis

Quantitative & qualitative data were collected analyzed according to acceptable financial standards of practice. Different tables & graphs were to make the data meaningful & comparable. Quantitative data are analyzed rationally & in comparison with the current market position. Necessary percentages & averages were calculated & the analyzed results described step by step.

1.6 Limitations

Observing & analyzing the broad performance of three market leaders on the NBFIs sector in Bangladesh was not that easy. Moreover due to obvious reasons of security & confidentiality & most importantly this whole report is built on the basis of secondary data which found on the internet. The primary limitation was caused by the COVID-19. Also, these NBFIs usually don't want to disclose all the statistical information about their organization. Time is another major limitation of the report. The time duration for the report was only three weeks, it was not possible on my part to notice or express some of the sensitive issues & other aspects.

The limitations I have faced while preparing this report are listed as follows:

- ❖ **Time Limitation:** To complete the study, time was limited by one month due to COVID- 19. It was really a very short time to know details about three market leaders of the merchant bankers like LankaBangla Finance Limited, IPDC Finance Limited & IDLC Finance Limited.
- ❖ **Lack of Record:** Large-scale research was not possible due to constraints & restrictions posed by the organizations. Unavailability of sufficient written documents as required making a comprehensive study. In many cases, up-to-date information was not available.
- ❖ **Lack of Primary Data:** Due to COVID- 19, it was not possible to go to these organizations by myself to collect primary data for the safety reason of every one of the organizations & myself. So I had to make this report on the basis of secondary data all I found on the internet including companies' annual reports.

CHAPTER- 2

ORGANIZATIONAL OVERVIEW

2.1 History

LankaBangla Finance Limited

LankaBangla Finance Limited started its journey long back in 1997 as a joint-venture financial institution with multinational collaboration having license from Bangladesh Bank under Financial Institution Act-1993. Now LankaBangla is the country's leading provider of integrated financial services including corporate financial services, retail financial services, SME financial services, stock broking, corporate advisory and wealth management services. Under the broadest umbrella of products and service offerings, we are the lone financial institution to operate credit card (MasterCard and VISA). LankaBangla is a primary dealer of government securities since November 2009. Since 2006 LankaBangla has been listed in both DSE & CSE in Bangladesh.

IPDC Finance Limited

IPDC Finance was established on November 28, 1981 by a distinguished group of shareholders namely International Finance Corporation (IFC), USA, German Investment and Development Company (DEG), Germany, The Aga Khan Fund for Economic Development (AKFED), Switzerland, Commonwealth Development Corporation (CDC), UK and the Government of Bangladesh. It's a public limited company incorporated in Bangladesh under the Companies Act 1913 (now the Companies Act 1994), listed with the Dhaka and Chittagong Stock Exchange Limited since December 3, 2006. Licensed as Financial Institution under the Financial Institutions Act 1993 on February 7, 1995.

IPDC was first conceived as a result of an IBRD/IFC Industrial Sector mission to Bangladesh in 1978. Subsequently, a detailed feasibility study and strategic policy dialogue among the Government, IFC and other international partners resulted in the establishment of IPDC as an alternative development finance institution in the private sector. The Company in 1981 became the first private sector Development Finance Institution (DFI) in Bangladesh.

IDLC Finance Limited

IDLC was established in 1985 by the initiation of IFC of the World Bank. The company was formed via collaboration of International Finance Corporation, German Investment and Development Company, Korea Development Financing Corporation, Aga Khan Fund for Economic Development, Kookmin Bank, The City Bank Limited, Bangladesh Limited and Sadharan Bima Corporation. It has since emerged as a fully locally owned financial institution.

2.2 Vision

LankaBangla Finance Limited

To Be the Most Preferred Financial

IPDC Finance Limited

To become the most passionate financial brand in the country with a special focus on youth, women & under-served areas.

IDLC Finance Limited

We will be the best financial brand in the country.

2.3 Mission

LankaBangla Finance Limited

- Be a growth partner for our customers, ensuring financing and superior experience
- Maintain a culture of meritocracy in the DNA of the company
- Be sustainable and ensure quality returns to our valued shareholders
- Uphold efforts to develop our community

IPDC Finance Limited

To enable our customers & communities to live unbound & to live to their fullest potential by extending innovative financial solutions in a friendly, timely, transparent & cost-effective manner.

IDLC Finance Limited

We will focus on quality growth, superior customer experience and sustainable business practices.

2.4 Objectives

LankaBangla Finance Limited

- Diversifying Portfolio with sustainable innovation
- Creating Convenience for our Customer
- People are the business
- Create a Sustainable Brand
- Prudent Balance Sheet Management

IPDC Finance Limited

- Strong & diverse board of Directors
- Experience management
- Strong governance & regulatory compliance
- Quality asset base
- Extraordinary customer service & experience
- Unique corporate culture

IDLC Finance Limited

- Achieve sustainable business growth
- Fully leverage the core banking platform

- Maintain strong funding mix
- Attract, retain and develop talented employees
- Continuously improve operational efficiency
- Advance our social causes
- Embrace internationally accepted Corporate Governance and sustainable business practices

2.5 Core Values

LankaBangla Finance Limited

We have strong values that are well embedded in our culture. Our values create the following goals to help us deliver our strategy:

- Cherish a sense of ownership
- Be customer centric
- Grow as a team
- Act with integrity & professionalism
- Deal with respect

IPDC Finance Limited

They will create extraordinary customer experience by:

- Serving our customers with passion & honesty
- Going beyond the normal call of duty
- Relentlessly pursuing innovation

IDLC Finance Limited

- Integrity
- Customer Focus
- Trust and Respect
- Equal Opportunity

- Eco-friendly
- Passion
- Simplicity

2.6 SOWT analysis

LankaBangla Finance Limited

- **Strength**

1. Support
2. Integrity
3. Trust
4. Clients First

- **Opportunities**

1. Leverage corporate relationship for Retail lending and supply chain finance
2. Launch Women Focused Product and Services
3. Use Shareholder strengths for low cost multisource funds

- **Weakness**

1. More Focus on Volume
2. Too Much Diversification
3. Internal capacity in retail & SME

- **Threats**

1. Regulatory restriction on low cost deposit
2. Too Much Diversification

IPDC Finance Limited

- **Strength**

1. Shareholding structure
2. Relationship with corporate houses
3. Capital adequacy
4. Risk management framework

- **Opportunities**

1. Regulatory advantage in retail lending
2. Emergence of middle income class
3. Growing women Entrepreneurs
4. Growing services sector
5. Young people coming into workforce
6. Increasing mobile & internet penetration

- **Weakness**

1. Low brand recognition in retail & SME
2. Limited distribution network
3. Internal capacity in retail & SME

- **Threats**

1. Competition from banks in corporate lending
2. Regulatory restriction on low cost deposit
3. Portfolio infection
4. Limited product

IDLC Finance Limited

- **Strength**

1. Reputation and brand image
2. Product portfolio
3. Quality Customer Portfolio
4. Human Resources
5. Operational efficiency
6. Employee Empowerment

- **Opportunities**

1. Continuity of Liberalization
2. Foreign Investment in Prospective Sectors
3. Local banks inefficiency

- **Weakness**

1. High Cost of fund

2. More Focus on Volume
3. Too Much Diversification
4. Less People in Liability Marketing

- **Threats**

1. Threat from banks
2. Regularity control of government

CHAPTER- 3
THEORETICAL OVERVIEW

3.1 Introduction

In Bangladesh Non-bank financial institutions represent one of the most important parts of a financial system. Out of 31 companies 29 NBFIs are now working in the country.

The NBFIs sector in Bangladesh consisting primarily of the development financial institutions, leasing enterprises, investment companies, merchant bankers etc. The financing modes of the NBFIs are long term in nature. Traditionally, our banking financial institutions are involved in term lending activities, which are mostly unfamiliar products for them. Inefficiency of BFIs in long-term loan management has already led to an enormous volume of outstanding loan in our country. At this backdrop, in order to ensure flow of term loans and to meet the credit gap, NBFIs have immense importance in the economy. In addition, non-bank financial sector is important to increase the mobilization of term savings and for the sake of providing support services to the capital market.

The operations of NBFIs in Bangladesh are regulated by the Bangladesh bank. The grant of authority to engage in borrowing from the general public is normally based on such factors as minimum capital requirement, quality of management, compliance with the concerned laws, rules, and regulations, and stability of financial standing. NBFIs may grant loans to their members and the general public up to a certain amount and may also engage in trust functions with prior permission of the central bank. They are not allowed to engage in foreign exchange transactions.

NBFIs are specialists of the intermediation process and their origins can be traced to the development of specialized financial institutions. Their survival and existence depend upon their ability to (a) offer contracts that serve the needs of specialized customers, (b) maintain a spread between the rate they pay for funds and the rate they receive that will support their costs, and (c) meet commitment to suppliers of funds.

3.2 Definition of NBFIs

“NBFIs are a mix bag of institutions ranging from leasing, factoring, and venture capital companies to various types of contractual savings and institutional investors (pension funds, insurance companies, and mutual funds).” – World Bank

Broadly, Non-bank financial institutions (NBFIs) are financial institutions that provide banking services without meeting the legal definition of a bank, i.e. one that does not hold a banking license. These institutions are not allowed to take deposits from the public. Nonetheless, all operations of these institutions are still exercised under bank regulation. However this depends on the jurisdiction, as in some jurisdictions, such as the business of banking, and there are no banking licenses issued. If an organization in Bangladesh intends to describe itself as a bank and intends to use the word bank in its title it must first receive approval and official registration and thus license from the nation’s central bank, the Bangladesh Bank.

Based on their Liability Structure, NBFIs have been divided into two categories. 1. Category „A’ companies (NBFIs accepting public deposits or NBFIs-D), and 2. Category „B’ companies (NBFIs not raising public deposits or NBFIs-ND).

NBFIs-D are subject to requirements of Capital adequacy, Liquid assets maintenance, Exposure norms (including restrictions on exposure to investments in land, building and unquoted shares), ALM discipline and reporting requirements; In contrast, until 2006 NBFIs-ND were subject to minimal regulation. Since April 1, 2007, non-deposit taking NBFIs with assets of `1 billion and above are being classified as Systemically Important Non-Deposit taking NBFIs (NBFIs-ND-SI), and prudential regulations, such as capital adequacy requirements and exposure norms along with reporting requirements, have been made applicable to them. The asset liability management (ALM) reporting and disclosure norms have also been made applicable to them at different points of time.

3.3 Types of NBFIs

Depending upon their nature of activities, non- banking finance companies can be classified into the following categories:

- Development finance institutions
- Leasing companies
- Investment companies
- Modaraba companies
- House finance companies
- Venture capital companies
- Discount & guarantee houses
- Corporate development companies

Main Features

- Do not take deposits
- Can offer similar services to commercial banks,
- Can complement them or compete with them.
- Provide financing to high end clients
- Make investments
- Facilitate bank related services such as investment risk pooling, contractual savings and market brokering.

3.4 Functions Of NBFIs

One of the important roles which NBFIs play in an economy is to act as a buffer, especially in the moments of economic distress. An efficient NBFIs sector also acts as systemic risk mitigation and contributes to the overall goal of financial stability in the economy.

Major functions of the NBFIs are as follows:

1. Financial Intermediation:

The most important function of the non-bank financial intermediaries is the transfer of funds from the savers to the investors.

2. Economic Basis of Financial Intermediation:

Handling of funds by financial intermediaries is more economical and more efficient than that by the individual wealth owners because of the fact that financial intermediation is based on

- (a) The law of large numbers, and
- (b) Economies of scale in portfolio management.

3. Inducement to Save:

Non-bank financial intermediaries play an important role in promoting savings in the country. Savers need stores of value to hold their savings in. These institutions provide a wide range of financial assets as store of value and make available expert financial services to the savers. As stores of value, the financial assets have certain special advantages over the tangible assets (such as, physical capital, inventories of goods, etc.). They are easily storable, more liquid, more easily divisible and less risky. In fact, saving-income ratio is positively related to both financial institutions and financial assets; financial progress induces larger savings out of the same level of real income.

4. Mobilization of Savings:

Mobilization of savings takes place when the savers hold savings in the form of currency, bank deposits, post office savings deposits, life insurance policies, bills, bond's equity shares, etc. NBFIs provide highly efficient mechanism for mobilizing savings. There are two types of NBFIs involved in the mobilization of savings;

- (a) Depository Intermediaries, such as savings and loan associations, credit unions, mutual saving banks etc. These institutions mobilize small savings and provide high liquidity of funds.

(b) Contractual intermediaries, such as life insurance companies, public provident funds, pension funds etc. These institutions enter into contract with savers and provide them various types of benefits over the long periods.

In Bangladesh the contractual intermediaries are not under the NBFIs. Only depository intermediaries are regulated under the Financial Institutions Act 1993 and the Financial Institutions Prudential Regulation Act 1994.

5. Investment of Funds:

The main objective of NBFIs is to earn profits by investing the mobilized savings. For this purpose, these institutions follow different investment policies. For example, savings and loan associations, mutual saving banks invest in mortgages, while insurance companies invest in bonds and securities.

3.5 Financial Performance Analysis

Financial performance analysis is the process of identifying the financial strengths & weaknesses of the firm by properly establishing the relationship between the items of balance sheet & profit & loss account. It also helps in short-term & long term forecasting & growth can be identified with the help of financial performance analysis. The dictionary meaning of „analysis‘ is to resolve or separate a thing in to its element or components parts for tracing their relation to the things are whole & to each other. The analysis of financial statement is a process of evaluating the relationship between the component parts of financial statement to obtain a better understanding of the firm’s position & performance.

A financial analysis looks at many aspects of a business form its profitability & stability to its solvency & liquidity. For example, these elements are typically reviewed in a financial analysis:

- **Profitability:** The business needs to review the levels of current & past profitability & decide what they need to do to increase profitability in the future.

- **Solvency:** Businesses are also concerned with making sure that they do not fold because they are in debt. A financial analysis will highlight the debts they owe, & help create a pay-off plan.
- **Liquidity:** A business need to understand its cash position & make sure that it has the ability to maintain a positive cash flow, while still being able to pay for what they need immediately.
- **Stability:** The business also wants to make sure that it is financially stable, & does not have component that could cause it to fold. They are thinking long term about the future of the company. They want to make sure they do not get into financial trouble.

For the purpose of analysis, individual items are studied; their relationship with other related figures established, the data is sometimes rearranged to have better understanding of the information with the help of different techniques or toll for the purpose. analysis is largely a study of relationship among the various financial factors in a business as disclosed by a single set of statements & a study of the trend of these factors as shown in a series of statements (Gibson, 2008). The analysis of financial statements thus refers to the treatment of the information contained in the financial statements in a way so as to afford a full diagnosis of the profitability & financial position of the firm concerned. For this purpose finance statements are classified methodically, analyzed & compared with the figures of previous years or other similar forms (Weygandt, Kieso, Kimmel. 2011).

Objective of Financial Analysis

In short, the main objectives of analysis of financial statements are to assess: the present & Future earnings capacity or profitability of the concerns, the operating efficiency of the concern as a whole & of its various parts or departments, the short-term & long-term solvency of the concern for the benefit of the debenture holders & trade creditors, the comparative study in regard to one firm with another firm or one department with another department, the possibility of developments in the future by making forecasts & preparing budgets, the financial stability of a business concern, the real meaning & significance of financial data (Weygandt, Kieso, Kimmel, 2011).

CHAPTER- 4
ANALYSIS & EVALUATION

4.1 Liquidity Ratio

Liquidity ratios are the ratios that measure the ability of a company to meet its short term debt obligations. These ratios measure the ability of a company to pay off its short-term liabilities when they fall due.

Current Ratio

The current ratio indicates a company's ability to meet short-term debt obligations. The current ratio measures whether or not a firm has enough resources to pay its debts over the next 12 months.

The current ratio is calculated by dividing current assets by current liabilities:

$$\text{The Current Ratio} = \text{Current Assets} / \text{Current Liabilities}$$

LankaBangla Finance Limited

Table: Current Ratio

Particulars	2016	2017	2018	2019	2020
Ratio	0.59	1.01	3.09	2.36	2.16

Source: Annual Report (2015-2019)

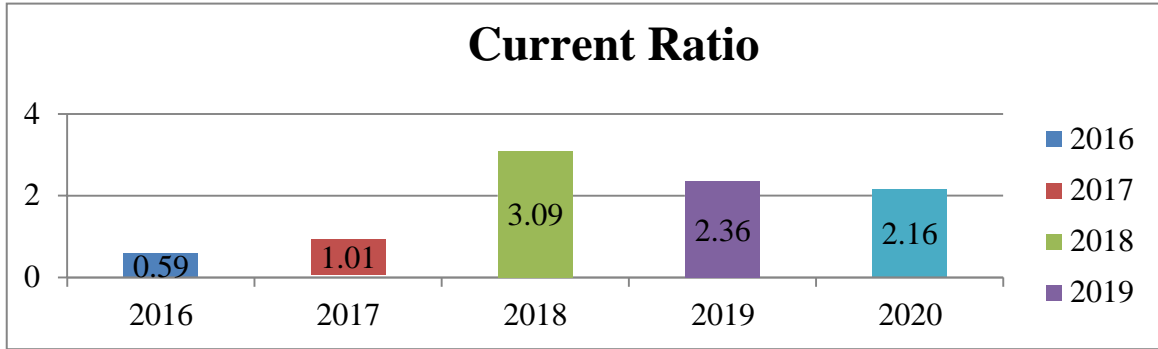


Figure: Current Ratio

IPDC Finance Limited

Table: Current Ratio

Particulars	2016	2017	2018	2019	2020
Ratio	1.46	1.55	1.76	1.26	2.09

Source: Annual Report (2016-2020)

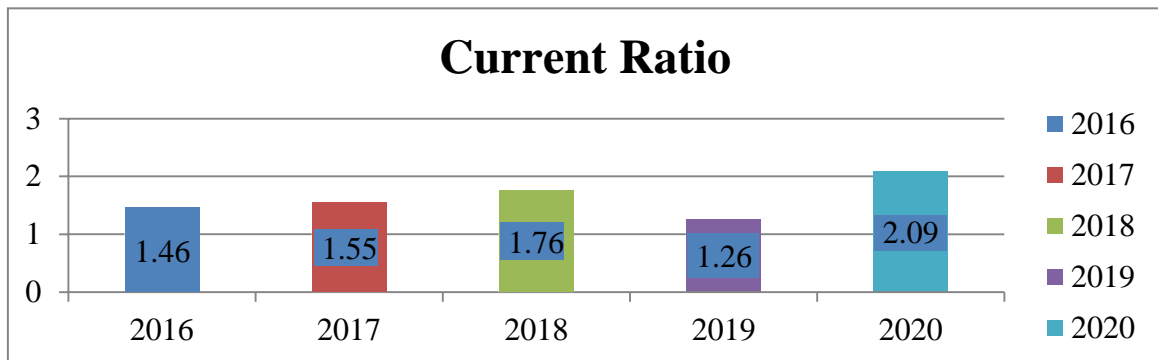


Figure: Current Ratio

IDLC Finance Limited

Table: Current Ratio

Particulars	2016	2017	2018	2019	2020
Ratio	2.18	1.69	2.26	2.40	1.98

Source: Annual Report (2016-2020)

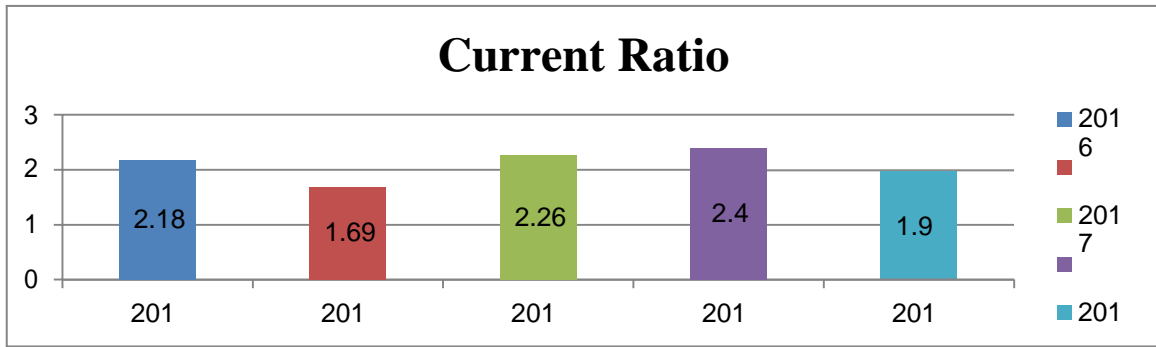


Figure: Current Ratio

Remark: From the year 2016-2020, LankaBangla Finance Limited struggled to maintain the current ratio especially for the years 2016 & 2018. Where IPDC Finance Limited & IDLC Finance Limited maintained a good current ratio about the liquidity position.

4.2 Financial Leverage Ratio

The financial leverage ratio is a measure of how much assets a company holds relative to its equality. A high financial leverage ratio means that the company is using debt & other liabilities to finance its assets – &, everything else being equal, is more risky than a company with lower leverage.

The level of leverage depends on a lot of factors such as availability of collateral, strength of operating cash flow & tax treatments. Thus, investors should be careful about comparing financial leverage between companies from different industries. Different leverage ratios are:

Debt Ratio or Leverage Ratio or Total Debt to Capital Ratio

The debt ratio compares a company's total debt to its total assets. This provides creditors & investors with a general idea as to the amount of leverage being used by a company. The lower the percentage, the less leverage a company is using & the stronger its equity position.

The Debt Ratio is calculated as follows:

$$\text{Debt Ratio} = \text{Total Liabilities} / \text{Total Assets}$$

LankaBangla Finance Limited

Table: Debt Ratio

Particulars	2016	2017	2018	2019	2020
Ratio	0.88	0.89	0.91	0.89	0.87

Source: Annual Report (2016-2020)

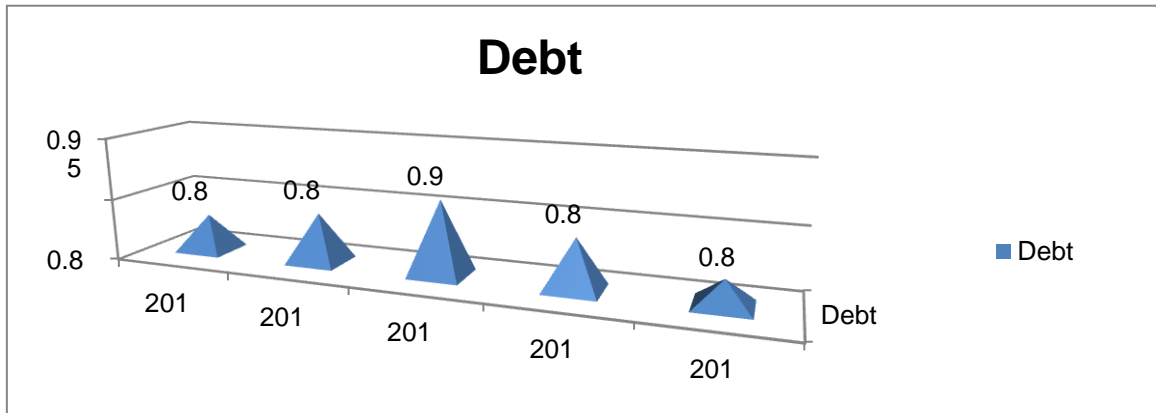


Figure: Debt Ratio IPDC

Finance Limited Table:

Debt Ratio

Particulars	2016	2017	2018	2019	2020
Ratio	0.70	0.88	0.92	0.93	0.91

Source: Annual Report (2016-2020)

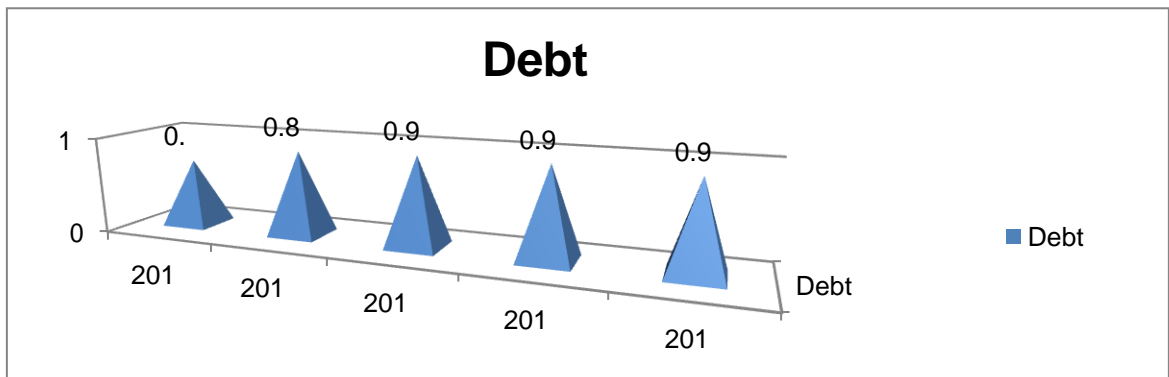


Figure: Debt Ratio

IDLC Finance Limited

Table: Debt Ratio

Particulars	2016	2017	2018	2019	2020
Ratio	0.91	0.90	0.89	0.90	0.90

Source: Annual Report (2016-2020)

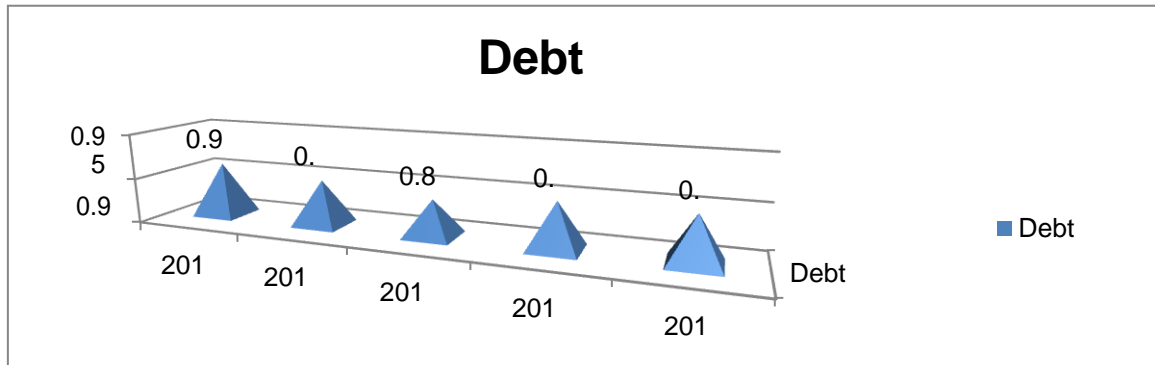


Figure: Debt Ratio

Remark: The debt ratio implies how much debt the organization has against its total assets. The debt ratio of LankaBangla Finance Limited slightly decreased from 0.88 to 0.87 & IDLC Finance Limited from 0.91 to 0.90. However, IPDC Finance Limited increases from 0.70 to 0.91. Here I found from the annual report from 2016-2020.

4.3 Profitability Ratio

Profitability Ratio compares income statement accounts & categories to show a company's ability to generate profits from its operations. Profitability Ratios focus on a company's return on investment in inventory & other assets. These ratios basically show how well companies can achieve profits from their operations. Investors & creditors can use profitability ratios to judge a company's return on investment based on its relative level of resources & assets. In other words, profitability ratios can be used to judge whether companies are making enough operational profit from their assets.

Here are some of the key ratios that investors & creditors consider when judging how profitable a company should be:

Return on Asset (ROA)

The return on asset ratio, often called the return on total assets, is a profitability ratio that measures the net income produced by total assets during a period by comparing net income to the average total assets. In other words, the return on assets ratio or ROA measures how efficiently a company can manage its assets to produce profits during a period.

The formula for calculating this ratio is:

$$\text{Return on Total Assets} = \text{Net Income} / \text{Total Assets}$$

LankaBangla Finance Limited

Table: Return on Total Assets

Particulars	2016	2017	2018	2019	2020
Ratio	2.30	1.86	1.73	0.89	0.93

Source: Annual Report (2016-2020)

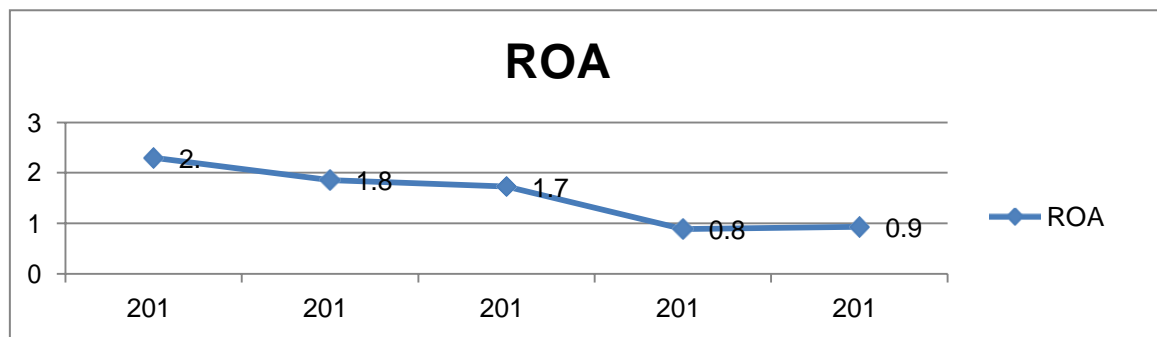


Figure: Return on Total Assets IPDC

Finance Limited

Table: Return on Total Assets

Particulars	2016	2017	2018	2019	2020
Ratio	2.93	1.34	0.85	0.89	0.87

Source: Annual Report (2016-2020)

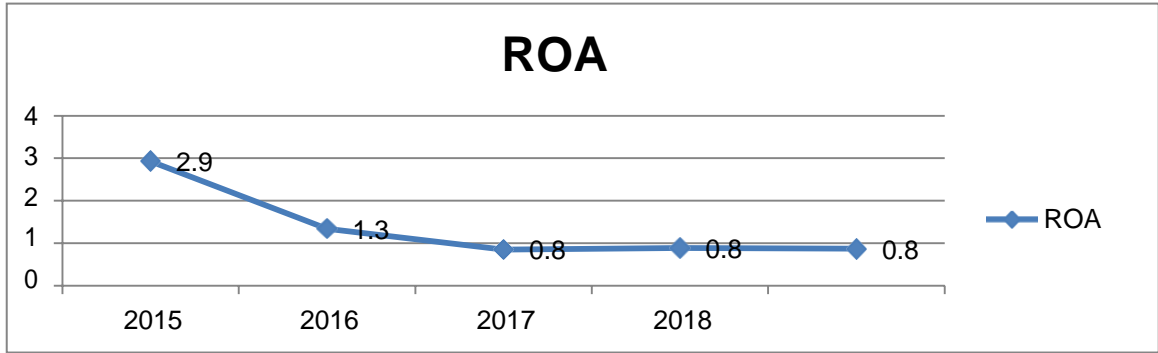


Figure: Return on Total Assets IDLC

Finance Limited

Table: Return on Total Assets

Particulars	2016	2017	2018	2019	2020
Ratio	1.73	1.96	1.71	1.51	1.33

Source: Annual Report (2016-2020)

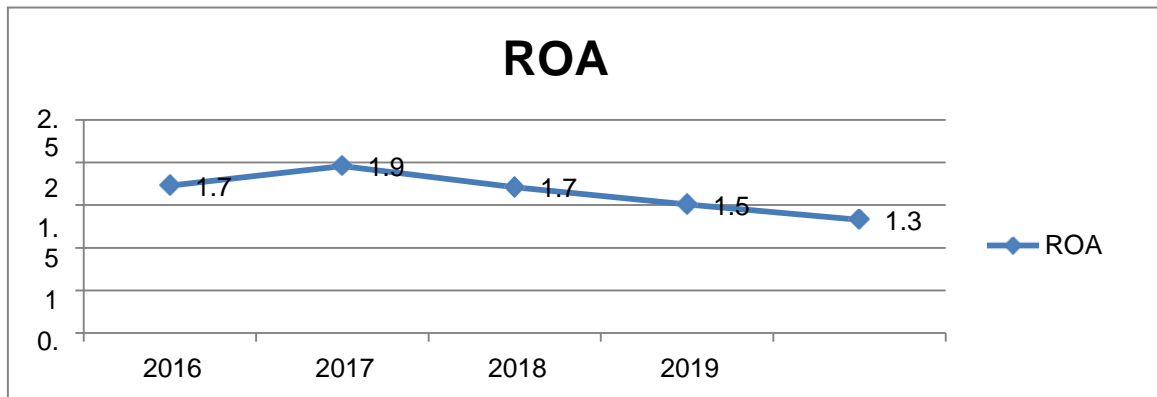


Figure: Return on Total Assets

Remark: In the case of return on assets the higher, the percentage is the higher the efficiency of assets. We see in the above tables & graphs, from 2016-2020 changes in ROA of LankaBangla Finance Limited (2.30%-0.93%), IPDC Finance Limited (2.93%-0.87%). And, IDLC Finance Limited (1.73%-1.33%).

4.4 Vertical & Horizontal Analysis of Financial Statement

4.4.1 Vertical Analysis of Balance Sheet

LankaBangla Finance Limited

Vertical Analysis

of Balance Sheet

For the last five years

Particulars	2016	2017	2018	2019	2020
Cash	1%	1%	1%	1%	1%
Balance With Other banks & financial institutions	2%	4%	9%	8%	9%
Money at call & short notice	4%	4%	3%	3%	3%
Lease, loans & advances	81%	81%	79%	79%	77%
Fixed assets including land, building, furniture & fixtures	2%	2%	1%	2%	2%
Other Assets	10%	8%	6%	7%	8%
Total Asset	100%	100%	100%	100%	100%
Borrowings from Bangladesh Bank, other banks & financial institution	14%	14%	19%	16%	20%
Deposits & other accounts	68%	70%	66%	66%	59%
Other liabilities	6%	5%	5%	7%	8%
Total Liabilities	88%	89%	91%	89%	87%
Shareholder's Equity	12%	11%	9%	11%	13%
Total Liabilities & Shareholder's Equity	100%	100%	100%	100%	100%

Table: Vertical Analysis of Balance Sheet

IPDC Finance Limited

Vertical Analysis of

Balance Sheet

For the last five years

Particulars	2016	2017	2018	2019	2020
Cash	1%	1%	1%	1%	1%
Balance With Other banks & financial institutions	13%	7%	7%	6%	14%
Money at call & short notice	2%	3%	2%	2%	2%
Lease, loans & advances	78%	86%	88%	88%	79%
Fixed assets including land, building, furniture & fixtures	3%	1%	1%	1%	1%
Other Assets	3%	2%	2%	2%	2%
Non-financial institutional assets	0%	0%	0%	0%	0%
Total Asset	100%	100%	100%	100%	100%
Borrowings from Bangladesh Bank, other banks & financial institution	0%	5%	11%	12%	11%
Deposits & other accounts	58%	76%	76%	73%	72%
Other liabilities	12%	7%	6%	7%	8%
Total Liabilities	70%	88%	92%	93%	91%
Shareholder's Equity	30%	12%	8%	7%	9%
Total Liabilities & Shareholder's Equity	100%	100%	100%	100%	100%

Table: Vertical Analysis of Balance Sheet

IDLC Finance Limited

Vertical Analysis of

Balance Sheet

For the last five years

Particulars	2016	2017	2018	2019	2020
Cash	1%	1%	1%	2%	2%
Balance With Other banks & financial institutions	16%	12%	14%	12%	11%
Money at call & short notice	4%	4%	3%	3%	2%
Lease, loans & advances	75%	80%	76%	78%	80%
Fixed assets including land, building, furniture & fixtures	1%	1%	1%	0%	1%
Other Assets	3%	2%	5%	4%	5%
Total Asset	100%	100%	100%	100%	100%
Borrowings from Bangladesh Bank, other banks & financial institution	15%	16%	12%	12%	12%
Deposits & other accounts	67%	65%	68%	70%	69%
Other liabilities	9%	9%	9%	8%	9%
Total Liabilities	91%	90%	89%	90%	90%
Shareholder's Equity	9%	10%	11%	10%	10%
Total Liabilities & Shareholder's Equity	100%	100%	100%	100%	100%

4.4.2 Horizontal Analysis of Balance Sheet

LankaBangla Finance Limited

Horizontal Analysis

of Balance Sheet

For the last five years

Particulars	2016	2017	2018	2019	2020
Cash	53%	36%	65%	-13%	-12%
Balance With Other banks & financial institutions	-26%	207%	208%	-2%	5%
Money at call & short notice	-16%	16%	0%	13%	-1%
Lease, loans & advances	48%	30%	32%	3%	-5%
Fixed assets including land, building, furniture & fixtures	582%	14%	7%	22%	30%
Other Assets	4%	4%	6%	7%	-3%
Total Asset	38%	29%	36%	3%	-3%
Borrowings from Bangladesh Bank, other banks & financial institution	-30%	34%	81%	-16%	24%
Deposits & other accounts	80%	33%	29%	3%	-12%
Other liabilities	35%	9%	43%	31%	20%
Total Liabilities	41%	31%	38%	1%	-3%
Shareholder's Equity	17%	13%	18%	24%	-3%
Total Liabilities & Shareholder's Equity	38%	29%	36%	3%	-3%

Table: Horizontal Analysis of Balance Sheet

IPDC Finance Limited
Horizontal Analysis of
Balance Sheet
For the last five years

Particulars	2016	2017	2018	2019	2020
Cash	-3%	175%	66%	29%	85%
Balance With Other banks & financial institutions	44%	54%	78%	13%	171%
Money at call & short notice	-74%	202%	17%	31%	81%
Lease, loans & advances	13%	204%	77%	29%	14%
Fixed assets including land, building, furniture & fixtures	-8%	13%	14%	104%	44%
Other Assets	-20%	79%	40%	66%	52%
Non-financial institutional assets	0%	0%	0%	0%	0%
Total Asset	6%	175%	74%	29%	28%
Borrowings from Bangladesh Bank, other banks & financial institution	-43%	4118%	269%	40%	19%
Deposits & other accounts	14%	262%	73%	25%	25%
Other liabilities	-10%	55%	50%	70%	44%
Total Liabilities	5%	246%	83%	29%	26%
Shareholder's Equity	8%	12%	12%	21%	49%
Total Liabilities & Shareholder's Equity	6%	175%	74%	29%	28%

Table: Horizontal Analysis of Balance Sheet

IDLC Finance Limited

Horizontal Analysis of

Balance Sheet

For the last five years

Particulars	2016	2017	2018	2019	2020
Cash	22%	9%	12%	134%	-15%
Balance With Other banks & financial institutions	72%	-22%	38%	-1%	-3%
Money at call & short notice	31%	-1%	17%	-13%	-3%
Lease, loans & advances	19%	14%	16%	17%	11%
Fixed assets including land, building, furniture & fixtures	46%	21%	-2%	-16%	86%
Other Assets	9%	-4%	135%	1%	19%
Total Asset	26%	7%	21%	14%	9%
Borrowings from Bangladesh Bank, other banks & financial institution	15%	17%	-9%	9%	15%
Deposits & other accounts	31%	3%	27%	18%	8%
Other liabilities	17%	6%	13%	1%	22%
Total Liabilities	26%	6%	19%	15%	10%
Shareholder's Equity	18%	13%	39%	4%	2%
Total Liabilities & Shareholder's Equity	26%	7%	21%	14%	9%

Table: Horizontal Analysis of Balance Sheet

CHAPTER – 5

**FINDINGS, RECOMMENDATIONS &
CONCLUSION**

5.1 Findings

A. Capital: It has seen that all of the three market leaders of the NBFIs paid-up capital were increasing. It indicates the owner's capital was increasing, so it may reduce these NBFIs insolvency risk.

B. Shareholder's Equity: The shareholders' equity of all these three NBFIs is increasing trend. As shareholders' equity is increasing trend it conveys positive sign for these organizations solvency.

C. Liquidity Ratios: From the current ratio analysis of the last five years, it has seen that LankaBangla Finance Limited, IPDC Finance Limited & IPDC Finance Limited maintained a satisfactory range of capital assets in order to smooth operations by paying their short-term obligations.

D. Leverage Ratio: A high debt-equity ratio generally indicates that a company has been aggressive in financing its growth with debts that show in 2015-2019 (2.31-10.55) respectively for the IPDC Finance Limited,

On the other hand, LankaBangla Finance Limited has been shrink with debts that shows in 2015-2019 (7.17-6.90) respectively,

However, IDLC Finance Limited has been stayed with the stable situation with debts that shows in 2015-2019 (9.65-93.21) respectively.

E. Profitability Ratios: From the analysis, it has seen that ROA & ROE had been decrease for these three NBFIs LankaBangla Finance Limited (2.30%-0.93%) & (18.87%-7.35%), IPDC Finance Limited (2.93%-0.87%) & (9.71%-10.09%), & IDLC Finance Limited (1.73-1.33%) & (18.46%-13.55%) respectively from the annual reports of (2015-2019).

With these decrease levels of profitability ratios, I could found that their return is going down year by year which lead to less profitable income. The lower percentage of ratio shows the inefficiency of the utilization of equity base & return from its investors.

5.2 Recommendations

Some recommendations based on the financial performance of these selective NBFIs financial performance are given below.

1. Paid-up capitals of all three NBFIs, LankaBangla Finance Limited, IPDC Finance Limited & IDLC Finance Limited were increasing trend & they should keep focus to increase capital in order to maintain their solvency.
2. As we have seen that Current Ratios of these NBFIs are satisfactory range. So, they should maintain this trend of smoothly operating their business.
3. LankaBangla Finance Limited & IDLC Finance Limited Debt to Equity Ratio needed to be increased. To increase these companies' profitability, work to improve sales revenue and lower costs.
4. Every three NBFIs Time Interest Earned Ratio is decreasing day by day. Which take them at higher risk for bankruptcy or default and, therefore, financially unstable. So, they need to improve their operating profits as soon as possible.
5. Though IDLC Finance Limited's profitability ratio is a stable situation where the other two; LankaBangla Finance Limited & IPDC Finance Limited profitability ratios are decreasing year by year. But every organization definitely should take steps to increase their profitability ratio by increasing the returns.

5.3 Conclusion

The role of NBFIs is generally to allocate surplus resources to individuals and companies with financial deficits, allowing them to supplement banks. By unbundling financial services, targeting them, and specializing in the needs of the individual, NBFIs work to enhance competition in the financial sector.

LankaBangla Finance Limited, IPDC Finance Limited & IDLC Finance Limited are the market leaders among the NBFIs of Bangladesh. In all economic conditions of our country these three NBFIs working with confidence & competing tremendously with each other along with other NBFIs. In spite of trying to do well in some aspects of these

NBFIs faced some financial problems from time to time. Some of the problems were- excessive bad loans, shortage of loans & advances, scarcity of cash in hands due to vault limit, etc. These problems arouse time to time due to economic slowdown, interest rate fluctuation, emerging capital market, inflation in the money market, 2011 Bangladesh share market scam, and so on. Fighting with all these problems & competing with other NBFIs every moment these three market leaders trying to do better to best. If this thing continues we hope that these three NBFIs will develop even more in the future.

At present these three market leaders are highly capable of generating newly non-banking & investing concepts or unique ideas that can give a new dimension to today's investment business, also successful in managing its core issues which are very essential to improve & left a milestone in the private non-banking arena. In spite of that, in order to keep its success continue & reach the peak of all private NBFIs, its manager, the board of directors & employees must have a comprehensive & clear idea about their reserve, fund, loan, capital, deposit & liquidity regarding the smooth control of NBFIs & continue its imperative operation toward country's economic development.

Bibliography

Books:

1. Bernstein A. L. (2016), “**Financial Statement Analysis**”, (5th Edition), New Delhi, India: McGraw Hill Education.
2. Fabozzi J. F. (2017), “**Financial Market & Institution**”, (4th Edition), Upper Saddle River, India: Prentice Hall.
3. Gitman J. L. (2010-2011), “**Principles of Managerial Finance**”, (12th Edition), Graden City, Singapore: Pearson PTe, Ltd.
4. Reilly, F. K. & Brown, K. C. (2012), “**Investment Analysis & Portfolio Management**”, (7th Edition), Mason, USA: South-Western, a division of Thomson Learning
5. Sobhan M. S. (2017), “**Financial Management**”, (3rd Edition), Dhaka, Bangladesh: Prominence Publications.

Articles:

1. Annual Report of LankaBangla Finance Limited (2016-2020)
2. Annual Report of IPDC Finance Limited (2016-2020)
3. Annual Report of IDLC Finance Limited (2016-2020)

Web References

1. <https://www.lankabangla.com/investor-relations/#annual-report>
2. <https://www.ipdcbd.com/aboutus/investmentrelation>
3. <https://idlc.com/financial-reports>
4. <https://www.wikipedia.org/>
5. <https://thefinancialexpress.com.bd/>
6. <https://www.bb.org.bd/en/index.php>

Appendix - 1

Formula's Ratio

- 1 **Current ratio:** The Current Ratio indicates a company's ability to meet short-term debt obligations.

$$\text{Current Ratio} = \text{Current Assets} / \text{Current Liabilities}$$

- 2 **Quick Ratio:** The most basic definition acid test ratio that, "it measures current (short term) liquidity & position of the company".

$$\text{Quick Ratio} = (\text{Current Asset} - \text{Prepaid Expenses}) / \text{Current Liabilities}$$

- 3 **Cash Ratio:** Cash ratio is a refinement of quick ratio & indicates the extent to which readily available fund can pay off current liabilities.

$$\text{Cash Ratio} = \text{Cash \& Marketable Securities} / \text{Current Liabilities}$$

- 4 **Debt to Equity Ratio:** The ratio reveals the relative proportions of debt & equality financing that a business employs.

$$\text{Debt to Equity Ratio} = \text{Total Liabilities} / \text{Total Stockholder's Equities}$$

- 5 **Debt Ratio:** This provides creditors & investors with a general idea as to the amount of leverage being used by a company.

$$\text{Debt Ratio} = \text{Total Liabilities} / \text{Total Assets}$$

- 6 **Times Interest Earned Ratio:** Time interest earned ratio is calculated by dividing earnings before interest & tax (EBIT) for a period with interest expense for the period as follows:

$$\text{Time Interest Earned Ratio} = \text{Operating Profit} / \text{Interest Expense}$$

- 7 **Fixed Charge Coverage Ratio:** The fixed charge coverage ratio is financial ratio that measures a firm's ability to pay all of its fixed charges or expenses with its income before interest & income taxes.

$$\text{Fixed Charge Coverage Ratio} = (\text{Operating Profit} + \text{Rent Expense}) / (\text{Interest Expense} + \text{Rent Expense})$$

- 8 **Return on Asset:** The return on assets ratio or ROA measures how efficiently a company can manage its assets to produce profits during a period.

$$\text{ROA} = \text{Net Earnings} / \text{Total Assets}$$

- 9 **Return on Equity:** Return on Equity (ROE) is a measure of financial performance calculated by dividing net income by shareholder's equity.

$$\text{ROE} = \text{Net Income} / \text{Shareholder's Equity}$$

- 10 **Net Profit Margin:** The measurement reveals the amount of profit that a business can extract from its total sales.

$$\text{NPM} = \text{Net Profit} / \text{Service Revenue}$$

- 11 **Gross Profit Margin:** It measures how efficiently a company uses its materials & labor to produce & sell products profitably.

$$\text{GPM} = \text{Gross Profit} / \text{Service Revenue}$$

- 12 **Operating Profit Margin:** The operating margin ratio, also known as the operating profit margin, is a profitability ratio that measures what percentage of total revenues is made up by operating income.

$$\text{OPM} = \text{Operating Profit} / \text{Service Revenue}$$

Appendix - 2

Shareholder's Information

Balance Sheet

For LankaBangla Finance Limited

Balance Sheet

For the last five years

Fig. in Million

Particulars	2016	2017	2018	2019	2020
Cash	516	700	1,155	1,002	877
Balance With Other banks & financial institutions	725	2,230	6,868	6,707	7,012
Money at call & short notice	1,836	2,130	2,128	2,409	2,394
Lease, loans & advances	36,019	46,749	61,914	63,785	60,662
Fixed assets including land, building, furniture & fixtures	878	9,991	1,114	1,358	1,762
Other Assets	4,640	4,814	5,070	5,408	6,473
Total Asset	44,615	57,622	78,248	80,668	79,181
Borrowings from Bangladesh Bank, other banks & financial institution	6,236	8,334	15,062	12,639	15,613
Deposits & other accounts	30,196	40,148	51,675	53,425	46,895
Other liabilities	2,724	2,970	4,243	5,558	6,655
Total Liabilities	39,156	51,453	70,980	71,623	69,163
Shareholder's Equity	5,459	6,170	7,268	9,045	10,018
Total Liabilities & Shareholder's Equity	44,615	57,622	78,248	80,668	79,181
Authorized capital	3,000	10,000	10,000	10,000	10,000
Paid up capital	2,406	2,767	3,183	5,132	5,132

For IPDC Finance Limited

Balance Sheet

For the last five years

Fig. in Million

Particulars	2016	2017	2018	2019	2020
Cash	82	226	377	487	902
Balance With Other banks & financial institutions	1,063	1,632	2,903	3,272	8,875
Money at call & short notice	187	566	663	869	1,571
Lease, loans & advances	6,416	19,481	34,467	44,325	50,726
Fixed assets including land, building, furniture & fixtures	207	234	267	545	788
Other Assets	243	434	608	1,008	1,537
Non-financial institutional assets	4	4	4	4	4
Total Asset	8,202	22,577	39,289	50,511	64,402
Borrowings from Bangladesh Bank, other banks & financial institution	27	1,141	4,214	5,917	7,038
Deposits & other accounts	4,745	17,179	29,747	37,066	46,361
Other liabilities	956	1,481	2,217	3,776	5,427
Total Liabilities	5,728	19,802	36,178	46,759	58,826
Shareholder's Equity	2,475	2,775	3,111	3,752	5,576
Total Liabilities & Shareholder's Equity	8,202	22,577	39,289	50,511	64,402
Authorized capital	4,000	4,000	4,000	8,000	8,000
Paid up capital	1,263	1,515	1,818	2,182	3,534

For IDLC Finance Limited

Balance Sheet

For the last five years

Fig. in Million

Particulars	2016	2017	2018	2019	2020
Cash	892	976	1,096	2,565	2,177
Balance With Other banks & financial institutions	11,804	9,180	12,677	12,497	12,144
Money at call & short notice	27,710	2,748	3,213	2,793	2,721
Lease, loans & advances	53,858	61,136	70,666	82,410	91,448
Fixed assets including land, building, furniture & fixtures	502	607	597	499	926
Other Assets	1,942	1,859	4,362	4,418	5,238
Total Asset	71,769	76,505	92,611	10,518	11,465
Borrowings from Bangladesh Bank, other banks & financial institution	10,550	12,394	11,230	12,246	14,028
Deposits & other accounts	47,760	49,413	62,777	73,793	79,499
Other liabilities	67,217	7,093	8,034	8,114	9,897
Total Liabilities	65,032	68,901	82,042	94,153	10,342
Shareholder's Equity	6,737	7,605	10,569	11,029	11,231
Total Liabilities & Shareholder's Equity	71,769	76,505	92,611	10,518	11,465
Authorized capital	4,000	10,000	10,000	10,000	10,000
Paid up capital	2,514	2,514	3,771	3,771	3,771

Income Statement

For LankaBangla Finance Limited

Income Statement For the last five years

Fig. in Million

Particulars	2016	2017	2018	2019	2020
Operating Income	2,079	2,431	3,277	3,043	3,493
Less: Operating Expenses	957	1,248	1,634	1,750	1,897
Gross Profit	1,123	1,183	1,643	1,293	1,595
Provisions for loans, investments & other assets	77	76	246	477	739
Profit before tax & revenue	1,046	1,107	1,398	816	856
Provision for tax made during the year	16	35	45	102	120
Net profit after tax	1,030	1,072	1,353	714	736

For IPDC Finance Limited

Income Statement For the last five years

Fig. in Million

Particulars	2016	2017	2018	2019	2020
Operating Income	640	841	1,246	1,875	2,166
Less: Operating Expenses	194	340	573	752	981
Gross Profit	446	502	672	1,123	1,184
Provisions for loans, investments & other assets	102	34	159	262	191
Profit before tax & revenue	344	468	514	861	994
Provision for tax made during the year	104	165	178	411	431
Net profit after tax	240	303	335	450	562

For IDLC Finance Limited

Income Statement

For the last five years

Fig. in Million

Particulars	2016	2017	2018	2019	2020
Operating Income	3,961	4,436	4,801	4,705	4,815
Less: Operating Expenses	1,394	1,681	1,934	1,913	2,012
Gross Profit	2,567	2,754	2,867	2,792	2,804
Provisions for loans, investments & other assets	292	173	228	366	413
Profit before tax & revenue	2,276	2,581	2,639	2,426	2,390
Provision for tax made during the year	1,032	1,084	1,057	835	868
Net profit after tax	1,244	1,496	1,582	1,591	1,522